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SENATE—*Monday, July 30, 2001*

The Senate met at 1 p.m. and was called to order by the President pro tempore [Mr. BYRD].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, You have told us that to whom much is given much is required. Thank You that You have taught us also that to whom much is required, much shall be given. Lord, You require a great deal of the women and men of this Senate. Provide them with an extra measure of Your strength, wisdom, and discernment for the crucial work of this week. Help them to know what You want and then to want what they know; to say what they mean and mean what they say. Give them resoluteness and intentionality. Free them to listen to You so intently that they can speak with courage and conviction. Keep them in the battle for truth. In Your all-powerful name. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 2 p.m., with Senators permitted to speak therein for up to 10 minutes each.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. REID. Mr. President, the first half hour is for that of the Democrats. The second half hour is for that of the Republicans. We are going to have time evenly divided between 2:30 and 5:30 on the motion to proceed to the emergency Agriculture supplemental authorization bill.

The majority leader has directed me to announce to everybody that we have a schedule this week that we must complete. We have to complete work on this very important Agriculture supplemental. It is an emergency measure that is very important to the country. We have the VA–HUD appropriations bill to complete. We have to complete the work of the past week on the Transportation appropriations bill. Also, we must do the Export Administration Act.

The reason we must complete the Agricultural Assistance Emergency Act is because, if we don't, we lose funding. It is targeted so that if this money is not spent prior to the first of September, it is basically lost for the farmers of this country, and that would be a real disaster.

The reason we must complete the Export Administration Act—the most important piece of legislation the high-tech industry has this year—is because this act expires in the middle of next month. Even if we extend it, it is not anything that will help the high-tech industry. We need to change the basic foundation of the act because what is happening is American companies are having to go overseas to start manufacturing these products because some of the real simple pieces of equipment that can be bought at Radio Shack, such as the PalmPilot that I use, people say is in violation of the present act. We need to be able to sell these export products to foreign countries, where about half of our market is.

The Transportation appropriations bill—the leader indicated that sometime this week he will call for another cloture vote. Based upon prior votes on this matter, cloture should be passed—cloture should take effect, and we would have 30 hours after that.

We have a tremendous amount of work to do this week prior to the August recess. I hope that we can complete all of these things in a timely fashion. As soon as we complete them, we can start the August recess. Until we do that, it will be difficult to do.

The PRESIDING OFFICER. Under the previous order, the time until 1:30 p.m. shall be under the control of the Senator from Illinois, Mr. DURBIN, or his designee.

Also, under the order previously entered, the time until 2 p.m. shall be under the control of the Senator from Iowa, Mr. GRASSLEY, or his designee.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE AGENDA

Mr. REID. Mr. President, one of the things I want to visit about this morning is something I read in the morning newspapers; that is, there is now another effort being made to pass a constitutional amendment to balance the budget. I hope that people will get a new page in their song book. We have danced that tune. We have had long hours and days of debate in the Senate on a constitutional amendment to balance the budget.

From the information I have received, they still want to do it using the Social Security surpluses. It seems to me that we have done very well without a constitutional amendment to balance the budget. When this debate started, as you will recall, based upon the beginnings of the Reagan administration, there was an effort to cut taxes and increase spending. That was a recipe for disaster. We now have a debt of about $5 trillion as a result of that. We have now, it seems, the same basic scenario. There is being an effort

● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

made to cut taxes, and we already know, based upon having passed the supplemental appropriations bill, Mr. President, that our surplus is basically gone.

In an effort to further grind down domestic spending, it appears there is an effort being made to go back where we were a few years ago saying what we really need to make things great in this country is a constitutional amendment to balance the budget. When that debate started during the first Bush administration, there was an annual deficit of about $300 billion.

In the last 8 years, we have been able to do a great job without a constitutional amendment. We have reduced the annual deficit to where now we are having surpluses. Prior to this budget—we will see how much damage this budget does to the progress we have made—we have been able to have many months of low inflation and low unemployment, the longest in some 40 years.

We have been able to reduce the Federal payroll, separate and apart from the military, some 300,000 fewer jobs than we had before. Job creation has been really significant. Some 22 million new jobs have been created. I am trying to figure out why we need, at this stage, a constitutional amendment to balance the budget.

I am afraid what has taken place in this short administration of Bush II is, it appears, a recipe for disaster. I say that because the income of this country will be cut back significantly.

I made a call today, and I am not going to divulge the name of the individual to whom I spoke, but I would be happy to do that privately with the President pro tempore or anyone else who wants to ask me, but I will not do it for the press because it was a relatively private call with someone at a large corporation.

He indicated that in the last few days the value of this stock, of this major American corporation, international corporation, has dropped some 70 percent—in a matter of about a week.

The chief executive officer of this major company told me this morning he believes for the first time this softening of the economy we have all talked about is now being felt worldwide. This is a worldwide company. For this stock, in a week's period of time, to decline 70 percent indicates this country had better slow down and slow down its efforts to change the way things have been going.

They have been going great. Senator Moynihan, who was a valued Member of the Senate, said there are Members of the Senate, Members of Congress, people in and outside of government, who for decades have determined they cannot cut back domestic spending by facing it head on and saying we want to cut this program for the Forest Service or for any program one wants to pick—the Corps of Engineers, the Bureau of Reclamation, which entities do so much good—they cannot do this head on because these entities do so much good. I have just picked a few off the top of my head.

What they are doing instead is just squeezing down the domestic discretionary spending so these entities will, in effect, starve themselves, and that is what is happening. That is what Senator Moynihan said was going to happen, and it appears he is right. What they are trying to do is starve the domestic aspect of our spending.

We are going to have to realize what we are facing. There are going to be huge requests even this year for more defense spending, and I am sure there is a need for more defense spending, but also there is a need for domestic discretionary spending.

I held a hearing in my subcommittee of the Environment and Public Works Committee last Monday, dealing with this Nation's infrastructure. I brought in mayors from around the country to talk about what is happening in their cities. It is scary, to say the least.

The mayor of Atlanta, GA, said that most mayors in America now are on term limits and the No. 1 wish of mayors from around America is: Please do not have the water system, the sewer system, break down, before my term is up. Let the next mayor face the problem because it is coming. It is just a question of when.

The mayor of Atlanta said in this relatively new, modern city in the sense that most of the growth has taken place recently, there is a very big backlog of things which need to be done. Some of their water systems in Atlanta are very old and are being put together by—I am exaggerating—chewing gum. They are just holding them together. They do not have enough money to do it right.

I had Mayor Williams of our National City, Washington, DC, testify in my subcommittee. Those of us who spend a lot of time in Washington, DC, have all seen and read in the paper about the manhole covers blowing off in the Georgetown area. He said that is a result of work not being done that needs to be done with the electricity, with the sewers, with the water systems. He said some of the water pipes in Washington, DC, are old wooden pipes.

We heard from the Mayor of Washington, DC, saying the infrastructure needs of this metropolitan American Federal city are disastrous. He needs help. If there is a city in America we should help, it is Washington, DC, where tourists come to see the Nation's Capitol, but we have manhole covers blowing off into the air like mortars. He said there are going to be more of them; they do not have the wherewithal to fix them.

Mark Morial, the mayor of New Orleans, came in and testified. New Orleans is a famous city, with a great and rich heritage. I am reading a book now about Andrew Jackson, "Battle of New Orleans." It is a wonderful book. New Orleans has 100 water pumping stations. That is the way it is. That is the way they have to get the water out of the city. There is lots of water. If they did not pump the water out, the city would be flooded. The pumping stations use pumps over 100 years old.

The mayor said, how much longer can they keep doing what they are supposed to do? The pumps are 100 years old. Some of those pumps came into existence before the turn of the last century, and we are still using them.

The mayor of Las Vegas, NV, Oscar Goodman, testified. It is the most rapidly growing city in America, the fastest growing State in America.

I asked: Is it true, Mayor Goodman, we must build 12 new schools every year in the Las Vegas area, 1 every month, to keep up?

He said: Senator, you are wrong. It is now up to 14. We have to build more than one school every month to keep up with the growth there. We really need help. Las Vegas needs help. Clark County, where Las Vegas is, needs help.

What are we talking about doing? Spending time on the Senate floor talking about a constitutional amendment to balance the budget? We need to talk about ways to help the cities of Atlanta, New Orleans, Las Vegas and Washington, DC. That is what we need to be spending some time on.

We are on a literal powder keg of things that need to be done for our cities.

I also say this: If there was ever a time for bipartisanship, it is now. The Senate is under the control of the Democrats, just barely. The House is under the control of the Republicans, just barely. We have a man who is President of the United States, who received fewer votes than the person he beat. It would seem to me this is a time that cries out for bipartisanship, to work together to get things done.

Yet we had a filibuster last week that held up another appropriations bill. It was based on an issue—and I know the people who disputed the Mexican trucking issue believe fervently in their side. There were two sides, and both believed in their causes. What went on in this Chamber was not good for the well-being of the country. We needed to pass the appropriations bill, take it to conference. That is where it is going to be decided. It is not going to be decided in the Senate.

The House has a provision that, in effect, bans Mexican trucks coming into America. It passed by a 2-to-1 margin. What we had crafted by Senators SHELBY and MURRAY was a middle ground, and that still was not good enough. The bill was taken down and will be brought back up. We will vote again on cloture, and this week sometime we will pass the Transportation appropriations bill.

But we need to work on issues that are important to this country. Last week a report came out dealing with Social Security and what needed to be done. One of the main directions of that report is for the President's commission to do an analysis of Social Security. Most everyone said the people had a preconceived idea before they were appointed, and that is to privatize Social Security. We have heard from a lot of people that such a plan would require a 41 percent cut in benefits in order to maintain Social Security solvency, according to an October 2000 Century Foundation analysis by the country's leading economists. It is very unlikely that private accounts would earn enough to dig out of the hole. Average single earners would still face 20 percent cuts, with married couples and lower earners doing even worse. So there are a lot of issues that we are being forced to talk about by the administration.

I think it is important we take a look at Social Security to see what we can do to build it up in the outyears, but for people saying Social Security is a disaster, it is broke, simply isn't true. Everyone will draw 100 percent of the benefits until almost the year 2040. And if we did nothing with Social Security prior to 2040—and I certainly hope we will not—people would still be able to draw 80 percent of their benefits. They should be able to draw 100 percent of the benefits.

I think that another direction we are getting from the White House is not appropriate, and that is talking about Social Security being bankrupt. It is not. We need to take a look and do some things so in the outyears it is going to be strong and everybody can draw 100 percent of their benefits, not just 80 percent of the benefits. We also look forward to having the committee chairmen work hard on having hearings so that we can report out as many of the President's nominations as we can. I personally think that the process isn't good; it takes so long. There is a huge hole at the end, and all these nominations are stuffed in this hole. At the other end, where they come out down, it is about this big. It is a very tiny little hole. It is a funnel that has a small end on it. What happens is we do not have the opportunity in a timely fashion to look at these people. They go through the Justice Department, vetted by the White House, and outside entities take a look at them. It has become so burdensome that even an independent analysis says the quickest President Bush can have all his nominees in place will be next February. That is really too slow, and we are going to do our best to process these nominees as fairly and expeditiously as possible.

Mr. President, I would hope that we are allowed to go to the Emergency Agriculture Assistance Act of 2001. It is very important legislation for almost the entire country—I shouldn't say almost the entire country. It is important for the whole country. Title I deals with commodities, and these commodities are things that we take for granted. When we go to the grocery stores, these things are always there. Farmers have difficulty year after year doing what needs to be done. This is an emergency supplemental. As we have heard on this floor from Senators from different parts of the country, if their farmers don't get relief, they will, in effect, go bankrupt. That is why we need to do this as quickly as possible.

Title II is very important. It deals with conservation. There is a new part of the bill that has received a lot of direction and attention. The conservation aspect of this bill is important because we are looking at things we haven't done in the past, such as wetlands reserve programs and conservation reserve programs. So I would hope that Senators HARKIN and LUGAR, who will be the managers of this legislation, are allowed to go forward with this bill as quickly as possible.

It is too bad we are going to have a cloture vote on the motion to proceed, but that is what we have been asked to do.

Title III deals with nutrition, which is a substantial part of this program. It requires a Farmers' Market Nutrition Pilot Program, distribution of commodities, things that again we take for granted. So I hope that we move to title IV dealing with credit and rural development, which is certainly something that Nevada cares about; title V dealing with research; and title VI, disaster assistance, we can move as quickly as possible.

We understand there will be a number of amendments. We hope that we could move to these amendments quickly and not have to face another cloture motion on the bill itself. I think all we are doing is holding up legislation that is vital to the very existence of the family farm. We have heard time and time again how important family farms are to America. This legislation will preserve thousands of family farms that are in desperate shape at this time.

I yield the floor.

The PRESIDENT pro tempore. The Senator from Alaska is recognized.

ORDER OF PROCEDURE

Mr. MURKOWSKI. I thank the Chair. I ask unanimous consent that I may proceed as if in morning business. I understand 30 minutes has been allocated to Senator GRASSLEY. I would ask unanimous consent that since Senator GRASSLEY has indicated he cannot be here at this time, 20 minutes of the 30 minutes be allocated to me and the balance remaining, approximately 10 minutes, to Senator CRAIG THOMAS of Wyoming.

The PRESIDENT pro tempore. Is there objection?

Mr. REID. Mr. President, reserving the right to object, would it be permissible to the Senator that Democrats still have 5 minutes at the end of his time?

I ask unanimous consent that we have the last 5 minutes.

The PRESIDENT pro tempore. Will the Senator repeat the request.

Mr. REID. Yes. I ask unanimous consent that the Senator from Alaska have 20 minutes, Senator GRASSLEY 10 minutes, and the Democrats would have the last 5 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MURKOWSKI. I believe Senator REID misunderstood me. This was Senator GRASSLEY's time. Senator THOMAS wanted the remaining 10 minutes. I have no objection to providing the last 5 minutes to the other side.

I thank the Chair.

The PRESIDENT pro tempore. The Senator from Alaska, Mr. MURKOWSKI.

ENERGY CRISIS

Mr. MURKOWSKI. I very much appreciate the senior Member of this body, the President pro tempore, who is presiding at this time, for giving me the opportunity to advise my colleagues of the seriousness of the energy crisis in this county. I think we would all agree that the matter of energy is something we take a good deal for granted. We take for granted that America has been blessed with an affordable, plentiful, reliable supply of energy which pretty much provides us with a standard of living second to none. But it is something, again, that is there. We take it for granted. And we look forward to it continuing.

We have had some attention given to the crisis out in California, but for the most part it has not hit the majority of Americans. I think it is fair to say from the following information we have seen there is a growing concern that perhaps what happened in California could spread to other parts of the country.

As far as our national security is concerned, we have had a lot of discussion; we have seen communiques; we have seen articles concerning the national security of our country tied into energy simply because we have increased our imports of crude oil into this country from about 37 percent in 1973 to over 56 percent at this time.

As a consequence, we have become more beholden to OPEC and, the OPEC cartel, and the OPEC cartel has set a price structure of $22 to $28 and reduced supply. It is pretty much assumed now we are going to be in a period of increased dependence on imported oil from OPEC in the Middle

East for the increasing timeframe in the future until we find another alternative to crude oil, which is not likely to occur.

In addition, we have economic security which, of course, is fostered by growth and our continued expansion of jobs and the personal aspects associated with energy. The security of our lives is somewhat dependent on energy, the future of our dreams. We have factors to consider such as commitment, safety, and freedom from harm. Energy is directly related to that in the sense of what happens when our kids are home; the lights go out, the security alarm does not work—things to be concerned about in a very rapid period of time. We have the issue of job security to keep Americans at work and create more jobs. Energy powers the workplace, and that moves this economy forward, bringing each of us along with it.

As we look at our standard of living, our plentiful supply of energy, the affordability, and the recognition that some of this is in question, I think we have to look at the reality associated with the actions being contemplated in this body and the House of Representatives. It is our understanding that the House of Representatives will be addressing an energy bill this week.

The reason things are different this time is we have brought together a set of circumstances which I have highlighted on previous occasions, but previously it was different. We have had a series of situations highlighted by what is happening in California. We have seen an increased dependence on foreign oil, as I have indicated, of 56 percent. The Department of Energy indicates that will increase to 64, 65, 66 percent by the year 2010.

What is different about oil compared with our other sources of energy? America and the world move on oil. We have other sources of energy for electricity, including coal, natural gas, wind, hydro. But we use oil. As we look at our increased dependence on foreign oil, we recognize it affects our national security. Yet we are becoming more and more subject to control by the Middle East. We have not had any nuclear plants licensed in over 10 years in this country; nuclear is about 20 percent of our energy. We have seen gas prices soar from $2.16 to over $10 and then come down again, but nevertheless we have seen a dramatic increase at a time when we are using natural gas at a faster rate than we are finding new gas reserves. We have not seen a new oil refinery in this country in almost 20 years. We have not seen a coal-fired plant built in the last 10 years. We find suddenly we do not have adequate transmission; the transmission lines are overloaded, both natural gas and electricity. So things are different now.

I fear as we pursue an energy bill in the Senate, we are going to end up where we were the last time we attempted to make some subjective corrections. I think it is important to recognize this in the Energy Committee where most of this legislation resides. In 1992, we passed a number of very positive, meaningful bills out of committee to increase domestic production, to reduce our dependence on foreign oil, to expedite infrastructure, develop alternative fuels, encourage renewable fuel development, promote conservation, and increase funding for the LIHEAP program which provides assistance for those with low income.

My point is we passed a meaningful bill but what we enacted was virtually nothing: Double flush toilets and a left turn on a red light. That is what we passed.

If we pursue an energy bill this time, it appears to me we are pursuing much of the same that we passed in committee but are not passing into law simply because of a concern by well-meaning environmental groups that there is something wrong with increasing supply. We will have to increase supply.

I also point out job security. This is a jobs issue in the United States. It was interesting to hear the debate the other day in the House of Representatives. The Teamsters and the Democratic caucus had an opportunity to express the merits of increased supply.

As a consequence of the points I made relative to the fact that things are different, yet we are pursuing the same old alternatives, we are putting emphasis on renewal, putting emphasis on alternatives, placing emphasis on wind power and solar power, but we are not really increasing supply as the demand has increased.

This chart demonstrates what is happening. The burden of increasing energy bills hurts most those families who can afford it the least. Almost 14 percent of the family budget is spent on energy for families earning less than $15,000. The point is obvious and most convincing: Runaway energy rates are costing Americans a great deal of money in their households, as well as costing jobs.

We have reviews from coast to coast. American working families have seen more than 400,000 jobs basically disappear since the first of the year. A large reason for that, a significant reason, is the cost of energy. In June alone, 114,000 jobs were lost. Most of those were good-paying jobs, manufacturing jobs, for so many families. We saw Northwest Airlines lose 2,000 jobs; International Paper, 3,000 jobs; aluminum plants in the Northwest find it more profitable to sell electricity than make aluminum; Miller Brewing Company found high energy costs made it more economic to brew beer in Dallas and ship it to California instead of brewing it there in the first place. In Delaware last week, Du Pont indicated it was relieving its workforce by some 1,500, and possibly up to 5,000, jobs and another 1,500 contract jobs. The reason? Increased energy costs.

The problem is widespread: 54 companies had mass layoffs in Wisconsin in May, a significant portion due to high energy costs; Oregon alone has had 7,000 employees laid off since last summer. State officials blame rising energy and fuel costs. California blackouts have cost 135,000 jobs in California. Unless we turn this around, the economic doom of a few short years ago will turn into a prolonged bust. The reason for this is the demand has increased but we have not increased the supply.

As I indicated, the emphasis has been on renewables and alternatives. We spent some $6 billion, but they still account for less than 4 percent of the total energy mix. That includes hydro as well. As we look at potential solutions, there are some at hand. That is the President's comprehensive, balanced natural energy plan. The plan includes more than 100 specific recommendations to increase conservation, improve energy, and domestic supplies of energy as well. This plan will directly create more than 1.5 million new jobs. We need these jobs in the United States today.

The direct benefits speak for themselves, but the indirect benefits will be immeasurable. By easing energy costs, returning stability and reliability to our energy grid, businesses can again look forward to growth, and that means jobs. Through incentives to promote new energy production, the energy plan will help to ensure meeting our growing demand. New energy supplies mean new jobs. They mean the stability of existing jobs. The plan places an emphasis on American ingenuity and American technology. We are using our best and brightest to craft solutions to these energy problems. It will take hard work. It will take new thinking and new jobs as well.

The plan also encourages development of resources that exist here at home, and that includes the safe exploration for energy under a small portion of the Arctic National Wildlife Refuge.

It is interesting to see some of the propaganda on this issue. I have here a page from Rollcall. It is sponsored by a number of the environmental groups—American Rivers, Defenders of Wildlife. It is rather interesting because what it says is what, in effect, we did in 1992. It says:

> Let's Promote Clean Energy
>
> A responsible bill would encourage the use of clean energy and set significantly higher efficiency standards for motor vehicles to reduce global warming pollution. Clean and renewable energy sources, such as wind, solar and geothermal. . . .

That is where we were in 1992. Surely we want this technology. But it simply is not here yet. It now constitutes less than 4 percent of our energy supply.

This is part of the problem when we listen to our well-meaning friends who simply propose a clean energy bill. They do not say how we are really going to increase the supply. We have to dramatically increase the supply.

Rollcall says:

> Let's Reduce Pollution
>
> We could significantly cut emissions of global warming pollutants by setting stronger fuel economy standards for cars, SUVs and light trucks.

They talk about 40 miles per gallon. But they do not talk about the preference of Americans to buy automobiles. One of the interesting things in this country is that the 10 most fuel-efficient automobiles on the market today constitute exactly 1.5 percent of the automobile sales.

They also say:

> Let's Improve Energy Efficiency
>
> The cleanest, cheapest, quickest way to meet our energy needs is to improve energy efficiency. To help consumers, let's have an energy bill that dramatically increases the fuel economy of our vehicles. . . .

That is fine, but what does it do to increase supply? We have hydro; we have nuclear, but it does not say anything about increasing nuclear energy in this country, which is clean.

We are going to fall into the same trap we did in 1992. We are going to go through a lengthy process here, but we are not going to produce any more energy. One of the things that bothers me a little bit is the misleading statement in this particular ad. It says:

> The bill would open up pristine and ecologically fragile lands like the Arctic National Wildlife Refuge and the Rocky Mountain Front to oil drilling. There's no excuse for sacrificing these and other national treasures and the wildlife that depends on them. . . .

They further say:

> The economically recoverable oil in the Arctic Refuge would meet only six months of our nation's needs, and wouldn't start reaching us for ten years.

Both those statements are absolutely false. To suggest it would be a 6-month supply would be to assume that there would be no other energy produced in the United States or imported into the United States for a 6-month period.

If you want to turn it around, you say: Therefore we are not going to allow any development to occur in Alaska. Therefore the United States will be short a 6-month supply.

It is used over and over again. It is a standard environmental pitch. It says it would take 10 years. It would not take 10 years. The Department of Energy and Department of Interior have indicated they would have oil on line in 3.5 years, if indeed the oil is there in the abundance it has to be.

In conclusion, I think we should note a couple of facts that are very real. We are looking at jobs in this country. Opening ANWR would create about 700,000 new jobs nationwide, associated with the development of ANWR if, indeed, it carries the reserves that we anticipate.

We anticipate somewhere between 5.6 and 16 billion barrels of oil. That would equal what we would import from Saudi Arabia over a 30-year period of time.

Here at home we have this opportunity. We are not going to drill our way out of this crisis, but we can substantially relieve our dependence.

The other point I want to make is about national security. We are becoming more and more dependent on countries such as Iraq where we enforce the no-fly zones. Sadam attempted to shoot down our U-2 just last week. We buy a million barrels of oil from Iraq, and what do we do with the oil? We put it in our planes and go bomb him, take out his targets. He develops a missile capability and aims it at our ally, Israel. I don't think that is the best foreign policy.

If you look at the ANWR chart, you get a different view of the realities. And the reality is there is a huge area called ANWR. It is a relatively significant portion of dedicated wilderness: 8.5 million acres are in wilderness, 9 million already in refuge, and 1.5 million acres are the 1002 area that we are considering opening. There is no scientific evidence that says we cannot do it safely.

What about refuges? We do all kinds of development in refuges. We have 30 refuges all over the country where we drill for oil and gas. These are the States that have them. We have the specific refuges here in Texas, Oklahoma, North Dakota, New Mexico, Montana, Mississippi, Alaska, California. What is so different about ANWR?

Is there a reason we cannot use this technology in ANWR? Refuges are open to exploration for minerals and oil and gas as well. It is easy to confuse a refuge with a wilderness or with a park, but we do not allow any motorized access in wildernesses and parks. Each is unique to its own specific purpose. The balanced use of Federal land is commonplace in a refuge. It is the norm. So many people misunderstand that.

In more than 30 Federal refuges from coast to coast we safely explore for mineral resources. There are over 400 wells in Louisiana alone, so what is different about ANWR?

By definition, refuges are balanced places where the environment is always protected and resources are explored only where the resource exists. ANWR is a refuge and it is no different. To suggest we cannot do it safely is not proven by any scientific evidence. This is an emotional argument brought about by the environmental community to generate revenue and dollars.

Let me conclude with a couple of references because my time is almost up. We have new technology in ANWR. The new technology is the directional drilling which lends itself very much to 3D seismic. The old way you used to drill was to go straight down. If you hit it, you were lucky. This is the new systematic 3D seismic which allows you to get into the pockets of oil. It is estimated by the technologists, today if we were going to drill under this cap, we could come out at gate 8 at Reagan Airport. This technology has advanced that much.

We have the toughest environmental standards here in the world. Prudhoe Bay is the finest oilfield in the world even though it is 30-year-old technology.

What is Prudhoe Bay? Prudhoe Bay has produced its thirteen-millionth barrel of oil. It was supposed to only have 10 million barrels. My point is, as we look at the prospects for ANWR, the prospects for a major discovery according to the geologists is quite good, with an estimate of 5.6 to 16 billion. If it is 10 billion, it would be as big as Prudhoe Bay which has supplied this Nation with 20 percent of its crude oil for the last 20 years. Exploration would be limited to a sliver of land, roughly 2,000 acres.

We have ice roads, which is new technology, as the chart will show. This is the directional drilling. There are the ice roads. We build these out of water. Some people say there is no water in the North Slope. That is ridiculous. You build snow fences, generate snow, you can drill down below permafrost and there is plenty of water, or you can take the salt water and use it through a desalination process, which is quite common.

This advanced technology makes the footprint manageable. A 2,000 acre-foot would average five average family farms. Caribou do not calve in the 1002 area. They did not this year or the last 2 years. Here is a picture of the calving area. The environmental arguments just do not support any of these generalizations.

There is an abundance of drilling on the Canadian side. There is a caribou herd. Here is the information on the charts. It shows where Anderson Exploration conducted seismic studies. There are lease sales and echo plan areas all over the Canadian side. Here is the range of the Porcupine caribou herd, and here is the drilling that is going on. Of course, here is Alaska and here is Canada.

My point is to suggest that while the Canadians object to our initiating activity, they have a very aggressive ongoing program. Obviously, they look at themselves as competitors with Alaska supplying the United States with oil and gas.

Exploration and development of ANWR is supported by Alaskans. Alaskans are proud and protective of the environment. Alaska has the best oversight in the world in the development of oil and gas. Prudhoe Bay is required to adhere to State law as well as Federal law. We care about where we get our oil. If we look at the area of Saudi Arabia and OPEC nations, we don't seem to give any consideration on how it is produced and whether it is done environmentally and in a compatible manner.

Alaskans are proud and protective of the environment, and we are willing to do our part to end the energy crisis. There is no NIMBY in my State; that is, "Not in my backyard." Seventy-five percent of all Alaskans favor exploration. The Alaskans who live there—the people who must breathe the air, drink the water, and make the decisions about their communities—support exploration. It is absolutely unfair to deny them the same kind of opportunity everyone else enjoys in this country.

Kaktovik is a small village in ANWR in the 1002 area. Environmentalists say there is nothing there, that it is the Serengeti of the north. It is a village of about 250 people. There is a physician there, a small school, and a general store. They are real people.

Do not be misled by the suggestion that somehow we don't have the capability and we cannot do it safely. We can. Why not do it for American jobs?

This issue reaches a critical mass this week as Congress finally—and I emphasize "finally"—begins to work on a comprehensive energy bill. I urge my colleagues both here and in the other body to recognize that this is a fork in the road, and our efforts can have great impact for the American worker. Do we continue down the path of instability and rising energy costs—a path that finds more American families with pink slips and uncertain futures—or do we head down a path for job creation based on solid science and growth?

With a comprehensive, balanced national energy strategy in place, we can look forward to reliable, affordable, and plentiful energy that has fueled this economy in the past and that will power a bright future. I hope that is the choice because we cannot afford to make the mistakes we made in 1992.

I will not stand by in this body and allow us to pass an energy bill that does not increase the supply of energy in this country. It simply is unconscionable. That is apparently where we are headed, to some degree.

I think it is important that we recognize what is going on in the House of Representatives and those in opposition who are suggesting alternative renewables with no increased supply, and recognize that we have a serious concern over the loss of jobs in this country.

I ask unanimous consent to have printed in the RECORD an article from the Chattanooga Times by Lee Anderson who has been to ANWR and has some interesting things to say about it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

> President George W. Bush wants to help head off our future energy problems by drilling for oil in the far, far north of Alaska, in an area called the Arctic National Wildlife Refuge.
>
> Environmentalists and liberals are yelling, "Over our dead bodies." And now that the Democrats control the United States Senate, they think they will win. But would you rather continue to rely on Iraq's Saddam Hussein and a host of other foreign nations for American oil?
>
> There are some facts about Alaska and the Arctic National Wildlife Refuge that sensible people should look at rationally—though many people won't do that.
>
> In the first place, the proposed drilling site is so far away and in such a desolate, cold and forbidding area that almost no one will ever see it.
>
> Second, it's not far from Prudhoe Bay, where current oil production is proceeding without serious problems.
>
> But perhaps most important is the fact that the proposed oil production would affect very little land. Consider:
>
> Alaska spreads over 615,230 square miles; already has 125 million acres in national parks, preserves and wildlife refuges.
>
> The Arctic National Wildlife Refuge consists of 19 million acres. But the area proposed for drilling is only 1.5 million acres. And of that, only about 2,000 acres—about twice the size of Chattanooga's Lovell Field—would be used.
>
> Will reason prevail and bring oil production? Probably not soon.

Mr. MURKOWSKI. Mr. President, I yield any remaining time to the Senator from Wyoming. I thank the Chair for his attention.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. THOMAS. Thank you, Mr. President.

I appreciate the comments of my friend from Alaska. Certainly that issue is important to all of us. We will be dealing with it soon.

SENATE AGENDA

Mr. THOMAS. Mr. President, I want to talk about some of the bills that are coming up and what I see as a very important aspect of what we do here in the Congress. What we do, of course, is important. But let's have some reasoning about where we want to be over time so that the decisions we make as we go through our daily work will be implemented with a vision of where we want to go.

Obviously, we have different views of what our role is here. I was listening to my friend from Nevada, who is concerned about balanced budgets because the Federal Government will not be able to spend enough. Others believe that maybe a balanced budget is where we ought to be and that there ought to be some limit on the size of government.

The fact is that States and local governments are very important components. It makes a difference in where you see things down the road.

I am specifically interested in what is happening in agriculture. We will have a bill before us today on supplemental funding for agriculture. Before long, we will have the 2002 appropriations for agriculture. More importantly, perhaps next year or even at the end of this year, we will have a new farm bill. That farm bill and the appropriations bills we are now dealing with will help us decide where we are going in agriculture.

Those are the kinds of decisions in the longer term that we have to make. Of course, we have to deal with the necessary daily things, but we really ought to be asking where we want agriculture to be in 10 years or in 15 years. These appropriations bills will have a great deal to do with where we go.

I think the same thing is true with health care. We are in the process right now of seeking some revision of Medicare. It is needed. We are talking about how we are going to handle pharmaceuticals. What is it we want? How do we want health care structured over time? What do we think is the best way to serve the people of this country? Those are the kinds of decisions that I think too often we don't really give enough consideration to—where we are tied up with how we are going to get funding for this for next year and how we are going to keep this program at this level.

Hopefully, we can step back and see with some vision. Maybe you call it 20/20. Where do we want to be over a period of time?

The Senator from Alaska talked about energy. We are doing some things with energy. Here again, I think we ought to be talking about where we are and some of the things we want to have happen over time, with less dependency on overseas and less dependency on OPEC. At the same time, I am sure we want to be certain we have an adequate supply so that we will have a strong economy and so we can do the things we want to do—reasonably priced—over the long range.

One of the things we experience in my State, an energy-producing State, is boom and bust. All of a sudden, natural gas is worth $9 when it was $1.5 or $2. Everything goes up all of a sudden. Then the price comes down, and the economy comes down.

We want diversity of fuel; we don't want to be dependent on one thing.

Conservation: Obviously, we need to decide what to do. What do you want over time? We want conservation. Is that too much of a sacrifice? Can we do research so that conservation will allow us to use less fuel and still have the same kind of services? I think so, with renewables and new uses.

I remember someone talking at an energy meeting in Casper, WY—where I live—saying we have never run out of a fuel. I suspect that is true. What do we do? We find new and better sources or we use them in a better way. I suspect that is what we ought to be thinking about in terms of applying our long-term efforts.

What about agriculture? Obviously, we want sufficient food. Obviously, we would like to be able to supply food to foreign markets. We want clean food and safe food.

I think most people would like to see family farmers remain on the farm so we don't become an entirely corporate body. Of course, we want to preserve open space. We want to preserve the lands that are being used—and farm communities.

These are some of the things we really ought to measure against what we are talking about to see if they indeed have the best chance to produce those kinds of visions.

Medicare: We want health care for everyone. We want to keep it in the private sector—at least some of us do. Sometimes that is a different point of view. We want to encourage research. We want to limit catastrophic costs so no one is saddled with unreasonable costs; and, of course, control utilization. How do you do that? Certainly, each of us has to have a little participation in the cost. We want top-quality care.

My time has about expired. I want to make the point that we have some opportunities always, but particularly on those three bills. There will be others that will help shape the future. Education, of course, is another one. Where do we want to be over a period of time?

I am hopeful that in addition to doing those things—obviously, in the short term—we will also measure what we do and how it will impact what we give when the time comes for us to deal with it in the future.

I think my time has expired. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DAYTON). The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. BINGAMAN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I ask unanimous consent I be allowed to speak for up to 5 minutes in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY

Mr. BINGAMAN. Mr. President, I want to summarize where we are on the comprehensive energy legislation issue that all of us are interested in moving ahead, and to tell you my perspective on it at this point.

As we began the year, we identified two sets of issues. There were the short-term challenges we faced as a country, and then there were the more long-term issues. The short-term challenges included the very high prices for electricity in California, which I think all of us recognized at that time were not just unreasonable but were exorbitant really for many residents in California. Really, the wholesale prices, being very high, were not being passed on to consumers at that time, although the consumer retail prices started to reflect those high prices that had been charged for such a long time.

Second, of course, natural gas prices were very high. That was a concern.

A third short-term concern was the inadequacy of funding for the Low Income Home Energy Assistance Program. That is the program Congress put in place many years ago to help low-income families in this country pay their utility bills. The demand on that program was so great during this last winter, and even into this spring and early summer, that most States that operate that program, and are dependent on Federal funds to do so, were out of funding. So that was another short-term problem we needed to address.

Fortunately, most of these short-term issues have been addressed in some significant way. The price of wholesale power in California has come down, perhaps not as far as it eventually will and should, but it has come down substantially. The price of natural gas has come down. Again, that is not being reflected to the extent it should as yet in home utility bills, but that hopefully will happen quickly, too.

As to the LIHEAP program—the Low Income Home Energy Assistance Program—we have put $300 million of new funding into the supplemental appropriations bill that we sent to the President to try to keep that program functioning through the rest of this summer.

So those are short-term issues we have seen resolved to some extent. And I feel good about that.

There remain, however, a great many long-term challenges that the country has in dealing with its energy future. Let me mention a few of those because I believe we can work in a bipartisan way to deal with them to help resolve those issues.

One, of course, is supply. We do not have assured adequate supply going forward over the next several years. We need to look at ways to increase supply. One is affordability. We are concerned about the price of the various sources of energy: Electricity, natural gas, gasoline at the pump.

Efficiency in the use of energy is a major challenge. We have tremendous inefficiency in power production in this country. We need to find ways to increase efficiency in that respect. In many cases, two-thirds of essentially all the power for fuel going into our power plants is lost because of inefficiency in power production.

I believe we all want less pollution from the burning of fossil fuels. I think we have come to recognize that as fossil fuels burn we do have pollution. We need to find ways to diminish that. We need more diversity in our fuel supply. We need to shift to more use of renewable energy, to the extent the technology permits that, and to the extent the cost of producing that renewable energy permits.

So we have a great many long-term goals that the country wants to achieve. I believe we can do that. I think we can do it in this Congress. I think we can do it in this session of this Congress.

The President, to his credit, has presented the country with a national energy plan. There has been a lot of criticism of parts of that plan. I share some of that criticism. But I do think the President should receive credit for having made this a priority issue for the country. He has said this is something he thinks needs to be addressed. I agree with that; this is something that needs to be addressed.

We need to pass an energy bill addressing these long-term concerns. The House of Representatives is expected to act this week on a major energy bill. There will be substantial controversy about some of the provisions in that bill. And there are, frankly, several provisions in the bill, as it comes to this Chamber, with which I do not agree.

I do not agree with the proposal to open the Arctic National Wildlife Refuge to drilling and exploration. I do not think that is a substantial solution to our problems. I do not believe we should produce legislation to accomplish that, and send it to the President, even though he has requested that we do so. So that is one point of disagreement.

I hope very much that we will do something significant to improve vehicle fuel efficiency. We are always concerned about the growing dependence on foreign sources of oil. And those sources are growing. We import a tremendous amount of oil. Most of that goes into the transportation sector, and most of that for cars and light-duty vehicles of various kinds. So we need to find ways to increase vehicle fuel efficiency. We can do that as well.

Let me say there are a great many other challenges we also have. I know time is short. I intend to begin a markup of an energy bill in the Energy Committee this Wednesday. I hope we can move ahead on a bipartisan basis. Then we can also set the framework for moving ahead, when the Congress returns in September, on the balance of a comprehensive bill.

This is something that will benefit the country; it is something we can do in the Senate; and we can do it on a bipartisan basis.

Mr. REID. Mr. President, before the Senator leaves, I ask if he will respond to a question I have about the energy bill.

Mr. BINGAMAN. I am pleased to respond.

Mr. REID. Mr. President, through you to my friend from New Mexico, I was speaking with Senator LUGAR. One of the things that has so intrigued me about the legislation you will mark up is that there is a section in the bill that deals with renewables; is that right?

Mr. BINGAMAN. Mr. President, we will have a section in the bill dealing with renewable energy production. The one we are marking up this Wednesday deals with research and development and training programs. When we come back in September, we expect to have a section dealing with renewable energy production.

Mr. REID. There isn't any one answer to the energy problem, is there? It is a combination of solutions that you have talked about, such as renewables. It is going to take a lot of cooperation and partnering to be able to answer the energy needs of this country; is that right?

Mr. BINGAMAN. Mr. President, in answer to the Senator, he is exactly right. There are a variety of technologies that can help us to meet our energy needs. There are a variety of sources for energy production. We need to move ahead on each of them. That is my view.

Mr. REID. There is no magic bullet, not one thing that is going to solve all the problems of energy relating to our country's needs; is that true?

Mr. BINGAMAN. Mr. President, again, that is certainly my view. There is no single solution to the problem. We need to make progress on increased energy supplies from a great many sources. We need to make progress on more efficiency in various ways. Clearly, we need to do a better job of conserving the energy we do produce.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired. Morning business is closed.

Mr. REID. Mr. President, what is the matter now before the Senate?

EMERGENCY AGRICULTURAL ASSISTANCE ACT OF 2001—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the motion to proceed to the consideration of S. 1246, which the clerk will report.

The assistant legislative clerk read as follows:

> A motion to proceed to the consideration of (S. 1246) a bill to respond to the continuing economic crisis adversely affecting American agriculture producers.

MORNING BUSINESS

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I have spoken to one of the managers of the bill, Senator LUGAR, for a few minutes. He has now left the Chamber. Senator HARKIN will be here probably around 2:30. Senator LUGAR and I thought it would be appropriate, until the two managers arrive, if anyone wants to speak on this bill or agricultural matters in general, they should feel free to do so.

If not, I respectfully suggest that we should move to morning business until the two managers are ready to move forward on this most important legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that I may speak as in morning business for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair.

ANWR

Mr. MURKOWSKI. Mr. President, unfortunately, the Senator from New Mexico, chairman of the Energy Committee, is not in the Chamber now. I had hoped to be able to pose a question to him.

That question would have been regarding his comment indicating he was opposed to opening ANWR. He did not give a reason why, nor did he have to. I hope we will have an opportunity on this particular issue to have a good debate, a debate that evaluates the issue in its entirety.

One of the things I keep referring to, with which the occupant of the Chair has some familiarity, is the unique circumstances surrounding a very small number of aboriginal residents of the north slope, the residents of Kaktovik. Their particular plight lends itself to some consideration by this body.

I don't think I will have the opportunity of using the charts, but I can probably show this better if one of the gentlemen will go back and I can get them to show the actual ownership in the 1002 area of the 92,000 acres of land that is owned by these aboriginal people.

This is the historical land of their birthright. It is their village land. As a consequence of the manner in which the Federal Government chose the structure of management of the 1002 area and the surrounding area associated within ANWR, we found an enclave of 92,000 acres of private land that could not be utilized by the villagers who own the land.

One has to address the propriety of what private land is all about, if indeed you can't use it. This particular area is in such a specific directive from Congress that the residents, the owners can't even drill for natural gas to heat their homes, let alone develop any of the subsurface rights for their wherewithal, simply because there is no way to access the area without trespassing on Federal land. This doesn't seem reasonable or fair.

I am sorry to say the charts have gone back to my office. I will have to address this matter again with a visual presentation.

These are the kinds of considerations that aren't addressed and would be addressed in the proposed legislation to authorize the opening of the Arctic National Wildlife Refuge. Why should this group of Alaska Eskimos be denied the birthright to resource their land as any other American citizen would?

This is just one inconsistency associated with this issue. It is a type of issue that would fall on the ears of many in this body who believe in fairness and equity. That is a factor in the consideration of the merits.

I am continually confronted with Members who say: I am opposed to it. They are very reluctant to get into a debate as to why. The rationale is pretty obvious. There is a lot of pressure from America's environmental community. America's environmental community has generated an awful lot of membership and dollars by taking a stand on this issue and laying down a fear that somehow we cannot open this area safely or that somehow it is contrary to traditional use to drill in a refuge.

As I have indicated earlier in my presentation today, we have oil and gas drilling in 30 refuges in this country. We have 118 refuges where there is actual oil, gas, and minerals. There are over 400 wells in the refuges in Louisiana. We have them in New Mexico. Why is it inappropriate to suddenly say we cannot allow drilling in the 1002 refuge area when we have advanced technology? There is no justifiable reason other than the pressure that is brought on Members by the environmental community. That is the kind of debate I hope we can get into.

I would like to see scientific evidence that suggests, if indeed there is a rationale to support it, that we can't do it correctly; scientific evidence to suggest that Prudhoe Bay is not the best oil field in the world in its 30-year old technology; scientific evidence to suggest that this won't create literally thousands of new jobs, such as 700,000, in the United States. Almost every State in the Union would benefit from this.

I would like to hear a debate as to why it is in the interest this country to become more dependent on the Saddam Husseins of this world. That is what has happened. As we know, 6 weeks ago, we were at 750,000 barrels a day. Today we are a million barrels a day. Are we here to do what is right for America or are we here to simply respond to the pressures of America's environmental community as it laments on fear tactics that are not based on any scientifically sound research?

That is the reality with which we are faced. As we look at what is happening in the House of Representatives this week, they are going to take up the issue.

There is going to be a motion to strike ANWR from the energy bill. It is kind of amazing to me to see what is happening over there because organized labor suddenly has said this is a jobs issue; that we are losing jobs all over the United States. But right now the one item that we can identify that would allow for the creation of thousands of new jobs is opening this area. So it is an argument as to whether you can do it safely; whether we can protect the Porcupine caribou herd; whether we can get the oil on line soon enough—in 3½ years—or whether it is a substantial supply.

As I have indicated, if it is there in the abundance it would have to be to replace what we import from Saudi Arabia in a 3-year period of time, can we do it safely? There is no evidence to suggest that we can't. These are the discussions that we will have. I hope every Member will encourage open debate on this floor on the merits of opening ANWR. I have heard people say, "I would rather this didn't come up" and "I would rather we didn't have to vote on this" and "it makes me feel uncomfortable."

We are sent here to do a job, Mr. President; to take tough votes. We are sent here to do what is right for America. If what is right for America is to increase our dependence on imported oil from Saddam Hussein, well, that is beyond my interpretation of what is right for America.

I look at Saddam Hussein as an enemy. He is attempting to shoot down our airplanes. We are enforcing a no-fly zone. We continue to do that. It is in our national interest. Why should we be importing more and more oil from him? Oil is fungible. If we spilled oil on the desk of the Presiding Officer, it would spill all over the table. If we buy the oil from Saddam Hussein today, we could buy oil from OPEC and let somebody else buy Saddam Hussein's oil. That is one way to dodge this so-called inconsistent bullet. But we don't seem to be doing it.

This Senator is going to—probably on the Jordan bill—bring up an amendment again to terminate our purchase of oil from Iraq. To me, it is absolutely inconsistent that we would depend on that source. It addresses our national security. The national security of this country should not be 56-percent dependent on imported oil.

One thing that continues to frustrate me a little bit is the assumption by many that oil simply comes out of the gas station. You go down there and insert your credit card and fill your tank, and there is very little consideration that somebody has to produce it; that it has to be refined; that it has to be transported; and America and the world move on oil.

We get complacent and somehow we are concerned about electricity. We have a lot of alternatives for electricity. We have hydro, nuclear, natural gas, and coal. But America moves by oil. We have an opportunity to relieve our dependence—not that we are going to eliminate it, but we can relieve it—by coming to America, to my State of Alaska, where we have the technology to do it safely. Again, Mr. President, I will keep this in the perspective of reality. This is a pretty small footprint—about 2,000 acres out of 19 million acres. That is the size of the State of South Carolina. That is what we can do with the technology we have. It is just beyond me that Members fail to want to discuss the merits. They fail to discuss why we should not do it. They are uncomfortable with the issue.

Again, that is not why we were sent here. We were sent here to make hard decisions and vote in the best interest of America. To me, to relieve our dependence on imported oil addresses specifically our national security interest. It is an issue that is coming before this body. It is going to be before the Energy Committee of which I am the ranking member.

I hope Senator BINGAMAN and I, in that committee, can have spirited debates on the specific merits of why it is not in the interest of the United States and our national security to relieve our dependence on these increased sources of oil from the cartels of OPEC, to try to develop sources here at home, keep the jobs at home.

Look at the balance of payments—over half of the balance of payments is the cost of imported oil. We can reduce that. So why should America's labor sources not come to grips with this and begin to lobby it, as they are successfully doing? So this issue is an issue that is timely, an issue that should be addressed fully in an extended debate based on science, not emotion. The emotional arguments have prevailed. They have prevailed very strongly because of an organized, extreme environmental group that fails to recognize that this energy crisis is not going to be solved alone by alternatives, renewables, new technology, solar, wind.

This energy crisis is going to have to be resolved by a balanced process, where we advance, if you will, funding for these new technologies, but they alone can't solve the problem. We are going to have to increase clean coal utilization. We are going to have to address what to do with nuclear waste in this country because nuclear provides us with 22 percent of the energy in this Nation. We are going to have to recognize that we are now using our natural gas reserves faster than we are finding new ones, and we are going to have to again address the realities associated with the generation of electricity from our hydro sources, many of which have not been expanded to any great extent. We are going to need a comprehensive bill, with technology, alternatives, renewables, but it has to have an increased supply. Otherwise, we will go through what we did in 1992 and we will fail. The American people will hold us accountable, as they should.

ANWR is not the total answer, by any means, but it is part of the solution to regaining our independence, reducing the vulnerability of this country, and recognizing that these are real jobs to be created right here at home. I think my friend brought me a chart relative to the ownership by the Native people of Alaska. I started with this, and I think it is appropriate that in the broad scheme of things, the interest of many of the residents is forgotten.

This is the 1002 area here. We have a pointer.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MURKOWSKI. I ask unanimous consent for another minute and a half.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. This is a million and a half acres of the 1002 area. We have here in white the ownership by the residents of Kaktovik. This is 92,000 acres. As you can see, you have no way out. This is all Federal land. In the selection of their Native lands when they had the original village up here, a location that has been there for many centuries, under the land claims legislation, the provision was they could not develop these lands until Congress had made a determination specifically on what to do with this area. Only Congress has the authority to open it up. These residents sit here in an enclave with private land they cannot develop. They cannot even drill for natural gas to heat their homes. That is an injustice. That would be corrected, among many other things, by this legislation that we propose in opening up ANWR.

I thank the Chair for the time allotted me and allowing me to extend my remarks.

I tell everybody that I look forward to a very spirited debate with enough time so we can get into the meat of this issue. I encourage my colleagues who say, "I am sorry, I can't support it," to start giving us reasons why, other than just the rhetoric associated with it.

I yield the floor.

EMERGENCY AGRICULTURAL ASSISTANCE ACT OF 2001—MOTION TO PROCEED—Continued

The PRESIDING OFFICER. The matter before the Senate is the motion to proceed to the consideration of S. 1246.

The Senator from Iowa.

Mr. HARKIN. Mr. President, I understand the parliamentary situation is we are now on the motion to proceed to the agricultural supplemental bill. Is that right?

The PRESIDING OFFICER. The Senate is on the motion to proceed.

Mr. HARKIN. We are on the motion to proceed to the Emergency Agricultural Assistance Act of 2001?

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. The vote on the motion to invoke cloture will take place at what time, Mr. President?

The PRESIDING OFFICER. At 5:30 p.m. today there will be a vote on the motion to invoke cloture on the motion to proceed.

Mr. HARKIN. At 5:30 today, for the benefit of all Senators, there will be a vote on the motion to invoke cloture on the motion to proceed to the emergency agricultural assistance bill?

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. I thank the Presiding Officer for clarifying that.

As chairman of the Senate Agriculture Committee, I will take this time to discuss what is in this bill and why we should proceed to the bill and not wait any longer.

We have this week to finish, and I understand then the Senate and the House will be going out for the month of August, at the end of this week. This bill really ought to be done this week. Then we have to go to conference with the House, bring the conference report back and send it on to the President. I am hopeful we will do that because most of the monies that are provided in this bill, which are allocated by the Budget Committee, really do need to get out. The fiscal 2001 funds need to get out prior to September 30. It will take awhile to get the money out in September, although I have information that certainly the Department of Agriculture can get this money out in the month of September.

However, if we have to come back in September to complete action on this bill and then go to conference, back and forth, then there might be a problem. We do have to get this bill done this week, and that is why I am sorry some in the leadership on the Republican side decided to engage in extended debate on the motion to proceed. Otherwise, we would be on the bill right now.

In about 3 hours we will invoke cloture and then be on the bill, and hopefully we can wrap it up very soon.

The need for assistance to America's farmers and ranchers, and the communities in which they live, is very critical. Without the assistance in this bill, tens of thousands of farmers and ranchers are in danger of going out of business. This package is designed to do the best we can to address the many problems in agriculture across the Nation while staying within the limitations of the budget resolution.

I want to underscore that. This package is in full compliance with the budget resolution. There are no points of order that will lie against this bill because it is in accordance with the budget. It is fully in accordance with the budget resolution.

If we compare today's market situation for the crop sector with what it was in the mid-1990s, crop farmers are expected to receive at least $16.7 billion less in net income based on both lower farm prices and higher input costs. The help from existing Government payments only makes up about half that gap, leaving a financial shortfall of a little over $8.5 billion. That is compared to where it was in the mid-1990s.

This package we will have, we hope, before us this evening will offer direct payments and other benefits to a range of crop producers, but it still will not make up that entire gap. Even with this package, farmers, in terms of their net income, adjusting for inflation, will not be where they were in the mid-1990s.

Farmers are in dire need of assistance. The bill we have before us provides considerably more assistance than the House bill. It is a substantial package, and it is considerably larger than the House bill.

Again, I point out the needs are great and they are urgent. Crop prices are low. Production expenses have gone up sharply. Farmers are in the classic cost-price squeeze.

I do not want to cite all the provisions in the bill, but I would like to mention a few. We have included in the bill funding for the full level of market loss assistance that was provided last year. That means this bill will provide an additional payment in September at the rate of the 1999 Freedom to Farm payment for feed grains, wheat, rice, and cotton. That is what it was last year, and it will be the same this year.

I want to make it very clear: I am not a big fan of the AMTA payment mechanism which is used for the market loss assistance payments. I believe there are real inequities in that formula, and we must change it in the next farm bill.

Our staff and I looked very carefully at whether there could be an alternative payment mechanism for putting out the assistance before September 30 other than the AMTA formula. However, in view of this short timeframe for USDA to get the payments out and some other factors, the best available approach under the circumstances is to use the same market loss payment approach that has been used in recent years.

The inequities have been in this since the start of the 1996 farm bill, the so-called Freedom to Farm bill. The market loss assistance payments were based on the AMTA formula, and basically this formula went back some 20 years to look at what the base acreage was in those basic commodities of feed grains, wheat, cotton, and rice.

It was based upon the production pattern at that time and based on a percentage of the base acreage, times the established yield, times the set price that is in the Freedom to Farm bill, which equaled the payment.

Here is where the inequity arises: Let us say we were neighboring farmers. My farm was in Northern Iowa and the Presiding Officer's was in southern Minnesota, right across the boundary, the same farming. Let us say that 20 years ago I decided I was going to put all my land in corn. I was not going to get involved in crop rotations. I just planted everything fence row to fence row of corn. So my base got high.

The Presiding Officer, on the other hand, decided the best way to farm would be to involve himself in crop rotations, maybe a corn/bean-type rotation, or one involving hay and pasture. He decided it would be good to put in buffer strips or grassed headlands.

That was 20 years ago. Let us advance to right now. Let us say now, however, the Presiding Officer and I are planting the same crop mix of corn and soybeans. We both have the same acreage of corn today, but because I planted so much 20 years ago and the Presiding Officer did not, I get more money from the Government because of what I did 20 years ago. That is an inequity. Farmers who practiced good crop rotations and conservation are penalized. Those that planted continuous corn or another crop get the highest payment. It is not fair.

We also found other inequities. Some receive market loss assistance payments who are not even planting any of the grains—they did 20 years ago—but because they established their base 20 years ago they can be doing something else entirely, and they are still getting that payment. Yet another farmer who doesn't have that base history may be receiving nothing or very little.

The AMTA payment mechanism is inequitable and has been since the beginning. It ought to be changed.

In view of the short timeframe we have in getting money out before the end of September, there was no other way to do it. Hopefully, we will be able to change that in the next farm bill.

The present farm bill has one more year to run. Before we get to that mechanism next year, we should come up with a different mechanism.

There are a few other areas of importance. The bill has full funding for soybean and other oil seeds payments at last year's level; also money for cotton seed and peanut farmers; funding to help the specialty crop producers with assistance for commodity purchases and special assistance for apple producers. However, in this bill, the funds for specialty crops in terms of market loss assistance amount to $420 million. This amount, some say, is a lot. It is nearly identical to the $416 million we provided specialty crop producers in crop insurance and appropriations bills last year.

America's apple growers are experiencing the worst economic losses in more than 70 years, having lost $1.5 billion since 1996, an estimated $500 million during the past year alone. Current apple prices, which are as low as 40 percent below the cost of production, are driving many of our family farmers out of existence. The average prices received by growers for fresh market apples in March of this year were the lowest in more than 10 years, 31 percent below prices in March 1999, 29 percent below the 5-year average.

Again, apple farmers need some help. Quite frankly, what could be more healthful for our population and especially for our kids in school than an "apple a day to keep the doctor away," as our mothers used to say. We have a commodity that is healthful, helps prevent illness and disease, yet the people who grow them are in serious financial trouble. I thought it was important in this bill to provide some help and support for apple farmers who are in dire straits.

We also provide in the bill nutrition-related assistance mainly through helping provide commodities for schoolchildren, families, and seniors in need.

The package includes a substantial commitment to agricultural conservation. Several of these programs are out of money. This package puts much needed funding into the conservation programs. There is funding for technical assistance that allows the Conservation Reserve Program to go forward. It has no money for fiscal 2002 presently. There is funding for the Wetlands Reserve Program, the Environmental Quality Incentives Program, the Wildlife Habitat Incentive Program, and the Farmland Protection Program. Basically, it provides four conservation programs with funds. The demand exceeds the amount of funding by a factor of 5 or 6. In other words, there are five times more applications, applications that are approved, for the Wetlands Reserve Program than we have the money for.

Some may ask, why fund them in this bill? The answer is, if we wait to fund them until later, several of the programs will lie dormant in fiscal year 2002 for several months, at least, pending a new farm bill or other legislation. We don't know when that may be completed.

Keep in mind, the conservation provisions in the bill reported out of our committee constitute only 7 percent of the total package. I don't think that is too much to ask.

Many farmers are hurting. Of course, we have the market loss assistance payments which I described as inequitable in many cases for many farmers practicing good conservation that don't have a high base. These conservation payments do two things. They help support their income, but it also provides a benefit for everyone in cleaning up our water and our air and saving soil. In that way, it is as much as an emergency need to those farmers and to us as the market loss assistance payments. Surely we can afford 7 percent of the entire bill to care for our land and water and deal with the critical conservation and environmental challenges in agriculture.

For fiscal year 2002, CBO estimates conservation spending will be about 12 percent of USDA mandatory farm program spending. Adding $542 million, as we have in this bill, to the fiscal year 2002 spending on conservation, only raises that share to 13.5 percent. That is a very modest increase at best and still much less than is needed. Even with the money we included, of all of the USDA mandatory farm spending program, it will only be 13.5 percent next year for conservation.

In 1985, I believe about 97 percent of our funding for conservation went to farmers on working lands and 3 percent went to land taken out of production. Today, I believe it is about 85 percent that goes for land out of production and 15 percent on working lands, overall, of all the conservation funding. What we are trying to do is get that balance a little bit more oriented to helping farmers actually working the land rather than just taking it totally out of production.

I strongly believe we have a balanced package, one I hope will receive broad support in the Senate. It has been crafted to address needs across the country, from Florida to Washington State and from Maine to New Mexico and California. It has also been crafted to address the needs on both sides of the aisle.

I come back to the issue of the budget and spending. We will hear a lot of debate about this on the floor this evening and tomorrow. Hopefully we can wrap up this bill up yet this evening.

The budget resolution as adopted by the Congress provides for the Agriculture Committee to spend up to $5.5 billion in assistance to farmers in fiscal year 2001, which ends September 30th this year. That is what we have done. We have not gone over that. We have put $5.5 billion into the bill for 2001.

The Budget Committee also allows the Agriculture Committee to spend up to $7.35 billion next year, in fiscal year 2002, starting October 1st.

The Budget Committee did not say to the Agriculture Committee: You can't meet and decide how to spend it until after October 1st. We just cannot write legislation that outlays the money before October 1st.

Now, a budget point of order would lie if we wanted to take that $7.35 billion and move it to before September 30th. We didn't do that. As we all know, we said we will spend the $5.5 billion this year, but because the needs are great and the fiscal year and the crop year don't coincide, we decided to meet in the committee and determine how to spend $2 billion of next year's money next year. So the $2 billion we decided to spend will be spent after October 1 of this year, in fiscal year 2002, and it is in full accordance with what the Budget Committee allowed us to do. Again, I point out the Budget Committee did not say to the Agriculture Committee: You cannot meet and you cannot decide how to spend that money this year. They just said: You cannot obligate it until after October 1. That is what we did.

We met. We saw the need, and we said we are going to spend $2 billion of that after October 1, which is fully allowed under the budget resolution. There is no shifting from one fiscal year into another.

I heard it in the committee when we were debating this in the committee and I have heard other people on the floor refer to the fact that we have gone way over what the budget resolution allowed; the budget resolution allowed us $5.5 billion and we are up to about $7.5 billion in this bill.

I will continue to say as often as I can—it looks like I am going to have to say it a lot in the next few hours—we spend $5.5 billion in this year as the budget resolution allows. We spend $2 billion next year as the budget resolution allows. That is all we have done. We have the authority to do that. We are completely within the budget to do that.

Again, regarding the use of fiscal year 2002 funds, this package simply reflects the reality of the difference between crop years and fiscal years. Most of the cost of farm programs associated with the crops this year, the crop that is in the ground in many of our States right now, some are being harvested—in wheat country, for example, some of the smaller grains are being harvested. Up in our area, we have not started yet, but that will happen this fall—but most of the crops are in the ground. The impact of the low prices will not really be felt until next fiscal year, 2002. That is just how farm programs work.

I simply cannot see the problem in using some part of the fiscal 2002 money to help agricultural producers deal with the problems of the 2001 crop year. That is all we have done. We have done it in a way that is in accordance with the budget.

Again, contrary to some of the arguments, we are not spending up next year's money. We are saving most of it to be spent at a later time. What we are spending is being used for its intended purpose: to fund programs within the Agriculture Committee's jurisdiction. So we had $7.35 billion for the next fiscal year. We have spent in this bill before us $2 billion of that $7.35 billion. That leaves about $5.35 billion for next year that we can use, either separate and apart by itself, or we can fold it into the farm bill if, in fact, we do pass a farm bill later this year.

Let's discuss the package before the Senate today compared with what we did last year. In last year's crop insurance bill, there was a farm assistance package that included $5.5 billion for fiscal year 2000, plus an added $1.64 billion for fiscal year 2001. So the total package we passed last year was about $7.1 billion. This year's package is in that ball park. It is a little bit higher, but really very close to what we did last year.

I just ask the rhetorical question: How could it have been fiscally responsible to provide that level of assistance last year, but it is irresponsible to provide that level of assistance this year?

When it comes to America's crop producers across the country, their situation has not improved and probably has worsened during the last year. So the need is still there. The package is very similar in size to last year. If the situation is every bit as bad as last year, and we have a package of a similar size to last year, I cannot understand any objection to this.

Again, there is a similarity to last year, but there is also a difference. When we approved a package of over $7 billion last year, we had nothing left over the next year in the budget resolution; that is, we enacted a bill during fiscal year 2000 and we used both fiscal year 2000 money and fiscal year 2001 money and we left zero dollars for 2001. That is what happened last year.

This year, however, we are spending fiscal year 2001 money, a portion of 2002 money, and we will have $5.35 billion left over for next fiscal year, which we did not do last year. So, again, I repeat for emphasis sake: We now have $5.5 billion to spend before September 30 on farm assistance. We have already that much left for the remainder of fiscal year 2002. So we are, with this package, maintaining a budgetary position for fiscal 2002 very similar to the one we have for this year.

Some will say: Should we now be spending the money that could be saved for the new farm bill? First, because of the difference between crop-years and fiscal years, spending on the new farm bill will really focus on fiscal year 2003 and later years, not fiscal year 2002. The farm bill we are under right now runs through next year. It runs through next year. So if our committee is going to be fashioning a new farm bill, really it is going to be focusing on 2003 and beyond, not for fiscal year 2002.

So, again, if those who say that $7.35 billion should be left for the farm bill, are they saying that none of it should be spent next year? They are going to put it in 2003? There are a lot of farmers going to go broke next year if that is the case, and we will be in dire straits next year.

Again, what we have tried to do is provide a smooth transition from this fiscal year to the next crop-year, and then to the next year beyond that when we will have a new farm bill. Whether the money is spent on a new farm bill or not, the objectives are the same: to meet the needs of farm and ranch families and address other priorities of farm policy. There are many farmers in this country who cannot wait for a new farm bill; they need the help right now. They are struggling to hang on. If we can get them some immediate help while saving some funds for the next farm bill, which we are doing, that seems to me to be the right thing to do.

I want to take a moment to discuss a letter from the Director of the Office of Management and Budget concerning this legislation. In that letter, Mr. Daniels says he will recommend the President not sign a bill providing more than $5.5 billion in additional assistance for crop-year 2001.

Again, I am not certain how we read this. I read this saying we have complied with that. We provide no more than $5.5 billion for crop-year 2001. Even though the letter refers to the 2001 crop-year, I can assume that the letter reflects some confusion between the fiscal year and the crop-year.

I just went through all that, the difference between the crop-year and a fiscal year. Maybe there was some confusion in that letter. As is commonly done, this bill includes assistance for the current crop-year, 2001.

Some of this money will be spent in fiscal year 2002, but it will help cover the shortfall to agricultural producers for crops grown in the 2001 crop and calendar year. Again, there is nothing unusual about providing assistance in the next fiscal year for crops that were, in fact, grown in an earlier numbered crop or calendar year—that is the way farm bills work. The fiscal year ends on September 30. That is not when the crop-year ends, not in my area. The crop-year doesn't end for a long time after that. Some crop-years end about that time or before that, in certain parts of the country. So you cannot just base everything on when the clock tolls on the end of the fiscal year in terms of farm assistance. We do that all the time, provide that carryover.

Again, having said that, I want to underscore that this bill is in full compliance with the budget resolution. No budget point of order lies against this bill. It is within the prerogative of the Senate to approve this legislation. It is within the prerogative of the Agriculture Committee to both spend up to $5.5 billion for this fiscal year, and up to $7.35 billion for the next fiscal year.

I have to question the justification for Mr. Daniels' threat that he would recommend the President not sign this, and I must also question whether or not they are confusing crop-years and fiscal years.

Is Mr. Daniels saying that Congress will not be allowed to deliver the assistance to agriculture that is clearly provided in the budget resolution? I am sorry. The White House and OMB have no jurisdiction over that.

Is Mr. Daniels saying that the promise of assistance to farm families, which is clearly contained in the budget resolution, isn't worth the paper on which it is written? From everything I am aware of, President Bush and the White House were on board with the budget resolution that was put together by Republican majorities in the Senate and the House. That was the budget resolution which provided the wherewithal of the tax-writing committee to put through the tax bill.

I recall Republican colleagues pointing favorably to the budget resolution and agricultural funding when the budget resolution went there also. We are now being told by the White House that the President may not sign it, even though it is fully within the budget resolution.

Why? Mr. Daniels simply says $5.5 billion is enough. That is that. Maybe it is enough until September 30.

But Mr. Daniels ought to go down and sit at some of the kitchen tables in the farmhouses and say, OK. Until September 30, and after that you are on your own.

There is a lot of assistance that will be needed after September 30. The crop-years don't pay attention to when the fiscal year ends.

Tell them that Congress won't be allowed to use the money in the budget resolution until after September 30.

Finally, I must point out that Mr. Daniels is wrong to suggest funding is not needed for conservation. I went through that a little bit ago. The facts are, if we don't provide this funding, several programs will lie dormant for a number of months before they can be funded again.

Again, it is not just payments to farmers for the loss of prices for their corn, wheat, cotton, rice, apples, and a lot of other commodities—peanuts, cottonseeds, and everything else we have. It is also to help farmers—maybe because of their planting history—who don't get much under the AMTA payments. Yet, they have been good stewards. These are good farm families. By providing them some help with conservation funding, we both are able to help them, and we are able to help the country as a whole by providing for cleaner water, cleaner air, and less soil runoff.

This package is substantial, but it is very close to what we had last year in terms of spending. It is very close to what we had last year in terms of specialty crops. All in all, this package is not a heck of a lot different than what we had last year. It is a little bit more. Last year it was about $7.1 billion. This year it is about $7.5 billion. Most of that additional money is going for conservation, which is sorely needed around the country.

It is a balanced package. It is balanced regionally. It addresses a lot of urgent needs. It fits within the budget resolution. I hope we can support it. I am hopeful that any amendments seeking to change it, to shift it, or to cut down on the payments will not be successful.

Again, I am sorry we had to go through this exercise of filing cloture on the motion to proceed. We should be on the bill right now. We have been held up at least 1 day because someone in the Republican leadership on the other side decided to filibuster the motion to proceed to this emergency farm package. We had to file a cloture motion. At 5:30 today we will vote on the cloture motion on the motion to proceed. Again, I am hopeful it will be overwhelmingly approved, and that maybe yet we can even reach some agreement to wrap this bill up this evening. At least that is my desire.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. REED). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I understand that when we go into a quorum call the time should be divided equally between both sides. I ask unanimous consent that when we go back into a quorum call the time remaining be evenly divided between both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I want to talk today about the emergency supplemental bill that will be on the floor dealing with the farm problem we have in this country.

I just heard my colleague, Senator HARKIN, the chairman of the committee. I commend him for what he has done. I think he made a great statement. I think he has written a good bill, and Congress ought to pass it posthaste.

It is rather strange that we find ourselves in this position. We are in the position of debating the motion to proceed to go to the actual bill on the floor of the Senate. Let me say that again. We are debating the motion to proceed. We are debating whether we should proceed to a bill to provide emergency help to family farmers.

I guess those who are stalling our being able to get to that bill are probably not facing, with respect to their personal income, the circumstances family farmers are facing. Soybeans have recently been at a 27-year low in price; cotton, a 25-year low; wheat and corn, a 14-year low; rice, an 8-year low. Prices have collapsed as if they had dropped off a cliff. They have stayed down for a number of years, only recovering slightly, at times.

So family farmers, who are out there in the country and have invested sweat and equity in their family farm trying to make a living, have discovered that their income has completely collapsed. This has required Congress to try to patch up a bad farm bill with emergency aid year after year after year.

We really need to write a better farm bill. I know Senator HARKIN, the chairman of the Agriculture Committee, is leading the effort to do that. I fully support him. In the meantime, we need to provide some emergency help. That is what this bill is designed to do. It is called an emergency supplemental to try to provide some help to family farms.

If one needs more insight into what is happening to our family farms, one can probably see it in the circumstances described to me by a Lutheran minister one day this past year. This Lutheran minister works in New England, ND, as the pastor of the local Lutheran church. We were talking about the struggle that family farmers are having in our country, and especially there, which is near my hometown of Regent in southwestern North Dakota.

She said to me: In our little town, where we have a shrinking population—this is a town of probably 800 people— we have about 4 funerals for every wedding I conduct as pastor of our church. Four funerals for every wedding—I was thinking to myself about that movie "Four Weddings and a Funeral." This is just the opposite: four funerals for every wedding.

What is she saying with that data? What that means is the population in those rural areas is getting older. Young people are moving out. Family farmers are shutting down family farms because they can't make it, and those economies are just shrinking. The root of all of it is a farm program that does not work. It just isn't able to give families a feeling they can stay on the family farm and make a decent living.

We are in this Chamber today on an emergency supplemental bill to try to help family farmers. The Senate can move ahead or it does not have to move ahead. This is not like milking. If this were a dairy operation, come 5:30, if you had 80 cows that were fresh and needed to be milked, you could not sit around the house twiddling your thumbs saying: I don't think I will milk this afternoon. You would have to go to the barn and start milking those cows. If it was spring planting time, you wouldn't have the opportunity to say: I won't go spring planting this afternoon. You have to fuel up the tractor and go plant some seeds.

Farmers understand deadlines. Farmers understand that you need to get things done when it is time to get them done; this Senate ought to as well. Having to debate the motion to proceed is an outrage.

Who is stalling here? And why? We ought not have to debate the motion to proceed to an emergency supplemental bill to help family farmers. On Friday, one of my colleagues on the other side said: I am holding it up because it costs too much money. I say: You have every right to try to reduce the amount of help for family farmers. Let the bill come to the floor and then offer an amendment. If you want to cut it by $2 billion or $4 billion, offer that amendment, and then let's have a vote. If enough Senators vote with you, you will have cut the amount of help for family farmers. I am not going to support that, but why would you consider holding up the bill because you have your nose out of joint that it costs too much? If you think it costs too much, then offer an amendment to decrease it.

Let me say this. From my standpoint, I think this investment in family farms for this country is a bargain. A good deal deserves repeating: I think investing in families who are out there trying to make a living on the family farm is a bargain for this country in that I believe it strengthens this country.

Europe does not have this kind of internal debate. Europe decided long ago that it wants to maintain a network of family farms across Europe. Why? Because it has been hungry. It doesn't want to be hungry again. How does it prevent that? They work to preserve a network of family farmers living on the land in Europe.

Go to a small town in Europe some evening and ask yourself whether that town is alive. It is. Small towns in Europe are alive. They have life because of family farms, which are the blood vessels that flow into those communities, are doing well in Europe.

In this country, family farms are flat on their backs, struggling to make a living because prices have collapsed. Has anyone in this Chamber who makes an income had it reduced by 40 percent? That is what family farmers face when they discover that the price for their crop has collapsed. They put the seed in the ground in the spring. They pray that nothing is going to happen to it: no insects, no hail, no excessive rain, but enough rain. They pray that nothing bad is going to happen. Then they harvest it in the fall and they put it on a truck and take it to the elevator, only to be told that in a world that is hungry, with 500 million people going to bed every night with an ache in their belly because it hurts to be hungry, they are told: Your food doesn't have any value, Mr. Farmer. They wonder about the value contained in that statement.

Mr. REID. Mr. President, will the Senator yield for a question?

Mr. DORGAN. I am happy to yield.

Mr. REID. I was across the hall watching the presentation of the Senator from North Dakota. I had two questions I wanted to ask him.

Did I understand the Senator correctly when I heard him say that the Senator from Idaho said he didn't like this bill because it was too much money, and the Senator from North Dakota responded, if that is the case, let us go ahead and debate the bill and offer an amendment that it is too much? Is that what you said?

Mr. DORGAN. That is what I said. This bill isn't too much money. It is within the framework of what we decided as a Congress that we were going to spend on the budget. It spends the required amount in this fiscal year, and then $2 billion in the next fiscal year. It does not violate the budget.

The point I was making was that real income for family farmers has fallen to the level of the 1930s. This is the real income achieved by farmers out there who are struggling to raise a family and run a farm. It is clearly an emergency. We have clearly brought to the floor legislation that does not violate the Budget Act. Yet even though it is an emergency supplemental, we can't get to the bill. We have to debate today a motion to proceed to the bill.

I am outraged by the fact that there is stalling on a bill that represents a clear response to an emergency in American farm country.

Mr. REID. Another question I will ask the Senator from North Dakota: Nevada is a State that has some agricultural interests. We have a few green belts, not many. Those we have are very important to the State.

Agriculture is the No. 1 industry in North Dakota; is that right?

Mr. DORGAN. In North Dakota, which is a rural State, agriculture is 40 percent of the State's economy. It is clearly the 500-pound gorilla of economic activity in States such as North Dakota. But it is not just North Dakota, it is Montana, Minnesota, Wyoming, Nebraska, South Dakota, and Iowa. There is a whole heartland in this country whose economies are supported by agriculture, by family farm producers.

Mr. REID. I have served in the House with the Senator from North Dakota and also in the Senate. It is difficult for those of us who are not from farm States to comprehend what a family farm is. I have heard you say on a number of occasions how the family farms are disappearing.

Would this bill, if we don't pass it in a timely fashion, force other family farmers to go out of business?

Mr. DORGAN. There is no question that will be the case. There isn't any question if we don't provide a bridge, and quickly—between the current inadequate farm bill and a new farm bill that tries to provide a decent safety net and a bridge across price depressions—there isn't any question that family farmers in a number of cases around the country will not be allowed to continue. These are people who are more than just in this for a business. These are people for whom family farming is their life. It is all they know. It is what they do. It is what they want to do.

There is so much value in family farming in a country. Farmers produce much more than just wheat or corn or soybeans. They produce communities. They produce cultural value. It is a seed bed for family values that moves from family farm to small towns to big cities. It is such an enormous contribution to the country. That is why, as I mentioned, in Europe they decided long ago that the kind of economy they want is an economy that has healthy family farm agriculture—a network of producers living on the land throughout Europe producing their food. We should make a similar commitment and write a farm bill that does that.

In the meantime, this emergency supplemental is the bridge to get from here to there. I do hope beyond this afternoon we are not further delayed by anyone stalling with what clearly is an emergency piece of legislation designed to reach the extended hand out to say to family farmers that we are here to help during tough times.

Mr. REID. I say to the Senator from North Dakota, I appreciate his bringing up the family values that we have in farm States.

Our friend, Pat Moynihan, who just left the Senate, used to say that to have good scores on tests for students, high school students, you should just move them near the Canadian border, North Dakota, South Dakota, States along the border, the farm States. The kids do better than anyplace in the country with their tests; is that true?

Mr. DORGAN. That is the case. We have some of the highest tests, education tests in the country. It has a lot to do not so much with the specific teachers or the specific schools, but it has to do with the family values of family farms and small towns and rural life. That is not to denigrate any value that anyone else has. It is simply to say that the kind of family values that spring from a rural State produce good achievement in education.

There was a wonderful author who has since died, world-renowned author, actually grew up in Fargo, ND, and lived in New York and London before he died. He wrote a number of books. His name was Richard Critchfield. He wrote books that described the rolling of family values in this country's history in two centuries, the rolling family values from family farms to small towns to big cities, and the refreshment and nurturing of the value system in the country by having that happen.

I grew up in a town of 400 people—not quite 400, between 300 and 400 people. We raised livestock and other things. But I understood what those values meant when a fellow named Ernest died of a heart attack with his crop out there needing to be harvested. All the neighbors showed up and harvested the crop. It is like the old barn raising, the neighbor-to-neighbor help in which they form communities. Those values by which people form communities to help them through tough times are very important values for the country.

That is why I came to the floor to talk about this legislation. It is money to be sure, but that money represents a bridge. There are very few people in the country who have seen a total collapse of their income the way family farmers have. The income for their work and the income for the measure of their effort is down 40 percent, 50 percent from what it used to be. How many businesses or how many enterprises in this country are getting 1930s level income in real dollars? That is what is happening to family farmers. It is unfathomable to me that we are such a strong country in terms of having this aspiration to build a national missile defense along with all these technologies. We are doing all these things, yet we have 500,000 people who go to bed every night hungry as the dickens.

We have this food in such abundant quantity, yet we can't find the way to connect the two so that family farmers have a chance to make a living and people who are hungry have an opportunity for a better life. There is something that is not connecting very well in this country on this policy. That is why I want us to write a better farm bill. In the meantime, we must have this bridge to get there. The bridge is this bill, an emergency supplemental bill that provides about $5.5 billion in this fiscal year, and roughly $2 billion, slightly less, in the next fiscal year, to help family farmers over these troubled times.

Mr. REID. One last question of the Senator: We know how important agriculture is. We are the breadbasket of the world. And it is important that we do something in this emergency supplemental bill. We were asked by the Chair to withhold. Another bill was brought by the House of Representatives, the Export Administration Act, which has passed the House. All they did was continue the bill that is now in existence, which is also a disaster for the high-tech industry.

The Senator knows that the high-tech industry has a number of things they need to remain competitive. One is to make sure we pass legislation that modernizes the ability of these high-tech companies to export things that are now sold in Radio Shack that, under present law, they can't do.

I want my friend to comment on what he sees happening here in the Senate. I reflect back to last year, when we were in the minority, we passed by the August recess eight appropriations bills. We have now passed three because, as you know, they have been slow-walking the Transportation appropriations bill, and we hope we are fortunate enough to get the VA-HUD bill. We must do something on this emergency bill that we are now trying to get before the Senate on agriculture. We also need to do the Export Administration Act. I think my friend will agree that it will allow the high-tech industry to stop exporting jobs overseas and do them here so they can manufacture equipment here, sell it overseas, and not have to move their businesses overseas to manufacture equipment over there. But we are not going to be able to do that, it appears. It looks as if the House is satisfied with extending the act that is already in existence, which the industry says doesn't do us any good at all.

Will my friend comment on what is happening in the Senate with these things?

Mr. DORGAN. The Senator from Nevada, I think, knows the answer to this question. Not very much is happening in the Senate, regrettably. We have a large amount to do, yet this place has been slowed down. Last week, it was sort of a parade-in-rest all week because people didn't want the Senate to get its work done. Trying to get something done in the Senate is like trying to walk through wet cement. It is pretty hard going. It is not as if there is not a lot to do and there are not a lot of pieces of legislation that need doing now.

The emergency supplemental to help family farmers passed the House, out of the Agriculture Committee. But are we on the bill? No. Why? Because we are debating a motion to proceed. What is going on here, when we have to debate the motion to proceed to deal with an emergency bill to help family farmers?

There can't be a lot of thinking going on about this. Senator DASCHLE is trying to create an agenda that says let's get our work done and get it done soon. Everybody ought to have the opportunity for full debate. For nearly 2 days last week, this Senate sat in session with nobody coming over to offer substantive amendments, but an objection to going to third reading to pass the Transportation bill. Essentially, the Senate was shut down. We have all these things to do, and we have so much ahead of us, yet people think it is somehow to their advantage to slow this place down.

The Senate has never been accused of speeding, in the first place. This is a deliberate body, the place where we deliberate for long periods of time. There is no excuse under any condition to force us to have to debate a motion to proceed. That is unthinkable, in my view.

In addition, when we get this done, we have to finish the Department of Transportation bill, the VA-HUD and independent agencies bill; and if we get all that done, we will still come up far short of what we need to do. It is not because Senator DASCHLE has not said here is what we need to do, it is because we have some people sitting on the back seat of this bicycle built for two and putting the brakes on. All we want is a little cooperation.

The Senator asks me what is happening here in the Senate. Regrettably, not much. This afternoon, nothing. We are debating the motion to proceed on an emergency bill. I have never seen the likes of this.

So my hope is that those who are stalling, those who are holding this up will come to the floor and say, all right, we won't hold it up anymore. Let's go have our votes and get these pieces of legislation passed. The Senate can do better than this.

Mr. President, I reserve time for others who want to speak on this bill. I yield the floor.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. LUGAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DAYTON). Without objection, it is so ordered.

Mr. LUGAR. Mr. President, in due course we will be debating a very important bill for American agriculture. As the distinguished chairman of our committee, Senator HARKIN, has pointed out, the needs of farmers throughout our country are evident to most Senators. In fact, all Senators, I suspect, share an empathy for attempting to do what we can to help.

I want to take these moments, before we get into the substance of the debate, to describe the problem as I see it; the reason the Ag Committee and the Senate and our compatriots in the House of Representatives have taken this up.

To begin with, however, I simply want to make a comment with regard to the colloquy I heard in the Chamber a short time ago suggesting delay with regard to the agriculture situation. The comments of our distinguished colleagues really related to more than agriculture, and other bills certainly have a different track, but in the case of this supplemental bill to help American farmers, the House of Representatives passed legislation on June 26. It was not until July 25 that legislation came before our Agriculture Committee. There was almost a month intervening.

I do not charge delay. There are many things in the lives of Senators, many activities in the life of the Senate Agriculture Committee, but I simply point out that at any time from June 26 on we could have acted, even if we were to adopt, for example, the House bill, obviating a conference, and to move on to assist farmers within this fiscal year.

As the distinguished majority leader pointed out last Friday evening at the termination of debate, there is a technical problem of cutting the checks physically and getting the money to farmers by September 30, and that is one reason that the urgency of this bill is apparent to most of us. My own guess is as we approach the cloture vote on the motion to proceed at 5:30 this evening, there will be surely almost a unanimous vote, if not a unanimous vote, to proceed. I think we all understand that.

To suggest on our side we have been delaying action for agriculture would be inaccurate. Perhaps that was not even implied. Putting that aside, the fact is we have had packages of this variety now for the last 3 years.

I just want to review, for the benefit of Senators as well as for the American people, some of the assumptions behind these supplemental packages that arrive at this point in time or sometimes even earlier in the year.

Essentially, we had a very good year in American agriculture in 1996. For a variety of reasons, a lot of income that may have been delayed by events in the world and other circumstances that led to very strong export markets led to a net farm income in 1996 of $54.9 billion.

If we look at the year before in 1995, it was only $37 billion. An average of those 2 years would lead to something between $45 billion and $46 billion. Nevertheless, in 1996, often mentioned in debates because it was an extraordinary year, it was also the year we passed a farm bill. The thoughts are perhaps we were carried away by the euphoria of that situation. I doubt whether anyone was carried away, but nevertheless it was a good year.

Generally, the years came into something else. In 1997, net farm income was $48.6 billion, down well over $6 billion really from the previous year; then in 1998, $44.7 billion; and in 1999, $43.4 billion.

In those last 2 years, the $44.7 and the $43.4 billion, these figures would have been lower still except for the fact we plugged in some income, a supplemental bill just like the one we are discussing now. Those monies brought things to about a $45 billion level.

We can ask, why $45 billion? Because that seemed to be a general average. Those observing the debate should say: Are we saying this is a plus-$45 billion, American agriculture made $45 million? I am saying that. This was always a plus, never a deficit. In no year was there a net farm loss. It was always a net farm gain, and it was substantial.

As we started this particular year, as a matter of fact, even the latest estimate by the U.S. Department of Agriculture is that without action by this body the net farm income in 2001 would be $42.4 billion. That is roughly the same figure the Budget Committees of the Senate and the House had earlier in the year when they had an extended budget debate. They knew that somewhere in the $41 billion to $42 billion level net farm income would come out about that way for 2001.

They knew we had taken action in the past to bring things up somewhere in the $45 billion area, comparable to the years before. We did not quite succeed in 1999 at $43.4 billion, but we did succeed in 2000 at $45.3 billion.

They came to a figure by their deliberations in debate in the Budget Committee that $5.5 billion was about the right size to plug the gap. If this, in fact, were adopted, the $42.4 billion estimated plus the $5.5 billion should come out somewhere around $47.9 billion. That would be about $2.5 billion more than 2000. It would turn out, in effect, to be about $4.5 billion more than 1999. As a matter of fact, it would be very close to the $48.6 billion in 1997, really exceeded only by the banner year of 1996 which, if averaged with the year before that, came out somewhere in the $45 billion to $46 billion level.

Americans outside of agriculture looking into this would say: Is this done for people in the electronics industry or retail stores generally in America, or struggling manufacturing firms, or anybody? The answer is: No, there is no other business in America that takes a look at net income for the whole group of people doing it, every entity collected in these figures, and says we want to make you whole, at least whole at a level of a multiyear picture.

This is the only situation of that sort. It is not by chance. Those of us who are involved in farming, and I have been one of them—my family has been involved for generations. I think it is fair to say that in terms of the truth and being upfront about this bill and this advocacy. I know the distinguished Senator from Iowa, Mr. GRASSLEY, and his family have a farm in Iowa. When he served on the Agriculture Committee, he and I, I believe were the only two involved in these farm programs to keep the books, to make the marketing decisions, to either have to borrow money and repay it or distribute whatever profits there are to our family members. This bill is one that my farm, 604 acres in Marion County, IN, will have to live with, or benefit from, as the case may be.

I understand intimately what these figures mean. I am not an advocate for clients or just trying to do good for the farmers I have met in my States. I am one of them, a member of the Farm Bureau, a regular at whatever meeting farmers call.

I am sympathetic with the thought that if we are truly interested in family farmers, in retaining farmers in agriculture, we ought to move on this legislation. I will vote for cloture so we can proceed. I will try to work with my distinguished friend, TOM HARKIN, chairman of our committee, to come to a constructive result in this debate. It is important. It is timely.

Having said that, it is also unique. What has occurred in the evolution of the current farm bill is a quest on the part of the Senate and the House and the President to save every family farmer, every single entity in American agriculture. That is the purpose of filling the gap, of making certain net farm income stays at a level comparable to years before.

To a great extent we have succeeded. One of the interesting aspects of the same agricultural report that has net farm income is a discussion of farm equity. By that, I mean the U.S. Department of Agriculture has pulled together the total assets of all of American agriculture and the total liabilities and has come to a conclusion in this year of 2001. As it stands, total farm equity, net worth, all the farms in America, will be $954 billion. That will be up from $941 billion in 2000. That was higher than $940 billion in 1999, or $912 billion in 1998, or $887 billion in 1997, or $848 billion clear back in the golden year of 1996. In fact, the annual increase in the equity of American agriculture has been 3.2 percent over the period of 1995 to the year 2000.

If one asked, how can that be, given the stories of failing farms, of desperate people all over our country, how is it conceivable that given a whole group of farmers, whatever they are doing, in livestock or grain or the specialty crops, so far there has been a gain in equity. This is true in large part because through our policies, through the supplemental bills, we have almost guaranteed an income for agriculture in America, and at a fairly high level.

One of the dilemmas of this is because of this prosperity—and I say that advisedly, at a 3.2-percent increase in equity over the course of time; in fact, the land prices in that same period have risen on average of 4.6 percent a year countrywide—there is not a region of the country that did not have an overall percentage change in land values that was positive between 1996 and the year 2000—every single part of our country, some a little stronger than others. I note, for example, strangely enough, in the Appalachian region, a 6.3-percent gain in land values on an annual basis throughout that period of time. In the Lake States, an 8-percent change. In the Northeast, only a 2.8-percent change in agricultural lands. But everyone gained.

The dilemma, having said that, and this is why I coupled these two figures—net farm income, roughly $45 billion on an average; net worth of American agriculture, about $954 billion, more or less—if you take those figures, you come out with a figure of roughly 4.5 to 5 percent as the return on invested capital, the invested capital being the net worth, the equity, the net income being the 45, and maybe this year 48 as it turns out.

When I have talked to farm bureau meetings, on occasion the question has arisen: LUGAR, what kind of return do you get on your farm? Why are you still involved in this? I have recited that over the 45 years I have managed our farm, 1956 to the present, we have had roughly a net gain on worth of 4 percent a year on the value of the farm. We have not always gotten 4 percent every year, but nevertheless we made money in all 45 years, and the average return has been 4 percent.

Many say that sounds a little too high to me; I have not been getting 4 percent. I said, we have been fortunate, perhaps. That is not out of line with what appears to be the case with American agriculture across the board—apparently, a return on net worth of about 4.5 to 5 percent.

Outside of agriculture meetings, people say, well, something is missing; you could have gotten 6 or 7 percent on 30-year Treasury bonds throughout this whole period of time and not taken any risk with regard to the weather, exports, or the vagaries of Congress or whatever else might have happened. That is true. In fact, for most people involved in investment, a return over a long period of time of 4 to 5 percent does not appear to be particularly attractive. That is why we are always likely to have agricultural debates with regard to money.

The difficult secret of this is the business does not pay very much. If you are an entrepreneur and you want to go into electronics or into a dot-com situation or whatever venture capital has taken a look at in recent years, the odds are you looked for a much more attractive rate of making your money grow faster.

As I mentioned earlier, I plead guilty to 45 years of staying with this because I like it. That is why people farm. They want to do it. They love the land. They love the lifestyle. They have some reverence for their dads, their grandfathers, the people involved in it. They want to save it, perpetuate that. We know that in the Senate Agriculture Committee or the House Agriculture Committee. That is why we have the debates without apology and we try to make certain that heritage might flow.

All of these debates have to have some proportion to them. I started out by pointing out a $5.5 billion supplemental will elevate income this year somewhere into the $47, $48 billion net as opposed to the $45 we were aiming at. There is no magic about 5.5. The Budget Committee must have gone backward and forward on that subject for some time. But it gets the job done.

I conclude this particular thought by saying the Agriculture Committee of the Senate came forward with a package of expenditures that exceeds $7.4 billion. The distinguished chairman of the committee, I am certain, will have more to say as to how the components were put together. Let me just say from my own experience, not from his—he will have to explain how it happened this year—but as chairman of the committee for the previous 6 years, I was responsible for at least three of these situations. Essentially, you visit with members of the committee. They make suggestions for what ought to be a part of the package.

When we started these packages we were dealing with the traditions of agricultural farm bills which dealt with so-called program crops, programs that have gone on for a long time, since the 1930s and Franklin Roosevelt. The big four in this respect were corn and wheat and cotton and rice. They were programs because, in the 1930s, my dad and others were asked to destroy crops and hogs. At least that occurred on our farm. This was supply management with a vengeance. It was not just planning for the future, it was actual destruction of crops, and rows that were in the fields, and actual livestock at that point.

The philosophy was if you let farmers plant as much as they wanted to plant, inevitably they would plant too much. They simply would use their ingenuity, their land, their resources, and we would have an oversupply and depression of prices. Prices were very low during the beginning of the New Deal period. So the thought was supply management, but a program would come along with that. In other words, you became a member of the program. You worked so many acres, whatever the quantity was that you were dealing with, in return for assurance of payments, therefore a sustenance of your income. There is no reason why this should have gone on for over 60 years, but it did. It was an attractive idea.

In 1996, with this farm bill, we changed and we fulfilled perhaps the worst fears of those in the 1930s because we said Freedom to Farm means freedom to plant whatever you want to on your land; use those resources with your own ingenuity. A lot of farmers did. They made a variety of choices. By and large, less wheat has been planted in some years, more soybeans have been planted. That seemed to meet, really, world market conditions. People have been planting soybeans in different States more than they had been before. I suppose that may be true of cotton, but by and large, less cotton, seemingly, has been produced and perhaps less rice. It is a close call because these are large farms and there are fixed costs and many people have continued on, whether it was a program or not.

When we talked about our supplemental payments, when we began to plug these gaps, we went to the program crops because they have behind them a list of farmers, names and addresses, people who are part of the picture. If you are attempting to get money to people rapidly, checks could be cut to people who were known, with a name and address and a quantity behind their name in terms of planting expectations and history.

Some have come to the fore this year, and to some extent last year—really, I think, for the first time. They said: What about us? We are not in a program crop. As a matter of fact, we plant so-called specialty crops. We have melons, we have apples on trees, we have strawberries and raspberries—and we have problems. If you think people in rice country have problems, you ought to see our problems.

In the old days—and by that I mean, say, the last 10 years—essentially many of those problems were met by the Senate Appropriations Committee. The appropriations subcommittee came along at a time of year in which the weather disasters of the winter or spring or much of the summer, sometimes, were apparent. They made an appeal to the Senate. They said there has been very bad luck in this State or this district or with this crop and therefore we ought to do something about it in an emergency, compassionate sense. Each of us have been voting for these programs for years. I cannot recall those pleas being rejected.

But the so-called specialty situations were enveloped in this. Why? Because it was very difficult to find out the crop histories of people who were involved in melons, for example, or in raspberries. Is there anywhere a 5-year idea or any idea of support payments or so forth? The answer in most cases was no. This means, if you get into melons, the USDA has to formulate a new program. It has to determine who really is eligible. That takes time.

We found that out last year. We had a supplemental. It came along as a part of legislation to strengthen and reform the Federal Crop Insurance Program. That was not totally inadvertent. Agriculture usually has sort of one shot on the floor each year and we had been working on crop insurance reform for some time. It was contentious all by itself, among various groups, as well as the total amount.

Senators, I think, have been advised—they probably understand—that the crop insurance program we strengthened as a result of last year's legislation is a generous one. It was a safety net. It will probably cost an average of $2.9 to $3 billion. That is not a supplemental, it is just there. It will go on permanently.

I would say from personal experience, I have purchased the 85-percent level of insurance coverage on the income of my corn and on my soybeans. Many people in Indiana, I have found, have not gone to the 85 percent because either they have not discovered it or they do not really understand why that is such a good deal. But I would say arithmetically this is a remarkable way of ensuring income, even without the supplemental.

Without getting into an advertisement for crop insurance, nevertheless it is there, and it is important, but not everybody in the Senate sought crop insurance as a priority item. They understood the pleas of those of us from the Midwest and the plains States. They saw some of the difficulties in the South with the program crops. But they said we are from New England—for example. Or we are from States which have never been involved in program crops. What are you going to do for us?

As a result, we had, in addition to crop insurance, the supplemental. The supplemental last year included, for the first time, a number of crops at least that I do not recall being a part of these emergency actions before. As predicted, the checks went out right on time to the so-called AMTA payment recipients—the program crop people. That is quite a number, probably a majority of farmers in our country, in terms of income and acreage. So that was not inconsequential.

We have had testimony, as the Chair knows, in our committee, the Ag Committee, from farmers who said the check got there just in time. So did the country banker testify that it got there in time. The farmer met the banker, repaid the planting loan, was in business again to try again in the year 2001. What seemed to be a potential crisis was alleviated just in time.

But with the rest of the group who were not program people, the checks did not come quite so fast. USDA really had to work out the details of a good number of complex programs.

As a matter of fact, in February, March, even April of this year, those qualified were finally being identified. Weeks later, in some cases, the checks finally came that were being sent to them. In many cases, that is being cited with regard to the bill we passed in the Senate Agriculture Committee.

There is a large component, once again, either in the bill for which the distinguished chairman from Iowa and I were present, which was adopted 12–9 in the committee, or in the amendment that I offered, which had a $5.5 billion limit, which was rejected by this 12–9 vote. Both of us had a fairly large component of that in the so-called program crops. In large part, if we are talking about money being dispensed in this calendar year, this is about the only group of people likely to see a check because they can be identified as they were the year before and the year before that.

In the event people come along then and suggest there are other situations, this means they spill over. This is a part of the debate over the additional $1.9 billion to $2 billion. Some would say that is all the spillover from the year before because they were busy attempting to do these things. This year the Budget Committee of the Senate mentioned $5.5 billion. The Office of Management and Budget, through its Director, Mr. Daniels, more pointedly mentioned $5.5 billion in his correspondence with the House committee. Who took that seriously? The distinguished chairman of the committee offered a package of $6.5 billion, but the members of the committee, led, as it turned out, by the distinguished ranking member, Mr. STENHOLM, from Texas and Mr. BOEHNER, a Republican from Ohio, and others reversed that decision. They came out at $5.5 billion, and the House, as a whole, adopted that without rigorous dissent.

All of this could have been adopted by the Senate a month ago. But it was not adopted. A month has transpired in the meanwhile, and in the same way that I collected sentiments a year ago, the distinguished chairman of the committee has collected those sentiments again this year. They add up to $7.4 billion. There is no magic in that figure, and one would say no magic in the $5.5 billion. The whole exercise was attempting to plug a gap between the $42.4 billion in net farm income that was estimated this year and the $45 billion average we have achieved in recent years. The $5.5 billion will get us there. It gets up close to $48 billion, as a matter of fact. The Director of the OMB, Mr. Daniels, has written that. He pointed out, and he even offered some charts in his letter to the chairman of the committee, to me, to the chairman of the Budget Committee, to the ranking member, to Senator DASCHLE, and to Senator LOTT. To the extent we have shared that correspondence with Members, they know the argument of the administration.

We could say after all that the administration has their view and we have ours. Honest people can differ. We are all trying to do the best we can for agriculture.

I made the comment—it has been repeated in the press—about our public deliberations the other day in the Agriculture Committee. Is it really the intent of our committee of the Senate to taunt the President, and say, Mr. President, regardless of what you and your OMB Director and others may have to say about this, we want to do more than you want to do? We really feel more deeply about the farmers than you do. So, by golly, even though it is pretty clear that all of this may lead to zero at the end of the trail, we are going to have a go at it. We really do not believe you will veto it. We think when it comes to agriculture that your heart is in the right place. So is that of the American people generally. So whether the figure is $5.5 billion, $6.1 billion, or $7.1 billion, maybe, for all I know, in conference there will be a larger figure. That is the way these things go. They never have too much discipline or form to them. They just sort of add up so you can get enough people on board to get a majority, and hopefully, in fact, the big majority. Maybe that was the intent, but I doubt it. I think the intent of our committee in the Senate and the House committee is, in fact, to get money to farmers by September 30 so that they will have successful meetings with the country bankers; so that our intent that no family farm should fail will, in fact, happen and they, in fact, stay alive and stay in business even in difficult times.

Meanwhile, both Houses think about larger farm bills which may go on for many years. The House of Representatives' committee acted on one last Friday, which was a significant bill. The House will still need to debate that. Obviously, our debate lies ahead.

These are important times not to be confused with the supplemental bill that we have at the present for emergency activity for money to be dispensed by September 30. But I take the time of the Chair and my colleagues this afternoon to recite all of this to give at least, as I see it, some background for this enterprise, why we are involved in it at all, to what extent the effects are, if you add up the figures, and what I perceive to be the dynamics of the political situation, if there is one in this.

My hope is that at the end of the debate—I hope we will have one, and, as I indicated when I started, I will certainly vote for cloture on the motion to proceed so we can proceed—the leaders will formulate a program for that process. I am hopeful that I will be recognized fairly early in the debate to offer what I believe to be a constructive amendment that I think will lead to rapid resolution and reconciliation with the House of Representatives and some hope for farmers out there that this is not going to be an interesting debate among Senators but rather a kickoff of activity in a week that some Senators characterize as the fairly slow beginning given the urgency of a number of topics that we need to discuss.

I am optimistic as always. I am sure the Chair shares that optimism and desire for constructive activity. During this rather calm hiatus before the debate really begins, technically, as the Chair knows, we are discussing really whether to proceed. I come out in favor of that. I hope my colleagues will, too. But, after we have proceeded, we need to have at least some framework I believe of how to manage this situation. I look forward to those hours ahead and a constructive result.

I do not see other Senators. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I rise to address the Agriculture supplemental assistance bill and to answer some of the critics I have heard from the other side with respect to this legislation.

As chairman of the Senate Budget Committee, I follow the budget issues very closely and have the responsibility for determining if a budget point of order exists against any legislation. We have heard from a number of our colleagues that the legislation before us somehow busts the budget. That is just wrong. That is not true. This legislation does not bust the budget. It is entirely in keeping with the budget resolution. There is no budget point of order that exists against this bill. Those are all facts.

Mr. President, if we look at the legislation before us, it provides $5.5 billion in fiscal year 2001. That is exactly what is provided for in the budget resolution. In fiscal year 2002, this legislation provides $1.9 billion. The committee is actually authorized $7.35 billion. So there still remains $5.45 billion available to the committee, available to the Congress, next year.

Mr. President, the fact is, this legislation is entirely in keeping with the budget resolution. There is no budget point of order against it. This does not bust the budget, this is in keeping with the budget. Those are the facts. I challenge anyone who has a different view to come out here and raise a budget point of order against this legislation. If they really believe what they have been saying, come out here and raise a budget point of order against this bill because there is no budget point of order—none. This bill is entirely within the budget resolution. It is entirely within the budget, and there is no budget point of order against this bill.

Mr. President, if one has any questions about the design of this bill, I suggest they go to the resolution on the budget that was passed here in the Congress. This is the conference report. This is what came out of the conference between the House and the Senate in the final budget resolution. When you go to the part of that report that deals with the issue before us, it says—and I have highlighted it—it says:

It is assumed that the additional funds for 2001 and 2002 will address low-income concerns in the agriculture sector today.

Not in the sweet by and by—today. That is what this bill does. It deals with the collapse of farm income that is happening today. I must say, when I hear some colleagues stand on the floor and say things are getting better in agriculture, I don't know what agriculture they are talking about. Maybe they are taking about Argentina or China. They are not talking about America because if you ask the American farmer what is happening today, they will tell you what is happening is a disaster—a disaster of collapsing incomes that threatens to force tens of thousands of farm families off of the land. That is what is happening.

This idea that somehow prices are escalating dramatically and all of a sudden there are good times ahead is just plain wrong. What are they talking about? They aren't talking about agriculture in my State. Go to the grain elevator in North Dakota and see what wheat is selling for. Has it gone up a little bit? Yes, it has gone up a little bit. Is it anywhere close to the cost of production? No. I mean, it is almost farcical. Have prices gone up a little? Yes, they have. Are they still so far underwater you can't possibly make a farm operation add up? Absolutely. We all know it is true, any of us who represents agricultural America; and I must say the distinguished occupant of the chair, the Senator from Minnesota, knows exactly what I am talking about.

The Senator from Minnesota, Mr. DAYTON, has had a chance to go town to town, community to community, farm to farm, and he knows what I am saying is true because farmers all across the Dakotas, across Minnesota, tell us the same thing: These are as tough a times as they have ever faced. They tell us weekend after weekend, break period after break period: If you guys don't do something in Washington, we are all going to go bust. We are going to be broke. We are going to be forced off the land because this doesn't add up.

When you look at the cost of the things that they buy versus the prices they get when they sell, there is no way of making it add up. That is what this bill is about. This bill is to provide emergency assistance for farmers who are struggling. It does it just in line with what the budget resolution called for.

> It is assumed that the additional funds for 2001 and 2002 will address low-income concerns in the agricultural sector today.

That is the wording of the budget resolution. It goes on to say:

> Fiscal year 2003 monies may be made available for 2002 crop year support.

That is a very important thing to understand. Why is it that we have a circumstance in which in this bill we pass in 2001, that we not only deal with 2001 expenditures, but we also deal with 2002 expenditures? Why do we do that? Very simply because there is a difference between the fiscal year and a crop-year. Every farmer knows it. Every member of the Agriculture Committee knows it. Others may not know it. So it is easier to confuse the circumstance. But we have always, in every disaster bill since I have been a Member of this body—and I am in my fifteenth year—when we have dealt with an agricultural disaster, some of the assistance comes from one fiscal year and some comes in the next fiscal year because that is the way crop-years work. Crop-years don't just neatly fall in the same fiscal year. That isn't the way it works.

When there is a disaster, it doesn't just have an effect until September 30 of a year. That is when our Federal fiscal year ends. It affects before September 30. That is why we have some money in fiscal 2001, and some of it has an effect after September 30, as harvest is completed, and that is why we have some of the money in fiscal 2002.

Lest anybody have any misunderstanding, that is exactly what the budget resolution recognizes. It says it about as clearly as it can be said:

> Fiscal year 2003 monies may be made available for 2002 crop year support.

That is exactly what we are doing with 2002 and 2001. Some of the money is in Federal fiscal year 2001; some is in Federal fiscal year 2002, just as you would anticipate. That is exactly what this legislation provides.

Mr. President, again, I want to go back to the fundamental and basic point for any of our colleagues who are listening and wondering about the critiques they have heard. Is it true that this busts the budget? Absolutely not. The budget says $5.5 billion is available to the Agriculture Committee under their allocation. And the funding that is provided in this assistance package for fiscal year 2001 is $5.5 billion—exactly what is provided for in the budget. For fiscal year 2002, the Agriculture Committee has been allocated $7.35 billion.

This legislation, quite appropriately, uses $1.9 billion of that amount. There is absolutely nothing wrong with what is being done here. It does not bust the budget. It does not add $2 billion to the overall cost of the agricultural budget that has been provided for in the next 2 years. It does not add one thin dime to what was provided for in the budget resolution. It does not add a penny to what was provided for in the budget resolution. It is exactly what the budget resolution calls for: $5.5 billion in fiscal year 2001.

This costs $5.5 billion. In 2002, the budget resolution provides $7.35 billion. Of that, $1.9 billion is used, leaving $5.45 billion next year. That is not going to be a problem.

Why is it not going to be a problem? Very simply, because of the difference between fiscal years and crop years. We are going to have a very short period of time that has to be covered in the next fiscal year because of the difference between a fiscal year and a crop year and the fact that we are writing a new Federal farm bill.

It is very clear in the budget resolution, for anybody who bothers to read it: "Fiscal year 2003 monies may be made available for 2002 crop year support." By doing what we are doing, using the money allocated for 2001 as provided for in the budget resolution and using some of the money that is available in 2002 for 2002, with the anticipation we can use 2003 fiscal year money to deal with the 2002 crop year, that is exactly what is being done in this legislation. No harm, no foul. That is exactly what we have here. There is no harm. There is no foul.

This is completely in keeping with the budget resolution. There is no budget point of order against this legislation. If anybody challenges that, they have an opportunity. They can come out and raise a budget point of order and see what the Parliamentarian says. The Parliamentarian will tell them there is no budget point of order against this bill—none, zero—because it is entirely in keeping with the budget resolution.

I thank the Chair, and I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KENNEDY). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, I rise to voice my concerns about this

Agricultural supplemental appropriations bill. I believe reaching forward into next year to spend an additional $2 billion is fiscally irresponsible and, frankly, unnecessary. Even though some of that $2 billion in additional spending will benefit farmers in my State, I do not believe at a time when we are debating issues of great importance—Medicare prescription drugs, Social Security, other issues such as that, where we are going to be needing resources to solve those problems—reaching forward to next year, when we are going to be doing a farm bill next year, to allocate those resources is the wise course to take.

I do not want you to take my word for it. We have just received a Statement of Administration Policy about this legislation. I want to quote from it:

> The Administration strongly opposes S. 1246 as reported by the Committee on Agriculture, Nutrition, and Forestry because spending authorized by the bill would exceed $5.5 billion, the amount provided in the budget resolution and the amount adopted by the House. If S. 1246 is presented to the President at a level higher than $5.5 billion, the President's senior advisers will recommend he veto the bill.

We are about to engage here in a motion to proceed. If this scenario plays out, with the objections that I intend to have to this bill and I know others on this side will have, we will not get around in any way, shape, or form to final passage of this bill until Friday, Saturday, sometime Sunday.

It can all go away. From my perspective, it can all go away. If we stop this overreaching and get back to the budget number of $5.5 billion and we get to the House number of $5.5 billion, we can pass a bill here and, I hope, in a relatively expeditious time. Certainly from my perspective I will not have objections to moving forward. There may be amendments offered, and I certainly want to reserve my right to object if there are amendments offered, but the idea we are going to spend all week here, probably past the time the House of Representatives will even be in session, and pass a bill that the House will not even be here to deal with—it may not even get to the President—and we get no ag assistance at this point in time is irresponsible. To overreach to the point we get nothing at a time when certainly there are some ag needs out there, that is, in my view, an irresponsible action.

I am hopeful with this word from the President, with I think a very strong conviction of many of us on this side of the aisle that this additional spending is not only unnecessary but unwise, we can get this bill done in a rapid, orderly fashion and get it done to a level that has been approved by the Budget Committee and the authorizing committee and move forward and get ag assistance out before the House of Representatives leaves and get a bill that will be signed by the President.

If we go to the $7.5 billion level, I tell you we will be here all week. We will be here past the time the House of Representatives will be in session. And it will be met with a veto by the President.

I am willing to do that. But we are not going to get any ag assistance to people anytime soon if we do that.

I am happy to yield to the Senator from Iowa.

Mr. HARKIN. I thank the Senator for yielding. I am sorry the Senator is still not a member of the Agriculture Committee. He was a very valuable member.

Mr. SANTORUM. I am sorry, too. It is the cost of leadership on our side.

Mr. HARKIN. I am sorry he is not there because he comes from a very important agricultural State.

I say to my friend from Pennsylvania, I have tried to make it clear, again, this Agriculture Committee, in accordance with the budget, spent $5.5 billion this fiscal year, before September 30. The Budget Committee allows the Agriculture Committee to spend up to $7.35 billion in fiscal year 2002, which begins on October 1. There are no instructions in the Budget Committee that say we cannot meet until after that to decide how to spend that $7.35 billion.

There is no reaching forward. There is no moving money from one fiscal year to another, I say to my friend from Pennsylvania. This committee recognized that fiscal years and crop-years do not coincide. So what the committee did, because of the press of business, what is happening this fall, since we don't know when the next farm bill is going to be done, and in accordance with the budget resolution, was to obligate $2 billion of the $7.35 billion for next year to be spent in 2002. So the money is coming out of the $7.35 billion for fiscal year 2002. It is not being forward funded. There is no moving money from one fiscal year to the other. It was just a recognition that many of the problems that farmers face this fall, in November or December or January, are the result of the crop-year that came before it and the crop-years and the fiscal years do not coincide on the same date. I just say that to my friend.

Mr. SANTORUM. Mr. President, I appreciate the comments of the Senator from Iowa.

A couple of comments:

No. 1, the President's advisers have advised the President to veto this bill because of the obligation of this 2002 money and this additional $2 billion of obligations. We received this a few minutes ago. I will read it to you again.

> The administration strongly opposes S. 1246 as reported by the Committee on Agriculture, Nutrition, and Forestry, because spending authorized by the bill would exceed $5.5 billion, the amount provided in the budget resolution and the amount adopted by the House. If S. 1246 is presented to the President at a level higher than $5.5 billion, the President's senior advisers will recommend that he veto the bill.

I understand the idea of reaching forward and obligating money. The problem I have is we are now obligating money that is going to start to be spent October 1.

I have been around here long enough to know that we will be here next year, and we will have another emergency. And the $5 billion left over isn't going to be enough and we will either try to bump that up or reach for the next year and try to draw out some money.

If I can have assurances that this isn't just a continual practice—which I know it will be, if we allow this to occur and we will just in a sense begin reaching more and more into the following year to make up for it in this crop-year. That is not what the Budget Committee suggested. They said we want $5.5 billion. If we have a farm bill coming up next year, we have authorization for $7.3 billion, let's go through the working process of doing that in the fiscal year in which we intend to do it. But to reach and grab, if you want to obligate, why not obligate the whole $7.3 billion, if there is no big deal about it. The fact is, we have a responsibility under the farm bill to change farm policy. Use that $7.3 billion to implement that change. There will be some changes, as I am sure the Senator knows, in farm policy. What we have done now is to limit our ability to make that happen. I do not think that is wise. Whether I think it is wise or not is somewhat relevant in this body, but what is more relevant is the fact that the President's advisers will recommend that he veto this bill.

If we don't get aid to the farm country right now in this fiscal year, the best course of business is to scale this bill back and put the $5.5 billion out to the farm country. We either adopt the House bill or we pass $5.5 billion here in conference. There may be some policy differences that we may want to work out. That is the best way to do it.

There would be much more cooperation from many of us on this side of the aisle who would like to see some agricultural assistance. If I could read further from the Statement of Administration Policy, it says:

> The budget resolution provides $5.5 billion for 2001, an amount that the Administration strongly believes is more than adequate for this crop year. Moreover, improvements in agricultural markets and stronger livestock and crop prices means that the need for additional federal assistance continues to diminish. An additional $5.5 billion in federal assistance will boast expected real U.S. farm net-cash income to $53.6 billion in 1996 dollars, a level of income significantly above the previous two years.

Having been on the Agriculture Committee, I remember when we had this discussion. Our objective was to keep net-cash farm income at the 1996 level of $45 billion.

I ask the Senator from Iowa if he remembers that also. But the number we had always targeted was $45 billion in net-cash farm income.

Here we are with this supplemental at $53.6 billion. We are talking about 20 percent above what we thought was the projected level of income that we wanted to set as a floor. Now above that we want to throw on another $2 billion.

All I am asking is when is enough enough? I think $5.5 billion is more than generous. It is not the way I would want to spend it. That is why I hope we can maybe do some amendments to this bill. Almost 99 percent of the $5.5 billion is spent this year on AMTA payments. I understand that is an easy way to get out the money. But it isn't necessarily a regionally fair way to get out the money.

I see the Senator from Vermont. The Senator from Vermont and the Senator from Pennsylvania consider agriculture pretty important to our States. It is the No. 1 industry in my State. It is either No. 1 or No. 2 in his State. But I will guarantee that the level of AMTA payments in our State is probably a third or less of what it is in Iowa, and certainly North Dakota and a lot of other Midwestern row-crop States. Putting all of that money in AMTA doesn't help us much. It doesn't help the Senator from Vermont or the Senator from Pennsylvania. It doesn't help the Senator from Massachusetts or anybody else who has farmers who aren't in the big row crops.

I suggest that we step back and try to put together a bill that is regionally fair and that meets the budget target we set out. Then we can get a bill that I think can pass in a bipartisan fashion that will be signed by this President and really do something about the need in some areas of farm country to help stabilize that economy.

I yield the floor.

The PRESIDING OFFICER. I suggest the absence of a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I know our time has expired.

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. How much time do we have before the vote?

The PRESIDING OFFICER. Three and a half minutes.

Mr. HARKIN. I ask unanimous consent to have a couple of minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I wish to, again, respond to my friend from Pennsylvania and to a Statement of Administration Policy that we have just received. It is not from the President. I don't really know what to make of this letter. It said they opposed the bill that we have before us because spending authorized by the bill would exceed $5.5 billion, the amount provided in the budget resolution and the amount adopted by the House. It is the amount adopted by the House, but it is not the amount provided in the budget resolution. The budget resolution provided two amounts: $5.5 billion this year and $7.35 billion next year. We stayed within the $5.5 billion for this year. Then we had $7.35 billion for next year.

The administration is saying we can't spend what the budget resolution provides. The administration has nothing to do with this. This is something that is internal to the Congress.

If we are meeting our budget obligations, why should the administration care? Evidently, the administration must be opposed to how we are spending the money. How are we spending the money? In the next fiscal year we are spending money on a lot of our specialty crops such as apples.

I mentioned in my earlier talk about how our apple farmers are being hurt. We heard that the livestock sector is rebounding. But that doesn't mean the crop sector is rebounding. Far from it. We have specialty crops in peas and lentils. I mentioned apples. We have a lot of other specialty crops that are in dire need of assistance all over this country.

This bill is much fairer region to region than the House bill. The House bill focused on a few crops but not on the entire country. That is why I do not understand the administration's objection to this. They say the bill provides funding for a number of programs that have nothing to do with farmers' 2001 incomes. It sure as heck does. Ask all the apple farmers in Washington State, in Maine, in Pennsylvania, in New York, and in Massachusetts. It has a lot to do with the 2001 income.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Pennsylvania is recognized for 1 minute 20 seconds.

Mr. SANTORUM. Mr. President, I would like to address the point of the Senator from Iowa. At least three components of this bill have nothing to do with farm income. One establishes a scientific research unit in USDA. It provides additional funding for business and industry. It provides that U.S. cities with populations not exceeding 50,000 will be eligible for guaranteed community facility costs.

That has nothing to do with emergency farm income this year. This is just another vehicle to try to do some more agricultural authorization. I am not against doing agricultural authorization. I loved being on the Agriculture Committee. But we should do it in a farm bill and not in an emergency supplemental bill for agriculture. No. 2, the fact is, I think the Senator has received letters from the White House and previous administrations where they said: Senior advisers will recommend that the President veto the bill. Unfortunately, we get those all too often around here.

I think it is very clear that the President and his advisers do not like the way this bill was constructed and would prefer to see us live within the requirements of the budget agreement for the year 2001. I think we can do that, and we should do that. It is the only way I believe we will actually get a bill done this year.

The PRESIDING OFFICER. All time has expired.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The senior assistant bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the motion to proceed to Calendar No. 102, S. 1246, a bill to respond to the continuing economic crisis adversely affecting American farmers:

Tom Harkin, Harry Reid, Jon S. Corzine, Max Baucus, Patty Murray, Hillary Rodham Clinton, Jeff Bingaman, Tim Johnson, Ted Kennedy, Jay Rockefeller, Daniel K. Akaka, Paul Wellstone, Mark Dayton, Maria Cantwell, Benjamin Nelson, Blanche Lincoln, Richard Durbin, Herb Kohl.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call under the rule has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to S. 1246, a bill to respond to the continuing economic crisis adversely affecting American farmers, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from New Jersey (Mr. TORRICELLI) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from Utah (Mr. BENNETT) are necessarily absent.

The yeas and nays resulted—yeas 95, nays 2, as follows:

[Rollcall Vote No. 260 Leg.]

YEAS—95

Akaka
Allard
Allen
Baucus
Bayh
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner
Wellstone
Wyden

NAYS—2

Ensign
Gregg

NOT VOTING—3

Bennett
McCain
Torricelli

The PRESIDING OFFICER. On this vote the yeas are 95, the nays are 2. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DASCHLE. Madam President, I ask unanimous consent the motion to proceed to S. 1246 be adopted and the Senate proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each; that the Senate resume consideration of the Agriculture supplemental bill, S. 1246, at 9:30 a.m. on Tuesday, July 31, and that Senator LUGAR be recognized to offer an amendment, the text of the House-passed bill; further, that no cloture motion against the bill, or any amendments, be in order prior to Wednesday, August 1.

The PRESIDING OFFICER. Is there objection?

Mr. LUGAR. Madam President, reserving the right to object, and I will not object, I simply thank the majority leader for this motion. It sets us off on a constructive path for consideration of this bill, and it offers an opportunity for me to present an amendment, which I am prepared to do. We look forward to working with him. I do not object.

I yield the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

ORDER OF BUSINESS

Mr. DASCHLE. Madam President, let me thank the distinguished ranking member and the chairman for their excellent work in getting the Senate to this point. I appreciate very much Senator LUGAR's interest in pursuing this amendment. We will have a good debate on it. We don't know how long the debate will last, but we will certainly leave it to him to make some decision in that regard tomorrow morning.

Tomorrow is Tuesday. We have 4 days within which to do a tremendous amount of work. I ask the cooperation of all of our colleagues. We need to finish this bill, and that will entail, of course, working through some very difficult questions not only with regard to the level of funding but also perhaps the dairy issue and other questions about which I know Senators are concerned. We also have to finish the Transportation bill, and of course, the Export Administration Act expires in August. The distinguished Presiding Officer addressed that point last week. We would like to do HUD–VA. There is a lot to be done.

Tomorrow night our Republican colleagues have an event and we will attempt to accommodate that event tomorrow night. I appreciate very much the minority leader's cooperation in allowing us to move to the bill as quickly as we have. That will at least accelerate the opportunity for debate and hopefully allow us to address some of these questions as quickly as possible. It will be a busy week.

I will say now, so there is no surprise if we are not finished at least with the Export Administration Act, the Transportation bill and the Agriculture supplemental bill by Friday, we will need the weekend and we will need additional days. That is an unfortunate but certainly accurate statement. I am hopeful that will not be necessary, but I want Senators who have traveling plans to take that into account because this work must be done. I thank all of my colleagues.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. I seek recognition in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY

Mr. DURBIN. This weekend, the New York Times Sunday edition had a front page story on a proposal by two Members of the House of Representatives concerning the future of Social Security. It is an interesting proposal because the two, JIM KOLBE of Arizona and CHARLIE STENHOLM of Texas, a Republican and Democrat, support the notion of privatizing Social Security, giving people an opportunity to invest some part of their Social Security payroll deduction into some sort of private account.

It is interesting that the Kolbe-Stenholm proposal for privatization is the first complete package I have seen because in that package they have to tell you how they will pay for it. If they want to take 2 percent of the payroll deduction and put it into a private investment, it will have a dramatic impact. Two percent does not sound like much, but it turns out to be a substantial portion of the amount that is dedicated to Social Security. Since Social Security is a pay-as-you-go system, if you are going to dedicate the 2 percent to private investment, you run the risk, or at least have the opportunity to take a look at a lot of other things that need to be done in order to achieve this 2-percent privatization investment.

When you look at the Kolbe and Stenholm proposal and Social Security, a number of things come out very clearly. In order to achieve this privatization, they are calling for an increase in the payroll tax for Social Security, a reduction in the benefits paid for Social Security, an acceleration of the age of 67 years for retirement under Social Security, and a variety of other changes, which means that the Social Security system as we know it will be dramatically changed.

Some critics of the Democrats have said even though you are critical of this commission on Social Security, you have to accept the reality that Social Security is not going to last forever. That is true. Left untouched, Social Security is going to run out of funds. There is no doubt about it.

The report that was given by the President's commission suggests that Social Security would run out of funds in the year 2016. That is not accurate. The right year is 2038. The obvious question is, Should we be concerned today about a system that will run out of funds 37 years from now? I think the answer is yes. The answer is obvious because there are people paying into Social Security today who will need that system 37 years from now, and we should be making changes that we can realistically make, honestly make, that will save Social Security to make certain that it has a longer life.

Each of those changes will involve some pain. There is no doubt about it. But to make those changes today in anticipation of 2038 is a lot more sensible and I think would be more reasonable in terms of its approach. It is painful, too, I might add, politically. But to couple those changes to save and prolong Social Security with this idea of privatization is what forces my colleagues in the House, Mr. KOLBE and Mr. STENHOLM, to make some drastic changes. They are, as I said, raising the payroll tax on Social Security, reducing the benefits paid, saying to people they cannot claim their Social Security benefits until they reach the age of 67—at an earlier date, I might add—and reducing the cost-of-living adjustment which is given each year under Social Security.

I think what we need to do to go at this honestly is to separate the two issues. We should say to the American people: We are going to set a goal for the life of Social Security. We want to make certain it is adequately funded and solvent for so many years to come. Right now it is to the year 2038. The question is, What do we want to prolong it to—2057, 2058? What would it be? Pick that date, and then say to both the President's commission and those who would come at it from a different perspective: Tell us what you think it would take for us to make sure that Social Security is solvent that extra 20 years. Maybe that is our goal, 20 years beyond its current solvency. Then have each side make their proposal of what it would take to reach that.

Then if some want to come in and add the option of privatization of Social Security, let them also explain how they would pay for that. Where I think the President has made a mistake is creating a commission which is not designed and created to give a longer life to Social Security but is designed instead to create an item on the political agenda of privatization of Social Security.

It comes down to this as well. There is a difference of opinion as to what Social Security is all about. Some view it much like a retirement fund or an investment plan. It certainly has characteristics of that. But more than that, it is an insurance policy. It is known as the social insurance policy for Americans. That puts it in a different perspective. We pay premiums throughout our life for basic insurance. If we live to be 65, so long as we are alive, that payment, of course, gives us the safety net we need in our retirement. Some, though, think it should be viewed as a retirement fund. There have been times when you can make more money in the stock market than the Social Security fund has made, and in that respect they are asking for the privatization of the system. I think we ought to take care.

As appealing as it may be for us to consider the possibility of privatization, you run the very real risk, if the stock market takes a downturn at the time you want to retire, that everything you have saved for is not there when you need it. So the insurance policy aspect of that would be something you would welcome at that moment. Instead, you have been caught in a bad investment.

Many American families, probably most who are listening and following this debate, have had in the last year a bad experience in the stock market. There was a terrific good-time roll in our economy for about 9 or 10 years with the creation of 22 million new jobs, new housing starts, new businesses, low inflation, a dramatic increase in the Dow Jones index, and a great increase in personal savings from people who were putting money away for retirement. Then at the beginning of last year, a correction started to take place which we are still living through. During that correction, the retirement investment of a lot of people diminished. So if they were counting on this increase in the value of their investment because of the growing stock market, then they have had a rude awakening over the last year.

What if this were all that you had? What if you had made your investment in your fund for retirement, the private investment of your Social Security funds, and the day came for your retirement and you were caught at a bad moment on the stock market, when things were low? That sort of thing worries me because this safety net is very basic. It is tough for a person to survive just on Social Security. To take even a small part of it and to put it into private investment is to run the risk that, while it may increase in value, it may decrease as well.

So I think the President's commission starts with a false assertion about the Social Security trust, its funds, and its solvency. But it also starts with the premise that you have to privatize it as part of giving a longer life to Social Security. My challenge to the commission and to those as well who do not agree with privatization, including myself, is to come up with a proposal to give a longer life to Social Security and put it on the table and say to the American people: This is what we need to do to give a longer life to Social Security. Let the President's commission do the same thing. Then, for those who want to privatize, want to take more money out of Social Security, let them then tell you what the add-on cost would be for privatization. Then let's make the political judgment.

Today we are in this swirl of misinformation, some of it coming from the commission and some of it coming from outside sources. There are some people, of course, who have never liked Social Security. They called it socialism when Franklin Roosevelt came up with this idea. But I think we would all agree—at least I hope we would—that it has been the single most successful social program in America, giving a lot of senior citizens an opportunity they would never have otherwise to retire with dignity and to have a life with their families, to live for a long time without fear they were going to be dependent on their children or the Government for some sort of dole or handout. I think this generation has to meet its obligation for the future of Social Security.

I concede changes must be made. The Democrats and Republicans should come together to make those changes. I think when we take a look at the add-on cost of privatization as Congressman KOLBE and Congressman STENHOLM say, and find out what it will cost in terms of reducing benefits and raising payroll taxes on Social Security, that it will be quickly rejected. I hope we will do this in an honest and bipartisan fashion and that we address it very quickly. It is never an easy issue to address, but it is certainly one we have an obligation to address as quickly as possible.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VIRGINIA HOUSE OF BURGESSES

Mr. BYRD. Madam President, on July 30, 1619, in the church at Jamestown, VA, the colonial Governor of Virginia, George Yeardley, called into session a meeting of twenty-two citizens called burgesses, from each of the eleven boroughs subdivisions, of colonial Virginia.

According to one of the participants, Mr. John Pory, "all the Burgesses took their places . . . till a prayer was said by Mr. Burke, the minister," who asked God to "guide and sanctify" the "proceedings to his own glory."

The Speaker then addressed the members of the assembly on their duties as participants. "Our intent," wrote Mr. Pory, was "to establish one equal and uniforme kinde of government over all Virginia."

Thus began, 382 years ago this very day, the first representative, legislative body in American history, the Virginia House of Burgesses.

I do find it ironic that today, when there is so much talk about separation of church and state, that the very first legislative assembly in American history took place in a church. It seems very fitting that the legislative foundations of the world's greatest power, and the world's foremost proponent of liberty and, I might add, religious freedom began in a church.

What a momentous day July 30, 1619 was, not only in American history, but also in world history. Right there in that little church in Jamestown, VA, a colony still struggling to survive, a colony that had been decimated by plagues, disease, hunger, and war, a significant step was taken in the development of representative government.

Think about it, even with all the problems of simply staying alive, these men, driven by that eternal desire to be free and to rule themselves, to be free of the control of kings, emperors, czars, and other autocrats, had the intellect and the foresight to meet in that church and begin a journey that would eventually lead to the establishment of our republic.

Independence was still more than 150 years away, but the seeds of American democratic thought had been sown. It is probably no coincidence that from the House of Burgesses would come some of the most important champions of American liberty and greatest leaders of the American Revolution, including Thomas Jefferson, George Washington, John Marshall, and Patrick Henry.

For this reason, I want to recognize this very important, if overlooked, day in our American heritage.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred November 11, 1990 in Seattle, WA. A 23-year-old man was near death from head injuries suffered in an attack by members of a Seattle gang known as the United Blood Nation. The attackers had been targeting gay couples during the night.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Madam President, at the close of business Friday, July 27, 2001, the Federal debt stood at $5,736,703,126,894.92, five trillion, seven hundred thirty-six billion, seven hundred three million, one hundred twenty-six thousand, eight hundred ninety-four dollars and ninety-two cents.

One year ago, July 27, 2000, the Federal debt stood at $5,673,849,000,000, five trillion, six hundred seventy-three billion, eight hundred forty-nine million.

Twenty-five years ago, July 27, 1976, the Federal debt stood at $620,139,000,000, six hundred twenty billion, one hundred thirty-nine million, which reflects a debt increase of more than $5 trillion, $5,116,564,126,894.92, five trillion, one hundred sixteen billion, five hundred sixty-four million, one hundred twenty-six thousand, eight hundred ninety-four dollars and ninety-two cents during the past 25 years.

ADDITIONAL STATEMENTS

HONORING SOUTH DAKOTA CONGRESSIONAL GOLD AWARD RECIPIENTS

• Mr. JOHNSON. Mr. President, I rise today to publicly commend an outstanding group of young people from my home State of South Dakota. These fourteen extraordinary students were recently honored with the Congressional Gold Award, a prestigious award given to a very select group of dedicated young people from throughout the Nation.

The Congressional Award program was established by Congress in 1979 to recognize the initiative, achievement, and service of extraordinary young people from across the Nation. The Award was signed into law by President Jimmy Carter, and each president since Carter has renewed the authorizing legislation.

To qualify for the Congressional Gold Award, an individual aged 14 to 23 must complete at least 800 hours of goal-oriented work in four program areas: Volunteer Public Service, Personal Development, Physical Fitness, and Expedition/Exploration. These program areas emphasize each person's capacity to grow and develop as an individual, as well as how each person can selflessly contribute to the happiness and well-being of their community.

South Dakota Congressional Gold Award recipients chose to volunteer their time and talents in many different areas, where they made tremendous contributions. One recipient volunteered at the Veterans Affairs hospital in Ft. Meade, SD. Some awardees became mentors or Girl Scout leaders, while others volunteered at childcare centers, athletic associations, local schools, parks, and even in the South Dakota State Penitentiary. One individual actually established an annual volksmarch in their hometown.

For their outstanding commitment to physical fitness, personal development, exploration, and for committing their hearts and hands to volunteering in their communities, I would like to congratulate the following young South Dakotans for receiving the Congressional Gold Award: Kary Bullock of Ashton; Eric Davies of Whitewood; Nicole Hammer, Janelle Stahl, Kayla Stahl, and Michelle Jilek of Mellette; Ryun Haugaard and Norman Haugaard II of Milbank; Carrie Larson and Jessica Larson of Mitchell; Alexsis Malsam of Aberdeen; Andrea McComsey and Tracey Smith of Conde; and Betsy Valnes of Sioux Falls.

I thank these outstanding young people for their immeasurable contributions to their communities, the State of South Dakota, and our Nation. It is because of individuals like these that I have great faith in the continued success and prosperity of our great Nation. These individuals truly serve as an example for all young Americans.•

DR. CAROLYN REED

• Mr. HOLLINGS. Mr. President, I rise today to recognize Dr. Carolyn Reed, director of the Hollings Cancer Center at the Medical University of South Carolina. The Post and Courier newspaper in Charleston, SC recently published a profile of Dr. Reed in a special Remarkable Women section. I have the great pleasure of working with Dr. Reed and can attest to the remarkable job she has done since taking the reins as director last year. She is a talented and compassionate surgeon and effective administrator who easily blends these two roles in mapping the Cancer Center's future. Her commitment to offer all South Carolinians state-of-the-art cancer care is unwavering.

I ask that the article be printed in the RECORD.

[From the Post and Courier (SC), July 25, 2001]

SURGEON IS HEAD OF CANCER CENTER

(By Dottie Ashley)

You might think a pall would hang in the air when you enter the office of Dr. Carolyn Reed. She must deal daily with deadly disease in her dual roles as thoracic surgeon and director of the Hollings Cancer Center at MUSC.

But, instead, you can't help but smile.

Occupying one shelf, alongside a volume titled "Thoracic Oncology," is a large green jar with the words "Male Sensitivity Pills" printed on the label.

"I doubt if that endears me to my male colleagues," says Reed with a laugh. Wearing her white doctor's coat over a lilac blouse, she buzzes around the office, filling it with energy and optimism, even when she is viewing results from radiology that reveal a patient has lung cancer.

The surgeon, now 50, who won a thoracic surgical oncology fellowship to the venerable Memorial Sloan-Kettering Cancer Center, doesn't beat around the bush.

She's a straight-talking Maine Yankee, and, on this morning, speaking firmly into the telephone to a colleague, says, "This is absurd; the system is making us do unnecessary procedures."

Accustomed to changing the system and cracking glass ceilings, Reed is one of 4,000 practicing cardio-thoracic surgeons in the United States, of which only 2 percent are female.

And she is the only female thoracic surgeon practicing in South Carolina, according to state figures.

Although Reed, who is single, has cut back to a degree on the number of surgeries she performs since taking over as director of the Hollings Cancer Center last August, she is still very involved with her first love. She worries that more women don't enter the thoracic surgery arena.

"It's true more women are getting into medicine, but not really into surgery and especially thoracic surgery," she says, noting that when she graduated from the University of Rochester School of Medicine in 1977, only 10 percent of those in medical school residencies were women. Today, that figure is close to 50 percent. But she points out that only about 5 percent of the residents-in-training in the field of thoracic surgery are women.

"It's clearly a male-dominated field," she says. "For example, I use the nurses' locker room at MUSC because there is no locker room for female surgeons. But it doesn't bother me a bit because I respect nurses and view them as colleagues, not as handmaidens."

"The Heart is an Organ To Pump Blood to the Esophagus" are the words mounted on a plaque in Reed's office, indicative of her fascination with the chest portion of the human body.

"I perform operations involving lung and esophageal cancer," says Reed, who assumed the position of professor of surgery at MUSC in 1985.

Always interested in science when attending high school in rural Maine, Reed became aware of the devastating effects of cancer when her father died of the disease when only in his 40s. At the time, she was a freshman at the University of Maine, where she graduated in 1972 as valedictorian of the class.

She then went on to the University of Rochester School of Medicine, where she received her medical degree in 1977, graduating with honors and distinction in research.

However, after working in research with her mentor who was a specialist in leukemia, she learned that she vastly preferred to work with patients than in a lab.

"I love my patients," she says. "It has been said that doctors should keep a professional distance, but many of my patients have become my friends. The day that I don't cry in my car on the way home when I have lost a patient is the day I will quit."

And in the past, she encountered some who encouraged her to quit.

When she was a resident in general surgery in 1982 at New York Hospital-Cornell Medical Center in New York City, Reed was told by the center's leading teaching surgeon: "Women only belong in the kitchen and the bedroom."

"Do you think I liked operating with him after hearing that?" she asked rhetorically. "I told him I didn't agree with him, but then I went right ahead and learned every single thing I could from him, because he was a brilliant man.

"And I think I eventually earned his respect because I ended up being the chief resident that year."

She also faced other adversities: When she first arrived at New York Hospital, someone referred to her as "that poor intern," and she learned that was because normally the thoracic surgery floor has two interns, but this time it would have only one. She was expected to work every night, often going two nights straight without sleep.

But the only time she almost gave up was when she had returned to New York Hospital for two years of cardio-thoracic surgery after working at Memorial Sloan-Kettering. "I lived across the street from the hospital where they had apartments for the staff, and after I had worked two days without sleep, I was finally sleeping in my scrubs. At 2 a.m. the phone rang. I had to get over there. When I ran out into that empty street I was crying because I thought I just can't do it. I just can't.

"But then I did it, and I saw what you can do when you are dedicated, when you really love what you do. And to see the immediate, positive results of surgery is my favorite thing in the world," she says on this rainy morning as she prepares to operate once more, hoping to give one more cancer patient a chance at life.•

AARP'S CELEBRATION OF MEDICARE'S 36TH ANNIVERSARY

• Mr. JOHNSON. Mr. President, I am pleased to join AARP, including South Dakota's nearly 85,000 members, today to celebrate the 36th anniversary of the Medicare program.

I want to applaud the efforts of Don Vogt, Deb Fleming, and all the volunteers of South Dakota AARP for the work they do in South Dakota and those AARP staff and volunteers around the country that provide important assistance to their over 34 million members nationwide.

As long as we are celebrating important dates in history, I want to also recognize and celebrate the 43rd anniversary of AARP this year. Since its inception, AARP has had a vision, "to excel as a dynamic presence in every community, shaping and enriching the experience of aging for each member and for society." I think we can all agree that today's celebration is an example of making this vision a reality.

Most of us here today can remember what life was like prior to the Medicare program. While some people may reflect on the good old days of housecalls and town doctors, the reality for most seniors was that there was very little access to health care coverage. In fact, when the Medicare program was implemented in 1965, nearly 30 percent of elderly Americans lived below the poverty line and could not afford medical insurance coverage. As a result of Medicare's successes over the last 36 years, the decrease in individual expenditures on health are allowed many seniors to maintain their savings longer into their retirement years, leading to a dramatic drop in the poverty level of seniors to just over 10 percent in recent years. This stark contrast to the number of seniors living in poverty prior to the Medicare program is a testament to the program's long term success. In addition, elderly Americans now maintain healthy, active lives well past the average life expectancy of Americans during the first half of the 20th century.

I do, however, feel that no entitlement program is perfect and Medicare is no exception. While I believe that Medicare does an outstanding job of providing coverage for its nearly 44 million beneficiaries, I think it is possible to improve upon this highly effective program. To use a phrase that coincides with the theme of this year's Medicare birthday celebration, I believe it is possible to have our cake and eat it too.

Prescription drugs played an extremely small role in health care when Medicare was first implemented. Today, prescription drugs play an integral part in a wide variety of therapies for illnesses and diseases that affect aging populations. But while our Medicare beneficiaries' dependence on prescription drugs grows, so has the price of acquiring those important therapies. That is why I have introduced several pieces of legislation that provide common-sense solutions to the rising cost of prescription drugs. My Prescription Drug Fairness for Seniors legislation would allow seniors to purchase their prescriptions at the same cost as is offered to senior citizens of other industrialized nations. Another version of the Prescription Drug Fairness for Seniors bill would require that seniors have access to the same prices that most favored purchasers like HMOs have. I believe it is wrong that our Nation's seniors are forced to pay the highest prices in the world for their prescription drug needs, and both of my plans could provide immediate financial relief for the nearly 119,000 Medicare beneficiaries in South Dakota and the 39 million Medicare beneficiaries nationwide.

I have also introduced legislation that would guarantee greater access to generic pharmaceuticals, which play an integral role in keeping down the cost of pharmaceuticals. Many seniors have expressed to me that if they only had greater access to generics that they could get a better handle on their medication costs. This is another way we can immediately address the price of prescription drugs without additional bureaucratic red-tape.

There is no question, however, that a comprehensive Medicare prescription drug benefit would be a tremendous addition to the Medicare program. I have been an ardent supporter of efforts in recent years to push forward with a strong, voluntary prescription drug plan that gives seniors the option of prescription drugs through Medicare. I strongly believe that we must ensure that Medicare beneficiaries have access to needed drugs, access to their local pharmacy, and affordable premiums that make the program accessible to all. And, perhaps most importantly, any benefit must ensure rural beneficiaries, like many on Medicare in South Dakota, are assured that they have universal access wherever they live.

I was pleased to join in AARP's "Medicare Monday" celebration. Providing Medicare prescription drug benefits is a goal that I share with Medicare beneficiaries nationwide, and I will continue my fight for lower prescription drug costs until we reach that goal.●

MESSAGE FROM THE HOUSE

At 3:21 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2602. An act to extend the Export Administration Act until November 20, 2001.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3135. A communication from the Attorney General and the United States Trade Representative, transmitting jointly, a draft of proposed legislation entitled "Repeal of 1916 Act"; to the Committee on Finance.

EC–3136. A communication from the Director of Headquarters and Executive Personnel Service, Department of Energy, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary for Environmental Restoration and Waste Management, received on July 26, 2001; to the Committee on Energy and Natural Resources.

EC–3137. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans Florida: Approval of Revisions to the Florida State Implementation Plan" (FRL7022-3) received on July 27, 2001; to the Committee on Environment and Public Works.

EC–3138. A communication from the Employee Benefits Manager of the AgFirst Farm Credit Bank, transmitting, pursuant to law, the Annual Reports of Federal Pension Plans for calendar year 2000; to the Committee on Governmental Affairs.

EC–3139. A communication from the White House Liaison of the Department of Education, transmitting, pursuant to law, the report of a nomination confirmed for the position Assistant Secretary of the Office of Special Education and Rehabilitative Services, received on July 26, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–3140. A communication from the White House Liaison of the Department of Education, transmitting, pursuant to law, the report of a nomination confirmed for the position of Commissioner of Rehabilitation Services Administration, Office of Special Education and Rehabilitative Services, received on July 26, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–3141. A communication from the White House Liaison of the Department of Education, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary for Intergovernmental and Interagency Affairs, received on July 26, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–3142. A communication from the White House Liaison of the Department of Education, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary of Adult and Vocational Education, received on July 26, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–3143. A communication from the Director of Regulations Policy and Management, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Food Additives Permitted for Direct Addition to Food for Human Consumption; Change in Specifications for Gum or Wood Rosin Derivatives in Chewing Gum Base" (Doc. No. 99F-2533) received on July 27, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–3144. A communication from the Acting Administrator of the Food and Nutrition Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "National School Lunch Program and School Breakfast Program: Identification of Blended Beef, Pork, Poultry or Seafood Products" received on July 27, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3145. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Clomazone; Pesticide Tolerance" (FRL6787-5) received on July 27, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3146. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Carfentrazone-ethyl; Pesticide Tolerances for Emergency Exemptions" (FRL6792-2) received on July 27, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3147. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Carfentrazone-ethyl; Pesticide Tolerance" (FRL6790-9) received on July 27, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3148. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Azoxystrobin; Pesticide Tolerances for Emergency Exemptions" (FRL6792-5) received on July 27, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3149. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Sulfentrazone; Pesticide Tolerances for Emergency Exemptions" (FRL6793-1) received on July 27, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3150. A communication from the Assistant Director for Executive and Political Personnel, Department of the Navy, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary, Financial Management and Comptroller, received on July 26, 2001; to the Committee on Armed Services.

EC–3151. A communication from the Assistant Director for Executive and Political Personnel, Department of the Navy, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary for Research, Development, and Acquisition, received on July 26, 2001; to the Committee on Armed Services.

EC–3152. A communication from the Assistant Director for Executive and Political Personnel, Department of the Army, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary of Manpower and Reserve Affairs, received on July 26, 2001; to the Committee on Armed Services.

EC–3153. A communication from the Assistant Director for Executive and Political Personnel, Department of the Navy, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary for Manpower and Reserve Affairs, received on July 26, 2001; to the Committee on Armed Services.

EC–3154. A communication from the Assistant Director for Executive and Political Personnel, Department of the Army, transmitting, pursuant to law, the report of a nomination confirmed for the position of General Counsel, received on July 26, 2001; to the Committee on Armed Services.

EC–3155. A communication from the Assistant Director for Executive and Political Personnel, Department of the Air Force, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary, Financial Management and Comptroller, received on July 26, 2001; to the Committee on Armed Services.

EC–3156. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of a nomination confirmed for the position of Deputy Under Secretary for Acquisition and Technology, received on July 26, 2001; to the Committee on Armed Services.

EC–3157. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of a nomination confirmed for the position of Director of Operational Test and Evaluation, received on July 26, 2001; to the Committee on Armed Services.

EC–3158. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of a nomination confirmed for the position of Deputy Under Secretary for Logistics and Material Readiness, received on July 26, 2001; to the Committee on Armed Services.

EC–3159. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary for International Security Affairs, received on July 26, 2001; to the Committee on Armed Services.

EC–3160. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of a nomination confirmed for the position of Under Secretary for Policy, received on July 26, 2001; to the Committee on Armed Services.

EC–3161. A communication from the Assistant Director for Executive and Political Personnel, Department of the Air Force, transmitting, pursuant to law, the report of a nomination for the position of Assistant Secretary for Manpower, Residential Affairs, Installation and Environment, received on July 26, 2001; to the Committee on Armed Services.

EC–3162. A communication from the Assistant Director for Executive and Political Personnel, Department of the Air Force, transmitting, pursuant to law, the report of a nomination for the position of Assistant Secretary for Space, received on July 26, 2001; to the Committee on Armed Services.

EC–3163. A communication from the Assistant Director for Executive and Political Personnel, Department of the Army, transmitting, pursuant to law, the report of a nomination for the position of Assistant Secretary for Installations and Environment, received on July 26, 2001; to the Committee on Armed Services.

EC–3164. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of a nomination for the position of Director for Defense Research and Engineering, received on July 26, 2001; to the Committee on Armed Services.

EC–3165. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of a nomination for the position of Assistant Secretary of Defense for Command, Control, Communications and Intelligence, received on July 26, 2001; to the Committee on Armed Services.

EC–3166. A communication from the Assistant Director for Executive and Political Personnel, Department of the Navy, transmitting, pursuant to law, the report of the discontinuation of service in acting role for the position of Assistant Secretary for Research, Development and Acquisition, received on July 26, 2001; to the Committee on Armed Services.

EC–3167. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of a nomination confirmed for the position of Deputy Under Secretary for Policy, received on July 26, 2001; to the Committee on Armed Services.

EC–3168. A communication from the Assistant Director for Executive and Political Personnel, Department of the Navy, transmitting, pursuant to law, the report of a nomination confirmed for the position of General Counsel, received on July 26, 2001; to the Committee on Armed Services.

EC–3169. A communication from the Assistant Director for Executive and Political Personnel, Department of the Navy, transmitting, pursuant to law, the report of a nomination for the position for Under Secretary, received on July 26, 2001; to the Committee on Armed Services.

EC–3170. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the Annual Report of the Reserve Forces Policy Board for Fiscal Year 2000; to the Committee on Armed Services.

EC–3171. A communication from the Acting Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Highly Enriched Uranium Agreement Assets Control Regulations Implementing Presidents" received on July 18, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3172. A communication from the Federal Register Liaison Officer Alternate, Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Conversion From Stock Form Depository Institution to Federal Stock Association" (RIN1550–AB46) received on July 19, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3173. A communication from the Federal Register Liaison Officer Alternate, Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Liquidity" (RIN1550–AB42) received on July 20, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3174. A communication from the Federal Register Liaison Officer Alternate, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Assessments and Fees" (RIN1550–AB47) received on July 20, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3175. A communication from the Attorney/Advisor, Department of Transportation, transmitting, pursuant to law, the report of a nomination confirmed for the position of Administrator of the Federal Transit Administration, received on July 23, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3176. A communication from the General Counsel of the Department of Housing and Urban Development, transmitting, pursuant to law, the report of a nomination confirmed for the position of Chief Financial Officer, received on July 26, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3177. A communication from the General Counsel of the Department of Housing and Urban Development, transmitting, pursuant to law, the report of a nomination confirmed for the position of the Assistant Secretary of Housing and Federal Housing Commissioner, received on July 26, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3178. A communication from the General Counsel of the Department of Housing and Urban Development, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary for Community Planning and Development, received on July 26, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3179. A communication from the General Counsel for the Department of Housing and Urban Development, transmitting, pursuant to law, the report of a nomination confirmed for the position of General Counsel, received on July 26, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3180. A communication from the General Counsel of the Department of Housing and Urban Development, transmitting, pursuant to law, the report of a nomination confirmed for the position of Deputy Secretary, received on July 26, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3181. A communication from the General Counsel of the Department of Housing and Urban Development, transmitting, pursuant to law, the report of a nomination confirmed for the position of Secretary, received on July 26, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3182. A communication from the Assistant Administrator of the Office of Oceanic and Atmospheric Research, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Improved Methods for Ballast Water Treatment and Management and Lake Champlain Canal Barrier Demonstration" received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3183. A communication from the Chief of the Division of Endangered Species, Office of Protected Resources, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Sea Turtle Conservation; Limitations on Incidental Takings During Fishing Activities" (RIN0648–AP14) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3184. A communication from the Chief of the Division of Endangered Species, Office of Protected Resources, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Sea Turtle Conservation; Restrictions Applicable to Fishing and Scientific Research Activities" (RIN0648–AN64) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3185. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska—Closes Sablefish Fishery Using Trawl Gear in the West Yakutat District, Gulf of Alaska" received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3186. A communication from the Chief of the Division of Endangered Species, Office of Protected Resources, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Sea Turtle Conservation; Restrictions to Fishing Activities" (RIN0648–AP34) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3187. A communication from the Chief of the Division of Endangered Species, Office of Protected Resources, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Sea Turtle Conservation; Restrictions to Shrimp Trawling Requirements" (RIN0648–AO43) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3188. A communication from the Chief of the Division of Endangered Species, Office of Protected Resources, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Sea Turtle Conservation; Restrictions Applicable to Shrimp Trawl Activities; Leatherback Conservation Zone" (RIN0648–AO22) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3189. A communication from the Chief of the Division of Endangered Species, Office of Protected Resources, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Sea Turtle Conservation; Restrictions to Fishing Activities" (RIN0648–AO19) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3190. A communication from the Chief of the Division of Endangered Species, Office of Protected Resources, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Sea Turtle Conservation; Shrimp Trawling Requirements" (RIN0648–AP16) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3191. A communication from the Trial Attorney for the National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Reporting the Sale or Lease of Defective or Noncompliant Tires" (RIN2127–AI23) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3192. A communication from the Trial Attorney for the National Highway Safety

Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Criminal Penalty Safe Harbor Provision" (RIN2127–AI24) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3193. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model DHC 8 102, 103, and 301 Series Airplanes" ((RIN2120–AA64)(2001–0360)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3194. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A310 Series Airplanes and Airbus Model A300 B4–600, B4–600R, and F4–600R Series Airplanes" ((RIN2120–AA64)(2001–0358)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3195. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model DHC 8 200 and 300 Series Airplanes" ((RIN2120–AA64)(2001–0357)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3196. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737–700 and 800 Series Airplanes" ((RIN2120–AA64)(2001–0359)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3197. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 767–200 Series Airplanes Modified by Supplemental Type Certificate STO9022AC–D" ((RIN2120–AA64)(2001–0356)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3198. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747SP Series Airplanes; Modified by Supplemental Type Certificate ST09097AC–D" ((RIN2120–AA64)(2001–0355)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3199. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747–400 Series Airplanes Modified by Supplemental Type Certificate SA8843SW" ((RIN2120–AA64)(2001–0354)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3200. A communication from the Program Analyst of the Federal Aviation Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737–300, 400, and 500 Series Airplanes" ((RIN2120–AA64)(2001–0353)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3201. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 Series Airplanes" ((RIN2120–AA64)(2001–0352)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3202. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 10 Series Airplanes; Model MD 10 Series Airplanes and Model MD 11 Series Airplanes" ((RIN2120–AA64)(2001–0351)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3203. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Cessna Model 560XL Airplanes" ((RIN2120–AA64)(2001–0350)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3204. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A300 B2 and B4 Series Airplanes" ((RIN2120–AA64)(2001–0349)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3205. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC–10 30 Series Airplanes Modified by Supplemental Type Certificate ST00054SE" ((RIN2120–AA64)(2001–0348)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BREAUX (for himself, Mr. CHAFEE, Mr. LIEBERMAN, Mr. GRAHAM, and Ms. LANDRIEU):

S. 1269. A bill to amend title XIX of the Social Security Act to revise and simplify the transitional medical assistance (TMA) program; to the Committee on Finance.

By Mr. WYDEN (for himself and Mr. SMITH of Oregon):

S. 1270. A bill to designate the United States courthouse to be constructed at 8th Avenue and Mill Street in Eugene, Oregon, as the "Wayne Lyman Morse United States Courthouse"; to the Committee on Environment and Public Works.

By Mr. VOINOVICH (for himself, Mrs. LINCOLN, and Mr. LEAHY):

S. 1271. A bill to amend chapter 35 of title 44, United states Code, for the purpose of facilitating compliance by small business concerns with certain Federal paperwork requirements, to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small business concerns, and for other purposes; to the Committee on Governmental Affairs.

ADDITIONAL COSPONSORS

S. 214

At the request of Mr. MCCAIN, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 214, a bill to elevate the position of Director of the Indian Health Service within the Department of Health and Human Services to Assistant Secretary for Indian Health, and for other purposes.

S. 367

At the request of Mrs. BOXER, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 367, a bill to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961.

S. 540

At the request of Mr. DEWINE, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 540, a bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes.

S. 627

At the request of Mr. ALLARD, his name was added as a cosponsor of S. 627, a bill to amend the Internal Revenue Code of 1986 to allow individuals a deduction for qualified long-term care insurance premiums, use of such insurance under cafeteria plans and flexible spending arrangements, and a credit for individuals with long-term care needs.

S. 680

At the request of Mr. HUTCHINSON, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 680, a bill to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks.

S. 744

At the request of Mrs. HUTCHISON, the name of the Senator from Texas (Mr. GRAMM) was added as a cosponsor of S. 744, a bill to amend section 527 of the Internal Revenue Code of 1986 to eliminate notification and return requirements for State and local candidate committees and avoid duplicate reporting by certain State and local political committees of information required to be reported and made publicly available under State law.

S. 805

At the request of Mr. WELLSTONE, the names of the Senator from Ohio (Mr. DEWINE) and the Senator from Oklahoma (Mr. NICKLES) were added as cosponsors of S. 805, a bill to amend the Public Health Service Act to provide for research with respect to various forms of muscular dystrophy, including Duchenne, Becker, limb girdle, congenital, facioscapulohumeral, myotonic, oculopharyngeal, distal, and emery-dreifuss muscular dystrophies.

S. 839

At the request of Mrs. HUTCHISON, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 839, a bill to amend title XVIII of the Social Security Act to increase the amount of payment for inpatient hospital services under the medicare program and to freeze the reduction in payments to hospitals for indirect costs of medical education.

S. 1018

At the request of Mr. LEVIN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1018, a bill to provide market loss assistance for apple producers.

S. 1036

At the request of Mr. HARKIN, the names of the Senator from Arkansas (Mrs. LINCOLN) and the Senator from New York (Mrs. CLINTON) were added as cosponsors of S. 1036, a bill to amend the Agricultural Trade Development and Assistance Act of 1954 to establish an international food for education and child nutrition program.

S. 1116

At the request of Mr. INOUYE, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1116, a bill to amend the Foreign Assistance Act of 1961 to provide increased foreign assistance for tuberculosis prevention, treatment, and control.

S. 1136

At the request of Mr. SARBANES, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 1136, a bill to provide for mass transportation in certain Federally owned or managed areas that are open to the general public.

S. 1153

At the request of Mr. CRAIG, the names of the Senator from Idaho (Mr. CRAPO) and the Senator from Minnesota (Mr. DAYTON) were added as cosponsors of S. 1153, a bill to amend the Food Security Act of 1985 to establish a grassland reserve program to assist owners in restoring and protecting grassland.

S. 1206

At the request of Mr. VOINOVICH, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 1206, a bill to reauthorize the Appalachian Regional Development Act of 1965, and for other purposes.

S. 1208

At the request of Mr. AKAKA, his name was added as a cosponsor of S. 1208, a bill to combat the trafficking, distribution, and abuse of Ecstasy (and other club drugs) in the United States.

S. 1210

At the request of Mr. CAMPBELL, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 1210, a bill to reauthorize the Native American Housing Assistance and Self-Determination Act of 1996.

S. 1256

At the request of Mrs. FEINSTEIN, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1256, a bill to provide for the reauthorization of the breast cancer research special postage stamp, and for other purposes.

S. 1267

At the request of Mr. CRAPO, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1267, a bill to extend and improve conservation programs administered by the Secretary of Agriculture.

S. CON. RES. 59

At the request of Mr. HUTCHINSON, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. Con. Res. 59, a concurrent resolution expressing the sense of Congress that there should be established a National Community Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers.

AMENDMENT NO. 1184

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of amendment No. 1184 intendent to be proposed to H.R. 2299, a bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. VOINOVICH (for himself, Mrs. LINCOLN, and Mr. LEAHY):

S. 1271. A bill to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small business concerns with certain Federal paperwork requirements, to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small business concerns, and for other purposes; to the Committee on Governmental Affairs.

Mr. VOINOVICH. Madam President, I rise today to introduce legislation, the Small Business Paperwork Relief Act of 2001, that will help lift the burden of confusing regulation on small businesses by helping them to be better able to understand and comply with Federal paperwork mandates. I am pleased to be joined by my good friend Senator BLANCHE LINCOLN in putting forth this "good government" bill which continues congressional efforts to streamline and reduce paperwork burdens on small businesses.

Ask any small business owner and he or she will tell you that Federal paperwork requirements on small businesses are impeding America's entrepreneurial growth. Indeed, the Office of Management and Budget (OMB) has estimated that the Federal paperwork burden is 7.2 billion hours annually, at a cost of $190 billion a year. The Small Business Administration, SBA, estimates that the cost to small businesses are staggering $5,100 per employee.

While many paperwork requirements are important and necessary, the high costs of understanding them and complying with them can sometimes prevent small businesses from being able to expand, remain in business, or deter them from opening in the first place.

Helping ease the burdens of regulation on small business has long been an interest of mine. As governor of Ohio, I pushed for passage of the Unfunded Mandates Reform Act on behalf of our state governments and was an original cosponsor of the Regulatory Improvement Act in the 106th Congress. Last year, I worked to help pass the Congressional Accountability for Regulatory Information Act and the Regulatory Right to Know Act. Senator LINCOLN and I introduced s. 1378, a bill similar to the one we introduce today, in the last Congress as well.

Many Federal regulations of business are important, since they help protect our environment, workers' safety and the health of our families. However, some of these regulations are unnecessarily difficult for our businesses, particularly small businesses without large legal staffs, to understand. Our bill will help business owners understand and comply with federal regulations.

The Small Business Paperwork Relief Act of 2001 would require each agency to establish a single point of contact to help answer questions and aid small business owners in complying with paperwork requirements. In addition, our bill requires the Office of Management and Budget, OMB, to publish annually in the Federal Register and on the Internet a list of each agency's Federal paperwork requirements applicable to their small businesses. Our bill also requires each agency to make further efforts to reduce paperwork requirements for small businesses with fewer than 25 employees. Further, the Small Business Paperwork Relief Act of 2001 establishes an interagency task force to study the streamlining of paperwork requirements for small businesses. Our legislation asks this task force to consider having each agency consolidate its reporting requirements for small businesses, resulting in reporting to the agency's single point of contact, in a single format or using a single electronic reporting system, and on one date.

Our bill also will help make government more accountable and aid congressional oversight of Federal agencies by requiring that each agency maintain information on the number of enforcement actions in which civil penalties were assessed; the number of such actions against small businesses; the number of such actions in which civil penalties were reduced or waived; and the monetary amount of these reductions or waivers.

I believe any resulting burden on Federal agencies would be minimal, and would certainly be offset by the benefits to small businesses.

Small businesses are vital to the health of our Nation's economy. They represent more than 90 percent of our Nation's employers, employ 53 percent of the private workforce and create about 75 percent of this country's new jobs. In my own State of Ohio, there are more than 300,000 full-time businesses. Of these, 96 percent employ fewer than 100 people, and 75 percent employ fewer than 10 individuals. The National Federation of Independent Business estimates that the majority of new jobs in the next decade in Ohio will be created by small businesses. Given the prevalence of small businesses in our Nation, I believe we should do all within our ability to ensure that small business owners are not unfairly burdened, or simply overwhelmed, by federal paperwork requirements.

Earlier this year, the House passed the companion bill, H.R. 327, unanimously, by a vote of 418–0, on March 15. I hope we can do the same in this body.

This bill has been endorsed by the following groups: American Farm Bureau Federation, National Federation of Independent Business, The U.S. Chamber of Commerce, National Association of Convention Stores, American Feed Industry Association, National Association of Manufacturers, National Tooling & Machining Association, National Pest Management Association, Academy of General Dentistry, and American Road & Transportation Builders Association.

I encourage my colleagues to join Senator LINCOLN and me in our efforts to help lessen the burden on small businesses, while helping them to be able to comply with federal requirements, by cosponsoring and supporting the Small Business Paperwork Relief Act of 2001.

I ask consent that the text of the bill be printed in the RECORD.

S. 1271

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Paperwork Relief Act of 2001".

SEC. 2. FACILITATION OF COMPLIANCE WITH FEDERAL PAPERWORK REQUIREMENTS.

(a) REQUIREMENTS APPLICABLE TO THE DIRECTOR OF OMB.—Section 3504(c) of title 44, United States Code (commonly referred to as the "Paperwork Reduction Act"), is amended—

(1) in paragraph (4), by striking "; and" and inserting a semicolon;

(2) in paragraph (5), by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

"(6) publish in the Federal Register on an annual basis a list of the collections of information applicable to small-business concerns (as defined in section 3 of the Small Business Act (15 U.S.C. 632)), organized by North American Industrial Classification System code and industrial/sector description (as published by the Office of Management and Budget), with the first such publication occurring not later than 1 year after the date of enactment of the Small Business Paperwork Relief Act of 2001; and

"(7) make available on the Internet, not later than 1 year after the date of enactment of the Small Business Paperwork Relief Act of 2001, the list of requirements described in paragraph (6).".

(b) ESTABLISHMENT OF AGENCY POINT OF CONTACT.—Section 3506 of title 44, United States Code, is amended by adding at the end the following:

"(i) In addition to the requirements described in subsection (c), each agency shall, with respect to the collection of information and the control of paperwork, establish 1 point of contact in the agency to act as a liaison between the agency and small-business concerns (as defined in section 3 of the Small Business Act (15 U.S.C. 632)).".

(c) ADDITIONAL REDUCTION OF PAPERWORK FOR CERTAIN SMALL BUSINESSES.—Section 3506(c) of title 44, United States Code, is amended—

(1) in paragraph (2)(B), by striking "; and" and inserting a semicolon;

(2) in paragraph (3)(J), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(4) in addition to the requirements of this chapter regarding the reduction of paperwork for small-business concerns (as defined in section 3 of the Small Business Act (15 U.S.C. 632)), make efforts to further reduce the paperwork burden for small-business concerns with fewer than 25 employees.".

SEC. 3. ESTABLISHMENT OF TASK FORCE TO STUDY STREAMLINING OF PAPERWORK REQUIREMENTS FOR SMALL-BUSINESS CONCERNS.

(a) IN GENERAL.—Chapter 35 of title 44, United States Code, is amended—

(1) by redesignating section 3520 as section 3521; and

(2) by inserting after section 3519 the following:

"§ 3520. Establishment of task force on feasibility of streamlining information collection requirements

"(a) There is established a task force to study the feasibility of streamlining requirements with respect to small-business concerns regarding collection of information (in this section referred to as the 'task force').

"(b) The members of the task force shall be appointed by the Director, and include—

"(1) not less than 2 representatives of the Department of Labor, including 1 representative of the Bureau of Labor Statistics and 1 representative of the Occupational Safety and Health Administration;

"(2) not less than 1 representative of the Environmental Protection Agency;

"(3) not less than 1 representative of the Department of Transportation;

"(4) not less than 1 representative of the Office of Advocacy of the Small Business Administration;

"(5) not less than 1 representative of each of two agencies other than the Department of Labor, the Environmental Protection Agency, the Department of Transportation, and the Small Business Administration; and

"(6) not less than 2 representatives of the Department of Health and Human Services, including one representative of the Health Care Financing Administration.

"(c) The task force shall—

"(1) recommend a system to clarify which small businesses within particular North American Industrial Classification System codes are subject to which information compliance requirements; and

"(2) examine the feasibility of requiring each agency to consolidate requirements regarding collections of information with respect to small-business concerns, in order that each small business concern may submit all information required by the agency—

"(A) to 1 point of contact in the agency;

"(B) in a single format, such as a single electronic reporting system, with respect to the agency; and

"(C) on the same date.

"(d) Not later than 1 year after the date of enactment of the Small Business Paperwork Relief Act of 2001, the task force shall submit a report of its findings under subsection (c) to the chairpersons and ranking minority members of the Committee on Governmental Affairs and the Committee on Small Business of the Senate, and the Committee on Government Reform and the Committee on Small Business of the House of Representatives.

"(e) In this section, the term 'small business concern' has the meaning given under section 3 of the Small Business Act (15 U.S.C. 632).".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 35 of title 44, United States Code, is amended by striking the item relating to section 3520 and inserting the following:

"3520. Establishment of task force on feasibility of streamlining information collection requirements.
"3521. Authorization of appropriations.".

SEC. 4. REGULATORY ENFORCEMENT REFORMS.

Section 223 of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note) is amended by striking subsection (c) and inserting:

"(c) REPORTS.—

"(1) IN GENERAL.—Not later than 1 year after the date of enactment of the Small Business Paperwork Relief Act of 2001, and not later than every 2 years thereafter, each agency shall submit a report to the Committee on Governmental Affairs and the Committee on Small Business of the Senate, and the Committee on the Judiciary and the Committee on Small Business of the House of Representatives, that includes information with respect to the applicable 1-year period or 2-year period covered by the report on each of the following:

"(A) The number of enforcement actions in which a civil penalty is assessed or proposed to be assessed.

"(B) The number of enforcement actions in which a civil penalty is assessed or proposed to be assessed against a small entity.

"(C) The number of enforcement actions described under subparagraphs (A) and (B) in which the civil penalty is reduced or waived.

"(D) The total monetary amount of the reductions or waivers referred to under subparagraph (C).

"(2) DEFINITIONS IN REPORTS.—Each report under paragraph (1) shall include definitions of the terms 'enforcement actions', 'reduction or waiver', and 'small entity' as used in the report.".

By Mr. WYDEN (for himself and Mr. SMITH of Oregon):

S. 1270. A bill to designate the United States courthouse to be constructed at 8th Avenue and Mill Street in Eugene, Oregon, as the "Wayne Lyman Morse United States Courthouse"; to the Committee on Environment and Public Works.

Mr. WYDEN. Madam President, I rise today to introduce legislation to name the Federal courthouse being built in downtown Eugene, OR after one of Oregon's greatest heroes, my friend and mentor, Senator Wayne Morse. Naming the Eugene courthouse in the city that Wayne Morse loved and called home would be an appropriate way to honor the independence and integrity of our former Senate colleague.

I find it especially fitting to be here today to honor one of the Senate's great independents. Without going into too much detail of the last few months of the Senate's history, the act of moving one's seat on the Senate floor is not a new concept, and Wayne Morse may have done it most famously.

In January 1953, Senator Morse walked into this very Chamber carrying a folding chair that he would place in the center of the aisle, thereby removing himself from either major party as an Independent. Again in 1956, he moved his chair to become a Democrat. He was subsequently overwhelmingly re-elected by the voters of Oregon. The independence displayed by Senator Morse throughout his 24-year service in the Senate was always rewarded by Oregonians who showed their continuing faith in his ability to truly represent their interests, no matter their party label.

It would benefit us all to follow the principles Wayne Morse lived by in politics today. Senator Morse would have had little sympathy for the world of the sound byte. Wayne Morse did not just talk; he worked on the issues that our citizens care about most: education; resources; health care; and justice for all. To paraphrase an old saying, he was "unbought and unbossed." He, instead, set the bar for integrity and truly embodied the Oregon spirit. I can't imagine a better tribute to Senator Morse's independence and integrity than to name a United States courthouse to honor his legacy.

Senator Morse never forgot where he came from. He could never wait to return to his house in Eugene, at 595 Crest Drive, an address I remember well because I worked as a campaign aide for two of his Senate Campaigns. It was during this time that he got me interested in working with the elderly and started me in public service, which ultimately led me here to the Senate floor. I was given the high honor of being elected to serve in the Senate seat he had held more than 30 years after he was last reelected by the people of Oregon.

Known as the "Tiger of the Senate" for his eloquently outspoken and vigorously independent views, Senator Morse worked diligently on the behalf of the American family. He pushed the Senate to improve education and create a better future for American children by passing the New Frontier and Great Society bills, supporting federal aid to public schools and universities, and implementing scholarship programs for low-income students.

It is, therefore, only right that the Federal courthouse that we will build in Eugene, OR be named after Senator Morse. This courthouse will represent his respect for the law, his love for that city, and the future he envisaged for the people of his home State. Naming this courthouse after Senator Wayne Morse will promote and honor the legacy of Oregon's illustrious, maverick leader.

I am especially pleased to be joined by my colleague from Oregon, Senator SMITH, in introducing this bipartisan legislation to designate the new Eugene Federal courthouse as the Wayne Lyman Morse Federal Courthouse. I urge all my colleagues to support this legislation.

AMENDMENTS SUBMITTED AND PROPOSED

SA 1189. Mr. KERRY (for himself, Mr. KENNEDY, and Ms. SNOWE) submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 1189. Mr. KERRY (for himself, Mr. KENNEDY, and Ms. SNOWE) submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table as follows:

On page 45, line 25, insert the following:

SEC. 604. EMERGENCY DISASTER ASSISTANCE FOR ATLANTIC NORTHEAST MULTISPECIES FISHERMEN.

(a) ASSISTANCE.—The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make payments to Atlantic Northeast multispecies fishermen adversely affected by commercial fishery failures in the Atlantic Northeast multispecies fishery.

(b) OBJECTIVES.—The payments shall be made in support of a voluntary fishing capacity reduction program in the Atlantic Northeast multispecies fishery that is designed to achieve, by means of permanent revocation of multispecies, limited access fishing permits, the following objectives:

(1) To obtain the maximum sustained reduction in fishing capacity at the least cost and in the minimum period of time.

(2) To prevent the replacement of fishing capacity removed under the program.

(c) DETERMINATIONS OF COMMERCIAL FISHERY FAILURES.—The commercial fishery failures referred to in subsection (a) are those that are determined under section 308(b)(1) of the Interjurisdictional Fisheries Act of 1986 (16 U.S.C. 4107(b)(1)) for the purposes of that section.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Monday, July 30, 2001, at 9:30 a.m. for a hearing regarding "Ecstasy Use Rises: What More Needs to be Done by the Government to Combat the Problem?"

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Monday, July 30, 2001, at 1 p.m. in Hart 216, to consider Robert S. Mueller III, to be Director of the Federal Bureau of Investigation.

The PRESIDING OFFICER. Without objection, it is so ordered.

CALLING FOR UNCONDITIONAL RELEASE OF LI SHAOMIN AND ALL OTHER AMERICAN SCHOLARS OF CHINESE ANCESTRY

On July 24, 2001, the Senate amended and passed S. Res. 128, as follows:

S. RES. 128

Whereas in recent months the Government of the People's Republic of China has arrested and detained several scholars and intellectuals of Chinese ancestry with ties to the United States, including at least 2 United States citizens and 4 permanent residents of the United States;

Whereas according to the Department of State's 2000 Country Reports on Human Rights Practices in China, and international human rights organizations, the Government of the People's Republic of China "has continued to commit widespread and well-documented human rights abuses, in violation of internationally accepted norms";

Whereas the harassment, arbitrary arrest, detention, and filing of criminal charges against scholars and intellectuals has created a chilling effect on freedom of expression in the People's Republic of China, in contravention of internationally accepted norms, including the International Covenant on Civil and Political Rights, which the People's Republic of China signed in October 1998;

Whereas the Government of the People's Republic of China frequently uses torture and other human rights violations to produce coerced "confessions" from detainees;

Whereas the Department of State's 2000 Country Reports on Human Rights Practices in China has extensively documented that human rights abuses in the People's Republic of China "included instances of extrajudicial killings, the use of torture, forced confessions, arbitrary arrest and detention, the mistreatment of prisoners, lengthy incommunicado detention, and denial of due process", and also found that "[p]olice and prosecutorial officials often ignore the due process provisions of the law and of the Constitution . . . [f]or example, police and prosecutors can subject prisoners to severe psychological pressure to confess, and coerced confessions frequently are introduced as evidence";

Whereas the Government of the People's Republic of China has reported that some of the scholar detainees have "confessed" to their "crimes" of "spying", but it has yet to produce any evidence of spying, and has refused to permit the detainees to confer with their families or lawyers;

Whereas the Department of State's 2000 Country Reports on Human Rights Practices in China also found that "police continue to hold individuals without granting access to family or a lawyer, and trials continue to be conducted in secret";

Whereas Dr. Li Shaomin is a United States citizen and scholar who has been detained by the Government of the People's Republic of China for more than 100 days, was formally charged with spying for Taiwan on May 15, 2001, was tried and convicted on July 14, 2001, and is expected to be deported;

Whereas Dr. Li Shaomin has been deprived of his basic human rights by arbitrary arrest and detention, has not been allowed to contact his wife and child (both United States citizens), and was prevented from seeing his lawyer for an unacceptably long period of time;

Whereas Dr. Gao Zhan is a permanent resident of the United States and scholar who has been detained by the Government of the People's Republic of China for more than 114 days, and was formally charged with "accepting money from a foreign intelligence agency" on April 4, 2001;

Whereas Dr. Gao Zhan has been deprived of her basic human rights by arbitrary arrest and detention, has not been allowed to contact her husband and child (both United States citizens) or Department of State consular personnel in China, and was prevented from seeing her lawyer for an unacceptably long period of time;

Whereas Wu Jianmin is a United States citizen and author who has been detained by the Government of the People's Republic of China, has been deprived of his basic human rights by arbitrary arrest and detention, has been denied access to lawyers and family members, and has yet to be formally charged with any crimes;

Whereas Qin Guangguang is a permanent resident of the United States and researcher who has been detained by the Government of the People's Republic of China on suspicions of "leaking state secrets", has been deprived of his basic human rights by arbitrary arrest and detention, has been denied access to lawyers and family members, and has yet to be formally charged with any crimes;

Whereas Teng Chunyan is a permanent resident of the United States, Falun Gong practitioner, and researcher who has been sentenced to three years in prison for spying by the Government of the People's Republic of China, apparently for conducting research which documented violations of the human rights of Falun Gong adherents in China, has been deprived of her basic human rights by being placed on trial in secret, and her appeal to the Beijing Higher People's Court was denied on May 11, 2001;

Whereas Liu Yaping is a permanent resident of the United States and a businessman who was arrested and detained in Inner Mongolia in March 2001 by the Government of the People's Republic of China, has been deprived of his basic human rights by being denied any access to family members and by being denied regular access to lawyers, is reported to be suffering from severe health problems, was accused of tax evasion and other economic crimes, and has been denied his request for medical parole; and

Whereas the arbitrary imprisonment of United States citizens and residents by the Government of the People's Republic of China, and the continuing violations of their fundamental human rights, demands an immediate and forceful response by Congress and the President of the United States: Now, therefore, be it

Resolved, That

(1) the Senate—

(A) condemns and deplores the continued detention of Li Shaomin, Gao Zhan, Wu Jianmin, Qin Guangguang, Teng Chunyan, and other scholars detained by the Government of the People's Republic of China, and calls for their immediate and unconditional release;

(B) condemns and deplores the lack of due process afforded to these detainees, and the probable coercion of confessions from some of them;

(C) condemns and deplores the ongoing and systematic pattern of human rights violations by the Government of the People's Republic of China, of which the unjust detentions of Li Shaomin, Gao Zhan, Wu Jianmin, Qin Guangguang, and Teng Chunyan, are only important examples;

(D) strongly urges the Government of the People's Republic of China to consider carefully the implications to the broader United States-Chinese relationship of detaining and coercing confessions from United States citizens and permanent residents on unsubstantiated spying charges or suspicions;

(E) urges the Government of the People's Republic of China to consider releasing Liu Yaping on medical parole, as provided for under Chinese law; and

(F) believes that human rights violations inflicted on United States citizens and residents by the Government of the People's Republic of China will reduce opportunities for United States-Chinese cooperation on a wide range of issues; and

(2) it is the sense of the Senate that the President—

(A) should make the immediate release of Li Shaomin, Gao Zhan, Wu Jianmin, Qin Guangguang, and Teng Chunyan a top priority of United States foreign policy with the Government of the People's Republic of China;

(B) should continue to make every effort to assist Li Shaomin, Gao Zhan, Wu Jianmin, Qin Guangguang, and Teng Chunyan, and their families, while discussions of their release are ongoing;

(C) should make it clear to the Government of the People's Republic of China that the detention of United States citizens and residents, and the infliction of human rights violations upon United States citizens and residents, is not in the interests of the Government of the People's Republic of China because it will reduce opportunities for United States-Chinese cooperation on other matters; and

(D) should immediately send a special, high ranking representative to the Government of the People's Republic of China to reiterate the deep concern of the United States regarding the continued imprisonment of Li Shaomin, Gao Zhan, Wu Jianmin, Qin Guangguang, Teng Chunyan, and Liu Yaping, and to discuss their legal status and immediate humanitarian needs.

AUTHORITY FOR COMMITTEES TO FILE

Mr. REID. Madam President, I ask unanimous consent that Senate committees may file committee-reported Legislative and Executive Calendar matters on Tuesday, August 28, from 10 a.m. to 2 p.m., notwithstanding a recess or adjournment of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, JULY 31, 2001

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m., Tuesday, July 31. I further ask unanimous consent that on Tuesday immediately following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the Agriculture supplemental authorization bill; further, that the Senate recess from 12:30 to 2:15 p.m. for the weekly party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Madam President, the Senate is going to convene in the morning at 9:30 and resume consideration of the Agriculture supplemental authorization bill. Senator **LUGAR** is to be recognized to file the first amendment. He and Senator **HARKIN** have been asked to work out with the two leaders a time to vote on that.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Madam President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:31 p.m., adjourned until Tuesday, July 31, 2001, at 9:30 a.m.

HOUSE OF REPRESENTATIVES—*Monday, July 30, 2001*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. ADERHOLT).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 30, 2001.

I hereby appoint the Honorable ROBERT B. ADERHOLT to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 1954. An act to extend the authorities of the Iran and Libya Sanctions Act of 1996 until 2006, and for other purposes.

The message also announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 1218. An act to extend the authorities of the Iran and Libya Sanctions Act of 1996 until 2006.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 3, 2001, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties with each party limited to 30 minutes, and each Member, other than the majority or minority leaders and the minority whip, limited to 5 minutes.

The Chair recognizes the gentleman from American Samoa (Mr. FALEOMAVAEGA) for 5 minutes.

FUNDING FOR THE NATIONAL SEA GRANT COLLEGE PROGRAM

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today in support of H.R. 1071, a bill to increase authorization for the National Sea Grant College Program. The idea of the Sea Grant College Program was originally suggested by Mr. Athelstan Spilhaus. In a 1964 editorial he wrote, "Establishment of the land grant colleges was one of the best investments this Nation ever made. That same kind of imagination and foresight should be applied to exploitation of the sea."

In 1965, Senator Claiborne Pell of Rhode Island introduced legislation to establish sea grant colleges on campuses nationwide as centers of excellence in marine and coastal studies. With the adoption in 1966 of the National Sea Grant College Act Program, Congress established an academic industry government partnership intended to enhance the Nation's education, economy and environment in the 21st century.

Today, Mr. Speaker, more than 54 percent of our Nation's population lives along the coast. But funding for the National Sea Grant College Program is only 3 percent of the equivalent Federal funding for the Land Grant College Program.

Like many Members of Congress, I am fully supportive of the Land Grant Program. But the point to be made is that the Land Grant receives $900 million a year in Federal funding for this program. The Sea Grant receives approximately only $60 million. Is it not time for us to consider this disparity and increase funding for the National Sea Grant College Program?

Mr. Speaker, in support of increasing funding, I ask my colleagues to consider these facts. Since 1960, the square mileage of coastal urban lands has increased by over 130 percent. Between 1996 and 2015, U.S. coastal population is expected to increase by the equivalent of 5 major cities or 25 million people. Every day approximately 1,300 acres of coastal lands are developed into urban lands. Every week there are more than 14,000 new housing starts in the coastal areas of our Nation. Every year more than 180 million people visit the Nation's coasts, affecting coastal infrastructure and resources.

Simply put, the Nation's investment in coastal science has lagged behind coastal population and development. Simply put, the Federal Government cannot by itself meet the tremendous demand for environmental knowledge and services, nor can it maintain expensive in-house staff, facilities or technologies. Universities are critical to the development of the scientific and human resources base needed to address coastal issues.

The National Sea Grant College Program engages the Nation's top universities through a network of some 30 Sea Grant programs and 200 affiliated institutions located in coastal and Great Lakes States and Puerto Rico. Sea Grant taps the talents of the preeminent university scientists who conduct mission-critical research and development in state of the art laboratories and facilities. Sea Grant utilizes a highly effective network of extension and communications professionals to transfer research results to users. Sea Grant has a 30-year track record of success and relevance. Sea Grant is nonregulatory and maintains a reputation for objectivity and credibility in its research and outreach.

There is no other Federal program that has the combination of university-based capabilities, outreach structure, flexibility, cost-effectiveness and emphasis on coastal resource management. Given the importance of the coast to the Nation's economic and social well-being, it is for this reason I am introducing H.R. 1071, a bill to increase authorization for the National Sea Grant College Program from a mere $63 million to $100 million per year.

Many of my colleagues have joined me in supporting this modest increase. As many are aware, the National Sea Grant College Program has a broad base of bipartisan support.

The 105th Congress passed reauthorization for the program without a single dissenting vote in either Chamber. I believe this is largely due to the fact this is a shoestring budget. Sea Grant continues to expand its capabilities in areas of national interest. The Sea Grant Program is looking to the sea to find new pharmaceuticals and medicines, and maybe even a cure for cancer. Sea Grant is on the cutting edge of marine science and aquaculture research.

As a member of the House Subcommittee on Fisheries, Conservation, Wildlife and Oceans, I have always been troubled by the fact that the U.S. has to import over $9 billion worth of seafood and shellfish from foreign countries. I am convinced if we are committed to more resources to the National Sea Grant Program, we might be able to create new growth and economic development and become a world exporter rather than importer of seafood and shellfish. I am also convinced if we can find the means to devote billions of dollars to space, we can certainly find a way to add $37 million a year to the National Sea Grant Program.

Mr. Speaker, if we can find a means now to go to Mars, and we believe what is beneath the ocean, I believe it is time to improve the Sea Grant Program.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. Speaker, I rise today in support of H.R. 1071—a bill to increase authorization for the National Sea Grant College Program. The idea of a Sea Grant College Program was originally suggested by Athelstan Spilhaus. In a 1964 editorial, he wrote:

> Establishment of the land-grant colleges was one of the best investments this nation ever made. That same kind of imagination and foresight should be applied to exploitation of the sea.

In 1965, Senator Claiborne Pell of Rhode Island introduced legislation to establish Sea Grant Colleges on campuses nationwide as centers of excellence in marine and coastal studies. With the adoption in 1966 of the National Sea Grant College Grant Act, Congress established an academic/industry/government partnership intended to enhance the Nation's education, economy, and environment in the 21st century.

Today, more than 54 percent of our Nation's population lives along the coast. But funding for the National Sea Grant College Program is only about 3 percent of the equivalent federal funding for the Land Grant College Program.

Like many Members of Congress, I am fully supportive of the Land Grant College Program. But the point to be made is that Land Grant receives nearly $900 million in federal funding per year. Sea Grant receives approximately $60 million. Isn't it time for us to consider this disparity and increase funding for the National Sea Grant College Program?

Mr. Speaker, in support of increased funding, I ask my colleagues to consider these facts:

Since 1960, the square mileage of coastal urban lands has increased by over 130 percent;

Between 1996 and 2015, U.S. coastal population is expected to incresae by the equivalent of 5 major new cities, or 25 million people;

Every day, approximately 1,300 acres of coastal lands are developed into urban lands;

Every week, there are more than 14,000 new housing starts in coastal areas; and

Every year, more than 180 million people visit the Nation's coasts, affecting coastal infrastructure and resources.

Simply put, the Nation's investment in coastal science has lagged behind coastal population and development. Simply put, the Federal Government cannot by itself meet the tremendous demand for environmental knowledge and services, nor can it maintain expensive in-house staff, facilities, or technologies. Universities are critical to the development of the scientific and human resource base needed to address coastal issues.

The National Sea Grant College Program engages the Nation's top universities through a network of 30 Sea Grant programs and 200 affiliated institutions located in coastal and Great Lake States and Puerto Rico. Sea Grant taps the talents of pre-eminent university scientists who conduct mission-critical research and development in state-of-the-art laboratories and facilities. Sea Grant utilizes a highly effective network of extension and communications professionals to transfer research results to users. Sea Grant has a 30-year track record of success and relevance. Sea Grant is nonregulatory and maintains a reputation for objectivity and credibility in its research and outreach.

There is no other Federal program that has the combination of university-based capabilities, outreach structure, flexibility, cost-effectiveness, and emphasis on coastal resource management. Given the importance of the coast to the Nation's economic and social well-being, I introduced H.R. 1071—a bill to increase authorization for the National Sea Grant College Program from $63 million to $100 million per year.

Many of my colleagues have joined with me in supporting this modest increase. As many are aware, the National Sea Grant College Program has a broad base of bipartisan support. The 105th Congress passed reauthorization for the program without a single dissenting vote in either Chamber.

I believe this is largely due to the fact that on a shoestring budget, Sea Grant continues to expand its capabilities in areas of national interest. Sea Grant is looking to the sea to find new pharmaceuticals and medicines—and maybe even a cure for cancer. Sea Grant is also on the cutting edge of marine science and aquaculture research.

As a member of the House Subcommittee on Fisheries Conservation, Wildlife and Oceans, I have always been troubled by the fact that the U.S. imports over 9 billion dollars' worth of seafood and shellfish per year. I am convinced that if we committed more resources to the National Sea Grant College Program, we might be able to create new growth and economic development and become a world exporter, rather than importer, of seafood and shellfish.

I am also convinced that if we can find the means to devote billions of dollars to space, we can certainly find a way to add $37 million a year to fund the National Sea Grant College Program. For now, Sea Grant funds on average less than $2 million per State program. Due to limited resources, many geographic regions are not represented—including the Western Pacific—which alone has a huge Economic Exclusive Zone. Some States like Mississippi and Alabama share funding while other eligible States and territories like Pennsylvania, Vermont, and American Samoa have no institutional Sea Grant programs.

Mr. Speaker, I am convinced that it is time for Congress to address the issue of increased authorization for the National Sea Grant College Program. I urge my colleagues to support H.R. 1071.

DEFENSE SCIENCE BOARD REPORT ON REDUCING THE FUEL BURDEN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, as we begin debate this week on a comprehensive energy package, I want to bring to the attention of my colleagues a recently released report by the Defense Science Board entitled, "More Capable Warfighting Through Reduced Fuel Burden." The bill we bring on the House floor will talk about lots of conservation measures, but we should also look to the Federal Government, which has a large use of energy.

The bill we will be considering is an omnibus energy bill, H.R. 4, Securing America's Energy Future Act, and provides, among other things, incentives for the efficient use of energy and investments in new energy efficient technologies.

The Federal Government is beholden under this legislation to take the lead in reducing energy consumption. If they are asking the American people to reduce energy consumption, obviously the Federal Government should do so, too, and to realign its focus on using energy efficient technologies.

The report released by the Defense Science Board highlights the need for the Department of Defense to also realign its focus on using energy efficient technologies, too. This was quoted in the report: "Military fuel consumption for aircraft, ships, ground vehicles and facilities makes the Department of Defense the single largest consumer of petroleum in America, perhaps in the world."

The United States has deployed its forces more times during the entire Cold War period. As a result, our fuel requirements have also risen. The report goes on to quote that "the Naval force depends each day on million of gallons of fuel to operate around the globe. The Air Force. . .spends approximately 85 percent of its fuel budget to deliver, by airborne tankers, just 6 percent off its annual jet fuel usage."

Mr. Speaker, it is without a doubt that fuel cost is directly associated with our military readiness. As we struggle with Congress' current budget allocations to provide the military with the funds needed to elevate our readiness levels, provide for pay increases, health care and housing, we would be remiss if we did not examine ways for the Department of Defense to increase its attention on energy efficiency.

By no means, however, should the Department of Defense sacrifice performance requirements just to save a few gallons of fuel. I doubt that any Member would propose such action. However, the DSB report recommends including energy efficiency as a requirement under DOD's procurement process and investing in new improvements through the science and technology community. It is a significant step in the direction of curtailing energy consumption in a responsible manner while maintaining the performance in overall military capability.

The report also notes that the Department of Defense Joint Vision 2010 and 2020 "explicitly recognize that improving platform and system level fuel efficiency improves agility, while concurrently reducing deployment times and support/logistic requirements." All of us must remember the buildup of our forces between Desert Shield and Desert Storm. Most would agree that never would an adversary allow such a cushion for the U.S. to position itself for battle. The DSB report states, "The largest element of the total fuel cost in DOD is the cost of delivery."

So naturally, improving on the daily use of fuel for both combat and support units could reduce the logistics need while allowing units to deploy and remain in the field for a sustained period of time. Though H.R. 4 allows for Federal agencies, including the Department of Defense, to acquire specific Energy Star products, I believe we should extend the focus to weapons platforms and logistic requirements. As we move to lighter, more mobile forces, it is imperative that we improve our logistics capability and reduce the logistics tail.

Finally, the report notes that "efficiency is a strong component of agility." I hope my colleagues will keep this in mind as we continue debate on energy policy and as it applies to all aspects of this country, including our Federal Government and the Department of Defense.

JO OBERSTAR: A TESTIMONIAL, ST. BARTHOLOMEW CHURCH, JULY 30, 1991

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Minnesota (Mr. OBERSTAR) is recognized during morning hour debates for 5 minutes.

Mr. OBERSTAR. Mr. Speaker, 10 years ago my wife Jo succumbed to breast cancer after an 8-year struggle with that disease. Today in her memory I deliver the eulogy testimonial I offered in St. Bartholomew Church on this day.

Marshall Lynam, well known to Hill denizens, tells the story of Lyndon Johnson who, on learning that his secretary of many years had been diagnosed with breast cancer, called the chief executive officer of the Mayo Clinic and said, "I am sending my secretary out there, and I want you to cure her, hear?"

The awed and startled, to say the least, CEO responded: "We will be glad to treat her, Mr. President, but you have one of the greatest cancer research and treatment centers in the world, the M.D. Anderson Clinic, in Houston."

"You are right," said Lyndon. "I will send her there and make them cure her."

□ 1245

Jo got the best care there was. But cure was not in the forecast. I want—as she wanted—her doctors to understand that, for the Christian, death is not defeat. The medical community is so focused on heroic efforts to extend life that sometimes we forget that death is a natural consequence of having lived. What matters is the quality of both life and death.

From the spiritual perspective, all of us were focused wrong: it wasn't the cancer that needed healing; it was our empty hearts, yearning for meaning, for purpose and love, which needed healing and filling.

Jo called us to that vocation of prayer, of love for each other, especially love for the least among us. Countless were those who said: "I don't pray very often or too well, but I will for you." And they did. They felt better for it and were healed where it counts most: in the spirit.

Jo had the roomiest heart I ever knew. She made space in it for everyone, concerned always and first for the well-being of others.

She found the good in everyone and expanded it, as in: "That dear sweet JOHN DINGELL" or, "Bob Roe is such a honey." (To which I muttered: "Yes, but you're not trying to get a bridge out of him.")

Why does a person die at the height of their powers, with seemingly so much life yet to live? Why a long, lingering illness with so much suffering?

If you die at 90, there is a sense of life fully lived and people reflect back on "a job well done." But when death comes to one so young and vibrant, there is a sense of promise unfulfilled, of life yet to be lived. Maybe the answer is that we appreciate more fully, more passionately, the contributions of that young life so untimely taken.

The other question persists just as stubbornly: what is the purpose of so long a suffering? I believe suffering can only be understood in the spiritual sense. We had the privilege of suffering with Jo; to be spiritually purified by that suffering, and the opportunity to heal ourselves. It also gave us time to say good-bye in real ways.

Two years ago, the Speaker appointed me to the President's Commission on Aviation Security and Terrorism, the Pan Am 103 Commission. Our inquiry took us to Lockerbie, Scotland, where the constable of Dumfries told the commission members of the many long hours he and his staff spent with family members responding patiently to their myriad questions about that senseless tragedy. When I asked why he felt it important to spend so much time with the family members, the constable replied: "They never got to say good-bye to their loved ones. Talking to us was a way for them to say good-bye."

Jo personified an inspiring, faith-centered humility. Whether it was a parking space suddenly opening up on a crowded street; or the sun breaking through a gloomy day; or one of her U.S.-Canada legislative change programs working out just right, her instinctive response was: "You see, God is good; glory be to God."

She knew more members of the Canadian Parliament than most Canadians and more members of the U.S. Congress than most Americans. Yet she always thought that they needed a two-page letter of invitation to the sessions and a full page thank-you letter afterward. She also remembered to thank the least store clerk for a kindness and the lab technician in the oncology unit for inserting the needle gently to draw blood. As my Grandmother Oberstar said: "She appreciates."

Last Thursday, a remarkable event occurred in the hospital room after a communion service with Father Bill George. Jo sat upright in bed, oxygen mask full on, and proceeded to what I can only call a commissioning. To son Ted: "I want you to clean up the database on my computer, clear out the unnecessary information, and these are the codes . . ." which she began reeling off rapid fire. "Ted, you're not writing this down; you won't remember it all." And then, "Ted, I want you to organize the liturgy for the Mass of Resurrection—and remember, Ted, I want it to be a Mass of celebration; I want trumpet music."

Then, turning to our eldest daughter: "Noelle, there are a lot of family photographs around the house that I have never been able to organize and to display. Please, see that they are mounted and arranged throughout the house to remember and celebrate our family. Be sure to finish your education, or I'll come back to haunt you—and that goes for Annie and Monica, as well."

"Jim, I want you to go through all those boxes of my various programs for the Centre. Send to Ottawa the program documents; throw out the unnecessary papers, and burn my personal notes, those spiral notebooks."

To which I responded: "Of course, I'll take care of all that, but I think I'll just take all those papers into the Hill where we have a good disposal system."

"Did you hear me? I said, burn the personal note!"

"Yes, dear!"

Then, turning to nephew Tim Garlick: "Tim, the most important things in life are faith, family, friends, and love. Your family has given you solid values; live by them, or I'll come back to haunt you, too. Complete your education; get your degree; but remember, at the end of life, when you're dying, degrees won't come and hold your hand."

The Scripture teaches us—it was St. Paul—"These three remain: faith, hope, and love; but the greatest of these is love," Jo had all three of those qualities in abundance; and indeed, her greatest quality was love.

Her test is now over. St. Paul also said: "I have run the race; I have fought the good fight." Jo taught us the purpose of life and showed us the meaning and dignity of death. The test now is for us, Ted, Noelle, Annie, Monica, the nieces and nephews, and all whom she met and loved—to be better than our talents and good as her God-inspired example.

CONGRATULATING BISHOP JOHN J. MYERS ON BEING NAMED ARCHBISHOP OF NEWARK, NEW JERSEY

The SPEAKER pro tempore (Mr. ADERHOLT). Under the Speaker's announced policy of January 3, 2001, the gentleman from Illinois (Mr. LAHOOD) is recognized during morning hour debates for 5 minutes.

Mr. LAHOOD. Mr. Speaker, I rise today to offer my congratulations to a friend of many in central Illinois, a personal friend of mine, John J. Myers, His Eminence John J. Myers, the bishop of Peoria, who a week ago today was named the new archbishop of the diocese of Newark, New Jersey. I can tell the folks who reside in the diocese of Newark, you are in for a real treat.

Bishop Myers, who has served for 11 years as the bishop of the Peoria diocese, was born on the prairie in Earlville, Illinois, a very small farming community. He comes from a very large family. He went to Loras College in Dubuque, Iowa, and was trained and studied in Rome. At the point that the hierarchy of the church made the decision to send Bishop Myers to Rome for his training, I think everyone realized that he was on a glide path to become one of the real leaders of the Catholic Church not only in central Illinois but in America.

He has served with great distinction in the Peoria diocese, which is made up of 26 counties in central Illinois, for the last 11 years. Bishop Myers' most notable accomplishment during the 11 years that he served as bishop of Peoria is the fact that he has ordained over 100 priests into the Peoria diocese, an extraordinary record for a bishop in the United States.

He will succeed Cardinal McCarrick. Cardinal McCarrick was recently named the cardinal for the archdiocese of Washington, D.C. He has some big shoes to fill, but I know that Bishop Myers is up to the test and the task of succeeding Cardinal McCarrick in the archdiocese of Newark, New Jersey.

Bishop Myers is a personal friend of mine. He and I became acquainted in the late 1960s when both he and I were teachers at Holy Family School in Peoria. That was his first assignment, right out of seminary and his first assignment as a priest. I was teaching junior high social studies at Holy Family School, and he and I became very, very good friends. Our friendship has endured for these many decades, since the late 1960s. He baptized two of our four children and was present at the wedding of our daughter Amy 2 years ago.

Bishop Myers is a leader in the church. That is why he has ascended to such an important position as the archdiocese of Newark. He has made many, many profound proclamations and statements and written extensively on the teachings of the church.

The recent articles that have appeared in the local newspapers and in national newspapers will point out very important information, but most significantly the feelings of many of the parishioners, many of the people who live in the Peoria diocese, about their strong feelings for what a holy, religious, intelligent, smart and one of the real leaders of our church Bishop Myers is as demonstrated by the people that he has served so ably during the 11 years as bishop of Peoria.

I worked with Bishop Myers on the consolidation of two very well known high schools in the Peoria area, one 125 years old and one 25 years old. It was a very controversial matter that he and I worked on. I was the president of the local Catholic school board there and he was the coadjutor bishop of Peoria. These were very, very difficult times, but we made the right decision with respect to consolidating those two schools. Like many of the decisions that Bishop Myers has made, he selected a campus that was perhaps not as appealing to some of the people of the Peoria area but it turns out that this high school, now known as Notre Dame High School, is one of the finest high schools in Illinois and certainly one of the finest Catholic high schools in central Illinois.

I know that there was a significant article in the Peoria Journal Star, the local newspaper in Peoria, where the bishop lives, sort of the center and the heart of our diocese yesterday where many people were complimenting him and pointing out some of the significant decisions that he has made as the leader of our diocese.

And so it is with great joy and great honor that I stand here in the House of Representatives and let all Americans know and certainly let Members of the House know, Mr. Speaker, that we are all proud of Bishop Myers, we wish him Godspeed, and look forward to his leadership of the archdiocese of Newark.

WILLIAM WILBERFORCE, AN EXAMPLE FOR OUR TIME

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Indiana (Mr. PENCE) is recognized during morning hour debates for 5 minutes.

Mr. PENCE. Mr. Speaker, I rise today to remember a man who changed his world, and ours, forever, a man whom historians have called "the George Washington of humanity."

Mr. Speaker, yesterday marked the 168th anniversary of the death of William Wilberforce, a member of Parliament in Great Britain who spent his life working to abolish the slave trade in the British empire.

William Wilberforce was the son of a wealthy merchant in Hull, England, born in 1759. At the age of 20 after graduating from St. John's College, Cambridge, Wilberforce won a seat in the House of Commons.

Mr. Speaker, the young member of Parliament quickly became a rising star in British government. He was a close friend of the Prime Minister, William Pitt, and many thought that young Wilberforce might succeed Pitt as Prime Minister one day. But in 1784, Wilberforce's priorities were dramatically realigned. After meeting the great Christian hymn writer and theologian John Newton, Wilberforce underwent what he described later as the "great change."

William Wilberforce's conversion to Christianity was much like that of the Apostle Paul. According to biographers, previously the young parliamentarian had "ridiculed evangelicals mercilessly." Wilberforce himself wrote of his first years in the Parliament saying, "I did nothing, nothing that is to any purpose. My own distinction was my darling object."

With his conversion, however, Wilberforce found a greater purpose in life than personal advancement. He joined a group of like-minded Anglican members of the Parliament known as the Clapham Sect. Wilberforce would write that "God Almighty has set before me two great objects, the suppression of the slave trade and the reformation of manners."

Mr. Speaker, Wilberforce spent the rest of his life fighting against all odds to abolish the slave trade in the British empire. Slavery was so ingrained in Great Britain's imperial culture and so integral to the empire's economy that the first time Wilberforce presented a bill to abolish it in 1791, it was crushed 163–88.

The truth is, Mr. Speaker, that 1 month after Wilberforce's death on July 29, 1833, after fighting unrelentingly for abolition over the previous 42 years, Parliament passed the slavery abolition act, freeing all slaves in the British empire and setting a tone for freedom of humankind across the world.

William Wilberforce has served as an example for me, Mr. Speaker, and I commend him to all Members of Congress concerned with changing our times for the better. As biographer Douglas Holladay said, Wilberforce's life was animated by his deeply held personal faith, by a sense of calling, by banding together with like-minded friends, by a fundamental belief in the power of ideas and moral beliefs to change the culture through public persuasion.

This week, Mr. Speaker, as we debate in this Chamber the very value and the dignity of human life in the cloning debate, as our President mulls over the very value and dignity of nascent human life in the difficult decision this President faces in funding research of human embryos, let us reflect on this anniversary of the passing of the great abolitionist William Wilberforce, and may we each of us in this Chamber always be inspired by his example and may we always aspire to those words he most assuredly heard 168 years ago: "Well done, good and faithful servant."

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 59 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. MILLER of Florida) at 2 p.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Let the peoples praise You, O God. Let all the peoples praise You. O God be gracious and bless this Chamber of the House of Representatives. Let Your face shed its light upon us. Make Your ways known here and across the Earth so all nations learn of Your saving help. Let the peoples praise You, O God. Let all the peoples praise You.

Let America be glad and exalt, for You rule the world with justice. With fairness You rule all peoples. You guide all the nations on Earth. Let the peoples praise You, O God. Let all the peoples praise You.

Our land has yielded plenty, for God our God has blessed us. May You, O God make us a blessing to others till the end of the Earth revere You. Let the peoples praise You, O God. Let all the peoples praise You. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Texas (Mr. TURNER) come forward and lead the House in the Pledge of Allegiance.

Mr. TURNER led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

TIME TO ESTABLISH A WAR CRIMES TRIBUNAL REGARDING SADDAM HUSSEIN'S CRIMES

(Mr. KIRK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KIRK. Mr. Speaker, last week Saddam Hussein ordered Iraqi units to fire upon U.S. surveillance aircraft enforcing the United Nations no-fly zone protecting the Kurdish people of Iraq. It is clear from this record that Saddam Hussein is becoming an increasing security threat to the international system.

Based on the achievements of the U.N. war crimes tribunal with the arrest of Slobodan Milosovic, we have a clear record of unilateral and multilateral action to support the rule of law and international human rights.

Mr. Speaker, it is time to look for a U.N. war crimes tribunal on Iraq, to look at Iraq's violation of the peace with regard to its invasion of Iran, Saddam Hussein's ordering the execution of 5,000 civilians in Halabja, and its invasion of Kuwait.

Now is the time, as we review sanctions and our policy toward Iraq, to start a multilateral effort to establish a U.N. war crimes tribunal.

ST. LOUIS ALDERMAN'S DECISION

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, politicians have always been known for gas, but a St. Louis alderman had to make an important decision. In the midst of a heated debate, she had to urinate. Now if that is not enough to threaten a filibuster, the Member said, and I quote, "Rather than leave the Chamber, my staff surrounded me with blankets," and Mr. Speaker, the rest is history. The woman did void.

Unbelievable. What is next? Chamber port-a-potties? How about window urinals? Beam me up. I yield back the fact that when taxpayers say politics stink they are not talking about the Roto-Rooter man.

CALIFORNIA NEEDS BALANCED, LONG-TERM ENERGY PLAN

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, Americans deserve to know when they need electricity that a steady supply will be ready and available. Unfortunately, California's consumers and business cannot count on steady electricity this summer.

That is not right. It is time to place the peoples' quality of life and family budgets before politics. California needs to solve its electricity crisis with a balanced, long-term plan that uses technology to provide clean, reliable electricity for all the families in the Golden State.

Leaders in California have a responsibility to make sure that electricity is plentiful and affordable. Californians are suffering because their State government increased government regulations of the energy industry.

Today politicians in California are demanding additional government regulations as a pathway to relief from consequences of their earlier government regulations. This is the wrong approach; and by avoiding the real source of the problem, it can only prolong the electricity crisis.

Mr. Speaker, this problem took years to develop, and it will not be fixed overnight. California needs to solve its electricity shortage with a broad and balanced plan that taps a variety of sources to produce a sufficient supply of electricity.

SUPPORTING THE GANSKE-DINGELL-NORWOOD-BERRY PATIENTS' BILL OF RIGHTS

(Ms. SCHAKOWSKY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SCHAKOWSKY. Mr. Speaker, I rise today to support H.R. 2563, the Ganske-Dingell-Norwood-Berry Patients' Bill of Rights, and to urge its passage.

Patients in my district and throughout the country have been waiting far too long for protection against HMO abuses; but they want real reform, not a sugar pill that may go down well with the managed care industry but provides no relief for patients.

H.R. 2563 is the only bill that would provide real relief, and the Republican leadership ought to schedule it for a vote. Just look at who supports it and who rejects the Fletcher placebo.

The International Association of Firefighters supports it, because it provides real protection to local firefighters, unlike the Fletcher bill. The Paralyzed Veterans of America believes H.R. 2563 has the strongest provisions in numerous areas critical to high-quality health care for people with disabilities. The League of Women Voters supports the Ganske-Dingell bill because it provides strong and needed protections, while the Fletcher bill "establishes an appeals process that will put the rights of health plans ahead of patients"; also, the American Nurses Association, the American College of Obstetricians.

We should listen to those groups. We should listen to the patients. We should pass an effective and affordable Patients' Bill of Rights, H.R. 2563, now.

COMMUNICATION FROM FINANCIAL ADMINISTRATOR, COMMITTEE ON EDUCATION AND THE WORKFORCE

The SPEAKER pro tempore laid before the House the following communication from Dianna J. Ruskowsky, Financial Administrator, Committee on Education and the Workforce:

COMMITTEE ON EDUCATION
AND THE WORKFORCE,
Washington, DC, July 27, 2001.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule VIII of the Rules of the House that I have received a subpoena for testimony issued by the Superior Court for the District of Columbia.

After consultation with the Office of General Counsel, I will make the determinations required by Rule VIII.

Sincerely,

DIANNA J. RUSKOWSKY,
Financial Administrator.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote on the yeas and nays are ordered or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken after debate has concluded on all motions to suspend the rules, but not before 6 p.m. today.

EXPORT ADMINISTRATION ACT EXTENSION

Mr. HYDE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2602) to extend the Export Administration Act until November 20, 2001.

The Clerk read as follows:

H.R. 2602

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF THE EXPORT ADMINISTRATION ACT OF 1979.

Section 20 of the Export Administration Act of 1979 (50 U.S.C. App. 2419) is amended by striking "August 20, 2001" and inserting "November 20, 2001".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

GENERAL LEAVE

Mr. HYDE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2602 and include extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HYDE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2602, the extension of the Export Administration Act of 1979, a measure approved on a voice vote last week by the Committee on International Relations.

Enactment of this measure is intended to reauthorize the existing Export Administration Act for a 3-month period, through November 20 of this year, permitting Congress to fashion a comprehensive rewrite of this 21-year-old statute.

The Export Administration Act was extended for 1 year in the 106th Congress, through August 20 of this year; and it is now clear in the final week of our current session that a major EAA reform measure will not be enacted before that date.

The prompt enactment of this stopgap authorization will, however, enable the Bureau of Export Administration of the Department of Commerce to continue to administer and enforce our export control system, and in particular, to protect licensing information.

I would also point out to my colleagues that any lapse in the current EAA authorities would mean an automatic reduction in the level of fines for criminal and administrative sanctions against individuals and companies found to be in violation of our export control regulations.

A comprehensive EAA reform measure, S. 149, the Export Administration Act of 2001, is expected to be placed on the Senate floor schedule later this week or shortly after we return from the August recess, and the Committee on International Relations will consider a very similar version of this bill on Wednesday, August 1.

I would urge my colleagues to support this important stopgap authorization measure to maintain the integrity of our Nation's export control system.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

First, I want to commend my friend, the distinguished chairman of the Committee on International Relations, for his leadership on this issue.

Mr. Speaker, I rise in strong support of this bill. The current Export Administration Act will expire on August 20. On that day, the ability of the United States to implement dual use export controls will come to an end.

The Senate has not yet acted on its legislation on this matter, and it is highly unlikely that it will do so before September. We are slated to mark up in the Committee on International Relations a version of the Senate bill later this week, but it will not go through the Committee on Armed Services, nor will it reach the House floor prior to September.

The authority to maintain export controls, Mr. Speaker, can be continued under an executive order, as was done in recent years. But the lack of statutory authority will compromise the administration's ability to implement fully controls on militarily-useful goods and technology.

Obviously, more time is needed to enact a new bill. Our temporary legislation will accomplish bridging this gap by extending statutory authority until November, 2001. This is the only responsible course of action, given the circumstances, and I urge all of my colleagues to support this legislation.

Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy in yielding time to me to speak on this legislation.

Mr. Speaker, I do appreciate the opportunity we have to have an extension of the current statutory provisions. I hope that, as we take the time to reexamine this, we look at the long-term sweep of this legislation.

□ 1415

I have had some great concerns myself that there may be less here than meets the eye. There is an opportunity now across the world for people to buy a computer product that is far more powerful than was used to generate the hydrogen bomb, for instance.

We have had situations where American enterprises have been hamstrung by slow-moving bureaucracy on the Federal level that cannot keep pace with the rapid changing technology. There are jokes at times about handheld devices that teenagers have that could potentially have been subjected to this legislation in times past. I think we have to be very, very careful about how we craft this legislation. There are opportunities for us to simply divert business to other countries to hamstring American enterprise that in the long term will just encourage the development of this technology and help finance the technology in other countries while it undermines the potential for development here at home.

I hope that over the course of the 6 months we can use this opportunity to review the impact we have had over the course of the history of this legislation and to really ask ourselves whether or not we are being fair in terms of American industry and if it will have the intended consequences. But if we move forward, I hope that the leadership of our committee, under the able chairmanship of the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) will make sure the tools are available for the administration to be able to effectively administer it so that we do not get caught in a hammerlock and be unable to make sure it works as properly intended.

Mr. LANTOS. Mr. Speaker, I thank my colleague for his thoughtful remarks.

Mr. Speaker, I have no additional requests for time, and I yield back the balance of my time.

Mr. HYDE. Mr. Speaker, I thank the gentleman from California (Mr. LANTOS) for his tremendous contribution to this and other legislation before our committee.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from Illinois (Mr. HYDE) that the House suspend the rules and pass the bill, H.R. 2602.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EXPRESSING SENSE OF HOUSE THAT WORLD CONFERENCE AGAINST RACISM PRESENTS UNIQUE OPPORTUNITY TO ADDRESS GLOBAL DISCRIMINATION

Mr. BALLENGER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 212) expressing the sense of the House of Representatives that the World Conference against Racism, Racial Discrimination, Xenophobia, and Related Intolerance presents a unique opportunity to address global discrimination, as amended.

The Clerk read as follows:

H. RES. 212

Whereas since the adoption of the Universal Declaration of Human Rights in 1948, the international community has taken significant steps to eradicate racism, xenophobia, sexism, religious intolerance, slavery, and other forms of discrimination;

Whereas national and international measures to combat discrimination and promote equality, justice, and dignity for all individuals have proven inadequate;

Whereas the United Nations World Conference Against Racism, Racial Discrimination, Xenophobia, and Related Intolerance ("WCAR"), to be held in Durban, South Africa, from August 31 through September 7, 2001, aims to create a new world vision for the fight against racism and other forms of intolerance in the twenty-first century, urge participants to adopt anti-discrimination policies and practices, and establish a mechanism for monitoring future progress toward a discrimination-free world;

Whereas the causes and manifestations of contemporary racism, xenophobia, sexism, religious intolerance, slavery, and other forms of discrimination are many and increasingly complex and subtle;

Whereas all states and societies that have sponsored, encouraged, or tolerated slavery, including states involved in the transatlantic slave trade, the Indian Ocean slave trade, or the trans-Saharan slave trade, benefited economically while inflicting extreme pain, suffering, and humiliation on millions of African people;

Whereas victims of racism, xenophobia, sexism, religious intolerance, slavery, and other forms of discrimination have suffered and continue to suffer from the deprivation of their fundamental rights and opportunities;

Whereas to varying degrees, states, societies, and individuals have adopted the notion that racial, cultural, religious, and social diversity can enrich a country and its citizens;

Whereas participants of the WCAR currently plan to discuss remedies, redress, and other mechanisms to provide recourse at national, regional, and international levels for victims of racism, xenophobia, sexism, religious intolerance, slavery, and other forms of discrimination;

Whereas the achievement of full and effective equality between peoples requires that states, civic groups, and individuals cooperate to address the real difficulties in attaining societies free of discrimination;

Whereas some preparatory materials for the WCAR take positions on current political crises which, if adopted in the final WCAR Declaration and Program of Action, could exacerbate existing tensions;

Whereas the attempt by some to use the WCAR as a platform to resuscitate the divisive and discredited notion equating Zionism with racism, a notion that was overwhelmingly rejected when United Nations Resolution 3379 (1975) was rescinded in 1991, would undermine the goals and objectives of the conference; and

Whereas the United States encourages respect for an individual's human rights and fundamental freedoms without distinction of any kind, such as race, color, sex, language, religion, political or other opinion, national or social origin, property, birth, or other status: Now, therefore, be it

Resolved, That the House of Representatives—

(1) encourages all participants in the United Nations World Conference Against Racism, Racial Discrimination, Xenophobia, and Related Intolerance ("WCAR") to seize this singular opportunity to tackle the scourges of racism, xenophobia, sexism, religious intolerance, slavery, and other forms of discrimination which have divided people and wreaked immeasurable suffering on the disempowered;

(2) recognizes that since racism, racial discrimination, xenophobia, and related intolerance exist to some extent in every region and country around the world, efforts to address these prejudices should occur within a global framework and without reference to specific regions, countries, or present-day conflicts;

(3) exhorts the participants to utilize the WCAR to mitigate, rather than aggravate, racial, ethnic, and regional tensions;

(4) urges the WCAR to focus on concrete steps that may be taken to address gross human rights violations that were motivated by racially and ethnically based animus and on devising strategies to help eradicate such intolerance; and

(5) commends the efforts of the Government of the Republic of South Africa in hosting the WCAR.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. BALLENGER) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

Ms. MCKINNEY. Mr. Speaker, I claim the time in opposition to this resolution.

The SPEAKER pro tempore. Is the gentleman from California (Mr. LANTOS) opposed to the resolution?

Mr. LANTOS. I am in favor of the resolution, Mr. Speaker.

The SPEAKER pro tempore. The gentlewoman from Georgia (Ms. MCKINNEY) will control 20 minutes in opposition to the resolution.

The Chair recognizes the gentleman from North Carolina (Mr. BALLENGER).

GENERAL LEAVE

Mr. BALLENGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BALLENGER. Mr. Speaker, I yield myself such time as I may consume.

The forthcoming World Conference Against Racism ought to represent an opportunity for the people and the governments of the world to look for ways to address the ongoing harm caused by continuing racism, racial discrimination, xenophobia, and related intolerance, as the formal title of the conference refers to them.

Both in our own Nation and around the world, clashes between communities, whether at their origins, based on ethnic, tribal, clan, racial, national, religious or caste differences have a tremendously debilitating effect on our lives. This is almost self-evident. Yet it is worthwhile to provide, through the United Nations, the opportunity for representatives of governments and civil society to sit down and exchange experiences in dealing with ongoing racism and related forms of intolerance, and other vestiges. In addition, we can and should take the opportunity to frame a declaration and a plan of action on the topic of the conference that expresses the sentiments of the world's governments.

The current administration, along with the Members who are cosponsoring this resolution, hope that a conference will be a positive, forward-looking one. The gentleman from California (Mr. LANTOS) has framed a sensitive, appropriate resolution that expresses our hopes with regard to this conference.

But he and I, and our administration, do not share certain concerns as we approach the conference. The opportunity of a world conference on anything always seems to present an irresistible opportunity to some in the international community to hijack the conference and move it into areas far from its real purposes, and so we have in the draft declaration language, which can only be understood as intended to minimize the Holocaust and to indicate that the only State worthy of condemnation by name in the world is Israel. We also have efforts to bring in issues such as compensation for actions of the distant past, such as the transatlantic slave trade.

Mr. Speaker, today in Geneva, a Preparatory Conference is underway to see if some of these issues can be worked out. If they are not worked out, the administration will use the only leverage it really has, which is to absent itself, at least at the high level, from the conference. That is altogether proper as far as I am concerned.

Mr. Speaker, this resolution makes no threats. It merely sets out our position, and it does so in admirable terms, and it should be supported by my colleagues.

Mr. Speaker, I reserve the balance of my time.

Ms. McKINNEY. Mr. Speaker, I yield myself such time as I may consume.

The Lantos resolution attempts to place tape on the mouth of the United States and the world community to say what the U.S. and the rest of the world can or cannot say in South Africa. By comparison, the chairwoman of the Congressional Black Caucus introduced a resolution that puts no words in the mouth of the Bush administration, but merely suggests that the U.S. participate in the World Conference Against Racism by sending Colin Powell as head of the U.S. delegation, and that the United States should support financially the conference.

With respect to what the U.S. can and cannot and should and should not say, the Johnson resolution urges the Bush administration to adopt policy positions at the WCAR that seek to advance an understanding of racism, racial discrimination, xenophobia, and related intolerance. Amnesty International just wrote a letter to President Bush urging the same position.

On July 25, Amnesty International USA urged the Bush administration to increase its commitment to the conference by appointing a delegation led by Secretary of State Colin Powell and assuming a leadership role in the preconference preparation. In a letter sent to President Bush, AIUSA, Amnesty International USA, called on the administration to resolve controversies that have marred preparations for the WCAR. Amnesty International USA urged President Bush not to allow current controversies over draft language to serve as a pretext for nonparticipation. We believe that such problems can be best addressed by a senior delegation representing the U.S. at the conference and not through a boycott.

The letter goes on to state, the Bush administration must participate in efforts to eradicate racism at home and abroad and must seize the opportunity to move beyond the empty rhetoric on race of previous administrations by vigorously joining the debate at the World Conference Against Racism.

Additionally, Human Rights Watch just issued a report saying that the U.S. should participate. Human Rights Watch said national and international panels should be created with maximum transparency and public participation to identify and acknowledge past abuses and to guide action to counter their present-day effect. Groups that suffer today should be compensated by governments responsible for these practices, said Kenneth Roth, Executive Director of Human Rights Watch. Those most seriously victimized today by past wrongs should be the first priority for compensation to end their victimization.

Human Rights Watch proposed the establishment of national panels. The panels should serve as truth commissions aiming to reveal the extent to which a government's past racist practices contribute to contemporary deprivation domestically and abroad, Roth said. They should educate the public, acknowledge responsibility and propose methods of redress and making amends.

Kofi Annan and President Bush are at the National Urban League today, but the National Urban League supports our position that the U.S. should agree to go and support no matter what is on the agenda. The Leadership Conference on Civil Rights wrote a letter to Bush along the exact same lines as the Johnson resolution; that is that the U.S. should go to the conference; that the U.S. should financially support the conference; and that U.S. participation will help to bring significant issues into sharper focus at home and abroad.

Importantly, the Leadership Conference letter to President Bush states, the United States should not limit its participation in this important global event, even when faced with issues that our government feels threatened fundamental American values. Rather, the U.S. should actively engage difficult topics and work to change those that belie core U.S. principles. If the U.S. does not participate in the World Conference Against Racism, what will that prove? Do we not lose by telling our friends and others what they can say and what they cannot say; do we not lose friends and prestige by doing that? I do not believe that the Bush administration has to be told what to say and what not to say. I do believe that with the moral force of our position and the strength of our argument, we should be able to prevail without the appearance of issuing threats or intimidation.

Thirty percent of the American population consists of people of color. We have a stake in this conference. I believe the majority of Americans who are not of color would like to see the United States lead in this issue to get rid of the problems of race and intolerance at home and to help the rest of the world deal with the problem of racism and intolerance abroad.

The United States should participate in the WCAR, the House should encourage that participation, and the Johnson resolution should have been on the House floor today.

Mr. Speaker, I reserve the balance of my time.

Mr. BALLENGER. Mr. Speaker, I reserve the balance of my time.

Ms. McKINNEY. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Speaker, as the founding Democratic chairman of the Congressional Human Rights Caucus, I rise in strong support of the resolution.

Mr. Speaker, the scourge of racism remains one of the most tragic aspects of international life today. Slavery, xenophobia, sexism, religious intolerance, hate crimes, racial profiling, we must renew our commitment and redouble our efforts to combat each of these manifestations of racism plaguing our globe today.

□ 1430

Racism is at the root of countless international conflicts and it is a formidable barrier to international cooperation. It remains a stubborn and shameful stain on humanity.

The U.N. Conference on Racism is the first time that the world will have come together to confront this scourge in a serious and systematic way. Among other critical issues the conference will confront the plight of millions of African people who have suffered from extreme pain, hardship and humiliation from the slave trade and its lingering effects.

The conference intends to explore this issue in a comprehensive way discussing not only the transatlantic slave trade but also the Arab slave trade across the Indian Ocean and the Sahara Desert.

It is imperative, Mr. Speaker, that the United States assume a leadership role in combatting racism worldwide. Our national experience with slavery and our commitment to civil rights compels us to take a lead in the broader worldwide struggle to eradicate racism. Our resolution makes clearly that the goals and objectives of this important conference deserve the strong support of the United States. If the conference adheres to its original purposes, U.S. participation clearly will contribute to its success.

Tragically, Mr. Speaker, some are standing in the way of a genuine dialogue on these painful issues by seeking to hijack the U.N. Conference on Racism into a racist attack against specific states. A draft resolution sponsored by a number of Arab states tends to equate Zionism with racism and thereby singles out Israel for attack.

Our resolution denounces this attempt to single out an individual state and to undermine the conference by using it as a platform for a hate-filled political agenda.

I urge my colleagues to join me in support of our resolution and getting the U.N. Conference on Racism back on track. The work of combatting racial discrimination and reducing racial tensions worldwide is far too important to be sidetracked by disruptive and hateful political interests. I urge my colleagues to support H. Res. 212.

Ms. McKINNEY. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Speaker, I rise in strong support of H. Res. 212.

The upcoming U.N. World Conference Against Racism is an important opportunity to condemn discrimination in all forms and dispel the hatred and misunderstanding that promotes it.

By holding it in Durban, South Africa, it is supposed to be a celebration of the world's triumph over apartheid, and a call to action against the ongoing injustice of slavery, genocide, religious oppression, gender discrimination, and other forms of intolerance that continue to plague our world.

That is why I am deeply concerned that Arab countries have tried to overshadow these objectives by hijacking the conference to bash Israel. Language inserted in the draft declarations revives hateful anti-Jewish lies that Zionism is racism and that Israel practices ethnic cleansing and apartheid.

This targeted attack on Israel is another blatant attempt by the enemies of peace to undermine the peace process and make political dialogue between Israelis and Palestinians impossible. If it succeeds in poisoning the U.N. conference declarations, it will inevitably become a new platform for Palestinian incitement against Israel and fuel the cycle of terrorist attacks and violence.

This resolution underscores U.S. support for the underlying goals and objectives of the U.N. World Conference. I am hopeful, therefore, that the Bush administration will be successful in the final preconference meeting in Geneva this week in bringing the conference agenda back on track. Otherwise its domination by extremist anti-Israeli bias will be harmful to Israel, its allies, and the purpose of the U.N. Conference itself, and will earn the condemnation of those who believe in an end to racism and bigotry.

Ms. McKINNEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. ISRAEL).

Mr. ISRAEL. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, in November of 1975, Israel's Ambassador to the United Nations stepped up to the General Assembly as they debated the ludicrous proposition that Zionism is racism and held that resolution aloft and said that that proposition was worth no more than the piece of paper it was written on and tore that paper apart and left the well of the General Assembly. He was right then and those of us today who combat the notion that Zionism is racism are right as well.

It is ludicrous, it defies imagination to suggest that Zionism and racism are the same thing. I would suggest to friends of the United Nations as I am a friend of the United Nations that continuing to test that proposition, that revisiting that issue 25 years later is wrongheaded. It defies common sense and it strains the patience of people like me and Members of Congress like me who believe in the value of the United Nations.

This is a bad idea. It is a senseless resolution. It is going back in time and it is not worthy of the United Nations or U.S. support in the United Nations.

Mrs. MEEK of Florida. Mr. Speaker, next month's U.N. World Conference against Racism in Durban, South Africa is an extremely important conference which offers the world community an unprecedented opportunity to address racism and global discrimination. For this dialogue to be constructive, it must take place in an atmosphere of tolerance and mutual respect. Thus, it is essential to ensure that the Conference does not degenerate into a sideshow of hateful and extreme views that revives such lies as the shameful assertion that Zionism is racism.

The Conference attendees must not be diverted from the essential task of confronting racism through a Draft Declaration for the Conference that revives the despicable falsehood that Zionism is a "movement which is based on racial superiority." Nor can the United States sit idly by and passively accept language that minimizes the historical significance of the Holocaust and the evil of anti-Semitism, or which in any way questions the legitimacy of our long-time ally, the State of Israel.

I completely reject the false choice between abandoning the United States' participation in this Conference and supporting the State of Israel. There is no inconsistency in attending this Conference and rejecting anti-Zionist, anti-Israel or anti-Semitic rhetoric. The United States can and must do both.

As Mr. LANTOS so cogently observed, racism is at the root of countless international conflicts, and is a formidable barrier to international cooperation. It remains a stubborn and shameful stain on humanity, one that I believe that the United States must address whenever it has an opportunity.

Thus, notwithstanding my concerns about certain aspects of the Draft Declaration for the Conference, I believe that the United States must attend the World Conference against Racism with a high level delegation, hopefully one led by our Secretary of State Colin Powell.

I understand and recognize the concerns have been raised about various aspects of the Conference's proposed agenda, but I fervently believe that the way to deal with these controversial issues is for the United States to participate fully in all aspects of developing the Conference's agenda and in all aspects of the Conference. Thus, I support H. Res. 212, the Ballenger-Lantos Resolution. I also urge the leadership to bring Representative McKINNEY's Resolution, H. Res. 211, to the floor. Passing H. Res. 211 will clearly put the House on record as supporting full U.S. participation in the World Conference against Racism without any precondition.

This participation should extend to all subjects that may be covered at the Conference, including such discussion as may take place concerning the subject of slavery and reparations, an issue in which Mr. CONYERS and I and many other Members of the Congress and the American public are intensely interested.

I know that strong differences of opinion exist on the subject of reparations and I would hope and expect that this subject will be only one of a great many that may be considered at the Conference. But however much (or little) attention reparations may receive, surely, the mere consideration of this issue is not a reason for anyone to suggest that the United States not participate in the Conference.

There's a simple solution to these issues. The United States should participate fully in the Conference and take whatever steps our Delegation deems necessary to reject and disassociate the United states from any "Zionism as Racism' language or any other anti-Israel language at the Conference.

Mr. Speaker, we know who our friends and our enemies are. Our friend is Israel and all others in the Middle East who seek a just and lasting peace. Our enemy is racism. We need not, and must not, sacrifice one to pursue the other. They are entirely compatible.

In my view, we accomplish nothing if we simply duck the issues to be addressed at the Conference by not attending or by sending a low-level delegation that lacks the authority to speak forcefully for the United States on issues of such critical importance. The subject of racism is simply too important not to be addressed in a meaningful way.

Mr. Speaker, when racism is the subject, the United States must never be a "no-show," no matter what the provocation. The United States should make the most of this historic occasion to deal with racism in a systematic way through full U.S. participation in the World Conference. I urge all my Colleagues to support H. Res. 212 and yield back the balance of my time.

Mr. GILMAN. Mr. Speaker, I rise in strong support of the resolution offered by my distinguished colleague, the gentleman from California (Mr. LANTOS).

Mr. Speaker, the forthcoming World Conference Against Racism ought to be a moment to look forward to ways to deal with "racism, racial discrimination, xenophobia, and related intolerance," as the formal title of the conference refers to them.

It is clear that the issue of racism needs to be dealt with. We need to allow our governments and NGOs an opportunity to share thoughts and come up with an appropriate plan of action.

The problem is that people who really do not care whether or not the conference is successful are trying to hijack it.

They have succeeded in getting language into the draft conclusions reviving the old canard that "Zionism equals racism" and minimizing the Holocaust. Of all the countries on the face of the earth, they have named only Israel as a miscreant on the issue of racism.

Of course, our Administration is working hard against this effort.

If they do not succeed, I hope that the Administration will consider several alternatives. One would be not to go. Another would be to send someone of the stature of a Colin Powell to tell the assembled nations how we have dealt with our race problem—not perfectly, but with some success over the years. And then, he should continue to denounce the document for what will be its fatal flaws, and walk out. But there should certainly be no "business as usual".

Mr. Speaker, this resolution is an excellent one. I am proud to be associated with it. It says just what needs to be said: we want a good world conference.

Accordingly, I urge my colleagues to fully support this resolution.

Mr. RANGEL. Mr. Speaker, I rise today in support of H. Res. 212 that expresses the importance of the Bush Administration sending a high-level delegation to participate at the United Nations World Conference Against Racism, Racial Discrimination, Xenophobia, and Related Intolerance (WCAR) scheduled August 31 through September 7, 2001.

The United States of America where I am proud to be a citizen and who I proudly fought for in the Korean War, is a major global power that is called upon daily by nations around the world for leadership and guidance. As a global power, historically we have been outspoken on important matters concerning human rights abuses and civil rights offenses around the world. Our legacy is freedom for all human beings.

We as a nation must once again exhibit the strong leadership that is our heritage and do the right thing by fully participating in the upcoming World Conference Against Racism. It is unconscionable that the Administration would even consider not attending such an important conference or provide the leadership needed to address this very important issue of world racism. Our full attendance is the only way we can ensure that the conference fulfills its primary purpose of addressing the issue of racism around the world.

Mrs. CHRISTENSEN. Mr. Speaker, the world conference against racism is an important meeting to people of African descent, and indigenous people all over the world. It is critical that this country fully participate and demonstrate its commitment to ending racism, racial intolerance, xenophobia and other forms of intolerance in this country and all over the world. A full discussion and a strong resolution decrying racism and the support of agreed to means of addressing its impact are important to the health of our nation and the well-being of the entire global community. Having a substantive declaration decrying racism, colonialism, and the forceful subjugation of people will not in and of itself make us whole, but it will foster a long overdue healing process.

Mr. Speaker, I want my country to fully participate, to be involved in all discussions and work with the other countries of the world to develop such a resolution and programs. It neither serves this country or the world well for it to be gagged on this important issue.

While I support this resolution in its supporting the United States participation, I feel that the resolution introduced by Congresswoman EDDIE BERNICE JOHNSON which calls on the highest level of participation, for funding, and which urges the adoption and advancing of policy positions that indicate clearly that our country understands the ling k between racism in its current day forms and is firm in its commitment to ending its impact on indigenous communities an communities of color all over the world.

Ms. LEE. Mr. Speaker, I rise to support H. Res. 212, expressing the Sense of Congress on the UN World Conference Against Racism.

I want to thank and express my appreciation to my colleague, Congressman LANTOS, for authorizing this legislation.

I believe this bill is a step in the right direction. In addition, I firmly believe that the United States must not boycott this conference.

The World Conference Against Racism will provide an important and credible platform to discuss slavery, xenophobia, sexism, religious intolerance, hate crimes and other forms of racism.

In addition, it is long past due for the United States to formerly acknowledge its role in the institution of Trans-Atlantic Slavery and to begin the healing process for more than 30 million African Americans—many of whom are descendants of slaves.

Representatives from the Bush administration have stated that the United States will not send an official delegation to the World Conference Against Racism in Durban, South African if language regarding slavery and reparations, is included in the WCAR agenda.

However, I strongly believe that the Bush Administration's position on excluding the discussion on slavery and reparations is wrong and must be reconsidered. The United States' unwillingness to address this issue sends the wrong message.

The United States Government sanctioned slavery in this country for hundreds of years, completely devastating the lives of generations and generations of Africans in America. It is imperative that this government, which played such a massive role in slavery, be at the table in discussions about slavery, its lasting impact, and on reparations.

On the International Relations Committee, we regularly question the human rights practices in other countries. I believe it is equally important that we apply this same scrunity to our own society and examine the very visible vestiges of slavery manifested by the current racial and economic divides we experience today.

When we do, we realize that as a country, we have not yet conquered the twin problems of racism and economic inequality.

Ours is a country where people of color are regularly pulled over by our police force because they are simply the wrong color, or in the wrong neighborhood, or driving the wrong kind of car. It's happened to me, it's happened to millions of African Americans and other minorities.

Ours is a country where millions of young men of color are behind bars. Our justice system claims to be blind, yet look at the skin color of those in prison, of those sitting on death row. Those are black and brown faces staring out from behind those bars.

Ours is a country where the votes of African Americans and other minorities are less likely to be counted than those of white Americans.

Ours is a country where blacks earn less than whites, are less likely to own homes than whites, and are still subject to the economic marginalization that has marked this nation for centuries.

Ours is also a nation that is struggling to overcome many of these deep-rooted problems. It is time for America to also recognize that many of these problems are rooted in slavery.

We can do more and we must.

Racism is a fundamental question of human rights.

Racial prejudice underlies much of the conflict and injustice in the modern world. It fuels wars, drives ethnic cleansing, and exacerbates economic inequities.

Racial barriers compound health problems: HIV/AIDS disproportionately affects communities of color. This terrible disease is sweeping across Africa where millions are dyining. We may not know how to cure AIDS yet, but we know how to prevent it and we know how to treat it. We know how, but every day six thousand Africans die from AIDS. Six thousand a day.

In the United States the AIDS crisis is having a devastating effect in the African American community. Although African Americans make up only 12 percent of the population, they make up more than 34 percent of reported AIDS cases, and African American children and women comprise two-thirds, respectively, of all pediatric and female AIDS cases in the United States.

The World Conference against Racism, Racial Discrimination, Xenophobia, and Related Intolerance will represent a historic opportunity to find real solutions and provide real assistance to the victims of racial discrimination.

We must send a strong message to the Bush Administration that we will no longer bury our heads in the sand.

Minimally, the United States Government should apologize for the horrific institution of slavery and explore methods to address the current economic, health, and social inequalities experienced in daily life by the descendants of slaves: African Americans.

Ms. MCKINNEY. Mr. Speaker, I yield back the balance of my time.

Mr. BALLENGER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. BALLENGER) that the House suspend the rules and agree to the resolution, H. Res. 212, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the

Chair's prior announcement, further proceedings on this motion will be postponed.

SENSE OF HOUSE THAT U.N. SHOULD TRANSFER UNCENSORED VIDEOTAPE TO ISRAELI GOVERNMENT REGARDING HEZBOLLAH ABDUCTION OF THREE ISRAELI DEFENSE SOLDIERS

Mr. BALLENGER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 191) expressing the sense of the House of Representatives that the United Nations should immediately transfer to the Israeli Government an unedited and uncensored videotape that contains images which could provide material evidence for the investigation into the incident on October 7, 2000, when Hezbollah forces abducted 3 Israeli Defense Force soldiers, Adi Avitan, Binyamin Avraham, and Omar Souad.

The Clerk read as follows:

H. RES. 191

Whereas on October 7, 2000, Hezbollah forces illegally crossed the Israeli border with Lebanon and kidnapped 3 Israli Defense Force soldiers, Adi Avitan, Binyamin Avraham, and Omar Souad;

Whereas 9 months after the kidnapping, Hezbollah released no information as to the whereabouts and conditions of these soldiers;

Whereas the events leading up to, surrounding, and immediately following the kidnapping remain unknown;

Whereas after long denial the United Nations admitted to possession of a videotape that contains images which could provide material evidence for the investigation into the incident on October 7, 2000;

Whereas this videotape would help to assess the conditions of the soldiers and assist in the investigation to determine the identities of the kidnappers and their methods; and

Whereas to date the United Nations is reluctant to transfer an uncensored form of the videotape to Israeli Government authorities investigating this incident: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the United Nations should immediately transfer an unedited and uncensored form of the videotape that contains images which could provide material evidence for the investigation into the incident on October 7, 2000, when Hezbollah forces abducted 3 Israeli Defense Force soldiers, Adi Avitan, Binyamin Avraham, and Omar Souad, as well as any other material evidence the United Nations may possess, to the Israeli Government to assist its investigation of this incident.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. BALLENGER) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. BALLENGER).

GENERAL LEAVE

Mr. BALLENGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BALLENGER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Res. 191, sponsored by my friend, the gentleman from Illinois (Mr. KIRK).

The United Nations has done important work in Lebanon over the years, keeping the peace as best it could in an area where stability has been threatened by the presence of various Lebanese and Palestinian factions and by Israeli responses to them.

Recently, it seems to have failed in part of its mission. Lebanese-based Hezbollah fighters were able to cross into Israeli territory and kidnap three Israeli soldiers. It turns out that a videotape that may well provide information to help resolve the kidnapping, although not the kidnapping itself, was made by the U.N. forces.

After denying the existence of the tape for some time, it now appears that the tape does exist. The U.N. should do all it can to help resolve the disappearance of the men, including the provision of relevant evidence.

The case has attracted widespread attention, not least in northern Illinois. I appreciate the diligent efforts of the gentleman from Illinois (Mr. KIRK) and his constituents, as well as the efforts of his cosponsors, in keeping this humanitarian nightmare from fading from our memories pending its final, and I hope its peaceful and successful resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first, I want to congratulate my friend and colleague, the gentleman from Illinois (Mr. KIRK) for bringing this important resolution to the body. I also want to thank my friend, the gentleman from North Carolina (Mr. BALLENGER), and the gentleman from Illinois (Mr. HYDE) for his support.

Mr. Speaker, I rise in strong support of this resolution.

Mr. Speaker, this resolution concerns a matter that unfortunately illustrates the singularly biased attitude and behavior that the United Nations and its constituent bodies and some of its personnel traditionally have shown towards our ally, the Democratic State of Israel.

Mr. Speaker, on October 7 of last year, Hezbollah terrorists illegally crossed from Lebanon into Israel and kidnapped three Israeli soldiers. Nearly 10 months later, Hezbollah has neither released information about the soldiers' conditions and whereabouts, nor has it allowed any third parties, even the International Red Cross to meet with them. Shortly after the kidnapping, Israel sources learned that U.N. peacekeepers in Lebanon had shot a videotape that likely reveals the terrorists' identities.

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Mr. LANTOS. Mr. Speaker, I am delighted to yield 2 minutes to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. I thank the gentleman from California for yielding me this time.

Mr. Speaker, I rise today in support of H. Res. 191. I want to thank the gentleman from Illinois (Mr. KIRK) for authoring this important resolution before us today.

In October of 2000, Adi Avitan, Binyamin Avraham, and Omar Souad were abducted while on routine patrol of Israel's northern border. At the present time these men are believed to be held by Hezbollah on Lebanese soil.

I am extremely troubled by the fact that the United Nations has the ability to assist in discovering the whereabouts of these men and has failed to turn over what may be pertinent information to the Israeli Government. For an organization that is a champion for human rights around the world to obstruct the recovery of these men is inconceivable.

I join my colleagues in calling on Secretary-General Kofi Annan to act expeditiously in seeing that any and all information leading to the rescue of these Israeli soldiers be handed over without further delay. Since these men were captured last year, I have been in constant contact with their families. I had the opportunity to meet their families in January of this year. The fact that the United Nations has evidence that could ultimately bring their sons, fathers and brothers back to them is the last shred of hope that any of these families have. I cannot stand by and allow that to be taken away from them as well.

Therefore, Mr. Speaker, I strongly urge my colleagues to support this resolution.

Mr. LANTOS. Mr. Speaker, I commend my friend from New York for his eloquent statement.

Mr. GILMAN. Mr. Speaker, I rise in support of H. Res. 191, sponsored by the distinguished gentleman from Illinois (Mr. KIRK).

295 days ago, three Israeli soldiers were kidnapped from Israeli territory near the Lebanese border.

It developed months later that the United Nations had made a videotape that contains significant information that could lead to a solution to this case.

The UN, however, first concealed the existence of the tape and subsequently has refused to release an uncensored version of it to Israel.

This resolution simply calls on the UN to do what it should do—to help resolve a case that tugs at our heartstrings.

I appreciate the tireless efforts of the gentleman from Illinois (Mr. KIRK) to keep this case alive. I hope, together with him and his constituents, and my own constituents, for a safe return for these men.

Ms. SCHAKOWSKY. Mr. Speaker, I rise in strong support of a House Resolution 191. House Resolution 191 is of importance to my constituents and to the state of Israel and, as a cosponsor of this legislation, I urge its immediate passage.

House Resolution 191 expresses the sense of the Congress that the United Nations should immediately transfer to the Israeli Government an unedited and uncensored videotape. That videotape contains images which could assist those investigating the October 7, 2000, kidnapping of 3 Israeli Defense Force soldiers, Adi Avitan, Binyamin Avraham, and Omar Souad.

Nine months after the kidnapping, Hezbollah has released no information as to the whereabouts and conditions of these soldiers. While events leading up to the kidnapping remain unknown, the United Nations has admitted to possession of a videotape that contains images which could provide evidence for the investigation into the incident.

It is hard to imagine the level of concern that must be felt by the family members of the three kidnapped soldiers. The fact that the United Nations may have information that could help resolve this situation is also troubling. The United Nations should not be making it more difficult for Israeli authorities and the family members of Adi Avitan, Binyamin Avraham, and Omar Souad. Instead, it should be actively assisting Israeli authorities to secure information about these three individuals. I join my colleagues in strong support of this resolution.

Mr. LANTOS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BALLENGER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from North Carolina (Mr. BALLENGER) that the House suspend the rules and agree to the resolution, House Resolution 191.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

NATIONAL MATHEMATICS AND SCIENCE PARTNERSHIPS ACT

Mr. BOEHLERT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1858) to make improvements in mathematics and science education, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1858

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Mathematics and Science Partnerships Act".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) 12 years ago the President of the United States convened the Nation's Governors to establish common goals for the improvement of elementary and secondary education.

(2) Among the National Education Goals established was the goal that by the year 2000 United States students would be first in the world in mathematics and science achievement.

(3) Despite these goals, 8th graders in the United States showed just average performance in mathematics and science in the Third International Mathematics and Science Study-Repeat and demonstrated lower relative performance than the cohort of 4th graders 4 years earlier.

(4) The United States must redouble its efforts to provide all of its students with a world-class education in mathematics, science, engineering, and technology.

(5) The American economy has become the most robust in the world, not through state planning and government intervention, but through the hard work and innovation of its citizens. This success is founded in our constitutional tradition of respect for individual liberty to pursue personal career objectives.

SEC. 3. DEFINITIONS.

In this Act—

(1) the term "Director" means the Director of the National Science Foundation;

(2) the term "institution of higher education" has the meaning given such term by section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001);

(3) the term "eligible nonprofit organization" means a nonprofit research institute or a nonprofit professional association with demonstrated experience delivering mathematics or science education as determined by the Director;

(4) the term "local educational agency" has the meaning given such term by section 14101(19) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(19));

(5) the term "State educational agency" has the meaning given such term by section 14101(29) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(29));

(6) the term "elementary school" has the meaning given that term by section 14101(14) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(14)); and

(7) the term "secondary school" has the meaning given that term by section 14101(26) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(26)).

SEC. 4. DUPLICATION OF PROGRAMS.

(a) IN GENERAL.—The Director of the National Science Foundation shall review the education programs of the National Science Foundation that are in operation as of the date of enactment of this Act to determine whether any of such programs duplicate the programs authorized in this Act.

(b) IMPLEMENTATION.—(1) As programs authorized in this Act are implemented, the Director shall terminate any existing duplicative program or merge the duplicative program into a program authorized in this Act.

(2) The Director shall not establish any new program that duplicates a program that has been implemented pursuant to this Act.

(c) REPORT.—(1) The Director of the Office of Science and Technology Policy shall review the education programs of the National Science Foundation to ensure compliance with the provisions of this section.

(2) Not later than one year after the date of the enactment of this Act, the Director of the Office of Science and Technology Policy shall complete a report on the review carried out under this subsection and shall submit the report to the Committee on Science, the Committee on Education and the Workforce, and the Committee on Appropriations of the House of Representatives.

(3) Beginning one year after the date of enactment of this Act, the Director of the Office of Science and Technology Policy, shall, as part of the annual budget submission to Congress, submit an updated version of the report required by paragraph (2).

SEC. 5. MATCHING REQUIREMENTS.

The Director may establish matching fund requirements for any programs authorized by this Act except those established in title IV.

SEC. 6. COORDINATION.

In carrying out the activities authorized by this Act, the Director of the National Science Foundation shall consult and coordinate with the Secretary of Education to ensure close cooperation with programs authorized under the Elementary and Secondary Education Act of 1965 (Public Law 89–10).

TITLE I—MATHEMATICS AND SCIENCE EDUCATION PARTNERSHIPS

Subtitle A—Mathematics and Science Education Partnerships

SEC. 101. PROGRAM AUTHORIZED.

(a) IN GENERAL.—(1) The Director shall establish a program to award grants to institutions of higher education or eligible nonprofit organizations (or consortia thereof) to establish mathematics and science education partnership programs to improve the instruction of elementary and secondary science education.

(2) Grants shall be awarded under this section on a merit-reviewed competitive basis.

(b) PARTNERSHIPS.—(1) In order to be eligible to receive a grant under this section, an institution of higher education or eligible nonprofit organization (or consortium thereof) shall enter into a partnership with one or more local educational agencies that may also include a State educational agency or one or more businesses, or both.

(2) A participating institution of higher education shall include mathematics, science, or engineering departments in the programs carried out through a partnership under this subsection.

(c) USES OF FUNDS.—Grants awarded under this section shall be used for activities that draw upon the expertise of the partners to improve elementary or secondary education, or both, in mathematics or science, or both. Such activities may include—

(1) recruiting and preparing students for careers in elementary or secondary mathematics or science education;

(2) offering professional development programs, including summer or academic year institutes or workshops, designed to strengthen the capabilities of existing mathematics and science teachers;

(3) offering innovative programs that instruct teachers on using technology more effectively in teaching mathematics and science, including programs that recruit and train undergraduate and graduate students to provide technical support to teachers;

(4) developing distance learning programs for teachers or students, including developing courses, curricular materials and other

resources for the in-service professional development of teachers that are made available to teachers through the Internet;

(5) offering teacher preparation and certification programs for professional mathematicians, scientists, and engineers who wish to begin a career in teaching;

(6) developing assessment tools to measure student mastery of content and cognitive skills;

(7) developing or adapting elementary and secondary school curricular materials, aligned to State standards, that incorporate contemporary research on the science of learning;

(8) developing undergraduate mathematics and science courses for education majors;

(9) using mathematicians, scientists, and engineers employed by private businesses to help recruit and train mathematics and science teachers;

(10) developing a cadre of master teachers who will promote reform and improvement in schools;

(11) developing and offering mathematics or science enrichment programs for students, including after-school and summer programs;

(12) providing research opportunities in business or academia for students and teachers;

(13) bringing mathematicians, scientists, and engineers from business and academia into elementary and secondary school classrooms; and

(14) any other activities the Director determines will accomplish the goals of this section.

(d) Science Enrichment Programs for Girls.—Activities carried out in accordance with subsections (c)(11) and (12) shall include elementary and secondary school programs to encourage the ongoing interest of girls in science, mathematics, engineering, and technology and to prepare girls to pursue undergraduate and graduate degrees and careers in science, mathematics, engineering, or technology. Funds made available through awards to partnerships for the purposes of this subsection may support programs for—

(1) encouraging girls to pursue studies in science, mathematics, engineering, and technology and to major in such fields in postsecondary education;

(2) tutoring girls in science, mathematics, engineering, and technology;

(3) providing mentors for girls in person and through the Internet to support such girls in pursuing studies in science, mathematics, engineering, and technology;

(4) educating the parents of girls about the difficulties faced by girls to maintain an interest and desire to achieve in science, mathematics, engineering, and technology, and enlisting the help of parents in overcoming these difficulties; and

(5) acquainting girls with careers in science, mathematics, engineering, and technology and encouraging girls to plan for careers in such fields.

(e) Research in Secondary Schools.—Activities carried out in accordance with subsection (c)(11) may include support for research projects performed by students at secondary schools. Uses of funds made available through awards to partnerships for purposes of this subsection may include—

(1) training secondary school mathematics and science teachers in the design of research projects for students;

(2) establishing a system for students and teachers involved in research projects funded under this section to exchange information about their projects and research results; and

(3) assessing the educational value of the student research projects by such means as tracking the academic performance and choice of academic majors of students conducting research.

(f) Stipends.—Grants awarded under this section may be used to provide stipends for teachers or students participating in training or research activities that would not be part of their typical classroom activities.

SEC. 102. SELECTION PROCESS.

(a) Application.—An institution of higher education or an eligible nonprofit organization (or a consortium thereof) seeking funding under section 101 shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum—

(1) a description of the partnership and the role that each member will play in implementing the proposal;

(2) a description of each of the activities to be carried out, including—

(A) how such activities will be aligned with State and local standards and with other activities that promote student achievement in mathematics and science;

(B) how such activities will be based on a review of relevant research;

(C) why such activities are expected to improve student performance and strengthen the quality of mathematics and science instruction; and

(D) in the case of activities carried out in accordance with section 101(d), how such activities will encourage the interest of women and minorities in mathematics, science, engineering, and technology and will help prepare women and minorities to pursue postsecondary studies in these fields;

(3) a description of the number, size, and nature of any stipends that will be provided to students or teachers and the reasons such stipends are needed;

(4) how the partnership will serve as a catalyst for reform of mathematics and science education programs; and

(5) how the partnership will assess its success.

(b) Review of Applications.—In evaluating the applications submitted under subsection (a), the Director shall consider, at a minimum—

(1) the ability of the partnership to effectively carry out the proposed programs;

(2) the extent to which the members of the partnership are committed to making the partnership a central organizational focus;

(3) the degree to which activities carried out by the partnership are based on relevant research and are likely to result in increased student achievement;

(4) the degree to which such activities are aligned with State or local standards; and

(5) the likelihood that the partnership will demonstrate activities that can be widely implemented as part of larger scale reform efforts.

(c) Awards.—(1) The Director shall ensure, to the extent practicable, that partnership grants be awarded under section 101 in a wide range of geographic areas and that the partnership program include rural, suburban, and urban local educational agencies.

(2) Not less than 50 percent of the partnerships funded under section 101 shall include businesses.

(3) The Director shall award grants under this subtitle for a period not to exceed 5 years.

SEC. 103. ACCOUNTABILITY AND DISSEMINATION.

(a) Assessment Required.—The Director shall evaluate the partnerships program established under section 101. At a minimum, such evaluations shall—

(1) use a common set of benchmarks and assessment tools to identify best practices and materials developed and demonstrated by the partnerships; and

(2) to the extent practicable, compare the effectiveness of practices and materials developed and demonstrated by the partnerships authorized under this subtitle with those of partnerships funded by other State or Federal agencies.

(b) Dissemination of Results.—(1) The results of the evaluations required under subsection (a) shall be made available to the public, including through the National Science, Mathematics, Engineering, and Technology Education Digital Library, and shall be provided to the Committee on Science of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Commerce, Science, and Transportation of the Senate.

(2) Materials developed under the program established under section 101 that are demonstrated to be effective shall be made available through the National Science, Mathematics, Engineering, and Technology Education Digital Library.

(c) Annual Meeting.—The Director shall convene an annual meeting of the partnerships participating under this subtitle to foster greater national collaboration.

SEC. 104. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the National Science Foundation to carry out this subtitle $200,000,000 for each of fiscal years 2002 through 2006.

Subtitle B—Teacher Research Scholarship Program

SEC. 111. PROGRAM AUTHORIZED.

(a) In General.—(1) The Director shall establish a program to award grants to institutions of higher education or eligible nonprofit organizations (or consortia thereof) to provide research opportunities in mathematics, science, and engineering for elementary or secondary school teachers of mathematics or science. Such institutions of higher education or eligible nonprofit organizations may include one or more businesses or Federal or State laboratories as partners under the program.

(2) Grants shall be awarded under this section on a merit-reviewed competitive basis.

(b) Program Components.—Grant recipients under this section—

(1) shall recruit and select teachers and provide such teachers with opportunities to conduct research in academic, business, or government laboratories;

(2) shall ensure that the teachers have mentors and other programming support to ensure that their research experience will contribute to their understanding of mathematics, science, and engineering and improve their performance in the classroom;

(3) shall provide teachers with a scholarship stipend; and

(4) may provide room and board for residential programs.

(c) Use of Funds.—(1) Not more than 25 percent of the funds provided under a grant under this section may be used for programming support for teachers.

(2) The Director shall issue guidelines specifying the minimum and maximum amounts of stipends recipients may provide to teachers under this section.

(d) Duration.—A teacher may participate in research under the program under this section for up to 1 calendar year or 2 sequential summers.

SEC. 112. SELECTION PROCESS.

(a) APPLICATION.—An institution of higher education or an eligible nonprofit organization (or a consortium thereof) seeking funding under section 111 shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum—

(1) a description of the research opportunities that will be made available to elementary or secondary school teachers, or both, by the applicant;

(2) a description of how the applicant will recruit teachers to participate in the program and the criteria that will be used to select the participants;

(3) a description of the number, types, and amounts of the scholarships that the applicant intends to offer to participating teachers; and

(4) a description of the programming support that will be provided to participating teachers.

(b) REVIEW OF APPLICATIONS.—In evaluating the applications submitted under subsection (a), the Director shall consider, at a minimum—

(1) the ability of the applicant to effectively carry out the proposed program;

(2) the extent to which the applicant is committed to making the program a central organizational focus; and

(3) the likelihood that the research experiences and programming to be offered by the applicant will improve elementary and secondary education.

(c) AWARDS.—(1) The Director shall ensure, to the extent practicable, that grants be awarded under this subtitle in a wide range of geographic areas and to assist teachers from rural, suburban, and urban local educational agencies.

(2) The Director shall award grants under this subtitle for a period not to exceed 5 years.

SEC. 113. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for the National Science Foundation to carry out this subtitle $15,000,000 for each of fiscal years 2002 through 2006.

TITLE II—NATIONAL SCIENCE, MATHEMATICS, ENGINEERING, AND TECHNOLOGY EDUCATION DIGITAL LIBRARY

SEC. 201. IN GENERAL.

The Director shall establish a program to expand the National Science, Mathematics, Engineering, and Technology Education Digital Library (hereinafter in this Act referred to as the "Digital Library") program to enable timely and continuous dissemination of elementary and secondary science, mathematics, engineering, and technology educational resources, materials, practices, and policies through the Internet and other digital technologies. The expanded Digital Library shall—

(1) contain an Internet-based repository of curricular materials, practices, and teaching modules;

(2) contain, to the extent practicable, an Internet-based repository of information about national and regional conferences related to the improvement of elementary and secondary mathematics, science, engineering, and technology education, including, if appropriate, links to materials generated by those conferences.

(3) provide users of the Digital Library with access to all materials in the Digital Library through a single entry point;

(4) contain only materials that have been peer-reviewed and tested to ensure factual accuracy and effectiveness and that are aligned with recognized State and other widely recognized professional and technical mathematics and science standards;

(5) present materials in a format that is consistent, facilitates ease of comparison and use by classroom teachers, and contains appropriate links to other Federal educational clearinghouses; and

(6) provide materials related to mathematics and science partnership programs, including—

(A) links to all of the programs developed through the mathematics and science partnerships established under subtitle A of title I;

(B) data related to assessment and evaluation and final program reports developed under subtitle A of title I, including both positive and negative outcomes of the program;

(C) materials developed by the partnerships under subtitle A of title I that have been demonstrated to be effective; and

(D) a mechanism for users to make comments or suggestions regarding the use and effectiveness of posted materials.

SEC. 202. GRANTS AND CONTRACT.

(a) GRANTS.—The Director may award grants to institutions of higher education or other qualified entities—

(1) to design all or parts of the Digital Library;

(2) to provide assistance to schools in the selection and adaptation of curricular materials, practices, and teaching methods made available through the Digital Library; or

(3) to carry out the activities described in both paragraphs (1) and (2).

Grants awarded under this subsection may cover the costs of acquiring and reviewing educational materials for dissemination through the Digital Library.

(b) OPERATION.—The Director may contract out the operation and management of the Digital Library.

(c) COMPETITIVE AWARDS.—Grants and contracts shall be awarded under this section on a competitive basis.

SEC. 203. CONSTRUCTION.

Nothing in this Act shall affect the rights, remedies, limitations, or defenses under title 17, United States Code.

SEC. 204. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for the National Science Foundation to carry out this title $20,000,000 for each of fiscal years 2002 through 2006.

TITLE III—STRATEGIC EDUCATION RESEARCH PROGRAM

Subtitle A—Centers

SEC. 301. ESTABLISHMENT OF CENTERS FOR RESEARCH ON LEARNING AND EDUCATION IMPROVEMENT.

(a) IN GENERAL.—(1) The Director shall award grants to institutions of higher education (or consortia thereof) to establish 4 multidisciplinary Centers for Research on Learning and Education Improvement.

(2) Grants shall be awarded under this subsection on a merit-reviewed competitive basis.

(b) PURPOSE.—The purpose of the Centers shall be to conduct and evaluate research in cognitive science, education and related fields and to develop ways in which the results of such research can be applied in elementary and secondary classrooms to improve the teaching of mathematics and science.

(c) FOCUS.—(1) Each Center shall be focused on a different challenge faced by elementary or secondary school teachers of mathematics and science. In determining the research focus of the Centers, the Director shall consult with the National Academy of Sciences and take into account the extent to which other Federal programs support research on similar questions.

(2) The proposal solicitation issued by the Director shall state the focus of each Center and applicants shall apply for designation as a specific Center.

SEC. 302. SELECTION PROCESS.

(a) APPLICATION.—An institution of higher education (or a consortium of such institutions) seeking funding under this title shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum, a description of—

(1) the initial research projects that will be undertaken by the Center and the process by which new projects will be identified;

(2) how the Center will work with other research institutions and schools to broaden the national research agenda on learning and teaching;

(3) how the Center will promote active collaboration among physical, biological, and social science researchers;

(4) how the Center will promote active participation by elementary and secondary mathematics and science teachers and administrators; and

(5) how the Center will reduce the results of its research to educational practice and assess the success of new practices.

(b) REVIEW OF APPLICATIONS.—In evaluating the applications submitted under subsection (a), the Director shall consider, at a minimum—

(1) the ability of the applicant to effectively carry out the research program and reduce its results to effective educational practice;

(2) the experience of the applicant in conducting research on the science of teaching and learning and the capacity of the applicant to foster new multidisciplinary collaborations;

(3) the capacity of the applicant to attract precollege educators from a diverse array of schools and professional experiences for participation in Center activities; and

(4) the capacity of the applicant to attract and provide adequate support for graduate students to pursue research at the intersection of educational practice and basic research on human cognition and learning.

(c) AWARDS.—The Director shall ensure, to the extent practicable, that the Centers funded under this section conduct research and develop educational practices designed to improve the educational performance of a broad range of students, including those from groups underrepresented in mathematics, science, and engineering.

SEC. 303. ANNUAL CONFERENCE.

The Director shall convene an annual meeting of the Centers to foster collaboration among the Centers and to further disseminate the results of the Centers' activities.

SEC. 304. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for the National Science Foundation to carry out this title $12,000,000 for each of fiscal years 2002 through 2006.

Subtitle B—Fellowships

SEC. 311. EDUCATION RESEARCH TEACHER FELLOWSHIPS.

(a) ESTABLISHMENT.—(1) The Director shall establish a program to award grants to institutions of higher education or eligible nonprofit entities (or consortia thereof) to provide research opportunities related to the science of learning to elementary and secondary school teachers of science and mathematics.

(2) Grants shall be awarded under this section on a merit-reviewed competitive basis.

(b) Program Components.—Grant recipients under this section—

(1) shall recruit and select teachers and provide such teachers with opportunities to conduct research in the fields of—

(A) brain research as a foundation for research on human learning;

(B) behavioral, cognitive, affective, and social aspects of human learning;

(C) science and mathematics learning in formal and informal educational settings; or

(D) learning in complex educational systems;

(2) shall ensure that participating teachers have mentors and other programming support to ensure that their research experience will contribute to their understanding of the science of learning;

(3) shall provide programming, guidance, and support to ensure that participating teachers disseminate information about the current state of education research and its implications for classroom practice to other elementary and secondary educators and can use that information to improve their performance in the classroom;

(4) shall provide participating teachers with a scholarship stipend; and

(5) may provide room and board for residential programs.

(c) Use of Funds.—(1) Not more than 25 percent of the funds provided under a grant under this section may be used for programming support for participating teachers.

(2) The Director shall issue guidelines specifying the minimum or maximum amounts of stipends grant recipients may provide to teachers under this section.

(d) Duration.—A teacher may participate in research under the program under this section for up to 1 calendar year or 2 sequential summers.

(e) Application.—An institution of higher education or eligible nonprofit entity (or a consortium thereof) seeking funding under this section shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum—

(1) a description of the research opportunities that will be made available to elementary or secondary school teachers, or both, by the applicant;

(2) a description of how the applicant will recruit teachers to participate in the program, and the criteria that will be used to select the participants;

(3) a description of the number, types, and amounts of the scholarships that the applicant intends to offer to participating teachers; and

(4) a description of the programming support that will be provided to participating teachers to enhance their research experience and to enable them to educate their peers about the value, findings, and implications of education research.

(f) Review of Applicants.—In evaluating the applications submitted under subsection (e), the Director shall consider, at a minimum—

(1) the ability of the applicant to effectively carry out the proposed program;

(2) the extent to which the applicant is committed to making the program a central organizational focus; and

(3) the likelihood that the research experiences and programming to be offered by the applicant will improve elementary and secondary education.

(g) Authorization of Appropriations.—There are authorized to be appropriated to the National Science Foundation for carrying out this section $5,000,000 for each of fiscal years 2002 through 2004.

TITLE IV—ROBERT NOYCE SCHOLARSHIP PROGRAM

SEC. 401. DEFINITIONS.

In this title—

(1) the term "mathematics and science teacher" means a mathematics, science, or technology teacher at the elementary or secondary school level;

(2) the term "mathematics, science, or engineering professional" means a person who holds a baccalaureate, masters, or doctoral degree in science, mathematics, or engineering and is working in that field or a related area;

(3) the term "scholarship" means an award under section 405; and

(4) the term "scholarship recipient" means a student receiving a scholarship;

(5) the term "stipend" means an award under section 406;

(6) the term "stipend recipient" means a science, mathematics, or engineering professional receiving a stipend; and

(7) the term "cost of attendance" has the meaning given such term in section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll).

SEC. 402. SCHOLARSHIP PROGRAM.

(a) In General.—(1) The Director shall establish a program to award grants to institutions of higher education (or consortia of such institutions) to provide scholarships and programming designed to recruit and train mathematics and science teachers. Such program shall be known as the "Robert Noyce Scholarship Program".

(2) Grants shall be provided under this section on a merit-reviewed competitive basis.

(b) Use of Grants.—Grants provided under this title shall be used by institutions of higher education—

(1) to develop and implement a program to encourage top college juniors and seniors majoring in mathematics, science, and engineering at the grantee's institution to become mathematics and science teachers, through—

(A) administering scholarships in accordance with section 405;

(B) offering programs to help scholarship recipients to teach in elementary and secondary schools, including programs that will result in teacher certification; and

(C) offering programs to scholarship recipients, both before and after they receive their baccalaureate degree, to enable the recipients to become better mathematics and science teachers, and to exchange ideas with others in their fields; or

(2) to develop and implement a program to encourage science, mathematics, or engineering professionals to become mathematics and science teachers, through—

(A) administering stipends in accordance with section 406;

(B) offering programs to help stipend recipients obtain teacher certification; and

(C) offering programs to stipend recipients, both during and after matriculation, to enable recipients to become better mathematics and science teachers and exchange ideas with others in their fields; or

(3) for both of the purposes described in paragraphs (1) and (2).

SEC. 403. SELECTION PROCESS.

(a) Application.—An institution of higher education (or a consortium of such institutions) seeking funding under this title shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum—

(1) a description of the scholarship or stipend program, or both, that the applicant intends to operate, including the number of scholarships or the size and number of stipends the applicant intends to award, and the selection process that will be used in awarding the scholarships or stipends;

(2) evidence that the applicant has the capability to administer the scholarship or stipend program in accordance with the provisions of this title; and

(3) a description of the programming that will be offered to scholarship or stipend recipients during and after their matriculation.

(b) Review of Applications.—In evaluating the applications submitted under subsection (a), the Director shall consider, at a minimum—

(1) the ability of the applicant to effectively carry out the program;

(2) the extent to which the applicant is committed to making the program a central organizational focus;

(3) the ability of the proposed programming to enable scholarship or stipend recipients to become successful mathematics and science teachers;

(4) the number and quality of the students that will be served by the program; and

(5) the ability of the applicant to recruit students who would otherwise not pursue a career in teaching.

SEC. 404. AWARDS.

(a) Designation.—The Director shall designate institutions awarded grants under this title as "National Teacher Scholarship Centers".

(b) Distribution.—The Director shall ensure, to the extent practicable, that grants be awarded under this title in a wide range of geographic areas and to prepare students for jobs in rural, suburban, and urban local educational agencies.

(c) Duration.—Grants awarded under this title shall be for a period of 10 years.

SEC. 405. SCHOLARSHIP REQUIREMENTS.

(a) In General.—Scholarships under this title shall be available only to students who are—

(1) majoring in science, mathematics, or engineering; and

(2) in the last 2 years of a baccalaureate degree program.

(b) Selection.—Individuals shall be selected to receive scholarships primarily on the basis of academic merit, with consideration given to financial need and to the goal of promoting the participation of minorities, women, and people with disabilities.

(c) Amount.—Scholarships under this title shall be in the amount of $7,500 per year, or the cost of attendance, whichever is less. Individuals may receive a maximum of 2 years of scholarship support.

(d) Service Obligation.—If an individual receives a scholarship, that individual shall be required to complete, within 6 years after graduation from the baccalaureate degree program for which the scholarship was awarded, 2 years of service as a mathematics or science teacher for each year a scholarship was received. Service required under this subsection shall be performed at a school receiving assistance under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (Public Law 89–10).

SEC. 406. STIPENDS.

(a) IN GENERAL.—Stipends under this title shall be available only to mathematics, science, and engineering professionals who, while receiving the stipend, are enrolled in a program to receive certification to teach.

(b) SELECTION.—Individuals shall be selected to receive stipends under this title primarily on the basis of academic merit, with consideration given to financial need and to the goal of promoting the participation of minorities, women, and people with disabilities.

(c) AMOUNT.—Stipends under this title shall be for an amount of up to $7,500 per year, but in no event more than the cost of attendance. Individuals may receive a maximum of 1 year of stipend support.

(d) SERVICE OBLIGATION.—If an individual receives a stipend under this title, that individual shall be required to complete, within 6 years after graduation from the program for which the stipend was awarded, 2 years of service as a mathematics or science teacher for each year a stipend was received. Service required under this subsection shall be performed at a school receiving assistance under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (Public Law 89–10).

SEC. 407. CONDITIONS OF SUPPORT.

As a condition of acceptance of a scholarship or stipend under this title, a recipient shall enter into an agreement with the institution of higher education—

(1) accepting the terms of the scholarship or stipend pursuant to sections 405 and 409 or section 406;

(2) agreeing to provide the awarding institution of higher education with annual certification of employment and current contact information and to participate in surveys provided by the institution of higher education as part of an ongoing assessment program; and

(3) establishing that any scholarship recipient shall be liable to the United States for any amount that is required to be repaid in accordance with the provisions of section 409.

SEC. 408. COLLECTION FOR NONCOMPLIANCE.

(a) MONITORING COMPLIANCE.—An institution of higher education (or consortium thereof) receiving a grant under this title shall, as a condition of participating in the program, enter into an agreement with the Director to monitor the compliance of scholarship and stipend recipients with their respective service requirements.

(b) COLLECTION OF REPAYMENT.—(1) In the event that a scholarship recipient is required to repay the scholarship under section 409, the institution shall be responsible for collecting the repayment amounts.

(2) Except as provided in paragraph (3), any repayment shall be returned to the Treasury of the United States.

(3) A grantee may retain a percentage of any repayment it collects to defray administrative costs associated with the collection. The Director shall establish a single, fixed percentage that will apply to all grantees.

SEC. 409. FAILURE TO COMPLETE SERVICE OBLIGATION.

(a) GENERAL RULE.—If an individual who has received a scholarship under this title—

(1) fails to maintain an acceptable level of academic standing in the educational institution in which the individual is enrolled, as determined by the National Science Foundation;

(2) is dismissed from such educational institution for disciplinary reasons;

(3) withdraws from the baccalaureate degree program for which the award was made before the completion of such program;

(4) declares that the individual does not intend to fulfill his service obligation under this title; or

(5) fails to fulfill the service obligation of the individual under this title,

such individual shall be liable to the United States as provided in subsection (b).

(b) AMOUNT OF REPAYMENT.—(1) If a circumstance described in subsection (a) occurs before the completion of one year of a service obligation under this title, the United States shall be entitled to recover from the individual, within one year after the date of the occurrence of such circumstance, an amount equal to—

(A) the total amount of awards received by such individual under this title; plus

(B) the interest on such amounts which would be payable if at the time the amounts were received they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States,

multiplied by 2.

(2) If a circumstance described in subsection (a)(4) or (a)(5) occurs after the completion of one year of a service obligation under this title, the United States shall be entitled to recover from the individual, within one year after the date of the occurrence of such circumstance, an amount equal to—

(A) the total amount of awards received by such individual under this title minus $3,750 for each full year of service completed; plus

(B) the interest on such amounts which would be payable if at the time the amounts were received they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States.

(c) EXCEPTIONS.—(1) The National Science Foundation may provide for the partial or total waiver or suspension of any service obligation or payment by an individual under this title whenever compliance by the individual is impossible or would involve extreme hardship to the individual, or if enforcement of such obligation with respect to the individual would be unconscionable.

(2) Any obligation of an individual under this title for payment under subsection (b) may be released by a discharge in bankruptcy under title 11, United States Code, only if such discharge is granted after the expiration of the 5-year period beginning on the first date that such payment is required.

SEC. 410. REPORT.

(a) DATA COLLECTION.—Institutions receiving grants under this title shall supply to the Director any relevant statistical and demographic data on scholarship recipients and stipend recipients the Director may request, including information on employment required by section 407.

(b) ASSESSMENT.—Not later than 7 years after the date of the enactment of this Act, the Director shall submit to Congress a report assessing the impact of the implementation of this title on drawing into teaching top mathematics and science students, including students from groups underrepresented in mathematics, science, and engineering.

SEC. 411. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the National Science Foundation to carry out this title $20,000,000 for each of fiscal years 2002 through 2005.

(b) SPECIFIC APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation to support the activities described in subsections (b)(1)(A) and (C) and (b)(2)(A) and (C) of section 402, such sums as may be necessary for each of fiscal years 2006 through 2011.

TITLE V—REQUIREMENTS FOR RESEARCH CENTERS

SEC. 501. REQUIREMENTS FOR RESEARCH CENTERS.

The Director shall ensure that any National Science Foundation program that awards grants for the establishment of research centers at institutions of higher education after the date of the enactment of this Act—

(1) requires that every center offer programs for elementary and secondary mathematics and science teachers and students to increase their understanding of the field in which the center specializes; and

(2) uses the quality of a center's proposed precollege education programs as a criterion in determining grant awards.

TITLE VI—EDUCATIONAL TECHNOLOGIES

Subtitle A—Research Centers

SEC. 601. EDUCATIONAL TECHNOLOGY RESEARCH CENTERS.

(a) IN GENERAL.—(1) The Director shall establish a program to award grants to institutions of higher education (or consortia thereof) to establish centers to evaluate and improve the effectiveness of information technologies in elementary and secondary mathematics and science education.

(2) Grants shall be awarded under this subtitle on a merit-reviewed competitive basis.

(b) ACTIVITIES.—Centers established under this subtitle shall, at a minimum—

(1) identify educational approaches and techniques that are based on the use of information technology and that have the potential for being effective in classroom settings;

(2) develop methods to measure the effectiveness of various applications of information technology in mathematics and science education, including methods to measure student performance;

(3) evaluate the effectiveness of the use of technology in elementary and secondary mathematics and science education in a variety of classroom settings; and

(4) identify the key variables that influence educational effectiveness and the conditions necessary to implement successfully an approach or technique determined to be educationally effective for a particular educational setting;

(5) ensure that the results of such evaluations are widely disseminated; and

(6) develop a program to work with local educational agencies to help them apply the results of the research conducted under this section.

SEC. 602. SELECTION PROCESS.

(a) APPLICATION.—An institution of higher education (or a consortium of such institutions) seeking funding under this subtitle shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum, a description of—

(1) the approaches to the use of information technology that the center will initially evaluate, how it chose those approaches, how it will seek out any additional approaches, and how assessment procedures would be developed and applied;

(2) how the center will work with local educational agencies to evaluate the approaches in classrooms;

(3) how the center will disseminate the results of its work; and

(4) how the center will develop an outreach program to work with local educational agencies to help them apply the results of its research.

(b) REVIEW OF APPLICATIONS.—In evaluating the applications submitted under subsection (a), the Director shall consider, at a minimum, the ability of the applicant to effectively evaluate information technology approaches and to help local educational agencies apply the results of those evaluations.

(c) AWARDS.—The Director shall ensure, to the extent practicable, that the program established under this subtitle evaluates information technology—

(1) in a wide range of grade levels and geographic areas;

(2) in rural, suburban, and urban schools; and

(3) with a wide variety of students in terms of race, ethnicity, and income.

SEC. 603. DOCUMENTATION AND DISSEMINATION OF RESULTS.

(a) IN GENERAL.—The results of the research and evaluations conducted in accordance with section 601 shall be documented and widely disseminated, including through publication in peer-reviewed scholarly journals.

(b) WORKSHOPS, CONFERENCES, AND WEB SITES.—The Director is authorized to sponsor and support workshops, conferences, and dedicated web sites to disseminate information about the activities of the educational technology research centers established under section 601.

(c) DEPOSIT IN LIBRARY.—Information about effective approaches and techniques, including information and materials necessary for their implementation, shall be deposited in the Digital Library.

SEC. 604. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the National Science Foundation to carry out the program established under section 601—

(1) $25,000,000 for each of fiscal years 2002 through 2004; and

(2) $30,000,000 for each of fiscal years 2005 and 2006.

Subtitle B—Assistance

SEC. 611. EDUCATIONAL TECHNOLOGY ASSISTANCE.

Section 3 of the Scientific and Advanced Technology Act of 1992 (Public Law 102–476; 42 U.S.C. 1862i) is amended by redesignating subsections (d), (e), (f), and (g) as subsections (e), (f), (g), and (h), respectively, and by inserting after subsection (c) the following new subsection:

"(d) EDUCATIONAL TECHNOLOGY ASSISTANCE.—

"(1) IN GENERAL.—The Director may make awards on a competitive, merit-reviewed basis to associate-degree granting colleges, bachelor-degree granting institutions, or education service agencies (or consortia thereof) to establish centers to assist elementary and secondary schools in the use of information technology for mathematics, science, or technology instruction.

"(2) ACTIVITIES.—Activities of centers funded under this subsection may include—

"(A) helping schools evaluate their need for information technology;

"(B) training teachers on how to best use information technology in instruction; and

"(C) providing other information and training to help schools and teachers ensure that they have access to appropriate information technologies and are using them to maximum advantage.

"(3) APPLICATION.—An application to receive funds under this subsection shall include, at a minimum—

"(A) a description of the services that will be provided to schools and teachers;

"(B) a list of the schools expected to be served;

"(C) a description of how the applicant will draw on the expertise of its faculty and students to assist schools and teachers; and

"(D) a description of how the applicant will operate the program after funding made available by this subsection has expired.

"(4) SELECTION.—In evaluating applications submitted under paragraph (3), the Director shall consider, at a minimum—

"(A) the ability of the applicant to effectively carry out the program;

"(B) the number of schools and students who would be served and the their need for assistance;

"(C) the extent to which the applicant has worked with participating schools to ensure that priority problems would be addressed by the assistance provided under this subsection; and

"(D) the ability of the applicant to continue to provide assistance after funding under this subsection has expired.

"(5) AWARDS.—(A) The Director shall ensure, to the extent practicable, that the program established by this subsection assists schools in rural, suburban, and urban areas.

"(B) No institution shall receive funds under this subsection for more than three years.

"(C) An institution receiving a grant under subtitle A of title VI of the National Mathematics and Science Partnerships Act may participate in the program created by this section.

"(6) REPORT.—Not later than April 1, 2005, the Director shall provide a report to Congress assessing the success of the program funded under this subsection and the need of schools for continued assistance, and, based on the experience with the program, recommending ways information technology assistance to schools could be made more broadly available.

"(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation to carry out this subsection $5,000,000 for each of the fiscal years 2002 through 2004.".

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. MATHEMATICS AND SCIENCE PROFICIENCY SCHOLARSHIPS.

(a) FINDINGS.—Congress finds the following:

(1) Proficiency in mathematics, science, and information technology is necessary to prepare all students in the United States for participation in the 21st century and to guarantee that the United States economy remains vibrant and competitive.

(2) In order to achieve such results, it is important that the Federal Government shows interest in economically disadvantaged students who have not been provided with opportunities that will improve their knowledge of mathematics, science, and technology.

(3) Many economically disadvantaged students in urban and rural America share a common need to receive a quality education, but often the schools of such students lack the needed resources to lift those students into the information age.

(4) The schools and businesses serving urban and rural communities are strategically positioned to form a unique partnership with students that will increase their mathematics, science, and technology proficiency and encourage and support their undergraduate study in those fields for the benefit of the Nation.

(b) IN GENERAL.—The Director shall establish a demonstration project to encourage businesses to offer scholarships to eligible students (to enable them to attend institutions of higher education) by providing grants to improve mathematics, science, or technology education in the schools attended by the eligible students.

(c) USE OF FUNDS.—(1) The Director shall provide grants under this section to local educational agencies on a merit-reviewed, competitive basis.

(2) Funds awarded under this subsection may be used to—

(A) provide teacher professional development in mathematics, science, or technology;

(B) develop or implement mathematics, science, or technology curriculums, and to purchase related equipment; and

(C) to carry out other activities the Director determines would improve mathematics, science, or technology education.

(d) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—For purposes of this section, a local educational agency is eligible to receive a grant under this section if the agency—

(1) provides assurances that it has executed conditional agreements with representatives of the private sector to provide services and funds described in subsection (e); and

(2) agrees to enter into an agreement with the Director to comply with the requirements of this section.

(e) PRIVATE SECTOR PARTICIPATION.—The conditional agreements referred to in subsection (d)(1) shall describe participation by the private sector, including—

(1) the donation of computer hardware, software, and other technology tools;

(2) the establishment of internship and mentoring opportunities for students who participate in the mathematics, science, and information technology program; and

(3) the donation of higher education scholarship funds for eligible students to continue their study of mathematics, science, and information technology.

(f) APPLICATION.—(1) To apply for a grant under this section, each eligible local educational agency shall submit an application to the Director in accordance with guidelines established by the Director pursuant to paragraph (2).

(2)(A) The guidelines referred to in paragraph (1) shall require, at a minimum, that the application include—

(i) a description of proposed activities consistent with the uses of funds and program requirements under subsection (c);

(ii) a description of the higher education scholarship program, including criteria for selection, duration of scholarship, number of scholarships to be awarded each year, and funding levels for scholarships; and

(iii) evidence of private sector participation and financial support to establish an internship, mentoring, and scholarship program.

(B) The Director shall issue and publish such guidelines not later than 6 months after the date of the enactment of this Act.

(g) PRIORITY.—The Director shall give special priority in awarding grants under this section to eligible local educational agencies that—

(1) demonstrate the greatest ability to obtain commitments from representatives of the private sector to provide services and funds described under subsection (e); and

(2) demonstrate the greatest economic need.

(h) ASSESSMENT.—The Director shall assess the effectiveness of activities carried out under this section.

(i) STUDY AND REPORT.—The Director—

(1) shall initiate an evaluative study of the effectiveness of the activities carried out

under this section in improving student performance in mathematics, science, and information technology at the precollege level and in stimulating student interest in pursuing undergraduate studies in those fields; and

(2) shall report the findings of the study to Congress not later than 4 years after the award of the first scholarship.

Such report shall include the number of students graduating from an institution of higher education with a major in mathematics, science, or information technology and the number of students who find employment in such fields.

(j) DEFINITIONS.—In this section:

(1) The term "conditional agreement" means an arrangement between representatives of the private sector and local educational agencies to provide certain services and funds, such as, but not limited to, the donation of computer hardware and software, the establishment of internship and mentoring opportunities for students who participate in mathematics, science, and information technology programs, and the donation of scholarship funds for use at institutions of higher education by eligible students who have participated in the mathematics, science, and information technology programs.

(2) The term "eligible student" means a student enrolled in the 12th grade who—

(A) has participated in a mathematics, science, and an information technology program established pursuant to this section;

(B) has demonstrated a commitment to pursue a career in information technology, mathematics, science, or engineering; and

(C) has attained high academic standing and maintains a grade point average of not less than 2.7 on a 4.0 scale for the period from the beginning of the 10th grade through the time of application for a scholarship.

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation to carry out this section $5,000,000 for each of fiscal years 2002 through 2004.

(l) MAXIMUM GRANT AWARD.—An award made to an eligible local educational agency under this section may not exceed $300,000.

SEC. 702. ARTICULATION PARTNERSHIPS BETWEEN COMMUNITY COLLEGES AND SECONDARY SCHOOLS.

(a) OUTREACH GRANTS.—In making awards for outreach grants authorized under section 3(c)(2) of the Scientific and Advanced-Technology Act of 1992 (42 U.S.C. 1862i(c)(2)), the Director shall give priority to proposals that involve secondary schools with a majority of students from groups that are underrepresented in the science, mathematics, and engineering workforce. Awards in such cases shall not be subject to the requirement under section 3(f)(3) of such Act for a matching contribution.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation to carry out this section $5,000,000 for each of fiscal years 2002 through 2004.

SEC. 703. ASSESSMENT OF IN-SERVICE TEACHER PROFESSIONAL DEVELOPMENT PROGRAMS.

(a) ASSESSMENT.—The Director shall review all programs sponsored by the National Science Foundation that support in-service teacher professional development for science teachers to determine—

(1) the level of resources and degree of emphasis placed on training teachers in the effective use of information technology in the classroom; and

(2) the allocation of resources between summer activities and follow-on reinforcement training and support to participating teachers during the school year.

(b) REPORT.—The Director shall submit to Congress, not later than 1 year after the date of the enactment of this Act, a report that—

(1) describes the results of the review and assessment conducted under subsection (a);

(2) summarizes the major categories of in-service teacher professional development activities supported at the time of the review, and the funding levels for such activities; and

(3) describes any proposed changes, including new funding allocations, to strengthen the in-service teacher professional development programs of the National Science Foundation that support activities described in paragraphs (1) and (2) of subsection (a).

SEC. 704. STUDY OF BROADBAND NETWORK ACCESS FOR SCHOOLS AND LIBRARIES.

(a) REPORT TO CONGRESS.—The Director shall conduct a study of the issues described in subsection (c), and not later than 1 year after the date of the enactment of this Act, transmit to Congress a report including recommendations to address those issues. Such report shall be updated annually for 6 additional years.

(b) CONSULTATION.—In preparing the reports under subsection (a), the Director shall consult with the National Aeronautics and Space Administration, the National Institute of Standards and Technology, and such other Federal agencies and educational entities as the Director considers appropriate.

(c) ISSUES TO BE ADDRESSED.—The reports shall—

(1) identify the current status of high-speed, large bandwidth capacity access to all public elementary and secondary schools and libraries in the United States;

(2) identify how the provision of high-speed, large bandwidth capacity access to the Internet to such schools and libraries can be effectively utilized within each school and library;

(3) consider the effect that specific or regional circumstances may have on the ability of such institutions to acquire high-speed, large bandwidth capacity access to achieve universal connectivity as an effective tool in the education process; and

(4) include options and recommendations to address the challenges and issues identified in the reports.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. BOEHLERT) and the gentleman from Texas (Mr. HALL) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. BOEHLERT).

GENERAL LEAVE

Mr. BOEHLERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1858.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOEHLERT. I yield myself such time as I may consume.

Mr. Speaker, I am pleased to bring before the House today H.R. 1858, the National Mathematics and Science Partnerships Act. I want to thank the leadership for placing it on the suspension calendar. This bill belongs on the suspension calendar, which is reserved for noncontroversial items, because it is a result of a fair and deliberative process and it is designed to achieve goals we all share.

Let me talk first about the process. This bill brings together ideas that originated in the President's education plan, in the version of H.R. 1858 that was introduced by me, and in the largely complementary earlier bill, H.R. 1693, that was introduced by the gentleman from Texas (Mr. HALL), the ranking member.

In addition, we worked in a bipartisan fashion to include proposals by a wide variety of Members, including the gentleman from Michigan (Mr. SMITH), who chairs the Subcommittee on Research; the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), who is the ranking member on that subcommittee; and numerous other Members on both sides of the aisle. We did that by adjusting all the proposals to fit within the structure, the philosophy and expenditures already in the bill. Every time someone came up with a good idea, we did not just up the ante or go off in a different direction, we were disciplined; and we fit it all within the structure and the philosophy and expenditures in the bill. As a result, the bill was passed by voice vote at both subcommittee and full committee. Then we had further discussions with our friends on the Committee on Education and the Workforce and made additional changes in response to their concerns.

We added language, for example, to ensure coordination between the National Science Foundation and the Department of Education, coordination that should occur automatically but often does not. So I want to thank the gentleman from Ohio (Mr. BOEHNER) of the Committee on Education and the Workforce for his cooperation. As a result of that cooperation, the Committee on Education and the Workforce discharged the bill with an exchange of letters to protect each of our jurisdictions. Then we had an additional set of discussions with the Republican Study Committee and made additional changes sought by that group to ensure that we did not end up with duplicate programs within the National Science Foundation. I want to thank Neil Bradley of the RSC staff for facilitating those discussions.

So the bill we are bringing to the floor reflects an open and fair process of consultation with anyone and everyone who has had an interest in this bill, and its broad support within this body reflects that.

Of course, none of that process would matter if we were not doing something of significance here, and we are. This bill will allow our Nation to make major forward strides in the critically important task of improving K–12 math and science education. We have all spent a lot of time pointing to the studies that show how poorly our students do compared with their international counterparts in math and science. In this bill, we are doing something about it. The basic premise of the bill is simple. We need to do more to bring the resources and expertise of academia and business to bear on improving K–12 education. It is a simple premise, as I say; but its simplicity has not so far led to its realization.

There remains a gulf between our world-class institutions of higher education and our troubled institutions of elementary and secondary education. There remains a gulf between our business community, which demands a better trained workforce, and our school systems, which educate that future workforce. There remains a gulf between our stated desire for more and better teachers, better curriculum and better educational reforms, and what we are actually investing to achieve those goals. This bill is an effort to bridge all of those gulfs.

The bill authorizes a number of programs at the National Science Foundation, an agency with a long and proud history of awarding funds on a competitive, merit-reviewed basis to the best proposals that originate around the country. It authorizes programs that will encourage our colleges and universities and businesses to help school systems train teachers, develop new teaching methods, find better ways to use educational technology, apply the latest research in cognitive sciences, and prepare and gain access to better teaching materials.

I want to call Members' attention to two of those programs in particular. The first is the President's math and science partnerships. President Bush deserves the gratitude of all Americans for focusing on education in general and on math and science education in particular. He made the wise decision to have the National Science Foundation run his marquee math and science initiative. We have funded this initiative at the level requested by the President, and we have structured it to ensure that colleges and universities work together with school districts without excessive interference or financial intrusion from the heavy hand of the State education bureaucracy.

The second program is one close to my heart, one that I have been working on for years, the Noyce scholarships, named for Robert Noyce, an inventor of the transistor and a founder of Intel. Under this program, top math and science majors will be encouraged to teach by awarding of scholarships with a service requirement and by providing them with extra training and support. The single most important step we can take to improve math and science education is to get bright, well-trained students with confidence in their material into the classroom. This program is designed to do just that.

I want to thank the gentleman from New York (Mr. WALSH) for providing appropriations to get the program started. Congress first passed a version of this program over a decade ago, and it is long past time for the National Science Foundation to get started on it.

I should also point out that this bill has broad support from academic and business groups, and a bipartisan counterpart to it has recently been introduced in the other body.

Mr. Speaker, in closing let me just say that this is a good bill that reflects the contributions of many Members, a bill that will make a real difference to the students and teachers in our elementary and secondary schools and, through them, a big difference to all of us. In passing this bill, we will be heeding the sound admonition of H.G. Wells: "Civilization becomes more and more a race between education and catastrophe."

I urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise, of course, in support of this act. It is a very important piece of legislation that will strengthen science and mathematics education in the Nation's schools. It includes a lot of provisions designed to bring more support to K–12 science and math teachers, more support to their students and, of course, to the entire schools.

□ 1500

The overall goal is to help our children become more proficient in science and math, to get them more interested in it, and I am confident that the programs authorized by this bill will do exactly that.

Earlier this year, I chaired a forum in Sherman, Texas, which is in my district. It focused on the issue of the skills needed for high technology workforce. The forum highlighted the importance of providing high quality science and math education in elementary and secondary schools in order to prepare the students for the technological challenges of the new economy. The program initiatives authorized by H.R. 1858 are consistent with the recommendations I received during this conference. It was a 3-day conference in Northeast Texas, well attended.

I congratulate the gentleman from New York (Mr. BOEHLERT), the chairman of the Committee on Science, for placing science education high on the committee's agenda this year, and for taking the necessary steps to move this legislation forward for consideration by the House today. We worked together, and I think that is the reason we are here today. We had very few disagreements. The disagreements we had, we worked them out, worked them out through our committee staffs, who worked very hard.

H.R. 1858 is the result of a very bipartisan thrust and it incorporates several programs and activities from a comprehensive education bill, H.R. 1693, which I introduced earlier this year. It also includes specific provisions Democratic Members of the Committee on Science have separately developed to improve K–12 science and math education.

I would particularly like to highlight the programs incorporated from H.R. 1693 that explore ways to effectively use educational technology in the classroom.

The approach is to identify promising techniques and approaches, then test them in a variety of classroom settings, and then document results in terms of student performance. This knowledge will enable schools to select the technology-based material and approaches that actually work and are worth the substantial investment needed to implement them.

The educational technology activities authorized by this bill respond to the recommendations of both the Web-Based Education Commission in its December 2000 report to the President and the Congress, and the President's Information Technology Advisory Committee in its February 2001 report, "Using Information Technology to Transform the Way We Learn."

Also, H.R. 1858 incorporates programs from H.R. 1693 to encourage and support women and minorities in pursuing careers in science and in engineering and to get them interested in it.

Mr. Speaker, I want to acknowledge the collegial process through which this bipartisan legislation has been developed. I want to congratulate the gentleman from Michigan (Mr. SMITH), the Subcommittee on Research chairman, and the ranking member, the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), for their efforts to develop this bill.

Finally, I want to thank the gentleman from New York (Chairman BOEHLERT), the chairman of the Committee on Science, for his willingness to work cooperatively with the Democratic Members to develop this legislation. We have had a lot of meetings, we have met here on the floor, and we have discussed it at times when he was generous with his time. As chairman, he has many things to do, but he has given us the time we asked for. We have a good chairman, and I am thankful for him.

I am proud we were able to work on this legislation with minimal debate over the fundamental objections and objectives. As a result, we produced a bill that is a win-win for teachers, it is a win-win for students, and the industries that rely on math, science and technological expertise, it is a win-win for them.

Mr. Speaker, I commend this measure to my colleagues and ask for their support for its passage by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. BOEHLERT. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Michigan (Mr. SMITH), the chairman of the Subcommittee on Research. He has had such an integral part to play in the development of this very significant legislation.

Mr. SMITH of Michigan. First of all, Mr. Speaker, I want to thank the chairman and certainly the gentleman from Texas, the ranking member on our subcommittee. It is a goal in the Committee on Science to work together, and I think that kind of an effort is good, because it moves us ahead to get some of this legislation passed and to the president.

Mr. Speaker, I rise in support of H.R. 1858. It is a bill that was favorably reported out of the Committee on Science Subcommittee on Research last month and a couple weeks later passed out of the full committee.

In opening that markup, I noted that the bill addresses an issue that is at the heart of our national security and our national prosperity. The math and science education we provide our kids is so important. We are in the midst of a technological revolution that has driven our economy, improved our productivity and helped us live longer and healthier lives. But it is a revolution fueled, in large part, by our investment and our past investment in research and development. But this research and development is, in turn, dependent on how we inspire our kids to take up math and science education and the quality of education and teachers. We furnish that inspiration by giving them a quality education in math and science. This bill takes important steps to manage that investment.

I am also pleased, as I mentioned, that the bill before us today represents the work and input from many members, from the Democrats and Republicans of the Subcommittee on Research and the full Committee on Science. Certainly the gentleman from New York (Mr. BOEHLERT), in moving this bill ahead, I thank him for his willingness to include provisions important to me and other members of the subcommittee in this particular bill, particularly for his inclusion of language establishing the Centers on Research on Learning and Education and Education Research Teacher Fellowships that originally appeared in my education research legislation, H.R. 2050.

These provisions address the need to bridge the gap between the basic research on how our children learn and actual classroom practice, a gap we have explored in several hearings before this subcommittee. I would like to tell my colleagues that witnesses at those hearings testified that the fire that started in these kids to make them sometimes not afraid of math and science, but, more importantly, to make them pursue that math and science education, is so important. You can have great teachers, but if the kids are not interested in math and science and do not take it up, it does not happen.

Here is an interesting result of the questions that I asked our witnesses. I said if education is more the lighting of a fire than filling of a container, when is that fire lit for math and science? Two of the witnesses said probably between kindergarten and the third grade. If those kids do not get a little bit of that fire, that lighting up of interest between kindergarten and third grade, then they are probably not going to pursue math and science.

But it is important, the work that this committee has done. I would also mention the gentleman from Michigan (Mr. EHLERS) has been a catalist for legislation helping assure quality teachers that will ultimately make a big difference whether those kids have a good math and science education.

You know, as First Lady Laura Bush said last week at a speech at the start of a 2-day summit of leading education researchers, "The topic of our children rises above partisan politics and turf battle. Teachers, especially pre-kindergarten and early education teachers, need to have the latest information on the science of learning in order to teach effectively."

Mr. Speaker, I am pleased to offer my support to this bill today, and once again thank the gentleman from Texas (Chairman BOEHLERT) and the ranking member, the gentleman from Texas (Mr. HALL), as well as the ranking member of the Subcommittee on Research, the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), for all of their efforts.

My suggestion today is that with the technology that is evolving, every student in every class regardless of the career they pursue, needs to take a little more math and science. A basic in math and sciences will be instrumental in their ability to communicate, to produce and in their ability to achieve success in the developing new world of technology.

Mr. HALL of Texas. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. WOOLSEY), who is an integral part of this legislation and a Member who pursued it and has worked well with the opposition and me as the ranking member.

Ms. WOOLSEY. Mr. Speaker, I rise in support of H.R. 1858, the National Mathematics and Science Partnerships Act. I would like to commend the gentleman from New York (Mr. BOEHLERT), the gentleman from Texas (Mr. HALL), the gentleman from Michigan (Mr. SMITH), and the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) for their very successful effort to bring this bill together in a true bipartisan manner. That is what makes serving on the Committee on Science such a joy. I thank you both very much.

This bill is a clear blueprint to further science, math, and technology education in our country. As a member of both the House Committee on Education and Workforce and Committee on Science, I am very aware of the challenges that our students and schools face in educating for a highly technical workforce. We know that having a well-educated workforce in the math and science fields is a major priority of employers across this Nation, especially in the high-tech arena.

Mr. Speaker, it is quite clear that the United States will not have a technically competent workforce until females, the majority of our students, study science, math, and engineering or technology in the same numbers as their male counterparts. That is why I am glad that we were able to work together on this committee to ensure that this bill addresses the important issue of girls and young women and technology.

The science enrichment programs for girls included in this bill, which is based on a bill I authored, Go Girl, H.R. 1536, will authorize NSF to fund programs in elementary and secondary schools that encourage the ongoing interests of girls in science, math, engineering, and technology. The bill, H.R. 1858, will provide a way for girls to gain both the practical advice and the vision they need to pursue undergraduate and graduate studies or careers in these technical fields.

It will help create a bold new workforce of energized young women, meaning that employers, public and private, will be able to hire the workers they need right here in America, because the 50 percent of our population that now is turning away from careers in science, math, engineering, and technology will actually seek and receive the education they need to fill those jobs, jobs that pay a very good salary, by the way.

This important provision is one of the reasons I encourage my colleagues on both sides of the aisle to join me in supporting this bill.

Mr. BOEHLERT. Mr. Speaker, I yield 4 minutes to the gentlewoman from Maryland (Mrs. MORELLA), who is an educator and a lawmaker and a consummate professional in both pursuits.

Mrs. MORELLA. Mr. Speaker, I rise in strong support of this bill, H.R. 1858.

Mr. Speaker, I obviously want to thank the gentleman from New York (Mr. BOEHLERT), the chairman of the

Committee on Science for his commitment, for his leadership, and for introducing this legislation and for bringing it to the floor so expeditiously. Also I want to thank the ranking member, the gentleman from Texas (Mr. HALL). I want to thank the gentleman from Michigan (Mr. SMITH), who chairs the appropriate subcommittee of the Committee on Science, and the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), the ranking member. This is a collaborative effort, and this is a committee where people on both sides of the aisle work together to help our country, and in this case to help our young people who are going to be our future leaders.

Many challenges face us in our Nation's educational effort, particularly in science and math. Despite the dedication and hard work of many committed individuals, our children continue to perform poorly on standardized tests. Lackluster performances on the most recent TIMSS, TIMSS-Repeated and NAEP tests, those are the Third International Math and Science Study, Third International Math and Science Study Repeated, and the National Assessment of Educational Progress, these reports are a case in point.

While there is a broad range of scores throughout the Nation, even our strongest districts lag behind international averages. For example, while I was very proud to learn that my district, Montgomery County, Maryland, soundly beat the national average in both math and science, we still lagged behind the Eastern and European powerhouses. What is worse, data comparing the fourth, eighth, and twelfth grades suggest that our students grow further behind the longer they are in school. This situation is unacceptable.

□ 1515

We need to recruit better teachers and provide additional training to the ones that we have. Teachers, like most professionals, need opportunities for development. Education is not a static discipline, and our efforts and approaches need to be upgraded to take into account our changing times.

We also need additional research on how to take advantage of the technology revolution in the classroom. This bill provides grants for the development of current teachers, scholarships for math and science majors who go into teaching, and research dollars for innovative methods. These incentives are desperately needed.

In addition, we need to provide opportunities for traditionally under-represented groups such as women, minorities, and persons with disabilities so that they can excel in math and science-related fields. The Bureau of Labor Statistics tells us that careers in science, engineering and technology are still booming and, over the next few years, we will need to fill over 5 million new jobs in high-tech specialty occupations. To meet this demand, we will need participation from all sectors of our work force.

The Commission that was established by my legislation on the advancement of women minorities in science, engineering and technology found that these groups greatly askew technical occupations. They are severely underrepresented in scientific disciplines, and while they represent the fastest growing segment of the work force, they are not going into technical careers at an appreciable rate. If we are going to meet the future demand for a highly skilled work force, we must find ways to tap into these groups.

In particular, these outreach efforts should include a consortium of community colleges in their university-industry partnerships. Community colleges do not traditionally do well in competition with 4-year institutions for establishing pilot programs and research efforts. However, nearly 45 percent of all U.S. undergraduates and a majority of women minorities and persons with disabilities attend these institutions and they must be included in our efforts if we are to reach out to those under-represented groups. Provisions for such a community college consortium, which I introduced as an amendment to H.R. 1858 and which was supported by the Committee on Science, are included in the bill's report language. Our children deserve the best in education, and this legislation offers a common sense approach to improve science and math education. It deserves our support.

Mr. HALL of Texas. Mr. Speaker, I yield 5 minutes to the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), the ranking member of the Subcommittee on Research, who is responsible for a lot of this bill, but she especially pushed the section of the bill that promotes the Partnership for Math and Science for Economically Disadvantaged Schools.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I am pleased to add my support for the National Mathematics and Science Partnership Act. This is significant legislation designed to improve mathematics and science education in elementary and secondary schools throughout the Nation.

I congratulate the gentleman from New York (Mr. BOEHLERT), the chairman of the Committee on Science, for his efforts to develop the bill and for his cooperative approach in working with Members on both sides of the aisle all during the process. I also want to acknowledge the hard work of the gentleman from Texas (Mr. HALL), my ranking member and colleague, who introduced comprehensive science education earlier this year. Many provisions of his bill, Science Education for the 21st Century Act, H.R. 1693, are incorporated in the bill before us today.

Over the past two Congresses, the Committee on Science has conducted an extensive series of hearings that have examined all aspects of K–12 science and math education. I believe that H.R. 1858, as reported from the Committee on Science, is guided and well-supported by the testimony that we have received. It is now time to move it forward toward final passage.

The Democratic members of the Committee on Science have separately developed several legislative proposals on science and math education this year. In addition, they have worked with the gentleman from Texas (Mr. HALL), our ranking member, in developing H.R. 1693. I am pleased that many of the programs and activities set out in these bills are now part of H.R. 1858.

I want to commend the bipartisan process through which the legislation has been developed. I believe we all approached this matter with an appreciation of the importance of finding creative and effective ways to address the serious deficiencies that now exist in K–12 science and math education. I believe we may all take pride in the legislation that has emerged from this collegial process.

Mr. Speaker, H.R. 1858 comprises a range of proposals from Members on both sides of the aisle on ways to improve teacher training, to attract more talented students to careers in science and math, to encourage more students to go into education, and to develop more effective educational materials and teaching practices to improve student learning. It also authorizes new research programs to improve the scientific base for teaching techniques and education materials, as well as to determine the effectiveness of new educational approaches of improving student performance.

I am particularly pleased that the bill incorporates the Math and Science Proficiency Partnership Act, H.R. 1660, which I introduced this year. This is similar to bills that I have introduced in the past two Congresses.

My legislation is a targeted measure. It seeks to bring schools with large populations of economically disadvantaged students together in partnership with businesses to improve math and science education and to recruit and support students in undergraduate education and science and technology fields.

The components of the partnerships will include support from the National Science Foundation to the schools for teacher training, education materials, and equipment. Industry will provide support for college scholarships for promising students, job site mentoring and internship programs, and donations of computer software and hardware. The overall effect of the partnerships will be to encourage and support promising students from under-represented groups in pursuing careers in science and engineering.

Mr. Speaker, again, I want to commend the gentleman from New York (Mr. BOEHLERT) for his willingness to work cooperatively with the Democratic Members in developing H.R. 1858, and I would ask favorable consideration. I also want to thank the gentleman from Michigan (Mr. SMITH), the chairman of the Subcommittee on Research, for his contributions, and the gentleman from Michigan (Mr. EHLERS).

Mr. Speaker, I support strongly the passage of this bill.

Mr. BOEHLERT. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Michigan (Mr. Ehlers), a distinguished scientist, distinguished educator and a distinguished lawmaker.

Mr. EHLERS. Mr. Speaker, I thank the gentleman for yielding me this time.

I will be brief, because I have a similar bill coming up shortly, and I will amplify my comments at that time.

This is an excellent bill. I strongly urge the House to pass this bill and to work diligently with the Senate to make certain that we get these programs passed into law.

One of the most important aspects of this bill is that it establishes a competitive merit-based grant program of partnerships between universities and school districts, and they are encouraged to include businesses as well, to improve K–12 math and science education. This is the centerpiece of the bill; it is something that the President recommended early on when he took office, and I am very pleased to see this take place.

In addition to that aspect, the bill will enable K–12 math and science teachers to participate in math, science, or engineering research at universities or government or industry labs. That can be a life-changing experience for a high school teacher, or even an elementary school teacher, to spend time working in a well-known lab with a well-known scientist and doing science at the edge of the envelope.

Third, this bill establishes a competitive merit-based grant program to set up four university research centers on teaching and learning. This again is ground-breaking work and something that is similar to a recommendation of the Glenn Commission last year. We have to develop better research in teaching science and mathematics as well as other subjects. Reid Lyon at the National Institutes of Health has done ground-breaking research in this, but there is much more to be done and we must involve the universities as well. This provision will go far in that direction.

Finally, this bill establishes a program to award scholarships to top math and science majors in their junior and senior years of college with a requirement that they must teach 2 years for each year they receive a scholarship. This is a stroke of genius, because we badly need new, good science and math teachers, and this is one method which will provide some of the world's best.

Mr. Speaker, I strongly support this bill, and I encourage the House to adopt it. It is an excellent bill.

Mr. HALL of Texas. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BOEHLERT. Mr. Speaker, I yield myself such time as I may consume.

Just let me close by acknowledging how this all came about. Well-intentioned people, Republicans and Democrats alike, guided by that dedicated cadre of staff people who worked tirelessly behind the scenes to make it all possible; they crossed committee jurisdictions with the administration and the Congress, even consulting with our friends and colleagues in the other body. Sharon Hayes and Jim Wilson deserve special commendation for their endless hours of very hard and very productive work. To the parents and the students and teachers and business people in America I say, we are here to help.

Mr. Speaker, this is a good bill, and I urge its adoption.

Mr. HOLT. Mr. Speaker, I rise in support of H.R. 1858, the National Mathematics and Science Partnerships Act and H.R. 100, the National Science Education Act.

As a scientist and former teacher, I know that success in this information age depends not just on how well we educate our children, but on how well we educate them in math and science specifically.

Yet, one of the most difficult challenges we face today is getting well-trained and qualified science and math teachers in every classroom.

We need to recruit better teachers and provide additional training to the ones we have. Teachers, like most professionals, need opportunities for continuous development. Education is not static. Our needs and the requirements of our teachers are constantly changing as we gain a better understanding of how our children learn and as we gain new technologies. Just think of how computers have changed the way we teach and learn.

Our methodologies must change as well.

I was fortunate enough to serve on the Glenn Commission, which sought ways to improve the teaching of math and science. One of the major recommendations that came out of our report, Before It's Too Late, was to provide for an ongoing system of professional development of our teachers. I am pleased to see that these bills will provide grants to improve the professional development of our current teachers.

Just as the Glenn Commission recommended, H.R. 1858 also addresses ways to recruit new and talented teachers into the field by providing scholarships for math and science majors who go into teaching, funds to provide master teachers, and other initiatives to improve the quality of our math and science instructors.

I am also pleased to see that H.R. 1858 provides opportunities for traditionally underrepresented groups to excel in math and science related fields. According to a report by the Congressional Commission on the advancement of Women and Minorities in Science, Engineering, and Technology Development, women, minorities, and persons with disabilities still eschew technical occupations. They are severely underrepresented in scientific disciplines and while they represent the fastest growing segment of the workforce, they are not going into technical careers at an appreciable rate. If we are to meet the future demand for a highly skilled workforce, we must find ways to tap into these groups.

This bill would also address this important issue. It contains programs and language specifically geared towards the recruitment and retention of qualified individuals from these underrepresented groups.

Yet we need to do more. If we are going to improve the recruitment and retention of our teachers, it is important we hear from the people this affects most—our teachers.

I am concerned that this bill does not do enough to include the participation of teachers. Rather than giving sole authority to the Director of NSF, to ensure teachers' voices are heard, it is important that the director work in collaboration with teachers.

I hope as this bill continues to move through Congress, we can incorporate language that will ensure our teachers' voices are heard.

Nevertheless, I support the goals of this bill and I urge my colleagues to support it.

Mr. ETHERIDGE. Mr. Speaker, I rise in strong support of H.R. 1858-legislation to improve America's standing in mathematics, science and technology education and instruction.

A solid academic foundation in math and science education is crucial for success in the 21st Century. This bill includes a major initiative to enhance science education through the National Science Foundation. H.R. 1858 authorizes $200 million for the National Science Foundation (NSF) to establish partnerships between institutions of learning and local or state school systems to improve instruction and learning of elementary and secondary school science.

As the former Superintendent of Schools in my home state of North Carolina, I have worked for many years to improve science and math education in our schools. This bill also includes the measure that I proposed for the better preparation of K–12 teachers in science. We need better math and science instruction in our K–12 classrooms. This bill will help ensure that improving math and science education remains an important national priority. Quality instruction is the key to helping students learn in these critical fields. This action will make a real difference for our children and will put America on the road towards a higher standing in the world in math and science.

There is growing recognition that the success of nearly any effort to improve the academic performance of America's students depends critically on their teachers' mastery of subject matter and their ability to teach it. The way to lift student achievement is to ensure that we have a qualified teacher in every classroom. Therefore, if America is to improve its public schools, initiatives to improve science instruction and learning must become the first priority of education reform. I am pleased this bill takes several steps in that direction.

I urge adoption of this bill, and I hope the President will sign it into law as soon as it reaches his desk.

Mr. UDALL of Colorado. Mr. Speaker, I rise in strong support of H.R. 1858, the National Mathematics and Science Partnerships Act.

I would like to thank Science Committee Chairman BOEHLERT for working with me and my colleagues on the committee to craft this important bipartisan legislation.

I want to express particular support for Title IV in this bill. Title IV sets up the Robert Noyce Scholarship program, which would provide scholarships and programming designed to recruit and train mathematics and science teachers. I introduced a similar bill earlier this year, provisions of which have been incorporated into Title IV.

My bill, the Science Teachers Scholarships for Scientists and Engineers Act, provided for scholarships to students or professionals who have a degree in science or engineering to enable them to take the courses they need to become certified as science or math teachers.

From a series of Science Committee hearings last year about the state of science and math education, and from talking to constituents, students, and educators at home, it has become clear to me that we need to improve science and math education in this country.

In particular, I've come to understand that poor student performance in science and math has much to do with the fact that teachers often have little or no training in the disciplines they are teaching. While the importance of teacher expertise in determining student achievement is widely acknowledged, it is also the case that significant numbers of K–12 students are being taught science and math by unqualified teachers.

So I'm pleased that this bill would begin to address the shortage of qualified science and math teachers by providing an incentive for individuals with the content knowledge to try teaching as a career.

Mr. Speaker, to keep economic growth strong in the long-term, we need continued innovation. But innovation doesn't happen by itself—it requires a steady flow of scientists and engineers. That's why this legislation is so important. H.R. 1858 will help ensure we are prepared for the demands and challenges of the economy of this new century.

Mr. BOEHLERT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from New York (Mr. BOEHLERT) that the House suspend the rules and pass the bill, H.R. 1858, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

NATIONAL SCIENCE EDUCATION ACT

Mr. EHLERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 100) to establish and expand programs relating to science, mathematics, engineering, and technology education, and for other purposes, as amended.

The Clerk read as follows:

H.R. 100

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Science Education Act".

SEC. 2. FINDINGS.

Congress finds the following:

(1) As concluded in the report of the Committee on Science of the House of Representatives, "Unlocking Our Future Toward a New National Science Policy", the United States must maintain and improve its preeminent position in science and technology in order to advance human understanding of the universe and all it contains, and to improve the lives, health, and freedoms of all people.

(2) It is estimated that more than half of the economic growth of the United States today results directly from research and development in science and technology. The most fundamental research is responsible for investigating our perceived universe, to extend our observations to the outer limits of what our minds and methods can achieve, and to seek answers to questions that have never been asked before. Applied research continues the process by applying the answers from basic science to the problems faced by individuals, organizations, and governments in the everyday activities that make our lives more livable. The scientific-technological sector of our economy, which has driven our recent economic boom and led the United States to the longest period of prosperity in history, is fueled by the work and discoveries of the scientific community.

(3) The effectiveness of the United States in maintaining this economic growth will be largely determined by the intellectual capital of the United States. Education is critical to developing this resource.

(4) The education program of the United States needs to provide for 3 different kinds of intellectual capital. First, it needs scientists, mathematicians, and engineers to continue the research and development that are central to the economic growth of the United States. Second, it needs technologically proficient workers who are comfortable and capable dealing with the demands of a science-based, high-technology workplace. Last, it needs scientifically literate voters and consumers to make intelligent decisions about public policy.

(5) Student performance on the recent Third International Mathematics and Science Study highlights the shortcomings of current K–12 science and mathematics education in the United States, particularly when compared to other countries. We must expect more from our Nation's educators and students if we are to build on the accomplishments of previous generations. New methods of teaching science, mathematics, engineering, and technology are required, as well as better curricula and improved training of teachers.

(6) Science is more than a collection of facts, theories, and results. It is a process of inquiry built upon observations and data that leads to a way of knowing and explaining in logically derived concepts and theories. Mathematics is more than procedures to be memorized. It is a field that requires reasoning, understanding, and making connections in order to solve problems. Engineering is more than just designing and building. It is the process of making compromises to optimize design and assessing risks so that designs and products best solve a given problem. Technology is more than using computer applications, the Internet, and programming. Technology is the innovation, change, or modification of the natural environment, based on scientific, mathematical, and engineering principles.

(7) Students should learn science primarily by doing science. Science education ought to reflect the scientific process and be object-oriented, experiment-centered, and concept-based. Students should learn mathematics with understanding that numeric systems have intrinsic properties that can represent objects and systems in real life, and can be applied in solving problems. Engineering education should reflect the realities of real world design, and should involve hands-on projects and require students to make trade-offs based upon evidence. Students should learn technology as both a tool to solve other problems and as a process by which people adapt the natural world to suit their own purposes. Computers represent a particularly useful form of technology, enabling students and teachers to acquire data, model systems, visualize phenomena, communicate and organize information, and collaborate with others in powerful new ways. A background in the basics of information technology is essential for success in the modern workplace and the modern world.

(8) Children are naturally curious and inquisitive. To successfully tap into these innate qualities, education in science, mathematics, engineering, and technology must begin at an early age and continue throughout the entire school experience.

(9) Teachers provide the essential connection between students and the content they are learning. Prospective teachers need to be identified and recruited by presenting to them a career that is respected by their peers, is financially and intellectually rewarding, contains sufficient opportunities for advancement, and has continuing access to professional development.

(10) Teachers need to have incentives to remain in the classroom and improve their practice, and training of teachers is essential if the results are to be good. Teachers need to be knowledgeable of their content area, of their curriculum, of up-to-date research in teaching and learning, and of techniques that can be used to connect that information to their students in their classroom.

SEC. 3. DUPLICATION OF PROGRAMS.

(a) IN GENERAL.—The Director of the National Science Foundation shall review the education programs of the National Science Foundation that are in operation as of the date of enactment of this Act to determine whether any of such programs duplicate the programs authorized in this Act.

(b) IMPLEMENTATION.—(1) As programs authorized in this Act are implemented, the Director shall terminate any existing duplicative program or merge the duplicative program into a program authorized in this Act.

(2) The Director shall not establish any new program that duplicates a program that has been implemented pursuant to this Act.

(c) REPORT.—(1) The Director of the Office of Science and Technology Policy shall review the education programs of the National

Science Foundation to ensure compliance with the provisions of this section.

(2) Not later than one year after the date of the enactment of this Act, the Director of the Office of Science and Technology Policy shall complete a report on the review carried out under this subsection and shall submit the report to the Committee on Science, the Committee on Education and the Workforce, and the Committee on Appropriations of the House of Representatives.

(3) Beginning one year after the date of enactment of this Act, the Director of the Office of Science and Technology Policy, shall, as part of the annual budget submission to Congress, submit an updated version of the report required by paragraph (2).

SEC. 4. MASTER TEACHER GRANT PROGRAM.

(a) DEFINITIONS.—In this section—

(1) The term "sponsoring school" means an elementary or secondary school that employs a teacher who is participating in a program funded in accordance with this section.

(2) The term "nonclassroom time" means time during regular school hours that is not utilized by a master teacher for instructing elementary or secondary school children in the classroom.

(3) The term "master teacher" means a mathematics or science teacher who works to improve the instruction of mathematics or science in kindergarten through 9th grade through—

(A) participating in the development or revision of science, mathematics, engineering, or technology curricula;

(B) serving as a mentor to mathematics or science teachers at the sponsoring school or other schools;

(C) coordinating and assisting teachers in the use of hands-on inquiry materials, equipment, and supplies, and when appropriate, supervising acquisition and repair of such materials;

(D) providing in-classroom teaching assistance to mathematics or science teachers; and

(E) providing professional development, including for the purposes of training other master teachers, to mathematics and science teachers.

(4) The term "mathematics or science teacher" means a teacher of mathematics, science, engineering, or technology in an elementary or secondary school.

(b) PROGRAM AUTHORIZED.—(1) The Director of the National Science Foundation shall establish a program to award competitive, merit-reviewed grants to institutions of higher education (or consortia thereof) to train master teachers and assist elementary and secondary schools to design and implement master teacher programs.

(2) Institutions of higher education receiving grants under this section shall offer programs to train master teachers. As part of such programs, a grantee shall—

(A) recruit and select teachers to receive training;

(B) ensure that training covers both content and pedagogy;

(C) ensure that participating teachers have mentors; and

(D) assist participating teachers with the development and implementation of master teacher programs at their sponsoring schools.

(3) Grants awarded under this section may be used to—

(A) develop and implement professional development programs to train elementary or secondary school teachers to become master teachers and to train existing master teachers;

(B) provide stipends and reimbursement for travel to allow teachers to participate in professional development programs in the summer and throughout the year;

(C) provide guidance to sponsoring schools to enable them to develop and implement a plan for the use of master teachers;

(D) support participating teachers during the summer in research programs conducted at institutions of higher education, private entities, or government facilities;

(E) provide educational materials and equipment to master teachers;

(F) provide computer equipment and network connectivity necessary to enable master teachers to collaborate with other master teachers, to access educational materials available online, and to communicate with scientists or other mentors at remote locations; and

(G) fund any other activities the Director determines will accomplish the goals of this section.

(c) SELECTION PROCESS.—(1) An institution of higher education seeking funding under this section shall submit an application at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum—

(A) a description of which classroom subjects and grade levels the training will address;

(B) a description of the activities to be carried out, including—

(i) how such activities will be aligned with State and local standards and with other activities that promote student achievement in mathematics and science; and

(ii) how such activities will be based on a review of relevant research and why such activities are expected to strengthen the quality of mathematics and science instruction;

(C) a description of how the applicant will ensure the active participation of its mathematics, science, or engineering departments in the development and implementation of the program;

(D) an explanation of how the program will ensure that teachers are given instruction in both content and pedagogy;

(E) a description of how the applicant will recruit teachers to participate in the program and the criteria that will be used to select the participants;

(F) a description of the type and amount of any financial assistance that will be provided to teachers to enable them to participate; and

(G) a description of how the applicant will work with schools to ensure the success of the participating teachers.

(2) In evaluating the applications submitted under this subsection, the Director shall consider, at a minimum—

(A) the ability of the applicant to effectively carry out the proposed program;

(B) the experience the applicant has in developing and implementing high-quality professional development programs for mathematics or science teachers; and

(C) the extent to which the applicant is committed to making the program a central organizational focus.

(3) In evaluating the applications submitted under this subsection, the Director shall give priority to those applications that demonstrate the greatest participation of mathematics, science, or engineering departments.

(d) TEACHER ELIGIBILITY.—(1) To be eligible to participate in a program funded under this section, a mathematics or science teacher shall submit to the Director, at such time and in such manner as the Director may require, an assurance executed by the sponsoring school, that, after completing the program funded by this section, the participating teacher will be provided sufficient non-classroom time to serve as a master teacher. A copy of this assurance must be submitted to the institution of higher education as part of the teacher's application to participate in the master teacher program.

(2) No funds authorized by this section may be used to train any teacher who has not complied with paragraph (1).

(e) ACCOUNTABILITY AND DISSEMINATION.—(1) The Director shall evaluate the activities carried out under this section. At a minimum such evaluations shall use a common set of benchmarks and assessment tools to identify best practices and materials developed and demonstrated with funds provided under this section.

(2) The results of the evaluations required under this subsection shall be made available to the public, including through the National Science, Mathematics, Engineering, and Technology Education Digital Library, and shall be provided to the Committee on Science of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.

(3) Materials developed under the program established under this section that are demonstrated to be effective shall be made available through the National Science, Mathematics, Engineering, and Technology Education Digital Library.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation to carry out this section $50,000,000 for each of fiscal years 2002 through 2004.

SEC. 5. DISSEMINATION OF INFORMATION ON REQUIRED COURSE OF STUDY FOR CAREERS IN SCIENCE, MATHEMATICS, ENGINEERING, AND TECHNOLOGY EDUCATION.

(a) IN GENERAL.—The Director of the National Science Foundation shall, jointly with the Secretary of Education, compile and disseminate information (including through outreach, school counselor education, and visiting speakers) regarding—

(1) typical standard prerequisites for middle school and high school students who seek to enter a course of study at an institution of higher education in science, mathematics, engineering, or technology education for purposes of teaching in an elementary or secondary school; and

(2) the licensing requirements in each State for science, mathematics, engineering, or technology elementary or secondary school teachers.

(b) LOCAL CONTROL.—Nothing in this section shall be construed to authorize an officer or employee of the Federal Government to direct, review, or control the instructional content, curriculum, or related activities of a State or local educational agency or a school.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation to carry out this section $5,000,000 for each of fiscal years 2002 through 2004.

SEC. 6. REQUIREMENT TO CONDUCT STUDY EVALUATION.

(a) STUDY REQUIRED.—The Director of the National Science Foundation shall enter into an agreement with the National Academies of Sciences and Engineering under which the Academies shall review existing studies on the effectiveness of technology in the classroom on learning and student performance, using various measures of learning and teaching outcome including standardized tests of student achievement, and explore the feasibility of one or more methodological frameworks to be used in evaluations of technologies that have different purposes and are used by schools and school systems with diverse educational goals. The study evaluation shall include, to the extent available, information on the type of technology used in each classroom, the reason that such technology works, and the teacher training that is conducted in conjunction with the technology.

(b) DEADLINE FOR COMPLETION.—The study evaluation required by subsection (a) shall be completed not later than one year after the date of the enactment of this Act.

(c) DEFINITION OF TECHNOLOGY.—In this section, the term "technology" has the meaning given that term in section 3113(11) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6813(11)).

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation for the purpose of conducting the study evaluation required by subsection (a), $600,000.

SEC. 7. SCIENCE, MATHEMATICS, ENGINEERING, AND TECHNOLOGY BUSINESS EDUCATION CONFERENCE.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Director of the National Science Foundation shall convene the first of an annual 3- to 5-day conference for kindergarten through 12th grade science, mathematics, engineering, and technology education stakeholders, including—

(1) representatives from Federal, State, and local governments, private industries, private businesses, and professional organizations;

(2) educators;

(3) science, mathematics, engineering, and technology educational resource providers;

(4) students; and

(5) any other stakeholders the Director determines would provide useful participation in the conference.

(b) PURPOSES.—The purposes of the conference convened under subsection (a) shall be to—

(1) identify and gather information on existing science, mathematics, engineering, and technology education programs and resource providers, including information on distribution, partners, cost assessment, and derivation;

(2) determine the extent of any existing coordination between providers of curricular activities, initiatives, and units; and

(3) identify the common goals and differences among the participants at the conference.

(c) REPORT AND PUBLICATION.—At the conclusion of the conference the Director shall—

(1) transmit to the Committee on Science of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate a report on the outcome and conclusions of the conference, including an inventory of curricular activities, initiatives, and units, the content of the conference, and strategies developed that will support partnerships and leverage resources; and

(2) ensure that a similar report is published and distributed as widely as possible to stakeholders in science, mathematics, engineering, and technology education.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation to carry out this section—

(1) $300,000 for fiscal year 2002; and

(2) $200,000 for each of fiscal years 2003 and 2004.

SEC. 8. DISTANCE LEARNING GRANTS.

(a) IN GENERAL.—The Director of the National Science Foundation shall establish a program to award competitive, merit-based grants to institutions of higher education to provide distance learning opportunities in mathematics or science to elementary or secondary school students.

(b) USE OF FUNDS.—Grants awarded under this section shall be used by institutions of higher education to establish programs under which elementary or secondary school students can participate in research activities in mathematics or science occurring at the grantees' institution via the Internet.

(c) SELECTION PROCESS.—(1) An institution of higher education seeking funding under this section shall submit an application at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum—

(A) a description of the research opportunities that will be offered;

(B) a description of how the applicant will publicize these research opportunities to schools and teachers;

(C) a description of how the applicant will involve teachers of participating students in the program;

(D) a description of how students will be selected to participate;

(E) a description of how the institution of higher education will ensure that the research is enhancing the participants' education and will make it more likely that the participants will continue their studies in mathematics or science; and

(F) a description of how the funds will be spent.

(2) In evaluating the applications submitted under this subsection, the Director shall consider—

(A) the ability of the applicant to effectively carry out the proposed program;

(B) the extent to which the proposed program will enhance the participants' education and encourage them to continue the study of mathematics or science; and

(C) the extent to which the proposed program will provide opportunities that would not otherwise be available to students.

(3) The Director shall ensure, to the extent practicable, that the program established under this section serves students in a wide range of geographic areas and in rural, suburban, and urban schools.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation to carry out this section $5,000,000 for each of the fiscal years 2002 through 2004.

SEC. 9. COORDINATION.

In carrying out the activities authorized by this Act, the Director of the National Science Foundation shall consult and coordinate with the Secretary of Education to ensure close cooperation with programs authorized under the Elementary and Secondary Education Act of 1965 (Public Law 89-10).

SEC. 10. DEFINITIONS.

In this Act:

(1) The term "elementary school" has the meaning given that term by section 14101(14) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(14)).

(2) The term "secondary school" has the meaning given that term by section 14101(26) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(26)).

(3) The term "institution of higher education" has the meaning given that term by section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. EHLERS) and the gentleman from Texas (Mr. HALL) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan (Mr. EHLERS).

GENERAL LEAVE

Mr. EHLERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and insert extraneous material into the RECORD on H.R. 100, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. EHLERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first I want to thank the gentleman from New York (Mr. BOEHLERT), the chairman of the committee, and the gentleman from Texas (Mr. HALL), the ranking member, and all of the members of the Committee on Science for their bipartisan support of H.R. 100, the National Science Education Act. I am pleased that the bill passed unanimously in committee; I am also pleased that the bill is under consideration today.

The gentleman from Michigan (Mr. SMITH) in his earlier comments mentioned the importance of good math and science education for national security and prosperity. Let me underscore those comments of the gentleman from Michigan, the chairman of the Subcommittee on Research. First, as to the importance to the economy: during the past decade we had some stunning economic growth and, although many people have taken credit for it, Alan Greenspan correctly pointed out that the real credit goes to those scientists and engineers who developed all of the different ideas and inventions which came to fruition in the past decade. The majority of the growth of our economy in the past 10 years came from developments in science and technology, not from political action.

We must recognize the continued importance of science and technology to our economy and the future. We must also recognize, as the gentleman from Michigan (Mr. SMITH) pointed out, the importance to national security. In the war in the Balkans in which our Air Force and our other fighting arms dealt with the Serbian actions in Kosovo, we managed to win the battle without losing a single American soldier, sailor or airman because of developments in science and technology.

□ 1530

Laser-guided bomb technology did not just drop into our laps. It was developed through a lot of hard work by scientists and engineers; and if we want to maintain our strength as a Nation in national security, we must continue with good science and math education so that we will have scientists and engineers for the future strength and security of America.

There are three main reasons why it is very important for us to have good science and math education, particularly in K through 12. It serves three main purposes.

First we need it to prepare future scientists and engineers for further study in college and graduate school. We do well in that right now, better than any other nation; but there is still room for improvement. We are simply not producing enough good scientists and engineers.

Furthermore, good K through 12 math and science education provides all future workers the basic technical skills they will need for the 21st century workforce, where nearly every job will have a technical component. Gone are the days when one can ignore math and science in high school and still get a good job. In the future, the good jobs will require people to know the basic ideas of math and science.

The third main purpose of K–12 science education is to provide scientific and technical understanding so that citizens may make informed decisions as both consumers and voters.

Mr. Speaker, there is a problem in our Nation. The Third International Mathematics and Science Study pointed out that, compared to other developed nations, we are dead last in high school physics, we are close to the bottom in high school mathematics, and we are second from the bottom out of all developed nations in math and science education overall in our high schools.

In addition to that, the National Science Policy Study, which I developed several years ago now and which led to the emphasis on this subject, pointed out the vital need to strengthen our Nation's science and mathematics education.

The Committee on Science held numerous hearings which served to further examine these problems and develop solutions. We have held many hearings during the past 3 years. These hearings have reinforced the earlier findings and have helped us to develop solutions that will bring needed improvements to our K through 12 math and science classes.

A key to all of this, as we soon found out, and as one could intuitively deduce, is that we must have a knowledgeable and well-prepared teacher in every classroom. While there are many factors that impact student achievement, there is no substitute for a knowledgeable and well-prepared teacher.

Research has shown that an inquiry-based, hands-on science curriculum, which is also concept based, is a vital component of high-quality science education. However, elementary and middle school teachers often lack the time, expertise, and school resources to implement such curricula.

This bill authorizes a grant program for institutions of higher education to train master teachers to have strong backgrounds in math and science so they can provide professional development, in-classroom assistance, and oversight of hands-on science materials to K–9 science, math, and engineering technology teachers. This is the type of support our teachers deserve and should be receiving.

During my 30 years of working in higher education and also working in elementary and secondary classrooms on math-science education, I found that the single greatest determinant of success for a math or science program in a school was having a well-trained go-to person in that school, where the teachers could go for help if equipment broke or if they did not understand a concept. They could go there and immediately get help.

That is what this program will create, master teachers who will thus serve, and it provides for the training of those master teachers.

This bill also creates a program for higher education institutions to provide distance learning opportunities for elementary and secondary students. Distance learning invites exciting possibilities for student learning, particularly for student scientific research. Our Nation's teachers and students will be one step closer to receiving this training experience when this bill passes.

Again, I want to thank the gentleman from New York (Chairman BOEHLERT); the gentleman from Ohio (Chairman BOEHNER) of the Committee on Education and the Workforce; the leadership of the House, and of course the ranking member, the gentleman from Texas (Mr. HALL). They have all worked together to produce a good bill, and I am pleased to bring this bill to the floor of the House today.

Mr. BOEHLERT. Mr. Speaker, will the gentleman yield?

Mr. EHLERS. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Speaker, this bipartisan legislation is the result of several years of hard work and perseverance on the part of my colleague, the gentleman from Michigan (Mr. EHLERS). It enjoys strong support from both the business and the educational communities; and the Committee on Science approved this bill, as was mentioned, unanimously.

I want to thank our good friends on the Committee on Education and the WorkForce, the gentleman from Ohio (Mr. BOEHNER), and the ranking member, the gentleman from California (Mr. GEORGE MILLER), for their advice and cooperation. We have worked together in an unparalleled spirit of close cooperation throughout this process, and they have made significant contributions to the legislation.

Mr. Speaker, study after study has confirmed that certified, well-trained teachers who majored or minored in their subject matter are one of the central factors affecting student achievement. As a matter of fact, I maintain that the most important ingredient in a child's education, other than the family, is the teacher, not so much a new school or bricks and mortar or fancy textbooks or all that. They are all important, but the most important ingredient outside the home is the teacher, and this bill recognizes that.

I think it is the result of a lot of hard work on the part of a lot of well-intentioned people who have put their heads together, put their talents together, and have come up with something worthy of our support.

Mr. Speaker, let me salute once again the gentleman from Michigan (Mr. EHLERS) for his unparalleled leadership in this effort.

Mr. EHLERS. Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 100, the National Science Education Act. It is a bill reported by the Committee on Science; and as we have spoken of the previous bill, it is a bipartisan bill. It is complementary to H.R. 1858, the Committee on Science's comprehensive science education legislation.

The principal provision of the bill addresses the important issue of training and supporting the activities of highly qualified science and math teachers, so-called "master teachers." The words "master teachers" will be heard several times during this hearing; several times, I am sure, as it goes to conference; and several times when it is presented to the President for his signature.

The master teacher provision is consistent with the approach taken by the master teacher language in H.R. 1693, an education bill I introduced earlier this year.

Over the past 3 years, the Committee on Science has held a series of hearings on how to improve K through 12 science and math education. A strong message that has emerged from this series of hearings is that there is no silver bullet that will improve student learning in these subjects.

But what is also clear is the critical importance of having teachers who have achieved mastery of their subject matter and who have acquired the teaching skills to effectively implement a hands-on standards-based curriculum.

Master teachers are individuals who have acquired these skills and who are available in schools as mentors and research resources for other science and math teachers. By training a new generation of master teachers, a multiplying effect occurs that will lead to improved science and math education in entire schools, not just in a single classroom.

Like other provisions in H.R. 100, these provisions are consistent with education legislation that was approved in a bipartisan manner by the Committee on Science last year. I want to lay special emphasis on this, and this may be the day of the gentleman from Michigan (Mr. EHLERS), I do not know; but I want to lay special emphasis on his contribution.

I want to congratulate these people, all the gentleman from Michigan (Mr. EHLERS), including Professor EHLERS, Dr. EHLERS and Chairman EHLERS, for his willingness to work on this bill and his willingness to work with the minority to perfect it.

He did not just work this year; he was selected by the gentleman from Wisconsin (Chairman SENSENBRENNER) last year to carry out the thrust of the ingredients of H.R. 100. The gentleman from New York (Chairman BOEHLERT) endorsed that recommendation, and we are here today I think to see the fruits of his labor.

I congratulate the gentleman. I congratulate the gentleman from New York (Chairman BOEHLERT), of course, and others who have had a lot to do with it. I ask my colleagues to support passage of this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. EHLERS. Mr. Speaker, I yield 4 minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding time to me. I particularly thank him for this piece of legislation, H.R. 100, and for his commitment to science and math education. His leadership and dedication on that issue have been an inspiration to those of us on the Committee on Science and for all of his colleagues in the House.

Mr. Speaker, I appreciate this bill coming before us in this timely fashion. I appreciate the ranking member of the Committee on Science, the gentleman from Texas (Mr. HALL), and indeed, the chairman of the Committee on Science, the gentleman from New York (Mr. BOEHLERT), for the leadership and the kind of climate that they have introduced and that they have expanded on that bipartisan committee.

Mr. Speaker, we know we have a problem with math and science education in this country. Our students perform poorly compared with our international counterparts, and the gap appears to be widening. Most recently, the Glenn Commission, named for former Senator John Glenn, highlighted some of the reasons for our difficulties in its report, "Before It Is Too late."

I served on that commission, and we noted that much of the problem lies with inadequate preparation of teachers, not with their dedication, and certainly not with their commitment.

To put it simply, when it comes to teaching math and science, we ask teachers the impossible: to teach a subject they were not trained to teach, and to do it without any assistance.

Over half of high school students take physical science from an out-of-field teacher. Over 20 percent of high school math and science teachers lack even a minor in their main teaching field. Too many students take math and science classes from instructors with no formal training in these difficult and important subjects. Small wonder they have difficulties with this material.

It would be nice to change this situation. It would be nice if science and math majors were in the classroom teaching science and math. In fact, it is imperative. We have a number of proposals to increase the recruitment of qualified instructors; but we need to do something, and we need to do it now. We cannot wait for the next generation of teachers to graduate; and even with our best efforts, we will not be able to graduate enough teachers with technical backgrounds to meet our short-term needs.

Our best alternative is to provide some assistance to the ones that we have. H.R. 100 provides that help. It provides grants for the training of master teachers in math and science who, along with their instructional duties, are commissioned to serve as a reference for embattled teachers. They are experts to whom the less experienced math and science instructors can turn for curriculum advice, for technical assistance, and for other needs. They are a vital link to the scientific community for teachers with little formal experience.

It would be best if every teacher had some formal training in the subject he or she taught. Ideally, a math and science teacher would have completed extensive coursework in the specific disciplines they teach. But unfortunately, all too often that is just not the case.

Out-of-subject teachers are doing a difficult, if not impossible, job. Their hard work and dedication are commendable, but good intentions are not enough. They need support. They need some help. It is about time they got it. Give our teachers someone to turn to. Pass H.R. 100. It will pay off 100 percent.

Mr. HALL of Texas. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), the ranking member on the Subcommittee on Research, who ushered these bills through subcommittee, through committee, the Committee on Rules, and to the floor.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise in support of H.R. 100. I commend the gentleman from New York (Mr. BOEHLERT), the gentleman from Michigan (Mr. EHLERS), and the ranking member for bringing this legislation forward. It works in concert with the bill we just passed and brings attention to the very important link, and that is to make sure that very well-qualified teachers are available. Students need this type of expertise in a classroom.

Mr. HALL of Ohio. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. EHLERS. Mr. Speaker, I yield myself such time as I may consume.

□ 1545

I certainly appreciate all the expressions of support for this bill. As my colleagues may know, this bill and the previous one are a product of a number of years of work.

But let me reemphasize a few points. For those who think that we are already doing a sufficiently good job on K–12 math and science, I encourage a visit to graduate schools in this Nation. In virtually every graduate school in science and engineering, we find that over half of the students are from other nations. Our students cannot compete against students from other nations in applying for admission to graduate school.

If more evidence is needed, just look at the actions of this Congress itself. This year we have approved 200,000 H-1B visas. Why? Because we do not have enough scientists, engineers, technicians, and mathematicians in this country to do the work that we need done to invent, develop, and produce the products that we are making in this country.

I could give other reasons why we have problems here. Let us face it, some of the problems are cultural. That is why the gentlewoman from California (Ms. WOOLSEY) introduced her bill trying to encourage young girls to go into science, technology, and engineering because there is a culture in this country that women cannot do math or women cannot do science. It is utter nonsense. We are throwing away approximately 40 percent of our potential scientific, engineering, and mathematics workforce with that cultural attitude, that women are not good at science or math or that minorities do not care for science or math. That is nonsense, because in other countries they do; and they become scientists, engineers, doctors, and mathematicians. Women and minorities in this country can do the same.

We have to work hard to change that culture, and this bill will move us in that direction.

Science is fun if it is understood. Science is exciting when taught properly. And we have to make certain that the students of America enjoy that experience and realize that science is fun.

But the cultural issue is still an important one. As a physicist I have often had the experience when I met someone, before I came to the Congress, and they would ask what I do. I would say I am a physicist, and quite often I would get the response, "Oh, I could never understand all those numbers and symbols; I just could not get math or science." For a number of years, I accepted that statement. But then I began to think that was strange. What if I had asked them the question first, what do you do, and they said, "Well, I am an English teacher," and I said, "Oh, I cannot understand all those letters and words, and so I gave up reading." That is socially unacceptable. But by the same standard, it should also be socially unacceptable to publicly profess ignorance of science and math.

Everyone is capable of learning some science and math. Everyone should learn it. I think it is extremely important in today's society that people not only understand the writings of Shakespeare and read them, but they should also understand the third law of dynamics; not as a physicist does, I do not expect that, but they should certainly understand what the three laws of thermodynamics mean and why we have an energy crisis today because we have, as a public, failed to understand the implications of the three laws of thermodynamics. Concepts such as this are important, and people should be aware of them and understand the implications of them.

These are all purposes of this bill and also of the bill of the gentleman from New York (Mr. BOEHLERT). I am hopeful that these bills will pass into law and that together they will go far to improve the competence of the scientists, engineers, mathematicians, and the lay people of this country so that we will no longer have a shortage of people to work in the technical, scientific industries, that we will train good teachers, and that we will have schools and students that we can be very proud of.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from Michigan (Mr. EHLERS) that the House suspend the rules and pass the bill, H.R. 100, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PROVIDING FOR RETENTION OF TRAVEL PROMOTIONAL ITEMS FOR FEDERAL EMPLOYEES

Mrs. MORELLA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2456) to provide that Federal employees may retain for personal use promotional items received as a result of travel taken in the course of employment.

The Clerk read as follows:

H.R. 2456

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RETENTION OF TRAVEL PROMOTIONAL ITEMS.

(a) IN GENERAL.—Section 5702 of title 5, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (d);

(2) in subsection (d) (as redesignated by paragraph (1)), by striking "This section does" and inserting "Subsections (a) and (b) do"; and

(3) by inserting after subsection (b) the following new subsection:

"(c) Promotional items (including frequent flyer miles, upgrades, and access to carrier clubs or facilities) an employee receives as a result of using travel or transportation services procured by the United States or accepted pursuant to section 1353 of title 31 may be retained by the employee for personal use if such promotional items are obtained under the same terms as those offered to the general public and at no additional cost to the Government.".

(b) REPEAL OF SUPERCEDED LAW.—Section 6008 of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 5 U.S.C. 5702 note) is repealed.

(c) APPLICABILITY.—The amendments made by this Act shall apply with respect to promotional items received before, on, or after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Maryland (Mrs. MORELLA) and the gentleman from Texas (Mr. TURNER) each will control 20 minutes.

The Chair recognizes the gentlewoman from Maryland (Mrs. MORELLA).

GENERAL LEAVE

Mrs. MORELLA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2456, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, lately we have been hearing many reports about the human capital crisis affecting our civil service. Many of our best Federal employees are leaving for the private sector, with better pay and better benefits that are available to them. In addition, many talented individuals are choosing jobs in the private sector over public sector work for the same reasons.

While it is difficult for the Federal Government to match salaries with the private sector, it can at least demonstrate to current and prospective Federal employees that it values their service and is willing to reward them with certain benefits; and for this reason I hope the House will pass today H.R. 2456.

This important legislation that I am proud to cosponsor allows Federal civilian employees to keep frequent flyer miles and other promotional benefits that they receive while traveling on official government business. Unlike private sector employees, current law prohibits Federal employees from keeping these benefits for personal use. In order for Federal employees to keep these frequent flyer benefits, the bill requires that they be obtained under the same terms as provided to the general public and must be at no additional cost to the government.

Many employees' work travel can interfere with their personal lives. This legislation is a great way to thank them for their service. In a recent GAO report that looked into the efficacy of allowing Federal employees to keep their frequent flyer miles, the GAO, that is the General Accounting Office, concluded that "changing the frequent flyer policy, and changing it retroactively, so that employees can take advantage of the unused miles, would boost Federal employees' morale and strengthen the Federal Government's ability to compete with the private sector. We, therefore, believe Congress should consider allowing Federal employees to keep and make personal use of the frequent flyer miles."

I could not agree more. Mr. Speaker, I urge adoption of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. TURNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend the gentlewoman from Maryland (Mrs. MORELLA) for her leadership on this issue. I think it is very important that we level the playing field between the way Federal Government employees are treated and employees in the private sector are treated with regard to frequent flyer miles and other such benefits.

As we all know, we are having a more difficult time than ever attracting quality individuals into the Federal workforce, and we know that there are many very hard working Federal employees who deserve to be treated in the public sector the same as they would be treated if they were in the private sector. So this bill today is, I think, a significant step toward improving the morale of our government employees and allowing them to know that the Federal Government, as an employer, will treat them in a similar manner to those employees in the private sector.

I know that the gentlewoman from Maryland has taken a very strong interest in this bill. She has many Federal employees within her district, and I know that she has studied this issue very carefully. It is very true, I think, that the use of these frequent flyer miles by our Federal agencies is sporadic at best. Many times they go unused. It seems to be certainly an appropriate benefit of employment to allow our Federal employees, many of whom get up early in the morning to make a flight to take care of Federal business, sometimes getting home late at night after a workday in some far off place. Those who make those sacrifices, who are away from their families, it seems to me it is entirely appropriate they receive some benefit for those extra hours that many of them spend on an airplane beyond the usual 8 hours and 40 hours that they work in a day or a week.

So I again commend the gentlewoman from Maryland for her leadership on this issue and certainly urge all the Members of the House to join in supporting H.R. 2456.

Mr. Speaker, I reserve the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume to thank the gentleman from Texas (Mr. TURNER) for his steadfast and committed work in the Committee on Government Reform, and thank him for the statement he made in support of this bill, which I think will be very helpful.

Mr. Speaker, as has been mentioned, very often when Federal employees are traveling, they are sacrificing the valuable time that they would spend with their family. By allowing them at least to use these frequent flyer miles when they are on government service, they could perhaps take their family, cumulatively with these miles, on a trip.

As I had mentioned earlier, the legislation has the support of the General Accounting Office, it has the support of the administration. I hope that we can put this legislation on President Bush's desk this year and show our Federal employees that we value their service.

I want to thank the Chairman of the Committee on Government Reform, the gentleman from Indiana (Mr. BURTON), and the ranking member, the gentleman from California (Mr. WAXMAN), for bringing this legislation to the floor, and all of the cosponsors.

Mr. BURTON of Indiana. Mr. Speaker, H.R. 2456 would allow Federal employees to keep frequent flyer miles they earn from official travel. This bill was approved unanimously by the Government Reform Committee last week. It will help Federal agencies compete with the private sector for hard-to-retain employees.

In 1994, we passed a law that said that Federal employees can't keep frequent flyer miles. The idea was to save money. We wanted Federal agencies to use these miles for official business. Unfortunately, it didn't work. Frequent flyer miles are going to waste at agencies across the government.

The problem is that, according to the airlines, frequent flyer miles can only be awarded to individuals. The airlines won't set up separate business accounts and personal accounts. So in most cases, the frequent flyer miles are being wasted. They're not being used by Federal agencies, and in most cases, they're not being used by Federal workers. This situation isn't benefiting anyone.

In the private sector, businesses let their employees keep frequent flyer miles. It's good employee relations. Business travel can be draining. Employees often have to travel on their own time. Letting employees keep their frequent flyer miles compensates them for lost time they could be spending with their families. It also helps companies hold on to their good employees. That's the approach the Federal government ought to take.

In a review done for the Committee, the General Accounting Office expressed their strong support for this legislation. According to the GAO, passage of this bill would boost employee morale and help the government attract and retain top-quality employees. The Bush Administration has also fully endorsed this legislation.

I would like to thank Congresswoman CONNIE MORELLA, an original cosponsor of the bill, for her hard work on this important legislation. I urge my colleagues to support it.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 27, 2001.

Hon. DAN BURTON,
Chairman, Committee on Government Reform, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2456, a bill to provide that federal employees may retain for personal use promotional items received as a result of travel taken in the course of employment.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Mark Grabowicz, who can be reached at 226–2860.

Sincerely,
BARRY B. ANDERSON
(For DAN L. CRIPPEN, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

H.R. 2456—A bill to provide that federal employees may retain for personal use promotional items received as a result of travel taken in the course of employment; As ordered reported by the House Committee on Government Reform on July 25, 2001.

H.R. 2456 would allow most civilian federal employees to use frequent flyer miles and other travel benefits that they earn through official travel for their own personal travel. Current law permits most federal employees to utilize such frequent travel programs only for official business. Because airlines award such benefits to the individual traveler rather than to the government however, the benefits of frequent travel programs are rarely applied to official trips and have little effect on federal travel costs, according to a recent report by the General Accounting Office. Thus, CBO estimates that implementing H.R. 2456 would have no significant impact on the federal budget.

H.R. 2456 would not affect direct spending or receipts, so pay-as-you-go procedures would not apply. The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Mark Grabowicz, who can be reached at 226–2860. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

Mrs. MORELLA. Mr. Speaker, I have no other requests for time, I urge adoption of this measure, and I yield back the balance of my time.

Mr. TURNER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Maryland (Mrs. MORELLA) that the House suspend the rules and pass the bill, H.R. 2456.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

SUPPORTING GOALS AND IDEALS OF NATIONAL ALCOHOL AND DRUG ADDICTION RECOVERY MONTH

Mrs. MORELLA. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 190) supporting the goals and ideals of National Alcohol and Drug Addiction Recovery Month.

The Clerk read as follows:

H. CON. RES. 190

Whereas 26,000,000 people in the United States are addicted to drugs or alcohol;

Whereas 85 percent of all crime in the United States is related to drug or alcohol addiction;

Whereas the taxpayers of the United States paid more than $150,000,000,000 in drug-related criminal and medical costs in 1997, which is more than they spent in that year on education, transportation, agriculture, energy, space exploration, and foreign aid combined;

Whereas each dollar invested in drug and alcohol treatment yields 7 dollars in savings from decreased health care costs, criminal justice costs, and work-related costs caused by absenteeism, injuries, and poor performance;

Whereas treatment for addiction is as effective as treatments for other chronic medical conditions, such as diabetes and high blood pressure;

Whereas adolescents who receive treatment for addiction report using less marijuana and alcohol and being involved in less criminal activity;

Whereas addiction treatment for adolescents also improves the school performance and psychological health of the adolescents;

Whereas a number of organizations and individuals dedicated to fighting addiction and promoting treatment and recovery will recognize September 2001 as National Alcohol and Drug Addiction Recovery Month;

Whereas the Center for Substance Abuse Treatment of the Substance Abuse and Mental Health Services Administration sponsors the celebration of National Alcohol and Drug

Addiction Recovery Month to encourage citizen action to help expand and improve the availability of effective addiction treatment;

Whereas National Alcohol and Drug Addiction Recovery Month celebrates the tremendous achievements of individuals who have undergone successful addiction treatment and recognizes those in the field of addiction treatment who have dedicated their lives to helping people recover from addiction; and

Whereas the 2001 national campaign for National Alcohol and Drug Addiction Recovery Month embraces the theme of "We Recover Together: Family, Friends and Community" and seeks to increase awareness about alcohol and drug addiction and promote treatment and recovery for the millions of Americans who need it: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress supports the goals and ideas of National Alcohol and Drug Addiction Recovery Month.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Maryland (Mrs. MORELLA) and the gentleman from Texas (Mr. TURNER) each will control 20 minutes.

The Chair recognizes the gentlewoman from Maryland (Mrs. MORELLA).

GENERAL LEAVE

Mrs. MORELLA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.Con.Res. 190, the concurrent resolution now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to have the House consider House Concurrent Resolution 190. It is important legislation introduced by our distinguished colleague, the gentleman from Minnesota (Mr. RAMSTAD). The resolution expresses congressional support for the goals and ideals of National Alcohol and Drug Addiction Recovery Month.

Mr. Speaker, over 26 million people in the United States are addicted to drugs or alcohol, and over 85 percent of all crimes are related to these two substances.

□ 1600

In fact, the preamble to the resolution notes that in 1997 American taxpayers spent more than $150 billion in drug-related criminal and medical costs. This is more than taxpayers spent that year on education, transportation, agriculture, energy, space exploration and foreign aid combined.

National Alcohol and Drug Addiction Recovery Month celebrates the tremendous achievements of individuals who have undergone successful addiction treatment. It also recognizes the tireless advocates who have dedicated their lives to helping people recover from addiction.

Treatment for addiction, which the resolution notes is as effective for treatment of other chronic medical conditions, such as diabetes and high blood pressure, deserve the support of all Americans.

Every dollar invested in drug and alcohol treatment yields $7 in savings as a result of decreased health care costs, criminal .justice costs, work-related costs caused by absenteeism, injuries, and poor performance. Treatment for adolescents improves their school performance and psychological health.

A number of organizations and individuals involved in fighting addiction will recognize September as National Alcohol and Drug Addiction Recovery Month. The Substance Abuse and Mental Health Services Administration's Center for Substance Abuse has recognized the importance of this activity. It sponsors this celebration to encourage citizen action to help expand and improve the availability of effective treatment for addiction.

The theme of this year's national campaign for National Alcohol and Drug Addiction Recovery Month is, and I quote, "We recover together: Family, friends and community."

Its objectives are to increase awareness and to promote treatment and recovery for the millions of Americans who need it. These are worthy goals, Mr. Speaker. I urge all Members to support the resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. TURNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Con. Res. 190, which expresses the support of the goals and ideas of National Alcohol and Drug Recovery Month.

This resolution is one that is very close to the heart of its sponsor, Mr. RAMSTAD, who I have heard speak on this floor before regarding his personal experiences and his deep conviction that drug treatment is critical to our society.

September is, of course, National Alcohol and Drug Addiction Recovery Month. It is an opportunity for us to share the powerful message that substance abuse treatment is effective and it reclaims lives. Providing effective treatment to those who need it is critical to breaking the cycle of drug addiction, violence, and despair and to helping addicted individuals to become productive members of our society.

September is the opportunity for all of us to recognize the tremendous strides taken by individuals who have undergone successful treatment and to salute those in the field who have dedicated their lives to helping people in need.

Substance abuse problems costs American businesses and industries millions of dollars every year. They have profound negative effects in the workplace. A study by the Substance Abuse and Mental Health Services Administration found that nearly 73 percent of all illegal drug users in the United States are employed, 6.7 million full time workers, 1.6 million part time workers.

Lost productivity, high employee turnover, low employee morale, mistakes and accidents, and increased workers' compensation insurance and health insurance premiums are all the results of untreated substance abuse problems in the workplace.

Recovery Month also highlights the benefits to be gained from corporate and small business workplace substance abuse referral programs.

H. Con. Res. 190 makes us aware that recovery from substance abuse is possible and that supporting treatment for addicted individuals increases productivity, improves morale, business success, and the quality of life for the addicted individual and their families.

Mr. Speaker, I reserve the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. RAMSTAD).

Mr. RAMSTAD. Mr. Speaker, I thank the gentlewoman for yielding time to me and for bringing this resolution to the floor so expediently and for her strong support of this resolution. I thank the gentleman from Texas (Mr. TURNER) for his support of this resolution as well as his kind words.

Mr. Speaker, 20 years ago tomorrow, July 31, 1981, I woke up from my last alcoholic blackout in a jail cell in Sioux Falls, South Dakota under arrest for disorderly conduct, resisting arrest and failure to vacate the premises. Today, on the eve of my twentieth anniversary as a grateful recovering alcoholic, I am alive and sober only because I had access to chemical dependency treatment.

My treatment experience at St. Mary's Hospital in Minneapolis, Minnesota started me on the road to recovery and gave me the tools to live a sober, healthy life these past 20 years.

But, Mr. Speaker, 26 million other Americans are not so fortunate. That is right. There are 26 million Americans, 26 million alcoholics and addicts in our country, and fewer than 5 percent of them are able to access treatment for their disease of addiction.

This disease, Mr. Speaker, is afflicting people of all ages. Among young people, teenagers, ages 12 to 17, an estimated 1.1 million young people are dependent on illicit drugs. Another 1 million teenagers are addicted to alcohol in this country. Last year alone, 3½ million drug addicts were denied access to treatment, according to the Office of National Drug Control Policy. That does not account for the staggering number of alcoholics who are unable to access treatment in the United States.

Alcoholism and other drug addictions are an epidemic in America that are not being adequately treated, an epidemic, Mr. Speaker, that killed 150,000

American people last year alone, and cost the American people $246 billion. That is according to the Family Research Council, which we all respect for the accuracy of their studies.

Mr. Speaker, back in 1956, the American Medical Association first declared that addiction is a disease. AMA declared alcoholism and drug addiction are a fatal disease if not treated. That means we alcoholics and addicts will ultimately die, either directly or indirectly, as a result of our dependency if our disease is not treated and recovery maintained.

The good news is that treatment works. According to all of the studies, treatment for alcoholism and other chemical addiction has the same recovery rate as for the disease of diabetes, the disease of hypertension, and the disease of adult asthma. In fact, treatment for addiction has a higher success rate than treatment for kidney disease and many forms of cancer.

All of us in Congress have heard former drug czar Barry McCaffrey tell us, "Chemical dependency treatment is more effective than cancer treatment, and it is a lot cheaper." It is well-documented, as the two previous speakers have mentioned, every dollar we spend for treatment saves $7 in health care costs, criminal justice costs, lost productivity from job absenteeism, injuries and below par work performance.

All of the empirical data also shows that health care costs alone are 100 percent higher for untreated addicts and alcoholics than for people like me who have been fortunate enough to go through treatment for chemical dependency. Chemical dependency treatment works and it is cost effective. Treatment not only saved my life, but it has saved millions of lives in the United States over the last several decades, restoring people to sanity and enabling them to lead healthy, productive lives.

I urge my colleagues to support this resolution commemorating National Alcohol and Drug Addicting Recovery Month. For years a number of organizations and people dedicated to addiction treatment and recovery have recognized September as National Alcohol and Drug Addiction Recovery Month. I particularly want to recognize the Center for Substance Abuse Treatment of the Substance Abuse and Mental Health Services Administration, which sponsors this celebration of National Alcohol and Drug Addiction Recovery Month each year.

There are many other important organizations, like the Alliance Project, the Johnson Institute, Hazelden Foundation and Recovery Works in my home State of Minnesota which do so much to encourage citizen action to help expand and improve the availability of effective addiction treatment.

This September, special attention will focus on the relationships impacted by addiction and recovery. The theme, as was mentioned, will be "We recover together: Family, friends and community." As any recovering person will tell you addiction is extremely destructive to family members. That is why they call it the family disease, and the support of our family and friends is invaluable as we travel the road to recovery.

Addiction is also destructive to communities. Eighty-two percent of the people locked up in American jails and prisons today are there because of drugs and/or alcohol. Increasing access to treatment for use, Mr. Speaker, is extremely critical. Despite the benefits of treatment, a significant gap exists between the number of adolescents who need chemical dependency treatment and those who actually receive such treatment.

According to a study done in Minnesota, a State that has led the Nation in treatment and prevention of addiction, only one-fourth, one out of four young people hooked on drugs and/or alcohol who need treatment actually receive it.

Celebrating Recovery Month also gives us an opportunity to recognize the tremendous strides taken by those who have undergone treatment, as well as the great accomplishments by professionals in the treatment field who dedicate their lives to helping others. By celebrating recovery, we celebrate the lives of millions of people and their families and friends in recovery today.

We also, Mr. Speaker, give hope to those still suffering from the ravages of chemical addiction. I urge all of my colleagues to support this important resolution, H. Con. Res. 190.

Mrs. MORELLA. Mr. Speaker, I reserve the balance of my time.

Mr. TURNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I commend the gentleman from Minnesota for sponsoring this resolution; and in particular, I know I am joined by every Member of this House in thanking him for standing on the floor and sharing with us his own personal experiences with this issue. I know it will be an inspiration to many who are struggling with this problem, and I join with my colleagues in thanking the gentleman to share his story and sponsor this resolution.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Minnesota (Mr. RAMSTAD) for his moving and inspiring statement, especially about his personal experiences. I also commend the gentleman for his 20th anniversary of freedom from chemical dependency, and thank him for introducing this resolution.

Mr. Speaker, I also want to commend the gentleman from Indiana (Mr. BURTON), the chairman of the Committee on Government Reform; the gentleman from Florida (Mr. SCARBOROUGH), chairman of the Subcommittee on Civil Service; the gentleman from California (Mr. WAXMAN), the ranking member of the full committee; and the gentleman from Illinois (Mr. DAVIS), the ranking member of the subcommittee, for expediting consideration of this important resolution.

Mr. Speaker, I urge all Members to support National Alcohol and Drug Addiction Recovery Month to encourage citizen action to help expand and improve the availability of effective treatment.

Mr. GILMAN. Mr. Speaker, I rise today in support of H. Con. Res. 190. By Mr. RAMSTAD a resolution supporting the goals and ideals of National Alcohol and Drug Addiction Recovery Month. I urge my colleagues to join in supporting this worthy legislation.

Regrettably Mr. Speaker, our society is in dire need of additional emphasis on alcohol and drug abuse education, and especially with regard to treatment. Alcohol is the third leading cause of preventable death in the nation, killing nearly 100,000 Americans each year. It has been estimated that approximately 14 million Americans suffer from alcohol related problems, including more than 8 million who are full alcoholics.

Drug abuse is a widespread problem affecting more than 9 million individuals. Recent years have shown disturbing trends in the use of heroin, various club drugs, and methamphetamine, especially among our younger populations. Moreover, the drugs available on the streets today are cheaper, purer and easier to acquire than at any previous point in our nation's history.

All told, it is estimated that 85% of all crime committed in our nation is somehow related to either drug or alcohol addiction. Furthermore, in 1997, U.S. taxpayers spent more than $150 billion in drug-related criminal and health care costs.

More troubling than the detrimental health effects for the individual alcoholic or addict, is the long term impact on the families, and especially the children, of alcoholics and drug abusers. Far too many children grow up in homes where one or both parents consume far too much alcohol, or use illicit drugs. These children are more likely to suffer abuse or neglect from their parents than their counterparts in homes were neither parent has a substance abuse problem. More troubling is the fact that these children have a higher risk of becoming alcoholics or addicts themselves when they reach adulthood.

We have made enormous progress in improving drug and alcohol awareness. Thanks to the tireless efforts of groups like the Alcoholism and Drug Abuse Council of Orange County, and of Mothers Against Drunk Driving, alcohol-related traffic fatalities have decreased considerably from thirty years ago.

Yet, we still have far to go. Far too many people do not view alcohol as a drug, and an alarming number of Americans do not realize that various alcoholic beverages contain different amounts of alcohol. A survey conducted in 1996 found that only 39% of Americans understood that a 12 ounce can of beer, a 5 ounce glass of wine, and a mixed drink with 1.5 ounces of distilled spirits contain the same amount of alcohol. This figure needs to be improved if we are to have any measurable level of success in raising alcohol awareness.

Moreover we also have far to go on the drug front as well. Recent years have seen a proliferation of efforts to create back doors to legalization. This phenomenon is best illustrated by the medical marijuana argument. However, on the whole, anti-drug efforts are seeing signs of finally working after eight years of neglect under the prior administration. A return to a balanced approach that attacks both the supply and demand side of the problem simultaneously has made a difference.

Drug treatment is an important component of demand reduction that has proven itself to be workable, but it requires enormous commitment on the part of both doctor and patient. This is especially true for those addicted to opiate narcotics and alcohol.

In closing Mr. Speaker, H. Con. Res. 190 is a good bill, with a laudable purpose. For that reason, I strongly support its passage, and urge my colleagues to do the same.

Mrs. MORELLA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PETRI). The question is on the motion offered by the gentlewoman from Maryland (Mrs. MORELLA) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 190.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mrs. MORELLA. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

☐ 1615

DISTRICT OF COLUMBIA COLLEGE ACCESS ACT TECHNICAL CORRECTIONS ACT OF 2001

Mrs. MORELLA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1499) to amend the District of Columbia College Access Act of 1999 to permit individuals who graduated from a secondary school prior to 1998 and individuals who enroll in an institution of higher education more than 3 years after graduating from a secondary school to participate in the tuition assistance programs under such Act, and for other purposes.

The Clerk read as follows:

H.R. 1499

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "District of Columbia College Access Act Technical Corrections Act of 2001".

SEC. 2. REVISIONS TO ELIGIBILITY REQUIREMENTS FOR TUITION ASSISTANCE UNDER DISTRICT OF COLUMBIA COLLEGE ACCESS ACT.

(a) PERMITTING CERTAIN INDIVIDUALS TO PARTICIPATE IN TUITION ASSISTANCE PROGRAM.—

(1) INDIVIDUALS GRADUATING FROM SECONDARY SCHOOL PRIOR TO 1998.—Section 3(c)(2)(B) of the District of Columbia College Access Act of 1999 (Public Law 106–98; 113 Stat. 1325) is amended by striking "on or after January 1, 1998".

(2) INDIVIDUALS ENROLLING MORE THAN 3 YEARS AFTER GRADUATING FROM SECONDARY SCHOOL.—Section 3(c)(2) of such Act (Public Law 106–98; 113 Stat. 1325) is amended by striking subparagraph (C).

(b) PROHIBITING PARTICIPATION OF FOREIGN NATIONALS.—Section 3(c)(2) of such Act (Public Law 106–98; 113 Stat. 1325), as amended by subsection (a)(2), is amended by inserting after subparagraph (B) the following:

"(C) meets the citizenship and immigration status requirements described in section 484(a)(5) of the Higher Education Act of 1965 (20 U.S.C. 1091(a)(5));".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

The SPEAKER pro tempore (Mr. PETRI). Pursuant to the rule, the gentlewoman from Maryland (Mrs. MORELLA) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentlewoman from Maryland (Mrs. MORELLA).

GENERAL LEAVE

Mrs. MORELLA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentlewoman from the District of Columbia (Ms. NORTON) introduced H.R. 1499 on April 4, 2001. The gentleman from Virginia (Mr. TOM DAVIS) and I were original cosponsors of the legislation. I want to thank the gentlewoman from the District of Columbia for her diligent work and commitment to the students of the District of Columbia both during the 1999 passage of the District of Columbia College Access Act and in the introduction of the bill before us. H.R. 1499 makes amendments to the District of Columbia's tuition assistance grant program that was authorized by the passage of the District of Columbia College Access Act.

The legislation under consideration would permit District of Columbia residents who graduated from secondary school prior to 1998, and also those who enroll in an institution of higher education more than 3 years after graduating from a secondary school, to participate in the tuition assistance program. The original act limited participation to those students who graduated from secondary school after January 1, 1998. This amendment would allow current college juniors and seniors to be eligible to receive the benefits of the College Access Act. Because the original 1999 act was passed with enough funding for the current juniors and seniors to participate in the program, there is sufficient money for this group of students to benefit from the provision.

The legislation removes the 3-year deadline for college admission after graduation from high school to be eligible for the program. This restriction prevented individuals who needed to work before entering a college program, or who had other plans, from participating. The amendment follows the policy that the U.S. Department of Education places on its scholarship program.

Finally, H.R. 1499 closes the loophole that permitted foreign nationals who live in the District of Columbia to receive grants through this program. The legislation requires that individuals meet the citizenship and immigration status requirement of the Higher Education Act of 1965.

Mr. Speaker, H.R. 1499 is an extremely important bill for the students of the District of Columbia and the citizens of our Nation's capital. As a matter of fairness, these students should have the same educational opportunities as students in our 50 States. Colleges and universities will commence their educational year in a month. I urge swift passage of this bill so that the other body can also act on H.R. 1499 expeditiously, enabling more District citizens to receive a high-quality, affordable college education.

In its 2-year existence, the District of Columbia tuition access program has helped 1,800 people pay for their higher education. We look forward to many more taking advantage of this wonderful opportunity.

Mr. Speaker, the people who will participate in this program to obtain higher education will become wage earners, taxpayers, productive members of our national community; and there may be some who will be interested in public service or in running for Congress.

Mr. Speaker, again I want to express my appreciation to the gentlewoman from the District of Columbia (Ms. NORTON), the ranking member on the Subcommittee on the District of Columbia, for her perseverance in correcting the College Access Act. I also want to recognize the former chair of the Subcommittee on the District of Columbia, the gentleman from Virginia (Mr. TOM DAVIS), for his support, guidance and commitment in bringing this bill to the floor.

Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, may I thank our Chair, the gentlewoman from Maryland (Mrs. MORELLA), for her work on this bill and for striving successfully to get it to the floor so quickly. I appreciate the work she has done and the work of her staff.

I rise today in strong support of H.R. 1499, the College Access Technical Corrections Act of 2001, a bill that would close a gap by allowing all D.C. residents who qualify to receive the valuable benefits of the College Access Act passed by the Congress in 1999. I want to thank the Chair of the Subcommittee on the District of Columbia, the gentlewoman from Maryland (Mrs. MORELLA), and the past Chair of the subcommittee, the gentleman from Virginia (Mr. TOM DAVIS), who are original cosponsors of this bill and particularly the gentleman from Virginia (Mr. TOM DAVIS), who was the sponsor of the original College Access Act and worked diligently in both Houses for its passage.

H.R. 1499 was passed unanimously in both the Subcommittee on the District of Columbia and the full Committee on Government Reform prior to coming to the floor today. It has the enthusiastic support of Mayor Williams and the council of the District of Columbia as well as, of course, of D.C. residents. Indeed, I want to thank the Congress for its strong support of the District of Columbia College Access Act in 1999. Residents have enthusiastically moved to take advantage of this opportunity.

The act is now responsible for nearly 2,000 D.C. students who are attending public colleges and universities nationwide at in-state rates or receiving a $2,500 stipend to private colleges and universities in the District and the region. It is impossible to overestimate the importance of this act to the District, which has only an open-admissions university and no State university system. A college degree is critical in the District of Columbia today, because this is a white collar and technology city and region with few factories or other opportunities for jobs that provide good wages.

The College Access Act has provided opportunities for D.C. residents to afford a public college education both here in the region and around the country. For the first time since the city was established 200 years ago this year, District residents have choices for a public college education routinely available to Americans in the 50 States.

H.R. 1499 would improve the College Access Act by removing two restrictions that have prevented some D.C. residents from qualifying for the in-state tuition and other benefits of the act. The first restriction is a requirement that only students who graduated from high school after January 1, 1998, qualify. The second restriction is language that provides that students who graduated from high school more than 3 years ago do not qualify. These two provisions were originally placed in the act because with no prior experience with this approach, Congress was not certain that the annual appropriation would be sufficient. Today, the District has demonstrated that the funds allocated are indeed sufficient to accommodate the current college seniors and some juniors as well as older students who are adversely affected by these restrictions. H.R. 1499 also closes a loophole that allows foreign nationals who live in the District to receive the benefits of the act, a result not intended by the sponsors of the original legislation.

We need to pass this bill now and get it to the Senate, because this year's college graduating class is among the residents who are affected. The D.C. tuition assistance grant office, which administers the college access program, is prepared to deliver funds to these seniors and also to the juniors who previously did not qualify. In addition, older students who did not qualify are eager to take advantage of the program in time for the next college year in September.

I urge my colleagues to support this bill that would go far toward affording to the residents of the Nation's capital opportunities that are equal to those provided throughout the United States.

Again, I would like to thank our Chair, the gentlewoman from Maryland (Mrs. MORELLA), and also the gentleman from Indiana (Mr. BURTON), chairman of the full Committee on Government Reform, who enabled this legislation to go before the full committee without hesitation and quickly to arrive on the floor today and the ranking member of the full committee, the gentleman from California (Mr. WAXMAN), who has been supportive throughout, for their work on the bill and for bringing this bill to the floor so quickly.

Mr. Speaker, I yield back the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Again, I want to thank the chairman of the full committee, the gentleman from Indiana (Mr. BURTON), and the ranking member, the gentleman from California (Mr. WAXMAN), and particularly to thank the gentlewoman from the District of Columbia (Ms. NORTON) for the leadership that she has provided both in the previous bill and in this bill, which is, I think, an improvement, and corrections act to the D.C. College Access Act. I also reiterate my appreciation to the gentleman from Virginia (Mr. TOM DAVIS) for getting us started on the D.C. access bill.

This seems to be an education afternoon, because we had the enactment of the National Mathematics and Science Partnerships Act, we had the enactment of the National Science Education Act, and now this District of Columbia College Access Act improvements. I think it says that for us in Congress we recognize the fact that more expensive than education is ignorance, and we have no room for ignorance in our country.

I urge passage of this legislation.

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today in support of H.R. 1499, the District of Columbia College Access Act Technical Corrections Act of 2001.

Two years ago, I introduced the D.C. College Access Act of 1999 along with my colleague, Delegate ELEANOR HOLMES NORTON. The Act allows recent high school graduates in D.C. to pay in-state tuition at public colleges in Maryland and Virginia. It also provides tuition assistance grants for students attending private colleges in the District, Maryland, or Virginia. Since D.C. is not a state, the thousands of high school seniors who graduated from city schools each year had to pay out-of-state tuition rates when attending any public college or university other than the University of the District of Columbia. College-bound students in each of the 50 states have a vast network of state-supported institutions to attend. The D.C. College Access Act of 1999 has leveled the playing field for eligible D.C. residents. It gives D.C. graduates more choices, and provides an incentive for more families to remain in the nation's capital.

Due to funding constraints, eligibility under the Act was limited. It was always our intention that all District of Columbia residents holding a secondary school diploma or the equivalent would eventually have access to this program. That is why I support H.R. 1499. The bill expands the application of the D.C. College Access Act of 1999 by opening the eligibility requirements to those individuals who graduated from secondary school prior to 1998 and also to individuals who enroll in an institution of higher education more than three years after graduating from a secondary school.

This bill ensures that a greater number of D.C. residents are eligible to receive tuition assistance thereby broadening their educational opportunities at the undergraduate level. Therefore, I urge all of my colleagues to join me in supporting H.R. 1499.

Mrs. MORELLA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Maryland (Mrs. MORELLA) that the House suspend the rules and pass the bill, H.R. 1499.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 5:15 p.m.

Accordingly (at 4 o'clock and 29 minutes p.m.), the House stood in recess until approximately 5:15 p.m.

□ 1800

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. OSE) at 6 p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today.

Votes will be taken in the following order.

House Resolution 212, by the yeas and nays;

House Resolution 191, by the yeas and nays; and

House Concurrent Resolution 190, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

EXPRESSING SENSE OF HOUSE THAT WORLD CONFERENCE AGAINST RACISM PRESENTS UNIQUE OPPORTUNITY TO ADDRESS GLOBAL DISCRIMINATION

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 212, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. BALLENGER) that the House suspend the rules and agree to the resolution, H. Res. 212, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 408, nays 3, answered "present" 3, not voting 19, as follows:

[Roll No. 290]

YEAS—408

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Bachus
Baird
Baldacci
Baldwin
Ballenger
Barcia
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stearns
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—3

Conyers
McKinney
Paul

ANSWERED "PRESENT"—3

Barr
Carson (IN)
Johnson, E.B.

NOT VOTING—19

Baca
Baker
Cubin
DeGette
Goode
Hansen
Hefley
Jefferson
Kleczka
Lipinski
Mollohan
Rivers
Schaffer
Snyder
Spence
Stark
Stenholm
Udall (CO)
Waters

□ 1825

Mr. SOUDER changed his vote from "nay" to "yea."

Ms. KILPATRICK changed her vote from "present" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. OSE). Pursuant to the provisions of clause 8 of rule XX, the Chair announces that he will reduce to 5 minutes the minimum time for electronic voting on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

SENSE OF HOUSE THAT U.N. SHOULD TRANSFER UNCENSORED VIDEOTAPE TO ISRAELI GOVERNMENT REGARDING HEZBOLLAH ABDUCTION OF THREE ISRAELI DEFENSE SOLDIERS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 191.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. BALLENGER) that the House suspend the rules and agree to the resolution, H. Res. 191, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 411, nays 4, answered "present" 1, not voting 17, as follows:

[Roll No. 291]

YEAS—411

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer.
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stearns
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—4

Conyers
Dingell
Paul
Rahall

ANSWERED "PRESENT"—1

Barr

NOT VOTING—17

Baca
Cubin
DeGette
Goode
Greenwood
Hansen
Hefley
Jefferson
Lipinski
Rohrabacher
Schaffer
Snyder
Spence
Stark
Stenholm
Udall (CO)
Waters

☐ 1834

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SUPPORTING GOALS AND IDEALS OF NATIONAL ALCOHOL AND DRUG ADDICTION RECOVERY MONTH

The SPEAKER pro tempore (Mr. OSE). The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 190.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Maryland (Mrs. MORELLA) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 190, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 418, nays 0, not voting 15, as follows:

[Roll No. 292]

YEAS—418

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon

McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—15

Baca
Berkley
Cox
DeGette
Fattah
Goode
Hansen
Hefley
Jefferson
Lipinski
Schaffer
Snyder
Spence
Stark
Udall (CO)

☐ 1844

So, (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced a above recorded.

A motion to reconsider was laid on the table.

☐ 1845

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2647, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002

Ms. PRYCE of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 107–171) on the resolution (H. Res. 213) providing for consideration of the bill (H.R. 2647) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2002, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2505, HUMAN CLONING PROHIBITION ACT OF 2001

Ms. PRYCE of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 107–172) on the resolution (H. Res. 214) providing for consideration of the bill (H.R. 2505) to amend title 18, United States Code, to prohibit human cloning, which was referred to the House Calendar and ordered to be printed.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002

The SPEAKER pro tempore (Mr. OSE). Pursuant to House Resolution 210 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2620.

☐ 1846

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations and offices for the fiscal year ending September 30, 2002, and for other purposes, with Mr. SHIMKUS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole House rose on Friday, July 27, 2001, amendment No. 46 offered by the gentleman from New Jersey (Mr. MENENDEZ) had been disposed of and the bill was open for amendment from page 33 line 5 through page 37 line 9.

Are there any amendments to this portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

HOMELESS ASSISTANCE GRANTS

(INCLUDING TRANSFER OF FUNDS)

For the emergency shelter grants program as authorized under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act, as amended; the supportive housing program as authorized under subtitle C of title IV of such Act; the section 8 moderate rehabilitation single room occupancy program as authorized under the United States Housing Act of 1937, as amended, to assist homeless individuals pursuant to section 441 of the McKinney-Vento Homeless Assistance Act; and the shelter plus care program as authorized under subtitle F of title IV of such Act, $1,027,745,000, to remain available until September 30, 2003: *Provided*, That not less than 35 percent of these funds shall be used for permanent housing, and all funding for services must be matched by 25 percent in funding by each grantee: *Provided further*, That all awards of assistance under this heading shall be required to coordinate and integrate homeless programs with other mainstream health, social services, and employment programs for which homeless populations may be eligible, including Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health and Substance Abuse Block Grant, Workforce Investment Act, and the Welfare-to-Work grant program: *Provided further*, That no less than $14,200,000 of the funds appropriated under this heading is transferred to the Working Capital Fund to be used for technical assistance for management information systems and to develop an automated, client-level Annual Performance Report System: *Provided further*, That $500,000 shall be made available to the Interagency Council on the Homeless for administrative needs.

HOUSING PROGRAMS

HOUSING FOR SPECIAL POPULATIONS

(INCLUDING TRANSFER OF FUNDS)

For assistance for the purchase, construction, acquisition, or development of additional public and subsidized housing units for low income families not otherwise provided for, $1,024,151,000, to remain available until September 30, 2003: *Provided*, That $783,286,000 shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance for the elderly under such section 202(c)(2), including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a one-year term, and for supportive services associated with the housing, of which amount $49,890,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects, and of which amount $49,890,000 shall be for grants under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q–2) for conversion of eligible projects under such section to assisted living or related use: *Provided further*, That of the amount under this heading, $240,865,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, for project rental assistance for supportive housing for persons with disabilities under such section 811(d)(2), including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a one-year term, and for supportive services associated with the housing for persons with disabilities as authorized by section 811 of such Act, and for tenant-based rental assistance contracts entered into pursuant to section 811 of such Act: *Provided further*, That no less than $1,000,000, to be divided evenly between the appropriations for the section 202 and section 811 programs, shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That, in addition to amounts made available for renewal of tenant-based rental assistance contracts pursuant to the second proviso of this paragraph, the Secretary may designate up to 25 percent of the amounts earmarked under this paragraph for section 811 of such Act for tenant-based assistance, as authorized under that section, including such authority as may be waived under the next proviso, which assistance is five years in duration: *Provided further*, That the Secretary may waive any provision of such section 202 and such section 811 (including the provisions governing the terms and conditions of project rental assistance and tenant-based assistance) that the Secretary determines is not necessary to achieve the objectives of these programs, or that otherwise impedes the ability to develop, operate, or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate.

FLEXIBLE SUBSIDY FUND

(TRANSFER OF FUNDS)

From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 2001, and any collections made during fiscal year 2002, shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act, as amended.

MANUFACTURED HOUSING FEES TRUST FUND

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended (42 U.S.C. 5401 et seq.), $13,566,000, to remain available until expended, to be derived from the Manufactured Housing Fees Trust Fund: *Provided*, That the total amount appropriated under this heading shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund pursuant to section 620 of such Act: *Provided further*, That the amount made available under this heading from the general fund shall be reduced as such collections are received during fiscal year 2002 so as to result in a final fiscal year 2002 appropriation from the general fund estimated at not more than $0 and fees pursuant to such section 620 shall be modified as necessary to ensure such a final fiscal year 2002 appropriation.

FEDERAL HOUSING ADMINISTRATION

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 2002, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of $160,000,000,000.

During fiscal year 2002, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed $250,000,000: *Provided*, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund.

For administrative expenses necessary to carry out the guaranteed and direct loan program, $330,888,000, of which not to exceed $326,866,000 shall be transferred to the appropriation for "Salaries and expenses"; and not to exceed $4,022,000 shall be transferred to the appropriation for "Office of Inspector General". In addition, for administrative contract expenses, $145,000,000, of which not less than $96,500,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems.

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z–3 and 1735c), including the cost of loan guarantee modifications as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended, $15,000,000, to remain available until expended: *Provided*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, of up to $21,000,000,000: *Provided further*, That any amounts made available in any prior appropriations Act for the cost (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guaranteed loans that are obligations of the funds established under section 238 or 519 of the National Housing Act that have not been obligated or that are deobligated shall be available to the Secretary of Housing and Urban Development in connection with the making of such guarantees and shall remain available until expended, notwithstanding the expiration of any period of availability otherwise applicable to such amounts.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed $50,000,000, of which not to exceed $30,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed $20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, $211,455,000, of which $193,134,000, shall be transferred to the appropriation for "Salaries and expenses"; and of which $18,321,000 shall be transferred to the appropriation for "Office of Inspector General". In addition, for administrative contract expenses necessary to carry out the guaranteed and direct loan programs, $139,000,000, of which no less than $33,500,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA)

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed $200,000,000,000, to remain available until September 30, 2003.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, $9,383,000 to be derived from the GNMA guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed $9,383,000 shall be transferred to the appropriation for "Salaries and expenses".

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z–1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, $46,900,000, to remain available until September 30, 2003: *Provided*, That, $1,500,000 shall be for necessary expenses of the Millennial Housing Commission, as authorized by section 206 of Public Law 106–74: *Provided further*, That of the total amount provided under this heading, $7,500,000 shall be for the Partnership for Advancing Technology in Housing (PATH) Initiative.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, $45,899,000, to remain available until September 30, 2003, of which $19,449,000 shall be to carry out activities pursuant to such section 561: *Provided*, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan.

OFFICE OF LEAD HAZARD CONTROL

LEAD HAZARD REDUCTION

For the Lead Hazard Reduction Program, as authorized by sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992, $109,758,000 to remain available until September 30, 2003, of which $10,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related environmental childhood diseases and hazards.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed $7,000 for official reception and representation expenses, $1,086,800,000, of which $520,000,000 shall be provided from the various funds of the Federal Housing Administration, $9,383,000 shall be provided from funds of the Government National Mortgage Association, $1,000,000 shall be provided from the "Community development fund" account, $150,000 shall be provided by transfer from the "Title VI Indian federal guarantees program" account, and $200,000 shall be provided by transfer from the "Indian housing loan guarantee fund program" account: *Provided*, That no less than $85,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of Information Technology Systems: *Provided further*, That the Secretary shall fill 7 out of 10 vacancies at the GS–14 and GS–15 levels until the total number of GS–14 and GS–15 positions in the Department has been reduced from the number of GS–14 and GS–15 positions on the date of enactment of Public Law 106–377 by two and one-half percent: *Provided further*, That the Secretary shall submit a staffing plan for the Department by November 1, 2001.

AMENDMENT NO. 42 OFFERED BY MR. WELDON OF PENNSYLVANIA

Mr. WELDON of Pennsylvania. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 42 offered by Mr. WELDON of Pennsylvania:

Page 47, line 10, after the first dollar amount insert the following: "(reduced by $50,000,000)".

Page 72, line 5, after the dollar amount insert the following: "(increased by $50,000,000)".

The CHAIRMAN. The gentleman from Pennsylvania (Mr. WELDON) is recognized for 10 minutes in support of his amendment.

Does the gentleman from Maryland (Mr. HOYER) claim the time in opposition?

Mr. HOYER. Mr. Chairman, I am not in opposition. I do not know that there is going to be opposition to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. WELDON), and then the gentleman from Maryland will have the right to claim the time.

Mr. WELDON of Pennsylvania. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I offer this amendment on behalf of myself, the gentleman from Maryland (Mr. HOYER), the gentleman from Indiana (Mr. BURTON), the gentleman from New Jersey (Mr. ANDREWS), the gentleman from New Jersey (Mr. PASCRELL), and the gentleman from New York (Mr. GILMAN). I offer this amendment in full support and adulation for the chairman and ranking members of the subcommittee, recognizing their ongoing cooperation in this effort. And I offer this in complete support of the full committee chairman, the gentleman from Florida (Mr. YOUNG), without whose efforts last year would not allow us to be here today.

Mr. Chairman, the number is 102, and the number in 1999 was 112. That was the number of U.S. citizens, most of them volunteers, who were killed in the line of duty in protecting our towns. If we lost that many soldiers, it would be a national scandal. If we lost that many teachers, it would be a national disgrace. Yet every year, on average, America loses over 100 men and women who are simply protecting their towns.

Last year, for the first time, with the leadership of the good chairman of the committee, the gentleman from Florida (Mr. YOUNG), we appropriated $100 million on the competitive grant program to help our Nation's 32,000 fire and EMS departments leverage their money to help them better train and better equip themselves.

The response was overwhelming. Thirty thousand applications came in within 1 month. Twenty thousand individual fire and EMS departments in every district in America applied. And now it is time for us to increase that funding.

Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. YOUNG), chairman of the House Committee on Appropriations, without whose efforts this would not have happened.

Mr. YOUNG of Florida. Mr. Chairman, I rise to thank the gentleman from Pennsylvania (Mr. WELDON) for his determined dedication to this issue of providing support for those men and women who serve on the front line in guaranteeing the safety and security of our communities, along with police officers. Without our firefighters, I am not sure where we would be going as a Nation or as a community.

I would say the gentleman was very kind in his remarks directed to this chairman, but I must tell my colleagues that he, in fact, is the most dedicated, most persistent, most determined Member of this House to see that this type of assistance is made available for those brave men and women who do support the security of our Nation in fighting the fires, protecting our properties, and protecting our lives.

Again, I would say thanks to him for the determination and the strong effort that he has made in this respect.

Mr. MOLLOHAN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from West Virginia (Mr. MOLLOHAN) is recognized for 10 minutes.

Mr. MOLLOHAN. Mr. Chairman, I am in no way in opposition to this account being funded at the amount designated in the amendment, $150 million, however, there is a better place to do that; and we will certainly, at that time, look as favorably as we can upon the request.

Mr. Chairman, I yield the balance of my time to the gentleman from Maryland (Mr. HOYER).

The CHAIRMAN. Without objection, the gentleman from Maryland (Mr. HOYER) will control the balance of the time.

There was no objection.

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume, and I rise in support of the Weldon amendment.

The Weldon amendment is carrying out what I think is a very worthwhile and important objective. It would increase the $100 million provided in the bill for the fire grant program by $50 million.

Before I speak on the substance, I want to thank the chairman and ranking members of the subcommittee, the gentleman from New York (Mr. WALSH) and the gentleman from West Virginia (Mr. MOLLOHAN). As the ranking member of the Subcommittee on Treasury, Postal Service and General Government of the Committee on Appropriations, I understand the constraints they are under. I also understand their support of this program.

I want to thank the gentleman from New Jersey (Mr. PASCRELL), the gentleman from Pennsylvania (Mr. WELDON), the gentleman from New Jersey (Mr. ANDREWS), the gentlewoman from Missouri (Mrs. EMERSON), and the gentleman from Michigan (Mr. SMITH), as well as so many others who have been supportive, and I want to thank the chairman of the full committee, the gentleman from Florida (Mr. YOUNG), for rising to speak on behalf of this amendment. All of them have been tireless in their support of this program.

The response, Mr. Chairman, from the fire services to the Fire Act, which authorized $300 million and to which we appropriated $100 million last year, has been nothing short of astonishing and has exceeded everyone's expectations. In this first year of the program, the U.S. fire administration received over 30,000 requests from local departments, totaling more than $3 billion.

To put this in perspective, there are 32,000 departments in this country. Our first responders respond to fire, flood, hurricane, and other crises. In the first year, the departments were limited to applying for only 6 of the authorized 14 categories. That gives us, I think, Mr. Chairman, a sense of the need that is out there that fire departments throughout this country have.

The $100 million in this bill is insufficient. The chairman and the ranking member know that. Hopefully, in conference, we will be able to get that figure up to the figure that the gentleman from Pennsylvania seeks and, indeed, if there are additional funds, they would be warranted as well.

Mr. Chairman, I reserve the balance of my time.

Mr. WELDON of Pennsylvania. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. GILMAN), a cosponsor of this amendment and one who has been a real leader in this effort.

Mr. GILMAN. Mr. Chairman, I am pleased to rise in support of the amendment offered by the gentleman from Pennsylvania (Mr. WELDON), which I was pleased to cosponsor. I also thank the chairman of the full committee, the gentleman from Florida (Mr. YOUNG); the gentleman from Maryland (Mr. HOYER); the gentleman from Indiana (Mr. BURTON); the gentleman from New Jersey (Mr. ANDREWS) and the gentleman from New Jersey (Mr. PASCRELL) for their support.

The Weldon amendment allocates an additional $50 million in funding for the Firefighters Assistance Grant Program, which is one of our Nation's most vitally important programs. In fiscal year 2001, approximately two out of three fire departments in our Nation applied for funds, totaling nearly $3 billion in requests. Regrettably, the majority of those requests could not be granted because funding for the program was not sufficient to meet the overwhelming demands of our Nation's fire departments.

As the popularity of this program increases, it falls upon all of us in the Congress to meet the demand with adequate funding. We must make sure our Nation's firefighters have the resources to perform their dedicated work in our communities, saving lives and property.

Accordingly, I urge our colleagues to show their support for our Nation's firefighters by voting in support of the Weldon firefighter amendment.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. PASCRELL), who has been such a hard fighter on behalf of this program for the firefighters and first responders of our Nation.

Mr. PASCRELL. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in support of the Weldon amendment to increase funding for the Firefighters Assistance Grant Program.

There are a million firefighters in America, one million, and 32,000 fire departments. The number of applications for the first year is just overwhelming. This is a replica of the COPS program, which proved to be so successful. And I want to congratulate folks from both sides of the aisle. The amount of applications is an indication, Mr. Chairman, of how serious the need is in our Nation's fire departments.

I totally support this amendment. We are all going to be hearing from the fire departments in our own districts, because there is only so much money to go around for so many applications.

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Mr. WELDON of Pennsylvania. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Michigan (Mr. SMITH), who is a senior member of the Committee on Science and who has been an advocate for the fire service.

Mr. SMITH of Michigan. Mr. Chairman, as chairman of the committee that oversees the Federal Fire Administration, I would like to suggest that it is about time we really started helping communities across America by helping firemen.

Today in the United States there are over 1 million fire fighters and 77 percent are volunteers. If we had to pay all of these volunteers, we would be spending billions of dollars more in property tax coming out of taxpayers' pockets.

Last year I worked with the gentleman from Pennsylvania (Mr. WELDON) and others to get $100 million into this program. This amendment is going to increase that by $50 million to $150 million.

I think it is important to mention that in 1999 there were 45,000 fire fighters injured and 112 fire fighters killed in duty-related incidents. These men and women are American heroes. They are truly our first responders. They are the ones that are at the scene when there is natural disasters. They are the ones at the scene when there is shootings in school, chemical spills, terrorism, looking for lost kids, or getting the kitten out of a tree.

We give billions of dollars to law enforcement in this country. It is time we gave a few dollars to help local communities and help the first responders of this Nation.

This amendment would increase the funding allocation to help local fire departments hire new firefighters, purchase new safety equipment, and provide improved training.

These men and women are American heroes. They are truly first responders. They are part of national security.

Mr. Chairman, this seems to me to be an easy choice to make. Either we fund more bureaucracy or fund more help for firefighters. The increased funding for the fire grants program could be used for new equipment to fight fires, new training so that our firefighters are brought up to speed on the latest firefighting techniques, advanced safety equipment that can help prevent firefighter injury or death. This type of support is especially critical for volunteer fire departments that often must supplement their sources of funding with bake sales and the like.

Despite the risks, the million men and women of the fire services continue to guard against fires, accidents, disasters, and terrorism. We in this body must continue to get them the support they need.

It may come as a surprise to many of the people viewing tonight, but the United States has one of the highest fire death rates in the industrialized world at 13.1 deaths per million population. In 1999, 3,570 Americans lost their lives and another 21,875 were injured as the result of fire—more Americans than were killed in all natural disasters combined. The National Safety Council ranks fires as the fifth leading cause of accidental deaths, behind only vehicle accidents, falls, poisonings, and drownings.

The total cost of fire to society is staggering—estimated over $100 billion per year. This includes the cost of adding fire protection to buildings, the cost of paid fire departments, the equivalent cost of volunteer fire departments ($20 billion annually), the cost of insurance overhead, the direct cost of fire-related losses, the medical cost of fire injuries, and other direct and indirect costs. Direct property losses due to fire was estimated at $10 billion in 1999.

The top three causes of fires in the U.S. are smoking (22 percent), incendiary and suspicious (or arson) (21 percent), and heating (11 percent). The leading cause of injuries is cooking (22 percent), followed by arson (13 percent), and children playing (11 percent).

On the front lines, protecting the public from fire, are the Nation's over one million firefighters, three-quarters of whom serve as volunteers. Every day, these men and women place their lives on the line to protect their neighbors. Every 17.3 seconds, a firefighter in this country responds to a fire.

In my State of Michigan volunteer firefighters are very important. Between 1995–2000, eleven Michigan firefighters—both volunteer and professional—lost their lives fighting fires.

Last year alone, four Michigan firefighters lost their lives—Ronald Haner of Portage, David Maisano of Mio, David Sutton of Fraser, and Gail VanAuken of Holland. Firefighter Sutton was killed by an arsonist who ignited combustibles on the first and second floors of a Fraser apartment building. Mr. Sutton had sought to save a resident of that apartment building, who was trapped on the second floor, and was also killed by that fire. This fire was one of six arson fires that occurred in the same general area over a two day period of last year.

For their bravery and sacrifice, we owe first responders and their families a debt of gratitude. Our Nation's founders were deeply committed to the idea that the individual had an obligation to serve the community and the country. Those who serve as first responders exemplify these ideals every day.

It is unfortunate that today many now consider duty and honor relics of a bygone age. While our society lavishes praise on athletes and rock stars, we tend to forget about those who stand ready at a moment's notice to risk their lives to keep our communities safe. It is only after disaster strikes that we appreciate fully the contributions they make.

They have kept faith with us, and we in this body must continue to keep faith with them by getting them the support they need. As chairman of the Subcommittee on Research, which has jurisdiction over the U.S. Fire Administration, I am pleased that last year we were able to pass legislation reauthorizing USFA. This legislation is helping get USFA back on the right track so that it can provide the training and research our firefighters need.

In addition, last year, many of us worked to get more help to firefighters. These efforts led to the passage of unprecedented legislation to benefit America's fire service, much of which was reflected in my Help Emergency Responders Operate—HERO—Act.

This type of support is particularly important to volunteer fire departments that often do not have adequate funding. Many volunteer departments have to supplement their local funding with bake sales and other activities just to keep themselves afloat.

The VA/HUD appropriations bill for fiscal year 2002 provides another $100 million for this purpose. Like the gentleman from Pennsylvania, I was hoping that we can increase that amount to $150 million, and I am still hopeful that we can get some more funding as the bill moves through conference. Remember that each year fire results in $10 billion in property loss and more than 3,500 deaths in the U.S. I have also cosponsored legislation offered by the gentleman from Connecticut, Mr. LARSON, that would set up special tax-free retirement accounts, similar to IRA's, for volunteer firefighters.

Increasingly, we are asking firefighters to take on expanded responsibilities—to respond to terrorist attacks or to help stem environmental disasters, for example. It is important that as we ask them to take on more, we stay committed to insuring we support them as best we can.

I thank the gentleman for his efforts on behalf of firefighters and thank him for bringing this issue before the House tonight. I urge my colleagues to support this amendemnt.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, I thank my friend and colleague, the distinguished gentleman from Maryland (Mr. HOYER), and thank him for all he has done for the fire fighters of the State of Maryland and of the District of Columbia. I have witnessed firsthand what he has done to beef up the capability of fire stations, not just within these two jurisdictions, but across the country. I thank the gentleman from Pennsylvania (Mr. WELDON), the head of the Fire Caucus.

The fact is that fire fighters today do so much more than fight fires. They respond to medical emergencies, crises, catastrophes. They are the first line of defense when we have emergencies that occur across the country. So I support the intent of this amendment very strongly.

I do have some reticence about the fact that it would be taken from salaries and expenses in HUD, as I know the gentleman from Maryland (Mr. HOYER) and the gentleman from Pennsylvania (Mr. WELDON) do. But I suspect that when we sit down with the Senate, that the fire fighters will be recipients of the kind of financial support and political support that they need and deserve.

Mr. WELDON of Pennsylvania. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. GRUCCI), one of our freshmen Members who was a leader of the fire service in Brookhaven in Long Island.

Mr. GRUCCI. Mr. Chairman, I rise today in support of the Weldon amendment, which would increase the Fire Assistance Grant Program by $50 million.

Last Monday it was my honor to announce the awarding of a Federal grant to the Davis Park Fire Department in my district. This grant was one of only 108 that were awarded to the fire departments across this country under FEMA's Fire Assistance Grant Program.

The Davis Park Fire Department along with nearly 20,000 other fire companies applied for grants. That is almost two-thirds of all fire companies in America. In the coming months, more than $100 million in grants will be rewarded to fire companies for vehicles, fire prevention programs, equipment and training.

The Davis Park Fire Department will use its $30,000 in funds to train its fire fighters in the most recent fire fighting and rescue techniques. When I spoke with the department's chief, he expressed his excitement over how the grant would help to strengthen the safety of not just the citizens of Davis Park, but also the brave men and women who serve them.

By supporting the Weldon amendment we can guarantee that fire departments, like Davis Park, will be able to benefit from this vital program next year.

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By supporting the Weldon amendment we can guarantee that Fire Departments like the Davis Park will be able to benefit from this vital program next year. In doing so we can increase the safety of countless communities throughout our nation.

I call upon all of my colleagues to join me in providing our nations local fire departments with the opportunity to improve the quality of both services they offer and safety standards under which they serve.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. ANDREWS), one of the cochairs of the Fire Service Caucus who does an outstanding job on behalf of the fire fighters of America.

Mr. ANDREWS. Mr. Chairman, I rise in strong support of the amendment.

In the new century the front line of America's defense is not the battlefields of Europe or the high seas around the globe or even the skies above us. The front line is the domestic battle against terrorism.

The first line of defense in that battle is the fire fighters, EMS, and public safety personnel of our country. They certainly deserve the amount that is suggested by this amendment.

Mr. Chairman, I would like to thank the gentleman from New York (Mr. WALSH) and the gentleman from West Virginia (Mr. MOLLOHAN) for making sure that $100 million is already in this bill.

I know we can all work together in the conference with the other body to try to increase that amount to $150 million by trying to find the appropriate place in the bill from which the money may be taken.

We are going to spend $300 billion on defending this country by the Armed Services this year. I support that. This is a small fraction and an important element of our fight or national defense. I enthusiastically support this amendment. I thank its authors.

Mr. WELDON of Pennsylvania. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. MURTHA), one of the champions of our national security and one of the champions of the fire service in America, who along with the gentleman from Florida (Mr. YOUNG) and the gentleman from New York (Mr. WALSH) has been there, along with the gentleman from West Virginia (Mr. MOLLOHAN).

Mr. MURTHA. Mr. Chairman, this is the first time I have ever spoken on an amendment which I am not sure is going any place, but I will say this: I can remember when it was first introduced they were talking about $1 billion. Most people thought there would not be that kind of a need or application. But in my district this has been one of the most popular things we have done in this Congress.

We are having trouble getting volunteers. They are having trouble getting equipment. So this is the type of thing we will have to get involved in. I predict that in the end there will be a lot more money in this program. It is going to be just like defense. It is going to increase more and more. So I support the program and enthusiastically endorse what the gentleman from Pennsylvania (Mr. WELDON) and the gentleman from New Jersey (Mr. PASCRELL) are trying to do.

Mr. HOYER. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from Maryland (Mr. HOYER) has 4½ minutes remaining. The gentleman from Pennsylvania (Mr. WELDON) has 4 minutes remaining.

Mr. HOYER. Mr. Chairman, I reserve the balance of my time.

Mr. WELDON of Pennsylvania. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, the group of people we are talking about are our domestic defenders. People ask why we should fund the fire service, are we trying to federalize the Nation's fire service? The answer is absolutely no. But in today's climate we are asking these domestic defenders to deal more with weapons of mass destruction and terrorist incidents.

In fact, for every major disaster in America, floods, tornadoes, earthquakes, they are the first responder. It is not the FEMA bureaucrat, it is not the National Guard, it is not the Marine Corps CBIRF teams, it is the men and women of the American Fire Service.

We have responsibility to help them. We spend over $300 billion on our international defenders, and I support that and more. We spend $4 billion a year on our police officers, and I support that. Imagine asking our police officers to go out and have a chicken dinner or tag day to raise the funds to buy their police car or their crime incident vehicle.

Every day across this country our paid and volunteer fire EMS people are asked to do more with less. This is a small effort for us to assist them, to give them seed money, to help them use their very limited dollars to help leverage that money to buy the equipment they need.

Is this program a success? The first round of grants are now going out. Let me read just one. The smallest grant award to date was $757 to buy a smoke machine for training fire fighters in the Paisley Volunteer Fire Department in southeastern Oregon. That may save one life, and if we save one life out of those hundreds that are killed each year, it is well worth the funding.

Mr. Chairman, I want to thank my colleagues for working together on this effort. It would not have happened without the bipartisan support of the gentleman from Maryland (Mr. HOYER), the gentleman from New Jersey (Mr. PASCRELL), the gentleman from New Jersey (Mr. ANDREWS), the gentleman from Pennsylvania (Mr. MURTHA), along with the gentleman from Florida (Mr. YOUNG), the gentleman from New York (Mr. WALSH), and all of the others who have spoken, are the reason we are here today.

Mr. Chairman, to our fire and EMS leaders, we are only just beginning. I thank my colleagues and ask them to support this amendment.

Mr. HOYER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, this amendment is going to take a short time, and this amendment is going to be I think withdrawn. It is going to be withdrawn because we understand that we ought not to take $50 million out of the salary and expense money of HUD. HUD needs that money.

Mr. Chairman, I rise really to say that this committee's 302(b) allocation is insufficient to meet the unbelievable demands that it confronts. I think the chairman and ranking member are going to say that in just a minute. But I empathize with that because this is a critical need. We have talked about the need being manifested in the grant applications that have been submitted: Over $3 billion with $100 million available. Those grant applications are not for some objective which somebody would make fun of.

We talk about fires, and that is what we think about our fire service and emergency response teams as doing; but we have also talked about natural disasters. There are also unnatural disasters; for instance, automobile accidents. The first people usually on the scene are the fire service and/or the EMS, emergency medical service. They are there. They need equipment and training. That means more lives saved.

Just as it has been said that we spend a lot of money on people that we send overseas to defend our security, that is why the gentleman from Pennsylvania (Mr. WELDON) and I and others on this floor refer to our fire service and EMS personnel as our domestic defenders; because, indeed, they are the persons, along with our police department, that we ask to defend us here at home to make sure that we not only have law and order, but that we have security at time of crisis, whether it is natural disaster or fire or accident or some other calamity.

Mr. Chairman, the fire service was one of the first on the scene when Timothy McVeigh set that awful explosion that killed 168 people. They were there in that building climbing those stairs bringing children out, bringing women and visitors from that building.

They take risks every day, and we lose on an average one every 3 days in America. It is important, and I think America believes it to be a priority, that we give to them the training, the equipment, so that they cannot only respond effectively to save our lives, but they can do so in the safest possible manner that we can give to them.

In conclusion, let me thank the gentleman from New York (Mr. WALSH) and the gentleman from West Virginia (Mr. MOLLOHAN). I know that they care deeply about this program and I know the constraints on them. The good news is when we go to conference I hope we can get to this number.

Mr. WELDON of Pennsylvania. Mr. Chairman, I yield myself 2 minutes to enter into a colloquy with the gentleman from New York (Mr. WALSH) and with the gentleman from West Virginia (Mr. MOLLOHAN).

Mr. Chairman, first of all, I thank the gentleman from New York for his leadership last year, and ask the gentleman if he can work with us in conference to help move toward this goal?

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentleman from New York.

Mr. WALSH. Mr. Chairman, this is as good an idea that has come along in a long time. It has broad support. Mr. Chairman, the gentleman from Pennsylvania is as consistent as Old Faithful regarding fire fighters. The gentleman is their hero; and there are many others in this room who have made this happen.

The gentleman from West Virginia (Mr. MOLLOHAN) and I have an allocation that would force us to go into HUD that would cut salaries and expenses. Nobody wants to do that. Give us a chance to work with the gentleman as we move towards conference, and I think we probably will have a positive result.

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank the gentleman.

Mr. MOLLOHAN. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. Mr. Chairman, I thank the gentleman from Pennsylvania (Mr. WELDON) and the gentleman from Maryland (Mr. HOYER) for their leadership on this issue.

This amendment is less about a desire in this body of getting resources to fire fighters than it is about the scarcity about the resources that we have to appropriate here.

As the chairman indicated, we need a larger allocation to do justice to this amendment. We need more money to do justice to this amendment. We hope as this process moves forward, it will be available. It will be very difficult in the context of the tax cut we had earlier in the year. We are going to work hard to honor both gentlemen's request here as it moves forward. I will support the chairman in that process.

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Mr. WELDON of Pennsylvania. Mr. Chairman, I want to thank our colleagues for their comments. The gentleman from Maryland has an additional comment to make, and then I will make my unanimous-consent request.

Mr. HOYER. Mr. Chairman, in conclusion, I think everybody here that has spoken says this is something we ought to do. Hopefully between now and when we adjourn, we will be able to get this accomplished, not just for the fire service of America but for the people of our Nation and safer communities.

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank all of my colleagues for speaking. It is pretty evident that this is something we want to do. Working with the other body, hopefully we can get there.

Mrs. CHRISTENSEN. Mr. Chairman, I rise in support of the Weldon-Pascrell-Andrews amendment which would increase the FY02 budget for the Fire Assistance Grant Program from $100 million to $150 million.

Mr. Chairman, there is such a great need for this program in this country that while it has been funded at $100 million for FY01, there has been $2.9 billion in requests from across the country for this vital program.

Mr. Chairman, new and advancing technologies are constantly requiring expensive purchase and upgrading of equipment to enable our firefighting units to provide the very best in services to our communities. My own district of the U.S. Virgin Islands, is one such community in need. They have put in a request for this assistance and support to ensure that they have the right equipment, vehicles and other tools necessary to meet the important need of keeping our community safe in times of fire disaster.

Mr. Chairman, our firefighters, across the country, put their lives on the line day after day—for us! Let us appreciate their service, and improve their safety as well, by passing the Weldon-Pascrell-Andrews amendment today.

Mr. WELDON of Pennsylvania. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $93,898,000, of which $22,343,000 shall be provided from the various funds of the Federal Housing Administration and $10,000,000 shall be provided from the amount earmarked for Operation Safe Home in the appropriation for the "Public housing operating fund": *Provided*, That the Inspector General shall have independent authority over all personnel issues within the Office of Inspector General.

CONSOLIDATED FEE FUND

(RESCISSION)

Of the balances remaining available from fees and charges under section 7(j) of the Department of Housing and Urban Development Act, $6,700,000 is rescinded.

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For carrying out the Federal Housing Enterprise Financial Safety and Soundness Act of 1992, including not to exceed $500 for official reception and representation expenses, $23,000,000, to remain available until expended, to be derived from the Federal Housing Enterprise Oversight Fund: *Provided*, That not to exceed such amount shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund: *Provided further*, That the general fund amount shall be reduced as collections are received during the fiscal year so as to result in a final appropriation from the general fund estimated at not more than $0.

ADMINISTRATIVE PROVISIONS

SEC. 201. Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stuart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 1437 note) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not rescinded or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate.

SEC. 202. None of the amounts made available under this Act may be used during fiscal year 2002 to investigate or prosecute under the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a nonfrivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a Government official or entity, or a court of competent jurisdiction.

SEC. 203. (a) Notwithstanding section 854(c)(1)(A) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)(1)(A)), from any amounts made available under this title for fiscal year 2002 that are allocated under such section, the Secretary of Housing and Urban Development shall allocate and make a grant, in the amount determined under subsection (b), for any State that—

(1) received an allocation in a prior fiscal year under clause (ii) of such section; and

(2) is not otherwise eligible for an allocation for fiscal year 2002 under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year 2002 do not have the number of cases of acquired immunodeficiency syndrome (AIDS) required under such clause.

(b) The amount of the allocation and grant for any State described in subsection (a) shall be an amount based on the cumulative number of AIDS cases in the areas of that State that are outside of metropolitan statistical areas that qualify under clause (i) of such section 854(c)(1)(A) in fiscal year 2002, in proportion to AIDS cases among cities and States that qualify under clauses (i) and (ii) of such section and States deemed eligible under subsection (a).

SEC. 204. Section 225(a) of the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000, Public Law 106–74 (113 Stat. 1076), is amended by inserting "and fiscal year 2002" after "fiscal year 2001".

SEC. 205. Section 251 of the National Housing Act (12 U.S.C. 1715z–16) is amended—

(1) in subsection (b), by striking "issue regulations" and all that follows and inserting the following: "require that the mortgagee make available to the mortgagor, at the time of loan application, a written explanation of the features of an adjustable rate mortgage consistent with the disclosure requirements applicable to variable rate mortgages secured by a principal dwelling under the Truth in Lending Act."; and

(2) by adding the following new subsection at the end:

"(d)(1) The Secretary may insure under this subsection a mortgage that meets the requirements of subsection (a), except that the effective rate of interest—

"(A) shall be fixed for a period of not less than the first 3 years of the mortgage term;

"(B) shall be adjusted by the mortgagee initially upon the expiration of such period and annually thereafter; and

"(C) in the case of the initial interest rate adjustment, is subject to the one percent limitation only if the interest rate remained fixed for five or fewer years.

"(2) The disclosure required under subsection (b) shall be required for a mortgage insured under this subsection.".

SEC. 206. (a) Section 203(c) of the National Housing Act (12 U.S.C. 1709(c)) is amended—

(1) in paragraph (1), by striking "and (k)" and "or (k)"; and

(2) in paragraph (2)—

(A) by inserting immediately after "subsection (v)," the following: "and each mortgage that is insured under subsection (k) or section 234(c),"; and

(B) by striking "and executed on or after October 1, 1994,".

(b) The amendments made by subsection (a) shall—

(1) apply only to mortgages that are executed on or after the date of enactment of this Act; and

(2) be implemented in advance of any necessary conforming changes to regulations.

SEC. 207. (a) During fiscal year 2002, in the provision of rental assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) in connection with a program to demonstrate the economy and effectiveness of providing such assistance for use in assisted living facilities that is carried out in the counties of the State of Michigan specified in subsection (b) of this section, notwithstanding paragraphs (3) and (18)(B)(iii) of such section 8(o), a family residing in an assisted living facility in any such county, on behalf of which a public housing agency provides assistance pursuant to section 8(o)(18) of such Act, may be required, at the time the family initially receives such assistance, to pay rent in an amount exceeding 40 percent of the monthly adjusted income of the family by such a percentage or amount as the Secretary of Housing and Urban Development determines to be appropriate.

(b) The counties specified in this subsection are Oakland County, Macomb County, Wayne County, and Washtenaw County, in the State of Michigan.

AMENDMENTS EN BLOC OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Ms. JACKSON-LEE of Texas, consisting of amendment No. 31, amendment No. 33, amendment No. 34, and amendment No. 35:

AMENDMENT NO. 31:

At the end of title II, insert the following new section:

SEC. 2   . For an additional amount for providing public housing agencies with tenant-based housing assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) to provide amounts for incremental assistance under such section 8, and the amount otherwise provided by this title for "PUBLIC AND INDIAN HOUSING—PUBLIC HOUSING CAPITAL FUND" is hereby reduced by, $100,000,000.

AMENDMENT NO. 33:

In title III, at the end of the matter relating to "NATIONAL AERONAUTICS AND SPACE ADMINISTRATION-SCIENCE, AERONAUTICS AND TECHNOLOGY" insert the following: "Additionally, for the Space Grant program, to promote science, mathematics, and technology education for young people, undergraduate students, women, underrepresented minorities, and persons with disabilities in the State of Texas, for careers in aerospace science and technology, $8,900,000.".

AMENDMENT NO. 34:

In title III, at the end of the matter relating to "NATIONAL AERONAUTICS AND SPACE ADMINISTRATION-SCIENCE, AERONAUTICS AND TECHNOLOGY" insert the following: "Additionally, for the Minority University Research and Education Program to emphasize partnership awards that leverage the National Aeronautics and Space Administration's investment by encouraging collaboration among the National Aeronautics and Space Administration, Historically Black Colleges and Universities, Other Minority Universities, and other university researchers and educators, $58,000,000.".

AMENDMENT NO. 35:

In title III, at the end of the matter relating to "NATIONAL SCIENCE FOUNDATION-EDUCATION AND HUMAN RESOURCES" insert the following: "Additionally, for training young scientists and engineers, creating new knowledge, and developing cutting-edge tools that together will fuel economic prosperity and increase social well-being in the years ahead, $662,000,000.''.

Mr. WALSH. Mr. Chairman, I reserve a point of order on the gentlewoman's amendments.

The CHAIRMAN. The gentleman reserves a point of order.

Pursuant to the order of the House of July 27, 2001, the gentlewoman from Texas (Ms. JACKSON-LEE) and the gentleman from New York (Mr. WALSH) each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

I thank the chairman and the ranking member for giving me the opportunity to engage in debate on these important issues on the floor of the House.

First let me say that I want to add my support for the Weldon amendment that was debated just previously and would hope to be one of those supporting the concept of public safety and the appreciation of our Federal fire service and all of our firefighters.

The issues I want to discuss this evening I believe warrant consideration; and I would hope, with good will, I would be able to have the point of order waived. But let me describe the reason for offering first of all amendment No. 31, which has to do with more funding for section 8. Realizing that there were funds that were not utilized under the section 8 program, my concern is that in various jurisdictions there are still long waiting lists for the section 8 certificates. It seems to me that with that in mind, we need to either revise the program or work with the Secretary of Housing and Urban Development to make sure that this program actually utilizes all the dollars and gets to all the regional areas where there is a definitive need.

In my community, the waiting list has been extensive. I believe it is extremely important to assure that there is affordable housing to disperse to the hardworking poor in areas throughout the community for them to have a better quality of life.

My other amendments, 33, 34 and 35, deal with an important issue. I am on the Committee on Science and am well aware of the opportunity for dealing with these issues in the Committee on Science. I would say that we have done a very good job of that, but I have found that there is a great importance and great need for engaging our Historically Black Colleges and our Hispanic Serving Institutions in the important work that NASA does. The NASA space grant program is a program authorized by Congress in 1987 designed to increase the understanding, assessment, development and use of aeronautics and space resources. My interest is ensuring that this program has the dollars to be able to collaborate with those colleges.

Mr. Chairman, I would like to offer an amendment to this section of the bill H.R. 2620, VA–HUD–Independent Agencies appropriations for FY 2002.

I am requesting an increase in NASA Space Grant Progam. The NASA Space Grant program is a program, authorized by Congress in 1987, designed to increase the understanding, assessment, development, and use of aeronautics and space resources. All 50 states, Puerto Rico, and the District of Columbia have Space Grant Consortium programs in which more than 700 affiliates participate. These consortia form a network of colleges and universities, industry, state/local governments, and nonprofit organizations with interests in aerospace research, training, and education. This amendment is for an increase of $8.9 million to the existing FY 2002 budget request. This increase would bring the existing budget from $19.1 million to $28 million.

I ask that my colleagues support me in this amendment.

In addition, I am particularly interested in the minority university research and education program that emphasizes the partnership awards with the National Aeronautics and Space Administration's investment in collaboration with Historically Black Colleges and other minority universities. Even today we find that there is a dearth of trained minorities in the sciences. We have always talked about the importance of math and science in our elementary and secondary schools. It is equally important to establish criteria and curricula in our colleges to be able to network, if you will, with the kind of disciplines and employment needs that we have in the particular industry. These research grants that I would have asked for more money for would have provided that increased opportunity.

Mr. Chairman, I would like to offer an amendment to this section of the bill H.R. 2620, VA–HUD–Independent Agencies appropriations for FY 2002.

I am requesting an increase in the NASA Minority University Research and Education Program (MUREP). MUREP is a program that focuses primarily on expanding and advancing NASA's scientific and technological base through collaborative efforts with Historically Black Colleges and Universities (HBCUs) and Other Minority Universities (OMUs), including Hispanic Serving Institutions (HSI) and Tribal Colleges and Universities (TCU).

NASA's outreach to Minority Institutions (MI) in FY 2002 will build upon the prior years' investments in MI research and academia infrastructure by expanding NASA's research base; contributing to the science, engineering and technology pipeline; and promoting educational excellence in all MUREP. These contributions include the education of a more diverse resource proof of scientific and technical personnel who will be well prepared to confront the technological challenges to benefit NASA and the Nation.

The strategic goals of this program are to (1) Foster research and development activities at MI's which contribute substantially to NASA's mission; (2) to create systemic and sustainable change at MI's through partnerships and programs that enhance research and education outcomes in NASA-related fields; (3) to prepare faculty and students at MI's to successfully participate in the conventional, competitive research and education process; and (4) To increase the number of students served by MI's to enter college and successfully pursue and complete degrees in NASA-related fields.

This amendment is for an increase of $58 million to the existing FY 2002 budget request. This increase would bring the budget up from $82.1 million to $140.1 million.

I ask my colleagues support me in this amendment.

Finally, Mr. Chairman, might I say in amendment 35, that amendment has to do with the National Science Foundation education and human resources which goes, again, to the point of training young scientists and engineers, creating new knowledge and developing cutting-edge technology that would fuel the economic prosperity.

Mr. Chairman, I would like to offer an amendment to this section of the bill H.R. 2620, VA–HUD–Independent Agencies appropriations for FY 2002.

I am requesting an increase in the National Science Foundation (NSF). NSF supports the nation's future and trains young scientists and engineers, creates new knowledge, and develop cutting-edge tools that together will fuel economic prosperity and increase social well-being in the years ahead. NSF will provide leadership in the President's Math and Science Partnership, and sustained investments in NSF's core programming will contribute to progress across science and engineering. The productivity of the U.S. scientific and engineering community—the fruits of which can be seen in the information technology, communications, and biotechnology industries—depends critically on NSF support of fundamental research.

This amendment proposes a 15 percent increase in NSF's budget over FY 2001, rather than the administration's proposed 1 percent. This amendment is for an increase of $662 million. This increase would bring the FY 2002 budget up to $5.1 billion.

I ask that my colleagues support me in this amendment.

The more people we have in this Nation from all walks of life understanding science, understanding technology, being able to create the new leverage for energy technology, space technology, health technology, I believe this Nation is better off. My amendments have that intent, and certainly I would hope that the chairman would see the interest that I have in science and particularly the interest that I have in, if nothing else, revising or looking at the section 8 program so that those individuals, as I move to housing, those individuals that want to get into section 8, that is a voucher to allow you to live in rental property, dispersed around the community, not necessarily in one area, enhancing your quality of life would do so.

I thank the chairman for allowing me to present this argument on the floor of the House, and I thank the ranking member as well.

Mr. Chairman, I reserve the balance of my time.

Mr. WALSH. Mr. Chairman, I continue to reserve my point of order.

The CHAIRMAN. The gentleman continues to reserve a point of order.

The gentleman from New York (Mr. WALSH) is recognized for 5 minutes.

Mr. WALSH. Mr. Chairman, the gentlewoman has time reserved. I-think we best allow her to close before I insist on my point of order.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Let me simply say that what I would like to say, Mr. Chairman, is to have the opportunity to withdraw these amendments. I would like to be able to have the gentleman from New York speak and yield to me to ask a question.

Mr. WALSH. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from New York.

Mr. WALSH. I thank the gentlewoman for yielding. Is the gentlewoman prepared to withdraw the amendments?

Ms. JACKSON-LEE of Texas. I am interested in withdrawing the amendments, yes. What my general question is, as the gentleman knows, one of my amendments deals with section 8 housing which I know this committee has worked very hard on. The other amendments have to do with technology and Historically Black Colleges and minority colleges and the importance of those institutions having access to technical training. My simple question would be is that this subcommittee on appropriations, VA, HUD and other agencies, has in its mind and in its focus that these issues will remain important issues as we move toward finalizing this bill and that these issues are important in the committee and will not be forgotten, if you will.

Mr. WALSH. I thank the gentlewoman for continuing to yield. I think in this bill, we have really made an effort to make sure that Historically Black Colleges, Hispanic Serving Institutions and other minority programs are part of the focus of the National Science Foundation. I think there has been some criticism, and it is somewhat due, that the larger, better established research institutions around the country, the colleges, have benefited substantially. Certainly the country has benefited from that research, also.

But there has been a tradition on this subcommittee, beginning with Chairman Lou Stokes, to make sure that some of these resources are provided, that we encourage those institutions that I mentioned to expand their research capacity. I know the gentleman from West Virginia (Mr. MOLLOHAN) has been a strong and consistent voice for these, also. We will always do that, and we would always welcome the gentlewoman's input as to whether or not we are meeting the goals that we have set.

The CHAIRMAN. The gentlewoman's time has expired. The remaining time is controlled by the gentleman from New York.

Mr. WALSH. Mr. Chairman, I move to strike the last word, and I yield to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman very much for yielding. I believe we can all work together for these important issues. Training of our young people; providing funding for these colleges is very important; housing is very important. With that as I had asked, I hoped that we would waive the point of order, but I think it is more important for us to find common ground.

Ms. MILLENDER-McDONALD. Mr. Chairman, I rise in support of my colleague's amendment to appropriate an additional $662 million for the National Science Foundation's education and human resources account, to be used for training young scientists and engineers.

There is a pressing need for this level of funding, particularly as it relates to minority scientists and engineers. Recent reports have cited the "brain drain" as our current pool of scientists and engineers prepare to retire. Furthermore, it is clear that America's youth are not being prepared to pursue the rigorous disciplines associated with the hard sciences. American students perform comparably to other children in foreign countries in math and science until they reach the fourth grade level. However, there is a serious drop-off in their achievement and competitiveness in later years.

For minority students the case is even worse. Funding the NSF with increased resources will prepare communities and our nation to respond to the intellectual and real world challenges that await the engineers and scientists of the future. I urge my House colleagues to vote yes on this amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I ask unanimous consent to withdraw these four amendments.

The CHAIRMAN. Without objection, the amendments are withdrawn.

There was no objection.

AMENDMENT NO. 36 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 36 offered by Ms. JACKSON-LEE of Texas:

Page 54, after line 6, insert the following new section:

SEC. 208. The amounts otherwise provided by this title are revised by increasing the aggregate amount made available for "PUBLIC AND INDIAN HOUSING—HOUSING CERTIFICATE FUND", increasing the amount specified under such item for incremental vouchers under section 8 of the United States Housing Act of 1937, reducing the amount specified under such item for rescission from unobligated balances remaining from funds previously appropriated to the Department of Housing and Urban Development, increasing the amount made available for "COMMUNITY PLANNING AND DEVELOPMENT—COMMUNITY DEVELOPMENT FUND", and increasing the amount specified under such item for the community development block grant program, by $100,000,000, $100,000,000, $324,000,000, $224,000,000, and $224,000,000, respectively.

Mr. WALSH. Mr. Chairman, I reserve a point of order against the gentlewoman's amendment.

The CHAIRMAN. The gentleman reserves a point of order.

Pursuant to the order of the House of July 27, 2001, the gentlewoman from Texas (Ms. JACKSON-LEE) and the gentleman from New York (Mr. WALSH) each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume. Let me explain the purpose of this amendment, which is to add dollars, $100 million, to increase the community block grant programs. This goes to a continuing issue that we are confronted with in Houston, Texas, based upon the devastation of Tropical Storm Allison.

First of all, let me rise in support of the $1.3 billion that the committee has put in for additional funds for FEMA. Let me thank the gentleman from New York (Mr. WALSH) and the gentleman from West Virginia (Mr. MOLLOHAN) for protecting those dollars. We are in desperate need around the country. There are 31 disaster sites around the country. We do not know how many more may come about, because we are in hurricane season. I thank them particularly for the recovery that Houston is going through.

What we are beginning to face is a shortage of housing because many people are facing the determination or the assessment of the condition of their homes as to whether or not they can be built or rebuilt or not. We are in what we call the "buyout program" that FEMA has which requires a complicated process of percentages of whether or not your house has been damaged or not damaged and whether or not you can have the opportunity to rebuild your house. In many instances, there is a need for down payment dollars or dollars to initiate the program. The programs are being designed at this point by Harris County government, and the city of Houston is assessing their status as to whether or not they will be participating in the buyout program. I simply wanted to have enough dollars for flexibility in this community development block grant program that if the city were to engage in participating in these programs, it would have the dollars to do so, any cities, to do so.

My amendment provides for funding so that the many disaster areas that may have lost housing and have to participate in a buyout program would have the resources through the flexibility of the community development and buyout program.

Mr. Chairman, I rise to offer an amendment that provides $50 million in funding for the Housing and Urban Development's Community Block Grant program from the HUD Section 8 Housing Certificate Fund.

As many of you know, last month Tropical Storm Allison ravaged our nation from Texas to the Northeast. This storm has been particularly hard on the residents of Harris County and the city of Houston. Although words cannot even begin to describe adequately the destruction of Houston and its surrounding areas, I will attempt to describe for you some of the havoc that the storm has wreaked.

The more than three feet of rain that fell on the Houston area beginning June 6 has caused at least 23 deaths in the Houston area and as many as fifty deaths in six states. Over 10,000 people have been left at least temporarily homeless during the flooding, many with no immediate hope of returning to their homes. More than 56,000 residents in 30 counties have registered for federal disaster assistance. The damage estimates in Harris County, Texas alone are $4.88 billion and may yet increase.

Some of the most hard hit areas include the University of Houston, Texas Southern University, and the Kashmere Gardens neighborhood, a Houston enclave that is predominantly low income and possesses the fewest resources needed to bounce back from this once in a lifetime event.

The devastation of single family, mobile homes and multi family homes is almost unbelievable. It is estimated that in the city of Houston, 1,067 were destroyed, 5,098 need major repairs and 24,182 need minor repairs, for a total of 30,347 homes affected. In Harris County, it is estimated that 2,429 homes were destroyed, 4,545 need major repairs and 6,826 need minor repairs, for a total of 13,800.

Of the multi-family housing units in the city, 56 units were utterly destroyed, 150 need major repair and 672 need minor repairs. All totaled, over 3,500 homes were destroyed and nearly 10,000 need major repairs.

FEMA is bringing in trailers as temporary housing for some of those who are now homeless. A new staging site for travel trailers has been secured, and FEMA has received 441 travel trailers. There are currently 138 travel trailers occupied. I met with FEMA several weeks ago to request this relief for the multitudes of Houstonians that have been left temporarily homeless. These temporary housing trailers, which will be an integral part of FEMA's temporary housing program, are being located at either the severely damaged homes of flood victims or at commercial mobile home parks in and around Houston. The city of Houston will ease permit provisions for these trailers.

The city and county are working diligently with FEMA and SBA to provide grants and loans for home buyout and repair. However, these funds fall short of what the county and city need to help its residents.

For example, through its buyout program, called the Hazard Mitigation Grant Program, FEMA provides only government entities 75 percent of the buyout expense. Harris County and Houston must pay the rest, as the state of Texas has declined to lend financial assistance toward this effort. Further, the total eligible buyout funds are only 15 percent of FEMA's estimated total disaster costs.

Moreover, after closing costs and moving expenses, the local governments' buyout share may end up closer to half of all expenses for buyouts. Estimates are that the repair and buyout of homes may cost $200 million or more. The local governments and low and moderate-income residents will scarcely have the resources to meet their expenses.

FEMA does also provide a limited source of funds to individuals and families to be used not only for essential home repair, but also to purchase destroyed clothing and other needed personal property, as well as to meet necessary medical, dental, transportation, and even funeral expenses. However, the average grant is only five to six thousand dollars, hardly enough in many cases to achieve the recovery that is needed. Therefore, I seek additional HUD Community Development Block Grant funds to be used to help supplement our local governments meet their obligations to their residents in need.

CDBG provides eligible metropolitan cities and urban counties with annual direct grants that they can use to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low- and moderate-income persons.

Since 1974 CDBG has been the backbone of improvement efforts in many communities, providing a flexible source of annual grant funds for local governments nationwide-funds that they, with the participation of local citizens, can devote to the activities that best serve their own particular development priorities, provided that these projects either (1) benefit low- and moderate-income persons; (2) prevent or eliminate slums or blight; or (3) meet other urgent community development needs. The CDBG Entitlement Communities Program provides this Federal assistance to almost 1000 of the largest localities in the country.

As one of the Nation's largest Federal grant programs, the impact of CDBG-funded projects can be seen in the housing stock, the business environment, the streets and the public facilities of these entitlement communities. The rehabilitation of affordable housing has traditionally been the largest single use of CDBG funds.

Recipients of CDBG entitlement funds include local governments with 50,000 or more residents, other local government designated as central cities of metropolitan areas, and urban counties with populations of at least 200,000 (excluding the population of entitled cities). Local governments may carry out all activities themselves or award some or all of the funds to private or public nonprofit organizations as well as for-profit entities.

Low and moderate-income persons, generally defined as members of a family earning no more than 80 percent of the area median income, benefit most directly and most often from CDBG-funded activities. Grantees must use at least 70 percent of CDBG funds for activities that principally benefit low- and moderate-income persons. This includes activities where either the majority of direct beneficiaries such as housing rehabilitation low- or moderate-income persons.

Grantees may use CDBG funds for activities that include acquiring real property (primarily land, buildings, and other permanent improvements to the property) for public purposes. This type of activity might include, for example, buying abandoned houses for rehabilitation or an old industrial site in a distressed neighborhood for redevelopment. CDBG also helps communities demolish property and clear sites to prepare the land for other uses.

These funds can also be used for reconstructing or rehabilitating housing and other property from homeless shelters to single-family homes and from playgrounds to shopping centers, CDBG enables communities to improve properties that have become less usable, whether due to age, neglect, natural disaster, or changing needs.

The committee has recommended a rescission of $886 million for the Section 8 Housing Certificate Fund, stating that it is one of several programs that has built up a substantial balance of unspent funds. It is attempting to take these funds out of HUD until the programs spend the funds it has on hand. Well, I say, let HUD keep these funds and put them to a desperately needed use. This amendment will merely put those funds to a direly needed use.

Hence, I will be requesting in conference that this CDBG money be earmarked for the desperate needs of the homes devastated by Tropical Storm Allison, particularly in Houston and Harris County.

The people of Houston have made extraordinary efforts and acts of heroism during this disaster, as we recognized when we passed H. Res. 166 by a vote of 411–0. Houston contributes significantly to our national economy, as energy capital of the nation and a renowned center for medical care, and scientific and academic research. FEMA and SBA's efforts have been praiseworthy, contributing significant financial assistance and other much needed support. But to return to our potential, Houston needs to know that Congress continues to support its recovery. Although I look forward to this Chamber supporting Representative DELAY's request for $1.3 billion in emergency contingency funding for FEMA, even if we approve these funds, their release would still be up to the administration.

The flood has devastated us emotionally, physically and financially. To return to our potential, we still need help. Houston needs to know that Congress continues to recognize. Now, it is our turn to continue to make sure that we do our share to help them.

Mr. Chairman, I reserve the balance of my time.

Mr. WALSH. Mr. Chairman, I yield myself such time as I may consume. Just briefly, the subcommittee has done its level best to provide additional section 8 housing vouchers. In fact, we have 34,000 new section 8 vouchers in the bill. As we have discussed earlier, this is a very tight allocation. There are really very few other places to go within the bill to move money from one account to another.

Since this increase certainly is well intended but there is no offset provided, I would obviously continue to reserve my point of order.

Mr. Chairman, I reserve the balance of my time.

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Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

In conclusion, this is such an important issue for us, I totally agree and believe that the committee has been as fair as it can possibly be. I would argue that there is such an emergency and such a need for assistance in this housing program and giving flexibility in additional dollars, I would argue and ask that the point of order be waived and the amendment be allowed to go forward.

Mr. Chairman, I yield back the balance of my time.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from New York (Mr. WALSH) insist on his point of order?

Mr. WALSH. Mr. Chairman, I make a point of order against the amendment because it is in violation of section 302(f) of the Congressional Budget Act of 1974. The Committee on Appropriations filed suballocation of Budget Totals for fiscal year 2002 on July 26, 2001, House Report 107–165. This amendment would provide new budget authority in excess of the subcommittee allocation made under section 302(b) and is not permitted under section 302(f) of the Act.

I ask for a ruling of the Chair.

The CHAIRMAN. Does the gentlewoman from Texas (Ms. JACKSON-LEE) desire to be heard on the point of order?

Ms. JACKSON-LEE of Texas. Yes, Mr. Chairman.

Mr. Chairman, my simple point on this amendment is that I think it is important that the idea of being able to assist flood victims is only at this time. I appreciate the fact that we have received additional dollars in FEMA. The housing represents an enormous crisis. Simply, Mr. Chairman, I would ask that the point of order be considered waived in light of the emergency nature of the request.

The CHAIRMAN. The Chair is prepared to rule.

The Chair is authoritatively guided under section 312 of the Budget Act by an estimate of the Committee on the Budget that an amendment providing any net increase in new discretionary budget authority would cause a breach of the pertinent allocation of such authority.

The amendment offered by the gentlewoman from Texas would increase the level of new discretionary budget authority in the bill. As such, the amendment violates section 302(f) of the Budget Act.

The point of order is sustained, the amendment is not in order.

The Clerk will read.

The Clerk read as follows:

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries, $30,466,000, to remain available until expended.

For the partial cost of construction of a new interpretive and visitor center at the American Cemetery in Normandy, France, $5,000,000, to remain available until expended: *Provided*, That the Commission shall ensure that the placement, scope and character of this new center protect the solemnity of the site and the sensitivity of interested parties including families of servicemen interred at the cemetery, the host country and Allied forces who participated in the invasion and ensuing battle: *Provided further*, That not more than $1,000,000 shall be for non-construction related costs including initial consultations with interested parties and the conceptual study and design of the new center.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

SALARIES AND EXPENSES

For necessary expenses in carrying out activities pursuant to section 112(r)(6) of the Clean Air Act, as amended, including hire of passenger vehicles, uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902, and for services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376, $8,000,000, $5,500,000 of which to remain available until September 30, 2002 and $2,500,000 of which to remain available until September 30, 2003: *Provided*, That the Chemical Safety and Hazard Investigation Board shall have not more than three career Senior Executive Service positions: *Provided further*, That, hereafter, there shall be an Inspector General at the Board who shall have the duties, responsibilities, and authorities specified in the Inspector General Act of 1978, as amended: *Provided further*, That an individual appointed to the position of Inspector General of the Federal Emergency Management Agency (FEMA) shall, by virtue of such appointment, also hold the position of Inspector General of the Board: *Provided further*, That the Inspector General of the Board shall utilize personnel of the Office of Inspector General of FEMA in performing the duties of the Inspector General of the Board, and shall not appoint any individuals to positions within the Board.

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

FUND PROGRAM ACCOUNT

To carry out the Community Development Banking and Financial Institutions Act of 1994, including services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for ES–3, $80,000,000, to remain available until September 30, 2003, of which $500,000 shall be for technical assistance and training programs designed to benefit Native American communities, and up to $8,948,000 may be used for administrative expenses, including administration of the New Markets Tax Credit, up to $6,000,000 may be used for the cost of direct loans, and up to $1,000,000 may be used for administrative expenses to carry out the direct loan program: *Provided*, That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $15,000,000.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-Federal officials' contributions to Commission activities, and not to exceed $500 for official reception and representation expenses, $54,200,000.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

NATIONAL AND COMMUNITY SERVICE PROGRAMS

OPERATING EXPENSES

Of the funds appropriated under this heading in Public Law 106–377, the Corporation for National and Community Service shall use such amounts of such funds as may be necessary to carry out the orderly termination of the programs, activities, and initiatives under the National Community Service Act of 1990 (Public Law 103–82) and the Corporation: *Provided*, that such sums shall be utilized to resolve all responsibilities and obligations in connection with said Corporation.

AMENDMENT NO. 30 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 30 offered by Ms. JACKSON-LEE of Texas:

In title III, under the heading "NATIONAL AND COMMUNITY SERVICE PROGRAMS OPERATING EXPENSES"—

(1) strike "orderly termination of the"; and

(2) strike the proviso at the end.

The CHAIRMAN. Pursuant to the order of the House of July 27, 2001, the gentlewoman from Texas (Ms. JACKSON-LEE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas (Ms. JACKSON-LEE of Texas).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it seems this evening that I am speaking a lot about the impact of Tropical Storm Allison in the Houston area and throughout Texas, but also as it has impacted Louisiana, the Southeastern Coast and many other States. We see now in the State of West Virginia that there has been extensive flooding over the last couple of days.

The reason why I rise is to present this amendment to ensure that there will be no language in this legislation that would suggest that the Corporation of National Service would be dismantled.

First of all, I believe that all of us are aware of the Corporation of National Service, the AmeriCorps volunteers. They are in our communities every single day. As I went about Houston during the initial days of the flood, and we were opening Red Cross centers and what we call DRCs, the recovery centers organized by FEMA, the complimentary volunteers that were there were the AmeriCorps young people and National Service Corporation individuals who were there every single day helping the flood victims.

As I noted to you, we have got about $4.88 billion in damage, and growing. Over 20,000 homes that have been damaged. But I have seen AmeriCorps working in many other capacities, in classrooms, daycare centers, cleaning up parks, working side-by-side with the respected citizens of the respective areas they are in.

This amendment is a very simple one and asks that we not consider this agency to be one dismantled and to be able to provide the support for the agency that I would hope all of us would desire to do.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentleman from New York (Mr. WALSH) seek time in opposition to the amendment?

Mr. WALSH. Mr. Chairman, I am not in opposition to the amendment. I do seek to control the time.

The CHAIRMAN. Without objection, the gentleman from New York (Mr. WALSH) will control 5 minutes.

There was no objection.

Mr. WALSH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this AmeriCorps, similar to how the program has been handled in the last several years, the House has come into this bill without funding for AmeriCorps. It has been resolved in conference each time with funding being provided. I suspect, Mr. Chairman, that that is the way that this issue will be resolved again this year.

The President has spoken in support of AmeriCorps. There are many advocates for the program within the House and in the Senate. The language that the gentlewoman deals with in the bill would strike language that deals with the elimination or the phasing-out of the AmeriCorps program. I do not think that that is necessary within the bill because of recent history, the fact that AmeriCorps is ultimately funded in conference.

So, assuming that that will happen, there is no need for that language. I think it is a positive amendment, it has no deleterious effect on the bill, and, for that reason, Mr. Chairman, we are prepared to accept the gentlewoman's amendment.

Mr. Chairman, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Chairman, the Corporation for National Service changes lives. It gets people of all ages to volunteer, and, as they volunteer, to improve the lives of others. While they are doing that, they improve their own lives. At the same time, the corporation volunteer program fills unmet local community needs.

In my district, the sixth district of California, AmeriCorps volunteers are reading tutors in Larkspur; students from Sonoma State University volunteer for a Vista program in Rohnert Park; AmeriCorps sponsors a multicultural alliance and teacher fellowship program in Ross, California; and seniors in Sonoma County donate their time and wisdom through the local Retired and Senior Volunteer, Program, RSVP.

We have been lucky to get assistance also from California Statewide AmeriCorps programs. Last summer, AmeriCorps volunteers from Los Angeles came to my district and spent a week clearing the property around the historic Carrillo Adobe. They have done so much. They contribute so much.

Forty other volunteers assisted at the Redwood Empire Food Bank. But the Corporation for National Service and AmeriCorps aren't important only for the good they do in our communities, or for the experiences of the individual volunteers. At a time when too many Americans are defined by their differences, the Corporation for National Service, and AmeriCorps, give thousands of volunteers, and the communities where they serve, an opportunity to meet across the barriers of education, race, and income, to work together for a common good. The corporation for National Service is one of this Nation's best investments in a future of good citizens, and we should be supporting it, not trying to eliminate it.

Mr. Chairman, I was glad to hear the chairman agree with the sponsor of this amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the gentlewoman for her comments and her leadership in working with the program.

Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia (Mr. MOLLOHAN), the distinguished ranking member.

Mr. MOLLOHAN. Mr. Chairman, I simply want to rise and compliment the gentlewoman from Texas (Ms. JACKSON-LEE) for this amendment. It brings to the attention of the body the fact that in this bill this account, the Corporation for National and Community Service, was not funded. It also gives us an opportunity to express our support for it. The chairman, I know, is very supportive of this program and has in the past taken the lead in making sure it was restored in conference.

The simple fact is, and I want to assure the gentlewoman for the chairman, that there was an outlay problem in this bill. The Senate has more outlays than we do, $300 million. We have fewer outlays than the Senate, so this program was not funded, because it was known that it would be supported in conference.

I would like to say that the chairman, as I stated earlier, has taken the lead in restoring this in the past; and I have all the confidence in the world that he will in the future. He is extremely supportive of community service.

The corporation funds some wonderful programs; AmeriCorps, Points of Light, it funds at $10 million; Youth Life foundation, it funds at $1.5 million; America's Promise, it funds at $7.5 million; Communities in Schools, $5 million; and Boys and Girls Clubs at $2.5 million.

These are very worthwhile programs targeted to our youth principally, and they certainly merit our support and the funding. However, more funding certainly could be used in these areas. This program is an excellent program for focusing in on our youth and funding worthwhile programs that are working to ensure that we support organizations that get them off on the right foot.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I will close by simply saying this is like the domestic Peace Corps. I thank the chairman and ranking member. I think all Americans support this volunteer effort, helping our young people to be part of the volunteer spirit, similar to the Peace Corps. I believe these are very vital programs. I hope my colleagues will support us, and I thank the chairman for accepting the amendment.

Mr. Chairman, I would like to offer an amendment to this section of the bill H.R. 2620, VA–HUD-Independent Agencies Appropriations for FY 2002.

It has been the habit of this House to appropriate little or no funds for the Community of National Service and this appropriations legislation before the House today has the same deficit. This situation is disingenuous because those of us who remember the history of the appropriations process understand that funding for the Community of National Service will be funded by several hundred million dollars.

I am appreciative for the work done by this office of the Executive Branch and know that many communities throughout the United States have benefited from its existence. I am particularly grateful for the assistance provided by AmeriCorps Volunteers, who were directed to the Houston area by the Corporation of National and Community Service. The Corporation's three major service initiatives are AmeriCorps, Learn and Serve America and the National Senior Service Corps.

Over 200 AmeriCorps members from four regional campuses responded to a call-up from the American Red Cross to assist victims of Tropical Storm Allison in Texas and Louisiana. The members are serving as first-line Family Assistance Representatives, helping families to receive immediate aid and to identify each family's long term needs. The corps members are also operating emergency assistance shelters, working in soup kitchens, and delivering meals to people affected by the flooding. Additionally, Spanish speaking members are helping translate emergency assistance forms for people who don't speak English. The members are working in ten emergency assistance shelters in the Houston, TX vicinity and three shelters around Baton Rouge, LA.

Overall, the storm caused upwards of $4.88 billion in damage to Houston and surrounding Harris Country. Over 20,000 homes were damaged by the flooding as the storm dumped over 36 inches of rain in some areas with some houses reporting over seven feet of water in them.

It is unfortunate that the Appropriations Committee zeroed out the account for the Community Development Fund, when the Administration requested $411 million in funding for FY 2002. My amendment would restore the program and allow them to continue their work on the behalf of communities throughout the United States.

AmeriCorps, the domestic Peace Corps engages more than 40,000 Americans in intensive, results-driven service each year. We're teaching children to read, making neighborhoods safer, building affordable homes, and responding to natural disasters through more than 1000 projects. Most AmeriCorps members are selected by and serve with projects like Habitat for Humanity, the American Red Cross, and Boys and Girls Clubs, and many more local and national Organizations. Others serve in AmeriCorps*VISTA (Volunteers in Service to America) and AmeriCorps*NCCC (the National Civilian Community Corps). After their term of service, AmeriCorps members receive education awards to help finance college or pay back student loans.

AmeriCorps is a win-win program that I hope the Rule for this legislation will allow it to continue in its work to help make America a better place to live. Homelessness in America continues to be a problem that seems to lack a broad commitment to see and end to this blight on the American Dream. Attempting to attribute homelessness to any one cause is difficult and misleading. More often than not, it is a combination of factors that culminates in homelessness. Sometimes these factors are not observable or identifiable even to those who experience them first hand (Wright, Rubin and Devine, 1998). For example, lack of affordable housing is a factor repeatedly cited as contributing to homelessness (Hertzberg. 1992; Johnson, 1994; Metraux and Culhane, 1999; National Coalition for the Homeless, 1999–F). However, lack of affordable housing is often representative of a collectivity of other problems. Other key factors include the inability to earn a living wage, poverty, welfare reform, unemployment and/or domestic violence that can combine to form a situation in which even the most basic housing is not affordable.

The support that AmeriCorps volunteers provided to Houston area residences must be supported by funds from the federal government in allowing families to have homes to live in after the damaged causes by Tropical Storm Allison. I have an amendment that increases funds for HUD's Community Development Block Grant Program to be used as matching funds for home repair and buyout for Harris County and the City of Houston citizens who have been displaced by Tropical Storm Allison.

In time of great difficulty the Corporation of National Service has been there to assist citizens of our nation to put their lives back into order. It is time that this House stop using the Corporation of National Service as a budget gimmick to hide the fact that the VA–HUD appropriations legislation that will pass is in fact in violation of the budget agreement reached by the House earlier this year.

This is the reason why we must revisit many fiscal issues as they relate to our nation's surplus and its obligations. I ask that my colleagues support me in removing language from this bill, which gives the false impression that this office will be discontinued.

Mr. WALSH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as I mentioned, we are prepared to accept the gentlewoman's amendment. We believe it is constructive.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $5,000,000, which shall be available for obligation through September 30, 2003.

U.S. COURT OF APPEALS FOR VETERANS CLAIMS

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Appeals for Veterans Claims as authorized by 38 U.S.C. 7251–7298, $13,221,000, of which $895,000 shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set forth, under this heading in Public Law 102–229.

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of two passenger motor vehicles for replacement only, and not to exceed $1,000 for official reception and representation expenses, $22,537,000, to remain available until expended.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For necessary expenses for the National Institute of Environmental Health Sciences in carrying out activities set forth in section 311(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, $70,228,000.

AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY

SALARIES AND EXPENSES

For necessary expenses for the Agency for Toxic Substances and Disease Registry (ATSDR) in carrying out activities set forth in sections 104(i), 111(c)(4), and 111(c)(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; section 118(f) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended; and section 3019 of the Solid Waste Disposal Act, as amended, $78,235,000, to be derived from the Hazardous Substance Superfund Trust Fund pursuant to section 517(a) of SARA (26 U.S.C. 9507): *Provided*, That notwithstanding any other provision of law, in lieu of performing a health assessment under section 104(i)(6) of CERCLA, the Administrator of ATSDR may conduct other appropriate health studies, evaluations, or activities, including, without limitation, biomedical testing, clinical evaluations, medical monitoring, and referral to accredited health care providers: *Provided further*, That in performing any such health assessment or health study, evaluation, or activity, the Administrator of ATSDR shall not be bound by the deadlines in section 104(i)(6)(A) of CERCLA: *Provided further*, That none of the funds appropriated under this heading shall be available for ATSDR to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 2002, and existing profiles may be updated as necessary.

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $680,410,000, which shall remain available until September 30, 2003.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; and not to exceed $6,000 for official reception and representation expenses, $2,014,799,000, which shall remain available until September 30, 2003.

AMENDMENT NO. 7 OFFERED BY MRS. CAPPS

Mrs. CAPPS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Mrs. CAPPS:

In title III, in the item relating to "ENVIRONMENTAL PROTECTION AGENCY—ENVIRONMENTAL PROGRAMS AND MANAGEMENT", after the last dollar amount, insert the following: "(reduced by $7,200,000)".

In title III, in the item relating to "ENVIRONMENTAL PROTECTION AGENCY—LEAKING UNDERGROUND STORAGE TANK TRUST FUND", after the last dollar amount, insert the following: "(increased by $7,200,000)".

The CHAIRMAN. Pursuant to the order of the House of July 27, 2001, the gentlewoman from California (Mrs. CAPPS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment would increase by $7.2 million Federal efforts to clean up leaking underground storage tanks. The amendment pays for this increase by cutting the same amount from the EPA's Environmental Programs and Management Account. It is my intention that this funding would come from the Regional Management Programs, which has been increased by nearly $20 million under the bill.

I am offering this amendment with the hope that we can increase our attention to the problem that MTBE contamination is causing to drinking water across this country. While I cannot, under the rules of the House, specify that this funding be used for MTBE cleanup, it is my hope the House will send a clear message that we want to do something about this huge problem.

MTBE is a fuel additive designed to reduce the production of smog by increasing the burning efficiency of gasoline. Unfortunately, due to its unique properties, MTBE has become one of the leading water contamination problems in the United States. MTBE makes water smell and taste like turpentine, even at very low levels, and has resulted in the closing of important drinking water supplies all across the country.

For example, in my district, the coastal town of Cambria, California, is facing a real calamity. MTBE contamination has shut down two municipal drinking water wells the Community Services District has used as back-up sources during dry seasons and droughts.

□ 1945

The district has spent more than $1 million to research the problem. Cambria is also considering the addition of a desalinization plant to ensure an adequate supply of drinking water, and that will cost millions more.

In fact, there are 38 MTBE contaminated sites in San Luis Obispo County and another 86 in Santa Barbara County, both in my district. However, Mr. Chairman, MTBE contaminated drinking water is a huge problem not just in my district, but across the country. Santa Monica, California has lost about 80 percent of its drinking supply and spends a quarter of a million dollars per year buying replacement supplies.

The South Tahoe Public Utility District has shut down 13 of its 34 drinking water wells due to MTBE contamination. Twenty-one of Wisconsin's 71 counties have detected MTBE in groundwater in potable wells. In Iowa, it has been detected in 23 percent of urban alluvial wells. In Maryland, over 149 domestic public water systems are contaminated by MTBE, and the list goes on and on.

Owners and operators of underground tanks are responsible for cleanup, and that is where the responsibility should lie. But the Leaking Underground Storage Tank Trust fund provides additional cleanup resources, especially when no responsible party can be found or when the responsible party is no longer viable.

It may also be used to enforce corrective actions and recover costs spent from the fund for cleanup activities. Funded by one-tenth of a cent tax per gallon of gasoline, this LUST fund is a backstop to ensure prompt and appropriate cleanup of leaking tanks. This tax is bringing in close to $190 million this year. Mr. Chairman, at the end of fiscal year 2002, the administration expects the balance in the LUST fund to be nearly $2 billion. The interest on this balance is bringing the trust fund another $87 million, yet the bill before us appropriates only $72 million to support communities in their efforts to clean up leaking tanks. That is $96,000 less than we appropriated last year, and that is about $15 million less than the interest we expect to earn on the trust fund balance this year.

Mr. Chairman, I think we can do better than that. The American people pay taxes on gasoline and other fuels, in part to ensure that these underground tanks are not polluting their drinking water, so we should use those funds for this purpose.

Mr. Chairman, last week the Energy and Commerce Committee unanimously adopted my amendment to authorize up to $200 million out of the LUST fund for MTBE inspections and cleanup. We took this action because MTBE contamination is presenting a real problem to thousands of communities across this country. My amendment today is only a small step toward addressing those cleanup needs when we should be taking a giant leap. So I would urge my colleagues to support this common sense amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. WALSH. Mr. Chairman, I rise to claim the time in opposition, although I am not in opposition to this amendment.

Mr. Chairman, I rise actually in support of the gentlewoman's amendment and am prepared to accept it for our bill.

This is a good idea. It is a little tough on the Environmental Protection Agency because it will have to find these funds out of existing appropriated funds but, at the same time, it shows that the Congress considers this issue a very high priority. I know members of the subcommittee, including the gentleman from New Jersey (Mr. FRELINGHUYSEN), has spoken long and strong in favor of doing a better, more aggressive job on leaking underground storage tanks, and especially with this issue of MTBE, which pollutes our drinking water. This amendment would also provide funds to orphaned sites where the owner cannot be located or otherwise cannot be identified.

Mr. Chairman, this is a serious problem. Communities all over the country worry about this issue and suffer from this issue, and we need to do a vigilant job in protecting our groundwater supplies which, once they are polluted, can be next to impossible to abate the problem.

So I support the gentlewoman's amendment and am prepared to accept it.

Mr. Chairman, I reserve the balance of my time.

Mrs. CAPPS. Mr. Chairman, I would just say how much I appreciate the support of the gentleman from New York (Mr. WALSH).

Mr. Chairman, I yield back the balance of my time.

Mr. WALSH. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California (Mrs. CAPPS).

The amendment was agreed to.

AMENDMENT NO. 19 OFFERED BY MR. PALLONE

Mr. PALLONE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 19 offered by Mr. PALLONE:

In the item relating to "ENVIRONMENTAL PROTECTION AGENCY—ENVIRONMENTAL PROGRAMS AND MANAGEMENT", after the aggregate dollar amount, insert the following: "(reduced by $3,000,000)".

In the item relating to "ENVIRONMENTAL PROTECTION AGENCY—STATE AND TRIBAL ASSISTANCE GRANTS", after the 1st and 7th dollar amounts, insert the following: "(increased by $3,000,000)".

The CHAIRMAN. Pursuant to the order of the House of July 27, 2001, the gentleman from New Jersey (Mr. PALLONE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me say, first of all, that this is a bipartisan amendment. It is sponsored by myself and the gentlemen from New Jersey (Mr. SAXTON) and (Mr. SMITH), my two colleagues on the Republican side.

Last year, Mr. Chairman, Congress unanimously passed the Beaches Environmental Assessment and Coastal Health Act; it is also known as the Beaches Act. The Beaches Act established consistent water quality standards for beach water and provides grants to help States develop and implement water quality testing and notification programs to warn the public about unsafe conditions at our Nation's beaches.

The reason we needed the Beaches Act and why it is so important is because beach waters are often contaminated by pathogens, which are disease-causing bacteria and viruses found in human and animal wastes from polluted runoffs, storm drains, sewer overflows and malfunctioning septic systems. These pathogens can cause ear, nose and throat infections, dysentery, hepatitis. The risks of infections are higher for children, the elderly, and those with weak immune systems.

Just as an example, Mr. Chairman, during 1999, there were more than 6,000 beach closings and advisories posted at U.S. beaches. Since 1988, more than 36,000 beach closures and health advisories have been issued across the Nation, but only 11 States regularly monitor most or all of their beaches and notify the public. One of the reasons why this amendment is sponsored by three Members from New Jersey is because we had New Jersey as an example of the type of monitoring, and we used this as an example in trying to get this bill passed last year.

Mr. Chairman, I just want to urge my colleagues to support this amendment. It increases EPA's budget by $3 million for grants to States for beach water quality testing and notification. Last year, Congress unanimously passed the Beaches Act, and the Beaches Act authorizes $30 million in EPA grants. However, even though it authorizes $30 million, I think the President recommended only $2 million. The committee was generous in increasing it to $7 million. But we really think that a lot more money is needed and, if we are able to increase this by $3 million to $10 million, it would really make a big difference.

Mr. Chairman, if I could just say a few more things. In some ways, I see it almost as an unfunded mandate, that now we are asking States to do all of these things, but we are not providing them with enough money, and that is why I think this amendment is very important. I should also mention that there are 23 national and regional organizations, environmental groups representing millions of Americans who support this.

Mr. Chairman, I reserve the balance of my time.

Mr. WALSH. Mr. Chairman, I rise to claim the time in opposition, although I am not in opposition.

Mr. Chairman, I congratulate the gentleman from New Jersey and his colleagues from New Jersey who have led this fight to provide additional funds. This is a brand new program. It was authorized just last year, called the Beach Act. It is very popular legislation, it is important legislation, and it is clear that the subcommittee considered it a priority. It was authorized at a $2 million level. We added $5 million to raise funding to $7 million, and this amendment would add another $3 million, bringing a brand new program a fivefold increase in its first year. That is a pretty good test of the popularity and the importance of the program.

The funds, however, will have to come out of the Environmental Protection Agency's State Travel Assistance Grants. Those are very competitive funds. There is strong support and demand on those funds by Members for projects within their districts. So this will put somewhat of a hardship not only on EPA, but also on some of the Members' projects. But this is, we think, an acceptable amendment and we are prepared to support it.

Mr. Chairman, I reserve the balance of my time.

Mr. PALLONE. Mr. Chairman, I yield myself such time as I may consume to just thank the chairman of the subcommittee for his support and the statement that he made. I understand the limitations under which the subcommittee is living and the problem with the offset, but I do appreciate the fact that he, first of all, was willing to increase the amount from what the President recommended and now also go along with this amendment.

So with that, I thank the chairman and the ranking member, and I yield back the balance of my time.

Mr. WALSH. Mr. Chairman, just a note of clarification; I misspoke. The funding comes out of the Environmental Programs and Management Fund, which is EPA's fund and goes into the State Travel Assistance Grant. The gentleman understood clearly that I was in sport of his amendment. I am in support of it. We accept it.

Mr. SMITH of New Jersey. Mr. Chairman, I would like to express my strong support for the Pallone-Saxton-Smith Amendment, which seeks an additional $3 million to the EPA budget for enhancing beach water monitoring programs. These programs are authorized under the BEACH Act (Beaches Environmental Assessment and Coastal Health Act of 2000), signed last year as Public Law 106–284.

Beach water monitoring programs are critical to the health of the millions of people who swim in our oceans. Since 1988, more than 36,000 beaches have been closed due to contaminated water. During 1999 alone, more than 6,000 beaches were closed because beach waters were found contaminated with pathogens, or disease-causing bacteria and viruses.

Pathogens are found in human and animal waste from polluted runoff, storm drains, sewer overflows and malfunctioning septic systems. When swimmers are unknowingly exposed to these pathogens, they can become sick from a whole host of diseases—gastroenteritis, dysentery, and hepatitis among others. Children, who frequent our beaches, are among the highest at risk because their immune systems are not as fully developed.

If we do not take action to keep our shores safe and clean, the dream of a family vacation can become a nightmare of disease and illness. Many of these pathogens are invisible and undetectable to the naked eye. Without testing, there is no way of knowing if beach waters are too contaminated for swimming, surfing, and other recreational activities.

Yet, until last year, no national standards were in place to monitor beaches for pathogen contamination to ensure the water is safe. As a result, Congress unanimously passed the BEACH Act (P.L. 106–284) to establish consistent water quality standards for our beaches. The bill also provides grants to help states develop and implement water quality testing and notification programs about unsafe conditions at our beaches.

The fact of the matter is that our beaches are national assets that deserve national protection. Just like our national parks, our beaches are not enjoyed solely by those who live near them. In fact, just the opposite is true: our beaches are visited by tens of millions of people from all over the country. Foreign tourists come from all parts of the globe to visit our coasts and beaches, including the Jersey Shore.

Our nation's beaches contribute heavily to our national economy—four times as many people visit our nation's beaches each year than visit all of our National Parks combined. And yet Congress provides copious funding for national parks—as it should. It is estimated that 75% of Americans will spend some portion of their vacation at the beach this year. Beaches are the most popular destination for foreign visitors to our country as well. The amount of money spent by beach-going tourists creates an extensive economic benefit—a portion of which goes back to the Federal government in the form of income and payroll taxes.

Clean and safe beaches are not just good public health policy, clean beaches are also good for the economy. In my State of New Jersey, in 1999, tourism brought $27.7 billion to the state—out of the 167 million trips made to New Jersey in 1999, 101 million were to the Shore area.

Mr. Chairman, I urge all members of Congress to support the Pallone-Saxton-Smith Amendment which adds an additional $3 million to the EPA budget for beach water monitoring programs, for a total of $10 million to states and localities to monitor pathogen contamination. Because, a trip to the beach should not result in a trip to the hospital.

Mr. WALSH. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. PALLONE).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $34,019,000, to remain available until September 30, 2003.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or for use by, the Environmental Protection Agency, $25,318,000, to remain available until expended.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; $1,270,000,000 (of which $100,000,000 shall not become available until September 1, 2002) to remain available until expended, consisting of $635,000,000, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101-508, and $635,000,000 as a payment from general revenues to the Hazardous Substance Superfund for purposes as authorized by section 517(b) of SARA, as amended: *Provided*, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further*, That of the funds appropriated under this heading, $11,867,000 shall be transferred to the "Office of Inspector General" appropriation to remain available until September 30, 2003, and $36,891,000 shall be transferred to the "Science and technology" appropriation to remain available until September 30, 2003.

AMENDMENT NO. 24 OFFERED BY MR. BARCIA

Mr. BARCIA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 24 offered by Mr. BARCIA:

Page 62, line 21, after the first dollar amount insert the following: "(reduced by $140,000,000)".

Page 64, line 5, after the dollar amount insert the following: "(increased by $140,000,000)".

The CHAIRMAN. Pursuant to the order of the House of Friday, July 27, 2001, the gentleman from Michigan (Mr. BARCIA) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Michigan (Mr. BARCIA).

Mr. BARCIA. Mr. Chairman, I yield myself such time as I may consume.

The amendment that the gentleman from Ohio (Mr. LATOURETTE) and I are offering today is a simple one. It would provide funding for an authorized grant program that has the potential to benefit communities in every district across this country. These communities are currently struggling with the pervasive and devastating problem of sewer overflows from both combined and sanitary sewer systems. Sewer overflow control programs are often the largest public works projects that communities will face.

The amendment itself is a mere down payment on the funding that this body authorized in the Wet Weather Water Quality Act for fiscal year 2002, just last December. However, I am hopeful that in conference, more money will be found to fully fund the act at the level of $750 million or, alternatively, at least at the President's budget request of $450 million.

This amendment, which has bipartisan support, is about protecting the health of our citizens from untreated sewage, helping communities provide safe and clean drinking water to tens of millions of Americans, and protecting the environment. The families, residents and businesses who are subjected to sewer overflows nationwide deserve nothing less.

Fundamentally, this amendment is about our collective commitment to ensuring the availability of safe, clean, potable water to communities throughout the country.

Mr. Chairman, I want to thank all of the Members who share that commitment, like the gentleman from Ohio (Mr. LATOURETTE), my colleague and good friend who has worked tirelessly on this issue. I appreciate his continued leadership. I would also like to especially thank the gentleman from New York (Mr. BOEHLERT) and the gentleman from Minnesota (Mr. OBERSTAR) and all of the Members who have expressed support for fully funding the grant program. I also want to especially recognize and thank the gentleman from New York (Mr. WALSH), the chairman of the subcommittee, and the gentleman from West Virginia (Mr. MOLLOHAN), the ranking member, in continuing to work with us to find opportunities like this to fund the CSO, SSO grant program.

Mr. Chairman, every community, from Seattle, Washington, to Wheeling, West Virginia, to Syracuse, New York, to Indianapolis, Indiana, stands to benefit from this program. I have heard from many communities, and this is just a small representation of the communities who have written to me expressing their strong desire to have this program fully funded.

President Bush also acknowledged the real problem facing communities in his budget stating, "To address Federal mandates to control the biggest remaining municipal waste water problem, funds should be used for the newly authorized sewer overflow control grants."

□ 2000

I spoke with a constituent just last week, Craig Tetreau from Marlette, Michigan. They have a $3 million problem. Around here, $3 million may not sound like a lot of money. However, 763 families live in the city of Marlette, and they have an annual budget of $2 million for all city services. If they do not make the upgrades, the State has threatened to construct the necessary upgrade at a cost of $11,000 per household.

Similarly the village of Fairgrove, with 233 families, has $1.5 million in upgrading costs.

In Saginaw, Michigan, sewer rates jumped from $10.40 a month in 1989 to over $39 a month in 1999. Another 50 percent rate increase is anticipated. Recently, sewer rates were 2.64 percent of the median household income alone. This is an enormous burden for which Saginaw, like so many other communities across the country, needs help in the form of Federal grant funding assistance that would be provided by this amendment.

I urge every Member to support this critically important amendment.

The CHAIRMAN. The Chair will clarify that the gentleman from Michigan (Mr. BARCIA) was recognized for 10 minutes for this debate, and a Member in opposition will have 10 minutes for this debate.

Mr. WALSH. Mr. Chairman, I rise in opposition to the gentleman's amendment.

The CHAIRMAN. The gentleman from New York is recognized for 10 minutes.

Mr. WALSH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have the greatest respect for the gentleman from Michigan (Mr. BARCIA). We have worked very, very closely with him on a number of issues within this bill. I know he is deeply concerned about water quality in the Great Lakes and about the quality of drinking water in his own community. These are things that he has worked very hard on and cares deeply about.

But what he is asking us to do is to choose which way, almost equivalent to asking us which way would we like to die, would we rather be hung or burned to death. This is a tough choice.

The Superfund program is terribly important, and it is very, very strongly supported by Members. We all know the combined sewer overflow problem this Nation has is in the hundreds of billions of dollars. We cannot take from one and give to the other either way. We have funds set aside for Superfund. There is not enough money, but we have done the best we could.

There is money set aside for combined sewer overflows through the Clean Water grants and special grants, close to $1.5 billion. It is not enough. There is more need out there. We all understand that. But we cannot take from Superfund $150 million, or $140 million. If we did, it would dramatically reduce the pace of Superfund clean-ups across the country. Every aspect of the Superfund program, but particularly the cleanup or Response program, would be impacted, and none of the agency's Superfund goals would be met, so the program would suffer dramatically. Funding to State programs would be reduced; communities would wait longer for their sites to be addressed.

I know there are a number of Members who feel very strongly about Superfund issues. Superfund sites do a lot of damage to the land, air and water. We have to make these projects a priority. We would lose 50 to 100 ongoing cleanup projects which would be slowed or stopped. The EPA would be unable to start toxic waste clean-ups at dozens of Superfund sites. Construction and completion would fall by one-third. Up to 150 potential sites identified by States would not be evaluated for their potential risks to human health and the environment.

So, Mr. Chairman, I strongly oppose the gentleman's amendment.

Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia (Mr. MOLLOHAN).

Mr. MOLLOHAN. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, the Superfund program is funded at $1.2 billion, which is barely enough. It is at the President's request, and barely enough to cover the responsibilities which Superfund is charged to cover. We are talking about toxic waste cleanup; we are talking about carcinogenic substances that are real hazards to people.

I know the gentleman from Michigan had a terrible time in finding offsets in this bill. If we try to do it, it is extremely difficult. Even though he has gone to this account, I know he strongly supports the Superfund program.

Having said that, the gentleman raises a very important issue here. The funding need for water infrastructure is one of the most pressing issues addressed in this bill. A needs survey conducted by the American Society of Civil Engineers estimates our wastewater needs to be approximately $12 billion annually to replace aging facilities and comply with existing and future Federal water regulations. The funding in this bill does not even begin to touch that need.

Controlling sewer overflows continues to be a priority mandate imposed on communities by the EPA regulatory and enforcement programs, and it will continue to be a financing issue that communities around the country will have to confront.

It is terribly difficult for communities to even begin to contemplate being able to marshall the resources to solve this problem. So I understand the issue that the gentleman is bringing before the Congress today. It is an important issue. I compliment him bringing it to our attention.

The gentleman from Michigan (Mr. BARCIA) has been at the forefront of fighting for funding for water projects and for wastewater overflow projects, and he is to be commended for that.

However, I am reluctantly going to oppose his amendment because of the offset that he proposes, and hope that in the future we will find additional funds to address the very excruciating need that he brings to our attention.

Mr. WALSH. Mr. Chairman, I reserve the balance of my time.

Mr. BARCIA. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. LATOURETTE).

Mr. LATOURETTE. Mr. Chairman, I thank the gentleman for yielding time to me.

I want to voice my strong support for his amendment seeking to provide relief for local communities that today are shouldering up to 90 percent of the burden of revamping their wastewater treatment facilities.

The American Waterworks Association unveiled its new study that predicts required spending of more than $250 billion over the next 30 years to take care of this problem. In the last Congress, the gentleman from Michigan (Mr. BARCIA) led the charge in the Congress with the Wet Weather Quality Act, together with the gentleman from New Jersey (Mr. PASCRELL). The language is included in the Labor-HHS bill over in the Senate that provided a landmark 2-year grant program to be administered by the EPA.

We are not alone. We had a little hearing in front of the Subcommittee on Water Resources and Environment earlier this year, and Administrator Whitman was in front of us. We said they have to provide money for the State revolving loan fund and this grant money as well, because communities cannot take it across the country.

The President put in $450 million in his budget for this program. While I commend the gentleman from New York (Mr. WALSH), who certainly understands the program and the problems as well as anybody in this Congress, the fact is that while the subcommittee has funded the State revolving loan fund and is willing to give loans to communities, there is no grant program in place that would take care of this problem across the Nation.

I want to just bring up one example, not in my district, but it is in Worcester, Massachusetts. To build a single-family home, one has to pay a $16,000 tap-in fee. Who in this Congress, Mr. Chairman, could pay $16,000 to flush the toilet to build a single-family new house? But that is the problem facing not only the folks in Worcester, Massachusetts; but it is the problem facing all of America today if we do not do something.

I would say to the distinguished chairman of the subcommittee, if we go back to the Contract with America in the very first bill the gentleman from Ohio (Mr. PORTMAN) introduced, the unfunded mandate legislation, this Congress, this Federal Government, has mandated all of these initiatives upon the wastewater treatment plants of the small municipalities in this country, but has not sent the money.

It is time to send the money. It is time to pass the Barcia amendment. It is too bad that the rules indicate we have to make an offset on the basis of the Superfund allocation, but this money needs to be sent to the small communities of America.

I praise the gentleman from Michigan (Mr. BARCIA) and the gentleman from New Jersey (Mr. PASCRELL), and I urge an aye vote.

Mr. BARCIA. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Chairman, I would like to begin where the gentleman from Ohio (Mr. LATOURETTE) left off. The Clean Water Act provides very specific mandates for municipalities.

I was a mayor, mayor of the third largest city in the State of New Jersey. There is no way that the Patersons of this country, smaller, larger, can respond to this multibillion dollar need within our communities. Our clean water is threatened, is threatened if we do not begin to address, and we have, this problem.

I am positive that the chairman and the ranking member are sensitive to these needs. But being sensitive to the needs, we need to take it to the next level. We need to be in every mayor's office, in every council chambers throughout America when these issues are coming up.

Crumbling systems exist throughout America. We need to respond. The cost is great. If we do not do it, the cost will be even greater.

One segment of the President's proposed budget I was particularly pleased with, which was where the President expressed his support for the newly authorized sewer overflow control grants. H.R. 828, which passed the Congress, authorized $750 million in fiscal years 2002 and 2003. We are trying to give cities and towns across America the resources they need to clean up their sewer systems and comply with the Clean Water Act.

I am hopeful that we can work with the committee to ensure that full funding is included in the final bill to address this issue, which is important in every district and in every State in this Nation. We must follow through on our commitment to local governments to assist in their wet-weather infrastructure challenges, and I support this critical down payment.

I recognize the hard work of the gentleman from Michigan (Mr. BARCIA) and the gentleman from Ohio (Mr. LaTOURETTE).

Mr. WALSH. Mr. Chairman, I reserve the balance of my time.

Mr. BARCIA. Mr. Chairman, I yield the balance of my time to my good friend and colleague, the gentleman from Washington (Mr. LARSEN).

Mr. LARSEN of Washington. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise to speak in support of this amendment. Grant funding to help communities control sewer overflows was approved and authorized in the last Congress; but in this Congress, in this House, in this budget, no funds have been set aside at all. Congress must follow through and fund this important program.

Back home in my district, I can point to the city of Everett, Snohomish, Anacordis, three cities with some of the highest sewer rates in my district. Everett alone has invested in excess of $12 million since 1990 towards reducing and controlling CSOs; and despite the substantial financial commitment, nearly $20 million more is required for the city to reach full compliance with all local, State, and Federal mandates.

Federal funding will be crucial to the city's efforts to reach full compliance, so it is my hope that this Congress can step up to help our communities by providing this funding.

I urge my colleagues to vote in favor of their communities, to vote in favor of this amendment. I commend the gentleman from Michigan (Mr. BARCIA) for his work on this amendment.

Mr. BARCIA. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. WALSH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will be very brief in closing. I have discussed this with my ranking member, the gentleman from West Virginia (Mr. MOLLOHAN). We both appreciate not only the sentiment but the leadership that has been provided on this issue. It is a real big issue for the country.

But to force us to choose between Superfund and CSOs is just too tough a choice to make. We would urge the gentleman, with all due respect, to withdraw the amendment; and he should continue to work with the authorizing committee and with the Committee on Appropriations to see if we can do a better job of meeting this commitment. It is a question of allocation and choices, and we just cannot justify the choice he is asking us to make. I would ask again that he would withdraw the amendment.

Mr. GOODLATTE. I rise today in support of the Barcia/Latourette amendment to HR 2620. This amendment would increase the bills funding for EPA Water Improvement Grants—with the intention that these funds would be used for grants for combined sewer overflows.

Mr. Chairman, the condition of our Nation's wastewater collection and treatment facilities is alarming. In its 1999 clear water needs survey, the EPA estimated that nearly $200 billion will be needed over the next 20 years to address wastewater infrastructure problems in our communities.

In Lynchburg, Virginia, the cost of improving 174 miles of combined sewers that serve 11.4 square miles exceeds $275 million in 2000 dollars. This equates to $16,875 per ratepayer in a city whose average income is $27,500. These CSO improvements are by far the largest capital projects the city has ever undertaken.

Given this great need, I believe the Federal Government has a responsibility to assist communities that are trying to fix their problems and comply with Federal water quality mandates.

I strongly urge my colleagues to adopt this amendment which will increase funding for the Clean Water Revolving Loan Program and help cities in need of meeting Federal mandates.

Mr. WALSH. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. BARCIA).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. LaTOURETTE. Mr. Chairman, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Michigan (Mr. BARCIA) will be postponed.

The point of no quorum is considered withdrawn.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $72,000,000, to remain available until expended.

OIL SPILL RESPONSE

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $15,000,000, to be derived from the Oil Spill Liability trust fund, to remain available until expended.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,433,899,000, to remain available until expended, of which $1,200,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended (the "Act"); $850,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended, except that, notwithstanding section 1452(n) of the Safe Drinking Water Act, as amended, none of the funds made available under this heading in this Act, or in previous appropriations Acts, shall be reserved by the Administrator for health effects studies on drinking water contaminants; $75,000,000 shall be for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $30,000,000 shall be for grants to the State of Alaska to address drinking water and wastewater infrastructure needs of rural and Alaska Native Villages; $200,000,000 shall be for making grants for the construction of wastewater and water treatment facilities and groundwater protection infrastructure in accordance with the terms and conditions specified for such grants in the report accompanying this Act; and $1,078,899,000 shall be for grants, including associated program support costs, to States, federally recognized tribes, interstate agencies, tribal consortia, and air pollution control agencies for multimedia or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading in Public Law 104–134, and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities of which and subject to terms and conditions specified by the Administrator, $25,000,000 shall be for making grants for enforcement and related activities (in addition to other grants funded under this heading), and $25,000,000 shall be for Environmental Information Exchange Network grants, including associated program support costs: *Provided*, That for fiscal year 2002 and hereafter, State authority under section 302(a) of Public Law 104–182 shall remain in effect: *Provided further*, That notwithstanding section 603(d)(7) of the Act, the limitation on the amounts in a State water pollution control revolving fund that may be used by a State to administer the fund shall not apply to amounts included as principal in loans made by such fund in fiscal year 2002 and prior years where such amounts represent costs of administering the fund to the extent that such amounts are or were deemed reasonable by the Administrator, accounted for separately from other assets in the fund, and used for eligible purposes of the fund, including administration: *Provided further*, That for fiscal year 2002, and notwithstanding section 518(f) of the Act, the Administrator is authorized to use the amounts appropriated for any fiscal year under section 319 of that Act to make grants to Indian tribes pursuant to section 319(h) and 518(e) of that Act: *Provided further*, That for fiscal year 2002, notwithstanding the limitation on amounts in section 518(c) of the Act, up to a total of 1½ percent of the funds appropriated for State Revolving Funds under Title VI of the Act may be reserved by the Administrator for grants under section 518(c) of such Act: *Provided further*, That no funds provided by this legislation to address the water, wastewater and other critical infrastructure needs of the colonias in the United States along the United States-Mexico border shall be made available to a county or municipal government unless that government has established an enforceable local ordinance, or other zoning rule, which prevents in that jurisdiction the development or construction of any additional colonia areas, or the development within an existing colonia the construction of any new home, business, or other structure which lacks water, wastewater, or other necessary infrastructure.

POINT OF ORDER

Mr. GILLMOR. Mr. Chairman, I make a point of order that the language beginning with "except that" on page 64, line 12, through "drinking water contaminants" on line 17 violates clause 2 of rule XXI of the rules of the House prohibiting legislating on an appropriations bill.

The language I have cited says that notwithstanding the provisions of the Safe Drinking Water Act, none of the money in the fiscal year 2002 VA–HUD appropriations bill or even previous appropriation acts may be reserved by the EPA administrator for health effect studies on drinking water contaminants.

The language clearly constitutes legislating on an appropriations bill, and as such, violates clause 2 of rule XXI.

I therefore insist on my point of order.

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The CHAIRMAN. Does anyone wish to speak on the point of order?

If not, the Chair is prepared to rule. The Chair finds that this provision explicitly supersedes existing law. The provision therefore constitutes legislation in violation of clause 2 of rule XXI.

The point of order is sustained and the provision is stricken from the bill.

The Clerk will read:

The Clerk read as follows:

ADMINISTRATIVE PROVISIONS

For fiscal year 2002, notwithstanding 31 U.S.C. 6303(1) and 6305(1), the Administrator of the Environmental Protection Agency, in carrying out the Agency's function to implement directly Federal environmental programs required or authorized by law in the absence of an acceptable tribal program, may award cooperative agreements to federally-recognized Indian Tribes or Intertribal consortia, if authorized by their member Tribes, to assist the Administrator in implementing Federal environmental programs for Indian Tribes required or authorized by law, except that no such cooperative agreements may be awarded from funds designated for State financial assistance agreements.

AMENDMENT NO. 37 OFFERED BY MS. PELOSI

Ms. PELOSI. Mr. Chairman, I offer an amendment.

The CHAIRMAN. Is there objection to the consideration of the amendment offered by the gentlewoman from California at this point?

There was no objection.

The CHAIRMAN. The Clerk will designate the original amendment.

The text of the amendment is as follows:

Amendment No. 37 Offered by Ms. PELOSI: Page 92, strike lines 3 through 9.

MODIFICATION TO AMENDMENT OFFERED BY MS. PELOSI

Ms. PELOSI. Mr. Chairman, I ask unanimous consent that the amendment be modified in the form at the desk.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Ms. PELOSI: Page 67, line 22, strike "$17,000,000" and insert "$20,000,000".

The CHAIRMAN. Is there objection to the modification offered by the gentlewoman from California?

There was no objection.

The text of the amendment, as modified, is as follows:

Page 67, line 22, strike "$17,000,000" and insert "$20,000,000".

The CHAIRMAN. Pursuant to the order of the House of Friday, July 27, 2001, the gentlewoman from California Ms. PELOSI, and a Member opposed each will be recognized for 15 minutes.

The Chair recognizes the gentlewoman form California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment would ensure that the Environmental Protection Agency's program for registering pesticides and reassessing pesticide tolerances are funded at the same level in fiscal year 2002 as in the current year. These programs are important to ensure that pesticides used in our crops, on our pets, and in our homes and businesses are thoroughly reviewed, and tolerances are set at safe levels.

At this point, Mr. Chairman, before proceeding with further discussion of the amendment, I would like to thank my colleague, the gentleman from Arkansas (Mr. BERRY), for his extraordinary leadership in taking what might have been a controversial amendment and having us come to some peace on this issue among all the various equities that must weigh in this.

I certainly wish to thank the chairman of the subcommittee, the gentleman from New York (Mr. WALSH) for his leadership and cooperation, and the ranking member, the gentleman from West Virginia (Mr. MOLLOHAN), as well as the gentleman from California (Mr. WAXMAN), the original author of the Food Quality Protection Act for their leadership. Certainly, the gentleman from California (Mr. FARR) for his representing the balances between the environment and ag concerns, which are now in harmony, and the gentleman from Texas (Mr. STENHOLM) for his participation and leadership.

And before I go on, I would like to say that the gentleman from Arkansas (Mr. BERRY) took the time to do this while playing a very active leadership role as a named sponsor of the legislation that is very important to all of us, the Patients' Bill of Rights. So I particularly wanted to acknowledge his leadership.

Mr. Chairman, it is especially important that we protect the health of infants and children by ensuring that pesticide exposure levels safeguard their health. The Food Quality Protection Act was designed with special protections for children in mind. We support this funding to ensure that EPA has adequate resources to review chemicals and ensure that they meet new safety standards set by the FQPA, the Food Quality Protection Act.

This amendment would ensure that the EPA has an additional $3 million to ensure that pesticides are adequately assessed for safety. I have worked with Members on both sides of the aisle on this amendment and believe that any controversy has been resolved, as I mentioned earlier. It is my understanding that this amendment is acceptable to the distinguished chairman, the gentleman from New York.

Mr. WALSH. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from New York.

Mr. WALSH. Mr. Chairman, I thank the gentlewoman for yielding to me. The gentlewoman's amendment will maintain current funding levels for EPA's pesticide reregistration and tolerance assessment programs and is acceptable to the committee.

Collection of $20 million in maintenance fees will ensure that reregistrations and tolerance reassessments are completed in a timely manner with appropriate scientific analysis, ensuring that our farmers have the tools they need, and that human health is protected.

Ms. PELOSI. Reclaiming my time, Mr. Chairman, I wish to thank the distinguished chairman for his statement and for agreeing to this amendment.

I would like to enter into a colloquy with the gentleman regarding EPA's program to register new, reduced-risk pesticides. It is my understanding that there are negotiations underway to provide an additional $6 million in funding for assessing reduced-risk pesticides and strengthening EPA's scientific analysis on exposure of farm workers and exposure in drinking water.

We would like to continue discussions on these issues with the intention of addressing them in conference on the fiscal year 2002 bill. We would also ask that the chairman consider providing his support for funding of these programs for 5 years, but we are addressing the fiscal year 2002 bill now.

Mr. WALSH. If the gentlewoman will continue to yield, I thank her for bringing this matter to our attention.

Reduced-risk pesticides can displace pesticides that present higher risks, and they help ensure that our farmers have a complete toolbox to control the pests that attack our crops. I look forward to working with the gentlewoman to consider additional funds for reduced-risk pesticides in the conference report.

Ms. PELOSI. I thank the chairman for his support of this amendment and for agreeing to work together to ensure that EPA can proceed with these programs that are so important to our farmers and to the safety of our food supply.

I wonder if our distinguished ranking member wishes to weigh in on this subject. Does the gentleman have any objection to the colloquy?

Mr. MOLLOHAN. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. I have no objection and compliment the gentlewoman for her efforts in this area. She has been very effective, as is evidenced by the chairman's accepting her amendment.

Ms. PELOSI. Reclaiming my time, Mr. Chairman, I thank the ranking member. And I want to once again acknowledge the leadership of the gentleman from California (Mr. WAXMAN), the author of the Food Quality Protection Act; the gentleman from Arkansas (Mr. BERRY), for his leadership; the gentleman from California (Mr. FARR); and the gentleman from Texas (Mr. STENHOLM); and others, who have worked to resolve some of the controversy in this.

It is our anticipation that if we have this full funding, the $20 million for this year, that the EPA will be able to meet its statutory requirement. We, of course, want the additional $6 million and look forward to working with the chairman and the ranking member to get that in conference with the support that I mentioned here in a bipartisan way, and hope that the EPA can, over the course of the next year, demonstrate that these were sufficient funds to meet their statutory requirements under the Food Quality Protection Act.

With that, Mr. Chairman, I urge my colleagues to support the amendment.

Ms. WOOLSEY. Mr. Chairman. I am pleased to rise in support of this amendment offered by my friend and colleague, Ms. PELOSI.

As many of my colleagues know, I am a relatively new grandmother. My grandson, Teddy, is eighteen months old—old enough to sit at the table with his parents and eat many of the things they eat.

But Teddy is, of course, much smaller than his parents and his vital systems are not fully developed. According to a report by the National Academy of Sciences, that means that Teddy, and all other children, are "more susceptible to permanent damage" from exposure to pesticides and other chemicals in foods.

That landmark National Science Report, "pesticides in the diets of infants and children" was the main reason that Congress passed the food quality protection act in 1996 with strong bipartisan support.

This was the first law to require that the standards set by the Environmental Protection Agency for pesticide traces in our foods take into account the special vulnerabilities of growing children.

Members from both sides of the aisle agreed that we wanted the food our children—and grandchildren—eat to be as safe as possible.

That's why I was shocked to learn that H.R. 2620 will make it impossible for the Environmental Protection Agency to develop these standards.

And it does this in a really sneaky way. Section 421 of this Bill prohibits the EPA from issuing the final rule to increase the user fee that the pesticide industry pays to help finance pesticide tolerance studies.

OMB has estimated that increasing the user fee would give EPA an additional $50 million dollars that the EPA needs, in order to find out what levels of pesticides children can safely tolerate.

Section 421 makes it impossible for EPA to collect that money.

The Pelosi Amendment strikes Section 421, giving EPA the authority it needs to begin collecting increased user fees from the pesticide industry.

I can't imagine that there is a parent or a grandparent, or anyone in this house who cares about the health of a young child, who doesn't want to make sure that the food that child eats is safe from dangerous levels of pesticides.

That's what the Pelosi Amendment does, it protects the foods our children eat, and I urge my colleagues to support it.

Ms. PELOSI. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Under a previous order of the House, a Member opposed also may control 15 minutes. Is there such Member?

If not, the question is on the amendment, as modified, offered by the gentlewoman from California (Ms. PELOSI).

The amendment, as modified, was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Section 136a–1 of title 7, United States Code is amended—

(1) in subsection (i)(5)(C)(i) by striking "$14,000,000" and inserting "$17,000,000"; and, by striking "each" and inserting "2002" after "fiscal year";

(2) in subsection (i)(5)(H) by striking "2001" and inserting "2002";

(3) in subsection (i)(6) by striking "2001" and inserting "2002"; and

(4) in subsection (k)(3)(A) by striking "2001" and inserting "2002"; and, by striking "1/7" and inserting "1/10".

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $5,267,000.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Quality Improvement Act of 1970, and Reorganization Plan No. 1 of 1977, $2,974,000: *Provided*, That notwithstanding section 202 of the National Environmental Policy Act of 1970, the Council shall consist of one member, appointed by the President, by and with the advice and consent of the Senate, serving as chairman and exercising all powers, functions, and duties of the Council.

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $33,660,000, to be derived from the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $1,369,399,000, and, notwithstanding 42 U.S.C. 5203, to remain available until expended, of which not to exceed $2,900,000 may be transferred to "Emergency management planning and assistance" for the consolidated emergency management performance grant program; up to $15,000,000 may be obligated for flood map modernization activities following disaster declarations; and $21,577,000 may be used by the Office of Inspector General for audits and investigations.

In addition, for the purposes under this heading, $1,300,000,000: *Provided*, That such amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That such amount shall be available only to the extent that an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, is transmitted by the President to the Congress.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For the cost of direct loans, $405,000, as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $25,000,000. In addition, for administrative expenses to carry out the direct loan program, $543,000.

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles as authorized by 31 U.S.C. 1343; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of Government programs to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed $2,500 for official reception and representation expenses, $227,900,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $10,303,000: *Provided*, That notwithstanding any other provision of law, the Inspector General of the Federal Emergency Management Agency shall also serve as the Inspector General of the Chemical Safety and Hazard Investigation Board.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947, as amended (50 U.S.C. 404–405), and Reorganization Plan No. 3 of 1978, $404,623,000.

AMENDMENT NO. 6 OFFERED BY MRS. CAPPS

Mrs. CAPPS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mrs. CAPPS:

In title III, in the item relating to "FEDERAL EMERGENCY MANAGEMENT AGENCY—EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE", strike the period at the end and insert the following:

: *Provided*, That of the funds made available under this heading, $25,000,000 shall be available for purposes of predisaster hazard mitigation pursuant to section 203 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133).

The CHAIRMAN. Pursuant to the order of the House of Friday, July 27, 2001, the gentlewoman from California (Mrs. CAPPS) and a Member opposed each will control 10 minutes.

The chair recognizes the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Chairman, I yield myself such time as I may consume.

This amendment, Mr. Chairman, will earmark $25 million of FEMA's Emergency Management Planning and Assistance Account for the successful Project Impact.

Project Impact is a commonsense public-private partnership designed to help communities prepare for natural disasters by funding predisaster hazard mitigation. The goal is to help communities become disaster resistant. This funding allows communities to build partnerships with businesses, industry, public works, utilities, volunteer groups, and the local State and Federal Government. These partnerships assess their community's risks and vulnerabilities to natural disasters, identify priorities for mitigation, and begin implementing them. And the Federal funding works to leverage support from private sources, magnifying its effectiveness.

Mr. Chairman, over the last decade, the Federal Emergency Management Agency has spent $20 billion to assist communities to recover from disasters. This does not include the billions spent by other agencies, like HUD, the Small Business Administration, as well as State and local governments. And not all damage can be repaired. People lose their jobs; businesses close. In fact, 40 percent of small businesses are never able to recover or reopen. And, of course, most tragically, lives are lost. Project Impact recognizes that we can spend a fraction of the money we spend now to avoid some of those costs and save many of those lives. It seems imprudent not to take this step.

Project Impact is a classic example of the adage that an ounce of prevention is worth a pound of cure. For example, earlier this year we saw the effectiveness of Project Impact. In January, Washington State and the City of Seattle were struck by the worst earthquake to hit the Pacific Northwest in 52 years. But according to press accounts, injuries were only about 15 percent of what FEMA expected from a 6.8 magnitude, and costs were only about half of what the agency projected. This was in no small part because of Project Impact.

In 1977, Seattle was able to turn a $1 million grant from Project Impact into $7 million with private support, and they set about to make Seattle disaster resistant. They enforced building codes, strengthened existing buildings, and educated their citizens about prevention measures they could take. FEMA and Seattle took the initiative and their work ahead of time and made a terrible tragedy significantly less tragic.

No less an expert on the matter of disaster relief and mitigation than former FEMA Director James Lee Witt pointed this out. In a letter he sent to me in support of this amendment to fund Project Impact, Mr. Witt says, and I quote, "Despite FEMA's quick response, the reality is that without prevention efforts, thousands of families will continue to lose their homes and precious possessions, and hundreds of small businesses will be destroyed, resulting in the loss of thousands of jobs. Seattle has shown the United States that prevention works. Other communities deserve the opportunity to replicate Seattle's success."

Mr. Chairman, I am deeply appreciative that the committee has increased the funding for Emergency Management Planning and Assistance by nearly $35 million. It is clear that this funding is needed. But it is also clear that we should be spending some of that money on Project Impact and its preventive measures. My home county of Santa Barbara received a Project Impact grant to model potential wildfires and to look at ways to mitigate their impact. These efforts have allowed the county to better develop emergency plans which will save lives if, or more likely when, that catastrophe strikes. Besides Seattle and Santa Barbara, nearly 250 communities have received Project Impact grants since the program was established in 1997.

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Let us give the next 250 communities that same chance.

It simply does not make sense for us to keep pouring money into communities after the fact and not try to help them before a disaster. This is especially true in light of FEMA's $2.25 billion budget. All this amendment does is dedicate 1 percent of that funding to predisaster assistance. It does not increase the budget and it will save many lives.

Mr. Chairman, I urge my colleagues to support this amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentleman from New York seek time in opposition?

Mr. WALSH. Mr. Chairman, I rise in opposition to the gentlewoman's amendment.

The CHAIRMAN. The gentleman from New York is recognized for 10 minutes.

Mr. WALSH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the gentlewoman's amendment would designate $25 million of the funds for FEMA emergency management planning and assistance to be used for predisaster mitigation activities.

For the past 4 years FEMA had had a program to raise the awareness within communities of the need to prepare for disasters. This program was called Project Impact and it made strides towards helping communities become better informed of how to prepare and respond to natural disasters.

While this budget does not continue Project Impact, in our hearings earlier this year the Director of FEMA expressed his desire to develop a full-fledged predisaster mitigation program building on the success that Project Impact has had in raising the level of awareness within all communities.

I know that if such a program were developed and implemented after careful thought and deliberation, it would save money and lives. The biggest concern I have with the amendment is that it offers no way to pay for the program. The amendment designates $25 million of the $404 million in this account for the predisaster program. What programs currently funded in this account would the gentlewoman have us decrease?

Would the gentlewoman suggest a reduction in the budget for the Firefighter Assistance Grants? They are funded in this bill at $100 million. We have had debate on the floor today that Members believe there is substantially more need and there is great demand. We had $3 billion in requests for those $100 million for fire fighters. Surely we cannot go there.

Should we reduce the allowance for salaries or grants to State and local emergency management officials? We are already asking FEMA to take a reduction in their salaries for fiscal year 2002. A further cut of this magnitude would make this agency very difficult, if not impossible, to manage.

Should we reduce the allowance for updating floodplain maps? There is currently a backlog in the number of maps which need to be updated, and it is estimated that it will cost over $700 million to address this backlog. This bill contains a modest start to addressing this backlog. I know the gentlewoman is aware that flooding causes more damage nationwide than any other type of natural disaster, so I do not think she would want us to stop this effort in order to fund a public awareness campaign.

This bill is full of difficult choices, Mr. Chairman. Sometimes programs have to be canceled to make room for other more worthy programs. The budget request made such a decision with regard to predisaster mitigation, but with the ultimate goal of developing a more robust and focused program with well-defined and prioritized objectives. I think we ought to wait for such a program to be proposed and carefully considered in the context of all of FEMA's programs. For this reason I oppose the amendment and ask my colleagues to oppose it also.

Mr. Chairman, I reserve the balance of my time.

Mrs. CAPPS. Mr. Chairman, may I inquire how much time remains?

The CHAIRMAN. The gentlewoman from California has 5½ minutes remaining.

Mrs. CAPPS. Mr. Chairman, I yield 1½ minutes to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Chairman, I thank the gentlewoman for yielding time to me.

The issues of FEMA and Project Impact come under the jurisdiction of the Committee on Transportation and Infrastructure on which I serve. Throughout the last administration I worked with FEMA and the White House to develop Project Impact. I think it has been a tremendous success.

Mitigation is the cornerstone of emergency management. Mitigation simply means efforts to lessen the impact of disasters on people and property. It keeps homes out of floodplains, designs bridges to withstand earthquakes, creates and enforces building codes to protect property from hurricanes, and many such creative initiatives all across the land.

It helps communities adapt their public facilities before disaster strikes in order to save lives, buildings and homes.

The gentlewoman has so well cited the case of Seattle, Washington. It has been a Project Impact city since 1997. Everyone participated in retrofitting homes, developing mapping projects for landslides and seismic vulnerability. Schools received funds to remove structural hazards and we saw what a success all of that was in the aftermath of the earthquake.

I understand that the issue of funding was not created by the chairman of the subcommittee. It is the Office of Management and Budget that chose to strike this funding from the budget in a move I just simply cannot understand.

I welcome the suggestion that the chairman made that the Director of FEMA would work with the Congress to develop a plan. He has never approached me with such a proposal. He has not come to my committee to my knowledge to propose such an initiative. I look forward to him doing so, but I want to see something more concrete than just a wish. Meanwhile, vote for the Capps amendment.

Mr. MOLLOHAN. Mr. Chairman, I continue to reserve my time.

Mrs. CAPPS. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Chairman, Project Impact really provides communities with the resources they need to combat natural disasters and make them less susceptible to future damages.

In my district, Stratford, Connecticut last year was hit by a devastating storm. It dumped 8 inches of rain in a 4-hour period. It resulted in over $5 million in damage.

East Haven, another town in my district, has a long history of flooding, constantly ravaged by hurricanes and tropical storms. Every time there is a rain storm families fear they are going to be displaced.

East Haven was awarded grant money to take a proactive approach to help keep flood insurance rates lower. The grant helps to pay for an early warning storm system. It helps to pay for storm shutters for residents' windows and other weather precautions.

We have all stood in the rain witnessing these disasters. We have all met the crying homeowners, but it is not the loss of property that is important. It is the lost dreams. That is why we need to take steps to get people help in such unavoidable circumstances. Project Impact does just that. It is a common-sense program. It protects property and saves lives. It identifies ways to prevent future tragedies and reduce property damage.

Mr. Chairman, I urge my colleagues to support the Capps amendment.

Mr. WALSH. Mr. Chairman, I reserve the balance of my time.

Mrs. CAPPS. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I rise in strong support for this amendment. I respect the gentleman from New York in talking about the difficult trade-offs that are being made and the prospects of having $400 million of other programs of mitigation.

The fact is we do not have to wait to develop a practical, effective program. For heaven's sakes, this is one of the show pieces of the last FEMA Director, James Lee Witt, who everyone acknowledges has done an outstanding job. In just 5 years, starting with seven pilot projects, this has grown around the country. I was stunned to address their national conference last fall. I interacted with 2,500 people from around the country, private partnerships, NASA, local government, private business, and we are going to throw this away to develop something new?

Mr. Chairman, this is what frustrates people about the Federal Government. When we have a winning program that everybody likes, that reaches down to the grass roots, that is voluntary in nature, that we do not have to guess whether or not it is effective, we would throw that away? I beg the gentleman to reconsider. We can find $25 million to keep this experience alive.

Mrs. CAPPS. Mr. Chairman, I yield 1 minute to the gentleman from Washington (Mr. LARSEN).

Mr. LARSEN of Washington. Mr. Chairman, I rise today in strong support for the Capps amendment. The Peterson area became one of the first to participate in Project Impact, using a small amount of Federal funding provided by the program to leverage greater local funding, to retrofit schools, homes and small businesses. In the past 10 years FEMA has spent more than $20 billion to help communities repair and rebuild after natural disasters. Project Impact in contrast costs the Federal Government only $25 million. In this instance it likely saved several times that figure in the Seattle area by saving lives and preventing damage. We do not need the promise of a new program; we have a program. It is called Project Impact.

Mr. Chairman, I urge this House to pass the Capps amendment.

Mr. WALSH. Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia (Mr. MOLLOHAN), the distinguished ranking member of the subcommittee.

Mr. MOLLOHAN. Mr. Chairman, I rise in reluctant opposition to the amendment.

Mr. Chairman, I thank the gentlewoman for bringing her amendment because it highlights the importance of this very good program: Project Impact. Unfortunately, the amendment comes in a context which makes it very difficult for us to consider. There are a lot of excellent programs funded in this emergency management and planning assistance account. There are preparedness activities, for example, and early warning systems; flood mapping, which is an extremely important program; other mitigation efforts; and grants to States.

This is simply a matter of robbing Peter to pay Paul, of taking money from good projects to put them in another good project. I think the better time to consider this issue is in conference where the Senate has already funded this activity. I think then we will be in a much stronger position to consider the merits of Project Impact vis-a-vis the merits of these other programs.

Mr. Chairman, at this point in the process, we simply do not have enough money to go around. Given that we are looking toward possible favorable consideration in conference, I urge a "no" vote on the amendment. Again, it is simply robbing Peter to pay Paul, taking money from very good programs to fund a very good program. We are not against Project Impact; it is simply the wrong point in the process to consider the amendment.

Mrs. CAPPS. Mr. Chairman, I yield 30 seconds to the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Chairman, I come from a district which has had seven presidentially declared disasters. If there is anything that I have learned, an ounce of prevention is worth a pound of cure. Everything we do in this country is to try to prevent injury and harm. One of the dumb things we do is keep going in after a disaster and allowing people to do the same old thing.

Mr. Chairman, this program gets people out of doing the same old thing that makes them involved in a disaster. I hope my colleagues march into conference very strongly supporting this amendment.

Mr. WALSH. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time to close.

Mrs. CAPPS. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I would close by saying we had a budget that was $35 million less last year, and instituted this Project Impact at that time. It has proven to be cost effective. It is already proven. We do not need to decide how to do it. I urge my colleagues to consider if we do not implement this program in this budget at this time, we will lose valuable ground and all of the networking that is going on in so many communities like my own with plans already in place.

Mr. Chairman, these dollars have saved lives. We know that. They will continue to save lives. I urge support for this amendment and ask that Project Impact be continued.

Mr. Chairman, I yield back the balance of my time.

Mr. WALSH. Mr. Chairman, I yield myself the balance of my time.

Just in closing, I restate that there is support. The concept is a good one. What we would like to do is give the new Director of FEMA the opportunity to develop a program that can go through the authorizing committee and garner the full support of the membership, be well-thought out and, as we said earlier, more robust. There is merit to this concept, but do not make us make this choice between fire fighters or mapping or salaries and expenses for FEMA, which is already very, very tight.

Mr. Chairman, I would reluctantly urge all members to oppose the amendment.

Mrs. CHRISTENSEN. Mr. Chairman, I rise in support of the amendment offered by my colleagues LOIS CAPPS and RICK LARSEN to earmark $25 million of the $404 million in FEMA's Emergency Management and Planning Assistance account to fund Project Impact.

As my colleagues are aware, Project Impact is a public-private partnership that funds emergency management preparation activities. It has been a relatively low cost way to save lives and prevent damage in the case of natural disasters and other emergencies. Created in 1997 by former FEMA Director James L. Witt, the program has helped 250 communities in all fifty states and the Insular Areas to prepare for and prevent disasters.

My home islands St. Croix has been a project impact site since 1998. As a direct result, the community has been extremely successful in both decreasing damages and injuries in the territory and reducing recovery costs to FEMA—in fact our efforts have been widely touted as a FEMA success story by the agency.

Mr. Chairman, the Capps/Larsen amendment and the Project Impact program deserves our support because it is a common sense approach to help our country deal with disasters. The increasing number and severity of natural disasters over the past decade demands that action be taken to reduce the threat of hurricanes, tornadoes, severe storms, flood and fires, which is where Project Impact comes in. It is unconscionable and very shortsighted in my opinion that this program was not included in this year's VA–HUD appropriations bill.

I urge my colleagues to support the Capps/Larsen amendment.

Mr. HASTINGS of Florida. Mr. Chairman, I rise today in support of the Capps amendment to the VA–HUD Appropriations bill. This is a good amendment, and I applaud the gentlewoman from California, Ms. CAPPS, for offering it to a bill that clearly has missed the mark on its funding priorities.

The Capps amendment earmarks $25 million to the Emergency Management Planning and Assistance account to continue funding the Federal Emergency Management Agency's Project Impact. This amendment restores the amount of funding to Project Impact at the same level this body approved last year. For the more than 250 communities in all fifty states who participate in Project Impact, it is essential that the House approve this amendment. In the nearly four years that this program has been in existence, it has been a low cost way to save lives and prevent damage in the case of natural disasters and other emergencies.

For the State of Florida, Project Impact is needed and utilized. In fact, in my district, the City of Deerfield Beach has been a beneficiary of Project Impact since the Project's creation in 1997. In addition, Miami-Dade County, just two months ago, was recognized by Project Impact for the county's ongoing efforts in dealing with local emergencies. Tampa, Jacksonville, and Pensacola, as well as Brevard and Volusia Counties, all participate in Project Impact. Any cut in funding will be felt state-wide.

Fortunately, the hurricane season has been kind to Florida since Project Impact began to assist South Florida. Regardless, if we do not fund this program today, I fear what will occur next time a Hurricane Andrew sweeps across South Florida. While we may not see the effects of out budget cuts today, the effects of Hurricane Andrew, which destroyed South Florida nearly a decade ago, are still seen and felt by my constituents.

When Project Impact was founded in 1997, former FEMA Director James Lee Witt recognized the importance of preparing for a natural disaster. While giving a speech in Miami, he noted, "We've got to change the way we deal with disasters. We have to break the damage-repair, damage-repair cycle. We need to have communities and businesses come together to reduce the cost and consequences of disasters."

Mr. Chairman, we have got to change the way we deal with disasters. Too many communities today are inadequately prepared to deal with natural disasters. Contrary to what some may believe, failing to adequately fund Project Impact is not an effective tool in changing the way we deal with disasters. By not funding this needed program, we risk the lives of thousands throughout this great country. This is unacceptable, and for these reasons, I urge my colleagues to recognize the importance of Project Impact and support the Capps amendment.

Mr. WEXLER. Mr. Chairman, I rise today in support of the Capps amendment, which would earmark $25 million for Project Impact, a FEMA program which helps communities establish pre-disaster hazard mitigation programs. Project Impact communities initiate mentoring relationships, private and public partnerships, public outreach, and disaster mitigation projects to reduce the damage from potentially devastating disasters.

South Florida is a wonderful place to live, but as you know, we are highly susceptible to hurricanes. The City of Deerfield Beach, Florida, has been diligently working to better prepare its residents for the next big hurricane by establishing a $42 million multi-purpose public service facility, or Mitigation of Operation Center (MOC). The MOC would serve as a shelter in the event of a natural disaster, and would house the City's Department of Public Works, Emergency Operations Center, Fire & Rescue Center, a Broward County Emergency Communications facility, and satellite facilities for the Broward County Sheriff's Office and Florida Atlantic University. The MOC would also include a water treatment facility.

FEMA designated the City of Deerfield Beach, Florida, as our country's first Project Impact Community. Since its designation as one of the seven pilot Project Impact communities in 1997, Deerfield Beach developed a strong Project Impact initiative with over 100 small and large partners, completed with risk assessment and mitigation strategy. In fact, on November 20, 2000, Deerfield Beach was again recognized by FEMA with a Model Community Award.

The residents of Deerfield Beach demonstrated the importance they place on hazard mitigation when they passed an $8 million bond issue in November, 1999, to build the MOC, one of the country's first. Another $22 million has been committed toward this project over the last few years to upgrade the City's water filtration facilities. Moreover, FEMA awarded Deerfield Beach with a Hazard Mitigation grant in the amount of $400,000.

An earmark of $25 million for Project Impact would greatly help the efforts of communities like Deerfield Beach to be pro-active toward emergency preparedness. I am proud of the city's leadership on this issue, and I am hopeful that this Congress will recognize the commitment of communities like Deerfield Beach by providing these important and necessary funds.

I urge you to support the amendment.

Mr. WALSH. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California (Mrs. CAPPS).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mrs. CAPPS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California (Mrs. CAPPS) will be postponed.

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The Clerk will read.

The Clerk read as follows:

RADIOLOGICAL EMERGENCY PREPAREDNESS FUND

The aggregate charges assessed during fiscal year 2002, as authorized by Public Law 106–377, shall not be less than 100 percent of the amounts anticipated by FEMA necessary for its radiological emergency preparedness program for the next fiscal year. The methodology for assessment and collection of fees shall be fair and equitable; and shall reflect costs of providing such services, including administrative costs of collecting such fees. Fees received pursuant to this section shall be deposited in the Fund as offsetting collections and will become available for authorized purposes on October 1, 2002, and remain available until expended.

EMERGENCY FOOD AND SHELTER PROGRAM

To carry out an emergency food and shelter program pursuant to title III of Public Law 100–77, as amended, $140,000,000, to remain available until expended: *Provided*, That total administrative costs shall not exceed 3½ percent of the total appropriation.

NATIONAL FLOOD INSURANCE FUND

(INCLUDING TRANSFER OF FUNDS)

For activities under the National Flood Insurance Act of 1968 ("the Act"), the Flood Disaster Protection Act of 1973, as amended, not to exceed $28,798,000 for salaries and expenses associated with flood mitigation and flood insurance operations, and not to exceed $76,381,000 for flood mitigation, including up to $20,000,000 for expenses under section 1366 of the Act, which amount shall be available for transfer to the National Flood Mitigation Fund until September 30, 2003. In fiscal year 2002, no funds in excess of: (1) $55,000,000 for operating expenses; (2) $536,750,000 for agents' commissions and taxes; and (3) $30,000,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations.

In addition, up to $7,000,000 in fees collected but unexpended during fiscal years 2000 through 2001 shall be transferred to the Flood Map Modernization Fund and available for expenditure in fiscal year 2002.

Section 1309(a)(2) of the Act (42 U.S.C. 4016(a)(2)), as amended, is further amended by striking "2001" and inserting "2002".

Section 1319 of the Act, as amended (42 U.S.C. 4026), is amended by striking "after" and all that follows and inserting "after September 30, 2001.".

Section 1336(a) of the Act, as amended (42 U.S.C. 4056(a)), is amended by striking "ending" and all that follows through the second comma thereafter and inserting "ending September 30, 2001,".

Section 1376(c) of the Act, as amended (42 U.S.C. 4127(c)), is amended by striking "December 31, 2001" and inserting "December 31, 2002".

NATIONAL FLOOD MITIGATION FUND

Notwithstanding sections 1366(b)(3)(B)–(C) and 1366(f) of the National Flood Insurance Act of 1968, as amended, $20,000,000, to remain available until September 30, 2003, for activities designed to reduce the risk of flood damage to structures pursuant to such Act, of which $20,000,000 shall be derived from the National Flood Insurance Fund. Of the amount provided, $2,500,000 is to be used for the purchase of flood-prone properties in the city of Austin, Minnesota, and any cost-share is waived.

GENERAL SERVICES ADMINISTRATION

FEDERAL CONSUMER INFORMATION CENTER FUND

For necessary expenses of the Federal Consumer Information Center, including services authorized by 5 U.S.C. 3109, $7,276,000, to be deposited into the Federal Consumer Information Center Fund: *Provided*, That the appropriations, revenues, and collections deposited into the Fund shall be available for necessary expenses of Federal Consumer Information Center activities in the aggregate amount of $12,000,000. Appropriations, revenues, and collections accruing to this Fund during fiscal year 2002 in excess of $12,000,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts: *Provided further*, That the Federal Consumer Information Center (FCIC) may not undertake any action that affects its organization, administrative location, or in any way alters its current function or mission mandate without first submitting a proposal to the Committees on Appropriations for approval: *Provided further*, That such proposal shall include the justification for such action, a description of all planned organizational realignments, the anticipated staffing or personnel changes, an assessment of the effect on the current operations of FCIC, and estimates of the proposed changes on future funding needs.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

HUMAN SPACE FLIGHT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, in the conduct and support of human space flight research and development activities, including research, development, operations, support and services; maintenance; construction of facilities including repair, rehabilitation, revitalization and modification of facilities, construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase and hire of passenger motor vehicles; not to exceed $20,000 for official reception and representation expenses; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $7,047,400,000, to remain available until September 30, 2003, of which amounts as determined by the Administrator for salaries and benefits; training, travel and awards; facility and related costs; information technology services; science, engineering, fabricating and testing services; and other administrative services may be transferred to the Science, Aeronautics and Technology account in accordance with section 312(b) of the National Aeronautics and Space Act of 1958, as amended by Public Law 106–377.

For an additional amount for "Human space flight", for the development of a crew return vehicle with capacity for no less than six persons, for use with the international space station, $275,000,000, to remain available until September 30, 2005: *Provided*, That none of the funds provided under this paragraph may be obligated prior to August 1, 2002: *Provided further*, That the funds made available under this paragraph shall be rescinded on July 15, 2002, unless the President requests at least $200,000,000 in the fiscal year 2003 budget request for the National Aeronautics and Space Administration for continuation of the crew return vehicle program.

SCIENCE, AERONAUTICS AND TECHNOLOGY

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, in the conduct and support of science, aeronautics and technology research and development activities, including research, development, operations, support and services; maintenance; construction of facilities including repair, rehabilitation, revitalization, and modification of facilities, construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase and hire of passenger motor vehicles; not to exceed $20,000 for official reception and representation expenses; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $7,605,300,000, to remain available until September 30, 2003, of which amounts as determined by the Administrator for salaries and benefits; training, travel and awards; facility and related costs; information technology services; science, engineering, fabricating and testing services; and other administrative services may be transferred to the Human Space Flight account in accordance with section 312(b) of the National Aeronautics and Space Act of 1958, as amended by Public Law 106–377.

AMENDMENT NO. 20 OFFERED BY MR. ROEMER

Mr. ROEMER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 20 offered by Mr. ROEMER:

In title III, under the heading "NATIONAL AERONAUTICS AND SPACE ADMINISTRATION", before the item relating to "OFFICE OF INSPECTOR GENERAL", insert the following:

REDUCTION OF AMOUNTS FOR INTERNATIONAL SPACE STATION

The amounts otherwise provided in this title for the following accounts and activities are hereby reduced by the following amounts:

(1) "Human Space Flight", the aggregate amount specified in the first paragraph of such account, $1,531,300,000.

(2) "Human Space Flight", the amount specified in the second paragraph of such account for the development of a crew return vehicle, $275,000,000.

(3) "Science, Aeronautics and Technology", the aggregate amount, $343,600,000.

The CHAIRMAN. Pursuant to the order of the House of Friday, July 27, 2001, the gentleman from Indiana (Mr. ROEMER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Indiana (Mr. ROEMER).

Mr. ROEMER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have an amendment that I have offered over the last several years that would eliminate all funding for the Space Station. I have done so over the last several years because this Space Station had an initial projected cost to the American taxpayers across this great country in 1984 of $8 billion.

Today, in 2001, the General Accounting Office has come out with a study that says the total cost of this Space Station, for launching, for engineering, for technology, for construction, is not going to be $8 billion, it is not going to be $80 billion, it is going to be over $100 billion, total cost to the American taxpayer.

That is a staggering sum of money. I would be the first one out there as a proponent for a Space Station if it was going to perform the great tasks that we envisioned, a stepping stone with a telescope, like Hubble, to help us understand the solar system, a telescope pointed to the Earth to help us with the environment, a stepping stone and a tether to other planets for exploration. Great scientific discoveries promised. It cannot do any of those things today. None of those things. But it has gone from $8 billion to over $100 billion.

I would say to my colleagues, if this was a welfare program, a public housing program, an education program, it would not be here today. It would have been canceled a long time ago, but it is not. It has got a lot of contractors out there building in some States, so it has been funded through the years.

Mr. Chairman, I say to my colleagues that even with the cost and the lack of science, that if we had a perfect budgetary situation and it was not starting to grow into other programs and hurting some other very good space programs, delaying and canceling them, I still might be for it. Or if we had not lost $40 billion in our projected surplus in the last month, I might be for it.

But this body needs to make tough decisions about what the priorities will be in spending, in cuts, in taxes; and we have got to make those decisions in the next few months. So I would hope this body will belly up and make some of these difficult decisions and not go around saying we can afford to fund every single program, especially this one, who in the last few months, NASA officials just announced that they had a $4 billion overrun, just announced for the next few years. $4 billion for the next few years.

This is the bill, ladies and gentlemen. We line item in this bill how much we will spend on housing, how much we will spend on aeronautics, how much we will spend on national science. We do not then say, you can go over by $4 billion, go do anything you want. The line items are there for a purpose. We have the job, our oversight, our responsibility, is to try to make sure these programs are run well.

The proponents on the other side of this I have the utmost respect for and served on the Committee on Science for several years with them, Members from Texas and Alabama and Virginia and Florida. I respect what they are doing, I respect the science that we are trying to achieve, and I like many of those Members personally that will be the proponents for this Space Station. But, Mr. Chairman, I would certainly hope that we can get the cost overruns under control so that this does not cannibalize the rest of very worthwhile NASA science programs and projects.

I will not offer this amendment for a vote. I have an amendment that will simply fence the total amount we spend on this project in the future that Senator MCCAIN has passed in the Senate.

Mr. Chairman, I ask unanimous consent to withdraw this amendment and wait for future debate on the next amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $23,700,000.

ADMINISTRATIVE PROVISIONS

Notwithstanding the limitation on the availability of funds appropriated for "Human space flight", or "Science, aeronautics and technology" by this appropriations Act, when any activity has been initiated by the incurrence of obligations for construction of facilities as authorized by law, such amount available for such activity shall remain available until expended. This provision does not apply to the amounts appropriated for institutional minor revitalization and construction of facilities, and institutional facility planning and design.

Notwithstanding the limitation on the availability of funds appropriated for "Human space flight", or "Science, aeronautics and technology" by this appropriations Act, the amounts appropriated for construction of facilities shall remain available until September 30, 2004.

Notwithstanding the limitation on the availability of funds appropriated for "Office of Inspector General", amounts made available by this Act for personnel and related costs and travel expenses of the National Aeronautics and Space Administration shall remain available until September 30, 2002 and may be used to enter into contracts for training, investigations, costs associated with personnel relocation, and for other services, to be provided during the next fiscal year. Funds for announced prizes otherwise authorized shall remain available, without fiscal year limitation, until the prize is claimed or the offer is withdrawn.

No funds in this or any other Appropriations Act may be used to finalize an agreement prior to December 1, 2002 between NASA and a nongovernment organization to conduct research utilization and commercialization management activities of the International Space Station.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

(INCLUDING TRANSFER OF FUNDS)

During fiscal year 2002, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions, as authorized by 12 U.S.C. 1795 et seq., shall not exceed $1,500,000,000: *Provided*, That administrative expenses of the Central Liquidity Facility shall not exceed $309,000: *Provided further*, That $1,000,000 shall be transferred to the Community Development Revolving Loan Fund.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880–1881); services as authorized by 5 U.S.C. 3109; authorized travel; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of aircraft; $3,642,340,000, of which not to exceed $306,230,000 shall remain available until expended for Polar research and operations support, and for reimbursement to other Federal agencies for operational and science support and logistical and other related activities for the United States Antarctic program; the balance to remain available until September 30, 2003: *Provided*, That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: *Provided further*, That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

MAJOR RESEARCH FACILITIES CONSTRUCTION AND EQUIPMENT

For necessary expenses of major construction projects pursuant to the National Science Foundation Act of 1950, as amended, including authorized travel, $135,300,000, to remain available until expended.

EDUCATION AND HUMAN RESOURCES

For necessary expenses in carrying out science and engineering education and human resources programs and activities pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109, authorized travel, and rental of conference rooms in the District of Columbia, $885,720,000, to remain available until September 30, 2003: *Provided*, That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

SALARIES AND EXPENSES

For salaries and expenses necessary in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875); services authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $9,000 for official reception and representation expenses; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; rental of conference rooms in the District of Columbia; reimbursement of the General Services Administration for security guard services; $170,040,000: *Provided*, That contracts may be entered into under "Salaries and expenses" in fiscal year 2002 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General as authorized by the Inspector General Act of 1978, as amended, $6,760,000, to remain available until September 30, 2003.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101–8107), $105,000,000, of which $10,000,000 shall be for a homeownership program that is used in conjunction with section 8 assistance under the United States Housing Act of 1937, as amended.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by 5 U.S.C. 4101–4118 for civilian employees; and not to exceed $500 for official reception and representation expenses; $25,003,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever the President deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Where appropriations in titles I, II, and III of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this provision does not apply to accounts that do not contain an object classification for travel: *Provided further*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act; to travel performed by the Offices of Inspector General in connection with audits and investigations; or to payments to interagency motor pools where separately set forth in the budget schedules: *Provided further*, That if appropriations in titles I, II, and III exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefor set forth in the estimates only to the extent such an increase is approved by the Committees on Appropriations.

SEC. 402. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

SEC. 403. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811–1831).

SEC. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 405. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made; or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

SEC. 406. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between the domicile and the place of employment of the officer or employee, with the exception of an officer or employee authorized such transportation under 31 U.S.C. 1344 or 5 U.S.C. 7905.

SEC. 407. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: *Provided*, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 408. None of the funds provided in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law.

SEC. 409. None of the funds provided in this Act may be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety

Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

SEC. 410. Except as otherwise provided under existing law, or under an existing Executive Order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are: (1) a matter of public record and available for public inspection; and (2) thereafter included in a publicly available list of all contracts entered into within 24 months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. 411. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), for a contract for services unless such executive agency: (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder; and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning: (A) the contract pursuant to which the report was prepared; and (B) the contractor who prepared the report pursuant to such contract.

SEC. 412. Except as otherwise provided in section 406, none of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. 413. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

SEC. 414. None of the funds appropriated in title I of this Act shall be used to enter into any new lease of real property if the estimated annual rental is more than $300,000 unless the Secretary of Veterans Affairs submits a report which the Committees on Appropriations of the Congress and a period of 30 days has expired following the date on which the report is received by the Committees on Appropriations.

SEC. 415. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 416. None of the funds appropriated in this Act may be used to implement any cap on reimbursements to grantees for indirect costs, except as published in Office of Management and Budget Circular A–21.

SEC. 417. Such sums as may be necessary for fiscal year 2002 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 418. None of the funds made available in this Act may be used for any program, project, or activity, when it is made known to the Federal entity or official to which the funds are made available that the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

SEC. 419. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of such Act as may be necessary in carrying out the programs set forth in the budget for 2002 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

SEC. 420. Notwithstanding any other provision of law, the term "qualified student loan" with respect to national service education awards shall mean any loan determined by an institution of higher education to be necessary to cover a student's cost of attendance at such institution and made directly to a student by a state agency, in addition to other meanings under section 148(b)(7) of the National and Community Service Act.

SEC. 421. None of the funds appropriated or otherwise made available by this Act shall be used to promulgate a final regulation to implement changes in the payment of pesticide tolerance processing fees as proposed at 64 Fed. Reg. 31040, or any similar proposals. The Environmental Protection Agency may proceed with the development of such a rule.

SEC. 422. The Environmental Protection Agency may not use any of the funds appropriated or otherwise made available by this Act to implement the Registration Fee system codified at 40 Code of Federal Regulations Subpart U (sections 152.400 et seq.) if its authority to collect maintenance fees pursuant to FIFRA section 4(i)(5) is extended for at least one year beyond September 30, 2001.

SEC. 423. Except in the case of entities that are funded solely with Federal funds or any natural persons that are funded under this Act, none of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties to lobby or litigate in respect to adjudicatory proceedings funded in this Act. A chief executive officer of any entity receiving funds under this Act shall certify that none of these funds have been used to engage in the lobbying of the Federal Government or in litigation against the United States unless authorized under existing law.

SEC. 424. No part of any funds appropriated in this Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 425. All Departments and agencies funded under this Act are encouraged, within the limits of the existing statutory authorities and funding, to expand their use of "E-Commerce" technologies and procedures in the conduct of their business practices and public service activities.

SEC. 426. Section 104(n)(4) of the Cerro Grande Fire Assistance Act (Public Law 106-246) is amended by striking "beginning not later than the expiration of the 1-year period beginning on the date of the enactment of this Act." and inserting in lieu thereof, "within 120 days after the Director issues the report required by subsection (n) in 2002 and 2003.".

Mr. WALSH (during the reading). Mr. Chairman, I ask unanimous consent that the bill, through page 93, line 25, be considered as read, printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT NO. 25 OFFERED BY MR. BISHOP

Mr. BISHOP. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 25 offered by Mr. BISHOP:

At the end of the bill (before the short title), insert the following:

SEC. ___. ESTABLISHMENT OF PROGRAM.

Subtitle B of title VI of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5197–5197g) is amended by adding at the end the following:

"SEC. 629. MINORITY EMERGENCY PREPAREDNESS DEMONSTRATION PROGRAM.

"(a) IN GENERAL.—The Director shall establish a minority emergency preparedness demonstration program to research and promote the capacity of minority communities to provide data, information, and awareness education by providing grants to or executing contracts or cooperative agreements with eligible nonprofit organizations to establish and conduct such programs.

"(b) ACTIVITIES SUPPORTED.—An eligible nonprofit organization may use a grant, contract, or cooperative agreement awarded under this section—

"(1) to conduct research into the status of emergency preparedness and disaster response awareness in African American and Hispanic households located in urban, suburban, and rural communities, particularly in those States and regions most impacted by natural and manmade disasters and emergencies; and

"(2) to develop and promote awareness of emergency preparedness education programs within minority communities, including development and preparation of culturally competent educational and awareness materials that can be used to disseminate information to minority organizations and institutions.

"(c) ELIGIBLE ORGANIZATIONS.—A nonprofit organization is eligible to be awarded a grant, contract, or cooperative agreement under this section with respect to a program if the organization is a nonprofit organization that is described in section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)) and exempt from tax under section 501(a) of such Code, whose primary mission is to provide services to communities predominately populated by minority citizens, and that can demonstrate a partnership with a minority-owned business enterprise or minority business located in a HUBZone (as defined in section 3(p) of the Small Business Act (15 U.S.C. 632(p))) with respect to the program.

"(d) USE OF FUNDS.—A recipient of a grant, contract, or cooperative agreement awarded under this section may only use the proceeds of the grant, contract, or agreement to—

"(1) acquire expert professional services necessary to conduct research in communities predominately populated by minority citizens, with a primary emphasis on African American and Hispanic communities;

"(2) develop and prepare informational materials to promote awareness among minority communities about emergency preparedness and how to protect their households and communities in advance of disasters;

"(3) establish consortia with minority national organizations, minority institutions of higher education, and faith-based institutions to disseminate information about emergency preparedness to minority communities; and

"(4) implement a joint project with a minority serving institution, including a part B institution (as defined in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2))), an institution described in subparagraph (A), (B), or (C) of section 326 of that Act (20 U.S.C. 1063b(e)(1)(A), (B), or (C)), and a Hispanic-serving institution (as defined in section 502(a)(5) of that Act (20 U.S.C. 1101a(a)(5))).

"(e) APPLICATION AND REVIEW PROCEDURE.—To be eligible to receive a grant, contract, or cooperative agreement under this section, an organization must submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may reasonably require. The Director shall establish a procedure by which to accept such applications.

"(f) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated to carry out this section $1,500,000 for fiscal year 2002 and such funds as may be necessary for fiscal years 2003 through 2007. Such sums shall remain available until expended.".

The CHAIRMAN. Pursuant to the order of the House of Friday, July 27, 2001, the gentleman from Georgia (Mr. BISHOP) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Georgia (Mr. BISHOP).

Mr. BISHOP. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I wish to take this opportunity to thank the members of the Committee on Appropriations, the gentleman from New York (Mr. WALSH), and the gentleman from West Virginia (Mr. MOLLOHAN) for their hard work on this bill and also the Chair and ranking member of the Committee on Transportation and Infrastructure, the committee which has the authorizing jurisdiction.

I stand before Members today to ask for their support for my amendment to the VA–HUD appropriations bill. My amendment appropriates no additional funds. It only authorizes the use of existing funds for an important program. In substance, it authorizes the director of FEMA to establish a minority emergency preparedness demonstration program utilizing grants, contracts and agreements with community-based 501(c)3 nonprofit corporations. The program will allow the nonprofits to research the status of emergency preparedness in minority households in urban, rural and suburban communities and to enhance emergency and disaster response preparedness. It would authorize the director to provide grants or to execute contracts and cooperative agreements with eligible nonprofit corporations to establish and to conduct these programs.

Mr. Chairman, in just this past year, 51 disasters were declared in 33 different States. In fact, this year already 23 disasters have already been declared in 22 different States. These disasters include tornadoes, winter storms, floods, spring storms, earthquakes, and ice storms. Unfortunately, these numbers do not include the hundreds of fires that occur annually. According to FEMA, the impact on minority communities is 2½ times more than on any other group.

It is my hope that all people in high-risk circumstances will benefit from this program which will document and make available information about the dangers that are present in different locations as well as the practical guidance on how to protect against these disasters. I ask my colleagues to support this amendment. I think it is good for America and it is good for the people.

Mr. Chairman, I reserve the balance of my time.

Mr. WALSH. Mr. Chairman, I rise to claim the time in opposition, although I am not in opposition to the amendment.

The CHAIRMAN. Without objection, the gentleman from New York (Mr. WALSH) is recognized for 5 minutes.

There was no objection.

Mr. WALSH. Mr. Chairman, I yield myself such time as I may consume. I commend the gentleman from Georgia (Mr. BISHOP) and thank him for this amendment. The amendment would establish a new program within FEMA for the purpose of increasing the awareness of disaster preparedness needs within minority communities. He has very well stated the need. This is an amendment that we have checked with the chairman of the authorizing committee and the appropriate subcommittee Chair. They are in agreement that this is a good amendment.

While FEMA has existing programs structured to raise the general awareness within all communities of the need to prepare for disasters, I agree with the gentleman that focusing on special populations may be necessary. It is for this reason that I rise in support of the gentleman's amendment and urge its adoption.

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Mr. BISHOP. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. SOLIS).

Ms. SOLIS. Mr. Chairman, I rise to applaud the gentleman from Georgia (Mr. BISHOP) for offering this amendment which establishes a Minority Emergency Preparedness Demonstration Program at FEMA.

In my home State of California, we have experienced more than our fair share of natural disasters, earthquakes, floods, fires and what have you, over the past decade. We are still recovering from the pain and devastation created by the Northridge Earthquake back in 1994. Minority communities like the one I represent need more information to help them prepare for these sorts of disasters. After Northridge, many people were left homeless. FEMA did an outstanding job of helping our community, but I think a Minority Emergency Preparedness Program could do even more, if this were funded through FEMA.

People in minority communities are often more heavily impacted by these types of disasters. People often live in poorly designed housing and have limited access to emergency preparedness materials that are printed in their own language. It makes sense to have information available to them in their own language. This would provide assistance to Latinos, Asian Americans, and African Americans.

Mr. Chairman, I ask my colleagues to support this amendment.

Mr. BISHOP. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think this is an excellent amendment. It gives us an opportunity to really reach out to those communities that have been so severely impacted with natural disasters and emergency situations. I believe that this will be a real opportunity for our government to be user friendly to the individuals and to the communities that often bear the brunt of the worst that nature has to offer.

I would ask that we support this amendment. I thank the chairman and the ranking member of the committee, as well as the chairman and ranking members of the authorizing committees for their cooperation and support. We appreciate that very much; and we think that when we have completed our work on this bill, we will have done a day's work for the people of America. I urge passage.

Mr. Chairman, I yield back the balance my time.

Mr. WALSH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, after having consulted with my ranking member, the gentleman from West Virginia (Mr. MOLLOHAN), we agree this is a constructive amendment, that it is a positive idea, that it helps the bill, and we accept it. We urge its adoption.

Ms. MILLENDER-McDONALD. Mr. Chairman, I rise in support of Representative SANFORD BISHOP's amendment to authorize FEMA to establish a minority emergency preparedness demonstration program, under which funding would be provided to eligible non-profit organizations to conduct research into the state of preparedness and disaster response awareness in African American and Hispanic households.

A number of my constituents in Watts, Compton, Lynwood, and Long Beach are minorities who have been affected by natural disasters. There is an ever-present threat of an earthquake and the looming potential of floods. It is essential that they have contingency plans based on timely information in order to prepare for potential disasters. It is critical that funding be made available to determine the degree to which communities of color are aware of and prepared to respond to impending disaster. I offer my support to my colleague for this very timely amendment, and commend him for his foresight.

Mr. WALSH. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. BISHOP).

The amendment was agreed to.

AMENDMENT NO. 12 OFFERED BY MR. FRELINGHUYSEN

Mr. FRELINGHUYSEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. FRELINGHUYSEN:

At the end of the bill, after the last section (before the short title) insert the following new section:

SEC. ___. None of the funds made available in this Act may be used by the Department of Veterans Affairs to implement or administer the Veterans Equitable Resource Allocation system.

The CHAIRMAN. Pursuant to the order of the House of Friday, July 27, 2001, the gentleman from New Jersey (Mr. FRELINGHUYSEN) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer an amendment along with my colleague, the gentleman from New York (Mr. HINCHEY), to prevent the Veterans Administration from using the existing Veterans Equitable Resource Allocation formula to allocate veterans medical dollars across the country. This is the 3rd year in a row that I have offered this amendment with the gentleman from New York (Mr. HINCHEY).

In 1997, Congress passed legislation that authorized the VA to develop a new formula for allocating veterans medical care dollars across the Nation. The resulting formula, VERA, has not worked as intended. VERA has had a terrible effect of restricting access to veterans medical care in my part of the Northeast, including my district in New Jersey, which is part of Veterans Integrated Service Network, or VISN, 3. This network, which serves parts of New York and New Jersey, has borne the brunt of this funding shift. According to the VA's own figures, funding for VISN 3 has been reduced by 6 percent or $64 million at a time when most other networks have received funding increases.

New Jersey has the second oldest veterans population in the Nation behind Florida. Our State has the fourth highest number of complex-care patients treated at our hospitals. Yet New Jersey's older, sicker veterans are routinely left waiting months for visits to primary care physicians and specialists or are denied care at our two VA nursing homes.

Something is fundamentally wrong with the VERA allocation formula if it continues to decrease funding for areas where veterans have the greatest medical needs. All veterans, regardless of where they live, have earned and deserve access to the same quality of medical care, care that is too often denied under the current formula.

Mr. Chairman, I am going to withdraw this amendment today, but this issue must be addressed.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Is there a Member seeking time in opposition to this amendment?

If not, the gentleman from New Jersey still has time remaining.

Mr. CROWLEY. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from New Jersey, Mr. FRELINGHUYSEN.

Congressman FRELINGHUYSEN, along with New York Representative MAURICE HINCHEY, have been tireless crusaders for the rights of our nation's veterans, and this amendment highlights this fact by forcing the VA to abandon its flawed funded formula for providing for the health care needs of America's veterans.

Under the current system, VERA bases its resource allocation on sending more dollars to areas where there are more veterans—not where the needs are the greatest.

While that may sound rationale—the result has been horrendous for areas of the country like Queens and the Bronx, which I represent.

The facts bare out that increasingly more VA dollars are going to the South and Southwest portions of the country were more veterans live—veterans who are often younger and healthier.

The result is less resources in the areas of the country, like New York City, where the veterans are older, sicker, and in more desperate need of care.

I heard a story from a constituent regarding a VA hospital he saw while on vacation in Florida. It was a state of the art facility, with plenty of doctors and nurses on call—and no patients.

He and his wife informed me that the place was virtually empty—but that facility had the best money can buy.

In New York City, meanwhile, we continue to see lay-offs of the professional doctors and nurses at our VA hospitals and clinics; long lines for care; and a far too high ratio of nurses per patient.

I am not saying that we should deprive our veterans in the South and Southwest part of the country their fair share of resources; all we ask for this amendment is that the VA provide equal treatment and resources to all veterans regardless of where they reside.

It is a shame that the VERA system has pitted veterans in one region of the country versus veterans in other regions.

Therefore, I am supportive of the Frelinghuysen amendment to prohibit any Federal funds from implementing or administering the VERA system.

I ask all of my colleagues from throughout the Nation to support this amendment that has caused so much pain for so many veterans.

Ms. BERKLEY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New Jersey.

My congressional district in southern Nevada has the fastest growing veteran population in the country.

The medical facilities in my district have seen a 24.4 percent increase in the number of veterans that they serve over the past year. This is a phenomenal increase.

Unfortunately, veterans programs in southern Nevada do not receive sufficient funding to provide all the services that veterans need and this shortfall in funding has had a negative impact on the delivery of veterans health care services.

Clinics are short-staffed and veterans are still waiting far too long for medical appointments. Demands for veteran health care services in southern Nevada is increasing faster than the availability for facilities and providers. We need more resources.

The VERA system is a fair and equitable way to ensure that the distribution of VA funds is consistent with the distribution of the veterans population.

The implementation of this system is an essential step forward in the continued improvement of our VA health care system.

I urge my colleagues to oppose this amendment.

Mr. FRELINGHUYSEN. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WALSH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Chairman I want to commend the gentleman for his strong advocacy on behalf of Veterans Networks that have a rapidly aging population and an aging infrastructure to maintain. The VA in the State of New Jersey has the tough challenge of providing quality health care services to a veterans population that is the second oldest on average in the Nation. And unlike many other States that have older populations, New Jersey has an aging health care infrastructure that is proven costly to maintain and to operate.

As the gentleman knows, we have been working for some time to find solutions to this problem so that our veterans are not shortchanged by VERA.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I thank the Chairman of the Committee on Veterans' Affairs for his comments.

As the gentleman knows, I and nearly 30 of my colleagues have introduced legislation to address the problem of resource allocation within the VA health care system. Many of us believe that areas of the country with the high cost of living have been unfairly disadvantaged under the existing resource allocation formula. I also know that the gentleman is working on several VA health care initiatives that are designed to improve the VA health care system to provide better service for our veterans.

My question is, what is the best way to ensure that veterans health services, particularly specialty care services like spinal cord injury treatment, are adequately maintained for all of our veterans, and not just those in certain parts of our country?

Mr. SMITH of New Jersey. Will the gentleman yield?

Mr. WALSH. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr Chairman, I do thank my friend from New Jersey for his excellent question. I believe, like the gentleman does, that a veteran is a veteran is a veteran, no matter in what part of the country he or she happens to reside. As the gentleman knows, in some of our networks, there has been an erosion in certain specialty care services. For example, in 1996, we required the VA to maintain a certain level of capacity in specialized programs. We now know that despite this Congressional requirement, specialty care bed capacity has been reduced by as much as 65 percent.

I wish to reassure the gentleman that, in fact, I am working, as chairman of the full Committee on Veterans Affairs, on a comprehensive VA health care improvement and capacity restoration bill. Once that bill is finalized and I have a chance to share that proposal with many of my colleagues on both sides of the aisle, including the gentleman from New Jersey (Mr. FRELINGHUYSEN), I believe he and others will find that it will appropriately and compassionately address many of the concerns which the gentleman has raised so adequately on the floor today.

Mr. WALSH. Mr. Chairman, reclaiming my time, I thank the gentleman for his comments and for his leadership, as well as the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. WALSH. Mr. Chairman, I yield to the gentlewoman from New York (Mrs. KELLY).

Mrs. KELLY. Mr. Chairman, I want to join my colleagues in supporting this amendment. VERA, the Veterans Equitable Resource Allocation plan, is badly in need of what my colleague from New Jersey attempts to do with this, and my colleague from New York.

Under the Veterans Equitable Resource Allocation plan, I have witnessed the results of cuts that have effectively removed hundreds of millions of dollars from the lower New York area veterans network.

VERA is fundamentally flawed. These flaws permeate VERA's methodology, its implementation, and the VA's oversight of this new spending plan.

The veteran's network in our area has the oldest veterans population, the highest number of veterans with spinal cord injuries, the highest number of veterans suffering from mental illness, the highest incidence of hepatitis C in its veterans population, and the highest number of homeless veterans.

It is inconceivable and intolerable that the VA would continually reduce our region's funding.

VISN 3 has required reserve funding for the last 4 years because our veterans hospitals keep running out of money.

When will we realize that the VA should fund our hospitals properly the first time and leave reserve funds for emergencies?

I ask my colleagues on both sides of the aisle to support this amendment and make the investment in our veterans hospitals necessary to keep our promise to our veterans. The veterans of this Nation were there is our time of need. We ought to do the same for them.

Mr. WALSH. Mr. Chairman, I yield to the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Chairman, I rise in strong support of the Frelinghuysen amendment, for the third year in a row.

Mr. Chairman, this Member rises today in strong support of the amendment offered by the distinguished gentleman from New Jersey (Mr. FRELINGHUYSEN) which would prohibit funds in the bill from being used by the Department of Veterans Affairs to implement or administer the Veterans Equitable Resource Allocation (VERA) system. Unfortunately this has turned into a regional legislative battle between northeastern states and especially low-population Great Plains and Rocky Mountain states' delegations on one hand, and on the other hand the Sunbelt states with their larger numbers of veterans retirees. Those of us representing the former see our veterans left out in the cold while the money flows to the populace Sunbelt states. Once again, we may be out-voted but it certainly isn't fair to veterans in our states.

From the time the Clinton Administration announced this new system, this Member has voiced his strong opposition to VERA because of its inherent flaws in inequitable distribution of funds, and has supported funding levels of the VA Health Administration above the amount the Clinton Administration recommended.

This Member is proud to have supported the increases in funding which Congress has provided for veterans health care recent years. However, the veterans health care system in Nebraska continues to experience growing service and funding shortfalls each year even after the forced closing of two of our three inpatient facilities, reducing the number of full time employees fourteen percent and completing integration of all three VA Medical centers. In fiscal year 1999, the VISN 14 area—consisting of Nebraska and Iowa experienced a $6 million shortfall. In fiscal year 2000, the shortfall was $17 million. In fiscal year 2001, the shortfall was $48 million. For the short-term, the VA Central Office has provided VISN 14 with a $32 million loan, which it will be required to repay, and a $16 million grant. While VISN 14 continues to experience growing shortfalls in funding, the number of patients continues to increase.

Clearly the VERA system has had a very negative impact on Nebraska and other sparsely populated areas of the country. All members of Congress should agree, Mr. Chairman, that the VA must provide adequate services and facilities for veterans all across the country regardless of whether they live in sparsely populated areas with resultant low usage numbers for VA hospitals. The funding distribution unfairly reallocates the VA's health care budget based strictly on a per capita veterans usage of facilities. There must be at least a basic level of acceptable national infrastructure of facilities, medical personnel, and services for meeting the very real medical needs faced by our veterans wherever they live. There must be a threshold funding level for VA medical services in each state and region before any per-capita funding formula is applied. That is only common sense, but the Clinton Administration had too little of that valuable commodity when it comes to treating veterans in our part of the country humanely and equitably.

In closing Mr. Chairman, this Member urges his colleagues to support the Frelinghuysen amendment and fulfill the obligation to provide care to those who have so honorably served our country—no matter where they live in these United States of America.

Mr. WALSH. Mr. Chairman, I thank my friend and colleague the gentleman from New Jersey (Mr. FRELINGHUYSEN) for his passionate advocacy on behalf of our Nation's veterans and veterans in his district. I am sympathetic to his concerns about VERA, being myself from the Northeast.

This is not an easy issue for every Member from the Northeast or Midwest, many of whom have a concern about the impact of medical dollars moving to growing regions. We hear from colleagues representing the South and the Southwest worried that not enough is being provided in their regions.

So I am hopeful that the new VA Secretary will give some attention to this issue, and that, together, we can find a solution. I thank the gentleman for withdrawing his amendment.

Mr. MOLLOHAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the distinguished gentleman New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Chairman, I thank my leader on the subcommittee for yielding.

Mr. Chairman, it is bad enough that the veterans health care budget submitted by the Bush Administration is woefully inadequate to meet the needs of our veterans across the country, but because of the computer formula known as VERA, veterans in New York and other States will suffer disproportionately.

VERA and the inadequate funding levels in this bill will guarantee cuts in health care for many veterans across the country. While VERA purports to provide equitable health care in all regions, without question it has lowered the quality of care in many places. VERA is not equitable or fair to veterans in many parts of the country.

Since 1995, in the Hudson Valley Health Care System, area which serves part of New York, we have seen the following: there has been a cut in the number of employees by 34 percent; beds have been cut by 52 percent; while the number of unique patients has increased by 76 percent; and the number of visits has increased by 84 percent.

Despite increasing enrollment, our share of resources continues to shrink under VERA. VISN 3 and the region that I represent treats older and sicker veterans more so than any other VISN in the country. They have the highest fuel costs in the Nation, by far. We have the highest reported incidence of hepatitis C in the Nation and are treating the greatest number of hepatitis C patients, and have the highest rate of homeless veterans. VERA does not account for any of these costs.

Despite the cuts in services and efforts to maximize operating efficiencies, we are still facing even more funding shortfalls in this part of the country. All the cuts in personnel and facilities that can be conceived of have been made in our region, yet VA facilities are facing a $32 million shortfall in the Hudson Valley area of New York, while VISN 3 as a whole is facing a $160 million shortfall.

Under VERA, every year is a funding emergency, forcing us to beg for additional funding to address these shortfalls. This year, 4 VISNs are receiving emergency funds because of inadequacies in this VERA formula. My region, number 3, is receiving $64 million, far short of what is needed. Because of VERA and this year's inadequate budget, it is an absolute certainty we will need emergency funding to get through this next year.

While those being injured the most under VERA are those who reside in the Northeast and Midwest areas of our country, other regions have suffered in the past and may do so again under VERA in the immediate future. In fiscal year 2002, the losses would include VISNs serving the following regions: the Bronx, New York; Ann Arbor, Michigan; Chicago, Illinois; Long Beach, California; Baltimore, Maryland; Phoenix Arizona; Albany New York; and Pittsburgh, Pennsylvania.

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Our veterans should not be penalized because of where they live, but as long as the Veterans' Administration is allocating resources in the name of this VERA formula, we will continue to have these inadequacies and injustices that do a great disservice to veterans in my part of the country and in many others.

AMENDMENT NO. 41 OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 41 offered by Mr. WAXMAN:

At the end of the bill (before the short title), insert the following:

SEC. ____. None of the funds made available in this Act may be used by the Department of Veterans Affairs to implement any provision of the April 2001 report entitled "Plan for the Development of a 25-Year General Use Plan for Department of Veterans Affairs West Los Angeles Healthcare Center".

The CHAIRMAN. Pursuant to the order of the House of Friday, July 27, 2001, the gentleman from California (Mr. WAXMAN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

This is a noncontroversial amendment clarifying that an April 2001 report entitled "The Plan for the Development of a 25-Year General Use Plan" for the VA West Los Angeles Health Care Center is a preliminary plan in the development of a master plan for the lands on that property. There is concern about the status of this preliminary plan because it contains some controversial provisions strongly opposed by the local residents, community groups, and public officials. This might have been avoided, but no local, county, and State officials, and only a very small number of community organizations in the area were allowed to participate in the process to develop this plan. The West L.A. VA also opposes parts of the plan.

The VA will make its decisions for the future use of the West L.A. VA lands under the existing CARES (Capital Assessment Realignment for Enhanced Services) process that was initiated in 1999. Under this process, the VA will conduct a detailed analysis of VA property throughout the country to determine the best option for serving veterans in each area.

This amendment would bar the use of Federal funds to implement any of the April 2001 plan's provisions. Its intent is simply to clarify that it is only a preliminary report and that this final plan for use of the land will be developed under the CARES process.

Mr. Chairman, there is nothing controversial about this amendment, and I urge my colleagues to support it.

Mr. Chairman, I reserve the balance of my time.

Mr. WALSH. Mr. Chairman, I rise to claim the time in opposition, but I am not in opposition, and I yield myself such time as I may consume.

Mr. Chairman, this is a noncontroversial amendment. We have discussed this with the gentleman. The request is to put the implementation of this study on hold until there is more input from the community and with the local representatives. We would be prepared to accept the gentleman's amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. WAXMAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. WAXMAN).

The amendment was agreed to.

AMENDMENT NO. 38 OFFERED BY MR. RANGEL

Mr. RANGEL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 38 offered by Mr. RANGEL:

At the end of the bill (before the short title), insert the following new section:

SEC. 4___. None of the funds made available by this Act may be used to implement or enforce the requirement under section 12(c) of the United States Housing Act of 1937 (42 U.S.C. 1437j(c); relating to community service).

The CHAIRMAN. Pursuant to the order of the House of Friday, July 27, 2001, the gentleman from New York (Mr. RANGEL) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Chairman, I yield myself such time as I may consume.

The amendment would strike the funding for the redundant provision that is in the 1998 Public Housing Act that requires tenants in public housing to do community work. It has taken about 3 years for HUD to put together the regulations in order to guide this, and HUD does not oppose the striking of the funds that are imposed upon the tenants in public housing, because there is no other provisions for other people that receive Federal funds to do this type of thing.

In addition to it, the local and State communities are all working hard under the welfare reform legislation to see that people who are able to work can work, and it is an unfunded mandate, and I am certain that HUD could be using the funds for other purposes. I understand the authorizing committee has no objections to this.

Mr. Chairman, I reserve the balance of my time.

Mrs. KELLY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York (Mr. RANGEL), and I yield myself such time as I may consume.

Mr. Chairman, this amendment would prevent any HUD funding to be used to implement the community service requirements that we passed as part of the Quality Housing and Work Responsibility Act of 1998. As a member of the Subcommittee on Housing and Community Opportunity of the House Committee on Banking and Financial Services, I worked with my colleagues on this provision and know it to be very fair with a great deal of flexibility for those subject to it.

This amendment seeks to reverse an important initiative that was part of our welfare reform effort. In approving the Community Service Initiative, we sought to create a mutuality of obligation between the provider of the housing and the recipient of the housing. This obligation is not overwhelming, it only calls for 8 hours a month of assistance from the resident; that is only 2 hours a week. It is a very flexible requirement.

The initiative was crafted to have no real limits to what can be considered community service so that it can be satisfied by planting and maintaining a garden, voter registration efforts, or can be work with the big brothers or big sisters programs. Under the language of the provision we give the individual Housing Authorities full authority to make the determination for what is an allowable activity.

This initiative enjoys bipartisan support and was not only supported by the Clinton administration, it was included in former President Clinton's own public housing reform proposal which he sent to the Hill prior to our consideration of the Quality Housing and Work Responsibility Act of 1998.

Who is required to comply with this initiative? Residents of public housing who have the time. The language of the law clearly exempts the elderly, the disabled, the employed, those who are in school, and/or are receiving training, those in a family receiving assistance under a State program, and those who are involved in the welfare reform program. With all of those exceptions, who is left? Individuals who are unemployed, those who have dropped out of school, those who are fully capable and have the time to give something back to the communities in which they live.

What happens if these individuals choose not to comply with this community service provision? They are not immediately tossed out on the street. However, noncompliance can be grounds for nonrenewal of the public housing lease at the end of the 12-month lease term, which can lead to eviction.

This issue comes down to one of personal responsibility. This was a major theme of the welfare reform laws we successfully changed. President Clinton signed those laws; they were good laws. This is one of them. The language from the Senate committee report seems to best sum up, and I am quoting: they say, "The provision is not intended to be perceived as punitive, but rather considered as a rewarding activity that will assist residents in improving their own and their neighbors' economic and social well-being and give residents a greater stake in their communities."

In recent years we have made great progress in an effort to reform welfare and reform public housing. This initiative has a strong link in this effort. Recently, I saw residents of the Housing Authority of New Orleans buildings outside cleaning up yards after the weekend. They were patrolling areas that might not otherwise have been clean. They would have been filled with trash. They told me, the residents who were cleaning them up, that they had been cleaning a lot of trash up. Now the yards are clean on a Monday morning, the children are outside playing in the grassy areas, grandmas are walking their grandchildren around, helping them learn to ride their bikes.

Mr. Chairman, this initiative works. I think we have to preserve the community service provisions of the 1998 Quality Housing and Work Responsibility Act. I ask my colleagues on both sides of the aisle to please consider this opposition to the Rangel amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. RANGEL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think the gentlewoman from New York is right in dealing with the exceptions that are under this law. After we get finished with all of that, the only people that are left are the elderly, working families, and the disabled, and those who are in school.

This is not a part of welfare reform. We have legislation that deals with welfare reform. We have legislation that deals with communities and States that require working for those people who are able to work. This is the only type of allowing the indignity of putting this type of burden on poor folks in public housing when there is no such requirement for any other type of Federal assistance, including Section 8.

Now, HUD knew how difficult it would be for them to superimpose their standards on the welfare standards. This is a housing bill; this is not a welfare reform bill. That is the reason that they took so long in getting these regulations that are almost unenforceable, and that is the reason why they do not object to having this stricken from the record.

Mr. Chairman, we have cut a lot of good services out of the HUD programs to be able to give assistance to kids to get education and recreation and to avoid drug addiction. But this is also an unfunded mandate that forces the public housing people to take a look at this and to put this burden on people when we have the cities departments of welfare, the State departments of welfare to do it. The Housing Authority is no place to enforce the welfare laws.

Mr. Chairman, I reserve the balance of my time.

Mr. WALSH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I had a conversation with the gentleman prior to this debate. I had no knowledge that anyone on our side would oppose him and based on the conversation we had and right at this very moment, I still feel that this is an amendment that I can support. The agency from New York, in conversation with the gentleman, has agreed with him on this. So I continue to support the gentleman's amendment and I would be prepared to accept it.

Mrs. MALONEY of New York. Mr. Chairman, I rise in strong support of the Rangel amendment.

This is an amendment that respects the dignity of public housing residents.

In 1998 the Congress passed legislation that essentially says that public housing residents aren't as good as other Americans.

It requires residents to fulfill community service because they receive the benefit of public housing.

Mr. Chairman, this provision was mean spirited when it was passed and we should overturn it today.

Residents of public housing do receive a government benefit. In that way they are similarly situated to hundreds of millions of other Americans.

They receive a benefit just as home owners are allowed to deduct mortgage interest from their taxes.

They receive a benefit just as FHA and VA home loans receive a benefit.

They certainly do not receive a benefit as great as those that huge multinational corporations are granted on taxes from federal, state, and local governments.

I could stand on the floor of this House and name thousands of special interests that receive some sort of special government benefit because they have been determined to be worthy of such treatment by Congress.

Just as many of these residents are moving from welfare to work we have singled out public housing residents has having to justify themselves by completing community service.

We should be ashamed of such shoddy treatment of people with lower incomes.

How will we administer this mess of a requirement?

In New York City, NYCHA administers housing for 426,000 residents—30 percent of whom are elderly.

This community service requirement, even with exemptions for the elderly, will require a huge amount of resources to monitor compliance.

In the context of a housing bill that already under funds housing—administration will simply take additional much needed resources away from where they are needed.

This is truly meddling by the federal government in the affairs of local citizens.

I urge my colleagues to support this amendment and repeal this belittling requirement of public housing residents.

Mr. RANGEL. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. RANGEL).

The amendment was agreed to.

AMENDMENT NO. 40 OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 40 offered by Mr. TRAFICANT:

At the end of the bill (preceding the short title) insert the following new section:

SEC. ___. No funds appropriated or otherwise made available under this Act shall be made available to any person or entity that has been convicted of violating the Buy American Act (41 U.S.C. 10a–10c).

The CHAIRMAN. Pursuant to the order of the House of Friday, July 27, 2001, the gentleman from Ohio (Mr. TRAFICANT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Chairman, I yield myself such time as I may consume.

The trade deficit in America has risen to $30 billion a month. It now approaches close to $360 billion a year. That is unbelievable. I think the least that we can do is wherever possible in expending Federal dollars, and certainly there are quite a few dollars being expended in this bill, would be to look for the probability and the possibility of spending those funds on American-made goods.

This amendment not only does that, but it would disallow and prohibit anyone who is violating the Buy American law from being eligible for grant money under the bill.

Mr. Chairman, I reserve the balance of my time.

Mr. WALSH. Mr. Chairman, I rise to claim the time in opposition, although I am not opposed to the amendment. We are very much prepared to accept the gentleman's amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. TRAFICANT. Mr. Speaker, I yield back the balance of my time.

Mr. WALSH. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. TRAFICANT).

The amendment was agreed to.

□ 2130

Mr. WALSH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to enter into a colloquy with my colleague, the gentlewoman from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. Mr. Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentlewoman from California.

Mrs. TAUSCHER. Mr. Chairman, I thank the gentleman for yielding to me.

I want to commend the gentleman from New York (Mr. WALSH) and the gentleman from West Virginia (Mr. MOLLOHAN) for their hard work in putting this bill together.

I rise for the purpose of engaging the distinguished chairman of the subcommittee in a colloquy.

Given the subcommittee's overall funding allocation, the task of the chairman and the ranking member was a daunting one, to say the least. This bill funds many of our Nation's priorities: veterans, housing, the environment, FEMA, NASA, and science.

Unfortunately, the subcommittee's overall allocation was too low to meet all of these priorities. One of those underfunded priorities in this bill is clean water.

I was prepared to offer an amendment tonight to restore funding for the Clean Water State Revolving Fund back to its current-year level. Our country's water infrastructure and environmental needs are not diminishing. In fact, EPA's own estimates show that our local communities are facing a $330 billion gap in water infrastructure investments over the next 20 years. Now is not the time to reduce the Federal commitment to these communities.

Mr. Chairman, the State Revolving Funds are an important financing tool that helps them meet their growing clean water needs. I want to commend NUCA, the American Oceans Campaign, the Sierra Club, NRDC, the League of Conservation Voters, and others for helping to highlight our country's environmental and infrastructure needs.

Mr. Chairman, I want to thank the chairman and his staff for agreeing to work to increase the overall funding for the Clean Water SRF as this bill goes to conference with the other body.

Mr. WALSH. Mr. Chairman, I thank the gentlewoman for raising this important issue, and I remain committed to work to increase the allocation for the Clean Water SRF as we go to conference with the Senate. I agree that our communities face growing environmental and infrastructure challenges, and we must maintain our Federal commitment to them. It is the right thing to do for our environment as well as the economic development of these communities.

Mrs. TAUSCHER. I thank the chairman and the ranking member for their leadership.

Mr. BLUMENAUER. Mr. Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Oregon (Mr. BLUMENAUER) for a colloquy.

Mr. BLUMENAUER. Mr. Chairman, I thank the gentleman for yielding to me.

I just wanted to continue along the venue the gentleman had with the gentlewoman from California (Mrs. TAUSCHER). I just wanted to commend the chairman for his personal interest and leadership in helping us zero in on these issues dealing with water and infrastructure.

I am particularly interested in the gentleman's willingness to work with us on the State Revolving Fund, because this is an area that, from my perspective, ought to be able to bring together a wide variety of opinions because of the fact that it is a revolving fund that deals with loans rather than grants; that requires more of an investment from local communities; the fact that for some instances where people do not have the start-up money, it actually is better than a grant, and that it has money over time.

I want to express my appreciation for the gentleman's focus on this and offer any help that I can give to help reinforce this as it works its way through the legislative process, because it means so much to the livability of our communities.

Mr. WALSH. I thank the gentleman for his thoughts on this issue, Mr. Chairman. I spoke earlier on the Barcia amendment. I know he feels very strongly, as do I. There is a tremendous, tremendous void out there in our ability to deal with combined sewer overflows, with clean water issues throughout the country.

Clearly, the Congress needs to step up and take this issue on head on. We are looking for direction from the authorizing committee. I would be more than happy to work with the gentleman to help to reorder some of the priorities, because this is something that I certainly rely on in my community, and I know the gentleman does. There is broad interest throughout the Congress on this. I thank the gentleman for his interest.

Mr. Chairman, I yield to the gentlewoman from New York (Mrs. KELLY) for a colloquy.

Mrs. KELLY. Mr. Chairman, I thank the gentleman for yielding to me.

I join my colleague in supporting the increased funding for the Clean Water State Revolving Fund. Investment in wastewater infrastructure may not be a glamorous issue, but it is a fundamental component of efforts across the country to create and maintain livable communities.

The Clean Water State Revolving Fund has been the Federal Government's primary and most effective tool in helping communities meet wastewater and infrastructure needs. The needs are enormous. Even under the most conservative estimates, we are still not investing enough in wastewater infrastructure. We wonder how our water gets dirty. We need to fix our wastewater problems.

The EPA estimates that we face over $300 billion of wastewater infrastructure needs over the next 20 years. New figures have been coming out showing significantly higher figures. The longer we wait to address these needs, the worse the problem will become. It is imperative that we do everything we can now to assist our communities in building environmental infrastructure.

I commend the chairman for putting in funding for the State Revolving Fund which is significantly higher than the level proposed by the administration, but I do believe that an even higher funding level will be necessary in the coming years.

I offered, with my colleague, the gentlewoman from California, a bill, H.R. 668, which calls for $3 billion in funding for the State Revolving Fund. I do understand the constraints faced by the chairman in funding the many programs in this bill; but I hope, at the very minimum, that we will be able to reach the fiscal year 2001 level of $1.35 billion in this bill.

I look forward to working with the chairman and trying to achieve a funding level in this bill that more accurately represents the tremendous needs of our communities across the Nation.

Mr. WALSH. Mr. Chairman, I thank the gentlewoman for her strong support for this program and for her leadership in helping to make the Hudson River fishable, swimmable, and even more beautiful than we found it.

AMENDMENT NO. 5 OFFERED BY MR. ROEMER

Mr. ROEMER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. ROEMER:

At the end of the bill (before the short title), insert the following:

SEC. ___. None of the funds made available in this Act may be used by the National Aeronautics and Space Administration—

(1) to obligate amounts for the International Space Station in contravention of the cost limitations established by section 202 of the National Aeronautics and Space Administration Authorization Act of 2000 (Pub. L. 106-391; 42 U.S.C. 2451 note); or

(2) to defer or cancel construction of the Habitation Module, Crew Return Vehicle, or Propulsion Module elements of the International Space Station.

The CHAIRMAN. Pursuant to the order of the House of Friday, July 27, 2001, the gentleman from Indiana (Mr. ROEMER) and a Member opposed each will control 15 minutes.

The Chair recognizes the gentleman from Indiana (Mr. ROEMER).

Mr. ROEMER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would start off by explaining to this prestigious body what this amendment does do and what it does not do.

First of all, what it does not do: it does not eliminate funding for the Space Station. This is not a killer Space Station amendment. As a matter of fact, Mr. Chairman, this amendment is a fencing, a capping amendment.

This simply states, and it reiterates what they have done in the United States Senate, language offered by Senator MCCAIN, and passing the Senate, that there will be $25 billion allocated for the life of the Space Station for construction costs, $17 billion for Space Station shuttle launch costs, for a total of $42 billion, $42 billion.

Mr. Chairman, where I come from and where most Americans come from, that is a lot of money. That is not a killer amendment. That is just simply saying, you guys have to build the Space Station for this cost, and you cannot continue to go over it with inefficiencies and delays and overruns, because that hurts other precious programs: housing programs for our poor, feeding programs for our hungry, education programs for our children. We are going to be fighting for every dollar we can get this fall in our budget.

I would say to the Members, $42 billion, is that enough? Is that enough, when we have 18 percent of our children in this country in poverty? When we have some soldiers who are on food stamps, is $42 billion enough? We will see.

Mr. Chairman, the reason I offer this amendment is because, according to a Bush administration Office of Management and Budget document, here is what they say about the international Space Station: "Recent cost growth on the Space Station is estimated at approximately $1 billion for 2001 and 2002 and $4 billion for the next 5 years." That is recent cost growth. That is a total of $5 billion in recent cost growth.

Mr. Chairman, that is Washington parlance, for those out there, saying that we have a humongous cost overrun, $5 billion. So that is why we are saying that we have to fence the money, $42 billion they have in NASA to spend on the Space Station, and that is it.

Now, we will probably have some proponents say, well, that is not enough. What if we go over by $3 billion or another $10 billion? No other program gets that latitude. We do not have education programs that come back to the Government and say, well, we had more hungry kids in the school lunch program, Mr. Congressman. Can you give us another $5 billion? It does not happen. It happens here. So what we are saying, like the Senate said, put a fence around it and cap the costs.

I continue, Mr. Chairman, to be very worried about this program. We continue to be very concerned about it because the science is dwindling. Instead of sending up scientists to the Space Station, we are sending up tourists to the Space Station. We need people, if they are going to be up there, performing the kind of science that will help our citizens and lead to good discoveries to cure people of disease, rather than selling the Space Station to the highest bidder, $15 million today, $25 million tomorrow. We cannot afford to do that. That tourist takes up valuable space that we need to perform science.

Mr. Chairman, the science is dwindling; the cost is going through the roof. Let me read to the Members what scientists are saying about the Space Station.

In Florida Today on June 16 of this year, they said, "Now, a year since construction began in earnest on the station, it is still hard to find a scientist outside of NASA who expects much progress from the station research."

Robert Park, a researcher for the American Physical Society, says this: "It is impossible to name a field of science that has been changed or even altered by this kind of research. You finally end up with a Space Station that does not do science."

I can go on. Kenneth Baldwin, with the Department of Biophysics at the University of California, says, "If you are going to use the justification for the Space Station to have science as the primary product, should you continue to build up and maintain it with a 3-person crew when you cannot have any science?"

Mr. Chairman, I am going to shortly reserve some of my time and come back after we hear from some of the proponents of the Space Station who have some good and compelling arguments. But I sure hope they are not arguments about limiting them to $42 billion. That is $42 billion.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Does the gentleman from New York (Mr. WALSH) seek time in opposition?

Mr. WALSH. I rise in opposition, Mr. Chairman.

The CHAIRMAN. The gentleman from New York is recognized for 15 minutes.

Mr. WALSH. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. ROHRABACHER), the distinguished chairman of the Subcommittee on Space and Aeronautics of the Committee on Science.

Mr. ROHRABACHER. Mr. Chairman, first and foremost, let me say that I have the deepest admiration for the gentleman from Indiana (Mr. ROEMER), and this body will be certainly not as bright and not as profound a place when he no longer is with us. And I know that he is not planning to run for reelection. We will miss him very much.

Mr. Chairman, I feel very grateful to have had the opportunity to serve with the gentleman in the Subcommittee on Space and Aeronautics. Over the years, he has been a voice for prudence and a voice for, yes, for second thoughts about the Space Station.

Let me say that in the beginning of his term, his arguments made a lot of sense, a lot more sense. As the years have gone by, however, and we have invested billions and billions of dollars into this program, yes, in the beginning it might have made sense to postpone the Space Station for a number of years. The voice of the gentleman from Indiana was there saying, Do not waste the money.

But sometimes once you have made a commitment, it is actually more responsible then to move forward and make sure that the project in which you are involved is a success, rather than turning back.

If we support the Roemer amendment now, what it will mean is we will not have science on the Space Station. That is what it will mean. The laboratory will not work. We will not have the science experiments. Yes, there is some question whether or not, and from the beginning, whether or not we were going to have great achievements in space in these science labs; but one way to ensure that there is never any great achievement or breakthrough for mankind on this in the microgravity research being conducted in the Space Station is to pass the Roemer amendment, which fences off this money.

Yes, we are now in a crisis at the Space Station. There has been an overrun, and we are going to need to come up with $5 billion. It does not mean it has to come from us. I am going to Ireland; I am going to Italy. I am speaking to other allies.

□ 2145

I will be traveling over the break to those other countries and will be speaking to leaders, for example in the Gulf region, to try to find other people who might want to invest in this incredible, historic engineering project in space.

If we look into the sky, we see a bright shining object that was not there before. We can either turn out that light and say that it is a failure and it represents the failure of mankind, or we can work at this moment, now, and make sure that we succeed in this endeavor. It is not time to turn back, it is not time to just fence things off, to put shackles on the hands of those of us who are trying to make this project succeed. Together, Democrats and Republicans, and it has always been a bipartisan project, can work together to make sure that that light in the sky is a symbol of progress and hope and, yes, even overcoming bureaucratic obstacles and great hardships, and overcoming them together.

The gentleman from Indiana has had a great career. It has been an honor serving with him. But I ask my colleagues not to support his amendment.

Mr. ROEMER. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from Indiana has 8 minutes remaining.

Mr. ROEMER. Mr. Chairman, I yield myself such time as I may consume to thank my good friend from California for the kind words. I very much not only enjoyed serving with him but learning a great deal from him as well; learned about science and learned about surfing as well too.

Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. GANSKE), a Republican sponsor of this amendment.

Mr. GANSKE. Mr. Chairman, I commend my colleague from Indiana for his persistence on this amendment. We have had this debate a lot. Before I came to Congress in 1995, a few years before that, there was a huge debate on this, and the space station only stayed in existence by, I think it was about a one-vote margin. It was very, very close.

At that time, opponents to the space station pointed out basically what has happened, and that is that we have had these tremendous cost overruns. The science was questionable. We are now down to a module that will hold three people. It takes two-and-a-half people to keep the thing running, so that leaves about 10 hours a week for somebody to do science in the space station.

We are looking at Russia not having kept its commitments. Cost overruns. This amendment would cap the space station funding at $25 billion for construction costs and $17 billion for related launch costs. It would not cancel the space station funding for fiscal year 2002, but the space station is expected to be $4 billion over budget by 2006. That puts it substantially over the $25 billion budget cap imposed in the fiscal year 2001 NASA authorization act. NASA has proposed cutting scientific research to pay for the construction cost overruns.

I think it is time for this body to realize that we are just not getting the benefit for the cost. Will it make a difference in terms of what this body decides to do for the gentleman from Indiana and myself to have brought this amendment back up again tonight? Probably not. But I would still urge my colleagues to do the right thing and vote for the Roemer-Ganske amendment.

Mr. MOLLOHAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage the gentleman who is offering the amendment in a little discussion about his amendment, but first I want to join the gentleman from California (Mr. ROHRABACHER) in commending the gentleman for his sincere interest in this issue and for his bringing the issue to the Congress in the past, and his persistence in doing it. I think the station is a much better enterprise because of his efforts. We all need challenged, and certainly NASA needs challenged in many areas. So before we start a debate, I want to compliment the gentleman.

Mr. ROEMER. I thank the gentleman for the compliment.

Mr. MOLLOHAN. Mr. Chairman, I understood the gentleman's first International Space Station amendment here. It was an amendment much like the amendments he has offered in the past, I think the last 5 years, as a matter of fact. It was a straight-up cut; was it not?

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. MOLLOHAN. I yield to the gentleman from Indiana.

Mr. ROEMER. The gentleman is correct, the amendment I offered earlier and withdrew was a kill amendment.

Mr. MOLLOHAN. That would have straight-out eliminated the station program. I understand why the gentleman did that. It has been defeated on this floor a number of times and the body has spoken pretty overwhelmingly with regard to that issue.

I frankly do not quite understand this amendment, and that is why I want to engage the gentleman in a discussion of it at the front of this overall debate. I have the amendment here before me and it says, "None of the funds made available in this act may be used by the National Aeronautics and Space Administration to obligate amounts for International Space Station in contravention of cost limitations established in section 202 of the 2000 authorization for NASA." Correct?

Mr. ROEMER. If the gentleman will continue to yield, and if he is reading the amendment, then that is the way it is written.

Mr. MOLLOHAN. That is the first paragraph. "None of the funds may be used to obligate amounts in contravention of that act. Then it says, "or defer or cancel construction of the habitat module crew return vehicle propulsion module." As I understand that, the gentleman is saying they cannot expend above the authorization on the one hand; is that correct?

Mr. ROEMER. Is the gentleman yielding to me to explain my amendment?

Mr. MOLLOHAN. Yes, I am, in an ongoing discussion.

Mr. ROEMER. I will be happy to explain the amendment.

Mr. MOLLOHAN. No, no. If the gentleman will just answer the question.

Does the first paragraph say, that to obligate amounts under here, that "none of the funds made available may be expended in excess of the authorization in section 202."?

Mr. ROEMER. The first part of the amendment, as the gentleman knows, simply states what the United States Senate has passed as a cap for what can be spent according to the authorization levels for both launch and construction costs.

Mr. MOLLOHAN. Reclaiming my time. In the second paragraph, the gentleman prohibits deferment or cancellation of construction of three pieces to the station, the habitation module, the crew return vehicle, and the propulsion module. Is that correct?

Mr. ROEMER. I am delighted my friend is so interested and intrigued with the amendment.

Mr. MOLLOHAN. Well, it is the amendment we are debating here on the floor, so I am quite intrigued with it.

Mr. ROEMER. The amendment states they shall not exceed an authorized bill for a cap; they cannot go over what we have already approved and passed as a Congress and been signed into law for a cap. And then it says do not jeopardize the lives of the scientists and the astronauts on that by cutting life-sustaining or life-threatening equipment that may get them off the space station that is in danger. Do not cut an escape vehicle needed to get those people off.

Mr. MOLLOHAN. And that is a really good cause. I acknowledge that, and I agree with the Member on that. But the Member is setting up here an impossible situation. The gentleman is taking the flexibility away from NASA to manipulate funding between these projects, to engage the international community to help fund these projects, to delay projects in order to stay within the authorization.

Mr. ROEMER. If the gentleman will continue to yield, the flexibility is there. I simply say they have $42 billion, $42 billion, to decide what to do to build a safe and scientifically worthwhile space station.

Mr. MOLLOHAN. I understand that, but the gentleman understands, because he is a real student of this, that the dollars are just too far in excess of the authorization and that complying with both paragraph one and paragraph two is impossible.

Mr. ROHRABACHER. Mr. Chairman, will the gentleman yield?

Mr. MOLLOHAN. I yield to the gentleman from California.

Mr. ROHRABACHER. Just to note that in terms of flexibility, the crew return vehicle and the habitation module, which the gentleman just mentioned, those are two areas we are working with right now to see if our allies could pick up the cost for these. Under the Roemer amendment, we would have to pay for them ourselves rather than if we could pick up an extra $2 billion from our allies. Why not let them pay for a crew return vehicle or habitation module?

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. MOLLOHAN. I yield to the gentleman from Indiana.

Mr. ROEMER. Every time we have engaged these other countries in trying to help us, like the Russians, we end up paying for everything they were supposed to pay for. It is yet another cost overrun for us.

Mr. MOLLOHAN. Reclaiming my time, Mr. Chairman, the gentleman said in his opening remarks that it is not a killer amendment. I think it is a killer amendment for the reasons that I have tried to bring out here in our discussion. I thank the gentleman.

Mr. WALSH. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. HALL), the distinguished ranking member of the Committee on Science.

Mr. HALL of Texas. Mr. Chairman, I am pleased to be here and to join in the accolades for the gentleman from Indiana (Mr. ROEMER). It is an annual group of accolades, and I am very pleased that the vote on the amendment will not reflect the veneration that we have for this Member that is leaving.

We are a Nation of slogans. I think MacArthur said "the object of war was victory," I think Franklin Roosevelt said, "The only thing we have to fear is fear itself," but Billy Graham said one that I can use here. He said, "Love the sinner but hate the sin." And here I really love the gentleman from Indiana, but I absolutely hate this amendment.

I have the amendment memorized because I think this is the fifth or sixth straight time that the gentleman has come with this god-awful amendment, and I just hope that my colleagues will listen carefully and vote their conscience.

As crafted, this amendment could eventually force unwise choices to NASA's human space flight program, which includes both the shuttle program and the space station program. It is a bad amendment. It is an amendment that looks reasonable at first glance, but it really creates more difficulties than it solves.

Actually, simply put, the Roemer amendment would deny NASA the ability to make any adjustments to the space station program that might be needed to live within the funding cap contained in last year's NASA authorization bill. We already have a cap. There is a cap. It would also prevent NASA from making the adjustments to the space station program included in the President's fiscal year 2002 budget. I think the President was a little conservative in his budget, and we are working with him on that. I think it is short of the needs we need.

So I think we should oppose this amendment and once again wish the gentleman from Indiana good sailing. May the wind be at the gentleman's back when he goes back to Indiana and becomes, maybe, the next governor or the United States Senator from there. God bless the gentleman.

Mr. WALSH. Mr. Chairman, I yield 1½ minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Chairman, I thank the gentleman for yielding me this time, and I would echo the great respect for my neighbor and colleague from Indiana expressed in the Chamber today. I am more convinced than ever that the gentleman from Indiana is one tough customer, but I will rise as a new member of the NASA Committee on Science to express my opposition to the amendment offered by my colleague.

Now, my colleague's amendment seems to be predicated on the assertion that we cannot spend additional money because we cannot afford to make mistakes in the space program. Mr. Chairman, there has certainly been some growing pains associated with the space station over the last year in particular. But original ground-breaking research is, by its very nature, fraught with failure and disappointment. We should expect a project of this magnitude to benefit from an environment defined by academic freedom. Adopting this measure will be ignoring the original intent of the Congress that has always supported full funding of the space station to produce a world-class research facility.

Mr. Chairman, if we want great science, we must defend the programs that make it possible.

□ 2200

The amendment authored by the gentleman from Indiana (Mr. ROEMER), Mr. Chairman, today would not so much kill the Space Station as he has attempted to do before perennially in this Chamber, but it may well wound it and wound it mortally. But I would offer this conclusion, that this debate is not just about dollars and sense, Mr. Chairman; all Americans are descendents of pioneers who journeyed to or prevailed in this wilderness Nation.

More than any other people in modern times, we are a Nation of explorers and adventurers. Let us not, in this day, abandon the most compelling aspect of American character. Our ancestors led the world into the unknown with faith and courage. Let us continue to lead the world with that same faith and courage into unimaginable riches of space.

Mr. ROEMER. Mr. Chairman, I yield 2 minutes to the gentlewoman from California, (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Chairman, I rise in support of the Roemer amendment to cap funding for the International Space Station. I rise to thank our good friend, the gentleman from Indiana (Mr. ROEMER) for his leadership on this issue and many other very important issues here in the House of Representatives. He will be missed.

When I came here 9 years ago, the gentleman was leading the effort in proving the point that the Space Station was too costly for what we were going to get out of it for this Nation. I was with him then, and I am as convinced today as I was 9 years ago that the gentleman is absolutely right on this issue.

I am a member of the House Committee on Science. It is hard to be a member of the House Committee on Science and not support the Space Station. But I can say as a member, I am respectful of the very valuable work that NASA does to push the envelope of technology for the aeronautical field and for understanding our universe in general.

I support the Romer amendment, however, because I believe one NASA project, the Space Station, has cast too large a shadow over our Federal budget. When the Space Station was proposed in 1984, the estimated price tag was about $8 billion. Can we all imagine $8 billion?

Now the construction price alone has quadrupled the original price tag. On the Committee on Science we are still holding periodic hearings that discuss the continuing cost overruns for the Space Station.

Mr. Chairman, I suggest we can do better by our budget and we can do better by our children. By voting to cap the construction and launch costs for the Space Station, we can invest this money in as worthy but more reliable programs, both at NASA and other areas of our Federal budget. In this time of tight Federal funding, I believe now is the time to put the reigns on the Space Station. Invest in our country.

Mr. WALSH. Mr. Chairman, I yield 1 minute to the gentleman from Alabama (Mr. CRAMER).

Mr. CRAMER. Mr. Chairman, I want to add to my colleague, the gentleman from Indiana (Mr. ROEMER), that I have enjoyed serving with him.

We have fought this battle many years now. I happen to disagree with him over this particular issue. We have agreed on a lot of other issues. He has offered this House a valuable service. Frankly, he has offered NASA a valuable service by keeping the pressure on NASA.

I have to say, though, I hope the gentleman will withdraw this amendment much like he withdrew the other amendment. This is a very ill-advised amendment.

The chairman and ranking member of this subcommittee have done an outstanding job of making sure that NASA's budget was kept within the perspective of this particular bill. The ranking member has made excellent points in arguing why this amendment today does not work.

The Roemer-Capps amendment is a Catch-22 for NASA. It is a wolf in sheep's clothing. The gentleman is trying to put a cap on this, but a cap already exists and the committee has worked within that cap. Do not support this ill-advised amendment. It does not provide NASA with the flexibility to deal with the cost issues that it must deal with. I hope the gentleman will withdraw this amendment.

Mr. WALSH. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman for yielding me time.

The Space Station is in orbit. We have research going on up there right now. As we all know, NASA recently recorded significant cost overruns. The administration responded appropriately by canceling three elements.

I think there are some serious problems with the proposal the administration has put forward. I certainly agree with the sentiment of the gentleman from California (Mr. ROHRABACHER) that we need to work with our European allies to see if we can get at least the crew return vehicle and the module built.

The proposal the gentleman from Indiana is putting forward essentially says we have to stay within the cap, and we already have a cap, but we have to go ahead and build all those elements.

That is like your spouse comes home and says, Honey, we are over budget. We cannot screen in the porch and buy that new car. Then you were to respond, we are going to stay on budget and we are going to screen in the porch and buy that new car. Your spouse might turn to you and scratch her head and say, Gee, honey, how the heck are we going to do that?

This is in many ways a very clever amendment, but it is a totally unworkable amendment. I believe it is just another attempt to try to kill the Space Station program. I would strongly encourage all my colleagues to vote against the amendment.

Mr. WALSH. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. Mr. Chairman, I rise in opposition to the amendment.

I think the basis most clearly articulated by our ranking member, who pointed out that by operation of the first half of the amendment NASA is precluded from going over the cap and by operation of the second portion of the amendment NASA is precluded from deferring or delaying enhancements that would, in effect, force it to exceed the cap. It is unfortunately a Catch-22 that takes away the flexibility that NASA needs to sustain this program.

The Space Station holds out great promise in terms of science, the advancement of science and the development of commerce. I urge my colleagues to reject this Catch-22 amendment.

Mr. ROEMER. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, first let me say that I am for the amendment, so I do not have to say anything nice about the gentleman from Indiana. But I would anyway if it were relevant.

We have been sitting here for 3 days on this bill. In area after area important to the most needy people in our society, we have had a large degree of agreement that we have not been able to do what is required. We have cut funds for fighting drug-induced crime in public housing. We have not got enough in Section 8. We are about to have a rollcall in which veterans in one part of the country will be pitted against veterans in another for health care.

The list of pressing unmet basic needs is very long. That is why I am for this amendment. The Space Station is a good thing in itself; but in the context in which we are operating and which we have not got the funds to provide some people with the basic necessities of housing, of health care, of a decent education, I do not think it is justified to continue to spend as much as we have been spending on the Space Station.

I was a supporter of the gentleman from Indiana (Mr. ROEMER) when we tried to stop it. It is obviously too late to stop it. But it is not too late to impose very stringent fiscal controls. The reason is, I would hope, clear to anyone who has been following this debate. We have not got enough money to meet the mandate of the Clean Water Act. We have not got enough money for people to be decently housed in the face of a housing crisis. We cannot provide veterans health care everywhere we want. This is an amendment that does not say the Space Station should not happen. We have lost that fight. But rather, that we have to impose fiscal restraints. If we do not impose them here, we impose them in housing, we impose them in veterans health care, and we impose them in the environment.

Mr. WALSH. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. LAMPSON).

Mr. LAMPSON. Mr. Chairman, one of the people who I think about when I listen to the gentleman from Massachusetts (Mr. FRANK) speak is Keely Woodruff, a 6-year-old girl who has a developmental age of only 2½ because of epileptic seizures, who now is progressing nicely because of a device invented through our efforts in space. The contributions NASA has made to our country and the world are absolutely priceless.

This is an ill-conceived, ill-thought-out amendment. It actually works against the apparent interest of the gentleman from Indiana (Mr. ROEMER) of holding down costs as it requires construction without a thoughtful plan, a construction effort, I might add, comparable to our first trip to the Moon. It could actually cause deeper cuts in the station itself and cause the so-called cap to be a killing blow. Is that not the real intention?

The annals of great events of history are not filled by those content to live in the present without vision, but by those who sought to understand the unknown and change their future. If we cancel this program, what will we say and what will that say to our partners in the international community about U.S. leadership in the 21st century?

How can we begin to place a dollar value on the improvements and quality of life for all humanity that we know from the last 20 years of experience will come from space research. Vote down this killing amendment.

Mr. WALSH. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I rise in opposition to the Roemer capping amendment. I will reiterate all of the compliments previously stated, having served with the gentleman from Indiana (Mr. ROEMER) on the Committee on Education and the Workforce.

Mr. Chairman, I oppose the amendment. The International Space Station is something that is working; but regarding the capping of it, Mr. Chairman, we do not have enough money to do everything we want to. The gentleman from Massachusetts (Mr. FRANK) talked about that. We need to continue what we should be doing in the space program, and the International Space Station is a great example of international cooperation. It had some rough sledding, but it is on schedule now. We have had crews up there since October 2000. They have made so much long-term progress in research in biotechnology, radiation, health, and such classroom-friendly lessons as Earth and near-object observation.

Mr. Chairman, that is why this amendment should be defeated, because there are so many other things that we can talk about.

The ISS has been a model of multinational coordination between Europe, Russia, Canada, Japan, Brazil and the U.S. If Congress eliminates or even caps funding for the station by passing one of these amendments, it would be a betrayal of our international partners.

Since October 2000, two crews have occupied the station and brought many of the early scientific experiments on-line. These experiments include research into long-germ space flight on humans, biotechnology, radiation, health, and such classroom-friendly lessons as earth and near object observation.

The space station is on track and operating, with several missions already complete. This NASA budget maintains that momentum and builds on the successes of this program.

Critics have charged that funding the space station will push out any smaller space exploration endeavors like the Mars Pathfinder Mission or the Hubbel Space Telescope, which have had enormous success.

This simply is not true. NASA, with the development of the space station, will have a platform from which future space exploration and research can be launched.

Members of the shuttle crews, along with station inhabitants, have been able to overcome all of the problems that they have encountered, showcasing their ingenuity, creativity and skill. The ground support personnel have also played crucial roles in overcoming these obstacles.

We are standing on the brink of the twenty-first century. Capping funding for the international space station would be irresponsible.

It would cost us billions of dollars, along with countless hours of hard work and effort by NASA scientists, researchers, astronauts, and engineers. We would be best cripple and at worst lose our foothold to future space exploration and a valuable platform for scientific research.

Again, I am opposed to the amendment and support the funding for the international space station in this bill.

Mr. WALSH. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Chairman, I rise in opposition to the amendment. Let me say as everybody else has said that I have nothing but the greatest respect for the gentleman from Indiana (Mr. ROEMER), although I suspect he will be here 1 more year, so we may have to do this one more time. Having said that, I hope that the gentleman's amendment is defeated.

Mr. Chairman, this is something of a red herring amendment. We have already decided we are going to build the Space Station. We have already invested tremendously in it, and we have a cap that exists in the law and we have the ultimate cap that exists on the floor of this House and on the floor of the other body. Ultimately Congress decides how much money we are going to spend, regardless of whether we put some rhetorical cap in or not.

This is a program which is already up and running. It would be a mistake to pass this type of amendment which would actually be counterproductive to the program. Quite frankly, it could ultimately result in further cost overruns as you delay projects going forward. I hope my colleagues will look at this amendment, see that it is unworkable and defeat it.

Mr. ROEMER. Mr. Chairman, I yield myself such time as I may consume to close.

Mr. Chairman, it is written in the Bible that without vision the people shall perish. Certainly vision in our great society means technology and science. It means that bright, shining star in space that is our Space Station. But vision also means justice. Justice for all of the people in this great country. Vision means hope and dreams for the great people called Americans in the United States.

And in this bill which these two gentlemen have worked so hard to craft, the gentleman from New York (Mr. WALSH) and the gentleman from West Virginia (Mr. MOLLOHAN), we need even more justice and hopes and dreams for veterans that are not getting sufficient health care in this country, and risked their lives for this country overseas. For children, for children being raised in some of our public housing that is despicable, that is rat-infested. Yet we will go $5 billion over budget without blinking an eye for 3.5 people in space.

□ 2215

Where is the vision and the justice and the fairness in that kind of allocation of resources?

When we talk in the Bible, Mr. Chairman, about vision and fairness for these great people, we mean for AmeriCorps, which is not funded in this budget; we mean for public housing, which is not adequately funded for the poorest of the poor in this great country; and we mean to help us fight the scourge of drugs which are especially hurting the most vulnerable people in inner city areas.

I would hope that we would at least cap and fence the funds on this program.

Mr. WALSH. Mr. Chairman, I yield the balance of my time to the gentleman from Houston, Texas (Mr. DELAY), the distinguished majority whip.

The CHAIRMAN. The gentleman from Texas is recognized for 1½ minutes.

Mr. DELAY. Mr, Chairman, I ask the Members of this body to oppose this amendment because it will seriously damage our space program.

I say to the gentleman from Indiana, Mr. Chairman, that our vision is circling the Earth. The vision is the Space Station that is circling the Earth. I say a fully functioning Space Station is the linchpin of our vision of human space flight. The intention of this amendment, make no mistake about it, is to kill the Station. It effectively denies NASA its flexibility to ensure that the Station remains viable.

The prohibition against deferring the habitation module, the crew return vehicle, and the propulsion module seems designed to help the Space Station; but in fact it does not. This amendment requires NASA to develop these parts of the Station under a cap, without the flexibility of working within their budget. And this amendment, make no mistake about it, kills the Station. The fact is we have an obligation to our international partners. The United States is the leading pioneer in space travel, and we ought not renege on agreements we have made to the nations that are following us into space through the International Space Station team. More importantly, we have an obligation to protect the investment of American taxpayers and the vision that we see in space travel.

I implore Members to reject this amendment. I hope they will support the underlying bill, because it will provide the necessary resources to achieve our human space flight goals.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. ROEMER).

The amendment was rejected.

AMENDMENT OFFERED BY MR. FRANK

Mr. FRANK. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. FRANK:

Page 93, after line 25, insert the following new section:

SEC. 427. The amounts otherwise provided by this Act are hereby revised by reducing the aggregate amount made available for "PUBLIC AND INDIAN HOUSING—PUBLIC HOUSING OPERATING FUND", reducing the amount specified under such "PUBLIC HOUSING OPERATING FUND" item for the Inspector General for Operation Safe Home, reducing the aggregate amount provided for "MANAGEMENT AND ADMINISTRATION—OFFICE OF INSPECTOR GENERAL", and reducing the amount specified under such "OFFICE OF INSPECTOR GENERAL" item that is to be provided from the amount earmarked for Operation Safe Home, and none of the funds made available in this Act may be used to fix, establish, charge, or collect mortgage insurance premiums for mortgage insurance under title II of the National Housing Act (12 U.S.C. 1707 et seq.) made available under any multifamily housing mortgage insurance program affected by the interim rule issued by the Department of Housing and Urban Development on July 2, 2001 (66 Federal Register 35070; Docket No. FR 4679-I-01), in an amount greater than the cost (as such term is defined in section 502 of the Federal Credit Reform Act of 1990) of such program, by $5,000,000.

Mr. WALSH. Mr. Chairman, I reserve a point of order against the gentleman's amendment.

The CHAIRMAN. The gentleman reserves a point of order.

Pursuant to the order of the House of Friday, July 27, 2001, the gentleman from Massachusetts (Mr. FRANK) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume.

I want to talk here in this amendment about the Federal Housing Administration, the FHA. Earlier this year, this House passed a bill to reduce the fees that were charged to people trading in stocks. The rationale was that the stock fees charged through the SEC were bringing in more than it cost to administer the program, and so we put through a substantial reduction in that cost.

In fact, what happened is that the FHA is following a similar pattern. The FHA statute, which I reference in this amendment, defines cost. Cost is the break-even point for the FHA. We have been told that the FHA cannot engage in subsidizing programs. In fact, and it is a mark of great disappointment to many that this Congress and this administration have allowed the multifamily FHA programs to lapse for want of a $40 million credit subsidy as it is called. And what has happened is that we now learn that while the FHA is claiming it has to shut down some programs for credit subsidy, it is in fact overcharging elsewhere.

This amendment simply says that the FHA can no longer overcharge and make a profit for the Treasury on these multifamily programs but must stay at cost.

Mr. Chairman, I reserve the balance of my time.

Ms. WATERS. Mr. Chairman, I thank Mr. FRANK for offering this amendment to prevent unnecessary rent increases in affordable housing and I urge my colleagues to support it.

We are in a housing crisis. The economic expansion of the past few years has been accompanied by skyrocketing home prices and rents. There is a severe shortage of affordable housing, and in many areas, any type of housing.

In my home state of California, about half of renter households pay more than the recommended 30 percent of their income toward shelter. However, 91 percent of low income renter households, with annual incomes less than $15,000, spend more than 30 percent of their income toward rent. These low income households outnumber low cost rental units by a ratio of more than 2-to-1, both statewide and in Los Angeles County.

About two-thirds (66 percent) of senior renter households pay more than 30 percent of their income toward shelter. 85 percent of low income senior renters pay more than 30 percent toward rent. And with the aging of our population, these percentages will soon translate into much higher numbers.

Furthermore, the rising tide of the recent economy has failed to lift all boats. Household incomes of renters in my state have failed to keep pace with inflation, falling significantly between 1989 and 1999 in inflation adjusted terms. The inflation adjusted income of poor renters fell nearly 14 percent, and the median income for renters with children fell 11 percent.

Overcrowding and substandard housing conditions continue to be a severe problem, particularly in Los Angeles County.

The Federal Housing Administration's (FHA) multifamily mortgage insurance programs support new construction and substantial rehabilitation of apartments by both private and nonprofit developers. These units are crucial to meet the critical need for affordable rental housing. In my home state of California, there is a shortfall of almost 600,000 affordable units.

These programs, which require federal budget appropriations in the form of a credit subsidy allocation, have been shut down since April because funding for fiscal year 2001 has been exhausted. This has jeopardized more than $3 billion in construction loans for more than 50,000 rental units across the country. This shutdown impacts more than $53 million in loans for 827 units in my home state of California, where, as I have stated, the need for such units is dire.

In addition, this Administration has refused to use $40 million dollars in emergency funds that were appropriated at the end of last year to keep these programs open. An additional $40 million was allocated by the House in this year's supplemental appropriations bill, but the money was stripped in the Conference Committee. As a result, the program is unlikely to reopen until the next fiscal year. Furthermore, the Administration's budget request for FY 2002 is also inadequate.

The U.S. Department of Housing and Urban Development (HUD) as well as most of the housing industry agree that the current system of calculating credit subsidy needs is fundamentally flawed. Currently, there is a HUD study underway in conjunction with the Office of Management and Budget (OMB) that is likely to show that these programs are self-supporting without congressional appropriations. This study is expected to be completed by the beginning of the next fiscal year.

In the meantime, to address the credit subsidy shortage, HUD plans to increase the mortgage insurance premium for these programs by 60 percent, from 50 basis points to 80 basis points. This will relieve the alleged need for credit subsidy but will undercut the ability of the programs to provide affordable rental housing.

This premium increase will raise rents in the affected housing developments by 4 or 5 percent, by HUD's own estimate, and may reduce the production of affordable rental units.

This amendment by my colleague from Massachusetts will prohibit HUD from raising premiums in excess of what they need to run the program without a credit subsidy. The Frank amendment will prevent a build up of surplus funds that are not used for housing and would end up returning to Treasury for other purposes. I urge my colleagues to support this amendment to prevent unnecessary rent increases for affordable housing.

We should not penalize those who can least afford it for the Administration's failure to address this issue.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from New York insist on his point of order?

Mr. WALSH. I do, Mr. Chairman.

The CHAIRMAN. The gentleman is recognized on his point of order.

Mr. WALSH. Mr. Chairman, I make a point of order against the amendment because it is in violation of section 302(f) of the Congressional Budget Act of 1974. The Committee on Appropriations filed a suballocation of Budget

Totals for fiscal year 2002 on July 26, 2001, House Report 107-165. This amendment would provide new budget authority in excess of the subcommittee suballocation made under section 302(b) and is not permitted under section 302(f) of the act.

I ask for a ruling from the Chair.

The CHAIRMAN. Does anyone else wish to be heard on the point of order?

Mr. FRANK. Mr. Chairman, I understand this point of order. Just in case, I did have a second version that is allowed which we will get to if this point of order is sustained.

I did want to make clear to people what the basis of the point of order is. The Congressional Budget Office has apparently ruled that the FHA has been making a profit off the multifamily programs; and, therefore, an amendment which would say that the FHA in the future must not make a profit, must in fact in the future set these premiums only at cost, is out of order because it is a budget charge. In other words, the basis of the point of order is a CBO ruling that the FHA has been making a profit, not the FHA, the Treasury has been making a profit off multifamily housing. That is why the National Association of Homebuilders and Realtors and others have been supportive of my amendment.

But the sad fact is that given the way our rules are, I do acknowledge that my amendment requiring the FHA to set these fees at a break-even price will cost some money and it would stop the FHA from making a profit for the Treasury off multifamily housing, regrettably.

The CHAIRMAN. The Chair is prepared to rule on the point of order.

The gentleman from New York makes the point of order that the amendment offered by the gentleman from Massachusetts violates section 302(f) of the Budget Act.

The Chair is authoritatively guided by an estimate of the Committee on the Budget, pursuant to section 312 of the Budget Act, that the net fiscal effect of this amendment would be an increase in budget authority of $20 million and that this amendment would therefore cause the level of budget authority provided in the bill to exceed its section 302(b) allocation.

As such, the amendment violates section 302(f) of the Budget Act and the point of order is sustained.

AMENDMENT OFFERED BY MR. FRANK

Mr. FRANK. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. FRANK:

Page 93, after line 25, insert the following new section:

SEC. 427. The amounts otherwise provided by this Act are hereby revised by reducing the aggregate amount made available for "PUBLIC AND INDIAN HOUSING—PUBLIC HOUSING OPERATING FUND", reducing the amount specified under such "PUBLIC HOUSING OPERATING FUND" item for the Inspector General for Operation Safe Home, reducing the aggregate amount provided for "MANAGEMENT AND ADMINISTRATION—OFFICE OF INSPECTOR GENERAL", and reducing the amount specified under such "OFFICE OF INSPECTOR GENERAL" item that is to be provided from the amount earmarked for Operation Safe Home, and none of the funds made available in this Act may be used to fix, establish, charge, or collect mortgage insurance premiums for mortgage insurance made available pursuant to the program under section 221(d)(4) of the National Housing Act (12 U.S.C. 1715l(d)(4)) in an amount greater than the cost (as such term is defined in section 502 of the Federal Credit Reform Act of 1990) of such program, by $5,000,000.

The CHAIRMAN. Pursuant to the order of the House of Friday, July 27, 2001, the gentleman from Massachusetts (Mr. FRANK) and the gentleman from New York (Mr. WALSH) each will control 15 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a more limited amendment and it is in order because it has an offset. The offset comes from a program which has been severely criticized by the General Accounting Office. It is a program called Operation Safe Home which is run inappropriately, many of us feel, including, I must say, the General Accounting Office, by the Inspector General of HUD. Inspectors General should be checking up on other people's programs, not running their own. So it takes $5 million.

What this amendment says, and it builds on what I said before, we have one of the multifamily housing programs in the FHA and it is known as 221(d)(4). The FHA is planning to raise the premiums on the 221(d)(4) program telling us that it is now running at a deficit. Remember, other multifamily programs are running at a surplus. That is why my first amendment was ruled out of order, because I tried to recapture that surplus by lowering the fees.

What this amendment simply says is that when the administration raises the fees on the 221(d)(4) program, they can only raise them to break even, they cannot make a profit. The legislation defines cost, cost being what you break even at, including, obviously, an estimate of losses.

This amendment is very simple. Again, it is strongly supported by the homebuilders, by the Realtors, by I think most organizations concerned with housing supply. What it says is when people go out to build housing, and we are talking here about private profit-making entities under the (d)(4) program doing unsubsidized housing, this is not housing for the very poor but housing for middle-income people, for working people, the FHA should not charge them for insurance more than the cost of that insurance. The Federal Government should not deter the construction of multifamily housing at this time of great housing crisis by charging an extra fee over and above what is needed for the program to break even.

Mr. Chairman, I reserve the balance of my time.

Mr. WALSH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the gentleman knows, we do not make money on this program, a program that benefits only for-profit developers to build moderate- and high-income housing, not low-income housing. In fact, the taxpayer through, this appropriation bill, has repeatedly subsidized this program. In fact, last year, we subsidized the program to the tune of over $80 million. Even that was not sufficient to satisfy the industry's demands, and the program has been shut down since that time.

To put it in perspective, the amount of money the gentleman now says we are, quote, "making off this program next year" is less than $3 million compared to the $80 million it cost the taxpayer in fiscal year 2001. Making money in the sense that the gentleman explains it is nothing more than somebody's estimate about a series of economic factors that may or may not occur over a period of time.

Lord knows, we have seen OMB and CBO make bad estimates, not to mention the Members of our own committees. So I think it is a little disingenuous for the gentleman to argue that we have been using this program to pay for other things when in fact it is just not generating funds.

As a practical matter, this amendment would have little impact on the amount of the premium increase charged. In fact, HUD estimates that this amendment would increase the premium by a mere two one-hundredths of 1 percent.

I believe the real intent behind the gentleman's amendment is to try to somehow stop these premiums from going forward. There is broad opposition among the special interest groups to stop this premium increase. But in order to make this program work and in order to prevent further appropriations against this bill, FHA needs to go forward with this premium increase.

We have seen the kinds of hellacious decisions that we have had to make, the trade-offs that we have had to make throughout this bill. If this premium increase does not go forward, we could be back here next year trying to find an additional $230 million somewhere in this bill to offset the cost of this program.

Mr. Chairman, the choice is relatively simple. Do we continue to allow the program to remain shut down, or do we allow the premiums to go into effect? I think we should allow the premiums to go into effect and let the program run. If we adopt this amendment, at a minimum we would delay the restart of the program, because HUD would have to reissue new rules to change their premium for what amounts to less than two one-hundredths of 1 percent of an increase. We would also be giving a break to a single group of for-profit developers, including nonprofit developers. These are all nonprofit developers.

□ 2230

I believe it is inequitable and it sets a terrible precedent that causes further delays in the restart of the (d)(4) program. I would urge this amendment be defeated.

Mr. Chairman, I reserve the balance of my time.

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first, I believe my friend from New York may have contradicted himself. First he said we are not making money off this program, but then he said we would only be making a little.

What HUD has told us is they raise it not two-tenths of a percent, but three-tenths of a percent. Now, that may not seem like a lot, but, I do not know, if your mortgage went from 7.2 percent to 7.5 percent, would you shrug that off? Costs are cumulative. It is millions of dollars.

By the way, the argument, and I want to make it very clear, the structure of this amendment, the amendment says they can only charge what the statute describes as break even, as cost. And who says that that will be a money loser? CBO.

In other words, the Congressional Budget Office scored my amendment. I did not ask them to. I did not run to CBO and say, boy, I really wanted you to tell me this is going to cost money. If I never heard from CBO again for the rest of my life, I would be very happy. But CBO says, wait a minute; if you tell the FHA that it can only charge break even, we are going to lose money. This is what CBO says.

Then the gentleman says I am doing this for these special interests. I did notice he talked a little unkindly it seemed to me about profit-making institutions.

I like one thing about housing. In almost every debate, people on the other side criticize us for not understanding the beauty of capitalism and the importance of the profit motive. But when it comes to housing, all of a sudden respect for the profit motive disappears, and the gentleman says, oh, these people want to make a profit.

I am glad there are people trying to make a profit trying to build multifamily housing for working families. And these special interests, yes, there are some special interests. Let me read them. I confess. Mea culpa. The Mortgage Bankers Association of America, the National Association of Homebuilders, the National Association of Realtors, the National Apartment Association, the National Multi-Housing Council, yes, they are special interests. They are especially interested in getting housing built, and that is why they support this amendment.

Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Mr. Chairman, I thank the gentleman for yielding, and I rise in support of the amendment offered by the gentleman from Massachusetts. I think it is a simple, straight forward, commonsense amendment that would simply prohibit HUD from overcharging users of the FHA multifamily insurance program.

Now, no credit subsidy funding has been provided in this bill for the multifamily for-profit program, and I understand the committee's decision to eliminate that subsidy. Unfortunately, however, elimination of the subsidy requires an increase in the premiums that are paid by program users. That could translate into higher debt service and up-front costs for owners and higher rents for families that depend on this housing.

Many users of the for-profit program think that the credit subsidy formula that HUD is currently using to calculate premiums may not accurately reflect the actual risk to the government of the loans as they are now being underwritten. In other words, the premiums next year could be higher than are necessary to fully support this program.

HUD has reportedly initiated a reassessment of the credit subsidy formula to see if this is the case. This amendment simply makes clear that if, based on its reassessment of the credit subsidy formula, HUD determines that the formula should be changed, then program premiums should not be higher than is necessary to support the program. It is as simple as that. It makes good sense. It simply underscores what I hope HUD would do on its own.

I urge support for this amendment.

Mr. WALSH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a relatively arcane amendment. I do not suspect there are even 10 Members in the Congress who have a full grasp of what is going on here.

We are governed by the Budget Act. We are governed by credit reform. We cannot make changes in those rules. What we have to do is respond to the program. What we traditionally do to respond to the needs in the program is appropriate additional funds.

This program should be pay-as-you-go. I want to be clear: if this amendment were to pass and this language is added to this bill, we would have to go to conference and find another $230 million for an offset to fund the program.

Now, you have seen the choices we have had so far. There is not a good choice that we have seen in the 3 days we have been working on this bill. But I submit we will have to come back in conference, we will have to come back and look for additional funds to come up with $230 million. There are only so many places you can go. You can go to the Veterans Administration, you can go to NASA, you can go to HUD, you can go to National Science Foundation, you can go to FEMA, but those are not good choices.

I would urge the House to stick with the committee bill, to oppose the gentleman's amendment. Please do not put us in a position where we have to go out and find an additional $230 million in an already tight allocation. Reject the gentleman's amendment and let us go forward to conference with the bill.

Mr. Chairman, I reserve the balance of my time.

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to congratulate my friend from New York. I think he may have qualified if we gave out Academy Awards for the best original screen play.

The gentleman says $230 million. CBO says $5 million. I mean, CBO scored this amendment. Now, there was one version which they said was going to cost hundreds of millions. Yes, to do what I would most like to do across-the-board with the FHA would cost several hundred million.

But this amendment deals only with the (d)(4) program where HUD has proposed to raise it by 30 basis points, three-tenths of a percent, and I got a CBO score, and it says, which is why this is in order, I have a $5 million offset. If I only had a $5 million offset for $230 million, obviously I would be out of order.

Secondly, I would say the gentleman says we have to work with the Federal Credit Reform Act. I agree. That is what the amendment says. The amendment says do not raise the premiums in an amount greater than the cost, as such term is defined in section 502 of the Federal Credit Reform Act of 1990. So what this says is, live by the Federal Credit Reform Act definition of cost, and CBO says this particular amendment only costs $5 million.

I had an earlier amendment that might have cost more. The gentleman succeeded in getting that one knocked out of order. This one is $5 million. It does set the principle that they should not be making a profit. Five million dollars is not a huge amount of money, but it is more than they should be getting out of multi-family housing.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. I thank the gentleman for yielding me time.

First of all, I think the point the chairman makes and the author of the amendment makes is this should not be handled in an appropriations bill. The Committee on Financial Services ought to be looking at this. If FHA wants to raise the fees, it ought to come under the Federal Credit Reform Act, and that is where it ought to be dealt with.

Second of all, the reason why I support the gentleman's amendment, and there is a lot of confusion of how these credit subsidy programs work, and the chairman is well aware of how they work, he understands how they work, but there is a problem in the (d)(4) program and in the (d)(3) program, and part of the problem is that Congress appropriated money for the current fiscal year, but part of that had emergency designation. The Office of Management and Budget has held up that money, and that is why the program is not working at this point in time.

In my State, and I would assume in most States, there are a lot of projects, nonprofit projects, that utilize both the (d)(3) and can utilize the (d)(4) program, which have been shut down, and that affects the housing stock for middle-income and lower-income families around the country.

Finally, I think it is unconscionable that the administration, on the one hand, wants to receive money for the general fund in the form of offsetting receipts through raising the premiums, while at the same time they will not release money that the Congress has already appropriated that was done for the current fiscal year. Yet, in the budget that we passed and through legislation which we have not taken up on the floor of the House, but went through the Committee on Financial Services, and legislation that I supported, we are making reductions in excess or offsetting fees for the Securities and Exchange Commission registration fees and investor fees in there. Now, I support that, but that is counter to what this does.

So, I think the gentleman is on the right track. We ought to pass his amendment. The administration ought to release the additional subsidy allocation that is in the current fiscal year's budget so the (d)(3) and (d)(4) programs can get back up and running, and let the authorizing committee address this problem going forward.

Mr. FRANK. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. WATT).

Mr. WATT of North Carolina. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I am a little confused by the chairman's position on this proposed amendment. The amendment says do not raise FHA premiums above what it would cost to actually insure.

Now, when I first heard the chairman's argument, he said well, we are not making any profit on FHA premiums. Then, by the time I got to the floor I heard that if we did this, it was going to cost us $280 million. The CBO says that it would cost $5 million, which is what the gentleman from Massachusetts has found as an offset to make the budget back in balance.

The problem is that if FHA premiums are raised beyond the actual cost of the insurance, people who are buying houses will pay that extra cost. It is that simple. No funny business, no fuzzy math. If the premium is higher than the actual cost of the insurance, that extra cost is going to be borne by homeowners or home buyers. In a market where people are trying to acquire homes, that could be the difference between somebody being able to afford a home and somebody not being able to afford a home.

So, I think this is just simple, straightforward math here. It cannot be that the provision is redundant, which is what the chairman of the committee said originally, because we are not making any profit on this. If that were the case, the amendment that the gentleman from Massachusetts has offered would simply be a redundant provision, because what his amendment says is we do not want you to make a profit. If it is as the CBO has indicated, that the offset required is $5 million, then he has found a $5 million offset, and it is an appropriate offset. If the premiums are raised $280 million, then home buyers are going to bear that cost.

Whatever the case, the gentleman from Massachusetts should have his amendment passed, and we should not pass the cost on to home buyers.

Mr. FRANK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me say in fairness to the gentleman from New York, it is true, my concerns do not deal only with the 221(d)(4) multiple family housing program. I do object to the FHA's pricing in general. But, under the rules, the only one that could be in order now, because I needed an offset, was this narrow one.

□ 2245

I do agree, as the gentleman from Texas has said, that this is an issue that ought to be addressed in the authorizing committee. The fact is we have a situation in which multifamily programs of the Federal Housing Administration were shut down because they said they needed $40 million more in credit subsidy, while the totality of programs in the FHA were returning many times that to the Treasury, and the analogy of the gentleman from Texas about the SEC was appropriate. So I hope the Subcommittee on Housing and Community Opportunity will address this.

Getting the FHA out of the business of making a profit is a very simple and straightforward way to reduce the cost of housing, multifamily, single family, across the board. That is up to the authorizing committee. But here we can set a precedent which says, to the extent that we can control it, we will tell the FHA, live by the definition of cost in the bill, do not charge more for the insurance premium than is necessary for you to break even, and do not burden the people who are going to live in multifamily housing or any other patrons of the FHA by charging them more than would otherwise be necessary.

Mr. Chairman, I yield back the balance of my time.

Mr. WALSH. Mr. Speaker, I yield myself such time as I may consume.

Let me just state that the Administration is strongly opposed to this amendment. There are a number of special interest groups who have contacted Members on this amendment, but the Administration is clearly in opposition.

This is a very complicated issue that not a lot of Members have spent a lot of time with. Let me just try to make it as clear as I can.

The intent of this amendment is to kill the premium increase. There was a lot of discussion about this earlier in the year, about attaching additional appropriations to the supplemental; the industry was lobbying for more money, no premiums; more money, no premiums. The intent of this amendment is to kill that premium increase.

We want this program to be successful, but we want it to pay as it goes. If it is going to pay as it goes, we have to increase the premium. If Members support this amendment, it will kill that premium increase and if that is the case, we go to conference looking for $230 million in additional outlays and allocation.

Do not put us in that position, I would say to my colleagues. I urge my colleagues to oppose this amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. FRANK).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. FRANK. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Massachusetts (Mr. FRANK) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 24 offered by the gentleman from Michigan (Mr. BARCIA); Amendment No. 6 offered by the gentlewoman from California (Mrs. CAPPS); and an amendment offered by the gentleman from Massachusetts (Mr. FRANK).

AMENDMENT NO. 24 OFFERED BY MR. BARCIA

The CHAIRMAN. The pending business is the demand for a recorded vote on Amendment No. 24 offered by the gentleman from Michigan (Mr. BARCIA) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 99, noes 325, not voting 9, as follows:

[Roll No. 293]

AYES—99

Allen
Baird
Ballenger
Barcia
Barr
Bartlett
Berry
Bonior
Boswell
Brady (PA)
Camp
Cantor
Capuano
Cardin
Carson (IN)
Castle
Chabot
Coyne
Davis (IL)
Delahunt
Dicks
Dingell
Doyle
Duncan
Edwards
English
Etheridge
Farr
Fossella
Frank
Gephardt
Goodlatte
Hall (TX)
Harman
Hart
Hayworth
Honda
Hoyer
Inslee
Jackson (IL)
Kanjorski
Kelly
Kennedy (RI)
Kerns
Kildee
Langevin
Larsen (WA)
Larson (CT)
LaTourette
Levin
Lewis (GA)
Maloney (NY)
Markey
Mascara
McCarthy (MO)
McCarthy (NY)
McGovern
McKinney
Meehan
Mink
Moore
Moran (KS)
Moran (VA)
Morella
Neal
Olver
Otter
Pascrell
Petri
Pickering
Pomeroy
Rivers
Rogers (MI)
Rohrabacher
Rothman
Royce
Rush
Sanchez
Sandlin
Sawyer
Scott
Sensenbrenner
Sherman
Shows
Smith (MI)
Smith (WA)
Souder
Strickland
Stupak
Tauscher
Taylor (MS)
Terry
Thompson (CA)
Thune
Tierney
Udall (CO)
Upton
Waxman
Woolsey

NOES—325

Abercrombie
Ackerman
Aderholt
Akin
Andrews
Armey
Baca
Bachus
Baker
Baldacci
Baldwin
Barrett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Cannon
Capito
Capps
Carson (OK)
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Doggett
Dooley
Doolittle
Dreier
Dunn
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Evans
Everett
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Israel
Issa
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kaptur
Keller
Kennedy (MN)
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
Leach
Lee
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Manzullo
Matheson
Matsui
McCollum
McCrery
McDermott
McHugh
McInnis
McIntyre
McKeon
McNulty
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mollohan
Murtha
Myrick
Nadler
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Osborne
Ose
Owens
Oxley
Pallone
Pastor
Paul
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Phelps
Pitts
Platts
Pombo
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogers (KY)
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Ryan (WI)
Ryun (KS)
Sabo
Sanders
Saxton
Scarborough
Schaffer
Schakowsky
Schiff
Schrock
Serrano
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Snyder
Solis
Spratt
Stearns
Stenholm
Stump
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Thomas
Thompson (MS)
Thornberry
Thurman
Tiahrt
Tiberi
Toomey
Towns
Traficant
Turner
Udall (NM)
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—9

Conyers
Hansen
Istook
Jefferson
Lipinski
Payne
Radanovich
Spence
Stark

□ 2311

Messrs. BACA, KING, KUCINICH and WEINER changed their vote from "aye" to "no."

Mr. CANTOR, Mrs. McCARTHY of New York, Messrs. TAYLOR of Mississippi, BARTLETT of Maryland, MOORE, DICKS, PICKERING, and BAIRD changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 6 OFFERED BY MRS. CAPPS

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 6 offered by the gentlewoman from California (Mrs. CAPPS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 190, noes 231, not voting 12, as follows:

[Roll No. 294]

AYES—190

Abercrombie
Ackerman
Allen
Baca
Baird
Baldwin
Barr
Barrett
Bartlett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boswell
Boyd
Brady (PA)
Brown (OH)
Bryant
Camp
Capito
Capps
Capuano
Cardin
Carson (IN)
Castle
Clay
Clayton
Clement
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (IL)
Davis, Jo Ann
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Dunn
Edwards
Ehlers
Emerson
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank
Ganske
Gephardt
Gibbons
Gonzalez
Goodlatte
Gordon
Gutierrez
Hall (OH)
Harman
Hinchey
Hinojosa
Hoeffel
Honda
Hooley
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
John
Kaptur
Kelly
Kildee
Kind (WI)
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
Lee
Levin
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)

Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Moore
Moran (KS)
Moran (VA)
Myrick
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Pallone
Pascrell
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schakowsky
Schiff
Scott
Shaw
Sherman
Shows
Simpson
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Strickland
Tauscher
Taylor (MS)
Thompson (CA)
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (FL)
Wexler
Woolsey
Wu

NOES—231

Aderholt
Akin
Andrews
Armey
Bachus
Baker
Baldacci
Ballenger
Barcia
Barton
Biggert
Bilirakis
Bishop
Blunt
Boehner
Bonilla
Boucher
Brady (TX)
Brown (FL)
Brown (SC)
Burr
Burton
Buyer
Callahan
Calvert
Cannon
Cantor
Carson (OK)
Chabot
Chambliss
Clyburn
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (FL)
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Doyle
Dreier
Duncan
Ehrlich
English
Evans
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gekas
Gilchrest
Gillmor
Gilman
Goode
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hobson
Hoekstra
Holden
Holt
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Keller
Kennedy (MN)
Kennedy (RI)
Kerns
Kilpatrick
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaFalce
LaHood
Largent
LaTourette
Leach
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
Mascara
McCrery
McHugh
McInnis
McKeon
McNulty
Mica
Miller (FL)
Miller, Gary
Mink
Mollohan
Morella
Murtha
Nethercutt
Ney
Northup
Norwood
Nussle
Otter
Oxley
Pastor
Paul
Pence
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Ramstad
Regula
Rehberg
Reynolds
Riley
Rodriguez
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sandlin
Scarborough
Schaffer
Schrock
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Shimkus
Shuster
Simmons
Skeen
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Toomey
Traficant
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—12

Gallegly
Hansen
Istook
Jefferson
Lipinski
Payne
Radanovich
Saxton
Sherwood
Smith (MI)
Spence
Stark

□ 2319

Mr. ROTHMAN changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. FRANK

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Massachusetts (Mr. FRANK) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 212, noes 212, not voting 9, as follows:

[Roll No. 295]

AYES—212

Abercrombie
Ackerman
Allen
Andrews
Baca
Bachus
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bilirakis
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Goode
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—212

Aderholt
Akin
Armey
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen

Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Hansen
Istook
Jefferson
John
Lipinski
Payne
Saxton
Spence
Stark

☐ 2329

Ms. HART, Mr. GRAHAM, Mr. PICKERING, and Mrs. KELLY changed their vote from "aye" to "no."

Ms. HARMAN changed her vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

☐ 2330

The CHAIRMAN. The Clerk will read the final lines of the bill.

The Clerk read as follows:

> This Act may be cited as the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002".

Ms. SCHAKOWSKY. Mr. Chairman, I rise in strong opposition to the VA/HUD appropriations bill. This bill severely under-funds public housing and other critical programs. At a time when 5.4 million families are paying more than half of their income to live in substandard housing throughout the country, the Bush administration has decided that public housing programs are no longer a priority for our country.

The VA/HUD appropriations bill approved by the Appropriations Committee cuts public housing and community development programs by $1.8 billion.

This budget is clearly headed in the wrong direction. More than 34,000 households are on the waiting list for housing vouchers in the city of Chicago, and under this budget, and under this budget they will have to continue to wait for a long time.

This bill reduces Section 8 reserves by cutting $640 million. This cut will result in as many as 30,000 families losing Section 8 vouchers. The bill also reduces the number of Fair Share Section 8 vouchers by 78 percent.

In addition, this bill eliminates funding for the Public Housing Drug Elimination Fund. This is a crucial initiative, and Chicago and other cities have used it successfully to combat drugs in public housing to give public housing residents a safe place to live.

This bill further endangers those most in jeopardy, our homeless, by cutting almost $100 million from homeless prevention and shelter programs.

Under the bill we are debating today, Community Development Block Grants funds are cut by over $300 million and zeroes out funding for empowerment zones—a $200 million cut. These are the resources upon which our cities rely to perform important economic and community development. They should be restored.

I find it unconscionable that the Bush administration would declare a surplus and consider our country well off enough to provide its richest 1% the bulk of a $1.3 trillion tax cut, but in the same breath finds it appropriate to cut $1.8 billion that would provide housing for our nation's most needy.

No American family would ever declare a surplus if they can't afford to put a roof over their head. However, as an American family, we are doing just that with this bill. I urge all Members to support amendments that will attempt to restore funding for public housing and other programs that were cut in the administration's request and the underlying bill. And, if it is not amended, I urge a no vote on the VA/HUD bill.

Mr. BENTSEN. Mr. Chairman, I rise today in support of H.R. 2620, the Fiscal Year 2002 Departments of Veterans Affairs, Housing and Urban Development and Independent Agencies Appropriations Act. This bill provides $112.7 billion for these agencies, seven percent more than current funding and $2.1 billion more than the President's budget. Most importantly, I support this bill because it provides $1.3 billion in disaster relief for FY 2002, which will be needed in Houston and many other current and future disaster areas.

In a normal appropriations year, the National Aeronautics and Space Administration, housing, scientific research and the Veterans Administration are my largest concerns in the VA–HUD and Independent Agencies Appropriations Act. However, this year is extraordinary because on June 5, Tropical Storm Allison, which formed spontaneously in the Gulf of Mexico, dropped up to 40 inches of rain on parts of my district over a week-long period. Harris County, Texas experienced an estimated $4.8 billion in damages, over 90,000 people in Texas have sought federal assistance, and the Texas Medical Center, the world's largest medical center, experienced over $2 billion in damages, shutting down Houston's three largest hospitals for weeks.

As a result of this unexpected calamity, FEMA's FY 2001 funds are expected to run out or barely cover expenses for this year. FEMA expects their responsibility for Texas alone to reach $2.4 billion, which the FEMA and the Office of Management and Budget realize will require additional funding over the $2.3 billion initially provided by the Subcommittee. We are in the midst of hurricane and wildfire season for 2001 and we will experience those dangerous times again in 2002. 31 federal disaster declarations have been made this year and as many will surely be made again next year. Just the declaration of Tropical Storm Allison will claim the majority of disaster relief funds for this year and next. As such, I ask all my colleagues to support the effort to provide an extra $1.3 billion for FEMA's Disaster Relief Fund.

As a final note on FEMA, I support the effort led by Representative LOIS CAPPS to restore funding for Project Impact, a pre-disaster mitigation program that has provided warning radios to schools in my district, among other useful damage prevention measures. All too often, we neglect prevention and only focus on recovery. I would remind my colleagues that every dollar spent on prevention like Project Impact reduces the bills of disasters like Allison.

Many may be upset that my colleagues and I from the Southeast Texas area are requesting approval from the House for this emergency request to aid our area recover when many other emergency requests have been denied. However, I believe that this $1.3 billion is absolutely necessary, not only for Allison victims, but for all of this year's disaster victims, next year's disaster victim, and all victims of major disaster in many past years. During the FY 2001 Supplemental debate, my colleague from North Carolina, Representative WALTER B. JONES pointed out that victims of Hurricane Floyd in 1996 are still receiving disaster aid to complete the recovery of that area from one of the decade's worst storms.

Again, this emergency disaster relief request is not earmarked for Texas or Tropical Storm Allison, it is for recovery aid for all current and future disaster victims. Again, FEMA and OMB publicly state there is a need for additional FEMA funds. The Senate has proposed $2 billion, $700 million more than the House Appropriations Committee. From my firsthand experience in my district, I believe that the $2 billion figure is a conservative estimate of what will be needed.

Besides including additional disaster relief funding, I commend the chairman and the entire Appropriations Committee for correcting a major flaw in the President's budget regarding research on the International Space Station. The entire bill provides $15 billion in total for NASA, 5 percent more or $666 million more than current funding and also $440 million over the President's budget request. Importantly, this legislation fully funds the space station at the $1.8 billion budget request. While the President's budget did not reduce NASA funding, it kept the increase below inflation, reducing purchasing power, and zeroed out the crew return vehicle (CRV) and habitation module. These two integral parts of the space station are necessary to have a research presence on the station, which is why we have constructed this orbiting microgravity laboratory.

I commend the Subcommittee and Committee members, especially Chairman WALSH and Representative BUD CRAMER for their commitment to restoring the CRV. The scientific and international communities were worried back during the Spring budget season that the new Administration was going to preclude significant research activities on the station by targeting necessary components for elimination. Since we have made this unparalleled investment in the betterment of mankind, it would be folly to abandon our goals now, after we have gone through all the work to get a near complete station orbiting the Earth. The subcommittee is also to be commended for increasing funding for biological and physical research activities and academic research programs.

I am relieved that the committee reversed the President's request for scientific research and increased it by 8% or $414 million. This bill includes $4.8 billion federal funding for research through the National Science Foundation. As a member of the House Budget Committee, I cosponsored an amendment to the House budget resolution to increase scientific research funding through the National Science Foundation, NASA, and DOE by $1 million over the House leadership's budget for 1 year and by $11 billion for the next 10 years. I am convinced of the necessity of increasing federal basic scientific investments from hearing from scientists in my district at the Texas Medical Center, Rice University, the University of Houston, and Texas Southern University.

While I am pleased with many of the changes that the subcommittee and full committee have made to this legislation, I am concerned that this measure does not provide enough funding for veterans programs. I have consistently supported expanding the health benefits for our nations veterans, many who have made incredible sacrifices in order to preserve our freedom. While I am pleased that this bill would provide $4.3 billion more for the veterans' health care programs than was available in 2001, I join Veterans' Affairs Ranking Member LANE EVANS in his criticism that this bill does not do enough for improvement and modernization of veterans' health facilities the delivery of that care. In a time when many of our nation's veterans are aging and seeking more health care services, it is vitally important that these facilities are modernized to provide cutting-edge treatments for those who have served, without demeaning these men and women with delays.

In my home state of Texas, we have a growing veterans population who will not be served until we find the additional resources which Mr. EVANS is calling for. However, I have to reluctantly oppose his amendment removing $1.52 billion from the space station. As a member of the House Budget Committee, I opposed the Republican leadership's budget, which has led us to unreasonable subcommittee allocations. Now, at the last moment, this budget has forced Mr. Evans to turn on other productive programs to make up shortfalls in the administration's request for the Veterans Administration. Congress' budget, in a time of healthy revenue, should not force Members like myself to choose between the NASA research necessary to maintain America's technological and scientific superiority and funding for veterans' care in their districts.

I am concerned that this legislation does not provide sufficient funding for housing programs. This bill provides $1.4 billion or five percent more than last year. However, this $1.4 billion budget is $600 million less than the President Bush's request for housing program. One good example is that this bill reduces funding by five percent for the Community and Development Block Grant (CDBG) which has helped many communities to redevelop in areas where our capital markets have failed to invest. This bill also eliminates all funding for the urban empowerment zones, which means that the city of Houston will not receive any funds next year in their efforts to rebuild the fifth ward. This bill also eliminates public housing drug-elimination grants which have helped many public housing project to reduce the use of drugs in their communities.

It also eliminates funding for AmeriCorps, a program that has been shown to help our nation's youth. This public service programs helps to meet the needs of communities by encouraging young people to donate their time in exchange for earning college scholarship funding. For many people who are not ready to enter college, this volunteer program has been a good alternative to simply going to work directly and giving them valuable skills to compete in our workplace. I urge my colleagues to insist on the Senate's language on this issue.

Mr. Chairman, while this bill could be better, it is a good bill under the circumstances. In particular the FEMA emergency funding is terrible important to my constituents and I urge my colleagues to support this legislation.

Mr. BUYER. Mr. Chairman. I rise to commend the chairman and ranking member of the VA/HUD Appropriations Subcommittee for the funding levels in this bill for veterans programs.

This measure provides $51.4 billion for the Department of Veterans Affairs, and fully funds Veterans Medical Health Care by providing a $1 billion increase over last year. This increase comes on the heels of a $3.1 billion funding level for VA health care over the last two years. This funding is crucial to the veterans facilities in my district in Marion and Crown Point, and more importantly, to the veterans who utilize these facilities.

This measure also increases veterans medical and prosthetic research by $20 million over FY02, to bring the FY02 funding to $371 million. The measure fully funds current and new cemetery operations and the National Shrine Initiative. It fully funds cost of living increases in compensation and pensions. The bill provides $300 million in new funding for the Veterans Hospital Emergency Repair Act, which passed this House on March 27.

Over the last several years, Congress has worked hard to ensure that veterans and their families receive the benefits they have earned. As a member of the House Veterans' Affairs Committee, I continue to stress and advocate adequate funding for the Department of Veterans Affairs to meet the standards and quality of health care that our veterans deserve. At a time when medical costs are rising and aging veterans health care needs are increasing, I am pleased that this Chamber continues to provide the necessary funding for veterans programs.

The increase in funding is a testament to our commitment to the men and women who have served our nation proudly, sacrificing so much for the good of our country. I fully support this legislation on behalf of our nation's veterans, knowing that it is well deserved.

This is a good bill for our veterans and I urge its adoption.

The CHAIRMAN. There being no other amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. CAMP) having assumed the chair, Mr. SHIMKUS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes, pursuant to House Resolution 210, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. BOYD

Mr. BOYD. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. BOYD. I am, in its current form, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. BOYD moves to recommit the bill, H.R. 2620, to the Committee on Appropriations with instructions to report the bill back to the House promptly with an amendment which increases funding for veterans medical care programs by an amount adequate to fund the full cost of all currently authorized services including those authorized by the Veterans Millennium Health Care Act, Public Law 106–117.

The CHAIRMAN. The gentleman from Florida is recognized for 5 minutes.

Mr. BOYD. Mr. Speaker, I know that Members of this House feel very strongly about keeping commitments that they and this Government makes to its citizens. That is why I am asking the House to recommit this bill to the committee for the purposes of adding $500 million to the Veterans Administration medical programs.

Mr. Speaker, this is the amount above the funding level contained in this bill that was unanimously recommended by the House Committee on Veterans' Affairs to the Committee on the Budget for the purposes of meeting the obligations and the commitment that we have and we have provided in the authorizing bills for our veterans.

Mr. Speaker, I think all of us in this House have the greatest respect for the two gentlemen who lead this subcommittee, the gentleman from New York (Mr. WALSH) and the gentleman from West Virginia (Mr. MOLLOHAN). I do not think there is any doubt about that. I think we also have a great deal of respect for the gentlemen who lead the Committee on Veterans' Affairs, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Illinois (Mr. EVANS) and the previous chairman of that committee, the gentleman from Arizona (Mr. STUMP).

Mr. Speaker, the additional funds that we are asking for in this motion will not be used to provide additional services or new services to our Nation's veterans. These funds, Mr. Speaker, are simply required to provide the services that are already authorized, they are already committed, and they are already promised to our veterans. But they will not be provided at the funding levels contained in this appropriations bill.

This motion, Mr. Speaker, is really about whether we want to stand behind our commitments to our citizens or whether we are willing to make promises in one bill, that is, the Veterans' Affairs authorization, and then when it comes time to pay for those services we are going to say to those folks, Well, we didn't really mean it. It was just all for show. I do not think that is right.

Currently, Mr. Speaker, there are more than 3.6 million veterans who use the VA health care system. As a group, these people are much older than the average American and their health needs are much greater. The gentleman from New York (Mr. WALSH) has made a real effort to address the problem of the rising cost of providing health care to these individuals. But the 4.9 percent increase contained in this bill is about half of the increase required to meet the national average rate of increase in health expenditures. The number of physicians now employed by the Veterans Administration is simply not adequate to meet the needs of those eligible for VA medical services. The time it takes to see a doctor is already too long; and if we do not act, it will grow longer.

It is an unfortunate fact, Mr. Speaker, but it is a fact that a significant number of those who have served in uniform suffer from chronic mental disorders and that we are simply not providing adequate mental health services to a significant number of these individuals. While we have also promised to cover pharmacy costs, this appropriation does not provide enough money to fully meet that promise. We will also not be meeting our commitments with respect to veterans in need of long-term care or veterans in need of emergency medical services.

In a letter dated July 16, 2001, the major veterans service organizations stated that the funding levels in this bill "are simply inadequate to meet the needs of the sick and disabled veterans at a time of skyrocketing health care costs and rising demand from an aging veterans population."

Mr. Speaker, it is time for this Congress and this Nation to meet the commitments that it has made to the veterans, to the folks who have served in the uniform of this Nation.

Mr. Speaker, I ask my colleagues tonight to send this bill back and add these additional needed funds.

Mr. WALSH. Mr. Speaker, I rise in opposition to the motion.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. WALSH. Mr. Speaker, let me read from the bill report language: "The committee stands behind the commitments Congress made in the Veterans Millennium Health Care and Benefits Act, Public Law 106–117, to provide veterans with additional long-term care and emergency care services."

The subcommittee stands behind the authorizing committee and the commitments that it made.

"The committee urges the administration to include full funding for the Veterans Millennium Health Care and Benefits Act in its fiscal year 2003 budget request."

In this year's bill, the 2002 bill, the President's budget fully supports the provisions of the Millennium Health Care Act. In addition to the President's budget request, we added another $1 billion, building on our commitment, providing a $4 billion increase over the last 3 years in health care.

Mr. Speaker, there is $51 billion in this bill for veterans. Clearly, clearly that expresses the priorities of this body. Last year, we provided the President's request plus $1.3 billion for VA medical care, fully funding the provisions of the Millennium Health Care Act.

□ 2340

However, the VA could not spend all that money. Over $300 million provided in fiscal year 2001 was not spent on Millennium Health Care Act activities. On our subcommittee, in fact, the ranking member, the gentleman from West Virginia (Mr. MOLLOHAN), questioned the VA Secretary extensively on this subject; and the Secretary testified that $548 million estimated in the budget was adequate to meet the Millennium Health Care mandates. The Secretary and the Under Secretary for Health testified that a number of provisions that are already implemented, and a number are delayed in the final notice in rule process.

There are a number of reasons for this delay, primarily because VA and OMB have not been able to promulgate and vet the rules in a timely manner. Some of the delay is simply the rule process, it is long and complicated. Some of the delay is due to the new administration carefully reviewing the rules before publication and notice. Regardless, the VA is not able to spend the money we have already provided because they cannot.

So, to add additional money to this bill begs the question of what is the purpose of this motion to recommit. Clearly the motion to recommit would send the bill back to committee; in effect it would kill the bill.

Now, we want to pass this bill. We worked very hard on it. My ranking member and I have tried to do this in a bipartisan way. There are lots of Member requests in this bill. The priorities of the Members are clearly expressed in this bill. We provided $400 million more for construction for veterans hospitals as a direct response to the Members. We think this is a good bill.

Mr. Speaker, I would strongly urge support of this.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. SMITH), the distinguished chairman of the Committee on Veterans' Affairs.

Mr. SMITH of New Jersey. Mr. Speaker, I thank my good friend for yielding.

Mr. Speaker, I want to just say I certainly appreciate and empathize with the motion to recommit; but the committee has, in my opinion, tried to carefully and painstakingly craft a budget that fully funds a number of very important veterans' programs. I believe Chairman WALSH and Ranking Democrat MOLLOHAN have produced a generous allocation of Federal funds for veterans' programs. VA construction gets more—and much needed monies—under the bill. As a matter of fact it fully funds the first year of my bill, passed by the House—H.R. 811—Emergency Hospital Repair Act of 2001. The Walsh bill provides approximately $1.6 billion over and above last year in the area of discretionary spending, and a significant $1 billion more in VA medical care funding.

Sure, I would like to increase VA appropriations beyond what is in this bill. We would all like to spend more. But we have to live within at least some budget restraints. No budget or appropriations bill is ever perfect, Mr. Speaker, but is the result of careful compromise and a weighing of competing priorities.

Tomorrow I will bring to the floor the Veterans Benefits Act of 2001, which provides a $2.7 billion increase over 5 years, to boost COLAs for more than 2.3 million disabled vets. And to assist Gulf War vets and for insurance and other purposes. This plus H.R. 1291 the doubling of the 61 education benefit—from $23,400 to $36,900—and H.R. 801, the Veterans Survivors Benefit Improvement Act of 2001 signed into law demonstrates are commitment to vets.

So I just ask Members, however well-intended this motion is, I think it breaks the budget; and I would urge that it be voted down. Both the chairman and ranking member care deeply about veterans and have done their level best within their allocation to fund veterans programs.

I just would ask for a no vote on this.

Mr. WALSH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman for his support on this. Please vote no on the motion to recommit and let us move the bill forward.

The SPEAKER pro tempore (Mr. CAMP). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. BOYD. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—ayes 196, noes 230, not voting 7, as follows:

[Roll No. 296]

AYES—196

Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moore
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—230

Abercrombie
Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bentsen
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Meek (FL)
Mica
Miller (FL)
Miller, Gary
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sabo
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—7

Hansen
Istook
Jefferson
Lipinski
Payne
Spence
Stark

□ 2358

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. CAMP). The question is on the passage of the bill.

Under clause 10 of rule XX, the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 336, nays 89, not voting 8, as follows:

[Roll No. 297]

YEAS—336

Abercrombie
Aderholt
Akin
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Brady (PA)
Brady (TX)
Brown (FL)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hobson
Hoeffel
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Manzullo
Mascara
Matheson
Matsui
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Mink
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Ose
Otter
Oxley
Pallone
Pascrell
Pastor
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Phelps
Pickering
Pitts
Platts
Pombo
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula

Rehberg
Reynolds
Riley
Rivers
Rodriguez
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Royce
Ryun (KS)
Sanchez
Sandlin
Sawyer
Saxton
Scarborough
Schiff
Schrock
Scott
Serrano
Sessions
Shaw
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Solis
Souder
Spratt
Stearns
Strickland
Stump
Sununu
Sweeney
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Tiahrt
Tiberi
Traficant
Turner
Udall (NM)
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—89

Ackerman
Allen
Baldwin
Barrett
Blagojevich
Blumenauer
Boyd
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Castle
Conyers
Costello
Davis (CA)
Davis (IL)
Delahunt
DeLauro
Deutsch
Doggett
Eshoo
Filner
Flake
Ford
Frank
Gephardt
Gutierrez
Hall (OH)
Hefley
Hilliard
Hinchey
Hinojosa
Hoekstra
Honda
Hostettler
Jackson (IL)
John
Kind (WI)
Kleczka
Lee
Lewis (GA)
Lofgren
Maloney (NY)
Markey
McCarthy (MO)
McDermott
McGovern
McNulty
Menendez
Miller, George
Moore
Nadler
Oberstar
Obey
Olver
Osborne
Owens
Paul
Petri
Pomeroy
Reyes
Roemer
Rothman
Rush
Ryan (WI)
Sabo
Sanders
Schaffer
Schakowsky
Sensenbrenner
Shadegg
Shays
Smith (WA)
Stenholm
Stupak
Tancredo
Tanner
Tauscher
Thompson (MS)
Thurman
Tierney
Toomey
Towns
Udall (CO)
Velázquez
Waters
Weiner
Wexler

NOT VOTING—8

Hansen
Hastings (FL)
Istook
Jefferson
Lipinski
Payne
Spence
Stark

□ 0007

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY COMMITTEE ON RULES REGARDING AMENDMENTS TO H.R. 2563, BIPARTISAN PATIENT PROTECTION ACT OF 2001

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, the Committee on Rules is planning to meet this week to grant a rule which may limit the amendment process to H.R. 2563, the Bipartisan Patient Protection Act of 2001.

Any Member wishing to offer an amendment should submit 55 copies of the amendment and one copy of a very brief explanation of the amendment to the Committee on Rules in H-312 of the Capitol no later than 5 p.m. Tuesday, July 31, which is where we are right now.

Amendments should be drafted to the text of H.R. 2563 as introduced in the House. Members should use the Office of Legislative Counsel to ensure that their amendments are properly drafted, and should check with the Office of the Parliamentarian to be certain that their amendments comply with the rules of the House.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. STUPAK, for 5 minutes, today.

ENROLLED BILL SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1954. An act to extend the authorities of the Iran and Libya Sanctions Act of 1996 until 2006, and for other purposes.

□ 0010

ADJOURNMENT

Mr. BLUNT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 10 minutes a.m.) under its previous order, the House adjourned until today, Tuesday, July 31, 2001 at 9 a.m. for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

3179. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement for the export of defense articles or defense services sold commercially under contract to Japan [Transmittal No. DTC 075-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3180. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

3181. A letter from the President, Federal Financing Bank, transmitting the Annual Management Report of the Federal Financing Bank for FY 2000, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform.

3182. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Amendment 13 [Docket No. 001030303-1127-02; I.D. 091800E] (RIN: 0648-AO41) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3183. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Sablefish by Vessels Using Trawl Gear in the West Yakutat District of the Gulf of Alaska [Docket No. 010112013-1013-01; I.D. 071901B] received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3184. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pelagic Shelf Rockfish in the West Yakutat District of the Gulf of Alaska [Docket No. 010122013-1013-01; I.D. 071901C] received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3185. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Trip Limit Adjustments [Docket No. 001226367-0367-01; I.D. 062601A] received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3186. A letter from the Acting Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Amendment 14 [Docket No. 000906253-1117-02; I.D. 061500E] (RIN: 0648-AL51) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3187. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Central Aleutian District of the Bering Sea and Aleutian Islands [Docket No. 010112013-1013-01; I.D. 071801C] received July 25, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3188. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Shortraker and Rougheye Rockfish in the Central Regulatory Area of the Gulf of Alaska [Docket No. 010112013-1013-01; I.D. 071301A] received July 25, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3189. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Sablefish by Vessels Using Trawl Gear in the Central Regulatory Area of the Gulf of Alaska [Docket No. 010112013–1013–01; I.D. 071301B] received July 25, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3190. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Northern Rockfish in the Western Regulatory Area of the Gulf of Alaska [Docket No. 010112013–1013–01; I.D. 071801D] received July 25, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3191. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Black Sea Bass Fishery; Commercial Quota Harvested for Quarter 3 Period [Docket No. 001121328–1041–02; I.D. 071101C] received July 25, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3192. A letter from the Secretary, United States Senate, transmitting the Advisory Committee's Third Report to Congress, dated December 31, 2000, established under authority of Public Law 101–509; jointly to the Committees on Government Reform and House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Ms. PRYCE of Ohio: Committee on Rules. House Resolution 213. Resolution providing for consideration of the bill (H.R. 2647) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2002, and for other purposes (Rept. 107–171). Referred to the House Calendar.

Mrs. MYRICK: Committee on Rules. House Resolution 214. Resolution providing for consideration of the bill (H.R. 2505) to amend title 18, United States Code, to prohibit human cloning (Rept. 107–172). Referred to the House Calendar.

Mr. OXLEY: Committee on Financial Services. H.R. 2510. A bill to extend the expiration of date of the Defense Production Act of 1950, and for other purposes (Rept. 107–173). Referred to the Committee of the Whole House on the State of the Union.

Mr. TAUZIN. Committee on Energy and Commerce. H.R. 2441. A bill to amend the Public Health Service Act to redesignate a facility as the National Hansen's Disease Programs Center, and for other purposes (Rept. 107–174). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURTON: Committee on Government Reform. H.R. 2291. A bill to extend the authorization of the Drug-Free Communities Support Program for an additional 5 years, to authorize a National Community Antidrug Coalition Institute, and for other purposes; with an amendment (Rept. 107–175 Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XII the Committee on Energy and Commerce discharged from further consideration. H.R. 2291 referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

H.R. 2291. Referral to the Committee on Energy and Commerce extended for a period ending not later than July 30, 2001.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. DeFAZIO (for himself; Mr. Blumenauer, Ms. Hooley of Oregon, Mr. Walden of Oregon, and Mr. Wu):

H.R. 2672. A bill to designate the United States courthouse to be constructed at 8th Avenue and Mill Street in Eugene, Oregon, as the "Wayne Lyman Morse United States Courthouse"; to the Committee on Transportation and Infrastructure.

By Mr. FALEOMAVAEGA (for himself and Mr. Abercrombie):

H.R. 2673. A bill to amend the Magnuson-Stevens Fishery Conservation and Management Act to prohibit offering for sale, selling, or purchasing in interstate or foreign commerce certain shark fins; to the Committee on Resources.

By Mr. FROST (for himself, Mr. Towns, Mrs. Mink of Hawaii, Mr. Thompson of Mississippi, Mr. Visclosky, Mr. McNulty, Ms. Carson of Indiana, Mr. Davis of Illinois, Ms. Schakowsky, Mr. Payne, Mr. Lantos, Mr. Rush, Mr. LaFalce, Ms. Rivers, and Mr. Kildee):

H.R. 2674. A bill to amend title XVIII of the Social Security Act to include coverage under the Medicare Program for rehabilitation services provided by State vocational rehabilitation agencies to older individuals who are blind; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. KELLY (for herself, Mr. Jones of North Carolina, Mr. Sanders, Mrs. Mink of Hawaii, Mr. Hoyer, Mrs. Thurman, Mr. Hostettler, Mr. McHugh, Mr. Hefley, Mrs. Capps, Mrs. Roukema, Ms. Ros-Lehtinen, Mr. Udall of Colorado, Mrs. Davis of California, Mr. Schrock, Mr. Rahall, Mr. Rangel, Mr. Hyde, Mr. Skeen, Mr. Bilirakis, Ms. Hart, Mrs. Myrick, Mr. Hall of Texas, Mr. Rogers of Michigan, and Mr. McGovern):

H.R. 2675. A bill to amend title 4, United States Code, to add National Korean War Veterans Armistice Day to the list of days on which the flag should especially be displayed; to the Committee on the Judiciary.

By Mr. THOMPSON of Mississippi:

H.R. 2676. A bill to ensure that minority farmers are adequately compensated for years of discrimination in the operation of programs of the Department of Agriculture; to the Committee on the Judiciary, and in addition to the Committees on Agriculture, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WAXMAN (for himself, Mr. Gephardt, Mr. Dingell, Mr. Stark, Mr. Brown of Ohio, Mr. George Miller of California, Mr. Carson of Oklahoma, Ms. Schakowsky, Mr. Rodriguez, Mr. Blagojevich, Mr. Hoeffel, Mr. Holt, Mr. Lantos, Ms. Lee, Mrs. Maloney of New York, Mr. Wexler, Mr. Clay, Ms. DeLauro, Mr. Edwards, Mr. Evans, Mr. Hinchey, Ms. Kaptur, Mr. Lampson, Mr. McGovern, Mr. Murtha, Ms. Norton, Mr. Tierney, Mr. Udall of New Mexico, and Mr. Wynn):

H.R. 2677. A bill to amend title XIX of the Social Security Act to improve the quality of care furnished in nursing homes; to the Committee on Energy and Commerce.

By Mr. SMITH of Texas (for himself and Mr. Scott):

H. Con. Res. 204. Concurrent resolution expressing the sense of Congress regarding the establishment of National Character Counts Week; to the Committee on Education and the Workforce.

By Mr. BLUNT (for himself, Mr. Clay, Mr. Skelton, Mrs. Emerson, Mrs. Clayton, Mr. Hastings of Florida, Mr. Towns, Ms. Carson of Indiana, Ms. Kilpatrick, Mrs. Jones of Ohio, Mr. Owens, Mr. Hilliard, Mrs. Christensen, and Ms. McKinney):

H. Con. Res. 205. Concurrent resolution expressing the sense of Congress that the United States Postal Service should issue a postage stamp commemorating Langston Hughes, a great American literary figure; to the Committee on Government Reform.

By Mr. TANCREDO (for himself, Mr. Hefley, Mr. Schaffer, Mr. McInnis, Mr. Udall of Colorado, and Ms. DeGette):

H. Res. 215. A resolution honoring the Colorado Wing of the Civil Air Patrol; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 13: Mr. Brown of South Carolina.

H.R. 17: Mr. Filner and Ms. Schakowsky.

H.R. 25: Mr. King and Mr. Greenwood.

H.R. 162: Mrs. Lowey.

H.R. 184: Mr. Shimkus.

H.R. 218: Mrs. Myrick.

H.R. 274: Ms. Millender-McDonald, Mr. Ackerman, and Mr. Gilman.

H.R. 287: Mr. Bonior.

H.R. 439: Mrs. Napolitano and Mrs. Mink of Hawaii.

H.R. 440: Mr. Paul.

H.R. 460: Mr. Meeks of New York.

H.R. 854: Mr. Scott, Mr. Thompson of California, and Mr. Bonior.

H.R. 902: Mr. Meeks of New York.

H.R. 936: Ms. Harman.

H.R. 937: Mr. Manzullo.

H.R. 938: Mr. George Miller of California.

H.R. 969: Mrs. Emerson and Mr. Cantor.

H.R. 1071: Mr. Ortiz, Mrs. Thurman, Mr. Hilliard, Mrs. Mink of Hawaii, Mr. Brown of Ohio, Mr. Deutsch, Mr. Towns, Ms. Ros-Lehtinen, Mr. Filner, Mr. McHugh, Mr. English, Mr. George Miller of California, and Mr. Kennedy of Rhode Island.

H.R. 1093: Mr. Hulshof and Mr. Graves.

H.R. 1167: Mr. Sabo, Mr. Cunningham, Ms. Rivers, Ms. Pelosi, Mr. Matsui, Mr. Nadler, Mr. Leach, and Mr. Levin.

H.R. 1168: Mr. Lucas of Oklahoma, Mr. Cunningham, Mr. Leach, Mr. Nadler, Mr. Matsui, and Ms. Eddie Bernice Johnson of Texas.

H.R. 1169: Mr. Clay.

H.R. 1202: Mr. Walden of Oregon, Mr. Towns, and Mr. George Miller of California.

H.R. 1255: Mr. Meeks of New York.

H.R. 1268: Mr. English and Mr. Camp.

H.R. 1289: Mr. Rangel.

H.R. 1354: Mr. Coyne.

H.R. 1377: Mr. Moran of Kansas and Mr. Kingston.

H.R. 1475: Mr. Ford, Mrs. Tauscher, Mr. Udall of Colorado, and Ms. Slaughter.

H.R. 1494: Mr. Ackerman, Mrs. Capps, Mr. Meeks of New York, and Mr. George Miller of California.

H.R. 1512: Mr. Jefferson and Ms. Solis.

H.R. 1556: Mr. Boyd, Mr. Radanovich, Mrs. Mink of Hawaii, Mr. Kildee, Mr. Phelps, Ms. Schakowsky, Mr. Thompson of California, Mr. Ferguson, Mr. Wicker, and Mr. Isakson.

H.R. 1636: Mr. Whitfield.

H.R. 1674: Mr. Bonior.

H.R. 1700: Mr. Kennedy of Minnesota.

H.R. 1718: Ms. Velázquez and Mr. Boucher.

H.R. 1739: Mr. Pascrell and Mr. Price of North Carolina.

H.R. 1770: Mr. Crane, Mr. Knollenberg, and Ms. Hart.

H.R. 1771: Mr. Frank.

H.R. 1782: Mr. Cummings.

H.R. 1808: Mr. Ackerman, Mr. Reynolds, and Mr. Nadler.

H.R. 1822: Mr. McNulty and Ms. Velázquez.

H.R. 1828: Mr. Manzullo and Mr. McDermott.

H.R. 1849: Mr. Fattah.

H.R. 1927: Mr. Otter and Mr. Kerns.

H.R. 1949: Ms. Lofgren, Mr. McGovern, and Mr. Gordon.

H.R. 1979: Mr. Taylor of Mississippi.

H.R. 1990: Mr. DeFazio, Ms. Schakowsky, and Ms. Watson.

H.R. 2018: Mrs. Christensen, Mr. Kirk, Mr. Keller, Mr. Issa, Mr. Chabot, Mr. Schrock, Mr. Shuster, Mr. Toomey, Mr. Sessions, Mr. Herger, Mr. Schaffer, Mr. Sam Johnson of Texas, Mr. McDermott, Mrs. Napolitano, Mr. Platts, Mr. Meeks of New York, Mrs. Clayton, and Mr. Pence.

H.R. 2035: Mr. Kucinich, Mr. Holden, Mr. Bonior, Ms. Jackson-Lee of Texas, Ms. Schakowsky, and Mr. Pascrell.

H.R. 2073: Mr. Gillmor and Mrs. Morella.

H.R. 2081: Mr. Stark.

H.R. 2087: Mr. Mollohan and Mr. Kucinich.

H.R. 2117: Mrs. Jo Ann Davis of Virginia and Mr. McNulty.

H.R. 2123: Mr. Clement.

H.R. 2148: Mrs. Capps and Ms. Slaughter.

H.R. 2175: Mr. Brown of South Carolina.

H.R. 2180: Mr. Hilliard.

H.R. 2184: Mr. Hastings of Florida.

H.R. 2220: Mr. Frost and Mr. Bentsen.

H.R. 2223: Ms. McKinney.

H.R. 2269: Mr. Graham, Mr. Pascrell, Mr. Nussle, Mr. Rogers of Michigan, Mr. Blunt, Mr. Ney, and Mr. Portman.

H.R. 2283: Mr. Allen.

H.R. 2308: Mr. McHugh and Ms. Hart.

H.R. 2319: Mr. McGovern.

H.R. 2323: Mrs. Cubin and Mr. Gekas.

H.R. 2327: Mr. Graham and Mr. Burton of Indiana.

H.R. 2340: Mr. McGovern.

H.R. 2349: Mr. Barrett, Mr. Smith of Washington, Mr. DeFazio, and Mr. Rangel.

H.R. 2353: Mr. Toomey.

H.R. 2375: Mr. Maloney of Connecticut, Mr. Sanders, Mr. Price of North Carolina, Mrs. McCarthy of New York, Mr. Horn, Ms. Roybal-Allard, Mr. Waxman, Mr. Larson of Connecticut, Mr. Matsui, Mr. Evans, Mr. Baca, Mr. Crowley, Mr. Sherman, Ms. Millender-McDonald, Mr. Weiner, Mr. Rothman, Ms. Carson of Indiana, Ms. Schakowsky, Mr. Gordon, Mr. Fattah, Mr. Cardin, Mr. Luther, Mr. English, Mr. Saxton, and Mr. Green of Texas.

H.R. 2389: Mr. Otter.

H.R. 2423: Mr. Stenholm.

H.R. 2453: Mr. Gekas and Mr. Meeks of New York.

H.R. 2476: Ms. Brown of Florida, Mrs. Christensen, Mr. Brady of Pennsylvania, and Mr. McDermott.

H.R. 2498: Mr. Gutierrez.

H.R. 2534: Mr. Dreier and Mr. Olver.

H.R. 2555: Ms. Carson of Indiana, Mr. Hinchey, Ms. Kilpatrick, Mr. Meeks of New York, and Mr. Farr of California.

H.R. 2669: Mr. Towns.

H.J. Res. 15: Mr. Chambliss.

H. Con. Res. 25: Mr. Coyne.

H. Con. Res. 148: Mr. Reynolds and Mr. Quinn.

H. Con. Res. 162: Mr. Saxton.

H. Con. Res. 173: Mr. Moran of Virginia, Mr. Jackson of Illinois, and Mr. George Miller of California.

H. Con. Res. 180: Mrs. Morella, Mr. Allen, Ms. Woolsey, Mr. Weiner, and Ms. McKinney.

H. Con. Res. 188: Mr. Wolf, Mr. English, Mr. Hinchey, Ms. Weldon of Pennsylvania, and Mr. Strickland.

H. Res. 211: Mr. Cummings, Ms. Waters, Mr. Rangel, and Mr. Watt of North Carolina.

H. Res. 212: Ms. Jackson-Lee of Texas, Mr. Davis of Illinois, Mr. McDermott, Mr. Hinchey, Mr. Cardin, Mr. Hilliard, Ms. Watson, Mr. Kirk, and Mr. Sawyer.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 4

Offered By: Ms. Berkley

Amendment No. 1: In division A, in title III, strike section 301, redesignate the subsequent sections accordingly, and make the necessary changes to the table of contents.

H.R. 4

Offered By: Mr. Larson of Connecticut

Amendment No. 2: Page 34, after line 7, insert the following new section and make the necessary conforming changes in the table of contents:

SEC. 129. FEDERAL GOVERNMENT FUEL CELL PILOT PROGRAM.

Title V of the National Energy Conservation Policy Act is amended by adding the following new part at the end thereof:

"Part 5—Federal Fuel Cell Pilot Program

"SEC. 571. FEDERAL GOVERNMENT FUEL CELL PILOT PROGRAM.

"(a) Program.—The Secretary of Energy shall establish a program for the acquisition of—

"(1) up to 100 commercially available 200 kilowatt fuel cell power plants;

"(2) up to 20 megawatts of power generated from commercially available fuel cell power plants; or

"(3) a combination thereof,

for use at federally owned or operated facilities. The Secretary shall provide funding for purchase, site engineering, installation, startup, training, operation, and maintenance costs associated with the acquisition of such power plants, along with any other necessary assistance.

"(b) Site Selection.—In the selection of federally owned or operated facilities as a site for the location of power plants acquired under this section, or as a site to receive power acquired under this section, priority shall be given to sites with 1 or more of the following attributes:

"(1) Location (of the Federal facility or the generating power plant) in an area classified as a nonattainment area under title I of the Clean Air Act.

"(2) Computer or electronic operations that are sensitive to power supply disruptions.

"(3) Need for a reliable, uninterrupted power supply.

"(4) Remote location, or other factors requiring off-grid power generation.

"(5) Critical manufacturing or other activities that support national security efforts.

"(c) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary of Energy $140,000,000 for the fiscal year period from fiscal year 2002 through 2004 for carrying out this section.".

H.R. 4

Offered By: Mr. Larson of Connecticut

Amendment No. 3: Page 34, after line 7, insert the following new section and make the necessary conforming changes in the table of contents:

SEC. 129. ENERGY INDEPENDENCE.

(a) Domestic Energy Self-sufficiency Plan.—

(1) Strategic Plan.—The Secretary of Energy shall develop, and transmit to the Congress within 1 year after the date of the enactment of this Act, a strategic plan to ensure that the United States is energy self-sufficient by the year 2011. The plan shall include recommendations for legislative and regulatory actions needed to accomplish that goal.

(2) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary of Energy $20,000,000 for carrying out this subsection.

(b) Federal government fuel cell pilot program.—

(1) Program.—The Secretary of Energy shall establish a program for the acquisition of—

(A) up to 100 commercially available 200 kilowatt fuel cell power plants;

(B) up to 20 megawatts of power generated from commercially available fuel cell power plants; or

(C) a combination thereof,

for use at federally owned or operated facilities. The Secretary shall provide funding for purchase, site engineering, installation, startup, training, operation, and maintenance costs associated with the acquisition of such power plants, along with any other necessary assistance.

(2) Domestic Assembly.—All fuel cell systems and fuel cell stacks in power plants acquired, or from which power is acquired, under this subsection shall be assembled in the United States.

(3) Site Selection.—In the selection of federally owned or operated facilities as a site for the location of power plants acquired under this subsection, or as a site to receive power acquired under this section, priority

shall be given to sites with 1 or more of the following attributes:

(A) Location (of the Federal facility or the generating power plant) in an area classified as a nonattainment area under title I of the Clean Air Act.

(B) Computer or electronic operations that are sensitive to power supply disruptions.

(C) Need for a reliable, uninterrupted power supply.

(D) Remote location, or other factors requiring off-grid power generation.

(E) Critical manufacturing or other activities that support national security efforts.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy $140,000,000 for the period encompassing fiscal years 2002 through 2004 for carrying out this subsection.

(c) FEDERAL VEHICLES.—Each agency of the Federal Government that maintains a fleet of motor vehicles shall develop a plan for a transition of the fleet to vehicles powered by fuel cell technology. Each such plan shall include implementation beginning by fiscal year 2006, to be completed by fiscal year 2011. Each plan shall incorporate and build on the results of completed and ongoing Federal demonstration programs, and shall include additional demonstration programs and pilot programs as necessary to test or investigate available technologies and transition procedures.

(d) LIFE-CYCLE COST BENEFIT ANALYSIS.—Any life-cycle cost benefit analysis undertaken by a Federal agency with respect to investments in products, services, construction, and other projects shall include an analysis of environmental and power reliability factors.

(e) STATE AND LOCAL GOVERNMENT INCENTIVES.—

(1) GRANT PROGRAM.—The Secretary of Energy shall establish a program for making grants to State or local governments for the use of fuel cell technology in meeting their energy requirements, including the use as a source of power for motor vehicles. Each grant made under this section shall require at least a 10 percent matching contribution from the State or local government recipient.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy $110,000,000 for each of the fiscal years 2002 through 2006 for carrying out this subsection.

H.R. 4

OFFERED BY: MR. LARSON OF CONNECTICUT

AMENDMENT NO. 4: Page 42, after line 17, insert the following new section and make the necessary conforming changes in the table of contents:

SEC. 136. FUEL CELL GRANT PROGRAM.

Section 363 of the energy Policy and Conservation Act (42 U.S.C. 6323) is amended by adding the following at the end thereof:

"(g)(1) The Secretary of Energy shall make grants to State or local government for the use of fuel cell technology in meeting their energy requirements, including the use as a source of power for motor vehicles. Each grant made under this section shall require at least 10 percent matching contribution from the State or local government recipient.

"(2) There is authorized to be appropriated $20,000,000 in fiscal year 2002, $20,000,000 in fiscal year 2003, $20,000,000 in fiscal year 2004, $20,000,000 in fiscal year 2005, and $20,000,000 in fiscal year 2006, to carry out this section.".

H.R. 4

OFFERED BY: MR. LARSON OF CONNECTICUT

AMENDMENT NO. 5: Page 95, after line 18, insert:

(c) DOMESTIC ENERGY SELF-SUFFICIENCY PLAN.—Section 801 of the Department of Energy Organization Act (44 U.S.C. 7321) is amended by adding the following new subsection at the end thereof:

"(e)(1) Each plan submitted under this section after the date one year after the date of enactment of this subsection shall include a strategic plan to ensure that the United States is energy self-sufficient by the year 2011.

"(2) The strategic plan under this subsection shall examine and report on the status of existing energy technology and domestic resources as well as developing energy generation and transmission technologies, including, but not limited to fuel cell technology, and should focus on their integration into an overall national energy portfolio to meet the stated goal of achieving energy self-sufficiency within 10 years.

"(3) The strategic plan shall include recommendations to Congress for targeted research and development in promising new energy generation and transmission technologies, and funding levels necessary for specific programs and research efforts necessary to implement a plan providing for the energy self-sufficiency of the United States within the next 10 years.".

EXTENSIONS OF REMARKS

TRIBUTE TO MR. ROBERT L. WILSON

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. QUINN. Mr. Speaker, I rise today in memory of Mr. Robert L. Wilson, founder of Every Person Influences Children (EPIC).

Mr. Wilson founded EPIC in 1980, following the tragic death of his wife, Linda in 1977. Mrs. Wilson was murdered by a troubled 15-year-old boy that the Wilson family had befriended. EPIC was founded to work with youth to help ensure that this type of tragedy would not be repeated.

Despite its modest beginnings, the EPIC organization has emerged as one of our Nation's most successful parent/children's programs. The organization is devoted to helping children grow up to become responsible adults, and helps parents and teachers work more effectively with children, influence them in positive ways and guide them toward responsible, safe decision-making. In recognition of its worthy goals and many successes, our federal government has committed millions in grants to EPIC.

The overwhelming success of EPIC, its tremendous growth, and the strong impact it has had in our Western New York community is testimony to Mr. Wilson's leadership, commitment and integrity. I am truly thankful for his strong example of service.

As a community, our chief concern must always be our children. Mr. Wilson's focus on helping children become responsible adults must continue to be one of our highest priorities. I will continue to fight for this excellent program, and would encourage my colleagues to join with me in this effort.

EPIC is an outstanding program that helps kids everyday. Now, it is also a lasting legacy to a man whose vision and work inspires us all.

Mr. Speaker, today I join with the Western New York community, and communities all across America to honor Mr. Robert L. Wilson for his dedicated service and leadership. Mr. Wilson is survived by his wife, Sarah; four daughters, Linda Stephenson, Terry Vaughan, Margaret Kerr and Hope Hawkins; a sister, Margaret Dodd; fifteen grandchildren; and five great-grandchildren. I would like to convey to his family my deepest sympathies, and ask my colleagues in the House of Representatives to join with me in a moment of silence.

TRIBUTE TO STEVE TOBASH

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. MURTHA. Mr. Speaker, I rise today to pay tribute to Steve Tobash, a fellow Pennsylvanian and good friend, who recently retired after forty years of faithful service as head golf professional at Army Navy Country Club in Arlington, Virginia.

Steve is the sixth of nine children born to Peter and Anna Tobash. He was raised in Schuylkill Haven, Pennsylvania, where he attended and graduated from the public school system.

Steve developed a love for the game of golf early in life, first as a caddy and later working at a driving range. After apprenticeships in Florida and Baltimore, Maryland, he enlisted in the Army and was assigned to Ft. Meade. The Army quickly recognized his golf talent and placed him in charge of golf operations. After his discharge he remained at Ft. Meade as the golf professional and later became the head professional at Chartwell Country Club. In 1961, he was selected as Golf Professional at Army Navy Country Club.

At Army Navy, Steve developed and maintained a people-oriented operation that served more than two thousand members. He has also been an excellent mentor for young aspiring golf professionals. The measure of his success is that many who got their start with Steve have risen to the top echelon at their respective clubs.

Steve loves the games and all those who play it, from the youngest toddler with a cut down seven iron to the super senior with his custom made golf clubs. All were guaranteed to be greeted by Steve with a big smile and "Welcome to Army Navy."

He is the Dean of Golf Professionals in the Mid-Atlantic and Washington Metropolitan Areas. We are truly going to miss his presence in the pro shop, on the golf course, and around the club. The membership can consider itself fortunate to have had Steve Tobash as their golf professional.

To Steve and Alma, his wife of forty-six years, I wish you God Speed.

JOSEPH RUDAWSKI HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. KANJORSKI. Mr. Speaker, I rise today to call the attention of the House of Representatives to the long history of service to the community by Joseph G. Rudawski, President of MMI Preparatory School, Freeland, Pennsylvania, who will be honored August 4 on the occasion of his retirement after more than 36 years of service to the school.

I have known Joe Rudawski for many years and can attest to his dedication to improving the lives of his students. He has been an extraordinary educator, and the entire MMI Prep community will miss his optimism, tenacity and leadership.

Born in Nanticoke, he is a 1959 graduate of Marymount High School in Wilkes-Barre and a 1963 graduate of King's College with a Bachelor of Arts degree in mathematics, minors in education and English. He earned a Master of Science degree in Counseling Psychology from the University of Scranton in 1967.

Mr. Rudawski began his service at MMI in September 1964 as a mathematics and psychology instructor and progressed to the positions of guidance director and dean of faculty before becoming president in 1973. During his time as president, he continued to directly serve the students as guidance director and later as college counselor.

During his tenure, thousands of students have passed through the white doors on Centre Street in Freeland and have gone on to achieve tremendous success. The school has undergone a remarkable transformation under his leadership. The small preparatory school expanded greatly, with a $1 million addition built in 1979, and a $1.1 million capital campaign in 1990–91. He also oversaw The Campaign for MMI, which raised more than $9 million for the school's endowment fund and the construction of a new science and technology wing and an athletics and drama complex.

Over the years, he has served the community in many capacities, including director of the Freeland YMCA, former division chairman of the United Way, director and member of the Freeland Rotary Club, a board member of Lutheran Welfare Services, a member of the PCTN-TV Community Advisory Board, director of the Eckley Miner's Village Association, and chairman and member of several committees at St. Casimir's Church and the Roman Catholic Community of Freeland. He is also a past president of the Luzerne County Counselor's Association.

He has received numerous awards for his academic and community achievements, including the Paul Harris Fellow Award from Rotary International, the Citizen of the Year award from the Freeland Sons of Erin, a Declaration of Achievement from the Pennsylvania Senate, the Community Award sponsored by the Freeland Veterans of Foreign Wars, and an Appreciation Award from the Eastern Pennsylvania Chapter of the Arthritis Foundation.

In May 2001, he announced his intentions to retire from the school so he could spend more time with his wife of 34 years, Jean, his four children—Joe Jr., Tamra Ann, Valerie, and Jeanne, all MMI graduates—and his grandchildren. He expects to continue volunteering in the community.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. Speaker, I am pleased to call to the attention of the House of Representatives the long and distinguished service of Joseph Rudawski to MMI Preparatory School and the community, and I wish him all the best.

TRIBUTE TO MIMI FARINA

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Ms. WOOLSEY Mr. Speaker, I rise today to honor Mimi Farina of Mill Valley, California, an accomplished folk singer, actor and social activist, whose work lives on today. Mimi Farina died July 18 of cancer at the age of 56, leaving a legacy of compassion and a commitment to healing through music.

Born Margarita Mimi Baez, she and her sister, Joan Baez, were part of the burgeoning folk revival in Cambridge, Massachusetts. When she married writer Richard Farina at age 18, she, her husband, Joan Baez and Bob Dylan led the Greenwich Village folk renaissance, creating music that inspired the peace and civil rights movements of the 60's. After her husband's tragic death when she was only 21, Farina joined the San Francisco satiric group The Committee.

Raised a Quaker and always a woman of conscience, she was arrested at a peace march in 1967 and held briefly in prison, giving her a first-hand view of life behind bars. In 1973 she observed the moving response of prisoners in Sing Sing to a performance by Joan Baez and blues immortal B.B. King. After singing in a halfway house shortly afterwards, she developed the idea for Bread and Roses, an organization whose goal is to bring music to people isolated in institutions. Founded in 1974, Bread and Roses sponsors live musical performance by well-known artists for people in prisons, hospitals, senior centers, juvenile facilities and other institutions. Last year, Bread and Roses provided more than 500 concerts in 82 facilities—concerts that provide music's healing power to listeners as well as powerful emotional experiences for performers. Inspired by Bread and Roses success, several similar organizations have sprung up around the country.

Back when Mimi and Richard Farina were a folk duo they sang:

If somehow you could pack up your sorrows
And send them all to me
You would lose them
I'd know how to use them
Send them all to me

Mimi Farina took the sorrows of forgotten people and turned them into life-affirming song. She was appreciated for her spirit, her talent, and her beauty . . . and she is already missed.

TRIBUTE TO HENRY L. "HANK" LACAYO

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to my good friend, Henry L. "Hank" Lacayo, an outstanding individual who has dedicated his life to public service and social activism. On august 5, 2001, the Destino 2000 Vision Committee and the Ventura County Community Foundation will celebrate Hank's 70th birthday and will honor him for his many years of service on behalf of the people of Ventura county, the State of California, and the Nation.

For more than 45 years, Hank has distinguished himself as a union representative for the United Auto Workers and as a recognized national labor leader throughout the United States. After serving in the Air force, he went to work at North American Aviation's Los Angeles Division.

I had the privilege of meeting Hank during the early 1960s when he was elected President of UAW Local 887 which represented more than 30,000 workers at North American Aviation. Although at that time we were on opposite sides of two political factions, in retrospect the differences that loomed large then now seem pointless. Throughout the years that followed, we worked well together on many important labor issues.

Hank was one of the early supporters of Cesar Chavez and helped convince the UAW to give the farm workers much needed financial assistance. In 1974, the UAW recognized Hank's excellent work and named him Administrative Assistant to then-UAW President Leonard Woodcock. He was later appointed National Director of the UAW's political and legislative department. Hank would later go on to serve within numerous presidential administrations, beginning with President Kennedy, as a labor relations advisor.

In addition to his work with labor unions, Hank has been active in the Latino community. He is a founder and National President Emeritus of the Labor Council for Latin American Advancement. Furthermore, Hank helped found the Mid-West-North-East Voter Education Project (today the US Hispanic Leadership Institute) and served as its first President and Chairman of the Board. He was also the first Latino to serve on the prestigious US Leadership Conference on Civil Rights.

Hank has been recognized on numerous occasions and has been the recipient of a number of prestigious awards. These include the Walter P. Reuther UAW Distinguished Award, the National Hero Award (US Hispanic Leadership Institute) and the Patriotic Service Award (US Department of Commerce). These accolades and the tribute from the Destino 2000 Vision Committee and Ventura County Community Foundation all recognize Hank's devotion and commitment to the plight of workers.

In addition to his many professional accomplishments, Hank and his wife Leah have raised four wonderful children. It is my distinct pleasure to ask my colleagues to join with me in wishing Henry L. "Hank" Lacayo a happy 70th birthday and in saluting him for his years of public service.

TRIBUTE TO MARY JO MALUSO AND RICK BLACKSON

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. TRAFICANT. Mr. Speaker, I am pleased today to congratulate Mary Jo Maluso and Rick Blackson on their marriage yesterday in Youngstown, Ohio. I have had the pleasure of knowing Mary Jo for many years and I consider her a good friend. I have also had the fortunate opportunity to get to know Rick a little better through Mary Jo, and I know that these two will have a happy and healthy union together.

This was one of the most beautiful and unusual weddings I have ever attended. Mary Jo and Rick are both excellent musical and theatrical talents, and they decided to use those talents to celebrate their wedding day. Their musical marriage celebration was titled "It's All About Love", costarring Mary Jo Maluso and Rick Blackson. Rick played piano, Mary Jo sang, and although these two have wowed audiences with their performances in the past, what I watched on this particular "stage" was very real and very well done. I congratulate Rick and Mary Jo for doing what they love to do while at the same time expressing their love for one another.

I want to wish them all the best as they embark on their new life together. In conclusion, I want to congratulate Rick on writing all of the music, including the lyrics. This original score may be used someday for other weddings because after all, "it's all about love."

HONORING RUTH QUACKENBUSH DODGE

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Ms. KAPTUR. Mr. Speaker, I rise today to commemorate the passing of an Ohioan and American of note. Ruth Quackenbush Dodge died of heart failure earlier this year at her Maumee River Estate in Wood County's Middleton Township. Mrs. Dodge was 90 years old.

Ruth Quackenbush Dodge was born into one of New York State's founding Dutch dynasties, and spent her childhood in New York City, Vermont and Connecticut, where she was graduated from Miss Porter's school in Farmington. After then attending classes at the New York School of Social Work, Ruth joined the Junior League of New York City at age 18, thus beginning her long history of volunteerism.

A few years later, Miss Quackenbush met Henry Martin Dodge of Toledo. They were married shortly thereafter, and made their home at Elmbrook Farm in Perrysburg, making the new Mrs. Dodge, at age 22, the first member of her family to reside west of the Hudson River. In her new home, Mrs. Dodge continued her volunteer work, transferring to the Junior League of Toledo—for which she served as president from 1936 to 1938—and organizing, in 1948, the Volunteer Bureau of the Toledo Council of Social Agencies. This organization was the forerunner of today's Volunteer Action Center of the United Way of Greater Toledo, which dedicated the Ruth Q. Dodge Volunteer Garden on the grounds of One Stranahan Square in 1994. It was my honor at that time as well to praise Mrs. Dodge's accomplishments before this body.

Mrs. Dodge also pursued her passion for the environment, raising milk cows and soybeans in an environmentally responsible manner before the issue became mainstream, and helped further the exploration of Maumee River Valley history by opening her property for several archeological digs undertaken by the University of Toledo. A strong supporter of both the education and the arts, especially the Toledo Opera Association and the Toledo Museum of Art, Mrs. Dodge sat on the board of trustees of Miss Porter's school and served as president of the Country Garden Club from 1945 to 1946.

These few words cannot truly do justice to the outstanding life of this woman who was so dedicated to the ideals of civic service and volunteerism. Remembered by her friend Mr. Lewis Heldt for "all of her accomplishments over her long, active lifetime," as well as for her efforts in her role as Honorary Chairperson for the last Fallen Timbers Battlefield fund drive, Ruth Quackenbush Dodge and her good works will truly be missed. We extend to her son David, her five grandchildren, and her six great-grandchildren our deepest condolences. At the same time, we celebrate her remarkable accomplishments and honor her memory by trying to live by her exemplary pioneering and socially responsible spirit.

SUPPORTING RAILROAD FAMILIES

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. MURTHA. Mr. Speaker, as a co-sponsor of the Railroad Retirement and Survivors Improvement Act of 2001, I urge the House of Representatives to pass this legislation—it marks a vital opportunity to strengthen the retirement benefits for thousands of railroad families.

This legislation modernizes and strengthens the retirement system which has covered railroad workers for 65 years. It provides more secure benefits at lower costs to employers and employees, has the support of both rail management and labor, and provides the kind of solid retirement support we need for the 673,000 retirees and beneficiaries.

Among the key elements of this legislation we debate today are:

—provides for increased responsibility by the railroad industry for the financial health of the Railroad Retirement system

—the legislation improves the benefits for retirees and their families; in particular it makes major improvements in benefits for widows and widowers—a key in meeting today's high costs in areas like energy and health

—reduces the current early retirement age of 62 with 30 years of service to age 60 with 30 years of service

—tax rates are substantially reduced for employees

—and currently it takes 10 years to vest for retirement benefits, but this reduces it to 5–7 years, much more similar to other industries.

This reform legislation is the result of 2½ years of negotiations and it will build on the stability of the railroad retirement system, the fairness of retirement benefits, and the need to make adjustments to help retirees meet their needs.

This bi-partisan legislation is fair, is needed, and is long overdue. I urge the House of Representatives to overwhelmingly pass this legislation and the Senate to do likewise.

SHARK PROTECTION ACT OF 2001

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today to introduce the Shark Protection Act of 2001.

Last year Congress passed and President Clinton signed Public Law 106–557, the Shark Finning Prohibition Act. The goal of that law is to prohibit the activity known as shark finning—the catching of live sharks, removing their fins, and throwing the carcasses back into the water, retaining only the fins.

The practice of shark finning had been prohibited in all U.S. waters except in the Pacific Ocean. Last year's bill prohibited in the U.S. Pacific removal of shark fins and discarding of the carcasses, having custody of shark fins without the corresponding carcasses on board a fishing vessel, and the landing of shark fins without the corresponding carcasses by any vessel.

I had hoped to also prohibit vessels from being in U.S. waters with shark fins on board and the selling of shark fins without the corresponding carcasses in last year's bill, but that was not practical for two reasons. Article 17 of the United Nations Convention on the Law of the Sea grants all vessels a right of innocent passage through the territorial seas of other member states. A prohibition of the loading and unloading of shark fins without the corresponding carcasses is permissible under subsection (g) of Article 19 of the Convention, but it appears that any attempt to restrict passage of vessels solely transiting our waters would be in conflict with this international treaty to which the United States is a party.

I believe Congress can, however, prohibit the offering for sale, selling, and purchasing in interstate or foreign commerce of shark fins without the corresponding carcasses anywhere within our national jurisdiction, and that is what this bill does. This might arguably be included as a prohibited act under Section 301(1)(G) [16 U.S.C. 1857(1)(G)] of the Magnuson-Stevens Fishery Conservation and Management Act, which makes it unlawful for any person to "ship, transport, offer for sale, sell, purchase, import, export, or have custody, control, or possession of, any fish taken or retained . . .". I am concerned that the definition of "fish" found at Section 3(12) of Magnuson-Stevens [16 U.S.C. 1802(12)] includes only whole fish (including sharks), but not parts of fish. The bill I am introducing today would clarify this point by prohibiting the selling of shark fins without carcasses.

Mr. Speaker, the practice of shark finning is continuing to this day in the Pacific. Earlier this year, after passage of the Shark Finning Prohibition Act, a non-fishing vessel entered the port of American Samoa with shark fins on board. This "cargo" was not seized based on the "innocent passage doctrine" noted above. As long as shark fin soup is so popular in many parts of Asia that people are willing to pay $100 for a bowl of the soup, the problem will continue. We need an international ban on shark finning. Public Law 106–557 initiated a process to accomplish this, and I look forward to receiving from the Administration a report later this year on this important area, as required under that law.

I want to do all I can to stop the wasteful practice of shark finning, and I urge my colleagues to join me by supporting this bill.

PERSONAL EXPLANATION

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. QUINN. Mr. Speaker, on rollcall Nos. 286, 287, 288, and 289 I was unavoidably detained in the district while at Georgetown University on family educational business.

A TRIBUTE TO WALTER BURKS

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mrs. JONES of Ohio. Mr. Speaker, I regret that I will be unable to attend the homegoing services for your husband, father, brother, and my friend, Walter Burks. Please accept this letter in my absence.

I observed Walter Burks from a far as a teen, working in the campaigns of the late Ambassador Carl Stokes, and the Honorable Congressman Louis Stokes. I came to admire this man some called the "Silver Fox" (silver for the hair color and fox for his leadership skills), as he lead the Department of Personnel of the City of Cleveland, in the cabinet of then Mayor Carl B. Stokes. My summer internship in the Department of Public Utilities gave me more opportunities to see him in action. He seldom raised his voice and understood the important roll he played in assuring that everyone had access to employment opportunities with the City of Cleveland.

As I matured and decided to run for public office, Walter was always there to support and encourage me. After public office, Walter, even in his private business continued to work to improve the lives of the people of his community. His housing developments are testament to that work.

My only regret is that I didn't have a chance to say goodbye. So Walter, since I know you are looking down upon us, Thank You, I Love

You, and God Bless You. Rest well and if we do as you have done, we will meet again.

I join with the residents of the 11th Congressional District, who mourn the lost of a great civic leader, political activist, family man, and friend.

[From the Cleveland Plain Dealer]

WALTER BURKS, 77, WAS BUILDER, CIVIC LEADER, POLITICAL ACTIVIST

(By Richard M. Peery)

Plain Dealer Reporter

SHAKER HEIGHTS.—Walter Burks, 77, a developer and political activist who built more than 200 homes in Cleveland, died Thursday at University Hospitals.

Burks was a former trustee of Cleveland State University. He served on the Cuyahoga County Board of Elections and the State Board of Education. Mayor Carl B. Stokes appointed him personnel director and chairman of the Civil Service Commission.

In 1974, he formed Burks Electric Co. and participated in commercial and public building projects, including the rebuilding of the Regional Transit Authority's Shaker rapid line.

Burks was born in Cleveland. He attended East Technical High School and studied engineering at Fenn College.

Drafted into the Marine Corps during World War II, he was a sergeant in an engineers unit on Eniwetok and the Marshall Islands in the Pacific. After the war, he and his first wife, Cynthia, built a home on E. 147th St. in Mount Pleasant. Although banks refused to lend to nonwhites in that area, he obtained financing from a black insurance company. He later helped friends build homes nearby.

Burks worked as a mail clerk for Cleveland Municipal Court and was promoted to supervisor of the trustee division, but he spent evenings and weekends on construction projects. After he joined Stokes' staff in the 1960s, he put special effort into hiring and promoting minorities.

As a builder, Burks concentrated in the 1980s on converting former schools into apartments for the elderly. When he was accused of failing to follow complicated HUD regulations, he said the fault lay with the government. A jury cleared him.

In 1989, Burks undertook what was considered a high-risk project when he constructed Glenville Commons, the first new homes to be built in the area in more than 50 years. Its success was followed by a surge of home building in the city.

At the behest of Mayor Michael R. White, a former business partner, a park on Parkview Dr. in Glenville was named for him.

Burks and his wife, the former Charmaine Colwell, lived in Shaker Heights.

He also is survived by a son, Dr. David of Ann Arbor, Mich.; a daughter, Karen Bailey of Richmond Heights; three grandchildren; two sisters; and five brothers.

Services will be 10:30 a.m. at Antioch Baptist Church, 8869 Cedar Ave., Cleveland.

Arrangements are by E.F. Boyd & Son Funeral Home of Cleveland.

PAYING TRIBUTE TO THE STATE OF COLORADO ON ITS 125TH ANNIVERSARY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. McINNIS. One hundred years after the United States became a Nation, Colorado became the 38th state in the Union. In recognition of this historic moment, I stand here to pay tribute to the great State of Colorado. I would like to share a little historical background, and some lesser known facts about the state in honor of this anniversary.

According to the state archives, when the Colorado Territory was populated by only approximately 100,000 people, thirty-nine members of the constitutional convention gathered for the purpose of preparing Colorado's constitution. President Grant declared Colorado a state on August 1, 1876, one week after the Governor's secretary, John Reigart, set off toward Washington, D.C. with a copy of the constitution and other necessary documents.

Since then, Colorado has continued to make history. The stunning view from Pikes Peak inspired Katherine Lee Bates to write one of our country's most popular patriotic songs, "America the Beautiful." On a less serious note, Denver "lays claim to the invention of the cheeseburger," according to 50states.com. Colorado is also home to some of America's greatest heroes. Pueblo, for instance, has held the honor of being the only city in the Nation with four living recipients of the Medal of Honor. In addition, Colorado Springs is home to the distinguished United States Air Force Academy.

Among its natural wonders, Colorado is home to the world's largest outdoor natural hot springs pool, which spans over two city blocks. The pool was visited by former president Teddy Roosevelt, and by "Doc" Holliday, who hoped the natural springs would cure his tuberculosis. Other geological marvels include Florissant Fossil Beds National Monument and the Great Sand Dunes, plus fifty-two mountain peaks over 14,000 feet high, and the headwaters of over 20 rivers. The Nation's highest city, Leadville, which boasts an elevation of 10,430 feet, also rests in Colorado. In addition, Colorado holds three quarters of the Nation's land area with an altitude over 10,000 feet, along with 222 state wildlife areas. With such a variety of natural beauty and resources, it is no wonder that Colorado provides agriculture, summer and winter recreation, and a pioneering spirit to millions of residents and visitors each year.

Mr. Speaker, there is no end to the wonder and greatness of this state. It is with great pride that I stand here today in honor of the 125th anniversary of the State of Colorado.

HONORING THE 50TH WEDDING ANNIVERSARY OF CASEY AND JEAN BROWN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to honor the 50th wedding anniversary of Mr. and Mrs. Casey and Jean Brown from Ignacio, Colorado. As family and friends will gather to celebrate this joyous occasion, I too would like to recognize them at this special time. Following their hearts throughout this 50-year journey has led to happiness and a loving life together.

Casey and Jean were married on August 5, 1951 in Hatch, New Mexico after meeting each other at New Mexico State University. Following a honeymoon in Mexico, the couple relocated to Laramie, Wyoming, where Casey received a Master's Degree in Sheep and Wool Production. After his schooling and a brief stint as a college professor, the couple joined Casey's father in his sheep business located in Aztec, California.

Casey and Jean decided to move one more time in 1958 to a small farm in La Plata, New Mexico. It is here that they raised their five children. Following suit with past experience, the family moved one more time to Ignacio in 1978. Jean had always dreamed of becoming a nurse, and this served as the catalyst to pursue her dreams. She was employed by Mercy Hospital in Durango until she retired. While Jean was a nurse, Casey once again started his own sheep business on their ranch. Even amidst all of their responsibilities, they found time to offer services to their community where they were involved in the Woolgrowers Auxiliary, the American Sheep Industry Commission and other organizations.

Love has flourished between these two hearts, but not without dedication and hard work. For this momentous occasion, Casey is treating his devoted wife to a trip to Scotland—her ancestral land. This celebration of 50 years is a remarkable accomplishment and is to be commended. Mr. Speaker, it is with excitement and admiration that I extend my congratulations to Casey and Jean and offer them my best wishes for many more years to come.

HONORING THE GRAND JUNCTION VETERANS AFFAIRS MEDICAL CENTER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. McINNIS. Mr. Speaker, it is with great pleasure that I would like to pay tribute to the Grand Junction Veterans Affairs Medical Center for receiving the 2001 President's Quality Award that highlights continued improvement and management of high caliber care to veterans who so diligently served our Nation.

This facility serves all veterans in an area of 50,000 square miles and 17 counties in Western Colorado and Eastern Utah. With the overarching goal of being "the preferred health care system for all veterans," the Medical Center constantly strives to improve itself and help those in need of their services. The President's Quality Award highlights the Center's integration of their innovative management techniques, outstanding dedication to customer service and dynamic performance that will enhance the Center's capabilities in the new century. The Grand Junction Veterans Affairs Medical Center has implemented a "virtual circle of care" policy that involves every patient, and this program has inspired similar programs around the country. Not satisfied with just internal improvements, the Center has added new community outreach efforts that seek to build upon their primary, specialty and extended care. All of these continued efforts have resulted in consistently higher scores in patient care and satisfaction from the Department of Veterans Affairs and from external agencies and hospitals.

The Grand Junction Veterans Affairs Medical Center truly is an exemplary model of the care that our distinguished veterans deserve. While providing the highest care and improving their overall performance with an emphasis on customer satisfaction, the Center has worked very hard to become one of the finest facilities in the Nation. The invaluable services that Grand Junction Veterans Affairs Medical Center provides truly deserve the recognition of this body.

HONORING OTIS CHARTIER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. McINNIS. Mr. Speaker, it is with great honor that I would like to recognize Mr. Otis Meril Chartier, who received the Bronze Star for his service during WWII. He served our country 56 years ago and just recently received this distinguished honor.

At a family picnic not too far from Parker, Colorado, Otis was awarded the Bronze Star in recognition of his courage in February of 1945. During WWII, he and another soldier took on a German machine gun haven where they disrupted its activity and eliminated two enemy soldiers. A howitzer shell then bombarded the nest and the area was neutralized. For this valorous effort, Otis was granted the Bronze Star. His courageous act was executed only 4 months before the end of the war.

After joining the Army in 1940, Otis was put in charge of the Victory Garden due to his background in farming, and was eventually sent to infantry school. This was followed by his deployment to France in December of 1944. In his first battlefield experience, his 12-member squad was sent ahead of the group to scout. This scouting effort lead to the group being ambushed, leaving only Otis alive as the other soldiers were killed in the line of duty. One other notable battlefield experience that caused his life to flash before his eyes happened as he and two other soldiers were rushing into town when a mortar shell hit immediately in front of them, causing permanent damage in his right ear.

On December 20, 1945, Otis returned home to find employment as a carpenter. Although this paid the bills, his true passion was music. He joined a band in 1946 called the Trailblazers and ventured to Montana to play for audiences for about three years, until his hearing would not permit him to continue anymore. Otis then returned to Colorado and was employed by. Gates Rubber Company for 31 years. Today, he enjoys spending time with his family.

While much time has passed since the war, the importance and acknowledgement of the heroism that Otis Chartier exhibited shall not vanish with time. He was a part of the victorious effort to ensure peace across the globe. It is my pleasure to offer my congratulations and sincerest thanks to Otis for his dedicated service and patriotism.

PAYING TRIBUTE TO DR. IRA JEFFREY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. McINNIS. Mr. Speaker, in his forty years of working with cancer research and treatment, Dr. Ira Jaffrey has contributed to a movement that has saved many lives and has enhanced the quality and duration of many others and I would like to take this opportunity to pay tribute to him. While his technical expertise has proven essential for providing professional and quality health care, his emotional understanding and support have made him a hero.

After working at Mount Sinai Hospital and School of Medicine in New York, Ira and his wife, Sandy, headed to the western slope of Colorado where they started Western Slope Oncology in Glenwood Springs, Colorado. Currently, Ira works with Valley View, Aspen Valley, Clagett Memorial and University hospitals, and the Vail Valley Medical Center. In addition, he is an assistant clinical professor at the University of Colorado Health Sciences Center and a treasurer and state delegate for the Mount Sopris Medical Society. Sandy is a registered Physician's Assistant with extensive training and experience in oncology nursing. Between the two of them, they care for between 350 and 500 patients.

Ira and Sandy have personally experienced the challenges and destruction that cancer brings; Sandy is a breast cancer survivor, and Ira lost his sister to cancer in 1970. Perhaps because they grasp the understanding that can only come with experience, they give their patients the most dedicated care, such as encouraging their patients to call them at home. Ira explained to Heather McGregor of The Glenwood Post-Independent that he deals largely with people for whom cancer will ultimately prove fatal. "My job is to eliminate pain and suffering, to improve their quality of life, and to increase their survival time," he told her. "There are lots of ups and downs, and we have to be there for them."

Mr. Speaker, for forty years, Dr. Ira Jaffrey has not only worked as a skilled and talented oncologist, but he has acted with compassion and sensitivity toward one of the most destructive diseases of our time. I would like to take this time to thank him for helping improve the quality of life for the many people today who suffer from cancer.

IN RECOGNITION OF THE U.S. MILITARY'S HUMANITARIAN WORK IN EAST TIMOR

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. HALL of Ohio. Mr. Speaker, I had the privilege to be in East Timor on July 2–5, 2001 to assess the current humanitarian situation and see first hand how American tax dollars are being spent. I was quite impressed with the work of the United States military and its ongoing humanitarian assistance in East Timor. This is a story which is not getting told to the American people. The U.S. military is doing incredible work at improving peoples' lives and generating good will towards the United States.

The U.S. military presence is coordinated through the United States Support Group in East Timor (USGET). Colonel Charles E. Cooke, U.S. Marine Corps, is Commander of USGET and is doing a superb job. Commanders for USGET have a three month rotation. USGET's purpose is to be a visible U.S. presence in East Timor and to plan/execute rotational humanitarian assistance missions. Since its inception in September 1999, USGET has conducted community relations and engineering projects, provided free medical and dental care, coordinated U.S. military ship visits, and repaired schools and medical clinics. For example, in April 2001, the USS *Boxer* visited East Timor. It was the largest effort in USGET history. The ship personnel provided medical assistance to 2,028 patients, completed five community relations projects, delivered 165 tons of humanitarian assistance by air and 86 tons of humanitarian assistance by sea. The ship crew also delivered $53,000 in direct donations from the United States.

My trip to East Timor coincided with the visit of USNS *Niagara Falls*. Thirty personnel from the ship were detailed to repair a school in Dili which was burned down by the militias in 1999. They rebuilt and painted the school, and installed a new electrical system while East Timorese children looked on, excited to get their school back, and thankful to the U.S. military. It was quite an impressive thing to see.

On the morning of July 4th, I traveled on a helicopter from the USNS *Niagara·Falls* to observe food delivery to the city of Lospaios in the Lautem district. In June, flooding destroyed many homes in this district and washed out the main bridge which connected the area with East Timor's capitol city of Dili. The U.S. military, working with the World Food Programme, was ensuring that food and supplies were getting into the region.

I am extremely proud of these men and women in the U.S. military for their humanitarian work in East Timor. They represent the best which our great nation has to offer. I salute them for their work and hope it will continue into next year.

PERSONAL EXPLANATION

HON. CAROLYN C. KILPATRICK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Ms. KILPATRICK. Mr. Speaker, I am sorry that I was not here to cast my vote on Roll Call Vote No. 289, Representative Menendez's amendment to H.R. 2620, last Friday. If I had been here, I would have voted "yea" on this amendment.

PERSONAL EXPLANATION

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. BACA. Mr. Speaker, I regret that due to an airline delay, I was unavoidably detained arriving from my district in California, and missed three votes this evening (July 30, 2001).

Had I been present, I would have voted AYE on the following rolls:

Roll 290, H. Res. 212, expressing the sense of the House of Representatives that the World Conference Against Racism, Racial Discrimination, Xenophobia, and Related Intolerance presents a unique opportunity to address global discrimination.

Roll 291, H. Res. 191, expressing the sense of the House of Representatives that the United Nations should immediately transfer to the Israeli Government an unedited and uncensored videotape that contains images which could provide material evidence for the investigation into the incident on October 7, 2000, when Hezbollah forces abducted 3 Israeli Force soldiers, Adi Avitan, Binyamin Avraham, and Omar Souad.

Roll 292, H. Con. Res. 190, supporting the goals and ideals of National Alcohol and Drug Addiction Recovery Month.

INTRODUCTION OF THE NURSING HOME QUALITY PROTECTION ACT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. WAXMAN. Mr. Speaker, today I am introducing the Nursing Home Quality Protection Act. It is imperative that we do everything in our power to protect our most vulnerable citizens—the elderly and disabled who live in nursing homes. That is why I and my colleagues are introducing this legislation today—to take a crucial first step towards ensuring that seniors in nursing homes are provided the care they deserve.

This legislation is a product of a series of investigations reports conducted by my staff into nursing home conditions. These reports have consistently found numerous violations of federal health and safety standards in nursing homes throughout the country. Many of the violations harmed residents. Common problems included untreated bedsores; inadequate medical care; malnutrition; dehydration; preventable accidents; and inadequate sanitation and hygiene.

Moreover, during the course of these investigations, we began to notice an unexpected and extremely disturbing trend. Many of the nursing homes we examined were being cited for physical, sexual, or verbal abuse of residents. I asked my staff to investigate whether these abuse cases were isolated occurrences—or whether they signaled a broader, nationwide problem. The report I released today presented the results of this investigation.

What we found was shocking. Within the last two years, nearly one-third of the nursing homes in the United States have been cited by state inspectors for an abuse violation. In over 1,600 nursing homes—approximately one out of every ten—these abuse violations were serious enough to cause actual harm to residents or to place them in immediate jeopardy of death or serious injury.

As documented in the report, we found examples of residents being punched, choked, or kicked by staff members or other residents. These attacks frequently caused serious injuries such as fractured bones and lacerations. And we found other examples of residents being groped or sexually molested.

We also found that the percentage of nursing homes cited for abuse violations has doubled since 1996. I hope that this is the result of better detection and enforcement. To its credit, the Clinton Administration launched an initiative in 1998 to reduce abuse in nursing homes, and this initiative may be responsible for some of the increase in reported cases of abuse.

But I am concerned that some of the increase in abuse cases may reflect an actual increase in abuse of residents. In 1997, Congress unwisely decided to repeal the Boren Amendment, which guaranteed that nursing homes receive adequate funding. Since then, federal funding has not kept pace with the costs of providing nursing care. As a result, it is harder and harder for nursing home operators to provide seniors the kind of care they need and deserve.

I know many operators of nursing homes who are dedicated to providing the best care possible. They would never knowingly tolerate abuse or other dangerous practices in their facilities. But unless we are willing to pay nursing homes enough to do their job, intolerable incidents of abuse and other types of mistreatment will continue to persist in too many nursing homes.

I do not want to suggest that most residents of nursing homes are being abused. The vast majority of nursing staff are dedicated and professional people who provide good care. In many instances, the only reason that abuse is even reported is because of the actions of conscientious staff members.

On a personal note, my mother-in-law is in a nursing home in Maryland. I've met with many of the people that care for her. They are good people, but they have difficult jobs. They work long hours in understaffed conditions, and they don't make a lot of money. Under such trying circumstances, it's not surprising that staff turnover is high and that facilities are forced to hire people who shouldn't be working in nursing homes.

But the bottom line is clear: Something clearly needs to be done to improve nursing home conditions. The senior citizens who live in nursing homes are frail and vulnerable. Frequently, they are defenseless and cannot even report problems to others. They deserve to be treated with respect and dignity—not to live in fear of abuse and mistreatment.

It would have been intolerable if we had found a hundred cases of abuse; it is unconscionable that we have found thousands upon thousands.

That's why I and many other members are introducing the Nursing Home Quality Protection Act later today. Our bill is a comprehensive approach to improving conditions in our nation's nursing homes. The bill would:

Increase resources to nursing homes so they can hire more staff;

Institute minimum nurse staffing requirements;

Impose tougher sanctions on poorly performing nursing homes;

Require criminal background checks on employees; and

Increase Internet disclosure of nursing home conditions.

This is a good piece of legislation that has been endorsed by organizations representing nursing home residents and workers. It will do much to improve the quality of care received by the one and a half million people who live in our country's nursing homes.

I want to assure all Americans who have a family member in a nursing home that we will do all we can to protect their aging loved ones. They helped our generation when we needed their help. And now it's our turn—and our obligation—to make sure they can live safely and without fear.

30TH ANNIVERSARY OF OLDER AMERICANS ACT NUTRITION PROGRAMS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. RANGEL. Mr. Speaker, I rise today to introduce H. Con. Res. 199 that celebrates the 30th anniversary of the Older Americans Act Nutrition Programs to occur in March 2002. I wish to first commend the National Association of Nutrition and Aging Services Program (NANASP) and my good friend Bob Blancato for their work on behalf of this resolution. I hope all my colleagues and the many national, state and local aging organizations will join in support.

In 1972, Congress passed legislation authored by my friend and colleague, Senator EDWARD M. KENNEDY of Massachusetts, to establish for the first time a federal program to provide senior citizens with daily meals served either in congregate settings or in their home. It was viewed then as an important federal initiative to address the growing number of "at risk" seniors who faced hospitalization or time in a nursing home due to malnutrition and poor diet.

During these past 30 years Older Americans Act nutrition programs have done a marvelous job of serving millions of senior citizens with vital nutritional meals and also providing them equally valuable socialization opportunities.

We should also acknowledge those federal programs, which achieve and exceed their mission. The Older Americans Act nutrition programs so ably administered by the Administration on Aging, state and area agencies on aging and thousands of dedicated nutrition providers and volunteers, is one such program.

I hope during the 30th anniversary celebration, we can recommit ourselves to the cause of promoting good nutrition for our older Americans through the Older Americans Act nutrition programs and the many vital private sector programs that complement the public dollars. One such excellent program is City Meals on Wheels that operates in my home New York City. Each year City Meals on Wheels raised millions of dollars to provide senior citizens with weekend, holiday, and emergency meals.

I commend the dedicated men and women who work each day in our senior centers, community centers, schools and other congregate sites serving the meals under the Older Americans Act nutrition program. I also salute the many thousands of people who deliver meals to the homebound elderly. They are a vital link to these older Americans and often their work goes unheralded.

EAST END COOPERATIVE MINISTRY

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. COYNE. Mr. Speaker, I rise today to let my colleagues know about an important milestone in the civic life of Allegheny County, Pennsylvania.

On September 22, 2001, the East End Cooperative Ministry will celebrate its thirtieth anniversary with a dinner at Freehof Hall of the Rodef Shalom Congregation in Pittsburgh.

The East End Cooperative Ministry, Incorporated, consists of 50 local religious institutions. For the past thirty years, the East End Cooperative Ministry has worked to provide food, shelter, training, and other assistance to needy members of our community.

This organization has operated a soup kitchen and provided homeless men and women with shelter. The East End Cooperative Ministry has also helped needy people move from crisis shelter to independent living, and it has provided employment training and life skills to a number of individuals.

The East End Cooperative Ministry has helped hundreds of elderly people with day-to-day tasks and delivered meals to frail and elderly households.

The East End Cooperative Ministry has also been active in providing recreation and developmental guidance to children. Among other activities, the East End Cooperative Ministry has operated a summer day camp for several hundred children, and it has provided leadership and conflict resolution training to more than 500 at-risk youth.

Over the last 30 years, the East End Cooperative Ministry has worked to ensure that the needs of many of the most vulnerable members of our community have been met. On behalf of the people of Pennsylvania's 14th Congressional District, I want to commend the East End Cooperative Ministry for its efforts to alleviate suffering and provide hope to the needy. Thank you.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, July 31, 2001 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

AUGUST 1

9 a.m.

Small Business and Entrepreneurship

To hold hearings to examine the business of environmental technology.

SR–428A

Agriculture, Nutrition, and Forestry

Production and Price Competitiveness Subcommittee

To hold hearings to examine the status of export market shares.

SR–328A

9:30 a.m.

Energy and Natural Resources

Business meeting to consider energy policy legislation and other pending calendar business.

SD–366

Armed Services

To hold hearings on the nomination of Gen. John P. Jumper, USAF, for reappointment to the grade of general and to be Chief of Staff, United States Air Force.

SD–106

Environment and Public Works

To hold hearings to examine the impact of air emissions from the transportation sector on public health and the environment.

SD–406

Commerce, Science, and Transportation

To hold hearings to examine the status of current U.S trade agreements, focusing on the proposed benefits and the practical realities.

SR–253

Appropriations

Labor, Health and Human Services, and Education Subcommittee

To hold hearings to examine stem cell ethical issues and intellectual property rights.

SD–192

10 a.m.

Health, Education, Labor, and Pensions

Business meeting to consider proposed legislation entitled The Stroke Treatment and Ongoing Prevention (STOP STROKE) Act of 2001; the proposed Community Access to Emergency Defibrillation (Community AED) Act of 2001; the proposed Health Care Safety Net Amendments of 2001; S.543, to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits; and S.838, to amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children.

SD–430

Banking, Housing, and Urban Affairs

Business meeting to markup S.1254, to reauthorize the Multifamily Assisted Housing Reform and Affordability Act of 1997; the nomination of Linda Mysliwy Conlin, of New Jersey, to be Assistant Secretary of Commerce for Trade Development; the nomination of Michael J. Garcia, of New York, to be Assistant Secretary of Commerce for Export Enforcement; the nomination of Melody H. Fennel, of Virginia, to be Assistant Secretary of Housing and Urban Development for Congressional and Intergovernmental Relations; and the nomination of Michael Minoru Fawn Liu, of Illinois, to be Assistant Secretary of Housing and Urban Development for Public and Indian Housing and the nomination of Henrietta Holsman Fore, of Nevada, to be Director of the Mint, Department of the Treasury.

SD–538

Finance

To hold hearings to examine a balance between cybershopping and sales tax.

SD–215

Judiciary

Constitution, Federalism, and Property Rights Subcommittee

To hold hearings on S.989, to prohibit racial profiling.

SD–226

10:30 a.m.

Foreign Relations

Business meeting to consider S.367, to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961; S.Res.126, expressing the sense of the Senate regarding observance of the Olympic Truce; and S.Con.Res.58, expressing support for the tenth annual meeting of the Asia Pacific Parliamentary Forum.

SD–419

2 p.m.

Judiciary

Antitrust, Business Rights, and Competition Subcommittee

To hold hearings on S.1233, to provide penalties for certain unauthorized writing with respect to consumer products.

SD–226

2:30 p.m.

Commerce, Science, and Transportation

To hold hearings on the nomination of John Arthur Hammerschmidt, of Arkansas, to be a Member of the National Transportation Safety Board; the nomination of Jeffrey William Runge, of North Carolina, to be Administrator of the National Highway Traffic Safety Administration, Department of Transportation; and the nomination of Nancy Victory, to be Assistant Secretary for Communications and Information, and the nomination of Otto Wolff, to be an Assistant Secretary and Chief Financial Officer, both of Virginia, both of the Department of Commerce.

SR-253

Appropriations

Military Construction Subcommittee

To hold hearings on proposed budget estimates for the fiscal year 2002 for Navy construction and Air Force construction.

SD-138

Intelligence

To hold closed hearings on intelligence matters.

SH-219

4 p.m.

Conferees

Meeting of conferees on H.R.1, to close the achievement gap with accountability, flexibility, and choice, so that no child is left behind.

SC-5, Capitol

AUGUST 2

9 a.m.

Rules and Administration

Business meeting to markup S.J.Res.19, providing for the reappointment of Anne d'Harnoncourt as a citizen regent of the Board of Regents of the Smithsonian Institution; S.J.Res.20, providing for the appointment of Roger W. Sant as a citizen regent of the Board of Regents of the Smithsonian Institution; S.829, to establish the National Museum of African American History and Culture within the Smithsonian Institution; S.565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections; an original resolution providing for members on the part of the Senate of the Joint Committee on Printing and the Joint Committee of Congress on the Library; and other legislative and administrative matters.

SR-301

Agriculture, Nutrition, and Forestry

To resume hearings to examine the proposed federal farm bill, focusing on rural economic issues.

SR-328A

9:30 a.m.

Commerce, Science, and Transportation

Business meeting to consider pending calendar business.

SR-253

Energy and Natural Resources

Business meeting to consider energy policy legislation.

SD-366

Governmental Affairs

Business meeting to consider pending calendar business.

SD-342

Health, Education, Labor, and Pensions

To hold hearings on the nomination of John Lester Henshaw, of Missouri, to be an Assistant Secretary of Labor, Occupational Safety and Health Administration.

SD-430

10 a.m.

Banking, Housing, and Urban Affairs

Financial Institutions Subcommittee

To hold hearings to examine responses to the Federal Deposit Insurance Corporation recommendations for reform, focusing on the comprehensive deposit insurance reform.

SD-538

Budget

To hold hearings to examine social security, focusing on budgetary tradeoffs and transition costs.

SD-608

Judiciary

Business meeting to consider pending calendar business.

SD-226

2:15 p.m.

Armed Services

Readiness and Management Support Subcommittee

To hold hearings on proposed legislation authorizing funds for fiscal year 2002 for the Department of Defense and the Future Years Defense Program, focusing on installation programs, military construction programs, and family housing programs.

SR-232A

2:30 p.m.

Commerce, Science, and Transportation

Energy and Natural Resources

To hold joint hearings to examine the National Academy of Sciences report on fuel economy, focusing on the effect of energy policies on consumers.

SH-216

Veterans' Affairs

To hold hearings on the nomination of John A. Gauss, of Virginia, to be Assistant Secretary of Veterans Affairs for Information and Technology; the nomination of Claude M. Kicklighter, of Georgia, to be Assistant Secretary of Veterans Affairs for Policy and Planning; to be followed by a business meeting to consider pending calendar business.

SR-418

AUGUST 3

9:30 a.m.

Joint Economic Committee

To hold hearings to examine the employment situation for July, 2001.

1334, Longworth Building

10 a.m.

Finance

International Trade Subcommittee

To hold hearings on the Andean Trade Preferences Act.

SD-215

SEPTEMBER 19

2 p.m.

Judiciary

To hold hearings on S.702, for the relief of Gao Zhan.

SD-226

CANCELLATIONS

AUGUST 2

10 a.m.

Indian Affairs

To hold hearings on S.212, to amend the Indian Health Care Improvement Act to revise and extend such Act.

SR-485

SENATE—*Tuesday, July 31, 2001*

The Senate met at 9:30 a.m. and was called to order by the Honorable DEBBIE STABENOW, a Senator from the State of Michigan.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Sovereign God of our Nation, we ask You for the supernatural gift of wisdom. In the Bible You tell us wisdom is more precious than rubies, more important than riches and honors. Solomon called wisdom a tree of life to those who lay hold of it. Your gift of wisdom enables true success, righteousness, justice, and equity. The Talmud reminds us that with wisdom, we can turn our lives back to You in authentic repentance and commit ourselves to do the good deeds that You guide.

James, the brother of Jesus, extends Your clear invitation to receive wisdom: "If any of you lacks wisdom, let him ask of God, who gives to all liberally and without reproach, and it will be given to him."—James 1:5. Bless the women and men of this Senate with a special measure of wisdom today.

We are grateful for the immense contribution to the Senate of the leadership of Sergeant at Arms Jim Ziglar. Thank You for his friendship, his outstanding executive skills, and his commitment to excellence in all he does. Bless him as he moves on to new opportunities and challenges in his ongoing dedication to serve You in government. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable DEBBIE STABENOW led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 31, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DEBBIE STABENOW, a Senator from the State of Michigan, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Ms. STABENOW thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

SCHEDULE

Mr. REID. Madam President, today the Senate will resume consideration of the Agriculture supplemental authorizations bill. Senator LUGAR, under a previous order entered, will be recognized to offer the House-passed act as an amendment or, in fact, whatever he desires to offer. Rollcall votes will occur on amendments throughout the day. The Senate will be in recess today, as is normal on a Tuesday, from 12:30 to 2:15 for our weekly party conferences.

The majority leader, Senator DASCHLE, has asked me to announce that he wishes to complete this bill this week, also the Transportation Appropriations Act, the VA-HUD appropriations, and the export administration bill.

JIM ZIGLAR

Mr. REID. I would just say, Madam President, quickly, that I appreciate very much the prayer of the Chaplain today mentioning Jim Ziglar. When he came to the Senate he had been a longtime friend of the majority leader, Senator LOTT. A lot of us were somewhat anxious that he would be an extreme partisan. Senator LOTT did very well in choosing Jim Ziglar.

Jim Ziglar has a brilliant mind. He has an outstanding law school record. And he served as a clerk in the U.S. Supreme Court to Justice Blackmun. He was in the private sector where he did extremely well. As Sergeant at Arms, he was an exemplary member of the Senate family. I know that as the leader of the Immigration and Naturalization Service he will bring vigor and intelligence and responsibility to that most important office.

So I appreciate very much the prayer of the Chaplain today mentioning Jim Ziglar, who has become a friend to all of us.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

EMERGENCY AGRICULTURAL ASSISTANCE ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 1246, which the clerk will report.

The senior assistant bill clerk read as follows:

A bill (S. 1246) to respond to the continuing economic crisis adversely affecting American agricultural producers.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Indiana, Mr. LUGAR, is recognized to offer an amendment.

AMENDMENT NO. 1190

Mr. LUGAR. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report the amendment.

Mr. LUGAR. I ask unanimous consent that the amendment not be read in full.

The ACTING PRESIDENT pro tempore. The clerk will report the amendment by number.

The senior assistant bill clerk read as follows:

The Senator from Indiana [Mr. LUGAR] proposes an amendment numbered 1190.

The amendment is as follows:

(Purpose: To provide a substitute amendment)

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agriculture Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payment under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) Supplemental Payment.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) Special Rule for Georgia.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool, and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(A) Base State Grants.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) Grants for Value of Production.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $43,670,000.
(5) Arizona, $3,430,000
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000.
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $41,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) Specialty Crop Priority.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) Specialty Crop Defined.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oil-seeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) Conditions on Payment to State.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) Conditions on Payment to State.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2001 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.".

(b) Additional Disbursements From the Indemnity Fund.—Subsection (d) of such section is amended to read as follows:

"(d) Additional Disbursement to Cotton Ginners.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims.".

(c) Conforming Amendment.—Subsection (c) of such section is amended by striking "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) Deadline for Expenditures.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) Total Amount of Expenditures.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) Promulgation.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

The PRESIDING OFFICER (Mr. CORZINE). The Senator from Indiana.

Mr. LUGAR. Mr. President, I appreciate the agreement arrived at by the distinguished majority leader and the Republican leader for the beginning of this debate on the supplemental farm emergency amendment.

I cannot emphasize, as the Chair knows as a member of the Senate Agriculture Committee, the importance of this moment for agricultural America, for those who have hopes that we will be successful in this endeavor. I simply pay tribute to our leadership on both sides of the aisle for attempting to frame the debate in this way: by beginning with giving me this opportunity to offer an amendment.

Let me be clear that the bill before the Senate now came by majority vote from the Senate Agriculture Committee. For Members who have followed the debate yesterday—and for those who have not—we had a full debate in the committee during which I offered a substitute amendment to that offered by our distinguished chairman, the Senator from Iowa. Essentially, my amendment called for the expenditure of $5.5 billion. It was apportioned through a number of items, about $5 billion-plus of that through the so-called AMTA payments, these payments that have been made to farmers who, as part of the farm program, have had program crops in the last several years.

It has been the responsibility of the Senate and the House—our Government—to make additional AMTA payments in recent years in addition to those provided by the farm bill in 1996. The reason we have chosen the AMTA framework is that the farmers to be paid are known, their names and the addresses of these farms. They have been a part of the program. As a result, their crop histories are expeditious.

Members of the committee from time to time have raised questions as to: Why these farmers? Why should people who are in corn, wheat, cotton, and rice be the recipients? There is no equitable answer to that. Most of these debates have occurred in an emergency context such as the one we now have.

This is July 31. By definition of the fiscal year, the payments have to be cut and received by September 30. So as a result, for programs that do not have an AMTA history and which are not clear about the criteria or the recipients, those checks cannot physically get there by the 30th.

We found last year, in making a larger list of recipients, that a large list of new program procedures had to be formulated by the Department of Agriculture. That happened, and in due course the checks were cut, but frequently it was a hiatus of 6, 7, 8, 9 months. That is a part of the issue today. We are talking about the fiscal year we are in that ends September 30 and how money might be received by farmers.

Farmers listening to the debate are very interested in this. The testimony we have heard is that they are counting in many cases upon these payments. More to the point, many of our country bankers are counting on these payments, counting on meeting with farmers to settle planting loans from this season's planting and the hope; therefore, that there might be loans for planting next year in the case of farms that are in that situation, literally, needing loans from year to year to continue on in business. That is why there is an emergency aspect involved.

I have sought recognition this morning at the early part of the debate because I sense that we may be successful, and I have some premonition of disaster if we are not, as I read in the press, in the newsletters, in all of the communications that come to us about all the ways in which this particular debate might go. I will not try to be a prophet. My own optimistic spirit is that the debate will go in a constructive way, and that is the purpose of this amendment.

I will not offer the amendment this morning, though I offered it in committee. It did have a limit of $5.5 billion. I thought it was reasonably well constructed as a compromise of various interests within the committee.

Instead, the amendment I have sent to the desk—and I ask for its immediate consideration—is the identical language of legislation that came from the House of Representatives. It is a bill already adopted by our friends in the House Agriculture Committee and the House of Representatives as a whole. It is passed. At some point, probably very quickly, we will have to come to grips—this week, for example—with what we will do if we pass legislation different from that which the House has passed.

The conventional wisdom is, of course, we would have a conference between Members of the House and Senate. We would try to reconcile our differences. We would report back to the two bodies at some time during this week. Presumably because of the emergency, priority would be given to this conference report. Hopefully, both Houses would pass what we do and send it to the President.

The President has left no doubt what he will do if in fact this comes to him in some form with a pricetag higher than $5.5 billion, all to be spent in this fiscal year. We had, first of all, at the time of our committee debates, a letter from Mitch Daniels, Director of the Office of Management and Budget. Mr. Daniels said he would not recommend that the President sign a bill of more than $5.5 billion in this fiscal year.

That was fairly mild in comparison to the letter read on the floor by the distinguished Senator from Pennsylvania yesterday, which was received by many Members and which, after a lot of conversation, including the President of the United States, rather vividly in much of it—the letter came to us and said the senior advisers of the President would advise him to veto the bill if it has more than $5.5 billion and extends beyond this year. They gave reasons for that, and these are debatable, and I am sure we will hear debate about them.

Madam President, there is no doubt in my mind, nor should there be in the minds of other Senators or of the farmers in this country or of anybody listening to this debate, what is going to occur in the event we finally come to a conference and we have a result other than something less or $5.5 billion.

That being the case, I have suggested to the Senate, and in fact taken the action of offering it as an amendment, that if we are serious about coming to a conclusion on this farm bill, we had best at this point adopt the House language. This is not my language. It is not pride of authorship. It is not my way or no way. I have already had a try at it and lost 12–9 in the Ag Committee on what I thought was a pretty good suggestion. That is another day.

We are now in Tuesday of presumably our final week. The distinguished majority leader has said we are going to stay at this, not just this week and this weekend but until we pass a bill. I have no doubt we will pass a bill. The point I am making is, it had better be one the President will sign or at the end of the trail we will not have legislation. We will have an issue. Members may say: The President was wrong; he should not have done that. The President and his supporters will affirm that he was absolutely right.

The net effect, however, for farmers listening to all of that, as we sort out the relative praise and blame, will be that they have no money. That I start the debate with and will probably repeat several times because it is a very critical element.

If the House bill which I have offered today as an amendment did not have a lot of merit, I would not have taken the step this morning to suggest to my colleagues they adopt something that was without the merit at least that I believe it has.

I want to offer, as introduction to the discussion of this House bill and my amendment, a letter that was received yesterday by TRENT LOTT, our Republican leader. It was written by three distinguished Members of the House of Representatives; namely, CHARLIE STENHOLM, the distinguished ranking member of the Agriculture Committee from Texas; JOHN BOEHNER from Ohio; and CAL DOOLEY from California. They essentially were authors and major advocates in the House of the legislation that finally emerged. They say:

> It is our understanding the Senate will begin floor consideration this week on the Fiscal Year 2001 Agricultural Supplemental Assistance bill. We are writing to urge the Senate to stay within $5.5 billion provided for FY2001 in the budget and to approve this measure immediately in order to provide the assistance prior to September 30, 2001 as required by the 2002 Budget Agreement.
>
> As you know, the House reported a bill that will spend $5.5 billion to assist our farmers and ranchers this fiscal year. After much debate in the House Agriculture Committee, we determined that spending more than $5.5 billion would limit our flexibility as we write the 2002 Farm Bill. We believe that if we spend more than the money allowed for fiscal year 2001, we will be borrowing against American agriculture's best chance for a comprehensive safety net.
>
> Last week the House Agriculture Committee approved a landmark farm bill that will provide a safety net for our farmers, fund conservation at an unprecedented levels and renew our commitment to needy families. Passage of agricultural assistance legislation beyond $5.5 billion will imperil these critical needs.
>
> We urge you to remain within the $5.5 billion so that we can provide long-term solutions for America's farmers and ranchers. Thank you in advance for your consideration of this request.

It is signed by the three distinguished Members.

We likewise, Madam President, heard from a good number of our colleagues on the floor yesterday that they appreciate the point of the House. They disagree with it—and Members will disagree with a number of our approaches—in part because all are compromises between interests that have a lot of merit.

For example, in the amendment I offered in committee, the AMTA payment was somewhat over $5 billion. In the amendment we are looking at today, the House legislation, the AMTA payment is somewhat better than $4.6 billion—about $400 million less. Legislation offered by the distinguished chairman of our committee, Senator HARKIN, offers about $400 million more in the end.

If we take an example, for the corn farmer—and I admitted yesterday I am one—this is bad news. Moving from, say, $5.4 billion, or some such figure in the AMTA payment, even to $5 billion is difficult, and $4.6 billion is very difficult; likewise, wheat farmers, cotton farmers, rice farmers. What goes on here? In the old days, the only crops we were talking about were the program crops as I outlined yesterday that started in the 1930s. That is the way it has been all these years.

Now suddenly, in a $5.5 billion bill only $4.6-plus billion is devoted to us. After all, we farm the majority of the acreage and, in terms of crops, the majority of the value.

Livestock producers would say: Welcome. We were never in on the deal to begin with. Program crops meant crops. They did not mean hogs and cattle and sheep. In fact, we will take a look at this situation. We are already in some anxiety as, say, cattlemen and people who produce pork, as we heard in our committee last week.

What do these programs do to feed costs? Is there an input problem for us already in what agriculture committees have been doing cumulatively? We thought there might be, and that would be bad news if one were getting no AMTA payment or consideration. In fact, we are seeing potential costs increase in the programs to help various people.

My only point is within American agriculture there are many diverse, even competing, views among those who produce livestock, feed livestock, and those who produce the feed. If there was one integrated operation, perhaps it all works out, but as we have heard, many farmers in America do one or another or various things. So they are all going to look at this bill and say: What is in this for us?

The amendment I have offered will be a disappointment in that respect because it is a compromise. It suggests that in order to accommodate a number of interests, and some say even in the House bill not nearly enough, there is some division of what might be coming in a more whole form in the AMTA payment.

I make that point explicitly because on our side of the aisle I have heard Senators say they want the bigger AMTA payment. I am not so worried about specialty crops or about poultry or livestock. As a matter of fact, I am worried about cotton farmers, rice farmers, wheat farmers, and corn farmers. I understand that. As a matter of fact, this is a part of the business of legislation, trying to find and meld these competing interests.

In any event, we have that predicament at the outset, which I admit. As I said at the beginning, I offered the amendment because I see this potentially as a way in which we will have a bill. I fear if we do not have a solution along those lines we will not have a bill.

Let me go explicitly into the amendment that has been offered this morning. As was suggested by our distinguished Members of the House, whose letter I read, led by Congressmen STENHOLM, BOEHNER, and DOOLEY, on June 26, the House passed H.R. 2213, which provided for $5.5 billion in broad-based market loss assistance to the Nation's farmers and ranchers. The assistance must be provided to farmers by September 30 of this year, the last day of fiscal year 2001.

This market loss assistance is above and beyond $21.7 billion in payments in fiscal year 2001 that the Congressional Budget Office now estimates is already being provided to farmers in this fiscal year under current law commodities support and crop insurance programs. Excluding the new farm assistance we are now considering, the Agriculture Department projects United States net cash farm income for 2001 at $52.3 billion, down $3 billion from last year's $55.3 billion.

As I mentioned in the debate yesterday, herein lies the reason at least the Budget Committees of the Senate and the House allocated the $5.5 billion for this year. They saw a gap. As I recall, they estimated the gap then, in January and February, at $3 billion or $4 billion. With updated figures, we now see an estimate that there is about a $3 billion gap between the $52.3 billion in net cash income last year and what was expected for this year.

Farm income last year was supported by nearly $23 billion in direct payments to farmers, which at that time was an all-time high. If we enact H.R. 2213, the amendment I have offered, in a timely fashion, net cash farm income for this year, based on the current USDA projection, would rise to $57.8 billion, $2.5 billion above last year's level. We will have made up the $3 billion gap and exceeded that by $2.5 billion with a $5.5 billion expenditure.

H.R. 2213 provides for $4.622 billion in supplemental market loss payments. These are payments to producers enrolled in the 1996 farm bill's Agriculture Market Transition Act, the AMTA acronym. These farmers have contracts, and the bill says the payments come to them throughout the entirety of the 7 years of the bill. That is the AMTA payment, $4.622 billion.

The second provision is $424 million in market loss payments to producers of soybeans and other oilseeds. My first question on this provision was: How will the $424 million in these market loss payments to the soybean and oilseed producers get to them by September 30? The answer to that question, and that will be roughly the same answer but I will be explicit all the way through this list, is they are the same producers who received the money last year.

It was not easy to make the payments last year, and this called for an enormous amount of research and guidance through the whole process, but the results of all of that activity are that there is now a list. The expedition of the payments will be the $424 million goes to those same people and can be paid, if we make a decision to act this week, by September 30.

Next comes $159 million in assistance to producers of specialty crops such as fruits and vegetables. Here we do not have lists of who received the money last year, and therefore the provision in the House bill is there would be grants to the States. Now, the States will have to work out who gets the money within their States, but for the purposes of this act the money is dispensed by the Federal Government to the States before September 30. Therefore, technically, it is out of the Treasury before the fiscal year ends and fits within the $5.5 billion in that way.

That implies a great deal more activity, understandably, for equity for the specialty crops as it goes to the various States and farmers work with their State governments.

Then we have $129 million in market loss assistance for tobacco. This goes to quota holders, who are a well-known group, and payments have been made to these persons in the past.

The next provision is $54 million in market loss assistance for peanuts. Likewise, there are quota holders for peanuts, a well-known list for these producers. The money can be paid to them by September 30.

The same is true for the next provision, $85 million in market loss assistance for cotton seed; the same for $17 million in market loss assistance for wool and mohair producers; the final provision in the House bill is $10 million in emergency food assistance support. This emergency assistance support will go for commodities for the school lunch programs and other important and nutrition programs. Those moneys will be spent before September 30. These are the provisions of the House legislation. That is the total list of provisions.

H.R. 2213 utilizes the full $5.5 billion in fiscal year 2001 provided in this year's budget resolution for farm market loss assistance. It does not touch the $7.35 billion in fiscal year 2002 funds that the budget resolution also provides either for supplemental farm assistance for the 2002 crops or to help the Agriculture Committee write a new multiyear farm bill. That very statement is, of course, the source of some debate. There are Members who say: Why not reach into the $7.35 billion? After all, it is there. The Budget Committee certainly mentioned it. Perhaps the Budget Committee, in mentioning it, implied that the agricultural crisis goes on next year. As a matter of fact, one can suggest the Budget Committee, in talking about over $70 billion payments over 10 years, implies the crisis goes on forever, or at least for 10 years almost at the same level of crisis, maybe with a a few ups and downs, $10 billion payment one year, $5 billion the next, and so forth.

If we adopt this thinking, it makes almost no difference when the money is spent because the crisis goes on and people think if you can't pick it up in this bill, you might try the Agriculture appropriations bill and find an emergency there to provide additional funds.

Sponsored by Congressmen STENHOLM and BOEHNER, whom I mentioned before, the House bill finally represents a bipartisan compromise. It was not easy to come by. Stenholm-Boehner-Dooley, and others I have cited, had contending parties within the House Agriculture Committee. Many people, as I read the debate, asked, What about us? They mentioned various considerations: if we were sending money to farmers, they wanted their fair share, including the brokering of all of that, with payments that could be made physically by the end of this year.

It was not an easy task. Nevertheless, they mastered it in the House. It came out of committee well over a month ago. Their bill passed the House of Representatives by voice vote. Perhaps the House Members, by the time they listened to all of this debate, figured the Agriculture Committee people suffered enough; that they had undergone the agonies and did not want a repetition.

It is remarkable that this body takes a very different view. It appears we are going to have an extensive debate that may go on for days. The House people were able to do this by voice vote. One reason they did so is that they heard from farmers, they heard from their constituents, and the farmers said: Get on with it; we don't want an argument; we understand you are doing your very best. The House people understood most of the Members on the floor of the House were not farmers; they were advocates for farmers. They were doing the best for their constituents who were farmers, but at some point the constituents would say; don't overlawyer me; don't over advocate me; try to get on with a result because September 30 is coming quickly. Now, granted, such voices will be heard coming from agricultural America to this body.

As I indicated at the outset, and the reason I offer this amendment, this amendment offers, I believe, the opportunity to get a result. The bill before the Senate today, which I have sought to amend, represents a very different approach that came out of the Senate Agriculture Committee. The approach is that $1.976 billion in fiscal year 2002 would be spent in addition to the $5.5 billion in the current fiscal year. A significant portion, therefore, of the fiscal year 2002 budget authority is used to fund this farm bill provision as opposed to the emergency that may arise next year or the farm bill which presumably will come out of our committee and set some charter philosophy for the future. The House already passed such a bill. We may or may not agree with it. In any event, they have a pretty full picture now of their activities.

The bill offered by the distinguished chairman of our committee, Senator HARKIN, for example, provides $200 million for the wetlands reserve program, WRP; $250 million for the environmental quality incentive programs, EQIP; $40 million for the farmland protection program; $7 million for the wildlife habitat incentive program; $43 million for a variety of agricultural credit and rural development programs; and $3 million for agricultural research. The outlays from some of these programs would be spread over a number of years, well beyond fiscal year 2002.

I mention these programs because I support these programs. I have been a major advocate for agricultural research, not only of the formula grants to our great universities but cutting-edge research where anyone can compete to try to go out after the most pervasive hunger problems on Earth, or go after production problems, genetic problems, the whole raft of things that are very important for humanity. I think we ought to be about this in a very serious way. The EQIP program that I cited is extraordinarily important. It is at least a way in which our livestock producers can stay alive while meeting the requirements of the EPA or other environmental considerations that impinge very markedly on their operations. As we consider the farm bill in the Senate as a whole, I would be an advocate of doing a great deal more. I have saluted our chairman, Senator HARKIN, for his championship of conservation programs. Both the chairman and I, as we speak, are missing a hearing on conservation programs and we regret that because these are people who are in the field, championing things that we believe in very strongly.

There is an argument, which you will hear in due course as the farm bill is presented, between those who advocate a lot more for conservation and maybe less for crop payments and subsidies of that sort and much more for the EQIP program that helps livestock people and maybe less for support of certain crops. Those are the tradeoffs, again, and the difficulties within the whole agricultural family that we finally have to face. But it would be very difficult to argue, in the sense that we are attempting to get emergency money to farmers to pay the county banker and get the money to them by September 30, that these broad-gauged, important programs of research and conservation for America belong in this particular emergency supplemental bill.

Our distinguished Senators will offer: "They certainly do. And why not?"

And: "If we believe in them, why not do more of them?" And: "Why not now?"

Earlier in the debate I pointed out one reason, as a practical matter, is that President Bush has said he will veto the bill if it is more than $5.5 billion. One way, perhaps, for the distinguished Senator from Iowa to remedy that is to downsize everything in his package to about five-sevenths of where he is, get it under $5.5 billion. But that, of course, then gets into an argument between the people who want more AMTA payments, crop payments, as well as those who want to take care of conservation and various other aspects all in this same emergency bill which is not a full-scale farm bill by any means.

As a result, we have that dilemma, and I come down on the side of saying we try to do the conservation, the research, the EQIP, and the farm bill as opposed to the suggestion in this day's discussion.

Let me just comment further that, with the program improvements we made in the Agricultural Risk Protection Act of 2000—that was the very important debate on crop insurance—participation in crop insurance has risen sharply, as we hoped it would. Without repeating even a portion of that important debate, the point of last year's discussion about this time was that crop insurance can offer a comprehensive safety net.

For example, take once again a personal, anecdotal experience with my corn and soybean crops. This year I have about 200 acres each on the Lugar farm in Marion County in Indiana. We have taken advantage of the legislation we talked about last year and we purchased the 85-percent revenue protection. Very simply, this means that our agent takes a look at the last 5 years of records of production and that gives a pretty good baseline of what could be anticipated from those fields and, simply, we are guaranteed about 85 percent of revenue based upon the average crop prices for those 5 years. At the present time, the average for the last 5 years is higher than the current price. It may rise and meet that average.

So, as a corn farmer, for example, I know I am going to get 85 percent of a higher price than in fact is the market now, at least on the average production I have had. So I do not have the problems of the bad weather one year, or so forth, affecting that abnormally. The net effect of that is, as a corn farmer, before I even planted the crop this year, I knew that x number of dollars were at the end of the trail—as a matter of fact, a pretty good number of those dollars that I could expect in a reasonably good year. That is a safety net that is very substantial any way you look at it.

Many farmers may say: I have never heard of such a program.

That is a part of our problem, the educational component, trying to understand what crop insurance and marketing strategies, and so forth, are all about. For instance, once guaranteed this income from that cornfield, I could be alert for spikes in the market that come along and make forward sales of corn when prices were up. I am not beholden to sit there and hope the Lord will provide at the time I ship it in, in the fall. So I can enhance that 85 percent a whole lot. So can any corn farmer in America who hears these words this morning and adopts such a policy.

But we in the Senate and the House provided that. The President signed it last year. One of the problems of it is that it costs probably about $3 billion a year. I mention that because that—we are not debating that this morning—flows right along. It is a part of the base as well as these AMTA payments that are made, regardless of what we do, or the loan deficiency payments made at the elevator even as we speak.

So the safety net already is very heavy. But I mention with those improvements—and I think they were constructive ones—a part of our problem remains information dissemination, education on marketing insurance strategies in the hope that farmers will take advantage of actions the Congress has already taken.

In addition, as to what we do today, we will be hearing soon from the Agriculture Subcommittee of the Appropriations Committee. Typically, that subcommittee takes a look at miscellaneous disasters of all sorts throughout the United States. I cannot remember an Agriculture appropriations bill that did not take into consideration weather disasters. But sometimes there are other disasters. In other words, it provides still an additional safety net for events that seem extraordinary and beyond anything we have considered or that could have been helped with crop insurance or any of our AMTA payments that flow whether or not you even have a crop.

Overall, the bill of the distinguished Senator from Iowa, the underlying bill in this debate, provides $6.75 billion in supplemental farm assistance for 2001 crops and $750 million in other spending over 2 fiscal years. It leaves, now, $5.35 billion for the supplemental farm assistance of next year and very likely, in my judgment, will create a funding shortfall for that farm assistance. Senators can argue maybe no assistance will be required so why not try it this year. But that is a value judgment.

The President, the White House, and others, have come to the conclusion that this year is this year and we ought to look at next year on its merits because any way you look at it, $2 billion borrowed from next year theoretically could be spent for anything in America; there is no obligation to spend that $2 billion on emergencies. For example, without getting into a debate that is deeper than I want to get today, by next year people could say: In fact we take very seriously the problem of prescription drugs for the elderly under Medicare. We take very seriously Social Security reform. How are you folks going to pay for that?

We might say: Well, the $2 billion will never be missed. It was simply a part of a debate we had awhile back. But every $1 billion is going to be missed when we come to those fundamental issues.

Agriculture is a part of this general amount of $1 trillion that the President discussed in the State of the Union Address. As he outlined his assurance to the American people that we have to be thoughtful about Medicare, about Social Security, about education, and about health generally, he said there is still this contingency of about $1 trillion from which we make the reforms in Medicare, from which the supplementary legislation for prescription drugs for the elderly come, Social Security reform, and agriculture.

There are a number of people in both the House and the Senate committees who say we had better get busy because when this general debate gets going, if we have not pinned down the agriculture money on all four corners for the next 10 years, Katy bar the door. People are likely to take a look at priorities.

I understand that. This $2 billion reaching across the line is not an egregious misstep. And clearly one can argue the Budget Committee provided this liberal interpretation. But $2 billion is $2 billion, and it is an expenditure. The Senate must determine priorities; the House has. They have said $5.5 billion, and the President said that is the only figure he is going to sign. We may, once again, get into that kind of argument in behalf of farmers. We are strong advocates for farmers.

But farmers, by and large, will say: Pass the bill and cut the checks because we have an appointment with the banker. You can have your argument when you come back.

It is a good argument for farmers as well as for other Americans.

The President's advisers in advising the President to veto this bill made a number of statements with regard to the need for it at this time. This is an important part of the debate. Members, in fact, yesterday got into this in a big way. The most common way of getting into this is for a Senator to address the Chair and say, I have been to this county seat or that county seat or on my friend's farm. Anybody who does not understand the profound suffering and difficulty has just not been there and doesn't have eyes to see. All over America people are in grave trouble. Each one of us from a farm State, as a matter of fact, could cite hundreds of instances of farmers who are having severe difficulty. There is no doubt about that. I simply state that as a basic premise for the debate.

If there were any doubt about it, we would not be debating $5.5 billion of emergency payments on top of over $20 billion of support that Congress has already voted. That is a lot of money, but I understand that a vast majority of Senators are in favor of legislation that would be helpful in this respect. We are not talking about a situation in which the needs have not been perceived, but at the same time in reality sometimes people can overstate this. That is always dangerous to do.

I have found in meetings with farmers around my State that, by and large, most people do not want to have a cheerful meeting. There are not a lot of good-news apostles coming forward and pointing out how well they are doing. In fact, that is totally out of the question.

I made a mistake at a meeting a while back in pointing out that on my farm we had made money for the last 45 years without exception. You don't do that, I found out. No one wants to hear that because, as a matter of fact, it just isn't true for most people. And they would say that for some it has never been true for the 45 years. They lost money for all of the 45 years, or at least essentially that is the case. I hear that.

On the other hand, let me say that essentially there has been some modest improvement in agricultural America. For example, world markets that are extremely important to the growth of the U.S. sector show some promise of increase this year. That is amazing on the face of it. The reason why our export sales fell out of bed 4 years ago was not because we were not competitive in this country. The price of rice and the quality were good, but anybody reading about the Asian economies understands that they had severe banking difficulties. The IMF even to this day has not been able to cure it in some instances. As a result, we lost about 40 percent of our exports to the Asian sector in 1 year's time. That was a big hit. That really meant that 10 percent of our exports overall vanished overnight—not through any misdeed of American agriculture but because of the lack of demand and lack of effective money to buy it. Much of that has not yet been restored. There is always the possibility. We wish that the Indonesian economy would get healthier in a hurry. We are grateful for some good news from Thailand and South Korea. The Japanese are always big customers but not any bigger. This is not an economy that is growing. We all are working with our friends there to try to restore some activity.

In the European case, we have been hit—not on the questions of price or income but on biotechnology—with essentially all of our corn being exported and very few soybeans. That is a real problem.

Our export sales fell to $49 billion in 1999 but are forecast to increase to $53.5 billion in 2001—an increase of $500 million, as a matter of fact, over the forecast by USDA in February—with livestock products, cotton, and soybeans accounting for much of the gain over the previous year. That is truly good news.

Export levels in 2001—the year we are in—are still well below the record highs of 1996. Primarily in response to these problems that I have cited in Asia, and production increases by competing exporters that sometimes are becoming much better at the task, nevertheless, sales appear to be increasing significantly.

During the first half of fiscal year 2001, the surplus in U.S. agricultural trade grew to $9.4 billion, almost $2 billion more than the same period last year. Year-to-date exports are $32.4 billion, $1.8 billion higher than they were during the same time period of last year, primarily due to $1.5 billion in more shipments of high-value products. That includes significant gains in livestock and feed, but bulk commodities have also contributed modestly to that.

Although the intermediate term outlook for agriculture is clearly uncertain at this point, it is clear that many underlying farm economic conditions are stronger this year than last year. Farm cash receipts could be a record high for 2001, driven primarily by a nearly 7-percent increase in livestock sales while crop sales could increase by as much as 1 percent. That scenario depends on $15.7 billion in direct payments from the Federal Government.

Those taking a look at this situation could say that is still not the real market. The sales are up because the Federal Government already has put up $15.7 billion, and we are about to put up at least $5.5 billion more. But, nevertheless, it is up rather than down.

As I pointed out earlier, if we had the $5.5 billion in my amendment, we are clearly going to have a net cash income situation that is at least $2.5 billion stronger than last year.

The projected increase in sales for 2001 is projected to more than offset the decline in Government payments and will boost gross cash income to $234 billion, up slightly with the bulk of the increase from livestock. Net cash income is forecast to decline $3 billion, as I pointed out earlier. That is why the $5.5 billion in my amendment takes care of that, plus $52.3 billion for the year, albeit through the health of the American taxpayers generally.

Therefore, the outlook for 2001 farm income performance includes:

Livestock sales, up 6.7 percent; Crop sales up 1 percent; gross cash income up .1 percent; and net cash income down—before we act—5.4 percent. And we remedy that with the $5.5 billion we are about to adopt, I hope. If you take a look at the balance sheet for agriculture, that is somewhat more promising.

Overall, the agricultural sector was strong throughout the year 2000, with part of that strength coming from strong balance sheets. Assets in 2000—the year previous—increased 3.6 percent and reached $1.12 trillion. Farm debt increased 4.1 percent to $183.6 billion. But farmers' equity increased 1.4 percent to $941.2 billion. For many observers that is astonishing. This being a year or 2 or 3 or 4, however you count it, of an agricultural crisis, the net worth of farmers as a whole has increased every year. It increases this year as compared to last year. Total farm debt has still stayed well under constraints at a very modest percentage of that overall equity.

During the mid-1990s, farm debt rose steadily at $5 to $6 billion annually. That clearly is not the case as farmers were much more prudent during this particular period.

The value of livestock and poultry, machinery, purchased inputs, and financial assets are all expected to increase this year, but the value of stored crops could decline modestly as a part of that asset situation.

Farm operators and lenders learned during the crisis of the 1980s that ill-advised borrowing cannot substitute for adequate cash flow and profits. In addition to gains in farmland values, cautious borrowing has kept the sector sound.

The farm sector equity growth continues. During the 2001 forecast, we see a moderate increase in debt, suggesting modest levels of new capital investments financed by debt, and a very low incidence of farms borrowing their way out of cash flow problems.

I mention that because of testimony we heard from farmers who need the $5.5 billion in our amendment. But at the same time, they are paying back their loans. They are not in a crisis situation with the country banker. And the country bankers need to make the loans because they do have a relatively sound market situation.

Land prices: Cash rents reinforce economic strength and suggest investment is profitable for many farmers. That raises another issue because, in fact, with land prices rising each year—and I cited yesterday sector by sector all over the country land prices have been rising throughout this decade. The young farmer coming into this picture, trying to buy land or to rent land, with rents going up every year, has raised some questions about our farm policies.

They have said: You folks in the Senate and the House are busy sending payments to farmers. They are capitalizing that in the value of the land.

They are charging more rent. How are young farmers such as ourselves ever going to get in the game?

We say: We will try to give you some low-cost loans. And the Presiding Officer, from his background in finance, will immediately recognize that these policies have some contradictions. On the one hand, we are doing our very best to boost income and the net worth, the balance sheets. I pointed, with pride, to the fact that we have some strength here. But it is not strength to everybody. The competing sectors, once again, are fairly obvious once you get to the fissures in our farm policy.

Nothing we do today will remedy that problem specifically. We are talking about an emergency. We are plugging in the net income, but it is all a part of this picture of well over $20 billion of Federal payments and who gets them, how are they capitalized, how does that work out in balance sheets, and for which farmers.

These are important issues. The chairman of our committee has had to try to resolve that within the committee. I salute him. As chairman for the 6 previous years, I had that responsibility. It is not easy, as you take a look around the table just in the Ag Committee, quite apart from the Senate as a whole. Therefore, I have had modest arguments in favor of the amendment I offer today. It is clearly not meant with the wisdom of Solomon. It is a pragmatic approach to how we might get action on the Agriculture bill as opposed to having a monumental argument for many hours and perhaps a veto at the end of the trail.

Let me just simply say that clearly the bill the Senator from Iowa has offered is different from the House bill—significantly different—and no less a group than the White House people have pointed out the difference and indicated the action they would take if that difference was not resolved.

So my hope is that essentially Members will gather as much of this together as they wish and try to distill at least the picture of agriculture in America that I have suggested and come to a conclusion that the amendment I have offered in a way—hopefully, with as much equity as possible on both sides of the aisle, and for farmers all over America—resolves our problem.

It would be unseemly to try to point out all the other scenarios that could happen if my amendment is not adopted. But let me just describe very clearly a part of the task ahead of us if we do not adopt the House language.

Whatever we adopt has to have a conference. I have cited that the bill the Senate Agriculture Committee passed the other day, maybe inadvertently, appears to touch at least three different House committees that have jurisdiction over some of this material. Maybe all of them will be happily cooperative in these final days, but I am not certain that is the case.

As I take a look at the chairmanships, the ranking members, and the general views of some of these committees—and they are not all Ag Committee people—they have other views. Maybe the distinguished Senator will excise various items and try to get these folks out of the picture. That would be helpful.

I have suggested he might downsize all of his items by five-sevenths and get it under $5.5 billion. Maybe that is a pragmatic solution to that. As he does so, of course, he will run into the same problem I have. He will run into people who want a bigger AMTA payment, and say: By golly, I am not going to vote for that bill unless the AMTA payment is at least as it was last year and the year before. I can't go home and see my cotton farmers and my corn farmers with anything less. Whether we have any money or not, I am going to fight to the very last hour to get that dollar, if I can.

Or you run into the so-called specialty crops people. Strawberry farmers have said: We have not been in on this business before. Why not?

Apple growers will say: We have a special problem this year. Without some payments, it is curtains for us.

It goes down through the line. So the chairman has to face all these people. He has already promised the AMTA people that they get the same as last year. That takes almost all the $5.5 billion. It is no wonder that the bill spills beyond $5.5 billion. It is—without any disrespect—a collection of the wish lists of members of the Ag Committee thrown together, listed ad seriatim. When you add up the total, it happens to come to $7.4 billion-plus.

You can say: Why not? But I am suggesting the "why not." I think it is fairly clear it does not come close to our friends in the House. It does not come close to the requirements of the President to sign the bill. Although it may satisfy Members who say we have to go home and say we did the very best we could, that will not satisfy American farmers who, in the end result, do not get the money.

Let me just add, if there is anybody in this body with a perverse belief that we should be doing nothing here—in other words, in his or her heart of hearts who says, why are we having another farm debate; Is there no end of expenditure that is required?—if such a Member exists who perversely says, these folks, out of their own overlawyering and overadvocacy, will kill each other off, the net result at the end of the day will be zero expenditure, and that is a good result because that leaves $5.5 billion for something else in life that is more important—there could be a problem.

I suppose my suggestion would be, if there is not a constructive majority on my amendment, those folks will be interspersed with those purporting to be friends of farmers and suggesting more and more. The two extremes will finally get their wish, which is no bill.

I am not one of them. In a straightforward way, we have offered a pragmatic solution—not my own bill, not one that I find has extraordinary merit, but one that I believe has enough merit to be the basis for a good conclusion of a lot of difficulty in farmland and a lot of difficulty we have as legislators. It is something to broker all the interests of America into this particular situation.

At the appropriate time, I am hopeful Members will vote in favor of the amendment. I have been advised that there may in due course be a motion to table my amendment. Some have suggested that would offer at least a clue of the strength of how we are doing. I hope that will not come too soon, before Members really have considered what our options are, because I predict, in the event my amendment is tabled and no longer really is a viable possibility, almost all of the possibilities that follow are fairly grim.

If, for example, other amendments should be adopted that are more than $5.5 billion or the basic underlying bill, which is about 7.4, the odds of that becoming legislation are zero. Members need to know that at the outset. There has never been a more explicit set of messages from the White House before we even start. One could say, well, let's taunt the President; let's sort of see really what he wants to do. That is not a very good exercise, given 3 days of recess and the need for these checks by September 30.

In addition, if my amendment fails, this I suppose offers open season for anybody who has an agricultural problem in America. If this is going to be a failing exercise, why not bring up a whole raft of disputes, try them on for size, sort of test the body, and see what sort of support there is out there as a preliminary for the farm bill. This really offers spring training for arguments that might be out there in due course. We might try out a whole raft of dairy amendments, for example, try to resolve that extraordinary problem, all on this bill with both sides predicting filibusters that curl your hair throughout the whole of August, not just the whole of this week, or we could try out other experiments that have been suggested as Members truly believe we ought to discuss the trade problems and work out priorities with Social Security or Medicare and how we do those things.

Given the rules of the Senate, you could say, why not? Is anybody going to say it is nongermane? Does anybody really want to bring the thing to a conclusion?

I simply do want to bring it to a conclusion. I am hopeful that after both parties, both sides of the aisle, have considered the options, they will adopt my amendment, and we will swiftly join hands with the House and the President and give assurance to American farmers, which, as I understand, was the beginning of our enterprise.

I thank the Chair and the Senate for allowing me to make this extensive presentation.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I rise to address the amendment offered by the Senator from Indiana, the distinguished ranking member of the Senate Agriculture Committee, someone for whom I have enormous respect and listen carefully when the Senator from Indiana speaks on a subject. He has always done his homework, and he has a clear view. In this circumstance, I regret to say I have a different view.

As I look at the history over the last 3 years of the assistance bills we have passed in the Senate for agriculture in these situations, this is a very modest bill. In fact, it is significantly less than we have passed in each of the last 3 years.

The amendment offered by the Senator from Indiana is precisely what passed in the House. It is exactly the legislation that comes to us from that body. The chairman of the House Agriculture Committee, the Republican chairman, has, in his written views on this bill, said it is inadequate, has pointed out that this bill would provide $1 billion less than what we have passed in the last 3 years—$1 billion less than what has been passed each of the last 3 years to assist farmers at a time of real economic hardship. And as the Republican chairman of the House Agriculture Committee pointed out, this is at a time when farmers face the lowest real prices since the Great Depression.

The hard reality here is that prices for everything farmers buy have gone up, up, and away, especially energy prices, and yet the prices they receive are at a 70-year low in real terms. That is the situation we confront today. That is the hard reality of what we face today. The decision we have to make is, are we going to respond in a serious way, or are we going to fail to respond?

I hope very much that we will just look at the record. This chart depicts it very well. The green line is the prices farmers paid for inputs. The red is the prices farmers have received from 1991 through 2000. Look at the circumstance we have faced. The prices farmers have paid for inputs have gone up, up, and up. The prices farmers have received have declined precipitously.

That is the situation our farmers are facing. We can either choose to respond to that or we can fail. I hope we respond. I hope we respond quickly because the Congressional Budget Office has told us very clearly: If we fail to respond this week, the money in this bill will be scored as having been passed and effective in the year 2002. In effect, we would lose $5.5 billion available to help farmers.

There has been a lot of suggestion that things have been improving lately. I don't know exactly what they are talking about in terms of improvement. We have searched the markets to try to find where these improvements are occurring.

There has been modest improvement in lifestock. We do not see improvement in the program crops or the nonprogram crops, the things that are really covered by this bill.

Let me go back to what the chairman of the Agriculture Committee in the House of Representatives said about this very amendment, this precise legislation, that is before us now. This is the Republican chairman of the House Agriculture Committee. He said: H.R. 2213 as reported by the Agriculture Committee is inadequate in at least two respects:

First, the assistance level is not sufficient to address the needs of farmers and ranchers in the 2001 crop-year.

Second, the bill's scope is too narrow, leaving many needs completely unaddressed.

This is the Republican chairman of the Agriculture Committee in the House of Representatives talking about the very legislation being offered by the ranking member of the Agriculture Committee in the Senate today.

This is, again from the House Agriculture chairman, at a time when real net cash income on the farm is at its lowest level since the Great Depression, and the cost of production is expected to set a record high. H.R. 2213, that has precisely the same provisions as are being offered by the Senator from Indiana, cuts supplemental help to farmers by $1 billion from last year to this year. Hardest hit will be wheat, corn, grain sorghum, barley, oats, upland cotton, rice, soybean, and other oilseed farmers since the cuts will come at their expense.

I say to my colleagues, if they are representing wheat farmers, if they are representing corn farmers, grain sorghum, barley, oats, rice, soybean, and other oilseed farmers, to vote for the amendment of the Senator from Indiana is to cut assistance to their producers at the very time they are suffering from this circumstance.

The prices they pay are increasing each and every year. The prices they receive are plunging.

The House Agriculture Committee chairman went on to say, H.R. 2213, the bill that was reported by the House committee, the identical language which has been offered here, also fails to address the needs of dairy farmers, sugar beet and sugar cane farmers, farmers who graze their wheat, barley and oats, as well as farmers who are denied marketing loan assistance either because they do not have an AMTA contract or because they lost beneficial interest in their crops.

The House Agriculture chairman went on to say, earlier this year, 20 farm groups pegged the need in farm country for the 2001 crop-year at $9 billion. We do not have $9 billion available to us. We have, under the budget resolution, $5.5 billion available to us, and that is what the bill from the Agriculture Committee provides, $5.5 billion this year, $1.9 billion out of what is available to us next year in 2002.

What the amendment from the Senator from Indiana would provide is $5.5 billion this year, period. It is not enough. It represents, according to the Republican chairman of the Agriculture Committee in the House, a billion dollar cut from what we did last year. That is not what we should do.

The House Agriculture Committee chairman went on in his report to say, those who championed this legislation, as reported in the committee, argued in part a cut in help to farmers this year is necessary to save money for a rewrite of the farm bill, but the fly in the ointment is many farmers are deeply worried about whether they can make it through this year, let alone next year.

That is what we are down to in farm country across America. We are down to a question of survival. In my State, I have never seen such a loss of hope as has occurred in the agricultural sector, and it is the biggest industry in my State. If one were out there and they were paying for everything they buy, all of the inputs they use, every input going up, up, and up —if this chart extended to 2001, it would be more dramatic—we would see the prices going up even further.

On the other hand, if we looked at the prices for everything one sold going almost straight down, they would be hopeless, too.

This chart does not show just the last 6 months. This pattern of prices is since 1996. These are not KENT CONRAD's numbers. These are the numbers from the U.S. Department of Agriculture.

The pattern of the prices which farmers receive is virtually straight down, and the prices they pay have been going up, up, up.

I do not know what could be more clear. We have an obligation to help. We have an obligation to move this legislation. We have a requirement to move this legislation this week, not just through this Chamber but through the whole process. It has to be conferenced with the House, and the conference report has to be voted on before we go on break or we are going to lose $5.5 billion. The money will be gone because the Congressional Budget Office has told us very clearly if this bill is not passed before we leave on break, they will score this legislation, even though it is being passed in fiscal year 2001, as affecting 2002 because they say the money cannot get out to farmers before the end of the fiscal year.

It is all at stake in this debate we are having, and I urge my colleagues to think very carefully about what they do in these coming votes.

I will close the way I started, by referring to the report of the chairman from the House Agriculture Committee, who said very clearly the identical legislation, which is contained in the amendment from the Senator from Indiana, is inadequate. This is the Republican chairman of the House Agriculture Committee, and he calls the amendment being offered inadequate in at least two respects: First, the assistance level is not sufficient to address the needs of farmers and ranchers in the 2001 crop-year.

Second, the bill's scope is too narrow, leaving many needs completely unaddressed.

Finally, he said, clearly this legislation, precisely what we are going to be voting on in the Senate, cuts supplemental help to farmers by $1 billion from last year to this year. We are cutting at the time we see a desperate situation in farm country all across America. It does not make sense. It is not what we should do. We ought to reject the amendment by the Senator from Indiana.

I thank the Chair, and I suggest we move forward.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I thank the distinguished chairman of the Budget Committee for pointing out the letter we received from the Office of Management and Budget, which is not signed, but it is from the Office of Management and Budget and says: "The President's senior advisers would recommend he veto the Senate bill we have before us based upon improvements in agricultural markets. Stronger livestock and crop prices means that the need for additional Federal assistance continues to diminish."

I grant that livestock prices are a little bit higher. Are crop prices better than last year? Yes, but last year was a 15-year low. So it has come up a little bit. We are still at a 10- or 12-year low in crop prices. Simply because they were a little bit better than last year's disastrously low prices does not mean we don't have a need for additional farmer assistance. We do need it desperately.

It seems to me if that is the advice the President is getting, he is getting bad advice. I hope the President—he is the President; he does make the final decision—will look at the low crop prices we have all over America, and not only low crop prices, that is just looking at one thing. Crop prices may be marginally better than last year, but the input costs have skyrocketed.

We all know what has happened to fuel prices and fertilizer prices. They have skyrocketed. So the gap between what the farmer is receiving and what he is paying out continues to widen, as indicated in the chart of the distinguished Senator from North Dakota.

The President's advisers do not really know what is happening in farm country.

The Senator from North Dakota read from the report of the Agriculture Committee. I reemphasize that the chairman of the House Agriculture Committee, a Republican, LARRY COMBEST from Texas, along with 17 members of the House Agriculture Committee, said their bill was inadequate for two reasons: One, it is not sufficient to address the needs of farmers and ranchers; second, the scope is too narrow, leaving many needs completely unaddressed.

He points out that earlier this year 20 farm groups pegged the need for the 2001 crop-year at $9 billion. The farmers represent, according to LARRY COMBEST's letter, the views of 17 members of the Agriculture Committee. The farmers they represent had every reason to believe the help this year would be at least comparable to the help Congress provided last year. Producers who graze their wheat, barley, and oats, as well as producers who are denied marketing loan assistance—either because they do not have an AMTA crop or they lost beneficial interest in their crops—need help, too.

As this process moves forward, the letter continues, we will work to build a more sturdy bridge over this year's financial straits, straits that may otherwise threaten to separate many farmers from the promise of the next farm bill.

If all we are going to do is adopt the farm bill the House passed, there is no bridge. They are saying they hope the Senate might do something else so we can work on building that bridge.

A letter dated March 13, 2001, to the Honorable PETE DOMENICI, chairman of the Committee on the Budget, is signed by 21 Members of the Senate on both sides of the aisle: Senators COCHRAN, HUTCHISON, BREAUX, LANDRIEU, BOND, SESSIONS, LINCOLN, SHELBY, BUNNING, HELMS, MCCONNELL, CRAIG, CLELAND, INHOFE, THURMOND, FITZGERALD, MILLER, FRIST, THOMAS, HUTCHINSON, and HAGEL.

It says:

> Specifically, since conditions are not appreciably improved for 2001, we support making market loss assistance available so that the total amount of assistance available through the 2001 Agricultural Market Transition Act payment and the Market Loss Assistance payments will be the same as was available for the 2000 crop.

Further, the letter says:

> In addition to sluggish demand and chronically low prices, U.S. farmers and ranchers are experiencing rapidly increasing input costs including fuel, fertilizer and interest rates.

Further reading from the letter:

> With projections that farm income will not improve in the near future, we believe it is vitally important to provide at least as much total economic assistance for 2001 and 2002 as provided for the 2000 crop.

I ask unanimous consent this be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, March 13, 2001.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR PETE: We are writing to request your assistance in including appropriate language in the FY02 budget resolution so that emergency economic loss assistance can be made available for 2001 and 2002 or until a replacement for the 1996 Farm Bill can be enacted. Specifically, since conditions are not appreciably improved for 2001, we support making market loss assistance available so that the total amount of assistance available through the 2001 Agricultural Market Transition Act payment and the Market Loss Assistance payments will be the same as was available for the 2000 crop. We understand it is unusual to ask that funds to be made available in the current fiscal year be provided in a budget resolution covering the next fiscal year, but the financial stress in U.S. agriculture is extraordinary.

According to the USDA and other prominent agriculture economists, the U.S. agricultural economy continues to face persistent low prices and depressed farm income. According to testimony presented by USDA on February 14, 2001, "a strong rebound in farm prices and income from the market place for major crops appears unlikely . . . assuming no supplemental assistance, net cash farm income in 2001 is projected to be the lowest level since 1994 and about $4 billion below the average of the 1990's." The USDA statement also said . . ." (a) national farm financial crisis has not occurred in large part due to record government payments and greater off-farm income."

In addition to sluggish demand and chronically low prices, U.S. farmers and ranchers are experiencing rapidly increasing input costs including fuel, fertilizer and interest rates. According to USDA, "increases in petroleum prices and interest rates along with higher prices for other inputs, including hired labor increased farmers' production expenses by 4 percent or $7.6 billion in 2000, and for 2001 cash production expenses are forecast to increase further. At the same time, major crop prices for the 2000–01 season are expected to register only modest improvement from last year's 15–25 year lows, reflecting another year of large global production of major crops and ample stocks."

During the last 3 years, Congress has provided significant levels of emergency economic assistance through so-called Market Loss Assistance payments and disaster assistance for weather related losses. During the last three years, the Commodity Credit Corporation has provided about $72 billion in economic and weather related loss assistance

> and conservation payments. The Congressional Budget Office and USDA project that expenditures for 2001 will be $14–17 billion without additional market or weather loss assistance. With projections that farm income will not improve in the near future, we believe it is vitally important to provide at least as much total economic assistance for 2001 and 2002 as was provided for the 2000 crop.
>
> Congress has begun to evaluate replacement farm policy. In order to provide effective, predictable financial support which also allows farmers and ranchers to be competitive, sufficient funding will be needed to allow the Agriculture Committee to ultimately develop a comprehensive package covering major commodities in addition to livestock and specialty crops, rural development, trade and conservation initiatives. Until new legislation can be enacted, it is essential that Congress provide emergency economic assistance necessary to alleviate the current financial crisis.
>
> We realize these recommendations add significantly to projected outlays for farm programs. Our farmers and ranchers clearly prefer receiving their income from the market. However, while they strive to further reduce costs and expand markets, federal assistance will be necessary until conditions improve.
>
> We appreciate your consideration of our views.
>
> Sincerely,
>
> Thad Cochran, John Breaux, Kit Bond, Blanche Lincoln, Jim Bunning, Mitch McConnell, Max Cleland, Strom Thurmond, Zell Miller, Craig Thomas, Chuck Hagel, Tim Hutchinson, Mary Landrieu, Jeff Sessions, Richard Shelby, Jesse Helms, Larry Craig, James Inhofe, Peter Fitzgerald, Bill Frist, Kay Bailey Hutchison.

Mr. HARKIN. The bill reported from the Agriculture Committee meets everything in this letter, signed by all these Senators, sent to Senator DOMENICI. We have met the need. We have provided for the same market loss assistance payment this year as provided last year.

The House bill that Senator LUGAR has introduced as an amendment provides 85 percent of what was provided last year; the Agriculture Committee bill provides 100 percent. I hope Senators who sent this letter earlier to Senator DOMENICI recognize we met these needs; we provided 100 percent, exactly what they asked for, the same as available for the 2000 crop.

As Senator CONRAD pointed out, the gap, as pointed out in the letter, in rapidly increasing input costs, fuel, fertilizer, and high interest rates, still means farmers have a big gap out there between prices they are receiving and what they are paying out.

Ms. STABENOW. Will the Senator yield?

Mr. HARKIN. I am delighted to yield to my colleague from Michigan, a valuable member of the Agriculture Committee.

Ms. STABENOW. I take a moment to thank the chairman for his leadership in putting forward a bill that is balanced and that meets the criteria laid out, the needs expressed by Members on both sides of the aisle. I thank the Senator for putting together a package addressing those crops that are not considered program crops but are in severe financial situations.

One example in the great State of Michigan, among many, are our apple growers who have needed assistance and received assistance—late but did receive assistance—last year. I am deeply concerned when we hear as much as 30 percent of the apple growers in this country will not make it past this season. If we are to look at their needs for, not the fiscal year, but as the Senator eloquently stated in the past, the crop year, and the needs of the farmers, it means the version that came from the Senate committee needs to be the version adopted.

I ask my esteemed chairman, it is my understanding in the amendment before the Senate, there is not a specific loss payment for apple growers; is that correct? I could address other specialty needs in dairy, sugar, and a whole range of needs in the great State of Michigan, but is it true that this does not, as the Senate Agriculture Committee bill does, put forward dollars specifically for our apple growers? It is my understanding this amendment adopted by the House of Representatives would not address the serious needs of America's apple growers.

Mr. HARKIN. I respond to my colleague from Michigan, she is absolutely right, there is nothing in the House bill providing any help for the tremendous loss, 30-some percent loss, that apple producers have experienced in this country. We are talking about apple producers from Oregon, from Washington, Michigan, to Maine, Massachusetts, New York, Pennsylvania, all who experienced tremendous losses.

Under the AMTA payment system, they don't get money, but they are farmers. They are farmers.

Many are family farmers and they need help, too. So I think, I say to my friend from Michigan, what LARRY COMBEST and the 17 others who signed the "additional views" on the House bill said was that the bill was too narrow in scope. There are a lot of other farmers in this country who are hurting, who need some help.

So, yes, I say to my friend from Michigan, we provided $150 million in there to help our apple farmers. That is a small amount compared to the $7.5 billion in the total package. But it is very meaningful. It will go to those apple producers, and it will save them and keep a lot of them in business for next year, I say to my friend from Michigan.

I especially want to thank the Senator from Michigan for bringing this to our attention. To be frank, I don't have a lot of apple growers in Iowa. We have a few, but not to the extent of many other States. It was through the intercession and the great work done by the Senator from Michigan that this was brought to our attention, the terrible plight of our apple farmers all over America. I thank her for sticking up for our family farmers.

I just have a couple of other things. The Lugar amendment, the House bill, strikes out all the money we have for conservation. It strikes all the conservation money out. Earlier this year—June 14 of this year—130 Members of the House of Representatives, including many members of the House Agriculture Committee, wrote a letter to Chairman COMBEST and Ranking Member STENHOLM. They said:

> We believe conservation must be the centerpiece of the next farm bill.

They talk about the farm bill, but, they said:

> We should not leave farmers waiting while a new farm bill is debated. We urge you to work with the House Appropriations Committee to increase FY 2002 annual and supplemental funding for voluntary incentive-based programs. In particular, we urge you to use 30 percent of emergency funds to help farmers impacted by drought, flooding and rising energy costs, through conservation programs. Currently, demand for the Environmental Quality Incentives Program exceeds $150 million. Demand for the Farmland Protection Program exceeds $200 million, demand for the Wetlands Reserve Program exceeds $350 million, and demand for the Wildlife Habitat Incentives Program exceeds $150 million.

That is signed by 130 Members of the House.

I have to be honest; we didn't meet 30 percent of the emergency funds but we did put in about 7 percent, if I am not mistaken—a little over 7 percent. The Lugar amendment gives zero for conservation—zero.

Again, these are family farmers. Many of these farmers do not get the AMTA payments that go out, but they are farmers nonetheless and they need help. Certainly we need to promote conservation because a lot of these farms simply will lie dormant if we do not provide this assistance in this bill.

There are two other things I want to point out. I have a letter I received today from some Members of the House—two Members. The House bill passed by 1 vote. The House Agricultural Committee passed out the Lugar amendment. What Senator LUGAR is putting out there is the House Agriculture Committee bill. It passed by 1 vote. I have a letter from two members of that committee who voted on the prevailing side. Listen to what they said:

> DEAR CHAIRMAN HARKIN: Although we supported H.R. 2213—The Crop-Year 2001 Agricultural Economic Assistance Act—as it passed the House of Representatives, we applaud the comprehensive approach you have taken in the aid package passed by the Senate Agriculture Committee to address the many diverse needs of agricultural and rural communities.
>
> By including additional funding for conservation programs, nutrition, rural development and research, many farmers in rural

communities who do not benefit from the traditional commodity programs will receive assistance this year. In particular, the $542 million you included for conservation programs will help reduce the $2 billion backlog of applications from farmers and ranchers who are waiting for USDA assistance to protect farm and ranchland threatened by sprawling development and critical wetlands and riparian areas for wildlife habitat, water quality, and floodplains.

Signed by Representative RON KIND and Representative WAYNE GILCHREST.

I ask unanimous consent that letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, DC,
July 31, 2001.

Hon. TOM HARKIN,
Chairman, Senate Committee on Agriculture, Washington, DC.

DEAR CHAIRMAN HARKIN: Although we supported H.R. 2213—The Crop Year 2001 Agriculture Economic Assistance Act—as it passed the House of Representatives, we applaud the comprehensive approach you have taken in the aid package passed by the Senate Agriculture Committee to address the many diverse needs of agriculture and rural communities. We look forward to working with you to reconcile the competing measures in order to ensure that we meet the diverse needs of both our family farmers and the overall environment.

By including additional funding for conservation programs, nutrition, rural development and research, many farmers and rural communities who do not benefit from the traditional commodity programs will receive assistance this year. In particular, the $542 million you included for conservation programs will help reduce the $2 billion backlog of applications from farmers and ranchers who are waiting for USDA assistance to protect farm and ranchland threatened by sprawling development and critical wetlands and riparian areas for wildlife habitat, water quality, and floodplains.

Earlier this year, 140 House members called on the House Agriculture Committee to "not leave farmers waiting while a new farm bill is debated" and instead allocate 30 percent of emergency funding to conservation programs this year. Your conservation package will maintain critical conservation programs before the farm bill is reauthorized. Without this additional funding, the Wetlands Reserve Program, Farmland Protection Program, and Wildlife Habitat Incentives Program would cease to operate. It is our hope that the conferees will view conservation programs favorably during conference proceedings.

We believe this short-term aid package should reflect the needs of all farmers in this country and set the tone for the next farm bill by taking a balanced approach to allocating farm spending among many disparate needs.

Sincerely,

RON KIND,
WAYNE GILCHREST,
Members of Congress.

Mr. HARKIN. Then I have a letter also today saying:

DEAR SENATOR HARKIN: I am writing to you today to express my support for the comprehensive approach you have taken in drafting the Senate agricultural economic assistance bill. In providing important funds for nutrition and conservation, the agriculture economic assistance package recognizes that the jurisdiction of the Agriculture Committee goes beyond the critically important task of providing economic support for producers of commodities.

I urge you to ensure that the bill reported out of the Senate retain these vitally important resources and look forward to working with you to ensure that any bill sent to the President is similarly cognizant of the broad array of issues before the Agriculture Committees of the House and Senate.

EVA M. CLAYTON, Member of Congress.

I ask unanimous consent this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, DC,
July 31, 2001.

Hon. TOM HARKIN,
Chairman, Committee on Agriculture, Nutrition, and Forestry, Russell Senate Office Building, Washington, DC.

DEAR SENATOR HARKIN: I am writing to you today to express my support for the comprehensive approach that you have taken in drafting the Senate agriculture economic assistance bill. In providing important funds for nutrition and conservation, the agriculture economic assistance package recognizes that the jurisdiction of the Agriculture Committee goes beyond the critically important task of providing economic support for producers of commodities.

In providing funds for important nutrition programs such as the Senior Farmers Market and the Emergency Food Assistance Program, the Committee acknowledges its responsibility to ensure that American children live free from the specter of hunger. Additionally, by providing important resources for farmland conservation and environmental incentive payments, the Committee recognizes the important fact that the degradation of our natural resoruces and the decay of vitally important water quality and farmland are emergencies that affect our rural communities and thus are deserving of our immedate attention.

I urge you to ensure that the bill reported out of the Senate retain these vitally important resources and look forward to working with you to ensure that any bill sent to the President is similarly cognizant of the broad array of issues before the Agricultue Committees of the House and the Senate.

Sincerely,

EVA M. CLAYTON,
Member of Congress.

Mr. HARKIN. These are two people who voted for the House-passed bill, which only passed by 1 vote, I might add.

So I would say there is a lot of support in the House of Representatives for what we have done in the Senate Agriculture Committee. I believe what we have done truly does provide that bridge.

I will close this part of my remarks by just saying we have a limited amount of time. We need to get this bill out. We need to go to conference, which we could do tomorrow. If we can get this bill done today, we can go to conference tomorrow. I believe the conference would not last more than a couple of hours, and we could have this bill back here, I would say no later than late Wednesday, maybe Thursday, for final passage, and we could send it to the President.

I believe his senior advisers notwithstanding, the President would listen to the voices here in the House and the Senate as to what is really needed.

I also ask unanimous consent to print a news release in the RECORD that was put out by the American Farm Bureau Federation dated June 21. It says:

The House Agriculture Committee's decision to provide only $5.5 billion in a farm relief package "is disheartening and will not provide sufficient assistance needed by many farm and ranch families," said American Farm Bureau Federation President Bob Stallman.

We believe the needs exceed $7 billion.

This is according to Mr. Stallman, president of the American Farm Bureau Federation.

I ask unanimous consent that be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FARM BUREAU DISAPPOINTED IN HOUSE FUNDING FOR FARMERS

WASHINGTON, DC, June 21, 2001.—The House Agriculture Committee's decision to provide only $5.5 billion in a farm relief package "is disheartening and will not provide sufficient assistance needed by many farm and ranch families," said American Farm Bureau Federation President Bob Stallman.

"We believe needs exceed $7 billion," Stallman said. "The fact is agricultural commodity prices have not strengthened since last year when Congress saw fit to provide significantly more aid."

Stallman said securing additional funding will be a high priority for Farm Bureau. He said the organization will now turn its attention to the Senate and then the House-Senate conference committee that will decide the fate of much-needed farm relief.

"Four years of low prices has put a lot of pressure on farmers. We need assistance to keep this sector viable," the farm leader said.

"We've been told net farm income is rising but a closer examination shows that is largely due to higher livestock prices, not most of American agriculture," Stallman said.

"And, costs are rising for all farmers and ranchers due to problems in the energy industry that are reflected in increased costs for fuel and fertilizer. Farmers and ranchers who produce grain, oilseeds, cotton, fruits and vegetables need help and that assistance is needed soon."

Mr. HARKIN. I have a letter dated July 11 from the National Association of Wheat Growers that said:

However, given current financial conditions, growers cannot afford the reduced level of support provided by the House in H.R. 2213. Wheat farmers across the nation are counting on a market loss payment at the 1999 PFC rate. Thank you for your leadership and support.

Dusty Tallman, President of the National Association of Wheat Growers.

What is in our bill provides to wheat farmers across the country a market loss payment at the same rate they got in 1999.

I ask unanimous consent that letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION
OF WHEAT GROWERS,
Washington, DC, July 11, 2001.

Hon. TOM HARKIN,
Chairman, Senate Agriculture Committee,
Washington, DC.

DEAR CHAIRMAN HARKIN: As President of the National Association of Wheat Growers (NAWG), and on behalf of wheat producers across the nation, I urge the Committee to draft a 2001 agriculture economic assistance package that provides wheat producers with a market loss payment equal to the 1999 Production Flexibility Contract (AMTA) payment rate.

NAWG understands Congress is facing difficult budget decisions. We too are experiencing tight budgets in wheat country. While wheat prices hover around the loan rate, PFC payments this year have declined from $0.59 to $0.47. At the same time, input costs have escalated. Fuel and oil expenses are up 53 percent from 1999, and fertilizer costs have risen 33 percent this year alone.

Given these circumstances, NAWG's first priority for the 2001 crop year is securing a market loss payment at the 1999 PFC rate. We believe a supplemental payment at $0.64 for wheat—the same level provided in both 1999 and 2000—is warranted and necessary to provide sufficient income support to the wheat industry.

NAWG has a history of supporting fiscal discipline and respects efforts to preserve the integrity of the $73.5 billion in FY02–FY11 farm program dollars. However, given current financial conditions, growers cannot afford the reduced level of support provided by the House in H.R. 2213. Wheat farmers across the nation are counting on a market loss payment at the 1999 PFC rate.

Thank you for your leadership and support.

Sincerely,

DUSTY TALLMAN,
President.

Mr. HARKIN. I have a letter from the National Corn Growers Association:

DEAR CHAIRMAN HARKIN: We feel strongly that the Committee should disburse these limited funds in a similar manner to the FY00 economic assistance package—addressing the needs of the 8 major crops—corn, wheat, barley, oats, oilseed, sorghum, rice and cotton. . . .

Again, we urge the Committee to allocate the market loss assistance payments at the FY99 production flexibility contract payment level for program crops.

Our bill does exactly that. The House bill only puts in 85 percent.

I ask unanimous consent the letter from the National Corn Growers Association be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL CORN GROWERS ASSOCIATION,
Washington, DC, July 23, 2001.

Hon. TOM HARKIN,
Chairman, Senate Committee on Agriculture, Russell Senate Office Building, Washington, DC.

DEAR CHAIRMAN HARKIN: We write to urge you to take immediate action on the $5.5 billion in funding for agricultural economic assistance authorized in the FY01 budget resolution.

The fiscal year 2001 budget resolution authorized $5.5 billion in economic assistance for those suffering through low commodity prices in agriculture. However, these funds must be dispersed by the US Department of Agriculture by September 30, 2001. We are very concerned that any further delay by Congress concerning these funds will severely hamper USDA's efforts to release funds and will, in turn, be detrimental to producers anxiously awaiting this relief.

We feel strongly that the Committee should disperse these limited funds in a similar manner to the FY00 economic assistance package—addressing the needs of the eight major crops—corn, wheat, barley, oats, oilseeds, sorghum, rice and cotton. It is these growers who have suffered greatly from the last two years of escalating fuel and other input costs. The expectation of these program crop farmers is certainly for a continuation of the supplemental AMTA at the 1999 level.

Again, we urge the Committee to allocate the market loss assistance payments at the FY99 production flexibility contract payment for program crops. We feel strongly that Congress should support the growers getting hit hardest by increasing input costs.

Sincerely,

LEE KLEIN,
President.

Mr. HARKIN. Madam President, I have another piece from the National Corn Growers Association in which they say the National Corn Growers Association is optimistic about the Senate Agriculture Committee's $7.5 billion emergency aid package.

I ask unanimous consent that this be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From NCGA News, July 26, 2001]

NCGA OPTIMISTIC ABOUT SENATE AGRICULTURE COMMITTEE $7.5 BILLION EMERGENCY AID PACKAGE

The Senate Agriculture Committee yesterday approved a $7.5 billion emergency aid package for farmers in the current fiscal year, championed by Chairman Tom Harkin (D–IA).

A substitute amendment offered by Richard Lugar (R–IN), ranking member, failed by a vote of 12–9. Lugar sought an aid package totaling $5.5 billion, similar to what the House Agriculture Committee passed in late June.

The package approved yesterday will provide help to program crops such as corn, as well as to oilseeds, peanuts, sugar, honey, cottonseed, tobacco, specialty crops, pulse crops, wool and mohair, dairy and apples. The Senate package is expected to move to floor consideration at anytime, where Sen. Thad Cochran (R–MS) may offer an amendment to curb the overall spending while maintaining emergency spending for the major commodities.

Because the aid packages passed by the Senate and House are markedly different, a conference committee will be scheduled to craft a compromise.

"This development places even more pressure on Congress to act expeditiously, because any aid package approved by Congress must be done soon so that the USDA can cut checks and mail them to farmers before fiscal year ends on September 30, 2001," said National Corn Growers Association (NCGA) Vice President of Public Policy Bruce Knight.

Mr. HARKIN. Madam President, I have a release from the National Farmers Union, in which they say:

The National Farmers Union today applauded the Senate Agriculture Committee on its approval of $7.4 billion in emergency assistance for U.S. agriculture producers.

I ask unanimous consent that the material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FARMERS UNION COMMENDS SENATE ON EMERGENCY ASSISTANCE PACKAGE

WASHINGTON, DC, July 25, 2001.—The National Farmers Union (NFU) today applauded the Senate Agriculture Committee on its approval of $7.4 billion in emergency assistance for U.S. agriculture producers. The bill provides supplemental income assistance to feed grains, wheat, rice and cotton producers as well as specialty crop producers. The Senate measure provides the needed assistance at the same levels as last year and is $2 billion more than what is provided in a House version of the measure. NFU urges expeditious passage by the full Senate and resolution in the House/Senate conference committee that adopts the much needed funding at the Senate level.

"We commend Chairman Tom Harkin for his leadership in crafting this assistance package," said Leland Swenson, president of NFU. "We are pleased that members of the committee have chosen to provide funding that is comparable to what many farmers requested at the start of this process. This level of funding recognizes the needs that exist in rural America at a time when farmers face continued low commodity prices for row and specialty crops while input costs for fuel, fertilizer and energy have risen rapidly over the past year."

The Senate Agriculture Committee approved the Emergency Agriculture Assistance Act of 2001 that provides $7.4 billion in emergency assistance to a broad range of agriculture producers and funds conservation programs. It also provides loans and grants to encourage value-added products, compensation for damage to flooded lands and support for bio-energy-based initiatives. The funding level is the same as what was provided last year and is comparable to what NFU had requested in order to meet today's needs for farmers and ranchers. The House proposal provides $5.5 billion.

"We now urge the full Senate to quickly pass this much-needed assistance package," Swenson added. "It is vital that the House/Senate conference committee fund this measure at the Senate level. As we meet the challenge of crafting a new agriculture policy for the future, today's needs for assistance are still great. We hope for swift action to help America's farmers and ranchers."

Mr. HARKIN. Madam President, I have another letter, dated today, from the American Farm Bureau Federation:

DEAR SENATOR HARKIN: The American Farm Bureau Federation supports at least $5.5 billion in supplemental Agricultural Market Transition Act payments and $500 million in market loss assistance payments for oilseeds as part of the emergency spending package for crop year 2001.

Our bill does that. Senator LUGAR's amendment does not.

They state further:

We also believe it is imperative to offer assistance to peanut, fruit and vegetable producers. In addition, it is crucial to extend the dairy price support in this bill since the current program will expire in less than two months.

All over this country agriculture has been facing historic low prices and increasing production costs.

I ask unanimous consent that this letter, dated today, from Mr. Bob Stallman, president of the American Farm Bureau Federation, be printed in the RECORD.

Again, I point out that our bill meets these needs. The House bill does not. Our bill provides the assistance to peanut, fruit, and vegetable producers, and we do, indeed, extend the dairy price support program beyond its expiration date in 2 months.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM
BUREAU FEDERATION,
Washington, DC, July 31, 2001.

Hon. TOM HARKIN,
Chairman, Agriculture, Nutrition, and Forestry Committee, U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR HARKIN: The American Farm Bureau Federation supports at least $5.5 billion in supplemental Agricultural Market Transition Act payments and $500 million in market loss assistance payments for oilseeds as part of the emergency spending package for crop year 2001. We also believe it is imperative to offer assistance to peanut, fruit and vegetable producers. In addition, it is crucial to extend the dairy price support in this bill since the current program will expire in less than two months.

All over this country agriculture has been facing historic low prices and increasing production costs. These challenges have had a significant effect on the incomes of U.S. producers. At the same time, projections of improvement for the near future are not very optimistic. We appreciate your leadership in providing assistance to address the low-income situation that U.S. producers are currently facing.

We thank you for your leadership and look forward to working with you to provide assistance for agricultural producers.

Sincerely,

BOB STALLMAN,
President.

Mr. HARKIN. Madam President, I have a letter from the Food and Research Action Center.

We urge you to continue your leadership in support for the nutrition programs contained in S. 1246.

Our bill does it. The House bill doesn't.

It is signed by James D. Weill, president of the Food and Research Action Center.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FOOD RESEARCH & ACTION CENTER,
Washington, DC, July 30, 2001.

Senator TOM HARKIN,
Chairman, Senate Agriculture Committee, Russell Senate Office Bldg., Washington, DC.

DEAR MR. CHAIRMAN: I am writing you about S. 1246. The Emergency Agricultural Assistance Act of 2001.

As in the House bill, S. 1246 authorizes an additional $10 million for expenses associated with the transportation and distribution of commodities in The Emergency Food Assistance Program (TEFAP). The Senate version also devotes additional dollars to support school meal programs targeted to low-income children; increases the mandatory commodity purchases for the School Lunch Program; and provides additional funding for Senior Farmers Market Nutrition Programs.

We urge you to continue your leadership and support for the nutrition programs contained in S. 1246. We also thank you for your leadership earlier this month in the hearings on nutrition programs in the Farm Bill, and look forward to working with you on important food stamp improvements later this year in that bill.

Sincerely,

JAMES D. WEILL,
President.

Mr. HARKIN. Madam President, I have a letter from the National Association of Farmers' Market Nutrition Programs.

I am writing to express the strong support of the National Association of Farmers' Market Nutrition Programs to include $20 million for the Senior Farmers' Market Nutrition Pilot Program in S. 1246.

For States and Indian Tribal organizations administering the SFMNPP, an early decision by Congress and administration to continue this small but vital program is of the utmost importance. States and Tribes faced a very short timeframe for application and implementation of this program last year and would be greatly benefited by quick action to renew this new but very popular program.

It is signed by Mike Bevins, President of the National Association of Farmers' Market Nutrition Programs.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF FARMERS'
MARKET NUTRITION PROGRAM,
Washington, DC, July 31, 2001.

Hon. TOM HARKIN,
Chair, Senate Committee on Agriculture, Senate Russell Office Building, Washington, DC.

DEAR SENATOR HARKIN, I am writing to express the strong support of the National Association of Farmers' Market Nutrition Program (NAFMNP) to include $20 million for the Senior Farmers' Market Nutrition Pilot Program (SFMNPP) in S. 1246, the Emergency Agricultural Assistance Act of 2001. We understand consideration of this legislation on the Senate floor is imminent.

For states and Indian Tribal organizations administering the SFMNPP, an early decision by Congress and the Administration to continue this small but vital program is of the utmost importance. States and Tribes faced a very short time frame for application and implementation of this program last year and would be greatly benefited by quick action to renew this new, but very popular program.

We urge you to include the $20 million earmarked in S. 1246 for the SFMNNP in your final version of the bill.

Sincerely,

ZY WEINBERG,
(For Mike Bevins, President).

Mr. HARKIN. Madam President, I have a letter from the American School Food Service Association.

DEAR SENATOR HARKIN: Specifically, we strongly support section 301 to preserve entitlement commodities during the 2001–2002 school year for schools that participate in the National School Lunch Program.

That is in our bill, and it is not in the House bill.

It is signed by Marcia Smith for the American School Food Service Association.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN SCHOOL FOOD
SERVICE ASSOCIATION,
Alexandria, VA, July 31, 2001.
Re: S. 1246.

Senator TOM HARKIN,
Senate Hart Office Building,
Washington, DC.

DEAR SENATOR HARKIN, On behalf of the American School Food Service Association, thank you for your leadership with the Emergency Agricultural Assistance Act of 2001 (S. 1246), which the Senate Agriculture Committee approved and sent to the full Senate for consideration.

Specifically, we strongly support Section 301 to preserve entitlement commodities during the 2001–02 school year for schools that participate in the National School Lunch Program. Without this provision, any participating school that received bonus commodities from the U.S. Department of Agriculture would have its entitlement commodities under the NSLP reduced. As you know, this would result in a de facto funding cut of between $50 million and $60 million for the NSLP during school year 2001–02. Further, with an eye to Conference, ASFSA does not support a block grant approach to the distribution of commodities.

On behalf of ASFSA's members and the children we serve, thank you again for your leadership on this important issue. Please let me know if there is anything else we can do to further S. 1246.

Sincerely,

MARCIA L. SMITH,
President.

Mr. HARKIN. Madam President, to sum up—and I will come back to this later on—we looked at the Nation as a whole. We looked at all farmers in this country. All farmers need help, plus there are others in rural communities who need help. There are conservation programs, as was pointed out by a letter I read from the 130 Members of the House, that need to be continued beyond the end of this fiscal year. We addressed all of these needs, and we did it within the confines of the budget resolution.

Each Senator on that side of the aisle or on this side of the aisle who is opposed to our bill could raise a point of order. But no point of order lies against this bill because it is within the budget resolution. Therefore, there is no reason for the President to veto it, unless he simply does not want our apple farmers to receive help, or to extend the dairy price support program, or to help some of our peanut and cottonseed farmers, and others who need this assistance, or perhaps he doesn't think we should have a nutrition program.

Quite frankly, we have met our obligations to provide for the full AMTA payment for fiscal year 2001—the full AMTA payment. The House bill only provides 85 percent.

I say to my fellow Senators, if you want to provide the same level of assistance to farmers this year under AMTA as we did last year, you cannot support Senator LUGAR's amendment. That will wipe it out and make it only 85 percent, which is what the House bill does.

I hope after some more debate we can recognize that we have met our obligations in the Senate Agriculture Committee. This is the right course of action to take for this body and for the President to sign.

I yield the floor.

Mr. REID. Mr. President.

Mr. THOMAS. Mr. President.

The PRESIDING OFFICER (Ms. CANTWELL). The Senator from Wyoming.

Mr. THOMAS. Madam President, I want to yield to my friend, the Senator from Idaho, but first I wish to make a couple of remarks. One is that if you came in here and you were listening to the difficulty that some talk about in getting this job done prior to the time the $5.5 billion disappears, then you would imagine the thing to do is to go ahead and have a bill similar to the House. Then it would be there, and we would come back with the other $2 billion, which is in the budget for next year. It isn't as if this is a long time off. It is right there, and it can be done. It isn't as if it isn't going to happen. It will happen. We are taking out next year's and putting it in this year. You can bet that there will be a request to replace that with new money next year.

It is sort of an interesting debate. It is also interesting that the House version includes $4.6 billion in AMTA payments.

There was mention by the Senator from Michigan that it didn't go beyond that. Actually, there is $424 million in economic assistance for oilseeds; $54 million in economic assistance for peanut producers; $129 million for tobacco; $17 million for wool and mohair; $85 million for cottonseeds; and $26 million for specialty crops, which is for the States to disperse. Over $3.5 million goes to Michigan which could go to apple growers. This idea that somehow the people have been left out is simply not the case.

I now yield to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. REID. Madam President, will the Senator yield for a unanimous consent request?

Mr. THOMAS. Of course.

Mr. REID. Madam President, this has been cleared with Senator LUGAR, Senator HARKIN, and both leaders.

Madam President, I ask unanimous consent that at 2:30 p.m. today I be recognized to move to table Senator LUGAR's amendment, and that the 15 minutes prior to that vote be equally divided between Senators HARKIN and LUGAR.

Mr. THOMAS. Madam President, I think I will object simply to talk with the others to see if they need more time. I hope they do not. But at this moment, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Idaho is recognized.

Mr. CRAIG. Madam President, I thank the Senator from Wyoming for yielding. I will be brief, for I have sat here most of the morning listening to both the Senator from Indiana and the Senator from Iowa discuss what is now pending.

There is no question in my mind—and any Senator from an agricultural State—that we are in a state of emergency with production agriculture in this country. I certainly respect all of the work that the chairman of the Senate Ag Committee has done, the authorizing committee. I no longer serve on that committee, but my former chairman and ranking member of the Ag Appropriations Committee is in this Chamber, and I serve on that committee. So I have the opportunity to look at both the authorizing side and the appropriating side of this issue.

Clearly, I would like to hold us at or near where we were a year ago. At the same time, I do not believe, as we struggle to write a new farm bill, that we should write massive or substantially new farm policy into an appropriations bill that is known as an Emergency Agricultural Assistance Act. There is adequate time to debate critical issues as to how we adjust and change agricultural policy in our country to fit new or changing needs within production agriculture.

I have been listening to, and I have read in detail, what the Senator, the chairman of the Ag Committee, has brought. You have heard the ranking member, the Senator from Indiana, say he is not pleased with what he is doing today. In fact, the amendment that he offered in the committee—one that I could support probably more easily than I could support the amendment he has offered in this Chamber today—is not being offered for a very simple reason; it is a question of timing.

The chairman of the authorizing committee but a few moments ago said: If we pass this bill today, we can conference tomorrow. We can go out and have it back to the floor by Thursday or Friday of this week.

I would think you could make a statement like that if the House and the Senate were but a mile apart. We are not. We are 2,500 to 3,000 miles apart at this moment. We are $2 billion apart on money. The chairman of the authorizing committee has just, in a few moments, discussed the substantial policy differences on which we are apart. And I am quite confident—I know this chairman; I have served on conferences with him; he is a tough negotiator; he is not going to give up easily, as will the House not give up easily on their positions, largely because we are writing a farm bill separate from appropriations, as we should.

But both sides have spilled into the question of policy as it relates to these vehicles. What we are really talking about now, and what we should be talking about now, are the dollars and cents that we can get to production agriculture before September 30 of this fiscal year.

I happen to be privileged to serve on leadership, and we are scratching our heads at this moment trying to figure out how we get this done. How do we get the House and the Senate to conference, and the conference report back to the House and the Senate to be voted on before we go into adjournment, and to the President's desk in a form that he will sign?

I do not think the President is threatening at all. I think he is making a very matter-of-fact statement about keeping the Congress inside their budget so that we do not spill off on to Medicare money. We have heard a great deal from the other side about the fact that we are spending the Medicare trust fund. But this morning we have not heard a peep about that as we spend about $2 billion more than the budget allocates in the area of agriculture.

So for anyone to assume that getting these two vehicles—the House and the Senate bills—to conference, and creating a dynamic situation in which we can conference overnight and have this back before we adjourn on Friday or Saturday, to be passed by us and signed by the President, is, at best, wishful thinking.

We are going to have a letter from OMB in a few moments that very clearly states that this has to get done and has to get scored before the end of the fiscal year or we lose the money.

The ranking member of the Ag Appropriations Committee, who is in this Chamber, and certainly the chairman of the authorizing committee, do not want that to happen, and neither does this Senator. In fact, I will make extraordinary efforts not to have it happen because that truly complicates our budget situation well beyond what we would want it to be, and it would restrict dramatically our ability to meet the needs of production agriculture across this country as we speak.

I am amazed that we are this far apart. The House acted a month ago.

We have been slow to act in the Senate. And now it is hurry up and catch up at the very last minute prior to an adjournment for what has always been a very important recess for the Congress.

I will come back to this Chamber this afternoon to talk about the policy differences, but I think it is very important this morning to spell out the dynamics of just getting us where we need to get before we adjourn, I hope, Friday evening late. And I am not sure we get there because we are so far apart.

The chairman talks about passing the bill this afternoon, assuming that we would table the amendment of the Senator from Indiana; then this would pass, forgetting there are other Senators in the Cloakrooms waiting to come out and talk about an issue called dairy compacts, and the Northeast Dairy Compact legislation or policy authority ending at the end of September, with no train leaving town between now and then that gets that out. And to assume that is going to be a simple debate that will take but a few hours, I would suggest: How about a day or 2 to resolve what is a very contentious issue? I know I want to speak on it. I know a good many other Senators do. We do not want to see our Nation divided up into marketing territories that you cannot enter and leave easily, as our commerce clause in the Constitution would suggest.

So those are some of the issues that are before us today and tomorrow and the next day. That means as long as we are in this Chamber debating this bill on these very critical issues, it will not be in conference. And those very difficult policy issues and that $2 billion worth of spending authority will not get resolved where the differences lie.

So let us think reasonably and practically about our situation. The clock is ticking very loudly as it relates to our plan for adjournment and our need to get our work done, and done so in a timely fashion.

I do not criticize; I only observe because much of what the Senator from Iowa has talked about I would support. But I would support it in a new farm bill properly worked out with the dynamics between the House and the Senate, not in appropriating legislation done in the last minute, to be conferenced in an all-night session, or two or three, to find our differences, and to work them out. I am not sure we can get there. If we can't, we lose $5.5 billion to production agriculture.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Madam President, this morning I was very impressed by the comments made by the distinguished Senator from Indiana, Mr. LUGAR.

At the markup session of our Committee on Agriculture, I had come to that session with a compromise that I was prepared to offer because I thought it would more nearly reflect the programs Congress provided for emergency or economic assistance to farmers in the last two crop-years.

We had testimony in our Appropriations Committee from the chief economist and other high-ranking officials at the Department of Agriculture that the situation facing farmers this year is very similar—just as bad—as it was last year and the year before. So the record supports the action being taken by the Congress to respond to this serious economic problem facing agricultural producers around the country.

It was the Appropriations Agriculture Subcommittee during the last 2 years that had been given the responsibility, under the budget resolution, for writing this disaster or economic assistance program. And we did that. The Congress approved it. It was signed and enacted into law. And the disbursements have been made.

This year the budget resolution gave the authority for implementing the program for economic assistance to the legislative committee in the Senate, the Agriculture Committee. I also serve on that committee. The distinguished Senator from Iowa chairs that committee, and Senator LUGAR is the ranking member and former chairman of that committee. I have great respect for all of my fellow members on the committee, but I have to say that arguments made this morning, and the proposal made this morning at the beginning of the debate by Senator LUGAR, to me, are right on target in terms of what our best opportunity is at this time for providing needed assistance to agricultural producers.

The facts are that the House has acted and the administration has also reviewed the situation and expressed its view. We have the letter signed by Mitch Daniels, the Director of the Office of Management and Budget, setting forth the administration's view and intentions with respect to legislation they will sign or recommend to be vetoed. If we are interested in helping farmers now, in providing funding for distressed farmers to help pay loans from lenders, to get additional financing as may be needed, if that is our goal, then the best and clearest opportunity for providing that assistance is to take the advice and suggestion of Senator LUGAR and vote for the alternative he has provided, which is the House-passed bill.

It obviates the need to conference with the House, to work out differences between the two approaches, which is necessarily going to delay the process. To assume that that conference can be completed in 2 or 3 days and funds be disbursed in an appropriate and efficient way is wishful thinking. It is no better than wishful thinking. I do not think producers would like to take that chance under the conditions of distress that exist in agricultural communities all over this country today.

If we could take a poll now among those who would be the beneficiaries of this legislation, I am convinced most would say: Let's take the House bill now, use the budget authority for new farm bill provisions that will strengthen our agricultural programs for the future, into the next crop year and beyond, so that we can guard against, in a more effective way, the distresses that confront farmers today. But for now, to deal with the emergency and the problems of today, let's pass a bill that will put money in the pockets of farmers.

That is the object, not to improve conservation programs which can be done in the next farm bill. Of course, we are going to reauthorize these conservation programs. But doing it with $1 billion gratuitously from the budget resolution that provides for economic assistance to farmers, that is not direct economic assistance to farmers. That is an indirect benefit, of course, to agricultural producers and to society in general, but it is not money in the pockets of farmers, as the House-passed bill provides and as the Lugar alternative before the Senate today provides.

I had hoped there could be a way to provide exactly the same assistance we provided last year and the year before. I crafted an amendment I was prepared to offer in the Senate Agriculture Committee that would do just that.

My amendment would provide for $5.46 billion for market loss assistance to farmers. This is the same level of support farmers have received for the past 2 years. My amendment provides an additional $500 million for oilseed assistance, which is the same as last year, and $1 billion for aquaculture and other specialty crops. This is a total amount of $6.475 billion, and it represents approximately half of the Agriculture budget for both fiscal year 2001 and fiscal year 2002 combined.

The $7.5 billion reported in the bill by the Senate Agriculture Committee contains nearly $1 billion for programs that do not provide direct economic assistance to farmers. Why argue about that? Why argue about that in conference and spend some amount of time delaying the benefits that farmers need now?

My suggestion is, the best way to help farmers today is to pass the Lugar substitute. It goes to the President, and he signs it. We can't write the President out of this process. He is involved in it. He has committed to veto the bill as reported by the Senate Agriculture Committee. Nine of us voted against it; 12 voted for it. But we are asking the Senate today to take another look realistically at the options we have.

Let's not embrace what we would hope we could do. Let's embrace what we know we can do. I don't care how many charts you put up here to show how bad the situation is in agriculture, you are not going to change the reality of the House action and the President's promised action.

We are part of the process and we have a role to play—right enough—and we can exercise our responsibilities when we rewrite the farm bill. If there is an indication that additional assistance is needed later on, we can take that from the budget resolution which provides for economic assistance for farmers in the 2002 crop year. We can do that. We don't have to solve every problem facing agriculture or conservation on this bill today. We can do what we can do today, and farmers understand that. They don't fall for a lot of political grandstanding. They don't spin all the charts that you can put up on the floor. That doesn't help them a bit. They know how bad it is. What they want is help now. To get help now, let's vote for the Lugar substitute.

I ask unanimous consent to print in the RECORD a section-by-section analysis.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMENDMENT TO THE EMERGENCY AGRICULTURE ASSISTANCE ACT OF 2001—SECTION-BY-SECTION

TITLE I

Section 101—Market Loss Assistance

Supplemental income assistance to producers of cotton, rice, wheat, and feedgrain producers eligible for a Production Flexibility Contract payment at the 1999 AMTA payment levels, totaling $5.466.

Section 102—Oilseeds

Provides $500 million for a supplemental market loss assistance payment to oilseed producers totaling $500 million.

Section 103—Peanuts

Provides peanut producers of quota and additional peanuts with supplemental assistance of $56 million.

Section 104—Sugar

Suspends the marketing assessment from the 1996 Farm Bill for the 2001 crop of sugar beets and sugar cane at a cost of $44 million.

Section 105—Honey

Makes non-recourse loans available to producers of honey for the 2001 crop year at a cost of $27 million.

Section 106—Wool and Mohair

Provides supplemental payments to wool and mohair producers totaling $17 million.

Section 107—Cottonseed Assistance

Provides assistance to producers and first handlers of cottonseed totaling $100 million.

Section 108—Specialty Crop Commodity Purchases

Provides $80 million to purchase specialty crops that experienced low prices in the 2000 and 2001 crop years. $8 million of the amount maybe used to cover transportation and distribution costs.

Section 109—Loan Deficiency Payments

Allows producers who are not AMTA contract holders to participate in the marketing assistance loan program for the 2001 crop year. Raises the Loan Deficiency payment limit from $75,000 to $150,000.

Section 110—Dry Peas, Lentils, Chickpeas, and Pecans

Provides $20 million for the 2001 crop year.

Section 111—Tobacco

Provides $100 million for supplemental payments to tobacco Farmers.

TITLE II

Section 201—Equine Loans

Allows horse breeders affected by the MRLS (Mare Reproductive Loss Syndrome) to apply for U.S. Department of Agriculture Emergency Loans. No CBO score.

Section 202—Aquaculture Assistance

Provides $25 million to assist commercial aquaculture producers with feed assistance through the Commodity Credit Corporation.

TITLE III

Section 301—Obligation Period

Provides the Commodity Credit Corporation the authority to carry out And expend the amendments made by this act.

Section 302—Commodity Credit Corporation

Except as otherwise provided in this Act, the Secretary shall use The funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

Section 303—Regulations

Secretary may promulgate such regulation as are necessary to implement this Act and the Amendments made by this Act.

COCHRAN AMENDMENT

	Senate
FY 01 Spending (Budget)	$5.5 billion.
Market Loss Payment	5.466 billion.
Cottonseed Assistance	34 million.
Subtotal FY01	5.5 billion.
FY02 Spending:	
Oilseed Payment	500 million.
LDP eligibility for 01 crop year	40 million.
Peanuts	56 million.
Sugar (suspend assessment)	44 million.
Honey	27 million.
Wool and Mohair	17 million.
Cottonseed	66 million.
Tobacco	100 million.
Equine Loans	0
Commodity Purchases	80 million.
Aquaculture	25 million.
Peas, Lentils and Pecans	20 million.
Double LDP Limit for 2001 Crop	0
Subtotal FY02	975 million.
Total	$6.475 billion.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Madam President, I thank Senator COCHRAN for his great statement.

The question before the Senate is: do we want a reasonable package that will help farmers now that is within our budget, that we set out funds for, that can be delivered next week, or do we want a political issue that comes from a proposal which is full of provisions that have nothing to do with direct aid to farmers, that dramatically expands spending on programs that have nothing to do with an agriculture emergency, and a program that will almost—well, it will certainly be, since the President has now issued the veto message—be vetoed?

Ultimately, people have to come down to reaching a conclusion in answering that question.

What I would like to do today is make a few points. First, Senator COCHRAN is right. If we want to get aid to Texas and Mississippi and Iowa farmers next week, we need to pass the bill that passed the House or something very close to it. And passing the bill that passed the House, which can go directly to the President, which can be signed this week, is the right thing to do.

The second issue has to do with nonemergency matters in an emergency appropriations bill. I could go down a long list, but let me mention a few.

Changing the conservation reserve program: Maybe it needs to be changed, but do we have to do it in an emergency bill where we are trying to get assistance out the door by October 1? I think, clearly, we do not.

Expanding a yet-to-be-implemented program about farmable wetlands: I don't understand, in an emergency bill, expanding a program that has never gone into effect. Maybe we will want to expand it after it goes into effect, and we know what it is. But, A, I can't imagine we would want to do it now, and, B, why would we want to clutter up an emergency farm bill that desperately needs to become law this week or next by getting in that debate here?

Expanding subsidies for paper reduction in lunch programs: Maybe we need to increase subsidies for reducing the amount of paper that is expended in serving school lunch programs. Maybe that is a worthy objective. But why are we doing it on an emergency farm bill? I know of no critical shortage of paper in making plates and cups. So far as I am aware, we are capable of producing virtually an infinite quantity, not that that would be desirable public policy, but the point is, what does this have to do with the emergency that exists on many farms and ranches throughout America? The answer is nothing.

Additional funding for the Senior Farmers' Market Nutrition Pilot Program: That may be a meritorious program. If I knew more about it, I might think it was one of the most important nutrition programs in America. On the other hand, maybe I would not think it is even meritorious if I knew more about it. The point is not whether it is meritorious or whether it is not; the point is, it has absolutely nothing to do with an emergency on farms and ranches all over America, and it has no place in an emergency farm bill.

Making cities eligible for rural loan programs and credits: I guess other things being the same, I do not think cities of 50,000 ought to qualify for programs that are aimed at helping rural America. I have a lot of cities of 50,000. Just looking at it, it does not strike me that this is a great idea, but it may be a great idea. Maybe I just do not understand.

The point is, what does this have to do with the emergency that is occurring in bank loans that our farmers and ranchers all over America are having trouble paying? It has absolutely nothing to do with it, and it should not be in this bill.

There is an increase in funding bioenergy loan subsidy programs in this bill. Maybe bioenergy should receive additional funding. Maybe it receives too much funding. The point is, what does that have to do with an emergency in rural America? What does it have to do with farmers and ranchers trying to make that payment on that loan at the local bank? It has nothing to do with it, and it should not be in this bill.

Paying researchers at USDA beyond the civil service scale: I think highly of researchers. Some of my best friends are researchers. I used to be a researcher. Maybe this is God's work, changing the Civil Service Act to let researchers at the Department of Agriculture make more money. The point is, should we not look at that in the context of civil service? Shouldn't this be looked at by the committee that has jurisdiction, the Governmental Affairs Committee? Isn't this something on which we ought to have a fairly substantial debate? Are we going to do this at all the labs in America? Are we going to do it at the Department of Energy? Are we going to do it in oceanography? Is this the beginning of a major program?

No one knows the answer to this. I do not even know if a hearing ever occurred on this subject.

The point is, whether it is meritorious or not, what does it have to do with this farmer in plain view making that payment at the bank? It basically has to do with the pay of people who are fairly well paid. Maybe they are not paid enough.

This has absolutely nothing to do with the crisis in rural America. This is something that ought to be dealt with next year.

This brings me to the second point I want to talk about, and that is the $2 billion we are spending in this bill above the amount we said we were going to spend in the budget.

I have sat in the Budget Committee and I have sat in this Chamber and have heard endless harangues about how we are about to spend the Medicare trust fund—how dare we spend the Medicare trust fund.

My response has been, there is not a Medicare trust fund. We are running a surplus in Part A, we are running a deficit in Part B, and so there is no surplus, but that is not the point. The chairman of the Budget Committee has given us endless orations pleading that we not spend the Medicare trust fund, much less the Social Security trust fund. In fact, in committee and in the Senate Chamber, he and others have endlessly harangued about not spending these trust funds. Yet I hear no harangue today.

We are in the process today of considering a bill that is $2 billion above the amount we included in the budget to spend in fiscal year 2001 for the agriculture emergency—$2 billion above the amount we have in the budget.

Having harangued endlessly about every penny we spend, every penny we give back to the taxpayer in tax cuts is imperiling the Medicare trust fund, where is Senator CONRAD today? When we are in the process of adding $2 billion of spending above the budget, does anybody doubt that when the re-estimate comes back in August, when the new projections of the surplus come forward, given the economy has slowed down, does anybody doubt this $2 billion will come out of exactly the same Medicare trust fund about which we have heard endless harangues? Does anybody doubt that?

No, they do not doubt it, but where are the harangues today? Those harangues were on another day focused on another subject. The harangues were against tax cuts, but when it is spending, there are no harangues.

Lest anybody be confused, I do know something about the Budget Committee, having been privileged to serve on that committee in the House and the Senate. I understand the rules. Basically, the budget is whatever the chairman of the Budget Committee says the budget is.

We have before us a bill that is $2 billion above the amount we wrote in the budget for fiscal year 2001, but the chairman of the Budget Committee says it is okay to take $2 billion from 2002 and spend it in 2001 because in 2003, we can take the same $2 billion and spend it in 2002. Actually, we cannot. If he reads his own budget, he will see that in 2003, unless we have a sufficient surplus so that all funds are going into the Medicare trust fund and the Social Security trust fund and reducing debt or being invested, we will not be able to make the shift from 2003 to 2002.

One can say, as Senator CONRAD did yesterday, that he makes the determination in advising the Parliamentarian that this does not have a budget point of order. So by definition, if he says it does not have a budget point of order, it does not have a budget point of order, but does anybody doubt it violates the budget?

We wrote in the budget $5.5 billion, black and white, clear as it can be clear, that is how much we were going to spend. Now we are spending $7.5 billion, but it does not bust the budget? Why doesn't it bust the budget? Because the chairman of the Budget Committee, Senator CONRAD, advises the Parliamentarian that it does not bust the budget. He is the chairman of the Budget Committee, so how can it bust the budget when he says it does not bust the budget?

The pattern is pretty clear. Senator CONRAD is deeply concerned—deeply concerned—about spending these trust funds as long as the money is going for tax cuts, but the first time we bring to the Chamber an appropriation that clearly busts our budget, that spends $2 billion more than we wrote in the budget, that is all right because Senator CONRAD said it is all right. He said it does not bust the budget because we are going to take the $2 billion from next year.

If that creates a problem in writing the farm bill, I say to three Members who will be very much involved in writing the farm bill, Senator CONRAD has the solution: It is no problem, just take the $2 billion from 2003. There will be a problem, as I pointed out.

Basically what we have before us is an effort to take $2 billion and to spend most of it on non-emergency programs that do not affect directly the well-being of farmers who are in crisis today in a clear action that busts the budget.

I want to say this, not to go on so long as to be mean or hateful about it. I do not mind being lectured. I get lectured all the time. I guess I am about as guilty as any Member of the Senate in lecturing my colleagues. It comes from my background where I used to lecture 50 minutes Monday, Wednesday, and Friday, and an hour and 15 minutes on Tuesday and Thursday. My students paid attention because they wanted to pass.

Here is the point: I don't see how any Member of the Senate who stands idly by and watches us spend $2 billion more than we pledged in the 2001 budget that we were going to spend on this bill, how that Member can remain silent or support that effort and have any credibility ever again when they talk about concern over deficits or spending trust funds.

Ultimately, the debate is: Is it words or is it deeds? Are you really protecting the budget when we are on the floor spending $2 billion more than we said we were going to spend in the budget?

It seems to me if you vote for this $7.5 billion appropriation—it is an entitlement program and an authorization, in addition to the $7.5 billion—if Members vote for this $7.5 billion spending bill, which violates that budget by spending $2 billion more than we committed to, you cannot ever, it seems to me, have any credibility again in arguing you are concerned about the deficit or that you are concerned about spending the Medicare or Social Security trust fund.

There is no question when the August re-estimates come in, this $2 billion is going to come right out of the Medicare trust fund. We will have a vote. If Members want to live up to the rhetoric in saying we don't want to spend that trust fund, and we don't want to bust the budget, Members can vote for the Lugar amendment because it has three big advantages: First, it will become law this week, the President will sign it; and, second, it doesn't bust the budget. Third, it doesn't take money out of the Medicare trust fund.

I think every argument that can be made that should carry any weight in this debate is an argument for the Lugar amendment. I urge my colleagues not to get into an argument that will delay the assistance to our farmers and ranchers. We are going to debate a farm bill in the next fiscal year. I don't know whether we will pass one or not. We are going to debate one. Why start the debate by taking $2 billion we have to finance a new farm bill and spend it now on non-emergency items, by and large? Why not live within the budget today, get a bill to the President that he can sign, let him sign it this week, and let the money next week go out to help farmers and ranchers.

In the next fiscal year, after October 1, we can debate a new farm bill. It is at that point that many of these issues need to be decided.

If Members do not want to bust the budget and Members want this bill to become law, and become law soon, vote for the Lugar amendment. I intend to vote for the Lugar amendment. I intend to oppose the underlying bill. It violates the budget. It spends $2 billion more than we pledged to limit spending in the budget. I intend to resist it as hard as I can. I think it sends a terrible signal that here we are, despite all our high-handed speech about spending trust funds and living within the budget, and we come to the first popular program that we voted on and now we are busting the budget by 40 percent. Forty percent of the funds in the bill before the Senate represents an increase in spending over the budget that we adopted. That is a mistake.

I urge my colleagues to vote for the Lugar substitute. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, I am surprised to hear the Senator from Texas talk about how this does not comport with the budget resolution. The Senator from Texas is a member of the Budget Committee. The Senator from Texas must know full well the budget allows $5.5 billion for the Agriculture Committee to expend in fiscal year 2001. The Budget Committee also gave instructions to the Agriculture Committee that the Agriculture Committee could expend up to $7.35 billion in fiscal year 2002.

The reason that a point of order does not lie against this bill is not because of what the Budget Committee chairman said but because of the way the budget was written and adopted by the Senate when under the control, I might add, of my friends on the Republican side. I didn't hear the Senator from Texas say at that time when the budget was adopted we shouldn't be doing this—that we should only adopt $5.5 billion for 2001 and nothing for 2002. I didn't hear the Senator from Texas at the time the budget was adopted get up and rail against that.

So there it is. We have it in the budget that this committee is authorized to expend up to $7.35 billion in fiscal year 2002.

I say to my friend from Texas, we didn't do that. We didn't expend $7.35 billion; we expended about $2 billion of that $7.35 billion that will be spent in fiscal year 2002.

The Senator from Texas surely knows we are not spending any 2002 money in 2001. We are spending 2001 money prior to September 30, but the other $2 billion, about, is spent after October 1, which is in fiscal year 2002 and is allowed under the budget agreement adopted by the House and the Senate.

I didn't hear the Senator taking issue at that when the budget was adopted. We are only doing what is within our authority to do.

Again, the Senator from Texas also went on at some length to read about some of the programs in the bill. I refer to last year's bill when we passed emergency assistance. There was a lot of extraneous stuff put in there because it was felt it was needed.

Carbon cycle research was in last year's bill; tobacco research for medicinal purposes; emergency loans for seed producers; water systems for rural and native villages in Alaska; there is the Bioinformatics Institute for Model Plant Species in last year's "emergency" bill, along with crop insurance and everything else.

I point out to my friend from Texas, there are no new programs in this bill, not one. In last year's bill there was a new program put in that probably, I suppose, we could have said should not have gone in the farm bill, but I thought it was reasonable and it was put in at that time on a soil and water conservation assistance program which was a brand-new program included in the emergency bill last year. I did not hear last year the Senator from Texas getting up and saying that the emergency bill should not include those. He is saying that this year.

Again, we made no changes, and we made no policy changes. There is one technical correction included, and I had to smile when I heard the Senator talk about the paperwork reduction in the school nutrition program. Actually, that was requested by the House Committee on Education and the Workforce. They actually requested we do that to take care of a problem in paperwork. We said it sounds reasonable. We might as well do it. Why not take care of it?

Again, there are no new programs, no new changes. All there is is one technical change in the CRP program, but in last year's emergency package there were a number of technical fixes and changes. There were new programs, as I pointed out. There were changes in eligibility. All that was done. We do not do that, basically, in this bill. There are no new conservation programs. All we are doing is funding the ones that are out of money.

I do want to at least address myself very briefly to another issue. I heard some of my friends on the other side say: Yes, we do have a dire situation in agriculture; yes, farmers are hurting; yes, it has not gotten any better since last year. But because Mr. Daniels, the head of OMB, has said he would recommend a veto, we can't meet the needs of farmers out there.

I ask my colleagues, who knows agriculture better, Mr. Daniels or the American Farm Bureau Federation? Who knows agriculture better, the National Corn Growers Association or Mr. Daniels? Who knows agriculture better, the National Farmers Union or Mr. Daniels? Who knows agriculture and their needs better, the National Wheat Growers Association or Mr. Daniels at OMB?

I say to my friends on the other side of the aisle who understand that we have some real unmet needs out there, we really have some farmers all across America who are hurting, as we have heard from all of their representatives. I say to them: Call on the President. Don't let Mr. Daniels speak for you. I say to my friends who understand agriculture, who understand the needs out there: Call up President Bush and say we need this package.

I have heard Senators on the other side—not all of them, but I have heard some of them say we need this assistance; we need the kind of money we are talking about; but because there has been a threat of a veto, we cannot do it.

I daresay that if Senators who hold that view were to call up the President and say: Mr. Daniels is wrong on this; we need this money; farmers desperately need it, I, quite frankly, believe the President would listen to the Senators here who represent agricultural States rather than Mr. Daniels.

I don't know what Mr. Daniels' background is. I don't know if he is a farmer, if he comes from a farm or not. I don't know, but I don't think he understands what is happening there in agriculture.

Last, there was a statement made—I wrote it down—"political grandstanding." I resent the implication that what we are doing is political grandstanding. We took a lot of care and time to talk with Senators on both sides of the aisle. I talked with Representatives in the House of Representatives. We met with farm groups to try to fashion a bill that did two things: It met the requirements of the Budget Act and, second, met the needs farmers have out there.

I really resent any implication that there is political grandstanding. We may have a difference of opinion on what is needed out there. I can grant there may be some differences of opinion on that. But that is why we have debates. That is why we have votes. But in no way is this political grandstanding. This is what many of us, I think on both sides of the aisle, believe is desperately needed in rural America.

Since it is desperately needed, I hope my friends on the other side of the aisle will contact the President and tell him this is one time he needs to not listen to the advice of Mr. Daniels but to listen to the advice of our American farmers, their Representatives here in Washington, and the Senators who represent those farm States.

I yield the floor. I see my friend from Nebraska is waiting to speak.

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from Nevada.

Mr. REID. Madam President, before you recognize the Senator from Nebraska, I have a unanimous consent request. I ask unanimous consent that I be recognized to move to table Senator LUGAR's amendment at 3 o'clock this afternoon and the 45 minutes prior to that vote, after our conferences, be equally divided between Senators HARKIN and LUGAR, and that no other amendments be in order prior to that vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Nebraska.

Mr. NELSON of Nebraska. Madam President, I rise in support of this legislation, S. 1246, and in opposition to the amendment offered by my good friend, Senator LUGAR. I know he is attempting to do what he thinks is best. That is what this honest debate should be about—what is best for American agriculture and how we can best meet those needs.

I notice my good friend, Senator COCHRAN from Mississippi, has a view that is a little different from that of Senator LUGAR in that he had prepared an amendment of about $6.5 billion but is supporting Senator LUGAR in his effort at $5.5 billion. But it points out that there are honest differences of opinion, even on the other side.

The reason I support S. 1246 is that it is a balanced bill and one that takes into account the diversity of agricultural interests all over this country. It recognizes that the major commodities are in their fourth year of collapsed prices, yet at the same time recognizes that economic assistance cannot and should not go just to program crops, it must reach further, to add additional farmers who are suffering and who do not happen to grow wheat, corn, or rice.

On a parochial level, the bill before us holds several provisions that are important to Nebraskans. It is no exaggeration to say that agriculture is the backbone of Nebraska's economy, for one of every four Nebraskans depends on agriculture for employment. It has been an ongoing source of concern for me that when the rest of our economy was booming, production agriculture was on the decline.

As do other Senators, I regret having to supplement our farm policy with billions of dollars of additional emergency assistance every year. So it is, in fact, high time to move on with the writing of a new farm bill for just that reason.

But until then, we have to be here to help those who produce food, who feed our Nation. This bill does that. This bill provides for an additional AMTA, or Freedom to Farm payment, at the full $5.5 billion level, which is what producers in Nebraska want. It is what producers all across our country want and what they expect us to provide. The bill passed by the House does not do so, and any package that spends just $5.5 billion cannot do so. I believe that is unacceptable.

This bill provides for assistance for oilseeds, which are not a program crop. It suspends the assessment on sugar, which is critical to the beleaguered sugar beet growers of western Nebraska and other parts of our country. And it beefs up and in some cases reinstates spending for vital conservation programs, all of which face long-term and growing backlogs and many of which would expire if not extended by this bill and were left for a farm bill later this year or next year.

In some cases my good friend from Texas points out some programs that do not, I suspect, seem to be quite as much of an emergency. But I think the good Senator from Iowa, Mr. HARKIN, answered that and said that in every emergency bill you might question the urgency or emergency of certain aspects of it but we ought not to let that get in the way of passing a bill that deals with emergency needs.

This bill also offers eligibility for LDP payments to producers who are not enrolled in the current farm program, a provision which I strongly support and which makes an enormous difference for the small number of producers who need this provision. In fact, Senator GRASSLEY and I introduced legislation to this effect earlier this year and I am grateful to Chairman HARKIN for including this provision. This morning I received a call from a constituent about this issue. So, for those who are eligible, there is no more important provision in this bill.

Finally, I commend the chairman for including funding for value-added development grants. This program was first funded last year, and it has been very popular in Nebraska. In fact, I know we have several grant requests under preparation for this funding, including one for a producer-owned pork processing and marketing facility. This is exactly the kind of program that we all talk about and want to encourage.

I am happy to support this package and know it will find wide support in Nebraska from farm groups and from farmers all over our State and our country.

It is beyond me why some Senators and the administration are so staunchly opposed to this bill. In fact, it provides a payment for a single crop year but stretching over two fiscal years, and it is within the budget constraints.

I can't find a way to explain to Nebraskans when prices are no better than last year's why the assistance provided by Congress should be cut. I can't find a way, and I don't intend to try to find a way to explain that. It just simply won't sell.

The Director of OMB suggested in his letter that the spending should decrease because farm income is up. That certainly may be true for our cattle producers. But this assistance flows primarily to row crop producers and others who are not enjoying such good fortune. How can I explain to my constituent who called this morning saying that he qualified for LDPs on his farm last year but he doesn't merit any assistance this year?

My point is that the tunnel vision approach that we must spend exactly and only $5.5 billion ignores an awful lot of needs in each and every one of our States.

I am not willing to say that the needs of producers who grow corn in Nebraska are more important than those who grow chickpeas or to the dedicated hog producers who are working diligently to process and market their own pork that we can't find a way to afford the value-added loan program that offers them their best chance to get off the ground. How can I say to them that they will have to wait for the farm bill and maybe there will be funding available after that?

This bill before us attempts to balance the needs across commodities and across the country. I think it is a great effort. I hope we can convince the House of its merits.

There was a statement that some of the payments will be direct but some will be indirect, as though there is some distinction there of any importance. The fact that we are able to get direct and indirect money into the pockets of farmers today is what this is about. That is what the emergency requires, and that is what this bill does.

As a fiscal conservative, I want to economize but not at the expense of America's farmers. I support this bill because I think it, in fact, will do what we need to do for agriculture on an emergency basis and give us the opportunity in a more lengthy period of time to come to the conclusion about what the ongoing farm bill should be and do that not on an emergency basis but on a long-term basis and a multiyear basis.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Madam President, I thank my colleague from Nebraska. I associate myself with all of Senator NELSON's remarks.

I can't wait to write a new farm bill. I jumped on this Agriculture Committee when there was an opening because I have hated this "freedom to fail" bill. We have had a dramatic decline in farm prices and farm income.

I thank the Senator from Iowa for this emergency package. I rise to speak on the floor to strongly support what our committee has reported out to the Senate.

Let me say at the very beginning that I don't like the AMTA payment mechanism. I am disappointed that we have to continue to do it this way.

From the GAO to what farmers know in Minnesota and around the country, a lot of these AMTA payments have amounted to a subsidy and inverse relationship to need. The vast amount of the actual payments to farmers to keep them going goes to the really large operations and the mid-sized and smaller farmers do not get their fair share.

I also believe that a lot of younger farmers who were hurt by the low proportion of payments that go to them are also hurt as younger farmers. We need more younger farmers.

I believe all of this should be changed. The Senator from Iowa knows that. But I also think we have to get the payments out to people.

Let me say to colleagues that I am not prepared to go back to Minnesota and say to people in farm country that we didn't have the money to provide the assistance to you.

I think it is a shame that people are so dependent on the Government. People hate it. What they want is some power or some leverage to get a decent price in the marketplace. I believe in this farm bill that we are writing in the Senate Agriculture Committee. We should do so. I also believe that there should be a strong effort in the conservation part of this legislation.

I think there ought to be a section that deals with energy, and there ought to be a section dealing with competition. We ought to be talking about put putting more competition into the food industry.

I am becoming conservative these days in the Senate because I want to put more free enterprise into the free enterprise system. I want to see us take antitrust seriously. I want to see us go after some of these conglomerates that are muscling their way to the dinner tables and forcing family farmers out—and, by the way, very much to the detriment of consumers.

This emergency package has some very strong features. First of all, thank goodness, this is an emphasis on conservation and conserving our natural resources. From the CRP Program, to the Wetland Reserve Program, to Environmental Quality Incentive Programs, we are talking about programs that need the additional funding. We are talking about programs that are win-win-win: win for the farmers, win for Pheasants Forever, win for Ducks Unlimited, .some of the best environmental organizations you could ever run across; a win for consumers; and a win for the environment.

Our Catholic bishop wrote a statement about 15 years ago entitled "Strangers and Guests." He said we are all but strangers and guests in this land. They were looking at soil erosion and chemical runoff into the water.

The focus on conservation in this emergency package is just a harbinger of the direction we are going to go because this next farm bill is going to focus on land stewardship, on preserving our natural resources, on conservation, and on a decent price for family farmers as opposed to these conglomerates.

I believe what we have in this emergency package is extremely important. I thank my colleague from Iowa for an extension of the Dairy Price Support Program. It is important to dairy farmers in Minnesota and throughout the country. The program was due to expire this year. At least it is an effort to stabilize these mad fluctuations in price.

If you have a lot of capital, it is fine if you go from $13.20 per hundredweight to $9 per hundredweight. But if you do not have the capital and the big bucks, you are going to go under.

I think it is important to have that.

I thank my colleagues. The growers in the Southern Minnesota Sugar Beet Cooperative are going to receive benefits under the 2000 crop assistance program through this legislation. These are sugar beet growers of southern Minnesota who suffered because of a freeze in the fields last fall. They tried to process the beets. They tried to do their best. They couldn't make the money off of it. Frankly, without the assistance in this package, they wouldn't have any future at all.

Again, what is an emergency? From my point of view, if you can get some benefits to people who find themselves in dire economic circumstances through no fault of their own, and you can make sure that they can continue to survive today so that they can farm tomorrow, then you are doing what you should do.

That is what this package is all about. I fully support it.

As much as I like my colleague from Indiana and as much as I think he is one of the best Senators in the Senate, I cannot support his substitute amendment.

I hope we will have strong support on the floor of the Senate for this package of emergency assistance that comes to the Senate from the Senate Agriculture Committee.

By the way, we need to move on this matter. We need to get this assistance out to farmers. We don't need to delay and delay because then we are playing with people's lives in a very unfortunate way. We really are. This is the time for Senators to have amendments, as Senator LUGAR has. This is a time for Senators to disagree. That is their honest viewpoint. But it is not a time to drag this on and on so that we can't get benefits out to people who without these benefits are not going to have any future at all. We cannot let that happen. We cannot do that to farmers in this country.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:30 p.m., recessed until 2:15 p.m., and reassembled when called to order by the Presiding Officer (Mr. MILLER).

EMERGENCY AGRICULTURAL ASSISTANCE ACT OF 2001—Continued

AMENDMENT NO. 1190

The PRESIDING OFFICER. Under the previous agreement, the time until 3 o'clock is evenly divided between Senator LUGAR and Senator HARKIN.

Who yields time?

Mr. REID. Mr. President, on behalf of Senator HARKIN, I yield 4 minutes to the chairman of the Budget Committee.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. I thank the Presiding Officer and my colleague, and I thank the chairman of the Agriculture Committee for this time as well.

Mr. President, I want to address, just briefly, the statements that were made by the Senator from Texas about whether or not this bill—the underlying bill; not the amendment by the Senator from Indiana but the underlying bill—violates the budget, whether it busts the budget.

I think it is very clear that the bill brought out of the Agriculture Committee by the chairman, Senator HARKIN, does not violate the budget in any way. The budget provided $5.5 billion in fiscal year 2001 to the Agriculture Committee for this legislation and provided an additional $7.35 billion in fiscal year 2002 for additional legislation to assist farmers at this time of need.

The bill that is in the assistance package provides $5.5 billion in 2001 and provides $1.9 billion in fiscal year 2002. It clearly does not violate the budget in any way. It does not bust the budget. It is entirely in keeping with the budget.

I just challenge the Senator from Texas, if he really believes this violates the budget, to come out here and bring a budget point of order. That is what you do if you believe that a bill violates the budget, that it busts the budget. Let's see what the Parliamentarian has to say. We know full well what the Parliamentarian would say. They would rule that there is no budget point of order against this bill because it is entirely within the budget allocations that have been made to the Agriculture Committee.

This notion of whether or not you can use years of funding in 1 year and in the second year is addressed very clearly in the language of the budget resolution itself. It says:

> It is assumed that the additional funds for 2001 and 2002 will address low income concerns in the agriculture sector today.

These funds were available to be used in 2001, in 2002, in legislation today. It goes on to say:

> Fiscal year 2003 monies may be made available for 2002 crop year support . . .

Understanding the difference between a fiscal year and a crop-year.

The fact is, every disaster bill we have passed in the last 3 years has used money in two fiscal years because the Federal fiscal year ends at the end of September and yet we know that a disaster that affects a crop affects not only the time up until the end of September but also affects the harvest in October and the marketing of a crop that occurs at that time. So always two fiscal years are affected.

Finally, the Senator from Texas said that this will raid the Medicare trust fund.

No, it will not. We are not at a point that we are using Medicare trust fund money. We are not even close to it at this point. I believe by the end of this year we will be using Medicare trust fund money to fund other Government programs. I have said that. I warned about it at the time the budget was considered. I warned about it during the tax bill debate. It is very clear that is going to happen, not just this year; it is going to happen in 2002, 2003, and 2004. And in fact we are even going to be close to using Social Security trust fund money in 2003.

This is not about that. This is about 2001. This is about 2002. In this cycle, this part of the cycle, we are nowhere close to using Medicare trust fund money. I would like the record to be clear.

The PRESIDING OFFICER. The Senator has used 4 minutes.

Who yields time?

Mr. LUGAR. Mr. President, I yield time to the distinguished Senator from Kansas. How much time does the Senator require?

Mr. ROBERTS. I thank the distinguished ranking member, and former chairman, for yielding me the time. I ask for 15 minutes if I might. If I get into a problem, maybe a minute or two.

Mr. LUGAR. I yield 15 minutes to the distinguished Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. ROBERTS. Mr. President, I rise to support the amendment offered by the distinguished former chairman of the Agriculture Committee, Senator LUGAR. I know agriculture program policy is somewhat of a high-glaze topic to many of my colleagues. I know many ask questions as to the details and the vagaries of farm programs, why we seemingly always consider for days on end every year emergency farm legislation and Agriculture appropriations, what we now call supplemental Agriculture bills.

In the "why and hows come" department, let me recommend to my colleagues yesterday's and today's proceedings and in particular Senator LUGAR's remarks with regard to this bill and, more importantly, the overall situation that now faces American agriculture and farm program policy. It is a fair and accurate summary that the ranking member has presented. In typical DICK LUGAR fashion, the Senator from Indiana has summed up the situation very well. If you want a 15-minute primer in regards to agriculture program policy, simply read the Senator's remarks.

Why are we here? Why are we considering this legislation? The title of this legislation is the Emergency Agriculture Assistance Act of 2001. The name implies to me that the bill is to fund pressing economic needs in farm country. We have them. That is what the committee actually set out to do. In the debate, we have heard a great deal about how much is enough to address the problems in farm country. And certainly with the committee's mark, some $2 billion over what was agreed to in the budget and with the possibility of a Presidential veto, that debate is absolutely crucial.

I don't believe any agriculture Senator is looking forward to a possible Presidential veto—I hope not—or agriculture becoming a poster child in regards to out-of-control spending, porkbarrel add-ons, or eating into the Medicare trust fund or, for that matter, Social Security.

It seems to me we ought to stop for a minute and ask: Why are we having these problems to begin with? For the third year in a row farmers, ranchers, and everybody else dependent on agriculture have been trying to make ends meet in the midst of a world commodity price depression, not just in the United States but the entire world.

There are many reasons for this: unprecedented record worldwide crops; the Asian and South American economic flu crippling our exports; the value of the American dollar, again crippling our exports; and my personal view, the lack of an aggressive and consistent export policy, highlighted, quite frankly, by the inaction in this Congress with regard to sanctions reform and Presidential Trade Authority (PTA).

If you have in the past exported one-third to one-half of the crops you produce and you experience 3 straight years of declining exports and increased world production, not to mention what many of us consider unfair trading practices by our competitors, you begin to understand why the market prices are where they are. Add in very little progress ever since the Seattle round in regards to the World Trade Organization, and you can understand why we have a problem.

Now what are we going to do about this? To address this problem, when this year's budget resolution was passed, it included $5.5 billion for spending in 2001 and $7.35 billion in 2002, with total funding of $73.5 billion for 2002 through 2011. I might add, if you add in the baseline for agriculture, you are talking about another $90 billion. That is a tremendous investment, to say the least.

When we passed the budget, the assumption among virtually all of us, and all of our farm groups and all of our commodity organizations, was that the funding for 2002—not 2001, the funding for 2002 would be used for one of two things: An agricultural assistance package in 2002, if needed, or funding for the first year of the next farm bill.

We should make it very clear to our colleagues, our farmers and ranchers, our conservation and wildlife organizations, our small towns and cities—we are borrowing from the future when we have $7.5 billion in this package. I don't know if it violates the budget agreement or not. I don't know what the Parliamentarian would say. Regardless, the pool of money available for writing the next farm bill has just shrunk by $2 billion. We are robbing next year's funds for this year's emergency bill.

We are going to be left with less than $5.5 billion in 2002 funding. Are we prepared to take that step? Apparently some are.

There are always disagreements on the Agriculture Committee. But I think the Agriculture Committee is probably the least partisan committee, or one of the least, in the Congress. Certainly in the Senate, we have always tried to work in a bipartisan manner. In fact, that is how former Senator Bob Kerrey of Nebraska and I operated when we wrote and passed crop insurance reform in the last Congress with the leadership and the able assistance of the chairman and the ranking member. With all due respect, that has not happened on this legislation.

We were given very short notice on the components of the package, the markup itself. When we actually arrived at markup, the legislation was not the same language our staff was provided the night before. I will not dwell on that, but it is most unfortunate. It is a harbinger of what I hope will not happen in regards to the farm bill debate.

Furthermore, I am deeply troubled that the title of this legislation is the Emergency Agricultural Assistance Act of 2001. The name implies that the bill is to fund pressing economic and income needs in farm country. That is not what we have before us with this proposal.

In fact, I am deeply concerned that we are providing funding here for several commodities that are actually at or above their long-term average prices and returns, while also making many programmatic changes. We are doing a mini farm bill.

I want to serve warning. I do not argue that commodities, other than the program crops, have not faced difficult times. Indeed, many have been in rough times. But let's make it very clear that the program commodities, those that are usually receiving the AMTA payments, the market loss payments, have stringent requirements that many, if not all, specialty crops do not have to meet in order to be eligible for payments.

Chief among these is conservation compliance. To receive assistance, a program crop producer has to meet very stringent requirements on conservation compliance. In many instances they have spent thousands of dollars to meet and maintain these requirements—good for them, good for their farming, and good for the environment.

Today I put colleagues on notice that if we intend to continue making payments to commodities that do not meet these requirements, I will propose they have to meet the same guidelines as producers of wheat, corn, cotton, rice, and soybeans to receive their payments. I thought about introducing an amendment on this legislation. That would just delay it further and get us into more debate, and I consider it an item for the Farm Bill debate. Time is of the essence, so I will not do that. I do mean to offer or at least consider it when we debate the farm bill. It isn't so much a warning. It is just a suggestion that fair is fair. All commodities should be treated equally in their requirements to receive payments through the Department of Agriculture.

Let us also remember exactly why we set aside the $5.5 billion for the purpose in the budget. The $5.5 billion is equal to the market loss assistance payment we provided last year, and it was to address continued income and price problems with these crops.

What am I talking about? Wheat, 57 cents to 67 cents below the 12-year average. That is about a 20-percent drop below the 12-year average. That is the plight of the wheat producer. Cotton, 7.65 cents below the 12-year average, about 12.5 percent below the 12-year average. Rice, same situation, even worse—about 27 percent below the 12-year average, $2.02 per hundredweight below the 12-year average of $7.52 per hundred weight. Corn, 47 cents below the 12-year average; 21 percent below the average price. It is the same thing for soybeans, 26 percent below the average price.

In regard to these problems in farm country, I believe we will continue to stand and face the same problems, regardless of what farm bill we put in place, if we do not get cracking on selling our product and having a consistent, regular, predictable, and aggressive export program.

The real emergency bill, as far as I am concerned, other than this one, is passing a clean bill to grant the President trade promotion authority—the acronym for that is the TPA—and obtaining real sanctions reform.

The distinguished ranking member of the committee, Senator LUGAR, has had a comprehensive sanctions reform bill proposed for as long as I have had the privilege of being in the Senate. I do not argue that trade will solve all of our problems. It will certainly help.

In 1996—this is one of the reasons we are here—ag exports were over $60 billion, almost hit $61 billion. Last year, ag exports were only $51 billion. Just subtract the difference. It is not a one-for-one cost, but one can see $50 billion and $61 billion, not selling the product. That is roughly about the same amount we are sending out in subsidies the past two or three years. That seems to indicate we should press ahead in an emergency fashion in regards to our trade policies as well.

Since 1994, when the trade authority expired, there have been approximately 130 bilateral agreements negotiated around the world. We have been involved in two of them. We cannot sell the product in regards to that. It is very difficult to compete in the world market when our negotiators cannot get other countries to sit down at the table.

I am a little disturbed and very concerned in regard to the lack of real blood pressure to move ahead on this legislation from the other side of the aisle. I am getting the word that trade authority for the President might not even be passed this session. It might put it off on the back burner. How on Earth can we be passing emergency farm legislation to provide assistance to hard-pressed farmers and ranchers when we have lost our exports and we cannot sell the product? We have to move here, it seems to me, on TPA.

As we have begun hearings on the next farm bill, I have also indicated my support for expanding conservation and rural development programs. This farm bill is going to have conservation and rural development in the center ring with the commodity title. I stand by that support.

I want to credit the chairman of the committee, the distinguished Senator from Iowa, who has shown great leadership in focusing on conservation. The increases in funding and the program changes should be done in the context of the farm bill where we can a have full and open debate. Senator CRAPO has a bill that I have cosponsored and others have bills. In this bill we have not had a full and open debate on the conservation programs in this bill. There are numerous provisions in this legislation that either create or extend or modify USDA programs, many of which have nothing to do with the financial difficulties in rural America.

This is going to create a problem, not only in the Senate but also in regards to the House-Senate conference. The best I can tell, the way this legislation is drafted, it is going to require a conference with at least three separate House committees, the chairmen of which are not exactly conducive to emergency farm legislation. That is not the way to create swift and easy passage of what many consider must-pass legislation.

We are going beyond the scope of this legislation by including provisions that should be debated and considered openly in the farm bill debate. I think we are making decisions that are taking away from the 2002 budget for 2001 and reducing either a 2002 emergency package or the next farm bill money by $2 billion.

My last point is this: I am concerned about the tone of some of my colleagues in terms of their debate, especially on the other side of the aisle, who argue that we on this side of the aisle were responsible for holding up this bill and putting agricultural assistance for our farmers and ranchers in jeopardy.

We have already told every farm lender, every farmer and rancher in America, that a double AMTA payment was coming. Why? Because of the loss in price and income I have just gone over with all of the program crops and other crops as well. Every banker knows that. Every producer knows that. We have to do it now because the Congressional Budget Office, in a letter today, tells us we will lose the money if we do not.

In May, the Senator from North Dakota, Mr. CONRAD, in his position as the then-ranking member of the Budget committee, wrote to then-chairman LUGAR of the committee, asking that the committee move on an agricultural assistance package or risk losing the funds.

Soon after that letter was received, we had a little fault line shift of power in this body. The fault began to take place in late May. It was completed on June 5, when the distinguished Senator from Iowa took over as chairman of the Agriculture Committee.

Let me repeat that. My colleagues on the other side of the aisle took over June 5. The legislation was not brought before the Agriculture Committee until last week, July 25, 7 weeks after taking over the reins of control, 9 calendar days from our scheduled August adjournment. This delay occurred when everybody knew full well we were going to have contentious issues, the Dairy Compact, everything, and it could lead to a prolonged and substantial debate.

I see my time has expired. I ask for 2 more minutes.

Mr. LUGAR. I yield the Senator 2 more minutes.

Mr. ROBERTS. I thank the distinguished Senator.

We know anytime an ag bill is brought to this distinguished body, we are getting into all sorts of controversies and so consequently, knowing this, they went ahead and presented a bill $2 billion higher than the House version.

It is $2 billion higher. We have all these other programs we should consider in a farm bill. They are good programs. I support the programs. It is substantially different in substance from the House bill that is going to require a conference with up to three House committees.

Speaking of the House, I want to point out the House Agriculture Committee passed its version of this assistance package June 20. It passed on a voice vote in the House—get it out, get the assistance out to farmers. It did not even have a vote. They passed it by a voice vote, June 26, a full month before we even held committee markup in the Senate.

I might also point out it was the ranking member of the House, the distinguished Congressman from Texas, CHARLIE STENHOLM, who led the charge to keep the package at $5.5 billion.

Let me go through that time line again: The Senator from Iowa took the reins of the Committee on June 5, the House Agriculture Committee passed the bill on June 20, and the full House passed the bill by voice vote on June 26. Yet, we did not even act in the Senate Agriculture Committee until July 25. I must ask why we waited, when we knew it was must pass legislation?

We can pass a $7.5 billion. We can go ahead and do that. It will be $2 million over what we allowed in the budget. We are robbing Peter to pay Paul. Again, we could come up with different names. We can take a look at the possibility of a Presidential veto. That is a dangerous trail to be on. I do not want to go down that trail. We have an opportunity now to vote for Senator LUGAR's amendment and keep this within budget, keep this within guidelines, and get the assistance to farmers.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, I yield 6 minutes to the Senator from North Dakota, Mr. DORGAN.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Dakota.

Mr. DORGAN. Mr. President, I will not spend much time now, but I find it incongruous that my colleague from Kansas talks about delay. When we tried to bring this bill to the Senate, we had to file a cloture motion to proceed to debate the bill. I repeat, we could not even proceed without filing a cloture motion—so much for delay. That really is pretty irrelevant to farmers out there who are today doing chores, hauling bales and plowing ground while worrying whether they will be able to continue to operate their family farm.

The question is: Is somebody going to step in and give them the right help and say they matter, and that we want them as part of our future? That is the question.

The phrase was used, if we pass this legislation and deny the amendment by Senator LUGAR, we will be borrowing from the future. I tell my colleagues how to quickly borrow from the future for this country, and that is to sit by and watch farm bankruptcies and farm foreclosures. Family farms being lost is borrowing from America's future as well.

We stand in suits and ties—we dress pretty well here—talking about the agricultural economy in some antiseptic way. None of us has had a drop in our income to 1930s levels in real dollars—none of us. Has anybody here had a huge drop in income back to 1930 levels in real dollars? I do not think so. But, family farmers have suffered a collapse of this magnitude to their income.

We have had people say things are better today on the family farm; prices are up; Gee, things are really going along pretty well and looking up. If you take 15- or 25-year lows and say prices have improved slightly, you could make the case they have improved slightly, but you still have dramatically lower income than you have had for many years. Another thing that must also be considered is this year's dramatically higher input costs, such as fertilizer and fuel prices.

The only people who, in my judgment, can say things are much better are the people who are not getting up in the morning to do chores or trying to figure out how to make a tractor work to make a family farm operate on a daily basis.

The question is not so much what does Washington think; the question is what do family farmers know. I will tell you what they know. They know they are hanging on by their financial fingertips struggling to see if their family can stay on the farm when they are receiving 1930s prices and paying inflated prices for every one of their inputs when putting in a crop.

The amendment before us is to cut this funding for family farmers by $1.9 billion. It is an honest amendment. You have a right to propose a cut, and you have a right to say farmers do not deserve this much help. It is not accurate to say if this amendment is adopted that farmers will receive a double AMTA payment. The fact is, they will not. This amendment will reduce the amount of help available to family farmers.

It is interesting to me that we have had four successive years of emergency legislation to respond to the deficiencies of the current farm program. I can remember the debate on the farm program—a program I voted against. This was nirvana. Boy, was this going to solve all our problems. We now know it solved none of our problems.

Year after year we have had to pass an emergency bill. Why? To fill in the hole of that farm program that did not work. We need to get a better farm program. We are about the business of doing that. In the meantime, we need to save family farmers and help them get across those price valleys. Everything in this country is changing. Go to a bank and in most places that bank is owned nationally with little branches around the country.

Do you want to get something to eat? In most cases, you are going to get something to eat at a food joint that has "mom and pop" taken down and it has a food chain logo on top.

Do you want to go to a hardware store? Local hardware stores are not around much anymore. Now it is a big chain.

The last American heroes, in my judgment, are the folks on the farm still trying to make a living against all the odds. Sometimes they are milking cows, sometimes hauling bales, always doing chores. They also put in a crop while praying it does not hail, that they do not get insects, that it does not rain too much, that it rains enough. And if these family farmers are lucky enough to get a crop, they put it in a truck and drive it to an elevator, they find out that the price it is worth is really only in 1930 dollars. They find out the food they produce has no value. The farmer who risks everything for himself and his family is told: Your food has no value. In a world where people go to bed with an ache in their belly because it hurts to be hungry, our farmers are told their food has no value.

There is something disconnected in public policy. The question is, are family farmers like the little old diner that is left behind when the interstate comes through? It is a romantic notion to talk about them, but that is yesterday's dream. Is that what family farms are? Some think that. Some think our future is mechanized corporate agriculture from California to Maine.

I think the family unit and family agriculture which plants the seeds for family values that nourish and refresh our small town and big cities—the rolling of those valleys from small towns to big cities—has always represented the refreshment of character and value in this country. Family farms are important to our future.

This amendment is asking that we cut back by $1.9 billion the amount of emergency help that family farmers need just to keep their heads above water until we can get them across this price valley. We need a bridge across these valleys for family farmers. We need a better farm program to provide that bridge. In the meantime, we need this legislation and we need to defeat this amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BROWNBACK. Mr. President, I ask that I be yielded 6 minutes from the ranking member's time.

Mr. LUGAR. Will the Senator accept 5 minutes? We are almost at our limit.

The PRESIDING OFFICER. The Senator has 4 minutes 45 seconds remaining.

Mr. BROWNBACK. I will even accept 4 minutes 45 seconds at this point.

Mr. LUGAR. Very well. I yield that time.

Mr. BROWNBACK. Mr. President, I wish to respond to some of the comments made today and strongly urge my colleagues to support the effort put forth by Senator LUGAR to get this assistance now to the family farmers in my State and across this country.

The Senator from North Dakota just spoke about the need to get this help to the family farmers and the people who start the tractors and move the bales. That is my family. That is what they do. That is what my dad and brother do. My other brother is a veterinarian. We are intricately involved in agriculture and have been for generations.

This help is needed, but I can tell you one thing as well: a rain today is much more useful than a rain in November. We need it during the growing season. We can use the money today and not in the next fiscal year.

What we are really flirting with is the very real possibility that the Senate could say: OK, $5.5 billion is not sufficient. We want more. I would like to have more for my farmers, but at the end of the day, we put in a higher number than the House and we cannot get to conference in time and the President, on top of that, has said he will veto the bill if it is over $5.5 billion.

At the end of the day, instead of getting $5.5 billion or $7.4 billion, we get zero out of it, and that would be very harmful to the farmers across this country—the wheat farmers and the grain crop farmers across Kansas. It would be very harmful to my family who is looking at a situation where prices have been low and production high and where we have not opened up foreign markets.

I was in Wilson, KS, at the Czech festival talking with farmers there. Overall, they appreciate the freedom and flexibility in this farm program but would like us to open up some of these markets. They say we have not done that in sufficient quantity yet.

They say as well they need support from the farm program and they need it now. They do not need it taking place 6 months from now. If you are looking at saying we have $5.5 billion or zero, they will say the $5.5 billion, that is what we need to do.

It looks to me as if we are staring at a very dangerous gamble saying: OK, we think we can bounce this number up another nearly $2 billion, and we are looking at less than a week to do this. In that period of time, it has to clear the Senate, get to the House, and the President has to say: Yes, you are right, I have changed my mind; it is not $5.5 billion; I will jump that number up some.

I do not think that is a safe gamble at all, and it is not a gamble we should make the farmers of the United States and the farmers across Kansas take when we are looking at this particular type of difficult financial situation in which the farmers find themselves.

It is responsible for us to support Senator LUGAR and what he is putting forward to get the $5.5 billion that has been promised. It is a responsible thing for us to do, even though we would like to put more into the farm program. This we can do; this we should do. I believe this is something we must do, and we must do it now.

I urge my colleagues to vote for the Lugar amendment. This is the type of assistance we can and should get out the door. Let's do this now and not gamble on something that might be higher in the future.

Mr. President, I reserve the remainder of the time, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Parliamentary inquiry: How much time is remaining on both sides?

The PRESIDING OFFICER. The Senator from Indiana has 1 minute 10 seconds, and the Senator from Iowa has 10 minutes 45 seconds.

Mr. HARKIN. Mr. President, I yield 2 minutes off my time to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I thank the distinguished chairman for his thoughtfulness.

I hope Senators will support my amendment and vote no against the tabling motion. I ask them to do this because I believe it is the only way in which farmers are going to receive any money.

I will go over the situation again. If we adopt the House language, we do not have a conference, and that is very important, because in a conference with the House, other items could arise that are of concern to Senators. As it is, we know the parameters of the bill as we see them. Adoption by the Senate of the House language means we have no conference, the President signs the bill, and the money goes to the farmers.

We have received from the CBO assurance that this bill must be successfully conferenced and passed by the Senate and the House before we recess, and the President must sign it in the month of August or there will be no checks. None. Senators need to know that.

The fact is, we have a difference of opinion. But the specialty crops are cared for by the House bill. The AMTA payments are cared for—not in the quantity that persons in either of these categories wish to achieve but this is emergency spending. It is our one opportunity to do it.

I am hopeful, in a bipartisan way, we will reject tabling; we will pass the amendment; we will go to the President, united with the House; and we will get the money to the farmers. This is very important, as opposed to having a partisan issue, as opposed to discussing how sad it was that somehow we miscalculated, how sad it was, indeed, for the farmers that we were attempting to help.

Finally, I believe we are doing something responsible. I believe we are filling in the gap for income, and our estimates are that farmers will have less this year, and we are going to make certain they have more; that country bankers are paid and they can count on it; and that farmers will plant again and they can count upon it. Any farmer listening to this debate wants us to pass the bill today and to move on with the House and the President. They do not want haggling over who is responsible, which party really cares more, which crop should have had something more, or an opportunity for mischief to occur in the conference, in which finally the whole issue revolves on something other than what we have been talking about today.

I plead with my colleagues, in a bipartisan way, to reject tabling and to support the Lugar amendment.

Mr. HARKIN. How much time do I have?

The PRESIDING OFFICER. The Senator has 8 minutes.

Mr. HARKIN. Mr. President, it is not easy to say the amendment offered by my good friend from Indiana should be defeated because he is my good friend and I know he is doing this in good faith. We have talked about this and I know he feels deeply this is the way we should go. Quite frankly, as we all are friends on the Senate floor, we differ sometimes on how we ought to proceed and what is needed to meet the needs of our constituents. I respectfully dissent from that position that my friend from Indiana has taken.

I believe the $5.5 billion passed by the House is inadequate. I am not just saying that. Read the letters I have had printed today from the American Farm Bureau, the National Wheat Growers, the National Corn Growers, the National Soybean Association, and on and on and on. Every one of them is saying it is inadequate; that we have to provide the same payments to our farmers this year as we did last year.

I have heard talk that the markets have improved. That is not true. The livestock sector has gone up a little bit; that is, the livestock sector but not the crop sector. We hear the aggregate income has gone up.

Mr. President, say we are in a room of 10 people and we are talking about prescription drug benefits for the elderly. We have 10 people in the room and you put Bill Gates in the room. All of a sudden you say the aggregate income in the room is $1 billion per person so why do you need benefits under Social Security? That is what they are saying.

Yes, aggregate income has gone up because of the livestock sector, but that has not happened with the crop sector. Because of the increase in the price of fuel and fertilizers, farmers today are in worse shape than they were last year.

The House bill provides 85 percent of the support level we provided last year and the year before. The bill the committee reported out—and it was not a straight party line vote either —the bill we reported out provides for 100 percent of what they got last year and the year before. As I said, all of the groups we have received letters from support this position.

I ask that by unanimous consent a letter from the National Cotton Council of America be printed in the RECORD, along with a position paper from the National Barley Growers Association, and a letter dated today from the Oil Seed Federation, the American Soybean Association, the National Sunflower Association, and the U.S. Canola Association.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 31, 2001.

Hon. TOM HARKIN,
Committee on Agriculture, Nutrition, and Forestry, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The undersigned oilseed producer organizations strongly support the Committee's efforts to complete consideration of legislation to provide Economic Loss Assistance to producers of 2001 crops prior to the August Congressional work period. As you know, funds available for this purpose in FY-2001 must be expended before the end of the Fiscal Year on September 30, 2001. This deadline requires that Congress complete action this week, so that the Farm Service Agency can process payments after enactment.

As part of the Economic Loss Assistance package, we support continuing the level of support for oilseeds provided in last year's plan of $500 million. Prices for oilseeds are at or below levels experienced for the 2000 crop. Farmers and their lenders expect Congress to maintain oilseed payments at last year's levels.

For this reason, we support making funds available for oilseed payments from the $7.35 billion provided in the Budget Resolution for FY-2002. This is the same approach used for 2000 crop oilseeds, when $500 million in FY-2001 funds were made available. We only ask that oilseed producers receive the same support, and in the same manner, provided last year.

Thank you very much for your efforts to provide fair and equitable treatment for oilseed producers in this time of severe economic hardship.

Sincerely yours,
BART RUTH,
President, American Soybean Assn.
LLOYD KLEIN,
President, National Sunflower Assn.
STEVE DAHL,
President, U.S. Canola Assn.

NATIONAL BARLEY GROWERS ASSOCIATION (NBGA)—POSITION STATEMENT

INCOME AND MARKET LOSS ASSISTANCE FOR THE 2001 CROP

The Fiscal Year (FY) 2002 budget resolution provides $5.5 billion in additional agricultural assistance for crop year 2001 and an increase of $73.5 billion in the agriculture budget baseline through 2011. The budget resolution also provided flexibility in the use of a total of $79 billion. Because agricultural prices are not improving and production costs continue to escalate, NBGA believes it will be difficult to fully address the chronically ailing agriculture economy if Congress provides no more than $5.5 billion in assistance.

Although projections show a rise in farm income, this is largely due to the fact that analysis project livestock cash receipts to rise from $98.8 billion in 2000 to $106.6 billion in 2001. At the same time, cash receipts from crop sales are up less than $1 billion.

Further, producers continue to face historic low prices and income as well as increased input costs. In 2000, farm expenditures for fuel and oil, electricity, fertilizer and crop protection chemicals are estimated to increase farmers' cost $2.9 billion. This year, USDA estimates those expenses will rise an additional $2 billion to $3 billion while farm income continues to decrease. These issues affect every sector of agriculture.

We urge Congress to mandate that the Secretary of Agriculture make emergency economic assistance for the 2001 crops in the form of a market loss assistance payment at the 1999 Production Flexibility Contract (PFC, or AMTA) payment rate as soon as practicable prior to the end of FY01.

We believe this additional assistance will help addresses the serious economic conditions in the farm sector and does not jeopardize the House and Senate Agriculture Committees' ability to develop effective new long-term farm policy in the near future.

NATIIONAL COTTON COUNCIL
OF AMERICA,
Washington, DC, June 18, 2001.

Hon. LARRY COMBEST,
Chairman, House Agriculture Committee, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your efforts on the behalf of US agriculture. It is clear your leadership has raised the level of awareness of the stark economic reality facing US agricultural producers both in the US Congress and the Administration. As the House Agriculture Committee addresses the various needs of the US agricultural sector in its markup for emergency assistance, the National Cotton Council supports the allocation of at least $5.5 billion for market loss assistance payments. This amount is sufficient to provide economic assistance in the form of a market loss assistance payment at the 1999 AMTA payment rate and is the minimum necessary for an effective response to the continued economic crisis that pervades the entire cotton industry. Even this amount will result in less total assistance than was provided to producers in 2000.

U.S. cotton producers have seen prices paid for all inputs rise by 10% since 1999, as measured by USDA. Prices in U.S. agricultural commodity futures markets are trading 55% to 65% of the values present in 1996. For cotton, the December contract on the New York Board of Trade (NYBOT) averaged 63 cents per pound from mid May to mid June in 2000. For the last 30 days the December 2001 contract on NYBOT has averaged just 47 cents. The squeeze on cotton producers is incredibly intense.

The National Cotton Council testified in February seeking total support for producers in 2001 to be no less than that provided in crop year 2000. In the specific case of cotton, the combined 2000 crop year AMTA and market loss assistance was 15.21 cents. A market loss assistance payment of 7.88 cents in 2001 is a solid move to toward last year's level of combined support. This assumes the entire $5.5 billion allocated for 2001 in this year's budget resolution is dedicated to market loss assistance. Any reduction below $5.5 billion for market loss assistance further harms the US agriculture production sector.

The National Cotton Council seeks additional funding for other critical issues facing our industry, including (1) cottonseed assistance; (2) elimination of the 1.25 cent Step 2 threshold; and (3) use of a modified base for the calculation of market loss assistance payments. Low cottonseed prices plague the industry for the third year in a row and cut substantially into producer income. For the past 2 crop years Congress has recognized the impact of low cottonseed prices on producers and ginners and provided cottonseed assistance payments. Offers for 2001 new crop cottonseed are as low as those faced in the most recent 2 years.

The National Cotton Council seeks elimination of the 1.25 cent threshold in the Step 2 competitiveness provision. The U.S. textile industry is reeling from the impact of textile and apparel imports associated with a strong dollar. U.S. mills used 11.4 million 480-lb. bales of US in cotton in 1997, but current use rates are under 8.5 million. U.S. exports of raw cotton are also hampered by the strength of the dollar. Improved competitiveness in the face of external forces is critical to the economic health of the U.S. cotton industry.

The National Cotton Council also seeks relief for producers whose recent planting history differs substantially from the acres enrolled in the production flexibility contracts (PFC). The use of the PFC base for delivery of supplemental market loss assistance speeds payments to producers, but may not adequately address losses associated with actual production. The NCC proposal will not slow delivery of market loss assistance payments, but provides producers with an option to apply for additional assistance based on a modified base calculation. This enables the committee to more closely align production with supplemental assistance without slowing the delivery of this critical aid.

We understand there are many legitimate requests for assistance given the continued economic stress throughout agriculture. We urge you to develop a balanced package and to include these initiatives if sufficient funds become available now or at a future date and the ability of the Committee to write effective long term farm policy, consistent with the Council's and other groups' testimony, is not jeopardized.

Sincerely,

James E. Echols,
Chairman.

Mr. HARKIN. All we are saying is that we have a tough situation in agriculture. There is no reason why we shouldn't provide 100 percent of payments. That is what we did in our bill.

I point out the House bill initially started out at $6.5 billion. An amendment was offered to put it at $5.5 billion, and it passed by one vote. Two of those who voted sent me letters, which I have included in the Record, saying they want a more comprehensive bill, one that includes the Senate's provisions.

I say the responsible thing to do is to meet the needs of our constituents, our farmers, and our farm families around the country.

We also made the bill broader. In other words, we didn't just look at the program crops. We looked at a lot of other crops: the crops in the Northwest, the peas and lentils and chick peas, we looked at apples and what is happening to our specialty crops there. There are a lot of other farmers in the country who are hurting and who need assistance. We included them, also. I don't see why we should leave them out.

We made 100 percent of payments but we reached out. We also put in some strong conservation measures. The Lugar amendment leaves out all of the conservation provisions we put in the bill. The people that need that conservation are all over this country, anywhere from Georgia, to Washington State and California, to New York and Maine.

These conservation moneys do two things: They help our farm income, and they help our farmers. But they also help all in society by cleaning up our water and cleaning up our air and soil runoff. The conservation funding would lie dormant for the Wetland Reserve Program, the Farmland Protection Program and the Wildlife Habitat Improvement Program.

I think we are doing the responsible thing. I believe if we were to pass the committee-passed bill—and I believe the votes are here—and go to conference with the House, we can be back from conference with the House, I would hope, no later than tomorrow night, perhaps by Thursday. We would have a good conference report, one that could be broadly supported. I believe the President would do well to sign that bill.

Again, we will probably have to make compromises in conference. I understand that. I point out to all who will be voting, there is three times the amount of help to specialty crop producers in our underlying bill as in the Lugar amendment. To my friends on both sides of the aisle, I say we included moneys for crops all over this country. We didn't just single out one or two.

I am hopeful we can table the amendment offered, I know in good faith, by my friend from Indiana. But we have to meet our needs. We have to meet the needs of our constituents.

I make one final point: The committee bill is in full compliance with the budget resolution. We did exactly what the Budget Committee allowed us to do: $5.5 billion is spent before September 30; the other moneys in the next fiscal year. That is exactly what the budget resolution allows.

I yield the floor.

The PRESIDING OFFICER (Mr. Johnson). It is now 3 o'clock. Under the previous order, the Chair recognizes the Senator from Nevada.

Mr. REID. Mr. President, I move to table the Lugar amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 48, as follows:

[Rollcall Vote No. 261 Leg.]

YEAS—52

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Cleland
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Feingold
Feinstein
Graham
Harkin
Hollings
Hutchinson
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Snowe
Stabenow
Torricelli
Wellstone
Wyden

NAYS—48

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee
Cochran
Collins
Craig
Crapo
DeWine
Domenici
Edwards
Ensign
Enzi
Fitzgerald
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchison
Inhofe
Kyl
Lott
Lugar
McCain
McConnell
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

The motion was agreed to.

Mr. DASCHLE. I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Mr. President, could I have the attention of our colleagues.

EXECUTIVE SESSION

NOMINATION OF JAMES W. ZIGLAR, OF MISSISSIPPI, TO BE COMMISSIONER OF IMMIGRATION AND NATURALIZATION

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider Calendar No. 286, the nomination of James Ziglar to be Commissioner of Immigration and Naturalization; that the nomination be confirmed, the motion to reconsider be laid upon the table, any statements thereon be printed in the Record, the President be immediately notified of the Senate's action, and the Senate return to legislative session.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Reserving the right to object, and I shall not, may I be recognized for 2 minutes as soon as the Senate has completed this action?

The PRESIDING OFFICER. Without objection, it is so ordered.

Without objection, the foregoing request is agreed to.

The clerk will report the nomination.

The legislative clerk read the nomination of James W. Ziglar, of Mississippi, to be Commissioner of Immigration and Naturalization.

The nomination was considered and confirmed.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Mr. President, I thank my colleagues.

We have all come to know and, I would say, have a great deal of affection for Jim Ziglar. He has been an extraordinary Sergeant at Arms. This afternoon there is a reception. I hope our colleagues will wish Mr. Ziglar well.

I have come to admire his work and have said already on the floor how much I appreciate his commitment to the Senate, to this institution, to public service.

In an effort to accelerate his nomination and confirmation, we wanted to have the opportunity to take this matter up prior to the time his reception is held this afternoon.

I think on behalf of the entire Senate, we wish Jim Ziglar well in his new role and new responsibilities. I can think of no one who could serve more ably. I am grateful to my colleagues for the consideration and ultimately for the adoption of this confirmation.

I yield the floor.

The PRESIDING OFFICER. The minority leader.

Mr. LOTT. Mr. President, I thank Senator DASCHLE for moving this nomination. I have been very proud of the job that Jim Ziglar from Pascagoula, MS, has done as the Senate Sergeant at Arms.

When he came, I asked him to make sure the office was run efficiently and fairly, certainly in a bipartisan way, a nonpartisan way. He certainly did that. Sometimes I think maybe he got a little carried away doing that. But he did a great job. I know he has friends on both sides of the aisle. When he came to me to talk about the possibility of becoming Commissioner of the Immigration and Naturalization Service, I questioned him about his desire to do that, but he assured me he was prepared for that challenge and that he wished to do so.

I am glad he has been confirmed. I hope my colleagues will join him at the reception this afternoon. Certainly we all wish him well in this very important job that is going to take a lot of administrative ability and a lot of willingness to make changes to make sure that agency is run more efficiently.

I also hope this is a sign that this is the first of many nominations that will follow very shortly that will move as quickly and easily as this one, that this is the opening in the floodgates.

I thank Senator DASCHLE for bringing up the nomination.

Mr. COCHRAN. Mr. President, I'm pleased the Senate has confirmed the nomination of Jim Zigler to the Commissioner of the Immigration and Naturalization Service. He is well suited for this job, and I am sure he will discharge the responsibilities he is undertaking with a high level of competence and dedication.

Jim once served on the staff of Senator James O. Eastland of Mississippi whom I succeeded when he retired from the Senate in 1978. One of Senator Eastland's interests and responsibilities when he was Chairman of the Judiciary Committee was the work of INS. I can recall his very close supervision of the work of his agency when I was a Member of the House.

I know Jim Eastland would be very proud indeed that his former protege, Jim Zigler, has been confirmed today as Commissioner. I'm proud of Jim, too, and wish for him much success and satisfaction in this important new job.

Mr. HATCH. Mr. President, I am pleased that we have the opportunity to consider today the confirmation of the Honorable James Ziglar for Commissioner of the Immigration and Naturalization Service. While there is little doubt that Mr. Ziglar faces tremendous challenges as commissioner of the INS, I also believe that there is little doubt that Mr. Ziglar has the ability to take on those challenges. I therefore join my colleagues in support of his confirmation and look forward to great things from Mr. Ziglar and the Immigration and Naturalization Service in the future.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I am glad this has gone through as quickly as it has. After hearing the minority leader's comments, he is obviously not aware of how fast the Judiciary Committee is moving.

By the end of this week I hope that a few more nominations will reach the Senate floor from the Judiciary Committee. If they do, I will request a roll call vote on them in order to demonstrate to all the Members how quickly we are moving nominations. The Ziglar nomination received a hearing before the Judiciary Committee within two weeks of the time that the other side of the aisle allowed the Senate to reorganize. We also held hearings for ASA HUTCHINSON, the President's choice to head the Drug Enforcement Administration, along with four judicial nominees and two additional Justice Department nominees. This pace was probably the fastest the Judiciary Committee has moved on nominations in the last six years.

In addition, we completed confirmation hearings on Robert Mueller's nomination for FBI director this morning. I am pleased that we were able to begin his hearing within days of receiving the papers from the White House. If he is not blocked by the other side, we will bring him up Thursday before the Judiciary Committee.

I am particularly pleased that we were able to move quickly to consider James Ziglar's nomination. I think he is extraordinarily qualified to head the Immigration and Naturalization Service, and I applaud President Bush for choosing him. Mr. Ziglar will work with both Republicans and Democrats. He will not seek partisan advantage but will rather act in the Nation's best interest, just as he has as Sergeant at Arms here.

It was a very good move when Senator LOTT first appointed him to this position. I am very impressed with him. I am pleased to be his friend, and I am happy to vote for his nomination.

He has a distinguished background as a lawyer, investment banker, and government official. As Sergeant at Arms, he worked behind the scenes to ensure that the business of the Senate went smoothly even in stressful times such as the impeachment trial of President Clinton. We here all owe him a debt of gratitude for his hard and effective work.

These next few years will be a pivotal time for the INS and for immigration policy in the United States. The Administration has expressed interest in reorganizing the INS and having the new Commissioner implement the reorganization plan. The Administration is also apparently considering proposing numerous changes in immigration law as part of bilateral discussions with Mexico. I trust that Mr. Ziglar will play a role in the Administration's consideration of these matters, and will encourage a fair approach to the problems faced by undocumented workers from both Mexico and the rest of the world.

In addition to the new proposals the Administration is considering, there is significant unfinished business in the immigration area. The new Commissioner will inherit a number of questionable immigration policies that Congress enacted five years ago in the Illegal Immigration Reform and Immigrant Responsibility Act. There are also a number of unresolved issues from the last Congress that we must address in this one.

Mr. Ziglar promised at his confirmation hearing to be an advocate for the many fine men and women who work for the INS, and I was glad to hear him say that. I know that in my State there are many hardworking men and women who work for the Law Enforcement Support Center, the Vermont Service Center and Sub-Office, the Debt Management Center, the Eastern Regional Office, and the Swanton Border Patrol Sector. These are employees Mr. Ziglar can rely on in his attempt to improve the agency.

One of the bigger issues facing the next Commissioner will be restructuring the INS. I strongly support improving the agency and giving it the resources it needs. The tasks we ask the INS to do range from processing citizenship applications to protecting our borders, and I agree that there are some internal tensions in the INS' mission that might be resolved. I also believe, however, that we must ensure that the INS does not lose its strengths, which I think are well represented by the great efficiency of the INS offices in Vermont. I intend to play an active role in the development and consideration of any INS reorganization plan.

I am also heartened that Mr. Ziglar questioned our nation's use of expedited removal and detention at his confirmation hearing. Later this week I will join with Senator BROWNBACK and others to introduce the Refugee Protection Act, which would sharply limit the use of expedited removal and reduce the use of detention against asylum seekers. I think I can speak for Senator BROWNBACK in saying we look forward to working with Mr. Ziglar to move this legislation.

The use of expedited removal, the process under which aliens arriving in the United States can be returned immediately to their native lands at the say-so of a low-level INS officer, calls the United States' commitment to refugees into serious question. Since Congress adopted expedited removal in 1996, we have had a system where we are removing people who arrive here either without proper documentation or with facially valid documentation that an INS officer simply suspects is invalid. This policy ignores the fact that people fleeing despotic regimes are quite often unable to obtain travel documents before leaving—they must move quickly and cannot depend upon the government that is persecuting them to provide them with the proper paperwork for departure. In the limited time that expedited removal has been in operation, we already have received reliable reports that valid asylum seekers have been denied admission to our country without the opportunity to convince an immigration judge that they faced persecution in their native lands. To provide just one example, as Archbishop Theodore McCarrick described in an op-ed in the July 22 Washington Post, a Kosovar Albanian was summarily removed from the U.S. after the civil war in Kosovo had already made the front pages of America's newspapers. I believe we must address this issue in this Congress.

In addition to questioning expedited removal and detention, I hope that Mr. Ziglar will work with us to address some of the other serious due process concerns created by passage of the Antiterrorism and Effective Death Penalty Act and the Illegal Immigration Reform and Immigrant Responsibility Act in 1996. Through those laws, Congress expanded the pool of people who could be deported, denied those people the chance for due process before deportation, and made these changes retroactive, so that legal permanent residents who had committed offenses so minor that they did not even serve jail time suddenly faced removal from the United States. The Supreme Court has recently limited some of the retroactive effects of those laws, in INS v. St. Cyr, but we must do more to bring these laws into line with our historic commitment to immigration. Many of us have attempted throughout the last five years to undo the legislation we passed in 1996—it remains a high priority and I hope we can find areas of agreement with Mr. Ziglar and the Administration.

Mr. Ziglar did not present himself at his confirmation hearing as an expert on immigration and immigration law—he said frankly that he has much to learn. He did offer his expertise in management and promised to work hard to solve some of the problems the INS has faced over recent years. We in Congress want to be partners in this effort, and I hope that the excellent working relationship we have had with Mr. Ziglar over the years will continue in his new capacity.

James Ziglar is the President's choice to be the Commissioner of the Immigration and Naturalization Service, and I am happy to vote for his nomination. He has a distinguished background as a lawyer, investment banker, and government official. Furthermore, he was a distinguished Sergeant at Arms of the Senate, serving the needs of every Senator in a time of great partisanship. He worked behind the scenes to ensure that the business of the Senate went smoothly even in stressful times such as the impeachment trial of President Clinton. We here all owe him a debt of gratitude for his hard and effective work.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Mr. President, I note that Jim Ziglar is on the floor. I want to be the first among all of our colleagues to congratulate him publicly.

(Applause, Senators rising.)

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMERGENCY AGRICULTURAL ASSISTANCE ACT OF 2001—Continued

Mr. HARKIN. Mr. President, we are still on the agriculture package. After having had this last vote, I think it is the wish of the Senate that we move ahead on this bill so we can go to conference.

Again, I remind Senators, as others have reminded them today, time is running short. We would like to finish this bill if at all possible today so that we can go to conference tomorrow, hopefully finish the conference tomorrow at some reasonable time, and come back with the conference report either late tomorrow or early on Thursday so we can finish the conference report and get it to the President before we leave at the end of the week.

It is going to be touch and go because the checks have to get out in September. We will not be here in August. We will be on recess in August.

We do have to complete our work on the bill and get it to the President. This Senator is convinced that if we get this bill done today, we could probably finish conference tomorrow. I don't anticipate a long conference with the House. We would have to work out some disagreements on spending levels. I believe that could be done fairly expeditiously.

If any Senators have further amendments they would like to add, I hope we can reach some agreement on time limits. I hope there is not going to be any effort to string out the bill or to delay it. We just can't afford to delay this bill. We have to get it done, and we have to get to conference. We have to get the conference report back and get it to the President.

I am not saying Senators should not offer amendments. I am just saying if they offer amendments, let's do so right now. Let's have some reasonable time agreements, and then let's finish the bill so we can get to conference tomorrow.

I hope we can move ahead expeditiously and finish this bill yet today.

The PRESIDING OFFICER. The Senator from Pennsylvania.

AMENDMENT NO. 1191

Mr. SPECTER. Mr. President, I call up amendment No. 1191.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], for himself and Ms. LANDRIEU, proposes an amendment numbered 1191.

Mr. SPECTER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted and Proposed.")

Mr. SPECTER. Mr. President, I am proposing this amendment on behalf of Senators LANDRIEU, COLLINS, SCHUMER, SNOWE, LEAHY, ALLEN, BIDEN, BOND, BREAUX, CARNAHAN, CARPER, CHAFEE, CLELAND, CLINTON, COCHRAN, DODD, EDWARDS, FRIST, GREGG, HELMS, HOLLINGS, JEFFORDS, KENNEDY, KERRY, LIEBERMAN, LINCOLN, MIKULSKI, MILLER, REED, ROCKEFELLER, SARBANES, SESSIONS, SHELBY, SMITH of New Hampshire, THOMPSON, THURMOND, TORRICELLI, and WARNER.

As the distinguished manager, the Senator from Iowa asked for a time agreement—if I might have the attention of the Senator from Iowa.

Mr. HARKIN. I am sorry.

Mr. SPECTER. I am surprised that the Senator from Iowa was not listening. We have a close partnership on the Subcommittee on Labor, Health and Human Services, and Education.

Mr. HARKIN. I am always delighted to respond to the Senator from Pennsylvania.

Mr. SPECTER. I was saying I would be glad to agree to a time limit.

Mr. HARKIN. I would, too. I hope we can enter into a reasonable time limit. I have to consult with my ranking member, Senator LUGAR, to see what might be a good time agreement. Does the Senator have anything in mind he wants to propose?

Mr. SPECTER. I would be agreeable to 4 hours equally divided.

Mr. HARKIN. I am hopeful we do not have to go that long, I say to my friend. I am hopeful we could have a shorter debate than that. That is a pretty long period of time.

The PRESIDING OFFICER. The minority leader.

Mr. LOTT. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Pennsylvania has the floor.

Mr. LOTT. Will the Senator from Pennsylvania yield?

Mr. SPECTER. I do.

Mr. LOTT. I have a couple of observations. Before we lock in any time agreement, we want to make sure we check with the leadership on both sides for when the next vote will occur. If we agreed to 4 hours, we are talking about a vote occurring at 20 minutes to 8 tonight, and I am not sure Senator DASCHLE or I want to do that. We need to do some checking.

In terms of the time, I do not know what the advocates or the opponents of this amendment want. I do think this is a very important issue. We need to make sure everybody has been contacted and sufficient time is available to the proponents and opponents because this could be—well, this is one of the two issues that will determine whether or not this legislation goes forward. The other one is the dollar amount.

We already have a problem with the fact that the Lugar amendment was not adopted, and that causes me a great deal of concern because I am worried now that this could lead to the necessity of having a conference and concern about when we get to conference and worried about the funds being available for the needs of agriculture in this country in August or in September.

We have a major problem on our hands, and now this dairy compact being offered on this bill significantly complicates it further. All I say to the Senator from Pennsylvania is that before he locks in the time we have a chance to check on both sides of the aisle with opponents and proponents—and they are on both sides of the aisle—for a reasonable amount of time and a time for a vote will be necessary.

Mr. DOMENICI. Will the Senator yield?

Mr. SPECTER. I do.

Mr. DOMENICI. Mr. President, I say to the distinguished Senator, the Senator from New Mexico objects to a time limit. I will be in the Chamber to object to a time limit an hour from now, 2 hours from now. I want the ag bill to pass, but I am not at all sure it is the right thing to put a dairy compact on at this late hour. This Senator needs to know a lot more about it. So my colleagues know, I do not agree with the one being discussed, and I will not agree to one when it is proposed.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, this amendment is being offered in a very timely way. This is the first time on this bill that the amendment could be offered, so I do not think it is accurate to say it is being offered at a late hour. The issues involved with the dairy compact are well known. The matter has been debated extensively recently in the Senate Chamber. The Northeast Dairy Compact is due to expire on September 30. The pending legislation dealing with the farm issue makes it preeminently appropriate to offer this amendment.

The dairy compact, as envisioned in this bill, would reauthorize and extend the Northeast Interstate Dairy Compact which consists of Maine, New Hampshire, Vermont, Connecticut, Rhode Island, and Massachusetts to include Pennsylvania, New York, Ohio, Delaware, New Jersey, and Maryland. It would authorize the Southern Dairy Compact for Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

It would authorize a specific Northwest Dairy Compact within 3 years for the States of California, Oregon, and Washington, and would authorize an Intermountain Dairy Compact within 3 years for the States of Colorado, Nevada, and Utah.

A dairy compact creates a regional commission of delegates from each of the participating States. Each State delegation would have three to five members, including at least one dairy producer and one consumer representative, all of whom would be appointed by the Governor of the State.

The commissioner would have the authority to regulate farm prices of class I fluid milk. It may establish price regulation by way of a formal rulemaking process. The commission would take formal testimony to assess the price necessary to yield a reasonable return to the dairy producer.

One of the principal concerns this Senator has is the wide fluctuation there has been in dairy pricing. The price has fluctuated from less than $10 a hundredweight to $17 a hundredweight. In my State of Pennsylvania, it is a constant source of concern really putting many small dairy farmers out of business.

The compact does not cost any money. There is no drain on the Treasury. It is friendly to the consumer and I think has a great deal to recommend it.

The commission takes into account the purchasing power of the public, and any fluid milk price change proposed by the commission is subject to a two-thirds approval vote by the participating State delegations. The compacts receive payments from processors purchasing class I milk and returns these funds to farmers based on their milk production.

It is very important to note that the compacts are self-financed and require no appropriation of tax revenues—State, local or Federal. Legal challenges to the current dairy compact have been decided in its favor. It is constitutional. The underpinning is article I, section 10. Twenty-five States, all of which are included in this legislation, have requested dairy compact authority from Congress, and there have been pre-compact activities in as many as 10 of the other States.

Compacts are needed because the current Federal milk marketing order pricing system does not fully account for regional differences in the cost of producing milk. The Federal order program relies on State regulation for an adjustment in fluid milk prices to account for regional differences. However, since milk now almost always crosses State lines to get to the markets, the courts have ruled that individual States do not have the authority to regulate milk prices under the interstate commerce clause.

Dairy compacts recognize the economic benefits that a viable dairy industry brings to a region, and dairy farms are an integral component to the region's economy. Dairy compacts ensure customers have a continuous adequate supply of quality milk at a stable price. This stability gives consumers money in the long run by protecting them from retailers that profit from volatile milk prices by fattening their profit margins when the price of milk rises and then keep their prices inflated long after wholesale prices have already fallen.

Dairy compacts' main benefit to consumers is ensuring a local supply of fresh milk and a stable price. Dairy compacts help maintain dairy farms which in turn preserve the environment and open space.

I realize there are substantial regional differences and there are people who have deep-seated opposition. I recently conducted a hearing for the Agriculture Subcommittee of the Appropriations Committee. I have served on that subcommittee during my 20-year-plus tenure in the Senate. I convened that hearing in Pennsylvania and conducted it because of the concerns I had heard from so many dairy farmers in Pennsylvania and, for that matter, in other States whereas, I say, the prices fluctuated from less than $10 per hundredweight to more than $17 per hundredweight, which hardly gives a dairy farmer any stability as to what is happening.

At the same time the milk prices are falling precipitously, I know as a consumer that I am paying more for a half gallon of milk at the convenience store.

The issue of milk pricing is a very complex issue which goes all the way back to New Deal legislation in the 1930s. When I was admitted to the bar, one of my first jobs as a beginning lawyer with Barnes, Dechert, Price, Myers and Rhoads was to help represent national dairy products, such as Sealtest, before the milk control commission of Pennsylvania. The issue was having a minimum price, an adequate price, to assure the farmer that the price would be adequate to have a sufficient supply of wholesome, clean, safe milk. Milk is one of the most basic commodities in our society. We have seen Agricorps proliferate in America so that the local family farmer is in real jeopardy.

One of the cases I recall studying in law school was a case of Nebbia v. New York which established the authority to establish minimum prices. The constitutional scholar from my law school, Walton Hale Hamilton, made it a practice just for a brief moment of levity by going back to the sites where major constitutional cases had arisen. The case of Nebbia v. New York arose because Leo Nebbia, who ran a store, had sold a quart of milk and a loaf of bread for the price of a quart of milk. Walton Hale Hamilton went to Leo Nebbia's store and walked to the dairy case and picked out a quart of milk. As he was about to pay for it, he then asked Mr. Nebbia if he would throw in a loaf of bread. Professor Hamilton was promptly thrown out of the store, as the story goes.

But this compact, I believe, is very important. It was a very contentious issue when it was authorized for the Northeast region. I was disappointed personally that my State and other States were not included at that time, and the day of the dairy compact is going to come. I think today is a good day.

I yield the floor, and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I have spoken to the two managers of the bill. There is an amendment that is of interest to Senator ALLARD that he wants to offer. Senator MILLER wants to be here to vote against the amendment. It is my understanding we will do this with a voice vote. I ask unanimous consent the Specter amendment be set aside, Senator ALLARD be recognized for up to 10 minutes following his offering of the amendment, followed by a voice vote on the matter.

Mr. WELLSTONE. Reserving the right to object, I don't want to take much time, but I wanted to have about 5 minutes in response to Senator SPECTER.

The PRESIDING OFFICER. This is not on the Senator SPECTER.

Mr. REID. We are going to Senator ALLARD and then back to Senator SPECTER.

Mr. WELLSTONE. I ask, after the Allard amendment is disposed of, we come back to the Specter amendment.

Ms. LANDRIEU. Reserving the right to object, it is my understanding we will move off of this amendment——

Mr. REID. For 10 minutes.

Ms. LANDRIEU. That Senator SPECTER and I offered, and I ask unanimous consent to speak after Senator WELLSTONE when we get back on that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Senator SPECTER has 5 minutes. How long do you wish to speak?

Ms. LANDRIEU. Twenty minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1188

Mr. ALLARD. Mr. President, I call up my amendment numbered 1188.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. ALLARD] proposes an amendment numbered 1188.

Mr. ALLARD. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title VII, add the following:

SEC. 7____. INTERSTATE MOVEMENT OF ANIMALS FOR ANIMAL FIGHTING.

(a) REMOVAL OF LIMITATION.—Section 26 of the Animal Welfare Act (7 U.S.C. 2156) is amended by striking subsection (d) and inserting the following:

"(d) ACTIVITIES NOT SUBJECT TO PROHIBITION.—This section does not apply to the selling, buying, transporting, or delivery of animals in interstate or foreign commerce for any purpose or purposes, so long as those purposes do not include that of an animal fighting venture.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on the date that is 30 days after the date of enactment of this Act.

Mr. ALLARD. The amendment I am offering is a bill I have been working on for over 3 years in the Senate. It is commonly known as the cockfighting bill.

The bill amends the Animal Welfare Act to remove a loophole that permits interstate movement of live birds for the purpose of fighting to States in which animal fighting is lawful.

Currently, the Animal Welfare Act makes it unlawful for any person to knowingly sponsor or exhibit an animal in any animal fighting venture to which the animal was moved in interstate or foreign commerce.

Therefore, if an animal crosses State lines and then fights in a State where cockfighting is illegal, that is a crime.

The law further states,

> the activities prohibited by such subsections shall be unlawful with respect to fighting ventures involving live birds only if the fight is to take place in a State where it would be in violation of the laws thereof.

This means that the law applies to all animals involved in all types of fighting—except for birds being transported for cockfighting purposes to a State where cockfighting is still legal. Because of this crafty loophole, law enforcement officers have a more difficult time prosecuting under their State cockfighting bans.

As introduced, this legislation will close the loophole on cockfighting, and prohibit interstate movement of birds for the purpose of fighting from States where cockfighting is illegal to States where cockfighting is legal.

Illegal cockfighting is rampant in this Nation. All over the country, birds are affixed with razors and knives, pumped full of steroids, stimulants, and blood clotting agents, and made to fight to the death—all for sport and money.

Not only are most of the fights themselves illegal—gambling, money laundering, assaults, and even murders are not uncommon activities that accompany cockfights.

I simply do not see any place for any of this in American society.

Having said that, I want to make it clear I am a strong proponent of smaller government and of States rights. I do not believe you will find a stronger supporter of States rights in the Senate today than myself. While I do not personally approve of cock fighting, my bill clearly protects the rights of States to make or keep cockfighting legal if they so choose. I would not have introduced this bill if it did not. Three States currently allow cockfighting, and under my bill these three States would still be allowed to have cockfighting.

This bill is much more than a humane issue. It is a serious law enforcement issue. I know so because my bill has received the endorsement of 70 law enforcement agencies from all over the Nation. In States such as Texas, Arkansas, California, Oregon, Pennsylvania, Ohio, Iowa, Mississippi, Georgia, North Carolina, and many others, they recognize that this Federal loophole is undermining their ability to enforce their own State and county laws. Federal law is being thrown in the faces of citizens in 47 States and used as a shield for criminals to hide behind.

As a veterinarian and supporter of States rights, I believe it is time to bring parity to the laws governing animal fighting and give law enforcement greater leverage to enforce State laws. I appreciate Chairman HARKIN and Ranking Member LUGAR's assistance to my efforts.

Mr. BYRD. Mr. President, today, I thank the Senator from Colorado for proposing his amendment on the issue of cockfighting. He is a veterinarian and speaks with special credibility on the topic of the humane treatment of animals, given his academic training and professional experience in service to animals and their well-being. I understand that the distinguished Senator from Colorado has retained his veterinary credentials and license in Colorado, continuing to practice on occasion and giving periodic check-ups to some of the dogs who are the companions of U.S. Senators. I am also so pleased to note that one of our newest Senators, the distinguished junior Senator from Nevada, is a veterinarian. This may be the first time that two veterinarians have served in the Senate.

About 2 weeks ago, I took to the floor of the Senate and spoke about disturbing trends in our culture with respect to the inhumane treatment of animals. I decried wanton, barbaric acts of animal cruelty, spending some time recounting the awful circumstances of the small dog, a Bichon frise named Leo, who was yanked from a car after a minor traffic accident and thrown into oncoming highway traffic, in an act of terror directed at both the dog and his horrified and traumatized owner. The innocent creature met a brutal and painful death as a consequence of this hate-filled act. In this case, I am happy to report that some measure of justice prevailed in the end. The man who perpetrated this appalling and indefensible act of animal cruelty was apprehended, tried before a California court, convicted of animal cruelty, and sentenced to the maximum penalty allowed under California's anti-cruelty code—3 years in prison. It is interesting to note that this same man was convicted earlier this week of stealing a vehicle—indicating once again to me that there is a link between acts of animal cruelty and other types of criminal conduct.

Two weeks ago, I also spoke about the transformation in American agriculture. In all too many cases, we have moved away from small farms, where animals are treated with dignity and respect, to large corporate farms where animals are treated as nothing more than unfeeling commodities. Pregnant pigs confined in two-foot-wide gestation crates for years at a time; egg-laying hens crammed into battery cages and also deliberately starved in order to induce a molt so that they will produce bigger eggs; young male calves jammed into two-foot-wide crates to produce veal, which is tender because the animals are so completely immobilized in the crate that they cannot move and, as a consequence, their muscles don't develop. I also spoke of the abuse of cattle and pigs in slaughter lines, in which animals are disassembled before they are killed.

I don't think that there is a person among us who can countenance these acts of cruelty—whether they are random acts of violence against animals or institutionalized agriculture practices.

It is one thing to determine as a culture that it is acceptable to raise and rear and then eat animals. It is another thing to cause them to lead a miserable life of torment, and then to slaughter them in a crude and callous manner. As a civilized society, we owe it to animals to treat them with compassion and humaneness. Animals suffer and they feel. Because we are moral agents, and compassionate people, we must do better.

In our society, there are surely some activities or circumstances which cause us to weigh or balance human and animal interests. In terms of food production, most people choose to eat meat but insist that the animals are humanely treated. That is a choice we make in our culture, and it is grounded on the notion that we must eat in order to survive.

Breeding animals just for the pleasure of watching them kill one another cannot be justified in a society that accepts the principle that animal cruelty is wrong. It brings to mind the days of the Colosseum, where the Romans fought people against animals or animal against animal in gladiatorial spectacles, and the people in attendance reveled in the orgy of bloodletting. Yet, even then, in an age known for its callous disregard for animals, there were pangs of remorse and even revulsion. The great orator Cicero, after a day at the Colosseum during which gladiators spilled the blood and eventually killed more than a dozen elephants, recalled that the crowd was moved to tears by the sheer cruelty exhibited.

In the same way, our country is turning against spectacles involving the injuring and killing of animals for the amusement of spectators. Placing dogs in a pit, instigating them, and watching them fight to injury or death for our amusement is wrong. If dogfighting is wrong, then surely cockfighting is wrong, too.

These hapless birds are bred to be aggressive, pumped full of stimulants, equipped with razor-sharp knives or ice-pick-like spurs on their legs, and placed in an enclosed pit, which bars their retreat or escape. They fight to the death, hacking one another to death—with punctured lungs, gouged eyes, and pierced eyes the inevitable consequence of the combat.

Mr. President, today, I speak in support of the amendment from the Senator from Colorado, a veterinarian and a humane-minded person.

Pitting animals against one another and causing them to fight just so that we can witness the bloodletting presents a clear moral choice for us. There can be no confusion on this issue. As decent people, we must act to stop it.

The law must bar this activity, and impose penalties upon those who would flout this humane standard. I thank the Senator from Colorado and offer my support of his amendment. I yield the floor.

The PRESIDING OFFICER. If all time is yielded back, the question is on agreeing to amendment No. 1188.

The amendment (No. 1188) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Will the RECORD reflect in that voice vote the Senator from Georgia, Mr. MILLER, voted no?

The PRESIDING OFFICER. Without objection, it is duly noted.

The Senator from Colorado.

Mr. ALLARD. Mr. President, with the passage of this amendment I thank the Members of the Senate. We have strong sponsorship on the bill as it goes to conference committee. I hope the conferees, when they deliberate this bill in conference committee, will keep in mind the strong support we have had in the Senate.

I yield the remainder of my time.

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota is recognized.

AMENDMENT NO. 1191

Mr. WELLSTONE. Mr. President, I ask the Chair whether there are any time constraints at all.

The PRESIDING OFFICER. It is the understanding of the Chair that the Senator would be allocated 5 minutes at this time.

Mr. WELLSTONE. Mr. President, I do not remember asking for only 5 minutes. I do not intend to speak for very long but if that is the agreement at the moment—5 minutes?

The PRESIDING OFFICER. That is correct.

Mr. WELLSTONE. Before I proceed further, I ask whether or not each Senator who is speaking this afternoon is limited to 5 minutes. Is that it?

The PRESIDING OFFICER. The only sequence at this point was the Senator from Minnesota had 5 minutes and the

Senator from Louisiana asked for 20 minutes.

Mr. WELLSTONE. Mr. President, I do not remember asking for only 5 minutes. Could somebody check on exactly where this came from?

Let me ask unanimous consent I be allowed to speak for 15 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. TORRICELLI. Reserving the right to object, could I add, when the Senator from Minnesota has finished, following the remarks of the Senator from Louisiana, Ms. LANDRIEU, I be recognized to speak for 5 minutes?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I do not know if I will need to take 15 minutes. There will be plenty of time for debate. I may be back to the floor again.

Let me, first of all, put my comments in some kind of context. These are hard times for a lot of dairy farmers, and I understand that full well. I am not terribly sure the idea of a compact or the idea of balkanizing dairy farmers around the country with different compacts is the answer. In fact, I do not think it is the answer at all. As we write a new farm bill, I wish the focus would be for our farmers, corn growers and wheat growers and other crop farmers and livestock producers and dairy farmers. I think the focus should be on a way for our independent producers to be able to get a decent price in the marketplace. That is what I think this should be about.

In Minnesota, just to give Senators some reason as to why I come to the floor with a lot of determination and oppose the Specter amendment—I do not mean that in a disrespectful way. I mean the amendment proposed by my colleague from Pennsylvania, Senator SPECTER—the dairy industry is a big part of our State's economy. We have 8,000 dairy farmers in Minnesota. We rank fifth in the Nation's milk production. The milk production from Minnesota farms generates more than $1.2 billion for our State's farmers each year. Frankly, it adds an additional $1.2 billion by way of a multiplier effect to Minnesota's overall economy.

I am not talking about big giants. The average herd size in Minnesota is 60 cows per farm. We are talking about family operations. We are talking about family businesses with total sales of $1.2 billion. But between 1993 and the year 2000, we lost about 5,000 dairy farms. That represents a loss of over one-third of our total dairy farms. That is second only to the State of Wisconsin, among the 50 States in our country.

If you look at the upper Midwest States, including Minnesota and Wisconsin, Iowa, Illinois, Nebraska, North Dakota, and South Dakota, our region lost 49 percent of all the dairy farmers between 1992 and 1998. These are not just statistics; these are people's lives.

I hope, as I said earlier, we will actually write a new farm bill which will give dairy farmers in all regions of the country, especially the family operations, a decent price. I am not talking about these big conglomerates. I am talking about farms where the people who work the land are the people who make the decisions, and they live there. There is no reason in the world why we cannot have a family-farm-based dairy system, a dairy system which promotes economic vitality in our rural areas.

I have said it many times. The health and vitality of rural America, which is a part of America and a part of Minnesota that I love, is not going to be based on the amount of land owned. Somebody is always going to own the land. Someone will own the animals. But the health and vitality of the communities is not based upon the amount of land that is owned by someone or the number of animals. It is the number of family farmers who live there, dairy farmers included, who live in the community, who buy in the community, who support schools in the community; that is what is of key importance.

As if dairy farmers were not struggling with enough already in the Midwest, in 1996 Congress assisted and in some ways has made the price for many dairy farmers much worse. That is what has happened in the Midwest.

Again, I did not support the Freedom to Farm bill. I have always called it the "freedom to fail" bill. But the whole idea was you were going to decouple farmers—you were going to decouple the payments to family farmers from the Government. Of course, that is not what has happened. But this compact fixes fluid milk prices at artificially high levels for the benefit of dairy producers in one region. Now, there may be other regions, according to this amendment. This is a different set of rules.

There was a study at the University of Missouri. A dairy economist, Ken Bailey, found that Minnesota's farm level milk price would drop at least 21 cents per hundredweight if the Southeast Dairy Compact were allowed to be expanded, to attach to an expanded Northeast Dairy Compact.

That is a $27.2 million annual reduction of Minnesota farm milk sales.

Some of my colleagues say: Why doesn't the upper Midwest form its own compact? Minnesota and Wisconsin farmers would benefit from organizing their own compact. A compact price boosts supplies only to fluid milk. The percentage of upper Midwest milk sales going to fluid products is so low that any compact would do little for Minnesota's farm income.

What happens is a negative—the surplus of that milk gets dumped in our State and competes with our cheese and butter market.

We are talking about trade barriers in our country. We are talking about a compact that is not good for consumers. Quite frankly, I don't know whether or not there is a way to keep dairy farmers in business in any part of the country. We transferred millions of dollars from millions of consumers to New England dairy farmers, but the dairy farmers continue to go out of business at an equal or even faster rate than prior to the compact. The Northeast Dairy Compact has not slowed the loss of dairy farmers. There are less New England dairy farmers. Four-hundred and sixty-five have left business in the 3 years since the compact than before the compact. It was 444 before.

I could go on and on, but I think expanding the dairy compact sets a terrible precedent. We can start doing this for other American agricultural products as well.

The question is, Where do we go with all of this? The current dairy policy in this country is putting dairy farmers in Minnesota at great risk—not just in Minnesota but across the country.

I think what we should do is establish a national equitable dairy system for all. I don't know why in the world Senators from different States with dairy farmers and with family-run operations cannot work together to make sure we have a safety net and a decent price and some kind of income for dairy farmers that would help people especially during the time of low prices. Also, I think we could end a half century of discrimination against the Midwest as well.

We will have the vote on this. I assume Senator KOHL will move to table this amendment. I know we will be joined by Senator FEINGOLD, Senator DAYTON, and myself. This is what is so unfortunate about where we are right now.

First of all, the compact is quite inconsistent with what many Senators believe in terms of what we should be doing. I heard my colleague from Wisconsin refer to it as a "cartel." That is strong language. But there are an awful lot of Senators in the Senate who do not believe in fixing prices this way. That is point one.

The second point is a different point. There are a lot of Senators who support this whom I like as friends; good people. But why in the world are we now basically balkanizing all of the dairy farmers and Senators who are supposed to be supporting dairy farmers, cutting deals, and basically saying, OK, Northeast, now we will add the Southeast? Now we will go to the Northwest—keep cutting deals trying to bring people in, further balkanizing and forgetting that we are really in the same boat together.

Yes, I come to the floor to fight for the upper Midwest. I come to the floor to fight for dairy farmers in Minnesota. But, for God's sake, I don't understand why some Senators want to go in the direction of administering prices, cutting deals, balkanizing dairy farmers, balkanizing agriculture, balkanizing Senators, and balkanizing the country.

This isn't a step in the right direction. It is a great leap backwards.

I am speaking as a Senator from Minnesota. Yes, I am speaking for dairy farmers in Minnesota. Yes, I am doing everything I can to fight for dairy farmers in Minnesota just as other Senators would do when it comes to representing people you love.

I don't even think what is being proposed is good for the country at all. This makes no sense. I hope Senators—consistent with what they have always said they believe in, consistent with promises that have been made to Senator KOHL and others, consistent with the idea of how we can work together rather than basically being pitted against one another—will vote to table this amendment.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Louisiana has 20 minutes.

Ms. LANDRIEU. Thank you, Mr. President.

I rise to support the amendment offered by Senator SPECTER from Pennsylvania and myself along with 39 cosponsors—actually Democrats and Republicans from many different parts of the States—who see this as an excellent way to help dairy farmers, to help consumers, to be fair to retailers, and to make sure children and families and people in every region of the United States have access to fresh milk at a reasonable price.

In addition—as the Senator from New Jersey will speak after me—there are compelling environmental reasons in terms of preservation of land and green space and open space that are at issue as well.

Let me address some of the concerns that the Senator from Minnesota raised. Let me begin by saying that if, in fact—I am certain it is true because he brings a lot of wisdom and experience to many of these debates—it is true that many of the dairy farmers in Minnesota have gone out of business, or in his area, he may well want to look into the benefits of this compact. If this compact doesn't work because of the difference in the grades of milk, perhaps a similar kind of compact for his dairy farmers might be helpful. In the area of the Northeast where this compact has now been in existence for several years, benefits are obvious. They are clear. They have worked to preserve farmers in business to hold down prices to a fair level but providing profit margins for the farmers.

There has been some real success. As many times as we deal with many issues on a variety of subjects, sometimes we don't create a national program all at one time. I am fairly familiar with the details of how this started. But it is often that we will start a pilot program, if you will, in one part of the Nation to test and see if it works. I know that was not exactly the way this started, but the end result is that we have compacts in the Northeast which have worked very well. This is an effort to expand it to the southern region, to the Pacific region, to the Midwest region—all voluntary. It is totally up to the States if they, in fact, want to join. No one is forced to join this compact. It is the States themselves.

In the last year, I have been made aware—not 2, not 10, not just a few in one region but 25 States in the Nation—that State legislators and their Governors have petitioned for Congress to allow them to basically use this self-help mechanism.

The second point I will make before I get into my prepared remarks is, it is a wonder we have not adopted it sooner. The Senators from Vermont—Senator JEFFORDS and Senator LEAHY—are effective spokespersons. The fact is the dairy compact doesn't cost the taxpayers any direct subsidy. We spend hours on this floor passing many farm bills, which I have supported because agriculture is important in Louisiana. It costs billions of dollars. We ask taxpayers every year to put up money out of their hard-earned tax dollars to support a very complex system of subsidies for farmers. Louisiana farmers benefit in many ways. But this doesn't cost the taxpayers a penny.

So you would think there would be 100 Senators rushing to this Chamber to vote for something that is really all American. It is about self-help. It is about risk management. It is about people coming together in voluntary compacts with all of the parties equally represented—no one is shut out—in public meetings to set a price that works for everyone. I think it has a lot of merit.

State officials and dairy producers across the country are concerned that the current Federal milk marketing order pricing system does not fully account for regional differences in the cost of producing milk. The U.S. dairy industry is transporting ever-increasing amounts of milk over increasing numbers of miles to supply the fluid market. This is especially true in the South. That is why I am so interested in this issue, as is the senior Senator from Louisiana, Mr. BREAUX, who joins me in this effort.

In the South, all the dairy-producing States are milk deficient. We are milk deficient. We need to be able to produce more milk to supply our own customers in the South. We can only do that if our dairy farmers stay in business. If not, we will be importing milk from outside of our region.

It is the sense of this Congress that milk be produced in the region so it can be fresh because it is quite perishable. It can be produced and transported easily in the region. It is perishable, so it is expensive to ship and refrigerate.

In the past 10 years, nearly a quarter of the dairy farmers in my State have gone out of business. Many more are in danger of shutting down. This compact is their way to come to us to say: We found a way out. We don't need a direct subsidy. Just allow us this compact, and we can do it.

So compacts are a solution. As a result, as I mentioned earlier, 25 States have now passed legislation—almost a majority in the country—for this particular approach.

Let me take a moment to explain how the compact works. Compacts are formal agreements between three or more contiguous States to determine a price for fluid milk sold in that region. This price is determined by a regional commission of delegates from each of the States appointed by the Governor. It has to include at least one dairy producer and one consumer representative.

So let me just make one point. Critics have said: This is a cartel and we do not want cartels.

A cartel is dangerous because usually people who get into a cartel are people of all one perspective, people producing an item, and they want to run up the price. But on these commissions—which are not cartels because they are not created the same way as you would think of a regular cartel—the people who drink the milk, the people who sell the milk, and the people who produce the milk are all in a room together, not in a back room smoking a cigar but out in a public meeting, with a public record, discussing a price that works for them all. That is not a cartel. That is the opposite of a cartel. That is kind of a committee—an arrangements committee; the American way, a Democratic process—to come to a win-win solution. So I reject the idea that this is a back room cartel. It is exactly the opposite.

The commission holds public hearings to assess the price necessary to yield a reasonable return to the farmer. Any proposed price change is subject to approval by two-thirds of the State delegations. Any State may leave the compact without penalty. So this is quite a voluntary measure, not a mandatory measure.

Payments are made by the commission and are countercyclical, meaning when the Federal milk marketing order prices are above the compact commission order price, farmers don't receive compact payments; when the Federal milk marketing order price falls below that of the compact commission, farmers receive compact payments.

I show my colleagues a chart. It is the best chart I have seen to explain this situation. I thank the Senator from New Jersey for helping me display this chart. I appreciate his help.

As you can see from the chart, the compact helps to try to stabilize prices. Shown on this chart is the price of milk as it moves up and down. Shown is the set price. The compact operates so that when the Federal milk marketing order price falls below that of the compact commission, the compact actually pays the difference to the farmers. When it goes above, the farmer pays into the compact.

Again, it is no cost to the taxpayer. It is a way to stabilize the price. Farmers need certainty, just as any businessperson. Sometimes people can live with low prices. Sometimes they can live with low prices if they are certain of the price. It is the uncertainty in any business market—whether you are talking about farming or health care or transportation or high-tech businesses—that causes people to have great difficulty.

So the compact is a real answer to that. Again, it is sort of a novel approach, and one that has been tried. It is not any longer experimental. We can actually see that it is working.

I also want to just run through a few of the facts and the fictions about dairy compacts.

I mentioned this, but it is worth repeating: The critics say dairy compacts cost taxpayers money.

Dairy compacts are self-financing. There is no impact on State or Federal treasuries. Let me repeat: No impact on State and Federal treasuries.

Critics say the dairy compacts are not constitutional.

I do not have my copy of the Constitution with me, as the Senator from West Virginia usually carries with him, but I can tell you, if you flip to article I, section 10, clause 3, of the Constitution, it clearly allows for interstate compacts, provided they are approved by State legislatures and ratified by Congress.

So our action by law, ratifying a compact, and then having States voluntarily entering into it, is absolutely within the framework of the Constitution.

Third, our critics will say that dairy compacts create overproduction.

Let me show you the next chart. The Northeast Compact has a very effective supply management measure which would be included for all of the regions. It provides an incentive for farmers to limit production. It works like this: It takes 7.5 cents for every 100 pounds of milk produced and places it in a reserve, which is distributed to the producers who did not increase production by more than 1 percent from the previous year.

Louisiana, and all other potential Southern dairy compact States, are net importers of fluid milk, so overproduction is not in the foreseeable future. So overproduction is just not foreseeable.

However, in the 4 years since the compact was created, milk production in New England has increased by only 2.2 percent, while the increase in the rest of the country was 7.4 percent. So based on that information alone, you can argue that the efficiency mechanism to hold down production is actually working. Why? Not because the Senator from Louisiana says it is working or the Senator from Vermont, but because the statistics show that it is working because the production has been held to a reasonable level.

While the U.S. average is 7.4 percent, the production in New England has been held to a low, you could say, of 2.2 percent—but also meeting the other laudable goals. So this is a very important fact to note.

No. 4, the critics will say that a dairy compact is a trade barrier "balkanizing" the dairy market. Let me please reiterate that dairy compacts regulate all fluid milk sales in the compact region, regardless of where the milk is produced.

So if a farmer in another region had a relatively low price, and thought the compact price was higher, that farmer is not at all prohibited, in our legislation, from selling their milk into this market. So it is not a barrier. It encourages free trade, fair trade, among the regions.

Fifth, our critics say dairy compacts will raise retail milk prices. Let me concede this point. It does raise milk prices slightly. The Agriculture Department's Economic Research Service has done a study on this, and the facts are in. It does raise prices to consumers slightly. That price is $1.06 per person—$5 a year for a family of four.

I can honestly say I do not know of a family in America that would not be willing to pay $5 a year so they can have available to them a supply of regionally produced milk that is fresh and healthy, and knowing that they are doing something to help their farmers that is fair to their retailers and does not in any way hurt low-income consumers. Let me repeat, there is not a family in America, I don't believe, who would not be willing to pay $5 a year for the benefits this compact provides.

Six, the fiction that the dairy compact will hurt low-income consumers. One of the programs I have supported, as have many of the Senators, is WIC, the Women, Infants and Children's program, a Federal program that is very successful and that supplies milk to low-income moms and their infants in the School Lunch Program. People representing WIC and consumers representing the school lunch program are on these compacts within the region. Their voices are heard and well represented.

Finally, as I conclude—the Senator from New Jersey will speak more eloquently and in greater length and detail about this particular issue—this is also an environmental issue. As our dairy farmers basically serve now as rings of green around many of our urban areas, this is true in Louisiana, but it is particularly true in States such as New Jersey or New York, and what farms are left in places such as Florida and in California. If we can do something to help the dairy farmers stay in business, we keep this land green; we keep it open; we keep the possibility for the proper kind of development in the future. If we don't step in and help our dairy farmers, we will not only lose dairy farmers potentially over the long run, driving up the price of milk, being unfair when there is a fairness to be reached here, but we will see some of these farms plowed under in additional development.

Let's do the right thing by instituting voluntary compacts that will help not only the States in the South but also in places around the country. There is a tremendous amount of support.

I believe I have exhausted the time I have. There are many more Senators who want to speak. I yield for a question to the Senator from Vermont.

Mr. LEAHY. If the Senator will yield without losing the right to the floor, I ask first, how much time does the Senator have?

The PRESIDING OFFICER. Three minutes.

Ms. LANDRIEU. I am happy to yield without losing the floor.

Mr. LEAHY. I think the Senator from Louisiana would agree with me that one of the problems we have is the huge growth of one major processor. We are talking about a situation where we have a program that should be embraced by everybody. The cost to the taxpayers is absolutely nothing, I believe the Senator from Louisiana will agree. The cost to the taxpayers is absolutely nothing.

We are being asked to take huge amounts of tax dollars from various parts of the country, a lot of it from the eastern seaboard, to pay for programs in the Midwest. This is a program that costs taxpayers absolutely nothing. You might wonder why the big processors have spent millions of dollars to try to beat it through lobbying and every other possible effort. One of the reasons is, we see in our part of the world in New England, Suiza Foods is trying to get a stranglehold on prices.

When Suiza started in Puerto Rico, it was down here with three plants. That is the way it started. But then Suiza started moving, and in the year 2000, look at the area they cover with their plants. Now they want to combine with Dean Foods. Here is a company that, if they could get rid of all competition, if they could control the price the dairy farmers get, if they could tell the consumers, you are going to pay this much and, by the way, dairy farmers, because we are the only game in town, we are only going to give you this much, that is competition? They call us a cartel.

What we are saying is, let the consumers and the producers within the region decide what they are willing to pay. It has worked out well for us. We pay less, for example, in New England, where we have the compact. We pay less than they do in Minnesota and Wisconsin, if you go to the grocery store for the milk.

Where is the pressure coming from and why do they want to get rid of this compact? Why do they want to get rid of the dairy farmers having any say over it? So that Suiza and Dean Foods, which are becoming a monopoly and want to control all of it—it is actually a "Suizopoly," I would call it, at this point—can say just how much can be spent, where it can go. In fact, when we checked into this, we found that 90 percent of the cost increase goes to them.

The PRESIDING OFFICER. The Senator's time has expired.

Ms. LANDRIEU. Mr. President, I still have the floor.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Ms. LANDRIEU. Mr. President, I ask unanimous consent for 1 additional minute so I may finish. Senator LEAHY was asking me a question. Could I have 30 seconds?

The PRESIDING OFFICER. Is there objection?

Mr. DAYTON. I object.

The PRESIDING OFFICER. Objection is heard.

Under the previous order, the Senator from New Jersey is now recognized.

Mr. TORRICELLI. Mr. President, for purposes of a unanimous consent request only, I yield to the Senator from Pennsylvania.

AMENDMENT NO. 1191, WITHDRAWN

Mr. SPECTER. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

Mr. SPECTER. Mr. President, just by brief explanation, there is not going to be time to debate this amendment adequately this evening. We are calculating a vote count, and I want to give my colleagues notice that this amendment may well be introduced tomorrow. I do have the absolute right to withdraw it, as the Chair has recognized, and therefore the amendment is withdrawn.

The PRESIDING OFFICER. The Senator from New Jersey is recognized under the previous order.

Mr. TORRICELLI. Mr. President, for purposes of a unanimous consent request only, I yield to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. I thank the Senator from New Jersey.

Mr. President, I ask unanimous consent to be given 5 minutes after the Senator from New Jersey.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TORRICELLI. Mr. President, I yield 1 minute to the Senator from Louisiana so she may conclude her remarks.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I thank my colleague from New Jersey. I so appreciate the comments of Senator LEAHY from Vermont, who has been one of the great leaders and spokespersons on this issue. I wanted 30 seconds to wrap up to say how important this issue is for farmers not only in the southern part of the Nation. Of course, Louisiana is the State I represent. I have heard loudly and clearly from our farmers about how important this is.

Frankly, Mr. President, this is an issue of fairness for the whole Nation. We are not attempting to be unfair to any particular area. This is about competition. It is about free and fair trade. It is about self-help, managing risk, and about an idea that a compact can be beneficial to all parties involved.

The Northeast Dairy Compact, enacted in 1996, and due to expire this year, has proven extremely successful in balancing the interests of consumers, dairy farmers, processors, and retailers, by maintaining milk price stability, and doing so at no cost to taxpayers.

We have an opportunity to assure consumers in other states an adequate, affordable milk supply while maintaining positive balance sheets for our farms, whose social and economic contributions remain so critical to the vitality of our country's rural communities. It is long past the time for us to permit states the opportunity to provide their farmers the stability they so desperately need.

I thank the Senator from New Jersey for allowing me to finish my remarks.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, the Senator from Pennsylvania has withdrawn his amendment for the moment. But the Senate should be under no illusions. The amendment will return, and this fight will go on. It will go on tonight. It will go on tomorrow. It will go on next week. It will go on.

There are States in this Union that have asked, to protect their own interests, to be able to be in dairy compacts—States in the South, States in New England, and States in the Northeast.

As sovereign members of the United States of America, the legislatures in our States have voted to join these compacts. It is a right that no one should deny us. We have a right to it; we have a need for it; and we are going to insist on it.

This can be an important day in agricultural policy in the history of this country. For a long time, States such as my own, because we care about the Union and we care about farmers across America, have remained silent. I have voted for wheat programs and corn programs and peanut programs and cotton programs. I have voted for crops I have never heard of.

I do it because it is in the national interest. It is usually not in the interest of the State of New Jersey. This is in our interest, a $17 billion agricultural appropriations bill. If one takes the entire Northeastern part of the United States, the most densely populated part of the country which pays the highest taxes in America, we have $200 million worth of appropriations of $17 billion. Enough. Enough.

Every time there is an emergency, every time there is an agricultural disaster, every time some farmer has a problem, the Senators from Maryland, New Jersey, Pennsylvania, New York, Vermont, and Maine come to this floor to do our duty because we want to support the country.

Now we want support. Our dairy farmers are not in trouble. They are out of business. We ask for no money. We want a compact.

This compact will not cost the American taxpayers a dollar, not a dime. It supports prices, because without those price supports we cannot remain in the dairy business. The price of land in New Jersey where dairy farmers operate is $10,000 an acre, $25,000 an acre. The taxes dairy farmers pay could be $100,000. Their labor costs are high. Their energy costs are high.

What is it we are to do, have no farmers left in New England, none in the mid-Atlantic, close down agriculture in the South? That is what this is about. What is it we ask that is so unreasonable? We are not asking for any money. We take nothing away from any other State. We only ask the actions of our own legislature be recognized.

America is changing. From Washington, D.C., to Boston, MA, the Nation is becoming one massive suburb. Shopping centers follow shopping centers, malls follow malls, highways upon highways. We do not fight for agricultural prices. This amendment is not just about how much a dairy farmer earns; it is about not losing the last of our agricultural land. It is about the great environmental issue of this decade, stopping the destruction of open space.

Since 1961, New Jersey, which had 128,000 dairy cows, is down to 20,000 cows, a loss of 108,000 producing dairy cows. Since 1950, when the State of New Jersey had 26,900 farms with 1,200,000 acres, we have lost a quarter of the acreage and have but a little more than 9,000 farms left from 26,900.

It is about saving land. It is about a way of life. It is about a local culture. A quality of life depends upon more than suburban row house upon suburban row house. It is a chance to drive with one's child through some open space. A healthy life and a good community is about not having to buy milk that comes in on a railroad car from halfway across the country but a local farm, with a fresh product, whether it is tomatoes or corn or fresh milk.

For 200 years, from Maryland to Maine, people who have lived in the Northeast and New England have enjoyed that quality of life. It is being lost, and that is what this is about.

Two years ago, I came to the Chamber to wage the same fight. Since I spoke 24 months ago for this same amendment, when we lost, the number of dairy farms in New Jersey has declined from 168 to 138, another 17 percent loss.

In the last decade, we have lost 42 percent of our remaining dairy farms. I was here 2 years ago. I am speaking about it again tonight. If necessary, I will speak about it 2 years from now. It is clear to me, if we fail tonight, there will be no one left to defend. This is our last stand.

I hand it to my colleagues in the Midwest. Win this fight one more time and we may never have to raise it again. There will be no dairy farmers left in my State. Give it another 10 years, there will be none left in New York. Give it 20 years, there will be none left in Vermont.

It will be a success. Congratulations; some working class people, who have lived on the land for 200, 300 years, produced fresh produce for their neighbors, were put out of business. They were not put out of business to save the Federal Government money, because the amendment costs no money, but just to deny our own State the right to set a price so a farmer can get a decent return on his money.

What is the real price? It is the 138 dairy farmers who remain. It is the loss of a quality of life from the fresh produce for local people and fresh milk. It also means this: Next year, like this year, another 10,000 acres of New Jersey will be plowed under to suburban development. We have lost 600,000 such acres in recent decades.

For almost 2 years, this has accelerated because the USDA has repeatedly announced plummeting milk prices that have directly lowered the ability of dairy farmers to earn a living. Prices have dropped as much as 40 percent in a month, and middle class farmers with high costs have had to absorb this cost.

The result is known. I have already told it. They go out of business. There is no other answer but to allow this compact to go ahead.

I cannot say it might not cost consumers some money. One estimate is it could cost 4 cents, though, indeed, in New England, after they joined, their prices actually declined. It may be 4 cents more; it may be 4 cents less if the State is in the compact, but it does provide price stability.

I do not know a person in New Jersey, if it did cost 4 cents, who would not pay it to know that the last of our agricultural land is not going to be lost. It would be a fair bargain for consumers and for our quality of life.

There are those who will argue maybe it does not cost consumers more money, maybe it saves the land, but it does cost Federal benefit programs money, programs such as WIC for children, for families, or school milk programs. The compact, by law, is required to reimburse Federal nutrition programs such as WIC and school lunch programs that use 68 million pounds of milk per year, many in my State, to ensure they do not have higher costs. They are protected under these provisions.

Nothing I am suggesting to the Senate is theoretical in its benefit. The compact is not new. New England has had a compact. It worked. It stabilized retail milk prices and provided a safety net for producers. Indeed, New England retail milk prices were 5 cents per gallon lower on average than retail milk prices nationally following the Northeast Dairy Compact initiation. It did not cost consumers money. It saved consumers money, while costing the Federal Government nothing.

On September 30, the compact for New England expires. The consequences are enormous, and it will help my colleagues to understand why we come to the Senate across the South, across the mid-Atlantic, across New England, to insist on its reauthorization, because the price is so high and the consequences so devastating that no matter what it takes, we cannot allow this legislation to go forward without Senator SPECTER's amendment.

Mr. SCHUMER. Will the Senator yield?

Mr. TORRICELLI. I will be happy to yield to the Senator from New York.

Mr. SCHUMER. I thank the Senator for his excellent remarks. I wish to say, before I ask him a question, I join with him. This is of vital importance to the close to 8,000 dairy farmers in New York in countless communities.

I say to the good Senator from Indiana—and I respect his view—his corn farmers and his soybean farmers get plenty of subsidy. We are never going to get a dairy subsidy to that extent. So if we do not get this compact, I ask my colleague from New Jersey, is it his opinion that the dairy farms in the Northeast will eventually just die and we will have no dairy industry whatsoever?

Mr. TORRICELLI. I respond to the Senator from New York, as I indicated perhaps before he entered the Chamber, 40 percent of the dairy farms in New Jersey in the last 10 years have been lost. I am not certain any will survive the next 10 years if there is not a dairy compact.

The situation in my State is somewhat more acute than New York, but certainly the pattern of the rate of decline is the same.

Mr. SCHUMER. If the Senator will yield, we have lost half of our dairy farms in the last 10 to 15 years, and if one talks to dairy farmers, one will find they are all in such desperate shape that they will go under as well.

I say to my friend, the Senator from New Jersey, it is an anomaly: We have all sorts of price supports, taxpayers' money for so many of the row crops that dominate the Middle West, that are prevalent in the South and other parts of the country. I do not know why dairy was left out of that, but it was.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. SCHUMER. I ask unanimous consent he be given 2 additional minutes so he can answer my question.

The PRESIDING OFFICER. Is there objection?

Mr. DAYTON. Mr. President, I object. I will agree if I and Senator KOHL can have 5 minutes by unanimous consent.

The PRESIDING OFFICER. Will the Senator so modify his request?

Mr. SCHUMER. I modify my request that the Senator from New Jersey be given 2 minutes, and I believe Senator KOHL is to be given an additional 5 minutes, because I think he has 5 right now.

Mr. DAYTON. Right.

Mr. SCHUMER. I so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHUMER. I thank my colleagues from Minnesota and Wisconsin.

The bottom line is very simple, and that is that we will never get under this situation, or any other, the dollars we need, and so the choice is the dairy compact or the death of dairy farms in the Northeast. Does the Senator disagree with that analysis?

Mr. TORRICELLI. It is the loss of dairy farms, and we are not doing in our region what other States did and by right we are entitled to do. When their farms and products were in trouble, they asked for Federal appropriations. We asked for no appropriation. We asked for the right for a fair price for our dairy farmers.

When I began my remarks, I quoted the remarks of the Senator from New York in the caucus that there is a $17 billion appropriations bill and our entire region of the country is getting $200 million in appropriations. In the next couple days, when we object to the bill and Senators ask how can you jeopardize this entire legislation for the whole country, recognize this is what matters for us, and it may be all that is in the bill that matters, and that is why we are going to take a stand here and do what is required across the region, across the South to ensure these few remaining farms can survive.

I thank the Senator from New York for his support and leadership, and I thank the Senator from Pennsylvania for offering the amendment. We will be back to fight another day.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I rise in opposition to the dairy compacts that exist and are being proposed, and it is for very good reason. We have never had price-fixing arrangements in the history of our national economy.

When the Articles of Confederation were proposed, they understood we needed a national unified economy, and the beauty of our economy today, which makes it the envy of every country in the world, is that in the United States of America, since we started, every product and every service has unimpeded access in all 50 States. That promotes competition, that promotes excellence in quality, and that promotes the best prices for our consumers.

What they are proposing right now is that we invalidate that concept and we start going down the road of price-fixing cartels, arrangements that will allow for no competition pricewise and, as a result, for access basically from one market to another in the case of milk.

Once we start doing that, then we have to recognize that other commodities and other products will come to the Senate asking for the same consideration. If we allow that for milk, then we certainly have to recognize that other commodities and other products have the right to make the same arguments.

What will happen 10 years from now or 20 years from now when we balkanize the American economy by virtue of price arrangements between States based on commodities that they share? We will have an economy in which the consumer will pay. When we have price-fixing arrangements and allow producers to get more than what the market would normally allow them to get, inevitably, always the consumer pays and inevitably, we will begin to destroy this great national economy we have built up over the past 200-plus years.

With respect to the loss of dairy farms, I come from the Middle West, and statistically we have lost as large a percentage of our dairy farms as they have in the Northeast. We have lost between 30 and 40 percent of our dairy farms over the past 20 years. That is statistically exactly what has happened in the Northeast. Their situation is not unique.

The answer is not to balkanize that industry or any other industry and pit one region against another. The answer is to have a national policy that covers the existence and the proposed prosperity of all dairy farmers everywhere, not just in the Northeast. The answer will never be, in my judgment, price-fixing arrangements because, as I said, under those conditions, inevitably the consumer pays, and that is not what we do in this country. That is not how our economy operates.

I am suggesting the reason this amendment has been pulled, basically because it does not have the votes, is because a majority of the Senators—and this is bipartisan—a majority of the Senators recognize that price-fixing arrangements between States on commodities is not the way in which we want this economy to begin to progress into the future.

I urge my colleagues to consider in the days ahead what may or may not occur by way of trying to balkanize the dairy industry from one State to another. I do not think it has ended yet. I think it is going to be discussed again. But if there is an honest and fair vote in the Senate, which is the only way to determine policy on any issue but certainly on an issue as important as this one, we will not support dairy compacts. They do not make any sense. There are other ways to deal with the problem, not just in the dairy industry but in the agricultural industry because we have to recognize that it is not just the dairy industry which is in trouble in America; it is the entire agricultural sector, one product after another, one commodity after another. It is not just in the Northeast; it is in the Middle West, it is in the Plains States, it is in the North and in the South.

The agricultural industry has not found a way to provide prosperity for all of our farmers. We have been struggling with it. We all know that as Senators. But now the dairy industry comes along and says: Let us balkanize our industry and let us be allowed to set prices for which the consumer will pay more.

That is a huge step, and before we take it, we need to have much more extensive debate on the agricultural industry in this country and how we are going to deal with that, including the dairy industry.

I thank the Chair, and I yield 5 minutes to the Senator from Minnesota. I ask unanimous consent that if there is no objection, the Senator from Wisconsin be allowed to speak after the Senator from Minnesota.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Minnesota.

Mr. DAYTON. Mr. President, how much time do I have allotted?

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr. DAYTON. Mr. President, I commend the distinguished Senator from Wisconsin for his leadership on behalf of the dairy producers of his State and my own State on this matter. I thank also the chairman of the Senate Agriculture Committee, Senator HARKIN, and the ranking member, Senator LUGAR, who have collaborated on this legislation with some disagreements.

What has been important in this undertaking is a recognition that timeliness of this legislation to benefit all the farmers of America in some form or another is very critical. It is unfortunate, in my view, that this matter has been offered at this time.

I say that with all due respect to my distinguished colleagues who have sponsored and who have cosponsored this amendment. It is terrible economic policy; it is terrible agricultural policy; and it is terrible national policy.

The Northeast Dairy Compact as it exists today confers a substantial status on six States. It is a cartel. It is legalized price fixing, and it is economic discrimination against States such as Minnesota and our dairy producers.

Now, according to this amendment which has been withdrawn but which may be brought forward again or inserted into the conference committee deliberations, in order to protect their own special deal, they propose to make a series of Faustian pacts with other States. We learn today that under this proposed legislation, the Southeastern States of our country would get their special deal; the Pacific Northwest States would get their special deal; and other States in the country would get their special deal. I guess the theory is if you make enough deals, maybe it will add up to 51 votes on the Senate floor.

It is a siren song, the false awareness of brief economic advantage at other people's expense. It is a beggar-thy-neighbor approach to economic and farm policy, and it will be the death knell, if successful, of a national farm policy. It will be the death knell to a national unified dairy program, which is what should be the focus of the new farm bill.

Instead, it will result, as my distinguished colleague from Wisconsin and my distinguished friend from Minnesota have said already, in the balkanization of the United States dairy industry, pitting one region of the country against another, with everybody conniving and conspiring to undercut everyone else, the direct opposite of what we need in order to have a sensible national agricultural policy, which is what the chairman and the members of the Agriculture Committee are trying to put into place.

We have had hearings for the last several weeks on the supplemental Agriculture bill, and this subject has never been brought forward. We have had hearings even on the new farm bill, which we will be taking up in the fall. There are differences of opinion from one group to another. There are different economic interests at stake. But not a single other commodity group has proposed a program which benefits the producers of one region of the country at the expense of others.

Now there is one exception where the dairy producers of one region are trying to bring in others on their side who see a market in balance between supply and demand that is temporarily to their benefit, saying we want our own cartel. Our producers are included; their producers are excluded.

The proponents say—I have heard it on the Senate floor—we have a right to this. We are not asking for anything. We have a right to this kind of economic policy. I could not disagree more. The proponents are asking for the right to violate the U.S. Constitution. They are asking for the right to violate the basic principles, both economic and social, of one nation comprised of 50 States, not one State comprised of 50 countries, not one State balkanized into eight separate economic regions, each one looking out only for itself.

The economic problems afflicting American dairy producers are very real. The problems afflicting Vermont dairy producers, New Jersey, and Pennsylvania farmers are very real. The economic problems afflicting Minnesota dairy producers are very real, as they are in our neighboring State of Wisconsin. To the States which have supported this amendment, and others who think they might benefit temporarily from these arrangements, let's work together on behalf of all of our dairy producers over the next few months. Let's work together on behalf of the entire U.S. dairy industry over the next few months and incorporate this national interest, a common national interest into the new farm bill. That is the direction I believe we should take with this proposal.

I yield to my distinguished colleague, the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. I thank the Senator from Minnesota. It is wonderful to have a new and strong ally on this issue from Minnesota. I thank my senior colleague, Senator KOHL, for his tremendous leadership on this issue. It is a great concern to everyone in our State of Wisconsin.

I rise today in opposition to this effort to expand and extend the Northeast Dairy Compact. As the senior Senator from Wisconsin has said many times, it is a price-fixing dairy cartel that hurts dairy farmers outside the compact region.

In fact, a few days ago, the Judiciary Committee, on which I serve, held a hearing on the record of the dairy compact. I do commend the chairman of the Judiciary Committee for allowing both those for and against the compact to have a chance to testify. I was there for the whole hearing. Sometimes we have hearings around here that maybe we can do without, but this was very useful.

It clearly showed Congress should not renew or expand the compact.

I thought that the most compelling testimony came from two people: Richard Gorder, a Wisconsin dairy farmer, who spoke about the compact's impact on dairy farmers outside the compact region, and Lois Pines, a former Massachusetts State Senator and former compact supporter, who detailed her opposition to the compact.

Mr. Gorder outlined better than any other witness the true impact of the dairy compact on dairy farmers outside that region. Given that Mr. Gorder was the only dairy farmer to testify at the hearing, I think it would benefit my colleagues to hear how he described how the compact operates.

According to Mr. Gorder:

> Regional dairy compacts place a floor under the price of milk used for fluid purposes in the compact region. This artificial price increase creates an incentive for more milk production in the region, yet represses the consumption of fluid milk in that area. The surplus that results finds its way into manufactured milk products such as cheese, butter, and milk powder.
>
> While dairy compacts insulate that market from competition by placing restrictions on milk entering the compact region, they impose no restrictions on the surplus milk and milk products that must leave the region in search of a market. As a result, the market distortions of dairy compacts have a negative effect on prices of producers in non-compact states.

Mr. President, an expanded compact will cause Wisconsin dairy farms to lose between $64 million and $326 million per year. Whichever number is used, the long range consequence would be even greater if you were to calculate the economic impact to our rural communities.

I thought that former Senator Pines' testimony was also incredibly compelling. Here is a former state senator—the chairman of the committee that helped push through the compact—who is now calling the dairy compact a failure.

She detailed how the Northeast Dairy Compact hasn't even stopped the loss of small farmers in the Northeast. According to the American Farm Bureau Federation's data, New England has lost more dairy farms in 3 years under the compact—465—than in the 3 years prior to the compact.

Let me read from former Senator Pines' statement:

> The evidence clearly shows that Compact supporters were wrong about how the Compact would save small family farms and protect the region's consumers . . . the claims made by compact supporters have had two debilitating impacts on state and federal policy process:
>
> (1) they have grossly misled hundreds of lawmakers in Congress and state legislatures, including myself, and persuaded them to mistakenly give their support to compacts: and
>
> (2) they have diverted lawmakers' attention from developing and implementing policies that could rally help to keep small dairy farmers on the land, genuinely protect consumers, and effectively preserve open space in rural New England.

Not only does the Northeast Dairy Compact not help save New England farmers because it gives the vast majority of its subsidies to large dairy farms, it also aggravates the inequities of the Federal milk marketing order system by allowing the Compact Commission to act as a price fixing entity that walls off the market in a specific region and hurts producers outside the region.

The Northeast Interstate Dairy Compact Commission is empowered to set minimum prices for fluid milk higher than those established under Federal milk marketing orders. Never mind that farmers in the Northeast already receive higher minimum prices for their milk under the antiquated milk pricing system.

The compact not only allows these six States to set artificially high prices for specific regions, it permits them to block entry of lower priced milk from producers in competing States.

This price fixing mechanism arbitrarily provides preferential price treatment for farmers in the Northeast at the expense of farmers in other regions who work just as hard, who love their homes just as much, and whose products are just as good or better.

It also irresponsibly encourages excess milk production in one region without establishing effective supply control. This practice flaunts basic economic principles and ignores the obvious risk that it will drive down milk prices for producers outside the compact region.

The dairy compact is unconstitutional. Compacts also are at odds with the will of the Framers of our Constitution. In Federalist No. 42, Madison warned that if authorities were allowed to regulate trade between States, some sort of import levy "would be introduced by future contrivances."

I would argue that the dairy compacts are exactly the sort of contrivance feared by Madison. Dairy compacts are clearly a restriction of commerce, and, in effect, they impose what amounts to a tariff between States. The Founding Fathers never intended the States to impose levies on imports such as those imposed by one nation on another's goods.

At the recent judiciary hearing, we heard this same argument from Professor Burt Neuborne, who has taught constitutional law for 25 years. Professor Neuborne said:

> [the compact] violates the commerce clause, as well as the Privileges and Immunities Clause of Article IV, section 2, as well as the 14th Amendment . . . and is an inappropriate and possibly unconstitutional exercise of Congress' power.

Mr. Neuborne continued to say that:

> The Founders abandoned the Articles of Confederation in favor of the Constitution in order to eliminate the rampant protectionism that threatened to destroy the United States.

The compact is exactly the type of protectionist barrier the Founders worried about.

More than anything, the compact debate is about fairness to all dairy farmers. Over the past 50 years, America's dairy policy has put Wisconsin dairy farmers out of business by paying Wisconsin dairy farmers less for their milk. In 1950 Wisconsin had approximately 150,000 dairy farms and we are now down to about 18,000.

Do we pay sugar growers more in Alaska? No. Do we pay orange growers more in New York? No. Do we pay avocado farmers more in Indiana? No, and we shouldn't. We have one nation, one dairy market, and we should pay all dairy farmers—regardless of where they live—the same price for their milk.

As I said earlier, dairy farmers in the northeast and southeast already receive more for their milk. The compact makes the situation worse by walling off the majority of the country from receiving milk from outside the compact.

I urge my colleagues who support compacts to go to a farm in Marathon County, WI, and explain to the family who have owned their farm for three generations that they have to sell their farm simply because they will be paid less for their milk because of some political game.

Instead of focusing on regional dairy policies Congress must turn its attention to enacting a national dairy policy that helps all farmers get a fair price for their milk. Congress needs to follow the lead of people like my senior Senator, Mr. KOHL, who has demonstrated that if we work together, we can provide meaningful assistance to America's dairy farmers.

I believe Congress must enact a national dairy policy such as the one envisioned by Senators KOHL and SANTORUM. This legislation brings a national, unified approach to a national problem.

Who can defend the dairy compact with a straight face? This compact amounts to nothing short of Government-sponsored price fixing that hurts producers outside the compact region. It is outrageously unfair, and also bad policy.

I hope that Congress will turn its attention away from dairy compacts which ultimately hurt both consumers and farmers. Its high time to begin to focus on enacting legislation that helps all dairy farmers. America's dairy farmers deserve a fair and truly national dairy policy, one that puts them all on a level playing field, from coast to coast.

I yield the floor.

Mrs. CARNAHAN. Mr. President, the Southern Dairy Compact is an issue of tremendous importance to many Missouri farmers. Missouri has been losing its dairy industry. Last year, we lost 171 herds and 5,000 cows. Some estimate this economic loss at up to $40 million.

Just over 2,000 class A dairy farms remain in Missouri. To survive, they need milk prices to remain stable. Without assistance from a dairy compact, farms in Missouri are likely to disappear at an even faster rate. Last year, the Missouri General Assembly passed legislation allowing the State to join the Southern Dairy Compact. My late husband, Mel Carnahan, signed the legislation into law. Missouri dairy producers and the Missouri Farm Bureau support this measure as well.

I do not agree with critics of dairy compacts, who contend that compacts encourage farmers to overproduce milk. Look at the track record of the Northeast Compact. Last year, only one State in the Northeast Compact, Vermont, saw its production increase. The increase was by 2.8 percent, which is below the national average increase of 3 percent over the same period. Milk production in the other States in the compact actually decreased.

Further, there have been practically no surplus dairy products purchased from the Northeast Compact region since the Compact was established. In spite of this, the Northeast Compact has taken aggressive steps to discourage overproduction by providing incentives for farmers not to overproduce.

We will do the same in the Southern Dairy Compact, even though overproduction is improbable in the Southern Compact States. Most of the southern States, like Missouri, are net importers of milk.

Saving our small and mid-size family farms is an important issue for us in Missouri. Allowing Missouri to join the Southern Dairy Compact could help many of these farmers. I hope that the Senate will be able to vote on this important issue in the near future.

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CORZINE). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I know the Senator from Ohio wishes to offer an amendment this evening. We have talked to him, and he indicated he wants to do that tonight. That is fine.

What I wanted to talk about a little bit, as someone who is not heavily involved in farm policy but heavily involved in the legislation, is I understand how the Senate works. I have no doubt in my mind that this legislation is being given the perennial slow dance. We are waltzing into nowhere. We tried to move this legislation last week, Friday. We were on it on Monday. We were forced to file a cloture motion just to be able to move on the bill, the motion to proceed.

This bill is very important to the breadbasket of America. The people who raise and produce our food and fiber all over America need this very badly. This is an emergency appropriation, an emergency Agriculture bill. Why? Because there are emergencies out in the farm country that we have heard talked about here in the last 2 days. The legislation is going nowhere. I am very concerned about that.

We have an August recess coming up. We are told by the powers that be downtown that this legislation has to pass or the farmers will lose the money that is set forth in this bill, billions of dollars around America that will make the difference between farms staying in business, farmers being able to stay on their farms, or, as one Senator talked about today, whether another farm, another farm, another farm will be leveled off and a shopping center will be built, or homes.

Family farms in America are threatened. They will become an even more threatened species if we don't do something about this legislation.

It was interesting to me to hear the wide support for this legislation. New Jersey is a heavily populated State. The Senators from New Jersey are concerned about this legislation. All over America people are saying: We have to do something to help the farmers.

Yet the Senate is, as my friend from North Dakota has said, walking as if we are in wet cement. It is really hard to pull one foot out and get the other one in. We are going nowhere with this legislation.

The American public should understand that we understand that this legislation is being stalled for reasons I do not fully understand. It is being stalled. I hope everyone understands we have waited around here. An amendment was offered. We in good faith offered a motion to table that amendment. It was tabled. What do we know, that amendment is going to be offered again. We can have another long debate and another tabling motion and proceed. I guess they could do it again and again.

It appears to me that the majority leader is going to have to arrive at a point where he is going to have to file cloture.

Everyone knows—I shouldn't say everyone knows, but I hope that this discussion tonight will help a lot of people understand, especially those people in farm country, the States that are so dependent on these farm programs, this is being held up by the other side, by the minority.

We are going to come to a time where we are going to have to wrap things up for the August recess and, in effect, the farmers will end up getting nothing.

Mr. DORGAN. I wonder if the Senator will yield.

Mr. REID. I am happy to yield to my friend, without losing my right, for a question.

Mr. DORGAN. This has been a very frustrating time for a number of reasons. The Senate seems to have begun moving in slow motion, if that, in recent days and weeks. Last week I recall we had the Department of Transportation bill on the floor. We had very few workdays remaining before the August break and very important legislation to get finished or completed by then. Despite this, during proceedings on the Department of Transportation bill, the Senate was in quorum call after quorum call. No one would bring amendments to the floor. What we had, it appeared to me, was kind of a deliberate slowdown.

Now, we have brought an emergency Agriculture bill to the floor of the Senate—an emergency supplemental. I understand some people would prefer to provide less money to family farmers who are in some trouble, some real trouble because of collapsed grain prices. They would like to provide less money. I understand that. They have a right to offer amendments to reduce the amount of help for family farmers. We had one such amendment today, and the amendment lost.

It is a rather frustrating time because even to get to the emergency bill to help family farmers, we had to file a cloture motion to proceed, for gosh sakes, not even on the bill. It was a debate on whether or not we should debate the bill. This is an emergency supplemental appropriations bill. That was on Friday. Then on Monday, we had to vote on the cloture motion. Now we are at the end of the day on Tuesday.

I ask the Senator a question, perhaps more appropriately answered by the manager of the bill, the Senator from Iowa: Are we facing a prospect of seeing an end to this so we might be able to get this passed, have a conference, and get it completed by the end of the week? Are there amendments still pending? Are there amendments on our side?

I am told we are done with the amendments, we are ready to go to third reading, and yet we were in a quorum call before we took the floor. I understand the next amendment has nothing to do with this bill. Apparently there is one more amendment ready that is totally extraneous to an issue dealing with family farmers.

It is also the case, I understand, that there are other amendments but no one knows what amendments or how many amendments or when we might finish.

Are we in a circumstance where there is kind of a slow-motion march going on, not necessarily in the right direction? I might ask the Senator, if he knows, is there an end date we might expect the minority to be helpful to us in passing this legislation?

Mr. REID. I say to my friend, the distinguished Senator from North Dakota, the reason I am a little personally troubled about this, the Senator will recall last year, before the August recess, we passed eight appropriations bills. How were they passed? Because we, as a minority, helped the majority pass those bills. My friend will remember the many times the majority leader assigned the Senator from North Dakota and this Senator to work through amendments, and we did that. We worked through hundreds of amendments in an effort to pass an appropriations bill.

The reason I feel personally concerned—I will not say my feelings are hurt because I am an adult and I understand how things work, but we are not being treated the same way we treated the majority, when we were in the minority, in passing these appropriations bills. We thought it was important to get them passed, get them to the President. It seems to me that same philosophy is not here.

We have appropriations bills. For example, the Senator mentioned the Transportation appropriations bill. The House passed a bill, and the Senator from North Dakota wanted to offer an amendment. In effect, it outlawed Mexican trucks. I am being a little more direct, but basically that is what it did. The two managers of the bill, Senators SHELBY and MURRAY, offered a compromise, a midpoint. We could not even get that up. There was a filibuster on that, recognizing that if the President was concerned about it, the time to take care of it was in conference.

In the Transportation appropriations bill, it appears they did not want it passed. It did not matter how reasonable or unreasonable something was; they simply did not want it passed. We now have a situation, I say to my friend, where we are not allowed, on the energy and water appropriations bill that I worked very hard on with Senator DOMENICI, to even get a conference on that.

Mr. DORGAN. Mr. President, if the Senator will yield further for a question, I know my colleague from Iowa perhaps wishes to inquire as well. I understand—and I think the Senator from Nevada understands—we cannot get anything done in this Chamber without cooperation. There is no question about that. Unless we all cooperate and find a way to compromise, with some goodwill, the Senate will not get its work done. We must get through certain legislation by a certain time. Unless we find a way to cooperate, it does not happen. That is because the levers in the Senate are substantial and can slow things down.

As I said yesterday, no one has ever accused the Senate of speeding on a good day, but the ability to slow the Senate down or stop it is an ability that almost any Senator has.

I also understand this is a difficult time in a lot of ways, and I understand there are some who are pretty negative about some of the things we propose to do; for example, the transportation and the trucking issue. On the legislation dealing with emergency help to family farmers, the Senator from Iowa has put together a bill that I think is terrific legislation, and I am proud to support it. It is very helpful and very important to family farmers. I know there are some who take a negative view of it and I respect that.

I must say, when I think of that, I think of Mark Twain who was asked once to engage in a debate. He said: Of course, as long as I can have the negative side.

They said: We have not yet told you what the subject is.

He said: It does not matter. The negative side requires no preparation.

It is very easy to oppose almost anything. What we need to do is to ask for some cooperation.

We are going to have to pass an emergency supplemental bill to help family farmers. We know that. We have provided for it in the budget. We know we need to get this done, and everyone in this Chamber knows it has to be done this week. We ask for some cooperation. We have so much more to do than just this bill.

Is it not the case that we also have to do the VA-HUD appropriations bill; we need to finish the Department of Transportation appropriations bill; we have to get this emergency supplemental appropriations bill done; we have the export bill we have to get done—all of this between now and the end of this week?

My great concern is there seems to be no activity in the Chamber, and it is not because we do not want to get to a final conclusion on this legislation. It is because those who want to thwart us from making progress can easily do so, and at least have been doing so now for some number of days, beginning at least at the start of last week and perhaps partly the week before.

I ask the Senator: Is there a prospect of being able to make some progress with this emergency legislation? If so, how can we do that and how can we enlist the cooperation of the other side and say we need to have our amendments and have our shot at these amendments and have a vote? if we lose we lose, but we at least move the bill and go to conference. I ask my colleague from Nevada, how can we accomplish that?

Mr. REID. I say to my friend, who is a veteran legislator, we can only get legislation passed when one is willing to compromise. Legislation is the art of compromise, the art of consensus building. We do not have anyone willing to compromise at all. It is all or nothing, their way or no way.

It is too bad because the Senator is absolutely right. We have four things the majority leader has said he needs to do before we leave. It is not that he is being arbitrary. First of all, the Export Administration Act expires the middle of August, and the high-tech industry of America needs that legislation very badly.

He did not drum this farm bill out of nowhere. It is something that has to pass the experts downtown. The Office of Management and Budget has said the money is lost if we do not pass this bill so it can go to family farmers. We have to do it, they say, by the August recess. The Transportation appropriations bill, we need to get that done. It is almost all done anyway. Then, of course, there is VA-HUD. I was here today when the House sent this over. It is done in the House. We could do that. Senators MIKULSKI and BOND have both come to me, they have come to the minority leader and the majority leader, saying: When can we do this? It will not take very long. But we are being prevented from moving forward on legislation. I think it is too bad.

I see my friend from Oklahoma, my counterpart. I can reflect back this past year, when we were in the minority, and Senator LOTT said on a number of occasions he appreciated our help in getting these things passed. We worked very hard to get bills passed. It does not seem there is reciprocation.

If it is payback time, we are not being paid back the way we paid out, and I hope there can be something done. For example, the Senator from Ohio believes very strongly about this issue. I have great admiration for the Senator from Ohio. He was a great Governor. He is an outstanding Senator, and this is an issue in which he believes very strongly. We have to get our financial house in order. I do not know how many times we have debated this issue. When he and Senator CONRAD came the last time, they each received 42 votes. His amendment received 42 votes; Senator CONRAD's received 42 votes.

We can go through that same process again, and I am willing to do it. It is an important issue, but it is not moving the legislation forward at all that is before this body.

Mr. NICKLES. Will the Senator from Nevada yield for a question?

Mr. REID. The Senator from Iowa had a question first, and then I will yield. I did not respond to the Senator from Iowa, who has a question.

Mr. HARKIN. I appreciate the Senator yielding. I do have a question, and I want to proceed by saying we do not have any amendments on this side to the agricultural emergency bill. We are ready to go to third reading. We are ready to pass the bill right now.

We had a debate today on whether or not we wanted one level or another level. It was a good, honest debate. We had the vote. One side lost and one side won. It would seem to me then we should move ahead.

I was dismayed this afternoon when the Senator from Pennsylvania offered the dairy compact amendment, which by the way is not even germane to this bill. The dairy compact belongs in the Judiciary Committee, not the Agriculture Committee. The Senator has a right to offer an amendment.

They yanked the amendment, but they are going to come back tomorrow. I am beginning to sniff something here. What I am smelling does not smell very good. It smells like a deliberate attempt to slow down, if not stop, this emergency Agriculture bill. I did not think that until just a little while ago. I hope I am wrong. I hope we can come in tomorrow and wrap this up in a short time, have a final vote and see which way the votes go, and then move on.

My question to the Senator from Nevada, our distinguished assistant majority leader, is simply this: Is it not true that we in the Senate should do what we think is in the best interest of the country to have the votes and let the President decide what he wants to do at that point in time?

The Senator spoke about this idea of working together. President Bush came into office saying he wanted to work in a spirit of compromise. That is what we have to do around here. We do have to compromise. We have to work things out. But now there is some talk that the President has said—I have not heard him say it, and we do not have a letter from the President, but we have something from OMB saying his advisers will recommend he veto the committee-passed bill which is before the Senate.

I say to the Senator from Nevada, is that what we are reduced to, we cannot do anything here unless the President puts his stamp of approval on it?

Mr. REID. I say to my friend from Iowa, I mentioned briefly the Transportation appropriations bill. The President said he did not like it. If he did not like what was in the Senate bill, he must have hated the bill which was passed by a Republican House.

In the Senate, we have a compromise worked out by Senators MURRAY and SHELBY, and we are told they are not going to let us do that; the President will veto it.

The Senator from Iowa has been a Member of Congress longer than I have, and the Senator from Iowa knows the way the President weighs in is during the conference stage of legislation. That is why I have talked off the Senate floor to my friend from Iowa indicating: TOM, I think they are trying to stall this bill. The Transportation bill, obviously, they are doing that, and here we have the same thing.

If the President does not like this legislation, that is fine; he has veto power, and it is obvious his veto will be sustained. So why doesn't he let us go to conference and the Senator from Iowa and his counterparts in the House, with Senator LUGAR, can work this out and bring it back? That is the way things are done.

If the President is going to say, unless the Senate does what I want, the bill is going nowhere, and he instructs his people in the Senate the bill is going nowhere, if that is the case, then we might as well be taken out of it and have him declared the King.

Mr. HARKIN. We might as well have a dictatorship if we cannot do anything unless the President first says we are allowed to do it. I hope I am wrong. I refrained from saying anything about it since this afternoon, but it appears to me there may be a deliberate slowdown here.

Again, I say to my friend from Nevada, I hope I am wrong. I hope we come in tomorrow morning and dispose of amendments. I hope we can propose a time agreement tomorrow so we can vote on final passage of this Agriculture emergency bill. Doesn't that seem like a logical way to proceed, I ask the Senator?

Mr. REID. I have heard from the Senator from Iowa and the Senator from North Dakota that their States are so dependent on agriculture. It is difficult for me to comprehend. In Nevada, we grow garlic, a few potatoes, and lots of alfalfa. The States of Iowa and North Dakota are two examples. I heard the Senator from North Dakota say over 40 percent of the economy of the State of North Dakota is agriculture related. Iowa is a huge part of that economy.

Mr. HARKIN. It is our biggest industry.

(Mrs. CARNAHAN assumed the Chair.)

Mr. REID. Madam President, both Senators have said, if this legislation does not pass, what it will do to their States and what it will do to their farmers. That, to me, indicates the President should allow us to move this bill along.

It appears to me this is all coming from the White House. The Senator does not have to agree. I understand. But it appears to me this is all coming from the White House. We are being allowed to move nothing. Nothing. We have had no conferences. The few bills we were fortunate enough to pass, we have had no conferences.

The President wants us to write the legislation he thinks is appropriate.

The last measure we worked on, the Transportation appropriations bill, is a perfect example. It appears he wants it his way or no way.

I say to my friend from Iowa, I hope I am wrong. I told you earlier today I thought it was being slowed down, that it was going nowhere. I hope I am wrong.

Mr. HARKIN. I hope so, too.

Mr. REID. I hope people say: Let's agree to go to final passage at 5 o'clock and go to conference. The House is trying to adjourn Thursday. We can have the conference Thursday. We will spend all night doing it. We can do it. That is the way we used to legislate.

Mr. HARKIN. I am informed on this go-round I will be chairing the conference. I spoke with both the chairman and ranking member of the House Agriculture Committee today. They said we can go to conference and wrap it up in short order. I think that is true. Given a good morning or afternoon, I believe we can work this out and come back with a package that will be widely supported, but we cannot get there if we cannot get to a final vote on the bill.

Mr. REID. I say to the Senator, I saw the chairman of the House Agriculture Committee in the Senate Chamber today.

Mr. HARKIN. And the ranking member.

Mr. REID. I did not recognize him.

Mr. DORGAN. Will the Senator yield further?

Mr. REID. I will be happy to yield.

Mr. DORGAN. Madam President, there is a pretty wide gap between what Washington thinks and what farmers know. This, after all, is about family farmers. That is what the issue is: emergency help for family farmers. There are a whole lot of folks in the country struggling to make a living. Prices family farmers receive—the price for commodities—have collapsed to 1930 levels in real dollars.

I heard some people say: Things are improving. Yes, the price of cattle has improved, there is no question about that, but I guarantee, there is no one who serves in the Senate who has seen their income diminished in any way that resembles what has happened to family farmers. Grain prices are still at a very significant low.

When one takes particular grains and say they are at a 17-year low or 25-year low and then say they have improved slightly from that, the improvement "slightly" does not mean very much. It doesn't mean much to family farmers if slight improvements in the prices they receive means they are going to go broke probably a few weeks later.

The fact is, our family farmers are in desperate trouble.

The point I make is this is an emergency supplemental bill dealing with agriculture. It is in the budget, it is provided for, and we are trying to get some help out as soon as we can to family farmers.

Last Friday, inexplicably we were confronted with the question of having to file a cloture motion on the motion to proceed. In plain English, that means the other side said we had to have a debate about whether or not we were going to have a debate on this issue. We said: This is an emergency issue to help family farmers. These are, pardon me to others, America's last heroes, in my judgment. These are families out there struggling, working under a yard-light trying to keep it together. They are harvesting a crop—if they are lucky enough to get a good crop—and trucking it to the elevator only to find they are getting pennies on the dollar, 1930s prices in real value.

The fact is, they are hanging on by their financial fingertips trying to stay alive. And then when we came to this issue, we were told we have to debate whether we are going to be able to debate.

I am sorry, there is something wrong with that. There is something that misses the urgency of what ought to be done by the Senate to help families who are in trouble.

I help a lot of people. I am someone who believes I have a responsibility to invest in other States, in other regions. I support mass transit. We do not have a subway system in Bismarck, ND, but count me as a supporter because I believe it is important for our country to do that for other areas. I support programs in virtually every other area in this country because I think it strengthens this country. Investment in family farmers strengthens our country as well. This is just a small bridge. We have to build a bigger bridge for them in the new farm program which comes next.

To get from here to there, we are trying to do this emergency supplemental for Agriculture. It is just inexplicable to me that we even had to debate whether we would be allowed to debate. Once we got cloture, which says, "It is OK, you won the debate; we can now debate," we find ourselves at a parade rest. It is like watching paint dry, except paint seems to dry more quickly than good debate on this bill.

I ask the Senator from Iowa—if the Senator from Nevada will yield to him—on other appropriations bills we have traditionally worked with each other, have we not? Both sides say all right, how many amendments do you have; this is how many we have; can we get time agreements; can we work them out; can we find an end date so we can get these done?

We have always done that. I hope we can do that on this piece of legislation because it is so important.

The only way we are going to accomplish anything, I fully understand, is to be able to elicit cooperation from both sides. We have to cooperate. I understand that. Anybody can stop this place. Throw a wrench in the crank case and it comes to a stop quickly. That is easy to do in the Senate.

Are we in a position, I ask the majority whip, where we are able to get perhaps the other side to say to us, and our side to say to them: Here are the total amendments we have. Let's work through them and find ways to reach an understanding of how we will get this bill passed.

Are we able to do that? If not, why not?

Mr. REID. I proposed earlier today that we have a time for filing amendments. No need to write it up. It will not happen. For those watching, that means if we have an agreement, usually we have very competent staff write up a unanimous consent agreement so we can propound it. There was no need to write this up because there was no chance the other side would agree in any way to limit amendments. We have no amendments on this side.

We are not a bunch of farmers over here. I say that in a positive fashion. We are not a bunch of Senators representing only farm States. We have a wide range of interests. We have been convinced the family farmers are so important, agricultural interests are so important to this country, we all support an emergency Agriculture bill. That is why all 51 on this side of the aisle support this bill. We want to move it quickly. If there is something wrong with it, I have enough confidence in the legislative process, and I recognize the President will be involved in it, that a different product will come back than what we pass. We are not being allowed to pass anything out of here. That is a shame. It hurts the institution. It hurts the legislative process. Most of all, I am convinced after 3 days of debate, the family farms, the agricultural interests in the country are being hurt, and hurt badly, and some irreparably damaged if we do not pass this legislation by this coming Friday or Saturday.

Mr. HARKIN. Will the Senator yield?

Mr. REID. I am happy to yield.

Mr. HARKIN. It is important to keep in mind what we are trying to do, and I will preface that with a statement. We are trying to provide the payments to our farmers all over America the same basic rate of payment they got last year. It is not more, just the same basic rate. We know input costs have gone up; fuel is higher.

Mr. REID. "Input" means production costs.

Mr. HARKIN. Production costs are higher. We want to get them the same amount as last year. This is so important to my State. The difference between what the committee bill has and the amendment offered today by Senator LUGAR is about $100 million. That is how much we are hurting in my State.

If that amount of money is taken away, if we don't get that payment out, think of all the small town banks that have loans to farmers. These are not Bank of America and Wells Fargo. These are small, country banks. They have extended credit to these farmers. They have to pay back their depositors, too, just like any bank. Yet $100 million they would not get; that would be less than what they got last year.

Think of the damage that would do to our economy in the State of Iowa. In North Dakota, it is roughly half of that, $51 or $50 million in North Dakota. That is a big hit in a State such as North Dakota. Think of all the independent people, small town banks, implement dealers, feed stores, the seed companies, all the people up and down the Main Streets who, in many cases, have extended credit to family farmers, believing we are going to come in and do what the budget allows to be done. We are not asking for any more than what we got last year.

If I understand correctly, the President says we have to take less. Somehow we can afford to get hit harder in rural America. We cannot afford to get hit harder. We have been hit hard in the last few years, pretty darned hard. All we are asking is to make the same payments we did last year. The budget allows for that—the budget passed by the Republican Congress, I point out. The Republicans passed that budget. In that budget, there is money to allow farmers to get 100 percent of the market loss and oilseeds payments that were made last year.

If the budget allows it and the money is there, why should we not at least get the payments out for our family farmers on the same basis we did last year?

Mr. REID. The chairman of the Budget Committee has been on the floor for the last 2 days we have been on this bill. Each day he has said, citing line and verse of the Budget Act, that the budget resolution that was passed and the activity that has been generated by this bill do not in any way violate the Budget Act. He talked again this morning about this.

People are saying it is $2 billion over what it should be. I say to my friend from Iowa and anyone within the sound of my voice, we had a vote on that today, in effect. The vote was, no; it is fine. The vote was 52–48, as I recall. A close vote, but we have a lot of close votes, just like the Supreme Court makes a lot of close decisions. Even though they are close, that is the law. A vote that is 52–48 carries the same weight as a vote 99–1.

For anyone who says this bill is a budget buster, I offered a motion to table the amendment of my friend from Indiana. I moved to table that amendment because I felt the Senate should be able to speak as to whether or not they felt it was too much money. Clearly, the Senate said it was not too much money.

I repeat, this matter should be passed out of the Senate so we do have the opportunity, for the good of the farming community, agriculture all over America, for their benefit we should be able to go to conference with the House immediately. It should be in conference in the morning.

Mr. HARKIN. We could be. We could be in conference tomorrow.

Mr. THOMAS. Will the Senator yield?

Mr. DOMENICI. Could I ask a question?

Mr. REID. I yield to my friend from New Mexico without losing my right to the floor.

Mr. DOMENICI. I have been waiting to be heard for 6 or 7 minutes. How much longer before the Senator might be able to speak? The Senator has the floor.

Mr. REID. I understand that. I am about wound down. I think the Senator from Iowa is just about finished. Does the Senator from Wyoming have anything to say?

Mr. THOMAS. I was going to say if you wanted to hear from the other side, a Senator is standing here. I wondered if you would give the Senator a chance to speak.

Mr. REID. I will yield the floor in a minute. Having served with my friend from New Mexico for the years I have, no one ever has to worry about his having the ability to speak. He always figures out a way to do it. I have no problem yielding the floor in just a minute.

For the information of Senators, it appears clear there will be no more votes tonight. I also say the Senator from Ohio wishes to offer an amendment, and we will talk to the staff and perhaps we can work something out so when he finishes we can adjourn for the evening.

I am happy to yield to my friend, the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I thank the distinguished majority whip for yielding, and Senator HARKIN. I will take only a few minutes. My friend from Ohio has been waiting for a long time.

I am listening tonight about how urgent matters are and how urgent it is we pass this measure tonight. I just want to make sure everybody understands that our farmers are in need of emergency relief provided in this bill. I hope my friend from Iowa is listening.

This Harkin measure was voted out of committee on July 25. The House bill came to the Senate on June 26—1 month before it was voted out by the Ag Committee, which you chair, I say to my good friend, the distinguished Senator from Iowa. So if there is 1 day's delay on the floor because somebody really thinks that dairy compacts are important to their State, should it actually, in reality, even be insinuated they are the cause for delay when, as a matter of fact, the House bill has been here for 1 month?

The House bill is still something that is possible. If we pass the House bill, everything our farmers need is completed. This bill that is before us in the Senate, has the House relief and then it adds additional spending into the next year—I am not arguing that the next year is against the budget resolution, but why do we have to, in an emergency, do next year's spending when the emergency we are worried about is this year?

I do not intend to stay here very long and debate the issue. I just thought it might be of interest to some, what the real facts are with reference to delay.

Having said that, I understand the great concern of the Senator from Iowa about agriculture. I understand the Senators on the other side who have gotten up and spoken today about agriculture. I do not want anyone to think that in the past 6 years while we were in control of the Senate we did not put very many billions—billions of dollars into emergency relief for the farmers. We did.

When I was chairman of the Budget Committee, on which I am now ranking member—obviously, you can just go back and add it up—some years it was $8 billion in emergency money, other years we voted for $6 billion and $8 billion and $12 billion. So it is not anything new to have to vote or to be in favor of emergency relief for our farmers. One of these days we need a better system, but for now the world economy and a lot of other things are imposing on our farmers in such a way that they do need help.

I am sure if the House bill were before us, with all of the emergency relief that is needed for this year, without which many farmers will not get what they are entitled to—if that were before us, it would probably get no negative votes. We could pass it and be done with it.

Having said that, why did the Senator from New Mexico today object to proceeding with the amendment, with reference to dairies?

I am pleased to note that even though I objected to a time limit, it was not the Senator from New Mexico who caused the delay. For some reason, the other side decided to pull the amendment. That is their own strategy. I didn't have anything to do with that. I compliment them for their arguments in favor of the compact that was before the Senate as offered by the distinguished Senator from Pennsylvania.

I would just like to say, all of us come here because from time to time we are worried about legislation and its impact on our States. I came to the floor earlier because I have been very busy and I was not totally familiar with the compact amendments that were on the floor. I did know, when I came to the floor, that they might impact my State. I have now found they would impact my State in a dramatic way. All I want to do is tell the Senate what is happening to dairy in the United States.

We are here talking about compacts protecting States as if that is the only way to get milk products for American consumers. The truth of the matter is, New Mexico and one other State are shining examples of a total departure from the idea of compacts, and a departure that says: Innovation. Let's do new things. Let's save real dollars for those who are consuming. We want to save on transportation, and under the compact approach you do not save on transportation.

New Mexico's dairymen are competing in their part of the country with new technologies. They have new ways of treating milk before it is transported. They make it lighter. When it gets to where it has to go, it is returned to its original form, and who benefits? There is no change in the milk, and the beneficiaries are those who buy cheaper milk and those who producer more and more milk in the herds that are now grazing the landscapes of New Mexico and Idaho.

I want to say how important it is we let that happen, that we let this innovation and competition happen. I am quite sure those who have compacts feel just as strongly about their States and about what they are doing with small herds and the like, as I do about what is happening in my State. I believe what is happening in my State and a few others like it is the wave of the future. Innovation and competition are changing the face of business in all our States and it is going to change the production of milk and milk-related products, just as sure as we are standing here tonight.

In the year 2000, the dairy industry contributed over $1.8 billion to New Mexico's economy. The producers had about 150 individual dairy farmers, over 250,000 cows. That has grown since the early 80's and 90's. These are just the numbers we have are for the year 2000. New Mexico ranked 9th, believe it or not, in the total number of dairy cows; 10th in the total production of milk—5.23 billion pounds; 5th in the production per cow, 20,944 pounds.

Some listening from other States probably cannot believe that is really happening, but it is. Yes, it is. We continue to be the first in the United States in the number of cows per herd, with New Mexico dairies averaging 1,582 cows per operation.

I am very sorry if in some States they have small operations. But I think in the custom and tradition of the Senate that a Senator from New Mexico who has this happening in his State, which is otherwise a rather poor State, should have enough time to come to the floor and discuss something as complicated and detrimental to our State—probably as detrimental as any other legislation directly affecting New Mexico this whole year.

New Mexico dairymen have a dramatic impact on local and regional economies, from the hiring of labor to feed purchases. According to the New Mexico Department of Labor, New Mexico dairies currently employ up to 3,183 people with an estimated payroll of $64.8 million. Additionally, NM processors currently employ up to 750 people with an estimated payroll of $25.5 million. This is an industry that I am committed to fighting for.

Regional compacts could threaten this vital New Mexico industry. New Mexico has a small population and with the numbers I just mentioned, it produces a vast amount of milk. The future of the New Mexico dairy industry depends on mechanisms that are conducive to allowing NM milk to be transported to other areas. Compacts prohibit this type of activity.

The Northeast Dairy Compact was established in mid-1997 as a short term measure to help New England dairy farmers adjust to a reformed Federal milk marketing order system. Even though market order reform was completed in late 1999, the Northeast compact was extended 2 additional years. It does not need to continue.

The "experiment" with a Northeast Dairy Compact in the New England states has provided evidence against existing dairy compacts and potential expansion of compacts into other regions. I would like to take a moment and discuss why the Northeast dairy compact has been a failure.

The stated goal of the Northeast compact was to reverse the steady decline in the number of dairy farms in this country. The numbers simply state the opposite has proved true. American Farm Bureau data indicates that New England lost more farms in the three years under the compact 465 than in the 3 years just prior to the compact 444.

Most importantly, compacts are unconstitutional. Compacts blatantly undermine the commerce clause. One of the central tenets of the U.S. Constitution and a basic foundation of our nation is a unified economic market. We have never advocated for the right of States to unravel this central tenet of the U.S. Constitution, by allowing States to erect economic walls against one another.

The higher prices paid by processors are passed on to consumers at the retail level. Economic studies, including one ordered by the Northeast Compact Commission itself, have confirmed the pass-through costs to consumers. These studies put the retail impact of the Northeast compact anywhere from 4½ to 14 cents per gallon of milk.

Additionally, compacts discourage farmers and cooperatives from finding efficiencies in marketing, transportation and processing such as ultra-filtration and reverse osmosis technologies currently being used and improved upon by New Mexico dairymen.

This is definitely a commodity and an industry worth protecting. If compacts are designed to protect dairy farmers and dairy farmers need protection, then do it with a national, not a regional program. If there are problems with the program, lets consider a national solution rather than expanding and extending divisive regional policies. A national alternative will address the concerns of all dairy farmers, not just those in compact States.

Compacts establish restrictions and economic barriers against the sale of milk from other regions, increase milk prices to consumers in the compact region, and lead to a reduction in the price of milk paid to farmers outside the compact area. This is a quick fix not a national solution. We need a policy that addresses the concerns of producers in all regions, without pitting farmers in one region against those in other regions, or interfering in the marketplace through artificial price fixing mechanisms.

I fear the Northeast dairy compact has set some kind of precedent for regional price fixing for an agricultural commodity. This cannot continue. If we do not stop this right now, where will it stop? Will we soon see a regionally fixed price for wheat to make bread? Or how about fruits and vegetables? Or will we soon see unelected regional commissions fix prices for gasoline? Or coal? Or even lumber? These are all commodities that have a regional imbalance of production and consumption, somewhat similar to milk, and the producers of these commodities have seen hard times in recent history. I suggest regional price fixing should end immediately.

To reiterate, I challenge the constitutionality of the compacts. I believe they will be challenged sooner or later. I believe the U.S. Supreme Court is moving in a direction where they will be declared to be monopolistic. I think that is what is going to happen. But I do not want to debate that as a lawyer or constitutional expert here on the floor. I just want to say clearly I must, in all good conscience, defend my State against what is going to happen if we proceed too quickly and we do not have a chance to thoroughly understand this matter.

As I said, I have even studied the history of how we first got involved in these compacts. Actually, it was accidental. It was an emergency situation, and it was supposed to last for only 2 years. Two years has led into many years beyond, and instead of just the Northeast, it is spreading throughout. So what we have are these kinds of compacts among States all over America except for States such as New Mexico and perhaps Idaho.

We want to be competitive. We want to provide the very best products to as many American people as we can.

It is very important that we had this discussion today. I do not believe it is fair to characterize what has gone on here on this bill as any kind of excessive delay. You have a bill that exceeds what the President asked for and what the House passed by almost $2 billion. Use of that $2 billion will not occur until a year from now. It is not an emergency. Yet we have those saying if you do not let it pass, and let it pass quickly, you are unduly delaying what our farmers need.

It is very easy to decide how to fix this. Just take the 2002 money out of this bill and have it address a real emergency and let's vote up or down on it. That means we would not even have to go to conference. All the farmers in our country who need their checks this year will get them, and they will get them on time. Otherwise, it is very doubtful whether they will.

Pass this bill with the 2002 money. That is not an emergency. Try to pass it with anything like the compact and who knows where it will end up. The President isn't telling this Senator what to do. But I understand he will veto the bill. I understood where I was before I knew where he was, if anybody is interested on that side. Clearly, it did not come from the President. My concern is as it affects New Mexico.

I close by discussing what has happened in the last 10 years in the United States of America. It is a new economy. The United States has basically changed the underpinnings of its economy. President Clinton said it. Our new President says it. Alan Greenspan says it. It is a new economy in capital letters. It means we are changing. We are being innovative. We are becoming more competitive. We are inventing and putting more things on the market. What does that increase? It increases our productivity. Productivity is the key to the Social Security trust fund and to paying our seniors in the future. It is the key to having surpluses in the future. Productivity can apply to every industry, including dairy cows and milk production.

That is what we think ought to happen in America. We would like to continue to do it in our States. We would like for the Senate not to impose upon them a cartel. States can in a sense in their own circuitous way fix the product. Maybe you should strike "fix the price" and make arrangements for what it will cost so we will not be losing any pejorative words.

I am ready to discuss this tomorrow. I have been thoroughly apprised of the compact issue. I understand it, and I am willing to use a reasonable amount of time to discuss this tomorrow, and then proceed. But what we think on this is not going to get this bill cleared and say it will pass and it will go to the President. It has a lot of hurdles. The farmers need their money very quickly. We have already had a month when we could have produced a bill—at least 3½ weeks—for reasons which might be good. We didn't do that. But to complain right now that this 1 day on the Senate floor is what is hurting our farmers is just not true.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, I have heard it said on the floor a couple of times today that the Agriculture Committee is not moving this bill quickly enough. The fact is, the Agriculture Committee did not have a reconstituted committee until June 29. Following that, it did not have its full membership until July 1. Following that, the committee worked 8 days. In 8 days, the bill came out of committee. It sounds like pretty good work to me. Within 8 days we had a major piece of legislation such as this coming out of the committee. Senator HARKIN and Senator LUGAR did a pretty good job.

I repeat: It could not move forward until the committee was reconstituted.

Last year we passed a bill similar to this. The agricultural community has problems in different places every year. But they always have problems. Last year we passed a bill with $7.1 billion. It was very close to what we are trying to pass this year.

AMENDMENT NO. 1212

Mr. LUGAR. Mr. President, I send an amendment to the desk and, following the reporting by the clerk, I ask unanimous consent that the amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The bill clerk read as follows:

The Senator from Indiana [Mr. LUGAR] proposes an amendment numbered 1212.

Mr. LUGAR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide a substitute amendment)

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agriculture Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall sue $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool, and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000.
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term 'specialty crop' means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments".

"(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 51 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined as provided in such section) that—

"(1) Incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims.".

"(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOCAL DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

"(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

"(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

"(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

"(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) This section shall be effective one day after enactment.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. VOINOVICH. Madam President, I have had an opportunity to listen to my colleagues talk about what is happening in the Senate in terms of procedure. I had an opportunity to sit in the Presiding Officer's chair for a lot of time during my first 2 years in the Senate. In fact, I was the first member of the Republican Party as a freshman to get the Golden Gavel Award for 100 hours in the Chair.

I have to comment on what I am hearing on the other side of the aisle that this side of the aisle is delaying the passage of bills. The same complaints being lodged against the Republican side of the aisle are the same complaints the Republicans lodged against the Democratic side of the aisle during my first 2 years in the Senate. It is deja vu all over again.

The fact is, some of us have some major concerns that we would like to have discussed in the Senate. We would like to have our point of view listened to and taken into consideration. For example, the dairy compact was brought up and then withdrawn. I was very upset when this was brought up last time. My State was opposed to the dairy compact because we thought extending it was not in the best interest of our State, but I never had a chance to vote on it because it came up in conference. It was done in that way.

I think some of us who are concerned about the dairy compact think it is unfair to the farmers in our respective States. For example, my State legislature would never have granted permission for Ohio to be involved in the dairy compact. We ought to have an opportunity to talk about that in the Senate if we think it is something that is very relevant, and we should at least have a chance to vote on it on the floor, if that is the consensus of the Members of the Senate.

In addition, I have heard that this amendment I am bringing up this evening is not relevant to this farm bill. I happen to believe it is very relevant to this farm bill. The farmers in my State are not only interested in money for farmers and for agribusiness, but they are also very interested in fiscal responsibility.

For example, I was at a meeting of farmers in Ohio a couple of weeks ago. One of them asked me: Senator, why did you vote against the education bill? My response was that the education bill increased spending by 64 percent. There was not another question about it in the room. Someone said: Well, if you are going to increase education 64 percent over what you spent last year, that means there is not going to be money for other priorities facing the Federal Government.

The Agriculture Supplemental for FY 2001, in my opinion, could be passed immediately tomorrow if my colleagues on the other side of the aisle would agree to the $5.5 billion that the House passed and to which the President agreed to sign. One of my great concerns is that because of the disagreement over the amount of money this might be delayed. If it is not done before we go home, there is a good possibility that our farmers won't get the $5.5 billion that we want to provide for them.

I suggest to my friends on the other side of the aisle that they agree to the $5.5 billion. Let's get it done, and let's get the money out so we can help our farmers.

In my opinion, to add another $2 billion that is going to come out of the FY 2002 budget when we have a very tight budget situation already is fiscally irresponsible.

We know that the House provided $5.5 billion. If we put in another $2 billion for next year, that means that in order to revise the farm bill, we are going to have to put even more money in there. And I would argue that we are very close right now to spending the Social Security surplus in the 2002 budget.

So I believe this amendment that I am bringing to this Senate is relevant. It is an amendment that I brought up a couple of weeks ago, and it is an amendment I am going to continue to bring up. I am going to repeat the same words I heard from some of the Members on the other side of the aisle, where the Republicans, they felt, did not give them a chance for an up-or-down vote, whether it was on minimum wage or whatever else it was. I want an up-or-down vote on a pure Social Security lockbox. I do not want to see it tabled. I do not want to see it objected to on some procedural matter. I want an up-or-down vote on this. I think it is extremely important to fiscal responsibility for this country.

I think if we do not pass this lockbox legislation, that indeed we will spend the 2002 Social Security surplus of $172 billion.

So I am here to offer an amendment that will lockbox that Social Security surplus and force the Senate and the House to make the necessary hard choices that will bring fiscal discipline to the Government and keep the Social Security surplus from being used.

I am also offering this amendment because it is part of the covenant that we made to the American people when we passed the budget resolution and reduced taxes.

I refer to that covenant as the "three-legged stool." One leg allows for meaningful tax reductions. One other leg reduces debt. The third leg restrains spending. The Presiding Officer may not know this, but in the last budget that we passed in the Senate, we increased budget authority for nondefense discretionary spending by 14.5 percent, with an overall increase in the budget of about 9 percent over what we spent in the year 2000.

I believe this amendment I am offering guarantees that the tax reduction will continue, that we will continue to pay down the debt, and that we will control spending. As I mentioned, if we do not get an up-or-down vote on this, I am going to continue, every opportunity I have, to bring this amendment to this Senate Chamber.

I think my colleagues should know that the softening economy and the inexorable growth of Federal spending are putting us perilously close to spending the Social Security surplus. I think that has been enunciated by Senator CONRAD on several occasions, that we are close to spending the Social Security surplus.

Until CBO and OMB issue their budget reports in August, we will not know for sure, but the early economic barometers are worrisome, and the primary barometer—tax receipts—is down.

In addition, I am concerned that the money in the fiscal year 2001 Agriculture supplemental bill—the bill we are talking about, including the more than $2 billion that the Senator from Iowa is looking to spend in 2002 funds—will, I fear, push us over the top towards spending the Social Security surplus.

So that my colleagues understand what is going on with spending in the Senate, let's just look at this chart. I call it the "here we go again" chart. The President came in with a budget recommendation of a 4-percent increase over last year. Our budget resolution came back with an increase of about 5 percent. But after the Senate has passed three appropriations bills, and if you take into consideration if we kept the other 10 appropriations bills at their 302(b) allocations, and you add in the $18.4 billion that the President proposes for defense spending, we are now at an increase in spending of 7.1 percent. And who knows where we are going to be going in the future.

So here we are in the middle of the appropriations season, and we are on track to increase discretionary spending in fiscal year 2002 by more than 7 percent.

But we are not done yet. We have 10 appropriations bills to go, and that does not include conference reports. By the time we are all done, who knows what the final fiscal year 2002 budget will be increased by?

Just look at how much we are increasing some of the specific appropriations bills already. I call this chart: "old spending habits die hard."

Here are the three appropriations that we have passed already: Legislative branch, 5.6 percent over last year; Energy and Water, 6.4 percent over last year; Interior, 7.9 percent over last year.

Now let's look at the other bills that have been reported out: Foreign Operations looks like it is OK, 2 percent; Transportation, 3.6 percent—but I am sure it is going to be more than that before the Transportation bill gets out of the Senate—Commerce-Justice-State, 4.4 percent; VA-HUD, 6.8 percent; Treasury-Postal, 6.8 percent; Agriculture, 7.1 percent. So when you add all of this together, there is a very good chance that our spending could be 8, 9, 10 percent higher than last year.

So I think we have a problem. As I mentioned, if you take into consideration that we increase education—that is, if we appropriate a 64-percent increase—we are really in trouble. I think a 64-percent increase for education, is $14 billion more than we would be spending ordinarily.

So I am trying my best, I am trying my very best, to avoid the spending "train wreck." The amendment that I am offering will keep that train on track.

When I was Governor of Ohio, I was faced with a $1.5 billion budget deficit. When I came into office, my colleagues in the House and Senate, the President of the Senate and the Speaker of the House, said to me: George, don't worry about it. Everything is going to work out fine.

I did not think it would work out fine, and I began almost immediately to start cutting spending. Over a 2-year period, we decreased spending by almost $1 billion. If I had not gotten started early with that process, we would have had a catastrophe.

My feeling is, the sooner the Senate understands we have a real problem that needs to be dealt with, the better off we all are going to be.

So the amendment I offer will guarantee we stay the course toward fiscal discipline. It contains two enforcement mechanisms: A supermajority point of order written in statute, and an automatic across-the-board spending cut to enforce the lockbox.

The amendment creates a statutory point of order against any bill, amendment, or resolution that would spend the Social Security surplus in any of the next 10 years. And waiving the point of order would require the votes of 60 Senators.

In addition, if the Social Security surplus was spent, OMB would impose automatic across-the-board cuts in discretionary and mandatory spending to restore the amount of the surplus that was spent.

I want everyone to understand that this amendment specifically protects the Medicare Program from any cuts.

The only exceptions to the lockbox would be a state of war or if we have a recession.

Some of my colleagues are probably thinking that we don't need this amendment; that the spending excesses I have outlined earlier just will not happen; that we won't spend so much, that we won't dip into Social Security. I disagree. We only need to look at our recent history to see how addicted to spending Congress really is.

If my colleagues will look at this chart, they will see how much Congress has spent on some of the appropriations bills for fiscal year 2001 according to the Senate Budget Committee. We can see Agriculture, a 26.2 percent increase over FY 2000; energy and water, 10.1 percent; Interior, 24.7 percent, Labor-HHS, 25 percent; Transportation, we spent 26.6 percent over fiscal year 2000; Treasury-Postal, 13.4 percent; and VA-HUD, a 13.5 percent increase over FY 2000. You can see, when you look at the numbers, that we have increased budget authority for nondefense discretionary spending by 14.5 percent in fiscal year 2001.

It is amazing to me. I will talk to colleagues who were here during the last 2 years and say to them: Do you realize how much we increased spending? Some of them seem to be shocked that we increased spending 14.5 percent. When I go home and tell people in Ohio that this is what Congress did, they think it is incredible. They just cannot believe it.

I have said to them on many occasions, if I had spent money as mayor, as commissioner, as Governor of Ohio the way we have here in the Senate, they would have run me out of office. They would have literally sent me home.

What are we going to do? What we need to do is wall in Congress. And by "wall in," I mean we are not going to spend Social Security and we are not going to increase taxes, we are going to live within our means.

It is very important that we face up to this reality. My recommendation to my colleagues is that we ought to get out the Defense and the Labor-HHS bills and bring them to the floor now and not wait until the very end as we did last year for the pork-athon.

We have to live within the budget we have. I know that if we keep going one appropriation after another, say we do 11 of them and wait until the very end of the fiscal year for the last 2, we are going to have the same situation we had last year. It is time we got those 13 appropriations bills on the table simultaneously and looked at them with the administration and indicate how much we intend to spend overall—5 percent, or maybe at 6 percent, whatever it is, but work it out so that we don't end up with this great train wreck at the end of this year as we did last year.

I implore my colleagues, the best way we can help our budgetary situation is to formally lockbox the Social Security surplus, simply take it out of the spending equation. It is the best thing we can do relative to our economy.

I realize we have a number of pressing needs facing our Nation. Agriculture is one of them. One of the things about which I have always felt good was even though I am from Cuyahoga County, a big urban county, I was referred to as "the agri-Governor." I am interested in agribusiness. I care about my farmers and I have spent a great deal of time with them. I want them to have that $5.5 billion. I want them to have it now and they can have it now if we can get an agreement with our colleagues from the other side of the aisle.

Let's get it done. Let's not go home and not have it done and have it disappear when the OMB or CBO comes out with their numbers.

I support a strong defense. I support education. However, the money to pay for whatever increases Congress makes to these and other programs has to come from somewhere. We either prioritize our spending or we take the easy way out and reduce the Social Security surplus.

That had happened for 30 years before I came to the Senate. It was not until 1999 that we stopped using the Social Security surplus to subsidize the spending by Congress and by the administration.

I am asking this body to put their money where their mouth is. If my colleagues do not want to spend the Social Security surplus, then I urge them to join me in support of this lockbox amendment.

Before I ask for the amendment to be read, I would like to make one other point in regard to the discussion prior to my speaking that I heard relating to the Transportation bill.

I was one of the Senators who stuck around here last Friday until the very end to find out what would happen. I had an event in Cleveland to which I had to go, but I did not go because I really thought it was important that we get some dialog between Members of the Senate in regard to that Transportation bill and the provision of it that deals with truck traffic coming out of Mexico.

I sincerely believed that that legislation interfered with NAFTA and that we ought not to be doing that in the Transportation appropriations bill. I believed it was wrong. I believed my colleagues from the other side of the aisle should have sat down with Senator McCain and Senator Gramm of Texas and worked out some language that was satisfactory to the Senate and to the President of the United States and which did not violate the NAFTA agreement.

I would like to read an editorial from the Cleveland Plain Dealer, the largest newspaper in Ohio, which I think really captures what happened here last Friday. The title of the editorial is: "Protectionism in High Gear."

> The Democrat-controlled Senate, with the help of enough Republicans to block a filibuster, decided last week that equal protection under the law doesn't apply to Mexico under NAFTA.
>
> Beneath a veneer of safety concerns, the Senate refused to eliminate the trade barriers that keep Mexican trucking companies from carrying freight beyond a 20-mile border zone, no matter that among their fleets are some of the most modern, best-equipped trucks on any nation's roads.
>
> It's a witches' brew of protectionist politics disguised as precaution, fueled by the demands of organized labor, that gives off a stench of old-fashioned ethnic prejudice. What's more, it invites a trade war of retaliation, should Mexico decide to close its borders to U.S.-driven imports. Combined with an even harsher House-passed version incorporated in the Department of Transportation appropriations bill, it invites a veto by President George W. Bush.
>
> No one supporting Mexico's rights under the North American Free Trade Agreement ever has argued that American roads should be opened to unsafe vehicles. But in the years since NAFTA was passed, Mexico has made giant strides to improve its fleets. Some of its largest trucking companies now have rigs whose quality surpasses those of American companies.
>
> But safety is little more than a stray dog in this fight. What this is about is the $140 billion in goods shipped to the United States from Mexico each year, and the Teamsters Union's desire that its members keep control of that lucrative trade.
>
> Labor—which documents gathered in a four-year Federal Elections Commission probe show has had veto power over Democratic Party positions for years—has never accepted the benefits of expanded hemispheric trade. It has been adamant in its opposition to allowing Mexican trucks, no matter how modern the equipment or well-trained the drivers, access to U.S. highways.

It was this opposition that kept President Bill Clinton from implementing the agreement, and it is this opposition that yet drives labor's handservants, who now control the Senate.

This position should be an embarrassment to a party that makes a show of its concerns for the poor and downtrodden. It is a setback to U.S.-Mexican relations, and an insult to Mexico's good and earnest efforts to improve relations with its northern neighbor. It is an abrogation of our treaty responsibilities, and it must not be allowed to stand.

At least from the perspective of Ohio's largest newspaper, looking in on what happened last Friday is a pretty good indication how many Americans feel about what happened last week. It wasn't some effort to delay the Transportation bill but a legitimate concern on the part of many people in the Senate that we sit down and try to work out language that would guarantee safe trucks in the United States, the safety of the people in the United States of America, and at the same time guarantee that we not violate the NAFTA agreement.

AMENDMENT NO. 1209

Mr. VOINOVICH. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. VOINOVICH] proposes an amendment numbered 1209.

Mr. VOINOVICH. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. CARPER). Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To protect the social security surpluses by preventing on-budget deficits)

At the appropriate place, insert the following:

SEC. . PROTECT SOCIAL SECURITY SURPLUSES ACT OF 2001.

(a) SHORT TITLE.—This section may be cited as the “Protect Social Security Surpluses Act of 2001”.

(b) REVISION OF ENFORCING DEFICIT TARGETS.—Section 253 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 903) is amended—

(1) by striking subsection (b) and inserting the following:

“(b) EXCESS DEFICIT; MARGIN.—The excess deficit is, if greater than zero, the estimated deficit for the budget year, minus the margin for that year. In this subsection, the margin for each fiscal year is 0.5 percent of estimated total outlays for that fiscal year.”;

(2) by striking subsection (c) and inserting the following:

“(c) ELIMINATING EXCESS DEFICIT.—Each non-exempt account shall be reduced by a dollar amount calculated by multiplying the baseline level of sequesterable budgetary resources in that account at that time by the uniform percentage necessary to eliminate an excess deficit.”; and

(3) by striking subsections (g) and (h).

(c) MEDICARE EXEMPT.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 253(e)(3)(A), by striking clause (i); and

(2) in section 256, by striking subsection (d).

(d) ECONOMIC AND TECHNICAL ASSUMPTIONS.—Notwithstanding section 254(j) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 904(j)), the Office of Management and Budget shall use the economic and technical assumptions underlying the report issued pursuant to section 1106 of title 31, United States Code, for purposes of determining the excess deficit under section 253(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, as added by subsection (b).

(e) APPLICATION OF SEQUESTRATION TO BUDGET ACCOUNTS.—Section 256(k) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 906(k)) is amended by—

(1) striking paragraph (2); and

(2) redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively.

(f) STRENGTHENING SOCIAL SECURITY POINTS OF ORDER.—

(1) IN GENERAL.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by inserting at the end the following:

“(g) STRENGTHENING SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or any bill, joint resolution, amendment, motion, or conference report that would violate or amend section 13301 of the Budget Enforcement Act of 1990.”.

(2) SUPER MAJORITY REQUIREMENT.—

(A) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting “312(g),” after “310(d)(2),”.

(B) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting “312(g),” after “310(d)(2),”.

(3) ENFORCEMENT IN EACH FISCAL YEAR.—The Congressional Budget Act of 1974 is amended in—

(A) section 301(a)(7) (2 U.S.C. 632(a)(7)), by striking “for the fiscal year” through the period and inserting “for each fiscal year covered by the resolution”; and

(B) section 311(a)(3) (2 U.S.C. 642(a)(3)), by striking beginning with “for the first fiscal year” through the period and insert the following: “for any of the fiscal years covered by the concurrent resolution.”.

(g) EFFECTIVE DATE.—This section and the amendments made by this section shall apply to fiscal years 2002 through 2006.

Mr. VOINOVICH. I apologize to the majority leader for taking more time than I expected. I hope he will forgive me.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There does not appear to be a sufficient second for the yeas and nays.

Mr. DASCHLE. Will the Senator from Ohio yield for a unanimous consent request at this time?

Mr. VOINOVICH. Yes, I yield.

The PRESIDING OFFICER. The majority leader.

ORDERS FOR WEDNESDAY, AUGUST 1, 2001

Mr. DASCHLE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Wednesday, August 1. I further ask unanimous consent that on Wednesday, immediately following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the Agriculture supplemental authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DASCHLE. Mr. President, on Wednesday the Senate will convene at 9:30 a.m. and resume consideration of the Agriculture supplemental authorization bill. To ensure that all of our colleagues are given adequate notice, I will make the motion to proceed to the reconsideration of the Transportation appropriations bill, the bill that the distinguished Senator from Ohio has just been addressing. We will do that tomorrow at 9:30. There will be the likelihood of more than one vote. That will begin at 9:30, and we will stay on the bill for whatever length of time it takes.

If cloture is invoked, it is my intention to complete our work on the bill. If necessary, we will stay through the night, and we will be in session. We will not have the opportunity to go out, but we will take that into account tomorrow morning.

My hope is we can complete our work on the bill, and that we can also take up the HUD-VA bill at an appropriate time. That will be the schedule tomorrow.

I thank the Senator from Ohio for yielding.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, the distinguished Senator from Ohio had asked for the yeas and nays on his amendment. We are prepared to again pose the question.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now stand in a period of morning business, with Senators allowed to speak therein for a period of up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NOMINATION OF MARY SHEILA GALL TO BECOME CHAIRWOMAN OF THE CONSUMER PRODUCT SAFETY COMMISSION

Mr. BIDEN. Mr. President, I rise today to express my serious concerns about the President's nominee to Chair the Consumer Product Safety Commission, Mary Sheila Gall.

The Consumer Product Safety Commission was created nearly 30 years ago with the mission of protecting our families from consumer products that pose serious health or safety risks. The Commission serves as the consumer advocate for our Nation's children, protecting them from potentially dangerous, and in some cases deadly, products. In short, the Commission is charged with saving lives, and it has done so with great success over the past several years. This success is based primarily on the advocacy role that the Commission has assumed in fulfilling its duties for America's families and children. And it is Ms. Gall's apparent opposition to this advocacy role that has given me serious concerns about her nomination.

As a Commissioner for the past ten years, Ms. Gall has opposed reasonable attempts to review questionable products and implement common sense protections for consumers. Perhaps the most troubling example of this trend has been Ms. Gall's record on fire safety issues. Ms. Gall opposed a review of upholstered furniture flammability and small open flame ignition sources, such as matches, lighters, and candles. In opposing the review, she stated that ". . . the benefits from imposing a small open flame ignition standard on upholstered furniture are overestimated."

With all sincerity, I doubt that the brave men and women who risk their lives every day fighting house fires in Delaware and throughout the Nation would agree with that assessment. Nor would they agree with Ms. Gall's decision to walk away from fire safety standards for children's sleepwear. In 1996, Ms. Gall voted to weaken fire safety standards that required children's sleepwear to be made from flame-resistant fabrics. Ms. Gall joined another commissioner in exempting from this standard any sleepwear for children less than nine months old, and any sleepwear that is tight-fitting for children sizes 7-14. I support the original standard, which worked for more than two decades before it was weakened by the Commission. And I have cosponsored legislation with my former colleague from Delaware, Senator Bill Roth, that called on the Commission to restore the original standard that all children's sleepwear be flame-resistant.

But it's not just her record on children's sleepwear and fire safety issues that concerns me about Ms. Gall. She has turned her back on children and families on a number of occasions, rejecting moderate, common-sense warnings and improvements dealing with choking hazards, bunk bed slats, and crib slats. In some of these cases, Ms. Gall has even opposed efforts to merely review questionable products, to mention nothing about imposing regulatory standards to correct any potentially dangerous problems. For instance, Ms. Gall opposed a safety review of baby walkers that, according to the Commission, were associated with 11 child deaths between 1989 and 1994, and as many as 28,000 child injuries in 1994, alone.

This safety review brought to light ways to produce walkers that were safer for children, which were then used by manufacturers to develop a voluntary standard for producing a safer product. This voluntary standard was applied within the industry, and a media campaign followed to educate parents about the new, safer walkers that were entering the marketplace. The Commission has estimated that since the review process took place in 1995, injuries related to baby walkers dropped nearly 60 percent for children under 15 months of age, from an estimated 20,100 injuries in 1995 to 8,800 in 1999.

These statistics are proof that the Commission's role as child advocate produces results. But if Ms. Gall had her way, we would not have had a review of baby walkers at all. And without this review, it is unlikely we would have had the important voluntary standards that have protected thousands of children. If Ms. Gall is unwilling to even take the first step in reviewing potentially dangerous products, I question whether we can expect her to fulfill the Commission's responsibility as the Nation's child advocate.

I do not make this decision to oppose Mary Sheila Gall's nomination lightly. I have long recognized that the President should generally be entitled to have an administration comprised of people of his choosing. While his selections should be given considerable deference, that power is nonetheless limited by the duty of the United States Senate to provide "advice and consent" to such appointments.

Throughout my tenure in the Senate, I have supported countless nominees for Cabinet and other high-level positions, including many with whom I have disagreed on certain policies. But I have also cast my vote against confirmation when I have become convinced that the nominee is not suitable to fill the role to which the person was nominated. I have reluctantly reached the conclusion that this is one such case. It is one thing to serve as a commissioner, as Ms. Gall has done these past ten years. But serving as chair of this important Commission is a very different role. As such, I strongly urge my colleagues on the Senate Commerce Committee to oppose Ms. Gall's nomination as Chairwoman of the Consumer Product Safety Commission. To put it simply, there is nothing less than children's lives at stake.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred July 8, 1994 in Reno, NV. A gay man, William Douglas Metz, 36, was stabbed to death. A self-proclaimed skinhead, Justin Suade Slotto, 21, was charged with murder. Slotto allegedly went to a park with the intent of assaulting gays.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

ECONOMIC AND POLITICAL DIFFICULTIES IN TURKEY

Mr. SARBANES. Mr. President, as my colleagues are well aware, the people of Turkey, a NATO ally, are experiencing extremely serious economic and political difficulties.

On April 10, 2001, at the Bosphorous University in Istanbul, Turkey, our distinguished former colleague in the House of Representatives, the Honorable John Brademas, delivered a most thoughtful address, on this subject, "Democracy: Challenge to the New Turkey in the New Europe." Dr. Brademas' speech was sponsored by TESEV, the Turkish Economic and Social Studies Foundation. Its contents some four months later still resonate with timely wisdom and creative analysis.

A long-time and effective advocate of democracy and transparency, John Brademas served for 22 years, 1959-1981, in the House of Representatives from Indiana's Third District, the last four as House Majority Whip. He then became President of New York University, the Nation's largest private university, in which he served for 11 years, 1981-1992. He is now president emeritus.

Among Dr. Brademas' involvements include Chairman of the Board of the National Endowment for Democracy, NED, from 1993–2001, and founding director of the Center for Democracy and Reconciliation in Southeast Europe. Located in Thessalonike, Greece, the Center seeks to encourage peaceful and democratic development of the countries in that troubled region of Europe.

I believe that Members of the Senate and the House of Representatives and other interested citizens will read with interest Dr. Brademas' significant discussion of the challenge of creating a truly more open and democratic Turkey. I ask unanimous consent to print Dr. Brademas' address in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEMOCRACY: CHALLENGE FOR THE NEW TURKEY IN THE NEW EUROPE

I count it an honor to have been asked to Istanbul to address a forum sponsored by the Turkish Economic and Social Studies Foundation, and I thank my distinguished host, Ambassador Özdem Sanberk, Director of TESEV, for his gracious invitation even as I salute the invaluable work performed by TESEV in promoting the institutions of civil society and democracy in Turkey.

So that you will understand the perspective from which I speak, I hope you will permit me a few words of background.

In 1958, I was first elected to the Congress of the United States—the House of Representatives—where I served for 22 years.

During that time I was particularly active in writing legislation to assist schools, colleges and universities; libraries and museums; the arts and the humanities; and services for children, the elderly, the handicapped.

A Democrat, I was in 1980 defeated for reelection to Congress in Ronald Reagan's landslide victory over President Jimmy Carter and was shortly thereafter invited to become President of New York University, the largest private, or independent, university in our country, a position I held for eleven years.

If I were to sum up in one sentence what I sought to do at NYU during my service as President, it was to lead the transformation of what had been a regional-New York, New Jersey, Connecticut-commuter institution into a national and international residential research university.

And I think it's fair to say that that transformation took place, thanks in large part to philanthropic contributions from private individuals, corporations and foundations.

Although no longer a Member of Congress or university president, I continue to be active in a range of areas, only a few of which I shall mention.

By appointment of President Clinton in 1994, I am Chairman of the President's Committee on the Arts and the Humanities, a group of 40 persons, 27 from the private sector and 13 heads of government departments with some cultural program. Our purpose is to make recommendations to the President—and the country—for strengthening support for these two fields in the United States—and we have done so. Four years ago, then First Lady of the United States, and Honorary Chair of the Committee, Hillary Rodham Clinton, and I released Creative America, a report to the President with such recommendations.

Among them was that the United States give much more attention to the study of countries and cultures other than our own, including strengthening international cultural and scholarly exchanges. Only last Fall, I took part, at the invitation of the then President, Bill Clinton, in the White House Conference on Culture and Diplomacy, at which these ideas, and others, were discussed, and I have urged the new Secretary of State, Colin Powell, to consider ways of implementing them.

Several days ago, in Washington, I attended a meeting of the Advisory Board of Transparency International, the organization that combats corruption in international business transactions, to talk about how to expand the OECD Convention outlawing bribery of foreign public officials to include outlawing bribery of officials of political parties.

NATIONAL ENDOWMENT FOR DEMOCRACY

And last January I stepped down after eight years as Chairman of what is known in the United States as the National Endowment for Democracy.

Since its founding in 1983, the National Endowment for Democracy, or NED, as we call it, has played a significant role in championing democracy throughout the world.

The purpose of NED is to promote democracy through grants to private organizations that work for free and fair elections, independent media, independent judiciary and the other components of a genuine democracy in countries that either do not enjoy it or where it is struggling to survive.

Two years ago, in New Delhi, India, I joined some 400 democratic activists, scholars of democracy and political leaders from over 85 countries brought together by NED for the inaugural Assembly of the World Movement for Democracy.

The establishment of this World Movement is inspired by the conviction that interaction among like-minded practitioners and academics on an international scale is crucial in the new era of global economics and instant communications. The Movement, we hope, can help democrats the world over respond to the challenges of globalization.

Indeed, last November, Ambassador Sanberk and I were together in Sao Paulo, Brazil, for the Second Assembly of the World Movement for Democracy.

CENTER FOR DEMOCRACY AND RECONCILIATION IN SOUTHEAST EUROPE

And I have been involved in yet another initiative related to strengthening free and democratic political institutions. Four years ago, a small group of persons, chiefly from the Balkans, decided to create what we call the Center for Democracy and Reconciliation in Southeast Europe. The Center officially opened its offices one year ago in the city of Thessaloniki, birthplace, as you all know, of the great founder of the Turkish Republic, Mustafa Kemal Atatürk. I was pleased that my friend, the distinguished Turkish business leader, Mr. Sarik Tara, was with us on that occasion.

The Center is dedicated to building networks among individuals and groups working for the democratic and peaceful development of Southeast Europe.

Chairman of the Board is a respected American diplomat, Matthew Nimetz, who was Under Secretary of State with Cyrus Vance and is Special Envoy for United Nations Secretary-General Kofi Annan to mediate between Athens and Skopje. The Center's Board is composed overwhelmingly of leaders from throughout Southeast Europe, including Mr. Osman Kavala and Dr. Seljuk Erez of Turkey. Ambassador Nimetz and I are the only two Americans on the Board.

Although the Center is administratively headquartered in Salonika, which, with excellent transportation and communications facilities, is easily accessible from throughout the region, the activities of the Center are carried out in the several countries of Southeast Europe.

Last September, the Board of the Center met here in Istanbul where Mr. Tara and other Turkish leaders graciously received us.

Indeed, I arrived in Istanbul only last Sunday after a meeting of the Center's Board this past weekend in Thessaloniki. We had originally planned to gather in Skopje but you will understand why we changed the venue!

What are we doing at the Center? Here are some of our current projects:

JOINT HISTORY PROJECT

The Center's inaugural program is a "Joint History Project," which brings together professors of Balkan history from throughout the region to discuss ways in which history is used to influence political and social relations in Southeast Europe. The scholars seek to produce more constructive, less nationalistic, history textbooks and thereby ultimately enhance the understanding of, and respect for, the peoples of the region for each other—a daunting challenge, we realize!

For it is evident in the Balkans that how history is taught can powerfully shape the attitudes of people toward those different from themselves. Even as the violence plaguing this region has roots in nationalist, religious and ethnic prejudices, cultivated, in many cases, by and based on distortions of histories, the accurate teaching of history can be crucial in promoting tolerance and peace.

An Academic Committee, established by the Joint History Project, encourages exchange among scholars in participating educational institutions. We on the Center Board hope the Committee will establish a network among academics in Southeast Europe as counterweight to existing nationalistic groups within each country. So far we have organized two seminars for young scholars and another two are being arranged.

The Center's History Project has also begun to work with the Stability Pact for Southeastern Europe, initiated by the European Union and supported by the United States and other non-EU countries in Europe. The mission of the Pact is to extend democracy and prosperity to all the peoples of Southeast Europe. So far, the participating governments have pledged $2.4 billion for the initiative.

I must also cite the Center's Young Parliamentarians Project which, through a series of seminars, enables young MPs from Southeast Europe to join parliamentarians from Western Europe and the European Parliament as well as professionals, economists and journalists to discuss issues of urgent and continuing concern in the region.

The Center last year conducted four seminars on such subjects as the workings of parliamentary democracy, the relationship between politics and the media, the operation of a free market economy, and the organization of political parties.

This year, in another project, the Center is sponsoring seminars on reconciliation in the former Yugoslavia. Serbs and Croats have already met in Belgrade and will meet again next month in Zagreb. And representatives of the other peoples of the former Yugoslavia will soon meet.

All the projects I have cited promote, by creating cross-border contacts and stimulating dialogue, the economic, social and political development of the Balkans. Our goal, to reiterate, is to encourage vibrant networks of individuals and groups with common interests and experiences.

I hope I have made clear, from what I have told you, that in my own career, as a Member of Congress, university president and participant in a range of pro bono organizations, I have been deeply devoted to the causes of democracy, free and open political institutions and encouraging knowledge of and respect for peoples of different cultures and traditions.

Against this background, I want now to talk with you about the great challenge, as I see it, facing what I call "the new Turkey in the new Europe"—and that challenge is democracy.

So that you can better understand my viewpoint, I must tell you one other factor in my own experience that I believe relevant to my comments.

GREECE, CYPRUS, AND TURKEY

As some of you know, my late father was born in Greece, in Kalamata, in the Peloponnesus. My late mother was of Anglo-Saxon ancestry.

I was the first native-born American of Greek origin elected to the Congress of the United States, and I am proud of my Hellenic heritage.

In 1967, however, when a group of colonels carried out a coup in Greece, established a military dictatorship, later throwing out the young King, I voiced strong opposition to their action.

I refused to visit Greece during the seven years the colonels ruled, refused invitations to the Greek Embassy in Washington and testified in Congress against sending U.S. military aid to Greece.

My view was that as Greece was a member of NATO, established to defend democracy, freedom and the rule of law, of all of which goals the colonels were enemies, I had as a matter of principle to oppose sending arms from my own country to the country of my father's birth.

In like fashion, when in 1974, the colonels attempted to overthrow Archbishop Makarios, the President of Cyprus, triggering their own downfall and sparking two invasions by Turkish armed forces, equipped with weapons supplied by the United States, I protested the Turkish action, again on grounds of principle.

For the Turkish invasion violated U.S. legal restrictions on the use of American arms, namely, that they could be utilized solely for defensive purposes.

Because American law mandated that violation of such restrictions would bring an immediate termination of any further arms to the violating country and because Secretary of State Kissinger willfully refused to enforce the law, we in Congress did so by legislating an arms embargo on Turkey.

I can also tell you that when my colleagues in Congress and I who called on Kissinger in the summer of 1974 to press him to take the action required by law, we reminded him that the reason President Nixon, who had just resigned, was constrained to do so was that he had failed to respect the laws of the land and the Constitution of the United States.

So even as I opposed U.S. military aid to Greece in 1967 on grounds of principle, I opposed U.S. arms to Turkey in 1974 on grounds of principle. You may not agree with my viewpoint on either matter but I want you to understand it!

A NEW DEMOCRATIC TURKEY?

Yet I would not be here today if I did not believe in the prospect of a new, democratic Turkey, belonging to the new Europe, a member of the European Union and a continuing ally of the United States.

I am well aware that Turkey is now confronted with a profound financial and economic crisis, "the most severe economic crisis of its history," the Chairman of TÜSIAD, Mr. Tuncay Özihlan, told a group of us in New York City last month at a meeting with members of the Turkish Industrialists' and Businessmen's Association. It is a crisis that reaches all parts of the nation.

If I have one thesis to advance tonight, it is this: That the combination of three factors make this moment one of great opportunity for fundamental reform of the Turkish political system and significant advance in the quality of life of the Turkish people.

The first factor is the economic crisis. The distinguished Turkish economist, Mr. Kemal Dervis, has, as you know, been charged with recommending structural reforms essential if Turkey is to win assistance from the International Monetary Fund, the United States and other actors in the international financial community.

Most obvious in this respect is the situation of Turkish banks, widely understood to be afflicted by corrupt links with the nation's political parties.

The second factor that can drive fundamental reform in Turkey and bring the country into the modern world is Turkey's candidacy for accession to the European Union.

Beyond the economic crisis and Turkish candidacy for entry into Europe, there is a third factor that can make this the time to start building a new Turkey in the new Europe.

I speak of the rising engagement in pressing for democracy of the leaders of Turkish business and industry, of your universities, of the media, and leaders of the other institutions of what we call civil society.

So where are we now?

TURKEY AND THE EUROPEAN UNION

First, we can be encouraged by the approval last month by the Turkish cabinet of the National Program for Adoption to the Acquis of the European Union, or NPPA.

In my view, Turkish leaders of all parties should agree to confront the problems resolution of which is necessary to Turkish entry into Europe.

And if Turkish responses are only cosmetic, as Günter Verheugen, the European Commissioner in charge of enlargement, has made clear, the candidacy will fail. Verheugen has reminded Turkish leaders that the European Council in December 1999 in Helsinki stated, "Turkey is a candidate state destined to join the Union on the basis of the same criteria as applied to the other candidate states."

I add that Turkey should deal with these obstacles not solely to meet the so-called Copenhagen requirements for EU membership but also because such action will be in the interest of the people of Turkey.

What has impressed me greatly as I prepared for this visit to Istanbul is the deep commitment of so many Turkish leaders, especially in business and industry and in the universities, to the economic and political reform of this great country.

What are the requirements Turkey must meet to enter Europe?

Let me here remind you of the eloquent words of TESEV's respected Director, Özdem Sanberk, only a few weeks ago ("It's Not the Economy, Stupid!" Turkish Daily News, February 28, 2001).

Commenting on the clash last February between Prime Minister Bulent Ecevit and President Ahmet Necdet Sezer, Ambassador Sanberk said: ". . . You cannot reform the economy root and branch without an equally radical reform of the political system. . . .

". . . [O]nly comprehensive political reform can create the stability . . . required for long-term economic success."

The Ambassador then criticized the Government's failure to undertake radical structural reform, to "plug the leaks in the state-owned banks, through which billions of dollars of public money have poured. . . . No crackdown on curruption in the highest places. No lifting of cultural restrictions on freedom of expression. No reform of the Political Parties Law, which might transform our parties into something more useful than closed clubs dominated by their leaders. No serious effort to change a constitution which does not meet the needs of the age. . . .

". . . The problems that lie at the root of Turkey's current difficulties are political, not economic and political reform can solve them. . . ."

LEADERSHIP OF TÜSIAD

I find encouragement, too, at the positions taken by the leadership of TÜSIAD, Turkey's major business and industrial organization.

Indeed, only a few days ago, in New York City, I had the privilege of meeting several members of TÜSIAD, including its distinguished chairman, Mr. Özihlan.

I said then, and repeat here, that I have been deeply impressed by the high quality of the reports published by TÜSIAD and by the obvious commitment of so many leaders of Turkish business and industry to the principles of democracy and human rights, freedom of enterprise, freedom of belief and opinion.

As Muharrem Kayhan, President of TÜSIAD's High Advisory Council, who was also in New York last month, has said, "The requisites of EU membership are exactly what Turkey needs. . . .

". . . TÜSIAD believes that fully adopting the Copenhagen Criteria will benefit our country. We think that the fears expressed about the possible damages Turkey might suffer if its special conditions are not taken into account are exaggerated.

TÜSIAD . . . consistently calls for a thoroughgoing political reform for quite a long time. We firmly believe that unless we change Turkey's political system, efforts to modernize our economy will be in vain. To that end we join the President of the Republic Ahmet Necdet Sezer, in calling for a reform of the constitution and the rewriting of the Political Parties Law and the Electoral Law." (TÜSIAD)

This commitment to democracy, freedom of opinion, free market economy, a pluralistic society, clean politics, social development and the rule of law is, I have observed, one that runs through TÜSIAD's several studies and reports directed to the problems that face Turkey.

Not only does TUSIAD call for action to meet the Copenhagen criteria but do does a wide range of scholars, analysts and officials from Turkey itself as well as from other countries.

Deputy Prime Minister Mesut Yilmaz last month, in speaking of the cabinet approval of the NPPA, said that Turkey must give top priority to ensuring freedom of speech, cracking down on torture, reviewing the death penalty and offering more freedom of organization for trade unions.

So what else must be done for Turkish entry into Europe?

The European Union has also called on Turkey to grant full cultural rights to all minorities, including allowing Turkish citizens to speak whatever language they like. After all, millions of the over 65 million people of this country speak Kurdish. Why is it not possible to respond to their desire for a degree of cultural freedom?

I was present in New York City when your Foreign Minister, Ismail Cem, and the Greek Foreign Minister, George Papandreou, were both honored at a dinner, a symbol of a reapprochement between Turkey and Greece in recent months triggered by the response in each country to earthquakes in the other.

THE CYPRUS ISSUE

Here again, I have been impressed by how both Turkish and Greek business leaders seem to be able to communicate effectively with each other, yet another example of the significant contribution that institutions of civil society can make to encouraging peaceful resolution of conflict in this troubled part of the world.

And, of course, Europe wants to see progress in resolving the thorny issue of Cyprus. With respect to Cyprus, I could make an entire speech tonight but I won't!

Let me say that it must be obvious that both Greek and Turkish Cypriots perceive a problem of security, both are unhappy with the present situation and both would like to improve their political and economic conditions by entering the European Union. Turkish Cypriots, moreover, have an acute economic problem, with less than a fifth of the $17,000 per capita GDP annually of the Greek Cypriots.

Clearly Turkish Cypriots would be the net beneficiaries of entry into Europe but this gain will come only if Cyprus is admitted as a single federal state, bi-zonal and bi-communal.

Accordingly, if Turkish Cypriots are not to continue to be left behind, economically and politically, the only sound answer is for Turkey and the Turkish Cypriots to accept the United Nations Security Council resolutions calling for such a settlement.

For as The Economist has written, Cyprus represents "the main block of Turkey's hope of joining the European Union in the near future."

I turn to another matter that is clearly of concern to the European Union, the role of the armed forces in the political system of Turkey.

Now, of course, for decades, the principal link between the United States and Turkey has been strategic, specifically, military. In light of the geographical location of Turkey, the size of its armed forces and its population, such a relationship should not be surprising. Turkey is a major actor on nearly every issue of importance to the United States in this part of the world, including NATO, the Balkans, the Aegean, Iraqi, sanctions, relations with the states of the former Soviet Union, turmoil in the Middle East and transit routes for Central Asian oil and gas.

THE ROLE OF THE MILITARY IN TURKISH POLITICS

Yet it must be obvious to any thoughtful observer that of particular importance in opening the doors to Europe for Turkey is that steps be taken to curb the influence of the military in politics.

I am certainly aware of the respect and admiration the Turkish people have always had for their armed forces. Nonetheless, any serious student of the place of the military in Turkish life learns very quickly that its role extends far beyond defense of the security of the Republic.

Here, rather than using my own words, let me cite those of a distinguished Turkish journalist, Cengiz Candar:

"Unlike Western armies, the Turkish military is politically autonomous and can operate outside the constitutional authority of democratically elected governments. It can influence the government both directly and indirectly, controlling politicians according to its own ideas and maxims. . . .

"The National Security Council is the institution that really runs the country. . . . "

". . . [T]he military has become the power behind the scenes that runs Turkish politics.

. . .

". . . The military is able to intervene at will in politics, not only determining who can form governments, but actually exercising a veto over who can contest elections. . . ." ("Redefining Turkey's Political Center," Journal of Democracy, October 1999, Vol. 10, No. 4)

A powerful analysis of the role of the military in Turkish politics is to be found in an essay published last December in the influential journal Foreign Affairs by Eric Rouleau, French Ambassador to Turkey from 1988 to 1992. ("Turkey's Dream of Democracy," Foreign Affairs, Vol 79, No. 6, November/December 2000)

Said Rouleau, commenting on Turkey's candidacy for the EU, "Turkey today stands at a crossroads," and explains that "The [1999] Helsinki decision [of the EU] called on Turkey, like all other EU membership candidates, to comply with the . . . Copenhagen rules [requiring] EU hopefuls to build Western-style democratic institutions guaranteeing the rule of law, individual rights, and the protection of minorities. Indeed, the EU's eastern and central European candidates adopted most of the Copenhagen norms on their own, before even knocking at the doors of the union."

Rouleau then asserts that the Copenhagen criteria "represent more than simple reforms; they mean the virtual dismantling of Turkey's entire state system . . . , which places the armed forces at the very heart of political life. Whether Turkey will choose to change . . . a centuries-old culture and . . . practices ingrained for decades—and whether the army will let it—remains uncertain. Even EU membership, the ultimate incentive, may not be enough to convince the Turkish military to relinquish its hold on the jugular of the modern Turkish state."

Rouleau then describes the ways in which the National Security Council (NSC) operates and notes the objections of the EU to the military's budgeting, its ownership of industries, its own court system and, above all, the military's dominance over civilian authority.

Concludes Rouleau: "Turkey's EU candidacy has crystallized the way in which two very different visions of the country are now facing off. . . . On the one side stands the Turkey of . . . the 'Kemalist republicans,' those who see the military as the infallible interpreter of Atatürk's legacy and the sole guardian of the nation and the state. . . .

"On the other side stand . . . the 'Kemalist democrats' . . . proud of the revolution carried out by the founder of the republic eight decades ago, but a the same time . . . believe that the regime should adapt to modernity and Western norms. This group includes intellectuals . . . business circles . . . and . . . Kurds and Islamists hopeful that Brussels will ensure that their legitimate rights are recognized and guaranteed."

TÜSIAD FOR DEMOCRATIC REFORM

What, I must tell you, seems to me a particularly significant statement about the place of the military is the following sentence, under the heading, "Democratization and the Reform Process in Turkey," in the document prepared for the visit of the TÜSIAD Board of Directors to Washington, DC, and New York last month ("TÜSIAD Views on Various Issues"):

"8. National Security Council (NSC) should be eliminated as a constructional body and its sphere of activity be restricted to national defense."

While one group of TÜSIAD leaders was in the U.S., speaking in Paris at the same time at a panel sponsored by Le Monde, was Dr. Erkut Yucaoglu, former TÜSIAD Chairman. Here are his words:

". . . TÜSIAD has been in the forefront of the struggle for political reform in Turkey. . . . Our report on democratization challenged the most sacred tenets of the existing order in the country, be it freedom of expression of all sorts, the role of the National Security Council, or private broadcasting in all languages, or the political parties law. We have consistently defended the integration with the EU and called for a speedy implementation of the Copenhagen criteria without reference to Turkey's special conditions.

. . .

". . . It is no secret . . . that the Turkish political system as it is presently functioning is in a crisis, perhaps a terminal one. The political parties have lost the confidence of the public a long time ago. . . .

"By now, every thinking person in Turkey knows that if the country wishes to fulfill its own promise of greatness and become prosperous, the political system must change . . . ."

Dr. Yucaoglu went on to praise the President of the Republic as "a national leader" who enjoys "the support of an overwhelming percentage of the population, who is committed to Turkey's European vocation. Mr. Sezer stands for the rule of law, civilian supremacy, anti-corruption, integration with the globalizing world and perhaps most important, for an unfettered democracy. . . ."

Now I am aware that I have spoken to you very candidly about the challenges—and opportunities—Turkey faces as your country moves into the 21st century.

You will observe, however, that most of the voices I have cited that are pressing for reform in Turkey are Turkish!

I certainly don't want to suggest that we in the United States have a perfect political system. As you know, far too few of our eligible citizens bother to vote, and the scramble for money to finance our political campaigns is an ongoing threat to the integrity of American democracy. Even now, Congress is acting on measures to reform campaign financing.

Moreover, as you are all aware, the Presidential election in my country last year was finally determined by our Supreme Court in a decision that has caused leaders of both our Democratic and Republican Parties to call for reform of our election laws.

I have noted that the election of President Sezer seems to be regarded by Turkish champions of democracy as a great victory. Like the leaders of TESEV and T̈SIAD, I have also been impressed by President Sezer's commitment to the rule of law and to rooting out corruption, and by all accounts, President Sezer has won the confidence of over 80% of the citizens of Turkey.

I have said that the combination of the current economic crisis, Turkish candidacy for entry into the European Union and the increasing influence of the leaders of civil society make this a moment of extraordinary opportunity for the people of Turkey.

So now let me say some words about civil society.

CIVIL SOCIETY AND DEMOCRACY

What do we mean by the term?

Civil society is the space that exists between, on the one hand, the state—government—and, on the other, individual citizens. This space is where citizens act with one another through non-governmental organizations (NGOs), foundations, and independent media

For as I am sure you will agree the state cannot—and should not—in any country do everything.

Indeed, I believe it significant that last year German Chancellor Gerhard Schröder, as you know, a Social Democrat, declared:

"One of the great illusions of Social Democratic policies has been the idea that 'more state' guarantees more justice. However, providing or even extending the 'classical' means of state intervention—law, power, and money—can no longer be considered sufficient solutions for a society where movement 'has become as important as regulation' (Alain Touraine). . . ."

Added Schröder, "Subsidiarity, giving responsibility back to those who are willing and capable of assuming this responsibility, should not be understood as a gift from the state, but, rather, as a socio-political necessity." ("The Civil Society Redifining the Responsibilities of State and Society," Die neue Gesellschaft, No. 4, April, 2000, Frankfurt.)

For the health of democracy, then, we must strengthen the institutions of civil society.

FOUNDATIONS IN TURKEY

What is the state of civil society in Turkey today, on non-governmental organizations, or as we say, NGOs?

Now I do not pretend to be an expert on NGOs in Turkey. But I understand that there are some 75,000 private associations registered in Turkey including more than 10,000 nonprofit foundations. Some foundations make charitable donations to NGOs and individuals; others are so-called "operating foundations" which provide social services and support education and research. ("Human Rights and Turkey's Future in Europe," by Aslan Gunduz, Orbis, Vol. 45, No. 1, Winter 2001, p. 16.)

Of these 10,000 foundations, nearly half were started in only the last 30 years.

Of course, Turkey has a long history of philanthropic foundations. During the Ottoman Empire, many of the services the state now provides, in health care, education and city-planning, were financed by foundations. (Davut Aydin, unpublished book chapter.)

I am sure that you here can tell me how NGOs gained a new prominence in Turkey through their effective relief work after the earthquake.

But you also know that NGOs have often faced intense scrutiny, and sometimes harassment, from the government. So I cannot emphasize enough the importance of philanthropic support from the business community in sponsoring NGO activities.

Last year, by the way, I delivered a speech in Athens in which I sharply criticized the Greek law that imposes a 20% tax on philanthropic contributions, reduced by half in the December 2000 budget but still an anomaly in a land that gave us the word philanthropia.

I hope that Turkish law will include further incentives to create foundations and expand the services they provide.

NATIONAL ENDOWMENT FOR DEMOCRACY IN TURKEY

I can also tell you that the National Endowment for Democracy, which, as I have said, I chaired for several years, has supported several non-governmental organizations in Turkey. I'll say something about a few to illustrate the kinds of civil society groups—and their activities—that contribute to a strong democracy:

First, I note that the Center for the Research of Societal Problems, (TOSAM), founded by Professor Dogu Ergil, has been a NED grantee since 1997.

An NGO called the Foundation for Research of Societal Problems (TOSAV) was established in 1996 to explore possible solutions to the Kurdish issue. After TOSAV published a Document of Mutual Understanding on possible peaceful solutions, TOSAV's founders were brought to trial at State Security Court and the document was banned.

To continue their work, TOSAV members established TOSAM, which produces Democracy Radio, broadcasting bi-weekly programs on such themes as democracies and minorities, the role of the media in a democracy, and the relationship between central and local government.

The Helsinki citizens' Assembly—Turkey (HCA—Turkey) has been a NED grantee since 1997.

Founded in 1990, HCA is an international coalition that works for the democratic integration of Europe and on conflict resolution in the Caucasus and the Middle East. HCA—Turkey was established by jurists, human rights activists, mayors, trade unionists, journalists, writers and academics.

HCA brings together representatives of civil society organizations from different cities, legal experts, academics and representatives of municipalities to develop and advocate an agenda for reform of the law governing NGOs in Turkey.

Women Living Under Muslim Law—Turkey (SLUML—Turkey) has been a recipient of NED grants since 1995. Founded in December 1993, this NGO provides information and advice to women's organizations throughout the country. WLUML-Turkey sponsors a project to train social workers, psychologists and teachers from community centers throughout Turkey in conducting legal literacy group sessions for women.

An active civil society, then, provides a check on a powerful state. For in a genuine democracy, non-governmental associations have the responsibility of keeping a close eye on the operations of government. So you and I know that if governments, in order to discourage or eliminate criticism, seek to crush free and independent newspapers, radio and television, or to control NGOs, democracy will be gravely weakened.

EDUCATION CRUCIAL TO FUTURE OF TURKEY

It will not surprise you, given my history in Congress and as a university president, that I believe a key ingredient of civil society, fundamental to the success of democracy and a modern economy, is education.

Certainly, education is crucial to the future of Turkey, where 30% of the population is below the age of 15! ("EU-Turkey Relationship: Less Rhetoric, More Challenges," by Bahadir Kaleagasi, Private View, No. 9, Autumn 2000, p. 22.)

Although I am a strong champion of both state and private support of education, I must note the growth in recent years of private universities in Turkey. As one who helped raise nearly $1 billion in private funds for New York University, I am impressed that several of your private universities have been founded with the generous support of Turkish business leaders. I think here particularly of Bilkent University, Sabanci University and Koc University.

I add that I have myself accepted the invitation of one of Turkey's outstanding business leaders, Mr. Rahmi Koc, to serve on the Board of Friends of Koc University, an American foundation chaired by the respected Turkish-American founder of Atlantic Records, and a good friend, Mr. Ahmet Ertegun, even as I have agreed to serve on the Board of Anatolia College in Thessaloniki. And I am pleased that these two institutions are cooperating in a joint training program.

These universities also make an important contribution to emerging civil society in Turkey. Founded through acts of philanthropy and charging tuition fees, they teach students that there can be institutions, independent of the state, serving social needs.

And as I speak of universities, let me say that while it is imperative that the United States and Turkey maintain their strategic alliance, I would very much like to see our relationships broadened to include expanded educational and cultural links. For most Americans, even educated ones, don't know very much about Turkish history or culture.

I shall add that in respect of another important question affecting U.S. policy toward Turkey, Turkish relations with Greece, I have for several years now proposed that Turkish universities establish departments of Greek studies and Greek universities create department of Turkish studies, the better for each society to understand the other.

As I conclude his talk, I realize that I have certainly not covered every subject relevant to my central thesis. I have not attempted to be exhaustive; I hope I have been instructive.

HISTORIC OPPORTUNITY FOR DEMOCRACY IN TURKEY

My thesis is straightforward. It is that there are three powerful developments that, it seems to me, provide an historic opportunity for genuine democratic advance in Turkey.

The first is the economic and financial crisis that your country is now facing.

The second is Turkey's application for membership in the European Union.

And the third is rising importance of the institutions of civil society in Turkish life.

I have drawn particular attention to the movement for democratic change-for freedom of expression, a free market economy and reform of the political system-pressed by the business leaders of Turkey, like those at TESEV and TUSIAD.

Although the friends of Turkey in my own country and elsewhere will do what we can to encourage reform, for your great country to become a vigorous and vibrant democracy is, in the final analysis, up to the people of Turkey.

REMEMBERING THE BIG THOMPSON FLOOD

Mr. ALLARD. Mr. President, I rise today to honor those who lost their lives, as well as those who survived, Colorado's Big Thompson Flood of 1976. Twenty-five years ago today more than one foot of rain fell in a matter of hours, creating a flash flood in Big Thompson Canyon which killed 144 people and caused over $30 million in property damage. We remember those who died in this natural disaster, and also the survivors who had to rebuild their lives, working as a community to start over again. Today, outside of my hometown of Loveland, Colorado, 1,000 survivors of this tragedy will gather to commemorate the Big Thompson Flood. Though I cannot be with them in this ceremony, my thoughts and prayers are with them and I speak on the Senate floor today as a tribute to this special event.

I ask unanimous consent that the following letter, which I wrote for the commemoration ceremony of the Big Thompson Canyon Flood of 1976, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Greetings to the families and friends of the victims of the Big Thompson Canyon Flood

As we look back twenty-five years ago today we remember the shock and devastation that took place in this canyon. Joan and I arrived just after the crest from the Big Thompson flood had passed through Loveland and were astounded by the destruction. At the time I was a county health officer and I had a number of clients up the canyon ravaged by the flash flood who had animals at my hospital. I was devastated by the tragedies which affected our community.

Since that time the people of the communities in the canyon have worked together to rebuild their lives and their property. We have heard of many sad stories and yet, many stories of kindness and concern for others through the years.

Today, as survivors, families and friends congregate to commemorate the Big Thompson Canyon flood, my thoughts and prayers are with you. The bronze sculpture dedicated today will permanently honor those who died in the flood and I will enter this letter into the CONGRESSIONAL RECORD as a tribute to all those affected by the Big Thompson Canyon Flood on July 31, 1976.

Joan's and my thoughts are with you as we remember the people who lost their lives and also those who survived this flood and recreated their lives.

Sincerely,
Wayne Allard

STOP TRADING AND AIDING THE BURMESE MILITARY JUNTA

Mr. HARKIN. Mr. President, once in awhile, the world is confronted with a national government so extreme in its violation of basic human rights and worker rights and so morally bankrupt that it requires exceptional, coordinated action on the part of all civilized nations. A case in point is the Burmese military junta that has been in power since 1988 and which continues to terrorize this nation of 48 million people to this day.

This is a despicable military dictatorship that is quite simply beyond the pale.

It uses forced labor as a normal way of conducting business and international trade.

It uses forced child labor to build roads and dams, to transport goods for the military, and to tend the fields.

It exploits 50,000 child soldiers—the most of any nation on Earth.

It is a drug trafficker of the first order—the No. 1 source of heroin on our streets in America.

It routinely confiscates and operates apparel and other factories, directly and indirectly, to earn foreign exchange to keep its brutal grip on power.

It brazenly ignores the democratic yearnings of its own people who overwhelmingly elected the National League for Democracy to power in the national elections in 1990.

It has kept Aung San Suu Kyi, the democratically elected national leader of Burma and Nobel Peace Prize Laureate, under house arrest and cutoff from outside communication for most of the past decade, while imprisoning, torturing, and killing tens of thousands of Burmese prodemocracy supporters.

For all of these reasons, I introduced legislation, S. 926, in late May to establish a complete U.S. trade ban with Burma. I am greatly heartened that Senators HELMS, LEAHY, MCCONNELL, HOLLINGS, WELLSTONE, FEINGOLD, SCHUMER, FEINSTEIN, LIEBERMAN, CLINTON, TORRICELLI, DAYTON, CORZINE, and MIKULSKI have already joined as cosponsors of this bill to make more effective the limited sanctions enacted by a bipartisan majority in 1997.

Now we need President Bush to throw his support behind this measure as well. I am hopeful that he will follow his words with action because he wrote to many of us nearly two months ago pledging that "we strongly support Daw Aung San Suu Kyi's heroic efforts to bring democracy to the Burmese people."

Now is not the time to hesitate. We already have fresh evidence that even the threat of enactment of this legislation is making life much more difficult for the Burmese generals in several ways.

First, the Wall Street Journal on July 9th carried an in-depth story under the headline, "Myanmar Faces Dual Blow from U.S. Proposed Ban." In this account, a ranking officer of the Myanmar Garment Manufacturing Association reports that orders for Burmese apparel have already begun to decline in the country's largest quasi-private sector industry. Not surprisingly, Burmese government officials and textile industry executives are denouncing our legislation, claiming that it will hurt tens of thousands of Burmese textile and apparel workers and their families. But, in fact, S. 926 enjoys the solid support of the Free Trade Union Movement of Burma, FTUB, and it was developed in close consultation with Burmese workers at the village and farm level inside that besieged nation. Small wonder given that the per capita GDP in Burma has now fallen to less than $300 a year and the U.S. Embassy in Rangoon last summer cabled home that wages in the textile and apparel factories typically start at 8 cents an hour for a 48-hour work week.

Second, the Burmese military junta for the first time has recently announced that it will allow a team of investigators from the International Labor Organization (ILO) to visit Burma for three weeks in September to follow up the mountain of evidence compiled about the widespread use of forced labor. I hope this is not a cynical ploy on the part of the Burmese generals whereby ILO officials are carefully steered to sanitized work sites, after which the ILO mission issues a report stating that they saw little first-hand evidence of forced labor or that it is in decline due to the government's efforts to stop it.

To forestall this possibility, the following important precautions need to be taken now to prevent the Burmese generals from "whitewashing" their longstanding use of forced labor:

There should be regular ILO fact-finding teams sent to Burma every six months for the foreseeable future, not a onetime visit.

Every ILO fact-finding team sent into Burma should include at least one of the members of the ILO Commission of Inquiry which compiled the body of evidence of widespread use of forced labor in Burma. It was that Commission's report which led to the ILO invoking Article 33 procedures for the first time in history in 1999 and twice, since then, calling for the 175 member nations of the ILO to adopt stronger sanctions against this outlaw regime.

Before any ILO inspection team is dispatched, the Burmese generals must rescind their decree which prohibits any gathering of more than 5 Burmese civilians at one time. This will enable Burmese forced laborers or witnesses on their behalf to feel more secure in coming forward.

The ILO must also insist in advance that other UN agencies help monitor the whereabouts and safety of any Burmese forced laborers or witnesses thereto, once the ILO fact-finding teams leave the country.

Finally, the embassies of Japan and other ASEAN countries who lobbied hard for the dispatch of such ILO fact-finding teams must take on special, added responsibilities and function as conscientious monitors against forced labor and other egregious worker rights violations inside Burma whenever ILO fact-finding teams are not on the ground.

Third, now that more and more American consumers are learning for the first time that U.S. trade with Burma is actually growing, they are bringing their own pressure to bear on this sordid business. Last May 23rd, for example, Wal-Mart executives issued a statement that "Wal-Mart Stores, Inc. does not source products from Burma and we do not accept merchandise from our suppliers sourced in Burma and Wal-Mart -Canada will also not accept any merchandise sourced from Burma moving forward." I hope this claim can be verified soon and that other companies that have been doing business in Burma will follow suit.

Fourth, I am also hopeful that the U.S. Customs Service will move promptly to enforce its recent rulings and make certain that no products enter the U.S. labeled only "Made in Myanmar". Until such time that my trade ban legislation is enacted, it is very important that all American consumers be able to clearly identify whether a garment or other imported product is made in Burma.

In conclusion, Mr. President, it is unconscionable that apparel and textile imports from Burma, for example, have increased by 372 percent since supposedly "tough" sanctions were enacted in the U.S. in 1997. They increased by 118 percent last year alone, providing more than $454 million in hard currency that flows mostly into coffers of the Burmese military dictatorship. By what reasoning, do we currently have quotas on textile and apparel imports from virtually every other country in the world, but not Burma?

We need to promptly cut off the hard currency that is helping sustain the Burmese gulag.

We need to demonstrate anew our solidarity with the pro-democracy in Burma and its leaders.

We need to curb the flow of illegal drugs pouring into our country from Burma. We need to answer the call of the ILO to disassociate our country from the Burmese military junta which routinely uses forced labor and the worst forms of child labor, while defying the community of civilized nations to do anything about it.

We can accomplish all of these worthy policy objectives, the sooner we enact S. 926.

PREPARING FOR BIOTERRORISM . . . WHAT TO DO NEXT

Mr. AKAKA. Mr. President, I rise to address a subject on which I recently chaired a hearing in the Governmental Affairs Subcommittee on International Security, Proliferation, and Federal Services concerning what the Federal Government is doing to better prepare our communities for an act of bioterrorism.

Mr. Bruce Baughman, the Director of Readiness and Planning for the Federal Emergency Management Agency, FEMA, testified on terrorism programs, the newly established Office of National Preparedness, and FEMA's plans to enact a nationally coordinated plan for terrorism preparedness. Dr. Scott Lillibridge, the first Special Assistant to the Secretary of Health and Human Services, HHS, for National Security and Emergency Management, discussed the current and future bioterrorism preparedness and response programs within HHS.

They were followed by two expert witnesses, whose testimony and experience were very helpful in laying out what the country should be doing, on a national, State, and local level, to respond to bioterrorism.

Dr. Tara O'Toole, of the Johns Hopkins University Center for Civilian Biodefense Studies, discussed the nature of the threat and the challenges facing response efforts. As she aptly noted, "nothing in the realm of natural catastrophes or man-made disasters rivals the complex response problems that would follow a bioweapon attack against civilian populations."

Dr. Dan Hanfling, a physician in the Emergency Department at Inova Fairfax Hospital, and an active member in regional disaster response planning, shared his views on the ability of local emergency rooms to respond to biological agents. He explained how, with emergency room overcrowding and ambulance diversions, emergency departments and hospitals are operating in a 'disaster mode' from day to day.

Throughout the hearing, I heard three recurring concerns that must be addressed to prepare properly for bioterrorism. First, the medical and hospital community is not engaged fully in bioterrorism planning. Second, the partnerships between medical and public health professionals are not as strong as they need to be. And, third, hospitals must have the resources to develop surge capabilities.

All three will require long-term efforts to correct these problems. However, I believe that we can make considerable progress with some simple measures that can be implemented quickly.

First, we need to improve awareness of the threat among the medical community, thereby increasing engagement with physicians and hospitals. Dr. O'Toole suggested Congressional support for curriculum development for medical and nursing schools. Such support would require funding for the development of biological weapon and emerging infectious disease curricula, which could be shared to educate, train, and retrain medical professionals.

Second, FEMA must ensure that our medical and hospital communities have a place at the table in the planning and implementing of bioterrorism programs. Both Dr. Hanfling and Dr. O'Toole emphasized the necessity of involving the public health and medical communities in response planning for all acts of terrorism. The medical community is always called upon for assistance in disasters by traditional first responders. For acts of bioterrorism, they become the first responders. This will require funding to provide physicians, nurses, and hospital administrators the resources and time to attend meetings, training sessions, and planning activities.

Third, we can also enhance the surveillance and monitoring capabilities of the local and state public health departments. This is crucial in order to detect outbreaks as early as possible. One step in accomplishing this would be to include veterinarians in current monitoring and surveillance networks. Dr. Lillibridge and Dr. O'Toole agreed that the veterinary community can offer many things to the bioterrorism effort.

For example, most physicians do not have clinical experience with likely bioterrorist agents, such as plague, anthrax, and small pox. However, many veterinarians have field experience with anthrax and plague. Veterinarians could also help in detecting unusual biological events because many emerging diseases, such as West Nile Virus, appear in animals long before humans.

Dr. Lillibridge said HHS is considering some options to actively engage the animal health community. I would suggest creating a senior level position within the Centers for Disease Control and Prevention responsible for communicating and coordinating with the veterinary associations, local and State animal health officials, and practicing and research veterinarians on a routine basis. I hope that HHS will act quickly in determining the best course of action.

These three actions can help move bioterrorism response forward. Will they solve all the problems we face? No. But with Congressional leadership, FEMA's coordination, and HHS's implementation, we should be able to improve awareness and engagement by the medical and hospital community. We can also expand partnerships between the medical, public health, and veterinary communities. These are small steps to tackling a problem which, at times, may seem daunting and overwhelming.

Our bioterrorism preparedness effort will be helped by developing new activities and communicating with other interested parties. I look forward to working with the different stakeholders in their efforts to prepare our communities for a possible act of bioterrorism.

IN MEMORY OF CARROLL O'CONNOR

Mr. HATCH. Mr. President, I rise today to pay my respects to a great American, Carroll O'Connor, who died June 21, 2001 of a heart attack. Mr. O'Connor was a talented actor who is fondly remembered for his role as Archie Bunker in the television show "All in the Family," which ran successfully from 1971–1979 and for which he won four Emmys. Everyone will agree that Mr. O'Connor's portrayal of Archie Bunker helped start a dialogue in this country about serious issues that had until then been avoided. Issues such as racism, bigotry, and religious and gender discrimination were tackled by the cast of "All in the Family," and Mr. O'Connor led the discussion. His loyal fans will always remember the contributions he made to changing attitudes in America.

As much as I admired Mr. O'Connor for his role in bringing social issues to the forefront of American thought, today I would like to talk about another important issue that Mr. O'Connor helped bring to the attention of the American public. Mr. O'Connor was a tireless advocate for preventing kids from using drugs. He spoke publicly about the importance of keeping illegal drugs away from our kids. He passionately pleaded for parents to get between drugs and their kids so as to avoid the heartache that he himself suffered while witnessing his son Hugh struggle with his own addiction to cocaine and ultimately, as a result of his addiction, commit suicide. At a time when many would retreat in their own sorrow and grief, Carroll O'Connor mustered the strength to speak out about the dangers of drug abuse. He was a true public servant who undoubtedly touched the hearts of millions through his public service announcements that intimately described how he lost his son to drug addiction. I truly believe that his moving announcements prompted many parents to talk to their children about drugs.

I was fortunate to meet several times with Mr. O'Connor to discuss our country's drug control strategy. He had many interesting and innovative ideas as how to best solve the problem. In fact, just a few months ago he appeared via satellite at a Judiciary Committee hearing I held to testify in favor of S. 304, the Drug Abuse Education, Prevention, and Treatment Act of 2001, which I introduced along with Senators LEAHY, BIDEN, DEWINE, THURMOND, and FEINSTEIN. I want to quote a passage from his opening statement, which I believe exemplifies his dedication to the issue of drug abuse.

> We only know that there is hardly a family in America, on any level of life, that has not been wounded lightly or severely or fatally by the assault of the drug empire upon our country. The loved ones of insensate addicts, like my own poor son, write to me every day imploring my help, as if I, being well-known, might persuade our leaders to protect and defend them in this war, or at the very least help them care for their wounded and dying. This Committee, by this legislation, is now directing serious attention to the care for the wounded and dying.

I deeply regret that Mr. O'Connor will not be here when the Senate passes S. 304, but importantly, his legacy is secure in the form of the contribution he has made to publicizing this issue and the tireless work toward the passage of this legislation. I ask unanimous consent that Mr. O'Connor's March 14, 2001 opening statement before the Judiciary Committee be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY CARROLL O'CONNOR TO THE SENATE JUDICIARY COMMITTEE, MARCH 14, 2001

Good morning. My dear Senators, I'm honored by your invitation to be here. I'm deeply involved in our war on drugs but only as a wounded victim of it, without expertise in the conduct of it. I am presuming here simply to speak for five million other victims. Or should I say ten million? Is there a true number? We only know that there is hardly a family in America, on any level of life, that has not been wounded lightly or severely or fatally by the assault of the drug empire upon our country.

The loved ones of insensate addicts, like my own poor son, write to me every day imploring my help, as if I, being well-known, might persuade our leaders to protect and defend them in this war, or at the very least help them care for their wounded and dying. This committee, by this legislation, is now directing serious attention to the care of the wounded and dying. This is a good bill. This war against the drug empire is a good war, and except for some who call it a lost war, who would legalize drugs and turn the country over to the invader, the American people are not clamoring to withdraw from this war.

This war is raging in the streets around them. They tell me in their letters that they don't understand why we are not fighting this war and winning it. They understand that they are spending billions to raise blockades and sanctions against so-called enemy countries like Libya and Cuba, and to fly bomber patrols over Iraq to prevent the Iraqis from making chemical weapons to use against us, but they know that the only country in the world attacking us daily with the poisons it makes is Colombia, the key country in the drug empire; Colombia which says to us "Control your own deadly habits; we don't create them, we merely supply them. Meanwhile can you let us have two billion dollars and some American troops to deal with our rebels down here?"

If this is an unsophisticated picture of our foreign relations, it is nevertheless starkly real to our despairing people. The picture might better be presented to some other committee of the congress, but it is impossible to leave it out of any consideration of the drug war. I cannot guess how our people will receive the proposals advanced by this good legislation, and I am afraid that the expenditures here proposed for treatment and rehabilitation are not going to be enough by half. I would have said that we needed new, free rehabilitation centers in all of the major counties of our fifty states. How many? Two hundred, three hundred? At what cost? Perhaps a billion? a low guess? just to start the program.

Addicts cannot help themselves; they have to learn control, to re-regulate brain cells in expert medical facilities, places with living facilities closely available that will receive them without delay when they are ready to offer themselves. Our people are not ungenerous but they are not well informed. Care and rehabilitation of thousands and thousands of junkies is not something they are ready to pay for on a grand scale. But that must be done, and now when we are at the flood tide of our national wealth is the only possible time to do it.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, July 30, 2001, the Federal debt stood at $5,733,200,036,425.98, five trillion, seven hundred thirty-three billion, two hundred million, thirty-six thousand, four hundred twenty-five dollars and ninety-eight cents.

Five years ago, July 30, 1996, the Federal debt stood at $5,183,983,000,000, five trillion, one hundred eighty-three billion, nine hundred eighty-three million.

Ten years ago, July 30, 1991, the Federal debt stood at $3,560,957,000,000, three trillion, five hundred sixty billion, nine hundred fifty-seven million.

Fifteen years ago, July 30, 1986, the Federal debt stood at $2,071,424,000,000, two trillion, seventy-one billion, four hundred twenty-four million.

Twenty-five years ago, July 30, 1976, the Federal debt stood at $624,547,000,000, six hundred twenty-four billion, five hundred forty-seven million, which reflects a debt increase of more than $5 trillion, $5,108,653,036,425.98, five trillion, one hundred eight billion, six hundred fifty-three million, thirty-six thousand, four hundred twenty-five dollars and ninety-eight cents during the past 25 years.

ADDITIONAL STATEMENTS

TRIBUTE TO BRIGADIER GENERAL THOMAS F. GIOCONDA

• Mr. DOMENICI. Mr. President, I rise today to pay tribute to a truly great American, Brigadier General Thomas F. Gioconda, USAF. General Gioconda has served this Nation with distinction for 31 years.

A native of Philadelphia, PA, General Gioconda is a graduate of St. Joseph's University, Philadelphia, PA, class of 1970. He has earned two masters degrees, one in School Administration from Seton Hall University, and another in Business Administration from the University of Montana. His military career began in 1970 with an assignment to Malstrom AFB, MT, where he served as a missile launch officer. After 4 years as a wing missile operations crew instructor, he served as an AFROTC instructor at his alma mater for two years, followed by another two years at New Jersey Institute of Technology. He then served as a missile operations instructor and section chief at the 4315th Combat Crew Training Squadron, Vandenberg AFB, CA.

General Gioconda has also served as the principal liaison officer to Congress for both General Colin Powell (Ret) and General John Shalikashvili (Ret) during momentous times in our Nation's history—the end of the Cold War, Operations Desert Storm, Provide Promise, Provide Hope, Provide Comfort, Southern Watch, Deny Flight, and Restore Democracy, and Joint Endeavor, as well as countless other military operations and deployments.

General Gioconda came to Department of Energy Defense Programs in August 1997 to serve as the Principal Deputy Assistant Secretary for Military Application (DP–2). During his 4-year tenure, General Gioconda served as the Acting Assistant Secretary for Defense Programs and later as the Acting Deputy Administrator for Defense Programs, for almost as long as he has served in the DP–2 position. Under this leadership, the Stockpile Stewardship Program, one of the country's most challenging scientific and engineering programs is delivering results of the American people, results that make this a safer country for us all. His steady hand, clear vision, decency, candor, and sense of humor has also helped the program overcome profound challenges over the last several years.

At the conclusion of his first tour as Acting Deputy Administrator, his accomplishments were justly rewarded with the presentation of the Department of Energy's highest honor, the Secretary's Gold Medal. General Gioconda has made great personal professional sacrifices to ensure the success of the Stockpile Stewardship Program and the Nation owes him a depth of gratitude for this service. I know that the men and women of the National Nuclear Security Administration will sorely miss his leadership, commitment to excellence, and untiring efforts to look out for their welfare.

In addition to his Department of Energy award, General Gioconda has been awarded the Distinguished Service Medal, the Defense Superior Service Medal (with Oak Leaf Cluster), the Defense Meritorious Service Medal, the Meritorious Service Medal (four Oak Leaf Clusters), three Air Force Commendation Medals, the Air Force Achievement Medal, the Combat Readiness Medal, the Outstanding Voluntary Service Medal, and the Command Missile Badge. We wish Tom, his wife Anita, and their three sons, Tom, Jr., Anthony, and Timothy, the very best.

It is a great honor and personal privilege for me to present his credentials and this tribute to General Thomas F. Gioconda before the Congress today. I have enjoyed working with the General over the years and I will miss his wise counsel. General Gioconda's extraordinary commitment has helped sustain our Nation's security during his tenure and beyond and reflects great credit upon himself, the Departments of the Air Force and Energy, and the United States of America. His actions reflect the highest professional standards of the Air Force. He is an officer of the highest honor, integrity, and purpose. Please join me in wishing this patriotic American every success in the years ahead.●

DR. FRED CRAWFORD

● Mr. HOLLINGS. Mr. President, it is a pleasure for me to recognize the accomplishments of Dr. Fred Crawford, chief heart surgeon at the Medical University of South Carolina. Dr. Crawford grew up in rural South Carolina and still enjoys the simple life, but his sophisticated approach to work is on par with any big-city surgeon. He has done a tremendous job of bolstering the medical community's perception of MUSC during his more than 20 years on staff, by building a world-class team of physicians and nurses and by fostering excellence in his students. I ask that Clay Barbour's profile of Dr. Crawford, which appeared in The Post and Courier newspaper follows:

SURGEON STRIVES TOWARD GOAL FOR PROGRAM

(By Clay Barbour)

In August 1995, former New York City Mayor David Dinkins experienced severe chest pains and dizziness while on vacation in Hilton Head.

When it was confirmed that the 68-year-old Dinkins needed triple bypass surgery, there were discussions over where he should receive treatment.

New York, after all, offered a plethora of world-class physicians.

But after consulting physicians back home, Dinkins' wife decided to place her husband's heart in the very capable hands of Dr. Fred Crawford, MUSC's chief heart surgeon.

Crawford says despite Dinkins' high-profile status, his care was the same as the other 800 heart procedures performed at the Medical University of South Carolina that year.

But in truth, Dinkins' decision to trust MUSC in such an important matter differed from the others in one key aspect.

It was tangible proof of MUSC's standing in the medical community and validation for Crawford and his heart surgery program.

When Crawford took over as MUSC's chief cardiothoracic surgeon in 1979, he had one goal—to turn the oft-overlooked program into a major force in medicine.

"We were losing too many people to hospitals out of state, and I wanted that to stop," he says. "I wanted this program to carry the weight of other high-profile programs in the country.

But changing perceptions was easier said than done. And even Crawford admits his goal was the naive dream of a young, idealistic surgeon.

But as the Dinkins' choice to stay instate proves, with persistence, high standards and skilled personnel, even perceptions can change.

COUNTRY BOY

As Crawford climbs atop the tractor, garbed in flannel and denim, the 58-year-old doctor looks out of place.

Yet it is here, on his farm amid the corn and sorghum that MUSC's head of surgery is most at home.

Crawford was raised here, in the community of Providence, not far from where his 400-acre farm now sits. He met his wife of 35 years, Mary Jane, here. And his mother still lives nearby.

He bought the land 12 years ago, right after Hurricane Hugo battered the state. And though he lives in Mount Pleasant, this rustic getaway serves as a weekend retreat, where he can leave the stress of surgery behind and return to a simpler time.

Crawford was born in 1942 to a pair of educators. His father was the principal at the local high school. His mother was the principal at the local elementary.

So he knows where he developed a fondness for academics and teaching. But he's not exactly sure what originally led him to medicine.

He remembers being impressed by an uncle who practiced medicine. And he always admired the family doctor.

In 1960, Crawford applied to, and was accepted at, Duke University in Durham, N.C.

"And for a country boy in South Carolina, Duke was about as far out as you could get," he says. "I doubt I'd even heard of any Ivy League schools at the time."

What started in 1960 was Crawford's 16-year relationship with Duke.

During his freshman year, Crawford met the man who would become his lifelong mentor, Dr. Will Sealy, a respected heart surgeon and educator at Duke, had a profound influence on Crawford.

"One week after I met him, I knew I wanted to be a surgeon," Crawford says. "After two weeks, I knew I wanted to be a heart surgeon. And after three weeks, I knew I wanted to be an academic heart surgeon."

Crawford finished three years undergraduate work at Duke and was then accepted to the university's prestigious medical school. After finishing medical school, he began a seven-year surgical residency at the university.

But the world would intrude on his education.

VIETNAM

"I think all surgeons, if they're honest with themselves, wonder at some point if they have the hands to do the job," Crawford says.

Any questions Crawford harbored about his ability were answered between 1969 and 1971—the years he spent in Vietnam.

After finishing two years of his residency, Crawford was called to duty in the Army. He arrived at the 24th Evacuation Hospital in Long Binh in 1970. Day in and day out, the young, inexperienced Crawford operated on wounded soldiers. Immersed in work, Crawford soon forgot his doubts and concentrated on his patients.

"I knew after that experience that I had what it took to do the job," he says.

In 1971, Crawford returned to Duke and completed the last five years of his residency. Finishing in 1976, he accepted a position as chief of cardiac surgery at the University of Mississippi.

"Which tells you more about the state of that program at the time than it does about how good I was," he says.

Crawford stayed in Mississippi for three years. Then on a fishing trip to South Carolina in 1978, he met former South Carolina Gov. James Edwards and fate stepped in.

"I was impressed with him," Edwards says. "He was an extremely well-trained South Carolina boy. A very together and prepared person."

Edwards asked Crawford when he was coming home. It wasn't the first time Crawford had considered returning to the Palmetto State, but this time something clicked.

And as luck would have it, the position for MUSC's head of cardiothoracic surgery opened up soon after the fishing trip. Crawford decided he'd make a run at it.

Edwards, an oral surgeon by training, heard that Crawford was not receiving the consideration due his reputation in the industry. So he stepped in.

"I checked up on him before going to bat for him," Edwards says.

"I was told he had two of the finest hands a surgeon could have, and his decision-making skills were second to none."

It wasn't long before Edwards reaped the benefits of his decision to back Crawford. In 1983, the former governor accepted a position as MUSC's president.

HOME AGAIN, HOME AGAIN

In 1979, Crawford accepted the MUSC job and moved home to South Carolina with the dream of turning MUSC into a world-class heart surgery program.

He knew he had to fight public perception to make his dream come true. But to do that, he needed a plan. He started by recruiting world-class physicians and building a team of talented professionals around them.

"You can't have a world-class heart surgery program without world-class nurses, and world-class anesthesiologists," he says. "It takes everybody to make it work."

He then had to lobby for upgraded facilities, a part of the plan he's still working on.

"We're operating in a building that's 55 years old," he says. "In the very near future we're going to have to do something about that."

Crawford says that while he has worked hard on making a name for MUSC's heart surgery program, he has never forgotten that he is also an educator. And that's the part of the job he loves best.

"There is just something about knowing that you've played a part in turning a young student into a great surgeon," he says. "And as they go out and succeed in the profession, they take a little of you with them."

But just because he loves working with students, doesn't mean he's easy on them. "Fred has very high expectations for residents and faculty, and he lets us know when we don't live up to them," says Dr. Robert Sade, MUSC's director of Human Values and Healthcare, a medical ethics and health policy think tank.

Sade has worked with Crawford for close to 22 years, and says the diminutive surgeon can be gruff in a professional environment.

"But he's a great guy, with a sharp sense of humor," he says. "It's just that surgery is serious work, and Fred takes it very seriously. But without a doubt, he is probably one of the most intelligent and well-organized physicians I've ever worked with."

It's an opinion shared by many in the surgical community. Crawford is the chairman of the American Board of Thoracic Surgery and is the president-elect of the American Association of Thoracic Surgeons, the most prestigious group of its kind in the world.

"That was an honor that really blew me away," Crawford says.

At 58, Crawford has years left in his hands, and a job that's not quite finished. He intends to continue toward his goal with the same drive that led him to where he is now.

"A year ago I was diagnosed with colon cancer," he says. "I'm better now, but that scare made me aware of how short our time here is. I didn't waste a lot of time before. I don't waste any now."•

TRIBUTE TO JOHN CLEMSON DUCKWORTH, SR.

• Mr. **SHELBY**. Mr. President, I rise today to pay tribute to a dear friend, John Clemson Duckworth, of Tuscaloosa, AL. Clemson Duckworth died this past Tuesday, July 24th, at the age of 94.

Clemson was born in Tuscaloosa in 1907 and attended the University of Alabama. He joined the National Guard at the age of 18 and served as his unit's commander when they were activated in 1940 for World War II. Clemson served in several areas of the Pacific. He rose to the rank of full colonel, earned a Bronze Star and the Legion of Merit.

He returned to Tuscaloosa after World War II to his job as a loan officer at First Federal Savings and Loan. He eventually became President and Chairman of the bank, as well as Chief Executive Officer before he retired in 1979 after 50 years of service. During his years of leadership at First Federal Savings and Loan, he encouraged home ownership among the city's residents and guided Tuscaloosa in the city's long-term planning. He served as the first head of the city planning commission.

In his church, First United Methodist, Clemson served as Chairman of the Administrative Board and President of the Board of Trustees. He served on several committees of the North Alabama Conference of the United Methodist Church.

At the University of Alabama, he served as an adjunct professor, teaching economics and insurance. He was active in a number of philanthropic and social organizations on campus.

Clemson Duckworth definitely left a mark on the Tuscaloosa community. In addition to his service to the City Planning Commission, he was also active in the city's Rotary Club. He was a member of the Druid City Hospital Foundation Board and played an active role in many of its fund raising projects. He served as Chairman and President of the Community Chest Drive, President of the Chamber of Commerce of West Alabama and the Junior Chamber of Commerce, and Director and Treasurer of the Building Fund of YMCA. For his lifetime of service to his country and community, Clemson Duckworth was honored as Tuscaloosa's Citizen of the Year.

Clemson also found time to raise a family. He and his wife Susie raised a daughter, Virginia Duckworth Cade; and two sons, John Clemson Duckworth, Jr. and Joe Brown Duckworth. They were also blessed with seven grandchildren and 14 great grandchildren.

Clemson Duckworth was a good friend, a patriarch of the Tuscaloosa community, a decorated veteran of World War II, and a much-beloved family man. He will be greatly missed by many.•

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT—PM 38

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 2001, to the *Federal Register* for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of the national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to United States interests in the region. Such Iraqi actions pose a continuing, unusual, and extraordinary threat to the national security and foreign policy of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure on the Government of Iraq.

GEORGE W. BUSH.
THE WHITE HOUSE, *July 31, 2001.*

REPORT ON THE CONTINUATION OF THE IRAQI EMERGENCY—MESSAGE FROM THE PRESIDENT—PM 39

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 2001, to the *Federal Register* for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to United States interests in the region. Such Iraqi actions pose a continuing, unusual, and extraordinary threat to the national security and foreign policy of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure on the Government of Iraq.

GEORGE BUSH.

THE WHITE HOUSE, *July 31, 2001*.

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 12:27 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 1954. An act to extend the authorities of the Iran and Libya Sanctions Act of 1996 until 2006, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore (Mr. BYRD).

At 3:34 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 100. An act to establish and expand programs relating to science, mathematics, engineering, and technology education, and for other purposes.

H.R. 1499. An act to amend the District of Columbia College Access Act of 1999 to permit individuals who graduated from a secondary school prior to 1998 and individuals who enroll in an institution of higher education more than 3 years after graduating from a secondary school to participate in the tuition assistance programs under such Act, and for other purposes.

H.R. 1858. An act to make improvements in mathematics and science education, and for other purposes.

H.R. 2456. An act to provide that Federal employees may retain for personal use promotional items received as a result of travel taken in the course of employment.

H.R. 2540. An act to amend title 38, United States Code, to make various improvements to veterans benefits programs under laws administered by the Secretary of Veterans Affairs, and for other purposes.

H.R. 2603. An act to implement the agreement establishing a United States-Jordan free trade area.

H.R. 2620. An act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 2647. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 2002, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 190. Concurrent resolution supporting the goals and ideals of National Alcohol and Drug Addiction Recovery Month.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 100. An act to establish and expand programs relating to science, mathematics, engineering, and technology education, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

H.R. 1858. An act to make improvements in mathematics and science education, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

H.R. 2456. An act to provide that Federal employees may retain for personal use promotional items received as a result of travel taken in the course of employment; to the Committee on Governmental Affairs.

H.R. 2540. An act to amend title 38, United States Code, to make various improvements to veterans benefits programs under laws administered by the Secretary of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 2603. An act to implement the agreement establishing a United States-Jordan free trade area; to the Committee on Finance.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 190. Concurrent resolution supporting the goals and ideals of National Alcohol and Drug Addiction Recovery Month; to the Committee on Health, Education, Labor, and Pensions.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2620. An act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3206. A communication from the Director of the Office of Regulations Management, Veterans Benefits Administration, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled "Montgomery GI Bill—Active Duty" (RIN2900-AK06) received on July 30, 2001; to the Committee on Veterans' Affairs.

EC-3207. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled "VISAS: Nonimmigrant Classes; Irish Peace Process Cultural and Training Program" (22 CFR Part 41) received on July 30, 2001; to the Committee on Foreign Relations.

EC-3208. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the Annual Report on Retail Fees and Service of Depository Institutions for 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC-3209. A communication from the Chief of the Regulations Unit of the Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Section 1504(d)—Subsidiary Formed to Comply with Foreign Law" (Rev. Rul. 2001-39) received on July 27, 2001; to the Committee on Finance.

EC-3210. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Disclosures of Return Information to Officers and Employees of the Department of Agriculture for Certain Statistical Purposes and Related Activities" (RIN1545-AX69) received on July 30, 2001; to the Committee on Finance.

EC-3211. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the report of the Office of the Inspector General for the period beginning October 1, 2000 through March 31, 2001; to the Committee on Governmental Affairs.

EC-3212. A communication from the District of Columbia Auditor, transmitting, a report entitled "Certification Review of the Sufficiency of the Washington Convention Center Authority's Projected Revenues to Meet Projected Operating and Debt Service Expenditures and Reserve Requirements for Fiscal Year 2002"; to the Committee on Governmental Affairs.

EC-3213. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans: Oregon" (FRL7017-9A) received on July 30, 2001; to the Committee on Environment and Public Works.

EC-3214. A communication from the Regulations Officer of the Federal Highway Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "National Standards for Traffic Control Devices; Manual on Uniform Traffic Control Devices for Streets and Highways; Corrections" (RIN2125-AE87) received on July 30, 2001; to the Committee on Environment and Public Works.

EC-3215. A communication from the Acting Administrator of the Rural Utilities Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Policy on Audits of RUS Borrowers; GAGAS Amendments" (RIN0572-AB62) received on July 27, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3216. A communication from the Acting Administrator of the Rural Utilities Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Policy on Audits of RUS Borrowers; Management Letter" (RIN0572–AB66) received on July 27, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3217. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Isoxadifen-ethyl; Pesticide Tolerance Technical Correction" (FRL6794–3) received on July 30, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3218. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Tepraloxydim; Pesticide Tolerance" (FRL6781–7) received on July 30, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3219. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 757 Series Airplanes; Modified by Supplemental Certificate SA1727GL" ((RIN2120–AA64)(2001–0347)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3220. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 736–600, –700, –700C, and –800 Series Airplanes" ((RIN2120–AA64)(2001–0345)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3221. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737–200, –200C, –300, and –400 Series Airplanes" ((RIN2120–AA64)(2001–0344)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3222. A communication from the Trial Attorney for Federal Railroad Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Brake System Safety Standards for Freight and Other Non-Passenger Train and Equipment; End-of-Train Devices" (RIN2130–AB49) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3223. A communication from the Senior Transportation Analyst, Office of the Secretary of Transportation, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Nondiscrimination on the Basis of Disability in Air Travel" (RIN2105–AC81) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3224. A communication from the Senior Transportation Analyst, Office of the Secretary of Transportation, transmitting, pursuant to law, the report of a rule entitled "Transportation for Individuals With Disabilities (Over the Road Buses)" ((RIN2105–AC00)(2001–0001)) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3225. A communication from the Attorney of the Office of the General Counsel, Office of the Secretary of Transportation, transmitting, pursuant to law, the report of a rule entitled "Maintenance of and Access to Information About Individuals" (RIN2105–AC99) received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3226. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska—Closes Pelagic Shelf Rockfish Fishery in the West Yakutat District, Gulf of Alaska" received on July 26, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3227. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries Off West Coast States in the Western Pacific; Western Pacific Pelagic Longline Restrictions and Seasonal Area Closure, and Sea Turtle and Sea Bird Mitigation Measures; Emergency Interim Rule" (RIN0648–AP24) received on July 27, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3228. A communication from the Assistant Chief, Consumer Information Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Implementation of Sections 255 and 251(a)(2) of the Communications Act of 1934, as Enacted by the Telecommunications Act of 1996; Access to Telecommunications Service, Telecommunications Equipment and Customer Premises Equipment by Persons with Disabilities" (Doc. No. 96–198) received on July 27, 2001; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–165. A concurrent resolution adopted by the House of the Legislature of the State of Texas relative to jurors' compensation; to the Committee on Finance.

HOUSE CONCURRENT RESOLUTION 104

Whereas, While jury service is a civic duty for many Americans, extended jury service can create significant financial hardship on jurors, and for many citizens the honor and privilege of serving on a jury becomes instead a burden that not only tends to limit participation in jury service but ultimately reduces the representativeness of juries in an increasingly diverse society; and

Whereas, Under current Texas law, jurors are entitled to reimbursement of expenses in an amount not less than $6 nor more than $50 for each day of jury service, with the actual amount being determined by the county commissioners court; the law also allows a presiding judge, under certain circumstances, to increase the daily reimbursement above the amount set by the commissioners' court provided that reimbursement does not exceed the maximum allowable amount of $50 per day, with the additional costs in these cases being shared equally by the parties involved; and

Whereas, Because jurors' compensation often falls at the lower end of this reimbursement schedule, jury duty participation may cause undue financial hardships on citizens who incur substantial traveling and other daily expenses when responding to a jury summons; and

Whereas, Furthermore, because Texas law does not require employers to pay employees for the time they take off work to perform jury service, the financial hardship falls most heavily on hourly wage earners who cannot afford the different between the $6 per day compensation and the amount of wages lost; and

Whereas, Consequently, minorities, young adults, and other lower-income individuals are significantly underrepresented on many Texas juries, which may potentially violate a constitutional requirement that juries represent a cross-section of the community; and

Whereas, While county commissioners courts may provide for juror compensation above the state minimum, courts in poorer communities may be hard pressed to do so, and even in those communities that do pay above the minimum, the higher compensation still does not offset the amount of wages a juror may forgo during an extended jury trial; additional incentives are needed to lessen or remove jurors' financial burdens and thus ensure greater public participation in jury service and safeguard constitutional guarantees; now, therefore, be it

Resolved, That the 77th Legislature of the State of Texas hereby respectfully request the Congress of the United States to pass legislation amending the Internal Revenue Code to give each person who serves on a jury under certain circumstances or in certain localities a $40 tax credit per day of service and to give each person who is summoned and appears, but does not serve, a one-time $40 tax credit for that day; and, be it further

Resolved, That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the speaker of the house of representatives and the president of the senate of the United States Congress, and to all the members of the Texas delegation to the congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

POM–166. A concurrent resolution adopted by the House of the Legislature of the State of Texas relative to Canadian lumber, to the Committee on Finance.

House Concurrent Resolution 98

Whereas, Lumber is an important natural resource and a vital industry for both the United States and Texas; the U.S. and Texas timber industries' ability to compete in a global economy, however, is hampered by the continuing influx of Canadian lumber, which is heavily subsidized by the provincial governments; and

Whereas, Canadian softwood lumber producers obtain most of their timber supply from government-owned forests, and the provinces subsidize lumber production by selling timber to Canadian lumber companies at noncompetitive prices for a fraction of the timber's market value; and

Whereas, Artificially low provincial timber prices, minimum harvesting restrictions, and other practices that encourage overharvesting and overproduction have helped Canadian imports gain a 36 percent share of the U.S. softwood lumber market; and

Whereas, Highly subsidized Canadian lumber imports unfairly compete with U.S. lumber companies, jeopardizing thousands of jobs and driving down the market value of U.S. forestlands; and

Whereas, U.S. industry and labor groups, U.S. and Canadian environmental organizations, and Native American groups have called for an end to these subsidies in order to establish fair trade practices; and

Whereas, The United States must fully enforce trade laws to offset the subsidies and mitigate injury to the U.S. softwood lumber industry if the Canadian subsidies are not discontinued; and

Whereas, The only protection for U.S. timber growers against these unfair market conditions is the current United States-Canada Softwood Lumber Agreement, which is scheduled to expire on the last day of March 2001; now, therefore, be it

Resolved, That the 77th Legislature of the State of Texas hereby respectfully urge the Congress of the United States to:

(1) make the problem of subsidized Canadian lumber imports a top trade priority to be addressed immediately;

(2) take every possible action to end Canadian lumber subsidy practices through open and competitive sales of timber and logs in Canada for fair market value or, if Canada will not agree to end the subsidies immediately, provide that the subsidies be offset in the United States;

(3) encourage open and competitive timber sales at fair market prices; and

(4) if Canada does not agree to end subsidies for lumber:

(A) enforce vigorously, promptly, and fully the trade laws with regard to subsidized and dumped imports;

(B) explore all options to stop unfairly traded imports; and

(C) limit injury to the U.S. lumber industry; and, be it further

Resolved, That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the speaker of the house of representatives and the president of the senate of the United States Congress, and to all members of the Texas delegation to the congress with the request that this resolution be entered in the Congressional Record as a memorial to the Congress of the United States of America.

POM–167. A concurrent resolution adopted by the House of the Legislature of the State of Texas relative to enacting the Railroad Retirement and Survivors' Improvement Act of 2001; to the Committee on Finance.

House Concurrent Resolution 210

Whereas, The Railroad Retirement and Survivors' Improvement Act of 2000 was approved in a bipartisan effort by 391 members of the United States House of Representatives in the 106th Congress, including 20 members from the Texas delegation to the congress; and

Whereas, Even though more than 80 United States senators signed letters of support for this legislation in 2000, the bill never came up for a vote in the full senate; and

Whereas, An identical bill addressing railroad retirement reform is now before the 107th Congress to modernize the financing of the railroad retirement system for its 748,000 beneficiaries nationwide, including more than 38,000 in Texas; and

Whereas, The act provides tax relief to freight railroads, Amtrak, and commuter lines; it also provides benefit improvements for surviving spouses of rail workers, who currently suffer deep cuts in income when the rail retiree dies; and

Whereas, Railroad management and labor and retiree organizations have agreed to support this legislation; and

Whereas, No outside contributions from taxpayers are needed to implement the changes called for in this legislation as all costs relating to the reforms will come from within the railroad industry, including a full share by active employees; now, therefore, be it

Resolved, That the 77th Legislature of the State of Texas hereby respectfully urge the Congress of the United States to enact the Railroad Retirement and Survivors' Improvement Act of 2001; and, be it further

Resolved, That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the speaker of the house of representatives and the president of the senate of the United States Congress, and to all the members of the Texas delegation to the congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

POM–168. A concurrent resolution adopted by the Senate of the Legislature of the State of Texas relative to the development of an agreement or treaty with Mexico to address health issues; to the Committee on Foreign Relations.

SENATE CONCURRENT RESOLUTION 21

Whereas, Border health conditions not only pose an immediate risk to those who live along either side of the United States-Mexico border, but also are a health concern for all of the United States, and unaddressed health concerns in this region will only continue to worsen as the border population and its mobility increase, thereby escalating the risks to other areas of exposure and transmission of disease; and

Whereas, While the State of Texas has attempted to address many of the health issues facing the border population in Texas, binational cooperation at the federal level is essential to addressing these health concerns; and

Whereas, In 1999, the Texas Legislature called for an in-depth study of the public health infrastructure and barriers to a cooperative effort between Texas and Mexico; results of the study indicate that differences in technology and limitations on the exchange of technology, disparities in methods of collecting data and confidentiality provisions that restrict information sharing, and cultural differences that affect interaction between local and state health departments all combine to inhibit collaboration on health issues of mutual concern; and

Whereas, An example of the consequences of such barriers to cooperation occurred in 1999, when an outbreak of dengue fever in South Texas was traced back to Mexican cities and was thought to have been brought from Nuevo Laredo, Mexico, to Laredo, Texas; and

Whereas, Despite the implications for an outbreak across the border, Mexican health officials were limited in their ability to confirm cases of the mosquito-borne illness, and provisions in the Mexican Constitution restricted them from sharing the results of tests performed on Mexican citizens with Texas' health officials; and

Whereas, Similar instances have occurred where incidences of tuberculosis, salmonella, and malaria around the United States were found to have started in the Texas-Mexico border region; and

Whereas, It is in the interest of the United States to control the spread of diseases, beginning in the places where they originate, and poverty and poor health conditions along the United States-Mexico border region provide a large incubation ground for diseases; however, the efforts of one state or country alone will not address conditions that are present on both sides of the border, or legal issues that create incompatibilities between approaches, making a cooperative binational effort vitally important; and

Whereas, The United States and Mexico have worked in concert in forming NAFTA and related side agreements that address environmental infrastructure issues, creating the Border Environment Cooperation Commission and establishing the North American Development Bank; the success of these joint ventures suggests that forming similar international agreements to improve the public health infrastructure and finding ways to address the exchange of technology and information will improve the quality of life for residents of the border region as well as reduce the public health risks in the spread of disease; and

Whereas, Establishing an agreement between the United States and Mexico will show a commitment to the issue of public health and acknowledge that the spread of disease is an international problem without boundaries; now, therefore, be it

Resolved, That the 77th Legislature of the State of Texas hereby urge the Congress of the United States to initiate the development of an agreement or treaty with Mexico to address health issues of mutual concern; and, be it further

Resolved, That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the speaker of the house of representatives and the president of the senate of the United States Congress, and to all the members of the Texas delegation to the congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HATCH (for himself and Mrs. Feinstein):

S. 1272. A bill to assist United States veterans who were treated as slave laborers while held as prisoners of war by Japan during World War II, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HARKIN:

S. 1273. A bill to amend the Public Health Service Act to provide for rural health services outreach, rural health network planning and implementation, and small health care provider quality improvement grant programs, and telehomecare demonstration projects; to the Committee on Health, Education, Labor, and Pensions.

By Mr. KENNEDY (for himself, Mr. Frist, Mr. Dodd, Mr. Hutchinson, Mr. Jeffords, Ms. Collins, Mr. Bingaman, Mr. Edwards, Mrs. Murray, and Mr. Sessions):

S. 1274. A bill to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke; to the Committee on Health, Education, Labor, and Pensions.

By Mr. FRIST (for himself, Mr. Kennedy, Mr. Jeffords, Mr. Hutchinson, Mr. Dodd, Ms. Collins, Mr. Bingaman, Mr. Feingold, Mrs. Murray, Mr. Edwards, and Mr. Corzine):;

S. 1275. A bill to amend the Public Health Service Act to provide grants for public access defibrillation programs and public access defibrillation demonstration projects, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DOMENICI (for himself and Mr. Bingaman):

S. 1276. A bill to provide for the establishment of a new counterintelligence polygraph program for the Department of Energy, and for other purposes; to the Committee on Armed Services.

By Mr. DOMENICI (for himself and Mr. Lugar):

S. 1277. A bill to authorize the Secretary of Energy to guarantee loans to facilitate nuclear nonproliferation programs and activities of the Government of the Russian Federation, and for other purposes; to the Committee on Foreign Relations.

By Mrs. LINCOLN (for herself, Ms. Snowe, Mr. Durbin, Mr. Breaux, and Ms. Landrieu):

S. 1278. A bill to amend the Internal Revenue Code of 1986 to allow a United States independent film and television production wage credit; to the Committee on Finance.

By Mr. BREAUX:

S. 1279. A bill to amend the Internal Revenue Code of 1986 to modify the active business definition under section 355; to the Committee on Finance.

By Mr. CLELAND:

S. 1280. A bill to authorize the Secretary of Veterans Affairs to carry out construction projects for the purpose of improving, renovating, and updating patient care facilities at Department of Veterans Affairs medical centers; to the Committee on Veterans' Affairs.

By Mr. KENNEDY (for himself and Mr. Frist):

S. 1281. A bill to amend the Public Health Service Act to reauthorize and strengthen the health centers program and the National Health Service Corps, and to establish the Healthy Communities Access Program, which will help coordinate services for the uninsured and underinsured, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HATCH:

S. 1282. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income of individual taxpayers discharges of indebtedness attributable to certain forgiven residential mortgage obligations; to the Committee on Finance.

By Mr. JOHNSON:

S. 1283. A bill to establish a program for the delivery of mental health services by telehealth; to the Committee on Health, Education, Labor, and Pensions.

By Mr. KENNEDY (for himself, Mr. Specter, Mr. Jeffords, Mr. Lieberman, Mr. Daschle, Mr. Akaka, Mr. Baucus, Mr. Bayh, Mr. Biden, Mr. Bingaman, Mrs . Boxer, Ms. Cantwell, Mr. Carper, Mr. Chafee, Mr. Cleland, Mrs. Clinton, Mr. Corzine, Mr. Dayton, Mr. Dodd, Mr. Durbin, Mr. Edwards, Mr. Feingold, Mrs. Feinstein, Mr. Harkin, Mr. Inouye, Mr. Kerry, Mr. Kohl, Ms. Landrieu, Mr. Leahy, Mr. Levin, Ms. Mikulski, Mrs. Murray, Mr. Nelson of Florida, Mr. Reed, Mr. Reid, Mr. Sarbanes, Mr. Schumer, Mr. Smith of Oregon, Ms. Stabenow, Mr. Torricelli, Mr. Wellstone, and Mr. Wyden):

S. 1284. A bill to prohibit employment discrimination on the basis of sexual orientation; to the Committee on Health, Education, Labor, and Pensions.

By Mr. CORZINE:

S. 1285. A bill to provide the President with flexibility to set strategic nuclear delivery system levels to meet United States national security goals; to the Committee on Armed Services.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DODD:

S. Res. 142. A resolution expressing the sense of the Senate that the United States should be an active participant in the United Nations World Conference on Racism, Racial Discrimination, Xenophobia and Related Intolerance; to the Committee on Foreign Relations.

By Mr. BIDEN (for himself, Mr. Conrad, Mr. Graham, Mr. Levin, Mr. Santorum, Mr. Akaka, Mr. Breaux, Mr. Kennedy, Mr. Cochran, Mr. Dodd, Mr. Nelson of Florida, Mr. Baucus, Mr. Bayh, Mr. Bunning, Mr. Dorgan, Mrs. Feinstein, Mr. Daschle, Mr. Kerry , Mr. Inouye, Ms. Landrieu, Mr. Leahy, Mr. Miller, Mr. Murkowski, Mr. Reid, Mr. Sarbanes, Mr. Bingaman, Mr. Byrd, Mr. Dayton, Mr. Durbin , Mr. Kohl, Mr. Lieberman, Mr. McCain, Mr. Rockefeller, Mr. Brownback, Mrs. Lincoln, Mr. Warner, Ms. Stabenow, Mr. Domenici, Mr. Voinovich, Mrs. Boxer, Mr. Chafee, Mr. DeWine, Mr. Grassley, Mr. Hagel, Mr. Inhofe, Ms. Snowe , Mr. Thurmond, Ms. Collins, Mr. Carper, Mr. Stevens, Mr. Ensign, Mr. Roberts, Mr. Smith of New Hampshire, and Mr. Bond):

S. Res. 143. A resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week of November 11 through November 17, 2001, as "National Veterans Awareness Week"; to the Committee on the Judiciary.

By Mr. LOTT (for himself and Mr. Daschle):

S. Res. 144. A resolution commending James W. Ziglar for his service to the United States Senate; considered and agreed to.

By Mr. HELMS (for himself, Mr. Biden, and Mr. Levin):

S. Con. Res. 62. A concurrent resolution congratulating Ukraine on the 10th anniversary of the restoration of its independence and supporting its full integration into the Euro-Atlantic community of democracies; to the Committee on Foreign Relations.

By Mr. DURBIN (for himself, Mr. Frist, Mr. Allen, and Mr. Kennedy):

S. Con. Res. 63. A concurrent resolution recognizing the important contributions of the Youth For Life: Remembering Walter Payton initiative and encouraging participation in this nationwide effort to educate young people about organ and tissue donation; to the Committee on Health, Education, Labor, and Pensions.

ADDITIONAL COSPONSORS

S. 28

At the request of Mr. Gramm, the name of the Senator from Maine (Ms. Snowe) was added as a cosponsor of S. 28, a bill to guarantee the right of all active duty military personnel, merchant mariners, and their dependents to vote in Federal, State, and local elections.

S. 38

At the request of Mr. Inouye, the name of the Senator from Nevada (Mr. Ensign) was added as a cosponsor of S. 38, a bill to amend title 10, United States Code, to permit former members of the Armed Forces who have a service-connected disability rated as total to travel on military aircraft in the same manner and to the same extent as retired members of the Armed Forces are entitled to travel on such aircraft.

S. 128

At the request of Mr. Johnson, the name of the Senator from Utah (Mr. Hatch) was added as a cosponsor of S. 128, a bill to amend the Federal Deposit Insurance Act to require periodic cost of living adjustments to the maximum amount of deposit insurance available under that Act, and for other purposes.

S. 145

At the request of Mr. Thurmond, the name of the Senator from New Mexico (Mr. Bingaman) was added as a cosponsor of S. 145, a bill to amend title 10, United States Code, to increase to parity with other surviving spouses the basic annuity that is provided under the uniformed services Survivor Benefit Plan for surviving spouses who are at least 62 years of age, and for other purposes.

S. 170

At the request of Mr. Reid, the name of the Senator from Kansas (Mr. Brownback) was added as a cosponsor of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 234

At the request of Mr. Grassley, the names of the Senator from Virginia (Mr. Allen) and the Senator from Utah (Mr. Bennett) were added as cosponsors of S. 234, a bill to amend the Internal Revenue Code of 1986 to repeal the excise tax on telephone and other communications services.

S. 267

At the request of Mr. Akaka, the name of the Senator from California (Mrs. Feinstein) was added as a cosponsor of S. 267, a bill to amend the Packers and Stockyards Act of 1921, to make it unlawful for any stockyard owner, market agency, or dealer to transfer or market nonambulatory livestock, and for other purposes.

S. 275

At the request of Mr. Kyl, the names of the Senator from Oregon (Mr. Smith) and the Senator from Idaho (Mr. Craig) were added as cosponsors of S. 275, a bill to amend the Internal Revenue Code of 1986 to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers, to preserve a step up in basis of certain property acquired from a decedent, and for other purposes.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to strike the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 370

At the request of Mr. GRASSLEY, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 370, a bill to amend the Internal Revenue Code of 1986 to exempt agricultural bonds from State volume caps.

S. 452

At the request of Mr. MURKOWSKI, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 452, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians, providers of services, and ambulance providers that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 540

At the request of Mr. DEWINE, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 540, a bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes.

S. 554

At the request of Mrs. MURRAY, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 554, a bill to amend title XVIII of the Social Security Act to expand medicare coverage of certain self-injected biologicals.

S. 621

At the request of Mr. HAGEL, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 621, a bill to authorize the American Friends of the Czech Republic to establish a memorial to honor Tomas G. Masaryk in the District of Columbia.

S. 677

At the request of Mr. HATCH, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 677, a bill to amend the Internal Revenue Code of 1986 to repeal the required use of certain principal repayments on mortgage subsidy bond financing to redeem bonds, to modify the purchase price limitation under mortgage subsidy bond rules based on median family income, and for other purposes.

S. 825

At the request of Mr. REID, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 825, a bill to amend title II of the Social Security Act to allow workers who attain age 65 after 1981 and before 1992 to choose either lump sum payments over four years totaling $5,000 or an improved benefit computation formula under a new 10-year rule governing the transition to the changes in benefit computation rules enacted in the Social Security Amendments of 1977, and for other purposes.

S. 972

At the request of Mr. MURKOWSKI, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of S. 972, a bill to amend the Internal Revenue Code of 1986 to improve electric reliability, enhance transmission infrastructure, and to facilitate access to the electric transmission grid.

S. 989

At the request of Mr. FEINGOLD, the names of the Senator from Massachusetts (Mr. KERRY) and the Senator from California (Mrs. BOXER) were added as cosponsors of S. 989, a bill to prohibit racial profiling.

S. 1000

At the request of Mr. REED, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 1000, a bill to amend the Child Care and Development Block Grant Act of 1990 to provide incentive grants to improve the quality of child care.

S. 1074

At the request of Mr. SCHUMER, the names of the Senator from Maine (Ms. COLLINS) and the Senator from Minnesota (Mr. DAYTON) were added as cosponsors of S. 1074, a bill to establish a commission to review the Federal Bureau of Investigation.

S. 1104

At the request of Mr. GRAHAM, the names of the Senator from Mississippi (Mr. LOTT) and the Senator from Illinois (Mr. FITZGERALD) were added as cosponsors of S. 1104, a bill to establish objectives for negotiating, and procedures for, implementing certain trade agreements.

S. 1111

At the request of Mr. CRAIG, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 1111, a bill to amend the Consolidated Farm and Rural Development Act to authorize the National Rural Development Partnership, and for other purposes.

S. 1119

At the request of Mr. LEAHY, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 1119, a bill to require the Secretary of Defense to carry out a study of the extent to the coverage of members of the Selected Reserve of the Ready Reserve of the Armed Forces under health benefits plans and to submit a report on the study of Congress, and for other purposes.

S. 1209

At the request of Mr. BINGAMAN, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1226

At the request of Mr. CAMPBELL, the names of the Senator from North Carolina (Mr. HELMS), the Senator from Kentucky (Mr. BUNNING), and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. 1226, a bill to require the display of the POW/MIA flag at the World War II memorial, the Korean War Veterans Memorial, and the Vietnam Veterans Memorial.

S. 1265

At the request of Mr. DURBIN, the names of the Senator from California (Mrs. BOXER) and the Senator from Florida (Mr. GRAHAM) were added as cosponsors of S. 1265, a bill to amend the Immigration and Nationality Act to require the Attorney General to cancel the removal and adjust the status of certain aliens who were brought to the United States as children.

S. RES. 109

At the request of Mr. REID, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. Res. 109, a resolution designating the second Sunday in the month of December as "National Children's Memorial Day" and the last Friday in the month of April as "Children's Memorial Flag Day."

S. CON. RES. 3

At the request of Mr. FEINGOLD, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. Con. Res. 3, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her.

S. CON. RES. 4

At the request of Mr. NICKLES, the name of the Senator from Missouri (Mrs. CARNAHAN) was added as a cosponsor of S. Con. Res. 4, a concurrent resolution expressing the sense of Congress regarding housing affordability and ensuring a competitive North American market for softwood lumber.

S. CON. RES. 31

At the request of Mr. THOMPSON, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. Con. Res. 31, concurrent resolution commending Clear Channel Communications and the American Football Coaches Association for their dedication and efforts for protecting children by providing a vital means for locating the Nation's missing, kidnapped, and runaway children.

S. CON. RES. 59

At the request of Mr. HUTCHINSON, the names of the Senator from Oregon (Mr. WYDEN) and the Senator from Oklahoma (Mr. INHOFE) were added as cosponsors of S. Con. Res. 59, a concurrent resolution expressing the sense of Congress that there should be established a National Community Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH (for himself and Mrs. FEINSTEIN):

S. 1272. A bill to assist United States veterans who were treated as slave laborers while held as prisoners of war by Japan during World War II, and for other purposes; to the Committee on Veterans' Affairs.

Mr. HATCH. Mr. President, I rise today with my co-sponsor, Senator FEINSTEIN, to introduce legislation that will help a very special cadre of Americans, a group of Americans that, over 50 years ago, paid a very dear price on behalf of our country. The incredible sacrifice made by these Americans has never properly been acknowledged, and it is high time that they receive some measure of compensation for that sacrifice.

On April 9, 1942, Allied forces in the Philippines surrendered the Bataan Peninsula to the Japanese. Ten to twelve thousand American soldiers were forced to march some 60 miles in broiling heat in a deadly trek known as the Bataan Death March. Following a lengthy internment under horrific conditions, thousands of POWs were shipped to Japan in the holds of freighters known as "Hell Ships." Once in Japan, the survivors of the Bataan Death March were joined by hundreds of other American POWs, POWs who had been captured by the Japanese in actions throughout the Pacific theater of war, at Corregidor, at Guam, at Wake Islands, and at countless other battlegrounds.

After arriving in Japan, many of the American POWs were forced into slave labor for private Japanese steel mills and other private companies until the end of the war. During their internment, the American POWs were subjected to torture, and to the withholding of food and medical treatment, in violation of international conventions relating to the protection of prisoners of war.

More than 50 years have passed since the atrocities occurred, yet our veterans are still waiting for accountability and justice. Unfortunately, global political and security needs of the time often overshadowed their legitimate claims for justice, and these former POWs were once again asked to sacrifice for their country. Following the end of the war, for example, our government instructed many of the POWs held by Japan not to discuss their experiences and treatment. Some were even asked to sign non-disclosure agreements. Consequently, many Americans remain unaware of the atrocities that took place and the suffering our POWs endured.

Finally, after more than 50 years, a new effort is underway to seek compensation for the POWs from the private Japanese companies which profited from their labor.

Let me say at the outset, that this is not a dispute with the Japanese people and these are not claims against the Japanese government. Rather, these are private claims against the private Japanese companies that profited from the slave labor of our American soldiers who they held as prisoners. These are the same types of claims raised by survivors of the Holocaust against the private German corporations who forced them into labor.

Here in the Senate, we have been doing what we can to help these former prisoners of war. In June of last year, the Senate Judiciary Committee held a hearing on the claims being made by the former American POWs against the private Japanese companies, to determine whether the executive branch had been doing everything in its power to secure justice for these valiant men.

In the fall of last year, with the invaluable assistance of Senator FEINSTEIN, we were able to pass legislation declassifying thousands of Japanese Imperial Army records held by the U.S. government, to assist the POW's in the pursuit of their claims.

We can do even more. Recently, the State of California passed legislation extending the statute of limitations, under state law, to allow the POWs to bring monetary claims against the Japanese corporations that unlawfully employed them. Other States are contemplating such legislation.

The bill we are introducing today makes clear that any claims brought in state court, and subsequently removed to Federal court, will still have the benefit of the extended statute of limitations enacted by the state legislatures.

The legislators in California, and other States, have recognized the fairness of the allowing these claims to proceed for a decision on the merits. In light of the tangled history of this issue, including the role played by the U.S. government in discouraging these valiant men from pursuing their just claims, it is simply unfair to deny these men their day in court because their claims have supposedly grown stale.

These claims are not stale in their ability to inspire admiration for the men who survived this ordeal. These claims are not stale in their ability to inspire indignation against the corporations who flouted international standards of decency.

The statute of limitations should not be permitted to cut off these claims before they can be heard on the merits. Today's bill does nothing more than ensure that these valiant men receive their fair day in court.

I hope my fellow Senators will join with me, and with Senator FEINSTEIN, on this important legislation. These heroes of World War II have waited too long for a just resolution of their claims.

Mrs. FEINSTEIN. Mr. President, I rise alongside my colleague from Utah, Senator HATCH, to introduce the "POW Assistance Act of 2001".

This legislation makes an important statement in support of the many members of the U.S. Armed Forces who were used as slave labor by Japanese companies during the Second World War or subject to chemical and biological warfare experiments in Japanese POW camps.

The core of this bill is a clarification that in any pending lawsuit brought by former POWs against Japanese corporations, or any lawsuits which might be filed in the future, the Federal court shall apply the applicable statute of limitations of the State in which the action was brought.

This legislation is important because a recently enacted California law enables victims of WWII slave labor to seek damages up to the year 2010 against responsible Japanese companies, just as any citizen can sue a private company. Seventeen lawsuits have been filed on behalf of former POWs who survived forced labor, beatings, and starvation at the hands of Japanese companies. By asking Federal judges to look to the State statute of limitation, this legislation sends a clear message to the courts that we believe that suits with merit should not be precluded.

Today, too many Americans and Japanese do not know that American POWs performed forced labor for Japanese companies during the war.

American POWs, including those who had been forced through the Bataan Death March, were starved and denied adequate medical care and were forced to perform slave labor for private Japanese companies. American POWs toiled in mines, factories, shipyards, and steel mills. Many POWs worked virtually every day for 10 hours or more, often under extremely dangerous working conditions. They were starved and denied adequate medical care. Even today, many survivors still suffer from health problems directly tied to their slave labor.

It is critical that we do not forget the heroism and sacrifice of the POWs, and that the United States government does not stand in the way of their pursuit of recognition and compensation. They have never received an apology or payment from the companies that enslaved them, many of which are still in existence today.

The bill that Senator HATCH and I have introduced today does not prejudice the outcome of the lawsuits which are pending one way or another. The legislation we have introduced today simply holds that the lawsuits filed in California, or any which may still be filed under the California statute of limitations, should be allowed to go forward so that this issue can be settled definitively, without impeding the right of the POWs to pursue justice.

One of my most important goals in the Senate has been to see the development of a Pacific Rim community that is peaceful and stable. And I am pleased that the Government of Japan today is a close ally and good friend of the United States, and a responsible member of the international community.

And I want to clarify that this legislation is not directed at the people or government of Japan. The POWs and veterans are only seeking justice from the private companies that enslaved them, and this legislation has been designed in the interest of allowing these claims to move forward.

But I also believe that if Japan is to play a greater role in the international community it is important for Japan, the United States, and other countries in the Asia-Pacific region to be able to reconcile interpretations of memory and history, especially of the Second World War. If, as Gerrit Gong has written, Japan aspires to be a normal country, this question of "remembering and forgetting" is critical if Japan hopes to forge an environment in which its neighbors "do not object to that country's engaging in a full range of international activities and capabilities."

The goal of this legislation is to remove this outstanding issue in U.S.-Japan relations, and to try to heal wounds that still remain. I hope that the Senate will see fit to support this bill.

By Mr. HARKIN:

S. 1273. A bill to amend the Public Health Service Act to provide for rural health services outreach, rural health network planning and implementation, and small health care provider quality improvement grant programs, and telehomecare demonstration projects; to the Committee on Health, Education, Labor, and Pensions.

Mr. HARKIN. Mr. President, I have introduced the "Improving Health Care in Rural America Act" that continues a rural health outreach program that I worked to establish as a part of the fiscal year 1991 Labor, Health and Human Services appropriations bill. We began this innovative program to demonstrate the effectiveness of outreach programs to populations in rural areas that have trouble obtaining health and mental health services. Too often, these people are not able to obtain health care until they are acutely ill and need extensive and expensive hospital care.

Indeed, rural Americans are at triple jeopardy, they are more often poor, more often uninsured, and more often without access to health care. Rural America is home to a disproportionately large segment of older citizens who more often require long-term care for their illnesses and disabilities. And rural America is not immune from the social stresses of modern society. This is manifest by escalating needs for mental health services to deal with necessary alcohol- and drug-related treatment, and by the significantly higher rate of suicide in rural areas. Yet, rural Americans are increasingly becoming commuters for their health care. Rural Americans deserve to be treated equitably and the legislation that I rise to describe today helps bring high quality health care to rural communities to meet their specific needs.

This grant program has proven itself highly successful because it responds to local community needs and is directed by the people in the community. These innovative grants bring needed primary and preventive care to those people who have few other options. These grants also help link health and social services, thereby reaching the people that most need these services.

This program has received overwhelmingly positive response from all fifty States because it has had a tremendous impact on improving coordination between health care providers and expanding access to needed health care.

In Iowa, the Ida County Community Hospital receives funds to improve the quality of life for older people who are chronically ill by making home visits, providing pain management, and telmonitoring, and other needed services.

In Maquoketa, IA, every school-age child is being given timely, high quality care because the local school district used their grant to team up with almost every health care provider in the county to provide services.

In Mason City, IA, the North Iowa Mercy Health Center is collaborating with the Easter Seals Society of Northern Iowa, Rockwell Community Nursing, and the Pony Express Riders of Iowa to make sure seniors have access to physician, therapy, and dental services. This program also recycles and repairs assistive technology equipment to help seniors that are unable to afford new equipment.

The "Improving Health Care in Rural America Act" also establishes a telehomecare demonstration program for five separate projects to allow home health care professionals to provide some services through telehealth technologies. This program will allow rural residents to have better access to daily health care services and will reduce health care costs. This program is designed to improve patient access to care, quality of care, patient satisfaction with care while reducing the costs of providing care. Nurses and other health care professionals will be trained in how to use this advanced technology to provide better, more effective care. This programs applies the highly effective telehealth technology to an area of health care that will benefit greatly.

As ranking member and as chairman of the Labor-HHS Appropriations Subcommittee, I have been pleased to be able to provide funding for this program during the previous decade. This bill will extend this highly successful program for 5 more years and I look forward to provide its funding. Programs that work this well deserve the support of Congress.

I urge my colleagues to join me in supporting this important legislation and ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1273

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Improving Health Care in Rural America Act".

SEC. 2. GRANT PROGRAMS.

Section 330A of the Public Health Service Act (42 U.S.C. 254c) is amended to read as follows:

"SEC. 330A. RURAL HEALTH SERVICES OUTREACH, RURAL HEALTH NETWORK DEVELOPMENT, AND SMALL HEALTH CARE PROVIDER QUALITY IMPROVEMENT GRANT PROGRAMS.

"(a) PURPOSE.—The purpose of this section is to provide grants for expanded delivery of health services in rural areas, for the planning and implementation of integrated health care networks in rural areas, and for the planning and implementation of small health care provider quality improvement activities.

"(b) DEFINITIONS.—

"(1) DIRECTOR.—The term 'Director' means the Director specified in subsection (d).

"(2) FEDERALLY QUALIFIED HEALTH CENTER; RURAL HEALTH CLINIC.—The terms 'Federally qualified health center' and 'rural health clinic' have the meanings given the terms in section 1861(aa) of the Social Security Act (42 U.S.C. 1395x(aa)).

‘‘(3) HEALTH PROFESSIONAL SHORTAGE AREA.—The term ‘health professional shortage area’ means a health professional shortage area designated under section 332.

‘‘(4) HEALTH SERVICES.—The term ‘health services’ includes mental and behavioral health services and substance abuse services.

‘‘(5) MEDICALLY UNDERSERVED AREA.—The term ‘medically underserved area’ has the meaning given the term in section 799B.

‘‘(6) MEDICALLY UNDERSERVED POPULATION.—The term ‘medically underserved population’ has the meaning given the term in section 330(b)(3).

‘‘(c) PROGRAM.—The Secretary shall establish, under section 301, a small health care provider quality improvement grant program.

‘‘(d) ADMINISTRATION.—

‘‘(1) PROGRAMS.—The rural health services outreach, rural health network development, and small health care provider quality improvement grant programs established under section 301 shall be administered by the Director of the Office of Rural Health Policy of the Health Resources and Services Administration, in consultation with State offices of rural health or other appropriate State government entities.

‘‘(2) GRANTS.—

‘‘(A) IN GENERAL.—In carrying out the programs described in paragraph (1), the Director may award grants under subsections (e), (f), and (g) to expand access to, coordinate, and improve the quality of essential health services, and enhance the delivery of health care, in rural areas.

‘‘(B) TYPES OF GRANTS.—The Director may award the grants—

‘‘(i) to promote expanded delivery of health services in rural areas under subsection (e);

‘‘(ii) to provide for the planning and implementation of integrated health care networks in rural areas under subsection (f); and

‘‘(iii) to provide for the planning and implementation of small health care provider quality improvement activities under subsection (g).

‘‘(e) RURAL HEALTH SERVICES OUTREACH GRANTS.—

‘‘(1) GRANTS.—The Director may award grants to eligible entities to promote rural health services outreach by expanding the delivery of health services to include new and enhanced services in rural areas. The Director may award the grants for periods of not more than 3 years.

‘‘(2) ELIGIBILITY.—To be eligible to receive a grant under this subsection for a project, an entity—

‘‘(A) shall be a rural public or nonprofit private entity;

‘‘(B) shall represent a consortium composed of members—

‘‘(i) that include 3 or more health care providers or providers of services; and

‘‘(ii) that may be nonprofit or for-profit entities; and

‘‘(C) shall not previously have received a grant under this subsection or section 330A for the project.

‘‘(3) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity, in consultation with the appropriate State office of rural health or another appropriate State entity, shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

‘‘(A) a description of the project that the applicant will carry out using the funds provided under the grant;

‘‘(B) a description of the manner in which the project funded under the grant will meet the health care needs of rural underserved populations in the local community or region to be served;

‘‘(C) a description of how the local community or region to be served will be involved in the development and ongoing operations of the project;

‘‘(D) a plan for sustainability of the project after Federal support for the project has ended; and

‘‘(E) a description of how the project will be evaluated.

‘‘(f) RURAL HEALTH NETWORK DEVELOPMENT GRANTS.—

‘‘(1) GRANTS.—

‘‘(A) IN GENERAL.—The Director may award rural health network development grants to eligible entities to promote, through planning and implementation, the development of integrated health care networks that have integrated the functions of the entities participating in the networks in order to—

‘‘(i) achieve efficiencies;

‘‘(ii) expand access to, coordinate, and improve the quality of essential health services; and

‘‘(iii) strengthen the rural health care system as a whole.

‘‘(B) GRANT PERIODS.—The Director may award such a rural health network development grant for implementation activities for a period of 3 years. The Director may also award such a rural health network development grant for planning activities for a period of 1 year, to assist in the development of an integrated health care networks, if the proposed participants in the network have a history of collaborative efforts and a 3-year implementation grant would be inappropriate.

‘‘(2) ELIGIBILITY.—To be eligible to receive a grant under this subsection, an entity—

‘‘(A) shall be a rural public or nonprofit private entity;

‘‘(B) shall represent a network composed of members—

‘‘(i) that include 3 or more health care providers or providers of services; and

‘‘(ii) that may be nonprofit or for-profit entities; and

‘‘(C) shall not previously have received a grant (other than a 1-year grant for planning activities) under this subsection or section 330A for the project.

‘‘(3) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity, in consultation with the appropriate State office of rural health or another appropriate State entity, shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

‘‘(A) a description of the project that the applicant will carry out using the funds provided under the grant;

‘‘(B) an explanation of the reasons why Federal assistance is required to carry out the project;

‘‘(C) a description of—

‘‘(i) the history of collaborative activities carried out by the participants in the network;

‘‘(ii) the degree to which the participants are ready to integrate their functions; and

‘‘(iii) how the local community or region to be served will benefit from and be involved in the activities carried out by the network;

‘‘(D) a description of how the local community or region to be served will experience increased access to quality health services across the continuum of care as a result of the integration activities carried out by the network;

‘‘(E) a plan for sustainability of the project after Federal support for the project has ended; and

‘‘(F) a description of how the project will be evaluated.

‘‘(g) SMALL HEALTH CARE PROVIDER QUALITY IMPROVEMENT GRANTS.—

‘‘(1) GRANTS.—The Director may award grants to provide for the planning and implementation of small health care provider quality improvement activities. The Director may award the grants for periods of 1 to 3 years.

‘‘(2) ELIGIBILITY.—In order to be eligible for a grant under this subsection, an entity—

‘‘(A) shall be a rural public or nonprofit private health care provider, such as a critical access hospital or a rural health clinic;

‘‘(B) shall be another rural provider or network of small rural providers identified by the Secretary as a key source of local care; or

‘‘(C) shall not previously have received a grant under this subsection for the project.

‘‘(3) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity, in consultation with the appropriate State office of rural health or another appropriate State entity, shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

‘‘(A) a description of the project that the applicant will carry out using the funds provided under the grant;

‘‘(B) an explanation of the reasons why Federal assistance is required to carry out the project;

‘‘(C) a description of the manner in which the project funded under the grant will assure continuous quality improvement in the provision of services by the entity;

‘‘(D) a description of how the local community or region to be served will experience increased access to quality health services across the continuum of care as a result of the activities carried out by the entity;

‘‘(E) a plan for sustainability of the project after Federal support for the project has ended; and

‘‘(F) a description of how the project will be evaluated.

‘‘(4) PREFERENCE.—In awarding grants under this subsection, the Secretary shall give preference to entities that—

‘‘(A) are located in health professional shortage areas or medically underserved areas, or serve medically underserved populations; or

‘‘(B) propose to develop projects with a focus on primary care, and wellness and prevention strategies.

‘‘(h) COORDINATION WITH OTHER AGENCIES.—The Secretary shall coordinate activities carried out under grant programs described in this section, to the extent practicable, with Federal and State agencies and nonprofit organizations that are operating similar grant programs, to maximize the effect of public dollars in funding meritorious proposals.

‘‘(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2002 through 2006.’’.

SEC. 3. CONSOLIDATION AND REAUTHORIZATION OF PROVISIONS.

Subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq) is amended by adding at the end the following:

"SEC. 3301. TELEHOMECARE DEMONSTRATION PROJECT.

"(a) DEFINITIONS.—In this section:

"(1) DISTANT SITE.—The term 'distant site' means a site at which a certified home care provider is located at the time at which a health service (including a health care item) is provided through a telecommunications system.

"(2) TELEHOMECARE.—The term 'telehomecare' means the provision of health services through technology relating to the use of electronic information, or through telemedicine or telecommunication technology, to support and promote, at a distant site, the monitoring and management of home health services for a resident of a rural area.

"(b) ESTABLISHMENT.—Not later than 9 months after the date of enactment of the Health Care Safety Net Amendments of 2001, the Secretary may establish and carry out a telehomecare demonstration project.

"(c) GRANTS.—In carrying out the demonstration project referred to in subsection (b), the Secretary shall make not more than 5 grants to eligible certified home care providers, individually or as part of a network of home health agencies, for the provision of telehomecare to improve patient care, prevent health care complications, improve patient outcomes, and achieve efficiencies in the delivery of care to patients who reside in rural areas.

"(d) PERIODS.—The Secretary shall make the grants for periods of not more than 3 years.

"(e) APPLICATIONS.—To be eligible to receive a grant under this section, a certified home care provider shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(f) USE OF FUNDS.—A provider that receives a grant under this section shall use the funds made available through the grant to carry out objectives that include—

"(1) improving access to care for home care patients served by home health care agencies, improving the quality of that care, increasing patient satisfaction with that care, and reducing the cost of that care through direct telecommunications links that connect the provider with information networks;

"(2) developing effective care management practices and educational curricula to train home care registered nurses and increase their general level of competency through that training; and

"(3) developing curricula to train health care professionals, particularly registered nurses, serving home care agencies in the use of telecommunications.

"(g) COVERAGE.—Nothing in this section shall be construed to supercede or modify the provisions relating to exclusion of coverage under section 1862(a) of the Social Security Act (42 U.S.C 1395y(a)), or the provisions relating to the amount payable to a home health agency under section 1895 of that Act (42 U.S.C. 1395fff).

"(h) REPORT.—

"(1) INTERIM REPORT.—The Secretary shall submit to Congress an interim report describing the results of the demonstration project.

"(2) FINAL REPORT.—Not later than 6 months after the end of the last grant period for a grant made under this section, the Secretary shall submit to Congress a final report—

"(A) describing the results of the demonstration project; and

"(B) including an evaluation of the impact of the use of telehomecare, including telemedicine and telecommunications, on—

"(i) access to care for home care patients; and

"(ii) the quality of, patient satisfaction with, and the cost of, that care.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2002 through 2006.".

By Mr. KENNEDY (for himself, Mr. FRIST Mr. DODD, Mr. HUTCHINSON, Mr. JEFFORDS, Ms. COLLINS, Mr. BINGAMAN, Mr. EDWARDS, Mrs. MURRAY, and Mr. SESSIONS):

S. 1274. A bill to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke; to the Committee on Health, Education, Labor, and Pensions.

By Mr. FRIST (for himself, Mr. KENNEDY, Mr. JEFFORDS, Mr. HUTCHINSON, Mr. DODD, Ms. COLLINS, Mr. BINGAMAN, Mr. FEINGOLD, Mrs. MURRAY, Mr. EDWARDS, and Mr. CORZINE):

S. 1275. A bill to amend the Public Health Service Act to provide grants for public access defibrillation programs and public access defibrillation demonstration projects, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. FRIST. Mr. President, I rise today with Senator KENNEDY to introduce two pieces of legislation, the STOP Stroke Act and the Community Access to Emergency Defibrillation Act. These bills represent our next step in the battle against cardiac arrest and stroke and are critical to increasing access to timely, quality health care.

The first bill we are introducing today focuses attention on stroke, the third leading cause of death and the leading cause of serious, long-term disability in the United States, through the implementation of a prevention and education campaign, the development of the Paul Coverdell Stroke Registry and Clearinghouse, and the provision of grants for statewide stroke care systems and for medical professional development. The untimely death of Senator Paul Coverdell points to the need to provide more comprehensive stroke care and to learn more about providing better quality care to the more than 700,000 Americans who experience a stroke each year. Our first step in doing so is the introduction of the Stroke Treatment and Ongoing Prevention Act (STOP Stroke Act).

One of the most significant factors that affects stroke survival rates is the speed with which one obtains access to health care services. About 47 percent of stroke deaths occur out of the hospital. Many patients do not recognize the signs of a stroke and attribute the common symptoms, such as dizziness, loss of balance, confusion, severe headache or numbness, to other less severe ailments. To increase awareness of this public health problem, the Secretary of Health and Human Services will implement a national, multimedia campaign to promote stroke prevention and encourage those with the symptoms of stroke to seek immediate treatment. This crucial legislation also provides for special programs to target high risk populations. For the professional community, continuing education grants are included to train physicians in newly-developed diagnostic approaches, technologies, and therapies for prevention and treatment of stroke. With a more informed public and up-to-date physicians, our ability to combat the devastating effects of a stroke will be enhanced.

The Paul Coverdell National Acute Stroke Registry and Clearinghouse, authorized in the STOP Stroke Act, establish mechanisms for the collection, analysis, and dissemination of valuable information about best practices relating to stroke care and the development of stroke care systems. In order to facilitate the process of implementing statewide stroke prevention, treatment, and rehabilitation systems that reflect the research gathered by the Registry and Clearinghouse, grants will be made available to States that will ensure that stroke patients have access to quality care.

These legislative efforts have already proved successful. Lives are being saved. We can do more.

Therefore, we are moving today to expand on these successes by introducing the Community Access to Emergency Defibrillation Act. This important legislation will provide $50 million for communities to establish public access defibrillation programs that will train emergency medical personnel, purchase AEDs for placement in public areas, ensure proper maintenance of defibrillators, and evaluate the effectiveness of the program.

Each year, over 250,000 Americans suffer sudden cardiac arrest. Sudden cardiac arrest is a common cause of death during which the heart suddenly stops functioning. Most frequently, cardiac arrest occurs when the electrical impulses that regulate the heart become rapid, ventricular tachycardia, or chaotic, ventricular fibrillation, causing the heart to stop beating altogether. As a result, the individual collapses, stops breathing and has no pulse. Often, the heart can be shocked back into a normal rhythm with the aid of a defibrillator. This is exactly what happened when I resuscitated a patient using cardiopulmonary resuscitation, CPR, and electrical cardioversion in the Dirksen Senate Office Building in 1995.

When a person goes into cardiac arrest, time is of the essence. Without defibrillation, his or her chances of survival decrease by about 10 percent with every minute that passes. Thus, having an automated external defibrillator, AED, accessible is not only important, but also could save lives. AEDs are portable, lightweight, easy to use, and are becoming an essential part of administering first aid to victims of sudden cardiac arrest.

We have seen that in places where AEDs are readily available, survival rates can increase by 20–30 percent. In some settings, survival rates have even reached 70 percent. Therefore, Congress has taken several important steps to increase access to AEDs over the past two Congresses.

In the 105th Congress, I authored the Aviation Medical Assistance Act. This bill directed the Federal Aviation Administration to decide whether to require AEDs on aircraft and in airports. As a result of this law, many airlines now carry AEDs on board, and some airports have placed AEDs in their terminals. At Chicago O'Hare, just four months after AEDs were placed in that airport, four victims were resuscitated using the publicly available AEDs.

In the last Congress, we passed two important bills expanding the availability of AEDs: the Cardiac Arrest Survival Act and the Rural Access to Emergency Devices Act. Respectively, these bills address the placement of automated external defibrillators, AEDs, in Federal buildings and provide liability protection to persons or organizations who use AEDs, as well as grants to community partnerships to enable them to purchase AEDs. The bills also provide defibrillator and basic life support training.

I am pleased to introduce these important pieces of legislation and I look forward to their ultimate enactment into law. I want to thank my colleague, Senator KENNEDY, for his work on these life saving proposals.

Mr. KENNEDY. Mr. President, it is a privilege to join my colleague, Senator FRIST, to introduce the Stroke Treatment and Ongoing Prevention Act. Stroke is a cruel affliction that takes the lives and blights the health of millions of Americans. Senator FRIST and I have worked closely on legislation to establish new initiatives to reduce the grim toll taken by stroke, and I commend him for his leadership. We are joined in proposing this important legislation by our colleagues on the Health Committee, Senators DODD, HUTCHINSON, JEFFORDS, COLLINS, BINGAMAN, EDWARDS, and MURRAY. The STOP Stroke Act is also supported by a broad coalition of organizations representing patients and the health care community.

Stroke is a national tragedy that leaves no American community unscarred.

Stroke is the third leading cause of death in the United States. Every minute of every day, somewhere in America, a person suffers a stroke. Every three minutes, a person dies from one. Strokes take the lives of nearly 160,000 Americans each year. Even for those who survive an attack, stroke can have devastating consequences. Over half of all stroke survivors are left with a disability.

Since few Americans recognize the symptoms of stroke, crucial hours are often lost before patients receive medical care. The average time between the onset of symptoms and medical treatment is a shocking 13 hours. Emergency medical technicians are often not taught how to recognize and manage the symptoms of stroke. Rapid administration of clot-dissolving drugs can dramatically improve the outcome of stroke, yet fewer than 3 percent of stroke patients now receive such medication. If this lifesaving medication were delivered promptly to all stroke patients, as many as 90,000 Americans could be spared the disabling aftermath of stroke.

Even in hospitals, stroke patients often do not receive the care that could save their lives. Treatment of patients by specially trained health care providers increases survival and reduces disability due to stroke, but a neurologist is the attending physician for only about one in ten stroke patients. To save lives, reduce disabilities and improve the quality of stroke care, the Stroke Treatment and Ongoing Prevention, STOP Stroke, Act authorizes important public health initiatives to help patients with symptoms of stroke receive timely and effective care.

The Act establishes a grant program for States to implement systems of stroke care that will give health professionals the equipment and training they need to treat this disorder. The initial point of contact between a stroke patient and medical care is usually an emergency medical technician. Grants authorized by the Act may be used to train emergency medical personnel to provide more effective care to stroke patients in the crucial first few moments after an attack.

The Act provides important new resources for States to improve the standard of care given to stroke patients in hospitals. The legislation will assist States in increasing the quality of stroke care available in rural hospitals through improvements in telemedicine.

The Act directs the Secretary of Health and Human Services to conduct a national media campaign to inform the public about the symptoms of stroke, so that patients receive prompt medical care. The bill also creates the Paul Coverdell Stroke Registry and Clearinghouse, which will collect data about the care of stroke patients and assist in the development of more effective treatments.

Finally, the STOP Stroke Act establishes continuing education programs for medical professionals in the use of new techniques for the prevention and treatment of stroke.

These important new initiatives can make a difference in the lives of the thousands of American who suffer a stroke every year. For patients experiencing a stroke, even a few minutes' delay in receiving treatment can make the difference between healthy survival and disability or death. The Act will help make certain that those precious minutes are not wasted.

Increased public information on the symptoms of stroke will help stroke patients and their families know to seek medical care promptly. Better training of emergency medical personnel will help ensure that stroke patients receive lifesaving medications when they are most effective. Improved systems of stroke care will help patients receive the quality treatment needed to save lives and reduce disability.

This legislation can make a real difference to every community in America, and I urge my colleagues to join Senator FRIST and myself in supporting the STOP Stroke Act.

I ask unanimous consent that additional material and letters of support relating to this bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE STROKE TREATMENT AND ONGOING PREVENTION ACT OF 2001

BACKGROUND AND NEED FOR LEGISLATION

Stoke is the third leading cause of death in the United States, claiming the life of one American every three and a half minutes. Those who survive stroke are often disabled and have extensive health care needs. The economic cost of stroke is staggering. The United States spends over $30 billion each year on caring for persons who have experienced stroke.

Prompt treatment of patients experiencing stroke can save lives and reduce disability, yet thousands of stroke patients do not receive proper therapy during the crucial window of time when it is most effective. Rapid administration of clot-dissolving drugs can dramatically improve the outcome of stroke, yet fewer than 3 percent of stroke patients now receive such medication. Treatment of patients by specially trained health care providers increases survival and reduces disability due to stroke, but a neurologist is the attending physician for only about one in ten stroke patients. Most Americans cannot identify the signs of stroke and even emergency medical technicians are often not taught how to recognize and manage its symptoms. Even in hospitals, stroke patients often do not receive the care that could save their lives. To saves lives, reduce disability and improve the quality of stroke care, the Stroke Treatment and Ongoing Prevention, STOP Stroke, Act authorizes the following important public health initiatives.

Stroke prevention and education campaign

The STOP Stroke Act provides $40 million, fiscal year 2002, for the Secretary to carry out a national, multi-media awareness campaign to promote stroke prevention and encourage stroke patients to seek immediate treatment. The campaign will be tested for effectiveness in targeting populations at high risk for stroke, including women, senior citizens, and African-Americans. Alternative campaigns will be designed for unique communities, including those in the nation's "Stoke belt," a region with a particularly high rate of stroke incidence and mortality.

Paul Coverdell Stroke Registry and Clearinghouse

The STOP Stroke Act authorizes the Paul Coverdell Stroke Registry and Clearinghouse to collect data about the care of acute stroke patients and foster the development of effective stroke care systems. The clearinghouse will serve as a resource for States seeking to design and implement their own stroke care systems by collecting, analyzing and disseminating information on the efforts of other communities to establish similar systems. Special consideration will be given to the unique needs of rural facilities and those facilities with inadequate resources for providing quality services for stroke patients. The Secretary is also authorized to conduct and support research on stroke care. Where suitable research has already been conducted, the Secretary is charged with disseminating this research to increase its effectiveness in improving stroke care.

Grants for statewide stroke care systems

The Secretary will award grants to States to develop and implement statewide stroke prevention, treatment, and rehabilitation systems. These systems must ensure that stroke patients in the State have access to quality care. The Secretary is also authorized to award planning grants to States to assist them in developing statewide stroke care systems. Each State that receives a grant will: implement curricula for training emergency medical services personnel to provide pre-hospital care to stroke patients; curricula may be modeled after a curriculum developed by the Secretary; have the option of identifying acute stroke centers, comprehensive stroke treatment centers, and/or stroke rehabilitation centers; set standards of care and other requirements for facilities providing services to stroke patients; specify procedures to evaluate the statewide stroke care system; and collect and analyze data from each facility providing care to stroke patients in the State to improve the quality of stroke care provided in that State.

The Act authorizes this grant program at $50 million for fiscal year 2002, $75 million for fiscal years 2003 and 2004, $100 million for fiscal year 2005, and $125 million for fiscal year 2006.

Medical professional development

The STOP Stroke Act provides grant authority to the Secretary for public and nonprofit entities to develop and implement continuing education programs in the use of new diagnostic approaches, technologies, and therapies for the prevention and treatment of stroke. Grant recipients must have a plan for evaluation of activities carried out with the funding. The Secretary must ensure that any grants awarded are distributed equitably among the regions of the United States and between urban and rural populations.

Secretary's role

In addition to carrying out the national education campaign, operating the clearinghouse and registry, and awarding grants to States, the Secretary will: develop standards of care for stroke patients that may be taken into consideration by States applying for grants; develop a model curriculum that States may adopt for emergency medical personnel; develop a model plan for designing and implementing stroke care systems, taking into consideration the unique needs of varying communities; report to Congress on the implementation of the Act in participating States.

In carrying out the STOP Stroke Act, the Secretary will consult widely with those having expert knowledge of the needs of patients with stroke.

KEY STROKE FACTS

The devastating effects of stroke

There are roughly 700,000–750,000 strokes in the U.S. each year.

Stroke is the 3rd leading cause of death in the U.S.

Almost 160,000 Americans die each year from stroke.

Every minute in the U.S., an individual experiences a stroke. Every 3.3 minutes an individual dies from one.

Over the course of a lifetime, four out of every five families in the U.S. will be touched by stroke.

Roughly 1/3 of stroke survivors have another one within five years.

Currently, there are four million Americans living with the effects of stroke.

15 percent to 30 percent of stroke survivors are permanently disabled. 55 percent of stroke survivors have some level of disability.

40 percent of these patients feel they can no longer visit people; almost 70 percent report that they cannot read; 50 percent need day-hospital services; 40 percent need home help; 40 percent have a visiting nurse; and 14 percent need Meals on Wheels.

22 percent of men and 25 percent of women who have an initial stroke die within one year.

The staggering costs of stroke

Stroke costs the U.S. $30 billion each year.

The average cost per patient for the first 90 days following a stroke is $15,000.

The lifetime costs of stroke exceed $90,000 per patient for ischemic stroke and over $225,000 per patient for subarachnoid hemorrhage.

Improvements can be made

When a stroke unit was first established at Mercy General Hospital in Sacramento, CA in December of 1990, the average length of stay for a Medicare stroke patient in the immediate care setting was 7 days and total hospital charges per patient were $14,076. By June of 1994, the average length of stay was 4.6 days and the charges per patient were $10,740. Overall, in the three and a half years during which the stroke unit was in operation, Mercy General's charges to Medicare for stroke patients declined $1,621,296.

In a national survey of acute stroke teams ASTs, Duke University researchers found that the majority of ASTs cost only $0–$5,000, far less than the average cost for hospitalization of stroke patients.

STROKE PATIENTS OFTEN DO NOT RECEIVE EFFECTIVE TREATMENTS

Nationally, only 2 percent to 3 percent of patients with stroke are being treated with the clot-busting drug, tPA.

In the year following FDA approval of tPA, it was determined that only 1.5 percent of patients who might have been candidates for tPA therapy actually received it.

In a study of North Carolina's stroke treatment facilities, 66 percent of hospitals did not have stroke protocols and 82 percent did not have rapid identification for patients experiencing acute stroke.

A recent study of Cleveland, OH found that only 1.8 percent of area patients with ischemic stroke received tPA.

In a 1995 study of the Reading, Ohio Emergency Medical Services System EMS, almost half of all stroke patients who went through the MES system were dispatched as having something other than stroke and a quarter of all patients identified as having stroke by paramedics were later discovered to have another cause for their illness.

Out of 1000 hours of training for paramedics in Cincinnati, only 1 percent is devoted to recognition and management of acute stroke.

A 1993 study of patients who had a stroke while they were inpatient found a median delay between stroke recognition and neurological evaluation of 2.5 hours.

Neurologists are the attending physicians for only 11 percent of acute stroke patients.

PUBLIC AWARENESS OF STROKE SYMPTOMS IS POOR

In a 1989 survey by the American Heart Association of 500 San Francisco residents, 65 percent of those surveyed were unable to correctly identify any of the early stroke warning signs when given a list of symptoms.

In a national survey conducted by the American Heart Association, 29 percent of respondents could not name the brain as the site of a stroke and only 44 percent identified weakness or loss of feeling in an arm or leg as a symptom of stroke.

The International Stroke Trial found that only 4 percent of the 19,000 patients studied presented within 3 hours of symptom onset only 16 percent presented within 6 hours.

TPA FACTS

A seminal NIH study found an 11 to 13 percent increase in the number of tPA-treated patients exhibiting minimal or no neurological deficits or disabilities compared with placebo treated patients.

That same study reported a 30 to 55 percent relative improvement in clinical outcome for tPA-treated patients compared with placebo-treated patients.

NATIONAL ORGANIZATIONS SUPPORTING THE STOP STROKE ACT OF 2001

American Academy of Neurology
American Academy of Physical Medicine and Rehabilitation
American Association of Neurological Surgeons
American College of Chest Physicians
American College of Emergency Physicians
American College of Preventive Medicine
American Heart Association/American Stroke Association
American Physical Therapy Association
American Society of Interventional and Therapeutic Neuroradiology
American Society of Neuroradiology
Association of American Medical Colleges
Association of State and Territorial Chronic Disease Program Directors
Association of State and Territorial Directors of Health Promotion and Public Health Education
Boston Scientific
Brain Injury Association
Congress of Neurological Surgeons
Emergency Nurses Association
Genentech, Inc.
National Association of Public Hospitals and Health Systems
National Stroke Association
North American Society of Pacing and Electrophysiology
Partnership for Prevention
Society of Cardiovascular and Interventional Radiology
Stroke Belt Consortium
The Brain Attack Coalition which is made up of the following advocacy organizations:

American Academy of Neurology
American Association of Neurological Surgeons
American Association of Neuroscience Nurses
American College of Emergency Physicians
American Heart Association/American Stroke Association
American Society of Neuroradiology
National Stroke Association
Stroke Belt Consortium

American Heart Association,
Dallas, TX, July 20, 2001.
Hon. Edward Kennedy,
U.S. Senate,
Washington, DC.

Dear Chairman Kennedy: On behalf of the American Heart Association, our American Stroke Association division and our more than 22.5 million volunteers and supporters, thank you for leading the fight against stroke—the nation's third leading cause of death.

It has been our privilege to work with you and your staff to draft the Stroke Treatment and Ongoing Prevention Act (STOP Stroke Act). This vital legislation will help raise public awareness about stroke and dramatically improve our nation's stroke care. More specifically, the legislation will conduct a national stroke education campaign; provide critical resources for states to implement statewide stroke care systems; establish a clearinghouse to support communities aiming to improve stroke care; offer medical professional development programs in new stroke therapies; and conduct valuable stroke care research.

Stroke touches the lives of almost all Americans. Today, 4.5 million Americans are stroke survivors, and as many as 30 percent of them are permanently disabled, requiring extensive and costly care. In Massachusetts alone, stroke kills more than 3,300 people every year. Unfortunately, most Americans know very little about this disease. On average, stroke patients wait 22 hours after the one set of symptoms before receiving medical care. In addition, many health are facilities are not equipped to treat stroke aggressively like other medical emergencies.

Your legislation helps build upon our successful stroke programs. In 1998, the American Hearth Association launched a bold initiative—Operation Stroke—to improve stroke care in targeted communities across the country by strengthening the stroke "Chain of Survival." The Chain is a series of events that must occur to improve stroke care and includes rapid public recognition and reaction to stroke warning signs; rapid assessment and pre-hospital care; rapid hospital transport; and rapid diagnosis and treatment.

The STOP Stroke Act will help ensure that the stroke Chain of Survival is strong in every community across the nation and that every stroke patient has access to quality care. We strongly support this legislation and look forward to continuing to work with you and Senator Frist to fight this devastating disease. Thank you again for your leadership and vision!

Sincerely,

Lawrence B. Sadwin,
Chairman of the Board.
David P. Faxon, M.D.,
President.

National Stroke Association,
Englewood, CO, March 8, 2001.
Hon. Edward Kennedy,
Russell Senate Office Building,
Washington, DC.

Dear Senator Kennedy: I am writing on behalf of the national Stroke Association (NSA) to express our strong commitment to helping you bring attention to, and secure passage of, the "Stroke Treatment and Ongoing Prevention Act of 2001" (the "STOP Stroke Act").

NSA is a leading independent, national nonprofit organization which dedicates 100 percent of its resources to stroke including prevention, treatment, rehabilitation, research, advocacy and support for stroke survivors and their families. Our mission is to reduce the incidence and impact of stroke—the number one cause of adult disability and 3rd leading cause of death in America.

NSA believes that your proposed legislation is historic—never before has comprehensive legislation been introduced to address this misunderstood public health problem. In fact, stroke has not been given the level of attention, focus or resources commensurate with the terrible toll it takes on Americans in both human and economic terms. We are grateful for your leadership in bringing this issue to the top of the public health agenda.

The STOP Stroke Act clearly recognizes an urgent need to build more effective systems of patient care and to increase public awareness about stroke. We are hopeful that the Stroke Prevention and Education Campaign which it authorizes will go a long way toward disseminating the most accurate and timely information regarding stroke prevention and the importance of prompt treatment. NSA is encouraged that the state grant program will facilitate the establishment of a comprehensive network of stroke centers to reduce the overwhelming disparity in personnel, technology, and other resources and target assistance to some of the smaller, less advanced facilities. We also believe that the research program is a necessary component of the STOP Stroke Act in order to assess and monitor barriers to access to stroke prevention, treatment, and rehabilitation services, and to ultimately raise the standard of care for those at risk, suffering or recovering from stroke.

Over the past few months NSA has convened leaders in medicine, nursing, rehabilitation, healthcare, business, and advocacy to work with your staff on developing this important legislation. NSA is pleased to have contributed its ideas and expertise on this critical health issue. We look forward to working in partnership with you and your colleagues on getting the legislation passed by Congress.

Please count on us to work with you in any way possible to ensure we STOP stroke.

Sincerely,

Patti Shwayder,
Executive Director/CEO.

American Association of Neurological Surgeons; Congress of Neurological Surgeons,
Washington, DC, March 5, 2001.
Hon. Ted Kennedy,
U.S. Senate, Russell Senate Office Building, Washington, DC.

Dear Senator Kennedy: The American Association of Neurological Surgeons (AANS) and the Congress of Neurological Surgeons (CNS), representing over 4,500 neurosurgeons in the United States, thank you for your leadership and vision in crafting the "STOP Stroke Act (Stroke Treatment and Ongoing Prevention Act) of 2001." We strongly endorse this bill and pledge to work with you to ensure its passage. Your legislation would not only educate the public about the burden of stroke and stroke-related disability, but would encourage states to develop stroke planning systems through the matching grant concept.

Stroke is the nation's third leading cause of death and is the leading cause of disability in our country creating a huge human and financial burden associated with this disease. The advances in research and treatment related to stroke over the last decade have been truly remarkable. For example, surgical techniques such as carotid endarterectomy have been proven effective and saved lives. Also, the discovery of therapeutic drugs that can be administered within three hours of the onset of a stroke have allowed many survivors to recover in a way that was impossible to imagine in even recent years.

What was once viewed as an untreatable and devastating disease has the potential to become as commonly treatable as heart attacks if appropriate resources are directed to the problem. Senator Kennedy, your legislation will allow all Americans to take advantage of these rapid advances in stroke treatment and prevention.

Once again, we strongly endorse this legislation. On behalf of all neurosurgeons and the patients we serve, thank you for your leadership on this issue. Please feel free to contact us should you need further assistance.

Sincerely,

Stewart B. Dunsker, MD,
President, American Association of Neurological Surgeons.
Issam A. Awad, MD,
President, Congress of Neurological Surgeons.

National Association of Public Hospitals and Health Systems,
Washington, DC, March 22, 2001.
Hon. Edward M. Kennedy,
U.S. Senate,
Washington, DC.

Dear Senator Kennedy: I am writing on behalf of the National Association of Public Hospitals & Health Systems (NAPH) to express our support for the "STOP Stroke Act of 2001," legislation to help states improve the level of stroke care that is offered to patients and to improve public education about the importance of seeking early emergency care to combat the effects of stroke.

NAPH represents more than 100 of America's metropolitan area safety net hospitals and health systems. The mission of NAPH members is to provide health care services to all individuals, regardless of insurance status or ability to pay. More than 54 percent of the patients served by NAPH systems are either Medicaid recipients or Medicare beneficiaries; another 28 percent are uninsured.

We applaud your efforts to raise public awareness about the signs and symptoms of this pernicious disease and to assure that all Americans—including our nation's poorest and most vulnerable—have access to state-of-the-art stroke treatment. In particular, we are pleased that your legislation would:

Establish a grant program to provide funding to states—with a particular focus on raising the level of stroke treatment in underserved areas—to assure that all patients have access to high-quality stroke care;

Ensure that all appropriate medical personnel are provided access to training in newly developed approaches for preventing and treating stroke;

Authorize a national public awareness campaign to educate Americans about the signs and symptoms of stroke and the importance of seeking emergency treatment as soon as symptoms occur; and,

Create a comprehensive research program to identify best practices, barriers to care, health disparities, and to measure the effectiveness of public awareness efforts.

NAPH has long supported efforts to assure that all Americans are afforded access to the highest quality health care services and most current technology that is available. Indeed, it is critical that facilities that provide acute care services to stroke patients have the resources necessary to assure patients access to a minimum standard of stroke care. Unfortunately, uncompensated care costs and high rates of uninsured patients often make it difficult for safety net providers to dedicate sufficient resources to meet these goals.

We are pleased that your legislation, through its state grants program, attempts to direct additional resources toward the providers that are most in need of updating their stroke care systems. We urge you to consider amending your legislation to allow local government and safety net providers to participate directly in this grants program. Allowing public hospitals and other safety net providers who seek to improve their stroke care infrastructure to apply for these grants will go a long way toward assuring that the providers most in need of these resources get access to them.

As the American population ages and promising discoveries are being made to improve the early detection and treatment of stroke, it is becoming increasingly important that additional resources be directed at stroke awareness, prevention and treatment programs. And, as federal funds are provided, it is critical that all of our citizens, in particular those who frequently slip through the cracks, are given access to the best available stroke-related specialists, diagnostic equipment and life-saving treatments and therapies.

We thank you for your ongoing leadership in developing legislation to preserve and improve our nation's public health systems and the healthy care safety net. We look forward to working with you further to develop solutions to the problems of our nation's poor and uninsured.

Sincerely,

LARRY S. GAGE,
President.

PARTNERSHIP FOR PREVENTION,
Washington, DC, March 16, 2001.

Re Stroke Treatment and Ongoing Prevention Act of 2001.

Hon. EDWARD KENNEDY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR KENNEDY: We commend the introduction of the Stroke Treatment and Ongoing Prevention Act of 2001 (STOP Stroke Act). As you well know, stroke is the third leading cause of death in the United States, a principal cause of cardiovascular disease death, and a major cause of disability for Americans.

The STOP Stroke Act creates a framework for the nation to begin systematically addressing some important tertiary stroke prevention issues, namely timely diagnosis and treatment. We concur that much more can and should be done to ensure stroke patients are treated according to clinical guidelines based on up-to-date scientific evidence.

Investing in primary and secondary prevention is the best strategy for stopping stroke. Hypertension is the top contributor to stroke, followed by heart disease, diabetes, and cigarette smoking. According to the National Institutes of Health and the Centers for Disease Control and Prevention (CDC), prevention of stroke requires addressing the critical risk factors.

To prevent or delay hypertension, experts at both agencies recommend community-based interventions that promote healthy diets, regular physical activity, tobacco cessation, and limited alcohol intake. The Public Health Service's clinical guidelines on treating tobacco use and dependence is another resource to help Americans kick the habit. Lifestyle modifications for hypertension prevention not only contribute to overall cardiovascular health, but also reduce risk factors associated with other chronic diseases (e.g., obesity, diabetes, and cancer).

A second essential step is to improve management of hypertension once it develops. Recent studies indicate effective hypertension treatment can cut stroke incidence and fatality rates by at least a third. To advance hypertension treatment, we must invest in disease management systems that enable health care providers to prescribe the most effective therapies and assist patients with pharmacological regimens and healthy lifestyles.

The main prevention components in the STOP Stroke Act (i.e., the proposed research program and national stroke awareness campaign) should be coordinated with—and even integrated into—the CDc comprehensive cardiovascular disease program. Involving nearly every state, this program offers an integrated network that is addressing the underlying causes of stroke and other cardiovascular diseases.

Partnership welcomes the STOP Stroke Act and its intent to address stroke, a serious health problem. We also encourage strengthened primary and secondary prevention policies to protect health before strokes happen.

Sincerely yours,

ASHLEY B. COFFIELD,
President.

BRAIN ATTACK COALITION,
Bethesda, MD, May 7, 2001.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR KENNEDY: The Brain Attack Coalition is a group of professional, voluntary and governmental organizations dedicated to reducing the occurrence, disabilities and death associated with stroke.

Stroke is our nations third leading cause of death and the leading cause of adult long-term disability. Recent advances in stroke treatment can lead to improved outcomes if stroke patients are treated shortly after symptom onset. Currently only two to three percent of stroke patients who are candidates for thrombolytic therapy receive it. This must be remedied.

We urgently need to educate the public about stroke symptoms and the importance of seeking medical attention immediately. We also need to provide training to medical personnel in the new approaches for treating and preventing stroke. The Stroke Treatment and Ongoing Prevention Act of 2001 (STOP Stroke Act) is designed to address these issues and to establish a grant program to provide funding to states to help ensure that stroke patients in each state have access to high-quality stroke care.

The members of the Brain Attack Coalition strongly support the STOP Stroke Act and hope for prompt enactment of this legislation. Please not that the National Institute of Neurological Disorders and Stroke and the Centers for Disease Control and Prevention are not included in this endorsement because the Administration has not taken a position on the legislation.

Sincerely,

MICHAEL D. WALKER, M.D.,
Chair, Brain Attack Coalition.

AMERICAN PHYSICAL
THERAPY ASSOCIATION,
Alexandria, VA, June 13, 2001.

Hon. EDWARD KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: I am writing to express the strong support of the American Physical Therapy Association (APTA) for the "Stroke Treatment and Ongoing Prevention Act of 2001," which you plan to introduce soon.

As you know, stroke is the third leading cause of death in the United States, and is one of the leading causes of adult disability. APTA believes your legislation is critical to establishing a comprehensive system for stroke prevention, treatment and rehabilitation in the United States. We appreciate your modification to the legislation to highlight the important role physical therapists play in stroke prevention and rehabilitation.

Every day, physical therapists across the nation help approximately 1 million people alleviate pain, prevent the onset and progression of impairment, functional limitation, disability, or changes in physical function and health status resulting from injury, disease, or other causes. Essential participants in the health care delivery system, physical therapists assume leadership roles in rehabilitation services, prevention and health maintenance programs. They also play important roles in developing health care policy and appropriate standards for the various elements of physical therapists practice to ensure availability, accessibility, and excellence in the delivery of physical therapy services.

Again, thank you for your leadership on this issue. Please call upon APTA to assist in the passage of this important legislation.

Sincerely,

BEN F. MASSEY, PT,
President.

Mr. KENNEDY. Mr. President, today Senator FRIST and I are introducing the "Community Access to Emergency Defibrillation Act of 2001."

Every 2 minutes, sudden cardiac arrest strikes down another person. Cardiac arrest can strike at any time without any warning. Without rapid intervention, is unavoidable.

One thousand people will die today from cardiac arrest, and 200,000 people will lose their lives this year to this devastating disease. The good news is that we know that 90 percent of cardiac arrest victims can be saved, if immediate access is available to an automated external defibrillator, an AED.

We could save thousands of lives every year if AEDs are available in every public building. Yet few communities have programs to make this technology widely accessible.

That is why Senator FRIST and I today are introducing the "Community

AED Act''. Its goal is to provide funding for programs to increase access to emergency defibrillation. It will place AEDs in public areas like schools, workplaces, community centers, and other locations where people gather. It will provide training to use and maintain the devices, and funding for coordination with emergency medical personnel.

Furthermore, it also funds the development of community-based projects to enhance AED access and place them in unique settings where access is more difficult to achieve. Our bill also emphasizes monitoring cardiac arrest in children and putting AEDs in schools—so that we can also deal with cardiac arrest when it affects our youth.

Sudden cardiac arrest is a tragedy for families all across America. Communities that have already implemented programs to increase public access to AEDs—like the extremely successful "First Responder Defibrillator Program" in Boston—have been able to achieve survival rates of up to 50 percent. That's 100,000 lives that we can save each year if every community implements a program like this one. This bill will enable communities to save lives in public buildings, in workplaces, and in schools all across the nation, and I urge you to stand with Senator FRIST and I in support of this legislation—legislation that will have a lifesaving impact on us all.

I ask unanimous consent that a bill summary for the "Community Access to Emergency Defibrillation Act of 2001" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE COMMUNITY ACCESS TO EMERGENCY DEFIBRILLATION ACT OF 2001

BACKGROUND AND NEED FOR LEGISLATION

Cardiac arrest is not a heart attack—it is instant heart paralysis for which defibrillation is the only effective treatment. Every minute that passes after a cardiac arrest, a person's chance of surviving decreases by 10 percent. Cardiac arrest takes a tremendous toll on the American public; each year, it kills over 220,000 people.

The good news is that 90 percent of cardiac arrest victims who are treated with a defibrillator within one minute of arrest can be saved. In addition, cardiac arrest victims who are treated with CPR within four minutes and defibrillation within ten minutes have up to a 40 percent chance of survival. However, few communities have programs to make emergency defibrillation widely accessible to cardiac arrest victims. Communities that have implemented public access programs have achieved average survival rates for out-of-hospital cardiac arrest as high as 50 percent.

Automated external defibrillators, AEDs, have a 95 percent success rate in terminating ventricular fibrillation. Wide use of defibrillators could save as many as 50,000 lives nationally each year, yet fewer than half of the nation's ambulance services, 10–15 percent of emergency service fire units, and less than 1 percent of police vehicles are equipped with AEDs.

The Community Access to Emergency Defibrillation, Community AED Act, provides for the following public health initiatives to increase public awareness of emergency defibrillation and to expand public access to lifesaving AEDs:

Community Grants Program to establish comprehensive initiatives to increase public access to AEDs

The Community AED Act provides $50 million for communities to establish public access defibrillation programs. Communities receiving these grants will: train local emergency medical services personnel to administer immediate care, including CPR and automated external defibrillation, to cardiac arrest victims; purchase and place automated external defibrillators in public places where cardiac arrests are likely to occur; train personnel in places with defibrillators to use them properly and administer CPR to cardiac arrest victims; inform local emergency medical services personnel, including dispatchers, about the location of defibrillators in their community; train members of the public in CPR and automated external defibrillation; ensure proper maintenance and testing of defibrillators in the community; encourage private companies in the community to purchase automated external defibrillators and train employees in CPR and emergency defibrillation; and collect data to evaluate the effectiveness of the program in decreasing the out-of-hospital cardiac arrest survival rate in the community.

Community demonstration projects to develop innovative AED access programs

The Community AED Act provides $5 million for community-based demonstration projects. Grantees will develop innovative approaches to maximize community access to automated external defibrillation and provide emergency defibrillation to cardiac arrest victims in unique settings. Communities receiving these grants must meet many of the same requirements for equipment maintenance, public information, and data collection included in the larger grants program.

National Clearinghouse to promote AED access in schools

The Community AED Act provides for a national information clearinghouse to provide information to increase public awareness and promote access to defibrillators in schools. This center will also establish a database for information on sudden cardiac arrest in youth and will provide assistance to communities wishing to develop screening programs for at risk youth.

The Community AED Act is supported by these and other leading health care organizations:

American Heart Association; American Red Cross; Agilent Technologies; American College of Emergency Physicians; Cardiac Science; Citizen CPR Foundation; Congressional Fire Services Institute; Medical Device Manufacturers Association; Medical Research Laboratories, Inc.; Medtronic; MeetingMed: National Center for Early Defibrillation; National Emergency Medical Services Academy; National Fire Protection Association; National SAFE KIDS Compaign; National Volunteer Fire Council; and Survivalink.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 1276. A bill to provide for the establishment of a new counterintelligence polygraph program for the Department of Energy, and for other purposes; to the Committee on Armed Services.

Mr. DOMENICI. Mr. President, I rise today to introduce a bill that modifies the requirements for polygraphs at facilities operated by the Department of Energy. I appreciate that Senator BINGAMAN joins me as a co-sponsor.

Polygraph requirements were added by Congress in response to concerns about security at the national laboratories. A set of mandates was first created in the Senate Armed Services Authorization Bill for Fiscal Year 2000, and they were expanded with broader mandates in Fiscal Year 2001.

Security at the our national security facilities is critically important, and General Gordon is working diligently as Administrator of the National Nuclear Security Administration to improve security through many initiatives. But frankly, I fear that Congress has given the General a little too much help in this particular area.

The effect of our past legislation was to require polygraphs for very broad categories of workers in DOE and in our DOE weapons labs and plants. But the categories specified are really much too broad, some don't even refer to security-related issues. They include many workers who have no relevant knowledge or others who may be authorized to enter nuclear facilities but have no unsupervised access to actual material. Many of the positions within these categories already require a two-person rule, precluding actions by any one person to compromise protected items.

This bill provides flexibility to allow the Secretary of Energy and General Gordon to set up a new polygraph program. Through careful examination of the positions with enough sensitivity to warrant polygraphs, I fully anticipate that the number of employees subject to polygraphs will be dramatically reduced while actually improving overall security.

My bill seeks to address other concerns. Polygraphs are simply not viewed as scientifically credible by Laboratory staff. Those tests have been the major contributor to substantial degradation in worker morale at the labs. This is especially serious when the labs and plants are struggling to cope with the new challenges imposed by the absence of nuclear testing and with the need to recruit new scientific experts to replace an aging workforce.

I should note that these staff concerns are not expressed about drug testing, which many already must take. They simply are concerned with entrusting their career to a procedure with questionable, in their minds, scientific validity.

A study is in progress by the National Academy of Sciences that will go a long ways toward addressing this question about scientific credibility of polygraphs when they are used as a tool for screening large populations. By way of contrast, this use of polygraphs is in sharp contrast to their use in a targeted criminal investigation. That Academy's study will be completed in June 2002. Therefore, this bill sets up an interim program before the Academy's study is done and requires that a final program be established within 6 months after the study's completion.

This bill addresses several concerns with the way in which polygraphs may be administered by the Department. For example, some employees are concerned that individual privacies, like medical conditions, are not being protected using the careful procedures developed for drug testing. And facility managers are concerned that polygraphs are sometimes administered without enough warning to ensure that work can continue in a safe manner in the sudden absence of an employee. And of greatest importance, the bill ensures that the results of a polygraph will not be the sole factor determining an employee's fitness for duty.

With this bill, we can improve worker morale at our national security facilities by stopping unnecessarily broad application of polygraphs, while still providing the Secretary and General Gordon with enough flexibility to utilize polygraphs where reasonable. In addition, we set in motion a process, which will be based on the scientific evaluation of the National Academy, to implement an optimized plan to protect our national security.

Mr. BINGAMAN. Mr. President, I am pleased to cosponsor legislation being introduced by Senator DOMENICI that will help correct what I consider to be overzealous action on the part of the Congress to address security problems at our Department of Energy national laboratories. We're all aware of the security concerns that grew out of the Wen Ho Lee case. That case, and other incidents that have occurred since then, quite rightly prompted the Department of Energy and the Congress to assess security problems at the laboratories and seek remedies. Last year, during the conference between House and Senate on the Defense Authorization bill, a provision was added, Section 3135, that significantly expanded requirements for administering polygraphs to Department of Energy and contractor employees at the laboratories. That legislative action presumed that polygraph testing is an effective, reliable tool to reveal spies or otherwise identify security risks to our country.

The problem is that the Congress does not have the full story about polygraph testing. I objected when Section 3135 was included in the conference mark of the Defense bill last year, but it was too late in the process to effectively protest its worthiness. It has since become clear that the provision has had a chilling effect on current and potential employees at the laboratories in a way that could risk the future health of the workforce at the laboratories. The laboratory directors have expressed to me their deep concerns about recruitment and retention, and I'm certain that the polygraph issue is a contributing factor. Indeed, I've heard directly from many laboratory employees who question the viability of polygraphs and who have raised legitimate questions about its accuracy, reliability, and usefulness.

In response to those questions and concerns, I requested that the National Academy of Sciences undertake an effort to review the scientific evidence regarding polygraph testing. Needless to say, there are many difficult scientific issues to be examined, so the study will require considerable effort and time. We are expecting results next June. Once the Congress receives that report, I am hopeful that the Department of Energy, the National Nuclear Security Administration, and the national laboratories will be better able to consider the worthiness of polygraph testing to its intended purposes and determine whether and how to proceed with a program.

Until that time, however, the Congress has levied a burdensome requirement on the national laboratories to use polygraph testing broadly at the laboratories with the negative consequences to which I have alluded. I believe the legislation that Senator DOMENICI and I are introducing today will provide a more balanced, reasoned approach in the interim until the scientific experts report to the Congress with their findings on this very complex matter. The bill being introduced will provide on an interim basis the security protection that many believe is afforded by polygraphs, but will limit its application to those Department of Energy and contractor employees at the laboratories who have access to Restricted Data or Sensitive Compartmented Information containing the nation's most sensitive nuclear secrets. It specifically excludes employees who may operate in a classified environment, but who do not have actual access to the critical security information we are seeking to protect.

Other provisions in the bill would protect individual rights by extending guaranteed protections included under part 40 of Title 49 of the Code of Federal Regulations and by requiring procedures to preclude adverse personnel action related to "false positives" or individual physiological reactions that may occur during testing. The bill also seeks to ensure the safe operations of DOE facilities by requiring advance notice for polygraph exams to enable management to undertake adjustments necessary to maintain operational safety.

Let me emphasize once again, that this legislation is intended as an interim measure that will meet three critical objectives until we have heard from the scientific community. This bill will ensure that critical secret information will be protected, that the rights of individual employees will be observed, and that the ability of the laboratories to do their job will be maintained. I thank Senator DOMENICI for his work on this bill, and urge my colleagues to support its passage. I yield the floor.

By Mr. DOMENICI (for himself and Mr. LUGAR):

S. 1277. A bill to authorize the Secretary of Energy to guarantee loans to facilitate nuclear nonproliferation programs and activities of the Government of the Russian Federation, and for other purposes; to the Committee on Foreign Relations.

Mr. DOMENICI. Mr. President, I rise to introduce the Fissile Material Loan Guarantee Act of 2001. This Act is intended to increase the suite of programs that reduce proliferation threats from the Russian nuclear weapons complex. I'm pleased that Senator LUGAR joins me as a co-sponsor of this Act.

This Act presents an unusual option, which I've discussed with the leadership of some of the world's largest private banks and lending institutions. I also am aware that discussions between Western lending institutions and the Russian Federation are in progress and that discussions with the International Atomic Energy Agency or IAEA have helped to clarify their responsibilities.

This Act would enable the imposition of international protective safeguards on new, large stocks of Russian weapons-ready materials in a way that enables the Russian Federation to gain near-term financial resources from the materials. These materials would be used as collateral to secure a loan, for which the U.S. Government would provide a loan guarantee. The Act requires that loan proceeds be used in either debt retirement for the Russian Federation or in support of Russian nonproliferation or energy programs. It also requires that the weapons-grade materials used to collateralize these loans must remain under international IAEA safeguards forevermore and thus should serve to remove them from concern as future weapons materials.

This Act does not replace programs that currently are in place to ensure that weapons-grade materials can never be used in weapons in the future. Specifically, it does not displace materials already committed under earlier agreements. The Highly Enriched Uranium or HEU Agreement is moving toward elimination of 500 tons of Russian weapons-grade uranium. The Plutonium Disposition Agreement is similarly working on elimination of 34 tons of Russian weapons-grade plutonium, primarily by its use in MOX fuel.

The HEU agreement removes material usable in 20,000 nuclear weapons, while the plutonium disposition agreement similarly removes material for more than 4,000 nuclear weapons. Both of these agreements enable the transition of Russian materials into commercial reactor fuel, which, after use in a reactor, destroys its "weapons-grade" attributes. There should be no question that both these agreements remain of vital importance to both nations.

But estimates are that the Russian Federation has vast stocks of weapons-grade materials in addition to the amounts they've already declared as surplus to their weapons needs in these earlier agreements.

If we can provide additional incentives to Russia to encourage transition of more of these materials into configurations where it is not available for diversion or re-use in weapons, we've made another significant step toward global stability. And furthermore, this proposed mechanism provides a relatively low cost approach to reduction of threats from these materials.

Senator LUGAR and I introduced a similar bill near the end of the 106th Congress, to provide time for discussion of its features. Those discussions have progressed, and this bill has some slight refinements that grew out of those discussions. Since then, we have received additional assurances that this bill provides a useful route to reduce proliferation threats, and thus we are reintroducing this bill in the 107th Congress.

Within the last few months, former Senator Howard Baker and former White House Counsel Lloyd Cutler completed an important report outlining the importance of the non-proliferation programs accomplished jointly with Russia. They noted, as their top recommendation, that:

> The most urgent unmet national security threat to the United States today is the danger that weapons of mass destruction or weapons-usable material in Russia could be stolen and sold to terrorists or hostile nation states and used against American troops or citizens at home. This threat is a clear and present danger to the international community as well as to American lives and liberties.

This new Act provides another tool toward reducing these threats to national, as well as global, security.

By Mrs. LINCOLN (for herself, Ms. SNOWE, Mr. DURBIN, Mr. BREAUX, and Ms. LANDRIEU):

S. 1278. A bill to amend the Internal Revenue Code of 1986 to allow a United States independent film and television production wage credit; to the Committee on Finance.

Mrs. LINCOLN. Mr. President, I rise today to introduce the U.S. Independent Film and Television Production Incentive Act of 2001, a bill designed to address the problem of "runaway" film and television production. I am joined by Senators SNOWE, DURBIN, BREAUX, and LANDRIEU.

Over the past decade, production of American film projects has fled our borders for foreign locations, migration that results in a massive loss for the U.S. economy. My legislation will encourage producers to bring feature film and television production projects to cities and towns across the United States, thereby stemming that loss.

In recent years, a number of foreign governments have offered tax and other incentives designed to entice production of U.S. motion pictures and television programs to their countries. Certain countries, such as Australia, Canada, New Zealand, and several European countries, have been particularly successful in luring film projects to their towns and cities through offers of large tax subsidies.

These governments understand that the benefits of hosting such productions do not flow only to the film and television industry. These productions create ripple effects, with revenues and jobs generated in a variety of other local businesses. Hotels, restaurants, catering companies, equipment rental facilities, transportation vendors, and many others benefit from these ripple effects.

What began as a trickle has become a flood, a significant trend affecting both the film and television industry as well as the smaller businesses that they support.

Many specialized trades involved in film production and many of the secondary industries that depend on film production, such as equipment rental companies, require consistent demand in order to operate profitably. This production migration has forced many small- and medium-sized companies out of business during the last ten years.

Earlier this year, a report by the U.S. Department of Commerce estimated that runaway production drains as much as $10 billion per year from the U.S. economy.

These losses have been most pronounced in made-for-television movies and miniseries productions. According to the report, out of the 308 U.S.-developed television movies produced in 1998, 139 were produced abroad. That's a significant increase from the 30 produced abroad in 1990.

The report makes a compelling case that runaway film and television production has eroded important segments of a vital American industry. According to official labor statistics, more than 270,000 jobs in the U.S. are directly involved in film production. By industry estimates, 70 to 80 percent of these workers are hired at the location where the production is filmed.

And while people may associate the problem of runaway production with California, the problem has seriously affected the economies of cities and States across the country, given that film production and distribution have been among the highest growth industries in the last decade. It's an industry with a reach far beyond Hollywood and the west coast.

For example, my home State of Arkansas has been proud to host the production of a number of feature and television films, with benefits both economic and cultural. Our cinematic history includes the opening scenes of "Gone With the Wind," and civil war epics like "the Blue and the Gray" and "North and South." It also includes "A Soldier's Story," "Biloxi Blues," "the Legend of Boggy Creek," and, most recently, "Sling Blade," an independent production written by, directed by, and starring Arkansas' own Billy Bob Thornton. So even in our rural State, there is a great deal of local interest and support for the film industry. My bill will make it possible for us to continue this tradition, and we hope to encourage more of these projects to come to Arkansas.

But to do this, we need to level the playing field. This bill will assist in that effort. It will provide a two-tiered wage tax credit, equal to 25 percent of the first $25,000 of qualified wages and salaries and 35 percent of such costs if incurred in a "low-income community", for productions of films, television or cable programming, mini-series, episodic television, pilots or movies of the week that are substantially produced in the United States.

This credit is targeted to the segment of the market most vulnerable to the impact of runaway film and television production. It is, therefore, only available if total wage costs are more than $20,000 and less than $10 million (indexed for inflation). The credit is not available to any production subject to reporting requirements of 18 USC 2257 pertaining to films and certain other media with sexually explicit conduct.

My legislation enjoys the support of a broad alliance of groups affected by the loss of U.S. production, including the following: national, State and local film commissions, under the umbrella organization Film US as well as the Entertainment Industry Development Corporation; film and television producers, Academy of Television Arts and Sciences, the Association of Independent Commercial Producers, the American Film Marketing Association, the Producers Guild; organizations representing small businesses such as the post-production facilities, The Southern California Chapter of the Association of Imaging Technology and Sound, and equipment rental companies (Production Equipment Rental Association); and organizations representing the creative participants in the entertainment industry, Directors Guild of America, the Screen Actors Guild and Recording Musicians Association. In addition, the United States Conference of Mayors formally adopted the "Runaway Film Production Resolution" at their annual conference in June.

Leveling the playing field through targeted tax incentives will keep film production, and the jobs and revenues it generates, in the United States. I urge my colleagues to join me in supporting this bill in order to prevent the further deterioration of one of our most American of industries and the thousands of jobs and businesses that depend on it.

By Mr. BREAUX:

S. 1279. A bill to amend the Internal Revenue Code of 1986 to modify the active business definition under section 355; to the Committee on Finance.

Mr. BREAUX. Mr. President, I rise today to introduce tax legislation which proposes only a small technical modification of current law, but, if enacted, would provide significant simplification of routine corporate reorganizations. The legation is identical to S. 773 which I introduced on April 13 of last year.

This proposed change is small but very important. It would not alter the substance of current law in any way. It would, however, greatly simplify a common corporate transaction. This small technical change will alone save corporations millions of dollars in unnecessary expenses and economic costs that are incurred when they divide their businesses.

Past Treasury Departments have agreed, and I have no reason to believe the current Treasury Department will feel any differently, that this change would bring welcome simplification to section 355 of the Internal Revenue Code. Indeed, the Clinton Administration in its last budget submission to the Congress had proposed this change. The last scoring of this proposal showed no loss of revenue to the U.S. Government, and I am aware of no opposition to its enactment.

Corporations, and affiliated groups of corporations, often find it advantageous, or even necessary, to separate two or more businesses. The division of AT&T from its local telephone companies is an example of such a transaction. The reasons for these corporate divisions are many, but probably chief among them is the ability of management to focus on one core business.

At the end of the day, when a corporation divides, the stockholders simply have the stock of two corporations, instead of one. The Tax Code recognizes this is not an event that should trigger tax, as it includes corporate divisions among the tax-free reorganization provisions.

One requirement the Tax Code imposes on corporate divisions is very awkwardly drafted, however. As a result, an affiliated group of corporations that wishes to divide must often engage in complex and burdensome preliminary reorganizations in order to accomplish what, for a single corporate entity, would be a rather simple and straightforward spinoff of a business to its shareholders. The small technical change I propose today would eliminate the need for these unnecessary transactions, while keeping the statue true to Congress's original purpose.

More specifically, section 355, and related provision of the Code, permits a corporation or an affiliated group of corporations to divide on a tax-free basis into two or more separate entities with separate businesses. There are numerous requirements for tax-free treatment of a corporate division, or "spinoff," including continuity of historical shareholder interest, continuity of the business enterprises, business purpose, and absence of any device to distribute earning and profits. In addition, section 355 requires that each of the divided corporate entities be engaged in the active conduct of a trade or business. The proposed change would alter none of these substantive requirements of the Code.

Section 355 (b)(2)(A) currently provides an attribution or "look through" rule for groups of corporations that operate active businesses under a holding company, which is necessary because a holding company, by definition, is not itself engaged in an active business.

This lookthrough rule inexplicably requires, however, that "substantially all" of the assets of the holding company consist of stock of active controlled subsidiaries. The practical effect of this language is to prevent holding companies from engaging in spinoffs if they own almost any other assets. This is in sharp contrast to corporations that operate businesses directly, which can own substantial assets unrelated to the business and still engage in tax-free spinoff transactions.

In the real world, of course, holding companies may, for many sound business reasons, hold other assets, such as non-controlling, less than 80 percent, interests in subsidiaries, controlled subsidiaries that have been owned for less than five years, which are not considered "active businesses" under section 355, or a host of non-business assets. Such holding companies routinely undertake spinoff transactions, but because of the awkward language used in section 355 (b)(2)(A), they must first undertake one or more, often a series of, preliminary reorganizations solely for the purpose of complying with this inexplicable language of the Code.

Such preliminary reorganizations are at best costly, burdensome, and without any business purpose, and at worst, they seriously interfere with business operations. In a few cases, they may be so costly as to be prohibitive, and cause the company to abandon an otherwise sound business transaction that is clearly in the best interest of the corporation and the businesses it operates.

There is no tax policy reasons, tax advisors agree, to require the reorganization of a consolidated group that is clearly engaged in the active conduct of a trade or business, as a condition to a spinoff. Nor is there any reason to treat affiliated groups differently than single operating companies. Indeed, no one had ever suggested one. The legislative history indicates Congress was concerned about non-controlled subsidiaries, which is elsewhere adequately addressed, no consolidated groups.

For many purposes, the Tax Code treats affiliated groups as a single corporation. Therefore, the simple remedy I am proposing today for the problem created by the awkward language of section 355 (b)(2)(A) is to apply the active business test to an affiliated group as if it were a single entity.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1279

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MODIFICATION OF ACTIVE BUSINESS DEFINITION UNDER SECTION 355.

(a) IN GENERAL.—Section 355(b) of the Internal Revenue Code of 1986 (defining active conduct of a trade or business) is amended by adding at the end the following new paragraph:

"(3) SPECIAL RULES RELATING TO ACTIVE BUSINESS REQUIREMENT.—

"(A) IN GENERAL.—For purposes of determining whether a corporation meets the requirement of paragraph (2)(A), all members of such corporation's separate affiliated group shall be treated as one corporation. For purposes of the preceding sentence, a corporation's separate affiliated group is the affiliated group which would be determined under section 1504(a) if such corporation were the common parent and section 1504(b) did not apply.

"(B) CONTROL.—For purposes of paragraph (2)(D), all distributee corporations which are members of the same affiliated group (as defined in section 1504(a) without regard to section 1504(b)) shall be treated as one distributee corporation.".

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (A) of section 355(b)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

"(A) it is engaged in the active conduct of a trade or business,".

(2) Section 355(b)(2) of such Code is amended by striking the last sentence.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to distributions after the date of the enactment of this Act.

(2) TRANSITION RULE.—The amendments made by this section shall not apply to any distribution pursuant to a transaction which is—

(A) made pursuant to an agreement which was binding on such date and at all times thereafter,

(B) described in a ruling request submitted to the Internal Revenue Service on or before such date, or

(C) described on or before such date in a public announcement or in a filing with the Securities and Exchange Commission.

(3) ELECTION TO HAVE AMENDMENTS APPLY.—Paragraph (2) shall not apply if the distributing corporation elects not to have such paragraph apply to distributions of such corporation. Any such election, once made, shall be irrevocable.

By Mr. CLELAND:

S. 1280. A bill to authorize the Secretary of Veterans Affairs to carry out construction projects for the purpose of improving, renovating, and updating patient care facilities at Department of Veterans Affairs medical centers; to the Committee on Veterans' Affairs.

Mr. CLELAND. Mr. President. I am very proud to be a Vietnam veteran and to have served as director of the Department of Veterans Affairs, VA, from 1977 to 1980. The VA has continued to provide high quality health care to our Nation's veterans and is a health care system leader on patient safety tracking, long-term care, Post-Traumatic Stress disorder treatment and dozens of other innovative health care programs. The VA Health Care System has also enhanced its access to veterans with the development of approximately 600 community-based outpatient clinics, CBOC's, across the Nation.

But as I visit the VA medical centers in Georgia and across the Nation, I am very alarmed to see patient care areas which look as if they have not been renovated or upgraded in decades. These VA medical centers serve as the hub for all major health care activities and can not be compromised without affecting veterans' care. The president's annual budget for the VA has not requested crucial funding for major medical facility construction. The VA is currently reevaluating their present VA facility infrastructure needs through a process known as CARES or the "Capital Assets Realignment for Enhanced Services." Veteran health care and safety may pay the price as this process may take years to complete. With the increasing numbers of female veterans, many inpatient rooms and bathrooms continue to be inadequate to provide needed space and privacy. Many VA facilities, like the VA Spinal Cord Injury Center in Augusta, Georgia, which serves veterans from Alabama, Georgia, South Carolina, North Carolina, and Tennessee have long waits for care. At least 25 VA construction projects across the Nation would be appropriate for consideration. A Price Waterhouse report recommended that VA spend from 2 to 4 percent of its plant replacement value, PRV, on upkeep and replacement of current medical centers. Based on a PRV of $35 billion, for fiscal year 2001, VA would need approximately $170 million to meet these basic safety and upkeep needs. The VA health care system is the largest health care provider in the nation, yet we are not maintaining these essential medical centers. I urge my colleagues to support the Veterans Hospitals Emergency Repair Act and to provide the crucial assistance needed now for our veterans. This proposal would give the VA Secretary limited authority to complete identified medical facility projects thus helping to preserve the VA health care system until the CARES process can be completed.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, bill was ordered to be printed in the RECORD, as follows:

S. 1280

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Hospital Emergency Repair Act".

SEC. 2. AUTHORIZATION OF MAJOR MEDICAL FACILITY PROJECTS FOR PATIENT CARE IMPROVEMENTS.

(a) IN GENERAL.—(1) The Secretary of Veterans Affairs is authorized to carry out major medical facility projects in accordance with this section, using funds appropriated for fiscal year 2002 or fiscal year 2003 pursuant to section 3. The cost of any such project may not exceed $25,000,000.

(2) Projects carried out under this section are not subject to section 8104(a)(2) of title 38, United States Code.

(b) PURPOSE OF PROJECTS.—A project carried out pursuant to subsection (a) may be carried out only at a Department of Veterans Affairs medical center and only for the purpose of improving, renovating, and updating to contemporary standards patient care facilities. In selecting medical centers for projects under subsection (a), the Secretary shall select projects to improve, renovate, or update facilities to achieve one or more of the following:

(1) Seismic protection improvements related to patient safety.

(2) Fire safety improvements.

(3) Improvements to utility systems and ancillary patient care facilities.

(4) Improved accommodation for persons with disabilities, including barrier-free access.

(5) Improvements to facilities carrying out specialized programs of the Department, including the following:

(A) Blind rehabilitation centers.

(B) Facilities carrying out inpatient and residential programs for seriously mentally ill veterans, including mental illness research, education, and clinical centers.

(C) Facilities carrying out residential and rehabilitation programs for veterans with substance-use disorders.

(D) Facilities carrying out physical medicine and rehabilitation activities.

(E) Facilities providing long-term care, including geriatric research, education, and clinical centers, adult day care centers, and nursing home care facilities.

(F) Facilities providing amputation care, including facilities for prosthetics, orthotics programs, and sensory aids.

(G) Spinal cord injury centers.

(H) Facilities carrying out traumatic brain injury programs.

(I) Facilities carrying out women veterans' health programs (including particularly programs involving privacy and accommodation for female patients).

(J) Facilities for hospice and palliative care programs.

(c) REVIEW PROCESS.—(1) Before a project is submitted to the Secretary with a recommendation that it be approved as a project to be carried out under the authority of this section, the project shall be reviewed by an independent board within the Department of Veterans Affairs constituted by the Secretary to evaluate capital investment projects. The board shall review each such project to determine the project's relevance to the medical care mission of the Department and whether the project improves, renovates, and updates patient care facilities of the Department in accordance with this section.

(2) In selecting projects to be carried out under the authority of this section, the Secretary shall consider the recommendations of the board under paragraph (1). In any case in which the Secretary selects a project to be carried out under this section that was not recommended for approval by the board under paragraph (1), the Secretary shall include in the report of the Secretary under section 4(b) notice of such selection and the Secretary's reasons for not following the recommendation of the board with respect to the project.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the Secretary of Veterans Affairs for the Construction, Major Projects, account for projects under section 2—

(1) $250,000,000 for fiscal year 2002; and

(2) $300,000,000 for fiscal year 2003.

(b) LIMITATION.—Projects may be carried out under section 2 only using funds appropriated pursuant to the authorization of appropriations in subsection (a).

SEC. 4. REPORTS.

(a) GAO REPORT.—Not later than April 1, 2003, the Comptroller General shall submit to the Committees on Veterans' Affairs and on Appropriations of the Senate and House of Representatives a report evaluating the advantages and disadvantages of congressional authorization for projects of the type described in section 2(b) through general authorization as provided by section 2(a), rather than through specific authorization as would otherwise be applicable under section 8104(a)(2) of title 38, United States Code. Such report shall include a description of the actions of the Secretary of Veterans Affairs during fiscal year 2002 to select and carry out projects under section 2.

(b) SECRETARY REPORT.—Not later than 120 days after the date on which the site for the final project under section 2 is selected, the Secretary shall submit to the committees referred to in subsection (a) a report on the authorization process under section 2. The Secretary shall include in the report the following:

(1) A listing by project of each project selected by the Secretary under that section, together with a prospectus description of the purposes of the project, the estimated cost of the project, and a statement attesting to the review of the project under section 2(c), and, if that project was not recommended by the board, the Secretary's justification under section 2(d) for not following the recommendation of the board.

(2) An assessment of the utility to the Department of Veterans Affairs of the authorization process.

(3) Such recommendations as the Secretary considers appropriate for future congressional policy for authorizations of major and minor medical facility construction projects for the Department.

(4) Any other matter that the Secretary considers to be appropriate with respect to oversight by Congress of capital facilities projects of the Department.

By Mr. HATCH:

S. 1282. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income of individual taxpayers discharges of indebtedness attributable to certain forgiven residential mortgages obligations; to the Committee on Finance.

Mr. HATCH. Mr. President, I rise today to introduce the Mortgage Cancellation Act of 2001. This bill would fix a flaw in the tax code that unfairly harms homeowners who sell their home at a loss.

Today, our Nation has achieved an amazing 67.5 percent rate of homeownership, the highest rate in our history. It is notable that in recent years, the largest category of first-time homebuyers has been comprised of immigrants and minorities. This is a great success story. Homeownership is still the most important form of wealth accumulation in our society.

From time to time, however, the value of housing in a whole market goes down through no fault of the homeowner. A plant closes, environmental degradations are found nearby, a regional economic slump hits hard. This happened during the 1980s in the oil patch and in Southern California and New England at the beginning of the 1990s. A general housing market downturn can be devastating to what is very often a family's largest asset. Unfortunately, a loss in value to the family home may not be the worst of it. Sometimes when people must sell their homes during a downturn, they get a nasty surprise from the tax law.

For example, suppose Keith and Mary Turner purchased a home for $120,000 with a five percent down payment and a mortgage of $114,000. Four years later, the local housing market experiences a downturn. While the market is down, the Turners must sell the home because Keith was laid off and has accepted a job in another city. The house sells for $105,000. However, the Turners still owe $112,000 on their mortgage. They are $7,000 short on what they owe on the mortgage, but have no equity and received no cash.

Often, homeowners who must sell their home at a loss are able to negotiate with their mortgage holder to forgive all or part of the mortgage balance that exceeds the selling price. However, under current tax law, the amount forgiven is taxable income to the seller, taxed at ordinary rates.

In the case of the Turner family, the mortgage holder agreed to forgive the $7,000 excess of the mortgage balance over the sales price. However, under current law, this means the Turners will have to recognize this $7,000 as taxable income at a time when they can least afford it. This is true even though the family suffered a $15,000 loss on the sale of the home.

I find this predicament both ironic and unfair. If this same family, under better circumstances, had been able to sell their house for $150,000 instead of $105,000, then they would owe nothing in tax on the gain under current tax law because gains on a principal residence are tax-exempt up to $500,000. I believe that this discrepancy creates a tax inequity that begs for relief.

It is simply unfair to tax people right at the time they have had a serious loss and have no cash with which to pay the tax. The bill I introduce today, the Mortgage Cancellation Relief Act, will relieve this unfair tax burden so that in the case where the lender forgives part of the mortgage, there will be no taxable event.

Who are the people that are most vulnerable to this mortgage forgiveness tax dilemma? Unfortunately, people who have a very small amount of equity in their homes are most likely to experience this problem. Today, about 4.6 million households have low equity in their homes. Of those, about 2 million have no equity in their homes, which is defined as less than 10 percent of the value of the home. In a housing value downturn, these people would be wiped out first if they had to sell.

Sixty-seven percent of these low-equity owners are first-time homebuyers, and 26 percent of them have less than $30,000 of annual family income. The median value of their homes is $70,000, while the median value of all homes nationally is $108,000. More than half of these low equity owners live in the South or in the West.

I want to emphasize that now is the time to correct this inequity. Today, the National Association of Realtors reports that there are no markets that are in the woeful condition of having homes lose value. Still, in our slowing economy, families are vulnerable. Because today's real estate market is strong, now is the optimal time to correct this fundamental unfairness. The bill applies only to the circumstance in which a lender actually forgives some portion of a mortgage debt and is not intended to be an insurance policy against economic loss. My bill provides safeguards against abuse and will help families at a time when they are most in need of relief.

The estimated revenue effect of this bill is not large. The Joint Committee on Taxation last year estimated that this correction would result in a loss to the Treasury of only about $27 million over five years and $64 million over ten years. Again, it is important to note that if we wait to correct this problem until it becomes more widespread, and thus more expensive, it will be much more difficult to find the necessary offset.

I hope my colleagues will take a close look at this small, but important, bill, and join me in sponsoring it and pushing for its inclusion in the next appropriate tax cut bill the Senate considers.

I ask unanimous consent that a copy of the bill be printed in the Record.

There being no objection, bill was ordered to be printed in the Record, as follows:

S. 1282

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Mortgage Cancellation Relief Act of 2001".

SEC. 2. EXCLUSION FROM GROSS INCOME FOR CERTAIN FORGIVEN MORTGAGE OBLIGATIONS.

(a) In General.—Paragraph (1) of section 108(a) of the Internal Revenue Code of 1986 (relating to exclusion from gross income) is amended by striking "or" at the end of both subparagraphs (A) and (C), by striking the period at the end of subparagraph (D) and inserting ", or", and by inserting after subparagraph (D) the following new subparagraph:

"(E) in the case of an individual, the indebtedness discharged is qualified residential indebtedness.".

(b) Qualified Residential Indebtedness Shortfall.—Section 108 of the Internal Revenue Code of 1986 (relating to discharge of indebtedness) is amended by adding at the end the following new subsection:

"(h) Qualified Residential Indebtedness.—

"(1) Limitations.—The amount excluded under subparagraph (E) of subsection (a)(1) with respect to any qualified residential indebtedness shall not exceed the excess (if any) of—

"(A) the outstanding principal amount of such indebtedness (immediately before the discharge), over

"(B) the sum of—

"(i) the amount realized from the sale of the real property securing such indebtedness reduced by the cost of such sale, and

"(ii) the outstanding principal amount of any other indebtedness secured by such property.

"(2) Qualified residential indebtedness.—

"(A) In general.—The term 'qualified residential indebtedness' means indebtedness which—

"(i) was incurred or assumed by the taxpayer in connection with real property used as the principal residence of the taxpayer (within the meaning of section 121) and is secured by such real property,

"(ii) is incurred or assumed to acquire, construct, reconstruct, or substantially improve such real property, and

"(iii) with respect to which such taxpayer makes an election to have this paragraph apply.

"(B) Refinanced indebtedness.—Such term shall include indebtedness resulting from the refinancing of indebtedness under subparagraph (A)(ii), but only to the extent the refinanced indebtedness does not exceed the amount of the indebtedness being refinanced.

"(C) Exceptions.—Such term shall not include qualified farm indebtedness or qualified real property business indebtedness.".

(c) Conforming Amendments.—

(1) Paragraph (2) of section 108(a) of the Internal Revenue Code of 1986 is amended—

(A) in subparagraph (A) by striking "and (D)" and inserting "(D), and (E)", and

(B) by amending subparagraph (B) to read as follows:

"(B) Insolvency exclusion takes precedence over qualified farm exclusion, qualified real property business exclusion, and qualified residential shortfall exclusion.—Subparagraphs (C), (D), and (E) of paragraph (1) shall not apply to a discharge to the extent the taxpayer is insolvent.".

(2) Paragraph (1) of section 108(b) of such Code is amended by striking "or (C)" and inserting "(C), or (E)".

(3) Subsection (c) of section 121 of such Code is amended by adding at the end the following new paragraph:

"(3) Special rule relating to discharge of indebtedness.—The amount of gain which (but for this paragraph) would be excluded from gross income under subsection (a) with respect to a principal residence shall be reduced by the amount excluded from gross income under section 108(a)(1)(E) with respect to such residence.".

(d) Effective Date.—The amendments made by this section shall apply to discharges after the date of the enactment of this Act.

By Mr. KENNEDY (for himself, Mr. Specter, Mr. Jeffords, Mr. Lieberman, Mr. Daschle, Mr. Akaka, Mr. Baucus, Mr. Bayh, Mr. Biden, Mr. Bingaman, Mrs. Boxer, Ms. Cantwell, Mr. Carper, Mr. Chafee, Mr. Cleland, Mrs. Clinton, Mr. Corzine, Mr. Dayton, Mr. Dodd, Mr. Durbin, Mr. Edwards, Mr. Feingold, Mrs. Feinstein, Mr. Harkin, Mr. Inouye, Mr. Kerry, Mr. Kohl, Ms. Landrieu, Mr. Leahy, Mr. Levin, Ms. Mikulski, Mrs. Murray, Mr. Nelson of Florida, Mr. Reed, Mr. Reid, Mr. Sarbanes, Mr. Schumer, Mr. Smith of Oregon, Ms. Stabenow, Mr. Torricelli, Mr. Wellstone, and Mr. Wyden):

S. 1284. A bill to prohibit employment discrimination on the basis of sexual orientation; to the Committee on Health, Education, Labor, and Pensions.

Mr. KENNEDY. Mr. President, it's a privilege to introduce the Employment Non-Discrimination Act.

Civil rights is the unfinished business of the Nation. The Civil Rights Act of 1964 has long prohibited job discrimination based on race, ethnic background, gender, or religion. It is long past time to prohibit such discrimination based on sexual orientation, and that is what the Employment Non-Discrimination Act will do.

Its provisions are straight-forward and limited. It prohibits employers from discriminating against individuals because of their sexual orientation when making decisions about hiring, firing, promotion and compensation. It does not require employers to provide domestic partnership benefits, and it does not apply to the armed forces or to religious organizations. It also prohibits the use of quotas and preferential treatment.

Too many hard-working Americans are being judged today on their sexual orientation, rather than their ability and qualifications. For example, after working at Red Lobster for several years and receiving excellent reviews, Kendall Hamilton applied for a promotion at the urging of the general manager who knew he was gay. The application was rejected after a co-worker disclosed Kendall's sexual orientation to the management team, and the promotion went instead to an employee of nine months whom Kendall had trained. Kendall was told that his sexual orientation "was not compatible with Red Lobster's belief in family values," and that being gay had destroyed his chances of becoming a manager. Feeling he had no choice, Kendall left the company.

Fireman Steve Morrison suffered similar discrimination. His co-workers saw him on the local news protesting an anti-gay initiative, and incorrectly assumed he was gay. He soon lost workplace responsibilities and was the victim of harassment, including hate mail. After lengthy administrative proceedings, he was finally able to have the false charges removed from his record, but he was transferred to another station.

The overwhelming majority of Americans oppose this kind of flagrant discrimination. Businesses of all sizes, labor unions, and a broad religious coalition all strongly support the Employment Non-Discrimination Act. America will not achieve its promise of true justice and equal opportunity for all until we end all forms of discrimination.

Mr. LIEBERMAN. Mr. President, I am delighted to join with Senators Kennedy, Specter, Jeffords and many other colleagues as an original cosponsor of this important legislation, the Employment Non-Discrimination Act of 2001. By guaranteeing that American workers cannot lose their jobs simply because of their sexual orientation, this bill would extend the bedrock American values of fairness and equality to a group of our fellow citizens who too often have been denied the benefit of those most basic values.

Two hundred and twenty-five years ago this month, Thomas Jefferson laid out a vision of America as dedicated to the simple idea that all of us are created equal, endowed by our Creator with the inalienable rights to life, liberty and the pursuit of happiness. As Jefferson knew, our society did not in his time live up to that ideal, but since his time, we have been trying to. In succeeding generations, we have worked ever harder to ensure that our society removes unjustified barriers to individual achievement and that we judge each other solely on our merits and not on characteristics that are irrelevant to the task at hand. We are still far from perfect, but we have made much progress, especially over the past few decades, guaranteeing equality and fairness to an increasing number of groups that traditionally have not had the benefits of those values and of those protections. To African- Americans, to women, to disabled Americans, to religious minorities and to others we have extended a legally enforceable guarantee that, with respect to their ability to earn a living at least, they will be treated on their merits and not on characteristics unrelated to their ability to do their jobs.

It is time to extend that guarantee to gay men and lesbians, who too often have been denied the most basic of rights: the right to obtain and maintain a job. A collection of one national survey and twenty city and State surveys found that as many as 44 percent of gay, lesbian and bisexual workers faced job discrimination in the workplace at some time in their careers. Other studies have reported even greater discrimination, as much as 68 percent of gay men and lesbians reporting employment discrimination. The fear in which these workers live was clear from a survey of gay men and lesbians in Philadelphia. Over three-quarters told those conducting the survey that they sometimes or always hide their orientation at work out of fear of discrimination.

The toll this discrimination takes extends far beyond its effect on the individuals who live without full employment opportunities. It also takes an unacceptable toll on America's definition of itself as a land of equality and opportunity, as a place where we judge each other on our merits, and as a country that teaches its children that anyone can succeed here as long as they are willing to do their job and work hard.

This bill provides for equality and fairness, that and no more. It says only what we already have said for women, for people of color and for others: that you are entitled to have your ability to earn a living depend only on your ability to do the job and nothing else.

This bill would bring our Nation one large step closer to realizing the vision that Thomas Jefferson so eloquently expressed 225 years ago when he wrote that all of us have a right to life, liberty and the pursuit of happiness. I urge my colleagues to join me in supporting this important legislation.

Mr. SMITH of Oregon. Mr. President, I rise today to give my support for the Employment Non Discrimination Act of 2001 or ENDA. I believe that every American should have the opportunity to work and should not be denied that opportunity for jobs they are qualified to fill. In both my private and public life I have hired without regard to sexual orientation and have found both areas to be enriched by this decision.

ENDA would provide basic protection against job discrimination based on sexual orientation. Civil Rights progress over the years has slowly extended protection against discrimination in the workplace based on race, gender, national origin, age, religion and disability. It is time now to extend these protections to cover sexual orientation, the next logical step to achieve equality of opportunity in the workplace.

As a Republican, I do not believe that this discrimination in the workplace can be categorized as a conservative/liberal issue. Barry Goldwater once wrote:

> I am proud that the Republican Party has always stood for individual rights and liberties. The positive role of limited government has always been the defense of these fundamental principles. Our Party has led the way in the fight for freedom and a free market economy, a society where competition and the Constitution matter, and sexual orientation should not . . .

Indeed my Republican predecessor in this seat, Mark Hatfield was also a strong supporter of ENDA and viewed discrimination as a serious societal injustice, in both human and economic terms:

> As this Nation turns the corner toward the 21st century, the global nature of our economy is becoming more and more apparent. If we are to compete in this marketplace, we must break down the barriers to hiring the most qualified and talented person for the job. Prejudice is such a barrier. It is intolerable and irrational for it to color decisions in the workplace.

I believe that ENDA is a well thought-out approach to rectifying discrimination in the workplace. ENDA contains broad exemptions for religious organizations, the military and small businesses. It specifically rules out preferential treatment or "quotas" and does not affect our nation's armed services. I am confident that this bill will pass this Senate by a bipartisan majority.

ENDA is a simple, narrowly-crafted solution to a significant omission in our civil rights law. I strongly believe that no one should be denied employment on the basis of sexual orientation or any other factor not related to ability to do a particular job. I look forward to working with my colleagues to pass ENDA and strengthen fundamental fairness in our society.

By Mr. CORZINE:

S. 1285. A bill to provide the President with flexibility to set strategic nuclear delivery system levels to meet United States national security goals; to the Committee on Armed Services.

Mr. CORZINE. Mr. President, today I am introducing legislation, the Strategic Arms Flexibility Act of 2001, that would restore the President's authority to manage the size of our Nation's nuclear stockpile by repealing an obsolete law that now prevents him from reducing the number of nuclear weapons. The Strategic Arms Flexibility Act of 2001 would reduce the risk of a catastrophic accident or terrorist incident, reduce tensions throughout the world, and save substantial taxpayer dollars.

We have far more nuclear weapons than would ever be necessary to win a war. Based on START counting rules, we have 7,300 strategic nuclear weapons. Yet, as Secretary of State Colin Powell has said, we could eliminate more than half of these weapons and still, "have the capability to deter any actor." Furthermore, the U.S. nuclear arsenal is equipped with sophisticated guidance and information systems that make our nuclear weapons much more accurate and effective than those of our adversaries. This is one reason why we should not be overly influenced by calls for maintaining strict numerical parity.

While the huge number of nuclear arms in our arsenal is not necessary to fight a war, maintaining these weapons actually presents significant risks to national security.

First, it increases the risk of a catastrophic accident. The more weapons that exist, the greater chance that a sensor failure or other mechanical problem, or an error in judgment, will lead to the detonation of a nuclear weapon. In fact, there have been many times when inaccurate sensor readings or other technical problems have forced national leaders to decide within minutes whether to launch nuclear weapons. In one incident, a Russian commander deviated from standard procedures by refusing to launch, even though an early detection system was reporting an incoming nuclear attack, a report that was inaccurate.

The second reason why maintaining excessive numbers of nuclear weapons poses national security risks is that it encourages other nations to maintain large stockpiles, as well. The more weapons held by other countries, the greater the risk that a rogue faction in one such country could gain access to nuclear weapons and either threaten to use them, actually use them, or transfer them to others. Such a faction could obtain weapons through force. For example, there are many poorly guarded intercontinental ballistic missiles that are easy targets for terrorists. Senator BOB KERREY, who introduced this legislation in the last Congress, speculated that a relatively small, well-trained group could overtake the few personnel who guard some of the smaller installations in Russia.

Alternatively, a hostile group might be able simply to purchase ballistic missiles on the black market. This risk may be especially relevant in Russia, where many military personnel are poorly paid and a few may feel financial pressure to collaborate with those hostile to the United States. In addition, some have speculated that the high cost of maintaining a large nuclear stockpile could encourage some nuclear powers themselves to sell weapon technologies as a mean of financing their nuclear infrastructure.

By reducing our own stockpile, we can encourage Russia to reduce its stockpile and discourage other nuclear states from expanding theirs. In particular, Russia is faced with the exorbitant annual cost of maintaining thousands of unnecessary ICBMs. The present state of Russia's economy leaves it ill-equipped to handle these costs, a fact readily admitted by Russian Defense Minister Igor Sergeyev. Russia has expressed an interest in reducing its stockpile dramatically, from about 6,000 weapons to fewer than 1,000. However, Russia is unlikely to make such reductions without a commensurate reduction by the United States. If the United States takes the first step, it would provide Russia with a face-saving way to do the same, without waiting for START II, which now appears unlikely to be ratified in the short term.

Beyond the benefits to national security of reducing our nuclear stockpile, such a reduction also would save taxpayers significant amounts of money. According to the Center for Defense Information, in FY 01, the United States spent $26.7 billion on operations, maintenance, and development related the United States' nuclear program. Of that $26.7 billion, $12.4 billion, just under half, goes to build, maintain, and operate our arsenal of tactical and strategic nuclear weapons. Although a precise cost estimate is not available, it seems clear that reducing the stockpile of nuclear weapons would provide major cost savings.

While a reduction in the nuclear stockpile would improve national security and reduce costs, the 1998 defense authorization act now prevents the President from reducing such weapons until the Russian Duma approves the START II treaty. The Bush Administration has made it clear that it wants this law repealed, and would like the authority to unilaterally reduce the nuclear stockpile. In hearings before various Senate Committees, Secretary of Defense Donald Rumsfeld and Deputy Secretary of Defense Paul Wolfowitz, have expressed the Administration's desire to retire immediately 50 unnecessary MX peacekeeper missiles with some 500 warheads. The Administration is still conducting a more comprehensive review and may well propose additional reductions. However, as Secretary Wolfowitz has testified, "we will need the support of the Congress to remove the current restrictions that prohibit us from getting rid of a nuclear system that we no longer need."

Some might question whether it is appropriate to reduce the United States stockpile without a direct assurance that other nations would reduce theirs by the same amount. However, this is flawed Cold War thinking. As Secretary Powell has stated, we have far more weapons than necessary to devastate any opponent, real or imagined, many times over. Clearly, we can reduce our stockpile without in any way reducing our nuclear deterrent, or our national security.

Having said this, reducing the stockpile is not enough. We also need to encourage and assist others in doing so. In particular, it is important that we help Russia by providing aid for dismantling weapons and by offering other economic assistance. We also need to continue to negotiate arms reductions and non-proliferation agreements with other countries, including, but not limited to Russia. Unilateral action can provide many benefits, but we need multilateral agreements to more fully reduce the nuclearthreat, and prevent the spread of nuclear technology. Ultimately, the nuclear threat is a threat to all of humanity, and all nations need to be part of a coordinated effort to reduce that threat.

In recent months, we have renewed a long-standing debate about whether to deploy a national missile defense. Proponents of such a system argue that it would reduce the threat posed by nuclear weapons by giving us the capacity to deflect incoming nuclear weapons. However, many have raised serious concerns about this approach, and the risk that it actually could reduce our national security by creating a new arms race and heightening international tensions.

The bill I am introducing today offers a proven way to reduce the nuclearthreat that can be accomplished quickly and without the controversy associated with a national missile defense system.

There are few issues more important than reducing the risks posed by nuclear weapons. For the past half century, the world has lived with these weapons, and it is easy to underestimate the huge threat they represent. Yet it is critical that we remain vigilant and do everything in our power to reduce that threat. The fate of the world, quite literally, is at stake.

I urge my colleagues to support this simple but powerful measure.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 142—EXPRESSING THE SENSE OF THE SENATE THAT THE UNITED STATES SHOULD BE AN ACTIVE PARTICIPANT IN THE UNITED NATIONS WORLD CONFERENCE ON RACISM, RACIAL DISCRIMINATION, XENOPHOBIA AND RELATED INTOLERANCE

Mr. DODD submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 142

Whereas racial discrimination, ethnic conflict, and xenophobia persist in various parts of the world despite continuing efforts by the international community;

Whereas in recent years the world has witnessed campaigns of ethnic cleansing;

Whereas racial minorities, migrants, asylum seekers, and indigenous peoples are persistent targets of intolerance and violence;

Whereas millions of human beings continue to encounter discrimination solely due to their race, skin color, or ethnicity;

Whereas early action is required to prevent the growth of ethnic hatred and to diffuse potential violent conflicts;

Whereas the problems associated with racism will be thoroughly explored at the United Nations World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance, to be held in Durban, South Africa from August 31 to September 7, 2001;

Whereas this conference will review progress made in the fight against racism and consider ways to better ensure the application of existing standards to combat racism;

Whereas the conference will increase the level of awareness about the scourge of racism and formulate concrete recommendations on ways to increase the effectiveness of the United Nations in dealing with racial issues;

Whereas the conference will review the political, historical, economic, social, cultural, and other factors leading to racism and racial discrimination and formulate concrete recommendations to further action-oriented national, regional, and international measures to combat racism;

Whereas the conference will draw up concrete recommendations to ensure that the United Nations has the resources to actively combat racism and racial discrimination; and

Whereas the United States is a member of the United Nations: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the United States should attend and participate fully in the United Nations World Conference on Racism, Racial Discrimination, Xenophobia and Related Intolerance;

(2) the delegation sent to the conference by the United States should reflect the racial and geographic diversity of the United States; and

(3) the President should support the conference and should act in such a way as to facilitate substantial United States involvement in the conference.

Mr. DODD. Mr. President, I rise today to discuss the possibility that the United States will not send a full delegation to the United Nations World Conference Against Racism, Racial Discrimination, Xenophobia, and Related Intolerance. I believe this is both a worthwhile and important endeavor, and I am greatly troubled by the prospect that the United States may not attend.

According to a Washington Post article last week, the Bush Administration's reservations about attending the conference stem from concerns regarding certain proposed items on the agenda. The Administration's concerns are legitimate ones, but it is my belief that the Conference organizers are so anxious to have high level U.S. participation in Durban that contentious issues can be resolved prior to the August event, provided the United States signals its genuine interest in participating. Clearly the overarching objectives of the conference are of great importance to the American people and to peoples throughout the planet. As members of the global community, and as a global leader and vocal advocate for human rights, it would be tragic if the United States could not find a way to support the conference's honorable ambitions.

I do not need to list for my colleagues all the many injustices that occur each day, worldwide, that can be attributed to racism and ignorance, racism's frequent collaborator. As we all know, despite the best efforts of the international community, the effects of racial discrimination, ethnic conflict, and xenophobia continue to threaten and victimize people the world over. We have seen the violent devastations of racism in the former Yugoslavia, in Indonesia, and sadly, at home in America as well. The hateful term "ethnic cleansing" is now all too often used to describe violent international conflicts, and, increasingly, international humanitarian relief efforts focus on the tides of refugees fleeing persecution based on skin color, religion, and ethnic heritage. The task that lays before all nations therefore, is to peer deeply into the corners of our societies that we find most distasteful and hurtful, and to shine some light honestly onto the devastation that racism has inflicted.

In my view, the United Nations World Conference on Racism is the place to begin this difficult, but crucial process of racial introspection. It is not enough for the United States to pay lip service to the ideals of racial equality. We should attend this conference, and lend our full support to this worthy cause. I believe that in the conference we have a unique opportunity to work with other nations, our neighbors and partners, to begin the process of addressing the many crimes caused by racism, and the underlying societal causes of racism itself. This conference has the power to raise awareness about these issues, to form international consensus on best to combat racism, and to educate the international community on the ravages of racially motivated persecution and conflict.

It is my hope, that the Bush Administration will conclude that our presence at the United Nations Conference on Racism, Racial Discrimination, Xenophobia, and Related Intolerance is vital and appropriate, and will work to ensure that problems related to U.S. participation are resolved before the conference convenes next month. I would also hope that the President would designate Secretary of State Colin Powell to lead a racially and geographically diverse delegation from the United States to the conference in South Africa. Toward that end, I am submitting a resolution which urges the active participation of the United States in the conference, and it is my hope that my colleagues will support this resolution.

SENATE RESOLUTION 143—EXPRESSING THE SENSE OF THE SENATE REGARDING THE DEVELOPMENT OF EDUCATIONAL PROGRAMS ON VETERANS' CONTRIBUTIONS TO THE COUNTRY AND THE DESIGNATION OF THE WEEK OF NOVEMBER 11 THROUGH NOVEMBER 17, 2001, AS "NATIONAL VETERANS AWARENESS WEEK"

Mr. BIDEN (for himself, Mr. CONRAD, Mr. GRAHAM, Mr. LEVIN, Mr. SANTORUM, Mr. AKAKA, Mr. BREAUX, Mr. KENNEDY, Mr. COCHRAN, Mr. DODD, Mr. NELSON of Florida, Mr. BAUCUS, Mr. BAYH, Mr. BUNNING, Mr. DORGAN, Mrs. FEINSTEIN, Mr. DASCHLE, Mr. KERRY, Mr. INOUYE, Ms. LANDRIEU, Mr. LEAHY, Mr. MILLER, Mr. MURKOWSKI, Mr. REID, Mr. SARBANES, Mr. BINGAMAN, Mr. BYRD, Mr. DAYTON, Mr. DURBIN, Mr. KOHL, Mr. LIEBERMAN, Mr. MCCAIN, Mr. ROCKEFELLER, Mr. BROWNBACK, Mrs. LINCOLN, Mr. WARNER, Ms. STABENOW, Mr. DOMENICI, Mr. VOINOVICH, Mrs. BOXER, Mr. CHAFEE, Mr. DEWINE, Mr. GRASSLEY, Mr. HAGEL, Mr. INHOFE, Ms. SNOWE, Mr. THURMOND, Ms. COLLINS, Mr. CARPER, Mr. STEVENS, Mr. ENSIGN, Mr. ROBERTS, Mr. SMITH of New Hampshire, and Mr. BOND) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 143

Whereas tens of millions of Americans have served in the Armed Forces of the United States during the past century;

Whereas hundreds of thousands of Americans have given their lives while serving in the Armed Forces during the past century;

Whereas the contributions and sacrifices of the men and women who served in the Armed Forces have been vital in maintaining our freedoms and way of life;

Whereas the advent of the all-volunteer Armed Forces has resulted in a sharp decline in the number of individuals and families who have had any personal connection with the Armed Forces;

Whereas this reduction in familiarity with the Armed Forces has resulted in a marked decrease in the awareness by young people of the nature and importance of the accomplishments of those who have served in our Armed Forces, despite the current educational efforts of the Department of Veterans Affairs and the veterans service organizations;

Whereas our system of civilian control of the Armed Forces makes it essential that the Nation's future leaders understand the history of military action and the contributions and sacrifices of those who conduct such actions; and

Whereas on June 14, 2001, the Senate adopted an amendment to the Better Education for Students and Teachers Act expressing the sense of the Senate that the Secretary of Education should work with the Secretary of Veterans Affairs, the Veterans Day National Committee, and the veterans service organizations to encourage, prepare, and disseminate educational materials and activities for elementary and secondary school students aimed at increasing awareness of the contributions of veterans to the prosperity and freedoms enjoyed by United States citizens: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the week of November 11 through November 17, 2001, be designated as "National Veterans Awareness Week" for the purpose of emphasizing educational efforts directed at elementary and secondary school students concerning the contributions and sacrifices of veterans; and

(2) the President should issue a proclamation calling on the people of the United States to observe such week with appropriate educational activities.

Mr. BIDEN. Mr. President, today I have the honor of joining with 51 of my colleagues in submitting a resolution expressing the sense of the Senate that the week that includes Veterans' Day this year be designated as "National Veterans Awareness Week." The purpose of National Veterans Awareness Week is to serve as a focus for educational programs designed to make students in elementary and secondary schools aware of the contributions of veterans and their importance in preserving American peace and prosperity.

Why do we need such an educational effort? In a sense, this action has become necessary because we are victims of our own success with regard to the superior performance of our armed forces. The plain fact is that there are just fewer people around now who have had any connection with military service. For example, as a result of tremendous advances in military technology and the resultant productivity increases, our current armed forces now operate effectively with a personnel roster that is one-third less in size than just 10 years ago. In addition, the success of the all-volunteer career-oriented force has led to much lower turnover of personnel in today's military than in previous eras when conscription was in place. Finally, the number of veterans who served during previous conflicts, such as World War II, when our military was many times larger than today, is inevitably declining.

The net result of these changes is that the percentage of the entire population that has served in the Armed Forces is dropping rapidly, a change that can be seen in all segments of society. Whereas during World War II it was extremely uncommon to find a family in America that did not have one of its members on active duty, now there are numerous families that include no military veterans at all. As a consequence of this lack of opportunity for contacts with veterans, many of our young people have little or no connection with or knowledge about the important historical and ongoing role of men and women who have served in the military. This omission seems to have persisted despite ongoing educational efforts by the Department of Veterans Affairs and the veterans service organizations.

This lack of understanding about military veterans' important role in our society can have potentially serious repercussions. In our country, civilian control of the armed forces is the key tenet of military governance. A citizenry that is oblivious to the capabilities and limitations of the armed forces, and to its critical role throughout our history, can make decisions that have unexpected and unwanted consequences. Even more important, general recognition of the importance of those individual character traits that are essential for military success, such as patriotism, selflessness, sacrifice, and heroism, is vital to maintaining these key aspects of citizenship in the armed forces and even throughout the population at large.

Among today's young people, a generation that has grown up largely during times of peace and extraordinary prosperity and has embraced a "me first" attitude, it is perhaps even more important to make sure that there is solid understanding of what it has taken to attain this level of comfort and freedom. The failure of our children to understand why a military is important, why our society continues to depend on it for ultimate survival, and why a successful military requires integrity and sacrifice, will have predictable consequences as these youngsters become of voting age. Even though military service is a responsibility that is no longer shared by a large segment of the population, as it has been in the past, knowledge of the contributions of those who have served in the Armed Forces is as important as it has ever been. To the extent that many of us will not have the opportunity to serve our country in uniform, we must still remain cognizant of our responsibility as citizens to fulfill the obligations we owe, both tangible and intangible, to those who do serve and who do sacrifice on our behalf.

The importance of this issue was brought home to me last year by Samuel I. Cashdollar, who was then a 13-year-old seventh grader at Lewes Middle School in Lewes, Delaware. Samuel won the Delaware VFW's Youth Essay Contest that year with a powerful presentation titled "How Should We Honor America's Veterans"? Samuel's essay pointed out that we have Nurses' Week, Secretaries' Week, and Teachers' Week, to rightly emphasize the importance of these occupations, but the contributions of those in uniform tend to be overlooked. We don't want our children growing up to think that Veterans Day has simply become a synonym for department store sale, and we don't want to become a Nation where more high school seniors recognize the name Britney Spears than the name Dwight Eisenhower.

Now, it is appropriate to ask, "We already have Veterans Day, why do we need National Veterans Awareness Week?". Historically, Veterans Day was established to honor those who served in uniform during wartime. Although we now customarily honor all veterans on Veterans Day, I see it as a holiday that is focused on honoring individuals, the courageous and selfless men and women without whose actions our country would not exist as it does. National Veterans Awareness Week would complement Veterans Day by focusing on education as well as commemoration, on the contributions of the many in addition to the heroism and service of the individual. National Veterans Awareness Week would also present an opportunity to remind ourselves of the contributions and sacrifices of those who have served in peacetime as well as in conflict; both groups work unending hours and spend long periods away from their families under conditions of great discomfort so that we all can live in a land of freedom and plenty.

Earlier this year, the Senate adopted my amendment to the education bill calling on the Department of Education to assist in the development of educational programs to enlighten our country's students about the contributions of veterans. Last year, my Resolution designating National Veterans Awareness Week had 60 cosponsors and was approved in the Senate by unanimous consent. I ask my colleagues to continue this trend of support for our veterans by endorsing this resolution again this year. Our children and our childrens' children will need to be well informed about what veterans have accomplished in order to make appropriate decisions as they confront the numerous worldwide challenges that they are sure to face in the future.

SENATE RESOLUTION 144—COMMENDING JAMES W. ZIGLAR FOR HIS SERVICE TO THE UNITED STATES SENATE

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 144

Whereas James W. Ziglar was elected the 35th Sergeant at Arms and Doorkeeper of the United States Senate on October 15, 1998

Whereas "Jim" served the United States Senate with great dedication, integrity and professionalism;

Whereas Jim Ziglar always performed his duties with unfailing good humor and bipartisanship;

Whereas as Sergeant at Arms and Doorkeeper of the Senate Jim Ziglar has utilized his previous 23 years in the public financial industry to the benefit of the entire Senate in implementing new and innovative programs in an efficient and effective manner.

Whereas James W. Ziglar will leave the Senate in August for the position of the Commissioner of Immigration and Naturalization: Now, therefore, be it

Resolved, That the United States Senate commends James W. Ziglar for his service to the United States Senate, and wishes to express its deep appreciation and gratitude.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to James W. Ziglar.

SENATE CONCURRENT RESOLUTION 62—CONGRATULATING UKRAINE ON THE 10TH ANNIVERSARY OF THE RESTORATION OF ITS INDEPENDENCE AND SUPPORTING ITS FULL INTEGRATION INTO THE EURO-ATLANTIC COMMUNITY OF DEMOCRACIES

Mr. HELMS (for himself, Mr. BIDEN, and Mr. LEVIN) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 62

Whereas August 24, 2001, marks the tenth anniversary of the restoration of independence in Ukraine;

Whereas the United States, having recognized Ukraine as an independent state on December 25, 1991, and having established diplomatic relations with Ukraine on January 2, 1992, recognizes that fulfillment of the vision of a Europe whole, free, and secure requires a strong, stable, democratic Ukraine fully integrated in the Euro-Atlantic community of democracies;

Whereas, during the fifth anniversary commemorating Ukraine's independence, the United States established a strategic partnership with Ukraine to promote the national security interests of the United States in a free, sovereign, and independent Ukrainian state;

Whereas Ukraine is an important European nation, having the second largest territory and sixth largest population in Europe;

Whereas Ukraine is a member of international organizations such as the Council of Europe and the Organization on Security and Cooperation in Europe (OSCE), as well as international financial institutions such as the International Monetary Fund (IMF), the World Bank, and the European Bank for Reconstruction and Development (EBRD);

Whereas in July 1994, Ukraine's presidential elections marked the first peaceful and democratic transfer of executive power among the independent states of the former Soviet Union;

Whereas five years ago, on June 28, 1996, Ukraine's parliament voted to adopt a Ukrainian Constitution, which upholds the values of freedom and democracy, ensures a citizen's right to own private property, and outlines the basis for the rule of law in Ukraine without regard for race, religion, creed, or ethnicity;

Whereas Ukraine has been a paragon of inter-ethnic cooperation and harmony as evidenced by the OSCE's and the United States State Department's annual human rights reports and the international community's commendation for Ukraine's peaceful handling of the Crimean secession disputes in 1994;

Whereas Ukraine, through the efforts of its government, has reversed the downward trend in its economy, experiencing the first real economic growth since its independence in fiscal year 2000 and the first quarter of 2001;

Whereas Ukraine furthered the privatization of its economy through the privatization of agricultural land in 2001, when the former collective farms were turned over to corporations, private individuals, or cooperatives, thus creating an environment that leads to greater economic independence and prosperity;

Whereas Ukraine has taken major steps to stem world nuclear proliferation by ratifying the START I Treaty on nuclear disarmament and the Treaty on the Non-Proliferation of Nuclear Weapons, subsequently has turned over the last of its Soviet-era nuclear warheads on June 1, 1996, and in 1998 agreed not to assist Iran with the completion of a nuclear power plant in Bushehr thought to be used for the possible production of weapons of mass destruction;

Whereas Ukraine has found many methods to implement military cooperation with its European neighbors, as well as peacekeeping initiatives worldwide, as exhibited by Ukraine's participation in the KFOR and IFOR missions in the former Yugoslavia, and offering up its own forces to be part of the greater United Nations border patrol missions in the Middle East and the African continent;

Whereas Ukraine became a member of the North Atlantic Cooperation Council of the North Atlantic Treaty Alliance (NATO), signed a NATO-Ukraine Charter at the Madrid Summit in July 1997, and has been a participant in the Partnership for Peace (PfP) program since 1994 with regular training maneuvers at the Yavoriv military base in Ukraine and on Ukraine's southern-most shores of the Black Sea;

Whereas on June 7, 2001, Ukraine signed a charter for the GUUAM (Georgia, Ukraine, Uzbekistan, Azerbaijan, and Moldova) alliance, in hopes of promoting regional interests, increasing cooperation, and building economic stability; and

Whereas 15 years ago, the Soviet-induced nuclear tragedy of Chornobyl gripped Ukrainian lands with insurmountable curies of radiation which will affect generations of Ukraine's inhabitants, and thus, now, Ukraine promotes safety for its citizens and its neighboring countries, as well as concern for the preservation of the environment by closing the last Chornobyl nuclear reactor on December 15, 2000: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) as a leader of the democratic nations of the world, the United States congratulates the people of Ukraine on their tenth anniversary of independence and supports peace, prosperity, and democracy in Ukraine;

(2) Ukraine has made significant progress in its political reforms during the first ten

years of its independence, as is evident by the adoption of its Constitution five years ago;

(3) the territorial integrity, sovereignty, and independence of Ukraine within its existing borders is an important factor of peace and stability in Europe;

(4) the President, the Prime Minister, and Parliament of Ukraine should continue to enact political reforms necessary to ensure that the executive, legislative, and judicial branches of the Government of Ukraine transparently represent the interests of the Ukrainian people;

(5) the Government and President of Ukraine should promote fundamental democratic principles of freedom of speech, assembly, and a free press;

(6) the Government and President of Ukraine should actively pursue in an open and transparent fashion investigations into violence committed against journalists, including the murders of Heorhiy Gongadze and Ihor Oleksandorv

(7) the Government of Ukraine (including the President and Parliament of Ukraine) should uphold international standards and procedures of free and fair elections in preparation for its upcoming parliamentary elections in March 2002;

(8) the Government of Ukraine (including the President and Parliament of Ukraine) should continue to accelerate its efforts to transform its economy into one founded upon free market principles and governed by the rule of law;

(9) the United States supports all efforts to promote a civil society in Ukraine that features a vibrant community of nongovernmental organizations (NGOs) and an active, independent, and free press;

(10) the Government of Ukraine (including the President and Parliament of Ukraine) should follow a westward-leaning foreign policy whose priority is the integration of Ukraine into Euro-Atlantic structures;

(11) the President of the United States should continue to consider the interests and security of Ukraine in reviewing or revising any European military and security arrangements, understandings, or treaties; and

(12) the President of the United States should continue to support and encourage Ukraine's role in NATO's Partnership for Peace program and the deepening of Ukraine's relationship with NATO.

SEC. 2. TRANSMITTAL OF THE RESOLUTION.

The Secretary of the Senate shall transmit a copy of this resolution to the President of the United States with the further request that the President transmit such copy to the Government of Ukraine.

SENATE CONCURRENT RESOLUTION 63—RECOGNIZING THE IMPORTANT CONTRIBUTIONS OF THE YOUTH FOR LIFE: REMEMBERING WALTER PAYTON INITIATIVE AND ENCOURAGING PARTICIPATION IN THIS NATIONWIDE EFFORT TO EDUCATE YOUNG PEOPLE ABOUT ORGAN AND TISSUE DONATION

Mr. DURBIN (for himself, Mr. FRIST, Mr. ALLEN, and Mr. KENNEDY) submitted the following concurrent resolution; which was referred to the Committee on Health, Education, Labor, and Pensions:

S. CON. RES. 63

Whereas more than 76,000 men, women, and children currently await life-saving transplants;

Whereas every 14 minutes another name is added to the national transplant waiting list;

Whereas people of all ages and medical histories are potential organ, tissue, and blood donors;

Whereas more than 2,300 of those awaiting transplants are under the age of 18;

Whereas approximately 14,000 children and young adults under the age of 18 have donated organs or tissue since 1988;

Whereas science shows that acceptance rates increase when donors are matched to recipients by age;

Whereas organ donation is often a family decision, and sharing a decision to become a donor with family members can help to ensure a donation when an occasion arises;

Whereas nationwide there are up to 15,000 potential donors annually, but consent from family members to donation is received for less than 6,000;

Whereas educating young people about organ and tissue donation promotes family discussions over the desire of family members to become organ donors;

Whereas Youth For Life: Remembering Walter Payton is committed to educating young adults about organ donation and encouraging students to discuss this decision with their family and register to be organ donors;

Whereas the Youth For Life: Remembering Walter Payton program is dedicated to football legend Walter Payton, who broke the NFL career rushing record on October 7, 1984; and

Whereas Youth For Life: Remembering Walter Payton Day will be held on October 9, 2001: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) supports the purposes and objectives of Youth For Life: Remembering Walter Payton; and

(2) encourages all young people to learn about the importance of organ, tissue, bone marrow, and blood donations and to discuss these donations with their families and friends.

Mr. DURBIN. Madam President, I stand before my colleagues today to acknowledge the contributions made by a dedicated group of young people from my home State of Illinois. John McCaskey, Erin Kinsella and Mark Pendleton have initiated a unique program to raise awareness among young adults about organ donation.

Youth for Life: Remembering Walter Payton works in partnership with the National Football League, NFL, to urge students to become organ donors. Informational school forums will acquaint students with the issue and those who decide to sign an organ donor card will receive an autograph from an NFL player. Program organizers call it "an autograph for an autograph," and to date, they have enlisted the help of players, coaches and alumni from every NFL team.

The program honors Walter Payton, the Illinois football star who brought to the Nation's attention the difficulties patients face while on the waiting list for a donated organ. The NFL's all-time rushing leader, Payton died two years ago while waiting for a liver transplant at age 46.

Walter Payton broke Jim Brown's all-time rushing record on October 7, 1984, and the Youth for Life: Remembering Walter Payton program organizers have decided to launch their efforts on October 9, 2001 to commemorate this accomplishment. While his record-breaking performance on the football field as a Chicago Bear set him apart from his competitors, his struggle to find a suitable organ donor is all too common.

More than 2,300 individuals suffering from a condition serious enough to place them on the waiting list for an organ or tissue transplant are under the age of 18. Last year, 641 of those patients were between the ages of 11 and 17. The Youth for Life: Remembering Walter Payton program highlights the fact that Americans of all ages need organ and tissue transplants. Many factors influence whether or not a transplant will be successful, and matching donor and recipient age is one way to improve surgery outcomes. Anyone can become an organ and tissue donor, and I would also like to emphasize how important it is that young people both learn about organ and tissue donation and share that knowledge with their families.

I am submitting a resolution that will support the purposes and objectives of the Youth for Life: Remembering Walter Payton program and encourage more young people to learn about organ and tissue donation. I am pleased that Senators ALLEN, KENNEDY and FRIST have joined me in cosponsoring this resolution. In the House of Representatives, Representative BROWN of Ohio and Representative LARGENT of Oklahoma have also chosen to lend their support to this program.

My colleagues know how far we have come in this field of medicine, especially Senator FRIST, himself a transplant surgeon. The first successful transplant was the result of a kidney donation from one identical twin to another. It occurred 47 years ago, without the use of any anti-rejection medication. The first liver and heart transplants followed, and progress hascontinued at breakneck speed. Today, transplant procedures are more common, successful and safe. Patients suffering from kidney failure, diabetes, heart disease and hepatitis C are just some of the individuals whose lives have been saved or vastly improved by advances in heart, liver, lung and tissue transplant science.

In addition to expanding the list of disorders treatable or curable with an organ or tissue transplant, doctors and scientists have improved the success and safety of transplant surgery. Organ and tissue recipients survive and thrive today because investments in biomedical research have broadened our understanding of the immunological factors that can enhance donor and recipient compatibility. Work in the laboratory has led to the discovery of various immunosuppressive drugs that decrease the likelihood of organ and tissue rejection. Increased rates of success have inspired more and more insurers to include transplant procedures and medication as part of the coverage they offer. Yet we continue to neglect an important part of the equation for saving and improving the lives of those patients waiting list for an organ or tissue transplant: Identifying and referring potential donors.

Progress in the field of transplant science is truly remarkable. This progress is why I vote time and time again to invest in medical research. This progress is also why I stand before my colleagues once again to emphasize the critical role played by groups like Youth for Life: Remembering Walter Payton.

The number of registered organ and tissue donors remains woefully inadequate. Every 14 minutes another individual joins the waiting list for an organ or tissue donation. Identifying more donors and encouraging them to discuss consent with their next-of-kin is a part of the battle against disease that we are not winning. We cannot afford to neglect the important work of groups that raise awareness about organ and tissue donation. Increasing knowledge about and inspiring interest in this issue is the only way we can ensure that innovations in the laboratory and increased proficiency among medical providers make a difference in the lives of those patients waiting for a transplant. The need for more donors is acute, and without groups like Youth for Life: Remembering Walter Payton, the number of patients who die while waiting for a transplant will only increase.

I introduced my "Give Thanks, Give Life" resolution in 1999, which emphasized the importance of discussing organ and tissue donation with family members to ensure that the desire to donate would be honored. At that time, there were 66,000 patients waiting for transplants. 76,000 individuals are waiting today. Of the 16,000 potential donors each year, less than half will actually result in a donation of an organ or tissue, because too many potential donors fail to discuss their desire to donate with family members.

For those 76,000 Americans who are on the waiting list for an organ or tissue donation, identifying and referring more donors is a matter of life or death. Once the decision to become a donor is made, family members must be made aware of the donor's intention. Youth for Life: Remembering Walter Payton is a commendable program because it tackles both of these barriers to linking organ and tissue donors with patients in need. Not only does the program encourage more individuals to become donors, it also recognizes that young people can take a leading role in initiating family discussion about intentions to be an organ and tissue donor.

This resolution affirms the goals and ideas of the Youth for Life: Remembering Walter Payton program, andurges young people to learn more about the value of organ and tissue donation and share that information with family members. I commend the program's founders for all the good work they have done thus far, and ask that my colleagues join me in recognizing their efforts.

AMENDMENTS SUBMITTED AND PROPOSED

SA 1190. Mr. LUGAR proposed an amendment to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers.

SA 1191. Mr. SPECTER (for himself, Ms. Landrieu, Ms. Collins, Mr. Schumer, Ms. Snowe, Mr. Leahy, Mr. Allen, Mr. Biden, Mr. Bond, Mr. Breaux, Mrs. Carnahan, Mr. Carper, Mr. Chafee, Mr. Cleland, Mrs. Clinton, Mr. Cochran, Mr. Dodd, Mr. Edwards, Mr. Frist, Mr. Gregg, Mr. Helms, Mr. Hollings, Mr. Jeffords, Mr. Kennedy, Mr. Kerry, Mr. Lieberman, Mrs. Lincoln, Ms. Mikulski, Mr. Miller, Mr. Reed, Mr. Rockefeller, Mr. Sarbanes, Mr. Sessions, Mr. Shelby, Mr. Smith, of New Hampshire, Mr. Thompson, Mr. Thurmond, Mr. Torricelli, and Mr. Warner) submitted an amendment intended to be proposed by him to the bill S. 1246, supra.

SA 1192. Mr. SMITH of Oregon submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1193. Mr. SMITH of Oregon submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1194. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1195. Ms. SNOWE (for herself and Mrs. Feinstein) submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1196. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1197. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1198. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1199. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1200. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1201. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1202. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1203. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1204. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1205. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1206. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1207. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1208. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1209. Mr. VOINOVICH submitted an amendment intended to be proposed by him to the bill S. 1246, supra.

SA 1210. Mr. AKAKA (for himself, Mr. Graham, Mr. Smith, of New Hampshire, Mr. Cleland, Mr. Schumer, Mr. Durbin, Mr. Levin, and Mrs. Feinstein) submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1211. Mr. McCAIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1212. Mr. LUGAR proposed an amendment to the bill S. 1246, supra.

TEXT OF AMENDMENTS

SA 1190. Mr. LUGAR proposed an amendment to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) Assistance Authorized.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agriculture Market Transition Act (7 U.S.C. 7201 et seq.).

(b) Amount.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payment under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool, and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(A) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $43,670,000.
(5) Arizona, $3,430,000
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000.
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $41,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oil-seeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2001 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments.".

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims.".

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SA 1191. Mr. SPECTER (for himself, Ms. LANDRIEU, Ms. COLLINS, Mr. SCHUMER, Ms. SNOWE, Mr. LEAHY, Mr. ALLEN, Mr. BIDEN, Mr. BOND, Mr. BREAUX, Mrs. CARNAHAN, Mr. CARPER, Mr. CHAFEE, Mr. CLELAND, Mrs. CLINTON, Mr. COCHRAN, Mr. DODD, Mr. EDWARDS, Mr. FRIST, Mr. GREGG, Mr. HELMS, Mr. HOLLINGS, Mr. JEFFORDS, Mr. KENNEDY, Mr. KERRY, Mr. LIEBERMAN, Mrs. LINCOLN, Ms. MIKULSKI, Mr. MILLER, Mr. REED, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SESSIONS, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. THOMPSON, Mr. THURMOND, Mr. TORRICELLI, and Mr. WARNER) submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; as follows:

On page 45, after line 25, insert the following:

TITLE VII—DAIRY CONSUMERS AND PRODUCERS PROTECTION

SEC. 701. NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by striking "States" and all that follows through "Vermont" and inserting "States of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont";

(2) by striking paragraphs (1), (3), and (7);

(3) in paragraph (2), by striking "Class III-A" and inserting "Class IV";

(4) by striking paragraph (4) and inserting the following:

"(4) ADDITIONAL STATE.—Ohio is the only additional State that may join the Northeast Interstate Dairy Compact.";

(5) in paragraph (5), by striking "the projected rate of increase" and all that follows through "Secretary" and inserting "the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code"; and

(6) by redesignating paragraphs (2), (4), (5), and (6) as paragraphs (1), (2), (3), and (4), respectively.

SEC. 702. SOUTHERN DAIRY COMPACT.

(a) IN GENERAL.—Congress consents to the Southern Dairy Compact entered into among the States of Alabama, Arkansas, Georgia, Kansas, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Virginia, and West Virginia, subject to the following conditions:

(1) LIMITATION OF MANUFACTURING PRICE REGULATION.—The Southern Dairy Compact Commission may not regulate Class II, Class III, or Class IV milk used for manufacturing purposes or any other milk, other than Class I, or fluid milk, as defined by a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937 (referred to in this section as a "Federal milk marketing order") unless Congress has first consented to and approved such authority by a law enacted after the date of enactment of this joint resolution.

(2) ADDITIONAL STATES.—Florida, Nebraska, and Texas are the only additional States that may join the Southern Dairy Compact, individually or otherwise.

(3) COMPENSATION OF COMMODITY CREDIT CORPORATION.—Before the end of each fiscal year in which a Compact price regulation is in effect, the Southern Dairy Compact Commission shall compensate the CommodityCredit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(4) MILK MARKETING ORDER ADMINISTRATOR.—At the request of the Southern Dairy Compact Commission, the Administrator of the applicable Federal milk marketing order shall provide technical assistance to the Compact Commission and be compensated for that assistance.'

(b) COMPACT.—The Southern Dairy Compact is substantially as follows:

"ARTICLE I. STATEMENT OF PURPOSE, FINDINGS AND DECLARATION OF POLICY

"§ 1. Statement of purpose, findings and declaration of policy

"The purpose of this compact is to recognize the interstate character of the southern dairy industry and the prerogative of the states under the United States Constitution to form an interstate commission for the southern region. The mission of the commission is to take such steps as are necessary to assure the continued viability of dairy farming in the south, and to assure consumers of an adequate, local supply of pure and wholesome milk.

"The participating states find and declare that the dairy industry is an essential agricultural activity of the south. Dairy farms, and associated suppliers, marketers, processors and retailers are an integral component of the region's economy. Their ability to provide a stable, local supply of pure, wholesome milk is a matter of great importance to the health and welfare of the region.

"The participating states further find that dairy farms are essential and they are an integral part of the region's rural communities. The farms preserve land for agricultural purposes and provide needed economic stimuli for rural communities.

"In establishing their constitutional regulatory authority over the region's fluid milk market by this compact, the participating states declare their purpose that this compact neither displace the federal order system nor encourage the merging of federal orders. Specific provisions of the compact itself set forth this basic principle.

"Designed as a flexible mechanism able to adjust to changes in a regulated marketplace, the compact also contains a contingency provision should the federal order system be discontinued. In that event, the interstate commission is authorized to regulate the marketplace in replacement of the order system. This contingent authority does not anticipate such a change, however, and should not be so construed. It is only provided should developments in the market other than establishment of this compact result in discontinuance of the order system.

"By entering into this compact, the participating states affirm that their ability to regulate the price which southern dairy farmers receive for their product is essential to the public interest. Assurance of a fair and equitable price for dairy farmers ensures their ability to provide milk to the market and the vitality of the southern dairy industry, with all the associated benefits.

"Recent, dramatic price fluctuations, with a pronounced downward trend, threaten the viability and stability of the southern dairy region. Historically, individual state regulatory action had been an effective emergency remedy available to farmers confronting a distressed market. The federal order system, implemented by the Agricultural Marketing Agreement Act of 1937, establishes only minimum prices paid to producers for raw milk, without preempting the power of states to regulate milk prices above the minimum levels so established.

"In today's regional dairy marketplace, cooperative, rather than individual state action is needed to more effectively address the market disarray. Under our constitutional system, properly authorized states acting cooperatively may exercise more power to regulate interstate commerce than they may assert individually without such authority. For this reason, the participating states invoke their authority to act in common agreement, with the consent of Congress, under the compact clause of the Constitution.

"ARTICLE II. DEFINITIONS AND RULES OF CONSTRUCTION

"§ 2. Definitions

"For the purposes of this compact, and of any supplemental or concurring legislation enacted pursuant thereto, except as may be otherwise required by the context:

"(1) 'Class I milk' means milk disposed of in fluid form or as a fluid milk product, subject to further definition in accordance with the principles expressed in subdivision (b) of section three.

"(2) 'Commission' means the Southern Dairy Compact Commission established by this compact.

"(3) 'Commission marketing order' means regulations adopted by the commission pursuant to sections nine and ten of this compact in place of a terminated federal marketing order or state dairy regulation. Such order may apply throughout the region or in any part or parts thereof as defined in the regulations of the commission. Such order may establish minimum prices for any or all classes of milk.

"(4) 'Compact' means this interstate compact.

“(5) ‘Compact over-order price’ means a minimum price required to be paid to producers for Class I milk established by the commission in regulations adopted pursuant to sections nine and ten of this compact, which is above the price established in federal marketing orders or by state farm price regulations in the regulated area. Such price may apply throughout the region or in any part or parts thereof as defined in the regulations of the commission.

“(6) ‘Milk’ means the lacteral secretion of cows and includes all skim, butterfat, or other constituents obtained from separation or any other process. The term is used in its broadest sense and may be further defined by the commission for regulatory purposes.

“(7) ‘Partially regulated plant’ means a milk plant not located in a regulated area but having Class I distribution within such area. Commission regulations may exempt plants having such distribution or receipts in amounts less than the limits defined therein.

“(8) ‘Participating state’ means a state which has become a party to this compact by the enactment of concurring legislation.

“(9) ‘Pool plant’ means any milk plant located in a regulated area.

“(10) ‘Region’ means the territorial limits of the states which are parties to this compact.

“(11) ‘Regulated area’ means any area within the region governed by and defined in regulations establishing a compact over-order price or commission marketing order.

“(12) ‘State dairy regulation’ means any state regulation of dairy prices, and associated assessments, whether by statute, marketing order or otherwise.

“§ 3. Rules of construction

“(a) This compact shall not be construed to displace existing federal milk marketing orders or state dairy regulation in the region but to supplement them. In the event some or all federal orders in the region are discontinued, the compact shall be construed to provide the commission the option to replace them with one or more commission marketing orders pursuant to this compact.

“(b) The compact shall be construed liberally in order to achieve the purposes and intent enunciated in section one. It is the intent of this compact to establish a basic structure by which the commission may achieve those purposes through the application, adaptation and development of the regulatory techniques historically associated with milk marketing and to afford the commission broad flexibility to devise regulatory mechanisms to achieve the purposes of this compact. In accordance with this intent, the technical terms which are associated with market order regulation and which have acquired commonly understood general meanings are not defined herein but the commission may further define the terms used in this compact and develop additional concepts and define additional terms as it may find appropriate to achieve its purposes.

“ARTICLE III. COMMISSION ESTABLISHED

“§ 4. Commission established

“There is hereby created a commission to administer the compact, composed of delegations from each state in the region. The commission shall be known as the Southern Dairy Compact Commission. A delegation shall include not less than three nor more than five persons. Each delegation shall include at least one dairy farmer who is engaged in the production of milk at the time of appointment or reappointment, and one consumer representative. Delegation members shall be residents and voters of, and subject to such confirmation process as is provided for in the appointing state. Delegation members shall serve no more than three consecutive terms with no single term of more than four years, and be subject to removal for cause. In all other respects, delegation members shall serve in accordance with the laws of the state represented. The compensation, if any, of the members of a state delegation shall be determined and paid by each state, but their expenses shall be paid by the commission.

“§ 5. Voting requirements

“All actions taken by the commission, except for the establishment or termination of an over-order price or commission marketing order, and the adoption, amendment or rescission of the commission's by-laws, shall be by majority vote of the delegations present. Each state delegation shall be entitled to one vote in the conduct of the commission's affairs. Establishment or termination of an over-order price or commission marketing order shall require at least a two-thirds vote of the delegations present. The establishment of a regulated area which covers all or part of a participating state shall require also the affirmative vote of that state's delegation. A majority of the delegations from the participating states shall constitute a quorum for the conduct of the commission's business.

“§ 6. Administration and management

“(a) The commission shall elect annually from among the members of the participating state delegations a chairperson, a vice-chairperson, and a treasurer. The commission shall appoint an executive director and fix his or her duties and compensation. The executive director shall serve at the pleasure of the commission, and together with the treasurer, shall be bonded in an amount determined by the commission. The commission may establish through its by-laws an executive committee composed of one member elected by each delegation.

“(b) The commission shall adopt by-laws for the conduct of its business by a two-thirds vote, and shall have the power by the same vote to amend and rescind these by-laws. The commission shall publish its by-laws in convenient form with the appropriate agency or officer in each of the participating states. The by-laws shall provide for appropriate notice to the delegations of all commission meetings and hearings and of the business to be transacted at such meetings or hearings. Notice also shall be given to other agencies or officers of participating states as provided by the laws of those states.

“(c) The commission shall file an annual report with the Secretary of Agriculture of the United States, and with each of the participating states by submitting copies to the governor, both houses of the legislature, and the head of the state department having responsibilities for agriculture.

“(d) In addition to the powers and duties elsewhere prescribed in this compact, the commission shall have the power:

“(1) To sue and be sued in any state or federal court;

“(2) To have a seal and alter the same at pleasure;

“(3) To acquire, hold, and dispose of real and personal property by gift, purchase, lease, license, or other similar manner, for its corporate purposes;

“(4) To borrow money and issue notes, to provide for the rights of the holders thereof and to pledge the revenue of the commission as security therefor, subject to the provisions of section eighteen of this compact;

“(5) To appoint such officers, agents, and employees as it may deem necessary, prescribe their powers, duties and qualifications; and

“(6) To create and abolish such offices, employments and positions as it deems necessary for the purposes of the compact and provide for the removal, term, tenure, compensation, fringe benefits, pension, and retirement rights of its officers and employees. The commission may also retain personal services on a contract basis.

“§ 7. Rulemaking power

“In addition to the power to promulgate a compact over-order price or commission marketing orders as provided by this compact, the commission is further empowered to make and enforce such additional rules and regulations as it deems necessary to implement any provisions of this compact, or to effectuate in any other respect the purposes of this compact.

“ARTICLE IV. POWERS OF THE COMMISSION

“§ 8. Powers to promote regulatory uniformity, simplicity, and interstate cooperation

“The commission is hereby empowered to:

“(1) Investigate or provide for investigations or research projects designed to review the existing laws and regulations of the participating states, to consider their administration and costs, to measure their impact on the production and marketing of milk and their effects on the shipment of milk and milk products within the region.

“(2) Study and recommend to the participating states joint or cooperative programs for the administration of the dairy marketing laws and regulations and to prepare estimates of cost savings and benefits of such programs.

“(3) Encourage the harmonious relationships between the various elements in the industry for the solution of their material problems. Conduct symposia or conferences designed to improve industry relations, or a better understanding of problems.

“(4) Prepare and release periodic reports on activities and results of the commission's efforts to the participating states.

“(5) Review the existing marketing system for milk and milk products and recommend changes in the existing structure for assembly and distribution of milk which may assist, improve or promote more efficient assembly and distribution of milk.

“(6) Investigate costs and charges for producing, hauling, handling, processing, distributing, selling and for all other services performed with respect to milk.

“(7) Examine current economic forces affecting producers, probable trends in production and consumption, the level of dairy farm prices in relation to costs, the financial conditions of dairy farmers, and the need for an emergency order to relieve critical conditions on dairy farms.

“§ 9. Equitable farm prices

“(a) The powers granted in this section and section ten shall apply only to the establishment of a compact over-order price, so long as federal milk marketing orders remain in effect in the region. In the event that any or all such orders are terminated, this article shall authorize the commission to establish one or more commission marketing orders, as herein provided, in the region or parts thereof as defined in the order.

“(b) A compact over-order price established pursuant to this section shall apply only to Class I milk. Such compact over-order price shall not exceed one dollar and fifty cents per gallon at Atlanta, Ga., however, this compact over-order price shall be adjusted upward or downward at other locations in the region to reflect differences in minimum federal order prices. Beginning in nineteen hundred ninety, and using that year as a base, the foregoing one dollar fifty cents per gallon maximum shall be adjusted annually by the rate of change in the Consumer Price Index as reported by the Bureau of Labor Statistics of the United States Department of Labor. For purposes of the pooling and equalization of an over-order price, the value of milk used in other use classifications shall be calculated at the appropriate class price established pursuant to the applicable federal order or state dairy regulation and the value of unregulated milk shall be calculated in relation to the nearest prevailing class price in accordance with and subject to such adjustments as the commission may prescribe in regulations.

"(c) A commission marketing order shall apply to all classes and uses of milk.

"(d) The commission is hereby empowered to establish a compact over-order price for milk to be paid by pool plants and partially regulated plants. The commission is also empowered to establish a compact over-order price to be paid by all other handlers receiving milk from producers located in a regulated area. This price shall be established either as a compact over-order price or by one or more commission marketing orders. Whenever such a price has been established by either type of regulation, the legal obligation to pay such price shall be determined solely by the terms and purpose of the regulation without regard to the situs of the transfer of title, possession or any other factors not related to the purposes of the regulation and this compact. Producer-handlers as defined in an applicable federal market order shall not be subject to a compact over-order price. The commission shall provide for similar treatment of producer-handlers under commission marketing orders.

"(e) In determining the price, the commission shall consider the balance between production and consumption of milk and milk products in the regulated area, the costs of production including, but not limited to the price of feed, the cost of labor including the reasonable value of the producer's own labor and management, machinery expense, and interest expense, the prevailing price for milk outside the regulated area, the purchasing power of the public and the price necessary to yield a reasonable return to the producer and distributor.

"(f) When establishing a compact over-order price, the commission shall take such other action as is necessary and feasible to help ensure that the over-order price does not cause or compensate producers so as to generate local production of milk in excess of those quantities necessary to assure consumers of an adequate supply for fluid purposes.

"(g) The commission shall whenever possible enter into agreements with state or federal agencies for exchange of information or services for the purpose of reducing regulatory burden and cost of administering the compact. The commission may reimburse other agencies for the reasonable cost of providing these services.

"§ 10. Optional provisions for pricing order

"Regulations establishing a compact over-order price or a commission marketing order may contain, but shall not be limited to any of the following:

"(1) Provisions classifying milk in accordance with the form in which or purpose for which it is used, or creating a flat pricing program.

"(2) With respect to a commission marketing order only, provisions establishing or providing a method for establishing separate minimum prices for each use classification prescribed by the commission, or a single minimum price for milk purchased from producers or associations of producers.

"(3) With respect to an over-order minimum price, provisions establishing or providing a method for establishing such minimum price for Class I milk.

"(4) Provisions for establishing either an over-order price or a commission marketing order may make use of any reasonable method for establishing such price or prices including flat pricing and formula pricing. Provision may also be made for location adjustments, zone differentials and for competitive credits with respect to regulated handlers who market outside the regulated area.

"(5) Provisions for the payment to all producers and associations of producers delivering milk to all handlers of uniform prices for all milk so delivered, irrespective of the uses made of such milk by the individual handler to whom it is delivered, or for the payment of producers delivering milk to the same handler of uniform prices for all milk delivered by them.

"(A) With respect to regulations establishing a compact over-order price, the commission may establish one equalization pool within the regulated area for the sole purpose of equalizing returns to producers throughout the regulated area.

"(B) With respect to any commission marketing order, as defined in section two, subdivision three, which replaces one or more terminated federal orders or state dairy regulations, the marketing area of now separate state or federal orders shall not be merged without the affirmative consent of each state, voting through its delegation, which is partly or wholly included within any such new marketing area.

"(6) Provisions requiring persons who bring Class I milk into the regulated area to make compensatory payments with respect to all such milk to the extent necessary to equalize the cost of milk purchased by handlers subject to a compact over-order price orcommission marketing order. No such provisions shall discriminate against milk producers outside the regulated area. The provisions for compensatory payments may require payment of the difference between the Class I price required to be paid for such milk in the state of production by a federal milk marketing order or state dairy regulation and the Class I price established by the compact over-order price or commission marketing order.

"(7) Provisions specially governing the pricing and pooling of milk handled by partially regulated plants.

"(8) Provisions requiring that the account of any person regulated under the compact over-order price shall be adjusted for any payments made to or received by such persons with respect to a producer settlement fund of any federal or state milk marketing order or other state dairy regulation within the regulated area.

"(9) Provision requiring the payment by handlers of an assessment to cover the costs of the administration and enforcement of such order pursuant to Article VII, Section 18(a).

"(10) Provisions for reimbursement to participants of the Women, Infants and Children Special Supplemental Food Program of the United States Child Nutrition Act of 1966.

"(11) Other provisions and requirements as the commission may find are necessary or appropriate to effectuate the purposes of this compact and to provide for the payment of fair and equitable minimum prices to producers.

"ARTICLE V. RULEMAKING PROCEDURE

"§ 11. Rulemaking procedure

"Before promulgation of any regulations establishing a compact over-order price or commission marketing order, including any provision with respect to milk supply under subsection 9(f), or amendment thereof, as provided in Article IV, the commission shall conduct an informal rulemaking proceeding to provide interested persons with an opportunity to present data and views. Such rulemaking proceeding shall be governed by section four of the Federal Administrative Procedure Act, as amended (5 U.S.C. §553). In addition, the commission shall, to the extent practicable, publish notice of rulemaking proceedings in the official register of each participating state. Before the initial adoption of regulations establishing a compact over-order price or a commission marketing order and thereafter before any amendment with regard to prices or assessments, the commission shall hold a public hearing. The commission may commence a rulemaking proceeding on its own initiative or may in its sole discretion act upon the petition of any person including individual milk producers, any organization of milk producers or handlers, general farm organizations, consumer or public interest groups, and local, state or federal officials.

"§ 12. Findings and referendum

"(a) In addition to the concise general statement of basis and purpose required by section 4(b) of the Federal Administrative Procedure Act, as amended (5 U.S.C. §553(c)), the commission shall make findings of fact with respect to:

"(1) Whether the public interest will be served by the establishment of minimum milk prices to dairy farmers under Article IV.

"(2) What level of prices will assure that producers receive a price sufficient to cover their costs of production and will elicit an adequate supply of milk for the inhabitants of the regulated area and for manufacturing purposes.

"(3) Whether the major provisions of the order, other than those fixing minimum milk prices, are in the public interest and are reasonably designed to achieve the purposes of the order.

"(4) Whether the terms of the proposed regional order or amendment are approved by producers as provided in section thirteen.

"§ 13. Producer referendum

"(a) For the purpose of ascertaining whether the issuance or amendment of regulations establishing a compact over-order price or a commission marketing order, including any provision with respect to milk supply under subsection 9(f), is approved by producers, the commission shall conduct a referendum among producers. The referendum shall be held in a timely manner, as determined by regulation of the commission. The terms and conditions of the proposed order or amendment shall be described by the commission in the ballot used in the conduct of the referendum, but the nature, content, or extent of such description shall not be a basis for attacking the legality of the order or any action relating thereto.

"(b) An order or amendment shall be deemed approved by producers if the commission determines that it is approved by at least two-thirds of the voting producers who, during a representative period determined by the commission, have been engaged in the production of milk the price of which would be regulated under the proposed order or amendment.

‘‘(c) For purposes of any referendum, the commission shall consider the approval or disapproval by any cooperative association of producers, qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the Capper–Volstead Act, bona fide engaged in marketing milk, or in rendering services for or advancing the interests of producers of such commodity, as the approval or disapproval of the producers who are members or stockholders in, or under contract with, such cooperative association of producers, except as provided in subdivision (1) hereof and subject to the provisions of subdivision (2) through (5) hereof.

‘‘(1) No cooperative which has been formed to act as a common marketing agency for both cooperatives and individual producers shall be qualified to block vote for either.

‘‘(2) Any cooperative which is qualified to block vote shall, before submitting its approval or disapproval in any referendum, give prior written notice to each of its members as to whether and how it intends to cast its vote. The notice shall be given in a timely manner as established, and in the form prescribed, by the commission.

‘‘(3) Any producer may obtain a ballot from the commission in order to register approval or disapproval of the proposed order.

‘‘(4) A producer who is a member of a cooperative which has provided notice of its intent to approve or not to approve a proposed order, and who obtains a ballot and with such ballot expresses his approval or disapproval of the proposed order, shall notify the commission as to the name of the cooperative of which he or she is a member, and the commission shall remove such producer's name from the list certified by such cooperative with its corporate vote.

‘‘(5) In order to insure that all milk producers are informed regarding the proposed order, the commission shall notify all milk producers that an order is being considered and that each producer may register his approval or disapproval with the commission either directly or through his or her cooperative.

“§ 14. Termination of over-order price or marketing order

‘‘(a) The commission shall terminate any regulations establishing an over-order price or commission marketing order issued under this article whenever it finds that such order or price obstructs or does not tend to effectuate the declared policy of this compact.

‘‘(b) The commission shall terminate any regulations establishing an over-order price or a commission marketing order issued under this article whenever it finds that such termination is favored by a majority of the producers who, during a representative period determined by the commission, have been engaged in the production of milk the price of which is regulated by such order; but such termination shall be effective only if announced on or before such date as may be specified in such marketing agreement or order.

‘‘(c) The termination or suspension of any order or provision thereof, shall not be considered an order within the meaning of this article and shall require no hearing, but shall comply with the requirements for informal rulemaking prescribed by section four of the Federal Administrative Procedure Act, as amended (5 U.S.C. §553).

“ARTICLE VI. ENFORCEMENT

“§ 15. Records; reports; access to premises

‘‘(a) The commission may by rule and regulation prescribe record keeping and reporting requirements for all regulated persons. For purposes of the administration and enforcement of this compact, the commission is authorized to examine the books and records of any regulated person relating to his or her milk business and for that purpose, the commission's properly designated officers, employees, or agents shall have full access during normal business hours to the premises and records of all regulated persons.

‘‘(b) Information furnished to or acquired by the commission officers, employees, or its agents pursuant to this section shall be confidential and not subject to disclosure except to the extent that the commission deems disclosure to be necessary in any administrative or judicial proceeding involving the administration or enforcement of this compact, an over-order price, a compact marketing order, or other regulations of the commission. The commission may promulgate regulations further defining the confidentiality of information pursuant to this section. Nothing in this section shall be deemed to prohibit (i) the issuance of general statements based upon the reports of a number of handlers, which do not identify the information furnished by any person, or (ii) the publication by direction of the commission of the name of any person violating any regulation of the commission, together with a statement of the particular provisions violated by such person.

‘‘(c) No officer, employee, or agent of the commission shall intentionally disclose information, by inference or otherwise, which is made confidential pursuant to this section. Any person violating the provisions of this section shall, upon conviction, be subject to a fine of not more than one thousand dollars or to imprisonment for not more than one year, or to both, and shall be removed from office. The commission shall refer any allegation of a violation of this section to the appropriate state enforcement authority or United States Attorney.

“§ 16. Subpoena; hearings and judicial review

‘‘(a) The commission is hereby authorized and empowered by its members and its properly designated officers to administer oaths and issue subpoenas throughout all signatory states to compel the attendance of witnesses and the giving of testimony and the production of other evidence.

‘‘(b) Any handler subject to an order may file a written petition with the commission stating that any such order or any provisionof any such order or any obligation imposed in connection therewith is not in accordance with law and praying for a modification thereof or to be exempted therefrom. He shall thereupon be given an opportunity for a hearing upon such petition, in accordance with regulations made by the commission. After such hearing, the commission shall make a ruling upon the prayer of such petition which shall be final, if in accordance with law.

‘‘(c) The district courts of the United States in any district in which such handler is an inhabitant, or has his principal place of business, are hereby vested with jurisdiction to review such ruling, provided a complaint for that purpose is filed within thirty days from the date of the entry of such ruling. Service of process in such proceedings may be had upon the commission by delivering to it a copy of the complaint. If the court determines that such ruling is not in accordance with law, it shall remand such proceedings to the commission with directions either (1) to make such ruling as the court shall determine to be in accordance with law, or (2) to take such further proceedings as, in its opinion, the law requires. The pendency of proceedings instituted pursuant to this subdivision shall not impede, hinder, or delay the commission from obtaining relief pursuant to section seventeen. Any proceedings brought pursuant to section seventeen, except where brought by way of counterclaim in proceedings instituted pursuant to this section, shall abate whenever a final decree has been rendered in proceedings between the same parties, and covering the same subject matter, instituted pursuant to this section.

“§ 17. Enforcement with respect to handlers

‘‘(a) Any violation by a handler of the provisions of regulations establishing an over-order price or a commission marketing order, or other regulations adopted pursuant to this compact shall:

‘‘(1) Constitute a violation of the laws of each of the signatory states. Such violation shall render the violator subject to a civil penalty in an amount as may be prescribed by the laws of each of the participating states, recoverable in any state or federal court of competent jurisdiction. Each day such violation continues shall constitute a separate violation.

‘‘(2) Constitute grounds for the revocation of license or permit to engage in the milk business under the applicable laws of the participating states.

‘‘(b) With respect to handlers, the commission shall enforce the provisions of this compact, regulations establishing an over-order price, a commission marketing order or other regulations adopted hereunder by:

‘‘(1) Commencing an action for legal or equitable relief brought in the name of the commission of any state or federal court of competent jurisdiction; or

‘‘(2) Referral to the state agency for enforcement by judicial or administrative remedy with the agreement of the appropriate state agency of a participating state.

‘‘(c) With respect to handlers, the commission may bring an action for injunction to enforce the provisions of this compact or the order or regulations adopted thereunder without being compelled to allege or prove that an adequate remedy of law does not exist.

“ARTICLE VII. FINANCE

“§ 18. Finance of start-up and regular costs

‘‘(a) To provide for its start-up costs, the commission may borrow money pursuant to its general power under section six, subdivision (d), paragraph four. In order to finance the costs of administration and enforcement of this compact, including payback of start-up costs, the commission is hereby empowered to collect an assessmentfrom each handler who purchases milk from producers within the region. If imposed, this assessment shall be collected on a monthly basis for up to one year from the date the commission convenes, in an amount not to exceed $.015 per hundredweight of milk purchased from producers during the period of the assessment. The initial assessment may apply to the projected purchases of handlers for the two-month period following the date the commission convenes. In addition, if regulations establishing an over-order price or a compact marketing order are adopted, they may include an assessment for the specific purpose of their administration. These regulations shall provide for establishment of a reserve for the commission's ongoing operating expenses.

"(b) The commission shall not pledge the credit of any participating state or of the United States. Notes issued by the commission and all other financial obligations incurred by it, shall be its sole responsibility and no participating state or the United States shall be liable therefor.

"§ 19. Audit and accounts

"(a) The commission shall keep accurate accounts of all receipts and disbursements, which shall be subject to the audit and accounting procedures established under its rules. In addition, all receipts and disbursements of funds handled by the commission shall be audited yearly by a qualified public accountant and the report of the audit shall be included in and become part of the annual report of the commission.

"(b) The accounts of the commission shall be open at any reasonable time for inspection by duly constituted officers of the participating states and by any persons authorized by the commission.

"(c) Nothing contained in this article shall be construed to prevent commission compliance with laws relating to audit or inspection of accounts by or on behalf of any participating state or of the United States.

"ARTICLE VIII. ENTRY INTO FORCE; ADDITIONAL MEMBERS AND WITHDRAWAL

"§ 20. Entry into force; additional members

"The compact shall enter into force effective when enacted into law by any three states of the group of states composed of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia and when the consent of Congress has been obtained.

"§ 21. Withdrawal from compact

"Any participating state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after notice in writing of the withdrawal is given to the commission and the governors of all other participating states. No withdrawal shall affect any liability already incurred by or chargeable to a participating state prior to the time of such withdrawal.

"§ 22. Severability

"If any part or provision of this compact is adjudged invalid by any court, such judgment shall be confined in its operation to the part or provision directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this compact. In the event Congress consents to this compact subject to conditions, said conditions shall not impair the validity of this compact when said conditions are accepted by three or more compacting states. A compacting state may accept the conditions of Congress by implementation of this compact.".

SEC. 703. PACIFIC NORTHWEST DAIRY COMPACT.

Congress consents to a Pacific Northwest Dairy Compact proposed for the States of California, Oregon, and Washington, subject to the following conditions:

(1) TEXT.—The text of the Pacific Northwest Dairy Compact shall be identical to the text of the Southern Dairy Compact, except as follows:

(A) References to "south", "southern", and "Southern" shall be changed to "Pacific Northwest".

(B) In section 9(b), the reference to "Atlanta, Georgia" shall be changed to "Seattle, Washington".

(C) In section 20, the reference to "any three" and all that follows shall be changed to "California, Oregon, and Washington.".

(2) LIMITATION OF MANUFACTURING PRICE REGULATION.—The Dairy Compact Commission established to administer the Pacific Northwest Dairy Compact (referred to in this section as the "Commission") may not regulate Class II, Class III, or Class IV milk used for manufacturing purposes or any other milk, other than Class I, or fluid milk, as defined by a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937 (referred to in this section as a "Federal milk marketing order").

(3) EFFECTIVE DATE.—Congressional consent under this section takes effect on the date (not later than 3 year after the date of enactment of this Act) on which the Pacific Northwest Dairy Compact is entered into by the second of the 3 States specified in the matter preceding paragraph (1).

(4) COMPENSATION OF COMMODITY CREDIT CORPORATION.—Before the end of each fiscal year in which a price regulation is in effect under the Pacific Northwest Dairy Compact, the Commission shall compensate the Commodity Credit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(5) MILK MARKETING ORDER ADMINISTRATOR.—At the request of the Commission, the Administrator of the applicable Federal milk marketing order shall provide technical assistance to the Commission and be compensated for that assistance.

SEC. 704. INTERMOUNTAIN DAIRY COMPACT.

Congress consents to an Intermountain Dairy Compact proposed for the States of Colorado, Nevada, and Utah, subject to the following conditions:

(1) TEXT.—The text of the Intermountain Dairy Compact shall be identical to the text of the Southern Dairy Compact, except as follows:

(A) In section 1, the references to "southern" and "south" shall be changed to "Intermountain" and "Intermountain region", respectively.

(B) References to "Southern" shall be changed to "Intermountain ".

(C) In section 9(b), the reference to "Atlanta, Georgia" shall be changed to "Salt Lake City, Utah".

(D) In section 20, the reference to "any three" and all that follows shall be changed to "Colorado, Nevada, and Utah.".

(2) LIMITATION OF MANUFACTURING PRICE REGULATION.—The Dairy Compact Commission established to administer the Intermountain Dairy Compact (referred to in thissection as the "Commission") may not regulate Class II, Class III, or Class IV milk used for manufacturing purposes or any other milk, other than Class I, or fluid milk, as defined by a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937 (referred to in this section as a "Federal milk marketing order").

(3) EFFECTIVE DATE.—Congressional consent under this section takes effect on the date (not later than 3 year after the date of enactment of this Act) on which the Intermountain Dairy Compact is entered into by the second of the 3 States specified in the matter preceding paragraph (1).

(4) COMPENSATION OF COMMODITY CREDIT CORPORATION.—Before the end of each fiscal year in which a price regulation is in effect under the Intermountain Dairy Compact, the Commission shall compensate the Commodity Credit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(5) MILK MARKETING ORDER ADMINISTRATOR.—At the request of the Commission, the Administrator of the applicable Federal milk marketing order shall provide technical assistance to the Commission and be compensated for that assistance.

SA 1192. Mr. SMITH of Oregon submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table, as follows:

In Title I, Section 108(b), strike "particularly agricultural production in the Northeast and Mid-Atlantic States."

SA 1193. Mr. SMITH of Oregon submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

In Title IV, Section 401(a)(3)(A), strike "or energy emergency" and insert "energy emergency or major disaster caused by direct federal action."

SA 1194. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

In the appropriate place insert the following:

SEC. 13. OMB CERTIFICATION THAT LEGISLATION WILL NOT AFFECT MEDICARE PART A TRUST FUND SURPLUS.

The Secretary may not release the funds to carry out this Act or an amendment made by this Act unless the Director of the Office of Management and Budget certifies that this Act and the amendments made by this Act, when taken together with all other previously-enacted legislation, would not reduce the on-budget surplus for fiscal year 2001 below the level of the Federal Hospital Insurance Trust Fund surplus for the fiscal year.

SA 1195. Ms. SNOWE (for herself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 7 . CORPORATE AVERAGE FUEL ECONOMY STANDARDS.

Section 320 of the Department of Transportation and Related Agencies Appropriations Act, 2001 (114 Stat. 1356, 1356A–28), is repealed.

SA 1196. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 7, strike the entire following section:

"SEC. 103. PEANUTS."

SA 1197. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 7 and 8, strike the entire following section:

"SEC. 104. SUGAR."

SA 1198. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 13 through 19, strike the entire following section:

"SEC. 112. TOBACCO."

SA 1199. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 3 and 4, insert the following:

SEC. 801. LIMITATIONS.

(a) Income Limitation.—Notwithstanding any other provision of this Act, a person that has qualifying gross revenues (as defined in section 196(i)(1) of the Agricultural Market Transition Act (7 U.S.C. 7333(i)(1))) in excess of $2,000,000 during a taxable year (as determined by the Secretary) shall not be eligible to receive a payment, loan, or other assistance under this Act.

(b) Active Farmers.—Notwithstanding any other provision of this Act, to be eligible for a payment, loan, or other assistance under this Act with respect to a particular farming operation, an individual of the farming operation must be actively engaged in farming with respect to the operation, as provided in paragraphs (2) through (6) of section 1001A(b) of the Food Security Act of 1985 (7 U.S.C. 1308–1(b)).

SA 1200. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 703. BIENNIAL REPORTS ON RELATIVE PRICES OF FARM INPUTS.

Subtitle A of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) is amended by adding at the end the following:

"SEC. 209. BIENNIAL REPORTS ON RELATIVE PRICES OF FARM INPUTS.

"Not later than 180 days after the date of enactment of this section, and biennially thereafter, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on—

"(1) the prices of farm inputs paid by agricultural producers in countries that compete with United States agricultural producers, as compared with the prices paid by United States agricultural producers; and

"(2) the effect of any differences in those prices on United States agricultural competitiveness and profitability.".

SA 1201. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 703. BIOBASED, BIODEGRADABLE CLEANERS AND SOLVENTS.

In carrying out this Act and other provisions of law, the Secretary shall purchase cleaners and solvents that are biobased and biodegradable unless such cleaners and solvents are not available at a cost that is not more than the cost of, and of a quality that is not less than, cleaners or solvents that are not biobased or biodegradable.

SA 1202. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers, which was ordered to lie on the table, as follows:

Beginning on page 37, strike line 15 and all that follows through page 42, line 5.

SA 1203. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Beginning on page 26, strike line 3 and all that follows through page 27, line 17.

SA 1204. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Beginning on page 7, strike line 11 and all that follows through page 8, line 16, and insert the following:

SEC. 104. SUGAR.

Section 156(f) of the Agricultural Market Transition Act (7 U.S.C. 7272(f)) shall notapply with respect to the 2001 crop of sugarcane and sugar beets.

SA 1205. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 703. REPORT ON EFFECT OF HIGH ENERGY AND FERTILIZER PRICES.

Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the effect of high energy and fertilizer prices on farm income and the cost of production of agricultural commodities.

SA 1206. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 46, strike lines 2 through 21 and insert the following:

SEC. 701. RESEARCH ON HUMANE ALTERNATIVES TO FORCED MOLTING FOR EGG PRODUCTION.

The Secretary shall use $3,500,000 of funds of the Commodity Credit Corporation to provide grants to conduct research on humane alternatives to the production of eggs using forced molting.

SA 1207. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 37, strike lines 6 through 14 and insert the following:

SEC. 501. RESEARCH ON HUMANE ALTERNATIVES TO FORCED MOLTING FOR EGG PRODUCTION.

The Secretary shall use $3,000,000 of funds of the Commodity Credit Corporation to provide grants to conduct research on humane alternatives to the production of eggs using forced molting.

SA 1208. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 22, strike lines 13 through 25.

SA 1209. Mr. VOINOVICH submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; as follows:

At the appropriate place, insert the following:

SEC. . PROTECT SOCIAL SECURITY SURPLUSES ACT OF 2001.

(a) Short Title.—This section may be cited as the "Protect Social Security Surpluses Act of 2001".

(b) Revision of Enforcing Deficit Targets.—Section 253 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 903) is amended—

(1) by striking subsection (b) and inserting the following:

"(b) Excess Deficit; Margin.—The excess deficit is, if greater than zero, the estimated deficit for the budget year, minus the margin for that year. In this subsection, the margin for each fiscal year is 0.5 percent of estimated total outlays for that fiscal year.";

(2) by striking subsection (c) and inserting the following:

"(c) Eliminating Excess Deficit.—Each non-exempt account shall be reduced by a dollar amount calculated by multiplying the baseline level of sequesterable budgetary resources in that account at that time by the uniform percentage necessary to eliminate an excess deficit."; and

(3) by striking subsections (g) and (h).

(c) Medicare Exempt.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 253(e)(3)(A), by striking clause (i); and

(2) in section 256, by striking subsection (d).

(d) Economic and Technical Assumptions.—Notwithstanding section 254(j) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 904(j)), the Office of Management and Budget shall use the economic and technical assumptions underlying the report issued pursuant to section 1106 of title 31, United States Code, for purposes of determining the excess deficit under section 253(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, as added by subsection (b).

(e) Application of Sequestration to Budget Accounts.—Section 256(k) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 906(k)) is amended by—

(1) striking paragraph (2); and

(2) redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively.

(f) Strengthening Social Security Points of Order..—

(1) In general.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by inserting at the end the following:

"(g) Strengthening Social Security Point of Order.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or any bill, joint resolution, amendment, motion, or conference report that would violate or amend section 13301 of the Budget Enforcement Act of 1990.".

(2) Super majority requirement.—

(A) Point of order.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

(B) Waiver.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting "312(g)," after "310(d)(2),".

(3) Enforcement in each fiscal year.—The Congressional Budget Act of 1974 is amended in—

(A) section 301(a)(7) (2 U.S.C. 632(a)(7)), by striking "for the fiscal year" through the period and inserting "for each fiscal year covered by the resolution"; and

(B) section 311(a)(3) (2 U.S.C. 642(a)(3)), by striking beginning with "for the first fiscal year" through the period and insert the following: "for any of the fiscal years covered by the concurrent resolution.".

(g) Effective Date.—This section and the amendments made by this section shall apply to fiscal years 2002 through 2006.

SA 1210. Mr. AKAKA (for himself, Mr. Graham, Mr. Smith of New Hampshire, Mr. Cleland, Mr. Schumer, Mr. Durbin, Mr. Levin, and Mrs. Feinstein) submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:

SEC. 7 . UNLAWFUL STOCKYARD PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.

(a) In General.—Title III of the Packers and Stockyards Act, 1921, (7 U.S.C. 201 et seq.) is amended by adding at the end the following:

"SEC. 318. UNLAWFUL STOCKYARD PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.

"(a) Definitions.—In this section:

"(1) Humanely euthanize.—The term 'humanely euthanize' means to kill an animal by mechanical, chemical, or other means that immediately render the animal unconscious, with this state remaining until the animal's death.

"(2) Nonambulatory livestock.—The term 'nonambulatory livestock' means any livestock that is unable to stand and walk unassisted.

"(b) Unlawful Practices.—It shall be unlawful for any stockyard owner, market agency, or dealer to buy, sell, give, receive, transfer, market, hold, or drag any nonambulatory livestock unless the nonambulatory livestock has been humanely euthanized.".

(b) Effective Date.—

(1) In general.—The amendment made by subsection (a) takes effect 1 year after the date of enactment of this Act.

(2) Regulations.—Not later than 1 year after the date of enactment of this Act, the Secretary shall promulgate regulations to carry out the amendment.

SA 1211. Mr. McCAIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 3 and 4, insert the following:

SEC. 801. INCOME LIMITATION.

Notwithstanding any other provision of this Act, a person that has qualifying gross revenues (as defined in section 196(i)(1) of the Agricultural Market Transition Act (7 U.S.C. 7333(i)(1))) dervied from for-profit farming, ranching, and forestry operations in excess of $1,000,000 during a taxable year (as determined by the Secretary) shall not be eligible to receive a payment, loan, or other assistance under this Act.

SA 1212. Mr. LUGAR proposed an amendment to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) Assistance Authorized.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agriculture Market Transition Act (7 U.S.C. 7201 et seq.).

(b) Amount.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) Supplemental Payment.—The Secretary shall sue $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) Special Rule for Georgia.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool, and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) Base State Grants.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) Grants for Value of Production.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000.
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) Specialty Crop Priority.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) Specialty Crop Defined.—In this section, the term 'specialty crop' means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) Conditions on Payment to State.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) Conditions on Payment to State.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments".

(b) Additional Disbursements From the Indemnity Fund.—Subsection (d) of such section is amended to read as follows:

"(d) Additional Disbursement to Cotton Ginners.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 51 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined as provided in such section) that—

"(1) Incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims.".

(c) Conforming Amendment.—Subsection (c) of such section is amended by striking "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOCAL DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one on more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) Deadline for Expenditures.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) Total Amount of Expenditures.— The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) Promulgation.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) This section shall be effective one day after enactment.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Tuesday, July 31, 2001. The purpose of this hearing will be to discuss conservation on working lands for the next Federal farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, July 31, 2001, at 9:30 a.m., in open session to consider the nominations of: John P. Stenbit to be Assistant Secretary of Defense for Command, Control, Communication and Intelligence; Ronald M. Sega to be Director of Defense Research and Engineering; Mario P. Fiori to be Assistant Secretary of the Army for Installations and Environment; H. T. Johnson to be Assistant Secretary of the Navy for Installations and Environment; Michael L. Dominguez to be Assistant Secretary of the Air Force for Manpower and Reserve Affairs; Michael Parker to be Assistant Secretary of the Army for Civil Works; and Nelson F. Gibbs to be Assistant Secretary of the Air Force for Installations and Environment.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, July 31, 2001, at 2:30 p.m., on spectrum management and third generation wireless.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Tuesday, July 31, 2001, to consider the nominations of Robert Bonner to be Commissioner of Customs; Rosario Marin to be Treasurer of the United States; Jon Huntsman, Jr., to be Deputy United States Trade Representatives; Alex Azar II, to be General Counsel of the Department of Health and Human Services; and Janet Rehnquist to be Inspector General of the Department of Health and Human Services.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, July 31, 2001, at 11 a.m., to hold a nomination hearing.

Nominees: The Honorable R. Nicholas Burns, of Massachusetts, to be United States Permanent Representative on Council of NATO with rank of Ambassador; the Honorable Daniel R. Coats, of Indiana, to be Ambassador to the Federal Republic of Germany; Mr. Craig R. Stapleton, of Connecticut, to be Ambassador to the Czech Republic; the Honorable Johnny Young, of Maryland, to be Ambassador to the Republic of Slovenia; and Mr. Richard J. Egan, of Massachusetts, to be Ambassador to Ireland.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, July 31, 2001, at 11 a.m., to hold a nomination hearing.

Nominees: Mr. Vincent M. Battle, of the District of Columbia, to be Ambassador to the Republic of Lebanon; the Honorable Edward William Gnehm, Jr., of Georgia, to be Ambassador to the Hashemite Kingdom of Jordan; the Honorable Edmund J. Hull, of Virginia, to be Ambassador to the Republic of Yemen; the Honorable Richard H. Jones, of Nebraska, to be Ambassador to the State of Kuwait; the Honorable Theodore H. Kattouf, of Maryland, to be Ambassador to the Syrian Arab Republic; and Ms. Maureen Quinn, of New Jersey, to be Ambassador to the State of Qatar.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, July 31, 2001, at 2 p.m., to hold a nomination hearing.

Nominees: Ms. Carole Brookins, of Indiana, to be United States Executive Director of the International Bank for Reconstruction and Development; Mr. Ross J. Connelly, of Maine, to be Executive Vice President of Overseas Private Investment Corporation; Ms. Jeanne L. Phillips, of Texas, to be Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador; Mr. Randal Quarles, of Utah, to be United States Executive Director of the International Monetary Fund; and Mr. Patrick M. Cronin, of the District of Columbia, to be an Assistant Administrator (for Policy and Program Coordination) of the United States Agency for International Development.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, July 31, 2001, at 4 p.m., to hold a nomination hearing.

Nominees: Mr. Robert G. Loftis, of Colorado, to be Ambassador to the Kingdom of Lesotho; the Honorable Joseph G. Sullivan, of Virginia, to be Ambassador to the Republic of Zimbabwe; and Mr. Christopher W. Dell, of New Jersey, to be Ambassador to the Republic of Angola.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Tuesday, July 31, 2001, at 2:30 p.m., to consider the nomination of Daniel Levinson to be Inspector General, General Services Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH EDUCATION, LABOR, AND PENSIONS

Mr. HARKIN. Mr. President, I ask unanimous consent that the Committee on Health Education, Labor, and Pensions be authorized to meet for a hearing on Workplace Safety and Asbestos Contamination during the session of the Senate on Tuesday, July 31, 2001, at 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on July 31, 2001, at 10 a.m., in room 485, Russell Senate Building to conduct a business meeting on pending committee business, to be followed immediately by a hearing on Indian Health Care Improvement Act focusing on urban Indian Health Care Programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NATIONAL PARKS

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on National Parks of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, July 31, at 2:30 p.m., to conduct a hearing. The subcommittee will receive testimony on S. 689, to convey certain Federal properties on Governors Island, NY; S. 1175, to modify the boundary of Vicksburg National Military Park to include the property known as Pemberton's Headquarters, and for other purposes; S. 1227, to authorize the Secretary of the Interior to conduct a study of the suitability and feasibility of establishing the Niagara Falls National Heritage Area in the State of New York, and for other purposes; and H.R. 601, to redesignate certain lands within the Craters of the Moon National Monument, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SEAPOWER

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Seapower of the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, July 31, 2001, at 2:30 p.m., in open session to receive testimony on Navy shipbuilding programs, in review of the Defense authorization request for fiscal year 2002.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Madam President, I ask unanimous consent that Stephanie Zawistowski—I cannot believe I am having trouble with this; my mother's name was Mencha Daneshevsky—

be granted floor privileges during the rest of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERTS. Mr. President, I ask unanimous consent that during the remainder of the debate and consideration of the Emergency Agriculture Assistance Act, Matt Howe, a member of my staff, be granted privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. I ask unanimous consent that Sarah Zessar and Jason Klug be allowed floor privileges during debate on S. 1246.

The PRESIDING OFFICER. Without objection, it is so ordered.

MODIFIED ORDERS FOR WEDNESDAY, AUGUST 1, 2001

Mr. REID. Mr. President, I ask unanimous consent that the previous convening order for tomorrow be modified and provide for the convening of the Senate at 10 a.m., with the remainder of the orders still in effect, and when the Senate resumes consideration of the Agriculture supplemental bill, Senator DASCHLE or his designee be recognized, and that at 11:00 a.m. the motion to proceed and the motion to reconsider the failed cloture vote on H.R. 2299 be agreed to, and the Senate vote without any intervening action or debate on cloture on H.R. 2299; and that the time prior to the vote be equally divided between the two leaders or their designees.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, and upon the recommendation of the Republican leader, pursuant to 22 U.S.C. 2761, as amended, appoints the Senator from Mississippi (Mr. COCHRAN) as Vice Chairman of the Senate Delegation to the British-American Interparliamentary Group during the 107th Congress.

The Chair, on behalf of the Vice President, in accordance with 22 U.S.C. 1928a–1928d, as amended, appoints the Senator from Oregon (Mr. SMITH) as Vice Chairman of the Senate Delegation to the NATO Parliamentary Assembly during the 107th Congress.

COMMENDING JAMES W. ZIGLAR

Mr. REID. Mr. President, I further ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 144, which is at the desk.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 144) commending James W. Ziglar for his service to the United States Senate.

There being no objection, the Senate will proceed to the consideration of the resolution.

Mr. REID. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 144) was agreed to.

The preamble was agreed to.

(The text of the resolution is printed in today's RECORD under "Statements on Submitted Resolutions.")

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002

Mr. REID. I ask unanimous consent that with respect to H.R. 2647, the legislative branch appropriations bill, and pursuant to the order of July 19, 2001, the bill, as amended, be read three times, passed, and the motion to reconsider be laid upon the table; that the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appointment conferees.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2647), as amended, was read the third time and passed.

Mr. REID. I further ask consent that the remaining provisions of the order of July 19 remain in effect.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Presiding Officer (Mr. CARPER) appointed Mr. DURBIN, Mr. JOHNSON, Mr. REED, Mr. BYRD, Mr. BENNETT, Mr. STEVENS, and Mr. COCHRAN conferees on the part of the Senate.

ENFORCEMENT OF HUMANE METHODS OF SLAUGHTER ACT OF 1958

Mr. REID. Mr. President, I ask unanimous consent the Agriculture Committee be discharged from further consideration of S. Con. Res. 45 and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 45) expressing the sense of the Congress that the Humane Methods of Slaughter Act of 1958 should be fully enforced so as to prevent needless suffering of animals.

There being no objection, the Senate proceeded to consideration of the concurrent resolution.

Mr. REID. I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid on the table, and any statements relating to this measure be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 45) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 45

Whereas public demand for passage of Public Law 85–765 (commonly known as the "Humane Methods of Slaughter Act of 1958") (7 U.S.C. 1901 et seq.) was so great that when President Eisenhower was asked at a press conference if he would sign the bill, he replied, "If I went by mail, I'd think no one was interested in anything but humane slaughter";

Whereas the Act requires that animals be rendered insensible to pain when they are slaughtered;

Whereas on April 10, 2001, a Washington Post front page article reported that enforcement records, interviews, videos, and worker affidavits describe repeated violations of the Act and that the Federal Government took no action against a company that was cited 22 times in 1998 for violations of the Act;

Whereas the article asserted that in 1998, the Secretary of Agriculture stopped tracking the number of humane-slaughter violations;

Whereas the article concluded that scientific evidence shows tangible economic benefits when animals are treated well;

Whereas the United States Animal Health Association passed a resolution at an October 1998 meeting to encourage strong enforcement of the Act and reiterated support for the resolution at a meeting in 2000; and

Whereas it is the responsibility of the Secretary of Agriculture to enforce the Act fully: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. HUMANE METHODS OF ANIMAL SLAUGHTER.

It is the sense of Congress that—

(1) the Secretary of Agriculture should—

(A) resume tracking the number of violations of Public Law 85–765 (7 U.S.C. 1901 et seq.) and report the results and relevant trends annually to Congress; and

(B) fully enforce Public Law 85–765 by ensuring that humane methods in the slaughter of livestock—

(i) prevent needless suffering;

(ii) result in safer and better working conditions for persons engaged in the slaughtering of livestock;

(iii) bring about improvement of products and economies in slaughtering operations; and

(iv) produce other benefits for producers, processors, and consumers that tend to expedite an orderly flow of livestock and livestock products in interstate and foreign commerce; and

(2) it should be the policy of the United States that the slaughtering of livestock and the handling of livestock in connection with slaughter shall be carried out only by humane methods.

ORDER OF BUSINESS

Mr. REID. Mr. President, based on what the majority leader has said and what he has done and the orders that have been entered in the last few minutes, we will convene tomorrow at 10 a.m. and resume consideration of the Agriculture supplemental authorization bill. At 11, Senator DASCHLE will be recognized and the Senate will vote on cloture on the Transportation Appropriations Act.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. REID. Mr. President, there being no further business, I ask unanimous consent the Chair adjourn the Senate.

There being no objection, the Senate, at 7:28 p.m., adjourned until Wednesday, August 1, 2001, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate July 31, 2001:

DEPARTMENT OF STATE

JOHN F. TURNER, OF WYOMING, TO BE ASSISTANT SECRETARY OF STATE FOR OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS, VICE DAVID B. SANDALOW.

MARTIN J. SILVERSTEIN, OF PENNSYLVANIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE ORIENTAL REPUBLIC OF URUGUAY.

JOHN N. PALMER, OF MICHIGAN, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PORTUGAL.

BONNIE MCELVEEN-HUNTER, OF NORTH CAROLINA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF FINLAND.

BRIAN E. CARLSON, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF LATVIA.

MATTIE R. SHARPLESS, OF NORTH CAROLINA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE CENTRAL AFRICAN REPUBLIC.

R. BARRIE WALKLEY, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUINEA.

DEPARTMENT OF JUSTICE

JOHN W. SUTHERS, OF COLORADO, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF COLORADO FOR THE TERM OF FOUR YEARS, VICE THOMAS LEE STRICKLAND, RESIGNED.

ANNA MILLS S. WAGONER, OF NORTH CAROLINA, TO BE UNITED STATES ATTORNEY FOR THE MIDDLE DISTRICT OF NORTH CAROLINA FOR THE TERM OF FOUR YEARS, VICE WALTER CLINTON HOLTON, JR., RESIGNED.

THOMAS E. MOSS, OF IDAHO, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF IDAHO FOR THE TERM OF FOUR YEARS, VICE BETTY HANSEN RICHARDSON, RESIGNED.

WILLIAM WALTER MERCER, OF MONTANA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF MONTANA FOR THE TERM OF FOUR YEARS, VICE SHERRY SCHEEL MATTEUCCI, RESIGNED.

MICHAEL G. HEAVICAN, OF NEBRASKA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF NEBRASKA FOR THE TERM OF FOUR YEARS, VICE THOMAS JUSTIN MONAGHAN, RESIGNED.

TODD PETERSON GRAVES, OF MISSOURI, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF MISSOURI FOR THE TERM OF FOUR YEARS, VICE STEPHEN LAWRENCE HILL, JR., RESIGNED.

JOHN L. BROWNLEE, OF VIRGINIA, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF VIRGINIA FOR THE TERM OF FOUR YEARS, VICE ROBERT P. CROUCH, JR., RESIGNED.

PAUL K. CHARLTON, OF ARIZONA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF ARIZONA FOR THE TERM OF FOUR YEARS, VICE JOSE DE JESUS RIVERA, RESIGNED.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN M. LE MOYNE, 7525

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. LESTER MARTINEZ-LOPEZ, 1323

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. DAWN R. HORN, 3444

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

CAPT. RICHARD K. GALLAGHER JR., 9308
CAPT. THOMAS J. KILCLINE, 3174

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS RESERVE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

CURTIS W. MARSH, 7352

DEPARTMENT OF DEFENSE

MARVIN R. SAMBUR, OF INDIANA, TO BE AN ASSISTANT SECRETARY OF THE AIR FORCE, VICE LAWRENCE J. DELANEY.

FARM CREDIT ADMINISTRATION

GRACE TRUJILLO DANIEL, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE FEDERAL AGRICULTURAL MORTGAGE CORPORATION, VICE CLYDE ARLIE WHEELER, JR.

FRED L. DAILEY, OF OHIO, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE FEDERAL AGRICULTURAL MORTGAGE CORPORATION, VICE GORDON CLYDE SOUTHERN.

DEPARTMENT OF TRANSPORTATION

MARY E. PETERS, OF ARIZONA, TO BE ADMINISTRATOR OF THE FEDERAL HIGHWAY ADMINISTRATION, VICE KENNETH R. WYKLE, RESIGNED.

DEPARTMENT OF JUSTICE

CRANSTON J. MITCHELL, OF MISSOURI, TO BE A COMMISSIONER OF THE UNITED STATES PAROLE COMMISSION FOR A TERM OF SIX YEARS, VICE TIMOTHY EARL JONES, SR.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

KENT R. HILL, OF MASSACHUSETTS, TO BE AN ASSISTANT ADMINISTRATOR OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT, VICE DONALD LEE PRESSLEY, RESIGNED.

DEPARTMENT OF STATE

JOHN J. DANILOVICH, OF CALIFORNIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF COSTA RICA.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

LESLIE LENKOWSKY, OF INDIANA, TO BE CHIEF EXECUTIVE OFFICER FOR THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE, VICE HARRIS WOFFORD, RESIGNED.

DEPARTMENT OF JUSTICE

EDWARD F. REILLY, OF KANSAS, TO BE A COMMISSIONER OF THE UNITED STATES PAROLE COMMISSION FOR A TERM OF SIX YEARS. (REAPPOINTMENT)

MARIE F. RAGGHIANTI, OF MARYLAND, TO BE A COMMISSIONER OF THE UNITED STATES PAROLE COMMISSION FOR A TERM OF SIX YEARS, VICE MICHAEL JOHNSTON GAINES, TERM EXPIRED.

GILBERT G. GALLEGOS, OF NEW MEXICO, TO BE A COMMISSIONER OF THE UNITED STATES PAROLE COMMISSION FOR A TERM OF SIX YEARS, VICE JANIE L. JEFFERS.

CONFIRMATION

Executive Nomination Confirmed by the Senate July 31, 2001:

DEPARTMENT OF JUSTICE

JAMES W. ZIGLAR, OF MISSISSIPPI, TO BE COMMISSIONER OF IMMIGRATION AND NATURALIZATION.

HOUSE OF REPRESENTATIVES—*Tuesday, July 31, 2001*

The House met at 9 a.m.

MORNING HOUR DEBATES

The SPEAKER. Pursuant to the order of the House of January 3, 2001, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 25 minutes, and each Member except the majority leader, the minority leader or the minority whip limited to not to exceed 5 minutes, but in no event shall debate extend beyond 9:50 a.m.

The Chair recognizes the gentleman from Nebraska (Mr. OSBORNE) for 5 minutes.

SUPPORT OF THE PRESIDENT'S ENERGY PLAN

Mr. OSBORNE. Mr. Speaker, I recently heard a member of the Committee on Resources make an interesting statement. This individual said that the United States currently has only 3 percent of the known oil reserves in the world. The truth is that we really do not know. We do not know whether it has 3 percent or 5 percent or 15 percent or 20 percent, because for the last 10, 15, 20 years we have done absolutely no exploration. We have had no energy plan.

Mr. Speaker, think about what corporation, what military unit, what athletic team would proceed without a plan and without knowing what its assets were. This is precisely what we have done here in the United States.

I would really encourage people to support the President's energy plan because, number one, it provides a blueprint where there has been none, a plan of action that provides conservation practices and development of alternative fuels. It also provides for exploration which allows us to know what our assets and limitations are. In the event of an international crisis, it will be critical that we know what is there.

SUPPORT FOR A DAY OF DEMOCRACY

The SPEAKER pro tempore (Mr. PENCE). Under the Speaker's announced policy of January 3, 2001, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized during morning hour debates for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, this morning the Ford-Carter Commission on Election Reform will release its report. One of the striking aspects of its report, and I say striking because it is sometimes rare for commissions to study an issue and offer to give the American people another day off; but I believe this is an important step in acknowledging the very important and pivotal role that the American people play in fostering democracy in this Nation. That is the election of the President of the United States, election of their Federal officials that come about in one group every 4 years. The President, in many instances, Senators and, of course, Members of the House of Representatives are running for reelection.

The Ford-Carter Commission was to assess the plight of elections in this Nation. Certainly a laboratory was the election of November 2000. Not only was Florida a prime example where things can go wrong, but as I traveled around the country listening to voters in many many jurisdictions, this is a problem that is systemic to our Nation and one that we must fix in order to enhance democracy.

We must ensure that every voter has a right to vote. We must ensure that they are knowledgeable about where to vote. We have to ensure that voters are not purged from the list that is kept by their local governmental officials. We must ensure that voters are educated on how to vote and that they are able to utilize high technology equipment.

There are many legislative initiatives that are fostering or looking to improve the election system. I support the Dodd-Conyers legislation and I have offered legislation myself to determine the best technology that this Nation should use.

Many jurisdictions who have the resources have already begun to improve their election system. We must keep in mind, however, that the rush to judgment to improve our election system should not replace one bad system with another. So it is imperative that we create standards and I hope the Ford-Carter commission includes that.

I have a bill, H.R. 934, that has spoken to the issue of a national holiday.

Why a national holiday? One more day for us to be in the shopping malls? I think not. A day that everyone can focus on their most important responsibility, and that is the maintenance of democracy in this Nation, the upkeep of the Constitution. This will allow college students and high school students and working people from all walks of life to participate in a day of democracy. That is what we should call it.

My bill, H.R. 934, says it is a sense of Congress that private employers in the United States should give their employees a day off on the Tuesday next, after the first Monday in November in 2004 and each fourth year thereafter to enable the employees to cast votes in the presidential and other elections held on that day.

But, more importantly, we will not hear of the young mother or the young father or the hard-working individual who says, I just did not get the time to vote. I tried to get back to my polling place, but it was closed. Traffic kept me from voting. Transportation kept me from voting. My employer would not let me have time off to vote.

College students who might want to be poll workers at the polls, a most important responsibility on that day, knowing the laws, assisting people in exercising their democratic right, having those kinds of poll workers assist us along with other professionals as well as the wonderful volunteers we have had to date.

Mr. Speaker, I think it is high time for us to be able to give the kind of credible evidence and the kind of respect for the election system that is long overdue in this Nation. There are many countries around the world that fight for the meager chance to cast their vote. There are many that do not have that chance. There are others who look to us for our leadership and many countries have had us as election monitors.

We can do no less for our citizens than to ensure that every vote counts, to ensure that we have a working system that allows every vote to count, to respect the military votes, to respect those who have done their time in prisons and now want to be the kind of citizens that will have their rights restored, to respect those who have registered and yet now are purged.

There are many things we can do to fix the election system. But I believe one that we can all rally around is the Ford-Carter commission. As I said, this national holiday will not be a shopping day. It will be a day of freedom, a day that we will recognize that every single American goes to the polls acknowledging and respecting our democracy.

When our men and women offer themselves for the ultimate sacrifice in the United States military, they do so so that freedom will reign. Support H.R. 934 as we move to the process of enhancing democracy in this Nation.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

CELEBRATING THE CITY OF THOMASVILLE'S 150TH BIRTHDAY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from North Carolina (Mr. COBLE) is recognized during morning hour debates for 5 minutes.

Mr. COBLE. Mr. Speaker, the city of Thomasville, North Carolina, will celebrate its 150th birthday in 2002.

When one thinks of Thomasville, there are many things that come to mind: Thomasville Furniture Industries, the Big Chair, the Baptist Children's Orphanage, Everybody's Day, textiles, and high school football.

Thomasville was named for State Senator John W. Thomas, who helped pioneer the construction of the first railroad across North Carolina and, in 1852, created the town of Thomasville around the hustle and bustle of the State's first railroad. In 1857, Thomas finally obtained a charter for the town from the North Carolina General Assembly.

The town of Thomasville grew rapidly with wooden household furniture manufacturing becoming the mainstay of the local economy. Eventually, Thomasville became known as "The Chair Town" due to the fact that the products that the Thomasville Chair Company, which eventually became Thomasville Furniture Industries, were almost exclusively simple, sturdy, straight-back chairs.

Today, Thomasville remains an international center for furniture manufacturing; and Thomasville Furniture Industries, its leading manufacturer, has made the name Thomasville known around the globe.

In 1922, in an effort to take advantage of its reputation as "The Chair Town," Thomasville Chair Company erected a gigantic chair in the middle of the town square. The project kept three men working 20 hours a day for 1 week and took the same amount of lumber that would have been required to construct 100 ordinary chairs.

Unfortunately, after 15 years of exposure, the local chair was torn down in 1936. Due to the Depression and the advent of World War II, another chair was not built until 1948. In 1948, once again, Thomasville Chair Company spearheaded the effort to construct another chair, and a decision was made to construct a chair that would stand the test of time.

The concrete chair was a reproduction of the original Duncan Phyfe armchair. Today, the monument stands almost 30 feet high and overlooks the downtown square. In addition to the chair, downtown Thomasville is home to North Carolina's oldest railroad depot which today houses the Thomasville Visitors Center.

Another one of Thomasville's significant contributions is its commitment to the Mills Home Baptist Children's Orphanage, the largest orphanage in the South outside of Texas. The orphanage provides a wide array of very important children's services to the local and State communities.

One of the longest held traditions in Thomasville, Mr. Speaker, is Everybody's Day. We continue to observe it. The first Everybody's Day Festival was held in Thomasville in 1908 and is North Carolina's oldest festival.

In 1910, the Amazon Cotton Mill, one of the Cannon chain of textile mills, opened its doors as did the Jewell cotton mills that same year. Jewell was a result of investments contributed by local investors in the community. Both these mills served as a catalyst for what would become a very vibrant industry, which still exists today.

Last, but certainly not least, Thomasville is home to a long and rich high school football tradition, a tradition of champions begun under the days of Coach George Cushwa, a beloved coach and teacher. In fact, the current football stadium bears his name. Under Cushwa's tutelage emerged an individual in whom many place their hopes for continued success. This man, Coach Allen Brown, did not let the fans down.

Leading the Bulldogs to several State champions and guiding them through the maze of several conference realignments, he was always able to keep his team focused and the fans engaged, continuing in the great tradition of his predecessor.

Today, Mr. Speaker, the Bulldogs are led by yet another great leader and former quarterback, Benjie Brown, who follows in the footsteps of his dad, Allen Brown, and Coach Cushwa.

Needless to say, Mr. Speaker, Thomasville is a vibrant city whose future looms bright, and it is truly an honor for me to be able to recognize this fine city, the Chair Capital of the World on the House floor and wish it well as it begins its celebration for its 150th birthday next year.

TAKING ANOTHER LOOK AT SPRING VALLEY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, this morning's editorial in the Washington Post calls for a second look at Spring Valley. This is the area in an exclusive residential neighborhood in Washington, D.C., immediately adjacent to the American University campus, that was 83 years ago the site of American chemical weapons testing and production during World War I. It is one of over 1,000 sites across America where we have unexploded ordnance, military toxins, environmental waste left from the past.

I could not agree more with the Washington Post that it is time for a second look at what is happening in Spring Valley.

Last spring, the gentlewoman from Washington, D.C., (Ms. NORTON) and I led a group of media and concerned citizens to visit the site where we have saw the areas of the concentration of arsenic, the vacant child care center that had many, many times the level of recommended contaminants before it was vacated, that now stands empty where just a few months ago there were young children.

Or looking at the back yard of the Korean Ambassador that is all scratched away where they are trying even now after the second cleanup to finish the job.

Yes, it is time for a second look at the Spring Valley situation to see what happened, who knew the information, to see if people were adequately warned of the dangers. But I think there is a much larger issue here than the management of the Spring Valley site.

As I mentioned, this is one of over 1,000 sites across the country. Indeed, it is hard to find a congressional district that does not have at least one of these situations that is there dealing with a potential threat to the local environment.

It is important that Congress not be missing in action with the issue of unexploded ordnance, which has claimed 65 lives that we have known of, perhaps more, where we have no real understanding of how many thousands, how many hundreds of thousands indeed. Indeed, the estimates are that it could be as many as 50 million acres that are contaminated.

Until Congress gets on top of this issue, I fear that we are going to be putting the Department of Defense in a situation where, with an inadequate budget, they are given no choice but to go from hot spot to hot spot, from the focus of emergency from the media, political pressure or some other contingency forces their attention.

A much better approach is for us to take a comprehensive look. I would suggest that my colleagues join me in cosponsoring H.R. 2605, the Ordnance and Explosive Risk Management Act that calls for the identification of a single person who is in charge. Right now there is not a single point of contact.

It calls for increased work in terms of research so that we know how best to clean up these sites, that we do a comprehensive inventory so at least we know how big the problem is. Of course, we all need to make sure that we are adequately funding this problem.

People who followed this in the news noticed that American University has filed suit against the United States Government for almost $100 million in damages.

Ultimately, we were responsible for cleaning up after ourselves in terms of Federal Government. Those of us who care about promoting livable communities that make our families safe, healthy and economically secure and who believe that the single most powerful tool available to us is not new fees, new laws, new requirements, but rather the Federal Government led by this bill, modeling the behavior that we expect of other Americans whether they are families, businesses or local government.

We have an opportunity to do that right now in moving forward with legislation, with adequate funding to make sure that the toxic legacy of over a century of unexploded ordnance and environmental degradation is taken care of, is addressed, that we do clean up after ourselves.

Mr. Speaker, I strongly urge my colleagues join me in support of H.R. 2605 and that we urge our colleagues on the Committee on Appropriations and the Armed Services Committee to make sure we are all doing our job, making the framework so that Congress is no longer missing in action on the issue of unexploded ordnance.

HONORING THE KABOOM! CORPORATION AND NASCAR FOR THEIR PUBLIC SERVICE CONTRIBUTIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Georgia (Mr. Isakson) is recognized during morning hour debates for 5 minutes.

Mr. ISAKSON. Mr. Speaker, last night about 10 hours ago this Congress passed the VA-HUD appropriations bill for the year 2002. In so doing, we have appropriated billions of dollars to assist low- and moderate-income Americans in the purchase or rental of their housing.

Mr. Speaker, 13 years ago when George Herbert Walker Bush, the former President of this country, made his acceptance speech, he made a speech about the "Thousand Points of Light," those Americans who go unnoticed every day but do so much good for their fellow man without credit or without compensation.

Today in Washington, D.C., a point of light will shine brightly. Under the auspices of a not-for-profit playground construction company known as KaBOOM! In the Jetu Washington apartment complex where over 500 children reside, a new playground will be dedicated to improve the quality of life and the environment for those children, a safe, attractive and accessible playground. The KaBOOM! Corporation, over the course of many years, has built 270 playgrounds in America for disadvantaged children and assisted in the renovation of 1,200 such playgrounds.

They do so by partnering with the private sector to provide the manpower, the resources and the funding. I am pleased today to acknowledge the Home Depot Corporation and NASCAR, who have partnered to provide the manpower, the funding and the resources for the playground that will be built today.

I particularly want to pay tribute to the Home Depot Corporation. Its founders, Bernie Marcus and Arthur Blank, when they started their company not too many years ago in their first store, insisted on community participation on behalf of their employees, and themselves were philanthropic in the gifts of their money to support good causes.

Last year alone the Home Depot Foundation donated $75 million in America for our at-risk youth, for their recreation and their quality of life, and for their health care. They truly are points of light that make our community better.

So as last night we celebrated the expenditure of billions of dollars in taxpayer money to assist Americans, let us also pay tribute today to the untold billions of dollars in manpower, manhours and actual money donated by those points of light in America who for no reason but the goodness of their hearts make the quality of life for the less fortunate better.

Today in Washington, D.C. that will happen at the Jetu Apartment complex thanks to the not-for-profit company, KaBOOM!, the for-profit companies of NASCAR and Home Depot, two points of light that will make a difference in the lives of hundreds of children.

IN SUPPORT OF CLEAN PATIENTS' BILL OF RIGHTS LEGISLATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from New Jersey (Mr. PALLONE) is recognized during morning hour debates for 5 minutes.

Mr. PALLONE. Mr. Speaker, many of us know now that the Republican leadership postponed any debate or vote on the patients' bill of rights, the HMO reform even though it was scheduled for last week. Now, of course, we are hearing that it may come up this week perhaps as early as Thursday, later on this week.

Mr. Speaker, I mention it because myself and many other Democrats have come to the floor frequently over the last year, and perhaps over the last 2 or 3 years, demanding that we have an opportunity for a clean vote on a real patients' bill of rights because we know of the problems that Americans and our constituents face with abuses when they are in the managed care system, where they have an HMO as their insurer.

What I fear though, Mr. Speaker, from the pronouncements that we are hearing from the Republican leadership is that there will not be an opportunity for a vote on HMO reform unless they have the votes for a weaker version of HMO reform or they call it the patients' bill of rights than what the majority of the Members of this House have been seeking.

The majority of the Members of the House, almost every Democrat and a significant number of Republicans, in the last session of Congress voted for a very strong patients' bill of rights, the one sponsored by the gentleman from Michigan (Mr. DINGELL), who is a Democrat and also by some Republicans, the gentleman from Iowa (Mr. GANSKE), and the gentleman from Georgia (Mr. NORWOOD), who are Republicans.

It is very important that the opportunities be presented here in the House if it is going to happen this week to have a clean vote on the real patients' bill of rights.

I think it is crucial that my colleagues and the public understand that there is a difference between some of the different versions that have been sort of circulating around this Chamber, and to suggest that we are going to have a vote on the patients' bill of rights but not have the opportunity to deal with the really effective strong one, I think would be a major mistake.

Let me give an example of the differences and why I think it is important that we have a vote on the real bill, on the one that is going to make a difference for the average American.

President Bush has said over and over again that he does not support a real patients' bill of rights. He does not support the Dingell-Ganske-Norwood bill because, first of all, there will be too much litigation, too much opportunity to go to court. Secondly, because it will drive up the cost of health insurance.

We know from the Texas insurance, and there are ten other States that have the good bill of rights including my own in New Jersey, that the fear of lawsuits is not real and the fear about increased cost of health insurance or people having their health insurance dropped is not real. In the case of Texas, it is well documented since 1997 when the patients' bill of rights went into effect in that State there were only 17 lawsuits. The average cost of health insurance in Texas has not gone up nearly as much as the national average. So we know that these fears that President Bush talks about are not legitimate.

What the President has been supporting and what the Republican leadership has been supporting is a weakened version of the patients' bill of rights that has been introduced by the gentleman from Kentucky (Mr. FLETCHER).

Just to give an example of what the differences can be on these bills, let me talk about some of the patients' protections that are guaranteed in the real patients' bill of rights that we would not have in the Fletcher Republican leadership bill. For example, we know that what we want is we want doctors to be able to practice medicine and be able to provide us with the care that they think we need. Well, under the Fletcher bill, for example, doctors could be told by their HMO that they cannot even talk to a patient about a medical procedure that they think a patient needs. It is called the gag rule.

Doctors also would continue to be provided financial incentive, or could under their Fletcher bill by their HMO, financial incentives not to provide us with care because they get more money at the end of the month if they do not have as much procedure, if they do not care for as many people, if they do not do as many operations.

Another very good example is with regard to specialty care. Under the real patients' bill of rights, the Dingell-Norwood-Ganske bill, we basically are able to go to a specialist on a regular basis without having to get authorization each time we want to go. Well, that is not true under the Fletcher bill. For example, under the real patients' bill of rights, a woman can have her OB-GYN as her family practitioner. She does not have to have authorization each time she goes.

Under the real patients' bill of rights, if we need pediatric care, we are guaranteed specialty care for our children, for speciality pediatric care. Under the Fletcher bill neither of these things are true.

So there are real differences here. That is why it is important that we have an opportunity this week to vote on the real patients' bill of rights. I ask the Republican leadership, do not put any roadblocks procedurally in the way through the Committee on Rules so that we do not have a clean vote on the real patients' bill of rights.

Let me talk about another area. Well, I guess my time has run out, Mr. Speaker. But I would ask that we have an opportunity this week to vote on a clean bill.

GRANTING PRESIDENT BUSH TRADE PROMOTION AUTHORITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. BRADY) is recognized during morning hour debates for 2 minutes.

Mr. BRADY of Texas. Mr. Speaker, the House of Representatives will consider legislation granting President Bush trade promotion authority. I urge my colleagues to support this legislation.

Why do we need restored trade promotion authority to the President and to America? The answer is jobs and our children's future. Currently the United States is at a severe disadvantage when we have to compete with the rest of the world. Not because of the quality of our products. They are high. But because of the trade barriers we face abroad. According to a report released earlier this year of the estimated 130 free trade agreements around the world, only two today include the United States.

Giving the President this authority to negotiate on our behalf would help give America the tools we need to break down the barriers abroad so we can sell American goods and services around the world and the potential is huge. Ninety-six percent of the world lives outside the United States. Ninety-six percent of the world lives outside our borders. While they cannot all buy the products we buy today, someday they will, and we want them to buy American products.

Here is an interesting static. Half the adults in the world today, half the adults in the world have yet to make their first telephone call. Well, if it is European countries to sell those telephone systems, they will create European jobs. If they are Asian companies that sell those telephone systems, they will create Asian jobs. If they are American companies that sell those telephone systems, we will create American jobs.

These are jobs for our future and for our children going through the schools today.

Countries around the world are hesitant to negotiate trade agreements with us. They are scared Congress will change every agreement 1,000 different ways after it has been negotiated. What trade promotion authority does, it gives Congress, your representatives, a final say on whether an agreement is fair and free. I want that say.

Mr. Speaker, in order to keep America the greatest economic power in the world, we have to be able to compete in the trade arena. The only way we will be able to do this is by granting President Bush trade promotion authority on our behalf.

PRIVATE PENSION BILL FOR RETIRED RAILROAD WORKERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, it is a great morning, but I am going to talk about a disconcerting bill that we might be taking up today or maybe tomorrow. It is the private pension bill for the railroad workers in this country.

The gentleman from Texas (Mr. SAM JOHNSON) and I are sending out a dear colleague this morning, Mr. Speaker. I hope all staff and workers and Members who are concerned about reaching into the Social Security-Medicare trust fund next year will take a look at this dear colleague, and then take a look at the railroad retirement bill that cost $15 billion.

I have been working on Social Security since I came here in 1993. In working with the Social Security system and researching its origins back to 1934, I discovered that the railroad employees were included in the social security system at that time in 1934.

The railroad workers and employers who were tremendously influential politically back in the 1930's as they are today, came to Congress and said we do not want to be part of the Social Security system, we want our own pension system. So government passed a law and took them out, and it became sort of a quasi-governmental pension system for this private industry—the only private industry that has sort of this government back-up of a private pension system.

The railroad retirement system was established during the 1930's on a pay-as-you-go basis just like Social Security; but unlike Social Security, which now has three workers to support every one retiree, the railroad retirement system has three beneficiaries being supported by every one worker. That is why they have come back to Congress so many times to ask the American taxpayer to bail out their pension system.

The disproportionate ratio of beneficiaries to workers is a direct result of historical decline in railroad employment. Since 1945, the number of railroad workers has declined to 240,000 from 1.7 million. So we can see as there are fewer workers, but all the existing retirees are living longer life spans, it has come to a tremendous burden on that workers asking each worker to have the kind of contribution that would support three retirees, so they have not been able to do it.

Declining employment. Many benefit increases have produced chronic deficits. The railroad retirement system has spent more than it has collected in payroll taxes every year since 1957. I want to say that again. The railroad retirement system has spent more than it has collected in payroll taxes every year since 1957. The cumulative shortfall since 1957 is $90 billion. That $90 billion has come from other taxpayers paying into this private taxpayer system.

So I think everybody can believe me, Mr. Speaker, when I say the influence of the railroad workers and the railroad system has been very influential in the United States Congress. Although railroad workers and their employers currently pay a 33.4 percent payroll tax excluding Medicare and unemployment, the railroad retirement system still spends $4 billion more than it collects in payroll deductions each year. So every year we are subsidizing and putting money back into the railroad retirement system out of the general fund.

Despite the payroll tax shortfall, the railroad retirement system remains technically solvent thanks to these generous taxpayer subsidies. The American taxpayer has bailed out the retirement system to the extent that those retirement funds now claim a $20 billion surplus, not a $90 billion deficit. So this bill that is proposed to come up takes $15 billion out of the general fund next year and gives it to a railroad retirement board investment effort where they invest it and spend it for current retirees.

But the challenge is while we are passing these bills, we are reducing the payroll tax that these workers pay in and we increase benefits. We have increased benefits for widows, and we allow those workers to retire in the railroad system, under this proposed legislation that is coming before us, to retire at 60 years old with full benefits. Of course, on Social Security what we have done over the years is we have increased that, and now we are in the mode of taking that full benefit eligibility up to 67 years old for Social Security.

So in this railroad bill, we have reduced the tax they pay; we have increased the benefits. I hope everybody will study this issue very closely because if we are going to pass this kind of legislation, we should at least take American taxpayers off the hook in the future.

RECESS

The SPEAKER pro tempore. There being no further requests for morning hour debates, pursuant to clause 12, rule I, the House will stand in recess until 10 a.m.

Accordingly (at 9 o'clock and 40 minutes a.m.) the House stood in recess until 10 a.m.

□ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. GUTKNECHT) at 10 a.m.

PRAYER

The Reverend Monsignor John Brenkle, St. Helena Catholic Church, St. Helena, California, offered the following prayer:

Father, Your name is indeed Alpha and Omega, the beginning and the end. How fitting it is to begin all of our enterprises conscious of Your guiding Spirit and to give You praise when our affairs have ended well.

As we join together to begin today the work of making this Nation a land of peace and justice, may we humble ourselves before You, acknowledging that who we are and what we do is Your gift, Your grace.

Help us always to remember that You have called us to be servants and that the greatness of our life as a nation and as individuals is to be measured by how generously and wisely we serve each other.

Let Your presence and Your blessings descend upon this Chamber and upon each of its Members as they begin this new day and may they at its end experience the rewards of a day well spent in the service of others. For this we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. MCNULTY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MCNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Texas (Mr. SAM JOHNSON) come forward and lead the House in the Pledge of Allegiance.

Mr. SAM JOHNSON of Texas led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOMING THE REVEREND MONSIGNOR JOHN BRENKLE

(Mr. THOMPSON of California asked and was given permission to address the House for 1 minute.)

Mr. THOMPSON of California. Mr. Speaker, I am honored to have such a truly genuine servant and good friend lead us in today's opening prayer. Father John Brenkle—Monsignor John Brenkle—has humbly and effectively served our diocese for over 30 years and has been pastor at the St. Helena Catholic Church for nearly 20 years.

He has worked tirelessly with local, State and Federal officials, housing advocates and the wine industry within the Napa Valley to improve farm worker housing in our area.

In addition to St. Helena, Father Brenkle has served the diocese by leading two other parishes and serving as a school principal. He has been both a forceful presence and silent leader and has the respect and the admiration of our entire community regardless of their religious affiliation.

I thank my colleagues for allowing him to lead us in prayer today.

CLONING

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, the columnist Charles Krauthammer called legislation that we are going to consider today to permit cloning human embryos a "nightmare and an abomination." It truly is.

Some of those who support this proposal are so eager to clone human beings that they have taken to twisting the truth to promote their arguments. The latest thing they are saying is that cloned embryos are not really embryos at all. They say that if you use body cells instead of sperm to fertilize an egg, that that really is not an embryo.

Mr. Speaker, that is ridiculous. Take a look at this picture of Dolly the sheep. Everybody knows that Dolly is a clone. Dolly was made by fertilizing a sheep egg with a cell taken from the mammary gland of another sheep. It took 277 tries before they got a clone that worked. Now she is 5 years old.

Those who argue that cloned human embryos are not really embryos might as well argue that Dolly is not a sheep. That is ridiculous.

Cloning human beings is wrong. Eighty-eight percent of the American people do not want scientists to create human embryos for the purpose of experimentation, harvesting and destruction. We will be voting later today to ban all human cloning. Support the Weldon-Stupak bill.

IRS COMMISSIONER ROSSOTTI

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. The legal group Judicial Watch has charged IRS Commissioner Rossotti with conflict of interest involving a company he founded. Rossotti still owns stock in the company, his wife works there, and Rossotti buys software from this company for the IRS.

That is right. Rossotti buys from Rossotti. If that is not enough to roast your chestnuts, the charge claims, and I quote, Rossotti got a conflict waiver from the Clinton administration in exchange for targeting and auditing Clinton's opponents.

What is the surprise? In addition, Rossotti is scheduled for another big, fat bonus from Congress.

Beam me up. The Internal Rectal Service does not need bonuses, they need abolished.

I yield back the fact that if a Member of Congress did what Rossotti did, you would go straight to the slammer.

ENERGY PRODUCTION NEEDED FOR OUR FUTURE

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, the energy crisis America is facing is still with us. Americans need our country to invest in and produce more energy from the few sites we have available on our public lands. That is the goal of the bipartisan Energy Security Act which will allow for the production of wind, solar and geothermal energies on public lands. These are clean energies, renewable energies that leave our environment untouched.

We cannot keep pretending our energy challenges will take care of themselves if we just wait long enough. When we fail to act, prices rise and our seniors and small businesses, our farmers and low-income families suffer. They suffered last winter. They suffered this spring. They are suffering now under the hot summer sun. Be assured, without a comprehensive plan they will suffer next year, and the year after that.

We need to have the courage and the vision to realize that increased energy production plays a key role in a sound national energy policy. We need to pass the Republican energy package for the sake of our future, for the sake of America.

H.R. 2540, VETERANS BENEFITS ACT OF 2001

(Mr. SHOWS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHOWS. Mr. Speaker, I am so proud to be here as a member of the House Committee on Veterans' Affairs to share my strong support of H.R. 2540, the Veterans Benefits Act of 2001.

These men and women, uprooted from their families and communities, served our country with honor and dignity. Yet when it was time for the VA to serve them, thousands were categorically denied.

Earlier this year, I introduced H.R. 612, the Persian Gulf War Illness Compensation Act of 2001 with two other outstanding advocates for veterans, the gentleman from Illinois (Mr. MANZULLO) and the gentleman from California (Mr. GALLEGLY). This legislation garnered strong bipartisan support from over 225 Members of the House.

The Veterans Benefits Act of 2001 will now clarify VA standards for compensation by recognizing fibromyalgia, chronic fatigue syndrome, multiple chemical sensitivity, and other ailments as key symptoms of undiagnosed or poorly defined illnesses associated with Gulf War service. Additionally, this bill extends the presumptive period for undiagnosed illnesses to December 31, 2003. This is a true victory for veterans.

Mr. Speaker, these veterans put their lives on the land to protect, defend and advance the ideals of democracy.

Vote for this bill. It is the right thing to do.

TRADE PROMOTION AUTHORITY

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, Congress must pass trade promotion authority. International trade is an essential part of the U.S. economy. But when it comes to trade agreements, the U.S. is lagging behind significantly. Of the 130 preferential trade agreements that exist, the U.S. is a party to only two: NAFTA and a free trade agreement with Israel. That is it. The European Union has 27, 20 of which have been negotiated in the last 10 years. While the rest of the world is moving rapidly ahead, we are not.

Canada, our neighbor to the north, has agreements throughout the southern hemisphere. There are currently over 12 million U.S. jobs that depend upon exports. American jobs that export goods pay up to 18 percent more than the U.S. national average. As we can see, trade agreements are a crucial element for the success of the U.S. economy. Remember, the jobs stay here; the products are exported overseas.

Mr. Speaker, in order to get back in the game and develop a stronger economy, I urge my colleagues to join me in supporting trade promotion authority.

PROUD TO SALUTE THE HONORABLE DONNA SHALALA, NEW PRESIDENT OF THE UNIVERSITY OF MIAMI

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I am proud to salute the Honorable Donna Shalala who has assumed the reins as the fifth president of the University of Miami. Donna Shalala was U.S. history's longest serving Secretary of the U.S. Department of Health and Human Services. During her tenure, Dr. Shalala distinguished herself on a broad range of issues, including taking care of the needs of our elderly and our Nation's children.

She led campaigns for child immunization, for biomedical research, and played a key role in reforming our welfare system. In fact, the Washington Post described her as "one of the most successful government managers of our time."

Donna brings to UM more than 25 years of experience in education, also, including serving as President of Hunter College. As chancellor of the University of Wisconsin-Madison, she was the first woman to head a Big 10 university.

The University of Miami is already a leader in international and medical education, biomedical research and environmental sciences, but with Donna Shalala at its helm, UM will be certain to reach great new heights.

The Florida congressional delegation welcomes Donna Shalala back to Washington, D.C. today and looks forward to helping her achieve her vision for the future of the University of Miami and for our South Florida community.

MANAGED CARE LEGISLATION

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute.)

Mr. BROWN of Ohio. Mr. Speaker, some health plans systematically obstruct, delay and deny care. That is a fact.

Earlier this year, Republicans and Democrats negotiated a bill that contains the minimum protections necessary to get health insurance back on track. Ganske-Dingell reminds HMOs that they are being paid to provide coverage, not excuses. And it contains a right to sue with enough teeth in it to deter health plans from cheating their enrollees, and enough definition to preclude frivolous lawsuits.

Recourse in the courts is essential. If we tell HMOs that they are accountable, we must hold them accountable. Unfortunately, the Fletcher bill compromises away the two most important patient protections, leaving HMOs thrilled and consumers no better off. It provides a right to sue that cannot actually be exercised and a right to an external appeals process that simply cannot be trusted.

We need to enact legislation that does not just sound like it protects patients but actually does protect patients. Ganske-Dingell fits that bill. I ask for House support.

□ 1015

SUPPORT FLETCHER HEALTH CARE REFORM

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, I am going to talk about Benny Johnson, no relationship.

Benny Johnson of Logic I sales in Richardson, Texas, employs 18 people and pays over $80,000 a year for health insurance for himself, his employees, and their families. Benny has paid for their health insurance for nearly 20 years.

If health insurance premiums rise much higher, Benny is going to have to reduce benefits, drop coverage, or change plans, ending relationships with doctors they trust and know. Why would his premiums go up? Because of the McCain-Kennedy legislation in the House and Senate, which everybody knows would drive costs up.

This potentially could add Benny and his employees, and their families, to the 43 million Americans without health insurance.

It is just plain wrong. It has to stop. We have to think of Benny, his employees, and his families. Let us support the Fletcher bill.

STRENGTHENING AMERICA'S LEADERSHIP ON TRADE

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, in just a few minutes, the gentleman from California (Chairman THOMAS) will begin the debate on the very important U.S.-Jordan Free Trade Agreement, but I want to take a moment to talk about a very important issue which we are going to be phasing in in the not-too-distant future, and that is the issue of Trade Promotion Authority.

Since that authority expired in 1994, our trading partners have been very busy negotiating a web of trade agreements that excludes the United States. Today we sit here wasting valuable time that the President and his trade negotiators could be using to improve the lives of families here in the United States and around the world.

Free trade has been a boom for the American family, from higher paying jobs to lower prices. The North American Free Trade Agreement and the World Trade Organization have increased the overall national income by $40 billion to $60 billion. Continued efforts to open new markets help working families that bear the brunt of hidden imported taxes on everyday items like clothes, food, and electronics. And, with 97 percent of exporters coming from small or medium-sized companies, increased exports mean better, higher paying export jobs for workers that make up the heart and soul of this country.

Along with American workers, open trade has helped to raise more than 100 million people out of poverty in the last decade. A recent World Bank study showed that developing countries that participate actively in trade grow faster and reduce poverty faster than countries that isolate themselves.

We should grant the President Trade Promotion Authority as soon as possible to ensure that the United States continues to lead in the global economy and the fight to spread democracy and freedom throughout the world.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GUTKNECHT). Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken later today.

UNITED STATES-JORDAN FREE TRADE AREA IMPLEMENTATION ACT

Mr. THOMAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2603) to implement the agreement establishing a United States-Jordan free trade area, as amended.

The Clerk read as follows:

H.R. 2603

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States-Jordan Free Trade Area Implementation Act".

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to implement the agreement between the United States and Jordan establishing a free trade area;

(2) to strengthen and develop the economic relations between the United States and Jordan for their mutual benefit; and

(3) to establish free trade between the 2 nations through the removal of trade barriers.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) AGREEMENT.—The term "Agreement" means the Agreement between the United States of America and the Hashemite Kingdom of Jordan on the Establishment of a Free Trade Area, entered into on October 24, 2000.

(2) HTS.—The term "HTS" means the Harmonized Tariff Schedule of the United States.

TITLE I—TARIFF MODIFICATIONS; RULES OF ORIGIN

SEC. 101. TARIFF MODIFICATIONS.

(a) TARIFF MODIFICATIONS PROVIDED FOR IN THE AGREEMENT.—The President may proclaim—

(1) such modifications or continuation of any duty,

(2) such continuation of duty-free or excise treatment, or

(3) such additional duties,

as the President determines to be necessary or appropriate to carry out article 2.1 of the Agreement and the schedule of duty reductions with respect to Jordan set out in Annex 2.1 of the Agreement.

(b) OTHER TARIFF MODIFICATIONS.—The President may proclaim—

(1) such modifications or continuation of any duty,

(2) such continuation of duty-free or excise treatment, or

(3) such additional duties,

as the President determines to be necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Jordan provided for by the Agreement.

SEC. 102. RULES OF ORIGIN.

(a) IN GENERAL.—

(1) ELIGIBLE ARTICLES.—

(A) IN GENERAL.—The reduction or elimination of any duty imposed on any article by the United States provided for in the Agreement shall apply only if—

(i) that article is imported directly from Jordan into the customs territory of the United States; and

(ii) that article—

(I) is wholly the growth, product, or manufacture of Jordan; or

(II) is a new or different article of commerce that has been grown, produced, or manufactured in Jordan and meets the requirements of subparagraph (B).

(B) REQUIREMENTS.—

(i) GENERAL RULE.—The requirements of this subparagraph are that with respect to an article described in subparagraph (A)(ii)(II), the sum of—

(I) the cost or value of the materials produced in Jordan, plus

(II) the direct costs of processing operations performed in Jordan,

is not less than 35 percent of the appraised value of such article at the time it is entered.

(ii) MATERIALS PRODUCED IN UNITED STATES.—If the cost or value of materials produced in the customs territory of the United States is included with respect to an article to which this paragraph applies, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributable to such United States cost or value may be applied toward determining the percentage referred to in clause (i).

(2) EXCLUSIONS.—No article may be considered to meet the requirements of paragraph (1)(A) by virtue of having merely undergone—

(A) simple combining or packaging operations; or

(B) mere dilution with water or mere dilution with another substance that does not materially alter the characteristics of the article.

(b) DIRECT COSTS OF PROCESSING OPERATIONS.—

(1) IN GENERAL.—As used in this section, the term "direct costs of processing operations" includes, but is not limited to—

(A) all actual labor costs involved in the growth, production, manufacture, or assembly of the specific merchandise, including fringe benefits, on-the-job training, and the cost of engineering, supervisory, quality control, and similar personnel; and

(B) dies, molds, tooling, and depreciation on machinery and equipment which are allocable to the specific merchandise.

(2) EXCLUDED COSTS.—The term "direct costs of processing operations" does not include costs which are not directly attributable to the merchandise concerned, or are not costs of manufacturing the product, such as—

(A) profit; and

(B) general expenses of doing business which are either not allocable to the specific merchandise or are not related to the growth, production, manufacture, or assembly of the merchandise, such as administrative salaries, casualty and liability insurance, advertising, and salesmen's salaries, commissions, or expenses.

(c) TEXTILE AND APPAREL ARTICLES.—

(1) IN GENERAL.—A textile or apparel article imported directly from Jordan into the customs territory of the United States shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) only if—

(A) the article is wholly obtained or produced in Jordan;

(B) the article is a yarn, thread, twine, cordage, rope, cable, or braiding, and—

(i) the constituent staple fibers are spun in Jordan, or

(ii) the continuous filament is extruded in Jordan;

(C) the article is a fabric, including a fabric classified under chapter 59 of the HTS, and the constituent fibers, filaments, or yarns are woven, knitted, needled, tufted, felted, entangled, or transformed by any other fabric-making process in Jordan; or

(D) the article is any other textile or apparel article that is wholly assembled in Jordan from its component pieces.

(2) DEFINITION.—For purposes of paragraph (1), an article is "wholly obtained or produced in Jordan" if it is wholly the growth, product, or manufacture of Jordan.

(3) SPECIAL RULES.—

(A) CERTAIN MADE-UP ARTICLES, TEXTILE ARTICLES IN THE PIECE, AND CERTAIN OTHER TEXTILES AND TEXTILE ARTICLES.—Notwithstanding paragraph (1)(D) and except as provided in subparagraphs (C) and (D) of this paragraph, subparagraph (A), (B), or (C) of paragraph (1), as appropriate, shall determine whether a good that is classified under one of the following headings or subheadings of the HTS shall be considered to meet the requirements of paragraph (1)(A) of subsection (a): 5609, 5807, 5811, 6209.20.50.40, 6213, 6214, 6301, 6302, 6304, 6305, 6306, 6307.10, 6307.90, 6308, and 9404.90.

(B) CERTAIN KNIT-TO-SHAPE TEXTILES AND TEXTILE ARTICLES.—Notwithstanding paragraph (1)(D) and except as provided in subparagraphs (C) and (D) of this paragraph, a textile or apparel article which is knit-to-shape in Jordan shall be considered to meet the requirements of paragraph (1)(A) of subsection (a).

(C) CERTAIN DYED AND PRINTED TEXTILES AND TEXTILE ARTICLES.—Notwithstanding paragraph (1)(D), a good classified under heading 6117.10, 6213.00, 6214.00. 6302.22, 6302.29, 6302.52, 6302.53, 6302.59, 6302.92, 6302.93, 6302.99, 6303.92, 6303.99, 6304.19, 6304.93, 6304.99, 9404.90.85, or 9404.90.95 of the HTS, except for a good classified under any such heading as of cotton or of wool or consisting of fiber blends containing 16 percent or more by weight of cotton, shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the fabric in the good is both dyed and printed in Jordan, and such dyeing and printing is accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.

(D) FABRICS OF SILK, COTTON, MANMADE FIBER OR VEGETABLE FIBER.— Notwithstanding paragraph (1)(C), a fabric classified under the HTS as of silk, cotton, man-made fiber, or vegetable fiber shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the fabric is both dyed and printed in Jordan, and such dyeing and printing is accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.

(4) MULTICOUNTRY RULE.—If the origin of a textile or apparel article cannot be determined under paragraph (1) or (3), then that article shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if—

(A) the most important assembly or manufacturing process occurs in Jordan; or

(B) if the applicability of paragraph (1)(A) of subsection (a) cannot be determined under subparagraph (A), the last important assembly or manufacturing occurs in Jordan.

(d) EXCLUSION.—A good shall not be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the good—

(1) is imported into Jordan, and, at the time of importation, would be classified under heading 0805 of the HTS; and

(2) is processed in Jordan into a good classified under any of subheadings 2009.11 through 2009.30 of the HTS.

(e) REGULATIONS.—The Secretary of the Treasury, after consultation with the United States Trade Representative, shall prescribe such regulations as may be necessary to carry out this section.

TITLE II—RELIEF FROM IMPORTS

Subtitle A—General Provisions

SEC. 201. DEFINITIONS.

As used in this title:

(1) COMMISSION.—The term "Commission" means the United States International Trade Commission.

(2) JORDANIAN ARTICLE.—The term "Jordanian article" means an article that qualifies for reduction or elimination of a duty under section 102.

Subtitle B—Relief From Imports Benefiting From The Agreement

SEC. 211. COMMENCING OF ACTION FOR RELIEF.

(a) FILING OF PETITION.—

(1) IN GENERAL.—A petition requesting action under this subtitle for the purpose of adjusting to the obligations of the United States under the Agreement may be filed with the Commission by an entity, including a trade association, firm, certified or recognized union, or group of workers that is representative of an industry. The Commission shall transmit a copy of any petition filed under this subsection to the United States Trade Representative.

(2) PROVISIONAL RELIEF.—An entity filing a petition under this subsection may request that provisional relief be provided as if the petition had been filed under section 202(a) of the Trade Act of 1974.

(3) CRITICAL CIRCUMSTANCES.—Any allegation that critical circumstances exist shall be included in the petition.

(b) INVESTIGATION AND DETERMINATION.—

(1) IN GENERAL.—Upon the filing of a petition under subsection (a), the Commission, unless subsection (d) applies, shall promptly initiate an investigation to determine whether, as a result of the reduction or elimination of a duty provided for under the Agreement, a Jordanian article is being imported into the United States in such increased quantities, in absolute terms or relative to domestic production, and under such conditions that imports of the Jordanian article alone constitute a substantial cause of serious injury or threat thereof to the domestic industry producing an article that is like, or directly competitive with, the imported article.

(2) CAUSATION.—For purposes of this subtitle, a Jordanian article is being imported into the United States in increased quantities as a result of the reduction or elimination of a duty provided for under the Agreement if the reduction or elimination is a cause that contributes significantly to the increase in imports. Such cause need not be equal to or greater than any other cause.

(c) APPLICABLE PROVISIONS.—The following provisions of section 202 of the Trade Act of 1974 (19 U.S.C. 2252) apply with respect to any investigation initiated under subsection (b):

(1) Paragraphs (1)(B) and (3) of subsection (b).

(2) Subsection (c).

(3) Subsection (d).

(d) ARTICLES EXEMPT FROM INVESTIGATION.—No investigation may be initiated under this section with respect to any Jordanian article if import relief has been provided under this subtitle with respect to that article.

SEC. 212. COMMISSION ACTION ON PETITION.

(a) DETERMINATION.—By no later than 120 days (180 days if critical circumstances have been alleged) after the date on which an investigation is initiated under section 211(b) with respect to a petition, the Commission shall make the determination required under that section.

(b) ADDITIONAL FINDING AND RECOMMENDATION IF DETERMINATION AFFIRMATIVE.—If the determination made by the Commission under subsection (a) with respect to imports of an article is affirmative, the Commission shall find, and recommend to the President in the report required under subsection (c), the amount of import relief that is necessary to remedy or prevent the injury found by the Commission in the determination and to facilitate the efforts of the domestic industry to make a positive adjustment to import competition. The import relief recommended by the Commission under this subsection shall be limited to that described in section 213(c).

(c) REPORT TO PRESIDENT.—No later than the date that is 30 days after the date on which a determination is made under subsection (a) with respect to an investigation, the Commission shall submit to the President a report that shall include—

(1) a statement of the basis for the determination;

(2) dissenting and separate views; and

(3) any finding made under subsection (b) regarding import relief.

(d) PUBLIC NOTICE.—Upon submitting a report to the President under subsection (c), the Commission shall promptly make public such report (with the exception of information which the Commission determines to be confidential) and shall cause a summary thereof to be published in the Federal Register.

(e) APPLICABLE PROVISIONS.—For purposes of this subtitle, the provisions of paragraphs (1), (2), and (3) of section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d)) shall be applied with respect to determinations and findings made under this section as if such determinations and findings were made under section 202 of the Trade Act of 1974 (19 U.S.C. 2252).

SEC. 213. PROVISION OF RELIEF.

(a) In General.—No later than the date that is 30 days after the date on which the President receives the report of the Commission containing an affirmative determination of the Commission under section 212(a), the President shall provide relief from imports of the article that is the subject of such determination to the extent that the President determines necessary to prevent or remedy the injury found by the Commission and to facilitate the efforts of the domestic industry to make a positive adjustment to import competition, unless the President determines that the provision of such relief is not in the national economic interest of the United States or, in extraordinary circumstances, that the provision of such relief would cause serious harm to the national security of the United States.

(b) National Economic Interest.—The President may determine under subsection (a) that providing import relief is not in the national economic interest of the United States only if the President finds that taking such action would have an adverse impact on the United States economy clearly greater than the benefits of taking such action.

(c) Nature of Relief.—The import relief (including provisional relief) that the President is authorized to provide under this subtitle with respect to imports of an article is—

(1) the suspension of any further reduction provided for under the United States Schedule to Annex 2.1 of the Agreement in the duty imposed on that article;

(2) an increase in the rate of duty imposed on such article to a level that does not exceed the lesser of—

(A) the column 1 general rate of duty imposed under the HTS on like articles at the time the import relief is provided; or

(B) the column 1 general rate of duty imposed under the HTS on like articles on the day before the date on which the Agreement enters into force; or

(3) in the case of a duty applied on a seasonal basis to that article, an increase in the rate of duty imposed on the article to a level that does not exceed the column 1 general rate of duty imposed under the HTS on the article for the corresponding season occurring immediately before the date on which the Agreement enters into force.

(d) Period of Relief.—The import relief that the President is authorized to provide under this section may not exceed 4 years.

(e) Rate After Termination of Import Relief.—When import relief under this subtitle is terminated with respect to an article—

(1) the rate of duty on that article after such termination and on or before December 31 of the year in which termination occurs shall be the rate that, according to the United States Schedule to Annex 2.1 of the Agreement for the staged elimination of the tariff, would have been in effect 1 year after the initiation of the import relief action under section 211; and

(2) the tariff treatment for that article after December 31 of the year in which termination occurs shall be, at the discretion of the President, either—

(A) the rate of duty conforming to the applicable rate set out in the United States Schedule to Annex 2.1; or

(B) the rate of duty resulting from the elimination of the tariff in equal annual stages ending on the date set out in the United States Schedule to Annex 2.1 for the elimination of the tariff.

SEC. 214. TERMINATION OF RELIEF AUTHORITY.

(a) General Rule.—Except as provided in subsection (b), no import relief may be provided under this subtitle after the date that is 15 years after the date on which the Agreement enters into force.

(b) Exception.—Import relief may be provided under this subtitle in the case of a Jordanian article after the date on which such relief would, but for this subsection, terminate under subsection (a), but only if the Government of Jordan consents to such provision.

SEC. 215. COMPENSATION AUTHORITY.

For purposes of section 123 of the Trade Act of 1974 (19 U.S.C. 2133), any import relief provided by the President under section 213 shall be treated as action taken under chapter 1 of title II of such Act.

SEC. 216. SUBMISSION OF PETITIONS.

A petition for import relief may be submitted to the Commission under—

(1) this subtitle;

(2) chapter 1 of title II of the Trade Act of 1974; or

(3) under both this subtitle and such chapter 1 at the same time, in which case the Commission shall consider such petitions jointly.

Subtitle C—Cases Under Title II Of The Trade Act of 1974

SEC. 221. FINDINGS AND ACTION ON JORDANIAN IMPORTS.

(a) Effect of Imports.—If, in any investigation initiated under chapter 1 of title II of the Trade Act of 1974, the Commission makes an affirmative determination (or a determination which the President may treat as an affirmative determination under such chapter by reason of section 330(d) of the Tariff Act of 1930), the Commission shall also find (and report to the President at the time such injury determination is submitted to the President) whether imports of the article from Jordan are a substantial cause of serious injury or threat thereof.

(b) Presidential Action Regarding Jordanian Imports.—In determining the nature and extent of action to be taken under chapter 1 of title II of the Trade Act of 1974, the President shall determine whether imports from Jordan are a substantial cause of the serious injury found by the Commission and, if such determination is in the negative, may exclude from such action imports from Jordan.

SEC. 222. TECHNICAL AMENDMENT.

Section 202(a)(8) of the Trade Act of 1974 (19 U.S.C. 2252(a)(8)) is amended in the first sentence—

(1) by striking "and part 1" and inserting ", part 1"; and

(2) by inserting before the period at the end ", and title II of the United States-Jordan Free Trade Area Implementation Act".

TITLE III—TEMPORARY ENTRY

SEC. 301. NONIMMIGRANT TRADERS AND INVESTORS.

Upon the basis of reciprocity secured by the Agreement, an alien who is a national of Jordan (and any spouse or child (as defined in section 101(b)(1) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(1)) of the alien, if accompanying or following to join the alien) shall be considered as entitled to enter the United States under and in pursuance of the provisions of the Agreement as a nonimmigrant described in section 101(a)(15)(E) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(E)), if the entry is solely for a purpose described in clause (i) or (ii) of such section and the alien is otherwise admissible to the United States as such a nonimmigrant.

TITLE IV—GENERAL PROVISIONS

SEC. 401. RELATIONSHIP OF THE AGREEMENT TO UNITED STATES AND STATE LAW.

(a) Relationship of Agreement to United States Law.—

(1) United states law to prevail in conflict.—No provision of the Agreement, nor the application of any such provision to any person or circumstance, that is inconsistent with any law of the United States shall have effect.

(2) Construction.—Nothing in this Act shall be construed—

(A) to amend or modify any law of the United States, or

(B) to limit any authority conferred under any law of the United States,

unless specifically provided for in this Act.

(b) Relationship of Agreement to State Law.—

(1) Legal challenge.—No State law, or the application thereof, may be declared invalid as to any person or circumstance on the ground that the provision or application is inconsistent with the Agreement, except in an action brought by the United States for the purpose of declaring such law or application invalid.

(2) Definition of state law.—For purposes of this subsection, the term "State law" includes—

(A) any law of a political subdivision of a State; and

(B) any State law regulating or taxing the business of insurance.

(c) Effect of Agreement With Respect to Private Remedies.—No person other than the United States—

(1) shall have any cause of action or defense under the Agreement; or

(2) may challenge, in any action brought under any provision of law, any action or inaction by any department, agency, or other instrumentality of the United States, any State, or any political subdivision of a State on the ground that such action or inaction is inconsistent with the Agreement.

SEC. 402. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each fiscal year after fiscal year 2001 to the Department of Commerce not more than $100,000 for the payment of the United States share of the expenses incurred in dispute settlement proceedings under article 17 of the Agreement.

SEC. 403. IMPLEMENTING REGULATIONS.

After the date of enactment of this Act—

(1) the President may proclaim such actions, and

(2) other appropriate officers of the United States may issue such regulations,

as may be necessary to ensure that any provision of this Act, or amendment made by this Act, that takes effect on the date the Agreement enters into force is appropriately implemented on such date, but no such proclamation or regulation may have an effective date earlier than the date the Agreement enters into force.

SEC. 404. EFFECTIVE DATES; EFFECT OF TERMINATION.

(a) Effective Dates.—Except as provided in subsection (b), the provisions of this Act and the amendments made by this Act take effect on the date the Agreement enters into force.

(b) Exceptions.—Sections 1 through 3 and this title take effect on the date of the enactment of this Act.

(c) Termination of the Agreement.—On the date on which the Agreement ceases to be in force, the provisions of this Act (other than this subsection) and the amendments made by this Act, shall cease to be effective.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. THOMAS) and the gentleman from Michigan (Mr. LEVIN) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. THOMAS).

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first of all I want to thank the chairman of the Committee on the Judiciary, the gentleman from Wisconsin (Chairman SENSENBRENNER), for their willingness to expedite this process. As you know, many committees share jurisdiction over issues; and on this particular piece of legislation, notwithstanding the Committee on the Judiciary's jurisdictional prerogative, they were willing to exchange letters with us so that we might move forward.

As Chair of the Committee on Ways and Means, I include these letters for the record and thank the gentleman from Wisconsin (Chairman SENSENBRENNER).

COMMITTEE ON WAYS AND MEANS,
Washington, DC, July 30, 2001.
Hon. F. JAMES SENSENBRENNER, Jr.,
Chairman, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR JIM: Thank you for your letter regarding H.R. 2603, the "United States-Jordan Free Trade Area Implementation Act of 2001."

As you have noted, the Committee on Ways and Means ordered favorably reported, H.R. 2603, "United States-Jordan Free Trade Area Implementation Act of 2001," on Thursday, July 26, 2001. I appreciate your agreement to expedite the passage of this legislation despite containing provisions within your Committee's jurisdiction. I acknowledge your decision to forego further action on the bill was based on the understanding that it will not prejudice the Committee on the Judiciary with respect to its jurisdictional prerogatives or the appointment of conferees on this or similar legislation.

Finally, I will include in the Congressional Record a copy of our exchange of letters on this matter. Thank you for your assistance and cooperation. We look forward to working with you in the future.

Best regards,

BILL THOMAS,
Chairman.

COMMITTEE ON THE JUDICIARY,
Washington, DC, July 30, 2001.
Hon. WILLIAM M. THOMAS,
Chairman, House Committee on Ways and Means, Longworth HOB, House of Representatives, Washington, DC.

DEAR BILL: Thank you for working with me regarding H.R. 1484, the "United States-Jordan Free Trade Areas Implementation Act," which was referred to the Committee on Ways and Means and the Committee on the Judiciary. As you know, the Committee on the Judiciary has a jurisdictional interest in this legislation, and I appreciate your acknowledgment of that jurisdictional interest. Because I understand the desire to have this legislation considered expeditiously by the House and because the Committee does not have a substantive concern with those provisions that fall within its jurisdiction, I do not intend to hold a hearing or markup on this legislation.

In agreeing to waive consideration by our Committee, I would expect you to agree that this procedural route should not be construed to prejudice the Committee on the Judiciary's jurisdictional interest and prerogatives on this or any similar legislation and will not be considered as precedent for consideration of matters of jurisdictional interest to my Committee in the future. The Committee on the Judiciary takes this action with the understanding that the Committee's jurisdiction over the provisions within the Committee's jurisdiction is in no way diminished or altered, and that the Committee's right to the appointment of conferees during any conference on the bill is preserved. I would also expect your support in my request to the Speaker for the appointment of conferees from my Committee with respect to matters within the jurisdiction of my Committee should a conference with the Senate be convened on this or similar legislation.

Again, thank you for your cooperation on this important matter. I would appreciate your including our exchange of letters in your Committee's report to accompany H.R. 1484.

Sincerely,

F. JAMES SENSENBRENNER, Jr.,
Chairman.

Mr. Speaker, approval of this agreement will do a number of things. One, it will provide some degree of recognition, and, if you will, a small acknowledgment of the gratitude that the people of the United States have for the people of the Hashemite Kingdom of Jordan.

Jordan has played a constructive role through 2 generations of leadership in the Middle East. Their steadfast advocacy for peace and cooperation in fighting terrorism not only needs to be recognized in symbolic ways, but I believe with this particular trade pact it will be recognized in a very realistic way as well.

Although Jordan is a small market, Jordan is a trusted friend and ally; and, as importantly, it is strongly committed to liberalizing its economy. Once this agreement is ratified, more than 50 percent of the tariffs between our two countries will be eliminated overnight, and then gradually the more difficult areas will be worked down to zero, so that at the end of the 10 years, it truly will be a free trade relationship.

In addition to that, the quality of particular areas of this agreement are unsurpassed. The intellectual property rights provisions contain the highest levels of copyright protection ever included in a trade agreement. In addition, Jordan will be the first of our trading partners to bind itself to no customs duties on electronic commerce. Clearly this agreement will open Jordan's markets to U.S. services and U.S. markets to Jordan's products, whereby they can earn their way by trade.

Mr. Speaker, the reason that we are now in front of the House is that, notwithstanding those excellent portions of the agreement that I indicated, there was an attempt in this particular agreement in dealing with our friend and ally to dictate the way in which sanctions would be dealt with; that is, to expand beyond historical parameters, that for the first time, this agreement includes treating labor and the environment equally with trade. That in itself is not necessarily not a good thing to do, but what it did do was lock in the old-fashioned trade sanctions, while expanding it to new areas. That, to the present administration, to this majority, is an unacceptable structure.

Not wanting to go back and require a revision of the agreement, what we were able to do was to exchange between the Hashemite Government of Jordan and the United States Government an exchange of letters in which, notwithstanding the Clinton Administration's attempt to use this particular agreement to further its own agenda, neither the Government of the United States nor the Government of Jordan intend to exercise trade sanctions in the areas in the agreement, especially in terms of formal dispute resolution. Rather, they have committed themselves to a cooperative structure in the exchange of these two letters, especially looking for alternate mechanisms that will help to secure compliance without recourse to, as I said, those traditional trade sanctions that are the letter of the agreement.

Mr. Speaker, I include for the RECORD the exchange of letters between the Hashemite Government of Jordan and the United States Government.

U.S. TRADE REPRESENTATIVE,
Washington, DC, July 23, 2001.
His Excellency MARWAN MUASHER,
Ambassador of the Hashemite Kingdom of Jordan to the United States.

DEAR MR. AMBASSADOR: I wish to share my Government's view on implementation of the dispute settlement provisions included in the Agreement between the United States of America and the Hashemite Kingdom of Jordan on the Establishment of a Free Trade Area, signed on October 24, 2000.

Given the close working relationship between our two Governments, the volume of trade between our two countries, and the clear rules of the Agreement, I would expect few if any differences to arise between our two Governments over the interpretation or application of the Agreement. Should any differences arise under the Agreement, my Government will make every effort to resolve them without recourse to formal dispute settlement procedures.

In particular, my Government would not expect or intend to apply the Agreement's dispute settlement enforcement procedures to secure its rights under the Agreement in a manner that results in blocking trade. In light of the wide range of our bilateral ties and the spirit of collaboration that characterizes our relations, my Government considers that appropriate measures for resolving any differences that may arise regarding the Agreement would be bilateral consultations and other procedures, particularly alternative mechanisms, that will help to secure compliance without recourse to traditional trade sanctions.

Sincerely,

ROBERT B. ZOELLICK,
U.S. Trade Representative.

EMBASSY OF THE HASHEMITE
KINGDOM OF JORDAN,
Washington, DC, July 23, 2001.

Hon. ROBERT B. ZOELLICK,
U.S. Trade Representative,
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Sincerely,

MARWAN MUASHER,
Ambassador.

Mr. Speaker, with these letters, it means that, notwithstanding the narrow, specific wording of the document, the attempt to drive a particular political agenda with this agreement, in which all are in favor of increasing trade to the point of free and open trade between the United States and Jordan, this agreement becomes acceptable, especially when this is the first instance in which the 21st century needs to be addressed with clearly a better way to deal with perceived violations and actual violations of agreements.

Alternate mechanisms beyond the old-fashioned 19th and early 20th century tools are really what is needed to develop and grow trade in this century. I am pleased to say that with the exchange of letters, notwithstanding the specifics of this agreement, we have begun to move down that direction; and we continue to work together to present to this House a Trade Promotion Authority which builds on this exchange of letters between the Government of the United States and the Hashemite Government of Jordan.

Mr. Speaker, I reserve the balance of my time.

Mr. LEVIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this agreement indeed is an important one. It is important in terms of national security. Jordan is important in the quest for peace and security in the Mideast.

This agreement is important economically. A healthy Jordanian economy is important in and of itself, and for Jordan to play a constructive role in the Middle East.

This agreement is important because it addresses essential ingredients of the economic relationship between our two nations.

It is important because it recognizes that included in that economic relationship are labor and environmental standards.

This agreement is so important that it should have been presented to this House for approval many months ago. The delay was because some did not like the provisions relating to labor and the environment. That position was and is misguided.

Domestic labor markets and environmental standards are relevant to trade and competition within a nation and competition and trade between nations. That has become increasingly true as the volume of international trade has increased dramatically and as nations with very different economic structures trade and compete with one another. Recognition of that reality is simply inescapable in this era of trade. It is not a political question, it is a matter of sheer economic reality.

The Government of Jordan was willing from the start, and I emphasize that, to address that reality. Some in the United States were not. As a result, after several different notions have been suggested, there has been an exchange of letters between the two governments. They do not amend the agreement, they do not forego any of its provisions; they say what their intention and expectations are as to implementation of all the provisions in the agreement.

Both nations have strong practices on labor and environmental standards. The governments say in the letters that if either fails to meet their commitments to enforce such standards, or any other provisions of the agreement, and I emphasize that, any of the other provisions of the agreement, they do not expect or intend to use traditional trade sanctions to enforce them.

That was unnecessary and unfortunate. It is unwise to say that regardless of the violations of a trade agreement, the expectation is that any method of enforcement will not be used. Trade sanctions are always a last resort, but to set a precedent in any agreement that under no circumstances is there any expectation that they may have to be used as to any provision is a mistake, an unwise precedent.

It was unnecessary because the agreement carefully sets up a framework for all kinds of consultations and mediation over a long period of time before either party could use sanctions, and only after recurring violations affecting trade, and only with appropriate and commensurate measures.

I support our approving this agreement because of the importance of the U.S.-Jordanian relationship and because the agreement within its four corners still stands.

□ 1030

But cutting corners on the important issues of labor and environmental standards and trade agreements is a step backwards for future constructive action on trade. But today, to proceed on Jordan is important, and we should do so.

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

I would say to the gentleman the only unfortunate circumstance in this agreement was the unfortunate consequences of taking advantage to push a domestic agenda on trade with as important and vital a strategic partner as Jordan. We would have preferred that this domestic agenda on trade be done in a slightly different way. The letters, in fact, go a long way toward correcting that attempt, to grab the initiative on a domestic agenda on trade by using this agreement.

Mr. Speaker, it is my pleasure to yield 2½ minutes to the gentleman from California (Mr. DREIER), one of the leading advocates and spokesmen for trade in the House of Representatives and the chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank the gentleman for yielding me this time.

I, of course, was going to begin by talking about the great importance of bringing about stability in the region and the benefits of this U.S.-Jordan Free Trade Agreement to economic growth and all, but since both the gentleman from California (Mr. THOMAS) and the gentleman from Michigan (Mr. LEVIN) have gotten to the issue of labor and the environment and this very important exchange of letters, and I congratulate the chairman for having put that arrangement together. I think it is important to underscore why it is that there seems to be this disagreement.

We believe very passionately that the best way to deal with those important issues of labor and the environment is through economic growth. Mr. Speaker, there is a great arrogance that exists as we proceed with this debate on trade for the United States of America to try to impose on developing nations around the world, nations that are struggling to get onto the first rung of the economic ladder, standards with which they cannot comply. They cannot comply.

I recall so well, following the very important December 1999 Seattle ministerial meeting of the World Trade Organization, the cover of the Economist Magazine the week after that meeting was very telling. It said, when they talked about the imposition of sanctions, when President Clinton talked about the imposition of sanctions on issues of labor and the environment, the cover had a picture and above that picture was the caption: "Who Is the Real Loser at Seattle?" The photograph, Mr. Speaker, was of a starving baby in Bangladesh.

It is so apparent that those countries which we hope to help get into the international community are being prevented because of, as the gentleman from California (Mr. THOMAS) said appropriately, the imposition of a domestic agenda on other nations. It is unfortunate that Jordan was caught in the middle on this issue; however, we do want to see environmental standards and worker rights improved in Jordan.

We believe that the economic growth that is going to follow this kind of effort is important for the stability of the region. It is very important for bringing about greater stability as it expands throughout the Middle East. I hope this is just really the second, following the U.S.-Israel Free Trade Agreement, the second in steps that will help us bring about the very, very important economic growth and stability that is needed there.

Mr. LEVIN. Mr. Speaker, I yield myself 1½ minutes.

Mr. Speaker, I want to move on to other speakers, but I want the RECORD to be clear: I was in meetings with the Jordanian Government from the outset, at least in discussions with this body, and the King said they were willing to negotiate on labor and environmental standards. Do not talk about shoving this down somebody's throat. It is not true.

Secondly, imposition of our standards? Nonsense. When it comes to core labor standards, these are ILO standards that most nations have already agreed to.

Child labor? Forced labor? The ability of workers to associate and organize? That is imposing our standards? These are international standards. Are we imposing our standards when we insist on intellectual property or on subsidies in agriculture? The gentleman uses a different standard when it comes to one or another.

Environmental standards. The President withdrew from Kyoto because developing nations were not in the Kyoto Accord, and now someone comes to this floor and says because we want countries to enforce the environmental standards, in this case, their own, it is a domestic agenda or it is a political agenda. It is not. This relates to the terms in competition of countries, and there are some basic standards that need to be applied and to be implemented.

Mr. Speaker, I yield 2½ minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I strongly support the agreement that is before us. Jordan is a friend of the United States in the Middle East. They are moving forward in opening direct trade between their country and Israel, and they are truly our ally in seeking peace in the Middle East and in fighting terrorist activities.

I also support this agreement because it is a good agreement. It is a good agreement from the point of view of the United States. We already have a Free Trade Agreement with Israel. This Free Trade Agreement will open up opportunities for American producers and manufacturers. And we have made progress, as the gentleman from Michigan (Mr. LEVIN) has pointed out, on labor and environment; that is, removing barriers to fair trade because of the standards of other countries being far below the standards here in the United States. That works to the disadvantage of U.S. manufacturers and producers. We made progress in this agreement because Jordan agreed to enforce its own laws in the trade agreement. What is wrong with that?

Now, Mr. Speaker, I must tell my colleagues, I am concerned about the letters that were exchanged between Jordan and the United States that the distinguished Chairman of the Committee on Ways and Means put in the RECORD. These letters were requested by the United States. Make no mistake about it, this was not Jordan's idea, this was the United States' idea. It was because we were concerned that we were painting new territory in allowing us to have in the core agreement labor and the environmental standards.

Mr. Speaker, if we are going to enforce labor and environmental standards, they have to be in the core agreement. We have seen that every time we have tried to put them in side agreements, it has been ineffective in enforcing the standards that we told the American public that we were fighting for. This letter puts labor and environment as a second tier issue. That is wrong. It should not be a second tier issue. Most of the other provisions in the Jordanian agreement can be enforced through WTO since they are in the multinational agreement.

Mr. Speaker, this letter, I hope, will not be precedent for the future, because we can make progress in bilateral agreements on increasing world standards for labor and environment; we can make progress so that American producers and manufacturers and farmers can effectively compete internationally by raising international standards in labor and environment. We make progress in the bilateral agreement such as with Jordan so that we can move the WTO, the multinational agreements, so that they can move forward in these areas.

Mr. Speaker, this is a good agreement. It should be supported. We made a mistake by requesting the exchange of letters.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I can understand the perplexity of my friends on the other side over the letters in which they say the letters were not Jordan's idea. Well, let us return to the negotiation between the Clinton administration and the Jordanians.

I cannot believe it was the Jordanians' idea to lay on the table old-fashioned sanctions in which products are used to retaliate against violations extended to labor and the environment. I have a hunch it was the Clinton administration that laid these on the table. And, of course, my friend from Michigan then says, they did not object to them. Of course they are not going to object to them. They are going to say, yes, to whatever is laid on the table.

So I do not think the argument about basic standards being implemented is the issue. It was the fact that the Jordanians were required to agree to a sanctions structure that was imposed upon them by the Clinton administration. The letters were not Jordan's idea, but the basic document was not Jordan's idea either.

What we have is an ability to reach agreement and move forward. Frankly, we would not be here today without the letters. So I think the letters were a very good thing.

Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. ENGLISH), a member of the Committee on Ways and Means.

Mr. ENGLISH. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, our relationship with Jordan is a strategic one, and that alone is reason enough for this trade agreement to be desirable. But H.R. 2603 is also a model for how we can pursue a balanced trade relationship with a developing country whose legal system and workplace environment is radically different from our own.

This trade agreement with Jordan represents the first free trade agreement with an Arab Nation and will give us closer trade ties to the Arab world. Trading with Jordan will be mutually beneficial and strengthen them as our ally.

But Jordan also represents a country that plays a critical role in the Middle East peace process. Beyond that, this agreement negotiated by the last administration provides us with a sensible and balanced approach to addressing blue and green issues in trade agreements, discouraging a race to the bottom by countries seeking to attract investment and lure jobs.

This agreement will benefit not only Jordanians, but American workers by creating an export market for high value-added U.S. products in a nation that cannot make these products for themselves. The bill phases out all tariffs during a 10-year period and establishes the first-ever bilateral commitment regarding e-commerce. It also addresses intellectual property rights and the protections for copyrights, trademarks and patents, as well as makes a specific commitment to opening markets in the services sector.

But as a truly inclusive trade agreement, H.R. 2603 addresses various labor and environmental concerns. This agreement does not seek to place further labor and environmental regulations on Jordan, but rather, requires that they enforce the law that they already have on their books. Jordan cannot relax environmental standards to attract trade, and they have agreed to fully enforce national labor laws. This agreement provides us with a model, perhaps not the only one, but a very promising one, for engaging in fair trade with a developing country, and I urge my colleagues to support it.

Mr. LEVIN. Mr. Speaker, I yield 3 minutes to the very distinguished gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, I certainly support this agreement, as I did in committee, but the handling of this bill really represents another foreign policy failure for the Bush Administration.

During the last week alone, this Administration has stood alone and isolated from 178 other countries on how to resolve climate change and global warming. It has stood alone and isolated from seven years of negotiations about how to make an international agreement on germ warfare more effective. And it reasserted its intention to unilaterally reject the Antiballistic Missile Treaty that has contributed to three decades of peace.

Little wonder that this week's conservative Economist magazine raises the question: "Stop the World, I Want to Get Off: Has George Bush Ever Met a Treaty that He Liked?" Well, it is not this one, because today the Republicans here on the House floor display their real paranoia about any attempt to protect workers and the environment from the potential adverse consequences of international trade.

Mr. Speaker, this is an outmoded trade policy that the Bush Administration is advancing at the very time that a number of our trading partners are recognizing that environmental issues need to be addressed as we look at the question of international trade. It is a policy that is consistent only with the Bush Administration's anti-environmental attitudes and policies here in the United States.

□ 1045

Trade is certainly vital to our country, but if more international commerce with a particular country leads to the reliance on more child labor or the destruction of rain forests or endangered species, those are important considerations to be avoided through negotiation.

This agreement with the small, but important, country of Jordan fortunately did not involve any of those particular concerns; but the Clinton Administration, wisely working with the country of Jordan, provided that if there were repeated violations of a country's own laws, not our laws in Jordan but Jordan's laws in Jordan to protect workers and the environment, then that could be the subject of trade sanctions.

That scares the Republicans to death, the very thought that on an international level we might give consideration to the way trade impacts workers, child laborers, the environment, endangered species, rain forests, or other sensitive environmental areas.

They are opposed to even the most modest safeguards like those contained in this agreement, so they have not fast-tracked this agreement; rather, they have slow-tracked it. They have slow-tracked it for the last six or seven months, refusing to present this trade agreement to the Congress to act upon.

Today they rush it to the floor with minimum debate because they do not want any attention on the contradictions in their own trade policy. That is a trade policy of slow-tracking that tells us a great deal about this so-called fast track proposal.

I support more trade, but not by granting President Bush a blank check, open-ended trade authority to do anything he wants. It is clear from his rejection of these modest safeguards that he will not do right by workers and the environment unless we put strict conditions on any trade negotiating authority that Congress decides to delegate to him.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 1½ minutes to the gentleman from Michigan (Mr. KNOLLENBERG).

Mr. KNOLLENBERG. Mr. Speaker, I thank the gentleman for yielding time to me.

I rise in very strong support of this agreement, Mr. Speaker, and I urge my colleagues on both sides to support passage.

The U.S.-Jordan Free Trade Agreement will provide economic benefits to both countries. That is what we are really here about. This agreement will eliminate tariffs on virtually all trade between the two countries within 10 years. Passage of this agreement offers the prospect of rapid growth in the U.S.-Jordan trade relationship.

In addition to economic benefits, this agreement will help to strengthen our association with a key ally in the Middle East. Jordan is a trusted friend and ally of the U.S. and is strongly committed to liberalizing its economy. The agreement provides important support to Jordan's commitment.

In addition, the U.S.-Jordan FTA builds on other U.S. initiatives in the region designed to encourage economic development and regional integration. This includes, of course, the 1985 U.S.-Israel Free Trade Agreement and its extension to areas administered by the Palestinian Authority in 1996.

Again, Mr. Speaker, I urge my colleagues to vote yes on this agreement.

Mr. LEVIN. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I thank my friend, the gentleman from Michigan, for yielding time to me.

Let me preface my statement by saying that I support the Jordan-U.S. trade agreement and plan to vote for it. That said, this agreement illustrates why this Congress must not relinquish our right to amend future trade agreements and why we must vote down Fast Track.

When we look closely at this, we see the fingerprints of the brand-name drug industry all over it. This agreement provides protections for the drug industry more stringent than those established by the World Trade Organization.

Look at the fine print of section 20 of Article 4 on intellectual property. Not only does this agreement impose barriers to generic access in Jordan that are greater than those in place here, it prevents the United States from using a WTO sanction mechanism, compulsory licensing, to bring down grossly inflated drug prices.

The Jordan trade pact blocks the U.S. from ever enacting compulsory licensing law, now or in the future, to combat excessive drug prices.

While Congress waited for the trade agreement to be negotiated, our drug industry convinced the U.S. Trade Representative to tie our hands and to tie Jordan's hands. It is outrageous that the drug industry can have this kind of influence, particularly when their pricing practices are robbing Americans blind. But that is what happens when Congress has too little oversight in trade agreements.

If Fast Track passes, what will the future hold once the drug industry and other special interests know that Congress cannot amend the trade agreement? How many poison pills will we have to swallow or will the American public have to swallow?

It is provisions like these, slipped into trade agreements, which are the reason why Fast Track is such a threat to the best interests of our constituents. While trade agreements go to great lengths to protect investors and protect property rights, these agreements rarely include enforceable provisions to protect workers in the U.S. or abroad. Like the Jordan agreement, corporations will slip provisions into the text that will abuse the most vulnerable of society.

Three years ago, Fast Track was defeated in Congress, 243 to 180. Vote for the Jordan trade agreement but defeat Fast Track, which allows bad provisions in good trade agreements.

Mr. LEVIN. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy in yielding time to me to speak on this issue.

Mr. Speaker, I have a slightly different perspective than my friend, the gentleman from Ohio. I happen to believe very strongly that trade promotion authority is important and that our future, not just from our region but for our country and for developing nations around the world, lies in fairer, freer trade.

I supported the trade promotion authority for the last administration. I hope to be able to support it for this administration.

But I would look at this agreement today as a model for an approach that we can have trade promotion authority, which I think is important, but do it in a way that brings us together, where we can have 300 or 400 people on this floor, as the gentleman from Michigan is looking for ways to be able to express these concerns about environment, about worker standards.

This agreement that we have before us can be a template in a way that does not divide us but actually strengthens free trade. It brings it in a way that does not have to have a partisan edge to it, and actually encourages countries to be able to develop their own labor and environmental standards.

We have a number of companies around the world that are doing pioneering work in their own work to be able to advance higher standards for the environment and the workplace; international corporations that are showing the way in terms of how to treat their employees in patterns of compensation and worker safety.

I would strongly urge that we approve this agreement before us, and that we look at this as a template for how we ought to put together trade promotion authority.

I commend the gentleman from Michigan for the work that he is doing on our side of the aisle to have a broader conversation. He, I think, has shown through his work on China that there are ways to bring us together. I encourage this Chamber to look at this agreement as a way that we can do this in a way that we will not lose the opportunity to develop the consensus. I thank the gentleman for his efforts.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Arizona (Mr. KOLBE), who through his time and talent has assisted for a long time. I look forward to working with him as we move trade promotion authority.

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise today in strong support of the U.S.-Jordan Free Trade Agreement. I want to begin by thanking President Clinton, acknowledging his role in negotiating this agreement. I want to praise President Bush for bringing this agreement forward in a determined fashion.

I really want to commend the chairman of the Committee on Ways and Means, the gentleman from California (Mr. THOMAS), and the gentleman from the subcommittee, the gentleman from Illinois (Mr. CRANE), and the ranking member, the gentleman from Michigan (Mr. LEVIN), for their bipartisan support in bringing this agreement forward.

Mr. Speaker, this agreement is critical to the foreign policy of the United States. It is of enormous political significance to us. Jordan is a vital ally of ours in the Middle East. It has been in the past; and it continues to be a leader in this peace process, this Middle East peace process.

Let there be no doubt, we have relied heavily on Jordan to play a constructive role in building peace in the region, and certainly the least we can do today is extend our hand in free trade.

This role that Jordan has played is a very difficult one. It is located geographically between Iraq and Syria and the west bank of the Jordan. Over half of its population is of Palestinian descent. In short, it is in the heart of a region that is plagued by centuries of conflict. It lies on the edge of a potential conflict all along all of its borders.

Despite this, it has had strong political leadership over the years that has taken repeatedly difficult steps towards peace, started by former King Hussein with a peace agreement between Jordan and Israel in 1994, and that continues today under the leadership of his son, King Abdullah II.

We must implement this free trade agreement, not because of the economic benefits the U.S. may receive, although there are some. We must implement this agreement because it will help Jordan develop economically and become more prosperous. With the prosperity and the prospect for economic stability, we can help it continue to lead by example in a region where greater, stronger leadership is so desperately needed.

Just a couple of months ago, I led a delegation of members of the Committee on Appropriations to Israel, Egypt, and to Jordan. In all of those countries, we appreciated the importance of trade as a driver of regional economic growth.

Mr. Speaker, this is an important agreement. I urge my colleagues to support it.

Mr. LEVIN. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. BONIOR), our distinguished whip.

Mr. BONIOR. Mr. Speaker, I thank my colleague for yielding time to me, and I thank him and others who worked on this agreement.

Mr. Speaker, the agreement we face today is a good agreement. It furthers our relationship with our friends and allies; and it increases the prospect, as we have heard, for economic and political stability in the Middle East. It contains modest yet meaningful standards for worker rights and the environment. For the first time, Mr. Speaker, these values are considered as terms of the agreement, just as tariffs, just as intellectual property traditionally have been.

But what I am concerned about is the interjection of these side letters. The administration, I think, is undermining a good deal with these side letters. The side letter effectively removes the possibility of enforcing labor and environmental violations by tough enforcement mechanisms of sanctions. The side letter places a higher value on commercial provisions which are still enforceable by sanctions through the WTO.

Overall, the side letters suggest that we value our goods over our workers. It has been the nexus, the heart of the problem we have had on the trade issue. This was a solid agreement negotiated in good faith by two strategic friends and partners. It deserves to be implemented as such.

This agreement was once a good step forward, including worker rights and environmental standards in a trade agreement. Now, with the side letter, it becomes yet another reflection of the trade policies of the past that deny the realities of today.

We must remember the administration's actions to gut these modest worker rights and environmental provisions when we look to future agreements in this Congress, especially Fast Track. Fast Track requires us to put all our faith in Presidential authority. The action on the Jordan agreement should warn us against that. This administration gives with one hand while trying to take away with the other.

Mr. Speaker, I will vote for this trade agreement because I believe in the deal that was negotiated, and that is on the floor today. It is a step forward. But I am deeply disappointed with the administration's attempt to undermine the deal and to turn the clock back.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 1½ minutes to the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise today in support of H.R. 2603, which, in a comprehensive fashion, eliminates barriers to bilateral trade in goods and services between the United States and the Hashemite Kingdom of Jordan.

I would posit that this agreement does bring us together by providing a positive structure for dealing with trade violations, rather than controversial and potentially ineffective sanctions.

Economic prosperity, stability, and religious tolerance form the foundation of our foreign policy in the Middle East. In a region where daily violence has almost become a fact of life, the establishment of economic cooperation is a vitally important aspect of creating an environment where the nations of the Middle East can exist in peace and with prosperity.

This agreement will enable the United States to have a productive economic exchange with a valuable trading partner that has been a stabilizing factor in that region. The spirit of bilateral economic cooperation between these two countries will be beneficial to both our nations, and sends a signal to the world that nations that share our values and desire for peace will prosper.

Jordan has been a steadfast partner for promoting peace and fighting terrorism, and I welcome this agreement.

□ 1100

I commend the gentleman from California (Mr. THOMAS) for his leadership on the issue and again urge my colleagues to support this important legislation.

Mr. LEVIN. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I thank my good friend, my very distinguished colleague from Michigan, Mr. LEVIN, for yielding me this time.

I strongly support this resolution that approves the U.S.-Jordan Free Trade Agreement. The United States rarely gets a chance to score a clear victory that will promote economic growth, regional stability, reward a trusted ally, and affirm our most basic democratic values. We have such an opportunity right now with this agreement. Even though Jordan is only our 100th largest trading partner, the Jordan Free Trade Agreement is crucial to our national interest.

First, this agreement holds the potential of jump-starting a process of trade liberalization that has slowed down considerably since 1995. Under this agreement, duties on almost all goods would be phased out over a 10-year period. Jordan commits itself to opening its markets fully to U.S. manufacturers, farmers, and service providers. The Jordan FTA is the first such agreement ever to address issues related to electronic commerce and the Internet, with Jordan promising to ratify international agreements ensuring the protection of software and audio recordings on the Internet. Also under this agreement both sides pledge much greater openness in the resolution of disputes.

More significant than this contribution to open trade is what the Jordan FTA should mean for our continuing pursuit of peace and stability in the Middle East. Since coming to power after the death of his legendary father, King Hussein, 2 years ago, King Abdullah has launched a series of progressive reforms intended to modernize Jordan's economy. The nation has joined the World Trade Organization, deregulated some of its service industries, and strengthened its intellectual property laws. It has also stood with the United States politically, helping to enforce our trade embargo against Iraq, and serving as a voice of moderation among the Arab states.

By entering into this agreement, we are promoting regional economic growth, and sending a strong and positive signal of support to a crucial ally. If we were to delay this trade agreement that the previous Clinton administration worked out so constructively, it would send the opposite and wrong signal. This trade agreement marks a new approach to addressing labor and environmental provisions that I think is reasonable and realistic.

Approval of this agreement should give us some momentum now to move forward on our larger bipartisan trade agenda, most notably trade promotion authority. Global agreements can be values driven as well as profits driven, and that is why I urge my colleagues to approve this agreement and reaffirm our commitment to this vital ally in the Middle East.

Mr. LEVIN. Mr. Speaker, I yield the balance of my time, a long 30 seconds, to the gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Speaker, so much to say.

Mr. Speaker, I am here to vote for the Jordan treaty, but the world will little note nor long remember what we do here today. But what was important about today was the President of the United States showed his hand. He is not trustworthy. He will take an agreement, and when it is being out here on the floor he will then write a letter and undo it.

Now, let us give them trade promotion authority, shall we? He will go and negotiate, he will bring a treaty in here, we will vote for it, and as we vote "aye" or "no," he will be putting in the mailbox at the White House a letter to somebody saying, "I didn't mean it, guys. This does not really count. You know we didn't really mean what's in this."

Watch and remember what happened with those letters on this issue. Vote for this but do not forget.

Mr. THOMAS. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from California (Mr. THOMAS) has 2 minutes remaining.

Mr. THOMAS. Well, gee, Mr. Speaker, I guess I am a little bit confused. Apparently the gentleman from Washington thinks that President Bush negotiated this agreement. Perhaps I should shock him into reality and indicate that the proper response on this floor should have been shame on you. Shame on your administration in trying to push your domestic trade agenda by making an offer to Jordan you knew they could not refuse. What kind of diplomatic relationship is that?

The mistake of using Jordan as a pawn has partially been corrected by the exchange of letters. And so when my colleague stands up here and says piously, gee, we are trying to reverse an agreement in which we just want some standards for labor and the environment, I would note, as I said at the very beginning, there is nothing wrong with that. We need to move in that direction. Get over it. The previous administration tried to sneak an agreement through, and it was not done. Now, let us sit down and work together and talk about not using antiquated sanctions in resolving these new issues.

The bottom line is this, Mr. Speaker. This agreement is on the suspension calendar. We all agree that our friend and ally is long overdue this recognition. Let us vote "yes" on H.R. 2603.

Mr. GILMAN. Mr. Speaker, the U.S.-Jordan Free Trade Agreement with the United States is good for Jordan, good for the United States and good for peace in the Middle East. By eliminating trade barriers between both our countries, it will increase trade. In doing so, it will strengthen one of the most constructive regimes in the Middle East regarding the Peace Process.

Under King Abdullah's leadership, Jordan has already made significant strides in modernizing its economy and in opening its markets to the outside world. For example, Jordan has embarked on a major privatization program that includes its telecommunications sector, and has improved its record on intellectual property rights.

This agreement will accelerate that process by guaranteeing:

The elimination of all tariffs on industrial goods and farm products within 10 years;

Free trade in services, giving American service providers full access to services of key importance;

Modern intellectual property rights commitments, which will provide prospects for technology-based industries, copyright-based industries, and pharmaceutical companies;

A joint commitment to promote a liberalized trade environment for e-commerce that should encourage investment in new technologies, and avoid imposing customs duties on electronic transmissions.

Just as Jordan has been a model for constructive participation in the Peace Process, the U.S.-Jordan Free Trade Agreement can help to make it an economic model for the rest of the Arab world.

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise to support H.R. 2603, the United States-Jordan Free Trade Implementation Act.

Jordan is a small Arab country with abundant natural resources such as oil. The Persian Gulf crisis aggravated Jordan's already serious economic problems, forcing the government to put a hiatus on the International monetary Fund program, stop most debt payments, and suspend rescheduling negotiations. However, the economy rebounded in 1992, thanks to the influx of capital repatriated by workers returning from the Gulf.

After averaging 9 percent in 1992–95, GDP growth averaged only 2 percent during 1996–99. In an attempt to spur growth, King Abdallah of Jordan has undertaken some economic reform measures, including partial privatization of some state-owned enterprises. These actions culminated with Jordan's entry in January 2000 into the World Trade Organization (WTO).

I have personally met with King Abdallah on several occasions. I was pleased to host the King and Queen in 1999, when they visited Northern Virginia to discuss possible investment opportunities in Jordan with regional high technology and telecommunications companies. The King and representatives from his government showed a keen interest in exploring trade opportunities with our technology sector. The attendees, which included CEOs and Presidents of national high-tech organizations and companies, were overwhelmingly impressed with the King's knowledge of the industry and his openness towards working with them.

Mr. Speaker, I believe passage of H.R. 2306 will have significant and positive economic and political impacts for both Jordan and the United States. The U.S.-Jordan Free Trade Agreement (FTA) will increase levels of trade in services for both nations, boost the Jordanian economy, contribute to easing unemployment, attract foreign direct investments from both U.S. and other foreign-based companies, and reinforce momentum for additional economic reform in Jordan. In the year 2000, total bilateral trade between the U.S. and Jordan was approximately $385 million, with U.S. exports to Jordan accounting for about 80 percent or $310 million of this total. In the same year, U.S. imports from Jordan totaled $73 million and accounted for approximately 20 percent of total bilateral trade.

The FTA builds on other U.S. initiatives in the region that are designed to encourage economic development and regional integration, including: the 1996 extension of the U.S.-Israel Free Trade Agreement to areas administered by the Palestinian Authority; and the 1996 creation of Qualified Industrial Zones (QIZ), which are areas under joint Israeli and Jordanian control whose exports are eligible for duty-free treatment in the United States.

Once passed by the Congress and the Jordanian Parliament, the U.S.-Jordan FTA will be the first U.S. free trade agreement with an independent Arab country, and Jordan will be the fourth country in the world to have a bilateral free trade agreement with America-all of which reflects the close bond between the two nations, and reaffirms our commitment to this burgeoning relationship.

Mr. CROWLEY. Mr. Speaker, I rise as a cosponsor of H.R. 2603, the United States-Jordan Free-Trade Agreement.

This legislation, as approved, would implement H.Doc. 107–15 as it was submitted to Congress on January 6, 2001 by former President Clinton, and would make the trade agreement we negotiated with the Hashemite Kingdom of Jordan operational.

Jordan is a moderate Arab nation and an ally of both the United States and Israel. The free trade agreement negotiated by the Clinton administration will help to solidify trade and commerce between the United States and Jordan.

As you know Mr. Speaker, free trade is vital to political stability and economic development not only in the Middle East but also around the world. With free trade nations are not only able to exchange goods but also ideas. It is the ideas of freedom and democracy that is the greatest export the United States can offer to the rest of the world.

Under the agreement negotiated by the United States and Jordan, both nations have committed themselves to removing almost all duties on trade in ten years. The two countries have also committed themselves to safeguarding intellectual property and copyrights.

Most importantly the agreement includes provisions to protect worker rights and the environment.

The Middle East is an emerging region and the United States should do all it can to help the nations of the Middle East develop their economic potential. Jordan has played an integral role in leading the region to a freer and a more secure future.

King Abdullah has made important commitments to implement necessary economic and political reforms. Jordan has also been an important partner in the Middle East peace process, and a leading voice among moderate Arab nations for normalizing relations with the State of Israel.

By supporting free trade with Jordan the United States Congress will be recognizing Jordan's role as a peace partner in the Middle East.

Free trade will give American companies more access not only to the Jordanian market but also to markets in Israel and Egypt. While at the same time providing for greater economic development in the region.

Currently, New York State conducts $23 million worth of trade with Jordan. In the next ten years this volume is expected to increase as Jordan's economy continues to grow. This will create more jobs for my constituents and more prosperity for the people of Jordan.

Mr. Speaker, it is important for the United States to continue playing its historic role in the Middle East as a voice for peace and democracy. Free trade with Jordan recognizes both Jordan's role as a peace partner in the Middle East and it reasserts America's commitment to peace and stability in the Middle East. I would also like to point out the United States-Jordan Free Trade Agreement is supported by Israel, evidence of Israel's continued commitment to peace and stability in the region.

At this hour of crises in the Middle East it is important for the United States Congress to stand with the people of Israel and Jordan by supporting free trade and democracy in the region.

Mr. BENTSEN. Mr. Speaker, I rise in support of this legislation, which provides for implementation of a free trade agreement between the United States and Jordan, eliminating duties and commercial barriers to bilateral trade in goods and services.

The U.S.-Jordan Free Trade Agreement was negotiated during the Clinton Administration, although it was completed too late to secure Congressional action last year. If enacted, Jordan would become only the fourth country, after Canada, Mexico and Israel, with which the United States has a free-trade arrangement. I support implementation of the Jordan FTA because I believe it will help advance the long-term U.S. objective of fostering greater Middle East regional economic integration, while providing greater market access for U.S. goods, services, and investment.

The Jordan FTA not only sends a strong message to Jordanians and its neighbors about the economic benefits of peace, but significantly contributes to stability throughout the region. This Agreement is the culmination of our economic partnership with Jordan, which has also included U.S.-Jordanian cooperation on Jordan's accession to the World Trade Organization (WTO), our joint Trade and Investment Framework Agreement, and our Bilateral Investment Treaty. This Agreement also represents a vote of confidence in Jordan's economic reform program, which should serve as a source of growth and opportunity for Jordanians in the coming years.

I am pleased that the Jordan FTA includes the highest possible commitments from Jordan on behalf of U.S. business on key issues, providing significant liberalization across a wide spectrum of trade issues. The FTA builds on economic reforms Jordan has made by requiring it to eliminate tariffs on agriculture goods and industrial products within a decade, strengthen intellectual property protections and liberalize services trade.

Perhaps most importantly, the Jordan FTA contains provisions in which both our countries agree not to relax environmental or labor standards in order to enhance competitiveness. For the first time, these provisions are in the main body of the agreement. It is important to note that the FTA does not require either country to adopt any new laws in these areas, but rather includes commitments that each country enforce its own labor and environmental laws. While I understand that the Bush administration has exchanged letters with Jordan pledging neither country would use sanctions to enforce that part of the pact, I believe the approach taken under this bill is the right approach—it allows this body to move forward on an agreement of strategic importance that emphasizes the importance of labor and environmental standards to existing and future U.S. trade policy. In light of the agreement on this issue, it would serve this body well to work toward a similar compromise that can garner broad bipartisan support for Trade Promotion Authority, which the House may consider as soon as this week.

I am pleased that the House moved the Jordan FTA largely as negotiated. However, with less than $400 million in two-way trade between the U.S. and Jordan—about the same volume of trade the U.S. conducts with China in a single day—the real impact of congressional approval of this agreement is to show our support for a key U.S. ally in a troubled region of the world. Given the relatively small volume of trade with Jordan, the strategic significance of the U.S.-Jordanian relationship, and the importance Jordanians place on this free trade agreement, it is highly unlikely that any Administration, Democrat or Republican, present or future, will be forced to impose trade sanctions on Jordan. However, since this agreement includes language that neither mandates or precludes any means of enforcement, it signifies a critical shift in U.S. priorities; one that reflects growing concerns over the effect of globalization on U.S. jobs and economic opportunity.

Mr. Speaker, passage of the Jordan FTA is more significant than the trade benefits included in this legislation. Passage of this implementing bill sends an important signal of support to our allies and our trading partners that the U.S. intends to be an important player in promoting trade policies that open markets to U.S. exports and create U.S. jobs, while addressing concerns related to the effects of increased globalization on our economy. We may never reach consensus on the issue of the most appropriate means of enforcing labor and environmental violations, but I think that all Members can agree on the importance of expanding exports and creating good paying jobs for Americans, while providing adequate safeguards to preserve our economic interests. With passage of the Jordan FTA, I believe we are taking an important first step in achieving these goals, and I urge my colleagues to approve this bill.

Mr. BEREUTER. Mr. Speaker, this Member rises today to express his support for H.R. 2603, which implements the United States-Jordan Free Trade Area Agreement. This Member would like to thank the distinguished gentleman from California (Mr. THOMAS), the Chairman of the House Ways and Means Committee, for introducing this legislation and for his efforts in bringing this measure to the House Floor.

The U.S.-Jordan Free Trade Agreement, which was signed by President Clinton on October 24, 2000, will eliminate commercial barriers and duties to bilateral trade in goods and services originating in Jordan and the United states. The agreement will eliminate virtually all tariffs on trade between Jordan and the U.S. within ten years.

The U.S.-Jordan Agreement is part of the broader U.S. effort to encourage free trade in the Middle East. For example, in 1985, the U.S.-Israel Free Trade Agreement was signed and it was extended to areas administered by the Palestinian Authority in 1996. In addition, the U.S. has also signed Trade and Investment Framework Agreements with Egypt in 1999 and Turkey in 2000. It should also be noted Jordan joined the World Trade Organization in April of 2000.

This Member would like to focus on the following three aspects of the U.S.-Jordan Free Trade Agreement: the agriculture sector, the services sector, and the environmental and labor provisions.

First, with regard to agriculture, the top U.S. exports to Jordan include wheat and corn. In 1999, the U.S. exported $26 million of wheat and $10 million of corn to Jordan. With low prices and higher supplies of agricultural commodities, this free trade agreement is a step in the right direction.

Second, the U.S.-Jordan Free Trade Agreement opens the Jordanian service markets to U.S. companies, which includes engineering, architecture, financial services, and courier services to name just a few. Some U.S. companies should directly benefit from this opening of the service markets in Jordan. Services trade is becoming a bigger part of the overall trade picture. In fact, worldwide services trade totaled $309 billion in 1998, which resulted in an $84 billion positive balance for the U.S. in services for 1998. This positive trade balance for services is in stark contrast to the U.S. merchandise trade deficit.

As the Chairman of the House Financial Services Subcommittee on International Monetary Policy and Trade, this Member has focused on the importance of financial services trade. My Subcommittee conducted a hearing in June 2001 on financial services trade with insurance, securities, and banking witnesses testifying. At this hearing, the Subcommittee learned that U.S. trade in financial services equaled $20.5 billion. This is a 26.7 percent increase from the U.S.'s 1999 financial services trade data. Unlike the current overall U.S. trade deficit, the U.S. financial services trade had a positive balance of $8.8 billion in 2000.

Third, the U.S.-Jordan Free Trade Agreement also includes labor and environment provisions. This is the first time that these types of provisions have been included in the main text of a U.S. free trade agreement. This Member would like to note that these labor and environment provisions focus on Jordan and the U.S. enforcing its own labor and environmental laws. This agreement does not impose any labor and environment standards on Jordan or the U.S.

Mr. Speaker, in conclusion, this Member urges his colleagues to support H.R. 2603, the implementation of the U.S.-Jordan Free Trade Agreement.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. THOMAS) that the House suspend the rules and pass the bill, H.R. 2603, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the subject of H.R. 2603.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002

Ms. PRYCE of Ohio. Mr. Speaker, by the direction of the Committee on Rules, I call up House Resolution 213 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 213

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2647) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2002, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 4(c) of rule XIII are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered as read. Points of order against provisions in the bill for failure to comply with clause 2 of rule XXI are waived. No amendment to the bill shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE of Ohio. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my colleague and good friend, the gentleman from Ohio (Mr. HALL); pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, House Resolution 213 is a structured rule which provides for 1 hour of general debate equally divided between the gentleman from North Carolina (Mr. TAYLOR), chairman of the subcommittee, and the ranking member, the gentleman from Virginia (Mr. MORAN), for the consideration of H.R. 2647, the fiscal year 2002 Legislative Branch Appropriations bill.

After general debate, the rule makes in order only the amendments printed in the Committee on Rules report; an amendment offered by the gentleman from New Jersey (Mr. ROTHMAN) and an amendment offered by the gentleman from the great State of Ohio (Mr. TRAFICANT).

The rule waives points of order against consideration of the bill for failure to comply with clause 4(c) of rule XIII requiring a 3-day availability of printed hearings on general appropriations bills, as well as clause 2 of rule XXI prohibiting unauthorized or legislative provisions. The rule also waives all points of order against the amendments printed in the report.

Finally, the rule permits the minority to offer a motion to recommit, with or without instructions.

Mr. Speaker, to quote the great Yogi Berra, "It's like deja vu all over again," as the Legislative Branch Appropriations bill provides yet another example of a carefully crafted bill from the Committee on Appropriations that balances fiscal discipline with the true needs of the first branch of our government, the legislative branch. This legislation represents a responsible increase in overall spending of 4.5 percent.

I would like to commend the chairman and the ranking member, and all the members of the subcommittee, for their hard work on what is truly a noncontroversial bill.

Mr. Speaker, it has been said that our Nation's capitol building and its campus serves three distinct and important purposes. First, it is a working office building. The central meeting place of our Federal legislature.

Second, it is a museum that preserves our Nation's history and marks its many legislative battles and victories.

And, finally, this capitol is a living monument to democracy, which sits upon the great pedestal of Capitol Hill, clear for all to see.

Mr. Speaker, the Legislative Branch Appropriations bill safeguards these important roles by ensuring funding needs of this institution are met. Specifically, the bill funds congressional operations for the House of Representatives, including our staffs and employees. It addresses the needs of the U.S. Capitol Police, and continues to support their efforts to modernize as they perform essential security functions for the protection of not just Members of Congress and our staffs but also the millions of visitors who come to the seat of our government every year.

The bill includes funding to hire an additional 79 new police officers and provides a 4.6 percent cost of living adjustment and a salary increase for comparability pay.

This bill provides for the needs of the Architect of the Capitol as well, including its various operations and maintenance activities under its jurisdiction for the capitol, House office buildings, and the surrounding grounds.

In addition, this bill funds the needs of the invaluable but often behind-the-scenes work performed by the Congressional Budget Office, the Government Printing Office, the General Accounting Office, the Library of Congress, and the Congressional Research Service, including all the employees who collectively help us and our staff make sense of the many complex issues that we face each and every day.

Mr. Speaker, this bill also includes a number of steps to help meet the needs of an ever-changing and dynamic workforce, as well as help this institution keep pace as an employer. It includes a monthly transit benefit to encourage alternative means of transportation, and modest infrastructure changes to make cycling to work more appealing. Not only will these transit benefits reduce demand on the already limited parking and help reduce traffic congestion, but it will also make a humble reduction in air pollution.

The bill recognizes our need to become more environmentally friendly and efficient in reusing and recycling our waste by directing a review of the current recycling program, identifying ways to improve the program, establishing criteria for measuring compliance, and setting reasonable milestones for increasing the amount of recycled material.

Finally, I would simply like to commend the Library of Congress, our Nation's library, for the integral role it plays in our shared national goal of increasing literacy. The Library of Congress provides an invaluable service to the many libraries that dot our towns and cities across the country, and it is truly a national treasure.

Mr. Speaker, this is a good bill. It deserves our support. I urge all my colleagues to support this straightforward rule as well as this noncontroversial legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume; and I thank my colleague, the gentlewoman from Ohio (Ms. PRYCE), for yielding me this time.

This is a restrictive rule. It will allow for the consideration of H.R. 2647, which is a bill that funds Congress and its legislative branch agencies in fiscal year 2002. As my colleague from Ohio has described, this rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The rule allows only two amendments. No other amendments may be offered on the House floor.

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Mr. Speaker, this is the spending bill that pays for the operation of Congress. Therefore, now is an opportunity to reflect on whether the taxpayers are getting their money's worth. I think that they are.

I think the men and women who make up the House and the Senate are a hard-working group. They are very, very dedicated to public service. They work long hours. I think if the American public saw how the process really works and the character of the Members of Congress, they would be impressed.

There are a number of provisions in the bill and the related committee report that are good. The bill funds the Federal mass transit benefit program for the legislative branch which reimburses staff for using public transit to commute. This is good for the environment and improving congestion on the highways.

The bill increases funding above the administration's request for the Library of Congress to purchase material for its collections. The Library of Congress is one of America's greatest cultural treasures, and the addition of funds will make it a greater resource.

I commend the gentleman from North Carolina (Mr. TAYLOR) and the ranking member, the gentleman from Virginia (Mr. MORAN), for their work on this bipartisan bill; and urge my colleagues to vote for the rule and the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, we have no speakers on this issue. I would like to inquire of the gentleman from Ohio.

Mr. HALL of Ohio. Mr. Speaker, I yield back the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a noncontroversial rule. It has strong bipartisan support. It will provide the institution with the necessary resources so we can not only fulfill our constitutional responsibilities as the first branch of the government, but more importantly, address the many and varied needs of the constituents that we all so proudly serve.

Mr. Speaker, I urge my colleagues to support the rule and the underlying legislation.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. GUTKNECHT). Pursuant to House Resolution 213 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2647.

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IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2647) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2002, and for other purposes, with Mr. SIMPSON in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from North Carolina (Mr. TAYLOR) and the gentleman from Virginia (Mr. MORAN) each will control 30 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to present the Legislative Branch Appropriations Act for fiscal year 2002 to the House for consideration. I would like to thank the ranking member, the gentleman from Virginia (Mr. MORAN) and all of the members of the subcommittee for their support in crafting this legislation.

Mr. Chairman, we have a noncontroversial, bipartisan bill. It provides for a 4.4 percent increase over fiscal year 2001, and it is within the subcommittee's 302(b) allocation.

The committee has done its job. It has done a good job, I believe. The bill deserves overwhelming support in the House. I do not intend to lengthen debate, but I would point out that the bill is under 1995 expenditures in real terms, and has been crafted, I think, with a great deal of care. I urge my colleagues to support the bill, and I include for the RECORD the following tables.

LEGISLATIVE BRANCH APPROPRIATIONS BILL, 2002 (H.R. 2647)
(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - CONGRESSIONAL OPERATIONS					
HOUSE OF REPRESENTATIVES					
Payments to Widows and Heirs of Deceased Members of Congress					
Gratuities, deceased Members	714			-714	
Salaries and Expenses					
House Leadership Offices					
Office of the Speaker	1,759	1,866	1,866	+107	
Office of the Majority Floor Leader	1,726	1,830	1,830	+104	
Office of the Minority Floor Leader	2,096	2,224	2,224	+128	
Office of the Majority Whip	1,466	1,562	1,562	+96	
Office of the Minority Whip	1,096	1,168	1,168	+72	
Speaker's Office for Legislative Floor Activities	410	431	431	+21	
Republican Steering Committee	765	806	806	+41	
Republican Conference	1,255	1,342	1,342	+87	
Democratic Steering and Policy Committee	1,352	1,435	1,435	+83	
Democratic Caucus	668	713	713	+45	
Nine minority employees	1,229	1,293	1,293	+64	
Training and Development Program:					
Majority	278	290	290	+12	
Minority	278	290	290	+12	
Cloakroom Personnel:					
Majority			330	+330	+330
Minority			330	+330	+330
Subtotal, House Leadership Offices	14,378	15,250	15,910	+1,532	+660
Members' Representational Allowances Including Members' Clerk Hire, Official Expenses of Members, and Official Mail					
Expenses	430,877	479,339	479,472	+48,595	+133
Committee Employees					
Standing Committees, Special and Select (except Appropriations)	100,272	104,492	104,514	+4,242	+22
Committee on Appropriations (including studies and investigations)	22,328	23,000	23,002	+674	+2
Subtotal, Committee employees	122,600	127,492	127,516	+4,916	+24
Salaries, Officers and Employees					
Office of the Clerk	17,740	16,025	15,408	-2,332	-617
Office of the Sergeant at Arms	3,692	4,083	4,139	+447	+56
Office of the Chief Administrative Officer	72,848	67,480	67,495	-5,353	+15
Office of Inspector General	3,249	3,754	3,756	+507	+2
Office of General Counsel	806	892	894	+88	+2
Office of the Chaplain	140	144	144	+4	
Office of the Parliamentarian	1,201	1,344	1,344	+143	
Office of the Parliamentarian	(1,035)	(1,168)	(1,168)	(+133)	
Compilation of precedents of the House of Representatives	(166)	(176)	(176)	(+10)	
Office of the Law Revision Counsel of the House	2,045	2,104	2,107	+62	+3
Office of the Legislative Counsel of the House	5,085	5,454	5,456	+371	+2
Corrections Calendar Office	832	883	883	+51	
Other authorized employees	213	230	140	-73	-90
Technical Assistants, Office of the Attending Physician	(213)	(230)	(140)	(-73)	(-90)
Subtotal, Salaries, Officers and Employees	107,851	102,393	101,766	-6,085	-627
Allowances and Expenses					
Supplies, materials, administrative costs and Federal tort claims	2,235	3,359	3,379	+1,144	+20
Official mail for committees, leadership offices, and administrative offices of the House	410	410	410		
Government contributions	150,776	153,167	152,957	+2,181	-210
Miscellaneous items	393	690	690	+297	
Special education needs	215			-215	
Subtotal, Allowances and expenses	154,029	157,626	157,436	+3,407	-190
Total, salaries and expenses	829,735	882,100	882,100	+52,365	
Total, House of Representatives	830,449	882,100	882,100	+51,651	
JOINT ITEMS					
Joint Congressional Committee on Inaugural Ceremonies of 2001	1,000			-1,000	
Joint Economic Committee	3,315	3,424	3,424	+109	
Joint Committee on Taxation	6,416	6,733	6,733	+317	
Office of the Attending Physician					
Medical supplies, equipment, expenses, and allowances	1,831	1,765	1,865	+34	+100
Capitol Police Board					
Capitol Police					
Salaries:					
Sergeant at Arms of the House of Representatives	47,206	54,946	55,013	+7,807	+67
Sergeant at Arms and Doorkeeper of the Senate	50,346	56,976	57,579	+7,233	+603
Subtotal, salaries	97,552	111,922	112,592	+15,040	+670
Security enhancements (emergency funding)	2,102			-2,102	

LEGISLATIVE BRANCH APPROPRIATIONS BILL, 2002 (H.R. 2647)—Continued
(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
General expenses	7,243	10,394	11,081	+3,838	+687
Subtotal, Capitol Police	106,897	122,316	123,673	+16,776	+1,357
Capitol Guide Service and Special Services Office	2,371	2,512	2,512	+141	
Statements of Appropriations	30	30	30		
Total, Joint items	121,860	136,780	138,237	+16,377	+1,457
OFFICE OF COMPLIANCE					
Salaries and expenses	1,851	2,059	2,059	+208	
CONGRESSIONAL BUDGET OFFICE					
Salaries and expenses	28,430	30,680	30,780	+2,350	+100
ARCHITECT OF THE CAPITOL					
Capitol Buildings and Grounds					
General and administration, salaries and expenses			46,705	+46,705	+46,705
Minor construction			9,482	+9,482	+9,482
Capitol buildings, salaries and expenses	44,624	111,835	17,674	-26,950	-94,161
Capitol grounds	5,350	7,754	6,904	+1,554	-850
House office buildings	41,678	51,187	49,006	+7,328	-2,181
Capitol Power Plant	43,728	51,499	49,724	+5,996	-1,775
Offsetting collections	-4,400	-4,400	-4,400		
Net subtotal, Capitol Power Plant	39,328	47,099	45,324	+5,996	-1,775
Total, Architect of the Capitol	130,980	217,875	175,095	+44,115	-42,780
LIBRARY OF CONGRESS					
Congressional Research Service					
Salaries and expenses	73,430	81,139	81,454	+8,024	+315
GOVERNMENT PRINTING OFFICE					
Congressional printing and binding	81,205	90,900	81,000	-205	-9,900
Total, title I, Congressional Operations	1,268,205	1,441,533	1,390,725	+122,520	-50,808
TITLE II - OTHER AGENCIES					
BOTANIC GARDEN					
Salaries and expenses	3,321	6,129	5,946	+2,625	-183
LIBRARY OF CONGRESS					
Salaries and expenses	382,596	297,275	304,692	-77,904	+7,417
Authority to spend receipts	-6,850	-6,850	-6,850		
Subtotal, Salaries and expenses	375,746	290,425	297,842	-77,904	+7,417
Copyright Office, salaries and expenses	38,438	43,322	40,896	+2,458	-2,426
Authority to spend receipts	-29,270	-28,964	-27,864	+1,406	+1,100
Subtotal, Copyright Office	9,168	14,358	13,032	+3,864	-1,326
Books for the blind and physically handicapped, salaries and expenses	48,502	49,765	49,788	+1,286	+23
Furniture and furnishings	4,881	8,599	7,932	+3,051	-667
Total, Library of Congress (except CRS)	438,297	363,147	368,594	-69,703	+5,447
ARCHITECT OF THE CAPITOL					
Library Buildings and Grounds					
Structural and mechanical care	15,935	21,402	22,252	+6,317	+850
GOVERNMENT PRINTING OFFICE					
Office of Superintendent of Documents					
Salaries and expenses	27,893	29,639	29,639	+1,746	
Government Printing Office Revolving Fund					
GPO revolving fund	6,000	6,000		-6,000	-6,000
Total, Government Printing Office	33,893	35,639	29,639	-4,254	-6,000
GENERAL ACCOUNTING OFFICE					
Salaries and expenses	387,020	430,295	424,345	+37,325	-5,950
Offsetting collections	-3,000	-2,501	-2,501	+499	
Total, General Accounting Office	384,020	427,794	421,844	+37,824	-5,950
Total, title II, Other agencies	875,466	854,111	848,275	-27,191	-5,836
Grand total	2,143,671	2,295,644	2,239,000	+95,329	-56,644

LEGISLATIVE BRANCH APPROPRIATIONS BILL, 2002 (H.R. 2647)—Continued
(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - CONGRESSIONAL OPERATIONS					
House of Representatives	830,449	882,100	882,100	+51,651	....
Joint Items	121,860	136,780	138,237	+16,377	+1,457
Office of Compliance	1,851	2,059	2,059	+208	....
Congressional Budget Office	28,430	30,680	30,780	+2,350	+100
Architect of the Capitol	130,980	217,875	175,095	+44,115	-42,780
Library of Congress: Congressional Research Service	73,430	81,139	81,454	+8,024	+315
Congressional printing and binding, Government Printing Office	81,205	90,900	81,000	-205	-9,900
Total, title I, Congressional operations	1,268,205	1,441,533	1,390,725	+122,520	-50,808
TITLE II - OTHER AGENCIES					
Botanic Garden	3,321	6,129	5,946	+2,625	-183
Library of Congress (except CRS)	438,297	363,147	368,594	-69,703	+5,447
Architect of the Capitol (Library buildings & grounds)	15,935	21,402	22,252	+6,317	+850
Government Printing Office (except congressional printing and binding)	33,893	35,639	29,639	-4,254	-6,000
General Accounting Office	384,020	427,794	421,844	+37,824	-5,950
Total, title II, Other agencies	875,466	854,111	848,275	-27,191	-5,836
Grand total	2,143,671	2,295,644	2,239,000	+95,329	-56,644

Mr. Chairman, I reserve the balance of my time.

Mr. MORAN of Virginia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want first of all to express my appreciation for the cooperation of the gentleman from North Carolina (Mr. TAYLOR), which has enabled us to craft a good bipartisan bill which should garner the support of the full House. Paramount among our objectives has been the need to ensure that the legislative branch agencies have the resources they need to fully carry out their missions. These agencies are the vital elements of our democratic process. I believe they are properly treated by this fiscal year 2002 appropriations bill.

The bill prioritizes our capital improvement programs. It confronts, not defers, personnel issues such as an aging work force and retention challenges, and it funds several new technology projects that will allow us to perform our work more efficiently, and to make this work more readily available to the public and to preserve it for posterity.

The 302(b) allocation and prudent oversight have given us the flexibility we needed to craft a good budget and honor our legislative branch agency requests with only a 4.4 percent increase in our overall allocation. The Library of Congress, the General Accounting Office, the Government Printing Office and the Congressional Budget Office largely received what they requested. Funds are also available to hire an additional 79 police officers, bringing the force to 1,481 full-time equivalents, and provide a full increase in benefits.

We have directed the Architect of the Capitol's budget to make life and safety improvements a priority and not proceed with any new construction projects until design plans are completed.

Mr. Chairman, I want to recognize the gentleman from Maryland (Mr. HOYER), and express my appreciation for his successful effort to add report language that will end the long-standing practice of using temporary workers for long-term projects to get around providing them health and pension benefits. These temporary workers, some 300 in all, have been employed by the Architect on an average of 4.5 years.

Recognition should also be given to the gentlewoman from Ohio (Ms. KAPTUR), who was able to include language supporting a plan to include more artwork on the Capitol grounds that more fully represents women's contributions to American society. She also quite articulately expressed her concerns about the use by the Vice President of one of the House offices in the Capitol.

I want to express my appreciation for the efforts by the gentleman from Oregon (Mr. BLUMENAUER) to highlight the need to provide adequate changing facilities and showers for staff, and generating support for the transit benefits that are both addressed in this legislation.

I feel very strongly, as does the gentleman from Illinois (Mr. LAHOOD), that since we are going to lose some showers for staff, we ought to be providing more, not less. I hope one day we would even have a gymnasium facility available for staff people, as the Members of Congress have. We should also have parity between the male and female Members in terms of those facilities.

Mr. Chairman, this bill sets aside sufficient funds to enable all offices, be it a Member's, a committee's, the Congressional Budget Office or the Government Printing Office, to provide all their employees with a $65 per month employee transit benefit. We should not forget the sacrifices our staff and committee staff, employees in the GPO, the Capitol Police, the Congressional Research Service, and all of the legislative branch agencies make every day to meet deadlines, advance the interests of Members, and serve the public good. We may not be able to compensate fully what they should receive, but we can and should help where we can.

This budget enables us to at least provide employees with a $65 per month transit benefit, as the other executive agencies are able to. It will eventually go up to $100 per month. It encourages people to use public transit where able, and that helps everybody commuting in the Washington metropolitan area.

Mr. Chairman, this bill goes a long way towards addressing the needs and obligations of the legislative branch. I am pleased to support it.

Mr. Chairman, I reserve the balance of my time.

Mr. TAYLOR of North Carolina. Mr. Chairman, I reserve the balance of my time.

Mr. MORAN of Virginia. Mr. Chairman, I yield 4 minutes to the gentleman from Maryland (Mr. HOYER), a member of this appropriations subcommittee.

Mr. HOYER. Mr. Chairman, this is a good bill. We are trying to take care of Members, their accounts, and the Capitol itself. We have included a provision for certain termporary workers of the Architect of the Capitol to ensure that they can receive the same employee benefits that other employees receive.

I thank the majority clerk of the subcommittee, Elizabeth Dawson, who has done an outstanding job together with her colleagues on the staff, including Mark Murray for the minority, as well as the gentleman from North Carolina (Mr. TAYLOR), and the gentleman from Virginia (Mr. MORAN). This is not a controversial bill, as a result of a bipartisan effort to fund at adequate levels for the legislative branch of government so we might do our job on behalf of the people of this country.

Mr. Chairman, our friends from North Carolina and Virginia have written an excellent bill that meets the test any general appropriations bill should meet. It will provide the resources that agencies need to do their jobs next year. I have already voted for it twice in the committee, and I urge all members to support it here.

This bill fully funds a number of accounts, including the Government Printing Office, the Congressional Budget Office, and the Congressional Research Service, key agencies that directly support the work of the Congress.

It fully funds the American Folklife Center in the Library, including the Veterans' Oral History Project authorized last year at the suggestion of our colleague, the gentleman from Wisconsin [Mr. KIND]. It funds the excellent new sound-recording preservation program also authorized last year.

It provides needed funds to improve services to the public in the Law Library.

To enhance security in the complex, it funds all the extra Capitol Police Officers that the department can hire and train next year, and restores pay parity with Park Police and Secret Service Uniformed Officers.

It extends GPO's early-out/buy-out authority for 3 more years.

It funds the 4.6% COLA that all Federal employees, both military and civilians, should receive next January.

It funds the same $65 transit benefit available in the Executive Branch for every legislative-branch agency. I especially want to compliment our friend from Virginia for making this a priority. I will work in House administration to authorize the increased benefit promptly for House employees.

And the bill otherwise provides ample funds for the operation of Member offices, committees, and the officers of the House.

The bill reserves for conference a final decision on the Congressional Budget Office's request for student-loan repayment authority, in order to give House administration time to develop a policy applicable to the entire legislative branch, as just wisely proposed by our friend from California (Ms. LEE).

Mr. Chairman, I could go on for a considerable time lauding this bill, but I won't. It has been a pleasure working with Chairman TAYLOR and Mr. MORAN this year.

I thank them both for their leadership and tireless efforts.

It has also been a pleasure to work with the capable new subcommittee clerk, Liz Dawson.

I urge an "aye" vote on this excellent bill.

Mr. TAYLOR of North Carolina. Mr. Chairman, I reserve the balance of my time.

Mr. MORAN of Virginia. Mr. Chairman, I yield 3½ minutes to the gentleman from Oregon (Mr. BLUMENAUER), who was very active and constructive on this bill.

Mr. BLUMENAUER. Mr. Chairman, I thank the gentleman for yielding me this time, and I appreciate the hard work that he has been involved with throughout his career on Capitol Hill to deal with notions of improving the quality of life here in the metropolitan area.

Mr. Chairman, I am an enthusiastic supporter of provisions in this bill that can have a beneficial impact on the entire Washington region; and most important, to improve the quality of life for the thousands of men and women working here on Capitol Hill all at a very small cost.

My goal in Congress is for the Federal Government to be a better partner promoting livable communities, making families safe, healthy and more economically secure. An important part of a livable community is ensuring that people have choices about where they want to live, work and how they travel.

A recent study highlighted Washington, D.C., as the third most congested region in the United States. Rush hour can be 6 hours or more out of every day. Here on Capitol Hill, we have problems of congestion, pollution and parking shortages. There are over 6,000 parking spaces which are reserved for our employees, which are not free. The total cost is estimated at about $1,500 per year, and with the temporary closure of the Cannon Office Building garage, parking is at even more of a premium.

Mr. Chairman, 3 years ago, with the help of the gentlewoman from Maryland (Mrs. MORELLA), the gentleman from Maryland (Mr. HOYER), the gentleman from Virginia (Mr. MORAN), and then-Speaker Gingrich, we were able to change the policy of only providing free parking to House employees to be able to have a modest transit benefit. We have made some progress in being able to establish it, but unfortunately, we have been passed by by the rest of the Federal Government, by the private sector, even dare I say, by our colleagues on the other side of the Capitol in the Senate.

It is time for us to move forward not just for our congressional offices, but the Library of Congress, the Government Printing Office, the Congressional Budget Office, to enjoy the transit benefits that we are giving to the rest of the Federal employees.

Today's bill provides this important change to include the language and increase the allowable amount to $65 for legislative branch employees. This modification will provide parity for all of the remaining Federal employees in the metropolitan area. It includes other important language such as to update the bike facilities here on Capitol Hill. We have more and more of our employees who are taking advantage of that opportunity.

We have an opportunity to secure bike lockers for those Members and staff who walk to work, and to study the new potential locations to replace shower facilities that are being lost with the upcoming closing of the O'Neill Building. Currently, there are only two shower facilities on all of Capitol Hill for over 6,000 employees able to shower at work. Some of us have been providing instructions about how to find them so they are not treated as a secret.

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I applaud the Committee on Appropriations, particularly the gentleman from North Carolina (Mr. TAYLOR) and the gentleman from Virginia (Mr. MORAN), for including these simple, low-cost efforts in today's bill. They will provide benefits many times over in terms of the quality of life around the Hill for the environment, and it is a signal to our employees that we value their participation. What better way for the House to be part of the solution of saving energy, protecting air, fighting against congestion than by expanding the transit benefit and permitting our employees who run, walk or bike to work to be able to do so in a fashion that is hygienic and comfortable.

Mr. TAYLOR of North Carolina. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. WALSH), a member of the committee.

Mr. WALSH. Mr. Chairman, I thank the gentleman very much for yielding time. I would like to ask him to enter into a brief colloquy with me at this time.

Mr. Chairman, I would like to inquire about the status of the Botanical Gardens renovation project. It is my understanding that this project, which started in early 1999 with an estimated completion date of September of last year, is still not finished. We are now approaching the 11th month of delay and apparently it will be an additional few months before we can finally open it up again to the public. Is that correct?

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Yes, it is.

Mr. WALSH. I have followed the development and construction of this project with great interest since I was in his position when we started this project. It is my opinion that this project is just another example of poor management by the construction contractor, Clarke Construction. In fact, it appears that Clarke Construction has quite a track record of not bringing in projects on time or on budget. I am told that the General Services Administration, the agency responsible for building Government facilities, has also had problems of delays and cost overruns on projects awarded to Clarke.

I am not saying that Clarke Construction should bear all the blame, nor do I suppose is the Architect of the Capitol without fault. In fact, I believe he has too many projects on his plate. But I strongly believe that Clarke Construction as general contractor for the Botanical Gardens has not demanded the level of expertise and management skills required to successfully execute complex projects such as this one. There are quite a number of Clarke Construction sites around the D.C. area. I note these sites are quite active. The Botanical Gardens site has often been lonely or deserted.

Clarke Construction may have a disincentive to finish the project compared to private sector sites due to an inadequate penalty clause. Can I inquire of the chairman whether the subcommittee addresses the issue of penalty clauses in this bill.

Mr. TAYLOR of North Carolina. The committee is very concerned about construction contractor performance and delays in providing the required work to the Architect within the specified contract completion period. Apparently the Architect has not been including penalty clauses in construction contracts as do other Government agencies and the private sector. Based on these concerns, we have included language in section 111 prohibiting the Architect of the Capitol from entering into or administering any construction contract with a value greater than $50,000 unless the contract includes a provision requiring the payment of liquidated damages within specified amounts. I believe this will rectify the problem.

Mr. WALSH. I thank the gentleman for addressing this issue. I appreciate his continued efforts in working with the Architect to bring this project to a conclusion. I hope that future projects will be awarded to companies with better past performance records and experienced management teams. I thank the gentleman for his vigilance in getting this project completed.

Mr. MORAN of Virginia. Mr. Chairman, I yield myself such time as I may consume.

First of all I wanted to reiterate what the gentleman from Oregon (Mr. BLUMENAUER) said with regard to the transit benefit. When we offered this benefit to executive branch employees, Mr. Tim Aiken on my staff has been working on it very closely, we saw an immediate increase of more than 70,000 riders of transit in the executive branch taking advantage of this. It has continued to increase dramatically and steadily every month. This works.

Providing the $65 transit benefit to the legislative branch employees, we trust, will have the same effect of getting people out of their single-occupant vehicles into public transit. That helps all of us, both those people who drive to work as well as, of course, helping the financing of our Metro system. It also is going to help in achieving our pollution attainment standards which are a major problem right now for the Washington metro area.

This is a good idea. It is eventually going to go up to $100. I am underscoring it because I want all of the people that work for the legislative branch to be aware that this $65 transit benefit will now be available to them. It is tax-free; there is no reason not to take advantage of it if you can possibly use public transit. And so we very much encourage people in the Legislative Branch to take advantage of this benefit.

In addition, some people are actually going to ride bicycles or some even run. I ran to work a couple of times in my younger days. I do not know how many people are going to do that; but however many, we ought to have shower facilities, including for staff that work so many long hours. Many staff are working 12- and 16-hour days. They should certainly have an hour to take a jog if they want, down to the Mall or whatever. We need to be building more shower facilities for both men and women and I think eventually some workout facility on the Capitol grounds. We have language that will move us forward in that direction.

The gentlewoman from California (Ms. LEE) had an amendment that was not made in order, but I want to say for the record that I support the concept of eligibility for student loan repayment benefits for employees of the House and its supporting agencies.

As she pointed out, executive branch employees as well as employees of the GPO and the Library of Congress are already eligible for student loan forgiveness. Current law authorizes payments of up to $6,000 per year up to a total of $40,000 per person for their college education. We did not approve the request of the CBO, however, to extend this benefit to their employees because we felt that a uniform policy should be developed across the board. The bill, therefore, calls for study of the issue by the Committee on House Administration.

The Senate bill, which was reported subsequent to our subcommittee markup, authorizes the extension of this benefit to all Senate employees. In light of that action and in anticipation of the other body's desire to include this benefit for Senate employees in this year's bill, it is essential that the Committee on House Administration develop guidelines rapidly. This would give the conferees on the Legislative bill some real options for moving forward with a well-thought-out student loan forgiveness eligibility program.

We need more tools to recruit and retain valuable staff. This program is a modest way to help individuals who have decided on public service as a career to get higher education and for us to help them make it affordable. I hope we can be responsive to this need but do it in the context of a uniform policy for all House employees. I congratulate the gentlewoman from California (Ms. LEE) for having introduced her amendment.

We do have two, what I would consider, minor amendments, no offense to the people making them; but they should not be too controversial, and then we should be able to pass this bill.

Mr. Chairman, I yield back the balance of my time.

Mr. TAYLOR of North Carolina. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill is considered read for amendment under the 5-minute rule.

The text of H.R. 2647 is as follows:

H.R. 2647

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Legislative Branch for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I—CONGRESSIONAL OPERATIONS

HOUSE OF REPRESENTATIVES

SALARIES AND EXPENSES

For salaries and expenses of the House of Representatives, $882,100,000, as follows:

HOUSE LEADERSHIP OFFICES

For salaries and expenses, as authorized by law, $15,910,000, including: Office of the Speaker, $1,866,000, including $25,000 for official expenses of the Speaker; Office of the Majority Floor Leader, $1,830,000, including $10,000 for official expenses of the Majority Leader; Office of the Minority Floor Leader, $2,224,000, including $10,000 for official expenses of the Minority Leader; Office of the Majority Whip, including the Chief Deputy Majority Whip, $1,562,000, including $5,000 for official expenses of the Majority Whip; Office of the Minority Whip, including the Chief Deputy Minority Whip, $1,168,000, including $5,000 for official expenses of the Minority Whip; Speaker's Office for Legislative Floor Activities, $431,000; Republican Steering Committee, $806,000; Republican Conference, $1,342,000; Democratic Steering and Policy Committee, $1,435,000; Democratic Caucus, $713,000; nine minority employees, $1,293,000; training and program development—majority, $290,000; training and program development—minority, $290,000; and Cloakroom Personnel—majority, $330,000; and minority $330,000.

MEMBERS' REPRESENTATIONAL ALLOWANCES INCLUDING MEMBERS' CLERK HIRE, OFFICIAL EXPENSES OF MEMBERS, AND OFFICIAL MAIL

For Members' representational allowances, including Members' clerk hire, official expenses, and official mail, $479,472,000.

COMMITTEE EMPLOYEES

STANDING COMMITTEES, SPECIAL AND SELECT

For salaries and expenses of standing committees, special and select, authorized by House resolutions, $104,514,000: *Provided*, That such amount shall remain available for such salaries and expenses until December 31, 2002.

COMMITTEE ON APPROPRIATIONS

For salaries and expenses of the Committee on Appropriations, $23,002,000, including studies and examinations of executive agencies and temporary personal services for such committee, to be expended in accordance with section 202(b) of the Legislative Reorganization Act of 1946 and to be available for reimbursement to agencies for services performed: *Provided*, That such amount shall remain available for such salaries and expenses until December 31, 2002.

SALARIES, OFFICERS AND EMPLOYEES

For compensation and expenses of officers and employees, as authorized by law, $101,766,000, including: for salaries and expenses of the Office of the Clerk, including not more than $11,000, of which not more than $10,000 is for the Family Room, for official representation and reception expenses, $15,408,000; for salaries and expenses of the Office of the Sergeant at Arms, including the position of Superintendent of Garages, and including not more than $750 for official representation and reception expenses, $4,139,000; for salaries and expenses of the Office of the Chief Administrative Officer, $67,495,000, of which $3,525,000 shall remain available until expended, including $31,510,000 for salaries, expenses and temporary personal services of House Information Resources, of which $31,390,000 is provided herein: *Provided*, That of the amount provided for House Information Resources, $8,656,000 shall be for net expenses of telecommunications: *Provided further*, That House Information Resources is authorized to receive reimbursement from Members of the House of Representatives and other governmental entities for services provided and such reimbursement shall be deposited in the Treasury for credit to this account; for salaries and expenses of the Office of the Inspector General, $3,756,000; for salaries and expenses of the Office of General Counsel, $894,000; for the Office of the Chaplain, $144,000; for salaries and expenses of the Office of the Parliamentarian, including the Parliamentarian and $2,000 for preparing the Digest of Rules, $1,344,000; for salaries and expenses of the Office of the Law Revision Counsel of the House, $2,107,000; for salaries and expenses of the Office of the Legislative Counsel of the House, $5,456,000; for salaries and expenses of the Corrections Calendar Office, $883,000; and for other authorized employees, $140,000.

ALLOWANCES AND EXPENSES

For allowances and expenses as authorized by House resolution or law, $157,436,000, including: supplies, materials, administrative costs and Federal tort claims, $3,379,000; official mail for committees, leadership offices, and administrative offices of the House, $410,000; Government contributions for health, retirement, Social Security, and other applicable employee benefits, $152,957,000; and miscellaneous items including purchase, exchange, maintenance, repair and operation of House motor vehicles, interparliamentary receptions, and gratuities to heirs of deceased employees of the House, $690,000.

CHILD CARE CENTER

For salaries and expenses of the House of Representatives Child Care Center, such amounts as are deposited in the account established by section 312(d)(1) of the Legislative Branch Appropriations Act, 1992 (40 U.S.C. 184g(d)(1)), subject to the level specified in the budget of the Center, as submitted to the Committee on Appropriations of the House of Representatives.

ADMINISTRATIVE PROVISIONS

SEC. 101. (a) Effective October 1, 2001, the following four majority positions shall be transferred from the Clerk to the Speaker:

(1) The position of chief of floor service.

(2) Two positions of assistant floor chief.

(3) One position of cloakroom attendant.

(b) Effective October 1, 2001, the following four minority positions shall be transferred from the Clerk to the minority leader:

(1) The position of chief of floor service.

(2) Two positions of assistant floor chief.

(3) One position of cloakroom attendant.

(c) Each individual who is an incumbent of a position transferred by subsection (a) or subsection (b) at the time of the transfer shall remain subject to the House Employees Position Classification Act (2 U.S.C. 290 et seq.), except that the authority of the Clerk and the committee under the Act shall be exercised—

(1) by the Speaker, in the case of an individual in a position transferred under subsection (a); and

(2) by the minority leader, in the case of an individual in a position transferred under subsection (b).

SEC. 102. (a) The third sentence of section 104(a)(1) of the Legislative Branch Appropriations Act, 1987 (as incorporated by reference in section 101(j) of Public Law 99-500 and Public Law 99-591) (2 U.S.C. 117e(1)) is amended by striking "for credit to the appropriate account" and all that follows and inserting the following: "for credit to the appropriate account of the House of Representatives, and shall be available for expenditure in accordance with applicable law. For purposes of the previous sentence, in the case of receipts from the sale or disposal of any audio or video transcripts prepared by the House Recording Studio, the 'appropriate account of the House of Representatives' shall be the account of the Chief Administrative Officer of the House of Representatives.".

(b) The amendment made by subsection (a) shall apply with respect to fiscal year 2002 and each succeeding fiscal year.

SEC. 103. (a) REQUIRING AMOUNTS REMAINING IN MEMBERS' REPRESENTATIONAL ALLOWANCES TO BE USED FOR DEFICIT REDUCTION OR TO REDUCE THE FEDERAL DEBT.—Notwithstanding any other provision of law, any amounts appropriated under this Act for "HOUSE OF REPRESENTATIVES—SALARIES AND EXPENSES—MEMBERS' REPRESENTATIONAL ALLOWANCES" shall be available only for fiscal year 2002. Any amount remaining after all payments are made under such allowances for fiscal year 2002 shall be deposited in the Treasury and used for deficit reduction (or, if there is no Federal budget deficit after all such payments have been made, for reducing the Federal debt, in such manner as the Secretary of the Treasury considers appropriate).

(b) REGULATIONS.—The Committee on House Administration of the House of Representatives shall have authority to prescribe regulations to carry out this section.

(c) DEFINITION.—As used in this section, the term "Member of the House of Representatives" means a Representative in, or a Delegate or Resident Commissioner to, the Congress.

SEC. 104. (a) DAY FOR PAYING SALARIES OF THE HOUSE OF REPRESENTATIVES.—The usual day for paying salaries in or under the House of Representatives shall be the last day of each month, except that if the last day of a month falls on a Saturday, Sunday, or a legal public holiday, the Chief Administrative Officer of the House of Representatives shall pay such salaries on the first weekday which precedes the last day.

(b) CONFORMING AMENDMENT.—(1) The first section and section 2 of the Joint Resolution entitled "Joint resolution authorizing the payment of salaries of the officers and employees of Congress for December on the 20th day of that month each year", approved May 21, 1937 (2 U.S.C. 60d and 60e), are each repealed.

(2) The last paragraph under the heading "Contingent Expense of the House" in the First Deficiency Appropriation Act, 1946 (2 U.S.C. 60e-1), is repealed.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall apply with respect to pay periods beginning after the expiration of the 1-year period which begins on the date of the enactment of this Act.

JOINT ITEMS

For Joint Committees, as follows:

JOINT ECONOMIC COMMITTEE

For salaries and expenses of the Joint Economic Committee, $3,424,000, to be disbursed by the Secretary of the Senate.

JOINT COMMITTEE ON TAXATION

For salaries and expenses of the Joint Committee on Taxation, $6,733,000, to be disbursed by the Chief Administrative Officer of the House.

For other joint items, as follows:

OFFICE OF THE ATTENDING PHYSICIAN

For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the Attending Physician and his assistants, including: (1) an allowance of $1,500 per month to the Attending Physician; (2) an allowance of $500 per month each to three medical officers while on duty in the Office of the Attending Physician; (3) an allowance of $500 per month to two assistants and $400 per month each not to exceed 11 assistants on the basis heretofore provided for such assistants; and (4) $1,253,904 for reimbursement to the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician, which shall be advanced and credited to the applicable appropriation or appropriations from which such salaries, allowances, and other expenses are payable and shall be available for all the purposes thereof, $1,865,000, to be disbursed by the Chief Administrative Officer of the House of Representatives.

CAPITOL POLICE BOARD

CAPITOL POLICE

SALARIES

For the Capitol Police Board for salaries of officers, members, and employees of the Capitol Police, including overtime, hazardous duty pay differential, clothing allowance of not more than $600 each for members required to wear civilian attire, and Government contributions for health, retirement, Social Security, and other applicable employee benefits, $112,592,000, of which $55,013,000 is provided to the Sergeant at Arms of the House of Representatives, to be disbursed by the Chief of the Capitol Police or the Chief's delegee, and $57,579,000 is provided to the Sergeant at Arms and Doorkeeper of the Senate, to be disbursed by the Secretary of the Senate: *Provided*, That, of the amounts appropriated under this heading, such amounts as may be necessary may be transferred between the Sergeant at Arms of the House of Representatives and the Sergeant at Arms and Doorkeeper of the Senate, upon approval of the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

GENERAL EXPENSES

For the Capitol Police Board for necessary expenses of the Capitol Police, including motor vehicles, communications and other equipment, security equipment and installation, uniforms, weapons, supplies, materials, training, medical services, forensic services, stenographic services, personal and professional services, the employee assistance program, not more than $2,000 for the awards program, postage, telephone service, travel advances, relocation of instructor and liaison personnel for the Federal Law Enforcement Training Center, and $85 per month for extra services performed for the Capitol Police Board by an employee of the Sergeant at Arms and Doorkeeper of the Senate or the Sergeant at Arms of the House of Representatives designated by the Chairman of the Board, $11,081,000, to be disbursed by the Chief of the Capitol Police or the Chief's delegee: *Provided*, That, notwithstanding any other provision of law, the cost of basic training for the Capitol Police at the Federal Law Enforcement Training Center for fiscal year 2002 shall be paid by the Secretary of the Treasury from funds available to the Department of the Treasury.

ADMINISTRATIVE PROVISIONS

SEC. 105. Amounts appropriated for fiscal year 2002 for the Capitol Police may be transferred between the headings "SALARIES" and "GENERAL EXPENSES" upon the approval of—

(1) the Committee on Appropriations of the House of Representatives, in the case of amounts transferred from the appropriation provided to the Sergeant at Arms of the House of Representatives under the heading "SALARIES";

(2) the Committee on Appropriations of the Senate, in the case of amounts transferred from the appropriation provided to the Sergeant at Arms and Doorkeeper of the Senate under the heading "SALARIES"; and

(3) the Committees on Appropriations of the Senate and the House of Representatives, in the case of other transfers.

CAPITOL GUIDE SERVICE AND SPECIAL SERVICES OFFICE

For salaries and expenses of the Capitol Guide Service and Special Services Office, $2,512,000, to be disbursed by the Secretary of the Senate: *Provided*, That no part of such amount may be used to employ more than 43 individuals: *Provided further*, That the Capitol Guide Board is authorized, during emergencies, to employ not more than two additional individuals for not more than 120 days each, and not more than 10 additional individuals for not more than 6 months each, for the Capitol Guide Service.

STATEMENTS OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and the House of Representatives, of the statements for the first session of the One Hundred Seventh Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriations bills as required by law, $30,000, to be paid to the persons designated by the chairmen of such committees to supervise the work.

OFFICE OF COMPLIANCE

SALARIES AND EXPENSES

For salaries and expenses of the Office of Compliance, as authorized by section 305 of the Congressional Accountability Act of 1995 (2 U.S.C. 1385), $2,059,000, of which $254,000 shall remain available until September 30, 2003.

CONGRESSIONAL BUDGET OFFICE

Salaries and Expenses

For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93–344), including not more than $3,000 to be expended on the certification of the Director of the Congressional Budget Office in connection with official representation and reception expenses, $30,780,000: *Provided*, That no part of such amount may be used for the purchase or hire of a passenger motor vehicle.

Administrative Provisions

Sec. 106. (a) The Director of the Congressional Budget Office may, by regulation, make applicable such provisions of chapter 41 of title 5, United States Code, as the Director determines necessary to provide hereafter for training of individuals employed by the Congressional Budget Office.

(b) The implementing regulations shall provide for training that, in the determination of the Director, is consistent with the training provided by agencies subject to chapter 41 of title 5, United States Code.

(c) Any recovery of debt owed to the Congressional Budget Office under this section and its implementing regulations shall be credited to the appropriations account available for salaries and expenses of the Office at the time of recovery.

Sec. 107. Section 105(a) of the Legislative Branch Appropriations Act, 1997 (2 U.S.C. §606(a)), is amended by striking "or discarding." and inserting "sale, trade-in, or discarding.", and by adding at the end the following: "Amounts received for the sale or trade-in of personal property shall be credited to funds available for the operations of the Congressional Budget Office and be available for the costs of acquiring the same or similar property. Such funds shall be available for such purposes during the fiscal year in which received and the following fiscal year.".

ARCHITECT OF THE CAPITOL

Capitol Buildings and Grounds

GENERAL AND ADMINISTRATION

SALARIES AND EXPENSES

For salaries for the Architect of the Capitol, the Assistant Architect of the Capitol, and other personal services, at rates of pay provided by law; for surveys and studies in connection with activities under the care of the Architect of the Capitol; for all necessary expenses for the general and administrative support of the operations under the Architect of the Capitol including the Botanic Garden; electrical substations of the Capitol, Senate and House office buildings, and other facilities under the jurisdiction of the Architect of the Capitol; including furnishings and office equipment; including not more than $1,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve; for purchase or exchange, maintenance, and operation of a passenger motor vehicle; and not to exceed $30,000 for attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, $46,705,000, of which $3,414,000 shall remain available until expended.

MINOR CONSTRUCTION

For minor construction (as established under section 108 of this Act), $9,482,000, to remain available until expended, to be used in accordance with the terms and conditions described in such section.

CAPITOL BUILDINGS

For all necessary expenses for the maintenance, care and operation of the Capitol $17,674,000, of which $6,267,000 shall remain available until expended.

CAPITOL GROUNDS

For all necessary expenses for care and improvement of grounds surrounding the Capitol, the Senate and House office buildings, and the Capitol Power Plant, $6,904,000, of which $100,000 shall remain available until expended.

HOUSE OFFICE BUILDINGS

For all necessary expenses for the maintenance, care and operation of the House office buildings, $49,006,000, of which $18,344,000 shall remain available until expended.

CAPITOL POWER PLANT

For all necessary expenses for the maintenance, care and operation of the Capitol Power Plant; lighting, heating, power (including the purchase of electrical energy) and water and sewer services for the Capitol, Senate and House office buildings, Library of Congress buildings, and the grounds about the same, Botanic Garden, Senate garage, and air conditioning refrigeration not supplied from plants in any of such buildings; heating the Government Printing Office and Washington City Post Office, and heating and chilled water for air conditioning for the Supreme Court Building, the Union Station complex, the Thurgood Marshall Federal Judiciary Building and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of this appropriation, $45,324,000, of which $100,000 shall remain available until expended: *Provided*, That not more than $4,400,000 of the funds credited or to be reimbursed to this appropriation as herein provided shall be available for obligation during fiscal year 2002.

ADMINISTRATIVE PROVISIONS

Sec. 108. (a) Establishment of Account for Minor Construction.—There is hereby established in the Treasury of the United States an account for the Architect of the Capitol to be known as "minor construction" (hereafter in this section referred to as the "account").

(b) Uses of Funds in Account.—Subject to subsection (c), funds in the account shall be used by the Architect of the Capitol for land and building acquisition, construction, repair, and alteration projects resulting from unforeseen and unplanned conditions in connection with construction and maintenance activities under the jurisdiction of the Architect (including the United States Botanic Garden).

(c) Prior Notification Required for Obligation.—The Architect of the Capitol may not obligate any funds in the account with respect to a project unless, not fewer than 21 days prior to the obligation, the Architect provides notice of the obligation to—

(1) the Committee on Appropriations of the House of Representatives, in the case of a project on behalf of the House of Representatives;

(2) the Committee on Appropriations of the Senate, in the case of a project on behalf of the Senate; or

(3) both the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate, in the case of any other project.

(d) Effective Date.—This section shall apply with respect to fiscal year 2002 and each succeeding fiscal year.

Sec. 109. (a) Acquisition of Property by Architect of the Capitol.—Notwithstanding any other provision of law, the Architect of the Capitol is authorized to secure, subject to the availability of appropriated funds (through such agreement as the Architect considers appropriate), the property and facilities located at 67 K Street Southwest in the District of Columbia (square 645, lot 814).

(b) Uses and Control of Property.—

(1) In general.—The property and facilities secured by the Architect under subsection (a) shall be under the control of the Chief of the United States Capitol Police and shall be used by the Chief for the care and maintenance of vehicles of the United States Capitol Police, in accordance with a plan prepared by the Chief and approved by the Committees on Appropriations of the House of Representatives and Senate.

(2) Additional uses permitted.—In addition to the use described in paragraph (1), the Chief of the United States Capitol Police may permit the property and facilities secured by the Architect under subsection (a) to be used for other purposes by the United States Capitol Police, the House of Representatives, the Senate, and the Architect of the Capitol, subject to—

(A) the approval of the Committee on Appropriations of the House of Representatives, in the case of use by the House of Representatives;

(B) the approval of the Committee on Appropriations of the Senate, in the case of use by the Senate; or

(C) the approval of both the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate, in the case of use by the United States Capitol Police or the Architect of the Capitol.

(c) Expenses.—

(1) In general.—The Architect of the Capitol shall be responsible for the costs of the necessary expenses incidental to the use of the property and facilities described in subsection (a) (including payments under the lease), including expenses for maintenance, alterations, and repair of the property and facilities, except that the Chief of the United States Capitol Police shall be responsible for the costs of any equipment, furniture, and furnishings used in connection with the care and maintenance of vehicles pursuant to subsection (b)(1).

(2) Source of funds.—

(A) In general.—The funds expended by the Architect to carry out paragraph (1) in any fiscal year shall be derived solely from funds appropriated to the Architect for the fiscal year for purposes of the United States Capitol Police.

(B) Use of certain 1999 funds.—The funds expended by the Architect to carry out paragraph (1) may also be derived from funds appropriated to the Architect in the Legislative Branch Appropriations Act, 1999, under the heading "ARCHITECT OF THE CAPITOL—Capitol Buildings and Grounds—capitol buildings—salaries and expenses" for the design of police security projects, which shall remain available until expended.

(d) Effective Date.—This section shall take effect on the date of enactment of this Act.

Sec. 110. (a) Compensation of Certain Positions in the Office of the Architect of the Capitol.—In accordance with the authority described in section 308(a) of the Legislative Branch Appropriations Act, 1988 (40 U.S.C. 166b–3a(a)), section 108 of the Legislative Branch Appropriations Act, 1991 (40 U.S.C. 166b–3b) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

"(a) The Architect of the Capitol may fix the rate of basic pay for not more than 11 positions (of whom 1 shall be the project manager for the Capitol Visitor Center and 1 shall be the project manager for the modification of the Capitol Power Plant) at a rate not to exceed the highest total rate of pay for the Senior Executive Service under subchapter VIII of chapter 53 of title 5, United States Code, for the locality involved."; and

(2) by redesignating subsection (c) as subsection (b).

(b) Comprehensive Management Study and Response.—

(1) Study by comptroller general.—The Comptroller General shall conduct a comprehensive management study of the operations of the Architect of the Capitol, and shall submit the study to the Architect of the Capitol and the Committees on Appropriations of the House of Representatives and Senate.

(2) Plan by architect in response.—The Architect of the Capitol shall develop and submit to the Committees referred to in paragraph (1) a management improvement plan which addresses the study of the Comptroller General under paragraph (1) and which indicates how the salary adjustments made by the amendments made by this section will support such plan.

(c) Effective Date.—This section (other than subsection (b)) and the amendments made by this section shall apply with respect to pay periods beginning on or after the date on which the Committees on Appropriations of the House of Representatives and Senate approve the plan submitted by the Architect of the Capitol under subsection (b)(2).

Sec. 111. (a) Liquidated Damages.—The Architect of the Capitol may not enter into or administer any construction contract with a value greater than $50,000 unless the contract includes a provision requiring the payment of liquidated damages in the amount determined under subsection (b) in the event that completion of the project is delayed because of the contractor.

(b) Amount of Payment.—The amount of payment required under a liquidated damages provision described in subsection (a) shall be equal to the product of—

(1) the daily liquidated damage payment rate; and

(2) the number of days by which the completion of the project is delayed.

(c) Daily Liquidated Damage Payment Rate.—

(1) In general.—In subsection (b), the "daily liquidated damage payment rate" means—

(A) $140, in the case of a contract with a value greater than $50,000 and less than $100,000;

(B) $200, in the case of a contract with a value equal to or greater than $100,000 and equal to or less than $500,000; and

(C) the sum of $200 plus $50 for each $100,000 increment by which the value of the contract exceeds $500,000, in the case of a contract with a value greater than $500,000.

(2) Adjustment in rate permitted.—Notwithstanding paragraph (1), the daily liquidated damage payment rate may be adjusted by the contracting officer involved to a rate greater or lesser than the rate described in such paragraph if the contracting officer makes a written determination that the rate described does not accurately reflect the anticipated damages which will be suffered by the United States as a result of the delay in the completion of the contract.

(d) Effective Date.—This section shall apply with respect to contracts entered into during fiscal year 2002 or any succeeding fiscal year.

Sec. 112. (a) Notwithstanding any other provision of law, the Architect of the Capitol may not reprogram any funds with respect to any project or object class without the approval of—

(1) the Committee on Appropriations of the House of Representatives, in the case of a project or object class within the House of Representatives;

(2) the Committee on Appropriations of the Senate, in the case of a project or object class within the Senate; or

(3) both the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate, in the case of any other project or object class.

(b) This section shall apply with respect to funds provided to the Architect of the Capitol before, on, or after the date of the enactment of this Act.

Sec. 113. (a) Limitation.—(1) Except as provided in paragraph (2), none of the funds provided by this Act or any other Act may be used by the Architect of the Capitol during fiscal year 2002 or any succeeding fiscal year to employ any individual as a temporary employee within a category of temporary employment which does not provide employees with the same eligibility for life insurance, health insurance, retirement, and other benefits which is provided to temporary employees who are hired for a period exceeding one year in length.

(2) Paragraph (1) shall not apply with respect to any individual who is a temporary employee of the Senate Restaurant or a temporary employee who is hired for a total of 120 days or less during any 5-year period.

(b) Allotment and Assignment of Pay.—(1) Section 5525 of title 5, United States Code, is amended by adding at the end the following new sentence: "For purposes of this section, the term 'agency' includes the Office of the Architect of the Capitol.".

(2) The amendment made by paragraph (1) shall apply with respect to pay periods beginning on or after the date of the enactment of this Act.

LIBRARY OF CONGRESS

Congressional Research Service

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, $81,454,000: *Provided*, That no part of such amount may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration of the House of Representatives or the Committee on Rules and Administration of the Senate.

GOVERNMENT PRINTING OFFICE

Congressional Printing and Binding

(INCLUDING TRANSFER OF FUNDS)

For authorized printing and binding for the Congress and the distribution of Congressional information in any format; printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44 U.S.C. 902); printing and binding of Government publications authorized by law to be distributed to Members of Congress; and printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, $81,000,000: *Provided*, That this appropriation shall not be available for paper copies of the permanent edition of the Congressional Record for individual Representatives, Resident Commissioners or Delegates authorized under 44 U.S.C. 906: *Provided further*, That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years: *Provided further*, That notwithstanding the 2-year limitation under section 718 of title 44, United States Code, none of the funds appropriated or made available under this Act or any other Act for printing and binding and related services provided to Congress under chapter 7 of title 44, United States Code, may be expended to print a document, report, or publication after the 27-month period beginning on the date that such document, report, or publication is authorized by Congress to be printed, unless Congress reauthorizes such printing in accordance with section 718 of title 44, United States Code: *Provided further*, That any unobligated or unexpended balances in this account or accounts for similar purposes for preceding fiscal years may be transferred to the Government Printing Office revolving fund for carrying out the purposes of this heading, subject to the approval of the Committees on Appropriations of the House of Representatives and Senate.

This title may be cited as the "Congressional Operations Appropriations Act, 2002".

TITLE II—OTHER AGENCIES

BOTANIC GARDEN

Salaries and Expenses

For all necessary expenses for the maintenance, care and operation of the Botanic Garden and the nurseries, buildings, grounds, and collections; and purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; all under the direction of the Joint Committee on the Library, $5,946,000: *Provided*, That this appropriation shall not be available for any activities of the National Garden: *Provided further*, That not more than $25,000 of the amount appropriated under this heading is available for official reception and representation expenses in connection with the opening of the renovated Botanic Garden Conservatory, upon approval by the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

LIBRARY OF CONGRESS

Salaries and Expenses

For necessary expenses of the Library of Congress not otherwise provided for, including development and maintenance of the Union Catalogs; custody and custodial care of the Library buildings; special clothing; cleaning, laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center in the Library; preparation and distribution of catalog records and other publications of the Library; hire or purchase of one passenger motor vehicle; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, $304,692,000, of which not more than $6,500,000 shall be derived from collections credited to this appropriation during fiscal year 2002, and shall remain available until expended, under the Act of June 28, 1902 (chapter 1301; 32 Stat. 480; 2 U.S.C. 150) and not more than $350,000 shall be derived from collections during fiscal year 2002 and shall remain available until expended for the development and maintenance of an international legal information database and activities related thereto: *Provided*, That the Library of Congress may not obligate or expend any funds derived from collections under the Act of June 28, 1902, in excess of the amount authorized for obligation or expenditure in appropriations Acts: *Provided further*, That the total amount available for obligation shall be reduced by the amount by which collections are less than the $6,850,000: *Provided further*, That of the total amount appropriated, $15,824,474 is to remain available until expended for acquisition of books, periodicals, newspapers, and all other materials including subscriptions for bibliographic services for the Library, including $40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections: *Provided further*, That of the total amount appropriated, $1,517,903 is to remain available until expended for the acquisition and partial support for implementation of an Integrated Library System (ILS): *Provided further*, That of the total amount appropriated, $5,600,000 is to remain available until expended for the purpose of teaching educators how to incorporate the Library's digital collections into school curricula and shall be transferred to the educational consortium formed to conduct the "Joining Hands Across America: Local Community Initiative" project as approved by the Library.

COPYRIGHT OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, $40,896,000, of which not more than $21,880,000, to remain available until expended, shall be derived from collections credited to this appropriation during fiscal year 2002 under 17 U.S.C. 708(d): *Provided*, That the Copyright Office may not obligate or expend any funds derived from collections under 17 U.S.C. 708(d), in excess of the amount authorized for obligation or expenditure in appropriations Acts: *Provided further*, That not more than $5,984,000 shall be derived from collections during fiscal year 2002 under 17 U.S.C. 111(d)(2), 119(b)(2); 802(h), and 1005: *Provided further*, That the total amount available for obligation shall be reduced by the amount by which collections are less than $27,864,000: *Provided further*, That not more than $100,000 of the amount appropriated is available for the maintenance of an "International Copyright Institute" in the Copyright Office of the Library of Congress for the purpose of training nationals of developing countries in intellectual property laws and policies: *Provided further*, That not more than $4,250 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for activities of the International Copyright Institute and for copyright delegations, visitors, and seminars.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

For salaries and expenses to carry out the Act of March 3, 1931 (chapter 400; 46 Stat. 1487; 2 U.S.C. 135a), $49,788,000, of which $14,437,000 shall remain available until expended.

FURNITURE AND FURNISHINGS

For necessary expenses for the purchase, installation, maintenance, and repair of furniture, furnishings, office and library equipment, $7,932,000.

ADMINISTRATIVE PROVISIONS

SEC. 201. Appropriations in this Act available to the Library of Congress shall be available, in an amount of not more than $203,560, of which $60,486 is for the Congressional Research Service, when specifically authorized by the Librarian of Congress, for attendance at meetings concerned with the function or activity for which the appropriation is made.

SEC. 202. (a) No part of the funds appropriated in this Act shall be used by the Library of Congress to administer any flexible or compressed work schedule which—

(1) applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS–15; and

(2) grants such manager or supervisor the right to not be at work for all or a portion of a workday because of time worked by the manager or supervisor on another workday.

(b) For purposes of this section, the term "manager or supervisor" means any management official or supervisor, as such terms are defined in section 7103(a)(10) and (11) of title 5, United States Code.

SEC. 203. Appropriated funds received by the Library of Congress from other Federal agencies to cover general and administrative overhead costs generated by performing reimbursable work for other agencies under the authority of sections 1535 and 1536 of title 31, United States Code, shall not be used to employ more than 65 employees and may be expended or obligated—

(1) in the case of a reimbursement, only to such extent or in such amounts as are provided in appropriations Acts; or

(2) in the case of an advance payment, only—

(A) to pay for such general or administrative overhead costs as are attributable to the work performed for such agency; or

(B) to such extent or in such amounts as are provided in appropriations Acts, with respect to any purpose not allowable under subparagraph (A).

SEC. 204. Of the amounts appropriated to the Library of Congress in this Act, not more than $5,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the incentive awards program.

SEC. 205. Of the amount appropriated to the Library of Congress in this Act, not more than $12,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the Overseas Field Offices.

SEC. 206. (a) For fiscal year 2002, the obligational authority of the Library of Congress for the activities described in subsection (b) may not exceed $114,473,000.

(b) The activities referred to in subsection (a) are reimbursable and revolving fund activities that are funded from sources other than appropriations to the Library in appropriations Acts for the legislative branch.

(c) For fiscal year 2002, the Librarian of Congress may temporarily transfer funds appropriated in this Act under the heading "LIBRARY OF CONGRESS—SALARIES AND EXPENSES" to the revolving fund for the FEDLINK Program and the Federal Research Program established under section 103 of the Library of Congress Fiscal Operations Improvement Act of 2000 (Public Law 106–481; 2 U.S.C. 182c): *Provided*, That the total amount of such transfers may not exceed $1,900,000: *Provided further*, That the appropriate revolving fund account shall reimburse the Library for any amounts transferred to it before the period of availability of the Library appropriation expires.

SEC. 207. Section 101 of the Library of Congress Fiscal Operations Improvement Act of 2000 (Public Law 106–481; 2 U.S.C. 182a) is amended—

(1) in the heading, by striking "**AUDIO AND VIDEO**"; and

(2) in subsection (a), by striking "audio and video".

ARCHITECT OF THE CAPITOL

LIBRARY BUILDINGS AND GROUNDS

STRUCTURAL AND MECHANICAL CARE

For all necessary expenses for the mechanical and structural maintenance, care and operation of the Library buildings and grounds, $22,252,000, of which $8,918,000 shall remain available until expended.

GOVERNMENT PRINTING OFFICE

OFFICE OF SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For expenses of the Office of Superintendent of Documents necessary to provide for the cataloging and indexing of Government publications and their distribution to the public, Members of Congress, other Government agencies, and designated depository and international exchange libraries as authorized by law, $29,639,000: *Provided*, That travel expenses, including travel expenses of the Depository Library Council to the Public Printer, shall not exceed $175,000: *Provided further*, That amounts of not more than $2,000,000 from current year appropriations are authorized for producing and disseminating Congressional serial sets and other related publications for 2000 and 2001 to depository and other designated libraries: *Provided further*, That any unobligated or unexpended balances in this account or accounts for similar purposes for preceding fiscal years may be transferred to the Government Printing Office revolving fund for carrying out the purposes of this heading, subject to the approval of the Committees on Appropriations of the House of Representatives and Senate.

GOVERNMENT PRINTING OFFICE REVOLVING FUND

The Government Printing Office is hereby authorized to make such expenditures, within the limits of funds available and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the Government Printing Office revolving fund: *Provided*, That not more than $2,500 may be expended on the certification of the Public Printer in connection with official representation and reception expenses: *Provided further*, That the revolving fund shall be available for the hire or purchase of not more than 12 passenger motor vehicles: *Provided further*, That expenditures in connection with travel expenses of the advisory councils to the Public Printer shall be deemed necessary to carry out the provisions of title 44, United States Code: *Provided further*, That the revolving fund shall be available for temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level V of the Executive Schedule under section 5316 of such title: *Provided further*, That the revolving fund and the funds provided under the headings "OFFICE OF SUPERINTENDENT OF

DOCUMENTS" and "SALARIES AND EXPENSES" together may not be available for the full-time equivalent employment of more than 3,260 workyears (or such other number of workyears as the Public Printer may request, subject to the approval of the Committees on Appropriations of the Senate and the House of Representatives): *Provided further*, That activities financed through the revolving fund may provide information in any format: *Provided further*, That the revolving fund shall not be used to administer any flexible or compressed work schedule which applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS–15: *Provided further*, That expenses for attendance at meetings shall not exceed $75,000.

ADMINISTRATIVE PROVISION

EXTENSION OF EARLY RETIREMENT AND VOLUNTARY SEPARATION INCENTIVE PAYMENTS FOR GPO

SEC. 208. (a) Section 309 of the Legislative Branch Appropriations Act, 1999 (44 U.S.C. 305 note), is amended—

(1) in subsection (b)(1)(A), by striking "October 1, 2001" and inserting "October 1, 2004"; and

(2) in subsection (c)(2), by striking "September 30, 2001" and inserting "September 30, 2004".

(b) The amendments made by this section shall take effect as if included in the enactment of the Legislative Branch Appropriations Act, 1999.

GENERAL ACCOUNTING OFFICE

SALARIES AND EXPENSES

For necessary expenses of the General Accounting Office, including not more than $12,500 to be expended on the certification of the Comptroller General of the United States in connection with official representation and reception expenses; temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level IV of the Executive Schedule under section 5315 of such title; hire of one passenger motor vehicle; advance payments in foreign countries in accordance with section 3324 of title 31, United States Code; benefits comparable to those payable under sections 901(5), 901(6), and 901(8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), 4081(6), and 4081(8)); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries, $421,844,000: *Provided*, That not more than $1,751,000 of payments received under section 782 of title 31, United States Code shall be available for use in fiscal year 2002: *Provided further*, That not more than $750,000 of reimbursements received under section 9105 of title 31, United States Code shall be available for use in fiscal year 2002: *Provided further*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of either Forum's costs as determined by the respective Forum, including necessary travel expenses of non-Federal participants: *Provided further*, That payments hereunder to the Forum may be credited as reimbursements to any appropriation from which costs involved are initially financed: *Provided further*, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the American Consortium on International Public Administration (ACIPA) shall be available to finance an appropriate share of ACIPA costs as determined by the ACIPA, including any expenses attributable to membership of ACIPA in the International Institute of Administrative Sciences.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations relating to parking facilities for the House of Representatives issued by the Committee on House Administration and for the Senate issued by the Committee on Rules and Administration.

SEC. 302. No part of the funds appropriated in this Act shall remain available for obligation beyond fiscal year 2002 unless expressly so provided in this Act.

SEC. 303. Whenever in this Act any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for or the rate of compensation or designation of any office or position appropriated for is different from that specifically established by such Act, the rate of compensation and the designation in this Act shall be the permanent law with respect thereto: *Provided*, That the provisions in this Act for the various items of official expenses of Members, officers, and committees of the Senate and House of Representatives, and clerk hire for Senators and Members of the House of Representatives shall be the permanent law with respect thereto.

SEC. 304. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 305. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in section 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 306. Such sums as may be necessary are appropriated to the account described in subsection (a) of section 415 of Public Law 104–1 to pay awards and settlements as authorized under such subsection.

SEC. 307. Amounts available for administrative expenses of any legislative branch entity which participates in the Legislative Branch Financial Managers Council (LBFMC) established by charter on March 26, 1996, shall be available to finance an appropriate share of LBFMC costs as determined by the LBFMC, except that the total LBFMC costs to be shared among all participating legislative branch entities (in such allocations among the entities as the entities may determine) may not exceed $252,000.

SEC. 308. (a) Section 5596(a) of title 5, United States Code, is amended—

(1) by striking "and" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(6) the Architect of the Capitol; and

"(7) the United States Botanic Garden.".

(b) The amendment made by subsection (a) shall apply with respect to personnel actions taken on or after the date of the enactment of this Act.

SEC. 309. Section 4(b) of the House Employees Position Classification Act (2 U.S.C. 293(b)) is amended by adding at the end the following: "Notwithstanding any other provision of this Act, for purposes of applying the adjustment made by the committee under this subsection for 2002 and each succeeding year, positions under the Chief Administrative Officer shall include positions of the United States Capitol telephone exchange under the Chief Administrative Officer.".

SEC. 310. The Architect of the Capitol, in consultation with the District of Columbia, is authorized to maintain and improve the landscape features, excluding streets and sidewalks, in the irregular shaped grassy areas bounded by Washington Avenue, SW on the northeast, Second Street SW on the west, Square 582 on the south, and the beginning of the I–395 tunnel on the southeast.

This Act may be cited as the "Legislative Branch Appropriations Act, 2002".

The CHAIRMAN. No amendment is in order except those printed in House Report 107–171. Each amendment may be offered only in the order printed, may be offered only by a Member designated in the report, shall be considered read, debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

It is now in order to consider amendment No. 1 printed in House Report 107–171.

AMENDMENT NO. 1 OFFERED BY MR. ROTHMAN

Mr. ROTHMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. ROTHMAN:
Page 45, add after line 25 the following:

SEC. 311. Of the amounts made available in this Act for the Chief Administrative Officer of the House of Representatives and the amounts made available in this Act for the Architect of the Capitol for the item relating to "HOUSE OFFICE BUILDINGS", an aggregate amount of $75,000 shall be made available for the installation of compact fluorescent light bulbs in table, floor, and desk lamps in House office buildings for offices of the House which request them (including any retrofitting of the lamps which may be necessary to install such bulbs), consistent with the energy conservation plan of the Architect under section 310 of the Legislative Branch Appropriations Act, 1999.

The CHAIRMAN. Pursuant to House Resolution 213, the gentleman from New Jersey (Mr. ROTHMAN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. ROTHMAN).

Mr. ROTHMAN. Mr. Chairman, I yield myself such time as I may consume.

First, let me thank the gentleman from North Carolina (Mr. TAYLOR) and the gentleman from Virginia (Mr. MORAN) as well as staff members Liz Dawson and Mark Murray for allowing me to bring this amendment forward and for working with me to make this possible.

Mr. Chairman, I am offering an amendment today that is quite simple. It would provide sufficient resources from existing funds to allow House Members to request the installation of energy-efficient compact fluorescent light bulbs in their offices.

Some may say, well, that sounds pretty trivial. Well, if saving money for the taxpayers is trivial, if saving energy is trivial, then maybe so. But I think not. I think that this is important and an important first step. For example, this compact fluorescent light bulb that could be used in the Members' offices, at their request, saves about $3.60 per light bulb per year. Now, we have got three or 4,000 light bulbs in the Members' offices. These new light bulbs will also last 20 times longer than regular light bulbs. So not only will we save a lot of money on the energy that we will not be consuming with these new bulbs, they will last 20 times longer, which means we will be buying between 50 and 100,000 less light bulbs over the course of 10 years, and we will not have to divert attention from the House maintenance staff to this task of changing light bulbs, and they can go on and do the other important work that they are doing.

Let me just say this. It is also, frankly, an indication that the House of Representatives is very much concerned about saving energy. This builds on the 1998 initiative of this Congress to install energy-saving fixtures where we can. As a result of that initiative, the Capitol complex is using nearly 31 million kilowatt hours less than before, a 10 percent decrease in power usage.

Let me add two other points: one is that if we continue in this direction, we can avoid having to construct new power plants. It is said if everyone in America used them, we could retire 90 power plants. Finally, we should, where possible and reasonable, make sure we use these new light bulbs that are made in the USA.

Again, I thank the chairman and my distinguished friend and ranking member, the gentleman from Virginia, for all their help in getting this amendment before this body.

Mr. TAYLOR of North Carolina. Mr. Chairman, we have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. ROTHMAN).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 107–171.

AMENDMENT NO. 2 OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. TRAFICANT:

At the end of the bill (preceding the short title) insert the following new section:

SEC. . No funds appropriated or otherwise made available under this Act shall be made available to any person or entity that has been convicted of violating the Buy American Act (41 U.S.C. 10a–10c).

The CHAIRMAN. Pursuant to House Resolution 213, the gentleman from Ohio (Mr. TRAFICANT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Chairman, I yield myself such time as I may consume.

I noticed in the last debate, the gentleman from New Jersey (Mr. ROTHMAN) has a very good amendment. But he was to have shown you one of those bulbs. After discussing it with me, and it is certainly no reflection on the gentleman from New Jersey or his staff, the reason why he did not show that bulb to the Congress is his staff went out and bought one for the purposes of display and that light bulb was made in China. The gentleman from New Jersey having seen that and certainly very supportive of Made in America/Buy American, says he further recommended in his closing remarks that we try and buy those bulbs made in America. The truth of the matter is while some people may think some of these concerns are trivial, the United States trade deficit is approaching one-third of a trillion dollars a year. A lot of people really do not look at labels. The Traficant amendment says if anybody has violated a Buy American Act, at some point they cannot get money under this bill.

□ 1145

I do not even think that goes far enough. I think the people who buy for the Federal Government should look at the labels. If they are going to buy bulbs from China and buy goods made in Japan and continue to buy Russian-made goods and continue to give foreign aid to Russia, we might find ourselves some day arming ourselves in a possible war with one of these nations that we financed.

So I would hope that after the remarks of the gentleman from New Jersey (Mr. ROTHMAN), the reason why he did not show that bulb, it was made in China. So any of the workers and procurement people in Washington who are now going to get $65 tax-free to help commute, when they go out and buy, look at the label.

With that, a $360 billion trade deficit, for historical purposes, Jimmy Carter's last year had a balanced trade picture; no surplus, no deficit.

Mr. TAYLOR of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Chairman, we have no objection to the amendment offered by the distinguished gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, reclaiming my time, I would be glad to yield to my distinguished friend, the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, we do not have any objection either; but I do not think that, as long as we look for the highest quality at the most affordable price, we are going to have a problem with the intent of the gentleman's amendment anyway. But we are not going to object to it.

Mr. TRAFICANT. Mr. Chairman, reclaiming my time, I was hoping the gentleman would say he supported it.

With that, I ask for a vote in the affirmative.

The CHAIRMAN. Is there any Member who claims time in opposition to the amendment?

Hearing none, the question is on the amendment offered by the gentleman from Ohio (Mr. TRAFICANT).

The amendment was agreed to.

The CHAIRMAN. There being no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. MCHUGH) having assumed the chair, Mr. SIMPSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2647) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2002, and for other purposes, pursuant to House Resolution 213, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

GENERAL LEAVE

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks, and that I be permitted to include tabular and extraneous material on the bill, H.R. 2647, making appropriations for the Legislative Branch for the fiscal year 2002, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

Mr. YOUNG of Florida. Mr. Speaker, reserving the right to object, I only do so to commend the gentleman from North Carolina (Chairman TAYLOR) and the gentleman from Virginia (Mr. MORAN) for bringing a good bill to the floor and having done a good job.

In addition, I want to announce to Members that this is the tenth appropriations bill that we have passed this year; and despite the fact that we got off to a very late start, not receiving our justifications and specific numbers actually until April, when we normally get them in February, the House has done a great job in coming together to pass these appropriations bills, one supplemental that is already signed into law and nine of the regular appropriations bills.

That is all the appropriations business we will have for the balance of this week and until we return from our summer work period in our districts. When we get back, we will take up very soon upon our arrival the Military Construction bill, the Defense appropriations bill, the District of Columbia bill and the Labor Health and Education bill.

So we had a very busy month in June and an extremely busy month in July as far as appropriations go. September will be no different. It will be an intense time for all of us as we approach the end of the fiscal year.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina (Mr. TAYLOR)?

There was no objection.

The SPEAKER pro tempore. The Chair will put the amendments en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this will be a 15 minute vote on passage, which will be followed by a 5 minute vote on approving the Journal.

The vote was taken by electronic device, and there were—yeas 380, nays 38, not voting 15, as follows:

[Roll No. 298]

YEAS—380

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goss
Graham
Granger
Graves
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hutchinson
Hyde
Inslee
Isakson
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, Sam
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (OK)
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Pickering
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Schrock
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—38

Barcia
Barr
Barrett
Costello
Deutsch
Doggett
Goode
Goodlatte
Green (TX)
Green (WI)
Hefley
Hoekstra
Hulshof
Israel
Johnson (IL)
Jones (NC)
Kind (WI)
Lucas (KY)
Luther
Moore
Moran (KS)
Paul
Petri
Phelps
Pitts
Royce
Ryan (WI)
Ryun (KS)
Schaffer
Schiff
Sensenbrenner
Shimkus
Shows
Stearns
Tancredo
Taylor (MS)
Thurman
Toomey

NOT VOTING—15

Flake
Gordon
Hastings (FL)
Herger
Hunter
Johnson, E. B.
Jones (OH)
Lipinski
McKinney
Millender-McDonald
Neal
Norwood
Scott
Spence
Stark

□ 1216

Messrs. SHOWS, SCHIFF, SHIMKUS, DOGGETT, JOHNSON of Illinois, BARCIA, and PHELPS changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. HERGER. Mr. Speaker, on rollcall No. 298 I was unavoidably detained. Had I been present, I would have voted "yea".

THE JOURNAL

The SPEAKER pro tempore (Mr. MCHUGH). Pursuant to clause 8 of rule XX, the pending business is the question of the Speaker's approval of the Journal of the last day's proceedings.

The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MCNULTY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 359, noes 44, answered "present" 1, not voting 29, as follows:

[Roll No. 299]

AYES—359

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Cox
Coyne
Cramer
Crenshaw
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Fletcher
Foley
Forbes
Ford
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larson (CT)
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
Meehan
Meek (FL)
Meeks (NY)
Mica
Miller (FL)
Miller, George
Mink
Mollohan
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Nethercutt
Ney
Northup
Nussle
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Rangel
Regula
Rehberg
Reyes
Riley
Rivers
Rodriguez
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Schiff
Schrock
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Stump
Sununu
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Traficant
Turner
Upton
Velázquez
Vitter
Walden
Walsh
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—44

Baird
Capuano
Costello
Crane
Crowley
DeFazio
English
Filner
Fossella
Gutierrez
Gutknecht
Hefley
Hilliard
Hoekstra
Hulshof
Kennedy (MN)
Kucinich
Larsen (WA)
Latham
LoBiondo
McCarthy (NY)
McDermott
McNulty
Menendez
Moore
Moran (KS)
Oberstar
Peterson (MN)
Platts
Ramstad
Roemer
Sabo
Schaffer
Stupak
Sweeney
Thompson (CA)
Thompson (MS)
Udall (CO)
Udall (NM)
Visclosky
Wamp
Waters
Weller
Wu

ANSWERED "PRESENT"—1

Tancredo

NOT VOTING—29

Calvert
Cubin
Flake
Gephardt
Gordon
Goss
Hastings (FL)
Hunter
Hutchinson
Jefferson
Johnson, E. B.
Jones (OH)
Keller
Kelly
Lewis (CA)
Lipinski
McKinney
Millender-McDonald
Miller, Gary
Neal
Norwood
Reynolds
Rush
Scott
Slaughter
Spence
Stark
Taylor (MS)
Towns

□ 1225

So the Journal was approved.

The result of the vote was announced as above recorded.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages, in writing from the President of the United States were communicated to the House by Ms. Wanda Evans, one of his secretaries.

CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107-111)

The SPEAKER pro tempore (Mr. RYAN of Wisconsin) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iraqi emergency is to continue in effect beyond August 2, 2001, to the Federal Register for publication.

The crisis between the United States and Iraq that led to the declaration on August 2, 1990, of a national emergency has not been resolved. The Government of Iraq continues to engage in activities inimical to stability in the Middle East and hostile to United States interests in the region. Such Iraqi actions pose a continuing, unusual, and extraordinary threat to the national security and foreign policy of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to apply economic pressure on the Government of Iraq.

GEORGE W. BUSH.
THE WHITE HOUSE, *July 31, 2001.*

PERIODIC REPORT ON NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107-110)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit herewith a 6-month report on the national emergency with respect to Iraq that was declared in Executive Order 12722 of August 2, 1990.

GEORGE W. BUSH.
THE WHITE HOUSE, *July 31, 2001.*

VETERANS BENEFITS ACT OF 2001

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2540) to amend title 38, United States Code, to make various improvements to veterans benefits programs under laws administered by the Secretary of Veterans Affairs, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2540

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Veterans Benefits Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. References to title 38, United States Code.

TITLE I—ANNUAL COST-OF-LIVING ADJUSTMENT IN COMPENSATION AND DIC RATES

Sec. 101. Increase in rates of disability compensation and dependency and indemnity compensation.
Sec. 102. Publication of adjusted rates.

TITLE II—COMPENSATION PROVISIONS

Sec. 201. Presumption that diabetes mellitus (type 2) is service-connected.
Sec. 202. Inclusion of illnesses that cannot be clearly defined in presumption of service connection for Gulf War veterans.
Sec. 203. Preservation of service connection for undiagnosed illnesses to provide for participation in research projects by Gulf War veterans.
Sec. 204. Presumptive period for undiagnosed illnesses program providing compensation for veterans of Persian Gulf War who have certain illnesses.

TITLE III—ADMINISTRATION OF UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS

Sec. 301. Registration fees.
Sec. 302. Administrative authorities.

TITLE IV—OTHER MATTERS

Sec. 401. Payment of insurance proceeds to an alternate beneficiary when first beneficiary cannot be identified.
Sec. 402. Extension of copayment requirement for outpatient prescription medications.
Sec. 403. Department of Veterans Affairs Health Services Improvement Fund made subject to appropriations.
Sec. 404. Native American veteran housing loan pilot program.
Sec. 405. Modification of loan assumption notice requirement.
Sec. 406. Elimination of requirement for providing a copy of notice of appeal to the Secretary.
Sec. 407. Pilot program for expansion of toll-free telephone access to veterans service representatives.
Sec. 408. Technical and clerical amendments.
Sec. 409. Codification of recurring provisions in annual Department of Veterans Affairs appropriations Acts.

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—ANNUAL COST-OF-LIVING ADJUSTMENT IN COMPENSATION AND DIC RATES

SEC. 101. INCREASE IN RATES OF DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.

(a) RATE ADJUSTMENT.—The Secretary of Veterans Affairs shall, effective on December 1, 2001, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b).

(b) AMOUNTS TO BE INCREASED.—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) COMPENSATION.—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Each of the dollar amounts in effect under sections 1115(1) of such title.

(3) CLOTHING ALLOWANCE.—The dollar amount in effect under section 1162 of such title.

(4) NEW DIC RATES.—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

(5) OLD DIC RATES.—Each of the dollar amounts in effect under section 1311(a)(3) of such title.

(6) ADDITIONAL DIC FOR SURVIVING SPOUSES WITH MINOR CHILDREN.—The dollar amount in effect under section 1311(b) of such title.

(7) ADDITIONAL DIC FOR DISABILITY.—The dollar amounts in effect under sections 1311(c) and 1311(d) of such title.

(8) DIC FOR DEPENDENT CHILDREN.—The dollar amounts in effect under sections 1313(a) and 1314 of such title.

(c) DETERMINATION OF INCREASE.—(1) The increase under subsection (a) shall be made in the dollar amounts specified in subsection (b) as in effect on November 30, 2001.

(2) Except as provided in paragraph (3), each such amount shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1, 2001, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(3) Each dollar amount increased pursuant to paragraph (2) shall, if not a whole dollar amount, be rounded down to the next lower whole dollar amount.

(d) SPECIAL RULE.—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 (72 Stat. 1263) who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 102. PUBLICATION OF ADJUSTED RATES.

At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 2002, the Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in subsection (b) of section 101, as increased pursuant to that section.

TITLE II—COMPENSATION PROVISIONS

SEC. 201. PRESUMPTION THAT DIABETES MELLITUS (TYPE 2) IS SERVICE-CONNECTED.

Section 1116(a)(2) is amended by adding at the end the following new subparagraph:

"(H) Diabetes Mellitus (Type 2).".

SEC. 202. INCLUSION OF ILLNESSES THAT CANNOT BE CLEARLY DEFINED IN PRESUMPTION OF SERVICE CONNECTION.

(a) ILLNESSES THAT CANNOT BE CLEARLY DEFINED.—(1) Subsection (a) of section 1117 is amended by inserting "or fibromyalgia, chronic fatigue syndrome, a chronic multisymptom illness, or any other illness that cannot be clearly defined (or combination of illnesses that cannot be clearly defined)" after "illnesses)".

(2) Subsection (c)(1) of such section is amended by inserting "or fibromyalgia, chronic fatigue syndrome, a chronic multisymptom illness, or any other illness that cannot be clearly defined (or combination of illnesses that cannot be clearly defined)" in the matter preceding subparagraph (A) after "illnesses)".

(b) SIGNS OR SYMPTOMS THAT MAY INDICATE UNDIAGNOSED ILLNESSES.—(1) Section 1117 is further amended by adding at the end the following new subsection:

"(g) For purposes of this section, signs or symptoms that may be a manifestation of an undiagnosed illness include the following:

"(1) Fatigue.

"(2) Unexplained rashes or other dermatological signs or symptoms.

"(3) Headache.

"(4) Muscle pain.

"(5) Joint pain.

"(6) Neurologic signs or symptoms.

"(7) Neuropsychological signs or symptoms.

"(8) Signs or symptoms involving the respiratory system (upper or lower).

"(9) Sleep disturbances.

"(10) Gastrointestinal signs or symptoms.

"(11) Cardiovascular signs or symptoms.

"(12) Abnormal weight loss.

"(13) Menstrual disorders.".

(2) Section 1118(a) is amended by adding at the end the following new paragraph:

"(4) For purposes of this section, signs or symptoms that may be a manifestation of an undiagnosed illness include the signs and symptoms listed in section 1117(g) of this title.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 2002.

SEC. 203. PRESERVATION OF SERVICE CONNECTION FOR UNDIAGNOSED ILLNESSES TO PROVIDE FOR PARTICIPATION IN RESEARCH PROJECTS BY GULF WAR VETERANS.

(a) AUTHORITY FOR SECRETARY TO PROVIDE FOR PARTICIPATION WITHOUT LOSS OF BENEFITS.—Section 1117 is amended by adding after subsection (g), as added by section 202(b), the following new subsection:

"(h)(1) If the Secretary determines with respect to a medical research project sponsored by the Department that it is necessary for the conduct of the project that Persian Gulf veterans in receipt of compensation under this section or section 1118 of this title participate in the project without the possibility of loss of service connection under either such section, the Secretary shall provide that service connection granted under either such section for disability of a veteran who participated in the research project may not be terminated.

"(2) Paragraph (1) does not apply in a case in which—

"(A) the original award of compensation or service connection was based on fraud; or

"(B) it is clearly shown from military records that the person concerned did not have the requisite service or character of discharge.

"(3) The Secretary shall publish in the Federal Register a notice of each determination made by the Secretary under paragraph (1) with respect to a medical research project.".

(b) EFFECTIVE DATE.—The authority provided by subsection (h) of section 1117 of title 38, United States Code, as added by subsection (a), may be used by the Secretary of Veterans Affairs with respect to any medical research project of the Department of Veterans Affairs, whether commenced before, on, or after the date of the enactment of this Act.

SEC. 204. PRESUMPTIVE PERIOD FOR UNDIAGNOSED ILLNESSES PROGRAM PROVIDING COMPENSATION FOR VETERANS OF PERSIAN GULF WAR WHO HAVE CERTAIN ILLNESSES.

Section 1117 is amended—

(1) in subsection (a)(2), by striking "within the presumptive period prescribed under subsection (b)" and inserting "before December 31, 2003"; and

(2) by striking subsection (b).

TITLE III—ADMINISTRATION OF UNITED STATES COURT OF APPEALS FOR VETERANS CLAIMS

SEC. 301. REGISTRATION FEES.

(a) FEES FOR COURT-SPONSORED ACTIVITIES.—Subsection (a) of section 7285 is amended by adding at the end the following new sentence: "The Court may also impose registration fees on persons participating in a judicial conference convened pursuant to section 7286 of this title or any other court-sponsored activity.".

(b) USE OF FEES.—Subsection (b) of such section is amended by striking "for the purposes of (1)" and all that follows through the period and inserting "for the following purposes:

"(1) Conducting investigations and proceedings, including employing independent counsel, to pursue disciplinary matters.

"(2) Defraying the expenses of—

"(A) judicial conferences convened pursuant to section 7286 of this title; and

"(B) other activities and programs that are designed to support and foster bench and bar communication and relationships or the study, understanding, public commemoration, or improvement of veterans law or of the work of the Court.".

(c) CLERICAL AMENDMENTS.—(1) The heading for such section is amended to read as follows:

"§ 7285. Practice and registration fees".

(2) The item relating to such section in the table of sections at the beginning of chapter 72 is amended to read as follows:

"7285. Practice and registration fees.".

SEC. 302. ADMINISTRATIVE AUTHORITIES.

(a) IN GENERAL.—Subchapter III of chapter 72 is amended by adding at the end the following new section:

"§ 7287. Administration

"Notwithstanding any other provision of law, the Court of Appeals for Veterans Claims may exercise, for purposes of management, administration, and expenditure of funds, the authorities provided for such purposes by any provision of law (including any limitation with respect to such provision) applicable to a court of the United States as defined in section 451 of title 28, except to the extent that such provision of law is inconsistent with a provision of this chapter.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item related to section 7286 the following new item:

"7287. Administration.".

TITLE IV—OTHER MATTERS

SEC. 401. PAYMENT OF INSURANCE PROCEEDS TO AN ALTERNATE BENEFICIARY WHEN FIRST BENEFICIARY CANNOT BE IDENTIFIED.

(a) NSLI.—Section 1917 is amended by adding at the end the following new subsection:

"(f)(1) Following the death of the insured—

"(A) if the first beneficiary otherwise entitled to payment of the insurance proceeds does not make a claim for such payment within three years after the death of the insured, payment of the proceeds may be made to another beneficiary designated by the insured, in the order of precedence as designated by the insured, as if the first beneficiary had predeceased the insured; and

"(B) if within five years after the death of the insured, no claim has been filed by a person designated by the insured as a beneficiary and the Secretary has not received any notice in writing that any such claim will be made, payment of the insurance proceeds may (notwithstanding any other provision of law) be made to such person as may in the judgment of the Secretary be equitably entitled to the proceeds of the policy.

"(2) Payment of insurance proceeds under paragraph (1) shall be a bar to recovery by any other person.".

(b) USGLI.—Section 1951 is amended—

(1) by inserting "(a)" before "United States Government"; and

(2) by adding at the end the following new subsection:

"(b)(1) Following the death of the insured—

"(A) if the first beneficiary otherwise entitled to payment of the insurance proceeds does not make a claim for such payment within three years after the death of the insured, payment of the proceeds may be made to another beneficiary designated by the insured, in the order of precedence as designated by the insured, as if the first beneficiary had predeceased the insured; and

"(B) if within five years after the death of the insured, no claim has been filed by a person designated by the insured as a beneficiary and the Secretary has not received any notice in writing that any such claim will be made, payment of the insurance proceeds may (notwithstanding any other provision of law) be made to such person as may in the judgment of the Secretary be equitably entitled to the proceeds of the policy.

"(2) Payment of insurance proceeds under paragraph (1) shall be a bar to recovery by any other person.".

(c) TRANSITION PROVISION.—In the case of a person insured under subchapter I or II of chapter 19 of title 38, United States Code, who dies before the date of the enactment of this Act, the three-year and five-year periods specified in subsection (f)(1) of section 1917 of title 38, United States Code, as added by subsection (a), and subsection (b)(1) of section 1951 of such title, as added by subsection (b), shall for purposes of the applicable subsection be treated as being the three-year and five-year periods, respectively, beginning on the date of the enactment of this Act.

SEC. 402. EXTENSION OF COPAYMENT REQUIREMENT FOR OUTPATIENT PRESCRIPTION MEDICATIONS.

Section 1722A(d) is amended by striking "September 30, 2002" and inserting "September 30, 2006".

SEC. 403. DEPARTMENT OF VETERANS AFFAIRS HEALTH SERVICES IMPROVEMENT FUND MADE SUBJECT TO APPROPRIATIONS.

(a) AMOUNTS TO BE SUBJECT TO APPROPRIATIONS.—Effective October 1, 2002, subsection (c) of section 1729B is amended by striking "Amounts in the fund are hereby made available," and inserting "Subject to the provisions of appropriations Acts, amounts in the fund shall be available,".

(b) TECHNICAL AMENDMENT.—Subsection (b) of such section is amended by striking paragraph (1) and redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

SEC. 404. NATIVE AMERICAN VETERAN HOUSING LOAN PILOT PROGRAM.

(a) EXTENSION OF NATIVE AMERICAN VETERAN HOUSING LOAN PILOT PROGRAM.—Section 3761(c) is amended by striking "December 31, 2001" and inserting "December 31, 2005".

(b) AUTHORIZATION OF THE USE OF CERTAIN FEDERAL MEMORANDUMS OF UNDERSTANDING.—Section 3762(a)(1) is amended—

(1) by inserting "(A)" after "(1)";

(2) by striking "and" after the semicolon and inserting "or"; and

(3) by adding at the end the following:

"(B) the tribal organization that has jurisdiction over the veteran has entered into a memorandum of understanding with any department or agency of the United States with respect to direct housing loans to Native Americans that the Secretary determines substantially complies with the requirements of subsection (b); and".

SEC. 405. MODIFICATION OF LOAN ASSUMPTION NOTICE REQUIREMENT.

Section 3714(d) is amended to read as follows:

"(d) With respect to a loan guaranteed, insured, or made under this chapter, the Secretary shall provide, by regulation, that at least one instrument evidencing either the loan or the mortgage or deed of trust therefor, shall conspicuously contain, in such form as the Secretary shall specify, a notice in substantially the following form: 'This loan is not assumable without the approval of the Department of Veterans Affairs or its authorized agent'.".

SEC. 406. ELIMINATION OF REQUIREMENT FOR PROVIDING A COPY OF NOTICE OF APPEAL TO THE SECRETARY.

(a) REPEAL.—Section 7266 is amended by striking subsection (b).

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) by striking "(1)" after "(a)";

(2) by redesignating paragraph (2) as subsection (b);

(3) by redesignating paragraph (3) as subsection (c) and redesignating subparagraphs (A) and (B) thereof as paragraphs (1) and (2); and

(4) by redesignating paragraph (4) as subsection (d) and by striking "paragraph (3)(B)" therein and inserting "subsection (c)(2)".

SEC. 407. PILOT PROGRAM FOR EXPANSION OF TOLL-FREE TELEPHONE ACCESS TO VETERANS SERVICE REPRESENTATIVES.

(a) PILOT PROGRAM.—The Secretary of Veterans Affairs shall conduct a pilot program to test the benefits and cost-effectiveness of expanding access to veterans service representatives of the Department of Veterans Affairs through a toll-free (so-called "1–800") telephone number. Under the pilot program, the Secretary shall expand the available hours of such access to veterans service representatives to not less than 12 hours on each regular business day and not less than six hours on Saturday.

(b) INFORMATION TO BE PROVIDED.—The Secretary shall ensure, as part of the pilot program, that veterans service representatives of the Department of Veterans Affairs have available to them (in addition to information about benefits provided under laws administered by the Secretary) information about veterans benefits provided by—

(1) all other departments and agencies of the United States; and

(2) State governments.

(c) CONSULTATION.—The Secretary shall establish the pilot program in consultation with the heads of other departments and agencies of the United States that provide veterans benefits.

(d) VETERANS BENEFITS DEFINED.—For purposes of this section, the term "veterans benefits" means benefits provided to a person based upon the person's own service, or the service of someone else, in the Armed Forces.

(e) PERIOD OF PILOT PROGRAM.—The pilot program shall—

(1) begin not later than six months after the date of the enactment of this Act; and

(2) end at the end of the two-year period beginning on the date on which the program begins.

(f) REPORT.—Not later than 120 days after the end of the pilot program, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the pilot program. The report shall provide the Secretary's assessment of the benefits and cost-effectiveness of continuing or making permanent the pilot program, including an assessment of the extent to which there is a demand for access to veterans service representatives during the period of expanded access to such representatives provided under the pilot program.

SEC. 408. TECHNICAL AND CLERICAL AMENDMENTS.

(a) AMENDMENTS TO TITLE 38, UNITED STATES CODE.—Title 38, United States Code, is amended as follows:

(1)(A) Section 712 is repealed.

(B) The table of sections at the beginning of chapter 7 is amended by striking the item relating to section 712.

(2) Section 1710B(c)(2)(B) is amended by inserting "on" before "November 30, 1999".

(3) Section 3695(a)(5) is amended by striking "1610" and inserting "1611".

(b) OTHER AMENDMENTS.—

(1) Section 1001(a)(2) of the Veterans' Benefits Improvements Act of 1994 (38 U.S.C. 7721 note) is amended by striking "and" at the end of subparagraph (C).

(2) Section 12 of the Homeless Veterans Comprehensive Service Programs Act of 1992 (38 U.S.C. 7721 note) is amended in the first sentence by striking "to carry out this Act" and all that follows in that sentence and inserting "to carry out this Act $50,000,000 for fiscal year 2001.".

SEC. 409. CODIFICATION OF RECURRING PROVISIONS IN ANNUAL DEPARTMENT OF VETERANS AFFAIRS APPROPRIATIONS ACTS.

(a) CODIFICATION OF RECURRING PROVISIONS.—Section 313 is amended by adding at the end the following new subsections:

"(c) COMPENSATION AND PENSION.—Funds appropriated for Compensation and Pensions are available for the following purposes:

"(1) The payment of compensation benefits to or on behalf of veterans as authorized by section 107 and chapters 11, 13, 51, 53, 55, and 61 of this title.

"(2) Pension benefits to or on behalf of veterans as authorized by chapters 15, 51, 53, 55, and 61 of this title and section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978.

"(3) The payment of benefits as authorized under chapter 18 of this title.

"(4) Burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payments of premiums due on commercial life insurance policies guaranteed under the provisions of article IV of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 540 et seq.), and other benefits as authorized by sections 107, 1312, 1977, and 2106 and chapters 23, 51, 53, 55, and 61 of this title and the World War Adjusted Compensation Act (43 Stat. 122, 123), the Act of May 24, 1928 (Public Law No. 506 of the 70th Congress; 45 Stat. 735), and Public Law 87–875 (76 Stat. 1198).

"(d) MEDICAL CARE.—Funds appropriated for Medical Care are available for the following purposes:

"(1) The maintenance and operation of hospitals, nursing homes, and domiciliary facilities.

"(2) Furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department, including care and treatment in facilities not under the jurisdiction of the Department.

"(3) Furnishing recreational facilities, supplies, and equipment.

"(4) Funeral and burial expenses and other expenses incidental to funeral and burial expenses for beneficiaries receiving care from the Department.

"(5) Administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction, and renovation of any facility under the jurisdiction or for the use of the Department.

"(6) Oversight, engineering, and architectural activities not charged to project cost.

"(7) Repairing, altering, improving, or providing facilities in the medical facilities and homes under the jurisdiction of the Department, not otherwise provided for, either by contact or by the hire of temporary employees and purchase of materials.

"(8) Uniforms or uniform allowances, as authorized by sections 5901 and 5902 of title 5.

"(9) Aid to State homes, as authorized by section 1741 of this title.

"(10) Administrative and legal expenses of the Department for collecting and recovering amounts owed the Department as authorized under chapter 17 of this title and Public Law 87–693, popularly known as the Federal Medical Care Recovery Act (42 U.S.C. 2651 et seq.).

"(e) MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES.—Funds appropriated for Medical Administration and Miscellaneous Operating Expenses are available for the following purposes:

"(1) The administration of medical, hospital, nursing home, domiciliary, construction, supply, and research activities authorized by law.

"(2) Administrative expenses in support of planning, design, project management, architectural work, engineering, real property acquisition and disposition, construction, and renovation of any facility under the jurisdiction or for the use of the Department, including site acquisition.

"(3) Engineering and architectural activities not charged to project costs.

"(4) Research and development in building construction technology.

"(f) GENERAL OPERATING EXPENSES.—Funds appropriated for General Operating Expenses are available for the following purposes:

"(1) Uniforms or allowances therefor.

"(2) Hire of passenger motor vehicles.

"(3) Reimbursement of the General Services Administration for security guard services.

"(4) Reimbursement of the Department of Defense for the cost of overseas employee mail.

"(5) Administration of the Service Members Occupational Conversion and Training Act of 1992 (10 U.S.C. 1143 note).

"(g) CONSTRUCTION.—Funds appropriated for Construction, Major Projects, and for Construction, Minor Projects, are available, with respect to a project, for the following purposes:

"(1) Planning.

"(2) Architectural and engineering services.

"(3) Maintenance or guarantee period services costs associated with equipment guarantees provided under the project.

"(4) Services of claims analysts.

"(5) Offsite utility and storm drainage system construction costs.

"(6) Site acquisition.

"(h) CONSTRUCTION, MINOR PROJECTS.—In addition to the purposes specified in subsection (g), funds appropriated for Construction, Minor Projects, are available for—

"(1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Department which are necessary because of loss or damage caused by a natural disaster or catastrophe; and

"(2) temporary measures necessary to prevent or to minimize further loss by such causes.".

(b) DEFINITION.—(1) Chapter 1 is amended by adding at the end the following new section:

"§ 117. Definition of cost of direct and guaranteed loans

"For the purpose of any provision of law appropriating funds to the Department for the cost of direct or guaranteed loans, the cost of any such loan, including the cost of modifying any such loan, shall be as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a).".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"117. Definition of cost of direct and guaranteed loans.".

(c) EFFECTIVE DATE.—Subsections (c) through (h) of section 313 of title 38, United States Code, as added by subsection (a), and section 117 of such title, as added by subsection (b), shall take effect with respect to funds appropriated for fiscal year 2003.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Illinois (Mr. EVANS) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as chairman of the Committee on Veterans' Affairs, I am very pleased to bring before the House H.R. 2540, as amended, Veterans Benefits Act of 2001.

This is the fourth major piece of legislation that the Committee on Veterans' Affairs has brought to the floor this year. Earlier this year, the House passed H.R. 801, the Veterans' Survivor Benefits Improvements Act of 2001, which was signed into law on June 5.

This legislation, Public Law 107–14, expands health and life insurance coverage for dependents and survivors of veterans. The House also approved H.R. 811, the Veterans' Hospitals Emergency Repair Act, which provides $550 million over 2 years to repair and renovate VA medical facilities.

While this legislation is still awaiting action in the Senate, having passed the House, funding was included in the VA-HUD appropriations bill approved last night to begin these needed repairs.

In addition, the House has approved H.R. 1291, the 21st Century Montgomery G.I. Bill Enhancement Act, which also is awaiting Senate action. It provides a 70 percent increase in G.I. educational benefits to qualifying service members.

Mr. Speaker, today we bring yet another vitally important piece of legislation to the floor that will provide increases in VA compensation payments to disabled veterans and their survivors.

Mr. Speaker, there are more than 2.3 million disabled veterans or survivors of disabled veterans today receiving compensation who will receive a boost with passage of H.R. 2540, including more than 170,000 veterans rated 100 percent disabled who will get an additional $767 each year added to their existing benefit.

I would note parenthetically in the State of New Jersey there are 3,246 disabled veterans with a rating of 100%, and they, too, will get an additional $767 in benefits.

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Upon enactment of this legislation, all veterans or qualified survivors will get the 2.7 percent COLA. The cost for this will be over $400 million in the first year and $543 million over the next 4 years. In all, the compensation package for the COLA will be $2.5 billion over 5 years.

Another very important component of this bill addresses the lingering effects of service to Persian Gulf War veterans. Many veterans who applied for disability compensation for poorly-defined illnesses found that a beneficial law we adopted in 1994, the Persian Gulf War Veterans Act, had a "Catch-22." If a doctor could diagnose the illness, and the symptoms had not arisen in service or within 1 year, the claim was denied.

Mr. Speaker, there is an evolution occurring in medicine today with respect to so-called chronic multi- symptom illnesses. Some of these illnesses, such as chronic fatigue syndrome, have case definitions that are generally accepted in the medical profession, although their cause and effect and treatment are unknown. Concerned physicians who study and treat many patients with one or more symptoms may not agree that a given set of symptoms fit one case definition or another. At other times, physicians may decide to treat discrete symptoms without reaching a definitive diagnosis. This bill provides the expansion authority; and my good friend and colleague, the gentleman from Idaho (Mr. SIMPSON), the chairman of the Subcommittee on Benefits, will explain this momentarily in greater detail.

Let me also say that this legislation is the work of a tremendous amount of bipartisanship as well as a great deal of work by our respective staffs, and I would like to single out a number of Members. First of all, beginning with my good friend, the ranking member, the gentleman from Illinois (Mr. EVANS), who was instrumental in working on section 2 of this important piece of legislation. He has contributed very constructively to the shaping of this bill.

I would especially like to thank the gentleman from Idaho (Mr. SIMPSON), as I mentioned before, chairman of the Subcommittee on Benefits, and the ranking member of the subcommittee, the gentleman from Texas (Mr. REYES). I would just note that while the gentleman from Idaho is only in his second term and is already a subcommittee chairman, he is not new to policy making. Chairman SIMPSON is an accomplished lawmaker. As I think many of my colleagues know, he served in his State legislature for 14 years. His positions included majority caucus chairman, assistant majority leader in the Idaho House of Representatives; and he served as speaker, for 6 years in the Idaho House of Representatives. He is also a member of the Idaho Republican Party Hall of Fame. We are very fortunate to have him serving as chairman.

Let me also thank some of the other Members who worked on this. The gentleman from Florida (Mr. BILIRAKIS), who helped shape the final outcome of this bill. After markup, some issues remained that were hammered out in a constructive dialogue. There were some lingering issues that needed to be resolved, and he was instrumental in crafting that compromise.

Let me also thank the gentleman from Indiana (Mr. BUYER), a Persian Gulf War vet himself, who worked on this legislation very mightily; the gentleman from Nevada (Mr. GIBBONS), who intended on offering an extension on the bill—a compromise—extends the period by 2 years. I also want to thank the gentleman from Mississippi (Mr. SHOWS); and the gentleman from Illinois (Mr. MANZULLO), the latter who had a major bill on Gulf War vets with multiple cosponsors, in excess of 200, who was also very instrumental in shaping this legislation.

Finally, I want to thank our staff: Jeannie McNally, Darryl Kehrer, Paige McManus, Devon Seibert, Kingston Smith, Summer Larson, and my good friend and chief counsel, Patrick Ryan.

Also the minority staff: Beth Kilker, Debbie Smith, Mary Ellen McCarthy, and Michael Durishin, who worked hard on this bill. I urge support for this important veterans legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. EVANS. Mr. Speaker, I yield myself such time as I may consume.

I rise in strong support of H.R. 2540, the Veterans Benefits Act of 2001; and I commend and salute our distinguished chairman of the committee for his leadership in working with the Members on both sides to bring this measure before us today. I join with him in saluting the staff that he has recognized as well.

I also want to recognize the new chairman of the Subcommittee on Benefits, the gentleman from Idaho (Mr. SIMPSON), and the ranking Democratic member of the Subcommittee on Benefits, the gentleman from Texas (Mr. REYES), who contributed to the bill before us today.

In addition, I want to publicly acknowledge the important contributions of the gentleman from New Mexico (Mr. UDALL) and the gentlewoman from California (Mrs. CAPPS) and others to this legislation.

As amended, this resolution contains many provisions important to our veterans, and I will highlight just a few.

The bill provides an annual cost of living adjustment, effective December 1, 2001, to recipients of service-connected disability compensation and dependency and indemnity compensation. It is the obligation of this grateful Nation to preserve the purchasing power of these benefits. This COLA will mirror the COLA received by Social Security recipients.

Section 201 of the bill is the one that I introduced. This section provides a statutory basis for a presumption of service-connection for Vietnam veterans with Type 2 diabetes who were exposed to herbicides. This provision assures our Nation's veterans that this is a benefit based in law.

Section 202 of the bill is based on H.R. 1406, which I introduced. It identifies additional ill-defined or undiagnosed illnesses or illnesses for which service-connection is presumed for Gulf War veterans. Additionally, it lists symptoms or signs that may be associated.

H.R. 2540 authorizes a 2-year pilot program for expanded toll-free access to veterans' benefits counselors. This provision is derived from the recommendations made by the gentleman from Louisiana (Mr. BAKER), a member of the committee, and the gentlewoman from California (Mrs. CAPPS), a Member of good standing; and we appreciate her work.

I am pleased that H.R. 2540 also extends the authority of the VA to make direct home loans to Native Americans who live on trust lands. I want to thank the gentleman from New Mexico (Mr. UDALL) for introducing similar legislation in H.R. 1929.

Again, I want to thank the chairman of the full committee and the chairman and ranking member of the subcommittee for bringing this bill before us today. I urge all our colleagues to support H.R. 2540, as amended.

Mr. Speaker, I rise in strong support of H.R. 2540, the Veterans Benefits Act of 2001. I commend and thank the distinguished Chairman of the Committee, CHRIS SMITH, for his leadership in working with members on both sides of the aisle to bring this measure before us today. I also want to recognize the new Chairman of the Subcommittee on Benefits, Mr. SIMPSON, and the Ranking Democratic Member of the Subcommittee on Benefits, Mr. REYES, who contributed to the bill before us today.

I fully support the cost-of-living increase provided by Title I of H.R. 2540. The purchasing power of the benefits which our veterans have earned must be maintained and not be diminished because basic living expenses have increased. Our Nation's veterans have earned their benefits. It is the obligation of a grateful Nation to preserve the purchasing power of these benefits and pay them in a timely manner.

As a long time supporter of benefits for veterans who have suffered from the effects of exposure to herbicides such as Agent Orange, I welcome VA's recent regulation providing a presumption of service-connection for Vietnam veterans exposed to dioxin who now suffer from diabetes Mellitus, Type 2. This was the right action to take. Now it is time to provide a statutory presumption that makes it clear to veterans that their eligibility is protected as a matter of law. Section 201 of the bill is based on legislation I introduced, H.R. 862. This important step will not result in any additional benefit costs, but will assure our Nation's veterans of their statutory right.

I also strongly support section 202 of the bill, based on H.R. 1406 which I introduced to overturn a narrow and erroneous opinion of the Department of Veterans Affairs (VA) General Counsel. Thousands of veterans who were healthy before their service in Southwest Asia have experienced a variety of unexplained symptoms since going to Southwest Asia. Claims for service-connected compensation filed by Gulf War veterans were originally denied because no single disease entity or syndrome responsible for these illnesses had been identified. In providing for compensation due to undiagnosed illnesses or illnesses which could not be clearly defined, the Congress specifically intended that under Public Law 103–446, veterans be given the benefit of the doubt and provided service-connected compensation benefits. Because of an erroneous Opinion of VA's General Counsel, the law's intent has been frustrated and many veterans have been denied compensation.

As many veterans organizations have noted, both the former Chairman of this Committee [BOB STUMP] and I have criticized VA's interpretation of the term "undiagnosed illness" in VA General Counsel Precedent Opinion 8–98 as extremely restrictive. That opinion held that VA is precluded from providing benefits to veterans who develop symptoms after military service and who receive a diagnostic label, such as "chronic service fatigue syndrome" even for illnesses which are not clearly defined. Thousands of veterans have had their claims denied because "chronic fatigue syndrome" or another diagnostic label such as "irritable bowel syndrome" was provided. Other veterans with identical symptoms whose physicians did not attach a diagnostic label have had their claims granted. Such disparate treatment is unfair and unacceptable.

Since there is no known cause for these illnesses and no specific laboratory tests to confirm the diagnosis, as a practical matter VA's ability to provide compensation has been limited to veterans whose symptoms became manifest during active duty or active duty for training or to veterans whose physician indicated that the veterans symptoms were due to an "undiagnosed" condition. Section 202 of H.R. 2540 places the emphasis where Congress originally intended by focusing on the symptoms which have had such a disabling affect on the lives of some Gulf War veterans. The bill addresses illnesses which are not clearly defined, rather than illnesses whose etiology is not clearly defined. As Dr. Claudia Miller, an experienced medical researcher testified at the October 26, 1999, hearing of the Subcommittee on Benefits concerning Persian Gulf War Veterans Issues, "In medicine, we will label something with a name, as you are aware, and call it a diagnosis, but it may not convey what the etiology is. There are very few places in medicine where we say what the etiology is when we give a diagnosis. One of the few is infectious diseases."

In focusing on the symptoms of poorly defined illnesses, the bill applies to disabilities resulting from what is increasingly referred to in medical research as "chronic multisymptom illnesses". (See, "Chronic Multisymptom Illness Affecting Air Force Veterans of the Gulf War", Fukuda et al, JAMA 1988; 280:981–988, "Clinical Risk Communication: Explaining Causality To Gulf War Veterans With Chronic Multisymptom Illnesses" Engel, Sunrise Symposium (June 25, 1999) (Found at www.deploymenthealth.mil/education/risk comm.doc) and "Multiple Chemical Sensitivity and Chronic Fatigue Syndrome in British Gulf War Veterans," Reid et al, American Journal of Epidemiology, 2001 153:604–609. Veterans must be provided the benefit of the doubt. VA's cost estimate for compensating Gulf veterans who suffer from fibromyalgia, chronic fatigue syndome and irritable bowel syndrome is evidence that claims which Congress intended to recognize in its 1994 legislation are being denied under present law.

The handling of claims based on undiagnosed illnesses continues to be problematic. Current VA policy requires VA to consider symptoms attributed to a diagnosed condition under whatever rating is appropriate and to also give full credence to symptoms which cannot be attributed to any of the diagnosed illnesses. In some cases, adjudicators in VA Regional Offices have failed to follow VA policy. I hope that by expanding the coverage of service-connection to illnesses which cannot be clearly defined, VA adjudicators will make fewer such errors.

I regret that having expended so much of our Nation's resources on a large tax cut, we lack the funding to make this provision effective until April 1, 2002. There is one and only one reason for not making this provision effective upon enactment and even retroactive to the date of the original legislation. Having spent our Nation's "surplus" on large tax cuts for the wealthiest Americans, we have to search for nickels and dimes to meet our debt to our Nation's disabled veterans. This is a disgrace, but it is the result with which we are now forced to live.

I understand the concerns raised by those who believe the presumptive period for undiagnosed illnesses should be extended. Except for members of the Guard and Reserve who, though not assigned to the Gulf have suffered adverse effects following the administration of anthrax and other vaccines while on inactive duty for training. I am not aware of any cases where symptoms of undiagnosed illnesses have recently become manifest. I am also not aware of any servicemembers recently assigned to the Gulf having experienced symptoms of undiagnosed illnesses, chronic fatigue syndrome or fibromyalgia. However, because this may exist, I do not oppose the two-year extension of time contained in the Manager's amendment. Although I hope that no disabilities with a long latency period such as cancer or other illnesses will result from Gulf Service, I will support a presumption of service-connection if and when certain disabilities are determined to be more prevalent in Gulf veterans than comparable populations.

Section 203 of H.R. 2540 gives the Secretary of Veterans Affairs the authority to protect the service connection of veterans receiving compensation benefits. Last year, Congresswoman CAPPS and I became aware that VA was having difficulty in recruiting veterans to participate in a VA-sponsored research study concerning the prevalence of Amyotrophic Lateral Sclerosis (ALS or Lou Gehrig's Disease) in Gulf War veterans. Because ALS is such a rare disease, the validity of the study required that as many veterans as possible with this condition be identified. A number of veterans refused to participate in the study because they were currently receiving service connected compensation benefits attributed to an undiagnosed illness. If ALS were to be diagnosed, the veteran would lose those benefits. In response to a joint request from Mrs. CAPPS, Mr. STEARNS, Mr. BILIRAKIS and myself to protect the benefits of the ALS study participants, former. Acting Secretary Gober stated in an October 19, 2000, letter, "there is simply no viable way to provide such protection consistent with existing law and standards of ethnical conduct for Government employees."

Section 203 of H.R. 2540 is intended to remedy this dilemma and provide the VA with the authority needed to enable veterans to participate in medical research studies, without fear that their benefits will be placed in jeopardy. Absent such authority, there is a very real risk that veterans will be caught in a "Catch-22" situation. Without adequate research, it may not be possible to demonstrate an association between service in Southwest Asia and specific rare illnesses experienced by a small number of Gulf War veterans. If the research is inadequate, deserving veterans may be denied compensation. Medical research serves an important humanitarian goal, by furthering knowledge concerning human diseases and treatment. Veterans who participate in such research, without any likelihood of direct benefit to their own lives, deserve to be protected, not punished, for their humanitarian spirit. By preserving the service connected character of the veteran's disabilities, they and their survivors would qualify for compensation and dependency and indemnity compensation (DIC) benefits.

I am also pleased that the bill addresses concerns expressed by Mrs. CAPPS and Mr. BAKER concerning VA's toll-free telephone service. The proposed pilot project should provide veterans with improved access to VA employees for those questions which cannot be handled by VA's automated telephone system. This is particularly important for the growing population of elderly veterans and survivors, who may have difficulty navigating through the high-tech world of automated telephone systems. I expect that this pilot program will provide us with valuable information concerning VA's ability to handle telephonic inquiries.

Likewise, I strongly support the provisions in H.R. 2540 that are derived from H.R. 1929 introduced by TOM UDALL and myself to extend the pilot program providing direct home loans to veterans residing on tribal lands. It is critical that this Congress continued to recognize the important differences between homes on tribal land and conventional home loans under Anglo-American legal principles of real property. This bill provides another home ownership option to Native American veterans residing on tribal lands.

H.R. 2540 also contains provisions derived from H.R. 2222, introduced by Mr. FILNER and H.R. 2359, introduced by Chairman SMITH and myself. VA should not be holding monies which could be distributed to the beneficiaries or heirs of a veteran when the primary beneficiary cannot be located. VA should make every effort to assure that the rightful or equitable beneficiaries of these interests receive the funds to which they are entitled.

Section 406 of H.R. 2540 would eliminate the requirement that veterans filing an appeal with the U.S. Court of Appeals for Veterans Claims also notify the VA. This requirement has apparently caused confusion among appellants and caused some to be denied their right to appeal a decision to the court in a timely manner. Since current court rules require the U.S. Court of Appeals for Veterans Claims to notify the Secretary of Veterans Affairs when an appeal is documented, sufficient notice would be provided to the Secretary with the elimination of this requirement.

I thank the Chairman and Ranking Member of the Subcommittee for bringing this bill forward and urge all members to support H.R. 2540.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 4 minutes to the gentleman from Idaho (Mr. SIMPSON), the distinguished chairman of the Subcommittee on Benefits.

Mr. SIMPSON. Mr. Speaker, I thank the gentleman for yielding me this time and for his kinds words; and I am proud to rise in support of H.R. 2540, the Veterans Benefits Act of 2001. This bill comprises several of the bills we took testimony on in the Subcommittee on Benefits on July 10 as well as administrative provisions affecting the Court of Appeals for Veterans Claims, all of which we marked up in subcommittee on July 12.

I will briefly outline the various provisions of the bill, which makes an array of improvements to veterans benefits programs.

Title I would provide a cost of living adjustment, already mentioned, effective December 1, 2001, to the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation. As the committee has done in the past, the rate of increase will be the same as the Social Security COLA increase.

On July 9, the Department of Veterans Affairs issued final rules adding Type 2 diabetes to the regulatory list of service-connected illnesses presumed to be associated with exposures to the herbicide agents in Vietnam. VA based its decision on recent findings by the National Academy of Sciences. Section 201 of this bill codifies the VA regulations.

The remaining sections of title 2 addresses issues unique to Persian Gulf War veterans. They indeed are selfless individuals who went into harm's way to fight tyranny. About 12,000 of our 714,000 service members who served in the Gulf suffer from hard-to-diagnose illnesses.

Section 202 would expand the definition of undiagnosed illnesses to include fibromyalgia, chronic fatigue syndrome, and chronic multi-symptom illnesses for the statutory presumption of service connection, as well as for other illnesses that cannot be clearly defined. This section also lists signs and symptoms that may be a manifestation of an undiagnosed illness.

I would like to take this opportunity to thank the gentleman from Illinois (Mr. MANZULLO), the gentleman from Mississippi (Mr. SHOWS), and the gentleman from Florida (Mr. BILIRAKIS) for their work, and the gentleman from Texas (Mr. REYES) for working with me on this provision.

Section 203 would grant the Secretary the authority to protect the service-connected grant of a Persian Gulf war veteran who participates in a Department-sponsored medical research project. It is the committee's intention that this provision will broaden participation in vital scientific and medical studies.

Section 204 would expand to December 31, 2003 the presumptive period for providing compensation to veterans with undiagnosed illnesses. This authority expires at the end of this year. And I would like to thank the gentleman from Florida (Mr. GIBBONS) and the gentleman from Indiana (Mr. BUYER) for their work with us on this issue.

Title 3 would provide greater administrative flexibility to the U.S. Court of Appeals for Veterans Claims so that registration fees paid to the court might be used in connection with practitioner disciplinary proceedings and in support of bench and bar and veterans' law educational activities. Title 3 also authorizes the collection of registration fees for other court-sponsored activities where appropriate.

Section 401 would give the VA the authority to make a payment of life insurance proceedings to an alternate beneficiary when the primary beneficiary cannot be located within 3 years. Currently, there is no time limitation for the first-named beneficiary of a national service life insurance or United States Government life insurance policy to file a claim. As a result, VA is required to hold the unclaimed funds indefinitely. Section 402 would extend the copayment requirement for a VA outpatient prescription medication to September 30, 2006 from September 30, 2002.

Section 403 would make the availability of funds from VA's Health Services Improvement Fund subject to the provisions of the appropriations acts.

Section 404 would extend the Native Americans Veteran Housing Loan Pilot program to 2005.

Section 405 would modify the loan assumption notice requirement.

Section 406 would eliminate the need for a claimant to send a copy of a notice of appeal to the Secretary. Removal of this notice requirement would not impair VA's ability to receive notice of the filing of an appeal and to respond to those who are properly filed with the court.

Finally, section 407 would establish a 2-year nationwide pilot program requiring the Secretary to expand the available hours of the VA's 1-800 toll-free information service and to assess the extent to which demands for such service exists. This pilot would provide information on veterans benefits and services administered by all Federal departments and agencies.

I would like to thank the gentleman from Louisiana (Mr. BAKER) and his staff for working with the subcommittee on this provision, along with the gentlewoman from California (Mrs. CAPPS) for her testimony that she submitted at the subcommittee's July 10 hearing.

Mr. Speaker, I also want to thank a real gentleman, the gentleman from Texas (Mr. REYES), the ranking member of the Subcommittee on Benefits, for his support and counsel in my first few weeks as chairman of this subcommittee.

Lastly, we would not be considering this bill if it were not for the wisdom and foresight of the gentleman from New Jersey (Mr. SMITH), chairman of the full committee, and the ranking member, the gentleman from Illinois

(Mr. EVANS). These two gentlemen have served together on the Committee on Veterans' Affairs for some 20 years, and I appreciate their leadership.

Mr. Speaker, H.R. 2540 is a strong bill; and I urge my colleagues support of it.

Mr. EVANS. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. REYES).

Mr. REYES. Mr. Speaker, I thank the gentleman for yielding me this time.

As an original cosponsor and strong supporter of H.R. 2540, the Veterans Benefits Act of 2001, I am pleased that we are moving forward to assure a cost of living increase for our Nation's disabled veterans and their families, and the other benefits provided in this legislation as well. The sooner the benefits provided in this bill can be enacted into law, I believe the better.

I want to acknowledge the cooperation of our chairman and ranking member, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Illinois (Mr. EVANS), as well as our new subcommittee chair, the gentleman from Idaho (Mr. SIMPSON), in moving this bill forward. I appreciate their commitment and leadership to the benefits accorded to our veterans.

I want to highlight the provisions addressing the needs of Gulf War veterans. A new report of the Institute of Medicine acknowledges that symptoms experienced by Gulf War veterans have a significant degree of overlap with symptoms of patients diagnosed with conditions such as fibromyalgia, chronic fatigue syndrome, and irritable bowel syndrome.

When legislation was originally passed to provide service-connected compensation benefits to our Nation's Gulf War veterans, it was the intent of Congress that those who were experiencing these symptoms, such as fatigue, joint pain, and others noted in the recent IOM report, would be compensated. Unfortunately, VA's General Counsel ruled that only veterans whose symptoms did not carry a diagnostic label would be compensated. Currently, VA's ability to receive compensation depends on the happenstance of whether or not the examining physician attributes a diagnostic label to the symptoms. This is unfair to our Nation's veterans and must be changed.

The Gulf War provisions of H.R. 2540 place the emphasis where it was originally intended by focusing on the symptoms experienced by Gulf War veterans rather than a particular label which may be attributed to them. The term chronic multi-symptom illness is intended to include veterans who experience more than one symptom lasting at least 6 months. It is my understanding that thousands of Gulf War veterans have had claims denied because their symptoms were attributed to a diagnosis of chronic fatigue syndrome. Most of these war veterans would be eligible for benefits provided by this bill as of April 1, 2002.

I deeply regret that the large tax cut recently signed into law leaves no funds available to make this provision effective any sooner. I would prefer that this bill provide those benefits and be effective as of November 2, 1994, when the original law was passed.

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Nonetheless, I recognize that under the financial constraints that we must now live with, there is no money to provide for an earlier effective date. Sick Gulf War veterans deserve the compensation provided by this bill.

Mr. Speaker, I would also like to state that I support the manager's amendment extending until December 31, 2003, the period in which Gulf War veterans may manifest symptoms qualifying for compensation as an undiagnosed illness. The measure before us moves us towards the goal of meeting the needs of our sick Gulf War veterans in a responsible manner.

Again, I want to thank the chairman, the ranking member and the chair of the Subcommittee on Benefits for their leadership and their vision to our Nation's veterans.

H.R. 2540 is a good bill and I urge all the Members to support it.

Mr. SMITH of New Jersey. Mr. Speaker, because of great interest and the number of speakers on H.R. 2540, I ask unanimous consent that we have an additional 10 minutes equally divided between the majority and minority.

The SPEAKER pro tempore (Mr. RYAN of Wisconsin). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. BUYER).

Mr. BUYER. Mr. Speaker, I rise in strong support of the Veterans Benefits Act of 2001. I also wish to extend my compliments to the chairman, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Illinois (Mr. Evans); also the gentleman from Idaho (Mr. SIMPSON) and the gentleman from Texas (Mr. REYES) and also recognition to my Gulf War comrade, the gentleman from Nevada (Mr. GIBBONS).

I am especially pleased with the compensation provision for Vietnam and Gulf War veterans. For too long the Vietnam veterans have been waiting for VA to recognize illnesses like diabetes melitus for compensation and pension benefits.

I also clearly recall as a freshman in this Chamber in the 103rd Congress, it having only been a few months since I returned from the Persian Gulf, having to fight for my colleagues just to receive their medical attention as a result of military service.

The concerns and appreciation of the country for their service was real, but the medical science to link causation to service in the Gulf War was severely lacking.

In 1994, I recall Joe Kennedy and the gentleman from Illinois (Mr. EVANS) and myself introducing something very radical. It was called compensation for an undiagnosed illness. As we were downsizing the military, we wanted to make sure that these Gulf War veterans received their medical attention, yet they were also in economic dire straits. So we also wanted to make sure their families were taken care of as we then focused and put millions of dollars into medical research to press the bounds of science.

The VA then struggled with our initiatives. What they then learned was, simply put, that the VA over the last several years has narrowly interpreted congressional intent to provide for sick veterans with disability compensation that they so dearly earned and should receive.

The VA failed to consider illnesses like fibromyalgia, chronic fatigue syndrome, and chronic multisymptom illnesses and other illnesses that cannot be clearly defined as having been attributed to service in the Persian Gulf.

I am especially pleased that this bill will include a list of symptoms that the VA must recognize as being a manifestation of an undiagnosed illness.

This bill will help clarify Congress's intent with regards to the benefits of sick Persian Gulf War veterans. I fully support this bill and look forward to referring the measure to the Senate.

Mr. EVANS. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Speaker, I thank the Chair and the ranking member for bringing us H.R. 2540, the Veterans Benefit Act. I would like to briefly call attention to another provision which will provide fairness for our Nation's veterans.

The VA currently holds about 4,000 national life insurance and U.S. Government life insurance policies valued at about $23 million on which payment has not been made. Why is this? Because the VA has been unable to locate the person identified as the beneficiary following the death of the veteran.

I introduced recently a bill, H.R. 2222, regarding this problem, and I am pleased that this provision to permit the VA to pay an alternate beneficiary, if the primary beneficiary cannot be located within 3 years of the death of the insured veteran, has been included in H.R. 2540. I know this provision will benefit the families of many, many, many veterans.

I also support the expanded definition which will allow Gulf War veterans to obtain service-connected compensation for chronic multisymptom illnesses such as chronic fatigue syndrome.

Like the gentleman from Texas (Mr. REYES) before me, I am upset that the provisions must be delayed until April 1, 2002. Once again, the reason for this is because this Congress enacted a tax plan first, before the budget. So we have to live within the context of a budget which was greatly restricted and restrained to us. So having spent this surplus, we are unable to promptly pay our debt to our Nation's Gulf War veterans. I find this deplorable, but we are under these congressional rules.

Of course, because this bill improves benefits for our veterans, I urge my colleagues to vote for H.R. 2540. I thank the chairman for another strong bill.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. MANZULLO).

Mr. MANZULLO. Mr. Speaker, 10 years ago a patriot from Freeport, Illinois, named Dan Steele went off to war in Iraq to fight for the American people and protect the freedoms this country has known for more than 200 years.

During the buildup in the Gulf, Dan's leg was fractured by an Iraqi soldier's apparent suicide attack. Over the next 8 years, Dan suffered from various conditions shared by many in the Gulf War.

In May of 1999, Dan succumbed to his illnesses and passed away. The county coroner listed "Gulf War Syndrome" as a secondary cause on his death certificate.

Shortly after Dan's funeral, I dispatched Al Pennimen, a retired judge on my staff, to contact his widow, Donna. She vowed to Dan to do whatever she could to help other Gulf War veterans suffering from mysterious ailments. Her story moved me to introduce legislation, H.R. 612, that now has the support of over 225 Members of Congress. A companion bill has been introduced in the Senate by Senator KAY BAILEY HUTCHINSON. I am pleased to announce that significant portions of H.R. 612 are included in this benefits package today.

I thank the gentleman from New Jersey (Mr. SMITH) and members of the Committee on Veterans Affairs for strengthening the part of the bill that provides enhanced benefits for ailing Gulf War veterans. These provisions will allow more sick veterans to qualify for compensation by expanding the list of eligible illnesses, adding strong report language on multiple chemical sensitivity, codifying 13 possible symptoms, and extending by 2 years the time period during which these symptoms may arise.

Mr. Speaker, I urge my colleagues to vote in favor of H.R. 2540. It goes a long way towards fulfilling the promises we have made to our veterans.

Mr. EVANS. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi (Mr. SHOWS).

Mr. SHOWS. Mr. Speaker, I am proud to be a member of the Committee on Veterans Affairs and to show my strong support for H.R. 2540, the Veterans Benefits Act of 2001. This important legislation will take meaningful action to improve benefits our Nation's veterans have earned. As my colleagues know, we have been concerned about the appalling 75 percent rate at which Gulf War veterans suffering from undiagnosed illnesses have been denied compensation from the VA.

Earlier this year, I introduced H.R. 612, the Persian Gulf War Compensation Act of 2001 with two other outstanding advocates for veterans, the gentleman from Illinois (Mr. MANZULLO) and the gentleman from California (Mr. GALLEGLY). This legislation garnered strong bipartisan support from over 225 Members of Congress. I am pleased to say that the gentleman from New Jersey (Mr. SMITH), the gentleman from Illinois (Mr. EVANS) and my fellow subcommittee members helped us on some provisions in this bill that are key to provisions in H.R. 612.

The Veterans Benefit Act of 2001 will now clarify VA standards for compensation by recognizing fibromyalgia, chronic fatigue syndrome, multiple chemical sensitivity, and other ailments, or poorly defined illnesses associated with Gulf War service.

Additionally, this bill extends the presumptive period for undiagnosed illnesses to December 31, 2003. This is a true victory for the veteran.

Mr. Speaker, these veterans put their lives on the line to protect, defend and advance ideals of democracy, and our American way of life by serving the United States military. They answered the call. We have a duty to answer them. Vote for this bill. It is the right thing to do.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. BAKER).

Mr. BAKER. Mr. Speaker, all too often we pick up the telephone and dial a 1–800 number or dial a business enterprise and we are, by computer, referenced from department to department, and often are not even able to communicate with another human being to get an answer to our very simple question.

Most of us see that simply as an aggravation, but when it happens to a veteran of military service when calling on his country to have a question answered, it is an insult. That is why I am grateful for the inclusion of a pilot program for 2 years which makes an effort to have a 1–800 veterans number. Amazingly, we will have a human being on the end of that phone. It is a long overdue service, and I think we should explore the potentials. It may be fraught with difficulty and difficult to perfect, but there is one thing that is for sure: The veterans who have given to this country are at least deserving of respectful treatment.

Mr. Speaker, I thank my colleagues for taking this step towards what I think is an appropriate action for the veterans of our country.

Mr. EVANS. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Speaker, while we have a long way to go, the Veterans Benefit Act is a step in the right direction. The compensation legislation before us would streamline the rating system of certain service-connected illnesses, as well as provide a cost-of-living adjustment to those receiving disability compensation benefits.

As a member of the committee, I am proud to join the bipartisan efforts to improve the quality and deliver the veterans benefits program. Veterans should not be left wondering if the Federal Government is going to fulfill its promise. Those who have received service-connected disability benefits can expect a cost-of-living benefit. So can their survivors. For Vietnam veterans who were exposed to Agent Orange and now suffer from diabetes, the Veterans Benefit Act acknowledges their entitlement to service-connected disabilities benefits.

In addition, Gulf War veterans suffering from ill-defined illnesses which modern medical technology cannot really diagnose, the Veterans Benefit Act will likewise extend the presumption of service connections. Veterans who suffer from disabilities should not be abandoned and their disabilities should not be ignored simply because doctors cannot diagnose the causes.

Finally, I am supportive of a 2-year nationwide pilot program to include in the bill expansion of the availability of hours of the VA 1–800 toll-free information service. Veterans worked around the clock for us, and they deserve for us to do the same for them. Our freedoms did not come free, and for veterans the physical and psychological wounds of the war do not go away.

I want to take this opportunity to thank the gentleman from New Jersey (Mr. SMITH) for his hard work, and that of my distinguished colleague, the gentleman from Illinois (Mr. EVANS), the ranking member.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi (Mr. PICKERING), who carries on the tradition of our former chairman, Mr. Montgomery.

Mr. PICKERING. Mr. Speaker, I rise in strong support of H.R. 2540, the Veterans Benefit Act. Today we have 250,000 veterans in Mississippi; 54,000 are World War II veterans, 77,000 are Vietnam veterans, 39,000 served in Korea, and 33,000 are Gulf War vets. This bill provides them compensation benefits and COLA.

It recognizes the 33,000 Gulf War veterans and gives them an extension of the presumptive period to recognize the mysterious illnesses that they returned with, and provides them we hope with the care they have so richly earned.

It provides for a great new pilot program to provide information, as the gentleman from Louisiana (Mr. BAKER) mentioned, a voice-to-voice, a person-to-person providing the care they need to get the care they deserve.

Mr. Speaker, I want to commend the gentleman from New Jersey (Mr. SMITH) for his leadership. He has been aggressive and assertive in representing veterans across this country and in my State of Mississippi.

Secretary Principi has done a tremendous job. We are making progress because we know to recruit and retain the young people today in our military force, we must show the care and the commitment, the respect and the appreciation to the veterans who served yesterday.

This bill, along with H.R. 1291, the Montgomery GI bill, is a significant step in the right direction, and for that I give great support and commendation to the committee and to the chairman and to the other Members and to this bill.

□ 1300

Mr. EVANS. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Speaker, I rise in strong support of this bill. I want to thank the gentleman from New Jersey (Mr. SMITH) and the gentleman from Illinois (Mr. EVANS) for their leadership on this important legislation.

I wish to highlight a couple of provisions contained in H.R. 2540 that I have worked on for some time. The first provision would end a Catch-22 faced by vets and VA researchers. Currently vets can lose benefits for an "undiagnosed illness" if participation in a VA study determines the illness and it is not service connected. This issue was brought to my attention last year. VA researchers told me of concerns that some vets might not participate in an ongoing study to look at possible connections between Gulf War service and Lou Gehrig's disease. I learned that some vets feared losing needed benefits by participating in the study. This lack of participation could compromise an important study that could benefit vets and all people suffering from Lou Gehrig's disease. H.R. 2540 fixes this problem by letting VA protect compensation in such cases. This provision is based on a bill the gentleman from Illinois (Mr. EVANS) and I introduced earlier this year.

H.R. 2540 also contains provisions to temporarily expand hours for VA's toll-free information lines to at least 12 hours a day Monday through Friday and 6 hours on Saturday. I have a lot of interest in this subject having introduced legislation for the last 2 years which would operate information lines 24 hours a day, 7 days a week. My bill would also get the information line to include crisis intervention services. I am very pleased that the committee has included provisions to keep this information line open longer hours. It will make it easier for vets to get information on the benefits that they have earned. I look forward to working with the committee as we follow up on this important pilot program.

I urge my colleagues to support this bill.

Mr. Speaker, I rise today in strong support of H.R. 2540, the Veterans Benefits act of 2001. As an original cosponsor, I am proud to speak on behalf of this important legislation.

First, I would like to thank Mr. SIMPSON, the Chairman of the Subcommittee on Benefits and Mr. REYES, the Ranking Member for their excellent leadership on the issue of improving services for our nation's veterans. I would also like to commend Mr. SMITH, Chairman of the full Committee and Mr. EVANS, the Ranking Member for their leadership.

This bill offers several important initiatives to improve the lives of our veterans. I am especially pleased about the inclusion of the provisions in Sec. 203 and Sec. 407. I am pleased to have worked closely with the Subcommittee on these two critical areas.

Sec. 203 would eliminate a classic "Catch-22" situation faced by our veterans and the VA in medical research studies and is based on legislation, H.R. 1406, the Gulf War Undiagnosed Illness Act of 2001, Representative Evans and I introduced earlier this year. Under the current scenario, veterans who are being compensated on the basis of an "undiagnosed illness" and who participate in a VA-sponsored medical research study, could lose their benefits if they are "diagnosed" with a non-service related condition during the course of the study.

Last year, VA personnel told me about their concerns that if veterans declined to participate in a study because of the risk of losing benefits, the data may be insufficient and render the study unusable. These concerns were raised in connection with a study being done last year to determine a possible connection between ALS and service in the Gulf War.

This legislation would give the VA the authority to protect compensation for undiagnosed illnesses when the VA determines that such protection is needed to ensure adequate participation by veterans in VA-sponsored medical research. This guarantee is particularly important for research that requires a high level of participation to achieve valid findings. I would again like to commend Ranking Member EVANS for his leadership in this area.

Sec. 407 of this bill establishes a pilot program at the VA to expand access to veterans benefits counselors. Under the bill, the hours would be expanded to no less than 12 hours a day, Monday through Friday and no less than six hours on Saturday. This expansion of access is essential to provide our veterans with the services that they richly deserve.

I am proud to have authored H.R. 1435, the Veterans Emergency Telephone Service Act of 2001. This bill would address the pressing need of some of our nation's veterans for 24 hour access to crisis intervention services.

By virtue of their service and sacrifice on behalf of this nation, our veterans deserve the very best support services we can provide. Such moments don't always occur during business hours, Monday through Friday. The bill before us takes critical steps to fulfill our obligation to our veterans.

I look forward to continuing to work closely with the Committee on ways in which veterans' access to telephone service can be improved and expanded even more in its hours of availability and the services offered. I strongly urge an aye vote on H.R. 2540.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York (Mr. GILMAN), the chairman emeritus of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me this time. I am pleased to rise today in strong support of H.R. 2540, the Veterans Benefits Act of 2001. I ask our colleagues to join in full support of this important legislation.

Mr. Speaker, the House typically passes a general veterans benefits bill each year. H.R. 2540 represents this year's benefit legislation providing several important improvements to existing programs. I want to thank the distinguished gentleman from New Jersey (Mr. SMITH) for all the good work he is doing for our veterans throughout the country.

First, this bill provides for the annual cost-of-living adjustment to the rates of disability compensation for those veterans with service-connected disabilities. This new rate will go into effect in December of this year. Congress has approved an annual cost-of-living adjustment to these veterans and survivors since 1976.

Second, this legislation adds type II diabetes to the list of diseases presumed to be service connected in Vietnam veterans exposed to herbicide agents. It also greatly extends the definition of undiagnosed illnesses for Persian Gulf War veterans and authorizes the Secretary of Veterans Affairs to protect the grant of service connection of Gulf War veterans who participate in VA-sponsored medical research projects. These are long overdue benefits. It also extends the presumptive period for providing compensation to Persian Gulf veterans with undiagnosed illnesses to December 31, 2003.

Mr. Speaker, many of our veterans from the Vietnam and Gulf Wars went years suffering from undiagnosed ailments while receiving neither recognition nor treatment from the veterans health care system. During the past 10 years, the Congress made great strides in recognizing the special circumstances surrounding the post-service experiences of these veterans. This bill is an extension of that process. For that reason, I urge its adoption by the House. I want to thank the gentleman from New Jersey again for his dedicated service to the veterans of our Nation.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, I would like to laud my colleagues on both sides of the aisle. Veterans issues are very important. Both sides of the aisle support this bill very well. But every once in a while we have got people that just cannot stop themselves from partisan shots, and they need to be answered.

The gentleman from California said there is not enough money for veterans because we spent the surplus in tax relief. First of all, surplus is defined as the amount of money above what it needs to run the Government with a 4 to 6 percent increase. That is what this committee has done.

Secondly, the 124 deployments, $200 billion cost destroying our military and our ability to fund things like the veterans, $200 billion under the peacekeeping deployments of Bill Clinton. Recently, the ranking minority member says, "Well, this is a good step but we have got a long way to go." The gentleman from Missouri, the minority leader, recently said that raising taxes in 1993, he was proud of it when the Democrats had control of the White House, the House and the Senate, and he would do it again.

I think it is right to point out what those taxes were. The first part of those taxes were to cut the COLAs of the veterans. The second part was to cut the COLAs of the military. That is the wrong direction. The third was to increase the tax on the middle class which affected military and the veterans. The fourth was to increase taxes on Social Security and then take every dime out of the Social Security Trust Fund which raises the debt which veterans and military have to pay for.

So yes, I think we are going in the right direction. We do have a long way to go. Let us analyze what is the reason why we do not have the dollars to put forward that we really need. We have had 124 deployments taxing our veterans and our military. That is why I laud both sides of the aisle now for increasing those funds.

Mr. BILIRAKIS. Mr. Speaker, as an original sponsor, I rise in strong support of H.R. 2540, the Veterans' Benefits Act of 2001.

One of the most important bills the Congress approves each year is legislation providing disabled veterans an annual cost-of-living adjustment (COLA). H.R. 2540 provides a COLA, effective December 1, 2001, to disabled veterans and the surviving spouses of veterans who are receiving Dependency and Indemnity Compensation (DIC). As in previous years, these deserving men and women will receive the same COLA that Social Security recipients will receive. I am pleased that we are acting to provide disabled veterans and their survivors with an annual COLA.

The bill makes a number of other benefits improvements, including the addition of Diabetes Mellitus (Type 2) to the list of diseases presumed to be service-connected in Vietnam veterans exposed to herbicide agents. The bill also requires the Secretary of Veterans' Affairs to establish a two-year nationwide pilot program to expand the VA's 1–800 toll-free information service to include information on all federal veterans' benefits and veterans' benefits administered by each state.

The legislation also contains provisions affecting compensation for Persian Gulf veterans. Specifically, the bill expands the definition of undiagnosed illnesses for Persian Gulf veterans to include fibromyalgia, chronic fatigue syndrome and chronic multi-symptom illness for the statutory presumption of service-connection. The legislation also extends the presumptive period for Persian Gulf illnesses, which is scheduled to expire at the end of this year, until December 31, 2003.

When Veterans' Affairs Committee considered H.R. 2540, Members of the Committee had some concerns about the provisions pertaining to Persian Gulf veterans. I was pleased that we were able to sit down and work out these differences so the House could proceed with this important legislation.

I urge my colleagues to support the Veterans' Benefits Act of 2001.

Mr. GALLEGLY. Mr. Speaker, I rise in support of the Veterans Benefits Act of 2001, a measure that will improve veterans' benefits, especially for our veterans who became ill as a result of their service in the Gulf War.

Mr. Speaker, I am pleased to say that the Veterans Benefits Act of 2001 contains many important provisions from H.R. 612—the Persian Gulf War Illness Compensation Act—which I introduced with my colleagues Congressmen DON MANZULLO and RONNIE SHOWS.

Since the end of the Gulf War, the Veterans Administration has denied nearly 80 percent of all sick Gulf War veterans' claims for compensation. In the view of many, including the National Gulf War Resource Center, the Veterans' Administration has employed too strict a standard for diagnosing Gulf War Illness.

In response, the Veterans Benefits Act includes a critical two-year extension for Gulf War veterans to report and be compensated for Gulf War Illness. In addition, the bill includes a comprehensive list of symptoms that constitute Gulf War Illness. The measure also expands the definition of undiagnosed illness to include fibromyalgia and chronic fatigue syndrome as diseases that are compensatible, diseases often mistakenly attributed to Gulf War veterans.

I want to personally thank Chairman SMITH and the members of the Veterans' Affairs Committee in working with me and Congressmen MANZULLO and SHOWS in getting this critical language included in this bill. When we move into conference, I hope that we continue to work to strengthen some of these provisions, including further extending the date of Gulf War veteran can be compensated for Gulf War related symptoms.

As one of the original cosponsors of the 1991 resolution to authorize then-President Bush to use force in the Persian Gulf, I believe we must go the extra mile to take care of the men and women who went to war against Iraqi dictator Saddam Hussein and are now suffering from these unexplained and devastating ailments.

Many of those suffering from Gulf War Illness were Reservists and National Guardsmen uprooted from their families and jobs. They answered the call, and we have a duty to help them. I urge my colleagues to vote for this important measure.

Mr. UDALL of New Mexico. Mr. Speaker, I strongly support H.R. 2540, the Veterans Benefits Act of 2001.

This legislation provides an important annual cost-of-living adjustment for disabled veterans, as well as surviving spouses of veteran's who receive dependency and indemnity compensation. H.R. 2540 also makes a number of important changes to improve insurance, compensation, and housing programs for our nation's veterans.

I want to thank Chairman SMITH, Ranking Member EVANS, and my colleagues on the Veterans' Affairs Committee for supporting the inclusion of provisions from H.R. 1929, the Native American Veterans Home Loan Act of 2001, in H.R. 2540. Ranking Member EVANS, fourteen other Members and I introduced H.R. 1929 on May 21st of this year to extend the Native American Veterans Home Loan Pilot Program for another four years, and expedite the process of obtaining VA home loans for Native American Veterans living on tribal and trust lands. This program helps many Native Americans Veterans who might otherwise be unable to obtain suitable housing. Including the important provisions of H.R. 1929 in H.R. 2540 will allow other Native American Veterans to take advantage of this important program.

The Native American Veterans Home Loan Pilot Program, however, is just one of many VA benefits improved through H.R. 2540. I ask my colleagues to join me in support of these important benefit enhancements for the men and women who have sacrificed so much in defense of liberty and democracy.

Mr. EVANS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I thank all of my colleagues for their participation in this debate in helping to craft what I think is a very worthwhile bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. RYAN of Wisconsin). The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 2540, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SMITH of New Jersey. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

PROVIDING FOR CONSIDERATION OF H.R. 2505, HUMAN CLONING PROHIBITION ACT OF 2001

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 214 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 214

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 2505) to amend title 18, United States Code, to prohibit human cloning. The bill shall be considered as read for amendment. The amendments recommended by the Committee on the Judiciary now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary; (2) the further amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Scott of Virginia or his designee, which shall be separately debatable for 10 minutes equally divided and controlled by the proponent and an opponent; (3) after disposition of the amendment by Representative Scott, the further amendment in the nature of a substitute printed in the report of the Committee on Rules, if offered by Representative Greenwood of Pennsylvania or his designee, shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (4) one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. SIMPSON). The gentlewoman from North Carolina (Mrs. MYRICK) is recognized for 1 hour.

Mrs. MYRICK. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, yesterday the Committee on Rules met and granted a structured rule for H.R. 2505, the Human Cloning Prohibition Act. The rule provides for 1 hour of debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. The rule waives all points of order against the bill. The rule provides that the amendments recommended by the Committee on the Judiciary now printed in the bill shall be considered as adopted. The rule makes in order the amendment printed in the Rules Committee report accompanying the rule if offered by the gentleman from Virginia (Mr. SCOTT) or a designee which shall be separately debatable for 10 minutes equally divided and controlled by the proponent and an opponent. The rule makes in order after disposition of the Scott amendment the further amendment in the nature of a substitute printed in the Rules Committee report accompanying the rule if offered by the gentleman from Pennsylvania (Mr. GREENWOOD) or a designee, which shall be considered as read and shall be separately debatable for 1 hour equally divided and controlled by the proponent and an opponent. The rule waives all points of order against the amendment in the nature of a substitute printed in the report. Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, this is a fair rule which will permit a thorough discussion of all the relevant issues. In fact, Members came before the Committee on Rules yesterday and testified on two amendments. This rule allows for both of those amendments to be heard. The first of these amendments is the Greenwood substitute which allows human cloning for medical purposes. I oppose the Greenwood amendment because it is wrong to create human embryo farms, even for scientific research. The Committee on Rules, though, recognizes that the gentleman from Pennsylvania's proposal is the leading alternative to a ban on human cloning. Because we are aiming for a fair and thorough debate, we should make it in order on the House floor.

The second amendment is a proposal by the gentleman from Virginia (Mr. SCOTT) to fund a study on human cloning. Again because the Committee on Rules recognizes the importance of this issue and wants a fair and open debate, we have decided that the gentleman from Virginia's study deserves House consideration.

Mr. Speaker, as the gentleman from Florida (Mr. HASTINGS) said in our Rules Committee meeting yesterday, this is an extremely important and a very complex issue.

□ 1315

Science is on the verge of cloning human embryos for both medical and reproductive purposes. Congress cannot face a weightier issue than the ethics of human cloning, and Congress should not run away from this problem. It is our job to address such pressing moral dilemmas, and it is our job to do so in a deliberative way. We do so today.

This bill and this rule represent the best of Congress. The Committee on the Judiciary held days of hearings on the Human Cloning Prohibition Act, with the Nation's leading scientists and ethicists. Today, this rule allows for floor consideration of the two most important challenges to the human cloning bill of the gentleman from Florida (Mr. WELDON.) If we wait to act, human cloning will go forward unregulated, with frightening and ghoulish consequences.

I have spent a lot of time considering this issue, because it is so complex; and I have decided to vote to ban human cloning. It is simply wrong to clone human beings. It is wrong to create fully grown tailor-made cloned babies, and it is wrong to clone human embryos to experiment on and destroy them. Anything other than a ban on human cloning would license the most ghoulish and dangerous enterprise in human history.

Some of us can still remember how the world was repulsed during and after World War II by the experiments conducted by the Nazis in the war. How is this different?

I urge my colleagues to support this rule, and I urge my colleagues to support the underlying measure.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentlewoman from North Carolina for yielding me the customary 30 minutes.

Mr. Speaker, I will be blunt: This is a bad bill and a bad rule. This is Congress again playing scientist, and I urge defeat of the rule and defeat of the underlying bill in its current form.

In its efforts to address the issue of human cloning, my colleague, the gentleman from Florida (Mr. WELDON) has managed to duplicate the controversy arising from the administration's debate over whether to ban federally funded stem cell research.

Mr. Speaker, there is a strong consensus in Congress that the cloning of human beings should be prohibited. For many people, the prospect of human cloning raises a specter of eugenics and genetic manipulation of traits like eye color or intelligence, and none of us want to see these types of abuses. Yet H.R. 2505 and its excessive fear of science and the possibilities of scientific research attempts to deprive the American people of their hope for cures and their faith in the power of human discovery.

The Human Cloning Prohibition Act goes far beyond a ban on cloning of an individual known as reproductive cloning. This legislation actually also bans stem cell research and, finally, would prohibit the importation of products that are developed through this kind of research.

As a former scientist, I am profoundly concerned about the impact this proposal would have on our Nation's biotechnical industry. If we ban stem cell research, we risk ceding the field of medical research to other nations. Top scientists in the field are already leaving the United States due to the mere threat that this type of research may be banned.

If H.R. 2505 is passed, we must accept the fact that preeminent scientists, and, indeed, entire research facilities will move overseas, in order to pursue their studies. If we stifle our Nation's research efforts, patients will suffer as well.

This research holds the potential to treat diseases that afflict millions of Americans, including diabetes, cancer, heart disease, stroke, Parkinson's, Alzheimer's, brain or spinal cord injury or multiple sclerosis. If scientists overseas were to develop a cure for cancer using stem cells from a cloned embryo, Americans would be banned from taking advantage of that cure here in the United States because we could not import it. Surely we should not deny our constituents access to life-saving cures.

Moreover, we should be prepared for the evolution of two classes of patients, those with the resources to travel abroad to receive the cure and those who are too poor and must therefore stay in the United States to grow sicker and die.

Fortunately, we have before us a balanced responsible alternative, the substitute offered by our colleagues, the gentleman from Pennsylvania (Mr. GREENWOOD) and the gentleman from Florida (Mr. DEUTSCH).

The House of Representatives stands today at a crossroads in our support for scientific endeavors.

Mr. Speaker, we really should not be debating this at all. None of us is equipped to do so. We simply do not know enough, and for this House to take the step that we are about to take today is unconscionable.

We must not allow our fears about research to overwhelm our hopes for curing disease. We must not isolate this Nation from the rest of the scientific world by banning therapeutic cloning.

Make no mistake, we are sailing into unchartered waters. Our decision here today could have consequences for generations to come.

Under this inadequate rule, the majority is giving us a meager 2 hours to hold this momentous debate. So I urge my colleagues to vote no on the rule and no on H.R. 2505.

Mr. Speaker, I reserve the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield 7 minutes to the gentleman from Florida (Mr. WELDON), the sponsor of this bill.

Mr. WELDON of Florida. Mr. Speaker, I thank the gentlewoman for yielding me time. I rise obviously to speak in support of this rule and in support of my underlying bill and in opposition to the substitute.

Mr. Speaker, I would like to begin by just talking a little bit about the basic science of all of this. What is shown on this poster to my left is a normal fertilization of an egg. Normal human cells have 46 chromosomes; the egg has 23, the sperm has 23. When united, they become a fertilized egg, which then begins to differentiate into an embryo. Here is depicted a 3-day embryo and then a 7-day embryo.

Under the technique called somatic cell nuclear transfer, you take a cell from somebody's body. This could be a skin cell, depicted here. You extract the nucleus out, which is shown here. Then you take a female egg, a woman's egg. You remove the nucleus that was in there, which is shown here being discarded with the 23 chromosomes, so you have an enucleated egg. Then you implant that nucleus in there. This becomes a clone of the individual who donated this cell. From this point on, it begins to develop like a normal embryo.

Now, there will be some discussion today, I anticipate, where people will try to assert that this is not a human embryo; that this somehow is, and this is somehow not a human embryo.

I studied embryology in medical school. I am a physician. I practiced medicine for 15 years. Indeed, I brought my medical school embryology textbook, and I would defy anybody in this body to tell me what the science behind making the assertion that this is not a human embryo. There is absolutely no basis in science to make such a claim.

This technique, which we are banning in humans, is how Dolly was created. They took a cell from the udder of a sheep; then they took a sheep's egg, removed the nucleus, took the nucleus out of this cell and put it in that egg depicted right there. Then it was put in tissue culture, where it became a more developed embryo, and then it was implanted in another sheep to create Dolly.

Now, to assert that a human embryo created by the somatic cell nuclear transfer technique is not a human embryo is like saying this was not a sheep embryo. Well, what is this? This is Dolly. To say that a human embryo created by nuclear transfer technology is not a human embryo to me is the equivalent of saying this is not a sheep.

Now, I have, I think, some pretty good quotes to support my position. This is from the Bioethics Advisory Commission. The Commission began its discussion fully recognizing that any efforts in humans to transfer somatic cell nucleus into an enucleated egg involves the creation of an embryo. So they support my argument. They have to, it is science, with the apparent potential to be implanted in a uterus and developed to term.

I have another quote from one of the Commissioners, Alex Capron. "Our cloning report, when read in light of subsequent developments in that field and of the stem cell report, supports completely halting attempts to create human embryos through SCNT," or somatic cell nuclear transfer, "at this time."

Now, I just want to point out, this is not a stem cell debate. There will be people who will try to make this a stem cell argument. My legislation does not make it illegal to do embryonic stem cell research.

I would also like to point out this is not an abortion debate. Judy Norsigian is shown here quoted, she is pro-choice, she is the co-author of "Our Bodies, Ourselves for the New Century" with the Boston Women's Health Collective. "There are other pro-choice groups that have supported my position that we do not want to go to this place, because embryo cloning will compromise women's health, turn their eggs and wombs into commodities, compromise their reproductive autonomy, with virtual certainty lead to the production of experimental human beings. We are convinced that the line must be drawn here."

Finally, I have a quote from the National Institutes of Health guidelines for research using human pluripotent stem cells. They deny Federal funding for research utilizing pluripotent stem cells that were derived from human embryos created for research purposes, research in which human pluripotent stem cells are derived using somatic cell nuclear transfer, the transfer of a human somatic cell into the human egg.

Now, there are some people who have been approaching me saying why are we having this debate now? Well, there is a company in this country that has already harvested eggs from women. They want to start creating clones. So the issue is here now. If we are going to put a stop to this, the House, I think, needs to speak and the other body needs to take this issue up as well.

Additionally, this is a women's health issue. There was one article published, I believe in the New England Journal. The way they harvest these eggs is they give women a drug called Pergonal that causes super-ovulation. Then they have to anesthetize them to harvest the eggs. They typically use coeds. It is a class issue, who is going to volunteer for this procedure? Poor women?

Let me tell Members what: The study showed that women who were exposed to this drug have a slightly higher incidence of ovarian cancer. So this is not a trivial issue, in my opinion. It is a women's health issue. I believe the rule that has been crafted is a very fair rule. It will provide for plenty of debate.

Ms. SLAUGHTER. Mr. Speaker, I yield 8½ minutes to the gentleman from Florida (Mr. DEUTSCH).

Mr. DEUTSCH. Mr. Speaker, there are two bills before us today, effectively, the Weldon bill and then the Greenwood bill, that I am an original sponsor with.

Let us be very, very clear to each other and to the American people. Both of those bills absolutely totally ban human cloning. I am going to say that again so there is no debate on that. They absolutely, totally ban human cloning. There is unanimity, I think, in this Congress, in the American public, about that. There are some extreme, extreme groups that are distinct minorities, but I do not believe there will be one Member who will stand up here and say we should do it.

We should not do it, for both ethical and practical reasons. Before Dolly the Sheep was created, and I am not going to talk about all the ethical reasons. I will talk for a second about the practical reasons. And there are very serious ethical reasons against it. But before Dolly the Sheep was created, 270 sheep died; and Dolly is severely handicapped. I do not think any of us can even contemplate that in terms of the human condition.

Let us talk about what this debate is really about. It is not about human cloning. We are all against human cloning. What it is about is the Weldon bill further bans somatic cell nuclear transfer. I am going to say that term again, because that is a term that all the Members who are going to vote in this Chamber and, in fact, in a sense all of the American people at some point are going to have to understand that term.

I think all of my colleagues now understand the term embryonic stem cells, and I think the vast majority of Americans understand the term embryonic stem cells. In fact the majority of Members, in fact, the debate about stem cell research is over. A majority of this Congress, a majority of the other body, both support embryonic stem cell research, and a vast majority of the American people across polling data, 75, 80 percent consistently of the American people, support embryonic stem cell research.

They do it and that breaks up into every sub-group of our population. In terms of Catholics, the number is about 75–80 percent. People who identify themselves as Evangelical Christians, 75–80 percent support embryonic stem cell research.

□ 1330

But what this Weldon bill tries to ban is somatic cell nuclear transfer.

Now, I really hate doing this to my colleagues and this is really one of the reasons why we ought to defeat this rule today, but I have to do a little bit of layman's science. This is a chart, and I will make it available for Members, that actually shows what somatic cell nuclear transfer does.

Most of us understand that by any definition, an embryo is created when an egg and a sperm join with the potentiality of a unique human being. That is not what this procedure is about. I am going to say these things again, because for most of my colleagues they have not heard this before, and this is somewhat of a science lesson.

A normal embryo, what we think of as an embryo, is created by an egg and a sperm joining with the potentiality of a unique human being.

Mr. Speaker, that is not what this bill attempts to ban. What it bans is somatic cell nuclear transfer. Again, as the chart shows, one takes an egg, an unfertilized egg, an egg, and one then takes out the chromosomes from that egg and then, literally, in the trillions of cells in a body and, in other species, they take it out. Obviously, in the human species, it is the female, of the literally trillions of cells that exist in the human body, they take out one of those cells and take out the 46 chromosomes out of one of those cells and then put it into an egg.

At that point, why are they doing that? Let us talk about that a little bit. This is part and parcel, this debate really is totally intertwined.

The gentleman from Florida (Mr. DEUTSCH) said this is not about stem cell research. It is about stem cell research because, let us talk about what is going on.

Stem cell research, one of the reasons why the American people have effectively said they want embryonic stem cell research is because they understand the debate. They understand the debate at several levels.

At the first level they understand that in in vitro fertilization embryos are created that literally get thrown away. We have a choice. We can use those for research that literally has the ability to cure the most horrific diseases humankind has ever seen, whether that is paralysis, whether that is Alzheimer's, or any number of diseases.

Ms. SLAUGHTER. Mr. Speaker, will the gentleman yield?

Mr. DEUTSCH. I yield to the gentlewoman from New York.

Ms. SLAUGHTER. Mr. Speaker, I would ask the gentleman, does it trouble him that with all of the difficulty he is having trying to explain what this is about, that our colleagues are going to be coming down here pretty soon and voting on it, and it will affect everybody in the United States.

Mr. DEUTSCH. Mr. Speaker, I agree with the gentlewoman 100 percent, which is one of the reasons to defeat this rule. In my 9 years in this Chamber, this is the least informed collectively that the 435 Members of this body have ever been on any issue, and in many ways, it is as important as any issue we face.

Ms. SLAUGHTER. Mr. Speaker, it is frightening.

Mr. DEUTSCH. Mr. Speaker, reclaiming my time, why is this about stem cell research? As I said, what the American people have said, and I was talking about in vitro fertilization, that we have the ability to take these embryos and do research on them to literally cure disease, and the research is there. This past week, stem cells were inserted into a primate's spine and a primate that previously had been unable to move was able to move.

Just today, in today's Wall Street Journal, there is a report on research of stem cells actually being able to create insulin cells. It is in today's Wall Street Journal. This stuff is happening. Diseases that had existed in the past, polio, other diseases have been cured. We are getting there. We literally can. If we talk to the patients' groups, if we listen to what Nancy Reagan is saying, if we listen to the families, there are literally tens of millions.

I will move this next chart over here just to show my colleagues. This is the number of people in America that we are talking about. We are not talking about millions, we are talking about tens of millions of people who are personally affected by these diseases, and if we put their families in, we are talking about literally maybe 100 million people in this country who are affected by these diseases.

Now again, let us talk specifically about: how does this intertwine with stem cell research? It is very similar to the issue of organ transplants. If we put an organ into someone's body, it will be rejected. There are antirejection drugs which scientifically do not apply to stem cells.

The best way to be able to actually maybe get a therapeutic use out of this research, actually cure cancer, cure Parkinson's, cure Alzheimer's, cure juvenile diabetes, the actual way to do that is to develop research to develop a therapy to actually put the stem cells into the body, and that is exactly what is being done here. Cells from a person's body are being used, through somatic cell nuclear transfer, to be able to create the potentiality of curing these horrific diseases.

Calling that an embryo does not make it an embryo. It is not an embryo. It is not creating life by any definition of creating life. It is the potentiality to continue life.

I would say it in several ways. If someone, by reason of their theology, their personal belief system, does not allow them to do that, then I say let them choose not to do that. But for the tens of millions of patients, 100 million family members, do not stop them from doing it, number one. This bill goes to an extreme and even says that we cannot import drugs for use in this country. I am sure there is not a Member in this chamber who could look a family member in the eye of one of those tens of millions of Americans when that drug is created in England or France or Ireland or wherever and say, you cannot have that drug. I know there is not a Member that could do it, and we should not do it today.

Mrs. MYRICK. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Speaker, I thank the gentlewoman for yielding time. We are going to have a lot of debate and I assume some of the arguments that the gentleman has put forward will be debated further in the course of the afternoon. I will just point out one or two quick things.

The procedure that they would like to make legal is illegal in several European countries. There is really only one that currently allows it, and they have come under a lot of criticism. I think by passing my bill, we actually bring the United States into conformity with a lot of thinking that is going on in the world.

The gentleman from Florida (Mr. DEUTSCH) mentioned a "study" where paralysis had been reversed. I do not know where he got that reference from. There was a story in the press of a rat that had paralysis and a lot of the press reported it as embryonic stem cells. It was not embryonic stem cells, it was fetal stem cells. It was not even a study, it was a scientist who took some video footage. It was not peer reviewed. Nevertheless, it was reported in the press as a "study."

This is not about embryonic stem cell research, it is about whether or not we are going to carry this whole issue one step further, no longer using the excess embryos in the clinics, but now creating embryos for research purposes.

Ms. SLAUGHTER. Mr. Speaker, I yield 5 minutes to the gentlewoman from Colorado (Ms. DEGETTE).

Ms. DEGETTE. Mr. Speaker, today, the House is faced with one of the most complex and potentially far-reaching medical and ethical issues it will ever face. As a body, we should have time to examine the ramifications of the many issues involved in cloning, time for deliberative judgment, time for exploring alternatives and crafting enforceable legislation. But today, we are not being given that time, and that is why we must reject this rule.

We are being given less than 3 hours today when most Members have not had the time to understand and explore the potent ramifications of this issue to decide an issue which will not only impact tens of millions of Americans today, but will also impact future generations.

Cloning is one of the most important and far-reaching issues we will examine in our public service. Its impact may be incalculable. Cloning will alter our world. It is true that powerful, potent and perhaps dangerous research efforts currently proceed unchecked. Technological knowledge grows exponentially with new and important results announced daily. The rush of data creates a surging, uncontrolled current that finds its own course.

We must not legislate long after the damage has been done, and that is why we need to try to find a way to have foresight and vision, providing leadership for others around the world. We must find a way to ban human cloning, while allowing research to continue.

Therefore, I support the revised Greenwood-Deutsch substitute which bans reproductive cloning, but allows strictly regulated, privately funded therapeutic cloning. Reproductive cloning practices which must be banned are an attempt to create a new human being and, as we heard in hearings throughout the spring, there are fringe groups who would like to clone humans. This is wrong, and it must be stopped.

Conversely, somatic cell nuclear transfer, or so-called "therapeutic cloning," is the way to take stem cell research and all of its promise from the lab to the patient who has diabetes, Parkinson's Disease, Alzheimer's, spinal cord injury, and other health problems. Stem cell research helps us take a stem cell, a cell that is a building block to be made into any other cell, and turn that cell into a variety of different tissues for the body.

But medical experts tell us that that stem cell, because the DNA differs from the DNA of the individual that the new tissue is to be donated to, will often be rejected, because the genetic makeup of that tissue is different. Somatic cell nuclear transfer gets around that problem of rejection, because the stem cells that create the organ or tissue are from the patient. As a result, the patient's body will not recognize the organ or tissue as a foreign object.

Let me give my colleagues an example. A diabetic, if we take a cell and we make a stem cell and then we make an Islet cell that produces insulin from that stem cell, the person's body will still reject that Islet cell without immunosuppressive drugs because the DNA is different. But with somatic stem cell transfer, if we take an egg, an unfertilized human egg, we remove the 23 chromosomes and we take the diabetic patient and replace the 23 chromosomes with 46 of that own patient's chromosomes, we can make Islet cells that that person's body will not reject.

The other thing, the very dangerous thing the Weldon bill does is, if there are nonhuman cloning techniques which are used for therapies abroad, we can never import those therapies, to have to say to someone who needs a skin graft that a therapy developed overseas cannot be used to replace one's own healthy skin.

The ancient Greeks developed mythological answers for questions they did not understand. Their mythology brought order into chaos. We do not have that luxury in our society. We cannot stand back, shrug our shoulders and say, it is the will of the gods. Cloning is man's discovery and man has to take control over cloning and all of its consequences, good and bad.

Mr. Speaker, I urge rejection of this rule, and I also urge adoption of the Greenwood-Deutsch substitute. Let us have a debate. Let us have a full discussion, and let us figure this out in a way all of us can be proud of in a reasonable, not a political way.

Mrs. MYRICK. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. GREENWOOD)

Mr. GREENWOOD. Mr. Speaker, I thank the gentlewoman for yielding time. I also want to thank my opponent in this debate, the gentleman from Florida (Mr. WELDON), for letting me use one of his charts to which I will refer in a moment.

This rule makes in order the Greenwood-Deutsch substitute. The Greenwood-Deutsch substitute, just like the base bill, makes it illegal to create a human being through cloning. We all, the gentleman from Florida (Mr. WELDON) and I, and all of the speakers we will hear from today, all believe that it is not safe and it is not ethical to create a new human being through cloning. We need to ban that.

What we do not want to ban is, as has been said, the somatic cell nuclear transfer research, because that, my colleagues, that is what gives us the most promising opportunity to cure the diseases that have plagued humanity for centuries.

□ 1345

Every one of us has had the experience that I have had in my office over and over again: a mother and father bring in their little diabetic child, sometimes with a big bottle of needles showing how many times they must inject themselves while they buy time to see if diabetes will eventually kill them.

Every one of us has had the experience that I have had where a beautiful young mother comes into the office, she cannot raise her arms for Lou Gehrig's disease, and is trying to raise a child and trying to race death that is certain to come from Lou Gehrig's disease.

We have all had people in our office trembling from Parkinson's. We have all had people in our office tell us the tragic stories of their parents with Alzheimer's. We have all had people come to visit us in wheelchairs, quadriplegics, paraplegics, with life-ending, life-destroying spinal injuries. We work on people who have suffered from head injuries, never to regain their normal function, and people in coma.

We have all heard these stories. What do we do? We do the best thing we can think of. We say, let us double the funding for the National Institutes of Health. Let us spend billions of dollars to save these people, to save future generations from the scourge of premature death, disability, torturous pain.

What is the research that we think is going to be done to find these miracle cures? Mr. Speaker, it is somatic cell nuclear transfer.

Let us look at this diagram. What the gentleman from Florida (Mr. WELDON) did not say in his explanation of the diagram is that when we take the skin cell, the somatic cell, and put it in the nucleus of the denucleated or enucleated cell and allow it to divide for 5 to 7 days, when we get to this point, when we get to the point where we have that cell division, we stop the process of cell division and extract from that blastocyst pluripotent stem cells.

When we have those stem cells, the scientists do research where they look at the proteins and the growth factors at work; and they say, what made that skin cell from someone's cheek become a stem cell, a magical stem cell that can become anything? And then, what miraculous proteins and processes can convert that pluripotent stem cell into a specialized spine cell or brain cell or liver cell?

When they unlock that secret through this research, what they will be able to do to our constituents is that little child with diabetes will be able to have some of its skin cells taken, turned in with these proteins, no more eggs, no more embryonic work at all, take her somatic cell, convert it into a stem cell, and convert it into the islets for her liver, convert it into the cells that will cure and repair her spine, convert it into the cells that wake a comatose patient back into consciousness. That is what this research holds for us.

Now, why would we kill this research? Why would we condemn for the world and for future generations not to have the benefit of this miracle? We would do it because some will say, but wait a minute, once we put the cheek cell of the gentleman from Pennsylvania (Mr. GREENWOOD) into this empty cell and it divides, we have a soul. That is the metaphysical question here, do we have a soul there?

Mr. Speaker, I would be mightily surprised if we took my cheek cell and put it in a petri dish and it divided, that God would choose that moment to put a soul on it, and say, Mr. GREENWOOD's cheek cell is dividing; quick, give it a soul. It has to have a soul. Then we can hold hands and circle it and say, It must now become a human being. Mr. GREENWOOD's cheek cell is dividing. It has a soul. It has to live.

That is ridiculous. It is ridiculous. It does not say that in the New Testament. What the New Testament says is love; and with this therapy, we make the love a reality.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. LOFGREN).

Ms. LOFGREN. Mr. Speaker, it is worth reading the bill that is before us today. If we do read the bill, as I have and the other members of the Committee on the Judiciary, we will see that the bill outlaws somatic cell nuclear transfer. It makes it a felony with a 10-year sentence.

If we read further in the bill, there is a ban and also a felony remedy for those who ship or receive any products that are derived from somatic cell nuclear transfer.

Now, what does this mean? This means that scientists in labs around the country who are doing research and who may have cultures of cells that are products of somatic cell nuclear transfer will soon become felons in their labs if they ship or send these cells to colleagues in the scientific world.

Further, under the bill, it is illegal, it is a crime, to accept a cure that is developed outside the United States if a cure for a disease is the product of somatic cell nuclear transfer.

Now, that is a very realistic possibility. Just last month, this month, the head of stem cell research at the University of California in San Francisco announced that he was leaving the United States because he could not do his research in the United States. He is moving to England. When he joins other scientists in England, there is quite a good chance that they will come up with cures for horrible diseases that are suffered throughout the world, including America.

If we pass this bill, we are saying Americans are not allowed to get those cures. That, too, would become a crime.

The National Institutes of Health mentioned in their recent report that the human ES-derived cells could be advantageous for transplantation purposes if they did not trigger an immune rejection. They also point out in the next paragraph that "potential immunological rejection of human ES-derived cells might be avoided for by using nuclear transfer technology to generate these cells."

I urge my colleagues to vote against this rule. It is preposterous that we are allowing ourselves 2 hours of debate to decide whether we should call to a screeching halt research that has the promise of curing cancer, of allowing those who have suffered spinal cord injuries to recover, allowing Alzheimer's victims to recover, allowing Parkinson's victims to recover.

We should reject this bill. We all agree that cloning of human beings is something we ought to outlaw. Let us not outlaw research along with that.

Mrs. MYRICK. Mr. Speaker, I yield 2½ minutes to the gentleman from Louisiana (Mr. TAUZIN), the chairman of the Committee on Energy and Commerce.

Mr. TAUZIN. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, let me first say that I think we are all in agreement that cloning to reproduce human beings ought to be illegal, and the FDA does not have authority in my view to make it legal today. All they have is authority to say it is a safe process or not, and that is the last authority they have on the subject. We need to make cloning of human beings illegal.

The tougher question is one the gentleman from Pennsylvania (Mr. GREENWOOD) poses: Should we have therapeutic cloning for research purposes to get stem cells?

If that were the only place to get stem cells, if that were the only way in which to learn these incredible cures and these incredible possibilities for replacing human organs and curing diabetes, that would be a pretty tough debate for us today. But we are not in that position.

I commend Members to an article in Discover Magazine that has just come out this month about four remarkable brothers, the Vacanti brothers. In the article, they talk about amazing breakthroughs not in stem cell research but in research that has discovered some 3-micron, very small, cells in every mammalian species, including human beings.

They have experimented with these cells. They have tried to freeze them; they have tried to cook them. They have frozen them at minus 21 degrees. They have left them at 187 degrees for 30 minutes. They have starved them of oxygen. They have lived and replicated. They have used them now in experiments going as far as rebuilding the spinal cords of lab rats, and in months these lab rats are walking again.

This is without stem cell research. This is without embryonic stem cell research. This is without therapeutic cloning.

What this article says is there are amazing breakthroughs in the tissues, the cells of our human bodies, without us going as far as some would have us go in playing with the recreation of human life just to take cells for research purposes. We do not have to go that far. The Weldon bill will say, stop this cloning business, just stop it, and use these remarkable breakthroughs, instead.

In fact, let me tell the Members what they did in one case, quickly. They used these cells taken from a pancreas that was diabetic, and then they grew insulin-producing islets inside that pancreas using these cells, not stem cells, but these cells that exist already in the body.

Mr. Speaker, there are ways for us to get these answers without messing with cloning. These cells are human beings. We ought to pass this bill today.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. CAPUANO).

Mr. CAPUANO. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, I just want to read a list of people who are interested in this bill, more for the people who may be watching this than for the people in this room. Most of us know who is on which side.

The Juvenile Diabetes Foundation, the American Association of Medical Colleges, the Alliance for Aging Research, the American College of Obstetricians and Gynecologists, the American Academy of Optometry, the American Association of Cancer Research, the American Association of Anatomists, and on and on and on.

Most of these organizations, all of these organizations, are populated by people who, for the most part, are much more knowledgeable about the details than any of us.

I know there are many people on this floor today who know more about this issue on specifics than I do, and I respect that; but it is really not about the details, it is really about the future. That is what it is all about.

I cannot, and most of us are totally incapable of knowing everything we want to know about science, especially in the short period of time we have to learn it. But when I see a list of people like this, all of whom want to continue research unfettered by government, many of whom are not engaged in stem cell research; they may be at some future point, but many of them are not. Most genetic research right now is not related to stem cell research, not yet. It may never be. Stem cells is just another potential. That is all it is at the moment.

For us to sit here today and tell the scientists of America, and particularly the scientists of the world, because it will not stop, it will simply move offshore, that this Congress, most of whom are generalists on different areas or specialists in other areas, that this Congress is going to tell them stop, really puts us in the exact same position as legislators and clergy in the Middle Ages when they said, Do not do autopsies. It is immoral; it is unethical. We do not like it. Do not cut those bodies open. Yet men and women did it, to our great benefit today.

It is an old story; it is not a new story. It is not just isolated; it has happened throughout the ages. Not very long ago, in my lifetime, we had people in this country who said, The polio vaccine might cause trouble because it is really dead polio stuff. Yet in my family we lost a young girl to polio, and we saved my brother based on research that some people in those days condemned.

X-rays, we take them as common today. There were many people when x-rays were first in invented who said, Oh, my God, we cannot do that. It was not meant for man to see through someone's body. We do it today with impunity. These same issues are arising again today. We should not substitute our general opinion that we are not even sure about for the future of science and for the health of our children and grandchildren.

Mrs. MYRICK. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. GANSKE).

Mr. GANSKE. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, I would like to enter into a colloquy with my colleague, the gentleman from Florida (Mr. WELDON).

I would ask the gentleman to correct me if I am wrong, but it seems to me the gentleman's bill makes illegal the creation of a blastocyst for either reproductive or therapeutic cloning. Is that correct?

Mr. WELDON of Florida. Mr. Speaker, will the gentleman yield?

Mr. GANSKE. I yield to the gentleman from Florida.

Mr. WELDON of Florida. I would say to the gentleman, yes, that is correct.

Mr. GANSKE. Mr. Speaker, I want to ask the gentleman another question. I wrote an op ed piece that said, "Let me make my position absolutely clear. I oppose the cloning of human beings. I favor Federal funding of stem cell research. The potential this research has to cure disease and alleviate human suffering leads me to believe this is a pro-life position."

My question to the gentleman from Florida is this: What about those fertilized eggs that are not created for research purposes, that are in fertility clinics that are not being used? Does the gentleman's bill make it illegal to use those blastocysts for stem cell research?

Mr. WELDON of Florida. If the gentleman will yield further, no, it does not.

Mr. GANSKE. I thank the gentleman. I want to be absolutely clear on this.

I ask the gentleman from Florida (Mr. WELDON), does he think one can be consistent in being for Federal funding for stem cell research and also being in favor of the gentleman's bill?

Mr. WELDON of Florida. Yes.

□ 1400

Mr. GANSKE. And would the gentleman say that the reason for that is that his bill is focusing primarily on the initial creation of this blastocyst or the equivalent of a fertilized egg and the problems that that would have because we would be basically creating an embryo for research?

Mr. WELDON of Florida. If the gentleman would continue to yield, yes, the threshold we are being asked to cross is no longer just using the embryos that are in the IVF clinics but actually creating embryos for destructive research service.

Mr. GANSKE. Reclaiming my time, Mr. Speaker, I believe there are ethical considerations that enter to the creation of an embryo for research purposes, and that is why I will support the Weldon bill. And I will vote against the Greenwood substitute, and I thank the gentleman.

Ms. SLAUGHTER. Mr. Speaker, I yield 5 minutes to the gentleman from Florida (Mr. DEUTSCH).

Mr. DEUTSCH. Mr. Speaker, I thank the gentlewoman for yielding me this time, and I am going to use this time really to respond to some of the statements that my colleagues have made in support of the Weldon bill as recently as the last speaker.

Let me again really focus this debate so Members know exactly what they are voting on. It has been presented that the Weldon bill does not stop stem cell research. Well, I do not believe that is true, and I think the facts bear out that that is not true.

This issue is intricately intertwined with stem cell research, and Members need to understand that is what we are voting on. Because just like organ transplants, the organs that can be transplanted have no use if the body is going to reject them. And what I want each of us as Members to think about, and I think my colleague, the gentleman from Pennsylvania (Mr. GREENWOOD), did this as well as I have heard anyone ever do on this floor, think about some of the most awful stories of the human condition, of real people, and each of us have heard these stories, whether on a personal basis or whether as a Member of Congress.

I have the numbers here: 24 million people with diabetes, 15 million with cancer, 6 million with Alzheimer's, 1 million people with Parkinson's. Those are obviously large numbers. But I ask each of my colleagues to think of one person, maybe a grandmother or a grandfather, a father, a mother, a friend who had one of these diseases. And what we would be doing today if we passed the Weldon bill would be taking away their hope of stopping their pain and their suffering. That is the choice in front of us. That truly is the choice in front of us.

We do not have that cure yet. But we all know, all of us have heard and read the specifics of where the research is, and it is there. It might not be there tomorrow, but it is there. We would stop all this research. All of it. All of it. Not Federal funding, but all of it. Private funding, Federal funding. Criminalize it, and all of this research would stop under the Weldon bill.

And let us kind of weigh what we have here. Let us weigh what we have. We have the potentiality in terms of the human condition that I think is as monumental as anything we can possibly contemplate. Again, we can talk about tens of millions and hundreds of millions, but I ask each of my colleagues to focus on one, someone who they know. But then what are we weighing that against? We are weighing that against stopping somatic cell nuclear transfer. That is what it is, somatic cell nuclear transfer. It is not an embryo. It is not the creation of life.

There are issues, and I think very serious ethical, moral issues, about using embryos for stem cell research, and we can talk about them. And I think we take this issue seriously. I think all Members take it seriously. We do not take it lightly at all. The gentleman from Pennsylvania (Mr. GREENWOOD), I think, spoke as well as I have ever heard anyone speak about this on this floor, that by any concept of what we have talked about, a sperm and an egg joining for the potentiality of the creation of a unique human being. That is not what somatic cell nuclear transfer is about.

Somatic cell nuclear transfer is the taking an egg that is not fertilized, taking out the 23 chromosomes and literally, literally taking one of the several trillion, several trillion cells in a body, whether it is the gentleman from Pennsylvania's cheek cell, one of the several trillion, or the cell on his skin or another cell, a cell of several trillion in a person's body, taking that one cell and taking out the 46 chromosomes and putting it in this egg.

And why are we doing it? Again, there is not a Member in this Chamber that wants to allow it to be done for the potentiality of creating a human being. Absolutely not. Illegal under both bills. But what we do want is the potentiality of literally saving tens of millions of lives with that. That reality is there. And if we pass the Weldon bill, we prevent that.

We will not prevent it in some other countries, but what we do, as amazing as it sounds, is we prevent that research from coming into the United States. Which again, as I said previously, I cannot conceive that one of my colleagues in this Chamber would ever have the ability to look a family member or any person, for that matter, in the eye, a quadriplegic, someone suffering from Parkinson's, and say they could not take the benefit of the research.

Mr. Speaker, I urge the defeat of the rule.

Mrs. MYRICK. Mr. Speaker, I yield myself such time as I may consume to remind my colleagues that everybody who came before the Committee on Rules with any kind of an amendment got their amendment, so I urge them not to defeat the rule. Yes, this is a complex issue; but we need to have a substantive debate on it.

Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. FERGUSON).

Mr. FERGUSON. Mr. Speaker, I rise in favor of the rule on House Resolution 2505, the Human Cloning Prohibition Act. It is a good and fair rule, and it allows for a full debate on this important issue at hand.

In light of recent scientific advances in genetic research, our society is faced with some difficult decisions, foremost among these is what value we place on human life. At first glance, human cloning appears to respect life because it mimics the creation of life. However, when we look closely at the manner in which this life is created, in a laboratory, and for what purpose, out of utility, one cannot help but see that cloning is actually the degradation of human life to a scientific curiosity.

Designing a life to serve our curiosity, timing its creation to fit our schedules, manipulating its genetic makeup to suit our desires; is the treatment of life as an object, not as an individual with its own identity and rights.

H.R. 2505, the Human Cloning Prohibition Act is a brave step in the right direction. This legislation amends U.S. law to ban human cloning by prohibiting the use of somatic cell nuclear transfer techniques to create human embryos. This act bans reproductive cloning and so-called therapeutic cloning.

Therapeutic cloning, as my colleagues know, is performed solely for the purpose of research. There is no intention in this process to allow the living organism to survive. While this bill does not restrict the use of cloning technology to produce DNA, cells other than human embryos, tissue or organs, it makes it unlawful for any person or entity, public or private, to perform cloning or to transport, receive, or import the results of such a procedure.

As my colleagues know, the high risk of failure, even in the most advanced cloning technologies, gives us pause. Even the so-called successful clones are highly likely to suffer crippling deformities and abnormalities after birth. Again, the push for scientific knowledge must not supercede our basic belief that human life is sacred.

Mr. Speaker, I urge my colleagues to join the majority of Americans in support of this rule, to oppose the Greenwood substitute, and to support the carefully crafted bill of the gentleman from Florida (Mr. WELDON) to prevent human cloning and to keep us from going down this dangerous road.

Ms. SLAUGHTER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Ms. LOFGREN).

Ms. LOFGREN. I include for the RECORD two articles that outline the research by Johns Hopkins University about the cure of paralysis that was reported last week at the annual meeting of the Society for Neuroscience in New Orleans.

[From the Yale Bulletin & Calendar, Dec. 1, 2000]

TEAM USES PRIMATE'S OWN CELLS TO REPAIR SPINAL CORD INJURY

(By Jacqueline Weaver)

A Yale research team has transplanted stem cells from a primate to repair the protective sheath around the spinal cord in the same animal, an accomplishment that some day could help people with spinal cord injuries and multiple sclerosis.

"The concept is not ready for people, but the fact that it can be achieved in a primate is significant," says Jeffrey Kocsis, professor of neurology and neurobiology at the School of Medicine. "Cells were taken from the same animal, with minimal neurological damage, and then injected to rebuild the myelin."

In multiple sclerosis, the immune system goes awry and attacks the myelin. Damage to the myelin builds up over years, causing muscle weakness or paralysis, fatigue, dim or blurred vision and memory loss.

Using the primate's own cells to repair the myelin, which is a fatty sheath that surrounds and insulates some nerve cells, sidesteps a common problem in transplanting organs, explains the researcher. Patients generally have to take drugs to suppress their immune systems so that their bodies do not reject an organ obtained from a donor.

"We didn't even need to immunosuppress the primate," says Kocsis, who presented his findings last week at the annual meeting of the Society for Neuroscience in New Orleans.

The experiment involved collecting small amounts of tissue from the subventricular area of the primate brain using ultrasonography. The neural precursor cells, or stem cells, then were isolated and expanded in vitro using mitogen, an agent that promotes cell division.

At the same time, myelin was removed from the primate's spinal cord. the stem cells were then injected in the same spot to form new myelin to cover the nerve fibers.

"The lesions were examined three weeks after transplantation and we found the demyelinated axons were remyelinated," Kocsis says. "These results demonstrate that autologous transplantation of neutral precursor cells in the adult non-human primate can remyelinate demyelinated axons, thus suggesting the potential utility of such an approach in remyelinating lesions in humans."

[From the Times (London), July 26, 2001]

STEM CELL INJECTION HELPS MICE TO WALK AGAIN AS SCIENTISTS FIGHT FOR FUNDING

(Katty Kay in Washington and Mark Henderson, Science Correspondent)

A video showing mice that have been partially cured of paralysis by injections of human stem cells was released last night by American scientists. They are seeking to head off a ban on government funding of similar research.

Researchers at Johns Hopkins University in Baltimore broke with standard scientific practice to screen the tape before details of their research have been formally published, in the hope that it will convince President Bush of the value of stem cell technology.

The U.S. Government is considering whether to outlaw all federal funding of studies using stem cells taken from human embryos, which promise to provide new treatments for many conditions, including paralysis and Parkinson's disease.

Opponents argue that the research is immoral as the cells are taken from viable human embryos. President Bush has suspended federal funding of such work and has announced a review of its future. He was urged this week by the Pope to outlaw the practice.

John Gearhart and Douglas Kerr, who led the privately funded research, hope that the tape will have a decisive impact on the debate by showing the potential of the technique. It shows mice paralyzed by motor neuron disease once again able to move their limbs, bear their own weight and even more around after injections of human embryonic stem cells in their spinal cords.

Dr. Kerr said that the team hopes to start human clinical trials within three years but that a federal funding ban would deal a "potentially fatal blow" to its efforts.

Details of its research were first revealed in November last year, though it has yet to be published in a peerreviewed journal. In this case, however, the team took the decision to show the tape to Tommy Thompson, the U.S. Health and Human Services Secretary, who is conducting a review of stem cell funding for President Bush, and to Pete Domenici, a Republican senator. It is now to be released to the public as well.

Medical research charities said the video would have a major impact. "I wish the President would see this tape," said Michael Manganiello, vice-president of the Christopher Reeve Paralysis Foundation, named after the Superman actor who was paralyzed in a riding accident.

"When you see a rat going from dragging his hind legs to walking, it's not that big a leap to look at Christopher Reeve, and think how this might help him," he said.

In the experiment, 120 mice and rats were infected with a virus that caused spinal damage similar to that from motor neuron disease, the debilitating condition that affects Professor Stephen Hawking. The disease is generally incurable and sufferers usually die from it within two to six years.

When fluid containing human embryonic stem cells was infused into the spinal fluid of the paralyzed rodents, every one of the animals regained at least some movement. In previous tests stem cells have been transplanted directly into the spinal cord. Infusing the fluid if far less invasive and would make eventual treatment in humans much easier.

Dr. Kerr said the limited movement seen was a reflection of the limited research, not of the limits to stem cells themselves.

"I would be a fool to say that the ceiling we have now is the same ceiling we'll see in two years," he said. "We will be smarter and the stem cell research even more developed."

However, the prospect of human trials in three years depends on the outcome of a political and ethical debate over whether the US Government will allow federal funding for stem cell research. If President Bush decides not to approve government funds for research, that would set the timetable back 10 to 12 years for tests in humans, Dr. Kerr said.

The controversy stems from the fact that human embryos must be destroyed in order to retrieve the stem cells. Mr. Bush is under pressure from conservative Republicans and Roman Catholics not to back the research on moral grounds.

Some top American scientists, who are becoming increasingly frustrated with the funding limitations, have left for Britain where government funding is available. The British Government has approved stem cell research on the ground that it could help to cure intractable disease.

The research on rodents at Johns Hopkins took stem cells from five to nine-week-old human fetuses that had been electively aborted.

THERAPIES

There is no cure for ALS, and more research needs to be done in order for there to be one.

Currently, there is only one drug on the market that has been approved by the FDA for the treatment of ALS: Riluzole. It was originally developed as an anti-convulsant, but it has also been shown to have anti-glutamate effects. In a French trial, it was found that those taking the drug had an enhanced survival rate of 74% as compared to only 58% in the placebo group. [1] But, the drug has gotten mixed reviews, with divergent results occurring throughout the trials.

Creatine has also been shown to help motor neurons produce needed energy for longer survival and is currently being tested in clinical ALS trials. Creatine is an over-the-counter supplement that is popular as a muscle builder among athletes. Creatine is a natural body substance involved in the transport of energy. Studies using SOD1 mice found that animals given a diet high in creatine had the same amount of healthy muscle-controlling nerve cells as mice in the normal, or control, group. Creatine can be found in a variety of health food stores.

Sanofi, still in clinical trial, is a nonpeptide compound which possesses neurotrophin-like activity at nanomolar concentrations in vitro, and after administration of low oral doses in vivo. The compound reduces the histological, neurochemical and functional deficits produced in widely divergent models of experimental neurodegeneration. The ability of sanofi to increase the innervation of human muscle by spinal cord explants and to prolong the survival of mice suffering from progressive motor neuronopathy suggest the compound might be an effective therapy for the treatment of ALS.

The mechanism by which sanofi elicits its neurotrophic and neuroprotective effects, although not fully elucidated, is probably related to the compound's ability to mimic the activity of, or stimulate the biosynthesis of, a number of endogenous neurotrophins such as nerve growth factor (NGF) and brain-derived, neurotrophic factor (BDNF). While sanofi has high affinity for serotonin 5-HT1A receptors and some affinity for sigma sites, its affinity for these targets appears to be unrelated to its neurotrophic or neuroprotective activity.

STEM CELL THERAPY

Therapeutic efforts are underway to prevent diseases or prevent their progress, but more is going to be needed in order to repair the damage that has been done in ALS. Neurons are dead and muscles have atrophied; these must be regenerated to get back what has been lost. Stem cell therapy is going to be key.

The definition of a stem cell is under debate, but most researchers agree with the properties of multipotency, high proliferative potential and self-renewal.[2]

Embryonic and fetal stem cells differ in their isolation periods, and thus their potentials. Embryonic stem cells are derived very early in development, either at or before the blastocyst stage, and are defined as pluripotent, with the ability to differentiate into multiple cell types. When a sperm fertilizes an egg, that cell will then go on to further divide and differentiate into cells that will make up the entire body. If cells are captured before they differentiate, those cells then have the ability to become many types of desired cells. Fetal stem cells, which can be isolated at a later stage (from aborted fetuses, for example), are more differentiated and thus more restricted in the lineage they can become. Research has shown that the beauty of the embryonic stem cell is in its ability to become all types of cells, migrate, and respond to cues in the transplanted environment.

Adult stem cells can be isolated from certain areas in the adult body, including neurogenic areas of the brain (the dentate gyrus and olfactory bulb), and bone marrow. Recent research has shown bone marrow derived stem cells are very versatile, differentiating into muscle blood, and neural cell fates. [3] While adult stem cells hold promising hope, they are not abundant, are difficult to isolate and propagate, and may decline with increasing age. Some evidence suggests that they may not have the differential potential and migratory ability as embryonic stem cells. Also, there is concern that adult stem cells may harbor more DNA mutations, since free radical damage and declination of DNA repair systems are known to occur more with age. [4] Any attempt to treat patients with their own stem cells, which from an immunologic standpoint would be great, would require those stem cells to be isolated and grown in culture to promote sufficient numbers. For many patients, including ALS patients, there may not be enough time to do this. For other diseases, such as those caused by genetic defects, it might not be wise to use one's own cells since that genetic defect is likely to be in those cells as well. Adult stem cells are less controversial, due to no isolation from embryonic or fetal tissue, but they may not have the same therapeutic potential.

Dr. Evan Snyder and his lab at the Boston Children's Hospital have transplanted embryonic mouse stem cells (C17.2) into the spinal cords of onset SODI mice. These cells were found to integrate into the system, with some found to have differentiated into immature neurons. Rotorod analysis, which measures functional behavior, indicated that those animals that had received a transplant, had improved fucntional recovery as compared to those that had not received cells. (This data is in press and will be presented at the Neuroscience Conference in San Diego, Fall 2001.)

Dr. Snyder and his team are also involved in embryonic stem cell transplant in primate models that resemble ALS. This is exciting work that may help push stem cell therapy to clincal trial. This research is being funded by Project A.L.S. (go to www.projectals.org)

Recently, it was reported that researchers at Johns Hopkins had made an exciting finding with stem cell therapy in regards to ALS. The following report is taken directly from the Johns Hopkins press.

STEM CELLS GRAFT IN SPINAL CORD, RESTORE MOVEMENT IN PARALYZED MICE

Scientists at Johns Hopkins report they've restored movement to newly paralyzed rodents by injecting stem cells into the animals' spinal fluid. Results of their study were presented in the annual meeting of The Society of Neuroscience in New Orleans.

The researchers introduced neural stem cells into the spinal fluid of mice and rats paralyzed by an animal virus that specifically attacks motor neurons. Normally, animals infected with Sindbis virus permanently lose the ability to move their limbs, as neurons leading from the spinal cord to muscles deteriorate. They drag legs and feet behind them.

Fifty percent of the stem-cell treated rodents, however, recovered the ability to place the soles of one or both of their hind feet on the ground. "This research may lead most immediately to improved treatments for patients with paralyzing motor neuron disease, such as amyotrophic lateral sclerosis (ALS) and another disorder, spinal motor atrophy (SMA)," says researcher Jeffrey Rothstein, M.D., Ph.D.

"Under the best research circumstances," he adds, "stem cells could be used in early clinical trials within two years."

"The study is significant because it's one of the first examples where stem cells may restore function over a broad region of the central nervous system," says neurologist Douglas Kerr, M.S., Ph.D., who led the research team. "Most use of neural stem cells so far has been for focused problems such as stroke damage or Parkinson's disease, which affect a small, specific area," Kerr explains.

In the rodent study, however, injected stem cells migrated to broadly damaged areas of the spinal cord. "something about cell death is apparently a potent stimulus for stem cell migration," says Kerr. "Add these cells to a normal rat or mouse, and nothing migrates to the spinal cord." In the study of 18 rodents,the researchers injected stem cells into the animals' cerebrospinal fluid via a hollow needle at the base of the spinal cord—like a spinal tap in reverse. Within several weeks, the cells migrated to the ventral horn, a region of the spinal cord containing the bodies of motor nerve cells.

"After 8 weeks, we saw a definite functional improvement in half of the mice and rats," says Kerr. "From 5 to 7 percent of the stem cells that migrated to the spinal cord appeared to differentiate into nerve cells," he says. "They expressed mature neuronal markers on their cell surfaces. Now we're working to explain how such an apparently small number of nerve cells can make such a relatively large improvement in function.

"It could be that fewer nerve cells are needed for function than we suspect. The other explanation is that the stem cells themselves haven't restored the nerve cell-to-muscle units required for movement but that, instead, they protect or stimulate the few undamaged nerve cells that still remain. We're pursuing this question now in the lab."

The rodents infected with the Sindbis virus are a tested model for SMA, Kerr noted. SMA is the most common inherited neurological disorder and the most common inherited cause of infant death, affecting between 1 in 6,000 and 1 in 20,000 infants. In the disease, nerve cells leading from the spinal cord to muscles deteriorate. Children are born weak and have trouble swallowing, breathing and walking. most die in infancy, though some live into young childhood.

With ALS, which affects as many as 20,000 in this country, motor nerves leading from the brain to the spinal cord as well as those from the cord to muscles deteriorate. The disease eventually creates whole-body paralysis and death.

The research was funded by grants from the Muscular Dystrophy Association and Project ALS.

Other scientists were Nicholas Maragakis, M.D., John D. Gearhart, Ph.D., of Hopkins, and Evan Snyder, at Harvard.

Stem cell therapy offers much promise to people suffering with ALS, as well as many other diseases, including Parkinson's and Alzheimer's. The key to this work is going to be support and funding. So many people will die without it.

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[1] 1999. Nerve Preserver. Prevention 47.

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[3] Mezey, E. Chandross, K. 2000. Bone marrow: a possible alternative source of cells in the adult nervous system. European Journal of Pharmacology 405:297–302.

[4] Kirkwood, T., Austad, S. 2000. Why do we age? Nature 408:233–38.

The SPEAKER pro tempore (Mr. GIBBONS). The gentlewoman from New York (Ms. SLAUGHTER) has 2 minutes remaining, and the gentlewoman from North Carolina (Mrs. MYRICK) has 6 minutes remaining.

Ms. SLAUGHTER. Mr. Speaker, may I inquire if the gentlewoman from North Carolina has more speakers?

Mrs. MYRICK. Yes, I do. I have several more speakers.

Ms. SLAUGHTER. Mr. Speaker, I reserve the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. KERNS).

Mr. KERNS. Mr. Speaker, I stand before you today to urge my colleagues' support of the rule and H.R. 2505, the Human Cloning Act of 2001.

Today we take an important step in the process to ban human cloning in the United States. With technologies advancing rapidly, the race to clone a human being has become all too real. Simply put, H.R. 2505 will ban the process of cloning another human being. It will not, however, prohibit scientists from conducting responsible research.

Human cloning is not a Republican issue or a Democrat issue, it is an issue for all of mankind. The prospect of cloning a human being raises serious moral, ethical, and human health implications. As countries around the globe look to the United States for leadership, it is our responsibility to take a firm position and ban human cloning.

I spent, recently, many days, traveling all throughout Indiana talking to people about this issue; and I have received lots of calls from across the country about this issue. I believe overwhelmingly that the people of this country want to ban human cloning.

There are several important factors my colleagues should be aware of when considering this legislation. H.R. 2550 does not restrict the practice of in vitro fertilization. It does not deal with the separate issue of whether the Federal Government should fund stem cell research on human embryos. Furthermore, 2505 does not prohibit the use of cloning methods to produce any molecules, DNA, organs, plants, or animals other than humans.

I urge all my colleagues to vote in support of the rule today.

Ms. SLAUGHTER. Mr. Speaker, I continue to reserve the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield 1 minute to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I rise in strong support of the rule and the anti-cloning bill authored by my colleague, the gentleman from Florida (Mr. WELDON). The House of Representatives must choose today whom it will serve, whether it will support the Weldon cloning ban and protect nascent human life or whether it will endorse an alternative that will most certainly lead to the creation of a subclass of human life solely for the purpose of experimentation and destruction.

Mr. Speaker, no ethical case can be made for cloning a human being. The Weldon bill bans all human cloning. The alternative before us would allow cloning as long as the cloned human is destroyed before it can follow the natural progression of life.

Today, Mr. Speaker, this Congress has the ability to settle some of the moral confusion of our time, to say that humanity will master rather than be mastered by science. Humanity is once again on the verge of a great moral decision. I pray we will not fall into the same type of tragic reasoning that has led previous generations into slavery and genocide through the devaluation of human life.

Let us reject the notion that exploitation of life is acceptable. This institution must respect life, protect life, and choose life; and I stand in strong support of the rule.

Ms. SLAUGHTER. Mr. Speaker, I continue to reserve the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska (Mr. TERRY).

Mr. TERRY. Mr. Speaker, I rise in support of this rule and H.R. 2505.

This bill prohibits cloning of human beings, and it also prohibits another type of cloning which seriously endangers the sanctity of human life, the so-called therapeutic cloning. In this process, scientists would create embryos solely to experiment on them and eventually to destroy them for stem cells or whatever purpose. Remember, however, that the purpose is to destroy them.

Every argument in favor of therapeutic cloning assumes that the smallest human lives, embryos typically days old, are not lives at all. They are just clumps of cells to be manipulated and used for the benefit of those who have already been born. No matter how good the intention, this type of scientific rationalization endangers the very fabric of our society, our respect for ourselves and others. Nothing, I believe, can justify the taking of human life to improve the quality of another.

□ 1415

Mr. Speaker, I urge all of my colleagues to join me in supporting this bill, a true ban on human cloning.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to just comment, it was said a while ago that all the amendments that were brought up on this piece of legislation were allowed. Three were rejected by the Committee on Rules. One was by the gentlewoman from Texas (Ms. JACKSON-LEE), which made sure that this did not have anything to do with in vitro fertilization that was not allowed. Two were by the gentleman from Virginia (Mr. SCOTT), which would have also protected the rights of human beings.

I want to say to all my colleagues, because all of us have said it over and over again, that we are all opposed to the cloning of human beings. I believe this House is already on record having said that. But a lot of us believe that science is important, that taking care of the human beings who live here, to provide better health, a chance to live, a hope that paraplegics will walk, that diabetes will be done away with, that cancer can be found a cure for, all the promises that stem cells hold.

I want to say the same thing that my colleague, the gentleman from Massachusetts (Mr. CAPUANO) said. I recall the first debate when the first organ transplants took place, that that perhaps is not God's will. Maybe God expects us to help ourselves and to take advantage of the things he has given us here on Earth, to learn to do better and to do better for our fellow human beings.

Underlying all of this, Mr. Speaker, is that this House is in no way ready to debate this measure. There simply is not enough knowledge on either side. People are not clear on what is happening here. I am absolutely certain, as are many Members in this House, that this does away with stem cell research despite the fact that the gentleman from Florida (Mr. WELDON) believes it does not. There are far too many of us that believe that it does.

There are far too many questions left unanswered. The underlying case is, is the United States going to turn its back on science, and let other countries do it and then prohibit, with this legislation, the ability for us to even take advantage of breakthroughs, if they occur in another country, because we cannot import the cure?

What a terrible thought that must be for people out there who are waiting on a daily basis for something wonderful to happen to save the life of someone who means the world to them, for people who sit by a child's bedside and for people who pray every day for some deliverance from some awful scourge. I think they expect from us to know what we are doing here today.

I urge with all my heart a no vote on this rule to give us time in this House to really understand what we are doing because of the far-reaching implications of this legislation.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GIBBONS). The time of the gentlewoman from New York has expired.

The gentlewoman from North Carolina has 2½ minutes remaining and has the right to close.

Mrs. MYRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to clarify a remark based on what the gentlewoman from New York (Ms. SLAUGHTER) said. I said that the amendments of everybody who came before the Committee on Rules, who came to testify, were accepted. The other amendments were rejected in the Committee on the Judiciary.

Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Speaker, let me in closing just say I think this is a very fair and equitable rule. We allowed the gentleman from Pennsylvania (Mr. GREENWOOD) a full hour to debate the merits of his issue. I believe we will get a full airing of the essential debate.

I think the essential debate is, do we want to take the next step on this embryo stem cell issue, and take the Nation to the place where we are going to be creating embryos, no longer using so-called excess embryos, but we are going to start creating embryos.

I am a physician. I saw patients just last week. I have treated patients with Alzheimer's disease, Lou Gehrig's disease, diabetes. My father had diabetes. To hold out reproductive cloning as a solution to these problems is pie in the sky. It does not even exist.

Ms. SLAUGHTER. Mr. Speaker, will the gentleman yield?

Mr. WELDON of Florida. I only have 2 minutes.

Ms. SLAUGHTER. We are not talking about reproductive cloning.

Mr. WELDON of Florida. I will not yield.

The SPEAKER pro tempore. The gentlewoman will suspend. The gentleman from Florida has the time.

Mr. WELDON of Florida. Mr. Speaker, I would be very pleased to discuss the issue of reproductive cloning. It does not exist. It is a theoretical construct.

I was just on the phone with a physician colleague from Chicago last night, who spoke to the world's most eminent embryologist at Stanford University, and I am quoting from him when he says, "It is pie in the sky."

One other thing I just want to clarify: My colleague, the gentleman from Florida (Mr. DEUTSCH), said the somatic cell nuclear transfer creating a cloned embryo is not the creation of life. I think to put forward that notion is totally absurd. That is like saying Dolly is not alive.

We are talking about creating human embryos for destructive research purposes, creating them. We are not talking about using the embryos in the IVF clinics anymore, in the freezers, the so-called excess embryos; we are talking about creating them for research purposes. I believe that is a line we do not want to cross.

We will have that debate in a little while. I encourage everyone to vote yes on this rule.

Mrs. MYRICK. Mr. Speaker, I urge my colleagues to vote yes on this rule so we can go ahead and have this debate, and discuss this complex and substantive issue.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. SLAUGHTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 8 of rule XX, this 15-minute vote on House Resolution 214 will be followed by a 5-minute vote on H.R. 2540.

The vote was taken by electronic device, and there were—yeas 239, nays 188, not voting 7, as follows:

[Roll No. 300]

YEAS—239

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bereuter
Berry
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Costello
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goss
Graham
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kildee
King (NY)
Kingston
Kirk
Knollenberg
Kucinich
Langevin
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
Matheson
McCarthy (NY)
McCrery
McHugh
McInnis
McIntyre
McKeon
McNulty
Mica

Miller, Gary
Mollohan
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Regula
Rehberg
Reynolds
Riley
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Stump
Stupak
Sununu
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Turner
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wu
Young (AK)
Young (FL)

NAYS—188

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Bishop
Blagojevich
Blumenauer
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gilman
Gonzalez
Gordon
Granger
Green (TX)
Gutierrez
Harman
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Horn
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kilpatrick
Kind (WI)
Kleczka
Kolbe
LaFalce
Lampson
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCollum
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, George
Mink
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Price (NC)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Shaw
Shays
Sherman
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Strickland
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wynn

NOT VOTING—7

Hastings (FL)
Hutchinson
Jones (OH)
LaHood
Lipinski
Spence
Stark

□ 1442

Ms. BALDWIN and Mr. PASTOR changed their vote from "yea" to "nay."

Mr. GARY G. MILLER of California and Mr. RADANOVICH changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

VETERANS BENEFITS ACT OF 2001

The SPEAKER pro tempore (Mr. GIBBONS). The pending business is the question of suspending the rules and passing the bill, H.R. 2540, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 2540, as amended, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 422, nays 0, not voting 11, as follows:

[Roll No. 301]

YEAS—422

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)

Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—11

Gordon
Hastings (FL)
Hutchinson
Jones (OH)
Lipinski
Payne
Riley
Spence
Stark
Thompson (MS)
Wu

☐ 1453

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. RILEY. Mr. Speaker, I was unavoidably detained for rollcall No. 301, H.R. 2540, the Veterans Benefits Act of 2001. Had I been present I would have voted “yea.”

HUMAN CLONING PROHIBITION ACT OF 2001

Mr. SENSENBRENNER. Mr. Speaker, pursuant to House Resolution 214, I call up the bill (H.R. 2505) to amend title 18, United States Code, to prohibit human cloning, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. Gibbons). Pursuant to House Resolution 214, the bill is considered read for amendment.

The text of H.R. 2505 is as follows:

H. R. 2505

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Human Cloning Prohibition Act of 2001”.

SEC. 2. PROHIBITION ON HUMAN CLONING.

(a) In General.—Title 18, United States Code, is amended by inserting after chapter 15, the following:

“CHAPTER 16—HUMAN CLONING

“Sec.
“301. Definitions.
“302. Prohibition on human cloning.

“§ 301. Definitions

“In this chapter:

“(1) Human cloning.—The term ‘human cloning’ means human asexual reproduction, accomplished by introducing nuclear material from one or more human somatic cells into a fertilized or unfertilized oocyte whose nuclear material has been removed or inactivated so as to produce a living organism (at any stage of development) that is genetically virtually identical to an existing or previously exisiting human organism.

“(2) Asexual reproduction.—The term ‘asexual reproduction’ means reproduction not initiated by the union of oocyte and sperm.

“(3) Somatic cell.—The term ‘somatic cell’ means a diploid cell (having a complete set of chromosomes) obtained or derived from a living or deceased human body at any stage of development.

“§ 302. Prohibition on human cloning

“(a) In General.—It shall be unlawful for any person or entity, public or private, in or affecting interstate commerce, knowingly—

“(1) to perform or attempt to perform human cloning;

“(2) to participate in an attempt to perform human cloning; or

“(3) to ship or receive for any purpose an embryo produced by human cloning or any product derived from such embryo.

“(b) Importation.—It shall be unlawful for any person or entity, public or private, knowingly to import for any purpose an embryo produced by human cloning, or any product derived from such embryo.

“(c) Penalties.—

“(1) Criminal penalty.—Any person or entity who violates this section shall be fined under this section or imprisoned not more than 10 years, or both.

“(2) Civil penalty.—Any person or entity that violates any provision of this section shall be subject to, in the case of a violation that involves the derivation of a pecuniary gain, a civil penalty of not less than $1,000,000 and not more than an amount equal to the amount of the gross gain multiplied by 2, if that amount is greater than $1,000,000.

“(d) Scientific Research.—Nothing in this section restricts areas of scientific research not specifically prohibited by this section, including research in the use of nuclear transfer or other cloning techniques to produce molecules, DNA, cells other than human embryos, tissues, organs, plants, or animals other than humans.”.

(b) Clerical Amendment.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 15 the following:

“16. Human Cloning .... 301”.

The SPEAKER pro tempore. The amendments printed in the bill are adopted.

The text of H.R. 2505, as amended, is as follows:

H.R. 2505

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Human Cloning Prohibition Act of 2001”.

SEC. 2. PROHIBITION ON HUMAN CLONING.

(a) In General.—Title 18, United States Code, is amended by inserting after chapter 15, the following:

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“302. Prohibition on human cloning.

“§ 301. Definitions

“In this chapter:

“(1) Human cloning.—The term ‘human cloning’ means human asexual reproduction, accomplished by introducing nuclear material from one or more human somatic cells into a fertilized or unfertilized oocyte whose nuclear material has been removed or inactivated so as to produce a living organism (at any stage of development) that is genetically virtually identical to an existing or previously [exisiting] *existing* human organism.

“(2) Asexual reproduction.—The term ‘asexual reproduction’ means reproduction not initiated by the union of oocyte and sperm.

“(3) Somatic cell.—The term ‘somatic cell’ means a diploid cell (having a complete set of chromosomes) obtained or derived from a living or deceased human body at any stage of development.

“§ 302. Prohibition on human cloning

“(a) In General.—It shall be unlawful for any person or entity, public or private, in or affecting interstate commerce, knowingly—

“(1) to perform or attempt to perform human cloning;

“(2) to participate in an attempt to perform human cloning; or

“(3) to ship or receive for any purpose an embryo produced by human cloning or any product derived from such embryo.

“(b) Importation.—It shall be unlawful for any person or entity, public or private, knowingly to import for any purpose an embryo produced by human cloning, or any product derived from such embryo.

“(c) Penalties.—

“(1) Criminal penalty.—Any person or entity [who] *that* violates this section shall be fined under this [section] *title* or imprisoned not more than 10 years, or both.

“(2) Civil penalty.—Any person or entity that violates any provision of this section shall be subject to, in the case of a violation that involves the derivation of a pecuniary gain, a civil penalty of not less than $1,000,000 and not more than an amount equal to the amount of the gross gain multiplied by 2, if that amount is greater than $1,000,000.

“(d) Scientific Research.—Nothing in this section restricts areas of scientific research not specifically prohibited by this section, including research in the use of nuclear transfer or other cloning techniques to produce molecules, DNA, cells other than human embryos, tissues, organs, plants, or animals other than humans.”.

(b) Clerical Amendment.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 15 the following:

“16. Human Cloning .... 301”.

The SPEAKER pro tempore. After 1 hour of debate on the bill, as amended, it shall be in order to consider the further amendment printed in House Report 107–172, if offered by the gentleman from Virginia (Mr. Scott), or his designee, which shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent.

After disposition of the amendment by the gentleman from Virginia (Mr. Scott), it shall be in order to consider the further amendment printed in the report by the gentleman from Pennsylvania (Mr. Greenwood), which shall be considered read and debatable for 1 hour, equally divided and controlled by the proponent and an opponent.

The gentleman from Wisconsin (Mr. Sensenbrenner) and the gentleman from Michigan (Mr. Conyers) each will control 30 minutes of debate on the bill.

The Chair recognizes the gentleman from Wisconsin (Mr. Sensenbrenner).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2505, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself 5½ minutes.

Mr. Speaker, I rise in support of H.R. 2505, the Human Cloning Prohibition Act of 2001. This bill criminalizes the act of cloning humans, importing cloned humans, and importing products derived from cloned humans. It is what is needed, a comprehensive ban against cloning humans. It has bipartisan cosponsorship. It was reported favorably by the Committee on the Judiciary on July 24, and is supported by the Secretary of the Department of Health and Human Services, Tommy J. Thompson, and by President Bush.

Today we are considering more than the moral and ethical issues raised by human cloning. This vote is about providing moral leadership for a watching world. We have the largest and most powerful research community on the face of the Earth, and we devote more money to research and development than any other Nation in the world. Although many other nations have already taken steps to ban human cloning, the world is waiting for the United States to set the moral tone against this experimentation.

Currently in the United States there are no clear rules or regulations over privately funded human cloning. Although the FDA has announced that it has the authority to regulate human cloning through the Public Health Service Act and the Food, Drug and Cosmetic Act, this authority is unclear and has not been tested. The fact of the matter is that the FDA cannot stop human cloning; it can only begin to regulate it. This will be a day late and a dollar short for a clone that is used for research, harvesting organs, or born grotesquely deformed.

Meanwhile, there is a select group of privately funded scientists and religious sects who are prepared to begin cloning human embryos and attempting to produce a cloned child. While they believe this brave new world of Frankenstein science will benefit mankind, most would disagree. In fact, virtually every widely known and respected organization that has taken a position on reproductive human cloning flatly opposes this notion because of the extreme ethical and moral concerns.

Others argue that cloned humans are the key that will unlock the door to medical achievements in the 21st century. Nothing could be further from the truth. These miraculous achievements may be found through stem cell research, but not cloning.

Let me be perfectly clear: H.R. 2505 does not in any way impede or prohibit stem cell research that does not require cloned human embryos. This debate is whether or not it should be legal in the United States to clone human beings.

While H.R. 2505 does not prohibit the use of cloning techniques to produce molecules, DNA cells other than human embryos, tissues, organs, plants, and animals other than humans, it does prohibit the creation of cloned embryos. This is absolutely necessary to prevent human cloning, because, as we all know, embryos become people.

If scientists were permitted to clone embryos, they would eventually be stockpiled and mass-marketed. In addition, it would be impossible to enforce a ban on human reproductive cloning. Therefore, any legislative attempt to ban human cloning must include embryos.

□ 1500

Should human cloning ever prove successful, its potential applications and expected demands would undoubtedly and ultimately lead to a worldwide mass market for human clones. Human clones would be used for medical experimentation, leading to human exploitation under the good name of medicine. Parents would want the best genes for their children, creating a market for human designer genes.

Again, governments will have to weigh in to decide questions such as what rights do human clones hold, who is responsible for human clones, who will ensure their health, and what interaction will clones have with their genealogical parent.

Fortunately, Mr. Speaker, the gentleman from Florida (Mr. WELDON) and the gentleman from Michigan (Mr. STUPAK) have introduced this legislation before a cloned human has been produced.

As most people know, Dolly the sheep was cloned in 1997. Since that time, scientists from around the globe have experimentally cloned a number of monkeys, mice, cows, goats, lambs, bulls and pigs. It took 276 attempts to clone Dolly, and these later experiments also produced a very low rate of success, a dismal 3 percent. Now, some of the same scientists would like to add people to their experimental list.

Human cloning is ethically and morally offensive and contradicts virtually everything America stands for. It diminishes the careful balance of humanity that Mother Nature has installed in each of us. If we want a society where life is respected, we should take whatever steps are necessary to prohibit human cloning.

I believe we need to send a clear and distinct message to the watching world that America will not permit human cloning and that it does support scientific research. This bill sends this message, that it permits cloning research on human DNA molecules, cells, tissues, organs or animals, but prevents the creation of cloned human embryos.

Mr. Speaker, support H.R. 2505. Stop human cloning and preserve the integrity of mankind and allow scientific research to continue.

Mr. CONYERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to commend the Members for an excellent debate during the debate on the rule, as well as I hope this one will be constructive. I ask the Members, suppose you learned that you had contracted a deadly disease, Alzheimer's, multiple sclerosis, but the Congress had banned the single most promising avenue for curing the disease. And that is precisely what we will be doing if we pass the Weldon bill in its present form, because it is a sweeping bill.

Let us give it credit. It is half right, it is half wrong. But it is so sweeping that it would not only ban reproductive cloning, but all uses of nuclear cell transfer for experimental purposes. This would stop ongoing studies designed to help persons suffering from a whole litany of diseases. So far-reaching is this measure that it bans the importation even of lifesaving medicine from other countries if it has had anything to do with experimental cloning. What does it mean? If another nation's scientist developed a cure for cancer, it would be illegal for persons living in this country to benefit from the drug.

Question: Does this make good policy? Is this really what we want to do here this afternoon?

Besides that, the legislation would totally undermine lifesaving stem cell research that so many Members in both bodies strongly support. One need not be a surgeon to understand that it is far preferable to replace diseased and cancer-ridden cells with new cells based on a patient's own DNA. We simply cannot replicate the needed cells with adult cells only, and this is why we need to keep experimenting with nuclear cell transfer.

That is why I am trying to give the gentleman from Florida (Mr. WELDON), as much credit as humanly possible. It is half right, it is half wrong; and we are trying, in this debate, to make that correction.

Now, if we really wanted to do something about cloning, about the problem of reproducing real people, then we invite the other side to join with us in passing the Greenwood-Deutsch substitute to criminalize reproductive cloning that will also be considered by the House today, for there is broad bipartisan support on both sides of the aisle for such a proposition, and we could come together and do something that I believe most of our citizens would like.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Illinois (Mr. HYDE), the distinguished former chairman of the Committee on the Judiciary.

Mr. HYDE. Mr. Speaker, I rise in support of the Weldon-Stupak bill.

Every Member of this House casts thousands of votes in the course of a congressional career. Some of those votes we remember with satisfaction; others we remember with less pleasure. That is the burden we take on ourselves when we take the oath of our office: the burden of decision.

We should feel the gravity of that burden today. For no vote that any of us will ever cast is as fraught with consequence as our vote on whether or not to permit human cloning.

Advances in the life sciences have brought us to a decisive fork in the road. Will our new genertic knowledge and the biotechnologies it helps create, promote healing and genuine human flourishing? Or will we use this new knowledge to remanufacture the human condition by manufacturing human beings?

The first road leads us to a brighter future, in which lives are enhanced and possibilities are enlarged, for the betterment of individuals and humanity. The second road leads us into the brave new world so chillingly described by Aldous Huxley more than 60 years ago; a world of manufactured men and women, designed to someone else's specifications, for someone's else's benefit, in order to fulfill someone else's agenda.

When manufacture replaces begetting as the means to create the human future, the dehumanization of the future is here.

That is what is at stake in this vote. That is what we are being asked to decide today. Are we going to use the new knowledge given us by science for genuinely humane ends? Or are we going to slide slowly, inexorably into the brave new world?

When we succeeded in splitting the atom, an entire new world of knowledge about the physical universe opened before us. At the same time, as we remember all too well from the cold war, our new knowledge of physics, and the weapons it made possible, handed us the key to our own destruction. It continues to take the most serious moral and political reflection to manage the knowledge that physics gave us six decades ago.

Now we face a similar, perhaps even greater, challenge. The mapping of the human genome and other advances in the life sciences have given humanity a range and breadth of knowledge just as potent in its possibility as the knowledge acquired by the great physicists of the mid-twentieth century. Our new knowledge in the life sciences contains within itself the seeds of good—for it is knowledge that could be used to cure the sick and enhance the lives of us all. But, like the knowledge gained by the physicists, the new knowledge acquired by biology and genetics can also be used to do great evil: and that is what human cloning is. It is a great evil. For it turns the gift of life into a product—a commodity.

We have just enough time, now, to create a set of legal boundaries to guide the deployment of the new genetic knowledge and the development of the new biotechnologies so that this good thing—enhanced understanding of the mysteries of life itself—serves good ends, not dehumanizing ends. We have just enough time to insure that we remain the masters of our technology, not its products. We should use that time well—which is to say, thoughtfully. The new knowledge from the life sciences demands of us a new moral seriousness and a new quality of public reflection. These are not issues to be resolved by politics-as-usual, any more than the issue of atomic energy could be resolved by politics-as-usual. These are issues that demand informed and courageous consciences.

As free people, we have the responsibility to make decisions about the deployment of our new genetic knowledge with full awareness of the profound moral issues at stake. The questions before us in this bill, and in setting the legal framework for the future development of biotechnology, are not questions that can be well-answered by a simple calculus of utility: will it "work?" The questions raised by our new biological and genetic knowledge summon us to remember that most ancient of moral teachings, enshrined in every moral system known to humankind: never, ever use another human being as a mere means to some other end. That principle is the foundation of human freedom.

When human life is special-ordered rather than conceived, "human life" will never be the same again. Begetting the human future, not manufacturing it, is the fork in the road before us. Indeed, to describe that fork in those terms is not quite right. For a manufactured human future is not a human, or humane, future.

The world is watching us, today. How the United States applies the moral wisdom of the ages to the new questions of the revolution in biotechnology will set an example, for good or for ill, for the rest of humankind. If we make the decision we should today, in support of Congressman's WELDON's bill, the world will know that there is nothing inexorable about human cloning, and that it is possible for us to guide, rather than be driven by, the new genetics. The world will know that there is a better, more humane way to deploy the power that science has put into our hands.

And the world will know that America still stands behind the pledge of our founding, a pledge to honor the integrity, the dignity, the sanctity, of every human life, as the foundation of our freedom.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. SMITH), the chairman of the Subcommittee on Crime.

Mr. SMITH of Texas. Mr. Speaker, I thank the gentleman from Wisconsin for yielding time.

Mr. Speaker, the manufacture of cloned human beings rightly alarms an overwhelming majority of Americans. Some 90 percent oppose human cloning, according to a recent Time/CNN poll. The National Bioethics Advisory Commission unanimously concluded that "Any attempt to clone a child is uncertain in its outcome, is unacceptably dangerous to the fetus and, therefore, morally unacceptable." That is why this bill prohibits all human cloning.

A partial ban would allow for stockpiles of cloned human embryos to be produced, bought and sold without restrictions. Implantation of cloned embryos, a relatively easy procedure, would inevitably take place. Once cloned embryos are produced and available in laboratories, it is impossible to control what is done with them, so a partial ban is simply unenforceable.

It has been argued that this bill would have a negative impact on scientific research, but this assertion is unsupported, both by the language in the bill and by the testimony received by the Subcommittee on Crime during two hearings. The language in the bill allows for research in the use of nuclear transfer or other cloning techniques used to produce molecules, DNA, cells, tissues, organs, plants or animal. Furthermore, Mr. Speaker, there is no language in the bill that would interfere with the use of in vitro fertilization, the administration of fertility-enhancing drugs, or the use of other medical procedures to assist a woman from becoming or remaining pregnant.

Mr. Speaker, I urge my colleagues to support this legislation and oppose the substitute.

Mr. CONYERS. Mr. Speaker, I am pleased to yield such time as she may consume to the gentlewoman from California (Ms. LOFGREN), a member of the committee.

Ms. LOFGREN. Mr. Speaker, this bill bans human cloning. Almost all of us agree with that. The problem is, the bill does much more. It makes cutting-edge science a crime. It would make somatic cell nuclear transfer a felony.

An egg is stripped of its 23 chromosomes, 46 chromosomes are taken from the cell, say, of a piece of skin, and inserted into the egg. In 2 weeks, there is a clump of cells, undifferentiated, without organs, internal structures, nerves. Each of these cells may grow into any kind of cell, to cure cancer, Parkinson's, Alzheimer's, even spinal cord injuries. Use of one's own DNA for the curing cells avoids the danger of rejection.

Just last week, as reported at the annual meeting at the Society for Neuroscience in New Orleans, stem cells derived from somatic nuclear transfer technology were used with primates, paralyzed monkeys. Astonishingly, the monkeys were able to regain some movement. For paraplegics, this is a bright ray of hope.

Since when did outlawing research to cure awful diseases become the morally correct position? I believe that scientific research to save lives and ease suffering is highly moral and ethical and right. Some disagree and oppose this science. Well, they have the right to disagree, but nobody will force them to accept the cures that science may yield. If your religious beliefs will not let you accept a cure for your child's cancer, so be it. But do not expect the rest of America to let their loved ones suffer without cure.

Our job in Congress is not to pick the most restrictive religious view of science and then impose that view upon Federal law. We live in a Democracy, not a Theocracy.

Vote for the amendment that will save stem cell research and then we can all vote for a bill that bans cloning humans, and only that.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Pennsylvania (Ms. HART).

Ms. HART. Mr. Speaker, I rise in support of the Weldon-Stupak bill.

Simply put, cloning another human being, especially for the purpose of conducting experiments on the tiniest form of human being, is wrong. It is clear that it violates a principle that I think we all accept of human individuality and human dignity. That is why it is imperative that all of us support this bill. It is a responsible and reasoned proposal, and it will ensure that we maintain our strong ethical principles. We must have ethical principles to guide scientific research and inquiry.

No one who supports this bill suggests that we stop scientific research. In fact, cloning has been used and should continue to be used to produce tissues. It should not, however, be used to produce human beings.

If we do not draw a clear line now, when will we do so? There are so many very serious questions that human cloning raises, questions about conducting experiments on a human being bred essentially for that purpose; questions about the evils of social and genetic engineering; questions about the rights and liberties of living beings, of human beings.

What about a being that is created in the laboratory and patented as a product? It is still a human being.

There are too many serious questions that human cloning brings to the fore. They all have very serious consequences. The consequences that human cloning raises are all ethical questions. For us to move forward and allow science to be conducted without ethical and moral intervention is just crazy.

We need nothing short of a full and clear ban on human cloning; otherwise, we are not promoting responsible scientific inquiry, we are promoting bad science fiction and making it a reality.

Mr. CONYERS. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. DELAHUNT), a member of the Committee on the Judiciary.

Mr. DELAHUNT. Mr. Speaker, I thank the gentleman for yielding time.

Mr. Speaker, I intend to vote against the underlying bill and against the alternative as well, because I do not believe that I know what I need to know before casting a vote of such profound consequence. I am not ready to decide the intricate and fundamental questions raised by this legislation on the basis of a single hearing held on a single afternoon at which the subcommittee heard only 5 minutes of testimony from only four witnesses, a hearing which many Members, myself included, were not even able to attend.

Proponents of the bill have warned, and I speak to the underlying bill, that this is but the "opening skirmish of a long battle against eugenics and the post-human future." They say that without this sweeping legislation, we will make inevitable the cloning of human beings, which I believe everyone in this Chamber deplores.

Supporters of the substitute respond that the bill is far broader than it needs to be to achieve its objective, and that a total ban on human somatic cell nuclear transfer could close off avenues of inquiry that offer benign and potentially lifesaving benefits for humanity.

□ 1515

They may both be right, but both bills have significant deficiencies.

The underlying bill raises the specter of subjecting researchers to substantial criminal penalties. It even goes so far as to create a kind of scientific exclusionary rule that would deny patients access to any lifesaving breakthroughs that may result from cloning research conducted outside of the United States. To continue the legal metaphor, it bars not only the tree but the fruit, as well. This seems to me to be of dubious morality.

The substitute would establish an elaborate registration and licensing regime to be sure experimenters do not cross the line from embryonic research to the cloning of a human being. Not only would that system be impossible to police, but it fails to address the question of whether we should be producing cloned human embryos for purposes of research at all.

I find this issue profoundly disturbing. I believe the issue deserves more than a cursory hearing and a 2-hour debate. It merits our sustained attention, and it requires a characteristic which does not come easily to people in our profession: humility and patience.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. KUCINICH), who will show how bipartisan support is for this bill.

Mr. KUCINICH. Mr. Speaker, I thank the gentleman from Wisconsin for yielding time to me.

Mr. Speaker, the pro-life pro-choice debate has centered on a disagreement about the rights of the mother and whether her fetus has legally recognized rights. But in this debate on human cloning, there is no woman. The reproduction and gestation of the human embryo takes place in the factory or laboratory; it does not take place in a woman's uterus.

Therefore, the concern for the protection of a woman's right does not arise in this debate on human cloning. There is no woman in this debate. There is no mother. There is no father. But there is a corporation functioning as creator, investor, manufacturer, and marketer of cloned human embryos. To the corporation, it is just another product with commercial value. This reduces the embryo to just another input.

What we are discussing today in the Greenwood bill is the right of a corporation to create human embryos for the marketplace, and perhaps they will be used for research, perhaps they will be just for profit, all taking place in a private lab.

But is this purely a private matter, this business of enucleating an egg and inserting DNA material from a donor cell, creating human embryos for research, for experimentation, for destruction, or perhaps, though not intended, for implantation? Is this just a matter between the clone and the corporation, or does society have a stake in this debate?

We are not talking about replicating skin cells for grafting purposes. We are not talking about replicating liver cells for transplants. We are talking about cloning whole embryos. The industry recognizes there is commercial value to the human life potential of an embryo, but does a human embryo have only commercial value? That is the philosophical and legal question we are deciding here today.

The Greenwood bill, which grants a superior cloning status to corporations, would have us believe that human embryos are products, the inputs of mechanization, like milling timber to create paper, or melting iron to create steel, or drilling oil to create gasoline. Are we ready to concede that human embryos are commercial products? Are we ready to license industry so it can proceed with the manufacturer of human embryos?

If this debate is about banning human cloning, we should not consider bills which do the opposite. The Greenwood substitute to ban cloning is really a bill to begin to license corporations to begin cloning. Though the substitute claims to be a ban on reproductive cloning, it makes this nearly possible by creating a system for the manufacturer of cloned embryos. It does not have a system for Federal oversight of what is produced and does not allow for public oversight. The substitute allows companies to proceed with controversial cloning with nearly complete confidentiality.

Cloning is not an issue for the profit-motivated biotech industry to charge ahead with; cloning is an issue for Congress to consider carefully, openly, and thoughtfully. That is why I support the Weldon bill. I urge that all others support it as well.

Mr. CONYERS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. NADLER), a senior member of the Committee on the Judiciary.

Mr. NADLER. Mr. Speaker, I thank the gentleman for yielding time to me.

We all agree that the cloning of human beings should be banned. The cloning of individual cells is a different matter. We know that stem cells have the potential to cure many diseases, to save millions of lives, to enable the paralyzed to walk and feel again, potentially even to enable the maimed to grow new arms and legs.

We also know that nuclear cell transfer, cloning of individual cells, may be the best or only way to allow stem cell therapy to work to cure diseases, because by using stem cells produced by cloning one of the patient's own cells, we can avoid the immunological rejection of the stem cells used to treat the disease.

Why should we prohibit, as this bill does, the cloning of cells? Why should we prohibit the research to lead to these kinds of cures? Only because of the belief that a blastocyst, a clump of cells not yet even an embryo, with no nerves, no feelings, no brain, no heart, is entitled to the same rights and protections as a human being; that a blastocyst is a human being and cannot be destroyed, even if doing so would save the life of a 40-year-old woman with Alzheimer's disease.

I respect that point of view, but I do not share it. A clump of cells is not yet a person. It does not have feelings or sensations. If it is not implanted, if it is not implanted in a woman's uterus, it will never become a person. Yes, this clump of cells, like the sperm and the egg, contains a seed of life; but it is not yet a person.

To anyone wrestling with this issue, I would point them to the comments of the distinguished senior Senator from Utah who is very much against choice and abortion, who has come out in strong support of stem cell research because he recognizes that a blastocyst not implanted in a woman's uterus is very different than an embryo that will develop into a person.

If one is pro-choice, one cannot believe a blastocyst is a human being. If they did, they would not be for choice. If one is anti-choice, one may believe, with Senators HATCH and STROM THURMOND, what I said a moment ago, that a clump of cells in a petri dish is not the same as an embryo in a woman.

But as a society we have already made this decision. We permit abortion. We permit in vitro fertilization, which creates nine or 10 embryos, of which all but one will be destroyed. We must not say to millions of sick or injured human beings, go ahead and die, stay paralyzed, because we believe the blastocyst, the clump of cells, is more important than you are.

Let us not go down in history with those bodies in the past who have tried to stop scientific research, to stop medical progress. Let us not be in a position of saying to Galileo, the sun goes around the world and not vice versa. That is what this bill does.

It is easier to prevent a human being from being cloned, to put people in jail if they try to do that. It is not a slippery slope. One cannot police the hundreds and thousands of biological labs which can produce clones of cells. Much easier to police the cloning of human beings. The slippery slope argument does not work.

Let us not put a stop to medical progress and to human hope.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the last two speakers, both of whom were on the Democratic side of the aisle, show very clearly the difference in values that are being enunciated in the two bills before the House today.

On one hand, we hear support for the Greenwood bill, which really allows the FDA to license an industry for profit and clone human embryos.

On the other hand, we hear those in favor of the Weldon bill, myself included, who say that we ought to ban the cloning of human embryos and the experimentation thereon.

This is a question of values. I would point out that the previous speaker, the gentleman from New York, during the Committee on the Judiciary debate, said, "I have no moral compunction about killing that embryo for therapeutic or experimental purposes at all."

Mr. Speaker, I think those who are interested in values should vote against Greenwood and should vote in favor of the Weldon bill.

Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. PITTS).

Mr. PITTS. Mr. Speaker, science is a wonderful thing. Who would have thought that polio could be cured or men could go to the Moon even a century ago?

But with the power that comes from science, we must also be ethical and exercise responsibility. The Nazis tried to create a race of supermen through the science of eugenics. They tried to create a perfect human being the same way a breeder creates a championship dog. That was immoral. We stopped it, and it has not been tried again since.

Now we have some scientists who want to create cloned human beings, some saying a cloned baby could be born as soon as next year. This is a frightening and gruesome reality. Mr. Speaker, there is no ethical way to clone a human being. If we were to allow it at all, we would have to choose between allowing them to grow and be born or killing them, letting them die. This is a line we should not cross.

The simple question is: Is it right or wrong to clone human beings? Eighty-eight percent of the American people say it is wrong. The point is that even in science, the ends do not justify the means. The Nazis may in fact have been able to create a race of healthier and more capable Germans if they had been allowed to proceed, but eugenics and cloning are both wrong.

Mr. CONYERS. Mr. Speaker, I yield 30 seconds to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, the distinguished chairman says that this bill, the distinction between those of us who support the Greenwood bill or support the Weldon bill is a matter of values.

I agree. Some of us believe that a clump of cells not implanted in a woman's uterus, and Senator HATCH agrees, do not have the same moral right and value as a person who is suffering from a disease; that it is our right and our duty to cure human diseases, to prolong human life. We value life.

A human being is not simply a clump of cells. At some point, that clump of cells may develop into a fetus and a human being; but the clump of cells at the beginning does not have the same moral value as a person. If one believes that, they should vote with us. If they do not, then they probably will not.

Mr. CONYERS. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. GREENWOOD), who had an excellent discussion during the Committee on Rules.

Mr. GREENWOOD. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, this is a matter of values. It is a matter of how much one values our ability to end human suffering and to cure disease.

No one in this House should be so arrogant as to assume that they have a monopoly on values, that their side of an argument is the values side and the other's is not. This is a matter of how much we value saving little children's lives and saving our parents' lives.

There has been talk on the floor about creating embryo factories. Most of that talk I think has been conducted by people who do not understand the first thing about this research.

Here is how one could create an embryo factory. We would get a long line of women who line up in a laboratory and say, would you please put me through the extraordinarily painful process of superovulation because I would like to donate my eggs to science.

Does anybody think that is going to happen? Of course it is not going to happen. We are going to take this research, and this research involves a very small handful of cells. In the natural world, every day millions of cells, millions of eggs, are fertilized, and they do not adhere to the wall of the uterus. They are flushed away. That is how God does God's work.

In in vitro fertilization clinics, every day thousands of eggs are fertilized, and most of them are discarded. That is the way loving parents build families who cannot do it otherwise. No one is here to object to that. Thousands of embryos are destroyed.

We are talking about a handful, a tiny handful of eggs that are utilized strictly for the purpose of understanding how cells transform themselves from somatic to stem and back to somatic, because when we understand that, we will not need any more embryonic material. We will not need any cloned eggs. We will have discovered the proteins and the growth factors that let us take the DNA of our own bodies to cure that which tortures us.

That is the value that I am here to stand for, because I care about those children, and I care about those parents, and I care about those loved ones who are suffering.

I am not prepared as a politician to stand on the floor of the House and say, I have a philosophical reason, probably stemmed in my religion, that makes me say, you cannot go there, science, because it violates my religious belief.

□ 1530

I think it violates the constitution to take that position.

And on the question of whether or not we can do stem cell research with the Weldon bill in place, I would quote the American Association of Medical Colleges. It says, "H.R. 2505 would have a chilling effect on vital areas of research that could prove to be of enormous public benefit." The Weldon bill would be responsible for having that chilling effect on research.

The Greenwood substitute stops reproductive cloning in its tracks, as it ought to be stopped, but allows the research to continue, and I would advocate its support.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. KERNS), who is an author of the bill.

Mr. KERNS. Mr. Speaker, I thank the gentleman for yielding me this time, and I come to the floor of this House today to urge my colleagues to support H.R. 2505, the Human Cloning Prohibition Act of 2001. Today we take an important step in the process to ban human cloning in the United States.

I commend the leadership of the chairman, the gentleman from Wisconsin (Mr. SENSENBRENNER), as well as the coauthors, the gentleman from Florida (Mr. WELDON), the gentleman from Michigan (Mr. STUPAK), and the gentleman from Ohio (Mr. KUCINICH), because this is a bipartisan bill. I also appreciate the support and the efforts of the Committee on the Judiciary in recognizing the important nature of this issue and making it a priority and moving it to the floor for consideration.

I am very pleased to be an original coauthor of this timely and important piece of legislation. As I said earlier today, human cloning is not a Republican or a Democrat issue, it is an issue for all of mankind. The prospect of cloning a human being raises serious moral, ethical, and human health implications. Other countries around the globe look to us for leadership, not only on this but on other important pressing issues, and I think we have a responsibility to take a stand and take a leadership position. That stand should reflect the respect for human dignity envisioned by our Founding Fathers.

Human cloning: what once was said to be impossible could become a reality if we do not take action today. I have spent a great deal of time back home in Indiana traveling up and down the highways and byways, attending county fares, fire departments, little fish fries, church suppers; and I can tell my colleagues that overwhelmingly those people that I represent in Indiana are concerned at our racing towards cloning human beings. They have asked me to help with this effort to ban human cloning. I have received calls from all across the country from those that are concerned about this issue.

As we have heard today, most Americans are opposed to the re-creation of another human being. I am told overwhelmingly that it is our responsibility not only here in this body and at home but around the world that we move to enact this ban.

Mr. Speaker, let me close by saying this: I believe that God created us, and I do not believe we should play God. I urge my colleagues to support our legislation to ban human cloning.

Mr. CONYERS. Mr. Speaker, I yield 4 minutes to the gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Speaker, I, like the gentleman from Massachusetts (Mr. DELAHUNT), want to say right off the bat that none of us believe in cloning of human beings. Nobody on either side. We get this values argument. None of us believe in that. So stop that.

The second thing is that we are here today to talk about a political issue. This is not a scientific issue. I am a doctor, and we will have another doctor get up here and tell us a lot of doctor stuff, but the real issue is a political one here.

We are like the 16th century Spanish king who went to the Pope and asked him if it was all right for human beings to drink coffee. The coffee bean had been brought from the New World. It had a drug in it that made people get kind of excited and it was a great political controversy about whether or not it was right to drink coffee. And so the Spanish king went to the Pope and said, Pope, is it all right. Well, we had that just the other day, and the Pope said, this is not right.

The Pope also told Galileo to quit making those marks in his notebook. The Earth is the center of the universe, he said. We all know that. The Bible says it. What is it this stuff where you say the sun is the center of our universe? That is wrong.

Now, here we are making a decision like we were the house of cardinals on a religious issue when, in fact, scientists are struggling to find out how human beings actually work. We have mixed stem cells together with cloning all to confuse people. Everybody on this floor knows that the best way to stop something is to confuse people, and we have had confusion on this issue because basically people want it to be a value-laden issue that attracts one group of voters against others. That is all this is about, all this confusion.

This business about a few cells and working and figuring out how we can deal with diseases that affect everybody in this room, there is nobody who does not know somebody with juvenile diabetes or Alzheimer's disease or has had a spinal cord injury and is unable to walk, or who has Parkinsonism. There is nobody here. And my dear friends putting this bill forward say there is no way, no matter how it happens, that we want to help them if it involves a human cell.

Now, my good friend, the gentleman from Florida (Mr. WELDON) is going to get up here and tell us we have a section in this bill that says scientific research is not stopped. Read it. It says we can use monkey cells and put them into people who have Alzheimer's, or we can use hippopotamus cells and put them into people who have diabetes, but we cannot use a human cell. And even more so if the British or the Germans, who are more enlightened, do it and we bring it over. If the doctor gets the material from Germany or from England or some other place and gives it to my colleague's mother, he is subject to 10 years in prison and a fine of not less than $1 million running up to twice whatever the value of it is.

Now, the gentleman from Wisconsin (Mr. SENSENBRENNER) is upset that there is licensing in the amendment, which I will vote for; not because I think we need it but because we have to have it as an antidote to this awful piece of legislation that is here. But the gentleman from Wisconsin says the free enterprise system is here. I thought he believed in the free enterprise system. Would the gentleman want that bill to say let us give it to the National Institutes of Health to make money; make it a government program? No, no, no, he would not want that. Well, who is going to manufacture this if it comes some day to that point? It says the NIH can license at some point down the road.

Mr. Speaker, I think that the Greenwood amendment is necessary to stop this papal event that we are having here today.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, it is time to clarify the record after this last speech. Number one, there is nothing in the Weldon bill that prevents the use of adult stem cells or stem cells from live births, including umbilical cords and placentas from being used for the research that the gentleman describes.

The gentlewoman from California (Ms. LOFGREN) talked about a Yale study. I have the Yale Bulletin Calendar of December 1, 2000 about the research on monkeys that were used to cure a spinal cord injury. Those were adult stem cells. They would be completely legal under this bill.

Then we have heard from the gentleman from Washington State (Mr. MCDERMOTT), who seems to think we are having a religious seance here. The fact of the matter is there have been a number of things that are in derogation of the free enterprise system that this Congress and the people of the country have banned, including slavery. And I think that perhaps the time has come to ban the cloning of human embryos.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DELAY), the distinguished whip.

Mr. DELAY. Mr. Speaker, I thank the gentleman for yielding me this time. I think and I hope that Members will support the Weldon bill and oppose the Greenwood amendment.

Mr. Speaker, this is not about making fun of the Pope or making fun of the Bible. This is not about politics. It is not even about stem cell research. This is about a very real problem in this country, a potential problem, and that is cloning human beings. The connotations of this debate raise very broad and disturbing questions for our society.

So-called therapeutic cloning crosses a very bright-line ethical boundary that should give all of us pause. This technique would reduce some human beings to the level of an industrial commodity. Cloning treats human embryos, the basic elements of life itself, as a simple raw material. This exploitive unholy technique is no better than medical strip-mining.

The preservation of life is what is being lost here. The sanctity and precious nature of each and every human life is being obscured in this debate. Cloning supporters are trading upon the desperate hopes of people who struggle with illness. We should not draw medical solutions from the unwholesome well of an ungoverned monstrous science that lacks any reasonable consideration for the sanctity of human life.

Now, some people would doubtlessly argue if we use in vitro fertilization to help infertile couples create life, then we ought to allow scientists the latitude to manufacture and destroy embryos to produce medical treatments. But these are far from the same thing. Cloning is different from organ transplantation. Cloning is different from in vitro fertility treatments.

Cloning is an unholy leap backwards because its intellectual lineage and justifications are evocative of some of the darkest hours during the 20th century. We should not stray down this road because it will surely take us to dark and unforeseen destinations.

Human beings should not be cloned to stock a medical junkyard of spare parts for experimentation. That is wrong, unethical, and unworthy of an enlightened society.

Mr. CONYERS. Mr. Speaker, I yield myself 2 minutes.

I rise to merely point out to the distinguished chairman of the Committee on the Judiciary, the gentleman from Wisconsin (Mr. SENSENBRENNER), that he may be over-reliant on adult stem cells as a viable alternative to embryonic stem cells, and I would like to explain why.

A National Institute of Health study examined the potential of adult and embryonic stem cells for curing disease, and they found that the embryonic stem cells have important advantages over adult stem cells. The embryonic stem cells can develop into many more different types of cells. They can potentially replace any cell in the human body. Adult stem cells, however, are not as flexible as embryonic ones. They cannot develop into many different types of cells. They cannot be duplicated in the same quantities in the laboratory. They are difficult and dangerous sometimes to extract from an adult patient. For instance, obtaining adult brain stem cells could require life-threatening surgery.

So the NIH found in its study that therapeutic cloning would allow us to create stem cell medical treatments that would not be rejected by the patient's immune system, because they have the patient's own DNA.

So for whatever it may be worth, I refer this study to my good friend, the chairman.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself 1½ minutes, again just to clarify the record.

I am certain that the study of the gentleman from Michigan is a very valuable one. The fact is that it is not in point to this debate. This bill does not prevent research on embryonic stem cells. What it does do is it prevents research on cloned embryonic stem cells. There is a big difference.

Secondly, once again going back to the adult stem cell research that was referred to by the gentlewoman from California (Ms. LOFGREN), at Yale University, those were adult stem cells. She brought the issue up. We did not. Those were adult stem cells. And if they were human stem cells, they would not be banned by this bill.

□ 1545

Now, finally, adult stem cells are already being used successfully for therapeutic benefits in humans. This includes treatments associated with various types of cancer, to relieve systemic lupus, multiple sclerosis, rheumatoid arthritis, anemias, immunodeficiency disease, and restoration of sight through generation of corneas.

Further, initial clinical trials have begun to repair heart damage using the patient's own adult stem cells. Somehow the word is out that adult stem cells are no good. I think this very clearly shows that adult stem cells are very useful for research, and furthermore, the bill does allow research on embryonic stem cells, just not the cloned ones.

Mr. Speaker, I yield 1½ minutes to the gentleman from Oregon (Mr. WU).

Mr. WU. Mr. Speaker, here we are in the U.S. Congress talking about somatic cell nuclear transfer and I think it is deeply rewarding to see how fast Members of Congress can get up to speed on complex, complicated issues.

Let me say that I am strongly, strongly pro-choice. I am also strongly in favor of stem cell research. But I view these as very separate issues. With all the scientists that I have spoken with, there are no laboratories which are currently using a human model for somatic cell nuclear transfer. In fact, the NIH rules on stem cell research, the same rules that we, as Democrats, have been strongly advocating, these rules, III, specific item D, specifically prohibits the technology that we are banning today. Research in which human pluripotent stem cells are derived using somatic cell nuclear transfer. These are the rules that we have been advocating.

Let me say that ultimately this is not an issue of science or biology. Almost exactly 30 years ago in May of 1971 James D. Watson, of Watson and Crick DNA fame, said that some day soon we will be able to clone human beings. This is too important a decision to be left to scientists and the medical specialists. We must play a role in this.

This is what this Congress is doing today. This is about the limits of human wisdom and not about the limits of human technology. The question that we must ask ourselves is whether it is proper to create potential human life for merely mechanistic purposes.

Mr. CONYERS. Mr. Speaker, I yield myself 25 seconds to point out to my dear friend, the chairman of the committee, that it was the University of Wisconsin where we first isolated embryonic stem cells.

This bill before us would render their path-breaking research to be worthless.

Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. LOFGREN).

Ms. LOFGREN. Mr. Speaker, the Committee on the Judiciary and the Speaker received a letter signed by 44 scientific institutions and this is what they said:

> This bill bans all use of cloning technology including those for research where a child cannot and will not be created. Therefore, this legislation puts at risk critical biomedical research that is vital to finding the cures for disease and disabilities that affect millions of Americans. Diabetes, cancers, HIV, spinal cord injuries and the like are likely to benefit from the advances achieved by biomedical researchers using therapeutic cloning technology.

This was signed by the American Academy of Optometry, the American Association for Cancer Research, the American Association of American Medical Colleges, the Association of Professors of Medicine, the Association of Subspecialty Professors, Harvard University, the Juvenile Diabetes Research Foundation International, and the Medical College of Wisconsin.

I will take my advice on medicine and research from the scientists, not from the chairman of the Committee on the Judiciary.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself another 30 seconds.

The statement that the gentlewoman from California (Ms. LOFGREN) mentioned, did not say why they need to have cloned embryonic stem cells. I think we are talking about two different things here.

What this bill does is, it prohibits research on cloned embryonic stem cells, not on uncloned embryonic stem cells.

If there is a shortage of uncloned embryonic stem cells, I would like the people on the other side to let the House know about it. We have had not one scintilla of evidence either in this debate or the hearings or markup on the Committee on the Judiciary.

Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Speaker, I just want to clarify a few things about my legislation. It is a pretty short bill. It has four pages and I would encourage anybody who has any uncertainty about this issue to take the time to read it.

I specifically want to refer them to section 302(d). It says, under Scientific Research, nothing in this section restricts areas of scientific research not specifically prohibited by this section.

What they are talking about there is somatic cell nuclear transfer to create an embryo as was used to create Dolly.

I go on in this section to say, nothing specifically prohibiting, including research in the use of nuclear transfer or other cloning techniques to produce molecules, DNA, cells other than human embryos, tissues, organs, plants or animals other than humans. Basically what this means is all the scientific research that is currently going on today can continue.

What cannot continue is what people want to start doing now. It is not being done, but they want to start doing it; and that is to create cloned human embryos for the purpose of research.

Now, there are people putting forward this notion that if we were able to go ahead with this, all these huge breakthroughs would occur. I want to reiterate, I am a doctor. I just saw patients a week ago. I have treated all these diseases. I have reviewed the medical literature. It is real pie in the sky to say there are going to be all these huge breakthroughs.

I have a letter from a member of the biotech industry, and I just want to read some of it. It says, "I am a biotech scientist and founder of a genomic research company. As a scientist and cofounder and officer of the Biotechnology Association of Alabama that is an affiliate of the Biotechnology Industry Association, BIO, the group that is opposing my language," he says, "there is no scientific imperative for proceeding with this manipulation of human life, and there are no valid or moral justifications for cloning human beings."

Mr. Speaker, I can state that is indeed the case.

I further want to dismiss this notion that has been put forward by some of the speakers here in general debate that a cloned human embryo is somehow not alive or it is not human. There is just literally no basis in science to make that sort of a claim. I did my undergraduate degree in biochemistry. I studied cell biology, and I did basic research in molecular genetics.

I have a quote from another scientist that I would be happy to read. "There is nothing synthetic about cells used in cloning." This is a researcher from Princeton. He says, "An embryo formed from human cloning is very much a human embryo."

Mr. CONYERS. Mr. Speaker, I yield 30 seconds to the gentlewoman from California (Ms. LOFGREN).

Ms. LOFGREN. Mr. Speaker, the scientific research exception is meaningless. It allows for research, except that which is not specifically prohibited. If Members read section 301 of the bill, it prohibits somatic cell nuclear transfer, so any kind of representation that research is accepted is incorrect. It is tautological and it is bogus.

Mr. CONYERS. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Speaker, I would answer two things that were said, one by the gentleman from Wisconsin (Mr. SENSENBRENNER) when the gentleman stated that this did not speak at all about cloning, it only spoke about stem cell research.

The point is that it may very well be true that once stem cell research is exploited and we know how to cure diseases or give people back the use of their arms and legs through stem cells, it may very well be true that that can only be done by the use of cloned stem cells in order to get around the rejection by the patient of stem cells from somebody else. It may be necessary to use the patient's own cloned stem cells.

The second point is in answer to what the gentleman from Florida (Mr. WELDON) said. The point is, we do not know a lot of things. We do not know exactly what scientific research will show. We do not know exactly what adult stem cells can do, what embryonic stem cells can do, or cloned stem cells can do.

That is why it is a sentence of death to millions of Americans, to ban medical research which is what my colleagues are trying to do with this bill.

Mr. SENSENBRENNER. Mr. Speaker, I have one remaining speaker, so I reserve the balance of my time.

Mr. CONYERS. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. Mr. Speaker, I rise in opposition to the base bill and in support of the substitute, the Greenwood-Deutsch substitute.

Generally speaking, there are three types of stem cell research. There is adult stem cell research which shows great promise, but with limitations in that adult stem cells cannot be differentiated into each and every type of cell.

There is embryonic stem cell work which shows even more promise because it does have the ability to be differentiated into a variety of stem cell lines for therapy and treatment.

But perhaps the most promising is embryonic stem cell research that employs the technique of somatic cell nuclear transfer. The primary benefit of this research and therapy is simple: It is not rejected by the patient. What that means for a child who is diabetic, you can use that child's own DNA, place it into a fertilized egg, develop Islet cells that will help that child produce insulin with the benefit it will not be rejected by the child.

What we are saying, if we allow stem cell research but we prohibit the research in this bill, we are saying we will allow stem cell research, but only if the patient will reject the therapy. What sense does that make when the substitute prohibits cloning for reproduction, prohibits the implantation of a fertilized egg with a donated set of DNA into a uterus for the purpose of giving birth to a child? That is prohibited under both bill and substitute.

But we need the research. We are losing scientists who are going overseas to conduct this research. The base bill even precludes us from benefiting from the research done in other countries. This cannot be allowed to go on.

Mr. Speaker, this is important to all of our futures. We must preserve this vital science research. I urge adoption of the substitute and rejection of the base bill.

Mr. CONYERS. Mr. Speaker, I yield the balance of my time to the gentleman from Florida (Mr. DEUTSCH).

Mr. DEUTSCH. Mr. Speaker, everyone in this Chamber agrees, and we have been here for about an hour and three-quarters, everyone in this Chamber agrees that we should ban human cloning, period. Everyone. There is consensus here.

Mr. Speaker, both pieces of legislation do that, but there is a divergence. The Weldon bill goes further to ban the somatic cell nuclear transfer. I would like to focus in response to what has been going on in the debate.

There is no longer a debate about stem cell research. This Congress collectively, both the House and the other body and the American people have made a decision. Whether the President has made his decision or not is irrelevant. The Congress and the American people have made our decision that we want to continue embryonic stem cell research. We collectively, as Americans, understand that issue, and it will continue regardless of what the President decides on this issue. My colleagues know that and understand that.

Let us talk about why there is a serious debate about it, though, and why I take it very seriously as well. When you have an egg and a sperm joining and the potentiality is to create a new unique human being, there are ethical issues involved regarding a transcendental event that could occur in the creation of a unique soul. That is what people find troubling and should find troubling, and should think about it and understand it.

Yet we understand the other issues and collectively we have made our decision that we are willing, that we want to continue with embryonic stem cell research because of the issues that we have talked about.

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But let us talk about what somatic nuclear transfer is all about. It is not about that sperm and egg joining together. It is not about the potentiality to create a unique human being. It is not about a transcendental event that could occur. It is not about all those issues that some people correctly have struggled with and have come to conclusions and significant, serious moral-ethical issues.

What is going on here? What is going on here is an egg where the DNA is taken out, 23 chromosomes taken out from literally trillions of cells, trillions of cells, not billions, trillions of cells. Within the human body, one cell is taken out and 46 chromosomes are implanted. Not to create life, not to create an embryo, but to continue life, to save life for literally tens of millions of people, for potentially everyone in this Chamber and everyone in the country.

None of us know who is going to be stricken by one of these horrific diseases. No one knows who is going to get Alzheimer's or Parkinson's or cancer. It literally could be any of us in this Chamber or anyone watching on C-SPAN. It could be any of us. If we think about that, it could be any of us who have relatives, loved ones, who have these horrific diseases. Yet what this legislation would do would be to stop the research, to take one of those trillions of cells in the body, take out 46 chromosomes, put it in, so that you could survive, so that someone who is a quadriplegic could walk, so that someone who has Alzheimer's. We have heard Nancy Reagan speak directly about the stem cell research, I think a woman who is universally loved everywhere in this country and her husband whom I think is universally loved as well.

This chart remains up here. I have put it up here, because the numbers are 24 million. For diabetes, 15 million people, not just numbers; 6 million Alzheimer's, 1 million Parkinson's. People. People. People. Individuals.

Again, I ask my colleagues, this should not be a difficult issue. We should reject the bill and approve the substitute.

Mr. SENSENBRENNER. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. BUYER).

Mr. BUYER. Mr. Speaker, I rise in opposition to the substitute and in support of the gentleman from Florida's Human Cloning Prohibition Act.

Members in opposition are using the substitute amendment and are trying to confuse the issue with medical research and stem cell research. The underlying bill bans cloning human beings. It is straightforward and narrowly drawn. It prohibits somatic cell nucleus transfer. The underlying bill does nothing to hinder medical research and in fact, it specifically permits technology to clone tissue, DNA, and non-embryonic cells in humans, and cloning of plants and animals.

I urge my colleagues not to confuse a straightforward ban on banning cloning of human beings, with medical research. H.R. 2505 would prohibit human cloned embryos from being used as human guinea pigs. Without this legislation, human life could be copied, manufactured in a laboratory, in a petri dish. Cloned embryos would be devoid of all sense of humanity, treated as objects. The mass production of human clones solely for the purpose of human experimentation demeans us all.

The simple, most effective, way to stop this process is to ban it. In the area of human embryo cloning, the end does not justify the means.

I urge the defeat of the substitute and the adoption of H.R. 2505.

Mr. SENSENBRENNER. Mr. Speaker, I yield the balance of my time to the gentleman from New Jersey (Mr. SMITH).

The SPEAKER pro tempore (Mr. QUINN). The gentleman from New Jersey (Mr. SMITH) is recognized for 4 minutes.

Mr. SMITH of New Jersey. Mr. Speaker, late last week Washington Post columnist Charles Krauthammer called Congressman GREENWOOD's legislative approach to human cloning "a nightmare of a bill." He went on to write that the Greenwood substitute "sanctions, licenses and protects the launching of the most ghoulish and dangerous enterprise in modern scientific history: the creation of nascent cloned human life for the sole purpose of its exploitation and destruction."

Charles Krauthammer, Mr. Speaker, nailed it precisely.

The Greenwood substitute would for the first time in history sanction the creation of human life with the demand, backed by new Federal criminal and civil sanctions, that the new life be destroyed after it is experimented upon and exploited. For the small inconvenience of registering your name and your business address, you would be licensed to play God by creating life in your own image or someone else's. You would have the right to create embryo farms, headless human clones, or anything else science might one day allow to be created outside the womb; and in the end only failure to kill what you had created would be against the law.

A few moments ago, the gentleman from Florida (Mr. DEUTSCH) said that cloning doesn't result in the creation of a unique human being. That's ludicrous. That is exactly what the Weldon bill speaks to. That unique human being that would be created if left unfettered and untouched would grow, given nourishment and nurturing, into a baby, a toddler into an adolescent adulthood and right through the continuum of life. That is what we are talking about. Mr. WELDON's bill doesn't preclude other potentially legislative processes.

Mr. Speaker, amazingly the only new crime created by the Greenwood amendment is the failure to kill all human lives once they are created. Federal law would say that it is permissible to create as many human lives as you want to for research just so long as you eventually kill them. That, my colleagues, is the stated intent of the Greenwood substitute. And Mr. Greenwood's substitute would not even stop the birth of a human clone, which it purports to do. Because his approach would encourage the creation of cloned human embryo stockpiles and cloned human embryo farms, it would make the hard part of human cloning completely legal and try to make the relatively easy part, implantation, illegal.

So once these cloned human embryos are stockpiled in a lab, Mr. Speaker, who, or what is going to stop somebody from implanting one of those cloned humans? The Greenwood substitute has no tracking provisions. Greenwood would open pandora's box and verification would be a joke.

The bottom line is this, Mr. Speaker, the Greenwood substitute permits the cloning of human life to do anything you would like to for research purposes just as long as you kill that human life. Mr. Speaker, to implement this debate some Members have taken to the well to say that everybody is against human cloning. Oh really? Just because we say it's so doesn't make it necessarily so. The simple—and sad—fact of the matter is that Greenwood is pro-cloning. The Weldon bill, the underlying bill, would end human cloning and would prescribe certain criminal as well as civil penalties for those who commit that offense.

We are really at a crossroads, Mr. Speaker. This is a major ethical issue. And make no mistake about it I want to find cures to the devastating disease that afflicts people. I am cochairman of the Alzheimer's Caucus. I am cochairman of the Autism Caucus. I chair the Veterans Committee and have just today gotten legislation passed to help Gulf War Vets. I believe desperately we have got to find cures. But creating human embryos for research purposes is unethical, it is wrong, and it ought to be made illegal.

I hope Members will support the Weldon bill and will vote "no" on the substitute when it is offered.

Mr. ETHERIDGE. Mr. Speaker, I rise in opposition to H.R. 2505, the Human Cloning Prohibition Act and in support of the Greenwood-Deutsch substitute.

I am absolutely opposed to reproductive human cloning. Reproductive human cloning is morally wrong and fundamentally opposed to the values held by our society. I am sure that every Member in this chamber today agrees, that reproductive human cloning should be banned. That conclusion is easy to come by Mr. Speaker, however, this debate, unfortunately, is not so simple.

Today we are considering a complex issue, and I share the concerns raised by several other Members that the House is rushing to judgment. We have had too little time to debate and consider the merits and implications that Mr. WELDON'S bill and Mr. GREENWOOD'S substitute present. The Weldon bill and the Greenwood Substitute ban reproductive human cloning and both set criminal penalties for those who violate such a ban. But the similarities end there. Mr. WELDON'S bill goes too far, including banning therapeutic cloning for research or medical treatment, while the Greenwood substitute allows an exception regarding therapeutic cloning. The Weldon bill would ban all forms of cloning, and in essence, stop all research associated with it, just as we are beginning to see the first fruits of biomedical research. By supporting the Greenwood alternative, we have the opportunity to ban reproductive cloning while allowing important research to continue.

As a member of the Science Committee and as a Representative from the Research Triangle Park region, I understand the importance of the research that our scientists are conducting. This research has the potential to save the lives of hundreds of thousands of North Carolinians, Americans, and people throughout the globe who suffer from debilitating and degenerative diseases. We are on the verge of a significant return on our biomedical research investment. Indeed, our scientists may one day solve the mysteries of disease as the result of work involving therapeutic cloning technology. We must not allow this opportunity to pass by us.

Mr. Speaker, let me be clear, I support banning reproductive human cloning, and I will continue to oppose any type of cloning that would attempt to intentionally create a human clone. However, I also support the important biomedical research that our nation's scientists are nobly conducting today. I cannot support a bill that denies those scientists, and the people whose lives they are working to improve, a chance to find a cure.

The door of opportunity to cure diseases, that have puzzled us since the beginning of medicine is now beginning to open. And while the full promise of biomedical research remains many years away from being realized, there is that opportunity, that hope, that we can find a cure for cancer, diabetes, heart disease, Parkinson's disease, spinal cord injuries, and many other illnesses. Mr. Speaker, I oppose H.R. 2505 because it would stifle important research and decrease the potential for new life-saving medical treatments. The Greenwood substitute strikes a careful balance between banning the immoral and unsafe practice of reproductive human cloning, while at the same time promoting important biomedical research.

I urge my colleagues to oppose H.R 2505 and support the Greenwood substitute.

Mr. BLUMENAUER. Mr. Speaker, today's debate has much less to do with "cloning" human beings and everything about denying legitimate and important stem cell research. I am concerned that we are getting ahead of ourselves. The issue of stem cell research and its various clinical applications is incredibly complex and the technology very new. There is also the concern that other political issues, such as abortion, are really driving this debate. Until we can tame the rhetoric and focus on the underlying issues, we should not limit legitimate scientific research.

I will vote for the Greenwood/Deutsch amendment because it was better than the underlying bill, not because it represents a good long-term policy.

Ms. KILPATRICK. Mr. Speaker, I rise in opposition to H.R. 2505 offered by Mr. WELDON and in support of the alternative bill offered by Mr. GREENWOOD. We must not ban vital research and treatment for millions of suffering people. H.R. 2505 will severely limit the advancement of medical discovery and vital research.

There are strong feelings on both sides of this argument. Understandably, those on the other side are driven by what they describe as the degradation of human life that cloning proposes. I do not think that there is a member in this House who does not shudder at the shear awesome scope of this research. On the one hand, we fear a world where human beings are created in a lab for the sole purpose of harvesting their organs, characteristics and other items for the benefit of other human beings. On the other hand, we fear foregoing a cure for many of the horrible afflictions that face man like diabetes, cancer, spinal cord injuries and Parkinson's Disease.

I do know that God has blessed us with the knowledge and the skill to do more than just ponder a cure for these afflictions. My concern is that with such a ban in place, as envisioned in this bill, there will be no opportunity to learn all that God might have us learn. All because we acted too quickly to ban research before there was a chance to truly ponder the ways to manage and control this research. For example, if the above research at some point allows us to create an embryo, a cell, a stem cell or any other viable alternative genetic material without the use of human genetic material will this provision prevent its use? Is that human cloning or creating life?

I truly believe that prior to an outright ban of this research, Congress needs to make further efforts to educate every Member of this body. The knowledge that has been provided to us through this research is tremendous. We should do everything we can to understand it and manage its use. We should not, however, ban its use without careful circumspection.

Mr. PAUL. Mr. Speaker, today we're being asked to choose between two options dealing with the controversies surrounding cloning and stem cell research.

As an obstetrician gynecologist with 30 years of experience with strong pro-life convictions I find this debate regarding stem cell research and human cloning off-track, dangerous, and missing some very important points.

This debate is one of the most profound ethical issues of all times. It has moral, religious, legal, and ethical overtones.

However, this debate is as much about process as it is the problem we are trying to solve.

This dilemma demonstrates so clearly why difficult problems like this are made much more complex when we accept the notion that a powerful centralized state should provide the solution, while assuming it can be done precisely and without offending either side, which is a virtual impossibility.

Centralized governments' solutions inevitably compound the problem we're trying to solve. The solution is always found to be offensive to those on the losing side of the debate. It requires that the loser contribute through tax payments to implement the particular program and ignores the unintended consequences that arise. Mistakes are nationalized when we depend on Presidential orders or a new federal law. The assumption that either one is capable of quickly resolving complex issues is unfounded. We are now obsessed with finding a quick fix for this difficult problem.

Since federal funding has already been used to promote much of the research that has inspired cloning technology, no one can be sure that voluntary funds would have been spent in the same manner.

There are many shortcomings of cloning and I predict there are more to come. Private funds may well have flowed much more slowly into this research than when the government/taxpayer does the funding.

The notion that one person, i.e., the President, by issuing a Presidential order can instantly stop or start major research is frightening. Likewise, the U.S. Congress is no more likely to do the right thing than the President by rushing to pass a new federal law.

Political wisdom in dealing with highly charged and emotional issues is not likely to be found.

The idea that the taxpayer must fund controversial decisions, whether it be stem cell research, or performing abortion overseas, I find repugnant.

The original concept of the republic was much more suited to sort out the pros and cons of such a difficult issue. It did so with the issue of capital punishment. It did so, until 1973, with the issue of abortion. As with many other issues it has done the same but now unfortunately, most difficult problems are nationalized.

Decentralized decision making and privatized funding would have gone a long way in preventing the highly charged emotional debate going on today regarding cloning and stem cell research.

There is danger in a blanket national prohibition of some questionable research in an effort to protect what is perceived as legitimate research. Too often there are unintended consequences. National legalization of cloning and financing discredits life and insults those who are forced to pay.

Even a national law prohibiting cloning legitimizes a national approach that can later be used to undermine this original intent. This national approach rules out states from passing any meaningful legislation and regulation on these issues.

There are some medical questions not yet resolved and careless legislation may impede legitimate research and use of fetal tissue. For instance, should a spontaneously aborted fetus, non-viable, not be used for stem cell research or organ transplant? Should a live fetus from an ectopic pregnancy removed and generally discarded not be used in research? How is a spontaneous abortion of an embryo or fetus different from an embryo conceived in a dish?

Being pro-life and pro-research makes the question profound and I might say best not answered by political demagogues, executive orders or emotional hype.

How do problems like this get resolved in a free society where government power is strictly limited and kept local? Not easily, and not perfectly, but I am confident it would be much better than through centralized and arbitrary authority initiated by politicians responding to, emotional arguments.

For a free society to function, the moral standards of the people are crucial. Personal morality, local laws, and medical ethics should prevail in dealing with a subject such as this. This law, the government, the bureaucrats, the politicians can't make the people more moral in making these judgments.

Laws inevitably reflect the morality or immorality of the people. The Supreme Court did not usher in the 60s revolution that undermined the respect for all human life and liberty. Instead, the people's attitude of the 60s led to the Supreme Court Roe vs. Wade ruling in 1973 and contributed to a steady erosion of personal liberty.

If a centralized government is incapable of doing the right thing, what happens when the people embrace immorality and offer no voluntary ethical approach to difficult questions such as cloning?

The government then takes over and predictably makes things much worse. The government cannot instill morality in the people. An apathetic and immoral society inspires centralized, rigid answers while the many consequences to come are ignored. Unfortunately, once centralized government takes charge, the real victim becomes personal liberty.

What can be done? The first step Congress should take is to stop all funding of research for cloning and other controversial issues. Obviously all research in a free society should be done privately, thus preventing this type of problem. If this policy were to be followed, instead of less funding being available for research, there would actually be more.

Second, the President should issue no Executive Order because under the Constitution he does not have the authority either to promote or stop any particular research nor does the Congress. And third, there should be no sacrifice of life. Local law officials are responsible for protecting life or should not participate in its destruction.

We should continue the ethical debate and hope that the medical leaders would voluntarily do the self-policing that is required in a moral society. Local laws, under the Constitution, could be written and the reasonable ones could then set the standard for the rest of the nation.

This problem regarding cloning and stem cell research has been made much worse by the federal government involved, both by the pro and con forces in dealing with the federal government's involvement in embryonic research. The problem may be that a moral society does not exist, rather than a lack of federal laws or federal police. We need no more federal mandates to deal with difficult issues that for the most part were made worse by previous government mandates.

If the problem is that our society lacks moral standards and governments can't impose moral standards, hardly will this effort to write more laws solve this perplexing and intriguing question regarding the cloning of a human being and stem cell research.

Neither option offered today regarding cloning provides a satisfactory solution. Unfortunately, the real issue is being ignored.

Mr. BENTSEN. Mr. Speaker, I rise today in support of H.R. 2172, the Cloning Prohibition Act of 2001 and in opposition to H.R. 2505. I believe that the Cloning Prohibition Act of 2001 is the best approach to ensure that we will prohibit human cloning, while still maintaining our commitment to valuable research that will result in new treatments and therapies for many diseases including diabetes and Parkinson's Disease.

I am supporting the Cloning Prohibition Act of 2001 because I believe it includes more protections to ensure that humans are not cloned. For instance, this bill requires that all medical researchers must register with the Secretary of Health and Human Services (HHS) before they can conduct human somatic cells nuclear transfers. The HHS Secretary would also be required to maintain a database and additional information about all somatic cell research projects. Second, this bill requires that medical researchers must affirmatively attest that they are aware of the restrictions on such research and will adhere to such restrictions. Third, this bill requires that the HHS Secretary will maintain strict confidentiality about such information so that the public may only have access to such information if the investigator conducting such research provides written authorization for such disclosure.

In addition, this measure would include two explicit penalties for those who violate this legislation. First, this bill would impose civil penalties of up to $1 million or an amount equal to any gain related to this violation for those researchers who fails to register with the HHS to conduct such research. Second, researchers would be subject to a criminal penalty of ten years if they fail to comply with this act. Third, this measure would subject such medical researchers to forfeiture of property if they violate this act.

I believe that the alternative legislation is broadly written and will restrict the biomedical research which we all support. As the representative for the Texas Medical Center where much of this biomedical research is conducted, I believe we must proceed cautiously to ensure that no promising therapies are prohibited.

Under the alternative bill, H.R. 2505, there would be a strict prohibition of all importation of human embryos as well as any product derived from cloned embryos. However, we already know that the human cloning research is being conducted in England and that some of this therapeutic cloning research may be available to clinical trials with three years for Parkinson's patients. I believe that a strict prohibition of importation to such therapies will negative impact such patients and restrict access to new treatments which will extend and save lives This bill would not only ban reproductive cloning but also any therapeutic cloning for research or medical treatment. I am also concerned that this measure would make it more difficult to fund federal research on stem cell research. As you know, the National Institutes of Health has described stem call research as having "enormous" medical potential and we must proceed cautiously to ensure that such stem cell research continues.

I want to be clear. I believe that Congress can and should outlaw human cloning to create a child. But a ban on human cloning does not need to include a ban on nuclear transfer research. This nuclear transfer research will focus only on the study of embryonic development and curing disease. We can prohibit the transfer of such embryos to humans while still allowing medical researchers to conduct valuable medical research. I urge the defeat of H.R. 2505 and urge my colleague to support the alternative legislation, H.R. 2172, the Cloning Prohibition Act of 2001.

Mr. TIAHRT. Mr. Speaker, I rise today in strong support of Dr. WELDON's Human Cloning Prohibition Act. Today scientific advances have unleashed a whole host of bioethical issues that our society must face. Recently we have faced controversy over medical research on human subjects, as well as whether we should destroy embryos for the purpose of stem cell research. The questions posed focus on how far we will allow science to push the limits on tampering with human lives. Personally whether it's innocent African-Americans at the Tuskegee Institute or unborn human embryos, I do not think the government should be allowed to risk lives.

The debate before us today, however, is completely different in my mind. Those who are for and against abortion, even for and against embryonic stem cell research, have joined together to say that we cannot clone humans. In the words of esteemed columnist Charles Krauthammer, the thought of cloning humans—whether for research or reproductive purposes—is ghoulish, dangerous, perverse, nightmarsh. I do not think the language can be strong enough. Eugenics is an abominable practice. We do not have the right to create life in order to destroy it. We do not have the right to create life in order to tamper with genes.

It does not take a fan of science-fiction to imagine the scenarios that would ensue from legalized cloning—headless humans used as organ farms, malformed humans killed because they were viewed as an experiment not a person, gene selection to create a supposed inferior species to become slaves, societal values used to create a supposed superior species. We do not have the right to play God. We may have the technology to clone humans, but our sense of morality should prevent us from doing it. We should not create life for research purposes. We should not pick and choose genes to make up humans.

I am sorry that our society has drifted so far from our core values that we even have to debate this. It is a sad day when Congress has to enact legislation in order to prevent man from manipulating human life.

Mr. HYDE. Mr. Speaker, I submit the following article for the Record.

[From the Washington Post, July 27, 2001]

(By Charles Krauthammer)

A Nightmare of a Bill

Hadn't we all agreed—we supporters of stem cell research—that it was morally okay to destroy a tiny human embryo for its possibly curative stem cells because these embryos from fertility clinics were going to be discarded anyway? Hadn't we also agreed that human embryos should not be created solely for the purpose of being dismembered and then destroyed for the benefit of others?

Indeed, when Sen. Bill Frist made that brilliant presentation on the floor of the Senate supporting stem cell research, he included among his conditions a total ban on creating human embryos just to be stem cell farms. Why, then, are so many stem cell supporters in Congress lining up behind a supposedly "anti-cloning bill" that would, in fact, legalize the creation of cloned human embryos solely for purposes of research and destruction?

Sound surreal? It is.

There are two bills in Congress regarding cloning. The Weldon bill bans the creation of cloned human embryos for any purpose, whether for growing them into cloned human children or for using them for research or for their parts and then destroying them.

The competing Greenwood "Cloning Prohibition Act of 2001" prohibits only the creation of a cloned child. It protects and indeed codifies the creation of cloned human embryos for industrial and research purposes.

Under Greenwood, points out the distinguished bioethicist Leon Kass, "embryo production is explicitly licensed and treated like drug manufacture." It becomes an industry, complete with industrial secrecy protections. Greenwood, he says correctly, should really be called the "Human Embryo Cloning Registration and Industry Facilitation and Protection Act of 2001."

Greenwood is a nightmare and an abomination. First of all, once the industry of cloning human embryos has begun and thousands are being created, grown, bought and sold, who is going to prevent them from being implanted in a woman and developed into a cloned child?

Even more perversely, when that inevitably occurs, what is the federal government going to do: Force that woman to abort the clone?

Greenwood sanctions, licenses and protects the launching of the most ghoulish and dangerous enterprise in modern scientific history: the creation of nascent cloned human life for the sole purpose of its exploitation and destruction.

What does one say to stem cell opponents? They warned about the slippery slope. They said: Once you start using discarded embryos, the next step is creating embryos for their parts. Frist and I and others have argued: No, we can draw the line.

Why should anyone believe us? Even before the president has decided on federal support for stem cell research, we find stem cell supporters and their biotech industry allies trying to pass a bill that would cross that line—not in some slippery-slope future, but right now.

Apologists for Greenwood will say: Science will march on anyway. Human cloning will be performed. Might as well give in and just regulate it, because a full ban will fail in any event.

Wrong. Very wrong. Why? Simple: You're a brilliant young scientist graduating from medical school. You have a glowing future in biotechnology, where peer recognition, publications, honors, financial rewards, maybe even a Nobel Prize await you. Where are you going to spend your life? Working on an outlawed procedure? If cloning is outlawed, will you devote yourself to research that cannot see the light of day, that will leave you ostracized and working in shadow, that will render you liable to arrest, prosecution and disgrace?

True, some will make that choice. Every generation has its Kevorkian. But they will be very small in number. And like Kevorkian, they will not be very bright.

The movies have it wrong. The mad scientist is no genius. Dr. Frankensteins invariably produce lousy science. What is Kevorkian's great contribution to science? A suicide machine that your average Hitler Youth could have turned out as a summer camp project.

Of course you cannot stop cloning completely. But make it illegal and you will have robbed it of its most important resource: great young minds. If we act now by passing Weldon, we can retard this monstrosity by decades. Enough time to regain our moral equilibrium—and the recognition that the human embryo, cloned or not, is not to be created for the sole purpose of being poked and prodded, strip-minded for parts and then destroyed.

If Weldon is stopped, the game is up. If Congress cannot pass the Weldon ban on cloning, then stem cell research itself must not be supported either—because then all the vaunted promises about not permitting the creation of human embryos solely for their exploitation and destruction will have been shown in advance to be a fraud.

Mr. BAKER. Mr. Speaker, I rise to express my support for H.R. 2505, "The Human Cloning Prohibition Act of 2001." Let me begin my saying that I am unequivocally opposed to the cloning of human beings either for reproduction or for research. The moral and ethical issues posed by human cloning are profound and cannot be ignored in the quest for scientific discovery. I intend to support this legislation and will vote against the Greenwood amendment.

Let me be clear. Passage of H.R. 2505 will not stop medical research on the promising use of stem cells. This is an exciting area of research and I am confident this technology will produce results the significance of which we cannot fathom. Stem cell research will continue, but it does not have to continue at the expense of our human ethics or our religious morals.

There is not ever a time, in my opinion, where it is proper for medical science to wholly create or clone a human being. The ethical and moral implications of such an act are staggering, and I believe my colleagues understand that. So if we can agree on the human cloning issue, we must now address the fears some of my colleagues have expressed on the future of stem cell research.

The scientific objective in today's debate over stem cell research is having the ability to produce massive quantities of quality transplantable, tissue-matched pluripotent cell that provide extended therapeutic benefits without triggering immune rejection in the recipient. It has come to my attention that efforts have been underway for companies to conduct stem cell research using placentas from live births. I have become aware of at least one company that has pioneered the recovery of non-adult human pluripotent and multipotent stem cell from human afterbirth, traditionally regarded as medical waste.

Importantly, the pluripotent stem cells discovered in postnatal placentas were not heretofore known to be present in human afterbirth, and can be collected in abundant quantities via a proprietary recovery method. These non-controversial cells are known as "placental" and "umbilical" stem cells, because they come from postnatal placentas, umbilical cords, and cord blood, from full-term births, and are classified separately and distinctly from those stem cells recovered from adults and embryos.

The strength of this option is that it meets both the policy and scientific objectives while transcending ethical or moral controversy. We can solve the dilemma by building bipartisan coalition and simply turning the argument from "What we oppose" to "What we all support."

What I'm suggesting is a non-controversial, abundant source of high-quality stem cells that will significantly accelerate the pace at which stem cell therapies can be integrated into clinical use. They would offer the hope of renewable sources of replacement cells and tissues to treat a myriad of diseases, conditions and disabilities, including ALS (Lou Gehrig's Disease), Parkinson's and Alzheimer's, spinal cord injury, stroke, burns, heart disease, diabetes, osteoarthritis, rheumatoid arthritis, liver diseases and cancers.

I would say to all of my colleagues, let's move forward to stop human cloning before it starts. Let's move forward with stem cell research using a source of stem cells that is both in abundant supply and in conformity with our respective ethical and moral beliefs.

Mr. RUSH. Mr. Speaker, in an old blues song, B.B. King provides some sound advice: "don't make your move too soon." Clearly, Congress should heed Mr. King's advice on the issue of human cloning and act with prudence.

Based on my own personal, moral and religious views, I firmly believe that human cloning should be banned. I sincerely believe that the majority of my colleagues agree with me. However, in our zeal to pass a ban on human cloning we may be needlessly impeding the legitimate use of stem cell research.

Even more frightening, instead of holding extensive hearings with scientists, ethicists and patient groups on how to develop a narrowly tailored ban on human cloning, we are rushing to a vote on a bill which was heard in one committee, the Judiciary Committee.

What ever happened to prudence? What ever happened to reasoning things out? What ever happened to looking before you leap? What is clear from the debate on this floor today is there are serious questions and confusion as to whether the Human Cloning Prohibition Act will merely ban human cloning or halt life saving stem cell research. The fact that there is confusion necessitates further debate and discussion, not a vote.

We must act with caution to ensure the future scientific successes which will make this world healthier and more productive while tightly regulating those practices which pose a clear threat to the health and safety of our citizens.

Clearly, we are making a move too soon, without facts, without an understanding of what the Human Cloning Prohibition Act does, and without an understanding of the science involved. I would urge my colleagues to not make a move too soon. Let's debate this issue further and vote on a bill when the implications of the legislation is clear.

Mr. BARR of Georgia. Mr. Speaker, the practice of either embryo splitting or nuclear replacement technology, deliberately for the purposes of human reproductive cloning, raises serious ethical issues we, as policy makers, must address.

Having participated, as a member of the Judiciary Committee, in hearings on the ethics and practice of human cloning, I am pleased to support Congressman WELDON and STUPAK'S bill, H.R. 2505—the Human Cloning Prohibition Act of 2001. This bill provides for an absolute prohibition on human cloning. The bill bans all forms of adult human and embryonic cloning, while not restricting areas of scientific research in the use of nuclear transfer or other cloning techniques to produce molecules, DNA, cells other than human embryos, tissues, organs, plants, or animals other than humans. In fact, the bill specifically protects and encourages the cloning of human tissues, so long as such procedures do not involve the creation of a cloned human embryo.

The ability to produce an exact genetic replica of a human being, alive of deceased, carries with it an incredible responsibility: Beyond the fact the scientific community has yet to confirm the safety and efficacy of the procedure, human cloning is human experimentation taken to the furthest extreme. In fact, the National Bioethics Commission has quite clearly stated the creation of a human being by somatic cell nuclear transfer is both scientifically and ethically objectionable.

This is why I have serious reservations with Representative GREENWOOD'S bill, H.R. 2172. This bill would prohibit human somatic cell nuclear transfer technology with the intent to initiate a pregnancy. Of critical importance, however, is the fact that would allow somatic cell nuclear transfer technology to clone molecules, DNA, cells, tissues; in the practice of in vitro fertilization, the administration of fertility-enhancing drugs, or the use of other medical procedures to assist a woman in becoming or remaining pregnant; or any other activity (including biomedical, microbiological, or agricultural research or practices) not expressly prohibited.

Representative GREENWOOD'S bill purportedly advances the benefits of "therapeutic cloning"; that is, the cloning of embryos for the purpose of scientific research. While we may hear endless examples of how this technology may lead to advanced cancer therapies, solve infertility problems, and end juvenile diabetes, in reality, not one reputable research organization has provided any hard evidence that cloned embryos will provide any such miracles. To date, not one disease has been cured, or one treatment developed based on this technology. Furthermore, there is abundant evidence that alternatives to this procedure already exist. Stem cells, which can be harvested from placentas and umbilical cords, even from human fat cells, have yielded far more results than embryonic stem cells.

What is most objectionable to the bill is that it will take us in an entirely new and inhumane direction, whereby the United States government will be condoning, indeed encouraging, the creation of embryos for the purpose of destruction.

There is nothing humanitarian or compassionate about creating and destroying human life for some theoretical, technical benefit that is far from established. To create a cloned human embryo solely to harvest its cells is just as abhorrent as cloning a human embryo for implantation.

To not provide an outright and complete ban on embryonic cloning would set a dangerous precedent. Once the Federal government permits such dubious and mischievous research practices, regardless of how strict the guidelines and regulations are drawn, human cloning will undoubtedly occur.

Mr. Speaker, nothing scientifically or medically important would be lost by banning embryonic cloning. Indeed, at this time, there is no clinical, scientific, therapeutic or moral justification for it. I urge all House Members to join a vast majority of American citizens and members of the scientific community in support of H.R. 2505, the true Human Cloning Prohibition Act of 2001.

Mr. DEMINT. Mr. Speaker, it is July 31st, the year 2001. Once upon a time, the discussions about cloning human beings were about a hypothetical point in the future.

America has not paid too much attention to the scientific, legal, and ethical issues surrounding cloning because it was always something so far off in the future that it seemed surreal.

Well, the future is upon us and today we discuss an issue of utmost importance in determining what sort of world we live in.

We all want to secure America's future—to live in a land of prosperity, good health, and great opportunity.

However, our future will very much be shaped by our present decisions and fundamental questions about human life and human identity.

I rise today, Mr. Speaker, in support of H.R. 2505—the Weldon/Stupak bill to enact a true ban on human cloning. I rise in opposition to the Greenwood/Deutsch bill which purports to be a ban, but will allow the industrial exploitation of human life.

Mr. Speaker, you and I and every other person on the face of this earth have unique features—things that make us not only human, but individuals.

Our fingerprints are like snowflakes—there is not, nor has there ever been, an exact replica of another human being.

Cloning is a whole new world. What is a clone? Whe is close? What is the identity of a clone? Who is responsible for the clone? Why would clones be brought into existence? Should they become human organ farms, created specifically to try to save the life of another human being? Would clones have different rights than 'natural' human beings? Would they be a subservient class of human beings?

Supporters of the Greenwood Substitute might claim that this is far-fetched, that their language has no intention of allowing the creation of actual cloned living, breathing human beings.

As columnist Charles Krauthammer puts so eloquently, ". . . once the industry of cloning human embryos has begun and thousands are being created, grown, bought and sold, who is going to prevent them from being implanted in a woman and developed into a cloned child?"

Well, Mr. Speaker, I ask at what point do we say NO? At what point do we say that we refuse to walk down that slippery slope?

When do we have the strength to stand up for the wonder of life and human experience and say that we will not allow the creation of cloned human embryos for industrial exploitation?

Krauthammer calls the Greenwood bill "a nightmare and an abomination . . . the launching of the most ghoulish and dangerous enterprise in modern scientific history."

Mr. Speaker. I hope we will all be able to look back on this day—July 31, 2001—and recognize that it was a day in which we affirmed human life and rejected those wishing to exploit life in a most horrific way.

Mr. Speaker, I urge my colleagues to take those words to heart and reject the Greenwood substitute and vote in favor of the underlying bipartisan bill.

As we work together in this body to secure the future for America, let us march forward on our strongest ideals of hope, democracy, and freedom. Let us show the utmost respect for human life and this human experience which we all share.

Mr. LARGENT. Mr. Speaker, I rise in strong support of H.R. 2505, the Human Cloning Prohibition Act of 2001.

This bill has an amazingly wide range of support. Opponents of the bill have tried to portray it as a piece of pro-life legislation, and have made it hard for pro-choice members to support it. But anyone who has followed the series of cloning hearings has seen some of the most unusual alliances in recent political history, including many pro-choice activists and organizations who see the common sense in banning the ghoulish practice of cloning. Even they see that embryo cloning will, with virtual certainty, lead to the production of experimental human beings.

Scientists acknowledge the ethical questions cloning raises. As recently as the December 27, 2000 issue of the Journal of the American Medical Association, three bioethicists co-authored a major paper on human cloning that freely acknowledged that somatic cell nuclear transfer creates human embryos and noted that it raises complex ethical questions.

Some have stated that life begins in the womb, not a petri dish or a refrigerator. I believe, however, that human life is created when an egg and a sperm meet. The miracle of life cannot be denied, whether it begins in a womb or a petri dish. Even scientists and bioethicists realize the moral and ethical implications that cloning brings about. Twisting this reality is disingenuous.

Do we really want Uncle Sam cloning human beings? Do we really want the federal government to play God in such an undeniable way? I certainly don't. The Greenwood substitute is a moral and practical disaster, however you look at it. I urge my colleagues to vote in favor of H.R. 2505 and against the Greenwood substitute and the motion to recommit.

Mr. HOSTETTLER. Mr. Speaker, I submit the following information on the subject of Cloning.

NATIONAL RIGHT TO LIFE
COMMITTEE, INC.
Washington, DC, July 26, 2001.

SCIENTISTS SAY "THERAPEUTIC CLONING" CREATES A HUMAN EMBRYO

President Clinton's National Bioethics Advisory Commission, in its 1997 report Cloning Human Beings, explicitly stated: "The Commission began its discussions fully recognizing that any effort in humans to transfer a somatic cell nucleus into an enucleated egg involves the creation of an embryo, with the apparent potential to be implanted in utero and developed to term."

The National Institutes of Health Human Embryo Research Panel also assumed in its September 27, 1994 Final Report, that cloning results in embryos. In listing research proposals that "should not be funded for the foreseeable future" because of "serious ethical concerns," the NIH panel included cloning: "Such research includes: . . . Studies designed to transplant embryonic or adult nuclei into an enucleated egg, including nuclear cloning, in order to duplicate a genome or to increase the number of embryos with the same genotype, with transfer."

A group of scientists, ethicists, and biotechnology executives advocating "therapeutic cloning" and use of human embryos for research—Arthur Caplan of the University of Pennsylvania, Lee Silver of Princeton University, Ronald Green of Dartmouth University, and Michael West, Robert Lanza, and Jose Cibelli of Advanced Cell Technology—confirmed in the December 27, 2000 issue of the Journal of the American Medical Association that a human embryo is created and destroyed through "therapeutic cloning": "CRNT [cell replacement through nuclear transfer, another term for "therapeutic cloning"] requires the deliberate creation and disaggregation of a human embryo." ". . . because therapeutic cloning requires the creation and disaggregation ex utero of blastocyst stage embryos, this technique raises complex ethical questions."

On September 7, 2000, the European Parliament adopted a resolution on human cloning. The Parliament's press release defined and commented on "therapeutic cloning": ". . . 'Therapeutic cloning,' which involves the creation of human embryos purely for research purposes, poses an ethical dilemma and crosses a boundary in research norms."

Lee M. Silver, professor of molecular biology and evolutionary biology at Princeton University, argues in his 1997 book, Remaking Eden: Cloning and Beyond in a Brave New World. "Yet there is nothing synthetic about the cells used in cloning. . . . The newly created embryo can only develop inside the womb of a woman in the same way that all embryos and fetuses develop. Cloned children will be full-fledged human beings, indistinguishable in biological terms from all other members of the species."

The President and CEO of the biotechnology firm that recently announced its intentions to clone human embryos for research purposes, Michael D. West, Ph.D. of Advanced Cell Technology, testified before a Senate Appropriations Subcommittee on December 2, 1998: "In this . . . procedure, body cells from a patient would be fused with an egg cell that has had its nucleus (including the nuclear DNA) removed. This would theoretically allow the production of a blastocyst-staged embryo genetically identical to the patient. . . ."

Dr. Ian Wilmut of PPL Technologies, leader of the team that cloned Dolly the sheep, describes in the spring 1988 issue of Cambridge Quarterly of Healthcare Ethics how embryos are used in the process now referred to as "therapeutic cloning": "One potential use for this technique would be to take cells—skin cells, for example—from a human patient who had a genetic disease . . . You take this and get them back to the beginning of their life by nuclear transfer into an oocyte to produce a new embryo. From that new embryo, you would be able to obtain relatively simple, undifferentiated cells, which would retain the ability to colonize the tissues of the patient."

As documented in the American Medical News, February 23, 1998, University of Colorado human embryologist Jonathan Van Blerkom expressed disbelief that some deny that human cloning produces an embryo, commenting: "If it's not an embryo, what is it?"

Mr. BARR of Georgia. Mr. Speaker, today the House of Representatives took an important step in banning the cloning of human embryos. As this debate moves forward in Congress, I believe the National Right to Life Committee has made some very important points which we need to keep in mind:

NATIONAL RIGHT TO LIFE
COMMITTEE, INC.
Washington, DC, July 26, 2001.

AMERICANS OPPOSE CLONING HUMAN EMBRYOS FOR RESEARCH

The biotechnology industry is pushing for a deceptive "cloning ban" sponsored by James Greenwood. This bill actually permits, protects, and licenses the unlimited creation of cloned human embryos for experimentation as long as those embryos are destroyed before being implanted in a mother's womb. It would more accurately be termed a "clone and kill" bill.

In the past, even major defenders of harmful research on human embryos have rejected the idea of special creation of embryos for research.

"The creation of human embryos specifically for research that will destroy them is unconscionable."—Editorial, "Embryos: Drawing the Line," Washington Post, October 2, 1994, C6.

"What the NIH must decide is whether to put a seal of approval on . . . creating embryos when necessary through in vitro fertilization, conducting experiments on them and throwing them away when the experiments are finished. . . . The price for this potential progress is to disregard in the case of embryos the basic ethical principal that no human's bodily integrity may be violated involuntarily, no matter how much good may result for others." Editorial, "Life is precious, even in the lab," Chicago Tribune, November 30, 1994.

". . . We should not be involved in the creation of embryos for research. I completely agree with my colleagues on that score."—Rep. Nancy Pelosi (D–CA), 142 Congressional Record at H7343, July 11, 1996.

". . . I do not believe that federal funds should be used to support the creation of human embryos for research purposes, and I have directed that NIH not allocate any resources for such research."—President Bill Clinton, Statement by the President, December 2, 1994.

"We can all be assured that the research at the National Institutes of Health will be conducted with the highest level of integrity. No embryos will be created for research purposes. . . ."—Rep. Nita Lowey (D–NY), 142 Congressional Record at H7343, July 11, 1996.

". . . The manufacture of embryos for stem cell research . . . may be morally suspect because it violates our desire to accord special standing and status to human conception, procreation, and sexuality."—Arthur Caplan, Director, University of Pennsylvania Center for Bioethics, Testimony before Senate Appropriations Subcommittee on Labor, Health and Human Services, Education and Related Agencies, December 2, 1998.

PUBLIC OPINION SPEAKS

"Should scientists be allowed to use human cloning to create a supply of human embryos to be destroyed in medical research?" (International Communications Research Poll, June 2001): No—86%, Don't Know/Refused—4.3%, Yes—9.8%.

"Do you think scientists should be allowed to clone human beings or don't you think so?" (Time/CNN Poll, April 30, 2001): No—88%, Not Sure—2%, Yes—10%.

So-called "therapeutic cloning," just like "reproductive cloning," creates a human embryo. These embryos are killed when their stem cells are harvested in the name of "medical research."

". . . Any effort in humans to transfer a somatic cell nucleus into an enucleated egg involves the creation of an embryo, with the apparent potential to be implanted in utero and developed to term."—Cloning Human Beings: Report and Recommendations of the National Bioethics Advisory Commission (Rockville, MD: June 1997, Executive Summary).

"We can debate all day whether an embryo is or isn't a person. But it is unquestionably human life, complete with its own unique set of human genes that inform and drive its own development. The idea of the manufacture of such a magnificent thing as a human life purely for the purpose of conducting research is grotesque, at best. Whether or not it is federally funded."—Editorial, "Embryo Research is Inhuman," Chicago Sun-Times, October 10, 1994, 25.

The SPEAKER pro tempore. All time for debate on the bill, as amended, has expired.

AMENDMENT NO. 1 OFFERED BY MR. SCOTT

Mr. SCOTT. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 printed in House Report 107–172 offered by Mr. SCOTT:

Page 4, after line 8, insert the following:

SEC. 3. STUDY BY GENERAL ACCOUNTING OFFICE.

(a) IN GENERAL.—The General Accounting Office shall conduct a study to assess the need (if any) for amendment of the prohibition on human cloning, as defined in section 301 of title 18, United States Code, as added by this Act, which study should include—

(1) a discussion of new developments in medical technology concerning human cloning and somatic cell nuclear transfer, the need (if any) for somatic cell nuclear transfer to produce medical advances, current public attitudes and prevailing ethical views concerning the use of somatic cell nuclear transfer, and potential legal implications of research in somatic cell nuclear transfer; and

(2) a review of any technological developments that may require that technical changes be made to section 2 of this Act.

(b) REPORT.—The General Accounting Office shall transmit to the Congress, within 4 years after the date of enactment of this Act, a report containing the findings and conclusions of its study, together with recommendations for any legislation or administrative actions which it considers appropriate.

The SPEAKER pro tempore. Pursuant to House Resolution 214, the gentleman from Virginia (Mr. SCOTT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

This amendment would provide for a study by the General Accounting Office of this issue. That study would include a discussion of new developments in medical technology, the need if any for somatic cell nuclear transfer, the public attitudes and prevailing ethical views, and potential legal implications.

The developments in stem cell research are proceeding at a very rapid pace; and it is difficult for Congress, which moves very slowly, to take them into account. This amendment would keep Congress informed of the changes in technology and its potential for medical advance. It would also keep us advised of any need for technical changes to the bill to keep its prohibition on cloning effective and narrowly drawn.

Furthermore, this is an area where public attitudes and ethical views are often confused and uncertain. The study will be helpful in summarizing and clarifying those issues.

Mr. Speaker, some of the issues that we have to deal with have been reflected in the questions that have been raised on what the bill actually does: the potential for embryonic versus adult cell research, and issues such as the impact of the bill which would be in effect in the United States on medical treatments which may be available everywhere else in the world except in the United States.

Mr. SENSENBRENNER. Mr. Speaker, will the gentleman yield?

Mr. SCOTT. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. I thank the gentleman for yielding.

Mr. Speaker, I believe that this is an extremely constructive amendment. The gentleman from Virginia offered it during Judiciary Committee consideration and withdrew it because of jurisdictional concerns. I would hope that the House would adopt this amendment because I believe it would put additional information on the table to help further clarify this very contentious debate.

Mr. SCOTT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Pursuant to House Resolution 214, the previous question is ordered on the amendment offered by the gentleman from Virginia (Mr. SCOTT).

The question is on the amendment offered by the gentleman from Virginia (Mr. SCOTT).

The amendment was agreed to.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. GREENWOOD

Mr. GREENWOOD. Mr. Speaker, I offer an amendment in the nature of a substitute.

The SPEAKER pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute printed in House Report 107–172 offered by Mr. GREENWOOD:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Cloning Prohibition Act of 2001".

SEC. 2. PROHIBITION AGAINST HUMAN CLONING.

(a) IN GENERAL.—The Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.) is amended by adding at the end the following:

"CHAPTER X—HUMAN CLONING

"PROHIBITION AGAINST HUMAN CLONING

"SEC. 1001. (a) NUCLEAR TRANSFER TECHNOLOGY.—

"(1) IN GENERAL.—It shall be unlawful for any person—

"(A) to use or attempt to use human somatic cell nuclear transfer technology, or the product of such technology, to initiate a pregnancy or with the intent to initiate a pregnancy; or

"(B) to ship, mail, transport, or receive the product of such technology knowing that the product is intended to be used to initiate a pregnancy.

"(2) DEFINITION.—For purposes of this section, the term 'human somatic cell nuclear transfer technology' means transferring the nuclear material of a human somatic cell into an egg cell from which the nuclear material has been removed or rendered inert.

"(b) RULE OF CONSTRUCTION.—This section may not be construed as applying to any of the following:

"(1) The use of somatic cell nuclear transfer technology to clone molecules, DNA, cells, or tissues.

"(2) The use of mitochondrial, cytoplasmic, or gene therapy.

"(3) The use of in vitro fertilization, the administration of fertility-enhancing drugs, or the use of other medical procedures (excluding those using human somatic cell nuclear transfer or the product thereof) to assist a woman in becoming or remaining pregnant

"(4) The use of somatic cell nuclear transfer technology to clone or otherwise create animals other than humans.

"(5) Any other activity (including biomedical, microbiological, or agricultural research or practices) not expressly prohibited in subsection (a).

"(c) REGISTRATION.—

"(1) IN GENERAL.—Each individual who intends to perform human somatic cell nuclear transfer technology shall, prior to first performing such technology, register with the Secretary his or her name and place of business (except that, in the case of an individual who performed such technology before the date of the enactment of the Cloning Prohibition Act of 2001, the individual shall so register not later than 60 days after such date). The Secretary may by regulation require that the registration provide additional information regarding the identity and business locations of the individual, and information on the training and experience of the individual regarding the performance of such technology.

"(2) ATTESTATION.—A registration under paragraph (1) shall include a statement, signed by the individual submitting the registration, declaring that the individual is aware of the prohibitions described in subsection (a) and will not engage in any violation of such subsection.

"(3) CONFIDENTIALITY.—Information provided in a registration under paragraph (1) shall not be disclosed to the public by the Secretary except to the extent that—

"(A) the individual submitting the registration has in writing authorized the disclosure; or

"(B) the disclosure does not identify such individual or any place of business of the individual.

"(d) PREEMPTION OF STATE LAW.—This section supersedes any State or local law that—

"(1) establishes prohibitions, requirements, or authorizations regarding human somatic cell nuclear transfer technology that are different than, or in addition to, those established in subsection (a) or (c); or

"(2) with respect to humans, prohibits or restricts research regarding or practices constituting—

"(A) somatic cell nuclear transfer;

"(B) mitochondrial or cytoplasmic therapy; or

"(C) the cloning of molecules, DNA, cells, tissues, or organs;

except that this subsection does not apply to any State or local law that was in effect as of the day before the date of the enactment of the Cloning Prohibition Act of 2001.

"(e) RIGHT OF ACTION.—This section may not be construed as establishing any private right of action.

"(f) DEFINITION.—For purposes of this section, the term 'person' includes governmental entities.

"(g) SUNSET.—This section and section 301(bb) do not apply to any activity described in subsection (a) that occurs on or after the expiration of the 10-year period beginning on the date of the enactment of the Cloning Prohibition Act of 2001.".

(b) PROHIBITED ACTS.—

(1) IN GENERAL.—Section 301 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331) is amended by adding at the end the following:

"(bb) The violation of section 1001(a), or the failure to register in accordance with section 1001(c).".

(2) CRIMINAL PENALTY.—Section 303(b) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 333(b)) is amended by adding at the end the following:

"(7) Notwithstanding subsection (a), any person who violates section 301(bb) shall be imprisoned not more than 10 years or fined in accordance with title 18, United States Code, or both.".

(3) CIVIL PENALTY.—Section 303 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 333) is amended by adding at the end the following:

"(h)(1) Any person who violates section 301(bb) shall be liable to the United States for a civil penalty in an amount not to exceed the greater of—

"(A) $1,000,000; or

"(B) an amount equal to the amount of any gross pecuniary gain derived from such violation multiplied by 2.

"(2) Paragraphs (3) through (5) of subsection (g) apply with respect to a civil penalty under paragraph (1) of this subsection to the same extent and in the same manner as such paragraphs (3) through (5) apply with respect to a civil penalty under paragraph (1) or (2) of subsection (g).".

(4) FORFEITURE.—Section 303 of the Federal Food, Drug, and Cosmetic Act, as amended by paragraph (3), is amended by adding at the end the following:

"(i) Any property, real or personal, derived from or used to commit a violation of section 301(bb), or any property traceable to such property, shall be subject to forfeiture to the United States.".

SEC. 3. STUDY BY INSTITUTE OF MEDICINE.

(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the "Secretary") shall request the Institute of Medicine to enter into an agreement with the Secretary under which such Institute conducts a study to—

(1) review the current state of knowledge about the biological properties of stem cells obtained from embryos, fetal tissues, and adult tissues;

(2) evaluate the current state of knowledge about biological differences among stem cells obtained from embryos, fetal tissues, and adult tissues and the consequences for research and medicine; and

(3) assess what is currently known about the ability of stem cells to generate neurons, heart, kidney, blood, liver and other tissues and the potential clinical uses of these tissues.

(b) OTHER ENTITIES.—If the Institute of Medicine declines to conduct the study described in subsection (a), the Secretary shall enter into an agreement with another appropriate public or nonprofit private entity to conduct the study.

(c) REPORT.—The Secretary shall ensure that, not later than three years after the date of the enactment of this Act, the study required in subsection (a) is completed and a report describing the findings made in the study is submitted to the Committee on Energy and Commerce in the House of Representatives and the Committee on Health, Education, Labor, and Pensions in the Senate.

The SPEAKER pro tempore. Pursuant to House Resolution 214, the gentleman from Pennsylvania (Mr. GREENWOOD) and the gentleman from Wisconsin (Mr. SENSENBRENNER) each will control 30 minutes.

PARLIAMENTARY INQUIRY

Mr. GREENWOOD. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GREENWOOD. Would it be appropriate for me or permissible under the rules for me to yield 15 minutes of my time to the gentleman from Florida (Mr. DEUTSCH)?

The SPEAKER pro tempore. By unanimous consent, the gentleman from Florida could control those 15 minutes.

Mr. GREENWOOD. Mr. Speaker, I ask unanimous consent that the gentleman from Florida (Mr. DEUTSCH) be permitted to control 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DEUTSCH. Mr. Speaker, if I could just inquire, how would we be going in terms of order of speakers?

The SPEAKER pro tempore. The Chair would allow the proponent of the amendment to speak first.

Mr. DEUTSCH. And then to the opponent, and then it will revert back and forth?

The SPEAKER pro tempore. That is correct.

Mr. DEUTSCH. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I have been attempting to personalize this issue as much as I can. One of the things I would ask my colleagues to do is look at some of the lists of groups that are supporting the Greenwood-Deutsch amendment in opposition to the Weldon bill: the Parkinson's Action Network, the Juvenile Diabetes Research Foundation, Alliance for Aging, American Infertility Association, American Liver Foundation, International Kidney Cancer Foundation.

I mention several of these organizations because as I have said, and I think what we all acknowledge, that the issue of using embryonic stem cell research is over. And why is it over? Because of the 435 Members in this Chamber, we have heard from our friends, from our families, from our neighbors, from our constituents about real people who are suffering real diseases. That suffering is incalculable. None of us would want that to happen to anyone. Yet we know it exists and we feel pain when we talk to people. Many of us experience that pain ourselves. I put up these numbers again to note that the individuals added collectively together add up to tens of millions of Americans and to hundreds of millions of family Members.

Mr. GREENWOOD. Mr. Speaker, I yield myself such time as I may consume.

We have had a good 2 hours of debate, and it has been encouraging to see the extent to which Members of Congress have been able to grapple with this very complicated issue.

Unfortunately, the Members who are speaking are the ones who have mastered it. We will have a vote within the hour and unfortunately most Members will come here pretty confused about the issue.

Let me try to simplify the issue once again and ask that we try to avoid some of the ad hominem argument that I think is beginning, and the hostility, frankly, that is beginning to develop on the floor on this issue. This is not a question about who has values and who stands for human life and who does not. It is a very legitimate and important and historic debate about how it is that we are able to use the DNA that God put into our own bodies, use the brain that God gave us to think creatively, and to employ this research to save the lives of men, women and children in this country and throughout the world and to rescue them from terribly debilitating and life-shortening diseases.

☐ 1615

We have an extraordinary opportunity to do this with the research technique that does not involve conception. It is an interesting question to look at, when is it that people over history have defined the onset of life.

The Catholic Church used to say that it began with quickening, when a woman could feel the motion of the fetus in her womb, and that was when ensoulment occurred. When scientists discovered how fertilization worked, the Church changed its opinion and said life actually begins at conception, at fertilization, and for those who adhere to that position, they have my utmost respect. I do not think they ought to put their position into the statutes of the Federal Government, but they certainly should be respected for that belief that they have.

But now we have moved the goalposts again, and now somehow we are supposed to be required to, A, believe that ensoulment occurs when a somatic cell taken from someone's skin divides in a petri dish, and for those who want to make that leap of faith, or leap of whatever it is, belief, they are welcome to do that.

But to put into the statutes of the Federal Government a prohibition against using the state of the art research that is wonderfully brilliant, fine and inspired, and noble researchers are trying to employ in the laboratory for the very purpose of saving the lives of people, to put into law a Federal ban against that, I think, is immoral. I think it is wrong, and we should not do it.

Now, the Greenwood-Deutsch substitute is very simple. All we have been trying to do from the very beginning is prohibit reproductive cloning. That is all we do. That is all we do, is say thou shalt not create new babies using cloning, because it is not safe and it is not ethical.

I said months ago to the leadership of this House, if you want to do what we all agree on, we all want to stop that, then we need to shoot a silver bullet and a rifle shot and stop that legislatively. We could do that.

I said then but if we get mired down into the stem cell debate, the result is predictable. The legislation will go nowhere, this bill when it passes the House today will not be taken up in the Senate. I cannot believe the Senate is going to get into this issue.

So what will we have done at the end of the day? We will have done nothing. We will not have banned reproductive cloning, because it is more interesting to get into this extraordinary metaphysical debate whether life does or does not begin when a skin cell divides in a petri dish.

Mr. Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself 6 minutes.

Mr. Speaker, I rise in opposition to the substitute that has been offered by my friend, the gentleman from Pennsylvania (Mr. GREENWOOD). This substitute is a big mistake for a number of reasons, and it should not be supported. Most notably, it would make the prohibition against human cloning virtually impossible to enforce, it would foster the creation of cloned human embryos through the Department of Health and Human Services, and trump States that wish to prohibit cloning.

As I have already stated, allowing the creation of cloned embryos by law would enable anyone to attempt to clone a human being. While most individuals do not have the scientific capacity to clone human embryos, once they have been cloned, there is no mechanism for tracking them.

In fact, one would logically expect an organization authorized to clone human embryos pursuant to this substitute to be prepared to produce an abundance of cloned embryos for research. Meanwhile, those without the capabilities to clone embryos, could easily implant any of the legally cloned embryos, if they had the opportunity, and a child would develop.

Furthermore, those who do want to clone humans for reproductive purposes are very well funded and may have the capability to clone embryos. Would they be banned from registering with HHS under this amendment, or would they be authorized to create cloned embryos under the watchful eye of the Federal Government? If not, what would prevent any of these privately funded groups from creating a new organization with unknown intentions? If they did attempt human cloning for reproductive purposes, who would be held accountable? The lead scientists or others, or would the impregnated mother?

The fact is, any legislative effort to prohibit cloning must allow enforcement to occur before a cloned embryo is implanted. Otherwise, it is too late, and that is the big deficiency in the Greenwood substitute.

The substitute attempts to draw a distinction between necessary scientific research and human cloning by authorizing HHS to administer a quasi-registry; quasi because the embryos are not in the custody of HHS, they are maintained by private individuals. However, let us be clear, the crux of this substitute is to invoke a debate on stem cell research, a political knuckle ball, and this debate on stem cell research is a red herring.

First, therapeutic cloning does not exist, not even for experimental tests on animals.

Second, the substitute would require authorized researchers to destroy unused embryos, the first Federal mandate of its kind and a step that is extremely controversial.

Third, the bill allows for the production of cloned embryos for stem cell research. Again, H.R. 2505 does not prohibit stem cell research. It does not prohibit stem cell research. Currently private organizations are able to conduct unfettered research on embryonic stem cells. While this research is ethically and morally controversial, it has been heralded, because embryonic stem cells multiply faster and live longer in petri dishes than adult stem cells.

Cloned embryo cells and normal embryo cells provide the same cellular tissue for research purposes. However, Mr. Speaker, these embryonic stem cells have failed in many clinical tests because they multiply too rapidly, causing cysts and cancers. Adult stem cells are the other area of stem cell research, which is much less controversial and which has been successful in over 45 trials. In fact, adult stem cells have been utilized to treat multiple sclerosis, bone marrow disorders, leukemias, anemias, and cartilage defects and immuno-deficiency in children.

Adult stem cells have been extracted from bone marrow, blood, skeletal muscle, the gastro-intestinal tract, the placenta, and brain tissue, to form bone marrow, bone, cartilage, tendon, muscle, fat, liver, brain, nerve, blood, heart, skeletal muscle, smooth muscle, esophagus, stomach, small intestine, large intestine, and colon cells. H.R. 2505 would not interfere with this work, but it prohibits the production of cloned embryos. It is a cloning bill; it is not a stem cell research bill.

Furthermore, H.R. 2505 allows for cloning research on various molecules, DNA, cells from other human embryos, tissues, organs, plants, animals or animals other than humans. In fact, it allows for cloning research on RNA, ribonucleic acid, which has been used in genetic therapy.

Fourth, the substitute prohibits States from adopting laws that prohibit or more strictly regulate cloning within their borders. It is a Federal preemption. This portion of the substitute raises even more ethical concerns which speak for themselves. Try telling my constituents they cannot ban human cloning, and I will tell you they disagree.

Finally, Mr. Speaker, the substitute contains a 10-year sunset provision. If this were to be enacted, Congress would have to go through this debate once again before the sunset occurs. The ethical and moral objections to human cloning will not change 10 years from now. However, the proponents of human cloning will continue to fight for their right to produce human clones in America; and authorizing a subsequent ban on human cloning could become even more controversial.

This is why Members on both sides of the aisle should rise in opposition to the substitute, defeat it, and pass H.R. 2505.

Mr. Speaker, I reserve the balance of my time.

Mr. GREENWOOD. Mr. Speaker, I yield 5 minutes to the distinguished and scholarly gentleman from California (Mr. HORN).

Mr. HORN. Mr. Speaker, I thank the gentleman for yielding me time.

First I ask everyone to take a deep breath and step back for a moment.

The House of Representatives is debating a bill that prohibits human cloning. I agree that cloning human beings is ethically unacceptable. In fact, I think just about everyone will reach this conclusion, which leads me to question whether we actually need to legislate something that is so common sense.

Now, let me ask people to imagine the conditions under which Jonas Salk developed a vaccine to prevent polio. Presumably, Dr. Salk spent many hours in his research laboratory, growing tissue cultures, and implanting within those cultures foreign agents to stimulate and ultimately prevent polio. How many of us then questioned the scientific techniques being used by Dr. Salk, and thousands of other researchers since then to discover new medicines and treatments for debilitating illnesses that plague our society? Can anyone actually say that the polio vaccine is bad because it was developed using tissue samples?

The problems with the discussions surrounding the human cloning bill advanced by the gentleman from Florida (Mr. WELDON) and the gentleman from Michigan (Mr. STUPAK) are two-fold. First, it cloaks a worthwhile and necessary debate in grossly overblown rhetoric; and, second, it is such a broad-brush effort that it would absolutely prohibit potentially life-saving therapies that may prevent and cure diseases such as Alzheimer's, cancer, Lou Gehrig's disease, cardiovascular damage, diabetes, and spinal cord injuries. At 5 o'clock I will be meeting with a group on Hunter's Syndrome. These various diseases could probably very well be researched by NIH and the great universities of this land.

What we are talking about, in short, is watching cells divide in a petri dish. Could this group of cells develop into a human embryo? Maybe, but only if implanted in a womb, and then its development is questionable.

The Greenwood bill permits the technology, but ensures that the group of cells never develops into anything remotely resembling a human being.

So, let me ask, is this cell group really any different from the tissue cultures grown by Dr. Salk? Is this group of cells so special that they deserve all of the moral, ethical, and legal protections that we afford fully developed, fully functional, and fully cognitive emotive human beings?

Is this group of cells so different and so much more important from the frozen fertilized eggs that we are considering using for stem cell research that they deserve more proscriptive treatment? Why are we less concerned about the sanctity of life with eggs that were harvested and fertilized for purposes of creating a human life than in the situation where we have neither of these purposes?

Although I am not convinced that the Greenwood substitute is a perfect alternative, it is certainly a superior alternative to an approach that would stop any sort of life-affirming therapies to advance. I think what has all of us ill at ease is that this technology immediately conjures up images of Dr. Frankenstein or the chemist fiddling with his or her chemistry set creating solutions and potions of unknown characteristics.

I am not a biological scientist myself. I have been a Dean of Graduate Studies and Research. I do know what goes on in universities, and in this Nation we have a great number of laboratories, and this government has helped fund bright young people. We need to encourage them and not limit them.

Honestly, I cannot say I remember much from my own school biology class, and I think a lot of us are in the same way. We were dealing with leaves and not molecular objects. Like most people, I find these images to be disconcerting. But I want to live in a world in which science can be allowed to proceed to find a cure for polio, for Alzheimer's, for any host of tragic diseases, and that treatments might be possible for any of them. We can only do this by letting the science move forward. The Greenwood alternative permits this; Weldon does not.

□ 1630

Ultimately, the debate and science are too complicated to leave to a group of unsophisticated legislators with instruments too blunt to be effective. I am concerned that the House leadership has allowed this debate to proceed in this hasty, reckless fashion.

For this reason alone, we should be the first to follow the Hippocratic Oath: First, do no harm. That means, oppose the Weldon bill.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself 1 minute.

With all due respect to my friend, the gentleman from California (Mr. HORN), I do not think the gentleman has read the bill and I do not think he has been listening to the debate.

This bill does not stop scientific research. This bill does not stop stem cell research. This bill stops research in destruction of cloned embryonic stem cells, no other stem cells whatsoever.

I do not think Dr. Salk used cloned material when he developed the polio vaccine. Nobody even thought of cloning 45, 50 years ago when Dr. Salk was using his research.

Please, let us talk about what is in the bill and what is in the Greenwood substitute, rather than bringing up issues that are completely irrelevant to both.

Mr. Speaker, I yield 4 minutes to the gentleman from Michigan (Mr. STUPAK), the coauthor of the bill.

Mr. STUPAK. Mr. Speaker, I thank the gentleman for yielding time.

I rise today in strong support of the Weldon-Stupak Human Cloning Prohibition Act of 2001, and I would like to thank the gentleman from Florida (Mr. WELDON) for his leadership on this issue.

We are in the midst of a tremendous new debate, a tremendous new policy direction, a tremendous new revolution. We cannot afford to treat the issue of human embryo cloning lightly, nor can we treat it without serious debate and deliberation.

The need for action is clear. A cult has publicly announced its intention to begin human cloning for profit. Research firms have announced their intentions to clone embryos for research purposes and then discard what is not needed. Whatever your beliefs, pro-life, pro-choice, Democrat or Republican, the fact is embryos are the building blocks of human life and human life itself. We must ask ourselves, what will our message be here today? What makes us up as human beings? What is the human spirit? What moves us? What separates us from animals?

That is what we are debating here today.

What message will the United States send? Will it be a cynical signal that human embryo cloning and destruction is okay, acceptable, even to be encouraged, all in the name of science? Or will it be a message urging caution and care? If we allow this research to go forward unchecked, what will be next? Allowing parents to choose the color of the eyes or the hair of their children, or create super babies? We need to consider all aspects of cloning and not just what the researchers tell us is good.

Opposition to the Weldon-Stupak bill has based its objections on arguments that we will stifle research, discourage free thinking, put science back in the Dark Ages. How ridiculous. The Weldon-Stupak bill does nothing of the sort. It allows animal cloning; it allows tissue cloning; it allows current stem cell research being done on existing embryos; it allows DNA cloning. All of this is not seen as stifling research. The fact is, there is no research being done on cloned human embryos, so how can we stifle it?

Mr. Speaker, do we know why there is no research being done? Because scientists, the same ones who are banging on our doors to allow this experiment with human embryos, do not know how to. They have experimented for years with cloned animal embryos with very limited success. These scientists, who were pushing so hard to be allowed a free pass for research on what constitutes the very essence of what it is to be a human, do not know what goes wrong with cloned animal embryos. The horror stories are too many to mention here of deformed mice and deformed sheep developing from cloned embryos.

A prominent researcher working for a bioresearch company has admitted scientists do not know how or what happens in cloned embryos allowing these deformed embryos. In fact, he calls the procedure when an egg reprograms DNA "magic." Magic? That is hardly a comforting or a hard-hitting scientific term, but it is accurate. It is magic.

Opponents of our bill have said embryonic research is the Holy Grail of science and holds the key to untold medical wonders. I say to these opponents, show me your miracles. Show me the wondrous advances done on animal embryonic cloning. But these opponents cannot show me these advances because they do not exist.

Our ability to delve into the mysteries of life grows exponentially. All fields of science fuse to enhance our ability to go where we have never gone before.

The question is this: Simply because we can do something, does that mean we should do it? What is the better path to take? One of haste and a rush into the benefits that are, at best, years in the future, entrusting cloned human embryos to scientists who do not know what they are doing with cloned animal embryos; or one urging caution, urging a step back, urging deliberation?

The human race is not open for experimentation at any level, even at the molecular level. Has not the 20th century history shown us the folly of this belief?

The Holy Grail? The magic? How about the human soul? Scientists and medical researchers cannot find it, they cannot medically explain it, but writers write about it; songwriters sing about it; we believe in it. From the depths of our souls, we know we should ban human cloning.

For the sake of our soul, reject the substitute and support the Weldon-Stupak bill.

Mr. DEUTSCH. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Speaker, I rise in support of the Greenwood substitute and in opposition to H.R. 2505.

This debate involves research that holds a great deal of promise for defeating disease and repairing damaged organs. It also involves a great deal of confusion.

In order to tilt the debate about genetic cell replication research, some opponents lump it with Dolly the sheep. No one supports reproductive cloning and no one benefits from such confusion, except those who hope to spur an overreaction. The Greenwood substitute would prohibit reproductive cloning without shutting down valuable research.

Some argue to prohibit genetic cell replication research because it might, in the wrong hands, be turned into reproductive cloning research. I cannot support this argument. All research can be misused. That is why we regulate research, investigate abuse of subjects, and prosecute scientific fraud and misconduct. If researchers give drug overdoses in clinical trials, the law requires that they be disbarred and punished. If someone were to traffic in organs, the law requires they be prosecuted, and if someone were to develop reproductive cloning under the Greenwood substitute, they would be prosecuted for a felony. The Greenwood ban on reproductive cloning will be every bit as effective as the Weldon ban on all research. If someone is deterred by one felony penalty, they will be deterred by the other.

Finally, let me point out that the Greenwood substitute cleans up two major drafting mistakes in the Weldon bill, mistakes that, in and of themselves, should be enough to make Members oppose the Weldon bill.

First, as the dissenting views in the committee report note, this bill criminalizes some forms of infertility treatments. These are not the science fiction clones that people have been talking about today; this is a woman and a man who want to have a child using her egg and his sperm and some other genetic materials to make up for flaws in one or the other; and this bill would make this couple and their doctors felons. That is wrong. They do not want Dolly the sheep, they want a child of their own.

Second, the Weldon bill makes criminal all products that are derived from this research. This means that if an advance in research leads to a new protein or enzyme or chemical, that protein or enzyme or chemical cannot be brought into this country, even if it requires no creation of new fertilized eggs and is the cure for dreaded diseases. That is wrong. It is an overreaction and does not serve any useful end.

I urge my colleagues to support the Greenwood amendment. We should clearly define what is wrongdoing, prohibit it, and enforce that prohibition, but we should not shut down beneficial work, clinical trials, organ transplants, or genetic cell replication because of a risk of wrongdoing; and we should not ban some things by the accident of bad drafting.

Mr. Speaker, I rise in support of the Greenwood substitute and in opposition to H.R. 2505. This debate involves research that holds a great deal of promise for defeating disease and repairing damaged organs. It also involves a great deal of confusion.

Let me try to clear up that confusion by clarifying what we mean by "cloning research," because the term means different things to different people. Some "cloning" research involves, for example, using genetic material to generate one adult skin cell from another adult skin cell. I know of no serious opposition to such research.

Some "cloning" research starts with a human egg cell, inserts a donor's complete genetic material into its core, and allows this cell to multiply to produce new cells, genetically identical to the donor's cells. This is genetic cell replication. These cells can, in theory, be transplanted to be used for organ repair or tissue regeneration—without risk of allergic reaction or rejection. H.R. 2505 would ban that—for no good reason.

Some "cloning" research is for reproduction. It starts with the human egg and donated genetic material, but it is intended to go further, in an effort to create what is essentially a human version of Dolly the sheep, a full-scale living replica of the donor of the genetic material. I know of no serious support for such research and the Greenwood amendment would ban that.

In order to tilt the debate about genetic cell replication research, some opponents lump it with Dolly the sheep. No one supports reproductive cloning, and no one benefits from such confusion except those who hope to spur an overreaction. The Greenwood amendment would prohibit reproductive cloning without shutting down valuable research.

Some also argue to prohibit genetic cell replication research because it might—in the wrong hands—be turned into reproductive cloning research. I cannot support this argument.

Such a prohibition is no more reasonable than to prohibit all clinical trials because researchers might give overdoses deliberately. It is as much overreaching as prohibiting all organ transplant studies because an unscrupulous person might buy or sell organs for profit.

All research can be misused. That's why we regulate research, investigate abuse of subjects, and prosecute scientific fraud and misconduct.

If researchers give drug overdoses in clinical trials, the law requires that they be disbarred and punished. If someone were to traffick in organs, the law requires that they be prosecuted. And if someone were to develop reproductive cloning, under the Greenwood amendment, they could be prosecuted for a felony.

And the Greenwood ban will be every bit as effective as the Weldon ban on all research. If someone is deterred by one felony penalty, they will be deterred by the other

Finally, let me point out that the Greenwood amendment cleans up two major drafting mistakes in the Weldon bill—mistakes that in and of themselves should be enough to make Members oppose the Weldon bill.

First, as the dissenting views in the Committee Report note, this bill criminalizes some forms of infertility treatments. These are not the science fiction clones that people have been talking about today; this is a woman and a man who want to have a child—using her egg and his sperm and some other genetic materials to make up for flaws in one or the other. And this bill would make this couple and their doctor felons. That's wrong. They only want a healthy child of their own—but the Weldon bill would stop that.

Second, the Weldon bill makes criminal all products that are derived from this research. this means that if an advance in research elsewhere leads to a new protein or enzyme or chemical, that protein or enzyme or chemical cannot be brought into the country—even if it requires no creation of new fertilized eggs and is the cure for dreaded diseases. That's wrong. It is an over-reaction that does not serve any useful end.

I urge my colleagues to support the Greenwood amendment. We should clearly define what we believe is wrongdoing, prohibit it, and enforce that prohibition. The Greenwood amendment does that.

But we should not shut down beneficial work—clinical trials, organ transplants, or genetic cell replication—because of a risk of wrongdoing, and we should not ban some things by the accident of bad drafting.

The Congress should not prohibit potentially life-saving research on genetic cell replication because it accords a cell—a special cell, but only a cell—the same rights and protections as a person. No one supports creating a cloned human being, but we should allow research on how cells work to continue.

Mr. GREENWOOD. Mr. Speaker, I yield myself 30 seconds.

The gentleman from Wisconsin (Mr. STUPAK) asked for an example of how this research is working. Dr. Okarma, who testified at our hearings, spoke of how they have taken mice who had damaged hearts, they used somatic cell nuclear transfer to take the cells of the mice, turn them into pluripotent stem cells, and then into heart cells, and then they injected those heart cells into the heart of the mouse. What happened? Those cells behaved like heart cells. They pumped blood and kept the mouse alive.

All we are asking for here today is to give the people of the world, the people of this country, the same chance that the mouse had.

Mr. SENSENBRENNER. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, John Porter, the former chairman of Labor-HHS, asked me to do a terrible thing once. He asked me to chair a committee with children with exotic diseases. I had to shut down the committee it hurt so much. One little girl said, Congressman, you are the only person that can save my life, and that little child died, and there are thousands of these children.

I am 100 percent pro-life, 11 years, but I support stem cell research of discarded cells. The concern that all of us have is, if we go along with the gentleman from Pennsylvania (Mr. GREENWOOD), the same thing will happen that happened in England. They started with stem cell research, then they expanded it to nuclear transfer of the somatic cells. Then they went to human cloning, and even a subspecies so that they can use body parts.

Where does it stop? The only way that we can control this research through the Federal Government is to make sure that these ethical and moral values are adhered to. We have to stop it here.

Support the Weldon bill, oppose the Greenwood bill.

Mr. DEUTSCH. Mr. Speaker, I yield 2 minutes 15 seconds to the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Mr. Speaker, the Human Cloning Prohibition Act is a bill we should not be debating with such brevity and haste. Cloning is manifestly not the same issue as stem cell research, much less abortion, and 2-minute snippets fail to do justice to the complex issues involved.

I am tempted to vote against both the bill and the substitute on the grounds that neither has been sufficiently refined or adequately debated. But that could be interpreted as a failure to take seriously the ethical issues that cloning raises and the need to block the path to reproductive cloning. That is the last thing we should want to do, for as Leon Kass and Daniel Callahan have argued in a recent article, reproductive cloning would threaten individuality and confuse identity, confounding our very definition of personhood, and it would represent a giant step toward turning procreation into manufacture.

I will vote for the Greenwood substitute as the best of the available alternatives. We are not certain of the promise of somatic cell nuclear transfer, or therapeutic cloning, research for the treatment or cure of diseases such as Alzheimer's, diabetes, Parkinson's or stroke. But we simply must take the enormous potential for human benefit seriously.

In moving to head off morally unacceptable reproductive cloning, we must take great care not to block research for treatments which have great potential for good and could run afoul of the ban included in H.R. 2505.

Critics such as Kass and Callahan argue persuasively that the ban on reproductive cloning contained in the Greenwood substitute would be difficult to enforce. But would the ban of nuclear transfer contained in H.R. 2505 be more easily enforced? As the dissenting views of the Committee on the Judiciary report argue,

> If a ban on the surgical procedure of implanting embryos into the uterus is unenforceable, a ban on a procedure that takes place in a petri dish in the privacy of a scientific laboratory is even more so.

Mr. Speaker, these are very difficult matters. We should not suppose that our votes here today, whatever the result, will resolve them. We must do the best we can, drawing the moral lines that must be drawn, while weighing conscientiously the possible benefits of new lines of research for the entire human family.

I believe the Greenwood substitute is the best among imperfect alternatives, and I urge its adoption.

☐ 1645

Mr. SENSENBRENNER. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. PITTS).

Mr. PITTS. Mr. Speaker, we need to clarify something here. This issue is not about what the other side called a group of cells or insoulment or a leap of faith; it is about human life at its very beginning.

This amendment is not a cloning ban. It has a 10-year moratorium in it; but, in fact, for the first time this amendment would specifically make cloning legal, and it would require that human clones be killed after they are made, which is even more unethical.

Now, some have suggested that cloned embryos are not really embryos at all. That is ridiculous. We might as well say that Dolly, who began as a cloned sheep embryo, is not really a sheep, even though now she is 5 years old.

Even President Clinton's Bioethics Advisory Commission was clear. The commission began its discussion fully recognizing that any effort in humans to transfer somatic cell nucleus into an enucleated egg, in other words, cloning, involves the creation of an embryo. Eighty-eight percent of the American people want cloning banned, not merely because they believe it is bad science, but because they think it is morally wrong.

Let us stop playing games with words. Reject the Greenwood amendment. Support Weldon-Stupak.

Mr. Speaker, I include for the RECORD a letter from the National Right to Life Committee, Inc., and a copy of a letter written by Mr. Douglas Johnson:

NATIONAL RIGHT TO LIFE
COMMITTEE, INC.,
Washington, DC, July 30, 2001.

FEDERAL PANELS AND RESEARCHERS AGREE: HUMAN CLONING CREATES HUMAN EMBRYOS

DEAR MEMBER OF CONGRESS: At a press conference today, Congressman Greenwood and Congressman Deutsch asserted that the Greenwood-Deutsch substitute amendment to the Weldon-Stupak bill (H.R. 2505) would allow "therapeutic cloning," but they asserted that this process would not involve the creation of any human embryos.

This "argument," if it can be called that, shows a breathtaking lack of candor. For years, federal bio-ethics review bodies have acknowledged that the process of somatic cell nuclear transfer would indeed produce human embryos. For example, President Clinton's handpicked National Bioethics Advisory Commission acknowledged in its 1997 report Cloning Human Beings, "any effort in humans to transfer a somatic cell nucleus into an enucleated egg *involves the creation of an embryo*, with the apparent potential to be implanted in utero and developed to term." [emphasis added]

Earlier this month, Michael West, the head of the major biotech firm Advanced Cell Technology (ACT) of Worcester, Massachusetts, told journalists that the firm intends to start cloning "soon." As recently as the December 27, 2000 issue of the Journal of the American Medical Association, three members of the ACT team, including Dr. West, along with bioethicist Ronald Green of Dartmouth University and two other bioethicists, co-authored a major paper on human cloning that freely acknowledged that the method creates human embryos. They wrote, ". . . because *therapeutic cloning requires the creation and disaggregation ex utero of blastocyst stage embryos*, this technique raises complex ethical questions," [emphasis added]

The attached factsheet includes numerous such admissions from diverse researchers and public bodies. Thus, it is past time for Mr. Greenwood and Mr. Deutsch to drop their disinformation campaign and engage in an honest debate over whether human embryo farms should be allowed in this country. If you oppose the establishment of human embryo farms, vote no on the Greenwood-Deutsch substitute.

Sincerely,

DOUGLAS JOHNSON,
Legislative Director.

SCIENTISTS SAY "THERAPEUTIC CLONING" CREATES A HUMAN EMBRYO—JULY 26, 2001

President Clinton's National Bioethics Advisory Commission, in its 1997 report Cloning Human Beings, explicitly stated:

"The Commission began its discussions fully recognizing that any effort in humans to transfer a somatic cell nucleus into an enucleated egg involves the creation of an embryo, with the apparent potential to be implanted in utero and developed to term."

The National Institutes of Health Human Embryo Research Panel also assumed in its September 27, 1994 Final Report, that cloning results in embryos. In listing research proposals that "should not be funded for the foreseeable future" because of "serious ethical concerns," the NIH panel included cloning:

"Such research includes: . . . Studies designed to transplant embryonic or adult nuclei into an enucleated egg, including nuclear cloning, in order to duplicate a genome or to increase the number of embryos with the same genotype, with transfer."

A group of scientists, ethicists, and biotechnology executives advocating "therapeutic cloning" and use of human embryos for research—Arthur Caplan of the University of Pennsylvania, Lee Silver of Princeton University, Ronald Green of Dartmouth University, and Michael West, Robert Lanza, and Jose Cibelli of Advanced Cell Technology—confirmed in the December 27, 2000 issue of the Journal of the American Medical Association that a human embryo is created and destroyed through "therapeutic cloning":

"CRNT [cell replacement through nuclear transfer, another term for "therapeutic cloning"] requires the deliberate creation and disaggregation of a human embryo."

". . . because therapeutic cloning requires the creation and disaggregation ex utero of blastocyst stage embryos, this technique raises complex ethical questions."

On September 7, 2000, the European Parliament adopted a resolution on human cloning. The Parliament's press release defined and commented on "therapeutic cloning":

". . . 'Therapeutic cloning,' which involves the creation of human embryos purely for research purposes, poses an ethical dilemma and crosses a boundary in research norms."

Lee M. Silver, professor of molecular biology and evolutionary biology at Princeton University, argues in his 1997 book, Remarking Eden: Cloning and Beyond in a Brave New World:

"Yet there is nothing synthetic about the cells used in cloning. . . . The newly created embryo can only develop inside the womb of a woman in the same way that all embryos and fetuses develop. Cloned children will be full-fledged human beings, indistinguishable in biological terms from all other members of the species."

The President and CEO of the biotechnology firm that recently announced its intentions to clone human embryos for research purposes, Michael D. West, Ph.D. of Advanced Cell Technology, testified before a Senate Appropriations Subcommittee on December 2, 1998:

"In this . . . procedure, body cells from a patient would be fused with an egg cell that has had its nucleus (including the nuclear DNA) removed. This would theoretically allow the production of a blastocyst-staged embryo genetically identical to the patient . . . ."

Dr. Ian Wilmut of PPL Technologies, leader of the team that cloned Dolly the sheep, describes in the Spring 1998 issue of Cambridge Quarterly of Healthcare Ethics how embryos are used in the process now referred to as "therapeutic cloning":

"One potential use for this technique would be to take cells—skin cells, for example—from a human patient who had a genetic disease. . . . You take this and get them back to the beginning of their life by nuclear transfer into an oocyte to produce a new embryo. From that new embryo, you would be able to obtain relatively simple, undifferentiated cells, which would retain the ability to colonize the tissues of the patient."

As documented in the American Medical News, February 23, 1998, University of Colorado human embryologist Jonathan Van Blerkom expressed disbelief that some deny that human cloning produces an embryo, commenting: "If it's not an embryo, what is it?"

Mr. Speaker, I commend to the House the following article written by Mr. Douglas Johnson of the National Right to Life Committee.

THE AMAZING VANISHING EMBRYO TRICK

It was revealed last week that Advanced Cell Technology (ACT) of Worcester, Massachusetts, a prominent privately owned biotechnology firm, has a plan to mass-produce human embryos. The firm also has a plan to render those same embryos nonexistent.

ACT is attempting to develop a technique to produce "cloned human entities," who would then be killed in order to harvest their stem cells, as first reported by Washington Post science writer Rick Weiss (July 13).

As Associated Press biotechnology writer Paul Elias explained in a July 13 report, "Many scientists consider the [anticipated] results of Advanced Cell's technique to be human embryos, since theoretically, they could be implanted into a womb and grown into a fetus. [ACT chief executive Michael] West himself has used the term 'embryo.'"

But it looks like West and his colleagues will not be saying "embryo" in the future. ACT's executives are smart people who anticipated that many outsiders would see their embryo-farm project as an ethnical nightmare. So ACT assembled a special task force of scientists and "ethicists" to develop linguistic stealth devices, with which they hope to slip under the public's moral radar.

As Weiss reported it, "Before starting, the company created an independent ethics board with nationally recognized scientists and ethicists. . . . The group has debated at length whether there needs to be a new term developed for the embryo-like entity created by cloning. Some believe that since it is not produced by fertilization and is not going to be allowed to develop into a fetus, it would be useful to call the cells something less inflammatory than an embryo."

"Embryo" is merely a technical term for a human being at the earliest stages of development. Until now, even the most rabid defenders of abortion on demand had not objected to the term "embryo" as being "inflammatory." But apparently ACT's experts have concluded that before the corporation actually begins to mass-produce human embryos in order to kill them, it would be prudent to erect a shield of biobabble euphemisms.

Thus, "These are not embryos," the chair of the ACT ethics advisory board, Dartmouth University religion professor Ronald Green, told the AP. "They are not the result of fertilization and there is no intent to implant these in women and grow them."

Further details on the ACT linguistic-engineering project were provided in an essay by Weiss in the July 15 Washington Post. It disclosed that one member of the ethics panel, Harvard professor Ann Kieffling, favors dubbing the cloned embryo as an "ovasome," which is a blending of words for "egg" and "body." But Michael West currently likes "nuclear transfer-derived blastocyst."

Green revealed his own favorite in the New York Times for July 13. "I'm tending personally to steer toward the term 'activated egg,'" he told reporter Sheryl Gay Stolberg.

In my mind's eye, I imagine Green at ACT corporate headquarters, somewhere in the marketing department, stroking his beard and peering through a one-way window into a room in which a scientifically selected focus group of non-bioethicist citizens have been assembled to test-market "ovasome," "activated egg," "nuclear transfer-derived blastocyst," and other freshly minted euphemisms.

But setting that image aside, Green's statement to the AP has me seriously confused. He said that the anticipated cloned entities are "not embryos" because (1) "they are not the result of fertilization," and (2) "there is no intent to implant these in women."

Let's consider the "intent" criteria first. Green seems to suggest that a living and developing embryonic being, who is genetically a member of the species homo sapiens, can somehow be transformed into something else on the basis of the "intent" of those who conceived him or her. This seems more akin to magical thinking than to science.

If "intent" is what determines the clone's intrinsic nature, then what if a human clone is created by someone who actually does have "intent" to implant him or her in a womb? In that case, would Green consider that particular clone to be a "embryo" from the beginning? If so, an ACT scientist hypothetically could create two cloned individuals at the same time, with intent to destroy one and intent to implant the other, but only the latter would be a "human embryo" in Green's eyes.

Or—since "intent" may be uncertain, or could change—does the magical transformation into an "embryo" occur if and when the embryonic entity actually is implanted in a womb?

It seems, however, that Green may not regard the clone to be a human embryo even after implantation in a womb, because the in-utero clone—although he or she would appear to the layman to be an unborn human child—would still bear the burden of not being "the result of fertilization." Perhaps Green would prefer to refer to such an unborn-baby-like entity as an "extrapolated activated egg."

But what if that clone is actually carried to term and born? Would Green then consider him or her to be a "human being"? Could be, but I fear that the professor's logic might lead him to perceive a need for a new term for any baby-like entities and grown-up-people-like entities who were not "the result of fertilization."

How about calling them "activites" (pronounced "AC-tiv-ites")? That would link "activated egg" with "vita," which is Latin for "life," and it even smuggles in the ACT corporate acronym, I think I'm getting the hang of this.

Green is a liberal-minded fellow, so I'll bet he would allow such activated human-like entities to vote, obtain Ph.D.s, and maybe even be awarded tenure. But perhaps they would be required to sign their letters "Ph.D. (act.)," so that they would not be confused with other tenured entities, such as Professor Green, who are fully fertilized.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, Congress, I hope, will soon ban the drilling for oil in the Alaska National Wildlife Refuge. In the very same week, are we really ready to license industry so it can proceed with the manufacture of cloned human embryos? Do human embryos count less than the pristine wilderness of Alaska, or do they at least have a common claim to protection under law from exploitation and destruction?

We ban the hunting of bald eagles. Communities ban open-air burning. We have banned chlorofluorocarbons. We ban PCBs. Congress voted to ban drilling in the Great Lakes. A ban on human cloning is a transcendent issue which requires no less vigilance.

The question remains, are we ready to stand up to the corporations, which have their eye on human embryos as the next natural resource to exploit? I believe that we are up to this challenge. I know my colleagues believe that government has to draw a line; that the unfettered marketplace has neither morals nor responsibility nor accountability when it comes to cloning of human embryos; and that at this moment, we have an opportunity for the future of this country and for the destiny of our society to take a strong stand to protect human dignity and human uniqueness by banning embryonic human cloning.

I say support the Weldon amendment, the Weldon bill.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Speaker, I thank the chairman of the Committee for yielding time to me. I certainly commend him on his command of the issues. I think all those years on the Committee on Science have served him well.

This is a complicated issue; but to distill it down to its simplest essence, we have two choices before us: the underlying bill, introduced by my colleague, the gentleman from Michigan (Mr. STUPAK), and I and others, which bans the creation of human embryos, either for the purpose of trying to produce a child or for destructive research purposes; or the approach being proposed under this substitute, which is to essentially sanction and register those people who want to create embryos for research purposes, embryos that will ultimately be destroyed.

I would challenge everyone on the critical question of does the slippery slope exist. We had a debate in this body several years ago on the issue of funding embryonic stem cell research at the NIH. Many people rose to speak in support of funding embryonic stem cell research. They said some interesting things.

Here is a quote from our colleague, the gentlewoman from California (Ms. PELOSI): "Let me say that I agree with our colleagues who say that we should not be involved in the creation of embryos for research. I completely agree with my colleagues on that score."

Here is another quote from the gentlewoman from New York (Mrs. LOWEY): "We can all be assured that the research at the National Institutes of Health will be conducted with the highest level of integrity. No embryos will be created for research purposes."

Here is a quote from the gentlewoman from Connecticut, Mrs. JOHNSON: "Lifting this ban would not allow the creation of human embryos solely for research purposes."

I have other quotes. Yet, that is where we are today. We are having a debate on whether we should now create human embryos for research purposes.

We have had a lot of discussion about whether or not these embryos are alive, whether they have a soul. The biological fact is, and I say this as a scientist and as a physician, that they are indistinguishable from a human embryo that has been created by sexual fertilization. Indeed, if we look at all the prominent researchers in this area, they say that it has the full potential to develop into a human being.

I think, and rightly so, the majority of Americans, and we have seen the numbers, they have been put up here for everyone to see on display charts, about 86 percent of Americans say, We do not want to take that step. It is one thing to talk about stem cell research using embryos that are slated for destruction. It is a whole separate issue to say, we are going to now sanction an industry that creates human embryos.

Mr. DEUTSCH. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Speaker, I thank the gentleman for yielding time to me. I would like to thank the gentleman from Florida (Mr. DEUTSCH) and the gentleman from Pennsylvania (Mr. GREENWOOD) for the work they have done on this amendment, which I rise in support of.

Let me say why, Mr. Speaker. For years, U.S. physicians, researchers, and scientists have searched for cures to the diseases that have afflicted so many of our families and our friends, and friends of our friends. These physicians, these scientists, and these researchers in my view are the real, true American heroes of our era.

As we stand on the brink of finding the cures to diseases that have plagued so many, so many millions of Americans, unfortunately, the Congress today in my view is on the brink of prohibiting this critical research.

As we debate this bill, scientists in my congressional district in the heart of Silicon Valley are using one method of research, therapeutic cloning, to make critical breakthroughs that could lead to cures for Alzheimer's, for Parkinson's, even for spinal cord injury. Without therapeutic cloning, there is no way to move stem cell therapies from the lab to the doctor's office. Stem cell research, as most Americans know, is not about destroying lives, but about saving them.

My friends on the other side of this issue keep talking about embryos, embryos, embryos, embryos. Well, if one is embryocentric, this is not the bill. Neither is the Stupak-Weldon approach about that. The only reason they used the word "embryos" is to try to do an overlay to the debate. This is not about embryos and embryos coming out of stem cells. There is not any such thing.

The Weldon-Stupak bill goes in another direction. It actually places an outright ban on this critical work, and it makes the research that could cure some of these diseases even illegal.

Are we going to take these great American heroes, and in fact, Dr. Okarma from my district, and throw him in jail? I think not. I think that is going too far. It is unconscionable for us not to continue to be the merchants of hope in terms of the business that we are in.

So I think we need to support the GREENWOOD-DEUTSCH approach and throw out the other. It is a march to folly.

Mr. GREENWOOD. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. HORN).

Mr. HORN. Mr. Speaker, I thank the gentleman for yielding time to me.

The letter here is from the Association of American Medical Colleges, more than 100 fine medical schools. They back the Deutsch-Greenwood bill for the bipartisan effort that it has made.

Let me just cite a few things: "As such, we want to urge Mr. GREENWOOD to reject the approach embodied" in the other form here, and "we agree with the American public that the cloning of human beings should not proceed."

According to the National Institutes of Health, somatic cell nuclear transfer technology could provide an invaluable approach on which to study how cells become specialized.

I cited some of those earlier, with Alzheimer's, Parkinson's disease, brain and spinal cord. But there are other types of specialized cells that could be created to create skin grafts for burn victims, bone marrow, stem cells to treat leukemia and other blood diseases; nerve stem cells to treat many of the diseases such as multiple sclerosis and Lou Gehrig's disease, Alzheimer's, Parkinson's, and to repair spinal cord injury; muscle cell precursors, to treat muscular dystrophy and heart disease.

Mr. Speaker, the president, Jordan J. Cohen, of the Association of American Medical Colleges, says, "We will never see the fulfillment of any of these promising areas if we choose to take the perilous path of banning outright the use of somatic cell nuclear transfer technology through legislation."

Mr. Speaker, I include for the RECORD the letter from Dr. Cohen.

The letter referred to is as follows:

Hon. JIM GREENWOOD,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE GREENWOOD: The current opportunities in medical research are unparalleled in our nation's history. To help ensure the fulfillment of thee opportunities, the Association of American Medical Colleges urges Congress to oppose legislation that would prohibit the use of somatic cell nuclear transfer. Such a blanket prohibition would have grave implications for future advances in medical research and human healing.

As such, we urge you to reject the approach embodied in H.R. 2505, the "Human Cloning Prohibition Act of 2001." H.R. 2505 would have a chilling effect on vital areas of research that could prove to be of enormous public benefit. Instead, we urge you to adopt the approach taken in H.R. 2608, the "Cloning Prohibition Act of 2001," introduced by Representatives Jim Greenwood (R-Pa.) and Peter Deutsch (D-Fla.). This bill would permit potentially life-saving research to continue, but prohibit the use of somatic cell nuclear transfer "to initiate a pregnancy or with the intent to initiate a pregnancy."

We agree with the American public that the cloning of human beings should not proceed. However, it is important to recognize the difference between reproductive cloning and the use of cloning technology that does not create a human being. Non-reproductive cloning technology has potentially important applications in research, medicine and industry, including genetically engineered human cell cultures that would serve as "therapeutic tissues" in the treatment of currently intractable human diseases. These uses of somatic cell nuclear transfer technology do not lead to a cloned human being.

According to the National Institutes of Health, somatic cell nuclear transfer technology could provide an invaluable approach by which to study how cells become specialized, which in turn could provide new understanding of the mechanisms that lead to the development of the abnormal cells responsible for cancers and certain birth defects. Improved understanding of cell specialization may also provide answers to how cells age or are regulated—leading to new insights into the treatment or cure of Alzheimer's and Parkinson's diseases, or other incapacitating degenerative disease of the brain and spinal cord. The technology might also help us understand how to activate certain genes to permit the creation of customized cells for transplantation or grafting. Such cells would be * * * could therefore be transplanted into that donor without fear of immune rejection, the major biological barrier to organ and tissue transplantation at this time.

Other types of specialized cells could be created to enable skin grafts for burn victims; bone marrow stem cells to treat leukemia and other blood diseases; nerve stem cells to threat neurodegenerative diseases such as multiple sclerosis, amyotrophic lateral sclerosis (Lou Gehrig's disease), Alzheimer's and Parkinson's disease, and to repair spinal cord injuries; muscle cell precursors to treat muscular dystrophy and heart disease; and cartilage-forming cells to reconstruct joints damaged by injury or arthritis. Somatic cell nuclear transfer technology could also be used potentially to accomplish remarkable increases in the efficiency and efficacy of gene therapy by permitting the creation of pure populations of genetically "corrected" cells that could then be delivered back into the patient, again with no risk of immune rejection. Indeed, this technology could well lead to the operationalization of gene therapy as a practicable and effective therapeutic modality—a goal which to date has proved elusive.

We will never see the fulfillment of any of these promising areas if we choose to take the perilous path of banning outright the use of somatic cell nuclear transfer technology through legislation. Thus, the AAMC respectfully urges the Congress to reject H.R. 2505 and adopt H.R. 2608. We thank you for your consideration of this vital issue.

Sincerely,

JORDAN J. COHEN, M.D.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman for yielding time to me.

Let me note that I believe the gentleman from Pennsylvania (Mr. GREENWOOD) has injected what I really believe to be a straw man argument when he suggests the issue of insoulment is part of this debate. It is not relevant. We are not talking about insoulment. The real issue before us is the simple but highly profound issue of whether or not it will be legally permissible to create human life for research purposes.

Mr. Speaker, human cloning, if it is not already here, it is certainly on the fast track. It is not a matter of if, it is a matter of when. It seems to me we have to make sure that these newly created human beings are not created for the purpose of exploitation, abuse, and destructive experimentation.

Human life, Mr. Speaker, can survive a few days, a few minutes, a few seconds, a few weeks, a few months, a few years, perhaps to old age. We need to understand and understand the profound truth that life is a continuum.

Earlier in the debate, the gentleman from Pennsylvania (Mr. GREENWOOD) stated that the scientists would simply stop the process, stop the process. Think about those words. What does that mean, stop the process? Stop that human life. That is what we are talking about.

Mr. Speaker, I remember the debate we had some years back in 1996 when some of our colleagues stood up and pounded the tables before them and said, and this is the gentlewoman from California (Ms. PELOSI), "We should not be involved in the creation of embryos for research. I completely agree with my colleagues on that score."

I remember that debate. I was here, as were some of my other colleagues. Everyone said they were against the creation of human embryos for human research.

Today, Member after Member gets up and says, I am against human cloning. As I said before, just because we say we are does not mean that we really are.

The only bill that stops human cloning is the Weldon-Stupak bill. I would respectfully say the bill that is offered by my friend and colleague from Pennsylvania will do nothing of the kind. It will perhaps stop some implantation but will not stop human cloning. We must vote for the underlying bill.

Let me note that I believe the gentleman from Pennsylvania (Mr. GREENWOOD) has injected what I really believe to be a straw man argument when he suggests the issue of insoulment is part of this debate. It is not relevant. We are not talking about insoulment. The real issue before us is the simple but highly profound issue of whether or not it will be legally permissible to create human life for research purposes.

Mr. Speaker, human cloning, if it is not already here, it is certainly on the fast track. It is not a matter of if, it is a matter of when. It seems to me we have to make sure that just because science possesses the capability to create cloned human beings that it not be permitted to carry out such plans, especially when the newly created humans would be used for the purpose of exploitation, abuse, and destructive experimentation.

Once created human life, Mr. Speaker, can survive a few seconds, a few minutes, a few days, a few weeks, a few months, a few years, perhaps many years to old age. We need to understand the profound truth that life is a continuum.

Earlier in the debate, the gentleman from Pennsylvania (Mr. GREENWOOD) stated that research scientists would simply "stop the process," so the newly created human life couldn't mature. Think about those words—stop the process. What does that mean, stop the process? It's a euphemistic way of saying stop the life process—kill it.

Mr. Speaker, finally I remember the debate we had in 1996 when some of our colleagues who routinely vote against the wellbeing of unborn children assured us that they would never support creating human embryos for experimentation. One colleague, the gentlewoman from California (Ms. PELOSI), said "We should not be involved in the creation of embryos for research. I completely agree with my colleagues on that score."

Well, not anymore. Now the ever expendable human embryo is to be cloned and abused for the benefit of mankind. And that vigorous opposition to embryo research by colleagues like Mrs. PELOSI exists no more, Such a pity.

In like manner, members who say they oppose human cloning and then vote for Greenwood are either kidding themselves—or us—or both.

Reject Greenwood.

□ 1700

The SPEAKER pro tempore (Mr. QUINN). The Chair would inform the gentleman from Pennsylvania (Mr. GREENWOOD) that he has 4 minutes remaining, the gentleman from Wisconsin (Mr. SENSENBRENNER) has 10 minutes remaining, and the gentleman from Florida (Mr. DEUTSCH) has 6¾ minutes remaining.

Mr. DEUTSCH. Mr. Speaker, I yield myself 5 seconds just to respond, both bills absolutely, positively stop human cloning, period.

Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Speaker, I thank the gentleman from Florida for yielding me this time.

I agonized over this, researched it, and know the heartfelt feelings on both sides of the issue. I am unequivocally against human cloning, but I am for a continuation of the research. And I rise in support of the Greenwood-Deutsch amendment because I am convinced that that is the only way that research can continue.

We are on the verge of lifesaving treatments and cures that affect our children and our parents, and to stifle this research now would be an injustice to so many suffering with juvenile and adult diabetes, Alzheimer's, Parkinson's, and other debilitating diseases that claim our loved ones every day.

Some people will say this is not about research; that there is a moral and ethical obligation to protect the sanctity of life, and I respect that. But the sanctity of life is helped, I think, by allowing cutting edge research to move forward that will free diabetic children of their hourly ritual of finger pricks, glucose testing, and insulin shots; that will allow those paralyzed or suffering from spinal cord injuries to walk and resume their normal lives; and that will allow our seniors to fulfill their golden years without suffering the effects of Alzheimer's.

So I will cast my vote for Greenwood-Deutsch, which does ban cloning, and urge my colleagues to do so as well.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. BILIRAKIS).

Mr. BILIRAKIS. Mr. Speaker, I thank the gentleman for yielding me this time; and I rise in opposition to the Greenwood substitute and for the base bill introduced by the gentleman from Florida (Mr. WELDON) and the gentleman from Michigan (Mr. STUPAK).

The Committee on Commerce held several hearings on cloning, including one in the Subcommittee on Health, which I chair. There is no doubt, as has already been stated so many times, that this is a difficult issue, and it involves many new and complex concepts. However, we should all be clear about the controversies related to human cloning. While this debate claims to be about therapeutic cloning, which is used to refer to cloned human cells not intended to result in a pregnancy, there is a fine line between creation and implantation.

The Committee on Commerce heard testimony from the Geron Corporation. They claim to be interested in therapeutic cloning and not implementing implanting those embryos into a surrogate mother. I think we all agree it would be a disaster to allow the implantation of cloned human embryos. Yet, if we allow therapeutic cloning, how can we truly prevent illegal implantation? We cannot.

Several years ago, the world marveled at the creation of Dolly, the cloned sheep. What most people did not realize was that it took some 270 cloning attempts before there was a successful live birth. Many of the other attempts resulted in early and grotesque deaths. Imagine repeating that scenario with human life. I am confident that none of us want that. Human cloning rises to the most essential question of who we are and what we might become if we open this Pandora's box.

Finally, I would like to applaud President Bush more for his strong support of this important base legislation. The administration strongly supports a ban on human cloning. The statement of the administration position reads, and I quote, "The administration unequivocally is opposed to the cloning of human beings either for reproduction or for research. The moral and ethical issues posed by human cloning are profound and cannot be ignored in the quest for scientific discovery."

I commend my colleagues, the gentleman from Florida and the gentleman from Michigan; and I hope my colleagues will join me in supporting H.R. 250 and opposing the substitute.

Mr. DEUTSCH. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. SAWYER).

Mr. SAWYER. Mr. Speaker, I thank the gentleman for his work on this measure. In fact, I thank all four primary sponsors of the measures that are before us today for their concern and for the effective ban on cloning of human beings.

The central issue, it seems to me, that is before us this afternoon was brought home to me by a prayer for healing that I heard in a service a couple of weeks ago. It goes like this. "May the source of strength who blessed the ones before us help us find the courage to make our lives a blessing, and let us say amen."

It struck me that giving human beings the potential of using one's own DNA, one's own life itself to derive the cure for one's own malady, without fear of rejection, without risk of a fruitless national search for a match, is the deepest benefit and most profound blessing conceivable. We should not waste this deepest of gifts.

Help us find the courage to make our lives, our life itself, a blessing.

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. STEARNS).

Mr. STEARNS. Mr. Speaker, during the Nuremberg war crime trials, the Nuremberg Code was drafted as a set of standards for judging physicians and scientists who had conducted biomedical experiments on concentration camp prisoners. I bring this to my colleagues' attention because part of the code, I think, is applicable to our debate today.

The code states that any experiment should yield results that are "unprocurable by other methods or means of study." Because stem cells can be obtained from other tissues and fluids of adult subjects without harm, perhaps it is unnecessary to perform cell extraction from embryos that would result in their death. This would be an argument, I think, that would support the Weldon bill; and so I reluctantly, because the gentleman from Pennsylvania (Mr. GREENWOOD) is making a very good and strong case, I oppose his amendment.

In a recent editorial, Ann Coulter talked about the great demand on the House floor for solving all problems using aborted fetuses. Remember that discussion? We have had that discussion here. And they claimed that we had to have experiments on aborted fetuses because they were crucial to potential cures for Parkinson's disease. Remember that? Well, The New York Times ran a story about a year later about experiments where they actually described the results of those experiments on Parkinson patients. Not only was there no positive effect, but about 15 percent of the patients had nightmarish side effects. The unfortunate patients writhed and twisted, jerked their heads, flung their arms around, and in the words of one scientist, "They chew constantly, their fingers go up and down, their wrists flex and distend," and the scientists could not turn them off.

So I just bring that example that we have been on the floor talking about how much we need to take aborted fetuses and study them to bring about all these panaceas and cures which never came about.

Again, this debate comes down to one about life. A human embryo is life, and to quote Ann Coulter from an article that appeared in a local paper in my district "So what great advance are we to expect from experimentation on human embryos? They don't know. It's just a theory. But they definitely need to slaughter the unborn."

In other words cloning research creates life—then systematically slaughters that life in the effort to find something of which we are unsure that exists.

My colleagues, the Weldon bill does not oppose science and research, rather, it opposes what Ms. Coulter termed as "harvest and slaughter." I urge you to ponder the consequences—oppose the substitute—and vote

for the Weldon bill. In doing so, you are preventing the reduction of human life down to a simple process of planting and harvesting.

Mr. Speaker, I provide the entire article I referred to above for the RECORD.

RESEARCH IS NEWEST 'CURE-ALL' CRAZE

I've nearly died waiting, but it can finally be said: The feminists were right about one thing. Some portion of pro-life men would be pro-choice if they were capable of getting pregnant. They are the ones who think life begins at conception unless Grandma has Alzheimer's and scientists allege that stem-cell research on human embryos might possibly yield a cure.

It's either a life or it's not a life, and it's not much of an argument to say the embryo is going to die anyway. What kind of principle is that? Prisoners on death row are going to die anyway, the homeless are going to die anyway, prisoners in Nazi death camps were going to die anyway. Why not start disemboweling prisoners for these elusive "cures"?

The last great advance for human experimentation in this country was the federal government's acquiescence to the scientific community's demands for money to experiment on aborted fetuses. Denouncing the "Christian right" for opposing the needs of science, Anthony Lewis of the New York Times claimed the experiments were "crucial to potential cures for Parkinson's disease."

Almost exactly a year later, the Times ran a front-page story describing the results of those experiments on Parkinson's patients: Not only was there no positive effect, but about 15 percent of the patients had nightmarsh side effects. The unfortunate patients "writhe and twist, jerk their heads, fling their arms about." In the words of one scientist: "They chew constantly, their fingers go up and down, their wrists flex and distend." And the scientists couldn't "turn it off."

Mr. DEUTSCH. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise to possibly restate what has been stated throughout this debate.

Those of us who believe in the Greenwood-Deutsch substitute are not proposing or are not proponents of human cloning. What we are proponents of are the Bush administration's NIH report entitled Stem Cells, done in June of 2001, that acknowledges the importance of therapeutic cloning.

None of us want to ensure that human beings come out of the laboratory. In fact, I am very delighted to note that language in the legislation. that I am supporting, the Greenwood-Deutsch legislation, specifically says that it is unlawful to use or attempt to use human somatic cell nuclear transfer technology or the product of such technology to initiate a pregnancy to create a human being. But what we can do is save lives.

The people that have come into my office, those suffering from Parkinson's disease, Alzheimer's, neurological paralysis, diabetes, stroke, Lou Gehrig's disease, and cancer, and all those who are desirous of having babies with in vitro fertilization, the Weldon bill questions whether that science can continue. I believe it is important to support the substitute, and I would ask my colleagues to do so.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Oklahoma (Mr. WATTS), the chairman of the House Republican conference.

Mr. WATTS of Oklahoma. Mr. Speaker, I thank the gentleman from Wisconsin for yielding me this time.

Mr. Speaker, there is no greater group of people who would benefit from human cloning more than Members of the House of Representatives. What a Congressman or Congresswoman would not give to have a clone sit in a committee hearing while the Member meets with a visiting family from back home in the District, or the clone could do a fund-raiser while the Congressman leads a town hall meeting back home. But doing what is right does not always mean doing what is easy.

Mr. Speaker, we ought to ban all forms of human cloning, and that is why I support the Weldon-Stupak bill and oppose the Deutsch-Greenwood substitute amendment. This House should not be giving the green light to mad scientists to tinker with the gift of life. Life is precious, life is sacred, life is not ours to arbitrarily decide who is to live and who is to die.

The "brave new world" should not be born in America. Cloning is an insult to humanity. It is science gone crazy, like a bad B-movie from the 1960s. And as bad as human cloning is, it would lead to even worse atrocities, such as eugenics.

Congress needs to pass a complete ban on human cloning, including what some people call therapeutic cloning. Creating life with the intent to fiddle with it, then destroy it, is not good. We are going down a dangerous road of human manipulation.

Mr. Speaker, I urge Members of the House to vote against the substitute amendment and for the Weldon-Stupak bill. Dolly the sheep should learn to fly before this Congress allows human cloning.

Mr. DEUTSCH. Mr. Speaker, I yield 1 minute to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I rise in support of the Greenwood-Deutsch amendment that bans the cloning of humans. I am concerned that the Weldon bill could negatively impact future research and bring current research that offers great promise to a halt.

I cannot support an all-out ban on this important technology. The Weldon bill would not allow therapeutic cloning to go forward. A ban on all cloning would have a dramatic impact on research using human pluripotent stem cells, and stem cell research really holds the greatest promise for cures for some of our most devastating diseases.

The possibilities of therapeutic cloning should not be barred in the United States. This research is being conducted overseas in Great Britain and other places. Do we want to become a society where our scientists have to move abroad to do their work? This important bill allows important groundbreaking, lifesaving research to go forward. We should support it. It is in the tradition of our country to support research and not send our scientists abroad to conduct it.

Mr. Speaker, The Washington Post agrees, and I will place in the RECORD an editorial of today against the Weldon amendment and in support of the Greenwood-Deutsch amendment.

[From the Washington Post, July 31, 2001]

CLONING OVERKILL

In the rush that precedes August recess, the House of Representatives has found time to schedule a vote today on a bill to ban human cloning. Hardly anyone dissents from the proposition that cloning a human being is a bad idea; large ethical questions about human identity aside, the state of cloning technology in animals at present ensures that all but 3 percent to 5 percent are born with fatal or horrendously disabling defects. But the bill to ban all human cloning, proposed by Rep. David Weldon (R–Fla.), goes well beyond any consensus society has yet reached. It levies heavy criminal penalties not only on the actual cloning of a human baby, termed "reproductive" cloning, but also on any scientific or medical use of the underlying technique—which many support as holding valuable potential for the treatment of disease.

The bill's prohibitions go well beyond those under debate for the separate though related research involving human embryonic stem cells. At issue is not the withholding of federal funding from research some find morally troubling; rather, the Weldon bill would criminalize the field of cloning entirely. Such a ban would have ripple effects across the cutting edge of medical research. A complete cloning ban could block many possible clinical applications of stem cell research, and could curb even the usefulness of the adult stem cell research many conservatives claim to favor. (Without the ability to "reprogram" an adult stem cell, which can be done by the cloning technique, adult stem cells' use may remain limited.) The bill bans the import from abroad of any materials "derived" from the cellular cloning technique; that could block not only tissues but even medicines derived from such research in other countries.

A competing bill likely to be offered as an amendment bans reproductive cloning but creates a complex system for regulating so-called "therapeutic" cloning, registering and licensing experimenters to make sure that none would implant a cloned embryo into the womb. A House committee split closely on the question of whether to ban therapeutic along with reproductive cloning, with Republican supporters of the Weldon bill voting down amendments that would have carved out some room for stem cell therapies.

The prospect of human cloning is a cause for real concern, but it is not an imminent danger. There is still time and good cause for discussion over whether some limited and therapeutic use of cloned embryos is justified. The Weldon bill is a blunt instrument that rules out such possibilities. prematurely, and in doing so, goes too far . Congress should wait.

Mr. SENSENBRENNER. Mr. Speaker, I have only one speaker remaining, and since I have the right to close, I will reserve the balance of my time.

☐ 1715

Mr. DEUTSCH. Mr. Speaker, I only have one speaker remaining. I would inquire of the gentleman from Pennsylvania how many speakers he has remaining.

Mr. GREENWOOD. Mr. Speaker, I have 4 minutes which I will use in my closing.

Mr. DEUTSCH. Mr. Speaker, I yield 2-¾ minutes to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Speaker, I rise in support of the Greenwood-Deutsch substitute and commend them for bringing this alternative to the floor.

During the debate on stem cell research 5 years ago, I made it clear that opponents of stem cell research who claim that it requires the creation of embryos were mistaken, and I agreed with them that Federal funds should not be used for that purpose. Today we debating a much broader ban on therapeutic cloning.

The context is much different. We have learned a great deal about the promise of stem cell research and gene therapy over the past 5 years, and I am opposed to any ban on therapeutic cloning. I just wanted to make the record clear because some quotes were taken out of context about where some of us who had participated in that debate were on this subject.

It is true that embryonic stem cell research can go forward without therapeutic cloning. However, the ability of patients to benefit from stem cell research would be negatively impacted if such a ban were enacted.

Once we learn how to make embryonic stem cells differentiate, for example, into brain tissue for people with Alzheimer's or Parkinson's disease, we must be sure that the body will not reject these stem cells when they are implanted.

We are empowering the body to clone itself, to heal itself. It is a very real concern because transplanted organs or tissues are rejected when the body identifies them as foreign. We all know that.

In a report on stem cell research released by the National Institutes of Health last month, the NIH describes therapeutic cloning's potential to create stem cell tissue with an immunological profile that exactly matches the patient. This customized therapy would dramatically reduce the risk of rejection.

I am opposed to cloning of humans. How many of us have said that today over and over again? Many of my colleagues have already mentioned the chilling possibilities created by the idea of designer children with genetically engineered traits. That is ridiculous. That is not what this debate is about.

Both the Weldon-Stupak bill and the Greenwood-Deutsch substitute agree on this point. The cloning of humans is not the issue at hand. Therapeutic cloning does not and cannot create a child.

Mr. Speaker, the National Institutes of Health and Science hold the biblical power of a cure for us. Where we see scientific opportunity and based on high ethical standards, I believe we have a moral responsibility to have the science proceed, again under the highest ethical standards.

I urge my colleagues to support the Greenwood-Deutsch substitute because it prohibits human cloning, but maintains the opportunity for patients to benefit from therapeutic cloning that could lead to cures for Parkinson's disease, cancer, spinal cord injuries and diabetes. I urge my colleagues to support the substitute.

Mr. GREENWOOD. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, the House of Representatives has debated this issue for nearly 3 hours today. It has been a good debate. Again, as has been said, it is impressive how many Members have become knowledgeable about this subject. It is time to summarize that debate. Let us think about where it is we agree and where it is we fundamentally disagree.

We all agree that we want to ban reproductive cloning, that it is not safe, it is not ethical to bring a child into this world as a replica of someone else. A child deserves to be the unique product of a mother and father and should not be created by cloning. We agree. It is unanimous.

We all agree that stem cell research holds promise. The gentleman from Florida (Mr. WELDON) did not bring a bill to the floor to ban embryonic stem cell research. He did not do that on purpose, because it would not fly with the American people. The American people understand that stem cell research holds enormous potential. I do not think we have heard disagreement about that on the floor today.

The question seems to be, and it has been reiterated repeatedly, is it ethical and should it be legal to create in a petri dish an embryo, or in a petri dish to allow the process of human cell division to begin?

Interestingly enough, that is not part of this bill either. The Weldon bill does not say one cannot create a embryo, that it should be illegal. Why is that? Because the American people would never stand for that because it would be the end of in vitro fertilization.

We are not here to say we will never create an embryo. People have said it, but they did not mean it because nobody has brought to the floor a bill to ban in vitro fertilization. There are too many Members of this body who have benefited from it.

So we say it is okay to create embryos because there are couples in this country and around the world who have not been blessed with a child born of their relationship in the normal way. So they are able to avail themselves of this wonderful technology where we can create their child for them, in vitro in a petri dish, implanted in the woman and out comes a beautiful child. So many families in this country are now blessed by beautiful children who are now brought into the world in this way. It started in a petri dish. What a magnificent thing for mankind to do.

Children get sick and when those same children find themselves stalked with a disease that fills them with pain, that wracks their bodies, that tortures their parents with the predictability that they will watch their children slowly suffer and die. These same children whose lives had begun in petri dishes, who were created by in vitro fertilization, get sick.

Now the question is, would we stop the research in petri dishes in laboratories that would save their lives, these same children, that would end their suffering, that would bring miracle cures to them and bless their families with the continued miracle of their own children? That is what the gentleman from Florida (Mr. WELDON) and his supporters would have us do today.

Over and over again it has been said, I am not against stem cell research. I think a majority of Members of this House are not opposed to stem cell research. They have told me that. I have talked to pretty strong pro-lifers who say, I am going to vote, if I have to, for stem cell research. What they do not understand is that stem cell research, whether it is done with embryonic stem cells or adult stem cells, needs somatic nuclear cell transfer research to make it work.

What do Members think is done with a stem cell from an embryo? It needs to be made into the kind of cell that cures these children, and somatic nuclear transfer technology is needed to do it; and if Members kill this substitute, they kill that hope. Please do not do that.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, after 3 hours of debate, I am glad that the gentleman from Pennsylvania (Mr. GREENWOOD) has finally cleared up one of the principal items we have been debating. He said the gentleman from Florida (Mr. WELDON) did not bring a bill to the floor to ban stem cell research.

He is right. The Weldon bill does not ban stem cell research. It does not ban it on adult stem cells, it does not ban it on embryonic stem cells, it bans it on cloned stem cells.

This bill is a cloning bill. The substitute amendment is not. It will allow the creation of cloned embryos to be regulated and sold, and once a cloned embryo is implanted into the uterus of a woman and develops into a child, there really is not anything anybody can do about it. So the Weldon substitute has a loophole a mile wide to allow the creation of cloned human beings because they cannot keep track of the cloned embryos that the Weldon bill attempts to regulate. That is the fatal flaw of the Greenwood substitute.

We heard quotes from three of our colleagues 5 years ago when we were debating a Labor-Health and Human Services bill. I have those quotes in front of me. The gentlewoman from California (Ms. PELOSI) said, "I agree with our colleagues who say we should not be involved in the creation of embryos for research."

The gentlewoman from New York (Mrs. LOWEY) said, "No embryos will be created for research purposes."

And the gentlewoman from Connecticut (Mrs. JOHNSON) said, "Lifting this ban would not allow for the creation of human embryos solely for research purposes."

They were right 5 years ago. We should not be using cloned human embryos for research purposes. I ask Members to vote with them the way they voted 5 years ago and to adhere to that position, because if we do allow cloned human embryos to be used for research purposes, some of them will eventually become human beings.

Mr. Speaker, the way to stop the slippery slope, going down this road into the ethical and moral abyss, is to reject the loophole-filled Greenwood substitute and pass the Weldon bill.

Mr. CONYERS. Mr. Speaker, finally we have a reasonable approach to prohibiting human cloning without prohibiting the ability to conduct valuable medical research.

Although H.R. 2505 bans reproductive cloning, it goes too far by banning necessary therapeutic research which could grant new hope to patients who have been told there is no cure for their illnesses. We all agree that reproductive cloning, cloning to produce a pregnancy, should be prohibited. But, in prohibiting reproductive cloning, we must not exclude valuable research cloning that could lead to significant medical advances.

The Greenwood/Deutsch Substitute Amendment narrows the prohibition and focuses on actions which would result in a cloned child by limiting the prohibition to cloning to initiate or the intent to initiate a pregnancy. This would ensure that the cloning of humans is prohibited, while the use of cloning for medical purposes is preserved. The substitute also protects state laws on human cloning that have been enacted prior to the passage of this legislation.

The Greenwood/Deutsch Substitute includes a registration provision for performing a human somatic cell nuclear transfer, so that the Secretary of Health and Human Services is able to monitor the use of the technology and enforce the prohibition against reproductive cloning.

In addition, this substitute would contain a sunset provision as recommended by the National Bioethics Advisory Commission. According to their report, this provision is essential because it guarantees that Congress will return to this issue and reconsider it in light of new scientific advancements.

Finally, the Greenwood/Deutsch substitute includes a study by the Institute of Medicine to review, evaluate, and assess the current state of knowledge regarding therapeutic cloning.

Join me in supporting this logical approach to cloning technology. This substitute takes a narrower approach by simply prohibiting the use or attempted use of DNA transfer technology with intent to initiate a pregnancy. Adopting the Greenwood/Deutsch alternative preserves the scientific use of the embryonic stem cells and at the same time prevents the unsafe practice of human cloning.

Mr. STARK. Mr. Speaker, I rise in support of H.R. 2608, the Greenwood-Deutsch Cloning Prohibition Act of 2001, and in opposition to H.R. 2505.

Cloning technology has been the subject of heated debate since 1997, when news of the successful cloning of Dolly the sheep rocked the scientific community. The resulting ethical discussions have raised many important questions of scientific development. Perhaps the most important discussions have centered on the lengths to which science can and should go in the future. What remained true throughout the debate, however, is that the vast majority of the American public vehemently opposes the creation of cloned human beings. The Greenwood-Deutsch bill respects that feeling to the utmost.

H.R. 2608 would criminalize reproductive cloning of human beings while simultaneously protecting the rights of scientists to perform somatic cell nuclear transfer. Somatic cell nuclear transfer is a technology that holds great promise for medicine by permitting the creation of stem cells that are genetically identical to the donor. This is valuable because many of the potential medical therapies involving stem cells could be stymied when the immune systems of therapy recipients reject the transferred tissue. Using cloning technology to create stem cells could circumvent this problem. Newly cloned nerve cells, for example, could be used to treat patients with neural degeneration without concern for rejection because the cells would be genetically identical to those already in the brain.

Opponents of this technology repeatedly claim that any therapies involving cloning are merely hypothetical. In this they are absolutely correct. These treatments are hypothetical today, but therapies for Parkinson's, Alzheimer's, and a myriad of other diseases will only remain so if this research is banned, as it is in H.R. 2505, the underlying bill.

In addition to preventing this promising research, the underlying bill would prohibit the importation of the products of clonal research. Such a ban would force the scientific community to turn its back on therapies developed abroad. It would deny the American people promising new therapies available elsewhere for which there may be no alternate treatment.

At some point in our lives, most of us will be touched in some way by Parkinson's Disease, Alzheimer's Disease, spinal cord injury, Juvenile Diabetes, and other maladies for which this technology holds promise. How can we stand in the way of scientific research that has the potential to cure these afflictions? I urge my colleagues to join me in support of the Greenwood-Deutsch substitute, and against the underlying bill.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. QUINN). Pursuant to House Resolution 214, the previous question is ordered on the bill, as amended, and on the amendment in the nature of a substitute offered by the gentleman from Pennsylvania (Mr. GREENWOOD).

The question is on the amendment in the nature of a substitute offered by the gentleman from Pennsylvania (Mr. GREENWOOD).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. GREENWOOD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 178, nays 249, not voting 6, as follows:

[Roll No. 302]

YEAS—178

Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Biggert
Blagojevich
Blumenauer
Boehlert
Bono
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Castle
Clay
Clayton
Clyburn
Condit
Conyers
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeGette
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gilchrest
Gilman
Gonzalez
Granger
Green (TX)
Greenwood
Gutierrez
Harman
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson, E. B.
Kelly
Kennedy (RI)
Kilpatrick
Kind (WI)
Kirk
Kleczka
Kolbe
Lampson
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCollum
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, George
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Obey
Olver
Ose
Owens
Pallone

Pastor
Payne
Pelosi
Price (NC)
Pryce (OH)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Simmons
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Strickland
Tauscher
Thomas
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Wilson
Woolsey
Wynn

NAYS—249

Abercrombie
Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bereuter
Berry
Bilirakis
Bishop
Blunt
Boehner
Bonilla
Bonior
Borski
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Chabot
Chambliss
Clement
Coble
Collins
Combest
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
Delahunt
DeLay
DeMint
Diaz-Balart
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Gordon
Goss
Graham
Graves
Green (WI)
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jefferson
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kennedy (MN)
Kerns
Kildee
King (NY)
Kingston
Knollenberg
Kucinich
LaFalce
LaHood
Langevin
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
Matheson
McCarthy (NY)
McCrery
McHugh
McInnis
McIntyre
McKeon
McNulty
Mica
Miller, Gary
Mink
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Osborne
Otter
Oxley
Pascrell
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Putnam
Quinn
Radanovich
Rahall
Regula
Rehberg
Reynolds
Riley
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sanders
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Turner
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wolf
Wu
Young (AK)
Young (FL)

NOT VOTING—6

Hastings (FL)
Hutchinson
Jones (OH)
Lipinski
Spence
Stark

□ 1749

Mr. SKEEN and Mr. ABERCROMBIE changed their vote from "yea" to "nay."

Messrs. FORD, REYES, THOMAS, and ROSS changed their vote from "nay" to "yea."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. QUINN). The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MS. LOFGREN

Ms. LOFGREN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentlewoman opposed to the bill?

Ms. LOFGREN. I am, Mr. Speaker, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Ms. LOFGREN moves to recommit the bill, H.R. 2505, to the Committee on the Judiciary with instructions to report the same back to the House forthwith with the following amendment: Page 4, after line 10, insert the following subsection:
>
> "(e) EXEMPTION FOR MEDICAL TREATMENTS.—Nothing in this section shall prohibit the use of human somatic cell nuclear transfer in connection with the development or application of treatments designed to address Parkinson's disease, Alzheimer's disease, diabetes, cancer, heart disease, spinal cord injury, multiple sclerosis, severe burns, or other diseases, disorders, or conditions, provided that the product of such use is not utilized to initiate a pregnancy and is not intended to be utilized to initiate a pregnancy. Nothing in this subsection shall exempt any product from any applicable regulatory approval.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. LOFGREN) is recognized for 5 minutes in support of her motion.

Ms. LOFGREN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as we close the debate on this research issue, there were several Members of the House in opposition to the Greenwood amendment who said that we dare not allow for the possibility of research, there was a slippery slope; that if we allowed research to occur, inevitably there would be those who would then go ahead and clone a human being, which all of us oppose.

I think that that is a fallacious argument. It is a defective argument, because what that argument says is people will violate the law. Well, if that is why we cannot stand up for research today, if the worry is that if we allow for research, that some will violate the law that we passed prohibiting the cloning of human beings, then we would have to go and prohibit the selling of petri dishes and other scientific equipment.

No, that is a defective argument. The real issue is whether or not the House of Representatives intends to allow stem cell research, the somatic cell nuclear transfer technology.

We received in the Committee on the Judiciary a letter from a person who is the Director of the Ethics Institute, the Chair of the Department of Religion at Dartmouth College. This person was the founding director of the Office of Genome Ethics at the NIH National Human Genome Research Institute, a past president of the Society of Christian Ethics, the largest association of religious ethicists.

This is what he told us: "I wish to draw your attention to the devastating implications for medical science of H.R. 2505. As written, the bill would prohibit several research directions of possibly great medical benefit. Nuclear transfer for cell replacement would permit us to produce immunologically compatible cell lines for tissue repair. There is no intention on the part of those researching this technology to clone a person. Using this technology, a child suffering from diabetes could receive a replacement set of insulin producing cells. These would not be rejected by the child because they would be produced via a nuclear transfer procedure from the child's own body cells. Neither would the implantation of these cells require the use of dangerous immuno-suppression drugs. Using this same technology, paralyzed individuals might receive a graft of nervous system cells that would restore spinal cord function. Burn victims could receive their own skin tissue back for wound healing, and so on."

Dr. Green goes on to say, "As presently drafted, H.R. 2505 will shut down this research in this country. This would represent an unparalleled loss to biomedical research, and for no good reason. H.R. 2505, if it is passed in its present form, the United States will turn its back on thousands or millions of sufferers of severe diseases. It will become a research backwater in one of science's most promising areas."

He goes on to ask that we amend the bill, and that is what this motion to recommit would do. It would allow for an exemption from the bill for medical treatments.

The NIH has been discussed a lot to today, and they produced a primer on stem cell research in May of last year. They point out on page 4 of their primer that the transplant of healthy heart muscle could provide new hope for patients with chronic heart disease whose hearts can no longer pump adequately. The hope is to develop heart muscles from human pluripotent stem cells.

The problem is, while this research shows extraordinary promise, there is much to be done before we can realize these innovations. First, we must do basic research, says the NIH, to understand the cellular events that lead to cell specialization in humans. But, second, before we can use these cells for transplantation, we must overcome the well-known problem of immune rejection, because human pluripotent stem cells would be genetically no different than the recipient. Future research needs to focus on this, and the use of somatic cell nuclear transfer is the way to overcome this tissue incompatibility.

Some have talked about their religious beliefs today, and that is fine. We all have religious beliefs. But I ask Members to look at this chart. We have a cell that is fused, they become totipotent cells, a blastocyst, and then a handful of cells, undifferentiated, no organs, no nerves, a handful of cells that is put in a petri dish and becomes cultured to pluripotent stem cells.

□ 1800

Now, some have asked me to consider that this clump of cells in the petri dish deserves more respect than human beings needing the therapy that will be derived from those cultured cells.

My father is 82 years old. He suffers from heart disease and pulmonary disorder. He lived through the Depression, he volunteered for World War II. Do not ask me to put a clump of cells ahead of my dad's health.

Mr. SENSENBRENNER. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker, the motion to recommit allows for the production of cloned embryos for the development of treatments designed to address a number of diseases. We just voted this down. This is a reworded Greenwood substitute amendment.

The motion to recommit would allow the practice of creating human embryos solely for the purpose of destroying them for experimentation. This approach to prohibit human cloning would be ineffective and unenforceable.

Once cloned embryos were produced and available in laboratories, it would be virtually impossible to control what is done with them. Stockpiles of cloned embryos would be produced, bought and sold without anyone knowing about it. Implantation of cloned embryos into a woman's uterus, a relatively easy procedure, would take place out of sight. At that point, governmental attempts to enforce a reproductive cloning ban would prove impossible to police or regulate.

Creating cloned human children necessarily begins by producing cloned human embryos. If we want to prevent the latter, we should prevent the former.

The gentlewoman from California (Ms. LOFGREN) says that cloned embryos are necessary to prevent rejection during transplantation for diseases. That is not what the testimony before the Committee on the Judiciary says. Dr. Leon Kass, professor of bioethics at the University of Chicago, said that the clone is not an exact copy of the nucleus donor, and that its antigens, therefore, would provoke an immune reaction when transplanted and there still would be the problem of immunological rejection that cloning is said to be indispensable for solving. So the very argument in her amendment was refuted by Professor Kass's testimony.

Mr. Speaker, H.R. 2505, by banning human cloning at any stage of development, provides the most effective protection from the dangers of abuse inherent in this rapidly developing field. By preventing the cloning of human embryos, there can be no possibility of cloning a human being.

The bill specifically states that nothing shall restrict areas of scientific research not specifically prohibited by this bill, including research in the use of nuclear transfer or other cloning techniques to produce molecules, DNA, cells other than human embryos, tissues, organs, plants or animals, other than humans.

Mr. Speaker, this bill is a cloning bill; it is not a stem cell research bill. The scientific research is already preserved by H.R. 2505, which is the only real proposal before us that will prevent human cloning.

Oppose the motion to recommit; pass the bill.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER pro tempore (Mr. QUINN). The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Ms. LOFGREN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the time for an electronic vote on final passage.

The vote was taken by electronic device, and there were—ayes 175, noes 251, not voting 7, as follows:

[Roll No. 303]

AYES—175

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Blagojevich
Blumenauer
Boehlert
Bono
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Castle
Clay
Clayton
Clyburn
Condit
Conyers
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gilman
Gonzalez
Green (TX)
Greenwood
Gutierrez
Harman
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Kelly
Kennedy (RI)
Kilpatrick
Kind (WI)
Kleczka
Kolbe
Lampson
Lantos
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, George
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Obey
Olver
Ose
Owens
Pallone
Pastor
Payne
Pelosi
Price (NC)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Shaw
Shays
Sherman
Simmons
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Strickland
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wynn

NOES—251

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bereuter
Berry
Biggert
Bilirakis
Bishop
Blunt
Boehner
Bonilla
Bonior
Borski
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Chabot
Chambliss
Clement
Coble
Collins
Combest
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
Delahunt
DeLay
DeMint
Diaz-Balart
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (WI)
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kennedy (MN)
Kerns
Kildee
King (NY)
Kingston

Kirk
Knollenberg
Kucinich
LaFalce
LaHood
Langevin
Largent
Larsen (WA)
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
Matheson
McCrery
McHugh
McInnis
McIntyre
McKeon
McNulty
Mica
Miller, Gary
Mink
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Osborne
Otter
Oxley
Pascrell
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Regula
Rehberg
Reynolds
Riley
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sanders
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Stump
Stupak
Sununu
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Turner
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wu
Young (AK)
Young (FL)

NOT VOTING—7

Hastings (FL)
Hutchinson
Jones (OH)
Lipinski
McKinney
Spence
Stark

☐ 1821

Mrs. MEEK of Florida, Mr. ROTHMAN and Mr. ABERCROMBIE changed their vote from "no" to "aye."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. QUINN). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SENSENBRENNER. Mr Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 265, noes 162, not voting 6, as follows:

[Roll No. 304]

AYES—265

Abercrombie
Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bereuter
Berry
Bilirakis
Bishop
Blunt
Boehner
Bonilla
Bonior
Bono
Borski
Boyd
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Chabot
Chambliss
Clement
Clyburn
Coble
Collins
Combest
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hyde
Isakson
Israel
Issa
Istook
Jefferson
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kerns
Kildee
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Langevin
Largent
Larsen (WA)
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
Matheson
McCarthy (NY)
McCrery
McHugh
McInnis
McIntyre
McKeon
McNulty
Mica
Miller, Gary
Mink
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Osborne
Otter
Oxley
Pascrell
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Putnam
Quinn
Radanovich
Rahall
Regula
Rehberg
Reyes
Reynolds
Riley
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sanders
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Turner
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOES—162

Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Biggert
Blagojevich
Blumenauer
Boehlert
Boswell
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Castle
Clay
Clayton
Condit
Conyers
Coyne
Crowley
Cummings
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Frank
Frost
Gephardt
Gilchrest
Gilman
Gonzalez
Greenwood
Gutierrez
Harman
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson, E. B.
Kaptur
Kennedy (RI)
Kilpatrick
Kind (WI)
Kleczka
Lampson
Lantos
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCollum
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, George
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Obey
Olver
Ose
Owens
Pallone
Pastor
Paul
Payne
Pelosi
Price (NC)
Pryce (OH)
Ramstad
Rangel
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Simmons
Slaughter
Smith (WA)
Snyder
Solis
Tauscher
Thompson (CA)
Thurman
Tierney
Towns
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey

NOT VOTING—6

Hastings (FL)
Hutchinson
Jones (OH)
Lipinski
Spence
Stark

☐ 1830

Mrs. CLAYTON changed her vote from "aye" to "no."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 333, BANKRUPTCY ABUSE PREVENTION AND CONSUMER PROTECTION ACT OF 2001

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 333) to amend title 11, United States Code, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MS. BALDWIN

Ms. BALDWIN. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Ms. BALDWIN of Wisconsin moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the House bill (H.R. 333) be instructed to agree to title X (relating to protection of family farmers and family fishermen) of the Senate amendment.

The SPEAKER pro tempore (Mr. SUNUNU). Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentlewoman from

Wisconsin (Ms. BALDWIN) each will control 30 minutes.

The Chair recognizes the gentlewoman from Wisconsin (Ms. BALDWIN).

Ms. BALDWIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Chapter 12 bankruptcy protection was created to help farmers in crisis keep their family farms. H.R. 333 makes Chapter 12 permanent. While waiting for this comprehensive bankruptcy reform legislation, Chapter 12 has expired five times. Just during the current Congress, we have been forced to pass two extensions to Chapter 12. It is time to treat our family farmers with the respect that they have earned. Adjusting eligibility to more properly reflect the needs of real family farmers would make a significant improvement to the underlying bill.

This motion on H.R. 333, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2001 would instruct the House conferees to accept Senate language on Chapter 12 bankruptcy protection. The other body expanded the definition of family farmer to allow more family farmers to file under the protections of Chapter 12. These changes do three simple things to allow more of our family farmers to qualify for Chapter 12 bankruptcy protection.

First, the amendment will increase from $1.5 million to $3 million the amount of aggregate debt that may be accrued by the family farmer. This is necessary because many family farmers accrue more than the $1.5 million in debt before filing for bankruptcy.

Second, the amendment will reduce from 80 percent to 50 percent the value of a family farm's aggregate noncontingent liquidated debts that must be related to the farming operation. Again, this expanded definition will allow for more families to keep their farms under chapter 12 rather than having to liquidate their farm assets.

Finally, under current law, the person or family must earn more than 50 percent of their gross income from farming in the year prior to bankruptcy. The amendment would look at one of the last 3 years prior to the bankruptcy rather than just the prior year. This change is very important because many farm families split their time between farm and other employment out of necessity. It is not at all unusual for one spouse to work on a nonfarm job to secure health or other benefits for the entire family. In a year prior to declaring bankruptcy, that nonfarm income may easily exceed farm-related income, since low prices and crop failures can dramatically reduce gross income in that year. Looking at one of the 3 years prior to bankruptcy filing will keep true family farms from being denied chapter 12 relief.

During committee consideration, I proposed similar language to expand the definition of family farmer. The majority did not accept the amendment due to a desire to maintain the language negotiated by the Bankruptcy Conference Committee in the 106th Congress in an attempt to avoid a conference committee in this session. My discussions with the bill's author and others in the majority revealed no substantive objection to expanding this definition. Now that the other body has decided to include it in their version of the bill, I hope the House will incorporate it into the bill.

This motion also instructs conferees to accept the Senate language with respect to extending chapter 12 bankruptcy protection to family fishermen. Family fishermen face the same type of financial pressures that are beyond their control as family farmers do. They harvest the oceans like our family farmers harvest the land. Allowing family fishermen to reorganize their debts without losing their equipment that is essential to their livelihood will ensure the continued viability of our family fishermen.

Mr. Speaker, I urge my colleagues to vote in favor of this motion to instruct conferees to accept the chapter 12 positions from the other body. These commonsense amendments will improve the Bankruptcy Abuse Prevention and Consumer Protection Act of 2001 to protect some of the most vulnerable families in America and allow them to maintain their farms and their livelihoods.

Mr. Speaker, I reserve the balance of my time.

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the motion to instruct conferees currently under debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume first to state that I have no objection to the motion to instruct, and I would urge that the House go on and speedily approve it, hopefully without a rollcall.

Secondly, a concern that I have, and I am looking at the Senate amendment and I am not sure whether it is properly drafted, is to make sure that a family fisherman is a commercial fisherman, rather than having someone claim to be a sport fisherman and thus protecting very expensive yachts, that are used occasionally for fishing purposes, from being sold and the assets distributed amongst the creditors. So the provision in the Senate bill might need some clarification.

But with that reservation, I am happy to support the motion to instruct.

Mr. Speaker, I reserve the balance of my time.

Ms. BALDWIN. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from New York (Mr. NADLER), a member of the Committee on the Judiciary.

Mr. NADLER. Mr. Speaker, I rise in support of the motion offered by the gentlewoman from Wisconsin, and I want to commend her for her consistent and forceful stand on behalf of this Nation's embattled family farmers.

The proposed instruction is very straightforward and should not draw any opposition. The Senate language represents a bipartisan consensus that family farmers and embattled family fishermen who now face a crisis ought to be able to reorganize their debts and continue the work on the land or on the water that their families have pursued for generations. That is what this is all about.

The Senate language would expand eligibility for chapter 12 to reflect the current economic realities, not the economic realities of 1986. It increases eligibility from $1.5 million in debt to $3 million in debt. The House bill does not do that. It merely allows the amounts to be adjusted in the future, but does not take into account 15 years of inflation.

Like the House bill, the Senate provision would make chapter 12 permanent. Unlike the House bill, it would recognize for the first time that many family farmers, especially those in distress, do not receive more than 50 percent of their income from farming because one spouse may need to work off the farm to keep the farm afloat. We should not now penalize these people for doing everything in their power to avoid bankruptcy through hard work.

The proposed amendment also extends chapter 12 protection to family fishermen for the first time. They too are subject to the stresses of fluctuating commodity prices, and they also have similar problems of large capital investments and significant preseason debts against the coming harvest which characterize family farmers, and for which chapter 12 has been specifically tailored.

Chapter 12 is not a bailout, it is merely a way for a family farmer, or as we extend it for a family fisherman, to reorganize debts and stay on the land or on the water. It protects family farmers from being swallowed up by agribusiness or suburbanization, it protects our watersheds and drinking water, and it protects those families and communities who have been the backbone of rural America and of our Nation.

Again I commend the gentlewoman from Wisconsin for this motion, and I urge everyone to support it.

Ms. BALDWIN. Mr. Speaker, I yield myself such time as I may consume to respond to the gentleman's concerns relating to the language adopted in title X by the other body. As I read the definition of family fisherman, I feel quite confident that this is limited to commercial fishing enterprises and operations and that the gentleman's concern of individuals trying to protect yachts and other luxury boats not used in a commercial fishing venture would not be covered under this.

I am wondering whether the gentleman is supportive of the entire motion or whether he might want to read and satisfy himself that this is indeed protecting only commercial fishing operations.

Mr. SENSENBRENNER. Mr. Speaker, will the gentlewoman yield?

Ms. BALDWIN. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Speaker, I am not sure that the definition of commercial fishing operation contained in section 1007 in the Senate bill is sufficiently tightly worded to prevent someone who uses a yacht for sport fishing and derives income therefrom from being able to protect the yacht under the bankruptcy code. That is what my concern is.

What I am suggesting to the gentlewoman from Wisconsin, my colleague, is that perhaps section 1007 should be looked at very closely to make sure we are not creating a loophole and that it not be treated as holy writ, not subject to any modification whatsoever.

Mr. CONYERS. Mr. Speaker, I rise in strong support of the Motion to Instruct. This will put the House on the record as supporting Senate passed provisions that are more favorable to our farmers and fishermen.

We always talk about the special need to protect our farmers. They face harsh weather and are constantly being squeezed by corporate farms and hug buyers and wholesalers. The least we can do is help honest farmers and fishermen reorganize their affairs so they can stay in business.

The Senate bill is preferable to the House bill in four key respects. First, it reduces from 80 percent to 50 percent the amount of total debt that must be related to farming. Many farm families are forced to seek multiple outside jobs in order to keep their farms afloat. This should not be a reason that you lose your farm in bankruptcy.

Second, the Senate provision permits family farmers to file for Chapter 12 if they meet the 50 percent requirement in any of the three years prior to filing. For farm families that split their income, low prices or crop failures can dramatically reduce gross income in the year prior to filing. Allowing consideration of any of three years prior to filing will keep farm families from being unfairly denied Chapter 12 relief.

Third, the Senate provision increases the jurisdictional debt limit for filing Chapter 12 from $1.5 million to $3 million. This new figure offsets the effects of inflation of the last 15 years. The $1.5 million limit was established in 1986.

Finally, the Senate bill extends protections to family fishermen so they can protect their boats and fishing equipment. Like agricultural farmers, fishermen face a hostile economic environment and thousands of fishermen leave the business every year. There is no reason to discriminate between family farmers and family fishermen in providing basic key protections.

These provisions will help rural and coastal communities retain their unique character and allow farmers and fishermen to keep their farms and boats. I urge a yes vote on the Motion to Instruct.

Ms. BALDWIN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentlewoman from Wisconsin (Ms. BALDWIN).

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees:

From the Committee on the Judiciary for consideration of the House bill and the Senate amendment, and modifications committed to conference: Messrs. SENSENBRENNER, HYDE, GEKAS, SMITH of Texas, CHABOT, BARR of Georgia, CONYERS, BOUCHER, NADLER, and WATT of North Carolina.

From the Committee on Financial Services, for consideration of sections 901 through 906, 907A through 909, 911, and 1301 through 1309 of the House bill, and sections 901 through 906, 907A through 909, 911, and 913–4 and title XIII of the Senate amendment, and modifications committed to conference: Messrs. OXLEY, BACHUS, and LAFALCE.

From the Committee on Energy and Commerce, for consideration of title XIV of the Senate amendment, and modifications committed to conference: Messrs. TAUZIN, BARTON of Texas, and DINGELL.

From the Committee on Education and the Workforce, for consideration of section 1403 of the Senate amendment, and modifications committed to conference: Messrs. BOEHNER, CASTLE and KILDEE.

There was no objection.

□ 1845

RAILROAD RETIREMENT AND SURVIVORS' IMPROVEMENT ACT OF 2001

Mr. YOUNG of Alaska. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1140) to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries, as amended.

The Clerk read as follows:

H.R. 1140

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Railroad Retirement and Survivors' Improvement Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—AMENDMENTS TO RAILROAD RETIREMENT ACT OF 1974

Sec. 101. Expansion of widow's and widower's benefits.
Sec. 102. Retirement age restoration.
Sec. 103. Vesting requirement.
Sec. 104. Repeal of railroad retirement maximum.
Sec. 105. Investment of railroad retirement assets.
Sec. 106. Elimination of supplemental annuity account.
Sec. 107. Transfer authority revisions.
Sec. 108. Annual ratio projections and certifications by the Railroad Retirement Board.

TITLE II—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

Sec. 201. Amendments to the Internal Revenue Code of 1986.
Sec. 202. Exemption from tax for National Railroad Retirement Investment Trust.
Sec. 203. Repeal of supplemental annuity tax.
Sec. 204. Employer, employee representative, and employee tier 2 tax rate adjustments.

TITLE I—AMENDMENTS TO RAILROAD RETIREMENT ACT OF 1974

SEC. 101. EXPANSION OF WIDOW'S AND WIDOWER'S BENEFITS.

(a) IN GENERAL.—Section 4(g) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(g)) is amended by adding at the end the following new subdivision:

"(10)(i) If for any month the unreduced annuity provided under this section for a widow or widower is less than the widow's or widower's initial minimum amount computed pursuant to paragraph (ii) of this subdivision, the unreduced annuity shall be increased to that initial minimum amount. For the purposes of this subdivision, the unreduced annuity is the annuity without regard to any deduction on account of work, without regard to any reduction for entitlement to an annuity under section 2(a)(1) of this Act, without regard to any reduction for entitlement to a benefit under title II of the Social Security Act, and without regard to any reduction for entitlement to a public service pension pursuant to section 202(e)(7), 202(f)(2), or 202(g)(4) of the Social Security Act.

"(ii) For the purposes of this subdivision, the widow or widower's initial minimum amount is the amount of the unreduced annuity computed at the time an annuity is awarded to that widow or widower, except that—

"(A) in subsection (g)(1)(i) '100 per centum' shall be substituted for '50 per centum'; and

"(B) in subsection (g)(2)(ii) '130 per centum' shall be substituted for '80 per centum' both places it appears.

"(iii) If a widow or widower who was previously entitled to a widow's or widower's annuity under section 2(d)(1)(ii) of this Act becomes entitled to a widow's or widower's annuity under section 2(d)(1)(i) of this Act, a new initial minimum amount shall be computed at the time of award of the widow's or widower's annuity under section 2(d)(1)(i) of this Act.".

(b) Effective Date.—

(1) In general.—The amendment made by this section shall take effect on the first day of the first month that begins more than 30 days after enactment, and shall apply to annuity amounts accruing for months after the effective date in the case of annuities awarded—

(A) on or after that date; and

(B) before that date, but only if the annuity amount under section 4(g) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(g)) was computed under such section, as amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35; 95 Stat. 357).

(2) Special rule for annuities awarded before the effective date.—In applying the amendment made by this section to annuities awarded before the effective date, the calculation of the initial minimum amount under new section 4(g)(10)(ii) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(g)(10)(ii)), as added by subsection (a), shall be made as of the date of the award of the widow's or widower's annuity.

SEC. 102. RETIREMENT AGE RESTORATION.

(a) Employee Annuities.—Section 3(a)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(a)(2)) is amended by inserting after "(2)" the following new sentence: "For purposes of this subsection, individuals entitled to an annuity under section 2(a)(1)(ii) of this Act shall, except for the purposes of recomputations in accordance with section 215(f) of the Social Security Act, be deemed to have attained retirement age (as defined by section 216(l) of the Social Security Act).".

(b) Spouse and Survivor Annuities.—Section 4(a)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(a)(2)) is amended by striking "if an" and all that follows through "section 2(c)(1) of this Act" and inserting "a spouse entitled to an annuity under section 2(c)(1)(ii)(B) of this Act".

(c) Conforming Repeals.—Sections 3(a)(3), 4(a)(3), and 4(a)(4) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(a)(3), 231c(a)(3), and 231c(a)(4)) are repealed.

(d) Effective Dates.—

(1) Generally.—Except as provided in paragraph (2), the amendments made by this section shall apply to annuities that begin to accrue on or after January 1, 2002.

(2) Exception.—The amount of the annuity provided for a spouse under section 4(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(a)) shall be computed under section 4(a)(3) of such Act, as in effect on December 31, 2001, if the annuity amount provided under section 3(a) of such Act (45 U.S.C. 231b(a)) for the individual on whose employment record the spouse annuity is based was computed under section 3(a)(3) of such Act, as in effect on December 31, 2001.

SEC. 103. VESTING REQUIREMENT.

(a) Certain Annuities for Individuals.—Section 2(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231a(a)) is amended—

(1) by inserting in subdivision (1) "(or, for purposes of paragraphs (i), (iii), and (v), five years of service, all of which accrues after December 31, 1995)" after "ten years of service"; and

(2) by adding at the end the following new subdivision:

"(4) An individual who is entitled to an annuity under paragraph (v) of subdivision (1), but who does not have at least ten years of service, shall, prior to the month in which the individual attains age 62, be entitled only to an annuity amount computed under section 3(a) of this Act (without regard to section 3(a)(2) of this Act) or section 3(f)(3) of this Act. Upon attainment of age 62, such an individual may also be entitled to an annuity amount computed under section 3(b), but such annuity amount shall be reduced for early retirement in the same manner as if the individual were entitled to an annuity under section 2(a)(1)(iii).".

(b) Computation Rule for Individuals' Annuities.—Section 3(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(a)), as amended by section 102 of this Act, is further amended by adding at the end the following new subdivision:

"(3) If an individual entitled to an annuity under section 2(a)(1)(i) or (iii) of this Act on the basis of less than ten years of service is entitled to a benefit under section 202(a), section 202(b), or section 202(c) of the Social Security Act which began to accrue before the annuity under section 2(a)(1)(i) or (iii) of this Act, the annuity amount provided such individual under this subsection, shall be computed as though the annuity under this Act began to accrue on the later of (A) the date on which the benefit under section 202(a), section 202(b), or section 202(c) of the Social Security Act began, or (B) the date on which the individual first met the conditions for entitlement to an age reduced annuity under this Act other than the conditions set forth in sections 2(e)(1) and 2(e)(2) of this Act and the requirement that an application be filed.".

(c) Survivors' Annuities.—Section 2(d)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231a(d)(1)) is amended by inserting "(or five years of service, all of which accrues after December 31, 1995)" after "ten years of service".

(d) Limitation on Annuity Amounts.—Section 2 of the Railroad Retirement Act of 1974 (45 U.S.C. 231a) is amended by adding at the end the following new subsection:

"(i) An individual entitled to an annuity under this section who has completed five years of service, all of which accrues after 1995, but who has not completed ten years of service, and the spouse, divorced spouse, and survivors of such individual, shall not be entitled to an annuity amount provided under section 3(a), section 4(a), or section 4(f) of this Act unless the individual, or the individual's spouse, divorced spouse, or survivors, would be entitled to a benefit under title II of the Social Security Act on the basis of the individual's employment record under both this Act and title II of the Social Security Act.".

(e) Computation Rule for Spouses' Annuities.—Section 4(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(a)), as amended by section 102 of this Act, is further amended by adding at the end the following new subdivision:

"(3) If a spouse entitled to an annuity under section 2(c)(1)(ii)(A), section 2(c)(1)(ii)(C), or section 2(c)(2) of this Act or a divorced spouse entitled to an annuity under section 2(c)(4) of this Act on the basis of the employment record of an employee who will have completed less than 10 years of service is entitled to a benefit under section 202(a), section 202(b), or section 202(c) of the Social Security Act which began to accrue before the annuity under section 2(c)(1)(ii)(A), section 2(c)(1)(ii)(C), section 2(c)(2), or section 2(c)(4) of this Act, the annuity amount provided under this subsection shall be computed as though the annuity under this Act began to accrue on the later of (A) the date on which the benefit under section 202(a), section 202(b), or section 202(c) of the Social Security Act began or (B) the first date on which the annuitant met the conditions for entitlement to an age reduced annuity under this Act other than the conditions set forth in sections 2(e)(1) and 2(e)(2) of this Act and the requirement that an application be filed.".

(f) Application Deeming Provision.—Section 5(b) of the Railroad Retirement Act of 1974 (45 U.S.C. 231d(b)) is amended by striking the second sentence and inserting the following new sentence: "An application filed with the Board for an employee annuity, spouse annuity, or divorced spouse annuity on the basis of the employment record of an employee who will have completed less than ten years of service shall be deemed to be an application for any benefit to which such applicant may be entitled under this Act or section 202(a), section 202(b), or section 202(c) of the Social Security Act. An application filed with the Board for an annuity on the basis of the employment record of an employee who will have completed ten years of service shall, unless the applicant specified otherwise, be deemed to be an application for any benefit to which such applicant may be entitled under this Act or title II of the Social Security Act.".

(g) Crediting Service Under the Social Security Act.—Section 18(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231q(2)) is amended—

(1) by inserting "(or less than five years of service, all of which accrues after December 31, 1995)" after "ten years of service" every place it appears; and

(2) by inserting "(or five or more years of service, all of which accrues after December 31, 1995)" after "ten or more years of service".

(h) Automatic Benefit Eligibility Adjustments.—Section 19 of the Railroad Retirement Act of 1974 (45 U.S.C. 231r) is amended—

(1) by inserting "(or five or more years of service, all of which accrues after December 31, 1995)" after "ten years of service" in subsection (c); and

(2) by inserting "(or five or more years of service, all of which accrues after December 31, 1995)" after "ten years of service" in subsection (d)(2).

(i) Conforming Amendments.—

(1) Section 6(e)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231e(1)) is amended by inserting "(or five or more years of service, all of which accrues after December 31, 1995)" after "ten years of service".

(2) Section 7(b)(2)(A) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(b)(2)(A)) is amended by inserting "(or five or more years of service, all of which accrues after December 31, 1995)" after "ten years of service".

(3) Section 205(i) of the Social Security Act (42 U.S.C. 405(i)) is amended by inserting "(or five or more years of service, all of which accrues after December 31, 1995)" after "ten years of service".

(4) Section 6(b)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231e(b)(2)) is amended by inserting "(or five or more years of service, all of which accrues after December 31, 1995)" after "ten years of service" the second place it appears.

(j) Effective Date.—The amendments made by this section shall take effect on January 1, 2002.

SEC. 104. REPEAL OF RAILROAD RETIREMENT MAXIMUM.

(a) Employee Annuities.—

(1) IN GENERAL.—Section 3(f) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(f)) is amended—

(A) by striking subdivision (1); and

(B) by redesignating subdivisions (2) and (3) as subdivisions (1) and (2), respectively.

(2) CONFORMING AMENDMENTS.—

(A) The first sentence of section 3(f)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(f)(1)), as redesignated by paragraph (1)(B), is amended by striking ", without regard to the provisions of subdivision (1) of this subsection,".

(B) Paragraphs (i) and (ii) of section 7(d)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(d)(2)) are each amended by striking "section 3(f)(3)" and inserting "section 3(f)(2)".

(b) SPOUSE AND SURVIVOR ANNUITIES.—Section 4 of the Railroad Retirement Act of 1974 (45 U.S.C. 231c) is amended by striking subsection (c).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2002, and shall apply to annuity amounts accruing for months after December 2001.

SEC. 105. INVESTMENT OF RAILROAD RETIREMENT ASSETS.

(a) ESTABLISHMENT OF NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST.—Section 15 of the Railroad Retirement Act of 1974 (45 U.S.C. 231n) is amended by inserting after subsection (i) the following new subsection:

"(j) NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST.—

"(1) ESTABLISHMENT.—The National Railroad Retirement Investment Trust (hereinafter in this subsection referred to as the 'Trust') is hereby established as a trust domiciled in the District of Columbia and shall, to the extent not inconsistent with this Act, be subject to the laws of the District of Columbia applicable to such trusts. The Trust shall manage and invest its assets in the manner set forth in this subsection.

"(2) NOT A FEDERAL AGENCY OR INSTRUMENTALITY.—The Trust is not a department, agency, or instrumentality of the Government of the United States and shall not be subject to title 31, United States Code.

"(3) BOARD OF TRUSTEES.—

"(A) GENERALLY.—

"(i) MEMBERSHIP.—The Trust shall have a Board of Trustees, consisting of 7 members. Three shall represent the interests of labor, 3 shall represent the interests of management, and 1 shall be an independent Trustee. The members of the Board of Trustees shall not be considered officers or employees of the Government of the United States.

"(ii) SELECTION.—

"(I) The 3 members representing the interests of labor shall be selected by the joint recommendation of labor organizations, national in scope, organized in accordance with section 2 of the Railway Labor Act, and representing at least ⅔ of all active employees, represented by such national labor organizations, covered under this Act.

"(II) The 3 members representing the interests of management shall be selected by the joint recommendation of carriers as defined in section 1 of the Railway Labor Act employing at least ⅔ of all active employees covered under this Act.

"(III) The independent member shall be selected by a majority of the other 6 members of the Board of Trustees.

A member of the Board of Trustees may be removed in the same manner and by the same constituency that selected that member.

"(iii) DISPUTE RESOLUTION.—In the event that the parties specified in subclause (I), (II), or (III) of the previous clause cannot agree on the selection of Trustees within 60 days of the date of enactment or 60 days from any subsequent date that a position of the Board of Trustees becomes vacant, an impartial umpire to decide such dispute shall, on the petition of a party to the dispute, be appointed by the District Court of the United States for the District of Columbia.

"(B) QUALIFICATIONS.—Members of the Board of Trustees shall be appointed only from among persons who have experience and expertise in the management of financial investments and pension plans. No member of the Railroad Retirement Board shall be eligible to be a member of the Board of Trustees.

"(C) TERMS.—Except as provided in this subparagraph, each member shall be appointed for a 3-year term. The initial members appointed under this paragraph shall be divided into equal groups so nearly as may be, of which one group will be appointed for a 1-year term, one for a 2-year term, and one for a 3-year term. The Trustee initially selected pursuant to clause (ii)(III) shall be appointed to a 3-year term. A vacancy in the Board of Trustees shall not affect the powers of the Board of Trustees and shall be filled in the same manner as the selection of the member whose departure caused the vacancy. Upon the expiration of a term of a member of the Board of Trustees, that member shall continue to serve until a successor is appointed.

"(4) POWERS OF THE BOARD OF TRUSTEES.—The Board of Trustees shall—

"(A) retain independent advisers to assist it in the formulation and adoption of its investment guidelines;

"(B) retain independent investment managers to invest the assets of the Trust in a manner consistent with such investment guidelines;

"(C) invest assets in the Trust, pursuant to the policies adopted in subparagraph (A);

"(D) pay administrative expenses of the Trust from the assets in the Trust; and

"(E) transfer money to the disbursing agent or as otherwise provided in section 7(b)(4), to pay benefits payable under this Act from the assets of the Trust.

"(5) REPORTING REQUIREMENTS AND FIDUCIARY STANDARDS.—The following reporting requirements and fiduciary standards shall apply with respect to the Trust:

"(A) DUTIES OF THE BOARD OF TRUSTEES.—The Trust and each member of the Board of Trustees shall discharge their duties (including the voting of proxies) with respect to the assets of the Trust solely in the interest of the Railroad Retirement Board and through it, the participants and beneficiaries of the programs funded under this Act—

"(i) for the exclusive purpose of—

"(I) providing benefits to participants and their beneficiaries; and

"(II) defraying reasonable expenses of administering the functions of the Trust;

"(ii) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

"(iii) by diversifying investments so as to minimize the risk of large losses and to avoid disproportionate influence over a particular industry or firm, unless under the circumstances it is clearly prudent not to do so; and

"(iv) in accordance with Trust governing documents and instruments insofar as such documents and instruments are consistent with this Act.

"(B) PROHIBITIONS WITH RESPECT TO MEMBERS OF THE BOARD OF TRUSTEES.—No member of the Board of Trustees shall—

"(i) deal with the assets of the Trust in the trustee's own interest or for the trustee's own account;

"(ii) in an individual or in any other capacity act in any transaction involving the assets of the Trust on behalf of a party (or represent a party) whose interests are adverse to the interests of the Trust, the Railroad Retirement Board, or the interests of participants or beneficiaries; or

"(iii) receive any consideration for the trustee's own personal account from any party dealing with the assets of the Trust.

"(C) EXCULPATORY PROVISIONS AND INSURANCE.—Any provision in an agreement or instrument that purports to relieve a trustee from responsibility or liability for any responsibility, obligation, or duty under this Act shall be void: *Provided, however*, That nothing shall preclude—

"(i) the Trust from purchasing insurance for its trustees or for itself to cover liability or losses occurring by reason of the act or omission of a trustee, if such insurance permits recourse by the insurer against the trustee in the case of a breach of a fiduciary obligation by such trustee;

"(ii) a trustee from purchasing insurance to cover liability under this section from and for his own account; or

"(iii) an employer or an employee organization from purchasing insurance to cover potential liability of one or more trustees with respect to their fiduciary responsibilities, obligations, and duties under this section.

"(D) BONDING.—Every trustee and every person who handles funds or other property of the Trust (hereafter in this subsection referred to as 'Trust official') shall be bonded. Such bond shall provide protection to the Trust against loss by reason of acts of fraud or dishonesty on the part of any Trust official, directly or through the connivance of others, and shall be in accordance with the following:

"(i) The amount of such bond shall be fixed at the beginning of each fiscal year of the Trust by the Railroad Retirement Board. Such amount shall not be less than 10 percent of the amount of the funds handled. In no case shall such bond be less than $1,000 nor more than $500,000, except that the Railroad Retirement Board, after consideration of the record, may prescribe an amount in excess of $500,000, subject to the 10 per centum limitation of the preceding sentence.

"(ii) It shall be unlawful for any Trust official to receive, handle, disburse, or otherwise exercise custody or control of any of the funds or other property of the Trust without being bonded as required by this subsection and it shall be unlawful for any Trust official, or any other person having authority to direct the performance of such functions, to permit such functions, or any of them, to be performed by any Trust official, with respect to whom the requirements of this subsection have not been met.

"(iii) It shall be unlawful for any person to procure any bond required by this subsection from any surety or other company or through any agent or broker in whose business operations such person has any control or significant financial interest, direct or indirect.

"(E) AUDIT AND REPORT.—

"(i) The Trust shall annually engage an independent qualified public accountant to audit the financial statements of the Trust.

"(ii) The Trust shall submit an annual management report to the Congress not later than 180 days after the end of the Trust's fiscal year. A management report under this subsection shall include—

"(I) a statement of financial position;

"(II) a statement of operations;

"(III) a statement of cash flows;

"(IV) a statement on internal accounting and administrative control systems;

"(V) the report resulting from an audit of the financial statements of the Trust conducted under clause (i); and

"(VI) any other comments and information necessary to inform the Congress about the operations and financial condition of the Trust.

"(iii) The Trust shall provide the President, the Railroad Retirement Board, and the Director of the Office of Management and Budget a copy of the management report when it is submitted to Congress.

"(F) Enforcement.—The Railroad Retirement Board may bring a civil action—

"(i) to enjoin any act or practice by the Trust, its Board of Trustees, or its employees or agents that violates any provision of this Act; or

"(ii) to obtain other appropriate relief to redress such violations, or to enforce any provisions of this Act.

"(6) Rules and administrative powers.—The Board of Trustees shall have the authority to make rules to govern its operations, employ professional staff, and contract with outside advisers, including the Railroad Retirement Board, to provide legal, accounting, investment advisory, or other services necessary for the proper administration of this subsection. In the case of contracts with investment advisory services, compensation for such services may be on a fixed contract fee basis or on such other terms and conditions as are customary for such services.

"(7) Quorum.—Five members of the Board of Trustees constitute a quorum to do business. Investment guidelines must be adopted by a unanimous vote of the entire Board of Trustees. All other decisions of the Board of Trustees shall be decided by a majority vote of the quorum present. All decisions of the Board of Trustees shall be entered upon the records of the Board of Trustees.

"(8) Funding.—The expenses of the Trust and the Board of Trustees incurred under this subsection shall be paid from the Trust.".

(b) Conforming and Technical Amendments Governing Investments.—Section 15(e) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(e)) is amended—

(1) in the first sentence, by striking ", the Dual Benefits Payments Account" and all that follows through "may be made only" in the second sentence and inserting "and the Dual Benefits Payments Account as are not transferred to the National Railroad Retirement Investment Trust as the Board may determine";

(2) by striking "the Second Liberty Bond Act, as amended" and inserting "chapter 31 of title 31"; and

(3) by striking "the foregoing requirements" and inserting "the requirements of this subsection".

Amend section 105 by adding at the end the following new subsection:

(c) Means of Financing.—For all purposes of the Congressional Budget Act of 1974, the Balanced Budget and Emergency Deficit Control Act of 1985, and chapter 11 of title 31, United States Code, and notwithstanding section 20 of the Office of Management and Budget Circular No. A-11, the purchase or sale of non-Federal assets (other than gains or losses from such transactions) by the National Railroad Retirement Investment Trust shall be treated as a means of financing.

(d) Effective Date.—The amendments made by this section shall take effect on the first day of the month that begins more than 30 days after enactment.

SEC. 106. ELIMINATION OF SUPPLEMENTAL ANNUITY ACCOUNT.

(a) Source of Payments.—Section 7(c)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(c)(1)) is amended by striking "payments of supplemental annuities under section 2(b) of this Act shall be made from the Railroad Retirement Supplemental Account, and".

(b) Elimination of Account.—Section 15(c) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(c)) is repealed.

(c) Amendment to Railroad Retirement Account.—Section 15(a) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(a)) is amended by striking ", except those portions of the amounts covered into the Treasury under sections 3211(b)," and all that follows through the end of the subsection and inserting a period.

(d) Transfer.—

(1) Determination.—As soon as possible after December 31, 2001, the Railroad Retirement Board shall—

(A) determine the amount of funds in the Railroad Retirement Supplemental Account under section 15(c) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(c)) as of the date of such determination; and

(B) direct the Secretary of the Treasury to transfer such funds to the National Railroad Retirement Investment Trust under section 15(j) of such Act (as added by section 105).

(2) Transfer by the secretary of the treasury.—The Secretary of the Treasury shall make the transfer described in paragraph (1).

(e) Effective Date.—

(1) In general.—Subject to paragraph (2), the amendments made by subsections (a), (b), and (c) shall take effect January 1, 2002.

(2) Account in existence until transfer made.—The Railroad Retirement Supplemental Account under section 15(c) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(c)) shall continue to exist until the date that the Secretary of the Treasury makes the transfer described in subsection (d)(2).

SEC. 107. TRANSFER AUTHORITY REVISIONS.

(a) Railroad Retirement Account.—Section 15 of the Railroad Retirement Act of 1974 (45 U.S.C. 231n) is amended by adding after subsection (j) the following new subsection:

"(k) Transfers to the Trust.—The Board shall, upon establishment of the National Railroad Retirement Investment Trust and from time to time thereafter, direct the Secretary of the Treasury to transfer, in such manner as will maximize the investment returns to the Railroad Retirement system, that portion of the Railroad Retirement Account that is not needed to pay current administrative expenses of the Board to the National Railroad Retirement Investment Trust. The Secretary shall make that transfer.".

(b) Transfers From the National Railroad Retirement Investment Trust.—Section 15 of the Railroad Retirement Act of 1974 (45 U.S.C. 231n), as amended by subsection (a), is further amended by adding after subsection (k) the following new subsection:

"(l) National Railroad Retirement Investment Trust.—The National Railroad Retirement Investment Trust shall from time to time transfer to the disbursing agent described in section 7(b)(4) or as otherwise directed by the Railroad Retirement Board pursuant to section 7(b)(4), such amounts as may be necessary to pay benefits under this Act (other than benefits paid from the Social Security Equivalent Benefit Account or the Dual Benefit Payments Account).".

(c) Social Security Equivalent Benefit Account.—

(1) Transfers to trust.—Section 15A(d)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(d)(2)) is amended to read as follows:

"(2) Upon establishment of the National Railroad Retirement Investment Trust and from time to time thereafter, the Board shall direct the Secretary of the Treasury to transfer, in such manner as will maximize the investment returns to the Railroad Retirement system, the balance of the Social Security Equivalent Benefit Account not needed to pay current benefits and administrative expenses required to be paid from that Account to the National Railroad Retirement Investment Trust, and the Secretary shall make that transfer. Any balance transferred under this paragraph shall be used by the National Railroad Retirement Investment Trust only to pay benefits under this Act or to purchase obligations of the United States that are backed by the full faith and credit of the United States pursuant to chapter 31 of title 31, United States Code. The proceeds of sales of, and the interest income from, such obligations shall be used by the Trust only to pay benefits under this Act.".

(2) Transfers to disbursing agent.—Section 15A(c)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(c)(1)) is amended by adding at the end the following new sentence: "The Secretary shall from time to time transfer to the disbursing agent under section 7(b)(4) amounts necessary to pay those benefits.".

(3) Conforming amendment.—Section 15A(d)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(d)(1)) is amended by striking the second and third sentences.

(d) Dual Benefits Payments Account.—Section 15(d)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n(d)(1)) is amended by adding at the end the following new sentence: "The Secretary of the Treasury shall from time to time transfer from the Dual Benefits Payments Account to the disbursing agent under section 7(b)(4) amounts necessary to pay benefits payable from that Account.".

(e) Certification by the Board and Payment.—Paragraph (4) of section 7(b) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(b)(4)) is amended to read as follows:

"(4)(A) The Railroad Retirement Board, after consultation with the Board of Trustees of the National Railroad Retirement Investment Trust and the Secretary of the Treasury, shall enter into an arrangement with a nongovernmental financial institution to serve as disbursing agent for benefits payable under this Act who shall disburse consolidated benefits under this Act to each recipient. Pending the taking effect of that arrangement, benefits shall be paid as under the law in effect prior to the enactment of the Railroad Retirement and Survivors' Improvement Act of 2001.

"(B) The Board shall from time to time certify—

"(i) to the Secretary of the Treasury the amounts required to be transferred from the Social Security Equivalent Benefit Account and the Dual Benefits Payments Account to the disbursing agent to make payments of benefits and the Secretary of the Treasury shall transfer those amounts;

"(ii) to the Board of Trustees of the National Railroad Retirement Investment Trust the amounts required to be transferred from the National Railroad Retirement Investment Trust to the disbursing agent to make payments of benefits and the Board of Trustees shall transfer those amounts; and

"(iii) to the disbursing agent the name and address of each individual entitled to receive a payment, the amount of such payment, and the time at which the payment should be made.".

(f) Benefit Payments.—Section 7(c)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(c)(1)) is amended—

(1) by striking "from the Railroad Retirement Account" and inserting "by the disbursing agent under subsection (b)(4) from money transferred to it from the National Railroad Retirement Investment Trust or the Social Security Equivalent Benefit Account, as the case may be"; and

(2) by inserting "by the disbursing agent under subsection (b)(4) from money transferred to it" after "Public Law 93-445 shall be made".

(g) Transitional Rule for Existing Obligation.—In making transfers under sections 15(k) and 15A(d)(2) of the Railroad Retirement Act of 1974, as amended by subsections (a) and (c), respectively, the Railroad Retirement Board shall consult with the Secretary of the Treasury to design an appropriate method to transfer obligations held as of the date of enactment of this Act or to convert such obligations to cash at the discretion of the Railroad Retirement Board prior to transfer. The National Railroad Retirement Investment Trust may hold to maturity any obligations so received or may redeem them prior to maturity, as the Trust deems appropriate.

SEC. 108. ANNUAL RATIO PROJECTIONS AND CERTIFICATIONS BY THE RAILROAD RETIREMENT BOARD.

(a) Projections.—Section 22(a)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231u(a)(1)) is amended—

(1) by inserting after the first sentence the following new sentence: "On or before May 1 of each year beginning in 2003, the Railroad Retirement Board shall compute its projection of the account benefits ratio and the average account benefits ratio (as defined by section 3241(c) of the Internal Revenue Code of 1986) for each of the next succeeding five fiscal years."; and

(2) by striking "the projection prepared pursuant to the preceding sentence" and inserting "the projections prepared pursuant to the preceding two sentences".

(b) Certifications.—The Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.) is amended by adding at the end the following new section:

"COMPUTATION AND CERTIFICATION OF ACCOUNT BENEFIT RATIOS

"Sec. 23. (a) Initial Computation and Certification.—On or before November 1, 2003, the Railroad Retirement Board shall—

"(1) compute the account benefits ratios for each of the most recent 10 preceding fiscal years, and

"(2) certify the account benefits ratios for each such fiscal year to the Secretary of the Treasury.

"(b) Computations and Certifications After 2003.—On or before November 1 of each year after 2003, the Railroad Retirement Board shall—

"(1) compute the account benefits ratio for the fiscal year ending in such year, and

"(2) certify the account benefits ratio for such fiscal year to the Secretary of the Treasury.

"(c) Definition.—As used in this section, the term 'account benefits ratio' has the meaning given that term in section 3241(c) of the Internal Revenue Code of 1986.".

TITLE II—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

SEC. 201. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 202. EXEMPTION FROM TAX FOR NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST.

Subsection (c) of section 501 is amended by adding at the end the following new paragraph:

"(28) The National Railroad Retirement Investment Trust established under section 15(j) of the Railroad Retirement Act of 1974.".

SEC. 203. REPEAL OF SUPPLEMENTAL ANNUITY TAX.

(a) Repeal of Tax on Employee Representatives.—Section 3211 is amended by striking subsection (b).

(b) Repeal of Tax on Employers.—Section 3221 is amended by striking subsections (c) and (d) and by redesignating subsection (e) as subsection (c).

(c) Effective Date.—The amendments made by this section shall apply to calendar years beginning after December 31, 2001.

SEC. 204. EMPLOYER, EMPLOYEE REPRESENTATIVE, AND EMPLOYEE TIER 2 TAX RATE ADJUSTMENTS.

(a) Rate of Tax on Employers.—Subsection (b) of section 3221 is amended to read as follows:

"(b) Tier 2 Tax.—

"(1) In general.—In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, equal to the applicable percentage of the compensation paid during any calendar year by such employer for services rendered to such employer.

"(2) Applicable percentage.—For purposes of paragraph (1), the term 'applicable percentage' means—

"(A) 15.6 percent in the case of compensation paid during 2002,

"(B) 14.2 percent in the case of compensation paid during 2003, and

"(C) in the case of compensation paid during any calendar year after 2003, the percentage determined under section 3241 for such calendar year.".

(b) Rate of Tax on Employee Representatives.—Section 3211, as amended by section 203, is amended by striking subsection (a) and inserting the following new subsections:

"(a) Tier 1 Tax.—In addition to other taxes, there is hereby imposed on the income of each employee representative a tax equal to the applicable percentage of the compensation received during any calendar year by such employee representative for services rendered by such employee representative. For purposes of the preceding sentence, the term 'applicable percentage' means the percentage equal to the sum of the rates of tax in effect under subsections (a) and (b) of section 3101 and subsections (a) and (b) of section 3111 for the calendar year.

"(b) Tier 2 Tax.—

"(1) In general.—In addition to other taxes, there is hereby imposed on the income of each employee representative a tax equal to the applicable percentage of the compensation received during any calendar year by such employee representatives for services rendered by such employee representative.

"(2) Applicable percentage.—For purposes of paragraph (1), the term 'applicable percentage' means—

"(A) 14.75 percent in the case of compensation received during 2002,

"(B) 14.20 percent in the case of compensation received during 2003, and

"(C) in the case of compensation received during any calendar year after 2003, the percentage determined under section 3241 for such calendar year.

"(c) Cross Reference.—

"For application of different contribution bases with respect to the taxes imposed by subsections (a) and (b), see section 3231(e)(2).".

(c) Rate of Tax on Employees.—Subsection (b) of section 3201 is amended to read as follows:

"(b) Tier 2 Tax.—

"(1) In general.—In addition to other taxes, there is hereby imposed on the income of each employee a tax equal to the applicable percentage of the compensation received during any calendar year by such employee for services rendered by such employee.

"(2) Applicable percentage.—For purposes of paragraph (1), the term 'applicable percentage' means—

"(A) 4.90 percent in the case of compensation received during 2002 or 2003, and

"(B) in the case of compensation received during any calendar year after 2003, the percentage determined under section 3241 for such calendar year.".

(d) Determination of Rate.—Chapter 22 is amended by adding at the end the following new subchapter:

"Subchapter E—Tier 2 Tax Rate Determination

"Sec. 3241. Determination of tier 2 tax rate based on average account benefits ratio.

"SEC. 3241. DETERMINATION OF TIER 2 TAX RATE BASED ON AVERAGE ACCOUNT BENEFITS RATIO.

"(a) In General.—For purposes of sections 3201(b), 3211(b), and 3221(b), the applicable percentage for any calendar year is the percentage determined in accordance with the table in subsection (b).

"(b) Tax Rate Schedule.—

“Average account benefits ratio		Applicable percentage for sections 3211(b) and 3221(b)	Applicable percentage for section 3201(b)
At least	But less than		
	2.5	22.1	4.9
2.5	3.0	18.1	4.9
3.0	3.5	15.1	4.9
3.5	4.0	14.1	4.9
4.0	6.1	13.1	4.9
6.1	6.5	12.6	4.4
6.5	7.0	12.1	3.9
7.0	7.5	11.6	3.4
7.5	8.0	11.1	2.9
8.0	8.5	10.1	1.9
8.5	9.0	9.1	0.9
9.0		8.2	0

“(c) DEFINITIONS RELATED TO DETERMINATION OF RATES OF TAX.—

“(1) AVERAGE ACCOUNT BENEFITS RATIO.—For purposes of this section, the term ‘average account benefits ratio’ means, with respect to any calendar year, the average determined by the Secretary of the account benefits ratios for the 10 most recent fiscal years ending before such calendar year. If the amount determined under the preceding sentence is not a multiple of 0.1, such amount shall be increased to the next highest multiple of 0.1.

“(2) ACCOUNT BENEFITS RATIO.—For purposes of this section, the term ‘account benefits ratio’ means, with respect to any fiscal year, the amount determined by the Railroad Retirement Board by dividing the fair market value of the assets in the Railroad Retirement Account and of the National Railroad Retirement Investment Trust (and for years before 2002, the Social Security Equivalent Benefits Account) as of the close of such fiscal year by the total benefits and administrative expenses paid from the Railroad Retirement Account and the National Railroad Retirement Investment Trust during such fiscal year.

“(d) NOTICE.—No later than December 1 of each calendar year, the Secretary shall publish a notice in the Federal Register of the rates of tax determined under this section which are applicable for the following calendar year.”.

(e) CONFORMING AMENDMENTS.—

(1) Section 24(d)(3)(A)(iii) is amended by striking “section 3211(a)(1)” and inserting “section 3211(a)”.

(2) Section 72(r)(2)(B)(i) is amended by striking “3211(a)(2)” and inserting “3211(b)”.

(3) Paragraphs (2)(A)(iii)(II) and (4)(A) of section 3231(e) are amended by striking “3211(a)(1)” and inserting “3211(a)”.

(4) Section 3231(e)(2)(B)(ii)(I) is amended by striking “3211(a)(2)” and inserting “3211(b)”.

(5) The table of subchapters for chapter 22 is amended by adding at the end the following new item:

“Subchapter E. Tier 2 tax rate determination.”.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years beginning after December 31, 2001.

The SPEAKER pro tempore (Mr. SUNUNU). Pursuant to the rule, the gentleman from Alaska (Mr. YOUNG) and the gentleman from Minnesota (Mr. OBERSTAR) each will control 20 minutes.

Mr. SAM JOHNSON of Texas. Mr. Speaker, does the gentleman from Minnesota oppose the bill?

Mr. OBERSTAR. No, I do not.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I am opposed and I would claim the time in opposition.

The SPEAKER pro tempore. The gentleman from Alaska (Mr. YOUNG) and the gentleman from Texas (Mr. SAM JOHNSON) each will control 20 minutes.

The Chair recognizes the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Speaker, I ask unanimous consent to yield 10 minutes to the gentleman from Minnesota (Mr. OBERSTAR) for purposes of control.

The SPEAKER pro tempore. Without objection, the gentleman from Minnesota will control 10 minutes of the time.

There was no objection.

The SPEAKER pro tempore. The gentleman from Alaska is recognized for 10 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

I strongly support H.R. 1140, the Railroad Retirement and Survivors' Improvement Act of 2001. Thanks to the heroic efforts of the Speaker of the House, the Honorable DENNIS HASTERT, we have been able to reach an agreement on this historic legislation.

H.R. 1140 is virtually identical to the railroad retirement bill that passed the House last year, 391 to 25, but was not taken up by the other body. This Congress made several technical changes, such as inserting updated effective dates. We have also included language drafted by the House Committee on the Budget that clarifies the authors' intent that transferring funds to the new investment trust does not result in outlays.

To address concerns raised about protecting the investment of tier 2 pension assets from possible influence by the Federal Government, we have also included labor and management selection process for the board of trustees who will manage those assets.

By moving a portion of the Railroad Retirement Trust Fund out of mandatory investment in Treasury bonds and giving it more investment flexibility, this landmark bill will provide enhanced benefits to railroad retirees, as well as reduced taxes on railroad employers.

A 2 percent increase in the rate of return, which is quite conservative based on historical trends, will provide the needed boost to allow for these benefit increases and payroll tax cuts.

H.R. 1140 includes safety provisions that automatically adjust payroll tax rates upward if historically predicted increases in retirement fund returns do not materialize. The burden of higher taxes will fall entirely on railroad employers, not the employees.

I would like to commend the subcommittee chairman, the gentleman from New York (Mr. QUINN), for prompting the negotiations between labor and management that produced this legislation.

The bipartisan comprehensive reform package we have before us today reduces the financial burden on employers as well as the employees, while providing an overall increase in benefits, a targeted increase for widows and widowers of railroad retirees, and a reduced tier 2 retirement age.

Let me briefly mention an unfounded concern that has been voiced about this bill. Many people have been told this bill involves a $15 billion first-year hit on the U.S. Treasury. Thanks to the hard work of the Speaker of the House, the OMB and the House leadership have agreed on legislative language that avoids this fictional outlay. This language reflects the fact that taking the $15 billion tier 2 pension fund out of the current approach of investing only in Treasury bonds, and allowing professional, diversified management of the investment, is not spending.

Mr. Speaker, the wisdom and widespread support of this bill is demonstrated by the fact that it has 371 sponsors. And for those who say the bill raids the Treasury, let me advise them that 30 of the 42 members of the Committee on the Budget are sponsors of the bill. Furthermore, even the CBO admits that the scoring of this bill is ill-suited to the type of reinvestment this bill would allow.

Mr. Speaker, this bill represents several years' effort and difficult negotiations between railroad labor and railroad management. I commend my colleagues on the railroading industry for their diligence and cooperation.

I am also very pleased that the bipartisan leadership of this committee worked cooperatively to move this legislation again in the 107th Congress. Working on a bipartisan basis in this committee has allowed us to enact significant legislation on behalf of our constituents. H.R. 1140 will set yet another example of this proud record.

I thank my colleague and ranking Democrat on the committee, the gentleman from Minnesota (Mr. OBERSTAR), and the subcommittee ranking member, the gentleman from Tennessee (Mr. CLEMENT) for their cooperation and support.

I urge swift passage of H.R. 1140.

Mr. Speaker, I reserve the balance of my time.

Mr. SAM JOHNSON of Texas. Mr. Speaker, in deference to my colleagues both on that side and this side, I appreciate their position on this, but I rise in strong opposition to the Railroad Retirement and Survivors' Improvement Act.

This bill really is a fake, a fraud and a phony. It breaks every promise we have made to the American people and treats every other senior citizen as a second-class citizen.

This legislation gives preferential treatment to a select few, 900,000 railroad people. It raids the Social Security-Medicare Trust Funds. It is absurd that the Federal Government allows one group of people to retire at age 60 while others will have to wait until they turn 65 or in the future, age 67, and this bill does just that.

Under this fatally flawed legislation, railroad retirees will be able to retire at age 60 and receive Social Security equivalent retirement benefits. Every other American has to wait until at least age 65 to get full Social Security, and 67 for those that are following us.

For the same group of railroaders, we have decided to break open the Social Security and Medicare lockbox to give railroaders their new benefits. Nobody can say with a straight face that this measure will not raid the Social Security and Medicare Trust Funds.

A provision added to the bill today would direct the OMB to pretend that the bill does not cost anything. In reality, it costs $15 billion in the first year and an additional $7 billion over the next 10 years, and the Committee on Transportation and Infrastructure's own analysis cites that.

Worse, the program is already receiving subsidies from the Social Security Trust Fund. Since 1958, the Railroad Trust Fund has needed money. The subsidy has been nearly $84 billion, and last year alone, the railroad retirement bilked $3.5 from the Social Security Trust Fund. In fact, the Social Security Administration spends more money on the railroad retirement system than it spends on all Social Security administrative costs, not to mention this bill sets a terrible precedent for the future of Social Security. Instead of private accounts, it puts the government in charge.

The bill, as written, sets up a government-run investment board that makes decisions about where the money is invested. These are not private accounts, nor is there a private board making these decisions. The board is controlled by six railroad insiders, with only one representative looking out for the American taxpayer.

In short, this bill allows the government to use tax dollars to play in the market. This is wrong. The Federal Government ought not be involved in the stock market.

Railroad retirement benefits are substantially higher than Social Security benefits. For instance, on average, it gives career railroad retirement retirees more than double the amount of money per month than all other seniors collecting Social Security.

It is wrong for the American taxpayer and the Social Security Trust Fund to subsidize these higher benefits. It is not fair to treat one group of retirees better than anyone else. To add insult to injury, this bill allows felons sitting in jail to receive railroad benefits. Why should they? Felons were eliminated from the Social Security program in welfare reform several years ago. What is next, telling all of the people with the letter "J" in their last name they can retire at 63.5?

Lastly, the measure also violates three of President Bush's five sacred Social Security reform proposals. One, the bill demands using Social Security funds to subsidize other benefits. Two, the Federal Government, disguised as the investment trust, would invest in the private sector. Three, the bill would prohibit personal retirement accounts for railroad employees or retirees.

Every one of the 407 Members of Congress who voted for the Medicare-Social Security lockbox ought to vote against this bill because this bill will raid Social Security and Medicare. Just last week the Office of Management and Budget and the Congressional Budget Office both scored this bill at a cost of $15 billion in its first year; but all of a sudden today it now costs the taxpayer nothing.

How can that be? How can we cash in $15 billion of U.S. Treasury bonds, and say that it does not have an effect on the Medicare and Social Security surplus. I just do not understand. Are we cooking the books?

Call your Senator if you are listening, (202) 225–3121, to stop this fraud in America.

Mr. Speaker, I urge my colleagues to vote against raiding the Social Security-Medicare Trust Funds, and to vote against this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, notwithstanding the relatively hostile remarks and misguided comments of our very otherwise thoughtful colleague from Texas, I today brought with me my 83-year-old railroad watch, 15 size Illinois, in memory of the railroad workers who have waited nearly that long for justice in their retirement program.

This legislation will bring truly significant benefits to the more than one-quarter million men and women who work on America's railroads, and to the 700,000 retirees and survivors of retired railroad workers.

The bill allows for a significant reduction in payroll taxes paid by the U.S. railroads. This is one of those special occasions in the legislative arena when all parties benefit. In this case, railroads, railroad labor, retired railroad workers, and their survivors. All of them come out ahead.

This legislation, as our chairman so well expressed, is the result of an historic agreement reached by railroad management and labor over more than 2 years of intense, difficult negotiations. The benefit improvements, as well as tax cuts, are made possible by changing current law that limits the investment of Railroad Retirement Trust Fund assets to government securities.

The proposed changes governing the Railroad Retirement Trust Fund will not affect the solvency of the railroad retirement system. The tier 1 program which provides Social Security benefits, will continue to be invested only in government securities. Only tier 2 funds, the original railroad retirement program, will be eligible for investment in assets other than government securities.

The projected increases in Trust Fund income from these changes are based on fairly conservative forecasts of the rates of returns that could be earned by a diversified portfolio. That would be about 2 percentage points above the return on government securities.

But more importantly, if the investments fail to perform as well as expected, worker's pensions are protected because the legislation requires, as agreed to in the negotiations between management and labor, requires the railroads to absorb any future tax increases that might be necessary to keep the system solvent. Ultimately, the Federal Government continues to be responsible for the security of the railroad retirement system.

This is the first really significant benefit in 25 years, although as I said, it seems more like 83. Those benefits are: The age at which employees can retire with full benefits is reduced from 62 to 60 with 30 years of service; the number of years required for vesting is reduced from 10 to 5 years; the benefits of widows and widowers are expanded; and the limits on tier 2 annuities are repealed.

The bill calls for automatic future improvements if the retirement plan becomes overfunded. It reduces the payroll taxes paid by railroads. That means that for tier 2 benefits, the railroad's taxes decline from 16.1 percent to 13.1 percent.

By the third year after passage of this bill, after enactment of this legislation, the railroads stand to gain nearly $400 million annually from lower payroll taxes, and that will allow them to invest that money into needed rail and track and rolling stock improvements, and it allows them also to improve the wages and working conditions of railroad workers.

Mr. Speaker, we passed this bill last year, with former Chairman SHUSTER and me working together on a bipartisan basis, and I want to reflect again on the splendid working relationship we have had with the gentleman from Alaska (Mr. YOUNG) on bringing this legislation through to this point.

We passed this bill last year 391 to 25. We ought to do the same this year.

Mr. Speaker, I reserve the balance of my time.

□ 1900

Mr. YOUNG of Alaska. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. QUINN), chairman of the Subcommittee on Railroads.

Mr. QUINN. Mr. Speaker, I appreciate the gentleman from Alaska yielding time. I also want to begin by thanking the gentleman from Alaska (Mr. YOUNG); the gentleman from Minnesota (Mr. OBERSTAR); and the gentleman from Tennessee (Mr. CLEMENT), my partner on the Subcommittee on Railroads, for the work that has been done, 2 long years now. I also want to thank the gentleman from Texas (Mr. SAM JOHNSON) for his observations.

We bring this bill forward, this afternoon, Mr. Speaker, in a real spirit of bipartisanship. A couple of our speakers have already mentioned that this is 2 years in the works. We have back and forth talked about the interests, particularly since the new administration has come into town, about not confusing this issue with Social Security. My esteemed colleague, the gentleman from Texas, suggests that we pick out the letter J in somebody's last name for Social Security. I would like to suggest that we use the letter J in somebody's first name, in my father's name who was a railroad worker for 35 years and in my grandfather's name when he came from Ireland and began to work on the railroad when he first came to America.

I do not have a personal ax to grind in this discussion this afternoon, Mr. Speaker; but I can tell the gentleman from Texas, I can tell anybody else who wants to listen, that I know a little bit about railroaders and their families. We have not tried to structure this bill this afternoon to give anybody an unfair advantage. We have not structured it to give anybody an opportunity to take advantage of the Social Security fund. We are not talking, Mr. Speaker, about tier 1. We are talking only about tier 2 money. This is the workers' own money. This is their money.

We have described it to our friends as we have talked on the subcommittee and we have had 380 to 400 cosponsors almost. It is like this commonsense approach, that if you have money in the bank and you decided to take it from the bank and put it in a mutual fund, you would not be spending that money on a car, you would not be depositing the money at the front doorstep of the bank, and you would not be raiding anybody else's money, such as the Social Security system.

What we have tried to do in this bipartisan effort these last 2 years is to strike a balance. We would like to say that we can get rail labor and rail management together with retired workers on the railroads and their widows and widowers to say that we will let you do what you think is best with that portion of the money that does not affect Social Security. The provision reflects a commonsense approach that trading in a bank account for a retirement savings account is not the same as taking that money in the bank account and spending it on a car. It is just not the same.

I want to thank the Members that have worked with us these past 2 years, particularly in the last 3 or 4 months, and most particularly the last 24 hours, to get us through a discussion with the administration, with those people who disagree with some of the things that we have talked about, but disagree respectfully.

Finally, I would like to thank the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Tennessee (Mr. CLEMENT) both for their efforts these long 2 years, particularly the last 4 or 5 months.

I urge my colleagues to vote "yes" when they have an opportunity this afternoon.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield myself such time as I may consume.

I appreciate the comments the gentleman made, his father and previous people in his family. I love the railroaders. They are good guys. We ought to take care of them, but I do not think they ought to get extra dollars. The railroad trust fund gets roughly a $300 million subsidy from general revenues when income taxes on tier 2 private pension equivalent, which the gentleman is talking about, are returned to the trust fund rather than general revenue. No other Americans have the taxes on their pensions returned to their pension funds.

The railroad retirement needed a $3.5 billion subsidy in 2000 from Social Security to stay afloat. I just find it hard to believe that you can say that you are looking out for them, and I hope you will, but to drop the age limit down to 60 when Social Security is up to 65 to 67, going to 67, it is hard to rationalize that.

Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Speaker, there are a couple of concerns that I have about this legislation:

One, it does mean absolutely that we are going to raid the Social Security and Medicare Trust Fund lockbox next year. So that is a real concern. Regardless of the kind of scoring, it is going to take the $15 billion coming from someplace. And so that is real money and that comes out of the surplus because it is dollars that are going to be given to this fund.

My second concern is that eventually, sometime, someplace, somewhere down the road we take the American taxpayer off the hook and say, Look, you're not going to be responsible for this private pension plan anymore.

It dates back to 1934 when we started Social Security. At that time railroaders were put under the Social Security Act. Railroaders had already started a pretty good pension forum, and so they came to Congress with significant political influence, as they have today. They came to Congress and said, Look, we want you to allow us to have the equivalent of a Social Security deduction on our payroll, but we want to go into our own private account. So by 1937, the Congress changed the law and allowed them to have this sort of quasi-governmental retirement system.

The other problem that I think is significant, by not taking the American taxpayer off the hook to bail out this system again, we are looking at a situation that by 2028, the revenues coming into the trust fund are going to be way below what is needed to meet the requirements of benefits. The simple bottom line fact is this bill increases benefits, it increases benefits to widowers, and says that you only have to be 60 years old now to receive full benefits if you put the required number of years in service.

So we increase the benefits, where in Social Security instead of 60 years old, you have got to go till 67 years old eventually down the road. That is the bill that we passed. So we are reducing the revenues contributed by railroad management, and we are increasing the benefits to retirees; and we are taking $15 billion out of our surplus money. That means we have got to go into the lockbox, and we are simply never taking the American taxpayer off the hook.

So when these taxes are required to go up to 40 and 50 percent in the year 2028, what do you think is going to happen in terms of the railroaders coming back to Congress to say, Look, having that kind of a payroll tax is impossible?

I would like to ask somebody sometime, why do we not consider taking the American taxpayer off the hook? Let me just give Members the statistics on what the gentleman from Texas was saying in terms of the Federal contribution. The railroad retirement system has spent more than it has collected in payroll taxes every year since 1957, an average of $4 billion a year they spend in benefits more than they take in in their payroll contribution towards that benefit plan. The cumulative shortfall now exceeds $90 billion. But because of taxpayer subsidies for this railroad fund, we end up with an accounting that in the trust fund is $20 billion, $15 billion of which we are going to take and say it is going to help solve the problems of the railroad retirement system.

Everybody wants fairness for every pension plan. The question is, how often, how much should the American taxpayer be asked to fund this system? And so with interest it is the equivalent of $90 billion now and the $15 billion is going out of the lockbox of Social Security and Medicare.

I think the challenge for us is certainly to assist the railroad retirees but not in the way that it is going to jeopardize the benefits of future Social Security recipients.

Mr. OBERSTAR. Mr. Speaker, I yield 2½ minutes to the gentleman from Tennessee (Mr. CLEMENT), the ranking member of the Subcommittee on Railroads.

Mr. CLEMENT. Mr. Speaker, I thank the gentleman from Minnesota for yielding me this time. I always refer to the gentleman from Minnesota (Mr. OBERSTAR), our leader on the Democratic side on the Committee on Transportation and Infrastructure, as our walking encyclopedia and historian, because I do not think there is anyone who knows more about the facts and the information than he does when it comes to some of these tough, controversial decisions.

I want to also say to the gentleman from Alaska (Mr. YOUNG), the gentleman is our new chairman of the Committee on Transportation and Infrastructure and is doing an outstanding job. He had many others prior to him. He has gotten off to a very, very good start, not only representing the great State of Alaska but our entire country. And to the gentleman from New York (Mr. QUINN), who is the chairman of the Subcommittee on Railroads, and I am the ranking Democrat, we are working together as partners. That is somewhat unusual in the U.S. House of Representatives for a Democrat and Republican to work so closely together for the common good of the people of this country. We have worked together and the Subcommittee on Railroads has been very active. This is a prime example of something that we worked on very hard, and we made up our mind very early that other Congresses had tried but not been able to move this legislation, and we want to move it.

We know that a quarter of a million men and women work on America's railroads that will be affected by this legislation. There are 700,000 retirees and survivors of retired railroad workers that will be affected by this legislation. H.R. 1140, the Railroad Retirement Improvement Act of 2001, what we are talking about tonight, is important legislation. I am pleased to be one of the original cosponsors. We have almost every Member of Congress that has signed on as a cosponsor.

Every week in my office, railroad workers and retirees call me about the status of this bill. In my district, the Fifth District of Tennessee, there are 364 active railroad workers. My district includes 1,226 beneficiaries of the railroad retirement system. This number includes retired employees, their spouses and survivors.

This legislation is important. Let us pass it now and send it to the U.S. Senate where hopefully they will take action.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield such time as he may consume to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding time. I thank him for his courage and service to our country, and frankly his courage tonight. This is not a pleasant thing that the gentleman is having to do. He is having to basically oppose his friends. He is having to ask for time in opposition. He is doing it because I believe when he got elected to Congress, he wanted us to be honest with each other. I believe when he got elected to Congress, he wanted us to tell the truth.

The truth is quite simple. Rail management and unions came to an agreement. It is a wonderful agreement. It is also bipartisan, Republicans and Democrats. It is a great plan: increase the benefits, reduce contributions to the fund, and have the taxpayers pay for it. What a system. Why would management oppose that?

□ 1915

The taxpayers pay. Why would the beneficiaries oppose? They will get increased benefits, and they will contribute less. It is a wonderful plan, so why are we not all for it? There are over 300 for it, and why would they not be for it? They are going to have everybody call them up, all their railroad workers, and we all have them, and they are saying increase my benefits, take care of my needs.

So that is logical. Let us take care of their needs. It is just dishonest. It is blatantly dishonest. It is asking the taxpayers to pay for something that is, in fact, a private benefit.

We are going to reduce the contributions to the fund, we are going to increase the benefits from the fund, and we are going to ask the taxpayers to pay for it, and we all should just fall in line, fall in step. There is a problem with that. The problem is, we have a responsibility to run the government. We have a moral obligation to run this government.

We reduced taxes in this government. I did. I was happy to reduce taxes, because it seemed very clear to me why we should do it: if we leave the money on the table, it is going to be spent, and this is one of the great examples.

We beat our chests and say how we are protecting the Social Security trust fund, but we are not, because right now we are going to raid it. And we say we are going to increase the age of retirement for beneficiaries from 65 to 67, but we are allowing railroad workers to retire at age 60 using Social Security trust fund money.

Give me a break. I do not get it. I do not understand why we do it.

I just thank the gentleman from Texas (Mr. SAM JOHNSON) for exhibiting the same kind of courage he exhibited when he was in Vietnam, to say this is wrong, we have got to stop it, and we should not do it. He was a hero for me for many years. I read his book, and I am just proud to be fighting the same cause.

Mr. OBERSTAR. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy in sharing a few of these scarce moments with me.

I join, first of all, in expressing my appreciation to the leadership of our committee that has focused on the health and future of America's railroads. The gentleman from Alaska (Chairman YOUNG), the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Tennessee (Mr. CLEMENT), the gentleman from New York (Mr. QUINN), I think are doing an outstanding job; and I am looking forward to working in the future with them.

One of the important parts of their job is to modernize this pension program. It is not Social Security. If they were part of Social Security and had been for years, this would be a much different situation. This is independently funded. These people are paying now 36.3 percent of total payroll into this. It is a significant tax on industry and these individuals.

The proposal that has been worked out retains the individual contribution, and it is still is going to be 33 percent total investment. They are not pulling rabbits out of the hat. They are modernizing the system with a tier 2 benefits like you would any other modern pension program and diversifying the investment, moving beyond low-yield bonds.

I think we are going to be able to hit the target and exceed the target. This is certainly more conservative than the assumptions that some people have used to justify voting for the Bush tax program, but that is a different issue.

We have, I do think, an obligation to be honest; and I think we are doing a good job in terms of putting forward alternative sources of revenue, modernizing the rate of return, allowing industry to reinvest in badly needed infrastructure, being fair to almost 1 million participants, and bring this pension plan into the modern era.

But, please, do not confuse this with Social Security. It took us up until a few minutes ago, and I do not know what the chair and ranking member did to convince OMB to understand that this is a separate program. They have done it. I am glad you could do it with OMB. I hope you will be as successful with some of the other programs.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska (Mr. TERRY).

Mr. TERRY. Mr. Speaker, I thank the gentleman for yielding to speak on this important act for the 7500 retirees in my district.

I rise in support of this act. Why? Because these reforms in this act allow the railroad workers to move to a pension system that, frankly, mirrors most in the industrial world, manufacturing, teachers, firemen. These reforms allow railroad workers to have some level of control over their money and their pensions, being able to direct them into safe investments and earn a greater return so they can pay them back with better benefits.

Yes, government will continue to hold the majority of these dollars in the tier 1, the archaic system, but at least we inch forward to a modern system. These reforms allow for greater benefits for widows, who now receive 50 percent of their deceased spouse's benefit. I have heard from many widows in my district who have a great deal of difficulty making ends meet. This act will allow these widows a little bit more money and a lot of peace of mind.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to point out that there are not a lot of other industries that have a retirement program such as this. The steel industry does not, and teachers and other people do not either. They pay into their own programs, but not into Social Security, for the most part. Social Security does not finance them.

Let me make a point here that Social Security, according to the reform proposal that was handed out that goes with this bill and that has been occurring for a long time, tier 1 tax revenues are benefited by the Social Security benefit account. The Social Security benefit account also makes periodic transfers to tier 2, which is supported also by Social Security. So to say Social Security is not involved is a misnomer.

The fact of the matter is, the gentleman from Connecticut (Mr. SHAYS) pointed out earlier that I have a military background, and I have to tell you, I am scared to death that we are neglecting our military. If we pass this thing, which is a $15 billion hit almost immediately, there is not going to be any money left for our military to survive. To me, that is what the Congress ought to be talking about, is protecting our Nation.

I would like to add at this point that the Citizens for Sound Economy are urging a "no" vote on this bill, and they say, "Perhaps the most troubling part of the bill is it pretends to pay for itself. The railroad retirement trust fund currently holds $15.3 billion in government bonds. H.R. 1140," that is the bill number, "would cash them in and set up a new railroad retirement investment trust to invest the money in the stock market."

They are going to score this as a key vote. I thought Members should know that.

Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Speaker, they are having a real problem with railroad retirement, but almost every corporation and company that is in the United States, as people live longer, as our medical technology allows them to live longer, we end up having problems, whether it is Social Security or other pension plans. To say that the Federal Government should bail out this private pension plan I think is probably an unfair imposition on the rest of our taxpayers and on the Social Security system.

Now, Social Security right now has three workers, we are down to three workers, for every one retiree. Thirty years ago we had 30 workers financing every one retiree. Today there are three workers financing Social Security. Guess what it is in the railroad system? There is one worker trying to fund three railroad retirees, one worker in railroad trying to fund three retirees.

Mr. Speaker, that is a huge burden, but, still, they have to run their own pension system. They cannot keep coming back to government. Again, $4 billion every year that they pay out in benefits more than they withhold in their taxes.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. GILMAN).

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise in strong support of H.R. 1140, the Railroad Retirement Survivors Improvement Act of 2001. I commend the gentleman from Alaska (Mr. YOUNG) for proposing this important measure.

This bill will bring much needed improvements to the 65-year-old railroad retirement program on which our Nation's retired railroad employees and families rely. The modernization of this program includes steps toward the increased privatization of the program's tier 2 pension plan, which will be achieved through the establishment of a nonprofit Railroad Retirement Investment Trust which will oversee and invest the assets of the program's trust fund. The trust will be managed by a panel of trustees, who have been chosen by rail management and rail labor and that will give greater control of the program to the men and women who benefit from it.

H.R. 1140 also contains a provision which will permit retired railroad employees to work in non-rail jobs with no penalties to their benefits. In addition, the bill also allows widows and widowers of retired rail workers to collect the full amount of their deceased spouses' pension.

It is clear that this Roosevelt-era program is due for an appropriate restructuring that will reflect the current needs of our Nation's rail workers and their families. Accordingly, I urge my colleagues to fully support H.R. 1140.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 1 minute to my good friend and new colleague, the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Speaker, I rise in strong support of H.R. 1140, the Railroad Retirement and Survivors Improvement Act. This landmark legislation will reform an antiquated retirement system, improve benefits for railroad retirees, increase benefits for approximately 50,000 railroad retiree widows, and reduce taxes on railroad employees.

Opponents of H.R. 1140 say the bill will have a first year cost of $15 billion and will reduce funds available for other important programs. The truth is, truth in budgeting, and this bill should never have been scored the way it was. We restore truth in budgeting through this bill.

H.R. 1140 has the support of both labor and industry management and deserves the overwhelming support of this House.

This legislation is good for railroad families, it is good for America, and I urge the strong support for this legislation.

Mr. OBERSTAR. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I listened with great interest to the gentleman from Connecticut who said, "I don't get it." Well, the reason he does not get it is that he does not understand it.

The fact is that only tier 2 benefits are affected by this legislation. You cannot get early retirement under Social Security as a railroad worker. You have got to wait until your time under the Social Security law. You get your retirement early under the tier 2 benefits for railroad workers under that ancient law that predates Social Security. We are just trying to update it.

This is not a raid on the taxpayers, for heavens sakes. We are reducing the tax that the railroad companies pay into this system and the workers pay into their tier 2 benefits.

So, we are trying to make it a little bit better. But it is not a raid on Social Security. They waited their time to get those benefits.

Just read the law. When all else fails and you do not understand it, read the bill. And the bill is very clear, we are only dealing with railroad workers' benefits.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 1 minute to the gentlewoman from West Virginia (Mrs. CAPITO), a member of the committee.

Mrs. CAPITO. Mr. Speaker, I thank the gentleman from Alaska (Chairman YOUNG) and the ranking member, the gentleman from Minnesota (Mr. OBERSTAR).

Mr. Speaker, I rise quickly to express my support for the passage of H.R. 1140, the Railroad Retirement Survivors Improvement Act. As the title suggests, this bill aims to provide equitable and fitting compensation for those who have served and those who are currently serving the railroad industry.

The move to modernize the railroad retirement trust fund is revolutionary, yet vital. With this bill, the railroad retirement trust fund will receive increased revenues for its beneficiaries through investment in a diversified portfolio.

In my home State of West Virginia, almost 12,000 railroad employees, retirees, spouses, and widows have benefitted from this plan. In my district alone, 3,000 railroad beneficiaries would benefit from this. Many of these people have called my office over the past few months asking me to support this bipartisan effort. Widows of former rail workers have told me stories about the minimum benefits they receive, where they can barely pay their bills. Such stories should encourage us to act and act quickly.

Over the past century, the hard work, long hours, and true dedication of many men and women have built an effective network of rail tracks around this country.

Mr. Speaker, I urge this body to pass this legislation.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to read from a letter from the U.S. Railroad Retirement Board, from a person who is a labor member there.

□ 1930

They ask, how do the average monthly railroad retirement and Social Security benefits paid to retired employees and their spouses compare?

The average age annuity being paid by the Railroad Retirement Board at the end of 2000 to career railroad employees was $1,760 a month, and for all employees, the average was $1,300. The average age retirement benefit being paid by Social Security was about $800 a month, and spouse benefits averaged about $530.

So the Railroad Retirement Act does not need fixing, it needs support monetarily, and guess where they are going to get it? They are going to get it from the Social Security Trust Fund.

Mr. Speaker, I would like to just reiterate that the President's proposals under this bill are violated. The bill demands using Social Security funds to subsidize other benefits. The Federal Government, disguised as the investment trust, would invest in the private sector, and also the bill would prohibit personal retirement accounts for railroad employees. Every one of us should vote against this bill.

Mr. Speaker, I yield back the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

I want to compliment everybody who has spoken tonight. I would just suggest again that this is tier 2; it is their money, they want to reinvest it. Yes, it is in government bonds, but it came from the workers. I thought this body was trying to set up a system where we did not take money from the workers to spend on other things. This is our retirement system. This is the railroad retirement system. It only affects tier 2.

For those people who are not on the floor tonight, I urge people watching the show to vote for this legislation. Keep in mind, this had 371 cosponsors. I expect 380 votes on this. It is the right thing to do for our railroads and our railroad workers.

Mr. WELLER. Mr. Speaker, I rise in strong support of H.R. 1140, The Railroad Retirement and Survivors' Improvement Act of 2001.

The Railroad Retirement and Survivors' Improvement Act of 2001 is historic legislation that will improve the lives of railroad workers and their spouses. I am proud to be a cosponsor with 367 of my colleagues of this important bill. H.R. 1140 guarantees a better standard of retirement for the nearly 3,500 retirees in the 11th Congressional District of Illinois which I represent and for all future retirees and their families.

Under H.R. 1140, the quality of life for widows and widowers is significantly improved. Under current law, spouses are limited to one-half of the deceased employee's Tier 2 benefits. However, under this legislation, the bill increases Tier 2 benefits for widows and widowers to 100 percent of the deceased employee's benefits on the date of death. Thus, widowers and widows will continue to receive the same benefits as their spouse received prior to death. Widows should not have to face a loss of income in addition to the death of a spouse. This bill ensures that is no longer a reality—widows will receive full benefits under this legislation.

Additionally, H.R. 1140 reduces the years of covered service to be vested in the railroad retirement system from the present 10 years to 5 years. Ten years is too long to wait to be vested in the railroad retirement system, and this legislation corrects this problem. Further, the retirement age is reduced from 62 to 60. By reducing this age, workers are given the opportunity to retire earlier without a corresponding loss of benefits.

H.R. 1140 also fixes the cap on the "maximum benefit." Present law limits the total amount of monthly railroad retirement benefits payable to an employee and an employee's spouse at the time the employee's annuity payout begins. The Railroad Retirement and Survivors' Improvement Act of 2000 removes this cap so that there is not a maximum benefit limit.

Further, the legislation ensures the solvency of the Railroad Retirement Investment Trust. Through private investing, the trust fund will grow faster while decreasing taxes assessed on railroads. Seven private individuals will oversee the Railroad Retirement Investment Trust, thus ensuring any possible implication of a government role in investing is eliminated. Labor and rail management will each select three trustees to reflect their interests, and these six trustees will select the seventh trustee. Approximately one-quarter of all employees in the rail industry work for commuter and passenger rail, a growing industry. It is my sincere hope that the Trust include a representative from all three categories of rail service: commuter, passenger and freight from among those appointees designated for rail management.

Mr. Speaker, this is good, important legislation that will help 670,000 retirees and dependents and 245,000 active rail employees. I ask for all my colleagues to cast their vote in favor of H.R. 1140.

Mr. RAHALL. Mr. Speaker, in the Third District of West Virginia, we have 8,300 citizens who will benefit from the Railroad Retirement and Survivors' Improvement Act of 2001. This ranks southern West Virginia seventh in the nation.

My constituents have been calling and writing to me on an ongoing basis, asking me when this bill will come to the House floor for a vote. Today I hope to be able to tell them it will pass in the House and we can send it on to the other body, where we hope it will get speedy consideration.

I want to thank the Chairman and Ranking Member of the Transportation Committee, Mr. YOUNG and Mr. OBERSTAR, for working to bring this bill to the floor with overwhelming bi-partisan support.

I also want to thank the Chairman and Ranking Member of the Railroad Subcommittee, Mr. QUINN and Mr. CLEMENT, for bringing this bill through the Subcommittee process quickly. And I want to thank the Ways and Means Committee for their cooperation.

My constituents have been anxious to see this bill get enacted into law because it will double benefits for widows of railroad retirees, reduce the retirement age from 62 to 60 years of age with 30 years of service, and allow a person to be vested in the system after five years of service, rather than 10 years, as currently required.

This bill includes the exact provisions of H.R. 4844, which I helped to write last year, and which passed the House by an overwhelming vote.

My constituents were disappointed and frustrated last year when the bill was not enacted into law, especially since it is a product of two years of negotiation between railroad workers and management of the railroad industry. With 368 co-sponsors in the House, this bill has overwhelming bi-partisan support, once again.

With 71 bi-partisan cosposnors in the Senate, I look forward to its passage on the Senate floor, and I ask President Bush to sign the bill into law expeditiously.

Once this bill becomes law, it will enable railroad retirees and widows to enjoy a better quality of life, by receiving the increased benefits they worked for and deserve. They spent their working lives paying into their retirement and they deserve to reap good benefits.

Mr. CRANE. Mr. Speaker, I rise, today, to discuss a specific issue regarding H.R. 1140, the Railroad Retirement and Survivors' Improvement Act of 2001, specifically, the representation of commuter rail on the Board of Trustees for the Railroad Retirement Investment Trust that is created by the bill. My district is served by Metra, the nation's second largest commuter rail system in the country. Last year, Metra provided nearly 82 million passenger trips—setting a 32-year ridership record. Over the years, Metra has received numerous awards and accolades for its outstanding service, and none of those would have been possible were it not for the hard work and dedication of its more than 2,500 employees.

These 2,500 employees of Metra join their counterparts in other commuter and passenger rail systems around the country, and together they account for approximately one-quarter of all employees in the rail industry. This percentage of commuter and passenger rail employees is only expected to increase in the near future as customer demand for more commuter rail service grows. I have long-supported Metra and commuter rail, and I believe their unique interests deserve a voice on the Board of Trustees created in this legislation. Consequently, it is my hope that the Board of Trustees will include a representative from the ranks of commuter rail along with representatives from the other categories of rail service—passenger and freight. Such representation would ensure that commuter rail's interests are heard along with the interests of the other rail industry categories. This representation would be a substantial acknowledgement of the growing importance of commuter rail.

Mr. ENGLISH. Mr. Speaker, this legislation represents the culmination of years of discussions between rail management and a sizable majority of rail labor.

I am pleased to support the Railroad Retirement and Survivors' Improvement Act of 2001. This legislation is designed to improve significantly the financing and benefits of railroad retirement benefits.

H.R. 1140 improves the performance of the Railroad Retirement Account (RRA) by enhancing employees benefits, reducing employer and employee tax rates, and promoting financial growth of the railroad retirement trust fund. More than 3,400 of my constituents in northwestern Pennsylvania will benefit from reforming the current railroad retirement system. In fact, many of those people have called my offices urging Congress to pass this legislation that represents benefit improvements for them and their families including:

an expansion of widow(er)s' benefit by guaranteeing no less than the amount of the annuity that the retiree received;

liberalized early retirement which allows retirement at age 60 with 30 years of service without a benefit reduction; and

expanded vesting which means bringing this requirement consistent with private industry practices. This entails the reductions of the ten-year requirement to vest for Tier I and Tier II annuities to five years.

This is a strong proposal and I urge my colleagues to support it.

Thank you Mr. Speaker. I yield back the balance of my time.

Mr. CUMMINGS. Mr. Speaker, I urge my colleagues to vote in support of H.R. 1140, the Railroad Retirement and Survivors Improvement Act of 2001.

This legislation serves to modernize the current railroad retirement system and will benefit hundreds of thousands of retirees, and surviving widows and dependents. I believe that passage of this bill would bring us significantly closer to achieving retirement security for rail workers and retirees. Surviving spouses and dependents suffer substantial reductions in benefits upon the death of a railroad worker or retiree. This bill will provide a guaranteed minimum benefit for survivors. While benefiting survivors, H.R. 1140 will also benefit railroads by reducing payroll taxes.

This is a good piece of legislation—it's good for workers, it's good for survivors, and it's good for the railroads. Following two years of negotiations between railroad management and rail labor we have a bill whose time has come.

H.R. 1140 is essentially the same legislation that we overwhelmingly passed last year by a vote of 391 to 25. Let us be just as supportive this time around.

I strongly urge my colleagues pass H.R. 1140.

Mr. UDALL of New Mexico. Mr. Speaker, I strongly support H.R. 1140, the Railroad Retirement and Survivors' Improvements Act of 2001. This critical legislation makes important improvements in the benefit structure for retired railroad workers, especially for widows and widowers.

After many railroad bankruptcies during the Depression, the government assumed responsibility for workers' pensions, financed with a special payroll tax paid by both rail concerns and their employees. The system is now $40 billion short of what would be required to pay benefits to all the workers who have yet to retire and their survivors.

Congress has a responsibility to provide railroad retirees and their survivors with increased benefits, as well as making necessary changes to update and modernize the railroad employee benefit system.

To that end, I urge my colleagues to join me in support of H.R. 1140. More than 670,000 retirees and dependents and 245,000 active rail employees will benefit from the improvements made by the Railroad Retirement and Survivors' Improvement Act of 2001. Please support our nation's railroad workers, rail retirees and spouses by supporting this critical reform package. Vote yes on H.R. 1140.

Mr. REYES. Mr. Speaker, I rise today in strong support of the Railroad Retirement and Survivors' Improvement Act of 2001. This bill has almost 370 cosponsors and I urge my colleagues to vote in favor of this bill. This bill amends the Railroad Retirement Act of 1974 and increases benefits to railroad employees and their beneficiaries. In addition, this important legislation provides for full annuities to employees and their spouses at age 60 with 30 years of service. This bill also reduces the vesting requirement for railroad retirement benefits for employees and survivors from ten to five years of service. This legislation is fair and must be enacted into law.

El Paso, Texas has a long history and association with the railroad. In fact, the original Arizona & Southwestern Railroad, built in 1888–1889 by the Copper Queen Consolidated Mining Co., a subsidiary of Phelps Dodge Corporation, was built to transport copper from a smelter in Bisbee, Arizona to a refinery in El Paso, Texas. The railroad and its workers have always played an integral role in the fabric of our city.

The Railroad Retirement and Survivors' Improvement Act of 2001 recognizes the work that our rail workers perform in service of this country and takes into account their extremely physical work. Again, Mr. Speaker, there are almost 370 cosponsors of this legislation representing literally millions of people across the country. I urge my colleagues to vote in favor of this extremely important piece of legislation.

Mr. PETRI. Mr. Speaker, with many railroad retirees amongst my constituents, I am pleased to rise in strong support of this legislation.

Several years ago, as Chairman of the Surface Transportation Subcommittee, I became aware of the need to increase the retirement security of our nation's railroad workers. The members of the Transportation committee worked hard to bring all the stakeholders together to work out a comprehensive plan to reform the railroad retirement system.

I am quite pleased that this legislation represents the product of that work. By diversifying the investment vehicles for retirement accounts, this legislation improves retirement benefits and reduces taxes on railroad employers. This sensible legislation is supported by both railroad management and most labor unions.

Last year, this House overwhelmingly passed similar legislation, but he Senate failed to act on it. Let's not make our railroad retirees and their families wait any longer for this needed reform. I urge my colleagues in both chambers to support quick passage and enactment of this legislation.

Mr. YOUNG of Alaska. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SUNUNU). The question is on the motion offered by the gentleman from Alaska (Mr. YOUNG) that the House suspend the rules and pass the bill, H.R. 1140, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. YOUNG of Alaska. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 384, nays 33, not voting 16, as follows:

[Roll No. 305]

YEAS—384

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Coyne
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Morella
Murtha
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (PA)
Petri
Phelps
Pickering
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Schiff
Schrock
Scott
Serrano
Sessions
Shaw
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Strickland
Stump
Stupak
Sweeney
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—33

Ballenger
Chabot
Cox
DeLay
DeMint
Flake
Frelinghuysen
Hefley
Herger
Hoekstra
Johnson, Sam
Jones (NC)
Kolbe
Largent
Miller (FL)
Miller, Gary
Myrick
Paul
Pence
Pitts
Rohrabacher
Royce
Schaffer
Sensenbrenner
Shadegg
Shays
Smith (MI)
Stenholm
Sununu
Tancredo
Taylor (MS)
Thomas
Weldon (FL)

NOT VOTING—16

Cramer
Hastings (FL)
Hutchinson
Hyde
Jones (OH)
Leach
Lipinski
Markey
Moran (VA)
Nadler
Oxley
Peterson (MN)
Spence
Stark
Toomey
Watson (CA)

□ 1956

Mr. THOMAS and Mr. TAYLOR of Mississippi changed their vote from "yea" to "nay."

Mr. BLUNT changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Ms. WATSON of California. Mr. Speaker, on rollcall No. 305, had I not been detained at a speaking event, I would have voted "aye" on rollcall No. 305.

GENERAL LEAVE

Mr. YOUNG of Alaska. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1140, the bill just passed.

The SPEAKER pro tempore (Mr. SUNUNU). Is there objection to the request of the gentleman from Alaska?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes.

(Mr. SMITH of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

(Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

□ 2000

BONUSES FOR TOP U.S. POSTAL SERVICE EXECUTIVES

The SPEAKER pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, I wanted to take just a few minutes tonight to talk about the raises that the executives in the post office decided to give themselves, which is kind of ironic when small businesses in America, as well as those who need to send out flyers about their businesses and what they are hoping to do to increase their business, are paying the rates.

Let me give an example. I have a Washington Post article that ran last week, and the first part of the article says, "The U.S. Postal Service is staring at a $2 billion deficit this year, yet the postmaster general has told its top managers that they could see performance bonuses of up to 25 percent of their salaries."

Now, Mr. Speaker, I think when an agency or a business, whatever it might be, is losing a projected $2 billion this year, yet they are giving bonuses to their top management of 25 percent, with the taxpayers of this country who use the postal system paying the freight for that increase, there is something wrong.

The second part of the paragraph says, "The postal service has increased postal rates twice this year, but United States Postal Service officials are still projecting a deficit of $1.6 billion to $2.4 billion, blaming higher fuel costs and increasing competition from online services."

Mr. Speaker, the reason I wanted to come forward is because in the year 2000, the post office ended the year with a $1.9 million loss, yet that same year, the year 2000, they paid out $197 million in bonuses to employees. Again, I came to the floor tonight because I think there is something seriously wrong when the U.S. Postal Service is losing that kind of money yet paying those kind of bonuses.

In this great Nation that we live, America, we are usually rewarded for being successful, not for losing money and then charging the customer the rates they have been charging. Let me read a couple other points to my colleagues.

This is from the Federal Times Postal News, and it says "The outlook may appear sour for this year for the U.S. Postal Service, which is facing a potential $2 billion deficit, but many postal service executives may be on the brink of a banner year. Postmaster General John Potter told top postal executives if the postal service continues increasing productivity this year, their bonuses could amount to 25 percent of their salaries."

He says they are increasing productivity, yet they are still losing between $1 billion and $2 billion. That is kind of laughable to me, quite frankly, Mr. Speaker. Let me also mention that in 2000, which I mentioned earlier, they paid out over $208 million while losing money.

Mr. Speaker, I guess the reason I wanted to come to the floor tonight is simply to point out that the American people are looking to those of us in the United States Congress to tell the post office to get their act straight, to start serving the people and making some money, and then maybe those bonuses will be worth it.

I have put in a resolution that would deal with this. It is a nonbinding resolution, quite frankly, but it would give Members of the House a chance to come to the floor and talk about the fact that they are not worthy of this kind of increase in their bonuses, in my opinion.

I will make quick reference to a Washington Times article of this past Friday called "Going Postal Bonus," and it talks about just how absolutely ridiculous it is that the post office is giving themselves this kind of bonus and raise when they are losing money.

So, Mr. Speaker, in closing, I would just like to say to my fellow colleagues in the United States House of Representatives that I hope my colleagues will support my nonbinding resolution so we can come to the floor of the House and speak on behalf of those small businesses and patrons of the United States Postal Service who are paying a whole lot in increases while the executives, who are losing money, up to $2 billion, are giving themselves a bonus.

As my colleague, the gentleman from Ohio (Mr. TRAFICANT), would say, shame on them and shame on us if we do not debate this on the floor of the House.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa (Mr. FALEOMAVAEGA) is recognized for 5 minutes.

(Mr. FALEOMAVAEGA addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

TRIBUTE TO ISABEL BRIGGS MYERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BOEHLERT) is recognized for 5 minutes.

Mr. BOEHLERT. Mr. Speaker, I rise today to talk about an interesting conference that will soon take place in my congressional district. On September 20 and 22, 2001, Hartwick College in Oneonta, New York, is sponsoring a symposium in honor of a truly remarkable woman: Isabel Briggs Myers. Isabel Briggs Myers devoted more than half her lifetime to the observation, study, and measurement of personality and gave us the Myers-Briggs Type Indicator, the most widely used personality instrument in the world.

The story of Isabel Myers and the Type Indicator is unique in the history of psychology and shows how much a single individual can achieve in the face of formidable obstacles. The story begins with Isabel's mother, Katharine Cook Briggs, a thinker, a reader, and a quiet observer who became intrigued with the similarities and differences in human personality. Katharine Cook Briggs became interested in the work of a Swiss psychologist named Carl Jung. She passed that interest on to her daughter, Isabel.

Isabel Briggs, after being home schooled except for a year in public school, entered Swarthmore College at age 17 and graduated first in her class in 1919. At the end of her junior year, she married Clarence Myers. Until the outbreak of World War II, she functioned as a mother and homemaker although she found time to publish two successful mystery novels.

The outbreak of World War II stirred her desire to contribute to the national effort. With the departure of much of the male workforce into the armed services and the emergence of many women new to the industrial workplace to fill their jobs, she saw a place where she could help. She was convinced that an understanding for human personality differences could help a person find a successful and rewarding kind of job and avoid unnecessary stress and conflict. Having long since absorbed her mother's admiration of Jungian typology, she determined to devise a method of making the theory of practical use. Thus was born the idea of the Type Indicator.

With no formal training in psychology, with no academic sponsorship or research grants, Isabel Myers began the painstaking task of developing a set of questions that would tap the attitudes, feelings, perceptions, and behaviors of the different psychological types as she and her mother had come to understand them. A habitual reader, she haunted libraries and taught herself what she needed to know of statistics and test construction. She persuaded countless school principals in eastern Pennsylvania to allow her to test their students, and she spent many a long evening scoring questions and tabulating data.

Isabel Myers Briggs spent decades working to perfect the Myers-Briggs Type Indicator. At the age of 82, she was still at work on a revised manual for the indicator, long after she was profoundly weakened by her final illness. Today, the Myers-Briggs Type Indicator has been translated into over 30 languages and is used by career counselors, colleges and universities, the Department of Defense, and numerous corporations.

On September 22, 2001, Hartwick College will confer, posthumously, an honorary doctorate degree to Isabel Briggs Myers. It is well deserved.

Mr. Speaker, in closing, I would like to bid the symposium attendees and

Isabel's family my best wishes for the success of their event; and I applaud their desire to honor such an able scholar and true visionary: Isabel Briggs Myers.

SUPPORT OF BIPARTISAN PATIENT PROTECTION ACT, H.R. 2563

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. LANGEVIN) is recognized for 5 minutes.

Mr. LANGEVIN. Mr. Speaker, I rise tonight to voice my strong support of the Ganske-Dingell-Norwood-Berry patients' bill of rights. I am a proud cosponsor of this bill which our wise counterparts in the Senate passed more than 1 month ago.

Over 800 organizations endorse the Ganske-Dingell-Norwood-Berry patient bill of rights, and numerous surveys show overwhelming support for the kind of bipartisan commonsense protections this bill provides. We must pass this bill and not delay or deny the American public what so many of us have promised them time and time again since 1998.

More than 160 million Americans receive health services through managed care. Sixty-three percent of the insured population in this country have employment-based insurance. This patients' bill of rights would not only ensure a basic minimal level of health care for these Americans but also ensure that doctors, and not bureaucrats, are making decisions when it comes to patient care.

We must pass the newly revised Ganske-Dingell-Norwood-Berry patients' bill of rights, H.R. 2563. This bill gives HMO patients the right to choose their own doctor, covers all Americans with employer-based insurance, ensures that external reviews are conducted by independent and qualified physicians, and holds a plan accountable when it makes a decision that harms or kills someone. It also provides access to emergency room care, OB-GYNs, pediatricians, specialty care providers, and clinical trials and prescription drugs.

And while it does allow patients to sue in Federal and State courts, the newly revised bill makes it clear that employers will not be sued for wrongs committed by health plans. It limits employer liability by providing an exemption for self-employed plans and permitting employers to appoint a decisionmaker to immunize them from lawsuits.

Mr. Speaker, furthermore, this legislation narrows the scope of defined violations to provide meaningful protections for employers trying to provide the best care they can for employers and employees.

Mr. Speaker, an understandable and equally important concern for many of America's hardworking employers is the increased cost of providing health care for their employees. H.R. 2563 has been crafted to minimize this risk as well. The Congressional Budget Office issued a cost analysis of the McCain-Edwards-Kennedy bill, which is virtually identical to H.R. 2563, and concluded it would increase health insurance premiums by only a de minimis amount.

Moreover, a cost increase may never occur, since many HMOs have changed their policies over the past 3 years to ensure that patients can obtain medically necessary care. I applaud these HMOs and hope that others will follow, especially since some Members of the House seem determined to never let H.R. 2563 be considered on the House floor. I think that would be a travesty, Mr. Speaker. This patients' bill of rights represents a critical step toward improving our health care system by placing control of patient care firmly in the hands of patients and their doctors.

I implore my colleagues on both sides of the aisle to think of their constituents and the promises that we have made to improve health care in America. We must pass meaningful health care reform. We must pass this patients' bill of rights, and we must do it now.

RURAL CLEANSING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, we can never satisfy government's appetite for money or land. If we gave every department or agency up here twice what they are getting now, they would be happy for a short time but then they would be coming back to us crying about a shortfall in funding. But it is this threat to land and to private property that especially concerns me tonight.

The Federal Government today owns over 30 percent of the land in this country, and State and local governments and quasi-governmental agencies own another 20 percent. So that half the land today is in some type of public control.

□ 2015

The alarming thing is the rapid rate at which that government control of land has been increasing in the last 30 or 40 years. Then on top of that, we continue to put more and more restrictions on what people can do with the private property that remains in their hands.

We have to realize at some point, Mr. Speaker, that private property is one of the few things that has set us apart from countries like the former Soviet Union and Cuba and other socialist and communist nations. We need to recognize that private property is a very, very important part of our freedom and our prosperity.

I have talked about these restrictions on what people can do with their land. There are groups all over the country that protest any time anybody wants to dig for coal, drill for any oil, cut any trees, or produce any natural gas. What they are doing is hurting the poor and lower- and middle-income people most of all by destroying jobs and driving up prices on everything.

I want to bring to the attention of my colleagues tonight a column that was in the Wall Street Journal a few days ago called "Rural Cleansing" by Kimberley Strassel, who is an assistant editor and columnist for the Wall Street Journal.

She wrote a column, most of which I want to read at this time. She talks about the cut off of water to 1,500 farm families in Oregon and California's Klamath Basin in April because of the sucker fish: "The environmental groups behind the cut off continue to declare that they were simply concerned for the welfare of a bottom feeder. But last month these environmentalists revealed another motive when they submitted a polished proposal for the government to buy off the farmers and move them off their lands. This is what is really happening in Klamath. Call it rural cleansing. It is repeating itself in environmental battles across the country.

"Indeed, the goal of many environmental groups from the Sierra Club and others is no longer to protect nature. It is to expunge humans from the countryside.

"The strategy of these environmental groups is nearly always the same. To sue or lobby the government into declaring rural areas off limits to people who live and work there. The tools for doing this include the Endangered Species Act and local preservation laws. In some cases, owners lose their property outright. More often, the environmentalists' goal is to have restrictions placed on the land that either render it unusable or persuade owners to leave of their own accord."

The column continues that there was a court decision in this case. "Since that decision, the average value of an acre of farm property in Klamath has dropped from $2,500 to about $35. Most owners have no other source of income. So with the region suitably desperate, the enviros dropped their bomb. Last month they submitted a proposal urging the government to buy the farmers off.

"The council has suggested a price of $4,000 an acre which makes it more likely the owners will sell only to the government. While the amount is more than the property's original value, it is nowhere near enough to compensate people for the loss of their livelihoods and their children's future.

"The environmental groups have picked their fight specifically with the farmers but its acts will likely mean the death of an entire community. The farming industry there will lose $250 million this year. But the property tax revenues will also decrease under new property assessments. That will strangle road and municipal projects. Local business are dependent on the farmers and are now suffering financially. Should the farm acreage be cleared of people entirely meaning no tax and no shoppers, the community is likely to disappear."

"Environmentalists argue," this columnist continues, "that farmers should never have been in the dry Klamath Valley in the first place and that they put undue stress on the land. But the West is a primarily arid region. Its history is one of turning inhospitable areas into thriving communities through prudent and thoughtful relocation of water."

The columnist goes on, "But, of course, this is the goal. Environmentalist groups have spoken openly of their desire to concentrate people into the cities turning everything outside city limits into a giant park. Do the people who give money to environmental groups realize the end game is to evict people from their land? I doubt it."

Ms. Strassel says, "The American dream has always been to own a bit of property on which to pursue happiness. And we are very slowly doing away with that in this country."

GENOCIDE AGAINST TAMILS IN SRI LANKA

The SPEAKER pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, genocide is often described as the planned and systemic annihilation of a racial, political or cultural group. As we look at different situations around the world, we often see instances in which genocidal activities are being carried out. We examine the struggle for self-determination in Kosovo, the ethnic conflicts in Bosnia and Macedonia and every other place where we have gone to safeguard the rights of ethnic minorities.

We failed to do that in Rwanda, and I do not want us to ever sit by and allow this level of atrocity to occur again without our intervention.

Unfortunately, there is another serious ethnic conflict under way of an almost genocidal bent in another part of the world. Let me tell you where it is and why we, the American people, do not know much about it despite the fact that our government is involved. The conflict of which I speak is the ethnic conflict that is taking place in Sri Lanka where the Tamil minority is systemically being destroyed by the Sinhalese-dominated Government and its military.

I have every reason to believe that the Tamil minority in Sri Lanka has been denied their legitimate rights and are being subjected to the most inhumane treatment by the Sinhalese-dominated Government since the nation became independent in 1948.

Since the Tamil people and the Sinhalese people are concentrated predominantly on different parts of the island since ancient times, Sinhalese politicians have virtually ignored the legitimate concerns of the Tamil minority because they are elected almost exclusively by Sinhalese electorates.

The Tamil minority, which yearned to share the benefits of their newly found freedom with the Sinhalese, were dumbfounded when the Sinhalese-dominated Government rejected Tamil demands for the use of their language for regional administration, seek administration to universities based on merit, to secure employment opportunities without discrimination, to prevent their traditional homeland from being settled by Sinhalese citizens under government-sponsored colonization schemes and to develop their districts.

Furthermore, Tamil demands for any measure of regional autonomy for Tamil areas receive rejection by the Sinhalese-Buddhist clergy on the grounds that it would threaten the spiritual and ethnic integrity of the Sinhalese-Buddhist nation.

Every peaceful demonstration staged by Tamils to show their displeasure with the government was broken by force, mostly with the tacit approval of Sinhalese politicians. Hundreds of Tamils have been killed; their property damaged. As a result, almost half a million Tamils have had to take refuge in foreign countries. Another half million have been displaced from their homes within Sri Lanka. Their most treasured library along with some of the rarest books describing their ancient history and culture were deliberately burned by the army also with the tacit approval of a government minister.

Under these circumstances, Tamils felt as if they had no choice but to encourage its youth to organize, and many of their young people have taken military action, fighting back as part of a self-determination and liberation front.

The LTTE, as in every civil war, has carried out some violent acts that targeted government establishments in Sinhalese areas to counter the brutal activities of the Sri Lanka Government and has succeeded in some instances. Now comes the time for the real intervention that is needed. We ought not stand by and allow this ethnic conflict to continue to the demise of a people, specially those who constitute the minority.

Therefore, I hope that our government, this government, will become more diplomatically involved, will try and bring about peaceful resolution of this conflict that is wrecking a nation.

ENERGY POLICIES FOR THE FUTURE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Pennsylvania (Mr. PETERSON) is recognized for 60 minutes as the designee of the majority leader.

Mr. PETERSON of Pennsylvania. Mr. Speaker, tonight a group of us here would like to talk about energy. We have heard a lot of discussion about energy. In fact now that gasoline prices have kind of dropped off, home heating prices have declined and things have sort of settled down, electric shortages in the West have not been happening for a few weeks, people say there is no crisis, it is just a lot of hype, a lot of smoke.

I am not one who believes that, and I agree with President George Bush and Vice President DICK CHENEY. This country needs a comprehensive energy policy. Let us look at the record and see the trends happening.

Recent trends, everybody has concern that the dependency on oil was coming from parts of the world that do not care about us, OPEC nations. We are approaching the 60 percent factor. That is not a healthy thing for our country.

Coal, there has been a very flat use of coal and a resistance to the new clean coal-use technologies. Coal use has been flat in this country, and maybe slightly declining.

Then look at nuclear where the percentage is slowly dropping. There has been a moratorium on new nuclear uses ever since the problem that happened in Pennsylvania many years ago. There have been no new plants built or planned; and the interesting part is in a recent report from the Department of Energy, the problem with nuclear continuing is the resistance of relicensing of existing nuclear plants. If we do not relicense our current plants, we are going to lose a great deal of our electricity.

Then we have hydro. The Department of Energy had the same mark beside hydro: flat, slightly declining, difficult to relicense. That is the view of the Department of Energy.

Then we have renewables, and we would like to see them grow and expand and take up the marketplace. In renewables, we have had very slow growth in solar, wind, geothermal, and more recently fuel cells. I think fuel cells are the one with the huge promise, probably sooner than others. There are those who think solar and wind can solve our problems. Every graph I look at shows them slow, almost no growth.

Then we have the infrastructure issue that we take for granted. We do not worry about how our electricity gets to us, or how our natural gas gets to us; but we have a gas transmission system that is not well connected and not large enough, and does not cover some parts of the country so there are parts of the country that do not have access to natural gas.

Electric transmission. We do not think much about those electric lines going from community to community; but that is how we get our power, and that system is aging, inadequate to supply the needs of today.

The refining capacity in this country has been slowing declining, the number of refiners; and yet our use of petroleum products has been climbing at a fast rate. Is that a healthy situation to be in?

If we really want to have energy that is affordable and dependable, we have to have stable prices. To have stable prices, we have to have ample supplies of all kinds of energy.

A few years ago we were sort of drunk in this country on $9 and $10 oil, and $1.50 natural gas, and that made us very complacent about conservation. It made fuel costs very insignificant. But that has all changed, and it can continue to change.

If we have an energy plan in this country that meets our future economic needs, we need to have one that increases energy efficiency and conservation, one that ensures adequate energy supplies in generation, renew and expands the energy infrastructure. We need to encourage investment in energy technologies, provide energy assistance to low-income households, and ensure appropriate consideration of the impacts of all the regulatory policies.

Mr. Speaker, I think there are a lot of things to do. These are all complicated issues. I am going to conclude my comments and then call on the gentlewoman from New Mexico, but just look at where we are at today.

Today, petroleum is 40 percent of our energy; natural gas is 23 percent; coal is 22 percent; nuclear is 8 percent; and renewables are 7 percent. We look down the road 19 years to the year 2020, and there is really not much change on those who are estimating.

□ 2030

Our gas usage will increase because we are now using a lot of gas for power generation, something we did not do, will go from 23 percent to 28 percent. Petroleum will drop from 40 percent to 39 percent. Coal will drop from 22 to 21 percent. Nuclear will drop from 8 to 5 percent. Renewables will remain at 7 percent. That is the projections of the Department of Energy. In my view, we have some very large issues that need to be dealt with. We have some mountains to climb if we are going to provide affordable energy to the American citizens.

With this I will call on my good friend from New Mexico (Mrs. WILSON).

Mrs. WILSON. I thank the gentleman from Pennsylvania. I also thank him for hosting this 1-hour discussion this afternoon. We are actually on the eve of a very important debate here in the House, the first debate on a comprehensive energy plan for this country that has occurred here for 20 years. I think the leadership in this House, on both sides of the aisle, deserves a lot of credit for the work that has gone on over the last month to bring forward a very balanced and in many ways bipartisan bill that sets up a long-term energy policy for the country. It certainly has behind it the leadership of the President and Vice President CHENEY, and his administration that has put forward some ideas that were then worked on here in the House, in the Committee on Commerce, in the Committee on Science, in the Committee on Ways and Means to bring to the floor of the House tomorrow a comprehensive, long-term energy plan for the country.

This plan does not just rely on increased production; it also emphasizes conservation. But it recognizes that you have to do both. We cannot conserve our way out of the energy problem, but we cannot drill our way out of the energy problem, either. We have to have a long-term, balanced approach to our energy policy. I think the bill that we are bringing to the floor of the House tomorrow accomplishes that, and I think the leadership on both sides should be commended for all of their work in this area.

Most folks do not know that we are more dependent on foreign oil today than we were at the height of the energy crisis in the 1970s. We get 56 percent of our oil from abroad, mostly from the Mideast. The number six supplier of oil to the United States and the fastest growing supplier of oil to the United States is Saddam Hussein. America should not be that dependent on its enemies for its sources of oil. We are going to be even more dependent on them by 2010. Estimates are that two-thirds of our oil will come from abroad.

But it is not only oil that this bill is about. We are going to be increasing our consumption of natural gas; yet natural gas prices have soared over the last year to triple what they were a year before. We have had no nuclear plants licensed in this country for over 10 years. If we do not do something to make sure that nuclear power continues to be a viable option, continues to be part of our energy mix, then it will decline over the next 20 years. Yet nuclear power is the safest, most reliable source of energy that we have and emits no greenhouse gases. If we are going to have a balanced energy policy, nuclear power must be part of that equation.

We have not built any gasoline refineries in over 10 years in this country. We have put on these requirements, regional requirements, in some cases local requirements for what are called boutique fuels, different requirements from one city to another city about what kind of reformulated gas you have to use. It changes by the season, so you might have one formula of gas required in Milwaukee and another one in Chicago, and then it changes on different dates and you have filling stations having to drain their tanks and get the new gas. It creates local shortages.

In this bill we are bringing to the floor tomorrow, to the floor of the House, we will address this problem of boutique fuels that are causing gas-price spikes across the country. We need to expand our refining capacity so that if we have a fire or a pipe break at a refinery, we do not see everybody's gas prices go up in the West, particularly right in the summer when we need the gas most.

I think the bill that we will bring to the floor of the House tomorrow is a balanced and comprehensive bill. A lot of people, Democrats and Republicans here in the House, have worked very hard to make sure that it is so and it is a product we are all going to be able to be proud of when we leave here tomorrow night. I thank the gentleman for asking me to join him. I think this bill is very important for consumers in this country, to be confident that when you flick the switch, the lights go on and that when you go to the pump, you pay a reasonable price for the gas that you get, and the appliances that you buy are as efficient as they can be, so that people do not have to worry about these things because we prevent the next energy crunch from ever occurring.

Mr. PETERSON of Pennsylvania. I thank the gentlewoman from New Mexico for her thoughtful comments.

Mr. Speaker, I yield to the gentleman from Michigan (Mr. EHLERS), a physicist of the body here, a man who is used to very complicated issues. I am interested to hear his views tonight of where he thinks America is in energy.

Mr. EHLERS. I thank the gentleman from Pennsylvania. As he noted, I am a physicist, but I am going to try to keep this discussion very simple and not get into any complicated equations, although it would be fun to do that; but as you know, a physicist cannot think without a chalk board, and so I will not be able to do that tonight.

Energy, energy, energy, energy. That is all we are hearing these days, especially on the floor of the House. Tomorrow we are going to hear even more, energy, energy, energy, because for the first time in 20 years we will be talking about a new national energy policy.

What is the big fuss? Why are we so concerned about this? What is energy? What is it all about? Let me put it in the simplest terms I can. Energy represents the ability to do work and, to put it in even more simple terms, you get up in the morning, you say, oh, I feel full of energy today. That means you have got lots of vim and vigor, you are eager to work. You can do things. Or if you get up and say, oh, I'm really dragging today, it means you do not have much energy.

But where do we get our energy, our personal energy? From the food we eat. We may enjoy eating for other reasons, but the basic biological reason for eating is because we need the energy from the food that we eat.

For millennia, the people on this planet did not have any energy other than the energy from the food they ate. And so the work that they did, they had to do themselves, and their work was converting food energy into useful work. Agriculture developed only after people discovered how to use other than human energy, namely, animal energy. As soon as they could use animals to pump water, to pull the plows, to thresh the grain, then we began agriculture, because we had learned how to capture the energy of something other than ourselves.

Today throughout this world, over two-thirds of this world still thinks of the most basic form of energy as the most important, the energy in food, because they do not have enough to eat. And without enough to eat, they do not have enough energy to work. Without the energy to work, they have trouble producing enough food to feed themselves. But that brings us into another issue which we are not discussing here.

Throughout the ages, we have tried to do work, but to get other things to do the work. First human energy, then animal energy; then when we entered the industrial era, we found ways to use fossil fuels as energy. Extracting the energy which is really stored solar energy within the earth, we found that we could use that energy, whether it is coal, oil, natural gas. We could use that to produce energy which allowed us to do work.

Physicists became involved in this about that time. In fact, you would not have had the Industrial Revolution without the work of physicists who developed the three laws of thermodynamics and allowed them to build very efficient engines, steam engines in particular, and that led later on to other engines. That meant we no longer depended on human energy; we no longer depended on animal energy. We then began to depend on energy recovered from artificial sources, fossil fuels in this case. And then later on we developed nuclear energy with Einstein's discovery that E=MC2, in other words, you could convert matter into energy which is what a nuclear reactor does. All of this represents the ability to do work, and that is what it is all about.

But how does that affect us today? It affects us in so many ways we do not even begin to realize it. We walk in the house, we flick the light switch, the light goes on, where did that energy come from? Not from the switch, not from the wires, although that transmitted it there. It came from a power plant, either nuclear, gas-fired or coal-fired that converted energy from that form into a very usable form of electricity.

Suppose we want to go to the store and get some groceries. It takes very little energy for those groceries to get from the store to our home, because they are fairly light, a few pounds, 10 pounds, 15 pounds. It does not even take that much energy for us to get to the store and back home. We could walk it if we had to. But we take our car, and it takes a lot of energy to get that car to the store and back. If you do not believe that, next time you go into the store, do not drive your car there, push it and see how much energy you use just moving that car around. That is where our major sources of energy are today, not in feeding ourselves, not in manual work but in all the many things we have to do work for us.

Every one of those things cost money. But they are also totally essential to the economy we have. Sometimes we do not realize it, but it is no secret why every shortage of energy was followed by a recession or at least an economic slowdown. This happened in 1973 with the shortage then, in the early 1980s, roughly in 1990, and now today energy prices went up, we now are in an economic slowdown. There is a cause and effect there, because energy is so vital to our economy. We do not even recognize it, but it is and that controls our fates to a large extent. Why is that?

Suppose you want to manufacture something. It could be a tin can; it could be a car. Sometimes it is hard to tell the difference. But in any event to start with, you have to dig a hole in the ground to get at the ore, the iron ore, or the aluminum ore, whatever you may have. That takes energy to dig that hole. It takes energy to take the ore out. It takes energy to transport it to the smelting plant, to purify it and make it into ingots. Once again it takes energy to transfer it to a rolling mill where it gets rolled into steel or aluminum. It takes energy to transport that rolled steel or aluminum to the factory. It takes energy to fabricate it into the tin can or to the car, and then it takes energy to transport the tin can or the car to your home. Every single step of the way requires the use of energy. That is why we are so totally dependent on energy.

But why do we not recognize this? For a very simple reason: energy is intangible. We cannot see it, we cannot touch it, we cannot perceive it. It is not like a material resource. In fact, it is totally different from a material resource. And so we are using this energy that we do not understand, we cannot see, and we cannot see the effects of very easily. How do we know it is there? One tangible way is the price at the gas pump. And so we get very upset when that price goes up. That means energy is in shorter supply. Our utility bill is another tangible evidence. But we do not see it and we do not feel it; we do not recognize its effect in our lives.

That is why it is so extremely important that President Bush took it upon himself to try to develop a national energy plan. He knows about energy. He has been in the oil business. He understands the importance of energy. I have wanted an energy plan for this Nation for a long time, but it has been very hard to get the attention of the people without a shortage of energy. We had a shortage of energy this year. We still have looming potential shortages of energy, as you can see from this chart that the gentlewoman from New Mexico used; and we have to be aware of that. We have to try to develop new sources of energy at reasonable cost. Energy is so important that we absolutely need a good energy policy.

Tomorrow, the House of Representatives will debate such a policy. It has taken months of work, first on the part of the Vice President and his working group, secondly the support and work of the President, and now it is in the hands of the Congress. We have spent months working on it in different committees, conducting hearings, learning from the experts, trying to put together a package that has all the essential elements. There has been a lot of disagreement. There are a lot of different ideas of how to approach it. Some want to drill for more oil; some want to import oil from Canada and natural gas so we can make use of their resources and also from Mexico. Others want alternative sources of energy. Others say, let us conserve more. The point is, we have to do all of the above.

The President's energy plan does all of the above. You may still quibble and say, well, there is not enough conservation, or there is too much of this, there is too much of that.

□ 2045

That is something we will continue to work on. The important factor is we have an energy plan here before us. It represents the hard work of the administration and the Congress. It is up to us to pass that energy plan, to educate the people of our Nation about the nature of energy and how important it is and how it should be used.

I urge my colleagues tomorrow as we discuss this issue that we not lose sight of the main goal, and that is to develop an energy plan and policy for the United States which will benefit every single one of us.

So I urge that we all work together and adopt this plan, and I hope the Senate will join us in this so that we can have a good plan for the future and not run into the pit that was outlined by the gentlewoman from New Mexico (Mrs. WILSON) of becoming dependent on Saddam Hussein and other dictators who control oil, and that we can develop low-cost, dependable sources of energy of various types, both new ones and existing ones, so that the people of this country will once again enjoy a good economy.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I thank the gentleman from Michigan for his wise words. You can tell the gentleman is a physicist by his thought processes.

We are delighted to be joined now by the gentlewoman from West Virginia (Mrs. CAPITO), who comes from what I would call coal country.

Mrs. CAPITO. Mr. Speaker, I thank the gentleman very much. It is a pleasure to be here this evening to talk about the impending energy legislation that will be before us tomorrow.

I was listening to the gentleman from Michigan (Mr. EHLERS) discuss his definition of energy: When you wake up in the morning you feel energized, or sometimes you do not feel so energized.

When I think about this energy plan, another word comes to mind to me, and that is balance. I think as a new Congresswoman, I am trying to learn myself how to balance things in my life; how to balance my work with my leisure, if I have any, and my family, in my new surroundings here in Washington. It is a matter of making choices, it is a matter of setting priorities, and it is a matter of being realistic about what is before me as a new Congresswoman. I see the new energy plan much in the same way.

For the past 20 years, America has coasted blindly into the future, naively trusting that our sufficient resources would be ready and available whenever we would need them. But we know the recent blackouts in California and serious fluctuations in the prices of gasoline have shown that our well of energy has dried up a bit.

Fortunately, we have an administration before us now with President Bush and Vice President Cheney who have compiled a plan that is balanced and comprehensive, and it provides for our energy in a safe and clean manner.

The Bush plan calls for increased production, but it also calls for greater technology, greater research and development, and also has a large component of conservation, there again, striking a balance between all the elements. Not only will this help protect the American consumer from future blackouts and huge electricity price spikes, but, for me, living in West Virginia, one of the bonuses is it will create more jobs. That is welcome news for us as West Virginians.

We see the depth of the diversity in the plan in the amount of research in funding that goes to green energy, a new resource, and alternate sources such as biomass. There is an expansion of the biomass tax credit and more funding for biopower energy programs.

The reason I bring this up, even though coal is a great part of what I want to talk about, just last week a few of my constituents came in to see me about implementing a potential biomass energy production project in my district. Because our State of West Virginia also has a large timber industry, they proposed using the energy from the wood scraps and the leftover wood by-products to provide local power. Their proposal, I thought, was very impressive. They were creating green power out of what has basically been and formerly been a waste product from the timber industry. They have a wonderful idea of how to use another West Virginia resource in an environmentally clean way and to provide for that basic need, energy.

Aside from being environmentally friendly, the use of this type of energy positively impacts our local rural economies. For instance, to transport the timber would be very expensive, so you place the power plant very close to the fuel crop of timber, and then you can use that raw material to generate green power. This creates a new plant and jobs in the community.

The Bush energy plan directs more time and resources to exploring these projects and others like them. For instance, about a month ago I went to West Virginia State College, a college in my district, in Institute, West Virginia. They had just imported from another area in my district, Moorefield, that has quite a few chicken farms, and they had imported a digester. They are taking the chicken by-products and with the digester using them to create power, small levels of power, but enough to power the football field, some of the athletic facilities, at West Virginia State College. It is experimental, but, there again, a different approach to creating energy.

In addition to producing more alternative fuels like biomass, we see more production in this plan for the traditional sources of power. Another one we have in abundance in West Virginia is natural gas. We are one of the largest exporters of natural gas in the whole country. We are digging deeper and becoming more productive in our ways of getting natural gas.

This energy plan we have before us has a large component of natural gas. I think the gentleman from Pennsylvania (Mr. PETERSON) mentioned in his opening statement that natural gas is still the largest fuel used for energy.

I would like to turn to coal. With 35.4 billion tons of coal in reserve, West Virginia has a ripe opportunity to help in this time of a national energy crunch. The amount of coal that lays sleeping in our West Virginia hills amounts to $4.5 trillion in value.

Last year in West Virginia the coal industry alone employed 21,000 West Virginians, up almost 4 percent from a year ago. It is clear that increasing production of this resource would be good for economic development in West Virginia, a state that is always searching for more jobs.

Last year in West Virginia in the transportation and public utilities industry we employed 37,000 people. Well, with new clean coal technology and an advanced way to burn and use our coal more efficiently, not only would we have more coal production, but we would also have offshoots of this, like transportation in the construction industry. A plan that calls for more production of energy resources, more construction of power plants, and more infrastructure will make these 70,000 employees more productive and more useful.

I see a tremendous amount of potential in this energy plan, because it is balanced. We are not finding one solution to a very large problem; we are looking at a myriad of solutions to try to meet an enormous problem and to face the future of the next at least 25 to 30 years.

I think timing is everything in politics, they say, and I think in terms of facing energy needs, there could be no more timeliness than the present moment. America cannot walk blindly into the future and naively assume, I think as we have in the past, that our children's energy needs will be met. We must have long-term vision and must plan not only to produce, we must learn to conserve, and we must learn now to act tomorrow to implement what I think is an innovative, exciting energy plan for the country.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I thank the gentlewoman from West Virginia for her very thoughtful comments, especially about coal.

We are now joined by our friend the gentleman from Utah (Mr. CANNON). Welcome to our discussion on energy.

Mr. CANNON. I thank the gentleman from Pennsylvania (Mr. PETERSON). I thank my friend from Pennsylvania, another coal state, for his time here. And while I think it is very important that we produce green energy, I really love coal, and it is what fires America, keeps our lights on.

I want to say H.R. 4 is a carefully crafted bill that balances energy conservation and increased production. It is the product of the work of the gentleman from Utah (Chairman HANSEN), the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from New York (Mr. BOEHLERT), and it is one that we should all support for the good of our Nation.

I do believe there is a need for additional work on an important facet of our country's energy policy, the role that American Indian and Native Alaska Tribal Governments can play in the development of new energy resources. Some tribes, like the Utes in my district in Utah, are ideally located on or near oil, shale, coal, petroleum or natural gas reserves, and others have the good fortune of being located near the power grid and thus could easily become energy producers.

Indian energy also provides an opportunity for us in Congress to put our money where our mouths are when it comes to tribal sovereignty and economic independence. Many of my friends on both sides of the aisle are concerned about the increasing dependence on gaming as a means of economic development for Indian country.

None of us in this chamber want to see Tribal governments relying on gaming solely for job creation and economic empowerment. Indeed, I think I speak for many of us in saying that we would like to broaden the economies of Indian Tribes so that gaming becomes less and less important over time.

Energy production is the ideal opportunity to fulfill our trust responsibilities to these local governments and provide Tribes with the tools to help their members, but how do we do that? One answer is to establish more Federal bureaucracies that, while well-intended, often create more burdens than benefits. Such solutions often do more harm than good by furthering Federal paternalism that undermines the concept of sovereignty. Rather than create more bureaucracies, we must ensure that the President's recent order to reduce regulatory barriers to energy production also applies to the Bureau of Indian Affairs.

But we should consider doing more. Many proposals to date have overlooked key issues, and instead provide for new Federal programs and loan guarantees that do not address the full spectrum of energy issues.

We should look to streamlining the process for Tribes to take lands into trust, specifically for energy production, so long as the local communities continue to have input into such acquisitions. We should also consider allowing Tribal governments to do their own environmental assessments, rather than having to rely on the Federal bureaucracy in Washington, D.C. Congress should consider whether, as sovereign governments, Tribes should have licensing and permitting authority for Federal production facilities.

Most of all, Mr. Speaker, we must fully consult with Tribal governments to see what they feel is necessary to encourage the development of new energy sources on Indian lands.

I look forward in the weeks and months to come to working with my colleagues on both sides of the aisle and our friends in the Native American community. Specifically I hope to move legislation in the Committee on Resources that will promote Tribal sovereignty and self-sufficiency while fostering meaningful economic development.

I would like to thank the gentleman from Pennsylvania for his efforts.

Mr. PETERSON of Pennsylvania. Mr. Speaker, we thank the gentleman from Utah. We hear now an Indian perspective of energy potential also.

We are really covering the country tonight, from one end of the country to the other. We are now at the far West Coast, where there have been real challenging, interesting energy problems.

I yield to my good friend, the gentleman from California (Mr. RADANOVICH).

Mr. RADANOVICH. Mr. Speaker, I thank the gentleman. I think together we represent both the East and West Coast versions of national energy. I want to thank the gentleman for providing this time.

Also I want to thank the President of the United States for putting together an energy policy for this country, because it has been so long overdue and so important. I thank him for providing the leadership on this issue. So much can be done when you are President of the United States, and yet so many presidents I think tend to look at what the polls are and judge their administrative actions and their job as president by what the polls dictate.

We had a similar situation like that in California about a year ago, last May, when it looked like it began to become apparent that a law that was passed in 1995, a phony deregulation bill, I guess I would call it, began to show signs of wear and tear on energy in California. Consequently, the prices of energy in California began to kind of jump through the roof, starting in San Diego.

Unfortunately, the leadership in California looked at the polls, and the polls said that if you did what was necessary, you might suffer in your polls, at least on a temporary basis, because the remedy for that was a very, very modest increase. About a year ago it would have been something like 20 to 25 percent in power rates would have brought things back in line, in addition to negotiating long-term contracts in California. It would have corrected the flaws in this 1995 deregulation bill.

Because that leadership was not provided in California, of course, we began to be familiar with the terms "rolling blackouts" and "price spikes" and "$3,800 power," these kinds of things. It was because the leadership was not provided at the State level.

It makes me more appreciative of this president, the fact he has come up to the plate and decided to take on issues that may not be all that popular. But they need to be addressed in this country. Because as in California, and we are thankful that the temperatures have not gotten too hot, that we have not had the rolling blackouts, yet, that we had anticipated for this summer, but the threat is still there, and because the President is tackling I think the energy situation in the United States, I think it will save a lot of the rest of the country what California has had to go through in learning tough lessons.

So, the President is providing the leadership, and I think it is up to us in the House to pass his package, which I fully support. It is a balanced package. It is not over reliant on any one type of energy. It spreads our liability through many, and also makes us more dependent on our own resources, which I think is really the moral thing to do in the United States.

As much as we do not like a power plant perhaps in our backyard, we certainly do like to flip the switch and see the lights come on, and we certainly do like to turn the faucet and see water come out of it. That is the bottom line for the United States.

So, again, I applaud the President. I think he is doing a great job in his policy. I support this energy plan, and I look forward to its passage in the House tomorrow.

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Mr. Speaker, I appreciate the gentleman from Pennsylvania yielding me time.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I would ask the gentleman, what kind of electric cost increases are happening in California?

Mr. RADANOVICH. Right now, because the Governor waited so long to do any price increases, the PUC eventually raised prices up to about 48 percent. We have a home in California and pay generally when we are not there about $48 a month, and it went up to about, in our particular case, almost $200 a month, even when we are not there on occasion, and so the price increases are very steep in California.

Californians are beginning to feel that right now. But they should know that had the Governor acted earlier, the price increases would have only been about 20 to 25 percent and would have corrected the problem and, frankly, saved the State billions of dollars, at least $8 billion, probably $20 billion.

Mr. PETERSON of Pennsylvania. Well, the energy prices are important ones to ourselves, along with our traveling costs and our home costs. But we pay them again in our education costs, we pay them again in our health care costs. And in business, we pay them again in business; if one owns a business, that is a high energy user, so it hits us a lot of ways when energy prices spike that much.

Mr. RADANOVICH. Well, there is a good side, if we want to call it that, to price increases in that it does cause us to conserve energy. Price increases, unfortunately, are the best conservation method there is out there. But, there is a big difference between 20 and 25 percent and a 48 percent increase. It really was not necessary to raise rates that high had he acted earlier in order to affect the kind of savings that we actually could get in California.

Mr. PETERSON of Pennsylvania. The other issue is, I remember rolling brownouts during a winter a few years ago when energy was short in Pennsylvania and it was zero degree weather and the problems that were caused when electric was off just for a few hours. Maybe the gentleman could share with us a little bit about what happened. I heard there were industries that were actually deprived power.

Mr. RADANOVICH. Oh, there are. When a rolling blackout happens, unless you are in a district near a hospital somewhere, then you are not protected. And even in that case, you are not protected from some medical emergencies. We had an ophthalmologist, who was doing cataract surgery, in the middle of cataract surgery when the lights went out and they struggled around for about 30 to 60 seconds before they could get their private generators going. The gentleman can imagine, if you are in the chair and you are getting cataract surgery, I assume that you are awake during this whole time, and all of a sudden the power goes out on you.

We also have one of the largest plate glass manufacturing plants if the country. There are about four of them all over the place that use enormous amounts of energy and, of course, in order to make glass, you have to heat it up to where it becomes molten and then it goes through a lot of sophisticated equipment before it comes out as plate glass. When you have a power outage for 8 hours, all of that molten stuff freezes up inside all of that sophisticated machinery and you lose every bit of it.

So these companies in California have been scrambling to make sure that they have an alternative energy supply to click on real fast once we do get a blackout. This generally makes us more reliant on power sources that are not necessarily energy efficient and environmentally efficient. So generally, what we rely on are power plants that pollute the air more than what we want, certainly, or should allow, and cause, I think, more environmental damage in California.

So it is not a good position to be in if one is an energy user or one is concerned about the environment. It kind of swings both ways.

Mr. PETERSON of Pennsylvania. Mr. Speaker, economically, it may take a little while, but when a company in California or any State that has a prolonged energy spikes and the rest of the country does not, we have put that company in a noncompetitive position immediately and, in time, they will not be able to compete with companies that are using a lot more less costly power.

Mr. RADANOVICH. Right. And in California, we pride ourselves as being the seventh largest economy in the world. We rank up there with nations. We are very, very proud of that. But we cannot last long like that if we cannot even supply the basics. This is basic infrastructure we are talking about at an affordable price. When it is more affordable in any other State in the country, business will leave. It will drastically affect the economy of California. So these are the concerns that we have, of course, because being a Californian and those of us that live there, we care about our State and we want to make sure that we get through this reasonably well. But it has vast economic impacts.

Mr. PETERSON of Pennsylvania. Mr. Speaker, just to look at a few of the spikes that were regional in the last few years. In 1999, the fuel oil, truck fuel price was, in the East, from about Pennsylvania up to New England and for most of the winter, trucking companies were calling me and going out of business because they could not compete with their competitors because their fuel prices had doubled. But they were regional problems.

Then, in the year 2000, in Chicago and many areas that had the huge gasoline peaks and gasoline prices there and I think they were over $2 a gallon. Last winter, the changes, because of the problem the gentleman is having in California, and 95 percent of the new generation for electricity is natural gas. Historically in this country, we did not use natural gas for power generation. Maybe a little bit of peaking, but not regular power generation.

It was basically saved for home fuel and for commercial industrial, as the easy, clean fuel. So now that we are major into using natural gas for power generation, we have spiked the price. Because last winter, gas prices in my part of the country were up 120 percent for home heating. Now, that took a lot of money out of spendable income.

A lot of people have not talked too much about it, but last November and December in this country were the coldest Novembers and Decembers in history since they have been keeping track of temperatures. So they were not real cold temperatures, but they were cold every day of the month, each month. They were very cold months, the coldest on record. So there was tremendous natural gas use and there was inadequate supplies in storage, because they put natural gas in the ground in the summertime in storage caverns and then they use it in the winter.

So last winter, we had gas prices running $2 and something a thousand retail, they went to $8, $9, and $10 a thousand. In my district I actually lost businesses who depend on natural gas, who are heavy gas users; and we had a fallout from that. I had a company relocating to Louisiana, and another one went out of business because they no longer were competitive because of the natural gas prices.

I think with this great consumption of natural gas now for power generation, until the drilling can catch up, until the gas lines, the transmission lines can be built, in my view, natural gas spikes a couple of winters in a row can really have a huge impact on seniors staying in their homes.

Mr. RADANOVICH. Right. Mr. Speaker, that is why I think the President's plan is wise, because it relies on diversifying our energy sources.

We in California are far too reliant on natural gas, as the gentleman mentioned, and one can never put all our eggs in one basket and not expect to suffer at some point in time. So that is why I applaud the President for not just concentrating on say natural gas reserves or supplies, but also on some of the other Nation's resources, like coal reserves, renewable energy sources, nuclear energy and such. Those are all, I think maybe not equally dependent on all of them, but they all have to be a good part of our energy mix, and that is why I applaud the President for making sure that that is a part of this energy plan.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I think we all should be applauding the President for raising this issue, because it was not a popular political issue, but it is an issue that needs to be addressed. Because if America is going to grow, and our energy use is growing, but maybe we do not give ourselves enough credit. But while the economy in this country grew 126 percent, energy use grew 30 percent. So we have improved our efficiency, we have done that, very much so. But we need to continue to do so.

Now, $10 oil and $1.50 gas a few years ago kind of took our eyes off the ball. It made all other forms of energy noncompetitive. We could not compete with cheap gas and cheap oil. Now, if the prices do not get too high, but stay stably high to where other energies can compete with them, wind and solar and geothermal and fuel cells have a chance of competing in areas, so they can become a bigger factor when they can compete pricewise.

Mr. RADANOVICH. Right. And I think that conservation and renewable energy sources play a big part in the President's overall energy plan. But if we are going to deal with things realistically, we have to understand that a large portion of our energy is consumed by oil, natural gas, and hopefully, a greater percentage of nuclear energy.

Right now, the technology says that these are our main energy sources. And we can hedge those and help cut back on those by renewable energy sources and conservation, but it all has to work together. The gentleman has the graph, and a large part is oil and natural gas.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I will give the gentleman the figures here. This is the Department of Energy. This is interesting. I will give the gentleman the change.

Currently, 22 percent of our energy is from coal, and they are predicting it will be 21 percent in the year 2020, that is 19 more years. Oil is currently 40 percent and will decrease only to 39 percent. Natural gas is the growth area. It is going to go from 23 to 28 percent. And nuclear they show dropping from 8 percent of our energy source to 5 percent, and they show renewable staying at 7. Now, that will be growth in renewables, but only as much as the growth in energy consumption, because the percentage is not changing.

Now, I hope we can do better than that. I hope renewables could double. But if we double renewables in the next 20 years, we would still only be 14 percent of our overall energy use.

One issue I wanted to mention on natural gas too; now, in oil, as we stop producing enough oil to run our economy, we then started to import from all over the world. We import from like 20 different parts of the world. Unfortunately, a lot of it is from unstable parts of the world that are not real friendly to us. But natural gas, we only import from two countries, Mexico and Canada, where we do it on pipeline. We do import a little bit of natural gas, but it has to be liquefied and I think there is only one port in the United States that can accept tankers of liquefied natural gas, liquefied natural gas from other parts of the world. That is the only way you can transport it is to turn it into liquid and then turn it back into gas again, and we only have one port.

So we cannot import natural gas like we can import oil. Only from Canada and Mexico. We are 80-some percent self-sufficient ourselves currently, but with the amount of power plants we are hooking up; when we hook up a power plant, it takes a lot of gas wells to fill up that pipeline to supply that power plant. So in my view, the next year or two, the amount of natural gas we can have on hand is going to be very important to make sure we do not have spikes in natural gas prices that would push our seniors out of their homes and push businesses out of business.

Mr. RADANOVICH. Mr. Speaker, if I may use a little bit of the gentleman's time to comment on one thing that I think will come up in tomorrow's debate on the energy plan and that is on the issue of price caps. As the gentleman knows, we have been facing that in California quite often; and we have deliberated over it many, many hours when we were putting together this energy plan.

As a result, FERC, the Energy Regulatory Commission, came up with what they call the 7-24, which is a 24-hour, 7-day-a-week price mitigation observation on the market to make sure that if there were any overcharges that they would all be susceptible to refund. After that imposition, it was interesting, because in California, the ISO, the unit that purchases the energy for California now, out of the Department of Water Resources, had the opportunity, or they were buying power at $80 a megawatt from a hydro facility up in the Northwestern United States, I believe it was up in Washington. They could have enacted the price mitigation measures that were passed by FERC which would have dropped it down to $40 a megawatt, which was basically the cap that was set.

The ISO refused to enact on that cap. Even though the leaders in California were wanting to make sure that they had a price cap, they refused to enact the price cap when they had the ability to do it, because the hydro facility in the Northwest would have kept the water behind the dam for their own use later on, or they could have gone somewhere and sold it at a higher price.

This was the real fallacy, I think, behind price caps, because you could never have price caps in California unless you had a for sale agreement in the western grid, which means you would have been calling upon States like Washington, Oregon, Idaho, Montana to suffer while California would not suffer in price increases or energy reliability, and yet those States that are giving away their hydropower would be suffering higher prices and an increased percentage of blackouts.

So it really was a fallacy, and I think it is showing itself to be proven in California now. I am saying this now because this issue is going to come up tomorrow in our debates; I believe that there will be an amendment on price caps. In a free system like what we have, it does not work; and unfortunately, we make other people suffer by even more blackouts and higher prices.

Mr. PETERSON of Pennsylvania. Mr. Speaker, foolish price controls really caused much of California's problems.

Mr. RADANOVICH. They did, yes.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I want to go into one more issue that we have not talked about here and that is ANWR. And that is the one a lot of people are cautious about talking about, but I am not. With the improvements in technology, it will allow us to develop with very little impact on the environment, and we can drill directionally from gravel pads on the surface, roads to drilling sites would be constructed only on ice and would melt in the spring when the snow melts.

□ 2115

We are only going to drill on 2,000 acres of ANWR, when there is actually 19.6 million acres. We are only going to be drilling on 14 percent of Alaska's coastline. So we are not going to endanger all of Alaska, like some people think; and we will have a minimal impact.

The interesting thing is that because of the tremendous reserves there, every well we drill there, and there are two different charts of production in the lower 48 and in Alaska. One chart says 45 wells would have to be drilled in the lower 48 to replace one well in Alaska; the other one would be 70. I personally think the 70 figure is the most accurate.

The U.S. Geological Survey did a study. It came up to 16 billion barrels of oil were available in ANWR. That is enough to replace oil we import from Iraq for 58 years. I see now they are the sixth largest import country.

The opponents would argue that ANWR oil would only supply the U.S. for 180 days. This would only be true if we immediately stopped all other sources of oil, if it was our only source of oil; and we know that is not the case.

Seventy-five percent of Alaskans support it. They know the issue best. Prudhoe Bay, everybody who has been there has said we can drill there safely without harming the environment. We have been drilling there for 25 years. Environmental groups claim it will harm the caribou. They have increased five-fold in Prudhoe Bay since drilling began there in the seventies. Nature and hunters are more of a threat to wildlife than drilling.

ANWR development would create 736,000 new jobs. ANWR is the largest oil accumulation anywhere in the world. Only 14 percent of Alaska's Arctic shoreline would be open to exploration overall. Opponents say 95, but that is not true. Opponents say 5 percent is protected, but actually 86 percent is protected.

The pipeline from Prudhoe Bay is in place. We just have to extend from ANWR to Prudhoe Bay and the pipeline is there. There is also a great source of natural gas there; but again, our problem is how do we get it here.

The ANWR issue is one that I think needs to be looked at very carefully. I personally support it. I think it is better to drill one well in Alaska instead of 70 someplace else. With a pipeline in place, the infrastructure in place, it just makes sense.

Mr. RADANOVICH. I have to say if the North Slope were a Third World country, we would already be using those resources, and in a way that was far more harmful to the environment than under the President's plan right now.

It is unfortunate, but Americans consume 25 percent of the energy consumed on the Earth. Yet we only provide about 2 percent from our own natural resources. To me it is very hypocritical when we are that willing to consume that much; yet we are less willing to use our own resources to do it.

The fact is, if the North Slope were a Third World country, we would be exploiting that oil right now; and the environmental standards would be lower than the ones we are placing on it at this time.

Mr. PETERSON of Pennsylvania. I think this energy plan is going to diversify us. We are far too dependent. Our largest dependence is 40 percent on oil.

I think we need to lower that percentage, because we only have somewhere between 2 and 3 percent of the world's oil in this country under our own control, when we have 45 percent of the world's coal, we have a lot of our own natural gas, we are producing 80-some percent of our own natural gas without imports.

Mr. RADANOVICH. I think if the gentleman were to go to the coldest, most barren, desolate, unappealing part of the world, that would be the North Slope. I think because so many people have not been there, there is this assumption that caribou are running wild among mountains and there are streams and waterfalls and everything.

This is not an appealing place. I think people need to remember that, that it is not representative of the beautiful State of Alaska at all. This is a cold, barren, desolate place that we would not want to be there.

Mr. PETERSON of Pennsylvania. The animals are only there a few months of the year.

Back to the other issues, in Penn State they have new research that has been very successful at making jet fuel out of coal. They also get a carbon product that could be used in the carbon industries. That is moving to refinery development this year.

They also have some coal boilers that interest me. They have one that would burn gas, powdered coal, or oil. Think if a factory, hospital or business had the ability to burn any one of those three fuels cleanly. And the clean technology is with us; the scrubbers and all the equipment is with this boiler.

Now if you are a business person, a hospital, or one of our educational facilities, we buy the fuel that is the cheapest. We are not in bondage to any one fuel. They also have the fluidized bed boiler that we are utilizing in Pennsylvania a lot for burning our old waste coal piles, with high sulfur and very low Btu. The waste coal was piled on top of the ground. We are now burning and getting rid of it because it was an environmental hazard.

The fluidized bed process will allow us to burn almost anything, that process where we use crushed limestone with whatever we burn, and the limestone locks up with the pollutants. Then with the scrubbers, we really have a very fuel-efficient and a very clean burn.

That is another type of burner that I think we ought to be promoting, because again, we could burn coal and animal waste, or oil, a blend of oil and coal. We could burn whatever was cost effective. In some cases it might be animal waste, animal fat, or different things we know are problematic today to dispose of, they could be burned as fuels. They are doing some very interesting research at our universities to help us diversify our energy needs.

Mr. RADANOVICH. All due to increased technology.

Mr. PETERSON of Pennsylvania. We are in the technology wave.

It is about time to wrap this up. Let us quickly go over the chart down front, America's energy situation. Foreign oil dependence is now 56, and we will be 66 in 10 years. Natural gas prices soared to triple last year's prices, which caused home heating last year in my area to be a real pain and caused some businesses to go out of business.

No new gasoline refineries built in 10 years; no new nuclear plants licensed in over 10 years. There is new nuclear technology today that is much superior to the past, not nearly as expensive to put in place.

No new coal plants built in 10 years. There is a new one being built in Pennsylvania right now. It is going to be using, again, waste coal that is on top of the ground already.

Gas and electric transmission capacity is overloaded.

Those are some of the problems. Anyone who says we do not have energy problems in this country, we have distribution problems and access problems. As we said in the beginning, for energy to be affordable and available to people and businesses, we need strong, ample supplies of each and every kind of energy. And we need to develop a system that is not so dependent on oil, not so dependent on one fuel, but gives people alternatives. Then people that use a lot of fuel in a business could choose the fuel that is the cheapest for the day.

We have the technology to do it cleanly. We need to, as time goes along, to grow the renewables. I think fuel cells are a great potential. There will be slight growth in wind and solar. I do not think they will be major players. Geothermal has some potential.

None of those will put enough into the system to even take care of our growth in energy needs. Fuel efficiency, conservation and fuel efficiency, can only take up half of the slack of the energy-need growth, so we have to have more energy and a system to deliver it.

Mr. RADANOVICH. I want to thank the President for bringing to the Congress his energy plan, and I hope we pass it tomorrow by wide margins.

Mr. PETERSON of Pennsylvania. I do, too. I thank the gentleman from California, a good friend. So from the east coast to the west coast, we will join hands and hopefully can bring this one home for the people of this country.

I thank all who participated tonight to talk about energy, an issue that is number one in this country and one that I commend President Bush and Vice President CHENEY for having the courage to tackle.

It is our future. Energy is what runs this country; and we must have abundant supplies, a delivery system, and we must use it wisely.

HMO REFORM AND THE REAL PATIENTS' BILL OF RIGHTS

The SPEAKER pro tempore (Mr. SHUSTER). Under the Speaker's announced policy of January 3, 2001, the gentleman from Pennsylvania (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, this evening I plan to talk about HMO reform and what I call the real Patients' Bill of Rights.

Mr. Speaker, I have been here many times before in the last few weeks and even in the last few years to talk about this issue, because I do think it is so important to the American people. We know about many abuses that have occurred within managed care where people have HMOs as their insurance; and frankly, almost a day does not pass by without somebody mentioning to me the problems that they have had with HMOs.

Over the last few years our concern over this, particularly in our Health Care Task Force on the Democratic side, has manifested itself by supporting a bill called the Patients' Bill of Rights, which is sponsored by the gentleman from Michigan (Mr. DINGELL), a Democrat, the gentleman from Iowa (Mr. GANSKE), and the gentleman from Georgia (Mr. NORWOOD), who happen to be two Republicans.

We had a vote in the House of Representatives in the last session of Congress, at which time almost every Democrat supported the Patients' Bill of Rights, and 68 Republicans also supported it. Unfortunately, the Republican leadership here in the House of Representatives has never supported the bill, and continues to oppose it. Also unfortunately, now President Bush has indicated since he took office his opposition to this legislation.

What is happening now is that we had a commitment from the Speaker to bring up the Patients' Bill of Rights over the last few weeks, and specifically last week; but he announced last week that that vote was postponed and delayed because the votes did not exist for an alternative HMO reform bill sponsored by the gentleman from Kentucky (Mr. FLETCHER).

I hate to say it, Mr. Speaker, but the bottom line is that this alternative Fletcher bill is not a real Patients' Bill of Rights; it is a much weaker version, if you will, of HMO reform. I could make a very good case for saying that it does not accomplish anything at all and continues the status quo.

What we hear today is that the Republican leadership plans to bring up HMO reform on Thursday of this week. In fact, in just a few hours there might actually be a markup in the Committee on Rules on the legislation.

But again, the issue, Mr. Speaker, is what are we going to be able to vote on. Will we be able to vote on the real Patients' Bill of Rights, the Dingell-Ganske-Norwood bill, or are we going to see the Fletcher alternative or some other weakening effort, so we do not have a clean vote on the Patients' Bill of Rights?

Unfortunately, Mr. Speaker, I was reading in Congress Daily, the publication that we receive about what is going on on Capitol Hill. It actually indicates tonight that the Republican plan is to somehow separate out various pieces of the Fletcher bill and propose them as amendments to the real Patients' Bill of Rights.

I do not really know what the Republicans' procedure is going to be; but if this is the case, once again, it is a sort of insidious way of trying to kill the real Patients' Bill of Rights.

The Congress Daily says that "likely amendments include the Fletcher liability provisions, an access package of proposals seeking to expand insurance, possibly an amendment replacing the bipartisan bill's patient protections with those in the Fletcher bill. Also possible is an amendment to impose caps on medical malpractice awards."

Let me tell the Members, if any of these things do in fact happen, if this is how the Republican leadership intends to proceed, it once again indicates that they are not in favor of a real Patients' Bill of Rights; that they are not making an effort to bring up this bill, but rather, to kill the bill. I think that is very unfortunate.

I have some of my colleagues here, and I will yield to them. But I just wanted to point out why this Fletcher bill is nothing more than a fig leaf for real HMO reform. It is an effort essentially to peel off votes from the bipartisan Patients' Bill of Rights and undermine the effort to pass real HMO reform this year.

Just as an example, the Fletcher bill contains almost no protections for patients; and it gives patients almost no ability to appeal their HMO's decisions to an independent panel, or to take HMOs to court when they are denied treatment or harmed in any other way.

The real key to HMO reform that is personified, if you will, that is manifested in the Patients' Bill of Rights, the Dingell-Ganske-Norwood bill, is the ability to say that your physician and you as a patient would make decisions about what kind of medical care you get, not the insurance company.

The second most important aspect of the real Patients' Bill of Rights is that if one is denied care because the HMO does not want to give it to us, we have a right to redress our grievances and go to an independent panel, separate and independent of the HMO, to overturn that initial decision. If the Fletcher bill basically does not accomplish those goals, which it does not, then it does not achieve real HMO reform.

I have a lot of other things that I could talk about this evening, and hopefully that we will get to, but I have two of my colleagues here who happen to be both of them from the State of Texas. The State of Texas has a real Patients' Bill of Rights in effect. It has had that since 1997.

I heard some of my Republican colleagues on the other side of this issue say, We do not want the Dingell-Norwood-Ganske bill to pass because if it does, it will mean there will be a lot more lawsuits. The cost of health care will go up, health insurance will go up, and people will lose their health insurance.

□ 2130

Well, the Texas experience tells us that that is simply not the case. In Texas, over the last 4 years, there have only been 17 suits filed. In Texas, the cost of health insurance has gone up somewhat, but not as much as the national average. So it simply is not the case.

The one thing that I think is most crucial, that I want to mention before I introduce and yield to my two colleagues from Texas, is that what the Fletcher bill does is to preempt a lot of the rights and patient protections that Texas and other States have. Because the Fletcher bill essentially preempts the States' rights and makes all the protections under the Federal law.

What that would mean for States like Texas and New Jersey and about 11 other States that have good patients' bills of rights on the State level, is that they would even be undermined because of what is happening with the Fletcher bill. This is just the opposite of what we would like to see and what we have all been striving for here. It is very unfortunate that we might see this Fletcher bill, or some parts of it, become the focus of debate on Thursday, when this bill comes up.

Mr. Speaker, I wish to yield to a colleague who has been very active on health care issues, not only this one but many of the other health care issues, and who has been speaking out on this issue for a long time, the gentleman from Texas (Mr. TURNER).

Mr. TURNER. Mr. Speaker, I appreciate very much the opportunity to share this hour with the gentleman from New Jersey (Mr. PALLONE) and with my colleague, the gentleman from Texas (Mr. LAMPSON).

We do have a unique perspective on this issue, being from Texas, because Texas was one of the first States in the Nation to pass patient protection legislation. I am sure that there are people tonight listening to us talk about this issue who really wonder what is the big deal about this patients' bill of rights debate in Washington.

We are gathered here tonight on the eve of the consideration of this very important legislation on the floor of this House. We have been at least led to believe that it will be considered either Thursday or Friday. Now, this is not the first time this bill has been on the floor. We considered it over a year ago. We passed it in the House. At that time, the bill died in the Senate.

This year, we have a situation where the bill has passed in the Senate; and it is now up to the House to move on the same legislation. The bill in the Senate, sponsored by Senator MCCAIN, Senator KENNEDY, Senator EDWARDS is almost identical to the bill that we support here in the House, the Norwood-Dingell-Ganske-Berry bill. That is the patients' bill of rights that we believe the American people deserve.

All of this really comes down to one central thought, and that is that when an individual is lying flat on their back in the hospital, fighting for their life, they should not have to be fighting their insurance company. It is important, we believe, to guaranty that patients and their doctors will make the decision about their health care rather than some insurance company clerk in some far away city.

Because managed care companies, HMOs, assume the role of determining whether certain treatment prescribed by an individual's doctor is medically necessary, their opinions often conflict with what a doctor recommends as treatment. Countless doctors have reported to us that they spend hours, literally hours on the telephone arguing with some insurance clerk representing a managed care company trying to get treatment approved, when in many cases we know that mere minutes can mean the difference in life and death.

So the Norwood-Dingell-Ganske bill is a strong piece of legislation designed to ensure certain basic rights and protections for patients: to be sure patients are treated fairly, to be sure they have the opportunity to have the best medical treatment available, to be sure that doctors and not insurance companies practice medicine.

We are very hopeful that this good strong bill will pass this House intact. Now, as the gentleman from New Jersey (Mr. PALLONE) mentioned, there has been another version of the patients' bill of rights sponsored by the gentleman from Kentucky (Mr. FLETCHER). It is a much weaker bill, in my opinion; and it creates many unusual rights for insurance companies, basically designed, in my opinion, to protect them from accountability.

We all believe in this society in personal responsibility, personal accountability. In Texas, we have some good strong patient protection laws. They are working well. What we found in Texas is that when we proposed the legislation in 1995, and I carried that bill as a member of the State Senate, the opponents of the bill said, well, it is going to cause health insurance premium costs to rise and it is going to result in a lot of litigation.

We passed that bill in the State Senate 27 to 3. The House of Representatives in Texas passed it by voice vote. Then Governor Bush vetoed the bill after the legislative session was over. We had no chance to override the veto. The next session of the legislature, in 1997, the identical bill was broken down into four parts. Three of those bills passed and received the Governor's signature. The fourth, passed by an overwhelming majority, related to insurance company accountability and insurance company liability. Then Governor Bush let that one become law without his signature.

Again, the opponents of the bill said it is going to result in higher insurance premiums and it will result in a flood of litigation. We have had that bill in place as law in Texas for 4 years. The record is clear: health insurance rates in Texas have risen at approximately half of the national average. And as we look at the litigation, we see that there has really been very little litigation. What has happened under the bill is that 1,400 patients and their doctors disagreed with the decision of the insurance company about their treatment, and they utilized the protections of Texas law to appeal that insurance company's denial of care.

Fourteen hundred patients in Texas in 4 years have exercised their right to appeal an insurance company decision. In 52 percent of those cases, the patient prevailed. In 48 percent of the cases, the insurance company prevailed. In the cases where the patient was denied the care that the patient and their doctor sought, only 17 lawsuits have resulted. I hardly call that a flood of litigation, as the opponents asserted when the bill was passed in 1997.

The Norwood-Dingell-Ganske-Berry bill is modeled after the Texas law, and it is very similar to laws in many of our States designed to protect patients. So the States are way ahead of the Federal Government in this area. Today, the Texas law stands as a model for the Nation.

Unfortunately, only about half of those enrolled in managed care in Texas are covered by the Texas law. When we passed the legislation in 1997, we really thought all patients in managed care were covered. But it turned out that a Federal Court ruled in a lawsuit involving Aetna Insurance Company, that basically did not like the Texas law, that an arcane Federal law, called the Employee Retirement Income Security Act, passed in 1972, which was a bill that was thought by most people to cover retirement plans, that that also covered managed care insurance plans that operate in more than one State. Thus, the Federal Court ruled that those enrolled in managed care plans that operate in more than one State are not covered by these State patient protection laws. That is about half the people in Texas and in most other States.

So that is why we are having this debate in Washington. That is the genesis. Because we have the unusual situation in law today that because of this 1972 ERISA law, insurance companies who have managed care health plans stand as the only business in America that have no liability for their wrongful and negligent acts.

So the Norwood-Dingell-Ganske bill is designed to fix that. It is designed to say that every managed care insurance company in this country will be personally responsible and personally accountable, and they will be accountable under the Norwood-Dingell-Ganske bill in the same way that every business and individual in this country is accountable under the laws of our land.

So we believe that this bill is essential to eliminate a loophole that exists in the law that allows managed care health insurance companies to be the only business in America without responsibility.

The Norwood-Dingell bill has many protections for patients. It sets up a review procedure allowing a patient to make an appeal of a managed care health care decision internally within the plan. If they are dissatisfied, they can appeal to an external independent review panel. And if they are dissatisfied with that decision, they have the right every other business and individual in America has, and that is to go to a court of law and have that matter heard by a jury of one's peers.

That is what our legislation is all about. The Fletcher bill denies that. And I am sure that when the Norwood-Dingell-Ganske bill comes to the floor of this House, there will be many who will do the bidding of the managed care industry and try to carve out a special status under law for the managed care industry.

In Texas, in 1995, we had a major piece of legislation commonly referred to as tort reform. It was one of four planks of Governor Bush's platform when he ran and was elected as governor. He pushed that in the legislature and the legislature agreed that we needed managed care reform in Texas. It resulted in some limits on the amount of damages that can be awarded in lawsuits. It limited what we call punitive damages. That is those damages that can be awarded against a defendant when it turns out that that defendant has acted willfully and wrongfully and with malice and has committed such a grievous tortuous act that they should be punished. That is punitive damages.

And in Texas, in the tort reform effort, the governor and the legislature limited the amount of punitive damages that can be awarded in litigation, and it did so by a formula. That formula says that punitive damages shall be kept at whatever a judge or jury finds to be the economic damages, that is the loss in earnings and wages, multiplied by two, plus up to $750,000 of noneconomic damages, pain and suffering and those things that cannot be equated easily to dollars. But that was a cap that the legislature and the Governor signed on punitive damages.

Frankly, what we see in the Fletcher bill is a limit on damages that far exceeds any limit we put in the law in Texas. And when we saw the Governor and the legislature pushing tort reform and limits on punitive damages, nobody suggested that there should be a special carve-out, a special exception, a special rule for the HMOs in the managed care industry. Because common sense would tell us that managed care insurance companies should have the same limits of liability, the same degree of accountability, the same degree of responsibility as any other business or individual when faced with an action in the courts of our land.

The Fletcher bill, and some of the amendments I suspect that will be proposed to the Norwood-Dingell-Ganske bill will attempt to carve out a special status for the managed care health insurance industry. And that is wrong. And I think the American people understand that, and that is why I would call upon this Congress and our President to do what we did in Texas when we pursued tort reform and make sure that everybody is treated the same, everybody is equally accountable, everybody is equally responsible for their negligent acts.

That is why we have insurance, because we all know we can make mistakes in business. We can make mistakes in driving an automobile. That is why we have insurance coverage. And there is absolutely no reason to think that a managed care insurance company should have a special set of rules that applies to them. Furthermore, there is no reason to think that the Federal Government ought to get in the business of creating Federal causes of action when it involves tortuous acts.

In law, we talk a lot about torts. That is intentional injuries. Negligent acts resulting in injury. We talk about contracts.

□ 2145

The Norwood-Dingell-Ganske bill makes the logical distinction between those two things. It says matters of contract, matters of health care plan administration shall be subject to the Federal courts if it is a multistate health insurance plan, but it preserves the historic right of the States to pass the laws that govern in the area of personal injury. That is the way it should be.

When we look at the Fletcher bill and some of these amendments that will probably be offered to the Norwood-Dingell-Ganske bill, what we see is an effort to federalize these kinds of issues that traditionally have been the rights of our States.

I know that the members of the Texas legislature are proud of the patient protection legislation that they passed. I know that they believe in States' rights, and I think it would be wrong in an effort by those who would seek to carve out a special exception for the managed care industry to try to federalize a cause of action to create a Federal cause of action that would be able to be tried separate and apart from the protections of law in every State in this country.

That is what this debate is all about: are we going to hold insurance companies who have managed care health insurance plans accountable on the same basis as every other business and individual in our respective States are held accountable and responsible. I hope that when it comes to the debate this Thursday or Friday, that the point of view that I am expressing will prevail because it is consistent with States rights, with the best protections for our patients; and it will get us back to the point where patients and their doctors practice medicine and not insurance companies.

Mr. PALLONE. Mr. Speaker, I thank the gentleman; and I know that he raises a number of points. I think one of the major things I do need to stress, and again because I have two colleagues here from the State of Texas which was the first State to pass a really good Patients' Bill of Rights, it is very unfortunate that the Fletcher bill, the Republican leadership bill, would seek to preempt State laws like those in Texas; and I think this is another indication that the purpose of the Fletcher bill is not to provide for greater protections for people who are in HMOs, but rather to weaken existing protections and essentially kill the effort we have here to have a strong Patients' Bill of Rights.

There is no better manifestation than the fact that the Fletcher bill preempts stronger State laws that protect patients. The Supreme Court made it clear that patients can seek compensation in State courts; yet this Republican bill effectively blocks action in State court and forces patients to pursue these limited remedies in Federal court, which is a much more difficult place to achieve relief. Going to Federal court is not easy. It costs more, it takes longer, and it is a much more difficult place to get any kind of relief.

As the gentleman says, the Fletcher bill continues to shield the HMOs from accountability in State courts where doctors and hospitals are currently held accountable. It is real unfortunate because as the gentleman said, what we have been trying to do with the Patients' Bill of Rights is extend the kinds of protections that exist in Texas to everyone throughout the country, particularly those people who, as the gentleman says, are under ERISA right now, a majority of Americans, who do not even receive protections if they happen to be in Texas or another State which happens to have these good laws.

Mr. Speaker, I yield to the other gentleman from Texas (Mr. LAMPSON), who also has been in the forefront on this and other health care issues.

Mr. LAMPSON. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PALLONE). It has been interesting listening to the gentleman and also the gentleman from Texas (Mr. TURNER), my close neighbor from southeast Texas, talk about this most important issue and the concern we all have about bringing the Patients' Bill of Rights to the floor of the House of Representatives.

I think my colleague from Texas has been too modest. He did not talk about the fact that it was he who played a significant role in the development of that legislation in the Texas senate. It is a lot of his words that became the law in the State of Texas. For him then to be able to have the ability to come to the United States House of Representatives and try to craft the same kind of legislation that he was able to mold in our great State I think is significant. I am proud of him and his service, and I am proud of the fact that he had the concern of people then in his mind when he tried to fix the problems that we faced in the State of Texas and now has the ability to come here to the United States House of Representatives and try to do the same thing for all of citizens of our country because this is a most, most important concern for everyone in this country.

Mr. Speaker, we need to live up to the promises that we have made to the American people. Bring this truly bipartisan Patients' Bill of Rights that will put medical decision-making back into the hands of physicians and patients here to the floor of the House of Representatives and let us have this debate properly.

I know that we passed it overwhelmingly last year, and it got hung up in a conference committee where there was an intentional effort to appoint those people who had voted against the bill to guarantee that it would not move and it would not become the law of this land and that it would not help people, like a lady who was a friend of mine who was a schoolteacher in Needlewood, Texas, Regina Cowles. She contacted our office after she learned that she had been diagnosed with breast cancer. She found a treatment for that cancer that was growing in her body in Houston, but her insurance company said that that was one particular treatment that they did not recognize, and that they were not going to pay for it. If she wanted to have it, she had to do it on her own.

That was one of many stories that I had heard, and my office became involved, and other offices as well became involved; and several months went by, but ultimately Regina was able to get that treatment that she needed. But unfortunately, it was too little too late, and she died of that ailment.

I wondered then how many more people were going to have to die before we brought this issue to the people's House and resolved it; that we get our colleagues to realize that we are playing not with words on paper, but with people's lives. And to act on it. To change it, to make it right for me and you, everyone that is watching here.

Mr. Speaker, I guess it came home to me in two ways. One of them was one day that I spent, and the gentleman from Texas (Mr. TURNER) talked about the time doctors spend in trying to precertify patients based on what insurance companies will determine they are willing to pay to the doctor to make that treatment possible. I periodically do these programs called Worker for a Day, and one day I was working at a cardiologist's office in Texas, and the doctor had me spend some time with one of his aides in the office making telephone calls to insurance companies to precertify the patients that had come to his office for treatment. I was flabbergasted, to say the least. I spent a significant amount of time talking with people, and I intentionally asked what their background was; and oftentimes I was talking with people who had no medical training and they were making the decision as to whether Dr. de Leon would be able to treat the patients who walked into his office complaining about a particular problem.

It does not take very long to realize that is not the way that these decisions need to be made in this country. I do not want someone who has not been to medical school or some particular program that gave them some serious knowledge about medical care, health care, telling a doctor what is going to happen in my life if I need help. I want a qualified health care professional making the decisions that are going to allow me to live and to allow me to live the kind of quality life that I want to be able to live.

I quickly became involved in this piece of legislation following that. It was not long after that I had another incident occur. This time it happened within my own family. I had two different doctors tell my daughter that she was in need of an operation. My own insurance company, the one that represents us here in the House of Representatives, said no, that is cosmetic surgery, we are not going to pay for it. Two different doctors said it was important for her to have this operation.

Well, I did everything that I could possibly do to help my daughter, and she got her operation and she is fine and the insurance company relented. But it made me wonder, what if most people, as most people are in this country, not as aggressive as I am or was in the case of my own daughter and fought for a week or 10 days or whatever it took me before we got the agreement to go forward with that operation. How many of them will take the answers that they get the first or second or third time and put it off and say, well, that is the rule and I guess I will have to go and mortgage my home to make this happen because I want my daughter to have the chance that other people's daughters will have in growing up.

Those are not decisions that we need to be making in our lives. When someone works hard, does the right thing, provides for their families, makes sure that they have insurance coverage for catastrophic problems that face them, and then are turned down because someone decides that it is cosmetic or experimental or that it does not match their specific criteria that they laid down on their papers based on what profit they can make for their company, that is absolutely wrong and we cannot stand for it in the United States of America.

Managed care reform is an issue of the absolute, utmost importance. As more and more stories about HMOs denying care are publicized, it brings it to the forefront of what we need to do to pass this legislation. The public and health care providers have witnessed firsthand that while managed care organizations such as HMOs may have helped to hold down the cost of medical care, they too have frequently done so at the cost of denying needed care to patients.

Unfortunately, the Republican leadership continues to block consideration of the Ganske-Dingell-Norwood Patients' Bill of Rights that passed overwhelmingly, I think 275 votes last year. They continue to stall on a vote and have introduced their own bill, the Fletcher bill, that the gentleman from Texas (Mr. TURNER) and the gentleman from New Jersey (Mr. PALLONE) have talked about in an attempt to poison this Patients' Bill of Rights that we have been trying so hard to pass.

The assertion that they have crafted a responsible plan is simply untrue. Their plan prevents doctors from disclosing all medical options to patients. It creates a review process that is stacked against the patient, and it removes medical decision-making power from the hands of doctors and patients.

Mr. Speaker, I said a minute ago, 275 members of the House of Representatives voted for a Patients' Bill of Rights that would create a system of accountability for insurance companies and HMOs that routinely and unfairly deny care to patients. This year we again consider legislation that would hold HMOs liable for denial and delay of care. If insurers are going to practice medicine and determine the necessity of care, then they will be held accountable for their decisions.

I join my colleagues and I again want to praise the gentleman from Texas (Mr. TURNER) for the work that he did in Texas and the gentleman from New Jersey (Mr. PALLONE) for continuously bringing this important issue before us.

I urge my Republican colleagues and President Bush both to quit stalling and do what Americans want and need, pass and sign a meaningful patient protection bill that puts control of medical decisions back into the hands of patients and doctors. I thank the gentleman for allowing me to participate this evening.

□ 2200

Mr. PALLONE. I want to thank my colleague, because I think, number one, when you give examples and particularly one from your own personal life, it really highlights and makes people understand, both our colleagues and the public, what we are talking about and how significant it is to pass a Patients' Bill of Rights.

The other thing that my colleague from Texas did which I think is very important is that he pointed out some of the patient protections that are in the real Patients' Bill of Rights, the Dingell-Norwood-Ganske bill, and why they do make a difference. One of the concerns that I have is that, as I mentioned earlier, one of the possible amendments that we may get or that the Republican leadership may make in order and try to push if this bill comes up on Thursday is replacing the patient protections in the Dingell-Norwood-Ganske, the bipartisan bill, with the patient protections in the Fletcher bill, in the Republican leadership bill. I assure my colleagues that effectively there are no significant protections in the Fletcher bill.

If I could just contrast that a little bit to give us an idea of the differences, some of those differences were mentioned by the gentleman from Texas. He talked about the gag rule and how under the Fletcher bill HMOs could continue to tell physicians that they are not entitled to tell their patients about procedures or medical activity or medical equipment or stay in a hospital or any kind of medical procedure that the HMO does not plan to cover. It is called the gag rule because you never find out what the doctor really thinks you should have done to you because he is not allowed to tell you if the HMO says he is not allowed to.

The other one that comes to mind is the financial incentives. Right now a lot of the HMOs have financial incentives so that if the HMO wants to give the physician a little more money because he is not providing as much care or not having as many operations or not having his patients stay in the hospital for too long, they can provide a financial incentive to him at the end of the month so he gets more money if those things occur, which is an awful thing; but it is the reality with many of the plans today.

The other thing that I think was so important is when the gentleman from Texas (Mr. LAMPSON) talked about how some of these things work out in terms of actual protections for particular kinds of procedures. For example, one of the concerns is that access to specialty care is severely limited both under current law and can be limited by the HMO under the Fletcher bill. The Fletcher bill really does not do much to provide access to specialty care. That can manifest itself in a number of ways. For example, with regard to some of the patient protections for women. In the real Patients' Bill of Rights, the Dingell-Norwood-Ganske bill, you get direct access to OB-GYN care. But the Fletcher bill allows plans or HMOs to require prior authorization for items of services beyond an annual prenatal or perinatal exam.

The Fletcher bill also creates a loophole which allows plans to avoid the requirement of saying that you can go directly to the OB-GYN. It lets the HMOs off the hook for providing direct access to OB-GYN care if they merely allow patients a choice of primary care providers that includes at least one OB-GYN provider.

There are a lot of other differences with regard to care that impacts women. Breast cancer treatment, for example; the hospital length of stay. The Dingell-Norwood-Ganske bill requires coverage for the length of the hospital stay the provider and patient deem appropriate for mastectomies and lymph node dissections for the treatment of breast cancer. The Fletcher bill omits this coverage as well as coverage for second opinions.

Emergency care, another example that affects not only women but anyone. The Fletcher bill uses a prudent health professional standard rather than the prudent layperson for neonatal emergency care. Let me give Members an example. Right now, as many people in HMOs know, they often cannot go to the emergency room of the hospital closest to them but rather may have to travel 50, 60 miles away to a different hospital. What we are saying is that in the case of an emergency, if the average person would think that they cannot travel that distance and they have to go to the local hospital because otherwise, for example, if they have chest pain and they think that they are having a heart attack, well, that is the prudent layperson's standard, which basically says that if the average person would think that if I get chest pains of this severity that I have got to go to the local hospital rather than 50 miles away, then I go to the local hospital and the HMO has to pay for it. You do not have that kind of standard in the Fletcher bill with regard to neonatal emergency care.

There are so many other cases. Clinical trials. An astonishing number of women suffer from Alzheimer's, Parkinson's, cystic fibrosis and other debilitating disorders. Under the Dingell-Ganske-Norwood bill, it covers all FDA clinical trials. But the Fletcher bill, the Republican leadership bill, only covers FDA cancer trials, preventing women with other serious conditions from receiving potentially lifesaving care. There are so many examples like this. The bottom line is the Fletcher bill makes it very difficult to access specialty care.

We used another example the other night on the floor about pediatricians. Under the Dingell-Norwood-Ganske bill, you have direct access to a pediatrician for your child. You do not have to have prior authorization. But you also have the opportunity to go to a pediatric specialist which now, I have three children, and now you often go to a pediatric specialist rather than a pediatrician, who is almost like a general practitioner. What happens under the Fletcher bill is you do not have that option. So a lot of these specialty-care initiatives which are a very important part of the patient protections simply do not exist under the Republican leadership alternative.

As I said, what we are hearing is that it is very likely that the Committee on Rules tonight will allow all these different provisions in the Fletcher bill that weaken patient protections to be included as amendments and voted on in an effort to try to achieve a bill that is a lot weaker than the real Patients' Bill of Rights. I could go on, but I see that another colleague from Texas is here and she again has been here many nights talking about the Patients' Bill of Rights and has been a champion on the issue. I yield to her at this time.

Ms. JACKSON-LEE of Texas. I thank the gentleman. I could not help, as I was viewing the presentation on this debate, to remember that we were together just last week, I believe, making the point that the debate on this bill is long overdue. The reasons for this bill, the purpose of going forward is so clear that I question whether or not the will of the American people really is being understood by this body. I think when the American people are frustrated, it is because they have made in every way their voices or their beliefs known to us about the fairness in health care as the Ganske-Dingell bill evidences, and they just do not know why we cannot get it done.

We understand that this bill is likely to come to the floor of the House at the end of the week. I hope so. As you noted, I am delighted to join my colleagues from Texas who have obviously already spoken about how this bill has worked and how it has been effective in the State of Texas. First of all, there has been no increase in premiums and the increase in premiums nationwide generated without a Patients' Bill of Rights. We have not seen an increase in the uninsured which the opponents of the bill have represented would occur. We have not seen a proliferation of frivolous lawsuits. We have not even seen a proliferation of lawsuits under this legislation. It comes to mind that there have been maybe about 27, all meritorious, over the 4 years that the State of Texas has had the opportunity to hold HMOs accountable.

So the real question for the House leadership is why. Why, since this bill in its present form, with a few enhancements, meaning the Ganske-Dingell bill, passed two terms ago, why can this not be the bill that we all conclude is the right direction to go? What is the purpose of putting forward a bill with the idea that it represents an alternative when that is not accurate? Because the Fletcher bill has a number of poison pills. It has medical savings accounts. Not to say those are not meritorious legislative initiatives that this body should not address, but what the American people want most of all now is that when they do have an HMO, which most of the employers are involved in and utilize to create coverage for their employees, that that HMO does not intervene, intercede and stop good health care and procedures for you or your loved one. How clear can we get?

I, when we spoke the last time, noted a lot of tragic stories: the woman in Hawaii who could not get care in Hawaii while she was there because her HMO denied it. She had to get on a plane to Chicago, and my recollection of that final result is that she did not survive, because they denied her the ability to secure health care in Hawaii, because she was not from Hawaii. The tragedy of being denied the most accessible emergency room; the tragedy of being denied pediatric specialists; the unseemly result of not allowing a woman to choose an OB-GYN specialist as her primary caregiver. That is allowed in the Ganske-Dingell bill.

There are so many positives that the American people have decided that they need and want that are in the bill that we are proposing and supporting, the real Patients' Bill of Rights, along with the array of diverse medical groups that are supporting it, including, I think, one of the strongest medical groups, of course, is the American Medical Association, that has not moved from its position that this is the only bill that they will support and that we should support, and, that is, to ensure the sanctity, if you will, of the patient-physician relationship.

I would like to thank my good friend for his leadership, and I could not help but join you in hoping that someone might hear us this evening. And, of course, sometimes our words are distant. They fall distant because we are here in Washington. But I can tell you in the conversations that I have had with my constituents who are physicians, the difficulty that they have had in plainly giving good health care, in making the decisions on good medicine, the stories that they have generated, the frustration that they have experienced, the fact that HMOs are able by bureaucrats and computers to deny services to patients is a difficult and overwhelming experience and has changed the practice of medicine to the point of making it distasteful, because our friends who are doctors are there to heal and to help. And lo and behold in the middle of that healing comes a red stop sign that says that there is no more medicine at this door, no more treatment for this patient, no more experimental opportunities to make that patient improve. I think enough is enough.

I would hope that my friends in this House would take heed of the voices of the American people, physicians everywhere, employers everywhere who desire that the HMO coverage that they have for their employees is the best; and might I say we of course have fixed that aspect of concern dealing with employers, and we are ready to move forward. I would hope that they would listen to us on that very issue.

I would note as I close just simply, I brought it up the last time, is the disparity in health care in many of our rural and urban areas and in many of our minority communities. We hear many times some of the higher statistics are certain diseases in one community versus another. Then it makes it very difficult if a bureaucrat tells a physician who treats a particular ethnic group that has a high percentage of a certain disease that you must care for them in one certain way, sort of the boxcar way as opposed to responding to the disparate needs of Americans in their different environmental backgrounds. That will be prevented if we do not pass the Dingell bill and pass the so-called alternative. I thank the gentleman for giving me this time.

Mr. PALLONE. I want to thank the gentlewoman for coming down again tonight as she has so many other times to express her opinion on the Patients'

Bill of Rights. I know it is tough for us because we keep hearing that this bill is going to come up. We are hearing again that it is going to come up this Thursday.

☐ 2215

I guess we are at the point we will not believe it until it actually occurs. The gentlewoman mentioned a few points that I have to bring up, because we did not include them as part of the debate tonight, and I think they are very important.

One is the number of health professional groups that support the real Patients' Bill of Rights, the Dingell-Norwood-Ganske bill. The gentlewoman mentioned the American Medical Association, the Nurses Association, all the specialty doctors groups. I think there are something like 700 different groups, all the major health care professional groups.

The bottom line is it is because they are very concerned about the fact they cannot provide care now with the way some of the HMOs operate, and they want the freedom and sort of the ability, we call it the American way, to be able to provide the best care that they think is necessary for their patients.

The other thing that the gentlewoman mentioned, which I think is so important, is, again, the Texas experience; the fact that even though President, then Governor, Bush complained at the time when this legislation was being considered in the Texas legislature that it was going to increase costs for health insurance and was going to cause all this litigation. None of that turned out to be true.

The gentleman from Texas (Mr. TURNER) mentioned earlier that the increased costs for health insurance in Texas is half of the national average. The gentlewoman mentioned approximately 20 or so lawsuits that have been brought in 4 years, which is nothing. What is that, that is like five per year. Because basically what happens is now people have the ability to go to an external independent review to overturn the HMO if they did the wrong thing. We have had almost 1,500 cases of that, and they are handled easily and that is the end of it.

The other thing the gentlewoman mentioned, which I think is so important, I said earlier this evening that my fear is the Committee on Rules, when they meet later this evening, I think they are supposed to go in at midnight, which says a lot about the procedure around here with the Republican leadership, that they may put in order some of these poison pills from the Fletcher bill.

I mentioned earlier in Congress Daily they said likely amendments include a so-called access package, a proposal seeking to expand insurance through broader access to medical savings accounts and creation of association health plans. Further, it says in Congress Daily, it is possible there will be an amendment to impose caps on medical malpractice awards.

Now, I do not happen to like the medical savings accounts. I think they are sort of a ruse. But whether or not you approve of MSAs or approve of caps on malpractice or approve of these association health plans, the bottom line is there is no reason why these need to be included in this legislation. We know that the majority of the House supports the Patients' Bill of Rights, and they support it because of the patient protections. We do not need to deal with these other much more controversial issues like malpractice and medical savings accounts in the context of this bill.

The only reason the Fletcher bill includes some of those things and the only reason why those parts of the Fletcher bill would be considered under the procedure is because the Republican leadership wants to throw them in, mess this whole thing up, and create a situation where it goes to conference, like it did last time, between the House and Senate, and nothing happens because there is too much controversy over all these other things that are unrelated. That is what I am fearful of, to be honest.

I know we do not have a lot of time left here tonight, but I would, again, appeal to the Republican leadership: All we are asking for is to bring this bill up and allow us a clean vote on the real Patients' Bill of Rights. You can have all the other votes you want, but let us have a clean vote on this bill.

I am confident that if that happens, this bill will pass, because I know that almost every Democrat will vote for it, and that there are probably a significant number of Republicans that will as well.

But I am fearful, honestly, that we are not going to have that opportunity, because we do not control the process. The Republican leadership controls the process. They are particularly mad right now. As the gentlewoman knows, their wrath is against some of the Republicans that are willing to join us and support the real Patients' Bill of Rights, they are being criticized, hauled down to the White House and being told you are not a real Republican. This is not about who is a real Republican or who is a real Democrat, this is about who is a real American and who is going to stand up for the people that need help.

Ms. JACKSON-LEE of Texas. I thank the gentleman very much. As the gentleman was speaking, I was thinking of one point I wanted to add. You have heard those of us from Texas speak about the Texas law, and we are very proud that bill passed out of the State legislature, the House and the Senate. Of course, the gentleman realizes the bill was not signed by the President, it was simply allowed by our laws in the State of Texas to go into law because there was no action. However, I think the evidence of its success should be very evident for our President, and he would see that we could live with accountability and in fact not have a disastrous situation.

But I do want to note for those who are thinking, well, you have it in the State of Texas, but in many states that do have some form of an HMO accountability plan, it does not cover everyone. So the reason why it is important for this to be passed at a Federal level is that when you pass it at a Federal level, all states must be in compliance. The Patients' Bill of Rights then becomes the law of the land, and whatever your HMO is, you have the opportunity, whether you are in Iowa, in New Jersey, California, New York or Texas, that you have the opportunity to ensure that there is accountability for the HMO.

I think that is very important, because the question has been raised, well, a number of states already have done it, why do you have to do it? Because you have states that have done it, but do not have full coverage, and you have states that have not done it and, therefore, it is important for Federal law for us to act.

Mr. PALLONE. I agree. Reclaiming my time, the bottom line is that even in the states that have strong patient protections, like Texas, a significant amount of people, sometimes the majority, are not covered by those protections, because of the Federal preemption.

I would say right now there are only about 10 states that have protections as strong as Texas, my own being one of them. But the other 40, some have no protections, some have much weaker laws. So this notion that somehow everybody out there is already getting some kind of help is not really accurate for most Americans. That is why we really need this bill.

I think we only have a couple of minutes, so if I could conclude and thank the gentlewoman and my other colleagues from Texas for joining us tonight in saying that we are going to be watching. We will be here again demanding that we have a vote on the real Patients' Bill of Rights. Let us hope we have it on Thursday. But, if we do not, we will continue to demand that the Republican leadership allow a vote.

MISSILE DEFENSE

The SPEAKER pro tempore (Mr. KELLER). Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes.

Mr. MCINNIS. Mr. Speaker, I know it is late in the evening, but this evening I wanted to visit with you about an issue that I think is inherently important to every citizen of America, and not just the citizens of America, but to the world as a whole, to every country in this world as we go into the future. Tonight I want to speak to you about a subject that I think we have an obligation to use some vision about, to think about future generations, and what this generation needs to do not just to protect our generation, but to protect future generations, to give future generations the type of security that as American citizens they deserve, that as American citizens they can expect their elected officials; they can obligate their elected officials to provide for them. Tonight I want to visit about missile defense.

Now, we have heard a lot of rhetoric in the last few days about missile defense. Well, we do not need it. It is going to escalate the arms race. Why, building a defense to protect your country and to protect your citizens from an incoming missile is not something we should undertake. In fact, the recommendation seems to be, leave our citizens without a shield of protection.

I take just exactly the opposite. I think every one of us have an obligation to protect our citizens with a shield that will mean something, not simple rhetoric.

I have to my left here a poster, and tonight I am going to go through a series of posters. If you will pay close attention, I think you will find that these posters advocate a strong case of why this country, without hesitation, should move forward immediately to engage in a missile defense system, to put into working order with other countries some kind of an understanding that the United States of America feels it has an inherent obligation to protect its citizens with some kind of shield.

Let me go over a couple of points here. First of all, to my left, I call this poster "probability of events." When you look at it, you see my first box, my first yellow box is called intentional launch. There I am referring to an intentional launch of a missile against the United States of America. I call this a probability.

I have the next box called accidental launch. I call this a probability. At some point in the future, against the United States of America, some country, unknown to us today as far as which country will do it, but the facts are that some country will attempt to launch a missile against the United States of America. That is why it is our obligation as elected officials representing the people of America, who swear under our Constitution to protect the Constitution, which within its borders obligates us to provide security for the citizens of the United States, that is why it will be our responsibility to begin to provide that security blanket for the American people and for our allies, that when this intentional missile launch comes, we will be prepared/:

The second thing I speak about is an accidental launch. Do not be mistaken. We know the most sophisticated, most well-designed aircraft in the world, take a civilian plane, a 747, once in awhile they crash. Take the most sophisticated, the finest invention you can think of, whether it is a telephone, whether it is a radio, whether it is a computer, whether it is an electrical system; there are accidents. In fact, I am not so sure that we have had much of any invention that at some point or another does not have an accident.

It is probable that at some point in the future some country, by mistake, will launch a missile towards the United States of America. And, right now, as you know, an accidental launch against us, number one, we would not know whether it was accidental or not, and, two, the only defense we have today, the only defense we have today against an accidental launch, is retaliation. And what is retaliation going to bring? Because of an event, a horrible consequence of a missile launched against us by accident, by accident, our retaliation could initiate the Third World War, the most devastating disaster to occur in the history of the world.

Yet we can avoid this, because if we have a missile defensive system in place and a country launches a missile against the United States by accident, or intentionally, but here we are referring to the accidental launch, the United States of America can shoot that missile down and they can stop that war from occurring.

There are plenty of other less severe, significantly less severe measures, we can take against a country that accidentally launches against us. Retaliation is not one of them that we should take, but retaliation is the only tool left today. I can assure you that the President of the United States, whatever party they belong to, if some country by accident launches a nuclear missile into Los Angeles or New York City or into the core of this country, into the middle of Colorado, where my district is located, the likelihood is that the President would retaliate forthwith.

Now, I had an interesting thing happen to me this evening while I was waiting speak, listening to my colleagues. I was outside talking to a couple of officers, Officer Conrad Smith and Officer Wendell Summers. Good chaps. I was out there visiting with them, and they brought up an interesting point.

They said, "What are you going to speak about tonight, Congressman?"

I said, "I am going to speak about missile defense, like an intentional launch against our country, or an accidental launch against our country."

Do you know what Officer Smith said? I did not think about it, but it is so obvious. Officer Smith said to me, "Do you know what else we could use a missile defense system for? It is space junk. Like, for example, Congressman, if a space station or like the Mir Space Capsule is reentering the United States, we could use our missile defense to destroy that in the air, so that it doesn't land on some country or kill some people when it reenters from space."

I never thought about that. Now, there is a logical use for a missile defense system; dealing with space junk. As we know, space junk falling out of space as it begins to lose momentum in its orbit is an issue that future generations are going to have to deal with on a fairly extensive basis.

□ 2230

Our generation has gotten away with it because we are launching into space, and by the time our generation moves on, there will be lots of objects in space that have lost their momentum and begin the reentry. Officer Summers and Officer Smith had something to add tonight, and I think they are right, and I can assure my colleagues that I am going to put that right here. We will see a new yellow box on my next poster in regards to missile defense.

Now, what kind of responses do we have? My poster lists the responses. Look, it is real simple. It is not complicated. The responses are: one, we have a defense; or two, no defense. That is the choice. It is as clear as black and white. That is the choice. We either defend against a missile, incoming missile to the United States, or we do not defend against it. There is no muddy waters, there is no middle ground. We either defend against it or we do not defend against it.

Where are we today? Where is the most sophisticated, the most technically advanced country in the history of the world today? We are today check-marked the second box. No defense. What do I mean by that?

We have a military base, we share it with the Canadians, called NORAD, located in Colorado Springs, Colorado, the district of my good friend, the gentleman from Colorado (Mr. HEFLEY) in Cheyenne Mountain, the granite mountain. We went into the mountain, we cored out the center of the mountain, and we put in there an airspace system for detection.

What does that system provide for us? Very simple. It can tell us anywhere in the world at any time of the day, with any kind of weather conditions, under any kind of temperature when a missile has been launched. It can tell us the approximate speed of the missile. It can tell us the target of the missile. It can tell us the estimated time of impact of the missile. It can tell us what type of missile they think it is. It can tell us whether or not, based on the information that they have gathered, whether the missile has the likelihood of a nuclear warhead on top of it. But then, guess what? That is it. That is it.

They can call up the President of the United States, and they say, Mr. President, we have an emergency at NORAD. Mr. President, we have an incoming missile. We believe the target of impact is Los Angeles, California. Mr. President, we think that the time of impact is 15 minutes and counting. Mr. President, we think this is a realistic threat; our confidence factor is high. We have confirmed an incoming missile. The President thinks, what can we do? Of course, the President knows what we can do, but just for this example, what can we do, Mr. President? The President says, What can we do? to his military commanders, to our space command. Mr. President, you can contact the mayor of Los Angeles, tell them they have an incoming missile, they now have 13 minutes, we will say prayers for them, and that is it.

Now, you tell me that is not a dereliction of duty of every one of us elected in these Chambers. Every one of us in these Chambers, we have the technical capability to put in place a missile defensive system in this country. We have that technical capability, and we have a commitment from this President, who has been very solid on his support and on his leadership. Thank goodness he has stepped forward. President George W. Bush has stepped forward to lead us into a missile defense.

We had a test 3 weeks ago. It was a remarkable test. It shows that we are well on our way towards coming up with the technology that is necessary to deploy a missile defensive system for our country. What happened? They put a target, an incoming missile into the sky. It was approaching at 4½ miles per second; 4½ miles per second. That fast, 4½ miles. We then fired an intercept missile. Now, remember, these two missiles cannot miss by a foot; they cannot miss by six inches. These missiles have to hit head-on. We cannot afford a missile miss with an incoming nuclear warhead.

What happened? Our intercept missile coming at 4½ miles per second, the incoming missile at 4½ miles per second, and we brought two speeding bullets together. That is a major accomplishment.

Do we know what is happening around the world? We have heard a lot of publicity lately. The Europeans, for example, Europe is aghast that the United States would even think of abrogating the ABM Treaty, which I will discuss in detail here in a moment. Why would they think about building a missile defense system?

Well, let me, first of all, make it very clear to my colleagues that when we hear people make an objection to our missile defense system and we hear them say, the Europeans are opposed and it is going to break our relationships with the Europeans, let me tell my colleagues something: the Europeans are not unified in their opposition to our missile defense; they are not unified in their opposition to a missile defensive system.

In fact, the leader of Italy has come out and not only strongly supports, but encourages, the United States of America to, as quickly as possible, deploy a missile defensive system. Our good friends, the United Kingdom, the British, who are always at our side, have come forward. They support this President on building a missile defense system. Spain. Spain has taken a very careful look at the missile defense system.

Do we know what is going to happen? Count on it. Count on it. Just as sure as I am telling my colleagues today, we can count on it. Those European countries, one by one, will have to answer to their citizens why they do not have some type of protective shield, some kind of security blanket like the United States offers for its citizens and, one by one, those European countries will come across the line from opposing and from being a check mark in this box to my left of "no defense," one by one, led by Italy and the United Kingdom and Spain right behind them, one by one, they will cross that territorial line and they will go into the defensive category. They will build, or will be the beneficiary of, a defensive missile system.

Let us talk for a few moments about the new strategic study. We have right now really a three-pronged attack threat against the United States of America. The first one is something that has just come of age here in the last few years called informational warfare. We have all heard about it, I think. In the last few days, we received an alert about a Code Red, some kind of virus that has been put into the computer systems around the world, specifically targeted at the American defense system. It is amazing to hear from the Pentagon how many people, how many people try and break into our national defense computers 24 hours a day.

Now, how many of those culprits are foreign countries or agents of foreign countries? We do not know. And we are not going to be able to figure that out. What we have to do is just the same as we do for our computers. On our computers, we do not put our defense computers out there and say we are not going to build a shield against people who are trying to break into the computer system or put a bug in our system. Do we know what we do with our national computer systems, our defense computer systems, our military computer systems? We build a defense for the bug. We put in shields within our computer programming. We put in walls wherever we can. Those are the technical things; we put in walls to prevent those people from coming in.

Why would we not do the same? What is the difference between an incoming missile and somebody trying to manipulate one of our computers, perhaps manipulate a computer to issue a false order regarding a military exercise, for example. So we have to worry about information warfare. We are addressing that as we speak right now. Obviously it is a priority of the military: How do we protect our communication systems? How do we protect our information systems? How do we protect our software?

The second threat is a terrorist threat. This is a tough one. Now, do not let people say, well, missiles are not the real threat to this country, the real threat is somebody carries a vial of bacteria and they come to Washington, D.C. and drop it into the water supply. Well, of course it is a threat, but do not discount the third threat, and that is a missile-delivered attack right here, weapons of mass destruction, WMD. The delivery of a weapon of mass destruction attack, a biological weapon, a nuclear weapon, some other type of poisonous weapon.

Some states are developing terrorist and missile capabilities. We know that is happening. I know on here: U.S. reserves the right to strike terrorist bases. We know this. We have to reserve that right. But my point with this poster is we really had that three-pronged attack, information attack, attack on our information systems, and we are building a defense for that. We have a defense in place. We constantly have to change that defense. Because every time we put up a wall, somebody tries to figure out how to get around it. It happens thousands of times every year. It happens around the clock with the Pentagon's computers. We know it is happening.

The second one, the terrorist threat, we are addressing that. We are building defenses against that. We were fortunate enough, for example, to catch a couple of years ago at the Canadian border through a lot of good luck, but nonetheless through a lot of good police work, we would be able to stop what could have been a horrible disaster at one of our airports. Of course, the missile delivered weapons of mass destruction. But what is happening?

I have some of my colleagues on this House Floor who, in my opinion, with all due respect are in make-believe land when they think that we should not build a defensive system for our citizens, to give our citizens protection in the future as soon as we can get it in place against an incoming missile, whether launched by accident, or whether it is intentional.

Now, let us talk about the big roadblocks that some people have been putting up as a reason not to have a missile defense. It is called the Antiballistic Missile Treaty, the ABM Treaty. Let us just go over some of the basics of it. Let me tell my colleagues the basic thought pattern of the Antiballistic Missile Treaty. First of all, understand that this treaty was made almost 30 years ago. It was a treaty not between the United States and a number of other countries; it was a treaty made between the only two countries in the entire world, in 1972, there were only two countries in the entire world that could deliver a missile anywhere in the world; only two. It was the Soviet Union and the United States of America.

So in 1972, the Soviet Union, which, by the way, no longer exists, and the United States of America entered into a treaty. The thinking was that since there are only two countries in the world, the way to protect ourselves is we will both agree that we cannot defend ourselves. Now, how does that make sense? The theory being, we would be reluctant as the United States to fire a missile against the Soviet Union if we were prohibited from defending a retaliatory attack against us. In other words, we knew that any attack we made on Russia would be retaliated on, because we were not allowed to build a defense. That is the thinking behind the Antiballistic Missile Treaty.

Now, I do not agree with it. I do not think the thinking was very solid in 1972, but it did have some justification in thought in 1972 because it was built entirely, and let me say this repeatedly: the Antiballistic Missile Treaty was built entirely on the premise that only two nations in the world had the capability to deliver a missile anywhere in the world. This treaty, the Antiballistic Missile Treaty, was not built on the premise that a number of countries in the world would have the capability to deliver a missile anywhere in the world, and that is the situation that we face today.

Mr. Speaker, we have had extraordinary circumstances which have changed in the last 30 years. Take a look at your car. Take a look at a car in 1972. There have been a lot of dramatic changes in 1972, and we should not be afraid since 1972 to stand up; in fact, I think we have a responsibility to stand up to the people that we represent. Today, the threat to America, the threat to the citizens of America is a whole lot different and a whole lot more serious than the threat to citizens in 1972. We have an obligation as elected officials to make sure that our country stays up to speed; that our citizens do not drive 1972 cars and our citizens do not rely on a 1972 defensive system or nonsystem to protect them.

Let us look at the treaty very quickly; again, the Antiballistic Missile Treaty. Each party agrees to undertake limited antiballistic missile, these are defensive missile systems, and to adopt other measures in accordance with the treaty. I am going to skip through here at this point.

The treaty, by the way, is not a complicated treaty. It is very easy to get your hands on, 3, 4, 5, 6 pages. It is not a treatise that is a big thick book like that, it simply is 4 or 5 or 6 pages. For the purposes of this treaty, it is a system, a defensive system, the ABM. Each party, and this is crucial language in the Antiballistic Missile Treaty: each party undertakes not to develop, test or deploy ABM defensive missile system, or components which are sea-based, air-based, space-based or mobile land-based.

□ 2245

Each party undertakes not to develop, test, or deploy ABM launchers for launching more than one ABM interceptor missile at a time from each launcher, et cetera, et cetera, et cetera.

What has happened? What is the rest of the treaty about? Let me bring up another part of the treaty.

Remember, this treaty was put together by scholars. This treaty contains within its four corners, within the four corners of the document, this treaty contains certain rights, certain rights bestowed upon the United States of America, certain rights bestowed upon the Soviet Union.

One of those rights which is being wholesalely ignored by the rhetoric of the people who are trying to convince the American people that they should not defend themselves in the case of a missile attack, one of the arguments they put forward is ridiculous, to say the least.

What is that argument? Their argument is, oh, my gosh, if you want to abrogate or pull out of, if you want to pull out of the antiballistic missile treaty, that means the United States would start violating treaties all over the place. That means the United States walked away from treaty obligations. That means the United States broke their word on a treaty that they are a signatory to.

That is so inaccurate it borders right on the edge of inaccuracy and an outright lie. The treaty contains within its four corners the right for the United States of America or the right for the Soviet Union to pull out of the treaty. That is a right. It is not a breach of the treaty. It is not described as a breach of the treaty. It is a right that is bestowed by the language, specifically bestowed by the language.

Let us take a look at the specific language that I am speaking of. It is important that we go through this. Please, look at my poster here, Article 15 of the antiballistic missile treaty: "This treaty shall be of unlimited duration."

Now, obviously I highlight this next section. This is the right of which I speak, which we can use. Any time we hear someone say we are breaking a treaty, we are not breaking any treaty. Someone who says we are walking away from a promise we made, that is baloney. This is the treaty right here. These are rights contained within it.

Let us go on.

Number two: "Each party shall," "shall, in exercising its national sovereignty have the right," the right, that is what I have been speaking about, "to withdraw from this treaty if it decides that extraordinary events," and "extraordinary events," that is a key buzz word, "extraordinary events," and I am going to show some extraordinary events very shortly.

Let us go on: "If it decides that extraordinary events related to the subject matter of this treaty have jeopardized its supreme interests." That is another buzz word, "jeopardized."

Do we have in place, number one, extraordinary events, right here, extraordinary events; and do we have a jeopardizing of our national sovereignty? Then, "It shall give notice of its decision to the other party 6 months prior to the withdrawal of the treaty. Such notice shall include a statement of the extraordinary events the notifying party regards as having jeopardized its supreme interests."

Thank goodness, the President of the United States today, George W. Bush, understands that we cannot have this treaty and a missile defense at the same time. Thank goodness that the President of the United States, George W. Bush, understands that it is not a violation of the treaty to withdraw from the treaty; it is not a violation of the treaty to notify the other side that we will no longer, after a 6-month period of time, be held to the obligations of the treaty. Why? Because within the treaty it is a right for us to withdraw.

Fortunately, the people who drafted this treaty understood and had the foresight that future generations may have extraordinary events that jeopardize the sovereign nationality of their country, that threaten that sovereignty, and that it may be necessary as a basic right of this treaty to withdraw from the treaty.

Let us talk about what could jeopardize the United States of America and our sovereignty, and let us talk about what could be extraordinary events. Do Members know what, I have a poster that I think explains it. A picture, as they say, is much better than words. Take a look at this poster.

Let us talk about an extraordinary event. Remember back in history in 1972, there were two nations in the world, the Soviet Union and the United States of America, that had the capability to deliver a missile anywhere in the world. No other country, no exception, no other country had the capability to deliver a missile anywhere else in the world.

Frankly, no one envisioned that for any reasonable period of time in the future that any other country in the world, that any other country in the world would obtain that capability. Can Members imagine anyone in 1972 imagining that in the scope of 30 years this would happen, this poster to my left?

This is an extraordinary event. Clearly, what this poster depicts jeopardizes the national sovereignty of the United States of America. Let us take a look, extraordinary events: no longer just Russia, no longer what used to be the Soviet Union. Every one of these points, every one of these arrows, see the arrows here on the map, and they are small, Mr. Speaker, but all of these arrows point to one thing. They point to North Korea, they point to Pakistan, they point to India, they point to Israel, they point to China.

All of those countries I just named, every one of those countries has the capability to deliver a nuclear missile, to fire a nuclear missile. That is nuclear.

Let us continue. In addition, Iraq, Iran, Libya, all have ballistic missile technology that can deliver a chemical or a biological weapon. In other words, it is extraordinary that now there are not two countries but there are any number of countries in the world that can launch a nuclear missile.

I am going to show a poster a little later on to show just exactly what North Korea could do to Alaska, for example. Members do not think, with this kind of threat facing the United States of America, we do not think that as Congressmen of the United States, that we do not have some type of inherent commitment or obligation or duty to provide our citizens with a protective shield. Of course we do. Failure to do that would be the grossest negligence in recent history of this country, in my opinion.

Let us move on.

Do Members want to talk about extraordinary events, a threat or something that jeopardizes the future of the United States of America? Do Members want to see it? It is right here. If Members can take a look at this poster, and after looking at it, walk away and with a straight face say to any one of our constituents that the United States of America should not deploy a missile defense system, then that Member has just performed great disfavor and has brought discredit, discredit to the vision that one is obligated to provide for future generations in this country.

Ballistic missile proliferation, countries that we know today are possessing ballistic missiles. Remember, in 1972, 30 years ago, there were two nations, the United States and the Soviet Union. The treaty that those two nations signed between each other said that we are the two, and the way to defend that this does not get out of hand between us, let us put this treaty into effect.

But when we put this treaty into effect, if we think that if extraordinary events occur, as a right of this treaty, a basic right of this treaty, that jeopardize the national sovereignty of either the Soviet Union or the United States of America, we could walk out of the treaty and withdraw from the treaty. It is not a breach of the treaty; it is a right of the treaty. Here we are. Take a look at it.

Ballistic missiles: Hungary, India, Iran, Iraq, Israel, China, Croatia, the Czech Republic, Egypt, France, North Korea, South Korea, Libya, Pakistan, Saudi Arabia, Russia, Ukraine, United Kingdom, Vietnam, Afghanistan, Argentina, Bulgaria. I think I mentioned Croatia. How much more proof do we need?

Where is the proof? Right here is the proof. We do not call this an extraordinary event? We do not think that this kind of map here, look at the blue. That is where there are ballistic missiles. Are Members telling me that this little area right here, the United States of America, that its elected officials, that its President, should not build a defensive system that protects it from an incoming missile from any one of these countries, either accidental or intentional?

How can Members even step forward with that kind of an argument? There is only one choice we have. The extraordinary events that have occurred in the last 30 years offer us only one choice. That choice is, we have no option other than to build a defensive security system for the citizens of the United States of America. Failure to do so would be dereliction of our duty and our oath, sitting here on the floor of the House of Representatives.

Let me just reemphasize another startling poster. Let me show something else, in case some of my colleagues so far have not been convinced that extraordinary events have occurred since 1972. If some of my colleagues are not convinced that we face the jeopardizing of our national security, of our national interests, take a look at this poster, just in case they need convincing.

Nuclear proliferation, here we are. Every red spot on this map has the capability of delivering a nuclear missile into the United States of America. Those are the ones we can confirm. We have high suspicion, I think probably verifiable, that we have countries who have that capability today.

They are Iran, maybe not the capability, but right on the edge; Iraq, right on the edge; North Korea, I think they possess the capability to hit the United States of America, first of all Alaska, and soon the coast of California; Libya.

Now add onto that back here Britain, nuclear missile capability; China; France; India; Israel; Pakistan; Russia; and the United States. There has been a proliferation, a proliferation of offensive nuclear weapons in this world. We as leaders have an obligation to step forward and provide for our citizens some type of defensive system.

I mentioned earlier about North Korea and the capability of North Korea. Let us look specifically at North Korea as an example. North Korea can currently reach Alaska with ballistic missiles. It will only be a matter of time before they can reach the continental United States.

What do we mean by "a matter of time"? I mean a matter of months to maybe a few short years, if they do not already have the capability to launch a missile, a ballistic missile, against the continental United States. And remember, maybe not necessarily intentionally. For a little country like North Korea to intentionally launch a nuclear missile against the United States of America, talk about a suicidal thought, the United States would retaliate with a minimum amount of retaliation and wipe North Korea out.

So maybe North Korea would not fire intentionally a missile against the United States, but do Members think that North Korea has the type of fail-safe systems on their nuclear systems that we would feel comfortable with? I do not think they do.

So what if North Korea by accident, by accident hit the button and launched a missile against the United States of America? Do Members think we should be prepared for that kind of consequence? Do Members think that it is responsibility that demands that we have that kind of preparedness? Of course it is. Look what happens.

Look at this right here. Look at the range. First they were here, then they got out to 1,500 kilometers, then out to 4,000 kilometers; and now look where they are, 6,000 kilometers.

Let me ask the Members, how much more clear can a threat be? Again, for those who are not convinced that any country would ever launch intentionally against the United States, first of all, with due respect, I think they are being naive. But if in fact they truly believe that, how many can assure their constituents, can assure the American public or our allies or our friends that an accidental launch will never occur against the United States of America? They cannot do it, and they know they cannot do it.

Let us for a moment assume the unassumable, the worst kind of scenario we can imagine next to an intentional launch. Let us assume that a nation that has the capability of hitting the core, hitting the middle of the United States or even the eastern border; let us take Philadelphia, for example. It fires a nuclear missile by accident against the United States, and the incoming missile will impact in Philadelphia. Let us say it is not a particularly big missile. It has two warheads on it.

As many know, nuclear missiles have multiple warheads on them. One of our submarines, a Trident submarine in the United States naval force, can deliver, what, 195 missiles because of the multiple missile warheads that we have?

Let us just say that just two of those, a small missile with two warheads on it, was fired accidentally against the city of Philadelphia.

□ 2300

What do we have? Take a look at this poster right to my left. I will tell my colleagues exactly what we have. We will have 410,000 people dead, 410,000 people dead in an accident that was preventable. Dead in an accident because we on the House floor, we in the Senate have neglected to give our President, in my opinion, the necessary support that he is demanding to protect the United States of America with a missile shield, a shield of protection. We have that obligation.

President Bush and the Vice President, Mr. CHENEY, are practically begging us to give them support; not fight them. This is not a partisan issue. Now, some people are trying, as usual, to say that anybody that wants a missile defense system are war mongers. But the fact is this is about as strong a nonpartisan issue as exists in the United States House of Representatives today. This is not an issue of the Republicans protecting the United States of America with some kind of protection shield and the Democrats refusing to protect the United States of America. This is an issue that crosses party lines. This is a responsibility placed squarely on the shoulders of every one us sitting in this room.

For those of my colleagues who are refusing to carry the weight that has been placed on their shoulders, defending this country, I just want to say, shame on you. Now, why do I say shame on you? Because someday, someday that is going to happen. Those fortunate to be a survivor had darn well better be able to look in the mirror and say, I did what I could for the citizens of America to protect them from exactly what is depicted on this poster to my left.

Now, how does a missile defense system work? I want to show how we can do it. Technologically, this is going to be done. Technologically, future generations are going to have the capability to do exactly what I am saying needs to be done, and that is to provide a system in this country for defense. How does it work? Let us take a look.

Space-based. We know we are going to have a space-based unit. Why? Because a space-based unit, or that staging of our missile defensive system, allows us to do a couple of things. One, satellites we can move. Satellites are not stationary. For example, if we see a threat arising in Pakistan or we see a threat arising in North Korea, we can move our satellite so that satellite is over that country, so that the laser beam that would come out of that satellite, and we have that technology, the laser beam that can come out of that satellite can be shifted around. It is a mobile defense.

What is the other big advantage of having a mobile defense? The other big advantage is we can stop that missile on its launching pad. How many of these countries would want to have a missile preparing to fire against the United States only to face the threat that the United States could fire an instantaneous laser beam and destroy the missile on its pad, meaning that that missile would go off in their country instead of its intended target, the United States of America. That is why we have to have a space-based ingredient in this missile defense system.

The second point. Sea-based. We have to have the capability to hit that missile, if the missile is successfully launched either intentionally or by accident off its launching pad, and we are not able to stop it on the launching pad as it heads over the ocean, we need to have the capability from a ship-based defensive system to take that missile down while it is over the ocean.

Now, we will have wind currents and things like that, but the minimal amount of casualties will occur if we can somehow bring that missile down even without exploding it or detonating it. If we could hit it with some type of laser or some type of device to bring it down without detonation. And if we can do that, we need to do it somewhere over the ocean where, obviously, we do not have a heavy population.

But let us say it goes beyond that. Air-based. Here is a good demonstration. Here is our laser-based satellite. Here is the incoming missile. Now, remember, this entire period of time may take, at a maximum, probably 30 minutes to go from a far point to the United States. We also need an airborne laser so that if we miss it on our satellite laser, if we miss it on our sea-based laser, we still have the capability from aircraft to fire a laser rendering that incoming missile incapable.

And then finally, over here on the end, we have our command and control. We have an interceptor missile. That is the type of missile I was talking about earlier where we had a successful test 3 weeks ago. Now, some people, and I do not understand their argument, but some people are saying, look, if we have a failure, if the test does not work, we should abandon a missile defense system.

Give me a break. Give me a break. How many times did we have to try surgery or try the new invention of a machine, how many times did the Wright brothers and others have to get in those airplanes and figure out accident after accident after accident, test after test after test how to improve it, how to make it work? That is exactly what we have here. Not all our tests are going to be successful. We know that. And we need to admit it up front. Last week we had a successful test. We are going to have more success in the future. And eventually, and I mean in short order, I think in a matter of years with the leadership of our President and the support of this Congress, and the support of future Congresses, through testing and through dedication and through resources and research, we will have fulfilled our duty by developing, from a technological point of view, a missile defense system.

So let me review what I think are a few very, very important points. Let us start out with a premise. We have an anti-ballistic missile treaty that is called the ABM Treaty. That treaty was executed in 1972. It was negotiated in the late 1960s and the early 1970s, and, again, executed in 1972. Now, at that point in time two countries in the world, two countries in the world, the Soviet Union and the United States of America, were the only countries that had the capability to deliver a missile anywhere they wanted in the world.

At that point in time, not China, not North Korea, not South Korea, not India, not Pakistan, not Argentina, not Israel, none of these countries were thought to have at any time in the near future the capability to fire a missile, a nuclear missile, anywhere in the world.

But let me step back just for a moment. The vision of the people who negotiated this treaty on both sides of the treaty was that there could be extraordinary circumstances, for example, other countries having the capability to deliver missiles; for example, many other countries developing nuclear capability; for example, the acts of terrorism that we have seen in these last few years. Those are extraordinary events. And the drafters of this treaty understood, and though I do not agree with the premise under which they drafted this treaty, they understood there might be extraordinary events that threatened the national sovereignty of a country. And if that occurred, it should be a fundamental right, a basic right contained within the four corners of that treaty, that allowed a country, a United States or a Soviet Union, to withdraw from the treaty.

And that is exactly where we are today. We have no choice, in my opinion, but to withdraw from this treaty, and we have no choice but to offer protection to the American people.

What has happened in these 30 years? We know, from my earlier graph that I showed, that nuclear proliferation now exists throughout the world. We know that the probability of a missile attack against the United States, either intentionally or accidentally, is going to occur at some point. In fact, every day that goes by gives us 1 more day to make sure that when that missile attack occurs or when that accidental launch occurs, we are prepared to defend against it.

Now, if we fail, for example, and the worst failure or the worst scenario I can imagine is some country, because they do not have the fail-safe mechanism that our country has, accidentally launches against the United States. Under those circumstances, right now our only response really is to do nothing, which no President is going to do when you lose hundreds of thousands of people, or to retaliate.

☐ 2310

Mr. Speaker, no President is going to go without retaliation. So if anything, you want to have a missile defense system in place so that an accidental launch does not start World War III. So if someone launches against the United States, or if somebody launches against an ally of the United States of America, or let us take it further, let us say some country accidentally launches against an enemy country, let us say someone launches against North Korea, the United States of America, our vision will allow our country to have the capability. We find out from our command center that India has by accident just launched a missile against North Korea; we should have the capability to stop that missile so it does not even hit a country like North Korea throughout the world which can prevent a horrible disaster from occurring, only if, however, my colleagues on this House floor support the President of the United States in demanding that this country forthwith deploy a missile defense system on behalf of the citizens of the United States of America.

That is an accidental launch. Let us talk about an intentional launch. Do you think you will continue to see in the future a proliferation of missiles if the people building the missiles know there is a system in the country that will stop their missiles on the launching pad? That there is a system that the United States of America possesses that will not only stop an incoming missile from hitting the United States or an ally, but is so technically advanced that they can destroy their missile on their launching pad? How many more missiles do you think they will build?

The vision that I have for the future, for my children's generation, for my grandchildren's generation is that they will look back at us and say, missiles were those useless things back then. Nobody has any use for a missile today because anytime a missile goes off, it is stopped instantaneously. That is the goal.

We should not stand by some treaty that says the way to stop proliferation of missiles in the future is not to defend against them. Give me a break. That is like saying the way to stop the spread of cancer is not to take any chemotherapy. Do not offer chemotherapy as a threat, and maybe then people will stop smoking. That does not make any sense. It is the same thing here. It does not make any sense at all to the way, the theory to stop missile proliferation is not to defend against it.

By the way, there are only two countries in the world subject to the antiballistic missile treaty. India is not subject to it. North Korea is not subject to. China is not, Pakistan is not, Israel is not subject to it. Only two countries: the United States of America and the old Soviet Union. The day has arrived, colleagues. The responsibility has arrived. The duty has arrived. We owe it to the people of America. We owe it to the people of the world to build a missile defense system. We have the technology, or we will secure the technology within the no-too-distant future.

I cannot look at any of you more seriously than I look at you this evening to say that your failure to help this Nation build a missile defense system for its citizens and for the people of the world is a gross dereliction of duty and responsibility bestowed upon you when you took the oath to serve in the United States Congress.

PRESIDENT'S ENERGY POLICY IS HUGE MISSED OPPORTUNITY

The SPEAKER pro tempore (Mr. KELLER). Under the Speaker's announced policy of January 3, 2001, the gentleman from Washington (Mr. INSLEE) is recognized to address the House not beyond midnight.

Mr. INSLEE. Mr. Speaker, I do not normally participate in Special Orders, especially at this time of night; but there is something that the House is going to consider tomorrow that I believe we are heading in the wrong direction on, to wit, the President's energy policy, that I felt compelled to come here this evening to speak about the huge missed opportunity that this energy policy represents.

Mr. Speaker, as I was walking over here this evening thinking about what I was going to say, I looked up at the dome and thought how beautiful it is. I thought about some of the great inspirational things, the farsighted things that have actually taken place in this building; and the thing that really got me thinking about this issue is when John F. Kennedy stood right behind me at the rostrum and said that America, this was back in the early sixties, said America should put a man on the moon and bring him home safely within the decade. A huge challenge at that time before computers were existent and we had multistage rockets, an enormous visionary challenge to America to move forward on a technological basis, even though some of the technology was not there yet. President Kennedy understood the nature of the space race and the potential capability of the country to move forward, and challenged America with a policy.

The President's energy policy, unfortunately, does not challenge America to go anywhere. The President's energy policy, which we will vote on tomorrow in this Chamber, is a continuation of the last 100 years of old technology.

I would like to address, Mr. Speaker, why that policy misses so many golden opportunities. Let me say simply that a summary of this energy policy would be simple. It is of the oil and gas companies, it is by the oil and gas companies, and it is for the oil and gas companies. In ways that should be obvious to anyone who will look at this plan, will realize that the oil and gas companies should smile giant smiles when they consider the enormous giveaways by the American taxpayer to this old industry.

Of the $33 billion of taxpayer money that essentially is handed out through tax incentives and royalty relief, fully 70 percent or more goes to fossil fuel-based industries, our old technological base. Royalty relief in the millions of dollars to excuse payments that are owed by oil and gas companies to the American taxpayers are written off the books, just excused. Billions of dollars in tax incentives, not for a new industry on the cutting edge of technology but for something that we have been doing for over 100 years, drilling holes in the ground to get oil and gas. This may have been a good policy in 1901, 100 years ago. It may have made sense when we needed to perfect technology, and drilling holes in the ground where we needed to give incentives to the automobile industry. But this massive give away encapsulated in this bill is now 100 years out of date. It is a perfect energy plan for a different century.

Mr. Speaker, we would like to make efforts to change that. I have offered an amendment with a Republican colleague of mine, the gentleman from Connecticut (Mr. SHAYS), and I offered an amendment to try to reorient some over to clean fuels that do not burn carbon and to give people breaks when they buy an energy-efficient car or build an energy-efficient house, to help the geothermal industry, to help get more efficient transmission systems, to shift just a portion of those tax giveaways to the oil and gas industries over to these new cutting-edge technologies.

□ 2320

We felt it makes sense if you are going to give an incentive, don't give it to the giant who has been around for a hundred years stomping through the economy, give it for the new babies on the block who have growth potential, the new technologies.

What happened? We are told as of this moment at least, the majority party will not allow us to even vote on that issue. That is wrong, Mr. Speaker, for the U.S. House not to get to vote on the distribution of these tax incentives.

It is interesting because we are told we are going to be allowed a vote on some policy issues. What I think this proves and oil and gas has said, "Well, you can vote on these policy issues, but don't touch my money. Don't let anybody else have a fair crack at these tax incentives." That is wrong.

The second issue I want to address as to why this energy policy is such a missed opportunity is 3 weeks ago, I was on the shores of the Aichilik River up in the Arctic National Refuge, the national refuge established during the Eisenhower administration. I went there to take a look at this refuge and see in fact whether it is something that America ought to preserve. I also spent a day at the Prudhoe Bay oil field taking a look at what an oil field looks like. I came away with two very distinct impressions after 4 days up on the shores of the Arctic. Number one, this Arctic National Refuge that the President wants to violate is the largest intact ecosystem in America. The President is asking us to create an oil field in the very heart of the most pristine area left in America, an area where the largest caribou herd in North America has its calving grounds. He wants us to put oil processing facilities right smack dab where the porcupine caribou herd, over 100,000 strong, calve once a year in their incredible migration over hundreds of miles across Alaska and Canada. The biologists have told us that that could damage the caribou herds. I saw birds from every one of the 50 States in the union, the most prolific bird life I have ever seen. I have tramped around a lot of back country in this country.

Simply put, this is an intact ecosystem that is unique. I came away concluding that what Dwight David Eisenhower had created, George Bush should not put asunder. The other reason for that is taking a look at Prudhoe Bay, although I saw some people who I thought were trying to reduce the impact of an oil field on the environment, the fact of the matter is whenever you think of Prudhoe Bay, it is a major industrial complex. It is not a wildlife refuge. It is time for us instead of doing the Arctic Refuge to explore the options we have.

That is the third point I want to make. This energy package is a huge missed opportunity because it does not explore the known options that America has to deal with their energy crisis. To give you an example, the President has proposed dealing in the Arctic Refuge. It will take 10 years to get any oil out of the Arctic Refuge. But let us assume that there is some oil there. The fact of the matter is even in the optimistic assessments of what we could do by destroying this Arctic Refuge, destroying what I believe is the heart of a unique ecosystem, if we simply increased our CAFE standards, our average mileage standards for our cars, by 1½ miles a gallon, just a tiny little scintilla of an improvement, we would save more oil and gas than we are ever going to get out of the Arctic Refuge over decades. We have a clear option. The option of driving and asking our auto industry to produce more fuel efficient vehicles is not going to destroy the Arctic Refuge, is more economically efficient and is clearly within our scientific technological basis, knowledge bank on how to do. The reason I know is that is the National Academy of Sciences came up with a report yesterday indicating that we could increase our fuel mileage, and the technology exists for that, well beyond 1½ miles a gallon in the next 5 years or 10 years.

We can build a natural gas pipeline across Alaska, something that I support. We can encourage and allow the 1,000 drilling rigs that are already drilling for oil, and there were only 300 of them 2 years ago, we have already had a massive increase in drilling activity in this country. We have got those three options. We ought to use these options that are within our technological data bank before we run off and try to destroy a unique wilderness that America has enjoyed since Dwight David Eisenhower was President. We have got those options, and we ought to pass an amendment to this bill tomorrow to take those. I am hoping that the majority party allows such a vote.

The fourth issue. Two years ago in Bellingham, Washington, a pipeline leaked and the gasoline subsequently exploded. It incinerated three children, three boys. Some time after that a pipeline exploded in New Mexico, killing 10 people, massive fireballs. Since those incredible disasters, guess what the U.S. House of Representatives have done as far as passing meaningful pipeline safety legislation to improve the inspections that are mandated in these pipelines. Absolutely nothing. The U.S. House since those tragedies still, since the U.S. Senate, the other Chamber, has passed legislation, improved legislation this year, this Chamber has not been given an opportunity to vote this year on pipeline safety. Here we have this 300-plus-page energy package coming to the floor, the need demonstrated to build new gasoline pipelines, and 2 years after those tragedies, we still have not been given an opportunity to vote on a pipeline safety bill that for the first time would have a statutory mandate that these pipelines be inspected.

The pipeline in New Mexico that exploded killing 10 people had not been inspected in 50 years, because there is no law requiring it. It is absurd for us to try to think we are going to have this massive expansion of energy and not move forward on pipeline safety legislation. I am here tonight speaking for the parents of these children who were lost in Bellingham, saying it is a crime against nature if this House passes an energy bill without passing a meaningful pipeline safety bill as well. We ought to have a chance to vote on this tomorrow. Mr. Speaker, I am urging the majority party to allow that vote and allow meaningful pipeline safety legislation to move ahead.

Let me just suggest if I can to the oil and gas pipeline companies. It is in the industry's interest to pass pipeline safety legislation. The reason it is in their interest is if we are going to build these pipelines, we have to site them. The industry knows that is hard. A lot of times people do not like pipelines running through their backyard, for understandable reasons. One of those understandable reasons is because the dang things blow up because we have lousy pipeline inspection criteria in our country. We need to gain public confidence in the pipeline safety system of this Nation. How do we expect to site these things if we do not have the public confidence? And we do not right now for good reasons. If we are going to expand our energy network of distribution, we need to win the public's confidence, we need to have a pipeline safety bill.

The fifth issue I would like to address, another missed opportunity. The science is overwhelming and observation is overwhelming that we have a problem with the change in the Earth's climate. The science is overwhelming that our contribution of certain gases, carbon dioxide being a principal culprit, are contributing to these changes in the global climate. When I was in the Arctic, I talked to a professor at the University of Alaska who told me that the depth of the Arctic ice has been reduced almost in half in the last several decades as a result of increasing temperatures in the Arctic. The extent of the Arctic ice has been reduced 10 percent. Glaciers are in massive retreat across North America. I talked to rangers in Denali National Park who had only been working there for 15 years who had seen the tree line move north several miles due to increasing temperatures in the Arctic.

The Earth's climate is changing and we are one reason for that. But despite that known science, the President has refused to exercise one single ounce of leadership to help this Nation move forward on a technological basis to deal with global climate change. When you look at this 300 pages, I do not have it tonight, but if you look at that several hundred pages of this energy policy, you will not find any commitment to move forward on global climate change issues. It is incredible. It is incredible at the same time the President of the United States tells the rest of the world that they can go hang, we are not going to deal with global climate change, we are just going to come home and do something in America, well, fine, what is the President proposing? In this energy package, nothing meaningful. I have offered an amendment that at least would direct the Department of Energy to report within a year about the most efficient means we could do, things we could do to deal with global climate change, to reduce carbon dioxide emissions.

□ 2330

But instead of even allowing that, this bill has fully three-quarters, three-quarters, of all the tax incentives of $33 billion go to the industry that is responsible for putting global climate change gasses into the air, the oil and gas and fossil fuel and coal industries. Instead of going forward with new technologies, they want to go backward and ignore this problem of global climate change.

Mr. Speaker, I want to tell you, I am afraid the White House is way behind the American public on this. The American public that I am talking about do get it when it comes to global climate change. They want to see reasonable actions taken. They want to see reasonable research taking place. But, instead of that, this administration has given their political friends 75 percent of all the benefits in this bill, instead of the technologies that could fully move us forward to deal with global climate change. A tremendous missed opportunity.

The sixth issue, and here is a small issue. I will tell you how maybe small things add up. We have introduced a bill that actually has had some bipartisan support called the Home Energy Generation Act. It would allow Americans when they generate electricity in their home or their small business through solar or wind or other fuel cell technology, it would allow them to sell electricity back to the grid. Your meter, when you do this, would run backwards. If you are not using the energy, you sell it back to the utility. Our bill would say to the utility, it has to buy it back from you. A reasonable request.

It is very important to the development of these technologies, solar, wind, fuel cell technology, these distributed energy technologies, it is important because those are the industries that do not contribute global climate change gasses. It is a small suggestion, but I guess because oil and gas does not like it, it might reduce a little bit our demand for oil and gas and coal, we do not find it in this bill. We do not even get a vote on it. That is wrong. We ought to do some common sense measures on this.

Seventh, here we have a chance for America to lead on these new technologies by having the U.S. Government buy new technologies. Does it not make sense when the U.S. Government is one of the biggest purchasers of equipment in the world to have the U.S. Government lead by buying fuel efficient vehicles, by buying energy efficient electrical appliances, by making sure that our transmission systems are efficient when we do it for the U.S. Government? Does that not make sense, when the climate is changing?

But, no, this bill does not address that issue. It does not have us in the United States Government lead. The only thing the President proposed is to buy a little tiny thing that turns your VCR off when you are not using it. That is a good idea, I suppose, but maybe we can be more effective if we have the U.S. Government buy new fuel efficient vehicles, which we do not do.

We are trying to expect Americans to conserve electricity and use efficient vehicles, and the U.S. Government does not even do it. We hope to have some amendments on the floor to change that tomorrow. We hope the majority party will support it. But, again, a missed opportunity of the energy bill.

Finally, the eighth point I want to make, we have had an energy crisis on the West Coast. I am from the State of Washington. People I represent have seen their energy prices go up 50, 60 percent, and they are going to go up more possibly as a result of this energy crisis. From the beginning, the President has simply said it is a California problem. I am not going to help. He has done a good job of not helping.

We still need some help. I will tell you what we need; we need refunds. The people I represent have been gouged in their electrical bills. For 7 months now we have been beating a drum in this House and outside of this building to ask the administration to lift a finger to help the West Coast, and, finally, after 7 months of banging this drum, the Federal Energy Regulatory Commission finally issued a ruling that they want to move forward with evidentiary hearings to set a price so that in certain circumstances it is not too high. They also finally suggested that there be refunds, at least to the California citizens.

Well, we want to make sure that the energy bill makes sure that this happens, not just in California, but in Washington and Oregon as well. Why should not folks in Washington who have been overcharged for electricity have refunds as well as those in California? We have dragged the administration kicking and screaming to do something about this, but this energy bill needs to put it in law so that no one can backslide in this regard.

So, tonight I have offered eight things, and I suspect there are more that need fixing in this bill. We are going to give it every single energy we can tomorrow to repair and fix this bill. But, Mr. Speaker, from what I have heard tonight, we will be denied an opportunity to even vote on quite a number of these subjects. I think that that is wrong.

We think this country is not a desperate country. We do not think we are a desperate people. We think we are a creative people. We think we are an optimistic people. We think we are a positive people. We are positive there are things we can do to get us out of this energy pickle, get us out of this global climate change problem, if we will just look at the future instead of adopting an energy policy for the past.

Tomorrow we will have a chance to move for that future if we fix this bill, and reject it if it is not adequately fixed. It is an opportunity we ought to seize.

RECESS

The SPEAKER pro tempore (Mr. KELLER). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 11 o'clock and 36 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 0122

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SESSIONS) at 1 o'clock and 22 minutes a.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4, SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

Mr. HASTINGS of Washington, from the Committee on Rules, submitted a privileged report (Rept. No. 107–178) on the resolution (H. Res. 216) providing for consideration of the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes, which was referred to the House Calendar and ordered printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mr. HASTINGS of Washington, from the Committee on Rules, submitted a privileged report (Rept. No. 107–179) on the resolution (H. Res. 217) providing for consideration of motions to suspend the rules, which was referred to the House Calendar and ordered printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HASTINGS of Florida (at the request of Mr. GEPHARDT) for today on account of personal business.

Mrs. JONES of Ohio (at the request of Mr. GEPHARDT) for today on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes, today.

Mr. LANGEVIN, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

(The following Members (at the request of Mr. DUNCAN) to revise and extend their remarks and include extraneous material:)

Mr. HAYWORTH, for 5 minutes, August 1.

Mr. SMITH of Michigan, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, today.

Mr. BOEHLERT, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

ADJOURNMENT

Mr. HASTINGS of Washington. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 23 minutes a.m.), consistent with the fourth clause in section 5 of article I of the Constitution, and therefore notwithstanding section 132 of the Legislative Reorganization Act of 1946, as amended, the House stands adjourned until 10 a.m. on August 1, 2001.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

3193. A letter from the Secretary, Department of Agriculture, transmitting a draft of proposed legislation, "To authorize the Secretary of Agriculture to prescribe, adjust, and collect fees to cover the costs incurred by the Secretary for activities related to the review and maintenance of licenses and registrations under the Animal Welfare Act"; to the Committee on Agriculture.

3194. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Diazinon, Parathion, O, O-Diethyl S-[2-(ethylthio)ethyl] phosphorodithioate (Disulfoton), Ethoprop, and Carbaryl; Tolerance Revocations [OPP–301142; FRL–6787–8] (RIN: 2070–AB78) received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3195. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule— Lysophosphatidylethanolamine (LPE); Temporary Exemption From the Requirement of a Tolerance [OPP–301145; FRL–6788–6] (RIN: 2070–AB78) received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3196. A letter from the Deputy Secretary, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General John M. McDuffie, United States Army, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

3197. A letter from the Deputy Secretary, Department of Defense, transmitting a report on the Reserve Forces Policy Board for FY 2000; to the Committee on Armed Services.

3198. A letter from the Secretary of the Navy, Department of Defense, transmitting notification of the decision to convert to contractor performance by the private sector the Administrative/Management Support function at Naval Air Systems Command, Naval Air Warfare Center Aircraft Divison (NAWCAD) at Lakehurst, Ocean County, New Jersey; to the Committee on Armed Services.

3199. A letter from the Assistant Secretary for Legislative Affairs, Department of the Treasury, transmitting a report on the progress made in providing International Development Association grant assistance to Heavily Indebted Poor Countries; to the Committee on Financial Services.

3200. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Finding of Attainment for PM–10; Oakridge, Oregon, PM–10 Nonattainment Area [Docket OR–01–005a; FRL–7018–6] received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3201. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Finding of Attainment for PM–10; Lakeview, Oregon, PM–10 Nonattainment Area [Docket OR–01–004a; FRL–7018–5] received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3202. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Preliminary Assessment Information Reporting; Addition of Certain Chemicals [OPPTS–82056; FRL–6783–6] (RIN: 2070–AB08) received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3203. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule—Handbook on Nuclear Material Event Reporting in the Agreement States—received July 25, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3204. A letter from the Director, Defense Security Cooperation Agency, transmitting notification of Proposed Issuance of Letter of Offer and Acceptance (LOA) to Egypt for defense articles and services (Transmittal No. 01–09), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

3205. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's Proposed Letter(s) of Offer and Acceptance (LOA) to Egypt for defense articles and services (Transmittal No. 01–09), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

3206. A letter from the Acting Director, Defense Security Cooperation Agency, transmitting the Department of the Air Force's proposed lease of defense articles to the Government of Australia (Transmittal No. 09–01), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

3207. A letter from the Employee Benefits Manager, AgFirst, transmitting the annual reports of Federal Pension Plans Required by Public Law 95–595 for the plan year January 1, 2000, through December 31, 2000, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Reform.

3208. A letter from the Vice Chairman, Board of Directors, Amtrak, transmitting the semiannual report on the activities of the Office of Inspector General for the period ending March 31, 2001, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

3209. A letter from the Office of Headquarters and Executive Personnel Services, Department of Energy, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3210. A letter from the General Counsel, Department of Housing and Urban Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3211. A letter from the Attorney/Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3212. A letter from the Auditor, District of Columbia, transmitting a report entitled, "Certification Review of the Sufficiency of the Washington Convention Center Authority's Projected Revenues and Excess Reserve to Meet Projected Operating and Debt Service Expenditures and Reserve Requirements for Fiscal Year 2002"; to the Committee on Government Reform.

3213. A letter from the Chairman, Federal Election Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 2000, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

3214. A letter from the Acting Director, Retirement and Insurance Service, Office of Personnel Management, transmitting the Office's final rule—Law Enforcement Officer and Firefighter Retirement (RIN: 3206–AJ39) received July 25, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

3215. A letter from the Executive Secretary and Chief of Staff, U.S. Agency for International Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3216. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Navajo Abandoned Mine Land Reclamation Plan [NA–004–FOR] received July

26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3217. A letter from the Regulations Specialist, Bureau of Indian Affairs, Department of the Interior, transmitting the Department's final rule—Attorney Contracts with Indian Tribes (RIN: 1076–AE18) received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3218. A letter from the Regulations Specialist, Bureau of Indian Affairs, Department of the Interior, transmitting the Department's final rule—Encumbrances of Tribal Land—Contract Approvals (RIN: 1076–AE00) received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3219. A letter from the Chief, Division of Endangered Species, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Shrimp Trawling Requirements [Docket No. 010409084–1084–01; I.D. 030601A] (RIN: 0648–AP16) received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3220. A letter from the Chief, Division of Endangered Species, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Restrictions Applicable to Shrimp Trawl Activities; Leatherback Conservation Zone [Docket No. 000519147–0147–01; I.D. 051800C] (RIN: 0648–AO22) received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3221. A letter from the Chief, Division of Endangered Species, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Limitations on Incidental Takings During Fishing Activities [Docket No. 010308058–1058–01; I.D. 030701A] (RIN: 0648–AP14) received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3222. A letter from the Chief, Division of Endangered Species, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Restrictions Applicable to Fishing and Scientific Research Activities [Docket No. 010607150–1150–01; I.D. 091200F] (RIN: 0648–AN64) received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3223. A letter from the Chief, Division of Endangered Species, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Restrictions to Fishing Activities [Docket No. 010618158–1158–01; I.D. 061301B] (RIN: 0648–AP34) received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3224. A letter from the Chief, Division of Endangered Species, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Restrictions to Fishing Activities [Docket No. 000511138–0138–01; I.D. 051100B] (RIN: 0648–AO19) received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3225. A letter from the Chief, Division of Endangered Species, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Restrictions to Fishing Activities [Docket No. 010507114–1114–01; I.D. 040401B] (RIN: 0648–AP20) received July 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3226. A letter from the Chief, Division of Endangered Species, Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Shrimp Trawling Requirements [Docket No. 000822243–0243–01; I.D. 082100D] (RIN: 0648–AO43) received July 25, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3227. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737–700 and -800 Series Airplanes [Docket No. 2000–NM–403–AD; Amendment 39–12305; AD 2001–13–23] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3228. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Cessna Model 560XL Airplanes [Docket No. 2001–NM–146–AD; Amendment 39–12320; AD 2001–14–09] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3229. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A310 Series Airplanes and Airbus Model A300 B4–600, B4–600R, and F4–600R (Collectively Called A300–600) Series Airplanes [Docket No. 2001–NM–04–AD; Amendment 39–12306; AD 2001–13–24] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3230. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300 B2 and B4 Series Airplanes [Docket No. 2001–NM–214–AD; Amendment 39–12328; AD 2001–14–17] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3231. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–10 Series Airplanes, Model MD–10 Series Airplanes, and Model MD–11 Series Airplanes [Docket No. 2000–NM–269–AD; Amendment 39–12319; AD 2001–14–08] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3232. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–10–30 Series Airplanes Modified by Supplemental Type Certificate ST00054SE [Docket No. 2000–NM–231–AD; Amendment 39–12313; AD 2001–13–03] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3233. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model DHC–8–200 and -300 Series Airplanes [Docket No. 2001–NM–25–AD; Amendment 39–12307; AD 2001–13–25] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3234. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model DHC–8–102, -103, and -301 Series Airplanes [Docket No. 2000–NM–328–AD; Amendment 39–12303; AD 2001–13–21] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3235. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767–200 Series Airplanes Modified by Supplemental Type Certificate ST09022AC-D [Docket No. 2000–NM–243–AD; Amendment 39–12324; AD 2001–14–13] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3236. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747SP Series Airplanes Modified by Supplemental Type Certificate ST09097AC-D [Docket No. 2000–NM–244–AD; Amendment 39–12325; AD 2001–14–14] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3237. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–400 Series Airplanes Modified by Supplemental Type Certificate SA8843SW [Docket No. 2000–NM–245–AD; Amendment 39–12326; AD 2001–14–15] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3238. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737–300, -400, and -500 Series Airplanes [Docket No. 2000–NM–39–AD; Amendment 39–12316; AD 2001–14–06] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3239. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747 Series Airplanes [Docket No. 2000–NM–251–AD; Amendment 39–12318; AD 2001–14–07] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3240. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 757–200 Series Airplanes Modified by Supplemental Type Certificate SA1727GL [Docket No. 2000–NM–228–AD; Amendment 39–12311; AD 2001–14–01] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3241. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737–600, -700, -700C, and -800 Series Airplanes [Docket No. 2001–NM–188–AD; Amendment 39–12315; AD 2001–14–05] (RIN: 2120–AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3242. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737-200, -200C, -300, and -400 Series Airplanes [Docket No. 2000-NM-205-AD; Amendment 39-12317; AD 2000-06-13 R1] (RIN: 2120-AA64) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3243. A letter from the General Counsel, Department of Defense, transmitting the Department's enclosed legislation relating to income and transportation taxes on military and civilian personnel; to the Committee on Ways and Means.

3244. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Rules for Certain Reserves [Rev. Rul. 2001-38] received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMAS: Committee on Ways and Means. H.R. 2603. A bill to implement the agreement establishing a United States-Jordan free trade area; with an amendment (Rept. 107-176 Pt. 1). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOEHLERT: Committee on Science. H.R. 2460. A bill to authorize appropriations for environmental research and development, scientific and energy research, development, and demonstration, and commercial application of energy technology programs, projects, and activities of the Department of Energy and of the Office of Air and Radiation of the Environmental Protection Agency, and for other purposes; with an amendment (Rept. 107-177). Referred to the Committee of the Whole House on the State of the Union.

[Filed on Aug. 1 (legislative day, July 31), 2001]

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 216. Resolution providing for consideration of the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes (Rept. 107-178). Referred to the House Calendar.

Mr. SESSIONS: Committee on Rules. House Resolution 217. Resolution providing for consideration of motions to suspend the rules (Rept. 107-179). Referred to the House Calendar.

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XII the Committee on the Judiciary discharged from further consideration. H.R. 2603 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

H.R. 2603. Referral to the Committee on the Judiciary extended for a period ending not later than July 31, 2001.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

[Omitted from the Record of July 30, 2001]

By Mr. SMITH of Texas (for himself, Mr. Scott, Mr. Baldacci, Mr. Buyer, Ms. Carson of Indiana, Mr. Frost, Mr. Istook, Mr. Luther, Mrs. Morella, Mr. Ney, Ms. Norton, Mr. Platts, Mr. Putnam, Mr. Shows, Mr. Simmons, Mr. Skeen, Mr. Smith of New Jersey, Mr. Souder, Mr. Wamp, and Mr. Watt of North Carolina):

H. Con. Res. 204. Concurrent resolution expressing the sense of Congress regarding the establishment of National Character Counts Week; to the Committee on Education and the Workforce.

[Submitted July 31, 2001]

By Mr. TOM DAVIS of Virginia (for himself and Mr. Moran of Virginia):

H.R. 2678. A bill to amend title 5, United States Codes, to establish an exchange program between the Federal Government and the private sector to develop expertise in information technology management, and for other purposes; to the Committee on Government Reform.

By Mr. ANDREWS:

H.R. 2679. A bill to condition the minimum-wage-exempt status of organized camps under the Fair Labor Standards Act of 1938 on compliance with certain safety standards, and for other purposes; to the Committee on Education and the Workforce.

By Mr. ANDREWS:

H.R. 2680. A bill to authorize the grant program for elimination of the nationwide backlog in analyses of DNA samples at the level necessary to completely eliminate the backlog and obtain a DNA sample from every person convicted of a qualifying offense; to the Committee on the Judiciary.

By Mr. ANDREWS:

H.R. 2681. A bill to amend the Davis-Bacon Act to provide that a contractor under that Act who has repeated violations of the Act shall have its contract with the United States canceled and to require the disclosure under freedom of information provisions of Federal law of certain payroll information under contracts subject to the Davis-Bacon Act; to the Committee on Education and the Workforce, and in addition to the Committee on Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. COOKSEY:

H.R. 2682. A bill to provide for the designation of certain closed military installations as ports of entry; to the Committee on Armed Services, and in addition to the Committees on Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. CUBIN (for herself, Mr. Baird, Mr. Brady of Texas, Mr. Hilleary, and Mr. Clement):

H.R. 2683. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for State and local sales taxes in lieu of State and local income taxes; to the Committee on Ways and Means.

By Mr. FRANK:

H.R. 2684. A bill to amend chapter 171 of title 28, United States Code, to allow members of the Armed Forces to sue the United States for damages for certain injuries caused by improper medical care; to the Committee on the Judiciary.

By Mr. GILCHREST:

H.R. 2685. A bill to amend title 10, United States Code, to revise the computation of military disability retired pay computation for certain members of the uniformed services injured while a cadet or midshipman at a service academy; to the Committee on Armed Services.

By Mr. HILLIARD:

H.R. 2686. A bill to prohibit States from carrying out certain law enforcement activities which have the effect of intimidating individuals from voting; to the Committee on the Judiciary.

By Mr. HILLIARD:

H.R. 2687. A bill to prohibit States from denying any individual the right to register to vote for an election for Federal office, or the right to vote in an election for Federal office, on the grounds that the individual has been convicted of a Federal crime, and to amend title 5, United States Code, to establish election day as a legal public holiday by moving the legal public holiday known as Veterans Day to election day in such years; to the Committee on the Judiciary, and in addition to the Committee on Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LAMPSON (for himself, Mr. Shimkus, Mr. Capuano, Mr. Frost, Mrs. Mink of Hawaii, Mr. Stark, Mr. Green of Texas, Mr. Grucci, Mr. Underwood, Ms. Brown of Florida, Ms. Jackson-Lee of Texas, Mr. Sandlin, Mr. Kanjorski, Mr. Ose, Mr. Greenwood, Mr. McGovern, Mr. Smith of New Jersey, Ms. Hart, Mr. Weldon of Pennsylvania, Mr. Green of Wisconsin, Mr. Gordon, Mr. King, Mr. Borski, Mr. Holden, Ms. DeLauro, Mr. Chabot, Mr. Hoeffel, Mrs. Napolitano, Mr. Pallone, Mr. Kind, Mr. Wynn, Mr. Traficant, Mrs. Thurman, Mr. Wexler, Mr. Clement, Mr. Pomeroy, Mrs. Meek of Florida, Mr. Baldacci, Mr. Manzullo, Ms. Roybal-Allard, Mr. Mascara, Ms. Woolsey, Mr. Ackerman, Mr. Israel, Mr. Rothman, Mr. Berman, Mr. Weiner, Mr. Lewis of Georgia, Ms. Slaughter, Ms. Berkley, Mr. McIntyre, Mr. Cramer, Mr. Shows, Mr. Moran of Virginia, Mr. Rush, Mr. Carson of Oklahoma, Mr. Peterson of Minnesota, Mr. John, Mr. Tierney, Mr. Brady of Pennsylvania, Mr. Rodriguez, Ms. Lee, Mrs. Jones of Ohio, Mr. DeFazio, Mr. Olver, Ms. Baldwin, Mr. Rahall, Mr. Barrett, Mr. Langevin, Mr. Berry, Mr. Pascrell, Mr. Maloney of Connecticut, Mr. Bentsen, Mr. Farr of California, Mr. Ortiz, Mr. Sherman, Ms. Pelosi, Mr. Ramstad, Ms. Hooley of Oregon, Ms. Sanchez, Mr. Hinojosa, Mr. Gonzalez, Mr. Smith of Michigan, Mr. Thompson of California, Mr. Costello, Mrs. Maloney of New York, Mr. Doggett, Ms. Eddie Bernice Johnson of Texas, Mr. Levin, Mr. Sawyer, Mr. Holt, Mr. Baca, Ms. Schakowsky, Ms. Eshoo, Ms. Millender-McDonald, Mrs.

CAPPS, Mr. MOORE, Mr. CROWLEY, Mr. BROWN of Ohio, Mr. BLAGOJEVICH, Mr. FORD, Mr. BARCIA, and Mr. BAIRD):

H.R. 2688. A bill to amend title 28, United States Code, to give district courts of the United States jurisdiction over competing State custody determinations, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MANZULLO (for himself, Mr. BLAGOJEVICH, Mr. EVANS, and Mr. KIRK):

H.R. 2689. A bill to amend chapter 142 of title 10, United States Code, to increase the value of the assistance that the Secretary of Defense may furnish to carry out certain procurement technical assistance programs which operate on a Statewide basis; to the Committee on Armed Services.

By Mr. RADANOVICH (for himself and Ms. MCCOLLUM):

H.R. 2690. A bill to amend the Hmong Veterans' Naturalization Act of 2000 to extend the deadlines for application and payment of fees; to the Committee on the Judiciary.

By Mr. SABO (for himself, Mr. BONIOR, Mr. DEFAZIO, Mr. DELAHUNT, Mr. KUCINICH, Ms. LEE, Ms. MCKINNEY, Ms. SCHAKOWSKY, Mr. STARK, Mr. VISCLOSKY, and Mr. WYNN):

H.R. 2691. A bill to amend the Internal Revenue Code of 1986 to deny employers a deduction for payments of excessive compensation; to the Committee on Ways and Means.

By Mr. SHAYS (for himself, Mr. FRANK, Mr. FOLEY, Mrs. TAUSCHER, Mr. ABERCROMBIE, Mr. ACEVEDO-VILA, Mr. ACKERMAN, Mr. ALLEN, Mr. ANDREWS, Mr. BAIRD, Mr. BACA, Mr. BALDACCI, Ms. BALDWIN, Mr. BARRETT, Mr. BECERRA, Ms. BERKLEY, Mr. BERMAN, Mrs. BIGGERT, Mr. BLAGOJEVICH, Mr. BLUMENAUER, Mr. BOEHLERT, Mr. BONIOR, Mr. BORSKI, Mr. BOSWELL, Mr. BRADY of Pennsylvania, Mr. BROWN of Ohio, Mrs. CAPPS, Mr. CAPUANO, Mr. CARDIN, Ms. CARSON of Indiana, Mrs. CHRISTENSEN, Mr. CLAY, Mrs. CLAYTON, Mr. CLYBURN, Mr. CONYERS, Mr. COYNE, Mr. CROWLEY, Mr. CUMMINGS, Mr. DAVIS of Illinois, Mrs. DAVIS of California, Mr. DEFAZIO, Ms. DEGETTE, Mr. DELAHUNT, Ms. DELAURO, Mr. DEUTSCH, Mr. DICKS, Mr. DOGGETT, Mr. DOOLEY of California, Mr. ENGEL, Ms. ESHOO, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FATTAH, Mr. FARR of California, Mr. FERGUSON, Mr. FILNER, Mr. FORD, Mr. FRELINGHUYSEN, Mr. FROST, Mr. GEPHARDT, Mr. GILCHREST, Mr. GILMAN, Mr. GONZALEZ, Mr. GREENWOOD, Mr. GUTIERREZ, Ms. HARMAN, Mr. HASTINGS of Florida, Mr. HILLIARD, Mr. HINCHEY, Mr. HINOJOSA, Mr. HOEFFEL, Mr. HOLT, Mr. HONDA, Ms. HOOLEY of Oregon, Mr. HORN, Mr. HOYER, Mr. INSLEE, Mr. ISRAEL, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. JOHNSON of Connecticut, Mr. JACKSON of Illinois, Ms. JACKSON-LEE of Texas, Mr. JEFFERSON, Mrs. JONES of Ohio, Mrs. KELLY, Mr. KENNEDY of Rhode Island, Mr. KILDEE, Ms. KILPATRICK, Mr. KIND, Mr. KIRK, Mr. KLECZKA, Mr. KOLBE, Mr. KUCINICH, Mr. LAFALCE, Mr. LAMPSON, Mr. LANGEVIN, Mr. LANTOS, Mr. LARSEN of Washington, Mr. LARSON of Connecticut, Mr. LEACH, Ms. LEE, Mr. LEVIN, Mr. LEWIS of Georgia, Ms. LOFGREN, Mrs. LOWEY, Mr. LUTHER, Mrs. MCCARTHY of New York, Ms. MCCARTHY of Missouri, Ms. MCCOLLUM, Mr. MCDERMOTT, Mr. MCGOVERN, Ms. MCKINNEY, Mr. MCNULTY, Mrs. MALONEY of New York, Mr. MALONEY of Connecticut, Mr. MARKEY, Mr. MATHESON, Mr. MATSUI, Mr. MEEHAN, Mrs. MEEK of Florida, Mr. MEEKS of New York, Mr. MENENDEZ, Ms. MILLENDER-MCDONALD, Mr. GEORGE MILLER of California, Mrs. MINK of Hawaii, Mr. MOORE, Mr. MORAN of Virginia, Mrs. MORELLA, Mr. NADLER, Mrs. NAPOLITANO, Mr. NEAL of Massachusetts, Ms. NORTON, Mr. OLVER, Mr. OWENS, Mr. PALLONE, Mr. PASTOR, Mr. PAYNE, Ms. PELOSI, Ms. PRYCE of Ohio, Mr. PASCRELL, Mr. RANGEL, Mr. REYES, Ms. RIVERS, Mr. RODRIGUEZ, Mr. ROTHMAN, Ms. ROYBAL-ALLARD, Mr. RUSH, Mr. SABO, Ms. SANCHEZ, Mr. SANDERS, Mr. SAWYER, Ms. SCHAKOWSKY, Mr. SCHIFF, Mr. SERRANO, Mr. SHERMAN, Mr. SIMMONS, Ms. SLAUGHTER, Mr. SMITH of Washington, Ms. SOLIS, Mr. STARK, Mr. STRICKLAND, Mr. THOMPSON of Mississippi, Mr. THOMPSON of California, Mrs. THURMAN, Mr. TIERNEY, Mr. TOWNS, Mr. TRAFICANT, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. UNDERWOOD, Ms. VELÁZQUEZ, Mr. VISCLOSKY, Ms. WATERS, Ms. WATSON, Mr. WATT of North Carolina, Mr. WAXMAN, Mr. WEINER, Mr. WEXLER, Ms. WOOLSEY, Mr. WU, and Mr. WYNN):

H.R. 2692. A bill to prohibit employment discrimination on the basis of sexual orientation; to the Committee on Education and the Workforce, and in addition to the Committees on House Administration, Government Reform, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PAUL (for himself, Mr. BALLENGER, Mr. KOLBE, Mr. BARTON of Texas, Mr. NETHERCUTT, and Mr. DREIER):

H. Con. Res. 206. Concurrent resolution recognizing the important relationship between the United States and Mexico; to the Committee on International Relations.

By Mr. LARGENT (for himself and Mr. BROWN of Ohio):

H. Con. Res. 207. Concurrent resolution recognizing the important contributions of the Youth For Life: Remembering Walter Payton initiative and encouraging participation in this nationwide effort to educate young people about organ and tissue donation; to the Committee on Energy and Commerce.

MEMORIALS

Under clause 3 of rule XII,

184. The SPEAKER presented a memorial of the Legislature of the State of Texas, relative to Senate Concurrent Resolution No. 21 memorializing the United States Congress to initiate the development of an agreement or treaty with Mexico to address health issues of mutual concern; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 85: Mr. MATHESON.

H.R. 134: Mr. GUTIERREZ.

H.R. 157: Mrs. MINK of Hawaii.

H.R. 218: Mr. LUCAS of Oklahoma, Mr. WICKER, Mr. GOSS, Mr. SHOWS, and Mr. MASCARA.

H.R. 274: Ms. DELAURO.

H.R. 326: Ms. HARMAN.

H.R. 400: Mr. CRENSHAW.

H.R. 432: Mr. BONIOR.

H.R. 433: Mr. BONIOR.

H.R. 437: Mr. HERGER.

H.R. 510: Mrs. MINK of Hawaii and Mr. TRAFICANT.

H.R. 612: Ms. GRANGER.

H.R. 664: Mr. UPTON, Mrs. JOHNSON of Connecticut, Mr. CALVERT, and Mr. HOUGHTON.

H.R. 684: Mr. NADLER and Mr. HINCHEY.

H.R. 737: Mr. SKELTON.

H.R. 778: Mr. MCDERMOTT, Mr. DOYLE, and Mr. BORSKI.

H.R. 781: Mr. SCOTT and Mr. LARSEN of Washington.

H.R. 817: Mr. WHITFIELD.

H.R. 914: Mr. LARGENT.

H.R. 921: Mr. BONIOR.

H.R. 938: Mr. PAYNE, Mr. LEACH, and Mr. COOKSEY.

H.R. 967: Mr. WATT of North Carolina and Mr. HINCHEY.

H.R. 1035: Mr. CARSON of Oklahoma and Ms. MILLENDER-MCDONALD.

H.R. 1073: Mr. BOSWELL.

H.R. 1086: Mr. BLUMENAUER.

H.R. 1090: Ms. PELOSI, Ms. SLAUGHTER, Ms. SCHAKOWSKY, Mr. THOMPSON of California, and Mr. DELAHUNT.

H.R. 1120: Mr. GOODLATTE.

H.R. 1170: Mr. SERRANO, Mr. BARCIA, and Mr. MOORE.

H.R. 1178: Mr. MATHESON.

H.R. 1198: Mr. GILLMOR, Mr. LIPINSKI, Mr. HOEFFEL, Mr. LARSEN of Washington, Mr. LAFALCE, and Mr. FRELINGHUYSEN.

H.R. 1201: Mr. MCGOVERN and Mr. BERMAN.

H.R. 1252: Mr. ENGEL.

H.R. 1296: Mr. LARGENT.

H.R. 1305: Mr. SWEENEY.

H.R. 1353: Mr. MORAN of Kansas, Mr. SNYDER, and Ms. TERRY.

H.R. 1354: Ms. HARMAN, Mr. BACA, Mr. BORSKI, and Mr. JACKSON of Illinois.

H.R. 1436: Mr. SNYDER, Mr. LOBIONDO, Mrs. NAPOLITANO, Mr. COMBEST, Mr. KANJORSKI, and Mr. MASCARA.

H.R. 1460: Mr. BOUCHER, Mr. NORWOOD, Mrs. EMERSON, Mr. NEY, Mr. PETRI, Mr. PETERSON of Pennsylvania, Mr. OXLEY, Mr. SHUSTER, Mr. LEWIS of Kentucky, and Mr. CRANE.

H.R. 1462: Mr. CALVERT.

H.R. 1509: Mr. DEUTSCH and Mr. BLUMENAUER.

H.R. 1556: Mr. SIMMONS, Mr. HOEFFEL, Mr. MASCARA, and Mr. DIAZ-BALART.

H.R. 1589: Mr. CUNNINGHAM.

H.R. 1602: Mr. MCKEON, Mrs. JO ANN DAVIS of Virginia, Mr. FORBES, Mr. GOODLATTE, and Mr. BROWN of South Carolina.

H.R. 1609: Mr. FARR of California, Mrs. CLAYTON, Mrs. EMERSON, Mr. PHELPS, Mrs. JO ANN DAVIS of Virginia, Mr. HOEFFEL, and Mr. MASCARA.

H.R. 1624: Mr. HINCHEY, Mr. MCGOVERN, Mr. CANNON, Mr. EDWARDS, Mr. HOUGHTON, and Mr. GRUCCI.

H.R. 1645: Mr. WALSH and Mr. CANNON.

H.R. 1700: Mr. OLVER, Mr. MARKEY, and Mr. MEEHAN.

H.R. 1773: Mr. MEEKS of New York and Mr. MCGOVERN.

H.R. 1784: Mrs. Capps and Mr. Filner.

H.R. 1795: Mrs. Kelly, Mr. Otter, and Mr. Smith of New Jersey.

H.R. 1819: Mr. Wamp.

H.R. 1856: Mr. Forbes.

H.R. 1873: Mr. Udall of Colorado.

H.R. 1948: Ms. Schakowsky.

H.R. 1978: Mr. Brown of Ohio and Mr. Davis of Illinois.

H.R. 1983: Mr. Skeen, Mr. Brown of South Carolina, and Mr. Mascara.

H.R. 2001: Mr. Pastor.

H.R. 2064: Mr. Hastings of Florida and Mr. Blagojevich.

H.R. 2066: Mr. Bereuter.

H.R. 2071: Mr. Simmons.

H.R. 2098: Mr. Cantor.

H.R. 2125: Mr. Tierney, Mr. Souder, and Mr. Schrock.

H.R. 2134: Mr. Blagojevich.

H.R. 2142: Mr. McGovern, Mr. Dooley of California, Mr. Kirk, Mr. Frank, and Mr. Lantos.

H.R. 2157: Mr. Skeen.

H.R. 2220: Mr. Baca, Mr. Ackerman, Mr. Carson of Oklahoma, Ms. Harman, Mr. Kildee, Mr. McGovern, Mr. Reyes, and Mr. Owens.

H.R. 2243: Mr. Kucinich.

H.R. 2272: Mr. Blumenauer.

H.R. 2308: Mr. Matheson.

H.R. 2310: Mr. Foley.

H.R. 2316: Mr. Weldon of Florida, Ms. Hart, Mr. Walden of Oregon, Mr. Schaffer, Mr. Jones of North Carolina, and Mr. Fossella.

H.R. 2317: Mrs. Maloney of New York and Mrs. Davis of California.

H.R. 2322: Mr. Bereuter.

H.R. 2332: Mr. Clement.

H.R. 2345: Mr. Pastor.

H.R. 2348: Mr. Rangel, Ms. Pelosi, Mr. Hall of Ohio, Mr. Ortiz, Ms. Sanchez, Mrs. Napolitano, Mr. Reyes, Mr. McGovern, Ms. Carson of Indiana, Mr. Owens, and Mr. Markey.

H.R. 2349: Ms. Eshoo and Ms. Hooley of Oregon.

H.R. 2355: Mr. Isakson.

H.R. 2357: Mr. Barr of Georgia, Mr. Blunt, Mr. Hayes, Mr. Bartlett of Maryland, Mr. Kerns, Mr. Pickering, Mr. Watts of Oklahoma, Mr. Brown of South Carolina, Mr. Brady of Texas, Mr. Vitter, Mr. Whitfield, Mr. Largent, Mr. Watkins, Mr. Burr of North Carolina, Mr. Traficant, Mr. Bilirakis, and Mr. Hefley.

H.R. 2366: Mr. Schaffer.

H.R. 2368: Mr. Clay.

H.R. 2375: Mr. Ehrlich, Mr. Lampson, Ms. Eshoo, Mr. Kanjorski, Mr. Wynn, Mr. Ackerman, Mrs. Capps, Mr. Serrano, Mr. Gutierrez, and Mr. Nadler.

H.R. 2400: Mr. Towns.

H.R. 2401: Mr. Towns.

H.R. 2402: Mr. Towns.

H.R. 2410: Mr. Schaffer.

H.R. 2442: Ms. Ros-Lehtinen.

H.R. 2460: Mr. Smith of Michigan, Mr. Matheson, Mr. Ehlers, Ms. Hart, Mrs. Biggert, Mr. Costello, Mr. Baca, Ms. Woolsey, and Mr. Udall of Colorado.

H.R. 2484: Mr. Fossella and Mr. Owens.

H.R. 2486: Ms. Hart.

H.R. 2520: Mr. Meeks of New York.

H.R. 2521: Mr. Gordon.

H.R. 2560: Mr. McGovern.

H.R. 2573: Mr. Fattah and Mr. Stark.

H.R. 2662: Mr. Flake.

H.R. 2669: Mr. Aderholt, Mr. LaHood, Mr. Leach, Mr. McIntrye, Mr. Peterson of Minnesota, Mr. Phelps, and Mr. Shows.

H.R. 2675: Mr. Fossella.

H.J. Res. 6: Mr. Souder.

H.J. Res. 15: Ms. Roybal-Allard.

H.J. Res. 42: Mr. Smith of Washington, Mr. Shimkus, Mr. Horn, Mr. Andrews, Mrs. Maloney of New York, Ms. Harman, Mr. Honda, Mr. Carson of Oklahoma, Mrs. Capito, and Mr. Pickering.

H. Con. Res. 44: Mr. Schaffer.

H. Con. Res. 58: Mr. Hilliard.

H. Con. Res. 60: Ms. Woolsey.

H. Con. Res. 97: Mr. Kennedy of Rhode Island.

H. Con. Res. 185: Ms. Lee, Mr. Hyde, Mr. Smith of New Jersey, and Mr. Honda.

H. Con. Res. 195: Ms. Schakowsky and Mr. George Miller of California.

H. Res. 65: Mr. Foley.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 4

Offered By: Ms. Kaptur

Amendment No. 6: Page 96, after line 17, insert the following new section, and make the necessary change to the table of contents:

SEC. 804. REENERGIZING RURAL AMERICA.

(a) Amendments.—Parts B and C of title I of the Energy Policy and Conservation Act (42 U.S.C. 6231-6249c), and the items in the table of contents of that Act relating thereto, are amended—

(1) by striking "Strategic Petroleum Reserve" each place it appears and inserting "Strategic Fuels Reserve";

(2) by striking "petroleum products" each place it appears other than section 160(h)(2)(B), and inserting "strategic fuels";

(3) by striking "petroleum product" each place it appears and inserting "strategic fuel";

(4) by striking "Petroleum products" each place it appears and inserting "Strategic fuels";

(5) by striking "Petroleum product" each place it appears and inserting "Strategic fuel";

(6) by striking "SPR Petroleum Account" each place it appears and inserting "SFR Fuels Account";

(7) in section 152, by adding at the end the following new paragraph:

"(12) The term 'strategic fuels' means petroleum products, ethanol, and biodiesel fuels.";

(8) in section 154, by inserting after subsection (b) the following new subsection:

"(c)(1) Except as provided in paragraph (2), the Secretary shall, within 3 years after the date of the enactment of this subsection, acquire and maintain as part of the Reserve a minimum of 300,000,000 gallons of ethanol and 100,000,000 gallons of biodiesel fuel. Such fuels may be obtained in exchange for, or purchased with funds realized from the sale of, crude oil from the Reserve.

"(2) The Secretary shall carry out paragraph (1) in a manner that avoids, to the extent possible, a disruption of the strategic fuels markets.";

(9) in section 161(g), by striking "crude oil" each place it appears and inserting "strategic fuels";

(10) in section 165(5), by striking "petroleum" and inserting "strategic fuel";

(11) in section 165(10), by striking "oil" and inserting "strategic fuels"; and

(12) in the heading of subsection (c) of section 168, by striking "Stored Oil" and inserting "Stored Fuel".

(b) References.—Any reference in any Federal law or regulation to the Strategic Petroleum Reserve or to the SPR Petroleum Account shall be deemed to be a reference to the Strategic Fuels Reserve or the SFR Fuels Account, accordingly.

H.R. 4

Offered By: Mr. Kerns

Amendment No. 7: At the end of title III of division C insert the following new section:

SEC. 3311. USE OF CERTAIN TRANSFERRED FUNDS.

(a) In General.—Section 9705 is amended by adding at the end the following new subsection:

"(c) Certain Tranfers.—Notwithstanding any other provision of law, any amount transferred to or received by the Combined Fund for any fiscal year for any reason, whether that amount is transferred or received from general purpose funds, under section 402(h) of the Surface Mining Control and Reclamation Act of 1977, or from any other source, shall be used first to refund to each operator and/or business any and all monies, including interest thereon calculated at the currently prevailing rate established by the Internal Revenue Service pursuant to 20 U.S.C. 1307, paid to any of the Funds established under this Subtitle J by each such operator and/or business that was last signatory to a Coal Wage Agreement prior to the year 1974, provided that such monies have not been previously refunded to such operator and/or business; and thereafter to pay the amount of any other obligation occurring in the Combined Fund.".

(b) Effective Date.—The amendment made by this section shall apply to the fiscal year beginning on October 1, 2001.

H.R. 4

Offered By: Mr. Nadler

Amendment No. 8: Page 96, after line 17, insert the following new section and make the necessary conforming changes in the table of contents:

SEC. 904. COMMUNITY POWER INVESTMENT REVOLVING LOAN FUND.

(a) Revolving Loan Fund.—There is established in the Treasury of the United States a revolving loan fund to be known as the "Community Power Investment Revolving Loan Fund" consisting of such amounts as may be appropriated or credited to such Fund as provided in this section.

(b) Expenditures From Loan Funds.—

(1) In general.—The Secretary of Energy, under such rules and regulations as the Secretary may prescribe, may make loans from the Community Power Investment Revolving Loan Fund, without further appropriation, to a State or local government, including any municipality.

(2) Purpose.—Loans provided under this section shall be used only for any of the following:

(A) Feasibility studies to investigate options for the creation or expansion of public power systems.

(B) Community development assistance programs to stem rising energy costs, including low-income customer payment programs.

(C) Energy efficiency programs and other local conservation measures.

(D) Incentives for new renewable energy resources, including research and development programs, purchases from alternative energy providers, and construction of new generation facilities.

(E) Increased and rapid deployment of distributed energy generation resources, including the following:

(i) Microturbines.

(ii) Fuel cells.

(iii) Combined heat and power systems.

(iv) Advanced internal combustion engine generators.

(v) Advanced natural gas turbines.

(vi) Energy storage devices.

(vii) Distributed generation research and development for local communities, including interconnection standards and equipment, and dispatch and control services that preserve appropriate local control authority to protect distribution system safety, reliability, and new and backup power quality.

(F) Purchase of existing electricity generation and transmission systems of private power companies.

(G) Construction of new electricity generation and transmission facilities.

(H) Education and public information programs.

(3) RESTRICTIONS.—No loan may be made under this section to any entity that is financially distressed, delinquent on any Federal debt, or in current bankruptcy proceedings. No loan shall be made under this section unless the Secretary determines that—

(A) there is reasonable assurance of repayment of the loan; and

(B) the amount of the loan, together with other funds provided by or available to the recipient, is adequate to assure completion of the facility or facilities for which the loan is made.

(c) LOAN REPAYMENTS.—

(1) LENGTH OF REPAYMENT.—

(A) IN GENERAL.—Before making a loan under this section, the Secretary shall determine the period of time within which a State must repay such loan.

(B) LIMITATION.—Except as provided in subparagraph (C), the Secretary shall in no case allow repayment of such loan—

(i) to begin later than the date that is one year after the date on which the loan is made; and

(ii) to be completed later than the date that is 30 years after the date on which the loan is made.

(C) MORATORIUM.—The Secretary may grant a temporary moratorium on the repayment of a loan provided under this section if, in the determination of the Secretary, continued repayment of such loan would cause a financial hardship on the State that received the loan.

(2) INTEREST.—The Secretary may not impose or collect interest on a loan provided under this section in excess of one percent above the current U.S. Treasury rate for obligations of similar maturity.

(3) CREDIT TO LOAN FUND.—Repayment of amounts loaned under this section shall be credited to the Community Power Investment Revolving Loan Fund and shall be available for the purposes for which the fund is established.

(4) FINANCE CHARGES.—The Secretary may assess finance charges of 5 percent on loans under this section that are repaid within 5 to 10 years, 3 percent on such loans that are repaid within 3 to 5 years, and one percent for loans repaid within 3 years.

(d) ADMINISTRATION EXPENSES.—The Secretary may defray the expenses of administering the loans provided under this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Community Power Investment Revolving Loan Fund $5,000,000,000 for each of the fiscal years 2002 through 2007.

H.R. 4

OFFERED BY: MR. STEARNS

AMENDMENT NO. 9: Page 34, after line 7, insert the following new section and make the necessary changes in the table of contents:

SEC. 129. DEPARTMENT OF DEFENSE FUEL EFFICIENCY.

(a) FINDINGS.—Congress finds the following:

(1) The federal government is the largest single energy user in the United States.

(2) The Department of Defense is the largest energy user among all federal agencies.

(3) The Department of Defense consumed 595 trillion btu of petroleum in Fiscal Year 1999 while all other federal agencies, combined, consumed 56 btu of petroleum.

(4) The total cost of petroleum to the Department of Defense amounted to $3.6 billion in Fiscal Year 2000.

(5) Increased fuel efficiency reduces the cost of delivering fuel to units during operations and training, thereby allowing a corresponding percentage of defense dollars to be allocated to logistic shortages, combat units, and other readiness needs.

(6) Increased fuel efficiency decreases time needed to assemble forces, increases unit flexibility, and allows forces to remain in the field for a sustained period of time.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Department of Defense should work to implement fuel efficiency reforms as recommended by the Defense Science Board report which allow for investment decisions based on the true cost of delivered fuel, strengthening the linkage between warfighting capability and fuel logistics requirements, provide high-level leadership encouraging fuel efficiency, target fuel efficiency improvements through Science and Technology investment, and include fuel efficiency in requirements and acquisition processes.

EXTENSIONS OF REMARKS

INDIAN DUPLICITY EXPOSED; INDIA MUST LIVE UP TO DEMOCRATIC PRINCIPLES

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. BURTON of Indiana. Mr. Speaker, the duplicity of India is clearer after the collapse of its talks with Pakistan. Pakistani President Musharraf went home abruptly because India was not dealing in good faith. Although much discussion focused on the Kashmir issue, India's spokeswoman never even acknowledged that Kashmir was on the agenda. India refused to go along with three drafts of a joint statement approved by both leaders. Instead, India insisted on including its unfounded accusations that Pakistan is fomenting terrorism in Kashmir and other places that India controls.

India has a long record of supporting terrorism against the people within its borders. The most recent incident took place last month when Indian military troops tried to burn down a Gurdwara and some Sikh homes in Kashmir, but were stopped by Sikh and Muslim residents of the town. There are many other incidents. The massacre in Chithisinghpora is very well known by now. It's also well known that India paid out over 41,000 cash bounties to police officers for killing Sikhs. It's well known that India holds tens of thousands of political prisoners, Sikhs and other minorities, in illegal detention with no charges and no trial. Some of them have been held since 1984. Is this how a democratic state conducts its affairs?

It is India that introduced the specter of nuclear terrorism into South Asia with its nuclear tests. Can we blame Pakistan for responding? Although it claims that the nuclear weapons are to protect them from China, the majority of them are pointed at Pakistan. Unfortunately, if there is a war between India and Pakistan, it is the minority peoples in Punjab and Kashmir who will suffer the most and bear most of the cost.

The United States must become more engaged in the subcontinent. We should continue to encourage both India and Pakistan to reduce their nuclear stockpiles. However, we should not remove the sanctions against India for its introduction of nuclear weapons into this region. In addition, we should end all aid to India until the most basic human rights are respected and not violated. Finally, we should publicly declare support for a free and fair vote in Kashmir, as promised in 1948 and as President Musharraf was pushing for, and in Punjab, Khalistan, in Nagalim, and in all the 17 nations under Indian occupation where freedom movements are ongoing. Only by these means can we strengthen America's hand in South Asia, ensure that a violent breakup like that of Yugoslavia does not occur in the subcontinent, and let the glow of freedom shine for all the people of that troubled region.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002

SPEECH OF

HON. JANICE D. SCHAKOWSKY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 27, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes:

Ms. SCHAKOWSKY. Mr. Chairman, I rise in strong support for the Bonior-Waxman-Obey-Brown (OH)-Kildee amendment. I don't think there is one person out there in America who, if asked, would state a preference for dangerous levels of arsenic in their drinking water. The Republican majority and President Bush clearly haven't asked the American public or just don't care because tougher protections from arsenic are long overdue.

In 1996, the Congress instructed EPA to update the Arsenic standard of 50 parts per billion no later than January of 2001.

In 1999, the National Academy of Sciences, after years of research, found that the old arsenic standard of 50 ppb for drinking water "does not achieve EPA's goal for public health protection and, therefore, requires downward revision as promptly as possible."

Finally, in January 2001, after decades of public comment, debate, and millions of dollars of research, EPA issued the new standard of 10 ppb—which was considered a compromise proposal.

In April I released the results of a study that was conducted by Congressman WAXMAN's staff on the Government Reform Committee. The report was focused on Illinois and warned that the health of thousands of Illinois residents is at risk since their drinking water contains unacceptable levels of arsenic. The report showed that as many as 134,000 people in Illinois in almost 60 communities are drinking water that contains arsenic levels above the standard of 20 parts per billion (ppb).

Science has proven that arsenic is a carcinogen and it is deadly—it causes cancer, birth defects, and cardiovascular disease. What more evidence does President Bush need to get it out of our water? I've been a consumer rights advocate for a long time and in public office for ten years, and until now, I've never met a so-called leader so eager to do so little for public health.

Thanks to the deep pockets of President Bush's mining and chemical industry friends, the United States has the same arsenic drinking water standard as Bangladesh at 50 ppb. This Administration is willing to risk the health of millions to pay back the special interests and it is time we put a stop to it.

I urge all members to support this important amendment to prohibit EPA funds from being used to weaken the arsenic standard.

HONORING MARY E. JOHNS

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. UDALL of Colorado. Mr. Speaker, I rise today to both honor and thank Mary Johns, a dedicated member of the community and my staff. Mary has a long history of involvement in the 2nd Congressional District of Colorado and is deserving of special recognition.

After graduating from Santa Monica College with a degree in Public Administration, Mary moved to Colorado to raise a family and pursue her interests in local and national government. Her commitment to public service is apparent when one looks at her involvement in local politics and community-based organizations. She was a member of the City of Thornton Career Service Board, also serving as Vice-Chairwoman, and was Chairwoman and Trustee of the MetroNorth PAC. Mary's interests also included involvement in the ADCO Partners in Progress for a New Airport and the Adams County Airport Task Force.

During this time she went to work for United States Congressman David Skaggs. It was in that office that she began working with veterans, postal workers and labor organizations. She demonstrated great understanding and compassion with all constituents that she came in contact with and continued to work towards improving the quality of life for the people of her community.

Beyond working for elected officials, Mary became one herself in 1989 when she was elected to the Adams Twelve Five Star School District Board of Education. Mary understood the importance of our public education system and worked hard to ensure that every child in her district had access to quality schools. She has served as President and Vice President during three terms on the school board, and I am sure that she will continue to be an advocate for education.

Mary has been a member of my staff since I was elected in 1998. She has continued to help constituents as a caseworker, and her knowledge and experience have been invaluable to both my staff and me. I wish her the best of luck as she continues her journey from

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

public service to full-time grandmother, mother and wife. On behalf of the people of the 2nd Congressional District, I thank her for all she has done.

PERSONAL EXPLANATION

HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. BLUMENAUER. Mr. Speaker, from Wednesday, July 25 to Friday, July 27, 2001, I was absent due to a personal family emergency and missed a number of rollcall votes.

On rollcall votes Numbered: 270, 271, 273, 274, 276, 280, 282, 284, 285, 286, 287, 288, and 289, I would have voted "yea."

On rollcall votes Numbered: 272, 275, 277, 278, 279, 281, and 283, I would have voted "nay."

On rollcall votes 270 and 271, I would have voted "yea" on both amendments. Like the majority of my colleagues in this House, I support expanded travel for Americans to Cuba. Increasing travel opportunities for Americans to Cuba is a win-win situation for people in both countries, and helps to expand the opportunities to better understand our two cultures and increase exposure to the ideals of American democracy.

Rollcall 271, the Rangel amendment, would have stopped the embargo on Cuba. It should be painfully clear by now that the embargo on Cuba is not working. Castro has ruled the island with an iron-fist for forty years.

Four decades ago, had America interacted, traded, and exchanged ideas with Cuba there is a good chance that Castro would be gone and Cuba free. I see that a large number of my colleagues agree with me, and I hope to work with them in the future to change our nation's outmoded sanctions policy in respect to Cuba.

On rollcall 273, I would have voted "yea." In the past, I have expressed support for private accounts in our Social Security system, but with the understanding that any such proposal accounts for the true cost of transition to a system that includes some element of privatization. I am sorely disappointed in the process and released report by the Administration's Social Security Commission. I believe it has been dishonest in its assessment of the current state of Social Security, and the Administration has unwisely decided to reduce taxes in order to benefit those least in need of tax cuts, thus leaving the government accounts unbalanced. Given recent pronouncements by the Director of the Office of Management and Budget that the Administration may need to dip into Medicare and Social Security to cover its spending proposals, I cannot support the recommendations of this biased panel.

On rollcall 274, I would have voted "yea" on the final passage of the FY 2002 Treasury Postal appropriations act. In addition to the numerous important federal programs funded through this legislation, in particular I want to emphasize my support for the inclusion of $16,629,000 to upgrade and retrofit the Pioneer Courthouse in Portland, Oregon.

This historic federal courthouse is the second oldest west of the Mississippi River and serves as the cornerstone to my community's public living room, Pioneer Courthouse Square. Each year over 8 million people visit the Courthouse while participating in adjacent public events, riding public transit which intersects at Pioneer Square, or engaging in nearby public and commercial activities. The funds provided in the legislation will help ensure the safety for the men and women who work in the Courthouse, and the millions of others who enjoy this historic, public structure.

On rollcall 275, I would have voted "nay" on the resolution disapproving of the President's recent Jackson-Vanik waiver for Vietnam. Since coming to Congress five years ago, I have been deeply involved in the process of normalizing relations between our nation and Vietnam. Last winter I traveled to Vietnam with President Clinton, and I was present for the signing of the Bilateral Trade Agreement.

Vietnam is a diverse nation that is growing rapidly and opening both economically and culturally. To disrupt the hard work of engagement between our two nations now would be devastating. Were I here, I would have voted against the disapproval resolution, and I hope last week's overwhelming vote against the resolution (91–324) will encourage my colleagues on both sides of the aisle to work together to bring the Vietnam BTA to the floor for consideration.

On rollcall 288, I would have voted "yea" on the Bonior amendment to reinstate the arsenic standards put in place by the Clinton Administration. The Public Health Service adopted the current 50 parts per billion arsenic standard in 1942, before arsenic was known to cause cancer. In 1999, the National Academy of Sciences unanimously found that this outdated arsenic standard for drinking water does not ensure public health protection and that a downward revision was required. The Academy said that drinking water at the current EPA standard "could easily" result in a total fatal cancer risk of one in 100. That's a cancer risk 10,000 times higher than EPA allows for food, and 100 times higher than EPA has ever allowed for tap water contaminants.

Arsenic is found in the tap water of over 26 million Americans and is one of the most ubiquitous contaminants of health concern in tap water. The new standard put in place by the Clinton Administration last year was the result of 25 years of public comment, debate and at least three missed statutory deadlines. One of the Bush Administration's first actions was to overturn this rule and instead maintain a less protective arsenic standard. I support the Bonior Amendment and hope that its passage will give a clear indication to the Bush Administration of the need to reconsider their position on this issue and take seriously the threat that Arsenic in our drinking water poses to the health of our families and the livability of our communities.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002

SPEECH OF

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 27, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes:

Mrs. JONES of Ohio. Mr. Chairman, I submit for following for the RECORD in support of the amendment offered by the gentlewoman of Ohio (Ms. KAPTUR).

CUYAHOGA METROPOLITAN
HOUSING AUTHORITY,
Cleveland, OH, July 30, 2001.

RE: Public Housing Drug Elimination Grant (PHDEP) Update

Hon. STEPHANIE TUBBS JONES,
House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CONGRESSWOMAN TUBBS JONES: I am writing to follow-up on our conversation last week about the Public Housing Drug Elimination Program (PHDEP), and to update you on CMHA's implementation of PHDEP grants since 1996. The following table will provide you with a year-by-year breakdown of the amounts we received, expended and the time frame for the grants.

Year	Grant amount	Expended as of 6/30/01	% Spent	Grant date	End date
2001	2,707,766	....	....	....	....
2000	2,550,794	168,575	6.6	11/14/2000	11/13/2002
1999	2,447,497	1,553,460	63.5	1/24/2000	1/23/2002
1998	2,756,000	2,745,236	99.6	12/22/1998	12/21/2000
1997	2,777,840	2,777,840	100	12/19/1997	12/20/1999
1996	2,832,250	2,832,250	100	11/19/1996	[2]5/19/1999

[1] Not yet awarded by HUD.

[2] Included six-month extension.

By contrast, HUD allows housing authorities two years to expend PHDEP funds from the date the grant agreement is signed by HUD. With only two exceptions CMHA has expended all PHDEP grant funds during the contract period. Once we received a six-month extension from HUD to fully expend the 1996 PHDEP grant, and once CMHA returned $10,764 (0.4%) of unexpended funds from the 1998 PHDEP grant. Presently, we are on schedule to fully expend the 1999 and 200 PHDEP grants, and HUD has not yet executed a grant agreement for the 2001 PHDEP funds. As you can see from this matrix, CMHA has not allowed funds to go unused, and is, as well as has been in compliance with HUD requirements.

As we have previously discussed, PHDEP funding is essential to CMHA safety efforts and social service programming, and as a reminder, the loss of $2.7 million in PHDEP funding could eliminate CMHA support of the following programs:

- CMHA Police Activities League (PAL), which provides after school athletic programs for more than 700 youth from ages 5-18 annually.
- Boys and Girls Clubs located at four CMHA estates, which provide safe havens for

almost 500 children annually to find fun and recreation.

- Several self-sufficiency programs, which have provided employment opportunities for 100 adults annually through job readiness, job training and entrepreneurial programs.

Adult Outpatient Substance Abuse programs, which have provided services to over 600 residents annually.

Teen Outpatients Prevention/Treatment programs, which serve more than 900 youth annually.

CMHA Police Department's Community Policing and Narcotics/Gangs Units, which employ 24 Police Officers, who are instrumental to CMHA's overall crime prevention efforts.

We have heard that the House mark-up of the FY 2002 Appropriations Bill would eliminate the PHDEP program, and increase the Operating Fund by $114 million to $3.505 billion to help make up the difference. Given that public housing industry estimates indicate that at least $3.5 billion is needed to fully fund the Operating Fund, especially with increasing energy costs, this proposed budget still virtually eliminates $310 million of PHDEP funding available to housing authorities.

Thank you for understanding how the loss of PHDEP funds would severely affect CMHA and our 15,000 public housing residents. We truly appreciate your continuing efforts to preserve this important funding source, and I hope the information provided in this letter answers any questions you or other members of Congress have expressed. Please call me at 216-348-5911 if you have any questions or require additional information.

Sincerely,

TERRI HAMILTON BROWN,
Executive Director.

SENATE—*Wednesday, August 1, 2001*

The Senate met at 10 a.m., and was called to order by the President pro tempore [Mr. BYRD].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, great is Your faithfulness. All that we have and are is Your gift to us. Gratitude is the memory of the heart. We remember Your goodness to us in the friends and fellow workers who enrich our lives.

Today we want to thank You for those who make it possible for this Senate to do its work so effectively. We praise You for the parliamentarians and clerks, the staff in the cloakrooms, the reporters of debate, the doorkeepers, Capitol Police, elevator operators, food service personnel, and those in environmental services. And Lord, the Senators would be the first to express gratitude for their own staffs who make it possible for them to accomplish their work.

As a Senate family we join in deep appreciation and affirmation of Elizabeth Letchworth as at the end of August she retires as Secretary for the Minority. We praise You for this distinguished leader, outstanding professional, loyal friend to so many, and faithful employee of the Senate for 26 years. From her years as a Senate page to the position of an officer of the Senate, and in all the significant positions she has held in between, she has displayed a consistent dedication to You and patriotism in her service to our Nation through her work in the Senate. Bless her and her husband, Ron, as they begin a new phase in the unfolding adventure of their lives. Lord, thank You for the privilege of work and good friends with whom we share the joy of working together. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The President pro tempore led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

EMERGENCY AGRICULTURAL ASSISTANCE ACT OF 2001

The PRESIDENT pro tempore. Under the order previously entered, the Senate will now resume consideration of S. 1246, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1246) to respond to the continuing economic crisis adversely affecting American agricultural producers.

Pending:

Lugar amendment No. 1212, in the nature of a substitute.

Voinovich amendment No. 1209, to protect the Social Security surpluses by preventing on-budget deficits.

The PRESIDENT pro tempore. The majority whip, the Senator from Nevada, is recognized.

SCHEDULE

Mr. REID. Mr. President, the Senate will resume consideration of the Agriculture supplemental authorization bill. But at 11 o'clock this morning we will vote on cloture on the Transportation Appropriations Act, which has been pending for some time. The Senate will remain on the Transportation act until it is completed. Senator DASCHLE has also said that this week we are going to complete the Agriculture supplemental authorization, the VA–HUD appropriations, and the Export Administration Act.

CLOTURE MOTION

Mr. REID. Mr. President, I send a cloture motion to the desk.

The PRESIDENT pro tempore. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on Calendar No. 102 (S. 1246) a bill to respond to the continuing economic crisis adversely affecting American farmers:

Tom Harkin, Harry Reid, Jon Corzine, Max Baucus, Patty Murray, Jeff Bingaman, Tim Johnson, Edward M. Kennedy, John D. Rockefeller, Daniel K. Akaka, Paul D. Wellstone, Mark Dayton, Maria Cantwell, Benjamin E. Nelson, Blanche L. Lincoln, Richard J. Durbin, Herb Kohl.

The PRESIDENT pro tempore. The majority leader.

Mr. DASCHLE. Mr. President, it is with regret that we are filing this cloture motion this morning. Obviously, it won't ripen until Friday. I don't know that there is any debate about the importance of getting this legislation finished. This is an emergency. This is a commitment that we must make prior to the time we leave, in large measure because the Congressional Budget Office has indicated they will not score it as money that can be utilized. We would not be able to commit the money prior to the time we leave.

We all know the stakes. But when Senators come to the floor and offer amendments on Medicare lockboxes on an emergency issue such as this, it is a clear indication that we are not really very serious about finishing this legislation on time.

I reluctantly will also ask for a vote to reconsider the Transportation appropriations bill at 11 o'clock this morning. That will at least temporarily take us off of Agriculture and move us back onto the highway legislation, the Transportation appropriations bill, because that, too, is a critical piece of legislation that has to be addressed before we leave. We have made that very clear.

I tell all of my colleagues that there will be no respite tonight, if Senators choose to use the full 30 hours, which is their right, prior to the time we go to final passage. We will be in all night long. There is no other recourse.

I want to put my colleagues on notice that will happen. I regret the inconvenience, but that is what we will have to do in order for us to finish this bill.

It is my expectation that if that also happens while we continue to negotiate to find some solution to this Agriculture bill—and let me applaud him while he is on the floor. The chairman has done an outstanding job of getting us to this point. And I, as always, have great admiration for our ranking Member of this committee as well. We couldn't have two better legislative partners than the two of them.

I am hopeful that over the period of time we are now debating the Transportation appropriations bill, and maybe even the VA–HUD bill, we can come to some resolution on this question. But clearly, no one should misinterpret what we are going to be doing this morning. We will continue to be on this bill for whatever length of time it takes to complete it and to do it right. I regret that it may be Friday, Saturday, or Sunday. But if that is the case, that is exactly what we are going to have to do.

I want to make sure that Members understand this delay is unfortunate. We are not apparently serious enough if we are going to be making up lockbox amendments. We have to use this time as productively as possible.

It seems to me that the best way to do that is to now take up the highway

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● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

bill, finish it, and perhaps move to HUD–VA, and return—as we will—to the Agriculture emergency supplemental bill as soon as it is appropriate to do so.

I wanted to share that with my colleagues to make sure Members know what the exact schedule is likely to be for the remainder of the day. They should expect a very late night tonight if the 30 hours that is required prior to the time we go to final passage would be consumed prior to the time we have the ability to vote.

I expect a vote at 11 o'clock on the cloture motion on the Transportation appropriations bill.

I yield the floor.

The PRESIDENT pro tempore. What is the will of the Senate?

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Nevada.

Mr. REID. Mr. President, at 11 o'clock today there is, in my estimation, a very important vote. It is a vote that will allow the Senate to move on and complete another appropriations bill. This will make four bills we have completed during this year.

Last year at this time we had completed eight appropriations bills, and it was done, as the Presiding Officer will recall, by the minority diving in and helping the majority pass those bills. A lot of them—as all appropriations bills are—were very contentious and had a lot of amendments tied to them.

In the minority, I was given the assignment directly by our leader and the ranking member, the now-chairman, of the Appropriations Committee to do what I could to work through these amendments. And we did a good job. We helped the then-majority, I repeat, pass eight appropriations bills.

We are struggling to get through four. And we are going to do five before the break. I certainly hope we can do that. We can do it. The leader said we are going to do it.

This vote at 11 o'clock will terminate a very prolonged debate on something I believe we should have gotten out of here and taken, as is done in all legislative processes, to conference, where it would be worked out.

The issue of contention is one that deals with NAFTA, the North American Free Trade Agreement, and how trucks coming from Mexico are treated in the United States.

The House of Representatives, in their appropriations bill dealing with transportation, in effect, said there will be no Mexican trucks coming into the United States. However, in the Senate, Senator SHELBY and Senator MURRAY crafted what appeared to me to be a very reasonable process to determine what processes would be allowed for Mexican trucks to come into the United States.

We have a couple Senators who have been leading this effort who have said it is not good enough. Well, maybe it isn't, but it was something on which the two managers of this bill spent weeks of time. I say if people do not like it—and we understand the President of the United States does not like it—take the matter to conference, where the views of the White House are always listened to, and I will bet there would be a compromise worked out.

That is my belief. The way it is now, we are not completing the work that has to be done.

In the State of Nevada, we badly need a Transportation appropriations bill. I don't know what the rest of the 49 States want, but if we don't have a Transportation appropriations bill, it will do, in many instances, irreparable damage to the people of the State of Nevada. Las Vegas, the most rapidly growing city in America; Nevada, the most rapidly growing State, we need help.

Last year we needed to build one new school every month to keep up with the growth in Las Vegas. That has changed. Now we need to build 14 schools a year in Clark County to keep up with the growth of the area. We need roads. We need bridges. We need other programs this Transportation bill will take care of, including some programs that deal with mass transit.

I certainly hope the vote on cloture will allow us to move on and complete the legislation. The President has made his point clear. My friends, Senator GRAMM of Texas and Senator MCCAIN, have made their point very clear. They have done a good job of explaining what they believe. They believe this legislation is a violation of NAFTA. I personally disagree, having studied it, but they might be right. But take it to conference; deal with the House. Their provision, under any view, especially under the view of Senators MCCAIN and GRAMM, is much more in violation of NAFTA than our reasonable approach.

I can think of many places in the State of Nevada that need this highway bill. For example, there is money in this bill for a new bridge over the Colorado River to take pressure off Boulder/Hoover Dam. The only way to get across the Colorado River in that area is a road that goes over the dam. That traffic backs up for 5, 6, 7, 10 miles sometimes. People wait for hours to get across. Not only is it bad for commerce; it is dangerous. Think what a terrorist could do at Hoover Dam. It supplies the power to southern California and parts of Nevada. Through that system comes the water for southern California and for parts of Nevada.

Many years ago, we authorized a new bridge over the river. We are now funding it. Part of that money is in this bill. It is extremely important for Arizona and Nevada. Not far from where that new bridge will be is the place I was born, Searchlight, NV. That is the busiest two-lane highway in the State. I hate to have my children, when I am in Searchlight, come to visit me because of the road. I am afraid because of the danger of the road. I worry when I know they are coming until I see them come into my little house. I worry about them. That road is the busiest two-lane highway in the State of Nevada. It is dangerous. People are passing. They don't know how to drive on the two-lane highways, especially when there is so much traffic.

There is money in this bill to provide for doubling the lanes of traffic halfway, and then the next year hopefully we can do the rest of it. It means not only making roads safer but allowing commerce to proceed more rapidly.

Regarding I–15, the road between southern California and southern Nevada will be benefited if we pass this highway transportation bill. There are things in this bill that are very important to the State of Nevada. If we had all 100 Senators speaking, the same would apply. I hope we can invoke cloture on this at 11 o'clock. It is extremely important for the country. I hope it can be done. Then we can get off of it quickly, and we will not have to spend the whole night here if we do. Many of us have already signed up for the night.

Mr. President, I will yield the floor, but I ask that because of a tragedy that occurred in Senator DAYTON's State in the last 24 hours, he be allowed to speak as in morning business.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Minnesota, Mr. DAYTON, is recognized.

(The remarks of Mr. DAYTON are located in today's RECORD under "Morning Business.")

Mr. DAYTON. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CRAIG. Mr. President, I come to the Chamber this morning to express my frustration to my colleagues about where we are as a Senate in trying to resolve some very important issues for the American people: A Transportation appropriations bill on which I understand we will have a cloture vote at 11, and if cloture is successful, then we will be on that bill, I would guess, through its duration. That, therefore, replaces the current activity on the floor of dealing with the Supplemental Ag Emergency Act of 2001 that many of us believe is very important.

What is most important about this particular legislation is the timeliness of needing to deal with it before the August recess.

I also understand that the majority leader filed cloture on the Ag supplemental. That could ripen on Friday. If it does, and we are not on that debate until Friday, then we will work through the weekend.

There is a complication in dealing with the Ag supplemental emergency legislation prior to the weekend. If we differ from the House-passed version—and it is very possible that we will—those differences will have to be worked out. We know that is called a conference. A conference committee will be convened, appointed by the leaders of both Houses, to work out our differences. And from that committee will come a report on which this body must act.

The House plans to go out on late Thursday or early Friday for their August recess and may well not be here to act on a bill they acted on some time ago. In fact, they acted on it a number of weeks ago, recognizing the very critical nature of this emergency funding, and believed they would have it done in a timely fashion.

The bill passed by the House 6 weeks ago, and here we are now in the late hour prior to the traditional August recess trying to resolve our differences on this issue. And those time lines create a very real problem.

I have a letter from the Congressional Budget Office that I requested yesterday from Dan Crippen. I asked a very simple question: If we fail to act, what happens to the $5.5 billion that is in the budget for this emergency spending purpose? Basically, he said that it goes away. In other words, the scoring necessary to fall within the budget resolution would not be gained because the amount of money—the $5.5 billion—could not be expended before the September 30 deadline. Therefore, it would fall into next year. And what would happen to the money? Well, it would go to pay down debt. That is not all bad, but I think those of us who are concerned about the plight of production agriculture in this country—and farmers have really had it very tough—recognize that the chairman of the authorizing committee, who is in the Chamber, and the ranking member, have tried to resolve this issue and bring some relief.

There is a difference, though, in the House version of that relief and the Senate version of that relief. That difference may not get worked out. Yesterday, the Senator from Indiana, Mr. LUGAR, our ranking member on the authorizing committee, offered the House version; it was narrowly defeated. If we had passed it, it would be on its way to the President's desk possibly today or tomorrow. It could well be signed into law before we even leave for the August recess. If that were true, there is no question that the Department of Agriculture would have time to cut the checks, and the money would be expended before the September 30 end of fiscal year timing that would cause this money to disappear, to go away, or in other words, be applied to the debt.

I must tell you, Mr. President, that I don't agree totally with the House version. There are provisions in the Senate bill that I would like to see us work our differences out on with the House. But that may not be possible at this moment. If we strive for the perfect, we may end up not serving the need of American farmers and ranchers in a way that I think this Senate intends to and wants to, and we should.

So it is a question of timing. It is a question of how we deal with this issue on the floor and the give and take that is going to be necessary over the last days before the August recess to resolve this, to comply with the wishes of the majority leader to get Transportation done, get the Agriculture supplemental done and, I believe, VA-HUD. I and others have insisted that we try to respond in an appropriate way to the President and the nominees he has sent to the Senate to be confirmed so that he can run the Government—at least the executive branch of Government, which he is charged with doing and which the American people elected him to do.

There are 25 or 30 nominees who should have been confirmed weeks ago, who could be in place now making decisions at agency levels and district or regional levels of agencies, and they are not in place today. The human side of that little story and that equation is that many of these nominees have young families and they need to have them in place before the end of August because kids are going back to school. And these are not wealthy people. They need to sell their home where they live to buy a home here in the Washington, DC, area. They can't do that largely because the Senate has not responded in a timely and appropriate fashion in some instances.

That is too bad. I hope we can—at least for those who have had hearings and have been dealt with in the appropriate fashion before the authorizing committees and the committees of jurisdiction—we ought to get them confirmed before we adjourn for the August recess. There are others I wish we had hearings on.

Obviously, there is foot dragging—I believe that—on the part of some chairmen who have philosophical differences. I guess my point is that there is a lot of work to get done, and that work is going to depend on our willingness to come together on some of these issues as to cloture now. And to move to Transportation when we have not resolved the Mexican trucking issue is really amazing to me. We have a very simple compromise to be worked out on that. If we haven't worked that out, my guess is that we run the limit of the Transportation timing of cloture, and then we go to Agriculture and, my goodness, that puts us into next week. That is not going to make for a lot of happy campers in the Senate. But then again, let us stay and let us do our work appropriately. That is necessary and appropriate. That is the choice of the majority leader to bring us to that point. I guess that is the burden of leadership.

At the same time, there is one most time-sensitive issue of all that we are talking about, and that is this Emergency Agriculture Assistance Act of 2001. Oh, we can muscle up and say: House, stay in place, do your work before you leave town. The only problem is, they did their work 6 weeks ago and we are now just doing our work. So it is not really, shall I say, kosher to suggest that they ought to stay in town beyond their time for adjournment. Maybe we ought to say: Get it done Senate, and get it done now.

Let's agree on something that we can come together quickly on and not deprive the American food producers of a little bit of relief from some very difficult price squeezes and now some difficult input costs of energy and other requirements. Those are the issues before us.

The Congressional Budget Office, in the letter I have, makes it very clear: Get it done, get it signed, and the Department of Agriculture cuts the checks before September 30, or this money, in fact, goes away and we have lost the opportunity to expend $5.5 billion for the American agricultural producers.

Of course, Mr. President, as you know, as chairman of the Appropriations Committee, dollars are short and needs are great. As we move now into September and October, with new fiscal reports out about a recession and a waning total surplus, our flexibility gets limited.

So I urge Senators to come to like mind and deal with that which we can deal with now before we move on to other issues because at 11 o'clock, I assume cloture will be gained and our window of opportunity to work and help the American farmer begins to close. We should not allow that to happen.

I yield the floor.

The PRESIDENT pro tempore. The Senator from Iowa, Mr. HARKIN, is recognized.

Mr. HARKIN. Mr. President, I have listened very carefully to the comments of my friend and colleague from

Idaho. I say to my friend from Idaho that right now we could be in conference with the House—the Agriculture Committee—right now, this morning, but for the fact that on his side of the aisle we are being held up. We reported this bill out of committee. We debated it in committee. We had our votes in committee. On a 12–9 vote this bill was reported out.

In good faith, the ranking member, my good friend from Indiana, offered an amendment yesterday to go to the House bill. It was fully debated. I thought it was a good debate. And we voted, as we are supposed to do. That didn't succeed. Then, I think the proper thing is to go ahead and vote up or down on the bill we reported from the Agriculture Committee, I say to my friend from Idaho, and let us go to conference and work out the difference.

Yesterday morning, the chairman of the House Agriculture Committee was present on the floor along with the ranking member. I indicated to both of them if we could finish the bill today—meaning yesterday—we could meet today. There are not that many differences in the House and Senate bill. The difference really is in money. There are not big policy differences that, when you go to conference, require a lot of time to work out. Money differences can be worked out. I still believe if we can get to conference with the House, we can probably be through with the conference in a few hours. But we can't go because we can't get to a final vote on this bill.

Let us look at the record. Last Friday, I say to my friend from Idaho, we had to file a cloture petition on the motion to proceed to get to the Agriculture bill. That chewed up a couple of days right there. When we finally had the vote, I think it was 95–2 to go to the bill.

When we finally got on the bill—and I thought we had a good day yesterday. We had our debate yesterday on the major substance of whether we would go with the committee bill or a substitute. That vote was taken. It was a close vote, but it was a vote nonetheless. One side won and one side did not. It seemed to me, at that point we were ready to go.

We have no amendments on this side of the aisle. Yet last night, I believe it was the Senator from Ohio on that side of the aisle who offered a lockbox amendment on this emergency Agriculture bill. That did not come from this side. That is going to delay it even more.

I say to my friend from Idaho, but for the delay on your side of the aisle, we would be sitting in conference at 10:40 a.m. on August 1, maybe even with a view to wrapping it up by noon. But they will not let us go to conference.

I thought we were operating in good faith yesterday. There was an amendment offered again on a dairy compact. I thought maybe we would have to vote on that, too. Okay, fine. Then that was withdrawn. I thought, hope springs eternal; that maybe that would be the end of it and we could go to third reading.

No, there was more delay. Now we have a lockbox amendment that has absolutely nothing to do with this bill. That is going to delay it even further. I understand now, I say to my friend from Idaho, we are in the position of maybe filing a cloture petition on the bill itself just so we can get to a vote on it.

We may have some difference of opinion on how much we ought to be putting into the emergency package for Agriculture, but we had that debate in the Agriculture Committee. We had those votes both in committee and in the Chamber.

Again, we had to file cloture on the motion to proceed, and now maybe we will have to file cloture on the emergency bill. I do not think this is the way to handle an essential bill like this.

The PRESIDENT pro tempore. The time of the majority has expired.

The Senator from Idaho.

Mr. CRAIG. Mr. President, I will be brief. I appreciate the frustration just expressed by the chairman of the authorizing committee who is managing this supplemental. He has every right to be frustrated. This is an important issue, and I have expressed that.

I must say when we got to dairy compacts yesterday, we all know that was a bipartisan issue. It was not driven by one political side or the other. Both sides wanted to debate that issue, and there was a period of time when it was talked about and then it was withdrawn, as the chairman said. It was withdrawn with the anticipation it would be reoffered today, or it would have been debated yesterday and probably debated long into the evening, and we might still well be debating that issue today.

There is an outstanding issue that is yet to be resolved on both sides, even if we can agree to go to final passage, and that would be the dairy compact issue. That is, without question, a bipartisan issue. As a filler, yes, one of our colleagues came and offered a lockbox amendment.

I agree that could fit anywhere. It does not necessarily find itself appropriately on an Ag supplemental appropriations bill or an emergency spending bill, but it can fit there. What is important is there is one large issue left unresolved, and that is the dairy compact extension, as I understand it, and that one writes itself very clearly as a bipartisan issue. If it has been resolved, I am unaware of it. I follow that issue closely because it is an important issue to me and my State.

I do not believe we are ready to go to final passage on Agriculture unless those who are intent on offering amendments to deal with dairy compacts, either the Northeast or the opportunity to extend that authority to other areas of the Nation, have resolved their differences and plan not to offer the amendment. If that is the case, then I suggest that is resolved. I understand there are no dilatory tactics holding this bill from a third reading and final passage.

I yield the floor.

Mrs. CARNAHAN. Mr. President, I am pleased to have the opportunity to express my support for the Emergency Agricultural Assistance Act of 2001. I commend Senator HARKIN for his leadership on this, his first piece of legislation as the chairman of the Senate Agriculture Committee.

The bill provides much needed relief for our farmers and farm communities. The market loss assistance payments will provide an immediate boost to the sagging farm industry in Missouri.

I am especially grateful to Senators HARKIN and LEAHY for their assistance in providing $25 million in relief to farmers whose crops have been damaged by an invasion of armyworms. Armyworms marching through Missouri have left a trail of crop destruction and economic loss in their wake. The armyworm is a caterpillar only about one and a half inches long, but they march in large groups, moving on only after completely stripping an area. Last winter's unusually warm weather and this summer's drought have conspired to make life easy for the armyworm and hard for the farmer.

Thousands of farmers across southern Missouri have been devastated. One official at the Missouri Department of Agriculture said that this year's invasion is the worst he has seen in his 38 years at the Department. Damage reports are still being compiled, and it may be a while before we know the full extent of the damage. We do know that in Douglas County 3,281 farms lost more than 50-percent of their hay and forage crop. In Wright County it is 2,430 farms.

The armyworms work extremely fast. Jim Smith, a cattle farmer in Washington County, completely lost 30 acres of hay field and most of the hay on another 30 acres. He said that he did not even know he had armyworms until 20 acres had been mowed down "slick as concrete" by the insects. In his 73 years on the farm, Mr. Smith says this is the worst he has ever seen.

Dusty Shaw, a farmer in Oregon County, normally harvests 80–100,000 pounds of fescue grass seed which is used all over the Nation for lawns and turf building. This year, however, all 1,000 acres of his seed fields were eaten by armyworms. Even at a conservative estimate of 20 cents a pound, this represents a loss of $16,000 for Mr. Shaw.

This invasion has had severe economic consequences for my State. Missouri is second in the nation in cattle farming. With nothing to feed their cattle, farmers are forced to sell yearlings early and liquidate parts of their herd. The U.S. Department of Agriculture estimates that Howell County lost over $5 million and Oregon County has already lost over $3 million. With little or no hay crop this summer, farmers will have no hay reserves this winter. The effects of this infestation will be felt long into the next year.

It isn't just the farmers that are suffering economic loss. When the farmers hurt financially so do the feed merchants, farm supply dealers and gas stations. Dusty Shaw told me he is only buying what he has to. The fences will have to hold for another year, the barn will have to hold out the snow for another winter, and the fields will have to do with less fertilizer than last season.

The funds provided in this bill will help these farmers feed their cattle, and keep their farms. So I support this bill, I look forward to its speedy passage in the Senate, and hope it is soon signed into law.

The PRESIDENT pro tempore. The Senator from Indiana.

Mr. LUGAR. Mr. President, I will comment briefly on the colloquy we are having on the responsibilities with regard to the Agriculture bill. I respect very much my colleague from Iowa, the distinguished chairman of the committee, pursuing this vigorously, as I am.

Without being repetitious, let me point out even if the bill were in conference as of 10:45 this morning, it is unlikely we would have success.

The predicament I have pointed out and others have pointed out is an important one; namely, our conference has to find a result in a bill that will be signed by the President of the United States.

The President of the United States visited with Senators on the Hill yesterday. It is not conjecture. The President indicated we ought to take seriously our budget responsibilities. The President said this directly to us.

In addition, both the distinguished chairman of the committee and I have received from the President's advisers this message, and let me quote some relevant paragraphs: The administration strongly opposes S. 1246, the bill that came out of the Agriculture Committee, because spending authorized by the bill would exceed $5.5 billion, the amount provided in the budget resolution and the amount adopted by the House.

If S. 1246 is presented to the President at a level higher than $5.5 billion, the President's senior advisers will recommend he veto the bill.

When the President of the United States then comes to the Hill, as he did yesterday, and asks Senators whom he addressed to do their duty, this is not conjecture. I have tried to say in every way I can it seems to me we ought to take the President seriously.

I offered the House language yesterday, not because I was author of the language or find all of that language to be perfection, but it is a bill that has passed the House. It is a bill that, if adopted by the Senate, would make a conference unnecessary. It is a bill the President would sign immediately, which would guarantee that money goes to farmers.

I am prepared to accept the fact we have debated this thoroughly, and the Senate, by a vote of 52–48, chose to go another way; namely, to try out for size the $7.5 billion.

Apparently, Senators who had an interest in the bill felt it was worth the gamble. I hope the farmers who are watching this debate understand that.

I do not see many farmers on this floor. I do not see very many people even intimately involved in agriculture, with the exception of my dear friend from Iowa, Mr. GRASSLEY, who, I know, has a son managing a farm and working the soil out in Iowa, and my modest efforts in Indiana. I still do take responsibility for that farm, do the market plan, try to understand crop insurance, try to understand the bills we do. I am not certain there are too many people here who are going to be affected by this bill.

We have a lot of advocates for farmers, a lot of people pleading the farmers' case, a lot of people saying, "I feel your pain," and this goes on hour by hour. In terms of direct assistance that makes any difference to farmers, not a whole lot is happening.

I sincerely respect the right of any Senator to plead the case for any number of farmers he wants to plead for, but I hope ultimately common sense will dictate this is an emergency. We have heard that if we do not act the money goes away. If, in fact, we are not going to be able to act and have a bill the President signs, no money will go to any farmers from all of this effort. That is the unfortunate truth of the debate.

I do not know how we arrive at a solution. Presumably, if we had a conference, to take one hypothetical, and the distinguished Senator from Iowa sat down with Mr. COMBEST and Mr. STENHOLM or others around the table, our distinguished House Members have already told us: Take the House bill. They came here yesterday. They were in the aisle right here about a quarter after 12. They said: Please, we are planning to leave Thursday, tomorrow. The distinguished Senator from Iowa said we can all work it out; there is not much difference—just money—involved in this bill.

There is all the difference from $7.5 billion and $5.5 billion. Maybe our conference would come to $5.5 billion. We could confer and accept the House bill because that is the one the President will sign, or we could speculate and say the President really did not mean it. After all, Presidents bluff, advisers send over these letters; OMB really did not mean it; this was all meant to color the flavor of the debate; let's try them on; let's settle for, say, $6.5 billion; let's split the difference as honest people might do. Try that one on for size.

We will try to get it back through the House and the Senate. We hope the House is still there at that point to pass the bill. Let's say the corporal's guard remains and they wave it on.

Then the President says, unfortunately: You did not hear me, but you had better hear me because this is likely to happen again and again with appropriations bills. This is a pretty small bill in comparison to things I am going to have to face down the trail, but I am prepared to do my duty; I hope you are prepared to do yours. And at last he vetoes the bill. We are gone at that point, and the American farmers have no money.

I do not mean to be repetitive, but this is a fairly straightforward situation without great complexity. It is a test of wills. The Senate may decide the President really did not mean it or the President should not mean it or, on reflection, he will not mean it. Maybe that is right, but that is not the President I saw eyeball to eyeball yesterday at noon.

We are looking at a very straightforward situation that I hope will be resolved. The resolution of it is to accept the House language and to get on with it. Any other course of action now is to have a rather protracted situation ending with a veto, and that would be a misfortune for the Senate and for American agriculture.

I yield the floor.

The PRESIDING OFFICER (Mr. INOUYE). Who yields time?

Mr. LUGAR. I yield to the distinguished Senator from Mississippi.

The PRESIDING OFFICER. The Chair recognizes the Senator from Mississippi.

Mr. COCHRAN. Mr. President, I ask unanimous consent that I be permitted to speak as in morning business for up to 5 minutes.

The PRESIDING OFFICER. Is there objection?

Mrs. MURRAY. Reserving the right to object, how long does the Senator intend to speak?

Mr. COCHRAN. My request was to speak for up to 5 minutes.

Mrs. MURRAY. Mr. President, I ask unanimous consent that following the statement of the Senator from Mississippi, I be given 2 minutes to speak before the vote on the cloture motion.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. COCHRAN are printed in today's RECORD under "Morning Business").

TRANSPORTATION APPROPRIATIONS

Mrs. MURRAY. Mr. President, in every part of our country, Americans are frustrated by the transportation problems we face every day.

We sit in traffic on overcrowded roads.

We wait through delays in congested airports.

We have rural areas trapped in the past—without the roads and infrastructure they need to survive.

We have many Americans who rely on a Coast Guard that doesn't have the resources to fully protect us.

We have many families who live near oil and gas pipelines and who want us to ensure their safety.

Our transportation problems frustrate us as individuals, and they frustrate our Nation's economy—slowing down our productivity and putting the brakes on our progress. It is time to help Americans on our highways, railways, airways, and waterways, and we can, by passing the Transportation appropriations bill.

For months, Senator SHELBY and I have worked in a bipartisan way—with almost every Member of the Senate—to meet the transportation needs in all 50 States.

You told us your priorities—and we found a way to accommodate them. We have come up with a balanced, bipartisan bill that will make our highways safer, our roads less crowded, and our country more productive. And now is our chance to put this progress to work for the people we represent.

Our bill has broad support from both parties. It passed the subcommittee and the full committee unanimously. Now it is before the full Senate—ready for a vote—ready to go to work to help Americans who are fed up with traffic congestion and airport delays.

Today, I hope the Senate will again vote to invoke cloture so we can begin working on the many solutions across the country that will improve our lives, our travel, and our productivity.

This vote is about two things: fixing the transportation problems we face; and ensuring the safety of our transportation infrastructure.

If you vote for cloture, you are voting to give your communities the resources they need to escape from crippling traffic and overcrowded roads.

If you vote for cloture, you are saying that our highways must be safe—that trucks coming from Mexico must meet our safety standards—if they are going to share our roads.

But if you vote against cloture, you are telling the people in your State that they will have to keep waiting in traffic and keep wasting time in congestion.

And if you vote against cloture, you are voting against the safety standards in this bill. A "no" vote would open our borders to trucks that we know are unsafe—without the inspections and safety standards we deserve. This is not about partisanship or protectionism. It is about productivity and public safety.

I want to highlight how this bill will improve highway travel, airline safety, pipeline safety, and Coast Guard protection. First and foremost, this bill will address the chronic traffic problems facing our communities.

In fact, under this bill, every State will receive more highway construction funding than they would under either the President's request or the levels assumed in TEA-21. Our bill improves America's highways. Let's vote for cloture so we can begin sending that help to your State.

Second, this bill will improve air transportation. It will make air travel more safe by providing funding to hire 221 more FAA inspectors. Let's vote for cloture so we can begin putting those new inspectors on the job for our safety.

Third, our bill boosts funding for the Office of Pipeline Safety by more than $11 million above current levels. Let's vote for cloture so we can begin making America's pipelines safer before another tragedy claims more innocent lives.

Fourth, this bill will give the Coast Guard the funding it needs to protect us and our environment. Let's vote for cloture so we can begin making our waterways safer.

These examples show how this bill will help address the transportation problems we face. This vote is also about making sure our highways are safe—so I would like to turn to the issue of Mexican trucks. And I want to clear up a few things.

Some Members have suggested that Senator SHELBY and I have refused to negotiate on this bill. That is just not the case. As I have said several times here on the floor, we are here, we are ready, and we are listening. And we have also had extensive meetings bringing both sides together.

Last week, our staffs met several nights until well after midnight. One day our staffs met from 2 o'clock in the afternoon until 3 a.m. in the morning. We have worked with all sides to move this bill forward. But I want to point something else out to those who say we must compromise, compromise, compromise.

The Murray-Shelby bill itself is a compromise. It is a balanced, moderate compromise between the extreme positions taken by the administration and the House of Representatives. On one hand, we have the administration—which took a hands-off approach to let all Mexican trucks across our border—and then inspect them later—up to a year and half later.

Even though we know these trucks are much less safe than American or Canadian trucks, the administration thinks it is fine for us to share the road with them wihtout any assurance of their safety. At the other extreme, was the "strict protectionist" position of the House of Representatives. It said that no Mexican trucks can cross the border, and that not one penny could be spent to inspect them.

Those are two extreme positions. The administration said; Let all the trucks in without ensuring their safety. The House of Representatives said; Don't let any trucks in because they are not safe.

Senator SHELBY and I worked hard, and we found a balanced, bipartisan, commonsense compromise. We listened to the safety experts, to the Department of Transportation's inspector general, to the GAO and to the industry. And we came up with a compromise that will allow Mexican trucks onto our highways and will ensure that those trucks and their drivers are safe.

With this balanced bill, free trade and highway safety can move forward side-by-side. This bill doesn't punish Mexico—and that is not our intention. Mexico is an important neighbor, ally, and friend. Mexican drivers are working hard to put food on their family's tables. We want them to be safe—both for their families and for ours.

NAFTA was passed to strengthen our partnerships, and to raise the standards of living of all three countries. We are continuing to move toward that goal, and the bipartisan Murray-Shelby compromise will help us get there. Because right now, Mexican trucks are not as safe as they should be.

According to the Department of Transportation inspector general, Mexican trucks are significantly less safe than American trucks. Last year, nearly two in five Mexican trucks failed their safety inspections. That compares with one in four American trucks and only one in seven Canadian trucks. Even today, Mexican trucks have been routinely violating the current restrictions that limit their travel to the 20-mile commercial zone.

We have a responsibility to insure the safety of America's highways. The Murray-Shelby compromise allows us to promote safety without violating NAFTA. During this debate we have heard some Senators and White House aides say that they think ensuring the safety of Mexican trucks would violate NAFTA.

I appreciate their opinions. But with all due respect, there is only one authority, only one official body, that decides what violates NAFTA and what doesn't. It's the arbitral panel established under the NAFTA treaty itself. That official panel said:

> The United States may not be required to treat applications from Mexican trucking firms in exactly the same manner as applications from United States or Canadian firms . . .

U.S. authorities are responsible for the safe operations of trucks within U.S. territory, whether ownership is United States, Canadian, or Mexican.

It is that simple. We can ensure the safety of Mexican trucks and comply with NAFTA—and this bill shows us how with commonsense safety measures.

Under our bill, when you are driving on the highway behind a Mexican truck, you can feel safe. The administration's plan is far too weak. Under the administration's plan, trucking companies would mail in a form saying that they are safe and begin driving on our highways.

No inspections for up to a year and a half. The administration is telling American families that the safety check is in the mail. I don't know about you, but I wouldn't bet my family's safety on it. I want an actual inspector looking at that truck, checking that driver's record, making sure that truck won't threaten me or my family.

The White House says: Take the trucking company at its word that its trucks and drivers are safe. Senator SHELBY and I say: Trust an American safety inspector to make sure that truck and driver will be safe on our roads. This is a solid compromise. It will allow robust trade while ensuring the safety of our highways. The people of America need help in the transportation challenges they face every day on crowded roads.

This bill provides real help and funds the projects that members have been asking for. Some Senators would hold every transportation project in the country hostage until they have weakened the safety standards in the Murray-Shelby compromise. That is the wrong thing to do.

Let's keep the safety standards in place so that when you're driving down the highway next to a truck with Mexican license plates you will know that truck is safe. Let's vote for safety by voting for cloture on this bill.

So in closing, this vote is about two things: Helping Americans who are frustrated every day by transportation problems and ensuring the safety of our transportation infrastructure.

Voting for cloture means we can begin making our roads less crowded, our airports less congested, our waterways safer, our railways better, and our highways safer.

Those who vote for cloture are voting to begin making progress across the country and to ensure the safety of our highways.

Those who vote against cloture are voting to keep our roads and airports crowded and to expose Americans to new dangers on our highways.

The choice is simple, and I urge my colleagues to vote for cloture so we can begin putting this good, balanced bill to work for the people we represent.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MILLER). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002—Resumed

The PRESIDING OFFICER. Under the previous order, the hour of 11 o'clock having arrived, the motion to proceed to the motion to reconsider and the motion to reconsider the failed cloture vote on H.R. 2299 are agreed to.

The clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on H.R. 2299, the Transportation Appropriations Act:

> Pat Murray, Ron Wyden, Pat Leahy, Harry Reid, Hillary Rodham Clinton, Charles Schumer, Jack Reed, Robert C. Byrd, Jim Jeffords, Daniel K. Akaka, Bob Graham, Paul Sarbanes, Carl Levin, John D. Rockefeller IV, Thomas R. Carper, Barbara Mikulski, and Tom Daschle.

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on H.R. 2299, an act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes, shall be brought to a close?

The yeas and nays are required under the rule. The clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 100, nays 0, as follows:

[Rollcall Vote No. 262 Leg.]

YEAS—100

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

The PRESIDING OFFICER. On this vote, the yeas are 100, the nays are 0. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Who seeks recognition?

The Senator from Washington.

Mrs. MURRAY. Mr. President, the Senate has now, by a vote of 100–0, moved forward to a time where we can finally go to final passage on the Transportation appropriations bill. I hope that occurs sooner rather than later. All of us have constituents who are waiting in traffic for us to make sure we do the right thing for the infrastructure of this country.

As I have said before, Senator SHELBY and I have worked very hard together. I commend him and his staff, and our staff, for the many hours they have worked to get to the point where we have a bill that represents the important needs of our country—whether it is our airports, our waterways, our highways, our infrastructure. I think we have done a good job with that.

There have been a lot of remarks over the last several weeks regarding the Mexico truck provision. I want to submit for the RECORD a letter from members of the Hispanic caucus in the House.

Mr. President, I ask unanimous consent to have the letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, DC,
July 31, 2001.

Hon. PATTY MURRAY,
Hon. RICHARD C. SHELBY,
Senate Appropriations Committee, Subcommittee on Transportation, Dirksen Senate Office Building, Washington, DC.

DEAR SENATORS MURRAY AND SHELBY: We are writing to express our disbelief over comments we have read implying that the truck safety measures that you have included in the Transportation Appropriations Bill for Fiscal Year 2002 are somehow "anti-Hispanic" or "anti-Mexican." As you know, when the Transportation Appropriations Bill passed the House, an amendment was adopted that prohibited any Mexican trucks from being granted authority to operate in the United States during Fiscal Year 2002. In a seemingly less extreme approach, the Senate version of the bill, as drafted by your subcommittee, includes several provisions intended to address obvious safety concerns regarding Mexican trucks that have been voiced by impartial and knowledgeable observes such as the U.S. Department of Transportation Inspector General.

The issue of safety on our highways is not an "Hispanic issue." All Americans are equally at risk from unsafe conditions on our highways for all Americans and we share that goal.

Sincerely,

Ed Pastor, Grace F. Napolitano, Lucille Roybal-Allard, Hilda L. Solis, Solomon P. Ortiz, Silvestre Reyes, Luis V. Gutierrez, Joe Baca, Nydia M. Velázquez, Rubén Hinojosa, Ciro D. Rodriguez.

Mrs. MURRAY. I think those words speak for themselves. I am happy to submit it for the RECORD and to assure our colleagues we are working for the safety of all Americans.

I have a number of points to which, if this debate continues, I will be speaking this afternoon. But I truly hope that now we can move on and put this bill into place so that we can move to conference, and to make sure we have done the right thing in terms of the infrastructure in our country that is so important to all of our constituents.

I thank the President and I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. MCCAIN. Mr. President, I would like to quickly respond to the Senator from Washington. The Senator from Texas and I, and others, may not use too many hours on this issue, but I want to assure the Senator from Washington we are not moving on. We are not moving on. We have the opportunity to have three more cloture votes on this issue. We intend to fight every single one of those when we return in September.

So to put the mind of the Senator from Washington at ease, we are not moving on. We may have a vote for final passage. We are not moving on. We are not moving on until we have exhausted every last remedy because there is a great deal at stake. There is a huge amount at stake: Not only the fact, according to the Presidents of both nations, that this language represents a violation of a solemn treaty entered into by three nations, but it also sets a terrible precedent.

Are we going to have appropriations bills that violate treaties in the view of the executives of both nations? The proponents of this legislation can say it does not violate NAFTA until they are blue in the face. That is fine with me. But none of those Members was elected President of the United States. We have one President. That President and his advisers have said this language is in violation of a solemn treaty entered into by three nations. That treaty is being violated, and he will veto the bill. And I say, with supreme confidence, that we can muster 34 votes to sustain a Presidential veto.

The Senator from Washington and the proponents of this bill should understand that because the President has made it perfectly clear that he will veto this bill, the responsibility then for the veto will rest with the proponents of this bill who refuse to seriously negotiate on this bill. They have refused to sit down and have meaningful negotiations. They have said it, and they have alleged it, but they have not done it.

I have not been around here as long as the Senator from Texas or other Senators, but I have been around here long enough to know serious negotiations when I see them, and unserious negotiations when I see them. Negotiations have not been serious. As I have said before, I have negotiated a whole lot of very difficult issues, ranging from a line-item veto, to a Patients' Bill of Rights, to campaign finance reform, with people who were serious about negotiating. I know serious negotiations when I see them. They are not present on this issue.

So without serious negotiations, without removing the unacceptable provisions of this legislation, the President of the United States will veto the bill. The responsibility will be for those who have refused to reach an accommodation not with just the Senator from Texas and me but with the administration.

I might add, those who say they are voting for this bill to move it along, even though they agree with our opposition, well, thanks, but, in all candor, the way you stop legislation around here is by voting against it.

So, Mr. President, this is a serious issue. I have never, since I entered this body in 1987, impeded the legislative process. I have certainly voted against and spoken against a lot of the measures with which I disagreed. I have never used parliamentary procedures to hold up legislation, and I hope I never will again, because I think it is an extreme measure to do so.

I know we have important issues to address. But when we are talking about legislation on an appropriations bill, with never a hearing, never a markup in the Committee on Commerce, Science, and Transportation—oh, there were hearings; there was a hearing on Mexican trucks. We could mark up a bill in the Commerce, Science, and Transportation Committee tomorrow—tomorrow—and bring it to the floor of this Senate. Then it would be done in the appropriate fashion. I do not know if the chairman of the Commerce Committee was consulted on this particular language in the appropriations bill; I know I was not; and I know no Member on my side of the aisle was consulted when this language was inserted by people who have not given a proper airing of this issue and have clearly not taken into consideration the views of the President of Mexico and the President of the United States.

So I repeat, we will not move on. We intend to do whatever is necessary to try to bring about a set of negotiations in which we know the administration would be eager to join, so that we could reach removal of basically four issues that remain that are of difference. There are only four issues, but they are significant differences.

We have received clear written notification from the administration that if either the provisions of this bill or the House-passed measure regarding cross-border trucking are sent to the President, we can expect the bill to be vetoed. I quote from the Statement of Administrative Policy transmitted to the Senate on July 19:

> The Senate committee has adopted provisions that could cause the United States to violate our commitments under NAFTA. Unless changes are made to the Senate bill, the President's senior advisors will recommend that the President veto the bill.

There have been some beneficial effects of Senator GRAMM's and my activities on this issue because it has gotten the attention of editorial writers around the country. I would like to quote from some of those editorial writers from different newspapers around the country for the benefit of the President. I quote from an editorial in the Atlanta Constitution, a July 31 editorial, headlined "Open U.S. Roads to Mexican Trucks."

> Can you imagine a world in which Mexican 18-wheelers were allowed to roam freely across U.S. highways—maybe properly inspected, maybe not, with drivers maybe properly trained and licensed, maybe not?
>
> A lot of folks seem unable to grasp what they believe would be a frightening vision, but they really don't have to look very far to get a reliable glimpse of what it would be like. All they have to do is look less than 20 years into the past, when Mexican trucks were permitted free access to America's roads as a matter of course. That practice ended only when Ronald Reagan changed the policy in a dispute over access for U.S. trucks to Mexico's roads.
>
> The old right of access was supposed to have been restored as part of the North American Free Trade Agreement, and President Bush has been pushing to do just that. But now he's having to fight the Teamsters' Union, the Democrats in Congress who habitually do labor's bidding, and even a few members of his own party who don't seem to have bothered to examine the issue.
>
> The truckers' union, of course, is interested only in job protectionism. Under current rules, Mexican trucks can carry goods into border states, but only for a maximum of 20 miles; then, cargo must be loaded onto American trucks, driven by American drivers, most of whom—what a coincidence—happen to be members of the Teamsters. They have disguised their self-interest, however, in a provocative pitch for public safety, painting a picture of U.S. highways plagued by decrepit, faulty vehicles driven by unskilled and careless Mexican cowboys.
>
> There is probably as much prejudice as protectionism in this image; actual statistics do show that Mexican trucks crossing the border fail inspections at higher rates than American vehicles, but the difference has been steadily narrowing. In 1995, 54 percent of the Mexican trucks failed, but that figure has fallen to 36 percent; besides, the Teamster-driven vehicles are no paragons—the failure rate for U.S. trucks is a surprising 24 percent. (Canadian trucks fail at a rate of only 17 percent; maybe we should ban U.S. trucks and only allow those from north of the border.)

It should be noted that the Mexican trucks failing the tests are untypical of that country's fleet. Border crossings can take hours, so companies use older, less tidy vehicles for the short runs for cargo transfers. Trucks that would be used for long-distance hauling within the United States are much newer, some more modern than those used by American firms. (Authorities sometimes catch Mexican trucks that went illegally outside the 20-mile border area; of those, just 19 percent failed inspections, which is a better record than U.S. trucks can boast.)

Continuing to restrict access is a mistake, especially because it would be a continuing violation of U.S. obligations under NAFTA, a trade agreement that has brought unparalleled economic benefits to all three of its member countries. The Bush administration plans to spend $144 million for new state and federal inspection stations and personnel, and for checking the safety records and practices of Mexican carriers. That should be enough to allay the concerns of anyone who is truly concerned about safety on the highways—especially since it will create a much more dependable system than the one that existed for all the decades when Mexican trucks did roam freely on our roads.

Republicans in Congress should do a little more homework, and the Democrats should start trying to be something other than toadys for labor unions. This is a battle for self-interest, not for safety, and it's time for it to be over.

Mr. President, I ask unanimous consent that Washington Post editorials and a San Diego Union-Tribune editorial be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Post, July 29, 2001]

NAFTA in Trouble

On Thursday U.S. Trade Representative Robert Zoellick gave a stirring speech about the North American Free Trade Agreement (NAFTA), which seven years ago created the world's largest free trade area. He noted that U.S. exports to the two NAFTA partners—Mexico and Canada—support 2.9 million American jobs, up from 2 million at the time of the agreement, and that such jobs pay wages that are 13 percent to 18 percent higher than the average in this country. Trade with Mexico alone has tripled. Mexico now buys more from the United States than from Britain, France, Germany and Italy combined.

Unfortunately, Mr. Zoellick's fine speech was not the only NAFTA news last Thursday, for the Senate was simultaneously debating the treaty. A large majority of senators—Thursday's procedural vote went 70 to 30—appears to believe that NAFTA's provisions on trucking across the Mexico border need not be implemented promptly. As a result, Mexico's government is likely to retaliate with $1 billion or more in trade sanctions. The great forward momentum of the U.S.-Mexican economic relationship may start to be unraveled.

Under NAFTA, Mexican trucks in the United States must abide by U.S. regulations: If they are too dangerous or dirty, they can be pulled off the road. But NAFTA's opponents want to keep Mexican trucks out—period. For the past seven years, the United States has bowed to protectionists by refusing to process Mexican applications for trucking licenses, a practice that NAFTA's dispute-settlement panel has condemned. Now the Bush administration wants to end this obstructionism, but Congress is getting in the way. The House has passed a transportation spending bill that would bar the administration from processing Mexican applications. The Senate is adopting the subtler approach of allowing Mexican trucks in—but only on various burdensome conditions that will have the effect of delaying the opening of the border by a year or more.

The sponsors of the Senate measure, Patty Murray (D-Wash.) and Richard Shelby (R-Ala.), say these conditions are reasonable because Mexican trucks fail U.S. safety standards 50 percent more often than American ones. But this claim is based on questionable numbers, and the right response to high Mexican failure rates is to apply existing U.S. trucking regulations rigorously. The Senate measure goes beyond legitimate rigor and blurs into imposing discriminatory regulations on Mexican carriers. President Bush says he will veto legislation unless such discrimination is removed from it. That is the right course.

[From the Washington Post, July 31, 2001]

Ban on Mexican Trucks Called "Isolationist" Sign; White House Turns Tables on Critics

(By Dana Milbank and Helen Dewar)

White House officials, borrowing one of their critics' main lines of attack, charged yesterday that those who opposed President Bush's free-trade positions were "isolationist" and "unilateralist."

The immediate issue in question was a Democratic proposal before the Senate to block Mexican trucks from U.S. roads. The proposal, which critics say includes 22 separate safety provisions that together would have the effect of barring Mexican trucks for two to three years, is included in a transportation funding bill for next year. The House has already passed a ban on Mexican trucks.

Bush "thinks that the action taken by the United States Senate is unilateralist," White House press secretary Ari Fleischer said yesterday. He called the issue one of the "troubling signs of isolationism on the Hill."

The argument, echoed by others in the administration, signaled a new defense of Bush's policies that goes beyond the narrow issue of what inspections would be required of Mexican trucks entering the United States. Democrats and other critics of the administration have argued that Bush is pursuing a "unilateralist" foreign policy by rejecting international efforts to limit global warming, small arms, biological weapons and tax havens, and by promoting a missile-defense proposal.

Bush advisers have decided to turn the tables on critics by painting the Democrats as isolationists in other areas. In a speech Thursday, U.S. Trade Representative Robert B. Zoellick used a similar argument to promote the North American Free Trade Agreement in general, warning against "economic isolationists and false purveyors of fright and retreat."

In addition to Mexican trucks and NAFTA, White House officials indicated they would make the "isolationist" charge against Democrats over objections to giving Bush broader trade negotiating authority and over their delay in confirming Bush's choice for United Nations ambassador. Consideration of the nominee, John D. Negroponte, has been held up by criticism of his work as ambassador to Honduras in the 1980s.

"There's a series of issues Congress is taking up now where it has to chose between an isolationist response and whether America can compete and win in the world, and Congress is leaning in the direction of isolation," Fleischer said.

In the debate over Mexican trucks, the White House and its allies also tried to reverse an argument about racial insensitivity often used by Democrats. Last week, Senate Minority Leader Trent Lott (R–Miss.) criticized Democrats for "an anti-Mexican, anti-Hispanic, anti-NAFTA attitude."

White House officials declined to join Lott in that argument, saying only that the opposition to Mexican trucks in the United States is "unfair to Mexico" because it would single out that nation rather than impose a single standard for the United States, Canada and Mexico. "This is an issue where the Democrats have to be careful or they're going to cede the Hispanic vote to Republicans in 2002," a senior GOP official said yesterday.

The Senate Democrats' proposal to impose strict safety standards on Mexican trucks remained stalled yesterday by GOP delaying tactics aimed at forcing a compromise acceptable to the White House. Supporters of the Democrats' proposal, which Bush has threatened to veto as an infringement on NAFTA, got more than enough votes to cut off one filibuster against it last week, virtually assuring its passage at some point. But the proposal, opposed by Sens. John McCain (R–Ariz.) and Phil Gramm (R–Tex.), faces more procedural hurdles before it can be passed.

Senate Majority Leader Thomas A. Daschle (D–S.D.) yesterday reiterated his determination to win passage of the measure before the start of Congress's month-long summer recess this weekend. Lott held out some hope that a House-Senate conference might approve language satisfactory to Bush. If not, he said, Bush will veto the bill and Congress will sustain the veto.

As the Senate marked time on the issue, Enrique Ramirez Jackson, president of the Mexican Senate, met separately with Lott and Daschle on issues affecting the two countries and expressed Mexico's hopes that its trucks will be given full access to the United States, according to Senate aides.

[From the San Diego Union-Tribune, July 30, 2001]

Fight for Free Trade

Under the North American Free Trade Agreement, U.S. trucks are supposed to have unrestricted access to Mexico, and Mexican trucks are supposed to have unrestricted access to the United States. But for six years the powerful Teamsters union has succeeded in keeping Mexican trucks off American roads—in plain violation of NAFTA.

Now, it falls to President Bush to stand up once and for all to the Teamsters' political muscle and defend the vital principle of free cross-border trade. Bush should not hesitate to veto a $60 billion transportation spending bill that is the vehicle for the domestic trucking lobby's efforts to block Mexican truckers' access to American highways.

Based on pre-NAFTA rules, which still are being enforced, Mexican trucks are permitted to operate only within a 20-mile zone north of the border. Beyond the border zone, their cargoes must be transferred to American trucks for shipment elsewhere in the United States or Canada. This is a costly and time-consuming process that drives up prices for American consumers.

Last year, when provisions of NAFTA required that Mexican trucks be allowed to travel freely throughout the United States, the Teamsters persuaded the Clinton White House to suspend the requirement, on

> grounds that Mexican trucks were unsafe. At the time, Vice President Al Gore was courting the Teamsters' backing for his presidential campaign. When Mexico rightly challenged the Clinton administration's politically motivated action, a NAFTA arbitration panel ruled that the U.S. ban on Mexican trucks violated the trade agreement.
>
> To its credit, the Bush administration announced earlier this year it would honor American obligations under NAFTA and lift the restrictions on Mexican trucks. That touched off a fierce lobbying drive by the Teamsters on Capitol Hill to overturn the president's decision.
>
> In response, the House voted to retain the ban on Mexican trucks, while the Senate approved a milder version that would impose much tougher safety standards on Mexican trucks than exist for Canadian trucks, thereby making it more difficult for Mexican trucks to enter the United States. (Because many of its 1.4 million members are Canadians, the Teamsters union has not sought to curb access by Canadian commercial vehicles to American roads).
>
> The Teamsters and their allies contend Mexican rigs are unsafe, but the union's real motivation is to thwart competition from Mexican truckers. When the House voted on the ban, it even refused to appropriate the money President Bush had sought to strengthen border inspection stations and keep out unsafe vehicles.
>
> The White House is right on this issue.
>
> President Bush should stand his ground and veto the transportation measure if the onerous trucking provisions are not removed. The simple way to deal with potentially unsafe Mexican trucks is through robust inspections that turn back unsafe vehicles—not through legislative subterfuge that is little more than thinly disguised protectionism.

Mr. MCCAIN. Mr. President, the papers I am quoting from—the New York Times, Washington Post, Atlanta Constitution, Cleveland Plain Dealer—are not renowned rightwing conservative periodicals.

This is from the Cleveland Plain Dealer of July 30, 2001:

> The Democrat-controlled Senate, with the help of enough Republicans to block a filibuster, decided last week that equal protection under the law doesn't apply to Mexico under NAFTA.
>
> Beneath a veneer of safety concerns, the Senate refused to eliminate the trade barriers that keep Mexican trucking companies from carrying freight beyond a 20-mile border zone, no matter that among their fleets are some of the most modern, best-equipped trucks on any nation's roads.
>
> It's a witches' brew of protectionist politics disguised as precaution, fueled by the demands of organized labor, that gives off a stench of old-fashioned ethnic prejudice. What's more, it invites a trade war of retaliation, should Mexico decide to close its borders to U.S.-driven imports. Combined with an even harsher House-passed version incorporated in the Department of Transportation appropriations bill, it invites a veto by President George W. Bush.
>
> No one supporting Mexico's rights under the North American Free Trade Agreement ever has argued that American roads should be opened to unsafe vehicles. But in the years since NAFTA was passed, Mexico has made giant strides to improve its fleets. Some of its largest trucking companies now have rigs whose quality surpasses those of American companies.
>
> But safety is little more than a straw dog in this fight. What this is about is the $140 billion in goods shipped to the United States from Mexico each year, and the Teamsters Union's desire that its members keep control of that lucrative trade.
>
> Labor—which documents gathered in a four-year Federal Elections Commission Probe show has had veto power over Democratic Party positions for years—has never accepted the benefits of expanded hemispheric trade. It has been adamant in its opposition to allowing Mexican trucks, no matter how modern the equipment or well-trained the drivers, access to U.S. highways. It was this opposition that kept President Bill Clinton from implementing the agreement, and it is this opposition that yet drives labor's handservants, who now control the Senate.
>
> This position should be an embarrassment to a party that makes a show of its concerns for the poor and downtrodden. It is a setback to U.S.-Mexican relations, and an insult to Mexico's good and earnest efforts to improve relations with its northern neighbor. It is an abrogation of our treaty responsibilities, and it must not be allowed to stand.

I repeat, that is from the Cleveland Plain Dealer.

Quoting from the New York Times from July 30, the Monday edition, titled "Teamsters May Stall Bush Goals for Mexican Trucks and Trade," an article by Philip Shenon:

> A lobbying campaign led by the Teamsters union to keep Mexican trucks off American roads is on the verge of handing organized labor a major legislative victory over President Bush, endangering one of his most cherished foreign policy goals and reminding the White House of the political muscle still flexed here by labor unions.
>
> If the Teamsters prevail, it could undermine the president's hopes of improved trade and diplomatic ties with Mexico, which has demanded the opening of the border to Mexican trucks under terms of the eight-year-old North American Free Trade Agreement. Mr. Bush had hoped to comply by next year.
>
> Nafta and its liberalized trade rules have long been a target of the Teamsters, which has 1.4 million members, many of them truck drivers.

Mr. President, it is a very interesting article. I won't take the time to read it all. It basically points out the facts, which are that this is not really about safety; this is about the Teamsters Union and labor flexing their muscles. I will repeat, as I have over and over again, the Senator from Texas and I have put detailed, comprehensive safety requirements into our legislation which would clearly protect every American from any unsafe Mexican truck entering into the United States of America because it requires every Mexican truck to be inspected. But, obviously, that is not good enough for the Teamsters or for those who support the legislation that is presently in the Transportation appropriations legislation.

I want to say a few words about the underlying bill. It is interesting. So far this year, spending levels, including this bill, have surpassed the President's total budget request by nearly $4 billion. This year's bill contains 683 earmarks, totaling $3.148 billion in porkbarrel spending. Last year there were 753 earmarks, totaling $702 million. There has been a dramatic increase in the number of earmarks and porkbarrel spending.

According to the Office of Management and Budget, the number of unrequested projects inserted into spending bills approved by Congress rose from 1,724 in 1993 to 3,476 in 2000 and, ultimately, to 6,454 in the current fiscal year.

Our colleagues in the House of Representatives requested close to 19,000 earmarks this year, at a cost of $279 billion if all were approved. This year's overindulgence of earmarks is so egregious that Mitch Daniels, Director of OMB, wrote a letter to the Senate Appropriations Committee imploring them to cut the excessive earmarks included in the House-passed appropriations bills when they got to the Senate.

As always, some benefit substantially more than others. I have mentioned the State of West Virginia, which will be the proud recipient of $6,599,062 under the National Scenic Byways Program. I have also mentioned the State of Washington, which benefits substantially from the National Scenic Byways Program. Under that portion of the bill, Washington will receive $2,683,767, of which $790,680 will fund the North Pend Orielle Scenic Byway—Sweet Creek Falls Interpretive Trail Project, et cetera, et cetera.

I am sure these are worthy projects. Why in the world weren't they authorized? Why was there not a hearing? Why were they inserted in legislation which gave no consideration to other projects and programs that other States have? Every State deserves the right to compete for Federal dollars under programs such as the National Scenic Byways Program, not just States that are fortunate to have representation in the congressional Appropriations committees.

I can't let this opportunity go by again without mentioning the $4.650 million that is carved out of the Coast Guard portion of this bill to "test and evaluate" a currently developed 85-foot fast patrol craft that is manufactured in the United States and has a top speed of 40 knots. Mr. President, translation. That is "French" for a porkbarrel project for the State of Washington. It is the only place where this vessel can be tested and evaluated in the United States, and it has a top speed of 40 knots. Guess where. Guardian Marine International, located in Edmonds, WA. Not only did the U.S. Coast Guard not ask for this vessel, they looked at the Guardian vessel, considered its merits, and concluded it would not meet the Coast Guard's needs.

What is wrong with that? Well, we have severe personnel problems with recruitment and retention in the Coast

Guard today. We need to spend this money not on an 85-foot patrol craft that the Coast Guard doesn't want or need; we need to spend it on the men and women in the Coast Guard, improve their housing, improve their living conditions. We need to provide them with the pay and benefits they need and deserve.

What are we doing spending $4.650 million on a project that will be useless? This will be a one-of-a-kind vessel. It will sit by itself, and it will have huge maintenance and upkeep costs because it will be one of a kind, instead of giving the Air Force the craft they need.

I guess the Senate Appropriations Committee has a better understanding than the Coast Guard of what equipment will and won't work best. Maybe we are all wasting our time. Perhaps we should abolish the Department of Transportation and allow our appropriators to act as our new transportation specialists.

I will mention one thing that was in Congress Daily this morning:

> Nussle Warns of Possible Fiscal Year 2001 Spending Cuts.
>
> House Budget Chairman Nussle warned Tuesday that if budget forecasts continue to worsen, Congress might have to take drastic steps, including trimming Federal spending, to preserve surpluses for debt reduction. "Spending may have to be curtailed after CBO releases the midsession review," Nussle said. "If we want to pay off more debt, we need to reduce spending."

What is this appropriations bill doing? Increasing spending. What did the others do? Already we have increased spending in the appropriations bills we have passed by some $4 billion. It is a dangerous course of action we are engaged in. This continued earmark porkbarrel spending is going to exact a very heavy price. This bill is replete with them. This bill, in my view, is typical of the kind of product for which we may pay a very heavy price in the future, where we may have to make cuts in really needed programs, including those that are for those who are in need in our society and our Nation.

So I want to assure my colleagues that, contrary to what may have been contemplated here, yes, we will have a vote on final passage of the bill. Then there will be three votes after that concerning the appointment of conferees that are key and are debatable and will require cloture motions as well. So, clearly, we will have stretched this issue out into the month of September, at least.

I remind my colleagues that our President is welcoming the President of Mexico to the United States in September. In fact, I am told that the first official state dinner hosted by President Bush will be in honor of President Fox. I think that is a very appropriate and very important and significant occasion because of the importance of our relations with Mexico. I hope we will not be continuing on a course of violating a solemn treaty between our two nations while the President of Mexico is present and being honored in the United States of America.

I thank my colleague from Texas for his steadfast efforts in this endeavor. I think he may join me again this year in being voted "Miss Congeniality." Perhaps we will share the honor. The fact is that we believe passionately that this kind of activity —legislative activity on an appropriations bill—is absolutely, totally inappropriate, and the impact and implications of passage of such legislation through the Congress of the United States not only is very bad for our relations with one country, but if this body gets into the business on appropriations bills of amending treaties and making solemn treaties illegal and unconstitutional, and violates them, then of course that kind of precedent is very bad for all of the institutions of this great democracy of ours.

I yield the floor.

The PRESIDING OFFICER (Ms. STABENOW). The Senator from Washington is recognized.

Mrs. MURRAY. Madam President, I have a number of editorials which support the position the majority of Senators have taken in terms of the commonsense safety approaches written in the underlying Transportation bill.

Let me begin by quoting from the Seattle Post-Intelligencer editorial board from this morning:

> Mexican trucks are welcome in this country so long as they make the same safety criteria required of all the vehicles that travel here. Senator Patty Murray has taken just the right approach to this sensitive and contentious issue. The Bush administration, which unwisely has threatened to veto the transportation bill over this matter, contends that under terms of the North American Free Trade Agreement, Mexican trucks should be allowed to travel freely beyond the 20-mile commercial zone at the southern border to which they are now restricted.
>
> The House of Representatives disagrees. It voted to keep the trucks limited to where they now are, permitted to travel when delivering Mexican goods to U.S. markets. Murray, who heads the Senate Appropriations Subcommittee on Transportation, wrote the transportation bill that rightly requires Mexican trucks to have safety inspections and to be insured by a carrier licensed to do business in the United States before they can travel in this country. These are simple, commonsense requirements.

From the Roanoke Times & World News:

> Among other things, certainly the inspections indicate an element of protectionism but of the public safety, not the spirit of free trade. By a large bipartisan majority, 19 Republicans joined all 50 Democrats and one independent. The Senate voted Thursday to end a filibuster to kill the tougher standards. Senate Minority Leader Trent Lott charged that the initiative was anti-Mexican and anti-Hispanic and suggested that Mexican trucks should be inspected according to the same standards as Canadian trucks. Lott commits aggravated silliness.
>
> A recent study by the Inspector General of the Transportation Department found that nearly two in five Mexican trucks failed basic safety inspections compared with one in four U.S. trucks and one in seven Canadian trucks. In addition, Mexican truckers are often overworked and their fatigue could pose a danger to American drivers.
>
> As for violating the free trade spirit of NAFTA, the treaty already contains provisions allowing legitimate safety regulations. Given the clear evidence presented by the Transportation Department, Congress would be remiss by opening U.S. borders to trucks known to be unsafe.

From the Press Democrat in Santa Rosa, CA:

> With Mexican trucks failing border inspections nearly two in five times, safety is a far more important concern. The dismal record is an indication that a well-funded border inspection program is critical. The Senate proposal, which requires around-the-clock border inspections, is a balanced measure that will allow trucking while still keeping roads relatively safe. But with one in four American trucks failing safety tests, do not take your eyes off the rear view mirror any time soon.

From the Sarasota Herald Tribune:

> Public safety, not politics, money, free trade or international relations, should be the priority as American leaders debate whether to allow tractor trailers from Mexico to deliver goods in the United States.

From the Deseret News:

> A Senate bill would apply a simple solution. It would require the Mexican truckers to obtain U.S. insurance and to pass safety inspections before crossing the border. Then the trucks would be free to travel where they would like within the United States and presumably to Canada. These are sensible requirements that ultimately could save lives. The only objection the President can offer is that Congress does not hold Canadian truckers to the same standards, but Congress does not need to do so. Canada already holds its truckers to standards more rigid than those in the United States.

They go on to say:

> The only way to end the problem of illegal immigration is to help Mexico's economy grow to the point where leaving the country no longer is necessary for survival and prosperity. But this cannot be done at the peril of highway safety in the United States. Despite the threats of a veto, Congress needs to pass tough standards on all trucks that come from south of the border.

From the Providence Journal:

> Kudos to the Senate for voting 70–30 for strict safety standards for Mexican trucks on U.S. roads. The government has the duty to ensure that foreign truckers follow the same rules that American ones do. Statistics show trucks from Mexico with more lenient safety standards than the United States are 50 percent more likely to fail U.S. inspections than ours. A race to the bottom is intolerable.

From the Seattle Times Editorial Board:

> Suggesting inspections will inhibit free trade is more than a bit disingenuous, given that current law keeps Mexican trucks within a 20-mile zone along the U.S. border. Earlier this summer, the House of Representatives passed a harsh measure to block any

Mexican trucks from venturing beyond that zone. Opening U.S. highways to Mexico's trucking industry is in the full spirit of NAFTA, as long as the trucks are safe and insured. This is hardly onerous. Indeed, Canadian trucks and truckers have a better inspection record than U.S. trucks. Do not take too much of the Teamsters Union's backing the safety measure as if to suggest it was a topic with heavy labor influence. Only a fraction of U.S. drivers are represented by organized labor. This fight is fundamentally about highway safety. Creating a haven of lesser standards south of the border might invite the U.S. trucking industry to essentially reflag their fleets where regulations are lax.

Madam President, I ask unanimous consent that all of the editorials to which I have referred, as well as a press release from the AAA of Texas chapter, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Seattle Post-Intelligencer, Aug. 1, 2001]

IMPOSE U.S. SAFETY STANDARDS ON MEXICAN TRUCKS

Mexican trucks are welcome in this country—so long as they meet the same safety criteria required of all other vehicles that travel here.

Sen. Patty Murray, D-Wash., has taken just the right approach to this sensitive and contentious issue, which threatens to derail the transportation bill and some $140 million in much-needed funding earmarked by Murray for this state.

The Bush administration, which unwisely has threatened to veto the transportation bill over this matter, contends that under terms of the North American Free Trade Agreement, Mexican trucks should be allowed to travel freely beyond the 20-mile commercial zone at the southern border to which they are now restricted.

The House of Representatives disagrees; it voted to keep the trucks limited to where they now are permitted to travel when delivering Mexican goods to U.S. markets.

Murray, who heads the Senate appropriations subcommittee on transportation, wrote the transportation bill that rightly requires Mexican trucks to have safety inspections and to be insured by a carrier licensed to do business in the United States before they can travel in this country.

These are simply common-sense requirements. However, care must be taken in implementation to avoid having them become a bogus trade barrier.

Murray contends Mexican trucks are less safe than U.S. trucks. She says a recent study by the inspector general of the Department of Transportation found that nearly two in five Mexican trucks failed basic safety inspections compared with one in four American trucks and one in seven Canadian trucks. Since Canadian trucks appear safer than American ones, there seems no rationale for imposing additional requirements on them.

But President Bush, rightly has at the top of his international agenda improving relations with Mexico, says it would be too expensive and time-consuming to require the Mexican trucks to meet U.S. safety and insurance standards. However, introducing unsafe trucks on U.S. highways is unlikely to improve relations between our two countries; quite the opposite.

Mexico, meanwhile, has raised the possibility that it might restrict the import of American agricultural goods in retaliation. That's non-productive. A better course is to assure Mexican trucks meet international safety standards.

Murray, who also chairs the Democratic Senate Campaign Committee, happens to be on the same page in this dispute as the all-powerful Teamsters union, which ardently opposes the entrance of Mexican trucks and their low-paid, often overworked, non-unionized drivers. The Teamsters clearly have a self-interest in putting the brakes on the entrance of Mexican trucks.

Murray's business, however, is the public interest, not that of the Teamsters. We believe that in insisting that Mexican trucks comply with U.S. laws, she's property discharging that larger duty.

As a NAFTA arbitration panel acknowledged last February, the United States is "responsible for the safe operation of trucks within U.S. territory, whether ownership is U.S., Canadian or Mexican."

[From the Roanoke Times & World News, July 28, 2001]

REQUIRE MEXICAN TRUCKS TO MEET THE SAFETY TEST

As frequent drivers of Interstate 81 can attest, sharing the road with high-balling semi-trailer trucks intensifies anxiety about highway safety, even with the assumption those behemoths meet safety-inspection standards.

The same assumption cannot be applied to Mexican trucks, about 40 percent of which fail U.S. standards, so the U.S. Senate's hesitation this week to allow free entry of big commercial Mexican vehicles onto U.S. highways in January is both understandable and prudent.

President Bush, the Senate's Republican leadership and the Mexican government have opposed an amendment to the pending $60 billion Senate transportation spending bill that would require much stricter safety inspections before allowing the Mexican trucks to venture freely onto U.S. highways. Opponents contend that such a restriction violates the North American Free Trade Agreement.

Certainly, the inspections indicate an element of protectionism—but of the public safety, not the spirit of free trade. By a large bipartisan majority—19 Republicans joined all 50 Democrats and one independent—the Senate voted Thursday to end a filibuster to kill the tougher standards.

Senate Majority Leader Trent Lott, R-Miss., charged that the initiative was "anti-Mexican" and "anti-Hispanic," and suggested that Mexican trucks should be inspected according to the same standards as Canadian trucks.

Lott commits aggravated silliness. A recent study by the inspector general of the Transportation Department found that nearly two in five Mexican trucks failed basic safety inspections, compared with one in four U.S. trucks and one in seven Canadian trucks. In addition, Mexican truckers are often overworked, and their fatigue could pose a danger to American drivers.

As for violating the free-trade spirit of NAFTA, the treaty already contains provisions allowing legitimate safety regulations. Given the clear evidence presented by the Transportation Department, Congress would be remiss by opening U.S. borders to trucks known to be unsafe.

President Bush has threatened to veto the entire transportation spending bill if Congress fails to remove the tougher inspection standards. Some alarm has been expressed by farming states and agriculture lobbyists after Mexican officials threatened to consider restrictions on U.S. agricultural imports if the bill becomes law.

Congress should be more concerned about the lives of Americans driving on U.S. highways.

[From the Press Democrat Santa Rosa, July 30, 2001]

MEXICAN TRUCKS SENATE PROPOSAL ALLOWS FREE TRADE WHILE ENSURING SAFER ROADS

In February an arbitration panel determined that the Clinton administration policy limiting Mexican trucks to a 20-mile border zone violated the North American Free Trade Agreement.

Since that ruling, Congress, President Bush and the Teamsters union have been fighting over how to regulate 18-wheelers originating from Mexico.

The Teamsters union opposes opening the border to Mexican truckers because it fears losing union jobs. In other words, having lost the free trade battle in 1993, it is now trying to unravel NAFTA piece-by-piece. It seems the Teamsters' time would be better spent improving U.S. truckers' competitiveness.

With Mexican trucks failing border inspections nearly two in five times, safety is a far more important concern. The dismal record is an indication that a well-funded, border inspection program is critical.

The Senate proposal, which requires around the clock border inspections, is a balanced measure that will allow trucking while still keeping roads—relatively—safe. But with one in four American trucks failing safety tests, don't take your eyes off the rearview mirror anytime soon.

[From the Sarasota Herald-Tribune, July 31, 2001]

NO SUBSTITUTE FOR SAFETY TRADE PACT DOESN'T PRECLUDE HIGH STANDARDS FOR TRUCKS

Public safety—not politics, money, free trade or international relations—should be the priority as American leaders debate whether to allow tractor-trailers from Mexico to deliver goods in the United States.

President Bush wants to enable Mexican trucks to begin making long-haul deliveries on U.S. highways in January as part of the North American Free Trade Agreement with Mexico and Canada. Currently, big trucks from Mexico are limited to a 20-mile zone near the border.

In recent days, a bipartisan group in the Senate has pushed for a stricter U.S. inspection program for Mexican trucks. They cite statistics indicating that trucks from Mexico are almost 50 percent more likely to fail inspections than U.S. trucks.

But Bush and his allies on this issue, including Sen. John McCain, R-Ariz., contend that the safety fears are overblown and that the proposed standards are tougher than those in place for Canadian trucks. Sen. Trent Lott, R-Miss., takes the rhetoric further and accuses Democrats of being "anti-Mexican" and "anti-Hispanic."

The cries of discrimination make for great TV sound bites, but if there is evidence that inspections are less rigorous in Mexico, why shouldn't the United States do more to ensure that Mexican vehicles are safe before they enter U.S. roads?

Tractor-trailers are already a significant safety concern in this country. In recent years, federal safety officials have documented a steady increase in the number of deaths caused by accidents involving big trucks. Let's not add to the carnage in the name of free trade, or politics.

[From the Deseret News, July 31, 2001]

All Trucks Need Standards

As usual in Washington, the debate over whether to apply tough standards to Mexican trucks that cross the border has to do with a lot more than the simple issue at hand. For the Bush administration, it has to do with the Hispanic vote, of which he obtained only 35 percent last year. For the Democrats, it has to do with organized labor, which would love to drive into Mexico but doesn't want to lose any jobs by allowing the Mexicans to drive here.

Those are the currents running swiftly beneath the surface. On the top, however, the debate is centering on the only thing that really ought to matter—safety.

Organized labor lost its fight to keep Mexican businesses out eight years ago when Congress passed the North American Free Trade Agreement. Bush's support among Hispanics, and his relationship with Mexican President Vicente Fox (who has threatened trade retaliation against the United States) have to be dealt with in a different arena. This is a question of keeping unsafe vehicles off the highway.

Current rules allow Mexican trucks to travel no further than 30 kilometers (18.6 miles) over the border—just far enough to unload their cargo onto American trucks. Border inspectors there have found that more than one-third of Mexican trucks fail to meet the safety standards required of American trucks.

A Senate bill would apply a simply solution. It would require the Mexican truckers to obtain U.S. insurance and to pass safety inspections before crossing the border. Then the trucks would be free to travel where they would like within the United States and, presumably, to Canada. These are sensible requirements that ultimately could save lives. The only objection the president can offer is that Congress doesn't hold Canadian truckers to the same standards.

But Congress doesn't need to do so. Canada already holds its truckers to standards more rigid than those in the United States.

In many ways, this is an example of the types of conflicts that will occasionally arise when attempting free trade with a nation whose economy is struggling to stand on its own. Mexico has made great strides in recent years, eliminating much of the corruption that used to plague its one-party government. The United States should reward those efforts with increased trade. The only way to end the problem of illegal immigration is to help Mexico's economy grow to the point where leaving the country no longer is necessary for survival and prosperity.

But this can't be done at the peril of highway safety in the United States. Despite the threats of a veto, Congress needs to pass tough standards on all trucks that come from south of the border.

[From the Providence Journal, July 29, 2001]

Divers Ruminations

Kudos to the Senate for voting, 70 to 30, for strict safety standards for Mexican trucks on U.S. roads. The government has the duty to ensure that foreign truckers follow the same rules that American ones do. Statistics show trucks from Mexico, with more lenient safety standards than the United States's, are 50 percent more likely to fail U.S. inspections than are ours. (Mexican trucks' emissions problems are bad, too.) A race to the bottom is intolerable.

Meanwhile, President Bush is commendably backing off from an idea floated to give a blanket amnesty to illegal Mexican immigrants but not necessarily for illegal immigrants from other nations. We are leery of any blanket amnesty because it would tend to encourage lawbreaking. But basic fairness requires that a plan to "regularize" illegals, not single out one nationality.

Rumor has it that stars usually bound for the likes of the Hamptons have discovered the pastoral and coastal beauties of Westport and South Dartmouth, and are eyeing real estate there. The names bruited so far include Harrison Ford, Paul McCartney, Dennis Quiad and David Duchovny. Will the glitz, and soaring prices, that have soured Long Island's south shore infect Buzzards Bay towns, too? Better for us if celebs use assumed names if they buy land.

To protect its right to regulate land use, North Kingstown commendably keeps battling developer/nightclub owner Michael Kent. Mr. Kent is infamous for chopping down the trees and painting the stumps blue and red on a parcel that the town said he couldn't build on. Now he dumps manure and says he might keep ostriches there, as he puts up signs calling his spread "Plum Beach Park." Enough!

[From the Seattle Times, July 30, 2001]

Free Trade and Safe Highways

Washington Sen. Patty Murray led a strong, appropriate effort to require tougher safety standards for Mexican trucks entering the United States.

The White House and Republican leadership waged a phony war against this highway-safety measure with claims it undermined the 1993 North American Free Trade Agreement and relations with our neighbor.

Senate Minority Leader Trent Lott, R-Miss., stooped so low as to suggest the effort was anti-Mexican. Poppycock. This is about improving standards for Mexican trucks that are 50 percent more likely to fail U.S. inspections than American vehicles.

Nineteen Republicans joined Senate Democrats to knock down parliamentary attempts to tie up the requirements for regular U.S. inspections of Mexican trucks and drivers, on-site audits of Mexican trucking firms, and more scales and inspectors at 27 U.S. border stations.

Suggesting inspections will inhibit free trade is more than a bit disingenuous given that current law keeps Mexican trucks within a 20-mile zone along the U.S. border. Earlier this summer, the House of Representatives passed a harsh measure to block any Mexican trucks from venturing beyond that zone.

Opening U.S. highways to Mexico's trucking industry is in the full spirit of NAFTA, as long as the trucks are safe and insured. This is hardly onerous. Indeed, Canadian trucks and truckers have a better inspection record than U.S. trucks.

Don't make too much of the Teamsters Union backing the safety measure, as if to suggest it was a topic with heavy labor influence. Only a fraction of U.S. drivers are represented by organized labor. This fight is fundamentally about highway safety.

Creating a haven of lesser standards south of the border might invite the U.S. trucking industry to essentially re-flag their fleets where regulations are lax.

At the same time, Congress must not create a system of rules and standards that are thinly veiled trade barriers. Murray and Sen. Richard Shelby, R-Ala., transportation committee allies on this effort, are not headed in that direction.

The White House wants to make sure NAFTA is supported and that Mexico is nurtured as a friend, ally and trading partner. But the Bush administration's garbled, inconsistent response on truck safety only confused matters.

Opening America's roads to Mexican trucks and truckers is in the best spirit of free trade. Expecting those rigs to be adequately maintained and insured is a modest price to pay for access to the world's most-prosperous consumer market.

[From the Roanoke Times & World News, July 28, 2001]

Require Mexican Trucks To Meet the Safety Test

As frequent drivers of Interstate 81 can attest, sharing the road with high-balling semi-trailer trucks intensifies anxiety about highway safety, even with the assumption those behemoths meet safety-inspection standards.

The same assumption cannot be applied to Mexican trucks, about 40 percent of which fail U.S. standards, so the U.S. Senate's hesitation this week to allow free entry of big commercial Mexican vehicles onto U.S. highways in January is both understandable and prudent.

President Bush, the Senate's Republican leadership and the Mexican government have opposed an amendment to the pending $60 billion Senate transportation spending bill that would require much stricter safety inspections before allowing the Mexican trucks to venture freely onto U.S. highways. Opponents contend that such a restriction violates the North American Free Trade Agreement.

Certainly, the inspections indicate an element of protectionism—but of the public safety, not the spirit of free trade. By a large bipartisan majority—19 Republicans joined all 50 Democrats and one independent—the Senate voted Thursday to end a filibuster to kill the tougher standards.

Senate Majority Leader Trent Lott, R-Miss., charged that the initiative was "anti-Mexican" and "anti-Hispanic," and suggested that Mexican trucks should be inspected according to the same standards as Canadian trucks.

Lott commits aggravated silliness. A recent study by the inspector general of the Transportation Department found that nearly two in five Mexican trucks failed basic safety inspections, compared with one in four U.S. trucks and one in seven Canadian trucks. In addition, Mexican truckers are often overworked, and their fatigue could pose a danger to American drivers.

As for violating the free-trade spirit of NAFTA, the treaty already contains provisions allowing legitimate safety regulations. Given the clear evidence presented by the Transportation Department, Congress would be remiss by opening U.S. borders to trucks known to be unsafe.

President Bush has threatened to veto the entire transportation spending bill if Congress fails to remove the tougher inspection standards. Some alarm has been expressed by farming states and agriculture lobbyists after Mexican officials threatened to consider restrictions on U.S. agricultural imports if the bill becomes law.

Congress should be more concerned about the lives of Americans driving on U.S. highways.

[Press release from the "Triple A" Texas Chapter]

TRUCK SAFETY INSPECTIONS MUST DRIVE PLAN TO OPEN BORDER; AAA TEXAS CALLS ON CONGRESS TO PUT MOTORIST SAFETY FIRST

(News/Assignment Editors & Government/Automotive Writers)

HOUSTON—(Business Wire)—July 25, 2001.—AAA Texas is urging Congress to significantly increase the safety inspections of Mexico-origination trucks before allowing them unrestricted access to roads in Texas and the rest of the U.S. as provided under the North American Free Trade Agreement (NAFTA).

Currently, trucks based in Mexico are allowed to travel up to 20 miles inside the U.S. border. Under the administration's proposal, Mexico-origination trucks would be allowed unrestricted access for up to 18 months before audits and safety inspections of the owner's facilities, drivers and their practices would be conducted. With more than 1,200 miles of border, more than 70 percent of the truck traffic from Mexico will travel on Texas roads.

"Texas motorists are concerned about the safety of these trucks and their drivers," said Public and Government Affairs Manager Anne O'Ryan. "Until recently, Mexico had few safety or enforcement standards for the vehicles or the drivers." Department of Public Safety officials estimate that half of the short-haul trucks from Mexico don't meet U.S. safety standards. The U.S. Department of Transportation reports that more than 35 percent of trucks from Mexico were taken out of service for safety violations in 2000. That compares to 24 percent for U.S. trucks and 17 percent for trucks from Canada.

The U.S. Senate is debating a proposal that would require Mexico-origination trucks to meet the same U.S. safety standards as trucks from Canada. Many of AAA's suggestions are being considered in the proposal.

AAA has offered the following safety recommendations:

On-site safety audits at the company facility, prior to authorizing their trucks to cross the border;

Significant improvements in safety inspections at the border including enforcement of U.S. weight limits;

Adequate resources for enforcement throughout the U.S.;

Adequate and verifiable insurance on each vehicle;

Shared tracking of the company's truck and driver safety records between U.S. and Mexican authorities; and

Enforcement of safety laws, including limiting the number of continuous hours spent driving.

"The safety of the motoring public should not be risked in the rush to meet an apparently arbitrary deadline," said O'Ryan. The Senate proposal is being debated this week for inclusion in the Department of Transportation Appropriations bill.

Mrs. MURRAY. I will read this press release to my colleagues. It is dated July 25. It says:

> AAA of Texas is urging Congress to significantly increase the safety inspections of Mexico-origination trucks before allowing them unrestricted access to roads in Texas and the rest of the U.S. as provided under the North American Free Trade Agreement. Currently, trucks based in Mexico are allowed to travel up to 20 miles inside the U.S. border. Under the administration's proposal, Mexico-origination trucks would be allowed unrestricted access for up to 18 months before audits and safety inspections of the owner's facilities, drivers and their practices would be conducted.
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> With more than 1,200 miles of border, more than 70 percent of the truck traffic in Mexico will travel on Texas roads. Texas motorists are concerned about the safety of these trucks and their drivers, said Public and Government Affairs Manager Anne O'Ryan.
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> Until recently, Mexico had few safety or enforcement standards for the vehicles or for the drivers. Department of Public Safety Officials estimate that half of the short-haul trucks from Mexico do not meet U.S. safety standards.
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> The U.S. Department of Transportation reports that more than 35 percent of trucks from Mexico were taken out of service for safety violations in 2000. That compares to 24 percent for U.S. trucks and 17 percent for trucks from Canada. The U.S. Senate is debating a proposal that would require Mexico origination trucks to meet the same U.S. safety standards as trucks from Canada. Many of AAA's suggestions are being considered in the proposal.
>
> AAA has offered the following safety recommendations: On-site safety audits at the company facility prior to authorizing their trucks to cross the border; significant improvements in safety inspections at the border, including enforcement of U.S. weight limits; adequate resources for enforcement throughout the United States; adequate and verifiable insurance on each vehicle; shared tracking of the company's truck and driver safety records between U.S. and Mexican authorities; enforcement of safety laws, including limiting the number of continuous hours spent driving.

I quote from O'Ryan:

> The safety of the motoring public should not be risked in the rush to meet an apparently arbitrary deadline. The Senate proposal is being debated this week for inclusion in the Department of Transportation appropriations bill.

These are not my words. They are not the words of Senator SHELBY. They are not the words of any Senator. They are the words of the AAA of Texas chapter.

Our opponents have clearly lost the safety debate and, unfortunately, instead of allowing us to move forward with a balanced bipartisan compromise, they have used many parliamentary tactics to slow down this process in hopes of extracting some concessions.

Their approach, I believe, is unfortunate and unsuccessful. I am not here to respond in kind. Their attacks have done a disservice to this important debate on the highway safety issue. I want my colleagues to recognize these insults have been unnecessary and have delayed putting this bill to work for the American people. Opponents held hostage a $60 billion bill that funds transportation solutions in every State because they want to lower safety standards for Mexican trucks.

We can improve free trade and ensure our own safety at the same time. This bill is a balanced and bipartisan compromise. I will turn to some of the specific provisions that have the other side so concerned. They are simple and they make sense. They do not violate NAFTA. Most importantly, they will help keep Americans safe on the highways.

Here is what our bill requires: Mexican trucks only be allowed to cross the border at stations where there are inspectors on duty; our bill requires the Department of Transportation's inspector general to certify border inspection officers are fully trained as safety specialists capable of conducting compliance reviews; further, the administration cannot raid the safety personnel who are working at other areas today just to staff the southern border; that the Department of Transportation perform a compliance review of Mexican trucking firms and that these take place onsite at each firm's facilities; that Mexican truckers comply with pertinent hours of service rules; that the United States and Mexican Governments work out a system where United States law enforcement officials can verify the status and validity of licenses, vehicle registration, operating authority, and proper insurance; that all State inspectors, funded in part or in whole with Federal funds, check for violations of Federal regulations; that all violations of Federal law detected by State inspectors will either be enforced by State inspectors or forwarded to Federal authorities for enforcement action; that the Department of Transportation's inspector general certify there is adequate capacity to conduct a sufficient number of meaningful truck inspections to maintain safety; that proper systems be put in place to ensure compliance with United States weight limits; that an adequate system be established to allow access to data related to the safety record of Mexican trucking firms and drivers; and finally, that the Department of Transportation enact rules on the following points: To ensure that motor carriers are knowledgeable about United States safety standards; to improve training and provide certification of motor carrier safety auditors; to ensure that foreign motor carriers be prohibited from leasing their vehicles to another carrier to transport products to the United States while the firm is subjected to a suspension, restriction, or limitation on rights to operate in the United States; and that the United States permanently disqualify foreign motor carriers that have been found to have operated illegally in the United States.

These are commonsense standards which the President is opposing. These simple, reasonable standards are what those on the other side have used to stall this bill. Senator SHELBY and I have spent hours, which have turned into days, and now weeks, trying to find accommodation with the opponents of this provision. Safety opponents seem most upset by the onsite inspection and the insurance requirements, but the truth is these are the same standards we currently follow with Mexico in areas such as food safety.

Let's start with the requirement that American inspectors review the records and conduct onsite inspections in Mexico. Safety opponents want us to believe this is somehow an invasion of Mexico's sovereignty, but there is nothing uncommon about this provision. The trucking records and the facilities are in Mexico. That is where our inspectors need to go if they are going to check. Onsite safety inspections are common in other industries.

In my home State of Washington, we grow the best apples in the world. I know the Presiding Officer may disagree, but I believe we do. They include varieties such as the Red Delicious, the Gala, the Johnny Gold, and the Fuji. We grow these apples in my home State of Washington, and we export them all over the world, including Mexico. Before Mexico will allow the growers in my State to send those apples to Mexican consumers, those apples have to be inspected. Who inspects them? Mexican inspectors. Where are these apples inspected? Onsite, in Washington State. In fact, American apple growers foot the bill for Mexican inspectors to evaluate our fruit in my home State of Washington.

It is not just Washington State. Mexican inspectors are in California, inspecting fruit, checking for pests in crops such as mangoes and avocados.

Today on food safety issues, Mexican inspectors are in the United States conducting onsite investigations in our orchards and on our farms. To the other side, that is OK. But for some reason, when we want our safety inspectors to conduct onsite inspections at Mexican trucking facilities, it is an attack on Mexican sovereignty. On food safety issues, inspectors are in both countries with the full support of both Governments.

Why should traffic safety be any different? How can we argue that we should protect our agricultural interests and neglect the very real safety concerns on America's roadways? How can we protect the food destined for America's children yet leave them vulnerable to unsafe trucks on our roadways?

I turn now to a second issue. Safety opponents do not like the insurance portion of this bill which requires Mexican trucks to carry adequate insurance with an insurer that is licensed to operate in the United States. Our safety opponents have been on the floor saying that is discriminatory. The truth is, Canadian trucks have to follow the same rule today. And even more significantly, Mexico requires the same thing of American drivers today. That is right. I invite my colleagues to go to the Web page of the State of Texas Department of Insurance. You will find a special message from the Texas Insurance Commissioner, stating:

> If you plan to drive to Mexico, your preparations should include making sure you have car insurance that will protect you if you have an accident south of the border. Don't count on your Texas auto policy for protection.

It goes on:

> Mexico does not recognize auto viability policies issued by U.S. insurance companies. It is important, therefore, to buy liability coverage from authorized Mexican casualty insurance companies before driving any distance in Mexico.

Madam President, that applies to trucks, as well. Let me repeat what the State of Texas Insurance Commissioner is warning American drivers:

> Mexico does not recognize auto liability policies issued by U.S. insurance companies. It is, therefore, important to buy liability coverage from authorized Mexican casualty insurance companies before driving any distance in Mexico.

Why is it OK for American drivers to be required to get Mexican insurance to drive to Mexico but discriminatory for Mexican drivers to be required to get American insurance when they drive in the United States? The truth is, there is no difference.

On yet another point, the opponents of safety standards lose because what they oppose is already part of our relationship with Mexico and they cannot have it both ways. We have nothing against Mexican truck drivers. Like American truck drivers, they are just trying to earn a living and put food on their family's table. We welcome them to the United States. We want their trucks to be able to share our roads. But we want them to be safe; first, both for our well-being and for their well-being.

Unfortunately, today Mexican trucks are not as safe as American trucks. In fact, there is not even a system in place to check the safety of Mexican drivers. We want to enable Mexico to meet our safety standards, which are the same safety standards Canadian drivers must meet every day.

Right now, Mexican standards are not up to American standards. For example, Mexico has a far less rigid safety regime in place than Canada or the United States. Mexico has no experience with laws restricting the amount of time a driver may spend behind the wheel. The United States and Canada do. Mexico has no experience with logbook requirements as a way to enforce hours of service regulations. The United States and Canada do.

Mexico has no requirement for the periodic inspection of their equipment for safety purposes. The United States and Canada do.

Mexico does not have a fully operational roadside inspection regime to ensure compliance with driver and equipment safety standards. The United States and Canada do.

Mexico does not have adequate data regarding Mexican firms or drivers to guarantee against forged documentation as we do with domestic and Canadian firms.

All of this means that when a Mexican truck crosses the border into the United States, we will have virtually no assurance that those trucks meet U.S. highway safety standards. The proof is in the record. Mexican trucks that cross the U.S. border to legally serve the commercial zone have been ordered off the road by U.S. motor carrier inspectors 50 percent more frequently than U.S.-owned trucks.

Some of my colleagues in the administration think this is just fine. I do not and Senator SHELBY does not and a majority of the Senate does not. We as a country have made great strides to improve our highway safety. One of the greatest contributions to highway safety was an initiative by Senator Danforth requiring a uniform commercial driver's license or CDL here in the United States. That requirement came in the wake of numerous horror stories where U.S. truckdrivers had their licenses revoked and then got new licenses in other States so they could continue driving. Jack Danforth put a stop to that. He established a system in the United States where we monitor the issuance of commercial driver's licenses in all 50 States to ensure that multiple licenses are not being issued to the same driver. There is no such system in Mexico. In fact, there is hardly a system at all that allows access to the driving record history of Mexican drivers.

None of us want to learn of a catastrophic truck accident that could have been avoided. For some reason our commonsense safety provisions are being called discriminatory. Under NAFTA, we are entitled to treat Canadian, U.S., and Mexican trucking firms differently based on what we know about the safety risks they represent.

The opponents of this provision are fond of quoting the NAFTA provisions related to national treatment and most-favored-nation treatment, and they read, respectively:

> Each party shall accord to service providers of another party, treatment no less favorable than it accords in like circumstances to its own service providers.
>
> Each party shall accord to service providers of another party, treatment no less favorable than it accords in like circumstances to its own service providers of any other party or of a nonparty.

The opponents of this provision have focused on the "no less favorable" language of this clause, but they have left the other part out. I want to spend a moment discussing "like circumstances" language. It permits differential treatment where appropriate to meet legitimate regulatory goals, including highway safety. Don't take my word for it. Let's look at NAFTA, chapter 21, which says clearly "nothing in chapter 12"—this is the cross-border trade services section:

> . . . shall be construed to prevent the adoption or enforcement by any party of any measures necessary to security compliance with laws or regulations that are not inconsistent with the provisions of this agreement including those related to health and safety and consumer protection.

In 1993, when Congress ratified the NAFTA-implementing language, it also approved the U.S. Statement of Administrative Actions which says in part:

> The "no less favorable" standard applied in articles 1202 and 1203 does not require that service providers from other NAFTA countries receive the same or even equal treatment as that provided to local companies or other foreign firms. Foreign Service providers can be treated differently if circumstances warrant. For example, a State may impose special requirements on Canadian and Mexican service providers if necessary to protect consumers, to the same degree as they are protected in respective local firms.

Ultimately there is one authority that decides what violates NAFTA and what does not, despite what we have heard on this floor over the last week and a half. Who decides is the NAFTA arbitration panel. Here is what they had to say in their ruling on this very topic:

> The United States may not be required to treat applications from Mexican trucking firms in exactly the same manner as applications from the United States or Canadian firms. U.S. authorities are responsible for the safe operations of trucks within U.S. territory, whether ownership is United States, Canadian, or Mexican.

So the NAFTA treaty itself stipulates that the U.S. can take measures to ensure the safety of its citizens. Congress' intent was clearly to allow this, and the NAFTA arbitration panel agrees.

Opponents have repeatedly quoted just part of the NAFTA treaty to make their case. But when you look at the entire treaty, at the specific implementing language passed by our Congress—and I will again remind our colleagues I voted for that—and at the official arbitration panel's ruling, it is clear that our safety provisions are consistent with NAFTA.

Those are the facts. But in spite of the facts, we hear the administration's allies suggesting this is driven by special interests. Let's take a look at who those special interests are, suggesting the Congress fulfill its obligation to protect the health and welfare of our citizens.

Let me read to you who those special interests are who back the majority of the Senate and the safety provisions in this bill: Advocates for Highway and Auto Safety, Public Citizen, Parents Against Tired Truckers, Consumer Federation of America, the Trauma Foundation, Triple A of Texas, American Insurance Association, the California Trucking Association, Citizens for Reliable and Safe Highways, Commercial Vehicle Safety Alliance, an independent drivers association in Mexico, Friends of the Earth, the Owners, Operators and Independent Drivers Association, the Sierra Club; and organized labor.

Those are the special interests that believe our constituents should be safe on our highways.

Finally, let me address the issue of implementation of NAFTA. To be sure, this is not a problem that the Bush administration created. It is one that it inherited. The problem is how this administration has chosen to respond to the challenge.

As I have stated previously, this debate is not about how to keep Mexican trucks out of the United States. This is about the conditions under which we will let them enter. For all of the discussion of our obligations to our neighbors to the south, my first obligation is to the people who elected me. We can comply with NAFTA, promote free trade, and ensure the safety of our roadways simultaneously.

I believe Senator SHELBY and I have crafted a provision that will help us achieve those goals.

The administration and its allies have taken considerable exception to this, and while I am working with them to seek ways to address their concerns, I am unwilling to sacrifice my principles. With the provision contained in our bill, when you are driving on the highway behind a Mexican truck you can feel safe. You will know that the truck was inspected and the company has a good truck record.

You will know that American inspectors visited their facility and examined their records.

You will know the driver is licensed and insured, and that the truck was weighed and is safe for our roads and for our bridges.

You will know that they will keep track of which drivers are obeying laws and which ones are not.

You will know that drivers who break our laws won't be on our roads because their licenses will be revoked.

You will know that the driver behind the wheel of an 18-wheeler has not been driving for 20 or 30 straight hours.

You will know that the truck didn't just cross our border unchecked but crossed where there were inspectors on duty.

That is real safety. We should get about the business of passage.

I urge my colleagues to reject the delay and the insults and pass this good, balanced bill that will help our country make progress on the transportation challenges that are getting worse every day. This bill is balanced; it is bipartisan; and it is beneficial. Let's put it to work for the American people.

I retain the remainder of my time.

The PRESIDING OFFICER (Mrs. BOXER). The Senator from Texas.

Mr. GRAMM. Madam President, our dear colleague from Washington says opponents of this provision—such as the New York Times, the Washington Post, the Chicago Tribune, the Cleveland Plain Dealer—are trying to cloud the issues. But supporters of her provision, such as the Deseret News, see it in crystal-clear terms.

Let me begin by saying that our colleague from Washington asked: Who can be opposed to truck safety? How could anyone be in favor of unsafe trucks on American roads? The answer to that is very simple. No one is opposed to truck safety. No one wants unsafe trucks on our roads.

I will begin by asking that amendment No. 1053, which is the substitute that Senator MCCAIN and I submitted, and which is supported by the administration, be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1053

On page 72, beginning with line 14, strike through line 24 on page 78 and insert the following:

SEC. 343. SAFETY OF CROSS-BORDER TRUCKING BETWEEN UNITED STATES AND MEXICO.—No funds limited or appropriated by this Act may be obligated or expended for the review or processing of an application by a motor carrier for authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border until—

(1) the Federal Motor Carrier Safety Administration—

(A)(i) requires a safety review of such motor carrier to be performed before the carrier is granted conditional operating authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border, and before the carrier is granted permanent operating authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border;

(ii) requires the safety review to include verification of available performance data and safety management programs, including drug and alcohol testing, drivers' qualifications, drivers' hours-of-service records, records of periodic vehicle inspections, insurance, and other information necessary to determine the carrier's preparedness to comply with Federal motor carrier safety rules and regulations; and

(iii) requires that every commercial vehicle operating beyond United States municipalities and commercial zones on the United States-Mexico border, that is operated by a motor carrier authorized to operate beyond those municipalities and zones, display a valid Commercial Vehicle Safety Alliance decal obtained as a result of a Level I North American Standard Inspection, or a Level V Vehicle-Only Inspection, whenever that vehicle is operating beyond such motor carrier operating a vehicle in violation of this requirement to pay a fine of up to $10,000 for each such violation;

(B) establishes a policy that any safety review of such a motor carrier should be conducted on site at the motor carrier's facilities where warranted by safety considerations or the availability of safety performance data;

(C) requires Federal and State inspectors, in conjunction with a Level I North American Standard Inspection, to verify, electronically or otherwise, the license of each driver of such a motor carrier's commercial vehicle crossing the border, and institutes a policy for random electronic verification of the license of drivers of such motor carrier's commercial vehicles at United States-Mexico border crossings;

(D) gives a distinctive Department of Transportation number to each such motor carrier to assist inspectors in enforcing motor carrier safety regulations, including hours-of-service rules part 395 of title 49, Code of Federal Regulations;

(E) requires State inspectors whose operations are funded in part or in whole by Federal funds to check for violations of Federal motor carrier safety laws and regulations, including those pertaining to operating authority and insurance;

(F) authorizes State inspectors who detect violations of Federal motor carrier safety laws or regulations to enforce such laws and regulations or to notify Federal authorities of such violations;

(G)(i) determines that there is a means of determining the weight of such motor carrier commercial vehicles at each crossing of the United States-Mexico border at which there is a sufficient number of such commercial vehicle crossings; and

(ii) initiates a study to determine which crossings should also be equipped with weight-in-motion systems that would enable State inspectors to verify the weight of each such commercial vehicle entering the United States at such a crossing;

(H) has implemented a policy to ensure that no such motor carrier will be granted authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border unless that carrier provides proof of valid insurance with an insurance company licensed in the United States;

(I) issues a policy—

(i) requiring motor carrier safety inspectors to be on duty during all operating hours at all United States-Mexico border crossings used by commercial vehicles;

(ii) with respect to standards for the determination of the appropriate number of Federal and State motor carrier inspectors for the United States-Mexico border (under sections 218(a) and (b) of the Motor Carrier Safety Improvement Act of 1999 (49 U.S.C. 31133 nt.)); and

(iii) with respect to prohibiting foreign motor carriers from operating in the United States that are found to have operated illegally in the United States (under section 219(a) of that Act (49 U.S.C. 14901 nt.)); and

(J) completes its rulemaking—

(i) to establish minimum requirements for motor carriers, including foreign motor carriers, to ensure they are knowledgeable about Federal safety standards (under section 210(b) of the Motor Carrier Safety Improvement Act of 1999 (49 U.S.C. 31144 nt.)),

(ii) to implement measures to improve training and provide for the certification of motor carrier safety auditors (under section 31148 of title 49, United States Code), and

(iii) to prohibit foreign motor carriers from leasing vehicles to another carrier to transport products to the United States while the lessor is subject to a suspension, restriction, or limitation on its right to operate in the United States (under section 219(d), of that Act (49 U.S.C. 14901 nt.)),

or transmits to the Congress, within 30 days after the date of enactment of this Act, a notice in writing that it will not be able to complete any such rulemaking, that explains why it will not be able to complete the rulemaking, and that states the date by which it expects to complete the rulemaking; and

(2) until the Department of Transportation Inspector General certifies in writing to the Secretary of Transportation and to the Senate Committee on Commerce, Science, and Transportation, the Senate Committee on Appropriations, the House of Representatives Committee on Transportation and Infrastructure, and the House of Representatives Committee on Appropriations that the Inspector General will report in writing to the Secretary and to each such Committee—

(A) on the number of Federal motor carrier safety inspectors hired, trained as safety specialists, and prepared to be on duty during hours of operation at the United States-Mexico border by January 1, 2002;

(B) periodically—

(i) on the adequacy of the number of Federal and State inspectors at the United States-Mexico border; and

(ii) as to whether the Federal Motor Carrier Safety Administration is ensuring compliance with hours-of-service rules under part 395 of title 49, Code of Federal Regulations, by such motor carriers;

(iii) as to whether United States and Mexican enforcement databases are sufficiently integrated and accessible to ensure that licenses, vehicle registrations, and insurance information can be verified at border crossings or by mobile enforcement units; and

(iv) as to whether there is adequate capacity at each United States-Mexico border crossing used by motor carrier commercial vehicles to conduct a sufficient number of vehicle safety inspections and to accommodate vehicles placed out-of-service as a result of the inspections.

In this section, the term "motor carrier" means a motor carrier domiciled in Mexico that seeks authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border.

Mr. GRAMM. Madam President, I want people to see this amendment because the amendment requires that every Mexican truck be inspected. It requires that the most stringent safety standards are met before Mexican trucks come into America, but it does it in a way that complies with NAFTA, a treaty obligation of the United States. It does it in a way that is common sense, to use the Senator's words, and that deals with legitimate safety concerns.

Rather than going on all day, let me try to do the following thing, which I think represents about as fair a way of responding to the Senator from Washington as one can respond.

She sets the standard that it be common sense and that it meet legitimate safety concerns. I wish to add to that that it not violate treaty obligations of the United States.

I would like to take four provisions of the amendment of the Senator from Washington, and I would like to submit it to those tests.

I have to say that I am quite pleased that the major newspapers in America have not been confused by this debate. In fact, the Chicago Tribune probably put it best in their lead editorial entitled "Honk if you smell cheap politics."

The truth is that Teamsters truckers don't want competition from their Mexican counterparts.

I am pleased that people have not been confused. But in case anybody still has any confusion about what we are talking about, I want to take five provisions from the Murray amendment and submit them to her test of common sense, legitimate safety concerns, and do they violate NAFTA.

The first has to do with a provision of the Motor Carrier Safety Improvement Act of 1999. This is a bill that was adopted by Congress, that has not been implemented fully by either the Clinton administration or the Bush administration, and it has to do with safety. These provisions apply to every truck operating on American highways. They apply to United States trucks, to Canadian trucks, and to Mexican trucks.

The Senator from Washington says in her amendment that until this 1999 law is fully implemented, even though it applies to American trucks, American trucks can continue to operate; and even though this law applies to Canadian trucks, Canadian trucks can continue to operate; but until this law is fully implemented, until the regulations are written—and the administration says that these regulations cannot be written and this bill cannot be fully implemented for at least 18 months—until that is the case, no Mexican truck would be allowed to operate in interstate commerce in the United States. And that provision would be clearly in violation of NAFTA.

I ask a question: If it is common sense that we don't want trucks to operate until this law is implemented, why don't we say all trucks? In fact, if we said all trucks, we probably would not be able to eat lunch this afternoon. But it would be common sense and it would not violate NAFTA.

The first provision of the Senator's amendment, in essence, says that something that cannot happen for 18 months has to be done before we are going to comply with a treaty related to Mexican trucks. That is as arbitrary as saying that Mexican trucks can't come into the United States until the 29th of February falls on a Tuesday. It is totally arbitrary, and it is aimed at only one objective; that is, to treat Mexican trucks differently than American trucks, differently than Canadian trucks, and in the process of violating NAFTA.

I think any objective person would say that requiring an action that has nothing to do with Mexican trucks to be undertaken by the U.S. Government before we are going to live up to a solemn treaty obligation of the United States has no element of common sense in it, nor does it have anything to do with legitimate safety. If it had anything to do with legitimate safety, we would restrict all trucks until this law was implemented.

Finally, the final test: Does it violate NAFTA?

Our requirement under NAFTA is very simple. It is one sentence. It is in the section on cross-border trade and services on page 1129. It says:

> Each party shall accord the service providers of another party treatment no less favorable than that it accords in like circumstances with its own service provider.

This is the point: We are saying to American truckers that you can operate every day, even though this 1999 law is not implemented. We say a few Canadian trucks can operate today, even though this law is not implemented, but Mexican truckers can never operate, even though in NAFTA we promised they could. They can never operate until this law is fully implemented and the regulations are written.

That is clearly not equal protection of the law; it is clearly not equal treatment; and it clearly violates NAFTA.

The second provision of the Murray amendment that doesn't make common sense, that has nothing to do with legitimate safety, and that violates NAFTA has to do with truck leasing.

Let me set it in context. Big trucking companies don't own trucks anymore. They lease them to each other. The last thing any trucking company can afford to do is have trucks that cost $250,000 sitting in their parking lot.

(Mrs. BOXER assumed the chair.)

Mr. GRAMM. So what happens is, when a trucking company loses business or is under some limitation, the first thing they do is get on the Internet, and they put their trucks out for lease. They lease them to other companies, and the trucks are used. You cannot stay in the trucking business if you cannot lease your trucks.

The second provision of the Murray amendment says, if any Mexican trucking company is under any suspension, restriction, or limitation, they cannot lease their trucks.

There is not a major trucking company in America today that is not under some restriction or some limitation. You cannot operate trucks in America without having some restriction or limitation. It may be that you thought your turn signal was working, and it was not when you were inspected, or your mud flap tore off, but there is not a major trucking company in America today that does not have some limitation.

What the Murray amendment says is it is OK if a Canadian company has a limitation or has a suspension; they can lease their trucks to another company to operate—after all, they would go broke if they could not do it—and any American company that is under a restriction or a limitation can lease its trucks. But under the Murray amendment, a Mexican company that is under a restriction or a limitation cannot lease its trucks.

Does that make common sense? No. Is that a legitimate safety issue? No. Does that violate NAFTA? You bet your life it violates NAFTA because it treats Canadian companies and it treats American companies different from Mexican companies.

Why, if your objective is safety, would you want to have a provision that says that while Canadian companies can lease trucks and American companies can lease trucks—because they have to do it to stay in business—Mexican companies cannot lease trucks? You do not put that in an amendment because you are concerned about safety; you put it in an amendment as a poison pill to make it impossible for Mexican companies to operate in the United States. It is as arbitrary as saying: We can take our safety exams in English, but Mexican truck drivers have to take their safety exams in Chinese. It is totally pernicious and totally discriminatory against Mexico.

Now look, you can argue we should have or we should not have entered into an agreement to allow a North American market to be opened to trucks of the three countries that joined the agreement. But the point is, we did agree to it. It was signed by a Republican President. We ratified it in Congress under a Democrat President. The final enforcement is occurring under a Republican President. We are committed to the obligations we entered into here.

No one can argue that not allowing Mexican companies to lease trucks—when no major American company could operate without being able to lease trucks—is a legitimate safety concern. No one can argue that that has anything to do with the application of common sense, nor can anybody argue that that does not violate NAFTA.

Now, today, almost every truck in Canada is insured by a company that is domiciled outside the United States. Most of them are insured by Lloyds of London. Some are insured by Canadian companies. Some are insured by European companies. The plain truth is, it is almost impossible in the world in which we live to know where an insurance company is domiciled because insurance companies are now doing business all over the world. So it is very difficult to know what "nationality" they are.

American trucking companies are not required to buy insurance from American companies. In fact, some of them have insurance with Dutch companies, with British companies and with Canadian companies. That is the way we operate. And that is common sense. That meets legitimate safety concerns. And that does not violate NAFTA. But whereas we let Canadian trucking companies buy insurance that is not sold by American-domiciled companies, and whereas we let American trucking companies buy insurance that is not sold by American-domiciled companies, the Murray amendment requires that Mexican trucks purchase insurance from companies domiciled in the United States. That violates common sense. It is not a legitimate safety issue, and it clearly violates NAFTA.

No. 4, as I mentioned earlier, almost any trucking company, at any one time, would have numerous violations—some small, some large, but it would have numerous violations—and you have a gradation of penalties for those violations. The same is true with regard to Canadian companies. But under the Murray amendment, if you are a Mexican company—we say in NAFTA that you are going to be treated exactly as an American company, exactly as a Canadian company; no better, no worse—but under the Murray amendment, if you have a violation, you are barred from operating in the United States of America. You have a penalty, and it is the death penalty.

Does that make common sense? Is that a legitimate safety concern? Is that a violation of NAFTA? The answer is, no, no, yes. It does not make common sense; it is not a legitimate safety concern; and it does violate NAFTA.

Let me just take a simple provision. If you needed living proof that this debate has nothing to do with safety, let me pose the following question: If you really wanted safe Mexican trucks—and I remind my colleagues that with the support of the administration, Senator McCAIN and I offered an amendment that required the inspection of every single Mexican truck coming into the United States, something we do not do with regard to Canadian trucks, something we do not do with regard to our own trucks, but if you were really concerned about safety, and you were going to implement NAFTA and allow Mexican trucks in interstate commerce, would you want to take your best, most experienced inspectors and put them where they are going to be inspecting Mexican trucks? I would. And I think that is a reasonable question.

If your concern is safety and not protectionism, if your concern is legitimate safety and not a back door way of violating NAFTA, if your concern is about safe trucks, not about keeping Mexican trucks out of the United States, wouldn't you want to have your most experienced inspectors inspecting Mexican trucks —and we require inspecting every one of them—because you want your best people inspecting new trucks that are coming into the country for the first time? Doesn't that make sense?

Would it make any sense, if your objective was safety, to have a provision that current inspectors who have training and experience could not be moved to inspect Mexican trucks? Could anyone who had any concern about safety of Mexican trucks support a provision that said you could not take inspectors who are trained and experienced and move them to the Mexican border to inspect existing trucks?

You have to start from scratch. You have to hire new people, you have to train them, and you have to get them experienced. Remember, months, years are ticking off the clock.

Could anybody have any reason to believe that a provision that said experienced inspectors could not be moved so they would be inspecting new Mexican trucks coming into the United States—if your concern was about safety, that would be the last provision you would ever put in your bill. If you were concerned about safety, you would never ever support a provision that said you have to inspect Mexican trucks, but you cannot take people who are trained and experienced—who are now inspecting trucks —and move them so that they can inspect Mexican trucks. That would be the last thing on Earth you would ever do. But the Murray amendment does it.

Remarkably enough, the Murray amendment says that they are so eager to inspect these Mexican trucks, that they are so concerned about their safety, that not one inspector who is currently inspecting trucks in America, not one inspector who currently has both training and experience, can be moved to meet this new need of inspection.

Why on Earth would anybody who is concerned about safety ever have such a provision? The only reason that any such provision would ever be written into an amendment is if the objective was not safe Mexican trucks but the objective was no Mexican trucks.

The Murray amendment literally says: Anybody who is currently inspecting trucks, anybody currently licensed to inspect trucks, anybody currently trained to inspect trucks cannot be moved so that they inspect Mexican trucks. They have to be recruited, trained, and then they have to get practical experience.

The net result of that is not safe Mexican trucks; quite the contrary. To the extent they came into the country, it would mean unsafe trucks. But the objective, the only logical, commonsense reason that such a provision would ever be in a bill is if you want to prohibit Mexican trucks.

Our colleagues can say over and over and over and over again that this is about safety. The problem is, the administration, Senator McCAIN, and I support inspecting every Mexican truck, something we do not do with Canadian trucks, something we do not do with American trucks. We support employing exactly the same standards in requiring them to meet every standard we have to meet, and we support a more stringent inspection regime until they prove they are meeting those standards.

What we do not support, what we cannot support or accept, and what we will continue to oppose through three more clotures and ultimately a Presidential veto, is discrimination against Mexico. We will not support and we will not accept provisions that go back on our commitment in NAFTA.

The greatest country in the history of the world does not violate commitments it makes in treaties. I repeat: While I know it is easier to cover this story by saying this is about various levels of safety standards, the things that the administration objects to and the Mexican Government objects to and Senator McCAIN objects to and I object to have nothing to do with safety. They have to do with provisions that are written for one and only one purpose; that is, to prevent Mexican trucks from coming into the United States and, in the process, violating NAFTA.

I have outlined—there are others I could go through—five irrefutable examples where we say: Until some regulation is promulgated that applies to all trucks, not just Mexican trucks, that Mexican trucks shall not come into the country.

I have talked about not letting Mexican trucking companies lease their trucks when we let American and Canadian companies lease their trucks. The only reason you would not do it is if you want to make it so people cannot be in the trucking business. I have talked about buying insurance. We don't make our own companies buy American insurance. We make them buy insurance that is licensed, that meets our standards, but they can buy Dutch insurance, British insurance, Canadian insurance, Japanese insurance. What this provision would do is treat Mexico differently than everybody else.

This is not about safety. This is about discrimination. This is about treating Mexico, an equal partner in NAFTA, as a second-class citizen. This is about sham safety provisions that basically have the result of preventing Mexican trucks from operating in the United States and violating NAFTA.

Let me conclude by making the following point: It is an incredible paradox. A lot of talk has been made about Mexican trucks. Today Mexican trucks bring goods to the border, come across the border, go to a warehouse, and unload and go back. The Mexican trucks that are operating in the 20-mile radius of the border are basically hauling watermelons and cabbages and vegetables. You are dealing with old trucks. People do not haul cabbages across the border in 18-wheelers.

The figures being used about safety inspections, even though Mexican trucks are being inspected twice as much as Canadian trucks today—and by the way, the drivers in the inspections are being rated better than American drivers; many of them are college graduates—people are using trucks that are hauling cabbages as an example of the kind of trucks that are going to be operating in interstate commerce.

The plain truth is that Mexican trucking companies are going to lease trucks from the same leasing companies that lease trucks to American trucking companies, and they are going to buy new trucks to lease. The debate is not about safety. The debate is about protectionism. The debate is about a well-organized special interest group, the Teamsters union, which has worked very hard to try to prevent the United States from living up to NAFTA. They are not going to win.

First of all, we have three more clotures, and we intend to use every right we have because this is an important issue. I have to say, I am surprised that so many of the major newspapers in America—the New York Times, the Washington Post, the Chicago Tribune, the Cleveland Plain Dealer—despite all of this fog of rhetoric, "safety, safety, safety, safety," when the provisions in dispute have nothing to do with safety, I am pleased that they have seen through the fog.

The reason the Founding Fathers structured the Senate as they did was that they were not counting on the New York Times or the Washington Post seeing through the fog. They recognized that there were going to be issues where you were going to have well-organized special interest groups standing outside that door. They were going to be lobbying. They were going to be pushing, and it was going to be possible to take raw, rotten special interests—in this case, special interests that would have us violate a solemn treaty agreement of the United States—and make us hypocrites all over the world when we call on our trading partners to live up to their agreements, when we are violating our agreement with our neighbor to the south.

The Founding Fathers recognized that people would get confused, that issues would get clouded. And so when they structured the Senate, they gave a few Senators—one Senator, any Senator—rights to defend their position. Senator McCAIN and I have used those rights. We are going to continue to use them. There are three more clotures before this bill will ever go to conference. The bill, if it does get to conference, will be fixed, or the President will veto it, and we will start the whole process over.

In the end, when we are dealing with something as important as NAFTA, when we are dealing with something as important as America living up to its treaty obligations, if that is not worth fighting for, the job of a Senator is not worth having.

I am pleased that the major papers in America are not confused. I am pleased that it is clear to them that people should know that this is about special interests. This does violate NAFTA. I have given five clear examples, beyond any reasonable doubt, where no person could argue that the provisions of the Murray amendment have any objective at all other than preventing Mexican trucks from coming into the country.

The one that I spent the most time on is the one that has to do with simply the question of whether you want inspectors to inspect Mexican trucks. The Murray amendment says no. Any inspector currently inspecting trucks in America can't go inspect Mexican trucks. You have to hire new people. You have to train them. You have to let them get experience.

That provision is not about safety. That provision is about raw, rotten protectionism. Happily people are recognizing it for what it is.

I yield the floor.

The PRESIDING OFFICER (Ms. CANTWELL). The Senator from Texas is recognized.

Mrs. HUTCHISON. Madam President, I think it is very important that we go back and look at what has happened on the issue of Mexican trucks, NAFTA, and the safety of American highways.

When NAFTA was passed, it was explicit in permitting the Federal Government and individual States to establish and enforce their own requirements for truck safety. It also said that there should be a single standard in every jurisdiction. So the standard should apply to trucks from the United States, Mexico, and Canada.

However, what I think has been missed in this debate is the ruling of the international tribunal in February which, it has been pointed out, did find the United States in violation because we actually had halted the truck safety rules in 1995 in this country, and so the United States had failed to meet the deadline.

But the other part of this Mexican tribunal ruling was that the United States does not have to treat applications from Mexican-based carriers in exactly the same manner as United States or Canadian firms. In fact, there are some differences in the treatment of Canadian firms because of different operating authorities in that sovereign country.

The panel also said that the United States is not required to grant operating authority to any specific number of Mexican applicants. I went back and looked at the makeup of the NAFTA tribunal because I thought it would be important to know. The tribunal was two Mexican citizens, two United States citizens, and the chairman was from Britain. The vote was unanimous because it was noted that there could be different rules for certain countries because of the significant differences in the country's safety regimes. So this was not a 3–2 vote, where the Mexican nationals voted differently from the United States and British nationals. It was a unanimous vote that acknowledged there would be differences that could be addressed.

The Bush administration, to its credit, is playing catchup because we have had 5 years of delays from the previous administration. Their proposed rule that came out of the Department of Transportation was a start, but it was not adequate to provide clear United States safety under any kind of term that would be considered acceptable.

The original Department of Transportation rule would require that, for the first 18 months of operation, Mexican carriers would be required to comply with documentary production, insurance requirements, and undefined safety inspections. The rule was vague and insufficient. That is why I sat down with officials from the Department of Transportation and I said: These rules are inadequate. We cannot allow trucks to come into our country that haven't either been certified or inspected, and the certification would only come from inspection. That would not be prudent. It would not be responsible.

The Department of Transportation authority agreed. We have been working all along—Senator MURRAY, Senator SHELBY, Senator GRAMM, and Senator McCAIN, along with myself—with the Department of Transportation to beef up those rules. I think it is fair to say that the Murray-Shelby language has part of the requirement for beefing up those rules, and Senators McCAIN and GRAMM have suggested, in the form of drafts, other requirements. In fact, I have offered other requirements that are not in either bill, which I think are very important.

Yes, I think we can change some of the parts in this underlying bill. I think the discussion that has been going on for almost 2 weeks on this floor is really a process discussion, not a substantive one. I say that because I think we are very close to agreeing to the parts of the underlying bill that should remain, the parts that should change; and I think all of us are in agreement that the House version is unacceptable because the House version does what has caused us to get in trouble under the NAFTA agreement, and that is shut down the regulations and act as if we are just not going to comply. That is not responsible. The House position is not tenable.

On the other hand, I think we are very close to significant changes in the original Department of Transportation regulation because they were totally inadequate and they now have stepped up to the plate and agreed, working with Senator MURRAY, myself, and with Senators GRAMM and McCAIN, to come up with good safety regulations.

The bottom line for all of us is that we must have inspections of every truck. When we talk about whether we go into Mexico to the site of the trucking company to make the inspection, I think we should do that if we have the permission to do it. And it will be in the interest of the trucking company in Mexico to allow the inspectors in, because if you get the certification stamp on your truck as a result of being inspected onsite, then your truck will not be stopped at the border. It will have been inspected and certified, and you will be able to operate it under the same rules as a U.S. truck operates. And if the Mexicans agree that it is in their best interest—and I think they will—then that is going to alleviate a lot of problems, and it is going to ensure the inspections that will ensure the safety.

Secondly, the Murray language in the underlying bill does something very important to implement this regulation, which the House failed to do, and that is, it has the $103 million that has been requested by the President to finance the infrastructure to hire and train the inspectors at the border and to provide aid to States to inspect trucks along the United States-Mexico border.

Now, I cannot imagine anything worse than saying we are going to have all these regulations, but we are not going to have any inspectors. One of the reasons so many of my border constituents are concerned about the Mexican truck issue is because we have had Mexican trucks within a 20-mile limit through the border, and they have not all been inspected; they have not all met the requirements that would make people on our highways feel safe. In fact, I will quote from the AAA Texas Chapter press release in which it says:

> The U.S. Department of Transportation reports that more than 35 percent of trucks from Mexico, under this 20-mile rule, were taken out of service for safety violations in 2000. That compares to 24 percent for U.S. trucks and 17 percent for trucks from Canada.

It is very important we look at the people who are living with this problem the most right now. We have had a lot of editorials read into the RECORD, and I will read two editorials from Texas newspapers, one from the El Paso Times. The heading is: "It Is About Safety. No ifs, ands or trucks—unless they pass the test."

> Just as the U.S. Senate was voting in favor of tough safety standards for Mexican trucks crossing into the United States, a new truck-inspection site sprang up at Delta Drive and Hammond Street, near the Bridge of the Americas.
>
> It was a welcome surprise, given the extreme level of concern about the safety of Mexican trucks coming into the country and driving through El Paso.
>
> The new inspection station near the Americas Bridge should furnish a clearer picture of how bad the safety problems with Mexican trucks are or are not. Between January and June, inspectors at international bridges placed 132 American trucks out of service, and 944 Mexican trucks. This indicates a severe problem exists.

So it is very important.

I ask unanimous consent the editorial from the El Paso Times be made a part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the El Paso Times, July 29, 2001]

IT'S ABOUT SAFETY—NO IFS, ANDS OR TRUCKS—UNLESS THEY PASS TESTS

Just as the U.S. Senate was voting in favor of tough safety standards for Mexican trucks crossing into the United States, a new truck-inspection site sprang up at Delta Drive and Hammett Street, near the Bridge of the Americas.

It was a welcome surprise, given the extreme level of concern about the safety of Mexican trucks coming into the country and driving through El Paso.

State Rep. Joe Pickett, D-El Paso, said the information gleaned from the inspections would be forwarded to President Bush to let him know "what kind of trucks are coming through."

Bush is currently engaged in a bitter fight with Congress over how tough safety standards should be for Mexican trucks entering this country. Bush has threatened to veto the tougher rules the Senate is advocating.

The new inspection station near the Americas Bridge should furnish a clearer picture of how bad the safety problems with Mexican trucks are or aren't. Between January and June, inspectors at international bridges placed 132 American trucks out of service—and 944 Mexican trucks. That indicates a severe problem exists.

Pickett said the state isn't planning to make the new inspection station a permanent fixture. But during its lifespan, it should be able to furnish much pertinent information to the discussion over truck safety.

Meanwhile, the president and Congress have to meet at some middle ground concerning Mexican trucks. The North American Free Trade Agreement mandates allowing Mexican trucks access to all parts of the United States.

That, of course, should be honored.

But both Congress and the president must also look out for the safety of American highways and American motorists.

Mrs. HUTCHISON. Madam President, I will also read from the Austin American Statesman of July 31, 2001; the headline, "No Matter Their Origin, Trucks Must Be Safe."

> For Central Texans, the fight over Mexican trucks on America's roads and highways is more than just an inside-the-beltway partisan political battle. Austin is ground zero for trucks coming across the border and up Interstate 35. I-35 from San Antonio to Dallas is already one of the most dangerous stretches of interstate in the Nation. Adding thousands of unsafe trucks to the mix increases the threat to accidents, injuries and fatalities. What is spirited debate and hardball politics in Washington is deadly reality in Austin. In fact, both sides may be right. A NAFTA panel said as much earlier this year when it found the United States in violation of the treaty for restricting Mexican trucks but then added, the safety of trucks crossing the border is a legitimate issue and an important responsibility of the Federal Government.

That is the tribunal that was unanimously speaking with two Mexican members, two United States members, and a British chairman.

It goes on to say:

> Congress should not abrogate NAFTA for purely political purposes and force Mexican trucks to meet stiffer standards than the American-Canadian fleets. If the Mexican trucks do not meet the standards, however, pull them off the road. It should, as President Bush suggests, step up inspections and increase enforcement of the safety standards already in place.

That is exactly what the bill before us today does. It beefs up inspections.

This is common sense. Of course we must beef up inspections. The Murray language does that. Of course we must pay for it. The Murray language makes it a priority.

After the House passed the amendment that would shut down the inspections at the border and take the money away, I went to Senator MURRAY and said, this is not responsible governing. She agreed, and she has worked with a lot of different interests to try to forge what is right. Maybe it is not perfect. I do not agree with every single part of it. I think Senator GRAMM and Senator MCCAIN have made a few good points, but I do not think holding up the bill and keeping progress from going forward is the right approach. They certainly have the right to do that, as any Member of the Senate does, but I do not think we are going to get to the goal they want by holding up the bill.

We have a workable bill before us. We can make some changes, and I think Senator MURRAY will work with us to make those changes.

The Department of Inspection and President Bush have made very solid suggestions on what we need to uphold NAFTA and to uphold the integrity of safety on the U.S. highway system.

I hope the games will end. I hope we can go forward with a very good start on this problem so we will be able to immediately begin the process of putting those border inspection stations in place, because without the inspections, none of this is going to make sense. I assure my colleagues, we will not have safety if we do not have the capacity to inspect, and that is the most important goal we should all have.

I agree with the Austin American Statesman and the El Paso Times. These are two cities. Austin is our State capital. El Paso is the largest Texas border city with Mexico. The largest Mexican city on the entire border is Juarez. We know safety is important for every person who is on our highways: Americans, Hispanic Americans, Black Americans, Asian Americans, and foreign people traveling on our highways. We have a reputation for safety. We must uphold that reputation for the sake of our families and our children.

I do not want unsafe American trucks. I do not want unsafe American cars. That is why we have inspection requirements because people traveling on our highways feel safe, and we must assure they stay that way.

We are close to a compromise. I do not really think we are talking substance anymore. We are talking process. We have a solution the Department of Transportation, the President of the United States, and every Member of the Senate is going to agree is the right solution. The real donnybrook is whether we put it on the bill now or we hammer it out in conference with all sides at the table. We can do it in conference with all sides at the table.

Reasonable minds can disagree on this. I certainly think every Senator has the right to hold up progress, but inevitably we are going to sit down at the table in conference and work this out. I hope that does not mean September because we will have lost a month of setting up those inspection stations and starting the process of getting our house in order to have inspections of every truck coming into our country, from Canada or Mexico.

If we wait until September, because of the process initiatives that have been going on for over a week on this bill, we are not serving the best interests of our constituents and the people who depend on us to make the right decisions. I hope we will listen to the tribunal that spoke out and said we have the sovereign ability to keep our roads safe. We can come to an agreement that will do that and comply with our responsibilities under trade agreements as well.

I yield the floor.

Mrs. MURRAY. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLARD. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLARD. Madam President, I ask unanimous consent to speak on a subject unrelated to the topic that is now before us, and that my comments follow those of the Senator from Mississippi this morning, Mr. COCHRAN, who spoke on missile defense.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, could I ask the Senator for how long he wishes to speak?

Mr. ALLARD. I request 20 minutes.

Mr. REID. That will be fine. I ask unanimous consent I be recognized at the expiration of those remarks.

Mr. DORGAN. Reserving the right to object, and I shall not, of course, object to the request to speak, my understanding is we are on the Department of Transportation appropriations bill. I came over intending to speak on that matter, on the amendment that has been discussed most recently.

The Senator from Nevada wishes to be recognized following the Senator from Colorado; is that correct?

Mr. REID. Yes.

The PRESIDING OFFICER. That is the understanding of the Chair.

Mr. DORGAN. I shall not object. I did want to indicate I wanted to speak on this bill, on the amendment, but I will certainly defer to the morning business request.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

(The remarks of Mr. ALLARD are printed in today's RECORD under "Morning Business".)

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, I heard this morning the Senator from Washington, the manager of this bill, talk about why this legislation is important. Earlier this morning, I talked about why this legislation is important to people of the State of Nevada. I heard her this morning read into the RECORD the names of organizations that support this legislation, and a few minutes later I walked over to my office.

As I walked to my office, one of my friends said: I would like you to meet someone. As I proceeded over to see the person that I was asked to meet, I was introduced to a woman from the State of Maine. I cannot remember her name. I was introduced to her outside this Chamber. She was here representing Parents Against Tired Truckers. It doesn't sound like much, does it?

This woman lost a son. In 1993, her son was killed by a truckdriver who had been on the road too long. That is what this legislation is all about, making sure our roads are safer. I acknowledge that there are things we could do with American truckdrivers that would create safer ways for me and my family to travel on these roads. But we do not need to get into that today.

What we need to get into today is recognizing what Senators MURRAY and SHELBY have done, which is to write legislation to make our roads safer so that we do not have this organization gaining more parents who have lost children as a result of tired truckers.

I told the woman whose son was killed in 1993: I appreciate you being involved for so long.

She said: I am never going to give up.

That is how I look at the Senator from Washington: She is never going to give up. She believes strongly that what she and Senator SHELBY have crafted is fair. Keep in mind, it is not as if the Senator from Washington is working in a vacuum.

What the House of Representatives did, by a 2–1 vote, is outlaw Mexican trucks coming into the United States. So it seems to me this approach is reasonable; it does not outlaw all Mexican trucks coming into the United States, but to say we want Mexican trucks coming into the United States to have certain basic safety features. And we want to check to see if they are adhering to those safety features. That is what her legislation does.

So I personally am very happy with this legislation. It is no wonder that we have people lobbying the Senate. When you hear about lobbyists, the first thing you think of are people wearing Gucci shoes and driving in limousines. The woman from Maine did not have a limousine, and she was not wearing Gucci shoes. She paid her own way here to advocate for safer highways. This legislation is important to her.

That is why we have all kinds of organizations—too lengthy to put in the RECORD; some of these names have already been put in the RECORD—that are advocates for highway and auto safety.

Public Citizen is a public interest organization that is involved in many things dealing with consumer safety. They are concerned about this legislation. They favor the Murray proposal.

Consumer Federation of America: Of course, we know what the Consumer Federation of America is. It is an organization that supports consumers getting a fair break in America. That is what the legislation is from the Senator from Washington. It is just to make sure that the traveling public will be on highways and roads where the trucks coming from other countries have certain minimal safety features. That is how I look at it. Others may look at it differently.

The Trauma Foundation: Why would the Trauma Foundation be interested in legislation such as this? The Trauma Foundation is interested in legislation such as this because people get hurt on these roads—people get maimed, injured, and killed. That is why the Trauma Foundation of America supports this legislation.

I think one of the most interesting aspects of this legislation is that the Texas Automobile Association of America supports this legislation. I think that is pretty good. In fact, the Texas AAA issued a press release, going line by line over the legislation of the Senator from Washington, supporting her legislation.

On-site safety audits at the company facilities prior to authorizing their trucks to cross the border: This isn't what Senator MURRAY is saying; this is what the Texas Automobile Association of America is saying.

They also say there should be significant improvements in safety inspections at the border, including enforcement of U.S. weight limits. They also said there should be adequate resources for enforcement throughout the United States. They believe there should be verifiable insurance on each vehicle. It does not seem too bizarre to me that this legislation calls for trucks coming into the United States to have adequate and verifiable insurance information on each vehicle.

There should be shared tracking of the company's truck and driver safety records between the United States and Mexican authorities. The Texas AAA says there should be enforcement of safety laws, including limiting the number of continuous hours spent driving. That also does not seem too outrageous to me, that if we are going to have these huge trucks with over 100,000 pounds of material on them, we are asking that the drivers have a limited amount of hours driving these trucks. I think that is something that is extremely important.

So they end their press release by saying: The safety of the motoring public should not be risked in the rush to meet an apparently arbitrary deadline. They believe that it is extremely important. So I think it kind of says it all, if we have the Texas AAA asking that we uphold this legislation. It is reasonable legislation.

Madam President, I ask for the yeas and nays on the pending legislation.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. HOLLINGS. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Madam President, I would be delighted to yield.

Madam President, I want to say a word about the Mexican truck amendment, the Murray-Shelby amendment, particularly to commend both Senator MURRAY and Senator SHELBY on their diligence. The Senator from Washington has been persistent and has been ultimately fair.

What happens is—since we have been criticized about even putting this on an appropriations bill—many times the cart gets before the horse. And what happened on this occasion was that the President of the United States announced summarily that come January 1 we were going to admit the Mexican trucks, ipso facto—bam, that was it.

I go back immediately to the debate that we had about NAFTA, where it had been suggested that we use the common market approach rather than the free market approach. The Europeans learned long since that the free market approach did not work. On the contrary, they said: What we need to do is to develop the infrastructure of a free market; namely, property ownership, labor rights, respect for the judiciary, the infrastructure, if you please, for safety and for health care.

The Europeans thereafter taxed themselves some $5.7 billion over a 5-

year period, setting those elements of infrastructure up within Greece and Portugal before they admitted Greece and Portugal into the common market.

We see the result of not having done that. Here we are faced with the announcement by the President and, thereupon, the action by the House in their appropriations bill. So while we had, in the authorizing committee, scheduled a hearing with respect to the Mexican trucking problem, we had to act in the Appropriations Committee in order to make it deliberate and sound and fair.

The action on the House side was not that deliberate, sound, or fair. On the outside they just said: Look, we cut off any and all funds for the admission of Mexican trucking into the United States come January 1—or during the fiscal year 2002.

I would agree with the President, that would be a nonstarter. So what we did then, working with Senator MURRAY and Senator SHELBY at the authorizing level, is we continued, we had the hearing, and we addressed elements included in the Murray-Shelby amendment providing just those things that are required by U.S. truckers.

I was particularly sensitive to that. There was no one who opposed NAFTA any more strongly than this particular Senator. Yet now we have it. It is not going to be repealed. It should be made to work.

Very interestingly, since my colleague from Texas is on the floor, what happened was, it didn't work, NAFTA didn't work. Drugs got worse. Immigration got worse. The take-home pay of Mexicans got worse. We were supposed to get 200,000 jobs. We lost 500,000 jobs. Instead of a $5 billion-plus balance of trade, we have a $25 billion deficit in the balance of trade with Mexico.

There was one good message that went to the American people. For the first time in some 82 years, they kicked out the PRI. And who is in as the Foreign Minister? Jorge Castaneda, one of the biggest opponents of NAFTA. Who is in as security chief down in Mexico? Mr. Adolfo Aguilar Zinser. I worked with these gentlemen. They were trying to build up Mexico's infrastructure.

Yesterday, I met with Mexico's Minister of the Economy, Luis Ernesto Derbez. I said: Mr. Minister, point out to me whereby there is any one of these provisions here in Murray-Shelby that is not required of the American truckers. He couldn't point out a one. I said: I know you haven't had a chance to study it because the White House and others have been calling around, jumping on them down in Mexico, saying: Get on up here. We have an anti-Mexican thing going on here. They are jumping all around, and they don't know what they are talking about.

I said: Write me a letter and point out whereby we don't require of our American truckers what we are requiring in Murray-Shelby. Of course, they can't do it.

So this idea of "negotiate, negotiate," and "they bypassed us," and all that, that is out of whole cloth. We had an authorizing hearing. We had the witnesses appear. This isn't pro-Mexican; it isn't anti-Mexican. Trade is a two-way street. If we require it of the Mexicans, that which we are requiring of our own truckers, they immediately will counter and require it of our American truckers. When you do not have the infrastructure, that is when the damage is done; so we put in Murray-Shelby that on-site safety inspections take place.

The Secretary of Transportation, my good friend, said: Are we going in to inspect them? The Mexican inspectors come up to Senator MURRAY's home State of Washington to check the apples, and, yes, we are going in to check those stations, like the Canadians check ours and we check theirs. Why? Because once we know the work there at that safety station is sound and thorough and reliable, then they can come to the border with a sheet of paper and we will pass them right on through. We can't just have passthroughs and a sheet of paper giving you nothing.

This thing has gotten wholly out of kilter. I think it was really done to slow down the process, because we were doing too well over here. We passed the Patients' Bill of Rights, and we have been passing other things around here. We are going to pass some appropriations bills.

Our opponents say we haven't negotiated. Baloney. I've been negotiating and I remain ready to negotiate.

Put up your amendment, and we will vote. Let's get on with this particular measure. Get it over to the conference. Pass this one and move forward. But don't put this in the context of anti-Mexican or unfair or in violation of NAFTA.

I went immediately to the arbitration panel, and Minister Derbez yesterday agreed. He said: No, we understand safety is required on both sides of the border. It is part of NAFTA. It is not in violation of NAFTA. So we know we hadn't violated NAFTA and violated our treaty. I don't know why all this sanctimony about violating treaties around here. That is all we have ever had, violations of these trade treaties. I had the book this morning put out by the special trade representative—it is an inch and a half thick—of all the violations, 68 pages by the Japanese. Come on. We can't get into Japan 50 years later. So we really have to honor our treaty and all that? Come on.

I have heard enough of it now. The Senator from Alabama, Mr. SHELBY, and Senator MURRAY have gone about this in a purely bipartisan manner. There is no partisan or anti-Mexican feature to this whatsoever. It is a political slowdown. They know it.

Let's get on with the slowdown and let's go on home as we are supposed to in the month of August. The month of August has arrived. I see the distinguished minority leader is here. He likes to go home at 7 o'clock. I like to go home in August.

I yield the floor.

The PRESIDING OFFICER (Mrs. CLINTON). The Republican leader.

Mr. LOTT. Madam President, in the interest of time, might I inquire of the Senator from North Dakota, was he seeking time to speak further on the issue?

Mr. DORGAN. Madam President, I came to speak on the amendment in the bill. I agreed to a unanimous consent request to allow a Member on the minority leader's side to do 20 minutes of morning business on this subject. I have waited to have an opportunity to speak for about 8 to 10 minutes on the issue of Mexican trucks.

Mr. LOTT. Madam President, of course we try to accommodate each other on both sides of the aisle. We try to go back and forth in those speeches. I was not aware of that earlier agreement. I am perfectly willing to allow the Senator to go forward at this point. Then I will speak next in line.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. The Senator from Mississippi, the minority leader, is most generous. There was not an agreement. When the Senator from Colorado sought 20 minutes in morning business, I was here waiting to speak on the bill. He certainly was entitled to speak in morning business. I thank the Senator for his generosity.

I rise to address the issue of Mexican trucks. My friend, the Senator from Arizona, has spoken about it today. My friend, the Senator from Texas, has spoken.

After all the debate, it is important for everyone to understand, there is nothing here about punishment or being punitive to the country of Mexico. That is not what this is about. Some of my colleagues have said we are being discriminatory. That is not true.

The truth is, this issue is about highway safety. Senator MURRAY from the State of Washington has put a provision in the appropriations bill that is not only appropriate but needs to be kept in this bill in order to assure safety on America's highways. Frankly, I wish she had chosen to use the House language which was presented by Congressman SABO. It is stronger language. It would prohibit, during this coming fiscal year, the use of funds in this legislation to certify Mexican trucks desiring to go beyond the 20-mile limit.

I wish Senator MURRAY had included that. She did not. She chose to take a different approach. She has taken an approach that also will provide a measure of safety for American highways.

What is this issue really about? It is not about whether we are violating a trade agreement. No one can credibly argue that any trade agreement at any time under any circumstances requires this country to sacrifice safety on its highways.

It is about using common sense to understand when and under what circumstances shall we allow Mexican long-haul truckers to go beyond the 20-mile limit that now exists.

Some will say: Let's immediately allow Mexican long-haul trucks to operate throughout the United States. That is what President Bush says. On January 1, we intend to allow long-haul Mexican truckers into this country beyond the 20-mile limit. He says we will provide inspections and so forth.

The fact is, there will not be sufficient inspections. There are not sufficient inspection stations. There are not sufficient inspectors. There are not sufficient compliance officers. There is not a ghost of a chance of that happening. Everyone knows it.

I sat in a 3- to 4-hour hearing in the Commerce Committee with the Secretary of Transportation and the Department of Transportation Inspector General. All of us understand that the numbers of inspectors and compliance officers requested for the border fall short of what is required for safety monitoring.

To those who say we can allow access throughout the United States to Mexican trucks on January 1 and those traveling on our highways will be protected, the numbers don't add up. We will not be protected. There are not the resources available to hire the number of inspectors or the compliance officers to allow this to happen.

Are there reasons for us to be concerned if you don't have a regime of inspections? The answer clearly is yes. I would refer again to a news report about long-haul trucking in Mexico that featured in the San Francisco Chronicle in March. This article simply mirrors what most of us know about the lack of standards in Mexico. A reporter went down and traveled for 3 days with a Mexican long-haul trucker. In 3 days this Mexican long-haul trucker drove 1,800 miles and slept 7 hours. Yes, that is right; in 3 days, he slept a total of 7 hours. He didn't run into safety inspections because safety inspections are not common in Mexico. The driver didn't keep a logbook because, although they are required in Mexico, drivers don't keep them.

The fact is, in Mexico, they don't have limitations on hours of service, and so a truckdriver can drive 3 days and sleep only 7 hours and will not be in violation of Mexican laws.

The question is, Would you want the truckdriver in the San Francisco Chronicle article to cross the U.S.-Mexico border into this country, after having slept only 7 hours in 3 days while having driven 1,800 miles in a truck that could not meet this country's safety standards because it had a broken windshield? I don't think anybody would want him to cross into this country and travel on America's highways. That clearly compromises safety on our highways.

So, the Senator from Washington has placed a provision in this legislation. She had to put it on this appropriations bill because the President indicated he intends to move on January 1. Really, the only option to stop the President's intentions is to put the provision in the appropriations bill and give us some assurance of safety on America's highways. That is what this dispute is about.

I agree that there is room for different opinions, but on this legislation, the facts are quite clear. I sat in a hearing for hours on this subject, hearing from the Department of Transportation's Inspector General. The Inspector General's report represents the base of facts here. The Mexican trucking industry does not have the same standards we do. There is no requirement for such standards. The inspection stations that should exist in the United States don't exist. Those inspection stations that do exist are not open sufficient hours to for proper inspection. If trucks happen to be inspected, at the vast majority of sites, there aren't enough spaces to park the trucks with serious safety violations. You can't send them back to Mexico because, for example, they may not have brakes. These are insurmountable problems to overcome prior to January 1.

That is why the Senator from Washington has done what she did. She needed to put restrictions in this legislation that I think are necessary to assure highway safety.

My understanding is that the Senator from Kentucky would like me to yield for a unanimous consent request. I would be happy to yield to him for that purpose, providing I am recognized following that.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Under the provisions of rule XXII, I yield my hour to the minority leader.

The PRESIDING OFFICER. The Senator has that right.

Mr. DORGAN. Madam President, in the interest of time and in the interest of responding to the Senator from Mississippi, who graciously allowed me to be recognized, I will complete my statement only by saying this: My colleague from South Carolina made a statement about the issue of the NAFTA trade agreement. I saw another colleague smile to himself as to what my colleague, Senator HOLLINGS, said. The NAFTA trade agreement has been awful. Some people walk around here and think it is one of the best things that ever happened to this country. I have no idea why they think that. This is a trade agreement that turned a trade surplus we had with Mexico into a huge deficit and a growing deficit. It took a modest deficit with Canada and doubled it very quickly. It is beyond me how someone can view that as progress. I think, in fact, it has injured this country in many, many ways.

I was intrigued by a statement by Senator GRAMM, who said, "Do you know what the Mexicans have said? They have said if we put this provision in this appropriations bill restricting President Bush's ability to allow Mexican long-haul trucks to come into this country beyond the 20-mile limit, Mexico is going to retaliate against us on the issue of high-fructose corn syrup."

High-fructose corn syrup. I wonder if my colleague knows that Mexico has already been dealing with high-fructose corn syrup in a way that essentially abrogates the NAFTA treaty and, in fact, Mexico has been found guilty of violating the trade agreement on the corn syrup. Mexico is already in violation on syrup, and they are threatening that somehow if we don't take the Murray language out of the bill they are going to take action on corn syrup. I am sorry, they already took that action and it violated the NAFTA trade agreement.

Incidentally, nothing that protects America's highways, in my judgment, should ever be considered a violation of a trade agreement. The next time somebody says there is a violation of NAFTA or a trade agreement, I will simply observe that on corn syrup, which has been the one area raised on the floor, the only violation that exists is Mexico violating a trade agreement with the United States.

So I find it intriguing that there is this sort of blame-our-country-first on all these issues. Our country has been open; it has been willing to embrace all kinds of trade expansion opportunities almost everywhere in the world. But every time we turn around we discover that either a trade agreement was negotiated in an inappropriate way or someone is refusing to enforce a trade agreement.

This is a circumstance that is very simple. Senator MURRAY has put in a rather simple, easy-to-understand amendment. We ought to be willing to stand behind it on behalf of safety on America's highways. This is not about anti-Mexico. It is not about sending a discriminatory message to anybody; it is about standing up for safety on America's highways. We are nowhere near ready to be able to allow Mexican long-haul trucks into this country. Their safety standards are nowhere near compatible with ours, and it would compromise safety on our highways to allow Mexican trucks to operate throughout the United States beginning on January 1. That is what the

Murray amendment says. That is why we are trying to keep that amendment in this bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. It is my understanding that the minority leader from Mississippi may be seeking recognition. I don't believe he is at this moment. I will yield as soon as he is prepared to speak. I want to make a statement on this issue in a moment.

I thank the Senator from North Dakota because I think he summarized this issue. I went home to Illinois over the weekend. It is interesting how many people are following this debate but no real surprise. How many of us are out on the highways now going back and forth to work or on vacations? Look on the freeways in Chicago or on the interstate highways in downstate Illinois; you see a lot of trucks. We can rightly assume, if they are American trucks, that they are subject to pretty substantial standards in terms of the safety of the vehicle and the competency of the driver. What kind of standards? An inspection, No. 1, to make sure the brakes work, make sure the trucks don't weigh too much, make certain the lights work on the trucks, and basic things such as that.

Secondly, when it comes to the competency of American truckdrivers, we are pretty demanding. We ask them to keep a log and tell us how frequently they are driving and for what period of time. We subject them to drug tests and alcohol tests. We go through a lengthy background check to see if they have a history of driving under the influence or reckless driving. We make them pass a CDL exam for their license and to go out on the road. It is a demanding examination. We want them to understand the highway standards and regulations for safety in the United States.

When my family is driving down the highway for a vacation—which I hope will happen sometime in August—and we see a truck coming up behind us, if it is an American truck from an American trucking company with an American driver, I at least have the peace of mind that it is more likely than not that the truck has been inspected and that the driver has passed the test.

What is this amendment all about? This is about trucks that aren't American trucks and are driven by people who are not American citizens. We are talking about trucks coming in from Mexico. Many of the people who come here today and support this provision by Senator MURRAY requiring standards for Mexican truck inspection, standards for Mexican truckdrivers, voted against the North American Free Trade Agreement. Some of them, as previous speakers have said, believe it was not in the best interest of the United States.

I don't come from that position at all. I am from the State of Illinois. Exports are critical to Illinois, whether it is in the agricultural sector or the manufacturing sector. I voted for NAFTA.

I voted for NAFTA believing we were doing two things: opening up a potential market for the United States in Mexico and opening up a potential market for Mexico in the United States. I believe in free trade so long as it is fair, so long as it is subject to standards and rules that are enforced.

In the middle of this debate, it could have been one of the most contentious debates I recall in Congress. I was a Member of the House of Representatives when the NAFTA issue came before us. During the course of this debate, there was a high intensity feeling, particularly opposition from a number of people, environmentalists, those representing labor unions. They were opposed to NAFTA.

A number of us went to the Clinton administration and said, if we pass this NAFTA treaty, we want to understand how it is going to work. The first question I asked, and received a response in writing, was this: If we agree to NAFTA, a trade agreement with Mexico, will we have to compromise any of our health and safety standards in the United States?

The answer came back, unequivocally, no. If a health and safety standard is imposed on an American company, the same standard can be imposed on the Mexican company and product coming into the United States. Whether it is the safety of food that is brought in or whether it is the safety of trucks driven in from Mexico, they are subject to the same standards.

A few weeks ago the Ambassador of Mexico came to my office. He is a very nice gentleman. I met him there and then again in Chicago when President Vicente Fox visited Chicago 2 weeks ago. We had a long talk about this.

I said: Mr. Ambassador, let me ask one basic question. If we will hold Mexico to the same standards when it comes to the safety of trucks on the highway and the competency of drivers that we hold American trucks and American truckdrivers to, will that be acceptable?

He said: Yes, that is not unreasonable.

I remember this particularly. He said: When it comes to logbooks, tell us what is wanted in these logbooks. The color of the cover of the logbooks can be told to us. We will live by the same standard as American truckdrivers.

I thought that was a reasonable position to take. It certainly is what I understood when we voted for NAFTA, but if one listens to the critics of Senator MURRAY's amendment, they are suggesting holding Mexico to the same standards as the United States is protectionist; it is violating free trade; it is violating NAFTA.

Nothing could be further from the truth. I think they have overreacted. I invite them to read the language Senator MURRAY has put in this bill. What she has said time and again is: The Mexican trucks and Mexican truckdrivers will be subject to the same standards.

What if we should take out the Murray language altogether? What if we had no such language in the law? What could we expect?

There are several things we know about Mexican trucking companies. One, under Mexican law, there is no limit to the number of hours a driver can drive a truck. In the United States, there are specific limits. We believe that if someone is behind the wheel for a long period of time, it can take its toll. They are not as responsive as they should be. They may not be as careful as they should be. In Mexico, there is no limitation.

We heard the comments earlier from the Senator from North Dakota, when a reporter from the San Francisco newspaper traveled with the Mexican truckdriver, they covered 1,800 miles in 3 days and the truckdriver slept a total of 7 hours. Think about yourself driving 1,800 miles, perhaps driving from St. Louis to Los Angeles. Or going back and forth across the country, and in a span of 3 days you cover that trip with 7 hours' sleep. How good are you going to be behind the wheel at that point?

Let us change this. You are not just behind the wheel of your car. You are driving a truck down that highway that could weigh 135,000 pounds. That 135,000 pounds is another important figure because we have a limitation on the weight of trucks in the United States at 85,000, but not in Mexico. They can put trucks on the road at 135,000 pounds.

We have a driver who has no limitation on the number of hours that he can consecutively drive down the highway, with a truck that is substantially larger than anything permissible under the law in the United States. That driver keeps no logbooks because the law is not enforced in Mexico. That driver is not subject to the same drug and alcohol testing as American truckdrivers because they have not established the laboratories for testing. We see that time and time again. The Mexican truck companies and the Mexican truckdrivers do not meet the minimum standards we expect in the United States.

What if there was an accident? This is worth noting, too. In the United States, if someone has a truck on the road, with an American truckdriver and an American truck, their liability insurance will range from $750,000 to $5 million. A Mexican truckdriver has average insurance of $70,000. Think about how little that covers if one is in a serious accident with a lot of injuries.

The Murray amendment is a reasonable amendment. It is one I hope those who support free trade, as I support free trade, will understand is part of the bargain. We are prepared to say to Mexico, we will live up to their standards when it comes to our exports to their country. They should live up to our standards when it comes to their exports to the United States of America.

That is not unreasonable. That is what fair trade is all about. The Murray amendment is a substantial step forward to establish a standard.

When people in Illinois have said to me, Senator, when you get back to Washington make sure the Mexican trucks are safe, they understand, as well as I do, when we are going down the highway with our family, heading for vacation and look in the rearview mirror, we should not have to look twice to try to determine whether that license plate is from the United States or from Mexico as to whether it is safe.

We ought to know wherever those trucks are from, they are going to be safe for all families on the highway in the United States.

I yield the floor.

The PRESIDING OFFICER. The Presiding Officer, in her capacity as a Senator from New York, pursuant to rule XXII, yields her hour to the Senator from Washington, the manager of the bill.

Mrs. MURRAY. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Madam President, Senator DASCHLE and I have been talking and working on what agreement can be worked out about how to proceed for the remainder of the evening and tomorrow and maybe even into September. While we are checking with all the interested parties, I have not spoken at length on this issue. I do not wish to speak at length now, but I think I should speak to some of the issues that are before us with regard to the Transportation appropriations bill and this very important issue of how the operation of buses and trucks from Mexico and the United States are able to go back and forth across the border.

First of all, I emphasize I appreciate the work that has been done by the manager of this legislation on both sides of the aisle with regard to transportation. Transportation is a very important part of what the Federal Government does and it is one of those areas where the Federal Government does the allocation of funds in the right way. We do not generally direct all the money must go to one place or another, even though there are some areas where we provide direct instructions. The bulk of the money is sent to the States based on a formula that is decided, of course, in the TEA-21 bill. The States get a large sum of money and then they decide what the priorities are in terms of what roads or what bridges are worked on and in what priority, how much of that money can go for railroads, because we gave a lot more flexibility under TEA–21, the Transportation Act, that we passed a couple of years ago. I guess it has been 3 years ago now. That money can go into railroads or it can go into mass transit. There has been a lot of flexibility, but most of the key decisions are made by the States once they get the money. So this is important legislation.

As we look to the future economic growth of this country, in my mind, obviously, how the Government works with the people, can we control regulations? Can we control the burdens? How much are people able to keep of their own money? That is a very important part of economic growth. I think the energy area is a very important area of our future economic growth. It is a matter of national security, but certainly it is key to being able to have a growing economy in this country.

We are going to have to have more exploration for oil and gas, more use of other fuels, more opportunity for alternative fuels, more incentives for conservation, the entire energy package. As a part of this, trade is important, but transportation is also critical. It does create jobs. It is about safety on our highways.

If we are going to have a growing country and a growing economy, we have to have the whole package, too. It is not just about roads and bridges. It is about urban mass transportation, railroads, airports, rivers, and harbors, all the different aspects of transportation.

In my own State, I have tried to emphasize that as we try to make economic progress, it is critical to focus on improving education and that we have a decent transportation system because so many areas that needed economic development could not get them. It was next to impossible. The roads were not four lanes; they were two lanes narrow and dangerous. Many people, including my own father, were killed on those roads because of the unsafe hilly nature of our road system. If we are going to have the economic development we are seeking, we have to have a good overall transportation system.

Of course, the third component is jobs creation. If you are not aggressively pursuing expansion of existing industries and businesses and seeking other industries to come in, international corporations to come in, as we have in my own State of Mississippi—Nissan is constructing a facility that will cost approximately $1.2 billion, the largest new single-industry plant in the history of our State. In order for that to succeed, they will have to have access to a transportation system.

I commend the managers of the legislation for the work they have done on this bill. I in no way object. I approve of what is in this legislation to the extent I know exactly what is in it.

How did we reach this point on the Mexican truck issue? When the Senate was prepared to vote on the North American Free Trade Act, I had some reservations about it and expressed those reservations. Some of the concerns I had were addressed as we went through the process. I kept asking questions and expressing concern about trucks and truck safety coming out of Mexico. Those around at the time or those following it will remember it was one of the last issues that was addressed in the NAFTA legislation. I was sympathetic. Nobody wants unsafe trucks on America's highways. Nobody wants unsafe trucks, whether they are from Mexico, Canada, or America. We have all had the scary experience of having an 18-wheeler meet us and come too close or go by us with flaps blowing in the wind. We did resolve the problem. We have been living with that.

Again, I think sometimes trucking and truckers do get a bum rap; that companies are conscious of safety needs. These drivers in the United States, our own drivers, are good men and women whose lives are at stake, also. I had an occasion for a few years to be a part owner of a trucking company. I know all that is involved in trying to make ends meet with a trucking company and how difficult it is to have a truckload going to Chicago and come back empty. A company can wipe out an entire profit with empty backhauls.

I know a little bit about all the licensing requirements in America, the number of tags needed, the different requirements in the different States. For every truck that comes into my State, and I guess other States in America, there is a weigh station. They are lined up coming from Mobile, AL, headed to my home State, to pull off the highway and go through the weigh station and be inspected. Quite often, we have the highway patrol observing who is going and coming.

I do not want to in any way demonize truckers in this country for the job they do. They are an important part of our economy.

This has become very much a problem in this particular bill. Why? The truth is, I think there was too much of a rush to just say, come on in, trucks from Mexico, without proper inspection. That is inadequate, unacceptable, but also the situation where we have trucks come from Mexico to within a 20-mile zone and they hand off the goods to American trucks. They cannot come any further than that. I had occasion last December to be in Laredo, TX. I saw the trucks lined up down the highway, but they could only come so far, and then there was a very expensive and dilatory process of passing on the goods to come on into the United States.

We have a growing, improving relationship with our neighbors to the south. President Bush has worked with the leaders in Mexico, both as the Governor of Texas, and now as President, with their new President Fox. They are addressing a number of issues, including drug trafficking, how we deal with the necessary extradition of criminals between the two countries, how we deal with the immigration question, and, yes, transportation, how we deal with the border crossings and the illegal aliens who, in many instances, prefer to be legal aliens. These are all difficult issues but they are important and we are addressing them now in a broader sense than ever in my memory.

I met this past week with four members of the Mexican Senate including the President, President Jackson. We talked about some of these issues and how they don't always agree. I think they represented three different parties; they do not always agree with President Fox; they do agree we should continue to have free-flowing trade and transportation and communication between our countries.

The idea that trucks from Mexico can only come in 20 miles and must stop and cannot go further is unacceptable. Also, the idea that trucks can come into this country without proper inspection, without proper insurance, without proper licensing, without safety inspections, is unacceptable.

I have never suggested trucks from anywhere be able to come into this country on our roads and not comply with our safety requirements. But there is a limit how far that can go. They have to have credible insurance. The idea that some say they cannot have insurance coverage from a Mexican company, what kind of attitude is that? We can't require that they have to have insurance in America. Both countries should require in the other country's case that it has to be credible insurance; it has to be a real company; it has to be sufficient; and there has to be a process so we know who is providing that insurance from Mexico, and they can turn the tables on us and say we must know it is credible insurance of the United States.

The drivers must be properly trained and licensed. You do not just jump in an 18-wheeler and take off. You cannot even shift gears in those things. I have tried it. They have to meet certain licensing requirements.

There is no disagreement that we should have inspection, but it should be reasonable and fair. It should be affordable in terms of what the government has to pay, and it has to be done in a reasonable period of time. Those who don't want Mexican trucks on our American highways have an "anti-attitude." Some people don't like it that I have called it anti-Hispanic or anti-NAFTA. How can anyone justify that kind of an attitude? We cannot have that.

We need to find a way to work through this because of perhaps an eagerness to get this process underway that contributed to the difficulty we are having now. The House of Representatives lost control of the issue and wound up putting the same old language in the Transportation bill that basically said you would not be able to bring the trucks in here; just stop it. They made a big mistake. It does not make a difference if it is a Republican or Democrat House, whether it is bipartisan or unanimous. That cannot be where we leave the issue.

Then the administration contacted members of the Appropriations Committee in the Senate and said: We have a big problem with that language; so will Mexico. We are running the risk of being held in noncompliance with NAFTA. We are running the risk of having action taken against American goods, whether it is telecommunications or corn syrup products. We have to solve this problem.

The appropriators, to their credit, Republican and Democrat, worked on the language. They came up with what is now referred to as the Murray-Shelby language. They thought, I believe, that they had made sufficient progress. Subsequent to that, on reviewing that language, it was clear that language was very problematic.

Secretary of Transportation, Norm Mineta, expressed his concern to a number of Senators, including to me, personally, about how there were too many restrictions; there was not enough flexibility; it would cost almost twice as much as what the President asked for, which I think was $88 million for safety compliance. And because of the restrictions and the extra costs and the contracting involved, the trucks from Mexico would not be able to come into the United States for months or even a year or more.

By the way, it is a two-way street. As long as we are not letting Mexican trucks come into the United States, American trucks are not going to be able to go to Mexico. That is why the Mississippi Truckers Association wants to get this matter worked out and why they oppose the Murray language. They want to be able to take our products from throughout the Southeast or anywhere in the country and haul it in the other direction.

So that is when a number of Senators started saying the language that came out of the Appropriations Transportation Subcommittee presented too many problems; we need to find a way to correct it.

What are those concerns? It does have to do with flexibility. Does the Department of Transportation have sufficient flexibility to effectively administer safety requirements? It is a basic question. We want safety requirements and responsibilities, but there must be some degree of flexibility, of how those are administered. The language in section 343 of this bill, S. 1178, raises serious questions about that.

In order for the operators from Mexico to come across the border, there were some 22 separate requirements that had to be met. Standing alone, certain requirements may be acceptable, but taken as an aggregate, they result in a violation of commitments.

It is going to lead, as I pointed out, to delays. Just one example of the type of thing we talked about is the one I referred to in a number of discussions earlier, the cost of the weigh stations, for instance. The requirements to install weigh-in-motion systems, fixed scales, electronic scanning machines, and hand-held tracking systems as well as requirements to employ additional inspectors and to conduct inspections within Mexico would just require lots of extra money, lots of delays, and lots of time. I will give a couple of examples.

Why would you require weigh-in-motion scales and static scales, both, not one or the other? And, by the way, if you require them both, you have to contract it. You do not just run out there and take these scales off the shelf. You have to contract for them; you have to get them and have them put in place. This would require you to have both. I do not think we have that in most of our States. When trucks come in from Arkansas or Louisiana or Tennessee, we weigh them statically. Maybe we do weigh some of them in motion, but we do not have to have both of them.

The other example is conducting inspections in Mexico. As time goes forward, perhaps both countries would like to have some of that. I had one Senator say to me: Look, FAA requires inspection at the base before a plane flies into the United States. There is a big difference, though. When a plane leaves Mexico, the next stop is an airport or landing strip in the United States. The difference between the place of doing business of a truck in that situation is they have to cross the border. There is a point at which there would be an inspection.

Perhaps this can be worked out. But to impose at the beginning the requirement that we have to go into the place of business and inspect within that country and they are going to require the reverse—that they be able to come in and inspect in our country—is just one more example of some of the problems we have.

Never, ever have I seen a bill where a compromise could have been more easily and quickly worked out than this one. Yet the warring sides refuse to agree to do that. I think sometimes maybe there were misunderstandings. Somebody told me on this side of the aisle, on the Democratic side—or maybe I should not say just Democratic—the proponents of the language in the bill said: Why wouldn't you go with the California solution? I said: Great, it sounds fine to me. Why don't we do what they do in California, the inspection areas where they have crossings into California? They said it was because your opponents to this language would not agree to it.

That came as a surprise to me. As a matter of fact, in talking to Senator GRAMM and Senator MCCAIN, I had the clear impression that what they were advocating was the California inspection regimen. So I think the two sides passed in the night here.

Mrs. MURRAY. That is actually in the bill.

Mr. LOTT. There was an agreement, yet they never could seem to come to closure on it.

I know the Teamsters, a group with whom I do not have a problem. I have worked with the Teamsters. I have been supported by the Teamsters sometimes—probably not again anytime soon. I understand their concern. But because this language was in the appropriations bill because, it appears to me, the Teamsters really do not want Mexican trucks to come into America, and because of misunderstandings, and, yes, because of personalities, we could not resolve this.

We could have done this bill at least a week ago. Everybody in this room and everybody on both sides knows it can be done. Now the appropriators said: Wait a minute, you are getting too exercised. This is not necessary. We will fix it in the conference. Don't worry, don't worry, we will fix it in the conference.

Yes, and usually I buy that argument. But there is a little problem with this one. You have totally unrealistic, unacceptable language in the House bill, the Sabo language. And the language in the Senate Transportation appropriations bill also has a number of concerns—these 22 requirements. So if you have a bad situation and a worse situation, how do you split the difference? That is usually what happens in conference. You go somewhere between where the House is and where the Senate is. Yet the solution is outside both.

I know the immaculate conceptions that come out of these conferences. It really doesn't make a difference what the House and Senate did; the conferees will do what they want to, particularly on a bill that is not an appropriations bill, because they are not affected by rule XVI anymore. So maybe they will come out with something that is fair, understandable, not unduly restrictive, affordable, that both the proponents and opponents are satisfied with and the President can sign, and we can go on with our business.

But I have been a little ill at ease about that. So I have gone back to some of the supporters of the language we have in this bill and asked them again: Will you assure me that in conference there will be this dedicated effort, and in fact you will get a bill the President can sign? And they have assured me of that.

I guess if they do not sign the conference, they might make that stick. Maybe others will say we will see about that. And there are those who are thinking: We will do what we want to. If the President vetoes it, we will override the veto.

That will not happen. That will not happen. I can guarantee the Senate right here, right now, if this is not properly resolved and the President does not sign it, if he vetoes it, we will sustain the veto. We will sustain the veto.

But have I advocated that? No. The President doesn't want to veto this bill, and I don't want him to veto the bill. I don't want to have to make sure we have the votes to sustain the veto. The solution is: Resolve this. Make it NAFTA compliant. Let's be fair to both sides.

I don't always agree with what this administration or previous administrations have advocated with regard to Mexico—or Canada, for that matter. I get very upset with what Canada is doing to the United States in our trade relations. I think what they are doing with regard to soft lumber products is totally unacceptable, and I think this administration should be at least as aggressive as the previous administration, through the Customs Office and through our Trade Representative, in assuring that the Canadians comply with our lumber agreements.

So it is not that I am one who is always here taking firm stands in support of our neighbors and in support of even the treaties when I think the treaties are not being administered fairly or they turn out to be basically fair. So I don't profess to be 100-percent pure on this.

But you cannot defend, legitimately, honestly, and intellectually, a situation where we say to our neighbors and to legitimate truckers, you cannot come any more than 20 miles into the United States. That is not where we should be.

So the President has expressed his interest in this. I think he has tried to be restrained in terms of threats. But he has made it clear this is important. President Fox is going to be in the United States the first week in September when this bill is going to be in conference, I guess, or about to go to conference. I hope we will not be in the process of passing legislation and sending to our President at the time something that clearly President Fox will not agree with and will be opposed to while he is in town. I guess he is coming to town September 3 or 4 or 5, or something of that nature.

We do have correspondence here that clearly states the Mexican Government's concern. I have a letter.

Madam President, I ask unanimous consent this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 24, 2001.

Hon. TOM DASCHLE,
Senate Majority Leader,
Washington, DC.

We have been following the legislative process regarding cross border trucking on the floor of the U.S. Senate. This is an issue of extreme importance to Mexico on both legal and economic grounds. From a legal standpoint, Mexico expects non-discriminatory treatment from the U.S. as stipulated under the NAFTA. The integrity of the Agreement is at stake as is the commitment of the U.S. to live up to its international obligations under the NAFTA. I would like to reiterate that Mexico has never sought reduced safety and security standards. Each and every truck company from Mexico ought to be given the opportunity to show it complies fully with U.S. standards at the state and federal levels.

The economic arguments are clear-cut: Because of NAFTA, Mexico has become the second largest U.S. trading partner with $263 billion of goods now being exchanged yearly. About 75% of these goods move by truck. In a few years, Mexico may surpass Canada as the U.S. largest trading partner and market. Compliance with the panel ruling means that products will flow far more smoothly and far less expensively between our nations. Doing so will enable us to take advantage of the only permanent comparative advantage we have: that is our geographic proximity. The winners will be consumers, businesses and workers in the three countries.

We are very concerned after regarding the Murray amendment and the Administration's position regarding it that the legislative outcome may still constitute a violation of the Agreement. In this light, we hope the legislative language will allow the prompt and nondiscriminatory opening of the border of international trucking.

Finally I would like to undermine our position, that to the Mexican government the integrity of the NAFTA is of the utmost importance.

Sincerely,
LUIS ERNESTO DERBEZ BAUTISTA,
Secretary of the Economy.

Mr. LOTT. This is a letter from the Secretary of the Economy in Mexico. It says:

> The economic arguments are clear-cut. Because of the NAFTA, Mexico has become the second largest U.S. trading partner with $263 billion dollars of goods now being exchanged yearly. About 75 percent of those goods move by truck. In a few years, Mexico's may surpass Canada as the U.S. largest trading partner and market.

It goes on to note they believe the language in this bill does not meet the requirements of NAFTA.

They believe it is a violation of our agreement and that reasonable change and a reasonable agreement should be worked out soon.

I very rarely agree with what I read in the editorial pages of the Washington Post. But to my absolute amazement, on Saturday I got up and read the Washington Post, and there it was—an editorial saying "NAFTA in trouble"—the Washington Post editorializing against the restrictions on the Mexican trucks coming into the United States. The concluding sentences are shocking sentences. It says:

> President Bush says he will veto legislation unless such discrimination is removed from it.

That is the right course.

That is what this is all about.

I don't affix blame at any one place, or the administration, or on us. Somehow or another we have gotten to where we are. Now we can't seem to find a way to let go. Now we have a situation where Senators were willing to pass this on a voice vote at 2 o'clock. Now it is 10 minutes until 3. We are not going to have a vote on it, I guess, until tomorrow. That delays other legislation we are working on with interested parties on both sides. Senators DASCHLE, REID, and NICKLES have been involved along with Senators GRAMM and McCAIN.

A lot of this is just totally unnecessary. Here we are talking, once again, about an issue we have been talking about for a week or more. Who is to blame? Yes. Sure. I am sure Senators will say we would have been glad to have voted on this last week. I have been through this explanation of how we got here.

But I wanted to make the point that we were ready to finish with this issue an hour ago, and we couldn't get it done. I hope maybe we can use this as a case study.

When you go to law school, you learn the law by studying trials, lawsuits, and cases that have gone before. This should be a case study for the administration, for the House, for the Senate, for our trading partners, and for us as to how not to deal with an issue. I hope we will learn from it.

I hope we can put it behind us and move on in a positive way to other appropriations and other bills. But it has been a difficult one.

I have supported Senators McCAIN and GRAMM in their efforts. I have had some Members on the other side ask: Why would you do that? You haven't always agreed with those guys on other subjects. Right. But the difference this time is I thought they were right. It is real simple. I wasn't mad at anyone. I just couldn't defend where the United States is at this time with regard to Mexican trucks.

I had not spoken on the floor on this issue. I wanted to give a little bit of the history and urge my colleagues to find a way to complete this and move on to other legislation that is also very important for our country. Rather than recriminations, let's just learn from the experience.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCAIN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSON). Without objection, it is so ordered.

Mr. McCAIN. Mr. President, presently negotiations are going on to try to get a unanimous consent agreement to resolve this issue, and to move on to other issues. Among those negotiations is the subject of nominations. I hope that is part of any agreement that may be made.

(The further remarks of Mr. McCAIN are printed in today's RECORD under "Morning Business.")

Mr. McCAIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. MURRAY. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. CORZINE). Without objection, it is so ordered.

AMENDMENT NO. 1213

Mrs. MURRAY. Mr. President, I send a management package to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Washington [Mrs. MURRAY], for herself and Mr. SHELBY, proposes an amendment No. 1213.

Mrs. MURRAY. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is printed in today's RECORD under "Amendments Submitted."

Mrs. MURRAY. Mr. President, I urge the adoption of the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to amendment No. 1213.

The amendment (No. 1213) was agreed to.

Mrs. MURRAY. Mr. President, I move to reconsider the vote.

Mr. DASCHLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. MURRAY. Mr. President, earlier today, my colleague from Texas, Senator GRAMM, asked that his substitute be printed again in the RECORD. Much has been said about this substitute amendment. The claim is made that this substitute will protect safety while complying with NAFTA. That is just plain wrong. This claim is indicative of the problem we have had in these negotiations—the fact that our opponents define compliance with NAFTA as gutting the safety provisions in our bill.

Lets look at the specifics of the McCain-Gramm substitute.

The McCain-Gramm amendment is a legislative sleight of hand intended to take the teeth out of the safety provisions that were approved unanimously by the Appropriations Committee.

They create loopholes large enough to drive a Mexican truck through.

Their amendment looks and sounds very much like the committee-adopted provisions when, in fact, the amendment weakens the committee-adopted provisions in several critical and dangerous ways.

First, the McCain-Gramm amendment completely does away with the requirement that all Mexican trucking companies undergo a thorough compliance review before they are given authority to operate in the United States. Instead of that requirement, the McCain-Gramm amendment substitutes a cursory "safety review".

A safety review is a much comprehensive review of a trucking company's operations. It is a quick and dirty paper check. It is not a thorough examination to ensure that a trucking company complies with all U.S. safety standards. It does not approach a compliance review in terms of ensuring that a trucking firm's operations are safe.

My colleagues should not be fooled. A safety review and a compliance review are not the same thing. They are two very different things. A safety review should provide the American public with a whole lot less comfort than a compliance review when it comes to the operations of Mexican trucking firms.

Second, the McCain-Gramm amendment completely does away with the requirement that compliance reviews be performed on site at each trucking firm's facility. Every time a U.S. Motor Carrier Safety Inspector performs a compliance review on a U.S. trucking firm, it is done at the trucking firm's facility. Every time a U.S. Motor Carrier Safety Inspector performs a compliance review on a Canadian trucking firm, it is done at the Canadian trucking firm's facility. Now when it comes to Mexico, the McCain-Gramm amendment wants to allow compliance reviews to be conducted at the border. This is a farce.

A compliance review, by definition, requires the inspector to carefully review the trucking firm's vehicles, record books, log books, wage and hour records, and much, much more. You can't perform a compliance review at a remote site. It is not even a poor substitute.

There is a long list of abuses that can result if inspectors never visit a trucking company's facility. For the life of me, I can not imagine why the sponsors of the McCain-Gramm amendment want to allow those potential abuses on the part of Mexican trucking firms while insisting that every compliance review here in the United States and in Canada is performed on site.

Third, the McCain-Gramm amendment waives the requirement that the DOT publish critical safety rules before allowing trucks across the border. The McCain-Gramm amendment would allow the requirement to be waived by the Secretary by simply signing a letter stating that he will not publish these rules and sending it to Congress.

The provision unanimously adopted by the Appropriations Committee requires that critically important safety rules must be completed by the DOT before the border can be opened. These rules were not randomly selected. The rules that we require to be published before the border can be opened are targeted at the specific safety concerns surrounding Mexican trucks.

The McCain-Gramm amendment pretends to mandate that these rules go forward but simultaneously includes a provision that guts the same requirement. My colleagues—don't be fooled, the requirement in the McCain-Gramm amendment is a phony one that severely weakens the measures included in the committee-adopted provision.

Fourth, the McCain-Gramm amendment does away with the requirement that the inspector general certify that critical safety measures are in place before the border is opened.

Instead of requiring that the inspector general certify that it is safe at the border, the McCain-Gramm amendment simply requires that the Secretary of Transportation periodically submit reports to the committee on the state of problems at the border.

This is a monstrous loophole. It creates more and more paperwork in Washington while the Mexican trucks come streaming across our border. It completely guts a number of the critical requirements in the underlying committee provision.

The Committee on Appropriations receives a great many mandated reports by the Department of Transportation. Unfortunately, the record of the Department of Transportation in submitting reports to the committee is a poor one.

As of this date, the Department of Transportation is overdue in submitting more than 22 reports to our committee from five different agencies within the Department of Transportation. Some of the deadlines of these reports date as far back as December 1995.

This provision, frankly, is an insult. What our highway safety agenda needs is not more reports, it needs real improvements in the safety of the vehicles and drivers moving 18-wheelers across our country.

That observation is not only applicable to Mexican drivers, it is applicable to United States drivers and Canadian drivers as well. All the reports in the world are not going to improve the condition of highway safety in the United States.

What we need are firm mandates like those adopted by the Appropriations Committee to ensure that critical safety measures are in place before we face an influx of Mexican trucks that we are not ready for.

The provisions in the committee bill must not be watered down. The committee provisions won't stop trade across our border. But they will stop unsafe drivers and unsafe trucks from threatening the American public. These provisions must not be weakened.

Under our bill, when you are driving on the highway and there's an 18-wheeler with a Mexican license plate in front of you, you can feel safe.

You will know that the truck was inspected.

You will know that the company has a good track record.

You will know that an American inspector visited their facility—on site—and examined their records—just like we do with Canadian trucking firms.

You will know that the driver is licensed and insured.

You will know that the truck was weighed and is safe for our roads and bridges.

You will know that we're keeping track of which companies and which drivers are following our laws and which ones are not.

You will know that, if a driver is breaking our laws, his license will be revoked.

You will know that the truck didn't just cross our border unchecked, but crossed where there were inspectors on duty—ensuring our safety.

That is a real safety program. That program must not be watered down, weakened, or gutted, as is proposed by the McCain-Gramm amendment.

Mr. President, the committee bill is a solid compromise. It will allow robust trade—while ensuring the safety of our highways. I urge all Members to reject this effort to weaken the committee bill and endanger lives on our highways.

WOODROW WILSON MEMORIAL BRIDGE

Mr. ALLEN. Mr. President, I rise today to engage in a short colloquy with Virginia's Senior Senator, Senator WARNER; Senators MIKULSKI and SARBANES from Maryland; Transportation Appropriations Subcommittee chair, Senator MURRAY and ranking member, Senator SHELBY regarding the Woodrow Wilson Memorial Bridge.

Ms. MIKULSKI. Mr. President, the Woodrow Wilson Memorial Bridge was completed in 1961 and carries more than 200,000 vehicles per day—far exceeding the 75,000 vehicle per day design. It is the Nation's only federally owned bridge. Newspaper accounts from 1994 cited the fact that the deteriorating condition of the bridge and its inadequate number of lanes has contributed to accident rates twice those of other segments of the Capital Beltway.

Mr. WARNER. Mr. President, last year after years of negotiating, Congress was able to reach a compromise to finally replace this dilapidated bridge. We were able to work with our colleagues on both sides of the aisle, from Maryland, and from the House to make certain this much needed replacement project was fully funded. This decision by Congress demonstrates the strong commitment by the United States Senate to provide all our citizens a flexible, safe, and efficient interstate highway system.

This year, the administration and the House of Representatives have demonstrated their support of this project as the President requested $28.2 million and the House allocated $29.5 million for Fiscal Year 2002. However, the Senate FY2002 Transportation appropriations bill does not address funding for the Wilson Bridge, placing this project in jeopardy.

Mr. President, the unique nature of this roadway as a federally owned bridge, its importance to the Capital region, and the surrounding mid-Atlantic region, demands that we restore these funds.

Mr. SARBANES. Mr. President, in working with the Senators from Washington and Alabama, it is our understanding that they intend to work with the conferees to retain funding at the House level. Because of the Federal Government's ownership, the Woodrow Wilson Bridge continues to be a priority legislative issue for me and for my Senate colleagues. Accordingly, this appropriation will help keep the replacement project on pace and maintain the safety of the current bridge in the interim.

Ms. MURRAY. Mr. President, I understand the importance of the Wilson Bridge for the eastern coastal region. I can assure the Senators from Virginia and Maryland that Senator SHELBY and I will keep their views in mind when the bill goes to conference.

Mr. SHELBY. I agree, Mr. President, on the importance of the Federal Government's role in maintaining a safe interstate highway system and will work with the chairwoman and other interested Senators to fulfill the federal commitment and maintain the interstate.

Mr. ALLEN. Mr. President, I thank the Transportation Appropriations chair and ranking member for their willingness to work with us on this issue and for their leadership in crafting a bill that increases transportation funding across the entire country. I also thank my colleagues from Maryland and Senator WARNER for their continued representation and leadership for the people of the region and America. We look forward to completing the much-needed Woodrow Wilson Memorial Bridge replacement and closing the debate on the bill permanently.

FLORIDA PROJECTS

Mr. NELSON of Florida. Mr. President, the report language that accompanies the fiscal year 2002 Transportation Appropriations bill identifies many worthy projects that the committee recommends be funded by the Department of Transportation. I thank the chairwoman for her and the committee's support of projects in Florida that were requested by Senator GRAHAM and myself. However, many other worthwhile projects were not included on this list. It is my understanding that the report language is intended to guide conferees in setting the final spending measure, but does not preclude other projects from also being considered for inclusion. Is this correct?

Mrs. MURRAY. The Senator from Florida is correct. The committee endorses the projects included in the bill's report, and will press for the adoption of that list in conference on this bill. However, the limited nature of that list does not prevent other projects from being supported during conference, should available resources be found.

Mr. NELSON of Florida. I thank the Senator for that clarification. The bill before us makes the best of a difficult situation by spreading limited funds over as many worthwhile transportation programs and projects as possible. I believe the committee has worked diligently to support a great number of projects in spite of limited resources. I further understand that if additional resources cannot be found, it might be possible to redistribute funds over a more diverse list of worthwhile recipients than is currently outlined in the Committee's report. Specifically, there are two counties in Florida, Brevard County and Polk County, that are deserving of federal funds for bus acquisition, which were unfortunately not included in either the House or Senate reports. I understand that the Senator from Washington may be able to work with conferees to see that these counties receive some federal funds for bus and bus facilities, either by finding additional resources or by reallocating funds within this account. Is this correct?

Mrs. MURRAY. I will be happy to work with you to address these concerns as the Transportation bill moves through the process.

Mr. NELSON. I thank the distinguished Senator. I appreciate your support and that of your staff on this issue, and look forward to working with you.

ASR-9 AIRPORT RADAR SERVICE LIFE EXTENSION PROGRAM

Ms. MIKULSKI. Mr. President, it is my understanding that the Appropriations Committee has recommended an increase of $10M above the FAA's $12.8M budget request to expedite the ASR-9 service life extension program. Unfortunately, the House Transportation bill failed to provide ah increase in funding for this critical program.

I have been advised that major portions of the ASR-9 radar processor will be unsupportable within 2 years. The supply of various critical spare parts—which are no longer manufactured by various commercial suppliers—is nearing a critical stage. When the supply of these parts run out, we run the risk of dangerous radar outages at 125 of our countries busiest airports.

I am particularly concerned that if this $10 million of additional funding is not preserved in conference, delays in program startup will prevent the insertion of new technology in time to avoid potential radar outages.

Mrs. MURRAY. Let me say to the Senator from Maryland that we will keep her concerns in mind as the Transportation bill moves through conference.

Ms. MIKULSKI. I thank the chairwoman for her leadership on this issue and look forward to working with you on this important issue.

TRANSPORTATION RESEARCH

Mr. BINGAMAN. Mr. President, I would like to spend just a few minutes today discussing two existing transportation research programs with the chairman of the Transportation Appropriations Subcommittee, my friend Senator MURRAY. Is the distinguished chairman aware of the existing New Mexico Road Lifecycle Innovative Financing and Evaluation (RoadLIFE) program at the Federal Highway Administration and the National Transportation Network Analysis Capability (NTNAC) program funded through the Department's Transportation Planning, Research and Development Program?

Mrs. MURRAY. Yes, I am aware of these two valuable programs in the Department of Transportation and appreciate the opportunity to discuss them with you.

Mr. BINGAMAN. The ongoing RoadLIFE program is a partnership between FHWA, the State of New Mexico, and several universities to demonstrate the possible benefits of innovate financing methods, such as Grant Anticipation Revenue Vehicle (GARVEE), and performance warranties on highway safety, road quality and on the long-term costs to maintain a highway. Last year, the Department announced a 20-year research agreement between the Department, the Volpe Center and the State of New Mexico to validate the cost savings to the government of these innovative funding approaches. Does the chairman agree that this study could provide valuable information that could change the future of road building in America?

Mrs. MURRAY. The Senator from New Mexico, is correct. The RoadLIFE program could be a valuable effort not only to New Mexico, but to all states that are interested in using innovative highway financing methods.

Mr. BINGAMAN. The State of New Mexico will continue to shoulder most of the costs associated with the RoadLIFE research initiative and the FHWA has been an essential and valued partner in the development and implementation of the innovative approaches to financing and warranties being tested in New Mexico. Does the chairman join me in encouraging the FHWA and Volpe Center to give priority consideration to continuing to provide staff and financial support to the RoadLIFE program to ensure that the results will be useful to the Nation?

Mrs. MURRAY. Yes, I agree, the Department should give priority consideration to continuing of this important project.

Mr. BINGAMAN. The National Transportation Network Analysis Capability (NTNAC) is being developed to simulate the operation of the national transportation system, including individual modes—trucks, trains, planes, waterborne vessels—and the transportation infrastructure used by these carriers. Based on the technology underlying the successful TRANSIMS model, NTNAC is a simulation that will view the national transportation infrastructure as a single, integrated system. Los Alamos National Laboratory is the lead technical agency for this effort. Does the chairman agree that NTNAC could provide the DOT with new capabilities to assess and formulate critical policy and investment options that take into account transportation economics, modes, public safety, and environmental concerns, as well as infrastructure requirements and vulnerabilities?

Mrs. MURRAY. Yes, I agree that this ongoing effort could provide DOT an important tool to assess the consequences of transportation policies before they are implemented.

Mr. BINGAMAN. Prior efforts on NTNAC have demonstrated the capability to model nation-wide freight transportation and provided valuable analytical insights into the nation's freight and transportation system. For example, NTNAC is currently capable of simulating the movement of millions of trucks across the nation's highway network from point-of-origin to final destination. Does the chairman agree that the Department of Transportation should give priority consideration to providing additional funding in fiscal year 2002 to extend and consolidate these achievements and to move towards a full-scale development.

Mrs. MURRAY. I agree, the Department should give priority consideration to continuing the NTNAC project under the Transportation Planning, Research and Development Program.

Mr. BINGAMAN. I thank the distinguished chairman for her fine work on this bill and for this opportunity to discuss these two important research programs in New Mexico.

AIRLINE INDUSTRY

Mr. WYDEN. I would like to take a moment to talk about a transportation issue that is very much on the mind of many Americans as we head into the busy summer travel season. That issue is potentially unfair and deceptive practices in the airline industry. My good friend and Pacific Northwest colleague, Senator MURRAY, has heard me talk about this before, in the context of pushing for passenger rights legislation. But today, I would like to talk briefly about a small step the government could take without enacting any new legislation. It wouldn't solve all the problems, but I think it would be a step in the right direction.

Mrs. MURRAY. Senator WYDEN has certainly been a leading and forceful voice for consumer protections in the airline industry. So I would be happy to hear his idea on this subject.

Mr. WYDEN. I thank the Senator, both for this opportunity and for all her hard work and leadership in crafting an excellent Transportation appropriations bill. The bill will do a great deal for all types of transportation in this country, including aviation. She has served the public well, as she has done throughout her service here in Congress.

But as the Senator knows, airline travelers are frustrated. In the last five years, delays, cancellations, and consumer complaints have all risen dramatically. Earlier this year, the DOT inspector general reported that "the aviation system is not working well."

Part of the problem is insufficient capacity. That is why I support efforts to increase capacity by building more runways and improving air traffic control. It is also why Senator MURRAY's efforts on the aviation portions of this year's are so appreciated.

At the same time, part of the problem is that there isn't enough competition. Airlines too often treat consumers in ways that would not be tolerated for long in other industries—and the airlines get away with it because passengers have limited choices for air travel.

The Department of Transportation is charged with protecting consumers against airlines that engage in "unfair and deceptive" practices. But the truth is, the Department of Transportation is not primarily a consumer protection agency. It has limited resources for this task, and limited experience with "unfair and deceptive" practice enforcement.

The agency with the most expertise in this area is the Federal Trade Commission. Protecting consumers against unfair and deceptive practices is the FTC's bread and butter. Under existing law, the FTC cannot take enforcement actions against airlines. And I am not proposing to change that.

However, while the FTC has no enforcement authority over airlines, nothing prevents it from studying and reporting on unfair practices in the airline industry. I believe the FTC could do a real service to the flying public by providing some much needed expert analysis of arguably unfair practices in the airline industry.

For example, I think it would be very illuminating for the FTC to take a look at whether airlines tend to cancel flights simply because they are not sufficiently full. A movie theater doesn't cancel the 3:00 matinee just because only a handful of people show up. But does this happen in the airline industry? The FTC, with its strong economic and investigatory staff, would be in an excellent position to get to the bottom of this issue.

Let me be clear. I am not in a position to tell the FTC what to do. And I am not proposing to impose new requirements on them through legislation. I am simply saying that if the FTC chose to look into this, I think its conclusions would carry a lot of weight. In my opinion, the FTC's involvement here, on a purely investigatory basis, could make an important contribution to our understanding of what goes on in the airline industry.

I think there is that potential. To do any really serious analysis, the FTC would need cooperation from the Department of Transportation for important data and statistics. Clearly, the sharing of data would be more efficient and cost effective than having the FTC try to duplicate all the extensive data gathering that the Department of Transportation has already done.

My fear is that everything could get bogged down in institutional jealousies and jurisdictional squabbles. If the Department of Transportation chose not to cooperate, the FTC's effort would be slowed tremendously or even stalled entirely.

The good news is, I don't see any legitimate reason why the Department of Transportation shouldn't cooperate. As chair of the Transportation Appropriations Subcommittee, is the Senator aware of anything in this year's funding bill or in any other law governing the Department that would prevent it from cooperating, in the event that FTC chose to pursue one or more airline-related investigations?

Mrs. MURRAY. No, I agree with the Senator that the Department of Transportation would be free to cooperate.

Mr. WYDEN. I appreciate that response, and I heartily agree. If I could just briefly sum up my point here, it is that if the FTC decides to investigate airline practices—which it can already do under current law—I believe it could do an important service. And I wouldn't want lack of cooperation from the Department of Transportation to stand in the way.

I thank my friend from Washington for her attention.

APPROACH LIGHTING SYSTEM IMPROVEMENT

Mr. GRAHAM. Mr. President, I am pleased to see that the Senate Transportation appropriations bill has included a provision which makes $33,331,000 available for the Approach Lighting System Improvement Program (ALSIP). I thank my colleague from Washington, the chair of the Subcommittee, Mrs. MURRAY for her help in securing this funding.

Mrs. MURRAY. The Senator is correct, $33,331,000 is available for ALSIP.

Mr. GRAHAM. The language on page 51 of the Senate Report (107–38) does not specify that the funding that is made available is provided both for the installation of the previously purchased medium approach lighting systems with runway alignment indicator lights (MALSR) and for future procurement, so as to keep the production line operational. I would like to ask for clarification: is money in this account to be used both for installation and procurement?

Mrs. MURRAY. Yes, that is correct.

Mr. GRAHAM. I hope that language to this effect can be included in the conference report.

Mrs. MURRAY. I will look to clarify this in the final language.

SECTION 315 (GP) AND AIR TRAFFIC CONGESTION IN THE CHICAGO REGION

Mr. BAYH. Mr. President, I believe the chairwoman and ranking member are aware of the air traffic congestion and capacity issues facing the Chicago area. Not only are these important issues for the national aviation system, but for the greater Chicagoland area as well. I thank the chairwoman and the ranking member for the attention given to this regional and national dilemma.

As you know, the Chicago area desperately needs additional airport capacity. I believe the Gary/Chicago Airport is capable of immediately providing the capacity needed to relieve Chicago's O'Hare and Midway Airports. I continue my longstanding support for the Gary/Chicago Airport as an integral part of the solution to meet the air traffic needs of the region.

I am working closely with my colleagues Senator LUGAR, Congressman VISCLOSKY in the House of Representatives, Indiana Governor Frank O'Bannon, and with local officials in

Indiana to ensure that the Gary/Chicago Airport is included in any discussions at the federal level about how to relieve air traffic congestion in the Chicago region.

Section 315 (General Provisions) requires the Secretary of Transportation to work with the Federal Aviation Administrator (FAA) to encourage a locally developed and executed plan between the State of Illinois, the City of Chicago, and affected communities for the purpose of modernizing O'Hare International Airport. It is my hope that any discussions in Congress, at the FAA, or elsewhere, include Indiana and the Gary/Chicago Airport as a part of the solution to this crisis.

Mr. LUGAR. Mr. President, I appreciate the attention the Appropriations Committee has given to this important issue. I join with my colleague from Indiana Senator BAYH in sharing with the committee our thoughts about section 315 of the bill. I hope the committee will be mindful of our strong interest in this issue, and that we believe Indiana should be specifically listed and included in any matters or discussions relating to federal proposals or legislation intended to relieve air traffic in the Chicago region.

The Chicago region needs additional airport capacity and some of this capacity can be accommodated at the Gary/Chicago Airport. Throughout my service in the Senate, I have been a strong supporter of the Gary/Chicago Airport as a viable part of the solution that will help meet the current pressing air traffic needs of the region.

Earlier this year, the Gary Airport submitted to the FAA a draft of its phase II20-year master plan/airport layout plan. This effort proposes an expansion of existing airport facilities, including navigational improvements, runway extensions and construction of parallel runway. I strongly support the airport's plan for future growth and believe this master plan is an essential part of the solution to helping relieve air traffic congestion now and in the long term. It is especially important to keep in mind that the Gary/Chicago Airport today is an active, fully operational aviation facility with a 7,000 foot main runway and a crosswind runway that can help provide immediate relief to the problem of aviation congestion in the Chicago region.

On June 12, I hosted a meeting in Washington with Transportation Secretary Mineta and was joined by my colleagues Senator BAYH and Representative VISCLOSKY, along with Indiana Governor O'Bannon and Gary Mayor King. During this productive and positive meeting, we emphasized to Transportation Secretary Mineta our strong and unified support for the master plan/ALP submitted by the Gary/Chicago Airport that is currently being evaluated by the FAA. We specifically requested Secretary Mineta's assistance in ensuring that Gary's master plan/ALP receive full and fair consideration, and that the FAA work to expedite their consideration of Gary's plan. We hope Gary's master plan/ALP will be approved by the FAA this year.

The problem of air congestion in the Chicago region and the urgent need for relief should be national priorities. I believe that existing, operating, regional airport facilities such as the Gary/Chicago Airport should be included as part of both short-term and long-term solutions to this aviation safety and public transportation challenge. I wish to thank the chairwoman and ranking member for their attention to our concerns about this important matter.

Mrs. MURRAY. Mr. President, the committee is aware of the Senator's strong interest in making sure that Indiana is a part of these important discussions, and the committee agrees that the Gary/Chicago Airport should be specifically included as part of federal deliberations concerning air traffic congestion in the Chicago region.

SAN BERNARDINO METROLINK

Mrs. FEINSTEIN. Mr. President, I rise with the chairman and ranking member of the Transportation Appropriations Subcommittee to discuss a transportation infrastructure project that is of great importance to the southern California region.

I want to first, however, thank Chairman MURRAY and Senator SHELBY for their outstanding work on this bill. The fiscal year 2002 Transportation Appropriations bill provides appropriations for important transportation and transit projects in the State of California and the rest of the nation. The transportation needs in California alone are tremendous. I understand the difficulty you faced in trying to meet as many of these needs as possible under tight budget constraints.

I am concerned, however, that this is an important California project that was not funded—the Metrolink's double track project on the San Bernardino line.

Mr. SHELBY. The committee is aware of this project. It is my understanding that as one of the fastest growing commuter rail systems in the country, Metrolink is integral to the commuting requirements of the citizens of the Los Angeles basin. It provides service to Orange, Riverside, San Bernardino, Los Angeles, Ventura, and San Diego Counties.

Mrs. MURRAY. Metrolink has received appropriations in each of the past 2 fiscal years. A local match of 70 percent is already in place, representing a substantial local and state commitment to the project. I understand the Senator from California's concern over this project and I will continue to work with her to try to determine whether funding can be made available for this project.

Mrs. FEINSTEIN. I thank the chairman and ranking member for their understanding and willingness to work with me on this project. The Metrolink system is quickly reaching capacity. With continued federal support, it will be able to meet the growing demands for its service, while reducing congestion and improving the air quality of southern California.

FUNDING TO IMPROVE THE HIGHWAY SYSTEM OF AROOSTOOK COUNTY IN NORTHERN MAINE

Ms. COLLINS. I thank the chairman and ranking member of the Subcommittee on Transportation Appropriations for providing needed funding for projects of great importance to Maine. My senior colleague from our great State and I would like to engage you in a brief colloquy about one such project—the improvement of the highway system in northern Maine. The Senate report accompanying the fiscal year 2002 Transportation appropriations bill sets aside $6 million to help us move forward extending Maine's highway system beyond the termination point of Interstate 95 in Houlton. Having been born and raised in northern Maine I can tell you first hand about the critical importance to that region's economy of improving the highway system of Aroostook County.

Ms. SNOWE. As Senator COLLINS expressed, your efforts on behalf of our State are deeply appreciated. We are committed to improving the highway system in Aroostook County and therefore welcome your support for this project. Interstate 95's current termination point is more than one hundred miles away from Maine's northernmost communities, which inhibits their ability to interact and to transact with the rest of the State and beyond.

Mrs. MURRAY. We are well aware of the importance of this project to the State of Maine and are pleased to provide support.

Ms. COLLINS. We would respectfully ask that you make every effort to retain the $6 million earmark in the conference on your bill with the House of Representatives, so that these funds can be used next year to cover engineering, construction, and planning costs associated with enhancing the highway system in northern Maine.

Mrs. MURRAY. I can assure you that I will keep your concerns in mind as we go to conference with the House.

Mr. SHELBY. And I provide you similar assurances of support for your project, as you have described it, during the conference on the Transportation appropriations bill.

Ms. SNOWE. We very much appreciate your willingness to advocate on our behalf, and on behalf of our State. The $6 million will be a critical downpayment on this ambitious project.

NORTHSTAR CORRIDOR COMMUTER RAIL PROJECT

Mr. WELLSTONE. Mr. President, I rise to engage in a colloquy with my distinguished colleague from Washington, the chairwoman of the Appropriations Subcommittee on Transportation. The purpose is to discuss an important initiative in the State of Minnesota, the Northstar Corridor. I would also like to thank the chairwoman and the subcommittee for providing funding to support several projects in my state including the Hiawatha Corridor, the Minnesota Valley Regional Rail Authority, the Phalen Boulevard, Trunk Highway 610/10, as well as bus procurement for the Metro Transit and Greater Minnesota Transit Authorities.

As my colleague knows, many regions of our country are experiencing significant growth. This is true for the Twin Cities Metropolitan area in Minnesota. In order to help commuters and reduce congestion in the North metro area, the Northstar Corridor project has been undertaken by local authorities to provide commuter rail service between Minneapolis and St. Cloud. This project is one of the corridors included in the comprehensive Twin Cities Transitways Project to provide much needed light rail and commuter rail services in the region.

Specifically, the Northstar Corridor, which was authorized in TEA-21, will provide a direct connection between two major regional centers for business, education and health care. The 80-mile commuter rail line will operate on existing BNSF track. The Northstar Corridor has been identified by both the Minnesota Department of Transportation and the Twin Cities Metropolitan Council as the highest priority corridor for implementation of commuter rail in the state. While the bill before us contains significant funding for new start construction projects under the jurisdiction of the Federal Transit Authority, including the Hiawatha light rail corridor in Minneapolis, funding was not included for the Northstar Corridor. However, H.R. 2299 does include $10 million for the Northstar Corridor. This funding will support right of way acquisition, final design and engineering of stations, vehicles, capacity improvements to existing track and maintenance facility. I would seek my colleague's assurance that during consideration of the conference report on the FY 2002 Department of Transportation appropriations bill, that she would be supportive of the Northstar Corridor commuter rail project.

Mrs. MURRAY. I am aware of the Twin cities Transitways Project and I am pleased that this bill includes $50 million to support the Hiawatha Corridor. While the subcommittee was unable to provide funding for the Northstar Corridor initiative, we will give that project consideration when we go to the conference committee with the House on the FY 2002 Department of Transportation Appropriations bill.

Mr. WELLSTONE. I thank my colleague for her work as chairwoman and for her support for the Northstar Corridor.

MICHIGAN ITCS PROJECT

Ms. STABENOW. Mr. President, I rise to engage in a colloquy with the distinguished chairwoman of the Transportation Appropriations Subcommittee. As the chairwoman knows, since Fiscal Year 1996, the Congress has appropriated a total of $13 million for the Michigan Incremental Train Control System (ITCS) Project, a public—private partnership to develop, test, prove and demonstrate an advanced positive train control system on a portion of the Detroit—Chicago rail corridor between Kalamazoo and Porter, Michigan to provide high speed rail operations. The Michigan ITCS project focuses on upgrading the existing wayside signal system to facilitate passenger train speeds in excess of 80 miles per hour, while still controlling freight trains that move at slower speeds.

The administration's Fiscal Year 2002 DOT Budget proposal provides that $3 million of funding provided for "high speed train control systems" under the Next Generation High Speed Rail Program be allocated to the Michigan ITCS Project, which is entering its final phase. In the bill before us, a total of $11 million is provided for "high speed train control systems" with $5 million of those funds allocated to a PTC project in Wisconsin. Mr. President, I ask distinguished chairwoman to give this important project consideration in conference, and provide $3 million for the final phase of Michigan ITCS project, consistent with the administration's budget request. Any consideration that the distinguished chairwoman can provide is much appreciated.

Mr. LEVIN. Mr. President, I join my colleague from Michigan in urging you to give this worthy project consideration in conference. The Detroit-Chicago Corridor has been designated as one of only ten high-speed rail corridors in the nation. In order to make that designation a reality we must develop the necessary technology to allow high-speed rail to operate safely on existing infrastructure. That means completing the development of an effective train control system. This project, as a public-private partnership, has had the ongoing participation and support from the State of Michigan, the Federal Railroad Administration, Amtrak and Harmon Industries, the company developing the technology. It also has the support of Michigan's two Senators and I hope we can find a way to continue Federal support for this project.

Mrs. MURRAY. Mr. President, I thank the distinguished Senators from Michigan, and I will be happy to work with her in conference on this important Michigan ITCS project.

Ms. STABENOW. I thank the distinguished chairwoman of the subcommittee.

FEDERAL HIGHWAY ADMINISTRATION

Mr. SCHUMER. Mr. President, I wish to engage the esteemed Chair of the Senate Transportation Subcommittee in a brief colloquy regarding a recent Federal Highway Administration (FHWA) interpretative memorandum.

FHWA, in response to a legitimate concern about maintaining the uniformity of the signs on our nation's highways, has issued a memorandum proscribing restrictions for the text of signs used in state Adopt-A-Highway programs.

FHWA's intention, I believe, is a good one—to prevent the commercialization of our nation's relatively uniform interstate highway signs. It might amuse my colleague's to know that uniformity is the result of very serious tome entitled the Manual on Uniform Traffic Control Devices, or "MUCTDA" as some call it.

Despite its funny name, MUCTDA represents sound public policy. Since the inception of Adopt-A-Highway programs, several participating states have referred to MUCTDA's section 2D-47, when trying to determine how to appropriately recognize the roadway sponsor on Adopt-A-Highway signs.

This section states that "messages, symbols, and trademarks that resemble any official traffic control device shall not be used on Adopt-A-Highway signs." This implies that other logos which do not resemble official traffic control devices are acceptable.

The recent interpretive memorandum, however, says that all logos constitute advertising and, as such, Adopt-A-Highway signs with any logos must come down.

This is extremely problematic for New York, which has awarded over $26 million in Adopt-A-Highway contracts since 1996. Without the ability to post any logos, both corporate and non-corporate sponsors will end their involvement. This could undermine a great deal of progress we have made in keeping New York's roadways clean and safe.

In short, this interpretive memorandum could completely hobble the Adopt-A-Highway program in my state and in others, which I am sure is not FHWA's intent.

I am not trying to block FHWA from proscribing regulations pertaining to Adopt-A-Highway signage, but I do believe that the affected states should be consulted first because so much revenue for maintaining highways is at stake.

As the Senator prepares for conference committee deliberations I hope she will agree that FHWA has an obligation to work with the affected states to find some resolution to this Adopt-A-Highway signage issue because this interpretative memorandum appears to change FHWA's policy at mid-course.

Mrs. MURRAY. I agree with the Senator from New York that FHWA should engage the state transportation departments to find some resolution that provides for a uniform national policy without, if possible, unnecessarily jeopardizing existing Adopt-A-Highway contracts.

NEW STARTS TRANSIT PROGRAM

Mr. SARBANES. Mr. President, I rise today to highlight the fact that the bill pending before us provides an additional $100 million for the New Starts transit program above the amount guaranteed in the Transportation Equity Act for the 21st Century (TEA–21). This is a critically important investment in our nation's transportation infrastructure which will ultimately provide more transportation options for all Americans.

All across the country, congestion and gridlock are taking their toll in terms of economic loss, environmental impacts, and personal frustration. According to the Texas Transportation Institute, in 1999, Americans in 68 urban areas spent 4.5 billion hours stuck in traffic, with an estimated cost to the nation of $78 billion in lost time and wasted fuel. And the problem is growing.

In response, Americans are searching for alternatives. According to the American Public Transportation Association, Americans took over 9.4 billion trips on transit in 2000—the highest level in 40 years. In fact, over the past five years, transit ridership has increased by 21 percent, growing more than four times faster than the U.S. population. Over 200 communities around the country, in urban, suburban, and rural areas, are considering light rail or other fixed guideway transit investments to meet their growing transportation needs.

When Congress passed TEA–21 in 1998, we made a significant commitment to supporting communities' public transportation investments. TEA–21 authorized almost $8.2 billion over six years to fund new rail projects; $6 billion of that amount was guaranteed.

In the years since TEA–21's passage, it has become clear that communities' need for New Starts funding has grown even faster than anticipated in 1998. Yet the program has consistently been funded only at the guaranteed level, leaving the remaining authorization unutilized. Now, for the first time, the Appropriations Committee has provided funding for New Starts above the amount guaranteed by TEA–21, appropriating $100 million of the $430 million non-guaranteed authorization. I commend the Committee for taking this step toward addressing the growing need for transit funds within TEA–21's statutory framework.

Increased investment in transit will ultimately benefit all Americans. For example, as cities and towns across America are discovering, public transit can stimulate the economic life of any community. Studies have shown that a nearby transit station increases the value of local businesses and real estate. Increased property values mean more tax revenues to states and local jurisdictions; new business development around a transit station means more jobs. Moreover, I believe the potential of mass transit to help address our nation's current energy crunch has been consistently overlooked. With gas prices soaring and congestion increasing, public transit offers one of the best solutions to America's growing pains.

I am gratified to see that the Appropriations Committee has recognized the strong demand for transit in communities across the country by funding the New Starts program above the guaranteed level. This is an important first step toward addressing America's long-term transportation needs.

PORTS TO PLAINS HIGH PRIORITY CORRIDOR

Mr. ALLARD. Mr. President, I would like to briefly engage the Chairman and Ranking Member of the Senate Transportation Appropriations Subcommittee on a transportation issue important to the State of Colorado.

The Ports to Plains High Priority Corridor is a most pressing issue for my state, however, I have concerns about language currently in the Transportation Appropriations bill. As it stands, the bill contains a $1 million feasibility study for a section of the corridor on US 64/87 in New Mexico.

Mrs. MURRAY. I would say to the Senator from Colorado that I am certainly aware of the issues surrounding the Ports to Plains corridor and I understand his concerns.

Mr. ALLARD. I appreciate that. As the Senator knows the states of Texas, New Mexico, Oklahoma and Colorado have been engaged for several years now in determining the best route for this TEA–21 authorized trade corridor. Just last week, the Colorado Transportation Commission voted unanimously for designation of the Eastern Colorado route from the Oklahoma panhandle to Denver via US 287. A feasibility study for a New Mexico section of this route would clearly send a signal that Congress intends to legislate that the corridor be routed up Interstate 25 into Denver.

Mr. INHOFE. I would like to add a similar resolution passed by the Oklahoma Transportation Commission also supports US 287 as the preferred route to Denver, CO. I think it should also be noted that the Texas Department of Transportation has indicated that it would defer to Colorado to negotiate the alignment of the northern section of the corridor. I share the concerns of the Senator from Colorado about a New Mexico feasibility study.

Mr. ALLARD. I thank the Senator from Oklahoma for his support. We understand the wishes of our friends in New Mexico. However, we feel that the overwhelming support for the US 287 route coupled with the massive opposition in Colorado to encouraging any further traffic on Interstate 25 simply needs to be heard. Further, the existence of the Camino Real High Priority Corridor on Interstate 25 should be taken into account—allowing another High Priority Corridor on already-congested Interstate 25 just doesn't make sense. It should be noted that many of the high population centers along Interstate 25 south of Denver have made their opposition to the corridor well known. Those along US 287 in Eastern Colorado have made their support equally as well known.

In fact, just this week, the four states got together one more time and have been able to iron out a compromise that accommodates all parties. Allowing this feasibility study to stay in the bill would further complicate and delay a process that is clearly working.

Mr. SHELBY. I would say to the Senators from Colorado and Oklahoma that I am certainly aware of the actions of the states on this and I would agree that their views are of utmost importance in any final designation. I would share with the Senators that I am hesitant for the Congress to designate routes when the process among the States to determine the corridor's working toward conclusion.

Mrs. MURRAY. I would agree with the distinguished Ranking Member and I agree that we will need to address this in the joint Senate-House Conference Committee.

Mr. SHELBY. I would concur with the Chairman and would say that it is my intent as well to minimize or eliminate Congressional involvement in this issue at this time.

Mr. ALLARD. I thank the Senators for their interest in working with us on this issue. I look forward to the conference committee's outcome.

AIR TRAFFIC INSTRUCTIONAL SERVICES

Mr. SHELBY. Mr. President, the Federal Aviation Administration operates a critical program of proficiency and developmental training for air traffic controllers. It has been demonstrated that this training reduces operational errors and makes the skies safer for the flying public. Over the past several years the Senate Transportation Appropriations Subcommittee has required that the Federal Aviation Administration spend its appropriated funds on the Air Traffic Instructional Services, or ATIS, program and not reprogram these funds to other accounts without approval of the subcommittee. This has worked well in the past and has insured proper expenditure of these funds.

I hope this support for the ATIS program will continue in fiscal year 2002. Is it your understanding that the operational account of the FAA fully funds the budget request for the ATIS program? Do you agree that these funds are to be spent only on this account unless expressly approved by the Subcommittee?

Mrs. MURRAY. I appreciate the opportunity to address this matter. It is my intention to continue to press for full funding of the ATIS program in conference committee deliberations with the House. It should also be known that the subcommittee believes that full funding for ATIS is critical to the safety of our airways and that any reprogramming by the FAA should be done only after consultation with the subcommittee.

TENNESSEE PUBLIC TRANSPORTATION

Mr. FRIST. Mr. President, I would like to take this opportunity to thank the Chairwoman and Ranking Member of the Subcommittee on Transportation Appropriations for their efforts in securing the 5309 appropriations for public transportation in our state of Tennessee. Our state's public transit programs historically have not received the necessary federal funding critical to supply invaluable services to the people of Tennessee. Our state is one of only five in the nation that provides public transportation to citizens in each county, with eleven rural and twelve urban transit systems servicing all 95 counties. To fund this effort and compensate for lower federal funding in recent years, it is my hope that the Conference Committee will recognize that the $12 million funding level recommended by the House is fully justify for public transportation initiatives in Tennessee. I have shared my concerns with Senators MURRAY and SHELBY about the importance of effective transit programs in a growing state like ours and I hope that my friends will do all that they can to ensure that Tennessee's public transportation system will be provided $12 million in federal funding when the Conference Committee convenes. Again let me reiterate my appreciation to the Chairwoman and Ranking Member. I look forward to working with both of you on this issue.

Mr. THOMPSON. Mr. President, I strongly support the words of my good friend and colleague from Tennessee. I, too, would like to thank Chairwoman MURRAY and Ranking Member SHELBY for their leadership on the Transportation Subcommittee. I give my full support to developing effective public transportation programs that serve the needs of all Tennesseans. Our public transit systems have not historically seen the level of federal support they need to develop properly. As our cities grow and our transportation needs change 279 active urban transit buses now exceed their 12-year useful service life. Additionally, there are 218 rural transit vans with mileage in excess of the 100,000-mile service life. The $12 million funding level provided in the House will improve public safety and reduce maintenance costs while ensuring that an adequate infrastructure is in place to better serve all the counties of our growing state. It is my sincere hope that the Conference Committee will restore the full funding level recommended by the House.

Mr. FRIST. I would like to echo the sentiment of my friend and colleague and reiterate the need to develop and expand public transportation services in our state. The federal contribution to these services has been low for some time. I look forward to working with the Conference Committee to act in the interests of those who depend upon efficient public transportation by providing the full $12 million, as provided by the House.

Mr. THOMPSON. I thank my colleague from Tennessee for his work on this issue of great importance to thousands of our constituents. I eagerly await with him for action by the Conference Committee.

Mrs. MURRAY. I have duly noted the concerns of my friends from Tennessee and look forward to working with them on this issue.

Mr. SHELBY. I thank the Senator from Tennessee for raising their concerns and I also will work with my friends from Tennessee to address their concerns during conference.

Mr. FRIST. I thank my friends and colleagues. Mr. President, I yield the balance of my time.

ESSENTIAL AIR SERVICE PROGRAM

Ms. SNOWE. I thank the chairman and ranking member of the Appropriations Subcommittee on Transportation for working closely with me and Senator COLLINS on projects of importance to our state, as well as critical national priorities. Your efforts are very much appreciated. As you know, one issue of great importance to my home state of Maine, as a rural state with many small, remote communities, is the U.S. Department of Transportation Essential Air Service—EAS—program. Air service in rural areas is not simply a luxury, it is an imperative. Any municipality or small business owner will tell that without quality, affordable air service, economic development is virtually impossible. The EAS program is designed to ensure that small communities that were served by commercial air carriers prior to deregulation maintain scheduled air service. Today, the EAS program serves over 80 rural communities nationwide. The reality of deregulated air service is that four of Maine's six commercial airports—including the State Capital's airport in Augusta—rely on EAS to have any service to all. Unfortunately, the Administration has proposed a change in the eligibility criteria for the program which would result in the elimination of air service to a number of rural communities nationwide, including Augusta.

Ms. COLLINS. I would like to express my appreciation to the Chairman and Ranking Member of the Subcommittee as well, and would like to add to what my colleague from Maine has said regarding the EAS program, which is so critical in Maine. The EAS program sustains important economic, social, and quality of life benefits for the rural communities it serves. In Maine's case, Augusta, Maine, the State of Capital, would lose air service. Commercial air service in our Capital is absolutely crucial. Loss of service would undermine the region's economy and hinder the operation of the State government.

Mrs. MURRAY. I am aware of your concern and I can assure you that during the Senate-House conference on this bill, we will keep your views in mind.

Mr. SHELBY. Likewise, I am well aware of your support for the program, and I know how important it is to rural areas including the community of Muscle Shoals, Alabama. I will work with the Chair during the conference to address the concerns you have raised.

Ms. COLLINS. Thank you very much. We appreciate your willingness to address this important matter. We look forward to working with you as the appropriations process continues.

Mrs. SNOWE. Once again, I would like to thank the Subcommittee for its strong support and its willingness to make an effort to address issues of concern to rural states like Maine. Thank you both very much.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the yeas and nays on the bill be vitiated.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The bill (H.R. 2299), as amended, was passed.

(The bill will be printed in a future edition of the RECORD.)

Mrs. MURRAY. Mr. President, I move to reconsider the vote.

Mr. DASCHLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. DASCHLE. Mr. President, I ask unanimous consent that we proceed to executive session to consider en bloc the following nominations: Calendar Nos. 201, 251, 253, 254, 255, 256, 257, 258, 259, 260, 261, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 301, and 302; that the nominees be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF DEFENSE

Jack Dyer Crouch, II, of Missouri, to be an Assistant Secretary of Defense.

DEPARTMENT OF VETERANS AFFAIRS

Gordon H. Mansfield, of Virginia, to be an Assistant Secretary of Veterans Affairs (Congressional Affairs).

DEPARTMENT OF AGRICULTURE

Eric M. Bost, of Texas, to be a Member of the Board of Directors of the Commodity Credit Corporation.

William T. Hawks, of Mississippi, to be a Member of the Board of Directors of the Commodity Credit Corporation.

Joseph J. Jen, of California, to be a Member of the Board of Directors of the Commodity Credit Corporation.

James R. Moseley, of Indiana, to be a Member of the Board of Directors of the Commodity Credit Corporation.

J.B. Penn, of Arkansas, to be a Member of the Board of Directors of the Commodity Credit Corporation.

SECURITIES AND EXCHANGE COMMISSION

Harvey Pitt, of North Carolina, to be a Member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 2002.

Harvey Pitt, of North Carolina, to be a Member of the Securities and Exchange Commission for a term expiring June 5, 2007. (Reappointment)

DEPARTMENT OF ENERGY

Dan R. Brouillette, of Louisiana, to be an Assistant Secretary of Energy (Congressional and Intergovernmental Affairs).

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Josefina Carbonell, of Florida, to be Assistant Secretary for Aging, Department of Health and Human Services.

DEPARTMENT OF STATE

Sue McCourt Cobb, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Jamaica.

Mercer Reynolds, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Principality of Liechtenstein.

Russell F. Freeman, of North Dakota, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belize.

Michael E. Guest, of South Carolina, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Romania.

Stuart A. Bernstein, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Denmark.

Charles A. Heimbold, Jr., of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

Jim Nicholson, of Colorado, to be Ambassador Extraordinary and Plenipotentiary United States of America to the Holy See.

Thomas J. Miller, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Greece.

Larry C. Napper, of Texas, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Kazakhstan.

Thomas C. Hubbard, of Tennessee, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary United States of America to the Republic of Korea.

Marie T. Huhtala, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary United States of America to Malaysia.

Franklin L. Lavin, of Ohio, to be Ambassador Extraordinary and Plenipotentiary United States of America to the Republic of Singapore.

Roger Francisco Noriega, of Kansas, to be Permanent Representatives of the United States of America to the Organization of American States, with the rank of Ambassador.

Clark Kent Ervin, of Texas, to be Inspector General, Department of State.

NOMINATION OF JOHN WALTERS TO BE THE DIRECTOR OF THE OFFICE OF NATIONAL DRUG CONTROL POLICY

Mr. McCAIN. Mr. President, I want to turn to the nomination of John Walters, the President's choice for drug czar, who also deserves a confirmation hearing so he can offer his views on how to reduce drug abuse in our nation.

With all the damage drugs are doing to our children and to adult Americans, why in the world is the Senate dragging its feet on even having a confirmation hearing for our nation's highest ranking drug policy official?

John is uniquely qualified for the job of drug czar.

He distinguished himself during the first Bush administration as Deputy Director for Supply Reduction, Chief of Staff and National Security Director, and Acting Director of the Office of National Drug Control Policy. During the administration of President Reagan, John served as Chief of Staff and Counselor to the Secretary of Education, as well as Assistant to the Secretary, the Secretary's Representative to the National Drug Policy Board, and the Secretary's Representative to the Domestic Policy Council's Health Policy Working Group.

John is currently serving as president of the Philanthropy Roundtable, a national association of charitable donors who are doing great work in our communities. He was previously president of the New Citizenship Project, an organization created to promote greater civic participation in our national life.

John also served on the Council on Crime in America, a bipartisan commission on violent crime co-chaired by Bill Bennett and President Carter's Attorney General Griffin Bell. And, in 1988, John created the Madison Center, a nonprofit organization dedicated to early childhood education and drug abuse prevention.

Mr. President, John Walters has now waited almost 2 months for a confirmation hearing. I urge my colleagues to move forward on his nomination.

NOMINATION OF JOSEFINA CARBONELL TO BE ASSISTANT SECRETARY FOR AGING

Mr. NELSON of Florida. Mr. President, I want to voice my enthusiastic support for Josefina Carbonell's nomination to be Assistant Secretary for Aging at the Department of Health and Human Services. She has served her community admirably, and is highly respected for her work with the Little Havana Activities and Nutrition Centers of Miami-Dade County. This is an organization she founded in 1972. Under her leadership, it has grown from a one-site project into the largest aging, health and nutrition program in Florida and the largest Hispanic geriatric health and human service organization in the nation. Today Little Havana operates twenty-one different sites, serving over 55,000 registered clients. The program served over one million meals to 50,000 older Americans in 2000, and now operate six senior centers and three adult care centers, and while providing services through numerous federal health-care and employment programs.

As a young girl, Ms. Carbonell came to this country from Cuba and dedicated her life to serving her community. Her contributions to the well-being of the greater Miami community are well-known, and, I would say some have become legendary.

Her many years living and working among South Florida's large senior population and her direct hands-on experience providing services for these citizens make her a superb choice to be Assistant Secretary for Aging at the Department of Health and Human Services.

In Josefina Carbonell, our seniors will have an outstanding advocate in Washington. I look forward to working with her to improve both the quality of life for our senior citizens and the services we provide them.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will resume legislative session.

ORDER OF PROCEDURE

Mr. DASCHLE. Mr. President, I further ask unanimous consent the majority leader may, after consultation with the Republican leader, turn to the consideration of the export administration bill, S. 149, but not before September 4, 2001; further, that the Senate now turn to the consideration of H.R. 2620, the VA-HUD appropriations, and Senator MIKULSKI be recognized to offer the text of the Senate bill, S. 1216, as a substitute amendment.

The PRESIDING OFFICER. Is there is objection?

Mrs. MURRAY. Reserving the right to object, and I will not object, but if I could just have 2 minutes before we go to VA-HUD for some final cleanup on the Transportation bill?

The PRESIDING OFFICER. Is there objection?

The Senator from New Jersey.

Mr. TORRICELLI. Reserving the right to object, could I have 2 minutes after Senator MURRAY?

Mr. DASCHLE. Mr. President, I ask that be part of the unanimous consent request.

Mr. McCAIN. Reserving the right to object, I reserve 2 minutes after the Senator from New Jersey.

Mr. DASCHLE. I add that one, too.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. DASCHLE. Mr. President, as in executive session, I ask unanimous consent that immediately following the next rollcall vote, the Senate proceed to executive session to consider the nomination of ASA HUTCHINSON to be Administrator for Drug Enforcement, that there be 30 minutes for debate equally divided among Senators LEAHY, HATCH, and HUTCHINSON, that at the conclusion of that debate the Senate vote on the confirmation of that nomination, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, any statement thereon be printed in the RECORD, and the Senate return to legislative session.

The PRESIDING OFFICER. Is there objection?

Mr. LOTT. Reserving the right to object for two purposes, first of all, let me clarify. In the middle of this request it says that there be—is it 10 minutes each for LEAHY, HATCH, and HUTCHINSON, as opposed to 2 minutes for debate as has been earlier indicated? You put it at 10 minutes each for those 3; is that correct?

Mr. DASCHLE. That is correct, 30 minutes of debate equally divided among three Senators, 10 minutes each.

Mr. LOTT. Mr. President, I was going to reserve on behalf of Senator THOMPSON, but I see that he is present. I withdraw my reservation so Senator THOMPSON can make this request himself.

The PRESIDING OFFICER. Is there objection?

Mr. THOMPSON. Mr. President, reserving right to object, I wanted to ask whether or not the unanimous consent request covered the consideration of the Export Administration Act.

Mr. DASCHLE. The Senator is correct. The Export Administration Act is part of the unanimous consent agreement that we entered into a moment ago. It allows the majority leader to call up the bill on September 4.

I say to my colleagues, and especially to my colleague from Tennessee, that this is an agreement he and I discussed prior to entering into the agreement. It acknowledges that we would have at least 2 full days of debate that would accommodate the interest of the Senator from Tennessee in discussing this issue prior to the time I would file a cloture motion. I confirm that for the RECORD, and fully expect that those 2 full days of debate will be immediately following the time we come back.

Mr. THOMPSON. Mr. President, my understanding was that there would be 2 full days of debate on the bill and amendments. Does the Senator state in the unanimous consent as to when the bill would be taken up? Would it be September 4 or is that left open?

Mr. DASCHLE. Mr. President, I indicated in the unanimous consent request that it would be at the discretion of the majority leader, but we did list September 4 as the anticipated date for the beginning of the consideration of the bill.

Mr. THOMPSON. Mr. President, if I may inquire, I believe we also discussed that the 2 full days—if that be the case—would be September 5 and 6. Cloture would not be filed before September 7. Is that correct?

Mr. DASCHLE. The Senator is correct.

Mr. THOMPSON. I have no objection.

Mr. CRAIG. Mr. President, reserving the right to object, I thank the majority leader for his willingness to move a large number of nominees forward and to work with Senator NICKLES also and Senator REID to bring us the number we have today. I trust that some can move tomorrow out of committee, and possibly by Friday we will even advance a good many more. But I must tell you that there are others hanging in committee—some that have been there since April and May.

I must tell you that I was very frustrated when the chairman of the Judiciary Committee asked about one nominee in particular and said we might get to him sometime next year. I do not know how to read that statement. But I will tell you, if I read it the way I thought it was intended, that is unacceptable. He has not had a hearing. And I know the chairman of the Judiciary Committee talked about the frustration of timing. But he has been before the committee since May 24.

Things change around here substantially. All of us know that and accept that. But to suggest that we will not get to one of our President's important nominees for 1 year nearly after he is nominated, if that were to happen, September is going to be a pretty difficult month around here for all of us. I don't say that as a threat. I don't threaten. We know that. We don't do that in the Senate. But we cannot accept those kinds of statements coming from key chairmen of committees who have a responsibility to deal in a timely fashion with these nominees. If there is a problem, have the hearing, bring him out and vote him down. But don't suggest to him or to the administration that sometime next year we will have this happen.

I was inclined to object. But thanks to Senator NICKLES and also Senator REID, and the work done here and the majority leader's willingness to advance it, I will not.

But there are other opportunities. There is a very clear timeline to get an awful lot of work done in the Senate. I hope I am sending a message to the chairman of the Judiciary Committee that those kinds of statements and those kinds of actions cannot stand. Most importantly, if he chooses that, then vote him down and tell the administration that they have picked the wrong person—or people—and there are other nominees or someone who is more acceptable to that chairman and to the committee and to the Senate as a whole.

As you know, I talked to the leader about the pure human side of this. People need to move their kids by August to get them in school. I think the majority leader has been sensitive to that. I mean that most sincerely, because the majority leader is moving a large number now, and that will allow them time to do what they need to do in the human sense.

But it will be a real tragedy, if this Senate becomes part of a limiting factor on any administration's ability to bring together its team and execute the responsibility of the executive branch.

I have spoken enough. I think my feelings are very clear. I must tell you that there will be an increasingly concerted effort, if those kinds of remarks and actions that follow are ones that will not move nominees, or give them their day, or vote them down and move on so we can fill these very important decisionmaking positions for our Government.

I will not object. I yield the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I thank the Senator from Idaho. I feel I may need to call an ambulance. I think I just bit off my tongue.

I will say in all sincerity that I think he just gave the speech that I have repeated probably 25 or 30 times over the last 6 years, verbatim. I can't tell you how many people languished for not days or weeks but years. But I have said on this floor repeatedly that we will not engage in payback. We will not engage in that kind of practice because I don't believe in it. But I must say the record so far speaks for itself.

Since assuming the majority—and we have only been able to deal with nominations since we came back. Prior to that time, we didn't have Members on committees. Since the organizing resolution passed, we have held hearings on 114 Presidential nominees. This last week Democrats reported favorably out of committee 17 nominees. In addition, during the 17-day period when Democrats won the majority in January, 13 hearings were held on Cabinet level appointees. During the brief time since the organizing resolution was passed, four judicial nominees have already had hearings before the committee, 100 percent more than were held before Senator LEAHY became chairman. The majority has already confirmed three judicial nominees. President Bush has been slow to send the necessary documentation on some of the nominees. As of July 24, 34 percent of the 132 nominees announced by the administration have not had their paperwork sent to the Senate.

I guess my point is that we are trying to accommodate all of those nominees whose paperwork has been sent. I think today again demonstrates the sincere desire to continue making progress just as quickly as the committees report out their work. We have confirmed 110 nominations since taking the majority, with an agreement on one more as soon as Mr. HUTCHINSON has been confirmed.

Mr. CRAIG. Mr. President, will the leader yield?

Mr. DASCHLE. I am happy to yield to the Senator.

Mr. CRAIG. Mr. President, I thank the majority leader. I mean this most sincerely. We are about at the status quo between what Republicans were able to do and what Democrats were able to do for President Clinton and what the majority leader is now doing. But I must tell you because the gentlemen and/or ladies have languished in these committees since April and May and their paperwork was there, there is something amiss.

That was my objection. Obviously, the majority leader has now expedited them. We have worked with the majority leader, and I compliment him for that. I think that is important.

But if there is a problem, let us not suggest that the gentleman doesn't get heard before next year. Let's send the right message instead of that kind of a statement. If there is a problem, what is the problem? If this person is unacceptable, hold the hearing, vote on him, and move him out or move him down.

That is my point. We need to get on with the business of allowing our President to have his people in place to govern. We made a major step, and I thank the majority leader for that.

Mr. DASCHLE. Mr. President, I thank the Senator from Idaho for his comment. There clearly will be nominees who will face challenges. We see that in the Commerce Committee as we speak. There will be others. But we will do our level best. That does not mean we are going to roll over and rubberstamp every nominee who comes forward because that isn't why we are here.

We have an obligation to ask questions, to review the data, and to make a decision. We are going to do that. But to whatever extent possible, we are going to be fair, and we are not going to reciprocate, even though I must say there are sometimes temptations that are fairly powerful. I hope we will continue to make progress on the nominations.

I also thank my colleagues, Senator REID and Senator NICKLES, for moving us along on the nominations, and Senator LOTT in particular for his work in trying to reach an accommodation.

My desire now is to work relatively late into the evening so that we might be able to get some of these amendments disposed of tonight. I do not think we will finish the bill tonight, but there is a lot of work to be done on the VA–HUD bill. We still have the Ag appropriations legislation left to do. So there is much to be done. Today is Wednesday afternoon, and we still have a day and a half, or 2, 3, 4, or 5 days perhaps, to do our work. But it is going to get done before we leave.

We will move now to the VA–HUD bill after the Senators who sought recognition are allowed to speak.

I yield the floor.

TRANSPORTATION APPROPRIATIONS

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I am very pleased that the Senate has now finally passed the Senate Transportation appropriations bill. It has been a long and arduous process, but we have done the right thing today. We have done the right thing for our constituents who have been sitting in traffic, for our constituents who are concerned about safety at our airports, for our constituents who daily travel in this country, who use our waterways and our highways and our air transportation system.

We have moved this bill forward in a way that I think is very sound. We have tried to meet the needs, as I said, of all of the Senators, who I think have done a good job on this floor. But, most importantly, I am especially pleased that we have moved the Senate Transportation Appropriations bill out of the Senate without compromising one iota on the safety of our families on our highways in regard to the Mexican truck provision. I think that is absolutely the way to go. I commend my colleagues who stood with me on this issue as we have moved this bill through the Senate.

I also take this opportunity to thank my staff: Peter Rogoff, Kate Hallahan, Denise Matthews, Cyndi Stowe, Angela Lee, and Dale Learn; as well as Senator SHELBY's staff: Wally Burnett, Paul Doerrer, and Candice Rogers; and our Commerce Committee staff: Debbie Hersman.

All of our staff members have spent countless hours in this Chamber, negotiating late into the night on many evenings over the past 10 days. I especially thank all of them for their tremendously good work and hard work and for being a part of getting this bill passed out today.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I congratulate Senator MURRAY for her success on Transportation appropriations. This Senate, commencing a summer recess, is required to deal with Mexican trucks and northeastern cows. We now have one success behind us, and one more to go.

There are those who are going to claim that our insistence on the inspection of Mexican trucks is somehow a defeat for free trade. Nothing could be further from the truth. The commitment of this Senate to free, fair, and open trade is complete. We understand that the foundation of our prosperity rests upon open markets and free trade. But because we worship at the altar of free trade does not mean we have abandoned our faith in truck safety, the rights of labor, or environmental protection. We must keep a commitment to all of these things at the same time.

The roads of the United States are open to Mexican trucks—as they are open to Canadian trucks—when Mexico can pass a regimen of truck weights, the licensing of drivers for hazardous cargo, that licenses are issued to 21-year-old drivers, and that the Mexican trucks can meet our safety requirements.

Upon current inspections, nearly 40 percent of Mexican trucks are failing inspections. Our borders are not ready for 24-hour inspections to ensure safety. We want Mexico to have access to American highways. But for 50 years we have insisted that all trucks on our highways have limited weights, properly licensed drivers, and disclose hazardous cargoes. As we have insisted upon these requirements for Canadian and American drivers, we insist upon them for Mexican drivers. We welcome that day. What we have done today is a success.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. TORRICELLI. I know in time Mexico will be able to comply with these requirements.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I extend my appreciation to the majority leader and to the Republican leader for negotiating this issue out so that we could move forward. I did not enjoy this exercise. As I mentioned before, I have never—and I have been in the Senate since 1987—engaged in parliamentary maneuvering in order to block consideration of a bill. And I would not have—and I hope I never have to again—if it were not for the fact that it is a solemn treaty. So I thank the majority leader for his assistance in working this out, as well as Senator LOTT.

During the upcoming recess, we are going to meet with the Department of Transportation administration officials to find out exactly what language it is that they need in order to satisfy the concerns we all have about the present language in the bill, which they view and the Mexicans view as a violation of NAFTA. I hope we can come back, at the end of the recess, and we can agree on that language. Then we can move forward.

However, I remind my colleagues that there are three more—three more—cloture votes that may be required which will all involve, of course, extended debate. I do not want to do that. But, if necessary, we will continue through until finality because we really are concerned about language on an appropriations bill affecting a solemn treaty made between three nations.

So again, I thank the majority leader for working this out and giving us the courtesy he has extended. I apologize to him for impeding the important work of the Senate. I hope he understands why we had to do this. I am hopeful this will all be worked out over the recess so that we can come to an agreement on language which will achieve the goal we seek, which is to make sure that every vehicle that enters the United States is safe and inspected and every driver is licensed and qualified.

So I hope we can get this issue resolved. I hope the administration will be able to work with us and the other side and develop the necessary language. I hope we do not have to continue this parliamentary maneuvering, but we will, if necessary. I hope all understand that this is the importance of this issue.

Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Maryland.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002

Ms. MIKULSKI. Mr. President, I call up the VA–HUD appropriations bill.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

> A bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

Ms. MIKULSKI. Mr. President, I am indeed quite happy and proud to present the Senate with the VA–HUD and independent agencies appropriations for fiscal year 2002.

I thank Chairman BYRD and Senator STEVENS for working with the subcommittee in order to give us an allocation that made the bill workable. The funding level falls within the subcommittee's 302(b) allocation. I also thank Senator BOND and his staff for their bipartisanship and cooperation in support of this bill.

This subcommittee has had a history of bipartisanship. That tradition continues today.

When we began the 107th Congress, Senator BOND chaired this subcommittee. It is one of the most important because it funds so many of the agencies that meet compelling human need as well as the long-range needs of the United States of America.

When the transition came, it came in an orderly, seamless, and collegial way. I hope that will also be the general tenor of our debate, that we can move forward on this bill on a bipartisan basis.

I believe this bill is balanced, fair and meets the needs of the American people.

My guiding principles in drafting this bill were simple: keep the promises to our veterans; meet the compelling day-to-day needs of working poor; re-build our neighborhoods and communities; and, invest in science and technology to create jobs today and jobs tomorrow.

Based on the President's budget proposal and our subcommittee's allocation, we had to focus on restoring cuts in the President's budget and avoiding riders.

Our overriding goal was to make sure that the core programs in veterans and housing were taken care of first, and we did that.

We could not increase spending for any programs until our core programs for veterans and the poor were taken care of.

While I wish the subcommittee had more resources for science, we did the best we could do given our allocation.

I remain fully committed to doubling the budget for NSF over the next 5 years, but without the support of the administration, the authorizing committees, and the Budget Committees, the appropriators can not do it alone.

Finally, we did not break new ground this year. We are staying the course because this is a year of transition both in the administration and in the Senate.

For our Nation's veterans, we have increased VA healthcare by $1.1 billion over last year, for a total of $21.4 billion. This is $400 million more than the President's request. This will allow the VA healthcare system to serve 4 million patients in 2002 through 172 medical centers, 876 outpatients clinics, 135 nursing homes and 43 domiciliaries.

VA continues to shift from an inpatient focus to outpatient care to serve more veterans in their communities. The funding in this bill will allow VA to open more community based outpatient clinics to better serve our Nation's veterans. This bill provides funding for VA to open 33 new outpatient clinics in fiscal year 2002.

This marks the second year in a row that we have had billion-dollar-plus increase for veterans healthcare.

We have also increased funding for VA medical research by $40 million over last year and $30 million above the President's request. This funding level will allow VA to continue progress in the treatment of chronic diseases; diagnoses and treatment of degenerative brain diseases, such as Alzheimer's and Parkinson's, and; research involving special populations, especially those who suffer from spinal cord injury, stroke, nervous system diseases, and posttraumatic stress disorder.

VA is also a training ground for doctors, nurses, and physician assistants.

VA medical care and research is a national asset that benefits both veterans and non-veterans.

We have also maintained our commitment to the VA State home construction program. As our veterans age in place, their needs and the needs of their families are changing. Outpatient clinics and State veterans homes bring the delivery of healthcare and healtcare services closer to our veterans and their families. This approach reduces costs for the VA and improves the quality of services for the veterans.

We have also provided funding to speed the processing of veterans claims. From the time a veteran files a claim, to the time he or she receives a decision, takes an average of 205 days or nearly 7 months. This bill includes $46 million to hire additional claims processors to help reduce waiting times to 100 days by the summer of 2003.

For the Department of Housing and Urban Development, we had two overall goals: expand housing opportunities for the poor, and rebuild our neighborhoods and communities; and help special needs populations.

First, we have fully funded the renewal of all section 8 housing vouchers by funding the housing certificate fund at $15.6 billion. This is $1.7 billion more than last year.

This amount includes an advance appropriation of $4.2 billion, for fiscal year 2003.

This advance appropriation was included as part of the concurrent budget resolution for fiscal year 2002 adopted earlier this year. We have carried this advance appropriation for the last several years and continue it this year.

Within the section 8 account, we have provided funding for 17,000 new or "incremental" vouchers to provide more vouchers for people waiting for section 8 assistance.

We have restored the cuts proposed by the President to critical the public housing capital account.

The Public Housing Capital Program provides funds to public housing authorities to repair and renovate public housing units to update heating, ventilation, electrical, and plumbing systems. Funds can also be used to construct new public housing, as well as renovating existing units.

We have provided $2.9 billion for public housing capital which is just below last year's level.

We have restored funding for the Drug Elimination Grant Program to fight crime and drugs in public housing.

We have provided $300 million for the Drug Elimination Program, just below last year's funding level. President Bush eliminated this program in his budget.

We cannot stop or delay our fight against drugs and crime in public housing. HUD needs to be a force for stability in the neighborhoods that surround public housing.

We increased funding for the CDBG program by $200 million over last year, to just over $5 billion in FY 2002. The CDBG program is one of the most effective tools for local economic development efforts. It gives our State and local officials flexibility to use Federal funds to meet local needs.

For other HUD programs, we have continued funding at last year's levels for: empowerment zones; brownfields; homeless grants; and housing for the elderly and disabled. We would like to have increased funding for these programs this year, but our allocation was simply not high enough to provide across-the-board increases.

We have included language to raise the FHA loan limits for multi-family housing by 25 percent this year—the first increase in many years.

This proposal was included as part of the administration's budget request, and we included it as part of our bill. Raising the loan limits will help increase the supply of multi-family housing in this country.

I wish we could do more for housing production. We cannot voucher our way out of our housing crisis. We need a new production program.

I look forward to the recommendations of the Millennial Housing Commission and the Commission on Senior Housing. These two congressionally chartered commissions will give the Congress a blueprint for addressing the crisis in affordable housing. Once we receive those recommendations, I hope the Congress can take a step forward in solving this crisis.

In the area of predatory lending and flipping, we are providing HUD with expanded legal authority to deny FHA insurance to lenders who have high default rates to help fight flipping and predatory lending.

Earlier this year, I held a field hearing in Baltimore on the subject of flipping. Unfortunately, despite some progress, this despicable practice continues.

To give HUD more resources to fight this problem, we have provided the Inspector General's office with $10 million specifically targeted to anti-predatory lending activities.

In the area of community development, one of my highest priorities has been to help this country cross the digital divide. In this bill, we provide $80 million to help create computer learning centers in low-income neighborhoods through competitive grants to local governments and non-profits.

For EPA, we provide $7.75 billion, an increase of $435 million above the President's request.

We ensure that Federal enforcement of environmental laws remains strong by restoring the 270 enforcement jobs cut by the President's request.

The President proposed a major shift in policy this year. He proposed to cut 270 environmental "cops on the beat" and shift enforcement to the States through a new $25 million State enforcement grant program.

But major concerns have been raised about this approach. The EPA inspector general has found numerous examples of weaknesses in State enforcement programs. This is a very important issue, and we need to hear from our authorizers about how we should allocate our resources before we make a major policy shift. So we did not break new ground in this area, and we maintained the status quo for Federal enforcement.

This bill also keeps our commitment to clean and safe water by fully funding the Clean Water State Revolving Loan Fund at $1.35 billion.

The Nation is facing an enormous backlog of funding for water infrastructure projects—some estimates say as high as $23 billion per year. The committee acknowledges the validity of the problems faced by large cities and small communities alike in upgrading sewer and drinking water systems.

Unfortunately, the administration chose to fund the new Combined Sewer Grant Program at the expense of the Clean Water State Loan Fund. This approach was opposed by our authorizers, and GAO told us it was a bad idea because it would weaken the Clean Water Fund.

We regret that the administration took this approach and that we cannot provide the $450 million requested for the sewer grant program.

We hope that in the future, the President's request will be more adequate to meet the needs of our communities.

For the Federal Emergency Management Agency, our bill provides a total of $3.3 billion. Of this total, $2.3 billion is designated for the disaster relief account to be available in the event of an emergency or natural disaster.

I should note for my colleagues that of the $2.3 billion designated for disaster relief, $2.0 billion is designated as an emergency under the terms of the Budget Act.

Tropical Storm Allison had a devastating impact on Texas, Louisiana, and Pennsylvania. We need to replenish the disaster account so the funds continue to be available for the victims of Allison and future disasters we may face.

We restore $25 million for Project Impact, an important effort that helps to raise visibility and public awareness for the need for pre-disaster mitigation.

We also increase the FEMA fire grant program to $150 million. In the first year of this program, FEMA received over 30,000 applications requesting nearly $3 billion for fire fighting equipment, vehicles, and protective clothing.

After seeing what our firefighters in Baltimore went through to deal with the Howard Street tunnel fire, the least we can do for these brave men and women is help give them the equipment and support they need to deal with the hazardous, life threatening situations they constantly confront on our behalf.

We have also provided the FEMA Director with support to establish and run the new office of national preparedness as requested by the President. This new office will coordinate all the various Federal programs dealing with consequence management resulting from weapons of mass destruction. This is a very important initiative; so much so that the Appropriations Committee held 3 days of hearings earlier this year on the President's action plan.

And we provide nearly $140 million for the emergency food and shelter and over $20 million to help FEMA modernize their flood mapping operation.

We provide $14.6 billion for NASA programs, $50 million over the President's request and $300 million over last year.

This was one of the more difficult parts of the appropriations bill to put together. We found ourselves dealing with a $4 billion plus overrun on the international space station.

Let me say that while I am disappointed and appalled at the mismanagement of the space station, I am still committed to seeing the space station completed.

NASA is currently having an outside review team conduct a thorough independent evaluation of the space station. That will give us a new road map for the station. Although we do make a slight reduction to the overall space station budget, we did not make any major decisions regarding the future of the station. We want to wait and see what the administration will do later this year and in their 2003 budget.

Unfortunately, this is not the first cost overrun we have had with the space station. Since 1993 we have seen at least six different revised cost estimates that have taken the station's cost from $17.4 billion up to a staggering $28.3 billion—a stunning 61 percent increase.

The committee is adamant that this has to stop. We are committed to completing the space station and that it be the world class research facility it was also supposed to be. But the culture at NASA has got to change so that NASA management gets these costs under control.

The committee is not going to let NASA raid other important space programs to pay for these space station management failures. So here's what we do.

First, we provide $1.7 billion for continued construction of the international space station. We redirect $50 million to the shuttle for safety upgrades. Protecting our astronauts is one of the most important priorities within the committee.

Second, we cap total space station costs over the next 4 years at a total of $6.7 billion. Any proposal to exceed this cap must come with a presidential certification that it is needed and the additional costs are well known.

Third, to ensure the station is in fact a world-class research facility, we add $50 million to the life and microgravity research program, which takes the program up to $333.6 million for fiscal year 2002. Then we transfer space station research out of the human space flight account into the science account where we protect it from being used any further to pay for space station overruns.

Finally, we want NASA to create an independent review committee to develop options that will increase the amount of time crew members will have to conduct research on board the station.

If this is going to a world-class research facility, we have to be sure the personnel on board have the time and support to carry out a viable research program.

Over in the Science, Aeronautics and Technology account, we provide $7.7 billion. This is $478 million more than the President's request and is driven primarily by the transfer of the biological and physical sciences research program out of the space station account and into the science account to improve aviation safety and commercial competitiveness.

For the National Science Foundation, we provide a total of $4.7 billion for research and education. This is an increase of $256 million or 6 percent over last year.

We had hoped to provide more. Senator BOND and I—and a large number of our Senate colleagues—believe it is in the national interest to double the NSF budget over the next 5 years.

This recommendation represents a downpayment on that policy objective.

We reject the administration's proposal to cut the NSF research programs and instead, we increase them by $187.5 million over the request.

We provide nearly $500 million for nanotechnology and information technology—two critically important research activities related to the Nation's economic competitiveness; $150 million to help meet the needs of developing institutions and States with $110 million for EPSCoR, Experimental Program to Stimulate Competitive Research, $25 million specifically for instrumentation at smaller institutions, and $15 million for innovation partnerships between smaller schools and local industry.

We provide $55 million for supercomputing hardware: $45 million for an earthquake research network, and $12.5 million to continue constructing a new radio telescope, called ALMA.

We link hi-tech economic development with out academic centers of excellence through a new $10 million regional innovation clusters initiative designed to bring universities, industries and local government together to map out and carry out strategic R&D and economic development plans.

Math and science education programs increase by nearly $90 million or 11%—to over $870 million, $872.4 million. We provide $190 million for the President's Math and Science Partnership program, $130 million in this bill; additional $60 million through hi-tech visa fees. We increase the stipends for graduate students in science and engineering by nearly 20 percent (or $3,500) to $21,500 per year. We provide $20 million for a new undergraduate workforce initiative. We increase support for programs related to historically black colleges and universities and other underrepresented groups to $100 million.

This is a Science Foundation budget that emphasizes three critical goals:

(1) support for people—from the scientist to the grad student to our elementary and secondary school teachers of science and math;

(2) support for the basic research enterprise of this country in strategic areas as well as to core disciplines in science and engineering; and

(3) support for tools—the cutting edge equipment and instrumentation that is so crucial to move science forward.

We have funded National Service at $420 million, which is $4 million more than the President's request, to keep National Service strong.

Volunteerism is our national trademark. It highlights what is best about America.

Volunteer programs are the backbone of our communities. They help preserve the safety net for seniors, keep our communities safe and clean, and get our kids ready to learn.

The 2002 VA-HUD bill maintains our commitment to AmeriCorps by providing funding to support 50,000 members to continue our spirit of providing community service, reducing student debt, and to creating "habits of the heart."

We also continue our promise to bridging the digital divide. We provide $25 million to teach-the-teachers, to bring technology skills to those who have been left out or left behind in our digital economy.

The bill meets compelling human needs and invests for our future.

I would like to have been able to do more for science, technology and housing production, but this is the best we can do under our allocation and satisfy the priorities of our Members.

To reiterate, this committee reported the bill and it compromises $84 billion in discretionary budget authority and $88 billion in outlays. The bill is balanced and fair and meets the needs of the American people. Our job was to meet certain compelling issues.

My guiding principles were, No. 1, to keep our promises to the veterans for them to have the health care they need and not stand in line when they have to apply for their pensions; to work in the area of housing and urban development, that we would develop the programs and policies that would empower the poor to be able to move to a better life as well as rebuilding our neighborhoods and our community; also to stand up and protect the environment and invest in science and technology to create jobs today and jobs tomorrow.

Based on the President's budget proposal and the subcommittee allocation, we had to focus on restoring cuts in the President's budget and, of course, we worked very hard to avoid riders. Our overriding goal was to make sure that core programs in veterans and housing and the environment were taken care of. We did that. We could not increase the funding for every program that was meritorious, but we could meet the basic needs of our responsibilities.

One of the areas that we were sorry we could not increase funding to the level we wanted was in doubling the budget for the National Science Foundation over the next 5 years.

I want to talk about what we have done for veterans. We increased VA health care by over $1 billion. This is $400 million more than the President's request. It will allow the VA health care system to serve 4 million patients through 2002, 172 medical centers, 876 outpatient clinics, and over 135 nursing homes. VA continues to shift from inpatient focus to outpatient care. The funding in this bill will allow VA to open more community-based clinics.

This marks also the second year in a row that we have increased funding for veterans health care. We have also increased funding for VA medical research by $40 million over last year.

This funding level will allow VA to continue its progress in the treatment of chronic diseases, also the diagnosis and treatment of degenerative brain diseases such as Alzheimer's and Parkinson's, and special populations, often those who bear the permanent wounds of war, that of spinal cord injury and post-traumatic stress.

VA is a training ground for health care providers, and we have been able to keep our programs that encourage scholarships and other grant programs to do this.

The other area we worked on was to increase the speed of processing for veteran claims. Right now, when a veteran files for a claim, it takes 205 days or nearly 7 months. We don't think veterans should have to stand in line to get this consideration. This bill includes $46 million to improve technology and hire additional processors.

In the area of HUD, for the Department of Housing and Urban Development, we had two overall goals: expand housing opportunities for the poor, but in an empowerment way, rebuild our neighborhoods and communities; and also help special needs populations.

First, we fully fund the renewal of all section 8 housing vouchers by funding the housing certificate fund at $15.6 billion. This is $1.7 billion more than last year. This amount also includes an advance appropriation of $4.2 billion. This advanced appropriation was included in the concurrent budget resolution.

Within the section 8 account, we provided funding for 17,000 new or incremental vouchers. We also restored the cuts proposed by the President to the public housing capital account. The public housing capital program provides funds to public housing authorities to repair and renovate public housing units, to update heating, ventilation, and plumbing.

These are absolutely essential. We should not be a slum landlord. We have to raise those standards. Also, we have provided $300 million in the drug elimination program. President Bush eliminated this program, and we have very serious question about what is the best way to proceed.

This year we didn't want to break new ground in terms of our general policies, so we have kept in the $300 million for drug elimination. We asked the authorizers to hold hearings on what is the best way we can keep drugs out of public housing and make sure that drug dealers don't use public housing as small business incubators for their deals.

We also increased funding for CDBG by $200 million, taking it to just over $5 billion.

We continued funding empowerment zones, brownfields, homeless grants, and housing for the elderly and disabled. We would surely like to have increased funding for these programs, but our allocation was not enough to do this. We hope that in next year's budget, we could take a look at it because these certainly are very meritorious. We have also included language to raise the FHA loan limit for multiple family housing by 25 percent. This is the first increase in many years. This proposal was included in the administration's budget request. Raising the loan limit will increase the supply of multiple family housing in this country. We need more affordable apartments. Rents are going sky high. We cannot voucher our way out of a housing crisis. We also need it for the middle class.

Also, again, on a bipartisan basis, we know we need a new production program. We are looking forward to the recommendations of the housing commission and the Commission on Senior Housing so that we could then get a framework for proceeding.

Also, my senior colleague, Senator PAUL SARBANES, chairing the Housing and Banking Committee, has been leading the fight against predatory lending. We started that fight in this committee under Senator BOND, and we are going to continue that. We have added funds in the inspector general's office to target the antipredatory lending activities.

Also, we have provided in this bill $80 million to create computer learning centers in low-income neighborhoods. These will be competitive grants to nonprofits and to local governments. I prefer to keep it to nonprofits. This will help cross the digital divide and, we believe, can be used for job training during the day, structured afterschool activities in the afternoon, and essentially be one of the important empowerment tools.

Let's move on to the environment. For EPA, we provide $7.5 billion, an increase of $435 million above the President's request. We ensure that the Federal enforcement of environmental programs remains strong. We restore 270 enforcement jobs cut by the President. The President proposed a major shift in policy this year. These 270 jobs are like our environmental cops on the beat. The President wanted to shift this to a grants program of $25 million. We again. felt we were breaking new ground without the authorizers taking a look at what is the best way to enforce the environmental laws. We know it needs to be a Federal-State partnership. But we didn't want to eliminate our current framework until we had really a very clear, well-thought-through process.

The EPA inspector general found numerous examples of weaknesses in State enforcement programs. That is why we had so many yellow flashing lights.

This bill keeps our commitment to clean and safe water by fully funding the clean water State revolving loan fund at $1.35 billion. This Nation is facing an enormous backlog of funding for water infrastructure projects—some estimate as high as $23 billion per year. Out of all the requests we got for congressionally designated projects, probably the largest number and those that just cried out for a response were in water and sewer, from very small rural communities that are on the brink of disaster to large metropolitan water supplies where the water and sewer was built over 100 years ago and are on the verge of collapse.

Mr. President, we really hope that it will be a major initiative of the authorizing committee to look at our infrastructure needs. I think this is very important in terms of a public investment for our communities.

Let's go to FEMA. Our bill provides, for the Federal Emergency Management Agency, $3.3 billion. Of this total, $2.3 billion is designated for the disaster relief account to be available in the event of an emergency or natural disaster.

I should note for my colleagues that of the $2.3 billion designated for disaster relief, $2 billion is designated as an emergency under the terms of the Budget Act. Tropical Storm Allison had a devastating impact on Texas, Louisiana, and Pennsylvania. We have to replenish this disaster account and at the same time have a cushion for these impending disasters. We restore $25 million for Project Impact and increase the FEMA fire grant program to $150 million. I will be saying more about that in the course of the bill.

Mr. President, I want to move on to NASA. We provided $1.46 billion for NASA programs—$50 million over the President's request—and $300 million over last year. This was one of the more difficult parts of our appropriations. We found ourselves dealing with a $4 billion-plus overrun on the international space station. I will say that again. We found ourselves dealing with a $4 billion overrun on the international space station. I am very disappointed and dismayed at the way the space station is being managed. I am going to be very clear on the record. I am absolutely committed to the space station, and I am going to do all I can to see that it is completed. But NASA needs to get its act together on the space station and deal with these cost overruns.

We really want to ensure that we do complete the space station but not at the expense of cannibalizing other programs or reducing the space station to only three astronauts. You cannot do the space station science for which this whole project was completed with three astronauts. We also need to be sure that our astronauts can return safely. We need to focus on the safety of our astronauts, and this is one of the other reasons we are working on shuttle upgrades.

On the National Science Foundation, know that Senator BOND and I wanted to double it, but we could not. We did increase it by $256 million. We hope to provide more. Senator BOND and I, and a large number of colleagues, think it is in our national interest to do so. This recommendation represents a downpayment on that policy objective.

We provide nearly $500 million for nonotechnology and information technology, and $150 million to meet the needs of institutions and States. We also are increasing math and science education, as well as supercomputing hardware.

The Science Foundation budget will emphasize three goals: Support for people—from the scientist to the graduate student; to develop support for the basic research enterprise of this country; and also support for the tools we need for future science and technology.

Let me go into national service. We funded national service at $420 million. This keeps national service strong. Voluntarism is our trademark and it highlights the best of America. What we did here was provide $25 million to teach-the-teachers in technology. We have included that in the bill to encourage veterans to volunteer with our young people. Again, we could have done more, but we just didn't have the money. I think what we did do meets these needs.

This speech is kind of boring because it is about numbers and data—$500 million over here, $300 million this, and the President's that, and our requests, et cetera. But when you get down to it, what this money represents is really a commitment to honoring our veterans, building our communities, housing and urban development, protecting our environment, and investing in space in the National Science Foundation so that we have the new ideas to come up with the new products, encouraging voluntarism.

We also provide that in the event any community is hit by a national disaster, while they have to go through the records, they would not have to forage for funds to pay for it.

I thank Senator BOND and his very capable staff for their most collegial and cooperative efforts in moving this bill forward.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I am very pleased to stand wholeheartedly in enthusiastic support of S. 1216, the VA-HUD fiscal year 2002 appropriations bill as reported from the Committee on Appropriations.

My compliments to Senator MIKULSKI as the new chair of the VA-HUD-Independent Agencies Appropriations Subcommittee for her hard work and her commitment to making this bill a balanced piece of legislation for all Members, for the administration and, most of all, for the people who are served by it—and they are many—as the Senator has so eloquently outlined.

I could not ask for a better chair and, previous to the transmogrification, a better ranking member. I know that some identify us as one of the more collegial teams in this Chamber. I am proud of that. I think we make a good team.

After extensive, hard work on the very important and difficult and complex issues in this bill, we agree on the policy outlines and on the specific allocation included in this bill for the VA-HUD fiscal year 2002 bill. I think the bill is grounded both in good policy and fiscal responsibility. As the Senator from Maryland has discussed, the legislation is within our 302(b) discretionary funding allocation of $84 billion-plus in budget authority and some $88 billion in outlays.

In addition, while no bill is perfect or addresses every Member's concerns—and certainly we had many hundreds and thousands of concerns—I think the bill strikes the right balance in funding both the Members' priorities and the administration's priorities.

In particular, despite our tight allocation, we have done our best to satisfy the priorities of Senators who made special requests for economic development grants, water infrastructure improvements, as well as requests for other State and local priorities. Such requests numbered over 1,600 individual requests, totaling over $22 billion, which illustrates the level of interest and demand for assistance in the bill. That means, on the average, each Senator submitted 16 requests, costing a total of $220 million for our humble little bill. We obviously could not address all of these requests, but we have tried hard to address as many of the most pressing needs as we could.

We have also met most of the administration's funding priorities. I compliment the administration for not looking to create a series of new programs, but instead focusing on—with some exceptions—maintaining existing program levels and reforming program implementation to ensure that the agency can deliver the needed assistance under existing program requirements.

Again, I emphasize that we don't need a lot of new programs in this bill. We do need to ensure that existing programs are managed well and effectively and the people who are to be served receive the benefits that are intended in the bill.

I will be relatively brief in my review of the bill because the VA and veterans' needs remain the highest priority, and funding decisions in the bill are designed to ensure the best quality of medical care for our veterans, to keep the best doctors in the VA system. To achieve this, we have funded VA medical care at $21.4 billion, an increase of some $400 million over the President's request, and over $1.1 billion over the 2001 level.

I know some Members believe the funds are inadequate, but I emphasize we have increased this account every year and have worked hard to ensure there are adequate funds for the medical needs of our veterans. In fairness, we can spend only so many funds efficiently and effectively. I believe we have done the best we can.

Moreover, Senator MIKULSKI and I are committed to meeting the medical needs of veterans, and we are working with VA to ensure successful implementation of the new CARES process that will result in better VA facilities, the better targeting of services and medical care throughout the country, assuring we do not waste money that is meant for veterans medical care on maintaining unneeded or excessive capacity buildings.

The 2002 VA-HUD Senate appropriations bill provides $31 billion for the Department of Housing and Urban Development, which is $443 million over the budget request and $2.5 billion over last year's level. This includes funding needed to renew all expiring section 8 contracts and also provides funds for 17,000 incremental vouchers.

I personally remain deeply concerned that vouchers do not work well in many housing markets. We need to develop new production programs that assist extremely low-income families in particular.

We have also included $650 million for the Public Housing Capital Fund over and above the President's budget request, and have added $300 million for the Public Housing Drug Elimination Program, a program the administration sought to eliminate in its budget. These are both important programs, and the VA-HUD bill essentially preserves last year's funding levels.

In particular, I emphasize my support for the public housing capital funding, which is critically needed to address some $20 billion in outstanding public housing capital needs. We must ensure those people who live in assisted housing have decent housing in which to live and to raise their families. As a civilized and developed nation, we owe the least of our citizens, in terms of economic wealth, at least that much.

In addition, we maintain funding for both the CDGB and HOME programs at the 2001 level, while rejecting an administration set-aside of $200 million in home funds for a new downpayment program. The set-aside is unnecessary, in our view, since this activity is already eligible under the HOME program. I stress my support for both HOME and CDBG because they rely on decisionmaking guided by local choice and need. We are asking the people who are there on the ground, in the community, to determine how best to use funds for community development and to meet the housing needs of the population in their communities.

I hope and trust these funds are used by States and localities as an investment in housing production to meet the increasing housing needs of low-income and extremely low-income families.

In addition, the bill funds section 202 elderly housing at $783 million; section 811 housing for disabled at $217.7 million. These funding levels are the administration's requests and approximately the same as the 2001 level. The bill includes over $1 billion for homeless funding, with a separate account of almost $100 million for the renewal of the expiring shelter plus care contract. Again, these funding levels reflect the administration's request at last year's funding levels.

As for the Environmental Protection Agency, the bill includes $7.75 billion, which is some $435 million over the 2002 budget request. It includes $25 million for State information systems as requested by the administration.

We did reject the administration's request to transfer some $25 million for State EPA and enforcement efforts, keeping these funds at EPA. I support that premise. As one who was a Governor, I ran environmental protection programs in my State. I have a great regard and a great respect for the work done at the State level, but the proposed transfer of enforcement responsibilities from EPA to the States may be premature. It appears to us a number of States may need to upgrade their enforcement capacity before a transfer of EPA enforcement responsibilities to States is warranted.

In addition, the bill maintains funding of the clean water State revolving fund at $1.35 billion instead of reducing this amount by $500 million for the funding of a new sewer overflow grants program.

Funding of this new sewer overflow program is premature without additional funding. Both the clean water and drinking water State revolving funds are key to building and rebuilding our Nation's water infrastructure systems and should not be compromised with new programs without significant new funding.

I cannot emphasize too strongly the importance of continuing to maintain funding for these State revolving funds. For clean water infrastructure financing alone, there is a need for some $200 billion over the next 20 years, excluding replacement costs and operations and maintenance.

For FEMA, the bill appropriates an additional $2 billion in disaster relief. The chairman and I intend to offer an amendment to make these funds available upon enactment. We feel strongly these additional funds should be available as soon as possible in the event we face disasters beyond the normal expectations during the remainder of this fiscal year. If we do not have that money, then this body is going to be put in a real bind to try to respond to a disaster which might occur in any of our States. I believe every Member should support this program because almost everyone represents a State which has benefited recently from the availability of these important disaster assistance funds in the face of some unexpected and unfortunate disaster in their States.

We need to ensure FEMA has the necessary funds to meet all possible emergency contingencies during this fiscal year and the next fiscal year. The VA-HUD appropriations bill also funds NASA at $14.56 billion. This is an increase of $307.5 million over last year. It is $50 million above the budget request. This includes $6.87 billion for human space flight, while capping the funds available for the international space station at $1.78 billion.

Senator MIKULSKI and I share huge concerns over the current status of the space station, as she has so forcefully and eloquently noted, especially when cost overruns currently exceed $4 billion this year alone. There also appears to be a total loss of management control by NASA with regard to the space station.

In the current configuration, the space station must depend upon the Russian Soyuz for any emergency escape capacity from the station, and there continues to be inadequate habitation space that is needed for science research, the primary justification for the construction of this station.

Right now, they can only hold three astronauts in the space station. The time of two and a half of them is required to operate the station. That means we go through all the work and trouble of sending up a space shuttle, sending up astronauts, and we get one-half of one FTE working on science. That is a disaster, and it is and should be an embarrassment for NASA.

Not to be too bleak, however, NASA is making great strides in other areas of research, including space and Earth science. Remote sensing is becoming a viable and important technology and many of our space science missions are unlocking the mysteries of the universe.

In addition, the bill continues our commitment to the space launch initiative, the SLI. This is a critical program that should provide for the development of alternative technologies for access to space. Nevertheless, I have heard some reports that NASA may be losing control of the SLI program. Again, NASA needs to keep a tight focus on technologies being proposed and the funding which is approved.

In addition, the bill reaffirms our commitment to aeronautics, and NASA's leadership role is part of the Government-industry partnership to develop breakthrough technologies for the aviation community.

Finally, I restate emphatically my support for the National Science Foundation, again in total agreement with my friend and chair of the subcommittee. Because of our budget allocation limitations, we were only able to provide $4.67 billion for the National Science Foundation for the coming year, a $256 million increase to the budget. This is still a $200 million increase over the President's budget, but it is not nearly as much as we want.

I believe this funding level is the best we can do under the circumstances without jeopardizing the needs of our Nation's veterans, our commitment to EPA, and our investment in affordable housing for low-income families.

Let me be clear. I am committed to working with Senator MIKULSKI and our House counterparts to find more funds for NSF in conference. I am committed to doubling the Foundation's budget over 5 years and will do everything I can to keep us on that important path.

I call on my colleagues who believe the future of the United States depends upon our continuing to make great strides in the field of science and engineering to join with us to make solid the commitment of this body to doubling the funding.

We have seen in the past great strides made in the National Institutes of Health. They are developing wonderful new cures, but they tell us that the work of NIH depends upon continuing work and development by the National Science Foundation. If you talk with people in the field of scientific endeavor, they will tell you that we are way out of balance because we have not done enough to keep up with basic science and making sure we continue to be the leader in the world in all forms of technology and science, not limited to space and health, but to biotechnology, nanotechnology, and the many other exciting issues on which the National Science Foundation is working.

I am not always sure everyone understands our investment in science and technology greatly influences the future of our Nation's economy and our quality of life. How goes the funding goes the future.

I thank Senator MIKULSKI's staff and my staff for the many long and hard hours they spent advising us and working on legislation.

I yield the floor.

Mr. SARBANES. Mr. President, I come to the floor today to voice my strong support for the fiscal year 2002 HUD/VA appropriations bill. Chairwoman MIKULSKI and Senator BOND have done an exemplary job of providing HUD with the resources it needs, even while working within a very tight allocation for all of the agencies within their jurisdiction.

The administration's budget request for HUD, the agency that provides housing assistance to this Nation's poorest families and funding for community development and revitalization, was sorely inadequate. The administration's proposal would not even have provided the funding necessary to maintain HUD programs at current levels. Instead of fighting to expand housing opportunities to meet growing needs, the Administration's budget request has put us in the unfortunate position of fighting just to retain current program levels.

We have a severe housing crisis in this country, and the need for housing assistance continues to grow. There are almost 5 million very low-income households in this country who have worst case housing needs, either paying more than half of their income towards rent or living in severely substandard housing. Another 2 million people will experience homelessness this year. At a time when so many families are in need of housing assistance, housing programs need additional funding.

One area of great concern are the proposed cuts in public housing, a program that provides housing to over 1.3 million of this Nation's poorest households.

Senators MIKULSKI and BOND realized that a significant number of families would be affected if they went along with the proposal to cut over $1 billion in funding for public housing programs. The administration proposed cutting $700 million, or 25 percent, from the Capital Fund, the fund used to repair and modernize public housing. There is a significant need for these funds. HUD estimates that there is currently a $22 billion backlog in needed capital repairs in public housing. A cut of this magnitude would have led to further deterioration of this Nation's public housing stock. The administration's budget says that this program can withstand such a cut because there are unexpended balances in the Capital Fund that can be used to fill in the gaps left by the budget cut. However, this is not the case. HUD's own data show that Capital Funds are being spent well within the legal time-frames established in a bipartisan manner just a few short years ago. Fortunately, the bill before us today provides almost $3 billion for the Capital Fund, helping us to maintain a much needed resource and to ensure that the federal investment in this housing is protected. This is an important accomplishment of the Appropriations Committee.

In addition, this bill restores funding for the Public Housing Drug Elimination Program, which supports anti-crime and anti-drug activities in public housing. The administration's proposed elimination of this program would have resulted in housing authority police officers being laid off, after-school centers being shut down, and safety improvements not being made. The bill before us today provides $300 million for this important program that helps to improve the lives of public housing residents.

Unfortunately, the administration's budget did away with other important programs as well, including the Rural Housing and Economic Development Program, which provides funding for housing and economic development in rural areas. This program helps to greatly enhance the capacity of rural non-profits to fund innovative efforts to supply housing and develop rural areas. HUD's own budget justifications state that "The previous rounds of funding recognize that rural communities face different socio-economic challenges than do cities . . . Many rural areas have been by-passed by employment, and low, stagnating wages. It is imperative that rural regions have greater access to community and economic development funds that would foster investment in economic opportunities." I am pleased that the bill before us today provides $25 million in funding for this program which allows rural America to access essential resources.

While most of this bill helps to further the goals of ensuring that all Americans have access to decent, safe and affordable housing, I have a number of concerns with provisions in the bill related to Section 8 vouchers.

This bill only provides funding for an additional 17,000 section 8 vouchers. This is only half the vouchers requested by the administration, and less than a quarter of the 79,000 new vouchers Congress funded last year. I recognize that the committee is concerned with voucher utilization and the effectiveness of the program, as am I. However, section 8 vouchers work in most areas of the country, allowing families to choose where to reside while lowering their rent burdens. I agree that there are improvements that must be made to strengthen this program and to ensure that all families who receive vouchers are able to find adequate housing. However, I strongly believe that we must continue to expand the voucher program so that we can meet the needs of the many poor families waiting to receive housing assistance.

In addition to the decrease in section 8 vouchers, the administration has proposed cutting section 8 reserves by $640 million, from two months to one month. These reserves are used in the event of higher program costs so that the section 8 program can continue to serve the same number of families. The administration is correct that some of these funds may not be necessary; however, HUD must have the flexibility to meet the needs of PHAs that must access more than one month of reserves in order to continue serving the families who currently receive vouchers. The House appropriations bill, which does not give HUD this flexibility, will lead to a reduction in the number of poor families who receive housing assistance. I am pleased that the Senate did not adopt the flawed approach taken by the House, and I hope that the conference report will give HUD the flexibility to provide more than one month of reserves to housing authorities that will otherwise be forced to cut their section 8 programs.

I am also concerned by language in this bill that has the potential to reduce funding for critical housing programs by diverting funds from HUD to other agencies. I appreciate and support the efforts of the chair and ranking member to protect funds allocated to the subcommittee. However, I am concerned that, as drafted, this provision could inadvertently result in funds being transferred from already strapped housing programs and hinder the effective functioning of the voucher program. I hope that the final legislation will ensure that all of the funds allocated to housing are used to meet the growing housing needs in this country.

As a whole, I support this bill, and commend my colleagues on the Appropriations Committee for reporting out a bill that affirms our commitment to housing this Nation's poor.

Mr. CONRAD. Mr. President, I rise to offer for the record the Budget Committee's official scoring for S. 1216, the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act for Fiscal Year 2002.

Including an advance appropriation into 2002 of $4.2 billion, the Senate bill provides $84.052 billion in nonemergency discretionary budget authority, of which $138 million is for defense spending. The $84 billion in budget authority will result in new outlays in 2002 of $40.489 billion. When outlays from prior-year budget authority are taken into account, discretionary outlays for the Senate bill total $88.463 billion in 2002. The Senate bill is at its section 302(b) allocation for both budget authority and outlays.

In addition, the Senate bill provides new emergency spending authority of $2 billion to the Federal emergency Management Agency for Disaster Relief, which is not estimated to result in any outlays in 2002. In accordance with standard budget practice, the budget committee will adjust the appropriations committee's allocation for emergency spending at the end of conference. The bill also provides an advance appropriation for section 8 renewals of $4.2 billion for 2003. That advance is allowed under the budget resolution adopted for 2002.

I again commend Chairman BYRD and Senator STEVENS, as well as Senators MIKULSKI and BOND, for their bipartisan effort in moving this and other appropriations bills quickly to make up for the late start in this year's appropriations process.

Mr. President, I ask for unanimous consent that a table displaying the budget committee scoring of this bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1216, DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES, 2002; SPENDING COMPARISONS—SENATE-REPORTED BILL

[In millions of dollars]

	General purpose	Defense	Mandatory	Total
Senate-reported bill:				
Budget Authority	83,915	138	26,898	110,951
Outlays	88,327	136	26,662	115,125
Senate 302(b) allocation:[1]				
Budget Authority	83,915	138	26,898	110,951
Outlays	88,463	0	26,662	115,125
House-reported:				
Budget Authority	83,995	138	26,898	111,031
Outlays	87,933	136	26,662	114,731
President's request:				
Budget Authority	83,221	138	26,898	110,257
Outlays	87,827	136	26,662	114,625
SENATE-REPORTED BILL COMPARED TO				
Senate 302(b) allocation:[1]				
Budget Authority	0	0	0	0
Outlays	0	0	0	0
House-reported:				
Budget Authority	(80)	0	0	(80)
Outlays	394	0	0	394
President's request:				
Budget Authority	694	0	0	694
Outlays	500	0	0	500

[1] The 2002 budget resolution includes a "firewall" in the Senate between defense and nondefense spending that will become effective once a bill is enacted increasing the discretionary spending limit for 2002. Because the firewall is for budget authority only, the appropriations committee did not provide a separate allocation for defense outlays. This table combines defense and nondefense outlays together as "general purpose" for purposes of comparing the Senate-reported outlays with the subcommittee's allocation.

Notes.—Details may not add to totals due to rounding. Totals adjusted for consistency, including removal of emergency funds ($2 billion in BA, $0 in outlays) and inclusion of a 2002 advance appropriation ($4.2 billion in BA, $2.52 billion in outlays). The Senate Budget Committee increases the committee's 302(a) allocation for emergencies when a bill is reported out of conference. For enforcement purposes, the Budget Committee compares the Senate-reported bill to the Senate 302(b) allocation.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). The Senator from Maryland.

AMENDMENT NO. 1214

(Purpose: In the nature of a substitute)

Ms. MIKULSKI. Mr. President, I call up amendment No. 1214.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maryland [Ms. MIKULSKI], for herself and Mr. BOND, proposes an amendment numbered 1214.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

AMENDMENT NO. 1217 TO AMENDMENT NO. 1214

Ms. MIKULSKI. Mr. President, I have an amendment I send to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maryland [Ms. MIKULSKI], for herself and Mr. BOND, proposes an amendment numbered 1217 to amendment No. 1214.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: to make $2,000,000,000 for FEMA disaster relief available upon enactment)

On page 81, line 2 of the amendment after "2,000,000,000," insert: "to be available immediately upon the enactment of this Act, and".

Ms. MIKULSKI. Mr. President, this amendment is simple and straightforward. It provides that FEMA disaster funding shall be available upon enactment of this bill. It means that when the President signs the VA-HUD conference report, which we hope will be in September, disaster funding will become immediately available without waiting until October 1.

Why is this important? FEMA is down to $168 million as of yesterday that has not been allocated or distributed. Normally FEMA has a cushion of $1 billion during hurricane season.

This is a very tough time of the year for many parts of our States for natural disasters. Coastal States are hurricane prone. We know the prairie States are prone to tornadoes now, and our Western States are prone to terrible fires. We want to be sure there is enough money for FEMA to respond. Therefore, in this bill we want to have a cushion.

Yesterday, President Bush announced he was releasing $583 million to cover the cost of recovering from tropical storm Allison. We sure support that. As a result, there is now almost a zero balance in the contingency fund. This is far below what we need to prepare and respond. This is why Senator BOND and I are offering this amendment. We cannot be left unprepared, and upon completion of the remarks of my colleague, I will urge its adoption.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, this is an extremely important amendment. It should be an important amendment for every Member of this body. Unfortunately, we do not know for which Members it will be important because we do not know where the next disaster will strike.

Based on our past experience, as the chair has mentioned, there are problems along the coast. We have tornadoes, we have hurricanes, we also have fires in the West, and we still do floods, and wherever these disasters strike, FEMA must be ready to respond. If we do not have a problem, then the money is not spent.

With the release of the $583 million in contingent disaster relief for previously declared disasters, including the assistance of victims of tropical storm Allison, several States of recent storms, flooding in Montana, Texas, West Virginia, and Virginia, and other declared disasters, there are no additional funds available for release this year. FEMA is perilously close to a situation where it does not have enough disaster funds for the rest of the year.

We do not know where or when or what kind of disaster will strike, but we do know we should not roll the dice and be without this funding available to FEMA should it be needed.

FEMA provides critical assistance in times of emergency. We want to be sure they have this emergency assistance available. I join with my colleague in asking it be adopted.

Ms. MIKULSKI. Mr. President, we know of no one who wishes to speak against this amendment. This is not a money amendment; it is a timing amendment. We have the support of our colleagues. Knowing there is no one else who wishes to speak on it, I urge its adoption.

The PRESIDING OFFICER. If there is no further debate, without objection, the amendment is adopted.

The amendment (No. 1217) was agreed to.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Ms. MIKULSKI. Mr. President, the bill, of course, is open to amendment by any Member. We know our colleague, Senator WELLSTONE, has an amendment, and after that, we know our colleague, Senator BOXER, will also be offering amendments. Then hopefully after that, Senator KYL will have an amendment. If everybody comes to the Chamber and cooperates the way Senator WELLSTONE immediately came to the floor, it is conceivable we can finish this bill this evening, a record time.

I yield the floor.

AMENDMENT NO. 1218 TO AMENDMENT NO. 1214

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I say through the chair to the Senator from Maryland, I am cooperating. She has a way of eliciting cooperation. I made sure I got to the Chamber and cooperated with the Senator from Maryland and, of course, the Senator from Missouri.

I send my amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 1218 to amendment No. 1214.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To increase the amount available for medical care for veterans by $650,000,000)

On page 7, line 19, strike "$21,379,742,000" and insert "$22,029,742,000".

Mr. WELLSTONE. Mr. President, I can describe this amendment for colleagues. This amendment will add $650 million to the funding that is contained in this bill for veterans health care.

I will go through the numbers carefully because Senators have voted for more than this amount of additional funding in prior votes. First I will speak in a general way and then more specifically.

I thank both the Senator from Maryland and the Senator from Missouri for their fine work on this bill and their fine work on behalf of veterans. I know, and they know, there is not nearly enough funding in medical or housing needs. I propose this amendment to bump up the funding. It does not get all the way there. I am not trying to do any showcasing. I have been involved in these amendments year after year after year, sometimes with success, sometimes without success. I will continue to force the issue when it comes to the funding because I know, and I am sure other Senators know as well, in the most concrete personal way just from our office in Minnesota and the number of people calling.

I admit to every Senator in the Senate that I was completely naive about this when I was elected. I never thought a large part of my work would end up being veterans work. I didn't think that would be what I would be doing. This all came about because our office is fortunate to have great people: Josh Syrjamaki and Mike Siebenaler are heroes in the veterans community. They come through for people. The better we do for an individual person, the more the word gets around, and other people come for help.

We helped a Vietnam vet. His daughter wrote me a poem about her dad. She said, my dad was fine, and one day he took a shower, he came out of the shower, and he had a complete mental breakdown, posttraumatic stress breakdown. It was a plea for help.

I will not use names because I don't know if families approve. I think Tim Gilmore's family would not mind. Tim was struggling with Agent Orange and still not getting the compensation he needed. If he did not get it and he passed away before receiving it, the family would not get benefits. He was not thinking about himself any longer—he knew he would die—but he didn't know whether his family would get any help.

When helping people such as these, with good people in your office—and I have the best—more and more people come for help. It turns out this has been a lot of the work we do. People fall between the cracks.

Quite frankly, this appropriations bill is way under what we should provide. I will add it up in a moment with concrete numbers. The medical inflation alone, counted at 4 percent a year, gets close to $1 billion. Look at the commitment we made to treat veterans with hepatitis C. Look at the Millennium Program and the commitment we are supposed to be making to an ever-aging veterans community and the kind of help we will give them, or we say we will give them, and look at the whole scandal of the number of homeless veterans. I venture to say probably a third of adult men who are homeless in this country are veterans, many of them Vietnam veterans, many of them struggling with mental health issues, with substance abuse issues. Look at the commitment we are supposed to be making toward expanding mental health services, and look at the long delays it takes for people to get the care they are supposed to receive from our VA medical system because we do not have the systems in place or we do not have enough of the personnel, and then look at the crisis in nursing. This is no way to say thank you to veterans.

This amendment has the support of the Disabled American Veterans, AMVETS, Paralyzed Veterans of America, and the Veterans of Foreign Wars, the VFW; the American Legion supports this amendment. A lot of the American service organizations support this amendment for good reason.

Now the specifics. During the debate on the budget resolution—I want Senators or staff to please listen because I am determined to pass this amendment—the Senate passed by a vote of 53–46 an amendment to fully fund veterans health care. This amendment, which I introduced, added $1.7 billion to veterans health care above the President's request. This was based on the work of veterans organizations which put together an independent budget. We said to veterans organizations, we are tired of hearing you tell us what you are against. Tell us what you favor.

A variety of different veterans organizations did careful research and said, this is what we need to make this veterans health care budget work. They put together this budget and, based on their work, I introduced this amendment. It came out of the tax cut.

This amendment brought us to a level of funding recommended by the independent budget—I didn't pick it out of thin air—which was the $2.6 billion over fiscal year 2001.

The Senate then adopted an amendment offered by Senator BOND that added an additional $900 million above the $1.7 billion. That passed 99–0. So the amendment I am offering today for an additional $650 million is only a quarter of the amount the Senate has gone on record in favor of adding to the President's request.

Members can't vote for the budget resolutions and say they are for this and, when the rubber meets the road, vote against the additional appropriation. I feel strongly about this. The budget amendments were a test of our priorities. Some Senators would not agree with this, and it doesn't matter; I think you should vote for this amendment out of a commitment to veterans. I never saw the sense in spending so darn much money on the tax cuts. Too much of it I thought was Robin Hood in reverse, too much going to the very top of the population.

I thought there were other needs: Of course, education; children; we will be talking about defense later on; we are going to be talking about prescription drug benefits, affordable prescription drug benefits. What about veterans and veterans health care?

When it came to the vote, the Senate rose to the occasion in a positive vote for more money than I am now asking, to make veterans a priority. Unfortunately, the budget resolution that the Congress ultimately adopted, which was basically the President's budget, shortchanged veterans by requesting a $700 million increase for health care. In other words, to put this number in context, last year's requested increase for the VA health care system alone was $1.4 billion.

The simple inflation rate, 4.3 percent in the VA health care system, would mean approximately $900 million would just go to cover medical inflation; $900 million is already gone. So the administration's proposed budget barely covered the cost of medical inflation.

The House did a little bit better than the administration, and the Senate appropriators did better still. I give credit where credit is due. The Senate VA-HUD has a $1.1 billion increase over last year's level for health care. That is $400 million more than the President. The appropriators got us part of the way there but nowhere near all the way. The independent budget produced by AMVETS and the VFW and the Disabled American Veterans and the Paralyzed Veterans demonstrates that the VA will face approximately $2.6 billion more in health care costs in fiscal year 2002 than we face in the current fiscal year. So $1.1 billion is nowhere close to $2.6 billion.

Here is what we are talking about: Uncontrollable costs such as medical inflation and salaries, $1.3 billion; Millennium Act long-term care initiative,

$800 million; and other initiatives, including mental health care, pharmacy benefits for new patients, and I also argue, again, some assistance for homeless vets.

I just think this amendment could not be more reasonable, frankly, in terms of what we ought to do.

As a Senator from Minnesota, I think long-term care ought to be one of our highest priorities. Last year we passed landmark legislation called the Veterans Millennium Healthcare and Benefits Act which significantly increased noninstitutional long-term care. For the first time it would be available to all veterans who are enrolled in the VA health care system. The legislation is costly, if we are going to really back it with resources, but it is critical for veterans and their families.

I say to the Presiding Officer, the Senator from Nebraska, I learned about this in a very personal way, and every Senator probably has had the same experience. We have a wonderful VA medical center, a flagship, really, in Minneapolis. I will go and visit veterans. If you should spend a little bit of time with their spouses—say, for example, you are visiting her husband and he is a World War II veteran or Korean War veteran. Then maybe you can get away from where her husband is and you go out into the lounge and you sit down on the couch and maybe have a cup of coffee and you talk. She is terrified because she does not have the slightest clue what she is going to do when he gets home because she cannot take care of him any longer, not by herself.

I went through this with my mom and dad. My dad had advanced Parkinson's disease. I know exactly what this is about.

Do you know what. More and more veterans—just more and more Americans, thank God—are living to be 80 and 85 and 90 years of age. We have our collective heads in the sand when it comes to veterans health care if we are not going to back our rhetoric with resources and put some resources into this Millennium Health Care Act. It is not done on the cheap. Long-term care is not done on the cheap. Enabling a veteran to live at home in as near normal circumstances as possible, with dignity—which is what we should do—is not done on the cheap.

Currently, we have 9 million veterans who are 65 years of age or older. Over the next decade, half of the veteran population is going to be 65 years of age or older. According to the Federal Advisory Commission on the Future of VA Long Term Care, about 610,000 veterans a day need some form of long-term care. That was in 1997, that study.

As the veterans population ages, long-term services are an increasingly important part of our commitment to health care for veterans, and we are not funding it. We are not providing the necessary funding.

The Millennium Act also ensures emergency care coverage for veterans who do not have any other health insurance options. This is costly. It is another thing that has to be covered, but it is necessary. Nearly 1 million veterans enrolled with the VA are uninsured, and they are in poorer health than the general population.

Furthermore, we made the commitment to treating hepatitis C, we have other complex diseases such as HIV infection, and we have made the commitment to provide care for veterans, but we do not have the adequate funding.

The Congressional Budget Office estimates that full implementation of the Millennium Act would cost over $1 billion in 2001—$1 billion alone. This is on top of the other initiatives, $500 million for initiatives such as mental health, the homeless reintegration program, and treatment for hepatitis C.

When you take all the challenges and all the costs that the VA health care system is going to face, including long-term care, emergency care, essential treatments, and medical inflation, a budget increase of $2.6 billion is needed. That is the independent veterans budget. We are not even halfway there with what we have done, and I am now saying at least let's add an additional $650 million.

The last 2 years have been a downpayment to the veterans health care budget, enabling the VA to get back on course in delivering world class service that is rightfully due to our Nation's veterans. I thank, again, the Senator from Maryland and the Senator from Missouri for their work. These funding increases have been welcome. But the problem is they have not erased the prior years of flat funding. We all know what that means. Year after year, we had flat funding where we did not at all increase any of the appropriations, the money the veterans needed. Over the last decade, the VA health care budget has experienced deep cuts in real dollar terms, at a time when it should have been addressing an aging and increasingly health-care-dependent veterans population. That is the "why" of this amendment.

Let me repeat that because it is the unpleasant truth. Over the last decade, all together, in real dollar terms, because of these flat budgets, actually the VA health care budget was experiencing deep cuts, in real terms, at the same time we had more and more veterans who were aging, more and more veterans with health care needs.

Based on VA statistics from January 2001, the national average waiting time for a routine next-available appointment for primary care medicine is 64 days. Do you hear me? Sixty-four days, with a range of between 36 and 80 days. For specialty care, the statistics are even worse. Eye care average waiting time, 94 days; cardiology, average waiting time, 53 days; orthopedics, average waiting time, 47 days; urology, average waiting time, 79 days. Some veterans are waiting up to 18 months to get care from the VA in Minnesota, and Minnesota is not alone, and that is not acceptable. There should be support for this amendment.

In an era of budget surpluses, these stories are outrageous. I could go on and on. I will not because I know my colleagues want to move the legislation forward. I do not think that veterans, America's veterans, Minnesota's veterans, Nebraska's veterans, Missouri's veterans, understand why, with the Federal coffers overflowing, their budget is nowhere near fully funded.

We have heard a lot of rhetoric lately about returning the surplus to taxpayers. We have been told the Federal coffers are overflowing and we should return the excess. Certainly some of the tax cuts were in order. But in all due respect, if you listen to the veterans community, if you visit VA facilities, if you talk with the staff, it is clear that part of the surplus we have been enjoying has been paid for on the backs of American veterans. That is why there should be support for this moderate amendment that just bumps up the funding so we can do a little bit better.

I have about 5 more minutes to conclude my statement. I will wait for my colleague's response.

The counterargument is: Wait a minute. This goes beyond the spending caps.

I want Senators to listen to this. It is true that this amendment is not offset. I could have tried to pay for this amendment by cutting into housing programs in this appropriations bill. But the truth is, housing is underfunded. In fact, it is absolutely unbelievable that affordable housing is not made the top priority in the Senate. It is going to soon become the crisis issue in the country. It is now. We just haven't faced up to it.

The opponents of the amendment are asking that we make a tradeoff—that I am supposed to ask more for veterans and take something away from affordable housing; that I am supposed to choose between science and veterans. I reject the tradeoff. I think Minnesotans reject the tradeoff. I think the American people reject the tradeoff. Colleagues, the Senate rejected the tradeoff when we debated the budget resolution. Let me go back to how you voted. Fifty-three Senators said: Let us do right by veterans and reduce the cost of the tax cut with this amendment. Ninety-nine Senators said: Let us add at least an additional $900 million and just take it from the surplus with no offset. Ninety-nine Senators voted for this. Ninety-nine Senators said: Let's add an additional $900 million and just take it off the surplus with no offset. This amendment adds only $650 million.

By the way, between these two amendments, the Senate voted overwhelmingly to add four times as much money to veterans health care as the amendment I am offering today. You are on record. We are on record. We didn't do our work. We did it because of the overwhelming need that is out there.

Let me simply say that I make no apology for the amendment. I think Senators should vote for it.

I just say this to colleagues. Some historian is going to look back at this vote in one way. We know darn well that we are going to go beyond the budget caps and limits when it comes to defense. We are going to do that. We already know it. We also know that we are not going to stick to the caps when it comes to education. Every Senator knows that, or should. We can't make the kind of investment that we have rhetorically committed to education within these existing caps. We can't make the kind of commitment that many have made to defense within these existing caps. We cannot honor the commitment that we made to veterans within these caps.

It is crystal clear to me that we are on record. Ninety-nine Senators said: Let's add an additional $900 million and let's take it off surplus with no offset. I said: Let's ask for $750 million. That is not even the $900 million for which 99 Senators voted.

I finish on this point: The reason for all the support from all of these veterans organizations is this very real need. I come out here to speak about it. I feel strongly about it because I know we have to do better. I hope this amendment will pass.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I wish to comment on Senator WELLSTONE's amendment. First of all, I have a great deal of admiration for my colleague from Minnesota. His advocacy for veterans has been longstanding from the day he walked into the Senate. He has been, first of all, a champion for health care for all Americans. He has also been particularly vigorous in the issues related to veterans health care. He has been one of the few to speak up for the so-called "atomic veterans"—those exposed to nuclear testing and nuclear radiation. He has spoken for the veterans who are homeless and mentally ill. I know he is very closely identified with the veterans service organizations, especially those that produce something called the independent budget where the veterans organizations themselves look at what the President is proposing. They gave commentary.

Senator BOND and I met with leaders of those veterans service organizations. They made compelling cases. They told us stories from the waiting room about what our veterans were facing.

Senator BOND and I really would love to have increased veterans funding even more. But we had an allocation. The allocation enforced budget caps. This subcommittee intends to live within its budget caps.

This is why it is with great reluctance that I oppose Senator WELLSTONE's amendment, because it is an addition of $650 million without an appropriate offset. This essentially breaks the caps.

What does breaking the caps mean? It puts us into deficit spending. And it could also result, because of other budget and tax break decisions, in putting us even up against the Medicare and Social Security trust funds.

I don't dispute many of the compelling arguments that my colleague made, but at the same time this subcommittee had the difficult task of balancing many needs—veterans health care, the need of housing, the need of low-income Americans to really try to deal with the terrible problems that children face with lead paint poisoning—I know that is something the Senator from Minnesota has championed—protecting the environment, and other issues that we have enumerated in the bill.

We have a very tight allocation. I think we did a good job. First of all, we did not abandon the veterans. We did not break any promises to the veterans. In fact, we added $1 billion more in veterans health care than we had last year—$1 billion more than last year. This is actually even $400 million over what President Bush requested. It is over $100 million more than what is in the House bill that they sent over to us.

We think we have put our promises into the Federal checkbook.

What does this bill do? This level of funding will allow VA to open at least 33 more community-based outpatient clinics. It also makes sure that we cut down on the waiting time for veterans to receive health care.

We have also increased funding in veterans medical research. There is $390 million for VA medical and prosthetic research. What do we do there?

The Senator has spoken about the chronic problems of aging veterans. He is absolutely right. That is why we want to increase research for their treatment, and also to pay particular attention to Alzheimer's and Parkinson's.

Also, our research program encourages even more breakthroughs in prostate cancer. At the same time, we provide funds to recruit and retain high-quality medical professionals.

We are in a war for talent. There is a shortage of nurses. We are in bidding wars to be able to get those nurses. While we keep the nurses, we have to try to recruit new ones. We are trying to create opportunities for nursing education so they can get their education through VA so they will be there to maximize the care that veterans need.

I want to talk about claims processing, this whole issue of standing in line in order to get your claims processed. What are we talking about? We are talking about pensions. And we are talking about disability benefits that are service related, taking 205 days—7 months—to get the first decision. We think that is too long. We also think it is wrong. Therefore, working with our very able administrator, Mr. Principi, we have come up with funds to be able to hire and train more claims processors and improve technology and cut down that waiting time.

We also want to talk about long-term care. There is money in this bill for what we call GREC, G–R–E–C. What does that mean? It means that these are geriatric evaluation centers. What does a geriatric evaluation center do? It makes sure that veterans get appropriate care; that we do not abandon them; and that we do not warehouse them. But a geriatric evaluation gives a complete physical, a complete neurological and mental health evaluation, to determine why someone might be suffering a loss of memory or undergoing behavioral changes. It could be Alzheimer's or it could be a brain tumor; we want to know. It is really in veterans health care where we are providing pioneering work in doing those evaluations.

I must say, it is the only place in the Federal budget where anyone pays real attention to developing a cadre of geriatricians focusing primarily on veterans. So we meet those funds. Could we open more GRECs? You bet. Could we train more geriatricians? I wish we could. But I will promise you that each year we move further along, and we will continue to do that.

At the same time, our veterans often do face the need for long-term care. We like the partnerships between the Federal Government and the State governments. This is why we provide $100 million for something called State Home Construction for the Care of Aging Veterans. This doubles the President's request and addresses the $285 million backlog in high-priority needs. We do have a backlog, and the backlog is not a wish list, it is a priority list.

So we believe we have really met veterans' needs. Have we met them completely? No. Have we met them robustly? I believe yes. The total funding for the Veterans' Administration part of the VA–HUD bill is $51 billion.

I would really commend to those on my side of the aisle to read the Democratic Policy Committee analysis of what the bill is. We hear numbers and statistics, and we can get lost in this. I hope they will take the time to see what we really did do for veterans in this bill, as well as improve construction projects—major and minor—and the processing of claims, et cetera, that we said.

So again, I acknowledge the outstanding advocacy of my colleague, Senator WELLSTONE from Minnesota. I acknowledge the validity of many of the points he has made. I thank the veterans service organizations for their very keen analysis of the independent budget. I say to them, I wish we could do more; but without breaking the caps, without coming right up against the Social Security and Medicare trust funds, we could not do more.

So it is with great sadness but, nevertheless, fiscal responsibility to honor the budget caps that I will be opposing the Wellstone amendment.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, it has been suggested that we find a time to be agreed upon for a vote on the motion to waive the point of order which will be raised. I wish to speak only about 5 minutes. I see the distinguished assistant majority leader in the Chamber.

Mr. President, I ask consent that there be 15 minutes of debate prior to a vote in relation to the Wellstone amendment No. 1218, with the time equally divided between Senators WELLSTONE, MIKULSKI, and BOND.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, I would ask my friend to amend that to say there would be no second-degree amendments in order.

Mr. BOND. And there would be no second-degree amendments in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Missouri.

Mr. REID. Mr. President, if the Senator would withhold just for a second, if I could just say, for the benefit of all Senators, there should be a vote on this at around 6 o'clock if everyone uses all their time. Senators should further be advised that following this vote, because of an order previously entered, there will be a vote on the Asa Hutchinson nomination to head the Drug Enforcement Administration that will immediately follow this vote. I should say, there is going to be some time allowed to talk about the Asa Hutchinson nomination, but it will be right after this vote.

Mr. BOND. Mr. President, just to straighten this out, might I ask the Chair: I understood there had been time set aside for debate on the Hutchinson vote. So for my colleagues' edification, what is the time agreed to for debate on Hutchinson prior to the vote?

The PRESIDING OFFICER. Thirty minutes evenly divided.

Mr. BOND. It is a vote on the confirmation of the nomination of ASA HUTCHINSON?

The PRESIDING OFFICER. The Senator is correct.

Mr. BOND. I understand after this vote there will be 30 minutes equally divided on the nomination of Mr. HUTCHINSON prior to the confirmation vote on the nomination; is that correct?

Mr. REID. I have just spoken to the chairman of the Judiciary Committee. He said he doubts he will use all of his time. So we will have a vote whenever they finish using whatever time they decide to use. And we will come back to this bill.

Mr. BOND. Mr. President, now that we are thoroughly edified, may I return to the Wellstone amendment?

What my colleague, the chairman, has said is quite true. Veterans, veterans health care particularly, has been the top priority, and will be the top priority, of this committee. In a time of tight budgets, we provided a $400 million increase over the President's request for VA medical care. This is $1.1 billion over the current fiscal year.

This is why I say VA medical care is again our top priority in this bill. This continues our commitment to our Nation's veterans, to ensure that they receive the health care they deserve.

We have heard about flat funding. I can say that in the past several years this committee has worked very hard to increase, significantly over the President's budget request, the amount we apply for veterans health care. In the past 2 fiscal years, we added $3 billion to the President's request for medical care in order to ensure no veterans would be turned away, no layoffs of critical medical staff would occur, and that funds needed for treating hepatitis C, the homeless, the mentally ill, and other critically important needs of veterans would be fully funded.

As a result, the VA has been treating more veterans in its medical program than ever. We intend to assure that they can continue to treat those veterans with the highest degree of medical care.

This budget would provide for additional substantial increases for hepatitis C screening, treatment, new long-term care programs, and for a continued increase in the number of veterans served by the VA medical system.

I believe everybody in this body wants to make sure we provide all of the funds we can possibly find and that can be well used by the VA.

I question, however, two points: No. 1, busting the budget agreement—spending more money than has been allocated to this committee—but, secondly, why we would wish to provide additional scarce resources to the veterans medical care account when the VA has advised us they will likely not be able to spend all those funds in fiscal year 2002—the funds we have just provided. In fact, according to VA's own budget, they already expect to have about $1 billion in carryover funds in this current year going into the next fiscal year under their budget request. They could not spend more than the funds that are already provided in this bill for veterans health care, in addition to medical care funding, which we all agree is vitally important.

We have included a number of other significant funding items to improve the condition of our veterans. For example, we provided an increase of $30 million over the President's request to fund medical research. We want to make sure that the health care provided to our veterans is the finest available and that we are doing research on the leading edge.

This places the VA medical research account at a record level of $390 million. That is how we attract and maintain top quality researchers and health care providers in the system. We have also restored cuts to the State home construction program to increase the number of nursing home care facilities for veterans. Our funding would also support the opening of 33 more community-based outpatient clinics to improve access and service delivery.

As one who travels around my State, I find the community-based outpatient clinics to be the best innovation we have developed in the past 10 years to make sure that health care is readily available, convenient, accessible, and efficient for veterans.

When the time expires, I will raise a point of order. I will yield the floor now for any comments my colleagues wish to make.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me first say to both Senators, they have done a superb job within the allocation they had. My quarrel is with the allocation.

Again, the President's budget was about $1 billion over what we had. It doesn't even deal with medical inflation which is over $1 billion, a little over 4 percent per year. Everybody knows that. Then we added another $400 million. That is terribly important.

If you look at inflation, for long-term care, home-based care for elderly veterans, hepatitis C, homeless veterans, mental health services, covering veterans now who were not covered before with emergency room care, we are nowhere near what we need to do. That is why every one of these veterans organizations supports this. That is why they did the independent budget.

My colleagues have done their best within this allocation. The problem is with the allocation. Frankly, I would have had an amendment—I say to both of my colleagues; I have such respect for them—I would have had an amendment that would have offset this from the tax cut. Then it would have been blue-slipped because it would not have originated from the House. I didn't want to mess things up for this bill. I couldn't do that.

Here is the only place of disagreement. All of what I have to say is praise. If I keep doing that, maybe I will even get your votes; you deserve it.

Actually, the truth is two- or threefold. No. 1, there has not been one appropriations bill signed by the President. So actually this isn't busting the overall budget cap. We are early on in the process. It goes beyond this allocation with which I quarrel and you quarrel because you don't have the resources. If we are going to start saying that an additional $600 million to help veterans health care all of a sudden is a raid on Social Security and Medicare, then watch out, everybody, because come this fall, that is exactly what is going to happen with the Pentagon budget. There is not one Senator here who does not know that. That is exactly what is going to happen with the education budget. I am talking about appropriations. There is not one Senator who doesn't know that.

I would venture to say there is not one Senator who will come to the floor right now and challenge me on this point. We all know we are going to bust the cap. We all know we are going to spend additional money. And we should. I am just being honest about this in my advocacy for veterans.

I don't know why in the world right now we can't do this. There is nothing in the world that says you can't do it. As a matter of fact, again, 99 Senators voted for $900 million in an amendment offered by Senator BOND—$900 million additional. There was no offset for that.

Two or three points: This is a vote that is a test of our priorities. We should do the right thing for veterans, and we should do it now. At the end of the game, come this fall, we know darn well we are going to be investing additional resources in education and the Pentagon. We ought to do it for veterans. That is what this is about.

I say to every Senator, you are on record supporting this. It is not a game. It is to meet some very real needs. We all know we are going to have to make additional investments anyway, so it goes a little bit above the allocation.

Finally, what do we say to veterans who have waited a long time? What do we say to veterans who are desperate for some care so they can stay at home and not be in nursing homes? What do we say to veterans who are homeless veterans and we are not getting the care to them? I couldn't vote for it because it was in violation of an allocation? People don't understand that. We ought to do the right thing. I hope Senators will support this amendment.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I don't know what we are going to do in the fall. I don't know what we are going to do in the Pentagon budget. I don't know what we are going to do on Labor-HHS appropriations related to busting the caps.

I do know what we have done on VA-HUD. We have met the needs of America's veterans. We have done it in very important areas, from actual care to long-term care, to recruiting new personnel, to creating educational opportunities, to improving our cemeteries and also improving both major and minor construction.

Make no mistake: When we vote on this bill, I need my colleagues to be clear. It is not, are you for or against the veterans? That would pass 100 to nothing. Of course we are for our veterans. It is not, are you for or against veterans health care? We, of course, are for veterans health care. That is why we worked so hard on this committee to add $1 billion more, $400 million over what the President initially thought he needed.

This vote is, are you or are you not going to use the VA-HUD bill to break the budget caps. I don't want to get into geek-speak here about this cap or a feather in your cap. I am talking about ceilings that were placed on spending so that we could have fiscal responsibility, fiscal restraint, and at the same time move very important legislation and put much-needed funds in the Federal checkbook.

A vote for Wellstone is a vote to break the caps. People might want to do that, but I want them to be very clear that that is what that is. The consequence of breaking the cap means it will put us into deficit. It will also put us right smack up against having to dip into Social Security and Medicare trust funds.

I voted against the budget because I thought it was too tight. That was several months ago.

I voted against the tax bill because I thought it was too lavish. But this is the hand that was dealt to us. I voiced opposition, as I know the excellent colleague from Minnesota has done. But we had an allocation. What does an allocation mean? It means we get a 302(b). That is geek-speak for saying this is the amount of money you can spend. If you go over it, you plunge the Nation into deficit, and it is going to take 60 Senators to do that if we raise a point of order.

Let's be clear. This is not a vote about veterans health care. This is a vote about do we or do we not want to break the budget caps on this bill when, in fact, we have added a billion dollars more for veterans health care?

I really oppose the Wellstone amendment, not because it doesn't meet a need but because it will cause us to go into deficit and to dip into these trust funds.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I second the very thoughtful comments of the Senator from Maryland. This is a very important and significant area. We have allocated as much as we can based on the needs as identified and the ability of the VA to spend money on medical care.

This amendment would spend money we do not have. We have to operate within guidelines. We do have a budget and we have an allocation that has been accorded to this committee.

I, therefore, raise a point of order that this amendment violates section 302(f) of the Congressional Budget Act and provides spending in excess of the subcommittee's 302(b) allocation.

Mr. BYRD. Mr. President, I rise today to speak in opposition to the motion to waive the Budget Act with regard to the Wellstone amendment to provide additional resources for veterans health care. We all recognize that the limits on discretionary spending contained in the budget resolution are totally inadequate. However, the Senate Appropriations Committee is doing its best to produce responsible bills that meet the needs of the American people. Senator MIKULSKI and Senator BOND have done an excellent job in bringing the VA/HUD bill to the floor.

The pending bill provides $21,379,742,000 for Veterans Health Care, an increase of $1.1 billion or nearly 6 percent over fiscal year 2001 and $400 million over the President's request. Given the tight spending limits in the budget resolution, this is a responsible level of funding.

I voted against the budget resolution because it provided for an irresponsible tax cut and inadequate discretionary spending limits; but now is not the time to break the budget. This bill meets the needs of America's veterans. I urge Senators to oppose the motion to waive the Budget Act.

Mr. WELLSTONE. Mr. President, I move to waive the relevant section of the Budget Act and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 25, nays 75, as follows:

[Rollcall Vote No. 263 Leg.]

YEAS—25

Bingaman
Boxer
Carnahan
Cleland
Collins
Dayton
Dodd
Durbin
Grassley
Harkin
Hutchinson
Jeffords
Johnson
Kennedy
Landrieu
McCain
Nelson (FL)
Reid
Rockefeller
Smith (NH)
Snowe
Specter
Stabenow
Warner
Wellstone

NAYS—75

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bond
Breaux

Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Clinton
Cochran
Conrad
Corzine
Craig
Crapo
Daschle
DeWine
Domenici
Dorgan
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Gregg
Hagel
Hatch
Helms
Hollings
Hutchison
Inhofe
Inouye
Kerry
Kohl
Kyl
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (NE)
Nickles
Reed
Roberts
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (OR)
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Wyden

The PRESIDING OFFICER (Ms. STABENOW). On this vote, the ayes are 25, the nays are 75. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

Mr. BOND. I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, what is the regular order? I understand we are to move temporarily off VA–HUD for the Hutchinson nomination.

The PRESIDING OFFICER. The Senator is correct.

Ms. MIKULSKI. I ask for the regular order.

EXECUTIVE SESSION

NOMINATION OF ASA HUTCHINSON TO BE ADMINISTRATOR OF DRUG ENFORCEMENT

The PRESIDING OFFICER. The clerk will report the nomination.

The assistant legislative clerk read the nomination of ASA HUTCHINSON, of Arkansas, to be Administrator of Drug Enforcement.

The PRESIDING OFFICER. Who yields time? The Senator from Vermont.

Mr. LEAHY. Madam President, is there a time agreement entered on this nomination?

The PRESIDING OFFICER. There are three Senators controlling 10 minutes each.

Mr. LEAHY. Normally as chairman of the authorizing committee I would go first, but I see the distinguished Senator from Arkansas. I yield first to him as a matter of courtesy, and then I will speak.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. I will be very brief. I have risen with great pride to speak in favor of the nomination of my brother, ASA, to head the Drug Enforcement Administration. I thank all of my colleagues.

I express my appreciation today to all my colleagues who have treated ASA with such courtesy, such respect, through the confirmation process. I especially express my appreciation to Senator LEAHY, the chairman of the Judiciary Committee, and to Senator HATCH, for their willingness to be prompt in the hearings and, more than that, their kind comments about ASA and their support. I also express my appreciation to the leaders of the Senate: To Senator DASCHLE, for his support and for his willingness to move the nomination before the August recess, and for his cooperation, as well as Senator LOTT and his support.

I know ASA would express great appreciation to the Judiciary Committee. They voted 19–0, a unanimous vote. I have great pride in my brother and in his accomplishments, the service he has rendered in the House of Representatives, his willingness to take on the greatest challenge of his life in leading this effort in the war on drugs, and leading this very large and very important agency. He has gained great respect for this institution, the Senate. He has gained great respect for the Members of this institution, and in the cases of so many who know him personally, he holds great affection and values those friendships.

I have been asked many times the question, Why? Why does he want this job? Why would he leave what is regarded by many as a safe seat in the House of Representatives? I don't have all the answers to that, but I know he has always wanted to take on a challenge. You could not have a greater challenge than this. More than a challenge, I know ASA has a very deep conviction on this issue. It goes back to his days as a U.S. attorney, and certainly it has been something in which he has been deeply involved, the issue in the House of Representatives serving on the Speaker's task force on the war on drugs.

I have great confidence that ASA will bring his abilities to bear with tremendous focus on this new challenge and this new job. He is going to be able to inspire, he will be able to manage, and he will be able to motivate this agency in a new way. I know he will bring greater energy to the task and a great vision for a drug-free America.

I thank my colleagues for their support for my brother and look forward to this vote.

Mr. LEAHY. I thank the Senator from Arkansas for his gracious comments. I am pleased to vote in favor of the nomination of ASA HUTCHINSON. As chairman of the Judiciary Committee, I noticed a hearing for Representative HUTCHINSON only a very few days after the Senate was reorganized. I then held a hearing the following Tuesday, and scheduled a committee vote for the first Thursday that it was possible to do so. We were able to move so quickly because Representative HUTCHINSON has substantial bipartisan support, and because those of us on both sides of the aisle view our efforts to reduce drug abuse as a matter of great importance.

Mr. HUTCHINSON was not only recommended by the Bush Administration, and, of course, by his Republican colleagues in the House, but also by 14 of the Democrats whom he serves with on the House Judiciary Committee, who wrote to me in his favor. The ranking member, a Democrat, Representative CONYERS from the home State of the Presiding Officer, came and testified in favor of him.

Mr. HUTCHINSON's background is well-suited to his new position as DEA Administrator. He has been deeply involved in drug issues as both a United States Attorney in Arkansas in the 1980s and as a House member. In addition to serving on the House Judiciary Committee, he is a member of the Committee on Government Reform's Subcommittee for Criminal Justice, Drug Policy, and Human Resources, has served on the Speaker's Task Force for a Drug Free America, and has reviewed Plan Colombia as a member of the Permanent Select Committee on Intelligence.

The Senator from Arkansas mentioned that his brother learned a great deal about the Senate during the number of days he spent on the Senate floor on another matter, the impeachment trial of President Clinton. He and I were on opposite sides on that issue, but we spent a lot of time together during that process, including during the deposition phase of the trial.

I heard a number of people say the Democratic Senators on the Judiciary Committee and this chairman would not approve a House manager from that impeachment trial, or that we might delay him for months and months and months, as was done over the last administration. Nothing could be further from the truth. I had a great deal of respect for him every time I dealt with him. He was absolutely truthful with me. He never broke his word to me, never broke a commitment to me, or vice versa, I might say. It was the way Congress used to be and always should be. Members always kept their word and a commitment with each other and were honest with each other. He was that way with me.

I was grateful for Representative HUTCHINSON's words at the hearing:

> Chairman Leahy, if I might, it would have been easy for you to yield to some of those who expected a critical view of my nomination because of previous controversies, which found us on different sides. But I want to thank you personally for taking a different approach and for seeing my nomination as an opportunity to demonstrate to the American people that, despite any differences that might exist, we can be in harmony on one of the most critical problems that faces our nation.

Representative HUTCHINSON and I have similar views about some of the drug issues facing the United States, and I am sure we will occasionally have differing views about others. But I appreciated the candor with which he answered the questions of committee members at both his hearing and in subsequent written questions. I know that he will take to heart the matters that committee members raised, especially the need to revisit our current use of mandatory minimum sentences for criminal drug offenses. A 1997 study by the RAND Corporation of mandatory minimum drug sentences found that "mandatory minimums are not justifiable on the basis of cost-effectiveness at reducing cocaine consumption, cocaine expenditures, or drug-related crime." Despite this study and the mounting evidence of prison overcrowding we have seen in the ensuing years, legislators continue to propose additional mandatory minimums. I know that Representative HUTCHINSON has expressed some hesitancy about expanding mandatory minimums, and I hope we can work together on this issue.

I was happy to hear the nominee offer his support in his oral and written testimony for drug treatment and prevention efforts. He and I agree that although law enforcement plays a vital role in stopping drug abuse, law enforcement alone cannot do the job. Both the Congress and the Administration need to do more to reduce demand, and I hope that Mr. HUTCHINSON will be a partner in that effort.

The nominee has also expressed concerns about the sentencing disparity between those convicted of offenses involving crack and powder cocaine. Current Federal sentencing guidelines treat one gram of crack cocaine and 100 grams of powder cocaine equally for purposes of determining sentences. The U.S. Sentencing Commission has previously recommended equalizing these penalties by reducing the mandatory minimum penalties that currently apply to crack offenses. Unfortunately, Congress has not followed that recommendation. Finding a fair solution to this problem has been stalled by concerns that addressing this issue is too politically perilous—this Congress should overcome those fears and solve this discrepancy.

In conclusion, ASA HUTCHINSON is an excellent nominee. I am glad that the Judiciary Committee was able to work with him and with the Administration to expedite his nomination, and I look forward to working with him over the coming years.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I am pleased to support ASA HUTCHINSON to this position. It is one of the most important positions in our country. I believe he is the right man for the right job and he will do a job that I think will make everyone proud.

ASA HUTCHINSON is a giant in the House of Representatives. I agree with his brother, I don't know why he is leaving the House of Representatives, but this is a very challenging, important job and he is up to that job. I have every confidence he will do a terrific job and have the support of Congress in doing so.

I was so impressed with ASA HUTCHINSON during the impeachment matter. He always acted fairly, he acted in a measured, considered way, he was decent throughout, and of course he was extremely talented as a lawyer, somebody for whom I have the utmost respect, and I am very pleased to support him today.

I commend the Senate Democratic leadership for calling up the nomination of Congressman ASA HUTCHINSON, who will be the next Administrator of the Drug Enforcement Administration. DEA needs a dynamic, innovative, and experienced leader, and I am confident that Congressman HUTCHINSON'S past experiences prosecuting drug crimes as a United States Attorney and formulated drug policy as a Congressman have prepared him well to take the helm of the DEA. I applaud President Bush for focusing intently on this crucial issue and for his excellent choice of nominees to head America's two most important anti-drug offices, the DEA and the White House Office of National Drug Control Policy (ONDCP).

The epidemic of illegal drug use in this country remains one of our most urgent priorities. There is a growing consensus that we need a comprehensive strategy embracing both demand and supply reduction in our struggle against drug abuse. I have said repeatedly that the time has come to increase the resources we devote to preventing people from using drugs in the first place and to breaking the cycle of addiction for those whose lives are devastated by these substances. This is a bipartisan view, which I am pleased to say is shared by our President, Congressman HUTCHINSON, and by many of my Senate colleagues.

While we need to shore up the resources dedicated to prevention and treatment, we must remain committed to the necessary and integral role law enforcement plays in combating drug use. The DEA has a long, distinguished history of protecting America's citizens from the destructive drugs sold by traffickers and the attendant violence. Particularly in today's world, where drug trafficking is an international, multibillion dollar business, DEA's cooperative working agreements with foreign source and transit countries are essential in preventing illegal drugs from being smuggled into the United States.

While I commend the Senate Democratic leadership for scheduling the vote on Congressman HUTCHINSON, I also urge them to schedule promptly a hearing and confirm John Walters, whose nomination to be Director of ONDCP is being stalled. Almost three months have passed since the President announced his intent to nominate Mr. Walters to be the country's next drug czar, and yet he remains the only cabinet level nominee who has not been confirmed, much less granted a hearing.

There are many good reasons why we need a drug czar, but the most important one is that we owe it to our youth. Tragically, drug use by teens is again rising, particularly use of so-called "club drugs" such as Ecstasy and GHB. Over the past two years, use of ecstasy among 12th graders increased dramatically by 140 percent. Predictably, during this same period the number of emergency room visits associated with the use of ecstasy also increased a shocking 295 percent. By the time they graduate from high school, over 50 percent of our youth have used an illicit drug.

We cannot play politics with the drug czar position. We need to act immediately to reverse these soaring numbers and to prevent our youth from endangering their lives. Mr. Walters is well-qualified to lead this effort, and he has the support of law enforcement, prevention groups, and public policy organizations. I urge the Chairman of the Judiciary Committee, my good friend Senator LEAHY, to schedule a hearing soon for Mr. Walters. Once the top positions at both the DEA and ONDCP have been filled, we can all begin to work together to effect real change that will benefit all Americans.

Mr. SESSIONS. Madam President, I rise to make some remarks about ASA HUTCHINSON. I had the pleasure of serving with him as U.S. attorney. We met at a conference. I remember having breakfast with him. We had never met before. I learned something about him, his character and his commitment to public service.

He is going to be one of the finest DEA leaders we have ever had. He served on the House Judiciary Committee. I worked with him on that committee, since I have been on the Senate Judiciary Committee. During that time, I came to respect him terrifically.

During the impeachment hearings, he had the burden of stating the case, basically the factual allegations involved, as one of the House managers. In my view, as a prosecutor of over 16 years, his was the most comprehensive, most intelligent, most valuable statement that occurred during that entire hearing. If anybody would like to know what the facts were and what the allegations were in that impeachment hearing, they should read his summary of the facts. It did exactly what he was required to do: faithfully and fairly and honestly state the allegations that were there and the facts that backed them up. It was comprehensive, honest, and complete. I respected him for it.

His brother TIM, of course, serves in this body. I serve with him on two committees. I respect TIM terrifically. They are both men of integrity, deep personal faith, and a commitment to public service that is remarkable.

ASA HUTCHINSON will reflect well on President Bush as his nominee. I think he will do an outstanding job. I look forward to working with him, and I know he will effectively turn the tide against increasing drug use in America.

Finally, let me say, with regard to the FBI and the DEA, now we have seen two of the finest nominees you can expect to have in Bob Mueller, a professional's professional, a man who has received prominence in both Democrat and Republican administrations, as the head of the FBI, and ASA HUTCHINSON at DEA, a man of commitment and integrity and ability to head that important organization.

I am excited for both of them. I believe the President has done a good job. I think America will be served well by their efforts.

Mr. LEAHY. I yield back the remainder of my time.

Mr. HATCH. I yield back the remainder of my time.

Mr. LEAHY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) is necessarily absent.

The PRESIDING OFFICER (Mrs. CARNAHAN). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 264 Ex.]

YEAS—98

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—1

Dayton

NOT VOTING—1

McCain

The nomination was confirmed.

Mr. LEAHY. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE EXPLANATION

Mr. MCCAIN. Madam President, I ask unanimous consent that on the vote regarding the nomination of ASA HUTCHINSON to be the Administrator of the Drug Enforcement Agency, that if I were present, I be recorded as having voted "yea."

The PRESIDING OFFICER. Without objection it is so ordered.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

The Senator from Nevada.

ORDER OF PROCEDURE

Mr. REID. Madam President, I ask unanimous consent that when the Senate considers the Boxer amendment—which will be immediately—regarding arsenic, that there be 60 minutes for debate, with the time equally divided and controlled between Senators Boxer and Bond or their designees, with no second-degree amendments in order thereto, that upon the use or yielding back of time, the Senate, without intervening action or debate, proceed to vote in relation to the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Madam President, reserving the right to object, and I will not object, would the distinguished leader be willing to amend that to allow me to speak before that for 4 minutes on judicial nominations?

Mr. REID. I will be happy to amend that.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. REID. Madam President, the majority leader has asked me to announce to everyone that he wants to finish this bill tonight. We have exchanged lists with the minority. Hopefully, by the time we finish this next debate, we will be in a posture to lock in whatever amendments are in order and move forward on this bill.

As everyone knows, there are a lot of people interested in the Agriculture bill. That has been around for a day or two. So Senator DASCHLE wanted me to state that he wants to do everything he can to finish this bill tonight. We hope people will understand there will be some votes throughout the evening.

The PRESIDING OFFICER. The Senator from Vermont.

NOMINATIONS

Mr. LEAHY. Madam President, I thank the Senate for moving expeditiously on the Hutchinson nomination. I note that on Monday and Tuesday of this week the Judiciary Committee followed through on its confirmation hearing for Robert Mueller III, the President's nominee to be Director of the Federal Bureau of Investigation. I mention this because this was the fifth confirmation hearing the Judiciary Committee held in July for judicial and executive branch nominees, which is pretty good because we were not allowed, under the reorganization, to have Members assigned to our committee until July 10.

In fact, I cannot think of any time in the last 6 years where the Judiciary Committee held five confirmation hearings in 3 weeks. Two of those hearings involved judicial nominees to the Courts of Appeals.

I appreciate the fact that the Senator from Montana, Mr. Baucus, noted that we held the hearing on the two district court nominees for Montana "in a very expeditious fashion." It was gracious of Senator HUTCHINSON to offer his thanks for our scheduling the confirmation hearing of ASA HUTCHINSON to be head of the DEA "so expeditiously" after Senate reorganization. I appreciate William Riley, the nominee to the Eighth Circuit Court of Appeals, thanking the Judiciary Committee for "holding a prompt hearing." It was gratifying when Senator COCHRAN noted that he was "very pleased with the dispatch" with which we held a hearing on the nomination of Jim Ziglar to head the INS. And this week, Mr. Mueller thanked us for holding his hearing as quickly as we did.

With respect to executive branch nominees, considering the fact that the committee has only been able to hold hearings for 3 weeks, our work period has been outstanding. We held back-to-back days of hearings for the President's nominees to head the Drug Enforcement Administration and the Immigration and Naturalization Service 2 weeks ago, and 2 days of hearings on the nominee to head the FBI this week. In addition, we have held hearings on the Assistant Attorney General to head the Tax Division, the Assistant Attorney General to head the Office of Justice Programs, and the Director of the National Institute of Justice—all in July.

We would have done more if we had been allowed to do this, of course, during the month of June. So the Senate has considered and confirmed the Attorney General, the Deputy Attorney General, the Solicitor General, the Assistant Attorney General in charge of the Criminal Division, the Assistant Attorney General in charge of the Civil Rights Division, the Assistant Attorney General in charge of the Antitrust Division, the Assistant Attorney General in charge of the Office of Legislative Affairs, the Assistant Attorney General in charge of Policy Development, and other key officials within the Department of Justice, as well as the Commissioner of the INS and, today, the Administrator of the Drug Enforcement Administration.

I hope we can move very quickly on the Director of the FBI.

We have not received the nomination yet for the No. 3 job at the Department of Justice, the Associate Attorney General. We have not yet received the nomination of someone to head the U.S. Marshals Service. Even though we are about to go into an August recess, we have not received a single nomination for any of the 94 U.S. marshals who serve in districts within our States. We have only received a handful of nominations for the 93 U.S. attorney positions that are in districts within our States.

So there is a lot to be done. And it will be done if we work together, and not if we have people come and give statements on the floor, or elsewhere, that are not factual because, unfortunately, as somebody once said, those pesky little facts get in the way. And these are the facts. There is no time, in the 25 years I have been in the Senate Judiciary Committee, that I have seen so many nominees move in a 3-week period in the middle of the year.

Madam President, I yield the floor.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002—Continued

The PRESIDING OFFICER. There is an order for the recognition of the Senator from California at this time.

The Senator from California.

AMENDMENT NO. 1219 TO AMENDMENT NO. 1214

Mrs. BOXER. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. BOXER], for herself, Mr. NELSON of Florida, and Mr. BIDEN, proposes an amendment numbered 1219 to amendment No. 1214.

At the appropriate place, add the following:

SEC. . The Administrator of the Environmental Protection Agency, pursuant to the Safe Drinking Water Act, shall immediately put into effect a new national primary drinking water regulation for arsenic that—

(1) establishes a standard for arsenic at a level providing for the protection of the population in general, fully taking into account those at greater risk, such as infants, children, pregnant women, the elderly and those with a history of serious illness; and

(2) lifts the suspension on the effective date for the community right to know requirements included in the national primary drinking water regulation for arsenic published on January 22, 2001, in the Federal Register (66 Fed. Reg. 6976).

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Madam President, I have an amendment now pending before the Senate. I am very proud of this amendment. I have offered it on behalf of myself and Senator NELSON of Florida, and Senator BIDEN, and many other Senators who are very supportive of this amendment.

The reason I had the clerk read the amendment in its entirety is because it is written in plain English and is very straightforward.

Essentially it says that the Administrator for the Environmental Protection Agency shall immediately put into effect a new standard, a new primary drinking water regulation for arsenic that will, in essence, protect our people from arsenic in their drinking water. The second part says that we will lift the suspension on the effective date for the community right-to-know mailers that were supposed to go out, letting people know how much arsenic is in their water.

I hope all of us will agree, people have a right to know that.

I want to talk a little bit about how this amendment came to be today, how we got on this road. Frankly, we should not be here. In the last administration, they set a new level for arsenic in water at 10 parts per billion. It was going to go into effect, and then this administration suspended it.

What we are doing in our amendment today is not even saying go back to 10. I certainly hope they go to 5. But notwithstanding that, we just say: Put a new standard in place because the standard that is in place, as I talk to you tonight, is 50 parts per billion. We need to move this forward.

Let me explain why this happened. I know I have 30 minutes. Will the Chair let me know when I have gone on for 15?

I thank the Chair.

What we see on this green chart is what this Senate passed last year in this very same bill. It said: The Administrator shall promulgate a national primary drinking water regulation for arsenic not later than June 22, 2001. What happened? It didn't happen. They repealed the Clinton standard and went back to the 50 parts per billion standard which everyone agrees is way too high to drink our water in a safe fashion. This date slipped.

In essence, we have a situation where the Congress said to the President: You shall do this. The President signed this. This was President Clinton. This was the law of the land. And yet the date slipped.

I want to get into the reasons why this is so important, beyond the fact that we have gone back to the old standard and the President, in my view, did not have the right to do that.

This is a chart I actually got from the House side where the House has passed a very strong arsenic amendment, even stronger than what we have before us. What you see on this chart is, the darker the red dot, the more arsenic in the water. You can see that there is virtually arsenic in almost all our States. There are some that are fortunate. They don't have it. But there is a huge amount of arsenic around the country.

Why is this important? I know intuitively people would say arsenic is bad. We know that intuitively. But it is more than intuition. It is science. It is lots and lots of science. I want to put that on the record tonight.

There is a Dartmouth study that came out in March of 2001: Arsenic Disrupts Critical Hormone Functions. That is what this study showed. It doesn't say "it may." It doesn't say "it might." It says it does. It disrupts critical hormone functions. What does this mean to us? It means increased risk of diabetes, increased risk of cardiovascular disease, increased risk of cancer.

When we throw up our hands and we say, did you ever believe how much diabetes there is, how much cancer there is, what are the answers? We are starting to get the answers. Science is giving us the answers. This is one of the answers.

Here is another one, another study, Chemical Research in Toxicology, an EPA study completed April 2001. They say: There is a direct link between arsenic and DNA damage. They didn't say there "may be." They didn't say "perhaps." They said there is. What does this mean to us? Increased risk of cancer, and no level of arsenic is completely safe.

That is why the second part of our amendment is so crucial because it is the community's right to know. When you go to your mailbox under this part of the amendment, you will find out once a year how much arsenic is in your water.

Here is another scientific study, done in Taiwan, very well respected, it appeared in the American Journal of Epidemiology. This is what they found: Compared to the general population, people who drink water with arsenic levels between 10.1 parts per billion and 50 parents per billion are twice as likely to get certain urinary cancers. It doesn't say "maybe" they are twice as likely. What does this mean? The U.S. drinking water standard for arsenic must be immediately set at the lowest possible level.

That is what the Boxer-Nelson-Biden-Corzine amendment et al does.

Let's look at the countries and the different levels they have of arsenic in their water. This is very instructive.

This is an important chart because it shows where the countries of the world are in terms of arsenic levels in their water. What we find is the one with the least arsenic allowed happens to be Australia. That is 7 parts per billion. Then we go to the European Union where it is 10 parts per billion. Japan is 10 parts per billion. The World Health Organization is 10 parts per billion. Then you get up to where President Bush put us when he suspended the Clinton standard of 10. The Clinton standard of 10 was with the European Union and Japan and the WHO. But now we are with Bangladesh, Bolivia, China, India, and Indonesia. This is not where we want to be, I say to my friends. This is an amazing place for us to be as a nation that is the leader in science and technology and health care. So this is wrong on its face.

Let's look at the cancer numbers pretty specifically. I have saved time for all my friends who are here. I said before that there is no safe level of arsenic in drinking water. We know that to be the case. But what we are trying to do is at least get a level that is achievable that we can accomplish and we can take credit for and get it done.

If you look at this chart, it is kind of chilling. If you look at where we are on the Bush standard—50 parts per billion—1 in 100 of us will get cancer if we drink out of that water supply at 50 parts per billion. That is the Bush law right now. At 20 parts per billion, the cancer risk goes down to 1 in 250 people. At 10 parts per billion, it is 1 in 500. You are not altogether safe there either, but it is a lot better than the 50 parts per billion, which is 1 in 100. If you go to 3 parts per billion, the risk goes down more. I think this is very important.

Let me tell you what one of the water districts is saying about this. It is the American Waterworks Association, the California-Nevada section. These are people who, you would think, would be fighting us, would not want to invest in getting the arsenic out of the water. They say:

> While the standard is in limbo—

By that they mean the Clinton standard was suspended and we have no new standard; it went back to the old standard of 50.

They say:

> the enforcement deadlines are not. Now the systems affected are facing an unrealistic time line for compliance, which creates a handicap in meeting this critical health goal.

They are upset that they have no number, they have no goal they have to reach. It makes it harder and harder for them to take action. By the way, they did endorse the 10 parts per billion level.

In closing this part before I save a little time at the end, let me again say what happened when George Bush became President. A lot happened, but on this issue this is what happened. He took this little "suspended" stamp and suspended the 10 parts per billion standard that President Clinton had put in place after lots of scientific study. He also suspended—in some ways, to me, this is even worse. He suspended the community right to know. So not only did he suspend the Clinton standard at 10 parts per billion, but he suspended the Clinton community right-to-know provision that said if you live in a community—a rural community, an urban community, a farm community—you have the right to know if you have arsenic in your water, because if you have a baby in the house and that arsenic is up there at 30, 40, 50 parts per billion, watch out. If someone is sick with cancer, or AIDS, or has any type of heart condition, watch out. So he suspended everything good when it came to these rules.

It is time we do something very good tonight. I have some good feelings about the response we are getting to this amendment. I am hoping for an overwhelming vote.

I ask the Chair how much time I have remaining on my side.

The PRESIDING OFFICER. The Senator has 18½ minutes.

Mrs. BOXER. May I ask the Senator, would he like to take some time or are my colleagues under a rush?

Mr. NELSON of Florida. Yes.

Mrs. BOXER. If I might propose that we hear from Senator NELSON of Florida for 3 minutes, and then we will go over to Senator DOMENICI for as much time as he wants to use. Is that fair?

Mr. DOMENICI. Madam President, we have 30 minutes. The way I look at it, we don't need the entire 30 minutes. If you can do with less, we can vote sooner.

Mrs. BOXER. I doubt it. I will try. Everybody here wishes to speak.

Mr. DOMENICI. That is fine. I thank the Senator.

Mrs. BOXER. I yield to Senator NELSON for 3 minutes.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. NELSON of Florida. Madam President, I may need another couple of minutes.

I thank you for this opportunity to support the Boxer amendment. This is just a lot of common sense. You have seen all of the technical and scientific statements that have been made about why it is important to reduce the level of arsenic in drinking water.

We have recently, in Florida, encountered another aspect of arsenic poisoning which has brought this particular element to the forefront of Floridians' minds. It is the fact of arsenic-treated wood—the wood being used for playground equipment. And now we are having so many of our cities and our counties closing the playgrounds because when the rains come, it leeches through the arsenic-treated wood onto the playground soil, and in many cases local health departments have determined that that is unsafe for children. Yet everyone is really in confusion as to what is safe and what is unsafe. The EPA was not even going to complete that study until 2003. We urged them to speed it up. They promised that by this June they would have their study done, and now they have delayed it on into the fall.

In the meantime, local governments have closed playgrounds. Some of them have reopened the playgrounds, not knowing whether this poison, known as arsenic, used in treating the wood—and it was never known that it would be a problem—whether or not this is a hazard to our children's health in the soil of those playgrounds.

I tell you this story because this is on the minds of a lot of Floridians right now. As we come to a question of what is the safe level of arsenic in drinking water, as Senator BOXER has said over and over, EPA has stated that arsenic is dangerous. They have classified it as a known carcinogen. They have said over a long period of time that we ought to be studying this. As a matter of fact, in 1962 the U.S. Public Health Service recommended decreasing the 50 parts per billion standard to 10 parts per billion.

The PRESIDING OFFICER. The Senator has used 3 minutes.

Mr. NELSON of Florida. May I have an additional minute?

Mrs. BOXER. Absolutely. I yield an additional minute.

Mr. NELSON of Florida. I can't say everything I want to say in 1 minute. Let me conclude by saying that if ever there was something having to do with common sense, and you have all of this scientific evidence behind you that says we ought to reduce the standard from 50 to 10 parts per billion, then we as stewards of the public trust ought to act on that. So, Madam President, that is why I stand and strongly advocate that our colleagues vote for this amendment. I am pleased to join Senator BOXER as a sponsor of the amendment.

Mrs. BOXER. Madam President, I yield 3 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. I thank the Senator from California. I will try not to take the whole 3 minutes.

If there is one thing that got the attention of the American people, of everything that has happened in the last 7 months, it is this issue. Why? The only thing I have ever seen that every Conservative, Liberal, Democrat, Republican, Socialist, Communist, Fascist—anybody who has a water tap in

America—agrees upon, it is they fully expect, above all else, when they turn on their water tap, the water they are about to consume or give to their children is healthful, not harmful.

We can argue about 50 parts per billion, 10 parts per billion. This has been a revelation to the vast majority of the American people who do not already have water that is being held to the highest standard. We do not have to say anything back to folks in Delaware other than that our standards are the same as Bangladesh, lower than Europe.

This is not complicated. The science sustains the position that was taken. This was not arrived at. We are not even dictating 10 parts per billion in this amendment. We both wish we were, but we are not even doing that.

I conclude my very brief comments by saying my State of Delaware is not known as some liberal bastion. We are the corporate State of America. The legislature in my State of Delaware passed a law which says water coming out of the taps in Delaware can be no less than 10 parts per billion.

To those who do not like this amendment, get ready to explain it at home.

I compliment the Senator. She is dead on. This is one issue that every single constituent I know, unless they own a mining company, supports.

Mrs. FEINSTEIN. Madam President, I rise in support of Senator Boxer's amendment to establish once and for all a protective standard for arsenic in our Nation's drinking water.

As most of my colleagues know, I have had a longstanding interest in cancer. For me this fight is a personal one.

I lost my father and my husband to cancer. My current husband, Richard, lost both his parents to cancer. And I have lost a host of dear friends to this terrible disease.

With cancer, you're never the same after experiencing this with a loved one. You're determined to do something about it.

This is the major reason I was extremely disappointed when the current administration, soon after taking office, postponed the implementation of Environmental Protection Agency's (EPA) new drinking water standard for arsenic earlier this year.

Arsenic has long been know as a carcinogen, a substance that produces cancer, and yet the current administration shelved the new rule in 58 days flat.

Administration officials explained that the reason for this postponement was to allow for additional scientific review. I find this position difficult to comprehend when one considers how much scientific review has gone into this ruling.

The Federal Government has studied arsenic for almost 40 years.

In fact, few government environmental decisions have been more thoroughly researched, over so many years, than the EPA's move to lower the allowable level of arsenic in drinking water from 50 parts per billion (ppb) to 10 ppb.

This standard was first proposed by the U.S. Public Health Service back in 1962. Over the next three decades, regulators weighed dozens of studies on the issue as they struggled to balance the health risks, which mostly include increased risk of cancer, with the costs of extracting the metal from drinking water.

We should take note of a recent report by the National Academy of Sciences. In this report the Academy concluded that the arsenic standard for drinking water of 50 ppb, set in 1942 before arsenic was known to cause cancer, "does not achieve EPA's goal for public health protection and, therefore, requires downward revision as promptly as possible."

In fact, the Academy reported that drinking water at the current EPA standard of 50 ppb "could easily" result in a total fatal cancer risk of 1 in 100 about 10,000 times higher than the cancer risk EPA allows for carcinogens in food.

And we should remember that children's increased exposures to environmental carcinogens, such as arsenic, are potentially even more serious.

Children's higher risk results from the fact that they breath more air, drink more water and eat more food per pound than do adults; for example, a child in the first six months of life consumes seven times as much water per pound of body weight as does the average American adult.

Therefore, a carcinogen has a much more significant impact on a child.

There are over 70,000 chemicals in common use today in the United States and several dozen known carcinogens, according to the Environmental Protection Agency.

Rachel Carson warned us in 1962, "For the first time in the history of the world, every human being is now subjected to contact with dangerous chemicals, from the moment of conception until death."

For those dangerous chemicals which we have the ability to limit from human exposure, such as arsenic in drinking water, we should absolutely take the necessary steps to do so.

Mr. DORGAN. Madam President, I rise today in support of this amendment. The current standard for acceptable arsenic levels in drinking water was established in 1942 and, as early as 1962, recommendations were made by the U.S. Public Health Service that the 50 parts per billion standard should be changed. The science indicates that at 50 parts per billion (ppb), the cancer risk from arsenic is 1-in-100. EPA regulations are supposed to regulate to a 1-in-10,000 arsenic risk.

Today's amendment simply directs the administration to put a new standard into effect immediately and gives communities the right to know the arsenic levels in their drinking water.

However, I am concerned about the potential impacts that reducing the level of arsenic in drinking water might have on small or rural communities, like many in my home State of North Dakota. North Dakota has approximately 35 communities that might be especially hard hit by a more stringent arsenic in drinking water standard. That is why I am a cosponsor of legislation sponsored by Senator REID that would increase funding for small communities to help treat drinking water systems for arsenic and other contaminants. I am pleased that Senator JEFFORDS has committed to examine these critical funding issues in conjunction with providing his support for today's amendment.

The World Health Organization and the European Union have adopted a 10 parts per billion standard. Even if the United States does not adopt a 10 parts per billion, at 50 parts per billion, the United States' arsenic standard is on par with that of Bahrain, Bolivia, Egypt, Indonesia, Oman, China, and India.

Countries who have adopted a 10 parts per billion standard include: the entire European Union (in 1998), Laos (in 1999), Syria (in 1994), Namibia, Mongolia (in 1998), and Japan (in 1993). Australia has had a 7 parts per billion standard since 1996. As I said, it is time to move in the direction of a safer, more protective, standard.

While arsenic levels may fluctuate over time, what is most significant from the standpoint of cancer risk is long-term exposure. Studies have linked long-term exposure to arsenic in drinking water to cancer of the bladder, lungs, skin, kidney, nasal passages, liver, and prostate. Noncancer effects of ingesting arsenic include cardiovascular, pulmonary, immunological, neurological, and endocrine (e.g., diabetes) effects. Short-term exposure to high doses of arsenic can cause other adverse health effects, but such effects are unlikely to occur from U.S. public water supplies that are in compliance with the existing arsenic standard of 50 ppb.

A March 1999 report by the National Academy of Sciences concluded that the current standard does not achieve EPA's goal of protecting public health and should be lowered as soon as possible, according to the EPA.

So, we should act immediately to adopt a new standard, as this amendment would require. We also must provide funding that is critical to accomplishing this goal.

Mr. BAUCUS. Madam President, I want to state for the record that I fully recognize the importance of ensuring that all Americans have safe and clean drinking water. As the ranking member of the Environment and Public

Works Committee, I helped author the 1996 Safe Drinking Water Act, I also understand the health hazards posed by unsafe levels of arsenic in our drinking water supplies.

However, I also understand the difficulties faced by small water systems as they struggle to pay for the infrastructure they need to make sure their systems are in compliance with federal regulations. A lot of Montanans get their water from rural water systems. A lot of rural Montanans are struggling to make ends meet with low incomes. The last thing we want is to put small systems in a position where they have to charge their customers rates they just can't afford. We have a responsibility to these people, to make sure that not only do they have clean, safe water, but that they can afford it.

I am glad that Senator BOXER and others have stated they recognize this problem and that they are willing to help make sure the Federal Government steps up to the plate with the necessary funding. I am pleased to hear that Senator JEFFORDS will take up in September Senator REID's bill to help small community drinking water systems pay for infrastructure improvements. I pledge to do whatever I can to support Senator REID's bill in the Environment and Public Works Committee and I will become a cosponsor of that bill.

Mr. CRAIG. Mr. President, I ask unanimous consent to provide some additional materials to be printed in the RECORD regarding the debate over the drinking water standard for arsenic. These materials will inform our understanding of issues associated with the process used in developing a new arsenic drinking water standard and the science behind that process.

The first item is a letter sent by me, along with Senators DOMENICI, KYL, HATCH and BENNETT, to Administrator Whitman, dated June 21, 2001.

I also ask unanimous consent to print in the RECORD a statement from the National Rural Water Users Association on this same matter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 21, 2001.

Hon. CHRISTINE TODD WHITMAN,
Administrator, U.S. Environmental Protection Agency, Washington, DC.

DEAR ADMINISTRATOR WHITMAN: We are writing to reiterate our strong interest in the development of a new arsenic drinking water standard and to commend you for your decision to pull back for further study the standard promulgated in the final days of the Clinton Administration. Ensuring the safety of our nation's water supply is essential, but it is also important that decisions be based upon sound science and consideration of the health benefits and costs that will accrue to the American public. We applaud your pronouncement that you are committed to such a principle, and as you proceed, we encourage you to work closely with the states and municipalities that will be most impacted by a new standard. We are concerned, however, that you will be limiting your review to a standard of between 3 parts per billion (ppb) to 20 ppb. This does appear to predetermine the outcome of your scientific review and we would like to suggest that a more appropriate approach would be to expand the review to anything below the current standard of 50 ppb.

We are extremely troubled by the way the past Administration developed the 10 ppb standard. Agency staff ignored recommendations from the National Research Council (NRC), the General Accounting Office (GAO) and its own Science Advisory Board (SAB). The NRC suggested that the Agency consider a non-linear or sublinear dose-response model as it examined arsenic at low levels, rather than relying solely on a linear model. The National Research Council also suggested that the Agency factor in the known shortcomings of a thirty-year old Taiwanese study, which the Agency was using extensively.

In October, a GAO report questioned EPA's conservative assumptions, its reliance on a conservative linear model and its heavy reliance on the Taiwan study. The SAB added its voice in December by criticizing the Agency for failing to take the advice of the NRC and for not taking into account the deficiencies in the Taiwan data in predicting U.S. risk. Further, the Agency chose to ignore a study conducted in Utah that found no bladder or lung cancer in individuals exposed to arsenic at levels greater than 100 ppb because in order for the linear model to determine a dose response relationship, only studies that have documented cancer cases can be incorporated.

The controversy surrounding the appropriate standard extends beyond the health effects evaluation. EPA has seriously underestimated the cost to community water systems and ultimately, to private households. In fact, a recent report published by the AIE-Brookings Joint Center for Regulatory Studies finds that the costs of the final rule will exceed the benefits by about $190 million annually and may actually result in a net loss of about ten lives annually by diverting scarce resources away from meeting other health care needs. In addition, the SAB expressed concerns about assumptions made in EPA's analysis about the disposal of arsenic residuals. For example, removing arsenic from drinking water will generate wastes that will in many cases be considered hazardous under applicable regulations, e.g. RCRA. Further, water systems will face considerable costs and liabilities for on-site storage, transport to an approved facility, and suitable disposal. EPA has not considered these costs. The SAB also raised concern over treatment options EPA set forth as best available treatment technologies, some of which have not been applied to arsenic removal on such a large scale.

The geological configurations in the West, combined with dispersed population centers served by multiple, small water systems, result in the Rocky Mountain States being significantly impacted by imposition of any new arsenic standard. For example, the State of New Mexico estimates the cost of compliance with a 10 ppb standard to be approximately $400 million in initial outlays, with a recurring annual cost of $15 to $16 million. The State of Arizona's estimate is $983 million in initial capital outlays, with a recurring annual cost in excess of $26 million. Other western states will be similarly impacted. Our states will be particularly affected because the final rule includes non-community/non-transient water systems under the standard, a departure from the proposed standard. Because these systems were not part of the proposed rule, compliance costs—which would be significant—were not included in the cost-benefit analysis. Further, according to the preamble of the final rule, EPA did not even consider compliance costs for the State of Arizona. It is our belief, therefore, that the Agency's cost estimates are vastly underestimated.

In closing, let us again commend you for your commitment to the use of the best science in establishing a new arsenic drinking water standard and encourage you to continue to stand above the attempts to politicize this important health issue.

Sincerely,

PETE V. DOMENICI.
JON KYL.
LARRY E. CRAIG.
ORRIN G. HATCH.
ROBERT F. BENNETT.

NATIONAL RURAL WATER ASSOCIATION,
Washington, DC, August 1, 2001.

STATEMENT ON VA, HUD APPROPRIATIONS AMENDMENT TO LIMIT EPA'S REVIEW OF THE ARSENIC DRINKING WATER RULE .

The National Rural Water Association (NRWA), representing over 20,000 rural and small community members, urges Members of the Senate not a legislatively limit EPA's review of the arsenic drinking water rule in light of the rule's impact in thousands of rural communities, especially their low income populations.

In 1996, with the passage of the Safe Drinking Water Act, we welcomed a new law with provisions to assist small communities as described by Senator Baucus on the Senate Floor, "The bill provides special help to small systems that cannot afford to comply with the drinking water regulations and can benefit from technologies geared specifically to the needs of small systems. Here is how it would work. Any system serving 10,000 people or fewer may request a variance to install special small system technology identified by EPA. What this means is that if a small system cannot afford to comply with current regulations through conventional treatment, the system can comply with the act by installing affordable small system technology."

Since the 1996 amendments, the only variance we have seen granted by EPA was for the City of Columbus, Ohio. We don't feel that the 1996 Act is working the way it was intended and this needs to the fixed if small communities are to comply with EPA rules. The arsenic rule is a case in point. In the January 22, 2001 rule, EPA chose not to allow small communities to utilize the affordable variance authority by finding it was not needed because the rule was "affordable." What has surfaced in the current EPA review of the rule, by a panel which includes representatives from the environmental groups, is that EPA did not adequately consider the ability of low-income and rural communities to afford the rule.

Currently, under the EPA review we are working with EPA to correct this and enhance the small community provisions in the rule. Also, the National Research Council is reviewing new research that will allow a better evaluation of arsenic health effects. New evidence suggests that these risks are lower than indicated in the 199 NRC report. The NEW reviews are almost complete. Why would we want to stop this progress?

The January 22, 2001 rule would likely require many small towns to spend hundreds of

> thousands to millions of dollars to make insignificant reductions in arsenic concentrations in their drinking water. It would have more than tripled water rates in many small communities. Such precipitous rate increases can threaten consumers' and communities' ability to pay for water service and other public health necessities. The unintended consequence of over-regulating is that it takes away money that people need to buy food, pay for a doctor, and keep the house warm. Whenever we do anything to increase the price of water, we are forcing millions of families to make yet another tradeoff, which will directly affect their health.
>
> Please don't finalize a rule today (that directs EPA to fine small communities who can't afford to comply) with the intent of providing funds in the future. While we appreciate the potential for future funding, our experience is that this does not slow EPA enforcement.
>
> We urge you to allow EPA to continue to review the rule with the hope they will be more sensitive to our concerns. We feel it is imperative that the final rule process is deliberative and convincing to ensure that communities forced to comply feel it is necessary. We feel all scientific perspectives need to be thoroughly weighed in an overt public process that convincingly explains the health risks of arsenic.
>
> Thank you for your consideration and please consider the exceptional circumstances of small communities. Every community wants to provide safe water and meet all drinking water standards. After all, local water systems are operated by people whose families drink the water every day and who are locally elected by their community.

Mr. LIEBERMAN. Madam President, I rise in strong support of the amendment to the pending measure offered by my distinguished colleague, Senator BOXER, that would require the Administration to immediately enact a tougher arsenic standard.

One of the most important responsibilities of government is to protect our citizens from threats to their health, safety or to their environment. Over the past two decades, the American public has reached agreement that government cannot and should not be the answer to every problem that arises. But the public also agrees it is our duty to defend the citizenry when it cannot defend itself and to protect America's environment when it is threatened, because we are its stewards and trustees for all who will follow us as Americans.

The fact is, environmental protection has been one of the most effective government programs of recent decades. Although the public wholeheartedly supports a sensible, balanced approach to the environment, it is becoming increasingly clear that the Bush administration does not.

As you know, last January, the Environmental Protection Agency issued a new regulation that would reduce the acceptable level of arsenic in drinking water from 50 parts per billion to 10 parts per billion. The announcement was greeted with relief and appreciation by those of us who thought the regulation long overdue. However, acting with seeming disregard for science and regulatory procedure, the Bush administration almost immediately announced that implementation of the regulation would be delayed, citing the need for further review.

Like many of my colleagues, and I would venture to say most Americans, I was puzzled and dismayed by the decision. What disturbed me about the decision was the administration's willingness to ignore 25 years of comment, study, and debate, including a scientific review by our premier science organization, the National Academy of Sciences. For this regulation was not feverishly put together in some back room at EPA or the White House in the closing days of the outgoing administration, as some have charged. To the contrary, it was the product of a quarter century of public and scientific input, involving stakeholder consultations, peer review, and basic scientific research.

The chronology of this regulation is clear and illustrates the legitimacy of the process by which the arsenic standard was developed. As early as 1962, the Public Health Service had recognized the toxicity of arsenic and recommended a 10 ppb standard. In 1986 Congress directed EPA to update the arsenic standard, but EPA delayed action pending further study. Ten years later, as part of the 1996 Safe Drinking Water Act, Congress again directed EPA to take action, giving EPA a more than generous 6 years to develop an arsenic standard. In June of 2000, after exhaustive review, EPA proposed an arsenic rule—a standard of 5 parts per billion. And finally, last January, the agency issued its long-awaited final regulation—ultimately settling on a standard of 10 ppb. The Boxer amendment would bring us closer to this standard.

EPA's regulation was clearly based on a National Academy of Sciences report that found that drinking water containing 50 parts per billion of arsenic "could easily" cause a 1 percent risk of cancer. The NAS also found that children are particularly susceptible to arsenic poisoning and recommended that the standard should be reduced "as promptly as possible." This administration's decision to delay implementation runs counter to the best scientific judgement available to us.

To put things in context, the current U.S. arsenic standard is equivalent to the standard employed by developing countries like Bangladesh and China, which may not have the financial and technical resources to adopt stronger standards. In contrast, industrialized countries like Australia or the European Union nations have adopted a 7 ppb and 10 ppb standard, respectively. As the richest, most technologically advanced nation in the world, I would expect that we would lead the world in clean water standards.

Beyond this decision to reconsider the new arsenic standards, I share the concerns of many citizens about what appears to be a disturbing pattern on the part of the Administration's regulatory policies. President Bush and his team have presided over the repeal, delay, or weakening of rules and regulations that would otherwise benefit the American people, ranging from rules to protect wilderness areas in our national forests from roadbuilding to regulations governing the toxic effects of mining on federal lands.

I have spoken out against this emerging pattern of "government by repeal." And I have questioned the process by which the decisions to rollback, weaken or delay these regulations, including the arsenic regulation, were reached. As Chairman of the Governmental Affairs Committee, I have been conducting an in-depth examination of the decisionmaking process on several rules. I want to know who the agencies consulted or relied on in making their decisions and what process the agencies went through to make their hasty decisions. Despite initial resistance, I am pleased that we have made progress in protecting Congress's right to oversee the activities of the Executive Branch.

I commend Senator BOXER for her leadership on this matter. I join her in urging our colleagues to support this measure.

Mrs. BOXER. Madam President, how much time remains on my side?

The PRESIDING OFFICER. The Senator has 11½ minutes remaining.

Mrs. BOXER. I yield 3 minutes to Senator CORZINE and 3 minutes to Senator CLINTON.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CORZINE. Madam President, I will be shorter than 3 minutes.

Supporting Senator BOXER's amendment, on our side, is a statement to common sense. In the world I come from, people look at the facts; they analyze them; and then they try to take actions consistent with them.

In science, if the people who provide water to us, as indicated by the Senator from California and the Administrator of EPA, who comes from my home State, fought for a 10 parts per billion standard, one has a hard time understanding why we don't think this is something in the best safety interest and the stewardship interest which we are responsible to represent in the Senate. This is one of those issues where I cannot understand why we cannot get together and make sure we have 100-percent support because we are really protecting women and children and future generations of our society. This is as clear an issue, on a commonsense basis, as I have seen since coming to the Senate. I am happy to rise in support of this amendment.

The PRESIDING OFFICER. The Senator from New York.

Mrs. CLINTON. I thank Senator BOXER for bringing this amendment up for debate and vote, and I want to add my words of strong support because it is clear we have a public health issue with respect to the level of arsenic in too many of our water supplies, particularly in the West but not exclusively.

Unfortunately, the Bush administration has taken steps to delay rather than enforce new rules requiring less arsenic in America's drinking water. That is a step in the wrong direction. It is wrong from a legal perspective since the new standard was required to be in place as of June 22 of this year, and that was a statutory requirement put into place by the Congress.

Perhaps most important, it is wrong from a public health perspective. The administration says it needs to examine further arsenic in drinking water, but while they continue to study arsenic, the American people continue to be exposed to this carcinogen.

Senator BOXER has already talked about the studies that have been done affirming over and over again the public health issues relating to arsenic in our drinking water. The National Academy of Sciences found chronic ingestion of arsenic causes bladder, lung, and skin cancer.

Another study released this past March, by researchers at Dartmouth University, shows low concentrations of arsenic in drinking water can have hormone-disrupting effects. In March, a report in the American Journal of Epidemiology revealed that compared to the general population, people who drink water with arsenic levels between 10.1 and 50 parts per billion are twice as likely to get certain urinary tract cancers.

The science is clear, and do not take our word for it. I went and looked on the EPA's Web site. On its Web site, right beside an April 18 news release stating the Administrator wants to review the arsenic standard, there is another report issued the very next day with this headline: "Arsenic Compounds May Cause Genetic Damage."

Clearly, the EPA's own scientists have discovered a possible link between genetic damage and arsenic compounds. The science is not in question, but the safety and health of the American public have been put into question because of the delay this administration has brought about.

The amendment being offered by Senator BOXER, which I strongly support, requires the EPA to immediately put a new standard in place that will adequately protect public health, and it gives the American people the right to know how much arsenic is in their water. The House of Representatives passed a similar amendment this last week.

I say to my good friend, the distinguished Senator from New Mexico, who has done so much on so many issues that affect the quality of life of the people he represents, I understand Albuquerque is one of the largest cities in our country that has this kind of arsenic issue.

I ask Senator BOXER for 1 more minute.

Mrs. BOXER. I yield an additional minute.

Mrs. CLINTON. I want to make very clear to the Senator, and to everyone who represents large and small water systems, we need to give more help to communities to comply with water standards. This is one of those issues where the Federal Government must help our communities.

I certainly will work with the Senator from New Mexico and everyone on both sides of the aisle to make sure a standard is put into place, to protect the public health and well-being of our people, that is matched by funds from the revolving fund aimed at cleaning up drinking water and any other resource available, so we do not leave people hanging on their own, not knowing what to do once the standard is set. I appreciate the financial challenge confronting some of our communities in meeting this standard.

I went to Fallon, NV, with my good friends Senator REID and Senator ENSIGN, a community that has 100 parts per billion of arsenic in the water. We know we have to deal with this. This amendment puts us on record to enforce a statutory requirement and does the right thing for the public health, but then we have to come back and make sure we have the resources to clean up the water supply so people can meet the standard.

Mrs. BOXER. Madam President, I thank my friend from New York for bringing up a good point.

I yield time to the Senator from Nevada.

Mr. REID. Madam President, I rise today to speak in support of the Boxer amendment. Senator BOXER's amendment would prevent the administration from discarding the drinking water arsenic standard published in the FEDERAL REGISTER on January 22 of this year. This rule was designed by the Environment Protection Agency to protect Americans from dangerously high levels of arsenic—a known carcinogen—in their drinking water. The arsenic standard we are debating today was not dreamed up by the EPA. In fact, Congress required EPA to set a new arsenic standard when it passed the Safe Drinking Water Act Amendments in 1996.

Congress asked EPA to set a new arsenic standard no later than January 1, 2000. We extended that original deadline to June 22, 2001. Clearly there is no rush to judgment in this case as some opponents want the American people to believe. I did not advocate for a particular arsenic standard during EPA's formal rulemaking on this issue. I believe that setting an arsenic drinking water standard is EPA's job. They did their job when they published the new standard in January.

The administration has not convinced me that they have a good reason or really any reason, to spend taxpayer dollars restudying an issue that has been studied to death. Instead of delaying our response to arsenic danger, we should begin investing resources to improve America's water infrastructure. We need to begin making this investment now because the job is a big job, which will grow much more costly if we wait to start. Americans expect and deserve safe tap water.

Due to high levels of naturally occurring arsenic in many of Nevada's groundwater basins, the Silver State will be challenged by any new arsenic drinking water standard. It will cost money to meet the challenge. The Federal Government has a responsibility to help pay for the necessary infrastructure improvements.

Earlier this year, Senator ENSIGN and I introduced the Small Community Drinking Water Funding Act, S. 503. We introduced this bill to help address the costs of providing safe drinking water to customers in small communities. This bill does not address the issue of arsenic contamination directly because arsenic is only one of many impurities that municipal water systems must control. However, S. 503 would address the costs of 97 percent of the communities that would have to upgrade their water systems to meet the new arsenic standard.

I believe that every Nevadan, and all Americans for that matter, should have access to clean, safe drinking water protected by a 21st Century safety standard. The old U.S. drinking water arsenic standard was established in 1942. That antique standard is still in China, Bangladesh, India, and yes, the United States. On the other hand, the U.S. National Academy of Sciences concluded in a 1999 report that the old 50 ppb standard "does not achieve EPA's goal for public health protection and, therefore, requires downward revision as promptly as possible."

Citizens of the European Union, Japan, and the World Health Organization all enjoy 10 ppb drinking water arsenic standard. If our new standard is allowed to stand, Americans will finally benefit from a level of protection from arsenic on par with the rest of the developed world. I urge my colleagues to support the Boxer amendment because it will help protect America's drinking water from arsenic.

Mrs. BOXER. I say to the Senator from Nevada, Senator CLINTON raised a crucial point addressing her remarks to the Senator from New Mexico. Both Senators from New Mexico really worried about getting the funding to the local areas to do this infrastructure work. It is the Senator from Nevada who is pushing very hard, in a bipartisan way, for more funding to clean up these water supplies.

When we take everything into consideration, I hope we will pass the Boxer amendment tonight. I know Senator JEFFORDS has spoken with Senator REID about this, and we will be moving on this bill so we do authorize, I say to the Senator from New York, more funding for water company infrastructure repairs.

I yield as much time as he would consume to the Senator from Nevada, retain the remainder of my time, and then I know the Senator from New Mexico wants to speak.

The PRESIDING OFFICER. The Senator from California has 4 minutes remaining.

Mrs. BOXER. I yield 3 minutes to the Senator from Nevada.

Mr. REID. Madam President, I will not take all that time. I will take a minute and say the Senator from California and the Senator from New York understand clearly when people pick up a glass of water, whether they live in Fallon, NV, or New York City, it should be clean, pure water.

What Senator ENSIGN and I have done is introduce the Small Community Drinking Water Funding Act, S. 503, to allow communities such as Fallon and others around America that cannot afford the money to build these very important water systems so the water they drink is pure.

Fallon cannot do it. Other small communities around America cannot do it. So Senator ENSIGN and I introduced this act to make sure we addressed the cost of providing safe drinking water to customers in small communities.

I appreciate very much the Senator from California focusing attention on one of the real needs in America today: safe, pure drinking water.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, I do not believe I will use the 30 minutes I have.

I thank Senator CLINTON for the kind remarks with reference to this Senator.

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 1299 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. DOMENICI. Madam President, I want to take the time of the Senate to explain the situation. Arsenic is a poison, but arsenic appears in the western part of the United States in abundance in the geological structure of the rocks and stones in New Mexico. When the Spaniards came to that part of America 400 years ago, they obviously started drinking water. They dug holes, drilled wells, they used the river water, and guess what? They were drinking water that was not polluted, as some of the advertisements running today suggest.

If one goes out there now and checks the water, one will find there is arsenic in the water because there is arsenic in the rocks and the geological formations.

Interestingly enough, and I do not want to argue about the proposition that arsenic is serious and arsenic can hurt you, but there is no evidence from those early Spanish days—absolutely no evidence that any of the diseases we are talking about existed in that population. There is no evidence there was an increase in the ailments about which we are now talking.

I would have liked to argue today or sometime that Southwestern America deserves an opportunity to prove the people there are not harmed by the naturally occurring arsenic in the water. Tonight I choose to say thank you to the Senator from California for the amendment she offered. I will ask those Senators from the West on our side to vote for it because essentially it will give the Environmental Protection Agency an opportunity to take into consideration, as I read the amendment, what I am talking about tonight. They will set a standard, yes. It does not say precisely what, and clearly they are going to take some facts into consideration that are real and that should be taken into consideration by a National Government imposing a standard on a western part of America, be it Idaho, Arizona, Utah, Alaska, New Mexico, or Colorado.

Nobody is putting the arsenic in their water, as some of the environmental ads talk about. The arsenic is there because arsenic is in the ground, in the rocks, in the mountains, and therefore comes into our streams. When we drill wells, we get it, and in Albuquerque, they pump hundreds of millions of gallons of water a day from the water under the Rio Grande, and there is more arsenic than some think we ought to have.

The bill I just introduced and the one Senator REID introduced recognizes that in some parts of America—I am sure it will be my State, Idaho, and some others, that if we have to fix up our water plants, some in villages of 100 people where they have a small water system and no other water, it will create a significant financial burden. Their water is going to cost, in one case, $91 a month for everybody on that system.

Obviously, we have to move in the direction of correcting the problem. The Government should help us correct it. The VA-HUD appropriations bill is, in many respects, as far as this Senator is concerned, a wonderful bill. EPA is treated in great fashion. There are a number of things in New Mexico we have asked for that have been treated wonderfully. When it comes to whether we should force a lower standard on our cities and villages in the West, and if we do, when, and what should the standard really be, there is plenty of room for serious discussion among fair-minded people who are not bent on politics.

If one wants to make a big political issue out of the fact that perhaps somebody in the White House could have handled this a little differently—frankly, I wish they would have talked to me before they handled it because they would not have had anybody mad at them and they would have fixed it. Essentially, the Clinton regulation did not come into effect until 2006. Does that surprise people? That is when it would have been effective if we had not had all this commotion.

It is serious. We cannot put this into effect quickly in our part of the country. Originally, the implementation was to occur in the year 2006.

Tonight I urge everyone to vote for the amendment because it is a clear indication that something ought to be done. I do believe it is different than the amendment the House passed. I thank the Senator from California because her amendment is different. It gives us an opportunity to go to conference, work with the Environmental Protection Agency and others, and do precisely what the Senator from California wants.

She wants the United States to move in harmony to get safe drinking water with the lowest amount of arsenic possible and still have affordable drinking water. After all, we need drinking water. We cannot pay $200 or $300 a month for it in New Mexico. One city is going to spend over $250 million to improve its water system because it has this naturally occurring arsenic and yet, nobody has proven this arsenic is harmful to anybody.

That part of New Mexico and the areas around it have been inhabited by indigenous Indians longer than any of us know. The Spanish inhabited the area for 450 years, and Albuquerqueans—made up from all kinds of Americans—have been there for over 150 years. We want to give them a chance. We do not want the people to spend more than is necessary on this problem.

Certainly, nobody is putting poison in the water. We are trying to purify natural water. The streams of New Mexico contain arsenic. No fish are dying that I have heard of and yet, there is arsenic in those rivers. In terms of its chemical makeup, it is the same arsenic as the poison and the arsenic used in mining activities.

For those who are interested in history, it is the same arsenic that somebody gave to Napoleon. Those who dug up Napoleon's corpse found that perhaps somebody gave him regular doses of arsenic. They believe that is what happened to him. They think one of his best friends put arsenic into his system slowly over a period of about 20 years.

I thank the Senator from California for the way we accomplished things tonight. I am sure she is going to get a unanimous vote from the Senate saying: Let's move ahead and resolve this issue.

If there is no other Senator on our side who desires to speak——

Mr. BOND. I desire to speak.

Mr. DOMENICI. How much time does the Senator want of my 30 minutes? Five minutes of my time? I only have 30 minutes.

Mrs. BOXER. I just need 1 minute of the remaining time. We have a couple minutes left.

Mr. BOND. Madam President, how much time remains?

The PRESIDING OFFICER. The Senator from California still has 2 minutes 40 seconds.

Ms. MIKULSKI. And the Senator from New Mexico?

The PRESIDING OFFICER. The Senator from New Mexico has 20 minutes 45 seconds.

Mr. DOMENICI. What is the pleasure of the Senator?

Ms. MIKULSKI. Five minutes.

Mr. DOMENICI. The Senator from Montana?

Mr. BURNS. If I could have 5 minutes.

Mr. DOMENICI. I ask that be the order of my remaining time, and if any time remains beyond that, I reserve the remainder.

Mrs. BOXER. I would ask for a minute or two after Senator MIKULSKI.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. I rise in support of Senator BOXER's amendment. I ask also to be an original cosponsor of the Domenici amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. The Boxer amendment is an excellent amendment. I acknowledge the validity of the concerns raised by the Senator from New Mexico. When we arrive at this standard, and in southern Maryland on our Eastern Shore we face many of the same problems that the Senator from New Mexico faces, and the need to modernize infrastructure and to come up with environmental regulations is almost teetering to a national crisis. Each region of the country will have difficulty in complying, but we believe it will be a public investment with an incredible public health dividend.

I support Senator BOXER's amendment for three reasons. First, I was a member of the conference on the VA-HUD bill last year when we required the administration to develop a new standard by June 22 of this year to protect our children and the elderly who are most at risk for high levels of arsenic, and the administration did miss the deadline. It was a congressionally mandated deadline, and the American people deserve a protective standard.

The current standard for arsenic was developed in 1942. We know much more today about the negative health effects of arsenic. We have the benefit of five studies by the National Academy of Sciences that say the current standard is not protective enough. Right now our current standard is the same as Bangladesh and China. Nothing against those countries, but I think we can do better than Bangladesh.

Third, many American communities are very concerned about how much it will cost. Again, I acknowledge the cost of compliance is a factor to be considered. I believe the Domenici bill we have all cosponsored will address this. This is a national crisis. It deserves a national response. It deserves national responsibility sharing. This is why we will need an authorizing bill.

The VA-HUD bill includes $850 million for the drinking water State revolving loan fund. This should help, but it certainly is not enough to meet the enormous needs of our community to keep drinking water safe from arsenic and other issues. We could not address all of the issues in VA-HUD this year, but I believe the Boxer amendment is very important to establish a standard and the Domenici authorization will be a very important way to move forward.

I note the Senator from Nevada is on the floor. I know he and the junior Senator from Nevada have introduced legislation to deal with our incredible shrinking water infrastructure, which is deteriorating by the minute. We hope in the second session of the 107th Congress to make a major initiative to hold hearings on the infrastructure needs facing our communities. We will be able to protect public health, generate jobs, and modernize our country's water infrastructure the way we did at the turn of the century. We need a new turn of the wheel.

I am happy to support the Boxer amendment, and I look forward to working with the Senator from New Mexico.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Madam President, most people who were raised in the smaller towns around this country and have experienced arsenic in their water, probably much less than the 50 parts, are kind of used to it. There is no scientific evidence that water ever hurt anybody in our country. We have it naturally. But I tell you something we don't have naturally, and that is enough money to build an infrastructure for a small town of, maybe, 300 people, some of them 200 people and some 100—real people with real faces who are faced with bills that you can't believe who have to live on the land and pry a living from the land, and then be told they have to spend everything they make to redo a water system when there is no scientific evidence at all that their water is bad in the first place and it has ever hurt them. That is what this is about.

We should be sensitive to public health. We should be sensitive to water systems. But don't take at issue a water system that is not that harmful or has any harm at all with the levels of arsenic we find naturally in the waters of the West. I oppose this amendment on the grounds that we do not have the money and the cost it would bring to those small towns.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, I thank my colleagues for their very thoughtful debate. I believe tonight if people are listening they understand some of the difficulties we face. Nobody wants to see arsenic in drinking water. It has been so eloquently stated by the Senator from New Mexico and the Senator from Montana. There are parts of our country where arsenic occurs naturally. One of the actions we need to take is to make sure we improve the quality of our drinking water and lessen exposure to arsenic but do so in a way that does not cause greater dangers.

One of the greatest dangers that we face as we listen to our colleagues from the States where there are small water systems which have naturally occurring arsenic from geological formations in their drinking water, we need to make sure the burdens of meeting a very low standard are not so significant that a lack of resources forces those public water systems to shut down. The result of imposing too great a financial burden on those small water systems could be they shut down and people have to go back to drinking well water or other untreated water with potentially even higher levels of arsenic. That is a part of this debate in the past that has not been fully set out.

I call the attention of my colleagues to an amendment offered last year to strike the provision in the bill that delayed until June 22 of this year the deadline for finalizing the rule on arsenic in drinking water. I supported the inclusion of that measure in the VA-HUD bill because we noted in 1996 Congress set a schedule under which EPA was to update the arsenic standard for drinking water. At the time EPA told us they were behind schedule and they would not be fully prepared. Last fall the EPA told us they would not be ready until April or May and they had not had time to evaluate the concerns expressed about the proposed rule that had been issued on the delayed basis. Many small communities expressed their concern about the proposed rule because if it were implemented it would prove prohibitively expensive for their customers and they set out lots of specific examples.

For example, in Utah, the Heartland Mobile Home Park would have to charge $230 per month per customer under the rule. So they said let us delay the rule.

In the bill last year we said: Delay the implementation of the EPA standard until you have had a chance to look at it.

I am pleased to say that 63 Members of this body agreed with us and tabled the amendment that would have stricken that provision. Therefore, 63 Members—45 Republicans, 18 Democrats—said: Yes, it makes sense to delay the final issuance of this arsenic rule. It is not to be effective until 2006, not until 2006. So we said: EPA, get the job done right before you issue the regulation.

There has been so much misinformation about this rule that I thought we ought to take a moment to set out what it does and does not do. We know it will be 5 years, 2006, before the new standard is implemented. Whether the new standard was set last January or June or November or February, the current year will not matter because we will still hit the same implementation time deadline.

There is no greater danger for people living in areas with high naturally occurring amounts of arsenic. I think the concerns of the communities in New Mexico, Michigan, Montana, and other States need to be addressed. But I express my sincere thanks to the Senator from California for having offered an amendment which says, in essence, what EPA needs to do, what they are committed to do, and what they are on track to do, and that is to establish a new national primary drinking water regulation that establishes a standard providing for the protection of the population in general, taking fully into account the special needs population.

That is what this amendment does, and I think that is a happy resolution of this situation. We need to realize that the standard goes into effect in 2006. Last year, 63 Members of this body said we ought to delay the issuance of that standard until June. When the new EPA came in and delayed the standard, people said many things that were not true. They overlooked the fact that 18 Democrats had voted with 45 Republicans to say it is time to delay it.

By the time this bill is enacted into law, the National Academy of Sciences will tell us the standards necessary to protect our health, the administration will complete the standard in a way that protects our health and does not impose unnecessary costs on our small towns or force the closure of water systems in small towns whose absence would lead to a much higher level of arsenic in well water or other sources of drinking water for the inhabitants, and we will meet the original implementation deadline.

I believe we have reached an appropriate accommodation. I thank the Senator from New Mexico particularly, who has been a very thoughtful participant in all of these discussions and has articulated well the serious problems faced in these small communities, for his agreement that this amendment is appropriate and will allow the EPA flexibility to develop a safe, commonsense arsenic standard. It is my understanding, although I do not have a written copy of any approval, that the administration believes this is an appropriate way to deal with this question of arsenic in drinking water, particularly the naturally occurring arsenic.

I thank all of my colleagues. I urge an overwhelming support of this requirement that the EPA set a drinking water standard for arsenic.

I yield the floor. I thank the Senator from New Mexico.

Mr. DOMENICI. I yield 2 minutes of my time to Senator BINGAMAN.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Madam President, I appreciate my colleague yielding me time to speak, both on the amendment the Senator from California has offered and also on the bill he has just introduced. I support what the Senator from California is trying to do with her amendment. I think it is a good resolution. It calls attention to the fact that we need this issue resolved.

I also support what my colleague, Senator DOMENICI, is trying to do in the bill he has introduced, which I am pleased to cosponsor. It is similar to the bill that Senator REID has earlier introduced. This makes the case clearly that the Federal Government needs to help these communities meet whatever standard we establish as a safe standard. I am not persuaded, as is the Senator from Montana, that we know the extent of the health risks. I think we still are learning precisely what the health risks are and we need to continue studying that.

But in the meantime, we need to set a standard and we need to assist these communities in meeting that standard. I am persuaded that the technology is being developed which will allow these communities to meet that standard at a much lower cost than they have traditionally had to consider for meeting this type of standard. But I think we need to support that research as well. I know some of it is going on in the National Laboratories in our State, and I am encouraged that they are finding new ways to eliminate arsenic entirely from drinking water for a relatively small cost.

Again, I compliment my colleague and look forward to supporting this amendment and also supporting his bill once it is called for a vote.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I ask unanimous consent Senator BINGAMAN be added as an original cosponsor of S. 1299, and I thank the Senator for his kind comments with reference to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. Madam President, I understand that Senator DOMENICI has just introduced legislation providing grant funding for communities to improve their water systems and adhere to the new arsenic regulations. This program will be very important for communities across America and also in my home State of Texas.

I ask unanimous consent to be added as an original cosponsor of S. 1299.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. Madam President, do I have 2 minutes remaining?

The PRESIDING OFFICER. The Senator has 2 minutes 40 seconds.

Mrs. BOXER. I thank my colleagues. I thank Senator REID, Senator DASCHLE, my cosponsor, Senator NELSON, my other cosponsor, Senator DOMENICI, for his remarks, Senator BINGAMAN, and Senator BOND.

I want to make a point, building on what Senator BOND said when he pointed out 63 Members voted to slip the date for the new standard until June 22, 2001. That is true. The problem is there was not a new standard. That is why we have this amendment, which is not a sense of the Senate. I want to express that point. I hope I do not jeopardize my vote, but it is a real law. It says the administration shall act immediately, and that is a term of art. They must act immediately to set the new standard and take into consideration the vulnerability of kids and the rest.

This is real. It also says the community must have a right to know how much arsenic is in their drinking water. That will happen immediately.

So this is real, and I hope it will survive the conference. I say to my friend, Senator BURNS, who has left the floor, that I know it is much easier to say if it is naturally occurring it does not hurt us. Radiation from the Sun is naturally occurring and it hurts us. Arsenic hurts us. We have the latest, most prestigious Journal, the American Journal of Epidemiology, March 1, 2001. Based on a study in Taiwan following real people, it says:

> Compared to the general population, people who drink water with arsenic levels between 10.1 ppb and 50 ppb are twice as likely to get certain urinary cancers.

We have the science. We know the science. I have talked to Christie Todd Whitman about this many times. When she was Governor of New Jersey, she suggested a 10-part-per-billion standard. Why would she do that? Because she wants to be with those countries that have a 10-part-per-billion standard. I think we need to look at these countries one more time.

We are at 50 parts per billion. That is where George Bush has put us. We share that 50-parts-per-billion standard with Indonesia, India, China, Bolivia, and that great leader of public health, Bangladesh.

We don't belong here. We belong in this tier: Australia, the European Union, Japan, and the World Health Organization. They are 10 parts per billion or less.

This is a debate that I think has been good. I am very pleased that we have won some fine support from the other side of the aisle. I hope we will send a rip-roaring message to the President: Set the standard, set it low, set it fast.

I yield the floor.

Mr. DASCHLE. Madam President, I compliment the distinguished Senator from California for the eloquent summary of this issue that she just made, as well as for offering this amendment.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DASCHLE. Madam President, I will propound a unanimous consent request. If we get this agreement at this time—in consultation with the Republican leader and the two managers, and I compliment them—we will make this the last vote of the evening.

I ask unanimous consent that the list I will send to the desk be the only first-degree amendments in order to H.R. 2620, that these amendments be subject to relevant second-degree amendments; that upon disposition of all amendments, the substitute amendment be agreed to, if not previously ordered; that the bill be read three times, and the Senate vote on passage of the bill; that upon passage of the bill, the Senate insist on its amendments and request a conference with the House, and that the Chair be authorized to appoint conferees, with the above occurring without any intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. BOND. Madam President, it is acceptable on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS

Mr. DASCHLE. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Madam President, I especially thank our manager and the ranking member, as well as our distinguished colleague from Nevada, who works so ably on both sides of the aisle, for reaching this agreement.

We have a lot of work to do. But we know what the work is. I hope we can work expeditiously tomorrow morning.

This will be the last vote of the evening.

I yield the floor.

The PRESIDING OFFICER. Will the Senator from New Mexico yield back all his time?

Mr. BOND. What is the time remaining of the Senator from New Mexico?

The PRESIDING OFFICER. Three minutes forty seconds.

Mr. DOMENICI. I yield that time to Senator BOND.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, I will yield that back. I only want to correct the RECORD. The administration has indicated they will promulgate, or intends to promulgate a new regulation based on science. There was no intention of staying at the 50 parts per billion, which had been the standard throughout the previous administration. They have said they needed to review the science and listen to the communities that would be affected, and also take into account, as the Senator from New Mexico has proposed, the extraordinary hardships that meeting this standard would impose upon many small communities, with the possibility that the shutdown of those small community water systems would impose a far greater danger on the inhabitants.

Madam President, having corrected the RECORD and thanking all of our participants for helping shed some light on and remove some of the political misinterpretations that have been placed on this issue, I thank my colleagues and I urge a favorable vote on the amendment before us.

I yield such time as may be remaining on this side.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1219. The yeas and nays have been ordered, and the clerk will call roll.

The senior assistant bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) and the Senator from Mississippi (Mr. LOTT) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 97, nays 1, as follows:

[Rollcall Vote No. 265 Leg.]

YEAS—97

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—1

Stevens

NOT VOTING—2

Helms
Lott

The amendment (No. 1219) was agreed to.

Mrs. BOXER. Madam President, I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withhold the suggestion?

Mr. REID. Yes.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Madam President, I rise tonight to speak in support of the international space station in this VA-HUD appropriations bill. I urge my colleagues to pause and reflect on America's great accomplishments in space and the great successes that lie ahead with the space station.

The House of Representatives has fully funded the President's request and has taken important steps to fund the space station's future needs such as a crew rescue vehicle and a six-person crew habitation module. The Senate bill cuts the space station by $150 million.

I hope to work with my colleagues, Senators MIKULSKI and BOND, to restore some of this into the program. It should be restored with strict controls and standards to assure the station will be safe and productive and on budget.

I am concerned, as I know many others are, about the recently projected cost growth for the international space station. I do want it to be fully functioning. In order to achieve that goal, NASA must work within the budget that Congress has given it.

At the same time, I understand the difficulty in estimating the cost of such an amazing engineering feat. We are now within a year of the station being "core complete," and I believe Congress must adequately fund the station so we can begin to see the benefits of its unique scientific research.

NASA's projected 5-year cost growth of over $4 billion includes many program liens that reflect 2 years of actual operational experience for the station. That on-orbit experience has eliminated many unknowns and has significantly enhanced NASA's awareness of what it takes to operate a space station. Unfortunately, the greater awareness has come with a pricetag that threatens reaching the full capability of the space station as originally planned in terms of research, a permanent crew of six, and a crew rescue vehicle.

I believe NASA is dealing with the budgetary challenges and has proposed a "core complete" plan for the station to stay within budget constraints. Importantly, NASA and OMB have put into place an independent external review board to assess the space station's budget and to assure the station will provide maximum benefit to the U.S. taxpayer. This external review board will evaluate the cost and benefits for enhancing research, a habitation module for a crew of six, and a crew rescue vehicle.

It will be my goal in conference that we not preclude the full review of these potential enhancements by the independent external review board and not obstruct the ability of NASA to undertake these enhancements in order to ensure the originally planned capability for the space station.

I want to work with Senator MIKULSKI and Senator BOND to make sure we do not cut off capabilities of the space station and thereby never see the scientific contributions for which we have already made a significant investment.

The international space station is the greatest peaceful scientific project ever undertaken. Since 1993, the United States has worked with our international allies, including Russia, forging relationships of mutual respect, on the space station.

The efforts and resources of 16 nations are involved in the construction and operation of the orbiting lab. Assembly of the space station is nearing "core complete" and within a year we expect new and exciting scientific experiments to begin. Its successes will be felt by all of us here on Earth.

A project of this magnitude is certain to face a multitude of unknowns, and NASA has confronted many of them. As always in its courageous history, NASA has and will continue to overcome these obstacles and we will reap the rewards. Simply, the space station will maintain U.S. global leadership in space science and technology.

The unparalleled scientific research opportunities aboard the space station will enable advances in medicine and engineering. Most important are the health benefits that we have in the microgravity conditions in the space station. You cannot—no matter what technology you have—reproduce on Earth the gravity conditions that are in space. We know those microgravity conditions will allow us to watch the development of breast cancer cells and osteoporosis in a weightless environment. Perhaps this will help us find the cure for breast cancer, or we will learn how to combat osteoporosis.

The absence of gravity in the space station will allow new insights into human health and disease prevention and treatment, including heart, lung, and kidney function, cardiovascular disease, and immune system functions. The cool suit for Apollo missions now helps improve the quality of life of patients with multiple sclerosis. In recent years, NASA has obtained scientific data from space experiments that is five times more accurate than that on Earth. None of these benefits will be available in the future unless we have a space station on which we can perform adequate research.

Some will say that similar research can be conducted on the space shuttle. Although I believe valuable research should continue to be performed on the shuttle, the fact is, a longer period of time that can only occur on the space station is absolutely necessary for many important experiments.

During his last year in the Senate, Senator John Glenn spoke passionately in defense of the space station. He quoted a friend of mine, Dr. Michael DeBakey, chancellor and chairman of the surgery department at Baylor College of Medicine in Houston, TX, who said:

> The Space Station is not a luxury any more than a medical research center at Baylor College of Medicine is a luxury. Present technology on the Shuttle allows for stays of space of only about 2 weeks. We do not limit medical researchers to only a few hours in the laboratory and expect cures for cancer. We need much longer missions in space—in months to years—to obtain research results that may lead to the development of new knowledge and breakthroughs.

So you take all these scientific wonders and ask: How does it make my life better? It does make our lives better. It makes our health better. It gives patients who have multiple sclerosis, osteoporosis, or cancer a better chance for a quality of life. I reject the idea that we would walk away from the space station and from the possibilities for the future for better health and better quality of life.

The international space station, along with the space shuttle program, is our future in one of the last unexplored regions of our universe. It will discover untold knowledge and could catapult us into a greater understanding of our world and, yet, undiscovered worlds. The space station will provide us with fantastic science, but that is only one of the known successes. The unknown successes are limitless.

Madam President, if we do not continue funding of the international space station at the anticipated cost levels, valuable experiments and progress will be abandoned. The project is long underway and, for the sake of future generations, we should not leave it unfinished. I look forward to working with the chairman and ranking member of this subcommittee to make sure we do fully fund the space station, but with strict requirements for budgetary control and making sure we do everything to keep our costs in line. But let's not walk away from this important research for our future.

Thank you, Madam President. I yield the floor.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF JOHN NEGROPONTE TO BE THE AMERICAN AMBASSADOR TO THE UNITED NATIONS

Mr. McCAIN. Madam President, I will speak for a few minutes about a problem that is hamstringing American foreign policy today, and that is the stalled nomination of John Negroponte to be the American Ambassador to the United Nations.

Even the critics of American foreign policy would agree that America, and the world, are best served by having an outstanding, experienced, professional diplomat at our U.N. mission in New York. Indeed, such a personal representative of the President would provide enlightened perspective to our friends and allies on occasions when we cannot support particular U.N. initiatives. He would also symbolize America's robust commitment to international engagement, and work with like-minded nations whenever possible to advance our mutual interests and values, in the spirit of cooperation the United Nations was created to foster.

Regrettably, the Senate has stalled ambassador Negroponte's nomination process. The President announced his intention to nominate this 37-year veteran of the Foreign Service in March and sent his nomination to the Senate Foreign Relations Committee in May. But his nomination has been held up due to concerns about human rights abuses in Honduras during his tenure as Ambassador there.

It is worth pointing out that Ambassador Negroponte has been confirmed by the Senate five times—as recently as 1993, well after his assignment to Honduras, as President Clinton's Ambassador to the Philippines. He did not then undergo anything like the ordeal he has been subjected to this year.

In the midst of the debate over Ambassador Negroponte's qualifications for the U.N. assignment, the United States got booted off the U.N. Human Rights Commission for the first time in its history—a defeat that raises credible doubts about the integrity of that institution and its commitment to the very values it exists to promote. Sudan, Libya, Syria, Cuba, and China are now members of this body, forged by the vision of Eleanor Roosevelt in the early post-World War II era—and we are not.

Victims of persecution around the world, and advocates for their cause in our country, shall long rue the day the Commission was tarnished by this unfortunate vote. Many professionals agree that had we had an ambassador in place early in this administration, we would now be a member in good standing of the Human Rights Commission. We also recently lost our seat on the International Narcotics Control Board, another avoidable consequence of our vacant U.N. ambassadorship.

Ambassador Negroponte has the strong support of Ambassador Richard Holbrooke, his predecessor at the United Nations. Upon hearing the first reports of the President's intent to nominate Ambassador Negroponte, Ambassador Holbrooke said: The United States is lucky, the U.N. is lucky. . . . He is a real professional. . . . I would be thrilled.

Secretary of State Colin Powell recently called John Negroponte: one of the most distinguished foreign service officers and American public servants I have ever known.

The U.N. General Assembly convenes in mind-September for its annual session. The Senate Foreign Relations Committee should immediately schedule a confirmation hearing for Ambassador Negroponte, to take place in early September when the Senate reconvenes, in order to have him confirmed and in place to represent our Nation in New York this fall.

Ambassador Negroponte has served Democratic and Republican Presidents with distinction over the course of his diplomatic career. In the spirit of bipartisanship and the proud tradition of American internationalism at the United Nations, I urge my colleagues to move quickly to allow this good man to serve our country once again.

Madam President, I have had the opportunity of knowing Ambassador Negroponte when he was Ambassador to Mexico, Ambassador to Honduras, and Ambassador to the Philippines. The nomination is now stuck. Unfortunately, we need to act as quickly as possible.

Madam President, I ask unanimous consent to have a letter from Mr. George Shultz, former Secretary of State, printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

July 17, 2001.

HOOVER INSTITUTION—
ON WAR, REVOLUTION AND PEACE,

Hon. JOSEPH R. BIDEN,
Russell Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN, I am writing to support the nomination of John Negroponte to be our Ambassador to the United Nations. I know him well; I have worked with him closely. I believe he will do an outstanding job at the UN.

While I was Secretary of State, John Negroponte served in three different positions: (1) Ambassador to Honduras; (2) Assistant Secretary of State for Oceans and International Scientific and Environmental Affairs; and (3) Deputy National Security Advisor in the last fourteen months of the Reagan administration.

In Honduras, John did an outstanding job under especially difficult circumstances. There was turmoil and instability throughout Central America, and assisting Honduras to stay on an even keel was an enormous challenge. Despite the difficulties, Honduras managed to maintain relative calm and peace compared to neighboring El Salvador, Guatemala and Nicaragua and made the transition from military to civilian rule during his time there. Honduras has had five free elections for a civilian president since 1981, and there will be another such election later this year. Much of the groundwork for the return to democracy and rule of law in Honduras was laid during John's tenure.

John's work as Assistant Secretary for Oceans and International Environmental and Scientific Affairs, his next assignment, is an excellent example of the richness and diversity of his background and experience. As Assistant Secretary for OES, John oversaw the negotiation of the Montreal Protocol for the Protection of the Stratospheric Ozone Layer on behalf of the United States. This was a milestone multilateral environmental agreement at the time and I well remember the conviction and skill with which John worked to gain support within the U.S. government and to conclude such an agreement with other countries. The Senate vote to consent to ratification was 83 to 0. John's portfolio in OES included addressing the issue of acid rain and its impact on Canada, and dealing with fisheries in the South Pacific. He personally negotiated and renewed a space cooperation agreement with the Soviet Union, satisfying the technology transfer concerns of a wary and skeptical DOD along the way. And at my request, John worked with former Citibank CEO Walter Wriston to organize a symposium at the National Academy of Sciences about the impact of information technology on foreign policy.

As Deputy National Security Advisor, John dealt with the entire range of national security issues confronting the President and the National Security Council. Among the important issues with which he had to deal on a daily basis at that time were the Iran-Iraq war, the end of Soviet military involvement in Afghanistan, and two summits between President Reagan and General Secretary Gorbachev.

Although it was after my tenure as Secretary of State, I also had the opportunity to visit John both in Mexico City and Manila where he subsequently served as Ambassador. I can attest to the outstanding job he did at each of those posts. John was instrumental in both the conception and negotiation of the NAFTA, which has brought dramatic, positive changes to the U.S./Mexico economic and political relationship.

John has had a broad and deep variety of foreign policy experience at eight foreign postings and assignments in Washington at both the State Department and the White House. This experience is excellent preparation for the challenges of a UN assignment.

Sincerely yours,

GEORGE P. SHULTZ.

Mr. MCCAIN. Finally, Madam President, we really need to have the United States represented at the United Nations. This has been a long process for Mr. Negroponte. I know my good friend and chairman of the Foreign Relations Committee, JOE BIDEN, shares my concern about the United Nations. He is a committed believer in the United Nations and the importance of its functions. I hope we will move forward as quickly as possible with Mr. Negroponte's nomination to represent the United States at the United Nations.

BALLISTIC MISSILE DEFENSE

Mr. COCHRAN. Madam President, the Senate Foreign Relations Committee hosted a briefing for interested Senators by Dr. Condoleezza Rice on Monday afternoon in the Capitol during which she discussed with almost 20 Senators who were present the recent meetings she had with Russian leaders in Moscow.

I was impressed with the steadfast resolve of the President during his meetings with President Putin in Genoa in moving beyond the confrontational relationship with Russia and replacing the doctrine of mutual assured destruction with a new framework that would be consistent with our national defense interests as they now exist rather than as they existed in 1972.

Two years ago, Congress debated and passed the National Missile Defense Act of 1999, which enunciated the policy of the United States to deploy as soon as technologically possible a system to defend the territory of the United States against limited ballistic missile attack, whether accidental, unauthorized, or intentional. That bill was passed with overwhelming majorities in both Houses of Congress and signed into law on July 23, 1999.

The National Missile Defense Act became necessary because of two unfortunate facts: The emergence of a new threat to our Nation and our lack of capability to defend against that threat. The threat stems from the proliferation of the technology to build long-range ballistic missiles.

Our inability to defend against that threat is tied to the ABM Treaty of 1972. The changes that have occurred in the world since the cold war had not been reflected in our national policy until the enactment of the National Missile Defense Act.

President Bush is moving ahead to fulfill both the letter and spirit of the National Missile Defense Act. He has restructured the Missile Defense Program from one that was carefully tailored not to conflict with the 1972 ABM Treaty into one which will provide the best defense possible for our Nation in the shortest period of time. He has properly focused the Missile Defense Program on the threat we face rather than the ABM Treaty, and he has clearly stated he intends to move beyond the cold war ABM Treaty and into a new era in which the United States does not base its security on pledges of mutual annihilation with a country with which we are not at war.

The President has personally carried this message to our allies, friends, and former adversaries, and his efforts have met with impressive success. Not all critics have been persuaded and some never will be, but many who were skeptical now support our efforts, and some, such as the Premier of Italy just last week in Genoa, have enthusiastically endorsed them.

Perhaps the most striking change has occurred in Russia. When the previous administration proposed modifications to the ABM Treaty, the Russian Government refused even to entertain the notion, but in the face of the resolve demonstrated by President Bush, the Russian Government has agreed to his suggestion to enter into talks to establish an entirely new strategic framework to guide the relationship between our countries. The developments of the past few months are truly changing the international political world we have known for so long.

At the same time, our Missile Defense Program, which for years had been underfunded, is continuing to recover and is making substantial technical progress. That program has faced formidable obstacles—besides the technical challenge of reliably intercepting ballistic missiles. It has faced the constraints of an old treaty that was intended specifically to impede and prohibit the development and deployment of such missile defenses.

Congress has taken the lead over the past few years in helping to get the Missile Defense Program back on its feet by increasing the funding available for the work on defenses against both shorter range and longer range ballistic missiles, and those programs have demonstrated great progress. The Patriot PAC–3 system has succeeded in 7 out of 8 intercept attempts against shorter range ballistic missiles, such as the Scuds that caused such destruction and took 28 American lives during the gulf war. After some early testing failures attributed to quality control problems, the longer range THAAD system finished its initial testing with consecutive successes, and our defense against long-range ballistic missiles was successful the very first time it was tested in October of 1999, and that success was repeated in another intercept test just a few weeks ago.

The Director of the Ballistic Missile Defense Program testified recently that the ground-based missile defense system now in testing no longer requires that anything be invented, only that it be correctly engineered. Clearly, the advanced technology required for reliable intercept of ballistic missiles is rapidly deteriorating.

But there is far more that we can and should be doing. Unfortunately, despite the success that has been demonstrated, missile defense work has been confined to the technology superficially permitted by the 1972 ABM Treaty. That agreement prohibits some of the most promising technologies and basing modes available, including air-, space-, sea-, and mobile land-based systems, as well as those based on new capabilities like lasers. The ABM Treaty impedes the development and deployment of these missile defenses. This was its central purpose when it was crafted three decades ago as a reflection of the political relationship between the Soviet Union and the United States known as the cold war.

President Bush has declared his determination to leave the cold war behind. He has backed up his declaration with concrete actions and his leadership has generated real progress, despite the sniping of some critics.

I believe the rapid progress of the last few months is a result of leadership of President Bush and his determination to do what is necessary in this modern world to defend our Nation. It is important to consult with our allies, as he has done, and it will be helpful if we can work out an agreement with the Russians to leave the cold war and its trappings behind. Our moving forward to defend ourselves against these new threats cannot depend on the assent of others. President Bush has made it clear that he believes this, and I think his resolve is exactly the reason we have seen attitudes change. But our determination to defend our Nation cannot be contingent on someone else's permission.

I suppose it was predictable that the more momentum is generated, the more wild the claims of the critics would get, and we have seen that, too, in recent days. Those who would prefer America be vulnerable to missile attack have taken a variety of approaches in their efforts to ensure that remains the case. One is to say we should go slow, don't rush the technology, don't do anything diplomatically risky. But timidity is a good part of the reason we face such an urgent situation now, with a real and serious threat but nothing yet in the field to defend against it. The ones who have always said "go slow" are the same critics who will say that the slowness of the program's progress is evidence that missile defense is not yet mature. Our failure for years to do enough to counter this problem is why we must work with urgency today.

The critics also assert that our long-range missile defense capability will be easily defeated by simple countermeasures. These assertions are based on wild claims from people who would have us believe that building a missile defense is too difficult a task for the United States—which possesses the most sophisticated missile and countermeasure capability in the world—but defeating a missile defense is a simple task for those who are just now acquiring the capability for long-range missiles. Such arguments are unpersuasive.

The critics also tell us that deployment of missile defenses will create an arms race, even though the Russians have neither the resources nor a reason to engage in a buildup in strategic offensive arms. Even if they did, with whom would they race? President Bush has announced his intention to dramatically reduce the offensive nuclear forces of the United States, regardless of what the Russians do, and has taken the first step toward doing so by announcing the deactivation of our multiple warhead Peacekeeper missiles. A situation in which one side builds up its missiles while the other reduces is certainly not an arms race. I think the Russians understand this, too, and will recognize the futility of spending scarce resources to counter a missile defense system that does not threaten them.

As for China, while the previous administration was devoting itself to—in its words—"strengthening the ABM Treaty," China was modernizing and expanding its nuclear forces. So China has already demonstrated that assessments of its own national security interests are unlikely to be affected by what the United States does or doesn't do with respect to missile defenses. Moreover, those who suggest we forgo defenses so as not to "threaten" China are implying that China has some sort of right to threaten us with its missiles. I reject such a suggestion. Defenses are not provocative, no nation has a right to threaten the United States, and the United States has no obligation to guarantee any country's right to do so.

There are other criticisms of our missile defense efforts, most even less convincing than those I have just mentioned, and other arguments in its favor which I have not discussed. I'm sure other Senators will address many of them in the course of the next few days. But the discussion has moved far beyond where it was 2 years ago when we stood here and debated the National Missile Defense Act. Thanks to the actions of Congress, there is no longer any question about whether the United States will defend its citizens against missile attack, only about the methods we use and how fast we will field them. And thanks to the efforts of President Bush there is no longer any question about whether we will continue to be held hostage by an obsolete agreement from another era. I welcome the progress that has been made on all fronts, and I look forward to supporting the achievement of genuine security of the United States and its citizens.

Mr. ALLARD. Madam President, I thank the Chair and my colleagues for giving me an opportunity to speak for a few minutes this afternoon on a point I want to make regarding missile defense and the budget and the ABM Treaty compliance. I think this is going to be a very important debate. It has already started in the Armed Services Committee on which I serve.

I thought my colleague from Mississippi, Mr. THAD COCHRAN, this morning made some very cogent comments. I did want to follow up with some further comments on that particular issue.

I have heard some reluctance by a few of my colleagues to approve the Ballistic Missile Defense Organization budget without knowing for certain now whether the testing activities planned comply with the ABM Treaty. They say the Senate cannot approve a budget if it is not compliant.

As a member of the Senate Armed Services Committee, it is my understanding that compliance determinations are almost never—I emphasize never—made well in advance of a test or other activity. It is virtually impossible to do so because the plans often change right up to the time of the test. I would like to highlight a few examples of this occurring.

In integrated flight test 1, what we commonly refer to as IFT–1, which was the first test of the exoatmospheric kill vehicle, which occurred on January 16, 1977, compliance itself was not certified until December 20 of 1996.

Here is another example, the Technical Critical Measurements Program, the TCMP, flight 2A was not certified until February 14, 1997, just 8 days before that actual test occurred.

The risk reduction flight test 1, for what was then the National Missile Defense Program, was certified just 3 days before it occurred in 1997, and the second risk reduction flight was certified just 2 days before it was conducted a month later.

A test for the NMD prototype radar was not certified until August 31, 1998. That was less than 3 weeks before it occurred.

The first test of the Navy theater-wide missile was certified November 2, 1998, for a November 20 flight.

IFT–3 for the National Missile Defense system, which was the first—and successful—intercept attempt, was certified on September 28, 1999, just 4 days before the test.

IFT–4 was certified 12 days before the test took place on January 18, 2000.

The certification for IFT–5 was issued 8 days before that test last summer, but the certification actually had to be modified on July 7, the day before the test because of changes in the test plan.

I have a chart on my right. On this column, we talk about test events. We talk about the day the test was performed. Then we talk about the day that it was certified for compliance with the ABM Treaty.

As you can tell from the many times I mentioned earlier in several examples, it was just a day before the actual test flight for compliant certification.

My point is to expect us to have compliance during the budget deliberations before the Senate hearing simply doesn't make any sense.

However, I will note that there are at least two exceptions to this practice. Last year, Congress approved a budget that included military construction funding for a radar in Alaska that Congress knew was non-compliant with the ABM Treaty. And in January 1994, a compliance review of the proposed THAAD program determined that it was not in compliance with the terms of the ABM Treaty. Yet in the fall of 1994, Congress voted to approve the BMDO budget—one that included a program that was certified to be non-compliant.

It is also interesting to note that THAAD program testing was approved in January of 1995 on the condition that its ability to accept data from external sensors be substantially limited. Only in 1996 was THAAD testing with external cuing data approved because the determination was finally made that THAAD did not have ABM capabilities. I believe this stands as a good illustration of two salient facts: first, that ABM Treaty compliance is in part a matter of both legal and political judgment; second, that the United States has always reserved for itself the authority to judge the compliance of its own programs.

Bearing these facts in mind, I would argue that this administration has been very straightforward with Congress. The President, the Secretary of Defense, and the Deputy Secretary have all told us that the United States and Russia need to move beyond the ABM Treaty. They have told us that the President's commitment to deploy missile defenses and the missile defense program he has proposed are on a collision course with the ABM Treaty. They have told us that the BMDO test program was not designed either to violate or comply with the Treaty, but that it was designed to proceed as efficiently as possible toward the goal of developing effective missile defenses. They have told us that, as a result, there will be serious issues concerning treaty compliance that will arise in a matter of months.

My colleague from Mississippi, Senator COCHRAN, tried to make that point—that we need to focus on what our needs are and shoot towards those defensive needs.

Secretary Wolfowitz has even identified the key issues that he expects will emerge. The Secretary, Deputy Secretary, and Lt. Gen. Kadish have also told us that BMDO program activities have not been fully vetted through the certification process—as is typically the case. Consequently, the legal and political judgements to resolve those issues have not been made yet.

I would further argue that statements by Secretary Wolfowitz, Lt. Gen. Kadish, and others in the administration have been remarkably open and consistent in this area. Lt. Gen. Kadish indicated in a briefing several weeks ago his understanding that the BMDO program proposals for fiscal year 2002 would be compliant with the ABM Treaty, with the important caveat, that some issues needed to be clarified by the compliance review process. Secretary Wolfowitz went into considerable detail concerning areas in which the proposed program would "bump into" treaty constraints. An administration document says that the proposed program would be "in conflict" with the treaty "in the matter of months, not years."

Whether someone says the program is "awaiting clarification" or "that it may bump up against" or "come into conflict with" the ABM treaty, the point is that this is a serious issue that needs to be resolved. And that was precisely the Deputy Secretary's point—that several months ahead of time, the department would know what key program issues would need to be resolved through the established compliance review processes, and that they would be resolved through these processes in regular order.

In considering how we ought to handle these issues, we need to bear in mind that there is a wide range of opinion concerning the value of the ABM Treaty. Some believe that the ABM Treaty is the foundation stone on which U.S. security is built. Others argue that the ABM Treaty is gone and has simply outlived its usefulness and some agree with the administration that the Nation needs to move on to a new strategic framework to guide our relations with Russia.

Given this range of opinion, and the administration's view that the treaty's value has been overtaken by events, the use of well-established processes and procedures to judge the treaty compliance of BMDO program activities hardly seems radical or unusual. Indeed, it seems a modest and conservative approach.

Secretary Wolfowitz outlined for us several possible outcomes of these deliberations within the compliance review process. The nation may have moved beyond the ABM Treaty to a new strategic framework with Russia and the program will not be constrained by the treaty. The program activities in question might be deemed to be compliant with the treaty. Or on the other hand, the program activities might be deemed to be inconsistent with the treaty.

In the absence of an alternative framework, according to the Secretary, the Nation will be faced with an unpalatable choice—either we must alter the test program so that it is compliant with the treaty but is less efficient and more costly, or we must face the prospect of exercising our rights under article XV that allows the nation to withdraw from the treaty. Please note—and this cannot be stressed too much—in all of these cases, the United States will remain in compliance with our obligations under domestic and international law.

Thus, the suggestion that Senators should not agree to the BMDO budget because we don't have perfect visibility into the ABM Treaty compliance of Ballistic Missile Defense program activities strikes me as, at best, odd. It is inconsistent with past practice. It is inconsistent with established processes and procedures used throughout the Clinton administration and which the Bush administration intends to continue. And it is inconsistent with the simple fact that the United State will remain in compliance with our obligations under domestic and international law regardless of the conclusions of the established legal and political authorities regarding specific BMD test activities.

It does strike me as a path that indicates a desire for confrontation with the administration, not cooperation, and one that expresses philosophical opposition to missile defense rather than practical programmatic concerns. For the Congress to take the position that absolute adherence to the ABM Treaty is a prerequisite for approval of a BMDO budget would, in one stroke, undermine both tracks of the President's policy: to proceed with expedited development of missile defenses and to engage Russia in a constructive dialogue.

I urge all my colleagues to proceed in this matter in a calm, reasoned, and non-partisan manner that does not undermine the President or the flexibility to proceed in his discussions with Russia as he sees fit.

I thank the Chair. I yield the floor.

REMEMBERING KOREY STRINGER

Mr. DAYTON. Madam President, I rise in sorrow this morning to pay tribute to a highly respected Minnesotan, Mr. Korey Stringer, an all-pro offensive tackle for the Minnesota Vikings who died early this morning.

Mr. Stringer collapsed yesterday afternoon after the Vikings practice. He died early this morning due to complications from heat stroke.

Korey Stringer joined the Vikings as a first-round draft pick out of Ohio State University. He has been our starting right tackle ever since. Last year, he was named for the first time to the all-pro team. Korey was more than an all-pro football player; he was an all-pro human being. He made Minnesota his year-round home, and he was one of the Vikings' most active community members.

He established his "Korey's crew" community service program at several local schools and libraries. He served as an outstanding leader, mentor, and role model for many Minnesota youngsters and adults.

Minnesota has lost one of our best citizens at the tragically early age of 27. Our hearts and our deepest sympathies go out to his wife Kelcie, his 3-year old son Kodie, and the rest of his family.

Korey, we will miss you. Rest in peace.

TRIBUTE TO MRS. BRIGITTE HANES

Mr. THURMOND. Madam President, I know that my colleagues are aware of the excellent services provided by the military liaison offices of the Senate. For many years military and civilian liaison officers have given invaluable assistance in the areas of constituent services, military issues, and fact-finding visits.

One of these liaison officers is Mrs. Brigitte Hanes. During the past nine years she has worked tirelessly solving the problems of soldiers and their families who have asked for help from their Senators.

The wife of an Army officer, Brigitte raised two daughters before embarking on her own career. First, she served on the staff of the Commander in Chief of the Joint Forces in Korea. Then she was the Personal Affairs Coordinator for foreign military students at the Command and General Staff College at Fort Leavenworth. Brigitte and her husband moved to Washington in 1991. It was December of that year that she went to work in the Army Senate Liaison Office.

She gained a reputation around the Senate as a very reliable person. Few people are more widely known and respected than Brigitte. She is known throughout the Senate as an expert in dealing with a range of constituent issues relating to the Army and many other military matters.

When I needed to get something done I would call Brigitte. For example: she arranged for the shipment of a wheel chair from a Senator's office to the mayor of a town in Bosnia. In fact she delivered it to Andrews Air Force Base herself to start it on its way. She talked to a deserter and although he was afraid, she convinced him to turn himself in to Army authorities. She talked a soldier into boarding a plane for Korea. He had called his mother from the airport and told her he was not going to get on the plane. She called the Senator's aide who put in a conference call to Brigitte. She got two years incapacitation pay for a Reservist whose unit administrator had been unable to get it for him.

In addition to her vast casework load she organized and escorted Senate staffers on very informative orientation visits to military posts where they could see the Army at work.

She has been honored repeatedly by her superiors who recognized what a valuable resource they had in Brigitte.

We will miss her support in the Army Senate Liaison Office when she leaves at the end of August to accept a promotion in the office of the Chief of Army Reserves' Legislative Liaison Office.

I would like to say thank you to Brigitte for her nine years of devoted service to the Senate and to wish her success and happiness in her new endeavor.

THE NATIONAL YOUTH SCIENCE CAMP

Mr. REED. Madam President, every summer the senior Senator from West Virginia, Mr. BYRD, hosts a luncheon for the participants of the National Youth Science Camp.

This is a distinguished collection of high school students from every State in the Nation who have demonstrated exceptional abilities in the fields of science and technology. They participate in a two-week science camp in Green Bank, WV, and, afterwards, spend several days touring Washington, D.C. Their time in the Nation's capital culminates in the luncheon hosted by Senator BYRD.

At this year's luncheon, held in the Russell Caucus Room on July 19, Senator BYRD was introduced by a member of the board of the National Youth Science Foundation, Mr. Charles McElwee.

When Mr. McElwee introduced Senator BYRD at the luncheon, I was impressed. He recognized the remarkable accomplishments of the senior Senator from West Virginia: that Senator BYRD has served in the Senate for more than 42 years, has been elected to 8 consecutive 6-year Senate terms, and has held more Senate leadership positions than any other Senator in history.

Next, he referred to Senator BYRD's knowledge of Senate Rules, the Constitution, and the Bible, and his prolific writings on the histories of the U.S. Senate and the Roman Senate.

Mr. McElwee then proceeded to challenge the young, budding scientists "to make the most of [their] natural minds, as has Senator BYRD."

I consider this powerful introduction of Senator BYRD a touching example of how one of Senator BYRD's constituents feels about him. It highlights the esteem in which he is held by his fellow West Virginians, and I want to share it with my colleagues. Therefore, I ask that Mr. McElwee's introduction of Senator BYRD be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTRODUCTION OF HON. ROBERT C. BYRD, U.S. SENATE LUNCHEON FOR NATIONAL YOUTH SCIENCE CAMPERS

(By Charles McElwee)

How do I introduce a person before whom I stand in awe? How do I introduce and pay tribute to West Virginia's most respected and admired elected public official in the State's history? How do I make the introduction and hold the attention of youth, our guest science campers, when decades separate us in age? I resolved to try by relating the mind and accomplishments of our esteemed speaker to the minds and aspirations of our youthful listeners.

I commence by way of a reference to a renowned mathematician, John Forbes Nash, Jr. Nash was born and reared in Bluefield, West Virginia. He is recognized as a genius in mathematics, especially in game theory, for which he was awarded the Nobel Prize in Economics in 1994. His recent biographer has described Nash as having "A Beautiful Mind" and has given that title to her biography of him.

While I stand among a hundred, young, beautiful minds, I introduce a man with a singularly beautiful mind who has cultivated, developed and used his natural endowment to its fullest potential. I speak of the Honorable ROBERT C. BYRD, the senior United States Senator from your host state, the State of West Virginia, and your host for this luncheon today.

Senator BYRD has served in the United States Senate for more than 42 years and was reelected in 2000 to an unprecedented eighth consecutive six-year Senate term. He has held more leadership positions in the Senate than any other Senator in history, and presently serves as Chairman of the powerful Senate Committee on Appropriations.

Senator BYRD is a lawyer, having obtained his J.D. degree *cum laude* after ten years of study in night classes in law school, making him the only sitting member of either House of Congress to begin and complete law degree studies while serving in Congress.

I have already told you enough to establish that Senator BYRD is a man with a great mind and substantial achievements. But I don't want to stop there because I want to use this brief occasion of introduction to challenge you to make the most of your natural gifts of beautiful minds, just as Senator BYRD has done. Let me illustrate what a beautiful mind can accomplish when it is disciplined and applied.

(Holding up a copy of the United States Constitution.) Senator BYRD carries with him at all times when discharging his public duties a copy of the United States Constitution. His knowledge of this document is, in my opinion, unsurpassed by any other member of the Senate. He qualifies as a constitutional lawyer and scholar. In fact, Senator BYRD shared with another the first "We the People" award presented by the National Constitution Center to a constitutional scholar, who had demonstrated his love of, and concern for, the United States Constitution.

(Holding up a copy of the Bible.) Senator BYRD's knowledge of the Bible, King James version, is stupendous. He can recite from memory dozens of passages from both the Old and New Testaments. But more importantly, he and Erma, his beloved wife of sixty-four years, have shaped their lives to conform with biblical precepts.

(Holding up a copy of one of Senator Byrd's favorite poems, "The Bridge Builder.") Senator BYRD has an immense knowledge of English and American literature and has committed to memory a great store of verse. Two of his favorite poems are "The Bridge Builder" and "Fence or An Ambulance." Both refer to youth like you. In the first, an old man has crossed over a deep and perilous chasm. Although he would never pass that way again, he stopped to build a bridge to span the cleft. Upon being asked why, the old man explained:

There followeth after me today,
A youth whose feet must pass this way.
This chasm which was but naught to me
To that fair youth may a pitfall be.

The second of the poems has this wise counsel: "Better guide well the young than reclaim them when old." The stewardship which Senator BYRD believes that adults have for the welfare and development of the young is evident in his most beloved verses.

(Holding up one volume of four volumes written by Senator Byrd on "The Senate, 1789–1989.") These four volumes are a virtual encyclopedia of Senate History. There is probably no person alive who knows the history and parliamentary rules of the United States Senate better than Senator BYRD.

(Holding up a copy of "The Senate of the Roman Republic.") This volume is a compilation of fourteen addresses delivered on the floor of the Senate by Senator BYRD over five and a-half months on the History of Roman Constitutionalism in opposition to the proposal for a line-item presidential veto. The important point here is that he delivered each of these fourteen speeches, which were packed with names, dates, and complex narratives, entirely from memory and without recourse to notes or consultations with staff aides.

The author of the Foreword of *"The Senate of the Roman Republic"* has described the book and the lectures compiled these as displaying "vast learning, prodigious memory, and single-minded determination. . . ." And so it is that Senator BYRD has used his beautiful mind to accumulate vast learning, to develop a prodigious memory, and to challenge himself at all times with a single-minded determination.

But it has not been his mind, or his learning, or his memory that has endeared Senator BYRD to the people of West Virginia. Their affection of him is attributable to his public service and to his sincere interest in their lives and concern for their welfare. No member of the United States Congress or of the Senate of the Roman Republic has served his other constituency with more distinction than has Senator BYRD.

We have talked about Senator BYRD's great mind, his learning, his memory, his discipline, his determination, his public service, and his interest in people, all superb attributes of which we stand in awe. Yet there is one trait which I have not mentioned. Senator BYRD referred to it in a speech he gave last week on the floor of the Senate.

After cajoling his colleagues that the business of the Senate requires more than a three-day work week, Senator BYRD said that he would just as soon be in the Senate "as to be at home on Saturday mopping the floor." "Yes," Senator BYRD said, "I mop the bathroom. I mop the kitchen floor. I mop the utility room. I vacuum. I dust. I even clean the commodes around my house." Add then Senator BYRD added, "It is good for me. It keeps me humble."

Humility is the eighth, and perhaps the finest, characteristic of our Senator BYRD. And so I implore, you, our guest science campers, to use your good minds with humility. If mopping floors will help you to be humble, then mop floors.

Senator BYRD has been a long-time supporter of the National Youth Science Camp in West Virginia and has sponsored this luncheon for many years. Will you please join with me in applauding Senator BYRD as a way of expressing our gratitude.

AGREEMENT TO PROCEED TO THE EXPORT ADMINISTRATION ACT ON OR AFTER SEPTEMBER 4, 2001

Mr. SHELBY. Madam President, I rise to add some clarification to the unanimous consent agreement which will allow the Senate to proceed to consideration of the Export Administration Act (S. 149) with 2 days of debate. In discussions with Senator THOMPSON, he related to me that he was working with leadership on both sides to form an agreement in which we would permit S. 149 to be considered on or after September 4th, but that myself and Senators THOMPSON, KYL, WARNER, and HELMS would be guaranteed 2 days to present, debate and have votes on our national security related amendments. This agreement will give the Senate time to consider amendments that I believe will make this bill better for our national security. I look forward to a healthy debate and exchange of views.

MARK TO MARKET EXTENSION OF 2001

Mr. SARBANES. Madam President, today the Committee on Banking Housing and Urban Affairs took up "The Mark-to-Market Extension Act of 2001," which I have introduced with Senators REED and ALLARD, the Chair and Ranking Members of the Housing and Transportation Subcommittee. The bill passed the Committee by a 21–0 vote with an amendment offered by Senator ALLARD. The amendment would require the GAO, through a series of reports, to update Congress on the performance of the mark-to-market program.

The bill makes some modest changes in the program, which was originally passed in 1997 on a bipartisan basis. The changes incorporate almost all of the suggestions made by HUD's Office of Multifamily Housing Assistance Restructuring (OHMAR) as well as a number provided by other stakeholders at our June 19 hearing, including the General Accounting Office (GAO). The GAO's thoroughly review of the program has proven invaluable, and we will look to them to continue to work with us to keep things on track.

As my colleagues know, we passed the original "Multifamily Assisted Housing Reform and Affordability Act of 1997" (MAHRAA) in order to bring down the rising costs of project-based section 8 rental assistance contracts. In many markets these section 8 contract rents were higher than the real market rent in the neighborhood in which the project was located. In order to save money on these contracts, the Committee and the Congress chose to reset those contract rents at the lower market levels.

However, in many cases, these new, lower rents were inadequate to pay the federally-insured mortgages. So the Committee also created a number of tools that allow the mortgages to be restructured proportionately. The restructuring process includes a thorough review of the physical condition of the building, provides that it be adequately rehabilitated and that adequate reserves be built in as part of the building's new underwriting. This is important because, as part of the deal, the owner makes a longterm commitment to continue to serve low income families.

After getting off to a slow start, the GAO and most other stakeholders agree that the program has finally gotten moving, and a much larger number of deals are being restructured. HUD reports that the program has saved the federal government about $500 million on a present value basis to date.

The legislation we have before us includes a series of purposes design to reiterate Congress' emphasis on adequate rehabilitation and reserves in order to meet ongoing affordability commitments. Similarly, we want to make sure that expenses are properly calculated, so that rents and mortgages can be set correctly. This is included in the bill because of concerns raised by a number of stakeholders, including both residents and owners, that these important goals have been shortchanged. We chose not to burden the program with an overly prescriptive set of directives regarding these matters. Nonetheless, we expected HUD and the Office to bear these purposes very much in mind as they administer the program.

The bill reauthorizes grants to tenant and non-profit groups to help residents participate in the Mark-to-Market process. It calls for independent rent calculation to determine whether a property should go through the restructuring process, a simple rent reduction, or a straightforward contract renewal. This independent assessment will be used to set rents for vouchers, should the owner choose to opt out of the program. The bill also expands the flexibility of the Department to approve market rent exceptions where necessary.

The bill gives the Secretary flexibility to reduce the 25 percent owner rehabilitation contribution for the cost of significant additions to a project that are required by HUD. This was done in response to a reasonable equity argument made by the owners.

Finally, in consultation with HUD and a number of owners, we include changes that will expedite refinancing of the old mortgages and lengthen the term of the new first mortgages. We also make adjustments that will allow the size of the second mortgages to be larger thereby reducing the potential for cancellation of indebtedness income rulings by the IRS with their attendant tax penalties. Taken together, these changes will allow the underwriting to provide for more rehabilitation, reduce the amount of claims taken against the FHA fund, and increase the collection of the second mortgages, thereby saving the taxpayer additional funds on top of the rent savings.

We take HUD's suggestion and put the Director of OMHAR under the authority of the FHA Commission, as did the House Financial Services Committee. We keep the provision in current law that establishes higher compensation for OMHAR employees because we want to expeditiously is that we want to signal that staff that it is our intention to keep them on board and on the job.

The legislation extends the life of both the program and the Office for 5 years. I understand that HUD requested a 3-year extension only. However, data from the GAO indicates that there will still be a significant, if declining, stream of expiring contracts after the third year of the reauthorization. Frankly, I see no reason to revisit this issue a third time. I would strongly prefer to make sure this is the last time we have to act on this issue. Of course, as we move forward, I would expect to continue to discuss these and other matters, both with the administration and with the House.

In closing, this legislation has broad bipartisan support. My colleagues and I tried to be responsive to the administration and other stakeholders, while ensuring that we maintain a highly skilled staff at the Department. I am hopeful that we can move this legislation quickly through the process.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred April 19, 1992 in Methuen, Massachusetts. Two men who had been harassing a group of women as they left a gay bar allegedly beat two women. The men were charged with assault and battery and assault and battery with a dangerous weapon.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

THE 125TH ANNIVERSARY OF COLORADO STATEHOOD

Mr. CAMPBELL. Madam President, 125 years ago today, on August 1, 1876, President Ulysses S. Grant issued a proclamation declaring Colorado a state. Today, I want to honor that anniversary by highlighting some thoughts about Colorado—the beauty of its landscape, the pioneering spirit of its people, and the engines that fuel its prosperity.

My home State of Colorado is a very special place. We have a rich and colorful history. We are blessed by geography and climate. We are culturally diverse, highly educated and highly motivated.

The movement to settle Colorado began in the late 1850's when prospectors found gold along Cherry Creek near Denver. Gold hunters rushed into the area and "Pikes Peak or Bust" became the slogan of the day. The gold didn't last, but the potential for prosperity and an unmatched quality of life did.

It was not until about 20 years later, however, that Colorado, after several failed attempts, became a state. A new mining boom brought wealth and growth to Colorado again. This time it was silver, not gold, that caused the growth.

In the 125 years since, Colorado has been marked by a series of economic booms and busts. Right now, we have one of the most diversified economies in the Nation. Colorado has grown from a primarily agricultural and mining State to a hub of technological and industrial development for the Nation. An increasing number of high-tech companies are choosing to locate in Colorado; the communications industry is revolutionizing how we stay in touch with one another; and Colorado's mild dry climate and colorful Old West history have made tourism the second largest industry in the State.

Colorado is one of the Nation's major outdoor recreation areas. Few States offer as many sporting opportunities. We fish and camp along pristine rivers and lakes. River-running and whitewater rafting are important summer activities. And we in Colorado enjoy some of the best skiing in the world. We bike, we hike, and we run—and we use one of the most extensive urban bikeways and trail systems in the Nation. One of the top 10k races in the United States—the Bolder Boulder—draws record crowds of world-class runners and area residents. And, the 14,000 foot peaks in Colorado, all 54 of them, bring mountain climbers of all ages and skills to our State.

And, we in Colorado don't just participate in sports—we also play the part of spectator. Our capital city of Denver is the home of five major professional sports teams—baseball, football, basketball, soccer and hockey—making it a major-league sports town.

Colorado's vibrant cultural scene rivals that of any in the world. We have a variety of theatrical, musical and other cultural attractions. Colorado is the home of the Aspen Institute, the Aspen Music Festival and the Central City Opera. Denver has three nationally known theaters and the State boasts a comprehensive network of public libraries, museums, community theaters and orchestras. Most towns and cities have local festivals to celebrate unique cultural traditions.

The cultural diversity of our population gives Colorado many of its greatest traditions and treasures. Colorado is home to two Native American tribes, the Southern Ute and the Ute Mountain Ute tribes. The land they inhabit covers the southwestern corner of Colorado, abutting the borders with Utah, Arizona and New Mexico.

Some of our earliest settlers came to Colorado from Mexico and settled in the San Luis Valley. In fact, the town of San Luis in that valley is Colorado's oldest town, which just recently celebrated its 150th anniversary. The name of our State, Colorado, came from a Spanish word for red, and our conversation is laced with Spanish words.

The traditions, artwork and music of these and many other cultures are a treasured part of Colorado's identity, and we respect and honor the gifts they give us.

Colorado is known for its strong military presence. It is home to the United States Air Force Academy where the soaring structure of the Academy's cathedral with Pikes Peak in the background dominates the landscape. Peterson Air Force Base—home to the U.S. Space Command, Air Force Space Command and the Army Space Command—strengthens the military presence in our state. And, the North American Aerospace Defense Command (NORAD) with its command center located deep inside Cheyenne Mountain adds to Colorado's reputation as recently described by a high-ranking Air Force General as America's "space mecca."

While our ski industry, our world class airport, our sports teams, and our technology industry bring travelers from all over the world to our State, Colorado broke into the international scene in a new way when Denver was chosen as the site of the G–8 summit of world leaders in 1997.

Throughout the 125 years since Colorado became a State, its citizens have had a common goal: to make the state a stronger, more vibrant place. From the snow capped peaks of the Continental Divide to the farms and ranches on the Front Range and the Western Slope, the citizens of my home state have worked together to make Colorado a great place to call home.

I want to thank you for allowing me to celebrate Colorado's 125th anniversary of statehood by recognizing just a few of the things that make it such a great place to live.

To close, I ask my colleagues to join me in a Mile High salute to the citizens of Colorado on the 125th anniversary of their great State.

I ask unanimous consent that a copy of President Grant's proclamation declaring Colorado a State be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A PROCLAMATION BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

Whereas the Congress of the United States do, by an Act approved on the third day of March, one thousand eight hundred and seventy-five authorize the inhabitants of the Territory of Colorado to form for themselves out of said Territory State Government with the name of the State of Colorado, and for the admission of such State into the Union, on an equal footing with the original States upon certain conditions in said Act specified,

And whereas it was provided by said Act of Congress that the Convention elected by the people of said Territory to frame a State Constitution received by me,

Now, Therefore, I, Ulysses S. Grant, President of the United States of America, do, in accordance with the provisions of the Act of Congress aforesaid, declare and proclaim the fact that the fundamental conditions imposed by Congress on the State of Colorado to entitle that State to admission to the Union have been ratified and accepted and that the admission of the said State into the Union is now complete.

In testimony whereof I have here unto set my hand and have caused the seal of the United States to be affixed.

Done at the city of Washington this first day of August, in the year of our Lord one thousand eight hundred and seventy six, and of the Independence of the United States of America the one hundred and first.

By the President,

ULYSSES S. GRANT.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Madam President, at the close of business yesterday, Tuesday, July 31, 2001, the Federal debt stood at $5,718,303,095,621.12, five trillion, seven hundred eighteen billion, three hundred three million, ninety-five thousand, six hundred twenty-one dollars and twelve cents.

One year ago, July 31, 2000, the Federal debt stood at $5,658,807,000,000, five trillion, six hundred fifty-eight billion, eight hundred seven million.

Five years ago, July 31, 1996, the Federal debt stood at $5,188,889,000,000, five trillion, one hundred eighty-eight billion, eight hundred eighty-nine million.

Ten years ago, July 31, 1991, the Federal debt stood at $3,576,827,000,000, three trillion, five hundred seventy-six billion, eight hundred twenty-seven million.

Fifteen years ago, July 31, 1986, the Federal debt stood at $2,074,472,000,000, two trillion, seventy-four billion, four hundred seventy-two million, which reflects a debt increase of more than $3.5 trillion, $3,643,831,095,621.12, three trillion, six hundred forty-three billion, eight hundred thirty-one million, ninety-five thousand, six hundred twenty-one dollars and twelve cents during the past 15 years.

ADDITIONAL STATEMENTS

IN MEMORY OF DEBORAH VINCENT

• Mr. SARBANES. Madam President, I rise today to pay tribute to a young woman, Deborah Vincent, who, in March of this year, began her work with the city of Baltimore's Public Housing authority as its Deputy Executive Director. Sadly, however, Ms. Vincent was diagnosed with leukemia in June and passed away on July 26. There is always a great sense of loss when a person dies in the prime of their life, in this case, loss by those that knew her, her family, friends, colleagues and loved ones. However, I too want to express my loss and the loss to the citizens of Baltimore and the residents of the city's public housing with the passing of Deborah Vincent.

Ms. Vincent came to Baltimore after working at the U.S. Department of Housing and Urban Development, first as the General Deputy Assistant Secretary in the Office of Public and Indian Housing and then as Deputy Chief of Staff to Secretary Andrew Cuomo. At HUD Ms. Vincent worked tirelessly for those in need in this country; for the homeless, for those in need of a place to live, for those in need of assistance to defeat substance abuse, and for those in need of a caring and friendly environment in which to raise their families. At HUD she not only demonstrated her passion to get the job done, but also her compassion for those that have the least in our society.

Although only 43-years-old when she died, Ms. Vincent had 20 years of experience managing public housing. From

1981 until 1997, before coming to HUD, she managed the Clearwater Housing Authority in Clearwater, FL. As its executive director, she took the Clearwater Housing Authority from what had been described as a "shambles" to one of the outstanding public housing authorities in the nation. Recognizing that those most in need of safe and decent housing in the Clearwater community were those in public housing she mustered her inner strength and began cleaning up Clearwater's public housing projects, getting rid of drug dealers, scofflaws, and improving the quality of life for the residents that remained.

Ms. Vincent was also an innovator; under her leadership the Housing Authority established homeownership programs by purchasing condominiums and selling them to qualified public housing residents. Later, recognizing that there was a need for affordable housing for those Clearwater residents that did not qualify for public housing assistance, the Housing Authority purchased a large apartment building and sold the units, at a discount, to those who could not afford to purchase a home at market rates. To this day, Clearwater's Housing Authority is recognized for its innovative housing programs.

At the beginning of this statement I said that Ms. Vincent's death was not only a loss to those who knew her, but also to those that were just beginning to know her, the residents of Baltimore and of Baltimore's public housing. Like them, I know all too well the need for the expertise, spirit and compassion that Ms. Vincent brought to her job in just a few short months with the Baltimore Housing Authority. Let us hope that her example of caring will live on in all of us so that we can achieve great things, as she did as a truly dedicated public servant.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 12:21 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2505. An act to amend title 18, United States Code, to prohibit human cloning.

H.R. 1140. An act to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 333). An Act to amend title 11, United States Code, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House:

From the Committee on the Judiciary, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Mr. SENSENBRENNER, Mr. HYDE, Mr. GEKAS, Mr. SMITH of Texas, Mr. CHABOT, Mr. BARR of Georgia, Mr. CONYERS, Mr. BOUCHER, Mr. NADLER, and Mr. WATT of North Carolina.

From the Committee on Financial Services, for consideration of sections 901–906, 907A–909, 911, and 1301–1309 of the House bill, and sections 901–906, 907A–909, 911, 913–4, and title XIII of the Senate amendment, and modifications committed to conference: Mr. OXLEY, Mr. BACHUS, and Mr. LAFALCE.

From the Committee on Energy and Commerce, for consideration of title XIV of the Senate amendment, and modifications committed to conference: Mr. TAUZIN, Mr. BARTON, and Mr. DINGELL.

From the Committee on Education and the Workforce, for consideration of section 1403 of the Senate amendment, and modifications committed to conference: Mr. BOEHNER, Mr. CASTLE, and Mr. KILDEE.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 1140. An Act to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries; to the Committee on Finance.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3229. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Maintenance Plan Revisions; Michigan" (FRL7023–2) received on July 31, 2001; to the Committee on Environment and Public Works.

EC–3230. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans and Operating Permits Program; State of Missouri" (FRL7024–3) received on July 31, 2001; to the Committee on Environment and Public Works.

EC–3231. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Clean Air Act Promulgation of Extension of Attainment Date for the San Diego, California Serious Ozone Nonattainment Area" (FRL7023–9) received on July 31, 2001; to the Committee on Environment and Public Works.

EC–3232. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revisions to the California State Implementation Plan, Bay Area Air Quality Management District and Ventura County Air Pollution Control District" (FRL7008–5) received on July 31, 2001; to the Committee on Environment and Public Works.

EC–3233. A communication from the Congressional Review Coordinator of the Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Mexican Fruit Fly Regulations; Regulated Areas, Regulated Articles and Treatments" (Doc. No. 99–075–5) received on July 31, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3234. A communication from the Acting Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Nectarines and Peaches Grown in California; Revisions of Reporting Requirements for Fresh Nectarines and Peaches" (Doc. No. FV01–916–3IFR) received on August 1, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3235. A communication from the Acting Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Tart Cherries Grown in the States of Michigan, et al.; Suspension of Provisions Under the Federal Marketing Order" (Doc. No. FV01–930–5IFR) received on August 1, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3236. A communication from the Acting Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Kiwifruit Grown in California; Removal of Certain Inspection and Pack Requirements" (Doc. No. FV01–920–1FR) received on August 1, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3237. A communication from the Acting Administrator of the Agricultural Marketing Service, Fruit and Vegetable Program, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Almonds Grown in California; Revision of Requirements Regarding Quality Control Program" (Doc. No. FV01–981–1FR) received on August 1, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3238. A communication from the Acting Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled

"Raisins Produced from Grapes Grown in California; Reporting on Organic Raisins" (Doc. No. FV01–989–2FR) received on August 1, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3239. A communication from the Acting Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Raisins Produced from Grapes Grown in California; Final Fee and Reserve Percentages for 200–01 Crop Natural (sun-dried) Seedless and Zante Currant Raisins" (Doc. No. FV01–989–3IFR) received on August 1, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3240. A communication from the Acting Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Onions Grown in South Texas; Decreased Assessment Rate" (Doc. No. FV01–959–1FIR) received on August 1, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3241. A communication from the Acting Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Nectarines and Peaches Grown in California; Revision of Handling Requirements for Fresh Nectarines and Peaches" (Doc. No. FV01–916–1FIR) received on August 1, 2001; to the Committee on Agriculture, Nutrition; and Forestry.

EC–3242. A communication from the Regulations Specialist of the Bureau of Indian Affairs, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Encumbrance of Tribal Land—Contract Approvals" (RIN1076–AE00) received on July 26, 2001; to the Committee on Indian Affairs.

EC–3243. A communication from the Regulations Specialist of the Bureau of Indian Affairs, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Attorney Contracts with Indian Tribes" (RIN107–AE18) received on July 26, 2001; to the Committee on Indian Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–169. A petition presented by the Board of Supervisors of the County of Los Angeles relative to Federal health care reform; to the Committee on Finance.

POM–170. A resolution adopted by the City Council of North Olmsted, Ohio relative to the crisis facing the domestic steel industry; to the Committee on Finance.

POM–171. A concurrent resolution adopted by the House of the Legislature of the State of Texas relative to federally funded community health centers and other federal community-based safety-net programs; to the Committee on Finance.

HOUSE CONCURRENT RESOLUTION 84

Whereas, Federally funded community-based safety-net programs, which are specifically designed to assist low-income persons without health insurance and those who live in areas that lack health care services, play a significant role in the delivery of medical care and related agencies to the large number of Americans who cannot afford health insurance; and

Whereas, Texas' large size and shared border with Mexico are geographical factors that present the state with unique challenges in serving its residents and increase the importance of all types of safety-net health care programs; of a total of 254 Texas counties, 176 entire counties and an additional 47 partial counties are federally designed as medically underserved areas; these areas include all but one of the counties along the Rio Grande; and

Whereas, These medically underserved areas are characterized by a high percentage of elderly residents, high poverty rates, high infant mortality rates; and a lower ratio of primary care providers than the national average; furthermore, these areas typically serve working poor, minority members, foreign born, or noncitizens who rely on community-based safety-net programs for medical care; and

Whereas, Federal safety-net programs are particularly important to the four U.S.-Mexico border states, including Texas, which rank among the six states with the highest percentage of uninsured persons under 65 partly because of the large numbers of immigrant households among their populations; such households are more than twice as likely to lack health insurance as are households of native-born citizens, and a recent study found that immigrants and children who arrived between 1994 and 1998 account for 59 percent of the growth of the uninsured; and

Whereas, Community health centers are a cost-effective way to provide primary and preventive care to populations lacking medical care and can reduce the inappropriate use of emergency rooms and hospitalizations; and

Whereas, Increasing the number of community health centers would be a tremendous benefit for those Texans living in poor and underserved communities as well as for the 56 percent of Texas' noncitizens residents who are uninsured by providing greater access to regular sources of both primary care and preventive health services and allowing medical services to target common health problems in these populations: now, therefore, be it

Resolved, That the 77th Legislature of the State of Texas hereby respectfully request the Congress of the United States to expand the number of and funding for federally funded community health centers and other federal community-based safety-net programs specifically directed to poor and medically underserved communities in states with the highest numbers of uninsured residents; and, be it further

Resolved, That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the Speaker of the house of representatives, and to the president of the senate of the United States Congress, and to all members of the Texas delegation to the congress with the request that this resolution be officially entered in the resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

POM–172. A concurrent resolution adopted by the House of the Legislature of the State of Texas relative to the U.S. Border Patrol Training Academy to the southwest Texas border region; to the Committee on the Judiciary.

HOUSE CONCURRENT RESOLUTION 256

Whereas, The United States Border Patrol was established by an act of Congress in 1924 in response to increasing illegal immigration; the initial force of 450 officers was given responsibility for combating illegal entries and the growing business of alien smuggling; and

Whereas, The Border Patrol has since grown from a handful of mounted agents patrolling desolate areas along U.S. borders to today's dynamic workforce of more than 8,000 men and women supported by sophisticated technology, vehicles, and aircraft, since 1986, the Border Patrol has made more than eight million apprehensions nationwide; and

Whereas, Each year, more than 1,000 Border Patrol agents spend 19 weeks in intensive training in immigration law, statutory authority, police techniques, and Spanish at the Border Patrol Training Academy; and

Whereas, The academy has had many homes; the first academy was established in El Paso, Texas, in 1934, and was later moved to Los Fresnos, Texas; and

Whereas, In the 1970s, during the Carter Administration, the academy was moved to Glynco, Georgia; since that time, the training needs of the Border Patrol have far exceeded the capacity of the Glynco location and a temporary satellite facility was opened in Charleston, South Carolina to handle the overflow; and

Whereas, These facilities are no longer adequate to meet the Border Patrol's growing training needs; and

Whereas, All new Border Patrol agents are assigned to the southwest border upon graduation form the academy; and

Whereas, Texas comprises more than half of the southwest border, making it an ideal location for Border Patrol training; now, therefore, be it

Resolved, That the 77th Legislature of the State of Texas hereby respectfully urge the Congress of the United States to relocate the U.S. Border Patrol Training Academy to the southwest Texas border region; and, be it further

Resolved, That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the speaker of the house of representatives and the president of the senate of the United States Congress, and to all the members of the Texas delegation to the congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Appropriations:

Special Report entitled "Further Revised Allocation To Subcommittees Of Budget Totals For Fiscal Year 2002" (Rept. No. 107–50).

By Mr. BIDEN, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 126: A resolution expressing the sense of the Senate regarding observance of the Olympic Truce.

By Mr. BIDEN, from the Committee on Foreign Relations, without amendment:

S. 367: A bill to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961.

By Mr. JEFFORDS, from the Committee on Environment and Public Works, without amendment:

S. 584: A bill to designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall States Courthouse".

By Mr. SARBANES, from the Committee on Banking, Housing, and Urban Affairs, with an amendment:

S. 1254: A bill to reauthorize the Multifamily Assisted Housing Reform and Affordability Act of 1997, and for other purposes.

By Mr. BIDEN, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Con. Res. 58: A concurrent resolution expressing support for the tenth annual meeting of the Asia Pacific Parliamentary Forum.

S. Con. Res. 62: A concurrent resolution congratulating Ukraine on the 10th anniversary of the restoration of its independence and supporting its full integration into the Euro-Atlantic community of democracies.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. SARBANES for the Committee on Banking, Housing, and Urban Affairs.

*Michael J. Garcia, of New York, to be an Assistant Secretary of Commerce.

*Michael Minoru Fawn Liu, of Illinois, to be an Assistant Secretary of Housing and Urban Development.

*Linda Mysliwy Conlin, of New Jersey, to be an Assistant Secretary of Commerce.

*Henrietta Holsman Fore, of Nevada, to be Director of the Mint for a term of five years.

*Melody H. Fennel, of Virginia, to be an Assistant Secretary of Housing and Urban Development.

By Mr. JEFFORDS for the Committee on Environment and Public Works.

*David A. Sampson, of Texas, to be Assistant Secretary of Commerce for Economic Development.

*Jeffrey R. Holmstead, of Colorado, to be an Assistant Administrator of the Environmental Protection Agency.

*George Tracy Mehan, III, of Michigan, to be an Assistant Administrator of the Environmental Protection Agency.

*Donald R. Schregardus, of Ohio, to be an Assistant Administrator of the Environmental Protection Agency.

*Judith Elizabeth Ayres, of California, to be an Assistant Administrator of the Environmental Protection Agency.

*Robert E. Fabricant, of New Jersey, to be an Assistant Administrator of the Environmental Protection Agency.

By Mr. BIDEN for the Committee on Foreign Relations.

*Richard J. Egan, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

*Vincent Martin Battle, of the District of Columbia, Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Lebanon.

Nominee: Vincent M. Battle.

Post: Beirut, Lebanon.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contibutions, Amount, Date, and Donee:

1. Self, Vincent M. Battle, None.

2. Spouse, N/A

3. Children & Spouses, N/A.

4. Parents Names, Leo John Battle (deceased), Jessie Elizabeth Battle (deceased).

5. Grandparents Names, George Rutherford Laurie (deceased), Elizabeth Glen Laurie (deceased), Hugh Battle (deceased), Elizabeth Nevin's Battle (deceased).

6. Brothers & Spouses, Bredan Joseph Battle, None. Allice Vilece Battle, None.

7. Sisters & Spouses, N/A.

Nominee: Richard J. Egan.

Post: Ambassador to Ireland.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee:

1. Self–Richard J. Egan: $500, 28 Jun 99, Abraham Senate 2000; $1,000 (refunded), 27 May 00, Peter Abair for Congress Comm; $1,000, 10 May 99, Friends of Giuliani Expl. Comm; $1,000 (refunded), 30 Jun 99, MA Republican State Congressional Committee; $1,000, 19 Oct 99, Friends of Giuliani Expl. Comm; $1,000, 12 Jul 99, Lincoln Chafee US Senate; $4,000 (refunded), 3 Nov 99, MA Republican State Congressional Committee; $1,000, 1 Oct 99, Friends of George Allen; $1,000, 1 Oct 99, Friends of George Allen; $1,000, 1 Nov 99, Ashcroft 2000; $1,000, 1 Nov 99, Ashcroft 2000; $1,000 (refunded), 28 Mar 00, Lincoln Chafee US Senate; $1,000 (refunded), 5 May 00, Friends of Dick Lugar Inc.; $1,000, 5 June 00, Ensign for Senate; $1,000 (refunded), 30 Jun 00, Friends of Giuliani Expl. Comm.; $1,000, 14 Jun 00, Carla Howell for US Senate; $1,000, 14 Jun 00, Carla Howell for US Senate; $500, 13 Jun 00, Abraham Senate 2000; $1,000, 13 Jun 00, Abraham Senate 2000; $1,000 (refunded), 1 Jun 00, Bob Smith for US Senate; $1,000 (refunded), 30 Sep 00, Dickey for Congress Camp. Comm.; $1,000 (refunded), 29 Sep 00, Kuykendall Congressional Comm.; $1,000, 19 Jul 00, Young Americans for Freedom Political Action Committee; $1,000, 30 Sep 00, Rehberg for Congress; $1,000 (refunded), 22 Sep 00, Friends of John Hostettler Comm.; $1,000 (refunded), 31 Aug 00, Bass Victory 2000 Committee; $1,000 (refund promised), 21 Sep 00, Rogers for Congress; $1,000 (refunded), 29 Sep 00, John Koster for Congress; $1,000 (refunded), 24 Oct 00, Friends of Clay Shaw; $1,000 (refunded), 24 Oct 00, Friends of Clay Shaw; $1,000 (refunded), 7 Dec 00, Amorello for Congress; $1,000 (refunded), 5 Dec 00, Amorello for Congress; $1,000, 29 Mar 99, Kasich 2000; $5,000 (refunded, misdeposited), 14 Jul 99, National Republican Congressional Committee Contribution; $5,000 (refunded, misdeposited), 23 Sep 99, National Republican Congressional Committee Contribution; $500, 29 Jul 99, Rogan for Congress Committee; $1,000, 6 Aug 99, Dick Armey Campaign Committee; $1,000 (refunded), 22 Feb 00, Capuano for Congress Committee; $1,000, 22 Feb 00, Capuano for Congress Committee; $5,000 (exempt/duplicate), 25 May 00, RNC Republican National State Elections Committee; $1,000, 5 May 00, Majority Leader's Fund; $600 (refund promised), 22 May 00, Rogan for Congress Committee; $1,000, 5 Jun 00, Paul McCarthy Committee 1998; $1,000, 5 Jun 00, Paul McCarthy Committee 1998; $1,000 (refunded), 20 Apr 00, Christopher Cox Congressional Committee; $1,000, 29 Jun 00, Roth Senate Committee; $1,000 (refunded), 11 May 00, Santorum 2000; $1,000, 5 Jun 00, Federer for Congress Committee; $1,000, 23 Jun 00, Dick Armey Campaign Committee; $250,000 (exempt/duplicate), 28 Jul 00, RNC Republic National State Elections Committee; $1,000 (refund promised), 11 Jul 00, Lazio 2000 Inc.; $250,000 (exempt/duplicate), 28 Jul 00, RNC Republican National State Elections Committee; $1,000 (refunded), 27 Sep 00, Greenleaf for Congress; $1,000 (refunded), 26 Sep 00, Fletcher for Congress; $1,000 (refunded), 30 Sep 00, Kirk for Congress Inc.; $1,000 (refunded), 17 Oct 00, Re-elect Congressman Joe Moakley Committee; $5,000 (refund promised), 13 Oct 00, Ashcroft Victory Committee; $5,000 (exempt/duplicate), 2 Nov 00, NRCCC—Non Fed Act; $15,000 (exempt duplicate, misdeposited), 4 Dec 00, Republican National Committee; $1,000, 11 Aug 00, Comm to Elect Frederick T. Golder; $1,000, 27 Sep 99, McCain 2000 Inc.; $1,000, 22 Nov 99, Bush-Cheney 2000 Compliance Committee Inc.; $1,000, 5 Mar 98, Michigan Republican State Comm; $1,000, 24 Mar 97, Frist 2000 Inc.; $1,000, 24 Mar 97, Frist 2000 Inc.; $5,000, 24 Nov 97, Pioneer Political Action Committee; $1,000 (refunded), 16 Mar 98, J.D. Hayworth for Congress; $1,000, 15 Apr 98, Amorello for Congress; $5,000 (exempt duplicate, misdeposited), 30 Jun 98, Pioneer Political Action Committee; $500 (refunded), 13 Jul 98, Friends of Zach Wamp; $1,000, 22 Apr 98, Marty Meehan for Congress Comm; $1,000, 22 Apr 98, Marty Meehan for Congress Comm; $1,000 (refunded), 14 Apr 98, Citizens for Peter Torkildsen; $1,000, 2 Jul 98, Watkins for Congress; $5,000 (refunded), 31 Jul 98, MA Republican Party; $1,000, 9 Jul 98, Phil Wyrick for Congress; $1,000, 29 Dec 98, Kerry Committee; $1,000, 3 Dec 97, Citizens for Kasich; $1,000, 15 Dec 97, Citizens for Peter Torkildsen; $1,000, 15 Dec 97, Amorello for Congress; $500, 7 Aug 97, Dick Armey Campaign Committee; $500, 6 Mar 98, Majority Leader's Fund; $350, 7 Apr 98, Christopher Cox Congressional Committee; $500, 19 May 98, National Republican Senatorial Committee; $1,000, 29 Jul 98, Citizens for Kasich; $500, 28 Apr 98, American Renewal PAC; $250, 19 May 98, National Republican Congressional Committee Contributions; $1,000, 19 May 98, 1998 Rep. Hosue-Senate Dinner; $10,000 (exempt/duplicated), 9 Jul 98, RNC Republican National State Elections Committee;

2. Spouse–Maureen E. Egan: $5,000, 3 Nov 99, Massachusetts Republican State Congressional Committee; $1,000, 27 May 00, Peter Abair for Congress Comm.; $5,000, 31 Jul 98, MA Republican Party; $1,000, 3 Dec 97, Citizens for Kasich; $1,000, 29 Jun 98, Citizens for Kasich; $250, 19 May 98, National Republican Congressional Committee Contributions.

3. Children and Spouses–John R. Egan: $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 6 Dec 00, Amorello for Congress; $1,000 (refunded), 5 Dec 00, Amorello for Congress; $1,000, 3 Jun 99, Bush for President Inc.; $1,000, 29 Mar 99, Kasich 2000; $2,000, 3 Nov 99, Massachusetts Republican State Congressional Committee; $1,000, 22 Dec 99, Re-elect Congressman Joe Moakley Committee; $1,000, 30 Dec 99, Re-elect Congressman Joe Moakley Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 26 Jun 00, Kerry Committee; $1,000, 24 Nov 97, Pioneer Political Action Committee; $1,000, 24 Nov 97, Pioneer Political Action Committee; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Citizens for Peter Torkildsen; $500, 27 May 97, Judd Gregg Committee; $500 (refunded), 30 Jun 97, Judd Gregg Committee; $500, 27 May 97, Judd Gregg Committee; $1,000, 27 May 97, Judd Gregg Committee; $1,000, 3 Dec 97, Citizens for Kasich;

$1,000, 15 Dec 97, Citizens for Peter Torkildsen; $1,000, 15 Dec 97, Amorello for Congress; $1,000, 29 Oct 97, Pete Wilson for President Compliance Committee Inc.; $1,000, 13 Mar 98, Amorello for Congress; $1,000, 29 Jun 98, Citizens for Kasich;

Pamela C. Egan: $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 6 Dec 00, Amorello for Congress; $1,000 (refunded), 5 Dec 00, Amorello for Congress; $1,000, 3 Jun 99, Bush for President Inc.; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 26 Jun 00, Kerry Committee; $1,000, 29 Mar 99, Kasich 2000; $1,000, 24 Nov 97, Pioneer Political Action Committee; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Citizens for Peter Torkildsen; $1,000, 3 Dec 97, Citizens for Kasich; $1,000, 8 Dec 97, Citizens for Peter Torkildsen; $1,000, 15 Dec 97, Amorello for Congress; $1,000, 29 Oct 97, Pete Wilson for President Compliance Committee Inc.; $1,000, 31 Mar 98, Amorello for Congress; $1,000, 29 Jun 98, Citizens for Kasich;

Michael Egan: $5,000, 10 Feb 99, Pioneer Political Action Committee; $1,000, 10 Dec 99, Marty Meehan for Congress Comm,; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $2,000, 3 Nov 99, Massachusetts Republican State Congressional Committee; $1,000, 22 Dec 99, Re-elect Congressman Joe Moakley Committee; $1,000, 22 Dec 99, Re-elect Congressman Joe Moakley Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 26 Jun 00, Kerry Committee; $1,000, 4 Dec 00, Amorello for Congress; $1,000 (refunded), 5 Dec 00, Amorello for Congress; $1,000, 20 May 99, Bush for President, Inc.; $1,000, 6 Feb 99, Kasich 2000; $5,000, 6 Sep 00, NH Republican State Committee; $5,000, 24 Nov 97, Pioneer Political Action Committee; $1,000, 19 Dec 97, Amorello for Congress; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Citizens for Peter Torkildsen; $1,000, 31 Mar 98, Amorello for Congress; $5,000, 3 Apr 98, Pioneer Political Action Committee; $500, 23 Oct 98, MA Republican Party; $500, 27 May 97, Judd Gregg Committee; $500, 27 May 97, Judd Gregg Committee; $1,000, 27 May 97, Judd Gregg Committee; $500, (refunded), 30 Jun 97, Judd Gregg Committee; $1,000, 3 Dec 97, Citizens for Kasich; $1,000, 15 Dec 97, Citizens for Peter Torkildsen; $1,000, 28 Mar 98, Citizens for Kasich.

Donna Egan: $1,000, 20 May 99, Bush for President Inc.; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 26 Jun 00, Kerry Committee; $1,000, 4 Dec 00, Amorello for Congress; $1,000 (refunded), Dec 00, Amorello for Congress; $1,000, 29 Mar 99, Kasich 2000; $1,000, 14 Feb 00, McCain 2000 Inc.; $5,000, 24 Nov 97, Pioneer Political Action Committee; $1,000, 31 Dec 97, Amorello for Congress; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Citizens for Peter Torkildsen; $5,000, 13 Apr 98, Pioneer Political Action Committee; $1,000, 15 Apr 98, Amorello for Congress; $5,000 14 Sep 98, MA Republican Party; $5,000 30 Sep 98, MA Republican Party; $1,000, 3 Dec 97, Citizens for Kasich; $1,000, 30 Dec 97, Citizens for Peter Torkildsen; $1,000, 28 Mar 98, Citizens for Kasich.

Maureen Petracca: $1,000, 24 Nov 97, Pioneer Political Action Committee; $1,000, 8 Dec 97, Citizens for Peter Torkildsen; $1,000, 5 Dec 97, Amorello for Congress; $1,000, 31 Mar 98 Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Citizens for Peter Torkildsen; $500, 23 Oct 98, MA Republican Party; $1,000, 3 Dec 97, Citizens for Kasich; $1,000, 31 Mar 98, Amorello for Congress; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 28 Sep 00, Kuykendall Congressional Comm.; $1,000, 29 Sep 00, Kirk for Congress Inc.; $1,000, 28 Sep 00, Zimmer 2000 Inc.; $1,000, 28 Sep 00, Rogan for Congress Committee; $1,000, 22 Sep 00, Rogers for Congress; $1,000, 10 Jun 99, Bush for President Inc.; $1,000, 29 Mar 99, Kasich 2000; $1,000, 22 Dec 99, Re-elect Congressman Joe Moakley Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 26 Jun 00, Kerry Committee.

Paul Petracca: $1,000, 24 Nov 97, Pioneer Political Action Committee; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Citizens for Peter Torkildsen; $500, 23 Oct 98, MA Republican Party; $1,000, 3 Dec 97, Citizens for Kasich; $1,000, 14 Dec 97, Citizens for Peter Torkildsen; $1,000, 15 Dec 97, Amorello for Congress; $1,000, 10 Dec 99 Marty Meehan for Congress Comm.; $1,000, 10 Dec 99 Marty Meehan for Congress Comm.; $1,000, 28 Sep 00, Kuykendall Congressional Comm.; $1,000, 29 Sep 00, Kirk for Congress Inc.; $1,000, 28 Sep 00, Zimmer 2000 Inc.; $1,000, 28 Sep 00, Rogan for Congress Committee; $1,000, 6 Dec 00, Amorello for Congress; $1,000 (refunded), 6 Dec 00, Amorello for Congress; $1,000, 8 Jun 99, Bush for President Inc.; $1,000, 29 Mar 99, Kasich 2000; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 26 June 00, Kerry Committee.

Catherine E. Walkey: $1,000, 24 Nov 97, Pioneer Political Action Committee; $1,000, 8 Dec 97, Citizens for Peter Torkildsen; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Citizens for Peter Torkildsen; $5,000, 14 Sep 98, MA Republican Party; $1,000, 3 Dec 97, Citizens for Kasich; $1,000, 15 Dec 97, Amorello for Congress; $1,000, 31 Mar 98, Amorello for Congress; $1,000, 29 Jun 98, Citzens for Kasich; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 22 Dec 99, Re-elect Congressman Joe, Moakley Committee; $1,000, 30 Dec 99, Re-elect Congressman Joe, Moakley Committee; $1,000, 6 Dec 00, Amorello for Congress; $1,000 (refunded), 5 Dec 00, Amorello for Congress; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 13 Jun 00, Kerry Committee; $1,000, 10 Jun 99, Bush for President Inc. $1,000, 29 Mar 99, Kasich 2000;

Thomas Roderick Walkey: $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Citzens for Peter Torkildsen; $1,000, 15 Apr 98, Amorello for Congress; $1,000, 8 Dec 97, Citizens for Peter Torkildsen; $1,000, 5 Dec 97, Amorello for Congress; $1,000, 24 Nov 97, Pioneer Political Action Committee; $1,000, 3 Dec 97, Citizens for Kasich; $1,000, 29 Jun 98, Citizens for Kasich; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 6 Dec 00, Amorello for Congress; $1,000 (refunded), 5 Dec 00, Amorello for Congress; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 13 Jun 00, Kerry Committee; $1,000, 10 Jun 99, Bush for President Inc.; $1,000, 29 Mar 99, Kasich 2000;

Christopher F. Egan: $1,000, 31 Mar 98, Amorello for Congress; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 6 Dec 00, Amorello for Congress; $1,000 (refunded), 5 Dec 00, Amorello for Congress; $1,000, 20 May 99, Bush for President Inc.; $1,000, 29 Mar 99, Kasich 2000; $1,000, 22 Dec 99, Re-elect Congressman Joe Moakley Committee; $1,000, 22 Dec 99, Re-elect Congressman Joe Moakley Committee; $1,000, 26 Jun 00, Kerry Committee; $5,000, 6 Sep 00, New Hampshire Republican State Committee; $1,000, 24 Nov 97, Pioneer Political Action Committee; $1,000, 3 Dec 97, Citizens for Kasich; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Marty Meehan for Congress Comm.; $1,000, 31 Mar 98, Citizens for Peter Torkildsen; $1,000, 8 Dec 97, Citizens for Peter Torkildsen; $1,000, 29 Jun 98, Citizens for Kasich;

4. Parents-Kenneth Egan-Deceased, Constance Egan: $1,000, 20 May 99, Bush for President Inc.; $1,000, 4 May 98, Amorello for Congress; $1,000, 1 May 98, Citizens for Peter Torkildsen; $500, 1 Sep 98, Amorello for Congress; $500 (refunded), 5 Dec 00, Amorello for Congress.

5. Grandparents, John Egan, Deceased. Jean Egan, Deceased. Laura Ciancio, Deceased, Anthony Ciancio, Deceased.

6. Brothers and Spouses, N/A.

7. Sisters and Spouses, Beverly Egan: $1,000, 28 May 99, Bush for President Inc; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 12 Dec 99, Capuano for Congress Committee; $1,000, 12 Dec 99, Capuano for Congress Committee; $500, 8 Dec 00, Amorello for Congress; $1,000, 22 Apr 98, Amorello for Congress; $1,000, 23 Apr 98, Citizens for Peter Torkildsen; $500, 31 Aug 98, Amorello for Congress; (refunded); $500, 5 Dec 00, Amorello for Congress.

Carl Keitner: $1,000, 10 Dec 99, Marty Meehan for Congress Comm.; $1,000, 10 Dec 99, Marty Meehan for Congress Comm.;

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*Richard Henry Jones, of Nebraska, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait.

Nominee: Richard Henry Jones.

Post: Ambassador to Kuwait.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, None.

2. Spouse, None.

3. Children names, Joseph A. W. Jones, None. Vera E. W. Jones, None. R. Benjamin W. Jones, None. M. Hope W. Jones, None.

4. Parents names, Dailey M. Jones, Deceased. Sara N. Jones, None.

5. Grandparents names, Mr. & Mrs. B. O. Jones, Both Deceased. Mr. & Mrs. J. A. Nall, Both Deceased.

6. Brothers and Spouses names, Dailey M. Jones II, $100.00, spring 2000, Sen. John McCain. (spouse) Irene Jones, None. Joseph N. Jones, Deceased.

7. Sisters and Spouses names, No Sisters.

*Jeanne L. Phillips, of Texas, to be Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

Nominee: Jeanne Johnson Phillips.

Post: U.S. Representative to the OECD.

Nominated: 3/15/01.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, see attached page.

2. Spouse, see attached page.

3. Children and Spouses, Names, Daughter, Margaret, none.

4. Parents, Names, Allen James Linder, June Evelyn Thach Linder, deceased.

5. Grandparents Names, John & Ruth Thach, Allen & Fannie Linder, deceased.

6. Brothers and Spouses Names, N/A.

7. Sisters and Spouses Names, Dr. Jo Linder-Crow, none; David Crow, none.

Jeanne Johnson Phillips' Contribution: $1,000, 3/9/99, George W. Bush Exploratory Committee.

David M. Phillips' Contribution: $500, 3/00, George W. Bush for President.

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*Carole Brookins, of Indiana, to be United States Executive Director of the International Bank for Reconstruction and Development for a term of two years.

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*Randal Quarles, of Utah, to be United States Executive Director of the International Monetary Fund for a term of two years.

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*Ross J. Connelly, of Maine, to be Executive Vice President of the Overseas Private Investment Corporation.

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*Craig Roberts Stapleton, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czech Republic.

Nominee: Craig R. Stapleton.

Nominated: 3/7/01.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, attached.

2. Spouse, attached.

3. Children and Spouses Names; Walker Stapleton: $1,000, June 1999, Bush for President; Wendy Stapleton: $1,000, June 1999, Bush for President.

4. Parents Names, Katharine Stapleton, $2,000, 9/31/00, Bush for President.

5. Grandparents Names, None.

6. Brothers and Spouses Names, Benjamin F. Stapleton, $1,000, June 1999, Bush for President.

7. Sisters and Spouses, Names, Katharine Stapleton, none.

Craig Stapleton: 8/2/96, James G. Blaine for Congress Committee, $500; 10/1/96, Connecticut Republican Federal Campaign Committee, $1,000; 10/16/96, Weld for Senate, Inc., $250; 12/29/97, Pritzker for Congress, $500; 1/29/98, Friends of Senator D'Amato (1998 Committee), $500; 9/23/98, Nielson Congress '98, $1,000; 9/25/98, Coverdell Good Government Committee, $500; 3/17/99, Bush for President, $1,000; 11/12/99, Friends of Giuliani Exploratory Committee, $1,000; 11/7/99, Nielson for Congress, $1,000; 12/30/99, 1999 State Victory Fund Committee, $5,000; 1/19/00, Dick Armey Campaign Committee, $1,000; 5/29/00, Lazio 2000 Inc., $1,000; 6/15/00, Republican National Committee—RNC, $20,000; 7/21/00, RNC Republican National State Elections Committee, $10,000; 8/18/00, Hastert for Congress Committee, $1,000.

Dorothy Stapleton: 10/14/96, Christopher Shays for Congress, $250; 9/14/98, Gary Franks for Senate, $250; 10/10/98, Christopher Shays for Congress Committee, $500; 3/17/99, Bush for President Inc., $1,000; 10/13/99, Bush-Cheney 2000 Compliance Committee Inc., $1,000; 12/30/99, 1999 State Victory Fund Committee, $5,000; 1/19/00, Dick Armey Campaign Committee, $1,000; 3/15/00, Christopher Shays for Congress Committee, $500; 8/28/00, Connecticut Republican Federal Campaign Committee, $5,000; 9/1/00, Christopher Shays for Congress Committee, $500; 11/2/00, National Republican Congressional Committee Contrib., $500; 11/3/00, Swing States for a Conservative White House Pac., Inc., $500; 11/9/00, Swing States for a Conservative White House Pac., Inc., $500; 11/16/00, Bush Recount Fund, $5,000.

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*Robert Geers Loftis, of Colorado, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho.

Nominee: Loftis, Robert Geers.

Post: Ambassador to Lesotho.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, Loftis, Robert, none.

2. Spouse, Loftis, Elizabeth, none.

3. Children, Matthew, none; Ellen, none.

4. Parents, Else Sanness (mother), none; David Sanness, (stepfather): $5.00, 3/18/97, Republican National Committee (RNC); $5.00, 9/1/97, RNC; $5.00, 9/8/97, RNC; $5.00, 1/10/98, RNC; $5.00, 3/28/01, RNC; $5.00, 1/16/97, Colorado Republican Committee (CRC); $5.00, 9/12/97, CRC; $5.00, 2/4/98, CRC; $5.00, 9/17/98, CRC; $5.00, 10/28/98, CRC; $5.00, 8/20/99, CRC; $5.00, 2/01/01, CRC.

4. Charles R. and Elsie Loftis (father), none.

5. Grandparents, deceased.

6. Brother and spouse, Paul and Judy Loftis, none.

7. Sister and spouse, Susan and Eric Krause, none.

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*Daniel R. Coats, of Indiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Germany.

Nominee: Daniel R. Coats.

Post: Ambassador to Federal Republic to Germany.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Daniel R. Coats, $1,000, 5/7/99, Quayle 2000. (*Note: As a Federal employee from January 1977 to January 1999, I was prohibited from making any contributions to a candidate for Federal office. Since leaving Federal service, I have made numerous Federal campaign contributions through the Dan Coats for Indiana committee [see attached print-out].)

2. Marcia C. Coats, None.

3. Laura Coats Russo & Mark Russo, $500, 5/99, Elizabeth Dole for President; Lisa Coats Wolf & Edward Wolf, $500, 5/99, Elizabeth Dole for President; Andrew Coats, None.

4. Edward R. & Vera E. Coats, deceased Cecil H. & Miriam Crawford, $200, 1998, Friends of J. C. Watts.

5. Grandparents, deceased.

6. Peter Coats & Betsy Coats Westcott, None. Greg Crawford & Susan Oblom Crawford, None.

7. Suzanne Coats Kavgian & Robert Kavgian, None.

Daniel L. Coats: Friends of John Hostettler Committee, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 25APR97, $2,000; Friends of John Hostettler Committee, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 25APR97, $1,000; Friends of John Hostettler Committee, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 25APR97, $1,000; Citizens for Bunning, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 31OCT97, $1,000; Judd Gregg Committee, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 31OCT97, $1,000; Campbell Victory Fund, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 31OCT97, $1,000; Friends of John Hostettler Committee, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 12DEC97, $1,000; Friends of Senator Don Nickles, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 28JAN98, $1,000; Peter Rusthoven for Senator, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 10JUN98, $1,000; Republican National Committee—RNC, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 24JUL98, $400,000; Dan Holtz for Congress, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 25SEP98, $1,000; Souder for Congress Inc, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 9OCT98, $500; Paul Helmke for Senate, Dan Coats for Indiana a/k/a Dan Coats for Senate Committee, 28OCT98, $1,000; Lazio 2000 Inc, Dan Coats for Indiana, 10AUG00, $510; Dickey for Congress Campaign Committee, Dan Coats for Indiana, 25AUG00, $500; Jeffords for Vermont Committee, Dan Coats for Indiana, 19SEP00, $1,000; Bill McCollum for US Senate, Dan Coats for Indiana, 21SEP00, $1,000; Ensign for Senate, Dan Coats for Indiana, 27SEP00, $1,000; Friends of Connie Mack, Dan Coats for Indiana, 25OCT00, $100; Chris Chocola for Congress Inc, Dan Coats for Indiana, 25OCT00, $500; Mattingly for Senate Inc., Dan Coats for Indiana, 27OCT00, $500; Friends of Dick Lugar Inc, Dan Coats for Indiana, 1DEC99, $1,000; Ensign for Senate, Dan Coats for Indiana, 8DEC99, $1,000; Abraham Senate 2000, Dan Coats for Indiana, 12DEC99, $1,000; Bob Smith for US Senate, Dan Coats for Indiana, 29FEB00, $250; Lincoln Chafee US Senate, Dan Coats for Indiana, 8MAR00, $1,000; Friends for Slade Gorton, Dan Coats for Indiana, 28MAR00, $1,000; Santorum 2000, Dan Coats for Indiana, 6APR00, $1,000; Rod Grams for US Senate, Dan Coats for Indiana, 11May00, $1,000; Portman for Congress Committee, Dan Coats for Indiana, 19JUL00, $150; Sensenbrenner Committee, Dan Coats for Indiana, 19JUL00, $1,000; Friends of Dylan Glenn, Dan Coats for Indiana, 9AUG00, $100; Quayle 2000 Inc., Dan Coats for Indiana, 26MAR99, $1,000; Jon Kyl for US Senate, Dan

Coats for Indiana, 20MAY99, $1,000; Fitzgerald for Senate Inc, Dan Coats for Indiana, 8JUN99, $500; Ashcroft 2000, Dan Coats for Indiana, 29JUN99, $1,000; Portman for Congress Committee, Dan Coats for Indiana, 23SEP99, $150; Bush for President Inc., Dan Coats for Indiana, 10OCT 99, $1,000; Elizabeth Dole for President Exploratory Committee Inc, Dan Coats for Indiana, 1OCT99, $1,000; Frist 2000 Inc, Dan Coats for Indiana, 19OCT99, $1,000; Re-elect Nancy Johnson to Congress Committee, Dan Coats for Indiana, 27OCT99, $500; Citizens Committee for Gilman for Congress, Dan Coats for Indiana, 28OCT 99, $500; Kellems for Congress, Dan Coats for Indiana, 16NOV99, $500.

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*Theodore H. Kattouf, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Syrian Arab Republic.

Nominee: Theodore H. Kattouf.

Post: Syria.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, Theodore H. Kattouf, none.
2. Spouse, Jeannie M. Kattouf, none.
3. Children and Spouses, Jennifer Morningstar, none; Jack Morningstar, none; Jonathan Kattouf, none; Paul Kattouf, none; Michael Kattouf, none.
4. Parents, Habab Kattouf (deceased), none; Victoria Kattouf, none.
5. Grandparents, Rev. George Kattouf (deceased), none; Zakiya Kattouf (deceased), none; Sam Bahou (deceased), none; Najiya Bahou (deceased), none.
6. Brothers and Spouses, George Kattouf, none; Melanie (Noel) Kattouf, none; Greg Kattouf, none.
7. Sisters and Souses, Sylvia Hanna, none; Nicholas Hanna, none.

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*Maureen Quinn, of New Jersey, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Qatar.

Contributions, amount, date, and donee:

1. Maureen Quinn, none.
2. Spouse, not applicable.
3. Children, not applicable.
4. Parents, Francis S. Quinn, Sr. (deceased): $200, o/a 1997, Ferguson for Congress; $200, also o/a 1997, Ferguson for Congress; Mary J. Quinn, none. (Although the above donations/checks were written on a joint checking account.)
5. Grandparents, Mr. Francis T. Quinn (deceased); Mrs. Marie C. Quinn (deceased); Mr. Frank J. Judge (deceased); Mrs. Margaret T. Judge (deceased).
6. Brothers and Spouses, Mr. & Mrs. Francis S. Quinn, Jr., none (for federal); Mr. & Mrs. Owen M. Quinn, none; Mr. & Mrs. Colin C. Quinn: $200, 2000, B. Kennedy, For Congress.
7. Sisters and Spouses, Margaret M. Quinn, M.D. and Daumant Kusma: approx. $500 over the past four years to Political Action Committees to support health care initiatives (funds may have gone to federal campaigns); Michele P. Quinn, none; Mr. & Mrs. Jeffrey S. Stapleton, none.

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*Joseph Gerard Sullivan, of Virginia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zimbabwe.

Nominee: Joseph G. Sullivan.

Post: Ambassador to Zimbabwe.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Joseph Gerard Sullivan, none.
2. Spouse, none.
3. Children and Spouses, Patrick Joseph Sullivan, none; Sean Michael Sullivan, none.
4. Parents, Edwin Sullivan, deceased; Grace M. Sullivan, deceased.
5. Grandparents, deceased over 40 years (names not available).
6. Brothers and Spouses, none.
7. Sisters and Spouses, Maureen and Neil Niven, none; Rosemary Sullivan, none; Janet and Paul Gannon, none.

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*Johnny Young, of Maryland, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Slovenia.

Nominee: Johnny Young.

Post: Republic of Slovenia.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, Johnny Young, N/A.
2. Spouse, Angelena V. Young, N/A.
3. Children and Spouses Names, David J. Young, N/A; Michelle J. Young, N/A.
4. Parents Names, Eva Grant, deceased; Lucille Pressy (adopted) deceased; John Young, deceased.
5. Grandparents Names, Alice Young, deceased; Louis Young, deceased.
6. Brothers and Spouses Names, N/A.
7. Sisters and Spouses Names, Lottie Mae Young, deceased; Loretta Young, N/A.

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*Edward William Gnehm, Jr., of Georgia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan.

Nominee: Edward William Gnehm, Jr.

Post: Ambassador to Jordan.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, none.
2. Spouse, none.
3. Children and Spouses Names, Cheryl Gnehm, none; Edward Gnehm, III, none; Wendy Gnehm, none (daughter-in-law).
4. Parents Names, Edward Gnehm, Sr. (deceased); Beverly T. Gnehm, none.
5. Grandparents Names, Emil Gnehm (deceased); Olive Gnehm (deceased); Florence Thomassan (deceased); Jesse Thomasson (deceased).
6. Brothers and Spouses names, no brothers.
7. Sisters and Spouses names, Barbara Johnson, none; Jane Ellen Gnehm, none.

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*R. Nicholas Burns, of Massachusetts, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be United States Permanent Representative on the Council of the North Atlantic Treaty Organization, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Nominee: R. Nicholas Burns.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, R. Nicholas Burns, none.
2. Spouse, Elizabeth Allen Baylies, none.
3. Children and Spouses Names, Sarah, Elizabeth, Caroline, none.
4. Parents Names, Robert P. and Esther Burns: $50.00 to Royall Switzler for Town Selectman, Wellesley, MA.
5. Grandparents Names, James and Delia Burns, deceased; Richard and Helen Toomey, deceased.
6. Brothers and Spouses Names, Christopher and Nayla Burns, none; Jeffrey and Denise Burns, none.
7. Sisters and Spouses Names, Roberta Esther and Richard Hutchins, none; Stanton and Gigi Bur * * *, none.

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*Edmund James Hull, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Yemen.

Nominee: Edmund J. Hull.

Post: Sana'a, Yemen.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, none.
2. Spouse, none.
3. Children and Spouses, Leila (daughter), none; Lena (daughter), none.
4. Parents, Thomas F. Hull (father): $15.00, 2/17/98, Lane Evans; $15.00, 5/18/98, Lane Evans; Lorene E. Hull (mother): $15.00, 10/23/98, Lane Evans; $15.00, 3/21/99, Lane Evans; $20.00, 1/16/01, Lane Evans.
5. Grandparents, Fred P. & Pearl Hull, deceased; Frank & Theresa Frain, Deceased.
6. Brothers and Spouses, Tim Hull & Jane Kramer, none; Tom Hull: $25.00, 1998, David Price; $50.00, 1998, John Edwards; $50.00, 1999, Democratic Senatorial Campaign Fund; Bob Hull & Cindy Klose, none; Joe and Karen Hull, none.
7. Sisters and Spouses, Susan & Randy Hinthorn, none; Sara & Greg Patton: $20.00, 1997, Lane Evans; $50.00, 1998, Lane Evans; $25.00, 1999, Lane Evans; $45.00, 2000, Lane Evans; $25.00, 2001, Lane Evans; Mary & Paul Banacla: $90.00, 1998, Lane Evans; $10.00, 2000, Lane Evans; $10.00, 2001, Lane Evans; Dorothy & John Ramig, none; Ellen & Bob Filipelli, none; Maggie & Dave Wilson, none.

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*Nancy Goodman Brinker, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Hungary.

Nominee: Nancy G. Brinker.

Post: Ambassador to the Republic of Hungary.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, Nancy G. Brinker: $1,000, 03/02/95, Dole for President; $1,000, 04/12/95, Dole for President; $12,500, 11/15/95, RNC; $500, 12/29/95, Teresa Doggett for Congress; $1,000, 11/14/95, Forbes for President; $1,000, 10/25/95, Glenn Box for Congress; $1,000, 02/16/96, Weld for Senate; $1,000, 04/22/96, Dole for President; $250, 06/25/96, Kay Granger for Congress; $295, 06/28/96, RNC; $1,000, 07/16/96, Friends of Larry Pressler; $500, 04/01/97, Citizens for Arlen Specter; $1,000, 04/28/97, Kay Bailey Hutchison for Senate; $500, 05/26/98, Shawn Terry for Congress; $1,000, 10/07/98, Inglis for Senate Committee; $1,000, 10/20/98, Inglis for Senate Committee; $1,000, 05/27/97, McCain for Senate '98; $1,000, 04/10/97, Republican Leadership Council; $250, 06/24/97, Missourians for Kit Bond; $1,000, 04/10/98, Kay Granger Campaign Fund; $250, 04/03/98, Missouri Republican State Com.; $5,000, 10/20/98, National Republican Senatorial; $1,000, 03/29/99, Frist 2000; $1,000, 08/23/99, Snowe for Senate; $1,000, 03/24/00, Pete Sessions for Congress; $1,000, 01/31/00, Bill McCollum for US Senate; $1,000, 05/10/00, Snowe for Senate; $500, 05/17/00, Friends of Mark Foley for Con; $1,000, 03/12/99, Bush for President; $1,000, 05/20/99, Bush for President; (−$1,000), 05/06/99, Bush for President (Refund); $1,000, 04/21/99, Kay Bailey Hutchison for Senate; (−$1,000), 06/06/99, Kay Bailey Hutchison for Senate (Refund); $1,000, 06/06/99, Kay Bailey Hutchison for Senate; $15,000, 07/12/00, RNC (Non-federal); $3,500, 08/11/00, RNC (Non-federal); $10,000, 08/24/00, RNC; $1,000, 12/02/99, Bush-Cheney 2000 Compliance; $1,000, 06/22/99, Elizabeth Dole for President.

2. Spouse, N/A.

3. Children, Eric Blake Leitstein Brinker: $1,000, 09/12/96, RNC; $1,000, 09/09/96, Kemp for Vice President; $1,000, 03/16/99, Bush for President.

4. Parent, Mother—Eleanor Goodman: $1,000, 05/26/99, Bush for President; $500, 06/08/00, Bush for President; $500, 08/06/00, Bush for President (refund requested); $500, 09/22/00, Bush-Cheney; $250, 03/29/00, Bush for President; Father—Marvin L. Goodman: $1,000, 03/23/99, Bush for President; $500, 10/21/99, Bush for President (refund requested); $250, 08/28/95, Phil Gramm for President.

5. Grandparents, William Goodman, deceased; Helen Goodman, deceased; Freda L. Newman, deceased; Leo Jay Newman, deceased.

6. Brothers, N/A.

7. Sisters, Susan G. Komen, deceased twenty-one (21) years.

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*Christopher William Dell, of New Jersey, a Career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Angola.

Nominee: Christopher W. Dell.

Post: Luanda, Angola.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse, none.

3. Children and Spouses Names, none.

Parents Names, William and Ruth Dell, none.

5. Grandparents Names, William and Frieda Dell (deceased), none; Martin and Mary Weidemann (deceased), none.

6. Brothers and Spouses Names, Tracey and Kathleen Dell, none; Kenneth Dell, none.

7. Sisters and Spouses Names, Scott and Annie Dell, none.

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*Patrick M. Cronin, of the District of Columbia, to be an Assistant Administrator of the United States Agency for International Development.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mrs. CARNAHAN (for herself and Ms. Mikulski):

S. 1286. A bill to provide for greater access to child care services for Federal employees; to the Committee on Governmental Affairs.

By Mr. LOTT (for himself and Mr. Cochran):

S. 1287. A bill to designate the Federal building and United States courthouse located at 2015 15th Street in Gulfport, Mississippi , as the "Judge Dan M. Russell, Jr. Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

By Mr. SHELBY (for himself and Mr. Sessions):

S. 1288. A bill to amend the Tennessee Valley Authority Act of 1933 to modify provisions relating to the Board of Directors of the Tennessee Valley Authority, and for other purposes; to the Committee on Environment and Public Works.

By Ms. SNOWE:

S. 1289. A bill to require the Secretary of the Navy to report changes in budget and staffing that take place as a result of the regionalization program of the Navy; to the Committee on Armed Services.

By Mr. GRASSLEY (for himself, Mr. Harkin, and Mr. Brownback):

S. 1290. A bill to amend title 49, United States Code, to preempt State laws requiring a certificate of approval or other form of approval prior to the construction or operation of certain airport development projects, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HATCH:

S. 1291. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to permit States to determine State residency for higher education purposes and to authorize the cancellation of removal and adjustment of status of certain alien college-bound students who are long term United States residents; to the Committee on the Judiciary.

By Mr. EDWARDS:

S. 1292. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for dry and wet cleaning equipment which uses non-hazardous primary process solvents; to the Committee on Finance.

By Mr. CRAIG (for himself and Mr. Hagel):

S. 1293. A bill to amend the Internal Revenue Code of 1986 to provide incentives for the voluntary reduction, avoidance, and sequestration of greenhouse gas emissions and to advance global climate science and technology development and deployment; to the Committee on Finance.

By Mr. MURKOWSKI (for himself, Mr. Craig, Mr. Hagel, Mr. Domenici, Mr. Roberts, and Mr. Bond):

S. 1294. A bill to establish a new national policy designed to manage the risk of potential climate change, ensure long-term energy security, and to strengthen provisions in the Energy Policy Act of 1992 and the Federal Nonnuclear Energy Research and Development Act of 1974 with respect to potential climate change; to the Committee on Energy and Natural Resources.

By Mr. LEVIN (for himself and Mr. Thomas):

S. 1295. A bill to amend title 18, United States Code, to revise the requirements for procurement of products of Federal Prison Industries to meet needs of Federal agencies, and for other purposes; to the Committee on the Judiciary.

By Mr. DODD:

S. 1296. A bill to provide for the protection of the due process rights of United States citizens (including United States servicemembers) before foreign tribunals, including the International Criminal Court, for the prosecution of war criminals, and for other purposes; to the Committee on Foreign Relations.

By Mr. DURBIN (for himself and Mr. Reed):

S. 1297. A bill to require comprehensive health insurance coverage for childhood immunization; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HARKIN (for himself, Mr. Specter, Mr. Kennedy, Mr. Biden, and Mrs. Clinton):

S. 1298. A bill to amend title XIX of the Social Security Act to provide individuals with disabilities and older Americans with equal access to community-based attendant services and supports, and for other purposes; to the Committee on Finance.

By Mr. DOMENICI (for himself, Mrs. Clinton, Mr. Reid, Mrs. Boxer, Ms. Mikulski, Mr. Bingaman, and Mrs. Hutchison):

S. 1299. A bill to amend the Safe Drinking Water Act to establish a program to provide assistance to small communities for use in carrying out projects and activities necessary to achieve or maintain compliance with drinking water standards; to the Committee on Environment and Public Works.

By Mr. SANTORUM (for himself and Mr. Lieberman):

S. 1300. A bill to amend the Internal Revenue Code of 1986 to encourage foundational and corporate charitable giving; to the Committee on Finance.

By Mr. BOND:

S. 1301. A bill to amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children; to the Committee on Health, Education, Labor, and Pensions.

By Mr. KERRY:

S.J. Res. 21. A joint resolution designating November 5, 2002, and November 2, 2004, as "Federal Election Day" and making such day a legal public holiday, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for himself and Mr. BROWNBACK):

S. Res. 145. A resolution recognizing the 4,500,000 immigrants helped by the Hebrew Immigrant Aid Society; to the Committee on the Judiciary.

By Mr. HATCH (for himself, Mr. SCHUMER, Mr. LIEBERMAN, and Mr. BREAUX):

S. Res. 146. A resolution designating August 4, 2001, as "Louis Armstrong Day"; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 180

At the request of Mr. FRIST, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 180, a bill to facilitate famine relief efforts and a comprehensive solution to the war in Sudan.

S. 228

At the request of Mr. AKAKA, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 228, a bill to amend title 38, United States Code, to make permanent the Native American veterans housing loan program, and for other purposes.

S. 312

At the request of Mr. GRASSLEY, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 312, a bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers and fishermen, and for other purposes.

S. 356

At the request of Ms. LANDRIEU, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 356, a bill to establish a National Commission on the Bicentennial of the Louisiana Purchase.

S. 490

At the request of Mr. EDWARDS, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 490, a bill to provide grants to law enforcement agencies that ensure that law enforcement officers employed by such agencies are afforded due process when involved in a case that may lead to dismissal, demotion, suspension, or transfer.

S. 503

At the request of Mr. REID, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 503, a bill to amend the Safe Water Act to provide grants to small public drinking water system.

S. 532

At the request of Mr. DORGAN, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 532, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit a State to register a Canadian pesticide for distribution and use within that State.

S. 543

At the request of Mr. WELLSTONE, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 543, a bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits.

S. 662

At the request of Mr. DODD, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 662, a bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to furnish headstones or markers for marked graves of, or to otherwise commemorate, certain individuals.

S. 781

At the request of Mr. AKAKA, the names of the Senator from Missouri (Mr. BOND) and the Senator from Idaho (Mr. CRAIG) were added as cosponsors of S. 781, a bill to amend section 3702 of title 38, United States Code, to extend the authority for housing loans for members of the Selected Reserve.

S. 790

At the request of Mr. BROWNBACK, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 790, a bill to amend title 18, United States Code, to prohibit human cloning.

S. 871

At the request of Mr. CLELAND, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 871, a bill to amend chapter 83 of title 5, United States Code, to provide for the computation of annuities for air traffic controllers in a similar manner as the computation of annuities for law enforcement officers and firefighters.

S. 940

At the request of Mr. DODD, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 940, a bill to leave no child behind.

S. 989

At the request of Mr. FEINGOLD, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 989, a bill to prohibit racial profiling.

S. 999

At the request of Mr. BINGAMAN, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 999, a bill to amend title 10, United States Code, to provide for a Korea Defense Service Medal to be issued to members of the Armed Forces who participated in operations in Korea after the end of the Korean War.

S. 1063

At the request of Mr. ROCKEFELLER, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1063, a bill to amend chapter 72 of title 38, United States Code, to improve the administration of the United States Court of Appeals for Veterans Claims.

S. 1087

At the request of Mr. CONRAD, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1087, a bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period of the depreciation of certain leasehold improvements.

S. 1088

At the request of Mr. ROCKEFELLER, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1088, a bill to amend title 38, United States Code, to facilitate the use of educational assistance under the Montgomery GI Bill for education leading to employment in high technology industry, and for other purposes.

S. 1089

At the request of Mr. ROCKEFELLER, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1089, a bill to amend section 7253 of title 38, United States Code, to expand temporarily the United States Court of Appeals for Veterans Claims in order to further facilitate staggered terms for judges on that court, and for other purposes.

S. 1090

At the request of Mr. ROCKEFELLER, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1090, a bill to increase, effective as of December 1, 2001, the rates of compensation for veterans with service-connected disabilities and the rates dependency and indemnity compensation for the survivors of certain disabled veterans.

S. 1094

At the request of Mrs. HUTCHISON, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1094, a bill to amend the Public Health Service Act to provide for research, information, and education with respect to blood cancer.

S. 1114

At the request of Mr. SPECTER, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1114, a bill to amend title 38, United States Code, to increase the amount of educational benefits for veterans under the Montgomery GI Bill.

S. 1160

At the request of Mr. ROCKEFELLER, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1160, a bill to amend section 1714 of title 38, United States Code, to modify the authority of the Secretary of Veterans Affairs to provide dog-guides to blind veterans and authorize the provision of service dogs to hearing-impaired veterans and veterans with spinal cord injuries, and for other purposes.

S. 1167

At the request of Mrs. FEINSTEIN, the name of the Senator from Nebraska (Mr. NELSON) was added as a cosponsor of S. 1167, a bill to amend the Immigration and Nationality Act to permit the substitution of an alternative close family sponsor in the case of the death of the person petitioning for an alien's admission to the United States.

S. 1169

At the request of Mr. FEINGOLD, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1169, a bill to streamline the regulatory processes applicable to home health agencies under the medicare program under title XVIII of the Social Security Act and the medicaid program under title XIX of such Act, and for other purposes.

S. 1206

At the request of Mr. VOINOVICH, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1206, a bill to reauthorize the Appalachian Regional Development Act of 1965, and for other purposes.

S. 1209

At the request of Mr. BINGAMAN, the names of the Senator from Mississippi (Mr. COCHRAN), the Senator from Delaware (Mr. CARPER), and the Senator from Washington (Ms. CANTWELL) were added as cosponsors of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1226

At the request of Mr. CAMPBELL, the name of the Senator from Kentucky (Mr. MCCONNELL) was added as a cosponsor of S. 1226, a bill to require the display of the POW/MIA flag at the World War II memorial, the Korean War Veterans Memorial, and the Vietnam Veterans Memorial.

S. 1250

At the request of Mrs. CARNAHAN, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1250, a bill to amend title 10, United States Code, to improve transitional medical and dental care for members of the Armed Forces released from active duty to which called or ordered, or for which retained, in support of a contingency operation.

S. 1256

At the request of Mrs. FEINSTEIN, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 1256, a bill to provide for the reauthorization of the breast cancer research special postage stamp, and for other purposes.

S. 1271

At the request of Mr. VOINOVICH, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 1271, a bill to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small business concerns with certain Federal paperwork requirements, to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small business concerns, and for other purposes.

S. 1272

At the request of Mrs. FEINSTEIN, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 1272, a bill to assist United States veterans who were treated as slave laborers while held as prisoners of war by Japan during World War II, and for other purposes.

At the request of Mr. HATCH, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 1272, supra.

S. 1278

At the request of Mrs. LINCOLN, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 1278, a bill to amend the Internal Revenue Code of 1986 to allow a United States independent film and television production wage credit.

S. RES. 72

At the request of Mr. SPECTER, the names of the Senator from Iowa (Mr. GRASSLEY) and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. Res. 72, a resolution designating the month of April as "National Sexual Assault Awareness Month."

S. RES. 143

At the request of Mr. BIDEN, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. Res. 143, a resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week of November 11 through November 17, 2001, as "National Veterans Awareness Week."

S. CON. RES. 59

At the request of Mr. HUTCHINSON, the names of the Senator from Texas (Mrs. HUTCHISON) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. Con. Res. 59, a concurrent resolution expressing the sense of Congress that there should be established a National Community Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers.

AMENDMENT NO. 1157

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of amendment No. 1157 intended to be proposed to H.R. 2500, a bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. CARNAHAN (for herself and Ms. MIKULSKI):

S. 1286. A bill to provide for greater access to child care services for Federal emloyees; to the Committee on Government Affairs.

Mrs. CARNAHAN. Madam President, one of the great challenges we face as a society is to find ways to ease the burdens of our modern, hectic world on working families. When I talk to Missouri parents who work outside the home, one of their top concerns, if not their top concern, is finding high-quality, affordable child care.

Every generation of my own family has struggled with this issue. My mother struggled with it. I struggled with it. My children struggle with it now. It would be this grandmother's fondest wish that when my grandchildren become parents themselves, finding affordable, quality child care won't be a problem.

More and more, employers are finding that providing access to daycare is important in attracting and retaining a quality workforce. Parents who know their children are happy, safe, and enriched in their day care setting are more productive, less distracted, and more satisfied employees. In an effort to support employers' efforts to offer this valuable service to their employees, I have co-sponsored S. 99, a bill that provides tax credits to employers who provide child care assistance to their employees.

Accessing affordable child care is an issue for federal employees, too. As the largest employer in the country, the Federal Government shall lead by example in supporting working families. For this reason, today I am introducing the "Child Care Affordability for Federal Employees Act.

Senator BARBARA MIKULSKI is an original co-sponsor of the bill, and I would like to thank her for the strong leadership she has shown on this issue. She has worked hard to make this initiative a permanent reality for Federal employees in Maryland and across the United States.

This bill grants Federal agencies the flexibility to use a portion of their funds to provide child care assistance for their lower income employees. Federal agencies can choose to allow the assistance to apply towards the costs of its own-site Federal facility or an individual provider in the area that is licensed and safe.

Being able to afford child care is a problem for all employees, but it is particularly difficult for low income employees. This bill will assist low income Federal employees to afford the safe, quality child care that is available on-site. If the agency so chooses, it could also help low-income employees better afford safe, licensed child care that is available in the community.

I hope this legislation will also help the Federal Government compete with the private sector in attracting employees. In January, the GAO placed the Federal Government's human capital crisis on its "High-Risk" list of serious government problems. In three years, more than half of the federal workforce will be eligible for regular or early retirement. This bill is a strong, concrete action that Congress can take to help the Federal Government compete with the private sector to attract the skilled Federal workforce it needs.

For the past two years, this initiative has been included in the annual Treasury-Postal Appropriations bill. This has been a critical first step. From its initial implementation, we now know that the program works and that families in Missouri and across the country have benefit from it. However, because the program was only temporary, some Federal agencies elected not to participate. They were afraid to offer the benefit for a year and then have to take it away from their employees if it were not renewed. Other agencies have only implemented the program at a small level for the same reason. Passing this legislation and making the program permanent is essential to helping this initiative reach its full potential and benefit the maximum number of families.

We know that child care is not simply about children having a place to go where an adult is present. A child's environment has significant impact on their well-being and development. This is particularly true for children during the first three years of life. Recent brain studies have shown that those early brain influences matter more than we ever imagined. This bill seeks to ensure that more of our children spend their days in safe, nurturing environments. As the writer Gabriella Mistral has said: "Many things can wait, the child cannot ... To him we cannot say tomorrow, his name is today."

By Mr. LOTT (for himself and Mr. COCHRAN):

S. 1287. A bill to designate the Federal building and United States courthouse located at 2015 15th Street in Gulfport, Mississippi, as the "Judge Dan M. Russell, Jr. Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

Mr. LOTT. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF JUDGE DAN M. RUSSELL, JR. FEDERAL BUILDING AND UNITED STATES COURTHOUSE.

The Federal building and United States courthouse located at 2015 15th Street in Gulfport, Mississippi, shall be known and designated as the "Judge Dan M. Russell, Jr. Federal Building and United States Courthouse".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building and United States courthouse referred to in section 1 shall be deemed to be a reference to the Judge Dan M. Russell, Jr. Federal Building and United States Courthouse.

By Mr. SHELBY (for himself and Mr. SESSIONS):

S. 1288. A bill to amend the Tennessee Valley Authority Act of 1933 to modify provisions relating to the Board of Directors of the Tennessee Valley Authority, and for other purposes; to the Committee on Environment and Public Works.

Mr. SHELBY. Madam President, I rise today to introduce legislation to reform the board structure of the Tennessee Valley Authority. The legislation that I am introducing with my colleague from Alabama would create a corporate structure to oversee TVA.

This legislation expands the board from the current three members to 14 members, requiring the President to appoint two members from each of the seven states in which TVA operates. In addition to expanding the board, our legislation creates the position of a Chief Executive Officer who will be responsible for daily management and operation decisions. Under this new structure, board members would serve on a part-time basis, receiving a stipend for their services and the CEO would become the only full-time, paid position.

It is no secret that TVA has suffered financial turmoil in the past and is still trying to work its way out of substantial debt. In my view, restructuring and reform are overdue. The goal of this legislation is to provide the Authority with board members that have a direct interest in the well-being of TVA and its rate payers and to place at the helm a Chief Executive Officer to make the difficult business decisions that will guide TVA through the impending challenges of an evolving energy industry.

TVA is a multi-billion dollar entity. However, it continues to operate under the same administrative structure it did when Congress created the Authority in 1933. Senator Sessions and I believe that it is time for that structure to change. It is time for the Tennessee Valley Authority to step into the 21st Century and out of the bureaucratic stronghold that has guided its decision making process for so long. We believe that this new board structure will equip TVA to meet the challenges of the future and better serve the people of Alabama and the other States in which it operates.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1288

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CHANGE IN COMPOSITION, OPERATION, AND DUTIES OF THE BOARD OF DIRECTORS OF THE TENNESSEE VALLEY AUTHORITY.

(a) IN GENERAL.—The Tennessee Valley Authority Act of 1933 (16 U.S.C. 831 et seq.) is amended by striking section 2 and inserting the following:

"SEC. 2. MEMBERSHIP, OPERATION, AND DUTIES OF THE BOARD OF DIRECTORS.

"(a) MEMBERSHIP.—

"(1) APPOINTMENT.—The Board of Directors of the Corporation (referred to in this Act as the 'Board') shall be composed of 14 members appointed by the President by and with the advice and consent of the Senate.

"(2) COMPOSITION.—The Board shall be composed of 14 members, of whom—

"(A) 2 members shall be residents of Alabama;

"(B) 2 members shall be residents of Georgia;

"(C) 2 members shall be residents of Kentucky;

"(D) 2 members shall be residents of Mississippi;

"(E) 2 members shall be residents of North Carolina;

"(F) 2 members shall be residents of Tennessee; and

"(G) 2 members shall be residents of Virginia.

"(b) QUALIFICATIONS.—

"(1) IN GENERAL.—To be eligible to be appointed as a member of the Board, an individual—

"(A) shall be a citizen of the United States;

"(B) shall not be an employee of the Corporation;

"(C) shall have no substantial direct financial interest in—

"(i) any public-utility corporation engaged in the business of distributing and selling power to the public; or

"(ii) any business that may be adversely affected by the success of the Corporation as a producer of electric power; and

"(D) shall profess a belief in the feasibility and wisdom of this Act.

"(2) PARTY AFFILIATION.—Not more than 8 of the 14 members of the Board may be affiliated with a single political party.

"(c) TERMS.—

"(1) IN GENERAL.—A member of the Board shall serve a term of 4 years except that in first making appointments after the date of enactment of this paragraph, the President shall appoint—

"(A) 5 members to a term of 2 years;

"(B) 6 members to a term of 3 years; and

"(C) 3 members to a term of 4 years.

"(2) VACANCIES.—A member appointed to fill a vacancy in the Board occurring before the expiration of the term for which the predecessor of the member was appointed shall be appointed for the remainder of that term.

"(3) REAPPOINTMENT.—

"(A) IN GENERAL.—A member of the Board that was appointed for a full term may be reappointed for 1 additional term.

"(B) Appointment to fill vacancy.—For the purpose of subparagraph (A), a member appointed to serve the remainder of the term of a vacating member for a period of more than 2 years shall be considered to have been appointed for a full term.

"(d) Quorum.—

"(1) In general.—Eight members of the Board shall constitute a quorum for the transaction of business.

"(2) Minimum number of members.— A vacancy in the Board shall not impair the power of the Board to act, so long as there are 8 members in office.

"(e) Compensation.—

"(1) In general.—A member of the Board shall be entitled to receive—

"(A) a stipend of $30,000 per year; and

"(B) travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service under section 5703 of title 5, United States Code.

"(2) Adjustments in stipends.—The amount of the stipend under paragraph (1)(A) shall be adjusted by the same percentage, at the same time and manner, and subject to the same limitations as are applicable to adjustments under section 5318 of title 5, United States Code.

"(f) Chief Executive Officer.—

"(1) Appointment.—The President, by and with the advice and consent of the Senate, shall appoint a person to serve as chief executive officer of the Corporation.

"(2) Qualifications.—To serve as chief executive officer of the Corporation, a person—

"(A) shall be a citizen of the United States;

"(B) shall have proven management experience in large, complex organizations;

"(C) shall not be a current member of the Board or have served as a member of the Board within 2 years before being appointed chief executive officer; and

"(D) shall have no substantial direct financial interest in—

"(i) any public-utility corporation engaged in the business of distributing and selling power to the public; or

"(ii) any business that may be adversely affected by the success of the Corporation as a producer of electric power; and

"(3) Term.—

"(A) In general.—The chief executive officer shall serve for a term of 4 years.

"(B) Reappointment.—The chief executive officer may be reappointed for additional terms.

"(4) Compensation.—

"(A) In general.—The chief executive officer shall be entitled to receive—

"(i) compensation at a rate that does not exceed the annual rate of pay prescribed under Level III of the Executive Schedule under section 5315 of title 5, United States Code; and

"(ii) reimbursement from the Corporation for travel expenses, including per diem in lieu of subsistence, while away from home or regular place of business of the chief executive officer in the performance of the duties of the chief executive officer.".

(b) Current Board Members.—A member of the board of directors of the Tennessee Valley Authority who was appointed before the effective date of the amendment made by subsection (a)—

(1) shall continue to serve as a member until the date of expiration of the member's current term; and

(2) may not be reappointed.

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act take effect, and the additional members of the Board of the Tennessee Valley Authority and Chief Executive Officer shall be appointed so as to commence their terms on, the date that is 90 days after the date of enactment of this Act.

By Ms. SNOWE:

S. 1289. A bill to require the Secretary of the Navy to report changes in budget and staffing that take place as a result of the regionalization program of the Navy; to the Committee on Armed Services.

Mr. SNOWE. Madam President, I rise today to introduce the Navy Regionalization Reporting Act, a bill that would benefit all Navy bases and their surrounding communities by providing ample notification of planned, through regular reports, and unplanned, through the Congressional notifications, funding and employment level changes due to the Navy's regionalization process.

Earlier this year, it was brought to my attention that both funding and jobs at the Naval Air Station in Brunswick, ME, could be impacted by the Navy's reallocation of base operating functions as part of its regionalization program. The Navy's stated goal for the regionalization program is to consolidate functions by eliminating management and support redundancies with the end result being increased efficiency and decreased overhead costs for shore installations. As such, for the Navy's program to be successful, funding, as well as jobs, must be reduced in some areas.

While I applaud Navy's intentions to increase efficiency and save taxpayer dollars, I can not support efforts that may lead to reduced service levels for our men and women in uniform. I am also concerned that the Navy has not been able to produce detailed projections on the impact regionalization will have on the Federal employees.

To date, the Navy has been unable to answer questions regarding future employment levels and has not established a method to track or predict changes in budget and job allocations at its bases that take place as a result of the regionalization program.

This legislation would require the Navy to establish a tracking and planning program to make these changes more transparent. The Navy would provide an initial baseline or historical report that includes the pre-regionalization budgets and staffing levels at each base or station in each Navy region by July 2002. Subsequently, the Navy would submit semi-annual reports with projected and actual losses, gains, or restructuring of budgets and staff for each base. Any deviation from the reported budget or staff projections would then require Congressional notification 30 days prior to implementation.

Finally, in an effort to prevent the degradation of operational readiness and quality of life for our service members due to the redistribution of base support functions, this legislation includes a Sense of the Senate that the Navy should ensure the job and dollar distribution within each region is equitable and does not become concentrated at one location.

To assure the benefits of the Navy's program are equitably realized at all bases and communities, I urge my colleagues to support the Navy Regionalization Reporting Act.

By Mr. GRASSLEY. (for himself, Mr. Harkin, and Mr. Brownback):

S. 1290. A bill to amend title 49, United States Code, to preempt State laws requiring a certificate of approval or other form of approval prior to the construction or operation of certain airport development projects, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1290

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "End Gridlock at Our Nation's Critical Airports Act of 2001".

SEC. 2. PREEMPTION OF STATE LAWS REQUIRING APPROVAL OF AIRPORT DEVELOPMENT PROJECTS.

(a) In General.—Chapter 401 of title 49, United States Code, is amended by adding at the end the following:

"§ 40129. Preemption of State laws requiring approval of airport development projects

"(a) In General.—No State, political subdivision of a State, or political authority of at least 2 States may enact or enforce a law, regulation, or other provision having the force and effect of law that—

"(1) requires a certificate of approval or other form of approval prior to the construction or operation of an airport development project at a covered airport if the project meets the standards established by the Secretary of Transportation under section 47105(b)(3), whether or not the project is the subject of a grant approved under chapter 471; or

"(2) prohibits, conditions, or otherwise regulates the direct application for, or receipt or expenditure of, a grant or other funds by the sponsor of a covered airport under chapter 471 for an airport development project at a covered airport if the project meets the standards referred to in paragraph (1).

"(b) Covered Airport Defined.—In this section, the term 'covered airport' means an airport that each year has at least .25 percent of the total annual boardings in the United States.".

(b) Conforming Amendment.—The analysis for such chapter is amended by adding at the end the following new item:

"40129. Preemption of State laws requiring approval of airport development projects.".

By Mr. HATCH:

S. 1291. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to permit States to determine State residency for higher education purposes and to authorize the cancellation of removal and adjustment of status of certain alien college-bound students who are long term United States residents; to the Committee on the Judiciary.

Mr. HATCH. Madam President, I rise today to introduce legislation aimed at benefitting a very special group of persons—illegal alien children who are long-term residents of the United States. This legislation, known as the "DREAM Act," would allow children who have been brought to the United States through no volition of their own the opportunity to fulfill their dreams, to secure a college degree and legal status. The purpose of the DREAM Act is to ensure that we leave no child behind, regardless of his or her legal status in the United States or their parents' illegal status.

By law, undocumented alien children are entitled to a subsidized education through high school. In fact, an estimated 50,000 to 70,000 such students graduate from high schools throughout the country each year. Many of these students are thereafter interested in bettering themselves and their families by securing higher education. Generally, admittance to college is not a problem. However, the cost of attending college and the lack of any mechanism by which undocumented aliens students may obtain legal status in the United States prevents these children from having a meaningful opportunity to obtain a college degree. The DREAM Act would 1. aid undocumented alien children in their financial efforts to attend college, and 2. provide adjustment of status to undocumented alien children who secure a degree of higher education.

Presently, the law penalizes States that grant a post-secondary benefit, such as in-state tuition, to an undocumented student unless the state also provides that same benefit to out-of-state students. I believe that the decision of a State to grant any such benefit to an undocumented individual residing in the same rests with the State alone. Accordingly, I am opposed to that aforementioned provision of law. The bill I introduce today, the DREAM Act, proposes to repeal that section of the law.

Second, I propose that we offer undocumented alien children the opportunity to earn permanent residency in the United States in conjunction with earning either a 4 or 2-year college degree. Under the DREAM Act, an alien who has continuously resided in the United States for 5 years, is a person of good moral character, has not been convicted of certain offenses, and has been admitted to a qualified institute of higher education may adjust his or her status to that of conditional permanent resident. Thereafter, the student has 6 or 4 years to graduate from a qualified 4 or 2-year institution, respectively. Upon graduation and a demonstration that the student has remained a person of good moral character, has maintained his or her continuous physical presence in the United States, and has not become removable based on criminal convictions or security grounds, the conditions of the student's status are removed and that student becomes a full-fledged permanent resident.

I recognize that there are significant differences between the DREAM Act and other legislation that has been recently introduced. However, I look forward to working with members of this body to ensure that the American dream is extended to these children. I therefore strongly urge my colleagues to support this bill and thereby provide hope and opportunity to hundreds of thousands of deserving alien children nationwide.

I ask unanimous consent that the text of the bill be included following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1291

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Development, Relief, and Education for Alien Minors Act" or "DREAM Act".

SEC. 2. RESTORATION OF STATE OPTION TO DETERMINE RESIDENCY FOR PURPOSES OF HIGHER EDUCATION BENEFITS.

Section 505 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 110 Stat 3009–672; 8 U.S.C. 1623) is repealed.

SEC. 3. CANCELLATION OF REMOVAL AND ADJUSTMENT OF STATUS OF CERTAIN LONG-TERM RESIDENT STUDENTS.

(a) SPECIAL RULE FOR CHILDREN IN QUALIFIED INSTITUTIONS OF HIGHER EDUCATION.—

(1) IN GENERAL.—Notwithstanding any other provision of law and subject to paragraph (2), the Attorney General may cancel removal of, and adjust to the status of an alien lawfully admitted for permanent residence, subject to the conditional basis described in section 4, an alien who is inadmissible or deportable from the United States, if the alien demonstrates that—

(A) the alien has applied for relief under this subsection not later than two years after the date of enactment of this Act;

(B) the alien has not, at the time of application, attained the age of 21;

(C) the alien, at the time of application, is attending an institution of higher education in the United States (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001));

(D) the alien was physically present in the United States on the date of the enactment of this Act and has been physically present in the United States for a continuous period of not less than five years immediately preceding the date of enactment of this Act;

(E) the alien has been a person of good moral character during such period; and

(F) the alien is not inadmissible under section 212(a)(2) or 212(a)(3) or deportable under section 237(a)(2) or 237(a)(4).

(2) PROCEDURES.—The Attorney General shall provide a procedure by regulation allowing eligible individuals to apply affirmatively for the relief available under this paragraph without being placed in removal proceedings.

(b) TERMINATION OF CONTINUOUS PERIOD.—For purposes of this section, any period of continuous residence or continuous physical presence in the United States of an alien who applies for cancellation of removal under this section shall not terminate when the alien is served a notice to appear under section 239(a) of the Immigration and Nationality Act.

(c) TREATMENT OF CERTAIN BREAKS IN PRESENCE.—An alien shall be considered to have failed to maintain continuous physical presence in the United States under subsection (a) if the alien has departed from the United States for any period in excess of 90 days or for any periods in the aggregate exceeding 180 days.

(d) STATUTORY CONSTRUCTION.—Nothing in this section may be construed to apply a numerical limitation on the number of aliens who may be eligible for cancellation of removal or adjustment of status under this section.

(e) REGULATIONS.—

(1) PROPOSED REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Attorney General shall publish proposed regulations implementing this section.

(2) INTERIM, FINAL REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Attorney General shall publish final regulations implementing this section. Such regulations shall be effective immediately on an interim basis, but are subject to change and revision after public notice and opportunity for a period for public comment.

SEC. 4. CONDITIONAL PERMANENT RESIDENT STATUS FOR CERTAIN LONG-TERM RESIDENT STUDENTS.

(a) IN GENERAL.—

(1) CONDITIONAL BASIS FOR STATUS.—Notwithstanding any other provision of this Act, an alien whose status has been adjusted under section 3 to that of an alien lawfully admitted for permanent residence shall be considered, at the time of obtaining the adjustment of status, to have obtained such status on a conditional basis subject to the provisions of this section.

(2) NOTICE OF REQUIREMENTS.—

(A) AT TIME OF OBTAINING PERMANENT RESIDENCE.—At the time an alien obtains permanent resident status on a conditional basis under paragraph (1), the Attorney General shall provide for notice to such alien respecting the provisions of this section and the requirements of subsection (c)(1) to have the conditional basis of such status removed.

(B) AT TIME OF REQUIRED PETITION.—In addition, the Attorney General shall attempt to provide notice to such an alien, at or about the date of the alien's graduation from an institution of higher education of the requirements of subsection (c)(1).

(C) EFFECT OF FAILURE TO PROVIDE NOTICE.—The failure of the Attorney General to provide a notice under this paragraph shall not affect the enforcement of the provisions of this section with respect to such an alien.

(b) TERMINATION OF STATUS IF FINDING THAT QUALIFYING EDUCATION IMPROPER.—

(1) IN GENERAL.—In the case of an alien with permanent resident status on a conditional basis under subsection (a), if the Attorney General determines that the alien is no longer a student in good standing at an accredited institution of higher education, the Attorney General shall so notify the alien and, subject to paragraph (2), shall terminate the permanent resident status of the alien as of the date of the determination.

(2) HEARING IN REMOVAL PROCEEDING.—Any alien whose permanent resident status is terminated under paragraph (1) may request a review of such determination in a proceeding to remove the alien. In such proceeding, the burden of proof shall be on the alien to establish, by a preponderance of the evidence, that the condition described in paragraph (1) is not met.

(c) REQUIREMENTS OF TIMELY PETITION FOR REMOVAL OF CONDITION.—

(1) IN GENERAL.—In order for the conditional basis established under subsection (a) for an alien to be removed the alien must submit to the Attorney General, during the period described in subsection (d)(2), a petition which requests the removal of such conditional basis and which states, under penalty of perjury, the facts and information described in subsection (d)(1).

(2) TERMINATION OF PERMANENT RESIDENT STATUS FOR FAILURE TO FILE PETITION.—

(A) IN GENERAL.—In the case of an alien with permanent resident status on a conditional basis under subsection (a), if no petition is filed with respect to the alien in accordance with the provisions of paragraph (1), the Attorney General shall terminate the permanent resident status of the alien as of the 90th day after the graduation of the alien from an institution of higher education.

(B) HEARING IN REMOVAL PROCEEDING.—In any removal proceeding with respect to an alien whose permanent resident status is terminated under subparagraph (A), the burden of proof shall be on the alien to establish compliance with the condition of paragraph (1).

(3) DETERMINATION AFTER PETITION AND INTERVIEW.—

(A) IN GENERAL.—If a petition is filed in accordance with the provisions of paragraph (1), the Attorney General shall make a determination, within 90 days, as to whether the facts and information described in subsection (d)(1) and alleged in the petition are true with respect to the alien's education.

(B) REMOVAL OF CONDITIONAL BASIS IF FAVORABLE DETERMINATION.—If the Attorney General determines that such facts and information are true, the Attorney General shall so notify the alien and shall remove the conditional basis of the status of the alien effective as of the 90th day after the alien's graduation from an institution of higher education.

(C) TERMINATION IF ADVERSE DETERMINATION.—If the Attorney General determines that such facts and information are not true, the Attorney General shall so notify the alien and, subject to subparagraph (D), shall terminate the permanent resident status of an alien as of the date of the determination.

(D) HEARING IN REMOVAL PROCEEDING.—Any alien whose permanent resident status is terminated under subparagraph (C) may request a review of such determination in a proceeding to remove the alien. In such proceeding, the burden of proof shall be on the Attorney General to establish, by a preponderance of the evidence, that the facts and information described in subsection (d)(1) and alleged in the petition are not true with respect to the alien's education.

(d) DETAILS OF PETITION.—

(1) CONTENTS OF PETITION.—Each petition under subsection (c)(1)(A) shall contain the following facts and information:

(A) The alien graduated from an institution of higher education, as evidenced by an official report from the registrar—

(i) within six years, in the case of a four-year bachelor's degree program; or

(ii) within four years, in the case of the degree program of a two-year institution.

(B) The alien maintained good moral character.

(C) The alien has not been convicted of any offense described in section 237(a)(2) or 237(a)(4).

(D) The alien has maintained continuous physical residence in the United States.

(2) PERIOD FOR FILING PETITION.—The petition under subsection (c)(1)(A) must be filed during the 90-day period after the alien's graduation from a institution of higher education.

(e) TREATMENT OF PERIOD FOR PURPOSES OF NATURALIZATION.—For purposes of title III of the Immigration and Nationality Act, in the case of an alien who is in the United States as a lawful permanent resident on a conditional basis under this section, the alien shall be considered to have been admitted as an alien lawfully admitted for permanent residence and to be in the United States as an alien lawfully admitted to the United States for permanent residence.

(f) TREATMENT OF CERTAIN WAIVERS.—In the case of an alien who has permanent residence status on a conditional basis under this section, if, in order to obtain such status, the alien obtained a waiver under subsection (h) or (i) of section 212 of the Immigration and Nationality Act of certain grounds of inadmissibility, such waiver terminates upon the termination of such permanent residence status under this section.

(g) INSTITUTION OF HIGHER EDUCATION DEFINED.—In this section, the term "institution of higher education" has the meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C.1001).

SEC. 5. GAO REPORT.

Six years after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Committees on the Judiciary of the Senate and the House of Representatives setting forth—

(1) the number of aliens who were eligible for cancellation of removal and adjustment of status during the application period described in section 3(a)(1)(A);

(2) the number of aliens who applied for adjustment of status under section 3(a);

(3) the number of aliens who were granted adjustment of status under section 3(a); and

(4) the number of aliens with respect to whom the conditional basis of their status was removed under section 4.

By Mr. EDWARDS:

S. 1292. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for dry and wet cleaning equipment which uses non-hazardous primary process solvents; to the Committee on Finance.

Mr. EDWARDS. Madam President, I rise today to introduce the Small Business Pollution Prevention and Opportunity Act. This legislation would help address a matter of great concern to all Americans who care about water quality and the environment.

Toxic and flammable solvents are used in ninety-five percent of the 35,000 small dry cleaning businesses in our country. Dry-cleaned clothes are the primary source of toxins entering our homes, endangering our health. These solvents often leak from storage tanks or spill onto the ground, contaminating the property on which dry cleaning businesses are located. This contamination has resulted in part in the large number of brownfields sites across our country. These dry cleaning solvents are regulated by numerous State and Federal agencies, causing dry cleaners and neighboring businesses to be concerned about the health of their workers and the dangers of property contamination.

An innovative scientist, Dr. Joseph M. DeSimone of North Carolina, developed an environmentally-friendly alternative to these solvents. He and his graduate students have developed a process to clean clothes using liquid carbon dioxide and special detergents. This safer dry cleaning method has been commercially available since February 1999, with several machines in operation around the country that have successfully cleaned half a million pounds of clothes in over 10,000 cleaning cycles at shops in various states across the Nation.

The Small Business Pollution Prevention and Opportunity Act would provide new and existing dry cleaners a 20 percent tax credit as an incentive to switch to an environmentally-friendly and energy efficient technology. Dry cleaners in Enterprise Zones would receive a 40 percent tax credit. The tax credit would also be extended to wet cleaning fabric cleaners who use water-based systems to effectively clean 40 percent of "dry clean only" garments.

This new technology is becoming increasingly recognized as a safer, cleaner alternative to traditional dry cleaning. The U.S. Environmental Protection Agency, EPA, has issued a case study declaring liquid carbon dioxide as a viable alternative to dry cleaning. R&D Magazine named Dr. DeSimone's technology one of the 100 most innovative technologies that will change our everyday lives. For his innovation, Dr. DeSimone received the Presidential Green Chemistry Challenge Award in 1997. The EPA as well as the National Science Foundation, NSF, has funded Dr. DeSimone's research.

Now that environmentally beneficial technologies like liquid carbon dioxide and wet cleaning are commercially available, it makes sense to provide a modest incentive to encourage dry cleaners to utilize them. The benefits to small business dry cleaners, consumers, employees, and the environment would be enormous. This bill's approach provides incentives, not additional regulations, for dry cleaners. The goal of the bill is to protect and enhance the dry cleaning industry, not reinvent or harm it.

I encourage my colleagues to join me in supporting this legislation. It is the right thing to do for 35,000 small businesses, millions of dry cleaning consumers, and for our environment.

By Mr. CRAIG (for himself and Mr. HAGEL):

S. 1293. A bill to amend the Internal Revenue Code of 1986 to provide incentives for the voluntary reduction, avoidance, and sequestration of greenhouse gas emissions and to advance global climate science and technology development and deployment; to the Committee on Finance.

By Mr. MURKOWSKI (for himself, Mr. CRAIG, Mr. HAGEL, Mr. DOMENICI, Mr. ROBERTS, and Mr. BOND):

S. 1294. A bill to establish a new national policy designed to manage the risk of potential climate change, ensure long-term energy security, and to strengthen provisions in the Energy Policy Act of 1992 and the Federal Nonnuclear Energy Research and Development Act of 1974 with respect to potential climate change; to the Committee on Energy and Natural Resources.

Mr. CRAIG. Madam President, let me first thank my colleagues, Senators MURKOWSKI, HAGEL, and DOMENICI, for their work on this very important legislation. I enjoyed working with them and their staffs on this analytically complex issue. The results of our patience and hard work are two companion pieces of legislation that will provide the underpinning for a path forward on the climate change issue that will meet the nation's and global needs for economic progress, while ensuring our nation's energy and national security. In addition, it will provide a sound basis for productive engagement with our friends and allies that share the same needs.

The first bill is the Climate Change Tax Amendments of 2001 which is essentially the same as S. 1777 that I introduced in the 106th Congress. This bill is an important element of the approach we should take as a nation because current U.S. tax policy treats capital formation—including investments that can increase energy efficiency and reduce emissions—harshly compared with other industrialized countries and our own recent past. Slower capital cost recovery means that facilities deploying new advanced technology will not be put in place as quickly, if at all.

Based on our current understanding of the science available on climate change, I remain convinced that it is still premature for our government to mandate stringent controls on carbon dioxide emissions and pick winners and losers in technology. This bill assures that there will be a true partnership between tax policy and technology innovation in both research and deployment.

Although the science of climate change has progressed rather dramatically over the last five years, many trenchant questions remain about what is happening to our climate system. However, the climate change issue is at a crossroads. We can and must make decisions on how to proceed. The bills introduced today ensure a more focused and coordinated effort to understand the outstanding and formidable scientific issues associated with climate change. While pursuing answers to those questions, the bills also create a comprehensive and systematic program to achieve the goals of reducing, avoiding, or sequesting greenhouse gas emissions. That program is manifest in both the technological research and development effort authorized in the Risk Management bill and a comprehensive and systematic approach that aggressively encourages voluntary actions to reduce, avoid, or sequester greenhouse gas emissions.

To bolster and strengthen the voluntary action program we have proposed tax incentives in the companion Tax Amendment bill that should also stimulate the creative ways to reduce, avoid, or sequester greenhouse gas emissions without creating drag on future economic growth. Although some special interest groups have criticized voluntary programs as ineffective, my colleagues and I do not believe that past efforts were as clearly designed and planned or aggressively promoted as we have proposed in this legislation.

The companion bill is the Climate Change Risk Management Act of 2001. This bill has as its roots in S. 1776 and S. 882, two bills that were introduced in the 106th Congress with the expressed intent to forge consensus on this issue. The principal objectives of the current legislation are to encourage the research, development, and deployment of the technologies that can meet our needs and the needs of developing nations. A key focus are the technologies that can help us reduce, avoid or sequester emissions of greenhouse gases. In addition the bill also encourages deployment of technologies that can sequester greenhouse gases in the atmosphere. This approach is essential to assure that we can fully use all of our domestic resources to their fullest. This must include coal and nuclear power.

An essential element in this legislation is the active engagement of developing countries. Our policy must recognize the legitimate needs of our bilateral trading partners to use their resources and meet the needs of their people. For too long the climate policy debate has been fixated on assigning blame and inflicting pain. This is harmful and counterproductive. Our best technology must be made available and our research activities must focus on developing country needs as well as our own.

Moreover, we believe that the President has chosen the right path forward on this issue and we are committed to working with his Cabinet level task force on finding effective, technologically based approaches to attacking this important environmental and economic issue.

Although these bills are comprehensive, there are still more steps Congress can and will take in the immediate future to ensure we are doing all that is reasonably and responsibly possible. For example, a key piece of this puzzle is better government-wide coordination of scientific efforts to solve the remaining mysteries of climate change. A strong and consistent recommendation from the National Academy of Sciences has been for us to solve this problem.

Because that issue includes Federal agency "turf battles," legislative committee jurisdictional constraints prevented us from fully addressing that issue in these bills. However, we will have this, and other key pieces (such as traffic congestion, agricultural, forest management, and ocean sequestration) not currently getting sufficient attention, ready to complete a comprehensive package on climate change before the end of the 107th Congress.

But for now, the bills we introduce today are an important and aggressive attempt to shape and implement policy on climate change. It is a responsible effort to work with our friends and allies to:

1. Develop better policy mechanisms for assessing the effects of greenhouse gas emissions; 2. accelerate development and deployment of climate response technology; 3. facilities international deployment of U.S. technology to mitigate climate change to the developing world; 4. advance climate science to reduce uncertainties in key areas; and 5. improve public access to government information on climate science.

All involved in this debate must stop politicizing science and help us get to the point where the issue is confidently understood. The American people have a right to know the whole truth on this issue. The success of any future government response to climate change depends on that more than anything else.

I ask unanimous consent that the bill texts along with section-by-section analyses be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

S. 1293

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Climate Change Tax Amendments of 2001".

SEC. 2. PERMANENT TAX CREDIT FOR RESEARCH AND DEVELOPMENT REGARDING GREENHOUSE GAS EMISSIONS REDUCTION, AVOIDANCE, OR SEQUESTRATION.

(a) In General.—Section 41(h) of the Internal Revenue Code of 1986 (relating to termination) is amended by adding at the end the following:

"(3) Exception for certain research.—Paragraph (1)(B) shall not apply in the case of any qualified research expenses if the research—

"(A) has as one of its purposes the reducing, avoiding, or sequestering of greenhouse gas emissions, and

"(B) has been reported to the Department of Energy under section 1605(b) of the Energy Policy Act of 1992.".

(b) Effective Date.—The amendment made by subsection (a) applies with respect to amounts paid or incurred after the date of enactment of this Act, except that such amendment shall not take effect unless the Climate Change Risk Management Act of 2001 is enacted into law.

SEC. 3. TAX CREDIT FOR GREENHOUSE GAS EMISSIONS FACILITIES.

(a) Allowance of Greenhouse Gas Emissions Facilities Credit.—Section 46 of the Internal Revenue Code of 1986 (relating to amount of credit) is amended by striking "and" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ", and", and by adding at the end the following:

"(4) the greenhouse gas emissions facilities credit.".

(b) Amount of Credit.—Subpart E of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to rules for computing investment credit) is amended by inserting after section 48 the following:

"SEC. 48A. CREDIT FOR GREENHOUSE GAS EMISSIONS FACILITIES.

"(a) In General.—For purposes of section 46, the greenhouse gas emissions facilities credit for any taxable year is the applicable percentage of the qualified investment in a greenhouse gas emissions facility for such taxable year.

"(b) Greenhouse Gas Emissions Facility.—For purposes of subsection (a), the term 'greenhouse gas emissions facility' means a facility of the taxpayer—

"(1)(A) the construction, reconstruction, or erection of which is completed by the taxpayer, or

"(B) which is acquired by the taxpayer if the original use of such facility commences with the taxpayer,

"(2) the operation of which—

"(A) replaces the operation of a facility of the taxpayer,

"(B) reduces, avoids, or sequesters greenhouse gas emissions on a per unit of output basis as compared to such emissions of the replaced facility, and

"(C) uses the same type of fuel (or combination of the same type of fuel and biomass fuel) as was used in the replaced facility,

"(3) with respect to which depreciation (or amortization in lieu of depreciation) is allowable, and

"(4) which meets the performance and quality standards (if any) which—

"(A) have been jointly prescribed by the Secretary and the Secretary of Energy by regulations,

"(B) are consistent with regulations prescribed under section 1605(b) of the Energy Policy Act of 1992, and

"(C) are in effect at the time of the acquisition of the facility.

"(c) Applicable Percentage.—For purposes of subsection (a), the applicable percentage is one-half of the percentage reduction, avoidance, or sequestration of greenhouse gas emissions described in subsection (b)(2) and reported and certified under section 1605(b) of the Energy Policy Act of 1992.

"(d) Qualified Investment.—For purposes of subsection (a), the term 'qualified investment' means, with respect to any taxable year, the basis of a greenhouse gas emissions facility placed in service by the taxpayer during such taxable year, but only with respect to that portion of the investment attributable to providing production capacity not greater than the production capacity of the facility being replaced.

"(e) Qualified Progress Expenditures.—

"(1) Increase in qualified investment.—In the case of a taxpayer who has made an election under paragraph (5), the amount of the qualified investment of such taxpayer for the taxable year (determined under subsection (d) without regard to this subsection) shall be increased by an amount equal to the aggregate of each qualified progress expenditure for the taxable year with respect to progress expenditure property.

"(2) Progress expenditure property defined.—For purposes of this subsection, the term 'progress expenditure property' means any property being constructed by or for the taxpayer and which it is reasonable to believe will qualify as a greenhouse gas emissions facility which is being constructed by or for the taxpayer when it is placed in service.

"(3) Qualified progress expenditures defined.—For purposes of this subsection—

"(A) Self-constructed property.—In the case of any self-constructed property, the term 'qualified progress expenditures' means the amount which, for purposes of this subpart, is properly chargeable (during such taxable year) to capital account with respect to such property.

"(B) Non-self-constructed property.—In the case of non-self-constructed property, the term 'qualified progress expenditures' means the amount paid during the taxable year to another person for the construction of such property.

"(4) Other definitions.—For purposes of this subsection—

"(A) Self-constructed property.—The term 'self-constructed property' means property for which it is reasonable to believe that more than half of the construction expenditures will be made directly by the taxpayer.

"(B) Non-self-constructed property.—The term 'non-self-constructed property' means property which is not self-constructed property.

"(C) Construction, etc.—The term 'construction' includes reconstruction and erection, and the term 'constructed' includes reconstructed and erected.

"(D) Only construction of greenhouse gas emissions facility to be taken into account.—Construction shall be taken into account only if, for purposes of this subpart, expenditures therefor are properly chargeable to capital account with respect to the property.

"(5) Election.—An election under this subsection may be made at such time and in such manner as the Secretary may by regulations prescribe. Such an election shall apply to the taxable year for which made and to all subsequent taxable years. Such an election, once made, may not be revoked except with the consent of the Secretary."

(c) Recapture.—Section 50(a) of the Internal Revenue Code of 1986 (relating to other special rules) is amended by adding at the end the following:

"(6) Special rules relating to greenhouse gas emissions facility.—For purposes of applying this subsection in the case of any credit allowable by reason of section 48A, the following shall apply:

"(A) General rule.—In lieu of the amount of the increase in tax under paragraph (1), the increase in tax shall be an amount equal to the investment tax credit allowed under section 38 for all prior taxable years with respect to a greenhouse gas emissions facility (as defined by section 48A(b)) multiplied by a fraction whose numerator is the number of years remaining to fully depreciate under this title the greenhouse gas emissions facility disposed of, and whose denominator is the total number of years over which such facility would otherwise have been subject to depreciation. For purposes of the preceding sentence, the year of disposition of the greenhouse gas emissions facility property shall be treated as a year of remaining depreciation.

"(B) Property ceases to qualify for progress expenditures.—Rules similar to the rules of paragraph (2) shall apply in the case of qualified progress expenditures for a greenhouse gas emissions facility under section 48A, except that the amount of the increase in tax under subparagraph (A) of this paragraph shall be substituted in lieu of the amount described in such paragraph (2).

"(C) Application of paragraph.—This paragraph shall be applied separately with respect to the credit allowed under section 38 regarding a greenhouse gas emissions facility."

(d) Technical Amendments.—

(1) Section 49(a)(1)(C) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following:

"(iv) the portion of the basis of any greenhouse gas emissions facility attributable to any qualified investment (as defined by section 48A(d))."

(2) Section 50(a)(4) of such Code is amended by striking "and (2)" and inserting ", (2), and (6)".

(3) The table of sections for subpart E of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 48 the following:

"Sec. 48A. Credit for greenhouse gas emissions facilities."

(e) Effective Date.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

(f) Study of Additional Incentives for Voluntary Reduction, Avoidance, or Sequestration of Greenhouse Gas Emissions.—

(1) In general.—The Secretary of the Treasury and the Secretary of Energy shall jointly study possible additional incentives for, and removal of barriers to, voluntary, non recoupable expenditures for the reduction, avoidance, or sequestration of greenhouse gas emissions. For purposes of this subsection, an expenditure shall be considered voluntary and non recoupable if the expenditure is not recoupable—

(A) from revenues generated from the investment, determined under generally accepted accounting standards (or under the applicable rate-of-return regulation, in the case of a taxpayer subject to such regulation), or

(B) from any tax or other financial incentive program established under Federal, State, or local law.

(2) REPORT.—Within 6 months of the date of enactment of this Act, the Secretary of the Treasury and the Secretary of Energy shall jointly report to Congress on the results of the study described in paragraph (1), along with any recommendations for legislative action.

(g) SCOPE AND IMPACT.—

(1) POLICY.—In order to achieve the broadest response for reduction, avoidance, or sequestration of greenhouse gas emissions and to ensure that the incentives established by or pursuant to this Act do not advantage one segment of an industry to the disadvantage of another, it is the sense of Congress that such incentives should be available for individuals, organizations, and entities, including both for-profit and non-profit institutions.

(2) LEVEL PLAYING FIELD STUDY AND REPORT.—

(A) IN GENERAL.—The Secretary of the Treasury and the Secretary of Energy shall jointly study possible additional measures that would provide non-profit entities (such as municipal utilities and energy cooperatives) with economic incentives for greenhouse gas emissions facilities comparable to those incentives provided to taxpayers under the amendments made to the Internal Revenue Code of 1986 by this Act.

(B) REPORT.—Within 6 months after the date of enactment of this Act, the Secretary of the Treasury and the Secretary of Energy shall jointly report to Congress on the results of the study described in subparagraph (A), along with any recommendations for legislative action.

THE CLIMATE CHANGE TAX AMENDMENTS OF 2001—SECTION-BY-SECTION ANALYSIS

A bill to amend the Internal Revenue Code of 1986 to provide incentives for the voluntary reduction avoidance, and sequestration of greenhouse gas emissions and to advance global climate science and technology development.

Section 1 designates the short title as the "Climate Change Tax Amendments."

Section 2 extends on a permanent basis the tax credit for research and development in the case of R & D involving climate change.

In order for a research expense to qualify for the credit, it must; have as one of its purposes the reducing or sequestering of greenhouse gases; and have been reported to DOE under Sec: 1605(b) of the Energy Policy Act of 1992.

This tax credit applies with respect to amounts incurred after the Act becomes law, and only if the Climate Change Risk Management Act of 2001 also becomes law.

Section 3 provides for investment tax credits for greenhouse-gas-emission reduction facilities.

Greenhouse Gas Emissions Facility Credit

The amount of the credit would be calculated based upon the amount of greenhouse gas emission reductions reported and certified under section 1605(b) of the Energy Policy Act. The credit would be equal to one-half of the applicable percentage of the qualified investment in a "reduced greenhouse gas emissions facility."

For example, if a taxpayer replaces a coal-fired generator with a more efficient one that reduced greenhouse gas emissions by 18 percent, compared to the retired unit, the taxpayer would be entitled to a tax credit of 9 percent of qualified investment in that "reduced greenhouse gas emissions facility". Such facility is defined as a facility of the taxpayer: the construction, reconstruction; or erection of which is completed by the taxpayer; or the facility may be acquired by the taxpayer if the original use of the facility commences with the taxpayer; which replaces an existing facility of the taxpayer; which reduces greenhouse gas emissions (on a per unit of output basis) as compared to the facility it replaces; which uses the same type of fuel as the facility it replaces; the depreciation (or amortization in lieu of depreciation) of which is allowable; which meets performance and quality standards (if any) jointly prescribed by the Secretaries of Treasury and Energy; and are consistent with regulations prescribed under Sec. 1605 (b) of the Energy Policy Act (relating to voluntary reporting of greenhouse gas emission reductions).

Only that portion of the investment attributable to providing production capacity not greater than the production capacity of the facility being replaced qualifies for the credit.

While unit efficiencies could be achieved if the credit were allowed for replacing a unit with another that burned a different fuel, such incentive for fuel shifting does not directly stimulate efficiency technology development for each fuel type. The objective is to improve efficiencies "within a fuel;" not to encourage fuel shifting "between fuels."

Qualified Progress Expenditure Credit

With respect to qualified progress expenditures, the amount of the qualified investment for the taxable year shall be increased by the aggregate of each qualified progress expenditure for the taxable year with respect to progress expenditure property. Progress expenditure property is defined as any property being constructed by or for the taxpayer and which it is reasonable to believe will qualify as a reduced greenhouse gas emission facility.

Election

A taxpayer may elect to take the tax credit in such a manner (i.e. as an investment credit, or as qualified progress expenditures) as the Secretary may be regulations prescribe. The election will apply to the taxable year for which it was made and to all subsequent taxable years. Such an election, once made, may not be revoked except with the consent of the Secretary.

Recapture Where Facility is Prematurely Disposed of

If the facility is disposed of before the end of the facility's depreciation period (or "useful life" for tax purposes) the taxpayer will be assessed an increase in tax equal to the greenhouse gas emissions facility investment tax credit allowed for all prior taxable years multiplied by a fraction whose numerator is the number of years remaining to fully depreciate the facility to be disposed of, and whose denominator is the total number of years over which the facility would otherwise have been subject to depreciation.

Similar rules apply in the case in which the taxpayer elected credit for progress expenditures and the property thereafter ceases to qualify for such credit.

Effective Date

Amendments made to the Internal Revenue Code apply to property placed in service after the date of enactment of this Act.

Study of Additional Incentives for Voluntary Reduction of Greenhouse Gas Emissions

The Secretary of Energy and the Secretary of Transportation are directed to study, and report upon to Congress along with any recommendations for legislative action, possible additional incentives for and removal of barriers to voluntary non-recoupable expenditures on the reduction of greenhouse gas emissions. An expenditure qualifies if it is voluntary and not recoupable: from revenues generated from the investment; determined under generally accepted accounting standards; under the applicable rate-of-return regulation (in the case of a taxpayer subject to such regulations); from any tax or other financial incentive program established under federal, State, or local law; and pursuant to any credit-trading or other mechanism established under any international agreement or protocol that is in force.

Incentives for Non-profit Institutions

The Secretary of the Treasury and the Secretary of Energy are directed to jointly study possible additional measures that would provide non-profit entities, such as municipal utilities and energy co-operatives, with economic incentives for greenhouse gas emission reductions comparable to the incentives provided to taxpayers under the amendments made to the Internal Revenue Code by this Act. Within six months of the date of enactment, the Secretary of the Treasury and the Secretary of Energy shall jointly report to Congress on the results of the study along with any recommendations for legislative action.

S. 1294

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Climate Change Risk Management Act of 2001".

SEC. 2. FINDINGS.

Congress finds that—

(1) human activities, namely energy production and use, contribute to increasing concentrations of greenhouse gases in the atmosphere, which may ultimately contribute to global climate change beyond that resulting from natural variability;

(2) although the science of global climate change has been advanced in the past ten years, the timing and magnitude of climate change-related impacts on the United States cannot currently be predicted with any reasonable certainty;

(3) furthermore, a recent National Research Council review of climate change science suggests that without an understanding of the sources and degree of uncertainty regarding climate change and its impacts, decision-makers could fail to define the best ways to manage the risk of climate change;

(4) despite this uncertainty, the potential impacts from human-induced climate change pose a substantial risk that should be managed in a responsible manner;

(5) given that the bulk of greenhouse gas emissions from human activities result from energy production and use, national and international energy policy decisions made now and in the longer-term future will influence the extent and timing of any climate change and resultant impacts from climate change later this century;

(6) the characteristics of greenhouse gases and the physical nature of the climate system require that stabilization of atmospheric greenhouse gas concentrations at any future level must be a long-term effort undertaken on a global basis;

(7) the characteristics of existing energy-related infrastructure and capital suggest

that effective greenhouse gas management efforts will depend on the development of long-term, cost-effective technologies and practices that can be demonstrated and deployed commercially in the United States and around the world;

(8) environmental progress, energy security, economic prosperity, and satisfaction of basic human needs are interrelated, particularly in developing countries;

(9) developing countries will constitute the major source of greenhouse gas emissions in the 21st century and the minor source of increases in such emissions;

(10) any program to address the risks of climate change that does not fully include developing nations as integral participants will be ineffective; and

(11) a new long-term, technology-based, cost-effective, flexible, and global strategy to ensure long-term energy security and manage the risk of climate change is needed, and should be promoted by the United States in its domestic and international activities in this regard.

SEC. 3. DEFINITIONS.

Title XVI of the Energy Policy Act of 1992 (42 U.S.C. 13381, et seq.) is amended by inserting before section 1601 the following:

"SEC. 1600 DEFINITIONS.

"(a) Agricultural Activity.—The term 'agricultural activity' means livestock production, cropland cultivation, biogas and other waste material recovery and nutrient management.

"(b) Climate System.—The term "climate system' means the totality of the atmosphere, hydrosphere, biosphere and geosphere and their interactions.

"(c) Climate Change.—The term 'climate change' means a change in the state of the climate system attributed directly or indirectly to human activity which is in addition to natural climate variability observed over comparable time periods.

"(d) Emissions.—The term 'emissions' means the net release of greenhouse gases and/or their precursors into the atmosphere over a specified area and period of time, after taking into account any reductions due to greenhouse gas sequestration.

"(e) Greehouse Gases.—The term 'greenhouse gases' means those gaseous and aerosol constituents of the atmosphere, both natural and anthropogenic, that absorb and re-emit infrared radiation.

"(f) Sequestration.—The term 'sequestration' means any process, activity or mechanism which removes a greenhouse gas or its precursor from the atmosphere or from emissions streams.

"(g) Forest Products.—The term 'forest products' means all products or goods manufactured from trees.

"(h) Forestry Activity.—

"(1) In general.—The term 'forestry activity' means any ownership or management action that has a discernible impact on the use and productivity of forests.

"(2) Inclusions.—Forestry activities include, but are not limited to, the establishment of trees on an area not previously forested, the establishment of trees on an area previously forested if a net carbon benefit can be demonstrated, enhanced forest management (including thinning, stand improvement, fire protection, weed control, nutrient application, pest management, and other silvicultural practices), forest protection or conservation if a net carbon benefit can be demonstrated, and production or use of biomass energy (including the use of wood, grass or other biomass in lieu of fossil fuel).

"(3) Exclusions.—The term 'forestry activity' does not include a land use change associated with—

"(A) an act of war; or

"(B) an act of nature, including floods, storms, earthquakes, fires, hurricanes, and tornadoes.".

SEC. 4. NATIONAL CLIMATE CHANGE STRATEGY.

"(a) In General.—Section 1601 of the Energy Policy Act of 1992 (42 U.S.C. 13381) is amended to read as follows:

"SEC. 1601. NATIONAL CLIMATE CHANGE STRATEGY.

"(a) In General.—The President, in consultation with appropriate Federal agencies and the Congress, shall develop and implement a national strategy to manage the risks posed by potential climate change.

"(b) Goal.—The strategy shall be consistent with the United Nations Framework Convention on Climate Change, done at New York on May 9, 1992, in a manner that—

"(1) does not result in serious harm to the U.S. economy;

"(2) adequately provides for the energy security of the U.S.;

"(3) establishes and maintains U.S. leadership with respect to climate change-related scientific research, development and deployment of advanced energy technology; and

"(4) will result in a reduction in the ratio that the net U.S. greenhouse gas emissions bears to the U.S. gross domestic production.

"(c) Elements.—The strategy shall include short-term and long-term strategies, programs and policies that—

"(1) enhance the scientific knowledge base for understanding and evaluation of natural and human-induced climate change, including the role of climate feedbacks and all climate forcing agents;

"(2) improve scientific observation, modeling, analysis and prediction of climate change and its impacts, and the economic, social and environmental risks posed by such impacts;

"(3) assess the economic, social, and environmental costs and benefits of current and potential options to reduce, avoid, or sequester greenhouse gas emissions;

"(4) develop and implement market-directed policies that reduce, avoid or sequester greenhouse gas emissions, including—

"(i) cost-effective Federal, State, tribal, and local policies, programs, standards and incentives;

"(ii) policies and incentives to speed development, deployment and consumer adoption of advanced energy technologies in the U.S. and throughout the world; and

"(iii) removal of regulatory barriers that impede the development, deployment and consumer adoption of advanced energy technologies into the U.S. and throughout the world; and

"(iv) participation in international institutions, or the support of international activities, that are established or conducted to facilitate effective measures to implement the United Nations Framework Convention on Climate Change;

"(5) advance areas where bilateral or multilateral cooperation and investment would lead to adoption of advanced technologies for use within developing countries to reduce, avoid or sequester greenhouse gas emissions;

"(6) identify activities and policies that provide for adaptation to natural and human-induced climate change;

"(7) recommend specific legislative or administrative activities giving preference to cost-effective and technologically feasible measures that will—

"(A) result in a reduction in the ratio that the net U.S. greenhouse gas emissions bears to the U.S. gross domestic product;

"(B) avoid adverse short-term and long-term economic and social impacts on the United States; and

"(C) foster such changes in institutional and technology systems as are necessary to mitigate or adapt to climate change and its impacts in the short-term and the long-term;

"(8) designate federal, state, tribal or local agencies responsible for carrying out recommended activities and programs, and identify interagency entities or activities that may be needed to coordinate actions carried out consistent with this strategy.

"(d) Consultation.—This strategy shall be developed in a manner that provides for meaningful participation by, and consultation among, Federal, State, tribal, and local government agencies, non-governmental organizations, academia, scientific bodies, industry, the public, and other interested parties.

"(e) Biannual Report.—No later than one year after the date of enactment of this section, and at the end of each second year thereafter, the President shall submit to Congress a report that includes—

"(1) a description of the national climate change strategy and its goals and Federal programs and activities intended to carry out this strategy through mitigation, adaption, and scientific research activities;

"(2) an evaluation of Federal programs and activities implemented as part of this strategy against the goals and implementation dates outlined in the strategy;

"(3) a description of changes to Federal programs or activities implemented to carry out this strategy, in light of new knowledge of climate change and its impacts and costs or benefits, or technological capacity to improve mitigation or adaption activities;

"(4) a description of all Federal spending on climate change for the current fiscal year and each of the five years previous, categorized by Federal agency and program function (including scientific research, energy research and development, regulation, education and other activities);

"(5) an estimate of the budgetary impact for the current fiscal year and each of the five years previous of any Federal tax credits, tax deductions or other incentives claimed by taxpayers that are directly or indirectly attributable to greenhouse gas emissions reduction activities; and

"(6) an estimate of the amount, in metric tons, of greenhouse gas emissions reduced, avoided or sequestered directly or indirectly as a result of each spending program or tax credit, deduction, or other incentive for the current fiscal year and each of the five years previous.

"(f) Review by National Academies.—

"(1) In general.—Not later than 90 days after the date of publication of each biannual report as directed by this section, the President shall commission the National Academies to conduct a review of the national climate change strategy and implementation plan required by this section.

"(2) Criteria.—The National Academies' review shall evaluate the goals and recommendations contained in the national climate change strategy report in light of—

"(A) new or improved scientific knowledge regarding climate change and its impacts;

"(B) new understanding of human social and economic responses to climate change, and responses of natural ecosystems to climate change;

"(C) advancements in energy technologies that reduce, avoid, or sequester greenhouse gases or otherwise mitigate the risks of climate change;

"(D) new or revised understanding of economic costs and benefits of mitigation or adaption activities; and

"(E) the existence of alternative policy options that could achieve the strategy goals at lower economic, environmental, or social cost.

"(3) Report.—The National Academies shall prepare and submit to Congress and the President a report concerning the results of such review, along with any recommendations as appropriate. Such report shall also be made available to the public.

"(4) Definition.—For the purposes of this section, the term 'National Academies' means the National Research Council, the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine.".

(b) Conformng Amendment.—Section 1103(b) of the Global Climate Protection Act of 1987 (15 U.S.C. 2901) is amended by inserting ", the Department of Energy, and other Federal agencies as appropriate" after "Environmental Protection Agency".

SEC. 5. CLIMATE TECHNOLOGY RESEARCH, DEVELOPMENT, DEMONSTRATION AND DEPLOYMENT PROGRAM.

(a) In General.—Section 1604 of the Energy Policy Act of 1992 (42 U.S.C. 13384) is amended to read as follows:

"SEC. 1604. CLIMATE TECHNOLOGY RESEARCH, DEVELOPMENT, DEMONSTRATION AND DEPLOYMENT PROGRAM.

"(a) In General.—The Secretary, in consultation with the Advisory Board established under section 2302, shall establish a long-term Climate Technology Research, Development, Demonstration, and Deployment Program, in accordance with sections 3001 and 3002.

"(b) Program Objectives.—The program shall conduct a long-term research, development, demonstration and deployment program to foster technologies and practices that—

"(1) reduce or avoid anthropogenic emissions of greenhouse gases;

"(2) remove and sequester greenhouse gases from emissions streams; and

"(3) remove and sequester greenhouse gases from the atmosphere.

"(c) Program Plan.—Not later than 1 year after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a 10-year program plan to guide activities under this section. Thereafter, the Secretary shall biennially update and resubmit the program plan to the Congress. In preparing the program plan, the Secretary shall—

"(1) include quantitative technology performance and carbon emissions reduction goals, schedule milestones, technology approaches, Federal funding requirements, and non-Federal cost sharing requirements;

"(2) consult with appropriate representatives of industry, institutions of higher education, Department of Energy national laboratories, and professional, scientific and technical societies;

"(3) take into consideration how the Federal Government, acting through the Secretary, can be effective in ensuring the availability of such technologies when they are needed and how the Federal Government can most effectively cooperate with the private sector in the accomplishment of the goals set forth in subsection (b); and

"(4) consider how activities funded under the program can be complementary to, and not duplicative of, existing research and development activities within the Department.

"(d) Solicitation—Not later than 1 year after the date of submission of the 10-year program plan, the Secretary shall solicit proposals for conducting activities consistent with the 10-year program plan and select one or more proposals not later than 180 days after such solicitations.

"(e) Proposals—Proposals may be submitted by applicants or consortia from industry, institutions of higher education, or Department of Energy national laboratories. At minimum, each proposal shall also include the following;

"(1) a multi-year management plan that outlines how the proposed research, development, demonstration and deployment activities will be carried out;

"(2) quantitative technology goals and greenhouse gas emission reduction targets that can be used to measure performance against program objectives;

"(3) the total cost of the proposal for each year in which funding is requested, and a breakdown of those costs by category;

"(4) evidence that the applicant has in existence or has access to—

"(i) the technical capability to enable it to make use of existing research support and facilities in carrying out the research objectives of the proposal;

"(ii) a multi-disciplinary research staff experienced in technologies or practices able to sequester, avoid, or capture greenhouse gas emissions;

"(iii) access to facilities and equipment to enable the conduct of laboratory-scale testing or demonstration of technologies or related processes undertaken through the program; and

"(iv) commitment for matching funds and other resources from non-Federal sources, including cash, equipment, services, materials, appropriate technology transfer activities, and other assets directly related to the cost of the proposal;

"(5) evidence that the proposed activities are supplemental to, and not duplicative of, existing research and development activities carried out, funded, or otherwise supported by the Department;

"(6) a description of the technology transfer mechanisms and industry partnerships that the applicant will use to make available research results to industry and to other researchers;

"(7) a statement whether the unique capabilities of Department of Energy national laboratories warrant collaboration with those laboratories, and the extent of any such collaboration proposed; and

"(8) demonstrated evidence of the ability of the applicant to undertake and complete the proposed project, including the successful introduction of the technology into commerce.

"(f) Selection of Proposals.—From the proposals submitted, the Secretary shall select for funding one or more proposals that will best accomplish the program objectives outlined in this section.

"(g) Annual Report.—The Secretary shall prepare and submit an annual report to Congress that—

"(1) demonstrates that the program objectives are adequately focused, peer-reviewed for merit, and not unnecessarily duplicative of the science and technology research being conducted by other Federal agencies and programs,

"(2) states whether the program as conducted in the prior year addresses an adequate breadth and range of technologies and solutions to address anthropogenic climate change; and

"(3) evaluates the quantitative progress of funded proposals toward the program objectives outlined in this section, and the technology and greenhouse gas emission reduction, avoidance or sequestration goals as described in their respective proposals.

"(h) Authorization of Appropriations.—There are authorized to be appropriated to carry out this subtitle $200,000,000 for each of fiscal years 2002 through 2011, to remain available until expended.".

(b) Conforming Amendments.—Section 6 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5905) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking "and" at the end;

(B) in paragraph (3) by striking the period at the end and inserting ", and"; and

(C) by adding at the end the following:

"(4) solutions to the effective management of greenhouse gas emissions in the long term by the development of technologies and practices designed to—

"(A) reduce or avoid anthropogenic emissions of greenhouse gases;

"(B) remove and sequester greenhouse gases from emissions streams; and

"(C) remove and sequester greenhouse gases from the atmosphere."; and

(2) in subsection (b)—

(A) in paragraph (2), by striking "subsection (a)(1) through (3)" and inserting "paragraphs (1) through (4) of subsection (a)"; and

(B) in paragraph (3)—

(i) in subparagraph (R), by striking "and" at the end;

(ii) in subparagraph (S), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following:

"(T) to pursue a long-term climate technology strategy designed to demonstrate a variety of technologies by which stabilization of greenhouse gases might be best achieved, including accelerated research, development, demonstration and deployment of—

"(i) renewable energy systems;

"(ii) advanced fossil energy technology;

"(iii) advanced nuclear power plant design;

"(iv) fuel cell technology for residential, industrial and transportation applications;

"(v) carbon sequestration practices and technologies, including agricultural and forestry practices that store and sequester carbon;

"(vi) efficient electrical generation, transmission and distribution technologies; and

"(vii) efficient end use energy technologies.".

SEC. 6. INTERNATIONAL ENERGY TECHNOLOGY DEPLOYMENT PROGRAM.

Section 1608 of the Energy Policy Act of 1992 (42 U.S.C. 13387) is amended by striking subsection (l) and inserting the following:

"(l) International Energy Technology Deployment Program.—

"(1) Definitions—In this subsection:

"(A) International energy deployment project.—The term 'international energy deployment project' means a project to construct an energy production facility outside the United States—

"(i) the output of which will be consumed outside the United States; and

"(ii) the deployment of which will result in a greenhouse gas reduction per unit of energy produced when compared to the technology that would otherwise be implemented of—

"(I) 10 percentage points or more, in the case of a unit placed in service before January 1, 2010;

"(II) 20 percentage points or more, in the case of a unit placed in service after December 31, 2009, and before January 1, 2020; or

"(III) 30 percentage points or more, in the case of a unit placed in service after December 31, 2019, and before January 1, 2030.

"(C) QUALIFYING INTERNATIONAL ENERGY DEPLOYMENT PROJECT.—The term 'qualifying international energy deployment project' means an international energy deployment project that—

"(i) is submitted by a United States firm to the Secretary in accordance with procedures established by the Secretary by regulation;

"(ii) uses technology that has been successfully developed or deployed in the United States, or in another country as a result of a partnership with a company based in the United States;

"(iii) meets the criteria of subsection (k);

"(iv) is approved by the Secretary, with notice of the approval being published in the Federal Register; and

"(v) complies with such terms and conditions as the Secretary establishes by regulation.

"(D) UNITED STATES.—The term 'United States', when used in a geographical sense, means the 50 States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

"(2) PILOT PROGRAM FOR FINANCIAL ASSISTANCE.—

"(A) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall, by regulation, provide for a pilot program for financial assistance for qualifying international energy deployment projects.

"(B) SELECTION CRITERIA.—After consultation with the Secretary of State, the Secretary of Commerce, and the United States Trade Representative, the Secretary shall select projects for participation in the program based solely on the criteria under this title and without regard to the country in which the project is located.

"(C) FINANCIAL ASSISTANCE.—

"(i) In general.—A United States firm that undertakes a qualifying international energy deployment project that is selected to participate in the pilot program shall be eligible to receive a loan or a loan guarantee from the Secretary.

"(ii) RATE OF INTEREST.—The rate of interest of any loan made under clause (i) shall be equal to the rate for Treasury obligations then issued for periods of comparable maturities.

"(iii) AMOUNT.—The amount of a loan or a loan guarantee under clause (i) shall not exceed 50 percent of the total cost of the qualified international energy deployment project.

"(iv) DEVELOPED COUNTRIES.—Loans or loan guarantees made for projects to be located in a developed country, as listed in Annex I of the United Nations Framework Convention on Climate Change, shall require at least a 50-percent contribution toward the total cost of the loan or loan guarantee by the host country.

"(v) DEVELOPING COUNTIES.—Loans or loan guarantees made for projects to be located in a developing country (those countries not listed in Annex I of the United Nations Framework Convention on Climate Change) shall require at least a 10-percent contribution toward the total cost of the loan or loan guarantee by the host country.

"(vi) CAPACITY BUILDING RESEARCH.—Proposals made for projects to be located in a developing country may include a research component intended to build technological capacity within the host country. Such research must be related to the technologies being deployed and must involve both an institution in the host country and an industry, university or national laboratory participant from the United States. The host institution must contribute at least 50 percent of funds provided for the capacity building research.

"(D) COORDINATION WITH OTHER PROGRAMS.—A qualifying international energy deployment project funded under this section shall not be eligible as a qualifying clean coal technology under section 415 of the Clean Air Act (42 U.S.C. 7651n).

"(E) REPORT.—Not later than 5 years after the date of enactment of this section, the Secretary shall submit to the President and the Congress a report on the results of the pilot projects.

"(F) RECOMMENDATION.—Not later than 60 days after receiving the report under subparagraph (E), the Secretary shall submit to Congress a recommendation concerning whether the financial assistance program under this section should be continued, expanded, reduced, or eliminated.

"(G) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $100,000,000 for each of fiscal years 2002 through 2011, to remain available until expended.".

SEC. 7. NATIONAL GREENHOUSE GAS EMISSIONS REGISTRY.

Section 1605 of the Energy Policy Act of 1992 (42 U.S.C. 13385) is amended—

(1) by amending the second sentence of subsection (a) to read as follows: "The Secretary shall annually update and analyze such inventory using available data, including, beginning in calendar year 2001, information collected as a result of voluntary reporting under subsection (b). The inventory shall identify for calendar year 2001 and thereafter the amount of emissions reductions attributed to those reported under subsection (b)";

(2) by amending subsection (b)(1) (B) and (C) to read as follows—

"(B) annual reductions or avoidance of greenhouse gas emissions and carbon sequestration achieved through any measures, including agricultural activities, co-generation, appliance efficiency, energy efficiency, forestry activities that increase carbon sequestration stocks (including the use of forest products), fuel switching, management of crop lands, grazing lands, grasslands, drylands, manufacture or use of vehicles with reduced greenhouse gas emissions, methane recovery, ocean seeding, use of renewable energy, chlorofluorocarbon capture and replacement, and power plant heat rate improvement; and

"(C) reductions in, or avoidance of, greenhouse gas emissions achieved as a result of voluntary activities domestically, or internationally, plant or facility closings, and State or Federal requirements.".

(3) by striking in the first sentence of subsection (b)(2) the word "entities" and inserting "persons or entities" and in the second sentence of such subsection, by inserting after "Persons" the words "or entities";

(4) by inserting in the second sentence of subsection (b)(4) the words "persons or" before "entity";

(5) by adding after subsection (b)(4) the following new paragraphs—

"(5) RECOGNITION OF VOLUNTARY GREENHOUSE GAS EMISSIONS REDUCTION, AVOIDANCE, OR SEQUESTRATION.—To encourage new and increased voluntary efforts to reduce, avoid, or sequester emissions of greenhouse gases, the Secretary shall develop and establish a program of giving annual public recognition to all reporting persons and entities demonstrating voluntarily achieved greenhouse gases reduction, avoidance, or sequestration, pursuant to the voluntary collections and reporting guidelines issued under this section. Such recognition shall be based on the information certified, subject to section 1001 of title 18, United States Code, by such persons or entities for accuracy as provided in paragraph 2 of this subsection, and shall include such information reported prior to the enactment of this paragraph. At a minimum such recognition shall annually be published in the Federal Register.

"(6) REVIEW AND REVISION OF GUIDELINES.—

"(A) IN GENERAL.—Not later than 1 year after the date of enactment of this subparagraph, the Secretary of Energy, acting through the Administrator of the Energy Information Administration, shall conduct a review of guidelines established under this section regarding the accuracy and reliability of reports of greenhouse gas reductions and related information.

"(B) CONTENTS.—The review shall include the consideration of the need for any amendments to such guidelines, including—

"(i) a random or other verification process using the authorities available to the Secretary under other provisions of law;

"(ii) a range of reference cases for reporting of project-based activities in sectors, including the measures specified in subparagraph (1)(B) of this subsection, and the inclusion of benchmark and default methodologies and best practices for use as reference cases for eligible projects;

"(iii) issues, such as comparability, that are associated with the option of reporting on an entity-wide basis or on an activity or project basis; and

"(iv) safeguards to address the possibility of reporting, inadvertently or otherwise, of some or all of the same greenhouse gas emissions reductions by more than one reporting entity or person and to make corrections where necessary;

"(v) provisions that encourage entities or persons to register their certified, by appropriate and credible means, baseline emissions levels on an annual basis, taking into consideration all of their reports made under this section prior to the enactment of this paragraph;

"(vi) procedures and criteria for the review and registration of ownership of all or part of any reported and verified emissions reductions relative to a reported baseline emissions level under this section; and

"(vii) accounting provisions needed to allow for changes in registration of ownership of emissions reductions resulting from a voluntary private transaction between reporting entities or persons.

For the purposes of this paragraph, the term "reductions" means any and all activities taken by a reporting entity or person that reduce, avoid or sequester greenhouse gas emissions, or sequester greenhouse gases from the atmosphere.

"(C) ECONOMIC ANALYSIS.—The review should consider the costs and benefits of any such amendments, the effect of such amendments on participation in this program, including by farmers and small businesses, and the need to avoid creating undue economic advantages or disadvantages for persons or entities in the private sector. The review should provide, where appropriate, a range of reasonable options that are consistent with the voluntary nature of this section and that will help further the purposes of this section.

"(D) PUBLIC COMMENT AND SUBMISSION OF REPORT.—The findings of the review shall be made available in draft form for public comment for at least 45 days, and a report containing the findings of the review shall be submitted to Congress and the President no later than one year after date of enactment of this section.

"(E) REVISION OF GUIDELINES.—If the Secretary, after consultation with the Administrator, finds, based on the study results, that changes to the program are likely to be beneficial and cost effective in improving the accuracy and reliability of reported greenhouse gas reductions and related information, are consistent with the voluntary nature of this section, and further the purposes of this section, the Secretary shall propose and promulgate changes to program guidelines based with such findings. In carrying out the provisions of this paragraph, the Secretary shall consult with the Secretary of Agriculture and the Administrator of the Small Business Administration to encourage greater participation by small business and farmers in addressing greenhouse gas emission reductions and reporting such reductions.

"(F) PERIODIC REVIEW AND REVISION OF GUIDELINES.—The Secretary shall thereafter review and revise these guidelines at least once every 5 years, following the provisions for economic analysis, public review, and revision set forth in subsections (C) through (E) of this section.".

(6) in subsection (c), by inserting "the Secretary of the Department of Agriculture, the Secretary of the Department of Commerce, the Administrator of the Energy Information Administration, and" before "the Administrator"; and

(7) by adding at the end the following:

"(d) PUBLIC AWARENESS PROGRAM.—

"(1) IN GENERAL.—The Secretary shall create and implement a public awareness program to educate all persons in the United States of—

"(A) the direct benefits of engaging in voluntary greenhouse gas emissions reduction measures and having the emissions reductions certified under this section and available for use therein; and

"(B) the ease of use of the forms and procedures for having emissions reductions certified under this section.

"(2) AGRICULTURAL AND SMALL BUSINESS OUTREACH.—The Secretary of Agriculture and the Administrator of the Small Business Administration shall assist the Secretary in creating and implementing a targeted public awareness program to encourage voluntary participation by small businesses and farmers.".

SEC. 8. REVIEW OF FEDERALLY FUNDED ENERGY TECHNOLOGY RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—Title XVI of the Energy Policy Act of 1992 (42 U.S.C. 13381 et seq.) is amended by adding the following new section:

"SEC. 1610. REVIEW OF FEDERALLY FUNDED ENERGY TECHNOLOGY RESEARCH AND DEVELOPMENT.

"(a) DEPARTMENT OF ENERGY REVIEW.—

"(1) IN GENERAL.—The Secretary shall review annually all federally funded research and development activities carried out with respect to energy technology; and submit to a report to Congress by October 15 of each year.

"(2) ASSESSMENT OF TECHNOLOGY READINESS AND BARRIERS TO DEPLOYMENT.—As part of this review, the Secretary shall—

"(A) assess the status and readiness (including the potential commercialization) of each energy technology and any regulatory or market barriers to deployment;

"(B) consider—

"(i) the length of time it will take for deployment and use of the energy technology and for the technology to have a meaningful impact on emission reductions;

"(ii) the cost of deploying the energy technology; and

"(iii) the safety of the energy technology;

"(C) assess the available resource base for any energy resources used by the energy technology, and the potential for expanded sustainable use of the resource base; and

"(D) recommend to Congress any changes in law or regulation deemed appropriate by the Secretary to hasten deployment and use of the energy technology.

(b) ENERGY TECHNOLOGY RESEARCH AND DEVELOPMENT CLEARINGHOUSE.—The Secretary shall establish an information clearinghouse to facilitate the transfer and dissemination of the results of federally funded research and development activities being carried out on energy technology subject to any restrictions or safeguards established for national security or the protection of intellectual property rights (including trade secrets and confidential business information protected under section 552(b)(4) of title 5, United States Code).".

(c) TECHNICAL AMENDMENT.—The table of contents of the Energy Policy Act of 1992 (106 Stat. 2776) is amended by inserting after the item relating to section 1609 the following:

"Sec. 1610. Review of federally funded energy technology research and development.".

SEC. 9. OFFICE OF APPLIED ENERGY TECHNOLOGY AND GREENHOUSE GAS MANAGEMENT.

Section 1603 of the Energy Policy Act of 1992 (42 U.S.C. 13383) is amended to read as follows:

"SEC. 1603. OFFICE OF APPLIED ENERGY TECHNOLOGY AND GREENHOUSE GAS MANAGEMENT.

"(a) ESTABLISHMENT.—There is established by this section in the Department of Energy an Office of Applied Energy Technology and Greenhouse Gas Management.

"(b) FUNCTION.—The Office shall—

"(1) establish appropriate quantitative performance and deployment goals for energy technologies that reduce, avoid, or sequester emissions of greenhouse gases, provided that such goals are consistent with any national climate change strategy;

"(2) manage domestic and international energy technology demonstration and deployment programs for energy technologies that reduce, avoid or sequester emissions of greenhouse gases, including those authorized under this title; provided that such programs supplement and do not replace existing energy research and development activities within the Department;

"(3) facilitate the development of domestic and international cooperative research and development agreements (as that term is defined in section 12(d)(1) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(1))), or similar cooperative, cost-shared partnerships with non-Federal organizations to accelerate the rate of domestic and international demonstration and deployment of energy technologies that reduce, avoid or sequester emissions of greenhouse gases;

"(4) conduct necessary programs of monitoring, experimentation, and analysis of the technological, scientific, and economic viability of energy technologies that reduce, avoid, or sequester greenhouse gas emissions; and

"(5) coordinate issues, policies, and activities for the Department regarding climate change and related energy matters pursuant to this title, and coordinate the issuance of such reports as may be required under this title.

"(c) DIRECTOR.—The Secretary shall appoint a director of the Office, who—

"(1) shall report to the Secretary;

"(2) shall be compensated at no less than level IV of the Executive Schedule; and

"(3) at the request of the Committees of the Senate and House of Representatives with appropriation and legislative jurisdiction over programs and activities of the Department of Energy, shall report to Congress on the activities of the Office.

"(d) DUTIES.—The Director shall, in addition to performing all functions necessary to carry out the functions of the Office—

"(1) in the absence of the Secretary's representative for interagency and multilateral policy discussions of global climate change, including the activities of the Committee on Earth and Environmental Sciences as established by the Global Change Research Act of 1990 (15 U.S.C. 2921 et seq.);

"(2) participate, in cooperation with other federal agencies, in the development and monitoring of domestic and international policies for their effects on any kind of climate change globally and domestically and on the generation, reduction, avoidance, and sequestration of greenhouse gases;

"(3) develop and implement a balanced, scientific, non-advocacy educational and informational public awareness program on—

"(A) potential climate change, including any known adverse and beneficial effects on the United States and the economy of the United States and the world economy, taking into consideration whether those effects are known or expected to be temporary, long-term, or permanent;

"(B) the role of national energy policy in the determination of current and future emissions of greenhouse gases, particularly measures that develop advanced energy technologies, improve energy efficiency, or expand the use of renewable energy or alternative fuels; and

"(C) the development of voluntary means and measures to mitigate or minimize significant adverse effects of climate change and, where appropriate, to adapt, to the greatest extent practicable, to climate change;

"(4) provide, consistent with applicable provisions of law, public access to all information on climate change, effects of climate change, and adaptation to climate change; and

"(5) in accordance with all law administered by the Secretary and other applicable Federal law and contracts, including patent and intellectual property laws, and in furtherance of the United Nations Framework Convention on Climate Change—

"(i) identify for, and transfer, deploy, diffuse, and apply to, Parties to such Convention, including the United States, any technologies, practices, or processes which reduce, avoid, or sequester emissions of greenhouse gases if such technologies, practices or processes have been developed with funding from the Department of Energy or any of its facilities or laboratories; and

"(ii) support reasonable efforts by the Parties to such convention, including the United States, to identify and remove legal, trade, financial, and other barriers to the use and application of any technologies, practices, or processes which reduce, avoid, or sequester emissions of greenhouse gases.".

SEC. 10. COORDINATION OF GLOBAL CHANGE RESEARCH.

(a) DEFINITIONS.—As used in this section, the term—

(1) "Committee" means the Committee on Earth and Environmental Sciences established under Section 102 of the Global Change Research Act of 1990 (15 U.S.C. 2933).

(2) "Program" means the United States Global Change Research Program established under Section 103 of the Global Change Research Act of 1990 (15 U.S.C. 2933).

(b) Coordination of Climate Observation Activities.—At the direction of the Committee, the Director of the Program shall develop and implement activities within the Program that—

(1) coordinate system design and implementation and operation of a multi-user, multi-purpose long-term climate observing system for the measurement and monitoring of relevant climatic variables;

(2) carry out basic research, development and deployment of innovative scientific techniques and instruments (both in-situ and space-based) for measurement and monitoring of relevant climatic variables;

(3) coordinate Program activities to ensure the integrity and continuity of data records; including—

(i) calibration and inter-comparison of multiple instruments that measure the same climatic variable or set of variables;

(ii) backup instruments to ensure data record continuity; and

(iii) documentation of changes in instruments, observing practices, observing locations, sampling rates, processing algorithms and other changes;

(4) establish ongoing activities for the development, implementation, operation and management of climate-specific observational programs, with special emphasis on activities that seek the most efficient and reliable means of observing the climate system;

(5) coordinate activities of the Program that contribute to the design, implementation, operation, and data management activities of international climate system observation networks; and

(6) establish and maintain a free and openly accessible national data management system for the storage, maintenance, and archival of climate observation data, with an emphasis on facilitating access to, use of and interpretation of such data by the scientific research community and the public.

(c) Coordination of Climate Modeling Activities.—At the direction of the Committee, the Director of the Program shall develop and implement activities within the Program that—

(1) establish and periodically revise a national climate system modeling strategy designed to position the United States as a world leader in all aspects of climate system modeling;

(2) coordinate Program activities designed to carry out such a national climate system modeling strategy;

(3) carry out basic research, development and deployment of innovative computational techniques for climate system modeling;

(4) develop the intellectual and computational capacity to carry out climate system modeling activities to assess the potential consequences of climate change on the United States;

(5) carry out the continued development and inter-comparison of United States climate models with special emphasis on activities that—

(i) establish the ability of United States climate models so successfully reproduce the historical climate observational record;

(ii) incorporate new climate system processes or improve spatial or temporal resolution of climate model simulations;

(iii) develop standardized tools and structures for climate model output, evaluation and programming design;

(iv) improve the accuracy and completeness of supporting data sets used to drive climate models; and

(v) reduce uncertainty in assessments of climate change and its impacts on the United States;

(6) coordinate activities of the Program that contribute to the design, implementation, operation, and data analysis activities of international climate system modeling inter-comparisons and assessments; and

(7) establish and maintain a free and openly accessible national data management system for the storage, maintenance, and archival of climate model code, auxiliary data, and results, with an emphasis on facilitating access to, use of and interpretation of such data by the scientific research community and the public.

(d) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2002 through 2004, to remain available until expended, and thereafter such sums as are necessary.

(e) Use of Existing Infrastructure.—In carrying out new activities under subsections (b) and (c) of this section, the Program shall, where possible, use and incorporate existing Program activities and resources, such as Program Working Groups.

Climate Change Risk Management Act of 2001 Section-by-Section Analysis

Section 1—Short Title

Section 2—Findings

Section 3—Definitions

Section 4—National Climate Change Strategy

Amends Section 1601 of the Energy Policy Act of 1992 to require the President, in consultation with Federal agencies and the Congress, to develop a national strategy to manage the risks posed by potential climate change. The goal of such strategy would be to implement the UN Framework Convention on Climate Change in a manner that 1. does not cause serious harm to the U.S. economy; 2. establishes and maintains U.S. leadership in scientific research and technology development; and 3. results in annual net reductions of U.S. greenhouse gas emissions as measured against the U.S. gross domestic production. Requires a biannual report to Congress on the strategy and programs to implement the strategy, following review and evaluation of the strategy by the National Academies in light of new information on the science, technology, or economics of climate change.

Section 5—Climate Technology Research, Development, and Demonstration Program

Amends Section 1604 of the Energy Policy Act of 1992 to establish a new energy technology program within the Department of Energy to further development and deployment of technologies to reduce, avoid or sequester greenhouse gas emissions. Authorizes $2 billion over ten years for competitive multi-year grant awards that foster development and deployment of existing and new energy efficient, fossil, nuclear, renewable and sequestration technologies.

Section 6—International Energy Technology Deployment Program

Establishes a new international energy technology deployment pilot program under Section 1608 of the Energy Policy Act of 1992 to assist developing countries in meeting development goals with fewer greenhouse gas emissions. Authorizes $1 billion over ten years for loans or loan guarantees to be made to firms or consortia that construct energy production facilities outside the United States, provided such facilities result in gains in energy efficiency and reductions in greenhouse gas emissions relative to existing technologies.

Section 7—National Greenhouse Gas Emissions Registry

Amends Section 1605 of the Energy Policy Act of 1992 to provide for development of national registry of greenhouse gas emissions baselines and actions to voluntarily reduce emissions. Modeled after several state initiatives already under way, this section provides for the Secretary of Energy to initiate a stakeholder-led process to develop new guidelines for the existing voluntary emissions reduction reporting system ("1605(b)") that improve the accuracy and reliability of voluntary reports made to this program, establish consistent reporting procedures and independent verification, and allow for registration of emissions baselines and emissions reductions made against such baselines. Includes provisions to encourage participation by small businesses and farmers. Upon completion of review of guidelines, provides for public comment and revision of guidelines if cost-effective.

Section 8—Review of Federally Funded Energy Technology Research and Development

Adds a new Section 1610 to the Energy Policy Act of 1992 to provide for a regular review of federally funded energy technology research and development, including the programs authorized in this bill. The review will consider cost, safety, resource availability, technology readiness, including potential for commercial application, and barriers to deployment in widespread use. Also establishes an "Energy Technology R&D Clearinghouse" to disseminate to the private sector and the public information on energy technology research and development activities within the Department of Energy, as well as technologies available for deployment through public-private partnerships.

Section 9—Office of Applied Energy Technology and Greenhouse Gas Management

Amends Section 1603 of the Energy Policy Act of 1992 to create a new office within the Department of Energy to manage applied energy technology activities, public-private partnerships, and activities to reduce, avoid, or sequester greenhouse gases. In addition to administering the programs authorized by this bill, the Office will supplement existing activities of the Department by working to increase the rate at which new energy technologies are applied, developed and deployed for widespread use. The Office will also function to coordinate domestic and international cooperative energy research, development, demonstration and deployment activities within the Department and participate in interagency activities with respect to climate change research and technology programs.

Section 10—Coordination of Global Change Research

Provides the Director of the U.S. Global Change Research Program (USGCRP) with new authority for the purposes of coordinating and strengthening scientific research with respect to climate observation systems and climate modeling, as suggested by recent National Academy reports on the state of U.S. climate change research. Authorizes $50 million in new funding for each of fiscal years 2002 through 2004, and such sums as are necessary thereafter. Requires that the Program utilize where possible existing Working

Groups and other resources in laboratory activities.

Mr. HAGEL. Mr. President, I am proud to join my colleagues Senators FRANK MURKOWSKI and LARRY CRAIG today I introducing legislation that takes a comprehensive approach to domestic efforts on climate change.

This legislation provides a forward-looking, balanced approach to address the challenge of climate change. There's a lot we can do, and this legislation lays out a comprehensive approach that will reduce greenhouse gas emissions without damaging the U.S. economy. It provides an incentive-based, market oriented framework that will produce results. It focuses on developing advanced technologies to reduce, sequester or avoid greenhouse gas emissions. These technologies are the long term answer to this challenge. And it focuses our scientific research in this area.

Specifically, the Climate Change Risk Management Act of 2001 provides for: a national climate change strategy; new funding to advance the research, development and deployment of new technologies to reduce, avoid or sequester greenhouse gas emissions $2 billion over 10 years; the creation of a national registry of voluntary actions that have been taken to reduce, avoid or sequester greenhouse gas emissions; a pilot program to assist in the exports of advanced technology to developing countries, $1 billion over 10 years for a loan program; better coordination of federal scientific research; an office in the Department of Energy to coordinate the R&D efforts for new technologies, that is accountable to the Secretary, the President and the Congress.

This legislation is very consistent with the approach presented by President Bush and builds on the efforts that Senators MURKOWSKI, CRAIG, and I—along with Senator BYRD and others—have pursued for some time to advance our efforts in the area of climate change. I am pleased that Senators PETE DOMENICI, PAT ROBERTS, and CHRISTOPHER BOND are also original cosponsors of this legislation.

By Mr. LEVIN (for himself and Mr. THOMAS):

S. 1295. A bill to amend title 18, United States Code, to revise the requirements for procurement of products of Federal Prison Industries to meet needs for Federal agencies, and for other purposes; to the Committee on the Judiciary.

Mr. LEVIN. Madam President, I am pleased to be joined by Senator CRAIG THOMAS in introducing the Federal Prison Industries Competition in Contracting Act. Our bill is based on a straightforward premise: it is unfair for Federal Prison Industries to deny citizens in the private sector an opportunity to compete for sales to their own government.

I repeat: the bill that we are introducing today, if enacted, would do nothing more than permit private sector companies to compete for Federal contracts that are paid for with their tax dollars. It may seem incredible that they are denied this opportunity today, but that is the law, because if Federal Prison Industries says that it wants a contract, it gets that contract, regardless whether a company in the private sector may offer to provide the product better, cheaper, and faster.

This bill would not limit the ability of Federal Prison Industries to sell its products to Federal agencies. It would simply say that these sales should be made on a competitive, rather than a sole-source basis.

FPI also has a significant advantage in any competition with the private sector, since FPI pays inmates less than two dollars an hour, far below the minimum wage and a small fraction of the wage paid to most private sector workers in competing industries. And of course, the taxpayers provide a direct subsidy to Federal Prison Industries products by picking up the cost of feeding, clothing, and housing the inmates who provide the labor. Given those advantages, there is no reason why we should still require Federal agencies to purchase products from FPI even when they are more expensive and of a lower quality than competing commercial items. I can think of no reason why private industry should be prohibited from competing for these Federal agency contracts.

We have made several changes to this bill since it was introduced in the 106th Congress. The three new sections are intended to address new abuses by FPI that have arisen in the last few years: section 3 of the bill would prohibit FPI from granting prison workers access to classified information or information that is protected under the Privacy Act; section 4 of the bill would clarify that private sector businesses and their employees must be permitted to compete for federal subcontracts as well as prime contracts; and section 5 of the bill would clarify that the general prohibition on sales of prison-made goods into private commerce is also intended to apply to sales of services.

These changes should strengthen the bill and reinforce its underlying intent.

Federal Prison Industries has repeatedly claimed that it provides a quality product at a price that is competitive with current market prices. Indeed, the Federal Prison Industries statute requires them to do so. That statute states that FPI may provide to Federal agencies products that "meet their requirements" at price that do not "exceed current market prices".

Yet, FPI remains unwilling to compete with private sector businesses and their employees, or even to permit Federal agencies to compare their products and prices with those available in the private sector. Indeed, FPI has tried to prohibit Federal agencies from conducting market research, as they would ordinarily do, to determine whether the price and quality or FPI products is comparable to what is available in the commercial marketplace. Instead, Federal agencies are directed to contact FPI, which acts as the sole arbiter of whether the product meets the agency's requirements.

The reason for FPI's position is obvious: it is much easier to gain market share by fiat than it is to compete for business. Under FPI's current interpretation of the law, it need not offer the best product at the best price; it is sufficient for it to offer an adequate product at an adequate price, and insist upon its right to make the sale. Indeed, FPI currently advertises that it offers Federal agencies "ease in purchasing" through "a procurement with no bidding necessary."

The result of the FPI's status as a mandatory source is not unlike the result of other sole-source contracting: the taxpayers frequently pay too much and receive an inferior product for their money. When FPI sets its prices, it does not even attempt to match the best price available in the commercial sector; instead, it claims to have charged a "market price" whenever it can show that at least some vendors in the private sector charges as high a price. As GAO reported in August 1998, "The only limit the law imposes on FPI's price is that it may not exceed the upper end of the current market price range."

The result is frustrating to private sector businesses and their employees who are denied an opportunity to complete for Federal business, as well as to the Federal agencies who are forced to buy FPI products. One letter that I received from a frustrated vendor stated with regard to UNICOR—the trade name used by Federal Prison Industries:

> If the Air Force would purchase a completed unit as described in UNICOR's solicitation directly from a . . . manufacturer we estimate the cost will be approximately $6,500. UNICOR is going to purchase a kit for $9,259 and add their assembly and administrative costs to the unit. If UNICOR only adds $1,500 to the total cost of the unit, it will cost the Air Force $10,759. This is 66 percent higher than the current market price. If the Air Force purchases 8,000 units over the next five years it will cost the taxpayers an additional $34,072,000 over what it would cost if they dealt directly with a manufacturer.

A letter from a second frustrated vendor stated, also with regard to UNICOR:

> UNICOR bid on this item and simply because UNICOR did bid, I was told that the award had to be given to UNICOR. UNICOR won the bid at $45 per unit. My company bid $22 per unit. The way I see it, the government just overspend my tax dollars to the tune of $1,978. The total amount of my bid was less than that. Do you seriously believe that this type or procurement is cost-effective?

I lost business, and my tax dollars were misused because of unfair procurement practices mandated by federal regulations. This is a prime example, and I am certain not the only one, of how the procurement system is being misused and small businesses in this country are being excluded from competition, with the full support of federal regulations and the seeming approval of Congress. It is far past the time to curtail this 'company' known as Federal Prison Industries and require them to be competitive for the benefit of all taxpayers.

I am a strong supporter of the idea of putting federal inmates to work. I understand that a strong prison work program not only reduces inmate idleness and prison disruption, but can also help build a work ethic, provide job skills, and enable prisoners to return to product society upon their release.

However, I believe that a prison work program must be conducted in a manner that is sensitive to the need not to unfairly eliminate the jobs of hard-working citizens who have not committed crimes. FPI will be able to achieve this result only if it diversifies its product lines and avoids the temptation to build its workforce by continuing to displace private sector jobs in its traditional lines of work. For this reason, I have been working since 1990 to try to help Federal Prison Industries to identify new markets that it can expand into without displacing private sector jobs, with a particular emphasis on markets for products that are currently imported.

Avoiding competition is the easy way out, but it isn't the right way for FPI, it isn't the right way for the private sector workers whose jobs FPI is taking, and it isn't the right way for the taxpayer, who will continue to pay more and get less as a result of the mandatory preference for FPI goods. We need to have jobs for prisoners, but can no longer afford to allow FPI to designate whose jobs it will take, and when it will take them. Competition will be better for FPI, better for the taxpayer, and better for working men and women around the country.

The fight to allow private industry to compete against Federal Prison Industries is far from over, but I am optimistic that it can be won in this Congress.

Mr. THOMAS. Madam President, today I am pleased to join Senator LEVIN in introducing a bill that will further my efforts to limit government competition with the private sector. Senator LEVIN and I propose to eliminate the mandatory contracting requirement that Federal agencies are subject to when it comes to products made by the Federal Prison Industries, FPI. Under law, all Federal agencies are required to purchase products made by the FPI. Simply put, this bill will require the FPI to compete with the private sector for Federal contracts.

Currently, the FPI employs approximately 22,000 Federal prisoners or roughly 20 percent of all Federal prisoners. These prisoners are responsible for producing a diverse range of products for the FPI, ranging from office furniture to clothing. The remaining 80 percent of Federal prisoners, who work, do so in and around Federal prisons.

While Senator LEVIN and I believe that it is important to keep prisoners working, we do not believe that this effort should unduly harm or conflict with law-abiding businesses. This bill seeks to minimize the unfair competition that private sector companies face with the FPI.

The FPI's mandatory source requirement not only undercuts private business throughout America, but its mandatory source preference oftentimes costs American tax payers more money. I believe American taxpayers would be alarmed to learn of the preferential treatment that the FPI enjoys when it comes to Federal contracts.

As I said before, Senator LEVIN and I support the goal of keeping prisoners busy while serving their time in prison. However, if we allow competition in Federal contracts, the FPI will be required to focus its efforts in product areas that don't unfairly compete with the private sector. Clearly, competitive bidding is a reasonable process that will ensure taxpayer's dollars are being spent justly.

Of particular note, our bill allows contracting officers, within each Federal agency, the ability to select the FPI for contracts if he/she believes that the FPI can meet that particular agency's requirements and the product is offered at a fair and reasonable price. Currently, the FPI prohibits Federal agencies from conducting market research to determine whether the price and quality of its products is comparable to those available in the private sector. The above outlined provision in our bill seeks to place the control of government procurement in the hands of contracting officers, rather than in the hands of the FPI.

In addition to establishing a competitive procedure for the procurement of products, we include a provision that allows the Attorney General to grant a waiver to this process if a particular contract is deemed essential to the safety and effective administration of a particular prison.

I am confident that by allowing competition for government contracts our bill will save tax dollars. As Congress looks for additional cost saving practices, the elimination of the FPI's mandatory source preference will bring about numerous improvements, not just in cost savings, but also a streamlining of the FPI's products.

By Mr. DODD:

S. 1296. A bill to provide for the protection of the due process rights of United States citizens (including United States servicemembers) before foreign tribunals, including the International Criminal Court, for the prosecution of war criminals, and for other purposes; to the Committee on Foreign Relations.

Mr. DODD. Madam President, the Nuremberg Trial of the leading Nazi war criminals following World War II was a landmark in the struggle to deter and punish crimes of war and genocide, setting the stage for the Geneva and Genocide Conventions. It was also largely an American initiative. Justice Robert Jackson's team drove the process of drafting the indictments, gathering the evidence and conducting this extraordinary case.

My father, Thomas J. Dodd, served as Executive Trial Counsel at Nuremberg, it was among his proudest accomplishments. But it was also part of a common theme that ran through a lifetime of public service. He believed that America had a special role to help make the rule of law relevant in every corner of the globe. I believe that he would have endorsed President Clinton's decision to sign the Rome Statute last December on behalf of the United States. President Clinton did so knowing full well that much work remains to be done before the United States can become a party to the U.N. convention establishing an International Criminal Court, ICC.

The Bush administration is currently reviewing its options with respect to the Rome Statute and with respect to the ongoing preparatory work that is necessary to make the court operational once sixty parties have ratified. The so called American Servicemembers' Protection Act of 2001 sponsored by Senators HELMS and Congressman DELAY in the Senate and House, respectively, if enacted into law, will severely limit the Bush administration's options for interacting with our friends and allies about issues directly related to the ICC, as well as have a major impact on possible United States participation in the ICC at some date in the future. Among other things, their legislation would prevent the U.S. from helping to prosecute war criminals before the ICC even on a case-by-case basis. Elie Wiesel has written that this legislation would erase America's Nuremberg legacy "by ensuring that the U.S. will never again join the community of nations to hold accountable those who commit war crimes and genocide. A vote for this legislation would signal U.S. acceptance of impunity for the world's worst atrocities."

That is why I am introducing "The American Citizens Protection and War Criminal Prosecution Act of 2001." The American Citizens Protection Act, today in the Senate to both protect America's Nuremberg legacy while at the same time safeguarding the rights of American citizens brought before foreign tribunals. My friend and House colleague, WILLIAM DELAHUNT of Massachusetts is also introducing a companion bill in the House today. Our bill calls for active U.S. diplomatic efforts to ensure that the ICC functions properly, mandates the assertion of U.S. jurisdiction over American citizens and bars the surrender of U.S. citizens to the ICC once the United States has acted. Unlike the American Servicemembers' Protection Act, however, The American Citizens Protection Act allows the United States to help prosecute war criminals and it does not effectively end U.S. participation in U.N. peacekeeping or authorize going to war to obtain the release of certain persons detained by the ICC.

I believe that the bill that has been introduced today in the House and Senate strikes the right balance between protecting our citizens and our men and women in the armed forces who may be traveling or deployed abroad, and preserving United States leadership and advocacy of universal adherence to principles of international justice and the rule of law. I hope that the Bush administration will review carefully provisions of this bill, because I believe taken together they address the administration's concerns about the Rome Statute without doing damage to our national interest or future foreign policy objectives. I look forward to working with Administration officials and with my colleagues on this important issue in the coming weeks.

By Mr. DURBIN (for himself and Mr. REED):

S. 1297. A bill to require comprehensive health insurance coverage for childhood immunization; to the Committee on Health, Education, Labor, and Pensions.

Mr. DURBIN. Madam President, I rise today to kick off National Immunization Awareness Month by introducing legislation to expand access to affordable childhood and adolescent immunizations. I am pleased that my colleague, Senator REED, joins me in this initiative.

Immunization against vaccine-preventable disease is perhaps the most powerful health care and public health achievement of the 20th Century. Remarkable advances in the science of vaccine development and widespread immunization efforts have led to a substantial reduction in the incidence of infectious disease. Today, vaccination coverage is at record high levels. Smallpox has been eradicated; polio has been eliminated from the Western Hemisphere; and measles, pertussis and Hib invasive disease have been reduced to record lows.

The bill I introduce today builds on these successes. "The Comprehensive Insurance Coverage of Childhood Immunization Act of 2001," ensures that all health plans cover the recommended childhood and adolescent immunizations. This improvement is simple, it is cost effective, and it is long overdue.

More than 3.6 million children currently insured in the private sector are not covered for the recommended immunizations. Millions more have partial insurance for some of the recommended vaccines, but not all. Even if private coverage is complete, cost-sharing may be a significant barrier for many families.

A number of reputable studies confirm these statistics. The Institute of Medicine found in its report of last year that "While most private health plans provide some form of immunization coverage, this coverage varies by type of plan, as well as by vaccine. Enrollment in a private plan does not guarantee that immunizations will be provided as a plan benefit." Results from a 1999 William M. Mercer/Partnership for Prevention survey of employer sponsored health plans found that about one of five employer-sponsored plans does not cover childhood immunizations, and out of four does not cover adolescent immunizations. And researchers at the George Washington University recently collected data on the immunization coverage policies of five health care companies, four national and one regional, that suggest significant variation by type of plan, as well as by vaccine.

The States have enacted some requirements to address these gaps in coverage, albeit limited. Only about 28 states have laws requiring that insurers cover childhood immunizations to some degree. Coverage standards vary considerably from state to state. And, as we know, employers that self-insure are generally exempt from state insurance regulation under the federal Employee Retirement Income Security Act. Approximately 50 million private-insured individuals are covered by self-insured plans.

These gaps are not insignificant. The private sector is a critical partner in vaccine delivery. Almost half, 45 percent, of all vaccine is delivered in the private sector. Certainly most health plans do provide some immunization coverage, but there is a just no reason why every child who has private insurance should not have access to such a basic, essential benefit. This is not only a flaw in our health system, it is simply illogical and irresponsible.

This is the 21st Century. We have long since learned how important immunizations are to the health of children and adolescents and to entire communities. At the beginning of the 20th century, infectious diseases were widely prevalent in the United States and exacted an enormous toll on the population. For example, in 1900, 21,064 smallpox cases were reported, and 894 patients died. In 1920, 469,924 measles cases were reported, and 7,575 patients died; 147,991 diphtheria cases were reported, and 13,170 patients died. In 1922, 107,473 pertussis cases were reported, and 5,099 patients died. Today these numbers are unheard of, and overall U.S. vaccination coverage is at record high levels.

But despite the dramatic declines in vaccine-preventable diseases, such diseases persist, particularly in developing countries but also in our own.

Just this past June, the Chicago Sun Times reported that a new study found "distressingly low" vaccination rates in a South Side Chicago neighborhood of Englewood. Twenty-six percent of children under the age of three have not been vaccinated for measles in this community. In 1999, the measles preschool vaccination rate for all of Chicago was 86 percent, down from 90 percent in 1996. In many pockets of the city, such as Englewood, rates are much lower than average. It was just a little over a decade ago that such low vaccination rates led to an epidemic of the highly contagious disease. In 1990 there were more than 4,200 cases of measles and 15 deaths in the Chicago area.

It is also important to keep in mind that an estimated 11,000 children are born each day in the United States. Every year, approximately 170,000 of these babies are born into families with private health insurance that does not cover immunizations. Each one of these children needs up to 20 doses of vaccine by age two to be protected against childhood diseases.

We must remain vigilant. Insuring universal age-appropriate vaccine coverage requires a strong and consistent partnership among State, local and Federal Governments, vaccine industry leaders, private and public health insurers and policymakers. From the beginning, immunization financing was explicitly structured to be a Federal/State/private-sector partnership. In 1955, under President Eisenhower, the Federal Government began Federal funding for immunization when he signed the Poliomyelitis Vaccination Assistance Act. This support was expanded in the 1960's under Kennedy when the Vaccination Assistance Act created the National Immunization Program at CDC. Over the years, Federal support for vaccine purchase and assistance to states for immunization activities has grown.

Today, Federal and State grants, the State Children's Health Insurance Program, the Vaccines for Children's Program and private-sector health plans and providers together provide a comprehensive approach to get our Nation's children immunized. This system is the result of a concerted effort to fill in the gaps in coverage. But the system must adapt to new science and new social conditions. Shifting finance patterns require all partners to adapt to minimize system instability. For example, last year, after the Institute of

Medicine reported that Federal funding has waned and that the public system was becoming increasingly unstable, Congress increased the appropriation for immunization infrastructure and vaccine purchase grants.

The public system cannot do it alone. Maintaining high immunization rates is a public health responsibility that must be shared by both the public and private sector. Most Americans rely on a system of insurance for their care. Most children today receive their immunization services from private-sector providers.

The National Vaccine Advisory Committee, the Institute of Medicine and the American Academy of Pediatrics have recommended that all health plans should offer first-dollar coverage for recommended childhood vaccines. The provisions of this bill have been supported by a broad coalition of groups for many years, including Every Child by Two, the Children's Defense Fund, the American Public Health Association and Partnership for Prevention. Yet still today, many health plans and insurers do not cover all immunizations fully as a covered benefit.

The Comprehensive Insurance Coverage of Childhood Immunization Act implements these long-standing recommendations by requiring all health plans—including groups, individual, and ERISA—cover all vaccines for children and adolescents that are recommended by the Advisory Committee on Immunization Practices. The Advisory Committee on Immunization Practices' recommendations are the standard of care. It is the Committee's Congressionally-mandated job to provide advice and guidance to the Secretary, the Assistant Secretary for Health, and the Centers for Disease Control and Prevention, CDC, on the most effective means to prevent vaccine-preventable diseases.

The Act also directs that health plans cover immunizations without a copayment or deductible. Out-of-pocket costs have been identified as a barrier to proper immunization. In 2001, the cost of fully immunizing one child is approximately $627, with almost half of that cost resulting from the newly-recommended pneumococcal conjugate vaccine series. New vaccines and new combination vaccines currently under development will significantly increase this cost in the future. The U.S. Task Force on Community Preventive Services found that reducing out-of-pocket costs can result in increases in vaccination coverage by improving availability of vaccines and increasing demand for vaccinations. More than a dozen studies have documented the effectiveness of reducing out-of-pocket costs and the resulting improvement in vaccination outcomes.

Another obvious barrier to appropriate immunization is the lack of private coverage itself. Studies have shown that providers are more likely to refer children with less private insurance coverage to other sites for vaccination, and referral practices are known to have an adverse effect on both the timing and the rate of immunization. Service utilization studies within public health clinics indicate that some low-income parents use public clinics because of the reduced cost, even though they might prefer to receive immunizations from regular private providers. This certainly places an unfair burden on parents who have to take their children to different sites for care. It makes it even harder for families to keep track of their children's complicated immunization schedule. And it may result in missed opportunities to immunize children who are lacking needed shots. Studies of the implementation of the Vaccines for Children Program have indicated that referrals to health departments decrease when free vaccines are provided to private providers, suggesting that both parents and providers take advantage of the free vaccines. The Comprehensive Insurance Coverage of Childhood Immunization Act will help parents avoid unnecessary referrals due to lack of coverage or financial barriers and retain their child's medical home.

This practice of referral to public clinics also shifts the cost of vaccinating children from the private sector to taxpayers. Through the Federal Vaccines for Children Program, children with health insurance that does not cover immunization may receive vaccines at a Federally Qualified Health Center or a Rural Health Clinic. Vaccines at these clinics are also supported by federal grants to states for vaccine purchase through the Federal discretionary National Immunization program. States also fund the purchase and distribution of vaccines. When the private sector fails—the public sector picks up the tab.

For this reason, the Congressional Budget Office found that this legislation will increase the budget surplus by $70 million dollars over five years and $150 million dollars over 10 years. This savings is somewhat offset by the reduction in Federal tax receipts, but still saves $20 million over five years and costs less than $35 million over 10 years. There is no doubt that the States would see similar savings. Many States contribute up to 30 percent of the public sector vaccine purchase bill. This means that State funds, like Federal funds, are picking up the tab for kids with private insurance. And the CBO found that the new requirement would have a negligible effect on health insurance premiums, increasing premium costs, if at all, by no more than 0.1 percent.

Private providers should find comprehensive childhood vaccination cost-effective as well. Immunizations are one of the rare health services that have been proven to save money. The Measles-Mumps Rubella, MMR, vaccine saves $10.30 in direct medical costs for every $1 dollar invested. The diphtheria and tetanus toxoids and pertussis DTP vaccine saves $8.50 for every $1 dollar spent. The Haemophilus influenzae type b (Hib) vaccine saves $1.40 per dollar. The Inactivated Polio Vaccine, IPV, saves $3.03 for every $1 dollar investment. These figure are all direct medical savings.

It is rare that we have policy decisions that are this easy to make. The Comprehensive Insurance Coverage of Childhood Immunization Act will help millions of working families afford the immunization they need to protect their children. It represents a shared responsibility that we all have to our communities. Like safe food and clean water, high immunization rates safeguard all of us. I urge my colleagues to support this legislation and to act promptly to pass it on behalf of American families.

By Mr. HARKIN (for himself, Mr. SPECTER, Mr. KENNEDY, Mr. BIDEN and Mrs. CLINTON):

S. 1298. A bill to amend title XIX of the Social Security Act to provide individuals with disabilities and older Americans with equal access to community-based attendant services and supports, and for other purposes; to the Committee on Finance.

Mr. HARKIN. Madam President, just a few days ago, the Nation celebrated the 11th anniversary of the Americans with Disabilities Act, ADA. When we passed the ADA, we told Americans with disabilities that the door to equal opportunity was finally open.

And the ADA has opened doors of opportunity, plenty of them. Americans with disabilities now expect to be treated as full citizens, with all the rights and responsibilities that entails. And they are participating in American life like never before in our Nation's history.

Indeed, eleven years after the passing of the ADA we have a lot to celebrate.

But we also have a lot of work to do. We need to make sure our Federal policies further the principle of independence for all that we agreed on eleven ago. For example, a few years ago Congress recognized that in order for people with disabilities to join the workforce, we would need to remove the disincentives to work embedded in our Medicaid and Social Security statutes. After passage of the Ticket to Work and Work Incentives bill, people with disabilities should no longer have to choose between going to work and receiving necessary health care services.

Today, Senator SPECTER and I introduce a bill that reflects another policy I am sure we can all agree on. In order to go work or live in their own homes, Americans with disabilities and older

Americans need access to community-based services and supports. Unfortunately, under current Federal Medicaid policy, the deck is stacked against community living. The purpose of our bill is to level the playing field and give eligible individuals equal access to community-based services and supports.

The Medicaid Community-Based Attendant Services and Supports Act does three things. First, the bill amends Title XIX of the Social Security Act to provide a new Medicaid plan benefit that would give individuals who are eligible for nursing home and ICF-MR services equal access to community-based attendant services and supports.

Second, for a limited time, States would have the opportunity to receive an enhanced match rate for community attendant services and supports and for certain administrative activities to help them reform their long term care systems.

Third, the bill provides State with financial assistance to support "real choice systems change initiatives" that include specific action steps for the provision of community-based long term community services and supports.

Finally, the bill establishes a demonstration project to evaluate service coordination and cost sharing approaches with respect to the provision of services and supports to daily eligible individuals with disabilities under the age of 65.

States are already out ahead of us here in Washington on this issue. Spending under the Medicaid home and community based waiver program has grown tenfold in the past ten years. Every State offers certain services under home and community based waivers. Almost 30 States are now providing the personal care optional benefit through their Medicaid programs. More than 2½ times more people are served in home and community-based settings than in institutional settings.

The States have realized that community based care is both popular and cost effective, and community-based attendant services and supports are a key component of a successful program.

However, despite this marked progress, home and community based services are unevenly distributed within and across States and only reach a small percentage of eligible individuals.

The numbers speak volumes. Only about 27 percent of long term care funds expended under Medicaid, and only about 9 percent of all funds expended under the program, pay for services and supports in home and community-based settings. That means that right low a large majority of Medicaid long term care funding is not being used to further independence. In fiscal year 2000, only 3 States spent 50 percent or more of their long term care funds under the Medicaid program on home and community-based care. And that means that individuals do not have equal access to community based care.

Of course, numbers only tell a part of the story. This bill is about real people in real communities. Take the example of a friend of mine in Iowa. Dan Piper works at a hardware store. He has his own apartment and just bought a VCR. He also has Down's syndrome and diabetes. For years Dan has received services through a community waiver program. But, last year, his community-based supports were threatened because he wasn't sure he'd be able to find a provider to deliver the optional waiver service. The result? He almost had to sacrifice his independence just to get services. Today, Dan works and contributes to the economy as both a wage earner and a consumer. But, tomorrow, he could be forced into a nursing home, far from his roommate, his job and his family. That's why our Federal policy must foster comprehensive and consistent access to community-based services and supports in the most integrated setting appropriate.

Federal Medicaid policy should reflect the consensus that Americans with disabilities should have the equal opportunity to contribute to our communities and participate in our society as full citizens. That means people should have access to certain types of services in the community so that they don't have to sacrifice their full participation in society simply because they need a catheter or help getting out of the house in the morning or assistance with medication, or some other basic service.

So, where do we begin? To start, States need time and money to reform their long term care systems. Last year, Senator SPECTER and I worked hard to fund the systems change grants included in Title II of MiCASSA through the Labor-HHS appropriations bill. We included $70 million in grant money to help States reform their long term care programs through systems change initiatives and nursing home transition.

I am very pleased that Secretary Thompson has supported the development and implementation of these grants and included them as part of the President's New Freedom Initiative for people with disabilities. As I understand it, all but two of the eligible States and territories have submitted application to HCFA. This is a great start. And it shows the need for a Federal commitment to this issue. Senator SPECTER and I will work with the Administration and others to ensure that another round of these grants will be available in FY 2002.

Over the past several months, we have also spent some time revising the bill we introduced last Congress. The new version of MiCASSA allows States to phase in the new Medicaid plan benefit over a period of 5 years and provides enhanced math dollars to encourage States to start their reforms as soon as possible. As anyone in the private business world well knows, in order to deliver a better service in a more efficient manner there has to be a strong initial investment. Our bill does just that. We also include a new program to help States pay for people with severe disabilities who are more expensive to serve in the community than the average eligible individual. And, we require a demonstration project to look at cost-sharing between dually Medicaid and Medicare recipients.

The rest of the bill looks a lot like last year. Community-based services and supports help people do tasks that they would do themselves, if they did not have a disability. Our bill would allow any person eligible for nursing home services to use the money for community attendant services and supports. Those services and supports include help with things like eating, bathing, grooming, toileting, and transferring in and out of a wheelchair.

Community-based services and supports are the lowest-cost and most consumer friendly services in the long-term care spectrum. They can be provided by a variety of people, including friends and neighbors of the recipient. In many instances, with supervision, the consumer can direct his or her own care and manage his or her own attendants. This cuts down on expensive administrative overhead and the current practice of relying on medical personnel such as nurses to coordinate a person's care. States can save money and redirect medically-oriented care to those who need it most.

Not only is home and community-based care what people want, it can also be far less expensive. There is a wide variation in the cost of supporting people with disabilities in the community because individuals have different levels of need. But, for the average person, the annual cost of home and community based services is less than one-half the average cost of institutional care.

And, I would be remiss not to mention the importance of quality services and supports. Wherever a person receives Medicaid services and supports, health and safety should be guaranteed. We should build a system that has strong quality controls. The bill includes the same quality protections as last year, but also emphasizes the importance of developing a strong and able workforce in the grants section.

As I said, States have made a great deal of progress in this area. But there is much more to do. The enthusiastic response to the systems change grants shows just how much States need help to reform their long term care systems to implement the principles of independence, community living, and economic opportunity. The Supreme Court found that, to the extent Medicaid dollars are used to pay for a person's long term care, that person has a right to receive those services in the most integrated setting appropriate. We in Congress have a responsibility to help States meet their obligations under Olmstead. It's up to the Federal Government to provide national leadership and adequate resources.

Community-based attendant services and supports allow people with disabilities to lead independent lives, have jobs, and participate in the community. Some will become taxpayers, some will do volunteer work, some will get an education, some will participate in recreational and other community activities. All will experience a better quality of life, and a better chance to take part in the American dream.

I urge my colleagues and their staff to study our proposal over the break. I hope there will be hearings and action on this bill in the next year.

This bill will open the door to full participation by people with disabilities in our workplaces, our economy, and our American Dream, and I urge all my colleagues to support us on this issue. I thank the cosponsors of this bill. Senator KENNEDY and Senator SPECTER have been leaders on disability issues for a long time. And I also thank Senator CLINTON and Senator BIDEN for joining me on this very important issue.

By Mr. DOMENICI (for himself, Mrs. CLINTON, Mr. REID, Mrs. BOXER, Ms. MIKULSKI, Mr. BINGAMAN, and Mrs. HUTCHISON):

S. 1299. A bill to amend the Safe Drinking Water Act to establish a program to provide assistance to small communities for use in carrying out projects and activities necessary to achieve or maintain compliance with drinking water standards; to the Committee on Environment and Public Works.

Mr. DOMENICI. Madam President, I stand before you today to introduce a piece of legislation that will help move many States forward toward compliance with the arsenic drinking water standards the EPA Administrator intends to finalize in February. It has been said that "a government must not waiver once it has chosen its course. It must not look to the left or to the right, but instead must go forward." This is the situation we find ourselves in today, our government has chosen a course and now we have no choice but to move forward.

My bill, the Community Drinking Water Assistance Act, authorizes $1.9 billion dollars to be made directly available to local communities and Tribes through the EPA. EPA would award grants to communities and Tribes needing assistance for projects, activities, technical assistance, or for training and certifying system operators. The criteria for awarding grants would be directly based on financial need and per capita costs of complying with the drinking water standards.

A new arsenic standard was promulgated in the waning hours of the Clinton Administration. While I do not fault the Bush administration for what they inherited, I must admit that I was disappointed when Administrator Whitman set a maximum standard without further scientific basis. It seemed illogical for Ms. Whitman to announce that the National Academy of Sciences would further review the health effects associated with arsenic, while simultaneously placing herself in a box that would set the maximum standard at 20 parts per billion. It would have been more logical to have waited for the studies to be completed before announcing what the standard would or would not be.

The course has been set and I would just like to take a moment to highlight what this course will mean for New Mexicans. First and foremost, Arsenic is naturally occurring in New Mexico. In fact, New Mexico has some of the highest levels of arsenic in the Nation, yet has a lower than average incidence of the diseases associated with arsenic. Nonetheless, for all systems in New Mexico to be in compliance with a standard of 20 parts per billion, we are looking at a minimum price tag of $127 million. What this means to small community water users is more staggering. The average cost to water users, in small systems serving less than 1,000 people, is $57.46, and this is for a standard of 20 parts per billion! The numbers are even more staggering for a 10 part per billion standard.

The New Mexico Environment Department estimates that if the standard is set at 10 parts per billion, approximately 25 percent of New Mexico's water systems will be affected. The price tag for compliance could fall between $400 million and $500 million in initial capital expenditures. Annual operating costs will easily fall anywhere between $16 and $21 million. Additionally, large water system users will see an average monthly water bill increase between $38 and $42 and small system users will see an average water bill increase of $91.

The costs of complying with either of these standards could well put small rural systems out of business, which is the exact opposite of what we should be trying to accomplish, providing a safe and reliable supply of drinking water to rural America. Many New Mexicans cannot afford a minimum $57.46 rate increase in their monthly water bill.

We live in a society that is dedicated to the removal of risk. Generally, when we get unintended consequences associated with risk averse decisions, the government stands ready with band-aids in every size. We still do not have a sound scientific basis suggesting what the actual arsenic standard should be. Therefore, to be "on the safe side" and remove risk, the government has chosen to set an arbitrary standard that will increase costs to water users, particularly in the West, by extreme proportions. Therefore, I do not assume that it is unfair to also ask that the government put itself in a position to offer financial assistance to these communities so that they can make the necessary repairs in their water systems to comply with this law. This is the only way to move forward on the course that has been set.

Mrs. CLINTON. Will the Senator yield? I would be honored to be an original cosponsor of that legislation.

Mr. DOMENICI. I ask unanimous consent Senator CLINTON and Senator REID be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. And Senator BOXER.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. See all this great bipartisanship.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1299

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Community Drinking Water Assistance Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) drinking water standards proposed and in effect as of the date of enactment of this Act will place a large financial burden on many public water systems, especially those public water systems in rural communities serving small populations;

(2) the limited scientific, technical, and professional resources available in small communities complicate the implementation of regulatory requirements;

(3) small communities often cannot afford to meet water quality standards because of the expenses associated with upgrading public water systems and training personnel to operate and maintain the public water systems;

(4) small communities do not have a tax base for dealing with the costs of upgrading their public water systems;

(5) small communities face high per capita costs in improving drinking water quality;

(6) small communities would greatly benefit from a grant program designed to provide funding for water quality projects;

(7) as of the date of enactment of this Act, there is no Federal program in effect that adequately meets the needs of small, primarily rural communities with respect to public water systems; and

(8) since new, more protective arsenic drinking water standards proposed by the Clinton and Bush administrations, respectively, are expected to be implemented in

2006, the grant program established by the amendment made by this Act should be implemented in a manner that ensures that the implementation of those new standards is not delayed.

SEC. 3. ASSISTANCE FOR SMALL PUBLIC WATER SYSTEMS.

(a) Definition of Indian Tribe.—Section 1401(14) of the Safe Drinking Water Act (42 U.S.C. 300f(14)) is amended in the second sentence by striking “1452,” and inserting “1452 and part G,”.

(b) Establishment of Program.—The Safe Drinking Water Act (42 U.S.C. 300f et seq.) is amended by adding at the end the following:

“PART G—ASSISTANCE FOR SMALL PUBLIC WATER SYSTEMS

“SEC. 1471. DEFINITIONS.

“In this part:

“(1) Eligible activity.—

“(A) In general.—The term ‘eligible activity’ means a project or activity concerning a small public water system that is carried out by an eligible entity to comply with drinking water standards.

“(B) Inclusions.—The term ‘eligible activity’ includes—

“(i) obtaining technical assistance; and

“(ii) training and certifying operators of small public water systems.

“(C) Exclusion.—The term ‘eligible activity’ does not include any project or activity to increase the population served by a small public water system, except to the extent that the Administrator determines such a project or activity to be necessary to—

“(i) achieve compliance with a national primary drinking water regulation; and

“(ii) provide a water supply to a population that, as of the date of enactment of this part, is not served by a safe public water system.

“(2) Eligible entity.—The term ‘eligible entity’ means a small public water system that—

“(A) is located in a State or an area governed by an Indian Tribe; and

“(B)(i) if located in a State, serves a community that, under affordability criteria established by the State under section 1452(d)(3), is determined by the State to be—

“(I) a disadvantaged community; or

“(II) a community that may become a disadvantaged community as a result of carrying out an eligible activity; or

“(ii) if located in an area governed by an Indian Tribe, serves a community that is determined by the Administrator, under affordability criteria published by the Administrator under section 1452(d)(3) and in consultation with the Secretary, to be—

“(I) a disadvantaged community; or

“(II) a community that the Administrator expects to become a disadvantaged community as a result of carrying out an eligible activity.

“(3) Program.—The term ‘Program’ means the small public water assistance program established under section 1472(a).

“(4) Secretary.—The term ‘Secretary’ means the Secretary of Health and Human Services, acting through the Director of the Indian Health Service.

“(5) Small public water system.—The term ‘small public water system’ means a public water system (including a community water system and a noncommunity water system) that serves—

“(A) a community having a population of not more than 200,000; or

“(B) the city of Albuquerque, New Mexico.

“SEC. 1472. SMALL PUBLIC WATER SYSTEM ASSISTANCE PROGRAM.

“(a) Establishment.—

“(1) In general.—Not later than 1 year after the date of enactment of this part, the Administrator shall establish a program to provide grants to eligible entities for use in carrying out projects and activities to comply with drinking water standards.

“(2) Priority.—The Administrator shall award grants under the Program to eligible entities based on—

“(A) first, the financial need of the community for the grant assistance, as determined by the Administrator; and

“(B) second, with respect to the community in which the eligible entity is located, the per capita cost of complying with drinking water standards, as determined by the Administrator.

“(b) Application Process.—

“(1) In general.—An eligible entity that seeks to receive a grant under the Program shall submit to the Administrator, on such form as the Administrator shall prescribe (not to exceed 3 pages in length), an application to receive the grant.

“(2) Components.—The application shall include—

“(A) a description of the eligible activities for which the grant is needed;

“(B) a description of the efforts made by the eligible entity, as of the date of submission of the application, to comply with drinking water standards; and

“(C) any other information required to be included by the Administrator.

“(3) Review and approval of applications.—

“(A) In general.—On receipt of an application under paragraph (1), the Administrator shall forward the application to the Council.

“(B) Approval or disapproval.—Not later than 90 days after receiving the recommendations of the Council under subsection (e) concerning an application, after taking into consideration the recommendations, the Administrator shall—

“(i) approve the application and award a grant to the applicant; or

“(ii) disapprove the application.

“(C) Resubmission.—If the Administrator disapproves an application under subparagraph (B)(ii), the Administrator shall—

“(i) inform the applicant in writing of the disapproval (including the reasons for the disapproval); and

“(ii) provide to the applicant a deadline by which the applicant may revise and resubmit the application.

“(c) Cost Sharing.—

“(1) In general.—Except as provided in paragraph (2), the Federal share of the cost of carrying out an eligible activity using funds from a grant provided under the Program shall not exceed 90 percent.

“(2) Waiver.—The Administrator may waive the requirement to pay the non-Federal share of the cost of carrying out an eligible activity using funds from a grant provided under the Program if the Administrator determines that an eligible entity is unable to pay, or would experience significant financial hardship if required to pay, the non-Federal share.

(d) Enforcement and Implementation of Standards.—

(1) In general.—Subject to paragraph (2), the Administrator shall not enforce any standard for drinking water under this Act (including a regulation promulgated under this Act) against an eligible entity during the period beginning on the date on which the eligible entity submits an application for a grant under the Program and ending, as applicable, on——

(A) the deadline specified in subsection (b)(3)(C)(ii), if the application is disapproved and not resubmitted; or

(B) the date that is 3 years after the date on which the eligible entity receives a grant under this part, if the application is approved.

(2) Arsenic standards.—No standard for arsenic in drinking water promulgated under this Act (including a standard in any regulation promulgated before the date of enactment of this part) shall be implemented or enforced by the Administrator in any State until the earlier of January 1, 2006 or such date as the Administrator certifies to Congress that——

(A) the Program has been implemented in the state; and

(B) the State has made substantial progress, as determined by the Administrator in consultation with the Governor of the State, in complying with drinking water standards under this Act.

(e) Role of Council.—The Council shall——

(1) review applications for grants from eligible entities received by the Administrator under subsection (b); and

(2) for each application, recommend to the Administrator whether the application should be approved or disapproved.

SEC. 1473. AUTHORIZATION OF APPROPRIATIONS.

“There is authorized to be appropriated to carry out this part $1,900,000,000 for the period of fiscal years 2001 through 2006.”

By Mr. BOND:

S. 1301. A bill to amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children; to the Committee on Health, Education, Labor, and Pensions.

Mr. BOND. Madam President, I rise today to introduce a bill I call the “Better Medicine for Children Act.”

This legislation deals with a problem that pediatricians have been confronted with for years, while doctors have a huge variety and choice of medicines to prescribe for different medical conditions, they don't always have enough specific information on how well these drugs work in children.

The Food and Drug Administration tells us that for about 70 to 80 percent of all drugs on the market, we do not have sufficient pediatric information. The FDA has identified more than 400 drugs which are used in children for whom we need more data.

Without pediatric testing for a specific drug, we may now know the proper dose to give to children of different ages or sizes. Without testing, we may not know if the drug is as effective as it is in adults, or even if it works in children at all. Almost all health care practitioners have faced difficult issues because of this scarcity of pediatric drug information.

I want to share a story I have been told that points out exactly how important this pediatric information can be. This real story involves an 18-month-old little boy who was in an intensive care unit following some serious surgery. He was under sedation from a drug known as propofol. At that time, we did not have much specific information on how this drug affected children, but some doctors prescribed the drug for children anyway because they honestly thought it was the best option. For this infant, it clearly was not, because of an adverse reaction to the drug, that baby developed acidosis and had a heart rhythm disturbance, causing a truly life-threatening incident. Fortunately, this little boy did recover. But this was by no means a sure thing.

Back in 1997, Congress decided to deal with this problem. We passed a law that gave pharmaceutical companies a strong incentive to do more pediatric testing so we can get this crucial information. If the company agreed to perform needed pediatric studies on a drug, and did the study exactly as requested by the Food and Drug Administration, the company would get a six-month extension on that drug's patent.

The results have been amazing. Hundreds of pediatric drug studies are underway and are producing huge amounts of new drug information for kids.

One example of new information is the drug propofol, the very drug I mentioned earlier that caused a serious problem for the 18-month-old boy in the ICU. What they found in extensive pediatric studies done on propofol as a result of the new incentive is that the drug is more dangerous than other alternatives that could be used to sedate pediatric ICU patients.

So because of this testing, propofol would not be used in the same situation today. And that little boy wouldn't have had a life-threatening incident.

So if this incentive exists, and all of this new pediatric testing is being done, what's the problem?

Well, there are actually at least three problems. My legislation will deal with each of them.

First, the incentives expire at the end of this year. My "Better Medicine for Children Act" will extend this important and successful program for five more years.

Second, because the incentive used to encourage pediatric testing is an extended patent life, there's actually no incentive to do pediatric studies in drugs whose patent or patents have already expired. My legislation will authorize $200 million in funding so that tests can be performed on these off-patent drugs. The need here is great, of the 400-plus drugs the FDA has singled out for further pediatric study, more than one-third are off-patent.

With regard to these first two pieces of my bill, I should note my debt to legislation introduced by Senators DODD and DEWINE, from which I have based some of my bill. Senators DODD and DEWINE were the original authors of this critical legislation back in 1997. They had a good idea and a good bill then, and they have a good idea and good legislation now. In fact, as a cosponsor of their bill I am pleased to report that the Dodd-DeWine bill was approved earlier today by the Senate HELP Committee.

But my legislation goes beyond other approaches and has a new and unique provision which is not in the Dodd-DeWine bill, and which addresses a third critical problem. This problem is that the new wave of pediatric testing has actually given us relatively little information about how pharmaceuticals affect the youngest children, particularly neonates. This is true because neonates aren't usually included in initial pediatric drug studies for medical or ethical reasons.

You would think that as we are talking about legislation to help "children" or "kids," that would be helping all children. This certainly should be our expectation, but it is not the case. Unfortunately, the huge success this legislation has had in a broad sense masks the fact that the law doesn't help neonates, those babies less than one month old, and other younger children nearly as much.

An excerpt from testimony the American Academy of Pediatrics provided in a HELP Committee hearing last March puts it simply: ". . . this population", and here they are talking about neonates, "has not benefitted significantly from the pediatric studies provision . . ."

Why is this the case? At times, I believe the FDA actually may not have asked for enough information in neonates or younger age groups—in other words, the agency may have just gotten lazy. That problem should be correctable, and in fact it is addressed by the Dodd-DeWine bill. The Dodd-DeWine legislation tries to make sure the FDA always asks for studies in neonates when it is appropriate to do so.

But as important as that step is, I don't believe it is enough. Because there are other reasons, beyond simply FDA not asking, why neonates cannot, at times, be included in initial pediatric studies.

There may be scientific reasons why the FDA may not always be able to ask for neonate studies. For example, as part of a drug test you may need to take regular blood samples from a test subject.

But a neonate only has so much blood, and at some point, too many blood tests could actually create a health problem. However, at some time in the future, the technology may well be developed enough to enable us to do this testing with smaller amounts of blood.

At other times, the FDA may not request studies that include the youngest children because of ethical concerns. If we are lacking information that gives us some clue how a neonate might react to a particular drug, perhaps drug information in a nearby age-group, for example, it may actually be dangerous to test a drug in young children. In a report released January that evaluated the entire pediatric incentive provision, the FDA uses the example of neurotropic drugs as ones we may not want to test in the youngest children without more information. But once this other information is developed, these studies may be possible.

The end result of all this is that we simply do not perform drug tests in the youngest kids as much. And because of that, we simply don't get as much useful information for younger children that can be put on a drug's label.

The drug I discussed earlier today, propofol, is a great example. I spoke about an 18-month-old little boy who, several years ago, had a serious problem when given the drug propofol. Today, a similar 18-month-old boy would not be given propofol under the same circumstances because of what we have learned from the pediatric studies performed in the interim. But propofol is a example of a drug that has now been tested in some children, about which we have learned some very important things, but has not yet been fully tested in the youngest children. Propofol is nonetheless used in younger children, even in neonates, but it has only been labeled far enough to include 2-month-olds.

Now, will these companies go back and actually do the studies in the younger kids? Almost certainly not.

Under current law, you only get one incentive period, one bite at the apple. That's it. If the last few decades have taught us anything, it is that pediatric studies just do not get done unless there is an economic incentive. Yet with the pediatric incentive already used for these drugs, the younger kids are out of luck.

What makes it worse for these younger kids is that there is almost no commercial incentive to study drugs in these age-groups. The raw size of this young population is so small, obviously even smaller than the population of children as a whole, that there is hardly ever sufficient market incentive for a drug company to perform the studies needed to help the youngest children.

Again, the FDA reports says it well: "Once pediatric exclusivity is granted for studies in older pediatric age groups, section 505A does not provide an adequate incentive to conduct later studies in the younger age groups . . . This has left some age groups, especially neonates, unstudied, even where the need for the drug in those age groups is great."

Children this young are almost certainly facing less-than-optimal health care outcomes—and perhaps even health risks—because they are still being prescribed propofol and similar drugs that haven't been tested in their age group. Of course, we may never know for sure what's happening with some of these drugs. Because, unless we find a way to produce a study in this age group, we will never know for sure how this drug works for the youngest children.

My legislation contains a provision that—in limited circumstances—would provide drug companies with a second patent extension to serve as an incentive to study drugs in the youngest groups of children. I believe this could serve as the incentive to make sure these younger children share fully in the positive results of this legislation.

However, understanding the various concerns about possible abuse of a second incentive, increased prices, and high profits, my second incentive is carefully limited.

First, the patent extension that serves as the incentive to perform studies in neonates and other young children is three months rather than six. While neonates and infants are extremely important age groups, it is an inescapable fact that there simply aren't as many of these young children running around as there are kids in general. Given this, and the legitimate concerns about marginally raising drug prices by keeping generic drugs off the market longer, I believe that limiting the neonatal incentive to three months is reasonable.

Second, unlike the existing pediatric incentives, my proposed second incentive period would not be available to drugs going through the FDA approval process. If a drug company is doing pediatric studies prior to a drug's approval, it should be able to plan a sequential set of studies as part of the first set of pediatric tests.

Finally, the possibility of a second incentive period is restricted to drugs that fit one of two categories. First, drugs which cannot initially be studied in neonates or other young children because it is necessary to pursue sequential studies for scientific, medical, or ethical reasons. Second, drugs for which new uses have been discovered and for which drug studies in young children were not originally expected to be useful could qualify for a second incentive period.

Given these limits, my expectation is that the majority of drugs would not qualify for a second patent extension if my legislation were to pass. A significant enough amount to make a difference in young children's lives, yes. Enough to produce a tidal wave of additional patent extensions, no.

The FDA, from their January report, actually recommended that Congress consider the general idea I am talking about: "When there is a need to proceed in a sequential manner for the development of pediatric information, FDA should have the option of issuing a second Written Request for the conduct of studies in the relevant younger age group(s). For this option to be meaningful, the second Written Request, after receiving the studies to an initial Written Request and pediatric exclusivity awarded, would be linked with a meaningful incentive to sponsors."

Before 1997, we had a serious lack of information for children generally, so we provided an incentive to study drugs in children. We now have a lack of information for the youngest children, why not approve a second patent extension period to provide a new incentive for this age group? To me, this simply makes sense.

Separately, my bill also contains some provisions to improve the government, institutional, and human infrastructure needed to support pediatric drug testing. This includes a Dodd-DeWine provision to create a new Office of Pediatric Therapeutics within the Food and Drug Administration to monitor and facilitate the new pediatric drug testing. Furthermore, my bill will direct the National Institutes of Health to use programs that support young pediatric researchers to ensure there is an adequate supply of pediatric pharmacology experts to support the revolution in pediatric drug research.

Finally, this bill modifies some specific language in the Dodd-DeWine legislation to ensure that the $200 million fund designed to study drugs that have lost all patent life, and thus are not helped by the patent extension incentives—truly focuses on the highest-priority drugs.

Even with limited information, we have good medicine for children right now. But with more studies and information, we can, and must, produce better medicine for children.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 145—RECOGNIZING THE 4,500,000 IMMIGRANTS HELPED BY THE HEBREW IMMIGRANT AID SOCIETY

Mr. KENNEDY (for himself and Mr. BROWNBACK) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 145

Whereas the United States has always been a country of immigrants and was built on the hard work and dedication of generations of those immigrants who have gathered on our shores;

Whereas, over the past 120 years, more than 4,500,000 migrants of all faiths have immigrated to the United States, Israel, and other safe havens around the world through the aid of the Hebrew Immigrant Aid Society (referred to in this resolution as 'HIAS'), the oldest international migration and refugee resettlement agency in the United States;

Whereas, since the 1970s, more than 400,000 refugees from more than 50 countries who have fled areas of conflict and instability, danger and persecution, have resettled in the United States with the high quality assistance of HIAS;

Whereas outstanding individuals such as former Secretary of State Henry Kissinger, artist Marc Chagall, Olympic gold-medalist Lenny Krayzelberg, poet and Nobel Laureate Joseph Brodsky, and author and restaurateur George Lang have been assisted by HIAS;

Whereas these immigrants and refugees have been provided with information, counseling, legal assistance, and other services, including outreach programs for the Russian-speaking immigrant community, with the assistance of HIAS; and

Whereas on September 9, 2001, HIAS will celebrate the 120th anniversary of its founding: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the contributions of the 4,500,000 immigrants and refugees served by HIAS to the United States and democracies throughout the world in the arts, sciences, government, and in other areas; and

(2) requests that the President issue a proclamation—

(A) recognizing September 9, 2001, as the 120th anniversary of the founding of the Hebrew Immigrant Aid Society; and

(B) calling on the people of the United States to conduct appropriate ceremonies, activities, and programs to demonstrate appreciation for the contributions made by the millions of immigrants and refugees served by HIAS.

SENATE RESOLUTION 146—DESIGNATING AUGUST 4, 2001, AS "LOUIS ARMSTRONG DAY"

Mr. HATCH (for himself, Mr. SCHUMER, Mr. LIEBERMAN, and Mr. BREAUX) submitted the following resolution; which was referred to the Committee on the Judiciary.

Mr. HATCH. Mr. President, as we prepare to go into our August recess, I suggest we go out on a good note: I am today introducing a resolution designating this Saturday, August 4, 2001 as "Louis Armstrong Day."

Louis Armstrong always said he was born on the Fourth of July, 1900. Friends and fans alike accepted this without question. It was, after all, a perfect birthday for an American musical legend; it was a perfect day for a man who created a music that was, in my opinion, thoroughly American.

But then, years after that great jazzman's death in New York City in 1971, a researcher discovered Louis Armstrong's baptismal certificate, the standard notice of birth in New Orleans, that showed that Louis Armstrong actually was born on August 4, 1901. That means, that this Saturday is the centennial of the birth of one of America's greatest artistic icons.

All across the country this week and this summer there have been Louis Armstrong celebrations. Generations of Americans, of all races and backgrounds and from all walks of life, have loved and continue to love the music of Louis Armstrong, and I am happy to consider myself one of his millions of fans. Louis Armstrong's art is deep from the roots of America's musical traditions, at the same time as being one of the most innovative styles in the history of music. In my opinion, his music is transcendent, brilliant and, above all, joyful.

Music encompasses many mysteries, and, like art in general, one of those mysteries is how joy can be created in circumstances that are less than joyful. Louis Armstrong was born very poor, in New Orleans in 1901. The man who would be honored by presidents and kings around the world scrounged in garbage cans for food when he was a youth. He was an African-American whose life spanned the 20th century, with all of its degradations, discriminations and poverty that so many African-Americans suffered. It is always inexcusable that such circumstances could exist and do still exist in American society. It is nothing short of inspirational when human dignity survives these circumstances and transcends them. That was the life of Louis Armstrong.

It was an American life. I would like to quote the social and music critic Stanley Crouch, who wrote earlier this month in the New York Daily News:

> As an improviser who worked in the collective context of the jazz band, Armstrong represented the freedom of the individual to make decisions that enhance the collective effort, which is the democratic ideal.
>
> Our country is built on the belief that we can be free and empathetic enough for both the individual and the mass to make decisions that improve our circumstances. Just as the improvising jazz musician can dramatically reinterpret a song he or she once recorded another way, we Americans revisit issues and remake our policies when we think we can improve on our previous interpretations.
>
> So when Armstrong revolutionized American music in the 1920s, he was giving our political system a sound that transcended politics, color, sex, region, religion and class. Instrumentalists, singers, composers and dancers all understood that there was something in what Armstrong did with the music that could apply to them. Like the Wright Brothers, he opened up the sky, and anybody who developed the skill to fly was welcome to take the risk of leaving the safety of the ground.
>
> The propulsion Armstrong used to lift the music became known as swing. It was a particularly American lilt in the rhythm. That lilt had no precedent in all world music. It was a new way of phrasing the endless potential for individual interpretation. One could call it the sound of the pursuit of happiness. That is why it was so charismatic and why it influenced so many, in and out of jazz—from Duke Ellington to Bing Crosby to Charlie Parker to Elvis Presley to Wynton Marsalis.

Mr. President, Stanley Crouch says it better than I ever could: "One could call it the sound of the pursuit of happiness."

In recent years, some have viewed Louis Armstrong from a fairly simplistic perspective. Some suggested he was too acquiescent to racism, a charge many of his fans find unwarranted. He was famous for criticizing President Eisenhower for his delays in desegregating the schools of Little Rock, Arkansas, in the 1950s. Hundreds of hours of audiotaped recordings of conversations of Louis Armstrong have recently been opened at the Louis Armstrong Archives at Queens College in Flushing, New York, and researchers who have heard them indicate that Louis Armstrong was indignant and enraged at the shame of racism in this country.

Others suggest that his music was also simplistic, referring to songs titled "Jeepers, Creepers," "Gone Fishin'," "When You're Smiling," "That Lucky Old Sun," "Rockin' Chair," did not have the sophistication of serious music. Those critics, just aren't listening, in my opinion. They don't hear a trumpet sound that was honed over decades and has not been replicated. They don't hear a voice tempered by years of performance and musically tuned and timed to perfection.

I am certainly not a serious music critic. I'll just quote Louis Armstrong, when he was asked what kind of music he listened to: "There are two kinds of music," he said. "Good music and bad music—I listen to the good music!" I agree with Louis Armstrong!

As most of my colleagues know, I also grew up in modest circumstances. But in addition to love, support and faith my parents gave me, which could not have a price put on them, they gave me something else intangible: A love of music. When we were young, my parents scraped together money for piano lessons for my siblings and me, and later even for violin lessons. As you can see, I became a Senator!

My parents also sacrificed to save what was then a phenomenal sum: $18.75 for a student season pass in the cheap seats for the Pittsburgh Symphony Orchestra. I went to every concert I could, and it was there that I first learned of the uplifting experience of music, an appreciation I am grateful to have had all of my life.

Louis Armstrong's music uplifted people. Is it no coincidence that his music was adored on the other side of the Iron Curtain? That millions around the world, on all continents, would flock to hear him on his tours? No, that is no coincidence. That is the power of music in general, and the genius of Louis Armstrong in particular.

Louis Armstrong's music remains loved today by millions around the world, and I think virtually every jazz performer has credited Louis Armstrong for some level of inspiration. One of America's greatest contemporary jazz trumpeters, Mr. Wynton Marsalis, was quoted in last Sunday's Deseret News saying that Louis Armstrong "is the one who taught all of us how to play. He taught the whole world about jazz."

My resolution today, which I am pleased to have co-sponsored by Senators SCHUMER, BREAUX and LIEBERMAN, recognizes the brilliance of this great American's artistic contribution. This Saturday, on the occasion of the centennial of his birth, I hope we all have a moment to pause in joy and gratitude for the uplifting experience of Louis Armstrong's music. I know that, for me, when I think of the life and work of Louis Armstrong, I say to myself: What a Wonderful World.

S. RES. 146

Whereas Louis Armstrong's artistic contribution as an instrumentalist, vocalist, arranger, and bandleader is one of the most significant contributions in 20th century American music;

Whereas Louis Armstrong's thousands of performances and hundreds of recordings created a permanent body of musical work defining American music in the 20th century, from which musicians continue to draw inspiration;

Whereas Louis Armstrong and his bandmates served as international ambassadors of goodwill for the United States, entertaining and uplifting millions of people of all races around the world;

Whereas Louis Armstrong is one of the most well-known, respected, and beloved African-Americans of the 20th century;

Whereas Louis Armstrong was born to a poor family in New Orleans on August 4, 1901 and died in New York City on July 6, 1971 having been feted by kings and presidents throughout the world as one of our Nation's greatest musicians; and

Whereas August 4, 2001 is the centennial of Louis Armstrong's birth: Now, therefore, be it

Resolved, That the Senate—

(1) designates August 4, 2001, as "Louis Armstrong Day"; and

(2) requests that the President issue a proclamation calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

AMENDMENTS SUBMITTED AND PROPOSED

SA 1213. Mrs. MURRAY (for herself and Mr. SHELBY) proposed an amendment to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

SA 1214. Ms. MIKULSKI (for herself and Mr. BOND) proposed an amendment to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

SA 1215. Mr. REID (for himself and Mr. ENSIGN) submitted an amendment intended to be proposed by him to the bill H.R. 2620, supra; which was ordered to lie on the table.

SA 1216. Mr. REID submitted an amendment intended to be proposed by him to the bill H.R. 2620, supra; which was ordered to lie on the table.

SA 1217. Ms. MIKULSKI (for herself and Mr. BOND) proposed an amendment to amendment SA 1214 proposed by Ms. MIKULSKI to the bill (H.R. 2620) supra.

SA 1218. Mr. WELLSTONE proposed an amendment to amendment SA 1214 proposed by Ms. MIKULSKI to the bill (H.R. 2620) supra.

SA 1219. Mrs. BOXER proposed an amendment to amendment SA 1214 proposed by Ms. MIKULSKI to the bill (H.R. 2620) supra.

SA 1220. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill H.R. 2620, supra; which was ordered to lie on the table.

SA 1221. Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill H.R. 2620, supra; which was ordered to lie on the table.

SA 1222. Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill H.R. 2620, supra; which was ordered to lie on the table.

SA 1223. Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill H.R. 2620, supra; which was ordered to lie on the table.

SA 1224. Mr. LOTT submitted an amendment intended to be proposed by him to the bill H.R. 2620, supra; which was ordered to lie on the table.

SA 1225. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill H.R. 2620, supra; which was ordered to lie on the table.

SA 1226. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill H.R. 2620, supra; which was ordered to lie on the table.

SA 1227. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 2620, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 1213. Mrs. MURRAY (for herself and Mr. SHELBY) proposed an amendment to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; as follows:

On page 81, between lines 13 and 14, insert the following:

SEC. 3 . SAFETY BELT USE LAW REQUIREMENTS.

Section 355(a) of the National Highway System Designation Act of 1995 (109 Stat. 624) is amended by striking "has achieved" and all that follows and inserting the following: "has achieved a safety belt use rate of not less than 50 percent.".

On Page 39, Line 5, strike "$16,000,000" and insert "$13,000,000".

At the appropriate place, insert "$3,000,000 for Philadelphia, Pennsylvania, Cross County metro project".

On page 81, between lines 13 and 14, insert the following:

SEC. 3 . STUDY OF MISSISSIPPI RIVER BRIDGE IN MEMPHIS, TENNESSEE.

Not later than 180 days after the date of enactment of this Act, the Secretary of Transportation shall conduct a study and submit to Congress a report on the costs and benefits of constructing a third bridge across the Mississippi River in the Memphis, Tennessee, metropolitan area.

On page 55, line 2, insert after "access," the following: "preserving and utilizing existing Chicago-area reliever and general aviation airports,".

At the end of title III, add the following:

SEC. 350. (a) Congress makes the following findings:

(1) Section 345 of the National Highway System Designation Act of 1995 authorizes limited relief to drivers of certain types of commercial motor vehicles from certain restrictions on maximum driving time and on-duty time.

(2) Subsection (c) of that section requires the Secretary of Transportation to determine by rulemaking proceedings that the exemptions granted are not in the public interest and adversely affect the safety of commercial motor vehicles.

(3) Subsection (d) of that section requires the Secretary of Transportation to monitor the safety performance of drivers of commercial motor vehicles who are subject to an exemption under section 345 and report to Congress prior to the rulemaking proceedings.

(b) It is the sense of Congress that the Secretary of Transportation should not take any action that would diminish or revoke any exemption in effect on the date of the enactment of this Act for drivers of vehicles under section 345 of the National Highway System Designation Act of 1995 (Public Law 104–59; 109 Stat. 613; 49 U.S.C. 31136 note) unless the requirements of subsections (c) and (d) of such section are satisfied.

On page 16, line 14, after "research;" insert the following: "$375,000 shall be available for a traffic project for Auburn University;".

SEC. . Section 41703 of Title 49, United States Code, is amended by adding at the end the following:

"(e) AIR CARGO VIA ALASKA.—For purposes of subsection (c) of this section, cargo taken on or off any aircraft at a place in Alaska in the course of transportation of that cargo by one or more air carriers or foreign air carriers in either direction between any place in the United States and a place not in the United States shall not be deemed to have broken its international journey, be taken on in, or be destined for Alaska."

SEC. . Point Retreat Light Station, including all property under lease as of June 1, 2000, is transferred to the Alaska Lighthouse Association.

At the appropriate place insert:

SEC. 3 . PRIORITY HIGHWAY PROJECTS, MINNESOTA.

In selecting projects to carry out using funds apportioned under section 110 of title 23, United States Code, the State of Minnesota shall give priority consideration to the following projects:

(1) The Southeast Main and Rail Relocation Project in Moorhead, Minnesota.

(2) Improving access to and from I–35 W at Lake Street in Minneapolis, Minnesota.

On page 31, line 2, insert after "amended", the following: ": *Provided further*, That notwithstanding section 3008 of Public Law 105–78, $3,350,000 of the funds to carry out 49 U.S.C. 5308 shall be transferred to and merged with funding provided for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities under 'Federal Transit Administration, Capital investment grants' ".

On page 33, line 12, insert after "$568,200,000", the following: "together with $3,350,000 transferred from 'Federal Transit Administration, Formula grants to allow the Secretary to make a grant of $350,000 to Alamede Contra Costa County Transit District, CA and a grant of $6,000,000 for Central Oklahoma Transit facilities' ".

On page 81, between lines 13 and 14, insert the following:

SEC. 3 . NOISE BARRIERS, GEORGIA.

Notwithstanding any other provision of law, the Secretary of Transportation shall approve the use of funds apportioned under paragraphs (1) and (3) of section 104(b) of title 23, United States Code, for construction of Type II noise barriers—

(1) at the locations identified in section 358 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (113 Stat. 1027); and

(2) on the west side of Interstate Route 285 from Henderson Mill Road to Chamblee Tucker Road in DeKalb County, Georgia.

Page 16, line 5, after "$316,521,000" insert ", of which $25,000,000 shall be available to the National Scenic Byways program, $500,000 shall be for the Kalispell, MT, Bypass Project, and the remainder"

Page 61, line 16, after $20,000,000, insert "of which $4,000,000 shall be only for the Charleston International Airport, SC parking facility project; $2,000,000 shall be only for the Caraway Overpass Project in Jonesboro, AR; $1,000,000 shall be only for the Moorhead, MN Southeast Main Rail relocation project; $1,500,000 shall be only for the Interstate Route 295 and Commercial Street connector in Portland, ME; and $500,000 shall be only for the Calais, ME Downeast Heritage Center, access, parking, and pedestrian improvements,"

At the appropriate place, insert the following:

SEC. . The Secretary is directed to give priority consideration to applications for airport improvement grants for the Addison Airport in Addison, Texas, Pearson Airpark in Vancouver, Washington, Mobile Regional Airport in Mobile, Alabama, Marks Airport in Mississippi, Madison Airport in Mississippi, and Birmingham International Airport in Birmingham, Alabama.

At the end of title III, add the following:

SEC. . Section 5117(b)(3) of the Transportation Equity Act for the 21st Century (Public Law 105–178; 112 Stat. 449; 23 U.S.C. 502 note) is amended —

(1) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (F), and (G), respectively;

(2) by inserting after subparagraph (B) the following new subparagraph (C):

"(C) FOLLOW-ON DEPLOYMENT.—(i) After an intelligent transportation infrastructure system deployed in an initial deployment area pursuant to a contract entered into under the program under this paragraph has received system acceptance, the original contract that was competitively awarded by the Department of Transportation for the deployment of the system in that area shall be extended to provide for the system to be deployed in the follow-on deployment areas under the contract, using the same asset ownership, maintenance, fixed price contract, and revenue sharing model, and the same competitively selected consortium leader, as were used for the deployment in that initial deployment area under the program.

"(ii) If any one of the follow-on deployment areas does not commit, by July 1, 2002, to participate in the deployment of the system under the contract, then, upon application by any of the other follow-on deployment areas that have committed by that date to participate in the deployment of the system, the Secretary shall supplement the funds made available for any of the follow-on deployment areas submitting the applications by using for that purpose the funds not used for deployment of the system in the nonparticipating area. Costs paid out of funds provided in such a supplementation shall not be counted for the purpose of the limitation on maximum cost set forth in subparagraph (B).";

(4) by inserting after subparagraph (D), as redesignated by paragraph (1), the following new subparagraph (E):

"(E) DEFINITIONS.—In this paragraph:

"(i) The term 'initial deployment area' means a metropolitan area referred to in the second sentence of subparagraph (A).

"(ii) The term 'follow-on deployment areas' means the metropolitan areas of Baltimore, Birmingham, Boston, Chicago, Cleveland, Dallas/Ft. Worth, Denver, Detroit, Houston, Indianapolis, Las Vegas, Los Angeles, Miami, New York/Northern New Jersey, Northern Kentucky/Cincinnati, Oklahoma City, Orlando, Philadelphia, Phoenix, Pittsburgh, Portland, Providence, Salt Lake, San Diego, San Francisco, St. Louis, Seattle, Tampa, and Washington, District of Columbia."; and

(5) in subparagraph (D), as redesignated by paragraph (1), by striking "subparagraph (D)" and inserting "subparagraph (F)".

SA 1214. Ms. MIKULSKI (for herself and Mr. BOND) proposed an amendment to the bill H.R. 2620, making appropriations for the Department of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; as follows:

Strike all after the enacting clause and insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFERS OF FUNDS)

For the payment of compensation benefits to or on behalf of veterans and a pilot program for disability examinations as authorized by law (38 U.S.C. 107, chapters 11, 13, 18, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of Article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540–543; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), $24,944,288,000, to remain available until expended: *Provided*, That not to exceed $17,940,000 of the amount appropriated shall be reimbursed to "General operating expenses" and "Medical care" for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the "Compensation and pensions" appropriation: *Provided further*, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical facilities revolving fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by 38 U.S.C. chapters 21, 30, 31, 34, 35, 36, 39, 51, 53, 55, and 61, $2,135,000,000, to remain available until expended: *Provided*, That expenses for rehabilitation program services and assistance which the Secretary is authorized to provide under section 3104(a) of title 38, United States Code, other than under subsection (a)(1), (2), (5) and (11) of that section, shall be charged to the account: *Provided further*, That funds shall be available to pay any court order, court award or any compromise settlement arising from litigation involving the vocational training program authorized by section 18 of Public Law 98–77, as amended.

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by 38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487, $26,200,000, to remain available until expended.

VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by 38 U.S.C. chapter 37, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That during fiscal year 2002, within the resources available, not to exceed $300,000 in gross obligations for direct loans are authorized for specially adapted housing loans.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $164,497,000, which may be transferred to and merged with the appropriation for "General operating expenses".

EDUCATION LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $1,000, as authorized by 38 U.S.C. 3698, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,400.

In addition, for administrative expenses necessary to carry out the direct loan program, $64,000, which may be transferred to and merged with the appropriation for "General operating expenses".

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $72,000, as authorized by 38 U.S.C. chapter 31, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,301,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $274,000, which may be transferred to and merged with the appropriation for "General operating expenses".

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter 37, subchapter V, as amended, $544,000, which may be transferred to and merged with the appropriation for "General operating expenses".

GUARANTEED TRANSITIONAL HOUSING LOANS FOR HOMELESS VETERANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Not to exceed $750,000 of the amounts appropriated by this Act for "General operating expenses" and "Medical care" may be expended for the administrative expenses to carry out the guaranteed loan program authorized by 38 U.S.C. chapter 37, subchapter VI.

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs, including care and treatment in facilities not under the jurisdiction of the department; and furnishing recreational facilities, supplies, and equipment; funeral, burial, and other expenses incidental thereto for beneficiaries receiving care in the department; administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the department; oversight, engineering and architectural activities not charged to project cost; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the department, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; aid to State homes as authorized by 38 U.S.C. 1741; administrative and legal expenses of the department for collecting and recovering amounts owed the department as authorized under 38 U.S.C. chapter 17, and the Federal Medical Care Recovery Act, 42 U.S.C. 2651 et seq., $21,379,742,000, plus reimbursements: *Provided*, That of the funds made available under this heading, $675,000,000 is for the equipment and land and structures object classifications only, which amount shall not become available for obligation until August 1, 2002, and shall remain available until September 30, 2003: *Provided further*, That of the funds made available under this heading, not to exceed $900,000,000 shall be available until September 30, 2003: *Provided further*, That, in addition to other funds made available under this heading for non-recurring maintenance and repair (NRM) activities, $30,000,000 shall be available without fiscal year limitation to support the NRM activities necessary to implement Capital Asset Realignment for Enhanced Services (CARES) activities: *Provided further*, That from amounts appropriated under this heading, additional amounts, as designated by the Secretary no later than September 30, 2002, may be used for CARES activities without fiscal year limitation: *Provided further*, That the Secretary of Veterans Affairs shall conduct by contract a program of recovery audits for the fee basis and other medical services contracts with respect to payments for hospital care; and, notwithstanding 31 U.S.C. 3302(b), amounts collected, by setoff or otherwise, as the result of such audits shall be available, without fiscal year limitation, for the purposes for which funds are appropriated under this heading and the purposes of paying a contractor a percent of the amount collected as a result of an audit carried out by the contractor: *Provided further*, That all amounts so collected under the preceding proviso with respect to a designated health care region (as that term is defined in 38 U.S.C. 1729A(d)(2)) shall be allocated, net of payments to the contractor, to that region.

In addition, in conformance with Public Law 105–33 establishing the Department of Veterans Affairs Medical Care Collections Fund, such sums as may be deposited to such Fund pursuant to 38 U.S.C. 1729A may be transferred to this account, to remain available until expended for the purposes of this account.

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by 38 U.S.C. chapter 73, to remain available until September 30, 2003, $390,000,000, plus reimbursements.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of capital policy activities, $67,628,000, plus reimbursements: *Provided*, That technical and consulting services offered by the Facilities Management Field Service, including project management and real property administration (including leases, site acquisition and disposal activities directly supporting projects), shall be provided to Department of Veterans Affairs components only on a reimbursable basis, and such amounts will remain available until September 30, 2002.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including uniforms or allowances therefor; not to exceed $25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail, $1,194,831,000: *Provided*, That expenses for services and assistance authorized under 38 U.S.C. 3104(a)(1), (2), (5) and (11) that the Secretary determines are necessary to enable entitled veterans (1) to the maximum extent feasible, to become employable and to obtain and maintain suitable employment; or (2) to achieve maximum independence in daily living, shall be charged to this account: *Provided further*, That of the funds made available under this heading, not to exceed $60,000,000 shall be available until September 30, 2003: *Provided further*, That of the funds made available under this heading, the Veterans Benefits Administration may purchase up to four passenger motor vehicles for use in their Manila, Philippines operation: *Provided further*, That travel expenses for this account shall not exceed $15,665,000.

NATIONAL CEMETERY ADMINISTRATION

For necessary expenses of the National Cemetery Administration for operations and maintenance, not otherwise provided for, including uniforms or allowances therefor; cemeterial expenses as authorized by law; purchase of one passenger motor vehicle for use in cemeterial operations; and hire of passenger motor vehicles, $121,169,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $48,308,000.

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is $4,000,000 or more or where funds for a project were made available in a previous major project appropriation, $155,180,000, to remain available until expended, of which $60,000,000 shall be for Capital Asset Realignment for Enhanced Services (CARES) activities; and of which not to exceed $20,000,000 shall be for costs associated with land acquisitions for national cemeteries in the vicinity of Sacramento, California; Pittsburgh, Pennsylvania; and Detroit, Michigan: *Provided*, That except for advance planning activities (including market-based and other assessments of needs which may lead to capital investments) funded through the advance planning fund, design of projects funded through the design fund, and planning and design activities funded through the CARES fund (including market-based and other assessments of needs which may lead to capital investments), none of these funds shall be used for any project which has not been approved by the Congress in the budgetary process: *Provided further*, That funds provided in this appropriation for fiscal year 2002, for each approved project (except those for CARES activities and the three land acquisitions referenced above) shall be obligated: (1) by the awarding of a construction documents contract by September 30, 2002; and (2) by the awarding of a construction contract by September 30, 2003: *Provided further*, That the Secretary shall promptly report in writing to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above: *Provided further*, That no funds from any other account except the "Parking revolving fund", may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until one year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only.

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, including planning and assessments of needs which may lead to capital investments, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, 8122, and 8162 of title 38, United States Code, where the estimated cost of a project is less than $4,000,000, $178,900,000, to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is less than $4,000,000, of which $25,000,000 shall be for Capital Asset Realignment for Enhanced Services (CARES) activities: *Provided*, That from amounts appropriated under this heading, additional amounts may be used for CARES activities: *Provided further*, That funds in this account shall be available for: (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the department which are necessary because of loss or damage caused by any natural disaster or catastrophe; and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

PARKING REVOLVING FUND

For the parking revolving fund as authorized by 38 U.S.C. 8109, income from fees collected and $4,000,000 from the General Fund, both to remain available until expended, which shall be available for all authorized expenses except operations and maintenance costs, which will be funded from "Medical care".

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by 38 U.S.C. 8131–8137, $100,000,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES

For grants to aid States in establishing, expanding, or improving State veterans cemeteries as authorized by 38 U.S.C. 2408, $25,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 101. Any appropriation for fiscal year 2002 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for fiscal year 2002 for salaries and expenses shall be available for services authorized by 5 U.S.C. 3109.

SEC. 103. No appropriations in this Act for the Department of Veterans Affairs (except the appropriations for "Construction, major projects", "Construction, minor projects", and the "Parking revolving fund") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 104. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or examination of any persons (except beneficiaries entitled under the laws bestowing such benefits to veterans, and persons receiving such treatment under 5 U.S.C. 7901–7904 or 42 U.S.C. 5141–5204), unless reimbursement of cost is made to the "Medical care" account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 2002 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 2001.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 2002 shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act, Public Law 100–86, except that if such obligations are from trust fund accounts they shall be payable from "Compensation and pensions".

SEC. 107. Notwithstanding any other provision of law, during fiscal year 2002, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1920), the Veterans' Special Life Insurance Fund (38 U.S.C. 1923), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the "General operating expenses" account for the cost of administration of the insurance programs financed through those accounts: *Provided*, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 2002, that are available for dividends in that program after claims have been paid and actuarially determined reserves have been set aside: *Provided further*, That if the cost of administration of an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: *Provided further*, That the Secretary shall determine the cost of administration for fiscal year 2002, which is properly allocable to the provision of each insurance program and to the provision of any total disability income insurance included in such insurance program.

SEC. 108. For fiscal year 2002 only, funds available in any Department of Veterans Affairs appropriation or fund for salaries and other administrative expenses shall also be available to reimburse the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication for all services provided at rates which will recover actual costs. Payments may be made in advance for services to be furnished, based on estimated costs. Amounts received shall be credited to the General Operating Expenses account for use by the office that provided the service. Total resources available to these offices for fiscal year 2002 shall not exceed $28,550,000 for the Office of Resolution Management and $2,383,000 for the Office of Employment and Discrimination Complaint Adjudication.

SEC. 109. Notwithstanding any other provision of law, the Department of Veterans Affairs shall continue the Franchise Fund pilot program authorized to be established by section 403 of Public Law 103–356 until October 1, 2002: *Provided*, That the Franchise Fund, established by Title I of Public Law 104–204 to finance the operations of the Franchise Fund pilot program, shall continue until October 1, 2002.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PUBLIC AND INDIAN HOUSING

HOUSING CERTIFICATE FUND

(INCLUDING RESCISSION AND TRANSFERS OF FUNDS)

For activities and assistance to prevent the involuntary displacement of low-income families, the elderly and the disabled because of the loss of affordable housing stock, expiration of subsidy contracts (other than contracts for which amounts are provided under another heading in this Act) or expiration of use restrictions, or other changes in housing assistance arrangements, and for other purposes, $15,658,769,000 and amounts that are recaptured in this account to remain available until expended: *Provided*, That of the total amount provided under this heading, $15,506,746,000, of which $11,306,746,000 shall be available on October 1, 2001 and $4,200,000,000 shall be available on October 1, 2002 shall be for assistance under the United States Housing Act of 1937, as amended ("the Act" herein) (42 U.S.C. 1437): *Provided further*, That the foregoing amounts shall be for use in connection with expiring or terminating section 8 subsidy contracts, for amendments to section 8 subsidy contracts, for enhanced vouchers (including amendments and renewals) under any provision of law authorizing such assistance under section 8(t) of the Act (47 U.S.C. 1437f(t)), contract administrators, and contracts entered into pursuant to section 441 of the McKinney-Vento Homeless Assistance Act: *Provided further*, That amounts available under the first proviso under this heading shall be available for section 8 rental assistance under the Act: (1) for the relocation and replacement of housing units that are demolished or disposed of pursuant to the Omnibus Consolidated Rescissions and Appropriations Act of 1996; (2) for the conversion of section 23 projects to assistance under section 8; (3) for funds to carry out the family unification program; (4) for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency; (5) for tenant protection assistance, including replacement and relocation assistance; and (6) for the 1-year renewal of section 8 contracts at current rents for units in a project that is subject to an approved plan of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990: *Provided further*, That of the total amount provided under this heading, no less than $13,400,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That of the total amount provided under this heading, $40,000,000 shall be made available to nonelderly disabled families affected by the designation of a public housing development under section 7 of the Act, the establishment of preferences in accordance with section 651 of the Housing and Community Development Act of 1992 (42 U.S.C. 13611), or the restriction of occupancy to elderly families in accordance with section 658 of such Act, and to the extent the Secretary determines that such amount is not needed to fund applications for such affected families, to other nonelderly disabled families: *Provided further*, That of the total amount provided under this heading, $98,623,000 shall be made available for incremental vouchers under section 8 of the Act on a fair share basis to those public housing agencies that have no less than 97 percent occupancy rate: *Provided further*, That amounts available under this heading may be made available for administrative fees and other expenses to cover the cost of administering rental assistance programs under section 8 of the Act: *Provided further*, That the fee otherwise authorized under section 8(q) of such Act shall be determined in accordance with section 8(q), as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998: *Provided further*, That $615,000,000, are rescinded from unobligated balances remaining from funds appropriated to the Department of Housing and Urban Development under this heading or the heading "Annual contributions for assisted housing" for fiscal year 2002 and prior years: *Provided further*, That, after the amount is rescinded under the previous proviso, to the extent an additional amount is available for rescission from unobligated balances remaining for funds appropriated to the Department of Housing and Urban Development under this heading or the heading "Annual contributions for assisted housing" for fiscal year 2002 and prior years, such amount shall be made available on a pro-rata basis, no sooner than September 1, 2002, and shall be transferred for use under the "Research and Related Activities" account of the National Science Foundation, and shall be transferred for use under the "Science, Aeronautics and Technology" account of the National Aeronautics and Space Administration, and shall be transferred for use under the "HOME investment partnership program" account of the Department of Housing and Urban Development for the production of mixed-income housing for which this amount shall be used to assist the construction of units that serve extremely low-income families, and shall be transferred for use under the "Housing for Special Populations" account of the Department of Housing and Urban Development: *Provided further*, That the Secretary shall have until September 30, 2002, to meet the rescissions in the preceding provisos: *Provided further*, That any obligated balances of contract authority that have been terminated shall be canceled.

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFER OF FUNDS)

For the Public Housing Capital Fund Program to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437), $2,943,400,000, to remain available until September 30, 2003, of which up to $50,000,000 shall be for carrying out activities under section 9(h) of such Act, up to $500,000 shall be for lease adjustments to section 23 projects and no less than $43,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided*, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937, as amended: *Provided further*, That of the total amount, up to $75,000,000 shall be available for the Secretary of Housing and Urban Development to make grants to public housing agencies for emergency capital needs resulting from emergencies and natural disasters in fiscal year 2002.

PUBLIC HOUSING OPERATING FUND

For payments to public housing agencies for the operation and management of public housing, as authorized by section 9(e) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), $3,384,868,000, to remain available until September 30, 2003: *Provided*, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937, as amended.

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

For grants to public housing agencies and Indian tribes and their tribally designated housing entities for use in eliminating crime in public housing projects authorized by 42 U.S.C. 11901–11908, for grants for federally assisted low-income housing authorized by 42 U.S.C. 11909, and for drug information clearinghouse services authorized by 42 U.S.C. 11921–11925, $300,000,000, to remain available until expended: *Provided*, That of the total amount provided under this heading, up to $3,000,000 shall be solely for technical assistance, technical assistance grants, training, and program assessment for or on behalf of public housing agencies, resident organizations, and Indian tribes and their tribally designated housing entities (including up to $150,000 for the cost of necessary travel for participants in such training) for oversight, training and improved management of this program; $2,000,000 shall be available to the Boys and Girls Clubs of America for the operating and start-up costs of clubs located in or near, and primarily serving residents of, public housing and housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996: *Provided further*, That of the amount under this heading, $20,000,000 shall be available for the New Approach Anti-Drug program which will provide competitive grants to entities managing or operating public housing developments, federally assisted multifamily housing developments, or other multifamily housing developments for low-income families supported by non-Federal governmental entities or similar housing developments supported by nonprofit private sources in order to provide or augment security (including personnel costs), to assist in the investigation and/or prosecution of drug-related criminal activity in and around such developments, and to provide assistance for the development of capital improvements at such developments directly relating to the security of such developments: *Provided further*, That grants for the New Approach Anti-Drug program shall be made on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

For grants to public housing agencies for demolition, site revitalization, replacement housing, and tenant-based assistance grants to projects as authorized by section 24 of the United States Housing Act of 1937, as amended, $573,735,000 to remain available until September 30, 2003, of which the Secretary may use up to $7,500,000 for technical assistance and contract expertise, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the department and of public housing agencies and to residents: *Provided*, That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein.

NATIVE AMERICAN HOUSING BLOCK GRANTS

(INCLUDING TRANSFERS OF FUNDS)

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (Public Law 104–330), $648,570,000, to remain available until expended, of which $2,200,000 shall be contracted through the Secretary as technical assistance and capacity building to be used by the National American Indian Housing Council in support of the implementation of NAHASDA; $5,000,000 shall be to support the inspection of Indian housing units, contract expertise, and technical assistance in the training, oversight, and management of Indian housing and tenant-based assistance, including up to $300,000 for related travel; and no less than $3,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided*, That of the amount provided under this heading, $5,987,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: *Provided further*, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed $54,600,000: *Provided further*, That for administrative expenses to carry out the guaranteed loan program, up to $150,000 from amounts in the first proviso, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (106 Stat. 3739), $5,987,000, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $234,283,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to $200,000 from amounts in the first paragraph, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a), $1,000,000, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $40,000,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to $35,000 from amounts in the first paragraph, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901), $277,432,000, to remain available until September 30, 2003: *Provided*, That the Secretary shall renew all expiring contracts that were funded under section 854(c)(3) of such Act that meet all program requirements before awarding funds for new contracts and activities authorized under this section: *Provided further*, That the Secretary may use up to $2,000,000 of the funds under this heading for training, oversight, and technical assistance activities.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

For the Office of Rural Housing and Economic Development in the Department of Housing and Urban Development, $25,000,000 to remain available until expended, which amount shall be awarded by June 1, 2002, to Indian tribes, State housing finance agencies, State community and/or economic development agencies, local rural nonprofits and community development corporations to support innovative housing and economic development activities in rural areas: *Provided*, That all grants shall be awarded on a competitive basis as specified in section 102 of the HUD Reform Act.

EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES

For grants in connection with a second round of empowerment zones and enterprise communities, $75,000,000, to remain available until expended, for "Urban Empowerment Zones", as authorized in the Taxpayer Relief Act of 1997, including $5,000,000 for each empowerment zone for use in conjunction with economic development activities consistent with the strategic plan of each empowerment zone.

COMMUNITY DEVELOPMENT FUND

(INCLUDING TRANSFERS OF FUNDS)

For assistance to units of State and local government, and to other entities, for economic and community development activities, and for other purposes, $5,012,993,000, to remain available until September 30, 2004: *Provided*, That of the amount provided, $4,801,993,000 is for carrying out the community development block grant program under title I of the Housing and Community Development Act of 1974, as amended (the "Act" herein) (42 U.S.C. 5301): *Provided further*, That $71,000,000 shall be for flexible grants to Indian tribes notwithstanding section 106(a)(1) of such Act; $3,000,000 shall be available as a grant to the Housing Assistance Council; $2,600,000 shall be available as a grant to the National American Indian Housing Council; and $45,500,000 shall be for grants pursuant to section 107 of the Act of which $4,000,000 shall be made available to support Alaska Native serving institutions and Native Hawaiian serving institutions as defined under the Higher Education Act, as amended, and of which $3,000,000 shall be made available to tribal colleges and universities to build, expand, renovate and equip their facilities: *Provided further*, That $10,000,000 shall be made available to the Department of Hawaiian Home Lands to provide assistance as authorized under the Hawaiian Homelands Homeownership Act of 2000 (with no more than 5 percent of such funds being available for administrative costs): *Provided further*, That no less than $15,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That $20,000,000 shall be for grants pursuant to the Self Help Housing Opportunity Program: *Provided further*, That not to exceed 20 percent of any grant made with funds appropriated herein (other than a grant made available in this paragraph to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Act) shall be expended for "Planning and Management Development" and "Administration" as defined in regulations promulgated by the department.

Of the amount made available under this heading, $28,450,000 shall be made available for capacity building, of which $25,000,000 shall be made available for "Capacity Building for Community Development and Affordable Housing" for LISC and the Enterprise Foundation, for activities as authorized by section 4 of the HUD Demonstration Act of 1993 (Public Law 103–120), as in effect immediately before June 12, 1997, with not less than $5,000,000 of the funding to be used in rural areas, including tribal areas, and of which $3,450,000 shall be for capacity building activities administered by Habitat for Humanity International.

Of the amount made available under this heading, the Secretary of Housing and Urban Development may use up to $55,000,000 for supportive services for public housing residents, as authorized by section 34 of the United States Housing Act of 1937, as amended, and for residents of housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) and for grants for service coordinators and congregate services for the elderly and disabled residents of public and assisted housing and housing assisted under NAHASDA.

Of the amount made available under this heading, $80,000,000 is for grants to create or expand community technology centers in high poverty urban and rural communities and to provide technical assistance to those centers.

Of the amount made available under this heading, $25,000,000 shall be available for neighborhood initiatives that are utilized to improve the conditions of distressed and blighted areas and neighborhoods, to stimulate investment, economic diversification, and community revitalization in areas with population outmigration or a stagnating or declining economic base, or to determine whether housing benefits can be integrated more effectively with welfare reform initiatives.

Of the amount made available under this heading, notwithstanding any other provision of law, $60,000,000 shall be available for YouthBuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and such activities shall be an eligible activity with respect to any funds made available under this heading: *Provided*, That local YouthBuild programs that demonstrate an ability to leverage private and nonprofit funding shall be given a priority for YouthBuild funding: *Provided further*, That no more than ten percent of any grant award may be used for administrative costs: *Provided further*, That not less than $10,000,000 shall be available for grants to establish Youthbuild programs in underserved and rural areas: *Provided further*, That of the amount provided under this paragraph, $2,000,000 shall be set aside and made available for a grant to YouthBuild USA for capacity building for community development and affordable housing activities as specified in section 4 of the HUD Demonstration Act of 1993, as amended.

Of the amount made available under this heading, $140,000,000 shall be available for grants for the Economic Development Initiative (EDI) to finance a variety of economic development efforts in accordance with the terms and conditions specified for such grants in the Senate report accompanying this Act.

COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, $14,000,000, as authorized by section 108 of the Housing and Community Development Act of 1974, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $608,696,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974, as amended: *Provided further*, That in addition, for administrative expenses to carry out the guaranteed loan program, $1,000,000, which shall be transferred to and merged with the appropriation for "Salaries and expenses".

BROWNFIELDS REDEVELOPMENT

For Economic Development Grants, as authorized by section 108(q) of the Housing and Community Development Act of 1974, as amended, for Brownfields redevelopment projects, $25,000,000, to remain available until September 30, 2003: *Provided*, That the Secretary of Housing and Urban Development shall make these grants available on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

HOME INVESTMENT PARTNERSHIPS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, $1,796,040,000 to remain available until September 30, 2004, of which up to $20,000,000 of these funds shall be available for Housing Counseling under section 106 of the Housing and Urban Development Act of 1968; and of which no less than $17,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems.

HOMELESS ASSISTANCE GRANTS

(INCLUDING TRANSFER OF FUNDS)

For the emergency shelter grants program as authorized under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act, as amended; the supportive housing program as authorized under subtitle C of title IV of such Act; the section 8 moderate rehabilitation single room occupancy program as authorized under the United States Housing Act of 1937, as amended, to assist homeless individuals pursuant to section 441 of the McKinney-Vento Homeless Assistance Act; and the shelter plus care program as authorized under subtitle F of title IV of such Act, $1,022,745,000, to remain available until September 30, 2004: *Provided*, That not less than 30 percent of these funds shall be used for permanent housing, and all funding for services must be matched by 25 percent in funding by each grantee: *Provided further*, That all awards of assistance under this heading shall be required to coordinate and integrate homeless programs with other mainstream health, social services, and employment programs for which homeless populations may be eligible, including Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health and Substance Abuse Block Grant, Workforce Investment Act, and the Welfare-to-Work grant program: *Provided further*, That no less than $14,200,000 of the funds appropriated under this heading is transferred to the Working Capital Fund to be used for technical assistance for management information systems and to develop an automated, client-level Annual Performance Report System: *Provided further*, That $500,000 shall be made available to the Interagency Council on the Homeless for administrative needs.

SHELTER PLUS CARE RENEWALS

For the renewal on an annual basis of contracts expiring during fiscal years 2002 and 2003 or amendment of contracts funded under the Shelter Plus Care program, as authorized under subtitle F of title IV of the McKinney-Vento Homeless Assistance Act, as amended, $99,780,000, to remain available until expended: *Provided*, That each Shelter Plus Care project with an expiring contract shall be eligible for renewal only if the project is determined to be needed under the applicable continuum of care and meets appropriate program requirements and financial standards, as determined by the Secretary.

HOUSING PROGRAMS

HOUSING FOR SPECIAL POPULATIONS

(INCLUDING TRANSFER OF FUNDS)

For assistance for the purchase, construction, acquisition, or development of additional public and subsidized housing units for low income families not otherwise provided for, $1,001,009,000, to remain available until expended: *Provided*, That $783,286,000 shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance, and amendments to contracts for project rental assistance, for the elderly under such section 202(c)(2), and for supportive services associated with the housing, of which amount $50,000,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects, of which amount up to $3,000,000 shall be available to renew expiring project rental assisance contracts for up to a one-year term, and of which amount $50,000,000 shall be for grants under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q–2) for conversion of eligible projects under such section to assisted living or related use: *Provided further*, That of the amount under this heading, $217,723,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, for project rental assistance, for amendments to contracts for project rental assistance, and supportive services associated with the housing for persons with disabilities as authorized by section 811 of such Act, of which up to $1,200,000 shall be available to renew expiring project rental assistance contracts for up to a one-year term: *Provided further*, That no less than $3,000,000, to be divided evenly between the appropriations for the section 202 and section 811 programs, shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That the Secretary may designate up to 25 percent of the amounts earmarked under this paragraph for section 811 of such Act for tenant-based assistance, as authorized under that section, including such authority as may be waived under the next proviso, which assistance is five years in duration: *Provided further*, That the Secretary may waive any provision of such section 202 and such section 811 (including the provisions governing the terms and conditions of project rental assistance and tenant-based assistance) that the Secretary determines is not necessary to achieve the objectives of these programs, or that otherwise impedes the ability to develop, operate, or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate.

FLEXIBLE SUBSIDY FUND

(TRANSFER OF FUNDS)

From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 2001, and any collections made during fiscal year 2002, shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act, as amended.

MANUFACTURED HOUSING FEES TRUST FUND

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended (42 U.S.C. 5401 et seq.), $17,254,000, to remain available until expended, to be derived from the Manufactured Housing Fees Trust Fund: *Provided*, That not to exceed the amount appropriated under this heading shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund pursuant to section 620 of such Act: *Provided further*, That the amount made available under this heading from the general fund shall be reduced as such collections are received during fiscal year 2002 so as to result in a final fiscal year 2002 appropriation from the general fund estimated at not more than $0.

FEDERAL HOUSING ADMINISTRATION

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 2002, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of $160,000,000,000.

During fiscal year 2002, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed $250,000,000: *Provided*, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund.

For administrative expenses necessary to carry out the guaranteed and direct loan program, $336,700,000, of which not to exceed $332,678,000 shall be transferred to the appropriation for "Salaries and expenses"; and not to exceed $4,022,000 shall be transferred to the appropriation for "Office of Inspector General". In addition, for administrative contract expenses, $160,000,000: *Provided*, That a combined total of $160,000,000 from amounts appropriated for administrative contract expenses under this heading or the heading "FHA—General and Special Risk Program Account" shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: *Provided further*, That to the extent guaranteed loan commitments exceed $65,500,000,000 on or before April 1, 2002 an additional $1,400 for administrative contract expenses shall be available for each $1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below $1,000,000), but in no case shall funds made available by this proviso exceed $16,000,000.

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z–3 and 1735c), including the cost of loan guarantee modifications as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended, $15,000,000, to remain available until expended: *Provided*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, of up to $21,000,000,000: *Provided further*, That any amounts made available in any prior appropriations Act for the cost (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guaranteed loans that are obligations of the funds established under section 238 or 519 of the National Housing Act that have not been obligated or that are deobligated shall be available to the Secretary of Housing and Urban Development in connection with the making of such guarantees and shall remain available until expended, notwithstanding the expiration of any period of availability otherwise applicable to such amounts.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed $50,000,000, of which not to exceed $30,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed $20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, $216,100,000, of which $197,779,000, shall be transferred to the appropriation for "Salaries and expenses"; and of which $18,321,000 shall be transferred to the appropriation for "Office of Inspector General". In addition, for administrative contract expenses necessary to carry out the guaranteed and direct loan programs, $144,000,000: *Provided*, That to the extent guaranteed loan commitments exceed $8,426,000,000 on or before April 1, 2002, an additional $19,800,000 for administrative contract expenses shall be available for each $1,000,000 in additional guaranteed loan commitments over $8,426,000,000 (including a pro rata amount for any increment below $1,000,000), but in no case shall funds made available by this proviso exceed $14,400,000.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA)

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed $200,000,000,000, to remain available until September 30, 2003.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, $9,383,000 to be derived from the GNMA guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed $9,383,000 shall be transferred to the appropriation for "Salaries and expenses".

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z–1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, $53,404,000, to remain available until September 30, 2003: *Provided*, That $3,000,000 shall be for program evaluation to support strategic planning, performance measurement, and their coordination with the Department's budget process: *Provided further*, That of the amount provided under this heading, $10,000,000 shall be for the Partnership for Advanced Technology in Housing.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, $45,899,000, to remain available until September 30, 2003, of which $24,000,000 shall be to carry out activities pursuant to such section 561: *Provided*, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan.

OFFICE OF LEAD HAZARD CONTROL

LEAD HAZARD REDUCTION

For the Lead Hazard Reduction Program, as authorized by sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992, $109,758,000 to remain available until September 30, 2003, of which $10,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related diseases and hazards: *Provided*, That of the amounts provided under this heading, $1,000,000 shall be for the National Center for Lead-Safe Housing: *Provided further*, That of the amounts provided under this heading, $750,000 shall be for CLEARCorps.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed $7,000 for official reception and representation expenses, $1,097,257,000, of which $530,457,000 shall be provided from the various funds of the Federal Housing Administration, $9,383,000 shall be provided from funds of the Government National Mortgage Association, $1,000,000 shall be provided from the "Community development fund" account, $150,000 shall be provided by transfer from the "Title VI Indian federal guarantees program" account, $200,000 shall be provided by transfer from the "Indian housing loan guarantee fund program" account and $35,000 shall be transferred from the Native Hawaiian Housing Loan Guarantee Fund: *Provided*, That no less than $85,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of Information Technology Systems: *Provided further*, That the Secretary shall fill 7 out of 10 vacancies at the GS–14 and GS–15 levels until the total number of GS–14 and GS–15 positions in the Department has been reduced from the number of GS–14 and GS–15 positions on the date of enactment of Public Law 106–377 by two and one-half percent: *Provided further*, That of the amount under this heading, $1,500,000 shall be for necessary expenses of the Millenial Housing Commission, as authorized by Public Law 106–74 with the final report due no later than August 30, 2002.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $88,898,000, of which $22,343,000 shall be provided from the various funds of the Federal Housing Administration: *Provided*, That the Inspector General shall have independent authority over all personnel issues within the Office of Inspector General.

CONSOLIDATED FEE FUND

(RESCISSION)

Of the balances remaining available from fees and charges under section 7(j) of the Department of Housing and Urban Development Act, $6,700,000 are rescinded.

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For carrying out the Federal Housing Enterprise Financial Safety and Soundness Act of 1992, including not to exceed $500 for official reception and representation expenses, $27,000,000, to remain available until expended, to be derived from the Federal Housing Enterprise Oversight Fund: *Provided*, That not to exceed such amount shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund: *Provided further*, That the general fund amount shall be reduced as collections are received during the fiscal year so as to result in a final appropriation from the general fund estimated at not more than $0: *Provided further*, That this Office shall submit a staffing plan to the House and Senate Committees on Appropriations no later than January 30, 2002.

ADMINISTRATIVE PROVISIONS

SEC. 201. Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the McKinney-Vento Homeless Assistance Amendments Act of 1988 (Public Law 100–628; 102 Stat. 3224, 3268) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not rescinded or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate.

SEC. 202. None of the amounts made available under this Act may be used during fiscal year 2002 to investigate or prosecute under the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a nonfrivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a Government official or entity, or a court of competent jurisdiction.

SEC. 203. (a) Notwithstanding section 854(c)(1)(A) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)(1)(A)), from any amounts made available under this title for fiscal year 2002 that are allocated under such section, the Secretary of Housing and Urban Development shall allocate and make a grant, in the amount determined under subsection (b), for any State that—

(1) received an allocation in a prior fiscal year under clause (ii) of such section; and

(2) is not otherwise eligible for an allocation for fiscal year 2002 under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year 2002 do not have the number of cases of acquired immunodeficiency syndrome (AIDS) required under such clause.

(b) The amount of the allocation and grant for any State described in subsection (a) shall be an amount based on the cumulative number of AIDS cases in the areas of that State that are outside of metropolitan statistical areas that qualify under clause (i) of such section 854(c)(1)(A) in fiscal year 2002, in proportion to AIDS cases among cities and States that qualify under clauses (i) and (ii) of such section and States deemed eligible under subsection (a).

SEC. 204. Section 225 of the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000, Public Law 106–74, is amended by inserting "and fiscal year 2002" after "fiscal year 2001".

SEC. 205. Section 236(g)(3)(A) of the National Housing Act is amended by striking out "fiscal years 2000 and 2001" and inserting in lieu thereof "fiscal years 2000, 2001, and 2002".

SEC. 206. Section 223(f)(1) of the National Housing Act is amended by inserting "purchase or" immediately before "refinancing of existing debt".

SEC. 207. Section 106(c)(9) of the Housing and Urban Development Act of 1968 is repealed.

SEC. 208. Section 251 of the National Housing Act is amended—

(1) in subsection (b), by striking "issue regulations" and all that follows and inserting the following: "require that the mortgagee make available to the mortgagor, at the time of loan application, a written explanation of the features of an adjustable rate mortgage consistent with the disclosure requirements applicable to variable rate mortgages secured by a principal dwelling under the Truth in Lending Act."; and

(2) by adding the following new subsection at the end:

"(d)(1) The Secretary may insure under this subsection a mortgage that meets the requirements of subsection (a), except that the effective rate of interest—

"(A) shall be fixed for a period of not less than the first 3 years of the mortgage term;

"(B) shall be adjusted by the mortgagee initially upon the expiration of such period and annually thereafter; and

"(C) in the case of the initial interest rate adjustment, is subject to the one percent limitation only if the interest rate remained fixed for five or fewer years.

"(2) The disclosure required under subsection (b) shall be required for a mortgage insured under this subsection.".

SEC. 209. (a) Section 203(c) of the National Housing Act is amended—

(1) in paragraph (1), by striking "and (k)" and inserting "or (k)"; and

(2) in paragraph (2)—

(A) by inserting immediately after "subsection (v)," the following: "and each mortgage that is insured under subsection (k) or section 234(c),"; and

(B) by striking "and executed on or after October 1, 1994,".

(b) The amendments made by subsection (a) shall apply only to mortgages that are executed on or after the date of enactment of this Act or a later date determined by the Secretary and announced by notice in the Federal Register.

SEC. 210. Section 242(d)(4) of the National Housing Act is amended to read as follows:

"(4)(A) The Secretary, in conjunction with the Secretary of Health and Human Services, shall require satisfactory evidence that the hospital will be located in a State or political subdivision of a State with reasonable minimum standards of licensure and methods of operation for hospitals and satisfactory assurance that such standards will be applied and enforced with respect to the hospital.

"(B) The Secretary shall establish the means for determining need and feasibility for the hospital. If the State has an official procedure for determining need for hospitals, the Secretary shall also require that such procedure be followed before the application for insurance is submitted, and the application shall document that need has also been established under that procedure.".

SEC. 211. Section 232(d)(4)(A) of the National Housing Act is amended to read as follows:

"(A)(i) The Secretary, in conjunction with the Secretary of Health and Human Services, shall require satisfactory evidence that a nursing home, intermediate care facility, or combined nursing home and intermediate care facility will be located in a State or political subdivision of a State with reasonable minimum standards of licensure and methods of operation for such homes, facilities, or combined homes and facilities. The Secretary shall also require satisfactory assurance that such standards will be applied and enforced with respect to the home, facility, or combined home or facility.

"(ii) The Secretary shall establish the means for determining need and feasibility for the home, facility, or combined home and facility. If the State has an official procedure for determining need for such homes, facilities, or combined homes and facilities, the Secretary shall also require that such procedure be followed before the application for insurance is submitted, and the application shall document that need has also been established under that procedure.".

SEC. 212. Section 533 of the National Housing Act is amended to read as follows:

"SEC. 533. REVIEW OF MORTGAGEE PERFORMANCE AND AUTHORITY TO TERMINATE.—

"(a) PERIODIC REVIEW OF MORTGAGEE PERFORMANCE.—To reduce losses in connection with single family mortgage insurance programs under this Act, at least once a year the Secretary shall review the rate of early defaults and claims for insured single family mortgages originated or underwritten by each mortgagee.

"(b) COMPARISON WITH OTHER MORTGAGEES.—For each mortgagee, the Secretary shall compare the rate of early defaults and claims for insured single family mortgage loans originated or underwritten by the mortgagee in an area with the rate of early defaults and claims for other mortgagees originating or underwriting insured single family mortgage loans in the area. For purposes of this section, the term "area" means each geographic area in which the mortgagee is authorized by the Secretary to originate insured single family mortgages.

"(c) TERMINATION OF MORTGAGEE ORIGINATION APPROVAL.—(1) Notwithstanding section

202(c) of this Act, the Secretary may terminate the approval of a mortgagee to originate or underwrite single family mortgages if the Secretary determines that the mortgage loans originated or underwritten by the mortgagee present an unacceptable risk to the insurance funds. The determination shall be based on the comparison required under subsection (b) and shall be made in accordance with regulations of the Secretary. The Secretary may rely on existing regulations published before this section takes effect.

"(2) The Secretary shall give a mortgagee at least 60 days prior written notice of any termination under this subsection. The termination shall take effect at the end of the notice period, unless the Secretary withdraws the termination notice or extends the notice period. If requested in writing by the mortgagee within 30 days of the date of the notice, the mortgagee shall be entitled to an informal conference with the official authorized to issue termination notices on behalf of the Secretary (or a designee of that official). At the informal conference, the mortgagee may present for consideration specific factors that it believes were beyond its control and that caused the excessive default and claim rate.".

SEC. 213. Except as explicitly provided in legislation, any grant or assistance made pursuant to Title II of this Act shall be made in accordance with section 102 of the Department of Housing and Urban Development Reform Act of 1989 on a competitive basis.

SEC. 214. Public housing agencies in the State of Alaska shall not be required to comply with section 2(b) of the United States Housing Act of 1937, as amended, during fiscal year 2002.

SEC. 215. Notwithstanding any other provision of law, in fiscal year 2001 and for each fiscal year thereafter, in managing and disposing of any multifamily property that is owned or held by the Secretary and is occupied primarily by elderly or disabled families, the Secretary of Housing and Urban Development shall maintain any rental assistance payments under section 8 of the United States Housing Act of 1937 that are attached to any dwelling units in the property. To the extent the Secretary determines that such a multifamily property owned or held by the Secretary is not feasible for continued rental assistance payments under such section 8, the Secretary may, in consultation with the tenants of that property, contract for project-based rental assistance payments with an owner or owners of other existing housing properties or provide other rental assistance.

SEC. 216. (a) SECTION 207 LIMITS.—Section 207(c)(3) of the National Housing Act (12 U.S.C. 1713(c)(3)) is amended—

(1) by striking "$30,420", "$33,696", "$40,248", "$49,608", and "$56,160" and inserting "$38,025", "$42,120", "$50,310", "$62,010", and "$70,200", respectively;

(2) by striking "$9,000" and inserting "$11,250"; and

(3) by striking "$35,100", "$39,312", "$48,204", "$60,372", and "$68,262" and inserting "$43,875", "$49,140", "$60,255", "$75,465", and "$85,328", respectively.

(b) SECTION 213 LIMITS.—Section 213(b)(2) of the National Housing Act (12 U.S.C. 1715e(b)(2)) is amended—

(1) by striking "$30,420", "$33,696", "$40,248", "$49,608", and "$56,160" and inserting "$38,025", "$42,120", "$50,310", "$62,010", and "$70,200", respectively; and

(2) by striking "$35,100", "$39,312", "$48,204", "$60,372", and "$68,262" and inserting "$43,875", "$49,140", "$60,255", "$75,465", and "$85,328", respectively.

(c) SECTION 220 LIMITS.—Section 220(d)(3)(B)(iii) of the National Housing Act (12 U.S.C. 1715k(d)(3)(B)(iii)) is amended—

(1) by striking "$30,420", "$33,696", "$40,248", "$49,608", and "$56,160" and inserting "$38,025", "$42,120", "$50,310", "$62,010", and "$70,200", respectively; and

(2) by striking "$35,100", "$39,312", "$48,204", "$60,372", and "$68,262" and inserting "$43,875", "$49,140", "$60,255", "$75,465", and "$85,328", respectively.

(d) SECTION 221(d)(3) LIMITS.—Section 221(d)(3)(ii) of the National Housing Act (12 U.S.C. 1715l(d)(3)(ii)) is amended—

(1) by striking "$33,638", "$38,785", "$46,775", "$59,872", and "$66,700" and inserting "$42,048", "$48,481", "58,469", "$74,840", and "$83,375", respectively; and

(2) by striking "$35,400", "$40,579", "$49,344", "$63,834", and "$70,070" and inserting "$44,250", "$50,724", "$61,680", "$79,793", and "$87,588", respectively.

(e) SECTION 221(d)(4) LIMITS.—Section 221(d)(4)(ii) of the National Housing Act (12 U.S.C. 1715l(d)(4)(ii)) is amended—

(1) by striking "$30,274", "$34,363", "$41,536", "$52,135", and "$59,077" and inserting "$37,843", "$42,954", "$51,920", "$65,169", and "$73,846", respectively; and

(2) by striking "$32,701", "$37,487", "$45,583", "$58,968", and "$64,730" and inserting "$40,876", "$46,859", "$56,979", "$73,710", and "$80,913", respectively.

(f) SECTION 231 LIMITS.—Section 231(c)(2) of the National Housing Act (12 U.S.C. 1715v(c)(2)) is amended—

(1) by striking "$28,782", "$32,176", "$38,423", "$46,238", and "$54,360" and inserting "$35,978", "$40,220", "$48,029", "$57,798", "$67,950", respectively; and

(2) by striking "$32,701", "$37,487", "$45,583", "$58,968", and "$64,730" and inserting "$40,876", "$46,859", "$56,979", "$73,710", and "$80,913", respectively.

(g) SECTION 234 LIMITS.—Section 234(e)(3) of the National Housing Act (12 U.S.C. 1715y(e)(3)) is amended—

(1) by striking "$30,420", "$33,696", "$40,248", "$49,608", and "$56,160" and inserting "$38,025", "$42,120", "$50,310", "$62,010", and "$70,200", respectively; and

(2) by striking "$35,100", "$39,312", "$48,204", "$60,372", and "$68,262" and inserting "$43,875", "$49,140", "$60,255", "$75,465", and "$85,328", respectively.

SEC. 217. Notwithstanding any other provision of law, the Tribal Student Housing Project proposed by the Cook Inlet Housing Authority is authorized to be constructed in accordance with its 1998 Indian Housing Plan from amounts previously appropriated for the benefit of the Housing Authority, a portion of which may be used as a maintenance reserve for the completed project.

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries, $28,466,000, to remain available until expended.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

SALARIES AND EXPENSES

For necessary expenses in carrying out activities pursuant to section 112(r)(6) of the Clean Air Act, including hire of passenger vehicles, uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902, and for services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376, $7,621,000, $5,121,000 of which to remain available until September 30, 2002 and $2,500,000 of which to remain available until September 30, 2003: *Provided*, That the Chemical Safety and Hazard Investigation Board shall have not more than three career Senior Executive Service positions: *Provided further*, That, hereafter, there shall be an Inspector General at the Board who shall have the duties, responsibilities, and authorities specified in the Inspector General Act of 1978, as amended: *Provided further*, That an individual appointed to the position of Inspector General of the Federal Emergency Management Agency (FEMA) shall, by virtue of such appointment, also hold the position of Inspector General of the Board: *Provided further*, That the Inspector General of the Board shall utilize personnel of the Office of Inspector General of FEMA in performing the duties of the Inspector General of the Board, and shall not appoint any individuals to positions within the Board.

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

FUND PROGRAM ACCOUNT

To carry out the Community Development Banking and Financial Institutions Act of 1994, including services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for ES–3, $100,000,000, to remain available until September 30, 2003, of which $5,000,000 shall be for technical assistance and training programs designed to benefit Native American communities, and up to $9,850,000 may be used for administrative expenses, including administration of the New Markets Tax Credit, up to $6,000,000 may be used for the cost of direct loans, and up to $1,000,000 may be used for administrative expenses to carry out the direct loan program: *Provided*, That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $51,800,000.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-Federal officials' contributions to Commission activities, and not to exceed $500 for official reception and representation expenses, $56,200,000, of which $1,000,000 to remain available until September 30, 2004, shall be for a research project on sensor technologies.

Corporation for National and Community Service

NATIONAL AND COMMUNITY SERVICE PROGRAMS

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Corporation for National and Community Service (the "Corporation") in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 (the "Act") (42 U.S.C. 12501 et seq.), $415,480,000, to remain available until September 30, 2003: *Provided*, That not more than $31,000,000 shall be available for administrative expenses authorized under section 501(a)(4) of the Act (42 U.S.C. 12671(a)(4)) with not less than $2,000,000 targeted for the acquisition of a cost accounting system for the Corporation's financial management system, an integrated grants management system that provides comprehensive financial management information for all Corporation grants and cooperative agreements, and the establishment, operation, and maintenance of a central archives serving as the repository for all grant, cooperative agreement, and related documents, without regard to the provisions of section 501(a)(4)(B) of the Act: *Provided further*, That not more than $2,500 shall be for official reception and representation expenses: *Provided further*, That of amounts previously transferred to the National Service Trust, $5,000,000 shall be available for national service scholarships for high school students performing community service: *Provided further*, That not more than $240,492,000 of the amount provided under this heading shall be available for grants under the National Service Trust program authorized under subtitle C of title I of the Act (42 U.S.C. 12571 et seq.) (relating to activities including the AmeriCorps program), of which not more than $47,000,000 may be used to administer, reimburse, or support any national service program authorized under section 121(d)(2) of such Act (42 U.S.C. 12581(d)(2)); not more than $25,000,000 shall be made available to activities dedicated to developing computer and information technology skills for students and teachers in low-income communities: *Provided further*, That not more than $10,000,000 of the funds made available under this heading shall be made available for the Points of Light Foundation for activities authorized under title III of the Act (42 U.S.C. 12661 et seq.), of which not more than $2,500,000 may be used to establish or support an endowment fund, the corpus of which shall remain intact and the interest income from which shall be used to support activities described in title III of the Act, provided that the Foundation may invest the corpus and income in federally insured bank savings accounts or comparable interest bearing accounts, certificates of deposit, money market funds, mutual funds, obligations of the United States, and other market instruments and securities but not in real estate investments: *Provided further*, That notwithstanding any other law $2,500,000 of the funds made available by the Corporation to the Foundation under Public Law 106–377 may be used in the manner described in the preceding proviso: *Provided further*, That no funds shall be available for national service programs run by Federal agencies authorized under section 121(b) of such Act (42 U.S.C. 12571(b)): *Provided further*, That to the maximum extent feasible, funds appropriated under subtitle C of title I of the Act shall be provided in a manner that is consistent with the recommendations of peer review panels in order to ensure that priority is given to programs that demonstrate quality, innovation, replicability, and sustainability: *Provided further*, That not more than $25,000,000 of the funds made available under this heading shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): *Provided further*, That not more than $43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): *Provided further*, That not more than $28,488,000 shall be available for quality and innovation activities authorized under subtitle H of title I of the Act (42 U.S.C. 12853 et seq.): *Provided further*, That not more than $15,000,000 shall be available for grants to support the Veterans Mission for Youth Program: *Provided further*, That not more than $5,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639): *Provided further*, That to the maximum extent practicable, the Corporation shall increase significantly the level of matching funds and in-kind contributions provided by the private sector, and shall reduce the total Federal costs per participant in all programs: *Provided further*, That not more than $7,500,000 of the funds made available under this heading shall be made available to America's Promise—The Alliance for Youth, Inc. only to support efforts to mobilize individuals, groups, and organizations to build and strengthen the character and competence of the Nation's youth: *Provided further*, That not more than $5,000,000 of the funds made available under this heading shall be made available to the Communities In Schools, Inc. to support dropout prevention activities: *Provided further*, That not more than $2,500,000 of the funds made available under this heading shall be made available to the YMCA of the USA to support school-based programs designed to strengthen collaborations and linkages between public schools and communities: *Provided further*, That not more than $1,000,000 of the funds made available under this heading shall be made available to Teach For America: *Provided further*, That not more than $1,500,000 of the funds made available under this heading shall be made available to Parents As Teachers National Center, Inc. to support literacy activities.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $5,000,000, to remain available until September 30, 2003.

U.S. Court of Appeals for Veterans Claims

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Appeals for Veterans Claims as authorized by 38 U.S.C. 7251–7298, $13,221,000, of which $895,000 shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set forth, under this heading in Public Law 102–229.

Department of Defense—Civil

Cemeterial Expenses, Army

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of two passenger motor vehicles for replacement only, and not to exceed $1,000 for official reception and representation expenses, $18,437,000, to remain available until expended.

Department of Health and Human Services

National Institutes of Health

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For necessary expenses for the National Institute of Environmental Health Sciences in carrying out activities set forth in section 311(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, $70,228,000.

Agency for Toxic Substances and Disease Registry

SALARIES AND EXPENSES

For necessary expenses for the Agency for Toxic Substances and Disease Registry (ATSDR) in carrying out activities set forth in sections 104(i), 111(c)(4), and 111(c)(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; section 118(f) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended; and section 3019 of the Solid Waste Disposal Act, as amended, $78,235,000, to be derived from the Hazardous Substance Superfund Trust Fund pursuant to section 517(a) of SARA (26 U.S.C. 9507): *Provided*, That notwithstanding any other provision of law, in lieu of performing a health assessment under section 104(i)(6) of CERCLA, the Administrator of ATSDR may conduct other appropriate health studies, evaluations, or activities, including, without limitation, biomedical testing, clinical evaluations, medical monitoring, and referral to accredited health care providers: *Provided further*, That in performing any such health assessment or health study, evaluation, or activity, the Administrator of ATSDR shall not be bound by the deadlines in section 104(i)(6)(A) of CERCLA: *Provided further*, That none of the funds appropriated under this heading shall be available for ATSDR to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 2002, and existing profiles may be updated as necessary.

Environmental Protection Agency

SCIENCE AND TECHNOLOGY

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $665,672,000, which shall remain available until September 30, 2003.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; and not to exceed $6,000 for official reception and representation expenses, $2,061,996,200, which shall remain available until September 30, 2003.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $34,019,000, to remain available until September 30, 2003.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or for use by, the Environmental Protection Agency, $25,318,400, to remain available until expended.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; $1,274,645,560 to remain available until expended, consisting of $634,532,200, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $640,113,360 as a payment from general revenues to the Hazardous Substance Superfund for purposes as authorized by section 517(b) of SARA, as amended: *Provided*, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further*, That of the funds appropriated under this heading, $11,867,000 shall be transferred to the "Office of Inspector General" appropriation to remain available until September 30, 2003, and $36,890,500 shall be transferred to the "Science and technology" appropriation to remain available until September 30, 2003.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $71,947,400, to remain available until expended.

OIL SPILL RESPONSE

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $14,986,000, to be derived from the Oil Spill Liability trust fund, to remain available until expended.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,603,015,900, to remain available until expended, of which $1,350,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended (the "Act"); $850,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended, except that, notwithstanding section 1452(n) of the Safe Drinking Water Act, as amended, none of the funds made available under this heading in this Act, or in previous appropriations Acts, shall be reserved by the Administrator for health effects studies on drinking water contaminants; $75,000,000 shall be for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $40,000,000 shall be for grants to the State of Alaska to address drinking water and wastewater infrastructure needs of rural and Alaska Native Villages; $140,000,000 shall be for making grants for the construction of wastewater and water treatment facilities and groundwater protection infrastructure in accordance with the terms and conditions specified for such grants in the Senate report accompanying this Act except that, notwithstanding any other provision of law, of the funds herein and hereafter appropriated under this heading for such special needs infrastructure grants, the Administrator may use up to 3 percent of the amount of each project appropriated to administer the management and oversight of construction of such projects through contracts, allocation to the Corps of Engineers, or grants to States; and $1,030,782,400 shall be for grants, including associated program support costs, to States, federally recognized tribes, interstate agencies, tribal consortia, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading in Public Law 104–134, and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities of which and subject to terms and conditions specified by the Administrator, $25,000,000 shall be for Environmental Information Exchange Network grants, including associated program support costs: *Provided*, That for fiscal year 2002, State authority under section 302(a) of Public Law 104–182 shall remain in effect: *Provided further*, That for fiscal year 2002, and notwithstanding section 518(f) of the Federal Water Pollution Control Act, as amended, the Administrator is authorized to use the amounts appropriated for any fiscal year under section 319 of that Act to make grants to Indian tribes pursuant to section 319(h) and 518(e) of that Act: *Provided further*, That for fiscal year 2002, notwithstanding the limitation on amounts in section 518(c) of the Act, up to a total of 1½ percent of the funds appropriated for State Revolving Funds under Title VI of that Act may be reserved by the Administrator for grants under section 518(c) of such Act: *Provided further*, That no funds provided by this legislation to address the water, wastewater and other critical infrastructure needs of the colonias in the United States along the United States-Mexico border shall be made available to a county or municipal government unless that government has established an enforceable local ordinance, or other zoning rule, which prevents in that jurisdiction the development or construction of any additional colonia areas, or the development within an existing colonia the construction of any new home, business, or other structure which lacks water, wastewater, or other necessary infrastructure.

ADMINISTRATIVE PROVISION

For fiscal year 2002, notwithstanding 31 U.S.C. 6303(1) and 6305(1), the Administrator of the Environmental Protection Agency, in carrying out the Agency's function to implement directly Federal environmental programs required or authorized by law in the absence of an acceptable tribal program, may award cooperative agreements to federally-recognized Indian Tribes or Intertribal consortia, if authorized by their member Tribes, to assist the Administrator in implementing Federal environmental programs for Indian Tribes required or authorized by law, except that no such cooperative agreements may be awarded from funds designated for State financial assistance agreements.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $5,267,000.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Quality Improvement Act of 1970, and Reorganization Plan No. 1 of 1977, $2,974,000: *Provided*, That, notwithstanding any other provision of law, no funds other than those appropriated under this heading shall be used for or by the Council on Environmental Quality and Office of Environmental Quality: *Provided further*, That notwithstanding section 202 of the National Environmental Policy Act of 1970, the Council shall consist of one member, appointed by the President, by and with the advice and consent of the Senate, serving as chairman and exercising all powers, functions, and duties of the Council.

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $33,660,000, to be derived from the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $359,399,000, and, notwithstanding 42 U.S.C. 5203, to remain available until expended, of which not to exceed $2,900,000 may be transferred to "Emergency management planning and assistance" for the consolidated emergency management performance grant program; up to $15,000,000 may be obligated for flood map modernization activities following disaster declarations; and $21,577,000 may be used by the Office of Inspector General for audits and investigations.

For an additional amount for "Disaster relief", $2,000,000,000, to remain available until expended: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For the cost of direct loans, $405,000 as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $25,000,000. In addition, for administrative expenses to carry out the direct loan program, $543,000.

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles as authorized by 31 U.S.C. 1343; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of Government programs to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed $2,500 for official reception and representation expenses, $233,801,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $10,303,000: *Provided*, That notwithstanding any other provision of law, the Inspector General of the Federal Emergency Management Agency shall also serve as the Inspector General of the Chemical Safety and Hazard Investigation Board.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947, as amended (50 U.S.C. 404–405), and Reorganization Plan No. 3 of 1978, $279,623,000: *Provided*, That for purposes of pre-disaster mitigation pursuant to 42 U.S.C. 5131(b) and (c) and 42 U.S.C. 5196(e) and (i), $25,000,000 of the funds made available under this heading shall be available until expended for project grants.

For an additional amount for "Emergency management planning and assistance", $150,000,000 for programs as authorized by section 33 of the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.).

RADIOLOGICAL EMERGENCY PREPAREDNESS FUND

The aggregate charges assessed during fiscal year 2002, as authorized by Public Law 106–377, shall not be less than 100 percent of the amounts anticipated by FEMA necessary for its radiological emergency preparedness program for the next fiscal year. The methodology for assessment and collection of fees shall be fair and equitable; and shall reflect costs of providing such services, including administrative costs of collecting such fees. Fees received pursuant to this section shall be deposited in the Fund as offsetting collections and will become available for authorized purposes on October 1, 2002, and remain available until expended.

EMERGENCY FOOD AND SHELTER PROGRAM

To carry out an emergency food and shelter program pursuant to title III of Public Law 100–77, as amended, $139,692,000, to remain available until expended: *Provided*, That total administrative costs shall not exceed 3½ percent of the total appropriation.

NATIONAL FLOOD INSURANCE FUND

(INCLUDING TRANSFERS OF FUNDS)

For activities under the National Flood Insurance Act of 1968 ("the Act"), the Flood Disaster Protection Act of 1973, as amended, not to exceed $28,798,000 for salaries and expenses associated with flood mitigation and flood insurance operations, and not to exceed $76,381,000 for flood mitigation, including up to $20,000,000 for expenses under section 1366 of the Act, which amount shall be available for transfer to the National Flood Mitigation Fund until September 30, 2003. In fiscal year 2002, no funds in excess of: (1) $55,000,000 for operating expenses; (2) $536,750,000 for agents' commissions and taxes; and (3) $30,000,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations.

In addition, up to $7,000,000 in fees collected but unexpended during fiscal years 2000 through 2001 shall be transferred to the Flood Map Modernization Fund and available for expenditure in fiscal year 2002.

Section 1309(a)(2) of the Act (42 U.S.C. 4016(a)(2)), as amended, is further amended by striking "December 31, 2001" and inserting "December 31, 2002".

Section 1319 of the Act, as amended (42 U.S.C. 4026), is amended by striking "September 30, 2001" and inserting "December 31, 2002".

Section 1336 of the Act, as amended (42 U.S.C. 4056), is amended by striking "September 30, 2001" and inserting "December 31, 2002".

The first sentence of section 1376(c) of the Act, as amended (42 U.S.C. 4127(c)), is amended by striking "December 31, 2001" and inserting "December 31, 2002".

NATIONAL FLOOD MITIGATION FUND

Notwithstanding sections 1366(b)(3)(B)–(C) and 1366(f) of the National Flood Insurance Act of 1968, as amended, $20,000,000, to remain available until September 30, 2003, for activities designed to reduce the risk of flood damage to structures pursuant to such Act, of which $20,000,000 shall be derived from the National Flood Insurance Fund.

GENERAL SERVICES ADMINISTRATION

FEDERAL CONSUMER INFORMATION CENTER FUND

For necessary expenses of the Federal Consumer Information Center, including services authorized by 5 U.S.C. 3109, $7,276,000, to be deposited into the Federal Consumer Information Center Fund: *Provided*, That the appropriations, revenues, and collections deposited into the Fund shall be available for necessary expenses of Federal Consumer Information Center activities in the aggregate amount of $12,000,000. Appropriations, revenues, and collections accruing to this Fund during fiscal year 2002 in excess of $12,000,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

HUMAN SPACE FLIGHT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, in the conduct and support of human space flight research and development activities, including research, development, operations, support and services; maintenance; construction of facilities including repair, rehabilitation, revitalization and modification of facilities, construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase and hire of passenger motor vehicles; not to exceed $20,000 for official reception and representation expenses; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $6,868,000,000, to remain available until September 30, 2003, of which amounts as determined by the Administrator for salaries and benefits; training, travel and awards; facility and related costs; information technology services; science, engineering, fabricating and testing services; and other administrative services may be transferred to the Science, Aeronautics and Technology account in accordance with section 312(b) of the National Aeronautics and Space Act of 1958, as amended by Public Law 106–377: *Provided*, That the funding level for Development and Operation of the International Space Station shall not exceed $1,781,300,000 for fiscal year 2002, $1,500,400,000 for fiscal year 2003, $1,203,800,000 for fiscal year 2004, $1,078,300,000 for fiscal year 2005 and $1,099,600,000 for fiscal year 2006: *Provided further*, That the President shall certify, and report such certification to the Senate Committees on Appropriations and Commerce, Science and Transportation and to the House of Representatives Committees on Appropriations and Science, that any proposal to exceed these limits, or enhance the International Space Station design above the content planned for U.S. core complete, is (1) necessary and of the highest priority to enhance the goal of world class research in space aboard the International Space Station; (2) within acceptable risk levels, having no major unresolved technical issues and a high confidence in cost and schedule estimates, and independently validated; and (3) affordable within the multi-year funding available to the International Space Station program as defined above or, if exceeds such amounts, these additional resources are not achieved through any funding reduction to programs contained in Space Science, Earth Science and Aeronautics.

SCIENCE, AERONAUTICS AND TECHNOLOGY

For necessary expenses, not otherwise provided for, in the conduct and support of science, aeronautics and technology research and development activities, including research, development, operations, support and services; maintenance; construction of facilities including repair, rehabilitation, revitalization, and modification of facilities, construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase and hire of passenger motor vehicles; not to exceed $20,000 for official reception and representation expenses; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $7,669,700,000, to remain available until September 30, 2003.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $23,700,000.

ADMINISTRATIVE PROVISIONS

Notwithstanding the limitation on the availability of funds appropriated for "Human space flight", or "Science, aeronautics and technology" by this appropriations Act, when any activity has been initiated by the incurrence of obligations for construction of facilities as authorized by law, such amount available for such activity shall remain available until expended. This provision does not apply to the amounts appropriated for institutional minor revitalization and construction of facilities, and institutional facility planning and design.

Notwithstanding the limitation on the availability of funds appropriated for "Human space flight", or "Science, aeronautics and technology" by this appropriations Act, the amounts appropriated for construction of facilities shall remain available until September 30, 2004.

Notwithstanding the limitation on the availability of funds appropriated for "Office of Inspector General", amounts made available by this Act for personnel and related costs and travel expenses of the National Aeronautics and Space Administration shall remain available until September 30, 2002 and may be used to enter into contracts for training, investigations, costs associated with personnel relocation, and for other services, to be provided during the next fiscal year. Funds for announced prizes otherwise authorized shall remain available, without fiscal year limitation, until the prize is claimed or the offer is withdrawn.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

(INCLUDING TRANSFER OF FUNDS)

During fiscal year 2002, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions, as authorized by 12 U.S.C. 1795 et seq., shall not exceed $1,500,000,000: *Provided*, That administrative expenses of the Central Liquidity Facility shall not exceed $309,000: *Provided further*, That $1,000,000 shall be transferred to the Community Development Revolving Loan Fund, of which $650,000, together with amounts of principal and interest on loans repaid, shall be available until expended for loans to community development credit unions, and $350,000 shall be available until expended for technical assistance to low-income and community development credit unions.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880–1881); services as authorized by 5 U.S.C. 3109; authorized travel; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of aircraft; $3,514,481,000, of which not to exceed $285,000,000 shall remain available until expended for Polar research and operations support, and for reimbursement to other Federal agencies for operational and science support and logistical and other related activities for the United States Antarctic program; the balance to remain available until September 30, 2003: *Provided*, That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: *Provided further*, That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally: *Provided further*, That $75,000,000 of the funds available under this heading shall be made available for a comprehensive research initiative on plant genomes for economically significant crops.

MAJOR RESEARCH EQUIPMENT

For necessary expenses of major construction projects pursuant to the National Science Foundation Act of 1950, as amended, including authorized travel, $108,832,000, to remain available until expended.

EDUCATION AND HUMAN RESOURCES

For necessary expenses in carrying out science and engineering education and human resources programs and activities pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109, authorized travel, and rental of conference rooms in the District of Columbia, $872,407,000, to remain available until September 30, 2003: *Provided*, That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally: *Provided further*, That $15,000,000 shall be available for the innovation partnership program.

SALARIES AND EXPENSES

For salaries and expenses necessary in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875); services authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $9,000 for official reception and representation expenses; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; rental of conference rooms in the District of Columbia; reimbursement of the General Services Administration for security guard services; $170,040,000: *Provided*, That contracts may be entered into under "Salaries and expenses" in fiscal year 2002 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General as authorized by the Inspector General Act of 1978, as amended, $6,760,000, to remain available until September 30, 2003.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101–8107), $100,000,000, of which $10,000,000 shall be for a homeownership program that is used in conjunction with section 8 assistance under the United States Housing Act of 1937, as amended.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by 5 U.S.C. 4101–4118 for civilian employees; and not to exceed $1,000 for official reception and representation expenses; $25,003,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever the President deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Where appropriations in titles I, II, and III of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this provision does not apply to accounts that do not contain an object classification for travel: *Provided further*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act; to travel performed by the Offices of Inspector General in connection with audits and investigations; or to payments to interagency motor pools where separately set forth in the budget schedules: *Provided further*, That if appropriations in titles I, II, and III exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefor set forth in the estimates only to the extent such an increase is approved by the Committees on Appropriations.

SEC. 402. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

SEC. 403. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811–1831).

SEC. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 405. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made; or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

SEC. 406. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between their domicile and their place of employment, with the exception of any officer or employee authorized such transportation under 31 U.S.C. 1344 or 5 U.S.C. 7905.

SEC. 407. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: *Provided*, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 408. None of the funds in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law.

SEC. 409. None of the funds provided in this Act shall be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

SEC. 410. Except as otherwise provided under existing law, or under an existing Executive Order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are: (1) a matter of public record and available for public inspection; and (2) thereafter included in a publicly available list of all contracts entered into within 24 months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. 411. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), for a contract for services unless such executive agency: (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder; and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning: (A) the contract pursuant to which the report was prepared; and (B) the contractor who prepared the report pursuant to such contract.

SEC. 412. Except as otherwise provided in section 406, none of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. 413. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

SEC. 414. None of the funds appropriated in title I of this Act shall be used to enter into any new lease of real property if the estimated annual rental is more than $300,000 unless the Secretary submits a report which the Committees on Appropriations of the Congress approve within 30 days following the date on which the report is received.

SEC. 415. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 416. None of the funds appropriated in this Act may be used to implement any cap on reimbursements to grantees for indirect costs, except as published in Office of Management and Budget Circular A–21.

SEC. 417. Such sums as may be necessary for fiscal year 2002 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 418. None of the funds made available in this Act may be used for any program, project, or activity, when the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

SEC. 419. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of such Act as may be necessary in carrying out the programs set forth in the budget for 2002 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

SEC. 420. Notwithstanding any other provision of law, the term "qualified student loan" with respect to national service education awards shall mean any loan determined by an institution of higher education to be necessary to cover a student's cost of attendance at such institution and made directly to a student by a state agency, in addition to other meanings under section 148(b)(7) of the National and Community Service Act.

SEC. 421. Unless otherwise provided for in this Act, no part of any appropriation for the Department of Housing and Urban Development shall be available for any activity in excess of amounts set forth in the budget estimates submitted to Congress.

SEC. 422. None of the funds appropriated or otherwise made available by this Act shall be used to promulgate a final regulation to implement changes in the payment of pesticide tolerance processing fees as proposed at 64 Fed. Reg. 31040, or any similar proposals. The Environmental Protection Agency may proceed with the development of such a rule.

SEC. 423. Except in the case of entities that are funded solely with Federal funds or any natural persons that are funded under this Act, none of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties to lobby or litigate in respect to adjudicatory proceedings funded in this Act. A chief executive officer of any entity receiving funds under this Act shall certify that none of these funds have been used to engage in the lobbying of the Federal Government or in litigation against the United States unless authorized under existing law.

SEC. 424. No part of any funds appropriated in this Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 425. None of the funds provided in Title II for technical assistance, training, or management improvements may be obligated or expended unless HUD provides to the Committees on Appropriations a description of each proposed activity and a detailed budget estimate of the costs associated with each activity as part of the Budget Justifications. For fiscal year 2002, HUD shall transmit this information to the Committees by January 8, 2002 for 30 days of review.

SEC. 426. Section 70113(f) of title 49, United States Code, is amended by striking "December 31, 2001", and inserting "December 31, 2002".

SEC. 427. All Departments and agencies funded under this Act are encouraged, within the limits of the existing statutory authorities and funding, to expand their use of "E-Commerce" technologies and procedures in the conduct of their business practices and public service activities.

This Act may be cited as the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002".

SA 1215. Mr. REID (for himself and Mr. ENSIGN) submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 76, line 16 following "Villages;" insert the following: "$1,400,000 shall be for Clean Water Act and Clean Air Act activities at Lake Tahoe in Nevada and California;".

SA 1216. Mr. REID submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 76, line 16 following "Villages;" insert the following: "$5,700,000 shall be for the Ammonium Perchlorate interdiction project in the Las Vegas Wash in Nevada;".

SA 1217. Ms. MIKULSKI (for herself and Mr. BOND) proposed an amendment to amendment SA 1214 proposed by Ms. MIKULSKI to the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; as follows:

On page 81, line 2 of the amendment after "2,000,000,000," insert: "to be available immediately upon the enactment of this Act, and".

SA 1218. Mr. WELLSTONE proposed an amendment to amendment SA 1214 proposed by Ms. MIKULSKI to the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; as follows:

On page 7, line 19, strike "$21,379,742,000" and insert "$22,029,742,000".

SA 1219. Mrs. BOXER proposed an amendment to amendment SA 1214 proposed by Ms. MIKULSKI to the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; as follows:

At the appropriate place, add the following:

SEC. . The Administrator of the Environmental Protection Agency, pursuant to the Safe Drinking Water Act, shall immediately put into effect a new national primary drinking water regulation for arsenic that—

(1) establishes a standard for arsenic at a level providing for the protection of the population in general, fully taking into account those at greater risk, such as infants, children, pregnant women, the elderly and those with a history of serious illness; and

(2) lifts the suspension on the effective date for the community right to know requirements included in the national primary drinking water regulation for arsenic published on January 22, 2001, in the Federal Register (66 Fed. Reg. 6976).

SA. 1220. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. (a) RESCISSIONS.—There is rescinded an amount equal to 1 percent of the discretionary budget authority provided (or obligation limit imposed) for fiscal year 2002 in this Act for each department, agency, instrumentality, or entity of the Federal Government funded in this Act: *Provided*, That this reduction percentage shall be applied on a pro rata basis to each program, project, and activity subject to the rescission.

(b) DEBT REDUCTION.—The amount rescinded pursuant to this section shall be deposited into the account established under section 3113(d) of title 31, United States Code, to reduce the public debt.

(c) REPORT.—The Director of the Office of Management and Budget shall include in the President's budget submitted for fiscal year 2003 a report specifying the reductions made to each account pursuant to this section.

SA 1221. Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 78, line 16, before the period, insert the following: ", of which no less than $4 million shall be made available to Manchester, New Hampshire for the Combined Sewer Overflow Elimination Project."

SA 1222. Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 78, line 16, before the period, insert the following: ", of which no less than $4 million shall be made available to Nashua, New Hampshire for the Combined Sewer Overflow Elimination Project."

SA 1223. Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 73, line 18, before the period, insert the following: ", of which no less than $30,000 shall be made available to the EPA Office of Policy, Economics, and Innovation for the New Hampshire/Vermont Solid Waste Project, to conduct a Mercury Waste Source Separation Pilot Project."

SA 1224. Mr. LOTT submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert:

SEC. . NASA FUNDED PROPULSION TESTING.—NASA shall ensure that rocket propulsion testing funded by this Act is assigned to testing facilities by the Rocket Propulsion Test Management Board in accordance with current baseline roles. Assignments will be made to maximize the benefit of Federal government investments and shall include considerations such as facility cost, capability, availability, and personnel experience.

SA 1225. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of

Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. (a) RESCISSIONS.—There is rescinded an amount equal to 1 percent of the discretionary budget authority provided (or obligation limit imposed) for fiscal year 2002 in this Act for each department, agency, instrumentality, or entity of the Federal Government funded in this Act: *Provided*, That this reduction percentage shall be applied on a pro rata basis to each program, project, and activity subject to the rescission.

(b) DEBT REDUCTION.—The amount rescinded pursuant to this section shall be deposited into the account established under section 3113(d) of title 31, United States Code, to reduce the public debt.

(c) REPORT.—The Director of the Office of Management and Budget shall include in the President's budget submitted for fiscal year 2003 a report specifying the reductions made to each account pursuant to this section.

SA 1226. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 105, between lines 14 and 15, insert the following:

SEC. 428. (a) REDUCTION IN AMOUNTS AVAILABLE FOR PROJECTS FUNDED BY COMMUNITY DEVELOPMENT FUND.—The amount appropriated by title II under the heading "EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES" under the paragraph "COMMUNITY DEVELOPMENT FUND" is hereby reduced by $10,000,000. The amount of the reduction shall be derived from the termination of the availability of funds under that paragraph for projects, and in amounts, as follows:

(1) $750,000 for the Fells Point Creative Alliance of Baltimore, Maryland, for development of the Patterson Center for the Arts.

(2) $300,000 for the County of Kauai, Hawaii, for the Heritage Trails project.

(3) $750,000 for infrastructure improvements to the School of the Building Arts in Charleston, South Carolina.

(4) $100,000 for development assistance for Desert Space Station in Nevada.

(5) $250,000 for the Center Theatre Group, of Los Angeles, California, for the Culver City Theater project.

(6) $1,000,000 for the Louisiana Department of Culture, Recreation, and Tourism for development activities related to the Louisiana Purchase Bicentennial Celebration.

(7) $450,000 for the City of Providence, Rhode Island, for the development of a Botanical Center at Roger Williams Park and Zoo.

(8) $200,000 for the Newport Art Museum in Newport, Rhode Island, for historical renovation.

(9) $250,000 for the City of Wildwood, New Jersey, for revitalization of the Pacific Avenue Business District.

(10) $300,000 for Studio for the Arts of Pocahontas, Arkansas, for a new facility.

(11) $1,000,000 for the Southern New Mexico Fair and Rodeo in Dona Ana County, New Mexico, for infrastructure improvements and to build a multi-purpose event center.

(12) $1,000,000 for Dubuque, Iowa, for the development of an American River Museum.

(13) $1,000,000 for Sevier County, Utah, for a multi-events center.

(14) $100,000 to the OLYMPIA ship of Independence Seaport Museum to provide ship repairs which will contribute to the economic development of the Penn's Landing waterfront area in Philadelphia, Pennsylvania.

(15) $500,000 for the Lewis and Clark State College, Idaho, for the Idaho Virtual Incubator.

(16) $1,000,000 for Henderson, North Carolina, for the construction of the Embassy Cultural Center.

(17) $100,000 to the Alabama Wildlife Federation for the development of the Alabama Quail Trail in rural Alabama.

(18) $350,000 for the Urban Development authority of Pittsburgh, Pennsylvania, for the Harbor Gardens Greenhouse project.

(b) INCREASE IN AMOUNT AVAILABLE FOR VETERANS CLAIMS ADJUDICATION.—The amount appropriated by title I under the heading "DEPARTMENTAL ADMINISTRATION" under the paragraph "GENERAL OPERATING EXPENSES" is hereby increased by $10,000,000, with the amount of the increase to be available for veterans claims adjudication.

SA 1227. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 74, line 14, strike "$1,274,645,560" and all that follows through page 75, line 23, and insert the following: $1,271,645,560, to to remain available until expended, consisting of $634,532,200, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $637,113,360 as a payment from general revenues to the Hazardous Substance Superfund for purposes as authorized by section 517(b) of SARA, as amended: *Provided*, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: *Provided further*, That of the funds appropriated under this heading, $11,867,000 shall be transferred to the "Office of Inspector General" appropriation to remain available until September 30, 2003, and $36,890,500 shall be transferred to the "Science and technology" appropriation to remain available until September 30, 2003.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $71,947,400, to remain available until expended.

OIL SPILL RESPONSE

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $14,986,000, to be derived from the Oil Spill Liability trust fund, to remain available until expended.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,606,015,900, to remain available until expended, of which $2,000,000 shall be made available to the Southwest Alabama Regional Water Authority; $1,000,000 shall be made available for sewer connections for the development of an interstate business park in Autauga County, Alabama; $1,350,000,000 shall be for making capitalization

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry Subcommittee on Production and Price Competitiveness be authorized to meet during the session of the Senate on Wednesday, August 1, 2001. The purpose of this hearing will be to consider the U.S. export market share.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, August 1, 2001, at 9:30 a.m., in open session to consider the nomination of Gen. John P. Jumper, USAF, for reappointment to the grade of general and to be Chief of Staff, U.S. Air Force.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, August 1, 2001, to conduct a markup of S. 1254, the Mark-to-Market Reauthorization Act of 2001, and of the nominations of Ms. Linda Mysliwy Conlin, of New Jersey, to be an Assistant Secretary of Commerce for Trade Development; Ms. Melody H. Fennel, of Virginia, to be an Assistant Secretary of Housing and Urban Development for Congressional and Intergovernmental Relations; Ms. Henrietta Holsman Fore, of Nevada, to be Director of the Mint; Mr. Michael J. Garcia, of New York, to be an Assistant Secretary of Commerce for Export Enforcement; and Mr. Michael Minoru Fawn Liu, of Illinois, to be an Assistant Secretary of Housing and Urban Development for Public and Indian Housing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, August 1, 2001, at 9:30 a.m., on trade issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, August 1, 2001, at 2:30 p.m., on the nominations of John A. Hammerschmidt to be member of the NTSB; Jeffrey Runge to be Administrator of the NHTSA; Nancy Victory to be Assistant Secretary of Commerce for Communications and Information; and Otto Wolff to be Assistant Secretary of Administration and Chief Financial Officer of the Department of Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, August 1, for purposes of conducting a full committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this business meeting is to begin consideration of energy policy legislation and other pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Wednesday, August 1, at 9 a.m., to conduct a hearing to assess the impact of air emissions from the transportation sector on public health and the environment in SD–406.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Wednesday, August 1, immediately following the first vote to consider the following nominations: David A. Sampson to be Assistant Secretary for Economic Development, Department of Commerce; George Tracy Mehan III, to be Assistant Administrator for the Office of Water, Environmental Protection Agency; Judith Elizabeth Ayers to be an Assistant Administrator for the Office of International Activities, Environmental Protection Agency; Robert E. Fabricant to be General Counsel, Environmental Protection Agency; Jeffrey Holmstead to be Assistant Administrator for the Office of Air and Radiation, Environmental Protection Agency; and Donald Schregardus to be Assistant Administrator for the Office of Enforcement and Compliance Assurance, Environmental Protection Agency.

In addition, the committee will consider the courthouse naming for S. 584 to designate the United States courthouse located at 40 Centre Street in New York, NY, as the "Thurgood Marshall United States Courthouse."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Wednesday, August 1, 2001, to hear testimony on "Cybershopping and Sales Tax: Finding the Right Mix".

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, August 1, 2001, at 10:30 a.m., to hold a business meeting.

The Committee will consider and vote on the following agenda items:

S. . An original bill to authorize appropriations for the Department of State and for United States International broadcasting activities for fiscal years 2002 and 2003, and for other purposes.

S. 367. A bill to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961.

S. Res. 126. A resolution expressing the sense of the Senate regarding observance of the Olympic Truce.

S. Con. Res. 58. A concurrent resolution expressing support for the tenth annual meeting of the Asia Pacific Parliamentary Forum.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet in executive session during the session of the Senate on Wednesday, August 1, 2001, at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on Small Business be authorized to meet during the session of the Senate for a hearing entitled "The Business of Environmental Technology" on Wednesday, August 1, 2001, beginning at 9 a.m., in room 428A of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, August 1, 2001, at 2:30 p.m., to hold a hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ANTITRUST, BUSINESS RIGHTS AND COMPETITION

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Antitrust, Business Rights and Competition be authorized to meet to conduct a hearing on Wednesday, August 1, 2001, at 2 p.m., in Dirksen 226.

Tentative witness list on "S. 1233, the Product Package Protection Act: Keeping Offensive Material Out of our Cereal Boxes":

Panel I: Department of Justice, TBA, Washington, DC.

Panel II: Leslie Sarasin, President, American Frozen Food Institute, McClean, VA; Paul Petruccelli, Chief Counsel, Kraft North American, Inc., Northfield, IL; and David Burris, Victim of product package tampering, Baker City, OR.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSTITUTION, FEDERALISM, AND PROPERTY RIGHTS

Mrs. MURRAY. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Constitution, Federalism and Property Rights be authorized to meet to conduct a hearing on Wednesday, August 1, 2001, at 10 a.m., in Dirksen 226.

Witness list on "S. 989, the End Racial Profiling Act of 2001":

Panel I: Senator Hillary Rodham Clinton, New York; Senator Jon S. Corzine, New Jersey; Representative John Conyers, Jr., Michigan; and Representative Chris Shays, Connecticut.

Panel II: Mayor Dennis W. Archer, City of Detroit, President, The National League of Cities, Detroit, MI; Captain Ronald Davis, Oakland Police Department, National Organization of Black Law Enforcement Executives, Oakland, CA; Lorie Fridell, Ph.D., Director of Research, Police Executive Research Forum, Washington, DC; Chief Reuben M. Greenberg, Charleston Police Department, Charleston, SC; Professor David Harris, University of Toledo College of Law, Toledo, OH; Mrs. Raymond Kelly, former Commissioner, U.S. Customs Service, former Commissioner, New York City Police

Department, New York, NY; and Mr. Steve Young, Vice President, Fraternal Order of Police, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. McCAIN. Mr. President, I ask unanimous consent that my legislative fellow, Navy Lieutenant Commander Dell Bull, be granted floor privileges during consideration of the VA-HUD Appropriations Bill for Fiscal Year 2002.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that Joel Widder, a detailee to the majority staff of Appropriations, be granted the privilege of the floor during consideration of the VA-HUD bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, I ask unanimous consent that a detailee to my staff, John Stoody, be granted the privilege of the floor during the time the VA-HUD measure is being considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN CURRENCY REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following report(s) of standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Jay Driscol:									
Canada	Dollar		145.60		410.00		1.00		556.60
Total			145.60		410.00		1.00		556.00

TOM HARKIN,
Chairman, Committee on Agriculture, Nutrition, and Forestry, July 13, 2001.

AMENDMENT TO 1ST QUARTER 2001 CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM JAN. 1 TO MAR. 31, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Wally Burnett:									
Canada	Dollar		186.00		291.85				477.85
Total			186.00		291.85				477.85

ROBERT C. BYRD,
Chairman, Committee on Appropriations, July 16, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Steve Cortese:									
Japan	Yen		262.00						262.00
South Korea	Won		678.00						678.00
Jennifer Chartrand:									
Japan	Yen		393.00						393.00
South Korea	Won		678.00						678.00
Tom Hawkins:									
Japan	Yen		393.00						393.00
South Korea	Won		678.00						678.00
Paul Grove:									
Colombia	Peso		663.00						663.00
Bolivia	Dollar		540.00						540.00
El Salvador	Dollar		444.00						444.00
United States	Dollar				3,827.60				3,827.60
Susan Hogan:									
Colombia	Peso		662.85						662.85
Bolivia	Boliviano		540.00						540.00
Ecuador	Dollar		420.00						420.00
United States	Dollar				2,789.60				2,789.60
South America	Dollar				173.00				173.00
Wallace Burnett:									
Japan	Yen		968.00						968.00
Korea	Won		494.00						494.00
Azerbajian	Manat		383.00						383.00
Turkey	Lira		612.00						612.00
Portugal	Escudo		422.00						422.00
Tim Rieser:									
Yugoslavia	Dollar		160.00						160.00
Macedonia	Dollar		199.00		1,938.00				2,137.00
Senator Ted Stevens:									
France	Franc		320.00						320.00
Senator Thad Cochran:									
France	Franc		320.00						320.00

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Richard C. Shelby:									
France	Franc		320.00						320.00
Senator Conrad Burns:									
France	Franc		320.00						320.00
Steve Cortese:									
France	Franc		320.00						320.00
John Young:									
France	Franc		320.00						320.00
Terry Sauvain:									
France	Franc		320.00						320.00
Lisa Sutherland:									
France	Franc		320.00						320.00
Carol White:									
France	Franc		320.00						320.00
Wally Burnett:									
France	Franc		320.00		2,818.51				3,138.51
Sid Ashworth:									
France	Franc		320.00						320.00
Charlie Houy:									
France	Franc		320.00		2,806.30				3,126.30
Gary Reese:									
France	Franc		320.00						320.00
Dwight McKay:									
France	Franc		320.00						320.00
Total France			14,069.85		14,353.01		0.00		28,422.86

ROBERT C. BYRD,
Chairman, Committee on Appropriations, July 16, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Phil Gramm:									
South Korea	Dollar		332.41						332.41
Taiwan	Dollar		330.00						330.00
Senator Robert F. Bennett:									
South Korea	Dollar		452.00						452.00
Taiwan	Dollar		578.00						578.00
Senator Jim Bunning:									
South Korea	Dollar		452.00						452.00
Taiwan	Dollar		578.00						578.00
Senator Mike Crapo:									
South Korea	Dollar		452.00						452.00
Taiwan	Dollar		578.00						578.00
Ms. Ruth Cymber:									
South Korea	Dollar		310.00						310.00
Taiwan	Dollar		303.67						303.67
Ms. Linda Lord:									
South Korea	Dollar		340.06						340.06
Taiwan	Dollar		340.00						340.00
Total			5,046.14						5,046.14

Phil Gramm, Chairman,
Committee on Banking, Housing, and Urban Affairs, June 30, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Jeff B. Sessions:									
Saudi Arabia	Riyal		36.49						36.49
Bahrain	Dinar		83.00						83.00
Italy	Lira		217.00						217.00
Archie Galloway:									
Saudi Arabia	Riyal		40.00						40.00
Bahrain	Dinar		228.00						228.00
Italy	Lira		310.00						310.00
Armand DeKeyser:									
Saudi Arabia	Riyal		58.00						58.00
Bahrain	Dinar		245.00						245.00
Italy	Lira		355.00						355.00
Gary M. Hall:									
Saudi Arabia	Riyal		64.00						64.00
Bahrain	Dinar		83.00						83.00
Italy	Lira		212.00						212.00
United States	Dollar				8,253.99				8,253.99
Edward H. Edens:									
Colombia	Peso		422.00						422.00
Bolivia	Boliviano		512.00						512.00
Ecuador	Sucre		200.00						200.00
Colombia	Peso		211.00						211.00
Cord A. Sterling:									
Colombia	Peso		442.00						442.00

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Bolivia	Boliviano		540.00						540.00
Ecuador	Sucre		210.00						210.00
Colombia	Peso		221.00						221.00
George W. Lauffer:									
United States	Dollar				4,906.00				4,906.00
Spain	Pesata		54.55						54.55
Turkey	Liara		90.75						90.75
Italy	Lira		429.25						429.25
Michael J. McCord:									
United States	Dollar				4,906.00				4,906.00
Spain	Pesata		49.00						49.00
Turkey	Liara		78.00						78.00
Italy	Lira		498.00						498.00
Thomas L. MacKenzie:									
Germany	Deutsche Mark		468.00						468.00
United Kingdom	Pound		411.00						411.00
Daniel J. Cox, Jr.:									
Germany	Deutsche Mark		468.00						468.00
United Kingdom	Pound		411.00						411.00
John R. Barnes:									
Germany	Deutsche Mark		468.00						468.00
United Kingdom	Pound		411.00						411.00
Senator James M. Inhofe:									
France	Franc		320.00						320.00
Romie L. Brownlee:									
France	Franc		77.00						77.00
Senator John McCain:									
Ireland	Pound		722.00						722.00
Northern Ireland	Pound		243.00						243.00
Marshall Salter:									
United States	Dollar				3,702.93				3,702.93
Ireland	Pound		942.00						942.00
Senator James Inhofe:									
Cote D'Ivoire	Franc		162.00						162.00
Benin	Franc		139.00						139.00
Ghana	Cedi		230.00						230.00
Morocco	Dirham		242.00						242.00
United States	Dollar				5,296.88				5,296.88
Mark Powers:									
Cote D'Ivoire	Franc		162.00						162.00
Benin	Franc		139.00						139.00
Ghana	Cedi		230.00						230.00
Morocco	Dirham		242.00						242.00
United States	Dollar				5,296.88				5,296.88
Total			12,376.06		32,362.68				44,738.72

CARL LEVIN,
Chairman, Committee on Armed Services, June 28, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Ensign:									
Mexico	Dollar		217.00		917.60				1,134.60
Sonia Joya:									
Mexico	Dollar		210.00		917.60				1,127.60
Total			427.00		1,835.20				2,262.20

JOHN McCAIN, Chairman,
Committee on Commerce, Science, and Transportation, June 5, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Timothy Punke:									
Canada	Dollar	659.40	395.50		996.45				1,391.95
Greg Mastel:									
Canada	Dollar	659.40	395.50		996.45				1,391.95
Jill Kozeny:									
Canada	Dollar		93.41		1,050.00				1,143.41
Everett Eissenstat:									
Canada	Dollar	263.76	84.17						84.17
Senator Charles Grassley:									
Canada	Dollar	263.76	166.17						116.17
Senator Max Baucus:									
Canada	Dollar		131.00		959.90				1,090.90
Canada	Dollar		151.45		410.00				561.45
Theodore Posner:									
Switzerland	Franc		368.51		4,909.26				5,277.77
Total		1,785.71		9,322.06					11,057.77

MAX BAUCUS,
Chairman, Committee on Finance, June 28, 2001.

AMENDMENT TO 4TH QUARTER 2000 CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SECTION 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM OCT. 1 TO DEC. 31, 2000

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Sam Brownback:									
Brazil	Dollar		1,000.00						1,000.00
United States	Dollar				2,575.00				2,575.00
Senator Christopher Dodd:									
United States	Dollar				1,935.40				1,935.40
Senator Chuck Hagel:									
Kazakhstan	Dollar		880.00						880.00
Syria	Dollar		261.00						261.00
Israel	Dollar		523.00						523.00
Italy	Dollar		361.00						361.00
United States	Dollar				6,479.48				6,479.48
Senator John Kerry:									
Thailand	Dollar		752.00						752.00
Vietnam	Dollar		750.00						750.00
Netherlands	Dollar		600.00						600.00
United States	Dollar				9,598.50				9,598.50
Senator Paul Wellstone:									
Colombia	Dollar		499.00						499.00
United States	Dollar				1,964.80				1,964.80
Ian Brzezinski:									
Russia	Dollar		1,431.00						1,431.00
Azerbaijan	Dollar		1,045.00						1,045.00
United States	Dollar				6,019.00				6,019.00
Anne Chitwood:									
Macedonia	Dollar		708.00						708.00
United States	Dollar				5,197.74				5,197.74
Michele DeKonty:									
Netherlands	Dollar		622.18						622.18
United States	Dollar				6,177.27				6,177.27
Richard Douglas:									
Netherlands	Dollar		2,071.00						2,071.00
United States	Dollar				6,177.27				6,177.27
James Farrell:									
Colombia	Dollar		485.00						485.00
United States	Dollar				1,964.00				1,964.80
Debbie Fiddelke:									
Netherlands	Dollar		687.00						678.00
United States	Dollar				5,977.28				5,977.28
Elizabeth Kivette:									
Macedonia	Dollar		823.00						823.00
United States	Dollar				5,197.74				5,197.74
Mark Lagon:									
Brazil	Dollar		1,936.00						1,936.00
United States	Dollar				5,737.80				5,737.80
Brian Meyers:									
Switzerland	Dollar		693.00						693.00
United States	Dollar				5,646.49				5,646.49
Lisa Moore:									
Netherlands	Dollar		3,000.00						3,000.00
United States	Dollar				600.00				600.00
Roger Noriega:									
Mexico	Dollar		300.00						300.00
Janice O'Connell:									
Spain	Dollar		550.00						550.00
United States	Dollar				3,001.86				3,001.86
Charlotte Oldham-Moore:									
Colombia	Dollar		470.00						470.00
United States	Dollar				1,964.80				1,964.80
Kenneth Peel:									
Kazakhstan	Dollar		880.00						880.00
Syria	Dollar		261.00						261.00
Israel	Dollar		523.00						523.00
Italy	Dollar		361.00						361.00
United States	Dollar				6,479.48				6,479.48
Nancy Stetson:									
Thailand	Dollar		671.00						671.00
Vietnam	Dollar		538.00						538.00
United States	Dollar				7,187.80				7,187.80
Michael Westphal:									
Russia	Dollar		1,431.00						1,431.00
Azerbaijan	Dollar		1,045.00						1,045.00
United States	Dollar				6,019.00				6,019.00
Total			26,148.18		95,901.51				122,049.69

JESSE HELMS,
Chairman, Committee on Foreign Relations, Dec. 31, 2000.

AMENDMENT TO 1ST QUARTER 2001 CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SECTION 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM JAN. 1, TO MAR. 31, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Joseph Biden:									
Yugoslavia	Dollar		217.00						217.00
United States	Dollar				4,243.77				4,243.77
Senator Sam Brownback:									
Thailand	Dollar		830.00				1,316.00		2,146.00
United States	Dollar				5,339.12				5,339.12
Senator Lincoln Chafee:									
Colombia	Dollar		293.53						293.53

AMENDMENT TO 1ST QUARTER 2001 CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SECTION 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM JAN. 1, TO MAR. 31, 2001—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Ecuador	Dollar		147.11						147.11
Senator Christopher Dodd:									
Colombia	Dollar		442.00						442.00
Ecuador	Dollar		210.00						210.00
Senator Russell Feingold:									
Nigeria	Dollar		100.00						100.00
Senegal	Dollar		546.72						546.72
United States	Dollar					7,565.23			7,565.23
Senator Chuck Hagel:									
Germany	Dollar		458.41						458.41
Colombia	Dollar		442.00						442.00
Ecuador	Dollar		210.00						210.00
Senator Gordon Smith:									
Switzerland	Dollar		20.00						20.00
France	Dollar		750.00						750.00
Senator Paul Wellstone:									
Colombia	Dollar		380.00						380.00
United States	Dollar				1,964.80				1,964.80
Steve Biegun:									
Germany	Dollar		520.00						520.00
Deborah Brayton:									
Colombia	Dollar		293.53						293.53
Ecuador	Dollar		147.11						147.11
James Doran:									
Taiwan	Dollar		800.00						800.00
United States	Dollar				4,796.90				4,796.90
Robert Epplin:									
Switzerland	Dollar		492.00						492.00
France	Dollar		750.00						750.00
Michelle Gavin:									
Nigeria	Dollar		42.46						42.46
Senegal	Dollar		369.27						369.27
United States	Dollar				7,565.23				7,565.23
Michael Haltzel:									
Yugoslavia	Dollar		217.00						217.00
United States	Dollar				4,759.77				4,759.77
Alan Hoffman:									
Yugoslavia	Dollar		217.00						217.00
United States	Dollar				4,582.77				4,582.77
Mark Lagon:									
Czech Republic	Dollar		962.00						962.00
United States	Dollar				4,156.35				4,156.35
Janice O'Connell:									
Colombia	Dollar		442.00						442.00
Ecuador	Dollar		210.00						210.00
Charlotte Oldham-Moore:									
Colombia	Dollar		380.00						380.00
United States	Dollar				1,964.80				1,964.80
Sharon Payt:									
Thailand	Dollar		1,526.00					1,315.00	2,841.00
United States	Dollar				7,003.60				7,003.60
Kenneth Peel:									
Colombia	Dollar		442.00						442.00
Ecuador	Dollar		210.00						210.00
Christina Rocca:									
Pakistan	Dollar		1,185.00						1,185.00
United States	Dollar				7,097.77				7,097.77
Marc Thiessen:									
United Kingdom	Dollar		200.00						200.00
United States	Dollar				4,943.78				4,943.78
Michael Westphal:									
Czech Republic	Dollar		962.00						962.00
United States	Dollar				4,156.35				4,156.35
Total			15,414.14		70,140.24		2,631.00		88,185.38

JESSE HELMS,
Chairman, Committee on Foreign Relations, Mar. 31, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL HELMS/BIDEN (COMMITTEE ON FOREIGN RELATIONS) FOR TRAVEL FROM APR. 16 TO APR. 18, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Jesse Helms:									
Mexico	Dollar		401.00						401.00
Senator Joseph R. Biden, Jr.:									
Mexico	Dollar		541.00						541.00
Senator Lincoln Chafee:									
Mexico	Dollar		484.87						484.87
Senator Chuck Hagel:									
Mexico	Dollar		627.00						627.00
Steve Biegun:									
Mexico	Dollar		627.00						627.00
Paul Foldi:									
Mexico	Dollar		627.00						627.00
Edwin Hall:									
Mexico	Dollar		627.00						627.00
Norm Kurz:									
Mexico	Dollar		627.00						627.00
Marcia Lee:									
Mexico	Dollar		627.00						627.00
Kirsten Madison:									
Mexico	Dollar		627.00						627.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL HELMS/BIDEN (COMMITTEE ON FOREIGN RELATIONS) FOR TRAVEL FROM APR. 16 TO APR. 18, 2001—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Sandy Mason:									
Mexico	Dollar		501.00						501.00
Roger Noriega:									
Mexico	Dollar		627.00						627.00
Janice O'Connell									
Mexico	Dollar		627.00						627.00
Ken Peel:									
Mexico	Dollar		627.00						627.00
Marc Thiessen:									
Mexico	Dollar		627.00						627.00
Delegation Expenses:									
Transportation					1,285.05				1,282.05
Vehicles					2,930.20				2,930.20
Translation/Interpreters							841.77		841.77
Control Rooms							7,365.12		7,365.12
Total			8,824.87		4,212.25		8,206.89		21,244.01

JESSE HELMS,
Chairman, Committee on Foreign Relations, Apr. 20, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SECTION 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Sam Brownback:									
Kazakhstan	Dollar		628.00						628.00
Kyrgyzstan	Dollar		240.00						240.00
Georgia	Dollar		270.00						270.00
United States	Dollar				6,906.00				6,906.00
Senator Bill Nelson:									
Japan	Dollar		899.00						899.00
South Korea	Dollar		623.00						623.00
Azerbaijan	Dollar		328.00						328.00
Turkey	Dollar		701.00						701.00
Portugal	Dollar		418.00						418.00
Jonah Blank:									
India	Dollar		2,966.00						2,966.00
United States	Dollar				7,198.80				7,198.80
Heather Flynn:									
Dem. Rep. of Congo	Dollar		750.00						750.00
Rwanda	Dollar		625.00						625.00
Burundi	Dollar		200.00						200.00
Uganda	Dollar		800.00						800.00
United States	Dollar				7,893.05				7,893.05
Paul Foldi:									
Mexico	Dollar		276.00						276.00
United States	Dollar				493.00				493.00
Adam Frey:									
Lebanon	Dollar		200.00						200.00
Israel	Dollar		724.00						724.00
United States	Dollar				5,918.06				5,918.06
Michelle Gavin:									
Dem. Rep. of Congo	Dollar		484.00						484.00
Rwanda	Dollar		483.00						483.00
Uganda	Dollar		483.00						483.00
United States	Dollar				7,893.05				7,893.05
Michael Haltzel:									
Slovakia	Dollar		500.00						500.00
Austria	Dollar		550.00						550.00
Macedonia	Dollar		450.00						450.00
United States	Dollar				5,231.63				5,231.63
Belgium	Dollar		500.00						500.00
Yugoslavia	Dollar		200.00						200.00
Croatia	Dollar		250.00						250.00
United States	Dollar				5,406.04				5,406.04
Frank Jannuzi:									
Japan	Dollar		677.00						677.00
China	Dollar		1,126.00						1,126.00
North Korea	Dollar		1,908.00						1,908.00
South Korea	Dollar		761.00						761.00
United States	Dollar				4,558.20				4,558.20
Kirsten Madison:									
Mexico	Dollar		276.00						276.00
United States	Dollar				493.00				493.00
Colombia	Dollar		663.00						663.00
Venezuela	Dollar		998.00						998.00
United States	Dollar				2,372.00				2,372.00
Brian Meyers:									
Switzerland	Dollar		700.00						700.00
United States	Dollar				4,218.53				4,218.53
Danielle Pletka:									
Lebanon	Dollar		200.00						200.00
Israel	Dollar		724.00						724.00
United States	Dollar				5,918.06				5,918.06
Kelly Siekman:									
Netherlands	Dollar		585.00						585.00
United States	Dollar				6,093.99				6,093.99
Marc Thiessen:									
Poland	Dollar		897.00						897.00
United States	Dollar				4,628.60				4,628.60
Christopher Weld:									
Colombia	Dollar		663.00						663.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SECTION 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Venezuela	Dollar		998.00						998.00
United States	Dollar				2,372.00				2,372.00
Michael Westphal:									
Kazakhstan	Dollar		2,652.00						2,652.00
United States	Dollar				7,279.59				7,279.59
Kazakhstan	Dollar		628.00						628.00
Kyrgyzstan	Dollar		290.00						290.00
Georgia	Dollar		270.00						270.00
United States	Dollar				6,997.00				6,997.00
Total			29,564.00		91,870.60				121,434.60

JOSEPH R. BIDEN, Jr.,
Chairman, Committee on Foreign Relations, July 1, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON GOVERNMENTAL AFFAIRS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Fred Thompson:									
Ireland	Pound		621.00						621.00
United Kingdom	Pound		226.00						226.00
Mark Esper:									
Ireland	Pound		824.00						824.00
United Kingdom	Pound		186.00						186.00
Elise Bean:									
Liechtenstein	Franc		550.00		4,374.99				4,924.99
Total			2,407.00		4,374.99				6,781.99

JOE LIEBERMAN,
Chairman, Committee on Governmental Affairs, July 2, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON VETERANS' AFFAIRS FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Arlen Specter:									
England	Dollar		1,053.00						1,053.00
Italy	Dollar		1,201.00						1,201.00
Israel	Dollar		1,116.00						1,116.00
Egypt	Dollar		446.00						446.00
Lebanon	Dollar		230.00						230.00
Syria	Dollar		329.00						329.00
United States	Dollar				5,413.48				5,413.48
William Reynolds:									
England	Dollar		1,053.00						1,053.00
Italy	Dollar		1,201.00						1,201.00
Israel	Dollar		1,116.00						1,116.00
Egypt	Dollar		446.00						446.00
Lebanon	Dollar		230.00						230.00
Syria	Dollar		329.00						329.00
United States	Dollar				5,413.48				5,413.48
Total			8,750.00		10,826.96				19,576.96

ARLEN SPECTER,
Chairman, Committee on Veterans' Affairs, July 9, 2001.

CONSOLIDATED REPORT OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON INTELLIGENCE FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Vicki Divoll:									
			694.00						694.00
United States	Dollar				5,894.76				5,894.76
Peter Flory:									
			1,254.00						1,254.00
United States	Dollar				5,894.76				5,894.76
Peter Dorn:									
			1,179.00						1,179.00
United States	Dollar				5,894.76				5,894.76
Senator Richard Shelby:									
			2,879.00						2,879.00
Patricia McNerney:									
			2,481.00						2,481.00
Anne Caldwell:									
			2,879.00						2,879.00

CONSOLIDATED REPORT OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON INTELLIGENCE FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Richard Lugar:									
			1,478.00						1,478.00
United States	Dollar				5,178.15				5,178.15
Kenneth Myers:									
			1,458.00						1,458.00
United States	Dollar				5,178.15				5,178.15
Senator Richard Shelby:									
			2,768.00						2,768.00
United States	Dollar				4,761.26				4,761.26
William Duhnke:									
			1,642.00						1,642.00
United States	Dollar				4,761.26				4,761.26
James Hensler:									
			1,757.00						1,757.00
United States	Dollar				4,761.26				4,761.26
Robert Filippone:									
			1,007.00						1,007.00
United States	Dollar				6,738.70				6,738.70
Patricia McNerney:									
			1,312.00						1,312.00
United States	Dollar				5,677.03				5,677.03
Peter Dorn:									
			1,532.00						1,532.00
United States	Dollar				5,677.03				5,677.03
Randy Bookout:									
			1,090.00						1,090.00
United States	Dollar				6,738.70				6,738.70
Lorenzo Goco:									
			414.00						414.00
United States	Dollar				3,632.10				3,632.10
Melvin Dubee:									
			409.00						409.00
United States	Dollar				3,632.10				3,632.10
James Hensler:									
			420.00						420.00
United States	Dollar				3,632.10				3,632.10
Melvin Dubee:									
			722.50						722.50
United States	Dollar				2,030.71				2,030.71
Total			27,375.50		80,082.83				107,458.33

BOB GRAHAM,
Chairman, Committee on Intelligence, July 16, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), THE COMMISSION ON SECURITY AND COOPERATION IN EUROPE FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Chadwick Gore:									
United States	Dollar				3,457.86				3,457.86
Denmark	Dollar		558.49						558.49
United States	Dollar				3,817.79				3,817.79
Poland	Dollar		705.22						705.22
France	Dollar		101.00						101.00
Robert Hand:									
United States	Dollar				4,152.11				4,152.11
Austria	Dollar		341.00						341.00
Albania	Dollar		1,096.00						1,096.00
Janice Helwig:									
United States	Dollar				5,372.97				5,372.97
Austria	Dollar		9,477.65						9,477.65
Representative Steny Hoyer:									
United States	Dollar				5,878.34				5,878.34
Denmark	Dollar		378.00						378.00
Marlene Kaufmann:									
United States	Dollar				5,878.34				5,878.34
Denmark	Dollar		378.00						378.00
United States	Dollar				5,112.89				5,112.89
Czech Republic	Dollar		1,100.00						1,100.00
Michael Ochs:									
United States	Dollar				3,726.22				3,726.22
Poland	Dollar		754.00						754.00
United States	Dollar				6,549.83				6,549.83
United Kingdom	Dollar		131.53						131.53
Georgia	Dollar		1,168.47						1,168.47
Erika Schlager:									
United States	Dollar				4,541.49				4,541.49
Slovakia	Dollar		277.78						277.78
Hungary	Dollar		887.49						887.49
Dorothy Taft:									
United States	Dollar				3,452.54				3,452.54
Netherlands	Dollar		983.60						983.60
Maureen Walsh:									
United States	Dollar				4,170.11				4,170.11
Austria	Dollar		267.24						267.24
Hungary	Dollar		897.39						897.39
Total			19,502.86		56,110.49				75,613.35

BEN NIGHTHORSE CAMPBELL,
Chairman, July 17, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), MAJORITY LEADER FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Janie Moltrup:									
Mexico	Peso		486.00						486.00
Total			486.00						486.00

TRENT LOTT,
Majority Leader, July 18, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL LOTT FOR TRAVEL FROM APR. 15 TO APR. 23, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Trent Lott:									
Portugal	Escudo		422.00						422.00
Spain	Peseta		1,020.00						1,020.00
Belgium	Franc		530.00						530.00
Senator Frank Murkowski:									
Portugal	Escudo		422.00						422.00
Spain	Peseta		1,000.00						1,000.00
Belgium	Franc		530.00						530.00
Senator Larry Craig:									
Portugal	Escudo		422.00						422.00
Spain	Peseta		1,020.00						1,020.00
Belgium	Franc		530.00						530.00
Senator Kay Bailey Hutchison:									
Portugal	Escudo		422.00						422.00
Spain	Peseta		1,000.00						1,000.00
Belgium	Franc		530.00						530.00
Gary Sisco:									
Portugal	Escudo		422.00						422.00
Spain	Peseta		1,020.00						1,020.00
Belgium	Franc		530.00						530.00
James Ziglar:									
United States	Dollar				1,880.80				1,880.80
Spain	Peseta		1,020.00						1,020.00
Belgium	Franc		530.00						530.00
William Gottshall:									
Portugal	Escudo		422.00						422.00
Spain	Peseta		1,020.00						1,020.00
Belgium	Franc		530.00						530.00
Elizabeth Ross:									
Portugal	Escudo		422.00						422.00
Spain	Peseta		1,020.00						1,020.00
Belgium	Franc		530.00						530.00
Kirsten Shaw:									
Portugal	Escudo		422.00						422.00
Spain	Peseta		1,020.00						1,020.00
Belgium	Franc		530.00						530.00
George Tolbert:									
Portugal	Escudo		422.00						422.00
Spain	Peseta		859.00						859.00
Belgium	Franc		400.00						400.00
Sally Walsh:									
Portugal	Escudo		422.00						422.00
Spain	Peseta		1,020.00						1,020.00
Belgium	Franc		530.00						530.00
Robert Wilkie:									
Portugal	Escudo		422.00						422.00
Spain	Peseta		1,020.00						1,020.00
Belgium	Franc		530.00						530.00
Eric Womble:									
Portugal	Escudo		422.00						422.00
Spain	Peseta		1,020.00						1,020.00
Belgium	Franc		530.00						530.00
Delegation expenses:[1]									
Portugal	Escudo							7,204.89	7,204.89
Spain	Peseta							22,578.58	22,578.58
Belgium	Franc							10,122.76	10,122.76
Total			24,903.00		1,880.80		39,906.23		66,690.03

[1] Delegation expenses include payments and reimbursements to the Department of State and the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and S. Res. 179 agreed to May 25, 1977.

TRENT LOTT,
Republican Leader, July 11, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL SMITH FOR TRAVEL FROM MAY 26 TO JUNE 2, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Gordon Smith:									
Latvia	Lats		134.00						134.00
Poland	Zloty		598.00						598.00
Senator Barbara Mikulski:									
Latvia	Lats		134.00						134.00
Poland	Zloty		520.00						520.00

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL SMITH FOR TRAVEL FROM MAY 26 TO JUNE 2, 2001—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Richard Durbin:									
Latvia	Lats		134.00						134.00
Senator George Voinovich:									
Latvia	Lats		134.00						134.00
Poland	Zloty		500.00						500.00
Ian Brzezinski:									
Latvia	Lats		134.00						134.00
Poland	Zloty		598.00						598.00
Sue Keenom:									
Latvia	Lats		134.00						134.00
Poland	Zloty		598.00						598.00
Sally Walsh:									
Latvia	Lats		134.00						134.00
Poland	Zloty		598.00						598.00
Delegation expenses:[1]									
Estonia	Kroon				20,700.00		1,223.27		21,923.27
Latvia	Lats						2,206.53		2,206.53
Poland	Zloty						6,063.37		6,063.37
Total			4,350.00		20,700.00		9,493.17		34,543.17

[1] Delegation expenses include direct payments and reimbursements to the Department of State and the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95-384, and S. Res. 179 agreed to May 25, 1977.

TOM DASCHLE, Majority Leader,
TRENT LOTT, Republican Leader, July 16, 2001.

AMENDMENT TO 1ST QUARTER 2001 CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), CODEL DASCHLE FOR TRAVEL FROM JAN. 1 TO MAR. 31, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Tom Daschle:									
Morocco	Dirham		614.00						614.00
Turkey	Lira		814.00						814.00
Greece	Drachma		400.00						400.00
Portugal	Escuda		161.00						161.00
Senator Tom Harkin:									
Morocco	Dirham		614.00						614.00
Turkey	Lira		814.00						814.00
Greece	Drachma		400.00						400.00
Portugal	Escuda		161.00						161.00
Senator Harry Reid:									
Morocco	Dirham		614.00						614.00
Turkey	Lira		814.00						814.00
Greece	Drachma		400.00						400.00
Portugal	Escuda		161.00						161.00
Senator Kent Conrad:									
Morocco	Dirham		614.00						614.00
Turkey	Lira		814.00						814.00
Greece	Drachma		400.00						400.00
Portugal	Escuda		161.00						161.00
Senator Byron Dorgan:									
Morocco	Dirham		614.00						614.00
Turkey	Lira		814.00						814.00
Greece	Drachma		400.00						400.00
Portugal	Escuda		161.00						161.00
Senator Barbara Boxer:									
Morocco	Dirham		614.00						614.00
Turkey	Lira		814.00						814.00
Greece	Drachma		400.00						400.00
Portugal	Escuda		161.00						161.00
Denis McDonough:									
Morocco	Dirham		564.00						564.00
Turkey	Lira		764.00						764.00
Greece	Drachma		400.00						400.00
Portugal	Escuda		111.00						111.00
Martin Paone:									
Morocco	Dirham		614.00						614.00
Turkey	Lira		814.00						814.00
Greece	Drachma		400.00						400.00
Portugal	Escuda		161.00						161.00
Susan McCue:									
Morocco	Dirham		614.00						614.00
Turkey	Lira		814.00						814.00
Greece	Drachma		400.00						400.00
Portugal	Escuda		161.00						161.00
Julia Hart:									
Morocco	Dirham		614.00						614.00
Turkey	Lira		814.00						814.00
Greece	Drachma		400.00						400.00
Portugal	Escuda		161.00						161.00
Delegation expenses:[1]							30,385.59		30,385.59
Total			19,740.00				30,385.59		50,125.59

[1] Delegation expenses include direct payments and reimbursements to the Department of State and the Department of Defense under authority of sec. 502(b) of the Mutual Security Act of 1954 as amended by Sec. 22 of P.L. 95-384, and S. Res. 179 agreed to May 25, 1977.

TOM DASCHLE,
Democratic Leader, June 1, 2001.

CONSOLIDATED REPORT OF EXPENDITURE OF FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), PRESIDENT PRO TEMPORE FOR TRAVEL FROM APR. 1 TO JUNE 30, 2001

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Dr. John Eisold:									
France	Franc		2,710.00						2,710.00
Dot Svendson:									
France	Franc		2,310.00						2,310.00
Total			5,020.00						5,020.00

ROBERT C. BYRD,
President Pro Tempore, July 26, 2001.

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the President of the Senate, and after consultation with the Democratic leader, pursuant to Public Law 106–286, appoints the Senator from Indiana (Mr. BAYH) to serve on the Congressional-Executive Commission on the People's Republic of China, vice the Senator from Oregon (Mr. SMITH), and appoints the Senator from Montana (Mr. BAUCUS) as Chairman of the Commission.

ZIMBABWE DEMOCRACY AND ECONOMIC RECOVERY ACT OF 2001

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 90, S. 494.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 494) to provide for a transition to democracy and to promote economic recovery in Zimbabwe.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Foreign Relations with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

[Strike out all after the enacting clause and insert the part printed in black italic.]

SECTION 1. SHORT TITLE.

This Act may be cited as the "Zimbabwe Democracy and Economic Recovery Act of 2001".

SEC. 2. STATEMENT OF POLICY.

It is the policy of the United States to support the people of Zimbabwe in their struggle to effect peaceful, democratic change, achieve broad-based and equitable economic growth, and restore the rule of law.

SEC. 3. DEFINITIONS.

In this Act:

(1) INTERNATIONAL FINANCIAL INSTITUTIONS.—The term "international financial institutions" means the multilateral development banks and the International Monetary Fund.

(2) MULTILATERAL DEVELOPMENT BANKS.—The term "multilateral development banks" means the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the Asian Development Bank, the Inter-American Investment Corporation, the African Development Bank, the African Development Fund, the European Bank for Reconstruction and Development, and the Multilateral Investment Guaranty Agency.

SEC. 4. SUPPORT FOR DEMOCRATIC TRANSITION AND ECONOMIC RECOVERY.

(a) FINDINGS.—Congress makes the following findings:

(1) Through economic mismanagement, undemocratic practices, and the costly deployment of troops to the Democratic Republic of the Congo, the Government of Zimbabwe has rendered itself ineligible to participate in International Bank for Reconstruction and Development and International Monetary Fund programs, which would otherwise be providing substantial resources to assist in the recovery and modernization of Zimbabwe's economy. The people of Zimbabwe have thus been denied the economic and democratic benefits envisioned by the donors to such programs, including the United States.

(2) In September 1999 the IMF suspended its support under a "Stand By Arrangement", approved the previous month, for economic adjustment and reform in Zimbabwe.

(3) In October 1999, the International Development Association (in this section referred to as the "IDA") suspended all structural adjustment loans, credits, and guarantees to the Government of Zimbabwe.

(4) In May 2000, the IDA suspended all other new lending to the Government of Zimbabwe.

(5) In September 2000, the IDA suspended disbursement of funds for ongoing projects under previously-approved loans, credits, and guarantees to the Government of Zimbabwe.

(b) SUPPORT FOR DEMOCRATIC TRANSITION AND ECONOMIC RECOVERY.—Upon receipt by the appropriate congressional committees of a certification described in subsection (d), the following shall apply:

(1) DEBT RELIEF AND OTHER FINANCIAL ASSISTANCE.—The Secretary of the Treasury shall—

(A) undertake a review of the feasibility of restructuring, rescheduling, or eliminating the sovereign debt of Zimbabwe held by any agency of the United States Government;

(B) direct the United States executive director of each multilateral development bank to propose that the bank should undertake a review of the feasibility of restructuring, rescheduling, or eliminating the sovereign debt of Zimbabwe held by that bank; and

(C) direct the United States executive director of each international financial institution to which the United States is a member to propose to undertake financial and technical support for Zimbabwe, especially support that is intended to promote Zimbabwe's economic recovery and development, the stabilization of the Zimbabwean dollar, and the viability of Zimbabwe's democratic institutions.

(2) ESTABLISHMENT OF A SOUTHERN AFRICA FINANCE CENTER.—The President should direct the establishment of a Southern Africa Finance Center located in Zimbabwe that will include regional offices of the Overseas Private Investment Corporation, the Export-Import Bank of the United States, and the Trade and Development Agency for the purpose of facilitating the development of commercial projects in Zimbabwe and the southern Africa region.

(c) MULTILATERAL FINANCING RESTRICTION.—Until the President makes the certification described in subsection (d), and except as may be required to meet basic human needs or for good governance, the Secretary of the Treasury shall instruct the United States executive director to each international financial institution to oppose and vote against—

(1) any extension by the respective institution of any loan, credit, or guarantee to the Government of Zimbabwe; or

(2) any cancellation or reduction of indebtedness owed by the Government of Zimbabwe to the United States or any international financial institution.

(d) PRESIDENTIAL CERTIFICATION THAT CERTAIN CONDITIONS ARE SATISFIED.—A certification under this subsection is a certification transmitted to the appropriate congressional committees of a determination made by the President that the following conditions are satisfied:

(1) RESTORATION OF THE RULE OF LAW.—The rule of law has been restored in Zimbabwe, including respect for ownership and title to property, freedom of speech and association, and an end to the lawlessness, violence, and intimidation sponsored, condoned, or tolerated by the Government of Zimbabwe, the ruling party, and their supporters or entities.

(2) ELECTION OR PRE-ELECTION CONDITIONS.—Either of the following two conditions is satisfied:

(A) PRESIDENTIAL ELECTION.—Zimbabwe has held a presidential election that is widely accepted as free and fair by independent international monitors, and the president-elect is free to assume the duties of the office.

(B) PRE-ELECTION CONDITIONS.—In the event the certification is made before the presidential election takes place, the Government of Zimbabwe has sufficiently improved the pre-election environment to a degree consistent with accepted international standards for security and freedom of movement and association.

(3) COMMITMENT TO EQUITABLE, LEGAL, AND TRANSPARENT LAND REFORM.—The Government of Zimbabwe has demonstrated a commitment to an equitable, legal, and transparent land reform program consistent with agreements reached at the International Donors' Conference on Land Reform and Resettlement in Zimbabwe held in Harare, Zimbabwe, in September 1998.

(4) FULFILLMENT OF AGREEMENT ENDING WAR IN DEMOCRATIC REPUBLIC OF CONGO.—The Government of Zimbabwe is making a good faith effort to fulfill the terms of the Lusaka, Zambia, agreement on ending the war in the Democratic Republic of Congo.

(5) MILITARY AND NATIONAL POLICE SUBORDINATE TO CIVILIAN GOVERNMENT.—The Zimbabwean Armed Forces, the National Police of Zimbabwe, and other state security forces are responsible to and serve the elected civilian government.

(e) WAIVER.—The President may waive the provisions of subsection (b) or subsection (c), if the President determines that it is in the national interest of the United States to do so.

SEC. 5. SUPPORT FOR DEMOCRATIC INSTITUTIONS, THE FREE PRESS AND INDEPENDENT MEDIA, AND THE RULE OF LAW.

(a) IN GENERAL.—The President is authorized to provide assistance under part I and chapter 4 of part II of the Foreign Assistance Act of 1961 to—

(1) support an independent and free press and electronic media in Zimbabwe;

(2) support equitable, legal, and transparent mechanisms of land reform in Zimbabwe, including the payment of costs related to the acquisition of land and the resettlement of individuals, consistent with the International Donors' Conference on Land Reform and Resettlement in Zimbabwe held in Harare, Zimbabwe, in September 1998, or any subsequent agreement relating thereto; and

(3) for democracy and governance programs in Zimbabwe.

(b) FUNDING.—Of the funds authorized to be appropriated to carry out part I and chapter 4 of part II of the Foreign Assistance Act of 1961 for fiscal year 2002—

(1) $20,000,000 is authorized to be available to provide the assistance described in subsection (a)(2); and

(2) $6,000,000 is authorized to be available to provide the assistance described in subsection (a)(3).

(c) SUPERSEDES OTHER LAWS.—The authority in this section supersedes any other provision of law.

SEC. 6. SENSE OF CONGRESS ON THE ACTIONS TO BE TAKEN AGAINST INDIVIDUALS RESPONSIBLE FOR VIOLENCE AND THE BREAKDOWN OF THE RULE OF LAW IN ZIMBABWE.

It is the sense of Congress that the President should begin immediate consultation with the governments of European Union member states, Canada, and other appropriate foreign countries on ways in which to—

(1) identify and share information regarding individuals responsible for the deliberate breakdown of the rule of law, politically motivated violence, and intimidation in Zimbabwe;

(2) identify assets of those individuals held outside Zimbabwe;

(3) implement travel and economic sanctions against those individuals and their associates and families; and

(4) provide for the eventual removal or amendment of those sanctions.

Mr. REID. Madam President, I ask unanimous consent that the committee substitute be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 494), as amended, was read the third time and passed.

MEASURE READ THE FIRST TIME—H.R. 2602

Mr. REID. Madam President, I understand H.R. 2602, which was just received from the House, is at the desk, and I now ask for its first reading.

The PRESIDING OFFICER. The clerk will read the measure for the first time.

The assistant legislative clerk read as follows:

A bill (H.R. 2602) to extend the Export Administration Act until November 20, 2001.

Mr. REID. Madam President, I ask for its second reading and object to my own request on behalf of a number of my colleagues.

The PRESIDING OFFICER. Objection is heard. The bill will be due for a second reading on the next legislative day.

AMENDMENT NO. 1209, WITHDRAWN

Mr. REID. Madam President, I ask unanimous consent that the yeas and nays on the Voinovich amendment No. 1209 be vitiated and the amendment be withdrawn. Senator VOINOVICH asked us to make this consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR THURSDAY, AUGUST 2, 2001

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m., Thursday, August 2. I further ask unanimous consent that on Thursday, immediately following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the VA-HUD Appropriations Act, with Senator NELSON of Florida to be recognized to offer an amendment at that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Madam President, as has been indicated, tomorrow the Senate will convene at 9:30 a.m. and resume consideration of the VA-HUD Appropriations bill. There will be votes during consideration of the bill. This bill will be completed tomorrow, we hope early afternoon, and then we will resume consideration of the Agriculture supplemental authorization bill. In addition, cloture was filed on the Agriculture supplemental authorization bill. Therefore, all first-degree amendments must be filed prior to 1 p.m. tomorrow, Thursday.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until the hour of 9:30 a.m., Thursday, August 2, 2001.

Thereupon, the Senate, at 8:56 p.m., adjourned until Thursday, August 2, 2001, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate August 1, 2001:

DEPARTMENT OF JUSTICE

J. STROM THURMOND, JR., OF SOUTH CAROLINA, TO BE THE UNITED STATES ATTORNEY FOR THE DISTRICT OF SOUTH CAROLINA FOR THE TERM OF FOUR YEARS, VICE J. RENE JOSEY, RESIGNED.

THE JUDICIARY

CHARLES F. LETTOW, OF VIRGINIA, TO BE A JUDGE OF THE UNITED STATES COURT OF FEDERAL CLAIMS FOR A TERM OF FIFTEEN YEARS, VICE JOHN PAUL WIESE, TERM EXPIRING.

MARIAN BLANK HORN, OF MARYLAND, TO BE A JUDGE OF THE UNITED STATES COURT OF FEDERAL CLAIMS FOR A TERM OF FIFTEEN YEARS. (REAPPOINTMENT)

DEPARTMENT OF JUSTICE

MICHAEL W. MOSMAN, OF OREGON, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF OREGON FOR THE TERM OF FOUR YEARS, VICE KRISTINE OLSON ROGERS, RESIGNED.

PAUL J. MCNULTY, OF VIRGINIA, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF VIRGINIA FOR THE TERM OF FOUR YEARS, VICE HELEN FRANCES FAHEY, RESIGNED.

ROBERT GARNER MCCAMPBELL, OF OKLAHOMA, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF OKLAHOMA FOR THE TERM OF FOUR YEARS, VICE DANIEL G. WEBBER, JR., RESIGNED.

HARRY SANDLIN MATTICE, JR., OF TENNESSEE, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF TENNESSEE FOR THE TERM OF FOUR YEARS, VICE CARL KIMMEL KIRKPATRICK, RESIGNED.

TIMOTHY MARK BURGESS, OF ALASKA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF ALASKA FOR THE TERM OF FOUR YEARS, VICE ROBERT CHARLES BUNDY, RESIGNED.

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES COAST GUARD TO THE GRADE INDICATED UNDER TITLE 14, U.S.C., SECTION 271:

To be rear admiral

REAR ADM. (LH) JAMES C. OLSON, 7892
REAR ADM. (LH) JAMES W. UNDERWOOD, 8189
REAR ADM. (LH) RALPH D. UTLEY, 9691
REAR ADM. (LH) KENNETH T. VENUTO, 2213

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES ARMY, ARMY JUDGE ADVOCATE GENERAL'S CORP (JA) AND ARMY MEDICAL CORPS (MC) UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

DONALD W. DAWSON III, 2908
DANIEL M. MAGUIRE, 2233

To be lieutenant colonel

CHRISTOPHER M. MURPHY, 4209 JA

To be major

DANIEL F. LEE, 9041 MC

CONFIRMATIONS

Executive Nominations Confirmed by the Senate August 1, 2001:

DEPARTMENT OF DEFENSE

JACK DYER CROUCH, II, OF MISSOURI, TO BE AN ASSISTANT SECRETARY OF DEFENSE.

DEPARTMENT OF VETERANS AFFAIRS

GORDON H. MANSFIELD, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (CONGRESSIONAL AFFAIRS).

DEPARTMENT OF AGRICULTURE

ERIC M. BOST, OF TEXAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

WILLIAM T. HAWKS, OF MISSISSIPPI, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

JOSEPH J. JEN, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

JAMES R. MOSELEY, OF INDIANA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

J.B. PENN, OF ARKANSAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION.

SECURITIES AND EXCHANGE COMMISSION

HARVEY PITT, OF NORTH CAROLINA, TO BE A MEMBER OF THE SECURITIES AND EXCHANGE COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING JUNE 5, 2002.

HARVEY PITT, OF NORTH CAROLINA, TO BE A MEMBER OF THE SECURITIES AND EXCHANGE COMMISSION FOR A TERM EXPIRING JUNE 5, 2007.

DEPARTMENT OF ENERGY

DAN R. BROUILLETTE, OF LOUISIANA, TO BE AN ASSISTANT SECRETARY OF ENERGY (CONGRESSIONAL AND INTERGOVERNMENTAL AFFAIRS).

DEPARTMENT OF HEALTH AND HUMAN SERVICES

JOSEFINA CARBONELL, OF FLORIDA, TO BE ASSISTANT SECRETARY FOR AGING, DEPARTMENT OF HEALTH AND HUMAN SERVICES.

DEPARTMENT OF STATE

SUE MCCOURT COBB, OF FLORIDA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO JAMAICA.

MERCER REYNOLDS, OF OHIO, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SWITZERLAND, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE PRINCIPALITY OF LIECHTENSTEIN.

RUSSELL F. FREEMAN, OF NORTH DAKOTA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BELIZE.

MICHAEL E. GUEST, OF SOUTH CAROLINA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ROMANIA.

STUART A. BERNSTEIN, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO DENMARK.

CHARLES A. HEIMBOLD, JR., OF CONNECTICUT, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SWEDEN.

JIM NICHOLSON, OF COLORADO, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE HOLY SEE.

THOMAS J. MILLER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO GREECE.

LARRY C. NAPPER, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF KAZAKHSTAN.

THOMAS C. HUBBARD, OF TENNESSEE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF KOREA.

MARIE T. HUHTALA, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO MALAYSIA.

FRANKLIN L. LAVIN, OF OHIO, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SINGAPORE.

ROGER FRANCISCO NORIEGA, OF KANSAS, TO BE PERMANENT REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE ORGANIZATION OF AMERICAN STATES, WITH THE RANK OF AMBASSADOR.

CLARK KENT ERVIN, OF TEXAS, TO BE INSPECTOR GENERAL, DEPARTMENT OF STATE.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

DEPARTMENT OF JUSTICE

ASA HUTCHINSON, OF ARKANSAS, TO BE ADMINISTRATOR OF DRUG ENFORCEMENT.

HOUSE OF REPRESENTATIVES—*August 1, 2001*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. SWEENEY).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

> *Washington, DC, August 1, 2001.*
>
> I hereby appoint the Honorable JOHN E. SWEENEY to act as Speaker pro tempore on this day.
>
> J. DENNIS HASTERT,
> *Speaker of the House of Representatives.*

PRAYER

The Reverend Gregory S. Cox, Senior Pastor, Warwick Assembly of God Church, Hampton, Virginia, offered the following prayer:

Our Lord and our God, we are thankful for Your gracious favor upon this distinguished House. The wisdom and authority You have entrusted to this legislature have helped forge a Nation unparalleled in human history. Every man and woman elected to serve here is important. Each has a part in continuing our heritage. Grant them Your wisdom today.

We are grateful for their selfless and tireless commitment to public service and for the often unheralded sacrifices they make to improve the lives of the American people. Grant them Your strength today.

Be with those gathered in this great hall. Direct their steps. Guide their discussions and debates. Enable them to construct and enact laws that will serve and protect all of the people of this land, from the onset of life to natural death. Help each one to remember their sacred responsibility as guardians of our inalienable rights—life, liberty and the pursuit of happiness—endowed by Your hand, O God. Grant them boldness today.

Bless all assembled here, as well as their families, with Your merciful care and protection. Grant them understanding today, both to know and obey Your will, as they serve the American people with diligence and distinction.

And finally, O God, grant all of us the courage to stand together, as people of goodwill, not driven by the pursuit of our own selfish interests or clamoring for the satisfaction of our own individual desires, but instead motivated by the dream of working together to build a good and just society where people can serve You in freedom and in peace to the glory of Your great name.

This we ask in the name of God, our Father, and his son, the Lord Jesus Christ, our Redeemer, and the Holy Spirit, our powerful advocate and counselor. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. MCNULTY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MCNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New York (Mr. MCNULTY) come forward and lead the House in the Pledge of Allegiance.

Mr. MCNULTY led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

> S. Con. Res. 45. Concurrent resolution expressing the sense of the Congress that the Humane Methods of Slaughter Act of 1958 should be fully enforced so as to prevent needless suffering of animals.

The message also announced that the Senate has passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

> H. R. 2647. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 2002, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 2647) "An Act making appropriations for the Legislative Branch for the fiscal year ending September 30, 2002, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. DURBIN, Mr. JOHNSON, Mr. REED, Mr. BYRD, Mr. BENNETT, Mr. STEVENS, and Mr. COCHRAN, to be the conferees on the part of the Senate.

The message also announced that pursuant to section 2761 of title 22, United States Code, as amended, the Chair, on behalf of the President pro tempore, and upon the recommendation of the Republican Leader, appoints the Senator from Mississippi (Mr. COCHRAN) as Vice Chairman of the Senate Delegation to the British-American Interparliamentary Group during the One Hundred Seventh Congress.

The message also announced that in accordance with sections 1928a–1928d of title 22, United States Code, as amended, the Chair, on behalf of the Vice President, appoints the Senator from Oregon (Mr. SMITH) as Vice Chairman of the Senate Delegation to the North Atlantic Treaty Organization Parliamentary Assembly during the One Hundred Seventh Congress.

PASTOR GREGORY S. COX

(Mrs. JO ANN DAVIS of Virginia asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, it is an honor and privilege to welcome Pastor Greg Cox as our guest chaplain this morning. Pastor Cox is the Senior Pastor of Warwick Assembly of God Church in Hampton, Virginia.

Pastor Cox serves as Presbyter of the Tidewater North Section of the Potomac District of the Assemblies of God, and also serves on the board of directors for Youth Challenge and Mid-Atlantic Teen Challenge.

Both of these organizations are dedicated to liberating teens and young adults from drug and alcohol addiction and other life-controlling problems.

Pastor Cox also holds a seat on the Ministry Cabinet of the National Clergy Council, a consortium of thousands of pastors from across the Nation dedicated to liberty and the sanctity of human life.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

In 2001, Pastor Cox directed the National Day of Prayer activities in Hampton, Virginia, and has served his denomination in State and national committees.

Pastor Cox, a devoted husband and father of three, is a man of stellar reputation and high ideals. It is an honor to have such a man of integrity and faith represent my district today.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Today the Chair will entertain 10 1-minutes for each side.

RECOGNIZING NATIONAL MINORITY DONOR AWARENESS DAY

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, today is National Minority Donor Awareness Day. Observed every year on August 1, National Minority Donor Awareness Day is an intensive awareness campaign reaching out to minorities of all ethnic groups.

The awareness campaign seeks to address organ and tissue donation fears and obstacles of specific concerns to minorities.

The campaign also promotes healthy living and disease prevention, and seeks to increase the number of people who sign donor cards and actually become donors.

Also, this day increases awareness of behaviors that may lead to the need for transplantation, such as smoking, alcohol and substance abuse, and poor nutrition.

Several communities will be holding activities in observance of National Minority Donor Day, and I support these efforts wholeheartedly.

Over 77,500 patients are currently waiting for an organ transplant. The more donors we can recruit, the more lives we can save.

REPUBLICAN ENERGY POLICY DOES NOTHING ABOUT PRICES

(Mr. FILNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FILNER. Mr. Speaker, the Republican energy bill on the floor today does nothing about the prices, the obscene prices, that we are still paying for electricity in California and the West.

If we had to pay for a loaf of bread what we are paying for energy today, we would be paying the equivalent of $19.99 for this loaf of bread. At times, we have been paying almost $200.

What does this energy bill do for us on the West Coast? Absolutely nothing. It may give us just a few crumbs, and I will tell this body that 65 percent of my small businesses face bankruptcy because of the high prices. When this bill passes, all of my small businesses will be toast.

NOVA SOUTHEASTERN UNIVERSITY MAKES VALUABLE CONTRIBUTIONS TO COMMUNITIES IT SERVES

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I congratulate Nova Southeastern University for striving to make valuable contributions to the communities that it serves. It has made exciting educational partnerships with three south Florida public schools: Miami-Dade, Broward and Palm Beach Counties.

With the help of influential business and educational leaders, South Florida has strengthened its pledge to community service and renewed its commitment to excellence in education.

On September 20 and 21, Nova will build an awareness and support system for local and educational improvement efforts through an "Educational Express" Back to School tour.

I congratulate the public/private partnerships and the following participating schools in my congressional district: Dr. Michael Krop High School; Coral Way Bilingual Elementary; and Miami Edison Middle School.

Because of these partnerships, students in these schools will gain more self-esteem, commit to high academic standards, improve their mastery of reading, writing, math and science, and contribute to their communities.

I ask that my colleagues join me in congratulating Nova Southeastern University and all of its partners who are working to prepare our Nation's future leaders.

PENTAGON WAVED OLD GLORY WRONG WAY

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, news reports say the Pentagon is stuck with 600,000 black berets made in China, and the Pentagon is storing these Communist hats in a warehouse in Pennsylvania.

If that is not enough to bust your balloons, the Pentagon is trying to sell these Communist hats to foreign countries; and guess what the Pentagon is hearing from these foreign countries. Why would we buy them? Why would we want our troops to wear hats made in China?

Beam me up. The Pentagon just did not wave the Buy American Act, the Pentagon waved Old Glory the wrong way.

Mr. Speaker, I suggest that these Chinese berets be made into suppositories and be used on Pentagon brass.

CONGRESS NEEDS TO WORK HARD TO IMPLEMENT PRESIDENT'S ENERGY PLAN

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, every American relies on energy to live a quality life. We need gasoline to get to work or go to the store, take the kids to baseball practice. We need electricity to power up our computers. We need natural gas to heat our hot water and cook our meals.

None of us can do without it, no matter how conservation-minded and frugal we are. That is why Congress needs to work hard to implement the President's energy plan.

Some in Washington have been calling for price caps which will not solve the problem. You cannot ignore the law of supply and demand. Those of us arguing for price caps are ignoring the law of supply and demand, and would actually lead us to a cut in supply if they had their way.

No, only the President's balanced, reasonable and comprehensive approach will work. It is not a quick fix, but that is because there is not one. All the more reason to get started now.

I urge my colleagues to vote to support the President's plan.

510-PAGE ENERGY REPORT MAKES GOOD FIREPLACE FUEL

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEFAZIO. Mr. Speaker, some skeptics say that this extraordinary piece of work, the so-called Securing America's Future Energy Act of 2001, all 510 pages, looks more to the past than to the future. Those skeptics say that the emphasis on dig, drill, burn everywhere and anywhere, including the ANWR, is not forward-looking; that the $44 billion in subsidies, including billions to the cash-rich oil and gas industry, which is already gouging American consumers and cannot spend the money fast enough, is not a good idea.

They think the new push for nuclear power, despite the fact that we have not resolved what to do with the waste we have already created, is a folly. They ignore the tissue of conservation and renewables that has been drawn over this for face-saving on the part of the Republicans.

In fact, they miss the real value of this report. We are going to mail one to every American, all 510 pages, and everybody who has a wood stove or a fireplace will be able to stay warm for a few minutes next winter.

SUPPORT AMERICAN PEOPLE'S RIGHT TO DRIVE SAFER CARS

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, today the House will consider an amendment to the energy bill that will raise CAFE standards. Let us be clear, this amendment will be doing nothing more than punishing the auto industry for the sin of making cars that people want to buy.

If this amendment becomes law, Americans will be forced to drive smaller cars that are less safe than what we drive now, and we will see more traffic fatalities. But do not take my word for it. The recent report by the National Academy of Sciences confirms that the downsizing of vehicles in order to comply with current CAFE standards costs American lives. There is a clear correlation between size and risk.

Mr. Speaker, are we ready to sacrifice safety to reduce consumption? I hope not. I urge my colleagues to oppose any increase in CAFE standards beyond what is already in the bill, and support the American people's right to drive safe cars.

☐ 1015

ENERGY POLICY

(Ms. SANCHEZ asked and was given permission to address the House for 1 minute.)

Ms. SANCHEZ. Mr. Speaker, I rise today to talk about the type of energy policy that our great Nation should embrace, not the one that the President has put forward.

We should support plans that recognize the need for new energy production and generation, but will at the same time save consumers money, continue the important work to cut pollutants that affect the health of every American, create real jobs and will reduce our percentage of imported foreign oil.

We should support flexible tax credits and incentives for high-efficiency vehicles, the purchase of energy-efficient homes, home and business improvements that reduce our energy costs, critical improvements to our energy infrastructure and energy produced from renewable resources.

I support an energy plan that will combine improvements to our existing energy processes, the development of new and renewable energy resources and energy conservation which truly does make a difference. In California alone we have seen already a 17 percent decrease in consumption by our retail consumers.

I believe, like most Americans, that a well-balanced energy plan is what we need as a country as we enter the dawn of the 21st century.

EXPLORING THE ARCTIC NATIONAL WILDLIFE REFUGE

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, I rise today to make the American people aware of truth about exploring the Arctic National Wildlife Refuge. There is a great misconception perpetuated by the opponents of the President's energy plan, that exploring in ANWR will have an extensive detrimental effect on the wildlife in Alaska. Nothing could be further from the truth.

The proposed area is here in this map. Can anybody find the red dot? This is Alaska. This is the State of Texas. This is the State of South Carolina. That little red dot in there is ANWR.

The land in question is 3.13 square miles. Now, that is a tiny area. It is so small that we can hardly even see it here in the House on this graph. What is more, this 3 square miles is not the ecological wonderland that the opposition has made it out to be. It is a frozen desert with few signs of life.

Mr. Speaker, it is time that the American people cast aside the fabrication of environmental radicalism and explore ANWR's energy resources.

IN SUPPORT OF THE DEMOCRATIC ENERGY PLAN

(Ms. DeLAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, the Republican leadership energy bill is nothing more than a grab bag of goodies for the big special interests in the energy industry.

For the first time, it would allow drilling for oil in the pristine Arctic National Wildlife Refuge, while providing numerous kickbacks for the oil and gas industry, up to $34 billion in tax credits and royalties to the industry.

The Bush administration and the House leadership will argue that the revised energy plan is balanced, that it includes conservation measures, but the devil is in the details. Their plan provides a fig leaf towards conservation measures and investments in research and development of renewables. It provides billions in tax provisions without any way to pay for them. Instead of finding the offsets, their plan irresponsibly crosses the threshold into the Medicare trust funds.

In stark contrast is the Democratic plan. It is a balanced approach, talking about both supply and demand. It invests in renewable sources of energy, utilizes new technology, bolsters production without harming the environment and provides pro-consumer, fiscally responsible tax incentives for the use of energy-efficient vehicles and appliances. This is the kind of long-term policy we need.

EXPANDING TRADE PROMOTION AUTHORITY

(Mr. LINDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LINDER. Mr. Speaker, Ralph Waldo Emerson wrote, "We rail at trade, but the historian of the world will see that it was the principle of liberty; that it settled America, and destroyed feudalism, and made peace and keeps peace." I could not agree more.

Trade is not just about exports and imports. It is not solely about opening new markets to American technology and services. Instead, trade is about harnessing the growth and innovation of the American marketplace to improve the quality of life both domestically and internationally.

Trade promotion authority in turn further enables the exchange of services, goods and services, ideas and information. TPA requires a collaborative partnership between the President and the Congress allowing Congress to share concerns, priorities and goals before and throughout negotiations. The House is allowed to express its interest in issues whether they relate to environment or labor that otherwise might not be considered during the negotiation process at all.

The United States must lead by example. On trade, however, we are far behind. Of the more than 130 trade agreements worldwide, the United States is party to only two. TPA will enable the President and the Congress to reverse this trend and ensure that our exports reach the outside world along with our outlook and ideals.

ENERGY BILL BONANZA FOR BIG OIL

(Mr. SHERMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHERMAN. Mr. Speaker, the energy bill is a bonanza for big oil. It lets them drill in environmentally sensitive lands, gives them $30 billion in tax cuts and another $7 billion of rollbacks and royalties.

Listen to this. They tell us government should act like private business. Would a private businessperson let an oil company drill on his land without getting a royalty? That is what this bill does. It is a bonanza for big oil.

But let us say we like giving the oil companies $37 billion. Should we not at least pay for it? The Committee on Rules has prohibited any amendments to make this bill pay for itself. As a result, all the bonanza for the oil companies comes right out of the Medicare trust fund. Wake up. We have a new economic situation, a new President and there is no surplus except the Medicare surplus.

Finally, the Committee on Rules has decided not even to allow California and the Western states a chance on this floor to ask to change our clocks and use daylight saving time in more creative ways. There is nothing in the bill for conservation and everything for the oil companies.

AMERICA'S NEED FOR A COMPREHENSIVE ENERGY PLAN

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, to this date, America has not had a comprehensive energy policy. The results were expressed last year when President Clinton's Energy Secretary Bill Richardson admitted, "It is obvious that the Federal Government was not prepared. We were caught napping. We got complacent."

Mr. Speaker, we all agree that these problems do not happen overnight and they cannot be solved overnight, but with Americans now facing rising utility bills, high gasoline prices and rolling blackouts and brownouts, I believe Congress must act to pass President Bush's far-reaching plan which is balanced and responsive in addressing America's energy needs.

The President's plans offers 105 specific recommendations to address America's current energy shortage and provides reliable and affordable supply for the future. It starts with conversation and includes friendly changes to increase our domestic supply, improve delivery, reform outdated regulations and encourage energy diversity.

It is unnecessary that nearly 60 percent of America's oil is imported. It is unbelievable that large portions of our oil and gas are in hands of Mommar Quadaffi and Saddam Hussein. It is outrageous that Members of this House choose to put politics before the people.

Mr. Speaker, I strongly urge my colleagues to adopt the President's energy plan.

ENERGY SECURITY ACT INCREASES ENERGY PRODUCTION

(Mr. TANCREDO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TANCREDO. Mr. Speaker, the Energy Security Act helps America address its energy problems by increasing our energy production on existing Federal sites. It helps us get more oil from our existing oil wells, more natural gas from our existing natural gas wells, more hydropower from our existing Federal dams.

It looks for ways to produce more energy from wind, sun and geothermal heat, all from Federal lands. It also allows careful, gentle oil development of 2,000 acres in the Arctic by using the latest technology and adherence to the strictest environmental laws.

The Energy Security Act does what we need to increase our production of energy, and together with bills from other committees, will form a comprehensive package that emphasizes vigorous conservation, more research, more reliance on clean and renewable energies, and the wise increase of energy production. As for California, its problems will not be solved until it changes its attitude with regard to energy production and changes its political leaders.

SUPPORTING A BALANCED AND COMPREHENSIVE ENERGY BILL

(Mrs. WILSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. WILSON. Mr. Speaker, today is an important day in the House. We are going to bring forward an energy bill, the first comprehensive energy bill we have had in this country for almost 20 years.

It is a long-term, balanced approach to energy policy that includes increases in both production and conservation. But I have to give credit to both sides of the aisle here because this House decided to start with conservation.

The bill includes a measure that will save 5 billion gallons of gasoline from SUV and light truck production over the next 6 years. That is the equivalent of parking the 1999 production of SUVs for 2 years and not even driving them.

It includes standards for televisions and appliances and energy efficiency, accelerating the clean coal program and tax credits for solar homes. Those tax credits in that bill do not go to big oil. They go to people like me and others like me who live in solar heated homes in the Southwest.

This is a balanced, comprehensive approach that includes input from many rank-and-file Members of this House, and I commend the leadership and the bipartisan majority that will pass it today.

EPA ASSAULT ON HUDSON RIVER COMMUNITIES

(Mr. SWEENEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SWEENEY. Mr. Speaker, I rise today on one of the infamous days for the citizens of New York's 22nd congressional district, a district that I represent.

That is because yesterday, regrettably, the EPA Administrator leaked to the press her decision to dredge over 40 miles, 2.6 million cubic yards, 100,000 dump-truck loads of sludge from the bottom of the Hudson River.

□ 1030

This is after much debate and much study but, more importantly, after weeks of negotiation where we sought to bring the parties together so that we could find an amicable and immediate solution.

This decision will wreak havoc on the citizens of the 22nd Congressional District. I would ask my colleagues to imagine, imagine finding out that your life has been turned upside down through a press leak; imagine knowing that this could lead to the seizure of your home, of your property, a change of your quality of life; imagine for 20 years, fighting on an issue in which almost every public-appointed and elected official has abandoned you, and then having this occur to you.

Mr. Speaker, shame on the EPA, shame on the administrator. I vow to continue this fight on behalf of the citizens of the 22nd Congressional District.

PROVIDING FOR CONSIDERATION OF H.R. 4, SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 216 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 216

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed 90 minutes, with 30 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce and 20 minutes equally divided and controlled by the chairman and ranking minority member of each of the following Committees: Science, Ways and Means, and Resources. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered as read. The amendment printed in part A of the report of the Committee on Rules accompanying this resolution shall be considered as adopted in the House and in the Committee of the Whole. The bill, as amended, shall be considered as the original bill for the purpose of further amendment under the five-minute rule and shall be considered as read. No further amendment to the bill shall be in order except those printed in part B of the report of the Committee on Rules. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such further amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. Upon receipt of a message from the Senate transmitting H.R. 4 with Senate amendments thereto, it shall be in order to consider in the House a motion offered by the chairman of the Committee on Energy and Commerce or his designee that the House disagree to the Senate amendments and request or agree to a conference with the Senate thereon.

The SPEAKER pro tempore (Mr. SWEENEY). The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), pending which I yield myself such time as I may consume. During consideration of this resolution, all time is yielded for the purpose of debate only.

Mr. Speaker, House Resolution 216 is a structured rule providing for the consideration of H.R. 4, the Securing America's Future Energy Act of 2001. The rule provides 90 minutes of general debate, with 30 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, and 20 minutes equally divided and controlled by the chairman and ranking minority members of each of the following committees: the Committee on Science, the Committee on Ways and Means, and the Committee on Resources.

The rule waives all points of order against consideration of the bill. It also provides that the amendment printed in part A of the Committee on Rules report accompanying the rule shall be considered as adopted and makes in order only those amendments printed in part B of the Committee on Rules report accompanying the resolution.

The rule further provides that the amendments made in order may be offered only in the order printed in the report, may be offered only by a member designated in the report, and shall be considered as read, shall be debatable for the time specified in the report, equally divided and controlled by a proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole.

Finally, the rule waives all points of order against the amendments printed in the report, provides one motion to recommit with or without instructions, and provides authorization for a motion in the House to go to conference with the Senate on the bill H.R. 4.

Mr. Speaker, this morning we have an opportunity to advance the important work of securing America's energy future. Earlier this year when the administration's comprehensive energy plan was unveiled, President George W. Bush said, and I quote, "America must have an energy policy that plans for the future, but meets the needs of today, and one that develops our natural resources and protects our environment at the same time," end quote.

Thanks to extraordinary hard work by the members of four different committees, we have before the House today legislation that accomplishes both of these critically important goals. At a time when America's dependence on foreign resources of oil is at an all-time high and when domestic sources of energy are increasingly off limits, it is important, more important than ever, for this House to face the challenge of reversing these trends in ways that respect the public's understandable desire to protect our country's abundant natural resources. This bill does that.

In addition to increasing our supplies of energy, we must continue to make even greater strides in the area of energy conservation, and H.R. 4 does that also. Greater support for energy-saving technology, as well as tax incentives and other measures aimed at encouraging energy conservation, are among the centerpiece provisions of this bill.

I am particularly pleased that H.R. 4 includes support for the development of proliferation-resistant fuel for the next generation of nuclear reactors. Nuclear energy is a clean energy source that can provide substantial new electrical generation capacity without adversely affecting our air quality. And like hydropower and many other renewables, nuclear energy adds no additional greenhouse gases to the atmosphere.

Specifically, H.R. 4 authorizes R&D to develop a new type of fuel that may be recycled in order to reduce waste and radioactive life of spent nuclear fuel, while ensuring that this new fuel will be proliferation resistant. I believe it is imperative that the administration move ahead aggressively on this new initiative and that it seek to identify as soon as possible an appropriate facility such as, for example, Fast Flux Test Facility at the DOE's Hanford site, that could be used to test and evaluate potential new recyclable fuels.

By including a promising new program to address one of the most substantial objections to additional nuclear power, the authors of this legislation should be commended for taking an important step toward the goal of securing America's energy future.

Mr. Speaker, this is a large and complex piece of legislation reported by four different committees. In seeking to craft a fair rule for its consideration, the Committee on Rules considered a very large number of amendments proposed by Members of the House. My Committee on Rules colleagues and I are pleased to report that we were able to make in order 28 amendments to various sections of the bill. We are particularly pleased to have been able to accommodate almost all of the requests made of the committee by the gentleman from Missouri (Mr. GEPHARDT), the distinguished minority leader.

In fact, on July 20, the minority leader and the ranking minority member of the Committee on Rules, the gentleman from Texas (Mr. FROST), wrote to the Speaker requesting that when H.R. 4 was brought to the floor, that the Committee on Rules make in order seven specific amendments as well as a Democrat substitute to the bill. I am pleased to report that today, the rule before us makes in order fully five of those seven amendments requested by the minority leader and makes in order no Democrat substitute, simply because none was ever submitted to the Committee on Rules.

Clearly, Mr. Speaker, this is a fair and balanced rule which will provide Members ample opportunity to consider a wide range of proposed changes to the bill. At the same time, it is a rule that ensures that the House can complete action on this important legislation in a timely manner in order to give the American people the balanced energy policy they need and they deserve.

So accordingly, Mr. Speaker, I urge my colleagues to support both House Resolution 216 and the underlying bill.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

There are 51 billion reasons to be against this rule. That is how much the Treasury has announced it is borrowing to finance the tax rebate passed by Congress and signed into law by the President. The President and this Congress are now party to borrowing from Peter to pay Paul because we just cannot afford to pay for those $300 and $600 checks that are now in the mail out of the money we have in the bank.

In fact, there are an additional 33 billion reasons to defeat this rule. That is because this rule makes in order $33 billion in energy tax cuts that are not paid for. The Republican majority has, by recommending this rule, begun a head-long rush into a raid on the Medicare Trust Fund. The Republican leadership simply refuses to pay for their policies up front and in cash. Instead, the Republican majority wants to put everything on the national credit card. Mr. Speaker, this is a world turned upside down, because it seems the Republican Party has now become addicted to deficit spending, and it is Democrats who are now the party of fiscal responsibility.

Case in point. Two of the leading conservative Democrats in the House, the gentleman from Texas (Mr. STENHOLM) and the gentleman from Texas (Mr. SANDLIN), joined with the gentleman from Massachusetts (Mr. MARKEY) to ask the Committee on Rules to make in order an amendment to this bill which would pay for those $33 billion in tax cuts. Liberals and conservatives alike understand that if we are to have meaningful energy tax policy, we have to pay for it. We believe the benefits will far outweigh the costs.

So, the gentleman from Massachusetts (Mr. MARKEY), the gentleman from Texas (Mr. SANDLIN), and the gentleman from Texas (Mr. STENHOLM) proposed that the recently passed tax cuts which we are already having trouble paying for, be adjusted to allow for those energy tax incentives to fit into a fiscally responsible framework. They also reformatted the tax incentives to divide them equally between production incentives and conservation initiatives that will benefit consumers rather than tilting the entire tax package towards production and special interest provisions.

But early this morning, again, under the cover of darkness at about 12:30 a.m., the Committee on Rules met and reported a rule that denied the House the right to decide if we should act responsibly when it comes to energy tax policy. At about 1 o'clock this morning, the Committee on Rules reported a rule that specifically denied the Markey-Sandlin-Stenholm amendment the right to be considered on the floor. Thus, the Republican majority on the Committee on Rules and the Republican leadership in the House have chosen to raid the Medicare Trust Fund instead of acting in a fiscally responsible and prudent manner that would allow these tax breaks to be paid for.

Mr. Speaker, the administration of George W. Bush, ably assisted by the Republican majority in this House, is making the exact same mistakes as those made by the first Bush administration. The current Bush administration, just like the last one, is hopelessly addicted to deficit spending.

Mr. Speaker, there are a number of conscientious conservatives on the Republican side of the aisle who do not like deficit spending any more than the gentleman from Texas (Mr. STENHOLM) and the gentleman from Texas (Mr. SANDLIN) and a host of other Democratic Members. Let us hope that today the real fiscal conservatives on the Republican side of this Chamber will stand up to their credit card-wielding leadership and vote to reject this rule.

Mr. Speaker, I reserve the balance of my time.

□ 1045

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 5½ minutes to the distinguished gentleman from Louisiana (Mr. TAUZIN), the chairman of the Committee on Energy and Commerce.

Mr. TAUZIN. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, let me rise in support of the rule and acknowledge that the Committee on Rules had an awesome task, with as many as 140 requests for amendments on this very comprehensive energy package; and I will acknowledge that the Committee on Rules has literally made in order the most important debates that occurred in the Committee on Energy and Commerce, and which obviously still concern many Members in terms of how this bill will eventually be resolved.

For example, the bill makes in order the contentious debate over CAFE standards. The base bill which we produced contains a remarkable compromise moving forward CAFE standards on SUVs and minivans, but others want to go a lot further. But that amendment will be in order, and we will debate it on the floor.

We will have a very good debate over the question of oxygenates and whether or not oxygenate standards ought to be waived for California. That was a great debate in the committee. It was settled against that amendment, but we will have that debate again on the floor.

There was another contentious debate over price caps, and the gentleman from California (Mr. WAXMAN) will have an opportunity to renew that debate on the floor.

We will have a debate on ANWR, which was voted on in the Committee on Resources by a very large vote in support of that proposition, but we will again debate that proposition on the floor.

The Committee on Rules has made most of the really contentious issues in order for debate here today. In addition, many of the amendments that were suggested have been incorporated in the manager's amendment, which I will offer, if this rule is adopted, as the first item of business.

We have also, in the rule, set the stage for debate on what is the first comprehensive energy package produced by four of our major committees since the Jimmy Carter years, an energy package that deals with all the elements of our energy equation and literally responds to the extraordinary and building crisis in energy in our country that was exhibited last winter when natural gas fuel bills in the Midwest went up 73 percent. They went up 27 percent in the Northeast when gasoline prices shot up 40 cents, 50 cents, in some places 70 cents a gallon this summer, the beginning, if you will, elements of a crisis building in this country's imbalance between supply and demand.

This comprehensive package, with its permanent solutions and short-term solutions, is going to be a major step forward in our time for making sure America's energy future is safe and stabilized for the good of our citizens. Affordable, reliable, dependable energy for the future is what it is all about.

One of the contentious issues in this bill has to do with the nuclear energy issue. There are outstanding issues we have not yet dealt with, such as electric restructuring, which will come in a separate package.

But in the nuclear area, there is something on the nuclear waste trust fund. In the bill, we attempted to take that trust fund off-budget. It will not be off-budget. We will not accomplish that in this rule and in this bill because of a self-executed amendment that has been adopted to the rule by my friend, the gentleman from Nevada (Mr. GIBBONS).

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from Nevada.

Mr. GIBBONS. Mr. Speaker, I want to thank the chairman of the Committee on Energy and Commerce for yielding to me.

Section 301 of the bill attempts to take that nuclear waste fund off-budget. I want to express my strong support for the rule and the provision which strikes section 301 of H.R. 4.

As the chairman has stated, the Nation has been demanding a national energy policy, and has been for some time. This bill now provides the leadership for that energy policy. We know the previous administration did not have the political will to take on this issue, leaving the current administration with no choice but to act.

President Bush and Vice President CHENEY, as well as this Congress, deserve great praise for doing what is necessary to meet today's and tomorrow's energy needs. This administration has engaged the American public in this important issue, and I am proud today that the House will finally debate America's energy needs.

Section 301 presents a misguided effort to take the nuclear waste fund off-budget, and I must warn the Members that such action would be irrational and fiscally irresponsible. Taking the nuclear waste fund off-budget will undoubtedly diminish Congress's strong oversight responsibilities over Federal spending.

Further, by taking the nuclear waste fund off-budget, we place the overall budget of this Nation at risk.

If section 301 were allowed to stay, it would allow the Department of Energy to construct and facilitate a permanent high-level nuclear waste dump at Yucca Mountain without the strict oversight that Congress has demanded and that good oversight deserves.

This debate concerning the safe, permanent storage of high-level nuclear waste is as controversial an issue as any other facing this Nation. Removing the nuclear waste fund from the strictest, most ardent congressional oversight would only escalate the controversy surrounding this issue.

Therefore, I strongly support this rule that will take this poison pill out of H.R. 4. By striking 301 from this otherwise good piece of legislation, we will maintain congressional oversight and fiscal responsibility for the taxpayers and the ratepayers of this Nation.

I want to thank again the gentleman from Louisiana (Chairman TAUZIN) for his leadership on this issue, and I want to thank the Committee on Rules for allowing this self-executing portion to take place.

Mr. TAUZIN. Mr. Speaker, I yield to the gentleman from Texas, (Mr. BARTON), chairman of the Subcommittee on Energy and Air Quality.

Mr. BARTON of Texas. Mr. Speaker, I thank the gentleman from Louisiana for yielding to me.

I am going to support the rule, but I am very opposed to the self-executing portion of the rule that takes the nuclear waste fund and puts it back on-budget.

We passed the nuclear waste fund to take it off-budget, both in the last Congress and again in this Congress in the subcommittee and in the full committee. That fund has $10 billion in it at the current time, and it is adding about $800 million per year. Because of a budget amendment enacted several years ago, only $400 million is available for the fund to be dispersed.

We need access to every penny of the $10 billion if we are going to build and operate a nuclear waste repository in the near future. I am disappointed the rule eliminates the provision that would take the waste fund off-budget. I hope later in this Congress we can put it back on budget.

Mr. TAUZIN. I thank my friend. I want to assure the gentleman that I agree that we need to address this issue very quickly in the Committee on Energy and Commerce in the fall, and I will be assisting him in every way possible to get this off-budget, because we need an energy future dependent upon nuclear energy in the future. I will work with him to accomplish that goal.

Mr. BARTON of Texas. We are going to address this issue again in the very near future.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. Mr. Speaker, I thank the gentleman from Texas for yielding time to me.

Mr. Speaker, I rise in opposition to this rule. In my opinion, it represents a gag order on this body's ability to consider H.R. 4 by severely limiting the ability of Members to offer amendments.

For instance, I submitted an amendment, along with the gentleman from Wisconsin (Mr. PETRI), to strike the OCS leasing royalty relief provisions from this bill: up to $7 billion in giveaways at the American taxpayers' expense to oil companies, who do not need any relief whatsoever.

I guess one reason the majority leadership waited until August 1 to bring this bill up was so they could not be accused of giving Christmas to the oil companies in July.

But anyway, this rule does not make that amendment in order. It says that the interests of the American taxpayer in this legislation are not germane and are out of order.

I submitted an amendment to strike the Federal coal leasing giveaway provisions of this bill, provisions not considered by any committee, provisions that would give rise to rank speculation in Federal coal leasing, provisions that would harm consumers and cost coal miners their jobs. This rule does not make that amendment in order. It says that the interests of consumers and coal miners in this bill are nongermane and out of order.

I submitted an amendment to substitute the Committee on Resources provision in H.R. 4 with a more balanced approach. This amendment incorporated concepts of energy development, empowerment and endowment. Yes, we do have an alternative on our side of the aisle. It would have produced real BTUs for the countries while protecting our environment, reclaiming abandoned mines, and providing Native Americans with the tools they need to achieve energy self-sufficiency.

This rule does not make that amendment in order. It says that the interests of Native Americans are nongermane and out of order, and the interests of coal field communities are nongermane and out of order, according to this rule.

The concept of a balanced energy policy is nongermane and out of order, also, according to this rule. I joined our colleagues, the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Tennessee (Mr. CLEMENT) in submitting an amendment to strike from this bill a provision that has absolutely nothing to do with energy security. It would simply give the railroads a tax break. Rail labor is strongly opposed to this provision. This rule does not make that amendment in order.

I ask for unanimous opposition to the rule. Fortunately, we do have another body that will consider this legislation.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Utah (Mr. HANSEN), the distinguished chairman of the Committee on Resources.

Mr. HANSEN. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, this is really a good rule. This allows for the debate over several issues that are crucial to a successful, long-term and comprehensive energy policy. It gives everyone a fair shot at their amendment and an up-or-down vote on most of these issues.

The Committee on Rules has done a great job to ensure that these important issues are explored in a comprehensive and fair manner. I am very pleased that the committee has taken to heart the suggestion made by the House Democratic leader that was made to the Speaker and the head of the Democratic Caucus. The Democratic leadership asked in a letter for a structured rule that gives the minority an opportunity to have separate votes on several items important to them.

One of these issues is within the jurisdiction of the Committee on Resources, that being oil and gas leasing on the Alaska National Wildlife Refuge. An amendment by the gentleman from Massachusetts (Mr. MARKEY) and the gentlewoman from Connecticut (Mrs. JOHNSON) on this high-profile and very emotional issue has been ruled in order by the committee. I am comfortable with that. It will be a close vote, but I hope the Members will vote responsibly and defeat that amendment.

The rule allows us the opportunity to honestly debate the issue of developing a long-term domestic energy source in an environmentally fair and safe way. The Committee on Rules has crafted a rule that allows us to consider this critical legislation initiative while avoiding nitpicking and amendments designed merely to delay the President's and the Republican leadership's response to the national energy problem.

For the most part, the SAFE Act has been vetted through the committee process. The Committee on Resources spent countless hours and numerous hearings addressing the various provisions in our section of the bill.

The issue of wisely tapping the vast resources of our Federal lands has been discussed for many years. These are not new issues. We have debated long enough. It is time for action. Let us have a civil and a spirited debate. I urge the adoption of the rule.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. RANGEL).

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. Mr. Speaker, I rise in opposition to the rule this morning because the Committee on Rules did not see fit to allow the Democratic minority to pay for this bill.

What do we mean by that? We mean that the cost of this bill is $33 billion over the next 10-year period. Under normal circumstances, if we did not have the dramatic tax cut that the people did not call for but the Republicans did, this would not have been a problem.

But I can tell the Members that when we had a similar situation in trying to get the money to pay for the charitable contribution bill, the chairman of the Committee on the Budget, the gentleman from Iowa (Mr. NUSSLE), was kind enough to provide the committee with a letter of comfort saying that in the budget there was $500 billion that was there as a contingency fund, some politicians call it, a slush fund, but the proper name is a contingency fund.

That meant that, in cases of emergency, one could go to the contingency fund to get the money, and the first to get there is the first that gets the money. It is almost like having a bank account, where you make a $500 billion deposit, but then you start writing checks on that account. I am telling the Members what we are talking about is a budgetary train wreck that the Republicans are driving us to, and each and every week we will be getting closer to that disaster.

□ 1100

I wish we could see some of the good old days, when Republicans got in the well and said how much they hated Social Security, said how much they hated Medicare, said how much they hated the Federal Government getting involved in education. But they do not do it that way anymore. They are more sophisticated. They say there is no real money at all in the Social Security Trust Fund and that we may have to move into the Medicare Trust Fund. In other words, the way they kill legislation is no longer by voting against it, it is by saying we do not have the money for it, unless of course they have the political courage to increase taxes to pay for it, and we know that is not going to happen in the next 4 years.

So what I am suggesting is this: if my colleagues will not let us actually pay for it, let us see how many checks they intend to write on this $500 billion deposit that they have made in the Federal account, the $300 billion for Medicare prescription drugs and the $134 billion promised to the Secretary of Defense. In other words, to get after Social Security and Medicare they do not even mind holding it hostage on national defense. The $200 billion to $300 billion defense modernization is no longer a priority. The list goes on and on and I have not even started.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana (Mr. McCRERY).

Mr. McCRERY. Mr. Speaker, we Republicans certainly welcome the ranking member of the Committee on Ways and Means and his colleagues to the cause of fiscal discipline. We did not see such rhetoric when we were spending the Social Security surplus when they were in control of the Congress. But now that we want to cut taxes for the American people, now that we want to have a sound energy policy, they are concerned.

We welcome their concern and, in fact, we share their goal. But the fact is that at this point the Congress has not spent or cut taxes to the extent that we encroach upon the surpluses provided by the Social Security Trust Fund or the Medicare Trust Fund. We do not know what the picture will look like at the end of the year.

The responsible thing for this House to do today is to pass this energy bill, which provides this country a sound energy policy for the future, and then as we get toward the end of the year, we see what the fiscal picture looks like, we can put it all together. But do not hold up this bill in the cause of fiscal discipline. Today, let us pass this bill and this rule.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, I thank the gentleman for yielding me this time.

The Republican majority calls this bill the SAFE Act, the Securing America's Future Energy, SAFE, Act. What it does, though, it allows drilling in the Arctic wilderness; it does not really do anything on fuel economy standards in automobiles, which is where we put two-thirds of all oil, into gasoline tanks, and the tax credits are for the biggest oil companies.

Right now this bill should be called UNSAFE, Unkind to nature, Sacrificing the Arctic, Freebies for Energy. UNSAFE.

Now, how was this bill put together? Well, it was put together in four committees, largely along party-line votes. The bill contains many provisions that were added to the bill after the committees finished with it, with no notice or consultation with the minority, with the Democrats, and it strips or guts other provisions of the bill that Members on this side of the aisle had succeeded in adding during the committee markups that would have been fairer to the environment and to consumers and to taxpayers. All that Members on this side of the aisle are looking for is a fair opportunity to put through to the American people a set of alternatives that all Members of Congress would have the opportunity to have voted upon. This rule does not make that possible.

I will provide a highlight of this bill. The gentleman from Texas (Mr. STENHOLM), the gentleman from Texas (Mr. SANDLIN), the leaders of the Blue Dogs, put together an amendment, with me and other Members on our side, that took the $34 billion that the Republicans are going to hand over to the largest energy companies in America, taking that money for that out of the Medicare Trust Fund from our senior citizens and create an alternative, and we would spend the same $34 billion but we would put more of it into renewables, more of it into conservation, more of it into energy efficiency, and fund significant tax breaks for the smaller oil and gas companies across this country. And we would pay for it by increasing by a very small amount, or not increasing, actually, just not allowing to finally go through this huge tax break for the upper 1 percentile in America. And we would not even take back the whole thing, just enough to pay for this tax break for the oil and gas industry that is built into this bill.

They will not even allow us to make that amendment. This is a centrist amendment, a balanced amendment; but it is a gag rule that does not allow us even to debate it. Now, that is wrong.

And the reason they will not allow that amendment to be put in place is they know it would win, because the American people do not want to raid the Medicare Trust Fund and the Social Security Trust Fund to give tax breaks for the wealthiest energy companies in our country. Vote "no" on this rule. It is unbalanced, it is unfair, it is bad for the environment, it is bad for consumers, it is bad for taxpayers, and it is bad for our country.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. THOMAS), chairman of the Committee on Ways and Means.

Mr. THOMAS. Mr. Speaker, I really had not planned on speaking on the rule, but when we have finally reached the point of every Democratic Member coming in the well and simply misrepresenting what this bill is in such a gross way, I do think we need to put a little balance into it.

The single biggest portion of the tax area is in reliability. The second largest is conservation. There are a number of renewable requirements for solar and for biomass. There are a number of provisions for individuals to get tax credits on their major appliances, on their homes, major tax credits for fuel cell cars, up to $40,000.

The gentleman from Massachusetts is probably not wanting to listen to this because he said $34 billion went to major oil companies. The fact of the matter is that is not true. Half of it does not go, a quarter of it does not go, 10 percent of it does not go. But it does not make nearly as good a pitch as saying this tax credit goes to big oil and it comes out of Medicare. That is not true, but the truth is not a good story.

The truth is that on a bipartisan basis we are going to conserve, we are going to make our energy source more reliable, and we are going to produce a little bit more. That is a really good mix.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I rise to oppose the rule.

Today the House takes up legislation that will affect our country's energy policy for years to come. A critical component of the plan is the Low-Income Home Energy Assistance Program, a program which has provided essential heating and cooling assistance to our most vulnerable populations for a quarter of a century; yet this bill attempts to dismantle the Low-Income Energy Assistance Program. It requires the program to do a study to determine whether or not its recipients are conserving energy and engaging in energy-efficiency investments.

They make a false claim here. It also ignores the fact that nearly 80 percent of the LIHEAP recipients who receive heating assistance earn less than the poverty level. I might tell my colleagues that this is from an administration that does not give a hoot about conservation.

I offered an amendment to strike this language. It was not allowed. As a matter of fact, the Democratic alternative was not allowed.

This bill provides billions of dollars in tax credits and royalties to the oil and gas industry, and yet what it would do would be to begin to dismantle the Low-Income Energy Assistance Program. It is wrong. Oppose this rule.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York (Mr. BOEHLERT), chairman of the Committee on Science.

Mr. BOEHLERT. Mr. Speaker, I rise in support of this rule, which will allow a fair and open debate on many of the key elements of the bill.

I want to thank the gentleman from California (Mr. DREIER) and his staff for working so closely with all of us who contributed to this bill to ensure that the rule would allow for a manageable, yet thorough, debate. I might add that is a tribute to the leadership of the Speaker.

I want to draw attention at this point to two key amendments that have been made in order, the Boehlert-Markey amendment on CAFE standards and the Markey-Johnson amendment on the Arctic National Wildlife Refuge, or ANWR. I think everyone agrees that these will be the two most critical votes today; and this rule, sensibly, allows 40 minutes of debate on each of them, on top of over 2 hours of general debate and an additional 40 minutes of debate on related Arctic amendments. So these issues will be adequately heard.

That is essential, because these two amendments, raising CAFE standards and continuing the ban on drilling in ANWR, these two amendments must pass if H.R. 4 is to be a truly balanced bill. As of now, H.R. 4 is skewed far too heavily toward production, much more so than was in the President's original plan.

The bill includes new subsidies and regulatory relief for the oil, gas, and coal industries without requiring any commensurate improvement on environmental performance. No one doubts that we need to increase our energy supply, but these subsidies go beyond what is necessary to do.

Still, I could support these provisions of H.R. 4 if they were part of an overall plan that was balanced, that ensured that we were doing all that we could to conserve energy and protect the environment. That is the approach we took in the Committee on Science when we unanimously passed the provisions that now make up division B of the bill, a section of the bill that gives great emphasis to conservation and renewable energy while continuing support for research on oil and gas and coal and nuclear energy. For the rest of the bill to reflect that kind of balance, we must raise CAFE standards and prevent drilling in ANWR.

We will get into the details of these later in the day, but let me just point out that transportation accounts for two-thirds of our Nation's oil consumption; yet despite our technological expertise, despite the fact that American industry is far more energy efficient than it was 20 years ago, despite studies showing that we can significantly improve fuel economy, the fuel economy of our Nation's passenger vehicles has dropped over the past generation.

We simply should not, as human beings, be trampling on some of the last pristine places on earth, making irreversible changes to our planet's landscape, when we refuse to take the simplest, most feasible, most responsible steps to reduce our use of fossil fuels, steps that could reduce our dependence on foreign oil and improve the environment without cramping our life-style one little bit.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, it is with a great deal of disappointment that I come to the floor today opposing the rule and opposing a fiscally irresponsible bill. I did not want to be here.

I have been very supportive of the work my good friend, the gentleman from Texas (Mr. BARTON), has done in the areas of energy. But I have been here for 22 years, and I remember when this body used to act like a legislative body. I remember the last time we debated a national energy policy it took weeks, not one day. I remember when we used to allow those who had a difference of opinion an opportunity to come to the floor on their issues and to vote on those issues and let the will of the House, not the will of the leadership, make the determination.

We continue day after day after day to have rules coming out of the Committee on Rules that do not allow those who have a different opinion to bring their ideas to the floor of the House. We had a Democratic alternative. It was put together by the Blue Dogs, and it was then run through our caucus, in which we got not unanimous opinion but we got enough agreement that we wanted to bring it to the floor and perfect the work of the majority; but more significantly, we wanted to pay for it.

To my colleagues in this House on both sides of the aisle who vote for this rule and for this bill, they will be voting to take additional money out of Social Security, which we have said time and time again we are not going to do. Now, my colleague is shaking his head back there now saying that is not true; wait until September when the new estimates are in; wait until we get the letter from the gentleman from Iowa (Mr. NUSSLE) saying we are going to have to cut spending, we are going to have to defense more than we are already cutting defense.

□ 1115

There is not enough money left in the budget to take care of the needed defense.

Mr. McCRERY. Mr. Speaker, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Louisiana.

Mr. McCRERY. The gentleman does not mean to imply that we are spending Social Security money?

Mr. STENHOLM. I certainly do.

Mr. McCRERY. The gentleman knows that we are not. The gentleman, I think, means that we are spending some of the surplus attributable to the Social Security payroll tax, and we are not even doing that.

Mr. STENHOLM. Reclaiming my time because the gentleman has misspoken what I intend to say.

Look me straight in the eye: I believe we are doing that.

Mr. Speaker, what we should have done in this body, we should have started with the reform of the Social Security system first before we had a $1.350 trillion tax cut which is expanded to $2 trillion. The gentleman sits on the Committee on Ways and Means. He knows that we are going to have to face some tough choices.

We are not doing that when we continue to tell the people we are going to eat dessert before we eat spinach. There is much in the bill that I support, but the leadership of this House is misleading the American people when they say we can pass this energy bill today and have additional tax cuts that do not come out of the Social Security and Medicare trust funds; and it will take until next month and next year until I am proven right.

The gentleman will soon find that I am right.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to respond to my friend from Texas. Does the gentleman realize that repeatedly yesterday and up to midnight last night, we said if there were modifications in what the Blue Dogs had put together and made it a substitute, we would have made it in order; and that was never given? Does the gentleman realize that request was made?

Mr. STENHOLM. Mr. Speaker, will the gentleman yield?

Mr. HASTINGS of Washington. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Speaker, all we were asking was that it be pay-for. Did the gentleman allow pay-fors in this bill?

Mr. HASTINGS of Washington. We made the offer that had the other side put it in a different form, we would have made it in order. The gentleman would have had the content. Is the gentleman aware of that?

Mr. STENHOLM. If the gentleman would continue to yield, I was not personally aware of that. Nobody ever called me.

Mr. HASTINGS of Washington. That request was made up to midnight last night.

Mr. FROST. Will the gentleman from Washington yield?

Mr. HASTINGS of Washington. Mr. Speaker, the gentleman from Texas (Mr. FROST) has his own time. I just wanted to ask the gentleman from Texas (Mr. STENHOLM) a question.

Mr. FROST. Mr. Speaker, the gentleman from Washington is asking the gentleman from Texas about actions by the Democrats on the Rules Committee.

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) has the time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BARTON), a member of the Committee on Energy and Commerce.

Mr. BARTON of Texas. Mr. Speaker, I rise in support of the rule. It does not have everything I want in it. We took the nuclear trust fund off budget in the Energy and Commerce bill, and this bill has a portion that disallows that. I did not get everything that I want.

Mr. Speaker, I am told that over 100 amendments were offered to the Committee on Rules, and either in the manager's amendment or amendments that are going to be debated on the floor, that 28 of those amendments have been incorporated in some fashion.

The Republican leadership is not ducking any of the tough issues. We are going to have an amendment to strike ANWR, the drilling provision up in Alaska. We are going to have an amendment to increase the CAFE standards, which is very controversial. We are going to have several California-specific amendments on price caps and oxygenated fuel.

Mr. Speaker, I think this is a very fair rule. We are going to let the House work its will. I hope when it comes to final passage that a majority will vote for this bill.

Three of the four committees reported their portions of the bill on a bipartisan basis. In the Committee on Science and Technology, it was a voice vote by unanimous consent. In the Committee on Energy and Commerce, it was a 50–5 vote. In the Committee on Resources, it was about a 3-to-2 vote in favor of supporting the bill. Only in the Committee on Ways and Means was it a partisan vote. That came out on a partisan vote, unfortunately.

This is not the only energy package that is going to be on the floor, it is just the first energy package. I plan to put together an electricity restructuring bill, a nuclear waste bill, a pipeline safety bill, a Price-Anderson nuclear insurance indemnification bill, and bring those to the floor this fall or early next spring. I am sure that the other committees with jurisdiction are going to do similar things.

Mr. Speaker, this is a fair bill. Energy is the lifeblood of our country. We need to do something on the demand-and-supply side. There will be a number of amendments that may move it one way or the other. I hope that we have a fair debate, and I hope that we vote for the rule and final passage.

Mr. FROST. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, the gentleman from Washington made a misstatement. I do not think that it was intentional on his part.

Mr. Speaker, the Democrats on the Committee on Rules made it very clear to the Republicans on the Committee on Rules that we had a large package of amendments. It was not a substitute because everybody agreed from the beginning that there would be separate votes on ANWR and separate votes on CAFE. So we never were going to offer a substitute. We were going to offer a major package of amendments put forward by the Blue Dogs with pay-fors in it.

The Republicans never intended to give the Blue Dogs their package of amendments. They knew there would not be a total substitute because there had to be a separate vote on CAFE and ANWR.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Speaker, I am releasing today an important report. It is titled Hitting the Jackpot: How the House Energy Bill (H.R. 4) Rewards Millions in Contributions with Billions in Returns.

Mr. Speaker, what this report indicates is that the cumulative value of campaign contributions from coal, oil, gas, nuclear and electric utility industries in the 2000 election cycle was $69.5 million. The cumulative value of the tax breaks and subsidies for these industries in this energy bill comes to $36.4 billion. If campaign contributions are viewed as a form of investment in the legislative process, the rate of return on this investment is an astounding 52,200 percent.

Mr. Speaker, I want to point out that the majority sets the agenda, and they set an agenda that gave away $2 trillion in tax cuts earlier this year. They are now going to give away $36 billion in tax breaks and subsidies to the energy special interests.

We have a rule before us that will not provide for an opportunity to move to strike these provisions. The American people ought to understand that this is not a balanced bill. This is a special interest bill. It appears to include rewards for the campaign contributions from the energy industry. Boy, are they getting a good return on their money.

Mr. Speaker, I include for the RECORD the following report.

Hitting the Jackpot: How the House Energy Bill (H.R. 4) Rewards Millions in Contributions with Billions in Returns

(Prepared for Rep. Henry A. Waxman, Minority Staff, Special Investigations Division, Committee on Government Reform)

EXECUTIVE SUMMARY

This report which was prepared at the request of Rep. Henry A. Waxman, compares contributions from the energy industry to provisions in H.R. 4, the energy bill sponsored by the Republican leadership of the U.S. House of Representatives. The report finds that energy interests that gave millions of dollars in campaign contributions during the last election cycle will receive billions of dollars in tax breaks and subsidies under the legislation.

The cumulative value of the campaign contributions of the coal, oil and gas, nuclear, and electric utility industries in the 2000 election cycle was $69.5 million; the cumulative value of the tax breaks and subsidies for these industries in H.R. 4 is $36.4 billion. If the campaign contributions are viewed as a form of "investment" in the legislative process, the "rate of return" on this investment is an astounding 52,200%. Table 1 shows how much key energy industry sectors contributed to federal campaigns and how much they stand to benefit from H.R. 4.

To put this in perspective, the total $36.4 billion cost of the tax breaks and subsidies in H.R. 4 is equivalent to the federal taxes paid by 9,764,169 typical households in 1998.

TABLE 1.—ENERGY INTERESTS' RETURNS ON INVESTMENT IN H.R. 4

Industry	Total contributions, 1999–2000	Total industry benefits in H.R. 4	Return on investment (percent)
Coal	$3,800,000	$5,844,000,000	153,700
Oil and gas	33,300,000	21,980,000,000	65,900
Electric utilities	18,600,000	5,862,000,000	31,400
Nuclear	13,800,000	2,666,000,000	19,200
Totals	69,500,000	36,352,000,000	52,200

I. The coal industry's contributions and returns

The coal mining industry gave $3.8 million in the 2000 election cycle, of which 88% went to Republicans.

Authorizations in H.R. 4 would give the coal industry $1.1 billion in direct subsidies over the next three years, plus an additional $1.4 billion over the following seven years. These subsidies include grants for research and development and commercial applications of technologies for coal-fired electricity generation. In addition, the bill provides tax credits for coal-fired power generation worth an estimated $3.3 billion over ten years. These tax credits subsidize both investment in coal-fired generation technologies and production of electricity from coal-fired generation. In total, this amounts to $5.8 billion in federal funding for coal-fired power generation over the next ten years.

The bill also has many special breaks for the coal industry. For example, it would require the government, not industry, to pay the costs for industry applications to mine coal on federal lands. It would also loosen planning requirements to address environmental damage from coal mining operations.

II. The oil and gas industry's contributions and returns

The oil and gas industry gave $33.3 million in the 2000 election cycle, of which 78% went to Republicans.

The largest tax breaks in H.R. 4 apply to oil and gas production. According to the Joint Committee on Taxation, these tax breaks are worth $12.8 billion over the next ten years. There are at least eleven separate provisions allowing oil and gas producers to reduce their tax payments. For example, the bill would allow oil and gas producers to accelerate depreciation, carry losses back for five years, avoid otherwise applicable alternative minimum tax requirements, and expense various costs.

H.R. 4 further subsidize the industry by suspending royalties for oil and gas lease sales, which is estimated to cost taxpayers around $7.4 billion. H.R. 4 also requires the Interior Department to reduce royalty rates for "marginal" oil and gas wells, which are defined so generously as to cover most onshore wells. According to the Congressional Budget Office (CBO), this provision would cost $491 million in lost royalties, based on conservative assumptions. The bill provides an additional $900 million for research and development and demonstration grants for technologies for ultra-deepwater mining. And the bill would require the federal government to reimburse the industry for spending on required environmental analysis. The CBO estimates that this could cost $350 million in forgone royalties over a ten-year period.

In total, these tax breaks and other subsidies for the oil and gas industry amount to $22.0 billion over the next ten years.

In addition to these direct monetary subsidies, the bill would weaken or eliminate environmental protections for federal lands to facilitate oil and gas development. H.R. 4 would open the Arctic National Wildlife Refuge (ANWR) for drilling, a key oil company objective. The bill also waives environmental protections that would otherwise apply to drilling in ANWR. H.R. 4 seriously weakens environmental protections for leasing and drilling on other federal lands as well. For example, the Forest Service will no longer be allowed to stipulate environmental protections in leases for drilling on National Forest lands if the state has not made such stipulations. And federal land management agencies would be largely unable to reject lease offers for drilling on public lands.

H.R. 4 gives the oil and gas industry numerous other benefits as well. The bill would allow the Interior Department to accept royalties in kind (in barrels of oil or units of gas) from leasing federal lands. In the past, the federal government has lost money in converting in-kind oil and gas royalties to revenues. The bill also requires the Department to reimburse the industry for any transportation and processing costs associated with the in-kind royalty payments. The bill authorizes up to 7.5% of total federal income from oil and gas leases from fiscal years 2002–2009 to be used to fund ultra-deepwater research and demonstration projects, potentially diverting substantial funds from other spending priorities. In addition, the bill requires EPA to conduct several rulemakings to consider relaxing regulations that affect the refining industry. It also sets up an interagency task force to expedite permitting of natural gas pipelines.

Highly specific provisions appear to benefit particular companies. For example, one provision would allow the Secretary of Interior to suspend the term of existing subsalt leases, which would benefit Houston-based Anadarko Petroleum Corporation. According to the Center for Responsive Politics, Anadarko contributed $448,529 during the 2000 election cycle, of which 98% was to Republicans. Anadarko also reportedly has connections to Vice President Dick Cheney and his wife.

The tax breaks and subsidies to the oil and gas industry are not justified by economic hardships in the industry. The oil and gas industry has been particularly profitable in recent years. Three major oil and gas companies alone made $309.1 billion in revenues in 2000, which translated to $25.3 billion in profits. A recent front page story in the Wall Street Journal describes a "big problem" faced by the oil and gas industry—the companies are "sitting on nearly $40 billion in cash" that they are struggling to invest.

III. Electric utilities' contributions and returns

Electric utilities gave $18.6 million in the 2000 election cycle, of which 67% went to Republicans.

Electric utilities would receive several specific tax breaks under H.R. 4, as well as benefiting from many of the subsidies and tax breaks identified in this report for the coal, oil and gas, and nuclear industries. For example, changes to tax laws governing bond issuance would help utilities finance electricity production and cost the Treasury $2.5 billion over ten years. Other provisions relating to sales of electricity transmission lines would cost $2.9 billion over the next five years. These provisions would change the tax treatment of utilities' sales of transmission properties under electricity restructuring policies. Special rules for electric cooperatives would cost $179 million over ten years. And a particular tax exemption for governmental utilities purchasing natural gas would cost $827 million over ten years. In total, this amounts to $5.9 billion for electric utilities over ten years.

IV. The nuclear industry's contributions and returns

The nuclear industry gave more than $13.8 million to federal candidates and committees in the 2000 election cycle, of which more than two-thirds went to Republicans.

H.R. 4 gives tax breaks for nuclear power worth $1.9 billion over the next ten years. It also provides numerous subsidies for nuclear energy, totaling over $633 million over the next three years, and over $100 million more in later years. These provisions would subsidize research and demonstration projects in areas such as uranium mining (through in situ leaching), uranium conversion operations, fuel recycling, plant optimization, and nuclear technologies. In total, H.R. 4 provides almost $1 billion for nuclear power in the next three years alone, and $2.7 billion over the next ten years.

The bill also moves the nuclear waste fund off-budget, which the nuclear industry strongly supports.

V. Auto manufacturers' contributions and returns

The automotive manufacturing industry gave $2.2 million in the 2000 election cycle, of which 69% went to Republicans

The most significant aspects of H.R. 4 regarding motor vehicles is what the bill does not do. In the face of national concern over gas prices and our dependence on oil imports, H.R. 4 does not require any meaningful improvement in motor vehicle fuel efficiency, which is regulated under the Corporate Average Fuel Economy (CAFE) standards. The bill contains a requirement to reduce the amount of gasoline that SUVs and trucks would otherwise use over a six-year period by five billion gallons. Although this figure sounds impressive, it represents only 0.2% of projected petroleum consumption. Moreover, the provision appears to weaken existing requirements for the National Highway Traffic Safety Administration to mandate more stringent reductions. When coupled with the bill's extension of a loophole for vehicles that could be run on ethanol (but almost never are), H.R. 4 will reduce overall motor vehicle fuel economy.

The bill provides numerous other breaks for the auto manufacturers. For example, several provisions to increase use of alternative fuels over dual-fuel vehicles, rather than just dedicated alternative fuel vehicles. This helps auto manufacturers exploit the CAFE loopholes for vehicles that can use alternative fuels, but do not do so. These provisions include an exemption allowing dual fuel vehicles to use HOV lands and federal fleet acquisition requirements.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Speaker, I want to look at the bill from a different perspective. British-owned BP Amoco has 14,000 outlets in America; Motiva Enterprises, owned by a Dutch company has 14,000 outlets in America; Citgo, owned by a Venezuelan company has 14,000 outlets in America. FINA, a French company, has 2,500 outlets in America. Beam me up. All that is left in America is Budweiser flatulence at a Dodger's game.

Mr. Speaker, this sellout of America is ridiculous, and I believe America will continue to depend on foreign petroleum until we maximize our own resources. Having said that, I want to commend the gentleman from Louisiana (Mr. TAUZIN) and the Republican Party because in the 1970s, there were long lines. The Democrats were in control, and we are now debating it in 2001. Evidently they did nothing, nothing but reward monarchs and dictators.

Mr. Speaker, I thank the gentleman from Louisiana (Mr. TAUZIN) for putting my Buy American amendment in the manager's bill, and I urge Congress to pass my oil shale, oil trapped in shale rock amendment.

There is enough oil trapped in shale rock in America to fuel America for 300 years without another drop of fuel from anybody. Yes, it will cost a little more per barrel now, at first; but it will create jobs, tax revenues, reduce our dependency on foreign oil, make America free, get us out from under dictators and monarchs that have been rewarded by a do-nothing Congress in the 1970s.

I support this bill. No bill is perfect. This is the way to start, and I commend the chairman, the gentleman from Louisiana (Mr. TAUZIN) and the committee, for bringing us this bill.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Speaker, it is good to see a New Yorker in the Speaker's chair.

Mr. Speaker, I rise in opposition to this rule. Day in and day out we have been debating appropriations bills, and we debate them for days on end. Here we have a bill dealing with energy policy, and amendments are denied, and we are doing this in less than one day.

Mr. Speaker, I submitted three amendments to the Committee on Rules, all of which were denied. Our governor in New York, Governor Pataki, has put into effect a "green energy" mandate for New York State which would say that 10 percent of the agency's energy consumption comes from renewable energy by 2010 and 20 percent by 2020.

That would be State agencies' energy consumption. I propose to do that for the Federal Government. We should be taking the lead in Federal policy, and the Committee on Rules denied my amendment which would mirror Governor Pataki's New York "green energy" mandate.

I also had an amendment to have cool roofing, because in urban areas, heat is trapped on the top floor when roofs are dark; and that was denied. I am a member of the Committee on Energy and Commerce, and that amendment passed the committee and was part and parcel of the bill. And I want to say that I voted for the committee bill, and if that had been here, I would probably vote for the rule; but the rule denied it.

Finally, a demonstration project providing for a Federal match for replacing transmission lines with superconductive transmission lines saving energy losses.

Mr. Speaker, I do not think that this rule is fair. I think it denies too many amendments, and I urge its defeat.

Mr. HASTINGS of Washington. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Speaker, as ranking member of the Subcommittee on Energy and Mineral Resources of the Committee on Resources, I reluctantly rise in opposition to the rule and the underlying bill. This is a missed opportunity today.

The American people wanted us to work in a bipartisan fashion and develop a long-term, comprehensive and balanced energy policy. This underlying bill does not get us there. The underlying rule that we are debating now does not get us there.

While the rule does make important amendments in order, a discussion whether we should drill in the Arctic National Wildlife Refuge, whether we should increase fuel efficiency standards for our cars and trucks, it also denies an amendment that I offered with the gentleman from West Virginia (Mr. RAHALL), the ranking member of the Committee on Resources, and the gentleman from Wisconsin (Mr. PETRI) that would strike the oil royalty giveback program contained in this bill.

Mr. Speaker, I do not know how many of my colleagues had a chance to see the Wall Street Journal article last Tuesday that talked about the hoards of cash that the oil industry is sitting on, over $40 billion of excess cash reserves. They are swimming in it, and we are about to pass legislation that will give a multi-billion dollar royalty kickback for them to drill on the OCS. This is money that would be used to fund the Land and Water Conservation program for conservation programs and national park enhancement in this country.

Mr. Speaker, this is not a balanced bill. It is not a balanced rule, and I urge "no" on both.

□ 1130

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Mr. Speaker, the word of the day today is disappointment. Let me ask my friends on the other side of the aisle, what are you afraid of? Once again in the middle of the night, the Republican leadership has produced a rule that blocks numerous Democratic amendments, it blocks discussion, it blocks debate, it blocks a balanced energy plan; and contrary to the representations made on the floor this morning, no Blue Dog perfecting amendment was offered to be in order. No Blue Dog amendment was to be voted on. No Blue Dog amendment is part of our decision this morning. It blocks an alternative for our perfecting amendment, and that is just not fair.

In 1992, the last time Congress considered comprehensive energy legislation, we talked about it for days and for weeks. Congress was given the parameters of this debate only this morning. Now within a few hours we are expected to vote on a national energy policy affecting this country for decades to come. That shows a lack of leadership. It is very disappointing.

The Democratic perfecting amendment includes a balanced, forward-looking energy policy for the country. It includes tax incentives for increased production of domestic, natural gas and oil production by our small, independent producers. It provides access to capital for refining capacity and natural gas distribution. It facilitates construction of the Alaska natural gas pipeline.

But our plan is balanced. It does more:

It requires the Federal Government to buy more energy-efficient central air conditioners;

It strengthens the household appliance standby power efficiency standards;

It directs the DOE to reinstate central air conditioning and heat pump efficiency standards issued by the last administration;

It fully funds research and development of clean coal technology, not a game of bait and switch;

It funds renewable energy at twice the rates of the Republican plan.

Are these good provisions? We think they are. But we will never know because we are not going to debate them because we did not get the opportunity to present amendments. We were shut out from the process, shut out from the debate as the American people have been. I guess the public will never know. Vice President Cheney recently correctly said we cannot conserve our way out of this current problem. But neither can we produce our way out. We have to do both.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. HARMAN).

Ms. HARMAN. Mr. Speaker, I rise in opposition to the rule for a bill that risks raiding our Social Security and Medicare Trust Funds and fails to provide critical relief to electricity ratepayers in Washington, Oregon, and my State of California.

The amendment my Commerce Committee colleagues, the gentlewoman from California (Ms. ESHOO), the gentleman from California (Mr. WAXMAN), the gentlewoman from California (Mrs. CAPPS), and I had planned to offer would require the Federal Energy Regulatory Commission to stop delaying the refunds owed electricity consumers in the western States. These consumers have been grossly overcharged. Not even FERC disputes this fact. It has found on several occasions that ratepayers were charged unjust and unreasonable rates. Yet FERC has adopted an investigate-and-delay approach that has blocked even the first penny in refunds. Our amendment would have forced FERC to act finally in 30 days based on two alternative options for calculating refunds.

Mr. Speaker, electricity consumers deserve refunds promptly. This House deserves the opportunity to debate this issue and FERC's unwillingness and inability to act expeditiously. This rule blocks that debate.

I urge rejection of the rule.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Speaker, I rise in opposition to the rule. First, this energy bill in my view is about yesterday, not about tomorrow. With its focus on fossil fuels, oil, gasoline and coal, the bill is mired in the Stone Age. When it comes to tax credits for conservation or anything to do with conservation, they are not paid for, so it simply will not happen.

Secondly, the Committee on Rules disallowed a very important amendment that we offered which the gentlewoman from California just described. The FERC has been on a sit-down strike with regard to California's energy crisis. Yet they are responsible for the energy consumer in the country. They acknowledge that the rates that Westerners have paid are unjust and unreasonable; and yet they still side with the gougers, not the consumers. They have left Californians waiting, waiting on interim orders to become final, waiting for FERC to make us whole again, waiting for the FERC to act.

Every day the cash register rings in California out of our general fund up to $50 million a day to pay for electricity. As the fifth largest economy in the world, this administration and this House I think is going to regret this bill, because it does not speak to California and it does not speak to the future of our Nation.

Mr. FROST. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, at the conclusion of the debate, I will urge my colleagues to defeat the previous question. If the previous question is defeated, I will offer an amendment that makes in order the Markey-Sandlin-Stenholm amendment.

This amendment is balanced. It pays for the tax cuts in the underlying bill by paring back the recently enacted tax cut in the top bracket for the richest Americans. Half of the tax credits in the Markey-Sandlin-Stenholm amendment would go to renewables and energy efficiency, but only 17 percent of the Republicans' bill goes to such programs.

Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. GEPHARDT).

Mr. GEPHARDT. Mr. Speaker, I rise to ask Members to vote against this unfair rule which stifles debate and in our view undermines our energy future and undermines our economic future and the future of Medicare and Social Security.

All we asked for was an amendment to deal with the glaring flaws in this bill, for an effort to make the bill better and stronger, more fiscally responsible. All we wanted was an hour. One hour, 60 minutes, is all we asked the Committee on Rules for to put out an alternative vision on energy policy to the American people. That hour request was refused.

This in my view suppresses a free and fair dialogue in this House of what one of our most important policies should be. We have been shut out and shut down, I guess because somebody was worried we might win the amendment.

What was the amendment? We think it is an amendment for a balanced energy policy. We believe in more production. We believe in more oil and natural gas for the American people. We believe, however, that there should be balance. We need renewables, we need solar, we need wind energy, we need incentives for people to buy more energy-efficient cars.

I come from a part of the country where we make a lot of cars. If we are going to talk about increasing efficiency standards, we have got to help the auto companies be able to have demand for the automobiles that increase efficiency. Those kinds of provisions are not in this bill. We wanted to add them to the bill. We get no right to do that. The minority asked for one thing to be put in the bill, this series of amendments that we think brings balance to the bill, and we are shut out.

There is another thing we wanted to do in the bill, and that is pay for it. We have been saying for 6 months that the fiscal road we are on is going to cause us to go into the Medicare and ultimately the Social Security Trust Funds. We come out here every 6 months and pass another lockbox. It is an illusion. It is a deception. It is all designed for consumption of the public when in fact and in truth if this bill passes today, we will be in the Medicare Trust Fund big time. And we are doing it without even a debate about an alternative.

This is an outrage that we should have a rule like this that cuts off debate on the most important energy debate and the most important fiscal debate that this country will ever have. It is a bad rule. It is unfair. It is wrong that this country cannot have the proper debate that we ought to be having on this floor today. It is a shame that this rule is on the floor.

I urge Members to vote against the rule. Let us get a fair rule that is good for the future of this country.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. HOEFFEL).

Mr. HOEFFEL. I thank the gentleman for yielding time.

Mr. Speaker, for 25 years this country has prohibited the commercial reprocessing of spent nuclear fuel. We have prohibited reprocessing because it creates plutonium, and plutonium is the raw material of nuclear bombs. We do not want to proliferate that raw material. This underlying bill reverses that 25-year prohibition and permits what they are calling an advanced fuel recycling technology. That is reprocessing. The Committee on Rules did not make in order an amendment by the gentlewoman from California (Ms. WOOLSEY) that would have permitted a straight vote up or down on whether or not to reverse a 25-year prohibition.

This is a bad rule because of that and because of all the other reasons we have heard this morning, and we should vote "no" on the rule. We do not want to add to the proliferation of nuclear weapons in this country and around the world. This is an issue that goes beyond our own national energy policy and affects our international policy. We are reversing with hardly any notice this 25-year policy. It is wrong. The rule is wrong and should be defeated.

Mr. FROST. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Indiana (Ms. CARSON).

Ms. CARSON of Indiana. Mr. Speaker, I rise in opposition to the rule and my remarks are on Indiana Daylight Savings Time.

Mr. Speaker, I rise to speak against the rule and to deplore the failure to consider an amendment that would make great energy sense for Indiana and for the cities and towns and states that breathe the air emitted by Indiana's smokestacks.

Indiana is mixed up when it comes to time. I offered an amendment to bring the energy-saving benefits of Daylight Saving Time to all of Indiana, repealing the "Indiana amendment" to the Uniform Time Act to help my constituents and other Hoosiers be in better touch with the world, build our economy, save money and improve the nation's air.

Energy savings and uniformity of timekeeping through Daylight Saving Time were the aims of the 1966 law. But, since a change in the early 1970s, much of Indiana has been out of synch with the rest of the world in terms of time and as been denied those benefits.

The USDOT put 10 counties on Central Standard Time and the other 82 on Eastern Standard Time. The 10 counties in the Central Time Zone observe DST—and they wouldn't have it any other way—but the other 82 are not permitted to, though some set their own time.

Confusion and waste are the results. Our businesses with relations elsewhere are out of touch and out of synch with the larger world, constrained in communication and growth.

A 1975 DOT study, still cited today, concluded that reduced electricity demand in areas affected by Daylight Saving Time could save consumers $7.5 million, yield reductions in carbon dioxide, nitrogen oxide and sulfur dioxide emissions, and help to clear the air in Indiana and to the east and northeast.

And this was a plan that is sensitive to state government: it gives the Indiana General Assembly the last word to: (1) vote to preserve the status quo; (2) vote to repeal the exemption from DST; or, (3) do nothing and exempt the entire state—including the counties in the Central Time Zone—from Daylight Saving Time.

An energy bill that does not avail itself of conservation opportunities like Daylight Saving Time for Indiana, a plan with other benefits, as well, is flawed.

Mr. Speaker, I am not done. Indiana's business, our industry, our employers and our workers deserve this leap forward, want to save energy, and need to be in better touch with the nation and the world.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. ETHERIDGE).

Mr. ETHERIDGE. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise today in strong opposition to this rule. This energy bill can be summed up in three words: drill, drill, drill. We have heard a lot of other reasons to be opposed to this rule.

I offered an amendment to help do something about this in the Committee on Rules. It deals specifically with North Carolina and the American people to help protect the fragile natural resources, specifically oil and gas drilling off the North Carolina coast. I would urge my colleagues from North Carolina to vote against this rule because it specifically deals with North Carolina but the rest of the country.

For several weeks we have heard a lot of talk about this. Today we have one of the most important issues we will deal with in this country for a long time. As we have already heard, we are not having time to deal with the specific issues that affect us as a whole and bring it to this body.

Mr. Speaker, my amendment would put an end to the question of whether or not the drilling would take place on one of the most fragile, pristine beaches in this country. But the Republican leadership has refused to give us a chance just to debate the issue in the House, have us decide it and have us vote on it.

□ 1145

My State is opposed to it. Tourism, fishing and transportation are important. I urge Members to vote against this rule.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I thank the gentleman for the time.

Mr. Speaker, I want to say that if rhetoric turned turbines, we would have enough electricity for the next 100 years just listening to the Democrats today. But the truth is, we have got to move on. We do not have an energy policy. Let me give you a quote from Clinton's Energy Secretary Bill Richardson: "It is obvious that the Federal Government was not prepared. We were caught napping. We got complacent." February 16 of last year.

I applaud the Bush Administration for taking the brave steps to say we have got to look ahead. We have a neglected energy infrastructure. Think about this: the last refinery for gasoline was built in Garyville, Louisiana, in 1976. We are dependent on foreign oil. Today 57 percent of our oil comes from other countries. Now, compare that to 1973 during the infamous OPEC oil embargo, when only 35 percent of our oil came from foreign countries. Today, it is 57 percent.

Our national security is vulnerable to the whims of foreign nations. Let us look at the demand. Since 1980, the supply has only increased by 18 percent, but the demand has increased by 24 percent. Think about the number of cars that are on the road today. In 1940 we had 5 million cars on the road. Today we have 130 million cars driving. There is a huge increase in demand.

Think about the environmental question. Everybody wants clean air, everybody. I do not know anybody who does not. We are united on that. But the reality is radical environmental politics have become the rule of the land. Today there are 8,000 environmental organizations. It is a $3.5 billion industry. Greenpeace in Washington, D.C. alone pays $46,000 a month just in rent. It is a big business. They want to have everybody in America convinced the sky is falling if a bill passes.

But, fortunately, mainstream America sees that there are a lot of solutions out there. We can and we will improve our energy infrastructure. We will continue to promote conservation. This bill alone funds $940 million in conservation. Think about the new hybrid car that Honda is developing, 68 miles a gallon, and think about the fuel cell technology which the Republicans are pushing so strongly. This is a battery that, in essence, does not give out. Think of all the alternative sources of energy we support in this Congress, and on the Committee on Appropriations, $440 million will be spent on research and development for hydroelectric power, solar power, wind power, geothermal, and biomass. These are great, positive developments.

And let us be serious about nuclear power, the nuclear energy question. In France, 76 percent of the homes are powered by nuclear energy, in Belgium, 56 percent. In America, already 20 percent is. Yet you listen to some of the rhetoric from my friends, the Democrats, and you would think, oh no, we are getting into some kind of brave new world of nuclear energy. It is not that scary out there. We have the technology to keep up with it.

Mr. Speaker, I support this bill. I think it is a good one. It is responsible. I am glad the Committee on Rules is moving forward.

Mr. FROST. Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico (Mr. UDALL).

Mr. UDALL of New Mexico. Mr. Speaker, I oppose the rule and urge my colleagues to vote against this unfair rule.

Mr. Speaker, thank you for the opportunity to speak on the rule on H.R. 4, the Securing America's Future Energy Act of 2001. I appreciate the opportunity to share my concerns with one section of H.R. 4 as it stands in its current form.

Section 306 authorizes the appropriation of $10 million payment, or subsidies, for three years to domestic uranium producers "to identify, test, and develop improved in situ leaching mining technologies, including low-cost environmental restoration technologies."

This legislation is not needed for research and development purposes. In fact, this in-situ leaching process causes radioactive uranium and other toxic chemicals to leach into groundwater, threatening the public health of communities surrounding the mines.

The impact of this legislation could be severe on the Southwest's environment and on the public health of the Native American communities I represent.

Specifically, section 306 of the SAFE Act of 2001 could directly prop up with millions of taxpayer dollars a uranium mining company that proposes in-situ leach uranium mining in the Crownpoint and Church Rock areas of New Mexico.

In the case of the proposed uranium mines in Crownpoint and Church Rock, the mining process would pollute the high-quality aquifer that is the sole source of scarce drinking water for over 10,000 Navajos.

This proposed subsidy for the uranium industry also would lead to unsound fiscal policy. In fact, in addition to a host of environmental and Native American groups—both nationally and in New Mexico—this amendment is supported by the group Taxpayers for Common Sense, which views this as an unfair corporate give-away.

Most importantly to me, however, are the residents in my District in New Mexico. The local Navajo communities have suffered tremendously over this government's past practices and policies regarding uranium mining. My constituents, as well as those in Arizona, Colorado and Utah continue to be negatively affected by the long-term impacts of past uranium development.

We as a nation cannot find the financial resources necessary to fully fund the Radiation Exposure Compensation Act, or RECA, to compensate the victims of past uranium development, but we may put our stamp of approval on this $30 million subsidy for the uranium industry.

I oppose this effort.

It is sadly ironic that just last week we as a Congress paid a long overdue tribute to the contribution that the Navajo Nation made to our country, in the ceremony to grant Congressional Gold Medals to the Navajo Code Talkers of World War II. I was honored to be a part of that effort and shared the stage with President Bush.

However, this week, we are about to ignore them and their pleas for environmental justice again. Section 306 is a slap in the face to the Native Americans in my district that continue to seek justice for the past errors of our energy production policy.

For the record, I'd like to read the organizations that support this effort to amend H.R. 4 and eliminate this uranium industry subsidy.

Eastern Navajo Dine Against Uranium Mining, Southwest Research and Information Center, Physicians Resisting In-Situ Mining, New Mexico Environmental Law Center, U.S. and New Mexico Public Interest Research Groups, Sierra Club, Natural Resources Defense Council, Mineral Policy Center, Nuclear Information Resource Service, Public Citizen, and Taxpayers for Common Sense.

Mr. FROST. Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. FILNER).

The SPEAKER pro tempore (Mr. SWEENEY). The gentleman from California is recognized for 1 minute.

Mr. FILNER. Mr. Speaker, this rule does nothing to bring down the obscenely high prices that we have been paying for electricity in California and the rest of the West Coast for the last year. It does nothing. We are being gouged, and the Republicans refuse to do anything.

If we were paying the price for bread that we are paying for electricity, we would be paying $19.99 for this loaf of bread. In fact, the price went up to $190 at some points during the last year. And what does this bill do for us in California and the rest of the coast? Nothing but crumbs. We get crumbs out of this bill.

I will tell Members, many of my constituents have gone out of business during the last year in San Diego and the rest of the West Coast. Sixty-five percent of my constituents face bankruptcy in the next year if the prices do not go down. With this bill, my small business people are toast.

Defeat this rule, defeat this bill. Let us have a real energy policy.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield the balance of my time to the gentleman from California (Mr. DREIER), the distinguished chairman of the Committee on Rules, who has chaired, I think, a very eminently fair rule on this important bill.

The SPEAKER pro tempore. The gentleman from California is recognized for 3 minutes.

Mr. DREIER. Mr. Speaker, first I want to congratulate my friend from Washington, who has worked long and hard to deal with our Nation's energy needs, and specifically raised very important issues that affect the area of the country he represents.

Let me say that there is no group of people who know better how important this is than the people I am privileged to represent in California.

We, for the first time in a quarter century, Mr. Speaker, are moving towards a comprehensive energy package, and the leadership, the President and the Vice President, the Speaker of the House, have been very, very important with regard this issue.

We have worked very closely with our colleagues on the other side of the aisle to fashion a rule that is fair. Contrary to the rhetoric we have heard from virtually everyone on the other side of the aisle, this is a very fair and balanced rule.

We need to move ahead and try to attain energy self-sufficiency. We need to do what we can to encourage conservation. We need to take the kinds of steps that are necessary to increase the energy supply.

I believe that we are going to, in the next 12 hours, have the opportunity to do that. Yes, we are going to have 12 hours of debate. Some people who are trying to claim we shut things down are way off base. We are going to have a full debate.

Mr. Speaker, I would like to, at this point, enter in the RECORD a letter the Speaker received from the minority leader and the ranking Democrat on the Committee on Rules, the Democratic Caucus Chairman, the gentleman from Texas (Mr. FROST).

HOUSE OF REPRESENTATIVES,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, July 20, 2001.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: During the past two weeks, the Rules Committee has dealt with major legislation inconsistently and in a manner which seriously undermines open and fair debate, and in doing so, has done serious harm to the practice of affording the minority opportunity to put forward amendments it has sought, both substitute and perfecting. For example, the Rules Committee made in order 14 separate amendments instead of allowing them to be offered as a substitute to the committee-reported campaign finance reform bill while making in order only a substitute instead of allowing individual amendments on the faith-based/charitable choice bill. We want to take this early opportunity to set out exactly what the minority is seeking on any rule relating to energy legislation, which may be sent to the floor before we adjourn for the August District Work Period.

It is our understanding that the Rules Committee may package the various energy bills that have now been reported to the House by four separate committees into one omnibus package to be considered by House. If that is indeed your intention, the Minority hereby requests that the House be given the opportunity to have legitimate up or down individual votes on the various parts of the package as well as the opportunity to offer any substitute that may be drafted. Allowing these votes, rather than just giving the Minority one substitute and a motion to recommit, is particularly important in light of the fact that some of the key provisions in these bills have bipartisan support or bipartisan opposition and thus, should be allowed to be considered and voted on separately. Given the importance of these issues and the magnitude of their impact on the entire Nation, we believe this is the only right way to approach the construction of any rule dealing with the energy issue.

The most important matters that clearly deserve a separate up or down vote include the following:

(1) CAFE standards: The provisions relating to automobile and light truck efficiency standards are controversial and there are Members who wish to have the opportunity to offer a strengthening amendment.

(2) West Coast electricity: As you know, West Coast Members have sought many opportunities to have a vote on this issue and just such an amendment was offered in the Energy and Commerce Committee markup. While that amendment was defeated, this issue is of such great importance to a great many Members and the Inslee bill (H.R. 1468) is certainly deserving of an opportunity to be debated and vote on during the consideration of a major energy package.

(3) Tax-related matters relating to conservation and production: While the Ways and Means Committee has reported a bill which provides for many of the tax incentives Democrats have endorsed to promote conservation, increase efficiency, and promote increased domestic oil and gas production, this bill provides no off-sets for the reduction in revenues that would occur if the package were to become law. Democrats believe strongly that Members must be given the opportunity to offer tax code offsets for these and other provisions and because of the way the bill may be structured. The offsets may require waivers in order to be eligible for consideration.

(4) ANWR: As you know, this is a very controversial issue and Members on both sides of the aisle want to have an opportunity to have a straight up or down vote on the question of ANWR. In addition, there are other issues in the Resources Committee reported bill that Members would like to have the opportunity to amend or delete.

(5) Fuel oxygenates: This is a very controversial issue that has supporters and opponents on both sides of the aisle. Henry Waxman offered an amendment in the Energy and Commerce Committee markup to waive the requirements for California, and while the amendment was defeated, it does deserve to be debated and voted on during the consideration of any omnibus energy package.

(6) Alternative and renewal energy sources: The Science Committee has reported a very solid proposal; however, some Members would like to have the opportunity to offer increases and expansion of these important elements in an overall national energy strategy and to pay for that increased spending with offsets from the tax code. This, of course, would require waivers in the rule.

(7) Appliance standards: Two very important amendments were considered in the Energy and Commerce Committee markup relating to efficiency standards for air conditioners. These amendments, one of which would have required the federal government to purchase only the most energy efficient air conditioning systems and the other which would implement the air conditioning efficiency standards promulgated by the

Clinton Administration, were defeated on straight party line votes. We believe these amendments, as well as any other appliance efficiency amendments should certainly be included in any list of amendments allowed under the rule.

We are of the opinion that since this is the first piece of energy legislation the Republican leadership has brought to the floor in the past six and one-half years, these amendments, as well as other important proposals which may be offered by Members, should have the opportunity to be heard. If ultimately the rule reported by the Rules Committee does not give Members the opportunity to take a clean up or down vote on these matters, the rule will fail and the House will never have the opportunity to reach the merits on this legislation that is so vital to the future of this country. We would like to work with you to avoid the fiasco of the campaign finance rule so that we can actually debate, in a fair and democratic fashion, legislation that will affect each and every American citizen now and well into the future.

We look forward to hearing from you at your earliest opportunity.

Sincerely yours,
RICHARD A. GEPHARDT,
House Democratic Leader.
MARTIN FROST,
Chairman, House Democratic Caucus.

The letter basically says that we should make in order almost everything that we have done. Almost every provision that was requested as priorities from the Democratic leadership we have made in order.

We are going to be having a full and fair debate on the Arctic National Wildlife Refuge. We are going to be having a full and fair debate on CAFE standards. And I wanted to congratulate the minority leader, he encouraged in his letter for us to make in order the fuel oxygenate amendment, which is going to be very important to the people I represent in California. Again, I congratulate the gentleman from Missouri (Mr. GEPHARDT) for urging us to make this amendment in order. So, if one looks at the issues that we are going to be addressing, we have got very, very important ones.

I do want to state one concern that I have, however, and that has to do with the exemption for partners in the Energy Star Program. I am concerned about the potential unintended consequences it might have on our technology industry. I am happy to say I have been talking with my friend, the gentleman from Louisiana (Mr. TAUZIN), the chairman of the Committee on Energy and Commerce; and, as we head into conference, I have every assurance we will be able to effectively address the concerns that have been raised by our friends in the tech sector of the economy.

This is a very fair rule. It represents the priorities that have been set forth by both Democrats and Republicans. So I think the rule, as well as the legislation itself, at the end of the day should enjoy broad bipartisan support.

Mr. HASTINGS of Washington. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. All time for debate having expired, the question is on ordering the previous question.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting if ordered on the question of adoption of the resolution and then on the question of the Speaker's approval of the Journal.

The vote was taken by electronic device, and there were—yeas 221, nays 208, not voting 4, as follows:

[Roll No. 306]

YEAS—221

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—208

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—4

Hastings (FL)
Hutchinson
Spence
Stark

□ 1216

Mr. GUTIERREZ, Mr. HALL of Texas and Mrs. LOWEY changed their vote from "yea" to "nay."

Mr. ISSA changed his vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SWEENEY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FROST. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 220, nays 206, not voting 7, as follows:

[Roll No. 307]

AYES—220

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—206

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—7

Dingell
Ford
Hastings (FL)
Hutchinson
Smith (MI)
Spence
Stark

□ 1225

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. FORD. Mr. Speaker, on rollcall vote 307, I unfortunately missed the vote somehow or another. I wanted to declare that if indeed I would have voted, I would have voted "no" on rollcall 307.

THE JOURNAL

The SPEAKER pro tempore (Mr. OSE). Pursuant to clause 8 of rule XX, the pending business is the question of the Speaker's approval of the Journal of the last day's proceedings.

The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. McNULTY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 343, noes 65, answered "present" 2, not voting 23, as follows:

[Roll No. 308]

AYES—343

Abercrombie
Ackerman
Akin
Allen
Armey
Baca
Bachus
Baker
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Cox
Coyne
Crenshaw
Cubin
Culberson
Cummings
Cunningham
Davis (IL)
Davis (FL)
Davis, Jo Ann
Davis (CA)
Davis, Tom
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Flake
Fletcher
Foley
Ford
Frank
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Hall (TX)
Hall (OH)
Hansen
Harman
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hinojosa
Hobson
Hoeffel
Hoekstra
Holt
Horn
Hostettler
Houghton
Hoyer
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jefferson

Jenkins
John
Johnson, E. B.
Johnson (CT)
Johnson, Sam
Johnson (IL)
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (RI)
Kerns
Kildee
Kind
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Lantos
Largent
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lofgren
Lowey
Lucas (OK)
Lucas (KY)
Luther
McCarthy (NY)
McCarthy (MO)
McCollum
McCrery
McHugh
McInnis
McIntyre
McKeon
McKinney
Maloney (NY)
Maloney (CT)
Mascara
Matheson
Matsui
Meehan
Meek
Meeks
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Rangel
Rehberg
Reyes
Reynolds
Riley
Rivers
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sanchez
Sandlin
Sawyer
Saxton
Scarborough
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stump
Sununu
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Tierney
Toomey
Traficant
Turner
Upton
Walden
Walsh
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (PA)
Weldon (FL)
Wilson
Wolf
Woolsey
Wu
Wynn
Young (FL)
Young (AK)

NOES—65

Aderholt
Baird
Borski
Brady (PA)
Capuano
Carson (IN)
Conyers
Costello
Cramer
Crane
Crowley
DeFazio
English
Filner
Fossella
Gephardt
Gillmor
Gutknecht
Hefley
Hilliard
Hinchey
Holden
Hooley
Hulshof
Jones (OH)
Kennedy (MN)
Kucinich
Larsen (WA)
LoBiondo
McDermott
McGovern
McNulty
Markey
Menendez
Moore
Moran (KS)
Oberstar
Pallone
Peterson (MN)
Platts
Ramstad
Rodriguez
Sabo
Schaffer
Schakowsky
Slaughter
Stenholm
Strickland
Stupak
Sweeney
Tanner
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Towns
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Wamp
Waters
Weller
Wexler
Wicker

ANSWERED "PRESENT"—2

Tancredo
Whitfield

NOT VOTING—23

Andrews
Baldacci
Brown (FL)
Clayton
Dicks
Dingell
Frost
Gilman
Hastings (FL)
Honda
Hutchinson
Jackson-Lee (TX)
Kilpatrick
LaFalce
Lipinski
Manzullo
Phelps
Regula
Sanders
Spence
Stark
Stearns
Vitter

□ 1232

So the Journal was approved.

The result of the vote was announced as above recorded.

Stated for:

Mr. STEARNS. Mr. Speaker, on rollcall No. 308 I was unavoidably detained. Had I been present, I would have vote "aye."

AUTHORIZING THE SPEAKER TO DECLARE A RECESS ON WEDNESDAY, SEPTEMBER 12, 2001, FOR THE PURPOSE OF RECEIVING IN JOINT MEETING THE HONORABLE JOHN HOWARD, PRIME MINISTER OF AUSTRALIA

Mr. THUNE. Mr. Speaker, I ask unanimous consent that it may in order at any time on Wednesday, September 12, 2001, for the Speaker to declare a recess, subject to the call of the Chair, for the purpose of receiving in joint meeting the Honorable John Howard, Prime Minister of Australia.

The SPEAKER pro tempore (Mr. OSE). Is there objection to the request of the gentleman from South Dakota?

There was no objection.

AUTHORIZING THE SPEAKER TO DECLARE A RECESS ON THURSDAY, SEPTEMBER 6, 2001, FOR THE PURPOSE OF RECEIVING IN JOINT MEETING HIS EXCELLENCY VICENTE FOX, PRESIDENT OF THE UNITED MEXICAN STATES

Mr. THUNE. Mr. Speaker, I ask unanimous consent that it may in order at any time on Thursday, September 6, 2001, for the Speaker to declare a recess, subject to the call of the Chair, for the purpose of receiving in joint meeting His Excellency Vicente Fox, President of the United Mexican States.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

GENERAL LEAVE

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the bill H.R. 4.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO FILE SUPPLEMENTAL REPORT ON H.R. 2587, ENERGY ADVANCEMENT AND CONSERVATION ACT OF 2001

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be allowed to file a supplemental report on the bill H.R. 2587, the Energy Advancement and Conservation Act of 2001.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

The SPEAKER pro tempore. Pursuant to House Resolution 216 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4.

□ 1235

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes, with Mr. Bonilla in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

The gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Michigan (Mr. DINGELL) each will control 15 minutes.

The gentleman from New York (Mr. BOEHLERT), the gentleman from Texas (Mr. HALL), the gentleman from California (Mr. THOMAS), the gentlewoman from Florida (Mrs. THURMAN), the gentleman from Utah (Mr. HANSEN), and the gentleman from West Virginia (Mr. RAHALL) each will control 10 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Today we do something in this House we have not done in a decade. We enact a comprehensive energy policy for our country. After years of indifference toward America's energy future, we are about to take a giant leap forward.

The bill we are considering today, the Securing America's Future Energy Act, the SAFE Act, will be the first major energy legislation of the 21st century, and it reflects 21st century values and ideas. It advances a balanced approach to energy production and use by encouraging a responsible, diverse mix of energy sources along with a significant investment in conservation and increased efficiency. The

SAFE Act charts a path to increased energy security and a cleaner environment; secure, reliable, affordable energy for Americans.

Americans last winter saw their natural gas heating bills rise in the Midwest 73 percent, saw the Northeast heating bills rise 27 percent, saw gasoline prices rise 40 and 50, in some cases 70 cents a gallon. Americans are pleased to know that today we begin a short-term and long-term permanent energy policy to correct those security deficiencies.

I am proud of the bipartisan work our committee did. The core of the bill passed the Committee on Energy and Commerce. It passed subcommittee by a vote of 29 to 1 and the full committee by a vote of 50 to 5. Big bipartisan support for the bulk of this bill.

I owe a great deal of compliments and thanks to my subcommittee chairman, the gentleman from Texas (Mr. BARTON), for helping to craft the legislation, and particularly to ranking members, the gentleman from Michigan (Mr. DINGELL), and the subcommittee ranking member, the gentleman from Virginia (Mr. BOUCHER), for the extraordinary cooperation and assistance and hard work and the willingness to work together they exhibited.

Today I hope this bipartisan spirit continues. This is not traditionally partisan legislation. This is about all Americans having affordable, reliable sources and supplies of energy, and all Americans believing enough in conservation and efficiency to play a role in making sure that our country is safe for the future.

This bill does some amazing things in conservation. First of all, it does something we have not done literally in 17 years. It reduces light truck fuel consumption, the SUVs and minivans, by 5 billion gallons over the next 6 years. That is like parking 2 years' production of minivans and SUVs, for 2 years out of that 6-year period. This increases funding for programs to assist low-income families.

I do not know if my colleagues realize it, but the number of families applying for LIHEAP help to pay their energy bills has been rising dramatically as the costs are going up, and more and more families are having trouble meeting those costs.

This bill will provide incentives for cleaner energy sources and alternatively fueled vehicles. This bill will promote clean coal technologies. Coal provides 52 percent of our electricity. We want to make it as clean as we can make it, not just for the sake of America's environment but for the global environment.

This bill will set stricter standards on energy use in Federal buildings. We will make the Federal Government a leader by requiring by the year 2020 a 45 percent increase in efficiency in the use of energy in Federal buildings. And we will simplify and streamline the reauthorization, the relicensing of vital plants in the hydroelectric and nuclear area.

This bill will stabilize energy for our country, stabilize supplies, stabilize prices, stabilize markets. This bill is the answer to what is becoming a growing crisis in supply and demand in America, and I am pleased to bring it to the House as the main core of this bill that has been produced with the cooperation of four different committees.

I want to stress one thing more than anything else before I yield my time, and that is over half of our bill deals with conservation, efficiency, and alternative fuels. We lead with this effort because we believe logically Americans need first to control demand. We need to manage the demand of energy in this country first before we know how much more in supplies, how much more in deliverability we need to focus on in subsequent bills.

Later on, we will charge the subcommittee on energy and clean air, led by the gentleman from Texas (Mr. BARTON), to deliver on electricity and nuclear policy for this country. Today we build the broad policy, the permanent policy that stabilizes and protects America's energy future. I commend this bill to my colleagues' attention.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Michigan (Mr. DINGELL) is recognized for 15 minutes.

Mr. DINGELL. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I rise to support those portions of H.R. 4 reported by the Committee on Energy and Commerce. In that committee, we had a bipartisan process and a bipartisan vote for passage of 50 to 5.

I want to specifically commend my good friend and colleague, the chairman of the committee, the gentleman from Louisiana (Mr. TAUZIN), and the chairman of the subcommittee, the gentleman from Texas (Mr. BARTON), for the way in which our committee addressed these issues. I also want to commend the distinguished ranking member, the gentleman from Virginia (Mr. BOUCHER), for his fine leadership and cooperation in this matter.

It is regrettable that some other provisions from other committees have not met the same high standards of work and bipartisanship that were included in the efforts of the Committee on Energy and Commerce. The tight deadlines imposed by the leadership, when coupled with lack of specific statutory proposals by the administration, meant that it was much more difficult to accomplish this legislation and that our successes were more limited.

Having said this, the Committee on Energy and Commerce has produced proposals well worthy of support in this body. Our bill provided for helpful conservation measures, balanced and targeted hydroelectric licensing reform, important protection of the nuclear waste fund, major incentives for the development and use of clean coal technology, and a needed analysis of the use of boutique fuels, a major problem.

And as a result of the bipartisan amendment adopted in the subcommittee by a vote of 29 to 3, the legislation required significant but prudent savings for light trucks and SUVs. I note that this is a floor, leaving the Department of Transportation to determine if higher standards are needed, with the full ability to exercise these powers through proper and careful rulemaking.

Virtually all of the committee's provisions in H.R. 4 are worthy of our support. I expect each Member will examine carefully other portions of this legislation, some of which are problematic, and see which amendments are to be adopted, if any, before rendering judgment on the entire matter.

Mr. Chairman, I reserve the balance of my time.

Mr. TAUZIN. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. BARTON), the chairman of the Subcommittee on Energy and Air Quality of the Committee on Energy and Commerce.

Mr. BARTON of Texas. Mr. Chairman, I wish to commend the full committee chairman, the gentleman from Louisiana (Mr. TAUZIN); the full committee ranking member, the gentleman from Michigan (Mr. DINGELL); and my ranking member, the gentleman from Virginia (Mr. BOUCHER). A fair amount of the bill before us came out of my subcommittee on a bipartisan basis. I believe that in subcommittee it passed 29 to 1, and in full committee, as amended, it passed 50 to 5.

The bill before us is a balanced approach to our Nation's energy policy. On the supply side we have components of the bill that would address nuclear power in this country, the issue of boutique fuels, some hydroelectric licensing reforms, a significant title on clean coal technology, and obviously a major title on conservation.

Bills that came out of other committees addressed the access issue, specifically the Alaska National Wildlife Reserve. The Committee on Ways and Means put together a tax provision. And I must say I am a little puzzled by some of the opposition to the tax title. Most of the tax extensions are just that, extensions of existing tax credits. To the extent they are new provisions in the tax title, they are for renewable and clean coal technology, which I think we have tremendous bipartisan support on.

The bill that is before us is not the total answer to our Nation's energy policy. It is a good step in the right direction. I hope later in the fall to put together a comprehensive electricity restructuring bill that will come out of subcommittee and full committee and come to the floor on a bipartisan basis.

We want to do something on the nuclear fuel cycle, including Price-Anderson, the insurance fund. And once the President makes a decision on a repository for the high level nuclear waste, we want to put together a nuclear waste bill. We also want to reauthorize and improve and reform our pipeline safety bill.

So the bill that is before us is simply a step in the right direction. This Congress has the opportunity, and I think the obligation, to be known as the energy Congress. We are going to start that today on a bipartisan basis. I urge Members to keep an open mind on the amendments, but on final passage I hope that we will vote in support of the bill.

Mr. DINGELL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Virginia (Mr. BOUCHER).

☐ 1245

Mr. BOUCHER. Mr. Chairman, as ranking member on the Subcommittee on Energy and Air Quality of the Committee on Energy and Commerce, I have had the pleasure of participating actively with other subcommittee members and with the gentleman from Texas (Mr. BARTON), the chairman of the subcommittee, the gentleman from Louisiana (Mr. TAUZIN), chairman of the full committee, and the ranking member, the gentleman from Michigan (Mr. DINGELL) in the construction of the Committee on Energy and Commerce titles in H.R. 4. It is my pleasure today to rise in support of the Committee on Energy and Commerce's provisions. They make a significant contribution to our Nation's energy policy.

I want to commend the process that the Committee on Energy and Commerce employed in writing these titles. It was an open process. Both the gentleman from Texas (Mr. BARTON) and the gentleman from Louisiana (Mr. TAUZIN) welcomed the participation of Democratic members of the committee at every step, and I would note that the committee approved its titles by the broad bipartisan margin of 50–5.

The Committee on Energy and Commerce usually works in a bipartisan fashion, and this legislation is very much in that tradition, and I want to extend my thanks to the gentleman from Texas (Mr. BARTON) and the gentleman from Louisiana (Mr. TAUZIN) for their cooperative work with us.

The measure before us today does not address every energy-related concern. Some matters were not ripe for resolution given the rapid schedule set for completing work on H.R. 4. But this legislation does make a significant contribution to a strengthened national energy policy. It assures that the entire nuclear waste fund is expended for its intended purpose, the construction of a repository for the permanent storage of nuclear waste. While the Committee on Rules has removed that provision from this legislation, the provision in the original bill makes the important statement that this fund of ratepayer dollars should no longer be diverted to general government purposes.

Another of our committee's titles makes major improvements in the process of relicensing hydroelectric facilities. Another provision embodies a carefully crafted bipartisan compromise on vehicle fuel efficiency standards, and the coal title will promote the introduction of a new generation of advanced clean coal technologies which electric utilities will be incented to use through a range of tax credits.

While I have reservations about some titles in H.R. 4 that were added by other committees, I am pleased to commend the Committee on Energy and Commerce's work to the Members of this House and to urge support for these constructive contributions to a stronger national energy policy.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. OXLEY), the chairman of the Committee on Financial Services.

Mr. OXLEY. Mr. Chairman, let me briefly explain the Committee on Financial Services' contribution to this legislation. Our committee has produced language which furthers an essential element of the President's energy plan, reducing energy consumption, and the idea is to get HUD to improve energy efficiency and conservation.

This legislation will improve the community development block grants program to spur energy conservation, create incentives for energy-efficient single- and multifamily homes, and aid Americans who purchase homes that are energy efficient.

The Committee on Financial Services has worked hard to ensure that American families can live in cost-effective, energy-friendly homes that will both relieve the strain on their pocketbooks and the strain on our energy infrastructure.

Mr. Chairman, H.R. 4 addresses the most critical elements of our energy difficulties. It promotes development of environmentally friendly technology through market competition and not through government mandates. It promotes the wise use of resources without threatening to cripple American businesses. H.R. 4 will lessen our dependence on foreign oil while at the same time leading to lower energy costs for all of us.

Mr. Chairman, I congratulate all of my colleagues on the various committees who have worked on this historic legislation.

Mr. DINGELL. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana (Mr. JOHN).

Mr. JOHN. Mr. Chairman, I congratulate both the gentleman from Louisiana (Mr. TAUZIN), chairman of the full committee, and the ranking member, the gentleman from Michigan (Mr. DINGELL), and also the subcommittee chairman and ranking member, the gentleman from Texas (Mr. BARTON) and the gentleman from Virginia (Mr. BOUCHER), for putting together what I think is one of the most important pieces of legislation that this Congress can handle this year.

No economic prosperity can thrive and grow without an energy policy in place. I like to describe this situation that we have as Americans that when it deals with energy policy, we have attention deficit disorder. When oil was $10 a barrel and gasoline was 72 cents not very long ago, less than 2 years, energy was not on anyone's radar screen. But now when we have prices of oil that have risen to $30 a barrel, gasoline that reached $2, sometimes we make some hasty decisions.

Mr. Chairman, I think that that in itself should underscore the importance of why we should finally implement a national energy policy. It is something I talked about for many, many years being from the great State of Louisiana, but it is troubling in the times of the peaks and the valleys.

If we just look at USA Today, front page yesterday, it says, Energy Crisis: What Energy Crisis? Well, I can tell Members that my friends in the State of California and some of my friends in the Northeast will look at this a little differently. I believe if it is not a crisis today and we get lower prices in gasoline and natural gas, when is it going to be the next crisis? Next year, 2 years? But it is going to come, that is the history of this industry.

Mr. Chairman, I think it is paramountly important to not just the jobs in my district, and that is something that is important and precious to me, but it is about national security. We must pass this energy policy. It is balanced, and I am very proud to be a cosponsor of it.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from Iowa (Mr. GANSKE), a valuable member of the Committee on Energy and Commerce.

(Mr. GANSKE asked and was given permission to revise and extend his remarks.)

Mr. GANSKE. Mr. Chairman, number one, I think it would be unfortunate and misguided if we were to turn back the clock and grant an exemption from the oxygenate requirements of the Clean Air Act today. Such an amendment would inhibit the use of ethanol and decrease our use of renewable fuels.

Number two, conservation is one of the first avenues we should examine in approaching our energy problems. I support efforts to increase the corporate average fuel economy standards.

Number three, I believe we must have new sources of energy. Last winter, Iowans suffered when their natural gas heating bills spiked. We need to have new sources of natural gas. Therefore, I support provisions in this bill which anticipate drilling in ANWR. It should be done responsibly; and I will also support the Wilson amendments.

Mr. Chairman, I speak in favor of a national energy plan for America. A comprehensive strategy has been decades overdue. I particularly commend those provisions which further our development of renewable fuels, such as the extension of the wind energy tax credit. I believe in the development of renewable fuels . . . such as biodiesel and ethanol. It would be unfortunate and misguided if we were to turn back the clock and grant an exemption from the oxygenate requirements of the Clean Air Act today. Such an amendment would actually inhibit the use ethanol and decrease our use renewable fuels. It would be a huge step backward, which would *increase* our dependence on foreign oil. I urge my colleagues to reject such an amendment.

There are some advocates who believe energy conservation is not important to this debate. I strongly disagree. Conservation is one of the first avenues we should examine in approaching our energy problems. Therefore, it is my intention to support efforts today to increase the Corporate Average Fuel Economy Standards. I believe it is a responsible and appropriate step in increase our energy conservation efforts.

There are others who argue that conservation efforts alone are not enough. I think they are also correct. I also believe we must have new sources of energy. Last winter Iowans suffered when their natural gas heating bills spiked . . . we need to have new sources of natural gas. We could look on the coral reef off the coast of Florida, or under the Great Lakes, or under our national monuments . . . or we could depend on foreign sources to provide it to use . . . at whatever price they chose . . . but I don't believe those are the best options. Therefore, I support the provision in this bill which anticipates drilling in the ANWR. It should be done responsibly . . . and I support the Wilson amendments.

Mr. DINGELL. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. LUTHER).

Mr. LUTHER. Mr. Chairman, clearly, as in most bills that we have before us, there are some positive provisions. There are some positive provisions in this bill, but we should be very disappointed in the bill before the House today.

Mr. Chairman, the administration has declared that there is an energy crisis in America. If we are in a crisis, we need a far bolder approach than we are seeing today. This legislation is not an energy package for the 21st century. It focuses on the same old ideas that have led to many of our current problems. It is a plan for the previous century that perpetuates our reliance on dirty, inefficient energy sources while virtually ignoring the ideas of efficiency and renewable energy.

Our country deserves a national energy strategy that promotes energy security by encouraging cleaner renewable sources and increasing energy efficiency. As members of the Committee on Energy and Commerce, many of us have fought for aggressive strategies such as increased air conditioner standards and standards for other appliances that account for a high percentage of energy use. It simply defies common sense not to make these appliances just as efficient as possible.

By not even addressing this issue and many other issues, we are not even scratching the surface in terms of developing a comprehensive approach to our energy needs in this country.

Congress needs to go back to the drawing board and develop a real policy that moves our country toward true energy independence for the future.

Mr. TAUZIN. Mr. Chairman, I yield 30 seconds to myself to respond to the gentleman.

Mr. Chairman, the bill does contain new rulemaking for appliance efficiency. In fact, it requires rulemaking stand-by power standards on a number of home appliances and other large appliances, and it does provide for all Federal agencies to buy a new 20 percent increase in efficiency air conditioner, the CR–12 standard, which was recommended not only by the Department of Justice, but by the DOE in the Clinton administration.

So we have air conditioning efficiency standards, appliance standards, rulemaking for stand-by power to lower the energy use of many appliances. This is a comprehensive bill.

Mr. Chairman, I yield 1 minute to the gentleman from Kentucky (Mr. WHITFIELD), another valuable member of the Committee on Energy and Commerce.

Mr. WHITFIELD. Mr. Chairman, as a member of the Committee on Energy and Commerce, I was quite impressed with the way that the gentleman from Louisiana (Mr. TAUZIN), the gentleman from Michigan (Mr. DINGELL), the gentleman from Texas (Mr. BARTON) and the gentleman from Virginia (Mr. BOUCHER) worked to put this bill together. It is an important piece of legislation because it sets out a national energy policy for America, something we have not had in a long time.

It also pays some special attention to coal.

Coal is our most abundant resource. We have 250 years of coal in the ground in America today. It provides 51 percent of all of the electricity produced in America, and it is one of the low-cost fuels which benefits the consumers throughout the country. Not only that, but it is one of the very few fuels that we do not have to import from other countries.

Mr. Chairman, this bill is important because it authorizes $2 billion for research and development of clean coal technology. It provides tax credits for investment in clean coal technology, tax credits for production using clean coal technology, and I would urge everyone on this floor to support this legislation. I, for one, am particularly happy that it does place an emphasis on the importance of coal in America.

□ 1300

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. GEKAS).

Mr. GEKAS. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise in support of the manager's amendment and the underlying bill. Is there anyone in the entire Nation who does not believe that the time has come for our Nation to declare independence, to declare independence on foreign oil, on foreign energy sources? Should we not be self-sufficient and independent in providing for the demands of our public, for the energy needs that are part of our everyday standard of living?

That is what was the thrust of a bill that I introduced last term, to call for bringing about all the resources at our command, to focus on energy and to bring about independence of energy on foreign oil within 10 years. We cannot do that unless we buckle down and begin the process of amassing those resources and focusing on these problems, starting with today's legislation. We should be ecstatic at the outset of this endeavor to recognize that whatever we do today is the giant first step towards that total independence that we all crave.

Mr. TAUZIN. Mr. Chairman, I yield 3 minutes to the gentleman from the great State of Texas (Mr. DELAY), the majority whip, who makes almost as much of an energy contribution to America's future as does the great State of Louisiana.

Mr. DELAY. Mr. Chairman, I appreciate the kind words for Texas coming from the gentleman from Louisiana (Mr. TAUZIN). I greatly appreciate it. It is probably the only time we have heard good words about Texas coming from Louisiana. We appreciate that very much, Mr. Chairman.

I congratulate the chairman for bringing this bill to the floor and his participation in it.

I ask the Members, Mr. Chairman, to support this bill because it makes substantial progress towards strengthening America's energy security.

We find ourselves facing energy challenges that we simply cannot ignore any longer. Under the President and Vice President's leadership, the country has taken a hard look at both our short-term energy supply problems and the broader implications of long-term demands mandated by our expanding population and economy.

I want to thank the chairmen of so many committees for doing outstanding jobs in putting together this very important package: the gentleman from New York (Mr. BOEHLERT) of the Committee on Science, the gentleman from Alaska (Mr. YOUNG) of the Committee on Transportation and Infrastructure, the gentleman from California (Mr. THOMAS) of the Committee on Ways and Means, the gentleman from Louisiana (Mr. TAUZIN) of the Committee on Energy and Commerce. I also want to thank the ranking members, particularly the gentleman from Michigan (Mr. DINGELL) from the Committee on Energy and Commerce.

This is a very, very good package. This bill takes important steps to meet both those objectives that I was talking about. The SAFE Act, the Securing America's Future Energy Act, addresses our energy security with a thorough and comprehensive approach. It encourages conservation methods to enhance the dramatic improvements America has made over the past 20 years.

Today we are much more efficient, a much more efficient society than we were only shortly ago. This bill will help us become even better, and it spurs progress by offering incentives that will put our ingenuity and technological prowess to work. We best meet a challenge in this country by identifying the problem and by liberating the American people to solve it with entrepreneurial know-how.

New regulations and measures that deny choices to consumers are the wrong direction. This bill gets it right by offering incentives, not mandates.

The SAFE Act targets a significant problem: our growing dependence on foreign sources of energy. America faces a serious degradation of our national security unless we move at once to reduce our dependence on foreign sources of energy.

This bill takes important steps in that direction by promoting initiatives that will allow us to produce more energy at home. We need to take control of our own destiny, and this bill gives the American people much more control over their energy security.

Members from both parties, I ask support for this bill.

Mr. DINGELL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I appreciate the courtesy of the gentleman from Michigan (Mr. DINGELL) in allowing me an opportunity to address this issue.

I am concerned that a key component of any plan is to chart a course for the future. The energy plan we are debating today and voting on falls terribly short in preparing the United States for the future on a number of issues: fiscal conservatism, environmental stewardship, and international relations.

This bill costs $34 billion without any offsets to pay for it. Just like the general tax cut from President Bush which primarily benefits the people who need help the least and puts our economic future for the country in a precarious position, this energy bill puts Medicare and Social Security Trust Funds at further risk of being raided.

We need to be focusing first and foremost on conservation and energy efficiency. With all due respect to the Vice President, energy conservation is more than a personal virtue. It should be the cornerstone of a long-term national energy policy. Nor does the bill that we are debating today provide adequate support for those families most in need to meet rising energy costs in the short term or provide incentives and funding for more long-term solutions such as investing in weatherization efforts, more energy-efficient appliances, and building design.

For too many elderly and poor people, we are still asking them to choose between energy and food. With the hot spells we are looking at in the course of the summer, it could, in fact, be a life or death decision for some senior citizens.

The energy bill is a direct assault on the environment by attempting to open up the Arctic Wildlife Refuge by drilling at a tremendous cost of 160 species of migratory birds, caribou, grizzlies, wolves and others that rely on the open space of the refuge.

Finally, it is the slap in the face of our allies around the globe. Earlier this month in Bonn, the international community came to an agreement to address greenhouse gas emissions.

I respect people who disagree, but this administration has been unable to formulate its own approach, leaving America out in the cold. America deserves a bill that balances economic and environmental considerations. I strongly urge a vote against this consideration.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Utah (Mr. MATHESON).

Mr. MATHESON. I thank the gentleman from Michigan for yielding me this time.

Mr. Chairman, I rise today to acknowledge the good work that took place on the committee that I am on. I recognize this is during the time of the Committee on Energy and Commerce, but I am on the Committee on Science. I just want to acknowledge that I think it fits well with this bill, a good bipartisan effort on that committee, an effort to focus a little bit more on the long-term objectives we are trying to do in this energy policy.

In the long run I think technology is going to be a key component of how we address our energy situation, technology that finds better ways for us to make energy from existing sources, technology that finds ways to produce energy from new sources, and technology that helps us use energy more efficiently.

I am particularly pleased in the research and development component. It incorporated a suggestion that I made to study ways to improve use of the electric transmission system to make it more efficient. However we want to produce energy, however we want to use energy, at the end if we can move it across those transmission lines on a more efficient basis, that helps us all.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the gentleman from Colorado (Mr. UDALL).

Mr. UDALL of Colorado. Mr. Chairman, I thank the distinguished ranking member for yielding time. I, too, like the previous speaker had scheduled to speak on behalf of the Committee on Science but want to take advantage of this opportunity.

Mr. Chairman, I rise in opposition to this bill. As I look it over, I am reminded of the old Western movie "The Good, the Bad and the Ugly." There are a few good things in the bill. For example, it includes the text of my three bills dealing with clean school buses, energy-efficient schools, and distributed energy. There are a few other good things as well, but the good things are far outweighed by the bad.

The restrictive rule imposed by the leadership makes it impossible to remove or improve all those things that are bad for the environment, bad for taxpayers, bad for the economy and bad for the country. So even if the House adopts the amendments to protect the Arctic National Wildlife Refuge, as we should, the bill would still be so ugly that it should be rejected by the House.

Let us reject this bill.

Mr. TAUZIN. Mr. Chairman, I would ask the Chair, who has the right to close general debate.

The CHAIRMAN. The gentleman from Louisiana has the right to close.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Mr. Chairman, in the final analysis, this bill is less a real energy policy for the next century than it is a scandal. It is an environmental and fiscal Teapot Dome. It is the result of $33 million in campaign contributions by the oil and gas industry which has derived $21 billion in benefits from the Federal taxpayers. Where is that going to come from? It is going to come from the Medicare Trust Fund, because our friends across the aisle are refusing to hue to a policy of fiscal responsibility.

It is also showing an amazing lack of vision. Forty years ago, President Kennedy stood right behind me and challenged Americans, said, this Nation is going to go to the Moon within the decade. President Bush's energy policy says, Let's not go anywhere. Let's rely on what we invented in the early 1900s, oil and gas. That is why 75 percent of all the fiscal benefits in this bill are for fossil fuels and only 17 percent is for the new technology. It is a great energy policy for the last century.

Mr. DINGELL. Mr. Chairman, I yield the balance of my time to the distinguished gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I thank my ranking member and good friend for allowing me to close on our side.

I rise in support of H.R. 4 and want to commend the leaders on both sides, particularly in the Committee on Energy and Commerce that we worked on, what I consider a reasonable energy package. This legislation is long overdue and sorely needed because America has been wracked by unstable energy policies resulting from both internal and external pressures.

The legislation before us today will help stabilize these prices through a combination of exploration and conservation. I am not standing here to pretend that we can drill our way out of our dependence on foreign oil, but we need to do better. However, by more utilization of our domestic energy sources, we can better absorb unexpected price shocks.

In addition, the positive step this bill takes toward conservation will further stretch our energy supply. The bipartisan agreement in our committee between the gentleman from Michigan (Mr. DINGELL) and the gentleman from Louisiana (Mr. TAUZIN) has resulted in the first meaningful increase in the CAFE standard in over 2 decades.

I understand this compromise may not go far enough for some folks, but it is an increase. I am concerned about American jobs. We need to make sure we have production, and exploration. I will have a discussion on this in later amendments.

I am glad to support the bill and look forward to working with my colleagues.

Mr. TAUZIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. SAWYER).

(Mr. SAWYER asked and was given permission to revise and extend his remarks.)

Mr. SAWYER. Mr. Chairman, I thank both the gentleman from Louisiana and the gentleman from Michigan for their courtesy.

Mr. Chairman, the bill before us is a modest effort. It bears the earmarks of a rushed process. Energy policy is too important to the well-being of this country to be produced in impromptu committee sessions.

I cannot emphasize strongly enough that no effort to solve this country's energy problems will be effective if we do not also tackle electricity issues. This bill almost entirely ignores the harder questions about electricity restructuring. It is bad enough that this bill turns its back on providing any help to the people of California. But it does nothing to demonstrate to the American people that Congress is willing to take the steps necessary to provide the kind of Federal framework that will allow the developing electricity markets to work properly.

How can we tell our constituents that we are solving America's energy problems if we do nothing about an electrical transmission system that was designed to meet the needs of America in the 1930's? Several of us will shortly be introducing legislation that will provide for a transmission system appropriate to our new century.

Let us strive to achieve a truly comprehensive and effective solution to our energy problems. That solution is not before us today. Let us commit ourselves to the hard and deliberative work of addressing electrical transmission and generation.

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Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume in closing on our Committee on Energy and Commerce time on this bill.

Mr. Chairman, much has been said in the last 30 minutes about this bill, some of it critical. I want to make a point here that I hope all Members will pay some attention to: this bill does not do everything that this Congress needs to do.

We are going to take up an electricity bill in the fall, we are going to take up a nuclear policy bill in the fall, we will hopefully renew Price-Anderson. We are going to do a number of other things in the fall which may carry forward some of our conservation efforts in this bill. But this bill is a giant step forward to securing America's energy future. I want to focus on two parts of it that I hope Americans will really appreciate.

The first is this awful problem that boutique fuels have caused in our gasoline markets. To all Americans who found themselves, particularly in Chicago and Milwaukee a few years ago, paying incredible prices for gasoline because there was such a shortage, look to the boutique fuel market for your enemy.

The boutique fuel market, designed to help clean air, unfortunately ended up with over 50 different formulations of fuel. It is a dysfunctional market that has raised the price in the Midwest from 30 to 35 cents a gallon. This bill begins to straighten out that dysfunction and sets in place a method to lower the numbers of those reformulations of gasoline, still keeping strict abidance with the clean air requirements of our great Nation.

Secondly, I want to focus on the CAFE standards in this bill. The CAFE standards to be adopted in this bill will require for the first time in 17 years SUVs and minivans to begin saving fuel the way we require it to be saved in the car fleets of America. Today the SUVs and minivans consume about 2.4 billion gallons of gasoline a year.

This bill will require a savings of 5 billion gallons over the next 6 years. That is the equivalent of parking two production years of all the SUVs and minivans that we produce on our highways in America, parking them for 2 years out of that 6. That is a significant floor upon which NHTSA will build its new CAFE requirements.

This is only a floor. This is the minimum NHTSA must do, our National Highway Traffic Safety Administration. They can and should do more. We will be faced with an amendment later by several of our friends to dramatically increase that number in the bill. Let me warn all Americans, all of us in this room, the numbers we have, the report from the NAS, tells us if you move those numbers too fast, just because you want to, if you push those numbers too high, too fast, you will produce lighter vehicles on the road. History tells us you will have more deaths and injury.

The industry can do a great deal with technology to move fuel efficiency up. This bill pushes them hard and we will get new fuel efficiencies in SUVs and minivans. You go too far, and you end up compromising safety.

This a good bill, a great step forward. I commend it to a favorable vote of this body.

The CHAIRMAN. All debate time allotted to the Committee on Energy and Commerce has expired.

The Chair will now recognize for 10 minutes of debate each the gentleman from New York (Mr. BOEHLERT) and the gentleman from Texas (Mr. HALL).

The Chair recognizes the gentleman from New York (Mr. BOEHLERT).

Mr. BOEHLERT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to bring before the House the Committee on Science portions of H.R. 4 which are primarily found in division B of the bill. These provisions were originally part of H.R. 2460, which our committee passed unanimously.

I would like to submit for the RECORD at this point materials that were prepared for the report accompanying H.R. 2460, which describe in detail the nature of the provisions that are now in division B.

1. SECTION-BY-SECTION ANALYSIS OF H.R. 4, SECURING AMERICA'S FUTURE ENERGY (SAFE) ACT OF 2001

DIVISION E: CLEAN COAL POWER INITIATIVE ACT OF 2001

Section 5000. Short Title

Subsection 5000 cites the division as the "Clean Coal Power Initiative Act of 2001."

Sec. 5001. Findings

Section 5001 contains the eight findings.

Sec. 5002. Definitions

Section 5003 defines the term "cost and performance-based goals" to mean the cost and performance-based goals established under section 5004, and the term "Secretary" to mean the Secretary of Energy.

Sec. 5003. Clean Coal Power Initiative

Subsection 5003(a) requires the Secretary to carry out the Clean Coal Power Initiative under: (1) this division; (2) the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C.5901 et seq.); (3) the Energy Reorganization Act of 1974 (42 U.S.C.5801 et seq.); and (4) title XIII of the Energy Policy Act of 1992 (42 U.S.C.13331 et seq.), to achieve cost and performance goals established by the Secretary under section 5004.

Sec. 5004. Cost and Performance Goals

Subsection 5004(a) requires the Secretary to perform an assessment that establishes measurable cost and performance goals for 2005, 2010, 2015, and 2020 for the programs authorized by this division. Such assessment must be based on the latest scientific, economic, and technical knowledge.

In establishing the cost and performance goals, subsection 5004(b) requires the Secretary to consult with representatives of: (1) the United States coal industry; (2) State coal development agencies; (3) the electric utility industry; (4) railroads and other transportation industries; (5) manufacturers of advanced coal-based equipment; (6) institutions of higher learning, national laboratories, and professional and technical societies; (7) organizations representing workers; (8) organizations formed to—(A) promote the use of coal; (B) further the goals of environmental protection; and (C) promote the production and generation of coal-based power from advanced facilities; and (9) other appropriate Federal and State agencies.

Under subsection 5004(c), the Secretary shall: (1) not later than 120 days after the date of enactment of this division, issue a set of draft cost and performance goals for public comment; and (2) not later than 180 days after the date of enactment, after taking into consideration any public comments received, submit to the Committee on Energy and Commerce and the Committee on Science of the House of Representatives, and to the Senate, the final cost and performance goals.

Sec. 5005. Authorization of Appropriations

Except as provided in subsection 5005(c), subsection 5005(a) authorizes to be appropriated to the Secretary to carry out the Clean Coal Power Initiative under section 5003 $200.0 million for each of the fiscal years 2002 through 2011, to remain available until expended.

Notwithstanding subsection 5005(a), subsection 5005(b) prohibits the use of funds to carry out the activities authorized by this division after September 30, 2002, unless the Secretary has transmitted to the Committee on Energy and Commerce and the Committee on Science of the House of Representatives, and to the Senate, the report required by this subsection and one month has elapsed since that transmission. The report shall include, with respect to subsection 5005(a); a 10–year plan containing: (1) a detailed assessment of whether the aggregate funding levels provided under subsection 5005(a) are the appropriate funding levels for that program; (2) a detailed description of how proposals will be solicited and evaluated, including a list of all activities expected to be undertaken; (3) a detailed list of technical milestones for each coal and related technology that will be pursued; (4) recommendations for a mechanism for recoupment of Federal funding for successful commercial projects; and (5) a detailed description of how the program will avoid problems enumerated in General Accounting Office reports on the Clean Coal Technology Program, including problems that have resulted in unspent funds and projects that failed either financially or scientifically.

Subsection 5005(c) provides that subsection 5005(b) shall not apply to any project begun before September 30, 2002.

Sec. 5006. Project Criteria

Subsection 5006(a) prohibits the Secretary from providing funding for project that does not advance efficiency, environmental performance, and cost competitiveness well beyond the level of technologies that are in operation or have been demonstrated as of the date of the enactment of this division.

Subsection 5006(b) contains the technical criteria for the Clean Coal Power Initiative.

Under subsection 5006(b)(1)(A), in allocating the funds authorized under section 5005(a), the Secretary shall ensure that at least 80 percent of the funds are used only for projects on coalbased gasification technologies, including gasification combined cycle, gasification fuel cells, gasification coproduction and hybrid gasification/combustion.

Subsection 5006(b)(1)(B) requires the Secretary to set technical milestones specifying emissions levels that coal gasification projects must be designed to and reasonably expected to achieve. The milestones shall get more restrictive through the life of the program, and such milestones shall be designed to achieve by 2020 coal gasification projects able to: (1) remove 99 percent of sulfur dioxide; (2) emit no more than 0.05 pounds (lbs) of nitrous oxides (NOx) per million British Thermal Unit (BTU); (3) achieve substantial reductions in mercury emissions; and (4) achieve a thermal efficiency of 60 percent (higher heating value).

For projects not described in subsection 5006(b)(1)(A) or subsection 5006(b)(1)(B), subsection 5006(b)(2) requires the Secretary to set technical milestones specifying emissions levels that the projects must be designed to and reasonably expected to achieve. The milestones shall get more restrictive through the life of the program, and such milestones shall be designed to achieve by 2010 projects able to: (1) remove 97 percent of sulfur dioxide; (2) emit no more than 0.08 lbs of NO_X per million BTU; (3) achieve substantial reductions in mercury emissions; and (4) achieve a thermal efficiency of 45 percent (higher heating value).

Subsection 5006(c) prohibits the Secretary from providing a funding award under this division unless the recipient of the award has documented to the satisfaction of the Secretary that: (1) the award recipient is financially viable without the receipt of additional Federal funding; (2) the recipient will provide sufficient information to the Secretary for the Secretary to ensure that the award funds are spent efficiently and effectively; and (3) a market exists for the technology being demonstrated or applied, as evidenced by statements of interest in writing from potential purchasers of the technology.

Subsection 5006(d) requires the Secretary to provide financial assistance to projects that meet the requirements of subsections 5006 (a), (b), and (c) and are likely to: (1) achieve overall cost reductions in the utilization of coal to generate useful forms of energy; (2) improve the competitiveness of coal among various forms of energy in order to maintain a diversity of fuel choices in the United States to meet electricity generation requirements; and (3) demonstrate methods and equipment that are applicable to 25 percent of the electricity generating facilities that use coal as the primary feedstock as of the date of enactment of this division.

Subsection 5006(e) limits the Federal share of the cost of a coal or related technology project funded by the Secretary to not more than 50 percent.

Subsection 5006(f) provides that neither the use of any particular technology, nor the achievement of any emission reduction, by any facility receiving assistance under this division shall be taken into account for purposes of making any determination under the Clean Air Act in applying the provisions of that Act to a facility not receiving assistance under this division, including any determination concerning new source performance standards, lowest achievable emission rate, best available control technology, or any other standard, requirement, or limitation.

Sec. 5007. Study

Under subsection 5007(a), not later than one year after the date of enactment of this division, and once every two years thereafter through 2016, the Secretary, in cooperation with other appropriate Federal agencies, must transmit to the Committee on Energy and Commerce and the Committee on Science of the House of Representatives, and to the Senate, a report containing the results of a study to: (1) identify efforts (and the costs and periods of time associated with those efforts) that, by themselves or in combination with other efforts, may be capable of achieving the cost and performance goals; (2) develop recommendations for the Department of Energy to promote the efforts identified under (1); and (3) develop recommendations for additional authorities required to achieve the cost and performance goals.

In carrying out this section, subsection 5007(b) requires the Secretary shall give due weight to the expert advice of representatives of the entities described in subsection 5004(b).

Sec. 5008. Clean Coal Centers of Excellence

As part of the Clean Coal Power Initiative authorized in section 5003, section 5008, which is included in the manager's amendment, requires the Secretary to award competitive, merit-based grants to universities for the establishment of Centers of Excellence for Energy Systems of the Future. Such centers shall be located at universities with a proven record of conducting research on, developing, or demonstrating clean coal technologies. The Secretary shall provide grants to universities that can show the greatest potential for demonstrating new clean coal technologies.

II. COMMITTEE ON SCIENCE VIEWS ON H.R. 4, SECURING AMERICA'S FUTURE ENERGY (SAFE) ACT OF 2001

DIVISION E: CLEAN COAL POWER INITIATIVE ACT OF 2001

Division E of H.R. 4, the Clean Coal Power Initiative Act of 2001, provides $2 billion over 10 years for the Administration's Clean Coal Power Initiative. Like the Administration, the Committee believes that coal is likely to continue to be a significant source of electric power in the U.S. for years to come, given its domestic abundance. However, if that is to be the case, coal must become a far more efficient and cleaner fuel. Such improvements will require, among other actions, government investment in research, development, demonstration and commercial application of truly advanced coal technologies. Neither the taxpayers nor the coal industry will be well served in the long run if government investments are made in technologies that do not "push the envelope." Moreover, a concerted effort will be needed to strengthen the management of clean coal programs.

With those concerns in mind, division E places a number of requirements and restrictions on the Clean Coal Power Initiative.

First, the Committee is requiring a detailed report on how the Initiative will be organized and implemented. The Committee is disturbed that at Committee hearings, the Administration could neither explain how the $2 billion figure was arrived at nor how the money would be spent. Given the priority the Administration has placed on the Initiative, the Committee will allow the Initiative to begin. However, no funds may be as of October 1, 2002, unless the Administration has submitted the detailed report required by this division and it has been before the Congress for 1 month.

The report must be specific in explaining how the $2 billion figure was developed, the scope of the Initiative, how the Initiative will operate, what technical milestones will be established and how they will be achieved, and how the Initiative can be guided or informed by the successes and failures of past clean coal efforts. The report must also include recommendations for recoupment of federal funds for successful projects.

The division also establishes strict, environmental standards that projects must be designed to meet and reasonably be expected to achieve in order to receive funding. Moreover, at least 80 percent of the funding must be devoted to projects related to gasification technologies that are furthest from development and promise the greatest environmental benefit among economically viable technologies, and, therefore, the ones most deserving of government support.

The Committee intends that the Secretary set strict, achievable, specific environmental milestones to ensure that the projects comply with section 5006. The environmental criteria in this division, which are taken from industry's own technology roadmap, are not mere advisory guidelines. They are precise requirements that the Initiative must be designed to meet.

The Committee intends that the efficiency requirements refer to generation efficiency and that the efficiency numbers apply to plants that are exclusively generating power. The Secretary should issue equivalent efficiency numbers for plants involved in the production of industrial chemicals or other activities.

The division also sets strict financial criteria for participants in the Initiative. These criteria are absolutely essential to the success of the program. The Committee intends that the Secretary require specific, written documentation and audits from the participants to meet the requirements of subsection 5006(c). For example, a market should exist for the technology being demonstrated or applied, as evidenced by statements of interest in writing from potential purchasers of technology.

The Committee recommends that the Secretary consult with objective, outside experts in developing the report, including those from the National Academies of Science and Engineering (who will eventually be reviewing the Initiative, pursuant to section 2616 of H.R. 4) and the General Accounting Office. The Committee also recommends that, in writing the report and carrying out the program, the Secretary consult with environmental groups and other environmental experts (as a primary goal of the program is making coal a more environmentally benign fuel), the coal industry, the utility industry, and the coal equipment manufacturing industry.

The Committee is aware of a proposed dry coal cleaning technology demonstration involving a pulverizer and dry separator operating together to remove impurities from coal and other minerals. The Committee encourages the Secretary to provide assistance for demonstration of such innovative magnetic separator technologies.

Sec. 5008. Clean Coal Centers of Excellence

Section 5008 directs the Secretary to provide grants to universities for the establishment of clean coal centers of excellence. Based on the Subcommittee on Energy's June 12, 2001 hearing on Clean Coal Technology and subsequent discussions and materials, the Committee strongly encourages the Secretary to consider as potential recipients Southern Illinois University, the University of Pittsburgh, Carnegie-Mellon University, and the Center for Electric Power at Tennessee Technological University.

I. SUMMARY OF MAJOR PROVISIONS OF H.R. 4, SECURING AMERICA'S FUTURE ENERGY (SAFE) ACT OF 2001

DIVISION B: COMPREHENSIVE ENERGY RESEARCH AND TECHNOLOGY ACT OF 2001

Division B of H.R. 4, the Comprehensive Energy Research and Technology Act of 2001, authorizes a total of $16,802,153,000 for the period FY 2002–2009 in five titles for research, development, demonstration, and commercial application programs, projects, and activities of the Department of Energy (DOE) and the Environmental Protection Agency (EPA) Office of Air and Radiation (OAR).

Title I (Energy Conservation and Energy Efficiency) authorizes $3,025,542,000 for FY 2002–FY 2006 in six subtitles, as follows:

1. A—Alternative Fuel Vehicles: $200.0 million for FY 2002 for not more than 15 grants (with a maximum grant size of $20.0 million) to State and local governments, or metropolitan transit authorities for the demonstration and commercial application of alternative fuel and ultra-low sulfur diesel vehicles.

2. B—Distributed Power Hybrid Energy Systems: Section 2125 authorizes $20.0 million for FY 2002 for competitive, merit-based grants for the development of micro-generation energy technology.

3. C—Secondary Electric Vehicle Battery Use: $1.0 million for FY 2002, and $7.0 million for each of FY 2003 and FY 2004 for a research, development, and demonstration (RD&D) program.

4. D—Green School Buses: $40.0 million for FY 2002, $50.0 million for FY 2003, $60.0 million for FY 2004, $70.0 million for FY 2005, and $70.0 million for FY 2006 for competitive grants for the demonstration and commercial application of alternative fuel and ultra-low sulfur diesel school buses.

5. E—Next Generation Lighting Initiative: Authorizes the Secretary of Energy (Secretary) to research, develop, and conduct demonstration activities on advanced lighting technologies, including white light emitting diodes.

6. F—DOE Authorization of Appropriations: In addition to the amounts authorized under subtitle A, section 2125 of subtitle B, and subtitle D, authorizes $625.0 million for FY 2002, $700.0 million for FY 2003, and $800.0 million for FY 2004 for subtitles B, C, E, and for Energy Conservation operation and maintenance (including Building Technology, State and Community Sector (Nongrants), Industry Sector, Transportation Sector, Power Technologies, and Policy and Management).

7. G—EPA OAR Authorization of Appropriations: $121.9 million for FY 2002, $126.8 million for FY 2003, and $131.8 million for FY 2004.

In addition, subtitle H (National Building Performance Initiative) requires the Director of the Office of Science and Technology Policy (OSTP) to establish and Interagency Group responsible for the development and implementation of a National Building Performance Initiative to address energy conservation research and development (R&D) and related issues.

Title II (Renewable Energy) authorizes $2,468,200,000 for FY 2002–FY 2006 in four subtitles, as follows:

1. A—Hydrogen: $60.0 million for FY 2002, $70.0 million for FY 2003, $80.0 million for FY 2004, $90.0 million for FY 2005, and $100.0 million for FY 2006.

2. B—Bioenergy: $148.2 million for FY 2002, $162.9 million for FY 2003, $179.9 million for FY 2004, $199.4 million for FY 2005, and $221.8 million for FY 2006.

3. C—Transmission Infrastructure Systems: Directs the Secretary to develop and implement a comprehensive RD&D and commercial application program to ensure the reliability, efficiency, and environmental integrity of electrical transmission systems.

4. D—DOE Authorization of Appropriations: $535.0 million for FY 2002, $639.0 million for FY 2003, and $683.0 million for FY 2004, $70.0 million for FY 2005, and $70.0 million for FY 2006, including the amounts authorized under subtitle A and subtitle B and for Renewable Energy operation and maintenance, including subtitle C, Geothermal Technology Development, Hydropower, Concentrating Solar Power, Photovoltaic Energy Systems, Solar Building Technology Research, Wind Energy Systems, High Temperature Superconducting Research and Development, Energy Storage Systems, Transmission Reliability, International Renewable Energy Program, Renewable Energy Production Incentive Program, Renewable Program Support, National Renewable Energy Laboratory, and Program Direction.

Title III (Nuclear Energy) authorizes $724,995,000 for FY 2002–FY 2006 in three subtitles, as follows:

1. A—University Nuclear Science and Energy: $30.2 million for FY 2002, $41.0 million for FY 2003), $47.9 million for FY 2004, $55.6 million for FY 2004, and $61.4 million for FY 2005.

2. B—Advanced Fuel Recycling Technology R&D Program: $10.0 million for FY 2002, and such sums as are necessary for each of FY 2003 and FY 2004.

3. C—DOE Authorization of Appropriations: $191.2 million for FY 2002, $199.0 million for FY 2003, and $207.0 million for FY 2004 for nuclear energy operation and maintenance, including subtitle A, the Nuclear Energy Research Initiative ($60.0 million for FY 2002, and such sums as are necessary for each of FY 2003 and FY 2004), the Nuclear Energy Plant Optimization Program ($15.0 million for FY 2002, and such sums as are necessary for each of FY 2003 and FY 2004), Nuclear Energy Technologies ($20.0 million for FY 2002, and such sums as are necessary for each of FY 2003 and FY 2004), Advanced Radioisotope Power Systems, Test Reactor Landlord, and Program Direction. In addition, funds are authorized to complete two construction projects.

Title IV (Fossil Energy) authorizes $5,933,000,000 for FY 2002–FY 2009 in five subtitles, as follows:

1. A—Coal: $172.0 million for FY 2002, $179.0 million for FY 2003, $186.0 million for FY 2005 for coal and related technologies programs.

2. B—Oil and Gas: Authorizes RD&D and commercial application programs on petroleum-oil technology and natural gas technologies.

3. C—Ultra-Deepwater and Unconventional Drilling: $4,516.0 million for the period FY 2002–FY 2009 for RD&D of ultra-deepwater natural gas and other petroleum exploration and production technologies.

4. D—Fuel Cells: Authorizes an RD&D program on fuel cells, including $28.0 million for each of FY 2002–FY 2004 for the demonstration of manufacturing production and processes.

5. E—DOE Authorization of Appropriations: $282.0 million for FY 2002, $293.0 million for FY 2003, and $305.0 million for subtitle B, subtitle D, and for Fossil Energy R&D Headquarters Program Direction, Field Program Direction, Plant and Capital Equipment, Cooperative Research and Development, Import/Export Authorization, and Advanced Metallurgical Processes.

Title V (Science) authorizes $4,541,858,000 for FY 2002–FY 2006 in four subtitles, as follows:

1. A—Fusion Energy Sciences: $320.0 million for FY 2002 and $335.0 million for FY 2003.

2. B—Spallation Neutron Source (SNS): $276.3 million for FY 2002, $201.571 million for FY 2003, $124.6 million for FY 2004, $79.8 million for FY 2005, and $41.1 million for FY 2006 for completion of construction, and $15.353 million for FY 2002 and $103.279 million for FY 2003–FY 2006 for other project costs. Caps the project at $1,192.7 million for costs of construction, $219.0 million for other project costs, and $1,411.7 million for total project cost.

3. C—Facilities, Infrastructure, and User Facilities—Requires the Secretary to develop and implement a least-cost nonmilitary energy laboratory facility and infrastructure strategy, and requires full and open competition for universities and other entities in the establishment or operation of a DOE user facility.

4. E—DOE Authorization of Appropriations: $3,299,558,000 for FY 2002 for Office of Science operation and maintenance (also including Fusion Energy Sciences, SNS, subtitle C, High Energy Physics, Nuclear Physics, Biological and Environmental Research, Basic Energy Sciences (except for the Spallation Neutron Source), Advanced Scientific Computing Research, Energy Research Analysis, Multiprogram Energy Laboratories-Facilities Support, Facilities and Infrastructure, Safeguards and Security, and Program Direction), and including $5.0 million for FY 2002 for research in the use of precious metals in catalysts. Also authorizes funds to complete a number of construction projects.

In addition, subtitle D (Advisory Panel on Office of Science) requires the Director of OSTP to establish an Advisory Panel on the DOE Office of Science.

Title VI (Miscellaneous) contains two subtitles. Subtitle A (General Provisions for the Department of Energy), identifies current statutes that should be used for procedures and guidelines to carry out the Act, limits use of funds, and establishes cost-sharing requirements and reprogramming guidelines. Subtitle B (Other Miscellaneous Provisions) establishes limits on general plant projects and construction projects, provides authority for conceptual and construction design activities, requires that certain reports prepared pursuant to the National Energy Policy Development Group recommendations be transmitted to specific congressional committees, and requires periodic reviews and assessments of the programs authorized by the Act.

Table I summarizes the authorizations for the period FY 2002–2009 for programs, projects, and activities in five titles in Division B. Table 2 summarizes and Table 3 details the division's authorizations for FY 2002–FY 2004.

Table 1. H.R. 4, DIVISION B, Comprehensive Energy Research and Technology Act of 2001
Summary of Authorizations: Fiscal Years 2002-2009
(Dollars in Thousands)

FISCAL YEAR	TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY	TITLE II—RENEWABLE ENERGY	TITLE III—NUCLEAR ENERGY	TITLE IV—FOSSIL ENERGY	TITLE V—SCIENCE	TOTAL
2002	1,006,942	535,000	192,650	1,163,500	3,624,479	6,522,571
2003	876,800	639,000	201,700	1,088,500	669,879	3,475,879
2004	991,800	683,000	208,746	1,054,500	126,600	3,064,646
2005	70,000	289,400	57,799	541,500	79,800	1,038,499
2006	80,000	321,800	64,100	508,500	41,100	1,015,500
2007				524,500		524,500
2008				538,500		538,500
2009				513,500		513,500
Total	3,025,542	2,468,200	724,995	5,933,000	4,541,858	16,693,595

Table 2. H.R. 4, DIVISION B, Comprehensive Energy Research and Technology Act of 2001, Summary: Fiscal Years 2002-2004
(Dollars in Thousands)

TITLE	FY 2001 Comparable Appropriation	FY 2002 Request	FY 2002 Recommendation	FY 2002 Recommendation Compared With (+ or -) FY 2001 Comparable Appropriation	FY 2002 Recommendation Compared With (+ or -) FY 2002 Request	FY 2003 Recommendation	FY 2003 Recommendation Compared With (+ or -) FY 2002 Recommendation	FY 2004 Recommendation	FY 2004 Recommendation Compared With (+ or -) FY 2003 Recommendation
TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY									
Department of Energy (DOE)	578,605	419,388	885,000	+306,395	+465,612	750,000	-135,000	860,000	+110,000
Environmental Protection Agency (EPA)	122,668	121,942	121,942	-726	0	126,800	+4,858	131,800	+5,000
Total, TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY	701,273	541,330	1,006,942	+305,669	+465,612	876,800	-130,142	991,800	+115,000
TITLE II—RENEWABLE ENERGY	364,610	275,653	535,000	+170,390	+259,347	639,000	+104,000	683,000	+44,000
TITLE III—NUCLEAR ENERGY	120,489	101,942	192,650	+72,161	+90,708	201,700	+9,050	208,746	+7,046
TITLE IV—FOSSIL ENERGY	519,547	434,750	1,163,500	+643,953	+728,750	1,088,500	-75,000	1,054,500	-34,000
Subtotal, Budget Authorization	1,705,919	1,353,675	2,898,092	+1,192,173	+1,544,417	2,806,000	-92,092	2,938,046	+132,046
TITLE V—SCIENCE	3,155,454	3,159,890	3,624,479	+469,025	+464,589	669,879	-2,954,600	126,600	-543,279
Total, Budget Authorization	**4,861,373**	**4,513,565**	**6,522,571**	**+1,661,198**	**+2,009,006**	**3,475,879**	**-3,046,692**	**3,064,646**	**-411,233**
Gas Hydrates Budget Authority/Authorization (P.L. 106-193)	9,938	4,750	7,500	-2,438	+2,750	11,000	+3,500	12,000	+1,000
Total, Budget Authority	**4,871,311**	**4,518,315**	**6,530,071**	**+1,658,760**	**+2,011,756**	**3,486,879**	**-3,043,192**	**3,076,646**	**-410,233**

Table 3. H.R. 4, DIVISION B, Comprehensive Energy Research and Technology Act of 2001: Fiscal Years 2002-2004
(Dollars in Thousands)

Title/Subtitle/Section/Program/Project/Activity	FY 2001 Comparable Appropriation	FY 2002 Request	FY 2002 Recommendation	FY 2002 Recommendation Compared With (+ or -) FY 2001 Comparable Appropriation	FY 2002 Recommendation Compared With (+ or -) FY 2002 Request	FY 2003 Recommendation	FY 2003 Recommendation Compared With (+ or -) FY 2002 Recommendation	FY 2004 Recommendation	FY 2004 Recommendation Compared With (+ or -) FY 2003 Recommendation
TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY									
Subtitle A—Alternative Fuel Vehicles (Section 2105)	0	0	200,000	+200,000	+200,000	0	-200,000	0	0
Subtitle B—Distributed Power Hybrid Energy Systems (Section 2125. Micro-Cogeneration Energy Technology)	0	0	20,000	+20,000	+20,000	0	-20,000	0	0
Subtitle D—Green School Buses (Section 144)	0	0	40,000	+40,000	+40,000	50,000	+10,000	60,000	+10,000
Subtitle F—Department of Energy Authorization of Appropriations									
Subtitle B—Distributed Power Hybrid Energy Systems (Except Section 2125)	0	0							
Subtitle C—Secondary Electric Vehicle Battery Use (Section 2133	0	0	1,000	+1,000	+1,000	7,000	+6,000	7,000	0
Subtitle E—Next Generation Lighting Initiative..........	0	0							
Building Technology, State and Community Sector (Nongrants)									
Building Research									
Technology Roadmaps and Competitive R&D	6,870	857							
Commercial Buildings Integration	11,536	6,888							
Commercial Buildings Integration	3,891	1,969							
Equipment, Materials and Tools..........	31,276	17,121							
Total, Building Research..........	53,573	26,835							
Building Technology Assistance (Nongrants)									
Community Partnerships	18,095	8,488							
Energy Star Program	2,204	2,000							
Total, Building Technology Assistance (Nongrants)	20,299	10,488							

Title/Subtitle/Section/Program/Project/Activity	FY 2001 Comparable Appropriation	FY 2002 Request	FY 2002 Recommendation	FY 2002 Recommendation Compared With (+ or -) FY 2001 Comparable Appropriation	FY 2002 Recommendation Compared With (+ or -) FY 2002 Request	FY 2003 Recommendation	FY 2003 Recommendation Compared With (+ or -) FY 2002 Recommendation	FY 2004 Recommendation	FY 2004 Recommendation Compared With (+ or -) FY 2003 Recommendation
Cooperative Programs with States	1,996	0							
Energy Efficiency Science Initiative	3,891	0							
Management and Planning	14,133	15,090							
Total, Building Technology, State and Community Sector (Nongrants)	93,892	52,413							
Industry Sector									
Industries of the Future (Specific)	72,390	46,424							
Industries of the Future (Crosscutting)	61,719	31,900							
Cooperative Programs with States	1,996	0							
Energy Efficiency Science Initiative	3,891	0							
Management and Planning	8,626	9,400							
Total, Industry Sector	148,622	87,724							
Transportation Sector									
Vehicle Technologies R&D	159,610	126,422							
Fuels Utilization R&D	23,509	20,908							
Materials Technologies	42,223	30,293							
Technology Deployment	5,090	3,300							
Cooperative Programs with States	1,996	0							
Energy Efficiency Science Initiative	3,891	0							
Management and Planning	9,152	10,232							
Total, Transportation Sector Total	245,471	191,155							
Power Technologies									
Distributed Generation Technologies Development	45,899	45,896							
Management and Planning	1,447	1,450							
Total, Power Technologies	47,346	47,346							
Policy and Management	43,274	40,750							
Total, Subtitle C—DOE Authorization of Appropriations	**578,605**	**419,388**	**625,000**	**+46,395**	**+205,612**	**700,000**	**+75,000**	**800,000**	**+100,000**
Total, Title I—DOE	**578,605**	**419,388**	**885,000**	**+306,395**	**+465,612**	**750,000**	**-135,000**	**860,000**	**+110,000**

Title/Subtitle/Section/Program/Project/Activity	FY 2001 Comparable Appropriation	FY 2002 Request	FY 2002 Recommendation	FY 2002 Recommendation Compared With (+ or -) FY 2001 Comparable Appropriation	FY 2002 Recommendation Compared With (+ or -) FY 2002 Request	FY 2003 Recommendation	FY 2003 Recommendation Compared With (+ or -) FY 2002 Recommendation	FY 2004 Recommendation	FY 2004 Recommendation Compared With (+ or -) FY 2003 Recommendation
Subtitle D—EPA Office of Air and Radiation Authorization of Appropriations									
Climate Change Protection Programs									
Buildings	52,535	52,731	52,731	+196	0	54,800	+2,069	57,000	+2,200
Transportation	29,435	32,441	32,441	+3,006	0	33,700	+1,259	35,000	+1,300
Industry	31,930	27,295	27,295	-4,635	0	28,400	+1,105	29,500	+1,100
Carbon Removal	998	1,700	1,700	+702	0	1,800	+100	1,900	+100
State and Local Climate Change Program	2,495	2,500	2,500	+5	0	2,600	+100	2,700	+100
International Capacity Building	5,275	5,275	5,275	0	0	5,500	+225	5,700	+200
Total, Climate Change Protection Programs	**122,668**	**121,942**	**121,942**	**-726**	**0**	**126,800**	**+4,858**	**131,800**	**+5,000**
Total, Subtitle D—EPA Office of Air and Radiation Authorization of Appropriations	**122,668**	**121,942**	**121,942**	**-726**	**0**	**126,800**	**+4,858**	**131,800**	**+5,000**
Total, TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY	**701,273**	**541,330**	**1,006,942**	**+305,669**	**+465,612**	**876,800**	**-130,142**	**991,800**	**+115,000**
TITLE II—RENEWABLE ENERGY									
Subtitle D—DOE Authorization of Appropriations									
Renewable Energy Technologies									
Subtitle A—Hydrogen	**26,881**	**26,881**	**60,000**	**+33,119**	**+33,119**	**70,000**	**+10,000**	**80,000**	**+10,000**
Subtitle B—Bioenergy									
Biopower	39,742	37,754	45,700	+5,958	+7,946	52,500	+6,800	60,300	+7,800
Biofuels	46,526	44,201	53,500	+6,974	+9,299	61,400	+7,900	70,600	+9,200
Integrated Bioenergy R&D	0	0	49,000	+49,000	+49,000	49,000	0	49,000	0
Total, Subtitle B—Bioenergy	**86,268**	**81,955**	**148,200**	**+61,932**	**+66,245**	**162,900**	**+14,700**	**179,900**	**+17,000**

Title/Subtitle/Section/Program/Project/Activity	FY 2001 Comparable Appropriation	FY 2002 Request	FY 2002 Recommendation	FY 2002 Recommendation Compared With (+ or -) FY 2001 Comparable Appropriation	FY 2002 Recommendation Compared With (+ or -) FY 2002 Request	FY 2003 Recommendation	FY 2003 Recommendation Compared With (+ or -) FY 2002 Recommendation	FY 2004 Recommendation	FY 2004 Recommendation Compared With (+ or -) FY 2003 Recommendation
Subtitle C—Transmission Infrastructure Systems	0	0							
Geothermal Technology Development	26,911	13,900							
Hydropower	4,989	4,989							
Solar									
Concentrating Solar Power	13,710	1,932							
Photovoltaic Energy Systems	75,060	39,000							
Solar Building Technology Research	3,911	2,000							
Total, Solar Energy	92,681	42,932							
Wind Energy Systems	39,553	20,500							
Total, Renewable Energy Technologies	277,283	191,157							
Electric Energy Systems and Storage									
High Temperature Superconducting R&D	36,819	36,819							
Energy Storage Systems	5,987	5,987							
Transmission Reliability	8,940	8,940							
Total, Electric Energy Systems and Storage	51,746	51,746							
Renewable Support and Implementation									
International Renewable Energy Program	4,949	2,500							
Renewable Energy Production Incentive Program	3,991	3,991							
Renewable Program Support	3,991	2,059							
Total, Renewable Support and Implementation	12,931	8,550							
National Renewable Energy Laboratory	3,991	5,000							
Program Direction	18,659	19,200							
Wave Power Electric Generation	0	0							
Total, Subtitle C—DOE Authorization of Appropriations	364,610	275,653	535,000	+170,390	+259,347	639,000	+104,000	683,000	+44,000
Total, TITLE II—RENEWABLE ENERGY	364,610	275,653	535,000	+170,390	+259,347	639,000	+104,000	683,000	+44,000

Title/Subtitle/Section/Program/Project/Activity	FY 2001 Comparable Appropriation	FY 2002 Request	FY 2002 Recommendation	FY 2002 Recommendation Compared With (+ or -) FY 2001 Comparable Appropriation	FY 2002 Recommendation Compared With (+ or -) FY 2002 Request	FY 2003 Recommendation	FY 2003 Recommendation Compared With (+ or -) FY 2002 Recommendation	FY 2004 Recommendation	FY 2004 Recommendation Compared With (+ or -) FY 2003 Recommendation
TITLE III—NUCLEAR ENERGY									
Subtitle C—DOE Authorization of Appropriations									
Operation and Maintenance									
Subtitle A—University Nuclear Research and Engineering									
Graduate and Undergraduate Fellowships	1,374	1,374	3,000	+1,626	+1,626	3,100	+100	3,200	+100
Junior Faculty Research Initiative Grant Program	0	0	5,000	+5,000	+5,000	7,000	+2,000	8,000	+1,000
Nuclear Engineering Education Research Program	5,000	5,000	8,000	+3,000	+3,000	12,000	+4,000	13,000	+1,000
Communication and Outreach Related to Nuclear Science and Engineering	0	0	200	+200	+200	200	0	300	+100
Refueling of Research Reactors and Instrumentation Upgrades	3,700	3,700	6,000	+2,300	+2,300	6,500	+500	7,000	+500
Re-Licensing Assistance	0	0	1,000	+1,000	+1,000	1,100	+100	1,200	+100
Reactor Research and Training Award Program	1,900	1,900	6,000	+4,100	+4,100	10,000	+4,000	14,000	+4,000
University-DOE Laboratory Interactions	0	0	1,000	+1,000	+1,000	1,100	+100	1,200	+100
Total, Subtitle A—University Nuclear Research and Engineering	**11,974**	**11,974**	**30,200**	**+18,226**	**+18,226**	**41,000**	**+10,800**	**47,900**	**+6,900**
Subtitle B—Advanced Fuel Recycling Technology Research and Development Program	**0**	**0**	**10,000**	**+10,000**	**+10,000**				
Nuclear Energy Research Initiative (Section 2341)	34,826	18,079	60,000	+25,174	+41,921				
Nuclear Energy Plant Optimization Program (Section 2342)	4,989	4,500	15,000	+10,011	+10,500				
Nuclear Energy Technologies (Section 2343)	7,483	4,500	20,000	+12,517	+15,500				
Advanced Radioisotope Power Systems	31,794	29,094							
Test Reactor Area	7,399	7,283							
Program Direction	23,042	25,062							
Subtotal, Operation and Maintenance	121,507	100,492	191,200	+69,693	+90,708	199,000	+7,800	207,000	+8,000
Offset from Nuclear Energy Activities	-2,352	0	0	+2,352	0	0	0	0	0
Total, Operation and Maintenance	119,155	100,492	191,200	+72,045	+90,708	199,000	+7,800	207,000	+8,000

Title/Subtitle/Section/Program/Project/Activity	FY 2001 Comparable Appropriation	FY 2002 Request	FY 2002 Recommendation	FY 2002 Recommendation Compared With (+ or -) FY 2001 Comparable Appropriation	FY 2002 Recommendation Compared With (+ or -) FY 2002 Request	FY 2003 Recommendation	FY 2003 Recommendation Compared With (+ or -) FY 2002 Recommendation	FY 2004 Recommendation	FY 2004 Recommendation Compared With (+ or -) FY 2003 Recommendation
Construction									
Project 99-E-200, Test Reactor Area Electric Utility Upgrade, Idaho National Engineering and Environmental Laboratory	877	950	950	+73	0	2,200	+1,250	1,246	-954
Project 95-E-201, Test Reactor Area Fire and Life Safety Improvements, Idaho National Engineering and Environmental Laboratory	457	500	500	+43	0	500	0	500	0
Total, Construction	1,334	1,450	1,450	+116	0	2,700	+1,250	1,746	-954
Total, Subtitle C—DOE Authorization of Appropriations	**120,489**	**101,942**	**192,650**	**+72,161**	**+90,708**	**201,700**	**+9,050**	**208,746**	**+7,046**
Total, TITLE III—NUCLEAR ENERGY	**120,489**	**101,942**	**192,650**	**+72,161**	**+90,708**	**201,700**	**+9,050**	**208,746**	**+7,046**
TITLE IV—FOSSIL ENERGY									
Subtitle A—Coal									
Coal and Related Technologies Programs (Section 2401(a))	269,441	114,677	172,000	-97,441	+57,323	179,000	+7,000	186,000	+7,000
Total, Subtitle A—Coal	**269,441**	**114,677**	**172,000**	**-97,441**	**+57,323**	**179,000**	**+7,000**	**186,000**	**+7,000**
Subtitle C—Unconventional and Ultra-Deep Natural Gas and Petroleum	**0**	**0**	**709,500**	**+709,500**	**+709,500**	**616,500**	**-93,000**	**563,500**	**-53,000**

Title/Subtitle/Section/Program/Project/Activity	FY 2001 Comparable Appropriation	FY 2002 Request	FY 2002 Recommendation	FY 2002 Recommendation Compared With (+ or -) FY 2001 Comparable Appropriation	FY 2002 Recommendation Compared With (+ or -) FY 2002 Request	FY 2003 Recommendation	FY 2003 Recommendation Compared With (+ or -) FY 2002 Recommendation	FY 2004 Recommendation	FY 2004 Recommendation Compared With (+ or -) FY 2003 Recommendation
Subtitle D—Authorization of Appropriations									
Operation and Maintenance									
Subtitle B—Oil and Gas									
Petroleum-Oil Technology (Section 2421)									
Exploration and Production	28,844	20,350							
Reservoir Life Extension/Management	14,662	4,849							
Effective Environmental Protection	10,796	5,300							
Emerging Processing Technology Applications	2,594	0							
Ultra Clean Fuels	9,978	0							
Total, Petroleum-Oil Technology (Section 2421)	66,874	30,499							
Gas (Section 2422)									
Exploration and Production	14,221	9,350							
Infrastructure	8,110	5,050							
Emerging Processing Technology	10,146	250							
Effective Environmental Protection	2,614	1,600							
Total, Gas (Section 2422)	35,091	16,250							
Total, Subtitle B—Oil and Gas	**101,965**	**46,749**							
Subtitle D—Fuel Cells									
Advance Research	2,794	1,000							
Systems Development	30,932	11,500							
Vision 21-Hybrids	14,967	11,500							
Innovative Concepts	3,891	21,124							
Manufacturing Production and Processes (Section 461(b))	0	0	28,000	+28,000	+28,000	28,000	0	28,000	0
Total, Subtitle D—Fuel Cells	**52,584**	**45,124**							
Headquarters Program Direction	16,930	14,700							
Field Program Direction	63,156	55,300							
Plant and Capital Equipment	3,891	2,000							
Cooperative Research and Development	8,071	0							
Import/Export Authorization	2,295	1,000							
Advanced Metallurgical Processes	5,214	5,200							
Total, Subtitle D—Authorization of Appropriations	**254,106**	**170,073**	**282,000**	**+27,894**	**+111,927**	**293,000**	**+11,000**	**305,000**	**+12,000**

Title/Subtitle/Section/Program/Project/Activity	FY 2001 Comparable Appropriation	FY 2002 Request	FY 2002 Recommendation	FY 2002 Recommendation Compared With (+ or -) FY 2001 Comparable Appropriation	FY 2002 Recommendation Compared With (+ or -) FY 2002 Request	FY 2003 Recommendation	FY 2003 Recommendation Compared With (+ or -) FY 2002 Recommendation	FY 2004 Recommendation	FY 2004 Recommendation Compared With (+ or -) FY 2003 Recommendation
Subtotal, TITLE IV—FOSSIL ENERGY	523,547	284,750	1,163,500	+639,953	+878,750	1,088,500	-75,000	1,054,500	+19,000
Use of Prior Year Balances	-4,000	0	0	+4,000	0	0	0	0	0
Total, TITLE IV—FOSSIL ENERGY	519,547	284,750	1,163,500	+643,953	+878,750	1,088,500	-75,000	1,054,500	+19,000
TITLE V—SCIENCE									
Subtitle D—Advisory Panel on Office of Science	0	0	0	0	0	0	0	0	
Subtitle E—DOE Authorization of Appropriations									
Operation and Maintenance									
Subtitle C—Facilities, Infrastructure, and User Facilities	0	0							
High Energy Physics									
Research and Technology	242,836	247,870							
High Energy Physics Facilities	436,836	456,830							
Total, High Energy Physics	679,672	704,700							
Nuclear Physics	360,508	360,510							
Biological and Environmental Research	480,025	432,970							
Basic Energy Sciences									
Spallation Neutron Source Other Project Costs (Section 2522(b)	19,179	15,353	15,353	-3,826	0	103,279	+87,926	0	-103,279
Materials Sciences (Non-Spallation Neutron Source)	424,063	419,000							
Chemical Sciences	216,526	218,714							
Engineering and Geosciences	39,766	38,938							
Energy Biosciences	33,216	32,400							
Total, Basic Energy Sciences	732,750	724,405	15,353	-717,397	-709,052	103,279	+87,926	0	-103,279

Title/Subtitle/Section/Program/Project/Activity	FY 2001 Comparable Appropriation	FY 2002 Request	FY 2002 Recommendation	FY 2002 Recommendation Compared With (+ or -) FY 2001 Comparable Appropriation	FY 2002 Recommendation Compared With (+ or -) FY 2002 Request	FY 2003 Recommendation	FY 2003 Recommendation Compared With (+ or -) FY 2002 Recommendation	FY 2004 Recommendation	FY 2004 Recommendation Compared With (+ or -) FY 2003 Recommendation
Advanced Scientific Computing Research	165,750	163,050							
Energy Research Analysis	976	1,000							
Multiprogram Energy Laboratories - Facilities Support									
Infrastructure Support	1,020	1,020							
Oak Ridge Landlord	7,359	7,359							
Total, Multiprogram Energy Laboratories – Facilities Support	8,379	8,379							
Subtitle A—Fusion Energy Sciences	**248,493**	**248,495**	**320,000**	**+71,507**	**+71,505**	**335,000**	**+15,000**		
Facilities and Infrastructure	0	0							
Safeguards and Security	41,569	55,412							
Program Direction									
Field Operations	61,366	64,400							
Program Direction	61,080	73,525							
Science Education	4,460	4,460							
Total, Program Direction	126,906	142,385							
Precious Metal Catalysis Research (Section 2581(b)	0	0	5,000	+5,000	0	0	-5,000	0	0
Subtotal, Operation and Maintenance	2,845,028	2,841,306	3,304,470	+459,442	+463,164	438,279	-2,866,191	0	-438,279
Less Security Charge for Reimbursable Work	-5,122	-4,912	-4,912	+210	0	0	+4,912	0	0
Total, Operation and Maintenance	2,839,906	2,836,394	3,299,558	+459,652	+463,164	438,279	-2,861,279	0	-438,279
Construction									
High Energy Physics									
Project 00-G-307 Research Office Building, Stanford Linear Acceleration Center	5,189	0	0	-5,189	0	0	0	0	0
Project 99-G-306 Wilson Hall Safety Improvements Project, Fermi National Accelerator Laboratory	4,191	0	0	-4,191	0	0	0	0	0
Project 98-G-304 Neutrinos at the Main Injector (NuMI), Fermi National Accelerator Laboratory	22,949	11,400	11,400	-11,549	0	11,400	0	11,400	0
Total, High Energy Physics	32,329	11,400	11,400	-20,929	0	11,400	0	11,400	0

Title/Subtitle/Section/Program/Project/Activity	FY 2001 Comparable Appropriation	FY 2002 Request	FY 2002 Recommendation	FY 2002 Recommendation Compared With (+ or -) FY 2001 Comparable Appropriation	FY 2002 Recommendation Compared With (+ or -) FY 2002 Request	FY 2003 Recommendation	FY 2003 Recommendation Compared With (+ or -) FY 2002 Recommendation	FY 2004 Recommendation	FY 2004 Recommendation Compared With (+ or -) FY 2003 Recommendation
Biological and Environmental Research: Project 01-E-300 Laboratory for Comparative and Functional Genomics, Oak Ridge National Laboratory	2,495	10,000	11,405	+8,910	+1,405	0	-11,405	0	0
Basic Energy Sciences									
Spallation Neutron Source, Oak Ridge National Laboratory (Section 2522(a))	258,929	276,300	276,300	+17,371	0	210,571	-65,729	124,600	-85,971
Project 02-SC-002: Project Engineering Design (PED), Various Locations	0	4,000	4,000	+4,000	0	8,000	+4,000	2,000	-6,000
Total, Basic Energy Sciences	258,929	280,300	280,300	+21,371	0	218,571	-61,729	126,600	-91,971
Multiprogram Energy Laboratories - Facilities Support									
Project 02-SC-002, Multiprogram Energy Laboratories Infrastructure Project Engineering Design (PED), Various Locations	0	3,183	3,183	+3,183	0	0	-3,183	0	0
Project MEL-001, Multiprogram Energy Laboratories, Infrastructure, Various Locations	21,795	18,613	18,633	-3,162	+20	13,029	-5,604	0	-13,029
Total, Multiprogram Energy Laboratories – Facilities Support	21,795	21,796	21,816	+21	+20	13,029	-8,787	0	-13,029
Total, Construction	315,548	323,496	324,921	+9,373	+1,425	231,600	-93,321	126,600	-105,000
Total, Title V, SCIENCE	**3,155,454**	**3,159,890**	**3,624,479**	**+469,025**	**+464,589**	**669,879**	**-2,954,600**	**126,600**	**-543,279**

II. SECTION-BY-SECTION ANALYSIS OF H.R. 4, SECURING AMERICA'S FUTURE ENERGY (SAFE) ACT OF 2001

DIVISION B: COMPREHENSIVE ENERGY RESEARCH AND TECHNOLOGY ACT OF 2001

Section 2001. Short Title

Subsection 2001 cites the division as the "Comprehensive Energy Research and Technology Act of 2001."

Sec. 2002. Findings

Section 2003 contains the eight findings.

Sec. 2003. Purposes

Section 2003 contains the eight purposes of the Act.

Sec. 2004. Goals

Subsection 2004(a) states that, subject to subsection 2004(b), the Secretary should conduct a balanced energy RD&D and commercial application portfolio of programs guided by the specific goals listed for each of (1) Energy Conservation and Energy Efficiency, (2) Renewable Energy, (3) Nuclear Energy, (4) Fossil Energy and (5) Science.

Subsection 2004(b) requires the Secretary of Energy, in consultation with others, to perform an assessment that establishes measurable cost and performance-based goals, or that modifies the goals under subsection (a), for 2005, 2010, 2015, and 2020, for each of the programs authorized by this Act, that would enable each such program to meet the purposes under section 2003. The assessment is to be based on the latest scientific and technical knowledge, and shall also take into consideration, as appropriate, the comparative environmental impacts (including emissions of greenhouse gases) of the energy saved or produced by specific programs.

In establishing the measurable cost and performance-based goals under subsection 2004(b), subsection 2004(c) requires the Secretary to consult with the private sector, institutions of higher learning, national laboratories, environmental organizations, professional and technical societies, and any other persons the Secretary considers appropriate.

Subsection 2004(d) requires the Secretary, within 120 days of the date of enactment of this Act, to issue and publish in the Federal Register a set of draft measurable cost and performance-based goals for public comment for those programs established before the date of enactment of this Act. (In the case of a program not established before the date of the enactment of this Act, then not later than 120 days after the date of establishment of the program). Not later than 60 days after the date of publication, after taking into consideration any public comments received, the Secretary is to transmit to the Congress and publish in the Federal Register the final measurable cost and performance-based goals. Such goals must be updated on a biennial basis.

Sec. 2005. Definitions

Section 2005 defines the terms: (1) "Administrator" to mean the Administrator of the Environmental Protection Agency (EPA); (2) "appropriate congressional committees" to mean (A) the Committee on Science and the Committee on Appropriations of the House of Representatives; and (B) the Committee on Energy and Natural Resources and the Committee on Appropriations of the Senate; (3) the "Department" to mean the Department of Energy; and (4) the "Secretary" to mean the Secretary of Energy.

Sec. 2006. Authorizations

Section 2006 states that authorizations of appropriations under this Act are for environmental R&D, scientific and energy RD&D and commercial application of energy technology programs, projects, and activities. This is consistent with the Science Committee's jurisdiction under rule X, clause I (n) of the Rules of the House.

Sec. 2007. Balance of Funding Priorities

Subsection 2007(a) expresses the sense of the Congress that the funding of the various programs authorized by titles I through IV of this Act should remain in the same proportion to each other as provided in this Act, regardless of the total amount of funding made available for those programs.

If the amounts appropriated in general appropriations Acts for FY 2002, FY 2003, or FY 2004 for the programs authorized in titles I through IV of this Act are not in the same proportion to one another as are the authorizations for such programs in this Act, subsection 2207(b) requires the Secretary and the Administrator, within 60 days after the date of the enactment of the last general appropriations Act appropriating amounts for such programs, to transmit to the appropriate congressional committees a report describing the programs, projects, and activities that would have been funded if the proportions provided for in this Act had been maintained in the appropriations. The amount appropriated for the program receiving the highest percentage of its authorized funding for a fiscal year shall be used as the baseline for calculating the proportional deficiencies of appropriations for other programs in that fiscal year.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle A—Alternative Fuel Vehicles

Sec. 2101. Short Title

Subsection 2101 cites the subtitle as the "Alternative Fuel Vehicle Acceleration Act of 2001."

Sec. 2102. Definitions

Section 2102 defines the terms "alternative fuel vehicle," "pilot program," and "ultra-low sulfur diesel vehicle."

Sec. 2103. Pilot Program

Subsection 2103(a) directs the Secretary to establish an alternative fuel and ultra-low sulfur diesel vehicle energy demonstration and commercial application competitive grant pilot program to provide not more than 15 grants to State governments, local governments, or metropolitan transportation authorities to carry out a project or projects for the purposes described in subsection (b).

Subsection 2103(b) defines the purposes for which the grants may be used.

Subsections 2103(c), (d), and (e) set out the grant application requirements, selection criteria, and pilot project requirements, respectively.

Subsection 2103(e) limits: (1) the amount of an award to any one applicant to not more than $20.0 million; (2) the Federal cost share to not more than 50 percent; and (3) the length of the funding period to not more than five years. It also directs the Secretary to assure nationwide deployment of alternative fuel vehicles through broad geographic distribution of project sites; and to establish mechanisms that ensure the dissemination of information gained by the pilot program participants to all interested parties including all other applicants.

Subsection 2103(f) directs the Secretary to publish in the Federal Register, Commerce Business Daily, and elsewhere requests for project grant applications under the pilot program, which shall be due within six months after the notice publication. The Secretary shall select from among the project grant applications by a competitive, peer review process to award grants under the pilot program.

Section 2103(g) mandates that the Secretary shall provide not less than 20 percent and not more than 25 percent of the grant funding for the acquisition of ultra-low sulfur diesel vehicles.

Sec. 2104. Reports to Congress

Section 2104 requires the Secretary to transmit an initial report to the appropriate congressional committees within two months after the grants are awarded detailing the successful applicants' projects, a listing of the applicants and a description of the information dissemination mechanism under 2103(e)(5). Not later than three years after the date of enactment, and annually thereafter until the program ends, the Secretary is required to transmit a report containing an evaluation of the pilot program's effectiveness to the same committees. This evaluation report is to include an assessment of the benefits to the environment derived from the projects included in the pilot program as well as an estimate of the potential benefits to the environment to be derived from widespread application of alternative fuel vehicles and ultralow sulfur diesel vehicles.

Sec. 2105. Authorization of Appropriations

Section 2105 authorizes $200.0 million for FY 2002 for the pilot program, to remain available until expended.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle B—Distributed Power Hybrid Energy Systems

Sec. 2121. Findings

Section 2121 lists 4 findings.

Sec. 2122. Definitions

Section 2122 defines the terms "distributed power hybrid system" and "distributed power source."

Sec. 2123. Strategy

Under subsection 2123(a), not later than one year after the date of the enactment of this Act, the Secretary shall develop and transmit to the Congress a distributed power hybrid systems strategy showing: (1) needs best met with distributed power hybrid systems configurations, especially systems including one or more solar or renewable power sources; and (2) technology gaps and barriers (including barriers to efficient connection with the power grid) that impede the use of distributed power hybrid systems.

Subsection 2123(b) specifies five elements the strategy should address, including a comprehensive RD&D and commercial application program to ensure the reliability, efficiency, and environmental integrity of distributed energy resources.

Subsection 2123(c) requires the Secretary to implement the strategy transmitted under subsection 2123(a) and the research program under subsection 2123(b). Activities pursuant to the strategy are to be integrated with other activities of the DOE's Office of Power Technologies.

Sec. 2124. High Power Density Industry Program

Subsection 2124(a) requires the Secretary to develop and implement a comprehensive RD&D and commercial application program to improve energy efficiency, reliability, and environmental responsibility in high power density industries, such as data centers, server farms, telecommunications facilities, and heavy industry.

Subsection 2124(b) provides that in carrying out this section, the Secretary shall consider technologies that provide: (1) significant improvement in efficiency of high power density facilities, and in data and telecommunications centers, using advanced thermal control technologies; (2) significant improvements in air-conditioning efficiency in facilities such as data centers and telecommunications facilities; (3) significant advances in peak load reduction; and (4) advanced real time metering and load management and control devices.

Subsection 2124(c) requires that activities pursuant to this program be integrated with other activities of the DOE's Office of Power Technologies.

Sec. 2125. Micro-Cogeneration Energy Technology

Section 2125 requires the Secretary to make competitive, merit-based grants to consortia of private sector entities for the development of micro-cogeneration energy technology. The consortia shall explore the creation of small-scale combined heat and power through the use of residential heating appliances. The section also authorizes $20.0 million, to remain available until expended.

Sec. 2126. Program Plan

Section 2126 directs the Secretary to consult with appropriate representatives of the distributed energy resources, power transmission, and high power density industries, other appropriate entities, and Federal, State and local agencies, within four months of enactment, to present to Congress a five-year program plan to guide activities under this subtitle.

Sec. 2127. Report

Section 2127 instructs the Secretary, jointly with other appropriate Federal agencies, to report to Congress within two years of enactment and every two years thereafter for the duration of the program on the program's progress made to achieve the purposes of this subtitle.

Sec. 2128. Voluntary Consensus Standards

Under this section, not later than two years after the date of enactment of this Act, the Secretary, in consultation with the NIST, shall work with the Institute of Electrical and Electronic Engineers and other standards development organizations toward the development of voluntary consensus standards for distributed energy systems for use in manufacturing and using equipment and systems for connection with electric distribution systems, for obtaining electricity from, or providing electricity to, such systems.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle C—Secondary Electric Vehicle Battery Use

Sec. 2131. Definitions

Section 2131 defines the terms "battery" and "associated equipment."

Sec. 2132. Establishment of Secondary Electric Vehicle Battery Use Program

Subsection 2132(a) directs the Secretary to establish and carry out a RD&D program for the secondary use of batteries originally used in transportation applications. The program should demonstrate the use of batteries in secondary application, including utility and commercial power storage and power quality and should be structured to evaluate the performance, including longevity of useful service life and costs, of such batteries in field operations, and evaluate the necessary supporting infrastructure, including disposal and reuse of batteries. The Secretary is directed to coordinate with ongoing secondary battery use programs underway at the national laboratories and in industry.

Subsection 2132(b) directs the Secretary, no later than six months after the date of the enactment of this Act, to solicit proposals to demonstrate the secondary use of batteries and associated equipment and supporting infrastructure in geographic locations throughout the United States. The Secretary may make additional solicitations for proposals if the Secretary determines that such solicitations are necessary to carry out this section. Proposals submitted in response to a solicitation under this section shall include: (1) a description of the project, including the batteries to be used in the project; the proposed locations and applications for the batteries; the number of batteries to be demonstrated; and the type, characteristics, and estimated life-cycle costs of the batteries compared to other energy storage devices currently in use; (2) the contribution, if any, of State or local governments and other persons to the demonstration project; (3) the type of associated equipment to be demonstrated and the type of supporting infrastructure to be demonstrated; and (4) any other information the Secretary considers appropriate. If the proposal includes a lease arrangement, the proposal shall indicate the terms of such lease arrangement for the batteries and associated equipment.

Subsection 2132(c) directs the Secretary, no later than three months after the closing date established by the Secretary for receipt of proposals under subsection 2132(b), to select at least five proposals to receive financial assistance under this subsection. No one project selected is permitted to receive more than 25 percent of the funds authorized under this section, and no more than three projects selected under this section shall demonstrate the same battery type.

In selecting a proposal under subsection 2132(c), the Secretary must consider:

(1) the ability of the proposer to acquire the batteries and associated equipment and to successfully manage and conduct the demonstration project, including the reporting requirements;

(2) the geographic and climatic diversity of the projects selected;

(3) the long-term technical and competitive viability of the batteries to be used in the project and of the original manufacturer of such batteries;

(4) the suitability of the batteries for their intended uses;

(5) the technical performance of the battery, including the expected additional useful life and the battery's ability to retain energy;

(6) the environmental effects of the use of and disposal of the batteries proposed to be used in the project selected;

(7) the extent of involvement of State or local government and other persons in the demonstration project and whether such involvement will permit a reduction of the Federal cost share per project or otherwise be used to allow the Federal contribution to be provided to demonstrate a greater number of batteries; and

(8) such other criteria as the Secretary considers appropriate.

The Secretary must require that as a part of a demonstration project, the users of the batteries provide to the proposer information regarding the operation, maintenance, performance, and use of the batteries, and the proposer provide such information to the battery manufacturer, for three years after the beginning of the demonstration project. The Secretary must also require the proposer to provide to the Secretary information regarding the operation, maintenance, performance, and use of the batteries that the Secretary may request during the period of the demonstration project. The proposer must provide at least 50 percent of the costs associated with the proposal.

Sec. 2133. Authorization of appropriations

Section 2133 authorizes (from amounts authorized under section 2161(a)) for purposes of this subtitle $1.0 million for FY 2002, $7.0 million for FY 2003 and $7.0 million for FY 2004, to remain available until expended.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle D—Green School Buses

Sec. 2141. Short Title

Section 2141 cites the subtitle as the "Clean Green School Bus Act of 2001."

Sec. 2142. Establishment of Pilot

Subsection 2142(a) directs the Secretary to establish a pilot program for awarding grants on a competitive basis to eligible entities for the demonstration and commercial application of alternative fuel school buses and ultra-low sulfur diesel school buses.

Subsection 2142(b) requires the Secretary, no later than three months after the date of enactment of this Act, to establish and publish in the Federal Register grant requirements on eligibility for assistance, and on implementation of the program established under subsection (a), including certification requirements to ensure compliance with this subtitle.

Subsection 2142(c) requires the Secretary, no later than six months after the date of enactment of this Act, to solicit proposals for grants under this section.

Subsection 2142(d) requires that a grant be awarded, under this section only, to a local governmental entity responsible for providing school bus service for one or more public school systems or, jointly with a contracting entity that provides school bus service to the public school system or systems.

Subsection 2142(e) requires that grants under this section shall be for the demonstration and commercial application of technologies to facilitate the use of alternative fuel school buses and ultra-low sulfur diesel school buses in lieu of buses manufactured before model year 1977 and diesel-powered buses manufactured before model year 1991. Other than the receipt of the grant, a recipient of a grant under this section may not receive any economic benefit in connection with the receipt of the grant. When awarding grants, the Secretary shall give priority to applicants who can demonstrate the use of alternative fuel buses and ultra-low sulfur diesel school buses in lieu of buses manufactured before model year 1977.

Subsection 2142(f) requires that a grant provided under this section shall include the following conditions:

(1) all buses acquired with funds provided under the grant shall be operated as part of the school bus fleet for which the grant was made for a minimum of five years;

(2) funds provided under the grant may only be used to pay the cost, except as provided in the following paragraph (3), of new alternative fuel school buses or ultra-low sulfur diesel school buses, including State taxes and contract fees to provide-

(i) up to 10 percent of the price of the alternative fuel school buses acquired, for necessary alternative fuel infrastructure if the infrastructure will only be available to the grant recipient; and

(ii) up to 15 percent of the price of the alternative fuel school buses acquired, for necessary alternative fuel infrastructure if the infrastructure will be available to the grant recipient and to other bus fleets;

(3) the grant recipient shall be required to provide at least the lesser of 15 percent of the total cost of each bus received or $15,000 per bus;

(4) in the case of a grant recipient receiving a grant to demonstrate ultra-low sulfur diesel school buses, the grant recipient shall be required to provide documentation to the satisfaction of the Secretary that diesel fuel containing sulfur at not more than 15 parts per million (PPM) is available for carrying out the purposes of the grant, and a commitment by the applicant to use such fuel in carrying out the purposes of the grant.

Subsection 2142(g) requires that funding under a grant made under this section may be used to demonstrate the use only of new alternative fuel school buses or ultra-low sulfur diesel school buses:

(1) with a gross vehicle weight of greater than 14,000 pounds;

(2) that are powered by a heavy duty engine;

(3) that, in the case of alternative fuel school buses, emit not more than—

(A) 2.5 grains per brake horsepower-hour of non-methane hydrocarbons and oxides of nitrogen and 0.01 grains per brake horsepower-hour of particulate matter for buses manufactured in model years 2001 and 2002; and

(B) 1.8 grams per brake horsepower-hour of non-methane hydrocarbons and oxides of nitrogen and 0.01 grains per brake horsepower-hour of particulate matter for buses manufactured in model years 2003 through 2006; and

(4) that, in the case of ultra-low sulfur diesel school buses, emit not more than—

(A) 3.0 grams per brake horsepower-hour of non-methane hydrocarbons and oxides of nitrogen and 0.01 grams per brake horsepower-hour of particulate matter for buses manufactured in model years 2001 through 2003; and

(B) 2.5 grams per brake horsepower-hour of non-methane hydrocarbons and oxides of nitrogen and 0.01 grams per brake horsepower-hour of particulate matter for buses manufactured in model years 2004 through 2006, except that under no circumstances shall buses be acquired under this section that emit non-methane hydrocarbons, oxides of nitrogen, or particulate matter at a rate greater than the best performing technology of ultra-low sulfur diesel school buses commercially available at the time the grant is made.

Subsection 2142(h) requires the Secretary, to the maximum extent practicable, to achieve nationwide deployment of alternative fuel school buses through the program under this section, and to ensure a broad geographic distribution of grant awards, with a goal of no State receiving more than 10 percent of the grant funding made available under this section for a fiscal year.

Subsection 2142(i) requires the Secretary to provide not less than 20 percent and not more than 25 percent of the grant funding made available under this section for any fiscal year for the acquisition of ultra-low sulfur diesel school buses.

Subsection 2142(j) defines the term "alternative fuel school bus" to mean a bus powered substantially by electricity (including electricity supplied by a fuel cell), or by liquefied natural gas, compressed natural gas, liquefied petroleum gas, hydrogen, propane, or methanol or ethanol at no less than 85 percent by volume. It also defines the term "Ultra-low sulfur diesel school bus" to mean a school bus powered by diesel fuel which contains not more than 15 PPM sulfur.

Sec. 2143. Fuel Cell Development and Demonstration Program

Subsection 2143(a) requires the Secretary to establish a program for entering into cooperative agreements with private-sector fuel cell bus developers for the development of fuel-cell-powered school buses, and subsequently with not less than two units of local government using natural-gas-powered school buses and such private sector fuel cell bus developers to demonstrate the use of fuel-cell-powered school buses.

Subsection 2143(b) requires the non-Federal contribution for activities funded under this section to be no less than 20 percent for fuel infrastructure development activities and no less than 50 percent for demonstration activities and for non-fuel infrastructure development activities.

Subsection 2143(c) limits the amount authorized under section 2144 that may be used for carrying out this section for the period encompassing FY 2002 through FY 2006 to no more than $25.0 million.

Subsection 2143(d) requires the Secretary, no later than three years after the date of enactment of this Act, and, again, no later than October 1, 2006, to transmit to Congress a report that evaluates the process of converting natural gas infrastructure to accommodate fuel-cell-powered school buses and assesses the results of the development and demonstration program under this section.

Sec. 2144. Authorization of Appropriations

Section 2144 authorizes $40.0 million for FY 2002, $50.0 million for FY 2003, $60.0 million for FY 2004, $70.0 million for FY 2005, and $80.0 million for FY 2006, to remain available until expended, to carry out this subtitle.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle E—Next Generation Lighting

Sec. 2151. Short Title

Section 2151 cites the subtitle as "Next Generation Lighting Initiative Act."

Sec. 2152. Definition

Section 2152 defines the term "Lighting Initiative" to mean the "Next Generation Lighting Initiative" established under subsection 2153(a).

Sec. 2153. Next Generation Lighting Initiative

Subsection 2153(a) authorizes the Secretary to establish a Lighting Initiative to be known as the "Next Generation Lighting Initiative" to research, develop, and conduct demonstration activities on advanced lighting technologies, including white light emitting diodes.

Subsection 2153(b) states the research objectives of the Lighting Initiative to develop, by 2011, advanced lighting technologies that, compared to incandescent and fluorescent lighting technologies as of the date of the enactment of this Act, are longer lasting, more energy-efficient and cost-competitive.

Sec. 2154. Study

Subsection 2154(a) requires the Secretary, in consultation with other Federal agencies, as appropriate, no later than six months after the date of enactment of this Act, to complete a study on strategies for the development and commercial application of advanced lighting technologies. The Secretary shall request a review by the National Academies of Sciences and Engineering of the study under this subsection, and shall transmit the results of the study to the appropriate congressional committees.

Subsection 2154(b) requires that the study include the development of a comprehensive strategy to implement the Lighting Initiative and identifying the research and development, manufacturing, deployment, and marketing barriers that must be overcome to achieve a goal of a 25 percent market penetration by advanced lighting technologies into the incandescent and fluorescent lighting market by the year 2012.

Subsection 2154(c) requires the Secretary to modify the implementation of the Lighting Initiative, if necessary, to take into consideration the recommendations of the National Academies of Sciences and Engineering, as soon as practicable after the review of the study under subsection 2154(a) is transmitted to the Secretary by the National Academies of Sciences and Engineering.

Sec. 2155. Grant Program

Subsection 2155(a) permits the Secretary to make merit-based competitive grants to firms and research organizations that conduct RD&D projects related to advanced lighting technologies, subject to section 2603 of this Act.

Subsection 2155(b) requires an annual independent review of the grant-related activities of firms and research organizations receiving a grant under this section to be conducted by a committee appointed by the Secretary under the Federal Advisory Committee Act (5 U.S.C. App.), or, at the request of the Secretary, a committee appointed by the National Academies of Sciences and Engineering. Using clearly defined standards established by the Secretary, the review shall assess technology advances and progress toward commercialization of the grant-related activities of firms or research organizations during each fiscal year of the grant program.

Subsection 2155(c) requires the national laboratories and other Federal agencies, as appropriate, to cooperate with and provide technical and financial assistance to firms and research organizations.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle F—Department of Energy Authorization of Appropriations

Sec. 2161. Authorization of Appropriations

Subsection 2161 (a) authorizes $625.0 million for FY 2002, $700.0 million for FY 2003; and (3) $800 million for FY 2004 for Energy Conservation operation and maintenance (including Building Technology, State and Community Sector, Industry Sector, Transportation Sector, Power Technologies, and Policy and Management), to remain available until expended. These amount are in addition to: (1) $200.0 million authorized for FY 2002 under section 2105 for alternative fuel and ultra-low sulfur diesel vehicles; (2) $20.0 million for FY 2002 authorized under section 2125 for micro-cogeneration energy technology; and (3) $40.0 million for FY 2002, $50.0 million for FY 2003, and $60.0 million for FY 2004 authorized under section 2144 for green school buses.

Subsection 2161(b) provides that none of the funds authorized to be appropriated in subsection 2131(a) may be used for: "(1) Building Technology, State and Community Sector—(A) Residential Building Energy Codes; (B) Commercial Building Energy Codes; (C) Lighting and Appliance Standards; (D) Weatherization Assistance Program; (E) State Energy Program; or (2) Federal Energy Management Program." These limitations are included to preserve the Science Committee's sole jurisdiction over the bill since the jurisdiction of programs under this subsection 2131(b) either resides with the Committee on Energy and Commerce or is shared with that Committee.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle G—Environmental Protection Agency Office of Air and Radiation Authorization of Appropriations

Sec. 2171. Short Title

Section 2171 cites the subtitle as the "Environmental Protection Agency Office of Air and Radiation Authorization Act of 2001."

Sec. 2172. Authorization of Appropriations

Section 2172 authorizes to be appropriated to the Administrator for the Office of Air and Radiation Climate Change Protection Programs $121.942 million for FY 2002, $126.8 million for FY 2003, and $131.8 million for FY 2004, to remain available until expended, of which:

(1) $52.731 million for FY 2002, $54.8 million for FY 2003, and $57.0 million for FY 2004 shall be for Buildings;

(2) $32.441 million for FY 2002, $33.7 million for FY 2003, and $35.0 million for FY 2004 shall be for Transportation;

(3) $27.295 million FY 2002, $28.4 million for FY 2003, and $29.5 million for FY 2004 shall be for Industry;

(4) $1.7 million for FY 2002, $1.8 million FY 2003, and $1.9 million for FY 2004 shall be for Carbon Removal;

(5) $2.5 million for FY 2002, $2.6 million for FY 2003, and $2.7 million for FY 2004 shall be for State and Local Climate; and

(6) $5.275 million for FY 2002, $5.5 million for FY 2003, and $5.7 million for FY 2004 shall be for International Capacity Building.

Sec. 2173. Limits on Use of Funds

Subsection 2173(a) prohibits EPA from using funds to produce or provide articles or services for the purpose of selling the articles or services to a person outside the Federal Government, unless the Administrator determines that comparable articles or services are not available from a commercial source in the United States.

Subsection 2173(b) prohibits EPA from using funds to prepare or initiate Requests for Proposals for a program if Congress has not authorized the program.

Sec. 2174. Cost Sharing

Except as other-wise provided in this subtitle, subsection 2174(a) mandates that for R&D programs carried out under this subtitle, the Administrator shall require a commitment from non-Federal sources of at least 20 percent of the cost of the project. The Administrator may reduce or eliminate the non-Federal requirement under this subsection if the Administrator determines that the R&D is of a basic or fundamental nature.

Similarly, under subsection 2174(b) the Administrator shall require at least 50 percent of the costs directly and specifically related to any demonstration or commercial application project under this subtitle to be provided from non-Federal sources. The Administrator may reduce the non-Federal requirement under this subsection if the Administrator determines that the reduction is necessary and appropriate considering the technological risks involved in the project and is necessary to meet the objectives of this subtitle.

In calculating the amount of the non-Federal commitment under subsection (a) or (b), subsection 2174(c) permits the Administrator to include personnel, services, equipment, and other resources.

Sec. 2175. Limitations on Demonstrations and Commercial Application of Energy Technology

Section 2175 requires the Administrator to provide funding only for scientific or energy demonstration or commercial application programs, projects or activities for technologies or processes that can reasonably be expected to yield new, measurable benefits to the cost, efficiency, or performance of the technology or process.

Sec. 2176. Reprogramming

Section 2176 prohibits the reprogramming of funds in excess of 105 percent of the amount authorized for a program, project, or activity, or in excess of $0.25 million above the amount authorized for the program, program, project, or activity until the Administrator submits a report to the appropriate congressional committees and a period of 30 days has elapsed after the date on which the report is received. Such reprogramming of funds is limited to no more than the total amount authorized to be appropriated by this subtitle and such funds may not be reprogrammed or used for a program, project, or activity for which Congress has not authorized appropriation.

Sec. 2177. Budget Request Format

Section 2177 requires the Administrator to provide to the appropriate congressional committees, to be transmitted at the same time as the EPA's annual budget request submission, a detailed justification for budget authorization for the programs, projects, and activities for which funds are authorized by this subtitle.

Each such document shall include, for the fiscal year for which funding is being requested and for the two previous fiscal years: (1) a description of, and funding requested or allocated for, each such program, project, or activity; (2) an identification of all recipients of funds to conduct such programs, projects, and activities; and (3) an estimate of the amounts to be expended by each recipient of funds under (2).

Sec. 2178. Other Provisions

Subsection 2178(a) requires the Administrator to provide simultaneously to the Committee on Science: (1) any annual operating plan or other operational funding document, including any additions or amendments thereto; and (2) any report relating to the environmental research or development, scientific or energy research, development, or demonstration, or commercial application of energy technology programs, projects, or activities of the EPA, provided to any committee of Congress.

Subsection 2178(b) requires the Administrator to provide notice to the appropriate congressional committees not later than 15 days before any reorganization of any environmental research or development, scientific or energy research, development, or demonstration, or commercial application of energy technology program, project, or activity of the Office of Air and Radiation.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle H—National Building Performance Initiative

Not later than three months after the date of the enactment of this Act, subsection 2181(a) requires the Director of the OSTP to establish an Interagency Group responsible for the development and implementation of a National Building Performance Initiative to address energy conservation and R&D and related issues. The NIST shall provide necessary administrative support for the Interagency Group.

Under subsection 2181(b), not later than nine months after the date of the enactment of this Act, the Interagency Group shall transmit to the Congress a multiyear implementation plan describing the Federal role in reducing the costs, including energy costs, of using, owning, and operating commercial, institutional, residential, and industrial buildings by 30 percent by 2020. The plan shall include: (1) RD&D of systems and materials for new construction and retrofit, on the building envelope and components; and (2) the collection and dissemination, in a usable form, of research results and other pertinent information to the design and construction industry, government officials, and the general public.

Subsection 2181(c) requires the establishment of a National Building Performance Advisory Committee to advise on creation of the plan, review progress made under the plan, advise on any improvements that should be made to the plan, and report to the Congress on actions that have been taken to advance the Nation's capability in furtherance of the plan. The members shall include representatives of a broad cross-section of interests such as the research, technology transfer, architectural, engineering, and financial communities; materials and systems suppliers; State, county, and local governments; the residential, multi-family, and commercial sectors of the construction industry; and the insurance industry.

Subsection 2181(d) requires the Interagency Group, within 90 days after the end of each fiscal year, to transmit a report to the Congress describing progress achieved during the preceding fiscal year by goverranent at all levels and by the private sector, toward implementing the plan developed under subsection (b), and including any amendments to the plan.

TITLE II—RENEWABLE ENERGY

Subtitle A—Hydrogen

Sec. 2201. Short Title

Section 2201 cites the subtitle as the "Robert S. Walker and George E. Brown, Jr. Hydrogen Energy Act of 2001."

Sec. 2202. Purposes

Section 2202 amends section 102(b) the Spark M. Matsunaga Hydrogen RD&D Act of 1990 (1990 Act) to include RD&D activities leading to the use of hydrogen for commercial applications, information dissemination and education, and development of a hydrogen production methodology that minimizes adverse environmental impacts, including efficient and cost-effective production from renewable and nonrenewable resources.

Sec. 2203. Definitions

Section 2203 amends section 102(c) of the 1990 Act to include the definition of "advisory committee."

Sec. 2204. Reports to Congress

Section 2204 amends section 103 of the 1990 Act by requiring the Secretary to submit to Congress a detailed report on the status and progress of the programs and activities authorized under the Act within one year of its enactment, and biennially thereafter.

Sec. 2205. Hydrogen Research and Development

Section 2205 amends section 104 of the 1990 Act by streamlining the text. Also, for R&D programs carried out under this section, the Secretary shall require a commitment from nonFederal sources of at least 20 percent of the cost of the project. The Secretary may reduce or eliminate the non-Federal requirement under this subsection if the Secretary determines that the R&D is of a basic or fundamental nature.

Sec. 2206. Demonstrations

Section 2206 amends section 105 of the 1990 Act by eliminating the requirement that demonstration of critical technologies and small-scale demonstrations be conducted in or at "self-contained locations." In addition, the small-scale demonstrations are to include a fuel cell bus demonstration program to address hydrogen production, storage, and use in transit bus applications.

Sec. 2207. Technology Transfer

Section 2207 amends section 106 of the 1990 Act by requiring the Secretary to conduct a hydrogen technology transfer program designed to accelerate wider application of hydrogen production, storage, transportation and use technologies, including application in foreign countries to increase the global market for hydrogen technologies and foster global economic development without harmful environmental effects.

Sec. 2208. Coordination and Consultation

Section 2208 amends section 107 of the 1990 Act by requiring the Secretary to establish a central point for coordination of all DOE hydrogen RD&D activities. It also requires the Secretary to consult with other Federal agencies, as appropriate, and the advisory committee established under section 2209.

Sec. 2209. Advisory Committee

Section 2209 amends section 108 of the 1990 Act by requiring the Secretary to enter into arrangements with the National Academies of Sciences and Engineering to establish an advisory committee to replace the current Hydrogen Technical Advisory Panel.

Sec. 2210. Authorization of Appropriations

Subsection 2210 amends section 109 of the 1990 Act to provide authorization of appropriations for the five-year period, FY 2002 through FY 2006.

Subsection 2210(a) authorizes $40.0 million for FY 2002, $45.0 million for FY 2003, $50.0 million for FY 2004, $55.0 million for FY 2005, and $60.0 million for FY 2006 for hydrogen R&D activities and the advisory committee.

Subsection 2210(b) authorizes $20.0 million for FY 2002, $25.0 million for FY 2003, $30.0 million for FY 2004, $35.0 million for FY 2005, and $40.0 million for FY 2006 for hydrogen demonstration activities.

Sec. 2211. Repeal

Section 2211 amends the Hydrogen Future Act of 1996 to repeal title 11 containing the program relating to the integration of fuel cells with hydrogen production systems.

TITLE II—RENEWABLE ENERGY

Subtitle B—Bioenergy

Sec. 2221. Short Title

Section 2221 cites the subtitle as the "Bioenergy Act of 2001."

Sec. 2222. Findings

Section 2222 lists five findings.

Sec. 2223. Definitions

Section 2223 defines the terms "bioenergy," "biofuels," "biopower," and "integrated bioenergy research and development."

Sec. 2224. Authorizations

Section 2224 authorizes the Secretary to conduct bioenergy-related RD&D and commercial application programs, projects, and activities, including: (1) biopower energy systems, (2) biofuels energy systems, and (3) integrated bioenergy R&D.

Sec. 2225. Authorization of Appropriations

As shown in the following table, subsections 2225(a), 2225(b), and 2225(c) authorize a total of $912.2 million for Biopower Energy Systems, Biofuels Energy Systems, and Integrated Bioenergy R&D for the five-year period, FY 2002 through FY 2006.

BIOENERGY ACT OF 2001 AUTHORIZATIONS: FY 2002–FY 2006

[In thousands of dollars]

Program (subsection)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	Total (FY 2002–FY 2006)
Biopower (2225(a))	45,700	52,500	60,300	69,300	79,600	307,400
Biofuels (2225(b))	53,500	61,400	70,600	81,100	93,200	359,800
Integrated Bioenergy R&D (2225(c))	49,000	49,000	49,000	49,000	49,000	245,000
Total	148,200	162,900	179,900	199,400	221,800	912,200

Also, Integrated Bioenergy R&D activities funded under subsection 2225(c) are to be coordinated with ongoing related programs of other Federal agencies, including the NSF Plant Genome Program.

Subsection 2225(d) authorizes amounts under this subtitle to be used to assist in the planning, design, and implementation of projects to convert rice straw and barley grain into biopower or biofuels.

TITLE II—RENEWABLE ENERGY

Subtitle C—Transmission Infrastructure Systems

Sec. 2241. Transmission Infrastructure Systems RD&D and Commercial Application

Subsection 2241(a) requires the Secretary to develop and implement a comprehensive RD&D and commercial application program to ensure the reliability, efficiency, and environmental integrity of electrical transmission systems. Such program shall include advanced energy technologies and systems, high capacity superconducting transmission lines and generators, advanced grid reliability and efficiency technologies development, technologies contributing to significant load reductions, advanced metering, load management and control technologies, and technology transfer and education.

In carrying out this subtitle, subsection 2241(b) allows the Secretary to include RD&D on and commercial application of improved transmission technologies including the integration of the following technologies into improved transmission systems: (1) high temperature superconductivity; (2) advanced transmission materials; (3) self-adjusting equipment, processes, or software for survivability, security, and failure containment; (4) enhancements of energy transfer over existing lines; and (5) any other infrastructure technologies, as appropriate.

Sec. 2242. Program Plan

Section 2242 requires the Secretary, within four months after the date of the enactment of this Act and in consultation with other appropriate Federal agencies, to prepare and transmit to Congress a five-year program plan to guide activities under this subtitle. In preparing the program plan, the Secretary shall consult with appropriate representatives of the transmission infrastructure systems industry to select and prioritize appropriate program areas. The Secretary shall also seek the advice of utilities, energy services providers, manufacturers, institutions of higher learning, other appropriate State and local agencies, environmental organizations, professional and technical societies, and any other persons as the Secretary considers appropriate.

Sec. 2243. Report

Under section 2243, two years after the date of the enactment of this Act, and at two year intervals thereafter, the Secretary, in consultation with other appropriate Federal agencies, shall transmit a report to Congress describing the progress made to achieve the purposes of this subtitle and identifying any additional resources needed to continue the development and commercial application of transmission infrastructure technologies.

TITLE II—RENEWABLE ENERGY

Subtitle D—Authorization of Appropriations

Sec. 2261. Authorization of Appropriations

Including the amounts authorized for hydrogen R&D under section 2210 and for bioenergy R&D under section 2225, subsection 261(a) authorizes $535.0 million for FY 2002, $639.0 million for FY 2003, and $683.0 million for FY 2004 for Renewable Energy operation and maintenance, including subtitle C (Transmission Infrastructure Systems), Geothermal Technology Development, Hydropower, Concentrating Solar Power, Photovoltaic Energy Systems, Solar Building Technology Research, Wind Energy Systems, High Temperature Superconducting Research and Development, Energy Storage Systems, Transmission Reliability, International Renewable Energy Program, Renewable Energy Production Incentive Program, Renewable Program Support, National Renewable Energy Laboratory, and Program Direction, to remain available until expended.

Subsection 2281(b) requires the Secretary to carry out a research program, in conjunction with other appropriate Federal agencies, on wave powered electric generation within the amounts authorized under subsection 2281(a).

Using funds authorized in subsection 2281(a), subsection 2281(c) requires the Secretary to transmit to the Congress, within one year after the date of the enactment of this Act, an assessment of all renewable energy resources available within the United States. The report shall include a detailed inventory describing the available amount and characteristics of solar, wind, biomass, geothermal, hydroelectric, and other renewable energy sources, and an estimate of the costs needed to develop each resource. The report shall also include such other information as the Secretary believes would be useful in siting renewable energy generation, such as appropriate terrain, population and load centers, nearby energy infrastructure, and location of energy resources. The information and cost estimates in this report shall be updated annually and made available to the public, along with the data used to create the report. This subsection shall expire at the end of FY 2004.

Subsection 2261(d) provides that none of the funds authorized to be appropriated in subsection 2241(a) may be used for: "(1) Departmental Energy Management Program; or (2) Renewable Indian Energy Resources." These limitations are included to preserve the Science Committee's sole jurisdiction over the bill, since the jurisdiction of these programs either resides with the Committee on Energy and Commerce, or is shared with that Committee.

TITLE III—NUCLEAR ENERGY

Subtitle A—University, Nuclear Science and Engineering

Sec. 2301. Short Title

Section 2301 cites the subtitle as the "Department of Energy University Nuclear Science and Engineering Act."

Sec. 2302. Findings

Section 2302 lists three findings.

Sec. 2303. Department of Energy Program

Subsection 2303(a) directs the Secretary, through the Office of Nuclear Energy, Science and Technology (Office) to maintain the Nation's human resource investment and infrastructure related to civilian nuclear R&D.

Subsection 2303(b) requires the Director of the Office to: (1) develop a robust graduate and undergraduate program to attract new students; (2) develop a Junior Faculty Research Initiation Grant to recruit and maintain new faculty; (3) maintain investment in the Nuclear Engineering Education Research Program; (4) encourage collaborative nuclear research between industry, national labs and universities through Nuclear Energy Research Initiative (NERI); (5) support public outreach regarding nuclear science and engineering; and (6) support communication and outreach related to nuclear science and engineering.

Subsection 2303(c) directs the Office to provide for: (1) university research reactor refueling with low enriched fuels, operational instrumentation upgrading, and reactor sharing among universities; (2) assistance in relicensing and upgrading university training reactors as part of a student training program in collaboration with the U.S. nuclear industry; and (3) awards for reactor improvements for research, training and education.

Subsection 2303(d) directs the Secretary to develop a program in the Office for: nuclear science and technology sabbatical fellowships for university professors at the Department labs and for student fellowships at Department labs; and a visiting scientist program for Department lab staff to visit universities' nuclear science programs to work with faculty and staff.

Subsection 2303(e) requires the host institution to provide at least 50 percent of the cost of a university research reactor's operation when funds authorized under this subtitle are used to supplement operation of such research reactor.

Subsection 2303(f) requires that all grants, contracts, cooperative agreements or other financial assistance awards under this Act be made based on independent merit review.

Subsection 2303(g) requires the Secretary to prepare a report within six months of enactment of this Act, laying out a five-year plan on the programs authorized in this section. This report is to be delivered to the appropriate congressional committees.

Sec. 2304. Authorization of Appropriations

Subsection 2304(a) authorizes total appropriation of funds to carry out the purposes of this subtitle and for all funds to remain available until expended: $30.2 million for FY 2002; $41.0 million for FY 2003; $47.9 million for FY 2004; $55.6 million for FY 2005; and $64.1 million for FY 2006.

For the Graduate and Undergraduate Fellowships to carry out subsection 2303(b)(1) from the funds authorized in subsection 2304(a), subsection 2304(b) authorizes $3.0 million for FY 2002, $3.1 million for FY 2003, $3.2 million for FY 2004, $3.2 million for FY 2005, and $3.2 million for FY 2006.

For the Junior Faculty Research Initiation Grant Program to carry out subsection 2303(b)(2) from the funds authorized in subsection 2304(a), subsection 2304(c) authorizes $5.0 million for FY 2002, $7.0 million for FY 2003, $8.0 million for FY 2004, $9.0 million for FY 2005, and $10.0 million for FY 2006.

For the Nuclear Engineering and Education Research Program to carry out subsection 2303(b)(3) from the funds authorized in subsection 2304(a), subsection 2304(d) authorizes $8.0 million for FY 2002, $12.0 million for FY 2003, $13.0 million for FY 2004, $15.0 million for FY 2005, and $20.0 million for FY 2006.

For Communication and Outreach Related to Nuclear Science and Engineering to carry out subsection 2303(b)(5) from the funds authorized in subsection 2304(a), subsection 2304(e) authorizes $0.2 million for each of FY 2002 and FY 2003, and $0.3 million for each of FY 2004 through FY 2006.

For Refueling of Research Reactors and Instrumentation Upgrades to carry out subsection 2303(c)(1) from the funds authorized in subsection 2304(a), subsection 2304(f) authorizes $6.0 million for FY 2002, $6.5 million for FY 2003, $7.0 million for FY 2004, $7.5 million for FY 2005, and $8.0 million for FY 2006.

For Relicensing Assistance to carry out subsection 2303(c)(2) from the funds authorized in subsection 2304(a), subsection 2304(g) authorizes $1.0 million for FY 2002, $1.1 million for FY 2003, $1.2 million for FY 2004, and $1.3 million for each of FY 2005 and FY 2006.

For the Reactor Research and Training Award Program to carry out subsection 2303(c)(3) from the funds authorized in subsection 2304(a), subsection 2304(h) authorizes $6.0 million for FY 2002, $10.0 million for FY 2003, $14.0 million for FY 2004, $18.0 million for FY 2005, and $20.0 million for FY 2006.

For University-Department Laboratory Interactions to carry out subsection 2303(d) from the funds authorized in subsection 2304(a), subsection 2304(i) authorizes $1.0 million for FY 2002, $1.1 million for FY 2003, $1.2 million for FY 2004, and $1.3 million for each of FY 2005 and FY 2006.

TITLE III—NUCLEAR ENERGY

Subtitle B—Advanced Fuel Recycling Technology Research and Development Program

Sec. 2321. Program

Section 2321(a) requires the Secretary, through the Director of the Office, to conduct an advanced fuel recycling technology R&D program to further the availability of proliferation resistant fuel recycling technologies as an alternative to aqueous reprocessing in support of evaluation of alternative national strategies for spent nuclear fuel and the Generation IV advanced reactor concepts, subject to annual review by the Secretary's Nuclear Energy Research Advisory Committee or other independent entity, as appropriate.

Section 2321(b) requires the Secretary to report on the activities of the advanced fuel recycling technology R&D program as part of the Department's annual budget submission.

Section 2321(c) authorizes: (1) $10.0 million for FY 2002, and (2) such sums as are necessary for FY 2003 and FY 2004.

TITLE III—NUCLEAR ENERGY

Subtitle C—Department of Energy Authorization of Appropriations

Sec. 2341. Nuclear Energy Research Initiative

Subsection 2341(a) requires the Secretary, through the Office, to conduct a Nuclear Energy Research Initiative for grants to be competitively awarded and subject to peer review for research relating to nuclear energy.

Subsection 2341(b) mandates that the program be directed toward accomplishing the objectives of: (1) developing advanced concepts and scientific breakthroughs in nuclear fission and reactor technology to address and overcome the principal technical and scientific obstacles to the expanded use of nuclear energy in the United States; (2) advancing the state of nuclear technology to maintain a competitive position in foreign markets and a future domestic market; (3) promoting and maintaining a United States nuclear science and engineering infrastructure to meet future technical challenges; (4) providing an effective means to collaborate on a cost-shared basis with international agencies and research organizations to address and influence nuclear technology development worldwide; and (5) promoting United States leadership and partnerships in bilateral and multilateral nuclear energy research.

Subsection 2341(c) authorizes to be appropriated to the Secretary to carry out this section: (1) $60.0 million for FY 2002; and (2) such sums as are necessary for FY 2003 and FY 2004.

Sec. 2342. Nuclear Energy Plant Optimization Program

Subsection 2342(a) requires the Secretary to conduct a Nuclear Energy Plant Optimization R&D program jointly with industry and cost-shared by industry by at least 50 percent and subject to annual review by the Secretary's Nuclear Energy Research Advisory Committee or other independent entity, as appropriate.

Subsection 2342(b) states the program shall be directed toward accomplishing the following technical objectives: (1) managing long-term effects of component aging; and (2) improving efficiency and productivity of existing nuclear power stations.

Subsection 2342(c) authorizes to be appropriated to the Secretary to carry out this section: (1) $15.0 million for FY 2002; and (2) such sums as are necessary for FY 2003 and FY 2004.

Sec. 2343. Nuclear Energy Technologies

Subsection 2343(a) requires the Secretary to conduct a study of Generation IV nuclear energy systems, including development of a technology roadmap and performance of R&D necessary to make an informed technical decision regarding the most promising candidates for commercial application.

Under subsection 2343(b), to the extent practicable, in conducting the study under subsection 2343(a), the Secretary shall study nuclear energy systems that offer the highest probability of achieving the goals for Generation IV nuclear energy systems, including: (1) economics competitive with any other generators; (2) enhanced safety features, including passive safety features; (3) substantially reduced production of high-level waste, as compared with the quantity of waste produced by reactors in operation on the date of enactment of this Act; (4) highly proliferation-resistant fuel and waste;

(5) sustainable energy generation including optimized fuel utilization; and (6) substantially improved thermal efficiency, as compared with the thermal efficiency of reactors in operation on the date of enactment of this Act.

In preparing the study under subsection 2343(b), subsection 2343(c) requires the Secretary to consult with appropriate representatives of industry, institutions of higher education, Federal agencies, and international, professional and technical organizations.

Subsection 2343(d) requires that, not later than December 31, 2002, the Secretary shall transmit to the appropriate congressional committees a report describing the activities of the Secretary under this section, and plans for R&D leading to a public/private cooperative demonstration of one or more Generation IV nuclear energy systems. The report shall contain: (A) an assessment of all available technologies; (B) a summary of actions needed for the most promising candidates to be considered as viable commercial options within the five to ten years after the date of the report, with consideration of regulatory, economic, and technical issues; (C) a recommendation of not more than three promising Generation IV nuclear energy system concepts for further development; (D) an evaluation of opportunities for public/private partnerships; (E) a recommendation for the structure of a public/private partnership to share in development and construction costs; (F) a plan leading to the selection and conceptual design, by September 30, 2004, of at least one Generation IV nuclear energy system concept recommended under subparagraph (C) for demonstration through a public/private partnership; (G) an evaluation of opportunities for siting demonstration facilities on DOE land; and (H) a recommendation for appropriate involvement of other Federal agencies.

Subsection 2343(e) authorizes to be appropriated to the Secretary to carry out this section: (1) $20.0 million for FY 2002; and (2) such sums as are necessary for FY 2003 and FY 2004.

Sec. 2344. Authorization of Appropriations

Subsection 2344(a) authorizes activities under this title for nuclear energy operation and maintenance, including amounts authorized under sections 2304(a) (University Nuclear Science and Engineering), 2321(c) (Advanced Fuel Recycling Technology R&D Program), 2341(c) (Nuclear Energy Research Initiative), 2342(c) (Nuclear Energy Plant Optimization Program), and 2343(e) (Nuclear Energy Technologies), and including Advanced Radioisotope Power Systems, Test Reactor Landlord, and Program Direction, $191.2 million for FY 2002, $199.0 million for FY 2003, and $207.0 million for FY 2004, to remain available until expended.

Subsection 2344(b) authorizes:

(1) $0.95 million for FY 2002, $2.2 million for FY 2003, $1.246 million for FY 2004, and $1.699 million for FY 2005 for completion of construction of Project 99–E–200, Test Reactor Area (TRA) Electric Utility Upgrade, Idaho National Engineering and Environmental Laboratory (INEEL); and

(2) $0.5 million for each of FY 2002 through FY 2005 for completion of construction of Project 95–E–201, TRA Fire and Life Safety Improvements, INEEL.

Subsection 2344(c) provides that none of the funds authorized to be appropriated in subsection 2481(a) may be used for: "(1) Nuclear Energy Isotope Support and Production; (2) Argonne National Laboratory-West Operations; (3) Fast Flux Test Facility; or (4) Nuclear Facilities Management." These limitations are included to preserve the Science Committee's sole jurisdiction over the bill since the jurisdiction of programs under this subsection either resides with the Committee on Energy and Commerce or is shared with that Committee.

TITLE IV—FOSSIL ENERGY

Subtitle A—Coal

Sec. 2401. Coal and Related Technologies Programs

Subsection 2401(a) authorizes to be appropriated to the Secretary $172.0 million for FY 2002, $179.0 million for FY 2003, and $186.0 million for FY 2004, to remain available until expended, for other coal and related technologies programs, which shall include: (1) Innovations for Existing Plants; (2) Integrated Gasification Combined Cycle; (3) advanced combustion systems; (4) Turbines; (5) Sequestration Research and Development; (6) innovative technologies for demonstration; (7) Transportation Fuels and Chemicals; (8) Solid Fuels and Feedstocks; (9) Advanced Fuels Research; and (10) Advanced Research.

Notwithstanding subsection 2401(a), subsection 2405(b) prohibits the use of funds to carry out the activities authorized by this subtitle after September 30, 2002, unless the Secretary has transmitted to the appropriate congressional committees the report required by this subsection and one month have elapsed since that transmission. The report must include a plan containing: (1) a detailed description of how proposals will be solicited and evaluated, including a list of all activities expected to be undertaken; (2) a detailed list of technical milestones for each coal and related technology that will be pursued; and (3) a description of how the programs authorized in this section will be carried out so as to complement and not duplicate activities authorized under division E (Clean Coal Power Initiative).

TITLE IV—FOSSIL ENERGY

Subtitle B—Oil and Gas

Sec. 2421. Petroleum-Oil Technology

Section 2421 directs the Secretary to conduct a RD&D and commercial application program on petroleum-oil technology. The programs shall address: (1) Exploration and Production Supporting Research; (2) Oil Technology Reservoir Management/Extension; and (3) Effective Environmental Protection.

Sec. 2422. Gas

Section 2422 directs the Secretary to conduct a program of RD&D and commercial application on natural gas technologies. The program shall address: (1) Exploration and Production; (2) Infrastructure; and (3) Effective Environmental Protection.

TITLE IV—FOSSIL ENERGY

Subtitle C—Ultra-Deepwater and Unconventional Drilling

Sec. 2441. Short Title

Section 2441 cites the subtitle as the "Natural Gas and Other Petroleum Research, Development, and Demonstration Act of 2001."

Sec. 2442. Definitions

Section 2442 defines six terms, including the terms "deepwater" to mean water depths greater than 200 meters but less than 1,500 meters, "ultra-deepwater" to mean water depths greater than 1,500 meters, and "unconventional" to mean located in heretofore inaccessible or uneconomic formations on land.

Sec. 2443. Ultra-Deepwater Program

Section 2443 requires the Secretary to establish a program of RD&D of ultra-deepwater natural gas and other petroleum exploration and production technologies, in areas currently available for Outer Continental Shelf leasing. The program shall be carried out by the Research Organization as provided in this subtitle.

Sec. 2444. National Energy Technology Laboratory

The National Energy Technology Laboratory (NETL) and the U.S. Geological Survey (USGS), when appropriate, shall carry out programs of long-term research into new natural gas and other petroleum exploration and production technologies and environmental mitigation technologies for production from unconventional and ultra-deepwater resources, including methane hydrates. NETL shall conduct a program of RD&D of new technologies for the reduction of greenhouse gas emissions from unconventional and ultra-deepwater natural gas or other petroleum exploration and production activities, including sub-sea floor carbon sequestration technologies.

Sec. 2445. Advisory Committee

Within six months after the date of the enactment of this Act, subsection 2445(a) requires the Secretary to establish an Advisory Committee consisting of seven members, each having extensive operational knowledge of and experience in the natural gas and other petroleum exploration and production industry who are not Federal Government employees or contractors. A minimum of four members shall have extensive knowledge of ultra-deepwater natural gas or other petroleum exploration and production technologies, a minimum of two members shall have extensive knowledge of unconventional natural gas or other petroleum exploration and production technologies, and at least one member shall have extensive knowledge of greenhouse gas emission reduction technologies, including carbon sequestration.

Subsection 2445(b) defines the function of the Advisory Committee to be to advise the Secretary on the selection of an organization to create the Research Organization and on the implementation of this subtitle.

Under subsection 2445(c), members of the Advisory Committee shall serve without compensation but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

Subsection 2445(d) provides that the costs of activities carried out by the Secretary and the Advisory Committee under this subtitle shall be paid or reimbursed from the Fund established in section 2450.

Under subsection 2455(e), Section 14 of the Federal Advisory Committee Act shall not apply to the Advisory Committee.

See. 2446. Research Organization

Subsection 2446(a) requires the Secretary, within six months after the date of the enactment of this Act, to solicit proposals from eligible entities for the creation of the Research Organization, and within three months after such solicitation, to select an entity to create the Research Organization.

Under subsection 2446(b), entities eligible to create the Research Organization shall: (1) have been in existence as of the date of the enactment of this Act; (2) be entities exempt from tax under section 501(o)(3) of the Internal Revenue Code of 1986; and (3) be experienced in planning and managing programs in natural gas or other petroleum exploration and production RD&D.

Subsection 24246(c) requires that a proposal from an entity seeking to create the Research Organization shall include a detailed description of the proposed membership and structure of the Research Organization.

The functions of the Research Organization, as defined in subsection 2446(c) are to: (1) award grants on a competitive basis to qualified research institutions, institutions of higher education, companies, and consortia of same for the purpose of conducting RD&D of unconventional and ultra-deepwater natural gas or other petroleum exploration and production technologies; and (2) review activities under those grants to ensure that they comply with the requirements of this subtitle and serve the purposes for which the grants were made.

Sec. 2447. Grants

Subsection 2447(a) provides for three types of grants: (1) unconventional, for RD&D of technologies aimed at unconventional reservoirs; (2) ultra-deepwater, for R&D of technologies aimed at ultra-deepwater areas; and (3) ultra-deepwater architecture. In the case of ultradeepwater architecture, the Research Organization shall award a grant to one or more consortia for the purpose of developing and demonstrating the next generation architecture for ultradeepwater production of natural gas and other petroleum.

Subsection 2447(b) provides that grants under this section shall contain seven specific conditions:

1. If the grant recipient consists of more than one entity, the recipient shall provide a signed contract agreed to by all participating members clearly defining all rights to intellectual property for existing technology and for future inventions conceived and developed using funds provided under the grant, in a manner that is consistent with applicable laws.

2. There shall be a repayment schedule for Federal dollars provided for demonstration projects under the grant in the event of a successful commercialization of the demonstrated technology. Such repayment schedule shall provide that the payments are made to the Secretary with the express intent that these payments not impede the adoption of the demonstrated technology in the marketplace. In the event that such impedance occurs due to market forces or other factors, the Research Organization shall renegotiate the grant agreement so that the acceptance of the technology in the marketplace is enabled.

3. Applications for grants for demonstration projects shall clearly state the intended commercial applications of the technology demonstrated.

4. The total amount of funds made available under a grant provided under subsection 2447(a)(3) for ultra-deepwater architecture shall not exceed 50 percent of the total cost of the activities for which the grant is provided.

5. The total amount of funds made available under a grant provided either under subsection 2447(a)(1) for unconventional reservoirs or under subsection 2447(a)(2) for ultradeepwater areas shall not exceed 50 percent of the total cost of the activities covered by the grant, except that the Research Organization may elect to provide grants covering a higher percentage, not to exceed 90 percent, of total project costs in the case of grants made solely to independent producers.

6. An appropriate amount of funds provided under a grant shall be used for the broad dissemination of technologies developed under the grant to interested institutions of higher education, industry, and appropriate Federal and State technology entities to ensure the greatest possible benefits for the public and use of government resources.

7. Demonstrations of ultra-deepwater technologies for which funds are provided under a grant may be conducted in ultra-deepwater or deepwater locations.

Subsection 2447(c) requires that funds available for grants under this subtitle be allocated as follows: (1) 15 percent shall be for grants under subsection 2447(a)(1) for unconventional reservoirs; (2) 15 percent shall be for grants under subsection 2447(a)(2) for ultra-deepwater areas; (3) 60 percent shall be for grants under subsection 2447(a)(3) for ultra-deepwater architecture; and (4) 10 percent shall be for the NETL and the USGS, when appropriate, for carrying out section 2444.

Sec. 2448. Plan and Funding

Subsection 2448(a) requires the Research Organization to transmit to the Secretary an annual plan proposing projects and funding of activities under each paragraph of section 2447(a).

Under subsection 2448(b), the Secretary shall have one month to review the annual plan, and shall approve the plan, if it is consistent with this subtitle. If the Secretary approves the plan, the Secretary shall provide funding as proposed in the plan. If the Secretary does not approve the plan, subsection 2448(c) provides that the Secretary shall notify the Research Organization of the reasons for disapproval and shall withhold funding until a new plan is submitted which the Secretary approves, Within one month after notifying the Research Organization of a disapproval, the Secretary shall notify the appropriate congressional committees of the disapproval.

Sec. 2449. Audit

Section 2449 requires the Secretary to retain an independent, commercial auditor to determine the extent to which the funds authorized by this subtitle have been expended in a manner consistent with the purposes of this subtitle. The auditor must transmit a report annually to the Secretary, who shall transmit the report to the appropriate congressional committees, along with a plan to remedy any deficiencies cited in the report.

Sec. 2450. Fund

Subsection 2450(a) establishes a fund to be known as the "Ultra-Deepwater and Unconventional Gas Research Fund" (Fund) in the United States Treasury (Treasury), which shall be available for obligation to the extent provided in advance in appropriations Acts for allocation under section 2447(c) above.

Subsection 2450(b) specifies the Fund's three funding sources:

1. Loans from the Treasury—Subsection 2450(b)(1) authorizes to be appropriated to the Secretary $900.0 million for the period encompassing FY 2002 through FY 2009. Such amounts shall be deposited by the Secretary in the Fund, and shall be considered loans from the Treasury. Income received by the United States in connection with any ultra-deepwater oil and gas leases shall be deposited in the Treasury and considered as repayment for the loans under this paragraph.

2. Additional Appropriations—Subsection 2450(b)(2) authorizes to be appropriated to the Secretary such sums as may be necessary for FY 2002 through FY 2009, to be deposited in the Fund.

3. Oil and Gas Lease Income—To the extent provided in advance in appropriations Acts, not more than 7.5 percent of the income of the United States from Federal oil and gas leases may be deposited in the Fund for FY 2002 through FY 2009. The Congressional Budget Office estimates these amounts to total $3.616 billion.

Sec. 2451. Sunset

Under section 2451, no funds are authorized to be appropriated for carrying out this subtitle after FY 2009, and the Research Organization is terminated when it has expended all funds made available pursuant to this subtitle.

TITLE IV—FOSSIL ENERGY

Subtitle D—Fuel Cells

Sec. 2461. Fuel Cells

Section 2461(a) requires the Secretary to conduct a program of research, development, RD&D and commercial application on fuel cells. The program shall address: (1) Advanced Research; (2) Systems Development; (3) Vision 21-Hybrids; and (4) Innovative Concepts.

In addition to the program under subsection 2461(a), subsection 2461(b) requires the Secretary, in consultation other Federal agencies, as appropriate, to establish a program for the demonstration of fuel cell technologies, including fuel cell proton exchange membrane technology, for commercial, residential, and transportation applications. The program shall specifically focus on promoting the application of and improved manufacturing production and processes for fuel cell technologies.

Under subsection 2461(c), within the amounts authorized to be appropriated under subsection 2481(a), there are authorized to be appropriated to the Secretary for the purpose of carrying out subsection 2461 (b) $28.0 million for each of FY 2002, 2003, and 2004.

TITLE IV—FOSSIL ENERGY

Subtitle E—DOE Authorization of Appropriations

Sec. 2481. Authorization of appropriations

Subsection 2481 (a) authorizes appropriations for subtitle B (Oil and Gas) and subtitle D (Fuel Cells), and for Fossil Energy Research and Development Headquarters Program Direction, Field Program Direction, Plant and Capital Equipment, Cooperative Research and Development, Import/Export Authorization, and Advanced Metallurgical Processes $282.0 million for FY 2002, $293.0 million for FY 2003, and $305.0 million for FY 2004.

Subsection 2481(b) provides that none of the funds authorized to be appropriated in subsection 2481(a) may be used for: "(1) Gas Hydrates; (2) Fossil Energy Environmental Restoration; or (3) RD&D and commercial application on coal and related technologies, including activities under subtitle A." The first limitation is imposed because the Methane Hydrate Act of 2000 has been recently enacted and has its own separate authorization. The second limitation is included to preserve the Science Committee's sole jurisdiction over the bill, since the jurisdiction of Fossil Energy Environmental Restoration is shared with the Committee on Energy and Commerce. The third limitation is imposed to limit the amount of coal funding to that contained in subtitle A.

TITLE V—SCIENCE

Subtitle A—Fusion Energy Sciences

Sec. 2501. Short Title

Section 2501 cites the subtitle as the "Fusion Energy Sciences Act of 2001."

Sec. 2502. Findings

Section 2502 lists nine findings.

Sec. 2503. Plan for Fusion Experiment

Subsection 2503(a) requires the Secretary, in full consultation with the Fusion Energy Sciences Advisory Committee and the Secretary of Energy Advisory Board as appropriate, to develop a plan for construction in the United States of a magnetic fusion burning plasma experiment for the purpose of accelerating scientific understanding of fusion plasmas. The Secretary shall request a review of the plan by the National Academy of Sciences (NAS), and shall transmit the Department plan and the NAS review to the Congress by July 1, 2004.

Subsection 2503(b) requires the plan to: (1) address key burning plasma physics issues; and (2) include specific information on the scientific capabilities of the proposed experiment, the relevance of these capabilities to the goal of practical fusion energy, and the overall design of the experiment including its estimated cost and identifying potential construction sites.

Subsection 2503(c) authorizes the Secretary, in full consultation with the Fusion Energy Sciences Advisory Committee and the Secretary of Energy Advisory Board as appropriate, to develop a plan for the United States participation in an international burning plasma experiment for the purpose of accelerating scientific understanding of fusion plasmas, whose construction is found by the Secretary to be highly likely and where the United States participation is cost effective relative to the cost and scientific benefits of a domestic experiment described in subsection 2503(a). If the Secretary elects to develop a plan under this subsection, the Secretary shall include the information described in subsection 2503(b), and an estimate of the cost of United States participation in such an international experiment. The Secretary shall request a review by the NAS of any such plan, shall transmit the plan and the review to the Congress by July 1, 2004.

Subsection 2503(d) authorizes the Secretary, through the Department's Fusion Energy Sciences Program, to conduct any R&D necessary to fully develop the plans described in this section.

Sec. 2504. Plan for Fusion Energy Sciences Program

Section 2504 requires that within six months after the enactment of this Act, the Secretary, in full consultation with the Fusion Energy Sciences Advisory Committee, to develop and transmit to the Congress a plan for the purpose of ensuring a strong scientific base for the Fusion Energy Sciences Program and to enable the burning plasma experiment described in section 2503. Such plan shall ensure: (1) that existing fusion research facilities and equipment are more fully utilized with appropriate measurements and control tools; (2) a strengthened fusion science theory and computational base; (3) that the selection of and funding for new magnetic and inertial fusion research facilities is based on scientific innovation and cost effectiveness; (4) improvement in the communication of scientific results and methods between the fusion science community and the wider scientific community; (5) that adequate support is provided to optimize the design of the magnetic fusion burning plasma experiment referred to in section 2503; (6) that inertial confinement fusion facilities are utilized to the extent practicable for the purpose of inertial fusion energy R&D; (7) the development of a roadmap for a fusion-based energy source that shows the important scientific questions, the evolution of confinement configurations, the relation between these two features, and their relation to the fusion energy goal; (8) the establishment of several new centers of excellence, selected through a competitive peer-review process and devoted to exploring the frontiers of fusion science; (9) that the NSF, and other agencies, as appropriate, play a role in extending the reach of fusion science and in sponsoring general plasma science; and (10) that there be continuing broad assessments of the outlook for fusion energy and periodic external reviews of fusion energy sciences.

Sec. 2505. Authorization of Appropriations

Section 2505 authorizes—for ongoing activities in Department's Fusion Energy Sciences Program and for the purpose of planning activities under section 2503, but not for implementation of such plans—$320.0 million for FY 2002 and $335.0 million for FY 2003 of which up to $15 million for each of FY 2002 and FY 2003 may be used to establish several new centers of excellence under section 2504(8).

TITLE V—SCIENCE

Subtitle B—Spallation Neutron Source

Sec. 2521. Definition

Section 2521 defines the term "Spallation Neutron Source" to mean Department Project 99E–334, Oak Ridge National Laboratory, Oak Ridge, Tennessee.

Sec. 2522. Authorization of Appropriations

Subsection 2522(a) authorizes to be appropriated to the Secretary for construction of the Spallation Neutron Source (SNS): (1) $276.3 million for FY 2002, (2) $210.571 million for FY 2003, (3) S 124.6 million for FY 2004, (4) $79.8 million for FY 2005, and (5) $41.1 million for FY 2006 for completion of construction.

Subsection 2522(b) authorizes appropriation for other SNS project costs (including R&D necessary to complete the project, preoperations costs, and capital equipment not related to construction) $15.353 million for FY 2002 and $103.279 million for FY 2003 through 2006, to remain available until expended through September 30, 2006.

Sec. 2523. Report

Section 2523 requires the Secretary to report on the SNS as part of Department's annual budget submission, including a description of the achievement of milestones, a comparison of actual costs to estimated costs, and any changes in estimated project costs or schedule.

Sec. 2524. Limitations

Section 2524 limits the total amount obligated for the SNS by the Department, including prior year appropriations, to not more than: (1) S1,192.7 million for costs of construction; (2) $219.0 million for other project costs; and (3) $1,411.7 million for total project cost.

TITLE V—SCIENCE

Subtitle C—Facilities, Infrastructure, and User Facilities

Sec. 2541. Definition

Subsection 2541(1) defines the term "nonmilitary energy laboratory" to mean: (A) Ames Laboratory; (B) Argonne National Laboratory; (C) Brookhaven National Laboratory; (D) Fermi National Accelerator Laboratory; (E) Lawrence Berkeley National Laboratory; (F) Oak Ridge National Laboratory; (G) Pacific Northwest National Laboratory; (H) Princeton Plasma Physics Laboratory; (1) Stanford Linear Accelerator Center; (J) Thomas Jefferson National Accelerator Facility; or (K) any other facility of the Department that the Secretary, in consultation with the Director, Office of Science and the appropriate congressional committees, determines to be consistent with the mission of the Office of Science.

Subsection 2541(2) defines the term "user facility" to mean: (A) an Office of Science facility at a non-military energy laboratory that provides special scientific and research capabilities, including technical expertise and support as appropriate, to serve the research needs of the Nation's universities, industry, private laboratories, Federal laboratories, and others, including research institutions or individuals from other nations where reciprocal accommodations are provided to United States research institutions and individuals or where the Secretary considers such accommodation to be in the national interest; and (B) any other Office of Science funded facility designated by the Secretary as a user facility.

Sec. 2542. Facility and Infrastructure Support for Nonmilitary Energy Laboratories

Subsection 2542(a) requires the Secretary to develop and implement a least-cost nonmilitary energy laboratory facility and infrastructure strategy for: (1) maintaining existing facilities and infrastructure, as needed; (2) closing unneeded facilities; (3) making facility modifications; and (4) building new facilities.

Subsection 2542(b) requires the Secretary to prepare a comprehensive ten-year plan for conducting future facility maintenance, making repairs, modifications, and new additions, and constructing new facilities at each nonmilitary energy laboratory. Such plan is to provide for facilities work in accordance with the following priorities: (1) providing for the safety and health of employees, visitors, and the general public with regard to correcting existing structural, mechanical, electrical, and environmental deficiencies; (2) providing for the repair and rehabilitation of existing facilities to keep them in use and prevent deterioration, if feasible; and (3) providing engineering design and construction services for those facilities that require modification or additions in order to meet the needs of new or expanded programs.

Subsection 2542(c) requires the Secretary to prepare and transmit to the appropriate congressional committees a report containing the plan prepared under subsection 2542(b) within one year after the date of the enactment of this Act. For each nonmilitary energy laboratory, the report is to contain: (1) the current priority list of proposed facilities and infrastructure projects, including cost and schedule requirements; (2) a current ten-year plan that demonstrates the reconfiguration of its facilities and infrastructure to meet its missions and to address its long-term operational costs and return on investment; (3) the total current budget for all facilities and infrastructure funding; and (4) the current status of each facilities and infrastructure project compared to the original baseline cost, schedule, and scope.

The report shall also: (1) include a plan for new facilities and facility modifications at each nonmilitary energy laboratory that will be required to meet the Department's changing missions for the twenty-first century, including schedules and estimates for implementation, and including a section outlining long-term funding requirements consistent with anticipated budgets and annual authorization of appropriations; (2) address the coordination of modernization and consolidation of facilities among the nonmilitary energy laboratories in order to meet changing mission requirements; and (3) provide for annual reports to the appropriate congressional committees on accomplishments, conformance to schedules, commitments, and expenditures.

Sec. 2543. User Facilities

Under subsection 2543(a), when the Department makes a user facility available to universities and other potential users, or seeks input from universities and other potential users regarding significant characteristics or equipment in a user facility or a proposed user facility, the Department shall ensure broad public notice of such availability or such need for input to universities and other potential users.

Subsection 2543(b) requires the Department to employ full and open competition in selecting participants when the Department considers the participation of a university or other potential user in the establishment or operation of a user facility.

Section 2543(c) prohibits the Department from redesignating a user facility, as defined by section 2541 (b) as something other than a user facility to avoid the requirements of subsections (a) and (b).

TITLE V—SCIENCE

Subtitle D—Advisory Panel on Office of Science

Sec. 2561. Establishment

Section 2561 requires the Director of the Office of Science and Technology Policy, in consultation with the Secretary, to establish an Advisory Panel on the Office of Science comprised of knowledgeable individuals to: (1) address concerns about the current status and the future of scientific research supported by the Office; (2) examine alternatives to the current organizational structure of the Office within the Department, taking into consideration existing structures for the support of scientific research in other Federal agencies and the private sector; and (3) suggest actions to strengthen the scientific research supported by the Office that might be taken jointly by the Department and Congress.

Sec. 2562. Report

Under section 2562, within six months after the date of the enactment of this Act, the Advisory Panel shall transmit its findings and recommendations in a report to the Director of the Office of Science and Technology Policy and the Secretary. The Director and the Secretary shall jointly: (1) consider each of the Panel's findings and recommendations, and comment on each as they consider appropriate; and (2) transmit the Panel's report and the comments of the Director and the Secretary on the report to the appropriate congressional committees within nine months after the date of the enactment of this Act.

TITLE V—SCIENCE

Subtitle E—Department of Energy Authorization of Appropriations

Sec. 2581. Authorization of appropriations

Including the amounts authorized to be appropriated for FY 2002 under section 2505 for Fusion Energy Sciences and under subsection 2522(b) for the SNS, subsection 2581(a) authorizes to be appropriated to the Secretary for the Office of Science (also including subtitle C—Facilities, Infrastructure, and User Facilities, High Energy Physics, Nuclear Physics, Biological and Environmental Research, Basic Energy Sciences (except for the SNS authorization under subsection 2522(b)), Advanced Scientific Computing Research, Energy Research Analysis, Multiprogram Energy Laboratories-Facilities Support, Facilities and Infrastructure, Safeguards and Security, and Program Direction) operation and maintenance $3,299.558 million for FY year 2002, to remain available until expended.

Subsection 2581(b) provides that within the amounts authorized under subsection (a), $5.0 million for FY 2002 may be used to carry out research in the use of precious metals (excluding platinum, palladium, and rhodium) in catalysis, either directly though national laboratories, or through the award of grants, cooperative agreements, or contracts with public or nonprofit entities.

Subsection 2581(c) provides that in addition to the amounts authorized under subsection 2522(a) for SNS construction, subsection 2581 (b) authorizes:

(1) $11.4 million for FY 2002 for completion of construction of Project 98–G–304, Neutrinos at the Main Injector, Fermi National Accelerator Laboratory;

(2) $11.405 million for FY 2002 for completion of construction of Project 01–E–300, Laboratory for Comparative and Functional Genomics, Oak Ridge National Laboratory;

(3) $4.0 million for FY 2002, $8.0 million for FY 2003, and $2.0 million for FY 2004 for completion of construction of Project 02–SC–002, Project Engineering Design (PED), Various Locations;

(4) $3.183 million for FY 2002 for completion of construction of Project 02–SC–002, Multiprogram Energy Laboratories Infrastructure Project Engineer-ing Design (PED), Various Locations; and

(5) $18.633 million for FY 2002 and $13.029 million for FY 2003 for completion of construction of Project MEL–001, Multiprogram Energy Laboratories, Infrastructure, Various Locations.

Subsection 2581(d) provides that none of the funds authorized to be appropriated in subsection 2581(b) may be used for construction at any national security laboratory as defined in section 3281(1) of the National Defense Authorization Act for Fiscal Year 2000 (50 U.S.C. 2471(1)) or at any nuclear weapons production facility as defined in section 3281(2) of the National Defense Authorization Act for 2000 (50 U.S.C. 2471(2)). This limitation is included to preserve the Science Committee's sole jurisdiction over the bill, since the jurisdiction of these laboratories and facilities reside with the Committee on Armed Services.

TITLE VI—MISCELLANEOUS

Subtitle A—General Provisions for the Department of Energy

Sec. 2601. Research, Development, Demonstration and Commercial Application of Energy Technology Programs, Projects, and Activities

Subsection 2601(a) requires that RD&D and commercial application programs, projects, and activities authorized under this Act be carried out under the procedures of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.), the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.), or any other Act under which the Secretary is authorized to carry out such programs, projects, and activities, only to the extent the Secretary is authorized to carry out such activities under each Act and except as otherwise provided in this Act.

Subsection 2601(b) authorizes the Secretary to use grants, joint ventures, and any other form of agreement available to the Secretary to the extent authorized under applicable provisions of law, contracts, cooperative agreements, cooperative R&D agreements under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), except as otherwise provided in this Act, to carry out RD&D and commercial application programs, projects, and activities.

Subsection 2601(c) defines the term "joint venture" for the purpose of this section to have the meaning given that term under section 2 of the National Cooperative Research and Production Act of 1993 (15 U.S.C. 4301), except that such term applies to RD&D and commercial application of energy technology joint ventures.

Subsection 2601(d) requires that section 12(c)(7) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(c)(7)), relating to the protection of information, will apply to RD&D and commercial application of energy technology programs, projects, and activities under this Act.

Under subsection 2601(e), an invention conceived and developed by any person using funds provided through a grant under this Act shall be considered a subject invention for the purposes of chapter 18 of title 35, United States Code (commonly referred to as the Bayh-Dole Act).

Subsection 2601(f) requires the Secretary to ensure that each program authorized by this Act includes an outreach component to provide information, as appropriate, to manufacturers, consumers, engineers, architects, builders, energy service companies, universities, facility planners and managers, State and local governments, and other entities.

Subsection 2601(g) requires the Secretary to provide guidelines and procedures for the transition of energy technologies from research through development and demonstration to commercial application of energy technology where appropriate. Nothing in this section precludes the Secretary from: (1) entering into a contract, cooperative agreement, cooperative R&D agreement under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), grant, joint venture, or any other form of agreement available to the Secretary under this section that relates to RD&D and commercial application of energy technology; or (2) extending a contract, cooperative agreement, cooperative R&D agreement under the Stevenson-Wydler Technology Innovation Act of 1980, grant, joint venture, or any other form of agreement available to the Secretary that relates to RD&D to cover commercial application of energy technology.

Subsection 2601(h) states that this section shall not apply to any contract, cooperative agreement, cooperative R&D agreement under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), grant, joint venture, or any other form of agreement available to the Secretary that is in effect as of the date of enactment of this Act.

Sec. 2602. Limits on Use of Funds

Subsection 2602(a) prohibits the use of funds authorized by this Act to award a management and operating contract for a federally owned or operated nonmilitary energy laboratory of the Department unless such contract is awarded using competitive procedures or the Secretary grants, on a case-bycease basis, a waiver to allow for such a deviation. The Secretary may not delegate the authority to grant such a waiver. At least 60 days before a contract award, amendment, or modification for which the Secretary intends to grant such a waiver, the Secretary shall submit to the appropriate congressional committees a report notifying the committees of the waiver and setting forth the reasons for the waiver.

Subsection 2602(b) prohibits the Secretary from using funds to produce or provide articles or services for the purpose of selling the articles or services to a person outside the Federal Government, unless the Secretary determines that comparable articles or services are not available from a commercial source in the United States.

Subsection 2602(c) prohibits the Secretary from using funds to prepare or initiate Requests for Proposals for a program if Congress has not authorized the program.

Sec. 2603. Cost Sharing

Except as otherwise provided in this subtitle, subsection 2603(a) mandates that for R&D programs carried out under this subtitle, the Secretary shall require a commitment from non-Federal sources of at least 20 percent of the cost of the project. The Secretary may reduce or eliminate the non-Federal requirement under this subsection if the Secretary determines that the R&D is of a basic or fundamental nature.

Similarly, under subsection 2603(b) the Secretary shall require at least 50 percent of the costs directly and specifically related to any demonstration or commercial application project under this subtitle to be provided from non-Federal sources. The Secretary may reduce the non-Federal requirement under this subsection if the Secretary determines that the reduction is necessary and appropriate considering the technological risks involved in the project and is necessary to meet the objectives of this subtitle.

In calculating the amount of the non-Federal commitment under subsection (a) or (b), the Secretary may include personnel, services, equipment, and other resources.

Sec. 2604. Limitations on Demonstrations and Commercial Application of Energy Technology

Section 2604 requires the Secretary to provide funding only for scientific or energy demonstration and commercial application of energy technology programs, projects or activities for technologies or processes that can reasonably be expected to yield new, measurable benefits to the cost, efficiency, or performance of the technology or process.

Sec. 2605. Reprogramming

Section 2605 prohibits the reprogramming of funds in excess of 105 percent of the amount authorized for a program, project, or activity, or in excess of $0.25 million above the amount authorized for the program, program, project, or activity until the Secretary submits a report to the appropriate congressional committees and a period of 30 days has elapsed after the date on which the report is received. The report shall be a full and complete statement of the proposed reprogramming and the facts and circumstances in support of the proposed reprogramming. This section prohibits the Secretary from obligating funds in excess of the total amount authorized to be appropriated to the Secretary by this Act and prohibits the Secretary from using funds for any use for which Congress has declined to authorize funds.

TITLE VI—MISCELLANEOUS

Subtitle B—Other Miscellaneous Provisions

Sec. 2611. Notice of Reorganization

Section 2611 requires the Secretary to provide notice to the appropriate congressional committees not later than 15 days before any reorganization of environmental research or development, scientific or energy research, development, or demonstration, or commercial application of energy technology program, project, or activity of the Department.

Sec. 2612. Limits on General Plant Projects

Section 2612 requires the Secretary to halt the construction of a civilian environmental research, development, or demonstration, or commercial application of energy technology "general plant project" if the estimated cost of the project (including any revisions) exceeds $5.0 million unless the Secretary has famished a complete report to the appropriate congressional committees explaining the project and the reasons for the estimate or revision.

Sec. 2613. Limits on Construction Projects

Section 2613 prohibits construction on a civilian environmental R&D, scientific or energy RD&D, or commercial application of energy technology project for which funding has been specifically authorized by law to be initiated and continued if the estimated cost for the project exceeds 110 percent of the higher of: (1) the amount authorized for the project; or (2) the most recent total estimated cost presented to Congress as budget justification for such project. To exceed such limits, the Secretary must report in detail to the appropriate congressional committees on the related circumstances and the report must be before the appropriate congressional committees for 30 legislative days (excluding any day on which either House of Congress is not in session because of an adjournment of more than three days to a day certain). This section shall not apply to any construction project that has a current estimated cost of less than $5.0 million.

Sec. 2614. Authority for Conceptual and Construction Design

Section 2614 limits the Secretary's authority to request construction funding in excess of $5.0 million for a civilian environmental R&D, scientific or energy research, development, or demonstration, or commercial application of energy technology program, project, or activity until the Secretary has completed a conceptual design for that project. Furthermore, if the estimated cost of completing a conceptual design for the construction project exceeds $0.75 million, the Secretary must submit a request to Congress for funds for the conceptual design before submitting a request for the construction project. In addition, the subsection allows the Secretary to carry out construction design (including architectural and engineering services) in connection with any proposed construction project that is in support of a civilian environmental R&D, scientific or energy research, development, and demonstration, or commercial application of energy technology program, project, or activity of the Department if the total estimated cost for such design does not exceed $0.25 million; if the total estimated cost for construction design exceeds $0.25 million, funds for such design must be specifically authorized by law.

Sec. 2615. National Energy Policy Group Mandated Reports

Subsection 2615(a) requires that upon completion of the Secretary's review of current funding and historic performance of the Department's energy efficiency, renewable energy, and alternative energy R&D programs in response to the recommendations of the May 16, 2001, Report of the National Energy Policy Development Group, the Secretary shall transmit a report containing the results of such review to the appropriate congressional committees.

Subsection 2615(b) requires that upon completion of the Office of Science and Technology Policy and the President's Council of Advisors on Science and Technology reviewing and making recommendations on using the Nation's energy resources more efficiently, in response to the recommendations of the May 16, 2001, Report of the National Energy Policy Development Group, the Director of the Office of Science and Technology Policy shall transmit a report containing the results of such review and recommendations to the appropriate congressional committees.

Sec. 2616. Independent Reviews and Assessments

Section 2616 requires the Secretary to enter into appropriate arrangements with the National Academies of Sciences and Engineering to ensure that there be periodic reviews and assessments of the programs authorized by this Act, as well as the goals for such programs as established under section 2004. Such reviews and assessments shall be conducted at least every five years, and the Secretary shall transmit to the appropriate congressional committees reports containing the results of these reviews and assessments.

III. COMMITTEE ON SCIENCE VIEWS ON H.R. 4, SECURING AMERICA'S FUTURE ENERGY (SAFE) ACT OF 2001

DIVISION B: COMPREHENSIVE ENERGY RESEARCH AND TECHNOLOGY ACT OF 2001

Sec. 2004. Goals

The cost and performance-based goals in section 2004 guide and unify the RD&D and commercial applications programs authorized in this Act. The Secretary must refine and update measurable cost and performance-based goals in furtherance of the Act's purposes in section 2003 on a biennial basis. As provided in section 2616, the Secretary must enter into arrangements with the National Academies of Sciences and Engineering for periodic reviews and assessments of the programs in the Act and the goals established under section 2004.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle A—Alternative Fuel Vehicles

In selecting applicants and project sites, the Secretary should, consistent with subsection 2103(d)(1), give special consideration to proposals that address environmental needs in actual and potential Clean Air Act nonattainment areas like the Washington, DC metropolitan region and in communities seeking to meet zero air emissions goals, like Santa Clara County, California.

The Committee considers the United States Postal Service (USPS) a "partner" or entity eligible for funding under the alternative fuel vehicle program, The Committee commends the USPS for taking a leadership role in the conversion of its aging fleet to more environmentally sound electric vehicles. Over the next five years, some 6,000 Long-Life Vehicles will replace an aging fleet of trucks in southern California, New York, and the Washington, DC metropolitan area. It is estimated that over three million gallons of fuel will be saved, and 170,000 tons of carbon dioxide will be removed from the environment as a result of the effort. The Committee encourages the USPS to continue this important procurement and, in doing so, show leadership to other governmental entities considering the advancement and deployment of alternative fuel vehicles.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle B—Distributed Power Hybrid Energy Systems

The Committee notes that the National Renewable Energy Laboratory (NREL) currently performs certain duties of this subtitle, especially with regard to performing and integrating RD&D activities related to distributed power hybrid systems, and expects NREL to continue and expand these activities.

The Committee encourages the Secretary to solicit proposals from institutions of higher education for sharing costs of acquisitions, installation, instrumentation, data acquisition, and data analysis and reporting for building cooling/heating and power systems, district energy systems, and other distributed energy resources. In this regard, the Secretary should consider, proposals emphasizing installations using emerging technologies, developed with the support of the

Department, that offer energy efficiency and/or environmental benefits. The Committee also encourages the Department to require performance reports back from recipients of these awards detailing steps taken, efficiency gains achieved, and educational benefits realized. These reports would constitute "case studies" demonstrating the viability of these systems. Should the Secretary require such reports, funding for the reporting should be included in the grant or contract.

Sec. 2123. Strategy, Sec. 2124. High Power Density Industry Program

Subsection 2123(b)(5) describes a RD&D and commercial application program to be implemented as part of the Distributed Power Hybrid Systems Strategy. Subsection 2124(b) identifies areas that should be considered in carrying out the program to improve energy efficiency, reliability, and environmental responsibility in high power density industries. Existing programs are already researching real-time performance monitoring, conserving and optimizing energy systems, simulation and analysis of power systems, and utilization of power generation byproducts in an environmentally friendly manner. This work can become a base for implementing the Distributed Power Hybrid Systems Strategy and the High Power Density Industry Program. The Secretary should rely on research and technology development work already begun at State Centers of Excellence such as the Center for Electric Power at Tennessee Technological University to accelerate implementation of sections 2123 and 2124.

Sec. 2125. Micro-Cogeneration Energy Technology

Section 2125 is intended to help realize the potential of cogeneration technology as a clean source of energy for a variety of applications. Many believe the space heating industry is often overlooked in the development of such distributed cogeneration systems. The Committee believes that, with further research and development, cogeneration of electric power as a byproduct of building heating system operation could provide significant environmental benefits at low cost and high reliability and that the heating appliance industry is uniquely positioned to provide reliable electricity using environmentally friendly cogeneration power with practical technology.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle D—Green School Buses

The Committee directs the Secretary to ensure that grants under this subtitle will demonstrate the use of alternative fuel school buses and, as a result, lead to the replacement of pre–1977 (model year) diesel and gas buses and pre–1991 (model year) diesel buses and, in limited situations (such as in low income areas), the expansion of existing fleets using conventional fuel buses with new, alternative fuel buses. In providing grants under this subtitle, the Secretary shall ensure that recipients of assistance certify that replaced buses are crushed or otherwise appropriately disposed of in accordance with law.

Coordination of Alternative Fuel Bus Programs

Division B contains various authorities relating to alternative fuel buses, such as title I, subtitle A (Alternative Fuel Vehicles), title I, subtitle D (Green School Buses), section 2206(2) (fuel cell bus demonstrations under the Spark M. Matsunaga Hydrogen RD&D Act of 1990), and relating to transportation applications for fuel cells (subsection 2461 (b)). The Committee intends that the Secretary will coordinate implementation of the various provisions to maximize their integration and effectiveness.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle F—DOE Authorization of Appropriations

The Committee directs the Department to continue RD&D on Smart Window technologies including electro-chromics and other advanced technologies in energy-efficient windows, doors, and skylights.

The Committee is aware of the potential of optical/graphical programming for driving, controlling, and improving virtually all types of electric motors. Successful development of a simple, low cost, and generic solution for the intelligent control of electric motors could significantly improve the energy efficiency of electric motors. Such technology could have tremendous impact on the heating, ventilation, and air conditioning industry, among others. In FY 2001, the DOE, through the Office of Industrial Technologies, invested in several promising energy efficient technologies, including the development of an optical programming system for intelligent control of electric air conditioning motors. The Committee strongly encourages the Department to further increase its investment in optical/graphical programming technologies.

The Committee is aware of various engine technologies, including an axial piston OX2 engine, which have numerous potential advantages over the design of conventional internal combustion engines. The Secretary should, where appropriate, support efforts by universities and the private sector to continue, and expand, development and testing of technologies that provide environmental advantages over current conventional engines, such as improved power-to-weight ratios, improved fuel efficiencies, and reduced air emissions.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle G—EPA Office of Air and Radiation Authorization of Appropriations

Sec. 2175. Limitation on Demonstration and Commercial Applications of Energy Technology

The phrase "measurable benefits to the cost, efficiency, or performance of the technology or process" in section 2175 includes environmental considerations. The Committee does not intend for this provision to curtail the demonstration or commercial application of energy technologies that are efficient, effective, and environmentally beneficial. The Committee believes this interpretation regarding EPA technologies should also apply to section 2604, relating to DOE technologies.

TITLE II—RENEWABLE ENERGY

Subtitle A—Hydrogen

Section 2206 amends the Spark M. Matsunaga Hydrogen RD&D Act of 1990 to establish a fuel cell bus demonstration program to address hydrogen production, storage, and use in transit bus applications. The Committee recognizes that fuel cell technology could significantly contribute to improving the cost effectiveness and environmental impact of mass transit options, particularly in municipal buses and in shuttle buses such as those operating at large airports. However, more research needs to be done to address a number of issues related to this technology. This demonstration program should specifically address all aspects of the introduction of this new technology, including the following components:

(1) Development, installation, and operation of a hydrogen delivery system located on-site at transit bus terminals.

(2) Development, installation, and operation of on-site storage associated with the hydrogen delivery systems as well as storage tank systems incorporated into the bus itself.

(3) Demonstration of use of hydrogen as a practical, safe, renewable energy source in a highly efficient, zero-emission power system for buses.

(4) Development of a hydrogen proton exchange membrane fuel cell power system that is confirmed and verified as being compatible with transit bus application requirements.

(5) Durability testing of the fuel cell bus.

(6) Identification and implementation of necessary codes and standards for the safe use of hydrogen as a fuel suitable for bus application, including the fuel cell power system and related operational facilities.

(7) Identification and implementation of maintenance and overhaul requirements for hydrogen proton exchange membrane fuel cell transit buses.

(8) Completion of fleet vehicle evaluation program by bus operators along normal transit routes, providing equipment manufacturers and transit operators with the necessary analyses to enable operation of the hydrogen proton exchange membrane fuel cell bus under a range of operating environments.

The Committee is aware that the Department of Transportation is currently developing and funding a number of Bus Rapid Transit (BRT) demonstration programs around the country. The Committee believes that the BRT program is structured in a way that would facilitate the execution of this fuel cell bus demonstration program, as well as reducing redundancy in interagency research, and recommends the Secretary consider integrating this fuel cell demonstration with existing BRT initiatives where there is local support to do so.

TITLE II—RENEWABLE ENERGY

Subtitle B—Bioenergy

Sec. 2225. Authorization of Appropriations

Subsection 2225(b) authorizes funds for biofuels energy systems. The Committee is aware of a proposal to establish a biofuels processing facility in New York to convert cellulose materials into levulinic acid for multiple applications. As part of the proposal, the State University of New York College of Environmental Science and Forestry would also develop a Bioenergy and Bioproducts Technology Center, focusing on biofuels from lignocellulosic biomaterial. The Committee strongly encourages the Secretary to consider providing substantial financial assistance for this biofuels proposal.

Subsection 2225(d) authorizes the Secretary to provide assistance for an integrated rice straw project in Gridley, California, to convert rice straw into ethanol, electric power, and silica, and an ethanol production facility in Maryland to convert barley grain into ethanol for use in motor vehicles or other uses.

TITLE II—RENEWABLE ENERGY

Subtitle D—DOE Authorization of Appropriations

Sec. 2261. Authorization of Appropriations

As pointed out in a recent National Research Council review, geothermal energy research at the DOE may be undervalued in light of the significant U.S. and international resource base.

DOE should consider establishing a national geothermal research center with the resources necessary to lead an expanded multi-laboratory geothermal research effort in the years ahead. DOE should also continue to build upon its past efforts to involve industry, university researchers and the national laboratories in strategic planning for the geothermal energy program as it moves this program forward.

The Committee is aware of the promise of emerging geothermal energy systems. Within the Department's budget for geothermal research, the committee urges on-going support for university research on enhanced geothermal systems. University research programs, such as the Energy & Geoscience Institute (EGI) at the University of Utah and the "Geothermal of the West" program, offer the promise of tapping into under-utilized geothermal resources. This program has specific relevance for electrical power in the West, including the Great Basin, Northern California Coast and Cascade Range. Continued investment by DOE in the research into these promising geothermal systems may dramatically reduce dependence on other energy sources, and improve the sustainability of existing geothermal energy systems.

The Committee is aware of the capabilities of Texas Southern University's (TSU) Photovoltaic Laboratory, which has experience in demonstrating the potential of using commercially available photovoltaic equipment to generate electric power for electrically isolated applications in the small commercial sector. The Committee urges the Department to consider using the capabilities of the TSU laboratory in testing and demonstrating components in the R&D phase as well as those already commercialized.

Subsection 2261(b) directs the Secretary to carry out a research program, in conjunction with "other appropriate Federal agencies" on wave powered electric generation. The Committee intends the term "other appropriate Federal agencies" to mean the Office of Naval Research.

TITLE III—NUCLEAR ENERGY

Subtitle A—University Nuclear Science and Engineering

Sec. 2303. Department of Energy Program

The Committee is aware of concerns within the university nuclear research reactor community that DOE may be considering downscaling its support for numerous university reactors. The Committee's authorization of Nuclear Education Programs stands as a strong signal of our desire tc see the Department continue to maintain, and even expand, its support of the existing research reactor infrastructure. Institutions such as the University of Utah Nuclear Engineering Program run robust nuclear research reactor centers. Without their involvement, and the maintenance of their reactor infrastructure, necessary expertise on nuclear safety and storage would be lost to the Western region, at the exact time that nuclear waste products may arrive within the region. The Committee believes that a balanced approach to nuclear power must include on-going support for nuclear research reactors throughout the various regions of the United States.

TITLE IV—FOSSIL ENERGY

SUBTITLE C—ULTRA-DEEPWATER AND UNCONVENTIONAL DRILLING

Subtitle C of title IV, the Natural Gas and Other Petroleum Research, Development, and Demonstration Act of 2001, authorizes a new, ten-year program at the Department for research, development and demonstration of ultra-deepwater natural gas and other petroleum exploration technologies. For purposes of this program, ultra-deepwater is defined to be in excess of 1,500 meters, or approximately 5,000 feet, below the surface of the ocean. The Committee is hopeful that this technology will enable the U.S. to increase the supplies of oil and gas from the middle and western Gulf of Mexico and other areas already open to drilling.

The Department is to carry out the program through a non-profit Research Organization. The Committee based this model on the highly successful example of SEMATECH, which guided jointly-funded efforts of the Department of Defense and the semiconductor industry.

The Committee intends that the Secretary exercise continuing oversight over the Research Organization. It is the Secretary's responsibility to ensure that the public interest is being served by the Research Organization's projects, that the projects are making the desired technical progress, and that the public's money is being properly spent. The Act requires that the Secretary receive and review a specific research plan from the Research Organization each year, and allows the Secretary to withhold the Research Organization's funding for the year until the research plan is satisfactory. The Act also requires annual audits by an independent, outside auditing firm. Such audits were also required of SEMATECH.

The Act provides specific allocations for each of the types of activities enumerated. However, in running the program, the Secretary may find that these allocations are preventing the most efficient and effective expenditure of funds. The Secretary should notify the Committee if the allocations prove problematic.

The Act requires that all the projects undertaken under this program have among their major goals the improvement of safety and the limiting of environmental impacts. The Committee expects the Secretary to carefully monitor the program to ensure that safety and environmental impacts are specifically addressed in the projects funded through the Research Organization.

This program of RD&D would only be applicable in certain areas. Section 2443 prohibits activities through the RD&D provisions of this Act or through any new technologies developed under this section (or any other part of subtitle C) in any offshore areas that are currently under federal moratoria, such as areas off the coasts of California or North Carolina.

TITLE IV—FOSSIL ENERGY

Subtitle D—Fuel Cells

The Committee notes that three separate sections of the bill authorize fuel cell RD&D and commercial application: section 2143(c) pertaining to fuel-cell school buses, section 2206(2) pertaining to fuel cell bus demonstration programs, and section 2461 pertaining to fuel cells. The Committee intends that the Secretary will coordinate implementation of these three provisions to maximize their integration and effectiveness.

The Committee also recognizes that local organizations, such as the Houston-Galveston Area Council, are well equipped to assist the Federal government in demonstrating the benefits from research on fuel cell technologies used for low-emission mass transit vehicles.

TITLE V—SCIENCE

Subtitle E—DOE Authorization of Appropriations

The Committee is concerned about practices employed by the Department to enforce security at DOE scientific laboratories funded under this section. The Committee notes that the perception of racial profiling may have fostered a hostile work environment and may be discouraging certain employees and potential employees from working at DOE facilities. The Committee is concerned that such loss of talent at DOE would endanger DOE's missions to remain technologically competitive and to protect national security.

Mr. Chairman, these provisions reflect a balanced, bipartisan comprehensive approach to energy policy. They significantly increase the Nation's investments in R&D, on conservation and renewable energy sources, two fundamental public needs that are unlikely to be adequately addressed by market forces alone. At the same time, we continue and enhance our investment in research in oil, gas, coal, and nuclear power. We do so in a responsible way.

I am pleased that the bill includes two measures I introduced, one to promote the use of alternative vehicles in general, and the other to promote the use of alternative fuel school buses in particular. These programs will both demonstrate the viability of hybrid electric, natural gas, and ultra-clean diesel technologies and help lower their cost in the marketplace.

Many other Members of Congress on our committee on both sides of the aisle have contributed to portions of the bill, but I want to especially draw attention to the ultra-deep oil drilling research supported by our ranking member, the gentleman from Texas (Mr. HALL), the biofuels section introduced by our Subcommittee on Energy chairman, the gentleman from Maryland (Mr. BARTLETT), numerous sections promoting clean energy supported by our Subcommittee on Energy ranking member, the gentlewoman from California (Ms. WOOLSEY), nuclear science provisions brought to us by the gentlewoman from Illinois (Mrs. BIGGERT), and the hydrogen provision sponsored by the gentleman from California (Mr. CALVERT). That is just the beginning of a long list of contributors. This is a bipartisan team effort.

I also want to draw attention to division E, which includes clean coal provisions worked out in arduous negotiations with the Committee on Energy and Commerce. I want to thank the gentleman from Louisiana (Chairman TAUZIN) and the gentleman from Texas (Mr. BARTON) and the ranking members, the gentleman from Michigan (Mr. DINGELL) and the gentleman from Virginia (Mr. BOUCHER), and their staffs for their cooperation in reaching these agreements. We all agreed to put jurisdictional claims aside for the moment to have the tough decisions and discussions necessary to come up with a good program.

I have to say though that those discussions were made more difficult by the behavior of the coal industry, which continues to display the same sort of sense of entitlement that has made past clean coal programs questionably productive. That is why in this program we have strict environmental and financial standards, to ensure that the projects we fund truly need a taxpayer subsidy; that they will result in marketable advances in technology; and that those technologies will result in real improvements in efficiency and emissions.

Most importantly, we require that at least 80 percent of the money be spent on gasification technology, which, among its other attributes, provides the best chance of preventing carbon dioxide, the leading man-made greenhouse gas, from escaping into the atmosphere.

In fact, throughout the Committee on Science portions of the bill, we are cognizant of the very real threat of global climate change, and we worked to ensure that our Nation's energy policy takes climate change and other environmental issues into account.

I wish that were true of every portion of H.R. 4, but it is not. That is why I oppose the bill in its current form, and I will vote against it if it is not amended. I will be supporting two key amendments. Let me just speak about them for a moment.

If we are serious about reducing our dependence on foreign-source oil, and we have to be serious about that, if we are serious about protecting our environment, and that is of the highest priority, if we are serious about conserving energy, and if we are serious about helping the consumer, then we must pass the Boehlert-Markey amendment to raise corporate average fuel economy standards.

H.R. 4 takes the smallest of steps in the direction of raising CAFE standards, far smaller steps than the National Academy of Sciences says are possible. We do not need a fig leaf CAFE provision that will still leave us exposed to oil shortages, high gas prices and environmental degradation. We need a real, feasible moderate CAFE increase, and that is what the Boehlert-Markey amendment would provide.

Let me point out that the previous speaker said if we go too fast, too far, too soon, we will, and then he outlined some concerns. We are not going too fast, we are not going too far, we are not going too soon. We have come up with a reasonable standard, supported by the documentation of the National Academy of Sciences.

Mr. Chairman, I urge the passage when we get to those amendments.

Mr. Chairman, I reserve the balance of my time.

Mr. HALL of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. HALL of Texas. Mr. Chairman, I rise, of course, in support of H.R. 4, aptly termed the Securing America's Future Energy Act of 2001.

The Committee on Science has worked hard and in a very highly cooperative fashion, I think, to report a comprehensive bill that authorizes existing energy research and development programs of the Department of Energy and authorizes new programs to meet the challenging research needs of this Nation.

I think the committee has done a good job. They certainly have recognized that we cannot put all of our eggs in one basket. We need to pursue research and development activities in energy conservation and energy efficiency and renewable energy technologies, as well as in fossil fuel energy and nuclear energy programs. We need them all. In short, we need to support these applied research programs, which we know are the basic energy research programs of the office of science.

I think we have been generous in funding the program at the National Laboratories and colleges and universities throughout the Nation that are engaged in energy research.

Before yielding time to others, I want to take the opportunity to thank this good chairman, the gentleman from New York (Mr. BOEHLERT), for his interest in working with us to craft a bill that is supported by all the members of the committee. I think that is very unusual for a chairman. That does not happen very often here, but it has happened in our committee. We have worked together.

I thank also the staff of the committee for their tireless efforts in putting together the kind of bill from the Committee on Science that we should all feel very proud to support.

Finally, thanks also to the members of the committee for their suggestions and their contributions and their willingness to work on the committee's bill.

Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY), the ranking member of the Subcommittee on Energy, Ms. Woolsey.

Ms. WOOLSEY. Mr. Chairman, I thank the gentleman for yielding me time, and I thank the gentleman for getting the pronunciation of my name right.

As the ranking member of the Committee on Science's Subcommittee on Energy, I was pleased that the gentleman from Texas (Mr. HALL) and the gentleman from New York (Mr. BOEHLERT) led the way so that the Committee on Science was able to report out a bill that accomplishes much of what I consider important to bring our country's energy policy into the 21st century. In fact, the Committee on Science bill reflects my push for aggressive R&D goals and funding levels for all renewable energy sources. I appreciate the chairman working with me on this shared priority. Unfortunately, this bipartisan model did not take root in the final bill.

It is no surprise to me that in this Chamber we have a variety of visions on what our energy future should look like, but there are points where the people of this country know what is best. And we ought to look at them to be our leaders. For example, many in my district share in the Nation's opposition to drilling for oil in ANWR. They consider it outrageous that drilling in this area is even included in this legislation.

Americans around the country also cringe when they learn that this bill lines the pockets of the fossil fuel and nuclear industries, making these industries, as this bill reflects, our number one priority. It is not appropriate that these industries should be our number one priority, when we know that our focus must be to reduce reliance on fossil fuels and expensive, dangerous nuclear energy. Instead, we should be investing in renewable, safe, and efficient energy sources.

Despite massive financial and scientific investments—not to mention a new PR campaign—the facts about nuclear power are unchanged. It's dangerous, expensive and has not delivered on decades-old promises of energy security and independence.

While the nuclear industry claims that nuclear power is safe, the fact remains that people are skeptical—especially if a plant or disposal site is in their backyard, or nuclear waste is transported through their community.

Americans want, need and deserve a smart energy policy that will take us into the 21st century—not a bill that continues down the path we've traveled for the last 100 years—a path that has led to global warming because of our overdependence on fossil fuels. That's why I can't vote for this energy bill.

□ 1330

Mr. BOEHLERT. Mr. Chairman, I proudly yield 1 minute to the gentlewoman from Illinois (Mrs. BIGGERT), a valuable member of the committee.

Mrs. BIGGERT. Mr. Chairman, I rise today to commend all who have worked on H.R. 4, the Securing America's Future Energy Act. A national energy policy is long overdue; and this bill is a step in the right direction, and we need to include all sources of energy in this bill.

As a Member of the Committee on Science, I was very pleased that the bill our committee reported included provisions to strengthen nuclear research and nuclear science and engineering programs at America's universities and colleges. Fewer Americans are entering this field and even fewer institutions are left with the capability to train them. Current projections are that 25 to 30 percent of the nuclear industry's workforce and 76 percent of the nuclear workforce at our national laboratories will begin to retire in the next 5 years.

Nuclear science and energy engineering in the United States is a 50-year success story that has been written by some of the brightest minds the world has ever known. America has truly been blessed as the world leader in this area, and this bill assures we maintain our leadership.

Mr. Chairman, I urge my colleagues to support this bill.

Mr. HALL of Texas. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. LOFGREN).

Ms. LOFGREN. Mr. Chairman, I want to salute the chairman and the ranking member of the committee for working together as a bipartisan team. The portion of this bill that came out of the Committee on Science is pretty darn good. It has a balance of conservation and renewable energies, and I am very proud and satisfied with it. The Fusion Energy Sciences Act was also included and, for our planet, it is going to be key in the long run.

The problem in the bill is the things that did not come from the Committee on Science. Here is what is wrong: It provides no help for California to collect the $9 billion that we are owed by out-of-state energy providers; it lacks protection for oil drilling in the Arctic National Wildlife Refuge; it does not increase the CAFE standards for motor vehicles.

The bill that did not go through the Committee on Science is short on vision and long on special interests. With over $36 billion in tax breaks to fat cats, the United States is going to have to borrow the money to give these tax breaks. So if there is a Texas equivalent to a Bronx cheer, that is what the President is giving to California once again.

Mr. BOEHLERT. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, I rise in strong support of President Bush's comprehensive energy legislation. In California, we are on the edge of an economic disaster because for decades our State has turned down every effort to develop oil and natural gas resources, not to mention nuclear power, of course.

The President's bill is a positive bill. It has provisions in it for conservation and, yes, my colleague is right, we in the Committee on Science have participated in this process, because this bill also contains provisions for developing alternative energy resources.

But most important, this bill enables us to increase the supply of oil and natural gas in the United States of America. We have no reason to be ashamed of that. Of course, there will never be an energy bill that is good enough for the fanatic environmentalists who oppose us every time we try to increase our Nation's oil and natural gas supplies.

This bill will help us have more oil and natural gas, take us off of foreign dependency and ensure American prosperity.

Mr. Chairman, I support the President's comprehensive bill.

Mr. HALL of Texas. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania (Mr. HOEFFEL).

Mr. HOEFFEL. Mr. Chairman, I thank the gentleman for yielding time.

Mr. Chairman, for 25 years, this country has not permitted the commercial reprocessing of spent nuclear fuel. We have said that the reactor waste generated around this country at reactors shall not be reprocessed, for the very sound reason that the reprocessing of this reactor waste generates plutonium, and plutonium is the key ingredient in nuclear weapons. And if we are generating plutonium through reprocessing, that is going to threaten our efforts to stop the proliferation of weapons around the world and to keep the supply of plutonium away from rogue nations and dictators.

Now, this bill very quietly reverses that 25-year policy. It says that we shall now have research and development spending on what they call advanced fuel recycling technology. That is reprocessing. That is taking spent reactor waste and reprocessing it, creating plutonium, which threatens our nonproliferation regime around the world.

There was very little debate on this in the Committee on Science, and no consideration on the floor. The rule did not permit an amendment by the gentlewoman from California (Ms. WOOLSEY) that would have allowed a straight up-or-down vote.

Mr. Chairman, this is not just an issue for our national energy policy; it affects our international relations as well. And there is no way, with so little debate and so little public notice and no hearings, that we should be approving this. Vote no.

Mr. BOEHLERT. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Chairman, as a former member of the Presidential Oil Policy Commission, I have seen how energy policy mistakes can contribute to supply disruptions and high prices.

This legislation supports my vision for a broad portfolio of energy options by making traditional sources of energy cleaner, by researching and making alternative and renewable sources of energy more available, and by educating the next generation of scientists.

The Committee on Science has contributed to this legislation by authorizing the research and development programs that will help increase supplies of clean, renewable, and affordable energy. Coal is an abundant domestic source of power that plays a truly critical role in electricity generation in States like Michigan. However, we do need to make it cleaner and more efficient, and this legislation's provisions for clean coal technology point us in that direction.

Nuclear power, which accounts now for 28 percent of the Nation's electricity, is a critical energy source that produces nearly zero greenhouse gas emissions. However, we are in danger of losing international leadership in nuclear technologies, and that is why I support the nuclear R&D provisions in this bill.

Mr. Chairman, this is a good bill that will ensure that we have the energy needed to power the economic growth of the future.

Mr. HALL of Texas. Mr. Chairman, I yield 1½ minutes to the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Chairman, I thank the gentleman for yielding time.

I rise today to compliment the committee that is before the floor today. The Committee on Science in this House did a tremendous job of designing a bill that really meets the science needs of America on energy. This bill is being used as the carrot tied to a stick, which is tied to a very ugly vehicle behind. I want to compliment the members of the Committee on Science on both sides of the aisle for producing a real substantive bill. Unfortunately, the rest of the bill that is incorporated with is one that we cannot support.

I look at this bill and what I see in it is whoever wrote the whole big package had one thing in mind, and that is that they were looking at the price, without understanding the value. So this bill addresses the price of everything and the value of nothing.

The bill knows the price of rewards for special interests. They put those special interests in perspective by giving them a $36.4 billion tax break in this bill. That is equivalent to what 9.7 million Americans in 1998 paid in taxes.

The cost of this bill is in the value to the environment. This bill says drill, drill, drill wherever oil may be. If we had oil under this Capitol, I am sure there would be proposals to drill for oil under the Capitol and under the Supreme Court and under the Library of Congress. This bill costs California ratepayers, who are not allowed to debate on the issue of rebates from obscene costs. This bill, in totality, is a bad bill.

Mr. BOEHLERT. May I ask the Chair how much time is remaining?

The CHAIRMAN pro tempore (Mr. LINDER). The gentleman from New York (Mr. BOEHLERT) has 1½ minutes remaining.

Mr. BOEHLERT. Mr. Chairman, I do not mean to challenge the umpire's call, that is cause for automatic ejection in baseball, but our scorecard says 2 minutes. Can the Chair look at those numbers again?

The CHAIRMAN pro tempore. Our scorecard does not. Ours says the gentleman from New York has 1½ minutes remaining, and the gentleman from Texas has 2 minutes remaining.

Mr. BOEHLERT. Mr. Chairman, I do not want to be ejected, but does the gentleman from Texas have 30 seconds he could yield to me?

Mr. HALL of Texas. Mr. Chairman, I yield 30 seconds to the gentleman from New York (Mr. BOEHLERT).

The CHAIRMAN pro tempore. The gentleman is willing to do that.

Mr. BOEHLERT. So now I can say on my scorecard we have 2 minutes?

The CHAIRMAN pro tempore. The gentleman can do that.

Mr. BOEHLERT. And we still have an affection for the umpire. I thank the Chair.

Mr. Chairman, I yield 1 minute to the gentleman from Kansas (Mr. AKIN).

Mr. AKIN. Mr. Chairman, I rise to support the clean coal power initiative in division E of H.R. 4. It is an effective and important initiative because it is going to give us environmentally friendly electricity at a reasonable cost and for decades to come.

Coal comprises 85 percent of our fossil fuel resources. We have enough coal for 250 years of additional use. More than 50 percent of our current electricity comes from coal.

Burning coal is our chief source of electricity, but by making it more efficient and by making it cleaner, we can improve the air quality. That is important to me, because we have air quality problems in the St. Louis area. This bill will do that.

Already, we have made investments in coal technology over the last 30 years that have reduced pollutants by 21 percent even though coal generation has tripled. Coal provides a clean, affordable and domestic energy source for us. This bill is very positive in cleaning that up and making it more reasonable.

Mr. HALL of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Guam (Mr. UNDERWOOD), the very capable delegate.

Mr. UNDERWOOD. Mr. Chairman, I thank the gentleman from Texas for yielding.

I want to draw attention to one part of this very large energy bill which draws attention to the insular areas and allows them to develop alternative sources and gives that additional emphasis.

However, I am concerned about, under section 701, assessment of renewable energy resources, and section 702, renewable energy production incentives. There is a lot of attention drawn to solar power, there is attention drawn to geothermal, but there is no attention drawn to ocean thermal energy, which is a distinct possibility, particularly for those areas that are in the tropical zones.

So I would like to ask the chairman of the Committee on Science to enter into a brief colloquy.

Would the chairman be willing to work with us to consider inserting some language about ocean thermal energy into the assessment of renewable energy resources?

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. UNDERWOOD. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, as my distinguished colleague knows, we are always very enthusiastic in our committee about alternative sources of energy, so the gentleman can be assured that both the gentleman from Texas (Mr. HALL) and I will work closely with the gentleman to address this.

Mr. Chairman, I am pleased to yield 1 minute to the gentlewoman from Pennsylvania (Ms. HART), a new but very valued member of the committee.

Ms. HART. Mr. Chairman, I thank the gentleman for yielding me this time.

It is with pleasure that I stand up to support this energy bill. It contains a lot of different things; it is broad, it is all-encompassing.

The problems that we are looking to solve are not new ones. In fact, people in my constituency and probably all over the country have been calling their congressional Members about these for a number of years.

But the problem of high gas prices, high electrical prices, high gasoline prices at the pump cannot be solved unless we have a comprehensive energy policy. That is what this bill does.

Vice President Cheney came to my district to launch the discussion nationwide. It was very well received. People are very happy to hear that we finally are going to have a comprehensive plan. Advancements in technology are included in here: clean coal technologies, nuclear advancements, fuel cells, investigation of renewable energy sources such as biomass, wind energy, hydro energy. But conservation is a very large part of this, and it is very important that we all understand that it is everyone's responsibility to be part of that conservation.

We all intend to work hard to get this passed. I am a big supporter of this, and I want to commend everyone who has been a part of making it happen.

Mr. HALL of Texas. Mr. Chairman, I will close by thanking the committee. I would just like to go on record, though, as saying we do need to drill ANWR. It makes sense to drill ANWR. It does not make sense not to drill ANWR, because if we do not find the resources we have here in this country, we have to send our kids overseas to fight for energy when we have it right here.

Japan was forced out into Malaysia by Franklin Roosevelt in 1939. We sent 450,000 kids to Kuwait. That was for energy. We did not need to do that. We need to take care of our children, and this is a bill that takes care of them and takes care of the country's energy needs for this Nation.

Mr. Chairman, the U.S. will likely need to produce 45% more natural gas to meet growing demand and environmental goals in the next decade. A new, industry-led research, development and demonstration program is being established in this legislation to enhance and extend the natural gas and other petroleum resource base in areas where production is currently allowed by law and reserves are most prolific. These areas are largely in unconventional onshore gas fields, primarily in the Rocky Mountains and Southwestern United States, and the ultra-deepwater in the central and western Gulf of Mexico. Research, development and demonstration of technological capabilities in these provinces will improve the nation's capacity to meet incremental natural gas demand over the next twenty years in an economic, safe and environmentally responsible manner.

Section 2441 of the "Securing of America's Future Act of 2001" (H.R. 4), ordered reported from the Committee on July 19, directs DOE to conduct long-term supply research and to establish a new industry-led research, development and demonstration program. The Department will utilize the expertise of our nation's energy industry, institutions of higher education, public and private research institutions, large and small businesses and federal agencies to lower the cost, improve the efficiency and production of natural gas and other petroleum resources while improving safety and minimizing environmental impacts of this activity.

The industry-led activities authorized by this legislation will be managed by an established 501(c)(3), tax-exempt research organization experienced in planning and managing programs in natural gas or other petroleum research, development and demonstration. The program is designed to ensure that the requirements of meeting near-term demand for natural gas supply will be conducted in the most efficient and cost-effective manner possible. This will require flexibility, unprecedented focus and input from industry, academia, and our national laboratories, and an acceleration of R&D activities. These goals can be best accomplished through an industry-driven effort, with key oversight provided by the Department of Energy, consistent with its stewardship role in energy policy and the use of public funds.

The Department is directed to focus the industry-led activities authorized by this legislation on unconventional onshore natural gas and other petroleum resource research and development projects, individual deepwater research and development projects, and the development of new ultra-deepwater natural gas and other petroleum architectures. it will carry out programs of long-term research into new natural gas and other petroleum exploration and production technologies, such as methane hydrates; and environmental mitigation technologies for production from unconventional and ultra-deepwater resources, including carbon sequestration.

All research, development and demonstration activities authorized by this legislation will be cost-shared by participants in the program.

The deepwater and ultra-deepwater research, development and demonstration provisions of this bill shall be exercised only in the central and western Gulf of Mexico in areas that are already leased or are available for leasing. No offshore areas that are currently covered under federal leasing moratoria will be affected.

This program will be funded from loans from the Treasury to be repaid from revenues from ultra-deepwater natural gas and other petroleum leases currently available for lease that would otherwise not be sold, additional appropriations and 7.5% of federal natural gas and other petroleum lease income.

I believe that a concentrated industry effort with support from the government will enable us to produce the tremendous natural gas resources that exist in the Gulf of Mexico sooner and at lower cost than a traditional government R&D program. The model for this program is SEMATECH, the government-industry consortium that was established for the semiconductor industry in the 1980s. By combining industry R&D efforts, the semiconductor industry was able to remain competitive with the Japanese—a competitive advantage that the U.S. has maintained. This has been responsible, at least in part, for the enormous technology-drive growth that the U.S. enjoyed through the nineties—and even at a lower growth rate today.

These R&D models work and we should not be reluctant to employ them as needed. The government's interests are protected thorough recoupment provision in the legislation. These provisions provide for the repayment of government funds used to develop and demonstrate the successful technologies that emerge from this program. The recoupment provisions in the bill, combined with the additional royalties that will be collected on the natural gas production from these ultradeep structures will recoup the government's investment in this program many times over.

It's a win-win for the government and the taxpayers: The government funding up front makes it possible for this high-risk research to be undertaken by industry, which will generally be matching the government outlays on a dollar for dollar basis. The needed gas supplies will be produced sooner and at a time when domestic natural gas production is declining and demand is rapidly increasing.

□ 1345

The CHAIRMAN. All time for the Committee on Science has expired.

It is now in order under the rule for the Committee on Ways and Means, represented by the gentleman from California (Mr. THOMAS) and the gentlewoman from Florida (Mrs. THURMAN). Each will control 10 minutes.

The Chair recognizes the gentleman from California (Mr. THOMAS).

Mr. THOMAS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, as we look at this tax component, it has been characterized today in a number of different ways.

Our friends on the other side of the aisle like to talk about the enormous giveaway to special interests. I would like to point out that the special interests in the bill who get the major-appliance reductions for energy efficiency are the American taxpayers. Those who invest in their home in energy-efficient ways are also the special interests involved in this bill. If they buy a more fuel-efficient car, they get significant tax credits.

I think Members will find that throughout this tax provision, individuals who seek conservation and alternate energy get rewarded for that behavior. That is one of the major special interests.

The other area that I think needs to be emphasized that people do not talk about is under the heading of reliability. That actually gets the largest percentage of money, almost 39 percent in this tax structure, because we frankly need to deal with electric transmission lines. We need to deal with natural gas transmission lines. Then, once we develop the natural gas transmission lines for clean-burning natural gas, we need distribution lines.

One of the difficulties, I think, that we forget about is that it is not just the switch on the wall. Our ability to function in a post-industrial energy-efficient world requires significant investment in infrastructure. Even a transition from the highly regulated one that we are in in the area of electricity to a more deregulated one requires attention in the Tax Code.

Mr. Chairman, I reserve the balance of my time.

Mrs. THURMAN. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, the chairman talked about some very wonderful things that are in this piece of legislation, but I have to say that the problem and regret is that earlier this year the congressional Republican leadership decided to enact a large tax reduction and did not reserve the resources for these other priorities. I believe they are important priorities.

But as a result of that decision, and because this bill contains no revenue offsets, I believe that there is a substantial certainty that the tax reductions contained in the energy bill will be funded, at least in part, by raiding the Medicare and possibly the Social Security Trust Funds. Therefore, I cannot support this bill, and I would oppose it.

Mr. Chairman, we are not the only ones saying this. Even a recent Republican memo on the surplus states that we are possibly already into the Medicare Trust Fund, and we are very close to touching the Social Security surplus in fiscal year 2003.

When we did the markup of the charitable tax incentive bill the week before the Committee on Ways and Means approved an energy tax cut bill, the Committee on the Budget chairman, the gentleman from Iowa (Mr. NUSSLE), produced a letter that said that using economic projections from earlier in the year, there was enough of a surplus to support the charitable tax bill if no further tax or spending bills were ever enacted.

When the committee considered the energy tax bill, no security letter from the Committee on the Budget was ever produced. Does this mean that there will not be sufficient surpluses to support the energy bill? I think we all know the answer is yes.

Further, during the committee debate on the energy tax bill, when I asked how it is going to be paid for, I was told that there is a slush fund in the fiscal year 2002 budget resolution that is available on a first-come, first-served basis.

Well, which one of the following priorities, then, will not be funded if they succeed in their current strategy of being first in line? I might add, many of these have been promised and debated.

What about the $300 billion for a Medicare prescription drug benefit; the $134 billion from the Secretary of Defense, who states it is necessary just to maintain our current level of defense; the $200 billion or $300 billion for defense modernization; $73 billion for agriculture; $6 billion for higher veterans benefits; the $14 billion that we did in reduction in the SEC fees; the $50 billion for promised health insurance; the $82 billion to fully fund the new educational bill, to all of which we have agreed; and $122 billion to extend expiring tax benefits; $119 billion for President Bush's remaining tax cuts in health insurance, long-term care, and housing; and $200 billion to $400 billion to address the AMT issue? There is $138 billion to end the tax cut sunsets in the last bill, and $13 billion for the charitable tax incentives just passed by this House.

Mr. Chairman, we could have done something differently. We heard about this in the rules debate; but the fact of the matter is, there was a Democratic amendment that could have been brought to this floor that could have in fact taken care of both of these priorities which would have been offered by the gentleman from Massachusetts (Mr. MARKEY).

He requested, but was denied by the Committee on Rules, this amendment, which would have paid for the energy tax provisions provided by the amendment and made the tax benefits contingent on a surplus outside of the Social Security and Medicare Trust Fund. By the way, that would not be the first time that we have voted on this floor to, in fact, make benefits contingent on surpluses outside of the Social Security and Medicare Trust Fund.

So what might we do today? Instead of passing a fairly good energy package, one of many things that I believe and agree with, we are going to in fact allow the use of payroll taxes to pay for corporate tax relief.

Mr. Chairman, I reserve the balance of my time.

Mr. THOMAS. Mr. Chairman, it is my privilege to yield 1 minute to the gentleman from Oklahoma (Mr. Watkins), a member of the Committee on Ways and Means.

Mr. WATKINS of Oklahoma. Mr. Chairman, I want to thank the gentleman from California (Chairman THOMAS) and the gentleman from Louisiana (Chairman MCCRERY) for putting together the most balanced and comprehensive energy legislation that has been here in 3 decades, and I speak from experience; and this has more conservation and reliability in this bill, and some production, but the emphasis is on conservation and reliability.

I was here in 1997 when President Jimmy Carter said we had an energy crisis of the moral equivalent to war. Some of us might remember that. There was a lot of conservation and also some renewable energy activity. It helped. But let me say, from that standpoint, we cannot conserve and we cannot just count on foreign sources to help us have a reliable source.

This bill today does move us in a direction in the short term and in the long term in trying to have a reliable source of energy for this country. We need this bill. We must have this bill. If not, we are doing a disservice to our children and our grandchildren.

Mrs. THURMAN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, when one adds to the oversized tax cut the slowing economy and the billions of dollars of unbudgeted spending for defense, education, and other priorities, this $33 billion grab bag of energy tax provisions, with no offsets to pay for them, four times more than the administration requested, is fiscally irresponsible.

The Bureau of National Affairs reports today, this from an internal GOP memo, "We are possibly already into the Medicare trust fund this year and every year through FY 05. We are very close to touching the Social Security surplus in FY 03." The Republicans believe that they can pull a Houdini trick, taking trust fund monies out of the lockbox without anybody seeing or catching them at the raid.

I also want to urge the House to reject the Boehlert amendment on CAFE later today. The cure would be worse than the disease. That amendment is based on a very selective reading of an NAS report which particularly warns against forcing through a CAFE increase too quickly, saying, "Technology changes require very long lead times to be introduced into the manufacturer's product line. Any policy that is implemented too aggressively has the potential to adversely affect manufacturers, their suppliers,, their employees, their consumers."

This amendment of the gentleman from New York (Mr. BOEHLERT) is fundamentally flawed. It does not give the industry enough time to comply. The only, way to meet the CAFE requirements of the Boehlert amendment would be for the manufacturers to close down entire vehicle lines. The Boehlert amendment would force the dislocation of American workers and job loss.

Vote "no" on the Boehlert amendment. Because of what I have said, and others, regarding the tax provisions. Vote "no" on final passage of H.R. 4.

Mr. THOMAS. Mr. Chairman, it is my privilege to yield 1 minute to the gentleman from Arizona (Mr. HAYWORTH), a member of the Committee on Ways and Means.

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, it is rather curious to note that if we could have converted into energy some of the fear and smear being employed here, we would have enough energy for the entire next century and well beyond.

Mr. Chairman, every dollar that comes in for Medicare is going to be used for Medicare. What we have here is a comprehensive energy bill. We concentrate here on tax relief and tax incentives to make sure we work on new technologies, on conservation, and on exploring for the energy we need.

While others want to play a game of wolf and fear, we have a comprehensive, reasonable, rational response. It is easy to be on all sides of the issue, as we often hear from our friends in the opposition.

But still, we have the invitation: join us and work together, because the stakes are too high to bury our heads in the sand or pull the fire alarm falsely.

Mrs. THURMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Chairman, in January when George II was appointed by the Supreme Court, the oil dynasty took this country over again. The real issue of the tax cut, that was a minor issue, but today is a big deal. We have had five sets of elves working in five different places, never talking to each other, with half-day notice when they are going to have a bill, who put together something which we gave to the Committee on Rules, and last night, in the middle of the night, they put it out here on the floor.

They were offered 143 amendments. They chose 16, of which three were from the Democrats, as though the Democrats had nothing to say about this whole thing.

Mr. Chairman, we have had an interesting crisis created in this country in energy, so we have to have an energy policy. So we have an energy policy in process, but then the prices go down.

The Wall Street Journal yesterday told the truth: "Major oil companies struggle to spend huge hoards of cash. Shell oil is sitting on $11 billion they do not know what to do with. Yet, in this bill, we have to give them $12 billion more."

Bad enough as that is, we are not even paying for it. This is not a real bill; this is a PR piece for Republicans going home to their districts to say, We passed a comprehensive energy bill in the House of Representatives. They will all do it; they will each pick a piece they like. The folks back home should understand, none of this is paid for. It is all smoke and mirrors.

When we come back in the fall, I do not know what they are planning to knock out to come up with $33 billion more. They threw a few things in for solar and a few things here and there, and they are going to stand up and tell us all about the electric cars and all this stuff. But the bulk of it, $20 billion out of the $33 billion, goes to the guys who have hordes of cash they do not know what to do with, and they are driving our electric prices on the west coast out of sight.

Mr. Chairman, when are we really going to have a discussion? Maybe we will have to get a new President who is not appointed.

Mr. THOMAS. Mr. Chairman, it is my pleasure to yield 1 minute to the gentlewoman from Washington (Ms. DUNN), a member of the Committee on Ways and Means, so we can get a slightly different perspective on this issue.

Ms. DUNN. Mr. Chairman, I am very happy that the bill we are debating today promotes energy conservation and efficiency. These elements are critical, especially in my home State of Washington, where many continue to suffer from the high cost of utility bills.

In times of energy supply shortages that result in retail rate increases, it is the role of the Government to empower families and businesses around America with the information that they need to make choices regarding their power usage.

□ 1400

As public servants, we can encourage efficiency by providing incentives for the use of "smart meters," in this case for the use of smart meters installed at the cost to the company in many homes throughout my district. These are high-tech devices that tell consumers what time of day is most cost effective to flip on the switch to run their washers, their dryers, their sprinkler systems.

Smart meters serve as evidence that conservation does not need to be dictated by the Federal Government, but rather can be learned, and with the right motivation and structure, conservation can work. I want to thank the chairman, the gentleman from California (Mr. THOMAS), for including the smart meter provision I offered as part of this comprehensive bill and urge its passage.

Mrs. THURMAN. Mr. Chairman, may I inquire as to how much time remains on each side?

The CHAIRMAN pro tempore Mr. LINDER). The gentlewoman from Florida (Mrs. THURMAN) has 2 minutes remaining and the gentleman from California (Mr. THOMAS) has 5½ minutes remaining.

Mr. THOMAS. Mr. Chairman, I yield 1 minute to the gentleman from Michigan Mr. CAMP), a member of the Committee on Ways and Means.

Mr. CAMP. Mr. Chairman, I thank the chairman for yielding me this time, and I rise in support of H.R. 4 because this is a balanced and comprehensive energy strategy for our Nation.

I would just like to point out two important initiatives in this bill. The first is an initiative that would help to encourage the collection and utilization of landfill gases and energy resource. A medium-sized landfill can produce enough energy to meet the annual electrical needs of 3,000 homes. I believe our Nation should harness the energy resources that are sitting in the backyards of most of our communities rather than allow them to be wasted.

The second proposal is the CLEAR Act, which would help provide consumers tax incentives for the purchasing of advanced technology and alternative fuel vehicles. These incentives are positive steps that can be taken today to increase fuel economy of new vehicles. What is important about this provision is that it will allow the consumer to be part of the decision.

All major auto makers that sell cars in the United States have alternative and hybrid fuel vehicles available. This will make our country the winner by providing the opportunity to pull these new exciting technologies into the marketplace, and I urge support for this legislation.

Mr. THOMAS. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Chairman, I support this bill; and I particularly want to recognize its understanding of the importance of renewable, clean sources of energy for the future.

I firmly believe that a national energy policy must include promotion of alternatives to traditional energy sources. Doing so will reduce our reliance on imported oil, give consumers greater choice, stabilize energy prices, and benefit the environment at the same time. The reason our constituents find themselves faced with out-of-control heating oil and fuel prices is because our nation has no long-term energy policy.

I am pleased that the tax portion of this package includes my legislation to promote the use of fuel cells which remove the hydrogen from fossil fuels to create energy with virtually no pollutants. They function must like a battery except fuel cells do not require recharging and are far more efficient than a combustion engine or power plant.

H.R. 4 proposes a fuel cell tax credit for five years to create a market incentive for this revolutionary technology, which is reliable and will provide economic and environmental advantages to traditional fuel sources. The bill will accelerate commercialization of this technology by providing a $1,000 per kilowatt credit for efficient, stationary fuel cell systems.

Stationary fuel cells capable of running 24 hours a day, seven days a week for five years with only routine maintenance are currently in operation today. As a distributed generation technology, fuel cells address the immediate need for secure, efficient, clean energy supplies, while reducing grid demand and increasing grid flexibility.

First used by NASA in the space program, they are now in hospitals, schools, military installations, and manufacturing facilities and may be available for homeowners by the end of this year. Although these early products have proven energy efficiency and environmental advantages, help in accelerating volume production is essential in realizing lower prices for consumers and the full benefits of fuel cells.

I am also a strong supporter of another provision included in this energy package to encourage the development of projects that capture landfill gas (LFG) and use it as an alternative energy source. LFG is produced as waste decomposes in landfills that serve our communities. LFG projects capture and use the gas to generate electricity or directly as an alternative fuel.

H.R. 4 would extend the Section 45 tax credit for wind energy, closed-loop biomass, and poultry waste to LFG projects. It is estimated that an additional 700 landfill gas-to-energy projects could be made economically feasible with such an incentive. Helping to bring these projects online would help the nation save more than 40 million barrels of oil annually. With that kind of potential, we must ensure that we are tapping into LFG, which is available in nearly every community in America.

It is technologies like fuel cells and landfill gas projects that will help us decrease our dependence on foreign oil, conserve existing oil supplies, and reduce air pollution.

Mr. THOMAS. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana (Mr. MCCRERY), the chairman of the Subcommittee on Select Revenue Measures, one of the significant hands and minds that allowed us to put this package together.

Mr. MCCRERY. Mr. Chairman, I thank the chairman for yielding me this time and for the role he played in putting this excellent package together.

Mr. Chairman, first of all, let me just say that any speaker here on the floor today who says that this bill or any other bill that the Congress passes raids the Social Security trust fund is either intentionally misleading the public or is exhibiting a lack of understanding of the Social Security trust fund, the Medicare trust fund. The fact is that is not true, and I hope that we will get off of that.

But with respect to the bill before us, Mr. Chairman, it is clear that our country continues to struggle with the fact that our domestic energy production does not meet our demand. The time is now for Congress to pass an energy policy that will address present needs and secure a stable supply of power for the future, and this bill accomplishes those goals.

As chairman of the House Committee on Ways and Means Subcommittee on Select Revenue Measures, I had the opportunity to help find energy solutions through our Tax Code. My subcommittee held three hearings on the issue, giving us an opportunity to hear from the administration, Members of Congress, and many other interested parties.

At our second hearing, I outlined several principles which should be adhered to in formulating a national energy tax policy. First and foremost, our complex problems require a balanced solution. We have heard that here today: we need balance. We have it in this bill, in the tax portion of the bill. Conservation, renewable, and alternative fuels, and expanded production of traditional fuels, such as oil and gas and coal, must all be part of the solution. The portion of the energy bill passed through the Committee on Ways and Means is faithful to that goal of a balanced solution.

Conservation plays a key role, with expanded incentives for solar power, fuel cells and clean cars. Alternative fuels receive a boost, with new incentives to produce electricity from biomass and landfill gases. This legislation also encourages production through modifications to the existing section 29 program, which has been very successful in stimulating the production of oil and gas from tight sands and other difficult areas of production.

At our hearings, the committee heard how bottlenecks in distribution were a significant problem. A stable supply of energy is only of use if we can get it to where it is needed when it is needed. Accordingly, the bill before us today helps utilities spin off their transmission assets to ensure they are used as efficiently as possible. In addition, we provide faster depreciation for oil refining properties and for gas distribution lines. Commonsense things to get the power to the people.

Our energy tax policy should be sensitive to the environment also. Several provisions of the Ways and Means energy legislation reflect that. It assists refiners in coping with the cost of producing low-sulfur fuel. It reduces taxes on diesel water emulsions, which have substantially lowered emissions than traditional diesel fuel. And it helps cover the cost of installing new technologies which will dramatically reduce the emissions from coal-fired plans.

For too long Congress has viewed energy policy as a dilemma: produce or conserve; the economy or the environment. We do not have to have it one way or the other. We can do both. This bill does that. Vote for it.

Mrs. THURMAN. Mr. Chairman, I yield the balance of my time to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Chairman, this bill represents another partisan Republican failure. It offers no balance either for our energy policy or our federal budget. The only balance involved in this plan is the balance sheets of big oil, dirty coal, and dangerous nuclear industries. They receive substantial boons and largesse from the bounty of this bill.

The balance here is the balance of sweet words about conservation and the environment, like those we just heard, with the harsh reality of huge subsidies for these industries at the expense of all the rest of us.

Yesterday, we learned that the Treasury is having to borrow more money, incurring more public debt, increasing the amount of red ink in order to fund the already unwieldy tax cut upon which the President has insisted. What solution do the Republicans offer us today? Well, they are going to increase the flow of red ink. Today, they are drilling. They are drilling for red ink.

And as we would say in Texas, they have hit a real "gusher" of red ink in this bill, because they have over $30 billion of mostly special interest tax breaks to be paid for directly out of the Medicare trust fund. And it is not my word, but a recent Republican memo, as reported in the July 27th BNA Daily Tax Report, that says they are already into the Medicare trust fund, and the Social Security trust fund is next. Those hard-earned payroll taxes going right back to these special interests that have been so generous with their campaign money and their special interest lobbying.

This is not an energy policy, it is a collection of unjustified tax breaks, loopholes, and dodges masquerading as an energy policy. The only energy it reflects is the energy of campaign fund-raising and high-powered lobbying. Little wonder this plan was concocted in secret by Vice President CHENEY and that he is afraid to disclose the participants and contents of his various conclaves with special interests, even to the nonpartisan General Accounting Office.

Each year, Taxpayers for Common Sense, Friends of the Earth, and the U.S. Public Interest Research Group, identify subsidies that both waste taxpayer money and harm the environment. It is called the "Green Scissors Report." And if this hodgepodge of a bill is approved, there will be plenty more to cut. Indeed it is the American people that are really getting cut by this bad bill, which should be rejected.

We need a conservative national energy policy that emphasizes conserving our precious natural resources, increasing energy efficiency, and providing reasonable production incentives. This bill fails to achieve any of these goals.

Mr. THOMAS. Mr. Chairman, I yield myself the remainder of my time.

Volume will not stop the truth from getting out. At my request, the Democrats wrote me letters indicating what they would like to see in this energy package. In fact, the ranking member of the committee, the gentleman from New York (Mr. RANGEL), wrote me a letter indicating there were 17 provisions that they requested. Twelve of them were included in their entirety and several in part.

I found it ironic that the gentleman from Michigan took the very scant few minutes the Committee on Ways and Means has to talk about the tax package to, in fact, urge people to vote against an amendment to be offered by the chairman of the Committee on Science. So much for the real concern about this tax provision.

Now, I am not going to answer in kind the comments that were made in terms of who is getting the money, except to say I cannot believe anyone out there listening really believes that the $12 billion identified by the gentleman from Washington was going to big oil. As a matter of fact, the largest energy production structure in the United States gets the smallest amount in this bill.

It is a balanced bill. It contains many of the provisions the Democrats wanted. And if we will listen to their rhetoric, take a look at their vote, I think we will find a significant difference between what they are saying and how they are voting.

The CHAIRMAN. All time for the Committee on Ways and Means portion has expired.

It is now in order under the rule to provide time for the Committee on Resources. The gentleman from Utah (Mr. HANSEN) and the gentleman from West Virginia (Mr. RAHALL) each will control 10 minutes.

The Chair recognizes the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, America needs more energy. During months of national discussion over energy, I have not heard anyone challenge the fact that our Nation needs more energy. Our Nation's demand for natural gas alone has risen by 45 percent over the past 15 years, 45 percent. Our National need for ore oil is on the rise. Our need for electricity has jumped sharply since the advent of the high-tech age and continues to rise. Most of the electricity in this country still comes from coal. That means our Nation's need for coal is rising.

These are indisputable facts. What is in dispute is what we do about it. I say let us use a little common sense. We need a little old-fashioned American integrity. We look for ways to curb our energy appetite. We look for ways to increase our production. We look for ways to be more efficient in the way we use energy, and we invent new technology and new kinds of energy.

This bill, the Securing America's Future Energy Act of 2001, does every one of those things. It follows the dictates of reason and common sense. With this bill, we get by with less, we produce more, and we figure out ways to do things better.

If we take out any part of this equation, we invite failure. If we take out increased production, we fail faster and faster. We cannot conserve our way out of the energy challenge that faces us today. We cannot research or design our way out of it. We cannot get through this with windmills and solar panels. Increased production has to be a part of our national energy policy. Without increased production, this entire Nation will be the next California.

California is the Nation's leader in conservation, and we compliment them for that.

□ 1415

California is also the Nation's leader in the use of alternative fuels. Almost all of our best alternative fuel projects, solar, wind turbine farms, biomass plants, are in California.

Where did California go wrong? California refused to increase production. California looked at its rising energy demands and said, We can conserve our way out of this. Apparently they cannot. They were wrong. I could have told them that. Whoever drives up to a pump that is marked alternative energy sources? There is not such a thing.

As for conservation, may I just observe, when it comes to oil, at least Americans do not seem to have jumped on the conservation bandwagon. Look at what people are driving today here, both here within the Beltway and outside of the Beltway. Conservation is something that does not come to mind.

The problem we have now with the bill that will be very controversial is going to be ANWR. But what people do not realize is that section 1002 is one very small, small part and was never in the Arctic Refuge. This was left out when Congress did it with the idea that basically we someday can come and drill with the new technology we have in this particular area. So on the coastal plains it makes a lot of sense to look at it.

This big, huge area, the size of South Carolina, 19 million acres, and we are using an infinitesimal fraction of it. I am amazed the people opposed to it have not taken the time to go and look at it.

We are talking about a Congress and President who have come through the energy crisis of 1977. Look what happened then. We made a few mistakes. We were not ready to go. We cannot get behind the power curve of this particular issue.

Mr. Chairman, I reserve the balance of my time.

Mr. RAHALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am among these who believe this country does need a new national energy policy, and we need to stick to it through times of energy scarcity as well as abundance. But not this energy policy, not what is in the pending legislation.

The bill has nothing to do with providing Americans with energy security. Instead, it is a multibillion dollar giveaway of America's resources and America's taxpayer dollars to big oil, already awash in record profits. The headline, as we see here and has already been referred to in today's debate, from a Wall Street Journal article of this week: Major Oil Companies Struggle to Spend Huge Hoards of Cash.

Imagine that. They have profited so mightily from the American public that they now cannot figure out what to do with all of their hoards of cash. Yet the Republican leadership of this body wants to reward big oil even further. Tax credits and tax cuts with no offsets. At least we have paid for ours in our version of an energy bill. Relief from compensating the American public from drilling on our Federal lands and waters.

Make no mistake about it, these giveaways will come at the expense of our elderly. There are no more surpluses. There is no reserve into which we can dip. The $33.5 billion tax cuts in this bill, largely for energy companies, will come out of Medicare.

Rob the elderly to pay Exxon, Shell and the rest of them? This is an energy policy? I think not.

The Committee on Resources provision in this bill, in particular, provides unnecessary, uncalled for and unjust giveaways that are part and parcel of this legislation. One of these provisions, for example, would provide companies that want to drill for oil and gas in the Gulf of Mexico relief from having to pay royalties to the American people, a royalty holiday.

Under this bill, a company drilling in Federal waters between 400 and 800 meters deep can receive, for free, 5 million barrels of oil or gas equivalent. The owners of these resources are the American people. The American people get nothing, zero, zilch.

Wait a minute, it gets even sweeter. Nine million barrels of oil or gas equivalent for drilling in waters between 800 to 1,600 meters for free, and if they drill deeper, a whopping 23 million barrels of oil or gas equivalent for free. This stuff is the makings of Ripley's "Believe It or Not."

At a time when there is widespread public concern that collusion of gasoline price fixing has taken place, when there is widespread concern, such as in the Wall Street Journal, that these companies are already awash in cash, we are providing a royalty holiday in this legislation and that is a message that is simply wrong, plain wrong.

Even Secretary Norton has expressed concern with the extent of the generosity to the gas companies offered by the royalty holiday language. When I brought the issue up with the President personally at the White House, the Vice President chipped in, We are not going to be offering these royalties to oil companies.

The same goes to the royalty in-kind proposal which is nothing more than a thinly disguised ruse to reduce royalty payments. This bill would have the Federal Government receive oil and gas royalties, not in cash but in the form of actual crude oil and natural gas. Federal bureaucrats would then be in the business of marketing oil and gas, joining the ranks of Exxon, the Shells and the rest of them. It does not make any sense.

I have never heard of it. This surprises me when it comes from the majority that rules this body. At a time when Russia and China are shedding themselves of state-run industries, why is the effort being made by this body to toss the Communist Manifesto into our national energy policy?

To be clear, in their effort to award big oil, Republican leadership has not forgotten about big coal as well, certain coal, that is, coal produced on Federal lands, mostly in the West.

The pending legislation would eliminate current law requirements providing for the diligent development of Federal coal leases. What does this do for America's energy security? Again, absolutely nothing, zero, zilch. But it will give rise to the rank speculation in Federal coal leasing to the detriment of consumers and coal field jobs. Members need to be aware of this provision, not considered by our committee, but slipped into this massive bill without even being publicly reviewed or debated after full committee action.

Mr. Chairman, Democrats do not believe we have to shortchange the American taxpayer and short shrift the economy and the environment by doling out a royalty holiday to big oil. We do not believe we should be providing this unfettered access to drilling rigs into environmentally sensitive lands.

We recognize the contributions certain Federal lands can make to our Nation's energy mix, already one-quarter of America's oil consumption and over one-third of our natural gas and coal use. But at the same time we recognize, as responsible public stewards of our land, that there are environmental and social costs to energy development which also need to be addressed in any national energy policy. This concern and this public responsibility is noticeably absent in this legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. HANSEN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Wyoming (Mrs. CUBIN), chairman of the Subcommittee on Energy and Mineral Resources of the Committee on Resources.

Mrs. CUBIN. Mr. Chairman, I rise in strong support of H.R. 4. Division F of this bill is a product of the Committee on Resources. The previous speaker should know very well that he has spent his precious time misleading Members and misrepresenting what is actually in this bill. He should be ashamed.

We have held many hearings on issues involving the role of the public lands on our domestic energy supplies. Our work has led us to include provisions in H.R. 4 which require studies and analyses of impediments to environmentally sound development of potential energy resources on and under public lands. Section 6102 requires an inventory of public lands for solar, wind and geothermal energy potential and for coal resources. The SAFE Act expands current law to cover renewable energy supplies and coal resources. We need to know exactly what is in our energy bank, what energy is available to us as a country.

Subtitle A of title II mandates a 2-year extension of the Deep Water Royalty Relief Act of 1995, which has been extremely successful. The previous speaker said, What does the United States get out of this, zero, zilch, nada, when the gentleman knows from just the Deep Water Royalty Relief Act of 1995, we have over $5 billion in the bank as a result of only bonuses that were bid in the Gulf of Mexico. That does not count any royalties. $5 billion is far from zero, nada, zilch.

If we continue the program started by President Clinton, which is a much smaller program than was signed into law by President Clinton, we will get $5, $10, $15, $20 billion in bonuses that we otherwise will not get because it is simply too expensive to risk that kind of money to drill in the deep water.

This is a good bill. I will refer to the other complaints about the bill later.

Mr. RAHALL. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. DEFAZIO), a valuable member of the Committee on Resources.

Mr. DEFAZIO. Mr. Chairman, gouge them at the gas pump, and stick it to them in their home heating or cooling bill. Seniors have been particularly hard hit, but that is not enough for the energy conglomerates in this country. Now they want to dip into the taxpayers' pockets.

The same group that yesterday in the Wall Street Journal was revealed to have tens of billions of dollars sitting around that they cannot figure out what to do with because of the obscene profits they made in the last year by manipulating the West Coast electricity markets, the gas market, and the gasoline market, they need more. They want more. They want it all. And the Republican Party and the President want to deliver because they helped them get elected.

Royalty exemption, $7 billion, right from the taxpayers to the oil and gas companies. Tax deductions for nonproducing wells, $1.2 billion, right from the taxpayers to the oil and gas companies.

Income averaging. Average Americans, salespersons, people who sell cars for a living, for instance, they cannot do income averaging because that would cost the Treasury too much money. But guess what, this bill provides income averaging for the oil and gas industry. Since they made a $10 or $12 billion profit last year, maybe next year they will only make $6 billion, they should be able to average, unlike normal Americans.

Guess what, they cannot afford to pay for the environmental analyses for the drilling that they want to do on our sensitive lands. The taxpayers should pay for that analysis. Absolutely unprecedented.

Mr. Chairman, we are opening the Medicare lockbox, and we are taking the trust funds out and we are handing them to the oil and gas industry. They already have billions that they cannot spend. This is not going to get us one more well, one more gallon, one more cubic foot of gas, but it is going to enrich the coffers of these obscenely wealthy companies that are ripping off Americans.

Mr. Chairman, we should be ashamed of the thrust of this bill. This is a 1950s energy policy. The only thing that is worthwhile to produce energy here is to send every American a copy and let them burn it in their fireplace next winter because they will not be able to afford their home heating bill.

Mr. HANSEN. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, a comprehensive national energy policy is in our Nation's best interest, and I am gratified that the President and the Congress are making our Nation's energy needs a national priority. There are many provisions of H.R. 4, Securing America's Future Energy Act of 2001, that I support.

However, I have some reservations about allowing drilling in the Arctic, as well as the need to fully address a meaningful increase in the corporate average fuel economy, CAFE, standards.

Mr. Chairman, as we consider this measure, let us bear in mind that we cannot drill our way to energy security, and we cannot out-pump OPEC. OPEC has cut production this year by 13 percent, some 3.5 million barrels a day. For every barrel we pump, OPEC cuts its production further to maintain their high prices of oil.

Mr. Chairman, by approving the CAFE standards, we would be conserving some 40 percent of the consumption of oil used in our cars and light trucks by some 8 million barrels a day. I hope we can do that. Our advanced technology for meeting CAFE standards has lagged behind.

I urge my colleagues to support this measure. It is a sound measure.

□ 1430

Mr. HANSEN. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma (Mr. CARSON).

Mr. CARSON of Oklahoma. Mr. Chairman, I rise today in strong support of legislation that would establish a national energy policy and to suggest as a Democrat that populist rhetoric against energy conglomerates is in fact not only misconceived but entirely counterproductive.

America's economic prosperity and national security depend on the availability of reliable, affordable energy. The United States has an overwhelming demand for energy which is ever increasing due to our population growth. Fortunately, we have an incredible wealth of varied energy resources. Conservation and production, far from being competing policies, are in fact complementary solutions to our Nation's problems.

Today this energy legislation has a tax credit for oil and gas production for marginal wells that will provide an incentive to keep them producing when oil prices drop and provide economic stability to States such as Oklahoma which have many marginal wells. It has royalty relief to encourage energy companies to go and invest in the deepwater drilling that is so essential if we are going to have more production in this country to meet our energy needs.

Mr. Chairman, for these and many other reasons, I strongly encourage my colleagues to support this bill and to vote "aye" on final passage.

Mr. HANSEN. Mr. Chairman, I yield 1 minute to the gentleman from Louisiana (Mr. JOHN).

Mr. JOHN. Mr. Chairman, I rise today in support of H.R. 4. Our Nation's future economic prosperity, our national security and our quality of life is all in the hands of what we do today in Congress as it relates to an energy policy.

Americans have been on a roller coaster ride for the last 2 years with historically low prices for oil and natural gas being followed up with price spikes all over the country. We should not have to wait until the next crisis to put a long-term energy policy in place.

H.R. 4 is a good starting point to start this debate. It represents a balanced effort of expanding our energy supplies while creating incentives to reduce our reliance on fossil fuels. I personally would support a stronger production side in this piece of legislation because it troubles me that over 60 percent of our oil is imported from foreign countries. But I understand and I expect lively debate on some of the issues that we have to deal with.

I will oppose efforts at striking the language dealing with ANWR. I have visited ANWR. I believe we can develop ANWR with the technology that leaves just a small, temporary footprint on the Alaskan north slope.

For the sake of our national economy and security, we cannot continue to deny access to oil exploration on Federal lands.

Mr. RAHALL. Mr. Chairman, I yield the balance of my time to the gentleman from California (Mr. GEORGE MILLER), the former chairman of the Committee on Resources, now the Democratic leader on the Committee on Education and the Workforce.

Mr. GEORGE MILLER of California. Mr. Chairman, I rise in opposition to this legislation.

Mr. Chairman, this legislation is really not about increasing America's energy independence. This legislation is about whether or not the automobile companies can continue to fail to meet their obligations to American society to improve the mileage standards in our automobiles. It is about whether or not the oil companies can find more money by drilling the American Treasury than they can find for drilling oil.

This legislation in the heart of it has a terrible trade-off. It suggests that we go to the Arctic and that we drill in ANWR, in the Arctic National Wildlife Refuge, and then we take that oil and we put it into automobiles in this country to continue to waste it. Seventy percent of our energy in this country, our oil in this country, is used for transportation. Yet the Republicans have continued to put riders on appropriations bills so that we can continue to refuse to improve those automobile CAFE standards, the mileage per gallon standards that can save the American consumer, the American family billions of dollars over the coming years.

Yet at the same time this bill is a raid on the Treasury. We are going to have a royalty holiday for those who drill in the deepwater on the theory that this will get them to drill. Ladies and gentlemen, read the oil and gas journals, read Forbes, read Fortune magazine, read the business journals, read the Wall Street Journal. The Gulf of Mexico is the hottest oil play in the world today. Yet you are going to give them an incentive to go there. You are going to give them an incentive to go there. And you are going to rave about the $5 billion in bonus royalties and bonus bids that you got as a result of this. Yet CBO tells us it is going to cost us $7 billion to get $5 billion. And the losses continue over time.

Keep doing that and you end up with a deficit. Keep doing that and you end up socializing an industry from doing what it is already supposed to be doing and what it is already doing in the marketplace.

This is a very bad bill.

Mr. HANSEN. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, it is time to take a long, hard look at what must be done to help our Nation meet its energy needs. It is time to look past the special interest groups, the people who feel they run this Nation, their letter campaigns and political partisanship. This bill is right for the country. ANWR is right for the country. Producing more energy on existing energy sites is right for the country. It is right for American workers who look forward to 735,000 new, high-paying jobs.

Why are these people against American workers? American workers are the greatest people on earth. They work hard, they get their money, they are patriotic Americans. Yet we hear from the other side that they are against these workers. I would hope that every person who looks at this takes care of the American workers.

It is right for American consumers discouraged by wildly fluctuating prices. Look what they paid in their energy bills this year. Every time they drive up to the gas pump, they do not know whether it is 15 cents higher or lower. That should not happen.

It is right for the national security of America because we cannot rely on those we can hardly rely on. That is what we are doing now.

This bill is a bill whose time has come. This is a bill that is necessary for America, so we can stabilize the prices that we have, we can take care of our energy needs, we can take care of our elderly people, and we can take care of the American workers.

That is the point I want to make. What do those folks voting against this have against the American workers? That to me is a critical issue. I would hope they would take that into consideration.

The CHAIRMAN pro tempore (Mr. LINDER). All time for general debate has expired.

Pursuant to the rule, the amendment printed in part A of House Report 107–178 is adopted and the bill, as amended, is considered as the original bill for the purpose of further amendment under the 5-minute rule and is considered read.

The text of H.R. 4, as amended, is as follows:

H.R. 4

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Securing America's Future Energy Act of 2001" or the "SAFE Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.

DIVISION A

Sec. 100. Short title.

TITLE I—ENERGY CONSERVATION

Subtitle A—Reauthorization of Federal Energy Conservation Programs

Sec. 101. Authorization of appropriations.

Subtitle B—Federal Leadership in Energy Conservation

Sec. 121. Federal facilities and national energy security.
Sec. 122. Enhancement and extension of authority relating to Federal energy savings performance contracts.
Sec. 123. Clarification and enhancement of authority to enter utility incentive programs for energy savings.
Sec. 124. Federal central air conditioner and heat pump efficiency.
Sec. 125. Advanced building efficiency testbed.
Sec. 126. Use of interval data in Federal buildings.
Sec. 127. Review of Energy Savings Performance Contract program.
Sec. 128. Capitol complex.

Subtitle C—State Programs

Sec. 131. Amendments to State energy programs.
Sec. 132. Reauthorization of energy conservation program for schools and hospitals.
Sec. 133. Amendments to Weatherization Assistance Program.
Sec. 134. LIHEAP.
Sec. 135. High performance public buildings.

Subtitle D—Energy Efficiency for Consumer Products

Sec. 141. Energy Star program.
Sec. 142. Labeling of energy efficient appliances.
Sec. 143. Appliance standards.

Subtitle E—Energy Efficient Vehicles

Sec. 151. High occupancy vehicle exception.
Sec. 152. Railroad efficiency.
Sec. 153. Biodiesel fuel use credits.
Sec. 154. Mobile to stationary source trading.

Subtitle F—Other Provisions

Sec. 161. Review of regulations to eliminate barriers to emerging energy technology.
Sec. 162. Advanced idle elimination systems.
Sec. 163. Study of benefits and feasibility of oil bypass filtration technology.
Sec. 164. Gas flare study.
Sec. 165. Telecommuting study.

TITLE II—AUTOMOBILE FUEL ECONOMY

Sec. 201. Average fuel economy standards for nonpassenger automobiles.
Sec. 202. Consideration of prescribing different average fuel economy standards for nonpassenger automobiles.
Sec. 203. Dual fueled automobiles.
Sec. 204. Fuel economy of the Federal fleet of automobiles.
Sec. 205. Hybrid vehicles and alternative vehicles.
Sec. 206. Federal fleet petroleum-based nonalternative fuels.
Sec. 207. Study of feasibility and effects of reducing use of fuel for automobiles.

TITLE III—NUCLEAR ENERGY

Sec. 301. License period.
Sec. 302. Cost recovery from Government agencies.
Sec. 303. Depleted uranium hexafluoride.
Sec. 304. Nuclear Regulatory Commission meetings.
Sec. 305. Cooperative research and development and special demonstration projects for the uranium mining industry.
Sec. 306. Maintenance of a viable domestic uranium conversion industry.
Sec. 307. Paducah decontamination and decommissioning plan.

TITLE IV—HYDROELECTRIC ENERGY

Sec. 401. Alternative conditions and fishways.
Sec. 402. FERC data on hydroelectric licensing.

TITLE V—FUELS

Sec. 601. Tank draining during transition to summertime RFG.
Sec. 602. Gasoline blendstock requirements.
Sec. 603. Boutique fuels.
Sec. 604. Funding for MTBE contamination.

TITLE VI—RENEWABLE ENERGY

Sec. 701. Assessment of renewable energy resources.
Sec. 702. Renewable energy production incentive.

TITLE VII—PIPELINES

Sec. 801. Prohibition on certain pipeline route.
Sec. 802. Historic pipelines.

TITLE VII—MISCELLANEOUS PROVISIONS

Sec. 901. Waste reduction and use of alternatives.
Sec. 902. Annual report on United States energy independence.
Sec. 903. Study of aircraft emissions.

DIVISION B

Sec. 2001. Short title.
Sec. 2002. Findings.
Sec. 2003. Purposes.
Sec. 2004. Goals.
Sec. 2005. Definitions.
Sec. 2006. Authorizations.
Sec. 2007. Balance of funding priorities.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle A—Alternative Fuel Vehicles

Sec. 2101. Short title.
Sec. 2102. Definitions.
Sec. 2103. Pilot program.
Sec. 2104. Reports to Congress.
Sec. 2105. Authorization of appropriations.

Subtitle B—Distributed Power Hybrid Energy Systems

Sec. 2121. Findings.
Sec. 2122. Definitions.
Sec. 2123. Strategy.
Sec. 2124. High power density industry program.
Sec. 2125. Micro-cogeneration energy technology.
Sec. 2126. Program plan.
Sec. 2127. Report.
Sec. 2128. Voluntary consensus standards.

Subtitle C—Secondary Electric Vehicle Battery Use

Sec. 2131. Definitions.
Sec. 2132. Establishment of secondary electric vehicle battery use program.
Sec. 2133. Authorization of appropriations.

Subtitle D—Green School Buses

Sec. 2141. Short title.
Sec. 2142. Establishment of pilot program.
Sec. 2143. Fuel cell bus development and demonstration program.
Sec. 2144. Authorization of appropriations.

Subtitle E—Next Generation Lighting Initiative

Sec. 2151. Short title.
Sec. 2152. Definition.
Sec. 2153. Next Generation Lighting Initiative.
Sec. 2154. Study.
Sec. 2155. Grant program.

Subtitle F—Department of Energy Authorization of Appropriations

Sec. 2161. Authorization of appropriations.

Subtitle G—Environmental Protection Agency Office of Air and Radiation Authorization of Appropriations

Sec. 2171. Short title.
Sec. 2172. Authorization of appropriations.
Sec. 2173. Limits on use of funds.
Sec. 2174. Cost sharing.
Sec. 2175. Limitation on demonstration and commercial applications of energy technology.
Sec. 2176. Reprogramming.
Sec. 2177. Budget request format.
Sec. 2178. Other provisions.

Subtitle H—National Building Performance Initiative

Sec. 2181. National Building Performance Initiative.

TITLE II—RENEWABLE ENERGY

Subtitle A—Hydrogen

Sec. 2201. Short title.
Sec. 2202. Purposes.
Sec. 2203. Definitions.
Sec. 2204. Reports to Congress.
Sec. 2205. Hydrogen research and development.
Sec. 2206. Demonstrations.
Sec. 2207. Technology transfer.
Sec. 2208. Coordination and consultation.
Sec. 2209. Advisory Committee.
Sec. 2210. Authorization of appropriations.
Sec. 2211. Repeal.

Subtitle B—Bioenergy

Sec. 2221. Short title.
Sec. 2222. Findings.
Sec. 2223. Definitions.
Sec. 2224. Authorization.
Sec. 2225. Authorization of appropriations.

Subtitle C—Transmission Infrastructure Systems

Sec. 2241. Transmission infrastructure systems research, development, demonstration, and commercial application.
Sec. 2242. Program plan.
Sec. 2243. Report.

Subtitle D—Department of Energy Authorization of Appropriations

Sec. 2261. Authorization of appropriations.

TITLE III—NUCLEAR ENERGY

Subtitle A—University Nuclear Science and Engineering

Sec. 2301. Short title.
Sec. 2302. Findings.
Sec. 2303. Department of Energy program.
Sec. 2304. Authorization of appropriations.

Subtitle B—Advanced Fuel Recycling Technology Research and Development Program

Sec. 2321. Program.

Subtitle C—Department of Energy Authorization of Appropriations

Sec. 2341. Nuclear Energy Research Initiative.
Sec. 2342. Nuclear Energy Plant Optimization program.
Sec. 2343. Nuclear energy technologies.
Sec. 2344. Authorization of appropriations.

TITLE IV—FOSSIL ENERGY

Subtitle A—Coal

Sec. 2401. Coal and related technologies programs.

Subtitle B—Oil and Gas

Sec. 2421. Petroleum-oil technology.
Sec. 2422. Gas.

Subtitle C—Ultra-Deepwater and Unconventional Drilling

Sec. 2441. Short title.
Sec. 2442. Definitions.
Sec. 2443. Ultra-deepwater program.
Sec. 2444. National Energy Technology Laboratory.
Sec. 2445. Advisory Committee.
Sec. 2446. Research Organization.
Sec. 2447. Grants.
Sec. 2448. Plan and funding.
Sec. 2449. Audit.
Sec. 2450. Fund.
Sec. 2451. Sunset.

Subtitle D—Fuel Cells

Sec. 2461. Fuel cells.

Subtitle E—Department of Energy Authorization of Appropriations

Sec. 2481. Authorization of appropriations.

TITLE V—SCIENCE

Subtitle A—Fusion Energy Sciences

Sec. 2501. Short title.
Sec. 2502. Findings.
Sec. 2503. Plan for fusion experiment.
Sec. 2504. Plan for fusion energy sciences program.
Sec. 2505. Authorization of appropriations.

Subtitle B—Spallation Neutron Source

Sec. 2521. Definition.
Sec. 2522. Authorization of appropriations.
Sec. 2523. Report.
Sec. 2524. Limitations.

Subtitle C—Facilities, Infrastructure, and User Facilities

Sec. 2541. Definition.
Sec. 2542. Facility and infrastructure support for nonmilitary energy laboratories.
Sec. 2543. User facilities.

Subtitle D—Advisory Panel on Office of Science

Sec. 2561. Establishment.
Sec. 2562. Report.

Subtitle E—Department of Energy Authorization of Appropriations

Sec. 2581. Authorization of appropriations.

TITLE VI—MISCELLANEOUS

Subtitle A—General Provisions for the Department of Energy

Sec. 2601. Research, development, demonstration, and commercial application of energy technology programs, projects, and activities.
Sec. 2602. Limits on use of funds.
Sec. 2603. Cost sharing.
Sec. 2604. Limitation on demonstration and commercial application of energy technology.
Sec. 2605. Reprogramming.

Subtitle B—Other Miscellaneous Provisions

Sec. 2611. Notice of reorganization.
Sec. 2612. Limits on general plant projects.
Sec. 2613. Limits on construction projects.
Sec. 2614. Authority for conceptual and construction design.
Sec. 2615. National Energy Policy Development Group mandated reports.
Sec. 2616. Periodic reviews and assessments.

DIVISION C

Sec. 3001. Short title.

TITLE I—CONSERVATION

Sec. 3101. Credit for residential solar energy property.
Sec. 3102. Extension and expansion of credit for electricity produced from renewable resources.
Sec. 3103. Credit for qualified stationary fuel cell powerplants.
Sec. 3104. Alternative motor vehicle credit.
Sec. 3105. Extension of deduction for certain refueling property.
Sec. 3106. Modification of credit for qualified electric vehicles.
Sec. 3107. Tax credit for energy efficient appliances.
Sec. 3108. Credit for energy efficiency improvements to existing homes.
Sec. 3109. Business credit for construction of new energy efficient home.
Sec. 3110. Allowance of deduction for energy efficient commercial building property.
Sec. 3111. Allowance of deduction for qualified energy management devices and retrofitted qualified meters.
Sec. 3112. 3-year applicable recovery period for depreciation of qualified energy management devices.
Sec. 3113. Energy credit for combined heat and power system property.
Sec. 3114. New nonrefundable personal credits allowed against regular and minimum taxes.
Sec. 3115. Phaseout of 4.3-cent motor fuel excise taxes on railroads and inland waterway transportation which remain in general fund.
Sec. 3116. Reduced motor fuel excise tax on certain mixtures of diesel fuel.
Sec. 3117. Credit for investment in qualifying advanced clean coal technology.
Sec. 3118. Credit for production from qualifying advanced clean coal technology.

TITLE II—RELIABILITY

Sec. 3201. Natural gas gathering lines treated as 7-year property.
Sec. 3202. Natural gas distribution lines treated as 10-year property.
Sec. 3203. Petroleum refining property treated as 7-year property.
Sec. 3204. Expensing of capital costs incurred in complying with environmental protection agency sulfur regulations.
Sec. 3205. Environmental tax credit.
Sec. 3206. Determination of small refiner exception to oil depletion deduction.
Sec. 3207. Tax-exempt bond financing of certain electric facilities.
Sec. 3208. Sales or dispositions to implement Federal Energy Regulatory Commission or State electric restructuring policy.
Sec. 3209. Distributions of stock to implement Federal Energy Regulatory Commission or State electric restructuring policy.
Sec. 3210. Modifications to special rules for nuclear decommissioning costs.

Sec. 3211. Treatment of certain income of cooperatives.
Sec. 3212. Repeal of requirement of certain approved terminals to offer dyed diesel fuel and kerosene for nontaxable purposes.
Sec. 3213. Arbitrage rules not to apply to prepayments for natural gas.

TITLE III—PRODUCTION

Sec. 3301. Oil and gas from marginal wells.
Sec. 3302. Temporary suspension of limitation based on 65 percent of taxable income and extension of suspension of taxable income limit with respect to marginal production.
Sec. 3303. Deduction for delay rental payments.
Sec. 3304. Election to expense geological and geophysical expenditures.
Sec. 3305. 5-year net operating loss carryback for losses attributable to operating mineral interests of oil and gas producers.
Sec. 3306. Extension and modification of credit for producing fuel from a nonconventional source.
Sec. 3307. Business related energy credits allowed against regular and minimum tax.
Sec. 3308. Temporary repeal of alternative minimum tax preference for intangible drilling costs.
Sec. 3309. Allowance of enhanced recovery credit against the alternative minimum tax.
Sec. 3310. Extension of certain benefits for energy-related businesses on Indian reservations.

DIVISION D

Sec. 4101. Capacity building for energy-efficient, affordable housing.
Sec. 4102. Increase of CDBG public services cap for energy conservation and efficiency activities.
Sec. 4103. FHA mortgage insurance incentives for energy efficient housing.
Sec. 4104. Public housing capital fund.
Sec. 4105. Grants for energy-conserving improvements for assisted housing.
Sec. 4106. North American Development Bank.

DIVISION E

Sec. 5000. Short title.
Sec. 5001. Findings.
Sec. 5002. Definitions.
Sec. 5003. Clean coal power initiative.
Sec. 5004. Cost and performance goals.
Sec. 5005. Authorization of appropriations.
Sec. 5006. Project criteria.
Sec. 5007. Study.

DIVISION F

Sec. 6000. Short title.

TITLE I—GENERAL PROTECTIONS FOR ENERGY SUPPLY AND SECURITY

Sec. 6101. Study of existing rights-of-way on Federal lands to determine capability to support new pipelines or other transmission facilities.
Sec. 6102. Inventory of energy production potential of all Federal public lands.
Sec. 6103. Review of regulations to eliminate barriers to emerging energy technology.
Sec. 6104. Interagency agreement on environmental review of interstate natural gas pipeline projects.
Sec. 6105. Enhancing energy efficiency in management of Federal lands.

TITLE II—OIL AND GAS DEVELOPMENT

Subtitle A—Offshore Oil and Gas

Sec. 6201. Short title.
Sec. 6202. Lease sales in Western and Central Planning Area of the Gulf of Mexico.
Sec. 6203. Savings clause.
Sec. 6204. Analysis of Gulf of Mexico field size distribution, international competitiveness, and incentives for development.

Subtitle B—Improvements to Federal Oil and Gas Management

Sec. 6221. Short title.
Sec. 6222. Study of impediments to efficient lease operations.
Sec. 6223. Elimination of unwarranted denials and stays.
Sec. 6224. Limitations on cost recovery for applications.
Sec. 6225. Consultation with Secretary of Agriculture.

Subtitle C—Miscellaneous

Sec. 6231. Offshore subsalt development.
Sec. 6232. Program on oil and gas royalties in kind.
Sec. 6233. Marginal well production incentives.
Sec. 6234. Reimbursement for costs of NEPA analyses, documentation, and studies.

TITLE III—GEOTHERMAL ENERGY DEVELOPMENT

Sec. 6301. Royalty reduction and relief.
Sec. 6302. Exemption from royalties for direct use of low temperature geothermal energy resources.
Sec. 6303. Amendments relating to leasing on Forest Service lands.
Sec. 6304. Deadline for determination on pending noncompetitive lease applications.
Sec. 6305. Opening of public lands under military jurisdiction.
Sec. 6306. Application of amendments.
Sec. 6307. Review and report to Congress.
Sec. 6308. Reimbursement for costs of NEPA analyses, documentation, and studies.

TITLE IV—HYDROPOWER

Sec. 6401. Study and report on increasing electric power production capability of existing facilities.
Sec. 6402. Installation of powerformer at Folsom power plant, California.
Sec. 6403. Study and implementation of increased operational efficiencies in hydroelectric power projects.
Sec. 6404. Shift of project loads to off-peak periods.

TITLE V—ARCTIC COASTAL PLAIN DOMESTIC ENERGY

Sec. 6501. Short title.
Sec. 6502. Definitions.
Sec. 6503. Leasing program for lands within the Coastal Plain.
Sec. 6504. Lease sales.
Sec. 6505. Grant of leases by the Secretary.
Sec. 6506. Lease terms and conditions.
Sec. 6507. Coastal Plain environmental protection.
Sec. 6508. Expedited judicial review.
Sec. 6509. Rights-of-way across the Coastal Plain.
Sec. 6510. Conveyance.
Sec. 6511. Local government impact aid and community service assistance.
Sec. 6512. Revenue allocation.

TITLE VI—CONSERVATION OF ENERGY BY THE DEPARTMENT OF THE INTERIOR

Sec. 6601. Energy conservation by the Department of the Interior.

TITLE VII—COAL

Sec. 6701. Limitation on fees with respect to coal lease applications and documents.
Sec. 6702. Mining plans.
Sec. 6703. Payment of advance royalties under coal leases.
Sec. 6704. Elimination of deadline for submission of coal lease operation and reclamation plan.

TITLE VIII—INSULAR AREAS ENERGY SECURITY

Sec. 6801. Insular areas energy security.

DIVISION A

SEC. 100. SHORT TITLE.

This division may be cited as the "Energy Advancement and Conservation Act of 2001".

TITLE I—ENERGY CONSERVATION

Subtitle A—Reauthorization of Federal Energy Conservation Programs

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Section 660 of the Department of Energy Organization Act (42 U.S.C. 7270) is amended as follows:

(1) By inserting "(a)" before "Appropriations".

(2) By inserting at the end the following new subsection:

"(b) There are hereby authorized to be appropriated to the Department of Energy for fiscal year 2002, $950,000,000; for fiscal year 2003, $1,000,000,000; for fiscal year 2004, $1,050,000,000; for fiscal year 2005, $1,100,000,000; and for fiscal year 2006, $1,150,000,000, to carry out energy efficiency activities under the following laws, such sums to remain available until expended:

"(1) Energy Policy and Conservation Act, including section 256(d)(42 U.S.C. 6276(d)) (promote export of energy efficient products), sections 321 through 346 (42 U.S.C. 6291–6317) (appliances program).

"(2) Energy Conservation and Production Act, including sections 301 through 308 (42 U.S.C. 6831–6837) (energy conservation standards for new buildings).

"(3) National Energy Conservation Policy Act, including sections 541–551 (42 U.S.C. 8251–8259) (Federal Energy Management Program).

"(4) Energy Policy Act of 1992, including sections 103 (42 U.S.C. 13458) (energy efficient lighting and building centers), 121 (42 U.S.C. 6292 note) (energy efficiency labeling for windows and window systems), 125 (42 U.S.C. 6292 note) (energy efficiency information for commercial office equipment), 126 (42 U.S.C. 6292 note) (energy efficiency information for luminaires), 131 (42 U.S.C. 6348) (energy efficiency in industrial facilities), and 132 (42 U.S.C. 6349) (process-oriented industrial energy efficiency).".

Subtitle B—Federal Leadership in Energy Conservation

SEC. 121. FEDERAL FACILITIES AND NATIONAL ENERGY SECURITY.

(a) PURPOSE.—Section 542 of the National Energy Conservation Policy Act (42 U.S.C. 8252) is amended by inserting ", and generally to promote the production, supply, and marketing of energy efficiency products and services and the production, supply, and marketing of unconventional and renewable energy resources" after "by the Federal Government".

(b) ENERGY MANAGEMENT REQUIREMENTS.—Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended as follows:

(1) In subsection (a)(1), by striking "during the fiscal year 1995" and all that follows through the end and inserting "during—

"(1) fiscal year 1995 is at least 10 percent;

"(2) fiscal year 2000 is at least 20 percent;

"(3) fiscal year 2005 is at least 30 percent;

"(4) fiscal year 2010 is at least 35 percent;

"(5) fiscal year 2015 is at least 40 percent; and

"(6) fiscal year 2020 is at least 45 percent,

less than the energy consumption per gross square foot of its Federal buildings in use during fiscal year 1985. To achieve the reductions required by this paragraph, an agency shall make maximum practicable use of energy efficiency products and services and unconventional and renewable energy resources, using guidelines issued by the Secretary under subsection (d) of this section.".

(2) In subsection (d), by inserting "Such guidelines shall include appropriate model technical standards for energy efficiency and unconventional and renewable energy resources products and services. Such standards shall reflect, to the extent practicable, evaluation of both currently marketed and potentially marketable products and services that could be used by agencies to improve energy efficiency and increase unconventional and renewable energy resources." after "implementation of this part.".

(3) By adding at the end the following new subsection:

"(e) STUDIES.—To assist in developing the guidelines issued by the Secretary under subsection (d) and in furtherance of the purposes of this section, the Secretary shall conduct studies to identify and encourage the production and marketing of energy efficiency products and services and unconventional and renewable energy resources. To conduct such studies, and to provide grants to accelerate the use of unconventional and renewable energy, there are authorized to be appropriated to the Secretary $20,000,000 for each of the fiscal years 2003 through 2010.".

(c) DEFINITION.—Section 551 of the National Energy Conservation Policy Act (42 U.S.C. 8259) is amended as follows:

(1) By striking "and" at the end of paragraph (8).

(2) By striking the period at the end of paragraph (9) and inserting "; and".

(3) By adding at the end the following new paragraph:

"(10) the term 'unconventional and renewable energy resources' includes renewable energy sources, hydrogen, fuel cells, cogeneration, combined heat and power, heat recovery (including by use of a Stirling heat engine), and distributed generation.".

(d) EXCLUSIONS FROM REQUIREMENT.—The National Energy Conservation Policy Act (42 U.S.C. 7201 and following) is amended as follows:

(1) In section 543(a)—

(A) by striking "(1) Subject to paragraph (2)" and inserting "Subject to subsection (c)"; and

(B) by striking "(2) An agency" and all that follows through "such exclusion.".

(2) By amending subsection (c) of such section 543 to read as follows:

"(c) EXCLUSIONS.—(1) A Federal building may be excluded from the requirements of subsections (a) and (b) only if—

"(A) the President declares the building to require exclusion for national security reasons; and

"(B) the agency responsible for the building has—

"(i) completed and submitted all federally required energy management reports; and

"(ii) achieved compliance with the energy efficiency requirements of this Act, the Energy Policy Act of 1992, Executive Orders, and other Federal law;

"(iii) implemented all practical, life cycle cost-effective projects in the excluded building.

"(2) The President shall only declare buildings described in paragraph (1)(A) to be excluded, not ancillary or nearby facilities that are not in themselves national security facilities.".

(3) In section 548(b)(1)(A)—

(A) by striking "copy of the"; and

(B) by striking "sections 543(a)(2) and 543(c)(3)" and inserting "section 543(c)".

(e) ACQUISITION REQUIREMENT.—Section 543(b) of such Act is amended—

(1) in paragraph (1), by striking "(1) Not" and inserting "(1) Except as provided in paragraph (5), not"; and

(2) by adding at the end the following new paragraph:

"(5)(A)(i) Agencies shall select only Energy Star products when available when acquiring energy-using products. For product groups where Energy Star labels are not yet available, agencies shall select products that are in the upper 25 percent of energy efficiency as designated by FEMP. In the case of electric motors of 1 to 500 horsepower, agencies shall select only premium efficiency motors that meet a standard designated by the Secretary, and shall replace (not rewind) failed motors with motors meeting such standard. The Secretary shall designate such standard within 90 days of enactment of paragraph, after considering recommendations by the National Electrical Manufacturers Association. The Secretary of Energy shall develop guidelines within 180 days after the enactment of this paragraph for exemptions to this section when equivalent products do not exist, are impractical, or do not meet the agency mission requirements.

"(ii) The Administrator of the General Services Administration and the Secretary of Defense (acting through the Defense Logistics Agency), with assistance from the Administrator of the Environmental Protection Agency and the Secretary of Energy, shall create clear catalogue listings that designate Energy Star products in both print and electronic formats. After any existing federal inventories are exhausted, Administrator of the General Services Administration and the Secretary of Defense (acting through the Defense Logistics Agency) shall only replace inventories with energy-using products that are Energy Star, products that are rated in the top 25 percent of energy efficiency, or products that are exempted as designated by FEMP and defined in clause (i).

"(iii) Agencies shall incorporate energy-efficient criteria consistent with Energy Star and other FEMP designated energy efficiency levels into all guide specifications and project specifications developed for new construction and renovation, as well as into product specification language developed for Basic Ordering Agreements, Blanket Purchasing Agreements, Government Wide Acquisition Contracts, and all other purchasing procedures.

"(iv) The legislative branch shall be subject to this subparagraph to the same extent and in the same manner as are the Federal agencies referred to in section 521(1).

"(B) Not later than 6 months after the date of the enactment of this paragraph, the Secretary of Energy shall establish guidelines defining the circumstances under which an agency shall not be required to comply with subparagraph (A). Such circumstances may include the absence of Energy Star products, systems, or designs that serve the purpose of the agency, issues relating to the compatibility of a product, system, or design with existing buildings or equipment, and excessive cost compared to other available and appropriate products, systems, or designs.

"(C) Subparagraph (A) shall apply to agency acquisitions occurring on or after October 1, 2002.".

(f) METERING.—Section 543 of such Act (42 U.S.C. 8254) is amended by adding at the end the following new subsection:

"(f) METERING.—(1) By October 1, 2004, all Federal buildings including buildings owned by the legislative branch and the Federal court system and other energy-using structures shall be metered or submetered in accordance with guidelines established by the Secretary under paragraph (2).

"(2) Not later than 6 months after the date of the enactment of this subsection, the Secretary, in consultation with the General Services Administration and representatives from the metering industry, energy services industry, national laboratories, colleges of higher education, and federal facilities energy managers, shall establish guidelines for agencies to carry out paragraph (1). Such guidelines shall take into consideration each of the following:

"(A) Cost.

"(B) Resources, including personnel, required to maintain, interpret, and report on data so that the meters are continually reviewed.

"(C) Energy management potential.

"(D) Energy savings.

"(E) Utility contract aggregation.

"(F) Savings from operations and maintenance.

"(3) A building shall be exempt from the requirement of this section to the extent that compliance is deemed impractical by the Secretary. A finding of impracticability shall be based on the same factors as identified in subsection (c) of this section.".

(g) RETENTION OF ENERGY SAVINGS.—Section 546 of such Act (42 U.S.C. 8256) is amended by adding at the end the following new subsection:

"(e) RETENTION OF ENERGY SAVINGS.—An agency may retain any funds appropriated to that agency for energy expenditures, at buildings subject to the requirements of section 543(a) and (b), that are not made because of energy savings. Except as otherwise provided by law, such funds may be used only for energy efficiency or unconventional and renewable energy resources projects.".

(h) REPORTS.—Section 548 of such Act (42 U.S.C. 8258) is amended as follows:

(1) In subsection (a)—

(A) by inserting "in accordance with guidelines established by and" after "to the Secretary,";

(B) by striking "and" at the end of paragraph (1);

(C) by striking the period at the end of paragraph (2) and inserting a semicolon; and

(D) by adding at the end the following new paragraph:

"(3) an energy emergency response plan developed by the agency.".

(2) In subsection (b)—

(A) by striking "and" at the end of paragraph (3);

(B) by striking the period at the end of paragraph (4) and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(5) all information transmitted to the Secretary under subsection (a).".

(3) By amending subsection (c) to read as follows:

"(c) AGENCY REPORTS TO CONGRESS.—Each agency shall annually report to the Congress, as part of the agency's annual budget request, on all of the agency's activities implementing any Federal energy management requirement.".

(i) Inspector General Energy Audits.—Section 160(c) of the Energy Policy Act of 1992 (42 U.S.C. 8262f(c)) is amended by striking "is encouraged to conduct periodic" and inserting "shall conduct periodic".

(j) Federal Energy Management Reviews.—Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended by adding at the end the following:

"(g) Priority Response Reviews.—Each agency shall—

"(1) not later than 9 months after the date of the enactment of this subsection, undertake a comprehensive review of all practicable measures for—

"(A) increasing energy and water conservation, and

"(B) using renewable energy sources; and

"(2) not later than 180 days after completing the review, develop plans to achieve not less than 50 percent of the potential efficiency and renewable savings identified in the review.

The agency shall implement such measures as soon thereafter as is practicable, consistent with compliance with the requirements of this section.".

SEC. 122. ENHANCEMENT AND EXTENSION OF AUTHORITY RELATING TO FEDERAL ENERGY SAVINGS PERFORMANCE CONTRACTS.

(a) Cost Savings From Operation and Maintenance Efficiencies in Replacement Facilities.—Section 801(a) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)) is amended by adding at the end the following new paragraph:

"(3)(A) In the case of an energy savings contract or energy savings performance contract providing for energy savings through the construction and operation of one or more buildings or facilities to replace one or more existing buildings or facilities, benefits ancillary to the purpose of such contract under paragraph (1) may include savings resulting from reduced costs of operation and maintenance at such replacement buildings or facilities when compared with costs of operation and maintenance at the buildings or facilities being replaced, established through a methodology set forth in the contract.

"(B) Notwithstanding paragraph (2)(B), aggregate annual payments by an agency under an energy savings contract or energy savings performance contract referred to in subparagraph (A) may take into account (through the procedures developed pursuant to this section) savings resulting from reduced costs of operation and maintenance as described in that subparagraph.".

(b) Expansion of Definition of Energy Savings to Include Water and Replacement Facilities.—

(1) Energy savings.—Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(2)) is amended to read as follows:

"(2)(A) The term 'energy savings' means a reduction in the cost of energy or water, from a base cost established through a methodology set forth in the contract, used in an existing federally owned building or buildings or other federally owned facilities as a result of—

"(i) the lease or purchase of operating equipment, improvements, altered operation and maintenance, or technical services;

"(ii) the increased efficient use of existing energy sources by solar and ground source geothermal resources, cogeneration or heat recovery (including by the use of a Stirling heat engine), excluding any cogeneration process for other than a federally owned building or buildings or other federally owned facilities; or

"(iii) the increased efficient use of existing water sources.

"(B) The term 'energy savings' also means, in the case of a replacement building or facility described in section 801(a)(3), a reduction in the cost of energy, from a base cost established through a methodology set forth in the contract, that would otherwise be utilized in one or more existing federally owned buildings or other federally owned facilities by reason of the construction and operation of the replacement building or facility.".

(2) Energy savings contract.—Section 804(3) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(3)) is amended to read as follows:

"(3) The terms 'energy savings contract' and 'energy savings performance contract' mean a contract which provides for—

"(A) the performance of services for the design, acquisition, installation, testing, operation, and, where appropriate, maintenance and repair, of an identified energy or water conservation measure or series of measures at one or more locations; or

"(B) energy savings through the construction and operation of one or more buildings or facilities to replace one or more existing buildings or facilities.".

(3) Energy or water conservation measure.—Section 804(4) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(4)) is amended to read as follows:

"(4) The term 'energy or water conservation measure' means—

"(A) an energy conservation measure, as defined in section 551(4) (42 U.S.C. 8259(4)); or

"(B) a water conservation measure that improves water efficiency, is life cycle cost effective, and involves water conservation, water recycling or reuse, improvements in operation or maintenance efficiencies, retrofit activities, or other related activities, not at a Federal hydroelectric facility.".

(4) Conforming amendment.—Section 801(a)(2)(C) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)(2)(C)) is amended by inserting "or water" after "financing energy".

(c) Extension of Authority.—Section 801(c) of the National Energy Conservation Policy Act (42 U.S.C. 8287(c)) is repealed.

(d) Contracting and Auditing.—Section 801(a)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)(2)) is amended by adding at the end the following new subparagraph:

"(E) A Federal agency shall engage in contracting and auditing to implement energy savings performance contracts as necessary and appropriate to ensure compliance with the requirements of this Act, particularly the energy efficiency requirements of section 543.".

SEC. 123. CLARIFICATION AND ENHANCEMENT OF AUTHORITY TO ENTER UTILITY INCENTIVE PROGRAMS FOR ENERGY SAVINGS.

Section 546(c) of the National Energy Conservation Policy Act (42 U.S.C. 8256(c)) is amended as follows:

(1) In paragraph (3) by adding at the end the following: "Such a utility incentive program may include a contract or contract term designed to provide for cost-effective electricity demand management, energy efficiency, or water conservation.".

(2) By adding at the end of the following new paragraphs:

"(6) A utility incentive program may include a contract or contract term for a reduction in the energy, from a base cost established through a methodology set forth in such a contract, that would otherwise be utilized in one or more federally owned buildings or other federally owned facilities by reason of the construction or operation of one or more replacement buildings or facilities, as well as benefits ancillary to the purpose of such contract or contract term, including savings resulting from reduced costs of operation and maintenance at new or additional buildings or facilities when compared with the costs of operation and maintenance at existing buildings or facilities.

"(7) Federal agencies are encouraged to participate in State or regional demand side reduction programs, including those operated by wholesale market institutions such as independent system operators, regional transmission organizations and other entities. The availability of such programs, and the savings resulting from such participation, should be included in the evaluation of energy options for Federal facilities.".

SEC. 124. FEDERAL CENTRAL AIR CONDITIONER AND HEAT PUMP EFFICIENCY.

(a) Requirement.—Federal agencies shall be required to acquire central air conditioners and heat pumps that meet or exceed the standards established under subsection (b) or (c) in the case of all central air conditioners and heat pumps acquired after the date of enactment of this Act.

(b) Standards.—The standards referred to in subsection (a) are the following:

(1) For air-cooled air conditioners with cooling capacities of less than 65,000 Btu/hour, a Seasonal Energy Efficiency Ratio of 12.0.

(2) For air-source heat pumps with cooling capacities less than 65,000 Btu/hour, a Seasonal Energy Efficiency Ratio of 12 SEER, and a Heating Seasonal Performance Factor of 7.4.

(c) Modified Standards.—The Secretary of Energy may establish, after appropriate notice and comment, revised standards providing for reduced energy consumption or increased energy efficiency of central air conditioners and heat pumps acquired by the Federal Government, but may not establish standards less rigorous than those established by subsection (b).

(d) Definitions.—For purposes of this section, the terms "Energy Efficiency Ratio", "Seasonal Energy Efficiency Ratio", "Heating Seasonal Performance Factor", and "Coefficient of Performance" have the meanings used for those terms in Appendix M to Subpart B of Part 430 of title 10 of the Code of Federal Regulations, as in effect on May 24, 2001.

(e) Exemptions.—An agency shall be exempt from the requirements of this section with respect to air conditioner or heat pump purchases for particular uses where the agency head determines that purchase of a air conditioner or heat pump for such use would be impractical. A finding of impracticability shall be based on whether—

(1) the energy savings pay-back period for such purchase would be less than 10 years;

(2) space constraints or other technical factors would make compliance with this section cost-prohibitive; or

(3) in the case of the Departments of Defense and Energy, compliance with this section would be inconsistent with the proper discharge of national security functions.

SEC. 125. ADVANCED BUILDING EFFICIENCY TESTBED.

(a) Establishment.—The Secretary of Energy shall establish an Advanced Building Efficiency Testbed program for the development, testing, and demonstration of advanced engineering systems, components, and materials to enable innovations in building technologies. The program shall evaluate government and industry building efficiency concepts, and demonstrate the ability of next generation buildings to support individual and organizational productivity and health as well as flexibility and technological change to improve environmental sustainability.

(b) Participants.—The program established under subsection (a) shall be led by a university having demonstrated experience with the application of intelligent workplaces and advanced building systems in improving the quality of built environments. Such university shall also have the ability to combine the expertise from more than 12 academic fields, including electrical and computer engineering, computer science, architecture, urban design, and environmental and mechanical engineering. Such university shall partner with other universities and entities who have established programs and the capability of advancing innovative building efficiency technologies.

(c) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary of Energy to carry out this section $18,000,000 for fiscal year 2002, to remain available until expended, of which $6,000,000 shall be provided to the lead university described in subsection (b), and the remainder shall be provided equally to each of the other participants referred to in subsection (b).

SEC. 126. USE OF INTERVAL DATA IN FEDERAL BUILDINGS.

Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended by adding at the end the following new subsection:

"(h) Use of Interval Data in Federal Buildings.—Not later than January 1, 2003, each agency shall utilize, to the maximum extent practicable, for the purposes of efficient use of energy and reduction in the cost of electricity consumed in its Federal buildings, interval consumption data that measure on a real time or daily basis consumption of electricity in its Federal buildings. To meet the requirements of this subsection each agency shall prepare and submit at the earliest opportunity pursuant to section 548(a) to the Secretary, a plan describing how the agency intends to meet such requirements, including how it will designate personnel primarily responsible for achieving such requirements, and otherwise implement this subsection.".

SEC. 127. REVIEW OF ENERGY SAVINGS PERFORMANCE CONTRACT PROGRAM.

Within 180 days after the date of the enactment of this Act, the Secretary of Energy shall complete a review of the Energy Savings Performance Contract program to identify statutory, regulatory, and administrative obstacles that prevent Federal agencies from fully utilizing the program. In addition, this review shall identify all areas for increasing program flexibility and effectiveness, including audit and measurement verification requirements, accounting for energy use in determining savings, contracting requirements, and energy efficiency services covered. The Secretary shall report these findings to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, and shall implement identified administrative and regulatory changes to increase program flexibility and effectiveness to the extent that such changes are consistent with statutory authority.

SEC. 128. CAPITOL COMPLEX.

(a) Energy Infrastructure.—The Architect of the Capitol, building on the Master Plan Study completed in July 2000, shall commission a study to evaluate the energy infrastructure of the Capital Complex to determine how the infrastructure could be augmented to become more energy efficient, using unconventional and renewable energy resources, in a way that would enable the Complex to have reliable utility service in the event of power fluctuations, shortages, or outages.

(b) Authorization.—There is authorized to be appropriated to the Architect of the Capitol to carry out this section, not more than $2,000,000 for fiscal years after the enactment of this Act.

Subtitle C—State Programs

SEC. 131. AMENDMENTS TO STATE ENERGY PROGRAMS.

(a) State Energy Conservation Plans.—Section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322) is amended by inserting at the end the following new subsection:

"(g) The Secretary shall, at least once every three years, invite the Governor of each State to review and, if necessary, revise the energy conservation plan of such State submitted under subsection (b) or (e). Such reviews should consider the energy conservation plans of other States within the region, and identify opportunities and actions carried out in pursuit of common energy conservation goals.".

(b) State Energy Efficiency Goals.—Section 364 of the Energy Policy and Conservation Act (42 U.S.C. 6324) is amended by inserting "Each State energy conservation plan with respect to which assistance is made available under this part on or after the date of the enactment of Energy Advancement and Conservation Act of 2001, shall contain a goal, consisting of an improvement of 25 percent or more in the efficiency of use of energy in the State concerned in the calendar year 2010 as compared to the calendar year 1990, and may contain interim goals." after "contain interim goals.".

(c) Authorization of Appropriations.—Section 365(f) of the Energy Policy and Conservation Act (42 U.S.C. 6325(f)) is amended by striking "for fiscal years 1999 through 2003 such sums as may be necessary" and inserting "$75,000,000 for fiscal year 2002, $100,000,000 for fiscal years 2003 and 2004, $125,000,000 for fiscal year 2005".

SEC. 132. REAUTHORIZATION OF ENERGY CONSERVATION PROGRAM FOR SCHOOLS AND HOSPITALS.

Section 397 of the Energy Policy and Conservation Act (42 U.S.C. 6371f) is amended by striking "2003" and inserting "2010".

SEC. 133. AMENDMENTS TO WEATHERIZATION ASSISTANCE PROGRAM.

Section 422 of the Energy Conservation and Production Act (42 U.S.C. 6872) is amended by striking "for fiscal years 1999 through 2003 such sums as may be necessary" and inserting "$273,000,000 for fiscal year 2002, $325,000,000 for fiscal year 2003, $400,000,000 for fiscal year 2004, and $500,000,000 for fiscal year 2005".

SEC. 134. LIHEAP.

(a) Authorization of Appropriations.—Section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)) is amended by striking the first sentence and inserting the following: "There are authorized to be appropriated to carry out the provisions of this title (other than section 2607A), $3,400,000,000 for each of fiscal years 2001 through 2005.".

(b) GAO Study.—The Comptroller General of the United States shall conduct a study to determine—

(1) the extent to which Low-Income Home Energy Assistance (LIHEAP) and other government energy subsidies paid to consumers discourage energy conservation and energy efficiency investments; and

(2) the extent to which the goals of conservation and assistance for low income households could be simultaneously achieved through cash income supplements that do not specifically target energy, thereby maintaining incentives for wise use of expensive forms of energy, or through other means.

SEC. 135. HIGH PERFORMANCE PUBLIC BUILDINGS.

(a) Program Establishment and Administration.—

(1) Establishment.—There is established in the Department of Energy the High Performance Public Buildings Program (in this section referred to as the "Program").

(2) In general.—The Secretary of Energy may, through the Program, make grants—

(A) to assist units of local government in the production, through construction or renovation of buildings and facilities they own and operate, of high performance public buildings and facilities that are healthful, productive, energy efficient, and environmentally sound;

(B) to State energy offices to administer the program of assistance to units of local government pursuant to this section; and

(C) to State energy offices to promote participation by units of local government in the Program.

(3) Grants to assist units of local government.—Grants under paragraph (2)(A) for new public buildings shall be used to achieve energy efficiency performance that reduces energy use at least 30 percent below that of a public building constructed in compliance with standards prescribed in Chapter 8 of the 2000 International Energy Conservation Code, or a similar State code intended to achieve substantially equivalent results. Grants under paragraph (2)(A) for existing public buildings shall be used to achieve energy efficiency performance that reduces energy use below the public building baseline consumption, assuming a 3-year, weather-normalized average for calculating such baseline. Grants under paragraph (2)(A) shall be made to units of local government that have—

(A) demonstrated a need for such grants in order to respond appropriately to increasing population or to make major investments in renovation of public buildings; and

(B) made a commitment to use the grant funds to develop high performance public buildings in accordance with a plan developed and approved pursuant to paragraph (5)(A).

(4) Other grants.—

(A) Grants for administration.—Grants under paragraph (2)(B) shall be used to evaluate compliance by units of local government with the requirements of this section, and in addition may be used for—

(i) distributing information and materials to clearly define and promote the development of high performance public buildings for both new and existing facilities;

(ii) organizing and conducting programs for local government personnel, architects, engineers, and others to advance the concepts of high performance public buildings;

(iii) obtaining technical services and assistance in planning and designing high performance public buildings; and

(iv) collecting and monitoring data and information pertaining to the high performance public building projects.

(B) Grants to promote participation.—Grants under paragraph (2)(C) may be used for promotional and marketing activities, including facilitating private and public financing, promoting the use of energy service companies, working with public building users, and communities, and coordinating public benefit programs.

(5) Implementation.—

(A) Plans.—A grant under paragraph (2)(A) shall be provided only to a unit of local government that, in consultation with its State office of energy, has developed a plan that the State energy office determines to be feasible and appropriate in order to achieve the purposes for which such grants are made.

(B) Supplementing grant funds.—State energy offices shall encourage qualifying units of local government to supplement their grant funds with funds from other sources in the implementation of their plans.

(b) Allocation of Funds.—

(1) In general.—Except as provided in paragraph (3), funds appropriated to carry out this section shall be provided to State energy offices.

(2) Purposes.—Except as provided in paragraph (3), funds appropriated to carry out this section shall be allocated as follows:

(A) Seventy percent shall be used to make grants under subsection (a)(2)(A).

(B) Fifteen percent shall be used to make grants under subsection (a)(2)(B).

(C) Fifteen percent shall be used to make grants under subsection (a)(2)(C).

(3) Other funds.—The Secretary of Energy may retain not to exceed $300,000 per year from amounts appropriated under subsection (c) to assist State energy offices in coordinating and implementing the Program. Such funds may be used to develop reference materials to further define the principles and criteria to achieve high performance public buildings.

(c) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary of Energy to carry out this section such sums as may be necessary for each of the fiscal years 2002 through 2010.

(d) Report to Congress.—The Secretary of Energy shall conduct a biennial review of State actions implementing this section, and the Secretary shall report to Congress on the results of such reviews. In conducting such reviews, the Secretary shall assess the effectiveness of the calculation procedures used by the States in establishing eligibility of units of local government for funding under this section, and may assess other aspects of the State program to determine whether they have been effectively implemented.

(e) Definitions.—For purposes of this section:

(1) High performance public building.—The term "high performance public building" means a public building which, in its design, construction, operation, and maintenance, maximizes use of unconventional and renewable energy resources and energy efficiency practices, is cost-effective on a life cycle basis, uses affordable, environmentally preferable, durable materials, enhances indoor environmental quality, protects and conserves water, and optimizes site potential.

(2) Renewable energy.—The term "renewable energy" means energy produced by solar, wind, geothermal, hydroelectric, or biomass power.

(3) Unconventional and renewable energy resources.—The term "unconventional and renewable energy resources" means renewable energy, hydrogen, fuel cells, cogeneration, combined heat and power, heat recovery (including by use of a Stirling heat engine), and distributed generation.

Subtitle D—Energy Efficiency for Consumer Products

SEC. 141. ENERGY STAR PROGRAM.

(a) Amendment.—The Energy Policy and Conservation Act (42 U.S.C. 6201 and following) is amended by inserting the following after section 324:

"SEC. 324A. ENERGY STAR PROGRAM.

"(a) In General.—There is established at the Department of Energy and the Environmental Protection Agency a program to identify and promote energy-efficient products and buildings in order to reduce energy consumption, improve energy security, and reduce pollution through labeling of products and buildings that meet the highest energy efficiency standards. Responsibilities under the program shall be divided between the Department of Energy and the Environmental Protection Agency consistent with the terms of agreements between the two agencies. The Administrator and the Secretary shall—

"(1) promote Energy Star compliant technologies as the preferred technologies in the marketplace for achieving energy efficiency and to reduce pollution;

"(2) work to enhance public awareness of the Energy Star label; and

"(3) preserve the integrity of the Energy Star label.

For the purposes of carrying out this section, there is authorized to be appropriated for fiscal years 2002 through 2006 such sums as may be necessary, to remain available until expended.

"(b) Study of Certain Products and Buildings.—Within 180 days after the date of enactment of this section, the Secretary and the Administrator, consistent with the terms of agreements between the two agencies (including existing agreements with respect to which agency shall handle a particular product or building), shall determine whether the Energy Star label should be extended to additional products and buildings, including the following:

"(1) Air cleaners.

"(2) Ceiling fans.

"(3) Light commercial heating and cooling products.

"(4) Reach-in refrigerators and freezers.

"(5) Telephony.

"(6) Vending machines.

"(7) Residential water heaters.

"(8) Refrigerated beverage merchandisers.

"(9) Commercial ice makers.

"(10) School buildings.

"(11) Retail buildings.

"(12) Health care facilities.

"(13) Homes.

"(14) Hotels and other commercial lodging facilities.

"(15) Restaurants and other food service facilities.

"(16) Solar water heaters.

"(17) Building-integrated photovoltaic systems.

"(18) Reflective pigment coatings.

"(19) Windows.

"(20) Boilers.

"(21) Devices to extend the life of motor vehicle oil.

"(c) Cool Roofing.—In determining whether the Energy Star label should be extended to roofing products, the Secretary and the Administrator shall work with the roofing products industry to determine the appropriate solar reflective index of roofing products.".

(b) Table of Contents Amendment.—The table of contents of the Energy Policy and Conservation Act is amended by inserting after the item relating to section 324 the following new item:

"Sec. 324A. Energy Star program.".

SEC. 142. LABELING OF ENERGY EFFICIENT APPLIANCES.

(a) Study.—Section 324(e) of the Energy Policy and Conservation Act (42 U.S.C. 6294(e)) is amended as follows:

(1) By inserting "(1)" before "The Secretary, in consultation".

(2) By redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively.

(3) By adding the following new paragraph at the end:

"(2) The Secretary shall make recommendations to the Commission within 180 days of the date of enactment of this paragraph regarding labeling of consumer products that are not covered products in accordance with this section, where such labeling is likely to assist consumers in making purchasing decisions and is technologically and economically feasible.".

(b) Noncovered Products.—Section 324(a)(2) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)(2)) is amended by adding the following at the end:

"(F) Not later than one year after the date of enactment of this subparagraph, the Commission shall initiate a rulemaking to prescribe labeling rules under this section applicable to consumer products that are not covered products if it determines that labeling of such products is likely to assist consumers in making purchasing decisions and is technologically and economically feasible.

"(G) Not later than three months after the date of enactment of this subparagraph, the Commission shall initiate a rulemaking to consider the effectiveness of the current consumer products labeling program in assisting consumers in making purchasing decisions and improving energy efficiency and to consider changes to the label that would improve the effectiveness of the label. Such rulemaking shall be completed within 15 months of the date of enactment of this subparagraph.".

SEC. 143. APPLIANCE STANDARDS.

(a) Standards for Household Appliances in Standby Mode.—(1) Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295) is amended by adding at the end the following:

"(u) Standby Mode Electric Energy Consumption by Household Appliances.—(1) In this subsection:

"(A) The term 'household appliance' means any device that uses household electric current, operates in a standby mode, and is identified by the Secretary as a major consumer of electricity in standby mode, except digital televisions, digital set top boxes, digital video recorders, any product recognized under the Energy Star program, any product that was on the date of enactment of this Act subject to an energy conservation standard under this section, and any product regarding which the Secretary finds that the expected additional cost to the consumer of purchasing such product as a result of complying with a standard established under this section is not economically justified within the meaning of subsection (o).

"(B) The term 'standby mode' means a mode in which a household appliance consumes the least amount of electric energy that the household appliance is capable of consuming without being completely switched off (provided that, the amount of electric energy consumed in such mode is substantially less than the amount the household appliance would consume in its normal operational mode).

"(C) The term 'major consumer of electricity in standby mode' means a product for which a standard prescribed under this section would result in substantial energy savings as compared to energy savings achieved or expected to be achieved by standards established by the Secretary under subsections (o) and (p) of this section for products that were, at the time of enactment of this subsection, covered products under this section.

"(2)(A) Except as provided in subparagraph (B), a household appliance that is manufactured in, or imported for sale in, the United States on or after the date that is 2 years after the date of enactment of this subsection shall not consume in standby mode more than 1 watt.

"(B) In the case of analog televisions, the Secretary shall prescribe, on or after the date that is 2 years after the date of enactment of this subsection, in accordance with subsections (o) and (p) of section 325, an energy conservation standard that is technologically feasible and economically justified under section 325(o)(2)(A) (in lieu of the 1 watt standard under subparagraph (A)).

"(3)(A) A manufacturer or importer of a household appliance may submit to the Secretary an application for an exemption of the household appliance from the standard under paragraph (2).

"(B) The Secretary shall grant an exemption for a household appliance for which an application is made under subparagraph (A) if the applicant provides evidence showing that, and the Secretary determines that—

"(i) it is not technically feasible to modify the household appliance to enable the household appliance to meet the standard;

"(ii) the standard is incompatible with an energy efficiency standard applicable to the household appliance under another subsection; or

"(iii) the cost of electricity that a typical consumer would save in operating the household appliance meeting the standard would not equal the increase in the price of the household appliance that would be attributable to the modifications that would be necessary to enable the household appliance to meet the standard by the earlier of—

"(I) the date that is 7 years after the date of purchase of the household appliance; or

"(II) the end of the useful life of the household appliance.

"(C) If the Secretary determines that it is not technically feasible to modify a household appliance to meet the standard under paragraph (2), the Secretary shall establish a different standard for the household appliance in accordance with the criteria under subsection (l).

"(4)(A) Not later than 1 year after the date of enactment of this subsection, the Secretary shall establish a test procedure for determining the amount of consumption of power by a household appliance operating in standby mode.

"(B) In establishing the test procedure, the Secretary shall consider—

"(i) international test procedures under development;

"(ii) test procedures used in connection with the Energy Star program; and

"(iii) test procedures used for measuring power consumption in standby mode in other countries.

"(5) Further Reduction of Standby Power Consumption.—The Secretary shall provide technical assistance to manufacturers in achieving further reductions in standby mode electric energy consumption by household appliances.

"(v) Standby Mode Electric Energy Consumption by Digital Televisions, Digital Set Top Boxes, and Digital Video Recorders.—The Secretary shall initiate on January 1, 2007 a rulemaking to prescribe, in accordance with subsections (o) and (p), an energy conservation standard of standby mode electric energy consumption by digital television sets, digital set top boxes, and digital video recorders. The Secretary shall issue a final rule prescribing such standards not later than 18 months thereafter. In determining whether a standard under this section is technologically feasible and economically justified under section 325(o)(2)(A), the Secretary shall consider the potential effects on market penetration by digital products covered under this section, and shall consider any recommendations by the FCC regarding such effects.".

(2) Section 325(o)(3) of the Energy Policy and Conservation Act (42 U.S.C. 6295(n)(1)) is amended by inserting at the end of the paragraph the following: "Notwithstanding any provision of this part, the Secretary shall not amend a standard established under subsection (u) or (v) of this section.".

(b) Standards for Noncovered Products.—Section 325(m) of the Energy Policy and Conservation Act (42 U.S.C. 6295(m)) is amended as follows:

(1) Inserting "(1)" before "After".

(2) Inserting the following at the end:

(2) "Not later than one year after the date of enactment of the Energy Advancement and Conservation Act of 2001, the Secretary shall conduct a rulemaking to determine whether consumer products not classified as a covered product under section 322(a)(1) through (18) meet the criteria of section 322(b)(1) and is a major consumer of electricity. If the Secretary finds that a consumer product not classified as a covered product meets the criteria of section 322(b)(1), he shall prescribe, in accordance with subsections (o) and (p), an energy conservation standard for such consumer product, if such standard is reasonably probable to be technologically feasible and economically justified within the meaning of subsection (o)(2)(A). As used in this paragraph, the term 'major consumer of electricity' means a product for which a standard prescribed under this section would result in substantial aggregate energy savings as compared to energy savings achieved or expected to be achieved by standards established by the Secretary under paragraphs (o) and (p) of this section for products that were, at the time of enactment of this paragraph, covered products under this section.".

(c) Consumer Education on Energy Efficiency Benefits of Air Conditioning, Heating and Ventilation Maintenance.—Section 337 of the Energy Policy and Conservation Act (42 U.S.C. 6307) is amended by adding the following new subsection after subsection (b):

"(c) HVAC Maintenance.—For the purpose of ensuring that installed air conditioning and heating systems operate at their maximum rated efficiency levels, the Secretary shall, within 180 days of the date of enactment of this subsection, develop and implement a public education campaign to educate homeowners and small business owners concerning the energy savings resulting from regularly scheduled maintenance of air conditioning, heating, and ventilating systems. In developing and implementing this campaign, the Secretary shall consider support by the Department of public education programs sponsored by trade and professional and energy efficiency organizations. The public service information shall provide sufficient information to allow consumers to make informed choices from among professional, licensed (where State or local licensing is required) contractors. There are authorized to be appropriated to carry out this subsection $5,000,000 for fiscal years 2002 and 2003 in addition to amounts otherwise appropriated in this part.".

(d) Efficiency Standards for Furnace Fans, Ceiling Fans, and Cold Drink Vending Machines..—

(1) Definitions.—Section 321 of the Energy Policy and Conservation Act (42 U.S.C. 6291) is amended by adding the following at the end thereof:

"(32) The term 'residential furnace fan' means an electric fan installed as part of a furnace for purposes of circulating air through the system air filters, the heat exchangers or heating elements of the furnace, and the duct work.

"(33) The terms 'residential central air conditioner fan' and 'heat pump circulation fan' mean an electric fan installed as part of a central air conditioner or heat pump for purposes of circulating air through the system air filters, the heat exchangers of the air conditioner or heat pump, and the duct work.

"(34) The term 'suspended ceiling fan' means a fan intended to be mounted to a ceiling outlet box, ceiling building structure, or to a vertical rod suspended from the ceiling, and which as blades which rotate below the ceiling and consists of an electric motor, fan blades (which rotate in a direction parallel to the floor), an optional lighting kit, and one or more electrical controls (integral or remote) governing fan speed and lighting operation.

"(35) The term 'refrigerated bottled or canned beverage vending machine' means a machine that cools bottled or canned beverages and dispenses them upon payment.".

(2) Testing Requirements.—Section 323 of the Energy Policy and Conservation Act (42 U.S.C. 6293) is amended by adding the following at the end thereof:

"(f) Additional Consumer Products.—The Secretary shall within 18 months after the date of enactment of this subsection prescribe testing requirements for residential furnace fans, residential central air conditioner fans, heat pump circulation fans, suspended ceiling fans, and refrigerated bottled or canned beverage vending machines. Such testing requirements shall be based on existing test procedures used in industry to the extent practical and reasonable. In the case of residential furnace fans, residential central air conditioner fans, heat pump circulation fans, and suspended ceiling fans, such test procedures shall include efficiency at both maximum output and at an output no more than 50 percent of the maximum output.".

(3) Standards for Additional Consumer Products.—Section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295) is amended by adding the following at the end thereof:

"(w) Residential Furnace Fans, Central Air and Heat Pump Circulation Fans, Suspended Ceiling Fans, and Vending Machines.—(1) The Secretary shall, within 18 months after the date of enactment of this subsection, assess the current and projected future market for residential furnace fans, residential central air conditioner and heat pump circulation fans, suspended ceiling fans, and refrigerated bottled or canned beverage vending machines. This assessment shall include an examination of the types of products sold, the number of products in use, annual sales of these products, energy used by these products sold, the number of products in use, annual sales of these products, energy used by these products, estimates of the potential energy savings from specific technical improvements to these products, and an examination of the cost-effectiveness of these improvements. Prior to the end of this time period, the Secretary shall hold an initial scoping workshop to discuss and receive input to plans for developing minimum efficiency standards for these products.

"(2) The Secretary shall within 24 months after the date on which testing requirements are prescribed by the Secretary pursuant to section 323(f), prescribe, by rule, energy conservation standards for residential furnace fans, residential central air conditioner and heat pump circulation fans, suspended ceiling fans, and refrigerated bottled or canned beverage vending machines. In establishing these standards, the Secretary shall use the criteria and procedures contained in subsections (l) and (m). Any standard prescribed under this section shall apply to products manufactured 36 months after the date such rule is published.".

(4) LABELING.—Section 324(a) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)) is amended by adding the following at the end thereof:

"(5) The Secretary shall within 6 months after the date on which energy conservation standards are prescribed by the Secretary for covered products referred to in section 325(w), prescribe, by rule, labeling requirements for such products. These requirements shall take effect on the same date as the standards prescribed pursuant to section 325(w).".

(5) COVERED PRODUCTS.—Section 322(a) of the Energy Policy and Conservation Act (42 U.S.C. 6292(a)) is amended by redesignating paragraph (19) as paragraph (20) and by inserting after paragraph (18) the following:

"(19) Beginning on the effective date for standards established pursuant to subsection (v) of section 325, each product referred to in such subsection (v).".

Subtitle E—Energy Efficient Vehicles

SEC. 151. HIGH OCCUPANCY VEHICLE EXCEPTION.

(a) IN GENERAL.—Notwithstanding section 102(a)(1) of title 23, United States Code, a State may, for the purpose of promoting energy conservation, permit a vehicle with fewer than 2 occupants to operate in high occupancy vehicle lanes if such vehicle is a hybrid vehicle or is fueled by an alternative fuel.

(b) HYBRID VEHICLE DEFINED.—In this section, the term "hybrid vehicle" means a motor vehicle—

(1) which draws propulsion energy from onboard sources of stored energy which are both—

(A) an internal combustion or heat engine using combustible fuel; and

(B) a rechargeable energy storage system;

(2) which, in the case of a passenger automobile or light truck—

(A) for 2002 and later model vehicles, has received a certificate of conformity under section 206 of the Clean Air Act (42 U.S.C. 7525) and meets or exceeds the equivalent qualifying California low emission vehicle standard under section 243(e)(2) of the Clean Air Act (42 U.S.C. 7583(e)(2)) for that make and model year; and

(B) for 2004 and later model vehicles, has received a certificate that such vehicle meets the Tier II emission level established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act (42 U.S.C. 7521(i)) for that make and model year vehicle; and

(3) which is made by a manufacturer.

(c) ALTERNATIVE FUEL DEFINED.—In this section, the term "alternative fuel" has the meaning such term has under section 301(2) of the Energy Policy Act of 1992 (42 U.S.C. 13211(2)).

SEC. 152. RAILROAD EFFICIENCY.

(a) LOCOMOTIVE TECHNOLOGY DEMONSTRATION.—The Secretary of Energy shall establish a public-private research partnership with railroad carriers, locomotive manufacturers, and a world-class research and test center dedicated to the advancement of railroad technology, efficiency, and safety that is owned by the Federal Railroad Administration and operated in the private sector, for the development and demonstration of locomotive technologies that increase fuel economy and reduce emissions.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy $25,000,000 for fiscal year 2002, $30,000,000 for fiscal year 2003, and $35,000,000 for fiscal year 2004 for carrying out this section.

SEC. 153. BIODIESEL FUEL USE CREDITS.

Section 312(c) of the Energy Policy Act of 1992 (42 U.S.C. 13220(c)) is amended—

(1) by striking "NOT" in the subsection heading; and

(2) by striking "not".

SEC. 154. MOBILE TO STATIONARY SOURCE TRADING.

Within 90 days after the enactment of this section, the Administrator of the Environmental Protection Agency is directed to commence a review of the Agency's policies regarding the use of mobile to stationary source trading of emission credits under the Clean Air Act to determine whether such trading can provide both nonattainment and attainment areas with additional flexibility in achieving and maintaining healthy air quality and increasing use of alternative fuel and advanced technology vehicles, thereby reducing United States dependence on foreign oil.

Subtitle F—Other Provisions

SEC. 161. REVIEW OF REGULATIONS TO ELIMINATE BARRIERS TO EMERGING ENERGY TECHNOLOGY.

(a) IN GENERAL.—Each Federal agency shall carry out a review of its regulations and standards to determine those that act as a barrier to market entry for emerging energy-efficient technologies, including, but not limited to, fuel cells, combined heat and power, and distributed generation (including small-scale renewable energy).

(b) REPORT TO CONGRESS.—No later than 18 months after the date of enactment of this section, each agency shall provide a report to Congress and the President detailing all regulatory barriers to emerging energy-efficient technologies, along with actions the agency intends to take, or has taken, to remove such barriers.

(c) PERIODIC REVIEW.—Each agency shall subsequently review its regulations and standards in the manner specified in this section no less frequently than every 5 years, and report their findings to Congress and the President. Such reviews shall include a detailed analysis of all agency actions taken to remove existing barriers to emerging energy technologies.

SEC. 162. ADVANCED IDLE ELIMINATION SYSTEMS.

(a) DEFINITIONS.—

(1) ADVANCED IDLE ELIMINATION SYSTEM.—The term "advanced idle elimination system" means a device or system of devices that is installed at a truck stop or other location (for example, a loading, unloading, or transfer facility) where vehicles (such as trucks, trains, buses, boats, automobiles, and recreational vehicles) are parked and that is designed to provide to the vehicle the services (such as heat, air conditioning, and electricity) that would otherwise require the operation of the auxiliary or drive train engine or both while the vehicle is stationary and parked.

(2) EXTENDED IDLING.—The term "extended idling" means the idling of a motor vehicle for a period greater than 60 minutes.

(b) RECOGNITION OF BENEFITS OF ADVANCED IDLE ELIMINATION SYSTEMS.—Within 90 days after the date of enactment of this subsection, the Administrator of the Environmental Protection Agency is directed to commence a review of the Agency's mobile source air emissions models used under the Clean Air Act to determine whether such models accurately reflect the emissions resulting from extended idling of heavy-duty trucks and other vehicles and engines, and shall update those models as the Administrator deems appropriate. Additionally, within 90-days after the date of enactment of this subsection, the Administrator shall commence a review as to the appropriate emissions reductions credit that should be allotted under the Clean Air Act for the use of advanced idle elimination systems, and whether such credits should be subject to an emissions trading system, and shall revise Agency regulations and guidance as the Administrator deems appropriate.

SEC. 163. STUDY OF BENEFITS AND FEASIBILITY OF OIL BYPASS FILTRATION TECHNOLOGY.

(a) STUDY.—The Secretary of Energy and the Administrator of the Environmental Protection Agency shall jointly conduct a study of oil bypass filtration technology in motor vehicle engines. The study shall analyze and quantify the potential benefits of such technology in terms of reduced demand for oil and the potential environmental benefits of the technology in terms of reduced waste and air pollution. The Secretary and the Administrator shall also examine the feasibility of using such technology in the Federal motor vehicle fleet.

(b) REPORT.—Not later than 6 months after the enactment of this Act, the Secretary of Energy and the Administrator of the Environmental Protection Agency shall jointly submit a report containing the results of the study conducted under subsection (a) to the Committee on Energy and Commerce of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate.

SEC. 164. GAS FLARE STUDY.

(a) STUDY.—The Secretary of Energy shall conduct a study of the economic feasibility of installing small cogeneration facilities utilizing excess gas flares at petrochemical facilities to provide reduced electricity costs to customers living within 3 miles of the petrochemical facilities. The Secretary shall solicit public comment to assist in preparing the report required under subsection (b).

(b) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Energy shall transmit a report to the Congress on the results of the study conducted under subsection (a).

SEC. 165. TELECOMMUTING STUDY.

(a) Study Required.—The Secretary, in consultation with Commission, and the NTIA, shall conduct a study of the energy conservation implications of the widespread adoption of telecommuting in the United States.

(b) Required Subjects of Study.—The study required by subsection (a) shall analyze the following subjects in relation to the energy saving potential of telecommuting:

(1) Reductions of energy use and energy costs in commuting and regular office heating, cooling, and other operations.

(2) Other energy reductions accomplished by telecommuting.

(3) Existing regulatory barriers that hamper telecommuting, including barriers to broadband telecommunications services deployment.

(4) Collateral benefits to the environment, family life, and other values.

(c) Report Required.—The Secretary shall submit to the President and the Congress a report on the study required by this section not later than 6 months after the date of enactment of this Act. Such report shall include a description of the results of the analysis of each of the subject described in subsection (b).

(d) Definitions.—As used in this section:

(1) Secretary.—The term "Secretary" means the Secretary of Energy.

(2) Commission.—The term "Commission" means the Federal Communications Commission.

(3) NTIA.—The term "NTIA" means the National Telecommunications and Information Administration of the Department of Commerce.

(4) Telecommuting.—The term "telecommuting" means the performance of work functions using communications technologies, thereby eliminating or substantially reducing the need to commute to and from traditional worksites.

TITLE II—AUTOMOBILE FUEL ECONOMY

SEC. 201. AVERAGE FUEL ECONOMY STANDARDS FOR NONPASSENGER AUTOMOBILES.

Section 32902(a) of title 49, United States Code, is amended—

(1) by inserting "(1)" after "Nonpassenger Automobiles.—"; and

(2) by adding at the end the following:

"(2) The Secretary shall prescribe under paragraph (1) average fuel economy standards for automobiles (except passenger automobiles) manufactured in model years 2004 through 2010 that are calculated to ensure that the aggregate amount of gasoline projected to be used in those model years by automobiles to which the standards apply is at least 5 billion gallons less than the aggregate amount of gasoline that would be used in those model years by such automobiles if they achieved only the fuel economy required under the average fuel economy standard that applies under this subsection to automobiles (except passenger automobiles) manufactured in model year 2002.".

SEC. 202. CONSIDERATION OF PRESCRIBING DIFFERENT AVERAGE FUEL ECONOMY STANDARDS FOR NONPASSENGER AUTOMOBILES.

(a) In General.—The Secretary of Transportation shall, in prescribing average fuel economy standards under section 32902(a) of title 49, United States Code, for automobiles (except passenger automobiles) manufactured in model year 2004, consider the potential benefits of—

(1) establishing a weight-based system for automobiles, that is based on the inertia weight, curb weight, gross vehicle weight rating, or another appropriate measure of such automobiles; and

(2) prescribing different fuel economy standards for automobiles that are subject to the weight-based system.

(b) Specific Considerations.—In implementing this section the Secretary—

(1) shall consider any recommendations made in the National Academy of Sciences study completed pursuant to the Department of Transportation and Related Agencies Appropriations Act, 2000 (Public Law 106–346; 114 Stat. 2763 et seq.); and

(2) shall evaluate the merits of any weight-based system in terms of motor vehicle safety, energy conservation, and competitiveness of and employment in the United States automotive sector, and if a weight-based system is established by the Secretary a manufacturer may trade credits between or among the automobiles (except passenger automobiles) manufactured by the manufacturer.

SEC. 203. DUAL FUELED AUTOMOBILES.

(a) Purposes.—The purposes of this section are—

(1) to extend the manufacturing incentives for dual fueled automobiles, as set forth in subsections (b) and (d) of section 32905 of title 49, United States Code, through the 2008 model year; and

(2) to similarly extend the limitation on the maximum average fuel economy increase for such automobiles, as set forth in subsection (a)(1) of section 32906 of title 49, United States Code.

(b) Amendments.—

(1) Manufacturing incentives.—Section 32905 of title 49, United States Code, is amended as follows:

(A) Subsections (b) and (d) are each amended by striking "model years 1993–2004" and inserting "model years 1993–2008".

(B) Subsection (f) is amended by striking "Not later than December 31, 2001, the Secretary" and inserting "Not later than December 31, 2005, the Secretary".

(C) Subsection (f)(1) is amended by striking "model year 2004" and inserting "model year 2008".

(D) Subsection (g) is amended by striking "Not later than September 30, 2000" and inserting "Not later than September 30, 2004".

(2) Maximum fuel economy increase.—Subsection (a)(1) of section 32906 of title 49, United States Code, is amended as follows:

(A) Subparagraph (A) is amended by striking "the model years 1993–2004" and inserting "model years 1993–2008".

(B) Subparagraph (B) is amended by striking "the model years 2005-2008" and inserting "model years 2009–2012".

SEC. 204. FUEL ECONOMY OF THE FEDERAL FLEET OF AUTOMOBILES.

Section 32917 of title 49, United States Code, is amended to read as follows:

"§ 32917. Standards for executive agency automobiles

"(a) Baseline Average Fuel Economy.—The head of each executive agency shall determine, for all automobiles in the agency's fleet of automobiles that were leased or bought as a new vehicle in fiscal year 1999, the average fuel economy for such automobiles. For the purposes of this section, the average fuel economy so determined shall be the baseline average fuel economy for the agency's fleet of automobiles.

"(b) Increase of Average Fuel Economy.—The head of an executive agency shall manage the procurement of automobiles for that agency in such a manner that—

"(1) not later than September 30, 2003, the average fuel economy of the new automobiles in the agency's fleet of automobiles is not less than 1 mile per gallon higher than the baseline average fuel economy determined under subsection (a) for that fleet; and

"(2) not later than September 30, 2005, the average fuel economy of the new automobiles in the agency's fleet of automobiles is not less than 3 miles per gallon higher than the baseline average fuel economy determined under subsection (a) for that fleet.

"(c) Calculation of Average Fuel Economy.—Average fuel economy shall be calculated for the purposes of this section in accordance with guidance which the Secretary of Transportation shall prescribe for the implementation of this section.

"(d) Definitions.—In this section:

"(1) The term 'automobile' does not include any vehicle designed for combat-related missions, law enforcement work, or emergency rescue work.

"(2) The term 'executive agency' has the meaning given that term in section 105 of title 5.

"(3) The term 'new automobile', with respect to the fleet of automobiles of an executive agency, means an automobile that is leased for at least 60 consecutive days or bought, by or for the agency, after September 30, 1999.".

SEC. 205. HYBRID VEHICLES AND ALTERNATIVE VEHICLES.

(a) In General.—Section 303(b)(1) of the Energy Policy Act of 1992 is amended by adding the following at the end: "Of the total number of vehicles acquired by a Federal fleet in fiscal years 2004 and 2005, at least 5 percent of the vehicles in addition to those covered by the preceding sentence shall be alternative fueled vehicles or hybrid vehicles and in fiscal year 2006 and thereafter at least 10 percent of the vehicles in addition to those covered by the preceding sentence shall be alternative fueled vehicles or hybrid vehicles.".

(b) Definition.—Section 301 of such Act is amended by striking "and" at the end of paragraph (13), by striking the period at the end of paragraph (14) and inserting "; and" and by adding at the end the following:

"(15) The term 'hybrid vehicle' means a motor vehicle which draws propulsion energy from onboard sources of stored energy which are both—

"(A) an internal combustion or heat engine using combustible fuel; and

"(B) a rechargeable energy storage system.".

SEC. 206. FEDERAL FLEET PETROLEUM-BASED NONALTERNATIVE FUELS.

(a) In General.—Title III of the Energy Policy Act of 1992 (42 U.S.C. 13212 et seq.) is amended as follows:

(1) By adding at the end thereof the following:

"SEC. 313. CONSERVATION OF PETROLEUM-BASED FUELS BY THE FEDERAL GOVERNMENT FOR LIGHT-DUTY MOTOR VEHICLES.

"(a) Purposes.—The purposes of this section are to complement and supplement the requirements of section 303 of this Act that Federal fleets, as that term is defined in section 303(b)(3), acquire in the aggregate a minimum percentage of alternative fuel vehicles, to encourage the manufacture and sale or lease of such vehicles nationwide, and to achieve, in the aggregate, a reduction in the amount of the petroleum-based fuels (other than the alternative fuels defined in this title) used by new light-duty motor vehicles acquired by the Federal Government in model years 2004 through 2010 and thereafter.

"(b) Implementation.—In furtherance of such purposes, such Federal fleets in the aggregate shall reduce the purchase of petroleum-based nonalternative fuels for such fleets beginning October 1, 2003, through September 30, 2009, from the amount purchased for such fleets over a comparable period since enactment of this Act, as determined by the Secretary, through the annual purchase, in accordance with section 304, and the use of alternative fuels for the light-duty motor vehicles of such Federal fleets, so as to achieve levels which reflect total reliance by such fleets on the consumptive use of alternative fuels consistent with the provisions of section 303(b) of this Act. The Secretary shall, within 120 days after the enactment of this section, promulgate, in consultation with the Administrator of the General Services Administration and the Director of the Office of Management and Budget and such other heads of entities referenced in section 303 within the executive branch as such Director may designate, standards for the full and prompt implementation of this section by such entities. The Secretary shall monitor compliance with this section and such standards by all such fleets and shall report annually to the Congress, based on reports by the heads of such fleets, on the extent to which the requirements of this section and such standards are being achieved. The report shall include information on annual reductions achieved of petroleum-based fuels and the problems, if any, encountered in acquiring alternative fuels and in requiring their use.".

(2) By amending section 304(b) of such Act to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary or, as appropriate, the head of each Federal fleet subject to the provisions of this section and section 313 of this Act, such sums as may be necessary to achieve the purposes of section 313(a) and the provisions of this section. Such sums shall remain available until expended.".

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act is amended by adding at the end of the items relating to title III the following:

"Sec. 313. Conservation of petroleum-based fuels by the Federal Government for light-duty motor vehicles.".

SEC. 207. STUDY OF FEASIBILITY AND EFFECTS OF REDUCING USE OF FUEL FOR AUTOMOBILES.

(a) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Transportation shall enter into an arrangement with the National Academy of Sciences under which the Academy shall study the feasibility and effects of reducing by model year 2010, by a significant percentage, the use of fuel for automobiles.

(b) SUBJECTS OF STUDY.—The study under this section shall include—

(1) examination of, and recommendation of alternatives to, the policy under current Federal law of establishing average fuel economy standards for automobiles and requiring each automobile manufacturer to comply with average fuel economy standards that apply to the automobiles it manufactures;

(2) examination of how automobile manufacturers could contribute toward achieving the reduction referred to in subsection (a);

(3) examination of the potential of fuel cell technology in motor vehicles in order to determine the extent to which such technology may contribute to achieving the reduction referred to in subsection (a); and

(4) examination of the effects of the reduction referred to in subsection (a) on—

(A) gasoline supplies;

(B) the automobile industry, including sales of automobiles manufactured in the United States;

(C) motor vehicle safety; and

(D) air quality.

(c) REPORT.—The Secretary shall require the National Academy of Sciences to submit to the Secretary and the Congress a report on the findings, conclusion, and recommendations of the study under this section by not later than 1 year after the date of the enactment of this Act.

TITLE III—NUCLEAR ENERGY

SEC. 301. LICENSE PERIOD.

Section 103 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2133(c)) is amended—

(1) by striking "c. Each such" and inserting the following:

"c. LICENSE PERIOD.—

"(1) IN GENERAL.—Each such"; and

(2) by adding at the end the following:

"(2) COMBINED LICENSES.—In the case of a combined construction and operating license issued under section 185 b., the initial duration of the license may not exceed 40 years from the date on which the Commission finds, before operation of the facility, that the acceptance criteria required by section 185 b. are met.".

SEC. 302. COST RECOVERY FROM GOVERNMENT AGENCIES.

Section 161 w. of the Atomic Energy Act of 1954 (42 U.S.C. 2201(w)) is amended—

(1) by striking "for or is issued" and all that follows through "1702" and inserting "to the Commission for, or is issued by the Commission, a license or certificate";

(2) by striking "483a" and inserting "9701"; and

(3) by striking ", of applicants for, or holders of, such licenses or certificates".

SEC. 303. DEPLETED URANIUM HEXAFLUORIDE.

Section 1(b) of Public Law 105–204 is amended by striking "fiscal year 2002" and inserting "fiscal year 2005".

SEC. 304. NUCLEAR REGULATORY COMMISSION MEETINGS.

If a quorum of the Nuclear Regulatory Commission gathers to discuss official Commission business the discussions shall be recorded, and the Commission shall notify the public of such discussions within 15 days after they occur. The Commission shall promptly make a transcript of the recording available to the public on request, except to the extent that public disclosure is exempted or prohibited by law. This section shall not apply to a meeting, within the meaning of that term under section 552b(a)(2) of title 5, United States Code.

SEC. 305. COOPERATIVE RESEARCH AND DEVELOPMENT AND SPECIAL DEMONSTRATION PROJECTS FOR THE URANIUM MINING INDUSTRY.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary $10,000,000 for each of fiscal years 2002, 2003, and 2004 for—

(1) cooperative, cost-shared, agreements between the Department of Energy and domestic uranium producers to identify, test, and develop improved in situ leaching mining technologies, including low-cost environmental restoration technologies that may be applied to sites after completion of in situ leaching operations; and

(2) funding for competitively selected demonstration projects with domestic uranium producers relating to—

(A) enhanced production with minimal environmental impacts;

(B) restoration of well fields; and

(C) decommissioning and decontamination activities.

(b) DOMESTIC URANIUM PRODUCER.—For purposes of this section, the term "domestic uranium producer" has the meaning given that term in section 1018(4) of the Energy Policy Act of 1992 (42 U.S.C. 2296b–7(4)), except that the term shall not include any producer that has not produced uranium from domestic reserves on or after July 30, 1998.

SEC. 306. MAINTENANCE OF A VIABLE DOMESTIC URANIUM CONVERSION INDUSTRY.

There are authorized to be appropriated to the Secretary $800,000 for contracting with the Nation's sole remaining uranium converter for the purpose of performing research and development to improve the environmental and economic performance of United States uranium conversion operations.

SEC. 307. PADUCAH DECONTAMINATION AND DECOMMISSIONING PLAN.

The Secretary of Energy shall prepare and submit a plan to Congress within 180 days after the date of the enactment of this Act that establishes scope, cost, schedule, sequence of activities, and contracting strategy for—

(1) the decontamination and decommissioning of the Department of Energy's surplus buildings and facilities at the Paducah Gaseous Diffusion Plant that have no future anticipated reuse; and

(2) the remediation of Department of Energy Material Storage Areas at the Paducah Gaseous Diffusion Plant.

Such plan shall inventory all surplus facilities and buildings, and identify and rank health and safety risks associated with such facilities and buildings. Such plan shall inventory all Department of Energy Material Storage Areas, and identify and rank health and safety risks associated with such Department of Energy Material Storage Areas. The Department of Energy shall incorporate these risk factors in designing the sequence and schedule for the plan. Such plan shall identify funding requirements that are in addition to the expected outlays included in the Department of Energy's Environmental Management Plan for the Paducah Gaseous Diffusion Plan.

TITLE IV—HYDROELECTRIC ENERGY

SEC. 401. ALTERNATIVE CONDITIONS AND FISHWAYS.

(a) ALTERNATIVE MANDATORY CONDITIONS.—Section 4 of the Federal Power Act (16 U.S.C. 797) is amended by adding at the end the following:

"(h)(1) Whenever any person applies for a license for any project works within any reservation of the United States, and the Secretary of the department under whose supervision such reservation falls deems a condition to such license to be necessary under the first proviso of subsection (e), the license applicant or any other party to the licensing proceeding may propose an alternative condition.

"(2) Notwithstanding the first proviso of subsection (e), the Secretary of the department under whose supervision the reservation falls shall accept the proposed alternative condition referred to in paragraph (1), and the Commission shall include in the license such alternative condition, if the Secretary of the appropriate department determines, based on substantial evidence provided by the party proposing such alternative condition, that the alternative condition—

"(A) provides no less protection for the reservation than provided by the condition deemed necessary by the Secretary; and

"(B) will either—

"(i) cost less to implement, or

"(ii) result in improved operation of the project works for electricity production

as compared to the condition deemed necessary by the Secretary.

"(3) Within one year after the enactment of this subsection, each Secretary concerned shall, by rule, establish a process to expeditiously resolve conflicts arising under this subsection.".

(b) Alternative Fishways.—Section 18 of the Federal Power Act (16 U.S.C. 811) is amended by—

(1) inserting "(a)" before the first sentence; and

(2) adding at the end the following:

"(b)(1) Whenever the Commission shall require a licensee to construct, maintain, or operate a fishway prescribed by the Secretary of the Interior or the Secretary of Commerce under this section, the licensee or any other party to the proceeding may propose an alternative to such prescription to construct, maintain, or operate a fishway.

"(2) Notwithstanding subsection (a), the Secretary of the Interior or the Secretary of Commerce, as appropriate, shall accept and prescribe, and the Commission shall require, the proposed alternative referred to in paragraph (1), if the Secretary of the appropriate department determines, based on substantial evidence provided by the party proposing such alternative, that the alternative—

"(A) will be no less effective than the fishway initially prescribed by the Secretary, and

"(B) will either—

"(i) cost less to implement, or

"(ii) result in improved operation of the project works for electricity production

as compared to the fishway initially prescribed by the Secretary.

"(3) Within one year after the enactment of this subsection, the Secretary of the Interior and the Secretary of Commerce shall each, by rule, establish a process to expeditiously resolve conflicts arising under this subsection."

SEC. 402. FERC DATA ON HYDROELECTRIC LICENSING.

(a) Data Collection Procedures.—The Federal Energy Regulatory Commission shall revise its procedures regarding the collection of data in connection with the Commission's consideration of hydroelectric licenses under the Federal Power Act. Such revised data collection procedures shall be designed to provide the Commission with complete and accurate information concerning the time and costs to parties involved in the licensing process. Such data shall be available for each significant stage in the licensing process and shall be designed to identify projects with similar characteristics so that analyses can be made of the time and costs involved in licensing proceedings based upon the different characteristics of those proceedings.

(b) Reports.—Within 6 months after the date of enactment of this Act, the Commission shall notify the Committee on Energy and Commerce of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate of the progress made by the Commission under subsection (a), and within one year after such date of enactment, the Commission shall submit a report to such Committees specifying the measures taken by the Commission pursuant to subsection (a).

TITLE V—FUELS

SEC. 601. TANK DRAINING DURING TRANSITION TO SUMMERTIME RFG.

Not later than 60 days after the enactment of the Act, the Administrator of the Environmental Protection Agency shall commence a rulemaking to determine whether modifications to the regulations set forth in 40 C.F.R. Section 80.78 and any associated regulations regarding the transition to high ozone season reformulated gasoline are necessary to ensure that the transition to high ozone season reformulated gasoline is conducted in a manner that minimizes disruptions to the general availability and affordability of gasoline, and maximizes flexibility with regard to the draining and inventory management of gasoline storage tanks located at refineries, terminals, wholesale and retail outlets, consistent with the goals of the Clean Air Act. The Administrator shall propose and take final action in such rulemaking to ensure that any modifications are effective and implemented at least 60 days prior to the beginning of the high ozone season for the year 2002.

SEC. 602. GASOLINE BLENDSTOCK REQUIREMENTS.

Not later than 60 days after the enactment of this Act, the Administrator of the Environmental Protection Agency shall commence a rulemaking to determine whether modifications to product transfer documentation, accounting, compliance calculation, and other requirements contained in the regulations of the Administrator set forth in section 80.102 of title 40 of the Code of Federal Regulations relating to gasoline blendstocks are necessary to facilitate the movement of gasoline and gasoline feedstocks among different regions throughout the country and to improve the ability of petroleum refiners and importers to respond to regional gasoline shortages and prevent unreasonable short-term price increases. The Administrator shall take into consideration the extent to which such requirements have been, or will be, rendered unnecessary or inefficient by reason of subsequent environmental safeguards that were not in effect at the time the regulations in section 80.102 of title 40 of the Code of Federal Regulations were promulgated. The Administrator shall propose and take final action in such rulemaking to ensure that any modifications are effective and implemented at least 60 days prior to the beginning of the high ozone season for the year 2002.

SEC. 603. BOUTIQUE FUELS.

(a) Joint Study.—The Administrator of the Environmental Protection Agency and the Secretary of Energy shall jointly conduct a study of all Federal, State, and local requirements regarding motor vehicle fuels, including requirements relating to reformulated gasoline, volatility (Reid Vapor Pressure), oxygenated fuel, diesel fuel and other requirements that vary from State to State, region to region, or locality to locality. The study shall analyze—

(1) the effect of the variety of such requirements on the price of motor vehicle fuels to the consumer;

(2) the availability and affordability of motor vehicle fuels in different States and localities;

(3) the effect of Federal, State, and local regulations, including multiple fuel requirements, on domestic refineries and the fuel distribution system;

(4) the effect of such requirements on local, regional, and national air quality requirements and goals;

(5) the effect of such requirements on vehicle emissions;

(6) the feasibility of developing national or regional fuel specifications for the contiguous United States that would—

(A) enhance flexibility in the fuel distribution infrastructure and improve fuel fungibility;

(B) reduce price volatility and costs to consumers and producers;

(C) meet local, regional, and national air quality requirements and goals; and

(D) provide increased gasoline market liquidity; and

(7) the extent to which the Environmental Protection Agency's Tier II requirements for conventional gasoline may achieve in future years the same or similar air quality results as State reformulated gasoline programs and State programs regarding gasoline volatility (RVP).

(b) Report.—By December 31, 2001, the Administrator of the Environmental Protection Agency and the Secretary of Energy shall submit a report to the Congress containing the results of the study conducted under subsection (a). Such report shall contain recommendations for legislative and administrative actions that may be taken to simplify the national distribution system for motor vehicle fuel, make such system more cost-effective, and reduce the costs and increase the availability of motor vehicle fuel to the end user while meeting the requirements of the Clean Air Act. Such recommendations shall take into account the need to provide lead time for refinery and fuel distribution system modifications necessary to assure adequate fuel supply for all States.

SEC. 604. FUNDING FOR MTBE CONTAMINATION.

Notwithstanding any other provision of law, there is authorized to be appropriated to the Administrator of the Environmental Protection Agency from the Leaking Underground Storage Trust Fund not more than $200,000,000 to be used for taking such action, limited to assessment, corrective action, inspection of underground storage tank systems, and groundwater monitoring in connection with MTBE contamination, as the Administrator deems necessary to protect human health and the environment from releases of methyl tertiary butyl ether (MTBE) from underground storage tanks.

TITLE VI—RENEWABLE ENERGY

SEC. 701. ASSESSMENT OF RENEWABLE ENERGY RESOURCES.

(a) Resource Assessment.—Not later than one year after the date of enactment of this Act, and each year thereafter, the Secretary of Energy shall publish an assessment by the National Laboratories of all renewable energy resources available within the United States.

(b) Contents of Report.—The report published under subsection (a) shall contain each of the following:

(1) A detailed inventory describing the available amount and characteristics of solar, wind, biomass, geothermal, hydroelectric and other renewable energy sources.

(2) Such other information as the Secretary of Energy believes would be useful in developing such renewable energy resources, including descriptions of surrounding terrain, population and load centers, nearby energy infrastructure, location of energy and water resources, and available estimates of the costs needed to develop each resource.

SEC. 702. RENEWABLE ENERGY PRODUCTION INCENTIVE.

Section 1212 of the Energy Policy Act of 1992 (42 U.S.C. 13317) is amended as follows:

(1) In subsection (a) by striking "and which satisfies" and all that follows through "Secretary shall establish." and inserting ". The Secretary shall establish other procedures necessary for efficient administration of the

program. The Secretary shall not establish any criteria or procedures that have the effect of assigning to proposals a higher or lower priority for eligibility or allocation of appropriated funds on the basis of the energy source proposed.".

(2) In subsection (b)—

(A) by striking "a State or any political" and all that follows through "nonprofit electrical cooperative" and inserting "an electricity-generating cooperative exempt from taxation under section 501(c)(12) or section 1381(a)(2)(C) of the Internal Revenue Code of 1986, a public utility described in section 115 of such Code, a State, Commonwealth, territory, or possession of the United States or the District of Columbia, or a political subdivision thereof, or an Indian tribal government or subdivision thereof,"; and

(B) By inserting "landfill gas," after "wind, biomass,".

(3) In subsection (c) by striking "during the 10-fiscal year period beginning with the first full fiscal year occurring after the enactment of this section" and inserting "before October 1, 2013".

(4) In subsection (d) by inserting "or in which the Secretary finds that all necessary Federal and State authorizations have been obtained to begin construction of the facility" after "eligible for such payments".

(5) In subsection (e)(1) by inserting "landfill gas," after "wind, biomass,".

(6) In subsection (f) by striking "the expiration of" and all that follows through "of this section" and inserting "September 30, 2023".

(7) In subsection (g)—

(A) by striking "1993, 1994, and 1995" and inserting "2003 through 2023"; and

(B) by inserting "Funds may be appropriated pursuant to this subsection to remain available until expended." after "purposes of this section.".

TITLE VII—PIPELINES

SEC. 801. PROHIBITION ON CERTAIN PIPELINE ROUTE.

No license, permit, lease, right-of-way, authorization or other approval required under Federal law for the construction of any pipeline to transport natural gas from lands within the Prudhoe Bay oil and gas lease area may be granted for any pipeline that follows a route that traverses—

(1) the submerged lands (as defined by the Submerged Lands Act) beneath, or the adjacent shoreline of, the Beaufort Sea; and

(2) enters Canada at any point north of 68 degrees North latitude.

SEC. 802. HISTORIC PIPELINES.

Section 7 of the Natural Gas Act (15 U.S.C. 717f) is amended by adding at the end the following new subsection:

"(i) Notwithstanding the National Historic Preservation Act, a transportation facility shall not be eligible for inclusion on the National Register of Historic Places until the Commission has permitted the abandonment of the transportation facility pursuant to subsection (b) of this section.".

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 901. WASTE REDUCTION AND USE OF ALTERNATIVES.

(a) GRANT AUTHORITY.—The Secretary of Energy is authorized to make a single grant to a qualified institution to examine and develop the feasibility of burning post-consumer carpet in cement kilns as an alternative energy source. The purposes of the grant shall include determining—

(1) how post-consumer carpet can be burned without disrupting kiln operations;

(2) the extent to which overall kiln emissions may be reduced; and

(3) how this process provides benefits to both cement kiln operations and carpet suppliers.

(b) QUALIFIED INSTITUTION.—For the purposes of subsection (a), a qualified institution is a research-intensive institution of higher learning with demonstrated expertise in the fields of fiber recycling and logistical modeling of carpet waste collection and preparation.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy for carrying out this section $275,000 for fiscal year 2002, to remain available until expended.

SEC. 902. ANNUAL REPORT ON UNITED STATES ENERGY INDEPENDENCE.

(a) REPORT.—The Secretary of Energy, in consultation with the heads of other relevant Federal agencies, shall include in each report under section 801(c) of the Department of Energy Organization Act a section which evaluates the progress the United States has made toward obtaining the goal of not more than 50 percent dependence on foreign oil sources by 2010.

(b) ALTERNATIVES.—The information required under this section to be included in the reports under section 801(c) of the Department of Energy Organization Act shall include a specification of what legislative or administrative actions must be implemented to meet this goal and set forth a range of options and alternatives with a cost/benefit analysis for each option or alternative together with an estimate of the contribution each option or alternative could make to reduce foreign oil imports. The Secretary shall solicit information from the public and request information from the Energy Information Agency and other agencies to develop the information required under this section. The information shall indicate, in detail, options and alternatives to—

(1) increase the use of renewable domestic energy sources, including conventional and nonconventional sources;

(2) conserve energy resources, including improving efficiencies and decreasing consumption; and

(3) increase domestic production and use of oil, natural gas, nuclear, and coal, including any actions necessary to provide access to, and transportation of, these energy resources.

SEC. 903. STUDY OF AIRCRAFT EMISSIONS.

The Secretary of Transportation and the Administrator of the Environmental Protection Agency shall jointly commence a study within 60 days after the enactment of this Act to investigate the impact of aircraft emissions on air quality in areas that are considered to be in nonattainment for the national ambient air quality standard for ozone. As part of this study, the Secretary and the Administrator shall focus on the impact of emissions by aircraft idling at airports and on the contribution of such emissions as a percentage of total emissions in the nonattainment area. Within 180 days of the commencement of the study, the Secretary and the Administrator shall submit a report to the Committees on Energy and Commerce and Transportation and Infrastructure of the United States House of Representatives and to the Committees on Environment and Public Works and Commerce, Science, and Transportation of the United States Senate containing the results of the study and recommendations with respect to a plan to maintain comprehensive data on aircraft emissions and methods by which such emissions may be reduced, without increasing individual aircraft noise, in order to assist in the attainment of the national ambient air quality standards.

DIVISION B

SEC. 2001. SHORT TITLE.

This division may be cited as the "Comprehensive Energy Research and Technology Act of 2001".

SEC. 2002. FINDINGS.

The Congress finds that—

(1) the Nation's prosperity and way of life are sustained by energy use;

(2) the growing imbalance between domestic energy production and consumption means that the Nation is becoming increasingly reliant on imported energy, which has the potential to undermine the Nation's economy, standard of living, and national security;

(3) energy conservation and energy efficiency help maximize the use of available energy resources, reduce energy shortages, lower the Nation's reliance on energy imports, mitigate the impacts of high energy prices, and help protect the environment and public health;

(4) development of a balanced portfolio of domestic energy supplies will ensure that future generations of Americans will have access to the energy they need;

(5) energy efficiency technologies, renewable and alternative energy technologies, and advanced energy systems technologies will help diversify the Nation's energy portfolio with few adverse environmental impacts and are vital to delivering clean energy to fuel the Nation's economic growth;

(6) development of reliable, affordable, and environmentally sound energy efficiency technologies, renewable and alternative energy technologies, and advanced energy systems technologies will require maintenance of a vibrant fundamental scientific knowledge base and continued scientific and technological innovations that can be accelerated by Federal funding, whereas commercial deployment of such systems and technologies are the responsibility of the private sector;

(7) Federal funding should focus on those programs, projects, and activities that are long-term, high-risk, noncommercial, and well-managed, and that provide the potential for scientific and technological advances; and

(8) public-private partnerships should be encouraged to leverage scarce taxpayer dollars.

SEC. 2003. PURPOSES.

The purposes of this division are to—

(1) protect and strengthen the Nation's economy, standard of living, and national security by reducing dependence on imported energy;

(2) meet future needs for energy services at the lowest total cost to the Nation, including environmental costs, giving balanced and comprehensive consideration to technologies that improve the efficiency of energy end uses and that enhance energy supply;

(3) reduce the air, water, and other environmental impacts (including emissions of greenhouse gases) of energy production, distribution, transportation, and use through the development of environmentally sustainable energy systems;

(4) consider the comparative environmental impacts of the energy saved or produced by specific programs, projects, or activities;

(5) maintain the technological competitiveness of the United States and stimulate economic growth through the development of advanced energy systems and technologies;

(6) foster international cooperation by developing international markets for domestically produced sustainable energy technologies, and by transferring environmentally sound, advanced energy systems and technologies to developing countries to promote sustainable development;

(7) provide sufficient funding of programs, projects, and activities that are performance-based and modeled as public-private partnerships, as appropriate; and

(8) enhance the contribution of a given program, project, or activity to fundamental scientific knowledge.

SEC. 2004. GOALS.

(a) IN GENERAL.—Subject to subsection (b), in order to achieve the purposes of this division under section 2003, the Secretary should conduct a balanced energy research, development, demonstration, and commercial application portfolio of programs guided by the following goals to meet the purposes of this division under section 2003.

(1) ENERGY CONSERVATION AND ENERGY EFFICIENCY.—

(A) For the Building Technology, State and Community Sector, the program should develop technologies, housing components, designs, and production methods that will, by 2010—

(i) reduce the monthly energy cost of new housing by 20 percent, compared to the cost as of the date of the enactment of this Act;

(ii) cut the environmental impact and energy use of new housing by 50 percent, compared to the impact and use as of the date of the enactment of this Act; and

(iii) improve durability and reduce maintenance costs by 50 percent compared to the durability and costs as of the date of the enactment of this Act.

(B) For the Industry Sector, the program should, in cooperation with the affected industries, improve the energy intensity of the major energy-consuming industries by at least 25 percent by 2010, compared to the energy intensity as of the date of the enactment of this Act.

(C) For Power Technologies, the program should, in cooperation with the affected industries—

(i) develop a microturbine (40 to 300 kilowatt) that is more than 40 percent more efficient by 2006, and more than 50 percent more efficient by 2010, compared to the efficiency as of the date of the enactment of this Act; and

(ii) develop advanced materials for combustion systems that reduce emissions of nitrogen oxides by 30 to 50 percent while increasing efficiency 5 to 10 percent by 2007, compared to such emissions as of the date of the enactment of this Act.

(D) For the Transportation Sector, the program should, in cooperation with affected industries—

(i) develop a production prototype passenger automobile that has fuel economy equivalent to 80 miles per gallon of gasoline by 2004;

(ii) develop class 7 and 8 heavy duty trucks and buses with ultra low emissions and the ability to use an alternative fuel that has an average fuel economy equivalent to—

(I) 10 miles per gallon of gasoline by 2007; and

(II) 13 miles per gallon of gasoline by 2010;

(iii) develop a production prototype of a passenger automobile with zero equivalent emissions that has an average fuel economy of 100 miles per gallon of gasoline by 2010; and

(iv) improve, by 2010, the average fuel economy of trucks—

(I) in classes 1 and 2 by 300 percent; and

(II) in classes 3 through 6 by 200 percent, compared to the fuel economy as of the date of the enactment of this Act.

(2) RENEWABLE ENERGY.—

(A) For Hydrogen Research, to carry out the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990, as amended by subtitle A of title II of this division.

(B) For bioenergy:

(i) The program should reduce the cost of bioenergy relative to other energy sources to enable the United States to triple bioenergy use by 2010.

(ii) For biopower systems, the program should reduce the cost of such systems to enable commercialization of integrated power-generating technologies that employ gas turbines and fuel cells integrated with bioenergy gasifiers within five years after the date of the enactment of this Act.

(iii) For biofuels, the program should accelerate research, development, and demonstration on advanced enzymatic hydrolysis technology for making ethanol from cellulosic feedstock, with the goal that between 2010 and 2015 ethanol produced from energy crops would be fully competitive in terms of price with gasoline as a neat fuel, in either internal combustion engines or fuel cell vehicles.

(C) For Geothermal Technology Development, the program should focus on advanced concepts for the long term. The first priority should be high-grade enhanced geothermal systems; the second priority should be lower grade, hot dry rock, and geopressured systems; and the third priority should be support of field demonstrations of enhanced geothermal systems technology, including sites in lower grade areas to demonstrate the benefits of reservoir concepts to different conditions.

(D) For Hydropower, the program should provide a new generation of turbine technologies that will increase generating capacity and will be less damaging to fish and aquatic ecosystems.

(E) For Concentrating Solar Power, the program should strengthen ongoing research, development, and demonstration combining high-efficiency and high-temperature receivers with advanced thermal storage and power cycles, with the goal of making solar-only power (including baseload solar power) widely competitive with fossil fuel power by 2015. The program should limit or halt its research and development on power-tower and power-trough technologies because further refinements to these concepts will not further their deployment, and should assess the market prospects for solar dish/engine technologies to determine whether continued research and development is warranted.

(F) For Photovoltaic Energy Systems, the program should pursue research, development, and demonstration that will, by 2005, increase the efficiency of thin film modules from the current 7 percent to 11 percent in multi-million watt production; reduce the direct manufacturing cost of photovoltaic modules by 30 percent from the current $2.50 per watt to $1.75 per watt by 2005; and establish greater than a 20-year lifetime of photovoltaic systems by improving the reliability and lifetime of balance-of-system components and reducing recurring cost by 40 percent. The program's top priority should be the development of sound manufacturing technologies for thin-film modules, and the program should make a concerted effort to integrate fundamental research and basic engineering research.

(G) For Solar Building Technology Research, the program should complete research and development on new polymers and manufacturing processes to reduce the cost of solar water heating by 50 percent by 2004, compared to the cost as of the date of enactment of this Act.

(H) For Wind Energy Systems, the program should reduce the cost of wind energy to three cents per kilowatt-hour at Class 6 (15 miles-per-hour annual average) wind sites by 2004, and 4 cents per kilowatt-hour in Class 4 (13 miles-per-hour annual average) wind sites by 2015, and further if required so that wind power can be widely competitive with fossil-fuel-based electricity in a restructured electric industry. Program research on advanced wind turbine technology should focus on turbulent flow studies, durable materials to extend turbine life, blade efficiency, and higher efficiency operation in low quality wind regimes.

(I) For Electric Energy Systems and Storage, including High Temperature Superconducting Research and Development, Energy Storage Systems, and Transmission Reliability, the program should develop high capacity superconducting transmission lines and generators, highly reliable energy storage systems, and distributed generating systems to accommodate multiple types of energy sources under common interconnect standards.

(J) For the International Renewable Energy and Renewable Energy Production Incentive programs, and Renewable Program Support, the program should encourage the commercial application of renewable energy technologies by developed and developing countries, State and local governmental entities and nonprofit electric cooperatives, and by the competitive domestic market.

(3) NUCLEAR ENERGY.—

(A) For university nuclear science and engineering, the program should carry out the provisions of subtitle A of title III of this division.

(B) For fuel cycle research, development, and demonstration, the program should carry out the provisions of subtitle B of title III of this division.

(C) For the Nuclear Energy Research Initiative, the program should accomplish the objectives of section 2341(b) of this Act.

(D) For the Nuclear Energy Plant Optimization Program, the program should accomplish the objectives of section 2342(b) of this Act.

(E) For Nuclear Energy Technologies, the program should carry out the provisions of section 2343 of this Act.

(F) For Advanced Radioisotope Power Systems, the program should ensure that the United States has adequate capability to power future satellite and space missions.

(4) FOSSIL ENERGY.—

(A) For core fossil energy research and development, the program should achieve the goals outlined by the Department's Vision 21 Program. This research should address fuel-flexible gasification and turbines, fuel cells, advanced-combustion systems, advanced fuels and chemicals, advanced modeling and systems analysis, materials and heat exchangers, environmental control technologies, gas-stream purification, gas-separation technology, and sequestration research and development focused on cost-effective novel concepts for capturing, reusing or storing, or otherwise mitigating carbon and other greenhouse gas emissions.

(B) For offshore oil and natural gas resources, the program should investigate and develop technologies to—

(i) extract methane hydrates in coastal waters of the United States, in accordance with the provisions of the Methane Hydrate Research and Development Act of 2000; and

(ii) develop natural gas and oil reserves in the ultra-deepwater of the Central and Western Gulf of Mexico. Research and development on ultra-deepwater resource recovery shall focus on improving the safety and efficiency of such recovery and of sub-sea production technology used for such recovery, while lowering costs.

(C) For transportation fuels, the program should support a comprehensive transportation fuels strategy to increase the price elasticity of oil supply and demand by focusing research on reducing the cost of producing transportation fuels from natural gas and indirect liquefaction of coal.

(5) Science.—The Secretary, through the Office of Science, should—

(A) develop and maintain a robust portfolio of fundamental scientific and energy research, including High Energy and Nuclear Physics, Biological and Environmental Research, Basic Energy Sciences (including Materials Sciences, Chemical Sciences, Engineering and Geosciences, and Energy Biosciences), Advanced Scientific Computing, Energy Research and Analysis, Multiprogram Energy Laboratories-Facilities Support, Fusion Energy Sciences, and Facilities and Infrastructure;

(B) maintain, upgrade, and expand, as appropriate, and in accordance with the provisions of this division, the scientific user facilities maintained by the Office of Science, and ensure that they are an integral part of the Department's mission for exploring the frontiers of fundamental energy sciences; and

(C) ensure that its fundamental energy sciences programs, where appropriate, help inform the applied research and development programs of the Department.

(b) Review and Assessment.—The Secretary shall perform an assessment that establishes measurable cost and performance-based goals, or that modifies the goals under subsection (a), as appropriate, for 2005, 2010, 2015, and 2020 for each of the programs authorized by this division that would enable each such program to meet the purposes of this division under section 2003. Such assessment shall be based on the latest scientific and technical knowledge, and shall also take into consideration, as appropriate, the comparative environmental impacts (including emissions of greenhouse gases) of the energy saved or produced by specific programs.

(c) Consultation.—In establishing the measurable cost and performance-based goals under subsection (b), the Secretary shall consult with the private sector, institutions of higher learning, national laboratories, environmental organizations, professional and technical societies, and any other persons as the Secretary considers appropriate.

(d) Schedule.—The Secretary shall—

(1) issue and publish in the Federal Register a set of draft measurable cost and performance-based goals for the programs authorized by this division for public comment—

(A) in the case of a program established before the date of the enactment of this Act, not later than 120 days after the date of the enactment of this Act; and

(B) in the case of a program not established before the date of the enactment of this Act, not later than 120 days after the date of establishment of the program;

(2) not later than 60 days after the date of publication under paragraph (1), after taking into consideration any public comments received, transmit to the Congress and publish in the Federal Register the final measurable cost and performance-based goals; and

(3) update all such cost and performance-based goals on a biennial basis.

SEC. 2005. DEFINITIONS.

For purposes of this division, except as otherwise provided—

(1) the term "Administrator" means the Administrator of the Environmental Protection Agency;

(2) the term "appropriate congressional committees" means—

(A) the Committee on Science and the Committee on Appropriations of the House of Representatives; and

(B) the Committee on Energy and Natural Resources and the Committee on Appropriations of the Senate;

(3) the term "Department" means the Department of Energy; and

(4) the term "Secretary" means the Secretary of Energy.

SEC. 2006. AUTHORIZATIONS.

Authorizations of appropriations under this division are for environmental research and development, scientific and energy research, development, and demonstration, and commercial application of energy technology programs, projects, and activities.

SEC. 2007. BALANCE OF FUNDING PRIORITIES.

(a) Sense of Congress.—It is the sense of the Congress that the funding of the various programs authorized by titles I through IV of this division should remain in the same proportion to each other as provided in this division, regardless of the total amount of funding made available for those programs.

(b) Report to Congress.—If for fiscal year 2002, 2003, or 2004 the amounts appropriated in general appropriations Acts for the programs authorized in titles I through IV of this division are not in the same proportion to one another as are the authorizations for such programs in this division, the Secretary and the Administrator shall, within 60 days after the date of the enactment of the last general appropriations Act appropriating amounts for such programs, transmit to the appropriate congressional committees a report describing the programs, projects, and activities that would have been funded if the proportions provided for in this division had been maintained in the appropriations. The amount appropriated for the program receiving the highest percentage of its authorized funding for a fiscal year shall be used as the baseline for calculating the proportional deficiencies of appropriations for other programs in that fiscal year.

TITLE I—ENERGY CONSERVATION AND ENERGY EFFICIENCY

Subtitle A—Alternative Fuel Vehicles

SEC. 2101. SHORT TITLE.

This subtitle may be cited as the "Alternative Fuel Vehicle Acceleration Act of 2001".

SEC. 2102. DEFINITIONS.

For the purposes of this subtitle, the following definitions apply:

(1) Alternative fuel vehicle.—

(A) In general.—Except as provided in subparagraph (B), the term "alternative fuel vehicle" means a motor vehicle that is powered—

(i) in whole or in part by electricity, including electricity supplied by a fuel cell;

(ii) by liquefied natural gas;

(iii) by compressed natural gas;

(iv) by liquefied petroleum gas;

(v) by hydrogen;

(vi) by methanol or ethanol at no less than 85 percent by volume; or

(vii) by propane.

(B) Exclusions.—The term "alternative fuel vehicle" does not include—

(i) any vehicle designed to operate solely on gasoline or diesel derived from fossil fuels, regardless of whether it can also be operated on an alternative fuel; or

(ii) any vehicle that the Secretary determines, by rule, does not yield substantial environmental benefits over a vehicle operating solely on gasoline or diesel derived from fossil fuels.

(2) Pilot program.—The term "pilot program" means the competitive grant program established under section 2103.

(3) Ultra-low sulfur diesel vehicle.—The term "ultra-low sulfur diesel vehicle" means a vehicle powered by a heavy-duty diesel engine that—

(A) is fueled by diesel fuel which contains sulfur at not more than 15 parts per million; and

(B) emits not more than the lesser of—

(i) for vehicles manufactured in—

(I) model years 2001 through 2003, 3.0 grams per brake horsepower-hour of nonmethane hydrocarbons and oxides of nitrogen and .01 grams per brake horsepower-hour of particulate matter; and

(II) model years 2004 through 2006, 2.5 grams per brake horsepower-hour of nonmethane hydrocarbons and oxides of nitrogen and .01 grams per brake horsepower-hour of particulate matter; or

(ii) the emissions of nonmethane hydrocarbons, oxides of nitrogen, and particulate matter of the best performing technology of ultra-low sulfur diesel vehicles of the same type that are commercially available.

SEC. 2103. PILOT PROGRAM.

(a) Establishment.—The Secretary shall establish a competitive grant pilot program to provide not more than 15 grants to State governments, local governments, or metropolitan transportation authorities to carry out a project or projects for the purposes described in subsection (b).

(b) Grant Purposes.—Grants under this section may be used for the following purposes:

(1) The acquisition of alternative fuel vehicles, including—

(A) passenger vehicles;

(B) buses used for public transportation or transportation to and from schools;

(C) delivery vehicles for goods or services;

(D) ground support vehicles at public airports, including vehicles to carry baggage or push airplanes away from terminal gates; and

(E) motorized two-wheel bicycles, scooters, or other vehicles for use by law enforcement personnel or other State or local government or metropolitan transportation authority employees.

(2) The acquisition of ultra-low sulfur diesel vehicles.

(3) Infrastructure necessary to directly support an alternative fuel vehicle project funded by the grant, including fueling and other support equipment.

(4) Operation and maintenance of vehicles, infrastructure, and equipment acquired as part of a project funded by the grant.

(c) Applications.—

(1) Requirements.—The Secretary shall issue requirements for applying for grants under the pilot program. At a minimum, the Secretary shall require that applications be submitted by the head of a State or local government or a metropolitan transportation authority, or any combination thereof, and shall include—

(A) at least one project to enable passengers or goods to be transferred directly from one alternative fuel vehicle or ultra-low sulfur diesel vehicle to another in a linked transportation system;

(B) a description of the projects proposed in the application, including how they meet the requirements of this subtitle;

(C) an estimate of the ridership or degree of use of the projects proposed in the application;

(D) an estimate of the air pollution emissions reduced and fossil fuel displaced as a result of the projects proposed in the application, and a plan to collect and disseminate environmental data, related to the projects to be funded under the grant, over the life of the projects;

(E) a description of how the projects proposed in the application will be sustainable without Federal assistance after the completion of the term of the grant;

(F) a complete description of the costs of each project proposed in the application, including acquisition, construction, operation, and maintenance costs over the expected life of the project;

(G) a description of which costs of the projects proposed in the application will be supported by Federal assistance under this subtitle; and

(H) documentation to the satisfaction of the Secretary that diesel fuel containing sulfur at not more than 15 parts per million is available for carrying out the projects, and a commitment by the applicant to use such fuel in carrying out the projects.

(2) Partners.—An applicant under paragraph (1) may carry out projects under the pilot program in partnership with public and private entities.

(d) Selection Criteria.—In evaluating applications under the pilot program, the Secretary shall consider each applicant's previous experience with similar projects and shall give priority consideration to applications that—

(1) are most likely to maximize protection of the environment;

(2) demonstrate the greatest commitment on the part of the applicant to ensure funding for the proposed projects and the greatest likelihood that each project proposed in the application will be maintained or expanded after Federal assistance under this subtitle is completed; and

(3) exceed the minimum requirements of subsection (c)(1)(A).

(e) Pilot Project Requirements.—

(1) Maximum amount.—The Secretary shall not provide more than $20,000,000 in Federal assistance under the pilot program to any applicant.

(2) Cost sharing.—The Secretary shall not provide more than 50 percent of the cost, incurred during the period of the grant, of any project under the pilot program.

(3) Maximum period of grants.—The Secretary shall not fund any applicant under the pilot program for more than 5 years.

(4) Deployment and distribution.—The Secretary shall seek to the maximum extent practicable to achieve nationwide deployment of alternative fuel vehicles through the pilot program, and shall ensure a broad geographic distribution of project sites.

(5) Transfer of information and knowledge.—The Secretary shall establish mechanisms to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(f) Schedule.—

(1) Publication.—Not later than 3 months after the date of enactment of this Act, the Secretary shall publish in the Federal Register, Commerce Business Daily, and elsewhere as appropriate, a request for applications to undertake projects under the pilot program. Applications shall be due within 6 months of the publication of the notice.

(2) Selection.—Not later than 6 months after the date by which applications for grants are due, the Secretary shall select by competitive, peer review all applications for projects to be awarded a grant under the pilot program.

(g) Limit on Funding.—The Secretary shall provide not less than 20 percent and not more than 25 percent of the grant funding made available under this section for the acquisition of ultra-low sulfur diesel vehicles.

SEC. 2104. REPORTS TO CONGRESS.

(a) Initial Report.—Not later than 2 months after the date grants are awarded under this subtitle, the Secretary shall transmit to the appropriate congressional committees a report containing—

(1) an identification of the grant recipients and a description of the projects to be funded;

(2) an identification of other applicants that submitted applications for the pilot program; and

(3) a description of the mechanisms used by the Secretary to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(b) Evaluation.—Not later than 3 years after the date of enactment of this Act, and annually thereafter until the pilot program ends, the Secretary shall transmit to the appropriate congressional committees a report containing an evaluation of the effectiveness of the pilot program, including an assessment of the benefits to the environment derived from the projects included in the pilot program as well as an estimate of the potential benefits to the environment to be derived from widespread application of alternative fuel vehicles and ultra-low sulfur diesel vehicles.

SEC. 2105. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary $200,000,000 to carry out this subtitle, to remain available until expended.

Subtitle B—Distributed Power Hybrid Energy Systems

SEC. 2121. FINDINGS.

The Congress makes the following findings:

(1) Our ability to take advantage of our renewable, indigenous resources in a cost-effective manner can be greatly advanced through systems that compensate for the intermittent nature of these resources through distributed power hybrid systems.

(2) Distributed power hybrid systems can—

(A) shelter consumers from temporary energy price volatility created by supply, and demand mismatches;

(B) increase the reliability of energy supply; and

(C) address significant local differences in power and economic development needs and resource availability that exist throughout the United States.

(3) Realizing these benefits will require a concerted and integrated effort to remove market barriers to adopting distributed power hybrid systems by—

(A) developing the technological foundation that enables designing, testing, certifying, and operating distributed power hybrid systems; and

(B) providing the policy framework that reduces such barriers.

(4) While many of the individual distributed power hybrid systems components are either available or under development in existing private and public sector programs, the capabilities to integrate these components into workable distributed power hybrid systems that maximize benefits to consumers in a safe manner often are not coherently being addressed.

SEC. 2122. DEFINITIONS.

For purposes of this subtitle—

(1) the term "distributed power hybrid system" means a system using 2 or more distributed power sources, operated together with associated supporting equipment, including storage equipment, and software necessary to provide electric power onsite and to an electric distribution system; and

(2) the term "distributed power source" means an independent electric energy source of usually 10 megawatts or less located close to a residential, commercial, or industrial load center, including—

(A) reciprocating engines;

(B) turbines;

(C) microturbines;

(D) fuel cells;

(E) solar electric systems;

(F) wind energy systems;

(G) biopower systems;

(H) geothermal power systems; or

(I) combined heat and power systems.

SEC. 2123. STRATEGY.

(a) Requirement.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall develop and transmit to the Congress a distributed power hybrid systems strategy showing—

(1) needs best met with distributed power hybrid systems configurations, especially systems including one or more solar or renewable power sources; and

(2) technology gaps and barriers (including barriers to efficient connection with the power grid) that hamper the use of distributed power hybrid systems.

(b) Elements.—The strategy shall provide for development of—

(1) system integration tools (including databases, computer models, software, sensors, and controls) needed to plan, design, build, and operate distributed power hybrid systems for maximum benefits;

(2) tests of distributed power hybrid systems, power parks, and microgrids, including field tests and cost-shared demonstrations with industry;

(3) design tools to characterize the benefits of distributed power hybrid systems for consumers, to reduce testing needs, to speed commercialization, and to generate data characterizing grid operations, including interconnection requirements;

(4) precise resource assessment tools to map local resources for distributed power hybrid systems; and

(5) a comprehensive research, development, demonstration, and commercial application program to ensure the reliability, efficiency, and environmental integrity of distributed energy resources, focused on filling gaps in distributed power hybrid systems technologies identified under subsection (a)(2), which may include—

(A) integration of a wide variety of advanced technologies into distributed power hybrid systems;

(B) energy storage devices;

(C) environmental control technologies;

(D) interconnection standards, protocols, and equipment; and

(E) ancillary equipment for dispatch and control.

(c) Implementation and Integration.—The Secretary shall implement the strategy transmitted under subsection (a) and the research program under subsection (b)(5). Activities pursuant to the strategy shall be integrated with other activities of the Department's Office of Power Technologies.

SEC. 2124. HIGH POWER DENSITY INDUSTRY PROGRAM.

(a) IN GENERAL.—The Secretary shall develop and implement a comprehensive research, development, demonstration, and commercial application program to improve energy efficiency, reliability, and environmental responsibility in high power density industries, such as data centers, server farms, telecommunications facilities, and heavy industry.

(b) AREAS.—In carrying out this section, the Secretary shall consider technologies that provide—

(1) significant improvement in efficiency of high power density facilities, and in data and telecommunications centers, using advanced thermal control technologies;

(2) significant improvements in air-conditioning efficiency in facilities such as data centers and telecommunications facilities;

(3) significant advances in peak load reduction; and

(4) advanced real time metering and load management and control devices.

(c) IMPLEMENTATION AND INTEGRATION.—Activities pursuant to this program shall be integrated with other activities of the Department's Office of Power Technologies.

SEC. 2125. MICRO-COGENERATION ENERGY TECHNOLOGY.

The Secretary shall make competitive, merit-based grants to consortia of private sector entities for the development of micro-cogeneration energy technology. The consortia shall explore the creation of small-scale combined heat and power through the use of residential heating appliances. There are authorized to be appropriated to the Secretary $20,000,000 to carry out this section, to remain available until expended.

SEC. 2126. PROGRAM PLAN.

Within 4 months after the date of enactment of this Act, the Secretary, in consultation with other appropriate Federal agencies, shall prepare and transmit to the Congress a 5-year program plan to guide activities under this subtitle. In preparing the program plan, the Secretary shall consult with appropriate representatives of the distributed energy resources, power transmission, and high power density industries to prioritize appropriate program areas. The Secretary shall also seek the advice of utilities, energy services providers, manufacturers, institutions of higher learning, other appropriate State and local agencies, environmental organizations, professional and technical societies, and any other persons the Secretary considers appropriate.

SEC. 2127. REPORT.

Two years after date of enactment of this Act and at two year intervals thereafter, the Secretary, jointly with other appropriate Federal agencies, shall transmit a report to Congress describing the progress made to achieve the purposes of this subtitle.

SEC. 2128. VOLUNTARY CONSENSUS STANDARDS.

Not later than 2 years after the date of enactment of this Act, the Secretary, in consultation with the National Institute of Standards and Technology, shall work with the Institute of Electrical and Electronic Engineers and other standards development organizations toward the development of voluntary consensus standards for distributed energy systems for use in manufacturing and using equipment and systems for connection with electric distribution systems, for obtaining electricity from, or providing electricity to, such systems.

Subtitle C—Secondary Electric Vehicle Battery Use

SEC. 2131. DEFINITIONS.

For purposes of this subtitle, the term—

(1) "battery" means an energy storage device that previously has been used to provide motive power in a vehicle powered in whole or in part by electricity; and

(2) "associated equipment" means equipment located at the location where the batteries will be used that is necessary to enable the use of the energy stored in the batteries.

SEC. 2132. ESTABLISHMENT OF SECONDARY ELECTRIC VEHICLE BATTERY USE PROGRAM.

(a) PROGRAM.—The Secretary shall establish and conduct a research, development, and demonstration program for the secondary use of batteries where the original use of such batteries was in transportation applications. Such program shall be—

(1) designed to demonstrate the use of batteries in secondary application, including utility and commercial power storage and power quality;

(2) structured to evaluate the performance, including longevity of useful service life and costs, of such batteries in field operations, and evaluate the necessary supporting infrastructure, including disposal and reuse of batteries; and

(3) coordinated with ongoing secondary battery use programs underway at the national laboratories and in industry.

(b) SOLICITATION.—(1) Not later than 6 months after the date of the enactment of this Act, the Secretary shall solicit proposals to demonstrate the secondary use of batteries and associated equipment and supporting infrastructure in geographic locations throughout the United States. The Secretary may make additional solicitations for proposals if the Secretary determines that such solicitations are necessary to carry out this section.

(2)(A) Proposals submitted in response to a solicitation under this section shall include—

(i) a description of the project, including the batteries to be used in the project, the proposed locations and applications for the batteries, the number of batteries to be demonstrated, and the type, characteristics, and estimated life-cycle costs of the batteries compared to other energy storage devices currently used;

(ii) the contribution, if any, of State or local governments and other persons to the demonstration project;

(iii) the type of associated equipment to be demonstrated and the type of supporting infrastructure to be demonstrated; and

(iv) any other information the Secretary considers appropriate.

(B) If the proposal includes a lease arrangement, the proposal shall indicate the terms of such lease arrangement for the batteries and associated equipment.

(c) SELECTION OF PROPOSALS.—(1)(A) The Secretary shall, not later than 3 months after the closing date established by the Secretary for receipt of proposals under subsection (b), select at least 5 proposals to receive financial assistance under this section.

(B) No one project selected under this section shall receive more than 25 percent of the funds authorized under this section. No more than 3 projects selected under this section shall demonstrate the same battery type.

(2) In selecting a proposal under this section, the Secretary shall consider—

(A) the ability of the proposer to acquire the batteries and associated equipment and to successfully manage and conduct the demonstration project, including the reporting requirements set forth in paragraph (3)(B);

(B) the geographic and climatic diversity of the projects selected;

(C) the long-term technical and competitive viability of the batteries to be used in the project and of the original manufacturer of such batteries;

(D) the suitability of the batteries for their intended uses;

(E) the technical performance of the battery, including the expected additional useful life and the battery's ability to retain energy;

(F) the environmental effects of the use of and disposal of the batteries proposed to be used in the project selected;

(G) the extent of involvement of State or local government and other persons in the demonstration project and whether such involvement will—

(i) permit a reduction of the Federal cost share per project; or

(ii) otherwise be used to allow the Federal contribution to be provided to demonstrate a greater number of batteries; and

(H) such other criteria as the Secretary considers appropriate.

(3) CONDITIONS.—The Secretary shall require that—

(A) as a part of a demonstration project, the users of the batteries provide to the proposer information regarding the operation, maintenance, performance, and use of the batteries, and the proposer provide such information to the battery manufacturer, for 3 years after the beginning of the demonstration project;

(B) the proposer provide to the Secretary such information regarding the operation, maintenance, performance, and use of the batteries as the Secretary may request during the period of the demonstration project; and

(C) the proposer provide at least 50 percent of the costs associated with the proposal.

SEC. 2133. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary, from amounts authorized under section 2161(a), for purposes of this subtitle—

(1) $1,000,000 for fiscal year 2002;

(2) $7,000,000 for fiscal year 2003; and

(3) $7,000,000 for fiscal year 2004.

Such appropriations may remain available until expended.

Subtitle D—Green School Buses

SEC. 2141. SHORT TITLE.

This subtitle may be cited as the "Clean Green School Bus Act of 2001".

SEC. 2142. ESTABLISHMENT OF PILOT PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish a pilot program for awarding grants on a competitive basis to eligible entities for the demonstration and commercial application of alternative fuel school buses and ultra-low sulfur diesel school buses.

(b) REQUIREMENTS.—Not later than 3 months after the date of the enactment of this Act, the Secretary shall establish and publish in the Federal register grant requirements on eligibility for assistance, and on implementation of the program established under subsection (a), including certification requirements to ensure compliance with this subtitle.

(c) SOLICITATION.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall solicit proposals for grants under this section.

(d) ELIGIBLE RECIPIENTS.—A grant shall be awarded under this section only—

(1) to a local governmental entity responsible for providing school bus service for one or more public school systems; or

(2) jointly to an entity described in paragraph (1) and a contracting entity that provides school bus service to the public school system or systems.

(e) TYPES OF GRANTS.—

(1) IN GENERAL.—Grants under this section shall be for the demonstration and commercial application of technologies to facilitate the use of alternative fuel school buses and ultra-low sulfur diesel school buses in lieu of buses manufactured before model year 1977 and diesel-powered buses manufactured before model year 1991.

(2) NO ECONOMIC BENEFIT.—Other than the receipt of the grant, a recipient of a grant under this section may not receive any economic benefit in connection with the receipt of the grant.

(3) PRIORITY OF GRANT APPLICATIONS.—The Secretary shall give priority to awarding grants to applicants who can demonstrate the use of alternative fuel buses and ultra-low sulfur diesel school buses in lieu of buses manufactured before model year 1977.

(f) CONDITIONS OF GRANT.—A grant provided under this section shall include the following conditions:

(1) All buses acquired with funds provided under the grant shall be operated as part of the school bus fleet for which the grant was made for a minimum of 5 years.

(2) Funds provided under the grant may only be used—

(A) to pay the cost, except as provided in paragraph (3), of new alternative fuel school buses or ultra-low sulfur diesel school buses, including State taxes and contract fees; and

(B) to provide—

(i) up to 10 percent of the price of the alternative fuel buses acquired, for necessary alternative fuel infrastructure if the infrastructure will only be available to the grant recipient; and

(ii) up to 15 percent of the price of the alternative fuel buses acquired, for necessary alternative fuel infrastructure if the infrastructure will be available to the grant recipient and to other bus fleets.

(3) The grant recipient shall be required to provide at least the lesser of 15 percent of the total cost of each bus received or $15,000 per bus.

(4) In the case of a grant recipient receiving a grant to demonstrate ultra-low sulfur diesel school buses, the grant recipient shall be required to provide documentation to the satisfaction of the Secretary that diesel fuel containing sulfur at not more than 15 parts per million is available for carrying out the purposes of the grant, and a commitment by the applicant to use such fuel in carrying out the purposes of the grant.

(g) BUSES.—Funding under a grant made under this section may be used to demonstrate the use only of new alternative fuel school buses or ultra-low sulfur diesel school buses—

(1) with a gross vehicle weight of greater than 14,000 pounds;

(2) that are powered by a heavy duty engine;

(3) that, in the case of alternative fuel school buses, emit not more than—

(A) for buses manufactured in model years 2001 and 2002, 2.5 grams per brake horsepower-hour of nonmethane hydrocarbons and oxides of nitrogen and .01 grams per brake horsepower-hour of particulate matter; and

(B) for buses manufactured in model years 2003 through 2006, 1.8 grams per brake horsepower-hour of nonmethane hydrocarbons and oxides of nitrogen and .01 grams per brake horsepower-hour of particulate matter; and

(4) that, in the case of ultra-low sulfur diesel school buses, emit not more than—

(A) for buses manufactured in model years 2001 through 2003, 3.0 grams per brake horsepower-hour of nonmethane hydrocarbons and oxides of nitrogen and .01 grams per brake horsepower-hour of particulate matter; and

(B) for buses manufactured in model years 2004 through 2006, 2.5 grams per brake horsepower-hour of nonmethane hydrocarbons and oxides of nitrogen and .01 grams per brake horsepower-hour of particulate matter,

except that under no circumstances shall buses be acquired under this section that emit nonmethane hydrocarbons, oxides of nitrogen, or particulate matter at a rate greater than the best performing technology of ultra-low sulfur diesel school buses commercially available at the time the grant is made.

(h) DEPLOYMENT AND DISTRIBUTION.—The Secretary shall seek to the maximum extent practicable to achieve nationwide deployment of alternative fuel school buses through the program under this section, and shall ensure a broad geographic distribution of grant awards, with a goal of no State receiving more than 10 percent of the grant funding made available under this section for a fiscal year.

(i) LIMIT ON FUNDING.—The Secretary shall provide not less than 20 percent and not more than 25 percent of the grant funding made available under this section for any fiscal year for the acquisition of ultra-low sulfur diesel school buses.

(j) DEFINITIONS.—For purposes of this section—

(1) the term "alternative fuel school bus" means a bus powered substantially by electricity (including electricity supplied by a fuel cell), or by liquefied natural gas, compressed natural gas, liquefied petroleum gas, hydrogen, propane, or methanol or ethanol at no less than 85 percent by volume; and

(2) the term "ultra-low sulfur diesel school bus" means a school bus powered by diesel fuel which contains sulfur at not more than 15 parts per million.

SEC. 2143. FUEL CELL BUS DEVELOPMENT AND DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program for entering into cooperative agreements with private sector fuel cell bus developers for the development of fuel cell-powered school buses, and subsequently with not less than 2 units of local government using natural gas-powered school buses and such private sector fuel cell bus developers to demonstrate the use of fuel cell-powered school buses.

(b) COST SHARING.—The non-Federal contribution for activities funded under this section shall be not less than—

(1) 20 percent for fuel infrastructure development activities; and

(2) 50 percent for demonstration activities and for development activities not described in paragraph (1).

(c) FUNDING.—No more than $25,000,000 of the amounts authorized under section 2144 may be used for carrying out this section for the period encompassing fiscal years 2002 through 2006.

(d) REPORTS TO CONGRESS.—Not later than 3 years after the date of the enactment of this Act, and not later than October 1, 2006, the Secretary shall transmit to the appropriate congressional committees a report that—

(1) evaluates the process of converting natural gas infrastructure to accommodate fuel cell-powered school buses; and

(2) assesses the results of the development and demonstration program under this section.

SEC. 2144. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary for carrying out this subtitle, to remain available until expended—

(1) $40,000,000 for fiscal year 2002;
(2) $50,000,000 for fiscal year 2003;
(3) $60,000,000 for fiscal year 2004;
(4) $70,000,000 for fiscal year 2005; and
(5) $80,000,000 for fiscal year 2006.

Subtitle E—Next Generation Lighting Initiative

SEC. 2151. SHORT TITLE.

This subtitle may be cited as "Next Generation Lighting Initiative Act".

SEC. 2152. DEFINITION.

In this subtitle, the term "Lighting Initiative" means the "Next Generation Lighting Initiative" established under section 2153(a).

SEC. 2153. NEXT GENERATION LIGHTING INITIATIVE.

(a) ESTABLISHMENT.—The Secretary is authorized to establish a lighting initiative to be known as the "Next Generation Lighting Initiative" to research, develop, and conduct demonstration activities on advanced lighting technologies, including white light emitting diodes.

(b) RESEARCH OBJECTIVES.—The research objectives of the Lighting Initiative shall be to develop, by 2011, advanced lighting technologies that, compared to incandescent and fluorescent lighting technologies as of the date of the enactment of this Act, are—

(1) longer lasting;
(2) more energy-efficient; and
(3) cost-competitive.

SEC. 2154. STUDY.

(a) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Secretary, in consultation with other Federal agencies, as appropriate, shall complete a study on strategies for the development and commercial application of advanced lighting technologies. The Secretary shall request a review by the National Academies of Sciences and Engineering of the study under this subsection, and shall transmit the results of the study to the appropriate congressional committees.

(b) REQUIREMENTS.—The study shall—

(1) develop a comprehensive strategy to implement the Lighting Initiative; and

(2) identify the research and development, manufacturing, deployment, and marketing barriers that must be overcome to achieve a goal of a 25 percent market penetration by advanced lighting technologies into the incandescent and fluorescent lighting market by the year 2012.

(c) IMPLEMENTATION.—As soon as practicable after the review of the study under subsection (a) is transmitted to the Secretary by the National Academies of Sciences and Engineering, the Secretary shall adapt the implementation of the Lighting Initiative taking into consideration the recommendations of the National Academies of Sciences and Engineering.

SEC. 2155. GRANT PROGRAM.

(a) IN GENERAL.—Subject to section 2603 of this Act, the Secretary may make merit-based competitive grants to firms and research organizations that conduct research, development, and demonstration projects related to advanced lighting technologies.

(b) ANNUAL REVIEW.—

(1) IN GENERAL.—An annual independent review of the grant-related activities of firms and research organizations receiving a grant under this section shall be conducted by a

committee appointed by the Secretary under the Federal Advisory Committee Act (5 U.S.C. App.), or, at the request of the Secretary, a committee appointed by the National Academies of Sciences and Engineering.

(2) Requirements.—Using clearly defined standards established by the Secretary, the review shall assess technology advances and progress toward commercialization of the grant-related activities of firms or research organizations during each fiscal year of the grant program.

(c) Technical and Financial Assistance.—The national laboratories and other Federal agencies, as appropriate, shall cooperate with and provide technical and financial assistance to firms and research organizations conducting research, development, and demonstration projects carried out under this subtitle.

Subtitle F—Department of Energy Authorization of Appropriations

SEC. 2161. AUTHORIZATION OF APPROPRIATIONS.

(a) Operation and Maintenance.—In addition to amounts authorized to be appropriated under section 2105, section 2125, and section 2144, there are authorized to be appropriated to the Secretary for subtitle B, subtitle C, subtitle E, and for Energy Conservation operation and maintenance (including Building Technology, State and Community Sector (Nongrants), Industry Sector, Transportation Sector, Power Technologies, and Policy and Management) $625,000,000 for fiscal year 2002, $700,000,000 for fiscal year 2003, and $800,000,000 for fiscal year 2004, to remain available until expended.

(b) Limits on Use of Funds.—None of the funds authorized to be appropriated in subsection (a) may be used for—

(1) Building Technology, State and Community Sector—

(A) Residential Building Energy Codes;

(B) Commercial Building Energy Codes;

(C) Lighting and Appliance Standards;

(D) Weatherization Assistance Program; or

(E) State Energy Program; or

(2) Federal Energy Management Program.

Subtitle G—Environmental Protection Agency Office of Air and Radiation Authorization of Appropriations

SEC. 2171. SHORT TITLE.

This subtitle may be cited as the "Environmental Protection Agency Office of Air and Radiation Authorization Act of 2001".

SEC. 2172. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Administrator for Office of Air and Radiation Climate Change Protection Programs $121,942,000 for fiscal year 2002, $126,800,000 for fiscal year 2003, and $131,800,000 for fiscal year 2004 to remain available until expended, of which—

(1) $52,731,000 for fiscal year 2002, $54,800,000 for fiscal year 2003, and $57,000,000 for fiscal year 2004 shall be for Buildings;

(2) $32,441,000 for fiscal year 2002, $33,700,000 for fiscal year 2003, and $35,000,000 for fiscal year 2004 shall be for Transportation;

(3) $27,295,000 for fiscal year 2002, $28,400,000 for fiscal year 2003, and $29,500,000 for fiscal year 2004 shall be for Industry;

(4) $1,700,000 for fiscal year 2002, $1,800,000 for fiscal year 2003, and $1,900,000 for fiscal year 2004 shall be for Carbon Removal;

(5) $2,500,000 for fiscal year 2002, $2,600,000 for fiscal year 2003, and $2,700,000 for fiscal year 2004 shall be for State and Local Climate; and

(6) $5,275,000 for fiscal year 2002, $5,500,000 for fiscal year 2003, and $5,700,000 for fiscal year 2004 shall be for International Capacity Building.

SEC. 2173. LIMITS ON USE OF FUNDS.

(a) Production or Provision of Articles or Services.—None of the funds authorized to be appropriated by this subtitle may be used to produce or provide articles or services for the purpose of selling the articles or services to a person outside the Federal Government, unless the Administrator determines that comparable articles or services are not available from a commercial source in the United States.

(b) Requests for Proposals.—None of the funds authorized to be appropriated by this subtitle may be used by the Environmental Protection Agency to prepare or initiate Requests for Proposals for a program if the program has not been authorized by Congress.

SEC. 2174. COST SHARING.

(a) Research and Development.—Except as otherwise provided in this subtitle, for research and development programs carried out under this subtitle, the Administrator shall require a commitment from non-Federal sources of at least 20 percent of the cost of the project. The Administrator may reduce or eliminate the non-Federal requirement under this subsection if the Administrator determines that the research and development is of a basic or fundamental nature.

(b) Demonstration and Commercial Application.—Except as otherwise provided in this subtitle, the Administrator shall require at least 50 percent of the costs directly and specifically related to any demonstration or commercial application project under this subtitle to be provided from non-Federal sources. The Administrator may reduce the non-Federal requirement under this subsection if the Administrator determines that the reduction is necessary and appropriate considering the technological risks involved in the project and is necessary to meet the objectives of this subtitle.

(c) Calculation of Amount.—In calculating the amount of the non-Federal commitment under subsection (a) or (b), the Administrator may include personnel, services, equipment, and other resources.

SEC. 2175. LIMITATION ON DEMONSTRATION AND COMMERCIAL APPLICATIONS OF ENERGY TECHNOLOGY.

The Administrator shall provide funding for scientific or energy demonstration or commercial application of energy technology programs, projects, or activities of the Office of Air and Radiation only for technologies or processes that can be reasonably expected to yield new, measurable benefits to the cost, efficiency, or performance of the technology or process.

SEC. 2176. REPROGRAMMING.

(a) Authority.—The Administrator may use amounts appropriated under this subtitle for a program, project, or activity other than the program, project, or activity for which such amounts were appropriated only if—

(1) the Administrator has transmitted to the appropriate congressional committees a report described in subsection (b) and a period of 30 days has elapsed after such committees receive the report;

(2) amounts used for the program, project, or activity do not exceed—

(A) 105 percent of the amount authorized for the program, project, or activity; or

(B) $250,000 more than the amount authorized for the program, project, or activity, whichever is less; and

(3) the program, project, or activity has been presented to, or requested of, the Congress by the Administrator.

(b) Report.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the proposed action.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) Limitations.—(1) In no event may the total amount of funds obligated pursuant to this subtitle exceed the total amount authorized to be appropriated by this subtitle.

(2) Funds appropriated pursuant to this subtitle may not be used for an item for which Congress has declined to authorize funds.

SEC. 2177. BUDGET REQUEST FORMAT.

The Administrator shall provide to the appropriate congressional committees, to be transmitted at the same time as the Environmental Protection Agency's annual budget request submission, a detailed justification for budget authorization for the programs, projects, and activities for which funds are authorized by this subtitle. Each such document shall include, for the fiscal year for which funding is being requested and for the 2 previous fiscal years—

(1) a description of, and funding requested or allocated for, each such program, project, or activity;

(2) an identification of all recipients of funds to conduct such programs, projects, and activities; and

(3) an estimate of the amounts to be expended by each recipient of funds identified under paragraph (2).

SEC. 2178. OTHER PROVISIONS.

(a) Annual Operating Plan and Reports.—The Administrator shall provide simultaneously to the Committee on Science of the House of Representatives—

(1) any annual operating plan or other operational funding document, including any additions or amendments thereto; and

(2) any report relating to the environmental research or development, scientific or energy research, development, or demonstration, or commercial application of energy technology programs, projects, or activities of the Environmental Protection Agency,

provided to any committee of Congress.

(b) Notice of Reorganization.—The Administrator shall provide notice to the appropriate congressional committees not later than 15 days before any reorganization of any environmental research or development, scientific or energy research, development, or demonstration, or commercial application of energy technology program, project, or activity of the Office of Air and Radiation.

Subtitle H—National Building Performance Initiative

SEC. 2181. NATIONAL BUILDING PERFORMANCE INITIATIVE.

(a) Interagency Group.—Not later than 3 months after the date of the enactment of this Act, the Director of the Office of Science and Technology Policy shall establish an Interagency Group responsible for the development and implementation of a National Building Performance Initiative to address energy conservation and research and development and related issues. The National Institute of Standards and Technology shall provide necessary administrative support for the Interagency Group.

(b) Plan.—Not later than 9 months after the date of the enactment of this Act, the

Interagency Group shall transmit to the Congress a multiyear implementation plan describing the Federal role in reducing the costs, including energy costs, of using, owning, and operating commercial, institutional, residential, and industrial buildings by 30 percent by 2020. The plan shall include—

(1) research, development, and demonstration of systems and materials for new construction and retrofit, on the building envelope and components; and

(2) the collection and dissemination in a usable form of research results and other pertinent information to the design and construction industry, government officials, and the general public.

(c) NATIONAL BUILDING PERFORMANCE ADVISORY COMMITTEE.—A National-Building Performance Advisory Committee shall be established to advise on creation of the plan, review progress made under the plan, advise on any improvements that should be made to the plan, and report to the Congress on actions that have been taken to advance the Nation's capability in furtherance of the plan. The members shall include representatives of a broad cross-section of interests such as the research, technology transfer, architectural, engineering, and financial communities; materials and systems suppliers; State, county, and local governments; the residential, multifamily, and commercial sectors of the construction industry; and the insurance industry.

(d) REPORT.—The Interagency Group shall, within 90 days after the end of each fiscal year, transmit a report to the Congress describing progress achieved during the preceding fiscal year by government at all levels and by the private sector, toward implementing the plan developed under subsection (b), and including any amendments to the plan.

TITLE II—RENEWABLE ENERGY

Subtitle A—Hydrogen

SEC. 2201. SHORT TITLE.

This subtitle may be cited as the "Robert S. Walker and George E. Brown, Jr. Hydrogen Energy Act of 2001".

SEC. 2202. PURPOSES.

Section 102(b) of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990 is amended to read as follows:

"(b) PURPOSES.—The purposes of this Act are—

"(1) to direct the Secretary to conduct research, development, and demonstration activities leading to the production, storage, transportation, and use of hydrogen for industrial, commercial, residential, transportation, and utility applications;

"(2) to direct the Secretary to develop a program of technology assessment, information dissemination, and education in which Federal, State, and local agencies, members of the energy, transportation, and other industries, and other entities may participate; and

"(3) to develop methods of hydrogen production that minimize adverse environmental impacts, with emphasis on efficient and cost-effective production from renewable energy resources.".

SEC. 2203. DEFINITIONS.

Section 102(c) of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990 is amended—

(1) by redesignating paragraphs (1) through (3) as paragraphs (2) through (4), respectively; and

(2) by inserting before paragraph (2), as so redesignated by paragraph (1) of this section, the following new paragraph:

"(1) 'advisory committee' means the advisory committee established under section 108;".

SEC. 2204. REPORTS TO CONGRESS.

Section 103 of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990 is amended to read as follows:

"SEC. 103. REPORTS TO CONGRESS.

"(a) REQUIREMENT.—Not later than 1 year after the date of the enactment of the Robert S. Walker and George E. Brown, Jr. Hydrogen Energy Act of 2001, and biennially thereafter, the Secretary shall transmit to Congress a detailed report on the status and progress of the programs and activities authorized under this Act.

"(b) CONTENTS.—A report under subsection (a) shall include, in addition to any views and recommendations of the Secretary—

"(1) an assessment of the extent to which the program is meeting the purposes specified in section 102(b);

"(2) a determination of the effectiveness of the technology assessment, information dissemination, and education program established under section 106;

"(3) an analysis of Federal, State, local, and private sector hydrogen-related research, development, and demonstration activities to identify productive areas for increased intergovernmental and private-public sector collaboration; and

"(4) recommendations of the advisory committee for any improvements needed in the programs and activities authorized by this Act.".

SEC. 2205. HYDROGEN RESEARCH AND DEVELOPMENT.

Section 104 of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990 is amended to read as follows:

"SEC. 104. HYDROGEN RESEARCH AND DEVELOPMENT.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall conduct a hydrogen research and development program relating to production, storage, transportation, and use of hydrogen, with the goal of enabling the private sector to demonstrate the technical feasibility of using hydrogen for industrial, commercial, residential, transportation, and utility applications.

"(b) ELEMENTS.—In conducting the program authorized by this section, the Secretary shall—

"(1) give particular attention to developing an understanding and resolution of critical technical issues preventing the introduction of hydrogen as an energy carrier into the marketplace;

"(2) initiate or accelerate existing research and development in critical technical issues that will contribute to the development of more economical hydrogen production, storage, transportation, and use, including critical technical issues with respect to production (giving priority to those production techniques that use renewable energy resources as their primary source of energy for hydrogen production), liquefaction, transmission, distribution, storage, and use (including use of hydrogen in surface transportation); and

"(3) survey private sector and public sector hydrogen research and development activities worldwide, and take steps to ensure that research and development activities under this section do not—

"(A) duplicate any available research and development results; or

"(B) displace or compete with the privately funded hydrogen research and development activities of United States industry.

"(c) EVALUATION OF TECHNOLOGIES.—The Secretary shall evaluate, for the purpose of determining whether to undertake or fund research and development activities under this section, any reasonable new or improved technology that could lead or contribute to the development of economical hydrogen production, storage, transportation, and use.

"(d) RESEARCH AND DEVELOPMENT SUPPORT.—The Secretary is authorized to arrange for tests and demonstrations and to disseminate to researchers and developers information, data, and other materials necessary to support the research and development activities authorized under this section and other efforts authorized under this Act, consistent with section 106 of this Act.

"(e) COMPETITIVE PEER REVIEW.—The Secretary shall carry out or fund research and development activities under this section only on a competitive basis using peer review.

"(f) COST SHARING.—For research and development programs carried out under this section, the Secretary shall require a commitment from non-Federal sources of at least 20 percent of the cost of the project. The Secretary may reduce or eliminate the non-Federal requirement under this subsection if the Secretary determines that the research and development is of a basic or fundamental nature.".

SEC. 2206. DEMONSTRATIONS.

Section 105 of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990 is amended—

(1) in subsection (a), by striking ", preferably in self-contained locations,";

(2) in subsection (b), by striking "at self-contained sites" and inserting ", which shall include a fuel cell bus demonstration program to address hydrogen production, storage, and use in transit bus applications"; and

(3) in subsection (c), by inserting "NON-FEDERAL FUNDING REQUIREMENT.—" after "(c)".

SEC. 2207. TECHNOLOGY TRANSFER.

Section 106 of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990 is amended to read as follows:

"SEC. 106. TECHNOLOGY ASSESSMENT, INFORMATION DISSEMINATION, AND EDUCATION PROGRAM.

"(a) PROGRAM.—The Secretary shall, in consultation with the advisory committee, conduct a program designed to accelerate wider application of hydrogen production, storage, transportation, and use technologies, including application in foreign countries to increase the global market for the technologies and foster global economic development without harmful environmental effects.

"(b) INFORMATION.—The Secretary, in carrying out the program authorized by subsection (a), shall—

"(1) undertake an update of the inventory and assessment, required under section 106(b)(1) of this Act as in effect before the date of the enactment of the Robert S. Walker and George E. Brown, Jr. Hydrogen Energy Act of 2001, of hydrogen technologies and their commercial capability to economically produce, store, transport, or use hydrogen in industrial, commercial, residential, transportation, and utility sector; and

"(2) develop, with other Federal agencies as appropriate and industry, an information exchange program to improve technology transfer for hydrogen production, storage, transportation, and use, which may consist of workshops, publications, conferences, and a database for the use by the public and private sectors.".

SEC. 2208. COORDINATION AND CONSULTATION.

Section 107 of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990 is amended—

(1) by amending paragraph (1) of subsection (a) to read as follows:

"(1) shall establish a central point for the coordination of all hydrogen research, development, and demonstration activities of the Department; and"; and

(2) by amending subsection (c) to read as follows:

"(c) CONSULTATION.—The Secretary shall consult with other Federal agencies as appropriate, and the advisory committee, in carrying out the Secretary's authorities pursuant to this Act.".

SEC. 2209. ADVISORY COMMITTEE.

Section 108 of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990 is amended to read as follows:

"SEC. 108. ADVISORY COMMITTEE.

"(a) ESTABLISHMENT.—The Secretary shall enter into appropriate arrangements with the National Academies of Sciences and Engineering to establish an advisory committee consisting of experts drawn from domestic industry, academia, Governmental laboratories, and financial, environmental, and other organizations, as appropriate, to review and advise on the progress made through the programs and activities authorized under this Act.

"(b) COOPERATION.—The heads of Federal agencies shall cooperate with the advisory committee in carrying out this section and shall furnish to the advisory committee such information as the advisory committee reasonably deems necessary to carry out this section.

"(c) REVIEW.—The advisory committee shall review and make any necessary recommendations to the Secretary on—

"(1) the implementation and conduct of programs and activities authorized under this Act; and

"(2) the economic, technological, and environmental consequences of the deployment of hydrogen production, storage, transportation, and use systems.

"(d) RESPONSIBILITIES OF THE SECRETARY.—The Secretary shall consider, but need not adopt, any recommendations of the advisory committee under subsection (c). The Secretary shall provide an explanation of the reasons that any such recommendations will not be implemented and include such explanation in the report to Congress under section 103(a) of this Act.".

SEC. 2210. AUTHORIZATION OF APPROPRIATIONS.

Section 109 of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990 is amended to read as follows:

"SEC. 109. AUTHORIZATION OF APPROPRIATIONS.

"(a) RESEARCH AND DEVELOPMENT; ADVISORY COMMITTEE.—There are authorized to be appropriated to the Secretary to carry out sections 104 and 108—

"(1) $40,000,000 for fiscal year 2002;
"(2) $45,000,000 for fiscal year 2003;
"(3) $50,000,000 for fiscal year 2004;
"(4) $55,000,000 for fiscal year 2005; and
"(5) $60,000,000 for fiscal year 2006.

"(b) DEMONSTRATION.—There are authorized to be appropriated to the Secretary to carry out section 105—

"(1) $20,000,000 for fiscal year 2002;
"(2) $25,000,000 for fiscal year 2003;
"(3) $30,000,000 for fiscal year 2004;
"(4) $35,000,000 for fiscal year 2005; and
"(5) $40,000,000 for fiscal year 2006.".

SEC. 2211. REPEAL.

(a) REPEAL.—Title II of the Hydrogen Future Act of 1996 is repealed.

(b) CONFORMING AMENDMENT.—Section 2 of the Hydrogen Future Act of 1996 is amended by striking "titles II and III" and inserting "title III".

Subtitle B—Bioenergy

SEC. 2221. SHORT TITLE.

This subtitle may be cited as the "Bioenergy Act of 2001".

SEC. 2222. FINDINGS.

Congress finds that bioenergy has potential to help—

(1) meet the Nation's energy needs;
(2) reduce reliance on imported fuels;
(3) promote rural economic development;
(4) provide for productive utilization of agricultural residues and waste materials, and forestry residues and byproducts; and
(5) protect the environment.

SEC. 2223. DEFINITIONS.

For purposes of this subtitle—

(1) the term "bioenergy" means energy derived from any organic matter that is available on a renewable or recurring basis, including agricultural crops and trees, wood and wood wastes and residues, plants (including aquatic plants), grasses, residues, fibers, and animal and other organic wastes;

(2) the term "biofuels" includes liquid or gaseous fuels, industrial chemicals, or both;

(3) the term "biopower" includes the generation of electricity or process steam or both; and

(4) the term "integrated bioenergy research and development" includes biopower and biofuels applications.

SEC. 2224. AUTHORIZATION.

The Secretary is authorized to conduct environmental research and development, scientific and energy research, development, and demonstration, and commercial application of energy technology programs, projects, and activities related to bioenergy, including biopower energy systems, biofuels energy systems, and integrated bioenergy research and development.

SEC. 2225. AUTHORIZATION OF APPROPRIATIONS.

(a) BIOPOWER ENERGY SYSTEMS.—There are authorized to be appropriated to the Secretary for Biopower Energy Systems programs, projects, and activities—

(1) $45,700,000 for fiscal year 2002;
(2) $52,500,000 for fiscal year 2003;
(3) $60,300,000 for fiscal year 2004;
(4) $69,300,000 for fiscal year 2005; and
(5) $79,600,000 for fiscal year 2006.

(b) BIOFUELS ENERGY SYSTEMS.—There are authorized to be appropriated to the Secretary for biofuels energy systems programs, projects, and activities—

(1) $53,500,000 for fiscal year 2002;
(2) $61,400,000 for fiscal year 2003;
(3) $70,600,000 for fiscal year 2004;
(4) $81,100,000 for fiscal year 2005; and
(5) $93,200,000 for fiscal year 2006.

(c) INTEGRATED BIOENERGY RESEARCH AND DEVELOPMENT.—There are authorized to be appropriated to the Secretary for integrated bioenergy research and development programs, projects, and activities, $49,000,000 for each of the fiscal years 2002 through 2006. Activities funded under this subsection shall be coordinated with ongoing related programs of other Federal agencies, including the Plant Genome Program of the National Science Foundation.

(d) INTEGRATED APPLICATIONS.—Amounts authorized to be appropriated under this subtitle may be used to assist in the planning, design, and implementation of projects to convert rice straw and barley grain into biopower or biofuels.

Subtitle C—Transmission Infrastructure Systems

SEC. 2241. TRANSMISSION INFRASTRUCTURE SYSTEMS ,RESEARCH, DEVELOPMENT, DEMONSTRATION, AND COMMERCIAL APPLICATION.

(a) IN GENERAL.—The Secretary shall develop and implement a comprehensive research, development, demonstration, and commercial application program to ensure the reliability, efficiency, and environmental integrity of electrical transmission systems. Such program shall include advanced energy technologies and systems, high capacity superconducting transmission lines and generators, advanced grid reliability and efficiency technologies development, technologies contributing to significant load reductions, advanced metering, load management and control technologies, and technology transfer and education.

(b) TECHNOLOGY.—In carrying out this subtitle, the Secretary may include research, development, and demonstration on and commercial application of improved transmission technologies including the integration of the following technologies into improved transmission systems:

(1) High temperature superconductivity.
(2) Advanced transmission materials.
(3) Self-adjusting equipment, processes, or software for survivability, security, and failure containment.
(4) Enhancements of energy transfer over existing lines.
(5) Any other infrastructure technologies, as appropriate.

SEC. 2242. PROGRAM PLAN.

Within 4 months after the date of the enactment of this Act, the Secretary, in consultation with other appropriate Federal agencies, shall prepare and transmit to Congress a 5-year program plan to guide activities under this subtitle. In preparing the program plan, the Secretary shall consult with appropriate representatives of the transmission infrastructure systems industry to select and prioritize appropriate program areas. The Secretary shall also seek the advice of utilities, energy services providers, manufacturers, institutions of higher learning, other appropriate State and local agencies, environmental organizations, professional and technical societies, and any other persons as the Secretary considers appropriate.

SEC. 2243. REPORT.

Two years after the date of the enactment of this Act, and at two year intervals thereafter, the Secretary, in consultation with other appropriate Federal agencies, shall transmit a report to Congress describing the progress made to achieve the purposes of this subtitle and identifying any additional resources needed to continue the development and commercial application of transmission infrastructure technologies.

Subtitle D—Department of Energy Authorization of Appropriations

SEC. 2261. AUTHORIZATION OF APPROPRIATIONS.

(a) OPERATION AND MAINTENANCE.—There are authorized to be appropriated to the Secretary for Renewable Energy operation and maintenance, including activities under subtitle C, Geothermal Technology Development, Hydropower, Concentrating Solar Power, Photovoltaic Energy Systems, Solar Building Technology Research, Wind Energy Systems, High Temperature Superconducting Research and Development, Energy Storage Systems, Transmission Reliability, International Renewable Energy

Program, Renewable Energy Production Incentive Program, Renewable Program Support, National Renewable Energy Laboratory, and Program Direction, and including amounts authorized under the amendment made by section 2210 and amounts authorized under section 2225, $535,000,000 for fiscal year 2002, $639,000,000 for fiscal year 2003, and $683,000,000 for fiscal year 2004, to remain available until expended.

(b) Wave Powered Electric Generation.—Within the amounts authorized to be appropriated to the Secretary under subsection (a), the Secretary shall carry out a research program, in conjunction with other appropriate Federal agencies, on wave powered electric generation.

(c) Assessment of Renewable Energy Resources.—

(1) In general.—Using funds authorized in subsection (a), of this section, the Secretary shall transmit to the Congress, within one year after the date of the enactment of this Act, an assessment of all renewable energy resources available within the United States.

(2) Resource assessment.—Such report shall include a detailed inventory describing the available amount and characteristics of solar, wind, biomass, geothermal, hydroelectric, and other renewable energy sources, and an estimate of the costs needed to develop each resource. The report shall also include such other information as the Secretary believes would be useful in siting renewable energy generation, such as appropriate terrain, population and load centers, nearby energy infrastructure, and location of energy resources.

(3) Availability.—The information and cost estimates in this report shall be updated annually and made available to the public, along with the data used to create the report.

(4) Sunset.—This subsection shall expire at the end of fiscal year 2004.

(d) Limits on Use of Funds.—None of the funds authorized to be appropriated in subsection (a) may be used for—

(1) Departmental Energy Management Program; or

(2) Renewable Indian Energy Resources.

TITLE III—NUCLEAR ENERGY

Subtitle A—University Nuclear Science and Engineering

SEC. 2301. SHORT TITLE.

This subtitle may be cited as "Department of Energy University Nuclear Science and Engineering Act".

SEC. 2302. FINDINGS.

The Congress finds the following:

(1) United States university nuclear science and engineering programs are in a state of serious decline, with nuclear engineering enrollment at a 35-year low. Since 1980, the number of nuclear engineering university programs has declined nearly 40 percent, and over two-thirds of the faculty in these programs are 45 years of age or older. Also, since 1980, the number of university research and training reactors in the United States has declined by over 50 percent. Most of these reactors were built in the late 1950s and 1960s with 30-year to 40-year operating licenses, and many will require relicensing in the next several years.

(2) A decline in a competent nuclear workforce, and the lack of adequately trained nuclear scientists and engineers, will affect the ability of the United States to solve future nuclear waste storage issues, operate existing and design future fission reactors in the United States, respond to future nuclear events worldwide, help stem the proliferation of nuclear weapons, and design and operate naval nuclear reactors.

(3) The Department of Energy's Office of Nuclear Energy, Science and Technology, a principal Federal agency for civilian research in nuclear science and engineering, is well suited to help maintain tomorrow's human resource and training investment in the nuclear sciences and engineering.

SEC. 2303. DEPARTMENT OF ENERGY PROGRAM.

(a) Establishment.—The Secretary, through the Office of Nuclear Energy, Science and Technology, shall support a program to maintain the Nation's human resource investment and infrastructure in the nuclear sciences and engineering consistent with the Department's statutory authorities related to civilian nuclear research, development, and demonstration and commercial application of energy technology.

(b) Duties of the Office of Nuclear Energy, Science and Technology.—In carrying out the program under this subtitle, the Director of the Office of Nuclear Energy, Science and Technology shall—

(1) develop a robust graduate and undergraduate fellowship program to attract new and talented students;

(2) assist universities in recruiting and retaining new faculty in the nuclear sciences and engineering through a Junior Faculty Research Initiation Grant Program;

(3) maintain a robust investment in the fundamental nuclear sciences and engineering through the Nuclear Engineering Education Research Program;

(4) encourage collaborative nuclear research among industry, national laboratories, and universities through the Nuclear Energy Research Initiative;

(5) assist universities in maintaining reactor infrastructure; and

(6) support communication and outreach related to nuclear science and engineering.

(c) Maintaining University Research and Training Reactors and Associated Infrastructure.—The Secretary, through the Office of Nuclear Energy, Science and Technology, shall provide for the following university research and training reactor infrastructure maintenance and research activities:

(1) Refueling of university research reactors with low enriched fuels, upgrade of operational instrumentation, and sharing of reactors among universities.

(2) In collaboration with the United States nuclear industry, assistance, where necessary, in relicensing and upgrading university training reactors as part of a student training program.

(3) A university reactor research and training award program that provides for reactor improvements as part of a focused effort that emphasizes research, training, and education.

(d) University-DOE Laboratory Interactions.—The Secretary, through the Office of Nuclear Energy, Science and Technology, shall develop—

(1) a sabbatical fellowship program for university faculty to spend extended periods of time at Department of Energy laboratories in the areas of nuclear science and technology; and

(2) a visiting scientist program in which laboratory staff can spend time in academic nuclear science and engineering departments.

The Secretary may under subsection (b)(1) provide for fellowships for students to spend time at Department of Energy laboratories in the areas of nuclear science and technology under the mentorship of laboratory staff.

(e) Operations and Maintenance.—To the extent that the use of a university research reactor is funded under this subtitle, funds authorized under this subtitle may be used to supplement operation of the research reactor during the investigator's proposed effort. The host institution shall provide at least 50 percent of the cost of the reactor's operation.

(f) Merit Review Required.—All grants, contracts, cooperative agreements, or other financial assistance awards under this subtitle shall be made only after independent merit review.

(g) Report.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall prepare and transmit to the appropriate congressional committees a 5-year plan on how the programs authorized in this subtitle will be implemented. The plan shall include a review of the projected personnel needs in the fields of nuclear science and engineering and of the scope of nuclear science and engineering education programs at the Department and other Federal agencies.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS.

(a) Total Authorization.—The following sums are authorized to be appropriated to the Secretary, to remain available until expended, for the purposes of carrying out this subtitle:

(1) $30,200,000 for fiscal year 2002.
(2) $41,000,000 for fiscal year 2003.
(3) $47,900,000 for fiscal year 2004.
(4) $55,600,000 for fiscal year 2005.
(5) $64,100,000 for fiscal year 2006.

(b) Graduate and Undergraduate Fellowships.—Of the funds authorized by subsection (a), the following sums are authorized to be appropriated to carry out section 2303(b)(1):

(1) $3,000,000 for fiscal year 2002.
(2) $3,100,000 for fiscal year 2003.
(3) $3,200,000 for fiscal year 2004.
(4) $3,200,000 for fiscal year 2005.
(5) $3,200,000 for fiscal year 2006.

(c) Junior Faculty Research Initiation Grant Program.—Of the funds authorized by subsection (a), the following sums are authorized to be appropriated to carry out section 2303(b)(2):

(1) $5,000,000 for fiscal year 2002.
(2) $7,000,000 for fiscal year 2003.
(3) $8,000,000 for fiscal year 2004.
(4) $9,000,000 for fiscal year 2005.
(5) $10,000,000 for fiscal year 2006.

(d) Nuclear Engineering Education Research Program.—Of the funds authorized by subsection (a), the following sums are authorized to be appropriated to carry out section 2303(b)(3):

(1) $8,000,000 for fiscal year 2002.
(2) $12,000,000 for fiscal year 2003.
(3) $13,000,000 for fiscal year 2004.
(4) $15,000,000 for fiscal year 2005.
(5) $20,000,000 for fiscal year 2006.

(e) Communication and Outreach Related to Nuclear Science and Engineering.—Of the funds authorized by subsection (a), the following sums are authorized to be appropriated to carry out section 2303(b)(5):

(1) $200,000 for fiscal year 2002.
(2) $200,000 for fiscal year 2003.
(3) $300,000 for fiscal year 2004.
(4) $300,000 for fiscal year 2005.
(5) $300,000 for fiscal year 2006.

(f) Refueling of University Research Reactors and Instrumentation Upgrades.—Of the funds authorized by subsection (a), the following sums are authorized to be appropriated to carry out section 2303(c)(1):

(1) $6,000,000 for fiscal year 2002.
(2) $6,500,000 for fiscal year 2003.

(3) $7,000,000 for fiscal year 2004.

(4) $7,500,000 for fiscal year 2005.

(5) $8,000,000 for fiscal year 2006.

(g) RELICENSING ASSISTANCE.—Of the funds authorized by subsection (a), the following sums are authorized to be appropriated to carry out section 2303(c)(2):

(1) $1,000,000 for fiscal year 2002.

(2) $1,100,000 for fiscal year 2003.

(3) $1,200,000 for fiscal year 2004.

(4) $1,300,000 for fiscal year 2005.

(5) $1,300,000 for fiscal year 2006.

(h) REACTOR RESEARCH AND TRAINING AWARD PROGRAM.—Of the funds authorized by subsection (a), the following sums are authorized to be appropriated to carry out section 2303(c)(3):

(1) $6,000,000 for fiscal year 2002.

(2) $10,000,000 for fiscal year 2003.

(3) $14,000,000 for fiscal year 2004.

(4) $18,000,000 for fiscal year 2005.

(5) $20,000,000 for fiscal year 2006.

(i) UNIVERSITY-DOE LABORATORY INTERACTIONS.—Of the funds authorized by subsection (a), the following sums are authorized to be appropriated to carry out section 2303(d):

(1) $1,000,000 for fiscal year 2002.

(2) $1,100,000 for fiscal year 2003.

(3) $1,200,000 for fiscal year 2004.

(4) $1,300,000 for fiscal year 2005.

(5) $1,300,000 for fiscal year 2006.

Subtitle B—Advanced Fuel Recycling Technology Research and Development Program

SEC. 2321. PROGRAM.

(a) IN GENERAL.—The Secretary, through the Director of the Office of Nuclear Energy, Science and Technology, shall conduct an advanced fuel recycling technology research and development program to further the availability of proliferation-resistant fuel recycling technologies as an alternative to aqueous reprocessing in support of evaluation of alternative national strategies for spent nuclear fuel and the Generation IV advanced reactor concepts, subject to annual review by the Secretary's Nuclear Energy Research Advisory Committee or other independent entity, as appropriate.

(b) REPORTS.—The Secretary shall report on the activities of the advanced fuel recycling technology research and development program, as part of the Department's annual budget submission.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section—

(1) $10,000,000 for fiscal year 2002; and

(2) such sums as are necessary for fiscal year 2003 and fiscal year 2004.

Subtitle C—Department of Energy Authorization of Appropriations

SEC. 2341. NUCLEAR ENERGY RESEARCH INITIATIVE.

(a) PROGRAM.—The Secretary, through the Office of Nuclear Energy, Science and Technology, shall conduct a Nuclear Energy Research Initiative for grants to be competitively awarded and subject to peer review for research relating to nuclear energy.

(b) OBJECTIVES.—The program shall be directed toward accomplishing the objectives of—

(1) developing advanced concepts and scientific breakthroughs in nuclear fission and reactor technology to address and overcome the principal technical and scientific obstacles to the expanded use of nuclear energy in the United States;

(2) advancing the state of nuclear technology to maintain a competitive position in foreign markets and a future domestic market;

(3) promoting and maintaining a United States nuclear science and engineering infrastructure to meet future technical challenges;

(4) providing an effective means to collaborate on a cost-shared basis with international agencies and research organizations to address and influence nuclear technology development worldwide; and

(5) promoting United States leadership and partnerships in bilateral and multilateral nuclear energy research.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section—

(1) $60,000,000 for fiscal year 2002; and

(2) such sums as are necessary for fiscal year 2003 and fiscal year 2004.

SEC. 2342. NUCLEAR ENERGY PLANT OPTIMIZATION PROGRAM.

(a) PROGRAM.—The Secretary, through the Office of Nuclear Energy, Science and Technology, shall conduct a Nuclear Energy Plant Optimization research and development program jointly with industry and cost-shared by industry by at least 50 percent and subject to annual review by the Secretary's Nuclear Energy Research Advisory Committee or other independent entity, as appropriate.

(b) OBJECTIVES.—The program shall be directed toward accomplishing the objectives of—

(1) managing long-term effects of component aging; and

(2) improving the efficiency and productivity of existing nuclear power stations.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section—

(1) $15,000,000 for fiscal year 2002; and

(2) such sums as are necessary for fiscal years 2003 and 2004.

SEC. 2343. NUCLEAR ENERGY TECHNOLOGIES.

(a) IN GENERAL.—The Secretary, through the Office of Nuclear Energy, Science and Technology, shall conduct a study of Generation IV nuclear energy systems, including development of a technology roadmap and performance of research and development necessary to make an informed technical decision regarding the most promising candidates for commercial application.

(b) REACTOR CHARACTERISTICS.—To the extent practicable, in conducting the study under subsection (a), the Secretary shall study nuclear energy systems that offer the highest probability of achieving the goals for Generation IV nuclear energy systems, including—

(1) economics competitive with any other generators;

(2) enhanced safety features, including passive safety features;

(3) substantially reduced production of high-level waste, as compared with the quantity of waste produced by reactors in operation on the date of enactment of this Act;

(4) highly proliferation-resistant fuel and waste;

(5) sustainable energy generation including optimized fuel utilization; and

(6) substantially improved thermal efficiency, as compared with the thermal efficiency of reactors in operation on the date of enactment of this Act.

(c) CONSULTATION.—In conducting the study under subsection (a), the Secretary shall consult with appropriate representatives of industry, institutions of higher education, Federal agencies, and international, professional, and technical organizations.

(d) REPORT.—

(1) IN GENERAL.—Not later than December 31, 2002, the Secretary shall transmit to the appropriate congressional committees a report describing the activities of the Secretary under this section, and plans for research and development leading to a public/private cooperative demonstration of one or more Generation IV nuclear energy systems.

(2) CONTENTS.—The report shall contain—

(A) an assessment of all available technologies;

(B) a summary of actions needed for the most promising candidates to be considered as viable commercial options within the five to ten years after the date of the report, with consideration of regulatory, economic, and technical issues;

(C) a recommendation of not more than three promising Generation IV nuclear energy system concepts for further development;

(D) an evaluation of opportunities for public/private partnerships;

(E) a recommendation for structure of a public/private partnership to share in development and construction costs;

(F) a plan leading to the selection and conceptual design, by September 30, 2004, of at least one Generation IV nuclear energy system concept recommended under subparagraph (C) for demonstration through a public/private partnership;

(G) an evaluation of opportunities for siting demonstration facilities on Department of Energy land; and

(H) a recommendation for appropriate involvement of other Federal agencies.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section and to carry out the recommendations in the report transmitted under subsection (d)—

(1) $20,000,000 for fiscal year 2002; and

(2) such sums as are necessary for fiscal year 2003 and fiscal year 2004.

SEC. 2344. AUTHORIZATION OF APPROPRIATIONS.

(a) OPERATION AND MAINTENANCE.—There are authorized to be appropriated to the Secretary to carry out activities authorized under this title for nuclear energy operation and maintenance, including amounts authorized under sections 2304(a), 2321(c), 2341(c), 2342(c), and 2343(e), and including Advanced Radioisotope Power Systems, Test Reactor Landlord, and Program Direction, $191,200,000 for fiscal year 2002, $199,000,000 for fiscal year 2003, and $207,000,000 for fiscal year 2004, to remain available until expended.

(b) CONSTRUCTION.—There are authorized to be appropriated to the Secretary—

(1) $950,000 for fiscal year 2002, $2,200,000 for fiscal year 2003, $1,246,000 for fiscal year 2004, and $1,699,000 for fiscal year 2005 for completion of construction of Project 99-E-200, Test Reactor Area Electric Utility Upgrade, Idaho National Engineering and Environmental Laboratory; and

(2) $500,000 for fiscal year 2002, $500,000 for fiscal year 2003, $500,000 for fiscal year 2004, and $500,000 for fiscal year 2005, for completion of construction of Project 95-E-201, Test Reactor Area Fire and Life Safety Improvements, Idaho National Engineering and Environmental Laboratory.

(c) LIMITS ON USE OF FUNDS.—None of the funds authorized to be appropriated in subsection (a) may be used for—

(1) Nuclear Energy Isotope Support and Production;

(2) Argonne National Laboratory-West Operations;

(3) Fast Flux Test Facility; or

(4) Nuclear Facilities Management.

TITLE IV—FOSSIL ENERGY

Subtitle A—Coal

SEC. 2401. COAL AND RELATED TECHNOLOGIES PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary $172,000,000 for fiscal year 2002, $179,000,000 for fiscal year 2003, and $186,000,000 for fiscal year 2004, to remain available until expended, for other coal and related technologies research and development programs, which shall include—

(1) Innovations for Existing Plants;

(2) Integrated Gasification Combined Cycle;

(3) advanced combustion systems;

(4) Turbines;

(5) Sequestration Research and Development;

(6) innovative technologies for demonstration;

(7) Transportation Fuels and Chemicals;

(8) Solid Fuels and Feedstocks;

(9) Advanced Fuels Research; and

(10) Advanced Research.

(b) LIMIT ON USE OF FUNDS.—Notwithstanding subsection (a), no funds may be used to carry out the activities authorized by this section after September 30, 2002, unless the Secretary has transmitted to the Congress the report required by this subsection and 1 month has elapsed since that transmission. The report shall include a plan containing—

(1) a detailed description of how proposals will be solicited and evaluated, including a list of all activities expected to be undertaken;

(2) a detailed list of technical milestones for each coal and related technology that will be pursued;

(3) a description of how the programs authorized in this subsection will be carried out so as to complement and not duplicate activities authorized under division E.

Subtitle B—Oil and Gas

SEC. 2421. PETROLEUM-OIL TECHNOLOGY.

The Secretary shall conduct a program of research, development, demonstration, and commercial application on petroleum-oil technology. The program shall address—

(1) Exploration and Production Supporting Research;

(2) Oil Technology Reservoir Management/Extension; and

(3) Effective Environmental Protection.

SEC. 2422. GAS.

The Secretary shall conduct a program of research, development, demonstration, and commercial application on natural gas technologies. The program shall address—

(1) Exploration and Production;

(2) Infrastructure; and

(3) Effective Environmental Protection.

Subtitle C—Ultra-Deepwater and Unconventional Drilling

SEC. 2441. SHORT TITLE.

This subtitle may be cited as the "Natural Gas and Other Petroleum Research, Development, and Demonstration Act of 2001".

SEC. 2442. DEFINITIONS.

For purposes of this subtitle—

(1) the term "deepwater" means water depths greater than 200 meters but less than 1,500 meters;

(2) the term "Fund" means the Ultra-Deepwater and Unconventional Gas Research Fund established under section 2450;

(3) the term "institution of higher education" has the meaning given that term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001);

(4) the term "Research Organization" means the Research Organization created pursuant to section 2446(a);

(5) the term "ultra-deepwater" means water depths greater than 1,500 meters; and

(6) the term "unconventional" means located in heretofore inaccessible or uneconomic formations on land.

SEC. 2443. ULTRA-DEEPWATER PROGRAM.

The Secretary shall establish a program of research, development, and demonstration of ultra-deepwater natural gas and other petroleum exploration and production technologies, in areas currently available for Outer Continental Shelf leasing. The program shall be carried out by the Research Organization as provided in this subtitle.

SEC. 2444. NATIONAL ENERGY TECHNOLOGY LABORATORY.

The National Energy Technology Laboratory and the United States Geological Survey, when appropriate, shall carry out programs of long-term research into new natural gas and other petroleum exploration and production technologies and environmental mitigation technologies for production from unconventional and ultra-deepwater resources, including methane hydrates. Such Laboratory shall also conduct a program of research, development, and demonstration of new technologies for the reduction of greenhouse gas emissions from unconventional and ultra-deepwater natural gas or other petroleum exploration and production activities, including sub-sea floor carbon sequestration technologies.

SEC. 2445. ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—The Secretary shall, within 3 months after the date of the enactment of this Act, establish an Advisory Committee consisting of 7 members, each having extensive operational knowledge of and experience in the natural gas and other petroleum exploration and production industry who are not Federal Government employees or contractors. A minimum of 4 members shall have extensive knowledge of ultra-deepwater natural gas or other petroleum exploration and production technologies, a minimum of 2 members shall have extensive knowledge of unconventional natural gas or other petroleum exploration and production technologies, and at least 1 member shall have extensive knowledge of greenhouse gas emission reduction technologies, including carbon sequestration.

(b) FUNCTION.—The Advisory Committee shall advise the Secretary on the selection of an organization to create the Research Organization and on the implementation of this subtitle.

(c) COMPENSATION.—Members of the Advisory Committee shall serve without compensation but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

(d) ADMINISTRATIVE COSTS.—The costs of activities carried out by the Secretary and the Advisory Committee under this subtitle shall be paid or reimbursed from the Fund.

(e) DURATION OF ADVISORY COMMITTEE.—Section 14 of the Federal Advisory Committee Act shall not apply to the Advisory Committee.

SEC. 2446. RESEARCH ORGANIZATION.

(a) SELECTION OF RESEARCH ORGANIZATION.—The Secretary, within 6 months after the date of the enactment of this Act, shall solicit proposals from eligible entities for the creation of the Research Organization, and within 3 months after such solicitation, shall select an entity to create the Research Organization.

(b) ELIGIBLE ENTITIES.—Entities eligible to create the Research Organization shall—

(1) have been in existence as of the date of the enactment of this Act;

(2) be entities exempt from tax under section 501(c)(3) of the Internal Revenue Code of 1986; and

(3) be experienced in planning and managing programs in natural gas or other petroleum exploration and production research, development, and demonstration.

(c) PROPOSALS.—A proposal from an entity seeking to create the Research Organization shall include a detailed description of the proposed membership and structure of the Research Organization.

(d) FUNCTIONS.—The Research Organization shall—

(1) award grants on a competitive basis to qualified—

(A) research institutions;

(B) institutions of higher education;

(C) companies; and

(D) consortia formed among institutions and companies described in subparagraphs (A) through (C) for the purpose of conducting research, development, and demonstration of unconventional and ultra-deepwater natural gas or other petroleum exploration and production technologies; and

(2) review activities under those grants to ensure that they comply with the requirements of this subtitle and serve the purposes for which the grant was made.

SEC. 2447. GRANTS.

(a) TYPES OF GRANTS.—

(1) UNCONVENTIONAL.—The Research Organization shall award grants for research, development, and demonstration of technologies to maximize the value of the Government's natural gas and other petroleum resources in unconventional reservoirs, and to develop technologies to increase the supply of natural gas and other petroleum resources by lowering the cost and improving the efficiency of exploration and production of unconventional reservoirs, while improving safety and minimizing environmental impacts.

(2) ULTRA-DEEPWATER.—The Research Organization shall award grants for research, development, and demonstration of natural gas or other petroleum exploration and production technologies to—

(A) maximize the value of the Federal Government's natural gas and other petroleum resources in the ultra-deepwater areas;

(B) increase the supply of natural gas and other petroleum resources by lowering the cost and improving the efficiency of exploration and production of ultra-deepwater reservoirs; and

(C) improve safety and minimize the environmental impacts of ultra-deepwater developments.

(3) ULTRA-DEEPWATER ARCHITECTURE.—The Research Organization shall award a grant to one or more consortia described in section 2446(d)(1)(D) for the purpose of developing and demonstrating the next generation architecture for ultra-deepwater production of natural gas and other petroleum in furtherance of the purposes stated in paragraph (2)(A) through (C).

(b) CONDITIONS FOR GRANTS.—Grants provided under this section shall contain the following conditions:

(1) If the grant recipient consists of more than one entity, the recipient shall provide a signed contract agreed to by all participating members clearly defining all rights to intellectual property for existing technology and for future inventions conceived and developed using funds provided under the

grant, in a manner that is consistent with applicable laws.

(2) There shall be a repayment schedule for Federal dollars provided for demonstration projects under the grant in the event of a successful commercialization of the demonstrated technology. Such repayment schedule shall provide that the payments are made to the Secretary with the express intent that these payments not impede the adoption of the demonstrated technology in the marketplace. In the event that such impedance occurs due to market forces or other factors, the Research Organization shall renegotiate the grant agreement so that the acceptance of the technology in the marketplace is enabled.

(3) Applications for grants for demonstration projects shall clearly state the intended commercial applications of the technology demonstrated.

(4) The total amount of funds made available under a grant provided under subsection (a)(3) shall not exceed 50 percent of the total cost of the activities for which the grant is provided.

(5) The total amount of funds made available under a grant provided under subsection (a)(1) or (2) shall not exceed 50 percent of the total cost of the activities covered by the grant, except that the Research Organization may elect to provide grants covering a higher percentage, not to exceed 90 percent, of total project costs in the case of grants made solely to independent producers.

(6) An appropriate amount of funds provided under a grant shall be used for the bread dissemination of technologies developed under the grant to interested institutions of higher education, industry, and appropriate Federal and State technology entities to ensure the greatest possible benefits for the public and use of government resources.

(7) Demonstrations of ultra-deepwater technologies for which funds are provided under a grant may be conducted in ultra-deepwater or deepwater locations.

(c) Allocation of Funds.—Funds available for grants under this subtitle shall be allocated as follows:

(1) 15 percent shall be for grants under subsection (a)(1).

(2) 15 percent shall be for grants under subsection (a)(2).

(3) 60 percent shall be for grants under subsection (a)(3).

(4) 10 percent shall be for carrying out section 2444.

SEC. 2448. PLAN AND FUNDING.

(a) Transmittal to Secretary.—The Research Organization shall transmit to the Secretary an annual plan proposing projects and funding of activities under each paragraph of section 2447(a).

(b) Review.—The Secretary shall have 1 month to review the annual plan, and shall approve the plan, if it is consistent with this subtitle. If the Secretary approves the plan, the Secretary shall provide funding as proposed in the plan.

(c) Disapproval.—If the Secretary does not approve the plan, the Secretary shall notify the Research Organization of the reasons for disapproval and shall withhold funding until a new plan is submitted which the Secretary approves. Within 1 month after notifying the Research Organization of a disapproval, the Secretary shall notify the appropriate congressional committees of the disapproval.

SEC. 2449. AUDIT.

The Secretary shall retain an independent, commercial auditor to determine the extent to which the funds authorized by this subtitle have been expended in a manner consistent with the purposes of this subtitle. The auditor shall transmit a report annually to the Secretary, who shall transmit the report to the appropriate congressional committees, along with a plan to remedy any deficiencies cited in the report.

SEC. 2450. FUND.

(a) Establishment.—There is established in the Treasury of the United States a fund to be known as the "Ultra-Deepwater and Unconventional Gas Research Fund" which shall be available for obligation to the extent provided in advance in appropriations Acts for allocation under section 2447(c).

(b) Funding Sources.—

(1) Loans from treasury.—There are authorized to be appropriated to the Secretary $900,000,000 for the period encompassing fiscal years 2002 through 2009. Such amounts shall be deposited by the Secretary in the Fund, and shall be considered loans from the Treasury. Income received by the United States in connection with any ultra-deepwater oil and gas leases shall be deposited in the Treasury and considered as repayment for the loans under this paragraph.

(2) Additional appropriations.—There are authorized to be appropriated to the Secretary such sums as may be necessary for the fiscal years 2002 through 2009, to be deposited in the Fund.

(3) Oil and gas lease income.—To the extent provided in advance in appropriations Acts, not more than 7.5 percent of the income of the United States from Federal oil and gas leases may be deposited in the Fund for fiscal years 2002 through 2009.

SEC. 2451. SUNSET.

No funds are authorized to be appropriated for carrying out this subtitle after fiscal year 2009. The Research Organization shall be terminated when it has expended all funds made available pursuant to this subtitle.

Subtitle D—Fuel Cells

SEC. 2461. FUEL CELLS.

(a) In General.—The Secretary shall conduct a program of research, development, demonstration, and commercial application on fuel cells. The program shall address—

(1) Advanced Research;

(2) Systems Development;

(3) Vision 21-Hybrids; and

(4) Innovative Concepts.

(b) Manufacturing Production and Processes.—In addition to the program under subsection (a), the Secretary, in consultation other Federal agencies, as appropriate, shall establish a program for the demonstration of fuel cell technologies, including fuel cell proton exchange membrane technology, for commercial, residential, and transportation applications. The program shall specifically focus on promoting the application of and improved manufacturing production and processes for fuel cell technologies.

(c) Authorization of Appropriations.—Within the amounts authorized to be appropriated under section 2481(a), there are authorized to be appropriated to the Secretary for the purpose of carrying out subsection (b), $28,000,000 for each of fiscal years 2002 through 2004.

Subtitle E—Department of Energy Authorization of Appropriations

SEC. 2481. AUTHORIZATION OF APPROPRIATIONS.

(a) Operation and Maintenance.—There are authorized to be appropriated to the Secretary for operation and maintenance for subtitle B and subtitle D, and for Fossil Energy Research and Development Headquarters Program Direction, Field Program Direction, Plant and Capital Equipment, Cooperative Research and Development, Import/Export Authorization, and Advanced Metallurgical Processes $282,000,000 for fiscal year 2002, $293,000,000 for fiscal year 2003, and $305,000,000 for fiscal year 2004, to remain available until expended.

(b) Limits on Use of Funds.—None of the funds authorized to be appropriated in subsection (a) may be used for—

(1) Gas Hydrates.

(2) Fossil Energy Environmental Restoration; or

(3) research, development, demonstration, and commercial application on coal and related technologies, including activities under subtitle A.

TITLE V—SCIENCE

Subtitle A—Fusion Energy Sciences

SEC. 2501. SHORT TITLE.

This subtitle may be cited as the "Fusion Energy Sciences Act of 2001".

SEC. 2502. FINDINGS.

The Congress finds that—

(1) economic prosperity is closely linked to an affordable and ample energy supply;

(2) environmental quality is closely linked to energy production and use;

(3) population, worldwide economic development, energy consumption, and stress on the environment are all expected to increase substantially in the coming decades;

(4) the few energy options with the potential to meet economic and environmental needs for the long-term future should be pursued as part of a balanced national energy plan;

(5) fusion energy is an attractive long-term energy source because of the virtually inexhaustible supply of fuel, and the promise of minimal adverse environmental impact and inherent safety;

(6) the National Research Council, the President's Committee of Advisers on Science and Technology, and the Secretary of Energy Advisory Board have each recently reviewed the Fusion Energy Sciences Program and each strongly supports the fundamental science and creative innovation of the program, and has confirmed that progress toward the goal of producing practical fusion energy has been excellent, although much scientific and engineering work remains to be done;

(7) each of these reviews stressed the need for a magnetic fusion burning plasma experiment to address key scientific issues and as a necessary step in the development of fusion energy;

(8) the National Research Council has also called for a broadening of the Fusion Energy Sciences Program research base as a means to more fully integrate the fusion science community into the broader scientific community; and

(9) the Fusion Energy Sciences Program budget is inadequate to support the necessary science and innovation for the present generation of experiments, and cannot accommodate the cost of a burning plasma experiment constructed by the United States, or even the cost of key participation by the United States in an international effort.

SEC. 2503. PLAN FOR FUSION EXPERIMENT.

(a) Plan for United States Fusion Experiment.—The Secretary, on the basis of full consultation with the Fusion Energy Sciences Advisory Committee and the Secretary of Energy Advisory Board, as appropriate, shall develop a plan for United States construction of a magnetic fusion burning plasma experiment for the purpose of accelerating scientific understanding of fusion plasmas. The Secretary shall request a review of the plan by the National Academy of Sciences, and shall transmit the plan and the review to the Congress by July 1, 2004.

(b) Requirements of Plan.—The plan described in subsection (a) shall—

(1) address key burning plasma physics issues; and

(2) include specific information on the scientific capabilities of the proposed experiment, the relevance of these capabilities to the goal of practical fusion energy, and the overall design of the experiment including its estimated cost and potential construction sites.

(c) United States Participation in an International Experiment.—In addition to the plan described in subsection (a), the Secretary, on the basis of full consultation with the Fusion Energy Sciences Advisory Committee and the Secretary of Energy Advisory Board, as appropriate, may also develop a plan for United States participation in an international burning plasma experiment for the same purpose, whose construction is found by the Secretary to be highly likely and where United States participation is cost effective relative to the cost and scientific benefits of a domestic experiment described in subsection (a). If the Secretary elects to develop a plan under this subsection, he shall include the information described in subsection (b), and an estimate of the cost of United States participation in such an international experiment. The Secretary shall request a review by the National Academies of Sciences and Engineering of a plan developed under this subsection, and shall transmit the plan and the review to the Congress not later than July 1, 2004.

(d) Authorization of Research and Development.—The Secretary, through the Fusion Energy Sciences Program, may conduct any research and development necessary to fully develop the plans described in this section.

SEC. 2504. PLAN FOR FUSION ENERGY SCIENCES PROGRAM.

Not later than 6 months after the date of the enactment of this Act, the Secretary, in full consultation with FESAC, shall develop and transmit to the Congress a plan for the purpose of ensuring a strong scientific base for the Fusion Energy Sciences Program and to enable the experiments described in section 2503. Such plan shall include as its objectives—

(1) to ensure that existing fusion research facilities and equipment are more fully utilized with appropriate measurements and control tools;

(2) to ensure a strengthened fusion science theory and computational base;

(3) to ensure that the selection of and funding for new magnetic and inertial fusion research facilities is based on scientific innovation and cost effectiveness;

(4) to improve the communication of scientific results and methods between the fusion science community and the wider scientific community;

(5) to ensure that adequate support is provided to optimize the design of the magnetic fusion burning plasma experiments referred to in section 2503;

(6) to ensure that inertial confinement fusion facilities are utilized to the extent practicable for the purpose of inertial fusion energy research and development;

(7) to develop a roadmap for a fusion-based energy source that shows the important scientific questions, the evolution of confinement configurations, the relation between these two features, and their relation to the fusion energy goal;

(8) to establish several new centers of excellence, selected through a competitive peer-review process and devoted to exploring the frontiers of fusion science;

(9) to ensure that the National Science Foundation, and other agencies, as appropriate, play a role in extending the reach of fusion science and in sponsoring general plasma science; and

(10) to ensure that there be continuing broad assessments of the outlook for fusion energy and periodic external reviews of fusion energy sciences.

SEC. 2505. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary for the development and review, but not for implementation, of the plans described in this subtitle and for activities of the Fusion Energy Sciences Program $320,000,000 for fiscal year 2002 and $335,000,000 for fiscal year 2003, of which up to $15,000,000 for each of fiscal year 2002 and fiscal year 2003 may be used to establish several new centers of excellence, selected through a competitive peer-review process and devoted to exploring the frontiers of fusion science.

Subtitle B—Spallation Neutron Source

SEC. 2521. DEFINITION.

For the purposes of this subtitle, the term "Spallation Neutron Source" means Department Project 99–E–334, Oak Ridge National Laboratory, Oak Ridge, Tennessee.

SEC. 2522. AUTHORIZATION OF APPROPRIATIONS.

(a) Authorization of Construction Funding.—There are authorized to be appropriated to the Secretary for construction of the Spallation Neutron Source—

(1) $276,300,000 for fiscal year 2002;

(2) $210,571,000 for fiscal year 2003;

(3) $124,600,000 for fiscal year 2004;

(4) $79,800,000 for fiscal year 2005; and

(5) $41,100,000 for fiscal year 2006 for completion of construction.

(b) Authorization of Other Project Funding.—There are authorized to be appropriated to the Secretary for other project costs (including research and development necessary to complete the project, preoperations costs, and capital equipment not related to construction) of the Spallation Neutron Source $15,353,000 for fiscal year 2002 and $103,279,000 for the period encompassing fiscal years 2003 through 2006, to remain available until expended through September 30, 2006.

SEC. 2523. REPORT.

The Secretary shall report on the Spallation Neutron Source as part of the Department's annual budget submission, including a description of the achievement of milestones, a comparison of actual costs to estimated costs, and any changes in estimated project costs or schedule.

SEC. 2524. LIMITATIONS.

The total amount obligated by the Department, including prior year appropriations, for the Spallation Neutron Source may not exceed—

(1) $1,192,700,000 for costs of construction;

(2) $219,000,000 for other project costs; and

(3) $1,411,700,000 for total project cost.

Subtitle C—Facilities, Infrastructure, and User Facilities

SEC. 2541. DEFINITION.

For purposes of this subtitle—

(1) the term "nonmilitary energy laboratory" means—

(A) Ames Laboratory;

(B) Argonne National Laboratory;

(C) Brookhaven National Laboratory;

(D) Fermi National Accelerator Laboratory;

(E) Lawrence Berkeley National Laboratory;

(F) Oak Ridge National Laboratory;

(G) Pacific Northwest National Laboratory;

(H) Princeton Plasma Physics Laboratory;

(I) Stanford Linear Accelerator Center;

(J) Thomas Jefferson National Accelerator Facility; or

(K) any other facility of the Department that the Secretary, in consultation with the Director, Office of Science and the appropriate congressional committees, determines to be consistent with the mission of the Office of Science; and

(2) the term "user facility" means—

(A) an Office of Science facility at a nonmilitary energy laboratory that provides special scientific and research capabilities, including technical expertise and support as appropriate, to serve the research needs of the Nation's universities, industry, private laboratories, Federal laboratories, and others, including research institutions or individuals from other nations where reciprocal accommodations are provided to United States research institutions and individuals or where the Secretary considers such accommodation to be in the national interest; and

(B) any other Office of Science funded facility designated by the Secretary as a user facility.

SEC. 2542. FACILITY AND INFRASTRUCTURE SUPPORT FOR NONMILITARY ENERGY LABORATORIES.

(a) Facility Policy.—The Secretary shall develop and implement a least-cost nonmilitary energy laboratory facility and infrastructure strategy for—

(1) maintaining existing facilities and infrastructure, as needed;

(2) closing unneeded facilities;

(3) making facility modifications; and

(4) building new facilities.

(b) Plan.—The Secretary shall prepare a comprehensive 10-year plan for conducting future facility maintenance, making repairs, modifications, and new additions, and constructing new facilities at each nonmilitary energy laboratory. Such plan shall provide for facilities work in accordance with the following priorities:

(1) Providing for the safety and health of employees, visitors, and the general public with regard to correcting existing structural, mechanical, electrical, and environmental deficiencies.

(2) Providing for the repair and rehabilitation of existing facilities to keep them in use and prevent deterioration, if feasible.

(3) Providing engineering design and construction services for those facilities that require modification or additions in order to meet the needs of new or expanded programs.

(c) Report.—

(1) Transmittal.—Within 1 year after the date of the enactment of this Act, the Secretary shall prepare and transmit to the appropriate congressional committees a report containing the plan prepared under subsection (b).

(2) Contents.—For each nonmilitary energy laboratory, such report shall contain—

(A) the current priority list of proposed facilities and infrastructure projects, including cost and schedule requirements;

(B) a current ten-year plan that demonstrates the reconfiguration of its facilities and infrastructure to meet its missions and to address its long-term operational costs and return on investment;

(C) the total current budget for all facilities and infrastructure funding; and

(D) the current status of each facilities and infrastructure project compared to the original baseline cost, schedule, and scope.

(3) ADDITIONAL ELEMENTS.—The report shall also—

(A) include a plan for new facilities and facility modifications at each nonmilitary energy laboratory that will be required to meet the Department's changing missions of the twenty-first century, including schedules and estimates for implementation, and including a section outlining long-term funding requirements consistent with anticipated budgets and annual authorization of appropriations;

(B) address the coordination of modernization and consolidation of facilities among the nonmilitary energy laboratories in order to meet changing mission requirements; and

(C) provide for annual reports to the appropriate congressional committees on accomplishments, conformance to schedules, commitments, and expenditures.

SEC. 2543. USER FACILITIES.

(a) NOTICE REQUIREMENT.—When the Department makes a user facility available to universities and other potential users, or seeks input from universities and other potential users regarding significant characteristics or equipment in a user facility or a proposed user facility, the Department shall ensure broad public notice of such availability or such need for input to universities and other potential users.

(b) COMPETITION REQUIREMENT.—When the Department considers the participation of a university or other potential user in the establishment or operation of a user facility, the Department shall employ full and open competition in selecting such a participant.

(c) PROHIBITION.—The Department may not redesignate a user facility, as defined by section 2541(b) as something other than a user facility for avoid the requirements of subsections (a) and (b).

Subtitle D—Advisory Panel on Office of Science

SEC. 2561. ESTABLISHMENT.

The Director of the Office of Science and Technology Policy, in consultation with the Secretary, shall establish an Advisory Panel on the Office of Science comprised of knowledgeable individuals to—

(1) address concerns about the current status and the future of scientific research supported by the Office;

(2) examine alternatives to the current organizational structure of the Office within the Department, taking into consideration existing structures for the support of scientific research in other Federal agencies and the private sector; and

(3) suggest actions to strengthen the scientific research supported by the Office that might be taken jointly by the Department and Congress.

SEC. 2562. REPORT.

Within 6 months after the date of the enactment of this Act, the Advisory Panel shall transmit its findings and recommendations in a report to the Director of the Office of Science and Technology Policy and the Secretary. The Director and the Secretary shall jointly—

(1) consider each of the Panel's findings and recommendations, and comment on each as they consider appropriate; and

(2) transmit the Panel's report and the comments of the Director and the Secretary on the report to the appropriate congressional committees within 9 months after the date of the enactment of this Act.

Subtitle E—Department of Energy Authorization of Appropriations

SEC. 2581. AUTHORIZATION OF APPROPRIATIONS.

(a) OPERATION AND MAINTENANCE.—Including the amounts authorized to be appropriated for fiscal year 2002 under section 2505 for Fusion Energy Sciences and under section 2522(b) for the Spallation Neutron Source, there are authorized to be appropriated to the Secretary for the Office of Science (also including subtitle C, High Energy Physics, Nuclear Physics, Biological and Environmental Research, Basic Energy Sciences (except for the Spallation Neutron Source), Advanced Scientific Computing Research, Energy Research Analysis, Multiprogram Energy Laboratories-Facilities Support, Facilities and Infrastructure, Safeguards and Security, and Program Direction) operation and maintenance $3,299,558,000 for fiscal year 2002, to remain available until expended.

(b) RESEARCH REGARDING PRECIOUS METAL CATALYSIS.—Within the amounts authorized to be appropriated to the Secretary under subsection (a), $5,000,000 for fiscal year 2002 may be used to carry out research in the use of precious metals (excluding platinum, palladium, and rhodium) in catalysis, either directly though national laboratories, or through the award of grants, cooperative agreements, or contracts with public or nonprofit entities.

(c) CONSTRUCTION.—In addition to the amounts authorized to be appropriated under section 2522(a) for construction of the Spallation Neutron Source, there are authorized to be appropriated to the Secretary for Science—

(1) $11,400,000 for fiscal year 2002 for completion of construction of Project 98-G-304, Neutrinos at the Main Injector, Fermi National Accelerator Laboratory;

(2) $11,405,000 for fiscal year 2002 for completion of construction of Project 01-E-300, Laboratory for Comparative and Functional Genomics, Oak Ridge National Laboratory;

(3) $4,000,000 for fiscal year 2002, $8,000,000 for fiscal year 2003, and $2,000,000 for fiscal year 2004 for completion of construction of Project 02-SC-002, Project Engineering Design (PED), Various Locations;

(4) $3,183,000 for fiscal year 2002 for completion of construction of Project 02-SC-002, Multiprogram Energy Laboratories Infrastructure Project Engineering Design (PED), Various Locations; and

(5) $18,633,000 for fiscal year 2002 and $13,029,000 for fiscal year 2003 for completion of construction of Project MEL-001, Multiprogram Energy Laboratories, Infrastructure, Various Locations.

(d) LIMITS ON USE OF FUNDS.—None of the funds authorized to be appropriated in subsection (c) may be used for construction at any national security laboratory as defined in section 3281(1) of the National Defense Authorization Act for Fiscal Year 2000 (50 U.S.C. 2471(1)) or at any nuclear weapons production facility as defined in section 3281(2) of the National Defense Authorization Act for Fiscal Year 2000 (50 U.S.C. 2471(2)).

TITLE VI—MISCELLANEOUS

Subtitle A—General Provisions for the Department of Energy

SEC. 2601. RESEARCH, DEVELOPMENT, DEMONSTRATION, AND COMMERCIAL APPLICATION OF ENERGY TECHNOLOGY PROGRAMS, PROJECTS, AND ACTIVITIES.

(a) AUTHORIZED ACTIVITIES.—Except as otherwise provided in this division, research, development, demonstration, and commercial application programs, projects, and activities for which appropriations are authorized under this division may be carried out under the procedures of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.), the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.), or any other Act under which the Secretary is authorized to carry out such programs, projects, and activities, but only to the extent the Secretary is authorized to carry out such activities under each such Act.

(b) AUTHORIZED AGREEMENTS.—Except as otherwise provided in this division, in carrying out research, development, demonstration, and commercial application programs, projects, and activities for which appropriations are authorized under this division, the Secretary may use, to the extent authorized under applicable provisions of law, contracts, cooperative agreements, cooperative research and development agreements under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), grants, joint ventures, and any other form of agreement available to the Secretary.

(c) DEFINITION.—For purposes of this section, the term "joint venture" has the meaning given that term under section 2 of the National Cooperative Research and Production Act of 1993 (15 U.S.C. 4301), except that such term may apply under this section to research, development, demonstration, and commercial application of energy technology joint ventures.

(d) PROTECTION OF INFORMATION.—Section 12(c)(7) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(c)(7)), relating to the protection of information, shall apply to research, development, demonstration, and commercial application of energy technology programs, projects, and activities for which appropriations are authorized under this division.

(e) INVENTIONS.—An invention conceived and developed by any person using funds provided through a grant under this division shall be considered a subject invention for the purposes of chapter 18 of title 35, United States Code (commonly referred to as the Bayh-Dole Act).

(f) OUTREACH.—The Secretary shall ensure that each program authorized by this division includes an outreach component to provide information, as appropriate, to manufacturers, consumers, engineers, architects, builders, energy service companies, universities, facility planners and managers, State and local governments, and other entities.

(g) GUIDELINES AND PROCEDURES.—The Secretary shall provide guidelines and procedures for the transition, where appropriate, of energy technologies from research through development and demonstration to commercial application of energy technology. Nothing in this section shall preclude the Secretary from—

(1) entering into a contract, cooperative agreement, cooperative research and development agreement under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), grant, joint venture, or any other form of agreement available to the Secretary under this section that relates to research, development, demonstration, and commercial application of energy technology; or

(2) extending a contract, cooperative agreement, cooperative research and development agreement under the Stevenson-Wydler Technology Innovation Act of 1980, grant, joint venture, or any other form of agreement available to the Secretary that relates to research, development, and demonstration to cover commercial application of energy technology.

(h) Application of Section.—This section shall not apply to any contract, cooperative agreement, cooperative research and development agreement under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), grant, joint venture, or any other form of agreement available to the Secretary that is in effect as of the date of enactment of this Act.

SEC. 2602. LIMITS ON USE OF FUNDS.

(a) Management and Operating Contracts.—

(1) Competitive procedure requirement.—None of the funds authorized to be appropriated to the Secretary by this division may be used to award a management and operating contract for a federally owned or operated nonmilitary energy laboratory of the Department unless such contract is awarded using competitive procedures or the Secretary grants, on a case-by-case basis, a waiver to allow for such a deviation. The Secretary may not delegate the authority to grant such a waiver.

(2) Congressional notice.—At least 2 months before a contract award, amendment, or modification for which the Secretary intends to grant such a waiver, the Secretary shall submit to the appropriate congressional committees a report notifying the committees of the waiver and setting forth the reasons for the waiver.

(b) Production or Provision of Articles or Services.—None of the funds authorized to be appropriated to the Secretary by this division may be used to produce or provide articles or services for the purpose of selling the articles or services to a person outside the Federal Government, unless the Secretary determines that comparable articles or services are not available from a commercial source in the United States.

(c) Requests for Proposals.—None of the funds authorized to be appropriated to the Secretary by this division may be used by the Department to prepare or initiate Requests for Proposals for a program if the program has not been authorized by Congress.

SEC. 2603. COST SHARING.

(a) Research and Development.—Except as otherwise provided in this division, for research and development programs carried out under this division, the Secretary shall require a commitment from non-Federal sources of at least 20 percent of the cost of the project. The Secretary may reduce or eliminate the non-Federal requirement under this subsection if the Secretary determines that the research and development is of a basic or fundamental nature.

(b) Demonstration and Commercial Application.—Except as otherwise provided in this division, the Secretary shall require at least 50 percent of the costs directly and specifically related to any demonstration or commercial application project under this division to be provided from non-Federal sources. The Secretary may reduce the non-Federal requirement under this subsection if the Secretary determines that the reduction is necessary and appropriate considering the technological risks involved in the project and is necessary to meet the objectives of this division.

(c) Calculation of Amount.—In calculating the amount of the non-Federal commitment under subsection (a) or (b), the Secretary may include personnel, services, equipment, and other resources.

SEC. 2604. LIMITATION ON DEMONSTRATION AND COMMERCIAL APPLICATION OF ENERGY TECHNOLOGY.

Except as otherwise provided in this division, the Secretary shall provide funding for scientific or energy demonstration and commercial application of energy technology programs, projects, or activities only for technologies or processes that can be reasonably expected to yield new, measurable benefits to the cost, efficiency, or performance of the technology or process.

SEC. 2605. REPROGRAMMING.

(a) Authority.—The Secretary may use amounts appropriated under this division for a program, project, or activity other than the program, project, or activity for which such amounts were appropriated only if—

(1) the Secretary has transmitted to the appropriate congressional committees a report described in subsection (b) and a period of 30 days has elapsed after such committees receive the report;

(2) amounts used for the program, project, or activity do not exceed—

(A) 105 percent of the amount authorized for the program, project, or activity; or

(B) $250,000 more than the amount authorized for the program, project, or activity, whichever is less; and

(3) the program, project, or activity has been presented to, or requested of, the Congress by the Secretary.

(b) Report.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of the proposed action.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) Limitations.—(1) In no event may the total amount of funds obligated by the Secretary pursuant to this division exceed the total amount authorized to be appropriated to the Secretary by this division.

(2) Funds appropriated to the Secretary pursuant to this division may not be used for an item for which Congress has declined to authorize funds.

Subtitle B—Other Miscellaneous Provisions

SEC. 2611. NOTICE OF REORGANIZATION.

The Secretary shall provide notice to the appropriate congressional committees not later than 15 days before any reorganization of any environmental research or development, scientific or energy research, development, or demonstration, or commercial application of energy technology program, project, or activity of the Department.

SEC. 2612. LIMITS ON GENERAL PLANT PROJECTS.

If, at any time during the construction of a civilian environmental research and development, scientific or energy research, development, or demonstration, or commercial application of energy technology project of the Department for which no specific funding level is provided by law, the estimated cost (including any revision thereof) of the project exceeds $5,000,000, the Secretary may not continue such construction unless the Secretary has furnished a complete report to the appropriate congressional committees explaining the project and the reasons for the estimate or revision.

SEC. 2613. LIMITS ON CONSTRUCTION PROJECTS.

(a) Limitation.—Except as provided in subsection (b), construction on a civilian environmental research and development, scientific or energy research, development, or demonstration, or commercial application of energy technology project of the Department for which funding has been specifically provided by law may not be started, and additional obligations may not be incurred in connection with the project above the authorized funding amount, whenever the current estimated cost of the construction project exceeds by more than 10 percent the higher of—

(1) the amount authorized for the project, if the entire project has been funded by the Congress; or

(2) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(b) Notice.—An action described in subsection (a) may be taken if—

(1) the Secretary has submitted to the appropriate congressional committees a report on the proposed actions and the circumstances making such actions necessary; and

(2) a period of 30 days has elapsed after the date on which the report is received by the committees.

(c) Exclusion.—In the computation of the 30-day period described in subsection (b)(2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(d) Exception.—Subsections (a) and (b) shall not apply to any construction project that has a current estimated cost of less than $5,000,000.

SEC. 2614. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) Requirement for Conceptual Design.—(1) Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a civilian environmental research and development, scientific or energy research, development, or demonstration, or commercial application of energy technology program, project, or activity of the Department, the Secretary shall complete a conceptual design for that project.

(2) If the estimated cost of completing a conceptual design for a construction project exceeds $750,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.

(3) The requirement in paragraph (1) does not apply to a request for funds for a construction project, the total estimated cost of which is less than $5,000,000.

(b) Authority for Construction Design.—(1) The Secretary may carry out construction design (including architectural and engineering services) in connection with any proposed construction project that is in support of a civilian environmental research and development, scientific or energy research, development, and demonstration, or commercial application of energy technology program, project, or activity of the Department if the total estimated cost for such design does not exceed $250,000.

(2) If the total estimated cost for construction design in connection with any construction project described in paragraph (1) exceeds $250,000, funds for such design must be specifically authorized by law.

SEC. 2615. NATIONAL ENERGY POLICY DEVELOPMENT GROUP MANDATED REPORTS.

(a) The Secretary's Review of Energy Efficiency Renewable Energy, and Alternative Energy Research and Development.—Upon completion of the Secretary's review of current funding and historic performance of the Department's energy efficiency, renewable energy, and alternative energy research and development programs in response to the recommendations of the May 16, 2001, Report of the National Energy Policy Development Group, the Secretary shall transmit a report containing the results of such review to the appropriate congressional committees.

(b) REVIEW AND RECOMMENDATIONS ON USING THE NATION'S ENERGY RESOURCES MORE EFFICIENTLY.—Upon completion of the Office of Science and Technology Policy and the President's Council of Advisors on Science and Technology reviewing and making recommendations on using the Nation's energy resources more efficiently, in response to the recommendation of the May 16, 2001, Report of the National Energy Policy Development Group, the Director of the Office of Science and Technology Policy shall transmit a report containing the results of such review and recommendations to the appropriate congressional committees.

SEC. 2616. PERIODIC REVIEWS AND ASSESSMENTS.

The Secretary shall enter into appropriate arrangements with the National Academies of Sciences and Engineering to ensure that there be periodic reviews and assessments of the programs authorized by this division, as well as the measurable cost and performance-based goals for such programs as established under section 2004, and the progress on meeting such goals. Such reviews and assessments shall be conducted at least every 5 years, or more often as the Secretary considers necessary, and the Secretary shall transmit to the appropriate congressional committees reports containing the results of such reviews and assessments.

DIVISION C

SEC. 3001. SHORT TITLE.

(a) SHORT TITLE.—This division may be cited as the "Energy Tax Policy Act of 2001".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this division an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—CONSERVATION

SEC. 3101. CREDIT FOR RESIDENTIAL SOLAR ENERGY PROPERTY.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

"SEC. 25C. RESIDENTIAL SOLAR ENERGY PROPERTY.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) 15 percent of the qualified photovoltaic property expenditures made by the taxpayer during such year, and

"(2) 15 percent of the qualified solar water heating property expenditures made by the taxpayer during the taxable year.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—The credit allowed under subsection (a) shall not exceed—

"(A) $2,000 for each system of property described in subsection (c)(1), and

"(B) $2,000 for each system of property described in subsection (c)(2).

"(2) SAFETY CERTIFICATIONS.—No credit shall be allowed under this section for an item of property unless—

"(A) in the case of solar water heating equipment, such equipment is certified for performance and safety by the non-profit Solar Rating Certification Corporation or a comparable entity endorsed by the government of the State in which such property is installed, and

"(B) in the case of a photovoltaic system, such system meets appropriate fire and electric code requirements.

"(3) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

"(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(B) the sum of the credits allowable under this subpart (other than this section and sections 23, 25D, and 25E) and section 27 for the taxable year.

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED SOLAR WATER HEATING PROPERTY EXPENDITURE.—The term 'qualified solar water heating property expenditure' means an expenditure for property to heat water for use in a dwelling unit located in the United States and used as a residence if at least half of the energy used by such property for such purpose is derived from the sun.

"(2) QUALIFIED PHOTOVOLTAIC PROPERTY EXPENDITURE.—The term 'qualified photovoltaic property expenditure' means an expenditure for property that uses solar energy to generate electricity for use in a dwelling unit.

"(3) SOLAR PANELS.—No expenditure relating to a solar panel or other property installed as a roof (or portion thereof) shall fail to be treated as property described in paragraph (1) or (2) solely because it constitutes a structural component of the structure on which it is installed.

"(4) LABOR COSTS.—Expenditures for labor costs properly allocable to the onsite preparation, assembly, or original installation of the property described in paragraph (1) or (2) and for piping or wiring to interconnect such property to the dwelling unit shall be taken into account for purposes of this section.

"(5) SWIMMING POOLS, ETC., USED AS STORAGE MEDIUM.—Expenditures which are properly allocable to a swimming pool, hot tub, or any other energy storage medium which has a function other than the function of such storage shall not be taken into account for purposes of this section.

"(d) SPECIAL RULES.—

"(1) DOLLAR AMOUNTS IN CASE OF JOINT OCCUPANCY.—In the case of any dwelling unit which is jointly occupied and used during any calendar year as a residence by 2 or more individuals the following shall apply:

"(A) The amount of the credit allowable under subsection (a) by reason of expenditures (as the case may be) made during such calendar year by any of such individuals with respect to such dwelling unit shall be determined by treating all of such individuals as 1 taxpayer whose taxable year is such calendar year.

"(B) There shall be allowable with respect to such expenditures to each of such individuals, a credit under subsection (a) for the taxable year in which such calendar year ends in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount of such expenditures made by such individual during such calendar year bears to the aggregate of such expenditures made by all of such individuals during such calendar year.

"(2) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who is a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual shall be treated as having made his tenant-stockholder's proportionate share (as defined in section 216(b)(3)) of any expenditures of such corporation.

"(3) CONDOMINIUMS.—

"(A) IN GENERAL.—In the case of an individual who is a member of a condominium management association with respect to a condominium which he owns, such individual shall be treated as having made his proportionate share of any expenditures of such association.

"(B) CONDOMINIUM MANAGEMENT ASSOCIATION.—For purposes of this paragraph, the term 'condominium management association' means an organization which meets the requirements of paragraph (1) of section 528(c) (other than subparagraph (E) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

"(4) ALLOCATION IN CERTAIN CASES.—If less than 80 percent of the use of an item is for nonbusiness purposes, only that portion of the expenditures for such item which is properly allocable to use for nonbusiness purposes shall be taken into account.

"(5) WHEN EXPENDITURE MADE; AMOUNT OF EXPENDITURE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), an expenditure with respect to an item shall be treated as made when the original installation of the item is completed.

"(B) EXPENDITURES PART OF BUILDING CONSTRUCTION.—In the case of an expenditure in connection with the construction or reconstruction of a structure, such expenditure shall be treated as made when the original use of the constructed or reconstructed structure by the taxpayer begins.

"(C) AMOUNT.—The amount of any expenditure shall be the cost thereof.

"(6) PROPERTY FINANCED BY SUBSIDIZED ENERGY FINANCING.—For purposes of determining the amount of expenditures made by any individual with respect to any dwelling unit, there shall not be taken in to account expenditures which are made from subsidized energy financing (as defined in section 48(a)(4)(A)).

"(e) BASIS ADJUSTMENTS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(f) TERMINATION.—The credit allowed under this section shall not apply to taxable years beginning after December 31, 2006 (December 31, 2008, with respect to qualified photovoltaic property expenditures).".

(b) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 1016 is amended by striking "and" at the end of paragraph (27), by striking the period at the end of paragraph (28) and inserting ", and", and by adding at the end the following new paragraph:

"(29) to the extent provided in section 25C(e), in the case of amounts with respect to which a credit has been allowed under section 25C.".

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 25B the following new item:

"Sec. 25C. Residential solar energy property.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after December 31, 2001.

SEC. 3102. EXTENSION AND EXPANSION OF CREDIT FOR ELECTRICITY PRODUCED FROM RENEWABLE RESOURCES.

(a) Extension of Credit for Wind and Closed-Loop Biomass Facilities.—Subparagraphs (A) and (B) of section 45(c)(3) are each amended by striking "2002" and inserting "2007".

(b) Expansion of Credit for Open-loop biomass and landfill gas facilities.—Paragraph (3) of section 45(c) is amended by adding at the end the following new subparagraphs:

"(D) Open-loop biomass facilities.—In the case of a facility using open-loop biomass to produce electricity, the term 'qualified facility' means any facility owned by the taxpayer which is originally placed in service before January 1, 2007.

"(E) Landfill gas facilities.—In the case of a facility producing electricity from gas derived from the biodegradation of municipal solid waste, the term 'qualified facility' means any facility owned by the taxpayer which is originally placed in service before January 1, 2007.".

(c) Definition and Special Rules.—Subsection (c) of section 45 is amended by adding at the end the following new paragraphs:

"(5) Open-loop biomass.—The term 'open-loop biomass' means any solid, nonhazardous, cellulosic waste material which is segregated from other waste materials and which is derived from—

"(A) any of the following forest-related resources: mill residues, precommercial thinnings, slash, and brush, but not including old-growth timber,

"(B) solid wood waste materials, including waste pallets, crates, dunnage, manufacturing and construction wood wastes (other than pressure-treated, chemically-treated, or painted wood wastes), and landscape or right-of-way tree trimmings, but not including municipal solid waste (garbage), gas derived from the biodegradation of solid waste, or paper that is commonly recycled, or

"(C) agriculture sources, including orchard tree crops, vineyard, grain, legumes, sugar, and other crop by-products or residues.

Such term shall not include closed-loop biomass.

"(6) Reduced credit for certain preeffective date facilities.—In the case of any facility described in subparagraph (D) or (E) of paragraph (3) which is placed in service before the date of the enactment of this subparagraph—

"(A) subsection (a)(1) shall be applied by substituting '1.0 cents' for '1.5 cents', and

"(B) the 5-year period beginning on the date of the enactment of this paragraph shall be substituted in lieu of the 10-year period in subsection (a)(2)(A)(ii).

"(7) Limit on reductions for grants, etc., for open-loop biomass facilities.—If the amount of the credit determined under subsection (a) with respect to any open-loop biomass facility is required to be reduced under paragraph (3) of subsection (b), the fraction under such paragraph shall in no event be greater than ⅘.

"(8) Coordination with section 29.—The term 'qualified facility' shall not include any facility the production from which is allowed as a credit under section 29 for the taxable year or any prior taxable year.".

(d) Effective Date.—The amendments made by this section shall apply to electricity sold after the date of the enactment of this Act.

SEC. 3103. CREDIT FOR QUALIFIED STATIONARY FUEL CELL POWERPLANTS.

(a) Business Property.—

(1) In general.—Subparagraph (A) of section 48(a)(3) (defining energy property) is amended by striking "or" at the end of clause (i), by adding "or" at the end of clause (ii), and by inserting after clause (ii) the following new clause:

"(iii) equipment which is part of a qualified stationary fuel cell powerplant,".

(2) Qualified stationary fuel cell powerplant.—Subsection (a) of section 48 is amended by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively, and by inserting after paragraph (3) the following new paragraph:

"(4) Qualified stationary fuel cell powerplant.—For purposes of this subsection—

"(A) In general.—The term 'qualified stationary fuel cell powerplant' means a stationary fuel cell power plant that has an electricity-only generation efficiency greater than 30 percent.

"(B) Limitation.—In the case of qualified stationary fuel cell powerplant placed in service during the taxable year, the credit under subsection (a) for such year may not exceed $1,000 for each kilowatt of capacity.

"(C) Stationary fuel cell power plant.—The term 'stationary fuel cell power plant' means an integrated system comprised of a fuel cell stack assembly and associated balance of plant components that converts a fuel into electricity using electrochemical means.

"(D) Termination.—Such term shall not include any property placed in service after December 31, 2006."

(3) Effective date.—The amendments made by this subsection shall apply to property placed in service after December 31, 2001, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

(b) Nonbusiness Property.—

(1) In general.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25C the following new section:

"SEC. 25D. NONBUSINESS QUALIFIED STATIONARY FUEL CELL POWERPLANT.

"(a) In General.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 10 percent of the qualified stationary fuel cell powerplant expenditures which are paid or incurred during such year.

"(b) Limitations.—

"(1) In general.—The credit allowed under subsection (a) for the taxable year and all prior taxable years shall not exceed $1,000 for each kilowatt of capacity.

"(2) Limitation based on amount of tax.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

"(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(B) the sum of the credits allowable under this subpart (other than this section and sections 23 and 25E) and section 27 for the taxable year.

"(c) Qualified Stationary Fuel Cell Powerplant Expenditures.—For purposes of this section, the term 'qualified stationary fuel cell powerplant expenditures' means expenditures by the taxpayer for any qualified stationary fuel cell powerplant (as defined in section 48(a)(4))—

"(1) which meets the requirements of subparagraphs (B) and (D) of section 48(a)(3), and

"(2) which is installed on or in connection with a dwelling unit—

"(A) which is located in the United States, and

"(B) which is used by the taxpayer as a residence.

Such term includes expenditures for labor costs properly allocable to the onsite preparation, assembly, or original installation of the property.

"(d) Special Rules.—For purposes of this section, rules similar to the rules of section 25C(d) shall apply.

"(e) Basis Adjustments.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(f) Termination.—This section shall not apply to any expenditure made after December 31, 2006.".

(2) Conforming Amendments.—

(A) Subsection (a) of section 1016 is amended by striking "and" at the end of paragraph (28), by striking the period at the end of paragraph (29) and inserting ", and", and by adding at the end the following new paragraph:

"(30) to the extent provided in section 25D(e), in the case of amounts with respect to which a credit has been allowed under section 25D.".

(B) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 25C the following new item:

"Sec. 25D. Nonbusiness qualified stationary fuel cell powerplant.".

(3) Effective date.—The amendments made by this subsection shall apply to expenditures paid or incurred after December 31, 2001.

SEC. 3104. ALTERNATIVE MOTOR VEHICLE CREDIT.

(a) In General.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by adding at the end the following:

"SEC. 30B. ALTERNATIVE MOTOR VEHICLE CREDIT.

"(a) Allowance of Credit.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) the new qualified fuel cell motor vehicle credit determined under subsection (b),

"(2) the new qualified hybrid motor vehicle credit determined under subsection (c),

"(3) the new qualified alternative fuel motor vehicle credit determined under subsection (d), and

"(4) the advanced lean burn technology motor vehicle credit determined under subsection (e).

"(b) New Qualified Fuel Cell Motor Vehicle Credit.—

"(1) In general.—For purposes of subsection (a), the new qualified fuel cell motor vehicle credit determined under this subsection with respect to a new qualified fuel cell motor vehicle placed in service by the taxpayer during the taxable year is—

"(A) $4,000, if such vehicle has a gross vehicle weight rating of not more than 8,500 pounds,

"(B) $10,000, if such vehicle has a gross vehicle weight rating of more than 8,500 pounds but not more than 14,000 pounds, "(C) $20,000, if such vehicle has a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds, and

"(D) $40,000, if such vehicle has a gross vehicle weight rating of more than 26,000 pounds.

"(2) INCREASE FOR FUEL EFFICIENCY.—

"(A) IN GENERAL.—The amount determined under paragraph (1)(A) with respect to a new qualified fuel cell motor vehicle which is a passenger automobile or light truck shall be increased by—

"(i) $1,000, if such vehicle achieves at least 150 percent but less than 175 percent of the 2000 model year city fuel economy,

"(ii) $1,500, if such vehicle achieves at least 175 percent but less than 200 percent of the 2000 model year city fuel economy,

"(iii) $2,000, if such vehicle achieves at least 200 percent but less than 225 percent of the 2000 model year city fuel economy,

"(iv) $2,500, if such vehicle achieves at least 225 percent but less than 250 percent of the 2000 model year city fuel economy,

"(v) $3,000, if such vehicle achieves at least 250 percent but less than 275 percent of the 2000 model year city fuel economy,

"(vi) $3,500, if such vehicle achieves at least 275 percent but less than 300 percent of the 2000 model year city fuel economy, and

"(vii) $4,000, if such vehicle achieves at least 300 percent of the 2000 model year city fuel economy.

"(B) 2000 MODEL YEAR CITY FUEL ECONOMY.—For purposes of subparagraph (A), the 2000 model year city fuel economy with respect to a vehicle shall be determined in accordance with the following tables:

"(i) In the case of a passenger automobile:

"If vehicle inertia weight class is:	**The 2000 model year city fuel economy is:**
1,500 or 1,750 lbs	43.7 mpg
2,000 lbs	38.3 mpg
2,250 lbs	34.1 mpg
2,500 lbs	30.7 mpg
2,750 lbs	27.9 mpg
3,000 lbs	25.6 mpg
3,500 lbs	22.0 mpg
4,000 lbs	19.3 mpg
4,500 lbs	17.2 mpg
5,000 lbs	15.5 mpg
5,500 lbs	14.1 mpg
6,000 lbs	12.9 mpg
6,500 lbs	11.9 mpg
7,000 or 8,500 lbs	11.1 mpg.

"(ii) In the case of a light truck:

"If vehicle inertia weight class is:	**The 2000 model year city fuel economy is:**
1,500 or 1,750 lbs	37.6 mpg
2,000 lbs	33.7 mpg
2,250 lbs	30.6 mpg
2,500 lbs	28.0 mpg
2,750 lbs	25.9 mpg
3,000 lbs	24.1 mpg
3,500 lbs	21.3 mpg
4,000 lbs	19.0 mpg
4,500 lbs	17.3 mpg
5,000 lbs	15.8 mpg
5,500 lbs	14.6 mpg
6,000 lbs	13.6 mpg
6,500 lbs	12.8 mpg
7,000 or 8,500 lbs	12.0 mpg.

"(C) VEHICLE INERTIA WEIGHT CLASS.—For purposes of subparagraph (B), the term 'vehicle inertia weight class' has the same meaning as when defined in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act (42 U.S.C. 7521 et seq.).

"(3) NEW QUALIFIED FUEL CELL MOTOR VEHICLE.—For purposes of this subsection, the term 'new qualified fuel cell motor vehicle' means a motor vehicle—

"(A) which is propelled by power derived from one or more cells which convert chemical energy directly into electricity by combining oxygen with hydrogen fuel which is stored on board the vehicle in any form and may or may not require reformation prior to use,

"(B) which, in the case of a passenger automobile or light truck—

"(i) for 2002 and later model vehicles, has received a certificate of conformity under the Clean Air Act and meets or exceeds the equivalent qualifying California low emission vehicle standard under section 243(e)(2) of the Clean Air Act for that make and model year, and

"(ii) for 2004 and later model vehicles, has received a certificate that such vehicle meets or exceeds the Tier II emission level established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act for that make and model year vehicle,

"(C) the original use of which commences with the taxpayer,

"(D) which is acquired for use or lease by the taxpayer and not for resale, and

"(E) which is made by a manufacturer.

"(c) NEW QUALIFIED HYBRID MOTOR VEHICLE CREDIT.—

"(1) IN GENERAL.—For purposes of subsection (a), the new qualified hybrid motor vehicle credit determined under this subsection with respect to a new qualified hybrid motor vehicle placed in service by the taxpayer during the taxable year is the credit amount determined under paragraph (2).

"(2) CREDIT AMOUNT.—

"(A) IN GENERAL.—The credit amount determined under this paragraph shall be determined in accordance with the following tables:

"(i) In the case of a new qualified hybrid motor vehicle which is a passenger automobile or light truck and which provides the following percentage of the maximum available power:

"If percentage of the maximum available power is:	**The credit amount is:**
At least 2.5 percent but less than 10 percent.	$250
At least 10 percent but less than 20 percent.	$500
At least 20 percent but less than 30 percent.	$750
At least 30 percent	$1,000.

"(ii) In the case of a new qualified hybrid motor vehicle which is a heavy duty hybrid motor vehicle and which provides the following percentage of the maximum available power:

"(I) If such vehicle has a gross vehicle weight rating of not more than 14,000 pounds:

"If percentage of the maximum available power is:	**The credit amount is:**
At least 20 percent but less than 30 percent.	$1,500
At least 30 percent but less than 40 percent.	$1,750
At least 40 percent but less than 50 percent.	$2,000
At least 50 percent but less than 60 percent.	$2,250
At least 60 percent	$2,500.

"(II) If such vehicle has a gross vehicle weight rating of more than 14,000 but not more than 26,000 pounds:

"If percentage of the maximum available power is:	**The credit amount is:**
At least 20 percent but less than 30 percent.	$4,000
At least 30 percent but less than 40 percent.	$4,500
At least 40 percent but less than 50 percent.	$5,000
At least 50 percent but less than 60 percent.	$5,500
At least 60 percent	$6,000.

"(III) If such vehicle has a gross vehicle weight rating of more than 26,000 pounds:

"If percentage of the maximum available power is:	**The credit amount is:**
At least 20 percent but less than 30 percent.	$6,000
At least 30 percent but less than 40 percent.	$7,000
At least 40 percent but less than 50 percent.	$8,000
At least 50 percent but less than 60 percent.	$9,000
At least 60 percent	$10,000.

"(B) INCREASE FOR FUEL EFFICIENCY.—

"(i) AMOUNT.—The amount determined under subparagraph (A)(i) with respect to a passenger automobile or light truck shall be increased by—

"(I) $1,000, if such vehicle achieves at least 125 percent but less than 150 percent of the 2000 model year city fuel economy,

"(II) $1,500, if such vehicle achieves at least 150 percent but less than 175 percent of the 2000 model year city fuel economy,

"(III) $2,000, if such vehicle achieves at least 175 percent but less than 200 percent of the 2000 model year city fuel economy,

"(IV) $2,500, if such vehicle achieves at least 200 percent but less than 225 percent of the 2000 model year city fuel economy,

"(V) $3,000, if such vehicle achieves at least 225 percent but less than 250 percent of the 2000 model year city fuel economy, and

"(VI) $3,500, if such vehicle achieves at least 250 percent of the 2000 model year city fuel economy.

"(ii) 2000 MODEL YEAR CITY FUEL ECONOMY.—For purposes of clause (i), the 2000 model year city fuel economy with respect to a vehicle shall be determined using the tables provided in subsection (b)(2)(B) with respect to such vehicle.

"(iii) Option to use like vehicle.—For purposes of clause (i), at the option of the vehicle manufacturer, the increase for fuel efficiency may be calculated by comparing the new qualified hybrid motor vehicle to a 'like vehicle'.

"(C) Increase for accelerated emissions performance.—The amount determined under subparagraph (A)(ii) with respect to an applicable heavy duty hybrid motor vehicle shall be increased by the increase credit amount determined in accordance with the following tables:

"(i) In the case of a vehicle which has a gross vehicle weight rating of not more than 14,000 pounds:

"If the model year is:	**The increase credit amount is:**
2002	$3,500
2003	$3,000
2004	$2,500
2005	$2,000
2006	$1,500.

"(ii) In the case of a vehicle which has a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds:

"If the model year is:	**The increase credit amount is:**
2002	$9,000
2003	$7,750
2004	$6,500
2005	$5,250
2006	$4,000.

"(iii) In the case of a vehicle which has a gross vehicle weight rating of more than 26,000 pounds:

"If the model year is:	**The increase credit amount is:**
2002	$14,000
2003	$12,000
2004	$10,000
2005	$8,000
2006	$6,000.

"(D) Conservation credit.—

"(i) Amount.—The amount determined under subparagraph (A)(i) with respect to a passenger automobile or light truck shall be increased by—

"(I) $250, if such vehicle achieves a lifetime fuel savings of at least 1,500 gallons of gasoline, and

"(II) $500, if such vehicle achieves a lifetime fuel savings of at least 2,500 gallons of gasoline.

"(ii) Lifetime fuel savings for like vehicle.—For purposes of clause (i), at the option of the vehicle manufacturer, the lifetime fuel savings fuel may be calculated by comparing the new qualified hybrid motor vehicle to a 'like vehicle'.

"(E) Definitions.—

"(i) Applicable heavy duty hybrid motor vehicle.—For purposes of subparagraph (C), the term 'applicable heavy duty hybrid motor vehicle' means a heavy duty hybrid motor vehicle which is powered by an internal combustion or heat engine which is certified as meeting the emission standards set in the regulations prescribed by the Administrator of the Environmental Protection Agency for 2007 and later model year diesel heavy duty engines or 2008 and later model year ottocycle heavy duty engines, as applicable.

"(ii) Heavy duty hybrid motor vehicle.—For purposes of this paragraph, the term 'heavy duty hybrid motor vehicle' means a new qualified hybrid motor vehicle which has a gross vehicle weight rating of more than 10,000 pounds and draws propulsion energy from both of the following onboard sources of stored energy:

"(I) An internal combustion or heat engine using consumable fuel which, for 2002 and later model vehicles, has received a certificate of conformity under the Clean Air Act and meets or exceeds a level of not greater than 3.0 grams per brake horsepower-hour of oxides of nitrogen and 0.01 per brake horsepower-hour of particulate matter.

"(II) A rechargeable energy storage system.

"(iii) Maximum available power.—

"(I) Passenger automobile or light truck.—For purposes of subparagraph (A)(i), the term 'maximum available power' means the maximum power available from the battery or other electrical storage device, during a standard 10 second pulse power test, divided by the sum of the battery or other electrical storage device and the SAE net power of the heat engine.

"(II) Heavy duty hybrid motor vehicle.—For purposes of subparagraph (A)(ii), the term 'maximum available power' means the maximum power available from the battery or other electrical storage device, during a standard 10 second pulse power test, divided by the vehicle's total traction power. The term 'total traction power' means the sum of the electric motor peak power and the heat engine peak power of the vehicle, except that if the electric motor is the sole means by which the vehicle can be driven, the total traction power is the peak electric motor power.

"(iv) Like vehicle.—For purposes of subparagraph (B)(iii), the term 'like vehicle' for a new qualified hybrid motor vehicle derived from a conventional production vehicle produced in the same model year means a model that is equivalent in the following areas:

"(I) Body style (2-door or 4-door).

"(II) Transmission (automatic or manual).

"(III) Acceleration performance (± 0.05 seconds).

"(IV) Drivetrain (2-wheel drive or 4-wheel drive).

"(V) Certification by the Administrator of the Environmental Protection Agency.

"(v) Lifetime fuel savings.—For purposes of subsection (c)(2)(D), the term 'lifetime fuel savings' shall be calculated by dividing 120,000 by the difference between the 2000 model year city fuel economy for the vehicle inertia weight class and the city fuel economy for the new qualified hybrid motor vehicle.

"(3) New qualified hybrid motor vehicle.—For purposes of this subsection, the term 'new qualified hybrid motor vehicle' means a motor vehicle—

"(A) which draws propulsion energy from onboard sources of stored energy which are both—

"(i) an internal combustion or heat engine using combustible fuel, and

"(ii) a rechargeable energy storage system,

"(B) which, in the case of a passenger automobile or light truck, for 2002 and later model vehicles, has received a certificate of conformity under the Clean Air Act and meets or exceeds the equivalent qualifying California low emission vehicle standard under section 243(e)(2) of the Clean Air Act for that make and model year,

"(C) the original use of which commences with the taxpayer,

"(D) which is acquired for use or lease by the taxpayer and not for resale, and

"(E) which is made by a manufacturer.

"(d) New Qualified Alternative Fuel Motor Vehicle Credit.—

"(1) Allowance of credit.—Except as provided in paragraph (5), the credit determined under this subsection is an amount equal to the applicable percentage of the incremental cost of any new qualified alternative fuel motor vehicle placed in service by the taxpayer during the taxable year.

"(2) Applicable percentage.—For purposes of paragraph (1), the applicable percentage with respect to any new qualified alternative fuel motor vehicle is—

"(A) 50 percent, plus

"(B) 30 percent, if such vehicle—

"(i) has received a certificate of conformity under the Clean Air Act and meets or exceeds the most stringent standard available for certification under the Clean Air Act for that make and model year vehicle (other than a zero emission standard), or

"(ii) has received an order from an applicable State certifying the vehicle for sale or lease in California and meets or exceeds the most stringent standard available for certification under the State laws of California (enacted in accordance with a waiver granted under section 209(b) of the Clean Air Act) for that make and model year vehicle (other than a zero emission standard).

"(3) Incremental cost.—For purposes of this subsection, the incremental cost of any new qualified alternative fuel motor vehicle is equal to the amount of the excess of the manufacturer's suggested retail price for such vehicle over such price for a gasoline or diesel fuel motor vehicle of the same model, to the extent such amount does not exceed—

"(A) $5,000, if such vehicle has a gross vehicle weight rating of not more than 8,500 pounds,

"(B) $10,000, if such vehicle has a gross vehicle weight rating of more than 8,500 pounds but not more than 14,000 pounds,

"(C) $25,000, if such vehicle has a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds, and

"(D) $40,000, if such vehicle has a gross vehicle weight rating of more than 26,000 pounds.

"(4) Qualified alternative fuel motor vehicle defined.—For purposes of this subsection—

"(A) In general.—The term 'qualified alternative fuel motor vehicle' means any motor vehicle—

"(i) which is only capable of operating on an alternative fuel,

"(ii) the original use of which commences with the taxpayer,

"(iii) which is acquired by the taxpayer for use or lease, but not for resale, and

"(iv) which is made by a manufacturer.

"(B) Alternative fuel.—The term 'alternative fuel' means compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, and any liquid at least 85 percent of the volume of which consists of methanol.

"(5) Credit for mixed-fuel vehicles.—

"(A) In general.—In the case of a mixed-fuel vehicle placed in service by the taxpayer during the taxable year, the credit determined under this subsection is an amount equal to—

"(i) in the case of a 75/25 mixed-fuel vehicle, 70 percent of the credit which would have been allowed under this subsection if such vehicle was a qualified alternative fuel motor vehicle, and

"(ii) in the case of a 95/5 mixed-fuel vehicle, 95 percent of the credit which would have been allowed under this subsection if such vehicle was a qualified alternative fuel motor vehicle.

"(B) Mixed-fuel vehicle.—For purposes of this subsection, the term 'mixed-fuel vehicle' means any motor vehicle described in subparagraph (C) or (D) of paragraph (3), which—

“(i) is certified by the manufacturer as being able to perform efficiently in normal operation on a combination of an alternative fuel and a petroleum-based fuel,

“(ii) either—

“(I) has received a certificate of conformity under the Clean Air Act, or

“(II) has received an order from an applicable State certifying the vehicle for sale or lease in California and meets or exceeds the low emission vehicle standard under section 88.105-94 of title 40, Code of Federal Regulations, for that make and model year vehicle,

“(iii) the original use of which commences with the taxpayer,

“(iv) which is acquired by the taxpayer for use or lease, but not for resale, and

“(v) which is made by a manufacturer.

“(C) 75/25 MIXED-FUEL VEHICLE.—For purposes of this subsection, the term ‘75/25 mixed-fuel vehicle’ means a mixed-fuel vehicle which operates using at least 75 percent alternative fuel and not more than 25 percent petroleum-based fuel.

“(D) 95/5 MIXED-FUEL VEHICLE.—For purposes of this subsection, the term ‘95/5 mixed-fuel vehicle’ means a mixed-fuel vehicle which operates using at least 95 percent alternative fuel and not more than 5 percent petroleum-based fuel.

“(e) ADVANCED LEAN BURN TECHNOLOGY MOTOR VEHICLE CREDIT.—

“(1) IN GENERAL.—For purposes of subsection (a), the advanced lean burn technology motor vehicle credit determined under this subsection with respect to a new qualified advanced lean burn technology motor vehicle placed in service by the taxpayer during the taxable year is the credit amount determined under paragraph (2).

“(2) CREDIT AMOUNT.—

“(A) INCREASE FOR FUEL EFFICIENCY.—The credit amount determined under this paragraph shall be—

“(i) $1,000, if such vehicle achieves at least 125 percent but less than 150 percent of the 2000 model year city fuel economy,

“(ii) $1,500, if such vehicle achieves at least 150 percent but less than 175 percent of the 2000 model year city fuel economy,

“(iii) $2,000, if such vehicle achieves at least 175 percent but less than 200 percent of the 2000 model year city fuel economy,

“(iv) $2,500, if such vehicle achieves at least 200 percent but less than 225 percent of the 2000 model year city fuel economy,

“(v) $3,000, if such vehicle achieves at least 225 percent but less than 250 percent of the 2000 model year city fuel economy, and

“(vi) $3,500, if such vehicle achieves at least 250 percent of the 2000 model year city fuel economy.

For purposes of clause (i), the 2000 model year city fuel economy with respect to a vehicle shall be determined using the tables provided in subsection (b)(2)(B) with respect to such vehicle.

“(B) CONSERVATION CREDIT.—The amount determined under subparagraph (A) with respect to an advanced lean burn technology motor vehicle shall be increased by—

“(i) $250, if such vehicle achieves a lifetime fuel savings of at least 1,500 gallons of gasoline, and

“(ii) $500, if such vehicle achieves a lifetime fuel savings of at least 2,500 gallons of gasoline.

“(C) OPTION TO USE LIKE VEHICLE.—At the option of the vehicle manufacturer, the increase for fuel efficiency and conservation credit may be calculated by comparing the new advanced lean-burn technology motor vehicle to a like vehicle.

“(3) DEFINITIONS.—For purposes of this subsection.—

“(A) ADVANCED LEAN BURN TECHNOLOGY MOTOR VEHICLE.—The term ‘advanced lean burn technology motor vehicle’ means a motor vehicle with an internal combustion engine that—

“(i) is designed to operate primarily using more air than is necessary for complete combustion of the fuel,

“(ii) incorporates direct injection,

“(iii) achieves at least 125 percent of the 2000 model year city fuel economy, and

“(iv) for 2004 and later model vehicles, has received a certificate that such vehicle meets or exceeds the Bin 5, Tier 2 emission levels (for passenger vehicles) or Bin 8, Tier 2 emission levels (for light trucks) established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act for that make and model year vehicle.

“(B) LIKE VEHICLE.—The term ‘like vehicle’ for an advanced lean burn technology motor vehicle derived from a conventional production vehicle produced in the same model year means a model that is equivalent in the following areas:

“(i) Body style (2-door or 4-door),

“(ii) Transmission (automatic or manual),

“(iii) Acceleration performance (± 0.05 seconds).

“(iv) Drivetrain (2-wheel drive or 4-wheel drive).

“(v) Certification by the Administrator of the Environmental Protection Agency.

“(C) LIFETIME FUEL SAVINGS.—The term ‘lifetime fuel savings’ shall be calculated by dividing 120,000 by the difference between the 2000 model year city fuel economy for the vehicle inertia weight class and the city fuel economy for the new qualified hybrid motor vehicle.

“(f) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

“(1) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

“(2) the sum of the credits allowable under subpart A and sections 27, 29, and 30A for the taxable year.

“(g) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

“(1) CONSUMABLE FUEL.—The term ‘consumable fuel’ means any solid, liquid, or gaseous matter which releases energy when consumed by an auxiliary power unit.

“(2) MOTOR VEHICLE.—The term ‘motor vehicle’ has the meaning given such term by section 30(c)(2).

“(3) 2000 MODEL YEAR CITY FUEL ECONOMY.—The 2000 model year city fuel economy with respect to any vehicle shall be measured under rules similar to the rules under section 4064(c).

“(4) OTHER TERMS.—The terms ‘automobile’, ‘passenger automobile’, ‘light truck’, and ‘manufacturer’ have the meanings given such terms in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act (42 U.S.C. 7521 et seq.).

“(5) REDUCTION IN BASIS.—For purposes of this subtitle, the basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit so allowed.

“(6) NO DOUBLE BENEFIT.—The amount of any deduction or credit allowable under this chapter (other than the credit allowable under this section)—

“(A) for any incremental cost taken into account in computing the amount of the credit determined under subsection (d) shall be reduced by the amount of such credit attributable to such cost, and

“(B) with respect to a vehicle described under subsection (b) or (c), shall be reduced by the amount of credit allowed under subsection (a) for such vehicle for the taxable year.

“(7) PROPERTY USED BY TAX-EXEMPT ENTITIES.—In the case of a credit amount which is allowable with respect to a motor vehicle which is acquired by an entity exempt from tax under this chapter, the person which sells or leases such vehicle to the entity shall be treated as the taxpayer with respect to the vehicle for purposes of this section and the credit shall be allowed to such person, but only if the person clearly discloses to the entity in any sale or lease document the specific amount of any credit otherwise allowable to the entity under this section. and reduces the sale or lease price of such vehicle by an equivalent amount of such credit.

“(8) RECAPTURE.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit (including recapture in the case of a lease period of less than the economic life of a vehicle).

“(9) PROPERTY USED OUTSIDE UNITED STATES, ETC., NOT QUALIFIED.—No credit shall be allowed under subsection (a) with respect to any property referred to in section 50(b) or with respect to the portion of the cost of any property taken into account under section 179.

“(10) ELECTION TO NOT TAKE CREDIT.—No credit shall be allowed under subsection (a) for any vehicle if the taxpayer elects to not have this section apply to such vehicle.

“(11) CARRYFORWARD ALLOWED.—

“(A) IN GENERAL.—If the credit amount allowable under subsection (a) for a taxable year exceeds the amount of the limitation under subsection (f) for such taxable year (referred to as the ‘unused credit year’ in this paragraph), such excess shall be allowed as a credit carryforward for each of the 20 taxable years following the unused credit year.

“(B) RULES.—Rules similar to the rules of section 39 shall apply with respect to the credit carryforward under subparagraph (A).

“(12) INTERACTION WITH AIR QUALITY AND MOTOR VEHICLE SAFETY STANDARDS.—Unless otherwise provided in this section, a motor vehicle shall not be considered eligible for a credit under this section unless such vehicle is in compliance with—

“(A) the applicable provisions of the Clean Air Act for the applicable make and model year of the vehicle (or applicable air quality provisions of State law in the case of a State which has adopted such provision under a waiver under section 209(b) of the Clean Air Act), and

“(B) the motor vehicle safety provisions of sections 30101 through 30169 of title 49, United States Code.

“(h) REGULATIONS.—

“(1) IN GENERAL.—The Secretary shall promulgate such regulations as necessary to carry out the provisions of this section.

“(2) ADMINISTRATOR OF ENVIRONMENTAL PROTECTION AGENCY.—The Administrator of the Environmental Protection Agency, in coordination with the Secretary of Transportation and the Secretary of the Treasury, shall prescribe such regulations as necessary to determine whether a motor vehicle meets the requirements to be eligible for a credit under this section.

"(i) TERMINATION.—This section shall not apply to any property placed in service after—

"(1) in the case of a new qualified fuel cell motor vehicle (as described in subsection (b)), December 31, 2011, and

"(2) in the case of any other property, December 31, 2007.".

(b) CONFORMING AMENDMENTS.—

(1) Section 1016(a) is amended by striking "and" at the end of paragraph (29), by striking the period at the end of paragraph (30) and inserting ", and", and by adding at the end the following:

"(31) to the extent provided in section 30B(g)(5).".

(2) Section 6501(m) is amended by inserting "30B(g)(10)," after "30(d)(4),".

(3) The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 30A the following:

"Sec. 30B. Alternative motor vehicle credit.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2001, in taxable years ending after such date.

SEC. 3105. EXTENSION OF DEDUCTION FOR CERTAIN REFUELING PROPERTY.

(a) IN GENERAL.—Section 179A(f) (relating to termination) is amended by striking "2004" and inserting "2007".

(b) MODIFICATION OF PHASEOUT.—Subparagraph (B) of section 179A(b)(1) is amended—

(1) in clause (i), by striking "2002" and inserting "2005",

(2) in clause (ii), by striking "2003" and inserting "2006", and

(3) in clause (iii), by striking "2004" and inserting "2007".

SEC. 3106. MODIFICATION OF CREDIT FOR QUALIFIED ELECTRIC VEHICLES.

(a) AMOUNT OF CREDIT.—

(1) IN GENERAL.—Section 30(a) (relating to allowance of credit) is amended by striking "10 percent of".

(2) LIMITATION OF CREDIT ACCORDING TO TYPE OF VEHICLE.—Section 30(b) (relating to limitations) is amended—

(A) by striking paragraphs (1) and (2) and inserting the following:

"(1) LIMITATION ACCORDING TO TYPE OF VEHICLE.—The amount of the credit allowed under subsection (a) for any vehicle shall not exceed the greatest of the following amounts applicable to such vehicle:

"(A) In the case of a vehicle which conforms to the Motor Vehicle Safety Standard 500 prescribed by the Secretary of Transportation, the lesser of—

"(i) 10 percent of the manufacturer's suggested retail price of the vehicle, or

"(ii) $4,000.

"(B) In the case of a vehicle not described in subparagraph (A) with a gross vehicle weight rating not exceeding 8,500 pounds—

"(i) $4,000, or

"(ii) $5,000, if such vehicle is—

"(I) capable of a driving range of at least 70 miles on a single charge of the vehicle's rechargeable batteries and measured pursuant to the urban dynamometer schedules under appendix I to part 86 of title 40, Code of Federal Regulations, or

"(II) capable of a payload capacity of at least 1,000 pounds.

"(C) In the case of a vehicle with a gross vehicle weight rating exceeding 8,500 pounds but not exceeding 14,000 pounds, $10,000.

"(D) In the case of a vehicle with a gross vehicle weight rating exceeding 14,000 pounds but not exceeding 26,000 pounds, $20,000.

"(E) In the case of a vehicle with a gross vehicle weight rating exceeding 26,000 pounds, $40,000.", and

(B) by redesignating paragraph (3) as paragraph (2).

(3) CONFORMING AMENDMENTS.—

(A) Section 53(d)(1)(B)(iii) is amended by striking "section 30(b)(3)(B)" and inserting "section 30(b)(2)(B)".

(B) Section 55(c)(2) is amended by striking "30(b)(3)" and inserting "30(b)(2)".

(b) QUALIFIED BATTERY ELECTRIC VEHICLE.—

(1) IN GENERAL.—Section 30(c)(1)(A) (defining qualified electric vehicle) is amended to read as follows:

"(A) which is—

"(i) operated solely by use of a battery or battery pack, or

"(ii) powered primarily through the use of an electric battery or battery pack using a flywheel or capacitor which stores energy produced by an electric motor through regenerative braking to assist in vehicle operation,".

(2) LEASED VEHICLES.—Section 30(c)(1)(C) is amended by inserting "or lease" after "use".

(3) CONFORMING AMENDMENTS.—

(A) Subsections (a), and (c) of section 30 are each amended by inserting "battery" after "qualified" each place it appears.

(B) The heading of subsection (c) of section 30 is amended by inserting "BATTERY" after "QUALIFIED".

(C) The heading of section 30 is amended by inserting "battery" after "qualified".

(D) The item relating to section 30 in the table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by inserting "battery" after "qualified".

(E) Section 179A(c)(3) is amended by inserting "battery" before "electric".

(F) The heading of paragraph (3) of section 179A(c) is amended by inserting "BATTERY" before "ELECTRIC".

(c) ADDITIONAL SPECIAL RULES.—Section 30(d) (relating to special rules) is amended by adding at the end the following:

"(5) NO DOUBLE BENEFIT.—The amount of any deduction or credit allowable under this chapter for any cost taken into account in computing the amount of the credit determined under subsection (a) shall be reduced by the amount of such credit attributable to such cost.

"(6) PROPERTY USED BY TAX-EXEMPT ENTITIES.—In the case of a credit amount which is allowable with respect to a vehicle which is acquired by an entity exempt from tax under this chapter, the person which sells or leases such vehicle to the entity shall be treated as the taxpayer with respect to the vehicle for purposes of this section and the credit shall be allowed to such person, but only if the person clearly discloses to the entity in any sale or lease contract the specific amount of any credit otherwise allowable to the entity under this section and reduces the sale or lease price of such vehicle by an equivalent amount of such credit.

"(7) CARRYFORWARD ALLOWED.—

"(A) IN GENERAL.—If the credit amount allowable under subsection (a) for a taxable year exceeds the amount of the limitation under subsection (b)(3) for such taxable year, such excess shall be allowed as a credit carryforward for each of the 20 taxable years following such taxable year.

"(B) RULES.—Rules similar to the rules of section 39 shall apply with respect to the credit carryforward under subparagraph (A)."

(d) EXTENSION.—Section 30(e) (relating to termination) is amended by striking "2004" and inserting "2007".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2001, in taxable years ending after such date.

SEC. 3107. TAX CREDIT FOR ENERGY EFFICIENT APPLIANCES.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business-related credits) is amended by adding at the end the following new section:

"SEC. 45G. ENERGY EFFICIENT APPLIANCE CREDIT.

"(a) GENERAL RULE.—For purposes of section 38, the energy efficient appliance credit determined under this section for the taxable year is an amount equal to the applicable amount determined under subsection (b) with respect to the eligible production of qualified energy efficient appliances produced by the taxpayer during the calendar year ending with or within the taxable year.

"(b) APPLICABLE AMOUNT; ELIGIBLE PRODUCTION.—For purposes of subsection (a)—

"(1) APPLICABLE AMOUNT.—The applicable amount is—

"(A) $50 in the case of an energy efficient clothes washer described in subsection (d)(2)(A) or an energy efficient refrigerator described in subsection (d)(3)(B)(i), and

"(B) $100 in the case of any other energy efficient clothes washer or energy efficient refrigerator.

"(2) ELIGIBLE PRODUCTION.—

"(A) IN GENERAL.—The eligible production of each category of qualified energy efficient appliances is the excess of—

"(i) the number of appliances in such category which are produced by the taxpayer during such calendar year, over

"(ii) the average number of appliances in such category which were produced by the taxpayer during calendar years 1998, 1999, and 2000.

"(B) CATEGORIES.—For purposes of subparagraph (A), the categories are—

"(i) energy efficient clothes washers described in subsection (d)(2)(A),

"(ii) energy efficient clothes washers described in subsection (d)(2)(B),

"(iii) energy efficient refrigerators described in subsection (d)(3)(B)(i), and

"(iv) energy efficient refrigerators described in subsection (d)(3)(B)(ii).

"(C) SPECIAL RULE FOR 2001 PRODUCTION.—For purposes of determining eligible production for calendar year 2001—

"(i) only production after the date of the enactment of this section shall be taken into account under subparagraph (A)(i), and

"(ii) the amount taken into account under subparagraph (A)(ii) shall be an amount which bears the same ratio to the amount which would (but for this subparagraph) be taken into account under subparagraph (A)(ii) as—

"(I) the number of days in calendar year 2001 after the date of the enactment of this section, bears to

"(II) 365.

"(c) LIMITATION ON MAXIMUM CREDIT.—

"(1) IN GENERAL.—The maximum amount of credit allowed under subsection (a) with respect to a taxpayer for all taxable years shall be—

"(A) $30,000,000 with respect to the credit determined under subsection (b)(1)(A), and

"(B) $30,000,000 with respect to the credit determined under subsection (b)(1)(B).

"(2) LIMITATION BASED ON GROSS RECEIPTS.—The credit allowed under subsection (a) with respect to a taxpayer for the taxable year shall not exceed an amount equal to 2 percent of the average annual gross receipts of the taxpayer for the 3 taxable years preceding the taxable year in which the credit is determined.

"(3) GROSS RECEIPTS.—For purposes of this subsection, the rules of paragraphs (2) and (3) of section 448(c) shall apply.

"(d) QUALIFIED ENERGY EFFICIENT APPLIANCE.—For purposes of this section:

"(1) IN GENERAL.—The term 'qualified energy efficient appliance' means—

"(A) an energy efficient clothes washer, or

"(B) an energy efficient refrigerator.

"(2) ENERGY EFFICIENT CLOTHES WASHER.—The term 'energy efficient clothes washer' means a residential clothes washer, including a residential style coin operated washer, which is manufactured with—

"(A) a 1.26 MEF or greater, or

"(B) a 1.42 MEF (1.5 MEF for washers produced after 2004) or greater.

"(3) ENERGY EFFICIENT REFRIGERATOR.—The term 'energy efficient refrigerator' means an automatic defrost refrigerator-freezer which—

"(A) has an internal volume of at least 16.5 cubic feet, and

"(B) consumes—

"(i) 10 percent less kw/hr/yr than the energy conservation standards promulgated by the Department of Energy for refrigerators produced during 2001, and

"(ii) 15 percent less kw/hr/yr than such energy conservation standards for refrigerators produced after 2001.

"(4) MEF.—The term 'MEF' means Modified Energy Factor (as determined by the Secretary of Energy).

"(e) SPECIAL RULES.—

"(1) IN GENERAL.—Rules similar to the rules of subsections (c), (d), and (e) of section 52 shall apply for purposes of this section.

"(2) AGGREGATION RULES.—All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as 1 person for purposes of subsection (a).

"(f) VERIFICATION.—The taxpayer shall submit such information or certification as the Secretary, in consultation with the Secretary of Energy, determines necessary to claim the credit amount under subsection (a).

"(g) TERMINATION.—This section shall not apply—

"(1) with respect to energy efficient refrigerators described in subsection (d)(3)(B)(i) produced after 2004, and

"(2) with respect to all other qualified energy efficient appliances produced after 2006.".

(b) LIMITATION ON CARRYBACK.—Section 39(d) (relating to transition rules) is amended by adding at the end the following new paragraph:

"(11) NO CARRYBACK OF ENERGY EFFICIENT APPLIANCE CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the energy efficient appliance credit determined under section 45G may be carried to a taxable year ending before the date of the enactment of section 45G.".

(c) CONFORMING AMENDMENT.—Section 38(b) (relating to general business credit) is amended by striking "plus" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting ", plus", and by adding at the end the following new paragraph:

"(16) the energy efficient appliance credit determined under section 45G(a).".

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 45F the following new item:

"Sec. 45G. Energy efficient appliance credit.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 3108. CREDIT FOR ENERGY EFFICIENCY IMPROVEMENTS TO EXISTING HOMES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25D the following new section:

"SEC. 25E. ENERGY EFFICIENCY IMPROVEMENTS TO EXISTING HOMES.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 20 percent of the amount paid or incurred by the taxpayer for qualified energy efficiency improvements installed during such taxable year.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—The credit allowed by this section with respect to a dwelling shall not exceed $2,000.

"(2) PRIOR CREDIT AMOUNTS FOR TAXPAYER ON SAME DWELLING TAKEN INTO ACCOUNT.—If a credit was allowed to the taxpayer under subsection (a) with respect to a dwelling in 1 or more prior taxable years, the amount of the credit otherwise allowable for the taxable year with respect to that dwelling shall not exceed the amount of $2,000 reduced by the sum of the credits allowed under subsection (a) to the taxpayer with respect to the dwelling for all prior taxable years.

"(3) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

"(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(B) the sum of the credits allowable under this subpart (other than this section and section 23) and section 27 for the taxable year.

"(c) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by subsection (b)(3) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such succeeding taxable year.

"(d) QUALIFIED ENERGY EFFICIENCY IMPROVEMENTS.—For purposes of this section, the term 'qualified energy efficiency improvements' means any energy efficient building envelope component which meets the prescriptive criteria for such component established by the 1998 International Energy Conservation Code, if—

"(1) such component is installed in or on a dwelling—

"(A) located in the United States, and

"(B) owned and used by the taxpayer as the taxpayer's principal residence (within the meaning of section 121),

"(2) the original use of such component commences with the taxpayer, and

"(3) such component reasonably can be expected to remain in use for at least 5 years. If the aggregate cost of such components with respect to any dwelling exceeds $1,000, such components shall be treated as qualified energy efficiency improvements only if such components are also certified in accordance with subsection (e) as meeting such criteria.

"(e) CERTIFICATION.—The certification described in subsection (d) shall be—

"(1) determined on the basis of the technical specifications or applicable ratings (including product labeling requirements) for the measurement of energy efficiency, based upon energy use or building envelope component performance, for the energy efficient building envelope component,

"(2) provided by a local building regulatory authority, a utility, a manufactured home production inspection primary inspection agency (IPIA), or an accredited home energy rating system provider who is accredited by or otherwise authorized to use approved energy performance measurement methods by the Home Energy Ratings Systems Council or the National Association of State Energy Officials, and

"(3) made in writing in a manner that specifies in readily verifiable fashion the energy efficient building envelope components installed and their respective energy efficiency levels.

"(f) DEFINITIONS AND SPECIAL RULES.—

"(1) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who is a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in such section), such individual shall be treated as having paid his tenant-stockholder's proportionate share (as defined in section 216(b)(3)) of the cost of qualified energy efficiency improvements made by such corporation.

"(2) CONDOMINIUMS.—

"(A) IN GENERAL.—In the case of an individual who is a member of a condominium management association with respect to a condominium which he owns, such individual shall be treated as having paid his proportionate share of the cost of qualified energy efficiency improvements made by such association.

"(B) CONDOMINIUM MANAGEMENT ASSOCIATION.—For purposes of this paragraph, the term 'condominium management association' means an organization which meets the requirements of paragraph (1) of section 528(c) (other than subparagraph (E) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

"(3) BUILDING ENVELOPE COMPONENT.—The term 'building envelope component' means insulation material or system which is specifically and primarily designed to reduce the heat loss or gain of a dwelling when installed in or on such dwelling, exterior windows (including skylights) and doors, and metal roofs with appropriate pigmented coatings which are specifically and primarily designed to reduce the heat gain of a dwelling when installed in or on such dwelling.

"(4) MANUFACTURED HOMES INCLUDED.—For purposes of this section, the term 'dwelling' includes a manufactured home which conforms to Federal Manufactured Home Construction and Safety Standards (24 C.F.R. 3280).

"(g) BASIS ADJUSTMENT.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(h) APPLICATION OF SECTION.—This section shall apply to qualified energy efficiency improvements installed after December 31, 2001 and before January 1, 2007.".

(b) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 1016 is amended by striking "and" at the end of paragraph (30), by striking the period at the end of

paragraph (31) and inserting ", and", and by adding at the end the following new paragraph:

"(32) to the extent provided in section 25E(g), in the case of amounts with respect to which a credit has been allowed under section 25E.".

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 25D the following new item:

"Sec. 25E. Energy efficiency improvements to existing homes.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after December 31, 2001.

SEC. 3109. BUSINESS CREDIT FOR CONSTRUCTION OF NEW ENERGY EFFICIENT HOME.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by inserting after section 45G the following new section:

"SEC. 45H. NEW ENERGY EFFICIENT HOME CREDIT.

"(a) In General.—For purposes of section 38, in the case of an eligible contractor, the credit determined under this section for the taxable year is an amount equal to the aggregate adjusted bases of all energy efficient property installed in a qualified new energy efficient home during construction of such home.

"(b) Limitations.—

"(1) Maximum credit.—

"(A) In general.—The credit allowed by this section with respect to a dwelling shall not exceed $2,000.

"(B) Prior credit amounts on same dwelling taken into account.—If a credit was allowed under subsection (a) with respect to a dwelling in 1 or more prior taxable years, the amount of the credit otherwise allowable for the taxable year with respect to that dwelling shall not exceed the amount of $2,000 reduced by the sum of the credits allowed under subsection (a) with respect to the dwelling for all prior taxable years.

"(2) Coordination with rehabilitation and energy credits.—For purposes of this section—

"(A) the basis of any property referred to in subsection (a) shall be reduced by that portion of the basis of any property which is attributable to qualified rehabilitation expenditures (as defined in section 47(c)(2)) or to the energy percentage of energy property (as determined under section 48(a)), and

"(B) expenditures taken into account under either section 47 or 48(a) shall not be taken into account under this section.

"(c) Definitions.—For purposes of this section—

"(1) Eligible contractor.—The term 'eligible contractor' means the person who constructed the new energy efficient home, or in the case of a manufactured home which conforms to Federal Manufactured Home Construction and Safety Standards (24 C.F.R. 3280), the manufactured home producer of such home.

"(2) Energy efficient property.—The term 'energy efficient property' means any energy efficient building envelope component, and any energy efficient heating or cooling appliance.

"(3) Qualified new energy efficient home.—The term 'qualified new energy efficient home' means a dwelling—

"(A) located in the United States,

"(B) the construction of which is substantially completed after December 31, 2001,

"(C) the original use of which is as a principal residence (within the meaning of section 121) which commences with the person who acquires such dwelling from the eligible contractor, and

"(D) which is certified to have a level of annual heating and cooling energy consumption that is at least 30 percent below the annual level of heating and cooling energy consumption of a comparable dwelling constructed in accordance with the standards of the 1998 International Energy Conservation Code.

"(4) Construction.—The term 'construction' includes reconstruction and rehabilitation.

"(5) Acquire.—The term 'acquire' includes purchase and, in the case of reconstruction and rehabilitation, such term includes a binding written contract for such reconstruction or rehabilitation.

"(6) Building envelope component.—The term 'building envelope component' means insulation material or system which is specifically and primarily designed to reduce the heat loss or gain of a dwelling when installed in or on such dwelling, exterior windows (including skylights) and doors, and metal roofs with appropriate pigmented coatings which are specifically and primarily designed to reduce the heat gain of a dwelling when installed in or on such dwelling.

"(7) Manufactured home included.—The term 'dwelling' includes a manufactured home conforming to Federal Manufactured Home Construction and Safety Standards (24 C.F.R. 3280).

"(d) Certification.—

"(1) Method.—A certification described in subsection (c)(3)(D) shall be determined on the basis of one of the following methods:

"(A) The technical specifications or applicable ratings (including product labeling requirements) for the measurement of energy efficiency for the energy efficient building envelope component or energy efficient heating or cooling appliance, based upon energy use or building envelope component performance.

"(B) An energy performance measurement method that utilizes computer software approved by organizations designated by the Secretary.

"(2) Provider.—Such certification shall be provided by—

"(A) in the case of a method described in paragraph (1)(A), a local building regulatory authority, a utility, a manufactured home production inspection primary inspection agency (IPIA), or an accredited home energy rating systems provider who is accredited by, or otherwise authorized to use, approved energy performance measurement methods by the Home Energy Ratings Systems Council or the National Association of State Energy Officials, or

"(B) in the case of a method described in paragraph (1)(B), an individual recognized by an organization designated by the Secretary for such purposes.

"(3) Form.—Such certification shall be made in writing in a manner that specifies in readily verifiable fashion the energy efficient building envelope components and energy efficient heating or cooling appliances installed and their respective energy efficiency levels, and in the case of a method described in subparagraph (B) of paragraph (1), accompanied by written analysis documenting the proper application of a permissible energy performance measurement method to the specific circumstances of such dwelling.

"(4) Regulations.—

"(A) In general.—In prescribing regulations under this subsection for energy performance measurement methods, the Secretary shall prescribe procedures for calculating annual energy costs for heating and cooling and cost savings and for the reporting of the results. Such regulations shall—

"(i) be based on the National Home Energy Rating Technical Guidelines of the National Association of State Energy Officials, the Home Energy Rating Guidelines of the Home Energy Rating Systems Council, or the modified 1998 California Residential ACM manual,

"(ii) provide that any calculation procedures be developed such that the same energy efficiency measures allow a home to qualify for the credit under this section regardless of whether the house uses a gas or oil furnace or boiler or an electric heat pump, and

"(iii) require that any computer software allow for the printing of the Federal tax forms necessary for the credit under this section and explanations for the homebuyer of the energy efficient features that were used to comply with the requirements of this section.

"(B) Providers.—For purposes of paragraph (2)(B), the Secretary shall establish requirements for the designation of individuals based on the requirements for energy consultants and home energy raters specified by the National Association of State Energy Officials.

"(e) Basis Adjustment.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(f) Application of Section.—Subsection (a) shall apply to dwellings purchased during the period beginning on January 1, 2002, and ending on December 31, 2006.".

(b) Credit Made Part of General Business Credit.—Subsection (b) of section 38 (relating to current year business credit) is amended by striking "plus" at the end of paragraph (15), by striking the period at the end of paragraph (16) and inserting ", plus", and by adding at the end thereof the following new paragraph:

"(17) the new energy efficient home credit determined under section 45H.".

(c) Denial of Double Benefit.—Section 280C (relating to certain expenses for which credits are allowable) is amended by adding at the end thereof the following new subsection:

"(d) New Energy Efficient Home Expenses.—No deduction shall be allowed for that portion of expenses for a new energy efficient home otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for such taxable year under section 45H.".

(d) Limitation on Carryback.—Subsection (d) of section 39 is amended by adding at the end the following new paragraph:

"(12) No carryback of new energy efficient home credit before effective date.—No portion of the unused business credit for any taxable year which is attributable to the credit determined under section 45H may be carried back to any taxable year ending before January 1, 2002.".

(e) Deduction for Certain Unused Business Credits.—Subsection (c) of section 196 is amended by striking "and" at the end of paragraph (9), by striking the period at the end of paragraph (10) and inserting ", and", and by adding after paragraph (10) the following new paragraph:

"(11) the new energy efficient home credit determined under section 45H.".

(f) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 45G the following new item:

"Sec. 45H. New energy efficient home credit.".

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 2001.

SEC. 3110. ALLOWANCE OF DEDUCTION FOR ENERGY EFFICIENT COMMERCIAL BUILDING PROPERTY.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by inserting after section 179A the following new section:

"SEC. 179B. DEDUCTION FOR ENERGY EFFICIENT COMMERCIAL BUILDING PROPERTY.

"(a) ALLOWANCE OF DEDUCTION.—

"(1) IN GENERAL.—There shall be allowed as a deduction an amount equal to energy efficient commercial building property expenditures made by a taxpayer for the taxable year.

"(2) MAXIMUM AMOUNT OF DEDUCTION.—The amount of energy efficient commercial building property expenditures taken into account under paragraph (1) shall not exceed an amount equal to the product of—

"(A) $2.25, and

"(B) the square footage of the building with respect to which the expenditures are made.

"(3) YEAR DEDUCTION ALLOWED.—The deduction under paragraph (1) shall be allowed for the taxable year in which the building is placed in service.

"(b) ENERGY EFFICIENT COMMERCIAL BUILDING PROPERTY EXPENDITURES.—For purposes of this section, the term 'energy efficient commercial building property expenditures' means an amount paid or incurred for energy efficient commercial building property installed on or in connection with new construction or reconstruction of property—

"(1) for which depreciation is allowable under section 167,

"(2) which is located in the United States, and

"(3) the construction or erection of which is completed by the taxpayer.

Such property includes all residential rental property, including low-rise multifamily structures and single family housing property which is not within the scope of Standard 90.1-1999 (described in subsection (c)). Such term includes expenditures for labor costs properly allocable to the onsite preparation, assembly, or original installation of the property.

"(c) ENERGY EFFICIENT COMMERCIAL BUILDING PROPERTY.—For purposes of subsection (b)—

"(1) IN GENERAL.—The term 'energy efficient commercial building property' means any property which reduces total annual energy and power costs with respect to the lighting, heating, cooling, ventilation, and hot water supply systems of the building by 50 percent or more in comparison to a reference building which meets the requirements of Standard 90.1-1999 of the American Society of Heating, Refrigerating, and Air Conditioning Engineers and the Illuminating Engineering Society of North America using methods of calculation under paragraph (2) and certified by qualified professionals as provided under subsection (f).

"(2) METHODS OF CALCULATION.—The Secretary, in consultation with the Secretary of Energy, shall promulgate regulations which describe in detail methods for calculating and verifying energy and power consumption and cost, taking into consideration the provisions of the 1998 California Nonresidential ACM Manual. These procedures shall meet the following requirements:

"(A) In calculating tradeoffs and energy performance, the regulations shall prescribe the costs per unit of energy and power, such as kilowatt hour, kilowatt, gallon of fuel oil, and cubic foot or Btu of natural gas, which may be dependent on time of usage.

"(B) The calculational methodology shall require that compliance be demonstrated for a whole building. If some systems of the building, such as lighting, are designed later than other systems of the building, the method shall provide that either—

"(i) the expenses taken into account under subsection (a) shall not occur until the date designs for all energy-using systems of the building are completed,

"(ii) the energy performance of all systems and components not yet designed shall be assumed to comply minimally with the requirements of such Standard 90.1-1999, or

"(iii) the expenses taken into account under subsection (a) shall be a fraction of such expenses based on the performance of less than all energy-using systems in accordance with subparagraph (C).

"(C) The expenditures in connection with the design of subsystems in the building, such as the envelope, the heating, ventilation, air conditioning and water heating system, and the lighting system shall be allocated to the appropriate building subsystem based on system-specific energy cost savings targets in regulations promulgated by the Secretary of Energy which are equivalent, using the calculation methodology, to the whole building requirement of 50 percent savings.

"(D) The calculational methods under this subparagraph need not comply fully with section 11 of such Standard 90.1-1999.

"(E) The calculational methods shall be fuel neutral, such that the same energy efficiency features shall qualify a building for the deduction under this subsection regardless of whether the heating source is a gas or oil furnace or an electric heat pump.

"(F) The calculational methods shall provide appropriate calculated energy savings for design methods and technologies not otherwise credited in either such Standard 90.1-1999 or in the 1998 California Nonresidential ACM Manual, including the following:

"(i) Natural ventilation.

"(ii) Evaporative cooling.

"(iii) Automatic lighting controls such as occupancy sensors, photocells, and timeclocks.

"(iv) Daylighting.

"(v) Designs utilizing semi-conditioned spaces that maintain adequate comfort conditions without air conditioning or without heating.

"(vi) Improved fan system efficiency, including reductions in static pressure.

"(vii) Advanced unloading mechanisms for mechanical cooling, such as multiple or variable speed compressors.

"(viii) The calculational methods may take into account the extent of commissioning in the building, and allow the taxpayer to take into account measured performance that exceeds typical performance.

"(3) COMPUTER SOFTWARE.—

"(A) IN GENERAL.—Any calculation under this subsection shall be prepared by qualified computer software.

"(B) QUALIFIED COMPUTER SOFTWARE.—For purposes of this paragraph, the term 'qualified computer software' means software—

"(i) for which the software designer has certified that the software meets all procedures and detailed methods for calculating energy and power consumption and costs as required by the Secretary,

"(ii) which provides such forms as required to be filed by the Secretary in connection with energy efficiency of property and the deduction allowed under this section, and

"(iii) which provides a notice form which summarizes the energy efficiency features of the building and its projected annual energy costs.

"(d) ALLOCATION OF DEDUCTION FOR PUBLIC PROPERTY.—In the case of energy efficient commercial building property installed on or in public property, the Secretary shall promulgate a regulation to allow the allocation of the deduction to the person primarily responsible for designing the property in lieu of the public entity which is the owner of such property. Such person shall be treated as the taxpayer for purposes of this section.

"(e) NOTICE TO OWNER.—The qualified individual shall provide an explanation to the owner of the building regarding the energy efficiency features of the building and its projected annual energy costs as provided in the notice under subsection (c)(3)(B)(iii).

"(f) CERTIFICATION.—The Secretary, in consultation with the Secretary of Energy, shall establish requirements for certification and compliance procedures similar to the procedures under section 45H(d).

"(g) BASIS REDUCTION.—For purposes of this title, the basis of any property shall be reduced by the amount of the deduction with respect to such property which is allowed by subsection (a).

"(h) TERMINATION.—This section shall not apply to property placed in service after December 31, 2006.".

(b) CONFORMING AMENDMENTS.—

(1) Section 1016(a) is amended by striking "and" at the end of paragraph (31), by striking the period at the end of paragraph (32) and inserting ", and", and by inserting the following new paragraph:

"(33) to the extent provided in section 179B(g).".

(2) Section 1245(a) is amended by inserting "179B," after "179A," both places it appears in paragraphs (2)(C) and (3)(C).

(3) Section 1250(b)(3) is amended by inserting before the period at the end of the first sentence "or by section 179B".

(4) Section 263(a)(1) is amended by striking "or" at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting ", or", and by inserting after subparagraph (H) the following new subparagraph:

"(I) expenditures for which a deduction is allowed under section 179B.".

(5) Section 312(k)(3)(B) is amended by striking "or 179A" each place it appears in the heading and text and inserting ", 179A, or 179B".

(c) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 is amended by adding after section 179A the following new item:

"Sec. 179B. Deduction for energy efficient commercial building property.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 3111. ALLOWANCE OF DEDUCTION FOR QUALIFIED ENERGY MANAGEMENT DEVICES AND RETROFITTED QUALIFIED METERS.

(a) In General.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by inserting after section 179B the following new section:

"SEC. 179C. DEDUCTION FOR QUALIFIED ENERGY MANAGEMENT DEVICES AND RETROFITTED METERS.

"(a) Allowance of Deduction.—In the case of a taxpayer who is a supplier of electric energy or natural gas or a provider of electric energy or natural gas services, there shall be allowed as a deduction an amount equal to the cost of each qualified energy management device placed in service during the taxable year.

"(b) Maximum Deduction.—The deduction allowed by this section with respect to each qualified energy management device shall not exceed $30.

"(c) Qualified Energy Management Device.—The term 'qualified energy management device' means any tangible property to which section 168 applies if such property is a meter or metering device—

"(1) which is acquired and used by the taxpayer to enable consumers to manage their purchase or use of electricity or natural gas in response to energy price and usage signals, and

"(2) which permits reading of energy price and usage signals on at least a daily basis.

"(d) Property Used Outside the United States Not Qualified.—No deduction shall be allowed under subsection (a) with respect to property which is used predominantly outside the United States or with respect to the portion of the cost of any property taken into account under section 179.

"(e) Basis Reduction.—

"(1) In general.—For purposes of this title, the basis of any property shall be reduced by the amount of the deduction with respect to such property which is allowed by subsection (a).

"(2) Ordinary income recapture.—For purposes of section 1245, the amount of the deduction allowable under subsection (a) with respect to any property that is of a character subject to the allowance for depreciation shall be treated as a deduction allowed for depreciation under section 167.".

(b) Conforming Amendments.—

(1) Section 263(a)(1) is amended by striking "or" at the end of subparagraph (H), by striking the period at the end of subparagraph (I) and inserting ", or", and by inserting after subparagraph (I) the following new subparagraph:

"(J) expenditures for which a deduction is allowed under section 179C.".

(2) Section 312(k)(3)(B) is amended by striking "or 179B" each place it appears in the heading and text and inserting ", 179B, or 179C".

(3) Section 1016(a) is amended by striking "and" at the end of paragraph (32), by striking the period at the end of paragraph (33) and inserting ", and", and by inserting after paragraph (33) the following new paragraph:

"(34) to the extent provided in section 179C(e)(1).".

(4) Section 1245(a) is amended by inserting "179C," after "179B," both places it appears in paragraphs (2)(C) and (3)(C).

(5) The table of contents for subpart B of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 179B the following new item:

"Sec. 179C. Deduction for qualified energy management devices and retrofitted meters.".

(c) Effective Date.—The amendments made by this section shall apply to qualified energy management devices placed in service after the date of the enactment of this Act.

SEC. 3112. 3-YEAR APPLICABLE RECOVERY PERIOD FOR DEPRECIATION OF QUALIFIED ENERGY MANAGEMENT DEVICES.

(a) In General.—Subparagraph (A) of section 168(e)(3) (relating to classification of property) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following new clause:

"(iv) any qualified energy management device.".

(b) Definition of Qualified Energy Management Device.—Section 168(i) (relating to definitions and special rules) is amended by inserting at the end the following new paragraph:

"(15) Qualified energy management device.—The term 'qualified energy management device' means any qualified energy management device as defined in section 179C(c) which is placed in service by a taxpayer who is a supplier of electric energy or natural gas or a provider of electric energy or natural gas services.".

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 3113. ENERGY CREDIT FOR COMBINED HEAT AND POWER SYSTEM PROPERTY.

(a) In General.—Subparagraph (A) of section 48(a)(3) (defining energy property) is amended by striking "or" at the end of clause (ii), by adding "or" at the end of clause (iii), and by inserting after clause (iii) the following new clause:

"(iv) combined heat and power system property,".

(b) Combined Heat and Power System Property.—Subsection (a) of section 48 is amended by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively, and by inserting after paragraph (4) the following new paragraph:

"(5) Combined heat and power system property.—For purposes of this subsection—

"(A) Combined heat and power system property.—The term 'combined heat and power system property' means property comprising a system—

"(i) which uses the same energy source for the simultaneous or sequential generation of electrical power, mechanical shaft power, or both, in combination with the generation of steam or other forms of useful thermal energy (including heating and cooling applications),

"(ii) which has an electrical capacity of more than 50 kilowatts or a mechanical energy capacity of more than 67 horsepower or an equivalent combination of electrical and mechanical energy capacities,

"(iii) which produces—

"(I) at least 20 percent of its total useful energy in the form of thermal energy, and

"(II) at least 20 percent of its total useful energy in the form of electrical or mechanical power (or combination thereof),

"(iv) the energy efficiency percentage of which exceeds 60 percent (70 percent in the case of a system with an electrical capacity in excess of 50 megawatts or a mechanical energy capacity in excess of 67,000 horsepower, or an equivalent combination of electrical and mechanical energy capacities), and

"(v) which is placed in service after December 31, 2001, and before January 1, 2007.

"(B) Special rules.—

"(i) Energy efficiency percentage.—For purposes of subparagraph (A)(iv), the energy efficiency percentage of a system is the fraction—

"(I) the numerator of which is the total useful electrical, thermal, and mechanical power produced by the system at normal operating rates, and

"(II) the denominator of which is the lower heating value of the primary fuel source for the system.

"(ii) Determinations made on Btu basis.—The energy efficiency percentage and the percentages under subparagraph (A)(iii) shall be determined on a Btu basis.

"(iii) Input and output property not included.—The term 'combined heat and power system property' does not include property used to transport the energy source to the facility or to distribute energy produced by the facility.

"(iv) Public utility property.—

"(I) Accounting rule for public utility property.—If the combined heat and power system property is public utility property (as defined in section 168(i)(1)), the taxpayer may only claim the credit under the subsection if, with respect to such property, the taxpayer uses a normalization method of accounting.

"(II) Certain exception not to apply.—The matter in paragraph (3) which follows subparagraph (D) shall not apply to combined heat and power system property.

"(C) Extension of depreciation recovery period.—If a taxpayer is allowed credit under this section for combined heat and power system property and such property would (but for this subparagraph) have a class life of 15 years or less under section 168, such property shall be treated as having a 22-year class life for purposes of section 168.".

(c) No Carryback of Energy Credit Before Effective Date.—Subsection (d) of section 39 is amended by adding at the end the following new paragraph:

"(13) No carryback of energy credit before effective date.—No portion of the unused business credit for any taxable year which is attributable to the energy credit with respect to property described in section 48(a)(5) may be carried back to a taxable year ending before January 1, 2002.".

(d) Effective Date.—The amendments made by this section shall apply to property placed in service after December 31, 2001.

SEC. 3114. NEW NONREFUNDABLE PERSONAL CREDITS ALLOWED AGAINST REGULAR AND MINIMUM TAXES.

(a) In General.—Paragraph (1) of section 26(a) is amended by striking "and 25B" and inserting "25B, 25C, 25D, and 25E".

(b) Conforming Amendments.—

(1) Section 24(b)(3)(B) is amended by striking "and 25B" and inserting ", 25B, 25C, 25D, and 25E".

(2) Section 25(e)(1)(C) is amended by inserting "25C, 25D, and 25E" after "25B,".

(3) Section 25B(g)(2) is amended by striking "section 23" and inserting "sections 23, 25C, 25D, and 25E".

(4) Section 904(h) is amended by striking "and 25B" and inserting "25B, 25C, 25D, and 25E".

(5) Section 1400C(d) is amended by striking "and 25B" and inserting "25B, 25C, 25D, and 25E".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 3115. PHASEOUT OF 4.3-CENT MOTOR FUEL EXCISE TAXES ON RAILROADS AND INLAND WATERWAY TRANSPORTATION WHICH REMAIN IN GENERAL FUND.

(a) Taxes on Trains.—

(1) In general.—Clause (ii) of section 4041(a)(1)(C) is amended by striking subclauses (I), (II), and (III) and inserting the following new subclauses:

"(I) 3.3 cents per gallon after September 30, 2001, and before January 1, 2005,

"(II) 2.3 cents per gallon after December 31, 2004, and before January 1, 2007,

"(III) 1.3 cents per gallon after December 31, 2006, and before January 1, 2009,

"(IV) 0.3 cent per gallon after December 31, 2008, and before January 1, 2010, and

"(V) 0 after December 31, 2009.".

(2) Conforming amendments.—

(A) Subsection (d) of section 4041 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) Diesel fuel used in trains.—In the case of any sale for use (or use) after September 30, 2010, there is hereby imposed a tax of 0.1 cent per gallon on any liquid other than gasoline (as defined in section 4083)—

"(A) sold by any person to an owner, lessee, or other operator of a diesel-powered train for use as a fuel in such train, or

"(B) used by any person as a fuel in a diesel-powered train unless there was a taxable sale of such fuel under subparagraph (A).

No tax shall be imposed by this paragraph on the sale or use of any liquid if tax was imposed on such liquid under section 4081."

(B) Subsection (f) of section 4082 is amended by striking "section 4041(a)(1)" and inserting "subsections (a)(1) and (d)(3) of section 4041".

(C) Subparagraph (B) of section 6421(f)(3) is amended to read as follows:

"(B) so much of the rate specified in section 4081(a)(2)(A) as does not exceed the rate applicable under section 4041(a)(1)(C)(ii).".

(D) Subparagraph (B) of section 6427(l)(3) is amended to read as follows:

"(B) so much of the rate specified in section 4081(a)(2)(A) as does not exceed the rate applicable under section 4041(a)(1)(C)(ii).".

(b) Fuel Used on Inland Waterways.—Subparagraph (C) of section 4042(b)(2) is amended to read as follows:

"(C) The deficit reduction rate is—

"(i) 3.3 cents per gallon after September 30, 2001, and before January 1, 2005,

"(ii) 2.3 cents per gallon after December 31, 2004, and before January 1, 2007,

"(iii) 1.3 cents per gallon after December 31, 2006, and before January 1, 2009,

"(iv) 0.3 cent per gallon after December 31, 2008, and before January 1, 2010, and

"(v) 0 after December 31, 2009.".

(c) Effective Date.—The amendments made by this section shall take effect on October 1, 2001.

SEC. 3116. REDUCED MOTOR FUEL EXCISE TAX ON CERTAIN MIXTURES OF DIESEL FUEL.

(a) In General.—Clause (iii) of section 4081(a)(2)(A) is amended by inserting before the period "(19.7 cents per gallon in the case of a diesel-water fuel emulsion at least 14 percent of which is water)".

(b) Refunds for Tax-Paid Purchases.—

(1) In general.—Section 6427 is amended by redesignating subsections (m) through (p) as subsections (n) through (q), respectively, and by inserting after subsection (l) the following new subsection:

"(m) Diesel Fuel Used To Produce Emulsion.—

"(1) In general.—Except as provided in subsection (k), if any diesel fuel on which tax was imposed by section 4081 at the regular tax rate is used by any person in producing an emulsion described in section 4081(a)(2)(A) which is sold or used in such person's trade or business, the Secretary shall pay (without interest) to such person an amount equal to the excess of the regular tax rate over the incentive tax rate with respect to such fuel.

"(2) Definitions.—For purposes of paragraph (1)—

"(A) Regular tax rate.—The term 'regular tax rate' means the aggregate rate of tax imposed by section 4081 determined without regard to the parenthetical in section 4081(a)(2)(A).

"(B) Incentive tax rate.—The term 'incentive tax rate' means the aggregate rate of tax imposed by section 4081 determined with regard to the parenthetical in section 4081(a)(2)(A)."

(c) Effective Date.—The amendments made by this section shall take effect on October 1, 2001.

SEC. 3117. CREDIT FOR INVESTMENT IN QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY.

(a) Allowance of Qualifying Advanced Clean Coal Technology Facility Credit.—Section 46 (relating to amount of credit) is amended by striking "and" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ", and", and by adding at the end the following:

"(4) the qualifying advanced clean coal technology facility credit.".

(b) Amount of Qualifying Advanced Clean Coal Technology Facility Credit.—Subpart E of part IV of subchapter A of chapter 1 (relating to rules for computing investment credit) is amended by inserting after section 48 the following:

"SEC. 48A. QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY FACILITY CREDIT.

"(a) In General.—For purposes of section 46, the qualifying advanced clean coal technology facility credit for any taxable year is an amount equal to 10 percent of the qualified investment in a qualifying advanced clean coal technology facility for such taxable year.

"(b) Qualifying Advanced Clean Coal Technology Facility.—

"(1) In general.—For purposes of subsection (a), the term 'qualifying advanced clean coal technology facility' means a facility of the taxpayer which—

"(A)(i)(I) original use of which commences with the taxpayer, or

"(II) is a retrofitted or repowered conventional technology facility, the retrofitting or repowering of which is completed by the taxpayer (but only with respect to that portion of the basis which is properly attributable to such retrofitting or repowering), or

"(ii) is acquired through purchase (as defined by section 179(d)(2)),

"(B) is depreciable under section 167,

"(C) has a useful life of not less than 4 years,

"(D) is located in the United States, and

"(E) uses qualifying advanced clean coal technology.

"(2) Special rule for sale-leasebacks.—For purposes of subparagraph (A) of paragraph (1), in the case of a facility which—

"(A) is originally placed in service by a person, and

"(B) is sold and leased back by such person, or is leased to such person, within 3 months after the date such facility was originally placed in service, for a period of not less than 12 years,

such facility shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback (or lease) referred to in subparagraph (B). The preceding sentence shall not apply to any property if the lessee and lessor of such property make an election under this sentence. Such an election, once made, may be revoked only with the consent of the Secretary.

"(c) Qualifying Advanced Clean Coal Technology.—For purposes of this section—

"(1) In general.—The term 'qualifying advanced clean coal technology' means, with respect to clean coal technology—

"(A) which has—

"(i) multiple applications, with a combined capacity of not more than 5,000 megawatts (4,000 megawatts before 2009), of advanced pulverized coal or atmospheric fluidized bed combustion technology—

"(I) installed as a new, retrofit, or repowering application,

"(II) operated between 2000 and 2012, and

"(III) having a design net heat rate of not more than 9,500 Btu per kilowatt hour when the design coal has a heat content of more than 9,000 Btu per pound, or a design net heat rate of not more than 9,900 Btu per kilowatt hour when the design coal has a heat content of 9,000 Btu per pound or less,

"(ii) multiple applications, with a combined capacity of not more than 1,000 megawatts (500 megawatts before 2009 and 750 megawatts before 2013), of pressurized fluidized bed combustion technology—

"(I) installed as a new, retrofit, or repowering application,

"(II) operated between 2000 and 2016, and

"(III) having a design net heat rate of not more than 8,400 Btu per kilowatt hour when the design coal has a heat content of more than 9,000 Btu per pound, or a design net heat rate of not more than 9,900 Btu's per kilowatt hour when the design coal has a heat content of 9,000 Btu per pound or less, and

"(iii) multiple applications, with a combined capacity of not more than 2,000 megawatts (1,000 megawatts before 2009 and 1,500 megawatts before 2013), of integrated gasification combined cycle technology, with or without fuel or chemical co-production—

"(I) installed as a new, retrofit, or repowering application,

"(II) operated between 2000 and 2016,

"(III) having a design net heat rate of not more than 8,550 Btu per kilowatt hour when the design coal has a heat content of more than 9,000 Btu per pound, or a design net heat rate of not more than 9,900 Btu per kilowatt hour when the design coal has a heat content of 9,000 Btu per pound or less, and

"(IV) having a net thermal efficiency on any fuel or chemical co-production of not less than 39 percent (higher heating value), or

"(iv) multiple applications, with a combined capacity of not more than 2,000 megawatts (1,000 megawatts before 2009 and 1,500 megawatts before 2013) of technology for the production of electricity—

"(I) installed as a new, retrofit, or repowering application,

"(II) operated between 2000 and 2016, and

"(III) having a carbon emission rate which is not more than 85 percent of conventional technology, and

"(B) which reduces the discharge into the atmosphere of 1 or more of the following pollutants to not more than—

"(i) 5 percent of the potential combustion concentration sulfur dioxide emissions for a coal with a potential combustion concentration sulfur emission of 1.2 lb/million btu of heat input or greater, "(ii) 15 percent of the potential combustion concentration sulfur dioxide emissions for a coal with a potential combustion concentration sulfur emission of less than 1.2 lb/million btu of heat input,

"(iii) nitrogen oxide emissions of 0.1 lb per million btu of heat input from other than cyclone-fired boilers,

"(iv) 15 percent of the uncontrolled nitrogen oxide emissions from cyclone-fired boilers,

"(v) particulate emissions of 0.02 lb per million btu of heat input, and

"(vi) the emission levels specified in the new source performance standards of the Clean Air Act (42 U.S.C. 7411) in effect at the time of retrofitting, repowering, or replacement of the qualifying clean coal technology unit for the category of source if such level is lower than the levels specified in clause (i), (ii), (iii), (iv), or (v).

"(2) Exceptions.—Such term shall not include any projects receiving or scheduled to receive funding under the Clean Coal Technology Program, or the Power Plant Improvement administered by the Secretary of the Department of Energy.

"(d) Clean Coal Technology.—For purposes of this section, the term 'clean coal technology' means advanced technology which uses coal to produce 75 percent or more of its thermal output as electricity including advanced pulverized coal or atmospheric fluidized bed combustion, pressurized fluidized bed combustion, integrated gasification combined cycle with or without fuel or chemical co-production, and any other technology for the production of electricity which exceeds the performance of conventional technology.

"(e) Conventional Technology.—The term 'conventional technology' means—

"(1) coal-fired combustion technology with a design net heat rate of not less than 9,500 Btu per kilowatt hour (HHV) and a carbon equivalents emission rate of not more than 0.54 pounds of carbon per kilowatt hour when the design coal has a heat content of more than 9,000 Btu per pound,

"(2) coal-fired combustion technology with a design net heat rate of not less than 10,500 Btu per kilowatt hour (HHV) and a carbon equivalents emission rate of not more than 0.60 pounds of carbon per kilowatt hour when the design coal has a heat content of 9,000 Btu per pound or less, or

"(3) natural gas-fired combustion technology with a design net heat rate of not less than 7,500 Btu per kilowatt hour (HHV) and a carbon equivalents emission rate of not more than 0.24 pounds of carbon per kilowatt hour.

"(f) Design Net Heat Rate.—The design net heat rate shall be based on the design annual heat input to and the design annual net electrical output from the qualifying advanced clean coal technology (determined without regard to such technology's co-generation of steam).

"(g) Selection Criteria.—Selection criteria for qualifying advanced clean coal technology facilities—

"(1) shall be established by the Secretary of Energy as part of a competitive solicitation,

"(2) shall include primary criteria of minimum design net heat rate, maximum design thermal efficiency, environmental performance, and lowest cost to the government, and

"(3) shall include supplemental criteria as determined appropriate by the Secretary of Energy.

"(h) Qualified Investment.—For purposes of subsection (a), the term 'qualified investment' means, with respect to any taxable year, the basis of a qualifying advanced clean coal technology facility placed in service by the taxpayer during such taxable year.

"(i) Qualified Progress Expenditures.—

"(1) Increase in qualified investment.—In the case of a taxpayer who has made an election under paragraph (5), the amount of the qualified investment of such taxpayer for the taxable year (determined under subsection (c) without regard to this section) shall be increased by an amount equal to the aggregate of each qualified progress expenditure for the taxable year with respect to progress expenditure property.

"(2) Progress expenditure property defined.—For purposes of this subsection, the term 'progress expenditure property' means any property being constructed by or for the taxpayer and which it is reasonable to believe will qualify as a qualifying advanced clean coal technology facility which is being constructed by or for the taxpayer when it is placed in service.

"(3) Qualified progress expenditures defined.—For purposes of this subsection—

"(A) Self-constructed property.—In the case of any self-constructed property, the term 'qualified progress expenditures' means the amount which, for purposes of this subpart, is properly chargeable (during such taxable year) to capital account with respect to such property.

"(B) Nonself-constructed property.—In the case of nonself-constructed property, the term 'qualified progress expenditures' means the amount paid during the taxable year to another person for the construction of such property.

"(4) Other definitions.—For purposes of this subsection—

"(A) Self-constructed property.—The term 'self-constructed property' means property for which it is reasonable to believe that more than half of the construction expenditures will be made directly by the taxpayer.

"(B) Nonself-constructed property.—The term 'nonself-constructed property' means property which is not self-constructed property.

"(C) Construction, etc.—The term 'construction' includes reconstruction and erection, and the term 'constructed' includes reconstructed and erected.

"(D) Only construction of qualifying advanced clean coal technology facility to be taken into account.—Construction shall be taken into account only if, for purposes of this subpart, expenditures therefor are properly chargeable to capital account with respect to the property.

"(5) Election.—An election under this subsection may be made at such time and in such manner as the Secretary may by regulations prescribe. Such an election shall apply to the taxable year for which made and to all subsequent taxable years. Such an election, once made, may not be revoked except with the consent of the Secretary.

"(j) Coordination With Other Credits.—This section shall not apply to any property with respect to which the rehabilitation credit under section 47 or the energy credit under section 48 is allowed unless the taxpayer elects to waive the application of such credit to such property.

"(k) Termination.—This section shall not apply with respect to any qualified investment made after December 31, 2011.

"(l) National Limitation.—

"(1) In general.—Notwithstanding any other provision of this section, the term 'qualifying advanced clean coal technology facility' shall include such a facility only to the extent that such facility is allocated a portion of the national megawatt limitation under this subsection.

"(2) National megawatt limitation.—The national megawatt limitation under this subsection is 7,500 megawatts.

"(3) Allocation of limitation.—The national megawatt limitation shall be allocated by the Secretary under rules prescribed by the Secretary. Not later than 6 months after the date of enactment of this subsection, the Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations—

"(A) to limit which facility qualifies as 'qualified advanced clean coal technology' in subsection (c) to particular facilities, a portion of particular facilities, or a portion of the production from particular facilities, so that when all such facilities (or portions thereof) are placed in service over the ten year period in section (k), the combination of facilities approved for tax credits (and/or portions of facilities approved for tax credits) will not exceed a combined capacity of 7,500 megawatts;

"(B) to provide a certification process in consultation with the Secretary of Energy under subsection (g) that will approve and allocate the 7,500 megawatts of available tax credits authority—

"(i) to encourage that facilities with the highest thermal efficiencies and environmental performance be placed in service as soon as possible;

"(ii) to allocate credits to taxpayers that have a definite and credible plan for placing into commercial operation a qualifying advanced clean coal technology facility, including—

"(I) a site,

"(II) contractual commitments for procurement and construction,

"(III) filings for all necessary preconstruction approvals,

"(IV) a demonstrated record of having successfully completed comparable projects on a timely basis, and

"(V) such other factors that the Secretary shall determine are appropriate;

"(iii) to allocate credits to a portion of a facility (or a portion of the production from a facility) if the Secretary determines that such an allocation should maximize the amount of efficient production encouraged with the available tax credits;

"(C) to set progress requirements and conditional approvals so that credits for approved projects that become unlikely to meet the necessary conditions that can be reallocated by the Secretary to other projects;

"(D) to reallocate credits that are not allocated to 1 technology described in clauses (i) through (iv) of subsection (c)(1)(A) because an insufficient number of qualifying facilities requested credits for one technology, to another technology described in another subparagraph of subsection (c) in order to maximize the amount of energy efficient production encouraged with the available tax credits; and

"(E) to provide taxpayers with opportunities to correct administrative errors and omissions with respect to allocations and recordkeeping within a reasonable period after their discovery, taking into account the availability of regulations and other administrative guidance from the Secretary.".

(c) Recapture.—Section 50(a) (relating to other special rules) is amended by adding at the end the following:

"(6) SPECIAL RULES RELATING TO QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY FACILITY.—For purposes of applying this subsection in the case of any credit allowable by reason of section 48A, the following shall apply:

"(A) GENERAL RULE.—In lieu of the amount of the increase in tax under paragraph (1), the increase in tax shall be an amount equal to the investment tax credit allowed under section 38 for all prior taxable years with respect to a qualifying advanced clean coal technology facility (as defined by section 48A(b)(1)) multiplied by a fraction whose numerator is the number of years remaining to fully depreciate under this title the qualifying advanced clean coal technology facility disposed of, and whose denominator is the total number of years over which such facility would otherwise have been subject to depreciation. For purposes of the preceding sentence, the year of disposition of the qualifying advanced clean coal technology facility property shall be treated as a year of remaining depreciation.

"(B) PROPERTY CEASES TO QUALIFY FOR PROGRESS EXPENDITURES.—Rules similar to the rules of paragraph (2) shall apply in the case of qualified progress expenditures for a qualifying advanced clean coal technology facility under section 48A, except that the amount of the increase in tax under subparagraph (A) of this paragraph shall be substituted in lieu of the amount described in such paragraph (2).

"(C) APPLICATION OF PARAGRAPH.—This paragraph shall be applied separately with respect to the credit allowed under section 38 regarding a qualifying advanced clean coal technology facility.".

(d) TRANSITIONAL RULE.—Section 39(d) (relating to transitional rules) is amended by adding at the end the following:

"(14) NO CARRYBACK OF SECTION 48A CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the qualifying advanced clean coal technology facility credit determined under section 48A may be carried back to a taxable year ending before January 1, 2002.".

(e) TECHNICAL AMENDMENTS.—

(1) Section 49(a)(1)(C) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following:

"(iv) the portion of the basis of any qualifying advanced clean coal technology facility attributable to any qualified investment (as defined by section 48A(c))."

(2) Section 50(a)(4) is amended by striking "and (2)" and inserting ", (2), and (6)".

(3) Section 50(c) is amended by adding at the end the following new paragraph:

"(6) SPECIAL RULE FOR QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY FACILITIES.—Paragraphs (1) and (2) shall not apply to any property with respect to the credit determined under section 48A."

(4) The table of sections for subpart E of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 48 the following:

"Sec. 48A. Qualifying advanced clean coal technology facility credit.".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2001, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of enactment of the Revenue Reconciliation Act of 1990).

SEC. 3118. CREDIT FOR PRODUCTION FROM QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY.

(a) CREDIT FOR PRODUCTION FROM QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding after section 45J the following:

"SEC. 45K. CREDIT FOR PRODUCTION FROM QUALIFYING ADVANCED CLEAN COAL TECHNOLOGY.

"(a) GENERAL RULE.—For purposes of section 38, the qualifying advanced clean coal technology production credit of any taxpayer for any taxable year is equal to—

"(1) the applicable amount of advanced clean coal technology production credit, multiplied by

"(2) the sum of—

"(A) the kilowatt hours of electricity, plus

"(B) each 3,413 Btu of fuels or chemicals,

produced by the taxpayer during such taxable year at a qualifying advanced clean coal technology facility during the 10-year period beginning on the date the facility was originally placed in service.

"(b) APPLICABLE AMOUNT.—For purposes of this section, the applicable amount of advanced clean coal technology production credit with respect to production from a qualifying advanced clean coal technology facility shall be determined as follows:

"(1) Where the design coal has a heat content of more than 9,000 Btu per pound:

"(A) In the case of a facility originally placed in service before 2009, if—

"The facility design net heat rate, Btu/kWh (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not more than 8,400	$.0060	$.0038
More than 8,400 but not more than 8,550	$.0025	$.0010
More than 8,550 but not more than 8,750	$.0010	$.0010.

"(B) In the case of a facility originally placed in service after 2008 and before 2013, if—

"The facility design net heat rate, Btu/kWh (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not more than 7,770	$.0105	$.0090
More than 7,770 but not more than 8,125	$.0085	$.0068
More than 8,125 but not more than 8,350	$.0075	$.0055.

"(C) In the case of a facility originally placed in service after 2012 and before 2017, if—

"The facility design net heat rate, Btu/kWh (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not more than 7,380	$.0140	$.01
More than 7,380 but not more than 7,720	$.0120	$.0090.

"(2) Where the design coal has a heat content of not more than 9,000 Btu per pound:

"(A) In the case of a facility originally placed in service before 2009, if—

"The facility design net heat rate, Btu/kWh (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not more than 8,500	$.0060	$.0038
More than 8,500 but not more than 8,650	$.0025	$.0010
More than 8,650 but not more than 8,750	$.0010	$.0010.

"(B) In the case of a facility originally placed in service after 2008 and before 2013, if—

"The facility design net heat rate, Btu/kWh (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not more than 8,000	$.0105	$.009
More than 8,000 but not more than 8,250	$.0085	$.0068
More than 8,250 but not more than 8,400	$.0075	$.0055.

"(C) In the case of a facility originally placed in service after 2012 and before 2017, if—

"The facility design net heat rate, Btu/kWh (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not more than 7,800	$.0140	$.0115
More than 7,800 but not more than 7,950	$.0120	$.0090.

"(3) Where the clean coal technology facility is producing fuel or chemicals:

"(A) In the case of a facility originally placed in service before 2009, if—

"The facility design net thermal efficiency (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not less than 40.6 percent	$.0060	$.0038
Less than 40.6 but not less than 40 percent	$.0025	$.0010
Less than 40 but not less than 39 percent	$.0010	$.0010.

"(B) In the case of a facility originally placed in service after 2008 and before 2013, if—

"The facility design net thermal efficiency (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not less than 43.9 percent	$.0105	$.009
Less than 43.9 but not less than 42 percent	$.0085	$.0068
Less than 42 but not less than 40.9 percent	$.0075	$.0055.

"(C) In the case of a facility originally placed in service after 2012 and before 2017, if—

“The facility design net thermal efficiency (HHV) is equal to:	The applicable amount is:	
	For 1st 5 years of such service	For 2d 5 years of such service
Not less than 44.2 percent	$.0140	$.0115
Less than 44.2 but not less than 43.6 percent	$.0120	$.0090.

“(c) Inflation Adjustment Factor.—For calendar years after 2001, each amount in paragraphs (1), (2), and (3) shall be adjusted by multiplying such amount by the inflation adjustment factor for the calendar year in which the amount is applied. If any amount as increased under the preceding sentence is not a multiple of 0.01 cent, such amount shall be rounded to the nearest multiple of 0.01 cent.

“(d) Definitions and Special Rules.—For purposes of this section—

“(1) In general.—Any term used in this section which is also used in section 48A shall have the meaning given such term in section 48A.

“(2) Applicable rules.—The rules of paragraphs (3), (4), and (5) of section 45 shall apply.

“(3) Inflation adjustment factor.—The term ‘inflation adjustment factor’ means, with respect to a calendar year, a fraction the numerator of which is the GDP implicit price deflator for the preceding calendar year and the denominator of which is the GDP implicit price deflator for the calendar year 2001.

“(4) GDP implicit price deflator.—The term ‘GDP implicit price deflator’ means the most recent revision of the implicit price deflator for the gross domestic product as computed by the Department of Commerce before March 15 of the calendar year.”.

(b) Credit Treated as Business Credit.—Section 38(b) is amended by striking “plus” at the end of paragraph (18), by striking the period at the end of paragraph (19) and inserting “, plus”, and by adding at the end the following:

“(20) the qualifying advanced clean coal technology production credit determined under section 45K(a).”.

(c) Transitional Rule.—Section 39(d) (relating to transitional rules) is amended by adding after paragraph (14) the following:

“(15) No carryback of section 45K credit before effective date.—No portion of the unused business credit for any taxable year which is attributable to the qualifying advanced clean coal technology production credit determined under section 45K may be carried back to a taxable year ending before the date of enactment of section 45K.”.

(d) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following:

“Sec. 45K. Credit for production from qualifying advanced clean coal technology.”.

(e) Effective Date.—The amendments made by this section shall apply to production after the date of enactment of this Act.

TITLE II—RELIABILITY

SEC. 3201. NATURAL GAS GATHERING LINES TREATED AS 7-YEAR PROPERTY.

(a) In General.—Subparagraph (C) of section 168(e)(3) (relating to classification of certain property) is amended by striking “and” at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

“(ii) any natural gas gathering line, and”.

(b) Natural Gas Gathering Line.—Subsection (i) of section 168 is amended by adding after paragraph (15) the following new paragraph:

“(16) Natural gas gathering line.—The term ‘natural gas gathering line’ means—

“(A) the pipe, equipment, and appurtenances determined to be a gathering line by the Federal Energy Regulatory Commission, or

“(B) the pipe, equipment, and appurtenances used to deliver natural gas from the wellhead or a commonpoint to the point at which such gas first reaches—

“(i) a gas processing plant,

“(ii) an interconnection with a transmission pipeline certificated by the Federal Energy Regulatory Commission as an interstate transmission pipeline,

“(iii) an interconnection with an intrastate transmission pipeline, or

“(iv) a direct interconnection with a local distribution company, a gas storage facility, or an industrial consumer.”.

(c) Alternative System.—The table contained in section 168(g)(3)(B) is amended by inserting after the item relating to subparagraph (C)(i) the following:

“(C)(ii) .... 10”.

(d) Alternative Minimum Tax Exception.—Subparagraph (B) of section 56(a)(1) is amended by inserting before the period the following: “or in clause (ii) of section 168(e)(3)(C)”.

(e) Effective Date.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 3202. NATURAL GAS DISTRIBUTION LINES TREATED AS 10-YEAR PROPERTY.

(a) In General.—Subparagraph (D) of section 168(e)(3) (relating to classification of certain property) is amended by striking “and” at the end of clause (i), by striking the period at the end of clause (ii) and by inserting “, and”, and by adding at the end the following new clause:

“(iii) any natural gas distribution line.”

(b) Alternative System.—The table contained in section 168(g)(3)(B) is amended by inserting after the item relating to subparagraph (D)(ii) the following:

“(D)(iii) .... 20”.

(c) Alternative Minimum Tax Exception.—Subparagraph (B) of section 56(a)(1) is amended by inserting before the period the following: “or in clause (iii) of section 168(e)(3)(D)”.

(d) Effective Date.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 3203. PETROLEUM REFINING PROPERTY TREATED AS 7-YEAR PROPERTY.

(a) In General.—Subparagraph (C) of section 168(e)(3) (relating to classification of certain property), as amended by section 3201, is amended by striking “and” at the end of clause (ii), by redesignating clause (iii) as clause (iv), and by inserting after clause (ii) the following new clause:

“(iii) any property used for the distillation, fractionation, and catalytic cracking of crude petroleum into gasoline and its other components, and”.

(b) Alternative System.—The table contained in section 168(g)(3)(B), as amended by section 3201, is amended by inserting after the item relating to subparagraph (C)(ii) the following:

“(C)(iii) .... 10”.

(c) Alternative Minimum Tax Exception.—Subparagraph (B) of section 56(a)(1), as amended by section 3201, is amended by inserting “or (iii)” after “clause (ii)”.

(d) Effective Date.—The amendment made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 3204. EXPENSING OF CAPITAL COSTS INCURRED IN COMPLYING WITH ENVIRONMENTAL PROTECTION AGENCY SULFUR REGULATIONS.

(a) In General.—Section 179(b) (relating to election to expense certain depreciable business assets) is amended by adding at the end the following new paragraph:

“(5) Limitation for small business refiners.—

“(A) In general.—In the case of a small business refiner electing to expense qualified costs, in lieu of the dollar limitations in paragraph (1), the limitation on the aggregate costs which may be taken into account under subsection (a) for any taxable year shall not exceed 75 percent of the qualified costs.

“(B) Qualified costs.—For purposes of this paragraph, the term ‘qualified costs’ means costs paid or incurred by a small business refiner for the purpose of complying with the Highway Diesel Fuel Sulfur Control Requirements of the Environmental Protection Agency.

“(C) Small business refiner.—For purposes of this paragraph, the term ‘small business refiner’ means, with respect to any taxable year, a refiner which, within the refining operations of the business, employs not more than 1,500 employees on business days during such taxable year performing services in the refining operations of such businesses and has an average total capacity of 155,000 barrels per day or less.”.

(b) Effective Date.—The amendment made by this section shall apply to expenses paid or incurred after the date of the enactment of this Act.

SEC. 3205. ENVIRONMENTAL TAX CREDIT.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 (relating to business-related credits) is amended by adding at the end the following new section:

“SEC. 45I. ENVIRONMENTAL TAX CREDIT.

“(a) In General.—For purposes of section 38, the amount of the environmental tax credit determined under this section with respect to any small business refiner for any taxable year is an amount equal to 5 cents for every gallon of 15 parts per million or less sulfur diesel produced at a facility by such small business refiner.

“(b) Maximum Credit.—For any small business refiner, the aggregate amount allowable as a credit under subsection (a) for any taxable year with respect to any facility shall not exceed 25 percent of the qualified capital costs incurred by such small business refiner with respect to such facility not taken into account in determining the credit under subsection (a) for any preceding taxable year.

“(c) Definitions.—For purposes of this section—

“(1) Small business refiner.—The term ‘small business refiner’ means, with respect to any taxable year, a refiner which, within the refining operations of the business, employs not more than 1,500 employees on business days during such taxable year performing services in the refining operations of such businesses and has an average total capacity of 155,000 barrels per day or less.

“(2) Qualified capital costs.—The term ‘qualified capital costs’ means, with respect to any facility, those costs paid or incurred during the applicable period for compliance with the applicable EPA regulations with respect to such facility, including expenditures for the construction of new process operation units or the dismantling and reconstruction of existing process units to be used in the production of 15 parts per million or less sulfur diesel fuel, associated adjacent or offsite equipment (including tankage, catalyst, and power supply), engineering, construction period interest, and sitework.

“(3) Applicable EPA regulations.—The term ‘applicable EPA regulations’ means the Highway Diesel Fuel Sulfur Control Requirements of the Environmental Protection Agency.

“(4) Applicable period.—The term ‘applicable period’ means, with respect to any facility, the period beginning on the day after the date of the enactment of this section and ending with the date which is one year after the date on which the taxpayer must comply with the applicable EPA regulations with respect to such facility.

“(d) Reduction in Basis.—For purposes of this subtitle, if a credit is determined under this section with respect to any property by reason of qualified capital costs, the basis of such property shall be reduced by the amount of the credit so determined.

“(e) Certification.—

“(1) Required.—Not later than the date which is 30 months after the first day of the first taxable year in which the environmental tax credit is allowed with respect to a facility, the small business refiner must obtain certification from the Secretary, in consultation with the Administrator of the Environmental Protection Agency, that the taxpayer's qualified capital costs with respect to such facility will result in compliance with the applicable EPA regulations.

“(2) Contents of application.—An application for certification shall include relevant information regarding unit capacities and operating characteristics sufficient for the Secretary, in consultation with the Administrator of the Environmental Protection Agency, to determine that such qualified capital costs are necessary for compliance with the applicable EPA regulations.

“(3) Review period.—Any application shall be reviewed and notice of certification, if applicable, shall be made within 60 days of receipt of such application.

“(4) Recapture.—Notwithstanding subsection (f), failure to obtain certification under paragraph (1) constitutes a recapture event under subsection (f) with an applicable percentage of 100 percent.

“(f) Recapture of Environmental Tax Credit.—

“(1) In general.—Except as provided in subsection (e), if, as of the close of any taxable year, there is a recapture event with respect to any facility of the small business refiner, then the tax of such refiner under this chapter for such taxable year shall be increased by an amount equal to the product of—

“(A) the applicable recapture percentage, and

“(B) the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted if the qualified capital costs of the taxpayer described in subsection (c)(2) with respect to such facility had been zero.

“(2) Applicable recapture percentage.—

“(A) In general.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

“If the recapture event occurs in:	**The applicable recapture percentage is:**
Year 1	100
Year 2	80
Year 3	60
Year 4	40
Year 5	20
Years 6 and thereafter	0.

“(B) Years.—For purposes of subparagraph (A), year 1 shall begin on the first day of the taxable year in which the qualified capital costs with respect to a facility described in subsection (c)(2) are paid or incurred by the taxpayer.

“(3) Recapture event defined.—For purposes of this subsection, the term ‘recapture event’ means—

“(A) Failure to comply.—The failure by the small business refiner to meet the applicable EPA regulations within the applicable period with respect to the facility.

“(B) Cessation of operation.—The cessation of the operation of the facility as a facility which produces 15 parts per million or less sulfur diesel after the applicable period.

“(C) Change in ownership.—

“(i) In general.—Except as provided in clause (ii), the disposition of a small business refiner's interest in the facility with respect to which the credit described in subsection (a) was allowable.

“(ii) Agreement to assume recapture liability.—Clause (i) shall not apply if the person acquiring such interest in the facility agrees in writing to assume the recapture liability of the person disposing of such interest in effect immediately before such disposition. In the event of such an assumption, the person acquiring the interest in the facility shall be treated as the taxpayer for purposes of assessing any recapture liability (computed as if there had been no change in ownership).

“(4) Special rules.—

“(A) Tax benefit rule.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

“(B) No credits against tax.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under this chapter or for purposes of section 55.

“(C) No recapture by reason of casualty loss.—The increase in tax under this subsection shall not apply to a cessation of operation of the facility by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

“(g) Controlled Groups.—For purposes of this section, all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as a single employer.”.

(b) Credit Made Part of General Business Credit.—Subsection (b) of section 38 (relating to general business credit) is amended by striking “plus” at the end of paragraph (16), by striking the period at the end of paragraph (17) and inserting “, plus”, and by adding at the end the following new paragraph:

“(18) in the case of a small business refiner, the environmental tax credit determined under section 45I(a).”.

(c) Denial of Double Benefit.—Section 280C (relating to certain expenses for which credits are allowable) is amended by adding after subsection (d) the following new subsection:

“(e) Environmental Tax Credit.—No deduction shall be allowed for that portion of the expenses otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for the taxable year under section 45I(a).”.

(d) Basis Adjustment.—Section 1016(a) (relating to adjustments to basis) is amended by striking “and” at the end of paragraph (33), by striking the period at the end of paragraph (34) and inserting “, and”, and by adding at the end the following new paragraph:

“(35) in the case of a facility with respect to which a credit was allowed under section 45I, to the extent provided in section 45I(d).”.

(e) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

“Sec. 45I. Environmental tax credit.”.

(f) Effective Date.—The amendments made by this section shall apply to expenses paid or incurred after the date of the enactment of this Act.

SEC. 3206. DETERMINATION OF SMALL REFINER EXCEPTION TO OIL DEPLETION DEDUCTION.

(a) In General.—Paragraph (4) of section 613A(d) (relating to certain refiners excluded) is amended to read as follows:

“(4) Certain refiners excluded.—If the taxpayer or a related person engages in the refining of crude oil, subsection (c) shall not apply to the taxpayer for a taxable year if the average daily refinery runs of the taxpayer and the related person for the taxable year exceed 75,000 barrels. For purposes of this paragraph, the average daily refinery runs for any taxable year shall be determined by dividing the aggregate refinery runs for the taxable year by the number of days in the taxable year.”.

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 3207. TAX-EXEMPT BOND FINANCING OF CERTAIN ELECTRIC FACILITIES.

(a) In General.—Subpart A of part IV of subchapter B of chapter 1 (relating to tax exemption requirements for State and local bonds) is amended by inserting after section 141 the following new section:

“SEC. 141A. TREATMENT OF GOVERNMENT-OWNED ELECTRIC OUTPUT FACILITIES.

“(a) Exceptions From Private Business Use Limitations Where Open Access Requirements Met.—

“(1) General rule.—For purposes of this part, the term ‘private business use’ shall not include—

“(A) any permitted open access activity by a governmental unit with respect to an electric output facility owned by such unit, or

“(B) any permitted sale of electricity by a governmental unit which is generated at an existing generation facility owned by such unit.

“(2) Permitted open access activity.—For purposes of this section—

“(A) In general.—The term ‘permitted open access activity’ means any activity meeting the open access requirements of any of the following clauses with respect to such electric output facility:

“(i) Transmission and ancillary facility.—In the case of a transmission facility or a facility providing ancillary services, the provision of transmission service and ancillary services meets the open access requirements of this clause only if such services are provided on a nondiscriminatory open access basis—

“(I) pursuant to an open access transmission tariff filed with and approved by FERC, including an acceptable reciprocity tariff, or

“(II) under a regional transmission organization agreement approved by FERC.

“(ii) Distribution facilities.—In the case of a distribution facility, the delivery of electric energy meets the open access requirements of this clause only if such delivery is made on a nondiscriminatory open access basis.

“(iii) Generation facilities.—In the case of a generation facility, the delivery of electric energy generated by such facility meets the open access requirements of this clause only if—

“(I) such facility is directly connected to distribution facilities owned by the governmental unit which owns the generation facility, and

“(II) such distribution facilities meet the open access requirements of clause (ii).

“(B) Special rules.—

“(i) Voluntarily filed tariffs.—Subparagraph (A)(i)(I) shall apply in the case of a voluntarily filed tariff only if the governmental unit files a report with FERC within 90 days after the date of the enactment of this section relating to whether or not such governmental unit will join a regional transmission organization.

“(ii) Control of transmission facilities by regional transmission organization.—A governmental unit shall be treated as meeting the open access requirements of subparagraph (A)(i) if a regional transmission organization controls the transmission facilities.

“(iii) ERCOT utility.—References to FERC in subparagraph (A) shall be treated as references to the Public Utility Commission of Texas with respect to any ERCOT utility (as defined in section 212(k)(2)(B) of the Federal Power Act (16 U.S.C. 824k(k)(2)(B))).

“(3) Permitted sale.—For purposes of this subsection—

“(A) In general.—The term ‘permitted sale’ means—

“(i) any sale of electricity to an on-system purchaser if the seller meets the open access requirements of paragraph (2) with respect to all distribution and transmission facilities (if any) owned by such seller, and

“(ii) subject to subparagraphs (B) and (C), any sale of electricity to a wholesale native load purchaser, and any load loss sale, if—

“(I) the seller meets the open access requirements of paragraph (2) with respect to all transmission facilities (if any) owned by such seller, or

“(II) in any case in which the seller does not own any transmission facilities, all persons providing transmission services to the seller's wholesale native load purchasers meet the open access requirements of paragraph (2) with respect to all transmission facilities owned by such persons.

“(B) Limitation on sales to wholesale native load purchasers.—A sale to a wholesale native load purchaser shall be treated as a permitted sale only to the extent that—

“(i) such purchaser resells the electricity directly at retail to persons within the purchaser's distribution area, or

“(ii) such electricity is resold by such purchaser through one or more wholesale purchasers (each of whom as of June 30, 2000, was a party to a requirements contract or a firm power contract described in paragraph (5)(B)(ii)) to retail purchasers in the ultimate wholesale purchaser's distribution area.

“(C) Load loss sales.—

“(i) In general.—The term ‘load loss sale’ means any sale at wholesale to the extent that—

“(I) the aggregate sales at wholesale during the recovery period does not exceed the load loss mitigation sales limit for such period, and

“(II) the aggregate sales at wholesale during the first calendar year after the recovery period does not exceed the excess carried under clause (iv) to such year.

“(ii) Load loss mitigation sales limit.—For purposes of clause (i), the load loss mitigation sales limit for the recovery period is the sum of the annual load losses for each year of such period.

“(iii) Annual load loss.—A governmental unit's annual load loss for each year of the recovery period is the amount (if any) by which—

“(I) the megawatt hours of electric energy sold during such year to wholesale native load purchasers which do not constitute private business use are less than

“(III) the megawatt hours of electric energy sold during the base year to wholesale native load purchasers which do not constitute private business use.

The annual load loss for any year shall not exceed the portion of the amount determined under the preceding sentence which is attributable to open access requirements.

“(iv) Carryovers.—If the limitation under clause (i) for the recovery period exceeds the aggregate sales during such period which are taken into account under clause (i), such excess (but not more than 10 percent of such limitation) may be carried over to the first calendar year following the recovery period.

“(v) Recovery period.—The recovery period is the 7-year period beginning with the start-up year.

“(vi) Start-up year.—The start-up year is the calendar year which includes the date of the enactment of this section or, if later, at the election of the governmental unit—

“(I) the first year that the governmental unit offers nondiscriminatory open transmission access, or

“(II) the first year in which at least 10 percent of the governmental unit's wholesale customers' aggregate retail native load is open to retail competition.

“(4) On-system purchaser.—For purposes of this section, the term ‘on-system purchaser’ means any person whose electric equipment is directly connected with any transmission or distribution facility owned by the governmental unit owning the existing generation facility if—

“(A) such person—

“(i) purchases electric energy from such governmental unit at retail, and

“(ii)(I) was within such unit's distribution area at the close of the base year or

“(II) is a person as to whom the governmental unit has a statutory service obligation, or

“(B) is a wholesale native load purchaser from such governmental unit.

“(5) Wholesale native load purchaser.—For purposes of this section—

“(A) In general.—The term ‘wholesale native load purchaser’ means a wholesale purchaser as to whom the governmental unit had—

“(i) a statutory service obligation at wholesale at the close of the base year, or

“(ii) an obligation at the close of the base year under a requirements or firm sales contract if, as of June 30, 2000, such contract had been in effect for (or had an initial term of) at least 10 years.

“(B) Permitted sales under existing contracts.—A private business use sale during any year to a wholesale native load purchaser (other than a person to whom the governmental unit had a statutory service obligation) under a contract shall be treated as a permitted sale by reason of being a load loss sale only to the extent that the private business use sales under the contract during such year exceed the lesser of—

“(i) the private business use sales under the contract during the base year, or

“(ii) the maximum private business use sales which would (but for this section) be permitted without causing the bonds to be private activity bonds.

This subparagraph shall only apply to the extent that the sale is allocable to bonds issued before the date of the enactment of this section (or bonds issued to refund such bonds).

“(6) Special rules.—

“(A) Time of sale rule.—For purposes of paragraphs (3)(C)(iii) and (5)(B), the determination of whether a sale after the date of the enactment of this section is a private business use shall be made with regard to this section.

“(B) Joint action agencies.—To the extent provided in regulations, a joint action agency, or a member of (or a wholesale native load purchaser from) a joint action agency, which is entitled to make a sale described in subparagraph (A) or (B) in a year, may transfer the entitlement to make that sale to the member (or purchaser), or the joint action agency, respectively.

“(b) Certain Bonds for Transmission and Distribution Facilities Not Tax Exempt.—

“(1) In general.—Section 103 shall not apply to any bond issued on or after the date of the enactment of this section if any portion of the proceeds of the issue of which such bond is a part is used (directly or indirectly) to finance—

“(A) any electric transmission facility, or

“(B) any start-up electric utility distribution facility.

“(2) Exceptions relating to transmission facilities.—Paragraph (1)(A) shall not apply to any bond issued to finance—

“(A) any repair of a transmission facility in service on the date of the enactment of this section, so long as the repair does not—

“(i) increase the voltage level of such facility over its level at the close of the base year, or

“(ii) increase the thermal load limit of such facility by more than 3 percent over such limit at the close of the base year,

“(B) any qualifying upgrade of an electric transmission facility in service on the date of the enactment of this section, or

"(C) any transmission facility necessary to comply with an obligation under a shared or reciprocal transmission agreement in effect on such date.

"(3) EXCEPTION FOR LOCAL ELECTRIC TRANSMISSION FACILITY.—For purposes of this subsection—

"(A) IN GENERAL.—In the case of a governmental unit which owns distribution facilities, paragraph (1)(A) shall not apply to any bond issued to finance an electric transmission facility owned by such governmental unit and located within such governmental unit's distribution area, but only to the extent such facility is, or will be, necessary to supply electricity to serve the retail native load, or wholesale native load, of such governmental unit or of 1 or more other governmental units owning distribution facilities which are directly connected to such electric transmission facility.

"(B) RETAIL LOAD.—The term 'retail load' means, with respect to a governmental unit, the electric load of end-users in the distribution area of the governmental unit.

"(C) WHOLESALE NATIVE LOAD.—The term 'wholesale native load' means—

"(i) the retail load of such unit's wholesale native load purchasers (or of an ultimate wholesale purchaser described in subsection (a)(3)(B)(ii)), and

"(ii) the electric load of purchasers (not described in clause (i)) under wholesale requirements contracts which—

"(I) do not constitute private business use (determined without regard to this section), and

"(II) were in effect in the base year.

"(D) NECESSARY TO SERVE LOAD.—For purposes of determining whether a transmission facility is, or will be, necessary to supply electricity to retail native load or wholesale native load—

"(i) the governmental unit's available transmission rights shall be taken into account,

"(ii) electric reliability standards or requirements of national or regional reliability organizations, regional transmission organizations and the Electric Reliability Council of Texas shall be taken into account, and

"(iii) transmission, siting and construction decisions of regional transmission organizations and State and Federal regulatory and siting agencies, after a proceeding that provides for public input, shall be presumptive evidence regarding whether transmission facilities are necessary to serve native load.

"(E) QUALIFYING UPGRADE.—The term 'qualifying upgrade' means an improvement or addition to transmission facilities of the governmental unit in service on the date of the enactment of this section which—

"(i) is ordered or approved by a regional transmission organization or by a State regulatory or siting agency, after a proceeding that provides for public input, and

"(ii) is, or will be, necessary to supply electricity to serve the retail native load, or wholesale native load, of such governmental unit or of one or more governmental units owning distribution facilities which are directly connected to such transmission facility.

"(4) START-UP ELECTRIC UTILITY DISTRIBUTION FACILITY DEFINED.—For purposes of this subsection, the term 'start-up electric utility distribution facility' means any distribution facility to provide electric service for sale to the public if such facility is placed in service—

"(A) by a governmental unit that did not operate an electric utility on the date of the enactment of this section, and

"(B) during the first 10 years after the date such governmental unit begins operating an electric utility.

A governmental unit is treated as having operated an electric utility on the date of the enactment of this section if it operates electric output facilities which were (on such date) operated by another governmental unit to provide electric service for sale to the public.

"(5) EXCEPTION FOR REFUNDING BONDS.—

"(A) IN GENERAL.—Paragraph (1) shall not apply to any eligible refunding bond.

"(B) ELIGIBLE REFUNDING BOND.—For purposes of subparagraph (A), the term 'eligible refunding bond' means any bond (or series of bonds) issued to refund any bond issued before the date of the enactment of this section if the average maturity date of the issue of which the refunding bond is a part is not later than the average maturity date of the bonds to be refunded by such issue.

"(c) DEFINITIONS; SPECIAL RULES.—For purposes of this section—

"(1) BASE YEAR.—The term 'base year' means—

"(A) the calendar year preceding the start-up year, or

"(B) at the election of the governmental unit, the second or third calendar years preceding the start-up year.

"(2) DISTRIBUTION AREA.—The term 'distribution area' means the area in which a governmental unit owns distribution facilities.

"(3) ELECTRIC OUTPUT FACILITY.—The term 'electric output facility' means an output facility that is an electric generation, transmission, or distribution facility.

"(4) DISTRIBUTION FACILITY.—The term 'distribution facility' means an electric output facility that is not a generation or transmission facility.

"(5) TRANSMISSION FACILITY.—The term 'transmission facility' means an electric output facility (other than a generation facility) that operates at an electric voltage of 69 kV or greater. To the extent provided in regulations, such term includes any output facility that FERC determines is a transmission facility under standards applied by FERC under the Federal Power Act (as in effect on the date of the enactment of this section).

"(6) EXISTING GENERATION FACILITY.—

"(A) IN GENERAL.—The term 'existing generation facility' means any electric generation facility if—

"(i) such facility is originally placed in service on or before the date of enactment of this Act and is owned by any governmental unit on such date, or

"(ii) such facility is originally placed in service after such date if the construction of the facility commenced before June 1, 2000, and such facility is owned by any governmental unit when it is placed in service.

"(B) DENIAL OF TREATMENT TO EXPANSIONS.—Such term shall not include any facility to the extent the generating capacity of such facility as of any date is 3 percent above the greater of its nameplate or rated capacity as of the date of the enactment of this section (or, in the case of a facility described in subparagraph (A)(ii), the date that the facility is placed in service).

"(7) REGIONAL TRANSMISSION ORGANIZATION.—The term 'regional transmission organization' includes an independent system operator.

"(8) FERC.—The term 'FERC' means the Federal Energy Regulatory Commission.

"(9) GOVERNMENT-OWNED FACILITY.—An electric transmission facility shall be treated as owned by a governmental unit as of any date to the extent that—

"(A) such unit acquired (before the base year) long-term firm transmission capacity (as determined under regulations) of such facility for the purposes of serving customers to which such unit had at the close of the base year—

"(i) a statutory service obligation, or

"(ii) an obligation under a requirements contract, and

"(B) such unit holds such capacity as of such date.

"(10) STATUTORY SERVICE OBLIGATION.—The term 'statutory service obligation' means an obligation under State or Federal law (exclusive of an obligation arising solely under a contract entered into with a person) to provide electric distribution services or electric sales services, as provided in such law.

"(11) CONTRACT MODIFICATIONS.—A material modification of a contract shall be treated as a new contract.

"(d) ELECTION TO TERMINATE TAX-EXEMPT BOND FINANCING FOR CERTAIN ELECTRIC OUTPUT FACILITIES.—

"(1) IN GENERAL.—At the election of a governmental unit, section 103(a) shall not apply to any bond issued by or on behalf of such unit after the date of such election if any portion of the proceeds of the issue of which such bond is a part are used to provide any electric output facilities. Such an election, once made, shall be irrevocable.

"(2) OTHER EFFECTS OF ELECTION.—During the period that the election under paragraph (1) is in effect with respect to a governmental unit, the term 'private activity bond' shall not include—

"(A) any bond issued by such unit before the date of the enactment of this section to provide an electric output facility if, as of the date of the election, such bond was not a private activity bond, and

"(B) any bond to which paragraph (1) does not apply by reason of paragraph (3).

"(3) EXCEPTIONS FOR CERTAIN PROPERTY.—

"(A) IN GENERAL.—Paragraph (1) shall not apply to any bond issued to provide property owned by a governmental unit if such property is—

"(i) any qualifying transmission facility,

"(ii) any qualifying distribution facility,

"(iii) any facility necessary to meet Federal or State environmental requirements applicable to an existing generation facility owned by the governmental unit as of the date of the election,

"(iv) any property to repair any existing generation facility owned by the governmental unit as of the date of the election,

"(v) any qualified facility (as defined in section 45(c)(3)) producing electricity from any qualified energy resource (as defined in section 45(c)(1)), and

"(vi) any energy property (as defined in section 48(a)(3)) placed in service during a period that the energy percentage under section 48(a) is greater than zero.

"(B) LIMITATION ON USE BY NONGOVERNMENTAL PERSONS.—Subparagraph (A) shall not apply to any property constructed, acquired or financed for a principal purpose of providing the facility (or the output thereof) to nongovernmental persons.

"(4) DEFINITIONS.—For purposes of this subsection—

"(A) QUALIFYING DISTRIBUTION FACILITY.—The term 'qualifying distribution facility' means a distribution facility meeting the open access requirements of subsection (a)(2)(A)(ii).

"(B) QUALIFYING TRANSMISSION FACILITY.—The term 'qualifying transmission facility' means a local transmission facility (as defined in subsection (b)(3)) meeting the open access requirements of subsection (a)(2)(A)(i).

"(5) EFFECT OF ELECTION.—

"(A) IN GENERAL.—An election under paragraph (1) shall be binding on any successor in interest to, or any related party with respect to, the electing governmental unit. For purposes of this paragraph, a governmental unit shall be treated as related to another governmental unit if it is a member of the same controlled group (as determined under regulations).

"(B) TREATMENT OF ELECTING GOVERNMENTAL UNIT.—A governmental unit which makes an election under paragraph (1) shall be treated for purposes of section 141 as a person—

"(i) which is not a governmental unit, and

"(ii) which is engaged in a trade or business,

with respect to its purchase of electricity generated by an electric output facility placed in service after the date of such election if such purchase is under a contract executed after such date."

(b) WAIVER OF CERTAIN LIMITATIONS NOT TO APPLY TO DISTRIBUTION FACILITIES.—Section 141(d)(5) is amended by inserting "(except in the case of an electric output facility that is a distribution facility)" after "this subsection".

(c) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter B of chapter 1 is amended by inserting after the item relating to section 141 the following new item:

"Sec. 141A. Treatment of government-owned electric output facilities."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act, except that a governmental unit may elect to have section 141A(a)(1) of the Internal Revenue Code of 1986, as added by subsection (a), take effect on April 14, 1996.

(2) BINDING CONTRACTS.—The amendment made by subsection (b) (relating to waiver of certain limitations not to apply to distribution facilities) shall not apply to facilities acquired pursuant to a contract which was entered into before the date of the enactment of this Act and which was binding on such date and at all times thereafter before such acquisition.

(3) COMPARABLE TREATMENT TO BONDS UNDER 1954 CODE RULES.—References in the amendments made by this Act to sections of the Internal Revenue Code of 1986 shall be deemed to include references to comparable sections of the Internal Revenue Code of 1954.

SEC. 3208. SALES OR DISPOSITIONS TO IMPLEMENT FEDERAL ENERGY REGULATORY COMMISSION OR STATE ELECTRIC RESTRUCTURING POLICY.

(a) IN GENERAL.—Section 1033 (relating to involuntary conversions) is amended by redesignating subsection (k) as subsection (l) and by inserting after subsection (j) the following new subsection:

"(k) SALES OR DISPOSITIONS TO IMPLEMENT FEDERAL ENERGY REGULATORY COMMISSION OR STATE ELECTRIC RESTRUCTURING POLICY.—

"(1) IN GENERAL.—For purposes of this subtitle, if a taxpayer elects the application of this subsection to a qualifying electric transmission transaction—

"(A) such transaction shall be treated as an involuntary conversion to which this section applies, and

"(B) exempt utility property shall be treated as property which is similar or related in service or use to the property disposed of in such transaction.

"(2) EXTENSION OF REPLACEMENT PERIOD.—In the case of any involuntary conversion described in paragraph (1), subsection (a)(2)(B) shall be applied by substituting '4 years' for '2 years' in clause (i) thereof.

"(3) QUALIFYING ELECTRIC TRANSMISSION TRANSACTION.—For purposes of this subsection, the term 'qualifying electric transmission transaction' means any sale or other disposition before January 1, 2009, of—

"(A) property used in the trade or business of providing electric transmission services, or

"(B) any stock or partnership interest in a corporation or partnership, as the case may be, whose principal trade or business consists of providing electric transmission services,

but only if such sale or disposition is to an independent transmission company.

"(4) INDEPENDENT TRANSMISSION COMPANY.—For purposes of this subsection, the term 'independent transmission company' means—

"(A) a regional transmission organization approved by the Federal Energy Regulatory Commission,

"(B) a person—

"(i) who the Federal Energy Regulatory Commission determines in its authorization of the transaction under section 203 of the Federal Power Act (16 U.S.C. 823b) is not a market participant within the meaning of such Commission's rules applicable to regional transmission organizations, and

"(ii) whose transmission facilities to which the election under this subsection applies are under the operational control of a Federal Energy Regulatory Commission-approved regional transmission organization before the close of the period specified in such authorization, but not later than the close of the period applicable under subsection (a)(2)(B) as extended under paragraph (2), or

"(C) in the case of facilities subject to the exclusive jurisdiction of the Public Utility Commission of Texas, a person which is approved by that Commission as consistent with Texas State law regarding an independent transmission organization.

"(5) EXEMPT UTILITY PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'exempt utility property' means property used in the trade or business of—

"(i) generating, transmitting, distributing, or selling electricity, or

"(ii) producing, transmitting, distributing, or selling natural gas.

"(B) NONRECOGNITION OF GAIN BY REASON OF ACQUISITION OF STOCK.—Acquisition of control of a corporation shall be taken into account under this section with respect to a qualifying electric transmission transaction only if the principal trade or business of such corporation is a trade or business referred to in subparagraph (A).

"(6) SPECIAL RULE FOR CONSOLIDATED GROUPS.—In the case of a corporation which is a member of an affiliated group filing a consolidated return, such corporation shall be treated as satisfying the purchase requirement of subsection (a)(2) with respect to any qualifying electric transmission transaction engaged in by such corporation to the extent such requirement is satisfied by another member of such group.

"(7) ELECTION.—An election under paragraph (1), once made, shall be irrevocable."

(b) EXCEPTION FROM GAIN RECOGNITION UNDER SECTION 1245.—Subsection (b) of section 1245 is amended by adding at the end the following new paragraph:

"(9) DISPOSITIONS TO IMPLEMENT FEDERAL ENERGY REGULATORY COMMISSION OR STATE ELECTRIC RESTRUCTURING POLICY.—At the election of the taxpayer, the amount of gain which would (but for this paragraph) be recognized under this section on any qualified electric transmission transaction (as defined in section 1033(k)) for which an election under section 1033 is made shall be reduced by the aggregate reduction in the basis of section 1245 property held by the taxpayer or, if insufficient, by a member of an affiliated group which includes the taxpayer at any time during the taxable year in which such transaction occurred. The manner and amount of such reduction shall be determined under regulations prescribed by the Secretary."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions occurring after the date of the enactment of this Act.

SEC. 3209. DISTRIBUTIONS OF STOCK TO IMPLEMENT FEDERAL ENERGY REGULATORY COMMISSION OR STATE ELECTRIC RESTRUCTURING POLICY.

(a) IN GENERAL.—Subparagraph (A) of section 355(e)(3) (relating to special rules relating to acquisitions) is amended by inserting after clause (iv) the following new clause:

"(v) The acquisition of stock in any controlled corporation in a qualifying electric transmission transaction (as defined in section 1033(k)).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to distributions after the date of the enactment of this Act.

SEC. 3210. MODIFICATIONS TO SPECIAL RULES FOR NUCLEAR DECOMMISSIONING COSTS.

(a) REPEAL OF LIMITATION ON DEPOSITS INTO FUND BASED ON COST OF SERVICE; CONTRIBUTIONS AFTER FUNDING PERIOD.—Subsection (b) of section 468A is amended to read as follows:

"(b) LIMITATION ON AMOUNTS PAID INTO FUND.—

"(1) IN GENERAL.—The amount which a taxpayer may pay into the Fund for any taxable year shall not exceed the ruling amount applicable to such taxable year.

"(2) CONTRIBUTIONS AFTER FUNDING PERIOD.—Notwithstanding any other provision of this section, a taxpayer may pay into the Fund in any taxable year after the last taxable year to which the ruling amount applies. Payments may not be made under the preceding sentence to the extent such payments would cause the assets of the Fund to exceed the nuclear decommissioning costs allocable to the taxpayer's current or former interest in the nuclear powerplant to which the Fund relates. The limitation under the preceding sentence shall be determined by taking into account a reasonable rate of inflation for the nuclear decommissioning costs and a reasonable after-tax rate of return on the assets of the Fund until such assets are anticipated to be expended.".

(b) CLARIFICATION OF TREATMENT OF FUND TRANSFERS.—Subsection (e) of section 468A is amended by adding at the end the following new paragraph:

"(8) TREATMENT OF FUND TRANSFERS.—If, in connection with the transfer of the taxpayer's interest in a nuclear powerplant, the taxpayer transfers the Fund with respect to such powerplant to the transferee of such interest and the transferee elects to continue the application of this section to such Fund—

"(A) the transfer of such Fund shall not cause such Fund to be disqualified from the application of this section, and

"(B) no amount shall be treated as distributed from such Fund, or be includible in gross income, by reason of such transfer.".

(c) TREATMENT OF CERTAIN DECOMMISSIONING COSTS.—

(1) IN GENERAL.—Section 468A is amended by redesignating subsections (f) and (g) as subsections (g) and (h), respectively, and by inserting after subsection (e) the following new subsection:

"(f) TRANSFERS INTO QUALIFIED FUNDS.—

"(1) IN GENERAL.—Notwithstanding subsection (b), any taxpayer maintaining a Fund to which this section applies with respect to a nuclear powerplant may transfer into such Fund up to an amount equal to the excess of the total nuclear decommissioning costs with respect to such nuclear powerplant over the portion of such costs taken into account in determining the ruling amount in effect immediately before the transfer.

"(2) DEDUCTION FOR AMOUNTS TRANSFERRED.—

"(A) IN GENERAL.—The deduction allowed by subsection (a) for any transfer permitted by this subsection shall be allowed ratably over the remaining estimated useful life (within the meaning of subsection (d)(2)(A)) of the nuclear powerplant beginning with the taxable year during which the transfer is made.

"(B) DENIAL OF DEDUCTION FOR PREVIOUSLY DEDUCTED AMOUNTS.—No deduction shall be allowed for any transfer under this subsection of an amount for which a deduction was previously allowed or a corresponding amount was not included in gross income. For purposes of the preceding sentence, a ratable portion of each transfer shall be treated as being from previously deducted or excluded amounts to the extent thereof.

"(C) TRANSFERS OF QUALIFIED FUNDS.—If—

"(i) any transfer permitted by this subsection is made to any Fund to which this section applies, and

"(ii) such Fund is transferred thereafter,

any deduction under this subsection for taxable years ending after the date that such Fund is transferred shall be allowed to the transferee and not to the transferor. The preceding sentence shall not apply if the transferor is an organization exempt from tax imposed by this chapter.

"(D) SPECIAL RULES.—

"(i) GAIN OR LOSS NOT RECOGNIZED.—No gain or loss shall be recognized on any transfer permitted by this subsection.

"(ii) TRANSFERS OF APPRECIATED PROPERTY.—If appreciated property is transferred in a transfer permitted by this subsection, the amount of the deduction shall be the adjusted basis of such property.

"(3) NEW RULING AMOUNT REQUIRED.—Paragraph (1) shall not apply to any transfer unless the taxpayer requests from the Secretary a new schedule of ruling amounts in connection with such transfer.

"(4) NO BASIS IN QUALIFIED FUNDS.—Notwithstanding any other provision of law, the taxpayer's basis in any Fund to which this section applies shall not be increased by reason of any transfer permitted by this subsection.".

(2) NEW RULING AMOUNT TO TAKE INTO ACCOUNT TOTAL COSTS.—Subparagraph (A) of section 468A(d)(2) is amended to read as follows:

"(A) fund the total nuclear decommissioning costs with respect to such powerplant over the estimated useful life of such powerplant, and".

(d) DEDUCTION FOR NUCLEAR DECOMMISSIONING COSTS WHEN PAID.—Paragraph (2) of section 468A(c) is amended to read as follows:

"(2) DEDUCTION OF NUCLEAR DECOMMISSIONING COSTS.—In addition to any deduction under subsection (a), nuclear decommissioning costs paid or incurred by the taxpayer during any taxable year shall constitute ordinary and necessary expenses in carrying on a trade or business under section 162.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 3211. TREATMENT OF CERTAIN INCOME OF COOPERATIVES.

(a) INCOME FROM OPEN ACCESS AND NUCLEAR DECOMMISSIONING TRANSACTIONS.—

(1) IN GENERAL.—Subparagraph (C) of section 501(c)(12) is amended by striking "or" at the end of clause (i), by striking the period at the end of clause (ii) and inserting a comma, and by adding at the end the following new clauses:

"(iii) from any open access transaction (other than income received or accrued directly or indirectly from a member), or

"(iv) from any nuclear decommissioning transaction."

(2) DEFINITIONS.—Paragraph (12) of section 501(c) is amended by adding at the end the following new subparagraph:

"(E) For purposes of subparagraph (C)—

"(i) The term 'open access transaction' means any activity which would be a permitted open access activity (as defined in section 141A(a)(2)) if the cooperative were a governmental unit.

"(ii) The term 'nuclear decommissioning transaction' means—

"(I) any transfer into a trust, fund, or instrument established to pay any nuclear decommissioning costs if the transfer is in connection with the transfer of the cooperative's interest in a nuclear powerplant or nuclear powerplant unit,

"(II) any distribution from such a trust, fund, or instrument, or

"(III) any earnings from such a trust, fund, or instrument."

(b) INCOME FROM LOAD LOSS TRANSACTIONS TREATED AS MEMBER INCOME.—Paragraph (12) of section 501(c) is amended by adding after subparagraph (E) the following new subparagraph:

"(F)(i) In the case of a mutual or cooperative electric company, income received or accrued from a load loss transaction shall be treated as an amount collected from members for the sole purpose of meeting losses and expenses.

"(ii) For purposes of clause (i), the term 'load loss transaction' means any sale (whether at wholesale or at retail) which would be a load loss sale under rules similar to the rules of section 141A(a)(3)(C).

"(iii) A company shall not fail to be treated as a mutual cooperative company for purposes of this paragraph by reason of the treatment under clause (i).

"(iv) A rule similar to the rule of this subparagraph shall apply to an organization to which section 1381 does not apply by reason of section 1381(a)(2)(C)."

(c) EXCEPTION FROM UNRELATED BUSINESS TAXABLE INCOME.—Subsection (b) of section 512 (relating to modifications) is amended by adding at the end the following new paragraph:

"(18) TREATMENT OF LOAD LOSS SALES OF MUTUAL OR COOPERATIVE ELECTRIC COMPANIES.—In the case of a mutual or cooperative electric company described in section 501(c)(12), there shall be excluded income which is treated as member income under subparagraph (F) thereof."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 3212. REPEAL OF REQUIREMENT OF CERTAIN APPROVED TERMINALS TO OFFER DYED DIESEL FUEL AND KEROSENE FOR NONTAXABLE PURPOSES.

Section 4101 (relating to certain approved terminals of registered persons required to offer dyed diesel fuel and kerosene for nontaxable purposes) is amended by striking subsection (e).

SEC. 3213. ARBITRAGE RULES NOT TO APPLY TO PREPAYMENTS FOR NATURAL GAS.

(a) IN GENERAL.—Subsection (b) of section 148 (defining higher yielding investments) is amended by adding at the end the following new paragraph:

"(4) EXCEPTION FOR CERTAIN PREPAYMENTS TO ENSURE NATURAL GAS SUPPLY.—The term 'investment property' shall not include any prepayment for the purpose of obtaining a supply of a natural gas—

"(A) at least 85 percent of which is to be used in the State in which the issuer is located, and

"(B) which is to be used in a business of one or more utilities each of which is owned and operated by a State or local government, any political subdivision or instrumentality thereof, or any governmental unit acting for or on behalf of such a utility.".

(b) PRIVATE LOAN FINANCING TEST NOT TO APPLY TO PREPAYMENTS FOR NATURAL GAS.—Paragraph (2) of section 141(c) (providing exceptions to the private loan financing test) is amended by striking "or" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", or", and by adding at the end the following new subparagraph:

"(C) arises from a transaction described in section 148(b)(4).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after October 22, 1986; except that section 148(b)(4)(A) of the Internal Revenue Code of 1986, as added by this section, shall apply only to obligations issued after the date of the enactment of this Act.

TITLE III—PRODUCTION

SEC. 3301. OIL AND GAS FROM MARGINAL WELLS.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business credits) is amended by adding at the end the following:

"SEC. 45J. CREDIT FOR PRODUCING OIL AND GAS FROM MARGINAL WELLS.

"(a) GENERAL RULE.—For purposes of section 38, the marginal well production credit for any taxable year is an amount equal to the product of—

"(1) the credit amount, and

"(2) the qualified credit oil production and the qualified natural gas production which is attributable to the taxpayer.

"(b) CREDIT AMOUNT.—For purposes of this section—

"(1) IN GENERAL.—The credit amount is—

"(A) $3 per barrel of qualified crude oil production, and

"(B) 50 cents per 1,000 cubic feet of qualified natural gas production.

"(2) REDUCTION AS OIL AND GAS PRICES INCREASE.—

"(A) IN GENERAL.—The $3 and 50 cents amounts under paragraph (1) shall each be reduced (but not below zero) by an amount which bears the same ratio to such amount (determined without regard to this paragraph) as—

"(i) the excess (if any) of the applicable reference price over $15 ($1.67 for qualified natural gas production), bears to "(ii) $3 ($0.33 for qualified natural gas production).

The applicable reference price for a taxable year is the reference price of the calendar year preceding the calendar year in which the taxable year begins.

"(B) Inflation adjustment.—In the case of any taxable year beginning in a calendar year after 2001, each of the dollar amounts contained in subparagraph (A) shall be increased to an amount equal to such dollar amount multiplied by the inflation adjustment factor for such calendar year (determined under section 43(b)(3)(B) by substituting '2000' for '1990').

"(C) Reference price.—For purposes of this paragraph, the term 'reference price' means, with respect to any calendar year—

"(i) in the case of qualified crude oil production, the reference price determined under section 29(d)(2)(C), and

"(ii) in the case of qualified natural gas production, the Secretary's estimate of the annual average wellhead price per 1,000 cubic feet for all domestic natural gas.

"(c) Qualified Crude Oil and Natural Gas Production.—For purposes of this section—

"(1) In general.—The terms 'qualified crude oil production' and 'qualified natural gas production' mean domestic crude oil or natural gas which is produced from a qualified marginal well.

"(2) Limitation on amount of production which may qualify.—

"(A) In general.—Crude oil or natural gas produced during any taxable year from any well shall not be treated or qualified crude oil production or qualified natural gas production to the extent production from the well during the taxable year exceeds 1,095 barrels or barrel equivalents.

"(B) Proportionate reductions.—

"(i) Short taxable years.—In the case of a short taxable year, the limitations under this paragraph shall be proportionately reduced to reflect the ratio which the number of days in such taxable year bears to 365.

"(ii) Wells not in production entire year.—In the case of a well which is not capable of production during each day of a taxable year, the limitations under this paragraph applicable to the well shall be proportionately reduced to reflect the ratio which the number of days of production bears to the total number of days in the taxable year.

"(3) Definitions.—

"(A) Qualified marginal well.—The term 'qualified marginal well' means a domestic well—

"(i) the production from which during the taxable year is treated as marginal production under section 613A(c)(6), or

"(ii) which, during the taxable year—

"(I) has average daily production of not more than 25 barrel equivalents, and

"(II) produces water at a rate not less than 95 percent of total well effluent.

"(B) Crude oil, etc.—The terms 'crude oil', 'natural gas', 'domestic', and 'barrel' have the meanings given such terms by section 613A(e).

"(C) Barrel equivalent.—The term 'barrel equivalent' means, with respect to natural gas, a conversation ratio of 6,000 cubic feet of natural gas to 1 barrel of crude oil.

"(d) Other Rules.—

"(1) Production attributable to the taxpayer.—In the case of a qualified marginal well in which there is more than one owner of operating interests in the well and the crude oil or natural gas production exceeds the limitation under subsection (c)(2), qualifying crude oil production or qualifying natural gas production attributable to the taxpayer shall be determined on the basis of the ratio which taxpayer's revenue interest in the production bears to the aggregate of the revenue interests of all operating interest owners in the production.

"(2) Operating interest required.—Any credit under this section may be claimed only on production which is attributable to the holder of an operating interest.

"(3) Production from nonconventional sources excluded.—In the case of production from a qualified marginal well which is eligible for the credit allowed under section 29 for the taxable year, no credit shall be allowable under this section unless the taxpayer elects not to claim the credit under section 29 with respect to the well.

"(4) Noncompliance with pollution laws.—For purposes of subsection (c)(3)(A), a marginal well which is not in compliance with the applicable State and Federal pollution prevention, control, and permit requirements for any period of time shall not be considered to be a qualified marginal well during such period.".

(b) Credit Treated as Business Credit.—Section 38(b) is amended by striking "plus" at the end of paragraph (17), by striking the period at the end of paragraph (18) and inserting ", plus", and by adding at the end the following:

"(19) the marginal oil and gas well production credit determined under section 45J(a).".

(c) Carryback.—Subsection (a) of section 39 (relating to carryback and carryforward of unused credits generally) is amended by adding at the end the following:

"(3) 10-year carryback for marginal oil and gas well production credit.—In the case of the marginal oil and gas well production credit—

"(A) this section shall be applied separately from the business credit (other than the marginal oil and gas well production credit),

"(B) paragraph (1) shall be applied by substituting '10 taxable years' for '1 taxable years' in subparagraph (A) thereof, and

"(C) paragraph (2) shall be applied—

"(i) by substituting '31 taxable years' for '21 taxable years' in subparagraph (A) thereof, and

"(ii) by substituting '30 taxable years' for '20 taxable years' in subparagraph (A) thereof.".

(d) Coordination With Section 29.—Section 29(a) is amended by striking "There" and inserting "At the election of the taxpayer, there".

(e) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter I is amended by adding at the end the following:

"Sec. 45J. Credit for producing oil and gas from marginal wells.".

(f) Effective Date.—The amendments made by this section shall apply to production in taxable years beginning after December 31, 2001.

SEC. 3302. TEMPORARY SUSPENSION OF LIMITATION BASED ON 65 PERCENT OF TAXABLE INCOME AND EXTENSION OF SUSPENSION OF TAXABLE INCOME LIMIT WITH RESPECT TO MARGINAL PRODUCTION.

(a) Limitation Based on 65 Percent of Taxable Income.—Subsection (d) of section 613A (relating to limitation on percentage depletion in case of oil and gas wells) is amended by adding at the end the following new paragraph:

"(6) Temporary suspension of taxable income limit.—Paragraph (1) shall not apply to taxable years beginning after December 31, 2001, and before January 1, 2007, including with respect to amounts carried under the second sentence of paragraph (1) to such taxable years.".

(b) Extension of Suspension of Taxable Income Limit With Respect to Marginal Production.—Subparagraph (H) of section 613A(c)(6) (relating to temporary suspension of taxable income limit with respect to marginal production) is amended by striking "2002" and inserting "2007".

(c) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

SEC. 3303. DEDUCTION FOR DELAY RENTAL PAYMENTS.

(a) In General.—Section 263 (relating to capital expenditures) is amended by adding after subsection (i) the following:

"(j) Delay Rental Payments for Domestic Oil and Gas Wells.—

"(1) In general.—Notwithstanding subsection (a), a taxpayer may elect to treat delay rental payments incurred in connection with the development of oil or gas within the United States (as defined in section 638) as payments which are not chargeable to capital account. Any payments so treated shall be allowed as a deduction in the taxable year in which paid or incurred.

"(2) Delay rental payments.—For purposes of paragraph (1), the term 'delay rental payment' means an amount paid for the privilege of deferring development of an oil or gas well under an oil or gas lease.".

(b) Conforming Amendment.—Section 263A(c)(3) is amended by inserting "263(j)," after '263(i),'.

(c) Effective Date.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2001.

SEC. 3304. ELECTION TO EXPENSE GEOLOGICAL AND GEOPHYSICAL EXPENDITURES.

(a) In General.—Section 263 (relating to capital expenditures) is amended by adding after subsection (j) the following:

"(k) Geological and Geophysical Expenditures for Domestic Oil and Gas Wells.—Notwithstanding subsection (a), a taxpayer may elect to treat geological and geophysical expenses incurred in connection with the exploration for, or development of, oil or gas within the United States (as defined in section 638) as expenses which are not chargeable to capital account. Any expenses so treated shall be allowed as a deduction in the taxable year in which paid or incurred.".

(b) Conforming Amendment.—Section 263A(c)(3), as amended by section 3303(b), is amended by inserting "263(k)," after "263(j),".

(c) Effective Date.—The amendments made by this section shall apply to costs paid or incurred in taxable years beginning after December 31, 2001.

SEC. 3305. 5-YEAR NET OPERATING LOSS CARRYBACK FOR LOSSES ATTRIBUTABLE TO OPERATING MINERAL INTERESTS OF OIL AND GAS PRODUCERS.

(a) In General.—Paragraph (1) of section 172(b) (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

"(H) Losses on operating mineral interests of oil and gas producers.—In the case of a taxpayer which has an eligible oil and gas loss (as defined in subsection (j)) for a taxable year, such eligible oil and gas loss shall be a net operating loss carryback to each of the 5 taxable years preceding the taxable year of such loss.".

(b) ELIGIBLE OIL AND GAS LOSS.—Section 172 is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) ELIGIBLE OIL AND GAS LOSS.—For purposes of this section—

"(1) IN GENERAL.—The term 'eligible oil and gas loss' means the lesser of—

"(A) the amount which would be the net operating loss for the taxable year if only income and deductions attributable to operating mineral interests (as defined in section 614(d)) in oil and gas wells are taken into account, or

"(B) the amount of the net operating loss for such taxable year.

"(2) COORDINATION WITH SUBSECTION (b)(2).—For purposes of applying subsection (b)(2), an eligible oil and gas loss for any taxable year shall be treated in a manner similar to the manner in which a specified liability loss is treated.

"(3) ELECTION.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to net operating losses for taxable years beginning after December 31, 2001.

SEC. 3306. EXTENSION AND MODIFICATION OF CREDIT FOR PRODUCING FUEL FROM A NONCONVENTIONAL SOURCE.

(a) IN GENERAL.—Section 29 is amended by adding at the end the following new subsection:

"(h) EXTENSION FOR OTHER FACILITIES.—

"(1) EXTENSION FOR OIL AND CERTAIN GAS.—In the case of a well for producing qualified fuels described in subparagraph (A) or (B)(i) of subsection (c)(1)—

"(A) APPLICATION OF CREDIT FOR NEW WELLS.—Notwithstanding subsection (f), this section shall apply with respect to such fuels—

"(i) which are produced from a well drilled after the date of the enactment of this subsection and before January 1, 2007, and

"(ii) which are sold not later than the close of the 4-year period beginning on the date that such well is drilled, or, if earlier, January 1, 2010.

"(B) EXTENSION OF CREDIT FOR OLD WELLS.—Subsection (f)(2) shall be applied by substituting '2007' for '2003' with respect to wells described in subsection (f)(1)(A) with respect to such fuels.

"(2) EXTENSION FOR FACILITIES PRODUCING QUALIFIED FUEL FROM LANDFILL GAS.—

"(A) IN GENERAL.—In the case of a facility for producing qualified fuel from landfill gas which was placed in service after June 30, 1998, and before January 1, 2007, this section shall apply to fuel produced at such facility during the 5-year period beginning on the later of—

"(i) the date such facility was placed in service, or

"(ii) the date of the enactment of this subsection.

"(B) REDUCTION OF CREDIT FOR CERTAIN LANDFILL FACILITIES.—In the case of a facility to which paragraph (1) applies and which is subject to the 1996 New Source Performance Standards/Emmissions Guidelines of the Environmental Protection Agency, subsection (a)(1) shall be applied by substituting '$2' for '$3'.

"(3) SPECIAL RULES.—In determining the amount of credit allowable under this section solely by reason of this subsection—

"(A) DAILY LIMIT.—The amount of qualified fuels sold during any taxable year which may be taken into account by reason of this subsection with respect to any project shall not exceed an average barrel-of-oil equivalent of 200,000 cubic feet of natural gas per day. Days before the date the project is placed in service shall not be taken into account in determining such average.

"(B) EXTENSION PERIOD TO COMMENCE WITH UNADJUSTED CREDIT AMOUNT.—In the case of fuels sold during 2001 and 2002, the dollar amount applicable under subsection (a)(1) shall be $3 (without regard to subsection (b)(2)). In the case of fuels sold after 2002, subparagraph (B) of subsection (d)(2) shall be applied by substituting '2002' for '1979'.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to fuel sold after the date of the enactment of this Act.

SEC. 3307. BUSINESS RELATED ENERGY CREDITS ALLOWED AGAINST REGULAR AND MINIMUM TAX.

(a) IN GENERAL.—Subsection (c) of section 38 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) SPECIAL RULES FOR SPECIFIED ENERGY CREDITS.—

"(A) IN GENERAL.—In the case of specified energy credits—

"(i) this section and section 39 shall be applied separately with respect to such credits, and

"(ii) in applying paragraph (1) to such credits—

"(I) the tentative minimum tax shall be treated as being zero, and

"(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the specified energy credits).

"(B) SPECIFIED ENERGY CREDITS.—For purposes of this subsection, the term 'specified energy credits' means the credits determined under sections 45G, 45H, 45I, 45J, and 45K.".

(b) CONFORMING AMENDMENT.—Subclause (II) of section 38(c)(2)(A)(ii) is amended by inserting "or the specified energy credits" after "employment credit".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of enactment of this Act.

SEC. 3308. TEMPORARY REPEAL OF ALTERNATIVE MINIMUM TAX PREFERENCE FOR INTANGIBLE DRILLING COSTS.

(a) IN GENERAL.—Clause (ii) of section 57(a)(2)(E) is amended by adding at the end the following new sentence: "The preceding sentence shall not apply to taxable years beginning after December 31, 2001, and before January 1, 2005.".

(b) EFFECTIVE DATES.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 3309. ALLOWANCE OF ENHANCED RECOVERY CREDIT AGAINST THE ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Subparagraph (B) of section 38(c)(3), as amended by section 3307, is amended by adding at the end the following new sentence: "For taxable years beginning before January 1, 2005, such term includes the credit determined under section 43."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 3310. EXTENSION OF CERTAIN BENEFITS FOR ENERGY-RELATED BUSINESSES ON INDIAN RESERVATIONS.

(a) DEPRECIATION FOR PROPERTY ON INDIAN RESERVATIONS.—Paragraph (8) of section 168(j) (relating to termination) is amended by adding at the end the following new sentence: "The preceding sentence shall be applied by substituting 'December 31, 2006' for 'December 31, 2003' in the case of property placed in service as part of a facility for—

"(A) the generation or transmission of electricity (including from any qualified energy resource, as defined in section 45(c)),

"(B) an oil or gas well,

"(C) the transmission or refining of oil or gas, or

"(D) the production of any qualified fuel (as defined in section 29(c))."

(b) EMPLOYMENT OF INDIANS.—Subsection (f) of section 45A (relating to termination) is amended by adding at the end the following new sentence: "The preceding sentence shall be applied by substituting 'December 31, 2006' for 'December 31, 2003' in the case of wages paid for services performed at a facility described in section 168(j)(8)."

DIVISION D

SEC. 4101. CAPACITY BUILDING FOR ENERGY-EFFICIENT, AFFORDABLE HOUSING.

Section 4(b) of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note) is amended—

(1) in paragraph (1), by inserting before the semicolon at the end the following: ", including capabilities regarding the provision of energy efficient, affordable housing and residential energy conservation measures"; and

(2) in paragraph (2), by inserting before the semicolon the following: ", including such activities relating to the provision of energy efficient, affordable housing and residential energy conservation measures that benefit low-income families".

SEC. 4102. INCREASE OF CDBG PUBLIC SERVICES CAP FOR ENERGY CONSERVATION AND EFFICIENCY ACTIVITIES.

Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)) is amended—

(1) by inserting "or efficiency" after "energy conservation";

(2) by striking ", and except that" and inserting "; except that"; and

(3) by inserting before the period at the end the following: "; and except that each percentage limitation under this paragraph on the amount of assistance provided under this title that may be used for the provision of public services is hereby increased by 10 percent, but such percentage increase may be used only for the provision of public services concerning energy conservation or efficiency".

SEC. 4103. FHA MORTGAGE INSURANCE INCENTIVES FOR ENERGY EFFICIENT HOUSING.

(a) SINGLE FAMILY HOUSING MORTGAGE INSURANCE.—Section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)) is amended, in the first undesignated paragraph beginning after subparagraph (B)(iii) (relating to solar energy systems)—

(1) by inserting "or paragraph (10)"; and

(2) by striking "20 percent" and inserting "30 percent".

(b) MULTIFAMILY HOUSING MORTGAGE INSURANCE.—Section 207(c) of the National Housing Act (12 U.S.C. 1713(c)) is amended, in the second undesignated paragraph beginning after paragraph (3) (relating to solar energy systems and residential energy conservation measures), by striking "20 percent" and inserting "30 percent".

(c) COOPERATIVE HOUSING MORTGAGE INSURANCE.—Section 213(p) of the National Housing Act (12 U.S.C. 1715e(p)) is amended by striking "20 per centum" and inserting "30 percent".

(d) REHABILITATION AND NEIGHBORHOOD CONSERVATION HOUSING MORTGAGE INSURANCE.—Section 220(d)(3)(B)(iii) of the National Housing Act (12 U.S.C. 1715k(d)(3)(B)(iii)) is amended by striking "20 per centum" and inserting "30 percent".

(e) LOW-INCOME MULTIFAMILY HOUSING MORTGAGE INSURANCE.—Section 221(k) of the National Housing Act (12 U.S.C. 1715l(k)) is amended by striking "20 per centum" and inserting "30 percent".

(f) ELDERLY HOUSING MORTGAGE INSURANCE.—The proviso at the end of section 213(c)(2) of the National Housing Act (12 U.S.C. 1715v(c)(2)) is amended by striking "20 per centum" and inserting "30 percent".

(g) CONDOMINIUM HOUSING MORTGAGE INSURANCE.—Section 234(j) of the National Housing Act (12 U.S.C. 1715y(j)) is amended by striking "20 per centum" and inserting "30 percent".

SEC. 4104. PUBLIC HOUSING CAPITAL FUND.

Section 9(d)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437g(d)(1)) is amended—

(1) in subparagraph (I), by striking "and" at the end;

(2) in subparagraph (K), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(L) improvement of energy and water-use efficiency by installing fixtures and fittings that conform to the American Society of Mechanical Engineers/American National Standards Institute standards A112.19.2-1998 and A112.18.1-2000, or any revision thereto, applicable at the time of installation, and by increasing energy efficiency and water conservation by such other means as the Secretary determines are appropriate.".

SEC. 4105. GRANTS FOR ENERGY-CONSERVING IMPROVEMENTS FOR ASSISTED HOUSING.

Section 251(b)(1) of the National Energy Conservation Policy Act (42 U.S.C. 8231(1)) is amended—

(1) by striking "financed with loans" and inserting "assisted";

(2) by inserting after "1959," the following: "which are eligible multifamily housing projects (as such term is defined in section 512 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note)) and are subject to a mortgage restructuring and rental assistance sufficiency plans under such Act,"; and

(3) by inserting after the period at the end of the first sentence the following new sentence: "Such improvements may also include the installation of energy and water conserving fixtures and fittings that conform to the American Society of Mechanical Engineers/American National Standards Institute standards A112.19.2-1998 and A112.18.1-2000, or any revision thereto, applicable at the time of installation.".

SEC. 4106. NORTH AMERICAN DEVELOPMENT BANK.

Part 2 of subtitle D of title V of the North American Free Trade Agreement Implementation Act (22 U.S.C. 290m-290m-3) is amended by adding at the end the following:

"SEC. 545. SUPPORT FOR CERTAIN ENERGY POLICIES.

"Consistent with the focus of the Bank's Charter on environmental infrastructure projects, the Board members representing the United States should use their voice and vote to encourage the Bank to finance projects related to clean and efficient energy, including energy conservation, that prevent, control, or reduce environmental pollutants or contaminants.".

DIVISION E

SEC. 5000. SHORT TITLE.

This division may be cited as the "Clean Coal Power Initiative Act of 2001".

SEC. 5001. FINDINGS.

Congress finds that—

(1) reliable, affordable, increasingly clean electricity will continue to power the growing United States economy;

(2) an increasing use of electrotechnologies, the desire for continuous environmental improvement, a more competitive electricity market, and concerns about rising energy prices add importance to the need for reliable, affordable, increasingly clean electricity;

(3) coal, which, as of the date of enactment of this Act, accounts for more than ½ of all electricity generated in the United States, is the most abundant fossil energy resource of the United States;

(4) coal comprises more than 85 percent of all fossil resources in the United States and exists in quantities sufficient to supply the United States for 250 years at current usage rates;

(5) investments in electricity generating facility emissions control technology over the past 30 years have reduced the aggregate emissions of pollutants from coal-based generating facilities by 21 percent, even as coal use for electricity generation has nearly tripled;

(6) continuous improvement in efficiency and environmental performance from electricity generating facilities would allow continued use of coal and preserve less abundant energy resources for other energy uses;

(7) new ways to convert coal into electricity can effectively eliminate health-threatening emissions and improve efficiency by as much as 50 percent, but initial deployment of new coal generation methods and equipment entails significant risk that generators may be unable to accept in a newly competitive electricity market; and

(8) continued environmental improvement in coal-based generation and increasing the production and supply of power generation facilities with less air emissions, with the ultimate goal of near-zero emissions, is important and desirable.

SEC. 5002. DEFINITIONS.

In this division:

(1) COST AND PERFORMANCE GOALS.—The term "cost and performance goals" means the cost and performance goals established under section 5004.

(2) SECRETARY.—The term "Secretary" means the Secretary of Energy.

SEC. 5003. CLEAN COAL POWER INITIATIVE.

(a) IN GENERAL.—The Secretary shall carry out a program under—

(1) this division;

(2) the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.);

(3) the Energy Reorganization Act of 1974 (42 U.S.C. 5801 et seq.); and

(4) title XIII of the Energy Policy Act of 1992 (42 U.S.C. 13331 et seq.),

to achieve cost and performance goals established by the Secretary under section 5004.

SEC. 5004. COST AND PERFORMANCE GOALS.

(a) REVIEW AND ASSESSMENT.—The Secretary shall perform an assessment that establishes measurable cost and performance goals for 2005, 2010, 2015, and 2020 for the programs authorized by this division. Such assessment shall be based on the latest scientific, economic, and technical knowledge.

(b) CONSULTATION.—In establishing the cost and performance goals, the Secretary shall consult with representatives of—

(1) the United States coal industry;

(2) State coal development agencies;

(3) the electric utility industry;

(4) railroads and other transportation industries;

(5) manufacturers of advanced coal-based equipment;

(6) institutions of higher learning, national laboratories, and professional and technical societies;

(7) organizations representing workers;

(8) organizations formed to—

(A) promote the use of coal;

(B) further the goals of environmental protection; and

(C) promote the production and generation of coal-based power from advanced facilities; and

(9) other appropriate Federal and State agencies.

(c) TIMING.—The Secretary shall—

(1) not later than 120 days after the date of enactment of this Act, issue a set of draft cost and performance goals for public comment; and

(2) not later than 180 days after the date of enactment of this Act, after taking into consideration any public comments received, submit to the Committee on Energy and Commerce and the Committee on Science of the House of Representatives, and to the Senate, the final cost and performance goals.

SEC. 5005. AUTHORIZATION OF APPROPRIATIONS.

(a) CLEAN COAL POWER INITIATIVE.—Except as provided in subsection (c), there are authorized to be appropriated to the Secretary to carry out the Clean Coal Power Initiative under section 5003 $200,000,000 for each of the fiscal years 2002 through 2011, to remain available until expended.

(b) LIMIT ON USE OF FUNDS.—Notwithstanding subsection (a), no funds may be used to carry out the activities authorized by this Act after September 30, 2002, unless the Secretary has transmitted to the Committee on Energy and Commerce and the Committee on Science of the House of Representatives, and to the Senate, the report required by this subsection and 1 month has elapsed since that transmission. The report shall include, with respect to subsection (a), a 10-year plan containing—

(1) a detailed assessment of whether the aggregate funding levels provided under subsection (a) are the appropriate funding levels for that program;

(2) a detailed description of how proposals will be solicited and evaluated, including a list of all activities expected to be undertaken;

(3) a detailed list of technical milestones for each coal and related technology that will be pursued;

(4) recommendations for a mechanism for recoupment of Federal funding for successful commercial projects; and

(5) a detailed description of how the program will avoid problems enumerated in General Accounting Office reports on the Clean Coal Technology Program, including problems that have resulted in unspent funds and projects that failed either financially or scientifically.

(c) APPLICABILITY.—Subsection (b) shall not apply to any project begun before September 30, 2002.

SEC. 5006. PROJECT CRITERIA.

(a) IN GENERAL.—The Secretary shall not provide funding under this division for any project that does not advance efficiency, environmental performance, and cost competitiveness well beyond the level of technologies that are in operation or have been demonstrated as of the date of the enactment of this Act.

(b) Technical Criteria for Clean Coal Power Initiative.—

(1) Gasification.—(A) In allocating the funds authorized under section 5005(a), the Secretary shall ensure that at least 80 percent of the funds are used only for projects on coal-based gasification technologies, including gasification combined cycle, gasification fuel cells, gasification coproduction and hybrid gasification/combustion.

(B) The Secretary shall set technical milestones specifying emissions levels that coal gasification projects must be designed to and reasonably expected to achieve. The milestones shall get more restrictive through the life of the program. The milestones shall be designed to achieve by 2020 coal gasification projects able—

(i) to remove 99 percent of sulfur dioxide;

(ii) to emit no more than .05 lbs of NOx per million BTU;

(iii) to achieve substantial reductions in mercury emissions; and

(iv) to achieve a thermal efficiency of 60 percent (higher heating value).

(2) Other projects.—For projects not described in paragraph (1), the Secretary shall set technical milestones specifying emissions levels that the projects must be designed to and reasonably expected to achieve. The milestones shall get more restrictive through the life of the program. The milestones shall be designed to achieve by 2010 projects able—

(A) to remove 97 percent of sulfur dioxide;

(B) to emit no more than .08 lbs of NOx per million BTU;

(C) to achieve substantial reductions in mercury emissions; and

(D) to achieve a thermal efficiency of 45 percent (higher heating value).

(c) Financial Criteria.—The Secretary shall not provide a funding award under this division unless the recipient has documented to the satisfaction of the Secretary that—

(1) the award recipient is financially viable without the receipt of additional Federal funding;

(2) the recipient will provide sufficient information to the Secretary for the Secretary to ensure that the award funds are spent efficiently and effectively; and

(3) a market exists for the technology being demonstrated or applied, as evidenced by statements of interest in writing from potential purchasers of the technology.

(d) Federal Share.—The Federal share of the cost of a coal or related technology project funded by the Secretary shall not exceed 50 percent.

(e) Applicability.—Neither the use of any particular technology, nor the achievement of any emission reduction, by any facility receiving assistance under this title shall be taken into account for purposes of making any determination under the Clean Air Act in applying the provisions of that Act to a facility not receiving assistance under this title, including any determination concerning new source performance standards, lowest achievable emission rate, best available control technology, or any other standard, requirement, or limitation.

SEC. 5007. STUDY.

(a) In General.—Not later than 1 year after the date of enactment of this Act, and once every 2 years thereafter through 2016, the Secretary, in cooperation with other appropriate Federal agencies, shall transmit to the Committee on Energy and Commerce and the Committee on Science of the House of Representatives, and to the Senate, a report containing the results of a study to—

(1) identify efforts (and the costs and periods of time associated with those efforts) that, by themselves or in combination with other efforts, may be capable of achieving the cost and performance goals;

(2) develop recommendations for the Department of Energy to promote the efforts identified under paragraph (1); and

(3) develop recommendations for additional authorities required to achieve the cost and performance goals.

(b) Expert Advice.—In carrying out this section, the Secretary shall give due weight to the expert advice of representatives of the entities described in section 5004(b).

DIVISION F

SEC. 6001. SHORT TITLE.

This division may be cited as the "Energy Security Act".

TITLE I—GENERAL PROTECTIONS FOR ENERGY SUPPLY AND SECURITY

SEC. 6101. STUDY OF EXISTING RIGHTS-OF-WAY ON FEDERAL LANDS TO DETERMINE CAPABILITY TO SUPPORT NEW PIPELINES OR OTHER TRANSMISSION FACILITIES.

(a) In General.—Within one year after the date of enactment of this Act, the head of each Federal agency that has authorized a right-of-way across Federal lands for transportation of energy supplies or transmission of electricity shall review each such right-of-way and submit a report to the Secretary of Energy and the Chairman of the Federal Energy Regulatory Commission regarding—

(1) whether the right-of-way can be used to support new or additional capacity; and

(2) what modifications or other changes, if any, would be necessary to accommodate such additional capacity.

(b) Consultations and Considerations.—In performing the review, the head of each agency shall—

(1) consult with agencies of State, tribal, or local units of government as appropriate; and

(2) consider whether safety or other concerns related to current uses might preclude the availability of a right-of-way for additional or new transportation or transmission facilities, and set forth those considerations in the report.

SEC. 6102. INVENTORY OF ENERGY PRODUCTION POTENTIAL OF ALL FEDERAL PUBLIC LANDS.

(a) Inventory Requirement.—The Secretary of the Interior, in consultation with the Secretary of Agriculture and the Secretary of Energy, shall conduct an inventory of the energy production potential of all Federal public lands other than national park lands and lands in any wilderness area, with respect to wind, solar, coal, and geothermal power production.

(b) Limitations.—

(1) In general.—The Secretary shall not include in the inventory under this section the matters to be identified in the inventory under section 604 of the Energy Act of 2000 (42 U.S.C. 6217).

(2) Wind and solar power.—The inventory under this section—

(A) with respect to wind power production shall be limited to sites having a mean average wind speed—

(i) exceeding 12.5 miles per hour at a height of 33 feet; and

(ii) exceeding 15.7 miles per hour at a height of 164 feet; and

(B) with respect to solar power production shall be limited to areas rated as receiving 450 watts per square meter or greater.

(c) Examination of Restrictions and Impediments.—The inventory shall identify the extent and nature of any restrictions or impediments to the development of such energy production potential.

(d) Geothermal Power.—The inventory shall include an update of the 1978 Assessment of Geothermal Resources by the United States Geological Survey.

(e) Completion and Updating.—The Secretary—

(1) shall complete the inventory by not later than 2 years after the date of the enactment of this Act; and

(2) shall update the inventory regularly thereafter.

(f) Reports.—The Secretary shall submit to the Committee on Resources of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate and make publicly available—

(1) a report containing the inventory under this section, by not later than 2 years after the effective date of this section; and

(2) each update of such inventory.

SEC. 6103. REVIEW OF REGULATIONS TO ELIMINATE BARRIERS TO EMERGING ENERGY TECHNOLOGY.

(a) In General.—Each Federal agency shall carry out a review of its regulations and standards to determine those that act as a barrier to market entry for emerging energy-efficient technologies, including fuel cells, combined heat and power, and distributed generation (including small-scale renewable energy).

(b) Report to Congress.—No later than 18 months after date of enactment of this Act, each agency shall provide a report to the Congress and the President detailing all regulatory barriers to emerging energy-efficient technologies, along with actions the agency intends to take, or has taken, to remove such barriers.

(c) Periodic Review.—Each agency shall subsequently review its regulations and standards in this manner no less frequently than every 5 years, and report their findings to the Congress and the President. Such reviews shall include a detailed analysis of all agency actions taken to remove existing barriers to emerging energy technologies.

SEC. 6104. INTERAGENCY AGREEMENT ON ENVIRONMENTAL REVIEW OF INTERSTATE NATURAL GAS PIPELINE PROJECTS.

(a) In General.—The Secretary of Energy, in coordination with the Federal Energy Regulatory Commission, shall establish an administrative interagency task force to develop an interagency agreement to expedite and facilitate the environmental review and permitting of interstate natural gas pipeline projects.

(b) Task Force Members.—The task force shall include a representative of each of the Bureau of Land Management, the United States Fish and Wildlife Service, the Army Corps of Engineers, the Forest Service, the Environmental Protection Agency, the Advisory Council on Historic Preservation, and such other agencies as the Secretary of Energy and the Federal Energy Regulatory Commission consider appropriate.

(c) Terms of Agreement.—The interagency agreement shall require that agencies complete their review of interstate pipeline projects within a specific period of time after referral of the matter by the Federal Energy Regulatory Commission.

(d) Submittal of Agreement.—The Secretary of Energy shall submit a final interagency agreement under this section to the Congress by not later than 6 months after the effective date of this section.

SEC. 6105. ENHANCING ENERGY EFFICIENCY IN MANAGEMENT OF FEDERAL LANDS.

(a) Sense of the Congress.—It is the sense of Congress that Federal land managing agencies should enhance the use of energy efficient technologies in the management of natural resources.

(b) ENERGY EFFICIENT BUILDINGS.—To the extent economically practicable, the Secretary of the Interior and the Secretary of Agriculture shall seek to incorporate energy efficient technologies in public and administrative buildings associated with management of the National Park System, National Wildlife Refuge System, National Forest System, and other public lands and resources managed by such Secretaries.

(c) ENERGY EFFICIENT VEHICLES.—To the extent economically practicable, the Secretary of the Interior and the Secretary of Agriculture shall seek to use energy efficient motor vehicles, including vehicles equipped with biodiesel or hybrid engine technologies, in the management of the National Park System, National Wildlife Refuge System, and other public lands and managed by the Secretaries.

TITLE II—OIL AND GAS DEVELOPMENT

Subtitle A—Offshore Oil and Gas

SEC. 6201. SHORT TITLE.

This subtitle may be referred to as the "Royalty Relief Extension Act of 2001".

SEC. 6202. LEASE SALES IN WESTERN AND CENTRAL PLANNING AREA OF THE GULF OF MEXICO.

(a) IN GENERAL.—For all tracts located in water depths of greater than 200 meters in the Western and Central Planning Area of the Gulf of Mexico, including that portion of the Eastern Planning Area of the Gulf of Mexico encompassing whole lease blocks lying west of 87 degrees, 30 minutes West longitude, any oil or gas lease sale under the Outer Continental Shelf Lands Act occurring within 2 years after the date of enactment of this Act shall use the bidding system authorized in section 8(a)(1)(H) of the Outer Continental Shelf Lands Act (30 U.S.C. 1337(a)(1)(H)), except that the suspension of royalties shall be set at a volume of not less than the following:

(1) 5 million barrels of oil equivalent for each lease in water depths of 400 to 800 meters.

(2) 9 million barrels of oil equivalent for each lease in water depths of 800 to 1,600 meters.

(3) 12 million barrels of oil equivalent for each lease in water depths greater than 1,600 meters.

(b) RELATIONSHIP TO EXISTING AUTHORITY.—Except as expressly provided in this section, nothing in this section is intended to limit the authority of the Secretary of the Interior under the Outer Continental Shelf Lands Act (43 U.S.C. 1301 et seq.) to provide royalty suspension.

SEC. 6203. SAVINGS CLAUSE.

Nothing in this subtitle shall be construed to affect any offshore pre-leasing, leasing, or development moratorium, including any moratorium applicable to the Eastern Planning Area of the Gulf of Mexico located off the Gulf Coast of Florida.

SEC. 6204. ANALYSIS OF GULF OF MEXICO FIELD SIZE DISTRIBUTION, INTERNATIONAL COMPETITIVENESS, AND INCENTIVES FOR DEVELOPMENT.

(a) IN GENERAL.—The Secretary of the Interior and the Secretary of Energy shall enter into appropriate arrangements with the National Academy of Sciences to commission the Academy to perform the following:

(1) Conduct an analysis and review of existing Gulf of Mexico oil and natural gas resource assessments, including—

(A) analysis and review of assessments recently performed by the Minerals Management Service, the 1999 National Petroleum Council Gas Study, the Department of Energy's Offshore Marginal Property Study, and the Advanced Resources International, Inc. Deepwater Gulf of Mexico model; and

(B) evaluation and comparison of the accuracy of assumptions of the existing assessments with respect to resource field size distribution, hydrocarbon potential, and scenarios for leasing, exploration, and development.

(2) Evaluate the lease terms and conditions offered by the Minerals Management Service for Lease Sale 178, and compare the financial incentives offered by such terms and conditions to financial incentives offered by the terms and conditions that apply under leases for other offshore areas that are competing for the same limited offshore oil and gas exploration and development capital, including offshore areas of West Africa and Brazil.

(3) Recommend what level of incentives for all water depths are appropriate in order to ensure that the United States optimizes the domestic supply of oil and natural gas from the offshore areas of the Gulf of Mexico that are not subject to current leasing moratoria. Recommendations under this paragraph should be made in the context of the importance of the oil and natural gas resources of the Gulf of Mexico to the future energy and economic needs of the United States.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall submit a report to the Committee on Resources in the House of Representatives and the Committee on Energy and Natural Resources in the Senate, summarizing the findings of the National Academy of Sciences pursuant to subsection (a) and providing recommendations of the Secretary for new policies or other actions that could help to further increase oil and natural gas production from the Gulf of Mexico.

Subtitle B—Improvements to Federal Oil and Gas Management

SEC. 6221. SHORT TITLE.

This subtitle may be cited as the "Federal Oil and Gas Lease Management Improvement Demonstration Program Act of 2001".

SEC. 6222. STUDY OF IMPEDIMENTS TO EFFICIENT LEASE OPERATIONS.

(a) IN GENERAL.—The Secretary of the Interior and the Secretary of Agriculture shall jointly undertake a study of the impediments to efficient oil and gas leasing and operations on Federal onshore lands in order to identify means by which unnecessary impediments to the expeditious exploration and production of oil and natural gas on such lands can be removed.

(b) CONTENTS.—The study under subsection (a) shall include the following:

(1) A review of the process by which Federal land managers accept or reject an offer to lease, including the timeframes in which such offers are acted upon, the reasons for any delays in acting upon such offers, and any recommendations for expediting the response to such offers.

(2) A review of the approval process for applications for permits to drill, including the timeframes in which such applications are approved, the impact of compliance with other Federal laws on such timeframes, any other reasons for delays in making such approvals, and any recommendations for expediting such approvals.

(3) A review of the approval process for surface use plans of operation, including the timeframes in which such applications are approved, the impact of compliance with other Federal laws on such timeframes, any other reasons for delays in making such approvals, and any recommendations for expediting such approvals.

(4) A review of the process for administrative appeal of decisions or orders of officers or employees of the Bureau of Land Management with respect to a Federal oil or gas lease, including the timeframes in which such appeals are heard and decided, any reasons for delays in hearing or deciding such appeals, and any recommendations for expediting the appeals process.

(c) REPORT.—The Secretaries shall report the findings and recommendations resulting from the study required by this section to the Committee on Resources of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate no later than 6 months after the date of the enactment of this Act.

SEC. 6223. ELIMINATION OF UNWARRANTED DENIALS AND STAYS.

(a) IN GENERAL.—The Secretary shall ensure that unwarranted denials and stays of lease issuance and unwarranted restrictions on lease operations are eliminated from the administration of oil and natural gas leasing on Federal land.

(b) LAND DESIGNATED FOR MULTIPLE USE.—Federal land available for oil and natural gas leasing under any Bureau of Land Management resource management plan or Forest Service leasing analysis shall be available without lease stipulations more stringent than restrictions on surface use and operations imposed under the laws (including regulations) of the oil and natural gas conservation authority of the State in which the lands are located, unless the Secretary includes in the decision approving the management plan or leasing analysis or in the Secretary's acceptance of an offer to lease a written explanation why more stringent stipulations are warranted.

(c) REJECTION OF OFFER TO LEASE.—

(1) IN GENERAL.—If the Secretary rejects an offer to lease Federal lands for oil or natural gas development on the ground that the land is unavailable for oil and natural gas leasing, the Secretary shall provide a written, detailed explanation of the reasons the land is unavailable for leasing.

(2) PREVIOUS RESOURCE MANAGEMENT DECISION.—If the determination of unavailability is based on a previous resource management decision, the explanation shall include a careful assessment of whether the reasons underlying the previous decision are still persuasive.

(3) SEGREGATION OF AVAILABLE LAND FROM UNAVAILABLE LAND.—The Secretary may not reject an offer to lease Federal land for oil and natural gas development that is available for such leasing on the ground that the offer includes land unavailable for leasing. The Secretary shall segregate available land from unavailable land, on the offeror's request following notice by the Secretary, before acting on the offer to lease.

(d) DISAPPROVAL OR REQUIRED MODIFICATION OF SURFACE USE PLANS OF OPERATIONS AND APPLICATION FOR PERMIT TO DRILL.—The Secretary shall provide a written, detailed explanation of the reasons for disapproving or requiring modifications of any surface use plan of operations or application for permit to drill with respect to oil or natural gas development on Federal lands.

SEC. 6224. LIMITATION ON COST RECOVERY FOR APPLICATIONS.

Notwithstanding sections 304 and 504 of the Federal Land Policy and Management Act of

1976 (43 U.S.C. 1734, 1764) and section 9701 of title 31, United States Code, the Secretary shall not recover the Secretary's costs with respect to applications and other documents relating to oil and gas leases.

SEC. 6225. CONSULTATION WITH SECRETARY OF AGRICULTURE.

Section 17(h) of the Mineral Leasing Act (30 U.S.C. 226(h)) is amended to read as follows:

"(h)(1) In issuing any lease on National Forest System lands reserved from the public domain, the Secretary of the Interior shall consult with the Secretary of Agriculture in determining stipulations on surface use under the lease.

"(2)(A) A lease on lands referred to in paragraph (1) may not be issued if the Secretary of Agriculture determines, after consultation under paragraph (1), that the terms and conditions of the lease, including any prohibition on surface occupancy for lease operations, will not be sufficient to adequately protect such lands under the National Forest Management Act of 1976 (16 U.S.C. 1600 et seq.).

"(B) The authority of the Secretary of Agriculture under this paragraph may be delegated only to the Undersecretary of Agriculture for Natural Resources and Environment.".

Subtitle C—Miscellaneous

SEC. 6231. OFFSHORE SUBSALT DEVELOPMENT.

Section 5 of the Outer Continental Shelf Lands Act of 1953 (43 U.S.C. 1334) is amended by adding at the end the following:

"(k) Suspension of Operations for Subsalt Exploration.—Notwithstanding any other provision of law or regulation, to prevent waste caused by the drilling of unnecessary wells and to facilitate the discovery of additional hydrocarbon reserves, the Secretary may grant a request for a suspension of operations under any lease to allow the reprocessing and reinterpretation of geophysical data to identify and define drilling objectives beneath allocthonus salt sheets.".

SEC. 6232. PROGRAM ON OIL AND GAS ROYALTIES IN KIND.

(a) Applicability of Section.—Notwithstanding any other provision of law, the provisions of this section shall apply to all royalty in kind accepted by the Secretary of the Interior under any Federal oil or gas lease or permit under section 36 of the Mineral Leasing Act (30 U.S.C. 192), section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353), or any other mineral leasing law, in the period beginning on the date of enactment of this Act through September 30, 2006.

(b) Terms and Conditions.—All royalty accruing to the United States under any Federal oil or gas lease or permit under the Mineral Leasing Act (30 U.S.C. 181 et seq.) or the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) shall, on the demand of the Secretary of the Interior, be paid in oil or gas. If the Secretary of the Interior makes such a demand, the following provisions apply to such payment:

(1) Delivery by, or on behalf of, the lessee of the royalty amount and quality due under the lease satisfies the lessee's royalty obligation for the amount delivered, except that transportation and processing reimbursements paid to, or deductions claimed by, the lessee shall be subject to review and audit.

(2) Royalty production shall be placed in marketable condition by the lessee at no cost to the United States.

(3) The Secretary of the Interior may—

(A) sell or otherwise dispose of any royalty oil or gas taken in kind (other than oil or gas taken under section 27(a)(3) of the Outer Continental Shlef Lands Act (43 U.S.C. 1353(a)(3)) for not less than the market price; and

(B) transport or process any oil or gas royalty taken in kind.

(4) The Secretary of the Interior may, notwithstanding section 3302 of title 31, United States Code, retain and use a portion of the revenues from the sale of oil and gas royalties taken in kind that otherwise would be deposited to miscellaneous receipts, without regard to fiscal year limitation, or may use royalty production, to pay the cost of—

(A) transporting the oil or gas,

(B) processing the gas, or

(C) disposing of the oil or gas.

(5) The Secretary may not use revenues from the sale of oil and gas royalties taken in kind to pay for personnel, travel, or other administrative costs of the Federal Government.

(c) Reimbursement of Cost.—If the lessee, pursuant to an agreement with the United States or as provided in the lease, processes the royalty gas or delivers the royalty oil or gas at a point not on or adjacent to the lease area, the Secretary of the Interior shall—

(1) reimburse the lessee for the reasonable costs of transportation (not including gathering) from the lease to the point of delivery or for processing costs; or

(2) at the discretion of the Secretary of the Interior, allow the lessee to deduct such transportation or processing costs in reporting and paying royalties in value for other Federal oil and gas leases.

(d) Benefit to the United States Required.—The Secretary may receive oil or gas royalties in kind only if the Secretary determines that receiving such royalties provides benefits to the United States greater than or equal to those that would be realized under a comparable royalty in value program.

(e) Report to Congress.—For each of the fiscal years 2002 through 2006 in which the United States takes oil or gas royalties in kind from production in any State or from the Outer Continental Shelf, excluding royalties taken in kind and sold to refineries under subsection (h), the Secretary of the Interior shall provide a report to the Congress describing—

(1) the methodology or methodologies used by the Secretary to determine compliance with subsection (d), including performance standards for comparing amounts received by the United States derived from such royalties in kind to amounts likely to have been received had royalties been taken in value;

(2) an explanation of the evaluation that led the Secretary to take royalties in kind from a lease or group of leases, including the expected revenue effect of taking royalties in kind;

(3) actual amounts received by the United States derived from taking royalties in kind, and costs and savings incurred by the United States associated with taking royalties in kind; and

(4) an evaluation of other relevant public benefits or detriments associated with taking royalties in kind.

(f) Deduction of Expenses.—

(1) In general.—Before making payments under section 35 of the Mineral Leasing Act (30 U.S.C. 191) or section 8(g) of the Outer Continental Shelf Lands Act (30 U.S.C. 1337(g)) of revenues derived from the sale of royalty production taken in kind from a lease, the Secretary of the Interior shall deduct amounts paid or deducted under subsections (b)(4) and (c), and shall deposit such amounts to miscellaneous receipts.

(2) Accounting for deductions.—If the Secretary of the Interior allows the lessee to deduct transportation or processing costs under subsection (c), the Secretary may not reduce any payments to recipients of revenues derived from any other Federal oil and gas lease as a consequence of that deduction.

(g) Consultation With States.—The Secretary of the Interior—

(1) shall consult with a State before conducting a royalty in kind program under this title within the State, and may delegate management of any portion of the Federal royalty in kind program to such State except as otherwise prohibited by Federal law; and

(2) shall consult annually with any State from which Federal oil or gas royalty is being taken in kind to ensure to the maximum extent practicable that the royalty in kind program provides revenues to the State greater than or equal to those which would be realized under a comparable royalty in value program.

(h) Provisions for Small Refineries.—

(1) Preference.—If the Secretary of the Interior determines that sufficient supplies of crude oil are not available in the open market to refineries not having their own source of supply for crude oil, the Secretary may grant preference to such refineries in the sale of any royalty oil accruing or reserved to the United States under Federal oil and gas leases issued under any mineral leasing law, for processing or use in such refineries at private sale at not less than the market price.

(2) Proration among refineries in production area.—In disposing of oil under this subsection, the Secretary of the Interior may, at the discretion of the Secretary, prorate such oil among such refineries in the area in which the oil is produced.

(i) Disposition to Federal Agencies.—

(1) Onshore royalty.—Any royalty oil or gas taken by the Secretary in kind from onshore oil and gas leases may be sold at not less than the market price to any department or agency of the United States.

(2) Offshore royalty.—Any royalty oil or gas taken in kind from Federal oil and gas leases on the Outer Continental Shelf may be disposed of only under section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353).

(j) Preference for Federal Low-Income Energy Assistance Programs.—In disposing of royalty oil or gas taken in kind under this section, the Secretary may grant a preference to any person, including any State or Federal agency, for the purpose of providing additional resources to any Federal low-income energy assistance program.

SEC. 6233. MARGINAL WELL PRODUCTION INCENTIVES.

To enhance the economics of marginal oil and gas production by increasing the ultimate recovery from marginal wells when the cash price of West Texas Intermediate crude oil, as posted on the Dow Jones Commodities Index chart, is less than $15 per barrel for 180 consecutive pricing days or when the price of natural gas delivered at Henry Hub, Louisiana, is less than $2.00 per million British thermal units for 180 consecutive days, the Secretary shall reduce the royalty rate as production declines for—

(1) onshore oil wells producing less than 30 barrels per day;

(2) onshore gas wells producing less than 120 million British thermal units per day;

(3) offshore oil wells producing less than 300 barrels of oil per day; and

(4) offshore gas wells producing less than 1,200 million British thermal units per day.

SEC. 6234. REIMBURSEMENT FOR COSTS OF NEPA ANALYSES, DOCUMENTATION, AND STUDIES.

The Mineral Leasing Act (30 U.S.C. 181 et seq.) is amended by inserting after section 37 the following:

"REIMBURSEMENT FOR COSTS OF CERTAIN ANALYSES, DOCUMENTATION, AND STUDIES

"SEC. 38. (a) IN GENERAL.—The Secretary of the Interior may reimburse a person who is a lessee, operator, operating rights owner, or applicant for an oil or gas lease under this Act for costs incurred by the person in preparing any project-level analysis, documentation, or related study required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to the lease, through royalty credits attributable to the lease, unit agreement, or project area for which the analysis, documentation, or related study is prepared.

"(b) CONDITIONS.—The Secretary may provide reimbursement under subsection (b) only if—

"(1) adequate funding to enable the Secretary to timely prepare the analysis, documentation, or related study is not appropriated;

"(2) the person paid the costs voluntarily; and

"(3) the person maintains records of its costs in accordance with regulations prescribed by the Secretary.".

(c) APPLICATION.—The amendments made by this section shall apply with respect to any lease entered into before, on, or after the date of the enactment of this Act.

(d) DEADLINE FOR REGULATIONS.—The Secretary shall issue regulations implementing the amendments made by this section by not later than 90 days after the date of the enactment of this Act.

TITLE III—GEOTHERMAL ENERGY DEVELOPMENT

SEC. 6301. ROYALTY REDUCTION AND RELIEF.

(a) ROYALTY REDUCTION.—Section 5(a) of the Geothermal Steam Act of 1970 (30 U.S.C. 1004(a)) is amended by striking "not less than 10 per centum or more than 15 per centum" and inserting "not more than 8 per centum".

(b) ROYALTY RELIEF.—

(1) IN GENERAL.—Notwithstanding section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004(a)) and any provision of any lease under that Act, no royalty is required to be paid—

(A) under any qualified geothermal energy lease with respect to commercial production of heat or energy from a facility that begins such production in the 5-year period beginning on the date of the enactment of this Act; or

(B) on qualified expansion geothermal energy.

(2) 3-YEAR APPLICATION.—Paragraph (1) applies only to commercial production of heat or energy from a facility in the first 3 years of such production.

(c) DEFINITIONS.—In this section:

(1) QUALIFIED EXPANSION GEOTHERMAL ENERGY.—The term "qualified expansion geothermal energy"—

(A) subject to subparagraph (B), means geothermal energy produced from a generation facility for which the rated capacity is increased by more than 10 percent as a result of expansion of the facility carried out in the 5-year period beginning on the date of enactment of this Act; and

(B) does not include the rated capacity of the generation facility on the date of enactment of this Act.

(2) QUALIFIED GEOTHERMAL ENERGY LEASE.—The term "qualified geothermal energy lease" means a lease under the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.)—

(A) that was executed before the end of the 5-year period beginning on the date of the enactment of this Act; and

(B) under which no commercial production of any form of heat or energy occurred before the date of the enactment of this Act.

SEC. 6302. EXEMPTION FROM ROYALTIES FOR DIRECT USE OF LOW TEMPERATURE GEOTHERMAL ENERGY RESOURCES.

Section 5 of the Geothermal Steam Act of 1970 (30 U.S.C. 1004) is amended—

(1) in paragraph (c) by redesignating subparagraphs (1) and (2) as subparagraphs (A) and (B);

(2) by redesignating paragraphs (a) through (d) in order as paragraphs (1) through (4);

(3) by inserting "(a) IN GENERAL.—" after "SEC. 5."; and

(4) by adding at the end the following new subsection:

"(b) EXEMPTION FOR USE OF LOW TEMPERATURE RESOURCES.—

"(1) IN GENERAL.—In lieu of any royalty or rental under subsection (a), a lease for qualified development and direct utilization of low temperature geothermal resources shall provide for payment by the lessee of an annual fee of not less than $100, and not more than $1,000, in accordance with the schedule issued under paragraph (2).

"(2) SCHEDULE.—The Secretary shall issue a schedule of fees under this section under which a fee is based on the scale of development and utilization to which the fee applies.

"(3) DEFINITIONS.—In this subsection:

"(A) LOW TEMPERATURE GEOTHERMAL RESOURCES.—The term 'low temperature geothermal resources' means geothermal steam and associated geothermal resources having a temperature of less than 195 degrees Fahrenheit.

"(B) QUALIFIED DEVELOPMENT AND DIRECT UTILIZATION.—The term 'qualified development and direct utilization' means development and utilization in which all products of geothermal resources, other than any heat utilized, are returned to the geothermal formation from which they are produced.".

SEC. 6303. AMENDMENTS RELATING TO LEASING ON FOREST SERVICE LANDS.

The Geothermal Steam Act of 1970 is amended—

(1) in section 15(b) (30 U.S.C. 1014(b))—

(A) by inserting "(1)" after "(b)"; and

(B) in paragraph (1) (as designated by subparagraph (A) of this paragraph) in the first sentence—

(i) by striking "with the consent of, and" and inserting "after consultation with the Secretary of Agriculture and"; and

(ii) by striking "the head of that Department" and inserting "the Secretary of Agriculture"; and

(2) by adding at the end the following:

"(2)(A) A geothermal lease for lands withdrawn or acquired in aid of functions of the Department of Agriculture may not be issued if the Secretary of Agriculture, after the consultation required by paragraph (1), determines that no terms or conditions, including a prohibition on surface occupancy for lease operations, would be sufficient to adequately protect such lands under the National Forest Management Act of 1976 (16 U.S.C. 1600 et seq.).

"(B) The authority of the Secretary of Agriculture under this paragraph may be delegated only to the Undersecretary of Agriculture for Natural Resources and Environment.".

SEC. 6304. DEADLINE FOR DETERMINATION ON PENDING NONCOMPETITIVE LEASE APPLICATIONS.

Not later than 90 days after the date of the enactment of this Act, the Secretary of the Interior shall, with respect to each application pending on the date of the enactment of this Act for a lease under the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.), issue a final determination of—

(1) whether or not to conduct a lease sale by competitive bidding; and

(2) whether or not to award a lease without competitive bidding.

SEC. 6305. OPENING OF PUBLIC LANDS UNDER MILITARY JURISDICTION.

(a) IN GENERAL.—Except as otherwise provided in the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) and other provisions of Federal law applicable to development of geothermal energy resources within public lands, all public lands under the jurisdiction of a Secretary of a military department shall be open to the operation of such laws and development and utilization of geothermal steam and associated geothermal resources, as that term is defined in section 2 of the Geothermal Steam Act of 1970 (30 U.S.C. 1001), without the necessity for further action by the Secretary or the Congress.

(b) CONFORMING AMENDMENT.—Section 2689 of title 10, United States Code, is amended by striking "including public lands," and inserting "other than public lands,".

(c) TREATMENT OF EXISTING LEASES.—Upon the expiration of any lease in effect on the date of the enactment of this Act of public lands under the jurisdiction of a military department for the development of any geothermal resource, such lease may, at the option of the lessee—

(1) be treated as a lease under the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.), and be renewed in accordance with such Act; or

(2) be renewed in accordance with the terms of the lease, if such renewal is authorized by such terms.

(d) REGULATIONS.—The Secretary of the Interior, with the advice and concurrence of the Secretary of the military department concerned, shall prescribe such regulations to carry out this section as may be necessary. Such regulations shall contain guidelines to assist in determining how much, if any, of the surface of any lands opened pursuant to this section may be used for purposes incident to geothermal energy resources development and utilization.

(e) CLOSURE FOR PURPOSES OF NATIONAL DEFENSE OR SECURITY.—In the event of a national emergency or for purposes of national defense or security, the Secretary of the Interior, at the request of the Secretary of the military department concerned, shall close any lands that have been opened to geothermal energy resources leasing pursuant to this section.

SEC. 6306. APPLICATION OF AMENDMENTS.

The amendments made by this title apply with respect to any lease executed before, on, or after the date of the enactment of this Act.

SEC. 6307. REVIEW AND REPORT TO CONGRESS.

The Secretary of the Interior shall promptly review and report to the Congress regarding the status of all moratoria on and withdrawals from leasing under the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) of known geothermal resources areas (as that term is defined in section 2 of that Act (30 U.S.C. 1001), specifying for each such area whether the basis for such moratoria or withdrawal still applies.

SEC. 6308. REIMBURSEMENT FOR COSTS OF NEPA ANALYSES, DOCUMENTATION, AND STUDIES.

(a) In General.—The Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.) is amended by adding at the end the following:

"REIMBURSEMENT FOR COSTS OF CERTAIN ANALYSES, DOCUMENTATION, AND STUDIES

"Sec. 30. (a) In General.—The Secretary of the Interior may reimburse a person who is a lessee, operator, operating rights owner, or applicant for a lease under this Act for costs incurred by the person in preparing any project-level analysis, documentation, or related study required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to the lease, through royalty credits attributable to the lease, unit agreement, or project area for which the analysis, documentation, or related study is prepared.

"(b) Conditions.—The Secretary shall may provide reimbursement under subsection (a) only if—

"(1) adequate funding to enable the Secretary to timely prepare the analysis, documentation, or related study is not appropriated;

"(2) the person paid the costs voluntarily; and

"(3) the person maintains records of its costs in accordance with regulations prescribed by the Secretary.".

(b) Application.—The amendments made by this section shall apply with respect to any lease entered into before, on, or after the date of the enactment of this Act.

(c) Deadline for Regulations.—The Secretary shall issue regulations implementing the amendments made by this section by not later than 90 days after the date of the enactment of this Act.

TITLE IV—HYDROPOWER

SEC. 6401. STUDY AND REPORT ON INCREASING ELECTRIC POWER PRODUCTION CAPABILITY OF EXISTING FACILITIES.

(a) In General.—The Secretary of the Interior shall conduct a study of the potential for increasing electric power production capability at existing facilities under the administrative jurisdiction of the Secretary.

(b) Content.—The study under this section shall include identification and description in detail of each facility that is capable, with or without modification, of producing additional hydroelectric power, including estimation of the existing potential for the facility to generate hydroelectric power.

(c) Report.—The Secretary shall submit to the Congress a report on the findings, conclusions, and recommendations of the study under this section by not later than 12 months after the date of enactment of this Act. The Secretary shall include in the report the following:

(1) The identifications, descriptions, and estimations referred to in subsection (b).

(2) A description of activities the Secretary is currently conducting or considering, or that could be considered, to produce additional hydroelectric power from each identified facility.

(3) A summary of action that has already been taken by the Secretary to produce additional hydroelectric power from each identified facility.

(4) The costs to install, upgrade, or modify equipment or take other actions to produce additional hydroelectric power from each identified facility.

(5) The benefits that would be achieved by such installation, upgrade, modification, or other action, including quantified estimates of any additional energy or capacity from each facility identified under subsection (b).

(6) A description of actions that are planned, underway, or might reasonably be considered to increase hydroelectric power production by replacing turbine runners.

(7) A description of actions that are planned, underway, or might reasonably be considered to increase hydroelectric power production by performing generator uprates and rewinds.

(8) The impact of increased hydroelectric power production on irrigation, fish, wildlife, Indian tribes, river health, water quality, navigation, recreation, fishing, and flood control.

(9) Any additional recommendations the Secretary considers advisable to increase hydroelectric power production from, and reduce costs and improve efficiency at, facilities under the jurisdiction of the Secretary.

SEC. 6402. INSTALLATION OF POWERFORMER AT FOLSOM POWER PLANT, CALIFORNIA.

(a) In General.—The Secretary of the Interior may install a powerformer at the Bureau of Reclamation Folsom power plant in Folsom, California, to replace a generator and transformer that are due for replacement due to age.

(b) Reimbursable Costs.—Costs incurred by the United States for installation of a powerformer under this section shall be treated as reimbursable costs and shall bear interest at current long-term borrowing rates of the United States Treasury at the time of acquisition.

(c) Local Cost Sharing.—In addition to reimbursable costs under subsection (b), the Secretary shall seek contributions from power users toward the costs of the powerformer and its installation.

SEC. 6403. STUDY AND IMPLEMENTATION OF INCREASED OPERATIONAL EFFICIENCIES IN HYDROELECTRIC POWER PROJECTS.

(a) In General.—The Secretary of Interior shall conduct a study of operational methods and water scheduling techniques at all hydroelectric power plants under the administrative jurisdiction of the Secretary that have an electric power production capacity greater than 50 megawatts, to—

(1) determine whether such power plants and associated river systems are operated so as to maximize energy and capacity capabilities; and

(2) identify measures that can be taken to improve operational flexibility at such plants to achieve such maximization.

(b) Report.—The Secretary shall submit a report on the findings, conclusions, and recommendations of the study under this section by not later than 18 months after the date of the enactment of this Act, including a summary of the determinations and identifications under paragraphs (1) and (2) of subsection (a).

(c) Cooperation by Federal Power Marketing Administrations.—The Secretary shall coordinate with the Administrator of each Federal power marketing administration in—

(1) determining how the value of electric power produced by each hydroelectric power facility that produces power marketed by the administration can be maximized; and

(2) implementing measures identified under subsection (a)(2).

(d) Limitation on Implementation of Measures.—Implementation under subsections (a)(2) and (b)(2) shall be limited to those measures that can be implemented within the constraints imposed on Department of the Interior facilities by other uses required by law.

SEC. 6404. SHIFT OF PROJECT LOADS TO OFF-PEAK PERIODS.

(a) In General.—The Secretary of the Interior shall—

(1) review electric power consumption by Bureau of Reclamation facilities for water pumping purposes; and

(2) make such adjustments in such pumping as possible to minimize the amount of electric power consumed for such pumping during periods of peak electric power consumption, including by performing as much of such pumping as possible during off-peak hours at night.

(b) Consent of Affected Irrigation Customers Required.—The Secretary may not under this section make any adjustment in pumping at a facility without the consent of each person that has contracted with the United States for delivery of water from the facility for use for irrigation and that would be affected by such adjustment.

(c) Existing Obligations Not Affected.—This section shall not be construed to affect any existing obligation of the Secretary to provide electric power, water, or other benefits from Bureau of Reclamation facilities.

TITLE V—ARCTIC COASTAL PLAIN DOMESTIC ENERGY

SEC. 6501. SHORT TITLE.

This title may be cited as the "Arctic Coastal Plain Domestic Energy Security Act of 2001".

SEC. 6502. DEFINITIONS.

In this title:

(1) Coastal plain.—The term "Coastal Plain" means that area identified as such in the map entitled "Arctic National Wildlife Refuge", dated August 1980, as referenced in section 1002(b) of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3142(b)(1)), comprising approximately 1,549,000 acres.

(2) Secretary.—The term "Secretary", except as otherwise provided, means the Secretary of the Interior or the Secretary's designee.

SEC. 6503. LEASING PROGRAM FOR LANDS WITHIN THE COASTAL PLAIN.

(a) In General.—The Secretary shall take such actions as are necessary—

(1) to establish and implement in accordance with this title a competitive oil and gas leasing program under the Mineral Leasing Act (30 U.S.C. 181 et seq.) that will result in an environmentally sound program for the exploration, development, and production of the oil and gas resources of the Coastal Plain; and

(2) to administer the provisions of this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that ensure the oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, their habitat, subsistence resources, and the environment, and including, in furtherance of this goal, by requiring the application of the best commercially available technology for oil and gas exploration, development, and production to all exploration, development, and production operations under this title in a manner that ensures the receipt of fair market value by the public for the mineral resources to be leased.

(b) Repeal.—Section 1003 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3143) is repealed.

(c) Compliance With Requirements Under Certain Other Laws.—

(1) Compatibility.—For purposes of the National Wildlife Refuge System Administration Act of 1966, the oil and gas leasing

program and activities authorized by this section in the Coastal Plain are deemed to be compatible with the purposes for which the Arctic National Wildlife Refuge was established, and that no further findings or decisions are required to implement this determination.

(2) Adequacy of the Department of the Interior's Legislative Environmental Impact Statement.—The "Final Legislative Environmental Impact Statement" (April 1987) on the Coastal Plain prepared pursuant to section 1002 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3142) and section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) is deemed to satisfy the requirements under the National Environmental Policy Act of 1969 that apply with respect to actions authorized to be taken by the Secretary to develop and promulgate the regulations for the establishment of a leasing program authorized by this title before the conduct of the first lease sale.

(3) Compliance with NEPA for Other Actions.—Before conducting the first lease sale under this title, the Secretary shall prepare an environmental impact statement under the National Environmental Policy Act of 1969 with respect to the actions authorized by this title that are not referred to in paragraph (2). Notwithstanding any other law, the Secretary is not required to identify nonleasing alternative courses of action or to analyze the environmental effects of such courses of action. The Secretary shall only identify a preferred action for such leasing and a single leasing alternative, and analyze the environmental effects and potential mitigation measures for those two alternatives. The identification of the preferred action and related analysis for the first lease sale under this title shall be completed within 18 months after the date of enactment of this Act. The Secretary shall only consider public comments that specifically address the Secretary's preferred action and that are filed within 20 days after publication of an environmental analysis. Notwithstanding any other law, compliance with this paragraph is deemed to satisfy all requirements for the analysis and consideration of the environmental effects of proposed leasing under this title.

(d) Relationship to State and Local Authority.—Nothing in this title shall be considered to expand or limit State and local regulatory authority.

(e) Special Areas.—

(1) In general.—The Secretary, after consultation with the State of Alaska, the city of Kaktovik, and the North Slope Borough, may designate up to a total of 45,000 acres of the Coastal Plain as a Special Area if the Secretary determines that the Special Area is of such unique character and interest so as to require special management and regulatory protection. The Secretary shall designate as such a Special Area the Sadlerochit Spring area, comprising approximately 4,000 acres as depicted on the map referred to in section 6502(1).

(2) Management.—Each such Special Area shall be managed so as to protect and preserve the area's unique and diverse character including its fish, wildlife, and subsistence resource values.

(3) Exclusion from Leasing or Surface Occupancy.—The Secretary may exclude any Special Area from leasing. If the Secretary leases a Special Area, or any part thereof, for purposes of oil and gas exploration, development, production, and related activities, there shall be no surface occupancy of the lands comprising the Special Area.

(4) Directional drilling.—Notwithstanding the other provisions of this subsection, the Secretary may lease all or a portion of a Special Area under terms that permit the use of horizontal drilling technology from sites on leases located outside the area.

(f) Limitation on Closed Areas.—The Secretary's sole authority to close lands within the Coastal Plain to oil and gas leasing and to exploration, development, and production is that set forth in this title.

(g) Regulations.—

(1) In general.—The Secretary shall prescribe such regulations as may be necessary to carry out this title, including rules and regulations relating to protection of the fish and wildlife, their habitat, subsistence resources, and environment of the Coastal Plain, by no later than 15 months after the date of enactment of this Act.

(2) Revision of regulations.—The Secretary shall periodically review and, if appropriate, revise the rules and regulations issued under subsection (a) to reflect any significant biological, environmental, or engineering data that come to the Secretary's attention.

SEC. 6504. LEASE SALES.

(a) In General.—Lands may be leased pursuant to this title to any person qualified to obtain a lease for deposits of oil and gas under the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(b) Procedures.—The Secretary shall, by regulation, establish procedures for—

(1) receipt and consideration of sealed nominations for any area in the Coastal Plain for inclusion in, or exclusion (as provided in subsection (c)) from, a lease sale;

(2) the holding of lease sales after such nomination process; and

(3) public notice of and comment on designation of areas to be included in, or excluded from, a lease sale.

(c) Lease Sale Bids.—Bidding for leases under this title shall be by sealed competitive cash bonus bids.

(d) Acreage Minimum in First Sale.—In the first lease sale under this title, the Secretary shall offer for lease those tracts the Secretary considers to have the greatest potential for the discovery of hydrocarbons, taking into consideration nominations received pursuant to subsection (b)(1), but in no case less than 200,000 acres.

(e) Timing of Lease Sales.—The Secretary shall—

(1) conduct the first lease sale under this title within 22 months after the date of enactment of this title; and

(2) conduct additional sales so long as sufficient interest in development exists to warrant, in the Secretary's judgment, the conduct of such sales.

SEC. 6505. GRANT OF LEASES BY THE SECRETARY.

(a) In General.—The Secretary may grant to the highest responsible qualified bidder in a lease sale conducted pursuant to section 6504 any lands to be leased on the Coastal Plain upon payment by the lessee of such bonus as may be accepted by the Secretary.

(b) Subsequent Transfers.—No lease issued under this title may be sold, exchanged, assigned, sublet, or otherwise transferred except with the approval of the Secretary. Prior to any such approval the Secretary shall consult with, and give due consideration to the views of, the Attorney General.

SEC. 6506. LEASE TERMS AND CONDITIONS.

(a) In General.—An oil or gas lease issued pursuant to this title shall—

(1) provide for the payment of a royalty of not less than 12½ percent in amount or value of the production removed or sold from the lease, as determined by the Secretary under the regulations applicable to other Federal oil and gas leases;

(2) provide that the Secretary may close, on a seasonal basis, portions of the Coastal Plain to exploratory drilling activities as necessary to protect caribou calving areas and other species of fish and wildlife;

(3) require that the lessee of lands within the Coastal Plain shall be fully responsible and liable for the reclamation of lands within the Coastal Plain and any other Federal lands that are adversely affected in connection with exploration, development, production, or transportation activities conducted under the lease and within the Coastal Plain by the lessee or by any of the subcontractors or agents of the lessee;

(4) provide that the lessee may not delegate or convey, by contract or otherwise, the reclamation responsibility and liability to another person without the express written approval of the Secretary;

(5) provide that the standard of reclamation for lands required to be reclaimed under this title shall be, as nearly as practicable, a condition capable of supporting the uses which the lands were capable of supporting prior to any exploration, development, or production activities, or upon application by the lessee, to a higher or better use as approved by the Secretary;

(6) contain terms and conditions relating to protection of fish and wildlife, their habitat, and the environment as required pursuant to section 6503(a)(2);

(7) provide that the lessee, its agents, and its contractors use best efforts to provide a fair share, as determined by the level of obligation previously agreed to in the 1974 agreement implementing section 29 of the Federal Agreement and Grant of Right of Way for the Operation of the Trans-Alaska Pipeline, of employment and contracting for Alaska Natives and Alaska Native Corporations from throughout the State;

(8) prohibit the export of oil produced under the lease; and

(9) contain such other provisions as the Secretary determines necessary to ensure compliance with the provisions of this title and the regulations issued under this title.

(b) Project Labor Agreements.—The Secretary, as a term and condition of each lease under this title and in recognizing the Government's proprietary interest in labor stability and in the ability of construction labor and management to meet the particular needs and conditions of projects to be developed under the leases issued pursuant to this title and the special concerns of the parties to such leases, shall require that the lessee and its agents and contractors negotiate to obtain a project labor agreement for the employment of laborers and mechanics on production, maintenance, and construction under the lease.

SEC. 6507. COASTAL PLAIN ENVIRONMENTAL PROTECTION.

(a) No Significant Adverse Effect Standard To Govern Authorized Coastal Plain Activities.—The Secretary shall, consistent with the requirements of section 6503, administer the provisions of this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that—

(1) ensure the oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, their habitat, and the environment; and

(2) require the application of the best commercially available technology for oil and

gas exploration, development, and production on all new exploration, development, and production operations.

(b) Site-Specific Assessment and Mitigation.—The Secretary shall also require, with respect to any proposed drilling and related activities, that—

(1) a site-specific analysis be made of the probable effects, if any, that the drilling or related activities will have on fish and wildlife, their habitat, and the environment;

(2) a plan be implemented to avoid, minimize, and mitigate (in that order and to the extent practicable) any significant adverse effect identified under paragraph (1); and

(3) the development of the plan shall occur after consultation with the agency or agencies having jurisdiction over matters mitigated by the plan.

(c) Regulations To Protect Coastal Plain Fish and Wildlife Resources, Subsistence Users, and the Environment.—Before implementing the leasing program authorized by this title, the Secretary shall prepare and promulgate regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other measures designed to ensure that the activities undertaken on the Coastal Plain under this title are conducted in a manner consistent with the purposes and environmental requirements of this title.

(d) Compliance With Federal and State Environmental Laws and Other Requirements.—The proposed regulations, lease terms, conditions, restrictions, prohibitions, and stipulations for the leasing program under this title shall require compliance with all applicable provisions of Federal and State environmental law and shall also require the following:

(1) Standards at least as effective as the safety and environmental mitigation measures set forth in items 1 through 29 at pages 167 through 169 of the "Final Legislative Environmental Impact Statement" (April 1987) on the Coastal Plain.

(2) Seasonal limitations on exploration, development, and related activities, where necessary, to avoid significant adverse effects during periods of concentrated fish and wildlife breeding, denning, nesting, spawning, and migration.

(3) That exploration activities, except for surface geological studies, be limited to the period between approximately November 1 and May 1 each year and that exploration activities shall be supported by ice roads, winter trails with adequate snow cover, ice pads, ice airstrips, and air transport methods, except that such exploration activities may occur at other times, if—

(A) the Secretary determines, after affording an opportunity for public comment and review, that special circumstances exist necessitating that exploration activities be conducted at other times of the year; and

(B) the Secretary finds that such exploration will have no significant adverse effect on the fish and wildlife, their habitat, and the environment of the Coastal Plain.

(4) Design safety and construction standards for all pipelines and any access and service roads, that—

(A) minimize, to the maximum extent possible, adverse effects upon the passage of migratory species such as caribou; and

(B) minimize adverse effects upon the flow of surface water by requiring the use of culverts, bridges, and other structural devices.

(5) Prohibitions on public access and use on all pipeline access and service roads.

(6) Stringent reclamation and rehabilitation requirements, consistent with the standards set forth in this title, requiring the removal from the Coastal Plain of all oil and gas development and production facilities, structures, and equipment upon completion of oil and gas production operations, except that the Secretary may exempt from the requirements of this paragraph those facilities, structures, or equipment that the Secretary determines would assist in the management of the Arctic National Wildlife Refuge and that are donated to the United States for that purpose.

(7) Appropriate prohibitions or restrictions on access by all modes of transportation.

(8) Appropriate prohibitions or restrictions on sand and gravel extraction.

(9) Consolidation of facility siting.

(10) Appropriate prohibitions or restrictions on use of explosives.

(11) Avoidance, to the extent practicable, of springs, streams, and river system; the protection of natural surface drainage patterns, wetlands, and riparian habitats; and the regulation of methods or techniques for developing or transporting adequate supplies of water for exploratory drilling.

(12) Avoidance or reduction of air traffic-related disturbance to fish and wildlife.

(13) Treatment and disposal of hazardous and toxic wastes, solid wastes, reserve pit fluids, drilling muds and cuttings, and domestic wastewater, including an annual waste management report, a hazardous materials tracking system, and a prohibition on chlorinated solvents, in accordance with applicable Federal and State environmental law.

(14) Fuel storage and oil spill contingency planning.

(15) Research, monitoring, and reporting requirements.

(16) Field crew environmental briefings.

(17) Avoidance of significant adverse effects upon subsistence hunting, fishing, and trapping by subsistence users.

(18) Compliance with applicable air and water quality standards.

(19) Appropriate seasonal and safety zone designations around well sites, within which subsistence hunting and trapping shall be limited.

(20) Reasonable stipulations for protection of cultural and archeological resources.

(21) All other protective environmental stipulations, restrictions, terms, and conditions deemed necessary by the Secretary.

(e) Considerations.—In preparing and promulgating regulations, lease terms, conditions, restrictions, prohibitions, and stipulations under this section, the Secretary shall consider the following:

(1) The stipulations and conditions that govern the National Petroleum Reserve-Alaska leasing program, as set forth in the 1999 Northeast National Petroleum Reserve-Alaska Final Integrated Activity Plan/Environmental Impact Statement.

(2) The environmental protection standards that governed the initial Coastal Plain seismic exploration program under parts 37.31 to 37.33 of title 50, Code of Federal Regulations.

(3) The land use stipulations for exploratory drilling on the KIC–ASRC private lands that are set forth in Appendix 2 of the August 9, 1983, agreement between Arctic Slope Regional Corporation and the United States.

(f) Facility Consolidation Planning.—

(1) In general.—The Secretary shall, after providing for public notice and comment, prepare and update periodically a plan to govern, guide, and direct the siting and construction of facilities for the exploration, development, production, and transportation of Coastal Plain oil and gas resources.

(2) Objectives.—The plan shall have the following objectives:

(A) Avoiding unnecessary duplication of facilities and activities.

(B) Encouraging consolidation of common facilities and activities.

(C) Locating or confining facilities and activities to areas that will minimize impact on fish and wildlife, their habitat, and the environment.

(D) Utilizing existing facilities wherever practicable.

(E) Enhancing compatibility between wildlife values and development activities.

SEC. 6508. EXPEDITED JUDICIAL REVIEW.

(a) Filing of Complaint.—

(1) Deadline.—Subject to paragraph (2), any complaint seeking judicial review of any provision of this title or any action of the Secretary under this title shall be filed in any appropriate district court of the United States—

(A) except as provided in subparagraph (B), within the 90-day period beginning on the date of the action being challenged; or

(B) in the case of a complaint based solely on grounds arising after such period, within 90 days after the complainant knew or reasonably should have known of the grounds for the complaint.

(2) Venue.—Any complaint seeking judicial review of an action of the Secretary under this title may be filed only in the United States Court of Appeals for the District of Columbia.

(3) Limitation on Scope of Certain Review.—Judicial review of a Secretarial decision to conduct a lease sale under this title, including the environmental analysis thereof, shall be limited to whether the Secretary has complied with the terms of this division and shall be based upon the administrative record of that decision. The Secretary's identification of a preferred course of action to enable leasing to proceed and the Secretary's analysis of environmental effects under this division shall be presumed to be correct unless shown otherwise by clear and convincing evidence to the contrary.

(b) Limitation on Other Review.—Actions of the Secretary with respect to which review could have been obtained under this section shall not be subject to judicial review in any civil or criminal proceeding for enforcement.

SEC. 6509. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.

(a) Exemption.—Title XI of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3161 et seq.) shall not apply to the issuance by the Secretary under section 28 of the Mineral Leasing Act (30 U.S.C. 185) of rights-of-way and easements across the Coastal Plain for the transportation of oil and gas.

(b) Terms and Conditions.—The Secretary shall include in any right-of-way or easement referred to in subsection (a) such terms and conditions as may be necessary to ensure that transportation of oil and gas does not result in a significant adverse effect on the fish and wildlife, subsistence resources, their habitat, and the environment of the Coastal Plain, including requirements that facilities be sited or designed so as to avoid unnecessary duplication of roads and pipelines.

(c) Regulations.—The Secretary shall include in regulations under section 6503(g) provisions granting rights-of-way and easements described in subsection (a) of this section.

SEC. 6510. CONVEYANCE.

In order to maximize Federal revenues by removing clouds on title to lands and clarifying land ownership patterns within the Coastal Plain, the Secretary, notwithstanding the provisions of section 1302(h)(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3192(h)(2)), shall convey—

(1) to the Kaktovik Inupiat Corporation the surface estate of the lands described in paragraph 2 of Public Land Order 6959, to the extent necessary to fulfill the Corporation's entitlement under section 12 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611); and

(2) to the Arctic Slope Regional Corporation the subsurface estate beneath such surface estate pursuant to the August 9, 1983, agreement between the Arctic Slope Regional Corporation and the United States of America.

SEC. 6511. LOCAL GOVERNMENT IMPACT AID AND COMMUNITY SERVICE ASSISTANCE.

(a) Financial Assistance Authorized.—

(1) In general.—The Secretary may use amounts available from the Coastal Plain Local Government Impact Aid Assistance Fund established by subsection (d) to provide timely financial assistance to entities that are eligible under paragraph (2) and that are directly impacted by the exploration for or production of oil and gas on the Coastal Plain under this title.

(2) Eligible entities.—The North Slope Borough, Kaktovik, and other boroughs, municipal subdivisions, villages, and any other community organized under Alaska State law shall be eligible for financial assistance under this section.

(b) Use of Assistance.—Financial assistance under this section may be used only for—

(1) planning for mitigation of the potential effects of oil and gas exploration and development on environmental, social, cultural, recreational and subsistence values;

(2) implementing mitigation plans and maintaining mitigation projects; and

(3) developing, carrying out, and maintaining projects and programs that provide new or expanded public facilities and services to address needs and problems associated with such effects, including firefighting, police water, waste treatment, medivac, and medical services.

(c) Application.—

(1) In general.—Any community that is eligible for assistance under this section may submit an application for such assistance to the Secretary, in such form and under such procedures as the Secretary may prescribe by regulation.

(2) North slope borough communities.—A community located in the North Slope Borough may apply for assistance under this section either directly to the Secretary or through the North Slope Borough.

(3) Application assistance.—The Secretary shall work closely with and assist the North Slope Borough and other communities eligible for assistance under this section in developing and submitting applications for assistance under this section.

(d) Establishment of Fund.—

(1) In general.—There is established in the Treasury the Coastal Plain Local Government Impact Aid Assistance Fund.

(2) Use.—Amounts in the fund may be used only for providing financial assistance under this section.

(3) Deposits.—Subject to paragraph (4), there shall be deposited into the fund amounts received by the United States as revenues derived from rents, bonuses, and royalties under on leases and lease sales authorized under this title.

(4) Limitation on deposits.—The total amount in the fund may not exceed $10,000,000.

(5) Investment of balances.—The Secretary of the Treasury shall invest amounts in the fund in interest bearing government securities.

(e) Authorization of Appropriations.—To provide financial assistance under this section there is authorized to be appropriated to the Secretary from the Coastal Plain Local Government Impact Aid Assistance Fund $5,000,000 for each fiscal year.

SEC. 6512. REVENUE ALLOCATION.

(a) In General.—Notwithstanding section 6504, the Mineral Leasing Act (30 U.S.C. 181 et seq.), or any other law—

(1) 50 percent of the adjusted bonus, rental, and royalty revenues from oil and gas leasing and operations authorized under this title shall be paid to the State of Alaska; and

(2) the balance of such revenues shall be deposited into the Treasury as miscellaneous receipts.

(b) Adjustments.—Adjustments to bonus, rental, and royalty amounts from oil and gas leasing and operations authorized under this title shall be made as necessary for overpayments and refunds from lease revenues received in current or subsequent periods, prior to distribution of such revenues pursuant to this section.

(c) Payments to State.—Payments to the State of Alaska under this section shall be made quarterly.

TITLE VI—CONSERVATION OF ENERGY BY THE DEPARTMENT OF THE INTERIOR

SEC. 6601. ENERGY CONSERVATION BY THE DEPARTMENT OF THE INTERIOR.

(a) In General.—The Secretary of the Interior shall—

(1) conduct a study to identify, evaluate, and recommend opportunities for conserving energy by reducing the amount of energy used by facilities of the Department of the Interior; and

(2) wherever feasible and appropriate, reduce the use of energy from traditional sources by encouraging use of alternative energy sources, including solar power and power from fuel cells, throughout such facilities and the public lands of the United States.

(b) Reports.—The Secretary shall submit to the Congress—

(1) by not later than 90 days after the date of the enactment of this Act, a report containing the findings, conclusions, and recommendations of the study under subsection (a)(1); and

(2) by not later than December 31 each year, an annual report describing progress made in—

(A) conserving energy through opportunities recommended in the report under paragraph (1); and

(B) encouraging use of alternative energy sources under subsection (a)(2).

TITLE VII—COAL

SEC. 6701. LIMITATION ON FEES WITH RESPECT TO COAL LEASE APPLICATIONS AND DOCUMENTS.

Notwithstanding sections 304 and 504 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1734, 1764) and section 9701 of title 31, United States Code, the Secretary shall not recover the Secretary's costs with respect to applications and other documents relating coal leases.

SEC. 6702. MINING PLANS.

Section 2(d)(2) of the Mineral Leasing Act (30 U.S.C. 202a(2)) is amended—

(1) by inserting "(A)" after "(2)"; and

(2) by adding at the end the following:

"(B) The Secretary may establish a period of more than 40 years if the Secretary determines that the longer period—

"(i) will ensure the maximum economic recovery of a coal deposit; or

"(ii) the longer period is in the interest of the orderly, efficient, or economic development of a coal resources.".

SEC. 6703. PAYMENT OF ADVANCE ROYALTIES UNDER COAL LEASES.

(a) In General.—Section 7(b) of the Mineral Leasing Act of 1920 (30 U.S.C. 207(b)) is amended to read as follows:

"(b)(1) Each lease shall be subjected to the condition of diligent development and continued operation of the mine or mines, except where operations under the lease are interrupted by strikes, the elements, or casualties not attributable to the lessee.

"(2)(A) The Secretary of the Interior, upon determining that the public interest will be served thereby, may suspend the condition of continued operation upon the payment of advance royalties.

"(B) Such advance royalties shall be computed based on the average price for coal sold in the spot market from the same region during the last month of each applicable continued operation year.

"(C) The aggregate number of years during the initial and any extended term of any lease for which advance royalties may be accepted in lieu of the condition of continued operation shall not exceed 20.

"(3) The amount of any production royalty paid for any year shall be reduced (but not below zero) by the amount of any advance royalties paid under such lease to the extent that such advance royalties have not been used to reduce production royalties for a prior year.

"(4) This subsection shall be applicable to any lease or logical mining unit in existence on the date of the enactment of this paragraph or issued or approved after such date.

"(5) Nothing in this subsection shall be construed to affect the requirement contained in the second sentence of subsection (a) relating to commencement of production at the end of 10 years.".

(b) Authority To Waive, Suspend, or Reduce Advance Royalties.—Section 39 of the Mineral Leasing Act (30 U.S.C. 209) is amended by striking the last sentence.

SEC. 6704. ELIMINATION OF DEADLINE FOR SUBMISSION OF COAL LEASE OPERATION AND RECLAMATION PLAN.

Section 7(c) of the Mineral Leasing Act (30 U.S.C. 207(c)) is amended by striking "and not later than three years after a lease is issued,".

TITLE VIII—INSULAR AREAS ENERGY SECURITY

SEC. 6801. INSULAR AREAS ENERGY SECURITY.

Section 604 of the Act entitled "An Act to authorize appropriations for certain insular areas of the United States, and for other purposes", approved December 24, 1980 (Public Law 96–597; 94 Stat. 3480–3481), is amended—

(1) in subsection (a)(4) by striking the period and inserting a semicolon;

(2) by adding at the end of subsection (a) the following new paragraphs:

"(5) electric power transmission and distribution lines in insular areas are inadequate to withstand damage caused by the hurricanes and typhoons which frequently occur in insular areas and such damage often costs millions of dollars to repair; and

"(6) the refinement of renewable energy technologies since the publication of the 1982 Territorial Energy Assessment prepared pursuant to subsection (c) reveals the need to reassess the state of energy production, consumption, infrastructure, reliance on imported energy, and indigenous sources in regard to the insular areas.'';

(3) by amending subsection (e) to read as follows:

''(e)(1) The Secretary of the Interior, in consultation with the Secretary of Energy and the chief executive officer of each insular area, shall update the plans required under subsection (c) by—

''(A) updating the contents required by subsection (c);

''(B) drafting long-term energy plans for such insular areas with the objective of reducing, to the extent feasible, their reliance on energy imports by the year 2010 and maximizing, to the extent feasible, use of indigenous energy sources; and

''(C) drafting long-term energy transmission line plans for such insular areas with the objective that the maximum percentage feasible of electric power transmission and distribution lines in each insular area be protected from damage caused by hurricanes and typhoons.

''(2) Not later than May 31, 2003, the Secretary of the Interior shall submit to Congress the updated plans for each insular area required by this subsection.''; and

(4) by amending subsection (g)(4) to read as follows:

''(4) POWER LINE GRANTS FOR TERRITORIES.—

''(A) IN GENERAL.—The Secretary of the Interior is authorized to make grants to governments of territories of the United States to carry out eligible projects to protect electric power transmission and distribution lines in such territories from damage caused by hurricanes and typhoons.

''(B) ELIGIBLE PROJECTS.—The Secretary may award grants under subparagraph (A) only to governments of territories of the United States that submit written project plans to the Secretary for projects that meet the following criteria:

''(i) The project is designed to protect electric power transmission and distribution lines located in one or more of the territories of the United States from damage caused by hurricanes and typhoons.

''(ii) The project is likely to substantially reduce the risk of future damage, hardship, loss, or suffering.

''(iii) The project addresses one or more problems that have been repetitive or that pose a significant risk to public health and safety.

''(iv) The project is not likely to cost more than the value of the reduction in direct damage and other negative impacts that the project is designed to prevent or mitigate. The cost benefit analysis required by this criterion shall be computed on a net present value basis.

''(v) The project design has taken into consideration long-term changes to the areas and persons it is designed to protect and has manageable future maintenance and modification requirements.

''(vi) The project plan includes an analysis of a range of options to address the problem it is designed to prevent or mitigate and a justification for the selection of the project in light of that analysis.

''(vii) The applicant has demonstrated to the Secretary that the matching funds required by subparagraph (D) are available.

''(C) PRIORITY.—When making grants under this paragraph, the Secretary shall give priority to grants for projects which are likely to—

''(i) have the greatest impact on reducing future disaster losses; and

''(ii) best conform with plans that have been approved by the Federal Government or the government of the territory where the project is to be carried out for development or hazard mitigation for that territory.

''(D) MATCHING REQUIREMENT.—The Federal share of the cost for a project for which a grant is provided under this paragraph shall not exceed 75 percent of the total cost of that project. The non-Federal share of the cost may be provided in the form of cash or services.

''(E) TREATMENT OF FUNDS FOR CERTAIN PURPOSES.—Grants provided under this paragraph shall not be considered as income, a resource, or a duplicative program when determining eligibility or benefit levels for Federal major disaster and emergency assistance.

''(F) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $5,000,000 for each fiscal year beginning after the date of the enactment of this paragraph.''.

The CHAIRMAN pro tempore. No further amendment is in order except those printed in part B of the report. Each amendment may be offered only in the order printed, may be offered only by a Member designated in the report, shall be considered read, debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

It is now in order to consider amendment No. 1 printed in part B of House Report 107–178.

AMENDMENT NO. 1 OFFERED BY MR. TAUZIN

Mr. TAUZIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. TAUZIN:

Page 10, after the table of contents, insert the following and make the necessary conforming changes in the table of contents:

SEC. 2. ENERGY POLICY.

It shall be the sense of the Congress that the United States should take all actions necessary in the areas of conservation, efficiency, alternative source, technology development, and domestic production to reduce the United States dependence on foreign energy sources from 56 percent to 45 percent by January 1, 2012, and to reduce United States dependence on Iraqi energy sources from 700,000 barrels per day to 250,000 barrels per day by January 1, 2012.

Page 36, line 15, insert ''or encourage'' after ''discourage''.

Page 36, lines 16 and 17, strike ''; and'' and insert ''when compared to structures of the same physical description and occupancy in compatible geographic locations;''.

Page 36, lines 18 through 23, strike paragraph (2) and insert the following:

(2) the extent to which education could increase the conservation of low-income households who opt to receive supplemental income instead of Low-Income Home Energy Assistance funds;

(3) the benefit in energy efficiency and energy savings that can be achieved through the annual maintenance of heating and cooling appliances in the homes of those receiving Low-Income Home Energy Assistance funds; and

(4) the loss of energy conservation that results from structural inadequacies in a structure that is unhealthy, not energy efficient, and environmentally unsound and that receives Low-Income Home Energy Assistance funds for weatherization.

Page 81, after line 12, insert the following new section, and make the necessary change to the table of contents:

SEC. 309. STUDY TO DETERMINE FEASIBILITY OF DEVELOPING COMMERCIAL NUCLEAR ENERGY PRODUCTION FACILITIES AT EXISTING DEPARTMENT OF ENERGY SITES.

(a) IN GENERAL.—The Secretary of Energy shall conduct a study to determine the feasibility of developing commercial nuclear energy production facilities at Department of Energy sites in existence on the date of enactment of this Act, including—

(1) options for how and where nuclear power plants can be developed on existing Department of Energy sites;

(2) estimates on cost savings to the Federal Government that may be realized by locating new nuclear power plants on Federal sites;

(3) the feasibility of incorporating new technology into nuclear power plants located on Federal sites;

(4) potential improvements in the licensing and safety oversight procedures of the effects of nuclear waste management policies and projects as a result of locating nuclear power plants located on Federal sites; and

(6) any other factors that the Secretary believes would be relevant in making the determination.

(b) REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the results of the study under subsection (a).

In section 603 of title V of division A, on page 88, line 11, strike ''; and'' and insert a semicolon.

Page 88, line 17, strike the period and insert ''; and''.

Page 88, after line 17, insert the following new paragraph:

(8) the feasibility of providing incentives to promote cleaner burning fuel.

Page 92, after line 14, insert the following new sections, and make the necessary changes to the table of contents:

SEC. 603. STUDY OF ETHANOL FROM SOLID WASTE LOAN GUARANTEE PROGRAM.

The Secretary of Energy shall conduct a study of the feasibility of providing guarantees for loans by private banking and investment institutions for facilities for the processing and conversion of municipal solid waste and sewage sludge into fuel ethanol and other commercial byproducts, and not later than 90 days after the date of the enactment of this Act shall transmit to the Congress a report on the results of the study.

SEC. 604. STUDY OF RENEWABLE FUEL CONTENT.

(a) STUDY.—The Administrator of the Environmental Protection Agency and the Secretary of Energy shall jointly conduct a study of the feasibility of developing a requirement that motor vehicle fuel sold or introduced into commerce in the United States in calendar year 2002 or any calendar year thereafter by a refiner, blender, or importer shall, on a 6-month average basis, be comprised of a quantity of renewable fuel, measured in gasoline-equivalent gallons. As part of this study, the Administrator and Secretary shall evaluate the use of a banking and trading credit system and the feasibility and desirability of requiring an increasing percentage of renewable fuel to be phased in over a 15-year period.

(b) Report to Congress.—Not later than 6 months after the date of the enactment of this Act, the Administrator and the Secretary shall transmit to the Congress a report on the results of the study conducted under this section.

Page 93, strike lines 3 through 12 and insert:

SEC. 802. HISTORIC PIPELINES.

Section 7 of the Natural Gas Act (15 U.S.C. 717(f)) is amended by adding at the end the following new subsection:

"(i) Notwithstanding the National Historic Preservation Act, a transportation facility shall not be eligible for inclusion on the National Register of Historic Places unless—

"(1) the Commission has permitted the abandonment of the transportation facility pursuant to subsection (b) of this section, or

"(2) the owner of the facility has given written consent to such eligibility.

Any transportation facility deemed eligible for inclusion on the National Register of Historic Places prior to the date of enactment of this subsection shall no longer be eligible unless the owner of the facility gives warrant consent to such eligibility.".

Page 190, line 23, strike "subsection" and insert "section".

Page 220, lines 1 through 4, amend paragraph (1) to read as follows:

(1) $19,400,000 for fiscal year 2002, $14,800,000 for fiscal year 2003, and $8,900,000 for fiscal year 2004 for completion of construction of Project 98–G–304, Neutrinos at the Main Injector, Fermi National Accelerator Laboratory;

In section 6102(b)(1), strike "42 U.S.C." and insert "43 U.S.C.".

Page 437, after line 6, (in section 5006 of Division E after subsection (c)) insert:

(d) Financial Assistance.—The Secretary shall provide financial assistance to projects that meet the requirements of subsections (a), (b), and (c) and are likely to—

(1) achieve overall cost reductions in the utilization of coal to generate useful forms of energy;

(2) improve the competitiveness of coal among various forms of energy in order to maintain a diversity of fuel choices in the United States to meet electricity generation requirements; and

(3) demonstrate methods and equipment that are applicable to 25 percent of the electricity generating facilities that use coal as the primary feedstock as of the date of enactment of this Act.

Page 437, line 7, (in section 5006 of Division E) strike "(d)" and insert "(e)".

Page 437, line 10, (in section 5006 of Division E) strike "(e)" and insert "(f)"

Page 438, after line 17, (after section 5007 of Division E) insert the following new section and make the necessary change to the table of contents:

SEC. 5008. CLEAN COAL CENTERS OF EXCELLENCE.

As part of the program authorized in section 5003, the Secretary shall award competitive, merit-based grants to universities for the establishment of Centers of Excellence for Energy Systems of the Future. The Secretary shall provide grants to universities that can slow the greatest potential for advancing new clean coal technologies.

Page 3, in the table of contents for Division A, redesignate title VII relating to miscellaneous provisions as title VIII.

Page 93, line 13, (at the end of division A) strike "VII" relating to miscellaneous provisions and insert "VIII".

In Division A and in the table of contents for Division A, renumber sections 601 through 604 as 501 through 504 respectively, renumber sections 701 and 702 as 601 and 602 respectively, renumber sections 801 and 802 as 701 and 702 respectively, and renumber sections 901 through 903 as 801 through 803 respectively.

Page 433, line 13, strike "(c)" and insert "(b)".

Page 444, after line 22, insert the following new section:

SEC. 6106. EFFICIENT INFRASTRUCTURE DEVELOPMENT.

(a) In General.—The Secretary of Energy and the Chairman of the Federal Energy Regulatory Commission shall jointly undertake a study of the location and extent of anticipated demand growth for natural gas consumption in the Western States, herein defined as the area covered by the Western System Coordinating Council.

(b) Contents.—The study under subsection (a) shall include the following:

(1) A review of natural gas demand forecasts by Western State officials, such as the California Energy Commission and the California Public Utilities Commission, which indicate the forecasted levels of demand.

(2) A review of the locations of proposed new natural gas-fired electric generation facilities currently in the approval process in the Western States, and their forecasted impact on natural gas demand.

(3) A review of the locations of existing interstate natural gas transmission pipelines, and interstate natural gas pipelines currently in the planning stage or approval process, throughout the Western States.

(4) A review of the locations and capacity of intrastate natural gas pipelines in the Western States.

(5) Recommendations for the coordination of the development of the natural gas infrastructure indicated in paragraphs (1) through (4).

(c) Report.—The Secretary shall report the findings and recommendations resulting from the study required by this section to the Committee on Energy and Commerce of the House of Representatives and to the Committee of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate no later than 6 months after the date of the enactment of this Act. The Chairman of the Federal Energy Regulatory Commission shall report on how the Commission will factor these results into its review of applications of interstate pipelines within the Western States to the Committee on Energy and Commerce of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate no later than 6 months after the date of the enactment of this Act.

In section 6223, amend subsection (b) to read as follows:

(b) Preparation of Leasing Plan or Analysis.—In preparing a management plan or leasing analysis for oil or natural gas leasing on Federal lands administered by the Bureau of Land Management or the Forest Service, the Secretary concerned shall—

(1) identify and review the restrictions on surface use and operations imposed under the laws (including regulations) of the State in which the lands are located;

(2) consult with the appropriate State agency regarding the reasons for the State restrictions identified under paragraph (1);

(3) identify any differences between the State restrictions identified under paragraph (1) and any restrictions on surface use and operations that would apply under the lease; and

(4) prepare and provide upon request a written explanation of such differences.

At the end of section 6223 add the following:

(e) Preservation of Federal Authority.—Nothing in this section or in any identification, review, or explanation prepared under this section shall be construed—

(1) to limit the authority of the Federal Government to impose lease stipulations, restrictions, requirements, or other terms that are different than those that apply under State law; or

(2) to affect the procedures that apply to judicial review of actions taken under this subsection.

In section 6225, in the quoted material—

(1) in paragraph (2)(A), insert "and consultation with the Regional Forester having administrative jurisdiction over the National Forest System lands concerned" after "under paragraph (1)"; and

(2) add at the end the following:

"(3) The Secretary of Agriculture shall include in the record of decision for a determination under paragraph (2)(A)—

"(A) any written statement regarding the determination that is prepared by a Regional Forester consulted by the Secretary under paragraph (2)(A) regarding the determination; or

"(B) an explanation why such a statement by the Regional Forester is not included.

In Section 6303(2), in the quoted material—

(1) in paragraph (2)(A), insert "and consultation with any Regional Forester having administrative jurisdiction over the lands concerned" after "under paragraph (1)"; and

(2) add at the end the following:

"(3) The Secretary of Agriculture shall include in the record of decision for a determination under paragraph (2)(A)—

"(A) any written statement regarding the determination that is prepared by a Regional Forester consulted by the Secretary under paragraph (2)(A) regarding the determination; or

"(B) an explanation why such a statement by the Regional Forester is not included.

In section 6234—

(1) insert "(a) In General.—" before the first sentence;

(2) redesignate subsections (c) and (d) as subsections (b) and (c); and

(3) in the quoted material, strike the material preceding subsection (b) and insert the following:

"REIMBURSEMENT FOR COSTS OF CERTAIN ANALYSES, DOCUMENTATION, AND STUDIES

"Sec. 38. (a) In General.—The Secretary of the Interior may, through royalty credits, reimburse a person who is a lessee, operator, operating rights owner, or applicant for an oil or gas lease under this Act for amounts paid by the person for preparation by the Secretary (or a contractor or other person selected by the Secretary) of any project-level; analysis, documentation, or related study required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to the lease.

In section 6308(a), in the quoted material, strike the material preceding subsection (b) and insert the following:

"REIMBURSEMENT FOR COSTS OF CERTAIN ANALYSES, DOCUMENTATION, AND STUDIES

"Sec. 38. (a) In General.—The Secretary of the Interior may, through royalty credits, reimburse a person who is a lessee, operator, operating rights owner, or applicant for a lease under this Act for amounts paid by the person for preparation by the Secretary (or a contractor or other person selected by the

Secretary) of any project-level analysis, documentation, or related study required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to the lease.

Page 510, after line 8, insert the following new division, and make the necessary changes to the table of contents:

DIVISION G

SEC. 7101. BUY AMERICAN.

No funds authorized under this Act shall be available to any person or entity that has been convicted of violating the Buy American Act (41 U.S.C. 10a–10c).

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from West Virginia (Mr. RAHALL) each will control 10 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

The manager's amendment before us does two basic things: first, it makes a number of technical changes in H.R. 4 that the committees of jurisdiction have agreed upon. Secondly, it incorporates a number of the amendments to H.R. 4 that were originally filed with the Committee on Rules and we thought were deserving of inclusion in the base bill going forward.

Most of these amendments are amendments that call for studies and for expanded research and for expanded scope of existing studies, many of them designed to examine the feasibility of new efficiencies and new energy savings that are critical to managing demand in our country.

With respect to this latter category, I want to commend in particular the gentleman from Arizona (Mr. SHADEGG) and the gentleman from Maryland (Mr. WYNN) of our committee, who worked in a bipartisan fashion to draft an amendment on historic pipelines. As you know, the National Historic Preservation Act was being interpreted to cover pipelines. This bill fixes that, but nevertheless incorporates those that wanted that designation and in fact have it.

The bottom line is this amendment is primarily technical with the study amendments added. I would hope that we could have an easy approval of this amendment. I understand we have some objection to it.

Mr. Chairman, I reserve the balance of my time.

Mr. RAHALL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Wisconsin (Mr. KIND), ranking member of the Subcommittee on Energy and Mineral Resources.

Mr. KIND. Mr. Chairman, I thank the gentleman for yielding time.

Mr. Chairman, as ranking member of the Subcommittee on Energy and Mineral Resources of the Committee on Resources, I reluctantly rise in opposition to the base bill.

The American people know we have a long-term energy crisis and that we need to develop a comprehensive and balanced plan. A plan that finds 21st century slolutions to deal with our 21st century energy needs. They were hoping we could work in a bipartisan fashion to accomplish it, but unfortunately this bill does not get us there.

I am glad, however, that there were a couple of amendments made in order. We are going to have an honest debate on whether or not it makes sense to go into the Arctic National Wildlife Refuge to explore and drill for more oil. I am glad we are going to have an honest debate on increasing the fuel efficiency standards of our cars and our trucks in this country.

But there were other important amendments, Mr. Chairman, that were not made in order that also deserve serious discussion. I, along with the ranking member on the Committee on Resources, the gentleman from West Virginia (Mr. RAHALL), and the gentleman from Wisconsin (Mr. PETRI), tried introducing an amendment talking about the oil royalty giveback provision of this bill, a multibillion-dollar giveback provision that we are about to give the oil industry to do what they are already doing. I do not know how many of my colleagues saw the front-page story in the Wall Street Journal on Tuesday which is titled: "Pumping Money, Major Oil Companies Struggle to Spend Huge Hoards of Cash." What the report indicates is that there is over $40 billion of cash reserves that the oil industry is sitting on right now trying to figure out a way of investing it and using it. That number is going to explode to multibillion dollars more accordingly to industry analysts. Yet we are on the verge with this energy plan of giving them back billions of dollars in oil royalty relief that even the Bush administration is not asking for.

I think we also need to address some of the short-term energy problems that we have. I tried offering an amendment with the gentleman from California (Mr. GEORGE MILLER) that would allow the Department of Interior to recover its costs associated with oil and gas leasing on the 95 percent of the public lands that are currently accessible and available for oil and gas drilling. If we want to deal with the backlog of leasing that is existing in the Department of Interior, let us allow them to recover the costs in order to expedite that process to deal with our short-term energy needs. But that amendment was not made in order.

Unfortunately this bill is not balanced. I urge a "no" vote.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 2 minutes to my colleague and dear friend, the gentleman from Louisiana (Mr. VITTER).

Mr. VITTER. Mr. Chairman, I am pleased to rise in support of this bill and in support of the manager's amendment, because it is not just about energy security which is crucial, it is not just about economic security which is crucial. It is also about national security.

That is exactly why I proposed an amendment that was included in the manager's amendment to mandate us to take all action necessary to decrease our reliance on foreign sources of oil. Specifically, it says that we are going to take every action necessary in the areas of conservation, efficiency, alternative source development, technology development, and domestic production to reduce U.S. dependence on foreign energy sources from 56 percent, where we are today and rising, to 45 percent by January 1, 2012, and to reduce U.S. dependence on Iraqi energy sources in particular from 700,000 barrels per day, where we are now, to 250,000 barrels per day by that same date, January 1, 2012.

We need to take a balanced approach that this bill demonstrates and involves if we are going to take the right step forward for national security as well as energy and economic security. Every day we wait, every day we do not act in all areas like conservation and alternative source and domestic production, Saddam Hussein sits back and laughs and collects more money and collects more leverage on our economy. We need to turn that tide around. This bill and this manager's amendment is a crucial and important first step in doing that.

Mr. RAHALL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Massachusetts (Mr. MARKEY), a valued member of the Committee on Resources.

□ 1445

Mr. MARKEY. Mr. Chairman, the Republican bill will spend $34 billion, and these are huge breaks, a royalty holiday, meaning the oil and gas companies will not have to pay for going on public lands. Other huge breaks.

Now, where are they going? They just had a huge tax break for the upper 1 percentile just 3 months ago. We have run out of the real surplus. Now people say well, you know what, we still have the Social Security, and we still have the Medicare surpluses.

So here is what they are doing. They are about to build their oil rigs, their gas rigs, on top of the Social Security trust fund, on top of the Medicare trust fund, and they are about to begin to drill so they can pump it dry. They are going to build a pipeline, a pipeline into the pockets of the senior citizens in our country. That is where the money has to come from.

Now, they did not allow the Democrats to make an amendment so that we could have the $34 billion come out of the tax break for the upper one-half of one percent percentile, who, after all, is also going to get this $34 billion. It is going to be a rig that goes directly into Social Security and Medicare, and they are not allowing us to make an amendment to stop this, and that is wrong. That is what this whole debate is all about. It is about this mindless commitment to ensuring that Medicare and Social Security money is spent on things other than the senior citizens in this country, and blocking the Democrats from protecting these trust funds which have been promised to our seniors. Please.

Mr. TAUZIN. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I do not know what kind of problems the gentleman that preceded me has with the Committee on Rules or the underlying bill, but the manager's amendment before us establishes, for example, studies on the feasibility of processing and converting municipal waste sewage to fuel, ethanol; to find ways to limit demand growth; to find a joint study on boutique fuels; to include using the excise tax program to help encourage new and alternative fuels in the marketplace. It is a good manager's amendment, whatever other problems you have with the bill.

Mr. Chairman, I yield 1½ minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Chairman, I could not agree with the gentleman from Louisiana more. This is about increasing our energy supply and doing it domestically and doing it in an environmentally friendly way. If you want to depend on OPEC, then Social Security is going to be threatened.

Contained in the manager's amendment is a study by the Department of Energy on how to best promote turning municipal solid waste and sewer sludge into ethanol, or simply turning garbage into ethanol. Now, what do we do today? We bury our garbage, we spread it across the land, we spread our sewage across the land, we take it on barges and dump it in the ocean, we ship it 500 miles, resulting in air pollution, water pollution.

There is a better way, and that is to take our garbage, convert it into ethanol, and burn it as a clean burning fuel to replace MTBE fuels which pollute the water. The one thing that this bill has that is a revolutionary step that will prove 10, 20, 30 years from now to be one of the best things we did, is to start turning a problem into a solution, and that is garbage into ethanol, something we have too much of, to something we do not have enough of.

I commend the chairman for including this study. We will look back on this day and thank ourselves.

Mr. RAHALL. Mr. Chairman, I yield 1 minute to the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN), the distinguished ranking member of our Subcommittee on National Parks, Recreation, and Public Lands.

Mrs. CHRISTENSEN. Mr. Chairman, I rise in opposition to the manager's amendment and H.R. 4, which really does not secure America's energy future. Instead, the bill threatens the future of Alaska's and one of the country's most pristine natural areas, cuts back on clean air standards, and opens up more of the public lands to mining and drilling, while relieving already rich oil companies of their responsibility for paying the American people for the right to drill on our lands.

Ninety-five percent of the Alaska wilderness is available for drilling. Let us save the 5 percent in the fragile refuge and use the vast lands already available to develop the oil and gas supplies and still create the jobs our workers need.

Let us reject this fig leaf amendment and H.R. 4.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 1½ minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Chairman, I thank the distinguished chairman for yielding me time, and I rise in support of the manager's amendment to the Securing America's Future Energy Act. I do so because I am very concerned, Mr. Chairman, with America's growing energy crisis.

Fuel economy and fuel efficiency are important, but we cannot afford to tinker with regulations for political purposes when they have no meaningful effect.

Some would like to see changes in the CAFE standards, and allege that such a change would actually help improve America's energy economy. I beg to differ, Mr. Chairman. The most likely response to higher CAFE standards is that safer cars will cost more and will be purchased less. Increasing those standards will undermine automobile safety, needlessly risking the lives of families and children who choose light trucks and other vehicles because they offer superior safety.

In addition, Mr. Chairman, in my own district in Indiana, we are part of a network of automotive manufacturers who help consumers get these safer cars. Arbitrarily increasing CAFE standards will put families at risk on the road and hardworking automotive families at risk at work, who could well lose their jobs if we damage this vital part of our automotive economy.

Say no to higher arbitrary CAFE standards, keep Americans safe on the road, Mr. Chairman, and keep auto workers safely employed.

Mr. RAHALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to the manager's amendment and hope I may allay some of the concerns of the gentleman from Louisiana about where our remarks are addressed. There are many reasons to oppose this amendment. I will limit my comments to those provisions of this amendment that falls within the jurisdiction of the Committee on Resources.

Under the pretence of improving several particularly egregious provisions of the bill as reported by the Committee on Resources, this manager's amendment does not, as the author suggests, perfect or correct these objectionable provisions.

In fact, the amendment actually maintains the majority's misguided intentions to open the entire Federal estate to oil and gas leasing and to transfer costs now borne by the oil and gas industry to the American taxpayers.

First, the amendment would add a misleading provision entitled "preservation of Federal authority" to lull the unsuspecting into believing that oil and gas leasing decisions will be consistent with Federal environmental laws. However, closer reading of the provision clearly states that Federal lease stipulations cannot be more stringent than State oil and gas laws. This means that if a wildlife or hunting regulation would require exploration and development to occur in certain months to protect wildlife breeding habitat, that the Federal Government could not impose that requirement on the oil and gas activity. The Sportsmen's Caucus should be very concerned about this provision.

Second, despite what its authors tell you, the manager's amendment maintains the flaw in H.R. 4 that takes Forest Service decision-making authority away from the Forest Service land manager and instead hauls it into Washington, D.C. It requires the Secretary of Agriculture not to force professionals in the field to decide where oil and gas leasing will occur in National Forest Service lands.

Third, the manager's amendment maintains a nice little kickback for big oil for its costs in preparing environmental impact statements. CBO says this particular provision will cost the American taxpayers $370 million, and, of that amount, the States, oil-producing States like Wyoming, Colorado, and Utah, will lose $185 million.

Why should American taxpayers foot the bill for NEPA documents for the oil and gas industry, which, according to The Wall Street Journal again, is enjoying huge profits and does not know where to spend their hordes of cash?

This amendment does precious little to improve a bad bill. It does not solve the environmental problems created by the Committee on Resources portion of the bill. I would urge my colleagues to vote against the manager's amendment.

Mr. TAUZIN: Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Oklahoma (Mr. LARGENT), a valued member of the Committee on Energy and Commerce. New.

Mr. LARGENT. Mr. Chairman, there is a Chinese proverb that says that the best time to plant a tree is 20 years ago, but the next best time to plant a tree is today.

The same can be said for a national energy policy. The best time to have had a national energy policy in place would have been 20 years ago, because we would not be in the position we are in today had we done that. But the next best time is today.

Great leaders have the uncanny ability to climb to the highest vantage point to see where we are and where we want to be, and I want to commend and applaud the efforts of the President and Vice President for climbing to that vantage point and seeing the necessity of having a national energy policy and beginning to implement it today.

Now, the key word in developing a national energy policy is the same key word in having a productive life, and that is balance. And this underlying bill and the manager's amendment, that I speak on behalf of at this time, strikes that balance.

A national energy policy should be balanced. We should strike a balance between our efforts on conservation, which this bill does. We should strike a balance on our fossil fuel resources, between oil and gas and coal, and we do that. We should have a balance in terms of the emphasis on research, or renewable resources as well, and this bill does that.

In the future, in the fall, we will be adding a complement bill to this that looks into how we can encourage and incentivize new additional nuclear power in this country, which is the right thing to do, and to continue to look at ways that we can clear up the electricity wholesale markets in this country, especially in terms of how we deliver electricity across State lines on the big bulk power grid. And that is going to be very important.

But this bill is a good bill, it is a balanced bill, it is a commonsense bill, it is a responsible bill, and I urge my colleagues to support this bill, because today is the next best time to have a national energy policy in place.

Mr. RAHALL. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. I thank the gentleman for yielding me time and for his leadership.

Mr. Chairman, I rise against the manager's amendment because it does nothing to correct the rip-off of corporate welfare in the royalty-in-kind program. I also rise in opposition to the underlying bill, as it might as well have been written in 1901 instead of 2001. It spends billions of taxpayers' dollars on corporate welfare to help dirty, polluting oil energy sources, old energy sources, and it does little to encourage newer, cleaner fuels.

I am particularly disturbed that an amendment was not accepted of mine to delete the royalty-in-kind program and that this manager's amendment does not delete it. The oil companies call it a new way to pay. I call it a new way to rip off America's taxpayers.

Recently, because of work in this body and oversight, the oil companies were revealed that they were underpaying dramatically what was owed the Federal Government for oil extracted from federally owned lands. They settled over $5 billion to the Federal Government, admitting that they underpaid the Federal Government. Now that we have tied their payment to market price, they come up with a new idea, they are going to pay in oil.

What are we going to do with this oil? We are going to probably take it and send it back to the very same companies who just sold it to us and who have been historically cheating us and let them determine what the price is. I ask, why are we letting the government get into the oil business? Since when did this Congress consider creating new massive Federal bureaucracies that we have no idea what they cost?

There have been several GAO reports have pointed out that all of the royalty-in-kind programs have cost taxpayers money.

□ 1500

So why are we going to proceed with corporate welfare? What will this body do next? Will we allow bakers to pay their fees with pies? It is an outrage. It is wrong. Vote no.

Contrary to the Department of Interior's claim that the Wyoming RIK pilot program was successful, an independent analysis determined that it actually LOST almost $3 million compared to what would have been paid by Big Oil if royalties had been paid based on market prices.

Fact Sheet on Royalty-in-Kind in H.R. 4, the Energy Security Act

New Oil Rule Collects $70 Million More Annually—Stops Cheating. In June 2000 the Department of Interior implemented a final rule that collects $70 million more annually from companies drilling oil from federal and Indian lands. As a result, the oil industry's decades-long practice of shortchanging the taxpayers ended. The rule came after years of public debate and litigation that forced the industry to settle with the Justice Department for $425 million.

Oil Industry Pushes Royalty-in-Kind (RIK). During the oil rule battle, the industry promoted RIK—where companies pay royalties in, for example, barrels of oil rather than dollars—as their alternative to paying fair market value under the proposed rule.

RIK Pilot Programs Have LOST Money. Interior has completed two royalty-in-kind pilot programs. Both failed, losing significant revenues compared to dollars received from programs collecting cash. According to Interior, the first pilot program to collect gas royalties-in-kind lost $4.7 million. Earlier this year, a second pilot program to collect oil royalties-in-kind lost $3 million, in spite of Interior's claim that it made $800,000. An independent economist discovered that Interior used old valuation standards in estimating the profit.

Expansion Of RIK Pilots Can Only Lead to Further Losses for the Taxpayer. The two pilot programs failed despite the fact that the Interior Department selected oil and gas leases most likely to succeed in generating comparable income. Expansion of royalty-in-kind programs to leases less likely to succeed will only lead to additional revenue losses for the American people.

GAO Says RIK Won't Work For Federal Royalties. In 1998, the General Accounting Office analyzed the prospect for a successful federal RIK program and concluded: "According to information from studies and the programs themselves, royalty-in-kind programs seem to be feasible if certain conditions are present . . . However, these conditions do not exist for the federal government or for most federal leases . . ." The report also notes that requiring RIK on all federal leases will cost the government $140 million to $367 million annually.

There is no evidence that royalty-in-kind will end litigation or disputes over how much oil and gas companies should be paying. Pending lawsuits filed by whistleblowers allege that companies manipulated the volume and heating content of gas taken from public lands in order to avoid paying royalties. The allegations call into question the wisdom of accepting any payments in- kind—until the allegations are fully investigated.

Mr. TAUZIN. Mr. Chairman, I yield the remaining time to the gentleman from Virginia (Mr. TOM DAVIS) for a colloquy.

Mr. TOM DAVIS of Virginia. Mr. Chairman, H.R. 4 contains provisions that would impose mandatory standards on the high-tech sector, a community that for 10 years has worked voluntarily with the Federal Government through the Energy Star program to achieve approximately 7,000 energy-efficient consumer products for more than 1,000 manufacturers. By imposing mandatory standards, we risk quelling innovation and, as a result, hindering growth.

I am concerned that inflexible, mandatory standards, as they exist now, could stunt the technology engines of our economy and compromise our competitiveness worldwide. For this reason, I would respectfully ask the chairman to work with me as we address some of these concerns as we prepare to go to conference on this measure.

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. TOM DAVIS of Virginia. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, I would be happy to work with the gentleman on those concerns, and hopefully, in the conference, we can alleviate those concerns.

Mr. DREIER. Mr. Chairman, will the gentleman yield?

Mr. TOM DAVIS of Virginia. I yield to the gentleman from California.

Mr. DREIER. Mr. Chairman, I would simply like to say that this falls in line with the remarks that I made during consideration of the rule. I believe it is very important that we address the potential unintended consequences on this as we head into conference, so that we ensure that our very important friends in the technical industries that are creating 45 percent of the GDP growth in this country are not affected in a deleterious way on this issue.

Mr. RAHALL. Mr. Chairman, I yield myself the remaining time.

I think it is appropriate that that side had the chair of their Republican Campaign Committee as their cleanup hitter on this particular legislation.

I guess the reason the majority decided to wait until August 1 to bring this bill up was so they could not be tagged with providing Christmas in July for the major oil companies. They brought the bill up on August 1 because it is a grab bag of goodies for the oil companies.

The manager's amendment does nothing to eliminate any of these ripoffs of the American taxpayer. The American taxpayers are still going to pick up the tab for many of the costs incurred by the major oil companies who are today reaping hoards of cash and do not know what to do with it.

Mr. BROWN of South Carolina. Mr. Chairman, this provision for a feasibility study of commercially owned and operated nuclear power plants is intended to be simple and straight-forward. We know that the nuclear plants operating today are quickly approaching the end of their serviceable years. If nuclear power is going to continue to provide a significant source of this nation's electricity, this study by DOE will help the Congress determine if there are any unique advantages to having commercial nuclear power plants on existing DOE sites. The fact is that nuclear power is our cleanest source of energy and provides about 20 percent of U.S. electricity generation. That compares to almost 76 percent in France, 56 percent in Belgium, and 30 percent in Germany. In my state of South Carolina, nuclear power provides 55 percent of our electricity. Demand for energy in the United States is rising and nuclear power can continue to help us meet this need. These DOE sites offer a potential solution to problems such as securing new land for the next generation of nuclear power plants, contentious licensing, absence of local community support, and investments in costly basic infrastructure.

The CHAIRMAN pro tempore (Mr. LINDER). All time has expired. The question is on the amendment offered by the gentleman from Louisiana (Mr. TAUZIN).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. TAUZIN. Mr. Chairman, I demand a recorded vote and, pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Louisiana (Mr. TAUZIN) will be postponed.

The point of no quorum is considered withdrawn.

The CHAIRMAN pro tempore. It is now in order to consider Amendment No. 2 printed in part B of House report 107-178.

AMENDMENT NO. 2 OFFERED BY MRS. BONO

Mrs. BONO. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mrs. BONO:

After section 141, insert the following new section and make the necessary conforming changes in the table of contents:

SEC. 141A. ENERGY SUN RENEWABLE AND ALTERNATIVE ENERGY PROGRAM.

(a) AMENDMENT.—The Energy Policy and Conservation Act (42 U.S.C. 6201 and following) is amended by inserting the following after section 324A:

"SEC. 324B. ENERGY SUN RENEWABLE AND ALTERNATIVE ENERGY PROGRAM.

"(a) PROGRAM.—There is established at the Environmental Protection Agency and the Department of Energy a government-industry partnership program to identify and promote the purchase of renewable and alternative energy products, to recognize companies that purchase renewable and alternative energy products for the environmental and energy security benefits of such purchases, and to educate consumers about the environmental and energy security benefits of renewable and alternative energy. Responsibilities under the program shall be divided between the Environmental Protection Agency and the Department of Energy consistent with the terms of agreements between the two agencies. The Administrator of the Environmental Protection Agency and the Secretary of Energy—

"(1) establish an Energy Sun label for renewable and alternative energy products and technologies that the Administrator or the Secretary (consistent with the terms of agreements between the two agencies regarding responsibility for specific product categories) determine to have substantial environmental and energy security benefits and commercial marketability.

"(2) establish an Energy Sun Company program to recognize private companies that draw a substantial portion of their energy from renewable and alternative sources that provide substantial environmental and energy security benefits, as determined by the Administrator or the Secretary.

"(3) promote Energy Sun compliant products and technologies as the preferred products and technologies in the marketplace for reducing pollution and achieving energy security; and

"(4) work to enhance public awareness and preserve the integrity of the Energy Sun label.

For the purposes of carrying out this section, there is authorized to be appropriated $10,000,000 for each of fiscal years 2002 through 2006.

"(b) STUDY OF CERTAIN PRODUCTS, TECHNOLOGIES, AND BUILDINGS.—Within 18 months after the enactment of this section, the Administrator and the Secretary, consistent with the terms of agreements between the two agencies, shall conduct a study to determine whether the Energy Sun label should be authorized for products, technologies, and buildings in the following categories:

"(1) Passive solar, solar thermal, concentrating solar energy, solar water heating, and related solar products and building technologies.

"(2) Solar photovoltaics and other solar electric power generation technologies.

"(3) Wind.

"(4) Geothermal.

"(5) Biomass.

"(6) Distributed energy (including, but not limited to, microturbines, combined heat and power, fuel cells, and stirling heat engines).

"(7) Green power or other renewables and alternative based electric power products (including green tag credit programs) sold to retail consumers of electricity.

"(8) Homes.

"(9) School buildings.

"(10) Retail buildings.

"(11) Health care facilities.

"(12) Hotels and other commercial lodging facilities.

"(13) Restaurants and other food service facilities.

"(14) Rest area facilities along interstate highways.

"(15) Sports stadia, arenas, and concert facilities.

"(16) Any other product, technology or building category, the accelerated recognition of which the Administrator or the Secretary determines to be necessary or appropriate for the achievement of the purposes of this section.

Nothing in this subsection shall be construed to limit the discretion of the Administrator or the Secretary under subsection (a)(1) to include in the Energy Sun program additional products, technologies, and buildings not listed in this subsection. Participation by private-sector entities in programs or studies authorized by this section shall be (A) voluntary, and (B) by permission of the Administrator or Secretary, on terms and conditions the Administrator or the Secretary (consistent with agreements between the agencies) deems necessary or appropriate to carry out the purposes and requirements of this section.

"(c) DEFINITION.—For the purposes of this section, the term 'renewable and alternative energy' shall have the same meaning as the term 'unconventional and renewable energy resources' in Section 551 of the National Energy Conservation Policy Act (42 U.S.C. 8259)".".

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Energy Policy and Conservation Act is amended by inserting after the item relating to section 324A the following new item:

"Sec. 324B. Energy Sun renewable and alternative energy program.".

The CHAIRMAN. Pursuant to House Resolution 216, the gentlewoman from California (Mrs. BONO) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California (Mrs. BONO).

Mrs. BONO. Mr. Chairman, I yield myself such time as I may consume.

I would first like to commend the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Michigan (Mr. DINGELL), along with the gentleman from Texas (Mr. BARTON) and the gentleman from Virginia (Mr. BOUCHER) for their hard work in putting together the part of H.R. 4 provided by the Committee on Energy and Commerce. After years of neglecting to formulate a national energy policy, I am thankful that this administration and Congress have turned their attention towards this vital issue.

A critical part of the diverse energy mix is renewable and alternative energy. This bill provides for more use of renewable energy by the Federal Government, alternative fuel vehicles, and a very aggressive program of research and development for renewables and alternative energy sources.

But we can do more. California's 44th congressional district has been a leader in the development of green power. Solar, wind, distributed energy, and other developing technologies help protect the environment and save money on consumer energy bills. This amendment would promote these promising technologies through a government-industry partnership project sponsored by the EPA and the DOE.

This initiative would be called the "Energy Sun" partnership program. It is modeled on the highly successful EPA–DOE program of a similar name, the Energy Star program, which focuses on promoting energy-efficient products. For the private sector, the Energy Sun program, like Energy Star, would be purely voluntary. It would promote renewable and alternative energy through consumer education and market forces, not mandates.

EPA and DOE would recognize only the best products, those that promise substantial environmental and energy security benefits. It would also recognize companies that use those products, creating a marketing incentive for companies to use environmentally friendly, renewable and alternative energy.

If adopted, I look forward to working on this program, not only with the Committee on Energy and Commerce, but also with the gentleman from New York (Mr. BOEHLERT) and the Committee on Science, who have also done a lot of work to promote the alternative forms of energy.

I believe this program would help promote our Nation's energy security, reduce pollution, and make a clean, diverse energy supply more affordable for all Americans. I ask my colleagues to vote for this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. TAUZIN. Mr. Chairman, although I support the amendment, I claim the time in opposition, and I yield myself such time as I may consume.

I rise in support of the amendment offered by the gentlewoman from California (Mrs. BONO) to establish the Energy Sun program, a government-industry partnership to recognize promising renewable and alternative energy products and technologies.

Mr. Chairman, H.R. 4 already authorizes a very successful EPA and Department of Energy program called the Energy Star program. The point of Energy Star is to educate, not to mandate. It works because consumers want to save energy and they also want to save money on their energy bills. Energy Sun will do for renewable energy what Energy Star has done for efficiency.

Many consumers have heard of energy solar panels or wind power, or maybe even a green power program through an electric utility company. But the average consumer has no way of knowing which renewable source or alternative technology is really available, which one is practicable for their own needs. Like Energy Star, Energy Sun program will enhance our country's energy security by educating consumers, and then harnessing the power of the marketplace.

I would like to thank the gentlewoman from California (Mrs. BONO) for offering this amendment, and I encourage my colleagues to vote for it.

Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. BOUCHER).

Mr. BOUCHER. Mr. Chairman, I thank the gentleman from Louisiana for yielding, and I asked that he do so only for the purpose of saying that we have no objection to this provision on our side. I want to commend the gentlewoman from California (Mrs. BONO) for a constructive amendment. I am pleased to support it, and I encourage others to do so.

Mr. TAUZIN. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. BOEHLERT).

Mr. BOEHLERT. Mr. Chairman, I rise in support of the amendment offered by the gentlewoman from California (Mrs. BONO).

The amendment amends division A, which is based on text reported by the Committee on Energy and Commerce. The amendment establishes a new program within EPA and the Department of Energy regarding certain renewable and alternative energy products and technologies, and I commend her for that approach.

Under the Rules of the House, the Committee on Science has jurisdiction over all energy research development and demonstration, commercial application of energy technology, and environmental research and development.

Am I correct that the committee does not intend for the placement of this amendment in division A of H.R. 4 and its revision of the Energy Policy and Conservation Act to diminish or otherwise affect the jurisdiction of the Committee on Science?

Mr. TAUZIN. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Chairman, the gentleman is correct. Both the Committee on Energy and Commerce and the Committee on Science have jurisdiction over energy-related programs of the Environmental Protection Agency and the Department of Energy.

Mr. BOEHLERT. Mr. Chairman, I thank the gentleman for his clarification and cooperation. I look forward to working with him and his committee and my colleagues on the Committee on Energy and Commerce on this provision, as well as other provisions of mutual interest.

Mrs. BONO. Mr. Chairman, I yield 30 seconds to the gentleman from California (Mr. DREIER).

Mr. DREIER. Mr. Chairman, I thank the gentlewoman for yielding.

I rise to not only congratulate the distinguished chairman of the Committee on Energy and Commerce, but also to congratulate, from my perspective as a Californian, one of its three most important members, the gentlewoman from Palm Springs, California (Mrs. BONO). Focusing on the issue of renewable energy and conservation is a very important thing and pursuing this program, I believe, will go a long way towards doing just that.

So I compliment her and thank her very much for the leadership that she has shown on this very important issue.

Mrs. BONO. Mr. Chairman, I yield 2 minutes to the gentlewoman from Wyoming (Mrs. CUBIN).

Mrs. CUBIN. Mr. Chairman, I too rise in support of the Bono amendment.

I want to speak, however, to the amendment that is coming up after this one, the Corporate Average Fuel Economy standard increase.

Last year in my home State of Wyoming, registration of light trucks outnumbered passenger cars by about 2 to 1. While this statistic may be surprising to some of my colleagues, it is in no way surprising to me. Despite the many advantages that we enjoy living in Wyoming, its cold, harsh, long winters, long-distance traveling and often rugged terrain create additional safety and utility needs to such everyday events as traveling to a nearby town for business or for transporting one's children to soccer practice.

SUVs, Suburbans and minivans have replaced the station wagon as the soccer mom's vehicle of choice, because these vehicles provide levels of safety, passenger room and utility that allow an active family to meet their needs.

Wyoming's agriculture community also depends on light truck utility vehicles to accomplish the necessary work associated with farming and ranching. It should not take a farmer or a rancher to tell us we cannot haul a bail of hay in a Geo Metro. While that vehicle also has its place in the market, and I do not deny that, agriculture families simply have different needs.

Thankfully, the auto industry constantly works to address these needs by building and marketing larger and safer and, yes, more fuel-efficient vehicles. After all, these vehicles are what consumers want to buy, and it only makes sense for the market to respond to that consumer demand.

Increasing CAFE standards today would put automobile manufacturers at odds with consumers by forcing the auto industry to produce smaller and lighter vehicles. Such a requirement would not only translate into reduction of consumer choice, but would sacrifice the safety benefits that go along with larger vehicles.

The National Research Council's report on CAFE standards released only yesterday stated that without a thought for a restructuring of the program, additional traffic fatalities would be the trade-off that we must incur.

Mr. Chairman, I urge my colleagues to support the Bono amendment and vote against the Boehlert amendment.

Mrs. BONO. Mr. Chairman, I yield such time as he may consume to the gentleman from New Hampshire (Mr. BASS).

Mr. BASS. Mr. Chairman, I rise in support of the Bono amendment.

Mr. Chairman, I rise in support of the Bono Amendment to H.R. 4. Today we have an opportunity to advance the use of renewable and alternative energy products. The Energy Sun program has significant environmental and energy security benefits. I support extending the Energy Sun label to renewable and alternative energy products including solar, wind, biomass, and distributed energy. Specifically, I believe new technologies, like that of the stirling heat engine, will go far to reduce pollution and our dependence on dangerously strained electric power grids. Now is the time to recognize and encourage the use of products and technologies that will improve our homes, our communities, and our environment.

Mr. TAUZIN. Mr. Chairman, I yield 1½ minutes to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Mr. Chairman, I thank the gentleman for yielding time.

I too want to commend the gentlewoman from California (Mrs. BONO) for her commitment to promoting renewables.

Mr. Chairman, America needs a balanced energy policy. We need more renewables. We know ethanol cannot replace petroleum, at least not yet, but we think we can increase the market share for biofuels in this country and therefore lessen America's dependence upon foreign oil.

So for that reason I want to thank the gentleman from Louisiana (Mr. TAUZIN) for including in his manager's amendment a provision commissioning a study of administering a program to establish a renewable fuel standard for motor vehicle fuel sold in the United States. The provision, as offered, was based on a bill that I have cosponsored, or I should say, I sponsored, the Renewable Fuels for Energy Security Act of 2001.

While I believe this Nation is ready for such a program, I am encouraged by the chairman's willingness to direct EPA and the Department of Energy to review this approach. That, I believe, is a step in the right direction.

I look forward to working with the chairman and my colleagues in the House in ways that we can decrease our dependence upon foreign sources of energy and make renewable fuels, such as ethanol, biodiesel and biomass a significant part of the energy mix in this country.

A 3 percent market share for ethanol and biodiesel will displace about 9 billion gallons of gasoline annually, or between 500,000 and 600,000 barrels of crude oil a day, which is the amount that the U.S. now imports from Iraq.

We need a balanced energy policy, Mr. Chairman. We need to support renewables. I commend the gentlewoman from California (Mrs. BONO) for her effort in that regard, and I thank the chairman for his efforts in trying to move this forward.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 30 seconds if the gentlewoman from California (Mrs. BONO) would yield 30 seconds to the gentleman from New York (Mr. FOSSELLA).

Mrs. BONO. Mr. Chairman, I also yield 30 seconds to the gentleman from New York (Mr. FOSSELLA).

□ 1515

Mr. FOSSELLA. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I think it is easy to be against a lot of things, but the question is, what are we for as a Congress. We are for encouraging conservation. We are for encouraging energy efficiency. We are for the use of alternative sources of energy and renewables. That is what we are for.

The great thing about this country, our country, is when the American people are given the truth, they can make the determinations that best suit their needs, their families, and their businesses.

So what we are for are lower energy prices, lower electricity prices, lower gas prices, and at the same time, it strikes the balance by protecting our environment and providing safeguards so that the industries do not run wild. That is what the underlying bill does.

I commend the gentlewoman for complementing that and doing what is right and responsible for now and for America's future.

The CHAIRMAN pro tempore (Mr. LINDER). All time on both sides has expired.

The question is on the amendment offered by the gentlewoman from California (Mrs. BONO).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. TAUZIN. Mr. Chairman, on that I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California (Mrs. BONO) will be postponed.

SEQUENTIAL VOTES POSTPONED IN THE COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: amendment No. 1 offered by the gentleman from Louisiana (Mr. TAUZIN); amendment No. 2 offered by the gentlewoman from California (Mrs. BONO).

The Chair will reduce to 5 minutes the time for the second electronic vote.

AMENDMENT NO. 1 OFFERED BY MR. TAUZIN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on amendment No. 1 offered by the gentleman from Louisiana (Mr. TAUZIN) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 281, noes 148, not voting 4, as follows:

[Roll No. 309]

AYES—281

Abercrombie
Aderholt
Akin
Allen
Armey
Baca
Bachus
Baker
Baldacci
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Bentsen
Bereuter
Berry
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Bonilla
Bono
Boucher
Boyd
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Castle
Chabot
Chambliss
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cummings
Cunningham
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Lampson
Largent
Larsen (WA)
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)

Lucas (OK)
Manzullo
Mascara
McCarthy (NY)
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Mink
Moore
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pascrell
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reyes
Reynolds
Riley
Rodriguez
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sandlin
Saxton
Scarborough
Schaffer
Schiff
Schrock
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Stearns
Stenholm
Stump
Stupak
Sununu
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Turner
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Wynn
Young (AK)
Young (FL)

NOES—148

Ackerman
Andrews
Baird
Baldwin
Barrett
Becerra
Berkley
Berman
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Clay
Clayton
Conyers
Coyne
Crowley
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gutierrez
Harman
Hastings (FL)
Hinchey
Hoeffel
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Langevin
Lantos
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matheson
Matsui
McCarthy (MO)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mollohan
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pastor
Paul
Payne
Pelosi
Price (NC)
Rahall
Rangel
Rivers
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schakowsky
Serrano
Sherman
Skelton
Slaughter
Solis
Spratt
Strickland
Tanner
Tauscher
Thompson (CA)
Thurman
Tierney
Towns
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu

NOT VOTING—4

Hall (OH)
Hutchinson
Spence
Stark

□ 1537

Ms. KILPATRICK, Messrs. OWENS, LANGEVIN, MORAN of Virginia, and Ms. McCOLLUM changed their vote from "aye" to "no."

Mr. POMEROY changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. LINDER). Pursuant to clause 6 of rule XVIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on the next amendment.

AMENDMENT NO. 2 OFFERED BY MRS. BONO

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on amendment No. 2 offered by the gentlewoman from California (Mrs. BONO) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 411, noes 15, not voting 7, as follows:

[Roll No. 310]

AYES—411

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Combest
Condit
Conyers
Cooksey
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Houghton
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Olver
Ortiz
Osborne
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp

Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOES—15

Barr
Coble
Collins
Costello
Filner
Flake
Hostettler
Johnson, Sam
Jones (NC)
Kerns
Oberstar
Otter
Paul
Pence
Schaffer

NOT VOTING—7

Grucci
Hoyer
Hutchinson
Largent
Oxley
Spence
Stark

☐ 1545

Mr. WAXMAN changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. LINDER). It is now in order to consider Amendment No. 3 printed in part B of the House report 107-178.

AMENDMENT NO. 3 OFFERED BY MR. BOEHLERT

Mr. BOEHLERT. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. BOEHLERT:

Page 66, beginning at line 11, strike sections 201, 202, and 203 and insert the following:

SEC. 201. INCREASED AVERAGE FUEL ECONOMY STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.

(a) COMBINED STANDARD.—Section 32902(b) of title 49, United States Code, is amended to read as follows:

"(b) STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.—(1) Except as provided in this section, the average fuel economy standard for the combination of passenger automobiles and light trucks manufactured by a manufacturer—

"(A) in each of model years 2005 and 2006 shall be 26.0 miles per gallon; and

"(B) in a model year after model year 2006 shall be 27.5 miles per gallon.

"(2) Except as provided in this section, and notwithstanding paragraph (1), the average fuel economy standard for passenger automobiles manufactured by a manufacturer in model years 2005 and 2006 shall be 27.5 miles per gallon.".

(b) AMENDING STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.—Section 32902(c) of title 49, United States Code, is amended—

(1) by amending so much as precedes the second sentence of paragraph (1) to read as follows:

"(c) AMENDING STANDARD FOR COMBINATION OF PASSENGER AUTOMOBILES AND LIGHT TRUCKS.—The Secretary of Transportation shall prescribe regulations amending any of the standards under subsection (b) of this section for a model year to any higher level that the Secretary decides is the maximum feasible average fuel economy level for that model year."; and

(2) by striking paragraph (2).

(c) DEFINITION OF LIGHT TRUCK.—

(1) IN GENERAL.—Section 32901(a) of title 49, United States Code, is amended by adding at the end the following:

"(17) 'light truck' means a 4-wheeled vehicle that is propelled by fuel, or by alternative fuel, that is manufactured primarily for use on public streets, roads, and highways (except a vehicle operated only on a rail line), and that the Secretary decides by regulation—

"(A) is rated—

"(i) at less than 8,500 pounds gross vehicle weight, in the case of an automobile manufactured in model year 2005 or 2006; or

"(ii) at less than 10,000 pounds gross vehicle weight, in the case of an automobile manufactured in a model year after model year 2006;

"(B) is manufactured primarily for transporting not more than 10 individuals; and

"(C) is not a passenger automobile.".

(2) DEADLINE FOR REGULATIONS.—The Secretary of Transportation—

(A) shall issue proposed regulations implementing the amendment made by this subsection by not later than 6 months after the date of the enactment of this Act; and

(B) shall issue final regulations implementing such amendment by not later than one year after the date of the enactment of this Act.

(c) CONFORMING AMENDMENTS.—

(1) Section 32901(a)(3) of title 49, United States Code, is amended by striking "and rated at—" and inserting "and is a light truck or is rated at—".

(2) Section 32902(a) of title 49, United States Code, is amended—

(A) by striking "NON-PASSENGER AUTOMOBILES.—" and inserting "STANDARDS FOR CERTAIN AUTOMOBILES.—"; and

(B) by striking "(except passenger automobiles)" and inserting "(except passenger automobiles and light trucks)".

(3) Section 32908(a)(1) of title 49, United States Code, is amended by striking "8,500" and inserting "10,000".

(d) APPLICATION.—The amendments made by this section shall apply beginning on January 1, 2005.

(e) APPLICABILITY OF EXISTING STANDARDS.—This section does not affect the application of section 32902 of title 49, United States Code, to passenger automobiles and light trucks manufactured before model year 2005.

SEC. 202. AMENDMENTS TO MANUFACTURING INCENTIVES FOR ALTERNATIVE FUEL AUTOMOBILES.

Section 32905 of title 49, United States Code, is amended—

(1) in subsection (b) by striking "2004" and inserting "2008";

(2) in subsection (b)(1) by striking ".5 divided" and inserting "the number determined by (A) subtracting from 1.0 the alternative fuel use factor for the model, and (B) dividing the difference calculated under clause (A) by";

(3) in subsection (b)(2) by striking ".5 divided" and inserting "the number determined by dividing the alternative fuel use factor for the model by";

(4) in subsection (d) by striking "2004" and inserting "2008";

(5) in subsection (d)(1) by striking ".5 divided" and inserting "the number determined by (A) subtracting from 1.0 the alternative fuel use factor for the model, and (B) dividing the difference calculated under clause (A) by";

(6) in subsection (d)(2) by striking ".5 divided" and inserting "the number determined by dividing the alternative fuel use factor for the model by"; and

(7) by adding at the end the following:

"(h) DETERMINATION OF ALTERNATIVE FUEL USE FACTOR.—(1) For purposes of subsections (b) and (d) of this section, the term 'alternative fuel use factor' means, for a model of automobile, such factor determined by the Administrator under this subsection.

"(2) At the beginning of each year, the Secretary of Energy shall estimate the amount of fuel and the amount of alternative fuel used to operate all models of dual fuel automobiles during the most recent 12-month period.

"(3) The Administrator shall determine, by regulation, the alternative fuel use factor for each model of dual fueled automobile as the fraction that represents, on an energy equivalent basis, the ratio that the amount of alternative fuel determined under paragraph (1) bears to the amount of fuel determined under paragraph (1).".

(c) APPLICATION.—The amendments made by this section shall apply beginning on January 1, 2005.

(d) APPLICABILITY OF EXISTING STANDARDS.—This section does not affect the application of section 32901 of title 49, United States Code, to automobiles manufactured before model year 2005.

SEC. 203. ENSURING SAFETY OF PASSENGER AUTOMOBILES AND LIGHT TRUCKS.

The Secretary of Transportation shall exercise such authority under Federal law as the Secretary may have to ensure that passenger automobiles and light trucks (as those terms are defined in section 32901 of title 49, United States Code, as amended by this Act) are safe.

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentleman from New York (Mr. BOEHLERT) and a Member opposed each will control 20 minutes.

Mr. TAUZIN. Mr. Chairman, I claim the time in opposition and yield 9 of those minutes to the gentleman from Michigan (Mr. DINGELL) for the purposes of control.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOEHLERT. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, I think virtually every Member of this body agrees that we need to raise the fuel economy of passenger vehicles. That is a no-brainer. Raising fuel economy saves money, makes us less dependent on foreign oil sources and helps protect the environment without cramping our life-style one bit. That is why even this bill, which is so tepid about conservation, includes a small increase in fuel economy standards. There is just no persuasive argument against raising the standards. It is the simplest, most basic step available to us.

The question, though, is whether we are going to just appear to take this step or whether we are going to do it for real. The language in this bill is about keeping up appearances. The Boehlert-Markey amendment is about actually saving oil. In fact, there is a chart before me which makes clear, our amendment would save more oil than would be produced from drilling in ANWR under even the most optimistic scenarios. Those figures come from the nonpartisan Congressional Research Service.

The proponents of H.R. 4 will say they are not just keeping up appearances. They plan to save 5 billion gallons of oil over 5 years. That is a big number, but it is not a lot in a Nation that oil burns more than 350 million gallons of oil as gasoline on our highways each and every day. That is why we usually measure oil in barrels because gallons are too small a unit to bother contemplating.

But the proponents will say, but 5 billion is a lot. It is like parking next year's production of SUVs for 2 years. But, guess what, during the second year, and the year after, and the year after that, ad infinitum, a whole new fleet of gas-guzzling SUVs will hit the highways and will not be metaphorically parked.

The Nation is importing more than half its oil, but the proponents of H.R. 4 have done nothing more on CAFE than put a finger in the dike. The CAFE provision in the bill will have no long-range impact on the Nation's demand for oil. The CAFE language in the bill is a distraction, not a solution.

Now, that might be okay if we did not have the technological wherewithal to build safe, affordable American cars and SUVs that meet a higher standard. But we do have that capability. In fact, we could reach CAFE standards far higher than the ones that we are proposing in this amendment, but we are taking a truly moderate approach.

The Boehlert-Markey amendment would, after 5 years, include cars and SUVs and light trucks in a single fleet that would have to meet a 27.5 mile per gallon average, the level cars must meet today. That gives the automobile manufacturers the flexibility, they get the flexibility to decide if they want to make cars more fuel efficient or SUVs more fuel efficient, or some combination of both.

Our amendment creates new incentives for the ethanol industry because we would provide credits to cars that actually run on ethanol, not to cars that could use ethanol but do not. So we give automakers incentives to make sure that ethanol does become a commonly available fuel.

In short, the standard we propose is flexible, fair, moderate and feasible. Members can tell that because our opponents have hit new rhetorical heights in arguing against the amendment; but luckily, we have the latest science on our side. I refer Members to the report of the National Academy of Sciences that was released Monday. Here is what the Academy panel concluded:

First, the National Academy of Sciences says having separate standards for cars and SUVs makes no sense. My colleagues can refer to pages ES-4 and 5-10 for confirmation.

Second, the National Academy of Sciences says that raising fuel economy standards will be a net saver for consumers, and we want to help consumers save. Look at pages 4-7 to check that out.

Third, the National Academy of Sciences says raising fuel economy standards will not hurt American workers, and they base this on the real experience of past decades. That is on pages 2-16.

Fourth, the National Academy of Sciences says that raising fuel economy is perfectly feasible even with currently available technology, technology that is on the shelf, ready to be put into use, and even for higher standards than we are proposing. That is on page ES-5. And the front page of Automobile News that is on easel behind me illustrates the technology that auto companies already have to meet this new standard.

Fifth, and most important of all, the Academy says fuel economy can be achieved "without degradation of safety," again, without degradation of safety, so let us put that bogeyman to rest. That is on page 4-26.

The opponents may say the automobile companies disagree. No surprise there. It is easier to keep making gas-guzzling cars, just like it was easier to keep making cars without seat belts and cars without air bags and cars without pollution control equipment, all advances that the auto industry now touts, even though it vehemently opposed each as they were initiated.

This case is no different. Just look at the credibility of the auto industry. Here is what a top Ford executive said about safety standards in 1971. "The shoulder harnesses, the headrests are a complete waste of money, and you can see that safety has really killed off our business." That is what the auto people said.

Here is what GM said about pollution control in 1972. "It is conceivable that complete stoppage of the entire production could occur with the obvious tremendous loss to the company," if we required pollution control equipment. Give me a break.

I could go on and on with examples like this.

Mr. Chairman, we should be used to these scare tactics by now and wise to them. Let us not believe the folks that said seat belts would destroy the auto industry when they say they fear for our safety if we raise CAFE standards.

I am going to listen to the National Academy of Sciences. We have the evidence we need to raise CAFE standards, we just need the will, the will to give the public what it wants. The public wants better fuel economy if for no other reason than to save money. And what the National Academy of Sciences report demonstrates is that we can give them that fuel economy without depriving them, including me, of our SUVs, without compromising safety, without threatening jobs.

Mr. Chairman, I urge support of the Boehlert-Markey-Shays-Waxman amendment.

Mr. TAUZIN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, for a year now I have been fighting tires that kill. I am on the floor today fighting an amendment that will kill. If the Boehlert amendment passes, the National Academy of Sciences says that this kind of an increase in CAFE too soon, too fast over a 4-year period, 46 percent increase, will force automakers to downsize and downweight automobiles, trucks, light trucks in particular, SUVs and minivans. They tell us, "Additional traffic fatalities would be expected." That is the National Academy of Sciences.

Now, the bill contains reasonable increases in fuel savings, 5 billion gallons in this category of vehicles over the next 6 years. This is the language of the National Academy of Sciences warning us if my colleagues go further than the bill goes, my colleagues can expect fatalities.

Mr. Chairman, I want to show Members the list of SUVs and vans regulated by the bill without this amendment. This is the list of all of the SUVs and vans that this amendment would literally replace in the law, sections that provide a 5-billion gallon savings in this list of vehicles.

These vehicles alone consume 2.4 billion gallons a year. Our bill provides a savings of twice that, 5 billion.

Keep to the bill. Do not kill Americans with this amendment.

□ 1600

Mr. BOEHLERT. Mr. Chairman, I ask unanimous consent that the total time in support of the Boehlert-Markey amendment be equally divided between the gentleman from Massachusetts (Mr. MARKEY) and the principal author.

The CHAIRMAN pro tempore (Mr. LINDER). Without objection, the gentleman from Massachusetts can control 10 minutes.

There was no objection.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. I thank the gentleman for yielding time to me.

Mr. Chairman, I strongly support this CAFE amendment. It is urgently needed to restore some balance to this legislation. This is the most important conservation measure that we will have before us in the whole energy bill if this amendment is adopted. If this amendment is not adopted, I want Members to realize that the CAFE provisions in the bill itself are a mirage. The legislation claims to save 5 billion gallons of gasoline by 2010. This sounds like a lot of gasoline, but we are talking about a reduction of 5 billion gallons out of a pool of over 2.5 trillion gallons. So even if the provisions worked as advertised, the 5 billion-gallon reduction translates into only a cut of two-tenths of 1 percent. But, in fact, this bill will not even achieve these minuscule savings. The fine print of the bill contains CAFE loopholes that will allow fuel consumption to increase by 9 billion gallons.

Mr. Chairman, I include for the RECORD an analysis of the H.R. 4 provisions which will explain why we will even go backwards if H.R. 4 is adopted as it is written. It will allow under the Bush administration's analysis an increase of 9 million gallons. The loopholes make the CAFE provisions in this bill a step backward.

Just this week, the National Academy of Sciences released a new study on CAFE that shows we can do much more. The Boehlert-Markey-Shays-Waxman amendment will make reasonable, commonsense improvements in the fuel efficiency standards of our light trucks. And it will close the loopholes in the current law and in the bill before us.

I urge support of the amendment.

ANALYSIS OF THE H.R. 4 PROVISIONS WHICH AMEND THE CORPORATE AVERAGE FUEL ECONOMY (CAFE) LAW

On Wednesday, August 1, 2001, the House of Representatives is considering H.R. 4, the "Securing America's Future Energy Act of 2001." This legislation contains an amendment offered by Rep. Richard Burr (R–NC) at Subcommittee which amends the federal law governing automobile fuel economy. This amendment was heralded by some as a significant increase in fuel economy standards applicable to sport utility vehicles (SUVs) and other light trucks. Upon analysis, this amendment appears to be seriously flawed.

I. BACKGROUND

Under current law, the Secretary of Transportation is directed to prescribe by regulation average fuel economy standards for light trucks 18 months prior to the beginning of each model year. Sec. 32902(a). The standard is set at the "maximum feasible average fuel economy level" that the Secretary decides the manufacturers can achieve in that model year. Id. In setting a standard, the Secretary is required to consider technological feasibility, economic practicability, the effect of other governmental motor vehicle standards on fuel economy, and the need of the United States to conserve energy. Sec. 32902(f). Under this approach, the maximum feasible average fuel economy standard is determined on an ongoing basis with new technology being recognized and considered in the development of standards each and every year.

The current CAFE standard for light trucks is 20.7 miles per gallon. Since 1995, the Secretary of Transportation has not been permitted to revise this standard due to a congressional prohibition on such action passed each year in the appropriations process.

II. THE IMPROVED FUEL ECONOMY PURPORTED TO BE ACHIEVED BY H.R. 4 IS INSIGNIFICANT

H.R. 4 purports to reduce the projected gasoline consumption of light trucks manufactured between 2004 and 2010 by 5 billion gallons in the years 2004 through 2010. As discussed below, the achievement of any improvement in fuel economy is in doubt under this language. However, assuming that a 5 billion gallon reduction in projected gasoline consumption is achieved, this reduction is insignificant.

Under this legislation, light trucks manufactured between 2004 and 2010 must reduce consumption by 5 billion gallons over the years 2004 through 2010. During the period from 2004–2020, total consumption of petroleum is projected to be 2.27 trillion gallons of petroleum. Although 5 billion gallons sounds like a lot of gasoline, it amounts to a mere 0.22% reduction in projected petroleum use. The Union of Concerned Scientists has estimated that the fuel economy of light trucks would only need to be improved by one mile per gallon in model years 2004 through 2010 to achieve this goal.

III. H.R. 4 UNDERMINES CURRENT LAW

Proponents of H.R. 4 have stated that the 5 billion gallon reduction in projected gasoline use is merely the floor for increased fuel economy and that the integrity of the CAFE law is preserved, allowing for any other appropriate improvements in fuel economy to be made. Upon analysis, it appears that H.R. 4 would actually encourage the consumption of more fuel than it conserves, while substantially altering the way the CAFE law functions and inhibiting further progress on fuel economy.

A. H.R. 4 wastes more gasoline than it would purport to save by extending the flawed CAFE incentive for dual fueled vehicles for an additional four years

Even as H.R. 4 purports to save five billion gallons of gasoline, it includes provisions that the Bush administration has estimated would increase gasoline consumption by nine billion gallons.

H.R. 4 extends a flawed program which creates CAFE incentives for dual fueled vehicles. Under current law, the production of dual fueled automobiles earns significant CAFE credits. As a result, manufactures produce many of these vehicles. According to the New York Times, General Motors, Ford Motor and the Chrysler unit of DaimlerChrysler have made 1.2 million dual-fuel vehicles, almost all of which are designed to burn either ethanol or gasoline. These include most Chrysler minivans and some Chevrolet S–10 pickups, Ford Taurus sedans and Ford Windstar minivans. These vehicles differ from other vehicles only in that they contain a $200 sensor for burning ethanol, which their owners are often not even aware of.

Dual fueled automobiles are manufactured to run on ethanol yet virtually no vehicles actually do so. In fact, only 101 of the 176,000 services stations in the United States sell nearly pure ethanol. Most of these service stations are in the Midwest. There is not a single one on the West Coast and there are only two on the East Coast—one in Virginia and one in South Carolina.

These credits have allowed the automakers to reduce the average fuel economy of all vehicles they sell by five-tenths to nine-tenths of a mile per gallon. Under current law these credits are scheduled to sunset in 2004 unless the Administration extends the programs for an additional four years. H.R. 4 would statutorily extend the CAFE law until 2008, and allow for the credits to be extended until 2012.

According to a draft report prepared by the Bush Administration, continuing the program from 2005 to 2008 will increase gasoline consumption by nine billion gallons. This is almost twice as much fuels as H.R. 4 purports to save.

B. H.R. 4 fundamentally alters the standard-setting process for light trucks which may hinder incentives for advanced technology vehicles

H.R. 4 substitutes the yearly approach under current law with an approach that will set standards from 2004 through 2010. This is a substantial weakening of current law. While no one can definitively predict what the "maximum feasible average fuel economy level" will be in the future, the "maximum feasible" level is clearly higher than the miniscule requirements of H.R. 4.

C. H.R. 4 removes incentives for advanced weight reduction technologies and materials

Automakers have been learning that safer, more fuel efficient vehicles can be manufactured using lighter weight materials, such as aluminum, or through advanced engineering approaches like unibody construction which can produce lighter and structurally sound frames. Under the current system, manufacturers have incentives to deploy these weight reduction technologies and materials, because all light duty trucks fall under a single CAFE standard.

H.R. 4 promotes a weight-based system for establishing fuel economy standards for light trucks. This approach could eliminate the incentives for these advanced construction technologies and materials by assuming that the weight of light trucks cannot be reduced.

D. H.R. 4 does not address passenger vehicles and requires no improvements in the fuel economy of diesel vehicles

H.R. 4 does not direct any increase in the CAFE standards for passenger cars which make up about half of the new vehicles sold in the United States.

Similarly, H.R. 4 sets no targets for reducing the consumption of diesel fuel. The auto manufacturing industry has indicated that they intend to expand the use of diesel engines in the coming years. In fact, as discussed below H.R. 4 gives manufacturers additional incentives to increase diesel use as a means of meeting their obligations under H.R. 4.

E. H.R. 4 creates incentives for greater reliance on diesel vehicles

H.R. 4 sets a goal for avoided gasoline consumption for light trucks manufactured between 2004 and 2010. The way H.R. 4 is drafted this goal can be achieved by producing more diesel-powered light trucks and fewer gasoline-powered light trucks. Automakers could comply with the letter of the law by merely increasing the portion of light trucks that are diesel-powered.

Mr. TAUZIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. CAMP).

Mr. CAMP. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise today in strong opposition to the amendment offered by my colleagues, Mr. MARKEY and Mr. BOEHLERT that would set a combined fleet standard of 27.5 miles per gallon for cars and trucks. This amendment will cost jobs, consumer choice and safety.

This large increase in the light truck standard would have devastating impacts on light truck production from American automakers and threaten the jobs of over 1,000,000 auto workers in Michigan and many more around the country.

This amendment would also substantially restrict the ability of American automakers to continue to provide the vehicles that American consumers are purchasing. The product changes needed to accomplish this level of increase would adversely affect the most popular light trucks on the road-including restrictions on the sale by American automakers on the large pick-up trucks and SUV's that represent 50 percent or more of light truck sales.

Finally, raising CAFE standards would put Japanese automakers at a strategic advantage over U.S. automakers. The Japanese have an edge of a several miles per gallon because they have huge amounts of banked CAFE credits from the surpluses they have run in the past. This allows the Japanese to take advantage of selling larger vehicles in our market that do not meet the CAFE standards that U.S. automakers are expected to meet. Essentially, Japanese automakers have a credit cushion that would not require any product changes to meet CAFE for about two model years before it exhausts its banked CAFE credits. This disparity will cripple the U.S. auto industry. I encourage my colleagues to vote against this amendment.

Mr. DINGELL. Mr. Chairman, I yield myself 1½ minutes.

Mr. Chairman, this amendment affords you a rare opportunity to cast a vote for more jobs, for fewer deaths and injuries on the highway and against sharp price increases in the most popular of our vehicles.

All you have got to do is vote "no" on the amendment. I urge you to do so.

Take a look at the jobs that are involved here. Those are where your constituents work in automobile plants. There is nothing in the base bill which would preclude the Secretary of Transportation from fixing the levels of CAFE at those which are fixed by the Markey amendment. All that they would have to do is to find that it is technologically feasible and economically desirable and possible to so do.

The Secretary now can and will under the base bill save 5 billion gallons of gasoline. That is equivalent to taking off the road the production of 1999 pickups and SUVs for a period of 2 years. In a word, that ain't hay.

I would tell you some other things about this. The UAW and the American autoworkers are going to be most hurt if this amendment is adopted. It will force the auto companies to eliminate 135,000 jobs now held by American working men and women. It will force GM to close 16 of its plants and DaimlerChrysler to close two plants. That is about as bad as it gets until you consider that each auto company job supports seven other supplier jobs throughout the American economy.

What about safety? The National Academy of Sciences says that the higher CAFE standards contribute to more deaths and injuries by creating lighter and less safe vehicles.

I urge my colleagues to vote "no" on this amendment.

Mr. TAUZIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana (Mr. BUYER).

(Mr. BUYER asked and was given permission to revise and extend his remarks.)

Mr. BUYER. Mr. Chairman, I rise in opposition to the Markey-Boehlert amendment.

Mr. Chairman, I rise in opposition to further increases in CAFE standards, and in defense of the common sense compromise that the Energy and Commerce Committee has included in the energy bill.

Like most everyone, I support fuel conservation. Conservation can reduce dependence on foreign oil and enhance environmental protection. That's why the Committee developed a compromise that sets an achievable conservation goal while protecting jobs and safety. The compromise would produce substantial fuel savings by setting a goal of saving 5 billion gallons between 2004 and 2010. This is a good and balanced compromise.

But some want to go beyond this compromise and set a new CAFE number. This would be a big mistake because this amendment will jeopardize jobs and public safety.

Proponents of the amendment also seem to disregard these safety concerns. A strong and growing body of evidence indicates that increased CAFE standards result in increased traffic deaths. We shouldn't pass these kinds of huge increases without fully understanding or considering these safety concerns.

Let's conserve fuel, but let's do it safely. Support the Committee's compromise, oppose further CAFE increases.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from New Hampshire (Mr. BASS), a valued member of the Committee on Energy and Commerce.

Mr. BASS. Mr. Chairman, I rise in opposition to this amendment as one who believes that fuel efficiency in light trucks and SUVs should be improved. But this is not the time for this amendment. For the last 6 years, DOT has been barred from examining the CAFE standards. Just yesterday, or the day before, the NAS released its report. Most of us have had almost no time to examine this report, and nowhere in this report am I under the impression that it recommends an approach similar to that envisioned by this amendment.

This amendment could have detrimental effects on a very delicate economy in this country. It may impact safety, as we have already heard. I am assured by the chairman of the Committee on Energy and Commerce that we will have complete hearings on this whole issue of CAFE and where we should be headed and come up with a real plan and not a knee-jerk reaction to a problem that has come up in the last 6 months.

Mr. Chairman, this amendment is premature, it is potentially counterproductive, and I think we should step back, relax, and support the committee in its reasonable efforts. It is a good start on the process of improving fuel economy.

Mr. BOEHLERT. Mr. Chairman, I yield 30 seconds to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Chairman, I urge this body to vote in support of the Boehlert-Markey amendment. We heard that earlier this week the National Academy of Sciences issued their long-awaited report which concluded that technologies currently exist which can help our Nation substantially increase fuel economy. This amendment simply moves this conclusion forward. By raising the average fuel economy standards for cars and light trucks, we will save more oil than the most generous estimates suggest that ANWR would provide.

The NAS report also concludes that these improvements are both safe and economically affordable. The Boehlert-Markey amendment allows our Nation the opportunity to be a world leader in the development and advancement of new technologies to improve our environment.

Vote "yes."

Mr. MARKEY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, in 1974, the average for automobiles and light trucks in the United States was 12.9 miles per gallon. There was an energy crisis. In 1975, Congress responded. And they increased to 26.2 miles per gallon the fleet average. But believe it or not by 1981 they had already reached 24.6 miles per gallon, almost a doubling. Today, it is back to 24.7 miles per gallon. Our amendment, the Boehlert-Markey-Shays-Waxman amendment increases the average up to 27.5 miles per gallon, a 1.3-mile-per-gallon increase since 1987.

We have deployed the Internet since then, the human genome project, the Soviet Union has collapsed. We are arguing for a 1.3-mile-per-gallon increase since 1987, by the way, equal to how much oil is in the Arctic wilderness if you want to avoid having to vote to drill in that sacred land.

Mr. TAUZIN. Mr. Chairman, I yield 1½ minutes to the gentlewoman from New Mexico (Mrs. WILSON).

Mrs. WILSON. Mr. Chairman, I think we need to keep in mind that the base bill we have been offered here saves 5 billion gallons of gasoline and does it flexibly, by giving some options to manufacturers to be able to do this safely. The National Academy of Sciences says that it may be possible to increase fuel economy for light trucks over the next 10 to 15 years, but the sponsors of this amendment want to do it in 4 years. The only way you can do that is to reduce the weight of these vehicles, which compromises safety.

In February of 1998, I was driving down the road from Santa Fe to Albuquerque and a truck in front of me dropped something off the back end. I swerved to avoid it. I avoided it, but the car started to roll at 75 miles an hour. I walked away that day. I had a lot to be thankful for. But the thing I was most thankful for was that I was alone in the car.

Mr. Chairman, women make most of the decisions in this country about what car to buy. It is the same in my family. I drive a Subaru Outback SUV because it is safe for my two little kids in the back seat. I want efficient vehicles in this country. This base bill gives it to us. But I am not willing to compromise their safety by an accelerated standard that is not technically possible.

Mr. DINGELL. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Pennsylvania (Mr. DOYLE).

Mr. DOYLE. Mr. Chairman, I rise in opposition to the Boehlert-Markey amendment. Every American supports increasing the fuel efficiency of the vehicles that we drive, but the question that we are all faced with today is, what cost to our safety, our economy and our life-styles are we willing to accept to meet the unreasonable standards imposed by this amendment?

The bill we are debating will significantly reduce fuel consumption while ensuring that consumer safety and American jobs are not compromised. This balance will be threatened by this amendment.

The American auto and steel industries are working together to increase fuel economy through technologies such as zero emission fuel cells and lightweight steel. These technologies will decrease emissions, increase fuel economy, and preserve the high safety standards that protect each and every one of us. If this amendment passes, over 18 plants and 135,000 automotive jobs will be lost in addition to thousands of jobs in the American steel industry, an industry already facing high unemployment as a result of dumping of illegal steel into American markets.

In addition to the steel and automotive industries, workers in the rubber, aluminum, plastics, electronics and textile industries will not escape the job cuts that will be forced on the American economy. Furthermore, the National Highway Traffic Safety Administration has confirmed that higher CAFE standards may result in the use of weaker materials in construction which will increase the likelihood of injury and death on our national roadways.

For these reasons, for the loss of American jobs, the cost to the American economy and the safety of the American consumer, I ask that we defeat this amendment.

Mr. BOEHLERT. Mr. Chairman, I yield 30 seconds to the gentleman from Maryland (Mr. GILCHREST).

Mr. GILCHREST. Mr. Chairman, I thank the gentleman for yielding time.

I guess the question here is, for those of us who want a vote on this increase in gas mileage is, is it technically feasible? Do we have the brains, the will, the initiative to increase gas mileage and improve safety of these vehicles? The answer is yes, we have the brains, the skill, the technology. We can increase gas mileage, improve the environment and provide safety for those Americans who choose to buy SUVs or light trucks.

I urge support of the amendment.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Michigan (Mr. UPTON), the chairman of the Subcommittee on Telecommunications and the Internet of the Committee on Energy and Commerce.

Mr. UPTON. Mr. Chairman, I would like to support the Boehlert amendment, but I cannot. The technology just is not ready yet.

One of the arguments presented here today is that the auto industry cried wolf in the 1970s on new CAFE standards and at the end of the day met the standards. But at what cost? More job loss and more market share loss. Can the auto industry meet this new standard called for in this amendment? Of course they can.

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But at what expense? More market loss and more job loss.

Last year, this year, next year the auto industry will be spending hundreds of millions of dollars each year on new technologies designed to improve efficiencies and reduce our dependence on foreign oil. One of them is the hydrogen fuel cell. Well, guess what? There is a limited supply of R&D dollars; and if they are forced to meet this new standard, there will not be the dollars to develop this new standard.

It is hoped that those cars will be in the showrooms in the next 8 to 10 years. If this amendment passes, it will not be 8 to 10 years; it will be more than 10 years away. Is that what we want? I do not think so.

Please join me in voting no. We have the technology to make this thing work. This amendment takes those dollars away and will hurt all consumers, period.

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Chairman, I thank the gentleman from Massachusetts for yielding me time.

I rise in support of the Markey-Boehlert amendment. Let me state why. In the voices of my children, who are 32 and 30 years old, this debate is really about yesterday. What this amendment represents is tomorrow, is the future. It is exactly why people are attracted to America. So what we are battling is yesterday with this amendment.

The sham automobile efficiency provision in this bill is the proverbial drop in the oil bucket. They are talking 5 billion gallons of gasoline saved. We are talking 40 billion.

How anyone can say this is about jobs and the American automobile industry, it is a joke. This is enough to say that the Edsel is making a comeback.

The Congress can do better. The automobile industry is saying one thing. I understand that. We are not the automobile industry, we are the Congress of the United States. And when we vote this in, we are voting in less dependence on foreign oil, we are voting in high standards for our environment, we are saying you do not have to drill in ANWR, and we are saying that we have the technologies today to put into tomorrow's automobiles.

Support this amendment. It is a step toward the future. We will be better off as a result of it.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. LATOURETTE). The Chair would ask that Members attempt to confine their remarks to the time yielded to them.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. KNOLLENBERG).

Mr. KNOLLENBERG. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I strongly oppose this amendment. It does nothing more than punish the automobile industry for making cars that people want to buy.

I am opposed for many reasons, but let me focus on three. This amendment will force Americans to drive smaller cars that are less safe than what we drive now. Smaller cars mean more traffic fatalities; a fact confirmed by the recent NAS report.

This amendment will also have the devastating economic impact of affecting every worker in the auto industry whose job will be affected. There are seven others affected as a spin-off from the one worker in the factory.

This amendment will also impose these new standards on an impossible timetable, which the NAS report explicitly argued against.

Why should Congress adopt policies that cause economic hardship, reduce consumer choice and lessen auto safety? Obviously we should not.

I urge my colleagues to oppose this harmful and dangerous amendment.

Mr. BOEHLERT. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in strong support of this amendment.

Mr. DINGELL. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Louisiana (Mr. JOHN).

Mr. JOHN. Mr. Chairman, I rise in opposition to the Boehlert-Markey amendment. I do not have any auto manufacturing plants in my district, so I am not opposing this amendment out of concerns for that industry. Representing the seventh district of Louisiana, which is very rural and agricultural and whose people's livelihood depends on light trucks and pickup trucks, I am concerned that this amendment would put unrealistic standards, given the time tables, on this class of vehicles. Even if these stringent standards, and I emphasize, even if these stringent standards can be met, it will certainly increase the cost of these vehicles, in some reports up to $7,000.

My concern is that the manufacturers who make these vehicles, these light trucks and pickups, that this amendment will threaten their ability to continue making them. In fact, DaimlerChrysler says that they could not raise the fuel economy standards of their Dakota or Dodge Ram pickup trucks 50 percent in 5 years, as this amendment requires; and it would therefore possibly stop them from producing them.

I am not sure if it was the intent of the authors of this amendment to unduly hurt the farmers, ranchers, contractors, electricians, plumbers, carpenters, construction workers, and many others who use pickups and light pickup trucks as their office on wheels. By forcing heavy commercial pickup trucks that weigh less than 10,000 pounds to achieve car CAFE standards, this amendment sets a standard that no one, and, I repeat, no one, has demonstrated achievable without compromising safety.

I urge Members to vote no on this amendment.

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. OLVER).

Mr. OLVER. Mr. Chairman, the amendment before us requires only a 10 percent increase in fleet fuel efficiency by model year 2007; but, by 2010, it would save half a million barrels of oil a day, reduce our oil imports by 5 percent, and reduce carbon dioxide emissions by over 100 million tons each year.

But there is an even better reason to do this. Oil is the least abundant of all of our fossil fuels. All of it will be gone from this world before the end of this century if we and our fellow men continue to burn it at low efficiency. What then will we use for our industry, for the chemicals, clothing, construction materials, for every product used in our lives that is manufactured from polymers?

It is in our national interests to reduce our dependence on foreign oil, but it is a matter of national security that we conserve our most important industrial feedstock. The National Academy of Sciences report released this week tells us the technology already exists to take this modest step.

I urge my colleagues to support this bipartisan amendment.

Mr. TAUZIN. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Chairman, I–94 runs east and west through my Congressional Michigan District going into Detroit. This is the auto supply route. Many businesses in this area supply the auto industry. The estimate from General Motors is that we would lose with this amendment 65,000 jobs, Daimler-Chrysler estimates a $35,000 job loss, a total of 130,000. Let me tell you at least partially why this job loss happens. The way we calculate these averages of miles-per-gallon means that some auto imports, for example, have accumulated so many credits that they could actually continue to sell their less-miles-per-gallon trucks and displace our more gas efficient miles-per-gallon vehicles that we are not going to be able to sell because of this amendment. This means fewer sales and less employment.

Mr. Chairman, I rise in opposition to this amendment.

Since the CAFE standards were implemented in 1978, the market for passenger vehicles has been severely distorted. As a result, today, lights trucks account for over have of the new car market. The American people do not want small under-powered, and unsafe vehicles to transport their family. But under CAFE, there are fewer change cars available as alternatives.

The recent report from the National Research Council report found that, "CAFE standards, probably resulted in an additional 1,300 to 2,600 traffic fatalities in 1993." Further, it noted that if the increase standards resulted in lighter or smaller vehicles, "some additional traffic fatalities would be expected."

An earlier analysis reported in USA Today estimated that for each mile per gallon CAFE saved, 7,700 people lost their lives.

There is another price we will pay with this amendment—lost jobs. GM, Ford, and Daimler-Chrysler say they would be forced to eliminate 135,000 jobs. In my home state of Michigan, more than a million workers could be affected by this amendment.

Mr. Chairman, this amendment would limit consumer choice, reduce vehicle safety, and throw people out of work. I urge my colleagues to vote "no."

Mr. DINGELL. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Michigan (Mr. KILDEE).

Mr. KILDEE. Mr. Chairman, I rise to oppose the Markey-Boehlert amendment to legislatively mandate increases in corporate average-fuel-economy standards. While I support the goal of improved fuel economy, this mandate is not the answer.

Despite proposing significant CAFE increases in the amendment, the phase-in time is a little more than 2 model years. Furthermore, it takes away flexibility mechanisms that allow auto makers to respond to unexpected changes in consumer behavior.

The National Highway Traffic Safety Administration is the appropriate venue for CAFE review. NHTSA must consider the safety trade-offs, utility impacts, and economic feasibility of any CAFE increase.

The National Academy of Sciences outlines these trade-offs in its report released this week. It warned of overly ambitious CAFE increases with short implementation periods. NAS stated that quick significant increases would have a detrimental effect on vehicle safety and the health of the auto industry.

If we adopt the Markey-Boehlert amendment, tens of thousands of jobs will be jeopardized as production plans are significantly disrupted. By comparison, the current bill takes the right approach by allowing NHTSA to determine the appropriate timetable and the appropriate fuel economy standard.

The auto industry is the largest manufacturing industry in the United States. We must be judicious in our approach and mindful of unintended consequences.

Vote no on the amendment.

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. HARMAN).

Ms. HARMAN. Mr. Chairman, this debate is not fundamentally about cars, tail pipes, or engine technology, it is about health and what policy gets our country to better air quality standards in the most cost-effective way.

To be sure, CAFE standards are an imperfect tool. A fleet average has little bearing on what consumers are purchasing. Even though CAFE forces Detroit or Japan to manufacture a cleaner and more efficient vehicle, we see a proliferation of gas-guzzling SUVs, minivans, and trucks. They are what the consumer wants. If we are to increase fuel efficiency across the fleet of vehicles, we also need to change consumer behavior.

In the Committee on Ways and Means title of this bill we begin to tackle the consumer side of the equation through tax incentives and credits for the purchase of electric, fuel cell, hybrid, alternative fuel, and advanced burn vehicles. Striking the right balance is hard.

I opposed an earlier version of the Markey amendment in committee because I thought it imposed unreasonable burdens and unachievable goals. This amendment strikes a better balance. I believe industry can do this. I know that hybrid SUVs are close to production, and this amendment will push new technology solutions that are critical to increased fuel economy.

I side with Markey-Boehlert, because it sets the direction in which we need to go.

This debate is not about cars, tailpipes or engine technology. It's about health and what policy gets our country to better air quality standards in the most cost effective way.

This most fundamental and basic element of the discussion is lost entirely when it hits Washington. We think of fuel efficiency as a technology issue, or a financial issue, or a complex policy issue. But Corporate Average Fuel Efficiency (CAFE) and other clean air act rules are fundamentally about protecting public health. Our children's health will be decided by the decisions we make today.

We need nothing less than a massive shift of the tectonic plates of automobile tailpipe emissions policy and the standards used to promote efficiency and air quality improvement. Clearly the automakers have the resources to support further exploration of improved emissions reduction, but some of the onus must be placed on the consumer to buy the product and on the government to help consumers choose clean technology. Mandates should include a means of developing a consumer market for cleaner technology.

That's why, in my view, the notion of average duel efficiency over a fleet of cars—the concept underlying CAFÉ standards—has not worked particularly well.

A fleet average has little bearing on what consumers are purchasing. Even though CAFÉ forces Detroit to manufacture a cleaner and more fuel-efficient vehicle, we see a proliferation of gas-guzzling SUVs, mini-vans, and trucks. They are what the consumer wants and needs. As much as I love Toyota's Prius, it isn't a practical alternative for many families or workers in our society.

If we are to increase fuel efficiencies across the fleet of vehicles, we also need to influence changes in consumer behavior. We need to work hand-in-glove to develop policies that make energy-efficient vehicles attractive purchasing options. Fortunately, in the Ways and Means title of this bill, we begin to tackle the consumer side of the equation through some tax incentives and credits for the purchase of electric, fuel-cell, hybrid, alternative fuel and advanced lean burn vehicles.

Striking the right balance is hard. Both consumers and industry must be challenged. I opposed an earlier version of the Markey amendment in committee because I thought it imposed unreasonable burdens and unachievable goals. This amendment, co-authored by Messers. Markey and Boehlert, strikes a better balance. By moving SUVs and light trucks to the existing CAFÉ standards for cars—over five years—it closes the SUV loophole and challenges industry to clean up its most popular models.

I believe industry can do this. The timetable for achieving the target miles-per-gallon may be aggressive given the kinds of investments that must be made in retooling a new car line. But I know that hybrid SUVs are close to production, and this amendment will push new technology solutions that are critical to increased fuel efficiency.

This is a hard choice. But because we are in the business of making choices, I side with Markey-Boehlert as pointing in the direction we want to go. Combined with emerging technologies and tax incentives influencing consumer behavior, I think the goals are attainable.

Support Markey-Boehlert.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. ROGERS), a leader in the construction of the reasonable provisions of the current bill.

Mr. ROGERS of Michigan. Mr. Chairman, I am proud to hear the previous speaker talk about adverse health effects. You cannot get a more serious adverse health effect than death. The National Academy of Sciences report says one thing, if you arbitrarily, aggressively raise CAFE standards, more Americans will die.

Do we want politicians on this floor setting a political number that really is not based on science, or do we want engineers, scientists, and moms making the decision about what goes on the road and how we get to conservation?

We chased moms out of station wagons in the seventies with CAFE increases, and they chose, for safety reasons for themselves and their families, minivans. We are fast approaching trying to chase moms out of minivans. Moms know best about safety for their family.

There are two ways to get here, Mr. Chairman: the way that this chairman of the committee has engineered, that says we want scientists and engineers to, over time, develop conservation standards that we know allows these vehicles to be safe; or the political CAFE amendment increase that says we want smaller, shorter wheelbases, lighter cars, that we know will take the lives of Americans, independent review said as many as 7,000 per mile a gallon. That is 53,000 families.

Mr. Chairman, make the choice today. Let scientists, engineers, and moms make the choice, not politicians on this floor.

Mr. DINGELL. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from New York (Mr. TOWNS).

Mr. TOWNS. Mr. Chairman, I have great respect for the authors of this amendment, the gentleman from Massachusetts (Mr. MARKEY) and the gentleman from New York (Mr. BOEHLERT), but this is a discriminatory amendment that is ill conceived and counterproductive. It would bring about a tremendous job loss, and that is the last thing we need at this particular time. I am talking about high-paying jobs, jobs where people are well paid and able to support their family and be able to live a strong and positive life.

I understand what the drafters are trying to do with this amendment, but this is the wrong way to go about it. This is a dangerous amendment.

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I ask my colleagues to vote no on this amendment. The timing could not be worse.

I am hoping that my colleagues will recognize that fact and would even withdraw this amendment. But if they do not withdraw it, then I would ask my colleagues to vote no.

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentleman from Ohio (Mr. SAWYER).

Mr. BOEHLERT. Mr. Chairman, I also yield 30 seconds to the gentleman from Ohio (Mr. SAWYER).

Mr. SAWYER. Mr. Chairman, I rise in support of the amendment. The Academy recommendation lays before us a framework for improving CAFE that is complex. It includes tradeable efficiency credits and weight-based fuel economy targets. It is complex, but we need to do it. We should begin now and move forward with care.

Do we have the technology to achieve it? Sure, we do. Improved aerodynamics, advances in engine management and combustion technologies, tire technology, advanced polymer materials that reduce weight and add strength, all of this is within our grasp. But production inertia and market acceptance rates may make the proposed time lines difficult, and perhaps impossible, so I have sympathy with the opponents of this amendment.

But we need to move the debate forward. Neither the amendment nor the bill includes the underlying recommendations of the Academy, so they do not fix the embedded problems in CAFE. So I support this amendment in the hope that it will not end, but start, the serious discussion that we need to have to move this process forward.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I thank the gentleman for yielding time.

Mr. Chairman, we all want higher fuel efficiency for cars. Everybody believes in that goal, but we do not want to accomplish this goal at the expense of vehicle safety and workers' jobs.

This chart shows what the amendment is proposing. They are proposing a steep, steep increase in CAFE standards in an unworkable time line.

One point that I have noticed that has not been shared on the floor today is this: The foreign automobile manufacturers have more CAFE credits than the American automobile manufacturers do. So when this amendment passes, what we will be accomplishing is a shift in market share. We will be compromising American jobs. That means less Tahoes, less Suburbans, less Cherokees, less Wranglers and more Land Cruisers, more Range Rovers. So we are not going to pull these big SUVs off the road because the market demand is still there.

Mr. Chairman, this will put us at a competitive disadvantage. It will cost us jobs, thousands of jobs in America with no practical result, because the gap will be filled by the foreign competitors who will get an unfair competitive advantage over American auto producers if this amendment passes.

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Chairman, so here is the question for all of us: If, in fact, the U.S. auto industry suffers from increased CAFE standards, then what is the effect and how much does the industry suffer and how much does our economy suffer when Americans import fuel-efficient automobiles from other countries? Because with the high cost of fuel, the detrimental effect on our environment, and the interest of American consumers to be independent of foreign oil, we will be purchasing fuel-efficient autos, domestic or foreign.

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Chairman, it is called CAFE, but unless this amendment is approved, special interests will enjoy another free lunch as they guzzle down plates piled high to satisfy a very hefty energy appetite. With 200 million tons of global-warming pollution pouring through this unwarranted loophole every year, all the rest of us are left choking on this all-you-can-pollute buffet, and billions of gallons of gasoline are wasted.

Manufacturers have had 6 long years of Republican congressional dining at Cafe Delay to prepare for fuel economy. Now their allies combined some new "do-little" language with the same old doom-and-gloom scenario they have previously relied upon to oppose everything from seat belts to rollover protection.

Reject the excuses and enact genuine fuel economy.

Mr. TAUZIN. Mr. Chairman, I yield 30 seconds to the gentlewoman from California (Mrs. BONO).

Mrs. BONO. Mr. Chairman, I thank the gentleman for yielding time.

Mr. Chairman, I am concerned that unrealistic CAFE standards will result in more highway deaths. In 1999, a USA Today article reported on a National Highway Traffic Safety Administration and insurance safety study which found that in the years since CAFE standards were mandated under the Energy Policy and Conservation Act of 1975, about 46,000 people have died in crashes that they would have survived if they had been traveling in heavier cars.

We increased fuel efficiency standards for SUVs in this bill, but we did it in a responsible manner which balances the needs of the environment with the critical need to maintain high safety standards. As a mother of two children, I value these safety concerns and cannot support a measure which would compromise the safety of our kids.

Mr. BOEHLERT. Mr. Chairman, I yield 30 seconds to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, we will not have a world to live in if we continue our neglectful ways. Apologists for the automobile industry are going to kill America if they keep it up.

Two-thirds of all the oil used in the United States is consumed in the transportation sector. If SUVs and other light trucks were held to the same efficiency standards as today's cars, we would save more gasoline in just 3 years than is economically recoverable from ANWR, and these drivers would save $25 billion a year.

Higher mileage standards promise cleaner air and water, less oil imports, and billions and billions of dollars saved to the consumer.

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, there is no longer a rational reason for us to distinguish between SUVs and light trucks and other vehicles. They are mostly used as passenger cars in the first place.

The base bill simply does not provide enough conservation: approximately 6 days of oil consumption over the next 9 years. There is a big difference between the average car and a 13-mile-per gallon SUV. It is the equivalent of leaving a refrigerator door open for 6 years for the average year.

I would suggest that the opponents of this amendment are selling American industry short. There is no reason the American auto industry cannot keep pace with foreign competition. We should not drive Americans into their hands.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. TERRY), who deserves a great deal of credit for bringing the CAFE improvements in our bill forward.

Mr. TERRY. Mr. Chairman, I rise in strong opposition to this amendment.

This bill, our bill allows the Department of Transportation to explore many possible solutions for conservation, such as a weight-based system so we do not treat a Ford pickup truck like a Ford Fiesta; so that our farmers can do their hard work and our contractors can store their equipment in a vehicle a bit more substantial than the standard hatch-back.

By giving authority over fuel economy to the DOT, we allow more flexibility to deal with this complex issue with greater expertise.

We have heard about the NAS study which reaches dozens of conclusions, but yet this amendment relies on only one. If we were to take this report in its totality, we find that we should implement a weight-based system, which this amendment forbids, and we must not downweight our vehicles which, in essence, this amendment demands, and that we must continue to develop technology, which this amendment does not encourage. And we must allow sufficient time for its implementation, which this amendment also does not do.

Mr. Chairman, I urge my colleagues to support H.R. 4 and Buy American. Vote against this amendment.

Mr. MARKEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the fuel economy standards in the United States are going down. In 1986, we peaked at about 26½ miles per gallon, and we have been going backwards ever since.

Now, if we have an energy crisis, should we not look at where we put two-thirds of all of the oil that we consume in the United States? It goes into gasoline tanks. If we want to do anything about an energy crisis, we have to look at gasoline tanks.

Now, our amendment just takes America back pretty much to where it was in 1986. This is not rocket science. This is auto mechanics. Every high school in America has a course on this.

Do not tell us this is going to cause some huge, unbearable burden to be imposed upon the auto industry. The burdens are upon the American people. We are importing too much oil.

The environmental consequences? Well, the President says he cannot comply with the Kyoto Treaty. Well, if we do not do anything about automobiles, we are not going to do anything about Kyoto. The American Lung Association says that there is a dramatic increase in lung disease, in asthma, especially among young children in this country. If we do not do anything about automobile emissions into our atmosphere, we are not doing anything about the American Lung Association's top agenda item.

So I say to my colleagues, we have a choice. All we are asking is that we improve by 1.3 miles per gallon the American auto fleet from where it was in 1986, and we give them until 2007, 21 years, to make that huge technological leap. We do not want to hear another word about the energy crisis, about how you cannot comply with Kyoto, about how you care about all the additional health care consequences in the country, if you cannot find some way of dealing with what is obviously the major cause of most of the problems in the environment in our country.

Mr. DINGELL. Mr. Chairman, I yield the remainder of our time to the distinguished gentleman from Michigan (Mr. BONIOR), the minority whip and my good friend.

Mr. BONIOR. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, the auto industry has helped build this Nation. It has provided economic opportunities for generations, including generations of my own family. I believe a strong, a vibrant, and a domestic auto industry will continue to be the key to our economic future.

For our prosperity to continue, we need to lead the way in using new technologies that protect our environment. Hybrid and cell-fuel-powered vehicles are the future, and the future will soon be upon us. Our domestic auto companies are moving in that direction, and they are moving in that direction with speed. Forward. General Motors, Daimler Chrysler, they all recognize that consumers want safe, fuel-efficient vehicles. They have announced that they will increase the average fuel economy in the sports utility by up to 25 percent over the next 5 years.

In the future, we will be talking about ways to store hydrogen and natural gas in our fuel cells, not increasing CAFE. The CAFE debate that we are having on this floor may very well be one of the last that we will have. The future is in these new technologies, in hydrogen fuel cells, in hybrids that will be coming on line in some of our automobiles within a year.

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We need to be smart on how we proceed with this transition. We need to encourage our domestic auto companies to improve fuel efficiency, and we do need to do that in a way that does not displace American workers.

How do we do that? There are many ways to do that. One way to do that is to encourage the market to move in that direction. That means providing tax credits to those who will purchase these new fuel-efficient technological automobiles. The technology is there to build cleaner cars, increase good-paying job opportunities here at home, and to protect our environment.

Mr. Chairman, the chip that keeps the CD player in the car from skipping contains more computer memory than the entire Apollo spacecraft. Using these technological advancements, we can build cleaner and safer cars with the U.S. union workers making them, and we can protect our environment at the same time. I urge my colleagues to vote "no" on the amendment.

Mr. BOEHLERT. Mr. Chairman, I yield myself such time as I may consume.

I guess this boils down to whose arguments are the most persuasive. Do we believe the automobile industry, which told us in the seventies that mandating seatbelts, which have saved thousands of lives since, would deal a devastating blow to auto makers and force massive layoffs, neither of which happened?

Or do we believe the National Academy of Sciences, which issued a report just yesterday that said that reasonable CAFÉ standards, and ours are in the low end of their range, would bring major benefits without compromising safety?

The Academy said, "Fuel economy increases are possible without degradation of safety. In fact, they should provide enhanced levels of occupant protection."

I would say, let us lessen our dependence on foreign oil without dislocation in the industry. Let us deal with sound science. Let us address the consumer's interest, paying less to fill up that gas guzzler, visiting their local gas stations less frequently, and let us deal with the safety of the American public.

We have an opportunity to do the responsible thing. Vote for this sensible middle-ground amendment.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will close in opposition to the amendment. I happen to believe, with the gentleman from New York (Mr. BOEHLERT), that we should believe the National Academy of Sciences. They say that if the Boehlert amendment passes, Americans will die in increasing numbers on the highways because the automobile industry will have no choice with this extreme, radical change in CAFÉ numbers but to lighten up the vehicles and downweight them. The National Academy of Sciences just said that.

They said to the gentleman, if they take the gentleman's plan and spread it out over 10 or 15 years, that might not happen. The gentleman from New York (Mr. BOEHLERT) wants to enact his plan in a short 4 years, a 46 percent increase in CAFÉ standards in 4 years, leading, as the National Academy of Sciences says, to increased death on our nation's highways.

We ought to stand against this amendment. The debate is not about raising CAFÉ standards. The bill raises CAFÉ. It saves 5 billion gallons of gasoline in the 6-year period. That is equivalent to parking a whole year's production of SUVs and minivans for 2 years, parking them, not running them on the highways. It is equivalent to saving $100 billion pounds of CO_2 emissions. That is what the bill does without this extreme amendment.

This is the history of CAFÉ: regular, orderly, responsible increases. There was one increase that was too big and NHTSA had to roll it back. There were orderly, responsible increases. It is time for another orderly, responsible increase.

That is what the underlying bill does. It sets as a floor the saving of 5 billion gallons of gasoline, and it tells NHTSA, If you think you can do more, do more. It is a minimum, not a maximum. This amendment will end up killing Americans. We ought to defeat it.

Ms. KILPATRICK. Mr. Chairman, I rise in opposition to the amendment offered by the gentlemen from New York and Massachusetts.

Both sides of the debate cite the recent report on the effectiveness of CAFÉ Standards by the National Academy of Sciences. Supporters of the amendment argue that the technology currently exists to raise the combined fleet passenger vehicle and light truck standard from 20.7 miles per gallon to 26 by 2004. But the Boehlert-Markey amendment doesn't stop there, it puts on an additional requirement that the combined fleet standard must be raised to 27.5 by the following year. The problem is that U.S. auto manufacturers, especially in the light truck lines, have established their production lines for the next five model years.

Changing CAFÉ standards will cause severe disruptions in the plant configuration for production line models over the next five years. This will force automakers to shut down certain lines, close plants, lay off workers and harm auto manufacturing communities.

The effect of this amendment is that General Motors and Ford will have to close over 20 plants in order to comply with the new standard. This action would result in the loss of 100,000 auto worker jobs. Daimler-Chrysler says it would have to close two of its truck plants and would no longer be able to produce the Durango, the Dakota or Ram pickup truck lines. That would cost 35,000 Daimler-Chrysler workers their jobs. These are job losses that would result by model year 2004. More job losses would follow when the CAFÉ standard would be increased to 27.5 mpg by model year 2005.

The jobs of these auto workers and the economic health of auto-making communities is too important for us to ignore. Yes, we want more fuel efficient automobiles, minivans, pickups and SUVs. But as the National Academy of Sciences reported, automakers need sufficient lead time—10 to 15 years—to phase in fuel saving improvements.

H.R. 4 specifically instructs the National Highway Traffic Safety Administration to develop a new standard for light trucks based on maximum feasible technology levels and other criteria in addition to reducing gas consumption by 5 billion gallons by year 2010. The fuel efficiency standard in H.R. 4 is a floor, not a ceiling.

The economy is too anemic and basic industry in America—especially the auto industry—is too fragile to sustain a production change requirement of this magnitude. This economy cannot afford to lose more than 100,000 auto industry jobs. President Bush is fond of saying, "Don't mess with Texas." Well, I'm from Michigan—Detroit City, the motor capital of the world—and I say, "Don't mess with Michigan; don't mess with auto-making centers such as Detroit, and don't mess with auto workers and their families." Vote against the Boehlert-Markey Amendment.

Mr. OXLEY. Mr. Chairman, I represent a district with thousands of automobile workers who are proud to build safe cars for consumers. These workers produce quality parts and vehicles that drivers have confidence in.

They're concerned when someone in Washington presumes to know more about auto engineering than the people on the production line. And they get really worried, when a decision made here threatens their jobs.

By raising CAFÉ standards, Congress would literally be dictating to automakers how to build their cars and minivans, and telling consumers what they can and can't buy. Frankly, I don't think that many people want a car or SUV designed by a government committee . . . or want Congress to be their car salesman.

CAFÉ is bureaucratic, and diverts resources from real fuel economy breakthroughs. It compromises safety, because ultimately it has the effect of forcing heavier, sturdier vehicles off the road. And for all of the ballyhoo, the statistics show that CAFÉ has not saved as much gasoline as its proponents predicted.

Manufacturers are already working on a new generation of fuel efficient vehicles that consumers will want to buy. Honda is producing a hybrid car at its Marysville plant in Ohio. The workers there—and they include some of my constituents—are building that car because it responds to a consumer need, not because the government is telling them to do it.

If we really want to bring relief to the driving public . . . we need far-sighted policies encouraging oil exploration, additional refinery capacity, and common sense environmental regulation. CAFÉ is a 1970s solution to our energy challenges that is as threadbare as your old bell bottom jeans.

Mr. CARDIN. Mr. Chairman, I rise today with conditional support for the Boehlert-Markey Amendment. The provisions in H.R. 4 on CAFÉ standards are not strong enough to adequately address the need to improve vehicle fuel efficiency. But, this amendment does not provide a sensible way to help U.S. manufacturers deal with the energy problems in this nation with out jeopardizing U.S. jobs. We can do better for U.S. manufacturers and energy savings in this country. As this amendment makes its way through the legislative process, my support is conditioned on the following concerns being addressed.

To begin with, the structure of the CAFÉ standards creates a competitive imbalance among the automobile manufacturers. I am uncomfortable with this regulatory impact and will work to see it minimized. By using a fleet average calculation, manufacturers who have product lines of smaller vehicles are better able to meet the CAFÉ standards than those for whom larger cars and trucks make up larger portions of their inventory. Thus it is much easier for some manufacturers to meet any increase in CAFÉ standards than it is for others. While the legislation and amendments before this chamber do not address this issue, I am hopeful that there will be an effort in the Senate or in conference to better level the playing field for manufacturers, so that we will have improvements to this when the bill comes back before the House.

Also, I believe that the time frame outlined in this amendment for implementation of the CAFÉ standards is too short. We should be taking a long term view on energy policy issues. By placing such tight time lines, you cause the manufacturers to resort to shortcuts in design and production to meet these requirements. These shortcuts will create negative long term impacts. These include, among others, negative consequences on the industries that supply the materials for the vehicles, such as steel manufacturers, and the safety of these vehicles for the consumer. The first chance for the auto manufacturers to make changes in their vehicle designs comes with the 2004 model, leaving only 1 year to meet new standards. While I think it is possible for them to achieve these goals, I am concerned that there may be unnecessary negative consequences. Again, energy is a long term challenge.

In spite of these reservations, I believe it is time for action to be taken to improve vehicle fuel economy standards given the energy situation in this country. In addition to the increase in CAFÉ, I think incentives in this bill for consumers to purchase alternative fuel and hybrid vehicles will go a long way to better fuel economy and lower oil consumption.

Broadly, I believe H.R. 4 is unfairly skewed toward increased production and is not focused enough on conservation and renewables. Supporting the Boehlert-Markey amendment, with the adjustments that are necessary, will help steer this bill back on the right track toward better conservation.

Mr. EHLERS. Mr. Chairman, I firmly believe it is extremely important for Congress to increase fuel efficiency standards to improve air quality, reduce greenhouse gas emissions and lessen dependence on foreign oil.

I am very anxious to include in this energy bill, HR 4, measures to improve gas mileage in a manner that does not harm the automobile industry of this country. However, the only amendment permitted that addressed fuel efficiency was submitted by the gentleman from New York, Mr. BOEHLERT. Unfortunately his amendment set impossible time lines, and would have hurt American auto manufacturers. My vote in favor of the amendment was simply a statement of principle. My vote should be interpreted solely as a desire to move in a direction of increased gas efficiency. My vote should definitely not be interpreted as an intent to cripple the automobile industry in its attempt to compete with foreign automakers.

I pledge to continue to work towards increasing fuel efficiency, cleaner air and energy conservation. I will also continue to work towards these goals within a reasonable time frame that will help, not hurt, America's automobile industry.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in strong support of the Boehlert-Markey amendment to increase CAFE standards for SUVs and light trucks.

America controls 3 percent of the known world oil reserves, while OPEC controls 76 percent! We need to make our economy less dependent on oil by becoming more energy efficient. According to the 2001 National Academy of Sciences report, "Improved fuel economy has reduced dependence on imported oil, improved the nation's term of trade and reduced emissions of carbon dioxide, a principal greenhouse gas, relative to what they otherwise would have been."

If fuel economy had not improved, gasoline consumption (and crude oil imports) would be about 2.8 million barrels per day higher than it is, or about 14 percent of today's consumption." The National Academy report states that "Had past fuel economy improvements not occurred, it is likely that the U.S. economy would have imported more oil and paid higher prices than it did over the past 25 years." "Fuel use by passenger cars and light trucks is roughly one-third lower today than it would have been had fuel economy not improved since 1975 . . ."

Congress must continue to increase CAFE standards because the auto manufacturers will not do so on their own. The technology does exist to further improve the fuel efficiency of cars, trucks and SUVs. If we do, we can save consumers' money at the gas pumps, reduce our dependence on foreign oil, and improve air quality.

I urge support for the Boehlert-Markey amendment.

The CHAIRMAN pro tempore (Mr. LATOURETTE). All time for debate has concluded.

The question is on the amendment offered by the gentleman from New York (Mr. BOEHLERT).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. BOEHLERT. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New York (Mr. BOEHLERT) will be postponed.

It is now in order to consider amendment No. 4 printed in Part B of House Report 107–178.

AMENDMENT NO. 4 OFFERED BY MRS. WILSON

Mrs. WILSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mrs. WILSON:

Page 81, after line 12 (after section 308 of title III of division A) insert the following new section and make the necessary conforming changes in the table of contents:

SEC. 309. PROHIBITION OF COMMERCIAL SALES OF URANIUM BY THE UNITED STATES UNTIL 2009.

Section 3112 of the USEC Privatization Act (42 U.S.C. 2297h–10) is amended by adding at the end the following new subsection:

"(g) PROHIBITION ON SALES.—With the exception of sales pursuant to subsection (b)(2) (42 U.S.C.2297h–10(b)(2)), notwithstanding any other provision of law, the United States Government shall not sell or transfer any uranium (including natural uranium concentrates, natural uranium hexafluoride, enriched uranium, depleted uranium, or uranium in any other form) through March 23, 2009 (except sales or transfers for use by the Tennessee Valley Authority in relation to the Department of Energy's HEU or Tritium programs, or the Department or Energy research reactor sales program, or any depleted uranium hexafluoride to be transferred to a designated Department of Energy contractor in conjunction with the planned construction of the Depleted Uranium Hexafluoride conversion plants in Portsmouth, Ohio, and Paducah, Kentucky, to any natural uranium transferred to the U.S. Enrichment Corporation from the Department of Energy to replace contaminated uranium received from the Department of Energy when the U.S. Enrichment Corporation was privatized in July, 1998, or for emergency purposes in the event of a disruption in supply to end users in the United States). The aggregate of sales or transfers of uranium by the United States Government after March 23, 2009, shall not exceed 3,000,000 pounds U_3O_8 per calendar year.".

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentlewoman from New Mexico (Mrs. WILSON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from New Mexico (Mrs. WILSON).

Mrs. WILSON. Mr. Chairman, I yield myself such time as I may consume.

Over the last 5 years, the domestic uranium industry in this country has collapsed because the Federal Government is dumping uranium onto the market.

Our amendment prohibits the sale of government uranium inventories through March of 2009 and honors existing contracts and obligations that are already in place. After that, the transfers are limited to 3,000 pounds of uranium a year. It would allow the transfers needed to cover current obligations and allow government uranium inventories to be used in the event of disruption of supply to U.S. nuclear facilities.

We need a nuclear power industry long term to maintain the diversity of our electricity supply. If we do not maintain a domestic supply of uranium, then we will become increasingly dependent on foreign sources of uranium, and in 10 to 15 years, find ourselves in the exact situation with uranium and nuclear power as we find ourselves in in the oil business.

Mr. Chairman, I believe this is a balanced and very fair amendment. It has no budgetary impact. I believe that the Department of Energy has now indicated its support for it.

Mr. Chairman, I reserve the balance of my time.

Mr. TAUZIN. Mr. Chairman, although I support the amendment, I ask unanimous consent to claim the time in opposition.

The CHAIRMAN pro tempore. Without objection, the gentleman from Louisiana (Mr. TAUZIN) is recognized for 5 minutes.

There was no objection.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the proposed amendment would prohibit the Department of Energy from selling into the open market approximately 85 percent of the Department's inventory of approximately 21,000 metric tons of uranium until after the year 2009. However, this amendment would not prevent DOE from selling approximately 3,700 tons of uranium, or 15 percent of its total inventory, that the DOE is required to sell by statute pursuant to the U.S.E.C. Privatization Act.

Many domestic uranium mining companies have stopped production or are on the verge of bankruptcy. We do not want the Government to cause further deterioration in the uranium markets by selling its vast quantities of uranium inventories. The amendment seeks to prevent the further deterioration and downward price pressure on the price of uranium by restricting DOE from selling 85 percent of its inventory.

It is my understanding the Department has already implemented a memorandum of understanding dating back to 1998 that restricts the sale of the same quantity of uranium it holds in inventory. Thus the proposed amendment seeks to codify sales restrictions that the Department of Energy has already determined were necessary.

The amendment would not prevent DOE from selling or transferring uranium that it has already agreed to sell or transfer under existing contracts or agreements. There should be no disruption in those programs or activities as a result of this amendment.

Mr. Chairman, I support the amendment; and I urge my colleagues to do so, too.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from Utah.

Mr. CANNON. Mr. Chairman, I would like to enter into a colloquy with the gentlewoman from New Mexico (Mrs. WILSON).

I understand, I say to the gentlewoman, that the language as drafted is intended to support the recovery of the U.S. uranium industry. The ability to process materials other than conventional mined ores, which are primarily materials from the U.S. Government, has allowed conventional uranium mills to provide a valuable recycling service. This has resulted in a significant savings for the Government over direct disposal costs, as well as the recapture of valuable energy resources.

It has also resulted in an overall improvement in the environment, because the tailings from the conventional milling process are less radioactive, due to the extraction of the uranium, than they would have been if disposed of directly.

I believe this problem could be resolved with a simple language change. Would the gentlewoman from New Mexico be amenable to working on that between now and conference?

Mrs. WILSON. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to the gentlewoman from New Mexico.

Mrs. WILSON. Mr. Chairman, I would be more than amenable to that. I would be happy to work with the gentleman from Utah in conference to make sure that uranium recyclers, a very valuable service provided with the U.S. Government, are not impacted at all by this amendment. It is not the intent of this amendment to limit that in any way.

I would be happy to work with the gentleman on it and fix it as this bill moves forward in the process. I very much appreciate his bringing it forward.

Mr. CANNON. I thank the gentlewoman.

Mrs. WILSON. Mr. Chairman, I yield 2 minutes to the gentlewoman from Wyoming (Mrs. CUBIN).

Mrs. CUBIN. Mr. Chairman, currently over 20 percent of America's electricity is supplied by nuclear power, which requires roughly burning 50 million pounds of uranium as nuclear fuel each year.

As our Nation's energy needs grow, so must all of our sources of energy in the future, including nuclear. Uranium, much like our current dependence on foreign oil, is increasingly produced outside the United States. Uranium domestically produced is currently 3 million pounds or just 6 percent of the Nation's nuclear fuel. Remember, 20 percent of our electricity is supplied by nuclear. The vast majority of that uranium that is produced is owned by foreign countries.

At least the oil and gas end of the public lands, for the most part, is owned by domestic corporations. Over the last 5 years, the domestic uranium production industry has faced the loss of the uranium market due to government inventory sales, resulting in the decline of sales and income, market capitalization, and massive asset devaluation.

In my home State of Wyoming, uranium suppliers over the past several years have been forced to reduce a healthy workforce from several thousand to just 250 people, all this in a State that has just under 480,000 total population. This has made a huge impact on my State.

In December of 2000, the General Accounting Office reported that the sales of natural uranium transferred from DOE to the United States Enrichment Corporation created an oversupply and a subsequent drop in uranium prices. To balance this previous uranium dumping on the market, the Wilson-Cubin amendment would prohibit the transfer or sale of government uranium inventories through March 23, 2009. Subsequent to that, transfers or sales of up to 3 million pounds of uranium would be permitted per year.

Only through this legislative action can we prevent the dire future that the industry is currently facing. If we decide to maintain the status quo, our domestic uranium industry could be dead in 3 years. I ask Members to vote for the Wilson-Cubin amendment.

Mrs. WILSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I wanted to commend the gentlewoman from Wyoming for her leadership on this issue, as well. As the Chair of the subcommittee, she has been a leader on making sure that we have a domestic mining industry that is adequate and meets our needs. She has provided wonderful leadership.

Mr. Chairman, I yield 30 seconds to the gentleman from Kentucky (Mr. WHITFIELD).

Mr. WHITFIELD. Mr. Chairman, I thank the gentlewoman for yielding time to me.

I support the amendment offered by my two colleagues, the gentlewoman from New Mexico (Mrs. WILSON) and the gentlewoman from Wyoming (Mrs. CUBIN). The limitation imposed by this amendment on the sale and transfer of U.S.-owned uranium products contained in the amendment will strengthen our domestic uranium enrichment industry.

I particularly want to thank the gentlewoman from New Mexico (Mrs. WILSON) for agreeing to two exceptions from the freeze. One will ensure no disruption in the planned construction of depleted uranium hexafluoride conversion plants at Paducah, Kentucky, and Portsmouth, Ohio. The other will allow for the replacement of contaminated uranium that was transferred to the United States Enrichment Corporation at the time of privatization.

I urge support of the amendment.

Mrs. WILSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there are many more things we have to do for the uranium fuel cycle. I am working with my colleagues from other States to make sure that we can keep nuclear power as a long-term option. This is only the first piece of that puzzle, and I ask my colleagues to give it their full support.

Mr. TAUZIN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentlewoman from New Mexico (Mrs. WILSON).

The amendment was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 5 printed in part B of House Report 107–178.

AMENDMENT NO. 5 OFFERED BY MR. GREEN OF TEXAS

Mr. GREEN of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. GREEN of Texas:

In division A, title VIII, insert at the end the following new section and make the necessary conforming change in the table of contents:

SEC. 804. REPEAL OF HINSHAW EXEMPTION.

Effective on the date 60 days after the enactment of this Act, for purposes of section 1(c) of the Natural Gas Act (15 U.S.C. 717(c)), the term "State" shall not include the State of California.

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentleman from Texas (Mr. GREEN) and a Member opposed each will control 10 minutes.

Mr. WAXMAN. Mr. Chairman, I seek recognition in opposition to this amendment.

The CHAIRMAN pro tempore. The gentleman from California (Mr. WAXMAN) will control the 10 minutes in opposition.

The Chair recognizes the gentleman from Texas (Mr. GREEN).

□ 1700

Mr. GREEN of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise to continue the process that I think this bill begins, and that is rescuing the State of California by removing an important hindrance in delivering more natural gas into their State.

In the wake of the California energy debacle, I heard from some of my colleagues and from the esteemed Governor of California that the entire energy shortage in California was the result of Texas energy pirates. My hometown of Houston was sometimes accused of conspiring to drive up natural gas prices by restricting that supply to the West Coast. Imagine my surprise when I learned that there is a Federal law and policy within the State of California that worked hand-in-hand to limit California natural gas pipeline capacity intrastate.

It now seems that the real villains may come closer to Sacramento than we originally thought, and maybe even they wear cowboy hats. The Federal law I refer to is the so-called Hinshaw exemption, contained in Section 1(c) of the Natural Gas Act. What the Hinshaw exemption says is what is important to California consumers. It was passed in 1954, and it exempts natural gas transmission pipelines from the jurisdiction of the Federal Energy Regulatory Commission, or FERC, if it receives natural gas at the State boundary or within the State that a natural gas is consumed.

What this amendment would do would be to provide FERC oversight over the California pipelines and increase their intrastate pipeline.

Mr. Chairman, I have an example here for my colleagues. The interstate gas pipelines actually can flow at 7.4 million cubic feet per day, whereas the pipelines intrastate only can go about 6.67 million cubic feet per day. That is the problem we have in California. There is more gas going to the State than can go out into the State.

Now, California can build all the plants they want that will burn natural gas, but if they do not increase the capacity of their pipeline system, it will not help one bit. That is why this is important, and it will provide Federal oversight of those natural gas pipelines in California and give FERC the responsibility they have mentioned before.

Mr. Chairman, I reserve the balance of my time.

Mr. WAXMAN. Mr. Chairman, I rise in opposition to this amendment, and I yield myself 4 minutes.

Mr. Chairman, this amendment will remove what is an exemption under existing law on intrastate pipelines in California. This amendment would deny California, and only California, the ability to regulate pipelines that are wholly within the State's borders. It singles out California for unequal treatment.

The amendment would overturn decades of established practice without serving any beneficial purpose whatsoever. The Hinshaw exemption dates back to 1954 when Congress amended the Natural Gas Act to give States sole jurisdiction over pipelines entirely within their borders. As the legislative history explained, the Hinshaw exemption was designed to prevent unnecessary duplication of Federal and State jurisdiction. These concerns are as important today as they were 47 years ago.

Supporters of the amendment seem to believe that California has done an inadequate job regulating intrastate pipelines. They believe California's high natural gas prices are the result of insufficient pipeline capacity within the State. This is simply not true. The cause of California's high natural gas prices was market manipulation by a subsidiary of El Paso Natural Gas, which owned the rights to and about a third of the capacity on the El Paso pipeline into Southern California.

The El Paso subsidiary drove gas prices through the roof by withholding capacity. El Paso lost its stranglehold on the California market on June 1 when its right to control pipeline capacity expired. Overnight, natural gas prices in California dropped. Gas prices at the Southern California border were around $10 per million Btu on May 31. By June 8, a week later, they had dropped to around $3.50.

If the problem with natural gas prices in California was inadequate capacity within California, this dramatic drop in price would not have occurred. There was no increase in pipeline capacity in California during this period.

There is no need for this amendment. The only pipeline in California that sometimes has a shortage of capacity is the Southern California Gas pipeline, but the capacity issue on this pipeline is being addressed by California. SoCal Gas is building four additional pipeline expansions. These will be complete by this winter, the peak demand season; and they will make sure Southern California Gas continues to have enough natural gas to serve its customers.

I also oppose this amendment because it places California at the mercy of the Federal Energy Regulatory Commission, which has shown little interest in the welfare of California consumers. Giving FERC jurisdiction will not expand capacity any faster than is already being expanded. It will only complicate the expansion and slow it down.

Let me tell my colleagues, from a California perspective, that this is a very dangerous amendment. It would put us at the mercy of FERC, where El Paso Natural Gas and others, who have a record of manipulation of natural gas price, will have a friendlier audience than the State of California, and it would have Washington, D.C. telling the State of California it cannot handle its own affairs. In Washington, the decisions have to be made, not in California, for intrastate, intrastate California pipeline capacity. I strongly oppose the amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. GREEN of Texas. Mr. Chairman, I yield myself such time as I may consume, before yielding to my colleague from the Committee on Energy and Commerce, to respond that the gentleman is correct, this amendment does single out California. California has asked for Federal assistance now for months and months. What we are saying is that even with the pipelines they are planning, their demand outstrips the capacity of the pipelines that they are planning.

Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. BARTON), chairman of the Subcommittee on Energy and Air Quality of the Committee on Energy and Commerce.

Mr. BARTON of Texas. Mr. Chairman, as we do this energy debate on the floor today, we are going to have a number of California-specific amendments. We are going to have a California-specific amendment on price caps. We are going to have a California-specific amendment on the oxygenate refuel requirement on the Clean Air Act. It is only fair that we have one California-specific amendment that would actually do some good.

The Hinshaw pipeline exemption was put into law in 1954 because there were a number of States that wanted to gather natural gas, they wanted to distribute natural gas, and they did not want to be subject to the Federal Energy Regulatory Commission, or, at the time, the Federal Power Commission, regulation in terms of the low-pressure sales of their natural gas pipeline. So they put in the Hinshaw exemption,

One State, one State of all the 50 States that have tried to create Hinshaw pipelines used this exemption to thwart the Natural Gas Act of 1934, and that State is the State of California. They made a policy decision that an interstate, that is a pipeline that is going between States, when it hit the California border, they changed the size of the diameter of the pipe so they could call it an intrastate pipeline not an interstate pipeline.

Now, the little display of my colleague from Houston over there is really not to scale. That shows about a 10-inch pipeline and a 6-inch pipeline. In truth, they are going from a 48-inch pipeline to a 36-inch pipeline, or from a 42-inch pipeline to a 30. It is actually a bigger discrepancy than my friend shows. It is only fair if we want to actually help lower natural gas prices to the Golden State of California, and we want to lower electricity prices, that we actually require that an interstate pipeline in California is the same as an interstate pipeline anywhere else in the country.

So we have a discrepancy now of somewhere between a half billion cubic feet a day and a billion cubic feet a day of natural gas that can be delivered to the California border but actually accepted and transmitted across the California border. If we adopt the Green amendment, and I hope that we will, we will eliminate this kind of artificial disparity that State regulators and State legislators in California have created over the last 45 years.

So I would hope we would adopt the Green amendment and allow us, allow people that want to help California by providing more natural gas actually do that. With that, I offer my strong support for the amendment.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. RADANOVICH).

Mr. RADANOVICH. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in opposition to the Green of Texas amendment.

This is a punitive stealth amendment that is not helpful to resolving the energy crisis in California. In fact, the manager's amendment already includes provisions to address the concern over the adequacy of interstate gas pipelines in California.

I would like all the Members to understand that this amendment does not remove an exemption, it, in fact, imposes a regulation. If we want to remove this so-called exemption from California, why not, out of fairness, remove it also from Texas, Louisiana, Alaska, New York, Ohio, and every other State in the Union?

One good rule of thumb in legislating is to abide by the physician's maxim of at least doing no harm. Not only does this amendment do no good, it, in fact, increases harm and damage to the State of California. So please vote "no" on this Green amendment.

Mr. GREEN of Texas. Mr. Chairman, how much time is remaining between the two sides?

The CHAIRMAN pro tempore (Mr. LATOURETTE). The gentleman from Texas (Mr. GREEN) has 4½ minutes remaining, and the gentleman from California (Mr. WAXMAN) has 5 minutes remaining.

Mr. GREEN of Texas. The gentleman from California has right to close?

The CHAIRMAN pro tempore. That is correct.

Mr. GREEN of Texas. Mr. Chairman, I yield myself such time as I may consume to enter into a brief dialogue with the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Texas. I yield to the gentleman from California.

Mr. LEWIS of California. I will not take too much of the gentleman's time. I apologize that I did not have a chance to hear the opening statement, but I have read a little bit about the gentleman's expression of concern. But, for me, would the gentleman explain again, if it is again, what exactly the problem the gentleman has with California or with our Governor or what this is about?

Mr. GREEN of Texas. Mr. Chairman, reclaiming my time, I will respond to both gentleman from California.

The reason this is not a problem in other States is that no other State has come to the FERC or the Federal Government to ask for assistance like California has. But in looking at the problem in California, it seemed the disparity in the pipelines, and these are not to scale, the gentleman was right, I was a business major, not an engineer, but it will show the disparity between what pipelines coming to the California border and what leaves the California border to serve intrastate. There is a great disparity.

Providing more pipelines would go a long way to solving the problem in California. That is all this amendment would do. People would then come to FERC instead of going to California PUC.

Mr. LEWIS of California. If the gentleman from Texas would yield just one more moment, my district is large enough to put four Eastern States in the desert site alone. Where the pipelines are located, they are likely to go through my district. And, frankly, I would like to have some input, that is direct input, regarding what we might do. It certainly does provide me a better opportunity if it is in the State of California. Dealing with Federal bureaucracies, to say the least, is almost ridiculous.

Does the gentleman have a very specific problem? Is it our Governor getting in the gentleman's way? What is it causing the gentleman to want to do this?

Mr. GREEN of Texas. It is not the governor, it is the problem with California's distribution system. That is why there needs to be more pipelines, newer pipelines. In fact, we have a letter dated July 17 from the Federal Energy Regulatory Commission to the California Public Utilities Commission saying your problem is intrastate pipelines.

So what I am saying is California for months has come and said FERC needs to do this and this and this. Well, they have not asked for FERCs assistance, but this amendment would allow FERC to also allow for pipeline explanation in California.

Mr. LEWIS of California. So the gentleman is suggesting that if California needs additional pipelines, or let us say lines that carry electricity or otherwise, if we want to decide where they want to go, we have to keep coming to a Federal agency rather than to our own public utility agency.

Mr. GREEN of Texas. Again reclaiming my time, Mr. Chairman, California is an exception, because we have lots of intrastate pipelines running through the State of Texas, running through lots of States in the Union, but California has taken the Hinshaw exemption from 1954 and carried it much further that any other State.

Mr. BARTON of Texas. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Texas. I yield to the gentleman from Texas.

Mr. BARTON of Texas. No other State has done what California does in taking interstate pipeline and downsizing the diameter so they could call it an intrastate Hinshaw pipeline. There is only one State that has done that, and it is the great State of California.

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, if it is accurate that no other State has downsized an interstate pipeline in order for it to be a California pipeline, if that is an accurate statement, certainly the gentleman knows that California is by far the largest State in the Union, with the exception of one, in terms of territory.

There are areas like mine, vast areas of the desert where we do need to have some reasonable planning process. We ought to be able to deal with our State agencies. So I am wondering one more time what problem the gentleman has with the State of California or indeed with our Governor.

□ 1715

Mr. WAXMAN. Reclaiming my time, I will answer the gentleman's question.

The comments were made by my colleagues from Texas that we are downsizing the ability of the pipeline in California to carry natural gas. That is not true. They said we do not have full capacity to handle intrastate all of the gas that is coming to the border.

I have a chart right here that shows how California did not use its full capacity throughout the year 2000. That demonstrates that we have additional capacity. We are trying to build up for more natural gas in California.

What this amendment does is put us in the lap of FERC. When it comes to natural gas regulation, FERC's record is pretty bad. When natural gas prices in California skyrocketed earlier this year, FERC regulators were nowhere to be seen.

These prices were caused by market manipulation by a subsidiary of El Paso Natural Gas which hoarded unused pipeline capacity. California regulators filed a complaint about El Paso with FERC back in April 2000. It is now August 2001, and FERC still has not resolved the El Paso problem.

Anyone who thinks that FERC regulators can do an adequate job regulating California's pipelines just has not been paying attention over the past year.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I understand the gentleman's point regarding El Paso Natural Gas. I want to assure all the gentlemen from California that we would like to have all of the Texas gas we can possibly get; but from time to time it is difficult to get it in the way and volume we want.

Pipeline and delivery systems ought to be California's responsibility, at least in part, as well as problem.

Mr. WAXMAN. Mr. Chairman, I reserve the balance of my time.

Mr. GREEN of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have a list from the last 10 years of complaints and protests of pipeline expansions in California, and each time the California Public Utility Commission did not allow for that pipeline expansion. That is the 10-year history in California. That is not talking about Gray Davis. It is talking about a history in California of not providing for the growth in California, the increase in demand and they have not provided the pipeline capacity for that increase in demand.

Mr. Chairman, this amendment says if they cannot receive justice in California for pipeline capacity expansion, they need to be able to come to FERC. This was not my idea. For 6 months I have listened to California complain about Texas and complain about FERC. This would give FERC the authority not only to set price caps, which the gentleman from California (Mr. WAXMAN) has an amendment on, but also to be able to decide, to make sure that California has the capacity so their consumers will pay a reasonable price for natural gas and not an inflated price based upon the lack of capacity.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Texas. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate the gentleman's reviewing that history of difficulties in California. I have complained about that difficulty in the past, but transferring it to FERC in terms of decisionmaking may only complicate the problem, not improve our position.

Mr. GREEN of Texas. Mr. Chairman, I yield 30 seconds to the gentleman from Texas (Mr. BARTON).

Mr. BARTON of Texas. Mr. Chairman, I just want to comment on the El Paso investigation. That is a serious investigation. One of the components of that investigation is the fact that there is an artificial constraint at the California-Nevada border, and it is caused because of this very problem that the gentleman from Texas (Mr. GREEN) is trying to remedy.

There was natural gas that was able to be delivered into California that was not able to be delivered into California, so the transmission charge, which in the rest of the country is around 25 cents for MCF, got as high as $60 for MCF. It is partly because of this artificial constraint, which we are trying to remedy. We are trying to lower natural gas prices for all Californians.

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I strongly urge Members to oppose this amendment. The claim has been made that California's control over its own intrastate pipeline has meant less capacity for the natural gas being brought to California through the interstate pipeline from Texas.

Well, California has had capacity that has not been used. Southern California Gas alone has four approved capacity expansions under construction. The problem is not California having the ability to move that natural gas through the pipeline. The problem in the El Paso Natural Gas case has been the claim that El Paso Natural Gas, using the interstate pipeline, manipulated the capacity on that pipeline so they could drive up the prices for natural gas in California.

If we pass this amendment, they will be able to take away our ability to control the pipeline in our own State, and then be able to use one interstate pipeline to do what they did already to us with that interstate pipeline manipulation.

When El Paso Natural Gas lost its stranglehold over the natural gas' prices without any change in the capacity within California, natural gas prices dropped. That shows that it was manipulation by El Paso Natural Gas that kept those prices up. This has nothing to do with California's control over its own pipeline.

Mr. Chairman, I urge Members to oppose this amendment. There is no need for it. It could do a great deal of harm. If it leaves us in the clutches of FERC, we may never ever get a hearing from them, and could lead us to a worse problem than we already have. I strongly urge Members to oppose the Green amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. LATOURETTE). The question is on the amendment offered by the gentleman from Texas (Mr. GREEN).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. GREEN of Texas. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas (Mr. GREEN) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 3 by the gentleman from New York (Mr. BOEHLERT); and Amendment No. 5 by the gentleman from Texas (Mr. GREEN).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 3 OFFERED BY MR. BOEHLERT

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. BOEHLERT) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 160, noes 269, not voting 4, as follows:

[Roll No. 311]

AYES—160

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barrett
Becerra
Bereuter
Berkley
Berman
Bilirakis
Blagojevich
Blumenauer
Boehlert
Borski
Boyd
Brown (OH)
Capps
Capuano
Cardin
Clayton
Condit
Coyne
Cummings
Davis (CA)
Davis (FL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Doggett
Dooley
Ehlers
Engel
English
Eshoo
Evans
Farr
Fattah
Ferguson
Filner
Frank
Frelinghuysen
Ganske
Gilchrest
Gilman
Gonzalez
Greenwood
Harman
Hefley
Hinchey
Hoeffel
Holt
Honda
Hooley
Horn
Houghton
Inslee
Israel
Jackson (IL)
Johnson (CT)
Johnson (IL)
Kanjorski
Kelly
Kennedy (RI)
Kind (WI)
King (NY)
Kirk
Kleczka
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Leach
Lee
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (NY)
McDermott
McGovern
McInnis
McKinney
McNulty
Meehan
Menendez
Millender-McDonald
Miller, George
Mink
Moran (VA)
Morella
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Pallone
Pascrell
Payne
Pelosi
Platts
Price (NC)
Ramstad
Rangel
Reynolds
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Sabo
Sanchez
Sanders
Sawyer
Saxton
Scarborough
Schakowsky
Schiff
Serrano
Shays
Sherman
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Tauscher
Taylor (MS)
Thompson (CA)
Thurman
Tierney
Udall (CO)
Udall (NM)
Velázquez
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (PA)
Wexler
Woolsey
Wu
Wynn
Young (FL)

NOES—269

Aderholt
Akin
Armey
Baca
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Bentsen
Berry
Biggert
Bishop
Blunt
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Brady (PA)
Brady (TX)
Brown (FL)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clement
Clyburn
Coble
Collins
Combest
Conyers
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cunningham
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dingell
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
Etheridge
Everett
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frost
Gallegly
Gekas
Gephardt
Gibbons
Gillmor
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kaptur
Keller
Kennedy (MN)
Kerns
Kildee
Kilpatrick
Kingston
Knollenberg
Kolbe
Largent
Latham
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
Matheson
McCarthy (MO)
McCollum
McCrery
McHugh
McIntyre
McKeon
Meek (FL)
Meeks (NY)
Mica
Miller (FL)
Miller, Gary
Mollohan
Moore
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Nussle
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pastor
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Pomeroy
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Regula
Rehberg
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ross
Royce
Rush
Ryan (WI)
Ryun (KS)
Sandlin
Schaffer
Schrock
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (TX)
Souder
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Towns
Traficant
Turner
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)

NOT VOTING—4

Hutchinson
Norwood
Spence
Stark

□ 1744

Mrs. MEEK of Florida changed her vote from "aye" to "no."

Mr. HEFLEY changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 5 OFFERED BY MR. GREEN OF TEXAS

The CHAIRMAN pro tempore (Mr. LATOURETTE). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Texas (Mr. GREEN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 154, noes 275, not voting 4, as follows:

[Roll No. 312]

AYES—154

Armey
Bachus
Baker
Bartlett
Barton
Bass
Bentsen
Bereuter
Berry
Biggert
Bilirakis
Boehner
Bonilla
Boswell
Brady (TX)
Brown (OH)
Brown (SC)
Burr
Buyer
Camp
Cannon
Castle
Chabot
Clay
Coble
Collins
Combest
Cramer
Crane
Cubin
Culberson
Davis, Jo Ann
Deal
DeLay
DeMint
Diaz-Balart
Dingell
Duncan
Edwards
Ehrlich
Evans
Everett
Fossella
Gekas
Gilchrest
Gillmor
Gilman
Gonzalez
Goss
Graham
Granger
Green (TX)
Gutknecht
Hall (TX)
Hansen
Hart
Hayes
Hayworth
Hefley
Hoekstra
Hostettler
Houghton
Isakson
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Kerns
King (NY)
Kingston
Kirk
Kolbe
LaHood
Lampson
Largent
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McKinney
Miller (FL)
Myrick
Nethercutt
Ney
Northup
Nussle
Ortiz
Otter
Oxley
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pryce (OH)
Putnam
Regula
Reyes
Riley
Ros-Lehtinen
Rush
Ryun (KS)
Sandlin
Sawyer
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shows
Shuster
Skeen
Smith (TX)
Souder
Stearns
Stenholm
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thornberry
Tiahrt
Tiberi
Toomey
Turner
Upton
Vitter
Walden
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wilson
Wolf
Woolsey
Young (AK)
Young (FL)

NOES—275

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Becerra
Berkley
Berman
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonior
Bono
Borski
Boucher
Boyd
Brady (PA)
Brown (FL)
Bryant
Burton
Callahan
Calvert
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Chambliss
Clayton
Clement
Clyburn
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Crenshaw
Crowley
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Doggett
Dooley
Doolittle
Doyle
Dreier
Dunn
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gephardt
Gibbons
Goode
Goodlatte
Gordon
Graves
Green (WI)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hastings (WA)
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hoyer
Hulshof
Hunter
Hyde
Inslee
Israel
Issa
Jackson (IL)
Jefferson
Johnson (CT)
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Knollenberg
Kucinich
LaFalce
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Osborne
Ose
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Phelps
Platts
Pombo
Pomeroy
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Rehberg
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ross
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Sabo
Sanchez
Sanders
Saxton
Schakowsky
Schiff
Schrock
Scott
Serrano
Shays
Sherman
Sherwood
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (WA)
Snyder
Solis
Spratt
Strickland
Stump
Stupak
Tauscher
Thomas
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Towns
Traficant
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walsh
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Wicker
Wu
Wynn

NOT VOTING—4

Hutchinson
Norwood
Spence
Stark

□ 1755

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 6 printed in Part B of House Report 107–178.

AMENDMENT NO. 6 OFFERED BY MR. COX

Mr. COX. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. COX:

In Division A, at the end of title VI, insert the following new section and make the necessary conforming changes in the table of contents:

SEC. 605. CALIFORNIA REFORMULATED GAS RULES.

Section 211(c)(4)(B) of the Clean Air Act (42 U.S.C. 7545(c)(4)(B)) is amended by adding the following at the end thereof: "Whenever any such State that has received a waiver under section 209(b)(1) has promulgated reformulated gasoline rules for any covered area of such State (as defined in subsection (k)), such rules shall apply in such area in lieu of the requirements of subsection (k) if such State rules will achieve equivalent or greater emission reductions than would result from the application of the requirements of subsection (k) in the case of the aggregate mass of emissions of toxic air pollutants and in the case of the aggregate mass of emissions of ozone-forming compounds.".

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentleman from California (Mr. COX) and a Member opposed each will control 15 minutes.

Mr. BARTON of Texas. Mr. Speaker, I claim the time in opposition to the Cox amendment.

The CHAIRMAN pro tempore. Without objection, the gentleman from Texas (Mr. BARTON) will control the 15 minutes in opposition.

There was no objection.

Mr. BARTON of Texas. Mr. Chairman, I ask unanimous consent that the gentleman from Texas (Mr. GREEN) be allocated 5 minutes of the time that I control in opposition and that the gentleman be allowed to yield time.

The CHAIRMAN pro tempore. Without objection, the gentleman from Texas (Mr. GREEN) will have 5 minutes and will have the ability to allocate time.

There was no objection.

Mr. COX. Mr. Chairman, I ask unanimous consent that of my 15 minutes, 7½ minutes be allocated to the gentleman from California (Mr. WAXMAN), and that he be able to allocate the time as he sees fit.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from California (Mr. COX) will control 7½ minutes, the gentleman from California (Mr. WAXMAN) will control 7½ minutes, the gentleman from Texas (Mr. BARTON) will control 10 minutes, and the gentleman from Texas (Mr. GREEN) will control 5 minutes.

The Chair recognizes the gentleman from California (Mr. COX).

Mr. COX. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment that I am offering today is being offered on behalf of all 52 members of the California delegation who have sponsored legislation authored by my colleague, the gentleman from California (Mr. ISSA) and the gentlewoman from California (Ms. ESHOO).

This amendment is coauthored by the gentleman from California (Mr. WAXMAN) and myself as members of the Committee on Energy and Commerce. We had a chance in committee to consider this amendment, and, as we bring it to the floor, it will apply as a first step only to the State of California, but it is a very important issue for the entire country.

□ 1800

Mr. Chairman, since 1990, the Federal Government has specified the recipe for clean gasoline. In 1990, it was thought that adding oxygenates to gasoline was the best way to clean up the air, to reduce something. But a lot has happened since 1990. We in California and people across the country are finding ways to reduce something and toxic air emissions far more significantly than is required by Federal law. We can beat and exceed Federal standards.

In addition to cleaner air, California wants new gasoline that will produce cleaner water, because some of the additives to gasoline can pollute the groundwater. Unfortunately, the Federal Government is still stuck back 11 years ago in 1990.

We are specifying not only the level of cleanliness that we wish to achieve, but also the recipe for getting there, and this amendment will eliminate a mandate, it will eliminate a mandate that says we have to use, in effect, ethanol or a chemical called MTBE. There is nothing, if this amendment becomes law, that will prevent us from continuing to use those ingredients or anything else in our gasoline, provided that we meet or exceed Federal clean air standards.

But California cannot move forward with our cleaner gasoline program under existing law. Without a change in this, by technology standards, ancient rule, California's air and water quality will suffer, and motorists will suffer too, because we will be paying at least 5 cents more per gallon due to the local shortage of oxygenate substitutes for MTBE, which is being phased out in California.

We may hear during debate that if we do not have this mandate from the Federal Government on our States, that somehow, environmental quality will suffer, but the language of the amendment makes it clear that the contrary is the case. The language in the amendment states clearly that California will get a waiver from this 1990 rule, the 2 percent oxygenate rule only if the gasoline we use in our State will achieve quote, "equivalent or greater emissions reductions than are required by Federal law."

It seems unlikely in the extreme, Mr. Chairman, that were this anything but an environmentally friendly amendment, we would have the endorsements of the American Lung Association, the Sierra Club, the Natural Resources Defense Council, the National Environmental Trust, the U.S. Public Interest Research Group, and dozens of other environmental organizations.

We also have the support of governors in the States who are trying to do a better job, and I would like to conclude my brief remarks by reminding at least the Republicans among us of this provision in the 2000 Republican platform: "As the laboratories of innovation, States should be given flexibility, authority and finality by the Federal Government when it comes to environmental concerns." That has been President Bush's policy, that should be our policy.

Let us give the governors the tools that they need to clean up our air and water, and let us repeal this Federal mandate.

Mr. Chairman, I reserve the balance of my time.

Mr. BARTON of Texas. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois (Mr. SHIMKUS).

Mr. SHIMKUS. Mr. Chairman, allowing California to be exempt from the requirements of the Clean Air Act by allowing them to opt out of the reformulated gasoline program will not only have detrimental impacts on the State of California, but the rest of the country as well.

After extensive analysis, the EPA concluded there is significant uncertainty over the change in emissions that would result in granting a waiver to California from the Federal oxygen content requirement. Specifically, the EPA determined that there is no evidence that a waiver will help California reduce harmful levels of pollutants.

Adding 2 percent oxygen reduces the amount of carbon that is released into the air by 10 percent when gasoline is burned. Eliminating the oxygenate requirement would increase carbon monoxide emissions by up to 593 tons per day in California alone, according to the California Air Resources Board.

In addition, in order to make gasoline burn cleaner without using oxygenates, refiners would have to add other additives, such as toluene, which increases exhaust emissions of benzene, and benzene is a known human carcinogen.

Furthermore, with respect to supply, if California is allowed to waive the oxygenate requirement of the RFG program, the State will need to come up with an additional 1.4 billion gallons of gasoline a year to fill the lost volume. We all see how hard it is to come up with 500,000 barrels a day more from OPEC; imagine trying to get 4 million gallons a day just for California alone. The States around California like Arizona, Oregon, Nevada and Washington would see their gasoline drained and flown into California because of the higher gasoline prices in California.

Simply put, this amendment is bad for the environment because it would increase harmful emissions. It is bad for consumers because it would restrict supply and cause higher prices around the country, and it is bad for our national security because it would force us to rely more heavily on OPEC.

This amendment is a lose-lose for everyone.

Mr. WAXMAN. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, what we would have liked to do is to offer an elimination from the law, the Federal law, that tells States they have to follow a specified formula for their gasoline to be reformulated in the most polluted areas. The existing law says they have to have an oxygenate requirement met.

When the law was adopted in 1990, we thought that was the only way to get the environmental standards. But what we have learned is that to meet that requirement, the gasoline has to be either used with MTBE, which turns out to be a hazard for drinking water; or they have to use an oxygenate, a grain substitute, and that can be very expensive, it is not necessary, and we have also found out that it could keep the air dirtier.

So what we would like to have done is just wipe out the oxygenate requirement and let the States decide the matter for themselves. Who needs Washington to decide these issues for us? If we are going to achieve the environmental standards, let the States make their own decision how they want their gasoline to be reformulated.

But we were not allowed to offer an amendment that broadly. This applies only to California. For those who would like to have the same treatment for their States, vote with us, because the next thing we will have is an elimination from this requirement in the Northeast, where they do not want to have to use MTBE, and other places where they do not want Washington telling them how to make their reformulated gasoline.

If we do not pass this amendment, we are going to have dirtier air; it is not necessary to put in the oxygenate. It is going to make the gasoline more expensive. It could lead to an interruption in supply because we are going to have to import ethanol to replace MTBE, and it balkanizes our fuel supply.

So I urge support for the Cox amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. GREEN of Texas. Mr. Chairman, I yield myself such time as I may consume.

I rise in opposition to the Cox amendment to lift the fuel oxygen standard for the State of California, and I believe it is bad energy policy plus environmental policy. It moves our country precisely in the opposite direction from the energy legislation we are considering today.

The amendment would lift the fuel oxygen standard, but only in the State of California. From the last amendment, we found out that California did not want to be treated differently on their pipelines, but they want to be treated differently on the oxygenate standard. The proponents of the bill argue that California deserves special treatment because of the underlying quality of California fuel; however, this approach is misguided.

I will just talk about the supply problem. This amendment would seriously disrupt the price and supply situation. As oxygenates leave the market, we can expect prices to increase. In fact, we have a memo that Senator WYDEN recently brought to our attention from a refiner on the West Coast when he learned that the amendment would increase prices. The memo says, "West Coast surplus refining capacity results in very poor refinery margins and very poor financial results. Significant events need to occur to assist in reducing supplies or increase the demand for gasoline. One example of the event would be the elimination of the mandates for oxygenate in addition to gasoline," and I am quoting from that memo. "Given the choice, oxygenate usage would go down and gasoline supplies would go down accordingly."

Mr. Chairman, that memo is from a refiner who would increase prices as they reduce the oxygenate requirement. That is why I am concerned. The California gas prices are already the highest in the Nation, and by reducing the amount of oxygenates in there, we would see an increase in their price.

Mr. Chairman, I reserve the balance of my time.

Mr. COX. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. DREIER), the chairman of the Committee on Rules.

Mr. DREIER. Mr. Chairman, from this point forward, let no one say that the wonderfully diverse California congressional delegation, 52 members strong, cannot come together and unite around a very important issue. Cleaning up our environment and doing everything that we possibly can to decrease energy costs is what this amendment that my friends from the Committee on Energy and Commerce led by the gentlemen from California and others from the California delegation are pursuing.

This is not simply a California issue. We have States all across the country that are very interested in this. Washington, New Hampshire, Maine, New York, Arizona, New Jersey, Minnesota, Pennsylvania, Connecticut and South Dakota, among others, are very interested in seeing us do this.

I happen to represent the Los Angeles Basin area that is impacted by groundwater contamination, and all of us in California are concerned about air quality. By proceeding with this amendment, we have a chance to dramatically improve the groundwater, drinking water in California, and our air quality. It is the right thing to do. We should have strong bipartisan support, beginning with California, spreading all across the country.

Mr. BARTON of Texas. Mr. Chairman, I ask unanimous consent that the gentleman from Texas (Mr. GREEN) have an additional 2½ minutes of my 10 minutes that he can control.

The CHAIRMAN pro tempore (Mr. LaTOURETTE). Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Texas (Mr. GREEN) will control 5½ minutes, and the gentleman from Texas (Mr. BARTON) has 5½ minutes remaining.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Iowa (Mr. LATHAM).

Mr. LATHAM. Mr. Chairman, I thank the gentleman for yielding time.

I would just like to make a few points here as to why I think this is a really bad idea. Everyone believes that we have to protect the environment. A lot of folks have real concerns about the ozone layer being depleted. If this amendment goes through, we will have additional depletion of the ozone layer.

We will put about 593 tons of carbon monoxide into the air every day in California. We will raise the cost of a gallon of gasoline in California 2 to 3 cents with the reformulated gas they are talking about. I think it is actually a matter of fairness. I say to my colleagues, I do not believe that one State should be exempted from the law of the land.

A lot of folks here do not have any big problems with national mandates in telling everyone what they can and cannot do at home until it gets to the point where they do not like it themselves. I mean, a lot of the folks here are talking kind of like we will mandate this, but we will not mandate that.

Mr. Chairman, it is simply wrong. We have to stop our dependency on foreign oil and this would be a real step backwards if we did this.

Mr. WAXMAN. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Chairman, I thank the gentleman for yielding time, and I rise with all of my California colleagues today in support of this amendment.

Now, what would bring the entire delegation together? We want to rid ourselves of MTBE. It causes cancer in animals; it can cause cancer in people. It has contaminated 10,000 groundwater sites in California, and knowing this, California is attempting to eliminate MTBE from its fuel supply by 2003. Sounds simple, makes sense, both for the environment and for human beings.

So what is going on? Why do all Members of Congress not want to recognize that?

□ 1815

Well, others want ethanol. Ethanol is going to be the monopoly of choice for California. Why? Because we tried to get a waiver from the administration. They said, it is either poison or pollution.

So today the delegation is saying to all States in the Congress, all Representatives in this House, is it not fair to exercise a choice while still maintaining the highest standards of the Federal Clean Air Act? That is what this debate is about.

So for those who are interested in competition, they should be voting with us, because if they vote against it, they are in support of a monopoly.

I congratulate my colleagues from Texas and those from the Midwest. Of course they want a monopoly, either for MTBE or for ethanol. What we are talking about is exercising good judgment, not placing this kind of a burden on Californians or other States, and asking them to give us a choice. Vote for this amendment. It is a good, solid one.

Mr. GREEN of Texas. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. I thank the gentleman for yielding time to me, Mr. Chairman.

The essence of this amendment is that the State of California is trying to secede from the Clean Air Act. I do not know if that is the intent, but that is what will happen if we allow that. I think that is grossly unfair.

Mr. Chairman, in my hometown city of Houston we are having to deal with the fact that we are a nonattainment area under the Clean Air Act. We are not down here on the floor asking for some special exemption because we cannot come into compliance, or we have to make difficult choices between point source and nonpoint source emissions. We are trying to deal with it, and we are going to deal with it.

But what the Californians want to do is to have a separate deal from the other 49 States by being exempted when in fact they have the opportunity, the Governor has the opportunity, to waive the ban that the State has imposed while the EPA, which started under the Clinton administration, has started the process of reviewing the effects of MTBE on ground water.

What they have found is MTBE does clean the air, and they are reviewing this. But we should not give a special deal to one State.

Mr. COX. Mr. Chairman, I reserve the balance of my time.

Mr. BARTON of Texas. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Chairman, I ask that we vote against this motion to allow the State of California to be the only State exempted from the Clean Air Act.

Mr. Chairman,I rise in strong opposition to this amendment.

I find it is ironic that the California delegation, which fought so hard for the Clean Air Act provisions, should now ask this body to exempt their state from those requirements. For example, during the debate of the Clean Air Act amendments in 1990, the gentleman from California, Mr. WAXMAN, said "One of the most important provisions of the clean air bill" is the provision requiring reformulation of conventional gasoline."

The Environmental Protection Agency already denied California's appeal for a waiver. The EPA has determined that the addition of oxygen to gasoline improves air quality by improving fuel combustion and displacing more toxic gasoline components.

Ethanol, a clean-burning, renewable, oxygen-rich fuel can help California meet the Clean Air Act requirements and help American farmers at the same time. Ethanol is a fuel that reduces carbon emissions, reduces smog, reduces particulate, and expands the domestic fuel supply by more than 300 million gallons.

A much better approach would be to adopt fuel performance standards, not specific fuel formulations, to meet emissions reduction targets. But these performance standards should apply in the entire country. This is the debate Congress should be having, not one on a special carve-out for just one state.

I urge my colleagues to vote "no" on this amendment.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Indiana (Mr. BUYER).

Mr. BUYER. Mr. Chairman, I rise in opposition to the amendment eliminating the oxygenates requirement in reformulated gasoline. If this amendment is adopted, it will be bad for the environment, bad for consumers, and bad for our energy policy.

Stand for clean air, clean water, and help our farmers. The supporters of the amendment are concerned about the fuel additive MTBE and its pollution of drinking water, and they have a right to be concerned. But we should not throw out the oxygenate requirement just because of the MTBE problems, especially when there is plenty of clean-burning low-cost ethanol to meet the requirement. There are plenty of corn growers prepared to help.

Some people are saying that using ethanol will lead to shortages and higher prices. I would like to put their minds at ease and assure them, there is plenty of ethanol to go around, and ample shipping and storing capacity to accommodate the additional 600 million gallons of ethanol California will need. In fact, by 2003, more than 2 billion gallons of new ethanol production capacity will be online.

Mr. Chairman, the oxygen requirement is important to protect our environment. The use of ethanol to meet the requirement is good energy policy. It would help save America's family farms.

PREFERENTIAL MOTION OFFERED BY MR. ISSA

Mr. ISSA. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN pro tempore (Mr. LATOURETTE). The Clerk will report the preferential motion.

The Clerk read as follows:

MOTION TO STRIKE THE ENACTING CLAUSE

Mr. ISSA moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN pro tempore. The gentleman from California (Mr. ISSA) is recognized for 5 minutes on his motion.

Mr. ISSA. Mr. Chairman, I rise today in total opposition to the absence of fair play that we see here on the floor today.

In America, in the America I grew up in, we set goals, we set standards when necessary; but we do not tell people how to achieve those goals. When we tell people in America how to achieve goals, we cut down on innovation; we cut down on the ability for Americans to look at a problem and a hurdle and accomplish it.

There was no predetermination in America that we would go to the Moon in a three-man capsule. When, in the heart of World War II, we set our determination to develop a nuclear weapon, we did not do it easily; and we did not do it with a blueprint that said, you will do it only this way. As a matter of fact, we reached two solutions and used both.

America has a long tradition of setting a goal and asking the business community and hard-working entrepreneurs to innovate to find solutions. Here today, in this debate, all California is asking for, and ultimately every American, is the ability to free up private enterprise to find solutions, solutions that hopefully do a better job to meet the higher standards that California has set for clean air; to retain the important clean-water standards we are not able to retain today because we are forced to use MTBE, that has been found to be a carcinogen and has been found to pollute the water of California.

Mr. Chairman, all California, and the rest of America, want and need today is the ability to say that there may be another solution, and "Let's go look for it."

Mr. Chairman, I ask the Members, out of fairness and out of a sense of the way America has always done business, to correct this past mistake that set specific solutions instead of proper goals. I would hope that this body would recognize that it is un-American to set these kinds of specific standards. Instead, let us set goals.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. ISSA. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, I thank the gentleman for yielding. I think it is worth emphasizing the point that California will have to meet the clean air standards that are set for the country. In fact, we even have more stringent standards.

Some previous speakers have talked as if we want to get out from under the clean air requirements to protect the environment. We are going to meet the clean air standard; but we do not want to be told by Washington that we have to either use MTBE, which gets into our drinking water, and we do not want to use that; or we have to go into the Midwest and buy ethanol, when we can reformulate our own gasoline in California that will burn clean enough to meet the clean air standards.

We want to be able to make decisions for ourselves; and after we get that, we want other States to have that, as well. We would have preferred to have an amendment that would have covered everybody at once, but start with California.

Do not tell California how to handle our own gasoline, to have balkanized fuels. We want one fuel in California that will clean up the air in the State, and not have to use ethanol to benefit Archer Daniels Midland in the Midwest, or MTBE to benefit some of the manufacturers in Texas. We want to handle our own affairs for ourselves.

Mr. ISSA. The gentleman has made a very good point, that this is all about the greenest State in America, the greenest State in America asking for this ability. I hope the Members will consider it.

Mr. BARTON of Texas. Mr. Chairman, I rise in opposition to the pending Issa motion.

The CHAIRMAN pro tempore. The gentleman from Texas is recognized for 5 minutes in opposition to the motion.

Mr. BARTON of Texas. Mr. Chairman, I hope at the appropriate time the gentleman from California will withdraw this motion that the committee do now rise.

I want to put into the RECORD a letter that has just arrived to the chairman of the full committee, the gentleman from Louisiana (Mr. TAUZIN), dated today, August 1, from the administrator of the Environmental Protection Agency, the Honorable Christine Todd Whitman.

I want to read from that letter that says: "The Bush administration strongly opposes this amendment. The Federal RFG program has been an extremely successful and a cost-effective program that has provided substantial air quality benefits to millions of people throughout the country. The program also has encouraged the use of renewable fuels and has the potential to enhance energy security. Although we recognize that California and other States have raised concerns about certain aspects of the RFG program, we believe these concerns must be addressed carefully and comprehensively in order to preserve the benefits of the program and avoid further proliferation of boutique fuels."

Mr. Chairman, I include this letter from Administrator Whitman in the RECORD.

The letter referred to is as follows:

U.S. ENVIRONMENTAL
PROTECTION AGENCY,
Washington, DC, Aug. 1, 2001.

Hon. W. J. TAUZIN
Chairman, Committee on Energy and Commerce, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I understand that an amendment to H.R. 4 may be offered that would allow the State of California to adopt a reformulated gasoline (RFG) program separate from the Clean Air Act's RFG program. The Bush Administration strongly opposes this amendment. The Federal RFG program has been an extremely successful and cost-effective program that has provided substantial air quality benefits to millions of people throughout the country. The program also has encouraged the use of renewable fuels and has the potential to enhance energy security. Although we recognize that California and other states have raised concerns about certain aspects of the RFG program, we believe that these concerns must be addressed carefully and comprehensively in order to preserve the benefits of the program and avoid further proliferation of boutique fuels.

I want to assure you that, pursuant to the Administration's National Energy Policy report and consistent with the provisions of H.R. 4, EPA, along with the Department of Energy and other agencies, is examining these issues and exploring ways to increase the flexibility of the fuels distribution infrastructure while advancing our goals for clean air. This comprehensive review of Federal and State fuel programs will allow the Administration and the Congress to better understand, and thus, more effectively address, any concerns with the federal RFG program.

The proposed amendment is apparently intended to waive, for the State of California only, the so-called oxygenate requirement in the RFG program. The Clean Air Act already includes a provision that allows the Administrator of the Environmental Protection

> Agency (EPA) to waive this requirement upon a showing that the requirement would interfere with a state's ability to meet national ambient air quality standards. As you know, California requested such a waiver, and I denied the request because of uncertainty over the change in emissions that would result from such a waiver.
>
> Some advocates of the amendment support their position by citing a draft EPA document concerning California's waiver request. That document contained a number of uncertainties and was never finalized. After further evaluation by EPA staff, I determined that the data did not support California's waiver request. That draft document is no longer relevant and is not an accurate reflection of EPA's position.
>
> I appreciate your attention to these issues as you consider amendments to H.R. 4.
>
> Sincerely yours,
>
> Christine Todd Whitman.

Mr. Chairman, I yield to the gentleman from Minnesota (Mr. Gutknecht).

Mr. GUTKNECHT. Mr. Chairman, I thank the gentleman for yielding to me.

I just want to clarify something that has been circulated on the floor of the House. Supporters of the Cox-Waxman amendment mentioned in a Dear Colleague that Minnesota and other States have already banned the use of MTBE.

While we always appreciate support for our environmental achievements in Minnesota, I want to make this very clear and set the record straight. Minnesota does restrict the use of MTBE, but we ensure air quality by maintaining a 10 percent blend of clean-burning ethanol gasoline.

Congress and California should follow Minnesota's lead. Let us continue to maintain air quality, decrease dependence on foreign oil. Please, vote "no" on the Cox-Waxman amendment.

Mr. BARTON of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would hope the gentleman would withdraw his motion.

Mr. ISSA. Mr. Chairman, I ask unanimous consent to have the motion withdrawn.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. WAXMAN. Reserving the right to object, Mr. Chairman, I want to use this time reserving the right to object on this unanimous consent request to address the remarks by the gentleman from Minnesota, who said his State decided to use a blend of ethanol, 10 percent, in their gasoline.

I applaud that. The State of Minnesota can make its decision for itself. If they are happy with that decision, fine. But we should not deny the State of California the same ability to make our own choice for fuels. I think we ought to let every State make the decision.

I have heard over the years Republicans say, and I have learned from them, that "We do not have all the wisdom here in Washington. We do not have to make the decisions for every State here in Washington. There are some decisions the States can make for themselves," as long as they are meeting the environmental standards, which we set out in the Federal law.

So I applaud Minnesota if that is what they want to do. It is their choice. Let California and other States make our choice. Do not force us either to use MTBE, which we will not use because it damages our drinking water, or have to import ethanol at a great expense with a possible interruption of supply when it will even make the air dirtier, the way we see it in California, than what we would get if we had one reformulated gasoline.

Mr. BARTON of Texas. Mr. Chairman, reclaiming my time, if we are going to continue to debate it, I have people who want to debate it. This is a device used to get an extra 5 minutes, I understand that. But if we are going to continue to do that, I will reclaim my time and use it in opposition to the amendment.

I recognized the gentleman for a unanimous consent request to withdraw his motion.

Mr. ISSA. If the gentleman will yield, Mr. Chairman, I have made that.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

Mr. WAXMAN. Mr. Chairman, I withdraw my reservation of objection.

Mr. GREEN of Texas. Mr. Chairman, reserving the right to object, we have lots of speakers who did not speak and we did not have enough time.

PARLIAMENTARY INQUIRY

Mr. COX. Mr. Chairman, I just wondered whether we were speaking on the time of the gentleman from Texas, or whether we were speaking on a reservation of objection.

The CHAIRMAN pro tempore. The time of the gentleman from Texas (Mr. Barton) has expired. We now have the pending request of the gentleman from California (Mr. Issa) to withdraw by unanimous consent his motion to strike the enacting clause and a reservation of objection thereto.

Is there objection to the request of the gentleman from California?

Mr. COX. I object, Mr. Chairman, and rise in opposition to the motion.

The CHAIRMAN pro tempore. The gentleman from California (Mr. Cox) objects to the request of the gentleman from California (Mr. Issa)?

Mr. COX. Yes.

Mr. Chairman, I withdraw my objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN pro tempore. The motion of the gentleman from California (Mr. Issa) is withdrawn.

The Committee will proceed now in regular order.

The gentleman from California (Mr. Waxman) will be recognized and has 4 minutes remaining.

Mr. WAXMAN. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California (Mrs. Capps).

Mrs. CAPPS. Mr. Chairman, I thank my colleague for yielding time to me.

Mr. Chairman, I rise in strong support of this bipartisan amendment. As we all know, MTBE contaminates ground water, making it smell and taste like turpentine. This is costing communities across the country millions of dollars to clean up or identify new drinking water sources.

But this is no secret. In fact, just this week this House adopted my amendment to increase Federal efforts for MTBE cleanup, and this very bill contains my legislation to allow $200 million to be spent on MTBE cleanup.

□ 1830

So, clearly, there is a problem with MTBE.

California, followed by an increasing number of States, has banned MTBE as a gasoline additive. But without a waiver from clan air standards requiring oxygenates in gas, California will have to import huge amounts of ethanol. That, of course, is good news for Midwestern farmers, but it is bad news for California consumers. In fact, it will likely raise the price of gasoline by 10 to 20 cents a gallon for absolutely no reason.

California refineries have demonstrated they can make clean burning gas without ethanol or MTBE. I would not support waiving the oxygenates requirement if they could not. We are not, as has been clearly stated, asking for a waiver from EPA standards. We are asking for a waiver on the method of how to achieve those standards. This is a matter of local control, of States' rights; and I urge my colleagues to support this amendment.

The CHAIRMAN pro tempore (Mr. LaTourette). The gentleman from Texas (Mr. Green) has 4½ minutes remaining.

Mr. GREEN of Texas. Mr. Chairman, I yield 1½ minutes to the gentleman from Louisiana (Mr. John).

Mr. JOHN. Mr. Chairman, I rise in opposition to the Cox-Waxman amendment. This debate should not be about an oxygenate waiver. This debate should be about fixing the underground storage tanks not only in California but all over the country.

Instead of addressing the leaking underground storage tank problem, which has allowed MTBEs to enter the water supply, California has chosen to ban it. Now that the State of California is faced with the prospect of increased costs to comply with the Clean Air Act, it is proposing to toss out the oxygenate requirements to solve their fiscal concerns. Well, H.R. 4 already authorizes $200 million for the leaking underground storage trust fund for assessment, for corrective action, inspection, and monitoring activities to address California's concerns.

I commend the efforts of our Nation's refineries to develop clean burning fuel, but today California cannot meet the same level of air quality with these blends that it would otherwise with oxygenated fuels. If we adopt this amendment today, we will open the floodgates for other States to opt out of the oxygenate requirements, and decades and decades of progress that we have made to improve America's air quality will be undone.

The House Committee on Energy and Commerce has already voted down a very similar amendment. Do not backslide the progress that we have made on improving America's air quality. Please vote "no" on the Cox-Waxman amendment.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. OSBORNE), the only Member of Congress who has won a national championship.

Mr. OSBORNE. I hope I win a national championship for ethanol real quick like here.

Mr. Chairman, I rise in opposition to the Cox-Waxman amendment. According to the California Air Resources Board, a California agency, replacing MTBE, about which we have heard a great deal today, with ethanol, will reduce carbon emissions by 530,000 tons a year, which is a 35 percent reduction. According to the California Energy Commission, a California agency, ethanol will reduce the price of gasoline two to three cents per gallon in California.

And this is something I want to make sure everybody hears. The institute for Local Self-Reliance states that using California agricultural products, rice stocks, corn, fruit waste, California can produce between 500 and 900 million gallons of ethanol per year, worth $1 billion to their agriculture industry. They do not have to import ethanol. It is not a Midwest deal. It should not be an issue. The money stays in the United States.

Ethanol produces over $4 billion of income for the farm economy in the United States. I urge opposition to this amendment.

Mr. COX. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. OSE), chairman of the Subcommittee on Environment, Resources and Agriculture of the House Policy Committee.

Mr. OSE. Mr. Chairman, I rise in support of the Cox amendment to repeal the ethanol and MTBE mandate. The reason I do is very clear. Number one, I do not want to drink polluted water; I do not want to drink water that has poison in it.

Now, the studies we have done in our subcommittee indicate very clearly that as we phase out MTBE in California, between now and the time we phase it out, there is no way ethanol production can come up to the level we need to meet our gap. No way. Plenty of corn, plenty of farmers growing it, but no way to process it to ethanol to get it to California to address our needs.

One of the interesting aspects that I have discovered across this country is that we have 38 different types of fuel used to propel our vehicles, 38 different formulas. Some use ethanol, some use burn rates that are higher or lower, some use reformulated gasoline. There is no guarantee here that we are going to buy more corn to make ethanol to ship to California.

All we are asking for, plain and simple, is the opportunity to use science and technology to address our air quality concerns in the chemical composition of our fuel and how it affects our air quality. That is all we are asking for. We are not asking for special treatment. We are still going to comply with the air quality requirements in the Clean Air Act.

The fact of the matter is the clean air requirements that exist in California exceed the clean air requirements in the other 49 States. We have a higher standard. We are asking for the freedom to do that using current science and technology.

Mr. Chairman, I want to close with one particular point. Last week, we were out here voting on some things, maybe it was the week before, where down in Florida they did not want to drill off the coast of Florida, or over in Michigan where they did not want to drill in Lake Michigan. I looked up at that board, and I saw all the Florida Members up there voting against that and thought, maybe I ought to respect that. And I looked at the Michigan Members, and I suggested to myself that before I voted I ought to respect the Michigan Members too. California wants that same level of respect. Vote "yes" on this amendment.

PREFERENTIAL MOTION OFFERED BY MR. THOMAS

Mr. THOMAS. Mr. Chairman, I move to strike the enacting clause.

The CHAIRMAN pro tempore. Does the gentleman move that the committee do now rise and report the bill to the House with a recommendation that the enacting clause be stricken?

Mr. THOMAS. I believe there is time left in the debate.

The CHAIRMAN pro tempore. If the gentleman is attempting to offer a pro forma amendment, the time is controlled on this amendment.

Mr. THOMAS. The time is controlled?

The CHAIRMAN pro tempore. Yes, sir.

Mr. THOMAS. I cannot gain time by moving to strike the enacting clause?

The CHAIRMAN pro tempore. The gentleman cannot gain time by offering a pro forma amendment.

The gentleman moves that the committee do now rise and report the bill to the House with a recommendation that the enacting clause be stricken.

Mr. THOMAS. Pending that, I would move the enacting clause be stricken.

The CHAIRMAN pro tempore. The gentleman is recognized for 5 minutes on the preferential motion.

Mr. THOMAS. I do apologize to some of my colleagues.

Mr. TAUZIN. Parliamentary inquiry, Mr. Chairman. What is the motion before us?

Mr. THOMAS. The motion is that we do now rise, but pending that, we strike the enacting clause, which allows me to debate the issue.

I apologize to the chairman as well.

In this debate there are individuals who have gotten a little carried away with the concept of oxygenated fuel, because the rise of an oxygenated fuel is twofold. One, there is clearly a subsidy to America's farmers. And if we discuss using ethanol because it assists corn growers and it is a subsidy to farmers, then I think that is a legitimate debate. But if we are going to discuss using ethanol because of its superior qualities in a fuel for cars, then I think we need to take a look at the technology that has developed over the last 20 years and the way in which automobiles now function versus the way automobiles functioned at the time ethanol became a "fuel additive," putting oxygen in the gasoline itself.

In an open-looped automobile there is a carburetor or fuel injection, and it is basically a self-regulating structure of air coming in, mixing with the fuel, going into the chamber, firing, and going out the exhaust. If we can enhance the burning quality of that mixture by putting oxygen in the fuel, we can actually get a cleaner burning fuel, and we can even improve the mileage. The problem is technology has carried us far beyond that today. We have closed-loop automobiles. There are very few open-loop automobiles around.

What in the world is a closed-loop automobile? Most of my colleagues have an oxygen sensor in their exhaust system. The oxygen sensor examines the mix after the combustion; and it says, there is too little oxygen, there is too much oxygen. The message from the oxygen sensor goes to a computer and the computer regulates the amount of air or the amount of fuel coming in to the chamber. It does not go outside. It is a closed loop. And if the message is there is too much oxygen in the fuel, the computer does what? It puts more fuel into the mix. Why? Because there is too much oxygen. Air.

Except the oxygen is in the fuel. And so we consume more fuel than we would have otherwise in a closed-loop automobile, and we do not necessarily get cleaner burning because the oxygen sensor is trying to regulate the fuel air mixture. When I say air, think of oxygen. But we have put oxygen in the fuel, and what happens is we wind up consuming more fuel than we otherwise would. We do not get as many miles per gallon. And if we are burning more fuel per mile, we are increasing the emissions.

Now, at some point, maybe we can have an objective discussion of fuel mileage and the way in which we are treating our fuels. We have more than three dozen fuels all over the country in an attempt to micromanage the quality of the air. Most of them do more damage than would otherwise be the case with the automobiles that we currently use. So at some point I am looking forward to a debate about whether or not we ought to subsidize America's corn growers by putting ethanol in gasoline. But it is not an argument that it is cleaner burning or that it saves fuel and mileage. In today's cars, it is just not true.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. WAXMAN. I must say how impressed I am by the gentleman's knowledge of the technical aspects of the fuel system, and I think the gentleman is absolutely right.

If we were told that ethanol would help us achieve the clean air standards and is just as good as reformulated gasoline without it, that is one thing. But the gentleman pointed out correctly that if we use ethanol, we will have dirtier air.

There is an exemption to this, however, in the wintertime in high altitudes areas. But we have another provision in the law that requires ethanol to be used under those circumstances.

But for California and New York and New Jersey and other States around the country that say they do not want to use MTBE, we should not be required to bring in ethanol at higher prices and then dirtier air as a result.

Mr. THOMAS. Reclaiming my time, Mr. Chairman, I was not one of those that had a government imposition of MTBE on the refineries either, because it increased the cost of producing fuel. It does not produce the end result. And now we find out it was even worse than we thought. We have increased the cost of gasoline to America's consumers by billions of dollars either with ethanol or with this particular additive, and it has not gotten us where we need to go.

What we need to do is take a step back, take the politics out of it, and use a bit more science in the way in which we are trying to get more reasonable mileage out of a gallon of fuel.

Mr. GREEN of Texas. Mr. Chairman, I rise in opposition to the motion.

I am concerned about the comments of my colleague from California that reformulated gas has not worked in cleaning up our air. I think there is no doubt at all, whether we are in Houston or Los Angeles, that our air quality has gotten better by the oxygen standard. This is the first time I have heard today, and no one seems to argue, that the Federal RFG program has been anything but a success.

In fact, the deputy director of the EPA testified to this point and said that the emissions reductions which can be attributed to the RFG program are equivalent to taking 16 million cars off the road, and 75 million people are breathing cleaner air because of RFG.

☐ 1845

"Since the RFG program began 6.5 years ago, we estimate that it has resulted in annual reductions of VOC and NO_X combined of at least 105,000 tons, and at least 24,000 tons of toxic air pollutants."

My colleague from California talked about it has not worked, but it has worked. I know that it is working in Houston and L.A. The proponents of the amendment claim that they can make gasoline as clean without using oxygenates, but this is contrary to what we know about fuel. The presence of oxygenates in fuel dilutes the most toxic components in gasoline, and thus reduces air emissions.

Do my colleagues know what RFG replaces? Benzene. It replaces benzene. Without oxygenates, there is no dilution of these toxics, and it is as simple as that.

None of the proponents of this amendment can assure us that it will maintain the actual levels of protection against air toxins currently present in the Federal RFG. The EPA is frank about the consequences, noting that some people exposed to air toxins may increase their chances of getting cancer or experiencing other serious health effects depending on which air toxins an individual is exposed to, and these health effects can include damage to the immune system, as well as neurological, reproductive, reduced fertility, developmental and respiratory problems.

Mr. Chairman, I am surprised that my colleague from southern California would say that there has not been any increase in RFG benefits in the last 6.5 years because again that was passed in 1990 in the Clean Air Act. I was not here, but we have responded to the Federal law both with ethanol and with MTBE.

If we have problems with MTBE or ethanol, we need to correct it because we have had a great deal of success from reformulated gasoline. That is why I am shocked to hear my colleague who wanted the committee to rise to say there have not been any benefits from it. We have a great deal of testimony, I am sure in many committees, showing the benefits of it.

Mr. Chairman, I yield back the balance of my time.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent to withdraw the preferential motion.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN pro tempore. Returning to regular order, the gentleman from California (Mr. COX) has 30 seconds; the gentleman from Texas (Mr. BARTON) has 2½ minutes; the gentleman from Texas (Mr. GREEN) has 3 minutes; and the gentleman from California (Mr. WAXMAN) has 2½ minutes.

Mr. WAXMAN. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California (Mrs. DAVIS).

Mrs. DAVIS of California. Mr. Chairman, the amendment before us is critical to the safety of California citizens. We have talked about many things, but we cannot lose sight of the fact that we are talking about safety. We have worked for many years to improve the air quality of our State, and despite our increased population, we have succeeded. Californians are committed to continuing to protect our air.

However, we do not need to do it by adding ethanol to our gasoline, and we do not need the current formulation using MTBE. We do not need any additive at all. Chevron and other oil companies which produce petroleum in California have assured us that they have the technology to create a fuel which will allow California cars to meet EPA air quality standards without any additives.

We have heard the argument here today, why should the Federal Government force us to purchase an unneeded product that is not readily available in California? It would cost California citizens, already beleaguered by high prices, $450 million for the extra cost of this additive.

Mr. Chairman, we came here to legislate on behalf of the Federal Government. As such, we should legislate results such as the EPA air quality standards, but not dictate the methods to reach those standards. Vote for this states' rights amendment.

Mr. GREEN of Texas. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I am going to close, but there is nothing that makes my car or truck drive that I want to drink, whether it is MTBE, whether it is benzene, or whether it is anything else.

The problem that we have had for many years is that there have been problems in California and other places of leaky storage tanks. If MTBE is the problem, it is because we can taste and smell it, what else is in our water supply that we cannot taste or smell that is also leaking out of those storage tanks? That is the concern.

We have had success for 6½ years on reformulated gasoline, whether it is MTBE or ethanol. That is why I am surprised that California thinks that they can produce enough without that.

Mr. Chairman, I yield the balance of my time to the gentleman from Texas (Mr. BARTON).

The CHAIRMAN pro tempore. The gentleman from Texas (Mr. BARTON) now has 4½ minutes; the gentleman from California (Mr. COX) has 30 seconds; the gentleman from California (Mr. WAXMAN) has 1 minute, and the order of closing now that the time of the gentleman from Texas (Mr. GREEN) has expired is the gentleman from California (Mr. WAXMAN); the gentleman from California (Mr. COX) and the gentleman from Texas (Mr. BARTON).

Mr. BARTON of Texas. Mr. Chairman, I yield 1½ minutes to the gentleman from Minnesota (Mr. KENNEDY).

Mr. KENNEDY of Minnesota. Mr. Chairman, I rise in strong opposition to the amendment to grant California waiver from the Clean Air Act. This is not about California being singled out, as we are hearing from several people, because all 50 States are required to live by the Clean Air Act and have been for some time.

This is not about MTBE, which is harmful to our drinking water, because there is a better alternative. Yes, ethanol does help gas burn cleaner. Members only have to go back to their high school class to know that increased oxygen in gas will help make it burn cleaner. This is not about ethanol making gas more expensive because with today's price of oil and other commodities, ethanol is cheaper than gasoline.

This is about ensuring clean air for our children and grandchildren and not increasing the ozone problem that we have. It is about expanding renewable domestic sources of energy. And it is about increasing demand, yes, for important commodities that help us create jobs and economy in our rural areas.

Mr. Chairman, I urge Members to oppose this amendment.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Mr. Chairman, my State of South Dakota is a clean air State. In fact, one sentence that we never really hear started, we never start a sentence by saying "on a clear day" because we do not have that problem in South Dakota.

Mr. Chairman, the Cox-Waxman amendment would reverse a decade of progress towards cleaning up our air. There are other parts of the country that do not have the luxury that we have in South Dakota, lessening our dependence on foreign sources of energy and supporting American agriculture.

Mr. Chairman, we need a balanced energy policy in this country. This is about energy security. That should mean more renewables, not less. That should mean less demand for petroleum and not more. Reversing the administration decision means going back to additives that are petroleum based and create a host of well-documented problems.

EPA made this decision based on science. It was the right decision. This amendment is the wrong decision and as to whether or not American farmers can meet the demand. The farmers of South Dakota stand ready to meet and help California with the problem. Give us a chance.

Mr. BARTON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. TERRY).

Mr. TERRY. Mr. Chairman, I rise in opposition to this amendment and special treatment for exemption of the oxygenate requirement. This chart that I have up here shows reformulated gas and the high super-duper blend of regular gas without the oxygenate. It barely meets the requirements, but it does not take out as many pollutants as with an oxygenate.

The price for this super blend without the oxygenate is more expensive than with the blend in it. The nonoxygenated fuel, by California's own study, would eliminate emissions of up to 593 tons per day of carbon monoxide. That is a major contributor to ground ozone or smog. By the California study, there is a 6 percent reduction of VOCs with an oxygenate. Keeping this oxygenate requirement for gasoline would translate into a reduction of CO_2 emissions by over ½ million tons in California alone.

Mr. Chairman, I urge my colleagues to vote against this amendment.

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have debated this at length. This is the bottom line: It is unfair to California to force us to import billions of gallons of ethanol that we do not want, that will raise our gasoline prices, that will balkanize our fuel supply, and will make our air dirtier.

I urge all Members to support this amendment.

Mr. Chairman, I yield the balance of my time to the gentleman from California (Mr. COX).

The CHAIRMAN pro tempore. The gentleman from California (Mr. COX), with yielded time from the gentleman from California (Mr. WAXMAN), now has 1 minute.

Mr. COX. Mr. Chairman, parliamentary inquiry. As the author of the amendment, do I have the right to close?

The CHAIRMAN pro tempore. The gentleman from Texas (Mr. BARTON), defending the committee position, has the right to close.

Mr. COX. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I thank my colleagues from across the country for working with us in support of this sensible amendment to give governors and to give States the flexibility they need to meet not just the Federal standards for clean air, but even higher standards.

We have had governors of several States making phone calls in support of this amendment: We have had Governor Pataki from New York; we have had Governor Rowland from Connecticut.

Many States presently are already working to phase out MTBE or ethanol in gasoline, not only California, but the State of Washington, New Hampshire, Maine, New York, Arizona, New Jersey, Minnesota, Pennsylvania, Connecticut and South Dakota. In all of these States, I think the flexibility to handle the problem and the ways that the States find work the best will give us cleaner air and cleaner water.

I know that Governor Ventura will want to wrestle with this problem in the future.

Mr. BARTON of Texas. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, never have so many fine fellows from California been so wrong. It is good to have the California delegation unified for a change on the floor, but it would be better if they were unified on something that was actually a step in the right direction.

To my left I have a chart that is developed by the EPA that shows the baseline under the Clean Air Act passed in 1990 for the minimum air quality standard. There is about an 18 percent improvement based on the quality of 1990. The blue bar shows those States, those cities, that have decided to meet the standard by adding MTBE to their gasoline. You can see that on average they have almost doubled their air quality.

The red bar shows the areas which have chosen to meet the air quality standard by adding ethanol. On average, they have improved it about 10 percent more than the minimum.

It is true we can meet the minimum air quality standard without using either MTBE, the blue bars, or ethanol, the red bars, but just barely. Just barely.

Mr. Chairman, if we adopt the Cox-Waxman amendment, the air is going to get dirtier in California. I do not think that is the intent, but that is the effect of it.

The Clean Air Act has actually worked. More oxygen in gasoline means that it burns cleaner. Do we really want to revoke that? I think not.

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I hope we vote against the amendment.

Mr. WELLER. Mr. Chairman, I rise today in strong opposition to the Cox/Waxman amendment to the Energy bill on the floor today.

The fact is Mr. Chairman, eliminating the oxygenate requirement for California will increase pollution. Reformulated gasoline with oxygenates reduces the emission of toxins, well above the level required by the Clean Air Act. If nonoxygenated fuel was allowed to be used in California, studies indicate that carbon monoxide emissions would increase by up to 593 tons per day.

One of the biggest concerns to not only Illinois, but the whole Nation, has been volatile gasoline prices. Eliminating the oxygenate requirement will increase consumer prices at the gas pump. Removing the oxygenate requirement exacerbates an already tight fuel supply by removing volume in gasoline, which increases the chance that gasoline price spikes may occur again. In fact, a report issued by the California Energy Commission estimated that using ethanol will cost two to three cents less per gallon than nonoxygenated fuels. The report detailed that the replacement of nonoxygenate fuel with MTBE would be the most expensive option for the state of California to choose.

Some are worried about whether the demand for ethanol can be met. Mr. Chairman, I can assure you and others that our farmers are working to produce the corn needed to supply California with the ethanol it needs. Approximately 600 million gallons of ethanol per year are needed to meet the needs of California. Currently, the ethanol industry has the capacity to produce two billion gallons per year. Supply will be able to meet demand.

Lastly Mr. Chairman, I would like to discuss the impact of the ethanol industry on my home state of Illinois. Illinois is the nation's leading producer of ethanol, and the second largest producer of corn in the Nation. Corn grown in Illinois is used to produce 40 percent of the ethanol consumed in the U.S. Illinois ethanol production alone has increased the national price for corn by 25 cents per bushel. Ethanol production will stimulate the Illinois economy by creating jobs, and ensure the success of our farmers by providing a stable source for which their crops can be used.

Mr. Chairman, the answer is simple. To ensure a cleaner environment, cheaper gasoline prices, and the success of the agriculture economy, vote against the Cox/Waxman amendment.

Mr. SMITH of Michigan. Mr. Chairman, this amendment points to a problem that is not unique to California, but affects the entire country. The fact is that with improved engine, emissions, and refining technologies, the requirements of the Clean Air Act can be met without the need to dictate specific fuel formulas. Yet today we have a patchwork of regulations governing what specific fuel formulation can be sold in what area of the country. These rules have raised costs and contributed to supply disruptions.

We should adopt fuel performance standards, not specific fuel formulations, to meet emissions reduction targets. But these performance standards should apply in the entire country, not just California.

Vote "no" on this amendment.

The CHAIRMAN pro tempore (Mr. LATOURETTE). The question is on the amendment offered by the gentleman from California (Mr. COX).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. COX. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from California (Mr. COX) will be postponed.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 7 printed in part B of House Report 107–178.

AMENDMENT NO. 7 OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Mr. WAXMAN: Page 96, after line 17, insert the following new title and make the necessary conforming changes in the table of contents:

TITLE IX—PRICE GOUGING AND BLACKOUT PREVENTION

SEC. 901. WHOLESALE ELECTRIC ENERGY RATES OF REGULATED ENTITIES IN THE WESTERN ENERGY MARKET.

(a) DEFINITIONS.—In this section:

(1) COMMISSION.—The term "Commission" means the Federal Energy Regulatory Commission.

(2) COST-OF-SERVICE BASED RATE.—The term "cost-of-service based rate" means a rate, charge, or classification for the sale of electric energy that is equal to—

(A) all the reasonable variable costs for producing the electric energy;

(B) all the reasonable fixed costs for producing the electric energy;

(C) a reasonable risk premium or return on invested capital; and

(D) all other reasonable costs associated with the production, acquisition, conservation, and transmission of electric power.

(3) PUBLIC UTILITY.—The term "public utility" has the meaning given the term in section 201 of the Federal Power Act (16 U.S.C. 824).

(4) WESTERN ENERGY MARKET.—The term "western energy market" means the area within the United States that is covered by the Western Systems Coordinating Council.

(b) IMPOSITION OF WHOLESALE ELECTRIC ENERGY RATES.—Not later than 30 days after the date of enactment of this Act, the Commission shall impose just and reasonable cost-of-service based rates on sales by public utilities of electric energy at wholesale in the western energy market. The Commission shall not impose such rates under authority of this subsection on any facility generating electric energy that did not generate electric energy at any time prior to January 1, 2001.

(c) AUTHORITY OF STATE REGULATORY AUTHORITIES.—This section does not diminish or have any other effect on the authority of a State regulatory authority (as defined in section 3 of the Federal Power Act (16 U.S.C. 796)) to regulate rates and charges for the sale of electric energy to consumers, including the authority to determine the manner in which wholesale rates shall be passed through to consumers (including the setting of tiered pricing, real-time pricing, and baseline rates).

(d) REPEAL.—Effective on the date 18 months after the enactment of this Act, this section is repealed, and any cost-of-service based rate imposed under this section that is then in effect shall no longer be effective.

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentleman from California (Mr. WAXMAN) and the gentleman from Louisiana (Mr. TAUZIN) each will control 15 minutes.

The Chair recognizes the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I yield myself 3 minutes.

This year, there has been only one true energy crisis in the United States. That is the skyrocketing energy prices and blackouts in California and the West. Incredibly, however, this bill does nothing to address this issue. That is why I am offering this amendment. The goal of the amendment is to prevent a return to the blackouts and skyrocketing electricity prices that have plagued the West.

Some people seem to think that FERC's complicated regulatory experiment has solved the energy crisis out West. After all, prices are lower, and there have not been major blackouts recently. I do not mean to sound like Cassandra, but the simple truth is that these conditions may not last.

There are two main reasons that prices are lower: one, California has been experiencing unseasonably mild weather; and, secondly, California's successful conservation efforts have decreased energy consumption by more than 10 percent. The conservation efforts will continue, but the weather could turn much hotter at any time. If that happens, demand will soar. And if demand goes back up, the current FERC order will not protect California and the West. Just look what happened on July 2 and July 3 when demand reached 40,000 megawatts, the highest level this summer. When that happened, there were blackouts in Nevada, and there were almost blackouts in California. The FERC order did not help prevent the blackouts; it did just the opposite. It caused generators to withhold power.

Not only does the FERC order make blackouts more likely, it does not effectively curb prices. I want to call to Members' attention an article from the Los Angeles Times which ran just last week. This article explains that despite the FERC order, power generators are continuing to charge excessive prices.

Let me give you one example. As the Los Angeles Times reported, Reliant continues to submit bids for electricity for as much as $540 per megawatt hour, more than five times its estimated cost.

The simple truth is that FERC's order is seriously flawed. First, it guarantees enormous windfall profits for generators by allowing the least efficient, most expensive generator to set the price for all generators. Secondly, the order encourages generators to withhold power in order to ensure that their least efficient generating units set the market price. This is exactly backwards, and it is a recipe for blackouts.

My amendment is very simple. It says that FERC must impose cost-of-service-based rates for a short time until new power supplies can come online. Under this amendment, generators will be paid for their costs of production, and they will make a reasonable profit; but they will be barred from gouging the West.

I urge support for this amendment.

Mr. TAUZIN. Mr. Chairman, I yield myself 2 minutes.

Once again, we find ourselves debating an amendment to impose price caps on wholesale electric generation sales in California and the West. When our Committee on Energy and Commerce first had this debate in May, it might have been relevant. There was still some uncertainty then about whether the FERC would oversee the crazy electricity market that California had created for itself.

But shortly thereafter, at our urging and particularly the urging of the gentleman from California (Mr. OSE), the FERC did take action. It created a price mitigation plan throughout California and the West that does not discourage new generation. We now know the FERC order is working and the Waxman amendment is certainly not needed, if it ever was. But even in the middle of the rolling blackouts, the price caps proposed in this amendment would do nothing to solve the energy problems in California. In fact, it would make them a great deal worse.

I will give you three quick reasons: first, cost-of-service-based rates, price caps, discourage investment in new power plants. No power developer in his right mind would try to build a plant in California if this amendment passes. They are saying, well, there are lots of plants being planned in California. They are being planned on the basis of this not happening.

Secondly, the amendment before us would exempt new power plants from cost-of-service-based rates and would not apply to more than half of the generators in the marketplace. I want to say that again. These price caps would apply to less than half of the generators in the marketplace. You have price caps on some generators and no price caps at all on the other generators. That is the same situation we had in the 1970s when we regulated old gas and we did not regulate new gas and there were huge shortages in the old gas markets, in the interstate markets, and surpluses and high prices in the intrastate markets.

Third and finally, the half of the market that this amendment would exempt happens to be responsible for the highest prices in California. If there was gouging in California, it came from industries in California that would be exempt from this amendment.

This amendment ought to be defeated.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. SAWYER).

Mr. SAWYER. Mr. Chairman, I rise in support of the amendment and to suggest that in this debate that we do not get confused in our vocabulary. What this amendment proposes is not a price cap. It is a temporary return to cost-of-service-based pricing. Cost-of-service pricing examines the cost for every power producer and assures them an individual rate that will provide for a reasonable profit. That is not a price cap. Rather, it is a practical remedy based on 85 years of policy, precedent, and practice under the law.

The States do not have jurisdiction over wholesale prices; the Federal Government does. But we cannot pretend that FERC can make minor, although complicated, adjustments in the hope that the market will work itself out. There is no functioning market in California right now, and we must provide the time necessary for one to develop.

This amendment will provide California with a chance to start over and design their market properly. It will stabilize an inherently unstable situation. I would urge my colleagues to adopt the amendment.

Mr. TAUZIN. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. WALDEN), a distinguished member of the Committee on Energy and Commerce.

Mr. WALDEN of Oregon. Mr. Chairman, I rise in opposition to this amendment as I did in both the subcommittee and the full committee for several reasons.

First of all, it is without question that the California market was dysfunctional. But we are beginning to see the market respond to FERC's direction, that we have some price mitigation in place.

What this amendment does, however, is it has an interesting exemption in it. On line 18 of page 2, it talks about how any power plant that comes online after January 1 of this year would be exempt from this very price cap. Why is that there? It is there because the authors have to admit that this kind of price cap will discourage new production from coming online. Otherwise, why would they have the exemption? And what is there to preclude one of these, quote-unquote, gougers from shutting down their old production facility and running the new one that does not have the price cap? What stops out-of-state producers from selling power into other markets where they do not have this kind of a cap as proposed in this amendment? We could really disrupt the power market that is finally beginning to settle down.

How is it settling down? Let me point out that it has changed dramatically and perhaps even caught the California government unaware in this process. They were buying power at $138 a megawatt hour that now because of a change in the market they are dumping for $1 a megawatt hour. The LADWP, the Los Angeles Department of Water and Power, charged the State of California a price for power that averaged 35 to $40 per watt hour more than that charged by the companies that some call gougers. On a single day in June of 2000, the LADWP raked in $5 million on power sold for $1,000 per megawatt hour. The reason I say that, LADWP is not covered by this amendment. Forty-seven percent of the power sold into California is not covered by this amendment. It would have a disruptive and destructive role in the market if this were passed today.

Mr. WAXMAN. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California (Ms. ESHOO), who has taken such a very strong leadership role on this.

Ms. ESHOO. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in obvious support of this amendment. To the rest of the country, I want to say this evening that California really feels what is being placed on her shoulders in terms of the burdens. We had a piece of legislation that has caused us more than a migraine headache. But here in the Congress, the only place that can address price, that is why we raise our voices.

This is not a price cap. You can say it until the cows come home that it is, but it is not. For those that have served 10 years, 20 years, 30 years, 40 years, 50 years in the Congress, where were you objecting to what is an 85-year-old tradition in terms of cost-of-service base for the rates in our country? You were nowhere. You are not there to help us with refunds, you are not there to help with price relief, and you are not there in terms of environmental issues.

That is why we get up tonight and we say all over again that Californians should have cost-of-service-based rates. We do not trust the FERC because they have been on a sit-down strike. For those that raise their voices and say, This is going to muck up the market, I have fought for markets, for free and open markets, for markets that work. This market, as the FERC has acknowledged, is dysfunctional. It is not working. We do not want to penalize new generators in California; we want them to come online, but we also plead and raise our voices for what is reasonable and what the FERC will not do and that is cost-of-service-based rates.

Mr. TAUZIN. Mr. Chairman, I am honored to yield 1½ minutes to the distinguished gentleman from Louisiana (Mr. JOHN), newly joining the Committee on Energy and Commerce.

Mr. JOHN. Mr. Chairman, I rise to oppose the gentleman from California's price cap amendment. Albert Einstein is quoted as saying that the definition of insanity is trying the same thing over and over and over again searching for different results. The history of man both past and present is rife with failed attempts about price caps. This amendment asks Members to continue that same cycle.

In the 1950s, before I was born, and in the 1960s, we controlled the price of natural gas and oil. By the 1970s, we had shortages and curtailments of gas and we had gas lines all over America. Over a million people were laid off and money poured out of the United States to countries such as Algeria for high-priced LNG.

Members may not know that the California wholesale market also has had price caps. What happened? The power and the capital investment went elsewhere. So on June 19 of this year FERC applied price caps to the entire West. What happened? Blackouts in Las Vegas. California also had retail price caps in place at the start of its failed restructuring experiment in April of 1998. In the spring of 2001, the biggest growth industry for the California Public Utilities Commission was the processing of blackout exemption applications.

☐ 1915

When will we learn? Oppose the price caps.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Chairman, I rise in strong support of this amendment. The administration promoted California's electricity problem as a reason to enact their energy plan, the Drill America Plan; but the proposal did nothing about this Nation's most serious crisis. This bill makes the same mistake. Fortunately, due mostly to unusually cool weather, more power plants coming on line, Californians' impressive conservation efforts, and FERC's belated efforts, the situation has stabilized recently. The administration had nothing to do with the first two developments, ridiculed the third and opposed the fourth.

But, unfortunately, the problems in California are not over; and the return of hot weather will show how inadequate FERC's actions are. Because FERC has pegged the cost of electricity to the least-efficient generator, this means one of six or eight most expensive generators will set wholesale prices across the West every time it is fired up. This will cost consumers in California and across the country billions more for electricity than is necessary.

This amendment would simply ensure what FERC was supposed to do in the first place. I urge my colleagues to support this commonsense amendment.

Mr. TAUZIN. Mr. Chairman, on behalf of all the Members, I want to extend birthday wishes to the ranking member of the subcommittee, the gentleman from Virginia (Mr. BOUCHER), on his birthday. Congratulations.

Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. SHIMKUS).

Mr. SHIMKUS. Mr. Chairman, I do respect my colleagues from California. We have had a lot of differences in agreement this year.

The statement was made, the only place you can address prices is here. That is the difference in ideology. The market sets the prices. Basically the higher the supply, the lower the cost; the lower the supply, the higher the cost.

When you have high prices and you do not want to pay those prices, guess what? You consume less. When you consume less, there is a higher supply. Guess what? Prices go down. It is basic economics 101, which we wish our colleagues would really end up learning.

One of the reasons why California has been successful is because high prices have forced people to consume less. Conservation is a result of these high prices. The market does work.

How do you get to the quickest, more functioning market? You let the market work. If you intervene in the market, as the Governor of California has done, guess what? The market does not stabilize, it does not get fixed. Market manipulation by government is designed to fail.

This amendment is designed to prolong the agony of California. It is ill-conceived. I do applaud my colleagues for their attempt, and have encouragement for them, but for the betterment of the country, we have to understand, in the market, basic supply and demand rules, and this is an ill-conceived amendment.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Chairman, it is interesting to spend hours here listening to the exponents of States' rights come here with patronizing lectures taken out of economics 101 textbooks to tell California what we need. The fact is that electricity is a unique product. You cannot store it, there is no substitute for it, you cannot ship it, there are major barriers to entry. That is why most of the country for the last 75 years has regulated its price.

This chart illustrates that we must regulate the price of electricity or there will be a decline in supply. When we deregulated, you see those yellow lines indicating the plants that were closed for maintenance. Roughly 10,000 extra hours, megawatt hours, closed for maintenance. What that really illustrates is that a few out-of-State companies were able to close their plants for maintenance, which means close their plants to maintain an outrageous price for every kilowatt.

If you want more supply, you have to limit the gouging. Pass the Waxman amendment.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 2 minutes to the distinguished gentleman from Texas (Mr. GREEN), my friend from the Committee on Energy and Commerce.

Mr. GREEN of Texas. I thank my colleague, the Chair of our Committee on Energy and Commerce, for yielding me time.

Again we hear the rhetoric of stop the gouging and the request for the cost of service-based rates. You know, I think maybe if it is good enough for natural gas or power, maybe it ought to be good enough for the computers I buy from Silicon Valley. I hope we do not have cost-of-service-based rates on attorneys. Anyway, that is my concern. If we use cost-of-service-based on anything, that is price caps; and that works in a regulated environment.

But what California did, they wanted to take advantage of deregulation and have a State deregulation, that was flawed to begin with. That is why in the State they refused to fix it until it literally drained the power from all their neighboring States during the first part of this year.

Retail price caps have been in effect in California, and it has created artificially stimulated demand. It has increased the demand for natural gas. Not surprising, the removal of these retail price caps caused the consumers in California to have a 12 percent decrease because now that it has increased the cost, their demand is going down.

Mr. Chairman, if we are going to help consumers in the West, we cannot afford to implement strategies that have failed in the past. This is why price caps are wrong. Either you have a regulated environment or you have a deregulated environment. You cannot have a mixture, which California wanted. You cannot have partial free enterprise. So that is why this amendment is wrong, and hopefully the House will reject it.

Mr. WAXMAN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Virginia (Mr. BOUCHER), the ranking member of the Subcommittee on Energy and Air Quality of the Committee on Energy and Commerce.

Mr. BOUCHER. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise in support of the amendment which, in my view, is necessary to assure that wholesale electricity rates in the Western States are just and reasonable.

The Federal Energy Regulatory Commission has a mandate in the Federal Power Act to ensure that wholesale electricity rates are reasonable. Notwithstanding this clear direction in Federal law, the agency has responded ineffectively as wholesale prices in

California exceeded $1,600 per megawatt hour on some occasions during the past 9 months, and that charge of $1,600 per megawatt hour compares with an average price of about $25 per megawatt hour a mere 2 years ago.

More recently, the FERC has imposed a restraint on wholesale prices pegged to the cost of the least efficient generator that is in service at any given time. But the cost of the least efficient generator can be quite high, and when those costs are translated into a wholesale price, an enormous windfall is provided to the more efficient generators, and prices for all parties concerned, in my opinion, are not reasonable.

For that reason, I think the amendment offered by the gentleman from California is necessary, I strongly support it; and I urge its adoption by the House.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 2½ minutes to the distinguished gentleman from Oklahoma (Mr. LARGENT), a valued member of the Committee on Energy and Commerce.

Mr. LARGENT. Mr. Chairman I think tonight I have seen more California whines than since the last time I visited Napa Valley.

We have heard today about the price gouging of the big energy companies from out of State. And we have an amendment, which I oppose vigorously tonight; and it is to introduce price caps. I will tell you it is wrong for a number of reasons. But one of the things I wanted to do is just go through a couple of charts, everybody has charts, I brought my own.

First of all, let me just show you a couple of the growth charts in California. Employment grew 12 percent, this is in the nineties, population has grown 18 percent, the State economy has grown 45 percent, the electronics and instruments industry has grown over 60 percent in the nineties, the communications industry has grown nearly 80 percent in the nineties, and yet what has California done? Natural gas usage capacity has grown less than 10 percent, electricity use capacity has grown less than 10 percent, peak demand, on and on and on.

Finally you get down to the last number, power generation capacity. This is added power generation capacity in the State of California. In the last 10 years, at a time when they have seen unprecedented growth in their economy and population, added generation capacity, California, less than 2 percent in 10 years. So that is why we have a problem in California. It does not have anything to do with energy companies from out of State gouging.

But let me come back to that gouging question. Here is where California gets their power. They get 33 percent of their power generated from their big IOUs, PG&E, SoCal. They import 21 percent of their electricity. They get 23 percent of their electricity from public power, most of that public power located within the State of California, which is not addressed in this amendment. They get a little bit from Williams, a little bit from Reliant, Duke, and these big energy companies that are gouging.

Let me just tell you, if this is gouging, let me bring up the next chart. We had before our committee a gentleman named David Freeman, who happens to be the electricity guru for the Governor of the State of California today, who happened to be the head of Los Angeles Department of Water and Power, before our Committee.

We asked Mr. Freeman, did LADWP gouge? He said no. Yet look at this. LADWP averaged $292 per megawatt hour, and this is my most cogent point right here, I am right at the crux, the pinnacle of my argument, here we have got LADWP, one of the public power entities, that was charging $292 per megawatt hour. Now, he said that was not gouging, $292 per megawatt hour.

Here you have the average megawatt charge for the big energy companies of $246. Now, if $292 was not gouging by LADWP, then why is $246 gouging?

So, Mr. Chairman, I would just say I oppose this amendment. It does not address the real issues in California.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentleman from Washington (Mr. INSLEE), who authored this amendment by way of legislation.

Mr. INSLEE. Mr. Chairman, the majority's bill gives over $20 billion in taxpayer money to the special interest oil and gas industry. Could you not find it in your heart to just do one small thing for the consumer? Could you not throw a bone to the people and the small businesses on the West Coast, in Washington and Oregon and California, that have seen their prices go up 50 to 60 percent? Is that not in your compassionate heart to do that? That is all we are asking.

Look at the history of how we got here. For 7 months we have been pleading with the White House, we have been pleading with our colleagues, to pay attention to this crisis in the West Coast. And we are well beyond the issue of whether we should take action or not. I have a letter from the gentleman from Louisiana (Mr. TAUZIN) dated June 12, 2001, asking the FERC to take some action. The point is, they have not taken any action that works.

This is not an issue of whether the Federal Government should act, this is a question of whether the Federal Government has acted effectively. It has not. We need help in the West Coast, not just California.

Pass this amendment.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to inform the chairman that FERC did take action.

Mr. Chairman, I am pleased to yield 1 minute to the gentleman from California (Mr. RADANOVICH).

Mr. RADANOVICH. Mr. Chairman, I rise in opposition to the amendment offered by my friend from California. There is no benefit from imposing costs of service rates on California or the Western grid. Today the State of California can buy power on the spot market for $45 a megawatt under the FERC price mitigation measures, but chooses not to do so, because those people that are charging more will not sell it to California. They will keep the hydropower behind their dams, or they will choose to sell it for a higher price somewhere else.

Unfortunately, the Governor of California put us all in a position of having to endure higher energy costs to prevent more and more rolling blackouts. It truly is not an energy crisis in California as much as it is a crisis in leadership on the energy issue. Price caps will not solve that problem.

We have to wait until we get more supply in order to bring down the cost of energy. If we impose price caps on that, we suffer more rolling blackouts. It truly is the law of supply and demand. Had the Governor acted on this issue much sooner, a year ago, we would not even be in this position.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding me time and commend him for his leadership on this and so many other issues.

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I rise in support of the Waxman amendment to establish cost-of-service rates for electricity sold at wholesale in the Western region.

As has been mentioned here, Mr. Chairman, in June, the FERC, the Federal Energy Regulatory Commission, imposed a soft cap based on the least efficient generators selling into the California markets. The FERC was established to ensure that consumers were charged fair and reasonable costs for their electricity. It has not neglected that mandate; it came through with this June 19 action, but not only was it too little too late, but it was the wrong way to go. As I said, it put a soft cap based on the least efficient generators selling into California's markets.

For that reason, energy suppliers still have incentives to withhold power in order to drive up electricity prices, still gouging consumers. In fact, a new study shows that electricity suppliers are still trying to sell electricity at prices up to five times higher than the Federal caps.

Last week, the Vice President passed his electricity bill on to the Navy. Instead of doing that, this body should be passing a bill to help America's consumers. I urge support of the Waxman amendment.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from California (Mr. OSE), who is a principal sponsor of the price mitigation plan that FERC adopted.

Mr. OSE. Mr. Chairman, I rise today in opposition to the amendment.

Mr. Chairman, the amendment, as proposed, is anti-environment, it is anti-consumer, it is anti-California's major contribution to this economy, and that is, it is anti-technology. Think about what we are doing. What we are saying is, if you are a real expensive producer and you are a real high-polluting producer, we are going to put price caps in effect so that you will be protected from competition coming in with new technology that uses natural gas and that delivers power to people at a low price.

Look at this chart, I say to my colleagues. This is a chart showing what happened when FERC's mitigation plan went into effect. The Waxman proposal is unnecessary. The Waxman proposal is anti-environment because it makes those plants that are more polluting come on line more. It is anti-consumer, because it makes the most expensive plants be the ones that operate, and it is anti-California's primary product technology, because it refuses to recognize how far we have come.

Vote no on the Waxman amendment.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Chairman, I keep hearing about competition, laws of supply and demand. There is a manipulated market in California controlled by a cartel of energy wholesalers.

Let me tell my colleagues what is happening in San Diego. We are paying 10 times, sometimes 100 times what we did a year ago. If we were paying the same costs for electricity as we are paying for bread, we would be paying $19.99 for a loaf of bread; in fact, up to $199 sometimes in the last year.

What do they give us in this bill for California? They give us crumbs. All we get are some crumbs for California.

Scores of small business people in my district have gone out of business, and according to a report by the Chamber of Commerce, 65 percent of small businesses in our county face bankruptcy this year, Mr. Chairman. If this bill passes without this amendment, my small businesses are toast.

They are toast, Mr. Chairman. Help California. Pass this amendment.

Mr. TAUZIN. Mr. Chairman, the Chair would ask who has the right to close on this amendment.

The CHAIRMAN pro tempore (Mr. LATOURETTE). The gentleman from Louisiana (Mr. TAUZIN) has the right to close.

Mr. TAUZIN. Mr. Chairman, I would ask the gentleman from California (Mr. WAXMAN) if he has any additional speakers.

Mr. WAXMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Mrs. DAVIS).

Mrs. DAVIS of California. Mr. Chairman, for more than 12 months now, I have worked daily for my constituents in San Diego, the first in the Nation to be shocked by suddenly doubled and tripled electricity rates. From that time on, I have joined with my colleagues here in the Congress and in the State legislature and with the San Diego regional governments to get the Federal Energy Regulatory Commission to meet its mandate to require just and reasonable rates. We have repeatedly been rebuffed, rejected and disappointed by their responses.

Although our efforts have moved from utter rejection to half-hearted measures to cap wholesale cost, they have failed to require that the industry charge rates that are just or reasonable.

So it is way past Congress to act. All the Western States are affected. We must take charge and require that FERC assure that the charges for electricity are based on a standard that is simplicity itself. Does it not make sense to set prices based on the cost to produce the electricity, including fair acknowledgment of investments costs, plus a fair profit? That was the basis of charges for decades.

The amendment before us does not set a cap on rates for new generating sources, so it does not discourage investment in new plants. And it sunsets at 18 months. It is what we need for the interim while we continue to add to the power plants that have gone into service this summer.

It is the responsibility of Congress to give clear and explicit language on what makes rates just and reasonable.

Mr. WAXMAN. Mr. Chairman, I yield myself the balance of my time.

I was taken aback by the comments of the gentleman from California (Mr. OSE) that this is anti-environment. Well, it is not anti-environment to put in cost-of-service charges, which is the way electricity had always been handled in California and most of the country where regulation is in place. He said it encourages inefficiency. The FERC order gives a bonus to the most inefficient, costly supplier of electricity, and everybody else rises to that price. They get a windfall.

I think that what we need is to have cost-of-service rates, the cost of the service plus a profit, and not to give windfalls and not to give any encouragement to any supplier that if only they held back some supplies by shutting down temporarily on some phony argument that they could get a higher price. Because that is what we have seen in California as a result of a very bad law that was adopted unanimously by the legislature, signed by a Republican governor, passed by a Democratic legislature.

It gave a green light to a manipulation of the market by energy suppliers. Not that they did anything illegal; they took advantage of the situation.

I feel the FERC order gives a green light to further manipulation and gouging which could lead to blackouts if the weather changes in California and we find ourselves with a greater use of electricity and we bump up to more demand than supply.

So I would urge support for this amendment. It is an insurance policy that we do not find ourselves in California and the whole West Coast with blackouts and further gouging, which is what we have seen as a result of a bad law once passed by the legislature in California.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield the balance of our time to the gentleman from Texas (Mr. BARTON), the chairman of the Subcommittee on Energy and Air Quality, to close on this debate against this bad amendment.

Mr. BARTON of Texas. Mr. Chairman, if price caps worked, we would not need this debate. California has had price caps. They have had price caps at $750 a megawatt hour since a year ago this last month. They lowered that to $500 a megawatt hour a year ago this month. They lowered it to $250 a megawatt hour in September of last year. They did not work.

Let us go to the next chart. This chart is very confusing, which is why I put it up here, because I am the only one who can understand it. But what it shows is, comparing the 2 years, 1999 and 2000, when price caps were in effect, power went out in the State of California. People did not keep their power in California; they exported it when those price caps were in effect.

Now, then, if my colleagues think that is a confusing chart, I have one that is even more confusing. Only an MIT engineer, which is actually the people that developed this chart, can understand it, but what it shows is when we have a price cap, prices are higher than when we do not. We may have a little variation back and forth, but I guarantee if you call MIT, who developed this chart, they will tell you, if you have price caps, the price caps are going to be higher, not lower, on the average.

Prices in California right now are below year-ago averages, because they are finally building some power plants, they are finally getting their act together with retail prices.

Mr. Chairman, we do not need the Waxman price cap amendment. We beat it in subcommittee, we beat it in full committee, we are going to beat it on the floor. I hate to keep beating the price cap to death, but if we have to, I would ask that you join with me to defeat the Waxman amendment one more time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California (Mr. WAXMAN).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. WAXMAN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from California (Mr. WAXMAN) will be postponed.

It is now in order to consider amendment numbered 8 printed in part B of House report 107–178.

AMENDMENT NO. 8 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Ms. JACKSON-LEE of Texas:

Page 168, line 20, insert "Of the funds authorized under this subsection, at least $5,000,000 for each fiscal year shall be for training and education targeted to minority and social disadvantaged farmers and ranchers." after "National Science Foundation.".

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentlewoman from Texas (Ms. JACKSON-LEE) and a Member opposed each will control 5 minutes.

Mr. TAUZIN. Mr. Chairman, I will support the amendment. I do not believe there is anyone rising in opposition, but I claim the time in opposition.

The CHAIRMAN pro tempore. The Chair recognizes the gentlewoman from Texas (Ms. JACKSON-LEE) for 5 minutes in support of her amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself 1½ minutes.

Mr. Chairman, let me, first of all, thank the chairman of the Committee on Rules and the ranking member of the Committee on Rules for recognizing the importance of an effort of the Congressional Black Caucus that believes that there should be a consensus energy policy that reflects the diversity of America.

I want to thank the chairman of the Committee on Energy and Commerce for his support for this amendment. I want to acknowledge the gentleman from Maryland (Mr. WYNN), the gentleman from Illinois (Mr. RUSH), the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), our chairperson; the gentleman from New York (Mr. TOWNS) and the gentleman from Alabama (Mr. HILLIARD) as members of the Congressional Black Caucus Energy Task Force.

Let me briefly explain the thrust of this amendment. It is to be inclusive. It is to acknowledge the value of biomass, but at the same time, it focuses on socially disadvantaged and minority ranchers and farmers. That means it reaches throughout the Nation. Specifically what it does is, it provides the opportunity to translate those products from those particular entities into energy.

There are many types of biomass, such as wood plants, residue from agriculture or forestry, and the organic component of municipal industrial waste that can now be used as an energy source. Today, many bioenergy resources are replenished through the cultivation of energy crops such as fast-growing trees and grasses called bioenergy feed stocks.

We are well aware of the value of our agricultural industry, but are we aware of what can happen positively to minority and socially disadvantaged ranchers and farmers if they find another element to their resources? Unlike other renewable energy sources, biomass can be converted directly into liquid fuels for our transportation needs.

I do believe this is a constructive and instructive manner of utilizing dollars for these components.

Mr. Chairman, I reserve the balance of my time.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Let me say that we support the gentlewoman's amendment, that diversity in the energy future of our country and those who participate in it, participate particularly as farmers and ranchers, in this important new initiative for bioenergy, for training and educating those who will be responsible, hopefully, for introducing new products in diversity supplies of energy should also include diverse elements of our society participating.

We agree with the gentlewoman, and we support her amendment.

Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. BOEHLERT), the chairman of the Committee on Science.

Mr. BOEHLERT. Mr. Chairman, this amendment, which provides $5 million per year for integrated bioenergy research and development projects, for training and educating targeted to minority and socially disadvantaged farmers and ranchers, is a good amendment. Bioenergy research and development programs will provide important assistance for cutting-edge technologies and projects, and I proudly identify with the amendment, and I urge its adoption.

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I thank my friend, Mr. Chairman. I, too, would like to salute my colleagues in the Committee on Energy and Commerce.

I see my friend, the gentleman from Maryland (Mr. WYNN). I particularly want to salute them for their amendment, and congratulate the gentlewoman from Texas (Ms. JACKSON-LEE) for their amendment. I urge adoption of the amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman from New York (Chairman BOEHLERT) for his support on this amendment, and I yield such time as he may consume to the gentleman from Maryland (Mr. WYNN), chair of the CBC Energy Task Force.

Mr. WYNN. Mr. Chairman, I thank the gentlewoman for yielding, and I compliment her for her leadership on this issue. She has done a wonderful job.

I also would like to thank my committee chairman, the distinguished gentleman from Louisiana (Mr. TAUZIN), for his support for this amendment. They told me in law school, when you are ahead, sit down; so I will not belabor my remarks.

I do want to salute one of my towns. The city of Takoma Park uses biodiesel in its fleet. This is one of the bioenergy, biomass products that we hope to see expanded as a result of this legislation. I am very pleased to be associated with it.

I also want to, of course, thank the chairman of the Committee on Science for his support.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think we ought to salute and recognize the gentleman from Illinois (Mr. RUSH) and the gentleman from New York (Mr. TOWNS), two other distinguished members of our committee who are equally responsible in helping make this amendment happen. I want to thank them for their cooperation on this bill throughout the markup process.

Mr. Chairman, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I am happy to yield 1 minute to the distinguished gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), the chairman of the CBC.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, I rise in support of this amendment. I want to thank both Chairs for their support.

I rise in favor of the bill's provisions to provide research and development funding for biofuels. As Chair of the Congressional Black Caucus, I strongly support the CBC amendment to earmark $5 million in each fiscal year FY 2002–2006 to minority and socially disadvantaged farmers for bioenergy research.

Biofuels are a promising area not only in terms of supplying a cleaner burning source of energy but also could help to solve some of the environmental problems with confined animal feeding operations.

Because of its great size and the strong presence of agriculture, my home state of Texas is number 1 in the country for animal waste production.

Much of the waste contaminates our lakes and rivers, and threatens the drinking water supplies for various localities.

An article in the August 6th issue of Time magazine reports that large quantities of cow manure have found their way into Lake Waco, the drinking water source for Waco, where I was born and raised.

The same article also cited a Natural Resources Defense Council report detailing how cow manure in central Texas is fouling the Paluxy and Trinity aquifers and questioning the safety of well water supplies within those aquifers.

The Trinity River runs through my district. Therefore, I am especially concerned about the effects of this pollution on the quality of life in my district.

I am hopeful that the development of bioenergy will alleviate water pollution from farming operations. I trust that this funding will help provide the nation with greater energy security. I urge my colleagues to support energy security. I urge my colleagues to support the amendment to ensure equal opportunity for disadvantaged farmers in the development of bioenergy programs.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I am pleased to yield 1 minute to the distinguished gentlewoman from Florida (Mrs. MEEK) and thank her for her leadership on these issues on the Committee on Appropriations and for her concern for the interests of farmers and ranchers throughout the Nation.

Mrs. MEEK of Florida. Mr. Chairman, I want to thank the gentlewoman from Texas for her initiative. If there is a new initiative that is needed, it is this one.

I want to thank my good friend, the gentleman from Louisiana (Mr. TAUZIN), for the chance to have cooperated with the gentleman on this amendment. It is for a good cause.

We do not want to love a good amendment to death, so I just want to thank the Members.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to conclude on the importance of the renewable energy sources. Biomass can be converted directly into liquid fuels for our transportation needs. The two most common biofuels are ethanol and biodiesel, and I know this, hopefully, will encourage the Members from the Midwest and the farming States, that we have acknowledged the value, coming from Texas and Louisiana, of the importance of these kinds of fuel types.

In particular, let me say to the gentleman that the Congressional Black Caucus organized on behalf of these energy amendments to emphasize what the chairperson has said, the value of diversity, and the role of stakeholders in this particular legislative initiative, it is massive.

I will note, as well, that I want to thank the chairman and the Committee on Rules for the LIHEAP amendment that went in to determine the issues of conservation and efficiency. It was added to the manager's amendment. I was not able to be on the floor, but I do want to thank the gentleman for that amendment, because what that does for the purposes of understanding the structural problems for those who receive LIHEAP fund, those are supplemental funds for utility bills, and we need to find out, do they know about conservation? Do they know about efficiency? Are they able to be efficient, because their houses are not structurally sound? We will have that research being done.

Mr. Chairman, let me close by saying this. This bill is going to have a long journey. I hope that we will have an opportunity for the Congressional Black Caucus to emphasize issues that reach into urban America and rural America.

I want us to be able to work further on the concepts of job training that will come out of the opportunities of this legislation, making sure we have people on the ground that can work in this industry. I believe it is important to include Historically Black Colleges and Hispanic-serving Institutions, universities, on research issues.

I do believe it is important for the Federal Government to enhance and support technology that will help us.

The CHAIRMAN pro tempore (Mr. LATOURETTE). The time of the gentlewoman from Texas (Ms. JACKSON-LEE) has expired.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I think it is important as well to determine whether or not the Federal Government has impacted positively or impacted negatively on the promotion of technological efforts to improve the resources that we need to get on behalf of our energy programs.

Mr. Chairman, I would hope, and there are several chairpersons on the floor, that we could continue to work with the respective chairpersons on the efforts of the Congressional Black Caucus.

I conclude by saying this authorization of $5 million is a big step. I ask my colleagues to support it.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would say that I think it is relevant that the gentlewoman, representing an oil and gas State, is bringing forward an amendment that will promote a new, diverse energy source for America other than oil and gas.

I hope folks watch that, that all of us have a common interest in diversity in this country, and in fuel supplies and in those who will produce those fuel supplies for America.

I am glad the gentlewoman mentioned the work for the Spanish colleges. My mother, Mrs. Enola Martinez, appreciates that money.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in support of this amendment offered on behalf of the Congressional Black Caucus by myself, Congressman WYNN, Congressman RUSH, Congresswoman EDDIE BERNICE JOHNSON, Congressman TOWNS, and Congressman HILLIARD.

The Administration's energy proposal was prepared not under the open purview of the public or the Congressional Committees that share jurisdiction in this important area. Those who contributed to the final document that the Administration presented to the Nation and the Congress have not been revealed.

Now that this measure is before the Congress for consideration, we must instill in the American people that the energy plan that will be signed into law is indeed in their best interest for the short-term and the long-term energy needs of our Nation.

I strongly believe that the best approach to our nation's energy needs is one of bipartisan cooperation with a goal of ensuring long-term commitments to a national energy plan that reducing dependence on foreign sources of energy and enhances our Nation's productivity. For this reason, I thank the House Rules Committee for making this amendment in order.

As a Congress we must explore the potential that renewable energy technologies have to contribute to fulfilling an increasing part of the nation's energy demand and how that can occur, while increasing the economies, that can be reached through more efficient and environmentally sound extraction, transportation, and processing technologies.

The amendment we offer before the House today will create an annually funded program for training and education for disadvantaged farmers and ranchers to participate in bioenergy marketing of their products and byproducts associated with their operations.

Bioenergy is often times produced by a form of biomass, which is organic matter that can be used to provide heat, make fuels, and generate electricity. Wood, the largest source of bioenergy, has been used to provide heat for thousands of years. But there are many other types of biomass—such as wood, plants, residue from agriculture or forestry, and the organic component of municipal and industrial wastes—that can now be used as an energy source. Today, many bioenergy resources are replenished through the cultivation of energy crops, such as fast-growing trees and grasses, called bioenergy feedstocks.

Unlike other renewable energy sources, biomass can be converted directly into liquid fuels for our transportation needs. The two most common biofuels are ethanol and biodiesel. Ethanol, an alcohol, is made by fermenting any biomass high in carbohydrates, like corn, through a process similar to brewing beer. It is mostly used as a fuel additive to cut down a vehicle's carbon monoxide and other smog-causing emissions. Biodiesel, an ester, is made using vegetable oils, animal fats, algae, or even recycled cooking greases. It can be used as a diesel additive to reduce vehicle emissions or in its pure form to fuel a vehicle. Heat can be used to chemically convert biomass into a fuel oil, which can be burned like petroleum to generate electricity. Biomass can also be burned directly to produce steam for electricity production or manufacturing processes. In a power plant, turbine usually captures the steam, and a generator then converts it into electricity. In the lumber and paper industries, wood scraps are sometimes directly fed into boilers to produce steam for their manufacturing processes or to heat their buildings. Some coal-fired power plants use biomass as a supplementary energy source in high-efficiency boilers to significantly reduce emissions.

Even gas can be produced from biomass for generating electricity. Gasification systems use high temperatures to convert biomass into a gas (a mixture of hydrogen, carbon monoxide, and methane). The gas fuels a turbine, which is very much like a jet engine, only it turns an electric generator instead of propelling a jet. The decay of biomass in landfills also produces a gas—methane—that can be burned in a boiler to produce steam for electricity generation or for industrial processes. New technology could lead to using biobased chemicals and materials to make products such as antifreeze, plastics, and personal care items that are now made from petroleum. In some cases these products may be completely biodegradable. While technology to bring biobased chemicals and materials to market is still under development, the potential benefit of these products is great.

I ask that my Colleagues join the Congressional Black Caucus in support of this amendment to H.R. 4, Securing America's Future Energy Act of 2001.

Mr. TAUZIN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

The amendment was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 9 printed in part B of House Report 107-178.

AMENDMENT NO. 9 OFFERED BY MRS. CAPITO

Mrs. CAPITO. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mrs. CAPITO:

On page 190, after line 25, insert:

(c) GASIFICATION.—The Secretary shall fund at least one gasification project with the funds authorized under this section.

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentlewoman from West Virginia (Mrs. CAPITO) and a Member opposed each will control 5 minutes.

Mr. TAUZIN. Mr. Chairman, I support the amendment, but I ask unanimous consent to claim the time in opposition.

The CHAIRMAN pro tempore. Without objection, the gentleman will be recognized for the time in opposition.

There was no objection.

The CHAIRMAN pro tempore. The Chair recognizes the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer an amendment which will require that the Department of Energy fund at least one coal gasification project with the funds authorized under the bill's research and development title.

In my home State of West Virginia, coal continues to be an integral part of the lives and livelihoods of thousands of West Virginians, but most people do not realize that coal is also vital to the well-being of families across the country.

The events of last year have shown us that when we flip the switch, we cannot always be certain that the lights will come on. Fortunately, we do have an abundant source of energy available right now to address our current and future energy needs in coal.

Our Nation's recoverable coal has the energy equivalent of about one trillion barrels of crude oil, comparable in energy content to the entire world's known oil reserves.

U.S. coal reserves are expected to last at least 275 years. In order to fully utilize this vast energy resource, however, we must find ways to use it in a more environmentally friendly way.

One method which has already shown great potential is coal gasification. Rather than burning coal in a boiler, gasification converts coal into a combustible gas, cleans the gas, and then burns the gas in a turbine, much like natural gas.

More than 99 percent of the sulfur, nitrogen, and particulate pollutants are removed in this process. It is a low-emission technology. Continued research and development in clean coal technologies like coal gasification are vital to keeping coal, our most abundant energy resource, an integral part of supplying energy to America.

Our goal should be to give industry the incentives to develop the commercial viability of coal gasification, bringing energy to consumers while protecting the environment and coal's future in America's energy plan.

I congratulate the chairman and the gentleman from New York (Mr. BOEHLERT) and all the Members of the committees who have worked so hard to bring this comprehensive energy package to the floor.

This bill represents a bipartisan effort, and it is my hope that it will move swiftly through the House and Senate and be signed by the President as soon as possible. The American people have waited long enough for an energy plan.

I urge all my colleagues to support this amendment and to vote yes on final passage.

Mr. Chairman, I reserve the balance of my time.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the gentlewoman's amendment. I commend her hard work on behalf of the clean coal technologies, both with this very important amendment and with her cosponsorship of the NEET clean coal bill.

Over half of the Nation's electricity is generated from coal. We cannot escape that fact. About 52 percent of every drop of electricity that comes into our homes comes into homes from a coal-fired plant somewhere in America. We must be working constantly to make sure that we are burning the cleanest possible coal in those plants and in future plants that may be built.

The Capito amendment will achieve this goal by ensuring that coal gasification, our most promising clean coal technology, is represented in the DOE's technology program; and at the same time I want to commend the chairman of the Committee on Science, the gentleman from New York (Mr. BOEHLERT), for the cooperative effort of our two committees in fashioning language within this bill for the clean coal program.

It does in fact emphasize gasification as one of the most principal emphases in the clean coal technology research programs.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from New York.

Mr. BOEHLERT. I want to thank the gentleman for those kind remarks, Mr. Chairman. I also want to thank our colleague and good friend, the gentlewoman from West Virginia (Mrs. CAPITO), for her leadership on clean coal technologies issues.

The chairman of the Committee on Energy and Commerce is exactly right, coal is here. Coal is responsible for more than 50 percent of the electricity generated in America. What we need to do is focus on having cleaner coal, and that is exactly what this amendment does.

The gentlewoman from West Virginia (Mrs. CAPITO) has been helpful to the Committee on Science, not only with respect to this amendment, but also on clean coal provisions in division E of the bill, which requires that at least 80 percent of the funds are used for clean coal-based gasification technologies.

Clearly our efforts should focus on clean coal technologies such as the integrated gasification combined cycle. I appreciate the gentlewoman for her leadership on this issue, and I urge my colleagues to support this amendment, which has been worked out between the two committees in partnership for a positive result.

Mr. Chairman, I include for the RECORD letters regarding H.R. 2436.

COMMITTEE ON RESOURCES,
Washington, DC, July 20, 2001.

Hon. SHERWOOD L. BOEHLERT,
Chairman, Committee on Science, Rayburn HOB, Washington, DC.

DEAR MR. CHAIRMAN: On July 17, 2001, the Committee on Resources ordered favorably reported H.R. 2436, the Energy Security Act. The bill was referred primarily to the Committee on Resources, with an additional referral to the Committee on Energy and Commerce.

H.R. 2436 is a critical part of the President's energy policy initiative. The Leadership plans on scheduling an energy legislative package for consideration by the full House of Representatives as early as next week. Therefore, I ask you to not to seek a sequential referral of the bill.

Of course, by allowing this to occur, the Committee on Science does not waive its jurisdiction over H.R. 2436 or any other similar matter. If a conference on H.R. 2436 or a similar energy legislative package becomes necessary, I would support the Committee on Science's request to be named to the conference. Finally, this action should not be seen as precedent for any Committee on Resources bills which affect the Committee on Science's jurisdiction. I would be pleased to place this letter and your response in the report on the bill to document this agreement.

Thank you for your consideration of my request. I look forward to working with you again on the Floor.

Sincerely,

JAMES V. HANSEN,
Chairman.

COMMITTEE ON SCIENCE,
Washington, DC, July 24, 2001.

Hon. JAMES V. HANSEN,
Chairman, Committee on Resources, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of July 20, 2001 concerning H.R. 2436, the Energy Security Act. As you have acknowledged in your letter, some of the provisions in your reported bill fall within the jurisdiction of the Committee on Science. Among those provisions is section 233.

Section 233 establishes Cooperative Oil and Gas Research and Information Centers within the Department of the Interior. These centers among other things, "shall conduct oil and natural gas exploration and production research . . ." This provision falls within the jurisdiction granted to the House Science Committee under Rule X, clause 1(n) 1 of the Rules of the House of Representatives which states in part that the Committee on Science "shall have jurisdiction [on] all [matters relating to] energy research, development, and demonstration . . ."

It is my understanding that in order to expedite floor consideration of H.R. 2436 or the legislative package on energy of which it will become a part, you will delete section 233 or similar section in the energy package with the understanding the Committee on Science will not seek a referral on H.R. 2436.

We appreciate your offer to support our request for conferees on the remaining provisions of H.R. 2436 or a similar energy package which may fall under the jurisdiction of the Committee on Science. We also note your acknowledgement that by not seeking a referral on H.R. 2436, that the Committee on Science does not waive its jurisdiction over that legislation or any similar matter.

Finally, I request that our exchange of correspondence be placed in the Congressional Record during the floor debate on the energy package as reported from the Committee on Rules.

Thank you for your consideration.

Sincerely,

SHERWOOD L. BOEHLERT,
Chairman.

Mr. TAUZIN. I thank the gentleman.

I am going to make one other comment. Mr. Chairman, I hope Americans focus on this as they watch this debate. That is, while OPEC has an enormous influence upon prices and supplies of gasoline and diesel fuel and home heating oil and jet fuel in our economy, OPEC can meet tomorrow and devastate this economy, as they once did, because we are so dependent upon those sources.

Our whole card, our defense, is in our coal program. We have enough coal in this country to last 400, 500 years, maybe 800 years, if we develop it properly. Moving toward cleaner coal does not just make good sense for energy security, it makes sense in this Nation's commitment to the effort in global climate change.

As one of the designated co-chairs to the conference that will occur later in the fall on global climate, I am extremely interested in knowing that we are committed to a course not that is going to put anybody out of business or disrupt the American economy, but that we will find solutions to situations where we can reduce CO_2 emissions through cleaner coal technologies and gasification projects, like the gentlewoman is sponsoring in this amendment.

So I commend the gentlewoman for that. This has all kinds of pluses. This is win-win-win for the American economy, for American security, for our environment, and for our international position on global warming and global climate.

Mr. BOUCHER. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from Virginia.

Mr. BOUCHER. Mr. Chairman, I thank the gentleman for yielding.

I also want to thank the gentleman for his remarks and also for his strong support of finding ways to enhance the use of coal as a fuel for electricity generation.

I also want to commend the gentlewoman from West Virginia for bringing this amendment forward. I am pleased to support it strongly, and encourage other Members of the House to do the same.

Coal gasification is a promising technology which can increase significantly the efficiency of electricity generators. It also produces useful byproducts, such as hydrogen, that can be used in traditional manufacturing operations.

In addition to that, because the carbon dioxide stream is brought off separately as a part of the gasification process, CO_2 potentially could be sequestered, with all of the attendant environmental benefits that that promises.

So I think the gentlewoman is making a constructive contribution. I thank her for bringing this amendment forward. I am pleased to encourage its adoption.

Mrs. CAPITO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank all three gentlemen for their great comments in support of coal gasification and clean coal technologies. I am enthusiastic about this.

I agree with the chairman when he says it is a win-win-win. I believe it is not only a win for this country, but it is a win for my State of West Virginia. I look forward to its passage.

Mr. SMITH of Michigan. Mr. Chairman, will the gentlewoman yield?

Mrs. CAPITO. I yield to the gentleman from Michigan.

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Mr. SMITH of Michigan. Mr. Chairman, I just met with Spencer Abraham, the new Secretary of Energy, and certainly I rise in support of this amendment.

America has abundant reserves of coal, enough for hundreds of years, and so we need to figure out how to tap into this resource in the way that protects our environment and keeps energy affordable.

In my home State of Michigan, we are now generating 80 percent of our electricity supply from coal. Coal has many benefits, but it also has environmental drawbacks. And that is why the Clean Coal Technology Program in our efforts to move ahead on this effort is so very important. The gentlewoman's amendment would simply ensure that the Department of Energy include the research as part of its clean coal portfolio.

I see nothing objectionable from anybody, and I certainly support that effort because that technology is so important.

Mrs. CAPITO. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. LATOURETTE). The Chair would like to correct a statement that he made earlier.

Where the manager is not truly an opponent of the amendment, the proponent of the amendment has the right to close the debate.

The question is on the amendment offered by the gentlewoman from West Virginia (Mrs. CAPITO).

The amendment was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 10, printed in part B of House Report 107–178.

AMENDMENT NO. 10 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 printed offered by Ms. JACKSON-LEE of Texas:

Page 191, after line 17, insert the following new section, and make the necessary change to the table of contents:

SEC. 2423. NATURAL GAS AND OIL DEPOSITS REPORT.

Two years after the date of the enactment of this Act, and at two-year intervals thereafter, the Secretary of the Interior, in consultation with other appropriate Federal agencies, shall transmit a report to the Congress assessing the contents of natural gas and oil deposits at existing drilling sites off the coast of Louisiana and Texas.

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentlewoman from Texas (Ms. JACKSON-LEE) and a Member opposed each will control 5 minutes.

Mr. TAUZIN. Mr. Chairman, I ask unanimous consent to claim the time in opposition, although I do support the amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Louisiana (Mr. TAUZIN) will be recognized for 5 minutes in opposition.

Pursuant to the Chair's previously announced policy, the gentlewoman from Texas (Ms. JACKSON-LEE) will have the right to close debate on this amendment.

The Chair recognizes the gentlewoman from Texas (Ms. JACKSON-LEE) for 5 minutes in support of her amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself 2 minutes, and I rise in support of the Jackson-Lee-Lampson amendment; and I am delighted to be joined by my colleague, the gentleman from Texas (Mr. LAMPSON), to help explain the following amendment.

This amendment would direct the Secretary of Energy to study and evaluate the availability of natural gas and oil deposits located off the coast of Louisiana and Texas at existing drilling sites. The assessment would allow an inventory of existing oil and gas supplies and an evaluation of techniques or processes that may exist in keeping those wells protected.

Let me first of all say that my colleagues are well aware that we have had oil and gas drilling in the Gulf of Mexico off the shores of Texas and Louisiana for a fairly long time. This amendment simply attempts to assist our government, our Nation, in reaching the point of being independent, energy independent, through the full utilization of energy sources within our Nation's geographic influence.

Again, it focuses on the gulf, off the shores of Texas and Louisiana, because right now there are more than 3,800 working offshore platforms in the Gulf of Mexico which are subject to rigorous environmental standards. These platforms result in 55,000 jobs with over 35,000 of them located offshore.

The platforms working in Federal waters also have an excellent environmental record. According to the United States Coast Guard for the 1980–1999 period, 7.4 billion barrels of oil were produced in Federal offshore waters, with less than 0.001 percent spilled. This is a 99.99 percent record for clean operations. This record encourages us to discover, through the assessment of the Department of the Interior, what is still available in the Gulf: the opportunities for creating more jobs, the opportunity for using the kind of technology that enhances the environment, and the opportunity for making this Nation energy independent.

Most rigs, under current interior regulation, must have an emergency shutdown, and that is going on in the Gulf. Other safety features include training requirements for personnel, design standards, and redundant safety systems.

I believe that this will aid us and help us in being energy independent.

Mr. Chairman, I reserve the balance of my time.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume, simply to say that on behalf of the gentleman from Utah (Mr. HANSEN), chairman of the Committee on Resources, with whom I serve, we have no objections and, in fact, support this amendment. It complements features of the bill that was reported out of the Committee on Resources that does call for inventorying the Nation's energy supplies. This will be targeted to those platforms off of Louisiana and Texas that contribute so much to this country.

I want to thank the gentlewoman from Texas again for highlighting that. My own State is like hers, a major contributor to what we produce in this country for Americans. We produce 27 percent of the oil and about 27 percent of the natural gas, much of it from offshore, much of it, by the way, inside reserves. We have a national wildlife reserve called Mandalay Reserve in my district where wells are producing today. A hundred wells have been drilled to produce energy for this country in an environmentally safe way.

That reserve, I promise my colleague, is every bit as sacred to me as the Arctic Wildlife Reserve, but we know we can do this in a good sound way. Inventorying those resources makes sense, and we support the amendment.

Mr. Chairman, I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas (Mr. LAMPSON), who represents a sizable part of the energy industry in his Congressional District and has been a strong supporter for the creation of jobs and as well a leader in his area on behalf of his community.

Mr. LAMPSON. Mr. Chairman, I thank the gentlewoman from Texas for yielding me this time.

I am from Texas, and Texas is the land of oil and the land of energy. That energy does not just come from below the ground we walk on, it also comes from the bottom of the Gulf of Mexico. The amendment that my fellow Texan and I have introduced would direct the Secretary of Energy to take a good look at further developing the natural gas and oil deposits at existing drilling sites off the coast of Louisiana and Texas.

It is important that the United States have a balanced energy research, development, and demonstration program to enhance fossil energy. The reports that come out of this amendment could possibly change the energy policy and production of the United States. The infrastructure for oil and gas exploration in the Gulf is already in place. We might be sitting on production possibilities that could solve our immediate energy problems, but without this amendment and the reports that it would require we might not ever find out. Texas and the Gulf of Mexico have been an energy supplier to the United States for generations, and I believe the resources are there to continue in that production as we develop the natural gas and oil reserves in the ultra-deepwater of the Central and Western Gulf of Mexico.

With the further exploration of deposits in the Gulf, we will develop new technology that will affect the efficiency of production on offshore wells and the energy availability for the American public. Research and development on ultra-deepwater recovery will advance the safety and efficiency of production, lowering costs and protecting our environment at the same time. Exploration of new energy resources and protection of the environment can go hand in hand in the Gulf.

With this amendment, we have the possibility to lower costs, do so safely, and provide thousands of well-paying jobs for our working men and women. New supplies are vital to long-term economic stability and to current and future employment. Exploration of the Western Gulf of Mexico will permit access to one of our largest sources of oil. This development would not only reduce our dependence on foreign energy sources but also create significant amounts of jobs for our workers.

I thank the gentlewoman for working with me.

Mr. TAUZIN. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume, and I believe I have the right to close.

I would like to, as I close, yield to the gentleman for an inquiry, if I might. But, first, let me simply say this. We have not learned all that we can learn about energy extraction, refining, generation or transportation. We are still learning. And this report that will be issued by the Secretary of the Interior will provide the complementary statistics and knowledge that will balance the planning that our energy industry has to engage in. It will help them prepare environmentally in terms of knowing what oil and gas deposits are there as they match their research along with the research of the Federal Government.

But this really goes to educating the American public about the resources that are present offshore and how they are extracted safely. And I believe that as knowledge is gained about the increasing ability or the increasing availability of oil and gas, then jobs will be created as well.

I started this debate, Mr. Chairman, an amendment or so ago, saying that this should be a consensus plan, and I believe this amendment adds to this legislation by the very fact that it provides knowledge and it helps us to create an encompassing plan.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE) in order to engage in a dialogue.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for yielding me this time, and I will ask my colleagues to support this amendment. But I first want to add my appreciation to the chairman, the gentleman from Louisiana (Mr. TAUZIN); the gentleman from New York (Mr. BOEHLER); and the ranking member as well.

I want to say to the gentleman that I had an amendment dealing with a commission that would create an opportunity for many people to be engaged. I know that we are not debating that amendment, but what I want to emphasize is the importance of everyone being a stakeholder in whatever energy policy we have. And I would appreciate the gentleman's comment on that, as well as a comment on making sure we have trained Americans, trained citizens, trained personnel to be able to take up the prospective jobs that may be created, whether it is working on the environmental end or whether it is working on the production end. And I would hope that we would look to inner-city and rural communities and underserved populations that traditionally may not have worked in these areas and to provide that training.

The gentleman mentioned earlier that I said Hispanic serving and historically black universities. I hope that we can work together on this.

Mr. TAUZIN. Mr. Chairman, will the gentlewoman yield?

Ms. JACKSON-LEE of Texas. I yield to the gentleman from Louisiana.

Mr. TAUZIN. I give the gentlewoman my commitment to do that. As the gentlewoman knows, we lost nearly 100,000 oil field jobs in my State alone, and more than that in her State during the oil crash of the 1980s. We desperately need well-trained workers and people willing to commit themselves to energy production. I will join the gentlewoman in that.

Ms. JACKSON-LEE of Texas. I thank the gentleman very much.

I ask my colleagues to support this amendment.

Mr. Chairman, I rise to offer an amendment to H.R. 4, the Securing America's Future Energy Act of 2001. This amendment would direct the Secretary of Energy to study and evaluate the availability of natural gas and oil deposits located off the coasts of Louisiana and Texas at existing drilling sites. This assessment every 2 years would allow an inventory of existing oil and gas supplies and evaluation of techniques or processes that may assist in keeping those wells productive.

I represent residents and businesses that call the 18th Congressional District of Texas their home. Energy and energy related companies and dozens of other exploration companies are the backbone of the Houston economy. For this reason, the 18th Congressional District can claim well-established energy producing companies and suppliers as well as, those engaged in renewable energy exploration and development.

I believe that the effects of rising energy prices have had and will continue to have a chilling effect on our Nation's economy. Everything we as consumers eat, touch or use in our day to day lives have energy costs added into the price we pay for the good or service. Today, our society is in the midst of major sociological and technical revolutions, which will forever change the way we live and work. We are transitioning from a predominantly industrial economy to an information-centered economy. While or society has an increasingly older and longer living population the world has become increasingly smaller, integrated and interdependent.

As with all change, current national and international transformations present both dangers and opportunities, which must be recognized and seized upon. Thus, the question arises, how do we manage these changes to protect the disadvantaged, disenfranchised and disavowed while improving their situation and destroying barriers to job creation, small business, and new markets?

One way to address this issue is to ensure that this Nation becomes energy independent through the full utilization of energy sources within our Nation's geographic influence.

Today there are more than 3800 working offshore platforms in the Gulf of Mexico, which are subject to rigorous environmental standards. These platforms result in 55,000 jobs, with over 35,000 of them located offshore. The platforms working in federal waters also have an excellent environmental record. According to the United States Coast Guard, for the 1980–1999 period 7.4 BILLION barrels of oil was produced in federal offshore waters with less than 0.001 percent spilled. That is a 99.999 percent record for clean operations.

According to the Minerals Management Service about 100 times more oil seeps naturally from the seabed into U.S. marine waters than from offshore oil and gas activities.

The Nation's record for safe and clean offshore natural gas and oil operations is excellent. And to maintain and improve upon this excellent record, Minerals Management Service continually seeks operational improvements that will reduce the risks to offshore personnel and to the environment. The Office of Minerals Management constantly reevaluates its procedures and regulations to stay abreast of technological advances that will ensure safe and clean operations, as well as to increase awareness of their importance.

It is reported that the amount of oil naturally released from cracks on the floor of the ocean have caused more oil to be in sea water than work done by oil rigs.

Most rigs under current Interior regulation must have an emergency shutdown process in the event of a major accident which immediately seals the pipeline. Other safety features include training requirements for personnel, design standards and redundant safety systems. Last year the Office of Minerals Management conducted 16,000 inspections of offshore rigs in federal waters.

In addition to these precautions each platform always has a team of safety and environmental specialists on board to monitor all drilling activity.

These oil and gas rigs have become artificial reefs for crustaceans, sea anomie, and small aquatic fish. These conditions have created habitat for larger fish, marking rigs a favored location to fish by local people.

Fossil fuels and the quality of life most citizens enjoy in the United States are inseparable. The multiple uses of petroleum have made it a key component of plastics, paint, heating oil, and of course gasoline. All fossil fuels are used to produce electricity; however, our national addiction to petroleum was painfully exposed in 1973 when the Organization of Petroleum Exporting Countries (OPEC) implemented an oil embargo against the United States. This event resulted in the rapid conversion of oil-fired electricity production electric plants into coal- and natural gas-fired plants.

Energy and the interconnected nature of our national and global economy is highlighted by rising oil, and gasoline prices experienced by producers and consumers over the last ten months.

The United States Postal Service has reported that for every 1 cent increase in the price of gasoline, they have an additional $5.5 million in transportation costs. Based on their national fleet of 2002 vehicles resulting they had a cost of $275 million added to the expense of their vehicle fleet for Fiscal Year 2000.

I held a fact-finding hearing in Houston, Texas on October 2, of last year to address the energy crisis and its impact on consumers and businesses in my District. I wanted to listen to what producers, suppliers, and consumers were experiencing due to the current energy crisis in our nation. I wanted to take from that discussion valuable insight that might be helpful to me in encouraging the House leadership to take up legislation that I hope will address many of their concerns.

As legislators, we must boldly define, address and find solutions to future energy problems. We know that the geological supply of fossil fuel in not infinite, but finite. We know that our Nation's best reserves of fuel sources are in the forms of coal and natural gas, among others.

I would only caution my colleagues, administration officials, academics, industry leaders, environmental groups and consumers not to assume that we have learned all that is knowable about energy extraction, refining, generation, or transportation but that we are still learning. We must bring to this debate a vigor and vitality that will enliven our efforts to not have a future of energy have and have nots, due to out of control energy demand with few creative minds working on the solution to this pressing problem.

During the 1970s some argued against the use of natural gas in electric utility generation, while others argued that it was necessary in order to free this nation from dependence on foreign sources of fossil fuel. In response the Congress passed the Powerplant and Industrial Fuel Act, which prohibited the use of natural gas in new powerplants, and the Natural Gas Policy Act, which removed vintages of natural gas from regulation.

As a result, natural gas production rose dramatically and Congress repealed the "off-gas" provisions of the Fuel Act, which resulted in increased use of that fossil fuel.

I ask that my colleagues join me and Congressman LAMPSON in support of this amendment.

The CHAIRMAN pro tempore (Mr. NETHERCUTT). The question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

The amendment was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 11 printed in part B of House Report 107–178.

AMENDMENT NO. 11 OFFERED BY MR. SUNUNU

Mr. SUNUNU. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. SUNUNU:

Page 500, beginning at line 16, amend section 6512 to read as follows:

SEC. 6512. REVENUE ALLOCATION.

(a) FEDERAL AND STATE DISTRIBUTION.—

(1) IN GENERAL.—Notwithstanding section 6504 of this Act, the Mineral Leasing Act (30 U.S.C. 181 et. seq.), or any other law, of the amount of adjusted bonus, rental, and royalty revenues from oil and gas leasing and operations authorized under this title—

(A) 50 percent shall be paid to the State of Alaska; and

(B) the balance shall be deposited into the Renewable Energy Technology Investment Fund and the Royalties Conservation Fund as provided in this section.

(2) ADJUSTMENTS.—Adjustments to bonus, rental, and royalty amounts from oil and gas leasing and operations authorized under this title shall be made as necessary for overpayments and refunds from lease revenues received in current or subsequent periods before distribution of such revenues pursuant to this section.

(3) TIMING OF PAYMENTS TO STATE.—Payments to the State of Alaska under this section shall be made semiannually.

(b) RENEWABLE ENERGY TECHNOLOGY INVESTMENT FUND.—

(1) ESTABLISHMENT AND AVAILABILITY.—There is hereby established in the Treasury of the United States a separate account which shall be known as the "Renewable Energy Technology Investment Fund".

(2) DEPOSITS.—Fifty percent of adjusted revenues from bonus payments for leases issued under this title shall be deposited into the Renewable Energy Technology Investment Fund.

(3) USE, GENERALLY.—Subject to paragraph (4), funds deposited into the Renewable Energy Technology Investment Fund shall be used by the Secretary of Energy to finance research grants, contracts, and cooperative agreements and expenses of direct research by Federal agencies, including the costs of administering and reporting on such a program of research, to improve and demonstrate technology and develop basic science information for development and use of renewable and alternative fuels including wind energy, solar energy, geothermal energy, and energy from biomass. Such research may include studies on deployment of such technology including research on how to lower the costs of introduction of such technology and of barriers to entry into the market of such technology.

(4) USE FOR ADJUSTMENTS AND REFUNDS.—If for any circumstances, adjustments or refunds of bonus amounts deposited pursuant to this title become warranted, 50 percent of the amount necessary for the sum of such adjustments and refunds may be paid by the Secretary from the Renewable Energy Technology Investment Fund.

(5) CONSULTATION AND COORDINATION.—Any specific use of the Renewable Energy Technology Investment Fund shall be determined only after the Secretary of Energy consults and coordinates with the heads of other appropriate Federal agencies.

(6) REPORTS.—Not later than 1 year after the date of the enactment of this Act and on an annual basis thereafter, the Secretary of Energy shall transmit to the Committee on Science of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on the use of funds under this subsection and the impact of and efforts to integrate such uses with other energy research efforts.

(c) ROYALTIES CONSERVATION FUND.—

(1) ESTABLISHMENT AND AVAILABILITY.—There is hereby established in the Treasury of the United States a separate account which shall be known as the "Royalties Conservation Fund".

(2) DEPOSITS.—Fifty percent of revenues from rents and royalty payments for leases issued under this title shall be deposited into the Royalties Conservation Fund.

(3) USE, GENERALLY.—Subject to paragraph (4), funds deposited into the Royalties Conservation Fund—

(A) may be used by the Secretary of the Interior and the Secretary of Agriculture to finance grants, contracts, cooperative agreements, and expenses for direct activities of the Department of the Interior and the Forest Service to restore and otherwise conserve lands and habitat and to eliminate maintenance and improvements backlogs on Federal lands, including the costs of administering and reporting on such a program; and

(B) may be used by the Secretary of the Interior to finance grants, contracts, cooperative agreements, and expenses—

(i) to preserve historic Federal properties;

(ii) to assist States and Indian Tribes in preserving their historic properties;

(iii) to foster the development of urban parks; and

(iv) to conduct research to improve the effectiveness and lower the costs of habitat restoration.

(4) USE FOR ADJUSTMENTS AND REFUNDS.—If for any circumstances, refunds or adjustments of royalty and rental amounts deposited pursuant to this title become warranted, 50 percent of the amount necessary for the sum of such adjustments and refunds may be paid from the Royalties Conservation Fund.

(d) AVAILABILITY.—Moneys covered into the accounts established by this section—

(1) shall be available for expenditure only to the extent appropriated therefor;

(2) may be appropriated without fiscal-year limitation; and

(3) may be obligated or expended only as provided in this section.

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentleman from New Hampshire (Mr. SUNUNU) and a Member opposed each will control 10 minutes.

Mr. TAUZIN. Mr. Chairman, I ask unanimous consent to claim the time in opposition, since there is no one in opposition, although I am very much in support of the amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from New Hampshire (Mr. SUNUNU).

Mr. SUNUNU. Mr. Chairman, I yield myself such time as I may consume, and I rise to offer an amendment as we put the final touches on this energy policy bill. It is an amendment that tries to strike a balance, a balance between the need for safe, reliable energy sources for the American economy and the need and desire to conserve our precious resources, our environment, and our natural heritage.

What my amendment does is take the royalties and the bonus payments that have been talked about here in the debate today, an unprecedented royalty sharing arrangement where the Federal Government will get half of the royalties from any oil production in the northern plains of Alaska, and take those royalties to set up two important funds.

The first fund would be geared toward conservation, a fund that could invest in our backlog maintenance of national parks, national forests, a fund that could invest in historic preservation, and a fund that could invest in the conservation of urban parks as well.

The remainder, the balance of the royalties, go into a second fund, a fund that invests in our energy future, alternative and renewable technologies, wind, solar, biomass, again a range of technologies that in the debate today have been held out as being the likely promise for energy independence in America's future.

I think this does strike a good balance between some of the extremes in this debate. It ensures that whatever financial benefits come from exploration and production on the Alaskan plains go back to the American people in an important way that conserves our parks, invests in maintenance of our national forests, and of course invests in future energy technology and independence.

Mr. Chairman, I yield 2 minutes to the gentlewoman from New Mexico

(Mrs. WILSON), the cosponsor of the amendment.

Mrs. WILSON. Mr. Chairman, I thank the gentleman for yielding me this time, and I commend him for his leadership.

When I looked at this proposal for exploration of oil in Alaska, I did not think it was good enough, because I have long advocated for a balanced energy plan. I thank the gentleman for his leadership and the leadership of the chairman and this committee, because I felt as though we could find a better way.

□ 2015

I think this amendment, combined with the next amendment, gives us the balance that all of us are looking for. I have long believed that we do not have to choose between having energy and preserving the environment that we love. These two amendments allow us to do both and to begin with conservation.

What this amendment does say is, we are going to explore for oil in ANWR and Alaska. Let us take the revenues, the royalties; half go to Alaska for Alaskans, but the other half, let us set up some trust funds to do two things. First, invest in renewable energy so we can reduce our reliance on foreign sources of supply and ultimately make ourselves more independent. The second is to conserve the land that we love, both in Alaska and in the rest of the United States.

We set up a trust fund that takes the proceeds from these precious natural resources that we get because we are the most technologically advanced country in the world when it comes to oil exploration and uses that wealth and that promise to preserve the greatness of this country and its other natural resources.

It is an innovative approach and when combined with the other amendment that the gentleman from New Hampshire and I will offer next, shows how we can do both, and we can use that money to preserve our parks, to take care of the backlog of maintenance in our national forests, and to make sure that we have land and water conservation for this generation and for the next generation.

I commend the gentleman for his leadership.

Mr. SUNUNU. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Chairman, as chairman of the Subcommittee on Research, Committee on Science, I am excited about this amendment. This fund could provide additional billions of dollars on top of the already existing funding for renewable energy research and development.

The renewable energy technology investment fund will fund additional renewable energy research and development into renewable and alternative fuels, including wind, solar, geothermal, energy from biomass: Using the revenues from ANWR, leasing for these purposes would pay permanent dividends to the American people by lowering the cost of developing renewable energy resources.

It is going to restore and protect wildlife habitat on public lands. It is an amazing return on investment, and by allowing for the wise and prudent development of just 2,000 acres in a remote area of Alaska previously set aside for this specific purpose, we can produce benefits for generations to come. It is the wise use of our public lands that our children and grandchildren will thank us for.

Mr. Chairman, I urge adoption of the Sununu amendment.

Mr. SUNUNU. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. Mr. Chairman, I think this is a good amendment. This makes a good portion of this bill even better. I think the ANWR portion of this bill is one of the most important parts. This will help us with an area that has been neglected.

Our public lands have been underfunded. We have not taken care of them well. The Forest Service alone has a $9 billion backlog which includes maintenance of the heritage sites, recreational facilities, trails, watershed improvements, installations for run-off and control of erosion and trapped sediments, structures needed to improve habitat for wildlife, fish and threatened and endangered species. $271 million is needed to maintain the Forest Service trail system that people hike on and recreate on.

Mr. Chairman, we were doing a little back-room math here. This could be $250 million a year for renewables and maintenance if we sell a million barrels a day. If it is 2 million barrels, we can have $500 million in each of those funds, putting them at the front of the line for the first time for the funding they need.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to say in all of the years I have served in public office as a defender of property rights, as someone who has tried to reform the Endangered Species Act, I have received one beautiful environmental award from the Wildlife Federation of America; it came for work just like this, dedicating money from the royalty funds that are produced from State wetlands and water-bottoms in Louisiana, to make sure that those monies were return back to those wildlife areas to protect and preserve them.

In Louisiana and Texas we do exactly this. We take monies from the mineral development, and put it back into protecting and preserving the wild and wet areas.

Mr. Chairman, I yield 2 minutes to the gentleman from Utah (Mr. HANSEN), the chairman of the Committee on Resources, who is responsible for most of the product we see now before us in this bill.

Mr. HANSEN. Mr. Chairman, let me point out that I have had an opportunity to look at the Sununu amendment, and I hope folks in their offices are listening to this because this is an interesting amendment.

Mr. Chairman, this amendment, if Members are at all on the fence wondering if they should vote for ANWR or not, this puts Members on the side to vote for ANWR. This amendment secures the amount of acreage we are talking about. It puts it at the 2,000-acre level. And if Members went there, they would see this is a fraction of what we are looking at.

All of the people saying, oh, my goodness, we are going to have the tentacles of this thing spread over the ANWR area. Well, the tentacles, if there ever was such a thing, have just been snapped off, and it is not going to happen.

If we talk about an amendment that perfects what we have been doing, the gentleman has come up with one. It makes eminently good sense that we follow this. This should be the one that should make this an easy vote for a lot of folks. We can go ahead and look in this area and take care of this problem.

I would like to say one thing, Mr. Chairman. I am so tired of having people write me and say this thing is only good for 6 months, what are we waiting for. If it was our only source, that would be true. Where do we get the oil that takes care of America? We get some from Pennsylvania, we get some from Texas, we get some from Utah, we get some from Venezuela, we get some from Alaska, Saudi Arabia, and from all over the world. I wish that tired old argument would go away.

Mr. Chairman, this would be the exact amount almost that supplements what we get from Iraq at the present time. Anybody who thinks that is our best friend, I would worry about it.

I compliment the gentleman from New Hampshire (Mr. SUNUNU) for his excellent amendment, and I support the amendment completely.

Mr. SUNUNU. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the gentlewoman from New Mexico (Mrs. WILSON) for her work on this amendment. I think it strikes a balance. We recognize the value of allocating royalty payments from outer continental shelf drilling, and in creating the Land and Water Conservation Fund from those revenues. We have done great things in this country to preserve precious land, to invest in maintenance of national parks and forests, to create the urban park program; and I think this amendment builds on that legacy, taking revenues and funds on production of the

Alaskan plain and setting aside half of it for conservation and investment in parks and forests, and urban parks as well; and the other half, putting it into alternative renewable energy technology, really the energy technologies that are our future.

Mr. Chairman, I urge my fellow colleagues to support the amendment and to support a good balance in our energy policy.

Mr. Chairman, I yield back the balance of my time.

Mr. TAUZIN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. NETHERCUTT). The question is on the amendment offered by the gentleman from New Hampshire (Mr. SUNUNU).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. SUNUNU. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New Hampshire will be postponed.

It is now in order to consider Amendment No. 12 printed in part B of House Report 107–178.

AMENDMENT NO. 12 OFFERED BY MR. SUNUNU

Mr. SUNUNU. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. SUNUNU:

In section 6507(a), strike "and" after the semicolon at the end of paragraph (1), strike the period at the end of paragraph (2) and insert "; and", and add at the end the following:

(3) ensure that the maximum amount of surface acreage covered by production and support facilities, including airstrips and any areas covered by gravel berms or piers for support of pipelines, does not exceed 2,000 acres on the Coastal Plain.

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentleman from New Hampshire (Mr. SUNUNU) and a Member opposed each will control 10 minutes.

Mr. MARKEY. Mr. Chairman, I rise in opposition to the Sununu amendment.

The CHAIRMAN. The gentleman from Massachusetts (Mr. MARKEY) will control 10 minutes in opposition. The Chair recognizes the gentleman from New Hampshire.

Mr. SUNUNU. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise to offer an amendment that attempts again to clarify the terms and the scope of the debate.

There has been a great deal of discussion today about exploration and energy production on the Alaskan plain. ANWR, the wildlife refuge, is an area of approximately 19 million acres. It is three times the size of the State of New Hampshire, which I am proud to represent. The 102 area, the coastal plain, which is not technically part of the wildlife refuge, is about 1.5 million acres.

But the fact is, given today's technology, there have been statements made, commitments made, that the amount of land mass that would be disturbed through any production activities would be less than 2,000 acres. I think it is important that we make that clear as part of the legislation that is being debated on the floor today.

As such, my amendment would simply state that for all production activities, airports, production platforms, and even staging facilities, the maximum amount of land that could be disturbed is 2,000 acres, approximately 3 square miles, a very small fraction of the 19 million acres in the entire ANWR area.

I think that is an indication of a balance, of common sense.

We do want to protect a sensitive area. We do want to set aside land for future generations; but here we have 19 million acres, and I think where the energy security and the energy future of the United States is concerned, it is realistic to think if we could put together a program that utilizes only 2,000 acres, we have done the right thing for future generations.

That is what my amendment does. I am pleased to introduce it with the gentlewoman from New Mexico (Mrs. WILSON) as a cosponsor.

Mr. Chairman, I reserve the balance of my time.

Mr. MARKEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to the Sununu amendment. The proponents of the drilling in this Arctic Refuge have taken one of their most misleading statements, and they have turned it into an amendment. We are now debating that amendment. This 2,000 acre amendment would simply make official what the industry has already said unofficially, that it intends to industrialize the very heart of the Arctic Wildlife Refuge.

The Department of Interior has already analyzed those plans. Let me show Members what 2,000 acres subdivided into all of its parts would mean for the refuge.

The industry says it will just be a little red dot. They have been passing this little red dot around for the last 5 months. It really will not do a great deal of damage. But the industry has big plans for that 2,000 acres of surface area because here is what can be done with 2,000 acres of surface area, if instead of a little dot, which is not how one drills because these are a lot of other things that need to be done to be successful in bringing oil and gas out of any part of this refuge.

Two hundred miles of pipeline can be built into the refuge. Two hundred miles of roads can be built into the refuge. Twenty oil fields can be fit into the refuge. That does not even count the ice roads, the water, the trucks, the pollution and on and on. The gravel pits.

According to the Department of Interior, 2,000 acres of surface area would permit a spider web of facilities so extensive that its impact on the refuge, the wildlife, the ecosystem would spread over 130,000 acres to 303,000 acres, one-fifth of the entire 102 area.

Mr. Chairman, that is what Members are voting for when they vote for this amendment. It is not a little red dot. It is a huge pink snake.

Mr. Chairman I reserve the balance of my time.

Mr. SUNUNU. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I ask the gentleman if he means to suggest in any way, shape or form that the pink-shaded area in his diagram is representative of an area equal to 2,000 acres given the scale of the map?

□ 2030

Mr. MARKEY. I will be glad to respond. Yes, I am using the Department of Interior analysis.

Mr. SUNUNU. Reclaiming my time, I am not arguing that that is a Department of Interior map. I am asking you if the pink shaded area is 2,000 acres. I think, given the scale of that map, the answer is clearly no. The pink shaded area probably represents at least half a million acres, if not more, given the scale of that map. I suggest it is misleading.

Mr. Chairman, I yield 1 minute to the gentlewoman from New Mexico (Mrs. WILSON).

Mrs. WILSON. I thank the gentleman from New Hampshire for yielding this time, and I thank him for bringing this amendment.

Mr. Chairman, my colleague from Massachusetts needs some help. My preschoolers are over in my office, we have our crayons, and I think we could help him with his math, because it is misleading.

That is not 2,000 acres covered by that line, and he admitted it in his own presentation. That is 130,000 acres. That is exactly what this amendment prevents. It is now technologically possible, if we push the envelope, to minimize the impact on the Arctic National Wildlife Refuge; and we are going to do it in this legislation, with this amendment, to 2,000 acres which is less than one one-hundredth of 1 percent of the land area that we are talking about. Two thousand acres is 3 square miles. It is about one-fifth the size of Dulles International Airport in an area the size of the State of South Carolina.

It is time for a balanced approach to our national energy policy that allows production while protecting Alaska and the Alaskan environment.

I commend the gentleman for his amendment.

Mr. MARKEY. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. "What big eyes you have, Grandmother," said Little Red Riding Hood.

That map represented what 2,000 acres of drilling platforms would look like in this ANWR plain plus the areas affected by the drilling and the roads needed to connect the drilling platforms. Because everyone knows that ANWR, this pristine part, this small coastal plain, has no deep wells. It may have several shallow wells. So you are going to need a number of platforms. Each one of those platforms is only a hundred acres. It only takes a hundred acres for a platform and an airstrip. So this amendment allows 15 to 20 platforms. Nobody has ever suggested that more than 16 were needed. But by the time you string those platforms together with all the roads, which this amendment does not count, and the land that will be affected by the people on those platforms, the waste disposal, the animal response to the inhabitants, that is the kind of footprint 2,000 acres in practice will have on this coastal plain.

This is a wolf in sheep's clothing. This is 2,000 acres of 100-acre per drilling pads. That adds up to have, with its roads, a huge impact on this area. That, of course, does not include the destruction wrought by mapping and waste disposal. Vote no on the Sununu amendment.

Mr. SUNUNU. Mr. Chairman, I yield 1 minute to the gentleman from Montana (Mr. REHBERG).

Mr. REHBERG. Mr. Chairman, I rise in support of the Sununu amendment to the SAFE Act. America has the resources, technology and expertise to develop a commonsense energy policy, one that, without going to extremes, preserves all of the environmental quality gains of the past 2 decades, meets our energy needs and allows for new science and new technologies to take us into the future.

One important component of America's journey towards energy self-reliance is an environmentally responsible development of the coastal plain of ANWR. It is for this reason I rise in support of the Sununu amendment. This amendment solidifies the promise that no more than 2,000 acres in ANWR will be affected by exploration.

To put 2,000 acres into perspective, ANWR is approximately the size of South Carolina. The footprint that would be left by exploration on the coastal plain would be less than one-fifth the size of Dulles Airport, a footprint one-fifth the size of Dulles Airport in an area the size of South Carolina. Being from the Big Sky country of Montana, I am absolutely committed to a safe, clean, healthy environment. I will not take a back seat to anyone when it comes to championing commonsense environmental protections.

I urge my colleagues to support the Sununu amendment and support this environmentally responsible development in ANWR.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. BOEHLERT).

(Mr. BOEHLERT asked and was given permission to revise and extend his remarks.)

Mr. BOEHLERT. Mr. Chairman, I rise in opposition to this amendment, or should I say this ruse masquerading as an amendment. I have to hand it to the proponents of drilling in ANWR. This is a very clever, well-crafted attempt to give people cover to say they oppose Arctic drilling when they do not.

So let me be clear. If you oppose Arctic drilling, the vote that counts is voting "yes" on Markey-Johnson. That is the vote that matters substantively, and that is the vote that counts politically.

This amendment is a red herring. This amendment purports to protect the environment by limiting the impact of drilling to 2,000 acres throughout the Arctic refuge. Guess what? The drilling was already going to occur on a limited number of acres. This amendment does not change a thing.

The fact is, 2,000 acres is a lot of territory in an area that is now undisturbed. What is worse, the impact of drilling will be felt far beyond those 2,000 acres. The Fish and Wildlife Service estimates that 20 percent of the area will be impacted. We are talking about impacts on migratory wildlife, among other vulnerabilities. They do not tend to notice artificial, man-made boundaries.

So vote against this amendment, which protects nothing. It will not protect ANWR, and it will not protect politicians looking for a way to avoid a tough vote.

Mr. SUNUNU. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. BARTON).

Mr. BARTON of Texas. Mr. Chairman, I rise in strong support of Sununu-Wilson. Even if you are against drilling in ANWR, you ought to support this amendment. It is a self-limitation amendment. It is like I came on the floor and said, The national speed limit is 70 miles an hour. I think we ought to go 60. And somebody says, No, you can't do that. You've got to go 70. Or you've got to go 80.

This is a very sensible amendment. Two thousand acres is about 3 square miles, which would be about 9 miles. The District of Columbia is 10 by 10 or 100 square miles. This is 9 percent of the District of Columbia. With the technology available, we have already shown in Prudhoe Bay we can drill environmentally responsibly. This self-limitation amendment should be supported, I think, by unanimous consent.

I commend the gentleman from New Hampshire (Mr. SUNUNU) and the gentlewoman from New Mexico (Mrs. WILSON) for offering it, and I hope that we pass this one on a voice vote.

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Chairman, I rise in opposition to this amendment. It is not going to fix the problem. Oil development will still cause major impacts to the Arctic wildlife, water quality, and wilderness values.

Today, because President Bush and some in the majority feel the political atmosphere is again ripe, they are willing to disregard public opinion and force open a vestige of pristine wilderness to an industry that will desecrate the land. The administration touts an environmentally friendly way to drill. I do not believe it is possible. In fact, drilling is inherently detrimental to every bit of nature that surrounds it. Every year, 400 spills occur from oil-related activity in Alaska. From 1996 to 1999, over 1.3 million gallons were released from faulty spill prevention systems, sloppy practices, and inadequate oversight and enforcement. Alaska has only five safety inspectors.

I urge my colleagues, do what the American people have delegated us to do: oppose drilling in the refuge. It is that simple.

Mr. SUNUNU. Mr. Chairman, I yield 1 minute to the gentleman from Indiana (Mr. SOUDER).

Mr. SOUDER. Mr. Chairman, a couple of points. One is, this is a very difficult vote for me and many others who are concerned about our fish and wildlife areas. But there was an agreement made in Alaska that set part of this area aside for potential oil and gas drilling, a very small portion. This amendment is an excellent amendment because it limits it even further.

How do we balance environment and energy needs in our country? This is another attempt to try to do that. In fact, if you try to undo deals that have already been made, are we going to go to Massachusetts with the Boston Islands national park area and say all of a sudden Logan Airport has to be kicked out after when they created a park area, they agreed with certain things in the restrictions with that park area.

I also want to strongly support the gentleman from New Hampshire's earlier amendment that takes the funds into the national parks and other public areas. Some have criticized that amendment as well as nothing but a ruse, as a gimmick. But the fact is in the CARA bill, which I support, we said when we do offshore drilling we are going to take those funds and put them into environmentally-sensitive areas in the States where the drilling occurs.

The gentleman from New Hampshire's two amendments, in fact, are perfecting amendments that make this bill better. I cannot imagine why anybody who is pro-environmental would vote against either one.

Mr. MARKEY. Mr. Chairman, I yield 1½ minutes to the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Mr. Chairman, the problem is that this amendment does not solve the problem that you are attempting to violate one of the most pristine areas in America, the largest intact ecosystem in America. Sure, you may limit this. It is like if a phone company came to you and said, We are going to stick a cell phone in your backyard, you have got a 4,000 square foot backyard, we are going to stick a cell phone in the middle of it, a cell phone tower, and it is only going to be four square feet. What you would say is, no, you are changing the basic character of my backyard.

Building another Prudhoe Bay, and I was there 3 weeks ago, is going to dramatically change this wilderness. Why is that important? In part because the Fish and Wildlife Service concluded that drilling in the ANWR could reduce the caribou herd, the largest caribou herd in North America by 40 percent. It does it because you want to place an oil facility, right smack dab in the heart of the caribou calving ground.

You can limit it all you want, but the bottom line is this: you are defacing an American wilderness established during the Eisenhower administration. We should not let George Bush put asunder what the Dwight David Eisenhower administration created. We should not put a mustache on this Mona Lisa.

Mr. SUNUNU. Mr. Chairman, I yield myself 30 seconds to underscore the remarks of the previous speaker, because I think to a certain degree they make the point, the point that I made earlier that we need to move away from the extremes of this debate.

The opponents of this amendment do not support a limitation of only 2,000 acres disturbed. They would not support a limitation of only 200 acres disturbed. They would not support a limitation of only 2 acres disturbed. And as the previous speaker pointed out, they will not even accept a limitation of disturbing 4 square feet. That is the difference in this debate, arguing from the extremes or arguing from this standpoint of preserving America's energy independence while being reasonable about conserving natural resources.

Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. I thank the gentleman for yielding time.

Mr. Chairman, we have had a pretty good debate here today, I have heard most of it, until a few moments ago. The pink snake that we were shown is a fraud. It is an absolute fraud. That map, if kept in context, would have been millions of acres of ANWR covered. A pipeline going from the wells that would be drilled to the existing Alaskan pipeline would not be visible on that map from this distance. A pipeline in Prudhoe Bay is not something that ruined the Prudhoe Bay area. I am here to say, folks, let us have a debate that is fair and that makes sense. The pink snake has nothing to do with what is going to happen in ANWR.

ANWR is our best oil reserve that America has anything to do with. Every well we drill in ANWR can prevent 70 wells needed in the lower 48. It can be done environmentally sound, and it should be.

□ 2045

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Chairman, this is an argument about if it is not good, just do a little bit. But if it is not good, that is like saying if we were going to drill on Capitol Hill, it is all right, because it is just a little bit. Where would you begin? Is a little bit of drilling under the Capitol okay? How about a little bit of drilling under the Library of Congress, or a little bit of drilling under the Supreme Court? Which drilling is okay? Obviously neither. Neither on the Hill, our Hill, nor in the Arctic Refuge.

Mr. SUNUNU. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN pro tempore (Mr. NETHERCUTT). The gentleman from New Hampshire is recognized for 1½ minutes.

Mr. SUNUNU. Mr. Chairman, again, the previous speaker I think made clear the difference in the debate, arguing from the extreme that no exploration, no utilization of this Nation's resources, no drilling anywhere could be considered environmentally sound, environmentally safe; no limitation of footprint would be enough.

I think it this is a reasonable amendment, and I will read from it directly. It ensures that the maximum of acreage covered by production and support facilities, including air strips and areas covered by gravel, berms, or piers, does not exceed 2,000 acres.

I believe that the gentleman from Massachusetts will stand and display his map again. That map depicts the 1.5 million acres of the coastal plain area. 2,000 acres represents one-tenth of one percent of that area.

Now, it is not necessarily contiguous area, but the map that he showed earlier, the map that he will show again, represents a swath that is easily 100,000 acres, perhaps 200,000 acres. It is not one-tenth of one percent of the area on his map. I think that does a disservice to the quality of the debate in the House here. I think it does a disservice to the importance of striking a balance in any energy policy we pursue.

This is a complex issue. If it had an easy, simple solution, the previous administration would have put in place a sound energy policy. They did not.

The chairman has worked hard to bring together four disparate bills striking a balance between conservation, renewable energy, as well as investment in new sources and supply and efficiency.

I urge my colleagues to support the underlying bill and support this important limiting amendment.

Mr. MARKEY. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN pro tempore. The gentleman from Massachusetts is recognized for 1 minute.

Mr. MARKEY. Mr. Chairman, again, 2,000 acres rolled out, and that is what the oil and gas companies are going to do. Rolled out in the form of roads, of oil wells, of feeder roads, of gravel pits, turns into something that looks like this, according to the Department of Interior. This is the actual pipelines and roads that will be built, and then the pink area is obviously the affected area, because you have deployed it.

Now, I know the Republicans think arsenic is not that bad for people, I understand that, because this is arsenic for the Arctic Wilderness, and you are serving it up, even though you rejected any real improvement in fuel economy for SUVs, for air conditioners, or for anything else that would make it unnecessary for us to go here.

Prudo Bay, they heard the same promises in 1972, and it turned into an environmental nightmare. The same thing will happen here.

Mr. SMITH of Michigan. Mr. Chairman, I rise in support of this amendment. Today, the Nation imports an estimated 56 percent of our petroleum energy, and we are more dependent on foreign sources of oil than ever before. Relying on foreign sources of oil is a national security issue of the greatest importance.

This bill allows oil development within the Arctic National Wildlife Refuge (ANWR). Opponents of this provision are concerned about the impact it will have on a pristine area. Nevertheless, the imperatives of the Nation's energy situation dictates that we must seek new sources of domestic energy production, including oil.

This amendment would set aside no more than 2,000 acres of ANWR to oil development. This is about the area that would be needed to tap oil resources located there, potentially tens of billions of barrels. This area represents about one hundredth of one percent of the land area in ANWR—about the area of medium-sized farm.

This seems to me to be a reasonable and responsible compromise. It would shut off the vast majority of ANWR from development while at the same time allowing oil development to move ahead on a very small portion of land.

Developing 2,000 acres, an area less then two miles square of ANWR vast area would improve America's energy security while leaving the remainder of the refuge untouched.

I urge my colleagues to vote "yes" on this amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New Hampshire (Mr. SUNUNU).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. MARKEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New Hampshire (Mr. SUNUNU) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: amendment No. 6 offered by the gentleman from California (Mr. COX); amendment No. 7 offered by the gentleman from California (Mr. WAXMAN); amendment No. 11 offered by the gentleman from New Hampshire (Mr. SUNUNU); and amendment No. 12 offered by the gentleman from New Hampshire (Mr. SUNUNU).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 6 OFFERED BY MR. COX

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from California (Mr. COX) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 125, noes 300, not voting 8, as follows:

[Roll No. 313]

YEAS—125

Ackerman
Akin
Allen
Baca
Baird
Baldacci
Becerra
Berman
Blumenauer
Bono
Boucher
Calvert
Capps
Capuano
Collins
Condit
Cox
Crowley
Cubin
Cunningham
Davis (CA)
Davis (FL)
DeFazio
DeGette
DeLauro
Deutsch
Doggett
Dooley
Doolittle
Dreier
Eshoo
Farr
Fattah
Filner
Flake
Fossella
Frank
Gallegly
Gibbons
Gilman
Grucci
Harman
Herger
Hinchey
Holt
Honda
Horn
Hostettler
Houghton
Hunter
Israel
Issa
Johnson (CT)
Kelly
King (NY)
Kolbe
Kucinich
LaFalce
Lantos
Largent
Larson (CT)
Lee
Lewis (CA)
Lewis (GA)
Lofgren
Lowey
Markey
Matheson
Matsui
McCarthy (NY)
McDermott
McGovern
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Millender-McDonald
Miller, Gary
Miller, George
Moran (VA)
Nadler
Napolitano
Neal
Olver
Ose
Pallone
Pascrell
Paul
Payne
Pelosi
Peterson (PA)
Pombo
Quinn
Radanovich
Rangel
Rohrabacher
Ros-Lehtinen
Rothman
Roybal-Allard
Royce
Sanchez
Sanders
Sawyer
Schiff
Sensenbrenner
Serrano
Shays
Sherman
Simmons
Slaughter
Smith (NJ)
Stupak
Sununu
Tauscher
Thomas
Thompson (CA)
Tierney
Towns
Udall (CO)
Waters
Watson (CA)
Waxman
Weiner
Woolsey

NAYS—300

Abercrombie
Aderholt
Andrews
Armey
Bachus
Baker
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blunt
Boehlert
Boehner
Bonilla
Bonior
Borski
Boswell
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Camp
Cannon
Cantor
Capito
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Combest
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Culberson
Cummings
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
Delahunt
DeLay
DeMint
Dicks
Dingell
Doyle
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Etheridge
Evans
Everett
Ferguson
Fletcher
Foley
Forbes
Ford
Frelinghuysen
Frost
Ganske
Gekas
Gephardt
Gilchrest
Gillmor
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Hooley
Hoyer
Hulshof
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
Kingston
Kirk
Kleczka
Knollenberg
LaHood
Lampson
Langevin
Larsen (WA)
Latham
LaTourette
Leach
Levin
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Mascara
McCarthy (MO)
McCollum
McHugh
McInnis
McIntyre
McKinney
Menendez
Mica
Miller (FL)
Mink
Mollohan
Moore
Moran (KS)
Morella
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Osborne
Otter
Owens
Oxley
Pastor
Pence
Peterson (MN)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Rahall
Ramstad
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Ross
Roukema
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sandlin
Saxton
Scarborough
Schaffer
Schakowsky
Schrock
Scott
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (MI)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stearns
Stenholm
Strickland
Stump
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Toomey
Traficant
Turner
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—8

Conyers
Diaz-Balart
Hutchinson
Lipinski
McCrery
Solis
Spence
Stark

☐ 2111

Mr. SKEEN, Mr. LANGEVIN, Ms. KILPATRICK, and Ms. MCKINNEY changed their vote from "aye" to "no."

Messrs. HOLT, AKIN, and TOWNS changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. NETHERCUTT). Pursuant to clause 6 of rule XVIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 7 OFFERED BY MR. WAXMAN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on Amendment No. 7 offered by the gentleman from California (Mr. WAXMAN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 154, noes 274, not voting 5, as follows:

[Roll No. 314]

AYES—154

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Berman
Blagojevich
Blumenauer
Bonior
Boucher
Boyd
Brady (PA)

Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Clay
Clayton
Clement
Clyburn
Condit
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gallegly
Gephardt
Gordon
Gutierrez
Harman
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Hoyer
Hunter
Inslee
Israel
Issa
Jackson (IL)
Jones (OH)
Kaptur
Kennedy (RI)
Kilpatrick
Kleczka
Kucinich
LaFalce
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Millender-McDonald
Miller, George
Mink
Moran (VA)
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Payne
Pelosi
Pomeroy
Rahall
Rangel
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Slaughter
Smith (WA)
Solis
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Udall (CO)
Velázquez
Visclosky
Waters
Watson (CA)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—274

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Brady (TX)
Brown (FL)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hyde
Isakson
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kerns
Kildee
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Lampson
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Maloney (CT)
Manzullo
Mascara
Matheson
McCrery
McHugh
McInnis
McIntyre
McKeon
Menendez
Mica
Miller (FL)
Miller, Gary
Mollohan
Moore
Moran (KS)
Morella
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pastor
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reyes
Reynolds
Riley
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sandlin
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spratt
Stearns
Stenholm
Stump
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Turner
Udall (NM)
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—5

Conyers
Hutchinson
Lipinski
Spence
Stark

□ 2120

Mrs. McCARTHY of New York changed her vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 11 OFFERED BY MR. SUNUNU

The CHAIRMAN pro tempore (Mr. NETHERCUTT). The pending business is the demand for a recorded vote on Amendment No. 11 offered by the gentleman from New Hampshire (Mr. SUNUNU) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 241, noes 186, not voting 6, as follows:

[Roll No. 315]

YEAS—241

Abercrombie
Aderholt
Akin
Armey
Baca
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Berry
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Bonilla
Bono
Boyd
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gonzalez
Goode
Goodlatte
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson, E. B.
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Osborne
Ose
Otter
Oxley
Pascrell
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Regula
Rehberg
Reyes
Reynolds
Riley
Rodriguez
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sandlin
Scarborough
Schaffer
Schrock
Scott
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (MI)
Smith (TX)
Stearns
Stenholm
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—186

Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Clay
Clayton
Clement
Clyburn
Condit
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Engel
Eshoo
Etheridge
Evans
Farr
Fattah

Ferguson
Filner
Ford
Frank
Frost
Gephardt
Gilman
Gordon
Graves
Gutierrez
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (OH)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Obey
Olver
Owens
Pallone
Pastor
Paul
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Ramstad
Rangel
Rivers
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Saxton
Schakowsky
Schiff
Sensenbrenner
Serrano
Shays
Sherman
Simmons
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Spratt
Strickland
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—6

Conyers
Hutchinson
Lipinski
Souder
Spence
Stark

□ 2129

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 12 OFFERED BY MR. SUNUNU

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New Hampshire (Mr. SUNUNU) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 228, noes 201, not voting 5, as follows:

[Roll No. 316]

YEAS—228

Abercrombie
Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Bartlett
Barton
Bereuter
Berry
Biggert
Bilirakis
Bishop
Blunt
Boehner
Bonilla
Bono
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor,
Capito
Carson (OK)
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doyle
Dreier
Dunn
Edwards
Ehrlich
Emerson
English
Everett
Fletcher
Foley
Forbes
Fossella
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutknecht
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson, E. B.
Jones (NC)
Kanjorski
Keller
Kennedy (MN)
Kerns
King (NY)
Kingston
Knollenberg
Kolbe
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
McCarthy (NY)
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Osborne
Ose
Oxley
Pascrell
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Regula
Rehberg
Reyes
Reynolds
Riley
Rodriguez
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Royce
Ryan (WI)
Ryun (KS)
Sandlin
Scarborough
Schaffer
Schrock
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (MI)
Smith (TX)
Souder
Stearns
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Turner
Upton
Visclosky
Vitter
Walden
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—201

Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barr
Barrett
Bass
Becerra
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Evans
Farr
Fattah
Ferguson
Filner
Flake
Ford
Frank
Frelinghuysen
Frost
Gephardt
Gilchrest
Gilman
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
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Hastings (FL)
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Jackson (IL)
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Jones (OH)
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Kelly
Kennedy (RI)
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Kilpatrick
Kind (WI)
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McGovern
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McKinney
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Meek (FL)
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Menendez
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Miller, George
Mink
Moore
Moran (VA)
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Napolitano
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Pastor
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Roybal-Allard
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Smith (NJ)
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Walsh
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—5

Crowley
Hutchinson
Lipinski
Spence
Stark

□ 2138

Mr. WELLER changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Stated against:

Mr. CROWLEY. Mr. Chairman, on rollcall No. 316, I placed my card in the machine and voted "no" on rollcall No. 316. My vote was not properly recorded.

I intended to vote "no."

The CHAIRMAN pro tempore (Mr. NETHERCUTT). It is now in order to consider amendment No. 13 printed in part B of House Report 107–178.

AMENDMENT NO. 13 OFFERED BY MR. MARKEY

Mr. MARKEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 13 offered by Mr. MARKEY:

In division F, strike title V (page 477, line 12 through page 501, line 8).

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentleman from Massachusetts (Mr. MARKEY) and a Member opposed each will control 20 minutes.

Mr. HANSEN. Mr. Chairman, I rise in opposition to the gentleman's amendment.

The CHAIRMAN pro tempore. The gentleman from Utah (Mr. HANSEN) will control 20 minutes.

Mr. MARKEY. Mr. Chairman, I would like to have my time evenly divided between myself and the gentlewoman from Connecticut (Mrs. JOHNSON) for purposes of control.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARKEY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, this is the most important environmental vote of this Congress, 2001 and 2002. This is the top environmental vote for every environmental group in the United States. The proponents say we are going to drill and leave a little red dot of 2000 acres on this pristine wilderness area in Alaska. Yes, it is a little dot, but that is not how they drill.

This is what the Department of Interior says it will look like after all of the drilling is done, after all the roads are laid, after all the ice roads are dug, after all the oil wells are out there, after all the gravel pits are dug. This is what it will look like.

Ladies and gentlemen, this is the most important environmental vote of this entire Congress. Vote yes on Markey-Johnson.

Mr. HANSEN. Mr. Chairman, I yield 3 minutes to the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Chairman, I want to remind my colleagues this area 1002 is not ANWR. This area was set aside in 1980 for oil exploration by Senator Jackson, Congressman Udall, Senator Stephens, and Senator Bennett. It was supposed to be drilled, explored for the American people.

This is a charade from that side of the aisle. This amendment will deprive ourselves of, in fact, the oil that we must have for this Nation. It is a very small area.

I support the Sununu amendment. Two thousand acres is what we are talking about. I will give an example. After the previous speaker talked about a huge disturbance, this picture shows the alpine field right next to the so-called 1002 area. This is what it looks like in the winter. This looks very intrusive.

This picture shows what it looks like at the end of the exploration development, and this well right now is producing over 100,000 barrels of oil a year. This is less than the size of this small area from which we speak tonight, from the podiums which we have.

The misinformation on this issue by the gentleman from Massachusetts (Mr. MARKEY) and the gentlewoman from Connecticut (Mrs. JOHNSON) is so repugnant to me because it is really not the truth of the facts. This oil we have must have for this Nation. It is 1 million barrels of oil a day for the 100 years so that Saddam Hussein cannot control the market, cannot drive the gasoline prices up.

I was remarkably interested in hearing the people argue against this whole bill. If we fail to adopt this bill in total tonight, I can guarantee the public and the people on this House floor that the price of fuel will go up in 2 months' time because they have control of us. How anybody can take and send money abroad to Saddam Hussein and not develop our own oil, I cannot understand that mentality.

□ 2145

The mentality to say we are sending our dollars overseas so they can buy weapons of mass destruction, weapons against citizens of other countries, when we have oil in Alaska. Seventy-five percent of the people in Alaska want to drill. We are asking to have a national energy policy, as well as the President is asking.

Those people tonight who spoke on this issue against my position have never been to Alaska. I do not understand how Members can stand here and talk about the pristine area when they do not know what they are talking about. This is an area that is very hostile; but also this area has people who live there that support this.

This is not a pristine area. We must have this area to produce oil for this Nation.

Would Members have oil drilling off the coast of Florida or the Great Lakes or North Carolina? We want to do it. It is right for this Nation and for the people. It is right for my people in the State of Alaska. It is the best thing we have going, and how dare Members talk about something when they have never been there. Shame on them.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, this is the most important environmental vote we will cast because this is about total protection of the ANWR. Mark my words, my friends. We cannot explore this area and drill in this area without permanent and severe damage to the environment.

Just the mapping that geologists from every single company would have to do would be very destructive. Every 1,100 feet, they map. Each caravan takes eight vibrating and seven recording vehicles accompanied by personnel carriers, mechanic trucks, mobile shop trucks, fuel tankers, an incinerator, plus a crew of 80–120 people, and a camp train of 20–25 shipping containers. This is intrusive and the scars are permanent.

Once the mapping is done, pads need to be built that will support rigs that weigh millions of pounds. How is that done? With water. In Prudhoe Bay, there is lots of water. In this area, there is very little unfrozen water during the winter. If that water is drawn out, it will have a devastating effect on the fish life in this area, and on all kinds of natural life the migratory bird populations depend on.

Mr. Chairman, I do not have time to go into all of the animal and plant impacts, but we cannot develop this area without impact on the fragile ecosystem, the only sub-Arctic ecosystem under preservation at this time.

Is this necessary to oil dependence? Absolutely not. OPEC has 76 percent of the world's oil reserves. We have 2 percent. We are going to drill on 95 percent of the North Slope in Alaska. We are drilling in other places in the United States and offshore. We will never be oil independent. We can do more about reducing our dependence on foreign oil by raising the miles-per-gallon standards, by laying that gas pipeline from Prudhoe Bay.

Stop drilling in the ANWR, preserve this important area.

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR. Mr. Chairman, 22 years ago, with my friend from Massachusetts and others here, I helped pass the Alaska lands bill and one of its crown jewels, ANWR. I would say to my friend from Alaska, I have been to this refuge. I have stood on the banks of the Aichilik River and watched the caribou thundering across the horizon. I have seen the grayling running in the streams and the rivers. I have listened to the wolves howl at night, and I have hiked this wondrous tundra knowing that even though I did not see a grizzly bear, they were watching me.

Mr. Chairman, this is no ordinary land. This is a cathedral of nature. It is an American inheritance, and it is our responsibility to protect it.

The conservationist Aldo Leopold once wrote: "Our remnants of wilderness will yield bigger values to the Nation's character and health than they will to its pocketbook . . . to destroy them will be to admit that the latter are the only values that interest us."

It is this contest of values that lies at the heart of this debate today. Will our Nation honor its natural heritage, protecting its last remnants of wilderness; or will the big oil companies win? Vote for this amendment.

Mr. HANSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Chairman, I have walked around the bayous of Louisiana and paddled those lakes and canals and wetlands, and I have seen the egret and the crawfish and the deer and the rabbits and the squirrels, and I promise the gentleman, I have seen a thousand more species in a square mile of those bayou lands in Louisiana than one will ever see in the ANWR.

And guess what, the bayous and the wetlands I was transversing on are in the National Wildlife Refuge in Louisiana. And right next to them, right next to that amazing display of nature's bounty are 100 producing oil wells in the Louisiana Mandalay National Wildlife Refuge.

Mr. Chairman, I want to ask a question. I hope the gentleman answers it in his heart. Is my national wildlife refuge any less sacred or precious than the Arctic National Wildlife Refuge? Is my national wildlife refuge more susceptible to drilling and risks than the Arctic? The answer is no. Mine ought to be as sacred.

I can understand somewhat when some Members come to the well of this House and say, Do not drill in my backyard. Do not explore for energy in the offshore off my State. But I am amazed when Members show up on the floor and say, Do not do it in somebody's else State when they want to do it, areas that were set aside to be productive areas. Do not do it in areas that are rich in natural resources that this country is starving for, that we send our young men and women to fight over, to die for, so we can have energy to power our cars and light our homes.

I am amazed at the rationale of people who come and say do not do what can be done to make us a little less dependent upon a place in this world that is unsafe, that sets us up for a situation where we are buying oil from Saddam Hussein to turn it into jet fuel to put it in our airplanes so we can bomb the radar sites.

This amendment is awful. We ought to defeat it.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1½ minutes to the gentleman from Maryland (Mr. GILCHREST).

Mr. GILCHREST. Mr. Chairman, I would like to say that I have a sensitivity to the gentleman from Alaska (Mr. YOUNG) who wants the oil drilled in ANWR because of the kind of resources that it will bring to bear on the Native Alaskans. Sometimes we forget how easy our life is here in the lower 48 with all of the conveniences and resources that we have to provide the quality of life that we have. There is a strong sensitivity to that particular issue.

I will say to the gentleman from Louisiana, about the diversity between the difference of the Arctic refuge on the North Slope of Alaska and the bayous of Louisiana, in 1966 I spent a winter in a tent 250 miles north of the Arctic Circle, and I can tell the gentleman, there might not be as much biological diversity there as opposed to Louisiana, but what is there is extremely sensitive. What is damaged, for all intents and purposes, is damaged forever.

When we have access to this oil, if and when it is drilled, the alternative use of technology to provide our energy will also come on-line; in less than 20 years, alternative sources of fuel that will break us away from the dependence on fossil fuel, and the way we are now can be achieved.

The other reason I am opposed to drilling for oil in ANWR is relatively simple. We are using up our oil faster than we should, and ANWR ought to be preserved in case of a disaster or an energy crisis.

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia (Mr. RAHALL), the ranking member of the Committee on Resources.

Mr. RAHALL. Mr. Chairman, I rise to call to the attention of the body a very intriguing position in the ANWR title. Tucked away on page 487 is a section that mandates project labor agreements in ANWR oil and gas leases. What that means is that union labor would be employed to do the construction and other work in the Arctic Refuge.

If we were to open the refuge, fine. I think that is a great idea. Since it is good for Alaska, I say to my colleagues, then let us also benefit the men and women working for oil and gas companies who stand to profit from royalty-free leases in the Gulf of Mexico as well.

Now that the Bush administration is squarely behind the ANWR provision in this bill, perhaps the President realizes that he made a big mistake in February when he issued an executive order rescinding Clinton administration initiatives on PLAs.

And maybe corporate America has reconsidered and concluded that project labor agreements are good ideas after all. Perhaps that is why the Reliance for Energy and Economic Growth has endorsed this bill, along with myriad other manufacturing groups.

Mr. Chairman, I am glad, and I know that the National United Mine Workers union will appreciate that the National Mining Association now supports project labor.

Mr. HANSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. HALL).

Mr. HALL of Texas. Mr. Chairman, the gentleman from Massachusetts (Mr. MARKEY) has stated that this is the most important environmental vote we will cast this year. I can follow by saying that it is the most important energy vote we will cast this year. But to be more succinct, I would say it is the most important vote we are going to cast this year because August lurks out there. August. I tell the people from California, the West Coast, those from Florida, we have a problem that we have to solve, and I want to be part of that solution. I want to help California and the West Coast.

Even though, through the 12-year battle for clean air, those people, those very same people who are objecting to this amendment wanted no transmission. They wanted no drilling. They did not want a boat in the harbor with energy on it, or a railroad going through with energy on it.

And I compliment them. They represented their State well. They did exactly what their States wanted them to do, and they were successful.

Despite their reluctance for energy self-help, we have to work with them and we are going to. We are going to solve it.

It is a little like the Boy Scout who was trying to help the lady across the street when she did not want to go. We are going to help the West Coast go across the street, even though they are objecting to it tonight. Even though they now cry out for energy, I think it is odd that they want to tell us where the energy cannot come from. Yet it is in our national interest to close ranks and solve the problem.

Mr. Chairman, this amendment is about energy. The barometer for the United States on the economy and how well we are doing is new home starts and new auto sales. But because nations will fight for energy, because we will send kids overseas to fight for energy, the barometer on energy is $3 a gallon for gasoline and, I am sorry to say, body bags. Those are things that we need to remember.

□ 2200

Some say that the North Slope is beautiful. I would tell you, Hades is probably beautiful if it is covered in snow. And I would drill at Hollywood and Vine if it took it to keep my kids out of body bags.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Chairman, I rise in strong support of the Markey-Johnson amendment. I do want to thank the leadership in the Committee on Rules for allowing us to have a fair and open debate on this very critical issue this evening.

The Arctic National Wildlife Refuge was established by President Eisenhower. And yes, it was called a refuge because it was a place to be protected, where there was security, where there was preservation. That is what we are discussing this evening. This pristine wilderness has been recognized for its rich biological diversity. It has over 200 species of migratory birds, caribou, polar bears, musk-oxen, et cetera. Without question, oil and gas development in the Arctic coastal plain would result in substantial environmental impacts.

But today I am supporting this amendment for the simple reason that I think it is premature for us to open up ANWR for energy exploration. We have not even done enough to explore the alternatives. Conservation, improved efficiency, and renewable sources of energy must be integral aspects of our comprehensive national energy policy. Increased exploration and production of fossil fuels will simply not be sufficient. We need to make our economy less dependent on oil by becoming more energy efficient. Drilling in the Arctic Refuge will not address our energy needs. In fact, optimistic estimates for recoverable oil from ANWR would never meet more than 2 percent of our energy requirements.

Shakespeare once said, "To energy none more bound. To nature none more bound." Let us preserve it. Any damage will be irretrievable. Vote "yes."

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. LEE).

Ms. LEE. I thank the gentleman from Massachusetts for yielding me this time and for his leadership on this issue.

Mr. Chairman, there are simply places on earth that are too fragile, too vulnerable and too special really to drill for oil. We have a real moral obligation to protect these places. The Arctic National Wildlife Refuge is really one of those places. Pillaging the Arctic will not solve our energy problems. It will, however, endanger precious habitat and wilderness and will endanger the way of life for thousands of Alaskan natives.

Yes, we want more jobs but we do not have to sacrifice this wilderness area to get them. Developing new technologies will drive our economy forward and create new job opportunities. Building a natural gas pipeline from existing North Slope oil and gas fields will create jobs and increase our electricity supply. We can have both a healthy environment and a healthy economy. We do not need to sacrifice one for the other.

I urge Members to support this amendment.

Mr. HANSEN. Mr. Chairman, I yield 1½ minutes to the gentleman from Louisiana (Mr. JOHN).

Mr. JOHN. Mr. Chairman, while I rise in opposition to the Markey-Johnson amendment, I appreciate the Committee on Rules making it in order that we can have a good debate on this very important issue.

As a former member of the House Committee on Resources, I had an opportunity to visit ANWR. I also had an opportunity to visit the current production facilities down at Prudhoe Bay. I stand here today to tell Members that with today's technology we can develop ANWR without unleashing an environmental apocalypse on the coastal plains of Alaska as some here may make you believe. ANWR is not a silver bullet to stop our dependence on foreign oil and natural gas, but it is our best prospect.

As hard as we try, this Nation cannot meet its oil needs by drilling off the coast of Louisiana and the other gulf States. If my colleagues from other States insist on stopping exploration and production in Federal and State lands in the lower 48, then we cannot shut out opportunities on Federal lands that are supported by the State of Alaska and a majority of its residents. I am constantly amazed at my colleagues who stand up and attack the oil and gas industry as some evil forces at work in America. Where does the gasoline come from that fuels your cars that you came to work in today? Where does the natural gas come from that heats our home on those cold days? It reminds me of a little adage that we have in Louisiana: gasoline is like boudin. You do not like to see any of it being made, but we all want it.

Please do not vote for this amendment. This is bad public policy.

Mr. MARKEY. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Chairman, I rise in support of the Johnson-Markey amendment.

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Chairman, in a bill that has the American taxpayers assuming the risk for drilling in marginal areas by subsidizing the oil companies, the centerpiece of this bill, opening up the Arctic Refuge for drilling, represents all that is wrong with this bill. We cannot turn this environmental jewel into an industrial complex. For what? Even if we had the oil from the Arctic Reserve, we would still be importing most of our oil from abroad unless we conserve and use our energy efficiently.

This is not a bill that is worthy of the 21st century. I urge Members to support the Markey amendment.

Mr. HANSEN. Mr. Chairman, I yield 1½ minutes to the gentleman from Oklahoma (Mr. CARSON).

Mr. CARSON of Oklahoma. Mr. Chairman, I have no doubt that when historians look back upon this era in time they will call it the age of petroleum. In 1859 when the first oil well was discovered in Pennsylvania, we were a Nation that rode mustangs, a short 100 years later we drove Mustangs, and 10 years after that we walked on the Moon, because of one thing, cheap, easily exploitable petroleum products.

The sad fact is, Mr. Chairman, we are running out of this precious commodity. World oil production is to peak in 10 to 20 years. Domestic oil production peaked in 1970. We are running out of oil. It is coming faster than we know. We have in ANWR, it is said, the best pool, the best possible source of resources outside the Caspian Sea, the best and largest pool to be found in nearly 30 years.

If the optimists are right and we do not begin to run out of oil in 20 years, that is only 7,000 days away. The time to act is now because it takes nearly 10 years to lease and begin production in ANWR. And if, God save us, the pessimists are right and we begin to run out of oil in 10 years or even 5 years as some would suggest, we will need to begin now so that the petroleum products, the jet fuel, the gasoline, the pharmaceuticals, the plastics, everything that has made industrial life possible can continue for future generations.

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Chairman, I rise in support of the Markey-Johnson amendment. In the Arctic Reserve, we have unparalleled splendor. We have 160 bird species, 36 land mammals, 36 types of fish. But they are not more important than the working men and women in America, if exploring that territory, exploiting that territory would yield oil to make us independent as some would have us believe.

The reality, however, is that developing oil in ANWR will not make us energy independent. In the year 2015, we will be needing 24 million barrels a day. ANWR yields 300,000. This is clearly a case in which the juice is not worth the squeezing.

Reject the ANWR development.

Mr. HANSEN. Mr. Chairman, I yield 1½ minutes to the gentleman from Nebraska (Mr. OSBORNE).

Mr. OSBORNE. Mr. Chairman, I rise to oppose the Markey amendment. A week or so ago I was sitting in the Committee on Resources and someone made the statement that the United States has only 3 percent of the world's petroleum reserves.

I thought about that and I thought, How do we know? We really do not know, because for 20 years, we have not explored. And so we do not know whether we have got 1 percent or 5 percent or 10 percent or 15 percent.

Currently, we import 60 percent of our oil. Most of that oil is from OPEC. Currently, OPEC sets the market in the United States. Currently that is an irritant. They can cause the price to fluctuate.

But let us take this hypothetical. Let us say we have a major war in the Middle East sometime in the next 3 or 4 years. Let us say that OPEC all of a sudden decides to cut off the spigot at some point or let us say OPEC decides to double the price. At that point, what do we do? We do not have an irritant at that point; we have got a national crisis. And where do we go? What do we do?

The first thing that we are going to do is we are going to start scrambling, and we are going to try to figure out what we do have. Right now we do not know. I am not saying we have to drill, I am not saying that we have to extract oil, but we need to know what our resources are, in the gulf, in the 1002 area, we need to know precisely. Because this is something that can very likely happen in the near future.

And so it is not a matter of destroying the area; it is a matter of exploring and knowing what is available to us.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. BOEHLERT).

Mr. BOEHLERT. Mr. Chairman, I rise in strong support of this amendment which would protect a very special area originally set aside by that radical environmentalist Dwight David Eisenhower. We can have lots of spirited debate about the science and the impact of drilling and other essential matters related to this issue, but I will leave that to others. For me, this is an issue of fundamental principle. What right do we as human beings and what sense does it make as a Nation to open a pristine area to oil drilling when we are not willing to take the simplest, easiest steps to conserve oil?

Earlier today, this House defeated my amendment to raise CAFE standards which would have been the only truly significant conservation measure in this bill. Opening ANWR without any consideration of taking serious conservation steps is simply irresponsible. We are denying future generations a wilderness because we refused to take painless steps to control our own generation's appetite for oil. I do not know when that kind of thinking became conservative, but I do know that for eons that kind of gluttony has been considered wrong.

The proponents of oil drilling add insult to injury with their spurious arguments in favor of drilling. It is only a few thousand acres, they say. It is like saying, Don't worry, the tumor is only in your lungs.

The proponents say the drilling in Prudhoe Bay has had no ill environmental effects, but in reality some of the largest environmental fines in history have been paid because of damage in the Prudhoe Bay operations.

I am told, You say you don't want to drill in my State but anything goes in your State. Well, I stood and opposed drilling in the Finger Lakes National Forest in my State of New York.

It is said to me, How can you oppose ANWR? You've never seen it. I have never had cancer, either, and I vigorously oppose it. A lot is at stake with this amendment, a lot in terms of principle, in terms of impact on wildlife, in terms of land conservation.

I urge my colleagues to think about the future, the impact on generations to come, and support the Markey-Johnson amendment.

□ 2215

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentlewoman from Minnesota (Ms. MCCOLLUM).

Ms. MCCOLLUM. Mr. Chairman, earlier this summer, I went to the Arctic Refuge; and it is a living treasure. It is a treasure that must be defended and protected for future generations. Drilling in the arctic is not about a national crisis, it is about petroleum pirates and this administration willing to plunder a national treasure for profits.

I want to believe that this Congress has the courage and wisdom to invest in an energy strategy that emphasizes conservation, energy efficiency, and renewables.

I urge my colleagues to protect the Arctic Refuge.

Mr. HANSEN. Mr. Chairman, I yield myself 1½ minutes, and I ask unanimous consent that the gentleman from Louisiana (Mr. TAUZIN) control the balance of time on this side.

The CHAIRMAN pro tempore (Mr. NETHERCUTT). Without objection, so ordered.

There was no objection.

Mr. HANSEN. Mr. Chairman, I find it is very interesting that on September 16, 1996, the President of the United States went to Arizona and declared 1.7 million acres of monument in the State of Utah, and that people got up on this floor and all over America and said this is beautiful, this is a great gorgeous area. And the question the gentleman from Alaska (Mr. YOUNG) asked was, has anyone been there? No, they had not.

Do you know how many millions and millions of acres in the West is nothing but sagebrush? Well, two-thirds of that was nothing but sagebrush. But no, we are going to tie that up, with the biggest deposit of low-sulfur coal there is that we know of in the world.

I find it is interesting when everyone says how pristine this area is. Well, I have only been there twice. I do not think in my definition of pristine, it even comes close.

But I think The Washington Post said it best. Fourteen years ago they made this statement. "That part of ANWR is one of the bleakest, most remote places on this continent, and there is hardly any other where drilling would have less impact on the surrounding life in the world."

Then they make another statement. "Even the most ardent people concede that, in the winter, with 70 below zero temperature, it is no paradise; however, it is no paradise in the summertime either."

But beauty is in the eye of the beholder. I guess there is some beauty there. Those who have been there know better.

I worry about those we can least depend on are controlling our oil supply. Do you realize what we are getting out of this area, our best projections, is probably the exact amount we are getting from Saddam Hussein, this great lover of America. And we are going to say, okay, Mr. Saddam Hussein, you can control the spigot; we do not have to.

I think this is really kind of a foolish approach for us to take, and I would worry about it.

Let me say this: this amendment is anti-energy; it is anti-jobs. It is especially anti-jobs, and that bothers me.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 1½ minutes to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, I am reluctant to speak tonight because, being in politics for 24 years, I know after 10 o'clock at night it is difficult for some in the Chamber to be tolerant but I believe deeply in the issue, and, therefore, I want to speak about it.

I believe we will not have a world to live in if we continue our neglectful ways. I believe that with all my heart and soul. But earlier today this House continued these neglectful ways by refusing to hold SUVs and other light trucks to the same efficiency standards as today's cars. If we had taken that simple step, we would have saved more gasoline in just over 3 years than is economically recoverable in ANWR, and yet people say we need to drill in ANWR.

I find it unconscionable that we would now consider despoiling one of North America's last great wilderness areas, when we are unwilling to take even the smallest steps towards slowing the growth in demand for energy resources.

Mr. Chairman, drilling in the Arctic Refuge will make Japan very happy, because that is where this oil is ultimately going. It is not going to the United States, it is going to Japan.

The bottom line is, we are not resolving our energy needs, because we are not conserving. We'll just continue to consume more and waste more, consume more and waste more, and act like it doesn't matter. We are on a demand course that is simply unsustainable!

The CHAIRMAN pro tempore. The Chair advises Members that the gentleman from Louisiana (Mr. TAUZIN) has 7 minutes remaining, the gentlewoman from Connecticut (Mrs. JOHNSON) has 1 minute remaining, and the gentleman from Massachusetts (Mr. MARKEY) has 4½ minutes remaining.

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentleman from Washington State (Mr. INSLEE).

Mr. INSLEE. Mr. Chairman, I was there 3 weeks ago, and I have come to the well to say that those who say that the Arctic Refuge is a barren area and that Prudo Bay is a wildlife refuge are dead wrong on both counts.

My grandchildren deserve to hear the same bird song from birds from all 50 States of this Union in the arctic just like I did. Your grandchildren deserve to know that the caribou are going to be there 1,000 years from now, just like you do.

Now, we have a disagreement. The majority wants to give $20 billion to the oil companies, and our children's heritage as icing on the cake. That is wrong. Preserve the Arctic Refuge.

Mr. TAUZIN. Mr. Chairman, I yield myself 30 seconds to correct the record. The record should be corrected, because a misstatement occurred on the floor.

The bill was amended in committee to prohibit the export of any of this oil and gas that might be produced in section 1002 to Japan or any other foreign place. It must be produced and used for America. That is what the bill now says. Any reference contrary to that is simply wrong.

Mr. Chairman, I yield 1½ minutes to my friend, the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I thank the chairman of our committee for yield me time.

Mr. Chairman, I am glad to follow my colleague from Washington, because I have also been to ANWR, and maybe we went to 2 different places, because when I was there in the first week of August, it was snowing; it was a blizzard. Maybe he was further south, where we are not talking about drilling, but I have been there, and I know we can extract oil from it and we can have an infrastructure that will not impact the environmental quality of ANWR.

Our technology has changed since the North Slope was first developed decades ago. We have a much more efficient and robust and less intrusive effort in anywhere, whether it is off the coast of Texas, or in ANWR. Mr. Chairman, we have to drill somewhere, and, if not in ANWR, where do my colleagues suggest to drill?

I rise in strong opposition to the Johnson-Markey amendment, and I hope this body is debating this issue as a national policy, because we have to drill somewhere. We cannot keep depending on foreign sources to be able to depend on for our country.

Where are we supposed to drill, only in foreign countries? Well, then, we are either going to let people who are our enemies control it, or we are going to take advantage of Third World countries by drilling in those countries and just using it from them.

We must support continued effort on foreign dependence on oil, and that is what we need to stop. I think this rationale is crazy. Our country cannot drill its way to energy self-sufficiency, but we can do better than we are doing now.

For those who say conservation is the key, sure, we can do better on conservation, but I hear people want to increase the efficiency of air conditioners, and yet in Houston, Texas, I have people who cannot even afford the air conditioners they have today.

That is why, Mr. Chairman, I think this is a bad amendment, and I hope this House will defeat it.

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Chairman, spoiling the Arctic National Wildlife Refuge for the sake of a 6-month supply of oil 10 years from now is hardly a sensible energy policy and hardly a route to energy independence. It produces little energy in the short-term, little relief from high prices.

This energy bill is a wish-list for the coal, oil and gas companies. It gives $7.4 billion in royalty payments, free rein in our wilderness areas, their equipment set lose on the arctic coastal plain, one of the world's last great unspoiled frontiers.

I ask my colleagues, do not let this happen this evening. Support the Markey-Johnson amendment.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. Mr. Chairman, yes, we need more conservation and more efficient use of energy, but we also need an ample supply of all kinds of energy to prevent the price spikes that threaten our jobs and hurt our American families.

ANWR is our best reserve. Every well we drill in ANWR, we would have to replace it with 70 in the lower 48.

What are our opponents for? Are they for coal or nuclear and more hydro? I do not hear that. They want to generate electricity with gas, but they propose drilling to get the gas. They talk about renewables. When you back out hydro, we have 1½ percent. I am for renewables, but 1.5 percent will not fill our needs.

Do the opponents support drilling on the West Coast, the East Coast and the Gulf? No. Opening up the Rocky Mountain reserve? Drilling under the Great Lakes like Canada does? No. The monuments? No.

What are they for? They are for pipe dreams, that will give us shortages and high prices that endanger home ownership and kill job creation and destroy the American dream, because the American dream is fueled by energy, and we need it.

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentlewoman from California (Ms. WATSON).

Ms. WATSON of California. Mr. Chairman, we are certainly not for opening the Arctic National Wildlife Refuge to oil and gas drilling. The amount of recoverable oil would last an estimated 6 months. This drilling will occur in the very same refuge that President Dwight Eisenhower set aside, and is the last place in North America where the entire arctic ecosystem is protected.

I urge a no vote. This is irresponsible and shortsighted. Please, we know we are in a crisis, but this is not the way to solve the problem.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. BARTON), the chairman of the Subcommittee on Energy and Air Quality of the Committee on Energy and Commerce.

Mr. BARTON of Texas. Mr. Chairman, they asked a great American bank robber why he robbed banks. He said, that is where the money is. Well, why do we want to drill in ANWR? Because that is where the oil is.

We have drilled three million wells in the lower 48. Two million of those have been in Texas. I would die and go to heaven if they would tell me I had a 10 billion oil field in my backyard. I would go clip coupons and live on the beach. But, unfortunately we do not have much oil and gas left in Texas.

The mid-case example in ANWR is 1 million barrels a day for 30 years; 1 million barrels a day for 30 years. That is 25 million gallons of gasoline a day, 176 million gallons a week, 706 million gallons a month, or 9 billion gallons a year, for 30 years. That saves 5 to 15 cents a gallon every day for 30 years for every American consumer of gasoline.

It is the right vote. Vote no on Markey-Johnson. Vote yes for American energy security.

Mr. MARKEY. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania (Mr. HOEFFEL).

Mr. HOEFFEL. Mr. Chairman, there is a lot of oil under the North Slope of Alaska. Right now we can drill in 95 percent of the North Slope of Alaska. We are saying protect 5 percent, the coastal plain of ANWR.

There are other opportunities. Seventy-five percent of the North Slope is comprised of the National Petroleum Reserve set aside in the 1940s for exploration and drilling. Drill there. But protect ANWR. Protect the coastal plain.

We are not talking about capping Old Faithful or damming up the Grand Canyon. Do not drill in ANWR.

Mr. TAUZIN. Mr. Chairman, I yield 30 seconds to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Chairman, I thank the gentleman for yielding me time.

I would like to calm things down for a minute. This Capitol is filled with great quotations on the walls, but in this great Chamber, this is only one quotation. It is right up here, and I would like to read it.

It says, "Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we also in our day and generation may not perform something worthy to be remembered." That is what Daniel Webster said, and it is up on that wall.

This is an important vote. Are we not glad that our ancestors had the courage to say, we are going to allow people to take coal out of West Virginia, or iron ore out of pristine Northern Minnesota.

This is an historic vote. I hope we vote this amendment down and the bill up.

Mr. TAUZIN. Mr. Chairman, I yield 45 seconds to the gentleman from Colorado (Mr. UDALL), after whose father this refuge should be named.

Mr. UDALL of Colorado. Mr. Chairman, I thank my colleague for yielding me time.

Many have asked me about what my father would say, colleagues on both sides of the aisle, and I am here tonight to tell you he would support the Markey amendment.

But this is not about my father, it is about my children and their children.

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It is about leaving them options in the future.

Barry Goldwater was asked if he had any regrets about the votes he cast in the Senate when he served here so admirably. He said, One vote, when I voted to dam the Glen Canyon area. He understood that you could not develop and preserve a wilderness area at the same time.

Let us not have any regrets. Let us remember what Teddy Roosevelt said about the Grand Canyon and that it also applies to the wildlife refuge, "Man cannot improve on it. Let us leave it like the Creator envisioned it."

On the question of whether to open the coastal plain, Congress is being asked to gamble on finding oil there. So, we first must decide what stakes we are willing to risk, and then weigh the odds.

The stakes are the coastal plain. The U.S. Fish and Wildlife Service says it "is critically important to the ecological integrity of the whole Arctic Refuge" which is "America's finest example of an intact, naturally functioning community of arctic/subarctic ecosystems."

What are the odds? Well, the best estimate is by the U.S. Geological Survey (USGS). In 1998 they estimated that if the price of oil drops to less than $16 per barrel (as it did a few years ago) there would be no economically recoverable oil in the coastal plain. At $24 per barrel, USGS estimated there is a 95 percent chance of finding 1.9 billion barrels of economically recoverable oil in the refuge's coastal plain and a 50 percent chance of finding 5.3 billion barrels.

But Americans use 19 million barrels of oil each day, or 7 billion barrels of oil per year. So, USGS is saying that at $24 per barrel, there is a 50 percent chance of finding several months' supply of oil in the coastal plain.

There is one 100 percent sure bet—drilling will change everything on the coastal plain forever. It will never be wilderness again. We do not need to take that bet. There are less-sensitive places to drill—and even better alternatives, including conserving energy and more use of renewable resources.

For example, fuel-efficiency standards for new cars and light trucks could feasibly be raised to more than 40 miles per gallon by 2010. Experts estimate that alone would save 10 times as much oil as would likely be extracted from the Arctic refuge over the next 30 years.

In short, when it comes to drilling in the Arctic National Wildlife Refuge, I think that the stakes are too high and the odds are too long—especially since we have better options. So I do not support it.

For the benefit of our colleagues, I attach excerpts from a recent article in Foreign Affairs by two Coloradans—Amory R. Lovins and L. Hunter Lovins. Founders and leaders of the Rocky Mountain Institute, they are recognized experts on energy issues.

The article, entitled "Fool's Gold in Alaska," clearly shows that drilling for oil on the coastal plain does not make sense in terms of economics, national security, or environmental protection.

[FROM FOREIGN AFFAIRS, JULY/AUGUST 2001]

FOOL'S GOLD IN ALASKA

(By Amory B. Lovins and L. Hunter Lovins)

THE BOTTOM OF THE BARREL?

Oil prices have fluctuated randomly for well over a century. Heedless of this fact, oil's promoters are always offering opportunities that could make money—but on the flawed assumption that high prices will prevail. Leading the field of these optimists are Alaskan politicians. Eager to keep funding their state's de facto negative income tax—oil provides 80 percent of the state's unrestricted general revenue—they have used every major rise in oil prices since 1973 to advocate drilling beneath federal lands on the coastal plain of the Arctic National Wildlife Refuge. Just as predictably, environmentalists counter that the refuge is the crown jewel of the American wilderness and home to the threatened indigenous Gwich'in people. As some see it, drilling could raise human rights issues under international law. Canada, which shares threatened wildlife, also opposes drilling.

Both sides of this debate have largely overlooked the central question: Does drilling for oil in the refuge's coastal plain make sense for economic and security reasons? After all, three imperatives should shape a national energy policy: economic vitality, secure supplies, and environmental quality. To merit serious consideration, a proposal must meet at least one of these goals.

Drilling proponents claim that prospecting for refuge oil will enhance the first two while not unduly harming the third. In fact, not only does refuge oil fail to meet any of the three goals, it could even compromise the first two. First, the refuge is unlikely to hold economically recoverable oil. And even if it did, exploitation would only briefly reduce U.S. dependence on imported oil by just a few percentage points, starting in about a decade. Nor would the refuge yield significant natural gas. Despite some recent statements by the Bush administration, the North Slope's important natural-gas deposits are almost entirely outside the refuge. The gas-rich areas are already open to industry, and environmentalists would likely support a gas pipeline there, but its high cost—an estimated $10 billion—would make it seem uneconomical.

Furthermore, those who suppose that any domestic oil is more secure than imported oil should remember that oil reserves almost anywhere else on earth are more accessible and more reliably deliverable than those above the Arctic Circle. Importing oil in tankers from the highly diversified world market is arguably better for energy security than delivering refuge oil to other U.S. states through one vulnerable conduit, the Trans-Alaska Pipeline System. Although proponents argue that exploiting refuge oil would make better use of TAPS (which is all paid for but only half-full), that pipeline is easy to disrupt and difficult to repair. More than half of it is elevated and indefensible; in fact, it has already been bombed twice. If one of its vital pumping stations were attacked in the winter, its nine million barrels of hot oil could congeal into the world's largest Chapstick. Nor has the 24-year-old TAPS aged gracefully: premature and accelerated corrosion, erosion, and stress are raising maintenance costs. Last year, the pipeline suffered two troubling accidents plus another that almost blew up the Valdez oil terminal. If TAPS were to start transporting refuge oil, it would start only around the end of its originally expected lifetime. That one fragile link, soon to be geriatric, would then bring as much oil to U.S. refineries as now flows through the Strait of Hormuz—a chokepoint that is harder to disrupt, is easier to fix, and has alternative routes.

Available and proven technological alternatives that use energy more productively can meet all three goals of energy policy with far greater effectiveness, speed, profit, and security than can drilling in the refuge. The untapped, inexpensive "reserves" of oil-efficiency technology exceed by more than 50 times the average projection of what refuge drilling might yield. The existence of such alternatives makes drilling even more economically risky.

In sum, even if drilling in the Arctic Wildlife Refuge posed no environmental or human rights concerns, it still could not be justified on economic or security grounds. These reasons remain as compelling as they were 14 years ago, when drilling there was last rejected, and they are likely to strengthen further with technological advances. Comparing all realistic ways to meet the goals of national energy policy suggests a simple conclusion: refuge oil is unnecessary, insecure, a poor business risk, and a distraction from a sound national debate over realistic energy priorities. If that debate is informed by the past quarter-century's experience of what works, a strong energy policy will seek the lowest-cost mix of demand- and supply-side investments that compete fairly at honest prices. It will not pick winners, bail out losers, substitute central planning for market forces, or forecast demand and then plan capacity to meet it. Instead, it will treat demand as a choice, not fate. If consumers can choose optimal levels of efficiency, demand can remain stable (as oil demand did during 1975–91) or even decline—and it will be possible to provide secure, safe, and clean energy services at the lowest cost. In this market-driven world, the time for costly refuge oil has passed.

From 1979 to 1986, GDP grew 20 percent while total energy use fell by 5 percent. Improved efficiency provided more than five times as much new energy service as the vaunted expansion of the coal and nuclear industries; domestic oil output rose only 1.5 percent while domestic natural gas output fell 18 percent. When the resulting glut slashed energy prices in 1985–86, attention strayed and efficiency slowed. But just in the past five years, the United States has quietly entered a second golden age of rapidly improving energy efficiency. Now, with another efficiency boom underway, the whole cycle is poised to repeat itself—threatening another energy-policy train wreck with serious economic consequences.

From 1996 to 2000, a complex mix of factors—such as competitive pressures, valuable side benefits, climate concerns, and e-commerce's structural shifts—unexpectedly pushed the pace of U.S. energy savings to nearly an all-time high, averaging 3.1 percent per year despite the record-low and falling energy prices of 1997–99. Meanwhile, investment in energy supply, which is slower to mature, lagged behind demand growth in some regions as the economy boomed. Then in 2000, Middle East political jitters, OPEC machinations, and other factors made world oil prices spike just as cold weather and turbulence in the utility industry coincidentally boosted natural gas prices. Gasoline prices are rising this year—even though crude-oil prices are softening—due to shortages not of crude oil but of refineries and additives. California's botched utility restructuring, meanwhile, sent West Coast electricity prices sky-high, although not for the oft-cited reasons. (Demand did not soar, and California did not stop building power plants in the 1990s, contrary to many observers' claims.)

The higher fuel and electricity prices and occasional local shortages that have vexed many Americans this past year have rekindled a broader national interest in efficient use. The current economic slow-down will further dampen demand but should also heighten business interest in cutting costs. Efficiency also lets numerous actors harness the energy market's dynamism and speed—and it tends to bear results quickly. All these factors could set the stage for another price crash as burgeoning energy savings coincide, then collide, with the new administration's push to stimulate energy supplies. Producers who answer that call will risk shouldering the cost of added supply without the revenue to pay for it, for oil prices high enough to make refuge oil profitable would collapse before or as supply boomed.

Policymakers can avoid such overreaction and instability if they understand the full range of competing options, especially the ability of demand to react faster than supply and the need for balancing investment between them. As outlined above, in the first half of the 1980s, the U.S. economy grew while total energy use fell and oil imports from the Persian Gulf were nearly eliminated. This achievement showed the power of a demand-side national energy policy. Today, new factors—even more powerful technologies and better designs, streamlined delivery methods, and better understanding of how public policy can correct dozens of market failures in buying efficiency—can make the demand-side response even more effective. This can give the United States a more affordable and secure portfolio of diverse energy sources, not just a few centralized ones.

IT'S EASY (AND LUCRATIVE) BEING GREEN

Oil is becoming more abundant but relatively less important. For each dollar of GDP, the United States used 49 percent less oil in 2000 than it did in 1975. Compared with 1975, the amount that energy efficiency now saves each year is more than five times the country's annual domestic oil production, twelve times its imports from the Persian Gulf, and twice its total oil imports. And the efficiency resource is far from tapped out; instead, it is constantly expanding. It is already far larger and cheaper than anyone had dared imagine.

Increased energy productivity now delivers two-fifths of all U.S. energy services and is also the fastest growing "source." (Aboard, renewable energy supply is growing even faster; it is expected to generate 22 percent of the European Union's electricity by 2010.) Efficient energy use often yields annual after-tax returns of 100 to 200 percent on investment. Its frequent fringe benefits are even more valuable: 6 to 16 percent higher labor productivity in energy-efficient buildings, 40 percent higher retail sales in stores with good natural lighting, and improved output and quality in efficient factories. Efficiency also has major policy advantages. It is here and now, not a decade away. It improves the environment and protects the earth's climate. It is fully secure, already delivered to customers, and immune to foreign potentates and volatile markets. It is rapidly and equitably deployable in the market. It supports jobs all across the United States rather than in a few firms in one state. Yet the energy options now winning int he marketplace seem oddly invisible, unimportant, and disfavored in current national strategy.

Those who have forgotten the power of energy efficiency should remember the painful business lessons learned from the energy policies of the early 1970s and the 1980s. Energy gluts rapidly recur whenever customers pay attention to efficiency—because the nationwide reserve of cheap, qualitatively superior savings from efficient energy use is enormous and largely accessible. That overhand of untapped and unpredictably accessed efficiency presents an opportunity for entrepreneurs and policymakers, but it also poses a risk to costly supply investments. That risk is now swelling ominously.

In the early 1980s, vigorous efforts to boost both supply and efficiency succeeded. Supply rose modestly while efficiency soared.

A BARREL SAVED, A BARREL EARNED

If oil were found and profitably extracted from the refuge, its expected peak output would equal for a few years about one percent of the world oil market. Senator FRANK MURKOWSKI (R–Alaska) has claimed that merely announcing refuge leasing would bring down world oil prices. Yet even a giant Alaskan discovery several times larger than the refuge would not stabilize world oil markets. Oil prices reached their all-time high, for example, just as such a huge field, in Alaska's Prudhoe Bay, neared its maximum output. Only energy efficiency can stabilize oil prices—as well as sink them. And only a tiny fraction of the vast untapped efficiency gains is needed to do so.

What could the refuge actually produce under optimal conditions? Starting about ten years from now, if oil prices did stay around $22 per barrel, if Congress approved the project, and if the refuge yielded the USGS's mean estimate of about 3.2 billion barrels of profitable oil, the 30-year output would average a modest 292,000 barrels of crude oil a day. (This estimate also assumes that such oil would feed U.S. refineries rather than go to Asian markets, as some Alaskan oil did in 1996–2000.) Once refined, that amount would yield 156,000 barrels of gasoline per day—enough to run 2 percent of American cars and light trucks. That much gasoline could be saved if light vehicles became 0.4 mpg more efficient. Compare that feat to the one achieved in 1979—85, when new light vehicles on average gained o.4 mpg every 5 months.

Equipping cars with replacement tires as efficient as the original ones would save consumers several "refuges" full of crude oil. Installing superinsulating windows could save even more oil and natural gas while making buildings more comfortable and cheaper to construct. A combination of all the main efficiency options available in 1989 could save today the equivalent of 54 "refuges"—but at a sixth of the cost. New technologies for saving energy are being found faster than the old ones are being used up—just like new technologies for finding and extracting oil, only faster. As gains in energy efficiency continue to outpace oil depletion, oil will probably become uncompetitive even at low prices before it becomes unavailable even at high prices. This is especially likely because the latest efficiency revolution squarely targets oil's main users and its dominant growth market—cars and light trucks—where gasoline savings magnify crude-oil savings by 85 percent.

New American cars are hardly models of fuel efficiency. Their average rating of 24 mpg ties for a 20-year low. The auto industry can do much better—and is now making an effort. Briskly selling hybrid-electric cars such as the Toyota Prius (a Corolla-class 5-seater) offer 49 mpg, and the Honda Insight (a CRX-class 2-seater) gets 67 mpg. A fleet that efficient, compared to the 24 mpg average, would save 26 or 33 refuges, respectively. General Motors, DaimlerChrysler, and Ford are now testing family sedans that offer 72—80 mpg. For Europeans who prefer subcompact city cars, Volkswagen is selling a 4-seater at 78 mpg and has announced a smaller 2003 model at 235 mpg. Still more efficient cars powered by clean and silent fuel cells are slated for production by at least eight major automakers starting in 2003–5. An uncompromised fuel-cell vehicle—the Hypercar$^{\text{SM}}$—has been designed and costed for production and would achieve 99 mpg; it is as roomy and safe as a midsized sport-utility vehicle but uses 82 percent less fuel and no oil. Such high-efficiency vehicles, which probably can be manufactured at competitive cost, could save globally as much oil as OPEC now sells; when parked, the cars' dual function as plug-in power stations could displace the world's coal and nuclear plants many times over.

As long as the world runs largely on oil, economics dictates a logical priority for displacing it. Efficient use of oil wins hands down on cost, risk, and speed. Costlier options thus incur an opportunity cost. Buying costly refuge oil instead of cheap oil productivity is not simply a bad business decision; it worsens the oil-import problem. Each dollar spent on the costly option of refuge oil could have bought more of the cheap option of efficient use instead. Choosing the expensive option causes more oil to be used and imported than if consumers had bought the efficiency option first. The United States made exactly this mistake when it spent $200 billion on unneeded (but officially encouraged) nuclear and coal plants in the 1970s and 1980s. The United States now imports oil, produces nuclear waste, and risks global climate instability partly because it bought those assets instead of buying far cheaper energy efficiency.

Drilling for refuge oil is a risk the nation should consider taking only if no other choice is possible. But other choices abound. If three or four percent of all U.S. cars were as efficient as today's popular hybrid models, they would save the equivalent of all the refuge's oil. In all, many tens of time more oil is available—sooner, more surely, and more cheaply—from proven energy efficiency. The cheaper, faster energy alternatives now succeeding in the marketplace are safe, clean, climate-friendly, and overwhelmingly supported by the public. Equally important, they remain profitable at any oil price. They offer economic, security, and environmental benefits rather than costs. If any oil is beneath the refuge, its greatest value just might be in holding up the ground beneath the people and animals that live there.

Mr. TAUZIN. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, as a young reporter, I remember the debate over the Alaskan pipeline. I remember it very vividly. I remember the hysteria and the charges and the warnings of the catastrophe, oh, the environmental catastrophe that would happen; and the caribous were going to quit breeding and all of those other dire consequences we would face. None of them came true.

But do my colleagues know what happened? We won that vote by 1 vote, 1 vote in the Senate. Because we had that pipeline, America has received 25 percent of its oil, domestic oil production through that pipeline. If we had not had that oil, our people would have lived at a much lower standard of living, we would not have been helped out during the crises that we faced.

What kind of crises are we going to face in the future? This 2 percent might help us out. We should make sure we can use it for the benefit of our people, keeping them prosperous and at peace.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I reserve the balance of my time.

Mr. MARKEY. Mr. Chairman, could I inquire as to how much time is remaining.

The CHAIRMAN pro tempore (Mr. NETHERCUTT). The gentleman from Massachusetts (Mr. MARKEY) has 1-3/4 minutes remaining; the gentlewoman from Connecticut (Mrs. JOHNSON) has 1 minute remaining; the gentleman from Louisiana (Mr. TAUZIN) has 1½ minutes remaining and has the right to close.

Mr. MARKEY. Mr. Chairman, I yield 45 seconds to the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Chairman, a few hours ago we rejected the amendment to improve the CAFE standards, the mileage standards for automobiles. At that moment, this amendment ceased to be about America's energy supplies, America's energy independence, and America's national security, because at that moment, this House made a decision that it was going to continue to waste the oil products of this Nation, the finds of this Nation, the treasures of this Nation, to waste it on automobiles. Even though we have not made an improvement in 13 years, we voted to cave in to the automobile industry and not make those improvements.

This is not about our national security or our national energy; this is about a value. This is about a value, whether we are going to invade one of the most pristine and magnificent areas on the face of the Earth so that we can put it in automobiles to waste it.

The American public rejects that value and so should the Congress.

Mr. TAUZIN. Mr. Chairman, I reserve the balance of my time.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, I think this is about values. And in reading the inscription from Daniel Webster, it did say we are responsible to promote all of its interests, all of the Nation's interests; and this is about the Nation's interest in preserving the environmental unique areas that we have inherited to pass them on to our children.

This is not about oil. Ninety-five percent of the North Slope is available for drilling. In Prudhoe Bay, there are well-known large reserves of gas. They could have drilled last year or the year before. They can drill the next year or the year thereafter.

Forty percent of our oil is used by transportation vehicles. All we have to do is raise the miles-per-gallon usage 3 miles to save much more than anyone thinks we will get out of this area of the ANWR.

So this is not about oil. This is about balance, this is about values. This is about a nation that is going to diversify its energy sources through exploration and renewable resources and preserve the environment.

Mr. MARKEY. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, this, I say to my colleagues, is what the Arctic Refuge will look like if the Markey-Johnson amendment is not successful. The oil and gas industry has a bull's-eye that they have put in the middle of this sacred refuge that we should remove this evening.

This will be the most important environmental vote that we have. Do not allow the proponents of drilling in this refuge to convince us for a moment that, like Prudhoe Bay, the Arctic Refuge will not look like an industrial site, because it will. And this would be after a day in which our air conditioners and automobiles and every other device, that we could have voted to make more efficient so that we did not have to drill here.

But the majority said no. They say yes to the oil and gas industry and no to conservation and renewable energy and to energy efficiency.

Vote yes on the Markey-Johnson amendment and no to the oil and gas industry's design on this sacred wilderness in our country.

Mr. TAUZIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Mr. Chairman, I rise in opposition to the Markey-Johnson amendment.

Mr. Chairman, I am against the amendment to ban drilling in the Arctic National Wildlife Reserve. DON YOUNG has said, "Oil exploration on Alaska's North slope is already the safest, cleanest, most environmentally responsible production in the world. If we say no to exploration in ANWR, we are saying yes to destructive methods that occur in other countries." I have been in this body for only seven months but I have worked with DON YOUNG and know he is a man of his word. We should respect his views on important matters within his district.

Failure to increase energy exploration in the United States will strengthen the OPEC cartel and taxes our constituents with higher fuel bills. We must work together to control our nation's destiny when it comes to meeting the future energy needs of our country.

U.S. demand for world oil is large, and we presently import over 50 percent of our oil. That is outrageous. One way to avoid this crippling dependence is to explore new domestic resources. As the Democrat Governor of Alaska has stated, "Opening [ANWR] for responsible oil and gas development is vital to the economic well being of Alaska and the nation." According to an analysis prepared by the Wharton Econometric Forecasting Associates, ANWR development would create 735,000 new jobs, including 19,000 in my home state of Virginia.

I urge defeat of the amendment.

Mr. TAUZIN. Mr. Chairman, I yield myself the balance of the time to close in opposition to the Markey amendment.

It is important at this stage that we set the record straight again. The map the gentleman from Massachusetts (Mr. MARKEY) showed us is not the Arctic Refuge. It is a map of section 1002. It is a map of a part of the Arctic Refuge, if you will, that was set aside in 1980 for exploration for minerals. It was specifically set aside for that purpose, and they said when Congress is ready, it will vote to open it up the same way we voted to do the pipeline.

The second thing that is erroneous about that map is that those pink lines represent, I guess, about 5-mile-wide highways, if that is what he is trying to represent.

The most important thing that is wrong about the map is that this House just voted, this House just voted to limit the footprint of any development to 2,000 acres, and it voted again to make sure that the Federal share of production, the dollars, would go back into conservation and alternative fuels, about $1.25 billion according to CBO estimates.

So what we have done literally in this bill is to say that the 1980 set-aside can now be explored and developed for the good of this country. And we know that there is a 95 percent chance of 4 billion barrels of oil there, and it could be as high as 16 billion barrels of oil, the biggest find since Prudhoe Bay, and this country sorely needs it.

There was a time in American history when we decided two things, it was in our Revolutionary days. We decided we did not like government a whole lot, but we also decided if we had to have it, it would be better if we had our own instead of somebody else's. My colleagues may not like oil companies or oil, but it is a lot better if we produce it at home than depend upon Saddam Hussein.

Vote no on the Markey amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I believe that environmental opportunity and energy development can go hand in hand. That is why I offered the Jackson-Lee-Lampson amendment to H.R. 4, Securing America's Future Energy Act of 2001. This amendment's adoption creates a win for both the environment and the need to address growing energy demand in our Nation. This amendment directs the Secretary of Energy to study and evaluate the availability of natural gas and oil deposits located off the coasts of Louisiana and Texas at existing drilling sites. This assessment every 2 years would allow an inventory of existing oil and gas supplies and evaluation of techniques or processes that may assist in keeping those wells productive.

I have several reasons for not supporting drilling in ANWR: the President has not made his case for drilling, the studies that have been conducted have questions regarding their accuracy, and there is no time table for how long it would take the process to begin, and finally I believe strongly that we must balance our Nation's energy needs with our stewardship of the environment.

This has been effectively done in the Gulf of Mexico off the Texas and Louisiana coasts. There are more than 3,800 working offshore platforms in the Gulf of Mexico, which provide 55,000 jobs to residents of Texas and Louisiana.

The Nation's record for safe and clean offshore natural gas and oil operations off the Texas and Louisiana coasts are excellent. The environmental soundness of oil and gas exploration in the gulf has been proven over many decades that have passed since offshore drilling began.

I know that energy exploration and sound environmental practices can go hand in hand, with the proper application of technology. I also know that our Nation's energy needs requires that we start today so that tomorrow our children and grandchildren can have a more secure and reliable source of energy. That is why I plan to vote for final passage of H.R. 4, Securing America's Future Energy Act of 2001.

Mrs. MALONEY of New York. Mr. Chairman, I am proud to stand here today alongside Representative MARKEY, Representative NANCY JOHNSON, and the many other cosponsors of this critical legislation to say loud and clear—we will not sacrifice America's unique natural treasures to satisfy the whims of the oil industry.

Today, we are sending a bipartisan message to Congress and to our President: don't let the Energy bill pass out of Congress if it calls for tapping the arctic national wildlife refuge for oil, one of the most unblemished national resources in our Nation.

In my fight to ensure that the industry paid their fair share of the royalties that they owe to the Federal Government for taking oil from Federal lands, they claimed for years that their system for calculating royalties was fair. Now, they have settled lawsuits with the Federal Government and States for close to $5 billion.

This may not be an admission of guilt, but it is the closest thing you will ever get from a multi-billion dollar industry that gets more wealthy each year.

After they ripped off American taxpayers for years, I must admit I am skeptical that this industry is terribly concerned with the "national interest" or preserving our Nation's most pristine resources.

We do not believe the oil industry when they claim that they can somehow extract millions of barrels of oil without leaving any trace. Does anyone remember the *Exxon Valdez*?

In 1995, there were more than 500 oil spills "reported" on the north slope, spilling over 80,000 gallons of oil, diesel fuel, and acid.

Is this considered "acceptable" environmental damage by this administration?

This is the number one priority of the environmental community. The main point is, oil rigs don't belong in the Arctic refuge. Oil drilling in this pristine area is both foolish and short sighted. Former justice William Douglas called the Arctic refuge "the most wonderous place on earth."

We need a balanced energy program. We should not allow the oil companies to drill everywhere. Protect the Arctic refuge. Vote for the Markey-Johnson amendment.

Mr. BENTSEN. Mr. Chairman, I rise in support of the amendment offered by Mr. MARKEY and in opposition to the opening on the Alaska National Wildlife Reserve to oil and gas exploration.

I have not come to this position easily. I believe that the United States needs to expand production of oil and gas as much as we need to increase conservation. I have consistently supported increasing production in the outer continental shelf including off the coast of Florida and California. I believe that, based upon the U.S. Geological Survey, significant reserves exist along the coastal plane of ANWR. But, even at the highest possible estimate of recoverable reserves the production at ANWR would not materially decrease our dependency on imported oil, at peak production no more than seven percent of our daily demand. Since we have less than 5 percent of world petroleum reserves, ANWR development would not give the United States the purchasing power to offset the world markets. It would not, alone, solve our energy problems.

When weighing those facts against the risk which exploration and production would bring to the coastal plain, I fail to see were the potential benefits outweigh the risks. ANWR, first established by President Dwight Eisenhower, and later by an act of Congress during the late 1970's, is the last undisturbed coastal plain in Alaska. Specifically, section 1002, the area being considered, is the last stretch of protected coastal plain in Alaska. If it were opened to exploration and production, it would eliminate from ANWR any coastal area. And, it would bring risk to the delicate ecosystem which currently exists.

According DOI's Final Legislative Environmental Impact Statement (FLEIS or 1002 report) in April 1987 stated that, "the most biologically productive part of the Arctic Refuge for wildlife and is the center of wildlife activity." Some cite that caribou in the North Slope are increasing in population, from 3,000 to over 20,000. They fail to note that the predators have been reduced putting the populations out of balance. While I believe that development on the North Slope is an acceptable environmental risk, I do not see the urgency in increasing that risk at this time. I do not believe that energy development and environmental protection are uncompatible, but I am not dismissive of the real environmental risk.

I do not believe either that the limitation of acres open to development will serve as a successful deterent. As with any attempt to locate new reserves, producers will have to drill multiple wells to determine the actual location of the largest reserves. If we open a portion, we will ultimately open all. I am not convinced that at this time, the risk is worth the potential reward.

Again, I support our Nation's efforts to expand exploration and production. Unlike many proponents and opponents of the Markey amendment, I am willing to vote to expand production, but not in this pristine, protected ecosystem at this time. It's yield will not solve our problems, but its cost may be more than we can afford.

Mr. BLUMENAUER. Mr. Chairman, I recently visited the Arctic Wildlife Refuge. It is an area that I have not visited before in previous trips to Alaska and I wanted to see this controversial area for myself. I spent a several days hiking, camping, exploring the wilderness, flying over some of the vast stretches, talking to Alaskans and spending time in the Prudhoe Bay area with representatives of the petroleum industry.

I saw caribou in vast numbers and witnessed the fragility of the tundra with small willows that are 20 and 30 years old that are only inches high. I thought a lot about what would happen if there were problems with drilling in this area. I came away with a profound sense that the American public is right. The Arctic Wildlife Refuge is absolutely the last place we should be exploring for oil, not the first.

A rational national energy policy must place conservation and efficiency at the forefront. Merely ending the fuel efficiency loophole for SUV and light trucks will save more oil that the Arctic Refuge will produce.

With only 2 to 3 percent of the world's reserves—and an energy habit that accounts for 25 percent of the world's consumption—the United States simply cannot produce enough energy to meet its demand.

We would do better to use the 10 years it would take to get the oil from the coastal plain to improve the energy efficiency of our transportation system, homes and factories, and develop a significant, meaningful, long-term national energy policy.

The Arctic refuge should be left alone.

Mr. Chairman, as Yogi Berra once said, "It's deja vu all over again."

Once before, this House held an important debate on whether to open up a portion of Alaska to oil and gas exploration. The arguments were about the same as what we've been hearing today. Supporters said it was critical for our national energy security. Opponents said it couldn't be done safely.

The vote was close, but Congress authorized drilling in Prudhoe Bay. Imagine how much more dependent the United States would have been on oil from Saddam Hussein and the Ayatollah if that courageous and far-sighted decision had not been made.

Now, it's our time.

I've been to Alaska, and I have seen how oil and gas exploration can be done, while preserving the natural beauty of the State. I have personally seen the tract in ANWR that we are talking about. It is an area with important new reserves where drilling was contemplated long ago. I left convinced that exploration and the environment can comfortably coexist. I just wish that more people could see first-hand the area that we're talking about.

The higher energy prices we've experienced lately, really come down to the old law of supply and demand. Our economy has been growing, but we haven't been producing enough energy to keep up. Opening up a sliver of ANWR is a sensible way to increase our energy supplies, while at the same time making us less dependent on foreign oil.

Ms. PELOSI. Mr. Chairman, I rise in support of the Markey-Johnson amendment to prevent drilling for oil and gas in the coastal plain of the Arctic National Wildlife Refuge.

Many of my colleagues have spoken eloquently today of the windswept coastal plain, the wide variety of wildlife found there, and the people there who continue to practice the traditional ways of their ancestors. This area was first protected in 1960 by the Eisenhower administration. Today the Arctic National Wildlife Refuge contains the last 5% of Alaska's northern shore that is closed to exploration for oil and gas. This ecological jewel should be preserved for posterity.

Our nation should continue to develop our oil and gas resources, to the extent that is compatible with environmental protection. But we must be realistic. The United States contains less than 3% of the world's proven oil reserves. Even if we extracted every drop of oil to be found in the U.S. and off our shores, we would still remain dependent on foreign oil.

It is time to take advantage of the abundance of renewable energy resources in our country, and greatly accelerate our development of clean energy technologies powered by wind, solar, and biomass. Equally important are our energy conservation resources. By using energy more wisely—in transportation, buildings, and industry—we can save money, prevent pollution, reduce our dependence on foreign oil, and create new jobs. By adopting a comprehensive approach to energy efficiency, we could lower energy use in the U.S. by as much as 18% in 2010 and 33% in 2020.

Mr. Chairman, we truly do not need to drill in ANWR, the crown jewel among our national wildlife refuges. We have many, many other options for powering our homes, businesses, and transportation systems. I urge my colleagues to vote for the Markey-Johnson amendment.

Mr. SMITH of Michigan. Mr. Chairman, I rise in strong opposition to this amendment. Today, America is more dependent on foreign sources of oil than ever before—1 million barrels a day from Saddam Hussein's Iraq. This oil reserve represents 30 years of Iraq's oil supply and 25 years of Iran's. This is a national security issue as much as an energy issue. The President's energy plan calls for the opening of a small portion of the Arctic National Wildlife Refuge (ANWR) to reduce America's dependance of foreign oil.

Opponents tell us that opening ANWR would destroy the refuge, despite the fact that 99.99 percent of the refuge would be untouched by oil exploration. They also tell us that the polar bears and caribou that live in the refuge would be harmed, despite the fact that these animals have been thriving at Prudhoe Bay and are believed to exist in record numbers in the region.

Opponents have also told us that the native people of the region oppose opening ANWR. However, 75 percent of Alaskans and 78 percent of the indigenous residents of Katovik in ANWR favor oil development on the coastal plain.

In addition, opening ANWR would generate as many as 736,000 new jobs across the Nation. That is why the labor unions have backed this proposal.

I am confident that oil and gas exploration can be accomplished without harming the environment. Developing ANWR's coastal plain would improve America's energy security and create high-paying jobs. I urge my colleagues to vote "no" on this amendment.

Mr. ISRAEL. Mr. Chairman, tonight we make a historic decision about the preservation of one of the world's last great wilderness areas.

And let me bring my colleagues back into history, and share with them the words of a great former Republican President, Theodore Roosevelt.

He said this:

> Leave it as it is. The ages have been at work on it, and man can only mar it. What you can do is keep it for your children, your children's children, and for all who come after you.

That is what President Theodore Roosevelt said when protecting the Grand Canyon.

That is what he would have us do tonight.

Mr. DELAY. Mr. Chairman, Members should oppose the Markey amendment because it undercuts our energy security.

Opening ANWR to safe exploration is the most powerful tool we have to reduce our dependence on foreign sources of energy.

The logic supporting ANWR exploration built a broad base of support across our economy.

Labor unions, employers, families, and industry experts all agree that the benefits to our energy security and economic strength make a compelling case to put the resources in ANWR to work for America.

Opponents cloud this debate with a fog of unfounded assertions to the effect that opening ANWR will subject a wilderness to utter devastation. It's simply not true.

We can develop ANWR responsibly. We can produce its resources within strict environmental guidelines that conserve the natural beauty we all want to protect.

Members will expand our energy security by opposing this amendment.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentleman from Massachusetts (Mr. MARKEY).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. MARKEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Massachusetts (Mr. MARKEY) will be postponed.

It is now in order to consider Amendment No. 14 printed in part B of House report 107–178.

AMENDMENT NO. 14 OFFERED BY MR. HAYWORTH

Mr. HAYWORTH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

> Amendment No. 14 offered by Mr. HAYWORTH:
>
> Page 502, after line 13, insert the following:
>
> **SEC. 6602. AMENDMENT TO BUY INDIAN ACT.**
>
> Section 23 of the Act of June 25, 1910 (25 U.S.C. 47; commonly known as the "Buy Indian Act") is amended by inserting "energy products, and energy by-products," after "printing,".

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentleman from Arizona (Mr. HAYWORTH) and a Member opposed each will control 5 minutes.

Does any Member claim time in opposition to the amendment of the gentleman from Arizona?

Mr. RAHALL. Mr. Chairman, I claim the time in opposition.

The Chair recognizes the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I yield myself such time as I might consume.

With Native economies commonly reliant on Federal transfer payments to create employment opportunities, American Indians and Alaska Natives suffer an average unemployment rate at or near 50 percent, stagnant incomes, poor health, substandard housing and education, and associated social ills.

American Indian and Alaska Native tribes own a large share of the Nation's untapped energy resources and proper development of products and energy by-products would result in significant socioeconomic benefits both to tribal members and to the rest of our Nation.

The United States and tribal governments share the obligation to preserve and protect tribal land, assets, and resources, including efforts to assure that renewable and nonrenewable resources are used to the maximum advantage of tribal owners.

Economic development is an essential tool in achieving self-sufficiency by American Indians and Alaska Native tribes. Increased employment and business opportunities are key to achieving economic self-sufficiency for American Indian and Alaska Native tribes.

The Buy Indian Act amendment provides additional opportunities as envisioned in the Indian Self-determination and Education Act for tribes to achieve self-sufficiency. Each American Indian and Alaska Native tribe has to choose its own path to self-sufficiency. It is our role to provide options for tribes, not to make decisions for them.

Mr. Chairman, the purchase of energy and energy by-products will provide additional economic means for American Indians and Alaska Native tribes and Indian businesses to achieve economic independence and self-sufficiency. The Buy Indian Act provides additional incentives for corporations to partner with American Indian and Alaska Native tribes and Indian-owned companies in energy sector development projects.

If tribes are given the tools to stand on their own and not be beholden to the Bureau of Indian Affairs, the sooner they will achieve self-sufficiency.

Mr. Chairman, I reserve the balance of my time.

Mr. RAHALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the purpose of the Buy Indian Act has been to try and encourage the hiring of Indian workers in the purchase of Indian-made products by the Secretary of the Interior. While it is appropriate that we encourage the purchase of Indian-produced energy products, it is necessary that we address the real energy needs of Native Americans and put some teeth and some backbone into real solutions.

Along with several colleagues, I introduced H.R. 2412, the Tribal Energy Self-Sufficiency Act, which contains not only the Hayworth amendment offered here this evening, but a full and comprehensive program to address the energy needs in Indian country. My bill includes financing options, tax incentives and provisions designed to encourage development of renewable and nonrenewable resources on Indian lands to benefit Indians and non-Indians alike.

Native Americans have by far the highest percentage of homes without electricity. Many homes on the Indian reservations have either no electricity or unreliable electricity. In numerous instances, Indian lands are crisscrossed with electricity transmission and distribution lines, yet the Indian homes on those lands remain dark. Unlike local non-Indian governments, Indian tribal governments often have no access to these lines and little authority over what energy they do receive.

As the ranking Democratic member of the Committee on Resources, I offered substitute language to the energy bill during markup which included the language in the amendment that we are debating, as well as several other proposals to assist Indian tribes in attracting business development and access to electricity. Unfortunately, that language was defeated by almost a straight party-line vote. Again, I worked to ensure that language designed to break down barriers to energy development by the Indians be included in the Markey-Stenholm amendment which we hoped to bring here to the floor, but the Committee on Rules would not allow it.

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The Republican leadership of this House has determined that the plight and energy needs of Native Americans are not in order to be addressed.

Mr. Chairman, I do support the gentleman's amendment and encourage my colleagues to do the same. But shame on us, shame on us, shame on us. This paltry amendment is all that we have to address the very real energy needs of American Indians.

But not to worry, not to worry, since many Indian homes do not have electricity here in 2001, they are probably not watching this travesty on C-Span this evening, unfortunately.

Mr. Chairman, I reserve the balance of my time.

Mr. HAYWORTH. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I guess I would say that the wonder of being in the minority is to be on all sides of every issue; to call something a travesty and say you support it is curious, indeed.

But we welcome the support; and as my friend, the gentleman from West Virginia, heard in the committee hearing, we will continue to work to solve the needs of Native Americans.

Mr. Chairman, I yield the balance of my time to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Chairman, I rise in support of the amendment offered by my good friend, the gentleman from Arizona (Mr. HAYWORTH).

The Buy Indian Act amendment will encourage the development of energy and energy by-products in Indian country. This will provide new economic opportunities for new development on Indian lands, development that does not involve gaming.

The amendment would operate to add competitively priced energy products to the list of goods and services covered under the original Buy Indian Act.

The Buy Indian Act amendment does not discriminate against any type of energy, and encourages all types of production. If the tribe wants to produce hydropower, they can take advantage of the amendment. If the tribe is able to mine coal, they can take advantage of the amendment. If a tribe is able to produce oil or gas, they can take advantage of the amendment. If a tribe can produce wind power, they can take advantage of the amendment.

The amendment will encourage partnerships between the American Indian and Alaska native tribes and the private sector. The resources that Indian country can bring to the table, including a dedicated labor force, energy resources such as coal, oil, and gas combined with the expertise of the business community, is a win-win situation for tribes, the business community, and the Nation.

It is important that Congress does what it can to encourage economic development in Indian country. Although this amendment is a small step, it is a step in the right direction to promote economic opportunities and self-sufficiency for the American Indian and Alaska native tribes.

I encourage my colleagues on both sides of the aisle to join me in the coming weeks to further consult with tribes and explore additional measures we can take to achieve economic development and self-sufficiency in Indian country through energy development and production.

Mr. RAHALL. Mr. Chairman, I yield the remainder of my time to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Chairman, I thank the gentleman for yielding time to me.

I rise in support of the amendment offered by the gentleman from Arizona (Mr. HAYWORTH) that would assist the American Indian community by making energy products and energy by-products eligible under the Buy Indian Act.

Although I agree with this amendment, I believe it does fall short, much like the rest of this bill, in addressing the real problems of American Indian tribes.

As my colleague, the gentleman from West Virginia (Mr. RAHALL), mentioned earlier, Members of this House introduced H.R. 2412, the Tribal Energy Self-Sufficiency Act, and I cosponsored that bill because I believe it incorporates real solutions for Indian country's energy needs.

But I was sorely disappointed that when parts of this bill were offered as the Democratic substitute in the Committee on Resources, it failed on a nearly party line vote. A week ago, it was wrong not to incorporate solutions for tribes into this bill; and today, aside from this amendment, we are doing the same thing.

In fact, American Indians, as we know, face a myriad of energy-related problems. Problem areas include inability for tribes to get financing for new generation projects, difficulties with interconnections, and the list goes on.

While visiting with representatives from Indian country, I have listened to them closely. They have explained to me their view of the history of America's energy industry. Basically, they have been shortchanged.

Again, I support the amendment of the gentleman from Arizona (Mr. HAYWORTH), but like the rest of the good provisions of this bill, it is only a fraction of the positive actions we can and should be taking to make energy resources mutually beneficial for American Indians and this country.

Mr. RAHALL. Mr. Chairman, I reserve the balance of my time.

Mr. HAYWORTH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate the support of the gentleman from New Jersey for this bipartisan amendment. If we listen closely, the problem with the minority is a problem essentially of process.

As I mentioned before, as is part of the RECORD in terms of the Committee markup, we made clear as part of the majority we stand ready to work for comprehensive solutions throughout the width and breadth of native America, to work for these tribes.

There are tremendous opportunities. Let me agree with my friend, the gentleman from New Jersey. In terms of hearing from representatives of sovereign Indian tribes and nations, their determination to become involved in energy exploration, in energy resources, we should inspire that.

This is an important first step, but make no mistake, Mr. Chairman, much more work remains to be done. So in the spirit of bipartisanship, I appreciate the voicing of support for this amendment; and I think this can be a good night for the House and an important step for Indian country to have this amendment adopted.

Mr. RAHALL. Mr. Chairman, I yield myself such time as I may consume.

I say, in conclusion, this is not the first provision of our Democratic alternative in the Committee on Resources that we have seen reoffered now in a different form.

As the gentleman from Louisiana knows, another provision of ours that was defeated on a straight party line in committee was offered in another form, i.e., his own committee.

But the gentleman from Arizona (Mr. HAYWORTH) mentioned in full committee that he wanted to work with us on this issue. We are now hearing from him for the first time since that committee action, and we are glad to work with the gentleman on this. We need to do more, and we hope that we will be able to join forces in the future and do more for our Indian tribes.

The CHAIRMAN pro tempore (Mr. NETHERCUTT). All time has expired.

The question is on the amendment offered by the gentleman from Arizona (Mr. HAYWORTH).

The amendment was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 15 printed in part B of House Report 107-178.

AMENDMENT NO. 15 OFFERED BY MR. ROGERS OF MICHIGAN

Mr. ROGERS of Michigan. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 15 offered by Mr. ROGERS of Michigan:

In division F, at the end of subtitle C of title II add the following:

SEC. . ENCOURAGEMENT OF STATE AND PROVINCIAL PROHIBITIONS ON OFF-SHORE DRILLING IN THE GREAT LAKES.

(a) FINDINGS.—The Congress finds the following:

(1) The water resources of the Great Lakes Basin are precious public natural resources, shared and held in trust by the States of Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin, and the Canadian Province of Ontario.

(2) The environmental dangers associated with off-shore drilling in the Great Lakes for oil and gas outweigh the potential benefits of such drilling.

(3) In accordance with the Submerged Lands Act (43 U.S.C. 1301 et seq.), each State that borders any of the Great Lakes has authority over the area between that State's coastline and the boundary of Canada or another State.

(4) The States of Illinois, Michigan, New York, Pennsylvania, and Wisconsin each have a statutory prohibition of off-shore drilling in the Great Lakes for oil and gas.

(5) The States of Indiana, Minnesota, and Ohio do not have such a prohibition.

(6) The Canadian Province of Ontario does not have such a prohibition, and drilling for and production of gas occurs in the Canadian portion of Lake Erie.

(b) ENCOURAGEMENT OF STATE AND PROVINCIAL PROHIBITIONS.—The Congress encourages—

(1) the States of Illinois, Michigan, New York, Pennsylvania, and Wisconsin to continue to prohibit off-shore drilling in the Great Lakes for oil and gas;

(2) the States of Indiana, Minnesota, and Ohio and the Canadian Province of Ontario to enact a prohibition of such drilling; and

(3) the Canadian Province of Ontario to require the cessation of any such drilling and any production resulting from such drilling.

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentleman from Michigan (Mr. ROGERS) and a Member opposed each will control 5 minutes.

Does any Member seek time in opposition?

Mr. TAUZIN. Mr. Chairman, I would claim the time in opposition, although I support the amendment.

The CHAIRMAN pro tempore. Without objection, the gentleman from Louisiana is recognized to control the time in opposition.

There was no objection.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Michigan (Mr. ROGERS).

Mr. ROGERS of Michigan. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would tell the Members that today the tenor of this debate is about balance. There are places that we should be drilling, and there are places that we should not. The debate ought to center around science and not emotion.

We are very fortunate in Michigan to be part of the Great Lakes basin, that has 20 percent of the world's fresh water. The Great Lakes Governors in each of those States took a look at the science of drilling in the Great Lakes. New York, Michigan, Illinois, Wisconsin, all banned offshore drilling in the Great Lakes. No State, as a matter of fact, Mr. Chairman, has allowed offshore drilling to occur.

I want to introduce Members to somebody tonight, Mr. Chairman. I want to introduce somebody that is no friend to the safety and security of our Great Lakes. I want to introduce Mr. Chris.

As we can see, Mr. Chris is the name of this boat that is drilling currently in Lake Erie. As we can see, this is a tugboat with a bad attitude. This is a boat that is bobbing around. I have to tell Members, this picture was taken on an extremely calm day. Lake Erie is a shallow lake, and it tends to roll a lot. To get this picture with the lake this calm is a rare occasion, indeed.

As we can see, or maybe not, there are only two mooring lines that secure what is an oil rig drilling currently in Lake Erie. There are 550 such wells that Canada is operating in Lake Erie today, 550. Think about this. Every Great Lakes Governor, every legislature, has said no, the science does not support offshore drilling in the Great Lakes.

I need some help today. We ought to stand up again and say, look, we understand that there are places that we ought to be drilling. We understand that there are places that we should not be drilling. The science for drilling in the Great Lakes has proven this is not a place that we should be.

I will ask my colleagues tonight to join every Great Lakes Governor, every Great Lakes legislature, and tell Canada to get off of our Great Lakes. Tell them that Mr. Chris has no place here. That tugboat with an attitude ought to be back in shore.

I urge my colleagues' support of this amendment. Let us send a message to Canada to play fair like the rest of the Great Lakes States and protect that 20 percent of the world's fresh water.

Mr. Chairman, I reserve the balance of my time.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

The gentleman from Michigan's (Mr. ROGERS) amendment simply affirms that the waters of the Great Lakes are a shared responsibility of the bordering States and the Canadian province of Ontario over which the Federal Government has no ownership.

I urge my colleagues to support this amendment. It corrects, I think, an ill-advised move that has occurred last month in the committee that sent a message that a Federal agency, the Corps of Engineers, had some span of control over the Great Lakes, which it clearly does not.

Passage of this amendment will simply clarify that both the waters of the Great Lakes and the subsurface beneath them are controlled by the bordering States or the Canadian province. We would urge its adoption.

Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. ROGERS of Michigan. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Michigan (Mr. ROGERS).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. ROGERS of Michigan. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Michigan (Mr. ROGERS) will be postponed.

It is now in order to consider amendment No. 16 printed in part B of House Report 107–178.

AMENDMENT NO. 16 OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 16 offered by Mr. TRAFICANT:

Page 191, after line 17, insert the following new section, and make the necessary change to the table of contents:

SEC. 2423. OIL SHALE RESEARCH.

There are authorized to be appropriated to the Secretary of Energy for fiscal year 2002 $10,000,000, to be divided equally between grants for research on Eastern oil shale and grants for research on Western oil shale.

The CHAIRMAN pro tempore. Pursuant to House Resolution 216, the gentleman from Ohio (Mr. TRAFICANT) and a Member opposed each will control 5 minutes.

Does any Member seek time in opposition?

Mr. TAUZIN. Mr. Chairman, if no one claims time in opposition, although I support the gentleman's amendment, I ask unanimous consent to control the time; and I would announce that this is the last amendment to be considered tonight. Though we have run through four chairmen of the full committee, I want to thank the gentleman for his patience and endurance tonight, as well as the other chairmen.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to start out by commending the chairman on one of the first major bills that he has conducted. I have served with him for many years, as have many others; and he is absolutely a leader.

Mr. Chairman, this amendment is one that should have been done years ago. Oil trapped in shale rock. There is enough oil in shale rock to fuel America for 300 years without a drop of oil or energy coming from any other source.

The Devonian eastern oil shale is a little bit deeper under the soil. The western oil shale is closer to the surface. It creates jobs. People have to mine it, work to claim it, refine it, distribute it, reclaim the ground and the earth.

But the problem has always been that the cost per barrel is higher than the imported foreign oil. But what people do not realize when we look at the jobs and the tax revenue, the cost factor is not as great as it is.

Let me just say this, to spare the Congress a lot of time. There is a cost to freedom, Mr. Chairman. Freedom does not come inexpensively. If we are going to in fact become energy independent, we must in fact capture all of America's valuable resources: the coal, the oil trapped in shale rock.

The gentleman from Texas (Mr. BARTON) stole my line. Willy Sutton was asked why he robbed banks, and he said, that is where the money is. Congress is being asked tonight, why are we going after oil in Alaska, and why are we doing these other oil experiments? It is because that is where the oil is.

Mr. Chairman, I reserve the balance of my time.

□ 2300

Mr. TAUZIN. Mr. Chairman, I yield 2 minutes to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Chairman, I rise in support of the gentleman's amendment. We have some slightly different figures here. In Utah alone, we have enough energy in oil shale to serve America's energy needs for the next 1,000 years. Now, we have to get that oil out.

The gentleman from Ohio (Mr. TRAFICANT) seeks to authorize funding for research and utilization for both Eastern and Western oil shales. The amendment strengthens the SAFE Act by providing a new look at opportunities for developing shale oil as a future energy source.

I urge the Secretary of Energy to engage the expertise of the U.S. Geological Survey, as well as others, in this effort. The USGS has scientists on staff who have a strong background in shale oil research. The USGS is the data repository for much of the existing information on Colorado and Utah oil shale deposits, as well as for the Eastern shales of northern Kentucky across into southern Ohio which also contain kerogen, the oil in shale oil.

In light of the legislation I passed last year transferring the Naval Oil Shale Reserve No. 2 to the Ute Indian tribe, I am particularly pleased that we will be encouraging technology to make use of oil shale.

Mr. Chairman, I urge my colleagues to support this amendment.

Mr. TAUZIN. Mr. Chairman, I yield 30 seconds to myself.

Mr. Chairman, I compliment the gentleman from Ohio (Mr. TRAFICANT) for this amendment. Oil shale may contain the oil equivalent several times the amount in conventional oil reserves and this is an important resource in America. It is rather vast, and we ought to explore it and know whether the potential is real. I think the gentleman is correct in this amendment. I ask all Members to support it.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, will the gentleman keep this in conference? I will not ask for a recorded vote.

Mr. TAUZIN. I will definitely try to keep it in conference.

Mr. TRAFICANT. Mr. Chairman, I yield back my time.

Mr. TAUZIN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Ohio (Mr. TRAFICANT).

The amendment was agreed to.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: amendment No. 13 by the gentleman from Massachusetts (Mr. MARKEY); amendment No. 15 by the gentleman from Michigan (Mr. ROGERS).

The Chair will reduce to 5 minutes the time for the second electronic vote.

AMENDMENT NO. 13 OFFERED BY MR. MARKEY

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Massachusetts (Mr. MARKEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 206, noes 223, not voting 5, as follows:

[Roll No. 317]

YEAS—206

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett
Bartlett
Bass
Becerra
Bentsen
Berkley
Berman
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Castle
Clay
Clayton
Clement
Condit
Conyers
Costello
Coyne

Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Dunn
Ehlers
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Foley
Ford
Frank
Frelinghuysen
Frost
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Greenwood
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kirk
Kleczka
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Petri
Pomeroy
Price (NC)
Rahall
Ramstad
Rangel
Rivers
Rodriguez
Roemer
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Saxton
Schakowsky
Schiff
Scott
Sensenbrenner
Serrano
Shays
Sherman
Simmons
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Strickland
Stupak
Sweeney
Tauscher
Thompson (CA)
Thurman
Tierney
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walsh
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NAYS—223

Aderholt
Akin
Armey
Baca
Bachus
Baker
Ballenger
Barr
Barton
Bereuter
Berry
Biggert
Bilirakis
Bishop
Blunt
Boehner
Bonilla
Bono
Boyd
Brady (PA)
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Chabot
Chambliss
Clyburn
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Dreier
Duncan
Edwards
Ehrlich
Emerson
English
Everett
Flake
Fletcher
Forbes
Fossella
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jefferson
Jenkins
John
Johnson, Sam
Jones (NC)
Kanjorski
Keller
Kerns
King (NY)
Kingston
Knollenberg
Kolbe
Largent
Latham
LaTourette
Lewis (CA),
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Phelps
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Regula
Rehberg
Reyes
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Royce
Ryan (WI)
Ryun (KS)
Sandlin
Scarborough
Schaffer
Schrock
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Smith (MI)
Smith (TX)
Souder
Stearns
Stenholm
Stump
Sununu
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Towns
Traficant
Turner
Upton
Vitter
Walden
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—5

Hutchinson
Lipinski
Spence
Spratt
Stark

□ 2323

Messrs. TANCREDO, GRUCCI and MORAN of Kansas changed their vote from "aye" to "no."

Ms. RIVERS and Mr. HOLDEN changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. SPRATT. Mr. Chairman, on Rollcall No. 317, I missed the bells and was not here. Had I been here, I would have voted "aye" on the Markey amendment.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. NETHERCUTT). Pursuant to clause 6 of rule XVIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on the next amendment.

AMENDMENT NO. 15 OFFERED BY MR. ROGERS OF MICHIGAN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Michigan (Mr. ROGERS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 345, noes 85, not voting 4, as follows:

[Roll No. 318]

YEAS—345

Abercrombie
Ackerman
Allen
Andrews
Armey
Baca
Bachus
Baird
Baldacci
Baldwin
Ballenger
Barcia
Barrett
Bartlett
Bass
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Cox
Coyne
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Harman
Hart
Hastert
Hastings (FL)
Hayes
Hayworth
Hill
Hilleary
Hinchey
Hinojosa
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hoyer
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jefferson
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
Kirk
Kleczka
Knollenberg
Kucinich
LaFalce
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (GA)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam

Quinn
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Sabo
Sanchez
Sanders
Sawyer
Saxton
Scarborough
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Shaw
Shays
Sherman
Sherwood
Shuster
Simmons
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Solis
Souder
Spratt
Stearns
Strickland
Stupak
Sununu
Sweeney
Tanner
Tauscher
Tauzin
Thomas
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tiahrt
Tiberi
Tierney
Towns
Traficant
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walden
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—85

Aderholt
Akin
Baker
Barr
Barton
Bentsen
Bereuter
Boehner
Brady (TX)
Callahan
Calvert
Carson (OK)
Coble
Collins
Combest
Cooksey
Crane
Cubin
Deal
DeMint
Dooley
Doolittle
Duncan
Emerson
Flake
Gibbons
Graves
Green (TX)
Hansen
Hastings (WA)
Hefley
Herger
Hilliard
Hobson
Hostettler
Houghton
Hulshof
Jackson-Lee (TX)
John
Johnson, Sam
Jones (NC)
King (NY)
Kingston
Kolbe
Lampson
Largent
Lewis (CA)
Lewis (KY)
Lucas (OK)
Manzullo
McCrery
McInnis
Mica
Miller (FL)
Miller, Gary
Otter
Paul
Pickering
Pombo
Radanovich
Riley
Rogers (KY)
Rohrabacher
Ryun (KS)
Sandlin
Schaffer
Sessions
Shadegg
Shimkus
Shows
Simpson
Smith (WA)
Stenholm
Stump
Tancredo
Taylor (MS)
Taylor (NC)
Terry
Thornberry
Toomey
Turner
Vitter
Watkins (OK)
Watts (OK)
Wicker

NOT VOTING—4

Hutchinson
Lipinski
Spence
Stark

□ 2336

Mr. GARY G. MILLER of California and Mr. KINGSTON changed their vote from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Stated against:

Mr. NEY. Mr. Chairman, on rollcall No. 319 I was unavoidably detained. Had I been present, I would have voted "no."

The CHAIRMAN pro tempore (Mr. NETHERCUTT.) There being no other amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SIMPSON) having assumed the chair, Mr. NETHERCUTT, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes, pursuant to House Resolution 216, he reported the bill, as amended pursuant to that rule, back to the House with sundry further amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MRS. THURMAN

Mrs. THURMAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentlewoman opposed to the bill?

Mrs. THURMAN. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mrs. THURMAN moves to recommit the bill H.R. 4 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

Insert after section 3001 the following new section:

SEC. 3002. TAX REDUCTIONS CONTINGENT ON SUFFICIENT NON-SOCIAL SECURITY, NON-MEDICARE SURPLUSES.

(a) IN GENERAL.—No provision of this division or any amendment made thereby shall apply to taxable years beginning in any calendar year if the Director of the Office of Management and Budget projects (as provided in subsection (b)) that there will be a deficit for the Federal fiscal year ending in such calendar year outside the social security and medicare trust funds.

(b) PROJECTIONS.—During December of each calendar year, the Director of the Office of Management and Budget shall make a projection of whether there will be a deficit outside the social security and medicare trust funds for the fiscal year ending in the following calendar year. Such projection shall be made—

(1) by excluding the receipts and disbursements of the social security and medicare trust funds, and

(2) by assuming that the provisions of this division are in effect without regard to this section.

(c) TRUST FUNDS.—For purposes of this section—

(1) the term "social security trust funds" means the Federal Old-Age and Survivors Insurance Trust Fund, and the Federal Disability Insurance Trust Fund, under title II of the Social Security Act, and

(2) the term "medicare trust fund" means the Federal Hospital Insurance Trust Fund created by section 1817 of the Social Security Act.'

The SPEAKER pro tempore. The gentlewoman from Florida (Mrs. THURMAN) is recognized for 5 minutes.

□ 2340

Mrs. THURMAN. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, the Democratic Caucus drafted a balanced energy plan that was paid for, the Markey-Stenholm-Sandlin-Frost proposal, which should have had a chance to have been voted on today, but the House was denied the opportunity.

My motion to recommit would provide that the tax benefits of the bill would be contingent on the availability of sufficient surpluses outside the Social Security and Medicare trust funds. I offered this language in the Committee on Ways and Means, but it was rejected.

Today we are considering a $33 billion energy bill. You told us there is an energy crisis, and we had to respond. We want to respond responsibly. You have also said there is a Medicare crisis and a Social Security crisis, and I too want to resolve those crises, but how are we going to pay for their solution if we continue to spend money we do not have?

You cannot pass this bill without invading the trust funds and breaking the promises made to the American people.

You do not have to take my word for it. According to a Republican memo cited by the press, "We are possibly already into the Medicare trust fund and are very close to touching the Social Security surplus in fiscal year 2003."

Just Monday, Treasury said that it would be borrowing $51 billion to pay for the tax rebate. So, instead of paying down debt, we are adding to debt in interest payments. In fact, the Committee on the Budget chairman is threatening spending cuts for later this year.

Mr. Speaker, I frequently have heard the "first come, first served" argument. It goes like this. There is a slush fund in the 2002 budget that is available on a first come, first served basis; the first bill signed draws from the fund.

We should not be legislating on a first come, first served basis. That is not governing.

Once we have taken care of the easy bills, where are the funds for the education bill that this House passed and promised to the American people? What happens to defense? What happens to the farm bill? What happens to Social Security reform or a Medicare prescription drug benefit? The answer is nothing. Because we do not have any money left for them.

Yet, all of these are important priorities, but not as important as the promise we made in protecting the trust funds. Virtually every Member on this floor has voted at one time or another to protect the trust funds.

Earlier today, in the debate, a Member said something to this effect: If you think this bill hurts Medicare and Social Security, then you do not understand the trust funds. In fact, we do understand the trust funds. If, in fact, we are not or you are not invading the trust funds, then you lose nothing by supporting this motion. Are you protesting so much because you know that this bill hurts Social Security and Medicare recipients?

If you reject this motion, then go home. You go explain to your constituents that what they believed would be for them will not be there. If you break your promise and raid the trust funds, then tell our children, our farmers, our armed services, and seniors to look out for themselves.

However, if you want to keep your promise to all Americans, then support the motion to recommit.

Mr. Speaker, I yield the balance of my time to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, there are $34 billion worth of energy tax breaks in this bill, but they do not pay for them at all. Now, we do not have a surplus any longer, and so what the majority is doing is setting up an oil rig on top of the Social Security and Medicare trust funds, because the only way that this bill, worth $34 billion, can be paid for, is by drilling into the Medicare and Social Security trust funds.

Vote for the Thurman recommittal motion and protect the senior citizens of our country from having a pipeline built into their pockets and having every senior citizen pay for this energy bill for the biggest oil companies in our country.

Mr. TAUZIN. Mr. Speaker, I rise in opposition to the motion to recommit, and I yield such time as he may consume to the gentleman from California (Mr. THOMAS), the chairman of jurisdiction, the distinguished chairman of the Committee on Ways and Means.

Mr. THOMAS. Mr. Speaker, I thank the gentleman for yielding.

I want to thank the gentleman from Massachusetts for providing that very enlightening chart. What most Members could not see was the fine print up on the rig, and it said, "For more than 40 years, that is what the Democrats did."

There was another sign right below it that said, "This rig is no longer in operation." Because we are here arguing about the surplus. Never happened on your watch.

Let me repeat the key words in that devastating Republican quote that the gentlewoman from Florida offered, "possibly already." Really firm language. The answer is, we are not invading the HI trust fund and we will not invade the HI trust fund.

Stripped of all of the language, what this is is something that is becoming familiar to us. It is a trigger, and the trigger says, now watch this; the trigger says, they want to rely on a projection of income.

□ 1150

During the tax bill, all we heard from them was, We cannot rely on projections. Do not rely on projections. This trigger is based on projections, so the last desperate refuge is to argue that we are going to deal with a projection.

What is the projection? Not that there is a deficit, not that there is going to be a deficit in the upcoming Federal fiscal year. But if Members will look on line 14 and 15, it says: "The director of the Office of Management and Budget shall make a projection for the following calendar year," so they have to make a second-year projection that there will be a deficit; not that a deficit occurs, but that there is a projection that there will be a deficit.

What does that trigger, since this is just a trigger? The entire denial of the energy package in which we have the 38 percent devoted to conservation, 37 percent devoted to reliability, so that the lights do not go off in California, so that the rest of the United States does not experience our predicament.

If Members want a trigger, use a light switch, not some kind of a budget projection a year and a half off.

Mr. TAUZIN. Mr. Speaker, I yield to the gentleman from Iowa (Mr. NUSSLE), the chairman of the Committee on the Budget, who heard all of the talk about projections when we put a budget together, that says that the only time we count the spending is when it is enacted, not when it is projected.

Mr. NUSSLE. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, not one penny of the Medicare funds will be used for anything except Medicare. That is the commitment in this budget. That remains.

If the projections change in August, it is because of one reason: there has been a downturn in the economy. And why? If there is a downturn in the economy, it is for a number of reasons. We warned President Clinton about those reasons.

The number one reason, Mr. Speaker, the number one reason that we warned President Clinton about was that taxes were too high. We changed that this year in the budget and in the tax bills.

Number two is because we had no trade policy for this country, and we will change that as a result of this Congress.

But the most important reason why there has been a downturn in this economy is because this Nation has not had a long-term energy strategy.

Vote down this motion to recommit, and let us pass a long-term energy strategy for this country and get this economy going again.

Mr. TAUZIN. Mr. Speaker, this is not about a partisan fight over Social Security and Medicare. It is not. They can try to make it that. This is about a bill that advances the Nation's energy strategies to secure American families into the future.

It is about ensuring the lights go on and do not go out. It is about ensuring gasoline prices are not so high that families cannot afford them. It is about ensuring that in this future, the economy grows again and people have jobs; and they can afford to pay their energy bills. That is what this is all about.

Vote down this artificial, phony trigger and vote for a comprehensive, permanent energy strategy for this country.

The SPEAKER pro tempore (Mr. SIMPSON). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mrs. THURMAN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 206, noes 223, not voting 5, as follows:

[Roll No. 319]

YEAS—206

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy

Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NAYS—223

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—5

Hutchinson
Lipinski
Ney
Spence
Stark

□ 0011

Mr. FOSSELLA changed his vote from "aye" to "no."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

(Mr. TAUZIN was given permission to speak for 30 seconds.)

Mr. TAUZIN. Mr. Chairman, there were an awful lot of committees that contributed to this effort today, and an awful lot of staff members, and I think we owe a great deal to staff on both sides of the aisle that contributed such a great effort to this bill.

I particularly want to thank the gentleman from Michigan (Mr. DINGELL) and his staff, and the gentleman from Virginia (Mr. BOUCHER) for the incredible cooperation that we got, and the gentleman from Texas (Mr. BARTON), and all of the committee chairs and ranking members. Thank you for a job well done.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRANK. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 240, noes 189, not voting 5, as follows:

[Roll No. 320]

YEAS—240

Aderholt
Akin
Armey
Baca
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bereuter
Biggert
Bilirakis
Bishop
Blunt
Boehner
Bonilla
Bono
Boucher
Brady (PA)
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Chabot
Chambliss
Clyburn
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dingell
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Holden
Horn
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson, Sam
Jones (NC)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Knollenberg
Kolbe
LaHood
Lampson
Largent
Latham
LaTourette
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
Matheson
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pence
Peterson (PA)
Phelps
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Ryan (WI)
Ryun (KS)
Sandlin
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Towns
Traficant
Turner
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—189

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boyd
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Castle
Clay
Clayton
Clement
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Doggett
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gilman
Gonzalez
Gordon
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kirk
Kleczka
Kucinich
LaFalce
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard

Rush
Sabo
Sanchez
Sanders
Sawyer
Saxton
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Spratt
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thurman
Tierney
Udall (CO)
Udall (NM)
Velázquez
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—5

Hutchinson
Lewis (CA)
Lipinski
Spence
Stark

□ 0028

Mr. BARCIA changed his vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

RESIGNATION AS MEMBER AND ELECTION AS MEMBER OF COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

The SPEAKER pro tempore (Mr. SIMPSON) laid before the House the following resignation as a member of the Committee on Standards of Official Conduct:

WASHINGTON, DC,
July 31, 2001.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Capitol, Washington, DC.

DEAR MR. SPEAKER: This is official notification that I hereby resign my seat on the Committee on Standards of Official Conduct.

Sincerely,

MARTIN OLAV SABO,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

Mr. FROST. Mr. Speaker, I offer a resolution (H. Res. 218) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

HOUSE RESOLUTION 218

Resolved, That the following named be, and is hereby, elected to the following standing committee of the House of Representatives:

Committee on Standards of Official Conduct: Mr. Green of Texas.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess, subject to the call of the Chair.

Accordingly (at 12 o'clock and 30 minutes a.m.), the House stood in recess, subject to the call of the Chair.

□ 0855

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DREIER) at 8 o'clock and 55 minutes a.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2563, BIPARTISAN PATIENT PROTECTION ACT

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 107-184) on the resolution (H. Res. 219) providing for consideration of the bill (H.R. 2563) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage, which was referred to the House Calendar and ordered to be printed.

REPORT ON HOUSE RESOLUTION 220, PROVIDING FOR PRO FORMA SESSIONS DURING SUMMER DISTRICT WORK PERIOD

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 107-185) on the resolution (H. Res. 220) providing for pro forma sessions during the summer district work period, which was referred to the House Calendar and ordered to be printed.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. OLVER, for 5 minutes, today.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 45. Concurrent resolution expressing the sense of the Congress that the Humane Methods of Slaughter Act of 1958 should be fully enforced so as to prevent needless suffering of animals; to the Committee on Agriculture.

BILL PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on August 1, 2001 he presented to the President of the United States, for his approval, the following bill.

H.R. 1954. To extend the authorities of the Iran and Libya Sanctions Act of 1996 until 2006, and for other purposes.

ADJOURNMENT

Mr. GOSS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 56 minutes a.m.), the House adjourned until today, Thursday, August 2, 2001, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

3245. A letter from the Acting Administrator, Rural Utilities Service, Department of Agriculture, transmitting the Department's final rule—Policy on Audits of RUS Borrowers; Management Letter (RIN: 0572-AB66) received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3246. A letter from the Acting Administrator, Rural Utilities Service, Department of Agriculture, transmitting the Department's final rule—Policy on Audits of RUS Borrowers; Generally Accepted Government Auditing Standards (GAGAS) (RIN: 0572-AB62) received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3247. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Mexican Fruit Fly Regulations; Regulated Areas, Regulated Articles, and Treatments [Docket No. 99-075-5] received July 31, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3248. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Tepraloxydim; Pesticide Tolerance [OPP-301148; FRL-6791-7] (RIN: 2070-AB78) received July 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3249. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Isoxadifen-ethyl; Pesticide Tolerance Technical Correction [OPP-301156; FRL-6794-3] (RIN: 2070-AB78) received July 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3250. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Azoxystrobin; Pesticide Tolerances for Emergency Exemptions [OPP-301151; FRL-6792-5] (RIN: 2070-AB78) received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3251. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Carfentrazone-ethyl; Pesticide Tolerance [OPP-301149; FRL-6790-9] (RIN: 2070-AB78) received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3252. A letter from the Principal Deputy Associate Administrator, Environmental

Protection Agency, transmitting the Agency's final rule—Carfentrazone-ethyl; Pesticide Tolerances for Emergency Exemptions [OPP-301150; FRL-6792-2] (RIN: 2070-AB78) received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3253. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Clomazone; Pesticide Tolerance [OPP-301139; FRL-6787-5] (RIN: 2070-AB78) received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3254. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Sulfentrazone; Pesticide Tolerances for Emergency Exemptions [OPP-301154; FRL-6793-1] (RIN: 2070-AB78) received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3255. A communication from the President of the United States, transmitting a request to make funds available for the Disaster Relief program of the Federal Emergency Management Agency; (H. Doc. No. 107-112); to the Committee on Appropriations and ordered to be printed.

3256. A letter from the Under Secretary, Department of Defense, transmitting certification that the survivability and lethality testing of the C-130 Avionics Modernization Program otherwise required by section 2366 would be unreasonably expensive and impractical, pursuant to 10 U.S.C. 2366(c)(1); to the Committee on Armed Services.

3257. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting the Annual Report on Retail Fees and Services of Depository Institutions, pursuant to 12 U.S.C. 1811 nt; to the Committee on Financial Services.

3258. A letter from the Acting Under Secretary for Domestic Finance, Department of the Treasury, transmitting the annual report on the Resolution Funding Corporation for calendar year 2000, pursuant to Public Law 101-73, section 501(a) (103 Stat. 387); to the Committee on Financial Services.

3259. A letter from the Acting Administrator, Food and Nutrition Service, Department of Agriculture, transmitting the Department's final rule—National School Lunch Program and School Breakfast Program: Identification of Blended Beef, Pork, Poultry or Seafood Products (RIN: 0584-AC92) received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

3260. A letter from the Director, Minority Business Development Agency, Department of Commerce, transmitting the Department's final rule—Solicitation of Applications for the Minority Business Development Center (MBDC) Program [Docket No. 000724217-1193-03] (RIN: 0640-ZA08) received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3261. A letter from the Director, Regulations Policy and Management Staff, Department of Health and Human Services, transmitting the Department's final rule—Food Additives Permitted for Direct Addition to Food for Human Consumption; Change in Specifications for Gum or Wood Rosin Derivatives in Chewing Gum Base [Docket No. 99F-2533] received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3262. A letter from the Trial Attorney, NHTSA, Department of Transportation, transmitting the Department's final rule—Motor Vehicle Safety; Reporting the Sale or Lease of Defective or Non-Compliant Tires [Docket No. NHTSA-2001-10145] (RIN: 2127-AI23) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3263. A letter from the Trial Attorney, NHTSA, Department of Transportation, transmitting the Department's final rule—Motor Vehicle Safety: Criminal Penalty Safe Harbor Provision [Docket No. NHTSA-2001-9779] (RIN: 2127-AI24) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3264. A letter from the Principal Deputy Associate Administrator, Enviromental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Pharmaceuticals Production [FRL-7020-3] (RIN: 2060-AE83) received July 25, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3265. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans: Oregon [OR 62-7277a, OR 71-7286a, OR 01-001a; FRL-7017-9A] received July 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3266. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans Florida: Approval of Revisions to the Florida State Implementation Plan [FL-83-1-200101; FRL-7022-3] received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3267. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the California State Implementation Plan, Bay Area Quality Management District and Ventura County Air Pollution Control District [CA 226-0284; FRL-7008-5] received July 31, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3268. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Promulgation of Extension of Attainment Date for the San Diego, California Serious Ozone Nonattainment Area [CA-038-EXTa; FRL-7023-9] received July 31, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3269. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans and Operating Permits Program; State of Missouri [MO 120-1120a; FRL-7024-3] received July 31, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3270. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Maintenance Plan Revisions; Michigan [MI76-01-7285a; FRL-7023-2] received July 31, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3271. A letter from the Assistant Chief, Consumer Information Bureau, Federal Communications Commission, transmitting the Commission's final rule—Implementation of Sections 255 and 251(a)(2) of the Communications Act of 1934, as Enacted by the Telecommuncations Act of 1996; Access to Telecommunications Service, Telelcommunications Equipment and Customer Premises Equipment by Persons with Disabilities [WT Docket No. 96-198] received July 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3272. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan [Transmittal No. DTC 085-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3273. A letter from the Acting Chief Counsel, Foreign Assets Control, Department of the Treasury, transmitting the Department's final rule—Exports of Agricultural Products, Medicines, and Medical Devices to Cuba, Sudan, Libya, and Iran; Cuba Travel-Related Transactions—received July 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

3274. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation for the Extension of Authority to Provide Assistance to United Nations-Sponsored Efforts to Inspect and Monitor Iraqi Weapons Activities; to the Committee on International Relations.

3275. A letter from the Administrator, National Nuclear Security Administration, Department of Energy, transmitting a report Required by Section 3157 of the National Defense Authorization Act for Fiscal Year 1998 of Accelerated Strategic Computing Initiative Participant Computer Sales to Tier III Countries in Calendar Year 2000; to the Committee on International Relations.

3276. A letter from the Director, Policy Directives and Instructions Branch, INS, Department of Justice, transmitting the Department's final rule—Protection and Assistance for Victims of Trafficking [INS No. 2133-01; AG Order No. 2493-2001] (RIN: 1115-AG20) received July 25, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

3277. A letter from the Attorney, Office of General Counsel, Department of Transportation, transmitting the Department's final rule—Privacy Act of 1974; Implementation [Docket No. OST-96-1437] (RIN: 2105-AC99) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

3278. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Acquisition Regulation: Type of Contracts [FRL-7020-5] received July 25, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

3279. A letter from the Acting Deputy Associate Administrator for Acquistion Policy, General Services Administration, transmitting the Administration's final rule—Federal Advisory Committee Management (RIN: 3090-AG49) received July 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

3280. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Repayment of Student Loans (RIN: 3206-AJ33) received July 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

3281. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific; Western Pacific Pelagics Fisheries; Hawaii-based Pelagic Longline Restrictions and Seasonal Area Closure, and Sea Turtle and Sea Bird Mitigation Measures [Docket No. 010511123–1123–01; I.D. 042001D] (RIN: 0648–AP24) received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3282. A letter from the Acting General Counsel, Department of Justice, transmitting the Department's final rule—Motions To Reopen for Suspension of Deportation and Special Rule Cancellation of Removal Pursuant to Section 1505(c) of the LIFE Act Amendments [EOIR No. 128P; AG Order No. 2467–2001] (RIN: 1125–AA31) received July 31, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3283. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Visas: Nonimmigrant Classes: Irish Peace Process Cultural and Training Program Visitors, Q Classification—received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3284. A letter from the Senior Transportation Analyst, Department of Transportation, transmitting the Department's final rule—Nondiscrimination on the Basis of Disability in Air Travel [OST Docket No. 1999–6159] (RIN: 2105–AC81) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3285. A letter from the Senior Transportation Analyst, Department of Transportation, transmitting the Department's final rule—Transportation for Individuals With Disabilities—Accessibility of Over-the-Road Buses (OTRBs) [Docket No. OST–1998–3648] (RIN: 2105–AC00) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3286. A letter from the Regulations Officer, FHA, Department of Transportation, transmitting the Department's final rule—National Standards for Traffic Control Devices; Manual on Uniform Traffic Control Devices for Streets and Highways; Corrections (RIN: 2125–AE87) received July 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3287. A letter from the Trial Attorney, FRA, Department of Transportation, transmitting the Department's final rule—Brake System Safety Standards for Freight and Other Non-Passenger Trains and Equipment; End-of-Train Devices [FRA Docket No. PB–9; Notice No. 20] (RIN: 2130–AB49) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3288. A letter from the Administrator, General Services Administration, transmitting informational copies of lease prospectuses that support the Administration's Fiscal Year 2002 Capital Investment and Leasing Program, pursuant to 40 U.S.C. 606(a); to the Committee on Transportation and Infrastructure.

3289. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a draft of proposed legislation entitled, "National Aeronautics and Space Administration Science and Technology Career Enhancement Act of 2001"; to the Committee on Science.

3290. A letter from the Acting Deputy General Counsel, Small Business Administration, transmitting the Administration's final rule—Military Reservist Economic Injury Disaster Loans (RIN; 3245–AE45) received July 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

3291. A letter from the Director, Office of Regulations Management, Department of Veterans' Affairs, transmitting the Department's final rule—Montgomery GI Bill—Active Duty (RIN: 2900–AK06) received July 27, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

3292. A letter from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting the Department's "Major" final rule—Medicare Program; Prospective Payment System for Inpatient Rehabilitation Facilities [CMS–1069–F] (RIN: 0938–AJ35) received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3293. A letter from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting the Department's "Major" final rule—Medicare Program; Changes to the Hospital Inpatient Prospective Payment Systems and Rates and Costs of Graduate Medical Education: Fiscal Year 2002 Rates; Provisions of the Balanced Budget Refinement Act of 1999; and Provisions of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 [CMS 1131–F, CMS 1158–F, CMS 1178–F] (RINs: 0938–AK20; 0938–AK73; and 0938–AK74) received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3294. A letter from the Attorney General and the United States Trade Representative, Executive Office of the President, transmitting a draft of proposed legislation to repeal the provision regarding importation or sale of articles at less than market value or wholesale price in Title VIII of the Revenue Act of 1916; to the Committee on Ways and Means.

3295. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Disclosures of Return Information to Officers and Employees of the Department of Agriculture for Certain Statistical Purposes and Related Activities [TD 8958] (RIN: 1545–AX69) received July 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3296. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Subsidiary formed to comply with foreign law [Rev. Rul. 2001–39] received July 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3297. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Basis Shifting Tax Shelter [Notice 2001–45] received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3298. A letter from the General Counsel, Department of Defense, transmitting the Department's proposed legislation that would eliminate the requirement in section 1503 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001—received July 31,, 2001; jointly to the Committees on Armed Services and Resources.

3299. A letter from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting the Department's "Major" final rule—Medicare Program; Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities-Update; Final Rule [CMS–1163–F] (RIN: 0938–AK47) received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

3300. A letter from the General Counsel, Office of Government Ethics, transmitting the Office's draft bill, "to amend the Ethics in Government Act of 1978, as amended, to streamline the financial disclosure requirements for Executive Branch employees"; jointly to the Committees on the Judiciary, Government Reform, and House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TAUZIN: Committee on Energy and Commerce. Supplemental report on H.R. 2587. A bill to enhance energy conservation, provide for security and diversity in the energy supply for the American people, and for other purposes (Rept. 107–162 Pt. 2).

Mr. YOUNG of Alaska: Committee on Transportation and Infrastructure. H.R. 2501. A bill to reauthorize the Appalachian Regional Development Act of 1965 (Rept. 107–180). Referred to the Committee of the Whole House on the State of the Union.

Mr. TAUZIN: Committee on Energy and Commerce. House Concurrent Resolution 25. Resolution expressing the sense of the Congress regarding tuberous sclerosis; with an amendment (Rept. 107–181). Referred to the House Calendar.

Mr. TAUZIN: Committee on Energy and Commerce. House Concurrent Resolution 36. Resolution urging increased Federal funding for juvenile (Type 1) diabetes research; with amendments (Rept. 107–182). Referred to the House Calendar.

Mr. TAUZIN: Committee on Energy and Commerce. House Concurrent Resolution 61. Resolution expressing support for a National Reflex Sympathetic Dystrophy (RSD) Awareness Month (Rept. 107–183). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. WAXMAN (for himself, Mr. ENGEL, Ms. SCHAKOWSKY, Mr. HORN, Mr. FOLEY, Mr. HASTINGS of Florida, and Ms. SLAUGHTER):

H.R. 2693. A bill to provide for the establishment of the Holocaust Insurance Registry by the Archivist of the United States and to require certain disclosures by insurers to the Secretary of Commerce; to the Committee on Financial Services, and in addition to the Committee on Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HORN:

H.R. 2694. A bill to redesignate the Environmental Protection Agency as the Department of Environmental Protection, and for other purposes; to the Committee on Government Reform.

By Mr. HOUGHTON:

H.R. 2695. A bill to amend the Internal Revenue Code of 1986 to clarify the treatment of incentive stock options and employee stock purchase plans; to the Committee on Ways and Means.

By Mr. ANDREWS:

H.R. 2696. A bill to amend title 49, United States Code, to direct the Secretary of Transportation to require automobile manufacturers to provide automatic door locks and interior-opening trunk locks on new passenger cars manufactured after 2003; to the Committee on Energy and Commerce.

By Mr. ANDREWS:

H.R. 2697. A bill to authorize grants to States to fund arrangements between local police departments and public accommodations to have the accommodations serve as emergency domestic violence shelters; to the Committee on the Judiciary.

By Mr. ANDREWS:

H.R. 2698. A bill to amend title II of the Social Security Act to provide monthly benefits for certain uninsured children living without parents; to the Committee on Ways and Means.

By Mr. DELAHUNT (for himself, Mr. HOUGHTON, and Mr. LANTOS):

H.R. 2699. A bill to provide for the protection of the due process rights of United States citizens (including United States servicemembers) before foreign tribunals, including the International Criminal Court, for the prosecution of war criminals, and for other purposes; to the Committee on International Relations.

By Mr. ENGEL (for himself, Mr. RUSH, and Mr. HONDA):

H.R. 2700. A bill to amend the Communications Act of 1934 to direct the Federal Communications Commission to establish an office on victims of media bias; to the Committee on Energy and Commerce.

By Ms. HARMAN (for herself, Ms. PELOSI, Mr. BALDACCI, Mr. BONIOR, Mr. BORSKI, Mr. BOUCHER, Mr. CAPUANO, Mr. DEFAZIO, Mr. FARR of California, Ms. ESHOO, Mr. FRANK, Mr. FROST, Mr. GREEN of Texas, Mr. HINCHEY, Ms. JACKSON-LEE of Texas, Mr. JEFFERSON, Ms. LEE, Mr. MATSUI, Mr. MCGOVERN, Ms. MCKINNEY, Ms. MILLENDER-MCDONALD, Mr. GEORGE MILLER of California, Mr. PAYNE, Ms. RIVERS, Ms. ROYBAL-ALLARD, Mr. SANDLIN, Mr. SHERMAN, Ms. SLAUGHTER, Mr. STARK, Ms. WATERS, Mr. WATT of North Carolina, Mr. WAXMAN, and Ms. WOOLSEY):

H.R. 2701. A bill to amend title XIX of the Social Security Act to allow children enrolled in the State children's health insurance program to be eligible for benefits under the pediatric vaccine distribution program; to the Committee on Energy and Commerce.

By Mr. HOYER (for himself, Mr. GREENWOOD, Mrs. TAUSCHER, Mrs. JOHNSON of Connecticut, Mr. BOUCHER, Mr. KIND, Mrs. MORELLA, Mr. BALDACCI, Mr. HINCHEY, Mr. WYNN, Mr. SMITH of Washington, Ms. SANCHEZ, Ms. MCCARTHY of Missouri, Mr. MALONEY of Connecticut, Mr. KOLBE, Mr. BENTSEN, Mr. MENENDEZ, and Mr. MOORE):

H.R. 2702. A bill to prohibit certain abortions; to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ISAKSON:

H.R. 2703. A bill to suspend temporarily the duty on certain steam turbines and generators for power generation; to the Committee on Ways and Means.

By Ms. JACKSON-LEE of Texas:

H.R. 2704. A bill to amend the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to allow States and localities to provide primary and preventive care to all individuals; to the Committee on Energy and Commerce.

By Ms. JACKSON-LEE of Texas:

H.R. 2705. A bill to modify the requirements applicable to the admission into the United States of H–1C nonimmigrant registered nurses, and for other purposes; to the Committee on the Judiciary.

By Mr. OSE:

H.R. 2706. A bill to improve the provision of telehealth services under the Medicare Program, to provide grants for the development of telehealth networks, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PAYNE:

H.R. 2707. A bill to restrict benefits of any nature and to take other action regarding Turkey until Turkey uses its influence with the Turkish Cypriot leadership to achieve a settlement on Cyprus based on UN Security Council resolutions; to the Committee on International Relations.

By Mr. PLATTS (for himself, Mrs. MORELLA, Mr. ENGLISH, and Mr. PAYNE):

H.R. 2708. A bill to repeal the sunset on the increased assistance pursuant to the dependent care tax credit provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 and to make the credit refundable; to the Committee on Ways and Means.

By Mr. RAMSTAD (for himself and Mr. CARDIN):

H.R. 2709. A bill to amend title XVIII of the Social Security Act to improve access to Medicare+Choice plans for special needs Medicare beneficiaries by allowing plans to target enrollment to special needs beneficiaries and by eliminating the beneficiary lock-in and other administrative barriers to serving this population; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SESSIONS (for himself and Mr. TOM DAVIS of Virginia):

H.R. 2710. A bill to authorize public-private partnerships to rehabilitate Federal real property, and for other purposes; to the Committee on Government Reform.

By Mr. SHOWS (for himself, Mr. FROST, Mrs. JONES of Ohio, Mr. MCGOVERN, Mr. NORWOOD, and Mr. PAUL):

H.R. 2711. A bill to amend title 38, United States Code, to provide that retired members of the Armed Forces shall be eligible for priority health care from the Department of Veterans Affairs on the same basis as former prisoners of war; to the Committee on Veterans' Affairs.

By Mr. TANCREDO (for himself, Mr. STUMP, and Mr. NORWOOD):

H.R. 2712. A bill to effect a moratorium on immigration; to the Committee on the Judiciary.

By Ms. WATERS:

H.R. 2713. A bill to amend the Immigration and Nationality Act to permit the Attorney General to create a record of lawful admission for permanent residence for certain aliens who entered the United States at least 15 years prior to the application date; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 25: Mr. NADLER.

H.R. 68: Mr. OXLEY, Mr. HALL of Texas, and Mr. MCKEON.

H.R. 91: Mr. ENGEL.

H.R. 97: Mr. BISHOP and Mr. PETERSON of Minnesota.

H.R. 123: Mrs. BIGGERT, Mr. COBLE, and Mr. PETERSON of Pennsylvania.

H.R. 218: Mr. FILNER and Mr. GREENWOOD.

H.R. 250: Mr. HASTINGS of Florida and Mr. DICKS.

H.R. 285: Mr. MARKEY.

H.R. 437: Mr. BRADY of Texas and Mr. MCCRERY.

H.R. 476: Mr. SOUDER.

H.R. 488: Ms. MCCOLLUM, Mr. SAXTON, Mr. MCDERMOTT, and Mr. RAMSTAD.

H.R. 595: Ms. ROS-LEHTINEN.

H.R. 600: Mr. TIERNEY.

H.R. 638: Mr. TIERNEY.

H.R. 716: Ms. MCCARTHY of Missouri.

H.R. 747: Mr. FROST.

H.R. 751: Mr. DAVIS of Illinois and Mr. DOOLITTLE.

H.R. 760: Mr. ROTHMAN.

H.R. 822: Mr. CAMP.

H.R. 854: Mr. ROGERS of Kentucky, Mr. ISAKSON, and Mr. LEWIS of Georgia.

H.R. 902: Mr. GARY G. MILLER of California.

H.R. 938: Ms. LOFGREN and Ms. JACKSON-LEE of Texas.

H.R. 975: Mr. BALLENGER.

H.R. 981: Mr. WALDEN of Oregon.

H.R. 1091: Mr. HASTINGS of Florida.

H.R. 1097: Mr. MATSUI.

H.R. 1125: Mr. ACKERMAN, Mr. NADLER, Mr. BLAGOJEVICH, Mr. SERRANO, Mr. FROST, Mr. MCDERMOTT, Mr. JEFFERSON, Mrs. THURMAN, Mrs. JONES of Ohio, and Mr. WATT of North Carolina.

H.R. 1134: Mr. BARRETT and Mr. GORDON.

H.R. 1146: Mr. TANCREDO.

H.R. 1171: Mr. GILLMOR.

H.R. 1187: Mrs. MORELLA.

H.R. 1192: Ms. HOOLEY of Oregon.

H.R. 1212: Mr. HUTCHINSON and Mr. CALLAHAN.

H.R. 1269: Mr. UDALL of Colorado, Mr. ORTIZ, Mr. LEACH, Mr. REYES, Ms. HOOLEY of Oregon, Mr. BAIRD, Mr. BONIOR, Mrs. MINK of Hawaii, and Ms. ROYBAL-ALLARD.

H.R. 1296: Mr. COBLE and Mr. LAHOOD.

H.R. 1297: Mr. KIRK.

H.R. 1341: Mr. NORWOOD, Mrs. THURMAN, Mr. SANDLIN, Mr. ENGLISH, Mr. BACHUS, Mr. PICKERING, and Mr. CHAMBLISS.

H.R. 1342: Mr. SIMMONS, Mr. KINGSTON, Mr. PENCE, Mr. BRADY of Texas, Mr. CULBERSON, and Mr. SUNUNU.

H.R. 1353: Mr. DEAL of Georgia, Mr. PUTNAM, Mr. BEREUTER, Mr. MCINTYRE, Mr. ENGLISH, and Mr. CARSON of Oklahoma.

H.R. 1354: Mr. MEEHAN, Mr. ETHERIDGE, Mr. GORDON, and Ms. ROYBAL-ALLARD.

H.R. 1368: Mr. PAUL.

H.R. 1388: Mr. LEACH.

H.R. 1401: Ms. MCKINNEY.

H.R. 1405: Mr. MCGOVERN.

H.R. 1412: Mr. LAHOOD, Mr. RADANOVICH, and Mr. DREIER.

H.R. 1438: Mr. PETRI, Mr. GARY G. MILLER of California, Mr. BOSWELL, and Mr. EHLERS.

H.R. 1490: Mr. TURNER.

H.R. 1556: Mr. SAWYER, Mr. PITTS, and Ms. CARSON of Indiana.

H.R. 1609: Mr. DIAZ-BALART, Mr. PITTS, Ms. SLAUGHTER, and Mrs. KELLY.

H.R. 1682: Mr. RUSH.

H.R. 1683: Mr. NADLER.

H.R. 1693: Mr. FILNER.

H.R. 1700: Mr. HOLDEN.

H.R. 1723: Mr. KENNEDY of Rhode Island, Mr. SHERMAN, Mr. REYES, Mr. FILNER, Mr. BEREUTER, Ms. WOOLSEY, Mr. CAPUANO, Mr. HORN, Mr. STARK, and Mr. MEEHAN.

H.R. 1745: Mr. GILLMOR and Mr. SOUDER.

H.R. 1764: Mr. BECERRA, Ms. KAPTUR, Mrs. DAVIS of California, Mr. LUTHER, and Mr. SHIMKUS.

H.R. 1773: Mr. LAHOOD.

H.R. 1784: Mr. LAHOOD, Mr. NETHERCUTT, and Mr. GREENWOOD.

H.R. 1809: Mr. NADLER.

H.R. 1838: Mr. JEFFERSON.

H.R. 1841: Mr. OBERSTAR, Mr. DELAHUNT, Mrs. CAPPS, Mr. MCDERMOTT, Mr. HORN, Mr. MENENDEZ, Mr. WATT of North Carolina, Mr. BALDACCI, Mr. LEWIS of Kentucky, and Mr. BORSKI.

H.R. 1882: Mr. GEORGE MILLER of California and Mr. SOUDER.

H.R. 1927: Mr. MEEKS of New York and Mr. PAYNE.

H.R. 1930: Mr. BENTSEN.

H.R. 1948: Ms. ESHOO.

H.R. 1968: Ms. SCHAKOWSKY.

H.R. 1979: Mr. SHAW.

H.R. 1986: Mr. DEUTSCH and Mr. BAKER.

H.R. 1987: Mrs. KELLY, Mr. GONZALEZ, Mr. DOOLITTLE, and Ms. CARSON of Indiana.

H.R. 1990: Mr. PASCRELL.

H.R. 2001: Mr. SHADEGG.

H.R. 2023: Mr. OXLEY, Mr. BLUNT, Mr. ROYCE, Mr. TOOMEY, Mr. SWEENEY, Mr. PAUL, and Mr. WELLER.

H.R. 2058: Mrs. MORELLA and Mr. PASCRELL.

H.R. 2074: Mr. TIERNEY and Mr. KUCINICH.

H.R. 2107: Mr. NETHERCUTT, Mr. LAMPSON, and Mr. GUTKNECHT.

H.R. 2123: Ms. HART.

H.R. 2125: Mr. WEXLER and Mr. CAPUANO.

H.R. 2149: Mr. CULBERSON.

H.R. 2152: Mr. HASTINGS of Florida and Ms. HOOLEY of Oregon.

H.R. 2165: Mr. LUCAS of Kentucky.

H.R. 2173: Mrs. NAPOLITANO and Mr. GORDON.

H.R. 2180: Mr. AKIN.

H.R. 2220: Ms. RIVERS.

H.R. 2308: Mr. LAHOOD.

H.R. 2316: Ms. PRYCE of Ohio, Mr. SWEENEY, Ms. GRANGER, and Mr. ENGLISH.

H.R. 2357: Mrs. MYRICK, Mr. SCARBOROUGH, Mr. BACHUS, Mr. ADERHOLT, Mr. SOUDER, Mr. SHOWS, Mr. NORWOOD, Mr. SMITH of New Jersey, Mr. SCHROCK, and Mr. PITTS.

H.R. 2368: Mr. BURTON of Indiana, Mr. SOUDER, and Ms. MCKINNEY.

H.R. 2410: Mr. SOUDER.

H.R. 2466: Mr. CANTOR.

H.R. 2498: Ms. LEE and Mr. RUSH.

H.R. 2560: Mr. LAHOOD.

H.R. 2563: Mr. BACA, Mr. PRICE of North Carolina, Mr. ALLEN, Ms. BALDWIN, Ms. RIVERS, and Ms. LEE.

H.R. 2592: Mr. SCHAKOWSKY.

H.R. 2613: Mr. MCDERMOTT, Mrs. NAPOLITANO, Mr. EVANS, Mr. MCHUGH, Mr. JONES of North Carolina, Mr. RODRIGUEZ, and Mr. GOODE.

H.R. 2670: Mr. WEINER and Mr. PASCRELL.

H.R. 2671: Mr. SANDERS, Mr. WEINER, Mr. FOLEY, and Mr. MCGOVERN.

H.R. 2675: Mr. GOODLATTE and Mr. PASCRELL.

H.R. 2692: Ms. BROWN of Florida.

H.J. Res. 6: Mr. CROWLEY.

H. Con. Res. 17: Mr. LARSON of Connecticut, Ms. NORTON, and Mr. JACKSON of Illinois.

H. Con. Res. 36: Ms. VELÁZQUEZ.

H. Con. Res. 102: Mr. LAFALCE, Mr. LATHAM, Mrs. KELLY, Mr. SANDERS, Mr. GANSKE, and Ms. KAPTUR.

H. Con. Res. 131: Mr. HILLIARD and Mr. WOLF.

H. Con. Res. 180: Ms. SCHAKOWSKY, Mr. PASCRELL, Ms. MCCARTHY of Missouri, Ms. KILPATRICK, and Ms. LOWEY.

H. Con. Res. 188: Mr. LEACH, Ms. RIVERS, and Mr. SCHIFF.

H. Con. Res. 203: Mr. GUTIERREZ, Mr. HOEFFEL, Mr. HOEKSTRA, Mr. WELDON of Pennsylvania, Mr. FALEOMAVAEGA, Mr. MCNULTY, Mr. CAPUANO, Mr. BARTLETT of Maryland, Mr. LEVIN, Mr. DAVIS of Illinois, Mr. HINCHEY, Mr. KUCINICH, Mr. TIBERI, Mr. BEREUTER, Mr. HOLT, Mr. PAYNE, Mr. KNOLLENBERG, Mr. CHABOT, Mr. HAYWORTH, Mr. PITTS, Mr. CULBERSON, Mr. UDALL of Colorado, Mr. SESSIONS, Mr. HULSHOF, Mr. HORN, and Mr. KILDEE.

H. Con. Res. 206: Mr. BEREUTER.

H. Res. 185: Mr. SHERMAN.

H. Res. 200: Mr. SMITH of New Jersey, Mr. SKELTON, Mr. HOYER, Mr. HILLIARD, Mr. ROHRABACHER, Mr. BALLENGER, Mr. CHABOT, Ms. ROS-LEHTINEN, Mr. DELAHUNT, and Mr. PAYNE.

H. Res. 202: Mr. CLEMENT and Mr. WATT of North Carolina.

PETITIONS, ETC.

Under clause 3 of rule XII,

32. The SPEAKER presented a petition of a Citizen of Laredo, Texas, relative to a Petition for Review of the Decision for Segregation of Rights Upon a Woman by the Supreme Court of the United States—In Case No. 99-2014 of October 2, 2000—First Impression Case; which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

HONORING THE CHP 11–99 FOUNDATION

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. RADANOVICH. Mr. Speaker, I rise today to honor the CHP 11–99 Foundation for their continuous support of their fellow officers. The CHP 11–99 Foundation provides assistance, benefits, and scholarships for the families of California Highway Patrolmen who need the help.

The CHP 11–99 Foundation was founded in 1981 by businessman Bob Weinberg. He started the Foundation when he discovered that there was no organized community support for California Highway Patrol families in times of crisis. Today, more than 3,000 special individuals from all walks of life are providing financial assistance as members of the CHP 11–99 Foundation.

The CHP 11–99 Foundation has awarded nearly $1 million in scholarships for educational opportunities to the children and spouses of CHP employees. The Foundation hopes to raise sufficient funds to assure a quality education for all CHP children and spouses who wish to continue their schooling. When tragedy befalls a California Highway Patrolman, CHP 11–99 Foundation can deliver funds to the family within hours.

Mr. Speaker, I rise to recognize the CHP 11–99 Foundation and its Board of Directors for their dedication to providing support to the family members of California Highway Patrolmen during their time of need. I urge my colleagues to join me in wishing the CHP 11–99 Foundation many more years of continued success.

IN HONOR OF MR. JACK KRISE

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. KUCINICH. Mr. Speaker, I rise today to honor a great man and public servant, Mr. Jack Krise, for his years of dedication to the City of Parma, Ohio, on his retirement from the Municipal Treasurer's Association.

Mr. Jack Krise has served his local community for many years. In 1985, Mr. Krise was elected to his first term as Treasurer of the City of Parma, defeating the incumbent. After just a few months into office, he quickly reorganized the Income Tax Division of the Treasurer's Office. He directed much needed personnel into tasks and reduced personal costs by $35,000. He immediately began an aggressive approach to collect overdue Municipal Income Taxes owed to the City of Parma. In 1987, Mr. Krise initiated a lock box collection system through a Cleveland bank that increased not only efficiency, but also reduced employee costs by $25,000.

Mr. Krise continued to implement programs that improved efficiency in the City of Parma and quickly earned the respect and admiration of his co-workers and constituency. In 1989, Krise was re-elected Treasurer without opposition and found himself in the Parma Schools "Hall of Fame" of graduates. In 1987, after reelection in the City of Parma, Mr. Krise was elected Treasurer of the Municipal Treasurer's Association of the United States and Canada, an esteemed honor.

His kind smile and gentle demeanor earned him the respect and admiration of residents from the City of Parma. He has worked his entire life toward bettering his community through public service, and has touched countless people through his tenure as City Treasurer.

Mr. Speaker, please join me in honoring a man that has dedicated his life to public service, Mr. Jack Krise. His dedication, hard-work, and generosity has improved the City of Parma in countless ways.

INCOME EQUITY ACT OF 2001

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. SABO. Mr. Speaker, analysis of recent Congressional Budget office data on income trends show alarming evidence of the widening gap between America's highest- and lowest-paid workers. Between 1979 and 1997, the income of the lowest 20 percent of U.S. households, in constant dollars, fell by $100. In contrast, the household income of those in the top 1 percent increased an average of $414,000. Despite the unprecedented economic growth of the past decade, America's lowest-paid workers are not catching up.

The outlook appears as dim. With passage of President Bush's tax cut earlier this year, the disparity between low- and high-income households will only widen. When fully phased in, the top 1 percent of households would see their income grow 6–7 percent, or $46,000–$53,000. However, the household income of the lowest 20 percent would rise only 0.8 percent, and the income of those in the middle fifth would rise only 2.2 percent.

To combat this troubling growth of economic inequality in America, I am again introducing the Income Equity Act. This legislation addresses the problem by encouraging corporate responsibility. For too many years, the trend in corporate America has been to pay top executives lavishly, while thinking of other employees as an expense or not thinking of them at all. My legislation will encourage companies to take a closer look at how they compensate their employees at both ends of the income ladder.

The Income Equity Act would place a new limit on our government's practice of subsidizing executive compensation through the tax code. My bill would enhance the current $1,000,000 cap on the tax deduction for executive compensation with a cap set at 25 times the company's lowest full-time salary. For example, if a filing clerk at a firm earns $18,000, then any amount of executive compensation over $450,000 would no longer be tax deductible as a business expense.

I have revised the Income Equity Act for 2001 to include non-cash compensation such as stock options, memberships to premier health and sporting facilities, and higher education for executives' children. More and more executives are receiving compensation in forms other than cash, and my revised legislation addresses this trend to ensure that taxpayers do not inappropriately subsidize these forms of compensation.

This bill would not restrict the freedom of companies to pay their workers and executives as they please. It would send a strong message, however, that in return for tax deductions, the American taxpayer expects companies to compensate their lowest-paid workers fairly.

Mr. Speaker, my legislation alone will not completely close the ever-widening income gap in America. However, it is an important step in resolving this growing problem that imposes monetary and social costs on all of us.

HONORING JOHN STRAUB, DEPUTY CHIEF ADMINISTRATIVE OFFICER

HON. CHARLES H. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. TAYLOR of North Carolina. Mr. Speaker, Mr. John Straub has recently finished three and one-half years of service to the House of Representatives as Deputy Chief Administrative Officer. I rise today to recognize and salute Mr. Straub as that service has been of a very high standard and filled with accomplishment.

During his tenure as Deputy CAO, John also served as acting head of the Office of Finance. It was during this time that the House of Representatives received its first clean audit of its financial statements by outside auditors, PriceWaterhouse Coopers. While the entire Finance Office team was responsible for this achievement, John played a significant role in leading the House to a high level of financial management.

John has also served as the point man working with the House Inspector General to guide and coach improvement of a number of

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

House services. He was successful in assisting CAO personnel to take actions that have met the standards called for in several hundred audit recommendations issued by the House IG. Clearly, the Members, House staff and the public have benefited from the enhanced level of service and efficiencies that these improvements have made possible.

The Appropriations Committee has relied on the CAO's office for assistance with the House budget as the annual Legislative appropriations bill makes its way through Congress. John frequently served as point man in making sure that we had accurate information and figures as our legislation was constructed.

All too often, Mr. Speaker, in the rush of day to day activities, we elected Members of the House forget the hard work and dedication of House employees other than those in our personal offices. The American people are fortunate to have hard working public servants such as John Straub. In a hundred ways, John has made the House a better, fairer place to work and serve for literally thousands of other public servants.

In closing, besides his many practical accomplishments, Mr. Straub brought to the House a personal style that is both professional and refreshing. He always had a kind word and a smile, and applied boundless energy to every task.

While we in the House are disappointed to lose a person of his caliber, we're pleased that he'll be able to support one of the Nation's pre-eminent education institutions, Harvard University, as Associate Dean for administration of the Kennedy School of Government. On behalf of the members and the institution, we thank John Straub for his service and dedication, and wish him best of luck in his future endeavors.

RETHINKING FIRE IN THE WAKE OF FIREFIGHTER DEATHS

HON. TOM UDALL

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. UDALL of New Mexico. Mr. Speaker, on July 10, 2001, four of Washington State's young firefighters died battling a forest fire on the Okanagan National Forest. As I have had time to reflect on this tragic event, I have come to realize that wildland fire suppression continues to be a dangerous and risky operation.

As in previous tragedies such as the Mann Gulch fire in Montana and the Storm King Mountain fire in Colorado, our hearts pour out to the families, friends, and colleagues of those who perished fighting wildland fires. The deaths of Tom L. Craven, Jessica L. Johnson, Karen L. Fitzpatrick, and Devin A. Weaver is a disturbing reminder of Mother Nature's powerful forces and unrelenting risks faced by our dedicated firefighters. Although seventeen firefighters lived, as did two campers caught in the explosive fire, I am grieved by the deaths of these four young people and I do not want this to happen again.

Their tragic deaths raise significant questions—questions that may likely go unasked in the Forest Service investigation: Could these deaths have been prevented through a different systemic response to fire? Should the Forest Service have been expending hundreds of thousands of dollars and risking the lives of dozens of firefighters to fight a fire in a remote canyon that threatened no houses or resources? Would a fire management plan have ensured that the fire would have been handled differently?

The Okanagan fire started in remote backcountry adjacent to a Wilderness Area. The nearest house was at least ten miles away, the nearest town twenty miles away. While the cause of the fire is not yet known, we do know that the fire began in a designated roadless area. If the forest had a fire management plan in place—as is required by countless agency directives—it is likely that such a plan for the area would have provided alternative strategy options for the Forest Service.

The Okanagan fire underscores the need to re-examine our nation's approach to forest fire and to reframe the terms of debate. In the wake of this fire will come calls to reduce fire risks through aggressive thinning and full funding for fire preparedness. However, this approach merely perpetuates the culture of fire suppression that operates with few fiscal or social constraints. It also serves to exacerbate the risks of fire through fire exclusion. It perpetuates the illusion that we can and should control all fire, regardless of location and ecosystem. These suppression efforts make little sense fiscally or environmentally. A different approach would have the agency stop putting out fires in remote backcountry.

Last year, Congress allocated $1.6 billion to the Forest Service for implementation of its national fire plan. In addition to working with homeowners to reduce vegetation around their homes, these dollars should be spent on returning fire to its natural role in the ecosystem. We can do this through targeting thinning, prescribed burns, and fire-use policies. We also should be spending

Putting out all fires regardless of location and ecosystem simply puts off the inevitable. The West's forests have burned for thousands of years and will continue to do so. We must learn to live with fire, rather than stepping up the assault on what is still perceived by many as "the enemy." We must stop sacrificing our young people in this futile effort.

I would like to enter into the record the following op ed from the Portland Oregonian that highlights these issues:

[From the Portland Oregonian, July 17, 2001]

DEAD FIREFIGHTERS WERE SENT WHERE THEY DIDN'T BELONG

(By Andy Stahl)

I write this not long after four young men and women died battling the Thirty Mile fire in the remote Chewuch River canyon of the Okanogan National Forest.

Tom Craven, Karen Fitzpatrick, Devin Weaver and Jessica Johnson were sent by the Forest Service to do a job. They died in the performance of that duty.

But was the job they were doing worth their lives? Did this fire, in a steep, remote canyon that threatened no houses or valuable resources, need to be battled? During its investigation into these tragic deaths, the U.S. Forest Service had better answer these questions.

The Thirty Mile fire started in roadless, backcountry land immediately adjacent to the remote Pasayten wilderness. Perhaps the fire started from an unattended campfire; the investigation has yet to pin down the cause.

The fire began in a designated Research Natural Area, at 6,000 acres, one of the largest RNAs in the nation.

This is important in what happened next: It appears fire managers did not even know the fire was in a Research Natural Area. Had they known, they would not have aggressively attacked the fire with aerial retardants and firelines, which are banned in RNAS. Instead, they would have held back and taken a more cautious approach to fighting this fire—an approach that sought to allow the fire to mimic natural processes within this fire-dependent ecosystem.

Admittedly, hindsight can be 20-20, but it is worth considering that a more cautious approach to fighting this fire might also have saved lives.

The Thirty Mile fire exemplifies the need to take a hard look at our nation's approach to wildland fires. A century of aggressive fire suppression, combined with logging of the biggest and most fire-resistant trees, has damaged ecosystems throughout the West. Continuing to put out every fire in the remote backcountry makes little sense economically or environmentally. We must carefully restore fire to its prominent role as nature's cleansing agent in our public forests.

Last year the Congress allocated a record amount, $1.6 billion, to the Forest Service for its national fire plan. The first priority should be to help private homeowners who live near fire-prone national forests to manage the vegetation within several hundred feet of their houses. That's where the biggest difference is made between a home burning up in a forest fire and a home surviving. The next priority should be to return fire to its natural role in the environment.

Putting out all fires simply puts off the day of reckoning. Burn today or burn tomorrow, the West's forests have burned for thousands of years and will continue to do so.

We must learn to live with fire just as we live with the weather. And we must stop sacrificing our best and brightest young people in this futile war against an implacable enemy.

COMMEMORATING ROTARY INTERNATIONAL AND ITS NEW PRESIDENT, RICHARD KING

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. STARK. Mr. Speaker, on July 1, 2001, Richard King, of Fremont, California, was officially named the 2001–2002 president of Rotary International, one of the largest volunteer organizations in the world. Mr. King is a trial lawyer and a member of the Rotary Club of Niles. A Rotary club member since 1968, Mr. King has served as a trustee of The Rotary Foundation and director and chairman of the Executive Committee of Rotary International's board of directors. He has been an active spokesperson at Rotary functions in more than 75 countries.

Rotarians are represented in more than 160 countries worldwide and approximately 1.2

million Rotarians belong to more than 29,000 Rotary Clubs. The main objective of Rotary is service in the community, in the workplace and throughout the world. Rotarians develop community service projects that address many critical issues, such as poverty, hunger, illiteracy, the environment, violence and children at risk. They also support programs for youth, educational opportunities and international exchange for students, teachers, and other professionals, and vocational and career development.

The Rotary motto is Service Above Self. As Richard King assumes the helm of leadership, I am confident he will completely exemplify the Rotary motto. I join Rotarians throughout the world in congratulating Mr. King on the presidency and wishing him every success.

HONORING MAJOR CHARLES "CHUCK" MONGES

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. RADANOVICH. Mr. Speaker, I rise today to honor the memory of Major Charles "Chuck" Monges. Major Monges died of a massive heart attack at the age of 79 on July 24, 2001, in Fresno, CA.

Major Monges joined the United States Marine Corps after graduating from high school in 1940. He served for nine years during and after World War II, earning the rank of Sergeant. In 1952, Monges joined the United States Army where he served in the Korean War. After eleven years with the Army, he retired with the rank of Major.

Major Monges earned several distinguished awards for his service in the United States Military. During intense combat in World War II, Major Monges risked his own life by dragging a wounded soldier from the battlefield to safety. After his platoon came to his aid, they managed to annihilate the enemy. This extraordinary bravery earned him the Navy Cross and the Purple Heart.

In the Korean War, Major Monges earned the Bronze Star and the Soldier's Medal for Bravery. Again, he dragged wounded soldiers away from a dangerous area, even though his own life was in danger. Once they were in a safe location, Monges proceeded to treat the wounds of the injured soldiers. Monges' actions during combat defined him as a true American hero.

After his retirement from the military in 1963, Major Monges began his charge to establish a national museum to honor members of the Legion of Valor. The Legion of Valor was established in 1890 to honor recipients of the Medal of Honor, the Navy Cross, the Air Force Cross, and the Distinguished Service Cross. With help from other veterans and the Fresno City Council, Major Monges' dream became reality in 1991. The 10,000 square foot Legion of Valor Museum was put together by a staff of volunteers and is one of the most unique and inspiring military museums in the United States.

Mr. Speaker, I rise to honor the memory and life of Major Chuck Monges. I wish to send my condolences to his family and friends.

HONORING THOMAS L. BERKLEY

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Ms. LEE. Mr. Speaker, I rise today to honor Thomas L. Berkley for his contributions to the community and to the Nation.

Mr. Berkley was born in Illinois in 1915. At the age of four, he and his family moved to Southern California. In 1936, he attended Fullerton Junior College, where he would later earn an Associate of Arts Degree. He went on to UCLA and completed his Bachelor of Science Degree in Business Administration and Finance. Mr. Berkley was accepted into Hastings Law School in the San Francisco Bay Area, and became active in the NAACP. He received his Juris Doctor in 1942 and was admitted to the California State Bar a year later.

After finishing his academic career, Mr. Berkley proudly joined the United States Army. He fought bravely in World War II and achieved the rank of Second Lieutenant.

At the end of the war, Mr. Berkley came back to Oakland and became the head of one of the Nation's largest integrated, bilingual law firms. He helped established the careers of notable men such as Judge Clinton White and Allen Broussard, and former Mayors of Oakland, Elihu Harris and Lionel Wilson.

Mr. Berkley was not only active in law, but also active in business and in the media. He was the president of Berkley International Ltd., Berkley Technical Services and CEO of Berkley Financial Services. Mr. Berkley also was the publisher of the Alameda Publishing Corporation, which publishes the Oakland, San Francisco, and Richmond Post newspapers.

Mr. Berkley is a visionary and a motivator. He helped turn the Port of Oakland to a world-class facility. He saw the need for guidance to our children, so he served as a director for the Oakland Unified School District. He saw the need for social and economic improvement in some of Oakland's neighborhoods, so he became an advisor to the Greater Acorn Community Improvement Association.

Mr. Berkley has lead a tireless and committed crusade to better our society. He not only helped spur business development, but he also helped individuals achieve their goals and dreams.

I am honored to salute and take great pride in celebrating with his family, friends and colleagues the distinguished accomplishments of Thomas L. Berkley.

PERSONAL EXPLANATION

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. GUTIERREZ. Mr. Speaker, I was unavoidably absent from this chamber when roll call votes number 257, 258, and 259 were cast. I want the record to show that had I been present in this chamber at the time these votes were cast, I would have voted "yes" on roll call vote number 257, "yes" on roll call vote 258, "yes" on roll call vote 259.

HUMAN RIGHTS IN CENTRAL ASIA A DECADE AFTER INDEPENDENCE

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. SMITH of New Jersey. Mr. Speaker, as we head into our August recess, we should recall that almost ten years have passed since a group of conspirators attempted to topple Soviet President Gorbachev. The failure of that putsch precipitated declarations of independence by numerous Soviet republics, including those in Central Asia, and led several months later to the formal dissolution of the USSR. Today, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan remain independent, a definite plus. But in other respects, we have witnessed regression from levels reached at the end of the Soviet era, when Gorbachev's programs of glasnost and perestroika mandated a certain level of tolerance for opposing viewpoints and organized opposition activity.

Specifically, with respect to democratization, human rights and the rule of law, overall trends in the region are extremely discouraging. In 1992, these countries unreservedly accepted the commitments of the Organization for Security and Cooperation in Europe (OSCE). But despite the carefully crafted claims of Central Asian leaders and their spokesmen, in the region and in Washington, the trend is toward consolidation of authoritarian control and increased repression, not gradual democratization. The Helsinki Commission, which I have chaired and now co-chair, has held three hearings on Central Asia since 1999. Partly on the basis of testimony during those hearings, I introduced H. Con. Res. 397, which expressed the Congress' concern about the lack of democratization and violations of fundamental human rights throughout Central Asia. The measure was passed last November by an overwhelming majority (362–3) of the House.

In floor statements introducing the resolution, I argued that the main cause of authoritarian government and repression in Central Asia was the determination of the region's leaders to perpetuate themselves in power by any means necessary. This desire, in turn, is fueled by their corruption, which they strive to conceal from their impoverished publics. The pattern is infuriating: rulers enrich themselves, their families and favored few, while the rest of the population struggles to eke out a miserable existence. In turn, the authoritarian leaders suppress freedom of the press and the right to engage in political activity. Dissidents are harassed and jailed. Human rights defenders

Indeed, one of the greatest challenges facing the Organization for Security and Cooperation in Europe is the emergence in Central

Asia of an entire region where basic OSCE principles and commitments are ignored—in fact, flouted, with increasing brazenness. Turkmenistan's President Niyazov made himself virtual president for life in December 1999. Kazakhstan's President Nazarbaev—who has extended his tenure in office through referenda, canceling elections, and staging deeply flawed elections—last summer arranged to receive lifelong privileges and perks. In Kyrgyzstan, President Akaev, who was once considered democracy's best hope, has already rigged two elections in order to keep serious contenders from running against him. He is now reportedly planning to stage a referendum on extending his tenure in office from five years to seven. Welcome to the club, President Akaev. I continue to suspect that some of these leaders who already head what are, for all intents and purposes, royal families are planning to establish family dynasties.

The latest developments in the region provide even more cause for alarm. Kyrgyz authorities have just brought new charges against opposition leader Felix Kulov, who is already serving a seven-year jail sentence. Kyrgyz Foreign Minister Imanaliev told me on a recent visit to Washington he thought Kulov would be freed—the Minister must have misread President Akaev's intentions.

Truly appalling is the situation in Uzbekistan, where literally thousands of people have been arrested, allegedly for belonging to radical Islamic groups or for involvement in terrorist activity. According to international human rights organizations, police planting of evidence is routine, as is torture in detention and in prison. I was horrified to learn of the death—or should I say the murder—of human rights activist Shovrug Ruzimuradov. After being detained on June 15, he was held incommunicado by the Ministry of Internal Affairs until July 7, when his severely bruised, lifeless body was delivered to his family, including seven children. Some internal organs had been removed, probably to conceal internal lesions from the torture. But that did not stop the Uzbek authorities from claiming he had committed suicide. The ensuing international uproar surrounding this case has apparently forced even the Uzbek authorities to take heed and change tactics. Former Ambassador to Washington, Sadyk Safaev, now Uzbekistan's First Deputy Minister of Foreign Affairs, said last week that those who killed Mr. Ruzimuradov would be held legally accountable.

Maybe in this case, some policemen will actually be charged. But even more important, this pattern of brutality must stop. At the OSCE Parliamentary Assembly in Paris earlier this month, I introduced an anti-torture resolution which calls on participating States to exclude in courts of law or legal proceedings evidence obtained through the use of torture, or other forms of cruel, inhuman or degrading treatment. It also calls for a complete ban, in law and in practice, on incommunicado detention.

In Kazakhstan, the nexus between corruption and control of the media has come to the fore with particular force, considering the recent publication in the New Yorker of an article about alleged high-level malfeasance. Independent and opposition media in that country have been intimidated practically out of existence, with editors of opposition publications risking charges of "insulting the honor and dignity of the president." Kazakhstan's authorities prevented two oppositionists from traveling to Washington to testify July 18 at congressional hearings on Central Asia, a violation of the right to freedom of movement that further damaged the government's already tarnished reputation. To make matters even worse, at the July 18 hearing, Kazakhstani officials attempted to serve papers to former Prime Minister and opposition leader in exile, Akezhan Kazhegeldin, who had come to Washington for the hearing. The Deputy Chief of Mission at Kazakhstan's Embassy had to come to the Hill to explain this public relations blunder to offended Members. One can only conclude that Kazakhstan's leaders are either getting poor counsel from their expensive imagemakers or they're not clever enough to take good advice.

Words fail us when speaking about Turkmenistan, a nightmare kingdom run by a world-class megalomaniac, Saparmurat Niyazov. He has carefully isolated his country from the outside world and proceeded to violate every human right imaginable, including freedom of conscience. Along with fellow Helsinki Commissioners Congressman PITTS and Congressman ADERHOLT, I have twice met with Turkmenistan's Ambassador, seeking to facilitate the release from prison of Shageldy Atakov, a Baptist pastor who has been in jail since 1999 on trumped-up charges. We also sent Turkmen President Niyazov a letter about this case but we have never received any response. Even the international financial institutions have had enough: the head of the European Bank for Reconstruction and Development (EBRD)—which has a mandate to promote both economic reform and multiparty democracy—recently warned Niyazov that he faces a possible cutoff of business with

In fact, only in Tajikistan have the authorities and opposition parties come to an arrangement of sorts—but only after a military stalemate ended an armed conflict that left scores of thousands dead. Though a coalition government has been established, clashes continue and the government does not control all of the country's territory.

Mr. Speaker, the last ten years have stripped Western optimists of their illusions about the nature of Central Asian regimes. Almost nobody today will speak out on behalf of Turkmenistan's regime, despite that country's vast energy resources. Mercurial, bombastic President-for-life Niyazov has irritated Western capitals and companies too deeply, and made doing business too difficult. True, some analysts defend Uzbekistan's iron fist, claiming to see a genuine threat of Islamic fundamentalism. But even the U.S. Government and the OSCE maintain President Karimov's domestic policies have greatly exacerbated the danger posed by radicals who fill their ranks with embittered relatives of the unjustly arrested or tortured.

Most often, we hear arguments defending Kazakhstan and Kyrgyzstan—especially the former, which boasts huge oil supplies. Backers claim, first, that they are more democratic than their neighbors. True enough: it would be difficult to be less democratic than Uzbekistan and Turkmenistan, which literally do not allow opposition or dissent in any form. But more insidious is the contention that things in Kazakhstan and Kyrgyzstan are slowly getting better. This is simply not true, as anyone familiar with those countries ten and five years ago knows. In the past, political activity was far freer and a wide range of viewpoints were represented in the press, before Kazakhstan's parliament was dismissed and both presidents made clear their resolve to remain in power indefinitely, while silencing critical voices. One need only read the reports of the OSCE's Missions to these countries today, or the reports of OSCE's Representative on Freedom of the Media, to see how the possibilities for freedom of expression have narrowed, almost to the point of disappearance in Kazakhstan. That is clearly the trend in Kyrgyzstan, where the Ministry of Justice intends to require re-registration of the media—an old, obvious ploy, with equally obvious intent.

Throughout the region, this intensified repression has evoked growing desperation and we are already witnessing the consequences: armed insurgents of the Islamic Movement of Uzbekistan invaded Uzbekistan and Kyrgyzstan in 1999 and 2000. Though they have not yet launched any major assault this year, there were reports of clashes last week and in any case, we should not expect them to go away. Impoverishment of the populace will provide new recruits, threatening to create a chronic problem. The Central Asian leaders' marriage of corruption and repression has created an explosive brew. Indeed, in Uzbekistan, in late June and early July, there were political protests remarkable events for such a tightly run police state—with important implications for future stability in that country and in the region.

Should we infer from Tajikistan's unhappy experience that only violence can bring governments and opposition in Central Asia to the bargaining table? I hope not. But ten years after independence, I see precious little evidence anywhere in the region of leaders' desire for a peaceful accommodation of interests or a willingness to allow normal politics. And as leaders become even more entrenched and wealthier, why should anyone expect matters to improve?

As delineated in H. Con. Res. 397, passed by the House last year, I urge the President, the Secretary of State, the Secretary of Defense, and other United States officials to raise consistently with the leaders of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan, our concern about serious violations of human rights and the rule of law. Central Asian leaders, like the heads of every other OSCE State, are accountable to their citizens to establish conditions for independent and opposition media to function without constraint, limitation, or fear of harassment, and to repeal criminal laws which impose prison sentences for alleged defamation of the state or public officials. The United States must continue to call upon political leaders to condemn and take effective steps to cease the systematic use of torture and other inhuman treatment by authorities against political opponents and others, and to allow the registration of independent human rights monitoring organizations. Those governments of Central Asia which are engaged in military campaigns against violent insurgents must observe international law regulating such actions, keep civilians and other noncombatants from harm, and should not to use such campaigns to justify further crackdowns on political opposition or violations of human rights commitments.

Mr. Speaker, all OSCE countries agreed, as part of the 1999 OSCE Istanbul Charter, to be accountable to our citizens and responsible to each other for our implementation of OSCE commitments, which are matters of immediate and legitimate concern to all participating States. The OSCE Council of Ministers meeting in Prague, in fact, agreed by consensus that appropriate actions—including political declarations and other political steps—should be undertaken in cases of "clear, gross and uncorrected violations of relevant [OSCE] commitments." Nine years have passed since the Prague document was signed by the OSCE countries. With the trend of clear, gross and uncorrected violations which have been described above, all participating States are obliged to respond.

THE EMPLOYMENT NON-DISCRIMINATION ACT

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. GEPHARDT. Mr. Speaker, I strongly support the Employment Non-Discrimination Act (ENDA) which is being reintroduced today. This bill will make sure that individuals have protections against workplace discrimination on the basis of sexual orientation. Today, there is no federal law to fight discrimination of this kind. This is unacceptable. Under current law, law-abiding, hard-working Americans can be denied a job, fired or discriminated against in other ways simply because they are or are perceived to be gay or lesbian.

ENDA will extend the promise of equal opportunity and civil rights to more Americans. Twelve states have such laws on the books. The private sector realizes the need and value of these workplace protections; in fact, more than 50 percent of Fortune 500 companies have nondiscrimination policies which include sexual orientation. And an overwhelming number of Americans support equal workplace rights for gay and lesbian Americans.

This legislation says simply that discrimination in employment because of sexual orientation is illegal, and will not be tolerated. This is strong, badly-needed legislation for countless Americans who have suffered, or who are vulnerable to discrimination because they do not have protections similar to those afforded millions of their fellow citizens. I strongly hope that we will debate and pass this bill this year.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2002

SPEECH OF

HON. ROBERT WEXLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 25, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2590) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes:

Mr. WEXLER. Mr. Chairman, I rise today in support of the Hastings amendment to the bill, and I commend my neighbor and colleague for bringing this issue to the Floor of the House.

America is the freest and most prosperous nation on earth. We are the strongest and most resilient democracy on the planet. Yet last November, we failed our citizens in the most fundamental way.

The right to vote cuts to the very bone of our democracy. When tens of thousands of Americans cast their ballots—only to have them thrown out—whether you like the results of the Presidential election or not—it is undeniable that something is wrong in America. If we fail to learn from this tragic experience then shame on us.

What happened in Palm Beach County, Florida on election day is personal to me. I saw it with my own eyes. I experienced it myself. I stood in front of voting precincts and witnessed a horrible state of confusion.

I rise today representing the citizens of my district who went to vote on election day only to be confronted with a puzzle rather than a ballot. I watched the dismay and felt the anger of patriotic Americans, many of whom fought in World War II and Korea, and haven't missed an election in over 50 years, as their votes were rendered meaningless.

I support the Hastings electoral reform amendment to give a voice to those Floridians whose votes were callously discarded due to a ballot that was so confusing intelligent men and women unknowingly cast two votes for President, or one vote for the wrong man.

I support the Hastings electoral reform amendment because the collapse of the election system in Florida was not color-blind. The facts speak for themselves. Fifty-four percent of Florida's discarded ballots were cast by African-Americans, even though African-Americans only comprise eleven percent of Florida's voters.

Think about that. African-American voters were ten times more likely than white voters to have their ballots rejected in Florida. This reality is indefensible and we must act now to repair our citizens' faith in the system.

Have no doubt about it, this is not just a Florida problem. It stretches coast to coast. Many of the problems that confronted Florida on election day occurred in other states. In fact, more votes were thrown out in Illinois than in Florida. This is a federal problem that demands federal attention.

What happened in Florida on election day highlighted for the entire world that in America, even for a Presidential election, we have no national standards for the design of ballots—we have no national standards for the counting of ballots—we have no national standards for voting machinery—we have no national standards to prevent thousands of Americans from being purged from voter roles—and we have no reliable way to count the overseas ballots of the men and women in the military.

The good news is—this problem can be solved, but we must commit the necessary resources. I strongly support the amendment sponsored by Representative HASTINGS which makes a substantial down payment on our obligation to help state and local governments modernize their election equipment and renew the integrity of our democracy. Electoral reform must not be a partisan cause. It is our national obligation.

Election 2000 was a wake-up call to all Americans that we must not take our democracy for granted. We must commit the money, the resources and the energy to fix our election process once and for all. To do anything less is unforgivable.

I urge you to support the amendment.

RECOGNIZING THE ESCORT CARRIER SAILORS AND AIRMEN ASSOCIATION

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. BARTON of Texas. Mr. Speaker, today, I am honored to rise and speak in recognition of the Escort Aircraft Carrier Sailors and Airmen Association. Members of the ECSAA served our country in both World War II and the Korean Conflict aboard the CVE Aircraft Carriers, better known as "Baby Flattops." Through their acts of bravery, these Veterans helped to bring World War II to an early conclusion and saved numerous lives. Until now, they have gone unrecognized for their invaluable contributions to the military successes of our nation. It is time for our Government to make its appreciation evident to these brave Veterans and recognize them, as a whole, for their valor and dedication to the preservation of our great country and its people.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002

SPEECH OF

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

Mr. GILMAN. Mr. Chairman, I rise today in strong support of the amendment being offered by my colleague, Mr. FRELINGHUYSEN, to prohibit any funds from being used to implement the veterans equity resource allocation system.

VERA was created to correct a perceived inequity in the manner in which veterans health care dollars were being distributed across the country.

While a noble effort, VERA was fundamentally flawed in that it did not look at the type of care being delivered to veterans in a given region. Furthermore, it also failed to consider the effect of regional costs of providing health care in its calculations.

Under VERA, the watchword was efficiency. Deliver the most care at the least cost. While ideal for outpatient care, VERA has unfairly penalized those VISNs that provide vital services such as substance abuse treatment, services for homeless veterans, mental health services, and spinal cord injury treatments. Under VERA, these services are all deemed too expensive and "inefficient."

VERA was also implemented at a time when the VA budget was essentially flat-lined. Thus, VISN directors were not provided additional funds to offset the costs of annual pay raises for VA staff, and annual medical inflation costs. This was not a problem for those directors of VISNs that received money under VERA. However, for those directors in VISNs, that were losing money under VERA, it was a double hit that crowded out additional funds needed for other vital services.

It is commendable that the subcommittee was able to find an additional $1.2 billion for veterans medical care. Yet, thanks to VERA, very little of that money will find its way to the Northeast, where it is vitally needed. Instead, it will be sent to those VISNs that have already seen increases in funding due to VERA.

Mr. Chairman, this is simply wrong. The veterans of the Northeast, who are older, sicker and less mobile than their counterparts in the sun belt should not be unfairly penalized for where they choose to live. This amendment starts to correct this problem by terminating VERA, a well-intentioned, but poorly executed system that blatantly discriminates against those veterans who reside in the Northeast.

HONORING THE GRAND OPENING OF THE EMERY-WEINER SCHOOL

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. BENTSEN. Mr. Speaker, I rise in recognition of the new Emery-Weiner School in southwest Houston. This $14 million educational facility combines the 23-year-old I. Weiner Jewish Secondary School and the brand new Emery High School to form the Emery-Weiner School. This expansion combines the quality education offered at the I. Weiner Jewish Secondary School with the cutting edge facility of the new campus.

This fall as classrooms fill for the first time at the Emery-Weiner School students will benefit from the formation of these .two institutions. The state-of-the-art facilities at the new campus will include art and music rooms, as well as a theater, emphasizing the important role the arts play in education. The campus also houses a multi-court gymnasium, cultural arts facility, computer and science labs. The twelve acres in southwest Houston on which the campus sits is surrounded by several more acres of accessible playing fields. The campus will provide tremendous opportunities to students.

On Thursday, September 20, 2001, the Emery-Weiner School will celebrate the opening of this new campus with a special event honoring two of its many benefactors, Mr. Joe Kaplan and Mr. Joe Kornfeld. The proceeds from this celebration will benefit the "Joe Fund," a fund appropriately named for these two founding fathers. Mr. Kaplan and Mr. Kornfeld contributed countless hours to seeing this project come to fruition. Their selfless offerings make them role models for the students who will benefit from their efforts.

The "Joe Fund" was created to bolster teacher enhancement programs and projects. It will be used to purchase materials to provide teachers the necessary means to incorporate creativity and ingenuity into their everyday classroom. I applaud the leadership of the countless teachers and volunteers who contributed to the erection of this new campus and recognize the commitment of these individuals to providing opportunities through education to our young people.

Mr. Speaker, I congratulate the many people who contributed to the construction of the Emery-Weiner School, and I look forward to seeing the many ways in which the innovative voice of this institution will help to educate and shape the minds of Houstonians. There is no doubt, this school will soon serve as a model for other schools across the nation.

EXPRESSING SENSE OF HOUSE THAT WORLD CONFERENCE AGAINST RACISM PRESENTS UNIQUE OPPORTUNITY TO ADDRESS GLOBAL DISCRIMINATION

SPEECH OF

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

Mr. HASTINGS of Florida. Mr. Speaker, I rise today in support of House Resolution 212, sponsored by myself and my good friend from California, the Ranking Member of the House International Relations Committee, Mr. LANTOS.

It is easy to believe that in the twenty-first century, racism, like a rabbit under a magician's hat, has simply disappeared with the abracadabra of superficial legislation and the convenience of turning a blind eye. But for those of us who prefer to see the truth rather than a prefabricated illusion, we must recognize the need for international cooperation to address racism at the U.N. World Conference Against Racism in Durban, South Africa.

Martin Luther King, Jr. once said, "Injustice anywhere is a threat to justice everywhere." It is wrong, however, to combat racism with provisions that are racist themselves. Without a doubt, it is unacceptable for anti-Semitic language to be used in the conference's Program of Action to address the Arab-Israeli conflict. The notion of equating Zionism with racism is one that we rejected over twenty years ago when we spoke out vehemently against a U.N. resolution that made such an insidious claim. Thus, it is critical that we carefully consider the consequences of attending a conference that promotes a tenet we simply cannot accept. At the same time, we must reaffirm our commitment to working together with the international community to eradicate global discrimination and establish ourselves as a leader in this cause. We cannot let our silence speak for us now.

This legislation, Mr. Speaker, promotes U.S. support of the World Conference Against Racism and encourages us to take action in a manner consistent with our American values of racial and religious tolerance. It is essential that we support such legislation and not allow our global fight against racism to vanish into thin air or be diminished by language that exacerbates the problem rather than fixing it. I urge my colleagues to support this unique opportunity to address global discrimination and to support House Resolution 212.

IN HONOR OF GARY KRUPP OF LONG BEACH, NEW YORK

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mrs. McCARTHY of New York. Mr. Speaker, I rise in honor of Mr. Gary Krupp of Long Beach, New York.

On July 29, 2000, Pope John Paul II named Gary a Knight Commander of the Order of Saint Gregory the Great, in recognition of his work with Casa Sollievo della Sofferenza, a health care facility in Italy. Through Mr. Krupp's generosity and commitment, the hospital acquired highly advanced medical equipment, benefitting countless men, women and children.

The Order of Saint Gregory was founded by Pope Gregory XVI in 1831, who named it after his predecessor, Pope Saint Gregory the Great. The Order frequently honors those who have distinguished themselves through service to the Catholic Church and accomplishments benefitting society. Gary is the seventh Jewish person since 1831 to be awarded this honor.

It is not every day that an honor such as this is given to one of our neighbors. I congratulate Gary for receiving this outstanding and unique honor. I believe he is an exemplary Long Islander and American, and I have no doubt Gary will continue his work on behalf of Long Island, the Catholic Church, and Casa Sollievo della Sofferenza.

MAGEE RIETER HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. KANJORSKI. Mr. Speaker, I rise today to call the attention of the House of Representatives to the outstanding achievement of the employees of Magee Rieter Automotive Systems of Bloomsburg, Pennsylvania, which has won General Motors' prestigious "Supplier of the Year Award" for the ninth consecutive year. Of GM's 30,000 suppliers, Magee Rieter Automotive Systems is the only nine-time winner in North America and one of only six suppliers globally to be honored every year since the award was established.

Magee Rieter, the leading supplier of carpets to General Motors in America, will celebrate this accomplishment on August 28, 2001. The company has been in business in Bloomsburg since 1889 and has been supplying General Motors for more than 90 years, first with hand-draped tapestries or Fisher Body carriages, through today's production of fully molded carpet floors and integrated acoustical systems.

Through the past 112 years, the company has endured and overcome numerous challenges, including floods, fires and the rapidly changing business environment. The company received the Army/Navy "E" Award for Excellence after World War II in recognition of its production of high-quality materials for the war effort. As demonstrated by the more recent awards, the current employees have carried on the tradition of pride and success handed down by their parents, grandparents and great-grandparents who worked at Magee Rieter. Under the leadership of President and Chief Executive Officer Mike Katerman, Magee Rieter continues to be a cornerstone of the Bloomsburg community.

Mr. Speaker, I am pleased to call to the attention of the House of Representatives the hard work and impressive achievement of the people of Magee Rieter, and I wish them all the best.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002

SPEECH OF

HON. FELIX J. GRUCCI, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2620) making appropriations for the Department of Veterans Affairs and Housing and Urban Development and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes:

Mr. GRUCCI. Mr. Chairman, I rise today in support of Weldon Amendment which would increase the Fire Assistance Grant Program by $50 million.

This past Monday, it was my honor to announce the awarding of a Federal grant to the Davis Park Fire Department in my district. This grant was one of only 108 that were awarded to fire departments across this country under the FEMA's Fire Assistance Grant Program.

The Davis Park Fire Department along with nearly 20,000 other fire companies applied for grants—that is almost two-thirds of all fire companies in America. In the coming months, more than $100 million in grants will be rewarded to fire companies for vehicles, fire prevention programs, equipment and training.

The Davis Park Fire Department will use its $30,000 in funds to train its firefighters in the most recent firefighting and rescue techniques. When I spoke with the department's chief he expressed his excitement over how the grant would help to strengthen the safety of not just the citizens of Davis Park but also the brave men and women who serve them.

By supporting the Weldon Amendment we can guarantee that Fire Departments like the Davis Park will be able to benefit from this vital program next year. In doing so we can increase the safety of countless communities throughout our nation.

I call upon all of my colleagues to join me in providing our nation's local fire departments with the opportunity to improve the quality of both services they offer and safety standards under which they serve.

IN RECOGNITION OF RICARDO MONTERO DUQUE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize Major Ricardo Montero Duque for his efforts to fight the communist threat, and later communist dictatorship, in Cuba, and his commitment to Cuban immigrants throughout America.

Ricardo Montero Duque was born in Matanzas, Cuba on July 4, 1925. In 1950, he graduated from the Military Academy of the Cuban Army with the rank of Second Lieutenant. As a result of his hard work and dedication, he quickly climbed through the ranks of the military hierarchy, eventually assuming the rank of Major.

Major Duque's extensive military career can be traced to battles against the guerrilla forces of Fidel Castro. In 1956, Major Duque was instrumental in leading the Cuban Army against Fidel Castro and his rebel forces in the province of Oriente. During the Bay of Pigs invasion in 1961, he commanded the No. 5 Infantry Battalion of the 2506 Brigade, was captured by Castro's forces, and later imprisoned for 25 years. On June 8, 1986, Major Duque was released from prison in Cuba and reunited with his family in Union City, New Jersey.

Over the past two decades, Major Duque has remained actively involved in the Cuban American community. Former New Jersey Governor Christie Todd Whitman appointed Major Duque to serve as a member of the "Cuban Task Force" of New Jersey. He has served as Director and Editor of the newspapers "El Cuba Libre" and "La Semana." In addition, he has twice been elected to serve as President of the Union of Former Cuban Political Prisoners.

Beyond his services to the community, Major Duque has been a real estate agent since 1987. He is happily married to Esther, his wife of fifty years.

Today, I ask my colleagues to join me in recognizing Ricardo Montero Duque for his unfaltering commitment to fighting the terror and repression of communism in Cuba, and for his outstanding contributions to the Cuban American community.

PROCUREMENT TECHNICAL ASSISTANCE CENTER IMPROVEMENT ACT

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. MANZULLO. Mr. Speaker, small business participation in government procurement is dropping. While the dollar value of procurement opportunities is relatively constant, the absolute number of small businesses winning government contracts has dramatically decreased over the past four years.

One possible solution to this problem can be to enhance the role of Procurement Technical Assistance Centers (PTACs). During the 1980's, Congress created local PTACs around the country to increase small business participation in defense procurement. Modeled after Small Business Development Centers (SDBCs) run by the Small Business Administration (SBA), these centers offer free advice and help to small businesses both in educating them about how to get involved in government procurement and also how to obtain contracts. Most of the PTACs are co-located in a local higher education institution or a Chamber of Commerce. About half of the funding for most of the PTACs comes from the Defense Logistics Agency (DLA). The remainder comes from the state government and/or the local host (i.e., the community college). States currently have a choice: they can either ask for up to $300,000 to run a state-wide program or regional centers can ask for up to $150,000 to run a program locally.

Some states have decided to run a statewide program in order to have continuity of service throughout the state. However, some states do not care and have allowed regional or city PTACs to operate. Currently, 15 states have regional or city PTACs that receive an excess of $300,000. This penalizes states like my home state of Illinois who have opted for a "good government" solution—a seamless delivery of procurement assistance services throughout the state.

I have introduced the Procurement Technical Assistance Improvement Act to increase the DLA grant match to states that run a statewide PTAC program so that they would be able to receive up to $600,000 in funding, double the current level of $300,000. This would potentially benefit the 29 states and the one territory that have a state-wide PTAC program and the six states and the four other territories that do not have any PTAC program. It is important to remember that each state with a state-wide run PTAC program would not automatically receive a $600,000 grant from the DLA because each proposal would have to stand on its own merits. Currently, 10 states and one territory do not even receive the full $300,000 in grant funds from the DLA for a state-wide PTAC program. Thus, this proposal does not necessarily mean that the cost of the program would balloon. Only those states that submit a sound proposal who serve a large population would qualify for a maximum of $600,000. Finally, this proposal would not mean that states with regional centers would receive less funding. This proposal is silent on the match received from DLA to regional PTACs.

With the criticism of recent Pentagon procurements that disadvantage small businesses, this is one way to remedy the problem. Mr. Speaker, I urge my colleagues to join me in supporting this legislation.

HONORING TRACEE EVANS

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. BENTSEN. Mr. Speaker, on Friday, August 3, 2001, one of Houston's prized reporters will be recognized for her top notch work by the Association for Women in Communications and the 2001 Clarion Awards at the Renaissance Harborplace Hotel in Baltimore, Maryland. Ms. Tracee Evans, of KTRH radio in Houston, Texas, will be awarded this prestigious award for her documentary on the struggle in Kosovo.

The Association for Women in Communications is a professional organization which champions the advancement of women across all communication disciplines by recognizing excellence and promoting leadership. The Clarion Awards is a renowned competition recognizing excellence in many fields of communications. One Clarion Award is given in each field of communications to an exemplary entry and it is judged on quality, substance, style, originality and achievement of the objective.

Ms. Tracee Evans' hard work and creativity distinguish her in the field of communications. Her documentary on Kosovo is just one example of the many creative and insightful pieces she has created. Her ingenuity serves as a guide for future generations of communication professionals and more notably, her personal accomplishments serve as a model for women wishing to follow in her path.

Mr. Speaker, I join the Association for Women in Communication, the Clarion Awards, Ms. Evans' family, and her colleagues at KTRH in applauding Ms. Evans' diligence in the field of communications and I look forward to sharing in her future work.

COMMEMORATING THE LIFE OF CHARLES SPENCER POMPEY

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. HASTINGS of Florida. Mr. Speaker, I rise today in commemoration of the life of an inspirational leader and a truly committed social activist, my good friend, the late Charles Spencer Pompey. At a time when Martin Luther King Jr. had not yet shared his dream of racial equality with America, Mr. Pompey challenged the injustices of segregation with his work ethic and his passion. "If you are ever fired from a job," Spencer Pompey would say, "let it not be because of the color of your skin, or the lack of preparedness to do the job." Today, Congress must be prepared to do its job, and continue to tear down the barriers of racial inequity that linger within our nation.

When Mr. Pompey came to Palm Beach County in 1939, as one of five teachers at Washington Junior High School, it was clear that separate but equal was more of a rhetorical myth than a reality. Black students were taught in dilapidated buildings, using supplies that white schools had discarded. To make matters worse, black teachers could not join the only teachers' union of the time, the Florida Education Association. Always a crusader, Mr. Pompey organized black teachers to form the Palm Beach County Teachers Association and served as the group's first president. Twenty-four years later, he was named to the board of the Florida Education Association, which had once made the mistake of judging him by his skin color rather than the content of his character.

Perhaps the most inspirational aspect of Mr. Pompey's life was his unwavering dedication to helping youth in his community. He was the first individual, white or black, to develop a program of organized recreation for young people, working through the Naciremas Club. In addition, Mr. Pompey served as a coach of several champion football teams, emphasizing the importance of being a scholar as well as an athlete. As a principal, teacher, and coach, as well as a religious leader, Mr. Pompey taught a generation of young black Floridians to dream, to aspire, and to persevere.

Mr. Speaker, in proper tribute to the legendary activist, Charles Spencer Pompey, I urge Congress to recommit to the goal of promoting improved race relations. We cannot allow the specter of segregation to haunt our institutions, and we cannot allow glass ceilings or lack of resources to impede the progress of our growing minority communities. Let us guarantee that an individual's right to vote is held sacred, regardless of his or her race. Let us not forget the past and abandon policies of affirmative action, which will ensure that our history of discrimination can be overcome and replaced by success for all in the twenty-first century. We have a duty to all American citizens to preserve the legacy and teachings of Charles Spencer Pompey, a true friend and a true American hero.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002

SPEECH OF

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes:

Mr. MOORE. Mr. Chairman, I rise today in opposition to H.R. 2620, the VA–HUD–Independent Agencies appropriations bill for Fiscal Year 2002.

On balance, this bill adequately addresses our national priorities and funding needs for housing, veterans' benefits and scientific research. H.R. 2620 provides modest increases for HUD programs and activities—$1.4 billion more than last year. These increases will help address the most basic housing needs of our low- and moderate-income citizens.

This measure fully funds VA medical health care for our veterans and provides a $1 billion increase over spending levels for FY2001, while almost tripling the funding provided for major VA construction projects. A separate provision appropriates $300 million for safety and seismic repairs to VA medical facilities and the rehabilitation of VA research facilities. One important aspect of the bill is the extra $128 million over FY01 for the Veterans Benefits Administration to expedite claims processing, which is a growing concern among veterans.

Additionally, I have been concerned about proposals to require military retirees to choose between military or VA health care systems, but this measure includes an amendment prohibiting the VA from using funds in FY2002 to force military retirees to permanently choose between the VA or military health care systems.

Finally, H.R. 2620 prioritizes funding for our essential research needs by increasing funds for the National Science Foundation to $4.8 billion, $414 million more than the current appropriation and $368 million more than the President's request. As a member of the House Science Subcommittee on Research, I am pleased that this appropriation will allow the NSF to go forward with substantial new and ongoing initiatives in information technology, biodiversity, nanotechnology, the mathematical sciences and the social and behavioral sciences.

Mr. Chairman, while all of these programs are funded at levels that warrant the support of every single member of Congress, I have serious concerns about one provision in this bill—a $1.3 billion emergency designation for the Federal Emergency Management Agency (FEMA). Designating these funds an emergency is a clear violation of our budget rules and violates all principles of fiscal responsibility.

While I agree that the request for $1.3 billion in emergency relief for the damage created by Tropical Storm Allison is a true emergency, the budget resolution does not allow for the allocation of emergency designations in regular appropriations bills unless those funds are offset. Under this Congress' budget rules, this bill requires a waiver from the Rules Committee as well as clearance from the Budget Committee because of this emergency designation. These waivers were provided, which irresponsibly circumvents our budget process.

More worrisome, however, is the fact that this Congress is perilously close to spending Medicare and Social Security surplus funds. I am concerned that by releasing these funds under the emergency designation—without offsets—this Congress sets an early precedent in the FY '02 appropriations process to spend more than budget resolution allocations.

As you are aware, recent press reports suggest that the updated economic forecast the Congressional Budget Office will release in August is likely to show no available surplus beyond the Social Security and Medicare trust funds in fiscal year 2002 and that Congress may have to dip into those trust funds by nearly $41 billion in FY 2003. More troublesome is the fact that these shortfalls do not even account for many of our other stated needs like a comprehensive energy policy, a prescription drug benefit, and the President's request for additional defense spending.

This Congress made a commitment to the American people that we would not vote to spend one single penny of the Medicare and Social Security Trust Funds. I will honor that commitment. Spending restraint, fiscal responsibility, and honoring our commitments do not come about by good intentions, but by resolute actions.

Mr. Chairman, in an effort to honor that commitment, I will adhere to the levels in the budget resolution enacted by a majority of this Congress. I will oppose any efforts to increase spending beyond those levels without offsets. This includes any emergency designation, regardless of its merit.

The VA–HUD appropriations bill violated the budget resolution and, despite the many good programs contained in this bill, it busts the budget and threatens the Social Security and Medicare Trust Funds. I urge my colleagues to honor their commitment to protect these funds; I urge my colleagues to vote no on H.R. 2620.

THE UKRAINE CELEBRATES 10 YEARS OF INDEPENDENCE AND PROMOTION OF DEMOCRATIC IDEALS

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. KLECZKA. Mr. Speaker, on August 26, 2001, the Wisconsin Branch of the Ukrainian Congress Committee of America and the Cooperation of Ukrainian Churches and Civic Organizations will commemorate 10 years of Ukrainian independence from the United Soviet Socialist Republics.

For over a thousand years, the Ukraine nation and the Ukrainian people have bravely faced adversity and have struggled to gain independence as a sovereign nation.

The Ukraine was a country constantly under siege, suffering onslaughts from Muscovy, Poland, Lithuania and the Austro-Hungarian Empire. In the 13th century, the empire gradually began to disintegrate into city-states that would become the modem-day countries of Russia and Belarus. The Ukraine was able to gain independence for a very brief period in the mid 1600's and again achieved a brief independence following WWI, from 1917–1918. However, during the inter-war period, the Ukraine was partitioned between the Soviet Union and Poland and remained under the communist regime until 1991.

The 20th century history of the Ukraine is marked by the repression of the Soviet regime. In 1986 Americans watched in horror along with the rest of the world as the tragedy of Chernobyl unfolded before our eyes. The Chernobyl disaster, along with the USSR's mishandling of the environmental cleanup, sparked a new spirit of nationalism in the form of "Rukh," the Ukrainian People's Movement for Restructuring. Rukh nationalism and increased freedom brought about by Gorbachev's "glasnost" policy led to the declaration of Ukrainian independence on August 24,1991.

The years of exploitation by the communist government left the Ukraine struggling to establish a viable socio-economic infrastructure. The residents of the Ukraine, with the assistance of the Ukrainian Congress Committee of America (UCCA) are committed to help strengthen Ukraine's development as a democratic, market-orientated state.

The Ukrainian Congress Committee of America (UCCA) is a non-profit educational and charitable institution that seeks to preserve and disseminate the rich intellectual and cultural heritage of Ukrainian Americans. The UCCA also serves as a vehicle by which Ukrainian Americans provide humanitarian aid and assistance to the residents of the Ukraine and Ukrainians throughout the former Soviet Union.

So, it is with a spirit of hope for the future of the nation of the Ukraine, that I join with the Wisconsin branch of the Ukrainian Congress Committee of America and the Cooperation of Ukrainian Churches and Civic Organizations to congratulate the Ukrainian people on 10 years of independence. May the Ukraine prosper and enjoy many more decades of independence, freedom and democracy.

REMEMBERING PROF. LAWRENCE P. KING

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. NADLER. Mr. Speaker, I rise today, along with my colleagues Representative CONYERS and Representative WATT, to fondly remember Prof. Lawrence P. King who passed away on April 1, after a long and courageous struggle with cancer.

Prof. King was the most widely renowned bankruptcy scholar of our time, and had served as an invaluable advisor to Congress and the Courts regarding Bankruptcy Law. For years, Prof. King generously gave of his time through his involvement with the National Bankruptcy Conference, which has served as the leading non-partisan adviser on the nation's bankruptcy laws since the 1930's. Prof. King has frequently testified on the bankruptcy laws, and was particularly valuable in offering advice in connection with the seminal Bankruptcy Reform Act of 1978. As a result of his tireless assistance, it is no understatement to say that Prof. King has had as significant an impact on our bankruptcy laws—which are the envy of the world—as any other individual.

I first came into contact with Prof. King when I became the Ranking Democratic Member of the Subcommittee on Commercial and Administrative Law. Prof. King's knowledge of the law, compassion for the common man, and extraordinary sense of humor continued to be a tremendous help to the work of the committee especially during the very challenging struggles over the past few years to maintain the integrity of the Code. He both lived and taught in the Eighth Congressional District of New York, a fact about which I remain especially proud. My colleague, the distinguished Ranking Member from Michigan, met Prof. King while still a student at Wayne State School of Law, and like many other lawyers, whether starting out or seasoned, was touched by Prof. King's personal and professional greatness.

Time and space do not permit me to recite all of Prof. King's accomplishments, but a few highlights deserve notice. He taught at New York University School of Law from 1959 until his death. For the last 22 years, he was the Charles Seligson Professor of Law. He also served as a member of the Judicial Conference's Advisory Committee on Bankruptcy Rules; as a consultant to the Commission on Bankruptcy Laws of the United States, which produced what ultimately became the 1978 Bankruptcy Code; as a Senior Advisor to the National Bankruptcy Review Commission, established by Congress as part of the Bankruptcy Act of 1994; and, perhaps most importantly, as the editor-in-chief of the authoritative treatise "Collier on Bankruptcy." In addition to serving as a member of the National Bankruptcy Conference, Prof. King has been honored as a fellow of the American College of Bankruptcy, and had received the College's Distinguished Service Award and the Law School's Alumni Achievement Award.

He was the founder and driving force behind the NYU Workshop on Bankruptcy and Business Reorganization which, for 26 years, has trained attorneys in the field of bankruptcy and insolvency law, keeping experienced practitioners up to date with the latest developments in the

Prof. King's remarkable professional achievements and intellect are only part of the story. He understood the ethical and moral underpinnings of the fresh start and the rehabilitation of debtors. Everything he did was infused with his personal compassion and ethical standards. In his final speech to the American College of Bankruptcy, just two days before his death, Prof. King made an impassioned plea for the preservation of the fresh start and the coherence, fairness and balance of the current Code. The Code, a model of fairness, is in peril right now. Prof. King, who did so much to build the system we have now, who contributed so much to bankruptcy scholarship, articulated the many concerns with the pending legislation better than anyone. I can think of no more fitting tribute than to commend his final comments to the attention of my colleagues in the hope that they will help us to remember this great man and take heed and work for fair and balanced legislation.

REMARKS BY PROF. LAWRENCE KING TO THE AMERICAN COLLEGE OF BANKRUPTCY

I appreciate very much the honor of being asked to deliver the keynote address at this induction ceremony, which itself is a very auspicious occasion. It marks with emphasis the regard in which each of your peers hold you all and you are entitled to be very proud of this accomplishment. Of course, as a member of the College, I agree with everything I just said.

In considering what the focus of my remarks should be, the first thought was something having to do with the philosophy of the bankruptcy law. But that would be too short of a speech because, after all, that philosophy could be summed up as granting a new financial life to a financially distressed debtor and providing for an equitable distribution of the debtor's nonexempt assets among the debtor's unsecured creditors.

At least that was the philosophy until the advent of the 105th, 106th and the current 107th Congresses. It seems that today's philosophy is to damn the poor and struggling in order to pay the rich, who will not get paid anyway. So it is not worth heaping further ridicule on these past Congresses, the members are beyond caring, having pocketed the largess offered them and gone home to count what is in their campaign coffers. So, on to another theme.

Particularly as a member of the College, although not by virtue of that fact alone, we all have responsibilities to our profession and to our community, however that may be defined. Over a number of years of long and hard work, we have achieved a modicum of success and a time comes when some of our efforts should be used to return some good to the communities from which we come. Naturally, as all good sayings go, that is easier to state than to accomplish. Nevertheless, I want to plant some ideas by way of example.

When I was in law school, I decided that my careers should encompass three aspects. I wanted to practice law in order to help people with their problems, people being defined to include all legal entities. I wanted to teach law in order to educate others on how to help people through the practice of law as well as to help fashion the law by research and writing. And, thirdly, I wanted to be a judge in order to help make and interpret the law.

Those were pretty lofty dreams, perhaps subject even to a charge of naivete. Interestingly, as I reminisce, it seems to me that I did accomplish two of those desires, that is, the actual working at them. Whether or not it was of help to others is not for me to say. I have found, however, that within my work in whichever capacity, I have been able to accomplish all of my goals. That has occurred because throughout my career, I was involved in, let's say,

As I was thinking about this part of my speech, I thought of saying to you that there were two of such activities that highlighted my career in the sense of the personal enjoyment and satisfaction that I got out of them. But, as I thought of that notion, I concluded that I could say the same thing with regard to everything I have done and such joy and satisfaction was not limited to a mere two or three endeavors. But a brief review of two will serve my purpose tonight.

For about 22 years, in addition to full time teaching, part time practicing as counsel to a firm, and serving as associate dean of the law school, I was the first associate reporter, then reporter, and then a member of the Advisory Committee on Bankruptcy Rules of the Judicial Conference of the U.S. This was not totally fun, but overall, it was quite an interesting challenge.

One incident, that one would think is unrelated to that work, involved a partial shredding of both of my trousers' legs, starting at the lower thigh, and appearing with cloth flapping before a Congressional committee to testify. The reason for the shredding was a mind bending state of frustration in listening and having to accede to suggestions to change the Chapter X Rules being made by members of the Standing Committee on Practice and Procedure, that is, the oversight committee which had no one on it who knew a whit about bankruptcy, and Chapter X in particular. During the discussion, my hands were under the table and basically, subconsciously, were clutching my pants legs and, at one point of extreme aggravation, they pulled back, tearing the pants.

Another extracurricular activity that took a great deal of time, and, in looking back, I do not quite understand where the time came from, was on the legislative front. I first got involved in that through the legislation committee of the National Bankruptcy Conference and the first excursion in drafting legislation for congress and testifying with respect to it was the 1970 Nondischargeability Amendments, which gave the bankruptcy court jurisdiction to determine the effect of a discharge.

An interesting aspect of that task was working with the National Association of Referees in Bankruptcy to come up with a joint bill and, at each turn, having members of the House subcommittee complain that the draft was not strong enough to prohibit further abuses of the discharge system by consumer credit companies. One of the most interesting days was when I received a call from Senator Quentin Burdick of North Dakota asking me to come to his office.

I was there very quickly. He ushered me into his office, told me to put my feet on the desk, offered me a shot of bourbon (9 a.m.), and he started talking. He had gotten interested in the bankruptcy jurisdiction of the referee in bankruptcy and wondered out loud whether it made sense to create a commission to study the bankruptcy laws with a view to updating them. I, of course, was in 100 [percent] ecstatic agreement, and, from that moment, the 1970 Commission was born not without some problems, but that is a story for another day.

In the mid-1970s, I was called to the House subcommittee, which was considering amending Chapter IX of the former [Bankruptcy] Act, the municipality chapter, because of the New York City financial crisis. At first, all I was asked to conduct [was] an afternoon's seminar for the members of the subcommittee and their staffs on the topic of executory contracts under the Bankruptcy Act. This was becoming a big issue in the legislation because of the power of the city's labor unions and their bargaining agreements.

But, at the conclusion, the chairman of the subcommittee, Congressman Don Edwards, asked me to show up the next morning at the start of the markup of the Chapter IX bill. Now, no one can speak at a markup session except the members and their staff, so I had to remain silent. At the markup, Congressman Butler, the ranking minority member, had a list of about 50 amendments to the proffered bill which were being read, one by one, by his minority counsel, Ken Klee, and then voted upon.

As an amendment was read, Don Edwards looked in my direction and I quickly realized he was seeking a reaction to the amendment from me by way of a nod or shake of the head. And I complied.

After a while, Congressman Butler asked for a recess and he came over to me, asking, "Am I seeing right? Are you reacting to my amendments as they are read without even having seen them before?" I replied in the affirmative, and he then asked if I would study the remainder of them overnight and meet with him the next morning to offer my reaction.

The next day I showed him the lists that I had made of the amendments: in one group I placed the ones I agreed with; in the next group I placed the ones I disagreed with; and in the third group, I placed the ones I did not take a position on because I believed them to be purely political, which was within his expertise and not mine.

At the markup session, Butler offered to Edwards the group one amendments with the statement that they had passed muster with the NYU law school. He did not offer group two, and the discussion was limited to Group 3. The markup continued for several days although it was serially announced that it would conclude at the end of that days' session. That did not happen. In the morning, I would check out of my hotel and, in the evening, I would check back in.

During the 1970s and '80s, I spent a fair amount of time testifying before Congressional committees and subcommittees, which was very time consuming and, also, fairly expensive. Congress invites you to work for it, but it does not offer to pay, even expenses.

In addition, I did a fair amount of continuing education work all over the country, on behalf of state and local bar associations and other suppliers of such programs. I considered appearing on these programs to be part of my job as a teacher, whether I received any compensation (which I did not) for the work.

I now think appearing on such programs is more than a teacher's job. I believe that it is incumbent on all of us, practitioners and judges alike, to participate in these programs, if we have something to offer. Judges are a bit problematic because of their position and having to decide issues but, with care as to the type of participation, they can share their gathered wisdom with the bar and public generally.

Another area in which lawyers, particularly, can serve beyond their everyday role is through their local bar associations. Active membership should be considered a must. There are many things the local bar can do in a very constructive manner. Very important is its ability to present its views to legislatures regarding bankruptcy and related legislation.

Either through bar association work or on an independent basis, pro bono work is of utmost importance, particularly in view of the new legislation. The costs to debtors filing for bankruptcy go up and up and up and no one in Washington seems to understand that the poor are being asked to support the system.

Help is needed all over the country. Go to your local courts and volunteer to serve. Create formal programs in your district to help the unfortunate. I know there are established programs in some parts of the country. Get involved in them. Give something back. That is the rallying cry.

Some have suggested programs to get lawyers and judges into the classrooms around the country. I have not been enamored of that idea. I do not believe you can pick someone out of his or her office or from the bench and say, here, teach, even if that individual has volunteered with enthusiasm to do so. Not everyone can be an effective teacher. It takes a good deal more than merely standing in front of a group and talking. Again, that is a separate subject for a talk, and I will not belabor it here.

But there is a lot out there that can be done. Legislative work is always timely. Keep in touch with your members of Congress. If you are not known, find someone in your firm, or roster of friends or clients who is. Include Representatives and Senators. If you have a string to the White House, use it and turn it into a rope. Plan in advance.

Share your expertise by writing sensible articles. The key word is sensible.

Participate in bar association functions. Be active. Volunteer to do work.

Get involved in pro bono work. You will get a lot of satisfaction in helping people.

In whatever form you wish to express yourself, remember, give something back.

HONORING SHIRLEY HELLER

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. DEUTSCH. Mr. Speaker, I rise to honor the lifetime achievements of one of South Florida's most active and charitable volunteers. Shirley Heller, who passed away on July 16, 2001 at the age of 72, was an inspiring leader who left a legacy of commitment and devotion for the South Florida community.

Shirley Heller grew up on the north side of Chicago. She attended the National College of Education and, after receiving her degree, became a teacher who was greatly loved and admired by her students. Her love for teaching led her to volunteer for the Great Books program in Chicago, which promotes classic pieces of literature.

Shirley's love of politics and public service also began during her time in Chicago, where her lifetime of activism can be traced back to the Truman years. Shirley would serve as a national delegate for the Democratic Convention, a duty she would fulfill twice more after moving to Florida. However, Shirley was best known for her dedication to her community. She was an active member of various women's groups, and had the honor of serving as the President of Hadassah for three consecutive terms. She also founded the local B'nai B'rith organization for girls in the greater Chicago area.

Shirley was an extremely giving person who always worked for others and not herself. Immediately after moving to Florida in 1979, Shirley became involved in numerous civic and community organizations. Residents at once recognized the value of her enthusiasm for and commitment to her community; characteristics which made her a natural leader. She served as president of the Pembroke Pines Democratic Club, as well as president of the Hollybrook Golf and Tennis Condominium.

Mr. Speaker, Shirley Heller was both well-loved and widely respected by all those blessed to have known her, especially her husband and three sons, whom she cherished. She selflessly served her community throughout her life's work. Today, Mr. Speaker, we celebrate Shirley's life, which serves as a wonderful example to all who follow in her footsteps.

CELEBRATING THE 75TH ANNIVERSARY OF ASTORIA CENTER OF ISRAEL

HON. JOSEPH CROWLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. CROWLEY. Mr. Speaker, I rise in celebration of the 75th anniversary of The Astoria Center of Israel, one of the oldest and most venerable Conservative synagogues in my district.

Since its inception in 1926 the Astoria Center of Israel has been a bulwark of the Conservative Jewish community, as it provides a center for civic leadership, spiritual enrichment, and cultural relations.

Mr. Speaker, this congregation has always been a vibrant one.

In May of 1926, Financial, House, Membership, and Junior League committees had been established, a mere month after the building first opened its doors.

Those doors open into a sanctuary that is magnificent to behold even when the services have yet to commence. The beautiful canvasses of Mr. Louis Pierre Rigal, winner of the prestigious Grande Prix de Rome award in 1919, adorn the walls with glorious Biblical imagery.

Even today the synagogue continues to enrich the community's culture and spirit by offering plays, concerts, lectures, and civic meetings to any that wish to attend.

It would be impossible for me to separate the merits of this institution from those of its first spiritual leader, Rabbi Joshua Goldberg.

Rabbi Goldberg was the first Jewish chaplain of the United States Navy. When knowledge of the Holocaust became public, he, together with Rabbi Stephen Wise, was an active leader in the effort to save European Jews from Hitler's relentless persecution.

Rabbi Goldberg was stationed in Europe during World War II, and thus began his distinguished fifty-year-long career of Navy chaplaincy.

As a Rabbi, he reached out to other members of the clergy, both in local neighborhoods and throughout greater New York area. Rabbi Goldberg would often use radio broadcasts as a means of delivering his message of universal love and unity. Additionally, his efforts were integral to the formation of Queens College, my esteemed Alma Mater.

He made great contributions to the establishment of other Jewish communities such as Rego Park and Forest Hills.

Many prominent members of the Astoria Center for Israel continued to follow in Rabbi Goldberg's footsteps, such as Rabbi Alvin Class, the current chaplain of the New York Police Department.

I also must acknowledge the Center's many congregants that proudly pursue active careers in public service in both the governmental and private sectors.

It is my hope that we can fulfill the clause that concludes the Astoria Congregation of Israel synagogue charter—

"Behold how good and pleasant it is for brethren to dwell in unity"

RAILROAD RETIREMENT AND SURVIVORS' IMPROVEMENT ACT OF 2001

HON. JIM NUSSLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. NUSSLE. Mr. Speaker, I commend the Chairman of the Transportation and Infrastructure Committee for his effort to address the problem of the railroad retirement system's solvency and to improve the benefits of railroad retirees and their surviving spouses. The fundamental problem is that there is currently only one railroad worker for every three beneficiaries, and that ratio is only getting worse. I agree that steps need to be taken to ensure the long term solvency of the railroad retirement system.

However, I must share with my colleagues an important concern regarding this bill's potential impact on the federal budget. As Chairman of the House Budget Committee, I worked with the Committee Chairmen, House Leadership and the Administration to alleviate this same concern, which may have been incorrectly perceived as delaying its consideration on the floor.

This bill raises a technical question about how the government should treat the transfer of financial assets from the railroad retirement account to a new trust fund for the purchase of private securities. Under the existing rules for estimating the cost of legislation, the investment of railroad retirement funds in private securities is considered by the Congressional Budget Office and the Office of Management and Budget as an expenditure and would result in $15.6 billion in new government spending in fiscal year 2002. This is because the funds would no longer be held or controlled by the U.S. Treasury.

There is another view held by many budget analysts that this transaction should simply be considered a means of financing the federal debt, and not as government spending. In other words, the investment of these assets would be considered a transfer of funds from one part of the federal government to another. Under this view, the investment of these bonds, which are currently in government securities, in private securities would have no net effect on the budget. I believe that this view is not unreasonable if the benefits of any return on investment accrue to a government-administered trust fund; that they are not used to finance new federal spending programs;

and the investment decisions are walled off from political considerations or manipulation.

I am, however, opposed to a provision in the bill that directs OMB and CBO to estimate the cost of this bill, not on the basis of what they objectively think it actually costs, but what the Congress thinks it should cost. I do not believe that Congress should arbitrarily substitute its judgment for that of our budget experts.

As I support the overarching goal of restoring solvency to the railroad retirement system, I voted in favor of the Railroad Retirement and Survivors' Improvement Act of 2001. Nevertheless, I strongly believe that the bill requires additional work if it is to both serve the important needs of our country's hard-working railroad employees and ensure that we maintain a balanced federal budget. Thus, I urge the President and the Congress to continue to work toward producing a final bill that does not tell OMB and CBO how much it costs, and which incorporates provisions that will protect our hard earned budget surplus.

TRIBUTE TO ISAAC HORN, OF THE SAN BERNARDINO CITY FIRE DEPARTMENT

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. BACA. Mr. Speaker, I rise to honor Isaac Horn, of the San Bernardino City Fire Department, for his selfless bravery in rescuing three fishermen, whose small boat was left adrift in the Pacific Ocean, buffeted by wind gales. Isaac and his colleague, Ben Alexander, demonstrated courage and commitment and the highest duties of their profession, in their off-duty rescue of these individuals in need.

Isaac and Ben were filming whale sharks in October for a television series in Bahia de Los Angeles, a small fishing village about 400 miles south of the Mexican border, when they were approached by a woman frantic about fishermen who were lost. The fishing boat lacked an engine, and had been swept in a wind-tossed sea. Isaac and Ben searched for the boat in their 21-foot craft, while braving a heavy windstorm with winds reaching about 50 to 60 miles per hour.

When they spotted the fishing boat, it was in immediate peril, in danger of being swept onto the treacherous shores of an island. The boat was only 150 yards away from shore. Using a 12-foot line, the firefighters were able to pull the boat to safety, in a courageous effort that took about an hour. In gratitude, the fishermen offered them money, but Isaac and Ben refused.

Mr. Speaker, Isaac is a leading firefighter in our community. He has served as a paramedic firefighter, and because of his great labors and professionalism, has been promoted to the rank of engineer. He is a very dedicated worker, one who always makes sure that citizens come first. If one ever needed a firefighter to pull someone out of a fire, Isaac would be the one. He is extremely strong, brave, and dedicated in his work. He has a sense of fun about him, even though he approaches his duties with great seriousness and duty.

Isaac and Ben's co-workers have nothing but praise for them, describing them as "dedicated," "great workers," "you couldn't find nicer people," "they do an excellent job." Their supervisors are equally laudatory, noting their deep commitment to help other people. It is not surprising that they would go out of their way to help someone when they are off duty.

Mr. Speaker, our fire fighters put themselves in harm's way, time and time again. They are the line of defense that keeps our communities safe. As a husband, father, and grandparent, I am proud to entrust the safety of my loved ones to such fine individuals. The heroism displayed in Bahia de Los Angeles is the highest example of a calling that exists twenty-four hours a day, seven days a week. A firefighter's work is never done, and even off duty, or on vacation, we can rely on these brave individuals to save lives.

Mr. Speaker, many fire fighters toil anonymously, in a quiet and heroic manner. Their loved ones are faced with the prospect of a knock on the door, cap in hand, as they are informed that their spouse, brother, sister, son or daughter has made the ultimate sacrifice in protecting the public. Our firefighters jump into burning buildings, brave smoke and falling debris, make daring rescues, and save children. In honoring Isaac, we honor all of his co-workers, the entire San Bernardino city fire department, indeed all firefighters. There are many other firefighters and public safety personnel who also labor day in and day out, putting themselves in harm's way. So in giving this honor, we are honoring them all.

And so, Mr. Speaker, we salute Isaac Horn, and those like him, who serve the public and keep our communities safe.

IN HONOR OF THE ANNIVERSARY OF WALTER AND LOTTIE KACZMAREK

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. KUCINICH. Mr. Speaker, I rise today to honor two wonderful people, Walter and Lottie Kaczmarek, on their 70th anniversary.

It is truly a joyous occasion to celebrate the anniversary of a marriage. A marriage joins two people in true love, unity, respect, and trust. Walter and Lottie have a special bond together that has brought joy and happiness into the lives of all they have touched, and love for each other that transcends all material barriers. Their relationship has cultivated and grown over the past 70 years, and their love for each other has only become stronger.

Mr. Speaker, please join me in honoring this very special 70th anniversary of Walter and Lottie Kaczmarek. Their love and devotion for each other bonds them together in a very special relationship, and I wish them many more happy and healthy years together.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT. AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002

SPEECH OF

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes:

Mr. CAMP. Mr. Chairman, I rise today in strong support of the amendment offered by my colleague from Michigan. The Combined Sewer Overflow control grant program invests desperately needed funds into our local communities to upgrade dilapidated waste water treatment facilities. We can all agree that protecting the safety of our local communities' water supply is of vital importance. Unfortunately, many cities and towns lack the necessary funds to improve their wastewater treatment plans to ensure clean drinking water. Without additional funds for the Combined Sewer Overflow control grant program, local governments will be forced to curtail critically needed improvements to their sewer infrastructure.

My constituents are contacting me for help to address wastewater infrastructure problems in the 4th District of Michigan. This is not, however, only a Michigan issue, it is also a problem in many states including Massachusetts, New Jersey, Ohio, Pennsylvania and Illinois, among others. Given this great need for wastewater infrastructure improvements, we must not sit idle on this issue.

Mr. Chairman, adequate funding for sewer overflow systems is essential particularly since the Committee has lowered funds for the Safe Drinking Water State Revolving Fund from $1.35 billion last year to $1.2 billion this year. I believe the goal of clean water can further be realized if communities have the much-needed federal support to fix their sewer infrastructure problems. Local governments are facing staggering costs that range in the billions of dollars to sustain and improve sewer infrastructure. They are calling on us for help. This is an important investment in ensuring environmental quality and I ask my colleagues to support this amendment.

IN MEMORY OF DETECTIVE JOHN GIBSON AND OFFICER JACOB CHESTNUT

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. KUCINICH. Mr. Speaker, I rise today to honor the memory of Detective John Gibson and Officer Jacob Chestnut, both members of the Capitol Security Force, who were killed in the line of fire on July 24, 1998.

Three years ago, both Gibson and Chestnut fell victim to one of the most horrific crimes in the Capitol building in recent years. Crazed gunman Russell Weston entered through what used to be known as the Document Door, now fittingly renamed the Memorial Door, and terrorized tourists, staffers, and eventually shot Gibson and Chestnut.

Detective Gibson and Officer Chestnut were identified as two 18-year veterans of the force. Both were married and had children.

This outbreak of violence caught everyone off guard and security measures quickly heightened. The latest add-ons to this new effort for increased security are completion of a new Capitol Police training facility and a pilot program that would allow Congressional Staffers to enter buildings with electronic I.Ds. Increased security has now become a high priority in the Capitol and has increased the safety of not only Capitol employees, but the thousands of tourists that visit this glorious structure year after year.

The Capitol Security Officers put their lives on the line day after day for the safety of not only the elected officials that work within the Capitol, but for the thousands of tourists that visit this glorious building year after year. Their dedications, hard-work, and courage have kept hundreds of thousands of people safe throughout the years.

Mr. Speaker, please join me in honoring the memory of two dedicated men, Detective John Gibson and Officer Jacob Chestnut, for their dedicated service to the Capitol and our country.

TRIBUTE TO BEN ALEXANDER, OF THE SAN BERNARDINO CITY FIRE DEPARTMENT

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. BACA. Mr. Speaker, I rise to honor Ben Alexander, of the San Bernardino City Fire Department, for his selfless bravery in rescuing three fishermen, whose small boat was left adrift in the Pacific Ocean, buffeted by wind gales. Ben and his colleague, Isaac Horn, demonstrated courage and commitment and the highest duties of their profession, in their off-duty rescue of these individuals in need.

Ben and Isaac were filming whale sharks in October for a television series in Bahia de Los Angeles, a small fishing village about 400 miles south of the Mexican border, when they were approached by a woman frantic about fishermen who were lost. The fishing boat lacked an engine and had been swept in a wind tossed sea. Ben and Isaac searched for the boat in their 21-foot craft, while braving a heavy windstorm with winds reaching about 50 to 60 miles per hour.

When they spotted the fishing boat, it was in immediate peril, in danger of being swept onto the treacherous shores of an island. The boat was only 150 yards away from shore. Using a 12-foot line, the firefighters were able to pull the boat to safety, in a courageous effort that took about an hour. In gratitude, the fishermen offered them money, but Ben and Isaac refused.

Mr. Speaker, Ben is a leading firefighter in our community. He has served as a firefighter/paramedic and a member of the tactical medical team. The team is part of a police swat team, which goes in armed to treat downed officers. Ben was instrumental in getting it started. His chosen occupation takes him to work in the busiest areas of the city. He is deeply committed to his work, and has a great sense of adventure, displaying a great attitude at all times, as well as an excellent sense of humor.

Ben's wife, Natalie, and his daughter, Taylor, are very proud of him as we honor him today.

Ben and Isaac's co-workers have nothing but praise for them, describing them as "dedicated," "great workers," "you couldn't find nicer people," "they do an excellent job." Their supervisors are equally laudatory, noting their deep commitment to help other people. It is not surprising that they would go out of their way to help someone when they are off duty.

Mr. Speaker, our fire fighters put themselves in harm's way, time and time again. They are the line of defense that keeps our communities safe. As a husband, father, and grandparent, I am proud to entrust the safety of my loved ones to such fine individuals. The heroism displayed in Bahia de Los Angeles is the highest example of a calling that

Mr. Speaker, many fire fighters toil anonymously, in a quiet and heroic manner. Their loved ones are faced with the prospect of a knock on the door, cap in hand, as they are informed that their spouse, brother, sister, son or daughter has made the ultimate sacrifice in protecting the public. Our firefighters jump into burning buildings, brave smoke and falling debris, make daring rescues, and save children. In honoring Ben, we honor all of his co-workers, the entire San Bernardino city fire department, indeed all firefighters. There are many other firefighters and public safety personnel who also labor day in and day out, putting themselves in harm's way. So in giving this honor, we are honoring them all.

And so, Mr. Speaker, we salute Ben Alexander, and those like him, who serve the public and keep our communities safe.

HONORING SCOTT PRESTIDGE

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. UDALL of Colorado. Mr. Speaker, I rise today to both honor and thank Scott Prestidge. I first met Scott when he came to one of my town hall meetings. He approached a member of my staff with a resume and within a few weeks was working in my district office.

Scott graduated from the University of Colorado at Boulder with a degree in Political Science. He has been a caseworker in my Colorado office dealing primarily with the Department of Justice, Department of Defense, and the Small Business Administration. He has demonstrated exceptional professionalism and knowledge in dealing with business, technology and veterans issues. His patience, understanding, and sense of humor have made him a great asset to my staff.

One of Scott's most meaningful accomplishments was helping me to obtain World War II medals for a woman whose husband died in the war. Her son had never met his father and was overjoyed at finally receiving the medals for his father's bravery and courage.

This is just one of the many examples of the excellent constituent services Scott has helped me provide to the people in my district. He has been invaluable in communicating with Spanish-speaking constituents and is always compassionate and understanding to those in need.

Scott is moving to Boston, Massachusetts to be with his wife, Abbey, while she attends graduate school. I wish them the best of luck in all their future endeavors.

TRIBUTE TO MY GRANDDAD

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. GRAVES. Mr. Speaker, since I was a young boy, chasing more chickens than girls, I watched my granddad Wilferd and my dad, Samuel Graves Sr., account for loose parts on tractors, missing pieces on planters, and nearly anything else that needed fixing with a good, straight piece of baling wire. Every year, we would go down to Tarkio Pelleting, the local feed store, and buy a new bundle of baling wire. We all called it Number 9 wire, but it really wasn't. Number 9 is much heavier and doesn't bend so easily. As I got older, it didn't take long until I was using the baling wire on things of my own. The barn door to my show heifer, the fender on my first bicycle, and half my G.I. Joe Collection needed some mending of one sort or another. As a young man, I didn't think a thing about it. When I needed it, I used it.

Today when I walk around the farm, I still think of Granddad. His 1968 John Deere 4020 that he bought brand new still has baling wire holding the air cleaner on. Every where you look, baling wire holds something together on the old home place—the 1983 John Deere 6630 Sidehill Combine and even the new (well, relatively new) John Deere 7200 vacuum planter has its fair share of the trusty ol' wire keeping it together.

In life, only friendship can hold things together like a bundle of baling wire. As I think back on my good days, my bad days, the days when I was a proud father, and the days when I was a grandson mourning the loss of my granddad, there was always a friend there to comfort and share their concerns with me. Just like climbing onto the old 4020, I often have taken for granted that the baling wire will hold or that my friends will be there for me. I want to thank my friend, Scott Eckard, for being there for me when I needed him; and I want him to know that I am with him now—for whatever he needs from me. Granddad always told me that baling wire would even hold back time, if we could just catch it. My friend, I am not sure that we can ever hold onto time, but I am ever grateful that we have held onto our friendship.

PERSONAL EXPLANATION

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Ms. MILLENDER-McDONALD. Mr. Speaker, on rollcall Nos. 298 and 299, I was detained at a meeting called by the administration at the White House. Had I been present, I would have voted "aye" on each vote.

PERSONAL EXPLANATION

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mrs. JONES of Ohio. Mr. Speaker, had I been present on Tuesday, July 31, 2001, the record would reflect that I would have voted:

On rollcall No. 297, H.R. 2620, Department of Veterans Affairs and Housing and Urban Development Appropriations for 2002, "yea".

On rollcall No. 298, H.R. 2647, Legislative Branch Appropriations for FY 2002, "yea".

On rollcall No. 299, on approving the Journal, "yea".

On rollcall No. 300, H. Res. 214, on agreeing to the resolution providing for consideration of H.R. 2505; Human Cloning Prohibition Act, "nay".

On rollcall No. 301, H.R. 2540, on motion to suspend the rules and pass, as amended, Veterans Benefits Act, "yea".

On rollcall No. 302, H.R. 2505, on agreeing to the amendment, Greenwood of Pennsylvania substitute amendment, "yea".

On rollcall No. 303, H.R. 2505, on motion to recommit with instructions, Human Cloning Prohibition Act, "yea".

On rollcall No. 304, H.R. 2505, on passage, Human Cloning Prohibition Act, "nay".

On rollcall No. 305, H.R. 1140, on motion to suspend the rules and pass, amended, Railroad Retirement and Survivors' Improvement Act, "yea".

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, August 2, 2001 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

AUGUST 3

9:30 a.m.

Foreign Relations

To hold hearings on the nomination of J. Richard Blankenship, of Florida, to be Ambassador to the Commonwealth of The Bahamas; the nomination of Hans H. Hertell, of Puerto Rico, to be Ambassador to the Dominican Republic; and the nomination of Martin J. Silverstein, of Pennsylvania, to be Ambassador to the Oriental Republic of Uruguay.

SD-419

Joint Economic Committee

To hold hearings to examine the employment situation for July, 2001. 1334, Longworth Building

10 a.m.

Finance

International Trade Subcommittee

To hold hearings on the Andean Trade Preferences Act.

SD-215

SEPTEMBER 19

2 p.m.

Judiciary

To hold hearings on S.702, for the relief of Gao Zhan.

SD-226

HOUSE OF REPRESENTATIVES—*Thursday, August 2, 2001*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. FOSSELLA).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
August 2, 2001.

I hereby appoint the Honorable VITO FOSSELLA to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend George G. McDearmon, Ballston Lake Baptist Church, Ballston Lake, New York, offered the following prayer:

O Lord God, the solitary, living God of creation, providence and redemption, Thou art great in wisdom, power and grace. Who would not fear Thee, O King of the nations? Indeed it is Thy due, our Judge, Lawgiver and King.

We thank You for making and preserving us a Nation and for our heritage of liberty in law. By the person and work of our Lord and Saviour Jesus Christ, forgive us of our sins whereby we have failed our heritage, violated Your Law and forgotten You.

Knowing that You establish all authority, may we prove faithful stewards of our solemn trust. May we be God-fearing men and women of moral courage and integrity. May we serve with a selfless, principled commitment to our Constitution and to the public good. May we wisely govern ourselves and the Nation.

O triune God, we petition for Your guardian presence for all who serve in the Armed Forces of the United States. Crown their endeavors with success. God of all comfort, strengthen those grieving over the loss of loved ones who served aboard USS *Cole*. May the "Determined Warrior" again ply the oceans in their memory and our defense.

We pray in the meritorious name of Jesus Christ, the Captain of salvation. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. McNULTY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. McNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Florida (Mr. FOLEY) come forward and lead the House in the Pledge of Allegiance.

Mr. FOLEY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 494. An act to provide for a transition to democracy and to promote economic recovery in Zimbabwe.

The message also announced that pursuant to Public Law 106–286, the Chair, on behalf of the President of the Senate, and after consultation with the Democratic Leader, appoints the Senator from Indiana (Mr. BAYH) to serve on the Congressional-Executive Commission on the People's Republic of China, vice the Senator from Oregon (Mr. SMITH), and appoints the Senator from Montana (Mr. BAUCUS) as Chairman of the Commission.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain one 1-minute at this point.

THE REVEREND GEORGE G. McDEARMON

(Mr. SWEENEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SWEENEY. Mr. Speaker, it is a pleasure and honor to welcome Pastor George McDearmon from the Ballston Lake Baptist Church in Ballston Lake, New York in my 22nd Congressional District.

He and his wife, Deborah, are the proud parents of two children. Their daughter, Hanna, is a senior at Liberty University; and their son, Gregory, is the navigator of the USS *Ross*.

Pastor McDearmon and I grew close during the events that unfolded on October 12, 2000. It was on this day the Navy family suffered a tremendous loss when the USS *Cole* fell victim to terrorism while attempting to refuel at the Port of Aden in Yemen.

Fortunately, I was able to deliver good news to Pastor McDearmon. His son, LTJG Gregory McDearmon, was safe. I commend their service to their communities and our country.

I note that today is a milestone day for both the Pastor and his son, Gregory, since Gregory is navigating the ship, the USS *Ross*, into port in Puerto Rico for the first time today.

Pastor McDearmon was first assigned to the Ballston Lake Baptist Church almost 25 years ago, and his dedication to his congregation, local community and family has kept him there ever since. I would also like to note, he is a member of the board of directors for the Southern Military Institute.

Mr. Speaker, I am pleased to have him here and welcome his participation today.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the pending business is the question of the Chair's approval of the Journal of the last day's proceedings.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. McNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 331, nays 76,

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☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

answered "present" 1, not voting 25, as follows:

[Roll No. 321]

YEAS—331

Abercrombie
Ackerman
Akin
Armey
Baca
Bachus
Baker
Baldwin
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Collins
Combest
Conyers
Cox
Coyne
Crenshaw
Cubin
Culberson
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Etheridge
Evans
Everett
Farr
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jefferson
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Keller
Kelly
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larson (CT)
Latham
LaTourette
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Mink
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schiff
Schrock
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stump
Sununu
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Upton
Vitter
Walden
Walsh
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wynn

NAYS—76

Aderholt
Allen
Baird
Baldacci
Barrett
Bonior
Borski
Brady (PA)
Brown (OH)
Capuano
Condit
Costello
Cramer
Crowley
DeFazio
Deutsch
Doggett
English
Filner
Fossella
Gephardt
Gillmor
Gutknecht
Hastings (FL)
Hefley
Hilliard
Hulshof
Jackson-Lee (TX)
Johnson, E. B.
Jones (OH)
Kaptur
Kennedy (MN)
Kucinich
Larsen (WA)
Lee
LoBiondo
Matheson
McDermott
McGovern
McNulty
Menendez
Moore
Moran (KS)
Oberstar
Obey
Pallone
Peterson (MN)
Phelps
Platts
Ramstad
Rogers (MI)
Rothman
Sabo
Schaffer
Schakowsky
Scott
Slaughter
Stenholm
Strickland
Stupak
Sweeney
Tanner
Taylor (MS)
Thompson (CA)
Thompson (MS)
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Wamp
Waters
Weiner
Weller
Wexler
Wu

ANSWERED "PRESENT"—1

Tancredo

NOT VOTING—25

Andrews
Clay
Cooksey
Crane
Cummings
Dingell
Eshoo
Fattah
Gilchrest
Holden
Hutchinson
Johnson (CT)
Leach
Linder
Lipinski
Markey
Miller, George
Mollohan
Norwood
Olver
Ryun (KS)
Spence
Stark
Young (AK)
Young (FL)

☐ 1030

So the Journal was approved.

The result of the vote was announced as above recorded.

MOTION TO ADJOURN

Mr. MCNULTY. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore (Mr. FOSSELLA). The question is on the motion to adjourn offered by the gentleman from New York (Mr. MCNULTY).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. MCNULTY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 55, noes 363, not voting 15, as follows:

[Roll No. 322]

YEAS—55

Andrews
Baird
Berry
Bishop
Bonior
Borski
Capuano
Carson (OK)
Clay
Clement
Conyers
Coyne
Davis (IL)
DeFazio
DeLauro
Dicks
Dingell
Doggett
Farr
Fattah
Filner
Frank
Frost
Gephardt
Gonzalez
Hastings (FL)
Hinchey
Jackson (IL)
Jefferson
Jones (OH)
Kaptur
LaFalce
Langevin
Markey
McGovern
McNulty
Meek (FL)
Menendez
Miller, George
Mink
Oberstar
Obey
Olver
Owens
Sabo
Sandlin
Solis
Tauscher
Tierney
Towns
Velázquez
Waters
Watson (CA)
Waxman
Weiner

NAYS—363

Abercrombie
Ackerman
Aderholt
Akin
Allen
Armey
Baca
Bachus
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Biggert
Bilirakis
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (IN)
Castle
Chabot
Chambliss
Clayton
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cunningham
Davis (CA)
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeGette
Delahunt
DeLay
DeMint
Deutsch
Diaz-Balart
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Lantos
Largent
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McHugh

McInnis
McIntyre
McKeon
McKinney
Meehan
Meeks (NY)
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sanchez
Sanders
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOT VOTING—15

Cummings
Gilchrest
Gordon
Hutchinson
Johnson (CT)
Larsen (WA)
Linder
Lipinski
Norwood
Nussle
Radanovich
Spence
Spratt
Stark
Young (AK)

□ 1051

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. FOSSELLA). The Chair will entertain 10 one-minute speeches per side.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 770

Mr. PHELPS. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor from H.R. 770.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PUTTING PATIENTS FIRST

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, throughout the past several months I have been listening to my constituents during town hall meetings and other listening sessions to hear just exactly what it is we need to do and what we need to change. I believe we do need a Patients' Bill of Rights, not a lawyers' right to bill.

I support increasing access to health care for all Americans and ensuring that all patients can receive health care and hold HMOs accountable. The Patients' Bill of Rights Act of 2001 is comprehensive, bipartisan legislation that will increase the quality of health care for all Americans and small businesses will be better able to offer health insurance for employees through association health plans and expanded medical savings accounts.

Mr. Speaker, patients need to be protected and this plan gives patients access, access to emergency room and specialties care, direct access to obstetricians, gynecologists, and pediatricians; access to needed prescription drugs and approved clinical trials and access to health plan information. It also ensures that patients have the right to choose their doctor with continuity of care and protection that allows patients to definitely see their own doctors even when they are terminally ill, pregnant, or awaiting critical surgery. Let us pass the Patients' Bill of Rights Act of 2001.

PASS THE REAL PATIENTS' BILL OF RIGHTS

(Mr. TURNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TURNER. Mr. Speaker, this is a sad day for patients and their doctors. A good bipartisan bill, the Patients' Bill of Rights, went down to the White House yesterday and came back as the insurance companies' bill of rights. It went down to the White House as the patient protection act and came back the insurance company protection act.

The President took a bill that has passed the Senate, the same bill that received almost two-thirds of the votes of this Chamber last year, and he negotiated away the rights of patients to secure the health care their doctors prescribe.

The Patients' Bill of Rights was negotiated away by the President to giving a special deal to the insurance company, a deal that has never been granted to any individual or any business in the history of this country. If we vote for this bill, we will be rolling back the rights of patients for every State in the union.

In Texas, we have had a Patients' Bill of Rights since 1997. It is working. It has not resulted in a flood of litigation. It has not resulted in higher health insurance premiums. We have had only 17 lawsuits. The President's proposal will repeal this good law that is working. I urge my colleagues to stand up for States' rights, stand up for patients and their doctors and pass the real patients' bill of rights.

SOUTH FLORIDA MILITARY MUSEUM AND MEMORIAL

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I want to share the unique history of the South Florida military museum and memorial. The town of Surfside, led by Mayor Paul Novack, as well as Chief Petty Officer John Smith and Christine Ruup, rallied together to save the historic Building 25 to its original 1942 condition and establish a museum and veterans' memorial.

Building 25 is the last original structure of the former Naval Air Station Richmond, which was a World War II Navy blimp base.

During World War II, just off the waters of South Florida, a battle occurred between a U.S. Navy blimp and a Nazi submarine.

Isadore Stessel, a Machinists Mate, lost his life in the only blimp-submarine battle in history.

Building 25 served as the base headquarters to the Naval Air Station and blimp base, and it has been prominent in the history of our South Florida community.

The CIA used this facility as its center for anti-Castro operations during the 1960's and it was home to the Marine Corps Reserve during Operation Desert Storm. Mr. Speaker, let us preserve it.

PATIENTS' BILL OF RIGHTS FAVORS HMOs

(Mr. GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of Texas. Mr. Speaker, we finally have a debate today on the Patients' Bill of Rights but it is not a good deal. In the dark of night we have an agreement that is masquerading as a Patients' Bill of Rights, but it is a patients' bill of wrongs. For example, one proposal gives rebuttable presumption to HMOs, placing the burden on the patients to get the care they need. This provision stacks the decks against patients and makes it nearly impossible to prove that the HMO, when they are denied care, was negligent.

Additionally, the compromise would change State law. Even in my home State of Texas and we have had a law for 4 years, federal law will change our Texas law. Texas has a meaningful patients' bill of rights on the books since

1997, and it has resulted in strong protections for both patients, doctors, and insurers. But under the Bush-Norwood plan, the Texas patients will have their case heard under federal law but in State court. So we are changing the rules in the State of Texas.

Mr. Speaker, I know the gentleman from Georgia (Mr. NORWOOD) worked long and hard on this issue, but every compromise in this proposal is in favor of the HMO and not the patient. I came here to vote for a strong patients' bill of rights, not an HMO's bill of rights.

IN SUPPORT OF THE PATIENTS' BILL OF RIGHTS

(Mr. FOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOLEY. Mr. Speaker, if we listen to the other side of the aisle, we get a clear theme coming out this morning. If it is not our way, send it down the highway. They say bipartisanship, but all they do is deride the things we have worked so hard for.

I have worked with the gentleman from Georgia (Mr. NORWOOD) since 1995 on a Patients' Bill of Rights and that man's heart is with patients. Their hearts are with trial lawyers. If we want to see how quick it is to file an action in court to get health care relief, our constituents will be waiting 5 years for a court to render a verdict.

Under the Norwood bill and the President's proposal they will get health care now, not 5 years from now. To malign this bill and say it was done in the dead of night does a disservice to every Member who has fought for good patient protection.

Now they are abandoning the very architect of that plan in the name of politics. They want to win the next election, but they will do it on the back of sick people. I believe people need help today; and if we pass the bill, they will get it today, not 5 years from now when a court may or may not rule in their favor.

REPARATIONS FOR AMERICAN PRISONERS OF WAR

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, it is bad enough that Japan attacked Pearl Harbor. Reports now confirm that Japanese companies like Mitsubishi and Matsui forced American soldiers into slave labor camps, many even murdered.

If that is not enough to eat your Toyota, our VA Secretary said and I quote, "America demands an apology."

Beam me up. American prisoners of war from World War II do not deserve an apology. They deserve compensation for Japanese war crimes, period. I yield back all those Japanese cars on American streets, painted and tainted with the blood of prisoners of war, American prisoners of war from World War II.

□ 1100

NEW BEGINNING FOR INDONESIA

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, I rise today to extend my congratulations to Megawati Sukarnoputri, the new President of Indonesia, and I commend the people, the government, and the military for the smooth, nonviolent transition of power.

I also urge President Megawati to use her leadership to address widespread human rights abuses, such as the bloodshed and destruction in the Malukus, the arrests and deaths of innocent civilians in Aceh and Irian Jaya, the shaky court cases established against pastors in Poso, and the intentional manipulation of religious tensions in a number of areas of the country.

The instability and human rights abuses can be involved through the arrest and bringing to justice of the perpetrators, such as Laskar Jihad leader, Mr. Jafar Umar Thalib, and his cohorts.

Mr. Speaker, the people of Indonesia deserve a peaceful and prosperous nation in which the fundamental rights of all people are respected. The President has a real opportunity to shape a new future with her cabinet appointments to shape the new future for the Indonesian people and ensure that democracy and civil society will reign.

VIOLENCE IN THE MIDDLE EAST

(Mr. SNYDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SNYDER. Mr. Speaker, the violence in the Middle East continues. In December, I visited with wounded and with family members of the dead on both sides. Let me share with my colleagues some of the faces of violence.

This lovely young woman, a Jewish family and her in-laws, her husband was executed with a bullet to the head in an Israeli office in Arab East Jerusalem 6 weeks before I arrived.

This young man was shot in the chest, a Palestinian young man, the day before I arrived. This is at a hospital in Ramallah.

And finally, this mother and her son. This man was shot in the upper abdomen about 10 days before I arrived. Several years before she had had another son that was shot in the head in the violence. This is also at a Ramallah hospital in the West Bank.

An end to the violence, a solution, a peace agreement must come, because every traumatized family plants the seeds of more rage and more violence in the Middle East.

REPUBLICANS GIVETH AND DEMOCRATS TAKETH AWAY

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, while traveling in Iowa recently, the minority leader said, in reference to the very, very large tax cut in 1993 that raised income taxes, gasoline taxes, and taxes on Social Security benefits, he said, I will do it again. He went on to say that the biggest tax increase in U.S. history was the right thing to do.

My colleagues, the message is clear, Republicans giveth and Democrats taketh away. Americans are just now receiving their tax refund checks, and Democrats are already trying to yank it back so they can spend more here on wasteful programs in Washington, D.C.

It is not terribly surprising that Democrats want to raise taxes, but one would think that they would let the American people get the check first. An enormous tax increase would be the wrong thing, the worst thing for our fragile economy at this time.

Mr. Speaker, now it appears the minority leader is back-peddling from the statement he made earlier. We need to find ways to get money back to the people, not to the Federal Government.

REJECT PATIENTS' BILL OF RIGHTS

(Mr. DOGGETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOGGETT. Mr. Speaker, as the representative here in Washington for the capital city of the Lone Star State of Texas, I take pride in the fact that our State has provided national leadership in protecting patients from their insurance companies with a model patients' bill of rights.

Now, all America should know that our success in Texas came despite the continual objection of then-Governor Bush, who threw up as many roadblocks as he could to those meaningful guarantees, in fact, almost as many as he now throws up to the bill we consider today on the Federal level for a national patients' bill of rights.

Incredibly, President Bush now seeks to override the effective State guarantees that we got enacted over his objection in Texas. And like the fine print in one of those policies that only pays if you get struck by lightning at leap year on a midnight summer day, this patients' bill of rights is riddled with loopholes for insurance companies to take advantage of sick patients and distressed families.

It should be rejected in favor of a real patients' bill of rights, the kind we got in Texas over President Bush's veto.

DONATING BONE MARROW FOR EMILY KIM

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I want to call a time-out on some of our other debate for today and bring to the attention of my colleagues a young girl, 6 years old, named Emily Kim. Emily is very bright, very beautiful, and unfortunately, she is dying of leukemia. This spring doctors gave her and her parents only 6 months for her to live.

There is still hope, though. A bone marrow transfusion could save her life, literally, and doctors are hoping to find a bone marrow donor, a genetic match that is almost like finding a needle in a haystack, 1 in 100,000. It is even tougher because Kim is an Asian American, and not many Asian Americans have signed up with the National Bone Marrow Donor Registry. So I am calling on my colleagues to contact their constituents in the Asian American community and ask them to take a simple test to see if they might be that one-in-a-one hundred thousand donor match for young Emily. You must be 18 to 60 years old and in good health.

I know how important this is, because my brother died of liver cancer last year. We could not find a liver match that would have saved my brother's life, but we might save Emily's life. Take a few minutes, go to www.marrow.org, or contact your doctor or local office of the American Cancer Society. Working together, my colleagues, we may yet find that one-in-a-thousand donor match for young Emily Kim.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2037

Mr. STEARNS. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Wisconsin (Mr. SENSENBRENNER) be removed as a cosponsor of H.R. 2037.

The SPEAKER pro tempore (Mr. FOSELLA). Is there objection to the request of the gentleman from Florida?

There was no objection.

HMO HORROR STORIES

(Ms. EDDIE BERNICE JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I hope Emily does not have membership in an HMO. Because if Emily is covered by an HMO, it does not matter whether or not we find a donor because the HMO will not support it.

Mr. Speaker, we came here to represent people like Emily, but instead we have a bill that has been transformed into representing the HMOs and insurance companies. That is a travesty on the people of this Nation.

It is clear that what is being said about these new proposals for the HMO simply does not have a history of being true. I am a native Texan. We have a patients' bill of rights. We do not want this bill to tear it up. Our premiums are below the national average, more people are insured, and only 17 lawsuits in the last 4 years for 20 some million people. Now, is that extreme?

Let us represent the people.

TRADE PROMOTION AUTHORITY FOR PRESIDENT

(Mr. KIRK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KIRK. Mr. Speaker, next month this House will consider granting trade promotion authority to our President. One-third of all American families depend directly or indirectly on trade for their family incomes. America is the number one exporting nation, but unless we act, that leadership may fade.

The European Union has concluded dozens of trade agreements with other nations. We have signed only two. In the center of America's heartland, my State of Illinois is home to our country's first and second top exporters. We are also home to half of all Internet sales on the World Wide Web, which in reality is the American exporting web.

Trade authority will lay the foundation for continued American leadership with the highest paying jobs in the economy. I urge Members, when they return, to master the export opportunities ahead and give the President his authority.

PATIENTS' BILL OF WRONGS

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, yesterday, late in the evening, one of the authors of the bipartisan patients' bill of rights, a bill that the majority of the House of Representatives supports and the President does not support, the author of that legislation turned the good bill, under the pressure of the White House, into a patients' bill of wrongs.

Today, we will be voting on the President's idea of an insurance bill of rights, a bill that will kill the bill in the first place by putting impossible roadblocks in the way of patients getting effective care in a timely manner. This patients' bill of wrongs would also roll back protections already provided by States right here in this country today.

Do not vote for the patients' bill of wrongs.

COLORADO WING OF CIVIL AIR PATROL

(Mr. TANCREDO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TANCREDO. Mr. Speaker, on Monday, I introduced a resolution, with the support of all five of my colleagues from Colorado, honoring the Colorado Wing of the Civil Air Patrol. The Colorado Wing was stabilized 60 years ago as a volunteer organization to conduct air and ground searches for downed or missing airplanes, hunters, hikers, and other missing persons across the State of Colorado.

Last year, the Colorado Wing was accredited with safely flying 1,216 air search and rescue hours and saving the lives of 15 people. It continues its efforts to aid the people of Colorado through annual camps, training Civil Air Patrol cadets in ground search and rescue, field and emergency skills, in leadership, and in self-discipline.

Having witnessed firsthand the invaluable and exemplary service the Colorado Wing of the Civil Air Patrol provides the people in the State of Colorado, I am extremely proud to introduce this resolution commending their excellent work and devotion to our community, and I urge my colleagues in support of this resolution.

VOTE DOWN BAD PATIENTS' BILL OF RIGHTS

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, it has been 5 long years that many of us have toiled and worked and collaborated and offered legislation that really puts the patient-physician relationship as a top priority.

There is not one of us in America that has not confronted the health system in a David-and-Goliath posture, with the HMOs being Goliath and the patient, David. Sometimes David has won, maybe other times David has failed.

I come from Texas, and I believe that this Congress should not do less for the American people than we did for Texas. Take this example. A loved one lying on a hospital bed, you in a hospital telephone booth confronting your HMO. And out of the bill that will come to the floor today, against the HMO, you will be in the wrong, they will be in the right. The presumption of rightness will be with them, and your loved one lies dying on a hospital bed.

Vote down this bad patients' bill of rights.

SUPPORT PATIENTS' BILL OF RIGHTS

(Mr. KELLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KELLER. Mr. Speaker, I rise today in strong support of the bipartisan patients' bill of rights. This bill has three key components.

First, it provides patient protections. For example, women in my district of Orlando can now go directly to their gynecologist, children can go directly to a pediatrician, and it provides for emergency room coverage.

Second, this bill holds HMOs accountable in a court of law for their decisions. This is critical because it places decisions back in the hands of physicians and patients, not in the hands of HMO bureaucrats.

Third, it protects employers from frivolous lawsuits by using a dedicated decision-maker model. In addition, it requires that patients first exhaust their independent appeals process before filing a lawsuit.

The bill has caps at $1.5 million on pain-and-suffering damages as a way to hold down insurance premiums. Punitive damages are not available unless a decision-maker fails to follow the recommendation of the independent reviewer. If they do not follow that recommendation, they are subject to punitive damages at $1.5 million.

It encourages HMOs to do the right thing and it protects patients. I urge my colleagues to vote "yes" on this important, bipartisan patients' bill of rights.

WHITE HOUSE PROTECTS INSURANCE COMPANIES, NOT PATIENTS

(Mr. SANDLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANDLIN. Mr. Speaker, there is an old Charlie Daniels song that goes, "The devil went down to Georgia. He was lookin' for a soul to steal. He was in a bind, he was way behind, and he was willing to make a deal."

Well, Mr. Speaker, it seems that we have a similar situation in the House today. Only this time instead of betting a fiddle of gold, we are betting patients' lives in America.

The administration has been in a bind; they have been way behind. When the House took up the patients' bill of rights 2 years ago, it passed with 275 votes in this House, with 68 of them coming from the Republican side of the aisle. That was a bipartisan patients' bill of rights.

So the administration went down to Georgia and made a deal. In that deal, they sold out the patients. They tried to ensure that insurance company clerks made medical decisions in this country. They tried to ensure that insurance companies do not have responsibility for the decisions they make. They created a new legal standard in court that says, the insurance companies are right, the patient has to prove them wrong, and they increased the burden.

Mr. Speaker, we have had enough of these deals. It is time to enact a real patients' bill of rights, one that gives some protections.

There will be a Democratic caucus meeting at 11 o'clock, 345 Cannon, to discuss the patients' bill of rights.

GRATEFUL TO PRESIDENT FOR PATIENTS' BILL OF RIGHTS AND ENERGY POLICY

(Mr. HAYES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES. Mr. Speaker, I rise today to thank President Bush for providing a patients' protection act, and to thank the gentleman from Kentucky (Mr. FLETCHER) and the gentleman from Georgia (Mr. NORWOOD) for protecting patients and standing up against the powerful trial lawyers.

I also rise to thank President Bush for giving us a comprehensive energy plan, which will provide protection for future generations against dependence on foreign oil.

□ 1115

Mr. Speaker, as I talked to some of the folks lobbying against drilling in ANWR yesterday, I asked them if they had ever been there, and they said "no." My family and I lived there for a year. The family we lived with, the Helmericks, perfected the ice pad drilling technique which allows us to drill safely and then remove virtually all evidence that drilling took place.

Mr. Speaker, I thank President Bush for providing leadership for this country.

MOHAMMED ALI, POETRY IN MOTION

(Ms. CARSON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. CARSON of Indiana. Mr. Speaker, if anyone defined poetry in motion, it was Mohammed Ali. During his 25-year career in the boxing ring from 1960 to 1981, Ali danced, bobbed and rope-a-doped into most of his opponents with early-round knockouts. It was a beautiful sight to behold. Mohammed Ali sits on anyone's short list of the greatest athletes and most dedicated humanitarians of the 20th century. In fact, Time Magazine listed him as one of the top 20.

Mr. Speaker, I urgently request that my colleagues join me in the bill that I have to award Mohammed Ali a Congressional Gold Medal.

Mrs. CHRISTENSEN. Mr. Speaker, will the gentlewoman yield?

Ms. CARSON of Indiana. I yield to the gentlewoman from the Virgin Islands.

Mrs. CHRISTENSEN. Mr. Speaker, in the time that is remaining, let me say, let us keep the Ganske-Norwood-Dingell-Berry bill intact. The HMOs deserve no special privilege or protection. Let us protect the patients of America. Let us keep a strong, good Patients' Bill of Rights.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately noon today.

Accordingly (at 11 o'clock and 17 minutes a.m.), the House stood in recess until approximately noon.

□ 1203

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. FOSSELLA) at 12 o'clock and 3 minutes p.m.

MOTION TO ADJOURN

Mr. MCNULTY. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore (Mr. FOSSELLA). The question is on the motion to adjourn offered by the gentleman from New York (Mr. MCNULTY).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. MCNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 56, nays 355, not voting 22, as follows:

[Roll No. 323]

YEAS—56

Baird
Berry
Bonior
Borski
Boyd
Capuano
Clay
Conyers
DeFazio
DeGette
DeLauro
Dicks
Dingell
Doggett
Eshoo
Etheridge
Evans
Farr
Filner
Frank
Frost
Gephardt
Hastings (FL)
Hilliard
Hinchey
Jefferson
Johnson, E. B.
Kaptur
LaFalce
Langevin
Lantos
Lee
McCollum

McGovern
McNulty
Miller, George
Mink
Nadler
Oberstar
Obey
Olver
Pelosi
Price (NC)
Rodriguez
Ross
Sandlin
Schakowsky
Shows
Slaughter
Spratt
Stupak
Tierney
Velazquez
Waters
Watson (CA)
Waxman

NAYS—355

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonilla
Bono
Boswell
Boucher
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
Delahunt
DeMint
Deutsch
Diaz-Balart
Dooley
Doolittle
Doyle
Dreier
Duncan
Edwards
Ehlers
Ehrlich
Engel
English
Everett
Fattah
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hyde
Inslee
Isakson
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pence
Peterson (PA)
Petri
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Portman
Pryce (OH)
Putnam
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Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sawyer
Saxton
Scarborough
Schaffer
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
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Strickland
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Sweeney
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Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
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Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watt (NC)
Watts (QK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
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Wynn
Young (FL)

NOT VOTING—22

Berman
Boehner
Cox
DeLay
Dunn
Emerson
Gilchrest
Hill
Hunter
Hutchinson
Istook
Kleczka
Linder
Lipinski
Maloney (CT)
Norwood
Peterson (MN)
Sanders
Spence
Stark
Woolsey
Young (AK)

☐ 1225

Messrs. LEVIN, OXLEY, LEWIS of Kentucky, LAHOOD, SKEEN, Ms. BERKLEY and Ms. KILPATRICK changed their vote from "yea" to "nay."

Mr. HILLIARD changed his vote from "nay" to "yea."

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

PROVIDING FOR CONSIDERATION OF H.R. 2563, BIPARTISAN PATIENT PROTECTION ACT

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 219 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 219

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2563) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed two hours equally divided among and controlled by the chairmen and ranking minority members of the Committees on Energy and Commerce, Education and the Workforce, and Ways and Means. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered as read. No amendment to the bill shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. FOSSELLA). The gentleman from Florida (Mr. GOSS) is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate on this issue only.

Mr. Speaker, the legislation before us is a structured rule providing for the consideration of H.R. 2563, at last. It provides 2 hours of general debate equally divided and controlled by the chairmen and the ranking minority members of the Committee on Energy and Commerce, the Committee on Education and the Workforce, and the Committee on Ways and Means, the three committees of jurisdiction.

The rule waives all points of order against consideration of the bill and makes in order only the amendments printed in the Committee on Rules report accompanying the resolution. It further provides that the amendments printed in the report may be offered only by a Member designated in the report, shall be considered as read, shall be debateable for the time specified in the report equally divided and controlled by the proponent and opponent, shall not be subject to an amendment and shall not be subject to a demand for division of the question in the House or the Committee of the Whole.

The rule waives all points of order against the amendments printed in the report and provides one motion to recommit with or without instructions.

In fact, it is pretty standard and fair in terms of rules on this type of matter. What is unique is the long, long preparation, the participation of so many Members to bring this legislation to the floor. We believe on the Committee on Rules that we have crafted a good rule to have full debate for the balance of the day and probably into the early evening.

We have three major amendments with time specified of 40 minutes for one, 40 minutes for another and 60 minutes for another. Members having done their homework will know what those are and we will get into them as we go along. I think this should be comprehensive and give every Member the opportunity to have their say.

□ 1230

Mr. Speaker, this truly is a red letter day, not just for the Congress but for the American people, because today, after 10 years of debate and compromise, we are finally having the opportunity to put forth patient protection legislation that will really change the way our health care system operates for the better.

A true patients' bill of rights must make our health care system more accessible. Health care insurance is no good if someone cannot get it. So accessibility of health care and health care insurance is critical. Obviously, it has to be affordable, more affordable. Affordable is an area we have focused on. And most importantly, more accountable, accountable to the Americans that health care serves.

This fair rule and the underlying legislation represents a reasoned, commonsense approach that allows people that disagree with health care providers an opportunity for just and impartial appeal. This is what Americans have been asking for.

I have worked on health care legislation with so many colleagues ever since coming to Congress, and I can tell my colleagues that this is something that matters a lot back in my district and every other place I go in the country when I talk about it. When I am back in my district, not one town hall meeting goes by without constituents registering concerns about their health care and questioning how things will be fixed, how much it will cost, can I afford it, will I be able to get it, and so forth.

It has always been a very delicate balance to come up with something that will be supported by the House, of course our colleagues in the other body, and the administration; and I commend the hard work of so many, but especially the diligent efforts now on a timely basis of people like the gentleman from Georgia (Mr. NORWOOD) and President Bush, who understood compromise is still better for the American people than nothing at all. Laws are better than unresolved issues.

Frankly, one of the reasons we can be here today is because of the respect our colleague, the gentleman from Georgia, has in this body. In the words of Senate Majority Leader TOM DASCHLE, and I quote him, "If Dr. NORWOOD, who I think knows the issue better than anyone else does, feels that some of these proposals are acceptable, I would certainly entertain them." Well, we are entertaining them today in an amendment that every Member has had a chance to read, and we will have 60 minutes set aside for debate on that.

What is important is that when our constituents ask, will I have access to affordable health care, we can say forthrightly, look them right in the eye, and say yes. When they ask, can I sue my HMO if there is cause, the answer will again be yes.

With these positive reforms comes great responsibility, of course; and I commend my colleagues for entertaining the compromise that will not overburden the courts with frivolous lawsuits but will still allow justice under the law. We must be sure that the courts are the last resort and not the first. This bill provides for an independent review process that is immediately responsive to patients' needs.

My constituents in southwest Florida are tired of standing in lines, as I suspect Americans are elsewhere. The lines at the doctor's office is bad enough, to say nothing of waiting times. They certainly should not be waiting in additional queues at the courthouse. Instead of driving people to court, a true patients' protection plan will enable Americans to get the care they need and ensure the accountability of medical providers. And I think that is what this legislation does.

Certainly the rule is designed to bring out the debate on these points. Mr. Speaker, I urge my colleagues to continue the careful manner in which this legislation was drafted, and I urge them to support this rule.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from Florida for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

Mr. Speaker, I rise in strong opposition to this rule. I am opposed to the process the rule represents and the political cynicism it embodies.

Make no mistake, this rule is designed to kill the bipartisan patients' bill of rights. This is death by a thousand cuts. By slicing away at the bipartisan-based bill, the leadership today once again will bury one of the most important pieces of legislation to face this body in a generation, all in an effort to appease the insurance companies and the HMOs.

Mr. Speaker, there is no new agreement regarding the bipartisan patients' bill of rights. Yesterday's hastily arranged news conference by the administration was pure theater. Only one sponsor of the bipartisan patients' bill of rights, the gentleman from Georgia (Mr. NORWOOD), was included in the discussion with the administration. And even the gentleman from Georgia admitted to the Committee on Rules last night that he did not have a deal. And, indeed, until he saw what was written in the Committee on Rules, he would not have one. And at that moment last night he had no idea what would be written.

And now with ink barely dry, the Republican leadership is demanding a vote. We wonder how many Members will see this so-called agreement before they have to vote.

A dangerous pattern is developing in the Committee on Rules. Knowing that they do not have the support to kill important measures, like campaign finance reform or a balanced energy program that maintains the environment, the leadership cloaks itself in the darkness of night. When daylight breaks, they emerge with procedural hurdles designed to obfuscate, confuse, and ultimately bury these measures that may mean life and death for many of our constituents.

The leadership knows the Senate will not agree to this version of the patients' bill of rights, and they know by passing the administration's version they can force a conference with the Senate, thereby relegating the patients' bill of rights to the legislative graveyard.

The rule today makes in order only those amendments designed to kill the measure. There are poison pills. Each one weakens and dilutes patients' protections. The amendments block legal remedies in State courts under State laws, they hand over to HMOs the right to choose which court to adjudicate in, and they stack the deck against anyone who tries to enforce the patient protections we have worked for so long to secure.

Moreover, the new Norwood bill fails to pay for any of the revenue losses it causes. In case Members are unaware, the surplus we worked so hard to secure the past 8 years is gone. In fact, the Treasury has had to borrow $51 billion just to pay for the tax rebate mailed just last week. Now, for the second time in 24 hours, we have blocked amendments by Democrats who want to be responsible and pay for the cost of the legislation we are considering.

The House is now preparing to blow an additional $25 billion hole in the deficit. Democrats did offer responsible offsets but were voted down unanimously in the Committee on Rules.

Where will this money come from? The only place left after the massive tax cuts enacted by Congress are the Medicare and Social Security Trust Funds.

I want to remind my colleagues this is about real people, about real lives, and as I stated earlier, a matter of life and death for many. H.R. 2563 would make a difference for the man who goes to the emergency room suffering a heart attack and the woman who has to wait to get permission to see her OB-GYN for a gynecological problem and the parent whose child is being shunted from doctor to doctor by an insurer. It would help patients obtain speedy reviews when potentially lifesaving treatment is denied or when a financially crippling bill will not be covered by the insurer.

The bipartisan bill would make a difference in the day-to-day lives of the people we represent. And for this body to treat this measure so cavalierly defies conscience and defies belief.

Make no mistake, this agreement is a win for the special interests and especially the HMOs and insurance companies who support with their contributions this new bill.

It is a loss for the American people on one of their biggest issues, and a sad day for America, patients, doctors, and virtually every family around the country.

One of the most egregious things is they have held HMOs to different standards than they are holding doctors and hospitals. The HMOs alone among the health care providers will be shielded from the consequences of their own bad decisions, but the doctors and the hospitals are left hanging out to dry. And I understood the AMA has just opposed this bill.

HMOs will also have an extraordinary care standard, not a medical standard, but what any ordinary insurance company would do. And in fact what is being given to them goes to no other industry in the United States. And by waiving away the State laws, many people in the United States where they have good strong State laws will be worse off than had this bill not passed.

Mr. Speaker, I reserve the balance of my time.

Mr. GOSS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Ohio (Ms. PRYCE), a distinguished member of the committee and a member of our leadership.

Ms. PRYCE of Ohio. I thank my good friend from Florida and colleague on the Committee on Rules for yielding me this time, and I rise in very strong support of this rule.

Mr. Speaker, I came to the House of Representatives nearly 9 years ago, and for the majority of my tenure here, Congress has been struggling with the concept of a bill of rights for patients. There are no policy arguments that have not been made, no statements left unspoken, and no new points to interject.

Mr. Speaker, 95 percent of the patients' bill of rights is agreed to by every one here. We all agree that patients should have access to emergency room and specialty care and direct access to obstetricians, gynecologists, and pediatricians. We agree that doctors should have input in the development of formularies for prescription drugs and that patients should have access to health plan information.

All the players agree that gag clauses that prevent doctors from discussing certain health care options with their patients should be prohibited and that patients should have a right to continuity of care. In fact, I would like to remind my colleagues that the House has previously passed a patients' bill of rights. We have, we have done it here, and yet we still have no Federal protection to offer the 170 million Americans with private health insurance.

Well, help is on the way. We finally have a President committed to making this happen and a Congress which has worked long and hard to help him. Mr. Speaker, I understand this task has been a daunting and difficult one, and that is why the agreement President Bush forged yesterday is a giant step forward. An agreement that involved so many hardworking, committed Members on both sides of the aisle needs a chance to go forward today.

Mr. Speaker, we need a bill that will not penalize employers for offering health care benefits; we need a bill that will not drive up the cost of premiums; and we need a bill that will offer remedy to patients who have been wronged; and, most of all, we need a bill that can be signed into law.

There are many who would rather not see this happen today. They would rather the American people not have this benefit. They would rather have a political issue. And it is so easy to stand in the way. It is much harder to forge consensus. This time the Committee on Rules, which has met into the wee hours nearly every night this week, has forged a fair and good rule that will do all of this.

We have already spent too much time on solutions that go nowhere. This legislation, with the agreement offered by the gentleman from Georgia (Mr. NORWOOD), has been agreed to by the President. It will offer our best chance to provide real patient protection to those Americans who desperately need it and have needed it for far too long.

I urge my colleagues to support this rule. It is fair, it is very delicate, it is balanced, and it will bring a patients' bill of rights to our President for his signature.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. My colleagues, make no mistake, this bill is a special deal for special interests. The patients' bill of rights went into the White House emergency room with the gentleman from Georgia (Mr. NORWOOD) and it came out as an "HMO Bill of Rights," an "Insurance Bill of Rights," a special set of rights no other industry in America has.

And speaking of rights, this bill kills State rights in protecting patients. Just this week in New Jersey, a Republican governor signed a bill passed by a Republican legislature which would provide for enforcing our patients' bill of rights. This bill we are debating today destroys New Jersey's patients' protections, and California and Texas and every other State's right to protect patients, by superceding it.

This bill is a huge step backwards in patient protections. This bill will not guarantee the care patients deserve and need but it will guarantee HMOs' abuses.

Let us vote for patients, for people, for our constituents, and against the special interests. Vote against the rule and the bill.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri (Mr. BLUNT), the distinguished member of our leadership, the deputy whip.

Mr. BLUNT. Mr. Speaker, I thank my good friend for yielding me this time. I want to use the last of the voice I have left this week to talk for a few minutes about this bill and the rule that allows it to come to the floor.

What we have a chance to do here today is to end 6 years of gridlock, 6 years of striving for a solution that has been outside of our reach. Today we can achieve that solution.

Lots of Members have worked very hard to try to find that solution on both sides of the aisle. My good friend, the gentleman from Iowa (Mr. GANSKE); the gentleman from Georgia (Mr. NORWOOD); the gentleman from Michigan (Mr. DINGELL); the gentlewoman from Connecticut (Mrs. JOHNSON); and the gentleman from Kentucky (Mr. FLETCHER) have all worked hard to try to find that ground that gets us to a solution that really does create parents' rights.

□ 1245

I think what this bill does, and the amendments that go along with it is, it puts patients first. It puts health care first. It puts the health care decision first, and that is a critical difference in this and some of the other concepts that we have talked about, such as the health care professional review panel that has an immediate answer. In fact, how they respond to that answer depends on the way that patients are dealt with in the future of this process.

If in fact an individual is provided insurance, and responds to what that doctor-driven health care professional panel says needs to be done, they have done the right thing and the law recognizes that.

This law talks about greater access to the system. It talks about liability, but it also talks about some ways to avoid that liability, which continues to encourage employers to provide health care to their workers.

For a generation now, one of the questions that workers first asked when they filled out a job application was, Is health insurance provided? What we do not want to see at the end of our debate here is the answer to be, We used to have health care. We used to offer health care, but now we just give employees money because we do not know what our liability is. It was undefined.

Our bankers, if it is a small business, would not let us continue down that path. Our shareholders, if it is a large business, because of the responsibility we have to them, we decided not to have health care insurance any longer because we did not understand our liability.

That is one reason many of us thought it was so important to understand the limits of that liability. This bill sets a higher limit than many of us would have ever thought we could accept; but employers can work with it, the system can work it.

Most importantly, the results of the hard effort in the last 24 hours, the President's efforts, the efforts of the gentleman from Georgia (Mr. NORWOOD), the gentleman from Arizona (Mr. SHADEGG) stayed up all night to make sure of the language, to come up with a bill that this House can vote on this week that can be signed into law.

Mr. Speaker, 6 years of talking about this is too long. Now is the moment when we can reach a final decision. We can send a bill to the Senate that is a better bill than the Senate's bill. We can put a bill on the President's desk. He wants to sign a bill; we ought to give him the chance to do that.

This bill truly does protect patients' rights.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, the Senate last week spent a whole week in arriving at a decision on this legislation. It was a thoughtful debate, compromises were worked out on a bipartisan basis, and a good bill was sent here.

Let us look at where we are and why. A Member in this Chamber went to the White House in a closed meeting and worked out a deal. That deal was not reduced to writing until this morning. He did not know what was in the deal at the time he appeared before the Committee on Rules. Nobody else knew. I do not know now. None of you know. I seriously doubt that the Member who cut the deal knows what he has done.

I do not think that any Member can understand the ramifications of these curious transactions. In the Senate, the leaders were willing to forgo the Independence Day recess in order to work this legislation up. Here, without the vaguest understanding of what we are doing, we are now rushing to send a bill to the President.

The doctors have a way of describing this thing. They say, First, do no harm. There is a plethora of amendments which have been added to this legislation under the rule. If Members vote for the rule, they are going to vote for a bill that has not been tested and that the author of the amendment cannot satisfactorily explain to himself or to us.

Mr. Speaker, this is a bad process. I would point out that it sets up a whole new Federal standard for torts and for jurisprudence, something which has not been done for 300 years in this country. I ask my colleagues to note whether they can explain this or understand it, or whether they or anyone, or the author of the amendment, can assure us that this amendment does not foster mischief and misunderstanding and the potential for real trouble for the American public.

I would note some other things for the benefit of this Chamber. This is an HMO bill. It is a step backwards in that it preempts State laws. It puts its finger on the scale of justice. Nay, it puts its whole fist or forearm on the scales of justice because it lays in place presumptions in favor of the HMOs.

The HMOs are smiling today. No one else is. Members who vote for this amendment will not be smiling in a little while because the end result of that is going to be that they are going to have hurt their constituents, and have done the wrong thing.

I will tell Members some additional things. The States are making fine progress in enacting patient protection laws. Those patient protection laws are making real progress. This bill would essentially preempt them and set aside all of that progress. States like Georgia, States like New Jersey, States like Texas, are going to see their laws superseded.

Mr. Speaker, the amendment to this bill is titled the Bipartisan Patient Protection Act. It should be entitled, the Partisan HMO Protection Act.

Mr. Speaker, I urge my colleagues to vote against the amendment.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Speaker, I rise in strong opposition to the rule and to the underlying bill. The fact of the matter is that without a right to redress, the so-called patients' rights are worthless. Today we will hear the Republicans talk about the rights that they give patients, but if patients cannot get into court in an easy, convenient manner, they cannot redress their rights.

Remember, it is the patient's back, the patient's knee, the patient's neck, the patient's facial scars that have to be corrected. If the HMOs deny a patient relief, they should have the right to go to court, and this bill does not do it. It guarantees every roadblock possible to benefit the HMOs; every presumption possible to benefit the HMOs. It wipes away State laws to benefit the HMOs. The protections are not in this bill, the protections are for the HMOs. That is what is wrong with this bill.

They will say if we let patients go to court, they will not be able to get insurance. Studies have shown that the increase in costs are minimal; people are willing to pay it. In Texas, which has the right to go to court, they have not had a lot of lawsuits.

Reject this bill.

Mr. GOSS. Mr. Speaker, I yield 4 minutes to the gentleman from Iowa (Mr. GANSKE), a major player in this legislation.

Mr. GANSKE. Mr. Speaker, I thank the gentleman for yielding me this time.

Yesterday was an amazing day in the Committee on Rules. I have been to the Committee on Rules three times on the Patients' Bill of Rights; and I must admit when we were talking about the Norwood amendment last night and we did not have any language to talk about, and the gentleman from Georgia (Mr. NORWOOD), was saying I reserve the right to not agree with my own amendment, it was sort of bizarre. But I must say that I have been treated with respect and kindness by the Committee on Rules.

Mr. Speaker, I wish very much that we had more time to see the language of the Norwood amendment so people could fully understand it. We are going to have a chance to talk about the Norwood amendment, and I will go into it in more detail later. I intend to support the rule. I understand fully how my colleagues on the other side of the aisle very well are upset about this, but I feel it is time to move on with this debate.

Mr. Speaker, I thank my colleagues from both sides of the aisle who throughout the last 5 or 6 years have stood up as protectors of patients and have been very interested in this. I cannot remember the number of times I have given Special Orders late at night.

I have shown patients like this: HMOs Cruel Rules Leave Her Dying for the Doc She Needs; What His Parents Did Not Know About; HMOs May Have Killed This Baby. I have spoken about how, as a plastic surgeon, HMOs using medical necessity, unfair definitions, which have denied children care. I have spoken about this woman who lost her life because an HMO did not provide her with the treatment she needed.

I have spoken about how an HMO would not pay this young woman's emergency care and hospital bill because when she fell off a cliff, she did not phone ahead for prior authorization.

A couple of years ago when we had this debate, this little boy came to the floor. An HMO made a medically negligent decision which cost him both hands and both feet. Under Federal law, if that is an employer plan, the

HMO is responsible only for the cost of his amputations.

I think we now have bipartisan support that is not fair or just, and that we need to do something to prevent that from happening, and that is why the underlying Ganske-Dingell bill sets up a strong external appeals program, similar to what they have in Texas, to prevent this from happening, to prevent cases from going to court.

Mr. Speaker, there will not be that much debate on the patient protection part of the Ganske-Dingell bill because there are not any amendments coming up, but they are solid. We are going to have three amendments coming to the floor. One will be on access provisions, one will be on medical malpractice liability, and the third is a very, very important one, and that is, in fact, whether to provide additional protections to HMOs.

We will go into some details, how the Norwood amendment would provide affirmative defenses for HMOs that they do not have now, and how it would actually preclude State law. I will at that time recite the lines in the Norwood amendment that do that, and provide Members with information on that.

Mr. Speaker, I just urge my colleagues to have a civil debate. Let us get past the point of name-calling. Let us have a debate that is as enlightened as they had in the Senate a couple of weeks ago, move forward and defeat the Norwood amendment, and pass the Ganske-Dingell bill.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. FROST).

Mr. FROST. Mr. Speaker, let me start with the rule today. In a continuing effort to block Democrats from imposing fiscal responsibility on the House, Republican leaders have prevented us from paying for this bill. That fiscal irresponsibility is why Republicans are about to raid the Medicare and Social Security trust funds, as an internal Republican memo made clear recently, and it is why just 6 months after Republicans inherited the biggest budget surplus in history, the Federal Government is borrowing money again.

Now for the bill itself: For the past 5 years, Mr. Speaker, Democrats and some courageous Republicans have worked hard to pass a real bipartisan Patients' Bill of Rights, one that takes health care decisions out of the hands of insurance companies and puts them back into the hands of doctors and patients.

Mr. Speaker, the Ganske-Dingell bill does that. It protects patients' rights without reducing health care coverage. During those same past 5 years, Mr. Speaker, Republican leaders have fought the bipartisan Patients' Bill of Rights every step of the way. For the past 6 months, the Bush administration has joined them in fighting tooth and nail to protect insurance companies and HMOs.

It should be so no surprise that the Republican plan, proposed by President Bush and the gentleman from Illinois (Mr. HASTERT), that is, the Norwood amendment we will debate later today, protects HMOs and insurance companies at the expense of patients. Make no mistake, Republican leaders are trying to turn the Patients' Bill of Rights into an HMO Bill of Rights.

□ 1300

The Republican plan creates special protection for HMOs and insurance companies, one that no other industry enjoys, and would override State HMO laws, including the patient protections that my constituents in Texas enjoy today and that President Bush bragged about in last year's campaign.

Mr. Speaker, the Republican plan would ensure that HMOs and insurance companies, not doctors and patients, keep making vital medical decisions.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. I want to thank the gentlewoman from New York for yielding time. I also want to thank the gentleman from Iowa (Mr. GANSKE) for his great leadership in this matter and, of course, the gentleman from Michigan (Mr. DINGELL) and all the others that have worked so hard for this.

Mr. Speaker, the only way I can describe this rule and the bill that is going to be offered as amended to this House today is ridiculous. Just to begin with, the Committee on Rules was asked to take up a rule for a bill they had not seen, that nobody had written yet. They had to declare Wednesday was Thursday. If you have got something planned on Thursday you very well may lose it, because we are going to skip Thursday this week. Today is Wednesday. Tomorrow is going to be Friday. That just shows you how ridiculous this whole thing has gotten. We have got an old Southern saying about politics that those that get on early get taken care of, everybody else gets good government. I think we have clearly seen the evidence that the insurance companies got on early in the last campaign. They have clearly been taken care of.

We have been presented with this so-called agreement between the White House and someone on Capitol Hill where we have said that we are just going to trample State law, do whatever you have to do to take the State courts out of it; we are going to take away any rights from the American people to deal with their insurance companies.

This whole bill should be called the HMO Protection Act, because they have got more protection now than they had before this bill was written. I do not think it will ever become law. I think it will die in conference. But it is such a ridiculous idea that we would present this to the American people and try to hoodwink them into thinking that they are going to have a better deal.

Besides that, Mr. Speaker, it is not paid for. We are just going to issue a magic lucky card to pay for it. I am surprised that the lucky card is not described in the language.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I rise in opposition to the rule. It is not a fair and it is not a good rule. I know that my friends on this side of the aisle are getting a little tired of Members on this side standing up and talking about that we are not paying for the legislation that we proposed. I certainly recognize and support the right of the majority to do as you wish regarding legislation, as you are proving day after day. But for the last several years, I have listened to my colleagues on both sides of the aisle speak with passion and conviction about their commitment to putting an end to the practice of raiding the Social Security and Medicare Trust Fund surpluses to cover deficits in the rest of the budget. I believe that all Members of this body who have voted time and time again to protect those trust funds are sincere in their desire to honor that commitment. Unfortunately, the manner in which we continue to consider legislation is making it impossible to keep that commitment.

The $1.35 trillion tax cut recently signed into law, whether acknowledged or not, has taken up the available surplus. It is becoming increasingly clear that CBO and OMB when they offer their revised budget forecasts next month will show the facts. No point in debating whether it is or it is not; either it is or it is not. Those of us that believe that it is, those that say it is not, we are going to know.

But let me point out a few facts. Last week, this House voted to break the spending limits on the VA–HUD bill. There is a reasonably good chance that this body is going to break those limits on defense and on education. Last week, it was 8 billion additional dollars for the faith-based initiative. This week it was $18 billion for the railroad retirement fund. Yesterday it was $32 billion for the energy bill. Today it is at least 20, probably as much as $30 billion for this bill.

I heard my colleague from Arkansas say a moment ago, "It's not paid for." I respect the right of the majority to bring legislation to this floor and not pay for it if that is what you wish. But why and how can you continue to come to the floor and say it is a fair rule when you do not allow the minority side the opportunity to pay for the bill in the legislation that we are for? What is it that would let anyone stand on the floor and say it is a fair rule when you deny the opportunity of the other side of the aisle to work their will regarding the legislation as they see it and let you work the will of the body as you see it?

I really think we ought to defeat this rule, and we ought to send it back to committee with at least allowing our side of the aisle the opportunity to pay for that legislation that we propose. And if you wish to raid the Social Security and Medicare Trust Funds, I respect your right to do it.

Mr. GOSS. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Florida (Mr. FOLEY), a Member of the Committee on Ways and Means and a great contributor to this legislation.

Mr. FOLEY. Mr. Speaker, I appreciate the gentleman from Florida yielding me this time. Listening to the debate this morning is causing me some concern because I have heard phrases like "we are rushing this legislation to the floor." Yet it seemed to me weeks ago the other side of the aisle demanded action on this bill before the summer recess.

Let me just give you some quotes from National Journal's Congress Daily today that appeared in print. The senior Senator from Massachusetts says about the gentleman from Georgia (Mr. NORWOOD): "He has our complete confidence and he's demonstrated time in and time out his commitment to patients in our country."

The gentleman from Arkansas who just spoke a moment ago: "I don't think anyone at any time has ever questioned CHARLIE NORWOOD's sincerity or dedication to this mission. So the fact that he's out there working doesn't give me any heartburn at all."

That was yesterday, the wonderful gentleman from Georgia, and today they will have you think he has become Dr. Kevorkian. The gentleman from Georgia and I have worked on this bill since 1995. There is one person in this Capitol more concerned with patients than any of us here and that is the honorable gentleman from Georgia. But he recognizes one very important and cogent point of this debate, that if somebody is sick and somebody is ailing and somebody is hurt, they do not need to wait in queue for 5 years to get a court of law to render a verdict on their case, because regrettably if we wait for the court of law, likely the patient will have died.

A good friend of mine, a trial lawyer who is a personal friend and a supporter, called me yesterday. "Please support the Dingell bill. Support the right for patients to sue their HMOs."

So I posed the question: "You're a partner in a law firm. If you provide health insurance, do you feel you should be sued for the negligence of the managed care?"

He paused and said, "Well, no, we merely provide the health care policy."

And I said, "But you may in fact be drawn into liability because you didn't give them an option of several policies, you gave them the firm's policy. And should the firm be engaged in litigation with their provider."

Mr. Speaker, we can rant and rave about bipartisanship and I have tried on several issues with the other side of the aisle, on several key issues that my leadership gets madder at me by the day, whether it is campaign finance reform or legislation that I think is important for Florida and I get taken to the woodshed for being too bipartisan. But on that side of the aisle, bipartisanship really truly means to me, "It is our way or the highway. And God forbid you interfere with our campaign plans for 2002 so we can deride the Republicans as a do-nothing Congress."

If we look in our hearts and search for the right answer and not try and pillorize anybody who has been participating since 1995, we have several good doctors working on this issue and I think they care desperately about patients. And if we rise from the din of this kind of conversation about simply the right to sue, which is really a nice club over the heads of the insurers and I agree with most of that; but we also recognize, too, that if anybody is being sincere, try filing an action and see how long before your case is heard in court. Try going down to a State or a local courthouse and find out not only what the fees are involved but how soon they may get to your case. And ask the person with breast cancer or lupus or some other disease that is struggling trying to get recovery and coverage whether the wait was worth it, whether hanging out at a courthouse with a bunch of lawyers waiting 3 years for somebody to maybe render an opinion is better than what is in the Norwood bill which is an expedited appeals process that gets you into the facility that you most need to be in which is a hospital rather than a jury box.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Speaker, I thank my friend from New York for yielding time.

Mr. Speaker, the House is about to embark on a travesty of procedure if it adopts this rule. The last speaker said that we wanted to hurry up and get the Ganske-Dingell bill to the floor, and he is correct. The Ganske-Dingell bill was filed in February. February. For the last 4 or 5 months we have all had a chance to read it, question it, understand it. The principal alternative to the patients' bill of rights that is going to be offered by the gentleman from Georgia (Mr. NORWOOD) this afternoon, the copy I read indicates it was printed at 7:18 a.m. today for the first time. We were in the Committee on Rules last night, or this morning, excuse me, after midnight, nearly at 12:30 in the morning, I know it went on long after that, I commend the Rules members for their diligence, and they had not started writing the bill yet. So an immaculate conception occurred sometime during the night last night. Sometime between 1 a.m. and 8 a.m., we gave birth to a product here that purports to do in 6 hours what lawyers and scholars and judges have taken 300 years to accomplish, and, that is, to write a complete set of rules about proximate cause, affirmative defenses, contributory negligence, rules of evidence, rules of discovery, all the things that come into the process of adjudicating a legal dispute.

This is a travesty. Most of the Members who will consider this bill today will not know what is in it. We have a few hours to try to find out. Once this process goes forward, the American people will have a few weeks and a few months to find out. And when they do, they will recognize the deception that is about to be perpetrated upon the House this afternoon.

Oppose this rule. Support the Ganske-Dingell bill.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. I thank the gentlewoman for yielding me this time. I oppose this rule. I oppose this rule both on process and content. The process indeed should have allowed us to at least know what the amendments were. But even on content, all of us say that we want to have a Patients' Bill of Rights. When there is an amendment to undercut the very rights that you purport to have, I am not sure how you can say that we all are supporting a Patients' Bill of Rights. The right of enforcement of legislation is the integrity of your words when you say you have a Patients' Bill of Rights.

Do we need a Patients' Bill of Rights? Yes. Why do we need it? We need it because there are children who are sick who need to have the opportunity to see a specialist. There are women who need to go to the emergency room or to see their OB-GYN. There are sick older people who need to be rushed for cardiac treatment. All of these are things we know, that we experience from family members. This rule will not allow that to happen. Indeed, this is a fraud. We should make sure that we vote down this rule and allow us to have a more deliberative debate.

Mr. Speaker, this rule limits debate on one of the most important pieces of legislation Congress will consider this year.

The authors of the Ganske- Dingell-Berry-Norwood bill worked hard to craft a bi-Partisan Patient's Bill of Rights bill that would provide meaningful patient protection to consumers.

The authors also re-drafted portions of their bill to include enhanced measures provided for in the Senate Bi-Partisan Managed Care legislation by adding additional protections for employers. Rather than moving towards a bi-partisan bill that had a strong possibility of moving out of conference committee quickly, we are on the verge of passing a bill that may be stuck in a conference committee. The more we delay passing a bill that makes HMO's more accountable and that extends access to care, the longer the American people will have to wait before getting a full range of the kind of patient care they deserve.

Although we are now debating this rule, we have not been provided an adequate opportunity to fully examine the compromise legislation that came about as a result of the agreement between the President and Congressman NORWOOD. Legislation that affects so many Americans should not be thrown on the Floor of the House in an effort to win a battle of the words.

A Patient's Bill of Rights now means ready access to emergency services. Health Plans would be required to cover emergency care in any hospital emergency facility, without prior authorization, whether or not the hospital is a participating health care provider in the plan.

A Patient's Bill of Rights now means ready access to services provided by an OB-GYN. Women will have direct access to a physician specializing in obstetrics or gynecology, without having to obtain prior authorization or referral from their primary physicians.

A Patient's Bill of Rights now means ready access to Pediatric Care. Parents will be able to readily designate a pediatrician as their child's primary care provider.

A Patient's Bill of Rights now means ready access to Specialty care. Specialty care will be included as a benefit to ensure that patients receive timely access to specialists. If no participating specialist is available, the bill requires the plan to provide for coverage by a non-participating specialist at no extra cost to the patient.

These and countless other measures in the Bi-Partisan Patient's bill of Rights will be compromised because of the latest agreement with the White House to limit the accountability of HMOs. The Ganske-Dingell-Norwood-Berry Bi-Partisan Bill of Rights legislation is a meaningful patient's bill of rights that has been open to scrutiny and debate. This legislation should not be compromised because of late agreement that did not include all of the authors of this bill.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. PALLONE).

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Mr. PALLONE. Mr. Speaker, I deeply resent the suggestions on the other side that somehow what they are doing today is going to help a person who is denied care get the care, get to the hospital, get the operation. Just the opposite is going to happen here.

This rule allows for amendments to be brought up on things totally unrelated to care, malpractice reform, medical savings accounts. These are the kinds of provisions that, if they are included in this bill, when we go to conference with the Senate, will kill the bill, just like it did last time.

And then you have the other amendment that changes the liability and makes it almost impossible for someone who has been denied care to even have an independent review by an outside board. All sorts of roadblocks are put in the way so that a person can never have an actual review. Forget the court. They will never get to the court. They will never have that kind of independent review by an external review board that will let them have their care, let them go to the hospital.

Finally, most insidious of all, you change the State law so progressive States like my own of New Jersey or Texas or others that have put in place a real Patients' Bill of Rights, are now going to be preempted. That person will never get to the hospital. You are making the situation even worse for them than it is now.

Mr. GOSS. Mr. Speaker, I am very pleased to yield 2 minutes to the distinguished gentleman from Kentucky (Mr. FLETCHER), from the Committee on Education and the Workforce, who has also been a major player in this legislation.

Mr. FLETCHER. Mr. Speaker, I thank the gentleman for yielding me time. We appreciate the work the gentleman has done, as well as the Committee on Rules, on putting together a fair rule, and a rule that is very timely.

As a family physician, one of the things that you learn to recognize very early is that some things need to be done in a timely basis and other things can wait. This needs to be done, I think, in a basis that we can get this accomplished, because this has been debated for at least 6 years, even longer. I think the first Patients' Bill of Rights in this body was offered in 1991. Anyone, I say anyone and everyone who has been engaged in this debate, is familiar with all the language in all of these amendments.

I woke up this morning and got over here to read the bill very early, it is 30 pages long, very easy to read, very understandable for those folks who have dealt with this issue for a long time. It is something not uncommon here. Five hours is plenty of time for folks to understand what this bill does.

I commend the gentleman from Georgia (Mr. NORWOOD). He has been willing, and maybe let me say very willing, to finally say let us put patients above politics, let us break away, let us stop the logjam, let us get a bill that the President will sign.

This rule allows the House to really express its will. We have an excellent opportunity to start with the base bill, that the other side prefers, and we allow for some amendments to that bill.

The bill certainly ensures us of quality. We are going to have some access provisions, because I think there has been a flagrant disregard for the uninsured from the other side. We address that.

But I think it is also important to realize that we do modify and reach a compromise on liability, so that HMOs are held accountable, but so that we do not allow frivolous lawsuits that drive up the cost and take money out of patient care and put it into personal injury lawyers' pockets.

I encourage Members to support this rule, and I thank the Committee on Rules for an excellent job.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, it is amazing how the leadership here can get hold of one or two Democrats and believe that everything they do is bipartisan. It reminds me of the story that Jim Wright told about this wonderful Texas stew that everyone loved, and they asked what kind of stew it was?

He said it was horse and rabbit stew.

They said, it tastes delicious. What is the recipe?

He said, oh, it is one horse and one rabbit.

They said, it tastes delicious, but how do you do it?

He said one-half horse, one-half rabbit is how we make it.

Except it is one whole horse and one small rabbit. And that is how the Republicans have moved forward in trying to get bipartisanship here.

But I tell you, the tax bill, the $1.3 trillion tax bill, certainly was not bipartisan. This bill is not bipartisan. And the rule which I stand to oppose will not even allow us the opportunity to provide the revenues to pay for this bill, if and when it becomes law.

There is a train wreck that is going to occur, and the train wreck is that we have signed more checks, or promised to sign more checks, than we have made deposits in the bank.

We have this $500 billion contingency fund over 10 years, but we said we are going to have $300 billion of it for defense, $73 billion for agriculture, $6 billion for veterans, $50 billion for health insurance, $82 billion for education, $122 billion for expiring tax provisions, $200 billion to $400 billion to change the alternative minimum tax. And there is just not enough money in our account to pay for these things, without invading the Medicare trust fund or the Social Security trust fund.

Now, we know that there are some people on the other side of the aisle that wish that we did not have these programs, and we also know that they know that these programs are so popular that they cannot be legislated out. But what you can do is to do what the President said in his campaign, and that is get the money out of Washington, because they will spend it.

I think the answer is, if we are spending it for Social Security benefits, if we are spending it for health care and education, if we are spending it for a stronger America, to invest in our young people, then that is what we were sent here to do.

But if we are just getting the money out of Washington so that we can create a deficit, so that we leave to our kids indebtedness, that we do not repair the Social Security system, we do not repair the health system, then I do not think that is what we were sent to Congress to do.

In the middle of the night a deal was cut, after so many good Members on both sides of the aisle tried to present a bill to the President that was good for the men and women of the United States of America. It is not a day to be proud of, but it is a day that we are going to vote down the rule, I hope, and vote down this legislation.

Mr. GOSS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas (Mr. PAUL).

Mr. PAUL. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, as you know, I am a physician. I practiced medicine for more than 30 years, and I can certainly vouch for the fact that medicine is a mess, managed care is not working very well; and, hopefully, we do something good to improve it. Unfortunately, I am not all that optimistic.

I support this rule because it is dealing with a very difficult subject and it brings the Democratic base bill to the floor. I do not see why we should not be able to amend that bill, so I do support the rule.

But the IRS code has 17,000 pages of regulation. The regulations that we as physicians have to put up with are 132,000 pages. Most everything I see that is happening today is we are going to increase those pages by many more thousands. So I am not optimistic that is going to do a whole lot of good.

I think we went astray about 30-some years ago in the direction of medical care when the government, the Federal Government, got involved. The first thing is we changed our attitude and our definition of what "rights" are. We call this a Patients' Bill of Rights. It has very little to do with rights, because most of what we do in medicine, we undermine individual rights.

We have a right in society, in a free society, to our life and our liberty, and we have a right to use that liberty to pursue our happiness and provide for our own well-being. We do not have a right to medical care. One has no more right to a service than one has a right to go into someone else's garage and steal an automobile. So the definition of "rights" has been abused for 30 years, but the current understanding is that people have a right to services. So I think that is a serious flaw and it has contributed to our problem today.

The other serious flaw that we have engaged in now for 30 years is the dictation of contract. For 30 years now under ERISA and tax laws, we have forced upon the American people a medical system where we dictate all the rules and regulations on the contracts; and it causes nothing but harm and confusion. Today's effort is trying to clear this up; and, unfortunately, it is not going to do much good.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR. Mr. Speaker, the gentleman from Texas (Mr. PAUL) really said it well, probably one of the understatements of the day, when he said that the managed care system is not working very well.

In the last 2 weeks, 20,000 Michigan seniors have been told that they will lose their health insurance. They are being dropped by their HMO health insurers who are abandoning their commitments. Our seniors are getting broken promises instead of the care that they expected and the care that they deserve.

Now, on top of that, we get this double whammy that has come before us, yesterday and today. For 6 years the American people have been waiting for a Patients' Bill of Rights. For 6 years insurance companies have done everything they can to block it. Access to the nearest emergency room, insurance companies say no; give doctors the authority to make the medical decisions that are right; insurance companies say no; hold HMOs accountable for denying patients the care they need, the HMOs and insurance companies say no.

The deal cut yesterday, the deal that is being rushed through this House so we do not have to read the fine print, and, boy, if there was ever one area you wanted to read fine print, it is this area, is not a Patients' Bill of Rights, it is an insurance company bill of rights.

It is a radical betrayal of the public trust. Instead of protecting patients, it protects HMOs. Instead of helping patients get the care they need, it puts more roadblocks in that patient's way. Instead of giving injured patients the right to seek justice, it gives HMOs special immunity from the lawsuits and the standards and the laws that every other American business must uphold.

Mr. Speaker, it is time we hold the insurance companies accountable. Pass a true Patients' Bill of Rights. Defeat all these poison pill amendments that this rule would make in order. Pass a good bill. Vote no on the previous question, vote no on this rule.

Mr. GOSS. Mr. Speaker, I am privileged to yield 1 minute to the distinguished gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, even though I am a new conservative Member of this institution, I came to Congress anxious to support a Patients' Bill of Rights. I became involved in the front end of this debate to preserve our free market health care system and to strengthen patient choice.

For too long, Mr. Speaker, I believe Congress has walked by on the other side of the road, leaving patients, doctors and well-meaning employers to fend for themselves in an increasingly complex health care economy.

What we have before us today is truly a bipartisan Patient Protection Act that will provide protections for all Americans, and trust doctors with the power to make medical decisions, and so it will also encourage employers to provide quality health insurance for their employees.

I urge all of my colleagues, regardless of your stripe or party, let doctors provide timely care, give patients choice, and let this Congress end the decade of walking by on the other side of the road, and speed this timely aid to patients, doctors and well-meaning employers.

Support the bipartisan Patient Protection Act.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Speaker, I looked forward to this day when we could have a Patients' Bill of Rights on the floor, but after seeing what happened, I am so disappointed and so frustrated, and I think that is what is going to happen with the American people.

Instead of a Patients' Bill of Rights, we have a patients' bill of wrongs. We have a Patients' Bill of Rights that is masquerading, but it is really the patients' bill of wrongs.

What it does is it transfers the decision-making from the State courts, where in Texas we have it now, to under Federal rules in State courts; and that is wrong, and nowhere in our jurisprudence history do we have that. So it is going to make it harder.

It gives a presumption for the HMO so they are right and you have to prove them wrong. We are actually going to increase litigation. My colleagues do not want more litigation. When you give that right to the insurance companies, you are going to make people hire an attorney just to go through the appeals process, and that is wrong.

□ 1330

In Texas, we had a Patients' Bill of Rights for 4 years, very few lawsuits, 1,400 appeals, 52 percent in favor of the patient. So more than half the time, the HMO was wrong; and they are wrong today.

Mr. GOSS. Mr. Speaker, I am pleased to yield 1 minute to the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Speaker, I thank the gentleman from Florida for yielding me this time, and I congratulate the Committee on Rules for bringing to the floor the Patients' Bill of Rights.

Let us not make any mistake about what this bill is. It is the same patient protections that we have talked about for years. It is the base bill. There is only one real change in the bill that we are going to bring to the floor today, and that is in the area of how much liability we are going to impose on employers and insurers.

Many of us believe, under the base bill, that we will have unlimited lawsuits that will tremendously increase costs for both employers and their employees, and as a matter of fact, I believe will cause tens of millions of Americans to lose their health insurance because of these increased costs. That is unacceptable when we have 43 million Americans with no health insurance at all.

Under the rule, the gentleman from Georgia (Mr. NORWOOD) will offer a compromise that he struck with the President that does provide for greater remedies and greater access to courts for those who have been injured. But it will not unduly raise the cost of health insurance and it will not force employers out of employer-provided coverage.

I think it strikes the right balance for the American people and we ought to stand up today and think of the patients, not the trial lawyers and the politicians.

Ms. SLAUGHTER. Mr. Speaker, I would like to inform the gentleman from Florida (Mr. GOSS) that we have one speaker remaining, and I would ask if he has more and does he plan to close.

Mr. GOSS. Mr. Speaker, I thank the gentlewoman for her inquiry. The fact is, we have many speakers remaining, but we are only going to have time for 1 more to be on the floor to close, and that will be the gentleman from California (Mr. DREIER), the distinguished chairman of the Committee on Rules.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. GEPHARDT).

Mr. GEPHARDT. Mr. Speaker, I urge Members to vote against this rule. I urge Members to vote against the Norwood amendment if the rule is approved.

This is a bad rule, but more importantly, this is a bad bill. This is not a Patients' Bill of Rights, this is an HMO and health insurance company bill of rights. If the Norwood amendment passes, we are giving HMOs and health insurance companies, who make many of the important health care decisions in our lives today, a different standard of accountability than doctors who make other decisions in our lives. We are treating HMOs and health insurance companies in a preferential way, as compared to doctors and nurses and hospitals that are held responsible for their medical decisions.

If the Norwood amendment passes, what started out to be a Patients' Bill of Rights becomes a dream bill for HMOs and health insurance companies. They will have achieved what they often try to achieve in making medical decisions, which is how to save money, how to make more profit, not how to give people quality health care.

Let us look at just three things that Norwood changes in this bill that are dramatic changes in our legal system as it applies to only HMOs and health insurance companies. First, there is a presumption, a presumption that if you lose at the arbitration level, at the board level of appeals, against the patient, there is no presumption against the HMO and the health insurance company; in no other area of our tort law do we have that kind of presumption. Why would we want to give a presumption against the patient, but not the HMO or the health insurance company? It is a stunning abdication to the HMOs and health insurance companies.

Secondly, and perhaps worse, this bill, if Norwood passes, will preempt State tort laws. Our friends on the other side of the aisle are fond of saying we need a Federal system; we need States to have discretion. We have to look to States to put these laws in place, but by the same token, when it suits them, because it suits the HMOs and health insurance companies, then it is fine to preempt the State laws; and for the first time in the history of this country, we will have a Federal tort law that applies to malpractice and injury caused by HMOs and health insurance companies. So States like Missouri or Texas or California who have passed a good patients' bill of rights will have all of that wiped out, and if a patient gets to court, can get through the maze to get to court, they will be faced with a Federal tort law, not the law of their State.

Thirdly, damages. We have $1.5 million cap on noneconomic, on punitive, and that sounds like a lot of money. The problem with that is that in many cases, that will be less than what one would get if one was under State law. And even though it sounds like a lot of money, let us stop for a minute and think about some of these cases.

Let me give my colleagues an analogy. There are a lot of cases now about rollovers, Firestone cases. People have been gravely injured. I heard of a woman who has two children; she rolled over and was badly injured. She is now paralyzed; she is what you call a "shut-in." She can only move her eyes. She is on a ventilator.

What if she were a victim of malpractice by an HMO or a health insurance decision? What if she were limited to $1.5 million with the responsibility at her age to raise two kids? What if she were limited to a new Federal tort law for the first time in our history, rather than being able to use the law of her State to be justly compensated for being injured in this way?

This is a stunning reversal for the patients and the people of this country. This is special-interest legislation. This is doing the bidding of health insurance companies and HMOs over the interests of the people that we represent in our districts. This is a stunning abdication of what we should be fighting to protect for the people that we represent.

I defy any of us to go into a hospital room of someone who has been done in by bad decisions made by HMOs and health insurance companies and look them in the eye and say, I voted today to take away your rights, to preempt your rights, to set up a new Federal tort law that has never existed in this country.

In the name of God and common sense, I hope Members will vote against this rule and vote against the Norwood amendment if it passes. Stand for the people that you represent in this country. You have a solemn obligation to fight for their interests and rights and not the profit and the money for the health insurance companies and HMOs.

I beg you to vote against this rule, vote against the Norwood amendment if it passes; and if the Norwood amendment goes in, vote against this legislation.

Ms. SLAUGHTER. Mr. Speaker, I yield myself the remaining time.

I urge my colleagues to defeat the previous question, and if the previous question is defeated, I will offer an amendment that makes in order the Ganske-Dingell-Berry bipartisan Patient Protection Act substitute amendment. This amendment pays for patient protections and expanded MSA provisions provided in the bill by extending the regular customs taxes and closing tax loopholes for businesses set up solely for the purposes of tax relief.

Mr. Speaker, I yield back the balance of my time.

Mr. GOSS. Mr. Speaker, it is my privilege and honor to yield such time as he may consume to the distinguished gentleman from California (Mr. DREIER).

Mr. DREIER. Mr. Speaker, I thank the gentleman for yielding time, and I want to congratulate him. He has worked for 12 years.

I would like to thank several other people, including the gentleman from

Iowa (Mr. GANSKE) who is here; the gentleman from Georgia (Mr. NORWOOD), the gentleman from Kentucky (Mr. FLETCHER), and the gentleman from Illinois (Mr. HASTERT), the Speaker of the House of Representatives, who has spent a decade working on this issue.

We are here with legislation which is designed to ensure that we have a Patients' Bill of Rights. We want everyone to have recourse. But as I listened to the arguments from the other side of the aisle, we are hearing the same old, tired and failed class warfare, us versus them, the haves and the have-nots. I have not heard much talk about the real reason that we are here beyond ensuring that there is a recourse for those who have been wronged.

There are a couple of important reasons. Frankly, they are going to be addressed in the amendment process that we have here. We want to make sure that we provide both availability, increase the availability of health care and increase the affordability.

Now, we have heard from witnesses before the Committee on Rules, and I would like to thank my colleagues of the Committee on Rules on both sides of the aisle for working until the middle of the night and then just a few hours later being here to report this rule out today. But we heard in testimony before the Committee on Rules that we have a very serious problem with the uninsured in this country. There are some who have predicted that we can see an increase by 9 million in the number of uninsured if we do not take action.

That is one of the reasons that the proposal of the gentleman from Kentucky (Mr. FLETCHER), which I believe is a very important one, along with a number of our other colleagues, including the gentleman from California (Mr. THOMAS) and others, dealing with medical savings accounts, is a very important provision. Last night the gentleman from California (Mr. THOMAS) told us how the 18- to 29-year-olds are increasingly drawn to the prospect of putting dollars aside to plan for their health care. This is a very important step that we can take to deal with the issue of the uninsured; and, of course, affordability. Affordability is something that we are all very, very troubled about. And how is it that we most effectively deal with it? Well, obviously, we have to have some degree of competition, and I think that we have a chance to do that as we move ahead with this legislation.

We have all worked hard. People keep talking about looking at the fine print. As the gentleman from Illinois (Mr. HASTERT) said on Meet the Press last Sunday, 98 percent of this bill was agreed to in a bipartisan way. We focused on a very small part of it that was an area of disagreement, and we have seen the President of the United States step forward with a wonderful array of proposals.

This morning he talked to us in the Republican Conference about the wonderful successes that we have enjoyed over the last 6 months in the area of education, tax relief, his faith-based initiatives, the energy measure which we successfully passed here late last night, and now this issue on a Patients' Bill of Rights. It was a key plan of his platform when he ran for President. He said all along that he did not want to veto legislation.

Mr. Speaker, we have here the chance to, from the House of Representatives, pass legislation which the President of the United States can sign so that we can enhance those issues of affordability and availability that are so important and so badly needed, and so that we can ensure that we have a meaningful and balanced Patients' Bill of Rights.

Mr. Speaker, I urge my colleagues to support the rule, to support the Norwood amendment, and to support the other two very important amendments we have on medical malpractice and on the issue of accessibility with medical savings accounts. Support the rule and support those measures.

Mr. GOSS. Mr. Speaker, I yield back the balance of my time.

CALL OF THE HOUSE

Mr. GOSS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 324]

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)

Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

☐ 1405

The SPEAKER pro tempore (Mr. FOSSELLA). On this rollcall, 418 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

PROVIDING FOR CONSIDERATION OF H.R. 2563, BIPARTISAN PATIENT PROTECTION ACT

Mr. GOSS. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. SLAUGHTER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of adoption of the resolution.

The vote was taken by electronic device, and there were—ayes 222, noes 205, not voting 6, as follows:

[Roll No. 325]

AYES—222

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—205

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee
(TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—6

Clay
Lipinski
McKinney
Millender-
McDonald
Royce
Spence

☐ 1424

Mr. ABERCROMBIE changed his vote from "aye" to "no."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. FOSSELLA). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. SLAUGHTER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 222, noes 205, not voting 6, as follows:

[Roll No. 326]

AYES—222

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts

Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—205

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—6

Boyd
Clay
Lipinski
Pascrell
Peterson (MN)
Spence

☐ 1433

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. BOYD. Mr. Speaker, on rollcall No. 326, H.R. 219, I was unavoidably detained. Had I been present, I would have voted "no".

MOTION TO ADJOURN

Mr. McNULTY. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore (Mr. FOSSELLA). The question is on the motion to adjourn offered by the gentleman from New York (Mr. McNULTY).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. McNULTY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 55, noes 356, not voting 22, as follows:

[Roll No. 327]

AYES—55

Allen
Baird
Berry
Bonior
Borski
Brown (OH)
Capps
Capuano
Clay
Conyers
DeFazio
DeGette
Delahunt
DeLauro
Dingell
Doggett
Farr
Filner
Frank
Hastings (FL)
Hilliard
Hinchey
Jefferson
Kaptur
LaFalce
Langevin
Lantos
Lee
Lofgren
McGovern
McNulty
Miller, George
Mink
Nadler
Oberstar
Obey
Olver
Owens
Reyes
Ross
Sandlin
Schakowsky
Slaughter
Solis
Spratt
Strickland
Stupak
Taylor (MS)
Tierney
Towns
Udall (CO)
Velázquez
Waters
Watson (CA)
Waxman

NOES—356

Abercrombie
Ackerman
Aderholt
Akin
Andrews
Armey
Baca
Bachus
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonilla
Bono
Boswell
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (SC)
Bryant
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Buyer
Callahan
Calvert
Camp
Cantor
Capito
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Combest
Condit
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Fattah
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
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Graham
Granger
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Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
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Hilleary
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Hoyer
Hulshof
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (NY)
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sawyer
Saxton
Schaffer
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Stark
Stearns
Stenholm
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Toomey
Traficant
Turner
Udall (NM)
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watt (NC)
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—22

Boehner
Boucher
Cannon
Collins
Cox
Dooley

Gephardt
Gutierrez
Harman
Horn
Hunter
Hutchinson
Lipinski
Maloney (CT)
Matheson
McDermott
Menendez
Peterson (MN)
Scarborough
Smith (WA)
Spence
Stump

☐ 1451

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2563.

The SPEAKER pro tempore (Mr. FOSSELLA). Is there objection to the request of the gentleman from Louisiana?

There was no objection.

BIPARTISAN PATIENT PROTECTION ACT

The SPEAKER pro tempore. Pursuant to House Resolution 219 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2563.

☐ 1451

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2563) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage, with Mr. LAHOOD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Louisiana (Mr. TAUZIN), the gentleman from Michigan (Mr. DINGELL), the gentleman from Ohio (Mr. BOEHNER), the gentleman from California (Mr. GEORGE MILLER), the gentleman from California (Mr. THOMAS), and the gentleman from California (Mr. STARK) each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, on behalf of the Committee on Energy and Commerce, I am pleased to open this debate on the Patient Protection Act. As you know, the gentleman from Georgia (Mr. NORWOOD); the gentleman from Iowa (Mr. GANSKE); my friend, the gentleman from Michigan (Mr. DINGELL); and the gentleman from Arizona (Mr. SHADEGG) are all distinguished Members of the Committee on Energy and Commerce. And they, along with many others, have labored for a long time on this legislation, or various versions of it.

I want to also commend the work of the Speaker and the gentleman from Kentucky (Mr. FLETCHER) and the other committees of jurisdiction, because all of them have made significant improvements in the base text of this bill.

A concern of all of us is the needs of American families for health coverage and health care. Let me make a point that I think is incontrovertible, and that is that the most important patient protection in America is access to affordable health insurance, to health coverage, and to care.

Mr. Chairman, new costs and new litigation and new bureaucracy can, we know, raise the cost of health care, and, therefore, the cost of health insurance. Costs will either drive a reduction in benefit or drive a reduction in coverage; and so, as we debate this legislation, let us not pretend that litigation and bureaucracy and mandates are free. While they may provide some protection for a patient, if they raise the cost of insurance and coverage too high for other patients, then other families lose, and those rights to coverage are lost to Americans.

The Congressional Budget Office does not ignore these facts. They state clearly that a significant portion of increased costs will be borne by the purchasers switching to less expensive plans or cutting back on benefits or, worse yet, dropping coverage. That is a sobering point. It means that real families would do with fewer benefits and less coverage.

According to the President's Statement of Administration Policy on the Senate bill, for example, employers already faced an estimated 10 to 12 percent premium increase this year alone. The statement also notes that employers tend to drop coverage for their workers, for roughly 500,000 individuals, when health care premiums increase by a mere 1 percent. Some estimates have put the number of individuals whose insurance would drop by this bill as high as 6.5 million. That is simply unacceptable.

Employer-sponsored health care, remember, is voluntary, it is not mandatory; and we should not make employers choose between reducing benefits and maintaining health coverage for their employees. Employer-sponsored health insurance is still voluntary in America, and increasing health costs will prompt employers to drop coverage or insurance.

The legislation that does the best job of preserving access to insurance and minimizing costs, while protecting patients' rights to their coverage, is obviously the best balanced bill; and that is what we will search for today. That means both eliminating unnecessary bureaucracy, litigation and cost; and that is why we will support the amendment the gentleman from Georgia (Mr. NORWOOD) has worked out with the President of the United States to, in fact, amend this section to make sure we do not unnecessarily drive up insurance costs. I want to commend my friend, the gentleman from Georgia (Mr. NORWOOD), for that excellent work.

Mr. DINGELL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I thank my friend from Michigan for yielding me time.

Mr. Chairman, in case the President has forgotten, the House of Representatives is the people's House. The people's House. It is not the insurance industry's House. We do not report to Aetna or to Prudential or to Blue Cross/Blue Shield or to Golden Rule; we report to the people, our districts, and the people of this country. Our job is to do what is in the best interests of the individuals we serve. It is not to sustain the health insurance industry's privileged position above the law.

For over 4 years, my friends, the gentleman from Michigan (Mr. DINGELL) and the gentleman from Iowa (Mr. GANSKE), have been repeating the same simple message: if HMOs face no consequences when they put consumers through the wringer, then HMOs will continue to put consumers through the wringer.

Making HMOs face the consequences is not going to lead to skyrocketing insurance rates. For example, in the 3 years Texas has allowed HMO enrollees to sue, there has been only a handful of lawsuits. The right has not led to a flood of lawsuits or to higher premiums; it has led to legitimate health insurance, insurance that actually covers what it says it will cover. The key to addressing the problems so many of our constituents face when dealing with their insurer is to hold HMOs accountable for their actions.

There is only one bill on the floor today that does not emasculate the external review and right to sue provisions to the point of meaningless mess. The Ganske-Dingell bill is the only bill on the floor today that does what it says it will do. It changes the rules of the game so that HMOs will not cheat the public. Unfortunately, the Fletcher bill and the Norwood-Bush bill cheat the public to protect insurance company HMOs.

For more than 4 years, the public has been asking us to do something about HMOs that treat enrollees like an unwanted liability, rather than a paying patient. Putting the shoe on the other foot, making HMOs liable for the harm they do, is the best way to change their behavior. This is our chance to do the people's bidding. Let us do it.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Florida (Mr. BILIRAKIS), the chairman of the Subcommittee on Health of the Committee on Energy and Commerce.

Mr. BILIRAKIS. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise today in support of patients. I rise today in support of Americans who deserve a health care system that works for them. My work in this body, as so many know, has focused on health care issues, and I have worked hard with many of my colleagues to improve the quality of health care for all Americans.

One of the most important things we can do this Congress is pass strong patient protection legislation which can be signed into law. We must work to ensure that a Patients' Bill of Rights will become law.

Two years ago this Chamber hosted a similar debate which most of you remember. We are back again considering legislation to improve the quality and availability of health care for all Americans. Enactment of patient protections would immediately improve the quality of care for millions of Americans, and that is why we must work together to secure passage of patient protection legislation this year.

□ 1500

In past debates, I chastised an administration that stubbornly, stubbornly rejected anything short of its own proposal for health reform. I argued that "The price of such intransigence would again be paid by patients across the country," and it was.

Now I am proud to stand before my colleagues today and support patient protection legislation that has bipartisan support and, most importantly, the support of a President who was willing to listen and to compromise. The leadership of President Bush, of the gentleman from Illinois (Mr. HASTERT), the Speaker of the House, and of the gentleman from Georgia (Mr. NORWOOD), my very good friend, have been invaluable in getting us to this point.

As I quoted in a recent Dear Colleague: "It is not enough to do good; one must do it the right way." Compromise is the right way, and I support patients' rights by supporting the amendments to the Ganske bill. An all-or-nothing attitude is unacceptable. Let us do good for our constituents now.

I challenge those who support patients' rights. Put people ahead of politics and work with us, not against us, to achieve this goal.

Mr. DINGELL. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, in the 40-plus years I have served here, I have never seen such a remarkable situation. Last night, we were presented with a piece of legislation that no one had ever seen before. The proponent thereof could not explain it, did not know what is in it. We will see it later today. I hope at that time he has a better appreciation of what his proposal does.

It will be offered as an amendment to the bill, H.R. 2563, the Bipartisan Patient Protection Act. It is my hope that the House will pass this bill, send it to the Senate, and we can afford American patients a decent level of protection.

One thing has remained constant: We need strong, enforceable, meaningful patient protections. The base bill is a good bill. It is the right one for millions of Americans who suffer denial, delay, and injuries at the hands of HMOs who are, like foreign diplomats, totally exempt from lawsuits, a unique class in our society.

This bill would have seen to it that the rights of Florence Corcoran, who lost her baby due to a bad HMO medical decision, would have had relief. It would have helped Basile Pappas, who was denied proper treatment, and it would have prevented permanent quadriplegia as a result of an HMO's refusal to approve covered treatment. The bill would have helped another gentleman, Mr. Lancaster, who was arbitrarily denied coverage for in-patient psychiatric treatment and instead was sent home, where he committed suicide.

None of these protections in the bill means anything without the ability to see to it that they are enforced. Enforcement of rights is everything, and rights without a measure to enforce them are totally meaningless.

HMOs that make bad medical decisions should be treated no differently than any other wrongdoer, and when they engage in the practice of medicine, they should be treated the same as doctors. But they seek special treatment, an exemption from meaningful litigation and, indeed, an exemption from responsibility.

If the Norwood amendment passes, which we saw for the first time in printed form this morning about 8 o'clock, HMOs would be held to different and looser standards than doctors and hospitals. The so-called "remedy" would actually wipe away State laws that protect patients against wrongdoings now and would roll back the law. The Norwood remedy is a sham, because in almost all instances, consumers would never see the State court which is the best place for them to be. Indeed, patient protections now will not work if the flawed Norwood review process is put in place. The Norwood amendment would reduce the role of external reviewers and delay care to patients.

This House should pass H.R. 2563 without the cynical protections sought by the White House and Republican leaders and without the budget-breaking tax breaks and without a last-minute rewrite of consumer protections.

Mr. Speaker, I urge the adoption of the legislation and rejection of the Norwood amendment.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from North Carolina (Mr. BURR), the vice chairman of the Committee on Energy and Commerce.

Mr. BURR of North Carolina. Mr. Chairman, today will be a heated debate. We will hear people criticized today that just yesterday were praised.

To the Members in this Chamber, do not lose focus on one thing. There is one Member who has had his eye on the American people for years on this issue. His name is Dr. CHARLIE NORWOOD. For those who criticize him today, but praised him yesterday, let no person believe that he is not doing what he thinks is in the best interest of every American.

The fact is that we do have new legislation. This institution can perfect things that are flawed, and I believe today that we are doing that. We will start with a base bill that incorporates the thoughts of many good colleagues, but because of the need to extend patient protections today to the American people, the gentleman from Georgia was brave enough to negotiate with the President until they came to an agreement on a piece of legislation he could sign and that protection could be extended.

This is not about who wrote it or whose amendment it is. Yes, it is about what it says, but it is about whether it can be signed into law. This bill, amended by the Norwood language and, hopefully, several other amendments, can be signed into law and extended to the American people today; and this body will make a mistake if it does not support the Norwood amendment and provide patient benefits for the American people.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Chairman, the American Medical Association has said it well when they asked the question, Why should we oppose the Norwood amendment? They said we should because it overturns the good work done by States in protecting patients.

We should oppose the Norwood amendment because it reverses developing case law that allows patients to hold plans accountable when they play doctor. We should oppose the Norwood amendment because it contains overly broad language that will remove most cases to Federal court. We should oppose it because it raises barriers for patients to make their case in court. And we should oppose it because it provides patient protections, but does not allow the enforcement of those rights in court.

We are dealing with life-and-death matters today. In southern Ohio, Patsy Haynes, a 31-year-old mother who needs a bone marrow transplant in order to live, is being denied that transplant because of her insurance company. We need the right for the Patsy Haynes families and every other family to go to court and to get what they rightly deserve. The American people deserve no less.

The CHAIRMAN. Without objection, the gentleman from North Carolina (Mr. BURR) controls the time.

There was no objection.

Mr. BURR of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Chairman, President Clinton's first act was to create a high-profile commission headed by now Senator CLINTON to fix health care. Eight years, and nothing.

President Clinton promised to raise minimum wage. Eight years, nothing.

President Clinton said he would fix prescription drugs, and 8 years, nothing.

President Clinton had to be embarrassed to sign into law Republican reform of IRS and welfare. The truth is, the Democrats had 50 years to reform welfare, IRS, Social Security, Medicare, health care, prescription drugs. Nothing.

I will vote for President Bush's plan today, and I will vote for the Norwood amendment for four reasons. Number one, what good is a Cadillac insurance policy if your company goes out of business?

Number two, Americans will lose their insurance if costs are prohibitive.

Number three, increased costs will force small employers especially to cancel plans, give bonuses, and we will have more uninsured.

Finally, the heavy liability factor will force major manufacturers to leave America like rats fleeing a ship on fire to countries with no insurance, no regulations, no IRS, no liability, no pensions, and wages of $1 an hour.

We have 43 million uninsured. I do not want any more uninsured Americans in my district.

I will vote today for the only practical reform health care plan to get a vote, and that is the President's, as has been tailored by the Norwood amendment. I commend the gentleman from Georgia and I commend the Republican Party for coming forward with a plan, like it or not. The Democrats failed to perform.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Chairman, it upsets me a great deal to hear my Republican colleagues on the other side say that their plan today is going to provide more access for the uninsured, more access to health care, and somehow, the President is going to sign this. How cynical.

The President has never signed an HMO reform bill. The President has no intention of signing a bill. If that were the case, then why are they mucking it up?

He talks about bureaucracy, mucking up this bill with all the things that are unrelated to HMO reform: malpractice, medical malpractice, MSAs, medical savings accounts. These things do not belong in this bill. These things are being put in this bill today so when it goes to conference, the bill is killed and is dead just like it was 2 years ago.

They talk about providing more people access to care or somehow, they are going to redress the denial of care. Well, then, if that is the case, why in the world are they putting in these roadblocks so that if I am denied care, I cannot even get to an external review panel that is going to be independent and is going to reverse that denial of care?

They put in so many roadblocks in here, nobody is ever going to be able to reverse a denial of care. Forget the courts. That is not the issue.

Mr. TAUZIN. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, let me take this 30 seconds to introduce the gentleman from Georgia (Mr. NORWOOD), my friend. Many of us claim ownership of legislation around here, correctly and incorrectly, but if there is one person in this Chamber who owns the issue of patient protections, it is the gentleman from Georgia (Mr. NORWOOD). He wrote the first bill.

I saw his first draft. We read it together on an airplane coming back from Boston Harbor where we demonstrated against the awful IRS and income tax together. But as we rode back, I saw the first rough draft of this bill.

Mr. Chairman, the gentleman from Georgia (Mr. NORWOOD) owns this issue, no matter how many other people claim it. The gentleman from Georgia has been a stalwart to get this issue to the President.

Mr. Chairman, I yield 5 minutes to the gentleman from Georgia (Mr. NORWOOD), a member of the Energy and Commerce Committee.

Mr. NORWOOD. Mr. Chairman, I thank the gentleman very much for yielding me the time, and I am very grateful for the opportunity to perhaps straighten out a little bit maybe of what has been said.

I say to my colleagues, the first thing is I believe in my soul that the President of the United States does, in fact, want a bill to protect patients. I do not have any doubt about it. He has told me that on many occasions, all the way back to governor.

I also respect the office of the Presidency, and I believe that unless we get his signature, we are going to be continuing to do the same thing that we have done now for 6 years.

This is not just about passing a bill. This is about changing the law of the land so patients can be protected in a health care system that has radically changed over the last 30 years.

I make no apologies to any of my colleagues. I think my colleagues know pretty well where I come from on this issue. I have great affection and respect for the gentleman from Iowa (Mr. GANSKE) and the gentleman from Michigan (Mr. DINGELL) and the gentleman from Arizona (Mr. BERRY). I basically support the bill. Why in the world would I not? I helped write the bill. I am not against that bill at all. What I am against is not having a change in the law.

Now, what I have done is, I have tried to figure out to the best of my ability what could we do to acquire the signature of the President of the United States and, at the same time, maintain at least what I humbly think is the reason all of this got started.

□ 1515

I am real excited, I have to say, I am real excited that in our bill, in the Ganske-Dingell-Berry bill, that the President is willing to sign our patient protections. All of us know how important those are. Some of us know, as well as I know, what is in there. I am very pleased about that.

I am very pleased that now the President is willing to sign, for example, our access pieces. I am excited about that. Those are off the table now. The problem is, for the President, that he wants to sign a bill that he can have some input into. Now, that is fair.

There are some poison pills for this President in our bill, as were potentially poison pills in the Norwood-Dingell bill a couple of years ago that President Clinton would not have signed. I fought a lot of people to make sure those poison pills in the Norwood-Dingell bill were not there. Guess who I fought. I fought my friend, the gentleman from Illinois (Mr. HASTERT). I fought almost every Member of the Republican Conference, and I stayed steady to a principle that I believed we should have, which is there should be some limit on liabilities.

It is totally unfair to people to put their profession, their business, their family, their wealth in a position where they could lose it all just because somebody may have a particularly talented trial lawyer. That is not fair. But I never would put those in or go along with putting those in the Norwood-Dingell bill because I knew President Clinton would not sign that. I was trying to get this law changed because we are now in the sixth year.

Patients are not any better off today after 6 years than we were 5 years ago, and it is time to bring this gridlock to an end. I have looked for a way with this President that we might take some poison pills out for him. The founders said, if we want a law of the land, the President of the United States has to sign it. For a President of the United States to sign a bill, he is going to participate. This President feels very strongly that we should have the bill, but he wants some protections in there.

So we were getting from him an agreement to sign a bill that does what? It gives us the patients' protections exactly like we wrote. It gives us an external review panel made up of independent people. That is so important for the patients, and we need that signed.

It is a bill that says, for the first time in years, every American in this country can choose their own doctor. That is so important. Does it say what we are trying to do or what the President is trying to do: that we are not going to hold HMOs liable for their actions when they deny care, when they deny a benefit or delay a benefit and they kill or harm some of the people that have been used up here as an example? Does anybody really believe that I want to do that? That I do not want to hold their feet to the fire?

I promise I want to put their feet in the fire on this; but there is a way to do that where we also can get this bill signed and achieve our other things.

We will talk about the amendment later. But I want everyone to understand I support this bill. But I support one even more that will go into law.

Mr. DINGELL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Iowa (Mr. GANSKE).

Mr. GANSKE. Mr. Chairman, I would say that it is a privilege to follow my good friend, the gentleman from Georgia (Mr. NORWOOD) up here. He has been a stalwart in fighting for patient protections, even if I have had to take a little Maalox over the last few days.

We will debate the Norwood amendment in a little more detail, but I do want to read a letter from the New Jersey Medical Association dated August 2, 2001. "The Coldest Day in August," is how it is titled by Dr. Angelo Agro, president of the Medical Society of New Jersey.

It says: "Across the Nation patients are waking up to the coldest day in August on record because policy makers are swaying to the needs of the mighty HMO industry rather than those of patients and healthcare providers. The proposed compromise by Representative CHARLES NORWOOD leaves New Jersey patients in the cold and drives physicians into the freezing snow.

"In New Jersey the compromise undermines and very likely preempts the landmark Healthcare Carrier Accountability Act signed just this week by acting Governor Donald DiFrancesco. The proposed plan will drag most claims to out-of-state courts through an anemic Federal legal process. Furthermore, it stacks the system against patients through an appeals process and gives no remedy to patients once their physicians have provided needed care.

"As physicians and as patients advocates, we urge our New Jersey Congressional Delegation to continue its outstanding record on patient protection by opposing this emasculated version of the Patients' Bill of Rights."

That is signed Angelo Agro, M.D., president of the Medical Society of New Jersey.

We can have differences of opinion, but this does make a difference in a terms of a policy.

There are a number of issues, but the one with which I am most concerned is that the Norwood amendment would preempt new State laws in 10 States: Arizona, California, Georgia, Louisiana, Maine, New Jersey, Oklahoma, to name several. This is on page 20, line 20 through 22.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Arkansas (Mr. SNYDER).

Mr. SNYDER. Mr. Chairman, I thank the gentleman from Michigan for yielding time to me.

As a family practitioner, I have had the experience of thinking a patient needs to have counseling. I have to take them into a room, have them dial a 1–800 number to their insurance company, have the clerk who picks up the phone at the end make the decision about whether they get counseling, who they see, and how many sessions they get.

That is practicing medicine. That is delivering medical care. That is why it is my opinion that the Norwood amendment destroys this bill. Please read page 15. I know my Republican colleagues had a caucus this morning. They discussed this State preemption issue. Please read page 15 of the Norwood amendment.

It clearly states: "Yes, States can continue to have the liability provisions for the delivery of medical care," but then it defines that anything that the insurance company has to do with making decisions about claims determinations is not medical care.

The example I gave, the 800 number, they say, No, that is not medical care. Mr. Chairman, that is medical care. When that clerk at the end of the phone makes decisions, they should be held just as liable as the family doctor.

The Norwood amendment destroys the growing protections that are developing in State law. This amendment needs to be voted down.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Chairman, I rise in support of the Ganske-Dingell Patients' Bill of Rights. This bill gives the American people strong, enforceable protections from the abuses and hard edges of the HMOs. It returns control of medical decisions to doctors and their patients, and takes it out of the hands of the bean counters. It guarantees patients access to health care they desperately need.

I am a nurse. We nurses and our patients are particularly pleased by the whistleblower protections included in Ganske-Dingell. They would protect a nurse or other health professional who wants to blow the whistle on substandard care to a regulatory agency or accreditation body.

I want to urge my colleagues to oppose the amendments to weaken this underlying bill. Ganske-Dingell holds HMOs accountable when they harm patients by denying them care. HMOs have been willing to trade patient safety for lower costs and higher profit margins. Ganske-Dingell gives patients the tools they need to protect themselves.

With all due respect to our colleague, the gentleman from Georgia (Mr. NORWOOD), his amendment would eliminate this essential protection. That weakens State laws and would dilute the ability to effectively enforce the Patients' Bill of Rights. His amendment would give the HMOs special protections that no other business or industry has.

This bill should be about protecting patients, not HMOs. Mr. Chairman, I urge my colleagues to support the bill and oppose the Norwood, Fletcher; and Thomas amendments.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the bill offered by the gentleman from Iowa (Mr. GANSKE) and the gentleman from Michigan (Mr. DINGELL), which is the real patient protections bill.

For many years, we have been trying to bring the pendulum back to the center to bring some accountability to the process of health care, where patients are enrolled with an insurer to give them the kind of rights that they need; to bring the physician and the patient relationship back to the sacred center where it belongs.

Last night something happened. The gentleman from Georgia (Mr. NORWOOD), a dentist, brokered something with the White House, and we are being asked to trust.

I want to tell the Members something, I want to verify for my constituents. This is the group that has voted to permit more arsenic in drinking water. This is the group that supports offshore oil drilling. This is the group that wants to drill in ANWR. This is the President that rejects a global warming treaty. This is the group that will not ratify biological warfare bans.

Do Members know what? I do not trust that record. I do not think this is the group I want to go with. I want real patient protection rights. We should reject this attempt to dress it up as something that it is not.

Mr. DINGELL. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Chairman, I thank the gentleman for yielding time to me. I thank the ranking member, the gentleman from Michigan (Mr. DINGELL), the gentleman from New Jersey (Mr. ANDREWS), the gentleman from Iowa (Mr. GANSKE), and all the people who have worked so hard on trying to get a legitimate Patients' Bill of Rights on this floor so we could vote on it, so the American people would have what they have tirelessly asked for, and that our people could get the health care they have paid for.

It is unbelievable to me that today we are going to allow an amendment to this bill that will make it possible once again for the insurance companies to mistreat, abuse, take advantage of the American people for time immemorial, it appears, right now.

We are going to be standing here a year from now, and we are going to see these same pictures the gentleman from Iowa (Dr. GANSKE) has been showing us ever since I have been in this House. They are horrible pictures. The thought of an insurance company doing this to a child is unbearable and unbelievable to all of us.

But we are going to take up an amendment today and a bill today that would make it possible for the insurance companies to continue to do this, only with more impunity. We are not going to be able to hold them accountable for anything. We are going to supersede State law; and to make matters even worse, Mr. Chairman, this bill is going to cost $20 billion, and we are going to use the magic pay-for card to pay for it.

I do not know where this card money comes from, but we are going to start issuing them to anyone. Anytime we have a bill and we do not know where to get the money for it, get the magic pay-for card for it. Members can see it, surely. All we have to do is present it and everything is already all right. We are not even going to pay for this bill.

We had the pay-fors in this bill last night, and the Committee on Rules took it out. It is unbelievable that we would allow the insurance companies to continue to take advantage of the American people.

Mr. Chairman, I urge our Members not to vote for this terrible piece of legislation.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, I rise on behalf of this bill.

What is this bill? It is the bill that the gentleman from Georgia (Mr. NORWOOD) got on the floor and said he supports. It is a bill that, in 1999, 275 of us voted for in a bipartisan fashion, and in a bipartisan fashion for 24 months we have labored to pass that bill. We did pass it, and it was bottled up in conference committee because the Republican leadership did not want it to become law.

The gentleman from Georgia (Mr. NORWOOD) wants a bill that can be signed. I agree. But the way to get a bill that can be signed is to show where the bill ought to be, and those 275 of us for the underlying bill should vote for that bill today and send it to conference, have the conference work on it, and let the President come to the conference; not, with all due respect to my friend, the gentleman from Georgia (CHARLIE NORWOOD), one Member, but to the conference, to the Senate and House, after they have worked their will and passed a real Patients' Bill of Rights.

□ 1530

Let us adopt the base bill and reject the three amendments.

Mr. Chairman, the American people need and deserve a real Patients' Bill of Rights.

This legislation ensures that doctors make medical decisions, not insurance company bureaucrats.

It gives every American the right to choose his or her own doctor. It ensures broad access to specialists. It prohibits incentives to limit care. And, yes, it allows patients to hold managed care companies accountable when they make decisions that injure or kill.

Responsibility! What's more American than that? Yet, the Republican leadership has fought legal liability tooth and nail.

They said strong liability provisions would cause insurance premiums to skyrocket. But that didn't happen in Texas, where then-Governor Bush let a Patients' Bill of Rights become the law in 1997 without his signature.

They claimed that managed care liability would cause people to lose their insurance. But that didn't happen in Texas.

And they said strong liability provisions would open the floodgates of litigation. But that didn't happen. Only 17 lawsuits have been filed under the Texas law in 4 years.

Today, they're trying to gut meaningful reform with these amendments.

Arbitrary damage caps are a perfect example. I'm always amazed that some of the same people who think a jury is perfectly competent to decide whether a man or woman lives or dies is somehow incompetent to decide whether a person has been injured by negligence and the extent of the injured party's damage.

I urge my colleagues to vote for this bipartisan bill and to vote against these amendments. Let's level the playing field between patients and their doctors and managed care companies.

Mr. TAUZIN. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Arizona (Mr. SHADEGG), a distinguished member from the Committee on Energy and Commerce who has put a great deal of effort in this compromise.

Mr. SHADEGG. Mr. Chairman, I thank the gentleman for yielding me this time. And I rise in strong support of this legislation, and I rise in strong support of the gentleman from Georgia (Mr. NORWOOD).

Make no mistake about it, there is no greater champion of patients' rights in this country than the gentleman from Georgia. And anybody who says that the agreement that the gentleman from Georgia negotiated with the President last night does not protect patients, does not know this issue and is just playing politics.

Well, it is time for politics on this issue to end and for substance to emerge. Let us talk about what is in this bill.

Number one, every single patient protection in the original Norwood-Dingell bill and in the original Ganske-Dingell bill is in this bill. The patient protections are there.

So comes the criticism on liability. Well, let us talk about liability. For those who say this protects plans from being sued, they are not being honest, because whether the external review panel sides with a patient and says the plan was wrong, or whether the external review panel sides with the plan and says the plan was right, that individual can have a lawsuit. They have a right to recover damages.

Let us talk about the current state of the law. The current state of the law in America is atrocious. It says if a health care plan injures someone through their negligence, through their conduct, they are immune. That is dead wrong. I know the Corcoran case inside out and backwards, and it is time to reverse that precedent.

The reality is both sides agree that that policy of absolute immunity for HMOs that hurt people must end. This bill strikes a fair balance. It says that an external review panel, made up of expert doctors who are practicing physicians, will review the decision of the plan and will decide if the plan was right or if the plan was wrong. If they decide the plan was wrong, yes there is a lawsuit and that individual will recover damages.

But let us look at the flip side of that issue. Let us say they decide the plan was right, and many would say that is a reasonable structure; that the panel second-guessed, reviewed through experts, the current status, where plans can simply deny care and walk away, but under that set of circumstance, even if this expert panel made up of doctors says the plan was right, that individual can still go to court. The AMA, when I argued this issue with them last year, said, well, what if the plan was wrong. It is a shocking lack of faith with doctors, but they won. The AMA is getting what they want. Even when the panel says the plan was right, the individual can go to court and sue. That is liability, that is fair, that is a very reasonable compromise.

This is a good bill, and I urge my colleagues to support it.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the gentlewoman from Florida (Mrs. MEEK).

Mrs. MEEK of Florida. Mr. Chairman, I stand in strong opposition to the Norwood amendment because I have been there and I have done that and I have seen what happens when HMOs are in charge of health care, particularly in lower-income communities. It is a scam. Wake up, before this comes into our community.

The President cannot make government. He cannot make legislation. He is in the executive branch. So let us be sure that we do our job and he does his. Whoever heard of that before?

Two obvious examples stand out here. Our people need to be treated fairly. We need a patients' bill of rights. We need the Dingell bill, and we need it now. And we need to stop this frustration of going through all this nomenclature of medical terms. We just need to get a patients' bill of rights that is fair to all patients, that will treat everybody the same, and be sure they have some redress.

I do not trust insurance companies. Why should I? They have never been fair to the people I represent. Do you think I am going to do it now? No. Be sure that you support the Dingell bill, it is the bill that is happening.

Mr. TAUZIN. Mr. Chairman, I yield 1½ minutes to the gentleman from Louisiana (Mr. COOKSEY).

Mr. COOKSEY. Mr. Chairman, this is an important piece of legislation because it is important for the health care of the Americans who need good quality health care.

Long before I was a Member of Congress, I was a physician. And when I finished medical school, I guess I was somewhat idealistic because I expected to always be in an examining room with a patient and have that sacrosanct physician-patient relationship in which I was trying to make a diagnosis and carry out a treatment, whether in the examining room or the operating room.

But over the years, we have evolved to a system that we have HMOs and HMO regulators; we have government regulators; we have a whole litany of people that are in that examining room, if not in body, in spirit. And these people are, in effect, practicing medicine or having a disproportionate influence on the practice of medicine when they have never gone to medical school. They do not know what medicine is about.

Unfortunately, some of these groups that are there in spirit are mean spirited. So we do need reform. We do need patient protection. And this piece of legislation will ensure that, number one, the employer-based system will be intact and will not be undermined. And, number two, it will go a long ways towards reestablishing the patient-physician relationship and getting all of those other people out of the examining room, whether they are there in spirit or in reality.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Mrs. MCCARTHY).

Mrs. MCCARTHY of New York. Mr. Chairman, the last 24 hours of gameplaying with people's lives by the leadership has left a huge mark on the House of Representatives.

Let us look at the score card in the last 24 hours. This week, special interest groups have two wins and the American people have zero. Yesterday, with the energy people, the oil companies won; today, with the so-called patients' bill of rights, insurance companies, unfortunately, are going to win again.

Under the House leadership bill and the so-called patients' bill of rights, many of our constituents are going to have to have their health care needs compromised. However, there are a few good things in this package.

We have been working very hard to make sure our hospitals get prompt pay. In other words, the HMOs and the insurance companies have been holding back the monies to our hospitals. That is pure wrong. Our nurses and our health care people need the whistleblower protection act, and that will be in there.

But all in all, despite these good provisions, it is clear that special interests are the real winners in this deal. And I am sure of one thing: we need campaign finance reform to get the special interests out of this Congress.

Oppose the Norwood amendment and support the Ganske-Dingell bill. It puts patients' interests first, not special interests.

Mr. TAUZIN. Mr. Chairman, may I inquire of the chairman who has the right to close on this portion?

Mr. DINGELL. Mr. Chairman, how much time do we both have?

The CHAIRMAN. The gentleman from Michigan (Mr. DINGELL) has 3 minutes remaining and the gentleman from Louisiana (Mr. TAUZIN) has 1 minute remaining. The gentleman from Louisiana has the right to close.

Mr. DINGELL. I will respect that, of course, Mr. Chairman.

Mr. Chairman, I yield 1 minute to the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN).

Mrs. CHRISTENSEN. Mr. Chairman, this doctor stands with America's doctors and our patients in support of H.R. 2563. The base bill is not about suing, it is about making sure that insurance companies and HMOs are held accountable when they prevent a patient from getting the care they need.

We must reject the killer amendments which would shield the HMOs from the same accountability that every doctor and hospital as well as every other business is liable for, for our protection. And the HMOs must be laughing at the $1.5 million cap that is proposed. With their profits, that figure is so small it will be no incentive for them to change at all.

We have fought for more than 5 years for a bill that will protect patients. We have one, and we must not pass a last-minute dead-of-night deal to help the President avoid the decision of signing or vetoing, if that is his choice, legislation which the American people overwhelmingly support.

Our constituents have been waiting too long for relief from profit-driven medical decisions that put them and their loved ones at risk. Let us vote down all amendments and give America a real Patient Protection Act, H.R. 2563.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the distinguished gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. Mr. Chairman, I thank the gentleman for yielding me this time.

Two years ago, when I was a State Senator in California, I worked with my colleagues there to pass one of the strongest patient bill of rights packages in the Nation. Other States, Texas, New Jersey, about 30 in number, have adopted similar strong patient protections. But now, under the most recent capitulation to the insurance industry, these strong patient bill of rights protections around the Nation are preempted by Federal law.

Brought to us by those strong champions of States' rights, this capitulation threatens to take away hard-fought patient protections enacted around the Nation. The new policy evidently is: we believe in States' rights, except where they collide with the rights of the insurance industry, and then the heck with the States. That is no kind of policy for this country.

I urge support for the Dingell-Ganske patient bill of rights that protects and preserves the relationship between patient and physician. It has doctors making medical decisions, not insurance company bureaucracies. It is the real patient bill of rights, the one we have fought for for 6 years, the one we must pass for this country.

Mr. DINGELL. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Illinois (Mr. DAVIS) for purposes of concluding the debate on this side.

Mr. DAVIS of Illinois. Mr. Chairman, I support patients' rights, but I do not want to support putting a cap on unnecessary pain and suffering. I support patients' rights, but I do not support greed and unaccountability. I support the rights of patients to interact with their doctors to make decisions.

I can tell my colleagues that the doctors in my district support Dingell-Ganske. They have been calling all day saying do not vote for Norwood, vote for Dingell-Ganske.

I follow the doctors in my community, and I urge all of us to vote for Dingell-Ganske.

Mr. TAUZIN. Mr. Chairman, I yield myself such time as I may consume.

Six years, when the gentleman from Georgia (Mr. NORWOOD) began this crusade for patient protections, he, through an exercise of extraordinary courage and conviction, has been willing to take on Members on both sides of this aisle. He has taken on his own party. Now he takes on Members of the other party who disagree with him today.

He has shown extraordinary courage and conviction, and he is determined that when we get through today with the amendment that he will offer in agreement with the President of the United States to make sure this bill is signed into law, he has determined this bill will do the following things when we get through today:

It will preserve the right of patients to choose their own doctors and to have the customary patient-doctor relationship.

Secondly, it will extend the patients the right to have an external medical review of HMO decisions.

And, third, it will guarantee patients the right to sue HMOs, to hold them accountable in both State and Federal Court, under the agreement he has reached with the President.

The gentleman from Georgia is to be commended for this 6-year fight. If we do it right today, we will put a bill on the President's desk that he will sign into law and these 6 long years will have been worth his courageous effort that has been carried forth with so much conviction.

Mr. Chairman, I yield back the balance of my time.

Mr. THOMAS. Mr. Chairman, I yield myself such time as I may consume.

A few decades ago there was a song, and it went a little bit like this: "Love and marriage, love and marriage, go together like a horse and carriage." Well, for the last several years we have been hearing Norwood-Dingell, Norwood-Dingell, a team that made health care reformers tingle.

□ 1545

And yet today we find ourselves on the floor with a choice. Ironically that choice is to take a giant step toward making law in this area, or to keep alive a very divisive political issue.

In my opinion, there is no Member of the House of Representatives who wants a law more than the gentleman from Georgia (Mr. NORWOOD). In my opinion, there are some individuals here today who are enormously disappointed in the fact that the gentleman from Georgia (Mr. NORWOOD) wants a law because they certainly want to perpetuate a divisive political issue.

In listening to the way in which the gentleman from Georgia (Mr. NORWOOD) has been described, a Member got up recently and said he is a dentist. I do not think that was quite said in a way that would indicate that he has some knowledge in terms of the medical profession or that based upon his experience in dealing with HMOs, he wanted to make a change. I think it was done deliberately. I think it was done on purpose.

If Members really look at the underlying bill and the bill that will remain if the Norwood amendment is adopted, we have 95 percent the same bill. What is the difference? With the Norwood amendment, it has a chance to become law. Without it, it does not.

Well, I will simply leave Members with this. If Members had to think of a word to match with Norwood, the one that comes to mind to me is "sincerity."

If Members have to match a behavior to coincide with what is being exhibited on the other side of the floor, I have to think of a black widow and her mate.

I am pleased today that this very, very difficult issue will be resolved. It will be resolved by those people who stand with the gentleman from Georgia (Mr. NORWOOD) and his amendment, and then stand with the amended Ganske-Dingell-Norwood bill. It is time that we end this division.

Mr. Chairman, the gentleman from Georgia (Mr. NORWOOD), as he did in offering leadership at the beginning, is again offering leadership. All Members have to do is follow the leadership of the gentleman from Georgia.

Mr. Chairman, I reserve the balance of my time.

Mr. ANDREWS. Mr. Chairman, I yield myself 2 minutes.

Mr. Speaker, a person goes to her primary care provider, and the primary care provider notices a lesion on the patient's skin. She says that she thinks that the patient ought to see a specialist to see what the lesion is. Her managed care plan says, no, we do not want you to do that because it does not fit our model of what ought to happen.

The patient does not see the specialist. It turns out the lesion is malignant and becomes metastatic cancer. The patient dies. The patient's estate sues the HMO under the laws of New Jersey or one of the other progressive States that has adopted patients' rights legislation.

Understand this: Under the Norwood amendment that will be coming forward in a few minutes, that claim is barred. Wiped out. No more. The Norwood amendment is a step backward. It does not intend to be, but it is, make no mistake about it.

Rights that the various States have given to consumers in the last few years are repealed. Whether it is by intent or sloppy drafting, they are repealed.

If Members believe in states' rights and the right of States to make decisions that affect their own communities, then Members should not federalize health care law. Then we should have not have one national decision that governs what ought to happen here. Members should reject the Norwood amendment, as the New Jersey Medical Society does for that reason, and Members should vote for the underlying base bill.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent to yield the balance of my time to the gentlewoman from Connecticut (Mrs. JOHNSON) to control the time.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of the Norwood amendment, and I thank the gentleman from Georgia for his leadership. There has been no Member in this body who has been more dedicated to the issue of patients getting access to care and having the right to sue when their HMO denies them access to needed care. I commend the gentleman for that.

Mr. Chairman, I commend him particularly today for having the courage to help this House find a way to not only provide these rights to patients, these critical rights to access to specialty care, access to emergency room care, but also access to the right to sue, to provide these critical rights in a way that does two things. First, it restores power and control over our health care system to the doctors of America. That is what patients want. They want to have the right to the care their doctor recommends.

The Norwood amendment makes very clear that patients must exhaust the external panel review process so that the record shows doctors' review of doctors' decisions. In this era of exploding medical options, increasingly complex care, frankly we are going to need to have doctors reviewing doctors' recommendations to ensure that the patients' interests are best served.

Mr. Chairman, exhausting that panel review before patients get lawyers involved is critical. Otherwise we will do what the Dingell-Ganske bill does: We will simply take power from HMOs and give it to lawyers. This is not progress. This is not progress.

We want to return that power to doctors, and the Norwood amendment does that very clearly and very directly, and backs it up with a system that has two advantages. First of all, it shields the employer far more effectively than any other bill, by clarifying that patients can sue only the dedicated decision-maker who must be bonded.

Therefore, employers can have confidence that they will not have to drop their plans out of fear of being sued.

That is a tremendous strength of this Norwood amendment.

Second, the Norwood amendment is a simpler judicial process, a simpler legal system so that the costs do not explode. If the costs explode and the price of access to care and access to the right to sue is losing your health insurance, this is not progress.

Already premiums are rising rapidly. We see that: 15 to 20 percent this year when a 10–13% increase was expected and after double digit increases last year. In good conscience we must not add costs that do not benefit patients. We know from the history of malpractice insurance with doctors that until States controlled costs by adding tort reform or committees through which these proposed suits had to pass for approval, costs were extraordinary. Premiums leapt every year. And who paid? The employer and the employee. That is what is happening now. Employees are facing higher costs.

So the Norwood amendment not only guarantees these rights of access that are so critical to the quality of care and the right to sue, but it does it in a way that restores power to the doctors of our health care system. It does it through a legal structure that controls costs and protects employers who don't make medical decisions.

Mr. Chairman, those are my goals. The Norwood amendment fulfills them, and I commend the gentleman for his hard work.

Mr. Chairman, I am pleased to support the Norwood amendment. It puts in place strong patient protections in a responsible way.

Our goals are twofold: to guarantee patients access to the care they need and to guarantee patients right to sue if they are denied that care by their HMO. These patient rights are critical. Critical—but we must guarantee them without causing health care costs to skyrocket. Even without this legislation, premium costs are rising 15 to 20 percent a year and employees are carrying higher and higher co-payments and deductibles. We must not, indeed we cannot, in good conscience further increase costs without knowing for certain that the benefit will be directly realized by patients.

I support the Norwood amendment because it guarantees the rights patients need to access specialists and emergency room care, to elect an OB/GYN or pediatrician as one's primary care physician, and other rights of access. It also provides the crucial right to sue one's HMO, but it would do this in a way that we know from experience with certainty will contain costs.

Under this amendment, patients will have the ability to hold plans accountable for poor medical decisions. But it is designed in a way that is straightforward and provides limits on liability, which allows employers to plan for their obligations and continue to offer health care coverage to their employees. In the end, this is the best result for patients.

The Ganske-Dingell liability construct is completely unworkable and will promote litigation years into the future that will only benefit trial lawyers, and not patients.

We must learn from history, when malpractice liability skyrocketed, it drove good doctors out of certain practices and sent premiums skyward. Only when states stepped in and limited liability did costs come under control and Americans no longer faced prohibitive increases in health care costs. Unless we limit liability in our Patients' Bill of Rights, we will set off a similar cycle of escalating costs.

Even before we get to the issue of the size of malpractice judgments, there is the problem of limiting other litigation to which health plans, providers, and employers are exposed. Under the Ganske-Dingell bill, there will be a virtual explosion of litigation activity, because the language of the bill is so complex and subject to so many different interpretations! In contrast, under the Norwood amendment, the rules are clearly written, the lines of liability are clearly spelled out, and most importantly the causes of action available to patients are very clearly defined.

On this last point about causes of action, I would like to point out that under the Ganske-Dingell bill the availability of a cause of action depends on the interaction of state law and the 19 pages of requirements outlined in the bill. That alone will result in years of litigation just to determine jurisdiction and the elements of a cause of action. And that's before we even get to the patient's case.

I want to make one other point about simplicity versus complexity. Under the Ganske-Dingell approach, there are two groups that can be held liable for plan decisions—the "designated decisionmaker" and a "direct participant" in the decision. There are two separate processes for holding these different actors liable, and they are inconsistent. This alone will foster litigation, because plaintiffs will name everyone possible and the courts will have to sort out the liability.

In contrast, the Norwood amendment requires the naming of a designated decisionmaker and requires that the decisionmaker be bonded so that a plaintiff is assured of being able to recover damages.

The Norwood amendment is better for patients for another reason. Under the Norwood amendment, an external appeals process is used and it must be completed before filing suit. There is an exception that allows the patient to get an injunction from a court if irreparable harm will result from delay.

The benefit of requiring this external review is that doctors will be reviewing doctor decisions. The process is faster. In the end, if the external reviewers agree with the treating doctor's decision, the patient gets care immediately. Isn't that what this is all about? Getting the right care to the patient? And if the plan still refuses coverage, the patient has a good medical record to use in litigation, while still being able to get care and hold the plan liable for payment in the end as well as damages.

The message I have is quite simple: we can improve the health delivery system and protect patients; hold health plans accountable, and provide relief to the uninsured.

To this end, the Norwood amendment puts patients first. It will: ensure patients have a process to address benefit denials through an internal and external appeals process; grant access to emergency care services, regardless of cost; provide clear information to plan participants about their benefits and rights; allow parents to determine their child's caregiver; ensure women have hassle-free access to their obstetrician or gynecologist; allow sick or disabled individuals hassle-free access to the specialists they need; advance the goals of FDA modernization by granting access to approved, lifesaving products; ban gag clauses and incentives to deny care; treat cancer patients with new technologies, drugs and biologics; and hold health plans accountable for the decisions they make.

Let's stop the partisanship. Let's stand up for patients, not Washington divisiveness.

Consider your options and then make the right decision. Vote for the best choice.

Mr. Chairman, I yield 3 minutes to the gentlewoman from Washington (Ms. DUNN).

Ms. DUNN. Mr. Chairman, they say that success has many parents, and certainly in this very important debate over the Nation's health care, we have found many of those parents.

I think today that special credit ought to go to the gentleman from Georgia (Mr. NORWOOD) and to President Bush. Through the whole decade of the 1990s we debated these health care issues; only now have we been able to put in place the people who understand that they may have to give up a little to get a lot.

As of last night, we are thrilled that these parties have come together and provided us with what I think is a very good piece of legislation.

What do we mean when we talk about patient protection? What is the Patients' Bill of Rights supposed to add up to? I want to speak to it from the point of view of a woman.

Woman usually schedule their children and their family's health care. What are they looking to be protected from as we look at their health coverage? Everybody supports improving patient protections like prohibiting gag clauses which prevent doctors from talking to their patients about options in their health care that might not be covered by their particular plan. We do this in this bill.

Women are interested in finding a way to get immediate access to their pediatrician or OB–GYN. We do that in this bill. We do not require a gatekeeper to allow that person to pass through to where she needs to end up.

She is looking for a review process of people like physicians who really care about her best health interests. She wants her family to be safe and well cared for. We provide this kind of recourse in this bill, a truly independent group of health caregivers who are willing to talk with the individual, know her history and her family's history and want the best for her instead of requiring her to pass on to litigation and the courts.

We are looking for access to affordable health care. She often pays the bills. One way we provide accessibility to health care is by expanding medical savings accounts, something which is very popular in this Nation, which allows catastrophic coverage for people who generally are healthy. This woman wants to control costs and keep premiums affordable for her family.

We support medical malpractice reform. That is in this legislation. The physicians I represent already feel under siege by excessive regulations and spiraling liability insurance costs. Often they feel compelled to do tests that may not help this woman, but will keep these physicians out of court.

Today, we take the first step in reducing frivolous litigation by passing the Thomas malpractice reform amendment.

Mr. Chairman, I think it is time that we pass patient protection. It has been almost a decade that we have debated it. We have heroes now with us who have taken all of their time, all of their caring, President Bush and the gentleman from Georgia (Mr. NORWOOD). I congratulate them for their leadership roles by ending gridlock and by placing the American people first.

Mr. ANDREWS. Mr. Chairman, I yield myself 10 seconds.

Mr. Chairman, the gentlewoman from Connecticut is exactly right: Putting decisions back in the hands of doctors is what we are trying to do, which is why the American Medical Association strongly opposes the Norwood amendment and supports the underlying bill.

Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. TIERNEY), a small business owner.

Mr. TIERNEY. Mr. Chairman, for 5 years-plus Democrats and some Republicans have worked towards a Patients' Bill of Rights. The real heroes in this one are the gentleman from Iowa (Mr. GANSKE) and the gentleman from Michigan (Mr. DINGELL). On the Senate side, they are Senators EDWARDS, KENNEDY, and MCCAIN. Central to the effort is the need to stop unfair denial of access to medical care.

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Story after story has been heard in the past of people of all ages being denied appointments with specialists, being denied the right to seek emergency care when they reasonably believed they had an emergency. It is important when it is your child, and it is important when it is your parent.

Also central has been the need to hold HMOs accountable for their bad decisions that unfairly denied people the benefit of their doctor's advice or the care that they needed. Doctors and nurses have been held responsible for their actions but impersonal HMOs have been allowed to deny care, act arbitrarily and with impunity without being held accountable.

In all that time, the person who is now President of the United States first vetoed the Patients' Bill of Rights in Texas, then he opposed it and allowed it to become law only because it had a veto-proof majority and he did not even sign it. Then, of course, he took credit for it during the campaign. The majority of Republicans and Republican leadership resisted true patients' bill of rights reform vigorously. But in 1999, 68 people on the Republican side voted with GANSKE and DINGELL, they voted with the American people and with patients, they voted with the health care community of doctors and nurses. Then the GOP leadership in the Senate passed an HMO relief bill. The Senate and the House leadership conspired to let that good bill, the Ganske-Dingell bill, die in conference.

This year, the Senate passed the Ganske-Dingell bill as the Kennedy-Edwards-McCain bill. The White House panicked, the leadership over the other side panicked, and now they have found a way to kill true managed care reform. Under the guise of passing something that will not be vetoed, they attempt to bring forward a poison pill and provisions that give us a choice that is unpalatable. They want to gut patient protections, abandon patients and protect HMOs' bad practices. They want to pass a bad House bill, then let that die in conference when the Senate holds firm seeking real patient protection.

Mr. Chairman, this amendment is a joke. When people get a chance to read it, they will only be heroes that are consistent with where they have been, not those that have moved around and found themselves with the President's bad acts.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself 15 seconds.

I would like the record to note that actually we have more physicians and direct providers of health care supporting our bill and who were involved in the writing of the Fletcher-Johnson bill than in the other bill.

Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. CRANE).

Mr. CRANE. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, I rise in support of the Thomas-Lipinski-Fletcher amendment that will be offered later in the debate. I believe that any patient protection legislation must also address the needs of the uninsured. The Congressional Budget Office estimates that for every 1 percent increase in health insurance premiums, 200,000 to 300,000 individuals will lose their health insurance.

The underlying Ganske-Dingell bill is estimated to increase health insurance premiums by 4 percent. That is 800,000 to 1.2 million more Americans that will be added to the estimated 42.6 million Americans that are without health insurance. We must include provisions that will make health insurance more accessible and affordable to individuals.

I have long been a proponent of medical savings accounts. Individuals should be able to have access to quality health care and make their own provider choices. MSAs allow individuals to save, tax free, for their health care needs and shop around for the best quality care at the best prices.

The amendment makes structural changes to MSAs that will improve their effectiveness and make them more widely available. MSAs are making health insurance affordable for the first time to many Americans since MSA insurance policies usually cost about half of what the average HMO policy costs.

According to the Internal Revenue Service, 31.5 percent of all of those who established an MSA were previously uninsured. MSAs help bring these uninsured Americans into the insurance pool as opposed to being exposed to the risks of uninsured health care costs which are the source of nearly half of all bankruptcies in the entire United States.

In contrast, the underlying Ganske-Dingell bill makes only cosmetic changes to MSAs. The underlying bill only provides for a 2-year extension, raises the cap on MSAs from 750,000 to 1 million, and expands the definition of small businesses from 50 employees to 100 employees.

I urge my colleagues to support the Thomas-Lipinski-Fletcher amendment.

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. SOLIS), who joins with the American Medical Association in opposition to the Norwood amendment.

Ms. SOLIS. Mr. Chairman, I thank the gentleman for the opportunity to shed some light on what I believe my constituents in California are deeply concerned about.

Two years ago we passed some major, major HMO reform legislation. This new proposal that is before us will rip apart those very pieces of legislation that were put together very carefully over the past 2 and 3 years through negotiation with the stakeholders, with insurance, with doctors, with patients, with advocates. This legislation now would go back to the heart of our State and take away those assurances that many people in that State right now have protections for.

I cannot stand here today as a new Member of Congress and vote for a piece of legislation that is so deadly, because if someone becomes ill under this proposal after 6 years because someone has injected them with tainted blood, they cannot go back and sue that particular health care or insurance group that is providing coverage. That is disastrous. I know that people in my State and this country do not want to stand for that.

As one of the new Members of Congress, I ask my colleagues to vote against the Norwood amendment, the proposal that Mr. Bush is putting before us today and our colleagues from the right.

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. GEORGE MILLER), ranking member of the full committee.

Mr. GEORGE MILLER of California. Mr. Chairman, I thank the gentleman for yielding time.

Something very terrible happened last night. Up until last night, we had a competing contest over the question of protection of patients' rights when they engage their HMOs, when they were denied service and in that effort they were harmed, they were injured or they died and whether or not somebody would have to accept responsibility for that.

Then last night at the White House, negotiations took place and we went from a patients' protection bill to an insurance company protection bill. We changed the standard of care within an HMO from that of what a doctor, a medical professional, owes you to now a standard of care that an insurance claims processor owes you. A doctor can make a horrible mistake, an HMO can make a horrible mistake, an HMO can make a callous indecision about your care and their standard is that of an insurance claims processor. When people pay their insurance premiums, when people go to an HMO, when they engage their medical expertise, they do not believe they are engaging an insurance processor. But the insurance companies, the HMOs, have rigged this bill and rigged this language so that is now the standard of care.

Next time you go to visit your HMO, tell them you only want to pay them what you would pay an insurance claims processor because that is the standard of care. This bill and the Norwood amendment shows such insensitivity to families that have to try and negotiate, negotiate to get care, to get satisfaction, to get treatment for their family members. Maybe too many Members of Congress have not done this. I know what it looks like up close and personal when you are trying to negotiate with these people and you are denied care and you are delayed care.

This amendment is like some medical Bull Connor that is going to keep families from having access to care, from access to justice. It is unbelievable. It is unbelievable that we would do this to America's families at the end of this debate and we would so enhance the insurance companies to damage families and damage the people we love.

Mr. ANDREWS. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee (Mr. FORD), who joins with the health care providers and families of America.

Mr. FORD. Mr. Chairman, what happened last night, if the President is watching or the White House is watching, y'all did one heck of a job on my friend, the gentleman from Georgia (Mr. NORWOOD), who has been a champion, a stalwart on behalf of patients and consumers across this Nation, not just in Georgia. For those of you who thought what might have happened in Florida was good, what happened last night was that much better.

Everyone will recite some of the legal things and the legal changes in this bill, but the truth still stands. The only bill on this floor that will be considered today that provides clear and enforceable rights for patients, clear lines of accountability for decisions made by either employers or insurance companies is the Ganske-Dingell-Berry legislation.

I have great respect for the gentleman from Georgia (Mr. NORWOOD) and will continue to hold him in high regard. I have great respect for the gentlewoman from Connecticut (Mrs. JOHNSON) and the gentleman from Kentucky (Mr. FLETCHER). But for those of you interested in providing clear patients' rights, enforceable patients' rights, holding those accountable, those who make medical decisions, you have one clear choice, the American Medical Association's choice, Republican Members in the Senate including Mr. MCCAIN, and those of us on our side: the Ganske-Dingell-Berry bill.

Vote for patients, not the insurance companies.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia (Mr. NORWOOD).

Mr. NORWOOD. Mr. Chairman, I am always stimulated to respond when my friend, the gentleman from California (Mr. GEORGE MILLER), stands up and does always such a good job, but maybe a little clarification would be in order.

I think all of you know that the good work in the bill that has been done by all of us solves a lot of problems because just of the external review. You get most things corrected there, which has always been our intent. But to say that a patient that has been denied care and is then harmed has no recourse through our amendment is just not true. If they are denied care through our amendment, they have a cause of action and they have a cause of action, most of them, in the States, which is where we want to be, they have a cause of action for the denial or the delay of care.

Let me further say to you, and I think I can say this also for the President, we want to be as sure as we possibly can we do not preempt other causes of action at the State level. I know that can be debated whether the language actually does that or does not, but that is pretty common as I understand it between lawyers for one set of lawyers to believe language says one thing and another set of lawyers believes language to say the other, but you just need to know my intent is to make sure at every way I can do that we do not preempt other causes of action at the State level and that is going to be my intent through conference. I am happy that the President agrees that that is our intent. If for some reason when we get into conference that that language is not worked out, I am going to be in there slugging out for it, because that is my intent as well as it is your intent.

Just do not say there is no recourse for a patient who is harmed, that is denied care or delayed care. There is recourse.

Mr. ANDREWS. Mr. Chairman, I yield myself 1 minute.

I appreciate the fact that the gentleman from Georgia's intent is not to preempt these claims; but with all due respect, that is not what his language says. On page 15, line 16, delivery of medical care claims are preserved but everything else is not. Is not.

I yield to the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Chairman, I thank the gentleman for yielding. I think also if you read the language that they borrowed from the ERISA statute, they now have taken the determination that it is not a standard of medical care no matter how flawed the process is, no matter how egregious the medical malpractice is. The question will be not with the medical professionalism, but it will be whether it passes the review of an insurance industry muster of the acceptable standard of claims.

It is very clever what you have done here, but you have moved from a medical standard to an insurance claims processor on whether or not I have had medical malpractice. You do not get to review the medical standard.

Mr. ANDREWS. Reclaiming my time, this with all due respect is what happens when you start drafting a bill at midnight and finish at 7 o'clock in the morning.

Mr. Chairman, I yield 1 minute to the gentlewoman from Florida (Ms. BROWN), a fighter for working families in Florida and throughout the United States.

Ms. BROWN of Florida. Mr. Chairman, during last year's campaign, a patients' bill of rights was the top priority of the American public. But just like the Presidential election, the American people are not getting what they voted for.

The President and the leadership of this House is pushing amendments that are a complete sham on the American people. Instead of a patients' bill of rights, they are pushing an HMO bill of rights. The Republican amendments side with special interests over patients, provide special protections for the HMOs, and roll back patient protections.

In last year's election, the Green Party candidate claimed that there was not a dime's difference between the Democrats and the Republicans. I can guarantee Mr. Nader and the rest of the American public if we had a fair election, we would really be debating a patients' bill of rights and also a prescription benefit for our seniors.

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The American people deserve quality health care. I ask my colleagues to do the right thing for their constituents, not the big insurance companies. Vote for a real Patients' Bill of Rights. Put the doctors back in charge of medical care, with insurance company accountability, that sometimes kills and harms patients.

Mr. ANDREWS. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from New York (Mr. ISRAEL), who has listened to the doctors and patients of Long Island.

Mr. ISRAEL. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I have only been here in Congress for months, but I have already learned some interesting lessons. Only in Congress can we weaken patient protections, and call it stronger; only in Congress can we protect the HMOs, and call it a Patients' Bill of Rights; and only here can we protect profits, and say we are protecting patients.

Mr. Chairman, I believe in compromise. I came here to try and compromise. But the only thing compromised in the majority's bill is the fundamental right of doctors, nurses, and their patients. The only true Patients' Bill of Rights, Mr. Chairman, is Ganske-Dingell-Berry, and that is what we should pass today.

Mrs. JOHNSON of Connecticut. Mr. Chairman, it is my pleasure to yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I thank my colleague for yielding me time.

Mr. Chairman, I listened with great interest to what has slowly evolved into sloganeering, rather than finding solutions here on the House floor.

It has been interesting, Mr. Chairman, to hear talk about coming together to find some solutions, and now to hear the refrain from the left, it is kind of like that old country song, "That Is My Story, and I Am Sticking to It." It is almost the equivalent of legislative hypochondria.

Now, look: we have a solution and a commonsense compromise crafted by the gentleman from Georgia, the President of the United States, and thoughtful Members from both sides of the aisle. And one thing I agree with is my colleague from Florida, who said put doctors in charge of health care, that is absolutely right. The tragedy of the product offered from the left is that it again seeks to put the trial lawyers' lobby in charge.

Now, like any good piece of legislation, we have come together here. There is quality care here, there is a level of care here, there is an appeals process here. There is a protection device to ensure the sanctity of the relationship between the physician and the patient. That is the key.

But, again, the left will tell us, no, the trial lawyers' lobby must be there, solutions need to come in court rather than in the clinics; and, worse yet, if we come together, no, no, we cannot have that, because it is much more enticing to have an issue than a solution. It is much more politically feasible to continue to indulge in rhetoric, rather than deal with a real solution.

Now something has been crafted to find the hard-won compromise, to deal first with health care, and to say both to insurance companies and to the trial lawyers, neither group gets in the way, quality health care is dependent on the sanctity of the physician-patient relationship.

Mr. ANDREWS. Mr. Chairman, I yield myself 15 seconds.

I agree with my friend from Arizona that doctors should be the decisionmakers, which is why the AMA today said, "Representative NORWOOD made a sincere effort to find a workable compromise, but the resulting effort is seriously flawed, and we oppose it. It helps HMOs more than it helps patients."

Mr. Chairman, I am pleased to yield 1 minute to my friend, the gentleman from Tennessee (Mr. CLEMENT).

Mr. CLEMENT. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, this is a serious matter. We have heard from doctors, patients all over the country, and we want some relief now. I was hoping the conversation that the gentleman from Georgia (Mr. NORWOOD) had with the President would bring about some fruition. Unfortunately, we now feel like we have been whitewashed, we have not solved the problem, that we have caved in.

Therefore, I do not think any of us have a choice but to go along with Ganske-Dingell, which is a bipartisan approach, in order to solve some of these difficult problems that so many people are having with HMOs.

Just think of someone in their 20's that is injured, has a couple of children, sustains a terrible injury, loses income, debts to pay, extended health care services, theoretically going to live for 40 to 50 years. They are not going to get the help that they need under the Norwood bill. That is why we need to get behind the Ganske-Dingell legislation, which is bipartisan legislation that will solve this difficult problem, and let the patients and doctors be in control of their health care once and for all.

Mr. ANDREWS. Mr. Chairman, it is my pleasure to yield 1 minute to the gentleman from New Jersey (Mr. HOLT), who echos the views of the New Jersey Medical Society in opposing the Norwood amendment.

Mr. HOLT. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, my wife is a general practice physician. It is kitchen table conversation for us to talk about the change in recent years in the doctor-patient relationship and what has made it so difficult to practice medicine.

Well, the Ganske-Dingell bill addresses that. This hurried bill, this amendment that was thrown together in the middle of the night last night, is no help. It is not a compromise. It puts HMOs in a unique privileged position in American law, and that is why the AMA, the New Jersey Medical Society, patients groups and individual doctors and patients all across America understand that we should go with the Dingell-Ganske approach to patient protection so that we can restore the doctor-patient relationship.

Mr. ANDREWS. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, the New Jersey Medical Society, in a statement by its President, my dear friend, Dr. Angelo Agro, assisted by my friend, Dr. Joseph Riggs, has called this "the coldest day in August."

The gentleman from Iowa (Mr. GANSKE) read earlier from it, but I wanted to make clear: "The basis for the New Jersey Medical Society's opposition is their correct conclusion that the Norwood amendment wipes out the very strong patient protection law which we in New Jersey enacted last week."

Mr. Chairman, I yield 2 minutes to my friend, the gentleman from Massachusetts (Mr. TIERNEY).

Mr. TIERNEY. Mr. Chairman, I thank the gentleman very much for yielding me time.

Mr. Chairman, I would like to provide a copy of correspondence made available from three notable professionals in health care law and policy, Sarah Rosenbaum, David Frankfort, and Rand Rosbenblatt from the George Washington University School of Public Health and Health Services, Rutgers University School of Law in Camden, in the latter two cases, and make it available to the gentleman from Georgia and others, because I think now, in the light of day, as opposed to the midnight oil burning at the White House, you can see that reasonable professionals that deal with this every day indicate that this particular amendment that is going to be proposed would change the law to the detriment of patients, would change the law to the detriment of those people that rely on this body to protect their interests.

It establishes an entirely new level of policy here where, no longer is the standard of care what is existing in the medical profession, but, as the gentleman from California (Mr. GEORGE MILLER) says, what goes on in the insurance industry. It goes beyond that and just basically makes sure that States that have protective rights in there get those thrown out the window, so that all the States, whether it is Massachusetts, whether it is New Jersey, whether it is Florida, they put in protections for their particular people, for patients in their State, they are now out the window, thanks to the largess of the gentleman from Georgia and the White House.

That is wrong. I do not think that is what the gentleman intended, and I would expect upon reading it and now being knowledgeable of it, the gentleman would change his mind.

Mr. GEORGE MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. TIERNEY. I yield to the gentleman from California.

Mr. GEORGE MILLER of California. Mr. Chairman, I think it is a very important point the gentleman is making, and that is that what we are doing here is without consultation, but one session at the White House, decisions made in the dark of night, we are overturning, as they point out, 200 years, 200 years, of a standard of care that individuals and their families knew they had when they engaged the medical profession, a hospital, the health care organization, the standards of a medical professional. If your doctor, your health care provider, violated that standard, you could get redress.

Now we are moving from that standard to the standard of a health insurance claims processor in the review. So no matter how flawed, no matter how flawed this review is, if it passes insurance company tests, it is fine; not the standard of care of the medical profession that we have had for 200 years protecting families in this country.

Mr. TIERNEY. Mr. Chairman, reclaiming my time, it goes beyond that. No longer will you have to have a proximate cause be the conduct of decisionmakers, but the cause. In a complex area like health care, that is a dangerous thing, and I think the gentleman would agree.

Mr. ANDREWS. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, the Hippocratic Oath says, "First do no harm." But HMO corporate charters say, First give no treatment and see what happens next.

I have supported the passage of a patients' bill of rights, and I will continue to do so until this Congress acts in a responsible manner and passes a strong, meaningful and enforceable patients' bill of rights.

But what we are being forced to do today is a travesty for the American people, who are going to believe they will now have rights and can stand up to HMOs when they are harmed. Instead, they will continue to be deprived of the type of care that every American is entitled to receive.

If we weaken the Ganske-Dingell bill with the Norwood amendment, we will continue to have HMOs deny care and go unpunished. We will continue to have doctors making decisions based on profit margins, not patient needs. We will continue to have HMOs pressuring doctors to deny referrals; to skimp on care; and to fear retribution by corporate executives, who are concerned with profits, not patients.

We need to pass legislation that gives doctors the power to provide the care that they have sworn to provide. I am not concerned with closed-door agreements, legislative victories, or making good on campaign promises. I am concerned about patients.

So I urge everyone to vote against the Norwood amendment and the Thomas amendment and vote for the Ganske-Dingell patients' bill of rights and reject the majority's attempts to pass an HMO bill of rights.

Mr. ANDREWS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is very important for the Members to understand that the Norwood amendment, which will be presented as a patients' bill of rights, is most certainly not a patients' bill of rights. It is a mirage. It appears to be a refuge from mistreatment by managed care companies, but it most certainly is not.

In order to get to court to get the law enforced if an HMO does something wrong, you first have to go through an external review process, and, if you lose the external review process, the Norwood amendment vests that process with unprecedented powers in American law. It says if you lose, there is something called a rebuttable presumption against you. That means instead of having to move the ball to the 50-yard line on the field, you have to move it to your opponents's 10- or 20-yard line.

He who has the burden of proof loses, and you would lose in most cases if you had to bring the suit this way.

Second, if you are lucky enough to get past that one, you then have this new Federal cause of action, and we will talk about this later. But it appears that if the HMO is the sole cause of your injury, you can recover; but if it is one of many causes of your injury, you cannot, because the original bill says that your injury has to be a proximate cause, not the proximate cause, which is in the bill drafted in the wee hours of the morning that is before us tonight.

If, by some chance, you are able to overcome these problems and win, we have an artificial limitation on what you can recover. If you buy a defective toaster and it blows up and ruins your eyesight, you are able to recover whatever the value of your injury happens to be. But if you are denied the right to see an oncologist by an HMO, we put a price tag on that. It cannot be worth anything more than $1.5 million.

Then there is the problem of the hospital and the doctor sitting side-by-side at the defense table next to the HMO. The hospital and the doctor will have their claim against them decided under State law.

□ 1630

But the HMO has an exalted, special status. The HMO has this new overnight, ready-mix cause of action. The doctor and the hospital will have their claims decided under State evidence laws, State procedure, State discovery, State privileges.

We do not know what will apply to the HMO, because it is not in the bill; we will make it up as we go along. And when you get to the point where the verdict has been rendered, if, let us say, there is a $10 million verdict and there is what is called joint and several liability, which means the patient can go after any of the three defendants to collect, well, you can collect an unlimited amount against the doctor, and you can collect an unlimited amount against the hospital, but we, with our one-size-fits-all solution, all of us States' rights advocates say, you can only collect $1.5 million against the HMO.

This is a Pandora's box. If my colleagues believe in the rights of doctors, listen to the American Medical Association, which rejects the Norwood amendment. If my colleagues believe in States' rights, listen to the coalition of groups that support the underlying bill.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself such time as I may consume.

Let me set the record straight on a couple of specific things. First of all, there is nothing in the amendment at all that changes the standard of care, and all of the heated speeches of the other side that implied that were simply wrong. We do not change the standard of care.

Secondly, according to a Department of Justice letter, both the Norwood language and the Ganske-Dingell language contain express provisions which preserve certain traditional State law causes of action concerning the practice of medicine or the delivery of medical care. The language of both these underlying bills, both the underlying bill and the amendment, indicates that these provisions would allow, for example, claims under the Texas statute as interpreted in corporate health to go forward.

Mr. Chairman, I yield the remainder of my time to the gentleman from Louisiana (Mr. MCCRERY).

Mr. McCRERY. Mr. Chairman, I thank the gentlewoman for yielding.

First of all, let me explain so everybody understands, there is no limitation in the Norwood amendment for economic damages. In other words, a plan, a person, a patient who was injured by a health plan's actions can recover the full extent of his economic damages, all his medical bills, all his lost wages, future lost wages. That is not at issue. That is not limited under Norwood.

What is limited under Norwood is what we call "general damages," pain and suffering, mental anguish, things that cannot be quantified and punitive damages.

Mr. Chairman, the Norwood amendment is the best thing that this House has before it today to solve the problem of HMO abuse, of patients not having real access to recovery under Federal law today. I agree that it is not sufficient. Federal law today is not sufficient to allow a patient to redress wrongs done by a health plan.

But the Ganske-Dingell bill goes way too far. It really endangers the health care system as we know it. It will increase the costs of the health care system, and that is the last thing we need in this country.

When we talk about damages and unlimited damages and we keep talking about the AMA, I will refer my colleagues to some testimony by the AMA. In 1996, Dr. Nancy Dickey, the then-Chair of the AMA board of trustees testified, "Placing limits on punitive damage awards without simultaneously addressing noneconomic damages would lead to gaming of the system. If only punitive damages are capped, leaving noneconomic awards with no ceiling, plaintiffs' lawyers would simply change their complaints to plead greater economic damages."

The Norwood amendment rightly takes account of that reality and does place a limitation on noneconomic damages as well as punitive damages.

Mr. Chairman, the Norwood amendment seeks to give patients redress and yet not clog the courts, not open wide the gates of litigation. The Norwood amendment will allow patients to get that relief most quickly. They do not have to go through the courts. We provide for an expedited review by a panel of physicians and, after all, I think that is what everybody has been begging for is for doctors to make medical decisions. The Norwood amendment does that.

It is the superior bill before us. Let us adopt that and do something for patients in this country.

Mr. BOEHNER. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, just 6 months into his Presidency, President Bush has worked with the gentleman from Georgia (Mr. NORWOOD) and the gentleman from Kentucky (Mr. FLETCHER) to bring 6 years of gridlock to an end.

I remember when I met the gentleman from Georgia in the autumn of 1994 down in Georgia; he was running his first campaign. As we went around his district that day, his constituents were eager for health care reform, and I think Americans today are just as eager for reform of the health care system. Families are worried about soaring costs, they are worried about declining access, and they are worried about access to quality health care. I think they want a reasonable solution.

Seven years later, families are still waiting for that solution. The number of uninsured Americans remains very high, at some 43 million today, and health care costs are on the rise once again. Cost and access remain the top two health care concerns of most Americans.

But Americans today are also concerned about the quality of coverage they receive for managed care, and they want a comprehensive solution to the problems that they see each and every day. But as much as they want a solution, they want a balanced approach that will let patients hold their health plans accountable without sending costs spiraling into the stratosphere and increasing the ranks of the uninsured.

There is no one, no one in this Congress over the last 6½ years who has done more to bring this issue to our attention and to bring it to the attention of the American people than the gentleman from Georgia (Mr. NORWOOD). He has put his heart and his soul into trying to find a compromise, trying to find a solution for this problem that we have been locked in over the last 6 years. I think what he wants and what he has said oftentimes to all of us is that he wants a bill signed into law.

Well, I think the President shares that goal. I share that goal, and I think the American people share that goal. They want a solution that will be signed into law, and I think that we finally have that solution.

I want to thank the gentleman from Georgia (Mr. NORWOOD) and I want to praise the President for reaching out to him and other Members in trying to find a solution to 7 years of legislative gridlock.

The underlying bill that we have before us causes me great concern, because I do believe it will raise costs for employers and their employees who share in the cost of their health insurance. Secondly, the underlying bill, in my view, will cause many employers to simply drop their health care coverage for their employees. That is not what the American people expect from their Congress.

One of the real strengths of the Norwood approach is that it is balanced, is that it will bring patient protections, it will increase access to courts, it will bring new remedies, but it will contain them so that we do not drive up the cost of health care for American employers and their employees. But I think the proposal that we have before us is a hard-earned compromise, and when we compromise here, it is the American people who win, and they are going to win when we pass this bill later on tonight.

Mr. Chairman, I reserve the balance of my time.

Mr. STARK. Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts (Mr. TIERNEY) to set the record straight.

Mr. TIERNEY. Mr. Chairman, I thank the gentleman for yielding me this time.

The only thing that has been compromised here with the Norwood amendment is the rights of the American people as patients. In 6 months, the President has done to this bill what he was unable to do in Texas: he has killed those rights of the American people.

I wish the gentlewoman from Connecticut had stayed longer, because she would realize that in the second sentence of the applicable section of the Norwood amendment, what appeared to be giving States rights is taken away, in essence, what appears to be a preemption for the managed care industry of all underlying State law related to health care quality.

On economic damages, yes, you can get the money for the cost of your operation back, but now this law is going to tell you what your arm is worth, what your eyesight is worth, and the limit is quite low.

Lastly, we spent over 5 years trying to deal with an industry that we do not trust, that has made bad decision after bad decision, that the American people have recognized; and the way this amendment deals with it is to say that when you are sick, when you are down and out, you do not just have to prove that you are right by the preponderance of the evidence, as anybody else would with any other type of claim, but you also have to overcome a presumption that is a rebuttable presumption.

This is the HMO protection act. This is something done in the dark of night. I wish the gentleman from Georgia and others had had a chance to get enough light to read its provisions, because if they did, they would know that the only thing the President has done here is what he could not do in Texas: kill patients' bills of rights, kill protection for patients.

We can do better and we should do better. Let us hope the Senate, in conference, can at least get us back on track.

Mr. BOEHNER. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina (Mr. BALLENGER), the former chairman of the Subcommittee on Workforce Protection of the Committee on Education and Workforce.

Mr. BALLENGER. Mr. Chairman, I thank the gentleman for yielding time.

As most of my colleagues know, I have continually criticized the Norwood-Dingell-Ganske bill because of the liability language which threatens the employer-based system of health care. The gentleman from Georgia (Mr. NORWOOD) continually promised me that my company back home in North Carolina would not be sued because of his legislation. I did not believe him. I had 250 insured employees to worry about who might lose their insurance if the trial lawyers got their way.

Well, with the adoption of the Norwood compromise amendment crafted with President Bush, I am now confident that employers will be protected when voluntarily providing health insurance, just as the gentleman from Georgia told me they would. The Norwood amendment excludes employers from being held liable for selecting a health plan, choosing which benefits are available under the plan or advocating on behalf of an employee for coverage.

This amendment also adds the ability for employers to choose a designated decision-maker who will have the sole liability for benefit determinations. These are all essential to protect the employer-based system of health care, protect them from trial lawyers.

Mr. Chairman, in an ideal world, Congress should be considering legislation to tackle the problem of 45 million uninsured Americans. Unfortunately, we are not there yet. But we can make a good start by not only voting for the Norwood compromise amendment, but also the Fletcher amendment to increase access to health care. Through medical savings accounts and associated health plans, we will finally begin attacking the looming problem of the uninsured.

By voting for both the Norwood compromise amendment and the Fletcher access amendment, we protect both employees and employers under the successful employer-based system in place today and start to provide health care for millions more.

Mr. Chairman, I strongly urge my colleagues to vote for these amendments and with their adoption, the final passage of the Bipartisan Patient Protection Act. Protect us all from the trial lawyers.

Mr. STARK. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, this is, as many speakers have said before, a sad day for those of us who are neither lawyers or physicians, but from time to time become patients in the medical delivery system. Because what my Republican colleagues have done under the leadership of the President of the United States and the Republican Speaker of the House is just sold out the insurance companies and created a system for the very richest people in the United States.

One might say, there they go again, harming the average working person and bailing out the rich insurance companies, the rich pharmaceutical companies, the rich managed care companies, and making it easier for them to make a profit by denying us care. There is no other way that a managed care company makes a profit, except to withhold care, pay less for it, give us less quality, or harm us.

I am sorry that the gentleman from Georgia (Mr. NORWOOD) sold out for a brief display of the Rose Garden. I am sorry that many of my colleagues would like to make this an issue of trial lawyers.

I would suggest to my colleagues that the American public, when they are faced with a pharmaceutical company or Aetna Life Insurance Company, are going to trust the trial lawyer a whole lot more. And when the doctor cuts off the wrong leg or when care is denied, that doctor is not going to do anything to bring back a loved one, that doctor is not going to redo the procedure. That doctor is going to run and hide.

And the only way we will get the doctors to do the right thing is to take them to court occasionally and make them live up to their professional creed, which we are not seeing much of here in the House today.

□ 1645

I hope that we will continue to support the Ganske-Dingell legislation which is a compromise. It comes close to the Senate bipartisan agreement which again is a compromise. These two bills, when fit together, will do a lot to provide those of us who use managed care with a reasonable certainty that we will be treated fairly, our medical decisions will be decided by people with medical experience and qualifications and not by clerks who will deny care to make a bonus or a profit for their company.

I think we will find that the cost of medical care will not go up as it has not in States which have these programs. The quality of medical care will improve; and who knows, we may find that we may expand coverage to those 40 million people that the Republicans have chosen to ignore.

Mr. Chairman, I reserve the balance of my time.

Mr. BOEHNER. Mr. Chairman, I yield 3 minutes to the gentleman from Kentucky (Mr. FLETCHER), who spent months and months developing this issue.

Mr. FLETCHER. Mr. Chairman, I certainly appreciate the work that has been done by the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce; and as he has excelled in education, now he has certainly excelled in this issue of protecting patients.

Yesterday was a very fine day for the patients across America. After months and months of negotiating, the gentleman from Georgia (Mr. NORWOOD) agreed that it was time to strike a very good compromise, something that was focused on patients. I certainly appreciate the work of everyone that has been doing a great deal regarding this issue over the last 6, 8 years.

But one thing I think we must realize is that we need to have a patients' protection bill that will be signed by the President, one, that makes sure that we stress the quality of health care; two, that we protect access to health care and consider the uninsured; and, three, we hold HMOs accountable. We do that with the Norwood amendment.

It is surprising the respect that the gentleman from Georgia (Mr. NORWOOD) has across this Nation. According to the majority leader in the Senate, he is the most respected voice on patient protection across this Nation. Now because of political reasons, the other side would change their tune because they are more concerned about politics than they are the health of patients.

We have 43 million uninsured in this country, 10 million more than a decade ago. Nearly 40 percent of uninsured adults skipped a recommended medical test or treatment, and 20 percent said they did not get the needed care for a serious problem in the last year.

The uninsured are more likely to be hospitalized for avoidable conditions such as pheumonia and uncontrolled diabetes, and are three times more likely to die in the hospital than an insured patient. That is a striking, a very striking statistic from the Journal of the American Medical Association. It is beyond me how the other side, who has always talked about the most vulnerable in our society, low income and minorities, how they could show such a flagrant disregard for the uninsured, willing to drive up the costs with the frivolous lawsuits to favor the personal injury lawyers over the patients.

It is striking to me how they can ignore this particular fact and the impact of having more uninsured in this Nation will have on the health of Americans. We need to come together, lay aside politics and make sure we cover the uninsured.

That is the reason why I am glad we provide some access programs in the amendment through association health plans to allow small businesses to come together to be able to reduce the cost of premiums from 10 to 30 percent and allow some medical savings accounts.

Again, I appreciate the work that is been done on this by a number of individuals. I certainly want to thank the President for his passion of making sure we get patient protection. I want to encourage everyone to support the Norwood amendment to the Ganske-Dingell bill.

Mr. STARK. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Iowa, Mr. GANSKE.

Mr. GANSKE. Mr. Chairman, I thank the gentleman from California (Mr. STARK), and I thank the gentleman from Kentucky (Mr. FLETCHER).

The underlying Ganske-Dingell bill does have access provisions that I think are bipartisan, for instance, 100 percent deductibility for the self-insured and other small business provisions to help increase access. There will be an amendment on the floor for that that will get debate on further access provisions, and I think that debate will be a fruitful debate.

Mr. STARK. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Mr. Chairman, first I would like all the Members to join me in congratulating the gentleman from California (Mr. STARK) for becoming a father with twins born to Deborah. We know that August will be a very busy month for him.

Mr. Chairman, I want to respond very briefly to the points of the gentleman from Kentucky (Mr. FLETCHER). Most of the protections in the Patients' Bill of Rights, many of our States have passed laws that provide that to state-regulated plans. There is no evidence that employers have dropped coverage. The enactment of good medical policy will not reduce the number of people insured in this Nation.

Mr. Chairman, let me point out, many people have said that the Bush-Norwood agreement is a compromise.

It is not a compromise; it is a complete victory for those who oppose a Patients' Bill of Rights. We will take a look at some votes later today, and I think that will be borne out by the people who will be supporting the amendments and those who will be opposing them. This really is a victory for people who want to see us do nothing.

Let me just give one example. Mr. Chairman, I have been working many years with colleagues on the other side of the aisle for access to emergency care protection so that people who go into the emergency room, who have emergency symptoms, find out later that their bills will in fact be paid. We have, in many cases, people going to the emergency room with chest pains, only to find out that they did not have a heart attack, but they have a heart attack later on when their HMOs refuse to pay the bill.

We provide protection in this legislation to deal with that, in the underlying bill. But when we look at the amendment that the gentleman from Georgia (Mr. NORWOOD) will be offering, we give with one hand and take away with the other. We say we give protection, but we offer no enforcement, so the HMOs can continue to deny reimbursement without any fear of any repercussion from their actions. That is not providing patient protection. That is not doing what we should be doing here in this body.

It is even worse than that, Mr. Chairman, because there are certain protections that have been afforded by our States. Forty-one States have passed an external review. That is where people can go to their insurance company, to their HMO, and have a review done by an independent body. Forty-one States have now enacted an external review that is now providing help to those plans that are regulated under State law. So what does the Norwood amendment do? It preempts our 41 States.

My colleagues on the other side of the aisle talk about federalism and protecting the rights of States. The Norwood amendment will preempt the State laws in those areas, and take away protection that the States at least have had the courage to provide to its citizens that are regulated under State plans.

That is not what we should be doing. A Patients' Bill of Rights protects patients. The Norwood amendment will take it away. Vote down the Norwood amendment.

Mr. BOEHNER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I had a personal experience with my chief of staff who had what was diagnosed as incurable cancer, had a gatekeeper problem, and I became one of the first cosponsors of the gentleman from Georgia (Mr. NORWOOD) when he initiated his initial legislation.

We talked about the Norwood amendment today. We went over the fact that one is going to have accountability, and yet, they are not going to have so much exposure that small businesses will be denied coverage.

The key element in this entire debate has been balance. This approach is well-balanced. It is going to enable small businesses to have coverage. It is going to have accountability. It is going to move us forward. My old friend and I had a good discussion this morning, the gentleman who was most concerned about this who had incurable cancer. He looked at this thing and he says, this is what we need. Support the Norwood amendment.

Mr. STARK. Mr. Chairman, I am happy to yield 2½ minutes to the distinguished gentleman from Wisconsin (Mr. KLECZKA).

Mr. KLECZKA. Mr. Chairman, it is amazing to sit here and listen to the debate, how a person can go in less than 24 hours from an SOB to a PAL, and there is such glowing praise for one of the Members of this body. Wow, where was that praise last year? Where was it 5 years ago when he introduced the Patients' Bill of Rights? What a turnaround.

I know the White House operatives have been looking for somebody to bring forth a poison pill to this bill. The insurance companies, the HMOs, do not like it. The Republicans do not like it; the President does not like it. So what we do in this legislation is sell out the patients.

The operatives in the White House came here and were looking for someone to do the poison pill. They looked at the gentleman from Michigan (Mr. DINGELL) and did not get too far there; they looked at the gentleman from Iowa (Mr. GANSKE) and did not get too far there; then there is a new and sort of popular TV show which I think sums up what happened. My friends, it is called The Weakest Link. They found the weakest link.

So, in a hurried fashion, we are presented with that change, which gives insurance companies privileged status; status that doctors do not have, hospitals do not have, but HMOs, health insurance companies, will have under this bill. I think that is sad.

Now the opponents of the real Patients' Bill of Rights bill say premiums are going to go up 4 percent. Hundreds of thousands of people are going to lose their health insurance. What is that based on? That is based on a real Patients' Bill of Rights passing, the HMOs not changing their bad practice of denying care to sick people, and all of them being sued. That is what it is based on.

However, if a real bill would pass, we know they would change their behavior. No one wants to be sued. But what happens under this bill? They do not have to change their behavior. They can deny us care, ending up in injury, possibly death for the patient, and under the special protections, the preemptions of State laws throughout the country, they are not going to get hit.

I ask my colleagues to reject Norwood, or in other words, good-bye.

Mr. BOEHNER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I say to my colleagues, I am confused. We have been through 6 years of legislative gridlock on this issue. They all know it. It has been not exactly a partisan divide, but almost.

Finally, the President of the United States reaches out on a bipartisan effort over the last 6 months, does not get many takers on the other side of the aisle, but finally over the last couple of weeks he and the gentleman from Georgia (Mr. NORWOOD) come to an agreement to break this legislative logjam and to move this issue down the road.

It is beginning to sound to me like it is "my way or the highway." Members all know compromise is the art of legislating. I think what we have before us is a bill that only is different in one respect, and that is just how much liability, how much right to sue, and how many damages we can impose on people. That is the only difference in this bill.

The American people want access to health care, not access to the courtroom.

Mr. STARK. Mr. Chairman, I am happy to yield 3 minutes to the gentlewoman from Florida (Mrs. THURMAN), who, unlike previous speakers, has read the bill.

Mrs. THURMAN. Mr. Chairman, I thank the gentleman for yielding time to me.

I would say to my colleague who talks about gridlock, that is wrong. This House, that Senate, passed a bill, Senate to conference, and would not by the majority put on conference committee members who voted for the bill that the House voted for.

□ 1700

So if my colleague wants to talk about gridlock, the gridlock has been because the other side would not allow people to have the will of the House, and they do it over and over and over again.

But let me make a point. When I come to this floor to vote today, my mind is not going to be on the gentleman from Georgia (Mr. NORWOOD) or the gentleman from Michigan (Mr. DINGELL) or the gentleman from Arkansas (Mr. BERRY) or any of them. My mind is going to be on one person.

This is an editorial that was written by the editor of our newspaper. Roz is your typical over-achieving college kid. She is a hard worker and extremely intelligent. As she graduated from college, she and her whole life are in front of her. But several years ago Roz found a small lump in her breast. Being a smart kid, she contacted her HMO and was referred to a physician. When she went in for an exam she was told the small lump was a torn ligament or muscle and it would just go away. The HMO physician decided that no further expensive tests were needed. But the lump did not go away. In fact, it grew larger.

After a second visit to her HMO-assigned physician, she was told again that the lump in her breast was a muscle; no expensive tests were needed. When Roz went home to her parents for a holiday break, they sent her to a family physician who conducted the expensive test. It was then determined that Roz had breast cancer. The cancer had been with her so long that it had spread to her brain and her spinal cord. She died at the age of 25.

I want a bill, whether the President signs it or not, that takes care of Roz. She will be on my mind when I vote tonight.

Mr. BOEHNER. Mr. Chairman, how much time is remaining?

The CHAIRMAN. The gentleman from Ohio (Mr. BOEHNER) has 10 minutes remaining and the gentleman from California (Mr. STARK) has 7 minutes remaining.

Mr. STARK. Mr. Chairman, I yield 3½ minutes to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Chairman, a patients' bill of rights should be about helping patients: someone who has just received the bad news from her doctor that she faces a life-threatening illness requiring extensive and expensive medications, a parent, who has a child with a serious disability, a family that has been shocked by an accidental injury to a bread winner. With the patient already at a disadvantage, and then further disadvantaged by an abusive insurance company, this Congress has to decide today whether it wants to provide patient protections or insurance loopholes.

The kind of bill that is being advanced by our Republican colleagues is a little like the fine print of some worthless insurance policy that promises much, but in the fine print limits coverage only to those struck by lightning on a summer's midnight during leap year. That is the kind of protection, riddled with countless loopholes for insurers, that Republicans would afford.

In Texas, we stood and chose. We chose the patient and adopted a model law that the rest of the Nation has looked to for our patients' bill of rights. We adopted that law, it should be noted contrary to the suggestion today, not because of, but in spite of then Governor George W. Bush, who fought it every step of the way, who tried to undermine it, as he has this bill, who vetoed the state legislation once before it became law. He finally let it become law without his signature as he worked hand-in-glove with the insurance companies in Texas in making the very same arguments that are being advanced here today.

Our Texas law has worked well. Our newspaper in the capital city, the Austin American-Statesman, editionalized that this law had "changed the health care climate in Texas." Yet there was a serious problem. The courts interpreted an old Federal law called ERISA, designed originally to protect employees with their pensions, as overriding or preempting our state patient guaranties. This Federal law meant that while some Texans can get state protection, millions get nothing. Federal law wipes out what the State of Texas, over George Bush's objection, adopted to protect our citizens. ERISA preempted that law.

Today, what do we find? We find George W. Bush, now as President, perhaps using the same pen with which he vetoed the guarantees in Texas, and he comes forward and says that preemption for some Texans is not enough. With this Norwood amendment, preemption will apply to all of those State guarantees for all, Texan's and folks in States with such guarantees. These State patients' rights provisions will be wiped out, and replaced with this new federal loophole law. Well, that is not a patients' bill of rights, that is only protection for the insurance industry.

Before I came to this Congress, I served as a judge on the highest court in the State of Texas. I was called a "Justice" and expected to do justice. And yet time after time I saw victims of insurance company abuse come into our court and like other judges, my hands were tied. They were tied by Federal interference in States' rights under ERISA. Our laws, our guarantees, our consumer protections were preempted, and no judge could do justice. Justice was not only blind, but rendered helpless.

In this Congress, we are not helpless. We can reject the same approach that Governor George W. Bush tried to impose on our State and not let it be imposed on this country. We can stand up for patients and reject loopholes for insurance companies.

Mr. BOEHNER. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from the Great State of Ohio (Mr. PORTMAN), my good friend and colleague.

Mr. PORTMAN. Mr. Chairman, I thank the gentleman for yielding me this time and affording me this opportunity to talk a little about patient rights, and I rise today in very strong support of giving patients more protection and in support of patients' rights.

I would also like to thank the gentleman from Ohio (Mr. BOEHNER), the gentleman from California (Mr. THOMAS), the gentleman from Louisiana (Mr. TAUZIN), and particularly the gentleman from Kentucky (Mr. FLETCHER), and the gentleman from Georgia (Mr. NORWOOD) for all the good work they have done on this issue, good people coming together in a common cause to reach a result that will help all Americans.

Under the Norwood-Fletcher amendment that we are going to vote on a little later today, this legislation that we are talking about now will be improved, in my view. But this underlying legislation will continue to provide a number of very important patient care improvements. Patients will have better access to specialists. Patients will get guaranteed coverage for appropriate medical care in emergency room settings. Patients will be able to designate a pediatrician as their child's primary care provider. Patients with serious illnesses will be assured of continuous care from their existing physicians. All these patients' rights and many more are going to be included in the legislation, and again I commend the Members of this House who have worked so hard to get to this point.

Perhaps most importantly though, Mr. Chairman, this legislation provides these protections without risking the most important single protection of all, and that is guaranteed health care coverage. I have heard on the floor this afternoon a lot of concerns raised by opponents to the Norwood-Fletcher amendment about what is not going to be included in that amendment. I want to talk about that for a second.

I, too, want to talk about what the Norwood-Fletcher amendment will not do. It will not allow unnecessary and frivolous lawsuits. It will not risk dramatically increasing the cost of health care insurance and thereby risking the number of people who can be insured and have insured access to health care. And it will not take valuable dollars out of the health care system and put them in the legal system. Yet it provides all the protections we talked about and, most important, there is no question that when HMOs and insurance companies wrongfully deny care, they will be held accountable under this approach. I urge all my colleagues to support it.

Mr. BOEHNER. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Texas (Mr. SAM JOHNSON), the chairman of the Subcommittee on Employer-Employee Relations.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I thank the chairman for yielding me this time.

We have to work for our employees, those who are uninsured. I rise today in support of a hard-fought agreement that would give patients access to an emergency room, assure patients access to independent external review, and hold health maintenance organizations accountable for their actions. However, unlike Ganske-Dingell, the Norwood-Bush compromise does all these things in a responsible way.

The Ganske-Dingell bill subjects employers to as many as 50 different external review standards and treats some patients better than others, depending on where they live. The Norwood compromise guarantees that employers and employees are treated equally no matter where they live.

Unlike Ganske-Dingell, which would subject employers to frivolous lawsuits, this bill would protect employers from Federal lawsuits in all but the most extreme cases. Ganske-Dingell would also subject employers to lawsuits in 50 different States. This bill does not allow suits against employers to be filed in State court. Unlike the base bill, our bill assumes that employers or their agents are using ordinary care if the medical reviewer upholds their decision.

It is time to put patients first. It is time to pass a patients' bill of rights that increases the number of Americans with health insurance. By the end of this debate, I hope to have an amendment included that would increase access to affordable health insurance to the 43 million Americans who currently do not have health insurance through the use of medical savings accounts or association health plans.

Mr. Chairman, we must support the Norwood amendment. It is good for America.

Mr. BOEHNER. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. SHADEGG), who has spent many, many hours on this issue.

Mr. SHADEGG. Mr. Chairman, I thank the gentleman for yielding me this time, and it has been a pleasure to work with him on this legislation. He has been tireless in his efforts to pass good legislation.

These comments about a partisan divide and a deadlock are absolutely accurate. We have struggled to get legislation passed here. And, sadly, the extremes at each end have precluded us from doing so. The extremes who want the plans to have no liability under any circumstance, and the other extreme, which are the tort lawyers, who want to be able to sue over anything, any time, anywhere and get everything.

The Norwood amendment pursues a goal that is absolutely fair, and it is the goal we ought to pursue. Patients get the right care at the earliest possible time. One of my colleagues on the other side said what is wrong with the current system is that HMO bureaucrats make health care decisions, and he is right. But the Norwood amendment, unlike the Ganske-Dingell bill, moves that decision-making authority over the quality of health care in America, what is the standard, what care should people really get, away from those HMO bureaucrats. It takes it away from the HMO bureaucrats and it gives it to a panel of at least three medical doctors who are practicing physicians with expertise in the field.

That is where the decision should be. We should get it away from HMO bureaucrats, and we should give it to doctors so doctors can set the standard of care in America. But here is what is wrong with the underlying bill. They want to take it away from HMO bureaucrats, but they do not want to give it to doctors. What they want to do, and what their bill does, is give the ability to set the standard of care not to a panel of independent doctors but rather to trial lawyers.

Under their bill an individual has to go through external review, but it means absolutely nothing. It is a chimera. It is of no value. Because whether someone wins or loses, they can go right ahead and sue, which means it will get us nowhere. It becomes a battle of experts. It does not advance health care in America. It does not empower doctors to set the standard. It empowers plaintiffs' lawyers. And that is a tragedy.

I urge my colleagues to defeat the underlying bill and support the Norwood amendment.

Mr. STARK. Mr. Chairman, I yield 45 seconds to the gentleman from Massachusetts (Mr. DELAHUNT).

Mr. DELAHUNT. Mr. Chairman, it is interesting to hear that it is lawyers that are responsible for the rising cost of health care premiums, but it is not lawyers who are responsible for awarding damages. It is jurors.

□ 1715

Who are jurors? Jurors are our neighbors, our voters. They are the American people. Trust them. When it comes to understanding what it costs to be deprived of a full and healthy life, jurors know what it means. They have more wisdom than lawyers, than doctors, and I dare say than Members of Congress.

Mr. STARK. Mr. Chairman, I yield 30 seconds to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Mr. Chairman, I was listening to my colleagues on the other side of the aisle talk about what this bill does. The Ganske-Dingell bill provides real patient protection, whether it is access to emergency care, specialists, whether it is primary care.

The Norwood amendment takes away those rights because there is no enforcement. There is no reason why HMOs will provide these particular protections. It is the opponents of the Ganske-Dingell bill that are telling Members that this Norwood amendment will perfect it.

What it does is take away the protections in the underlying bill. We should reject the Norwood amendment.

Mr. STARK. Mr. Chairman, I yield 45 seconds to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Chairman, the debate today is not about the technicalities of a complicated piece of legislation: who has the rebuttal presumption, what the standard of care should be, whether patients are going to be suing in Federal court for this issue or State court for that.

This issue boils down to one simple proposition. If someone is in the business of making medical decisions that affect the health, welfare and lives of patients, that individual should be held to the same standard of responsibility as anyone else involved in that process, period. No exceptions. No carve-outs. No special treatments based on political contributions made in this place. That is what is at stake at the end of today's debate.

Mr. Chairman, I urge my colleagues to reject the Norwood special treatment amendment and instead pass a fair Patients' Bill of Rights.

Mr. STARK. Mr. Chairman, I yield 30 seconds to the gentleman from Iowa (Mr. GANSKE).

Mr. GANSKE. Mr. Chairman, here is what two law professors from New Jersey say:

"In preempting State law, the Norwood amendment goes beyond conduct that involves negligent medical judgment to a particular patient's case. The amendment may, by virtue of the words 'based on,' stipulate that State malpractice law does not apply to any treatment decision made by a managed care organization, whether it be negligent, reckless, willful or wanton.

"For example, no State cause of action can be maintained against a designated decision-maker for his decision to discharge a patient early from a hospital even if the likely result of that discharge would be the patient's death. In short, all forms of vicarious liability under State law would be preempted under the Norwood amendment."

Mr. STARK. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I will conclude by saying that we are in a sad state of affairs when we have dentists writing law and lawyers practicing medicine, and Congressmen trying to run HMOs. I have a list of 704 organizations that support the original Ganske-Dingell bill without the poison pill amendments.

There is not a health care professional organization in this country that does not support this bill, and the dental organization of the gentleman from Georgia (Mr. NORWOOD) supports the original bill. Why should we vote against those people that give us medical care? Do we know better? Is there somebody in this audience who would tell me of any medical profession that does not support the original bill and oppose the Norwood amendment?

If we are going to legislate to protect patients, let us make sure that we do it right and support the original Ganske-Dingell bill.

Mr. BOEHNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Ganske-Dingell bill would subject employers and unions, including many small businesses that voluntarily provide health benefits to their employees, to new lawsuits with unlimited damages and no protection from frivolous lawsuits.

I think it is pretty clear that Americans want a Patients' Bill of Rights. I think they have made it very clear, as well, that they do not want unlimited lawsuits. Expanding liability for small employers and unions who voluntarily offer health plans is wrong-headed and dangerous, and in my view, will cause millions of Americans to lose their coverage.

Mr. Chairman, all of us who serve in this body come from different walks of life. We have doctors that serve in the House. They happen to be split on both sides of this particular issue. We have our share of lawyers that occupy this body as our colleagues, and we have lawyers on both sides of this particular issue.

In my own case, I come to the halls of Congress as a small business person, someone who has in fact hired people, someone who has had to run a business, and someone who offered a health plan to my employees. I can tell my colleagues, as I have said year after year, debate after debate on this particular subject that if the underlying bill were to pass as is and to become law, immediately I, as an employer, would eliminate the health benefits for my employees. Why? Because I would be subject to more increased litigation.

Every employer in America, and most of their employees as well, understand all of the litigation that is occurring in this country is causing prices to go up, and in many cases, causing businesses to go out of business.

One little lawsuit under that underlying bill that would be allowed could put under many, many small employers. Today, when new employers are the lifeblood of our economy, why would we want to increase the liability that we put on them?

Mr. Chairman, I think that we need to find a balanced approach, and I think the President, working with the gentleman from Georgia (Mr. NORWOOD), deserves an enormous amount of credit from all of us. The President put his prestige out on the line. He worked hard to come to some compromise that he would be willing to sign into law.

I am a little surprised at my colleagues across the aisle who have rejected the hand of the President over the last 6 months, and then today continue to reject the idea of trying to find some common ground and moving ahead.

What do they want to do? Do what we have done for the last 6 years, and we are going to get the same result. Nothing. I think the President deserves an awful lot of credit for ending the legislative gridlock on this issue. What do we have to fear? Nothing, because we are going to go to conference with the Senate which has a different bill. We have an opportunity to try to resolve the differences between the two bodies. That is the nature of our institution.

What we ought to do today is get behind the compromise bill that is going to be before us, support the Norwood amendment, support the bill on final passage, and let us work out our differences with the Senate. As we do, not only will Congress be winners, but more importantly, the American people will be great winners because they will have better access to health care, more patient protections; and regardless of which version of liability becomes law, they will have greater remedies in the law than they have today.

Even the amendment of the gentleman from Georgia (Mr. NORWOOD), which is being criticized here as being inadequate, goes far beyond what we have in law today. If Members want to help patients, why not accept his amendment? Give patients additional remedies and help them get the kind of quality health care that the American people want.

Ms. SOLIS. Mr. Chairman, this body has a chance to enact a real patient's bill of rights to protect people from the harmful decisions made by their health insurance plans.

All of us have heard from constituents who are fed up at being told by their health plans that they can't have access to the health care they need even through they pay their insurance premiums for this care in the first place!

So you would think all of us could agree that it's time to do something.

Instead, my Republican colleagues want to pass a bill that does nothing.

In fact, the bill supported by President Bush would roll back important patient protections already in place in my home state of California.

In California, we enacted a law that says to consumers—if your health plan interferes with the quality of the medical care you receive, you have a legal right to stop them through the courts.

If you are injured because your health insurance company delays or refuses you health care—you have a legal right to sue them through the courts.

It's just that simple.

But President Bush wants to take away my constituents' right to have protection from the bad decisions of their health insurance companies.

And he wants to call that managed care reform, I call it an HMO Protection Bill.

Well that's not right.

I urge my colleagues to reject any attempt to weaken the patient's bill of rights and to support real reform of health insurance companies.

Mrs. MCCARTHY of New York. Mr. Chairman, the last 24-hours of gameplaying with people's lives by the leadership has left a huge mark on the House of Representatives. I don't think our forefathers would be proud of the political games that have been played up here.

Let's look at the score of the game. This week, special interest groups have two wins, and the American people have zero.

Yesterday, with the Energy Bill, oil companies won.

Today, with the so-called Patient's Bill of Rights, insurance companies will win.

Under the House leadership deal on the so-called Patient's Bill of Rights, many of our constituents are going to have their health care needs compromised.

However, there are a few good things about the bill. Language that I've been working on to protect health care workers is included. I spent 30 years as a nurse, and I speak from experience.

When a health care worker blows the whistle on workplace abuses, they shouldn't have to fear retaliation,

For example, a nurse might be tempted to remain silent when they see a patient's quality of care being compromised.

Nurses should feel 100 percent confident that they can come forward without facing retaliation from their employer. No one should feel that their job is in jeopardy because they speak up for patient safety.

Also, my language ensuring hospitals get paid on time by HMOs is included.

Not only have HMOs been neglecting patient care, but they are also well-practiced in their denial and delay of payments to hospitals, medical group practices, doctors and other health care professionals.

Health care providers shouldn't be stuck in the middle for a bitter struggle between quality patient care and insurance company regulations.

But despite these good provisions, it's clear that special interests are the real winners in this deal.

How many more examples of special interest control must this esteemed body suffer through before doing something to change it?

I'm sure of one thing—we need campaign finance reform to get the special interests out of Congress.

Oppose the Norwood amendment.

Support the Ganske-Dingell bill. It puts patients' interests before special interests.

Ms. KILPATRICK. Mr. Chairman, I rise today to speak in favor of Representative GANSKE's Bipartisan Patients' Bill of Rights and to oppose the amendment substitute being offered. When we started this debate several years ago, we were trying to find a way to protect patients and help them to receive access to quality health care. Somehow we have strayed from our original purpose and have started trying to protect HMO's. There is something wrong with this picture.

The people of this country want security in knowing that the health care they receive is based on sound practice, not on an employer's or health care plan's bottom line. The people of this country deserve to have this assurance. I question whether or not those who oppose the Ganske bill would want for their families to face what so many of our constituents face everyday—uphill battles against HMO's in an attempt to receive the treatment their doctor has prescribed for them.

Several of my colleagues plan to offer amendments to the Ganske bill that will remove the very essence of the Patients' Bill of Rights. The amendments they plan to propose are being touted as ones that will make this a true compromise bill. It is not compromise in my eyes. If these amendments pass, the name of the bill will remain the same, but the substance of the bill will be worthless.

There are three "poison pill amendments." The amendments being offered on the floor today will cost the American people millions of dollars. The underlying bill, as introduced by Representative GANSKE, includes ways to pay for the costs of this bill. The alternative plan does not pay for these costs. We are talking about costs that total over $20 million. Where is this money going to come from? Shall we just continue drawing down on the Medicare and Social Security Trust Funds?

The amendments being offered to this bill will also supersede the rights of the states. Thirty nine states, including Michigan, already have their own tort laws that work and work well. Under the alternative being offered, federal law will prevail. It will even preempt state remedies previously provided by the Supreme Court. In states that have no damage caps, they would be forced to accept the damage limitations provided by the alternative.

Under Representative GANSKE's bill, individuals have the right to have their case reviewed by an external review board. This makes sense. However, the alternative plan makes it almost impossible for a patient to prove his or her case in court. A patient must demonstrate the decision of the external review entity was completely unreasonable. It would not matter if the external reviewers were not familiar with the latest medical evidence, or if the reviewers did not consider all the facts of the patient's case. This review process is a medical one. It is vital that a patient have access to this review process, but it does not provide the due process protections that a court does. Patients should have access to the courts. To do otherwise is just one more attempt to protect HMO's and insurers at the expense of patients.

I ask my colleagues to carefully consider the amendments and the final bill that we are being asked to vote on today. Vote against the "poison pill amendments" and support a true Patients' Bill of Rights. Make HMO's accountable for their actions, just as we hold doctors and hospitals accountable. Vote yes for Representative GANSKE's bill, a bill that will protect patients, not HMO's and the insurance industry.

Ms. BERKLEY. Mr. Chairman, I rise today in support of H.R. 2563, the Bipartisan Patient Protection Act.

This bill is important because it provides direct access to necessary medical care without administrative barriers for our nation's citizens. It allows doctors, not bureaucrats to make medical decisions.

The time has come in America to give doctors the right to make decisions about what kind of treatments their patients receive, how long they stay in the hospital, what type of care is given.

This bill will provide our constituents with the kind of medical care they need, when they need it and they won't have to jump through hoops to get it.

This legislation is long overdue. Let's do the right thing and pass this bill.

Mrs. MINK of Hawaii. Mr. Chairman, I rise today deeply disappointed in the total sellout of a meaningful patients' bill of rights.

For years, a bipartisan coalition of lawmakers have been working together to reform the managed care industry and develop a genuine patients' bill of rights.

A growing number of Americans get their health insurance through managed care plans. Although these plans enable many employers to provide affordable, high quality health benefits, various groups and individuals have expressed frustration with HMO's denial of necessary services and lack of an appeals process. A strong patients' bill of rights puts medical decision making back into the hands of doctors and patients and holds managed care plans accountable for failure to allow needed health care.

Today we are confronted by a compromise reached between Representative NORWOOD and the President, which no longer protects patients' health care rights.

A patients' bill of rights must allow a patient to sue their health plan for any injuries they receive if they were denied proper medical care. Of course, the lawsuit could only occur after an independent medical reviewer considers the patient's medical condition along with the most up-to-date medical knowledge and apply it to the individual's specific case.

A patients' bill of rights must close the loophole that allows HMOs to be the only industry that is protected from lawsuits.

But the agreement reached between President Bush and Representative NORWOOD does neither of these things.

Their agreement changes the external review process to prohibit the independent medical reviewer from modifying the health plans' decision. The reviewer will not even have access to the information they need in order to make a proper decision. The amendment also wipes away any current state laws relating to corporate liability of HMOs when they are acting as health care providers. This amendment preempts laws that states have passed in regards to patient protections. On the surface, the Norwood amendment allows consumers to sue in state court. But upon further examination, one realizes that consumers will never see state court. All cases will be brought to federal court because the amendment states that an action against an HMO may not be removed from federal court; only the action against an employer can be removed from federal court. Their amendment also sets unreasonably low caps on damages.

The Norwood amendment rips apart an otherwise good bill. The real Ganske-Norwood-Dingell-Berry bill would allow all insured Americans the option of seeing the doctor of their choice. This means women would have direct access to obstetric and gynecological care. Women desperately need ob-gyn care without first having to receive a referral and/or prior authorization.

The bipartisan Ganske-Dingell-Norwood bill would protect women who have mastectomies and lymph node dissections. After undergoing these procedures, women would be able to consult with their doctor on how long they need to stay in the hospital without the fear that their health plan will not cover their entire hospital stay.

The bill would also provide access to: emergency room care, without prior authorizations; guaranteed access to health care specialists; access to pediatric specialists; and access to approved FDA clinical trials for patients with life-threatening or serious illnesses.

But the liability provisions agreed to by the President and Representative NORWOOD overshadow all of these things. I simply cannot support a patients' bill of right that does not give individuals the full right to sue HMOs. The only way to hold HMOs fully accountable is to allow consumers a right of redress.

A bill of rights is an empty promise if it lacks the procedure necessary to enforce it.

This has become a bill of rights for HMO's!

This "Compromise" bill is a bitter retreat and forces me to vote No.

Ms. BALDWIN. Mr. Chairman, families in Wisconsin are anxious about the state of their health care. Too often, profit takes priority over patient need. Patients are losing faith that they can count on their health insurance plans to provide the care that they were promised when they enrolled and paid their premiums.

As Members of Congress, we have all tried to help our constituents who were denied care by HMOs. We have all heard their heartbreaking stories. Just this morning, I heard from a constituent of mine whose 12-year-old daughter, Francesca, has Cerebal Palsy. His daughter requires surgery to halt deterioration of her walking abilities so that she will not have to be dependent upon a wheelchair.

This father asked his HMO to allow his daughter to have surgery at a particular hospital that is not a provider in their plan because the hospital that is a provider in their plan no longer employs a specialist in this type of treatment. Instead of giving this father a referral, the HMO recommended that he switch plans. No one should fear that their insurance company would abandon them when they need it most.

I urge my colleagues to support the Ganske-Dingell bill and oppose these three amendments that will serve to deprive Americans of the patient protections they deserve.

Make no mistake about it, if these amendments pass, the bill should be renamed the HMO Bill of Rights.

Mr. UDALL of New Mexico. Mr. Chairman. The overwhelming majority of Americans view patients' rights legislation as a priority and strongly support meaningful patient protection legislation. This issue has been debated for many years now and the time for Congress to act is long overdue.

Today, however, we have the opportunity to make up for lost time and provide sound, responsible managed care reforms and meaningful protections for patients and their doctors. We can do this by passing the Ganske-Dingell Patients Protection bill.

This legislation ensures that physicians, not HMO bureaucrats, are making the medical decisions that affect patient's lives. This legislation provides for strong and effective internal and independent external review of claim denials. This legislation allows patients to hold their insurance companies and HMO's accountable for harm as a result of bureaucratic negligence, malfeasance, or incompetence.

This legislation, Mr. Chairman, has my strong support for all of these reasons that I just mentioned.

However, should this House pass the Norwood amendment or any of the other amendments later today, this legislation will be turned from the Patients Protection Act to the HMO Protection Act and will lose my support.

The Norwood Amendment carves out special protection for HMO's, rolls back patient protections and tramples states rights. I cannot support such an amendment, nor any bill that contains such an amendment.

The time for a meaningful patient's protection act is long overdue. Let's not waste the opportunity we have today by passing a bill that protects HMO's instead of patients. I urge my colleagues to support H.R. 2563, and oppose any amendments that would weaken critically important patient protections. The time for meaningful patient protection is now. Vote "yes" on H.R. 2563 and against weakening amendments.

Mr. PAUL. Mr. Chairman, I appreciate the opportunity to explain why I oppose all versions of the Patients' Bill of Rights. Once again Congress is staging a phony debate over which form of statism to embrace, instead of asking the fundamental question over whether Congress should be interfering in this area at all, much less examine how previous interferences in the health care market created the problems which these proposals claim to address.

The proper way to examine health care issues is to apply the same economic and constitutional principles that one would apply to every other issue. As an M.D., I know that when I advise on medical legislation that I may be tempted to allow my emotional experience as a physician to influence my views. But, nevertheless, I am acting in the role as legislator and politician.

The M.D. degree grants no wisdom as to the correct solution to our managed-care mess. The most efficient manner to deliver medical services, as it is with all goods and services, is through the free market. Economic principles determine efficiencies of markets, even the health care market, not our emotional experiences dealing with managed care.

The fundamental economic principle is that true competition assures that the consumer gets the best deal at the best price possible by putting pressure on the providers. This principle applies equally to health care as it does to other goods and services. However, over the past fifty years, Congress has systematically destroyed the market in health care. HMOs themselves are the result of conscious government policy aimed at correcting distortions in the health care market caused by Congress. The story behind the creation of the HMOs is a classic illustration of how the unintended consequences of government policies provide a justification for further expansions of government power. During the early seventies, Congress embraced HMOs in order to address concerns about rapidly escalating health care costs.

However, it was previous Congressional action which caused health care costs to spiral by removing control over the health care dollar from consumers and thus eliminating any incentive for consumers to pay attention to prices when selecting health care. Because the consumer had the incentive to monitor health care prices stripped away and because politicians were unwilling to either give up power by giving individuals control over their health care or take responsibility for rationing care, a third way to control costs had to be created. Thus, the Nixon Administration, working with advocates of nationalized medicine, crafted legislation providing federal subsidies to HMOs and preempting state laws forbidding physicians to sign contracts to deny care to their patients. This legislation also mandated that health plans offer an HMO option in addition to traditional fee-for-service coverage. Federal subsidies, preemption of state law, and mandates on private business hardly sound like the workings of the free market. Instead, HMOs are the result of the same Nixon-era corporatist, big government mindset that produced wage-and-price controls.

I am sure many of my colleagues will think it ironic that many of the supporters of Nixon's plan to foist HMOs on the American public are today among the biggest supporters of the "patients' rights" legislation. However, this is not really surprising because both the legislation creating HMOs and the Patients' Bill of Rights reflect the belief that individuals are incapable of providing for their own health care needs and therefore government must control health care. The only real difference between our system of medicine and the Canadian "single payer" system is that in America, Congress contracted out the job of rationing health care resources to the HMOs.

No one can take a back seat to me regarding the disdain I hold for the HMO's role in managed care. This entire unnecessary level of corporatism that rakes off profits and undermines care is a creature of government interference in health care. These non-market institutions and government could have only gained control over medical care through a collusion of organized medicine, politicians, and the HMO profiteers in an effort to provide universal health care. No one suggests that we should have universal food, housing, TV, computer and automobile programs; and yet, many of the poor to much better getting these services through the marketplace as prices are driven down through competition.

We all should become suspicious when it is declared we need a new Bill of Rights, such as a Taxpayers' Bill of Rights, or now a Patients' Bill of Rights. Why do more Members not ask why the original Bill of Rights is not adequate in protecting all rights and enabling the market to provide all services? In fact, if Congress respected the Constitution we would not even be debating this bill, and we would have never passed any of the special-interest legislation that created and empowered the HMOs in the first place!

Mr. Chairman, the legislation before us is flawed not only in its effect but in the very premise that individuals have a federally-enforceable "right" to health care. Mixing the concept of rights with the delivery of services is dangerous. The whole notion that patient's "rights" can be enhanced by more edicts by the federal government is preposterous.

Disregard for constitutional limitations on government, ignorance of the basic principles of economics combined with the power of special interests influencing government policy has brought us this managed-care monster. If we pursue a course of more government management in an effort to balance things, we are destined to make the system much worse. If government mismanagement in an area that the government should not be managing at all is the problem, another level of bureaucracy, no matter how well intended, will not be helpful. The law of unintended consequences will prevail and the principle of government control over providing a service will be further entrenched in the Nation's psyche. The choice in actually is government-provided medical care and its inevitable mismanagement or medical care provided by a market economy.

Many members of Congress have convinced themselves that they can support a "watered-down" Patients' Bill of Rights which will allow them to appease the supporters of nationalized medicine without creating the negative consequences of the unmodified Patients' Bill of Rights, while even some supporters of the most extreme versions of this legislation say they will oppose any further steps to increase the power of government over health care. These well-intentioned members ignore the economic fact that partial government involvement is not possible. It inevitably leads to total government control. A vote for any version of a Patients' Bill of Rights is a 100 percent endorsement of the principle of government management of the health care system.

Those who doubt they are endorsing government control of medicine by voting for a modified Patients' Bill of Rights should consider that even after this legislation is "watered-down" it will still give the federal government the power to control the procedures for resolving disputes for every health plan in the country, as well as mandating a laundry list of services that health plans must offer to their patients. The new and improved Patients' Bill of Rights will still drive up the costs of health care, causing many to lose their insurance and lead to yet more cries for government control of health care to address the unintended consequences of this legislation.

Of course, the real power over health care will lie with the unelected bureaucrats who will implement and interpret these broad and vague mandates. Federal bureaucrats already have too much power over health care. Today, physicians struggle with over 132,000 pages of Medicare regulations. To put that in perspective, I ask my colleagues to consider that the IRS code is "mere" 17,000 pages. Many physicians pay attorneys as much as $7,000 for a compliance plan to guard against mistakes in filing government forms, a wise investment considering even an innocent mistake can result in fines of up to $25,000. In case doctors are not terrorized enough by the federal bureaucracy, HCFA has requested authority to carry guns on their audits!

In addition to the Medicare regulations, doctors must contend with FDA regulations (which delay the arrival and raise the costs of new drugs), insurance company paperwork, and the increasing criminalization of medicine through legislation such as the Health Insurance Portability Act (HIPPA) and the medical privacy regulations which could criminalize conversations between doctors and nurses.

Instead of this phony argument between those who believe their form of nationalized medicine is best for patients and those whose only objection to nationalized medicine is its effect on entrenched corporate interests, we ought to consider getting rid of the laws that created this medical management crisis. The ERISA law requiring businesses to provide particular programs for their employees should be repealed. The tax codes should give equal tax treatment to everyone whether working for a large corporation, small business, or self employed. Standards should be set by insurance companies, doctors, patients, and HMOs working out differences through voluntary contracts. For years it was known that some insurance policies excluded certain care. This was known up front and was considered an acceptable practice since it allowed certain patients to receive discounts. The federal government should defer to state governments to deal with the litigation crisis and the need for contract legislation between patients and medical providers. Health care providers should be free to combine their efforts to negotiate effectively with HMOs and insurance companies without running afoul of federal anti-trust laws—or being subject to regulation by the National Labor Relations Board (NLRB).

Of course, in a truly free market, HMOs and pre-paid care could and would exist—there would be no prohibition against it. The Kaiser system was not exactly a creature of the government as it the current unnatural HMO-government-created chaos we have today.

Congress should also remove all federally-imposed roadblocks to making pharmaceuticals available to physicians and patients. Government regulations are a major reason why many Americans find it difficult to afford prescription medicines. It is time to end the days when Americans suffer because the Food and Drug Administration (FDA) prevented them from getting access to medicines that where available and affordable in other parts of the world!

While none of the proposed "Patients' Bill of Rights" addresses the root cause of the problems in our nation's health care system, the amendment offered by the gentleman from Kentucky does expend individual control over health care by making Medical Savings Accounts (MSAs) available to everyone. This is the most important thing Congress can do to get market forces operating immediately and improve health care. When MSAs make patient motivation to save and shop a major force to reduce cost, physicians would once again negotiate fees downward with patients—unlike today where the reimbursement is never too high and hospital and MD bills are always at the maximum levels allowed. MSAs would help satisfy the American's people's desire to control their own health care and provide incentives for consumers to take more responsibility for their care.

There is nothing wrong with charity hospitals and possibly the churches once again providing care for the needy rather than through government paid programs which only maximizes costs. States can continue to introduce competition by allowing various trained individuals to provide the services that once were only provided by licensed MDs. We don't have to continue down the path of socialized medical care, especially in America where free markets have provided so much for so many.

In conclusion, Mr. Chairman, I urge my colleagues to reject the phony Patients' Bill of Rights which will only increase the power of the federal government, cause more Americans to lose their health care or receive substandard care, and thus set the groundwork for the next round of federal intervention. Instead. I ask my colleagues to embrace an agenda of returning control over health care to the American people by putting control over the health care dollar back into the hands of the individual and repealing those laws and regulations which distort the health care market. We should have more faith in freedom and more fear of the politicians and bureaucrats who think all can be made well by simply passing a Patients' Bill of Rights.

Mr. CUNNINGHAM. Mr. Chairman, I rise today to add my voice in support of the passage of a strong Patient's Bill of Rights. Congress has been working for several years to improve the delivery of health care to everyone in America. As a cancer survivor, I know how important it is to have good quality health care available when you need it.

I believe that for the most part, Americans who currently have health insurance are happy with their providers. Unfortunately, too many Americans can not afford the health care they need, and sadly, there are extreme cases where some Americans are the victims of fraud or abuse that prevent them from accessing the care that they are paying for.

I am committed to ensuring that America maintains the world's best health care system by enacting reforms giving people more choices, and more access to high quality health care. That is why I rise today in support of the Patients' Bill of Rights agreement reached by President George W. Bush and Congressman CHARLIE NORWOOD, as well as in support of an amendment to expand Medical Savings Accounts (MSA) and allow for the creation of Association Health Plans (AHP).

I am proud to support a Patients' Bill of Rights that will empower individuals and doctors to make health care choices, without the interference of government bureaucrats or trial lawyers. I support the Bush/Norwood agreement because it ensures that the American people will have swift recourse when an insurance company bean-counter decides to practice medicine.

There are a lot of people who say that when your insurance company denies coverage, you should be able to run them straight into court. Let's stop and think about that for a minute—when an individual is denied coverage by an insurance company, what is it that they really want? Coverage for life saving medical care! Lawsuits don't get you medical care. Lawsuits drag on in court for years, and line the pockets of trial lawyers. Lawsuits won't provide care for sick patients. The bottom line is that lawsuits don't save lives—but an independent medical review process will.

While we are working to improve health care for those who have insurance, we must also take action to bring this high quality care to those who cannot currently afford insurance. I support the inclusion of a provision to give millions of Americans the best patient protections of all—health care coverage. I hope that today an amendment will prevail to expand Medical Savings Accounts, and allow for the creation of Association Health Plans. Association Health Plans will allow small businesses and the self-employed the same purchasing clout and administrative savings that large, multi-state employers and labor unions currently enjoy. This provision will expand health care coverage for thousands of employees of small businesses who cannot currently afford to provide coverage to its employees.

I urge my colleagues to join me in supporting the passage of the Bush/Norwood agreement on Patients' Rights which balances the need for affordable health insurance with the need for real patient protections.

Mr. ETHERIDGE. Mr. Chairman, I rise today in support of H.R. 2563, the Patients Bill of Rights, and in opposition to all "poison pill" amendments and in particular the Norwood amendment.

Like many of my colleagues in this House, I strongly support the Patients Bill of Rights. In fact, the Ganske-Dingell Patients Bill of Rights provides strong patient protections. It ensures access to emergency room care, allows for clinical trials, provides for continuity of care, and holds managed care plans legally responsible for their actions. But, today we have been asked to consider a new amendment to this bill. This amendment, if passed, would gut the spirit of the Ganske-Dingell bill.

The Norwood amendment would give HMO's a rebuttable presumption in court, which means that if an HMO follows its procedures in the review process, the patient bringing a suit would be held to a higher standard of evidence that separates HMO's from any other industry, business, or individual in America. Mr. Speaker, that higher standard prevents a patient from making a case in court. That is unfair and it is wrong.

We must hold HMO's and health insurance companies accountable for their actions, and I will oppose any amendment that protects HMO's and prevents patients from getting the care they need. If this amendment passes, I will oppose the amended bill because it will become unenforceable and will let HMO's off the hook. A right that is unenforceable is no right at all.

Mr. Chairman, I have consistently supported a patient's bill of rights that is strong and enforceable. Today, I am afraid, the House majority is going to pass an insurance company's bill of rights. Maintaining health security is one of the primary challenges facing North Carolina's working families today. Families deserve to know that they can count on affordable high quality health care in their managed care plans. Making crucial decisions about a patient's health care should be the responsibility of the doctor and the patient—not some insurance company accountant.

Today's debate is about patients. They are the Americans we hear about in the news and in our communities who are sick and hurting. A real patients bill of rights provides these Americans with access to the care they need and holds managed care plans legally accountable for decisions that lead to serious injury or death. The Republican leadership supports the Norwood amendment because it will send this bill to a conference. And we all know what that means, Mr. Chairman. The Patient's Bill of Rights will die there.

America needs a Patients Bill of Rights. Our families are depending on us to give them that right today in this House. The only way we can ensure that they will get that right—the right to clinical trials, emergency room care, and to hold HMO's accountable for their decisions—is to oppose all of the "poison pill" amendments proposed today and support the real patient's bill of rights. The Republican bill is a fraud. It is a sham bill.

I urge all of my colleagues to support H.R. 2563, and ask that they join me in opposing the Norwood amendment and other poison pills that will kill a bill that America's patients desperately need.

Mr. COYNE. Mr. Chairman, it is time for Congress to enact a true patient protection bill. American families have already waited far too long for us to pass common-sense consumer protections.

Today, millions of Americans workers have no employer-provided health insurance, and over half of American Workers who do have employer-provided health insurance have no choice of health plan. The only health care coverage provided to those workers is a plan chosen by their employers. This plan may or may not address their health care needs and the health care needs of their families. Under current law, many of those workers and their families have no place to turn if they are harmed by decisions which are made by their insurance companies.

We need to pass a true consumer protection bill that would guarantee basic health rights for these workers. Families should be able to see specialists when they need to, appeal unfair denials, and seek emergency care when they experience severe pain. Doctors should be free to tell their patients all the options and to make medical decisions without fear of retribution from health plans. Health plans should be accountable if they make medical decisions, just as doctors are now.

Some would suggest that enacting true patient protection legislation undermines our long-held goal of health coverage for all Americans. They say that patient protection legislation could cause health insurance costs to rise and then families may become uninsured. They would have us believe that a health insurance plan that protects basic health care rights is out of reach for the average American. That is wrong. It is our responsibility to find a better way to help the uninsured than telling them to buy bad health coverage, coverage which may not be there when they need it.

Unfortunately, an unfair process to debate a meaningful patient protection bill has been set up by the Leadership of the House of Representatives today and this action effectively kills any chance of enacting a real patient protection bill. The bill being debated today contains numerous loopholes and fails to enact proper patient protections and rights. It fails to hold health plans accountable by the same standards that are applied to physicians for negligent decisions. All actions against health plans would be determined exclusively under a new federal law with no ability to apply state law. As well, when an injured patient does go to court to seek remedy, certain provisions in the legislation will tip the scales of justice in favor of the health plan. This bill also contains week enforcement provisions that dramatically limits the ability of consumers to seek recourse for inadequate care, injury, or death. Furthermore, it forces patients to pursue remedies in an external appeals process that is neither independent or fair.

I would urge my colleagues to vote against all of the amendments. If any of the amendments are adopted, I would then urge a "no" vote on final passage. I hope that we can work together in the future to enact a true bipartisan patient protection bill.

Mr. TOWNS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Georgia. I strongly support the Ganske-Dingell-Berry Bipartisan Patient Protection Act without the Norwood-Bush "COMPROMISE" or any other poison pill amendments.

For the past five years, we have been fighting for true patient protection legislation only to be thwarted at every turn by a lethal combination of parliamentary maneuvers and political posturing. The Norwood-Bush Compromise is just another maneuver designed to water down real patient protection legislation.

Mr. Chairman, it is time that we return medical decisions to the people qualified to make them. It is time that we stop limiting the drugs available to patients based on an accountants' formula. It is time that we return to the American people the right to choose their own healthcare providers. The Ganske-Dingell-Berry Bipartisan Patient Protection Act stops protecting the HMO's and provides true patient protection. I support protecting patients while the amendments before us today will give all of the rights to HMO's at the expense of patients. The only thing that the Norwood-Bush "Compromise" compromises is a patient's access to quality care. I support the Ganske-Dingell-Berry Bipartisan Patient Protection Act because I believe that it offers patients the protection they need. Access and accountability must be the cornerstones of any true patient protection plan and Ganske-Dingell-Berry will ensure that accountability.

Don't fall for cheap imitations; the Ganske-Dingell-Berry Bipartisan Patient Protection Act is strong, enforceable patient protection legislation.

The American people are crying out for patient protection. We cannot continue to have a healthcare system that claims to offer the best healthcare in the world and yet allows business decision makers the right to limit access to top quality care. I urge my colleagues to provide true patient protection and vote for the Ganske-Dingell-Berry Bipartisan Patient Protection Act without amendments.

Mr. PASCRELL. Mr. Chairman, I stand before you to remind everyone here why we must pass the patients Bill of Rights today. It is because we must protect all Americans from the fate that befell Mr. Robert Frank Leone of Glen Ridge, N.J.—a constituent of mine.

Every year, Mr. Leone was denied a chest x-ray by his HMO despite his request. When he eventually displayed symptoms of illness, his Doctor acquiesced and his cancer was diagnosed.

Mr. Leone had non-small cell lung cancer that spread to his brain. His wife Victoria was told that he had only 2 months to live.

After successful treatment with radiation, Mr. Leone and his wife had to beg his doctors for a referral for physical therapy.

As a result of physical therapy, Mr. Leone regained much of his strength and quality of life.

But his HMO cut his physical therapy sessions as soon as he started to feel better. They said it was no longer necessary. They said it was "preventative."

As a result of losing his physical therapy, Mr. Leone's health began fading. Soon he could no longer walk without assistance.

Despite pleas form his wife, his HMO refused to restore Mr. Leon's physical therapy benefit. Instead, they suggested he join a health club. And that his wife Victoria should become his physical therapist! But Victoria is legally disabled!

Mr. Leone became depressed and was hospitalized and died in the hospital March 30, 1999.

I call him an HMO casualty.

If his doctor had given him a chest x-ray when he requested it, instead of denying the benefit to save money—his cancer would have been diagnosed before it had spread to his brain.

If the HMO had not limited Mr. Leone's access to physical therapy, he would have continued his improvement and would probably have not sunk into depression.

If an appeals process had been in effect, Mr. Leone and his wife could have appealed both of these denials of care.

Simply put, Mr. Leone died because the HMO was not liable for its actions. And because the HMO was not liable they could deny him care to save money and not be held accountable.

Today on the floor we are voting on H.R. 2563 to protect patients just like Mr. Leone.

But then there is this Norwood amendment.

Well, you don't have to be Columbo to recognize that the Norwood amendment is here to take the teeth out of this crucial legislation.

The Norwood amendment creates several roadblocks that would prevent patients form receiving benefits that already exist.

Additionally, the Norwood amendment supercedes state laws and forces state courts to apply federal tort law.

In fact, this amendment creates a federal cause of action for negligence where none exited before!

I am particularly interested in safeguarding strong state laws that protect patients because my state of New Jersey just recently instituted a strong patients' bill of rights that would be preempted by the Norwood amendment!

New Jersey's new patients' rights' law is much broader in scope than even the Ganske bill we are discussing here today. It covers traditional HMOs, as well as health insurance plans that are not covered by ERISA.

How can I go home and tell my constituents that the strong patients' bill of rights recently made into law in New Jersey will never have the opportunity to benefit our residents?

And that is not the only problem presented in this amendment.

The Norwood amendment creates a presumption in favor of the HMO that the patient must overcome in order to win in court.

This flies in the face of due process, a premise upon which our country is founded. It offends me to the core that this amendment not only restricts access to state law by patients but then adds an additional hurdle to their burden of proof once in court.

If the Norwood amendment had been law when Mrs. Leone was taking care of her husband, these additional obstacles would have made this heartbreaking experience even more painful. She would have had no access to her own state's laws, no fair due process, and a limited amount of damages to seek.

I shake my head whenever I think of how we could have saved Mr. Leone's life if we had only passed the Ganske bill 5 years ago.

Let's not let any more Americans die at the hands of corporations whose sole concern is the bottom line not the patients' health.

I urge all of you in joining me to vote in favor of H.R. 2563 and against the Norwood amendment. Do it for Mr. Leone and all for the future patients who we could save with this important vote.

Mr. BALDACCI. Mr. Chairman, I have long supported the efforts of Mr. NORWOOD to reform managed care. Unfortunately, I cannot support my friend's lastest legislative effort on this issue. Instead, I remain strongly in favor of the Ganske-Dingell-Berry bill, H.R. 2563. This is the only Patients' Bill of Rights legislation we are considering today with sufficient enforcement provisions. Without strong accountability, the landmark patient protections we agree are necessary will be rendered meaningless.

The Norwood amendment, based on his agreement with President Bush, is an empty shell, tipping the balance back to the insurance companies and away from patients. This Norwood plan is significantly weaker than the bill passed by the Senate.

Congressman NORWOOD's amendment places unacceptable limits on a patient's ability to hold his or her plan accountable. Self-funded plans may only be sued in federal courts. This provision limits access to state courts for many Americans covered under employer-sponsored health insurance plans. Even when a patient can seek a resolution through state court, they can only do so under federal rules, which are more restrictive for plaintiffs.

Patients have a larger burden to bear under the Norwood language. They can sue if an independent reviewer decides against them, but the legal presumption would be that the external review was correct. Under this scheme, the burden of proof is placed on the patient, who must meet a higher legal standard of proof than when he or she appealed to the review panel.

The liability provisions of this amendment are so complex and convoluted that they will only serve to dissuade patients from seeking resolution to their grievances.

Under the Norwood amendment, doctors will continue to be held to tougher state malpractice standards than HMOs. Managed care plans will still play by different rules than the physicians whose decisions these companies overrule. This is not acceptable.

Americans deserve better than this shallow version of patients' rights legislation. I urge my colleagues to soundly reject the Norwood Amendment and to support the Ganske legislation.

MR. EVANS. Mr. Chairman, today we have the opportunity to pass a strong, enforceable Patients' Bill of Rights. A bill that would return medical decisions to patients and their doctors. A bill that would strip HMOs of their unprecedented protections which allow them to make decisions about patients' care while being held accountable to no one. A bill that puts quality health care above the bottom line of insurance companies.

I hope that we will pass these new patients' rights protections today. But these rights are meaningless without the ability to enforce them. The Ganske-Dingell Patients' Bill of Rights is the only measure that protest these rights.

The so-called compromise, hastily crafted by the President and Mr. NORWOOD, renders these rights hollow. It effectively eliminates any incentive for HMOs to put the care of patients first. The limited damages that could be awarded once a HMO is found liable for the actual injury or death of a patient are not effective checks on irresponsible conduct. They are financially inconsequential compared to their enormous profit margins. It is the equivalent of a slap on the wrist.

Americans deserve better. They deserve the rights that we have promised them and an avenue of recourse when those rights are violated. I urge my colleagues to support the real Patients' Bill of Rights, not a skeleton of what could have been.

Mr. THORNBERRY. Mr. Chairman, I will vote for the Patient Protection Act legislation that the House is considering.

I voted for a similar bill two years ago because I believe that if an insurance company makes health care decisions like a doctor, it should be held responsible like a doctor. I still support a responsible patients rights bill.

We are all aware of the concerns over this measure: concerns that it could drive up healthcare costs, encourage more litigation, and result in even more people becoming uninsured, particularly in rural areas. I am especially concerned about how this bill will affect patient protection laws that have been enacted in Texas and other states around the country.

While I am not satisfied that this measure, as written fully addresses my concerns, I will vote for this bill to move it to Conference where, hopefully, many of these problems can be resolved. I stand ready to vote against the measure when it returns to the House floor if this does not occur.

It is my sincere hope, though, that this will not happen, and we will be able to reach agreement on a bill that responsibly strengthens patients' rights which the President will be able to sign into law.

Mrs. MALONEY of New York. Mr. Chairman, I rise in strong support of the Patients' Bill of Rights. It is a measure that embodies much of the spirit of our original Bill of Rights. It improves the lives of millions of Americans by guaranteeing their basic rights as health care patients. The Bipartisan Patient Protection Act enjoys strong support from the American people and grants all 167 million privately insured Americans the fundamental protections they deserve.

The bill we are debating today, H.R. 2563, was forged by the hard work of Messrs. DINGELL, GANSKE, NORWOOD, BERRY and many others. The base bill will make the health of patients, and not the wants of managed care insurers, the top priority. If a patient is harmed by HMO negligence, he or she should be able to seek legal redress; under this legislation the patient will be able to do just that. The Patients' Bill of Rights will guarantee these protections and do much more to improve the lives of millions of our citizens—all without increasing healthcare costs significantly.

We also have before us three amendments. They are three amendments that are poison pills to the underlying bill and I cannot support them. The Norwood amendment weakens the strong and sensible Dingell-Ganske bill. It holds HMOs to a lesser standard than doctors and hospitals and it undermines state patient protections. The Thomas-Fletcher amendment fully expands Medical Savings Accounts and would allow associations to offer health insurance to their members without critical state insurance standards. This amendment could actually cause more people to become uninsured. The Thomas-Boehner amendment preempts state medical malpractice and tort law. The bottom line: these amendments do not strengthen the base bill, but weaken it. If these amendments pass, I will vote "no" on final passage.

Protecting patients' rights inherently benefits women and their families because women are the primary healthcare consumers. More specifically, the underlying legislation gives American women direct access to an obstetrician-gynecologist and gives families direct access to specialists, such as pediatricians, without a referral. Women need regular, accessible OB/GYN care. They do not need the added expense and hassle of having to get a "permission slip" from their managed care insurer.

I am fortunate to represent a state that has enacted very comprehensive regulations that mandate direct-access to OB/GYNs without a gatekeeper's pre-approval. But, the Norwood amendment would roll-back state protections. I support the underlying bill because we must have a federal standard. Why? Look at the numbers: 15 states limit the number of times a women see her OB/GYN; another 12 prohibit or restrict a woman's direct access to follow-up care, even if this care is covered by her health plan; and a full 38 prohibit or restrict an OB/GYN's ability to refer a woman for necessary OB/GYN-related specialty care.

Obstetric and gynecological care is integral to women's health. As things stand now, women in some states receive better care than others. It's time we made direct access to OB/GYNs a fundamental patient protection enjoyed by all women enrolled in managed care plans.

The Bipartisan Patient Protection Act protects the health and well-being of not just women, but all Americans. Every American will have the right to choose his or her own doctor, and will not be forced to see one chosen by an HMO bureaucrat. Under this legislation, doctors, not health insurance companies, will decide which treatments, procedures and specialists are necessary.

In addition, the legislation—absent any amendments—will give patients the peace of mind that all external reviews will be conducted by independent, qualified physicians. If a plan denies coverage, the patient will be able to appeal the decision to a doctor, not an insurance clerk. And if the plan continues to deny coverage, the patient can demand a review by an unbiased, independent medical specialist, whose decision is legally binding.

Image if you or someone you love is injured by the decision of an HMO. It is only fair that he or she should be able to hold that HMO accountable. We would all rather get the care we and our families need to begin with than go to court in the end, but we should have the right to do so if administrative course of redress are exhausted. Under the Dingell-Ganske bill—absent any amendments—disputes involving medical judgments will be subject to applicable state laws; if the case involves an administrative benefit decision, the patient will be able to seek limited compensation in federal courts under federal law. Employers need not fear this bill. They will be protected from liability in either federal or state courts, unless they directly participate in a decision that causes irreparable harm or death. Indeed, employers can completely ensure that they will be fully protected from liability by choosing a "designated decision-maker" to assume all liability.

The critics of the Bipartisan Patient Protection Act also claim that these common-sense liability provisions will cost too much. In fact, the Congressional Budget Office reported that the liability provisions will cost only about 23 cents per employee per month. The entire bill is projected to increase premiums 4.2% over 5 years. That translates to a mere $1.20 per month. Isn't quality, protect healthcare worth the added price of a cup of coffee?

By allowing direct-access to OB/GYNs and pediatricians, authorizing physicians and not HMOs to make medical decisions, and establishing avenues for legal recourse, the Bipartisan Patients Protection Act puts the health of patients first. It will make a real difference in the quality of lives of millions of Americans. And that is what the work we do here is all about.

I urge my colleagues to vote against the three poison pill amendments and for a clean Dingell-Ganske-Norwood-Berry bill.

Ms. ROYBAL-ALLARD. Mr. Chairman, I rise in reluctant opposition to the Ganske-Dingell-Norwood-Berry Patients' Bill of Rights.

We missed an enormous opportunity today, because H.R. 2563—the Ganske-Dingell bill—could have been the giant first step to bring much-needed reform to our current health care system.

Simply speaking, the current system is stacked against patients, placing important decision-making authority in the hands of corporate bureaucrats. Today, we had the opportunity to give back the power to patients and their doctors.

Instead, the Republican-controlled House chose to adopt changes that have put patient protections in jeopardy. By stacking the deck against patients in the appeals process, and by placing caps on damages, we avoid providing any meaningful remedy to those who are injured by a negligent HMO. We essentially turn the system on its head and assume that the doctors and patients are the guilty ones, unless they can prove otherwise.

Mr. Chairman, I represent a district that is 87% Hispanic. Recent studies tell us that two-thirds of privately insured Latinos are enrolled in managed care. The Ganske-Dingell-Norwood-Berry reform bill could have had a tremendous positive impact on my constituents. And it could have helped ensure that people across the country, such as my constituents, had better access to prescription drugs, emergency care and medical specialists. But we have fallen short today.

I certainly hope that at conference we can make improvements to this bill that will put patients before the insurance companies. If we succeed in addressing the unfairness in this bill, we can then take the next step to address the needs of countless numbers of low-income workers who have no health coverage whatsoever; and the 1.2 million eligible adults and children in California who, according to a recent article in the Los Angeles Times, do not access California public health care programs. To truly reform health care in our nation for all Americans, we must continue to work to extend coverage to the working poor, and to ensure that those who are eligible for existing health care benefits receive them.

Adequate, affordable, and accessible health care should be a right, not a privilege. The House had the change to take a significant step forward today in addressing the health care problems in our nation. But instead of taking a step forward, we have taken a step backward.

Ms. SCHAKOWSKY. Mr. Chairman, I rise in opposition to H.R. 2563, the Patient Protection Act. This bill has been so damaged by the amendments passed today, that it should be a violation of truth in advertising laws to call it a patient protection bill. It is no longer a law designed to curb HMO abuses—it has become a bill that leaves HMOs in charge of health care decision-making and preempting state laws designed to protect patients. It is a bill that is no longer deserving of its title and is no longer deserving of our support. It's an Insurance Industry Protection Act.

Earlier today, the House passed the Thomas amendment to establish Association Health Plans. Despite the arguments of its proponents, AHPs are not a step forward. Instead, AHPs will take critical state protections away from consumers and make access to health care worse for millions of Americans.

I believe that we need to make health care more affordable and accessible to small businesses and their employees. I support purchasing coops and pooling arrangements. But I could not support this amendment. Why? Because it would do more harm than good. By preempting state regulations designed to lower premiums and protect consumers, it would move us backwards not forward.

First, it would actually raise premiums for the majority of small businesses. The Congressional Budget Office estimates that 80 percent of small business employees could face premium increases as companies with healthier employees opt out of the small group market. With market fragmentation, small firms with older workers, women of child-bearing age, and workers with ongoing health problems would wind up paying more.

Second, as a result, those small businesses facing higher premiums would drop coverage. The CBO estimates that 10,000 employees—those with the highest health are needs—would lose coverage. An Urban Institute estimate is that one percent of all small firms would lose coverage.

Third, even insured consumers could face higher costs and reduced access because AHPs would be allowed to ignore state minimum benefit requirements. In Illinois, those minimum benefits include annual pap smears, prosthetic devices, mental health services, cancer screening, education on diabetes self-management, and length of stay protections for mastectomy patients. Consumer' Union opposes AHPs because "health insurance policies would be less likely to cover potentially life-saving benefits such as mammography screening, cervical cancer screening, and drug abuse treatment." AHPs will lead to bare-bones coverage that leaves patients with higher medical bills or forces them to go without care.

Fourth, consumers enrolled in AHPs would have no place to go for protection, since state regulation is preempted and the U.S. Department of Labor lacks the resources or the will to respond to individual consumer complaints.

The National Governors Association, the National Conference of State Legislatures, and the National Association of Insurance Commissioners said it best when they wrote to us opposing this bill. They wrote: "AHPs would fragment and destabilize the small group market, resulting in higher premiums for many small businesses. AHPs would be exempt from the state solvency requirements, patient protections, and oversight and thus place consumers at risk."

I also strongly oppose the Norwood liability amendment. Many of us won election last November because we promised that we would give patients meaningful protections. We promised that we would curb HMO abuses that are injuring and killing people on a daily basis.

We promised that we would let medical professionals make medical decisions. We told doctors, nurses and other health care professionals that we would free them from managed care bureaucracy so that they can provide quality care to their patients. This amendment means that we will not be keeping those promises.

This amendment is a ruse. Behind all the fine print, it has one underlying objective: to continue the accountability shield that immunizes HMOs from responsibility when they deny care or limit care or restrict access to specialists. This amendment means that there is absolutely no guarantee that patient protections will be enforced. HMOs will be left in charge, free to continue to override doctors' decisions and deny care with virtual impunity.

This amendment provides special treatment for HMOs. It gives HMOs unique legal protections—protections denied every other industry in this country—so that they can continue to operate with immunity.

Mr. Chairman, we have done a disservice to patients and those who care for them by passing these amendments. There is an old labor song that asks the question: whose side are you on? Unfortunately, this amended bill sides with the HMOs—not patients.

Mr. HONDA. Mr. Chairman, I rise today in strong opposition to H.R. 2563, the so-called Bipartisan Patient Protection Act, as amended.

Patient protection is common sense legislation that America needs and deserves. The original bill, as proposed, provided much needed security for the 160 million Americans who receive their health coverage through managed care. It gave healthcare consumers the same protections offered in other industries. It provided accountability, minimum standards of care, and broader access to health-care options for Americans citizens.

Recently, a constituent of mine, Andrew B. Steffan of Campbell, California has had an outrageous experience, showing exactly why this important legislation is needed.

This past April, Mr. Steffan experienced difficulty breathing and chest discomfort and was transported by ambulance to Good Samaritan Hospital in San Jose. In the ambulance he was monitored by EKG and was administered oxygen to help him breath, and nitroglycerin for his chest pain. He was later diagnosed with coronary heart disease and congestive heart failure.

I can only begin to imagine the fear and anxiety experienced by Mr. Steffan and his family on that day.

What is even more incomprehensible are the problems faced by Mr. Steffan after his hospitalization. His insurance determined, after the fact, that he should have been transported to the hospital by "other means" and refused to pay, despite the fact that the attending physician at the hospital stated that he needed to be transported because he required cardiac monitoring.

How can an insurance professional determine after the fact that an ambulance ride was or was not necessary? Moreover, how can a health-care provider refuse to cover basic emergency services that a normal person would consider necessary? It is bad enough when serious health problems develop. One should not have to deal with a larger problem from one's insurance company.

The need for this type of legislation is inarguable. However, the Norwood Amendment, agreed to in a secret handshake deal with the President, has sabotaged any chance for real medical reform.

This amendment, which takes us backward, not forward, contains numerous provisions which enable managed care providers to never face the consequences of their actions.

Under the amended bill, HMOs are held to a different standard than doctors and hospitals. While HMOs would be shielded, with a limit of $1.5 million for punitive damages, doctors and hospitals would be hung out to dry. It allows insurance companies to make bad decisions and never be held accountable.

Under the Norwood Amendment, the injured patient must prove that "the delay in receiving, or failure to receive, benefits is the proximate cause of personal injury to, or death of, the participant or beneficiary." In any medical malpractice case—unlike a running a red light being the proximate cause of the ensuing accident—there is rarely, if ever, a single cause of the injury.

The amendment overturns the good work done by states in protecting patients.

Furthermore, certain cases can be removed to the federal courts, where it is much more difficult for patients to achieve justice.

Yes, America's citizens need healthcare protection. But a sham, ineffective bill is not the answer. What good are patient protections if these rights cannot be effectively enforced in court?

I urge my colleagues to follow the lead of the other body and pass forceful, effective, meaningful legislation.

Mr. RUSH. Mr. Chairman, like many of my colleagues, I have been a staunch advocate for patients' rights. I have looked forward to the day when this House would once again pass a strong patients' bill of rights which would bring back responsibility and accountability to the relationship between HMOs and their patients.

The Bipartisan Patient Protection Act, H.R. 2563, as originally brought to the Floor today by Representative JOHN DINGELL and Representative GREG GANSKE was a model of bipartisanship and fairness. The bill brought equality to the patient and HMO relationship by providing for an internal and external review process of denials of care and permitting patients to sue their HMOs in state and federal courts. To ensure that the pendulum did not swing too far to one side, the bill also capped punitive damages at $5 million. Further, to protect employers from frivolous suits, the bill only held employers liable if they administered their plan themselves. Clearly, the bill as it was originally intended provided patients the means they needed to protect their right to quality care.

Unfortunately, with the adoption of Representative NORWOOD's amendment, the Bipartisan Patient Protection Act was stripped of its provisions allowing patients to sue their HMOs for the unfair denial of needed health care. Patients will now find themselves in an even more hostile and unresponsive environment.

It is for this reason that I must regrettably rise in opposition to the Bipartisan Patient Protection Act as amended by Representative CHARLES NORWOOD. I can only hope that the changes made to the Bipartisan Patient Protection Act can be revisited in conference.

Mr. GILMAN. Mr. Chairman, I rise today in support of H.R. 2563, the Bipartisan Patient Protection Act of 2001, otherwise known as the Ganske-Dingell-Norwood bill. Over the past 6 years, I have worked with my colleagues, Dr. GANSKE, Mr. DINGELL and Dr. NORWOOD, on trying to bring a comprehensive, bipartisan patient protection bill to the floor, and I believe that H.R. 2563 is this bill.

The Ganske-Dingell bill will provide individuals with managed care insurance plans, with an unprecedented amount of protections, including: the right to choose their own doctor, access to specialists, gag clause protections, information disclosure and access to emergency services. Moreover, the passage of this bill will mark the first time that patients throughout the nation will have the ability to hold their HMOs accountable for injuries or deaths which result from denials or delays of claims by the HMO.

H.R. 2563, has the support of over 800 organizations, including the American Medical Association, American Cancer Society, American Heart Association, National Breast Cancer Coalition, Patient Access to Responsible Care and National Health Association. These organizations recognize that the Ganske-Dingell bill is going to provide the necessary protections against abuses by the managed care industry.

I applaud the efforts of Representatives GANSKE, DINGELL, NORWOOD and BERRY for bring this important measure to the floor and for their dedication to this issue through the years.

Moreover, I commend Dr. NORWOOD for his continued commitment to ensuring that a Patients' Bill of Rights passes the House and has the opportunity to receive full and fair consideration by the Congress and the President. I understand that he has given his best efforts to negotiate a sound amendment which will have the opportunity to be reviewed and reconsidered in the legislative process.

Having said that, I do have concerns with the amendment introduced by Representative NORWOOD.

Foremost, the Norwood amendment fails to hold health plans accountable by the same standards that apply to physicians for negligent medical decisions. Rather than defer to state statutory law and hundreds of years of common law, the Norwood amendment would create a new status of health plans that injure or kill patients by their negligent treatment decisions. All actions against health plans would be determined exclusively under a new federal law while doctors and hospitals would be subject to less stringent state laws.

Additionally, the Norwood amendment includes a provision that grants health plans a "rebuttable presumption" in court when the external review panel has found in their favor. A patient would now be forced to prove that the decision of the external review panel was unreasonable, rather than only providing that the HMO was responsible for serious injury or death.

The most difficult portion of the Norwood amendment is that it strips the states of the rights they currently enjoy. It fails to recognize those states that already have external review systems and not allowing them to remain in place. Under Ganske-Dingell, states that already have a substantially similar, if not superior external review system in place, would be able to continue overseeing these systems. Ganske-Dingell sets a federal standard and allows states to provide additional protections if they choose to, while the Norwood amendment mandates a federal cap which prohibits states from providing additional protections.

States like New York, which currently has a superior external review process compared to the regulations outlined in Norwood, would be forced to follow an inferior external review system.

I hoped to come to the floor today to support a bipartisan proposal that had the full backing of all 4 sponsors of H.R. 2563, the House leadership and the White House.

Unfortunately, we have come to a cross roads. Our sponsors are in disagreement, the President has pledged, for his reasons, to veto the Ganske-Dingell-Norwood bill in its present form, the Minority has begun to politicize this issue to the detriment of real reform, and we are now forced to make a decision between passing a Patient's Bill of Rights or passing up the opportunity to allow myself, Dr. GANSKE, Dr. NORWOOD, Mr. DINGELL, Mr. BERRY and other Members of Congress to pressure the Senate and the White House in conference to remedy those provisions which weaken this measure.

In light of this unfortunate situation, I will not kill our opportunity to continue our work on behalf of patient's throughout our nation and pass a bi-partisan Patient's Bill of Rights.

I call on my colleagues, the Senate, and the President to recognize that this is an unfinished work and I look forward to working with all concerned so that after five long years we can finally complete this important measure.

Mr. ROSS. Mr. Chairman we need a real Patients Bill of Rights—one that truly takes the medical decisions out of the hands of the big health insurance company bureaucrats and the big HMOs and puts them back where they belong with physicians, nurses, and patients; one that allows patients to hold their HMOs accountable when they make bad medical decisions. That's what our constituents are asking for. That's what the Ganske-Dingell-Berry bill would do.

I'm sick and tired of the scare tactics the big health insurance companies and the big HMOs have been using with our small business owners. I own a small business with 15 employees back home. We provide health insurance to our employees. And I can tell you, the scare tactics that these HMOs are putting out in regard to increased premiums and potential lawsuits are simply that—scare tactics.

The state of Texas has this law on the books, and it is working. It's making the big HMOs accountable to their patients on the front end, and that is why there have only been 17 lawsuits filed in the state of Texas—a very large state— since the law was enacted in 1997.

The Norwood Compromise overrides states like Texas who already have patient protection laws on their books. It rolls back patient protections and shields HMOs from the consequences of their own bad medical decisions, unlike doctors and hospitals, who will be left to defend themselves.

This is not a patient bill of rights. This is an HMO and health insurance companies' bill of rights. Mr. Chairman, I urge my colleagues to reject this legislation written by the big HMOs for the big HMOs. I urge my colleagues to vote against final passage of this measure.

Mr. UDALL of Colorado. Mr. Chairman, since being elected to Congress, I have worked hard for a meaningful Patient's Bill of Rights. But I cannot support the White House proposal that was crafted in the wee hours of the night because it favors HMOs over patients.

This proposal is bad for Colorado. Patients will not have the full right to sue their HMO if it unfairly denies them access to critical medical care. And worse yet, the White House proposal overrides strong patients' rights laws already enacted in Colorado. When I served in the Colorado State House, we put in lots of hard work on a bipartisan basis to enact strong, meaningful patient protections. This deal will wipe away those protections with one fell swoop. We should keep our strong state protections in tact and not let the weaker federal laws take precedence.

So Mr. Chairman, I stand with the American Medical Association and the millions of Americans who will be greatly harmed by this legislation. I am disappointed that the Republican Leadership has worked with the White House to strike a deal that is acceptable to the President and unacceptable to patients and doctors. They have hijacked a good bill and filled it with protections for special interests. I hope that the House-Senate conference committee will come up with a bill that reflects the McCain bill that was approved in the Senate earlier this year.

Ms. LEE. Mr. Chairman, I am deeply disappointed in how the Republicans have stripped and completely weakened H.R. 2563, the Bipartisan Ganske-Dingell Patient Protection Act of 2001. This Patient Bill of Rights originally included strong patient protections that would have ensured timely access to high quality health care for the millions of Americans with private health insurance.

This bill was a bipartisan effort to protect our patients but some Republicans decided to add some terrible provisions that protected HMOs over individuals. The original Patients Bill of Rights, the one I supported, would have given individuals more access to emergency medical services, access to specialty care, access to essential medication, access to clinical trials, and direct access to pediatricians as well as Ob-Gyn care. This bill would have also protected the doctor-patient relationships by ensuring health professionals are free to provide information about a patient's medical treatment options.

H.R. 2563 did address the importance of allowing patients to appeal their health plans' decision as well as holding HMOs accountable for their actions. This bill would have established an independent, speedy external review process for patients dissatisfied with the results of the internal review. H.R. 2563 would have allowed individuals the right to sue when a medical judgment resulted in injury or death.

The Republicans offered three amendments of which two passed to the Patient Protection Act that severely weakened major provisions. The first amendment fully expands medical savings accounts (MSA) which only benefit wealthier and healthier people. This provision will directly increase health care costs for those who remain in traditional insurance and managed care plans.

The second Republican amendment weakens enforcement provisions found within H.R. 2563, makes it nearly impossible to pursue cases in state court, and stacks the deck against patients who have been harmed by insurance companies.

Now that these two poisonous amendments have been attached to H.R. 2563, I can no longer support this bill because patients will no longer be protected. Individuals throughout our nation have been growing more and more frustrated with an inadequate health care system that does not listen to the needs of our people. The original bill would have provided many protections that are essential to upholding our patients' rights. But unfortunately, the bill was completely stripped by the Republicans who want to protect HMO insurance groups over average Americans.

I was a stronger supporter of this bill but I now have to vote against this proposal. It's a shame that we cannot pass a real patients' bill of rights, and it's a shame that we are not addressing the 44 million individuals without any kind of health care coverage. I believe we need to provide all individuals access to affordable health care in order to improve our overall quality of life and health. This Congress should support a real Patients' bill of Rights and quality health care for everyone in this country. Today, this Congress did neither.

Mr. BACA. Mr. Chairman, we are about to engage in a battle to protect patients' rights, our rights and the rights of our loved ones. I believe that every American, those in the 42nd district of California, those across the Nation are all entitled to quality health care.

We can no longer take for granted that HMOs will let doctors base decisions on our health needs. We can no longer assume that HMOs care about our health concerns over the companies' bottom line.

The bottom line is that HMOs care only about one thing: Profits! Profits! Profits! Profits! instead of health needs! health needs! health needs! health needs!

Too often today, HMOs are not making sound decisions about the health needs of our families, our children, our parents and grandparents!

We must shift priorities away from money and back to the patient! Away from HMOS and back to our doctors!

This debate is about taking care of the American people that invest in our country every day! It is about working mothers in San Bernardino with sick children at home. It is about a husband or wife in Rialto having to take time off work to see a doctor only to be referred to another doctor.

This is about direct access for women to see an ob-gyn, for your child to see a pediatrician, to emergency care specialists, this is a matter of life or death!

Let's not forget about those who have dedicated their lives to our health and happiness, our parents, our grandparents, the elderly.

This can no longer be about profits! This is about healing the sick! This is about making sure that the health needs of every American are taken care of.

Health care should be the least of our worries! You shouldn't have to worry about losing your job, you shouldn't have to worry about losing your home because your health plan wouldn't cover you in your time of need!

This is America. We care about everyone in America. We should not have to live in fear. The American people should not live in fear of sickness, the American people do not deserve to fear needing medical attention!

The least we can do is guarantee better health care for working Americans than the health care provided to those in our prison systems!

That is why I joined a bipartisan coalition, to co-sponsor H.R. 2563, the Patient Protection Act, a strong, enforceable patients' bill of rights, the only real patients' bill of rights. I will fight against efforts to weaken this bill with amendments negotiated in the dead of night.

President Bush claims he is committed to working on a bipartisan basis for the good of our people. Here is his chance! This is not a partisan issue, it is about protecting patients' rights to quality health care. It is really about the health of our country! "Read my lips" were his Dad's famous words. I urge the president to cut the lipservice, prove your commitment to bipartisanship! Commit to America's health Mr. President, not to the health of HMOs, not to the health of your friends in big business!

This patients' bill of rights is the medicine to cure the out-of-control greed of the HMOs. I urge you to hold HMOs accountable, to fight for patients' rights!

Remember who we are talking about. We are talking about the health of our children, our parents and our neighbors. I urge you to vote for the Patient Protection Act, H.R. 2563, without amendments that weaken patient protection.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill is considered read for amendment under the 5-minute rule.

The text of H.R. 2563 is as follows:

H.R. 2563

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Bipartisan Patient Protection Act".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—IMPROVING MANAGED CARE

Subtitle A—Utilization Review; Claims; and Internal and External Appeals

Sec. 101. Utilization review activities.
Sec. 102. Procedures for initial claims for benefits and prior authorization determinations.
Sec. 103. Internal appeals of claims denials.
Sec. 104. Independent external appeals procedures.
Sec. 105. Health care consumer assistance fund.

Subtitle B—Access to Care

Sec. 111. Consumer choice option.
Sec. 112. Choice of health care professional.
Sec. 113. Access to emergency care.
Sec. 114. Timely access to specialists.
Sec. 115. Patient access to obstetrical and gynecological care.
Sec. 116. Access to pediatric care.
Sec. 117. Continuity of care.
Sec. 118. Access to needed prescription drugs.
Sec. 119. Coverage for individuals participating in approved clinical trials.
Sec. 120. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations.

Subtitle C—Access to Information

Sec. 121. Patient access to information.

Subtitle D—Protecting the Doctor-Patient Relationship

Sec. 131. Prohibition of interference with certain medical communications.
Sec. 132. Prohibition of discrimination against providers based on licensure.
Sec. 133. Prohibition against improper incentive arrangements.
Sec. 134. Payment of claims.
Sec. 135. Protection for patient advocacy.

Subtitle E—Definitions

Sec. 151. Definitions.
Sec. 152. Preemption; State flexibility; construction.
Sec. 153. Exclusions.
Sec. 154. Treatment of excepted benefits.
Sec. 155. Regulations.
Sec. 156. Incorporation into plan or coverage documents.
Sec. 157. Preservation of protections.

TITLE II—APPLICATION OF QUALITY CARE STANDARDS TO GROUP HEALTH PLANS AND HEALTH INSURANCE COVERAGE UNDER THE PUBLIC HEALTH SERVICE ACT

Sec. 201. Application to group health plans and group health insurance coverage.
Sec. 202. Application to individual health insurance coverage.
Sec. 203. Cooperation between Federal and State authorities.

TITLE III—APPLICATION OF PATIENT PROTECTION STANDARDS TO FEDERAL HEALTH INSURANCE PROGRAMS

Sec. 301. Application of patient protection standards to Federal health insurance programs.

TITLE IV—AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Sec. 401. Application of patient protection standards to group health plans and group health insurance coverage under the Employee Retirement Income Security Act of 1974.
Sec. 402. Availability of civil remedies.
Sec. 403. Limitation on certain class action litigation.
Sec. 404. Limitations on actions.
Sec. 405. Cooperation between Federal and State authorities.
Sec. 406. Sense of the Senate concerning the importance of certain unpaid services.

TITLE V—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

Subtitle A—Application of Patient Protection Provisions

Sec. 501. Application of requirements to group health plans under the Internal Revenue Code of 1986.
Sec. 502. Conforming enforcement for women's health and cancer rights.

Subtitle B—Health Care Coverage Access Tax Incentives

Sec. 511. Expanded availability of Archer MSAs.
Sec. 512. Deduction for 100 percent of health insurance costs of self-employed individuals.
Sec. 513. Credit for health insurance expenses of small businesses.
Sec. 514. Certain grants by private foundations to qualified health benefit purchasing coalitions.
Sec. 515. State grant program for market innovation.

TITLE VI—EFFECTIVE DATES; COORDINATION IN IMPLEMENTATION

Sec. 601. Effective dates.
Sec. 602. Coordination in implementation.
Sec. 603. Severability.

TITLE VII—MISCELLANEOUS PROVISIONS

Sec. 701. No impact on Social Security Trust Fund.
Sec. 702. Customs user fees.
Sec. 703. Fiscal year 2002 medicare payments.
Sec. 704. Sense of Senate with respect to participation in clinical trials and access to specialty care.
Sec. 705. Sense of the Senate regarding fair review process.
Sec. 706. Annual review.
Sec. 707. Definition of born-alive infant.

TITLE I—IMPROVING MANAGED CARE

Subtitle A—Utilization Review; Claims; and Internal and External Appeals

SEC. 101. UTILIZATION REVIEW ACTIVITIES.

(a) Compliance With Requirements.—

(1) In general.—A group health plan, and a health insurance issuer that provides health insurance coverage, shall conduct utilization review activities in connection with the provision of benefits under such plan or coverage only in accordance with a utilization review program that meets the requirements of this section and section 102.

(2) Use of outside agents.—Nothing in this section shall be construed as preventing a group health plan or health insurance issuer from arranging through a contract or otherwise for persons or entities to conduct utilization review activities on behalf of the plan or issuer, so long as such activities are conducted in accordance with a utilization review program that meets the requirements of this section.

(3) Utilization review defined.—For purposes of this section, the terms "utilization review" and "utilization review activities" mean procedures used to monitor or evaluate the use or coverage, clinical necessity, appropriateness, efficacy, or efficiency of health care services, procedures or settings, and includes prospective review, concurrent review, second opinions, case management, discharge planning, or retrospective review.

(b) Written Policies and Criteria.—

(1) Written policies.—A utilization review program shall be conducted consistent with

written policies and procedures that govern all aspects of the program.

(2) Use of written criteria.—

(A) In general.—Such a program shall utilize written clinical review criteria developed with input from a range of appropriate actively practicing health care professionals, as determined by the plan, pursuant to the program. Such criteria shall include written clinical review criteria that are based on valid clinical evidence where available and that are directed specifically at meeting the needs of at-risk populations and covered individuals with chronic conditions or severe illnesses, including gender-specific criteria and pediatric-specific criteria where available and appropriate.

(B) Continuing use of standards in retrospective review.—If a health care service has been specifically pre-authorized or approved for a participant, beneficiary, or enrollee under such a program, the program shall not, pursuant to retrospective review, revise or modify the specific standards, criteria, or procedures used for the utilization review for procedures, treatment, and services delivered to the enrollee during the same course of treatment.

(C) Review of sample of claims denials.—Such a program shall provide for a periodic evaluation of the clinical appropriateness of at least a sample of denials of claims for benefits.

(c) Conduct of Program Activities.—

(1) Administration by health care professionals.—A utilization review program shall be administered by qualified health care professionals who shall oversee review decisions.

(2) Use of qualified, independent personnel.—

(A) In general.—A utilization review program shall provide for the conduct of utilization review activities only through personnel who are qualified and have received appropriate training in the conduct of such activities under the program.

(B) Prohibition of contingent compensation arrangements.—Such a program shall not, with respect to utilization review activities, permit or provide compensation or anything of value to its employees, agents, or contractors in a manner that encourages denials of claims for benefits.

(C) Prohibition of conflicts.—Such a program shall not permit a health care professional who is providing health care services to an individual to perform utilization review activities in connection with the health care services being provided to the individual.

(3) Accessibility of review.—Such a program shall provide that appropriate personnel performing utilization review activities under the program, including the utilization review administrator, are reasonably accessible by toll-free telephone during normal business hours to discuss patient care and allow response to telephone requests, and that appropriate provision is made to receive and respond promptly to calls received during other hours.

(4) Limits on frequency.—Such a program shall not provide for the performance of utilization review activities with respect to a class of services furnished to an individual more frequently than is reasonably required to assess whether the services under review are medically necessary and appropriate.

SEC. 102. PROCEDURES FOR INITIAL CLAIMS FOR BENEFITS AND PRIOR AUTHORIZATION DETERMINATIONS.

(a) Procedures of Initial Claims for Benefits.—

(1) In general.—A group health plan, and a health insurance issuer offering health insurance coverage, shall—

(A) make a determination on an initial claim for benefits by a participant, beneficiary, or enrollee (or authorized representative) regarding payment or coverage for items or services under the terms and conditions of the plan or coverage involved, including any cost-sharing amount that the participant, beneficiary, or enrollee is required to pay with respect to such claim for benefits; and

(B) notify a participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional involved regarding a determination on an initial claim for benefits made under the terms and conditions of the plan or coverage, including any cost-sharing amounts that the participant, beneficiary, or enrollee may be required to make with respect to such claim for benefits, and of the right of the participant, beneficiary, or enrollee to an internal appeal under section 103.

(2) Access to information.—

(A) Timely provision of necessary information.—With respect to an initial claim for benefits, the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional (if any) shall provide the plan or issuer with access to information requested by the plan or issuer that is necessary to make a determination relating to the claim. Such access shall be provided not later than 5 days after the date on which the request for information is received, or, in a case described in subparagraph (B) or (C) of subsection (b)(1), by such earlier time as may be necessary to comply with the applicable timeline under such subparagraph.

(B) Limited effect of failure on plan or issuer's obligations.—Failure of the participant, beneficiary, or enrollee to comply with the requirements of subparagraph (A) shall not remove the obligation of the plan or issuer to make a decision in accordance with the medical exigencies of the case and as soon as possible, based on the available information, and failure to comply with the time limit established by this paragraph shall not remove the obligation of the plan or issuer to comply with the requirements of this section.

(3) Oral requests.—In the case of a claim for benefits involving an expedited or concurrent determination, a participant, beneficiary, or enrollee (or authorized representative) may make an initial claim for benefits orally, but a group health plan, or health insurance issuer offering health insurance coverage, may require that the participant, beneficiary, or enrollee (or authorized representative) provide written confirmation of such request in a timely manner on a form provided by the plan or issuer. In the case of such an oral request for benefits, the making of the request (and the timing of such request) shall be treated as the making at that time of a claim for such benefits without regard to whether and when a written confirmation of such request is made.

(b) Timeline for Making Determinations.—

(1) Prior authorization determination.—

(A) In general.—A group health plan, and a health insurance issuer offering health insurance coverage, shall make a prior authorization determination on a claim for benefits (whether oral or written) in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 14 days from the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination on the request for prior authorization and in no case later than 28 days after the date of the claim for benefits is received.

(B) Expedited determination.—Notwithstanding subparagraph (A), a group health plan, and a health insurance issuer offering health insurance coverage, shall expedite a prior authorization determination on a claim for benefits described in such subparagraph when a request for such an expedited determination is made by a participant, beneficiary, or enrollee (or authorized representative) at any time during the process for making a determination and a health care professional certifies, with the request, that a determination under the procedures described in subparagraph (A) would seriously jeopardize the life or health of the participant, beneficiary, or enrollee or the ability of the participant, beneficiary, or enrollee to maintain or regain maximum function. Such determination shall be made in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 72 hours after the time the request is received by the plan or issuer under this subparagraph.

(C) Ongoing care.—

(i) Concurrent review.—

(I) In general.—Subject to clause (ii), in the case of a concurrent review of ongoing care (including hospitalization), which results in a termination or reduction of such care, the plan or issuer must provide by telephone and in printed form notice of the concurrent review determination to the individual or the individual's designee and the individual's health care provider in accordance with the medical exigencies of the case and as soon as possible, with sufficient time prior to the termination or reduction to allow for an appeal under section 103(b)(3) to be completed before the termination or reduction takes effect.

(II) Contents of notice.—Such notice shall include, with respect to ongoing health care items and services, the number of ongoing services approved, the new total of approved services, the date of onset of services, and the next review date, if any, as well as a statement of the individual's rights to further appeal.

(ii) Rule of construction.—Clause (i) shall not be construed as requiring plans or issuers to provide coverage of care that would exceed the coverage limitations for such care.

(2) Retrospective determination.—A group health plan, and a health insurance issuer offering health insurance coverage, shall make a retrospective determination on a claim for benefits in accordance with the medical exigencies of the case and as soon as possible, but not later than 30 days after the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination on the claim, or, if earlier, 60 days after the date of receipt of the claim for benefits.

(c) Notice of a Denial of a Claim for Benefits.—Written notice of a denial made under an initial claim for benefits shall be issued to the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 2 days after the date of the determination (or, in the case described in subparagraph (B) or (C) of subsection (b)(1), within the 72-hour or applicable period referred to in such subparagraph).

(d) Requirements of Notice of Determinations.—The written notice of a denial of a claim for benefits determination under subsection (c) shall be provided in printed form and written in a manner calculated to be understood by the participant, beneficiary, or enrollee and shall include—

(1) the specific reasons for the determination (including a summary of the clinical or scientific evidence used in making the determination);

(2) the procedures for obtaining additional information concerning the determination; and

(3) notification of the right to appeal the determination and instructions on how to initiate an appeal in accordance with section 103.

(e) Definitions.—For purposes of this part:

(1) Authorized representative.—The term "authorized representative" means, with respect to an individual who is a participant, beneficiary, or enrollee, any health care professional or other person acting on behalf of the individual with the individual's consent or without such consent if the individual is medically unable to provide such consent.

(2) Claim for benefits.—The term "claim for benefits" means any request for coverage (including authorization of coverage), for eligibility, or for payment in whole or in part, for an item or service under a group health plan or health insurance coverage.

(3) Denial of claim for benefits.—The term "denial" means, with respect to a claim for benefits, a denial (in whole or in part) of, or a failure to act on a timely basis upon, the claim for benefits and includes a failure to provide benefits (including items and services) required to be provided under this title.

(4) Treating health care professional.—The term "treating health care professional" means, with respect to services to be provided to a participant, beneficiary, or enrollee, a health care professional who is primarily responsible for delivering those services to the participant, beneficiary, or enrollee.

SEC. 103. INTERNAL APPEALS OF CLAIMS DENIALS.

(a) Right to Internal Appeal.—

(1) In general.—A participant, beneficiary, or enrollee (or authorized representative) may appeal any denial of a claim for benefits under section 102 under the procedures described in this section.

(2) Time for appeal.—

(A) In general.—A group health plan, and a health insurance issuer offering health insurance coverage, shall ensure that a participant, beneficiary, or enrollee (or authorized representative) has a period of not less than 180 days beginning on the date of a denial of a claim for benefits under section 102 in which to appeal such denial under this section.

(B) Date of denial.—For purposes of subparagraph (A), the date of the denial shall be deemed to be the date as of which the participant, beneficiary, or enrollee knew of the denial of the claim for benefits.

(3) Failure to act.—The failure of a plan or issuer to issue a determination on a claim for benefits under section 102 within the applicable timeline established for such a determination under such section is a denial of a claim for benefits for purposes this subtitle as of the date of the applicable deadline.

(4) Plan waiver of internal review.—A group health plan, or health insurance issuer offering health insurance coverage, may waive the internal review process under this section. In such case the plan or issuer shall provide notice to the participant, beneficiary, or enrollee (or authorized representative) involved, the participant, beneficiary, or enrollee (or authorized representative) involved shall be relieved of any obligation to complete the internal review involved, and may, at the option of such participant, beneficiary, enrollee, or representative proceed directly to seek further appeal through external review under section 104 or otherwise.

(b) Timelines for Making Determinations.—

(1) Oral requests.—In the case of an appeal of a denial of a claim for benefits under this section that involves an expedited or concurrent determination, a participant, beneficiary, or enrollee (or authorized representative) may request such appeal orally. A group health plan, or health insurance issuer offering health insurance coverage, may require that the participant, beneficiary, or enrollee (or authorized representative) provide written confirmation of such request in a timely manner on a form provided by the plan or issuer. In the case of such an oral request for an appeal of a denial, the making of the request (and the timing of such request) shall be treated as the making at that time of a request for an appeal without regard to whether and when a written confirmation of such request is made.

(2) Access to information.—

(A) Timely provision of necessary information.—With respect to an appeal of a denial of a claim for benefits, the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional (if any) shall provide the plan or issuer with access to information requested by the plan or issuer that is necessary to make a determination relating to the appeal. Such access shall be provided not later than 5 days after the date on which the request for information is received, or, in a case described in subparagraph (B) or (C) of paragraph (3), by such earlier time as may be necessary to comply with the applicable timeline under such subparagraph.

(B) Limited effect of failure on plan or issuer's obligations.—Failure of the participant, beneficiary, or enrollee to comply with the requirements of subparagraph (A) shall not remove the obligation of the plan or issuer to make a decision in accordance with the medical exigencies of the case and as soon as possible, based on the available information, and failure to comply with the time limit established by this paragraph shall not remove the obligation of the plan or issuer to comply with the requirements of this section.

(3) Prior authorization determinations.—

(A) In general.—Except as provided in this paragraph or paragraph (4), a group health plan, and a health insurance issuer offering health insurance coverage, shall make a determination on an appeal of a denial of a claim for benefits under this subsection in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 14 days from the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination on the appeal and in no case later than 28 days after the date the request for the appeal is received.

(B) Expedited determination.—Notwithstanding subparagraph (A), a group health plan, and a health insurance issuer offering health insurance coverage, shall expedite a prior authorization determination on an appeal of a denial of a claim for benefits described in subparagraph (A), when a request for such an expedited determination is made by a participant, beneficiary, or enrollee (or authorized representative) at any time during the process for making a determination and a health care professional certifies, with the request, that a determination under the procedures described in subparagraph (A) would seriously jeopardize the life or health of the participant, beneficiary, or enrollee or the ability of the participant, beneficiary, or enrollee to maintain or regain maximum function. Such determination shall be made in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 72 hours after the time the request for such appeal is received by the plan or issuer under this subparagraph.

(C) Ongoing care determinations.—

(i) In general.—Subject to clause (ii), in the case of a concurrent review determination described in section 102(b)(1)(C)(i)(I), which results in a termination or reduction of such care, the plan or issuer must provide notice of the determination on the appeal under this section by telephone and in printed form to the individual or the individual's designee and the individual's health care provider in accordance with the medical exigencies of the case and as soon as possible, with sufficient time prior to the termination or reduction to allow for an external appeal under section 104 to be completed before the termination or reduction takes effect.

(ii) Rule of construction.—Clause (i) shall not be construed as requiring plans or issuers to provide coverage of care that would exceed the coverage limitations for such care.

(4) Retrospective determination.—A group health plan, and a health insurance issuer offering health insurance coverage, shall make a retrospective determination on an appeal of a denial of a claim for benefits in no case later than 30 days after the date on which the plan or issuer receives necessary information that is reasonably necessary to enable the plan or issuer to make a determination on the appeal and in no case later than 60 days after the date the request for the appeal is received.

(c) Conduct of Review.—

(1) In general.—A review of a denial of a claim for benefits under this section shall be conducted by an individual with appropriate expertise who was not involved in the initial determination.

(2) Peer review of medical decisions by health care professionals.—A review of an appeal of a denial of a claim for benefits that is based on a lack of medical necessity and appropriateness, or based on an experimental or investigational treatment, or requires an evaluation of medical facts—

(A) shall be made by a physician (allopathic or osteopathic); or

(B) in a claim for benefits provided by a non-physician health professional, shall be made by reviewer (or reviewers) including at least one practicing non-physician health professional of the same or similar specialty;

with appropriate expertise (including, in the case of a child, appropriate pediatric expertise) and acting within the appropriate scope of practice within the State in which the service is provided or rendered, who was not involved in the initial determination.

(d) Notice of Determination.—

(1) In general.—Written notice of a determination made under an internal appeal of a

denial of a claim for benefits shall be issued to the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 2 days after the date of completion of the review (or, in the case described in subparagraph (B) or (C) of subsection (b)(3), within the 72-hour or applicable period referred to in such subparagraph).

(2) FINAL DETERMINATION.—The decision by a plan or issuer under this section shall be treated as the final determination of the plan or issuer on a denial of a claim for benefits. The failure of a plan or issuer to issue a determination on an appeal of a denial of a claim for benefits under this section within the applicable timeline established for such a determination shall be treated as a final determination on an appeal of a denial of a claim for benefits for purposes of proceeding to external review under section 104.

(3) REQUIREMENTS OF NOTICE.—With respect to a determination made under this section, the notice described in paragraph (1) shall be provided in printed form and written in a manner calculated to be understood by the participant, beneficiary, or enrollee and shall include—

(A) the specific reasons for the determination (including a summary of the clinical or scientific evidence used in making the determination);

(B) the procedures for obtaining additional information concerning the determination; and

(C) notification of the right to an independent external review under section 104 and instructions on how to initiate such a review.

SEC. 104. INDEPENDENT EXTERNAL APPEALS PROCEDURES.

(a) RIGHT TO EXTERNAL APPEAL.—A group health plan, and a health insurance issuer offering health insurance coverage, shall provide in accordance with this section participants, beneficiaries, and enrollees (or authorized representatives) with access to an independent external review for any denial of a claim for benefits.

(b) INITIATION OF THE INDEPENDENT EXTERNAL REVIEW PROCESS.—

(1) TIME TO FILE.—A request for an independent external review under this section shall be filed with the plan or issuer not later than 180 days after the date on which the participant, beneficiary, or enrollee receives notice of the denial under section 103(d) or notice of waiver of internal review under section 103(a)(4) or the date on which the plan or issuer has failed to make a timely decision under section 103(d)(2) and notifies the participant or beneficiary that it has failed to make a timely decision and that the beneficiary must file an appeal with an external review entity within 180 days if the participant or beneficiary desires to file such an appeal.

(2) FILING OF REQUEST.—

(A) IN GENERAL.—Subject to the succeeding provisions of this subsection, a group health plan, or health insurance issuer offering health insurance coverage, may—

(i) except as provided in subparagraph (B)(i), require that a request for review be in writing;

(ii) limit the filing of such a request to the participant, beneficiary, or enrollee involved (or an authorized representative);

(iii) except if waived by the plan or issuer under section 103(a)(4), condition access to an independent external review under this section upon a final determination of a denial of a claim for benefits under the internal review procedure under section 103;

(iv) except as provided in subparagraph (B)(ii), require payment of a filing fee to the plan or issuer of a sum that does not exceed $25; and

(v) require that a request for review include the consent of the participant, beneficiary, or enrollee (or authorized representative) for the release of necessary medical information or records of the participant, beneficiary, or enrollee to the qualified external review entity only for purposes of conducting external review activities.

(B) REQUIREMENTS AND EXCEPTION RELATING TO GENERAL RULE.—

(i) ORAL REQUESTS PERMITTED IN EXPEDITED OR CONCURRENT CASES.—In the case of an expedited or concurrent external review as provided for under subsection (e), the request for such review may be made orally. A group health plan, or health insurance issuer offering health insurance coverage, may require that the participant, beneficiary, or enrollee (or authorized representative) provide written confirmation of such request in a timely manner on a form provided by the plan or issuer. Such written confirmation shall be treated as a consent for purposes of subparagraph (A)(v). In the case of such an oral request for such a review, the making of the request (and the timing of such request) shall be treated as the making at that time of a request for such a review without regard to whether and when a written confirmation of such request is made.

(ii) EXCEPTION TO FILING FEE REQUIREMENT.—

(I) INDIGENCY.—Payment of a filing fee shall not be required under subparagraph (A)(iv) where there is a certification (in a form and manner specified in guidelines established by the appropriate Secretary) that the participant, beneficiary, or enrollee is indigent (as defined in such guidelines).

(II) FEE NOT REQUIRED.—Payment of a filing fee shall not be required under subparagraph (A)(iv) if the plan or issuer waives the internal appeals process under section 103(a)(4).

(III) REFUNDING OF FEE.—The filing fee paid under subparagraph (A)(iv) shall be refunded if the determination under the independent external review is to reverse or modify the denial which is the subject of the review.

(IV) COLLECTION OF FILING FEE.—The failure to pay such a filing fee shall not prevent the consideration of a request for review but, subject to the preceding provisions of this clause, shall constitute a legal liability to pay.

(c) REFERRAL TO QUALIFIED EXTERNAL REVIEW ENTITY UPON REQUEST.—

(1) IN GENERAL.—Upon the filing of a request for independent external review with the group health plan, or health insurance issuer offering health insurance coverage, the plan or issuer shall immediately refer such request, and forward the plan or issuer's initial decision (including the information described in section 103(d)(3)(A)), to a qualified external review entity selected in accordance with this section.

(2) ACCESS TO PLAN OR ISSUER AND HEALTH PROFESSIONAL INFORMATION.—With respect to an independent external review conducted under this section, the participant, beneficiary, or enrollee (or authorized representative), the plan or issuer, and the treating health care professional (if any) shall provide the external review entity with information that is necessary to conduct a review under this section, as determined and requested by the entity. Such information shall be provided not later than 5 days after the date on which the request for information is received, or, in a case described in clause (ii) or (iii) of subsection (e)(1)(A), by such earlier time as may be necessary to comply with the applicable timeline under such clause.

(3) SCREENING OF REQUESTS BY QUALIFIED EXTERNAL REVIEW ENTITIES.—

(A) IN GENERAL.—With respect to a request referred to a qualified external review entity under paragraph (1) relating to a denial of a claim for benefits, the entity shall refer such request for the conduct of an independent medical review unless the entity determines that—

(i) any of the conditions described in clauses (ii) or (iii) of subsection (b)(2)(A) have not been met;

(ii) the denial of the claim for benefits does not involve a medically reviewable decision under subsection (d)(2);

(iii) the denial of the claim for benefits relates to a decision regarding whether an individual is a participant, beneficiary, or enrollee who is enrolled under the terms and conditions of the plan or coverage (including the applicability of any waiting period under the plan or coverage); or

(iv) the denial of the claim for benefits is a decision as to the application of cost-sharing requirements or the application of a specific exclusion or express limitation on the amount, duration, or scope of coverage of items or services under the terms and conditions of the plan or coverage unless the decision is a denial described in subsection (d)(2).

Upon making a determination that any of clauses (i) through (iv) applies with respect to the request, the entity shall determine that the denial of a claim for benefits involved is not eligible for independent medical review under subsection (d), and shall provide notice in accordance with subparagraph (C).

(B) PROCESS FOR MAKING DETERMINATIONS.—

(i) NO DEFERENCE TO PRIOR DETERMINATIONS.—In making determinations under subparagraph (A), there shall be no deference given to determinations made by the plan or issuer or the recommendation of a treating health care professional (if any).

(ii) USE OF APPROPRIATE PERSONNEL.—A qualified external review entity shall use appropriately qualified personnel to make determinations under this section.

(C) NOTICES AND GENERAL TIMELINES FOR DETERMINATION.—

(i) NOTICE IN CASE OF DENIAL OF REFERRAL.—If the entity under this paragraph does not make a referral to an independent medical reviewer, the entity shall provide notice to the plan or issuer, the participant, beneficiary, or enrollee (or authorized representative) filing the request, and the treating health care professional (if any) that the denial is not subject to independent medical review. Such notice—

(I) shall be written (and, in addition, may be provided orally) in a manner calculated to be understood by a participant or enrollee;

(II) shall include the reasons for the determination;

(III) include any relevant terms and conditions of the plan or coverage; and

(IV) include a description of any further recourse available to the individual.

(ii) GENERAL TIMELINE FOR DETERMINATIONS.—Upon receipt of information under paragraph (2), the qualified external review entity, and if required the independent medical reviewer, shall make a determination within the overall timeline that is applicable to the case under review as described in subsection (e), except that if the entity determines that a referral to an independent medical reviewer is not required, the entity shall provide notice of such determination to the participant, beneficiary, or enrollee (or authorized representative) within such timeline and within 2 days of the date of such determination.

(d) INDEPENDENT MEDICAL REVIEW.—

(1) IN GENERAL.—If a qualified external review entity determines under subsection (c) that a denial of a claim for benefits is eligible for independent medical review, the entity shall refer the denial involved to an independent medical reviewer for the conduct of an independent medical review under this subsection.

(2) MEDICALLY REVIEWABLE DECISIONS.—A denial of a claim for benefits is eligible for independent medical review if the benefit for the item or service for which the claim is made would be a covered benefit under the terms and conditions of the plan or coverage but for one (or more) of the following determinations:

(A) DENIALS BASED ON MEDICAL NECESSITY AND APPROPRIATENESS.—A determination that the item or service is not covered because it is not medically necessary and appropriate or based on the application of substantially equivalent terms.

(B) DENIALS BASED ON EXPERIMENTAL OR INVESTIGATIONAL TREATMENT.—A determination that the item or service is not covered because it is experimental or investigational or based on the application of substantially equivalent terms.

(C) DENIALS OTHERWISE BASED ON AN EVALUATION OF MEDICAL FACTS.—A determination that the item or service or condition is not covered based on grounds that require an evaluation of the medical facts by a health care professional in the specific case involved to determine the coverage and extent of coverage of the item or service or condition.

(3) INDEPENDENT MEDICAL REVIEW DETERMINATION.—

(A) IN GENERAL.—An independent medical reviewer under this section shall make a new independent determination with respect to whether or not the denial of a claim for a benefit that is the subject of the review should be upheld, reversed, or modified.

(B) STANDARD FOR DETERMINATION.—The independent medical reviewer's determination relating to the medical necessity and appropriateness, or the experimental or investigational nature, or the evaluation of the medical facts, of the item, service, or condition involved shall be based on the medical condition of the participant, beneficiary, or enrollee (including the medical records of the participant, beneficiary, or enrollee) and valid, relevant scientific evidence and clinical evidence, including peer-reviewed medical literature or findings and including expert opinion.

(C) NO COVERAGE FOR EXCLUDED BENEFITS.—Nothing in this subsection shall be construed to permit an independent medical reviewer to require that a group health plan, or health insurance issuer offering health insurance coverage, provide coverage for items or services for which benefits are specifically excluded or expressly limited under the plan or coverage in the plain language of the plan document (and which are disclosed under section 121(b)(1)(C)). Notwithstanding any other provision of this Act, any exclusion of an exact medical procedure, any exact time limit on the duration or frequency of coverage, and any exact dollar limit on the amount of coverage that is specifically enumerated and defined (in the plain language of the plan or coverage documents) under the plan or coverage offered by a group health plan or health insurance issuer offering health insurance coverage and that is disclosed under section 121(b)(1) shall be considered to govern the scope of the benefits that may be required: *Provided*, That the terms and conditions of the plan or coverage relating to such an exclusion or limit are in compliance with the requirements of law.

(D) EVIDENCE AND INFORMATION TO BE USED IN MEDICAL REVIEWS.—In making a determination under this subsection, the independent medical reviewer shall also consider appropriate and available evidence and information, including the following:

(i) The determination made by the plan or issuer with respect to the claim upon internal review and the evidence, guidelines, or rationale used by the plan or issuer in reaching such determination.

(ii) The recommendation of the treating health care professional and the evidence, guidelines, and rationale used by the treating health care professional in reaching such recommendation.

(iii) Additional relevant evidence or information obtained by the reviewer or submitted by the plan, issuer, participant, beneficiary, or enrollee (or an authorized representative), or treating health care professional.

(iv) The plan or coverage document.

(E) INDEPENDENT DETERMINATION.—In making determinations under this section, a qualified external review entity and an independent medical reviewer shall—

(i) consider the claim under review without deference to the determinations made by the plan or issuer or the recommendation of the treating health care professional (if any); and

(ii) consider, but not be bound by, the definition used by the plan or issuer of "medically necessary and appropriate", or "experimental or investigational", or other substantially equivalent terms that are used by the plan or issuer to describe medical necessity and appropriateness or experimental or investigational nature of the treatment.

(F) DETERMINATION OF INDEPENDENT MEDICAL REVIEWER.—An independent medical reviewer shall, in accordance with the deadlines described in subsection (e), prepare a written determination to uphold, reverse, or modify the denial under review. Such written determination shall include—

(i) the determination of the reviewer;

(ii) the specific reasons of the reviewer for such determination, including a summary of the clinical or scientific evidence used in making the determination; and

(iii) with respect to a determination to reverse or modify the denial under review, a timeframe within which the plan or issuer must comply with such determination.

(G) NONBINDING NATURE OF ADDITIONAL RECOMMENDATIONS.—In addition to the determination under subparagraph (F), the reviewer may provide the plan or issuer and the treating health care professional with additional recommendations in connection with such a determination, but any such recommendations shall not affect (or be treated as part of) the determination and shall not be binding on the plan or issuer.

(e) TIMELINES AND NOTIFICATIONS.—

(1) TIMELINES FOR INDEPENDENT MEDICAL REVIEW.—

(A) PRIOR AUTHORIZATION DETERMINATION.—

(i) IN GENERAL.—The independent medical reviewer (or reviewers) shall make a determination on a denial of a claim for benefits that is referred to the reviewer under subsection (c)(3) in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 14 days after the date of receipt of information under subsection (c)(2) if the review involves a prior authorization of items or services and in no case later than 21 days after the date the request for external review is received.

(ii) EXPEDITED DETERMINATION.—Notwithstanding clause (i) and subject to clause (iii), the independent medical reviewer (or reviewers) shall make an expedited determination on a denial of a claim for benefits described in clause (i), when a request for such an expedited determination is made by a participant, beneficiary, or enrollee (or authorized representative) at any time during the process for making a determination, and a health care professional certifies, with the request, that a determination under the timeline described in clause (i) would seriously jeopardize the life or health of the participant, beneficiary, or enrollee or the ability of the participant, beneficiary, or enrollee to maintain or regain maximum function. Such determination shall be made in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 72 hours after the time the request for external review is received by the qualified external review entity.

(iii) ONGOING CARE DETERMINATION.—Notwithstanding clause (i), in the case of a review described in such clause that involves a termination or reduction of care, the notice of the determination shall be completed not later than 24 hours after the time the request for external review is received by the qualified external review entity and before the end of the approved period of care.

(B) RETROSPECTIVE DETERMINATION.—The independent medical reviewer (or reviewers) shall complete a review in the case of a retrospective determination on an appeal of a denial of a claim for benefits that is referred to the reviewer under subsection (c)(3) in no case later than 30 days after the date of receipt of information under subsection (c)(2) and in no case later than 60 days after the date the request for external review is received by the qualified external review entity.

(2) NOTIFICATION OF DETERMINATION.—The external review entity shall ensure that the plan or issuer, the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional (if any) receives a copy of the written determination of the independent medical reviewer prepared under subsection (d)(3)(F). Nothing in this paragraph shall be construed as preventing an entity or reviewer from providing an initial oral notice of the reviewer's determination.

(3) FORM OF NOTICES.—Determinations and notices under this subsection shall be written in a manner calculated to be understood by a participant.

(f) COMPLIANCE.—

(1) APPLICATION OF DETERMINATIONS.—

(A) EXTERNAL REVIEW DETERMINATIONS BINDING ON PLAN.—The determinations of an external review entity and an independent medical reviewer under this section shall be binding upon the plan or issuer involved.

(B) COMPLIANCE WITH DETERMINATION.—If the determination of an independent medical reviewer is to reverse or modify the denial, the plan or issuer, upon the receipt of such determination, shall authorize coverage to comply with the medical reviewer's determination in accordance with the timeframe established by the medical reviewer.

(2) FAILURE TO COMPLY.—

(A) IN GENERAL.—If a plan or issuer fails to comply with the timeframe established under paragraph (1)(B) with respect to a participant, beneficiary, or enrollee, where such failure to comply is caused by the plan or issuer, the participant, beneficiary, or enrollee may obtain the items or services involved (in a manner consistent with the determination of the independent external reviewer) from any provider regardless of whether such provider is a participating provider under the plan or coverage.

(B) REIMBURSEMENT.—

(i) IN GENERAL.—Where a participant, beneficiary, or enrollee obtains items or services in accordance with subparagraph (A), the plan or issuer involved shall provide for reimbursement of the costs of such items or services. Such reimbursement shall be made to the treating health care professional or to the participant, beneficiary, or enrollee (in the case of a participant, beneficiary, or enrollee who pays for the costs of such items or services).

(ii) AMOUNT.—The plan or issuer shall fully reimburse a professional, participant, beneficiary, or enrollee under clause (i) for the total costs of the items or services provided (regardless of any plan limitations that may apply to the coverage of such items or services) so long as the items or services were provided in a manner consistent with the determination of the independent medical reviewer.

(C) FAILURE TO REIMBURSE.—Where a plan or issuer fails to provide reimbursement to a professional, participant, beneficiary, or enrollee in accordance with this paragraph, the professional, participant, beneficiary, or enrollee may commence a civil action (or utilize other remedies available under law) to recover only the amount of any such reimbursement that is owed by the plan or issuer and any necessary legal costs or expenses (including attorney's fees) incurred in recovering such reimbursement.

(D) AVAILABLE REMEDIES.—The remedies provided under this paragraph are in addition to any other available remedies.

(3) PENALTIES AGAINST AUTHORIZED OFFICIALS FOR REFUSING TO AUTHORIZE THE DETERMINATION OF AN EXTERNAL REVIEW ENTITY.—

(A) MONETARY PENALTIES.—

(i) IN GENERAL.—In any case in which the determination of an external review entity is not followed by a group health plan, or by a health insurance issuer offering health insurance coverage, any person who, acting in the capacity of authcrizing the benefit, causes such refusal may, in the discretion of a court of competent jurisdiction, be liable to an aggrieved participant, beneficiary, or enrollee for a civil penalty in an amount of up to $1,000 a day from the date on which the determination was transmitted to the plan or issuer by the external review entity until the date the refusal to provide the benefit is corrected.

(ii) ADDITIONAL PENALTY FOR FAILING TO FOLLOW TIMELINE.—In any case in which treatment was not commenced by the plan in accordance with the determination of an independent external reviewer, the Secretary shall assess a civil penalty of $10,000 against the plan and the plan shall pay such penalty to the participant, beneficiary, or enrollee involved.

(B) CEASE AND DESIST ORDER AND ORDER OF ATTORNEY'S FEES.—In any action described in subparagraph (A) brought by a participant, beneficiary, or enrollee with respect to a group health plan, or a health insurance issuer offering health insurance coverage, in which a plaintiff alleges that a person referred to in such subparagraph has taken an action resulting in a refusal of a benefit determined by an external appeal entity to be covered, or has failed to take an action for which such person is responsible under the terms and conditions of the plan or coverage and which is necessary under the plan or coverage for authorizing a benefit, the court shall cause to be served on the defendant an order requiring the defendant—

(i) to cease and desist from the alleged action or failure to act; and

(ii) to pay to the plaintiff a reasonable attorney's fee and other reasonable costs relating to the prosecution of the action on the charges on which the plaintiff prevails.

(C) ADDITIONAL CIVIL PENALTIES.—

(i) IN GENERAL.—In addition to any penalty imposed under subparagraph (A) or (B), the appropriate Secretary may assess a civil penalty against a person acting in the capacity of authorizing a benefit determined by an external review entity for one or more group health plans, or health insurance issuers offering health insurance coverage, for—

(I) any pattern or practice of repeated refusal to authorize a benefit determined by an external appeal entity to be covered; or

(II) any pattern or practice of repeated violations of the requirements of this section with respect to such plan or coverage.

(ii) STANDARD OF PROOF AND AMOUNT OF PENALTY.—Such penalty shall be payable only upon proof by clear and convincing evidence of such pattern or practice and shall be in an amount not to exceed the lesser of—

(I) 25 percent of the aggregate value of benefits shown by the appropriate Secretary to have not been provided, or unlawfully delayed, in violation of this section under such pattern or practice; or

(II) $500,000.

(D) REMOVAL AND DISQUALIFICATION.—Any person acting in the capacity of authorizing benefits who has engaged in any such pattern or practice described in subparagraph (C)(i) with respect to a plan or coverage, upon the petition of the appropriate Secretary, may be removed by the court from such position, and from any other involvement, with respect to such a plan or coverage, and may be precluded from returning to any such position or involvement for a period determined by the court.

(4) PROTECTION OF LEGAL RIGHTS.—Nothing in this subsection or subtitle shall be construed as altering or eliminating any cause of action or legal rights or remedies of participants, beneficiaries, enrollees, and others under State or Federal law (including sections 502 and 503 of the Employee Retirement Income Security Act of 1974), including the right to file judicial actions to enforce rights.

(g) QUALIFICATIONS OF INDEPENDENT MEDICAL REVIEWERS.—

(1) IN GENERAL.—In referring a denial to 1 or more individuals to conduct independent medical review under subsection (c), the qualified external review entity shall ensure that—

(A) each independent medical reviewer meets the qualifications described in paragraphs (2) and (3);

(B) with respect to each review at least 1 such reviewer meets the requirements described in paragraphs (4) and (5); and

(C) compensation provided by the entity to the reviewer is consistent with paragraph (6).

(2) LICENSURE AND EXPERTISE.—Each independent medical reviewer shall be a physician (allopathic or osteopathic) or health care professional who—

(A) is appropriately credentialed or licensed in 1 or more States to deliver health care services; and

(B) typically treats the condition, makes the diagnosis, or provides the type of treatment under review.

(3) INDEPENDENCE.—

(A) IN GENERAL.—Subject to subparagraph (B), each independent medical reviewer in a case shall—

(i) not be a related party (as defined in paragraph (7));

(ii) not have a material familial, financial, or professional relationship with such a party; and

(iii) not otherwise have a conflict of interest with such a party (as determined under regulations).

(B) EXCEPTION.—Nothing in subparagraph (A) shall be construed to—

(i) prohibit an individual, solely on the basis of affiliation with the plan or issuer, from serving as an independent medical reviewer if—

(I) a non-affiliated individual is not reasonably available;

(II) the affiliated individual is not involved in the provision of items or services in the case under review;

(III) the fact of such an affiliation is disclosed to the plan or issuer and the participant, beneficiary, or enrollee (or authorized representative) and neither party objects; and

(IV) the affiliated individual is not an employee of the plan or issuer and does not provide services exclusively or primarily to or on behalf of the plan or issuer;

(ii) prohibit an individual who has staff privileges at the institution where the treatment involved takes place from serving as an independent medical reviewer merely on the basis of such affiliation if the affiliation is disclosed to the plan or issuer and the participant, beneficiary, or enrollee (or authorized representative), and neither party objects; or

(iii) prohibit receipt of compensation by an independent medical reviewer from an entity if the compensation is provided consistent with paragraph (6).

(4) PRACTICING HEALTH CARE PROFESSIONAL IN SAME FIELD.—

(A) IN GENERAL.—In a case involving treatment, or the provision of items or services—

(i) by a physician, a reviewer shall be a practicing physician (allopathic or osteopathic) of the same or similar specialty, as a physician who, acting within the appropriate scope of practice within the State in which the service is provided or rendered, typically treats the condition, makes the diagnosis, or provides the type of treatment under review; or

(ii) by a non-physician health care professional, a reviewer (or reviewers) shall include at least one practicing non-physician health care professional of the same or similar specialty as the non-physician health care professional who, acting within the appropriate scope of practice within the State in which the service is provided or rendered, typically treats the condition, makes the diagnosis, or provides the type of treatment under review.

(B) PRACTICING DEFINED.—For purposes of this paragraph, the term "practicing" means, with respect to an individual who is a physician or other health care professional that the individual provides health care services to individual patients on average at least 2 days per week.

(5) PEDIATRIC EXPERTISE.—In the case of an external review relating to a child, a reviewer shall have expertise under paragraph (2) in pediatrics.

(6) LIMITATIONS ON REVIEWER COMPENSATION.—Compensation provided by a qualified external review entity to an independent medical reviewer in connection with a review under this section shall—

(A) not exceed a reasonable level; and

(B) not be contingent on the decision rendered by the reviewer.

(7) RELATED PARTY DEFINED.—For purposes of this section, the term "related party" means, with respect to a denial of a claim under a plan or coverage relating to a participant, beneficiary, or enrollee, any of the following:

(A) The plan, plan sponsor, or issuer involved, or any fiduciary, officer, director, or employee of such plan, plan sponsor, or issuer.

(B) The participant, beneficiary, or enrollee (or authorized representative).

(C) The health care professional that provides the items or services involved in the denial.

(D) The institution at which the items or services (or treatment) involved in the denial are provided.

(E) The manufacturer of any drug or other item that is included in the items or services involved in the denial.

(F) Any other party determined under any regulations to have a substantial interest in the denial involved.

(h) QUALIFIED EXTERNAL REVIEW ENTITIES.—

(1) SELECTION OF QUALIFIED EXTERNAL REVIEW ENTITIES.—

(A) LIMITATION ON PLAN OR ISSUER SELECTION.—The appropriate Secretary shall implement procedures—

(i) to assure that the selection process among qualified external review entities will not create any incentives for external review entities to make a decision in a biased manner; and

(ii) for auditing a sample of decisions by such entities to assure that no such decisions are made in a biased manner.

No such selection process under the procedures implemented by the appropriate Secretary may give either the patient or the plan or issuer any ability to determine or influence the selection of a qualified external review entity to review the case of any participant, beneficiary, or enrollee.

(B) STATE AUTHORITY WITH RESPECT TO QUALIFIED EXTERNAL REVIEW ENTITIES FOR HEALTH INSURANCE ISSUERS.—With respect to health insurance issuers offering health insurance coverage in a State, the State may provide for external review activities to be conducted by a qualified external appeal entity that is designated by the State or that is selected by the State in a manner determined by the State to assure an unbiased determination.

(2) CONTRACT WITH QUALIFIED EXTERNAL REVIEW ENTITY.—Except as provided in paragraph (1)(B), the external review process of a plan or issuer under this section shall be conducted under a contract between the plan or issuer and 1 or more qualified external review entities (as defined in paragraph (4)(A)).

(3) TERMS AND CONDITIONS OF CONTRACT.—The terms and conditions of a contract under paragraph (2) shall—

(A) be consistent with the standards the appropriate Secretary shall establish to assure there is no real or apparent conflict of interest in the conduct of external review activities; and

(B) provide that the costs of the external review process shall be borne by the plan or issuer.

Subparagraph (B) shall not be construed as applying to the imposition of a filing fee under subsection (b)(2)(A)(iv) or costs incurred by the participant, beneficiary, or enrollee (or authorized representative) or treating health care professional (if any) in support of the review, including the provision of additional evidence or information.

(4) QUALIFICATIONS.—

(A) IN GENERAL.—In this section, the term "qualified external review entity" means, in relation to a plan or issuer, an entity that is initially certified (and periodically recertified) under subparagraph (C) as meeting the following requirements:

(i) The entity has (directly or through contracts or other arrangements) sufficient medical, legal, and other expertise and sufficient staffing to carry out duties of a qualified external review entity under this section on a timely basis, including making determinations under subsection (b)(2)(A) and providing for independent medical reviews under subsection (d).

(ii) The entity is not a plan or issuer or an affiliate or a subsidiary of a plan or issuer, and is not an affiliate or subsidiary of a professional or trade association of plans or issuers or of health care providers.

(iii) The entity has provided assurances that it will conduct external review activities consistent with the applicable requirements of this section and standards specified in subparagraph (C), including that it will not conduct any external review activities in a case unless the independence requirements of subparagraph (B) are met with respect to the case.

(iv) The entity has provided assurances that it will provide information in a timely manner under subparagraph (D).

(v) The entity meets such other requirements as the appropriate Secretary provides by regulation.

(B) INDEPENDENCE REQUIREMENTS.—

(i) IN GENERAL.—Subject to clause (ii), an entity meets the independence requirements of this subparagraph with respect to any case if the entity—

(I) is not a related party (as defined in subsection (g)(7));

(II) does not have a material familial, financial, or professional relationship with such a party; and

(III) does not otherwise have a conflict of interest with such a party (as determined under regulations).

(ii) EXCEPTION FOR REASONABLE COMPENSATION.—Nothing in clause (i) shall be construed to prohibit receipt by a qualified external review entity of compensation from a plan or issuer for the conduct of external review activities under this section if the compensation is provided consistent with clause (iii).

(iii) LIMITATIONS ON ENTITY COMPENSATION.—Compensation provided by a plan or issuer to a qualified external review entity in connection with reviews under this section shall—

(I) not exceed a reasonable level; and

(II) not be contingent on any decision rendered by the entity or by any independent medical reviewer.

(C) CERTIFICATION AND RECERTIFICATION PROCESS.—

(i) IN GENERAL.—The initial certification and recertification of a qualified external review entity shall be made—

(I) under a process that is recognized or approved by the appropriate Secretary; or

(II) by a qualified private standard-setting organization that is approved by the appropriate Secretary under clause (iii).

In taking action under subclause (I), the appropriate Secretary shall give deference to entities that are under contract with the Federal Government or with an applicable State authority to perform functions of the type performed by qualified external review entities.

(ii) PROCESS.—The appropriate Secretary shall not recognize or approve a process under clause (i)(I) unless the process applies standards (as promulgated in regulations) that ensure that a qualified external review entity—

(I) will carry out (and has carried out, in the case of recertification) the responsibilities of such an entity in accordance with this section, including meeting applicable deadlines;

(II) will meet (and has met, in the case of recertification) appropriate indicators of fiscal integrity;

(III) will maintain (and has maintained, in the case of recertification) appropriate confidentiality with respect to individually identifiable health information obtained in the course of conducting external review activities; and

(IV) in the case of recertification, shall review the matters described in clause (iv).

(iii) APPROVAL OF QUALIFIED PRIVATE STANDARD-SETTING ORGANIZATIONS.—For purposes of clause (i)(II), the appropriate Secretary may approve a qualified private standard-setting organization if such Secretary finds that the organization only certifies (or recertifies) external review entities that meet at least the standards required for the certification (or recertification) of external review entities under clause (ii).

(iv) CONSIDERATIONS IN RECERTIFICATIONS.—In conducting recertifications of a qualified external review entity under this paragraph, the appropriate Secretary or organization conducting the recertification shall review compliance of the entity with the requirements for conducting external review activities under this section, including the following:

(I) Provision of information under subparagraph (D).

(II) Adherence to applicable deadlines (both by the entity and by independent medical reviewers it refers cases to).

(III) Compliance with limitations on compensation (with respect to both the entity and independent medical reviewers it refers cases to).

(IV) Compliance with applicable independence requirements.

(V) Compliance with the requirement of subsection (d)(1) that only medically reviewable decisions shall be the subject of independent medical review and with the requirement of subsection (d)(3) that independent medical reviewers may not require coverage for specifically excluded benefits.

(v) PERIOD OF CERTIFICATION OR RECERTIFICATION.—A certification or recertification provided under this paragraph shall extend for a period not to exceed 2 years.

(vi) REVOCATION.—A certification or recertification under this paragraph may be revoked by the appropriate Secretary or by the organization providing such certification upon a showing of cause. The Secretary, or organization, shall revoke a certification or deny a recertification with respect to an entity if there is a showing that the entity has a pattern or practice of ordering coverage for benefits that are specifically excluded under the plan or coverage.

(vii) PETITION FOR DENIAL OR WITHDRAWAL.—An individual may petition the Secretary, or an organization providing the certification involves, for a denial of recertification or a withdrawal of a certification with respect to an entity under this subparagraph if there is a pattern or practice of such entity failing to meet a requirement of this section.

(viii) SUFFICIENT NUMBER OF ENTITIES.—The appropriate Secretary shall certify and recertify a number of external review entities which is sufficient to ensure the timely and efficient provision of review services.

(D) PROVISION OF INFORMATION.—

(i) IN GENERAL.—A qualified external review entity shall provide to the appropriate Secretary, in such manner and at such times as such Secretary may require, such information (relating to the denials which have been referred to the entity for the conduct of external review under this section) as such Secretary determines appropriate to assure compliance with the independence and other requirements of this section to monitor and assess the quality of its external review activities and lack of bias in making determinations. Such information shall include information described in clause (ii) but shall not include individually identifiable medical information.

(ii) INFORMATION TO BE INCLUDED.—The information described in this subclause with respect to an entity is as follows:

(I) The number and types of denials for which a request for review has been received by the entity.

(II) The disposition by the entity of such denials, including the number referred to a independent medical reviewer and the reasons for such dispositions (including the application of exclusions), on a plan or issuer-specific basis and on a health care specialty-specific basis.

(III) The length of time in making determinations with respect to such denials.

(IV) Updated information on the information required to be submitted as a condition of certification with respect to the entity's performance of external review activities.

(iii) INFORMATION TO BE PROVIDED TO CERTIFYING ORGANIZATION.—

(I) IN GENERAL.—In the case of a qualified external review entity which is certified (or recertified) under this subsection by a qualified private standard-setting organization, at the request of the organization, the entity shall provide the organization with the information provided to the appropriate Secretary under clause (i).

(II) ADDITIONAL INFORMATION.—Nothing in this subparagraph shall be construed as preventing such an organization from requiring additional information as a condition of certification or recertification of an entity.

(iv) USE OF INFORMATION.—Information provided under this subparagraph may be used by the appropriate Secretary and qualified private standard-setting organizations to conduct oversight of qualified external review entities, including recertification of such entities, and shall be made available to the public in an appropriate manner.

(E) LIMITATION ON LIABILITY.—No qualified external review entity having a contract with a plan or issuer, and no person who is employed by any such entity or who furnishes professional services to such entity (including as an independent medical reviewer), shall be held by reason of the performance of any duty, function, or activity required or authorized pursuant to this section, to be civilly liable under any law of the United States or of any State (or political subdivision thereof) if there was no actual malice or gross misconduct in the performance of such duty, function, or activity.

(5) REPORT.—Not later than 12 months after the general effective date referred to in section 601, the General Accounting Office shall prepare and submit to the appropriate committees of Congress a report concerning—

(A) the information that is provided under paragraph (3)(D);

(B) the number of denials that have been upheld by independent medical reviewers and the number of denials that have been reversed by such reviewers; and

(C) the extent to which independent medical reviewers are requiring coverage for benefits that are specifically excluded under the plan or coverage.

SEC. 105. HEALTH CARE CONSUMER ASSISTANCE FUND.

(a) GRANTS.—

(1) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the "Secretary") shall establish a fund, to be known as the "Health Care Consumer Assistance Fund", to be used to award grants to eligible States to carry out consumer assistance activities (including programs established by States prior to the enactment of this Act) designed to provide information, assistance, and referrals to consumers of health insurance products.

(2) STATE ELIGIBILITY.—To be eligible to receive a grant under this subsection a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a State plan that describes—

(A) the manner in which the State will ensure that the health care consumer assistance office (established under paragraph (4)) will educate and assist health care consumers in accessing needed care;

(B) the manner in which the State will coordinate and distinguish the services provided by the health care consumer assistance office with the services provided by Federal, State and local health-related ombudsman, information, protection and advocacy, insurance, and fraud and abuse programs;

(C) the manner in which the State will provide information, outreach, and services to underserved, minority populations with limited English proficiency and populations residing in rural areas;

(D) the manner in which the State will oversee the health care consumer assistance office, its activities, product materials and evaluate program effectiveness;

(E) the manner in which the State will ensure that funds made available under this section will be used to supplement, and not supplant, any other Federal, State, or local funds expended to provide services for programs described under this section and those described in subparagraphs (C) and (D);

(F) the manner in which the State will ensure that health care consumer office personnel have the professional background and training to carry out the activities of the office; and

(G) the manner in which the State will ensure that consumers have direct access to consumer assistance personnel during regular business hours.

(3) AMOUNT OF GRANT.—

(A) IN GENERAL.—From amounts appropriated under subsection (b) for a fiscal year, the Secretary shall award a grant to a State in an amount that bears the same ratio to such amounts as the number of individuals within the State covered under a group health plan or under health insurance coverage offered by a health insurance issuer bears to the total number of individuals so covered in all States (as determined by the Secretary). Any amounts provided to a State under this subsection that are not used by the State shall be remitted to the Secretary and reallocated in accordance with this subparagraph.

(B) MINIMUM AMOUNT.—In no case shall the amount provided to a State under a grant under this subsection for a fiscal year be less than an amount equal to 0.5 percent of the amount appropriated for such fiscal year to carry out this section.

(C) NON-FEDERAL CONTRIBUTIONS.—A State will provide for the collection of non-Federal contributions for the operation of the office in an amount that is not less than 25 percent of the amount of Federal funds provided to the State under this section.

(4) PROVISION OF FUNDS FOR ESTABLISHMENT OF OFFICE.—

(A) IN GENERAL.—From amounts provided under a grant under this subsection, a State shall, directly or through a contract with an independent, nonprofit entity with demonstrated experience in serving the needs of health care consumers, provide for the establishment and operation of a State health care consumer assistance office.

(B) ELIGIBILITY OF ENTITY.—To be eligible to enter into a contract under subparagraph (A), an entity shall demonstrate that it has the technical, organizational, and professional capacity to deliver the services described in subsection (b) to all public and private health insurance participants, beneficiaries, enrollees, or prospective enrollees.

(C) EXISTING STATE ENTITY.—Nothing in this section shall prevent the funding of an existing health care consumer assistance program that otherwise meets the requirements of this section.

(b) USE OF FUNDS.—

(1) BY STATE.—A State shall use amounts provided under a grant awarded under this section to carry out consumer assistance activities directly or by contract with an independent, non-profit organization. An eligible entity may use some reasonable amount of such grant to ensure the adequate training of personnel carrying out such activities. To receive amounts under this subsection, an eligible entity shall provide consumer assistance services, including—

(A) the operation of a toll-free telephone hotline to respond to consumer requests;

(B) the dissemination of appropriate educational materials on available health insurance products and on how best to access health care and the rights and responsibilities of health care consumers;

(C) the provision of education on effective methods to promptly and efficiently resolve questions, problems, and grievances;

(D) the coordination of educational and outreach efforts with health plans, health care providers, payers, and governmental agencies;

(E) referrals to appropriate private and public entities to resolve questions, problems and grievances; and

(F) the provision of information and assistance, including acting as an authorized representative, regarding internal, external, or administrative grievances or appeals procedures in nonlitigative settings to appeal the denial, termination, or reduction of health care services, or the refusal to pay for such services, under a group health plan or health insurance coverage offered by a health insurance issuer.

(2) CONFIDENTIALITY AND ACCESS TO INFORMATION.—

(A) STATE ENTITY.—With respect to a State that directly establishes a health care consumer assistance office, such office shall establish and implement procedures and protocols in accordance with applicable Federal and State laws.

(B) CONTRACT ENTITY.—With respect to a State that, through contract, establishes a health care consumer assistance office, such office shall establish and implement procedures and protocols, consistent with applicable Federal and State laws, to ensure the confidentiality of all information shared by a participant, beneficiary, enrollee, or their personal representative and their health care providers, group health plans, or health insurance insurers with the office and to ensure that no such information is used by the office, or released or disclosed to State agencies or outside persons or entities without the prior written authorization (in accordance with section 164.508 of title 45, Code of Federal Regulations) of the individual or personal representative. The office may, consistent with applicable Federal and State confidentiality laws, collect, use or disclose aggregate information that is not individually identifiable (as defined in section 164.501 of title 45, Code of Federal Regulations). The office shall provide a written description of the policies and procedures of the office with respect to the manner in which health information may be used or disclosed to carry out consumer assistance activities. The office shall provide health care providers, group health plans, or health insurance issuers with a written authorization (in accordance with section 164.508 of title 45, Code of Federal Regulations) to allow the office to obtain medical information relevant to the matter before the office.

(3) AVAILABILITY OF SERVICES.—The health care consumer assistance office of a State shall not discriminate in the provision of information, referrals, and services regardless of the source of the individual's health insurance coverage or prospective coverage, including individuals covered under a group health plan or health insurance coverage offered by a health insurance issuer, the medicare or medicaid programs under title XVIII or XIX of the Social Security Act (42 U.S.C. 1395 and 1396 et seq.), or under any other Federal or State health care program.

(4) DESIGNATION OF RESPONSIBILITIES.—

(A) WITHIN EXISTING STATE ENTITY.—If the health care consumer assistance office of a State is located within an existing State regulatory agency or office of an elected State official, the State shall ensure that—

(i) there is a separate delineation of the funding, activities, and responsibilities of the office as compared to the other funding, activities, and responsibilities of the agency; and

(ii) the office establishes and implements procedures and protocols to ensure the confidentiality of all information shared by a participant, beneficiary, or enrollee or their personal representative and their health care providers, group health plans, or health insurance issuers with the office and to ensure that no information is disclosed to the State agency or office without the written authorization of the individual or their personal representative in accordance with paragraph (2).

(B) CONTRACT ENTITY.—In the case of an entity that enters into a contract with a State under subsection (a)(3), the entity shall provide assurances that the entity has no conflict of interest in carrying out the activities of the office and that the entity is independent of group health plans, health insurance issuers, providers, payers, and regulators of health care.

(5) SUBCONTRACTS.—The health care consumer assistance office of a State may carry out activities and provide services through contracts entered into with 1 or more nonprofit entities so long as the office can demonstrate that all of the requirements of this section are complied with by the office.

(6) TERM.—A contract entered into under this subsection shall be for a term of 3 years.

(c) REPORT.—Not later than 1 year after the Secretary first awards grants under this section, and annually thereafter, the Secretary shall prepare and submit to the appropriate committees of Congress a report concerning the activities funded under this section and the effectiveness of such activities in resolving health care-related problems and grievances.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

Subtitle B—Access to Care

SEC. 111. CONSUMER CHOICE OPTION.

(a) IN GENERAL.—If—

(1) a health insurance issuer providing health insurance coverage in connection with a group health plan offers to enrollees health insurance coverage which provides for coverage of services (including physician pathology services) only if such services are furnished through health care professionals and providers who are members of a network of health care professionals and providers who have entered into a contract with the issuer to provide such services, or

(2) a group health plan offers to participants or beneficiaries health benefits which provide for coverage of services only if such services are furnished through health care professionals and providers who are members of a network of health care professionals and providers who have entered into a contract with the plan to provide such services,

then the issuer or plan shall also offer or arrange to be offered to such enrollees, participants, or beneficiaries (at the time of enrollment and during an annual open season as provided under subsection (c)) the option of health insurance coverage or health benefits which provide for coverage of such services which are not furnished through health care professionals and providers who are members of such a network unless such enrollees, participants, or beneficiaries are offered such non-network coverage through another group health plan or through another health insurance issuer in the group market.

(b) ADDITIONAL COSTS.—The amount of any additional premium charged by the health insurance issuer or group health plan for the additional cost of the creation and maintenance of the option described in subsection (a) and the amount of any additional cost sharing imposed under such option shall be borne by the enrollee, participant, or beneficiary unless it is paid by the health plan sponsor or group health plan through agreement with the health insurance issuer.

(c) OPEN SEASON.—An enrollee, participant, or beneficiary, may change to the offering provided under this section only during a time period determined by the health insurance issuer or group health plan. Such time period shall occur at least annually.

SEC. 112. CHOICE OF HEALTH CARE PROFESSIONAL.

(a) PRIMARY CARE.—If a group health plan, or a health insurance issuer that offers health insurance coverage, requires or provides for designation by a participant, beneficiary, or enrollee of a participating primary care provider, then the plan or issuer shall permit each participant, beneficiary, and enrollee to designate any participating primary care provider who is available to accept such individual.

(b) SPECIALISTS.—

(1) IN GENERAL.—Subject to paragraph (2), a group health plan and a health insurance issuer that offers health insurance coverage shall permit each participant, beneficiary, or enrollee to receive medically necessary and appropriate specialty care, pursuant to appropriate referral procedures, from any qualified participating health care professional who is available to accept such individual for such care.

(2) LIMITATION.—Paragraph (1) shall not apply to specialty care if the plan or issuer clearly informs participants, beneficiaries, and enrollees of the limitations on choice of participating health care professionals with respect to such care.

(3) CONSTRUCTION.—Nothing in this subsection shall be construed as affecting the application of section 114 (relating to access to specialty care).

SEC. 113. ACCESS TO EMERGENCY CARE.

(a) COVERAGE OF EMERGENCY SERVICES.—

(1) IN GENERAL.—If a group health plan, or health insurance coverage offered by a health insurance issuer, provides or covers any benefits with respect to services in an emergency department of a hospital, the plan or issuer shall cover emergency services (as defined in paragraph (2)(B))—

(A) without the need for any prior authorization determination;

(B) whether the health care provider furnishing such services is a participating provider with respect to such services;

(C) in a manner so that, if such services are provided to a participant, beneficiary, or enrollee—

(i) by a nonparticipating health care provider with or without prior authorization, or

(ii) by a participating health care provider without prior authorization,

the participant, beneficiary, or enrollee is not liable for amounts that exceed the amounts of liability that would be incurred if the services were provided by a participating health care provider with prior authorization; and

(D) without regard to any other term or condition of such coverage (other than exclusion or coordination of benefits, or an affiliation or waiting period, permitted under section 2701 of the Public Health Service Act, section 701 of the Employee Retirement Income Security Act of 1974, or section 9801 of the Internal Revenue Code of 1986, and other than applicable cost-sharing).

(2) DEFINITIONS.—In this section:

(A) EMERGENCY MEDICAL CONDITION.—The term "emergency medical condition" means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in a condition described in clause (i), (ii), or (iii) of section 1867(e)(1)(A) of the Social Security Act.

(B) EMERGENCY SERVICES.—The term "emergency services" means, with respect to an emergency medical condition—

(i) a medical screening examination (as required under section 1867 of the Social Security Act) that is within the capability of the emergency department of a hospital, including ancillary services routinely available to the emergency department to evaluate such emergency medical condition, and

(ii) within the capabilities of the staff and facilities available at the hospital, such further medical examination and treatment as are required under section 1867 of such Act to stabilize the patient.

(C) STABILIZE.—The term "to stabilize", with respect to an emergency medical condition (as defined in subparagraph (A)), has the meaning given in section 1867(e)(3) of the Social Security Act (42 U.S.C. 1395dd(e)(3)).

(b) REIMBURSEMENT FOR MAINTENANCE CARE AND POST-STABILIZATION CARE.—A group health plan, and health insurance coverage offered by a health insurance issuer, must provide reimbursement for maintenance care and post-stabilization care in accordance with the requirements of section 1852(d)(2) of the Social Security Act (42 U.S.C. 1395w–22(d)(2)). Such reimbursement shall be provided in a manner consistent with subsection (a)(1)(C).

(c) COVERAGE OF EMERGENCY AMBULANCE SERVICES.—

(1) IN GENERAL.—If a group health plan, or health insurance coverage provided by a health insurance issuer, provides any benefits with respect to ambulance services and emergency services, the plan or issuer shall cover emergency ambulance services (as defined in paragraph (2)) furnished under the plan or coverage under the same terms and conditions under subparagraphs (A) through (D) of subsection (a)(1) under which coverage is provided for emergency services.

(2) EMERGENCY AMBULANCE SERVICES.—For purposes of this subsection, the term "emergency ambulance services" means ambulance services (as defined for purposes of section 1861(s)(7) of the Social Security Act) furnished to transport an individual who has an emergency medical condition (as defined in subsection (a)(2)(A)) to a hospital for the receipt of emergency services (as defined in subsection (a)(2)(B)) in a case in which the emergency services are covered under the plan or coverage pursuant to subsection (a)(1) and a prudent layperson, with an average knowledge of health and medicine, could reasonably expect that the absence of such transport would result in placing the health of the individual in serious jeopardy, serious impairment of bodily function, or serious dysfunction of any bodily organ or part.

SEC. 114. TIMELY ACCESS TO SPECIALISTS.

(a) TIMELY ACCESS.—

(1) IN GENERAL.—A group health plan and a health insurance issuer offering health insurance coverage shall ensure that participants, beneficiaries, and enrollees receive timely access to specialists who are appropriate to the condition of, and accessible to, the participant, beneficiary, or enrollee, when such specialty care is a covered benefit under the plan or coverage.

(2) RULE OF CONSTRUCTION.—Nothing in paragraph (1) shall be construed—

(A) to require the coverage under a group health plan or health insurance coverage of benefits or services;

(B) to prohibit a plan or issuer from including providers in the network only to the extent necessary to meet the needs of the plan's or issuer's participants, beneficiaries, or enrollees; or

(C) to override any State licensure or scope-of-practice law.

(3) ACCESS TO CERTAIN PROVIDERS.—

(A) IN GENERAL.—With respect to specialty care under this section, if a participating specialist is not available and qualified to provide such care to the participant, beneficiary, or enrollee, the plan or issuer shall provide for coverage of such care by a nonparticipating specialist.

(B) TREATMENT OF NONPARTICIPATING PROVIDERS.—If a participant, beneficiary, or enrollee receives care from a nonparticipating specialist pursuant to subparagraph (A), such specialty care shall be provided at no additional cost to the participant, beneficiary, or enrollee beyond what the participant, beneficiary, or enrollee would otherwise pay for such specialty care if provided by a participating specialist.

(b) REFERRALS.—

(1) AUTHORIZATION.—Subject to subsection (a)(1), a group health plan or health insurance issuer may require an authorization in order to obtain coverage for specialty services under this section. Any such authorization—

(A) shall be for an appropriate duration of time or number of referrals, including an authorization for a standing referral where appropriate; and

(B) may not be refused solely because the authorization involves services of a nonparticipating specialist (described in subsection (a)(3)).

(2) REFERRALS FOR ONGOING SPECIAL CONDITIONS.—

(A) IN GENERAL.—Subject to subsection (a)(1), a group health plan and a health insurance issuer shall permit a participant, beneficiary, or enrollee who has an ongoing special condition (as defined in subparagraph (B)) to receive a referral to a specialist for the treatment of such condition and such specialist may authorize such referrals, procedures, tests, and other medical services with respect to such condition, or coordinate the care for such condition, subject to the terms of a treatment plan (if any) referred to in subsection (c) with respect to the condition.

(B) ONGOING SPECIAL CONDITION DEFINED.—In this subsection, the term "ongoing special condition" means a condition or disease that—

(i) is life-threatening, degenerative, potentially disabling, or congenital; and

(ii) requires specialized medical care over a prolonged period of time.

(c) TREATMENT PLANS.—

(1) IN GENERAL.—A group health plan or health insurance issuer may require that the specialty care be provided—

(A) pursuant to a treatment plan, but only if the treatment plan—

(i) is developed by the specialist, in consultation with the case manager or primary care provider, and the participant, beneficiary, or enrollee, and

(ii) is approved by the plan or issuer in a timely manner, if the plan or issuer requires such approval; and

(B) in accordance with applicable quality assurance and utilization review standards of the plan or issuer.

(2) NOTIFICATION.—Nothing in paragraph (1) shall be construed as prohibiting a plan or issuer from requiring the specialist to provide the plan or issuer with regular updates on the specialty care provided, as well as all other reasonably necessary medical information.

(d) SPECIALIST DEFINED.—For purposes of this section, the term "specialist" means, with respect to the condition of the participant, beneficiary, or enrollee, a health care professional, facility, or center that has adequate expertise through appropriate training and experience (including, in the case of a child, appropriate pediatric expertise) to provide high quality care in treating the condition.

SEC. 115. PATIENT ACCESS TO OBSTETRICAL AND GYNECOLOGICAL CARE.

(a) GENERAL RIGHTS.—

(1) DIRECT ACCESS.—A group health plan and a health insurance issuer offering health insurance coverage, described in subsection (b) may not require authorization or referral by the plan, issuer, or any person (including a primary care provider described in subsection (b)(2)) in the case of a female participant, beneficiary, or enrollee who seeks coverage for obstetrical or gynecological care provided by a participating health care professional who specializes in obstetrics or gynecology.

(2) OBSTETRICAL AND GYNECOLOGICAL CARE.—A group health plan and a health insurance issuer described in subsection (b) shall treat the provision of obstetrical and gynecological care, and the ordering of related obstetrical and gynecological items and services, pursuant to the direct access described under paragraph (1), by a participating health care professional who specializes in obstetrics or gynecology as the authorization of the primary care provider.

(b) APPLICATION OF SECTION.—A group health plan, or health insurance issuer offering health insurance coverage, described in this subsection is a group health plan or coverage that—

(1) provides coverage for obstetric or gynecologic care; and

(2) requires the designation by a participant, beneficiary, or enrollee of a participating primary care provider.

(c) CONSTRUCTION.—Nothing in subsection (a) shall be construed to—

(1) waive any exclusions of coverage under the terms and conditions of the plan or health insurance coverage with respect to coverage of obstetrical or gynecological care; or

(2) preclude the group health plan or health insurance issuer involved from requiring that the obstetrical or gynecological provider notify the primary care health care professional or the plan or issuer of treatment decisions.

SEC. 116. ACCESS TO PEDIATRIC CARE.

(a) PEDIATRIC CARE.—In the case of a person who has a child who is a participant, beneficiary, or enrollee under a group health plan, or health insurance coverage offered by a health insurance issuer, if the plan or issuer requires or provides for the designation of a participating primary care provider for the child, the plan or issuer shall permit such person to designate a physician (allopathic or osteopathic) who specializes in pediatrics as the child's primary care provider if such provider participates in the network of the plan or issuer.

(b) CONSTRUCTION.—Nothing in subsection (a) shall be construed to waive any exclusions of coverage under the terms and conditions of the plan or health insurance coverage with respect to coverage of pediatric care.

SEC. 117. CONTINUITY OF CARE.

(a) TERMINATION OF PROVIDER.—

(1) IN GENERAL.—If—

(A) a contract between a group health plan, or a health insurance issuer offering health insurance coverage, and a treating health care provider is terminated (as defined in paragraph (e)(4)), or

(B) benefits or coverage provided by a health care provider are terminated because of a change in the terms of provider participation in such plan or coverage.

the plan or issuer shall meet the requirements of paragraph (3) with respect to each continuing care patient.

(2) TREATMENT OF TERMINATION OF CONTRACT WITH HEALTH INSURANCE ISSUER.—If a contract for the provision of health insurance coverage between a group health plan

and a health insurance issuer is terminated and, as a result of such termination, coverage of services of a health care provider is terminated with respect to an individual, the provisions of paragraph (1) (and the succeeding provisions of this section) shall apply under the plan in the same manner as if there had been a contract between the plan and the provider that had been terminated, but only with respect to benefits that are covered under the plan after the contract termination.

(3) Requirements.—The requirements of this paragraph are that the plan or issuer—

(A) notify the continuing care patient involved, or arrange to have the patient notified pursuant to subsection (d)(2), on a timely basis of the termination described in paragraph (1) (or paragraph (2), if applicable) and the right to elect continued transitional care from the provider under this section;

(B) provide the patient with an opportunity to notify the plan or issuer of the patient's need for transitional care; and

(C) subject to subsection (c), permit the patient to elect to continue to be covered with respect to the course of treatment by such provider with the provider's consent during a transitional period (as provided for under subsection (b)).

(4) Continuing care patient.—For purposes of this section, the term "continuing care patient" means a participant, beneficiary, or enrollee who—

(A) is undergoing a course of treatment for a serious and complex condition from the provider at the time the plan or issuer receives or provides notice of provider, benefit, or coverage termination described in paragraph (1) (or paragraph (2), if applicable);

(B) is undergoing a course of institutional or inpatient care from the provider at the time of such notice;

(C) is scheduled to undergo non-elective surgery from the provider at the time of such notice;

(D) is pregnant and undergoing a course of treatment for the pregnancy from the provider at the time of such notice; or

(E) is or was determined to be terminally ill (as determined under section 1861(dd)(3)(A) of the Social Security Act) at the time of such notice, but only with respect to a provider that was treating the terminal illness before the date of such notice.

(b) Transitional Periods.—

(1) Serious and complex conditions.—The transitional period under this subsection with respect to a continuing care patient described in subsection (a)(4)(A) shall extend for up to 90 days (as determined by the treating health care professional) from the date of the notice described in subsection (a)(3)(A).

(2) Institutional or inpatient care.—The transitional period under this subsection for a continuing care patient described in subsection (a)(4)(B) shall extend until the earlier of—

(A) the expiration of the 90-day period beginning on the date on which the notice under subsection (a)(3)(A) is provided; or

(B) the date of discharge of the patient from such care or the termination of the period of institutionalization, or, if later, the date of completion of reasonable follow-up care.

(3) Scheduled non-elective surgery.—The transitional period under this subsection for a continuing care patient described in subsection (a)(4)(C) shall extend until the completion of the surgery involved and post-surgical follow-up care relating to the surgery and occurring within 90 days after the date of the surgery.

(4) Pregnancy.—The transitional period under this subsection for a continuing care patient described in subsection (a)(4)(D) shall extend through the provision of post-partum care directly related to the delivery.

(5) Terminal illness.—The transitional period under this subsection for a continuing care patient described in subsection (a)(4)(E) shall extend for the remainder of the patient's life for care that is directly related to the treatment of the terminal illness or its medical manifestations.

(c) Permissible Terms and Conditions.—A group health plan or health insurance issuer may condition coverage of continued treatment by a provider under this section upon the provider agreeing to the following terms and conditions:

(1) The treating health care provider agrees to accept reimbursement from the plan or issuer and continuing care patient involved (with respect to cost-sharing) at the rates applicable prior to the start of the transitional period as payment in full (or, in the case described in subsection (a)(2), at the rates applicable under the replacement plan or coverage after the date of the termination of the contract with the group health plan or health insurance issuer) and not to impose cost-sharing with respect to the patient in an amount that would exceed the cost-sharing that could have been imposed if the contract referred to in subsection (a)(1) had not been terminated.

(2) The treating health care provider agrees to adhere to the quality assurance standards of the plan or issuer responsible for payment under paragraph (1) and to provide to such plan or issuer necessary medical information related to the care provided.

(3) The treating health care provider agrees otherwise to adhere to such plan's or issuer's policies and procedures, including procedures regarding referrals and obtaining prior authorization and providing services pursuant to a treatment plan (if any) approved by the plan or issuer.

(d) Rules of Construction.—Nothing in this section shall be construed—

(1) to require the coverage of benefits which would not have been covered if the provider involved remained a participating provider; or

(2) with respect to the termination of a contract under subsection (a) to prevent a group health plan or health insurance issuer from requiring that the health care provider—

(A) notify participants, beneficiaries, or enrollees of their rights under this section; or

(B) provide the plan or issuer with the name of each participant, beneficiary, or enrollee who the provider believes is a continuing care patient.

(e) Definitions.—In this section:

(1) Contract.—The term "contract" includes, with respect to a plan or issuer and a treating health care provider, a contract between such plan or issuer and an organized network of providers that includes the treating health care provider, and (in the case of such a contract) the contract between the treating health care provider and the organized network.

(2) Health care provider.—The term "health care provider" or "provider" means—

(A) any individual who is engaged in the delivery of health care services in a State and who is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State; and

(B) any entity that is engaged in the delivery of health care services in a State and that, if it is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed.

(3) Serious and complex condition.—The term "serious and complex condition" means, with respect to a participant, beneficiary, or enrollee under the plan or coverage—

(A) in the case of an acute illness, a condition that is serious enough to require specialized medical treatment to avoid the reasonable possibility of death or permanent harm; or

(B) in the case of a chronic illness or condition, is an ongoing special condition (as defined in section 114(b)(2)(B)).

(4) Terminated.—The term "terminated" includes, with respect to a contract, the expiration or nonrenewal of the contract, but does not include a termination of the contract for failure to meet applicable quality standards or for fraud.

SEC. 118. ACCESS TO NEEDED PRESCRIPTION DRUGS.

(a) In General.—To the extent that a group health plan, or health insurance coverage offered by a health insurance issuer, provides coverage for benefits with respect to prescription drugs, and limits such coverage to drugs included in a formulary, the plan or issuer shall—

(1) ensure the participation of physicians and pharmacists in developing and reviewing such formulary;

(2) provide for disclosure of the formulary to providers; and

(3) in accordance with the applicable quality assurance and utilization review standards of the plan or issuer, provide for exceptions from the formulary limitation when a non-formulary alternative is medically necessary and appropriate and, in the case of such an exception, apply the same cost-sharing requirements that would have applied in the case of a drug covered under the formulary.

(b) Coverage of Approved Drugs and Medical Devices.—

(1) In general.—A group health plan (and health insurance coverage offered in connection with such a plan) that provides any coverage of prescription drugs or medical devices shall not deny coverage of such a drug or device on the basis that the use is investigational, if the use—

(A) in the case of a prescription drug—

(i) is included in the labeling authorized by the application in effect for the drug pursuant to subsection (b) or (j) of section 505 of the Federal Food, Drug, and Cosmetic Act, without regard to any postmarketing requirements that may apply under such Act; or

(ii) is included in the labeling authorized by the application in effect for the drug under section 351 of the Public Health Service Act, without regard to any postmarketing requirements that may apply pursuant to such section; or

(B) in the case of a medical device, is included in the labeling authorized by a regulation under subsection (d) or (3) of section 513 of the Federal Food, Drug, and Cosmetic Act, an order under subsection (f) of such section, or an application approved under section 515 of such Act, without regard to any postmarketing requirements that may apply under such Act.

(2) Construction.—Nothing in this subsection shall be construed as requiring a group health plan (or health insurance coverage offered in connection with such a plan)

to provide any coverage of prescription drugs or medical devices.

SEC. 119. COVERAGE FOR INDIVIDUALS PARTICIPATING IN APPROVED CLINICAL TRIALS.

(a) COVERAGE.—

(1) IN GENERAL.—If a group health plan, or health insurance issuer that is providing health insurance coverage, provides coverage to a qualified individual (as defined in subsection (b)), the plan or issuer—

(A) may not deny the individual participation in the clinical trial referred to in subsection (b)(2);

(B) subject to subsection (c), may not deny (or limit or impose additional conditions on) the coverage of routine patient costs for items and services furnished in connection with participation in the trial; and

(C) may not discriminate against the individual on the basis of the enrollee's participation in such trial.

(2) EXCLUSION OF CERTAIN COSTS.—For purposes of paragraph (1)(B), routine patient costs do not include the cost of the tests or measurements conducted primarily for the purpose of the clinical trial involved.

(3) USE OF IN-NETWORK PROVIDERS.—If one or more participating providers is participating in a clinical trial, nothing in paragraph (1) shall be construed as preventing a plan or issuer from requiring that a qualified individual participate in the trial through such a participating provider if the provider will accept the individual as a participant in the trial.

(b) QUALIFIED INDIVIDUAL DEFINED.—For purposes of subsection (a), the term "qualified individual" means an individual who is a participant or beneficiary in a group health plan, or who is an enrollee under health insurance coverage, and who meets the following conditions:

(1)(A) The individual has a life-threatening or serious illness for which no standard treatment is effective.

(B) The individual is eligible to participate in an approved clinical trial according to the trial protocol with respect to treatment of such illness.

(C) The individual's participation in the trial offers meaningful potential for significant clinical benefit for the individual.

(2) Either—

(A) the referring physician is a participating health care professional and has concluded that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1); or

(B) the participant, beneficiary, or enrollee provides medical and scientific information establishing that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1).

(c) PAYMENT.—

(1) IN GENERAL.—Under this section a group health plan and a health insurance issuer shall provide for payment for routine patient costs described in subsection (a)(2) but is not required to pay for costs of items and services that are reasonably expected (as determined by the appropriate Secretary) to be paid for by the sponsors of an approved clinical trial.

(2) PAYMENT RATE.—In the case of covered items and services provided by—

(A) a participating provider, the payment rate shall be at the agreed upon rate; or

(B) a nonparticipating provider, the payment rate shall be at the rate the plan or issuer would normally pay for comparable services under subparagraph (A).

(d) APPROVED CLINICAL TRIAL DEFINED.—

(1) IN GENERAL.—In this section, the term "approved clinical trial" means a clinical research study or clinical investigation—

(A) approved and funded (which may include funding through in-kind contributions) by one or more of the following:

(i) the National Institutes of Health;

(ii) a cooperative group or center of the National Institutes of Health, including a qualified nongovernmental research entity to which the National Cancer Institute has awarded a center support grant;

(iii) either of the following if the conditions described in paragraph (2) are met—

(I) the Department of Veterans Affairs;

(II) the Department of Defense; or

(B) approved by the Food and Drug Administration.

(2) CONDITIONS FOR DEPARTMENTS.—The conditions described in this paragraph, for a study or investigation conducted by a Department, are that the study or investigation has been reviewed and approved through a system of peer review that the appropriate Secretary determines—

(A) to be comparable to the system of peer review of studies and investigations used by the National Institutes of Health; and

(B) assures unbiased review of the highest ethical standards by qualified individuals who have no interest in the outcome of the review.

(e) CONSTRUCTION.—Nothing in this section shall be construed to limit a plan's or issuer's coverage with respect to clinical trials.

SEC. 120. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR SECONDARY CONSULTATIONS.

(a) INPATIENT CARE.—

(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—

(A) a mastectomy;

(B) a lumpectomy; or

(C) a lymph node dissection for the treatment of breast cancer.

(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.

(b) PROHIBITION ON CERTAIN MODIFICATIONS.—In implementing the requirements of this section, a group health plan, and a health insurance issuer providing health insurance coverage, may not modify the terms and conditions of coverage based on the determination by a participant, beneficiary, or enrollee to request less than the minimum coverage required under subsection (a).

(c) SECONDARY CONSULTATIONS.—

(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage, that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan or coverage with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan or issuer.

(2) EXCEPTION.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.

(d) PROHIBITION ON PENALTIES OR INCENTIVES.—A group health plan, and a health insurance issuer providing health insurance coverage, may not—

(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant, beneficiary, or enrollee in accordance with this section;

(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or

(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant, beneficiary, or enrollee for a secondary consultation that would otherwise be covered by the plan or coverage involved under subsection (c).

Subtitle C—Access to Information

SEC. 121. PATIENT ACCESS TO INFORMATION.

(a) REQUIREMENT.—

(1) DISCLOSURE.—

(A) IN GENERAL.—A group health plan, and a health insurance issuer that provides coverage in connection with health insurance coverage, shall provide for the disclosure to participants, beneficiaries, and enrollees—

(i) of the information described in subsection (b) at the time of the initial enrollment of the participant, beneficiary, or enrollee under the plan or coverage;

(ii) of such information on an annual basis—

(I) in conjunction with the election period of the plan or coverage if the plan or coverage has such an election period; or

(II) in the case of a plan or coverage that does not have an election period, in conjunction with the beginning of the plan or coverage year; and

(iii) of information relating to any material reduction to the benefits or information described in such subsection or subsection (c), in the form of a notice provided not later than 30 days before the date on which the reduction takes effect.

(B) PARTICIPANTS, BENEFICIARIES, AND ENROLLEES.—The disclosure required under subparagraph (A) shall be provided—

(i) jointly to each participant, beneficiary, and enrollee who reside at the same address; or

(ii) in the case of a beneficiary or enrollee who does not reside at the same address as the participant or another enrollee, separately to the participant or other enrollees and such beneficiary or enrollee.

(2) PROVISION OF INFORMATION.—Information shall be provided to participants, beneficiaries, and enrollees under this section at the last known address maintained by the plan or issuer with respect to such participants, beneficiaries, or enrollees, to the extent that such information is provided to participants, beneficiaries, or enrollees via the United States Postal Service or other private delivery service.

(b) REQUIRED INFORMATION.—The informational materials to be distributed under this section shall include for each option available under the group health plan or health insurance coverage the following:

(1) BENEFITS.—A description of the covered benefits, including—

(A) any in- and out-of-network benefits;

(B) specific preventive services covered under the plan or coverage if such services are covered;

(C) any specific exclusions or express limitations of benefits described in section 104(d)(3)(C);

(D) any other benefit limitations, including any annual or lifetime benefit limits and any monetary limits or limits on the number of visits, days, or services, and any specific coverage exclusions; and

(E) any definition of medical necessity used in making coverage determinations by the plan, issuer, or claims administrator.

(2) COST SHARING.—A description of any cost-sharing requirements, including—

(A) any premiums, deductibles, coinsurance, copayment amounts, and liability for balance billing, for which the participant, beneficiary, or enrollee will be responsible under each option available under the plan;

(B) any maximum out-of-pocket expense for which the participant, beneficiary, or enrollee may be liable;

(C) any cost-sharing requirements for out-of-network benefits or services received from nonparticipating providers; and

(D) any additional cost-sharing or charges for benefits and services that are furnished without meeting applicable plan or coverage requirements, such as prior authorization or precertification.

(3) DISENROLLMENT.—Information relating to the disenrollment of a participant, beneficiary, or enrollee.

(4) SERVICE AREA.—A description of the plan or issuer's service area, including the provision of any out-of-area coverage.

(5) PARTICIPATING PROVIDERS.—A directory of participating providers (to the extent a plan or issuer provides coverage through a network of providers) that includes, at a minimum, the name, address, and telephone number of each participating provider, and information about how to inquire whether a participating provider is currently accepting new patients.

(6) CHOICE OF PRIMARY CARE PROVIDER.—A description of any requirements and procedures to be used by participants, beneficiaries, and enrollees in selecting, accessing, or changing their primary care provider, including providers both within and outside of the network (if the plan or issuer permits out-of-network services), and the right to select a pediatrician as a primary care provider under section 116 for a participant, beneficiary, or enrollee who is a child if such section applies.

(7) PREAUTHORIZATION REQUIREMENTS.—A description of the requirements and procedures to be used to obtain preauthorization for health services, if such preauthorization is required.

(8) EXPERIMENTAL AND INVESTIGATIONAL TREATMENTS.—A description of the process for determining whether a particular item, service, or treatment is considered experimental or investigational, and the circumstances under which such treatments are covered by the plan or issuer.

(9) SPECIALTY CARE.—A description of the requirements and procedures to be used by participants, beneficiaries, and enrollees in accessing specialty care and obtaining referrals to participating and nonparticipating specialists, including any limitations on choice of health care professionals referred to in section 112(b)(2) and the right to timely access to specialists care under section 114 if such section applies.

(10) CLINICAL TRIALS.—A description of the circumstances and conditions under which participation in clinical trials is covered under the terms and conditions of the plan or coverage, and the right to obtain coverage for approved clinical trials under section 119 if such section applies.

(11) PRESCRIPTION DRUGS.—To the extent the plan or issuer provides coverage for prescription drugs, a statement of whether such coverage is limited to drugs included in a formulary, a description of any provisions and cost-sharing required for obtaining on- and off-formulary medications, and a description of the rights of participants, beneficiaries, and enrollees in obtaining access to access to prescription drugs under section 118 if such section applies.

(12) EMERGENCY SERVICES.—A summary of the rules and procedures for accessing emergency services, including the right of a participant, beneficiary, or enrollee to obtain emergency services under the prudent layperson standard under section 113, if such section applies, and any educational information that the plan or issuer may provide regarding the appropriate use of emergency services.

(13) CLAIMS AND APPEALS.—A description of the plan or issuer's rules and procedures pertaining to claims and appeals, a description of the rights (including deadlines for exercising rights) of participants, beneficiaries, and enrollees under subtitle A in obtaining covered benefits, filing a claim for benefits, and appealing coverage decisions internally and externally (including telephone numbers and mailing addresses of the appropriate authority), and a description of any additional legal rights and remedies available under section 502 of the Employee Retirement Income Security Act of 1974 and applicable State law.

(14) ADVANCE DIRECTIVES AND ORGAN DONATION.—A description of procedures for advance directives and organ donation decisions if the plan or issuer maintains such procedures.

(15) INFORMATION ON PLANS AND ISSUERS.—The name, mailing address, and telephone number or numbers of the plan administrator and the issuer to be used by participants, beneficiaries, and enrollees seeking information about plan or coverage benefits and services, payment of a claim, or authorization for services and treatment. Notice of whether the benefits under the plan or coverage are provided under a contract or policy of insurance issued by an issuer, or whether benefits are provided directly by the plan sponsor who bears the insurance risk.

(16), TRANSLATION SERVICES.—A summary description of any translation or interpretation services (including the availability of printed information in languages other than English, audio tapes, or information in Braille) that are available for non-English speakers and participants, beneficiaries, and enrollees with communication disabilities and a description of how to access these items or services.

(17) ACCREDITATION INFORMATION.—Any information that is made public by accrediting organizations in the process of accreditation if the plan or issuer is accredited, or any additional quality indicators (such as the results of enrollee satisfaction surveys) that the plan or issuer makes public or makes available to participants, beneficiaries, and enrollees.

(18) NOTICE OF REQUIREMENTS.—A description of any rights of participants, beneficiaries, and enrollees that are established by the Bipartisan Patient Protection Act (excluding those described in paragraphs (1) through (17)) if such sections apply. The description required under this paragraph may be combined with the notices of the type described in sections 711(d), 713(b), or 606(a)(1) of the Employee Retirement Income Security Act of 1974 and with any other notice provision that the appropriate Secretary determines may be combined, so long as such combination does not result in any reduction in the information that would otherwise be provided to the recipient.

(19) AVAILABILITY OF ADDITIONAL INFORMATION.—A statement that the information described in subsection (c), and instructions on obtaining such information (including telephone numbers and, if available, Internet websites), shall be made available upon request.

(20) DESIGNATED DECISIONMAKERS.—A description of the participants and beneficiaries with respect to whom each designated decisionmaker under the plan has assumed liability under section 502(o) of the Employee Retirement Income Security Act of 1974 and the name and address of each such decisionmaker.

(c) ADDITIONAL INFORMATION.—The informational materials to be provided upon the request of a participant, beneficiary, or enrollee shall include for each option available under a group health plan or health insurance coverage the following:

(1) STATUS OF PROVIDERS.—The State licensure status of the plan or issuer's participating health care professionals and participating health care facilities, and, if available, the education, training, specialty qualifications or certifications of such professionals.

(2) COMPENSATION METHODS.—A summary description by category of the applicable methods (such as capitation, fee-for-service, salary, bundled payments, per diem, or a combination thereof) used for compensating prospective or treating health care professionals (including primary care providers and specialists) and facilities in connection with the provision of health care under the plan or coverage.

(3) PRESCRIPTION DRUGS.—Information about whether a specific prescription medication is included in the formulary of the plan or issuer, if the plan or issuer uses a defined formulary.

(4) UTILIZATION REVIEW ACTIVITIES.—A description of procedures used and requirements (including circumstances, timeframes, and appeals rights) under any utilization review program under sections 101 and 102, including any drug formulary program under section 118.

(5) EXTERNAL APPEALS INFORMATION.—Aggregate information on the number and outcomes of external medical reviews, relative to the sample size (such as the number of covered lives) under the plan or under the coverage of the issuer.

(d) Manner of Disclosure.—The information described in this section shall be disclosed in an accessible medium and format that is calculated to be understood by a participant or enrollee.

(e) Rules of Construction.—Nothing in this section shall be construed to prohibit a group health plan, or a health insurance issuer in connection with health insurance coverage, from—

(1) distributing any other additional information determined by the plan or issuer to be important or necessary in assisting participants, beneficiaries, and enrollees in the selection of a health plan or health insurance coverage; and

(2) complying with the provisions of this section by providing information in brochures, through the Internet or other electronic media, or through other similar means, so long as—

(A) the disclosure of such information in such form is in accordance with requirements as the appropriate Secretary may impose, and

(B) in connection with any such disclosure of information through the Internet or other electronic media—

(i) the recipient has affirmatively consented to the disclosure of such information in such form,

(ii) the recipient is capable of accessing the information so disclosed on the recipient's individual workstation or at the recipient's home,

(iii) the recipient retains an ongoing right to receive paper disclosure of such information and receives, in advance of any attempt at disclosure of such information to him or her through the Internet or other electronic media, notice in printed form of such ongoing right and of the proper software required to view information so disclosed, and

(iv) the plan administrator appropriately ensures that the intended recipient is receiving the information so disclosed and provides the information in printed form if the information is not received.

Subtitle D—Protecting the Doctor-Patient Relationship

SEC. 131. PROHIBITION OF INTERFERENCE WITH CERTAIN MEDICAL COMMUNICATIONS.

(a) General Rule.—The provisions of any contract or agreement, or the operation of any contract or agreement, between a group health plan or health insurance issuer in relation to health insurance coverage (including any partnership, association, or other organization that enters into or administers such a contract or agreement) and a health care provider (or group of health care providers) shall not prohibit or otherwise restrict a health care professional from advising such a participant, beneficiary, or enrollee who is a patient of the professional about the health status of the individual or medical care or treatment for the individual's condition or disease, regardless of whether benefits for such care or treatment are provided under the plan or coverage, if the professional is acting within the lawful scope of practice.

(b) Nullification.—Any contract provision or agreement that restricts or prohibits medical communications in violation of subsection (a) shall be null and void.

SEC. 132. PROHIBITION OF DISCRIMINATION AGAINST PROVIDERS BASED ON LICENSURE.

(a) In General.—A group health plan, and a health insurance issuer with respect to health insurance coverage, shall not discriminate with respect to participation or indemnification as to any provider who is acting within the scope of the provider's license or certification under applicable State law, solely on the basis of such license or certification.

(b) Construction.—Subsection (a) shall not be construed—

(1) as requiring the coverage under a group health plan or health insurance coverage of a particular benefit or service or to prohibit a plan or issuer from including providers only to the extent necessary to meet the needs of the plan's or issuer's participants, beneficiaries, or enrollees or from establishing any measure designed to maintain quality and control costs consistent with the responsibilities of the plan or issuer;

(2) to override any State licensure or scope-of-practice law; or

(3) as requiring a plan or issuer that offers network coverage to include for participation every willing provider who meets the terms and conditions of the plan or issuer.

SEC. 133. PROHIBITION AGAINST IMPROPER INCENTIVE ARRANGEMENTS.

(a) In General.—A group health plan and a health insurance issuer offering health insurance coverage may not operate any physician incentive plan (as defined in subparagraph (B) of section 1852(j)(4) of the Social Security Act) unless the requirements described in clauses (i), (ii)(I), and (iii) of subparagraph (A) of such section are met with respect to such a plan.

(b) Application.—For purposes of carrying out paragraph (1), any reference in section 1852(j)(4) of the Social Security Act to the Secretary, a Medicare+Choice organization, or an individual enrolled with the organization shall be treated as a reference to the applicable authority, a group health plan or health insurance issuer, respectively, and a participant, beneficiary, or enrollee with the plan or organization, respectively.

(c) Construction.—Nothing in this section shall be construed as prohibiting all capitation and similar arrangements or all provider discount arrangements.

SEC. 134. PAYMENT OF CLAIMS.

A group health plan, and a health insurance issuer offering health insurance coverage, shall provide for prompt payment of claims submitted for health care services or supplies furnished to a participant, beneficiary, or enrollee with respect to benefits covered by the plan or issuer, in a manner that is no less protective than the provisions of section 1842(c)(2) of the Social Security Act (42 U.S.C. 1395u(c)(2)).

SEC. 135. PROTECTION FOR PATIENT ADVOCACY.

(a) Protection for Use of Utilization Review and Grievance Process.—A group health plan, and a health insurance issuer with respect to the provision of health insurance coverage, may not retaliate against a participant, beneficiary, enrollee, or health care provider based on the participant's, beneficiary's, enrollee's or provider's use of, or participation in, a utilization review process or a grievance process of the plan or issuer (including an internal or external review or appeal process) under this title.

(b) Protection for Quality Advocacy by Health Care Professionals.—

(1) In general.—A group health plan and a health insurance issuer may not retaliate or discriminate against a protected health care professional because the professional in good faith—

(A) discloses information relating to the care, services, or conditions affecting one or more participants, beneficiaries, or enrollees of the plan or issuer to an appropriate public regulatory agency, an appropriate private accreditation body, or appropriate management personnel of the plan or issuer; or

(B) initiates, cooperates, or otherwise participates in an investigation or proceeding by such an agency with respect to such care, services, or conditions.

If an institutional health care provider is a participating provider with such a plan or issuer or otherwise receives payments for benefits provided by such a plan or issuer, the provisions of the previous sentence shall apply to the provider in relation to care, services, or conditions affecting one or more patients within an institutional health care provider in the same manner as they apply to the plan or issuer in relation to care, services, or conditions provided to one or more participants, beneficiaries, or enrollees; and for purposes of applying this sentence, any reference to a plan or issuer is deemed a reference to the institutional health care provider.

(2) Good faith action.—For purposes of paragraph (1), a protected health care professional is considered to be acting in good faith with respect to disclosure of information or participation if, with respect to the information disclosed as part of the action—

(A) the disclosure is made on the basis of personal knowledge and is consistent with that degree of learning and skill ordinarily possessed by health care professionals with the same licensure or certification and the same experience;

(B) the professional reasonably believes the information to be true;

(C) the information evidences either a violation of a law, rule, or regulation, of an applicable accreditation standard, or of a generally recognized professional or clinical standard or that a patient is in imminent hazard of loss of life or serious injury; and

(D) subject to subparagraphs (B) and (C) of paragraph (3), the professional has followed reasonable internal procedures of the plan, issuer, or institutional health care provider established for the purpose of addressing quality concerns before making the disclosure.

(3) Exception and special rule.—

(A) General exception.—Paragraph (1) does not protect disclosures that would violate Federal or State law or diminish or impair the rights of any person to the continued protection of confidentiality of communications provided by such law.

(B) Notice of internal procedures.—Subparagraph (D) of paragraph (2) shall not apply unless the internal procedures involved are reasonably expected to be known to the health care professional involved. For purposes of this subparagraph, a health care professional is reasonably expected to know of internal procedures if those procedures have been made available to the professional through distribution or posting.

(C) Internal procedure exception.—Subparagraph (D) of paragraph (2) also shall not apply if—

(i) the disclosure relates to an imminent hazard of loss of life or serious injury to a patient;

(ii) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(iii) the disclosure is in response to an inquiry made in an investigation or proceeding of an appropriate public regulatory agency and the information disclosed is limited to the scope of the investigation or proceeding.

(4) Additional considerations.—It shall not be a violation of paragraph (1) to take an adverse action against a protected health

care professional if the plan, issuer, or provider taking the adverse action involved demonstrates that it would have taken the same adverse action even in the absence of the activities protected under such paragraph.

(5) NOTICE.—A group health plan, health insurance issuer, and institutional health care provider shall post a notice, to be provided or approved by the Secretary of Labor, setting forth excerpts from, or summaries of, the pertinent provisions of this subsection and information pertaining to enforcement of such provisions.

(6) CONSTRUCTIONS.—

(A) DETERMINATIONS OF COVERAGE.—Nothing in this subsection shall be construed to prohibit a plan or issuer from making a determination not to pay for a particular medical treatment or service or the services of a type of health care professional.

(B) ENFORCEMENT OF PEER REVIEW PROTOCOLS AND INTERNAL PROCEDURES.—Nothing in this subsection shall be construed to prohibit a plan, issuer, or provider from establishing and enforcing reasonable peer review or utilization review protocols or determining whether a protected health care professional has complied with those protocols or from establishing and enforcing internal procedures for the purpose of addressing quality concerns.

(C) RELATION TO OTHER RIGHTS.—Nothing in this subsection shall be construed to abridge rights of participants, beneficiaries, enrollees, and protected health care professionals under other applicable Federal or State laws.

(7) PROTECTED HEALTH CARE PROFESSIONAL DEFINED.—For purposes of this subsection, the term "protected health care professional" means an individual who is a licensed or certified health care professional and who—

(A) with respect to a group health plan or health insurance issuer, is an employee of the plan or issuer or has a contract with the plan or issuer for provision of services for which benefits are available under the plan or issuer; or

(B) with respect to an institutional health care provider, is an employee of the provider or has a contract or other arrangement with the provider respecting the provision of health care services.

Subtitle E—Definitions

SEC. 151. DEFINITIONS.

(a) INCORPORATION OF GENERAL DEFINITIONS.—Except as otherwise provided, the provisions of section 2791 of the Public Health Service Act shall apply for purposes of this title in the same manner as they apply for purposes of title XXVII of such Act.

(b) SECRETARY.—Except as otherwise provided, the term "Secretary" means the Secretary of Health and Human Services, in consultation with the Secretary of Labor and the term "appropriate Secretary" means the Secretary of Health and Human Services in relation to carrying out this title under sections 2706 and 2751 of the Public Health Service Act and the Secretary of Labor in relation to carrying out this title under section 714 of the Employee Retirement Income Security Act of 1974.

(c) ADDITIONAL DEFINITIONS.—For purposes of this title:

(1) APPLICABLE AUTHORITY.—The term "applicable authority" means—

(A) in the case of a group health plan, the Secretary of Health and Human Services and the Secretary of Labor; and

(B) in the case of a health insurance issuer with respect to a specific provision of this title, the applicable State authority (as defined in section 2791(d) of the Public Health Service Act), or the Secretary of Health and Human Services, if such Secretary is enforcing such provision under section 2722(a)(2) or 2761(a)(2) of the Public Health Service Act.

(2) ENROLLEE.—The term "enrollee" means, with respect to health insurance coverage offered by a health insurance issuer, an individual enrolled with the issuer to receive such coverage.

(3) GROUP HEALTH PLAN.—The term "group health plan" has the meaning given such term in section 733(a) of the Employee Retirement Income Security Act of 1974, except that such term includes a employee welfare benefit plan treated as a group health plan under section 732(d) of such Act or defined as such a plan under section 607(1) of such Act.

(4) HEALTH CARE PROFESSIONAL.—The term "health care professional" means an individual who is licensed, accredited, or certified under State law to provide specified health care services and who is operating within the scope of such licensure, accreditation, or certification.

(5) HEALTH CARE PROVIDER.—The term "health care provider" includes a physician or other health care professional, as well as an institutional or other facility or agency that provides health care services and that is licensed, accredited, or certified to provide health care items and services under applicable State law.

(6) NETWORK.—The term "network" means, with respect to a group health plan or health insurance issuer offering health insurance coverage, the participating health care professionals and providers through whom the plan or issuer provides health care items and services to participants, beneficiaries, or enrollees.

(7) NONPARTICIPATING.—The term "nonparticipating" means, with respect to a health care provider that provides health care items and services to a participant, beneficiary, or enrollee under group health plan or health insurance coverage, a health care provider that is not a participating health care provider with respect to such items and services.

(8) PARTICIPATING.—The term "participating" means, with respect to a health care provider that provides health care items and services to a participant, beneficiary, or enrollee under group health plan or health insurance coverage offered by a health insurance issuer, a health care provider that furnishes such items and services under a contract or other arrangement with the plan or issuer.

(9) PRIOR AUTHORIZATION.—The term "prior authorization" means the process of obtaining prior approval from a health insurance issuer or group health plan for the provision or coverage of medical services.

(10) TERMS AND CONDITIONS.—The term "terms and conditions" includes, with respect to a group health plan or health insurance coverage, requirements imposed under this title with respect to the plan or coverage.

SEC. 152. PREEMPTION; STATE FLEXIBILITY; CONSTRUCTION.

(a) CONTINUED APPLICABILITY OF STATE LAW WITH RESPECT TO HEALTH INSURANCE ISSUERS.—

(1) IN GENERAL.—Subject to paragraph (2), this title shall not be construed to supersede any provision of State law which establishes, implements, or continues in effect any standard or requirement solely relating to health insurance issuers (in connection with group health insurance coverage or otherwise) except to the extent that such standard or requirement prevents the application of a requirement of this title.

(2) CONTINUED PREEMPTION WITH RESPECT TO GROUP HEALTH PLANS.—Nothing in this title shall be construed to affect or modify the provisions of section 514 of the Employee Retirement Income Security Act of 1974 with respect to group health plans.

(3) CONSTRUCTION.—In applying this section, a State law that provides for equal access to, and availability of, all categories of licensed health care providers and services shall not be treated as preventing the application of any requirement of this title.

(b) APPLICATION OF SUBSTANTIALLY COMPLIANT STATE LAWS.—

(1) IN GENERAL.—In the case of a State law that imposes, with respect to health insurance coverage offered by a health insurance issuer and with respect to a group health plan that is a non-Federal governmental plan, a requirement that substantially complies (within the meaning of subsection (c)) with a patient protection requirement (as defined in paragraph (3)) and does not prevent the application of other requirements under this Act (except in the case of other substantially compliant requirements), in applying the requirements of this title under section 2707 and 2753 (as applicable) of the Public Health Service Act (as added by title II), subject to subsection (a)(2)—

(A) the State law shall not be treated as being superseded under subsection (a); and

(B) the State law shall apply instead of the patient protection requirement otherwise applicable with respect to health insurance coverage and non-Federal governmental plans.

(2) LIMITATION.—In the case of a group health plan covered under title I of the Employee Retirement Income Security Act of 1974, paragraph (1) shall be construed to apply only with respect to the health insurance coverage (if any) offered in connection with the plan.

(3) DEFINITIONS.—In this section:

(A) PATIENT PROTECTION REQUIREMENT.—The term "patient protection requirement" means a requirement under this title, and includes (as a single requirement) a group or related set of requirements under a section or similar unit under this title.

(B) SUBSTANTIALLY COMPLIANT.—The terms "substantially compliant", substantially complies", or "substantial compliance" with respect to a State law, mean that the State law has the same or similar features as the patient protection requirements and has a similar effect.

(c) DETERMINATIONS OF SUBSTANTIAL COMPLIANCE.—

(1) CERTIFICATION BY STATES.—A State may submit to the Secretary a certification that a State law provides for patient protections that are at least substantially compliant with one or more patient protection requirements. Such certification shall be accompanied by such information as may be required to permit the Secretary to make the determination described in paragraph (2)(A).

(2) REVIEW.—

(A) IN GENERAL.—The Secretary shall promptly review a certification submitted under paragraph (1) with respect to a State law to determine if the State law substantially complies with the patient protection requirement (or requirements) to which the law relates.

(B) APPROVAL DEADLINES.—

(i) INITIAL REVIEW.—Such a certification is considered approved unless the Secretary notifies the State in writing, within 90 days after the date of receipt of the certification, that the certification is disapproved (and the reasons for disapproval) or that specified additional information is needed to make the determination described in subparagraph (A).

(ii) Additional information.—With respect to a State that has been notified by the Secretary under clause (i) that specified additional information is needed to make the determination described in subparagraph (A), the Secretary shall make the determination within 60 days after the date on which such specified additional information is received by the Secretary.

(3) Approval.—

(A) In general.—The Secretary shall approve a certification under paragraph (1) unless—

(i) the State fails to provide sufficient information to enable the Secretary to make a determination under paragraph (2)(A); or

(ii) the Secretary determines that the State law involved does not provide for patient protections that substantially comply with the patient protection requirement (or requirements) to which the law relates.

(B) State challenge.—A State that has a certification disapproved by the Secretary under subparagraph (A) may challenge such disapproval in the appropriate United States district court.

(C) Deference to states.—With respect to a certification submitted under paragraph (1), the Secretary shall give deference to the State's interpretation of the State law involved with respect to the patient protection involved.

(D) Public notification.—The Secretary shall—

(i) provide a State with a notice of the determination to approve or disapprove a certification under this paragraph;

(ii) promptly publish in the Federal Register a notice that a State has submitted a certification under paragraph (1);

(iii) promptly publish in the Federal Register the notice described in clause (i) with respect to the State; and

(iv) annually publish the status of all States with respect to certifications.

(4) Construction.—Nothing in this subsection shall be construed as preventing the certification (and approval of certification) of a State law under this subsection solely because it provides for greater protections for patients than those protections otherwise required to establish substantial compliance.

(5) Petitions.—

(A) Petition process.—Effective on the date on which the provisions of this Act become effective, as provided for in section 601, a group health plan, health insurance issuer, participant, beneficiary, or enrollee may submit a petition to the Secretary for an advisory opinion as to whether or not a standard or requirement under a State law applicable to the plan, issuer, participant, beneficiary, or enrollee that is not the subject of a certification under this subsection, is superseded under subsection (a)(1) because such standard or requirement prevents the application of a requirement of this title.

(B) Opinion.—The Secretary shall issue an advisory opinion with respect to a petition submitted under subparagraph (A) within the 60-day period beginning on the date on which such petition is submitted.

(d) Definitions.—For purposes of this section:

(1) State law.—The term "State law" includes all laws, decisions, rules, regulations, or other State action having the effect of law, of any State. A law of the United States applicable only to the District of Columbia shall be treated as a State law rather than a law of the United States.

(2) State.—The term "State" includes a State, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, any political subdivisions of such, or any agency or instrumentality of such.

SEC. 153. EXCLUSIONS.

(a) No Benefit Requirements.—Nothing in this title shall be construed to require a group health plan or a health insurance issuer offering health insurance coverage to include specific items and services under the terms of such a plan or coverage, other than those provided under the terms and conditions of such plan or coverage.

(b) Exclusion From Access to Care Managed Care Provisions for Fee-for-Service Coverage.—

(1) In general.—The provisions of sections 111 through 117 shall not apply to a group health plan or health insurance coverage if the only coverage offered under the plan or coverage is fee-for-service coverage (as defined in paragraph (2)).

(2) Fee-for-service coverage defined.—For purposes of this subsection, the term "fee-for-service coverage" means coverage under a group health plan or health insurance coverage that—

(A) reimburses hospitals, health professionals, and other providers on a fee-for-service basis without placing the provider at financial risk;

(B) does not vary reimbursement for such a provider based on an agreement to contract terms and conditions or the utilization of health care items or services relating to such provider;

(C) allows access to any provider that is lawfully authorized to provide the covered services and that agrees to accept the terms and conditions of payment established under the plan or by the issuer; and

(D) for which the plan or issuer does not require prior authorization before providing for any health care services.

SEC. 154. TREATMENT OF EXCEPTED BENEFITS.

(a) In General.—The requirements of this title and the provisions of sections 502(a)(1)(C), 502(n), and 514(d) of the Employee Retirement Income Security Act of 1974 (added by section 402) shall not apply to excepted benefits (as defined in section 733(c) of such Act), other than benefits described in section 733(c)(2)(A) of such Act, in the same manner as the provisions of part 7 of subtitle B of title I of such Act do not apply to such benefits under subsections (b) and (c) of section 732 of such Act.

(b) Coverage of Certain Limited Scope Plans.—Only for purposes of applying the requirements of this title under sections 2707 and 2753 of the Public Health Service Act, section 714 of the Employee Retirement Income Security Act of 1974, and section 9813 of the Internal Revenue Code of 1986, the following sections shall be deemed not to apply:

(1) Section 2791(c)(2)(A) of the Public Health Service Act.

(2) Section 733(c)(2)(A) of the Employee Retirement Income Security Act of 1974.

(3) Section 9832(c)(2)(A) of the Internal Revenue Code of 1986.

SEC. 155. REGULATIONS.

The Secretaries of Health and Human Services, Labor, and the Treasury shall issue such regulations as may be necessary or appropriate to carry out this title. Such regulations shall be issued consistent with section 104 of Health Insurance Portability and Accountability Act of 1996. Such Secretaries may promulgate any interim final rules as the Secretaries determine are appropriate to carry out this title.

SEC. 156. INCORPORATION INTO PLAN OR COVERAGE DOCUMENTS.

The requirements of this title with respect to a group health plan or health insurance coverage are, subject to section 154, deemed to be incorporated into, and made a part of, such plan or the policy, certificate, or contract providing such coverage and are enforceable under law as if directly included in the documentation of such plan or such policy, certificate, or contract.

SEC. 157. PRESERVATION OF PROTECTIONS.

(a) In General.—The rights under this Act (including the right to maintain a civil action and any other rights under the amendments made by this Act) may not be waived, deferred, or lost pursuant to any agreement not authorized under this Act.

(b) Exception.—Subsection (a) shall not apply to an agreement providing for arbitration or participation in any other nonjudicial procedure to resolve a dispute if the agreement is entered into knowingly and voluntarily by the parties involved after the dispute has arisen or is pursuant to the terms of a collective bargaining agreement. Nothing in this subsection shall be construed to permit the waiver of the requirements of sections 103 and 104 (relating to internal and external review).

TITLE II—APPLICATION OF QUALITY CARE STANDARDS TO GROUP HEALTH PLANS AND HEALTH INSURANCE COVERAGE UNDER THE PUBLIC HEALTH SERVICE ACT

SEC. 201. APPLICATION TO GROUP HEALTH PLANS AND GROUP HEALTH INSURANCE COVERAGE.

(a) In General.—Subpart 2 of part A of title XXVII of the Public Health Service Act is amended by adding at the end the following new section:

"SEC. 2707. PATIENT PROTECTION STANDARDS.

"Each group health plan shall comply with patient protection requirements under title I of the Bipartisan Patient Protection Act, and each health insurance issuer shall comply with patient protection requirements under such title with respect to group health insurance coverage it offers, and such requirements shall be deemed to be incorporated into this subsection.".

(b) Conforming Amendment.—Section 2721(b)(2)(A) of such Act (42 U.S.C. 300gg-21(b)(2)(A)) is amended by inserting "(other than section 2707)" after "requirements of such subparts".

SEC. 202. APPLICATION TO INDIVIDUAL HEALTH INSURANCE COVERAGE.

Part B of title XXVII of the Public Health Service Act is amended by inserting after section 2752 the following new section:

"SEC. 2753. PATIENT PROTECTION STANDARDS.

"Each health insurance issuer shall comply with patient protection requirements under title I of the Bipartisan Patient Protection Act with respect to individual health insurance coverage it offers, and such requirements shall be deemed to be incorporated into this subsection.".

SEC. 203. COOPERATION BETWEEN FEDERAL AND STATE AUTHORITIES.

Part C of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–91 et seq.) is amended by adding at the end the following:

"SEC. 2793. COOPERATION BETWEEN FEDERAL AND STATE AUTHORITIES.

"(a) Agreement With States.—A State may enter into an agreement with the Secretary for the delegation to the State of some or all of the Secretary's authority under this title to enforce the requirements applicable under title I of the Bipartisan Patient Protection Act with respect to health insurance coverage offered by a health insurance issuer and with respect to a group health plan that is a non-Federal governmental plan.

"(b) Delegations.—Any department, agency, or instrumentality of a State to which authority is delegated pursuant to an agreement entered into under this section may, if authorized under State law and to the extent consistent with such agreement, exercise the powers of the Secretary under this title which relate to such authority.".

TITLE III—APPLICATION OF PATIENT PROTECTION STANDARDS TO FEDERAL HEALTH INSURANCE PROGRAMS

SEC. 301. APPLICATION OF PATIENT PROTECTION STANDARDS TO FEDERAL HEALTH INSURANCE PROGRAMS.

(a) Sense of Congress.—It is the sense of Congress that enrollees in Federal health insurance programs should have the same rights and privileges as those afforded under title I and under the amendments made by title IV to participants and beneficiaries under group health plans.

(b) Conforming Federal Health Insurance Programs.—It is the sense of Congress that the President should require, by executive order, the Federal official with authority over each Federal health insurance program, to the extent feasible, to take such steps as are necessary to implement the rights and privileges described in subsection (a) with respect to such program.

(c) GAO Report on Additional Steps Required.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress a report on statutory changes that are required to implement such rights and privileges in a manner that is consistent with the missions of the Federal health insurance programs and that avoids unnecessary duplication or disruption of such programs.

(d) Federal Health Insurance Program.—In this section, the term "Federal health insurance program" means a Federal program that provides creditable coverage (as defined in section 2701(c)(1) of the Public Health Service Act) and includes a health program of the Department of Veterans Affairs.

TITLE IV—AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

SEC. 401. APPLICATION OF PATIENT PROTECTION STANDARDS TO GROUP HEALTH PLANS AND GROUP HEALTH INSURANCE COVERAGE UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 is amended by adding at the end the following new section:

"SEC. 714. PATIENT PROTECTION STANDARDS.

"(a) In General.—Subject to subsection (b), a group health plan (and a health insurance issuer offering group health insurance coverage in connection with such a plan) shall comply with the requirements of title I of the Bipartisan Patient Protection Act (as in effect as of the date of the enactment of such Act), and such requirements shall be deemed to be incorporated into this subsection.

"(b) Plan Satisfaction of Certain Requirements.—

"(1) Satisfaction of certain requirements through insurance.—For purposes of subsection (a), insofar as a group health plan provides benefits in the form of health insurance coverage through a health insurance issuer, the plan shall be treated as meeting the following requirements of title I of the Bipartisan Patient Protection Act with respect to such benefits and not be considered as failing to meet such requirements because of a failure of the issuer to meet such requirements so long as the plan sponsor or its representatives did not cause such failure by the issuer:

"(A) Section 111 (relating to consumer choice option).

"(B) Section 112 (relating to choice of health care professional).

"(C) Section 113 (relating to access to emergency care).

"(D) Section 114 (relating to timely access to specialists).

"(E) Section 115 (relating to patient access to obstetrical and gynecological care).

"(F) Section 116 (relating to access to pediatric care).

"(G) Section 117 (relating to continuity of care), but only insofar as a replacement issuer assumes the obligation for continuity of care.

"(H) Section 118 (relating to access to needed prescription drugs).

"(I) Section 119 (relating to coverage for individuals participating in approved clinical trials).

"(J) Section 120 (relating to required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations).

"(K) Section 134 (relating to payment of claims).

"(2) Information.—With respect to information required to be provided or made available under section 121 of the Bipartisan Patient Protection Act, in the case of a group health plan that provides benefits in the form of health insurance coverage through a health insurance issuer, the Secretary shall determine the circumstances under which the plan is not required to provide or make available the information (and is not liable for the issuer's failure to provide or make available the information), if the issuer is obligated to provide and make available (or provides and makes available) such information.

"(3) Internal appeals.—With respect to the internal appeals process required to be established under section 103 of such Act, in the case of a group health plan that provides benefits in the form of health insurance coverage through a health insurance issuer, the Secretary shall determine the circumstances under which the plan is not required to provide for such process and system (and is not liable for the issuer's failure to provide for such process and system), if the issuer is obligated to provide for (and provides for) such process and system.

"(4) External appeals.—Pursuant to rules of the Secretary, insofar as a group health plan enters into a contract with a qualified external appeal entity for the conduct of external appeal activities in accordance with section 104 of such Act, the plan shall be treated as meeting the requirement of such section and is not liable for the entity's failure to meet any requirements under such section.

"(5) Application to prohibitions.—Pursuant to rules of the Secretary, if a health insurance issuer offers health insurance coverage in connection with a group health plan and takes an action in violation of any of the following sections of the Bipartisan Patient Protection Act, the group health plan shall not be liable for such violation unless the plan caused such violation:

"(A) Section 131 (relating to prohibition of interference with certain medical communications).

"(B) Section 132 (relating to prohibition of discrimination against providers based on licensure).

"(C) Section 133 (relating to prohibition against improper incentive arrangements).

"(D) Section 135 (relating to protection for patient advocacy).

"(6) Construction.—Nothing in this subsection shall be construed to affect or modify the responsibilities of the fiduciaries of a group health plan under part 4 of subtitle B.

"(7) Treatment of substantially compliant state laws.—For purposes of applying this subsection in connection with health insurance coverage, any reference in this subsection to a requirement in a section or other provision in the Bipartisan Patient Protection Act with respect to a health insurance issuer is deemed to include a reference to a requirement under a State law that substantially complies (as determined under section 152(c) of such Act) with the requirement in such section or other provisions.

"(8) Application to certain prohibitions against retaliation.—With respect to compliance with the requirements of section 135(b)(1) of the Bipartisan Patient Protection Act, for purposes of this subtitle the term 'group health plan' is deemed to include a reference to an institutional health care provider.

"(c) Enforcement of Certain Requirements.—

"(1) Complaints.—Any protected health care professional who believes that the professional has been retaliated or discriminated against in violation of section 135(b)(1) of the Bipartisan Patient Protection Act may file with the Secretary a complaint within 180 days of the date of the alleged retaliation or discrimination.

"(2) Investigation.—The Secretary shall investigate such complaints and shall determine if a violation of such section has occurred and, if so, shall issue an order to ensure that the protected health care professional does not suffer any loss of position, pay, or benefits in relation to the plan, issuer, or provider involved, as a result of the violation found by the Secretary.

"(d) Conforming Regulations.—The Secretary shall issue regulations to coordinate the requirements on group health plans and health insurance issuers under this section with the requirements imposed under the other provisions of this title. In order to reduce duplication and clarify the rights of participants and beneficiaries with respect to information that is required to be provided, such regulations shall coordinate the information disclosure requirements under section 121 of the Bipartisan Patient Protection Act with the reporting and disclosure requirements imposed under part 1, so long as such coordination does not result in any reduction in the information that would otherwise be provided to participants and beneficiaries.".

(b) Satisfaction of ERISA Claims Procedure Requirement.—Section 503 of such Act (29 U.S.C. 1133) is amended by inserting "(a)" after "Sec. 503." and by adding at the end the following new subsection:

"(b) In the case of a group health plan (as defined in section 733), compliance with the requirements of subtitle A of title I of the Bipartisan Patient Protection Act, and compliance with regulations promulgated by the

Secretary, in the case of a claims denial, shall be deemed compliance with subsection (a) with respect to such claims denial.".

(c) Conforming Amendments.—(1) Section 732(a) of such Act (29 U.S.C. 1185(a)) is amended by striking "section 711" and inserting "sections 711 and 714".

(2) The table of contents in section 1 of such Act is amended by inserting after the item relating to section 713 the following new item:

"Sec. 714. Patient protection standards.".

(3) Section 502(b)(3) of such Act (29 U.S.C. 1132(b)(3)) is amended by inserting "(other than section 135(b))" after "part 7".

SEC. 402. AVAILABILITY OF CIVIL REMEDIES.

(a) Availability of Federal Civil Remedies in Cases Not Involving Medically Reviewable Decisions.—

(1) In general.—Section 502 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132) is amended by adding at the end the following new subsections:

"(n) Cause of Action Relating to Provision of Health Benefits.—

"(1) In general.—In any case in which—

"(A) a person who is a fiduciary of a group health plan, a health insurance issuer offering health insurance coverage in connection with the plan, or an agent of the plan, issuer, or plan sponsor, upon consideration of a claim for benefits of a participant or beneficiary under section 102 of the Bipartisan Patient Protection Act (relating to procedures for initial claims for benefits and prior authorization determinations) or upon review of a denial of such a claim under section 103 of such Act (relating to internal appeal of a denial of a claim for benefits), fails to exercise ordinary care in making a decision—

"(i) regarding whether an item or service is covered under the terms and conditions of the plan or coverage,

"(ii) regarding whether an individual is a participant or beneficiary who is enrolled under the terms and conditions of the plan or coverage (including the applicability of any waiting period under the plan or coverage), or

"(iii) as to the application of cost-sharing requirements or the application of a specific exclusion or express limitation on the amount, duration, or scope of coverage of items or services under the terms and conditions of the plan or coverage, and

"(B) such failure is a proximate cause of personal injury to, or the death of, the participant or beneficiary,

such plan, plan sponsor, or issuer shall be liable to the participant or beneficiary (or the estate of such participant or beneficiary) for economic and noneconomic damages (but not exemplary or punitive damages) in connection with such personal injury or death.

"(2) Cause of action must not involve medically reviewable decision.—

"(A) In general.—A cause of action is established under paragraph (1)(A) only if the decision referred to in paragraph (1)(A) does not include a medically reviewable decision.

"(B) Medically reviewable decision.—For purposes of this subsection, the term 'medically reviewable decision' means a denial of a claim for benefits under the plan which is described in section 104(d)(2) of the Bipartisan Patient Protection Act (relating to medically reviewable decisions).

"(3) Limitation regarding certain types of actions saved from preemption of State law.—A cause of action is not established under paragraph (1)(A) in connection with a failure described in paragraph (1)(A) to the extent that a cause of action under State law (as defined in section 514(c)) for such failure would not be preempted under section 514.

"(4) Definitions and related rules.—For purposes of this subsection.—

"(A) Ordinary care.—The term 'ordinary care' means, with respect to a determination on a claim for benefits, that degree of care, skill, and diligence that a reasonable and prudent individual would exercise in making a fair determination on a claim for benefits of like kind to the claims involved.

"(B) Personal injury.—The term 'personal injury' means a physical injury and includes an injury arising out of the treatment (or failure to treat) a mental illness or disease.

"(C) Claim for benefits; denial.—The terms 'claim for benefits' and 'denial of a claim for benefits' have the meanings provided such terms in section 102(e) of the Bipartisan Patient Protection Act.

"(D) Terms and conditions.—The term 'terms and conditions' includes, with respect to a group health plan or health insurance coverage, requirements imposed under title I of the Bipartisan Patient Protection Act.

"(E) Treatment of excepted benefits.—Under section 154(a) of the Bipartisan Patient Protection Act, the provisions of this subsection and subsection (a)(1)(C) do not apply to certain excepted benefits.

"(5) Exclusion of employers and other plan sponsors.—

"(A) Causes of action against employers and plan sponsors precluded.—Subject to subparagraph (B), paragraph (1)(A) does not authorize a cause of action against an employer or other plan sponsor maintaining the plan (or against an employee of such an employer or sponsor acting within the scope of employment).

"(B) Certain causes of action permitted.—Notwithstanding subparagraph (A), a cause of action may arise against an employer or other plan sponsor (or against an employee of such an employer or sponsor acting within the scope of employment) under paragraph (1)(A), to the extent there was direct participation by the employer or other plan sponsor (or employee) in the decision of the plan under section 102 of the Bipartisan Patient Protection Act upon consideration of a claim for benefits or under section 103 of such Act upon review of a denial of a claim for benefits.

"(C) Direct participation.—

"(i) In general.—For purposes of subparagraph (B), the term 'direct participation' means, in connection with a decision described in paragraph (1)(A), the actual making of such decision or the actual exercise of control in making such decision.

"(ii) Rules of construction.—For purposes of clause (i), the employer or plan sponsor (or employee) shall not be construed to be engaged in direct participation because of any form of decisionmaking or other conduct that is merely collateral or precedent to the decision described in paragraph (1)(A) on a particular claim for benefits of a participant or beneficiary, including (but not limited to)—

"(I) any participation by the employer or other plan sponsor (or employee) in the selection of the group health plan or health insurance coverage involved or the third party administrator or other agent;

"(II) any engagement by the employer or other plan sponsor (or employee) in any cost-benefit analysis undertaken in connection with the selection of, or continued maintenance of, the plan or coverage involved;

"(III) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating the plan or any benefit under the plan, if such process was not substantially focused solely on the particular situation of the participant or beneficiary referred to in paragraph (1)(A); and

"(IV) any participation by the employer or other plan sponsor (or employee) in the design of any benefit under the plan, including the amount of copayment and limits connected with such benefit.

"(iii) Irrelevance of certain collateral efforts made by employer or plan sponsor.—For purposes of this subparagraph, an employer or plan sponsor shall not be treated as engaged in direct participation in a decision with respect to any claim for benefits or denial thereof in the case of any particular participant or beneficiary solely by reason of—

"(I) any efforts that may have been made by the employer or plan sponsor to advocate for authorization of coverage for that or any other participant or beneficiary (or any group of participants or beneficiaries), or

"(II) any provision that may have been made by the employer or plan sponsor for benefits which are not covered under the terms and conditions of the plan for that or any other participant or beneficiary (or any group of participants or beneficiaries).

"(D) Application to certain plans.—

"(i) In general.—Notwithstanding any other provision of this subsection, no group health plan described in clause (ii) (or plan sponsor of such a plan) shall be liable under paragraph (1) for the performance of, or the failure to perform, any non-medically reviewable duty under the plan.

"(ii) Definition.—A group health plan described in this clause is—

"(I) a group health plan that is self-insured and self administered by an employer (including an employee of such an employer acting within the scope of employment); or

"(II) a multiemployer plan as defined in section 3(37)(A) (including an employee of a contributing employer or of the plan, or a fiduciary of the plan, acting within the scope of employment or fiduciary responsibility) that is self-insured and self-administered.

"(6) Exclusion of physicians and other health care professionals.—

"(A) In general.—No treating physician or other treating health care professional of the participant or beneficiary, and no person acting under the direction of such a physician or health care professional, shall be liable under paragraph (1) for the performance of, or the failure to perform, any non-medically reviewable duty of the plan, the plan sponsor, or any health insurance issuer offering health insurance coverage in connection with the plan.

"(B) Definitions.—For purposes of subparagraph (A)—

"(i) Health care professional.—The term 'health care professional' means an individual who is licensed, accredited, or certified under State law to provide specified health care services and who is operating within the scope of such licensure, accreditation, or certification.

"(ii) Non-medically reviewable duty.—The term 'non-medically reviewable duty' means a duty the discharge of which does not include the making of a medically reviewable decision.

"(7) Exclusion of hospitals.—No treating hospital of the participant or beneficiary shall be liable under paragraph (1) for the performance of, or the failure to perform, any non-medically reviewable duty (as defined in paragraph (6)(B)(ii)) of the plan, the plan sponsor, or any health insurance issuer offering health insurance coverage in connection with the plan.

“(8) Rule of construction relating to exclusion from liability of physicians, health care professionals, and hospitals.—Nothing in paragraph (6) or (7) shall be construed to limit the liability (whether direct or vicarious) of the plan, the plan sponsor, or any health insurance issuer offering health insurance coverage in connection with the plan.

“(9) Requirement of exhaustion.—

“(A) In general.—A cause of action may not be brought under paragraph (1) in connection with any denial of a claim for benefits of any individual until all administrative processes under sections 102 and 103 of the Bipartisan Patient Protection Act (if applicable) have been exhausted.

“(B) Exception for needed care.—A participant or beneficiary may seek relief exclusively in Federal court under subsection 502(a)(1)(B) prior to the exhaustion of administrative remedies under sections 102, 103, or 104 of the Bipartisan Patient Protection Act (as required under subparagraph (A)) if it is demonstrated to the court that the exhaustion of such remedies would cause irreparable harm to the health of the participant or beneficiary. Notwithstanding the awarding of relief under subsection 502(a)(1)(B) pursuant to this subparagraph, no relief shall be available as a result of, or arising under, paragraph (1)(A) or paragraph (10)(B), with respect to a participant or beneficiary, unless the requirements of subparagraph (A) are met.

“(C) Receipt of benefits during appeals process.—Receipt by the participant or beneficiary of the benefits involved in the claim for benefits during the pendency of any administrative processes referred to in subparagraph (A) or of any action commenced under this subsection—

“(i) shall not preclude continuation of all such administrative processes to their conclusion if so moved by any party, and

“(ii) shall not preclude any liability under subsection (a)(1)(C) and this subsection in connection with such claim.

The court in any action commenced under this subsection shall take into account any receipt of benefits during such administrative processes or such action in determining the amount of the damages awarded.

“(D) Admissible.—Any determination made by a reviewer in an administrative proceeding under section 103 of the Bipartisan Patient Protection Act shall be admissible in any Federal court proceeding and shall be presented to the trier of fact.

“(10) Statutory damages.—

“(A) In general.—The remedies set forth in this subsection (n) shall be the exclusive remedies for causes of action brought under this subsection.

“(B) Assessment of civil penalties.—In addition to the remedies provided for in paragraph (1) (relating to the failure to provide contract benefits in accordance with the plan), a civil assessment, in an amount not to exceed $5,000,000, payable to the claimant may be awarded in any action under such paragraph if the claimant establishes by clear and convincing evidence that the alleged conduct carried out by the defendant demonstrated bad faith and flagrant disregard for the rights of the participant or beneficiary under the plan and was a proximate cause of the personal injury or death that is the subject of the claim.

“(11) Limitation on attorneys' fees.—

“(A) In general.—Notwithstanding any other provision of law, or any arrangement, agreement, or contract regarding an attorney's fee, the amount of an attorney's contingency fee allowable for a cause of action brought pursuant to this subsection shall not exceed ⅓ of the total amount of the plaintiff's recovery (not including the reimbursement of actual out-of-pocket expenses of the attorney).

“(B) Determination by district court.—The last Federal district court in which the action was pending upon the final disposition, including all appeals, of the action shall have jurisdiction to review the attorney's fee to ensure that the fee is a reasonable one.

“(12) Limitation of action.—Paragraph (1) shall not apply in connection with any action commenced after 3 years after the later of—

“(A) the date on which the plaintiff first knew, or reasonably should have known, of the personal injury or death resulting from the failure described in paragraph (1), or

“(B) the date as of which the requirements of paragraph (9) are first met.

“(13) Tolling provision.—The statute of limitations for any cause of action arising under State law relating to a denial of a claim for benefits that is the subject of an action brought in Federal court under this subsection shall be tolled until such time as the Federal court makes a final disposition, including all appeals, of whether such claim should properly be within the jurisdiction of the Federal court. The tolling period shall be determined by the applicable Federal or State law, whichever period is greater.

“(14) Purchase of insurance to cover liability.—Nothing in section 410 shall be construed to preclude the purchase by a group health plan of insurance to cover any liability or losses arising under a cause of action under subsection (a)(1)(C) and this subsection.

“(15) Exclusion of directed recordkeepers.—

“(A) In general.—Subject to subparagraph (C), paragraph (1) shall not apply with respect to a directed recordkeeper in connection with a group health plan.

“(B) Directed recordkeeper.—For purposes of this paragraph, the term ‘directed recordkeeper’ means, in connection with a group health plan, a person engaged in directed recordkeeping activities pursuant to the specific instructions of the plan or the employer or other plan sponsor, including the distribution of enrollment information and distribution of disclosure materials under this Act or title I of the Bipartisan Patient Protection Act and whose duties do not include making decisions on claims for benefits.

“(C) Limitation.—Subparagraph (A) does not apply in connection with any directed recordkeeper to the extent that the directed recordkeeper fails to follow the specific instruction of the plan or the employer or other plan sponsor.

“(16) Exclusion of health insurance agents.—Paragraph (1) does not apply with respect to a person whose sole involvement with the group health plan is providing advice or administrative services to the employer or other plan sponsor relating to the selection of health insurance coverage offered in connection with the plan.

“(17) No effect on State law.—No provision of State law (as defined in section 514(c)(1)) shall be treated as superseded or otherwise altered, amended, modified, invalidated, or impaired by reason of the provisions of subsection (a)(1)(C) and this subsection.

“(18) Relief from liability for employer or other plan sponsor by means of designated decisionmaker.—

“(A) In general.—Notwithstanding the direct participation (as defined in paragraph (5)(C)(i)) of an employer or plan sponsor, in any case in which there is (or is deemed under subparagraph (B) to be) a designated decisionmaker under subparagraph (B) that meets the requirements of subsection (o)(1) for an employer or other plan sponsor—

“(i) all liability of such employer or plan sponsor involved (and any employee of such employer or sponsor acting within the scope of employment) under this subsection in connection with any participant or beneficiary shall be transferred to, and assumed by, the designated decisionmaker, and

“(ii) with respect to such liability, the designated decisionmaker shall be substituted for the employer or sponsor (or employee) in the action and may not raise any defense that the employer or sponsor (or employee) could not raise if such a decisionmaker were not so deemed.

“(B) Automatic designation.—A health insurance issuer shall be deemed to be a designated decisionmaker for purposes of subparagraph (A) with respect to the participants and beneficiaries of an employer or plan sponsor, whether or not the employer or plan sponsor makes such a designation, and shall be deemed to have assumed unconditionally all liability of the employer or plan sponsor under such designation in accordance with subsection (o), unless the employer or plan sponsor affirmatively enters into a contract to prevent the service of the designated decisionmaker.

“(C) Treatment of certain trust funds.—For purposes of this paragraph, the terms ‘employer’ and ‘plan sponsor’, in connection with the assumption by a designated decisionmaker of the liability of employer or other plan sponsor pursuant to this paragraph, shall be construed to include a trust fund maintained pursuant to section 302 of the Labor Management Relations Act, 1947 (29 U.S.C. 186) or the Railway Labor Act (45 U.S.C. 151 et seq.).

“(19) Previously provided services.—

“(A) In general.—Except as provided in this paragraph, a cause of action shall not arise under paragraph (1) where the denial involved relates to an item or service that has already been fully provided to the participant or beneficiary under the plan or coverage and the claim relates solely to the subsequent denial of payment for the provision of such item or service.

“(B) Exception.—Nothing in subparagraph (A) shall be construed to—

“(i) prohibit a cause of action under paragraph (1) where the nonpayment involved results in the participant or beneficiary being unable to receive further items or services that are directly related to the item or service involved in the denial referred to in subparagraph (A) or that are part of a continuing treatment or series of procedures; or

“(ii) limit liability that otherwise would arise from the provision of the item or services or the performance of a medical procedure.

“(20) Exemption from personal liability for individual members of boards of directors, joint boards of trustees, etc.—Any individual who is—

“(A) a member of a board of directors of an employer or plan sponsor; or

“(B) a member of an association, committee, employee organization, joint board of trustees, or other similar group of representatives of the entities that are the plan sponsor of plan maintained by two or more employers and one or more employee organizations;

shall not be personally liable under this subsection for conduct that is within the scope of employment or of plan-related duties of the individuals unless the individual acts in a fraudulent manner for personal enrichment.

"(o) REQUIREMENTS FOR DESIGNATED DECISIONMAKERS OF GROUP HEALTH PLANS.—

"(1) IN GENERAL.—For purposes of subsection (n)(18) and section 514(d)(9), a designated decisionmaker meets the requirements of this paragraph with respect to any participant or beneficiary if—

"(A) such designation is in such form as may be prescribed in regulations of the Secretary,

"(B) the designated decisionmaker—

"(i) meets the requirements of paragraph (2),

"(ii) assumes unconditionally all liability of the employer or plan sponsor involved (and any employee of such employer or sponsor acting within the scope of employment) either arising under subsection (n) or arising in a cause of action permitted under section 514(d) in connection with actions (and failures to act) of the employer or plan sponsor (or employee) occurring during the period in which the designation under subsection (n)(18) or section 514(d)(9) is in effect relating to such participant and beneficiary,

"(iii) agrees to be substituted for the employer or plan sponsor (or employee) in the action and not to raise any defense with respect to such liability that the employer or plan sponsor (or employee) may not raise, and

"(iv) where paragraph (2)(B) applies, assumes unconditionally the exclusive authority under the group health plan to make medically reviewable decisions under the plan with respect to such participant or beneficiary, and

"(C) the designated decisionmaker and the participants and beneficiaries for whom the decisionmaker has assumed liability are identified in the written instrument required under section 402(a) and as required under section 121(b)(19) of the Bipartisan Patient Protection Act.

Any liability assumed by a designated decisionmaker pursuant to this subsection shall be in addition to any liability that it may otherwise have under applicable law.

"(2) QUALIFICATIONS FOR DESIGNATED DECISIONMAKERS.—

"(A) IN GENERAL.—Subject to subparagraph (B), an entity is qualified under this paragraph to serve as a designated decisionmaker with respect to a group health plan if the entity has the ability to assume the liability described in paragraph (1) with respect to participants and beneficiaries under such plan, including requirements relating to the financial obligation for timely satisfying the assumed liability, and maintains with the plan sponsor and the Secretary certification of such ability. Such certification shall be provided to the plan sponsor or named fiduciary and to the Secretary upon designation under subsection (n)(18)(B) or section 517(d)(9)(B) and not less frequently than annually thereafter, or if such designation constitutes a multiyear arrangement, in conjunction with the renewal of the arrangement.

"(B) SPECIAL QUALIFICATION IN THE CASE OF CERTAIN REVIEWABLE DECISIONS.—In the case of a group health plan that provides benefits consisting of medical care to a participant or beneficiary only through health insurance coverage offered by a single health insurance issue, such issuer is the only entity that may be qualified under this paragraph to serve as a designated decisionmaker with respect to such participant or beneficiary, and shall serve as the designated decisionmaker unless the employer or other plan sponsor acts affirmatively to prevent such service.

"(3) REQUIREMENTS RELATING TO FINANCIAL OBLIGATIONS.—For purposes of paragraph (2)(A), the requirements relating to the financial obligation of an entity for liability shall include—

"(A) coverage of such entity under an insurance policy or other arrangement, secured and maintained by such entity, to effectively insure such entity against losses arising from professional liability claims, including those arising from its service as a designated decisionmaker under this part; or

"(B) evidence of minimum capital and surplus levels that are maintained by such entity to cover any losses as a result of liability arising from its service as a designated decisionmaker under this part.

The appropriate amounts of liability insurance and minimum capital and surplus levels for purposes of subparagraphs (A) and (B) shall be determined by an actuary using sound actuarial principles and accounting practices pursuant to established guidelines of the American Academy of Actuaries and in accordance with such regulations as the Secretary may prescribe and shall be maintained throughout the term for which the designation is in effect. The provisions of this paragraph shall not apply in the case of a designated decisionmaker that is a group health plan, plan sponsor, or health insurance issuer and that is regulated under Federal law or a State financial solvency law.

"(4) LIMITATION ON APPOINTMENT OF TREATING PHYSICIANS.—A treating physician who directly delivered the care, treatment, or provided the patient service that is the subject of a cause of action by a participant or beneficiary under subsection (n) or section 514(d) may not be designated as a designated decisionmaker under this subsection with respect to such participant or beneficiary.".

(2) CONFORMING AMENDMENT.—Section 502(a)(1) of such Act (29 U.S.C. 1132(a)(1)) is amended—

(A) by striking "or" at the end of subparagraph (A);

(B) in subparagraph (B), by striking "plan;" and inserting "plan, or"; and

(C) by adding at the end the following new subparagraph:

"(C) for the relief provided for in subsection (n) of this section.".

(b) RULES RELATING TO ERISA PREEMPTION.—Section 514 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144) is amended—

(1) by redesignating subsection (d) as subsection (f); and

(2) by inserting after subsection (c) the following new subsections:

"(d) PREEMPTION NOT TO APPLY TO CAUSES OF ACTION UNDER STATE LAW INVOLVING MEDICALLY REVIEWABLE DECISION.—

"(1) NON-PREEMPTION OF CERTAIN CAUSES OF ACTION.—

"(A) IN GENERAL.—Except as provided in this subsection, nothing in this title (including section 502) shall be construed to supersede or otherwise alter, amend, modify, invalidate, or impair any cause of action under State law of a participant or beneficiary under a group health plan (or the estate of such a participant or beneficiary) against the plan, the plan sponsor, any health insurance issuer offering health insurance coverage in connection with the plan, or any managed care entity in connection with the plan to recover damages resulting from personal injury or for wrongful death if such cause of action arises by reason of a medically reviewable decision.

"(B) MEDICALLY REVIEWABLE DECISION.—For purposes of subparagraph (A), the term 'medically reviewable decision' means a denial of a claim for benefits under the plan which is described in section 104(d)(2) of the Bipartisan Patient Protection Act (relating to medically reviewable decisions).

"(C) LIMITATION ON PUNITIVE DAMAGES.—

"(i) IN GENERAL.—Except as provided in clauses (ii) and (iii), with respect to a cause of action described in subparagraph (A) brought with respect to a participant or beneficiary, State law is superseded insofar as it provides any punitive, exemplary, or similar damages if, as of the time of the personal injury or death, all the requirements of the following sections of the Bipartisan Patient Protection Act were satisfied with respect to the participant or beneficiary:

"(I) Section 102 (relating to procedures for initial claims for benefits and prior authorization determinations).

"(II) Section 103 of such Act (relating to internal appeals of claims denials).

"(III) Section 104 of such Act (relating to independent external appeals procedures).

"(ii) EXCEPTION FOR CERTAIN ACTIONS FOR WRONGFUL DEATH.—Clause (i) shall not apply with respect to an action for wrongful death if the applicable State law provides (or has been construed to provide) for damages in such an action which are only punitive or exemplary in nature.

"(iii) EXCEPTION FOR WILLFUL OR WANTON DISREGARD FOR THE RIGHTS OR SAFETY OF OTHERS.—Clause (i) shall not apply with respect to any cause of action described in subparagraph (A) if, in such action, the plaintiff establishes by clear and convincing evidence that conduct carried out by the defendant with willful or wanton disregard for the rights or safety of others was a proximate cause of the personal injury or wrongful death that is the subject of the action.

"(2) DEFINITIONS AND RELATED RULES.—For purposes of this subsection and subsection (e)—

"(A) TREATMENT OF EXCEPTED BENEFITS.—Under section 154(a) of the Bipartisan Patient Protection Act, the provisions of this subsection do not apply to certain excepted benefits.

"(B) PERSONAL INJURY.—The term 'personal injury' means a physical injury and includes an injury arising out of the treatment (or failure to treat) a mental illness or disease.

"(C) CLAIM FOR BENEFIT; DENIAL.—The terms 'claim for benefits' and 'denial of a claim for benefits' shall have the meaning provided such terms under section 102(e) of the Bipartisan Patient Protection Act.

"(D) MANAGED CARE ENTITY.—

"(i) IN GENERAL.—The term 'managed care entity' means, in connection with a group health plan and subject to clause (ii), any entity that is involved in determining the manner in which or the extent to which items or services (or reimbursement therefor) are to be provided as benefits under the plan.

"(ii) TREATMENT OF TREATING PHYSICIANS, OTHER TREATING HEALTH CARE PROFESSIONALS, AND TREATING HOSPITALS.—Such term does not include a treating physician or other treating health care professional (as defined in section 502(n)(6)(B)(i)) of the participant or beneficiary and also does not include a treating hospital insofar as it is acting solely in the capacity of providing treatment or care to the participant or beneficiary. Nothing in the preceding sentence shall be construed to preempt vicarious liability of any plan, plan sponsor, health insurance issuer, or managed care entity.

"(3) EXCLUSION OF EMPLOYERS AND OTHER PLAN SPONSORS.—

"(A) CAUSES OF ACTION AGAINST EMPLOYERS AND PLAN SPONSORS PRECLUDED.—Subject to subparagraph (B), paragraph (1) does not apply with respect to—

"(i) any cause of action against an employer or other plan sponsor maintaining the plan (or against an employee of such an employer or sponsor acting within the scope of employment), or

"(ii) a right of recovery, indemnity, or contribution by a person against an employer or other plan sponsor (or such an employee) for damages assessed against the person pursuant to a cause of action to which paragraph (1) applies.

"(B) CERTAIN CAUSES OF ACTION PERMITTED.—Notwithstanding subparagraph (A), paragraph (1) applies with respect to any cause of action that is brought by a participant or beneficiary under a group health plan (or the estate of such a participant or beneficiary) to recover damages resulting from personal injury or for wrongful death against any employer or other plan sponsor maintaining the plan (or against an employee of such an employer or sponsor acting within the scope of employment) if such cause of action arises by reason of a medically reviewable decision, to the extent that there was direct participation by the employer or other plan sponsor (or employee) in the decision.

"(C) DIRECT PARTICIPATION.—

"(i) DIRECT PARTICIPATION IN DECISIONS.—For purposes of subparagraph (B), the term ‘direct participation’ means, in connection with a decision described in subparagraph (B), the actual making of such decision or the actual exercise of control in making such decision or in the conduct constituting the failure.

"(ii) RULES OF CONSTRUCTION.—For purposes of clause (i), the employer or plan sponsor (or employee) shall not be construed to be engaged in direct participation because of any form of decisionmaking or other conduct that is merely collateral or precedent to the decision described in subparagraph (B) on a particular claim for benefits of a particular participant or beneficiary, including (but not limited to)—

"(I) any participation by the employer or other plan sponsor (or employee) in the selection of the group health plan or health insurance coverage involved or the third party administrator or other agent;

"(II) any engagement by the employer or other plan sponsor (or employee) in any cost-benefit analysis undertaken in connection with the selection of, or continued maintenance of, the plan or coverage involved;

"(III) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating the plan or any benefit under the plan, if such process was not substantially focused solely on the particular situation of the participant or beneficiary referred to in paragraph (1)(A); and

"(IV) any participation by the employer or other plan sponsor (or employee) in the design of any benefit under the plan, including the amount of copayment and limits connected with such benefit.

"(iv) IRRELEVANCE OF CERTAIN COLLATERAL EFFORTS MADE BY EMPLOYER OR PLAN SPONSOR.—For purposes of this subparagraph, an employer or plan sponsor shall not be treated as engaged in direct participation in a decision with respect to any claim for benefits or denial thereof in the case of any particular participant or beneficiary solely by reason of—

"(I) any efforts that may have been made by the employer or plan sponsor to advocate for authorization of coverage for that or any other participant or beneficiary (or any group of participants or beneficiaries), or

"(II) any provision that may have been made by the employer or plan sponsor for benefits which are not covered under the terms and conditions of the plan for that or any other participant or beneficiary (or any group of participants or beneficiaries).

"(4) REQUIREMENT OF EXHAUSTION.—

"(A) IN GENERAL.—Except as provided in subparagraph (D), a cause of action may not be brought under paragraph (1) in connection with any denial of a claim for benefits of any individual until all administrative processes under sections 102, 103, and 104 of the Bipartisan Patient Protection Act (if applicable) have been exhausted.

"(B) LATE MANIFESTATION OF INJURY.—

"(i) IN GENERAL.—A participant or beneficiary shall not be precluded from pursuing a review under section 104 of the Bipartisan Patient Protection Act regarding an injury that such participant or beneficiary has experienced if the external review entity first determines that the injury of such participant or beneficiary is a late manifestation of an earlier injury.

"(ii) DEFINITION.—In this subparagraph, the term ‘late manifestation of an earlier injury’ means an injury sustained by the participant or beneficiary which was not known, and should not have been known, by such participant or beneficiary by the latest date that the requirements of subparagraph (A) should have been met regarding the claim for benefits which was denied.

"(C) EXCEPTION FOR NEEDED CARE.—A participant or beneficiary may seek relief exclusively in Federal court under subsection 502(a)(1)(B) prior to the exhaustion of administrative remedies under sections 102, 103, or 104 of the Bipartisan Patient Protection Act (as required under subparagraph (A)) if it is demonstrated to the court that the exhaustion of such remedies would cause irreparable harm to the health of the participant or beneficiary. Notwithstanding the awarding of relief under subsection 502(a)(1)(B) pursuant to this subparagraph, no relief shall be available as a result of, or arising under, paragraph (1)(A) unless the requirements of subparagraph (A) are met.

"(D) FAILURE TO REVIEW.—

"(i) IN GENERAL.—If the external review entity fails to make a determination within the time required under section 104(e)(1)(A)(i), a participant or beneficiary may bring an action under section 514(d) after 10 additional days after the date on which such time period has expired and the filing of such action shall not affect the duty of the independent medical reviewer (or reviewers) to make a determination pursuant to section 104(e)(1)(A)(i).

"(ii) EXPEDITED DETERMINATION.—If the external review entity fails to make a determination within the time required under section 104(e)(1)(A)(ii), a participant or beneficiary may bring an action under this subsection and the filing of such an action shall not affect the duty of the independent medical reviewer (or reviewers) to make a determination pursuant to section 104(e)(1)(A)(ii).

"(E) RECEIPT OF BENEFITS DURING APPEALS PROCESS.—Receipt by the participant or beneficiary of the benefits involved in the claim for benefits during the pendency of any administrative processes referred to in subparagraph (A) or of any action commenced under this subsection—

"(i) shall not preclude continuation of all such administrative processes to their conclusion if so moved by any party, and

"(ii) shall not preclude any liability under subsection (a)(1)(C) and this subsection in connection with such claim.

"(F) ADMISSIBLE.—Any determination made by a reviewer in an administrative proceeding under section 104 of the Bipartisan Patient Protection Act shall be admissible in any Federal or State court proceeding and shall be presented to the trier of fact.

"(5) TOLLING PROVISION.—The statute of limitations for any cause of action arising under section 502(n) relating to a denial of a claim for benefits that is the subject of an action brought in State court shall be tolled until such time as the State court makes a final disposition, including all appeals, of whether such claim should properly be within the jurisdiction of the State court. The tolling period shall be determined by the applicable Federal or State law, whichever period is greater.

"(6) EXCLUSION OF DIRECTED RECORDKEEPERS.—

"(A) IN GENERAL.—Subject to subparagraph (C), paragraph (1) shall not apply with respect to a directed recordkeeper in connection with a group health plan.

"(B) DIRECTED RECORDKEEPER.—For purposes of this paragraph, the term ‘directed recordkeeper’ means, in connection with a group health plan, a person engaged in directed recordkeeping activities pursuant to the specific instructions of the plan or the employer or other plan sponsor, including the distribution of enrollment information and distribution of disclosure materials under this Act or title I of the Bipartisan Patient Protection Act and whose duties do not include making decisions on claims for benefits.

"(C) LIMITATION.—Subparagraph (A) does not apply in connection with any directed recordkeeper to the extent that the directed recordkeeper fails to follow the specific instruction of the plan or the employer or other plan sponsor.

"(7) CONSTRUCTION.—Nothing in this subsection shall be construed as—

"(A) saving from preemption a cause of action under State law for the failure to provide a benefit for an item or service which is specifically excluded under the group health plan involved, except to the extent that—

"(i) the application or interpretation of the exclusion involves a determination described in section 104(d)(2) of the Bipartisan Patient Protection Act, or

"(ii) the provision of the benefit for the item or service is required under Federal law or under applicable State law consistent with subsection (b)(2)(B);

"(B) preempting a State law which requires an affidavit or certificate of merit in a civil action;

"(C) affecting a cause of action or remedy under State law in connection with the provision or arrangement of excepted benefits (as defined in section 733(c)), other than those described in section 733(c)(2)(A); or

"(D) affecting a cause of action under State law other than a cause of action described in paragraph (1)(A).

"(8) PURCHASE OF INSURANCE TO COVER LIABILITY.—Nothing in section 410 shall be construed to preclude the purchase by a group health plan of insurance to cover any liability or losses arising under a cause of action described in paragraph (1)(A).

"(9) RELIEF FROM LIABILITY FOR EMPLOYER OR OTHER PLAN SPONSOR BY MEANS OF DESIGNATED DECISIONMAKER.—

"(A) IN GENERAL.—Paragraph (1) shall not apply with respect to any cause of action described in paragraph (1)(A) under State law insofar as such cause of action provides for liability with respect to a participant or beneficiary of an employer or plan sponsor (or an employee of such employer or sponsor acting within the scope of employment), if with respect to the employer or plan sponsor there is (or is deemed under subparagraph (B) to be) a designated decisionmaker that meets the requirements of section 502(o)(1) with respect to such participant or beneficiary. Such paragraph (1) shall apply with respect to any cause of action described in paragraph (1)(A) under State law against the designated decisionmaker of such employer or other plan sponsor with respect to the participant or beneficiary.

"(B) AUTOMATIC DESIGNATION.—A health insurance issuer shall be deemed to be a designated decisionmaker for purposes of subparagraph (A) with respect to the participants and beneficiaries of an employer or plan sponsor, whether or not the employer or plan sponsor makes such a designation, and shall be deemed to have assumed unconditionally all liability of the employer or plan sponsor under such designation in accordance with subsection (o), unless the employer or plan sponsor affirmatively enters into a contract to prevent the service of the designated decisionmaker.

"(C) TREATMENT OF CERTAIN TRUST FUNDS.—For purposes of this paragraph, the terms 'employer' and 'plan sponsor', in connection with the assumption by a designated decisionmaker of the liability of employer or other plan sponsor pursuant to this paragraph, shall be construed to include a trust fund maintained pursuant to section 302 of the Labor Management Relations Act, 1947 (29 U.S.C. 186) or the Railway Labor Act (45 U.S.C. 151 et seq.).

"(10) PREVIOUSLY PROVIDED SERVICES.—

"(A) IN GENERAL.—Except as provided in this paragraph, a cause of action shall not arise under paragraph (1) where the denial involved relates to an item or service that has already been fully provided to the participant or beneficiary under the plan or coverage and the claim relates solely to the subsequent denial of payment for the provision of such item or service.

"(B) EXCEPTION.—Nothing in subparagraph (A) shall be construed to—

"(i) prohibit a cause of action under paragraph (1) where the nonpayment involved results in the participant or beneficiary being unable to receive further items or services that are directly related to the item or service involved in the denial referred to in subparagraph (A) or that are part of a continuing treatment or series of procedures;

"(ii) prohibit a cause of action under paragraph (1) relating to quality of care; or

"(iii) limit liability that otherwise would arise from the provision of the item or services or the performance of a medical procedure.

"(11) EXEMPTION FROM PERSONAL LIABILITY FOR INDIVIDUAL MEMBERS OF BOARDS OF DIRECTORS, JOINT BOARDS OF TRUSTEES, ETC.—Any individual who is—

"(A) a member of a board of directors of an employer or plan sponsor; or

"(B) a member of an association, committee, employee organization, joint board of trustees, or other similar group of representatives of the entities that are the plan sponsor of plan maintained by two or more employers and one or more employee organizations;

shall not be personally liable under this subsection for conduct that is within the scope of employment or of plan-related duties of the individuals unless the individual acts in a fraudulent manner for personal enrichment.

"(12) CHOICE OF LAW.—A cause of action brought under paragraph (1) shall be governed by the law (including choice of law rules) of the State in which the plaintiff resides.

"(13) LIMITATION ON ATTORNEYS' FEES.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, or any arrangement, agreement, or contract regarding an attorney's fee, the amount of an attorney's contingency fee allowable for a cause of action brought under paragraph (1) shall not exceed ⅓ of the total amount of the plaintiff's recovery (not including the reimbursement of actual out-of-pocket expenses of the attorney).

"(B) DETERMINATION BY COURT.—The last court in which the action was pending upon the final disposition, including all appeals, of the action may review the attorney's fee to ensure that the fee is a reasonable one.

"(C) NO PREEMPTION OF STATE LAW.—Subparagraph (A) shall not apply with respect to a cause of action under paragraph (1) that is brought in a State that has a law or framework of laws with respect to the amount of an attorney's contingency fee that may be incurred for the representation of a participant or beneficiary (or the estate of such participant or beneficiary) who brings such a cause of action.

"(e) RULES OF CONSTRUCTION RELATING TO HEALTH CARE.—Nothing in this title shall be construed as—

"(1) affecting any State law relating to the practice of medicine or the provision of, or the failure to provide, medical care, or affecting any action (whether the liability is direct or vicarious) based upon such a State law,

"(2) superseding any State law permitted under section 152(b)(1)(A) of the Bipartisan Patient Protection Act, or

"(3) affecting any applicable State law with respect to limitations on monetary damages.

"(f) NO RIGHT OF ACTION FOR RECOVERY, INDEMNITY, OR CONTRIBUTION BY ISSUERS AGAINST TREATING HEALTH CARE PROFESSIONALS AND TREATING HOSPITALS.—In the case of any care provided, or any treatment decision made, by the treating health care professional or the treating hospital of a participant or beneficiary under a group health plan which consists of medical care provided under such plan, any cause of action under State law against the treating health care professional or the treating hospital by the plan or a health insurance issuer providing health insurance coverage in connection with the plan for recovery, indemnity, or contribution in connection with such care (or any medically reviewable decision made in connection with such care) or such treatment decision is, superseded.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to acts and omissions (from which a cause of action arises) occurring on or after the applicable effective under section 601.

SEC. 403. LIMITATION ON CERTAIN CLASS ACTION LITIGATION.

Section 502 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132), as amended by section 402, is further amended by adding at the end the following:

"(p) LIMITATION ON CLASS ACTION LITIGATION.—

"(1) IN GENERAL.—Any claim or cause of action that is maintained under this section in connection with a group health plan, or health insurance coverage issued in connection with a group health plan, as a class action, derivative action, or as an action on behalf of any group of 2 or more claimants, may be maintained only if the class, the derivative claimant, or the group of claimants is limited to the participants or beneficiaries of a group health plan established by only 1 plan sponsor. No action maintained by such class, such derivative claimant, or such group of claimants may be joined in the same proceeding with any action maintained by another class, derivative claimant, or group of claimants or consolidated for any purpose with any other proceeding. In this paragraph, the terms 'group health plan' and 'health insurance coverage' have the meanings given such terms in section 733.

"(2) EFFECTIVE DATE.—This subsection shall apply to all civil actions that are filed on or after January 1, 2002.".

SEC. 404. LIMITATIONS ON ACTIONS.

Section 502 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132) (as amended by section 402(a)) is amended further by adding at the end the following new subsection:

"(q) LIMITATIONS ON ACTIONS RELATING TO GROUP HEALTH PLANS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), no action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) by a participant or beneficiary seeking relief based on the application of any provision in section 101, subtitle B, or subtitle D of title I of the Bipartisan Patient Protection Act (as incorporated under section 714).

"(2) CERTAIN ACTIONS ALLOWABLE.—An action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) by a participant or beneficiary seeking relief based on the application of section 101, 113, 114, 115, 116, 117, 118(a)(3), 119, or 120 of the Bipartisan Patient Protection Act (as incorporated under section 714) to the individual circumstances of that participant or beneficiary, except that—

"(A) such an action may not be brought or maintained as a class action; and

"(B) in such an action, relief may only provide for the provision of (or payment of) benefits, items, or services denied to the individual participant or beneficiary involved (and for attorney's fees and the costs of the action, at the discretion of the court) and shall not provide for any other relief to the participant or beneficiary or for any relief to any other person.

"(3) OTHER PROVISIONS UNAFFECTED.—Nothing in this subsection shall be construed as affecting subsections (a)(1)(C) and (n) or section 514(d).

"(4) ENFORCEMENT BY SECRETARY UNAFFECTED.—Nothing in this subsection shall be construed as affecting any action brought by the Secretary.".

SEC. 405. COOPERATION BETWEEN FEDERAL AND STATE AUTHORITIES.

Subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191 et seq.) is amended by adding at the end the following new section:

"SEC. 735. COOPERATION BETWEEN FEDERAL AND STATE AUTHORITIES.

"(a) AGREEMENT WITH STATES.—A State may enter into an agreement with the Secretary for the delegation to the State of some or all of the Secretary's authority under this title to enforce the requirements applicable under title I of the Bipartisan Patient Protection Act with respect to health insurance coverage offered by a health insurance issuer and with respect to a group health plan that is a non-Federal governmental plan.

"(b) Delegations.—Any department, agency, or instrumentality of a State to which authority is delegated pursuant to an agreement entered into under this section may, if authorized under State law and to the extent consistent with such agreement, exercise the powers of the Secretary under this title which relate to such authority.".

SEC. 406. SENSE OF THE SENATE CONCERNING THE IMPORTANCE OF CERTAIN UNPAID SERVICES.

It is the sense of the Senate that the court should consider the loss of a nonwage earning spouse or parent as an economic loss for the purposes of this section. Furthermore, the court should define the compensation for the loss not as minimum services, but, rather, in terms that fully compensate for the true and whole replacement cost to the family.

TITLE V—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

Subtitle A—Application of Patient Protection Provisions

SEC. 501. APPLICATION TO GROUP HEALTH PLANS UNDER THE INTERNAL REVENUE CODE OF 1986.

Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended—

(1) in the table of sections, by inserting after the item relating to section 9812 the following new item:

"Sec. 9813. Standard relating to patients' bill of rights.";

and

(2) by inserting after section 9812 the following:

"SEC. 9813. STANDARD RELATING TO PATIENTS' BILL OF RIGHTS.

"A group health plan shall comply with the requirements of title I of the Bipartisan Patient Protection Act (as in effect as of the date of the enactment of such Act), and such requirements shall be deemed to be incorporated into this section.".

SEC. 502. CONFORMING ENFORCEMENT FOR WOMEN'S HEALTH AND CANCER RIGHTS.

Subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by section 501, is further amended—

(1) in the table of sections, by inserting after the item relating to section 9813 the following new item:

"Sec. 9814. Standard relating to women's health and cancer rights.";

and

(2) by inserting after section 9813 the following:

"SEC. 9814. STANDARD RELATING TO WOMEN'S HEALTH AND CANCER RIGHTS.

"The provisions of section 713 of the Employee Retirement Income Security Act of 1974 (as in effect as of the date of the enactment of this section) shall apply to group health plans as if included in this subchapter.".

Subtitle B—Health Care Coverage Access Tax Incentives

SEC. 511. EXPANDED AVAILABILITY OF ARCHER MSAS.

(a) Extension of Program.—Paragraphs (2) and (3)(B) of section 220(i) of the Internal Revenue Code of 1986 (defining cut-off year) are each amended by striking "2002" each place it appears and inserting "2004".

(b) Increase In Number of Permitted Account Participants.—

(1) In general.—Subsection (j) of section 220 of such Code is amended by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6) and by inserting after paragraph (2) the following new paragraph:

"(3) Determination of whether limit exceeded for years after 2001.—

"(A) In general.—The numerical limitation for any year after 2001 is exceeded if the sum of—

"(i) the number of Archer MSA returns filed on or before April 15 of such calendar year for taxable years ending with or within the preceding calendar year, plus

"(ii) the Secretary's estimate (determined on the basis of the returns described in clause (i)) of the number of Archer MSA returns for such taxable years which will be filed after such date, exceeds 1,000,000. For purposes of the preceding sentence, the term 'Archer MSA return' means any return on which any exclusion is claimed under section 106(b) or any deduction is claimed under this section.

"(B) Alternative computation of limitation.—The numerical limitation for any year after 2001 is also exceeded if the sum of—

"(i) 90 percent of the sum determined under subparagraph (A) for such calendar year, plus

"(ii) the product of 2.5 and the number of medical savings accounts established during the portion of such year preceding July 1 (based on the reports required under paragraph (5)) for taxable years beginning in such year,

exceeds 1,000,000".

(2) Conforming amendments.—

(A) Clause (ii) of section 220(j)(2)(B) of such Code is amended by striking "paragraph (4)" and inserting "paragraph (5)".

(B) Subparagraph (A) of section 220(j)(4) of such Code is amended by striking "and 2001" and inserting "2001, 2002, and 2003".

(c) Increase in Size of Eligible Employers.—Subparagraph (A) of section 220(c)(4) of such Code is amended by striking "50 or fewer employees" and inserting "100 or fewer employees".

(d) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(e) GAO Study.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall prepare and submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the impact of Archer MSAs on the cost of conventional insurance (especially in those areas where there are higher numbers of such accounts) and on adverse selection and health care costs.

SEC. 512. DEDUCTION FOR 100 PERCENT OF HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) In General.—Paragraph (1) of section 162(l) of the Internal Revenue Code of 1986 is amended to read as follows:

"(1) Allowance of deduction.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to 100 percent of the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer and the taxpayer's spouse and dependents.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 513. CREDIT FOR HEALTH INSURANCE EXPENSES OF SMALL BUSINESSES.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following:

"SEC. 45E. SMALL BUSINESS HEALTH INSURANCE EXPENSES.

"(a) General Rule.—For purposes of section 38, in the case of a small employer, the health insurance credit determined under this section for the taxable year is an amount equal to the applicable percentage of the expenses paid by the taxpayer during the taxable year for health insurance coverage for such year provided under a new health plan for employees of such employer.

"(b) Applicable Percentage.—For purposes of subsection (a), the applicable percentage is—

"(1) in the case of insurance purchased as a member of a qualified health benefit purchasing coalition (as defined in section 9841), 30 percent, and

"(2) in the case of insurance not described in paragraph (1), 20 percent.

"(c) Limitations.—

"(1) Per employee dollar limitation.—The amount of expenses taken into account under subsection (a) with respect to any employee for any taxable year shall not exceed—

"(A) $2,000 in the case of self-only coverage, and

"(B) $5,000 in the case of family coverage. In the case of an employee who is covered by a new health plan of the employer for only a portion of such taxable year, the limitation under the preceding sentence shall be an amount which bears the same ratio to such limitation (determined without regard to this sentence) as such portion bears to the entire taxable year.

"(2) Period of coverage.—Expenses may be taken into account under subsection (a) only with respect to coverage for the 4-year period beginning on the date the employer establishes a new health plan.

"(d) Definitions.—For purposes of this section—

"(1) Health insurance coverage.—The term 'health insurance coverage' has the meaning given such term by section 9832(b)(1).

"(2) New health plan.—

"(A) In general.—The term 'new health plan' means any arrangement of the employer which provides health insurance coverage to employees if—

"(i) such employer (and any predecessor employer) did not establish or maintain such arrangement (or any similar arrangement) at any time during the 2 taxable years ending prior to the taxable year in which the credit under this section is first allowed, and

"(ii) such arrangement provides health insurance coverage to at least 70 percent of the qualified employees of such employer.

"(B) Qualified employee.—

"(i) In general.—The term 'qualified employee' means any employee of an employer if the annual rate of such employee's compensation (as defined in section 414(s)) exceeds $10,000.

"(ii) Treatment of certain employees.—The term 'employee' shall include a leased employee within the meaning of section 414(n).

"(3) Small employer.—The term 'small employer' has the meaning given to such term by section 4980D(d)(2); except that only qualified employees shall be taken into account.

"(e) Special Rules.—

"(1) Certain rules made applicable.—For purposes of this section, rules similar to the rules of section 52 shall apply.

"(2) Amounts paid under salary reduction arrangements.—No amount paid or incurred pursuant to a salary reduction arrangement shall be taken into account under subsection (a).

"(f) Termination.—This section shall not apply to expenses paid or incurred by an employer with respect to any arrangement established on or after January 1, 2010.".

(b) Credit To Be Part of General Business Credit.—Section 38(b) of such Code (relating to current year business credit) is amended by striking "plus" at the end of paragraph (12), by striking the period at the end of paragraph (13) and inserting ", plus", and by adding at the end the following:

"(14) in the case of a small employer (as defined in section 45E(d)(3)), the health insurance credit determined under section 45E(a).".

(c) No Carrybacks.—Subsection (d) of section 39 of such Code (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

"(10) No carryback of section 45E credit before effective date.—No portion of the unused business credit for any taxable year which is attributable to the employee health insurance expenses credit determined under section 45E may be carried back to a taxable year ending before the date of the enactment of section 45E.".

(d) Denial of Double Benefit.—Section 280C of such Code is amended by adding at the end the following new subsection:

"(d) Credit for Small Business Health Insurance Expenses.—

"(1) In general.—No deduction shall be allowed for that portion of the expenses (otherwise allowable as a deduction) taken into account in determining the credit under section 45E for the taxable year which is equal to the amount of the credit determined for such taxable year under section 45E(a).

"(2) Controlled groups.—Persons treated as a single employer under subsection (a) or (b) of section 52 shall be treated as 1 person for purposes of this section.".

(e) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following:

"Sec. 45E. Small business health insurance expenses.".

(f) Effective Date.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2001, for arrangements established after the date of the enactment of this Act.

SEC. 514. CERTAIN GRANTS BY PRIVATE FOUNDATIONS TO QUALIFIED HEALTH BENEFIT PURCHASING COALITIONS.

(a) In General.—Section 4942 of the Internal Revenue Code of 1986 (relating to taxes on failure to distribute income) is amended by adding at the end the following:

"(k) Certain Qualified Health Benefit Purchasing Coalition Distributions.—

"(1) In general.—For purposes of subsection (g), sections 170, 501, 507, 509, and 2522, and this chapter, a qualified health benefit purchasing coalition distribution by a private foundation shall be considered to be a distribution for a charitable purpose.

"(2) Qualified health benefit purchasing coalition distribution.—For purposes of paragraph (1)—

"(A) In general.—The term 'qualified health benefit purchasing coalition distribution' means any amount paid or incurred by a private foundation to or on behalf of a qualified health benefit purchasing coalition (as defined in section 9841) for purposes of payment or reimbursement of amounts paid or incurred in connection with the establishment and maintenance of such coalition.

"(B) Exclusions.—Such term shall not include any amount used by a qualified health benefit purchasing coalition (as so defined)—

"(i) for the purchase of real property,

"(ii) as payment to, or for the benefit of, members (or employees or affiliates of such members) of such coalition, or

"(iii) for any expense paid or incurred more than 48 months after the date of establishment of such coalition.

"(3) Termination.—This subsection shall not apply—

"(A) to qualified health benefit purchasing coalition distributions paid or incurred after December 31, 2009, and

"(B) with respect to start-up costs of a coalition which are paid or incurred after December 31, 2010.".

(b) Qualified Health Benefit Purchasing Coalition.—

(1) In general.—Chapter 100 of such Code (relating to group health plan requirements) is amended by adding at the end the following new subchapter:

"Subchapter D—Qualified Health Benefit Purchasing Coalition

"Sec. 9841. Qualified health benefit purchasing coalition.

"SEC. 9841. QUALIFIED HEALTH BENEFIT PURCHASING COALITION.

"(a) In General.—A qualified health benefit purchasing coalition is a private not-for-profit corporation which—

"(1) sells health insurance through State licensed health insurance issuers in the State in which the employers to which such coalition is providing insurance are located, and

"(2) establishes to the Secretary, under State certification procedures or other procedures as the Secretary may provide by regulation, that such coalition meets the requirements of this section.

"(b) Board of Directors.—

"(1) In general.—Each purchasing coalition under this section shall be governed by a Board of Directors.

"(2) Election.—The Secretary shall establish procedures governing election of such Board.

"(3) Membership.—The Board of Directors shall—

"(A) be composed of representatives of the members of the coalition, in equal number, including small employers and employee representatives of such employers, but

"(B) not include other interested parties, such as service providers, health insurers, or insurance agents or brokers which may have a conflict of interest with the purposes of the coalition.

"(c) Membership of Coalition.—

"(1) In general.—A purchasing coalition shall accept all small employers residing within the area served by the coalition as members if such employers request such membership.

"(2) Other members.—The coalition, at the discretion of its Board of Directors, may be open to individuals and large employers.

"(3) Voting.—Members of a purchasing coalition shall have voting rights consistent with the rules established by the State.

"(d) Duties of Purchasing Coalitions.—Each purchasing coalition shall—

"(1) enter into agreements with small employers (and, at the discretion of its Board, with individuals and other employers) to provide health insurance benefits to employees and retirees of such employers,

"(2) where feasible, enter into agreements with 3 or more unaffiliated, qualified licensed health plans, to offer benefits to members,

"(3) offer to members at least 1 open enrollment period of at least 30 days per calendar year,

"(4) serve a significant geographical area and market to all eligible members in that area, and

"(5) carry out other functions provided for under this section.

"(e) Limitation on Activities.—A purchasing coalition shall not—

"(1) perform any activity (including certification or enforcement) relating to compliance or licensing of health plans,

"(2) assume insurance or financial risk in relation to any health plan, or

"(3) perform other activities identified by the State as being inconsistent with the performance of its duties under this section.

"(f) Additional Requirements for Purchasing Coalitions.—As provided by the Secretary in regulations, a purchasing coalition shall be subject to requirements similar to the requirements of a group health plan under this chapter.

"(g) Relation to Other Laws.—

"(1) Preemption of state fictitious group laws.—Requirements (commonly referred to as fictitious group laws) relating to grouping and similar requirements for health insurance coverage are preempted to the extent such requirements impede the establishment and operation of qualified health benefit purchasing coalitions.

"(2) Allowing savings to be passed through.—Any State law that prohibits health insurance issuers from reducing premiums on health insurance coverage sold through a qualified health benefit purchasing coalition to reflect administrative savings is preempted. This paragraph shall not be construed to preempt State laws that impose restrictions on premiums based on health status, claims history, industry, age, gender, or other underwriting factors.

"(3) No waiver of HIPAA requirements.—Nothing in this section shall be construed to change the obligation of health insurance issuers to comply with the requirements of title XXVII of the Public Health Service Act with respect to health insurance coverage offered to small employers in the small group market through a qualified health benefit purchasing coalition.

"(h) Definition of Small Employer.—For purposes of this section—

"(1) In general.—The term 'small employer' means, with respect to any calendar year, any employer if such employer employed an average of at least 2 and not more than 50 qualified employees on business days during either of the 2 preceding calendar years. For purposes of the preceding sentence, a preceding calendar year may be taken into account only if the employer was in existence throughout such year.

"(2) Employers not in existence in preceding year.—In the case of an employer which was not in existence throughout the 1st preceding calendar year, the determination under paragraph (1) shall be based on the average number of qualified employees that it is reasonably expected such employer will employ on business days in the current calendar year.".

(2) Conforming amendment.—The table of subchapters for chapter 100 of such Code is

amended by adding at the end the following item:

"Subchapter D. Qualified health benefit purchasing coalition.".

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

SEC. 515. STATE GRANT PROGRAM FOR MARKET INNOVATION.

(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall establish a program (in this section referred to as the "program") to award demonstration grants under this section to States to allow States to demonstrate the effectiveness of innovative ways to increase access to health insurance through market reforms and other innovative means. Such innovative means may include (and are not limited to) any of the following:

(1) Alternative group purchasing or pooling arrangements, such as purchasing cooperatives for small businesses, reinsurance pools, or high risk pools.

(2) Individual or small group market reforms.

(3) Consumer education and outreach.

(4) Subsidies to individuals, employers, or both, in obtaining health insurance.

(b) SCOPE; DURATION.—The program shall be limited to not more than 10 States and to a total period of 5 years, beginning on the date the first demonstration grant is made.

(c) CONDITIONS FOR DEMONSTRATION GRANTS.—

(1) IN GENERAL.—The Secretary may not provide for a demonstration grant to a State under the program unless the Secretary finds that under the proposed demonstration grant—

(A) the State will provide for demonstrated increase of access for some portion of the existing uninsured population through a market innovation (other than merely through a financial expansion of a program initiated before the date of the enactment of this Act);

(B) the State will comply with applicable Federal laws;

(C) the State will not discriminate among participants on the basis of any health status-related factor (as defined in section 2791(d)(9) of the Public Health Service Act), except to the extent a State wishes to focus on populations that otherwise would not obtain health insurance because of such factors; and

(D) the State will provide for such evaluation, in coordination with the evaluation required under subsection (d), as the Secretary may specify.

(2) APPLICATION.—The Secretary shall not provide a demonstration grant under the program to a State unless—

(A) the State submits to the Secretary such an application, in such a form and manner, as the Secretary specifies;

(B) the application includes information regarding how the demonstration grant will address issues such as governance, targeted population, expected cost, and the continuation after the completion of the demonstration grant period; and

(C) the Secretary determines that the demonstration grant will be used consistent with this section.

(3) FOCUS.—A demonstration grant proposal under section need not cover all uninsured individuals in a State or all health care benefits with respect to such individuals.

(d) EVALUATION.—The Secretary shall enter into a contract with an appropriate entity outside the Department of Health and Human Services to conduct an overall evaluation of the program at the end of the program period. Such evaluation shall include an analysis of improvements in access, costs, quality of care, or choice of coverage, under different demonstration grants.

(e) OPTION TO PROVIDE FOR INITIAL PLANNING GRANTS.—Notwithstanding the previous provisions of this section, under the program the Secretary may provide for a portion of the amounts appropriated under subsection (f) (not to exceed $5,000,000) to be made available to any State for initial planning grants to permit States to develop demonstration grant proposals under the previous provisions of this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $100,000,000 for each fiscal year to carry out this section. Amounts appropriated under this subsection shall remain available until expended.

(g) STATE DEFINED.—For purposes of this section, the term "State" has the meaning given such term for purposes of title XIX of the Social Security Act.

TITLE VI—EFFECTIVE DATES; COORDINATION IN IMPLEMENTATION

SEC. 601. EFFECTIVE DATES.

(a) GROUP HEALTH COVERAGE.—

(1) IN GENERAL.—Subject to paragraph (2) and subsection (d), the amendments made by sections 201(a), 401, 403, 501, and 502 (and title I insofar as it relates to such sections) shall apply with respect to group health plans, and health insurance coverage offered in connection with group health plans, for plan years beginning on or after October 1, 2002 (in this section referred to as the "general effective date").

(2) TREATMENT OF COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by sections 201(a), 401, 403, 501, and 502 (and title I insofar as it relates to such sections) shall not apply to plan years beginning before the later of—

(A) the date on which the last collective bargaining agreements relating to the plan terminates (excluding any extension thereof agreed to after the date of the enactment of this Act); or

(B) the general effective date;

but shall apply not later than 1 year after the general effective date. For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this Act shall not be treated as a termination of such collective bargaining agreement.

(b) INDIVIDUAL HEALTH INSURANCE COVERAGE.—Subject to subsection (d), the amendments made by section 202 shall apply with respect to individual health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after the general effective date.

(c) TREATMENT OF RELIGIOUS NONMEDICAL PROVIDERS.—

(1) IN GENERAL.—Nothing in this Act (or the amendments made thereby) shall be construed to—

(A) restrict or limit the right of group health plans, and of health insurance issuers offering health insurance coverage, to include as providers religious nonmedical providers;

(B) require such plans or issuers to—

(i) utilize medically based eligibility standards or criteria in deciding provider status of religious nonmedical providers;

(ii) use medical professionals or criteria to decide patient access to religious nonmedical providers;

(iii) utilize medical professionals or criteria in making decisions in internal or external appeals regarding coverage for care by religious nonmedical providers; or

(iv) compel a participant or beneficiary to undergo a medical examination or test as a condition of receiving health insurance coverage for treatment by a religious nonmedical provider; or

(C) require such plans or issuers to exclude religious nonmedical providers because they do not provide medical or other required data, if such data is inconsistent with the religious nonmedical treatment or nursing care provided by the provider.

(2) RELIGIOUS NONMEDICAL PROVIDER.—For purposes of this subsection, the term "religious nonmedical provider" means a provider who provides no medical care but who provides only religious nonmedical treatment or religious nonmedical nursing care.

(d) TRANSITION FOR NOTICE REQUIREMENT.—The disclosure of information required under section 121 of this Act shall first be provided pursuant to—

(1) subsection (a) with respect to a group health plan that is maintained as of the general effective date, not later than 30 days before the beginning of the first plan year to which title I applies in connection with the plan under such subsection; or

(2) subsection (b) with respect to a individual health insurance coverage that is in effect as of the general effective date, not later than 30 days before the first date as of which title I applies to the coverage under such subsection.

SEC. 602. COORDINATION IN IMPLEMENTATION.

The Secretary of Labor and the Secretary of Health and Human Services shall ensure, through the execution of an interagency memorandum of understanding among such Secretaries, that—

(1) regulations, rulings, and interpretations issued by such Secretaries relating to the same matter over which such Secretaries have responsibility under the provisions of this Act (and the amendments made thereby) are administered so as to have the same effect at all times; and

(2) coordination of policies relating to enforcing the same requirements through such Secretaries in order to have a coordinated enforcement strategy that avoids duplication of enforcement efforts and assigns priorities in enforcement.

SEC. 603. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. NO IMPACT ON SOCIAL SECURITY TRUST FUND.

(a) IN GENERAL.—Nothing in this Act (or an amendment made by this Act) shall be construed to alter or amend the Social Security Act (or any regulation promulgated under that Act).

(b) TRANSFERS.—

(1) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this

Act has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(2) Transfer of Funds.—If, under paragraph (1), the Secretary of the Treasury estimates that the enactment of this Act has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of such Act.

SEC. 702. CUSTOMS USER FEES.

Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended by striking "2003" and inserting "2011, except that fees may not be charged under paragraphs (9) and (10) of such subsection after March 31, 2006".

SEC. 703. FISCAL YEAR 2002 MEDICARE PAYMENTS.

Notwithstanding any other provision of law, any letter of credit under part B of title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.) that would otherwise be sent to the Treasury or the Federal Reserve Board on September 30, 2002, by a carrier with a contract under section 1842 of that Act (42 U.S.C. 1395u) shall be sent on October 1, 2002.

SEC. 704. SENSE OF SENATE WITH RESPECT TO PARTICIPATION IN CLINICAL TRIALS AND ACCESS TO SPECIALTY CARE.

(a) Findings.—The Senate finds the following:

(1) Breast cancer is the most common form of cancer among women, excluding skin cancers.

(2) During 2001, 182,800 new cases of female invasive breast cancer will be diagnosed, and 40,800 women will die from the disease.

(3) In addition, 1,400 male breast cancer cases are projected to be diagnosed, and 400 men will die from the disease.

(4) Breast cancer is the second leading cause of cancer death among all women and the leading cause of cancer death among women between ages 40 and 55.

(5) This year 8,600 children are expected to be diagnosed with cancer.

(6) 1,500 children are expected to die from cancer this year.

(7) There are approximately 333,000 people diagnosed with multiple sclerosis in the United States and 200 more cases are diagnosed each week.

(8) Parkinson's disease is a progressive disorder of the central nervous system affecting 1,000,000 in the United States.

(9) An estimated 198,100 men will be diagnosed with prostate cancer this year.

(10) 31,500 men will die from prostate cancer this year. It is the second leading cause of cancer in men.

(11) While information obtained from clinical trials is essential to finding cures for diseases, it is still research which carries the risk of fatal results. Future efforts should be taken to protect the health and safety of adults and children who enroll in clinical trials.

(12) While employers and health plans should be responsible for covering the routine costs associated with federally approved or funded clinical trials, such employers and health plans should not be held legally responsible for the design, implementation, or outcome of such clinical trials, consistent with any applicable State or Federal liability statutes.

(b) Sense of the Senate.—It is the sense of the Senate that—

(1) men and women battling life-threatening, deadly diseases, including advanced breast or ovarian cancer, should have the opportunity to participate in a federally approved or funded clinical trial recommended by their physician;

(2) an individual should have the opportunity to participate in a federally approved or funded clinical trial recommended by their physician if—

(A) that individual—

(i) has a life-threatening or serious illness for which no standard treatment is effective;

(ii) is eligible to participate in a federally approved or funded clinical trial according to the trial protocol with respect to treatment of the illness;

(B) that individual's participation in the trial offers meaningful potential for significant clinical benefit for the individual; and

(C) either—

(i) the referring physician is a participating health care professional and has concluded that the individual's participation in the trial would be appropriate, based upon the individual meeting the conditions described in subparagraph (A); or

(ii) the participant, beneficiary, or enrollee provides medical and scientific information establishing that the individual's participation in the trial would be appropriate, based upon the individual meeting the conditions described in subparagraph (A);

(3) a child with a life-threatening illness, including cancer, should be allowed to participate in a federally approved or funded clinical trial if that participation meets the requirements of paragraph (2);

(4) a child with a rare cancer should be allowed to go to a cancer center capable of providing high quality care for that disease; and

(5) a health maintenance organization's decision that an in-network physician without the necessary expertise can provide care for a seriously ill patient, including a woman battling cancer, should be appealable to an independent, impartial body, and that this same right should be available to all Americans in need of access to high quality specialty care.

SEC. 705. SENSE OF THE SENATE REGARDING FAIR REVIEW PROCESS.

(a) Findings.—The Senate finds the following:

(1) A fair, timely, impartial independent external appeals process is essential to any meaningful program of patient protection.

(2) The independence and objectivity of the review organization and review process must be ensured.

(3) It is incompatible with a fair and independent appeals process to allow a health maintenance organization to select the review organization that is entrusted with providing a neutral and unbiased medical review.

(4) The American Arbitration Association and arbitration standards adopted under chapter 44 of title 28, United States Code (28 U.S.C. 651 et seq.) both prohibit, as inherently unfair, the right of one party to a dispute to choose the judge in that dispute.

(b) Sense of the Senate.—It is the sense of the Senate that—

(1) every patient who is denied care by a health maintenance organization or other health insurance company should be entitled to a fair, speedy, impartial appeal to a review organization that has not been selected by the health plan;

(2) the States should be empowered to maintain and develop the appropriate process for selection of the independent external review entity;

(3) a child battling a rare cancer whose health maintenance organization has denied a covered treatment recommended by its physician should be entitled to a fair and impartial external appeal to a review organization that has not been chosen by the organization or plan that has denied the care; and

(4) patient protection legislation should not pre-empt existing State laws in States where there already are strong laws in place regarding the selection of independent review organizations.

SEC. 706. ANNUAL REVIEW.

(a) In General.—Not later than 24 months after the general effective date referred to in section 601(a)(1), and annually thereafter for each of the succeeding 4 calendar years (or until a repeal is effective under subsection (b)), the Secretary of Health and Human Services shall request that the Institute of Medicine of the National Academy of Sciences prepare and submit to the appropriate committees of Congress a report concerning the impact of this Act, and the amendments made by this Act, on the number of individuals in the United States with health insurance coverage.

(b) Limitation With Respect to Certain Plans.—If the Secretary, in any report submitted under subsection (a), determines that more than 1,000,000 individuals in the United States have lost their health insurance coverage as a result of the enactment of this Act, as compared to the number of individuals with health insurance coverage in the 12-month period preceding the date of enactment of this Act, section 402 of this Act shall be repealed effective on the date that is 12 month after the date on which the report is submitted, and the submission of any further reports under subsection (a) shall not be required.

(c) Funding.—From funds appropriated to the Department of Health and Human Services for fiscal years 2003 and 2004, the Secretary of Health and Human Services shall provide for such funding as the Secretary determines necessary for the conduct of the study of the National Academy of Sciences under this section.

SEC. 707. DEFINITION OF BORN-ALIVE INFANT.

(a) In General.—Chapter 1 of title 1, United States Code, is amended by adding at the end the following:

"§ 8. 'Person', 'human being', 'child', and 'individual' as including born-alive infant

"(a) In determining the meaning of any Act of Congress, or of any ruling, regulation, or interpretation of the various administrative bureaus and agencies of the United States, the words 'person', 'human being', 'child', and 'individual', shall include every infant member of the species homo sapiens who is born alive at any stage of development.

"(b) As used in this section, the term 'born alive', with respect to a member of the species homo sapiens, means the complete expulsion or extraction from his or her mother of that member, at any stage of development, who after such expulsion or extraction breathes or has a beating heart, pulsation of the umbilical cord, or definite movement of voluntary muscles, regardless of whether the umbilical cord has been cut, and regardless of whether the expulsion or extraction occurs as a result of natural or induced labor, caesarean section, or induced abortion.

"(c) Nothing in this section shall be construed to affirm, deny, expand, or contract any legal status or legal right applicable to any member of the species homo sapiens at any point prior to being born alive as defined in this section.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 1 of title 1, United States Code, is amended by adding at the end the following new item:

"8. 'Person', 'human being', 'child', and 'individual' as including born-alive infant.".

The CHAIRMAN. No amendment is in order except those printed in House Report 107-184. Each amendment may be offered only in the order printed, may be offered only by a Member designated in the report, shall be considered read, debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

It is now in order to consider Amendment No. 1 printed in House Report 107-184.

AMENDMENT NO. 1 OFFERED BY MR. THOMAS

Mr. THOMAS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. Thomas:

Insert before section 401 the following heading (and conform the table of contents accordingly):

Subtitle A—General Provisions

In section 301(a), insert "subtitle A of" before "title IV".

Add at the end of title IV the following new subtitle (and conform the table of contents accordingly):

Subtitle B—Association Health Plans

SEC. 421. RULES GOVERNING ASSOCIATION HEALTH PLANS.

(a) In General.—Subtitle B of title I of the Employee Retirement Income Security Act of 1974 is amended by adding after part 7 the following new part:

"Part 8—Rules Governing Association Health Plans

"SEC. 801. ASSOCIATION HEALTH PLANS.

"(a) In General.—For purposes of this part, the term 'association health plan' means a group health plan whose sponsor is (or is deemed under this part to be) described in subsection (b).

"(b) Sponsorship.—The sponsor of a group health plan is described in this subsection if such sponsor—

"(1) is organized and maintained in good faith, with a constitution and bylaws specifically stating its purpose and providing for periodic meetings on at least an annual basis, as a bona fide trade association, a bona fide industry association (including a rural electric cooperative association or a rural telephone cooperative association), a bona fide professional association, or a bona fide chamber of commerce (or similar bona fide business association, including a corporation or similar organization that operates on a cooperative basis (within the meaning of section 1381 of the Internal Revenue Code of 1986)), for substantial purposes other than that of obtaining or providing medical care;

"(2) is established as a permanent entity which receives the active support of its members and requires for membership payment on a periodic basis of dues or payments necessary to maintain eligibility for membership in the sponsor; and

"(3) does not condition membership, such dues or payments, or coverage under the plan on the basis of health status-related factors with respect to the employees of its members (or affiliated members), or the dependents of such employees, and does not condition such dues or payments on the basis of group health plan participation.

Any sponsor consisting of an association of entities which meet the requirements of paragraphs (1), (2), and (3) shall be deemed to be a sponsor described in this subsection.

"SEC. 802. CERTIFICATION OF ASSOCIATION HEALTH PLANS.

"(a) In General.—The applicable authority shall prescribe by regulation, through negotiated rulemaking, a procedure under which, subject to subsection (b), the applicable authority shall certify association health plans which apply for certification as meeting the requirements of this part.

"(b) Standards.—Under the procedure prescribed pursuant to subsection (a), in the case of an association health plan that provides at least one benefit option which does not consist of health insurance coverage, the applicable authority shall certify such plan as meeting the requirements of this part only if the applicable authority is satisfied that the applicable requirements of this part are met (or, upon the date on which the plan is to commence operations, will be met) with respect to the plan.

"(c) Requirements Applicable to Certified Plans.—An association health plan with respect to which certification under this part is in effect shall meet the applicable requirements of this part, effective on the date of certification (or, if later, on the date on which the plan is to commence operations).

"(d) Requirements for Continued Certification.—The applicable authority may provide by regulation, through negotiated rulemaking, for continued certification of association health plans under this part.

"(e) Class Certification for Fully Insured Plans.—The applicable authority shall establish a class certification procedure for association health plans under which all benefits consist of health insurance coverage. Under such procedure, the applicable authority shall provide for the granting of certification under this part to the plans in each class of such association health plans upon appropriate filing under such procedure in connection with plans in such class and payment of the prescribed fee under section 807(a).

"(f) Certification of Self-Insured Association Health Plans.—An association health plan which offers one or more benefit options which do not consist of health insurance coverage may be certified under this part only if such plan consists of any of the following:

"(1) a plan which offered such coverage on the date of the enactment of the Bipartisan Patient Protection Act,

"(2) a plan under which the sponsor does not restrict membership to one or more trades and businesses or industries and whose eligible participating employers represent a broad cross-section of trades and businesses or industries, or

"(3) a plan whose eligible participating employers represent one or more trades or businesses, or one or more industries, consisting of any of the following: agriculture; equipment and automobile dealerships; barbering and cosmetology; certified public accounting practices; child care; construction; dance, theatrical and orchestra productions; disinfecting and pest control; financial services; fishing; foodservice establishments; hospitals; labor organizations; logging; manufacturing (metals); mining; medical and dental practices; medical laboratories; professional consulting services; sanitary services; transportation (local and freight); warehousing; wholesaling/distributing; or any other trade or business or industry which has been indicated as having average or above-average risk or health claims experience by reason of State rate filings, denials of coverage, proposed premium rate levels, or other means demonstrated by such plan in accordance with regulations which the Secretary shall prescribe through negotiated rulemaking.

"SEC. 803. REQUIREMENTS RELATING TO SPONSORS AND BOARDS OF TRUSTEES.

"(a) Sponsor.—The requirements of this subsection are met with respect to an association health plan if the sponsor has met (or is deemed under this part to have met) the requirements of section 801(b) for a continuous period of not less than 3 years ending with the date of the application for certification under this part.

"(b) Board of Trustees.—The requirements of this subsection are met with respect to an association health plan if the following requirements are met:

"(1) Fiscal control.—The plan is operated, pursuant to a trust agreement, by a board of trustees which has complete fiscal control over the plan and which is responsible for all operations of the plan.

"(2) Rules of operation and financial controls.—The board of trustees has in effect rules of operation and financial controls, based on a 3-year plan of operation, adequate to carry out the terms of the plan and to meet all requirements of this title applicable to the plan.

"(3) Rules governing relationship to participating employers and to contractors.—

"(A) In general.—Except as provided in subparagraphs (B) and (C), the members of the board of trustees are individuals selected from individuals who are the owners, officers, directors, or employees of the participating employers or who are partners in the participating employers and actively participate in the business.

"(B) Limitation.—

"(i) General rule.—Except as provided in clauses (ii) and (iii), no such member is an owner, officer, director, or employee of, or partner in, a contract administrator or other service provider to the plan.

"(ii) Limited exception for providers of services solely on behalf of the sponsor.—Officers or employees of a sponsor which is a service provider (other than a contract administrator) to the plan may be members of the board if they constitute not more than 25 percent of the membership of the board and they do not provide services to the plan other than on behalf of the sponsor.

"(iii) Treatment of providers of medical care.—In the case of a sponsor which is an association whose membership consists primarily of providers of medical care, clause (i) shall not apply in the case of any service provider described in subparagraph (A) who is a provider of medical care under the plan.

"(C) Certain plans excluded.—Subparagraph (A) shall not apply to an association health plan which is in existence on the date of the enactment of the Bipartisan Patient Protection Act.

"(D) Sole authority.—The board has sole authority under the plan to approve applications for participation in the plan and to contract with a service provider to administer the day-to-day affairs of the plan.

"(c) TREATMENT OF FRANCHISE NETWORKS.—In the case of a group health plan which is established and maintained by a franchiser for a franchise network consisting of its franchisees—

"(1) the requirements of subsection (a) and section 801(a)(1) shall be deemed met if such requirements would otherwise be met if the franchiser were deemed to be the sponsor referred to in section 801(b), such network were deemed to be an association described in section 801(b), and each franchisee were deemed to be a member (of the association and the sponsor) referred to in section 801(b); and

"(2) the requirements of section 804(a)(1) shall be deemed met.

The Secretary may by regulation, through negotiated rulemaking, define for purposes of this subsection the terms 'franchiser', 'franchise network', and 'franchisee'.

"(d) CERTAIN COLLECTIVELY BARGAINED PLANS.—

"(1) IN GENERAL.—In the case of a group health plan described in paragraph (2)—

"(A) the requirements of subsection (a) and section 801(a)(1) shall be deemed met;

"(B) the joint board of trustees shall be deemed a board of trustees with respect to which the requirements of subsection (b) are met; and

"(C) the requirements of section 804 shall be deemed met.

"(2) REQUIREMENTS.—A group health plan is described in this paragraph if—

"(A) the plan is a multiemployer plan; or

"(B) the plan is in existence on April 1, 2001, and would be described in section 3(40)(A)(i) but solely for the failure to meet the requirements of section 3(40)(C)(ii).

"(3) CONSTRUCTION.—A group health plan described in paragraph (2) shall only be treated as an association health plan under this part if the sponsor of the plan applies for, and obtains, certification of the plan as an association health plan under this part.

"SEC. 804. PARTICIPATION AND COVERAGE REQUIREMENTS.

"(a) COVERED EMPLOYERS AND INDIVIDUALS.—The requirements of this subsection are met with respect to an association health plan if, under the terms of the plan—

"(1) each participating employer must be—

"(A) a member of the sponsor,

"(B) the sponsor, or

"(C) an affiliated member of the sponsor with respect to which the requirements of subsection (b) are met,

except that, in the case of a sponsor which is a professional association or other individual-based association, if at least one of the officers, directors, or employees of an employer, or at least one of the individuals who are partners in an employer and who actively participates in the business, is a member or such an affiliated member of the sponsor, participating employers may also include such employer; and

"(2) all individuals commencing coverage under the plan after certification under this part must be—

"(A) active or retired owners (including self-employed individuals), officers, directors, or employees of, or partners in, participating employers; or

"(B) the beneficiaries of individuals described in subparagraph (A).

"(b) COVERAGE OF PREVIOUSLY UNINSURED EMPLOYEES.—In the case of an association health plan in existence on the date of the enactment of the Bipartisan Patient Protection Act, an affiliated member of the sponsor of the plan may be offered coverage under the plan as a participating employer only if—

"(1) the affiliated member was an affiliated member on the date of certification under this part; or

"(2) during the 12-month period preceding the date of the offering of such coverage, the affiliated member has not maintained or contributed to a group health plan with respect to any of its employees who would otherwise be eligible to participate in such association health plan.

"(c) INDIVIDUAL MARKET UNAFFECTED.—The requirements of this subsection are met with respect to an association health plan if, under the terms of the plan, no participating employer may provide health insurance coverage in the individual market for any employee not covered under the plan which is similar to the coverage contemporaneously provided to employees of the employer under the plan, if such exclusion of the employee from coverage under the plan is based on a health status-related factor with respect to the employee and such employee would, but for such exclusion on such basis, be eligible for coverage under the plan.

"(d) PROHIBITION OF DISCRIMINATION AGAINST EMPLOYERS AND EMPLOYEES ELIGIBLE TO PARTICIPATE.—The requirements of this subsection are met with respect to an association health plan if—

"(1) under the terms of the plan, all employers meeting the preceding requirements of this section are eligible to qualify as participating employers for all geographically available coverage options, unless, in the case of any such employer, participation or contribution requirements of the type referred to in section 2711 of the Public Health Service Act are not met;

"(2) upon request, any employer eligible to participate is furnished information regarding all coverage options available under the plan; and

"(3) the applicable requirements of sections 701, 702, and 703 are met with respect to the plan.

"SEC. 805. OTHER REQUIREMENTS RELATING TO PLAN DOCUMENTS, CONTRIBUTION RATES, AND BENEFIT OPTIONS.

"(a) IN GENERAL.—The requirements of this section are met with respect to an association health plan if the following requirements are met:

"(1) CONTENTS OF GOVERNING INSTRUMENTS.—The instruments governing the plan include a written instrument, meeting the requirements of an instrument required under section 402(a)(1), which—

"(A) provides that the board of trustees serves as the named fiduciary required for plans under section 402(a)(1) and serves in the capacity of a plan administrator (referred to in section 3(16)(A));

"(B) provides that the sponsor of the plan is to serve as plan sponsor (referred to in section 3(16)(B)); and

"(C) incorporates the requirements of section 806.

"(2) CONTRIBUTION RATES MUST BE NONDISCRIMINATORY.—

"(A) The contribution rates for any participating small employer do not vary on the basis of the claims experience of such employer and do not vary on the basis of the type of business or industry in which such employer is engaged.

"(B) Nothing in this title or any other provision of law shall be construed to preclude an association health plan, or a health insurance issuer offering health insurance coverage in connection with an association health plan, from—

"(i) setting contribution rates based on the claims experience of the plan; or

"(ii) varying contribution rates for small employers in a State to the extent that such rates could vary using the same methodology employed in such State for regulating premium rates in the small group market with respect to health insurance coverage offered in connection with bona fide associations (within the meaning of section 2791(d)(3) of the Public Health Service Act),

subject to the requirements of section 702(b) relating to contribution rates.

"(3) FLOOR FOR NUMBER OF COVERED INDIVIDUALS WITH RESPECT TO CERTAIN PLANS.—If any benefit option under the plan does not consist of health insurance coverage, the plan has as of the beginning of the plan year not fewer than 1,000 participants and beneficiaries.

"(4) MARKETING REQUIREMENTS.—

"(A) IN GENERAL.—If a benefit option which consists of health insurance coverage is offered under the plan, State-licensed insurance agents shall be used to distribute to small employers coverage which does not consist of health insurance coverage in a manner comparable to the manner in which such agents are used to distribute health insurance coverage.

"(B) STATE-LICENSED INSURANCE AGENTS.—For purposes of subparagraph (A), the term 'State-licensed insurance agents' means one or more agents who are licensed in a State and are subject to the laws of such State relating to licensure, qualification, testing, examination, and continuing education of persons authorized to offer, sell, or solicit health insurance coverage in such State.

"(5) REGULATORY REQUIREMENTS.—Such other requirements as the applicable authority determines are necessary to carry out the purposes of this part, which shall be prescribed by the applicable authority by regulation through negotiated rulemaking.

"(b) ABILITY OF ASSOCIATION HEALTH PLANS TO DESIGN BENEFIT OPTIONS.—Subject to section 514(e), nothing in this part or any provision of State law (as defined in section 514(c)(1)) shall be construed to preclude an association health plan, or a health insurance issuer offering health insurance coverage in connection with an association health plan, from exercising its sole discretion in selecting the specific items and services consisting of medical care to be included as benefits under such plan or coverage, except (subject to section 514) in the case of any law to the extent that it (1) prohibits an exclusion of a specific disease from such coverage, or (2) is not preempted under section 731(a)(1) with respect to matters governed by section 711 or 712.

"SEC. 806. MAINTENANCE OF RESERVES AND PROVISIONS FOR SOLVENCY FOR PLANS PROVIDING HEALTH BENEFITS IN ADDITION TO HEALTH INSURANCE COVERAGE.

"(a) IN GENERAL.—The requirements of this section are met with respect to an association health plan if—

"(1) the benefits under the plan consist solely of health insurance coverage; or

"(2) if the plan provides any additional benefit options which do not consist of health insurance coverage, the plan—

"(A) establishes and maintains reserves with respect to such additional benefit options, in amounts recommended by the qualified actuary, consisting of—

"(i) a reserve sufficient for unearned contributions;

"(ii) a reserve sufficient for benefit liabilities which have been incurred, which have not been satisfied, and for which risk of loss has not yet been transferred, and for expected administrative costs with respect to such benefit liabilities;

‘‘(iii) a reserve sufficient for any other obligations of the plan; and

‘‘(iv) a reserve sufficient for a margin of error and other fluctuations, taking into account the specific circumstances of the plan; and

‘‘(B) establishes and maintains aggregate and specific excess/stop loss insurance and solvency indemnification, with respect to such additional benefit options for which risk of loss has not yet been transferred, as follows:

‘‘(i) The plan shall secure aggregate excess/stop loss insurance for the plan with an attachment point which is not greater than 125 percent of expected gross annual claims. The applicable authority may by regulation, through negotiated rulemaking, provide for upward adjustments in the amount of such percentage in specified circumstances in which the plan specifically provides for and maintains reserves in excess of the amounts required under subparagraph (A).

‘‘(ii) The plan shall secure specific excess/stop loss insurance for the plan with an attachment point which is at least equal to an amount recommended by the plan's qualified actuary. The applicable authority may by regulation, through negotiated rulemaking, provide for adjustments in the amount of such insurance in specified circumstances in which the plan specifically provides for and maintains reserves in excess of the amounts required under subparagraph (A).

‘‘(iii) The plan shall secure indemnification insurance fof any claims which the plan is unable to satisfy by reason of a plan termination.

Any regulations prescribed by the applicable authority pursuant to clause (i) or (ii) of subparagraph (B) may allow for such adjustments in the required levels of excess/stop loss insurance as the qualified actuary may recommend, taking into account the specific circumstances of the plan.

‘‘(b) Minimum Surplus in Addition to Claims Reserves.—In the case of any association health plan described in subsection (a)(2), the requirements of this subsection are met if the plan establishes and maintains surplus in an amount at least equal to—

‘‘(1) $500,000, or

‘‘(2) such greater amount (but not greater than $2,000,000) as may be set forth in regulations prescribed by the applicable authority through negotiated rulemaking, based on the level of aggregate and specific excess/stop loss insurance provided with respect to such plan.

‘‘(c) Additional Requirements.—In the case of any association health plan described in subsection (a)(2), the applicable authority may provide such additional requirements relating to reserves and excess/stop loss insurance as the applicable authority considers appropriate. Such requirements may be provided by regulation, through negotiated rulemaking, with respect to any such plan or any class of such plans.

‘‘(d) Adjustments for Excess/Stop Loss Insurance.—The applicable authority may provide for adjustments to the levels of reserves otherwise required under subsections (a) and (b) with respect to any plan or class of plans to take into account excess/stop loss insurance provided with respect to such plan or plans.

‘‘(e) Alternative Means of Compliance.—The applicable authority may permit an association health plan described in subsection (a)(2) to substitute, for all or part of the requirements of this section (except subsection (a)(2)(B)(iii)), such security, guarantee, hold-harmless arrangement, or other financial arrangement as the applicable authority determines to be adequate to enable the plan to fully meet all its financial obligations on a timely basis and is otherwise no less protective of the interests of participants and beneficiaries than the requirements for which it is substituted. The applicable authority may take into account, for purposes of this subsection, evidence provided by the plan or sponsor which demonstrates an assumption of liability with respect to the plan. Such evidence may be in the form of a contract of indemnification, lien, bonding, insurance, letter of credit, recourse under applicable terms of the plan in the form of assessments of participating employers, security, or other financial arrangement.

‘‘(f) Measures To Ensure Continued Payment of Benefits by Certain Plans in Distress.—

‘‘(1) Payments by certain plans to association health plan fund.—

‘‘(A) In general.—In the case of an association health plan described in subsection (a)(2), the requirements of this subsection are met if the plan makes payments into the Association Health Plan Fund under this subparagraph when they are due. Such payments shall consist of annual payments in the amount of $5,000, and, in addition to such annual payments, such supplemental payments as the Secretary may determine to be necessary under paragraph (2). Payments under this paragraph are payable to the Fund at the time determined by the Secretary. Initial payments are due in advance of certification under this part. Payments shall continue to accrue until a plan's assets are distributed pursuant to a termination procedure.

‘‘(B) Penalties for failure to make payments.—If any payment is not made by a plan when it is due, a late payment charge of not more than 100 percent of the payment which was not timely paid shall be payable by the plan to the Fund.

‘‘(C) Continued duty of the secretary.—The Secretary shall not cease to carry out the provisions of paragraph (2) on account of the failure of a plan to pay any payment when due.

‘‘(2) Payments by secretary to continue excess/stop loss insurance coverage and indemnification insurance coverage for certain plans.—In any case in which the applicable authority determines that there is, or that there is reason to believe that there will be: (A) a failure to take necessary corrective actions under section 809(a) with respect to an association health plan described in subsection (a)(2); or (B) a termination of such a plan under section 809(b) or 810(b)(8) (and, if the applicable authority is not the Secretary, certifies such determination to the Secretary), the Secretary shall determine the amounts necessary to make payments to an insurer (designated by the Secretary) to maintain in force excess/stop loss insurance coverage or indemnification insurance coverage for such plan, if the Secretary determines that there is a reasonable expectation that, without such payments, claims would not be satisfied by reason of termination of such coverage. The Secretary shall, to the extent provided in advance in appropriation Acts, pay such amounts so determined to the insurer designated by the Secretary.

‘‘(3) Association health plan fund.—

‘‘(A) In general.—There is established on the books of the Treasury a fund to be known as the ‘Association Health Plan Fund’. The Fund shall be available for making payments pursuant to paragraph (2). The Fund shall be credited with payments received pursuant to paragraph (1)(A), penalties received pursuant to paragraph (1)(B); and earnings on investments of amounts of the Fund under subparagraph (B).

‘‘(B) Investment.—Whenever the Secretary determines that the moneys of the fund are in excess of current needs, the Secretary may request the investment of such amounts as the Secretary determines advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

‘‘(g) Excess/Stop Loss Insurance.—For purposes of this section—

‘‘(1) Aggregate excess/stop loss insurance.—The term ‘aggregate excess/stop loss insurance’ means, in connection with an association health plan, a contract—

‘‘(A) under which an insurer (meeting such minimum standards as the applicable authority may prescribe by regulation through negotiated rulemaking) provides for payment to the plan with respect to aggregate claims under the plan in excess of an amount or amounts specified in such contract;

‘‘(B) which is guaranteed renewable; and

‘‘(C) which allows for payment of premiums by any third party on behalf of the insured plan.

‘‘(2) Specific excess/stop loss insurance.—The term ‘specific excess/stop loss insurance’ means, in connection with an association health plan, a contract—

‘‘(A) under which an insurer (meeting such minimum standards as the applicable authority may prescribe by regulation through negotiated rulemaking) provides for payment to the plan with respect to claims under the plan in connection with a covered individual in excess of an amount or amounts specified in such contract in connection with such covered individual;

‘‘(B) which is guaranteed renewable; and

‘‘(C) which allows for payment of premiums by any third party on behalf of the insured plan.

‘‘(h) Indemnification Insurance.—For purposes of this section, the term ‘indemnification insurance’ means, in connection with an association health plan, a contract—

‘‘(1) under which an insurer (meeting such minimum standards as the applicable authority may prescribe through negotiated rulemaking) provides for payment to the plan with respect to claims under the plan which the plan is unable to satisfy by reason of a termination pursuant to section 809(b) (relating to mandatory termination);

‘‘(2) which is guaranteed renewable and noncancellable for any reason (except as the applicable authority may prescribe by regulation through negotiated rulemaking); and

‘‘(3) which allows for payment of premiums by any third party on behalf of the insured plan.

‘‘(i) Reserves.—For purposes of this section, the term ‘reserves’ means, in connection with an association health plan, plan assets which meet the fiduciary standards under part 4 and such additional requirements regarding liquidity as the applicable authority may prescribe through negotiated rulemaking.

‘‘(j) Solvency Standards Working Group.—

‘‘(1) In general.—Within 90 days after the date of the enactment of the Bipartisan Patient Protection Act, the applicable authority shall establish a Solvency Standards Working Group. In prescribing the initial regulations under this section, the applicable authority shall take into account the recommendations of such Working Group.

"(2) Membership.—The Working Group shall consist of not more than 15 members appointed by the applicable authority. The applicable authority shall include among persons invited to membership on the Working Group at least one of each of the following:

"(A) a representative of the National Association of Insurance Commissioners;

"(B) a representative of the American Academy of Actuaries;

"(C) a representative of the State governments, or their interests;

"(D) a representative of existing self-insured arrangements, or their interests;

"(E) a representative of associations of the type referred to in section 801(b)(1), or their interests; and

"(F) a representative of multiemployer plans that are group health plans, or their interests.

"SEC. 807. REQUIREMENTS FOR APPLICATION AND RELATED REQUIREMENTS.

"(a) Filing Fee.—Under the procedure prescribed pursuant to section 802(a), an association health plan shall pay to the applicable authority at the time of filing an application for certification under this part a filing fee in the amount of $5,000, which shall be available in the case of the Secretary, to the extent provided in appropriation Acts, for the sole purpose of administering the certification procedures applicable with respect to association health plans.

"(b) Information To Be Included in Application for Certification.—An application for certification under this part meets the requirements of this section only if it includes, in a manner and form which shall be prescribed by the applicable authority through negotiated rulemaking, at least the following information:

"(1) Identifying information.—The names and addresses of—

"(A) the sponsor; and

"(B) the members of the board of trustees of the plan.

"(2) States in which plan intends to do business.—The States in which participants and beneficiaries under the plan are to be located and the number of them expected to be located in each such State.

"(3) Bonding requirements.—Evidence provided by the board of trustees that the bonding requirements of section 412 will be met as of the date of the application or (if later) commencement of operations.

"(4) Plan documents.—A copy of the documents governing the plan (including any bylaws and trust agreements), the summary plan description, and other material describing the benefits that will be provided to participants and beneficiaries under the plan.

"(5) Agreements with service providers.—A copy of any agreements between the plan and contract administrators and other service providers.

"(6) Funding report.—In the case of association health plans providing benefits options in addition to health insurance coverage, a report setting forth information with respect to such additional benefit options determined as of a date within the 120-day period ending with the date of the application, including the following:

"(A) Reserves.—A statement, certified by the board of trustees of the plan, and a statement of actuarial opinion, signed by a qualified actuary, that all applicable requirements of section 806 are or will be met in accordance with regulations which the applicable authority shall prescribe through negotiated rulemaking.

"(B) Adequacy of contribution rates.—A statement of actuarial opinion, signed by a qualified actuary, which sets forth a description of the extent to which contribution rates are adequate to provide for the payment of all obligations and the maintenance of required reserves under the plan for the 12-month period beginning with such date within such 120-day period, taking into account the expected coverage and experience of the plan. If the contribution rates are not fully adequate, the statement of actuarial opinion shall indicate the extent to which the rates are inadequate and the changes needed to ensure adequacy.

"(C) Current and projected value of assets and liabilities.—A statement of actuarial opinion signed by a qualified actuary, which sets forth the current value of the assets and liabilities accumulated under the plan and a projection of the assets, liabilities, income, and expenses of the plan for the 12-month period referred to in subparagraph (B). The income statement shall identify separately the plan's administrative expenses and claims.

"(D) Costs of coverage to be charged and other expenses.—A statement of the costs of coverage to be charged, including an itemization of amounts for administration, reserves, and other expenses associated with the operation of the plan.

"(E) Other information.—Any other information as may be determined by the applicable authority, by regulation through negotiated rulemaking, as necessary to carry out the purposes of this part.

"(c) Filing Notice of Certification With States.—A certification granted under this part to an association health plan shall not be effective unless written notice of such certification is filed with the applicable State authority of each State in which at least 25 percent of the participants and beneficiaries under the plan are located. For purposes of this subsection, an individual shall be considered to be located in the State in which a known address of such individual is located or in which such individual is employed.

"(d) Notice of Material Changes.—In the case of any association health plan certified under this part, descriptions of material changes in any information which was required to be submitted with the application for the certification under this part shall be filed in such form and manner as shall be prescribed by the applicable authority by regulation through negotiated rulemaking. The applicable authority may require by regulation, through negotiated rulemaking, prior notice of material changes with respect to specified matters which might serve as the basis for suspension or revocation of the certification.

"(e) Reporting Requirements for Certain Association Health Plans.—An association health plan certified under this part which provides benefit options in addition to health insurance coverage for such plan year shall meet the requirements of section 103 by filing an annual report under such section which shall include information described in subsection (b)(6) with respect to the plan year and, notwithstanding section 104(a)(1)(A), shall be filed with the applicable authority not later than 90 days after the close of the plan year (or on such later date as may be prescribed by the applicable authority). The applicable authority may require by regulation through negotiated rulemaking such interim reports as it considers appropriate.

"(f) Engagement of Qualified Actuary.—The board of trustees of each association health plan which provides benefits options in addition to health insurance coverage and which is applying for certification under this part or is certified under this part shall engage, on behalf of all participants and beneficiaries, a qualified actuary who shall be responsible for the preparation of the materials comprising information necessary to be submitted by a qualified actuary under this part. The qualified actuary shall utilize such assumptions and techniques as are necessary to enable such actuary to form an opinion as to whether the contents of the matters reported under this part—

"(1) are in the aggregate reasonably related to the experience of the plan and to reasonable expectations; and

"(2) represent such actuary's best estimate of anticipated experience under the plan.

The opinion by the qualified actuary shall be made with respect to, and shall be made a part of, the annual report.

"SEC. 808. NOTICE REQUIREMENTS FOR VOLUNTARY TERMINATION.

"Except as provided in section 809(b), an association health plan which is or has been certified under this part may terminate (upon or at any time after cessation of accruals in benefit liabilities) only if the board of trustees—

"(1) not less than 60 days before the proposed termination date, provides to the participants and beneficiaries a written notice of intent to terminate stating that such termination is intended and the proposed termination date;

"(2) develops a plan for winding up the affairs of the plan in connection with such termination in a manner which will result in timely payment of all benefits for which the plan is obligated; and

"(3) submits such plan in writing to the applicable authority.

Actions required under this section shall be taken in such form and manner as may be prescribed by the applicable authority by regulation through negotiated rulemaking.

"SEC. 809. CORRECTIVE ACTIONS AND MANDATORY TERMINATION.

"(a) Actions To Avoid Depletion of Reserves.—An association health plan which is certified under this part and which provides benefits other than health insurance coverage shall continue to meet the requirements of section 806, irrespective of whether such certification continues in effect. The board of trustees of such plan shall determine quarterly whether the requirements of section 806 are met. In any case in which the board determines that there is reason to believe that there is or will be a failure to meet such requirements, or the applicable authority makes such a determination and so notifies the board, the board shall immediately notify the qualified actuary engaged by the plan, and such actuary shall, not later than the end of the next following month, make such recommendations to the board for corrective action as the actuary determines necessary to ensure compliance with section 806. Not later than 30 days after receiving from the actuary recommendations for corrective actions, the board shall notify the applicable authority (in such form and manner as the applicable authority may prescribe by regulation through negotiated rulemaking) of such recommendations of the actuary for corrective action, together with a description of the actions (if any) that the board has taken or plans to take in response to such recommendations. The board shall thereafter report to the applicable authority, in such form and frequency as the applicable authority may specify to the board, regarding corrective action taken by the board until the requirements of section 806 are met.

“(b) Mandatory Termination.—In any case in which—

“(1) the applicable authority has been notified under subsection (a) of a failure of an association health plan which is or has been certified under this part and is described in section 806(a)(2) to meet the requirements of section 806 and has not been notified by the board of trustees of the plan that corrective action has restored compliance with such requirements; and

“(2) the applicable authority determines that there is a reasonable expectation that the plan will continue to fail to meet the requirements of section 806,

the board of trustees of the plan shall, at the direction of the applicable authority, terminate the plan and, in the course of the termination, take such actions as the applicable authority may require, including satisfying any claims referred to in section 806(a)(2)(B)(iii) and recovering for the plan any liability under subsection (a)(2)(B)(iii) or (e) of section 806, as necessary to ensure that the affairs of the plan will be, to the maximum extent possible, wound up in a manner which will result in timely provision of all benefits for which the plan is obligated.

“SEC. 810. TRUSTEESHIP BY THE SECRETARY OF INSOLVENT ASSOCIATION HEALTH PLANS PROVIDING HEALTH BENEFITS IN ADDITION TO HEALTH INSURANCE COVERAGE.

“(a) Appointment of Secretary as Trustee for Insolvent Plans.—Whenever the Secretary determines that an association health plan which is or has been certified under this part and which is described in section 806(a)(2) will be unable to provide benefits when due or is otherwise in a financially hazardous condition, as shall be defined by the Secretary by regulation through negotiated rulemaking, the Secretary shall, upon notice to the plan, apply to the appropriate United States district court for appointment of the Secretary as trustee to administer the plan for the duration of the insolvency. The plan may appear as a party and other interested persons may intervene in the proceedings at the discretion of the court. The court shall appoint such Secretary trustee if the court determines that the trusteeship is necessary to protect the interests of the participants and beneficiaries or providers of medical care or to avoid any unreasonable deterioration of the financial condition of the plan. The trusteeship of such Secretary shall continue until the conditions described in the first sentence of this subsection are remedied or the plan is terminated.

“(b) Powers as Trustee.—The Secretary, upon appointment as trustee under subsection (a), shall have the power—

“(1) to do any act authorized by the plan, this title, or other applicable provisions of law to be done by the plan administrator or any trustee of the plan;

“(2) to require the transfer of all (or any part) of the assets and records of the plan to the Secretary as trustee;

“(3) to invest any assets of the plan which the Secretary holds in accordance with the provisions of the plan, regulations prescribed by the Secretary through negotiated rulemaking, and applicable provisions of law;

“(4) to require the sponsor, the plan administrator, any participating employer, and any employee organization representing plan participants to furnish any information with respect to the plan which the Secretary as trustee may reasonably need in order to administer the plan;

“(5) to collect for the plan any amounts due the plan and to recover reasonable expenses of the trusteeship;

“(6) to commence, prosecute, or defend on behalf of the plan any suit or proceeding involving the plan;

“(7) to issue, publish, or file such notices, statements, and reports as may be required by the Secretary by regulation through negotiated rulemaking or required by any order of the court;

“(8) to terminate the plan (or provide for its termination in accordance with section 809(b)) and liquidate the plan assets, to restore the plan to the responsibility of the sponsor, or to continue the trusteeship;

“(9) to provide for the enrollment of plan participants and beneficiaries under appropriate coverage options; and

“(10) to do such other acts as may be necessary to comply with this title or any order of the court and to protect the interests of plan participants and beneficiaries and providers of medical care.

“(c) Notice of Appointment.—As soon as practicable after the Secretary's appointment as trustee, the Secretary shall give notice of such appointment to—

“(1) the sponsor and plan administrator;

“(2) each participant;

“(3) each participating employer; and

“(4) if applicable, each employee organization which, for purposes of collective bargaining, represents plan participants.

“(d) Additional Duties.—Except to the extent inconsistent with the provisions of this title, or as may be otherwise ordered by the court, the Secretary, upon appointment as trustee under this section, shall be subject to the same duties as those of a trustee under section 704 of title 11, United States Code, and shall have the duties of a fiduciary for purposes of this title.

“(e) Other Proceedings.—An application by the Secretary under this subsection may be filed notwithstanding the pendency in the same or any other court of any bankruptcy,, mortgage foreclosure, or equity receivership proceeding, or any proceeding to reorganize, conserve, or liquidate such plan or its property, or any proceeding to enforce a lien against property of the plan.

“(f) Jurisdiction of Court.—

“(1) In general.—Upon the filing of an application for the appointment as trustee or the issuance of a decree under this section, the court to which the application is made shall have exclusive jurisdiction of the plan involved and its property wherever located with the powers, to the extent consistent with the purposes of this section, of a court of the United States having jurisdiction over cases under chapter 11 of title 11, United States Code. Pending an adjudication under this section such court shall stay, and upon appointment by it of the Secretary as trustee, such court shall continue the stay of, any pending mortgage foreclosure, equity receivership, or other proceeding to reorganize, conserve, or liquidate the plan, the sponsor, or property of such plan or sponsor, and any other suit against any receiver, conservator, or trustee of the plan, the sponsor, or property of the plan or sponsor. Pending such adjudication and upon the appointment by it of the Secretary as trustee, the court may stay any proceeding to enforce a lien against property of the plan or the sponsor or any other suit against the plan or the sponsor.

“(2). Venue.—An action under this section may be brought in the judicial district where the sponsor or the plan administrator resides or does business or where any asset of the plan is situated. A district court in which such action is brought may issue process with respect to such action in any other judicial district.

“(g) Personnel.—In accordance with regulations which shall be prescribed by the Secretary through negotiated rulemaking, the Secretary shall appoint, retain, and compensate accountants, actuaries, and other professional service personnel as may be necessary in connection with the Secretary's service as trustee under this section.

“SEC. 811. STATE ASSESSMENT AUTHORITY.

“(a) In General.—Notwithstanding section 514, a State may impose by law a contribution tax on an association health plan described in section 806(a)(2), if the plan commenced operations in such State after the date of the enactment of the Bipartisan Patient Protection Act.

“(b) Contribution Tax.—For purposes of this section, the term 'contribution tax' imposed by a State on an association health plan means any tax imposed by such State if—

“(1) such tax is computed by applying a rate to the amount of premiums or contributions, with respect to individuals covered under the plan who are residents of such State, which are received by the plan from participating employers located in such State or from such individuals;

“(2) the rate of such tax does not exceed the rate of any tax imposed by such State on premiums or contributions received by insurers or health maintenance organizations for health insurance coverage offered in such State in connection with a group health plan;

“(3) such tax is otherwise nondiscriminatory; and

“(4) the amount of any such tax assessed on the plan is reduced by the amount of any tax or assessment otherwise imposed by the State on premiums, contributions, or both received by insurers or health maintenance organizations for health insurance coverage, aggregate excess/stop loss insurance (as defined in section 806(g)(1)), specific excess/stop loss insurance (as defined in section 806(g)(2)), other insurance related to the provision of medical care under the plan, or any combination thereof provided by such insurers or health maintenance organizations in such State in connection with such plan.

“SEC. 812. DEFINITIONS AND RULES OF CONSTRUCTION.

“(a) Definitions.—For purposes of this part—

“(1) Group health plan.—The term 'group health plan' has the meaning provided in section 733(a)(1) (after applying subsection (b) of this section).

“(2) Medical care.—The term 'medical care' has the meaning provided in section 733(a)(2).

“(3) Health insurance coverage.—The term 'health insurance coverage' has the meaning provided in section 733(b)(1).

“(4) Health insurance issuer.—The term 'health insurance issuer' has the meaning provided in section 733(b)(2).

“(5) Applicable authority.—

“(A) In general.—Except as provided in subparagraph (B), the term 'applicable authority' means, in connection with an association health plan—

“(i) the State recognized pursuant to subsection (c) of section 506 as the State to which authority has been delegated in connection with such plan; or

“(ii) if there if no State referred to in clause (i), the Secretary.

“(B) Exceptions.—

“(i) Joint authorities.—Where such term appears in section 808(3), section 807(e) (in the first instance), section 809(a) (in the second instance), section 809(a) (in the fourth instance), and section 809(b)(1), such term means, in connection with an association health plan, the Secretary and the State referred to in subparagraph (A)(i) (if any) in connection with such plan.

"(ii) REGULATORY AUTHORITIES.—Where such term appears in section 802(a) (in the first instance), section 802(d), section 802(e), section 803(d), section 805(a)(5), section 806(a)(2), section 806(b), section 806(c), section 806(d), paragraphs (1)(A) and (2)(A) of section 806(g), section 806(h), section 806(i), section 806(j), section 807(a) (in the second instance), section 807(b), section 807(d), section 807(e) (in the second instance), section 808 (in the matter after paragraph (3)), and section 809(a) (in the third instance), such term means, in connection with an association health plan, the Secretary.

"(6) HEALTH STATUS-RELATED FACTOR.—The term 'health status-related factor' has the meaning provided in section 733(d)(2).

"(7) INDIVIDUAL MARKET.—

"(A) IN GENERAL.—The term 'individual market' means the market for health insurance coverage offered to individuals other than in connection with a group health plan.

"(B) TREATMENT OF VERY SMALL GROUPS.—

"(i) IN GENERAL.—Subject to clause (ii), such term includes coverage offered in connection with a group health plan that has fewer than 2 participants as current employees or participants described in section 732(d)(3) on the first day of the plan year.

"(ii) STATE EXCEPTION.—Clause (i) shall not apply in the case of health insurance coverage offered in a State if such State regulates the coverage described in such clause in the same manner and to the same extent as coverage in the small group market (as defined in section 2791(e)(5) of the Public Health Service Act) is regulated by such State.

"(8) PARTICIPATING EMPLOYER.—The term 'participating employer' means, in connection with an association health plan, any employer, if any individual who is an employee of such employer, a partner in such employer, or a self-employed individual who is such employer (or any dependent, as defined under the terms of the plan, of such individual) is or was covered under such plan in connection with the status of such individual as such an employee, partner, or self-employed individual in relation to the plan.

"(9) APPLICABLE STATE AUTHORITY.—The term 'applicable State authority' means, with respect to a health insurance issuer in a State, the State insurance commissioner or official or officials designated by the State to enforce the requirements of title XXVII of the Public Health Service Act for the State involved with respect to such issuer.

"(10) QUALIFIED ACTUARY.—The term 'qualified actuary' means an individual who is a member of the American Academy of Actuaries or meets such reasonable standards and qualifications as the Secretary may provide by regulation through negotiated rulemaking.

"(11) AFFILIATED MEMBER.—The term 'affiliated member' means, in connection with a sponsor—

"(A) a person who is otherwise eligible to be a member of the sponsor but who elects an affiliated status with the sponsor,

"(B) in the case of a sponsor with members which consist of associations, a person who is a member of any such association and elects an affiliated status with the sponsor, or

"(C) in the case of an association health plan in existence on the date of the enactment of the Bipartisan Patient Protection Act, a person eligible to be a member of the sponsor or one of its member associations.

"(12) LARGE EMPLOYER.—The term 'large employer' means, in connection with a group health plan with respect to a plan year, an employer who employed an average of at least 51 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year.

"(13) SMALL EMPLOYER.—The term 'small employer' means, in connection with a group health plan with respect to a plan year, an employer who is not a large employer.

"(b) RULES OF CONSTRUCTION.—

"(1) EMPLOYERS AND EMPLOYEES.—For purposes of determining whether a plan, fund, or program is an employee welfare benefit plan which is an association health plan, and for purposes of applying this title in connection with such plan, fund, or program so determined to be such an employee welfare benefit plan—

"(A) in the case of a partnership, the term 'employer' (as defined in section 3(5)) includes the partnership in relation to the partners, and the term 'employee' (as defined in section 3(6)) includes any partner in relation to the partnership; and

"(B) in the case of a self-employed individual, the term 'employer' (as defined in section 3(5)) and the term 'employee' (as defined in section 3(6)) shall include such individual.

"(2) PLANS, FUNDS, AND PROGRAMS TREATED AS EMPLOYEE WELFARE BENEFIT PLANS.—In the case of any plan, fund, or program which was established or is maintained for the purpose of providing medical care (through the purchase of insurance or otherwise) for employees (or their dependents) covered thereunder and which demonstrates to the Secretary that all requirements for certification under this part would be met with respect to such plan, fund, or program if such plan, fund, or program were a group health plan, such plan, fund, or program shall be treated for purposes of this title as an employee welfare benefit plan on and after the date of such demonstration.".

(b) CONFORMING AMENDMENTS TO PREEMPTION RULES.—

(1) Section 514(b)(6) of such Act (29 U.S.C. 1144(b)(6)) is amended by adding at the end the following new subparagraph:

"(E) The preceding subparagraphs of this paragraph do not apply with respect to any State law in the case of an association health plan which is certified under part 8.".

(2) Section 514 of such Act (29 U.S.C. 1144), as amended by section 142, is amended—

(A) in subsection (b)(4), by striking "Subsection (a)" and inserting "Subsections (a) and (e)";

(B) in subsection (b)(5), by striking "subsection (a)" in subparagraph (A) and inserting "subsection (a) of this section and subsections (a)(2)(B) and (b) of section 805", and by striking "subsection (a)" in subparagraph (B) and inserting "subsection (a) of this section or subsection (a)(2)(B) or (b) of section 805";

(C) by redesignating subsection (e) as subsection (f); and

(D) by inserting after subsection (d) the following new subsection:

"(e)(1) Except as provided in subsection (b)(4), the provisions of this title shall supersede any and all State laws insofar as they may now or hereafter preclude, or have the effect of precluding, a health insurance issuer from offering health insurance coverage in connection with an association health plan which is certified under part 8.

"(2) Except as provided in paragraphs (4) and (5) of subsection (b) of this section—

"(A) In any case in which health insurance coverage of any policy type is offered under an association health plan certified under part 8 to a participating employer operating in such State, the provisions of this title shall supersede any and all laws of such State insofar as they may preclude a health insurance issuer from offering health insurance coverage of the same policy type to other employers operating in the State which are eligible for coverage under such association health plan, whether or not such other employers are participating employers in such plan.

"(B) In any case in which health insurance coverage of any policy type is offered under an association health plan in a State and the filing, with the applicable State authority, of the policy form in connection with such policy type is approved by such State authority, the provisions of this title shall supersede any and all laws of any other State in which health insurance coverage of such type is offered, insofar as they may preclude, upon the filing in the same form and manner of such policy form with the applicable State authority in such other State, the approval of the filing in such other State.

"(3) For additional provisions relating to association health plans, see subsections (a)(2)(B) and (b) of section 805.

"(4) For purposes of this subsection, the term 'association health plan' has the meaning provided in section 801(a), and the terms 'health insurance coverage', 'participating employer', and 'health insurance issuer' have the meanings provided such terms in section 811, respectively.".

(3) Section 514(b)(6)(A) of such Act (29 U.S.C. 1144(b)(6)(A)) is amended—

(A) in clause (i)(II), by striking "and" at the end;

(B) in clause (ii), by inserting "and which does not provide medical care (within the meaning of section 733(a)(2))," after "arrangement,", and by striking "title." and inserting "title, and"; and

(C) by adding at the end the following new clause:

"(iii) subject to subparagraph (E), in the case of any other employee welfare benefit plan which is a multiple employer welfare arrangement and which provides medical care (within the meaning of section 733(a)(2)), any law of any State which regulates insurance may apply.".

(4) Section 514(e) of such Act (as redesignated by paragraph (2)(C)) is amended—

(A) by striking "Nothing" and inserting "(1) Except as provided in paragraph (2), nothing"; and

(B) by adding at the end the following new paragraph:

"(2) Nothing in any other provision of law enacted on or after the date of the enactment of the Bipartisan Patient Protection Act shall be construed to alter, amend, modify, invalidate, impair, or supersede any provision of this title, except by specific cross-reference to the affected section.".

(c) PLAN SPONSOR.—Section 3(16)(B) of such Act (29 U.S.C. 102(16)(B)) is amended by adding at the end the following new sentence: "Such term also includes a person serving as the sponsor of an association health plan under part 8.".

(d) DISCLOSURE OF SOLVENCY PROTECTIONS RELATED TO SELF-INSURED AND FULLY INSURED OPTIONS UNDER ASSOCIATION HEALTH

Plans.—Section 102(b) of such Act (29 U.S.C. 102(b)) is amended by adding at the end the following: "An association health plan shall include in its summary plan description, in connection with each benefit option, a description of the form of solvency or guarantee fund protection secured pursuant to this Act or applicable State law, if any.".

(e) Savings Clause.—Section 731(c) of such Act is amended by inserting "or part 8" after "this part".

(f) Report to the Congress Regarding Certification of Self-Insured Association Health Plans.—Not later than January 1, 2006, the Secretary of Labor shall report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate the effect association health plans have had, if any, on reducing the number of uninsured individuals.

(g) Clerical Amendment.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by inserting after the item relating to section 734 the following new items:

"Part 8—Rules Governing Association
Health Plans

"Sec. 801. Association health plans.
"Sec. 802. Certification of association health plans.
"Sec. 803. Requirements relating to sponsors and boards of trustees.
"Sec. 804. Participation and coverage requirements.
"Sec. 805. Other requirements relating to plan documents, contribution rates, and benefit options.
"Sec. 806. Maintenance of reserves and provisions for solvency for plans providing health benefits in addition to health insurance coverage.
"Sec. 807. Requirements for application and related requirements.
"Sec. 808. Notice requirements for voluntary termination.
"Sec. 809. Corrective actions and mandatory termination.
"Sec. 810. Trusteeship by the Secretary of insolvent association health plans providing health benefits in addition to health insurance coverage.
"Sec. 811. State assessment authority.
"Sec. 812. Definitions and rules of construction.".

SEC. 422. CLARIFICATION OF TREATMENT OF SINGLE EMPLOYER ARRANGEMENTS.

Section 3(40)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(40)(B)) is amended—

(1) in clause (i), by inserting "for any plan year of any such plan, or any fiscal year of any such other arrangement;" after "single employer", and by inserting "during such year or at any time during the preceding 1-year period" after "control group";

(2) in clause (iii)—

(A) by striking "common control shall not be based on an interest of less than 25 percent" and inserting "an interest of greater than 25 percent may not be required as the minimum interest necessary for common control"; and

(B) by striking "similar to" and inserting "consistent and coextensive with";

(3) by redesignating clauses (iv) and (v) as clauses (v) and (vi), respectively; and

(4) by inserting after clause (iii) the following new clause:

"(iv) in determining, after the application of clause (i), whether benefits are provided to employees of two or more employers, the arrangement shall be treated as having only one participating employer if, after the application of clause (i), the number of individuals who are employees and former employees of any one participating employer and who are covered under the arrangement is greater than 75 percent of the aggregate number of all individuals who are employees or former employees of participating employers and who are covered under the arrangement;".

SEC. 423. CLARIFICATION OF TREATMENT OF CERTAIN COLLECTIVELY BARGAINED ARRANGEMENTS.

(a) In General.—Section 3(40)(A)(i) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(40)(A)(i)) is amended to read as follows:

"(i)(I) under or pursuant to one or more collective bargaining agreements which are reached pursuant to collective bargaining described in section 8(d) of the National Labor Relations Act (29 U.S.C. 158(d)) or paragraph Fourth of section 2 of the Railway Labor Act (45 U.S.C. 152, paragraph Fourth) or which are reached pursuant to labor-management negotiations under similar provisions of State public employee relations laws, and (II) in accordance with subparagraphs (C), (D), and (E);".

(b) Limitations.—Section 3(40) of such Act (29 U.S.C. 1002(40)) is amended by adding at the end the following new subparagraphs:

"(C) For purposes of subparagraph (A)(i)(II), a plan or other arrangement shall be treated as established or maintained in accordance with this subparagraph only if the following requirements are met:

"(i) The plan or other arrangement, and the employee organization or any other entity sponsoring the plan or other arrangement, do not—

"(I) utilize the services of any licensed insurance agent or broker for soliciting or enrolling employers or individuals as participating employers or covered individuals under the plan or other arrangement; or

"(II) pay any type of compensation to a person, other than a full time employee of the employee organization (or a member of the organization to the extent provided in regulations prescribed by the Secretary through negotiated rulemaking), that is related either to the volume or number of employers or individuals solicited or enrolled as participating employers or covered individuals under the plan or other arrangement, or to the dollar amount or size of the contributions made by participating employers or covered individuals to the plan or other arrangement;

except to the extent that the services used by the plan, arrangement, organization, or other entity consist solely of preparation of documents necessary for compliance with the reporting and disclosure requirements of part 1 or administrative, investment, or consulting services unrelated to solicitation or enrollment of covered individuals.

"(ii) As of the end of the preceding plan year, the number of covered individuals under the plan or other arrangement who are neither—

"(I) employed within a bargaining unit covered by any of the collective bargaining agreements with a participating employer (nor covered on the basis of an individual's employment in such a bargaining unit); nor

"(II) present employees (or former employees who were covered while employed) of the sponsoring employee organization, of an employer who is or was a party to any of the collective bargaining agreements, or of the plan or other arrangement or a related plan or arrangement (nor covered on the basis of such present or former employment);

does not exceed 15 percent of the total number of individuals who are covered under the plan or arrangement and who are present or former employees who are or were covered under the plan or arrangement pursuant to a collective bargaining agreement with a participating employer. The requirements of the preceding provisions of this clause shall be treated as satisfied if, as of the end of the preceding plan year, such covered individuals are comprised solely of individuals who were covered individuals under the plan or other arrangement as of the date of the enactment of the Bipartisan Patient Protection Act and, as of the end of the preceding plan year, the number of such covered individuals does not exceed 25 percent of the total number of present and former employees enrolled under the plan or other arrangement.

"(iii) The employee organization or other entity sponsoring the plan or other arrangement certifies to the Secretary each year, in a form and manner which shall be prescribed by the Secretary through negotiated rulemaking that the plan or other arrangement meets the requirements of clauses (i) and (ii).

"(D) For purposes of subparagraph (A)(i)(II), a plan or arrangement shall be treated as established or maintained in accordance with this subparagraph only if—

"(i) all of the benefits provided under the plan or arrangement consist of health insurance coverage; or

"(ii)(I) the plan or arrangement is a multiemployer plan; and

"(II) the requirements of clause (B) of the proviso to clause (5) of section 302(c) of the Labor Management Relations Act, 1947 (29 U.S.C. 186(c)) are met with respect to such plan or other arrangement.

"(E) For purposes of subparagraph (A)(i)(II), a plan or arrangement shall be treated as established or maintained in accordance with this subparagraph only if—

"(i) the plan or arrangement is in effect as of the date of the enactment of the Bipartisan Patient Protection Act; or

"(ii) the employee organization or other entity sponsoring the plan or arrangement—

"(I) has been in existence for at least 3 years; or

"(II) demonstrates to the satisfaction of the Secretary that the requirements of subparagraphs (C) and (D) are met with respect to the plan or other arrangement.".

(c) Conforming Amendments to Definitions of Participant and Beneficiary.—Section 3(7) of such Act (29 U.S.C. 1002(7)) is amended by adding at the end the following new sentence: "Such term includes an individual who is a covered individual described in paragraph (40)(C)(ii).".

SEC. 424. ENFORCEMENT PROVISIONS RELATING TO ASSOCIATION HEALTH PLANS.

(a) Criminal Penalties for Certain Willful Misrepresentations.—Section 501 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1131) is amended—

(1) by inserting "(a)" after "Sec. 501."; and

(2) by adding at the end the following new subsection:

"(b) Any person who willfully falsely represents, to any employee, any employee's beneficiary, any employer, the Secretary, or any State, a plan or other arrangement established or maintained for the purpose of offering or providing any benefit described in section 3(1) to employees or their beneficiaries as—

"(1) being an association health plan which has been certified under part 8;

"(2) having been established or maintained under or pursuant to one or more collective bargaining agreements which are reached pursuant to collective bargaining described in section 8(d) of the National Labor Relations Act (29 U.S.C. 158(d)) or paragraph Fourth of section 2 of the Railway Labor Act (45 U.S.C. 152, paragraph Fourth) or which are reached pursuant to labor-management negotiations under similar provisions of State public employee relations laws; or

"(3) being a plan or arrangement with respect to which the requirements of subparagraph (C), (D), or (E) of section 3(40) are met; shall, upon conviction, be imprisoned not more than 5 years, be fined under title 18, United States Code, or both.".

(b) Cease Activities Orders.—Section 502 of such Act (29 U.S.C. 1132), as amended by sections 141 and 143, is further amended by adding at the end the following new subsection:

"(p) Association Health Plan Cease and Desist Orders.—

"(1) In general.—Subject to paragraph (2), upon application by the Secretary showing the operation, promotion, or marketing of an association health plan (or similar arrangement providing benefits consisting of medical care (as defined in section 733(a)(2))) that—

"(A) is not certified under part 8, is subject under section 514(b)(6) to the insurance laws of any State in which the plan or arrangement offers or provides benefits, and is not licensed, registered, or otherwise approved under the insurance laws of such State; or

"(B) is an association health plan certified under part 8 and is not operating in accordance with the requirements under part 8 for such certification,

a district court of the United States shall enter an order requiring that the plan or arrangement cease activities.

"(2) Exception.—Paragraph (1) shall not apply in the case of an association health plan or other arrangement if the plan or arrangement shows that—

"(A) all benefits under it referred to in paragraph (1) consist of health insurance coverage; and

"(B) with respect to each State in which the plan or arrangement offers or provides benefits, the plan or arrangement is operating in accordance with applicable State laws that are not superseded under section 514.

"(3) Additional equitable relief.—The court may grant such additional equitable relief, including any relief available under this title, as it deems necessary to protect the interests of the public and of persons having claims for benefits against the plan.".

(c) Responsibility for Claims Procedure.—Section 503 of such Act (29 U.S.C. 1133), as amended by section 301(b), is amended by adding at the end the following new subsection:

"(c) Association Health Plans.—The terms of each association health plan which is or has been certified under part 8 shall require the board of trustees or the named fiduciary (as applicable) to ensure that the requirements of this section are met in connection with claims filed under the plan.".

SEC. 425. COOPERATION BETWEEN FEDERAL AND STATE AUTHORITIES.

Section 506 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1136) is amended by adding at the end the following new subsection:

"(c) Consultation With States With Respect to Association Health Plans.—

"(1) Agreements with states.—The Secretary shall consult with the State recognized under paragraph (2) with respect to an association health plan regarding the exercise of—

"(A) the Secretary's authority under sections 502 and 504 to enforce the requirements for certification under part 8; and

"(B) the Secretary's authority to certify association health plans under part 8 in accordance with regulations of the Secretary applicable to certification under part 8.

"(2) Recognition of primary domicile state.—In carrying out paragraph (1), the Secretary shall ensure that only one State will be recognized, with respect to any particular association health plan, as the State to with which consultation is required. In carrying out this paragraph, the Secretary shall take into account the places of residence of the participants and beneficiaries under the plan and the State in which the trust is maintained.".

SEC. 426. EFFECTIVE DATE AND TRANSITIONAL AND OTHER RULES.

(a) Effective Date.—The amendments made by sections 421, 424, and 425 shall take effect one year from the date of enactment. The amendments made by sections 422 and 423 shall take effect on the date of the enactment of this Act. The Secretary of Labor shall first issue all regulations necessary to carry out the amendments made by this subtitle within one year from the date of enactment. Such regulations shall be issued through negotiated rulemaking.

(b) Exception.—Section 801(a)(2) of the Employee Retirement Income Security Act of 1974 (added by section 421) does not apply in connection with an association health plan (certified under part 8 of subtitle B of title I of such Act) existing on the date of the enactment of this Act, if no benefits provided thereunder as of the date of the enactment of this Act consist of health insurance coverage (as defined in section 733(b)(1) of such Act).

(c) Treatment of Certain Existing Health Benefits Programs.—

(1) In general.—In any case in which, as of the date of the enactment of this Act, an arrangement is maintained in a State for the purpose of providing benefits consisting of medical care for the employees and beneficiaries of its participating employers, at least 200 participating employers make contributions to such arrangement, such arrangement has been in existence for at least 10 years, and such arrangement is licensed under the laws of one or more States to provide such benefits to its participating employers, upon the filing with the applicable authority (as defined in section 812(a)(5) of the Employee Retirement Income Security Act of 1974 (as amended by this subtitle)) by the arrangement of an application for certification of the arrangement under part 8 of subtitle B of title I of such Act—

(A) such arrangement shall be deemed to be a group health plan for purposes of title I of such Act;

(B) the requirements of sections 801(a)(1) and 803(a)(1) of the Employee Retirement Income Security Act of 1974 shall be deemed met with respect to such arrangement;

(C) the requirements of section 803(b) of such Act shall be deemed met, if the arrangement is operated by a board of directors which—

(i) is elected by the participating employers, with each employer having one vote; and

(ii) has complete fiscal control over the arrangement and which is responsible for all operations of the arrangement;

(D) the requirements of section 804(a) of such Act shall be deemed met with respect to such arrangement; and

(E) the arrangement may be certified by any applicable authority with respect to its operations in any State only if it operates in such State on the date of certification.

The provisions of this subsection shall cease to apply with respect to any such arrangement at such time after the date of the enactment of this Act as the applicable requirements of this subsection are not met with respect to such arrangement.

(2) Definitions.—For purposes of this subsection, the terms "group health plan", "medical care", and "participating employer" shall have the meanings provided in section 812 of the Employee Retirement Income Security Act of 1974, except that the reference in paragraph (7) of such section to an "association health plan" shall be deemed a reference to an arrangement referred to in this subsection.

Amend section 511 to read as follows (and conform the table of contents accordingly):

SEC. 511. EXPANSION OF AVAILABILITY OF ARCHER MEDICAL SAVINGS ACCOUNTS.

(a) Repeal of Limitations on Number of Medical Savings Accounts.—

(1) In general.—Subsections (i) and (j) of section 220 of the Internal Revenue Code of 1986 are hereby repealed.

(2) Conforming amendments.—

(A) Paragraph (1) of section 220(c) of such Code is amended by striking subparagraph (D).

(B) Section 138 of such Code is amended by striking subsection (f).

(b) Availability Not Limited to Accounts for Employees of Small Employers and Self-employed Individuals.—

(1) In general.—Subparagraph (A) of section 220(c)(1) of such Code (relating to eligible individual) is amended to read as follows:

"(A) In general.—The term 'eligible individual' means, with respect to any month, any individual if—

"(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and

"(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—

"(I) which is not a high deductible health plan, and

"(II) which provides coverage for any benefit which is covered under the high deductible health plan.".

(2) Conforming amendments.—

(A) Section 220(c)(1) of such Code is amended by striking subparagraph (C).

(B) Section 220(c) of such Code is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).

(C) Section 220(b) of such Code is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(c) Increase in Amount of Deduction Allowed for Contributions to Medical Savings Accounts.—

(1) In general.—Paragraph (2) of section 220(b) of such Code is amended to read as follows:

"(2) Monthly limitation.—The monthly limitation for any month is the amount equal to $\frac{1}{12}$ of the annual deductible (as of the first day of such month) of the individual's coverage under the high deductible health plan.".

(2) Conforming amendment.—Clause (ii) of section 220(d)(1)(A) of such Code is amended by striking "75 percent of".

(d) Both Employers and Employees May Contribute to Medical Savings Accounts.—Paragraph (4) of section 220(b) of such Code (as redesignated by subsection (b)(2)(C)) is amended to read as follows:

"(4) Coordination with exclusion for employer contributions.—The limitation which would (but for this paragraph) apply under this subsection to the taxpayer for any taxable year shall be reduced (but not below zero) by the amount which would (but for section 106(b)) be includible in the taxpayer's gross income for such taxable year.".

(e) Reduction of Permitted Deductibles Under High Deductible Health Plans.—

(1) In general.—Subparagraph (A) of section 220(c)(2) of such Code (defining high deductible health plan) is amended—

(A) by striking "$1,500" in clause (i) and inserting "$1,000"; and

(B) by striking "$3,000" in clause (ii) and inserting "$2,000".

(2) Conforming amendment.—Subsection (g) of section 220 of such Code is amended to read as follows:

"(g) Cost-of-Living Adjustment.—

"(1) In general.—In the case of any taxable year beginning in a calendar year after 1998, each dollar amount in subsection (c)(2) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which such taxable year begins by substituting 'calendar year 1997' for 'calendar year 1992' in subparagraph (B) thereof.

"(2) Special rules.—In the case of the $1,000 amount in subsection (c)(2)(A)(i) and the $2,000 amount in subsection (c)(2)(A)(ii), paragraph (1)(B) shall be applied by substituting 'calendar year 2000' for 'calendar year 1997'.

"(3) Rounding.—If any increase under paragraph (1) or (2) is not a multiple of $50, such increase shall be rounded to the nearest multiple of $50.".

(f) Providing Incentives for Preferred Provider Organizations To Offer Medical Savings Accounts.—

(1) Preventive care coverage permitted.—Clause (ii) of section 220(c)(2)(B) of such Code is amended by striking "preventive care if" and all that follows and inserting "preventive care."

(2) Treatment of network services.—Subparagraph (B) of section 220(c)(2) of such Code is amended by adding at the end the following new clause:

"(iii) Treatment of network services.—In the case of a health plan which provides benefits for services provided by providers in a network (as defined in section 161 of the Patient's Bill of Rights Act of 2001) and which would (without regard to services provided by providers outside the network) be a high deductible health plan, such plan shall not fail to be a high deductible health plan because—

"(I) the annual deductible for services provided by providers outside the network exceeds the applicable maximum dollar amount in clause (i) or (ii), or

"(II) the annual out-of-pocket expenses required to be paid for services provided by providers outside the network exceeds the applicable dollar amount in clause (iii).

The annual deductible taken into account under subsection (b)(2) with respect to a plan to which the preceding sentence applies shall be the annual deductible for services provided by providers within the network."

(g) Medical Savings Accounts May Be Offered Under Cafeteria Plans.—Subsection (f) of section 125 of such Code is amended by striking "106(b),".

(h) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

The CHAIRMAN. Pursuant to House Resolution 219, the gentleman from California (Mr. THOMAS) and a Member opposed each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. THOMAS).

Mr. THOMAS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment has two major provisions, one dealing with an attempt, since we know that the Patients' Bill of Rights and the expenses associated with the albeit appropriate and necessary structural procedure of due process and potential litigation will cost additional dollars and, therefore, will have some negative impact on the number of folks who are insured, we believe that it is necessary to go forward. That is why this amendment is offered.

This amendment contains two significant provisions that we believe will significantly enhance the opportunity to retain the insurance that is available for individuals for health insurance today and, perhaps, even enhance it based upon the creative approach in this amendment.

The first provisions are called medical savings accounts, and in honor of the former chairman of the Committee on Ways and Means, these have become known as Archer MSAs.

The problem with the Archer MSAs was that they were not permanent. They were not a viable insurance product, and notwithstanding recent polls that show that up to 90 percent of Americans believe these are necessary and appropriate, especially among that group that is the least insured with health insurance, the 18- to 29-year-olds who have that 91 percent desirability for this insurance, the structure of MSAs has been such that it does not work.

Mr. Chairman, this amendment refines medical savings accounts to produce a viable insurance product.

Mr. Chairman, I reserve the balance of my time.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent to yield the balance of my time to the gentleman from Texas (Mr. SAM JOHNSON) to control the time.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The gentleman from California (Mr. STARK) claims the time in opposition.

Mr. STARK. Mr. Chairman, I ask unanimous consent to allocate 10 minutes to the gentleman from New Jersey (Mr. ANDREWS).

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STARK. Mr. Chairman, I yield 2 minutes to myself.

Mr. Chairman, this is an old dead horse which for some reason has been revived again. Medical savings accounts have not worked in the private market and did not work when they were offered to Medicare beneficiaries. They did not sell one policy under Medicare. This provision comes with a price tag of nearly $5 billion over 10 years, and all that can be said is, "There they go again, the Republicans giving a tax cut to the very rich."

Mr. Chairman, the American Academy of Actuaries said the greatest savings from MSAs will be for the employees who have little or no health expenditures; and the greatest losses will be for those employees with substantial health care expenditures. Those with high expenditures are primarily older employees and pregnant women.

The Wall Street Journal article explaining the lack of demand for MSAs stated that consumers using MSAs must generally pay full price for medical services, while managed care plans get discounts of 30 to 60 percent. MSAs discourage preventive care, which leads to more serious health costs. MSAs do not work.

Mr. Chairman, why we should be increasing the ability of very rich people to have a second IRA and deny health care or raise the cost of health care for other workers escapes me. This is an amendment, laughable at best, proposed by people who think that they can buy some more votes by pandering to the very rich by giving away more tax deductions.

□ 1730

I might say that in the previous debate today, people talked about raising the cost of health insurance. There is not one credible, independent study ever conducted that shows the number of uninsured Americans would go up if we passed the Patients' Bill of Rights. I challenge the Republicans to show me such a study.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Mrs. KELLY).

Mrs. KELLY. Mr. Chairman, I rise today in strong support of the amendment offered by my colleagues. There are millions of Americans without health coverage, and they live in every one of our districts. We hear from them every day. One provision that is poised to have a tremendous impact on reducing the number of uninsured is association health plans.

I have heard some of my colleagues contend that AHPs are bad for women. Bad for women? How is affordable health coverage bad for women? Association health plans offer another tool for women to access affordable health insurance. Currently, small business owners, their families and their employees make up over 60 percent of the uninsured. Over half of these people are women. This is a no-brainer. AHPs are good for women. In fact, AHPs are strongly supported by the National Association of Women Business Owners, Women Impacting Public Policy, in addition to a host of other groups committed to increasing access to health care for hardworking women Americans.

Many small businesses do not have the ability to negotiate affordable health care prices the way big companies can. I think we should give them an opportunity to level this playing field.

I urge all of my colleagues to remember the women and uninsured of America and adopt this amendment.

Mr. STARK. Mr. Chairman, I yield myself such time as I may consume. I ask the gentlewoman from New York if she would care to respond to a question and answer for me if she knows of any women's group in the United States that endorses this outside of perhaps the Eagle Forum.

Mrs. KELLY. If the gentleman will yield, Mr. Chairman, I am sorry, perhaps the gentleman was not listening. Yes. The National Association of Women Business Owners and the Women Impacting Public Policy both. That is only two. There are others.

Mr. STARK. There are?

Mrs. KELLY. Yes.

Mr. STARK. Which others?

Mrs. KELLY. I do not have a list of them in my hand, but there are others.

Mr. STARK. I thank the gentlewoman.

Mr. Chairman, I yield 1½ minutes to the gentleman from Wisconsin (Mr. KLECZKA).

Mr. KLECZKA. Mr. Chairman, I rise in strong opposition to this amendment, especially the portion dealing with medical savings accounts. What are those? We all know about retirement savings accounts, IRAs; we know about education savings accounts putting money away for your child's education. Now we have medical savings accounts.

My question to the proponents is, where are individuals going to get all this money to slug into these various accounts? You have got to pay the mortgage, your gas bill, your heat bill and now you are supposed to have all this money left over to give to your IRA, your education IRA and then a medical IRA.

Mr. Chairman, if this passes and becomes law, this is the death knell for employer-sponsored insurance. I say that because only the healthy and the wealthy will be able to put money into medical savings accounts, leaving the rest of us and the sick, to pull the wagon. What will happen is rates will go up, employers will cancel their plan and say, You will have to go into a medical savings account. I can't afford this anymore.

Just to prove my point, the author of the amendment, Mr. THOMAS the chairman of the Committee on Ways and Means, said in March of 1998, that it would be not surprising if a health care package uses the Tax Code to get rid of the employer-sponsored insurance system."

Mr. Chairman, we see it is right here today and if this passes, say good-bye to your employer-sponsored health insurance because the rates are going to be too high for employers to keep it. Again, this plan is for the healthy and wealthy.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Georgia (Mr. NORWOOD).

Mr. NORWOOD. I thank the gentleman for yielding time.

Mr. Chairman, it is interesting to follow the previous speaker, because medical savings accounts hold the best promise for allowing Americans to break out of managed care entirely and take control of their own health care for the first time in many years. I do not have time to go into this a lot, but some of the most serious, real problems faced today by medical savings account companies is that a far higher mix of seriously ill patients are flocking into MSAs than other health plans, to the point that negative selection is currently hurting MSAs, not traditional insurance. The reason so many people with preexisting conditions are flocking to MSAs is that MSAs provide freedom, freedom to get the drug your doctor ordered, freedom to see your specialist without seeking permission from anyone or to have to file an appeal for an overturn.

I urge my colleagues to support this amendment for medical savings accounts because I think that it will help all of us do one of the things I have been trying to do all along, is get away from managed care.

Mr. STARK. Mr. Chairman, I am happy to yield 1½ minutes to the distinguished gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Mr. Chairman, as the sponsor of the amendment pointed out, this amendment deals with two points: one is medical savings accounts, the other is association health plans. I want to deal with the second issue, because I think it will have the unintended consequence of actually increasing the number of uninsured, not increasing the number of insured.

Let me just give you an example. In my State of Maryland, we have already had small market reform. Small companies can already join a state-regulated plan that is much less expensive than on the open market. If we are to adopt the associated health plan that is in this amendment, it will be the death knell for the small market reform in the State of Maryland.

Maryland is not alone. Other States have done the same thing. The reason quite frankly is the success of the Maryland small market reform is based upon all small employers coming into the Maryland plan, not picking and choosing between different plans. If we allow the associated health plans, that means there will be less companies insured in the State of Maryland. Do not take my word for it; take the word of Steve Larsen, the insurance commissioner for the State of Maryland, who is urging us not to pass this amendment and points out that the National Association of Insurance Commissioners oppose this amendment.

I would urge my colleagues to reject this amendment because it will increase the number of uninsured and reduce the opportunity for small companies in this country.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 1½ minutes to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I thank the gentleman for yielding time. I am curious as I watch this debate over medical savings accounts from the other side, if you are so much against MSAs, then why do you expand MSAs in your own bill? The Ganske-Dingell bill has medical savings accounts expansion and extension of them in their own legislation. So if they are so rotten, why are you advocating them in your own legislation?

Mr. Chairman, what this bill is about is whether or not we are going to improve the quality of health care for all Americans. That is the sole purpose of this bill. What this amendment gives us a chance to do is determine whether or not we can also improve the accessibility and affordability of health care. We all know that health care is getting too expensive, that it is inaccessible for too many people. This bill will do many great things to improve the quality of health care, but we need to work on making it more affordable for working families and we need to make it more accessible.

Association health plans, which is also in this amendment which is being ignored right now, allows the small little guy, the small businesses to band together to jointly purchase health insurance so they can get that big volume discount purchasing power that the big companies have. That is what we are accomplishing in this. We are giving small businesses, where 85 percent of the working family works for, the chance to get the same kind of health insurance deals that large corporations do, making health care more accessible and more affordable. Medical savings accounts as validated in the opposition's bill also expands freedom of choice in health care.

Mr. STARK. Mr. Chairman, I yield 1½ minutes to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. Mr. Chairman, I thank the gentleman for yielding me this time.

My wife always tells me that as she was going through medical school, the axiom that they always were told to remember was "do no harm." If you are going to go out there and be a physician and treat people, remember that if nothing else, you try to do no harm.

I do not understand why, if that is what doctors rely upon as they continue their career and their practice to try to heal and help, why we all of a sudden have to go against all those good physicians, all those good health care providers who are saying, please, do no harm to the Patients' Bill of Rights that we had, the same bill that last year got some 270 votes from the same Chamber. Why did we have to go into the back room and do this harm through these damaging three amendments that we have here before us? Why is it that we have to strip the accountability from the bill that would make sure that HMOs and insurance plans provide what patients want, the accountability. If you do harm to them, they have the right to go after you to get a remedy. Why is it that we strip away from those patients who are injured or perhaps even killed the ability to go after those who committed malpractice? Why? This is our chance to tell the American public that we believe, just as doctors do, that we should do no harm.

We have a great base bill before us. We should follow what we did last year. We should have the bipartisan vote that gave us 271 people in this same House of Representatives to vote for it and move forward and have what the American people want, a bill that will do no harm. Unfortunately, these amendments are killer, poison amendments. Please vote against all three of these amendments that are coming up and vote for the Dingell bill which is the true Patients' Bill of Rights.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. ENGLISH), a member of the Committee on Ways and Means.

Mr. ENGLISH. Mr. Chairman, in 1996 Congress provided patients with options to save for their health care needs and manage their own health care needs by creating medical savings accounts. But certain limitations placed on those accounts never allowed patients to fully realize the promise of MSAs.

Today, I urge my colleagues to make those accounts permanent and repeal the limitations put on them by supporting this amendment, this pro-consumer amendment. This amendment allows any size company to offer MSAs and also allows individuals to purchase MSAs, giving more people the power to choose the health care professionals, services and products that best meet their needs as individuals. It allows MSAs to be offered under cafeteria plans that will greatly expand the number of consumers that can be reached by MSAs and treat MSAs like other health care plans.

Many insurers have been reluctant to offer medical savings accounts because the cap limits the size of the market in which MSAs can be offered. We would repeal that cap. That is fundamentally pro-consumer legislation.

Mr. STARK. Mr. Chairman, I am happy to yield 2½ minutes to the gentleman from North Dakota (Mr. POMEROY), a former insurance commissioner of that fine State.

Mr. POMEROY. Mr. Chairman, I thank the gentleman for yielding time.

Back home we say you can take a pig, put lipstick on it, smell it and call it Monique, but it is still a pig. AHPs, association health plans, contained in this bill are just another iteration of what has been tried in the past and failed in the past to the disadvantage of small employers and their employees: multiple employer trusts in the early 1980s, giving way to multiple employer welfare arrangements in the late 1980s.

What these were were efforts to have unregulated insurance pools across small employers managed by associations. The net result, no regulation, no adequate oversight in terms of capitalization of these programs; and while the premiums were cheap, when the claims came in, the companies were not there. It is not just a matter of having a policy for purposes of having access to coverage. You want to make sure you actually have a solvent entity to pay the claim when you send in the bill. That is the problem about deregulating these association health plans. We have learned this lesson once. We have learned this lesson twice. Why, oh why, oh why on a bill that we are trying to increase consumer protections would the majority ask us to learn it yet a third time to the disadvantage again of small employers and the people covered in those programs?

There is another adverse feature to association health plans and that is that it busts up the risk pool. The way health insurance works is you get a whole lot of folks, healthy ones, medium healthy ones, sick ones, you put all their risks together and then you have a mechanism that can pay claims on those who incur medical services. This would segment out by attracting disproportionately healthy groups least likely to incur medical services. Everybody else would be in groups that are aging, groups whose health experience was deteriorating, and the premiums would be skyrocketing.

□ 1745

Do not take my word for it, because the Congressional Budget Office has evaluated this, and the Congressional Budget Office said if AHPs were enacted, four in five workers in small firms, 20 million Americans, would actually receive a rate increase. Only 4.6 million would receive a rate decrease. Why would you have rates go up by a feature of four to one in order to advance Association Health Plans?

It is a bad idea. It is not consumer protection, it is consumer harm. Reject that amendment.

Mr. SAM JOHNSON of Texas. Mr. Chairman, our opinion is that those health plans give people insurance, and they do lower the cost.

Mr. Chairman, I yield 30 seconds to the gentlewoman from Connecticut (Mrs. JOHNSON), a member of the Committee on Ways and Means.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I just would like to point out to my colleagues that in this bill there are solvency standards and a number of reforms that were not in there a number of years ago. What is exciting about the Association Health Plan option is it provides to small businesses the opportunity to offer health plans out from under State mandates, which is exactly what the larger employers have done. My constituents tell me that if they could organize their small business plans under the ERISA law, they could lower premiums 10 percent.

Mr. STARK. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from California is recognized for 30 seconds.

Mr. STARK. Mr. Chairman, the gentleman from North Dakota (Mr. POMEROY) asked, "Why would anybody do this?" I would answer that the one need just to look at Golden Rule Financial's contributions to find the answer: soft money, 1997 to 1998, $314,000 to the Republicans, and not a penny to the Democrats. Under this amendment, Golden Rule Insurance Company, the main company that benefits from MSAs, will get $5 billion over the next 10 years.

You guys are selling out too cheap to these lobbyists. You have taken their $300,000 and given them a bill worth 5 billion. That is what the Republicans are doing in this bill. They have sold out to the special interests; they have sold out to the insurance companies. Shame on you.

Mr. SAM JOHNSON of Texas. Shame on the trial lawyers who are trying to win millions of dollars on your bill.

Mr. Chairman, I yield 1 minute to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Mr. Chairman, I thank the gentleman for yielding me time.

Let me say, Mr. Chairman, that we need strong patient protection legislation. We have before us a bill that will do that, will provide access to emergency room, access to clinical trials, direct access for women to OB-Gyn and access to the courts for wrongful treatment.

But this amendment does something more. This amendment improves this legislation by expanding access to health care. There are 86,000 people in my State of South Dakota who do not have health care. Medical savings accounts and association health plans are a means by which our small businesses can make health care more affordable and more accessible to more people.

This is a good amendment, Mr. Chairman. We need to act on this amendment, act on this legislation, provide strong patient protection for people in this country, but also do something to address those who are uninsured, the many people across this country and those in my State of South Dakota who do not have access to health care today.

Let us enact the Thomas-Lipinski-Fletcher amendment and give more people more access to health care that is affordable by increasing and expanding MSAs and association health plans.

Mr. ANDREWS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment is very much in keeping in theme with the message today from the majority, which is illusions. The Norwood amendment creates the illusion of holding HMOs accountable for their misconduct, and we will discuss that in greater detail in the next amendment. This amendment creates the illusion of covering more of the uninsured Americans with health insurance. It is a remarkable miss of the target that we should be aiming at.

We hear a lot about the 43 million uninsured Americans. It is curious, first of all, that we never hear much from the majority party about the 43 million uninsured Americans in April when we are doing the budget resolution. It only seems to come up when the patients' bill of rights comes up and they need a justification for their position.

First of all, AHPs. The theory behind AHPs is that employers are going to enjoy a reduction in their premiums; and, therefore, more employers are going to buy health insurance and more individuals are going to be covered. That just does not square with the objective analyses that have been done of the AHP concept. One of them was done by the Congressional Budget Office, whose researchers concluded that AHPs would not reduce overall health insurance costs. The CBO found that four in five workers would see their health insurance costs increase under this amendment, under AHP legislation, because of disruption in health insurance markets. So the illusion that premiums would go down is not the fact.

The second problem with AHPs is that it really is a race for the bottom. It preempts and therefore repeals the consumer protection legislation adopted by States all across the country, legislation that requires a minimum length of stay after a C-section for a woman who has given birth, legislation that requires a minimum length of stay after a radical mastectomy. All of these consumer protections are repealed when the AHPs go in.

Maybe there is some argument that prices would go down, that if you eliminate quality standards and fiduciary standard, you could make it very cheap, but it would not be worth the money that people pay. So the argument that more people are going to be insured by AHPs just does not square with the facts. It does not square with the study by Rand researchers Steve Long and Susan Marque, who found that existing AHPs have not reduced insurance costs for participants.

The next idea that is going to get more people insured is individual health savings accounts. This is remarkable. The theory behind this is that a person making $21,000 or $22,000 a year who works full-time and has no health insurance is going to put all of this extra income that she has into one of these medical savings accounts at the end of the week, and that all of this extra income that she generates is going to pile up and provide her with the health benefit that her employer is either unable or unwilling to afford.

I would be curious as to how anyone in the majority could explain to us where this additional income is going to come from? I would invite the majority, I would yield to anyone over there, to tell me what present data tells us about who is participating in MSAs now, what the medium income of the participant is, how many people are participating in MSAs, whether they are in the bottom 30 percent of the wage earners in the country, since most of the uninsured working people in this country are in the bottom 30 percent of wage earners.

So this is a remarkable idea. We are giving low-income, full-time working people the right to put away money that they do not have. We perhaps should also introduce an amendment giving them the right to purchase a Rolls Royce, or a condominium at an expensive resort. It is about as useful to them, because they do not have the money to put away.

Mr. FLETCHER. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Kentucky.

Mr. FLETCHER. Mr. Chairman, would the gentleman please explain to me why MSA expansion is in your bill, and why the patient protections in that bill will not protect those patients in MSAs?

Mr. ANDREWS. Mr. Chairman, reclaiming my time, because it was necessary to build a majority coalition to pass the bill, which we would have done had the leadership brought it to the floor when it was originally promised.

Mr. Chairman, the problem with this amendment is it suffers the illusion, the continuing illusion, that we are going to cover more people. You want to cover more people? Put more money in the S-chip program. Repeal just a little piece of the tax cut that passed a couple of months ago and put more money into the program that has enrolled millions of children, and could enroll their parents, if we extended that. That is the way to enroll more people in health insurance.

You want to enroll more people in health insurance? Let seniors 55 and over buy into Medicare at their own expense. You want to cover more people by health insurance? Expand Medicaid reimbursement to the States. That is the way to do it; not this fraud, not this illusion that is before us today.

Mr. Chairman, I reserve the balance of my time.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, MSAs are important for more than half of the 43 million small business owners, their employees and their families, and in spite of what you say, the truth is that working-class people do use MSAs, and I am going to quote you.

"All three of us are working middle-class mothers, two of us are single moms, and we all have medical savings accounts that provide health insurance for our families. Our message to people in Washington is plain, unmistakable English that MSAs work."

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. SAM JOHNSON of Texas. I yield to the gentleman from New Jersey.

Mr. ANDREWS. Mr. Chairman, I wonder if the gentleman could tell us the source of the quote he just read?

Mr. SAM JOHNSON of Texas. Mr. Chairman, reclaiming my time, I will get it to the gentleman. I will tell him what he tells me: I will send it to you in writing.

Mr. Chairman, let me say that it is unfortunate that the base bill we are considering does just the opposite of providing insurance for our people. We believe that creating association health plans and expanding medical savings accounts guarantees the access they need. Working together, it helps employees and employers lower the cost of health insurance and gets the benefits they may not have had.

Increasing access to Medical Savings Accounts would help those people struggling to make ends meet. Medical savings accounts empower people to save their own money, tax free, for medical expenses in conjunction with a high deductible health plan. Health expenses can break the family budget. MSAs help cushion the blow. They help people get the care they need from a doctor of their choice or a hospital of their choice. The base bill does not do that.

It is time to focus on the uninsured, focus on access and affordability. This amendment is good for America and the 43 million Americans who do not have health insurance.

Do what is right. Vote for this amendment.

Mr. Chairman, I yield the rest of my time to the gentleman from Kentucky (Mr. FLETCHER) and ask unanimous consent that he be allowed to control the time.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ANDREWS. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, it is ironic that the gentleman from California (Chairman THOMAS) calls this amendment the access amendment. It is also disingenuous.

This amendment would reduce access to health insurance, not increase it. The gentleman from California (Chairman THOMAS) knows that. He knows this amendment has nothing to do with access; it has everything to do with helping a few individuals in a few businesses at the expense of the rest of us. It has everything to do with campaign contributions, as the gentleman from California (Mr. STARK) pointed out earlier.

Association health plans and MSAs make health insurance less expensive for a few healthy individuals and a few employers, while costs rise for every other individual and every other employer. Association health plans skim low-risk businesses from the rest of the insurance pool. Every other bill carries a larger burden when more risk is spread over fewer groups.

Medical savings accounts, they can be a great deal when you are 100 percent healthy. When you are sick, they turn into an expensive disappointment. The Congressional Research Service estimates that commercial insurance premiums will increase 2 percent or more if association plans are permitted.

Iris Lav and Emmett Keeler, two highly respected health services researchers, say that premiums for conventional insurance could more than double if MSA use becomes widespread.

Last night at midnight, the gentleman from California (Chairman THOMAS) sold this House a bill of goods, $27 billion in tax giveaways to the Nation's oil companies. I ask my colleagues, do not buy it again. A real patients' bill of rights is not going to blow the top off insurance premiums, but association health plans and medical savings accounts, sweetheart deals for the fortunate few, certainly will.

I urge Members to vote against the ill-conceived Thomas amendment.

Mr. FLETCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. BOEHNER), Chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Chairman, let me once again congratulate my colleague, the gentleman from Kentucky (Mr. FLETCHER), for his tremendous job in helping to move this entire process along this year. He has spent weeks and months, I might add, trying to build consensus for how do we break the gridlock and how do we move a real patients' bill of rights.

Now, my colleague, who was just here opposing association health plans and medical savings accounts, it should not surprise any of us, because he is one of the larger promoters of a single payer national health care system. My goodness, if we get people insured by private insurance, which is what most people want, there will not be any need for a single payer system.

□ 1800

In 1992, when this issue of health care began to be a big issue in America, we were worried about those 36 million Americans who had no health insurance. We remember the 1992 presidential campaign. We remember 1993, when we had this big effort of having a national health insurance plan, a card for every American. Then Americans stood up and said no, no, please, we do not want that. Our own health insurance is very good.

Then, over the last 6 years, all we have done is talk about patients' rights, and while they are important and we need to deal with them, let us admit that the far bigger problem in America today are the 43 million Americans who have no health insurance at all. All these patient protections, all the consumer protections my colleague just talked about mean absolutely nothing to those Americans who have no health insurance.

What we want to do under this amendment is make it easier for small businesses to offer health insurance for their employees, because 80 percent of those 43 million Americans have jobs, they have full-time jobs, and they work for smaller employers who do not have the ability to create large pools. But by allowing them to work in an association, whether it be the NFIB, whether it be the Association of American Florists, and create larger pools, they will get lower rates, they will have a better opportunity at getting health insurance. And why should we not help them?

Mr. FLETCHER. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. DOOLEY), who has cosponsored the Small Business Fairness Act, which is the bill on association health plans.

Mr. DOOLEY of California. Mr. Chairman, I rise in support of the association health plan proposal before us.

The number one problem in health care facing Americans is not their problems with their managed care organization; the number one problem facing Americans today is the fact that we have 43 million of our citizens who are uninsured.

I represent a district in the Central Valley of California, one of the lowest income areas, one that has a lot of families that are farm workers. It is predominantly Latino in its makeup. Association health plans hold the promise of allowing associations to come together to offer these families and the children of these farm worker families a health insurance policy that otherwise would not be available to them.

Mr. Chairman, we have to come to understand that what we are trying to do here is to provide a mechanism for farmers and small business people to come together, to come together so that they can offer a plan that is similar to what Boeing, Microsoft and GM are offering to their employees. This holds the promise of ensuring that some of those 43 million people, some of whom are living in my district, some of whom have the lowest incomes, will have access to a quality health insurance plan that otherwise they would be denied.

Mr. FLETCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. ARMEY), our majority leader.

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I would like to thank the gentleman from Kentucky (Mr. FLETCHER) for offering this amendment. I would also like to thank the gentleman from Illinois (Mr. HASTERT), the Speaker of the House; the gentleman from California (Mr. THOMAS); the gentleman from Illinois (Mr. LIPINSKI); the gentlewoman from Connecticut (Mrs. JOHNSON); and the gentleman from Georgia (Mr. NORWOOD) for their leadership and their continuing strong commitments to the Archer Medical Savings Accounts.

Mr. Chairman, patients need more than a bill of rights, they need a declaration of independence. Millions of American families today find themselves trapped in HMOs that they did not choose and they do not like. This amendment offers them a get-out-of-jail-free card. It offers them hope, gives them options that help them find peace of mind and more control over their health care treatments. It begins to address the basic unfairness in the Tax Code that created the HMO trap in the first place.

There are too many people in this debate, Mr. Chairman, I believe, who have nothing to say except patients should have a right to sue their HMO. But I submit that, before that, they should have a right to fire their HMO.

Mr. Chairman, this is America. We should have the freedom to take our business wherever we choose. Unfortunately, today's Tax Code denies that freedom to millions of American families, especially the poor and minorities and especially Hispanics.

If we really care about the uninsured, if we really care about the waitresses, the house painters, the field workers and the others shut out of affordable health care today, then we must make the taxation of health benefits fair for everyone, regardless of where they work or how much they make. By making Archer Medical Savings Accounts available to everyone, this amendment starts us down the road towards basic tax fairness.

Medical savings accounts can be a godsend for the uninsured. According to the IRS, one-third of the MSAs sold under the current pilot project have been purchased by folks who have otherwise been uninsured for at least the previous 6 months. Imagine how many uninsured people we could help if MSAs were given a fair shot in the marketplace, as this amendment would do.

Mr. Chairman, this is an amendment with a heart. It would be heartless to defeat it.

Mr. ANDREWS. Mr. Chairman, I yield myself such time as I may consume.

Under the budget rules of the House of Representatives, when someone brings a bill to the floor that would reduce revenue flow of the Treasury, they normally have to show where it is going to be paid for. This amendment was given an exception to that, so it is not subject to a point of order.

I wonder if anyone on the majority side could tell us where the $5 billion over the next 10 years is going to come from to pay for this bill.

Mr. Chairman, I yield to anyone on the majority side to tell us where the $5 billion is going to come from.

Mr. THOMAS. Mr. Chairman, I thank the gentleman for yielding.

I would tell the gentleman we have a golden opportunity today to find more than $2 billion of the amount that the gentleman indicated, because as the gentleman well notes, the medical malpractice amendment that will be up after we pass the Norwood amendment is scored by the appropriate scoring agencies as saving almost $2 billion.

Mr. ANDREWS. Mr. Chairman, reclaiming my time, I wonder where the other $3 billion might come from, the other $3 billion.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from California.

Mr. THOMAS. Mr. Chairman, we have a number of other measures that we will move along. As chairman of the Committee on Ways and Means, I can assure the gentleman that $3 billion over 10 years is not that large an amount of money to find, and as chairman of the Committee on Ways and Means, I pledge to the gentleman, we will find it.

If that is the gentleman's concern about not supporting the amendment, I hope he now supports it.

Mr. ANDREWS. Mr. Chairman, will the gentleman from California (Mr. THOMAS) do it by raising other revenues by $3 billion, by raising taxes?

Mr. THOMAS. Mr. Chairman, if the gentleman would again yield, I would tell the gentleman there is no need for $3 billion to raise taxes. There are a number of administrative changes, cleaning up provisions that are already in the law that the gentleman was instrumental in putting on the books, where we can find savings of far more than that.

Mr. ANDREWS. Mr. Chairman, reclaiming my time, I look forward to that.

Mr. Chairman, I reserve the balance of my time.

Mr. FLETCHER. Mr. Chairman, I yield 30 seconds to the gentleman from Georgia (Mr. ISAKSON).

Mr. ISAKSON. Mr. Chairman, I rise on behalf of those 43 million people who are America's salesmen, America's independent contractors, America's retail clerks, America's small businessmen and women, and I would ask each of those who oppose this to ask yourself this question before they vote: Why should we deny 43 million Americans the patients' rights, that those we are fighting for already enjoy, by not giving them better access to health care coverage which would otherwise not be available?

Mr. FLETCHER. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. PHELPS).

Mr. PHELPS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise today in support of this important amendment, which I have cosponsored. While we are discussing the Patients' Bill of Rights, it is important to remember that one of the major problems facing our great Nation today is the problem of the uninsured.

As a member of the Committee on Small Business, I know the positive effect that association health plans and medical savings plans can have on employees and employers of small businesses across the Nation. Of the 43 million uninsured in America, 60 percent of those either own or work in small business.

Small business employers need the opportunity to offer their employees a strong benefits package at a reasonably low cost. AHPs allow small businesses to join together across State lines to obtain the accessibility, affordability and choice in the health care marketplace now available to employees in large companies and organized labor unions.

Medical savings accounts are extremely beneficial because they actually allow individuals to be in control of their own health care, allowing them to decide how they want their money to be spent. More than one-third of the people who currently participate in MSAs were previously uninsured. It only makes sense to provide greater access to the uninsured, and AHPs and MSAs help do this.

Mr. FLETCHER. Mr. Chairman, I yield 30 seconds to the gentleman from Illinois (Mr. MANZULLO), chairman of the Committee on Small Business.

Mr. MANZULLO. Mr. Chairman, as chairman of the Committee on Small Business, I receive thousands of letters from small employers, many from northern Illinois, who are struggling with surging health care costs for their employees. We call this "Health Care Horror Stories from America's Small Employers."

Today, we have an opportunity to protect patients' rights and improve the quality of health care. This amendment allows small employers the ability to bring down health insurance costs for themselves and their employees by joining association health plans, similar to the way that labor unions pool their members to lower premiums for their insurance. We cannot possibly believe we are protecting patients if more small entrepreneurs stop paying for coverage.

Mr. Chairman, I encourage the adoption of this amendment.

As Chairman of the Committee on Small Business, I am troubled by the fact that of the 43 million Americans with no health insurance, more than 60 percent are the families of small entrepreneurs and their employees.

I have received thousands of letters from small employers—many from the northern Illinois district I represent—who are struggling with surging health care costs for their employees.

Geoff Brook is one of my constituents who offers health care coverage to his employees at Energy Dynamics, Inc. in Machesney Park, Illinois. The last three years especially, premiums have skyrocketed and Geoff has reluctantly been forced to cancel coverage for the families of his employees and raise deductibles for his employees themselves. He recently received a notice from his insurance company that his employees' premiums were going to increase another 34 percent for the coming year. "As the owner of a 20-year-old small business with 18 employees, I can tell you that employee health insurance is already at the point where any further rate increases will cause us to discontinue coverage for our employees," Geoff said.

Mark O'Donnell is another of my constituents who employs 35 people at Kenwood Electrical Systems, Inc. in Rockford, Illinois. Mark writes, "Our health insurance costs were raised 43 percent last year and 34 percent this year and there is nothing we can do about it. We have a real problem here."

And Linda Taylor, who owns Taylor Auto Parts with her husband, Larry, in Woodstock, Illinois, writes, "Health care costs and insurance are draining us. Last year, we had a 14 percent increase and had to change to $1,000 deductibles. Now, the costs are going up 21 percent again. I truthfully do not know how to handle this latest increase," said Linda, who provides health care coverage to four employees.

This is not a unique problem in my district. Access to healthcare is a problem our small entrepreneurs face each year they have decide between paying escalating premiums and dropping coverage of their employees. Large health plans may spread the increased costs over their large applicant pools without much of a change in enrollment. A large business or union health plan enrollee might spend slightly more on healthcare, but it will probably not push them out of the health care system.

The small entrepreneur and his or her employees, however, struggle with radical increases in health care premiums. Especially for a business with fewer than 50 employees, its health care premiums skyrocket when a member of the small enrollee pool becomes ill or injured. When the husband of a Chrysler employee goes to an emergency room, the Chrysler health insurance plan easily spreads out the cost, but for a small auto mechanic, the cost of his employee's trip to the emergency room forces a small group of workers to shoulder a significant burden.

Fortunately, today, we have an opportunity to protect patients' rights and improve the quality of health care without causing more Americans to lose their health insurance. This imperative amendment will give small employers hope to bring down health insurance costs for themselves and their employees by joining Association Health Plans and through expanded use of Medical Savings Accounts.

Association Health Plans (AHPs) will provide greater choice and access to affordable, high quality, private sector health insurance for millions of working families employed in small businesses.

AHPs empower small business owners, who currently cannot afford to offer health insurance to their employees, to access health insurance through trade and professional associations and Chambers of Commerce. In other words, AHPs allow national trade and professional associations, like the National Federation of Independent Business, the National Restaurant Association or the U.S. Chamber of Commerce, to sponsor health care plans. The small business owners who are members of the associations can buy into these plans for themselves and their employees.

These associations would cover very large groups, would enjoy large economies of scale to that of a large business or union, and could offer self-funded plans that would not have to provide any margin for insurance company profits.

AHPs give small businesses and the self-employed the freedom to design more affordable benefit options and offer their workers access to health care coverage. These new coverage options promote greater competition, lower costs and new choices in health insurance markets. By allowing individuals and small employers to join together, AHPs promote the same economies of scale and purchasing clout that workers in large companies currently realize.

Expansion of Medical Savings Accounts (MSAs) will make insurance more affordable for businesses with qualifying high deductible plans. Expansion of MSAs will encourage more individuals to place tax-deductible funds into savings accounts for use in routine medical care while still allowing a wide choice among doctors.

Initially created by Health Insurance Portability and Accountability Act of 1996, MSAs have not been fully utilized by their target sector. However, enacting simple reforms and expansions will allow more small businesses to cut down on their healthcare costs. These provisions include repealing limits on the number of MSAs, making active accounts generally available to anyone with qualifying high deductible insurance, allowing contributions up to the amount of the insurance deductible, allowing contributions to be made both by employers and account owners, lowering minimum insurance deductibles for single and family coverage, allowing use under cafeteria plans, and allowing plans not to have a deductible for preventive care, even if this is not required by state law.

AHP and MSA legislation will not directly offset the increased costs of healthcare when a Patients' Bill of Rights is enacted. However, small businesses are the sector most likely to cease offering insurance because of increase costs, and AHP and MSA legislation will allow these groups to access and afford quality healthcare.

We cannot possibly believe we are protecting patients if more small entrepreneurs stop paying for coverage—which will happen with rising premiums. Association Health Plan and Medical Savings Account provisions are the only responsible way to protect patients.

Mr. ANDREWS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the record shows that this amendment will not substantially increase coverage. The association health plans will not substantially reduce premiums; therefore, more employers will not be enticed to buy in. MSAs are not going to work for low- and modest-income people who do not have money to put into the MSAs.

This is an illusion, much like the Norwood amendment that we are going to debate next. I urge the defeat of the amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. FLETCHER. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Chairman, the gentleman on the other side cannot hide the truth. Associated health care plans, if you have a union or large business that has maybe 3,000 or 4,000 employees, they can go to a health care organization and negotiate lower rates because it spreads out the risk.

We are asking that maybe all the bakers get together, all the barbers get together, little groups that can form into larger groups so that they can negotiate those health care plans with lower rates. If we have lower rates, we are going to have more people access into them, so the gentleman is just flat wrong.

Another gentleman talked about taxes. The gentleman from Missouri (Mr. GEPHARDT) just last week said he wants to raise taxes. In 1993, he was proud of it. They raised taxes on the middle class. We want to give it back to the American people for medical savings accounts, not have campaign finance fund-raisers with Jane Fonda.

Mr. FLETCHER. Mr. Chairman, I yield 30 seconds to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Chairman, I rise in strong support of the amendment and of Indiana's small business owners. For too long they have lacked access to affordable health care options to offer their employees.

The answer, Mr. Chairman, is fairness. Large corporations and labor unions can offer health insurance across State lines under a single uniform code and reap all of the benefits of the economies of scale. Congress today in this amendment must level the playing field for small business.

Let us grant small businesses the same rights as Fortune 500 companies. Association health plans are the answer, and I urge my colleagues to support this amendment.

Mr. FLETCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as we look at the problem facing America and health care, the most daunting problem we have are the 43 million that are uninsured. The majority of those uninsured are working individuals. The majority of those working individuals are in small businesses. What we do with association health plans is allow those small businesses to come together, to insure themselves across the Nation.

Mr. Chairman, this last year when I was going across my district, I talked to farmers that were paying on the individual market for their family up to $800 and 900 a month. That was unaffordable for them. Now, imagine if the American Farm Bureau could provide a plan and pool across the Nation and offer that individual farmer a policy for his family that was 30 percent, maybe more than that, reduced from what he is paying now; what impact would that have on the farmers across this country?

☐ 1815

Or the other 81 or number of organizations, associations that we have supporting this bill, because their associations should be able to offer their members a plan just like unions do, multi-employer plans now.

So I think in addition to that, when we combine this to the Ganske-Dingell bill and hopefully the Norwood amendment, we provide all the patient protections that ensure that patients get not only this pooled health care plan that will reduce costs, but we provide them the patient protections that everyone will get across this Nation including the accountability.

I want to encourage my colleagues to vote for this measure to improve the health care in America and provide more insurance for Americans.

Mrs. MORELLA. Mr. Chairman, while I want to increase health insurance access for all Americans, Association Health Plans (AHPs) are not the way to do it.

The provisions put forth in this amendment would exempt AHPs from State laws requiring the coverage of services for women, children, and other vulnerable groups. In my State of Maryland, AHPs would be exempt from requirements for insurance plans to cover maternity care, pediatric services for children, mammography and cervical cancer screening, contraceptives, nurse midwives, mastectomy stays and breast reconstruction.

Exempting AHPs from State insurance reform laws is also bad public policy. The National Governors Associations, National Conference of State Legislatures, and the National Association of Insurance Commissioners have written in staunch opposition to these "access" provisions.

Moreover, this proposal will harm many workers, while doing little to address the amount of uninsured individuals. The Congressional Budget Office (CBO) projected that 20 million people would experience a premium rate increase under this proposal, while only 5 million would see their rates decline. The CBO also found that any premium reductions by AHPs would stem from attracting healthier members from State insurance pools, which by the way, Medical Savings Accounts also end up doing, and eliminate State required health care benefits.

In 1974, Congress passed a law creating an exemption for AHPs. It was an unmitigated disaster. A report by the former chief counsel of the Senate Permanent Subcommittee on Investigations has noted that the current AHP exemption repeats the historical mistakes of the original 1974 exemption. Congress had to pass a law several years later returning regulatory authority to the States. Let's not make the same mistake twice.

The CHAIRMAN. All time for debate on this amendment has expired.

The question is on the amendment offered by the gentleman from California (Mr. THOMAS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ANDREWS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 236, noes 194, not voting 4, as follows:

[Roll No. 328]

YEAS—236

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Condit
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Harman
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Maloney (CT)
Manzullo
Mascara
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Moran (VA)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—194

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Edwards
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (NY)
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Morella
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—4

Ganske
Issa
Lipinski
Spence

□ 1840

Messrs. BERMAN, INSLEE, BAIRD, and SHOWS changed their vote from "aye" to "no."

Mrs. ROUKEMA and Ms. HARMAN changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. ISSA. Mr. Chairman, on rollcall No. 328, I was inadvertently detained. Had I been present, I would have voted "aye".

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 107–184.

AMENDMENT NO. 2 OFFERED BY MR. NORWOOD

Mr. NORWOOD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. NORWOOD:

Amend section 402 to read as follows:

SEC. 402. AVAILABILITY OF CIVIL REMEDIES.

(a) IN GENERAL.—Section 502 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132) is amended by adding at the end the following:

"(n) CAUSE OF ACTION RELATING TO CLAIMS FOR HEALTH BENEFITS.—

"(1) CAUSE OF ACTION.—

"(A) IN GENERAL.—With respect to an action commenced by a participant or beneficiary (or the estate of the participant or beneficiary) in connection with a claim for benefits under a group health plan, if—

"(i) a designated decisionmaker described in paragraph (2) fails to exercise ordinary care—

"(I) in making a determination denying the claim for benefits under section 503A (relating to an initial claim for benefits),

"(II) in making a determination denying the claim for benefits under section 503B (relating to an internal appeal), or

"(III) in failing to authorize coverage in compliance with the written determination of an independent medical reviewer under section 503C(d)(3)(F) that reverses a determination denying the claim for benefits, and

"(ii) the delay in receiving, or failure to receive, benefits attributable to the failure described in clause (i) is the proximate cause of personal injury to, or death of, the participant or beneficiary,

such designated decisionmaker shall be liable to the participant or beneficiary (or the estate) for economic and noneconomic damages in connection with such failure and such injury or death (subject to paragraph (4)).

"(B) Rebuttable presumption.—In the case of a cause of action under subparagraph (A)(i)(I) or (A)(i)(II), if an independent medical reviewer under section 503C(d) or 503C(e)(4)(B) upholds the determination denying the claim for benefits involved, there shall be a presumption (rebuttable by clear and convincing evidence) that the designated decisionmaker exercised ordinary care in making such determination.

"(2) Designated decisionmaker.—

"(A) Appointment.—

"(i) In general.—The plan sponsor or named fiduciary of a group health plan shall, in accordance with this paragraph with respect to a participant or beneficiary, designate a person that meets the requirements of subparagraph (B) to serve as a designated decisionmaker with respect to the cause of action described in paragraph (1), except that—

"(I) with respect to health insurance coverage offered in connection with a group health plan, the health insurance issuer shall be the designated decisionmaker unless the plan sponsor and the issuer specifically agree in writing (on a form to be prescribed by the Secretary) to substitute another person as the designated decisionmaker; or

"(II) with respect to the designation of a person other than a plan sponsor or health insurance issuer, such person shall satisfy the requirements of subparagraph (D).

"(ii) Plan documents.—The designated decisionmaker shall be specifically designated as such in the written instruments of the plan (under section 402(a)) and be identified as required under section 121(b)(15) cf the Bipartisan Patient Protection Act.

"(B) Requirements.—For purposes of this paragraph, a designated decisionmaker meets the requirements of this subparagraph with respect to any participant or beneficiary if—

"(i) such designation is in such form as may be specified in regulations prescribed by the Secretary,

"(ii) the designated decisionmaker—

"(I) meets the requirements of subparagraph (C),

"(II) assumes unconditionally all liability arising under this subsection in connection with actions and failures to act described in subparagraph (A) (whether undertaken by the designated decisionmaker or the employer, plan, plan sponsor, or employee or agent thereof) during the period in which the designation under this paragraph is in effect relating to such participant or beneficiary, and

"(III) where subparagraph (C)(ii) applies, assumes unconditionally the exclusive authority under the group health plan to make determinations on claims for benefits (irrespective of whether they constitute medically reviewable determinations) under the plan with respect to such participant or beneficiary, and

"(iii) the designated decisionmaker and the participants and beneficiaries for whom the decisionmaker has assumed liability are identified in the written instrument required under section 402(a) and as required under section 121(b)(15) of the Bipartisan Patient Protection Act.

Any liability assumed by a designated decisionmaker pursuant to this paragraph shall be in addition to any liability that it may otherwise have under applicable law.

"(C) Qualifications for designated decisionmakers.—

"(i) In general.—Subject to clause (ii), an entity is qualified under this subparagraph to serve as a designated decisionmaker with respect to a group health plan if the entity has the ability to assume the liability described in subparagraph (A) with respect to participants and beneficiaries under such plan, including requirements relating to the financial obligation for timely satisfying the assumed liability, and maintains with the plan sponsor certification of such ability. Such certification shall be provided to the plan sponsor or named fiduciary upon designation under this paragraph and not less frequently than annually thereafter, or if such designation constitutes a multiyear arrangement, in conjunction with the renewal of the arrangement.

"(ii) Special qualification in the case of certain reviewable decisions.—In the case of a group health plan that provides benefits consisting of medical care to a participant or beneficiary only through health insurance coverage offered by a health insurance issuer, such issuer is the only entity that may be qualified under this subparagraph to serve as a designated decisionmaker with respect to such participant or beneficiary, and shall serve as the designated decisionmaker unless the employer or other plan sponsor acts affirmatively to prevent such service.

"(D) Requirements relating to financial obligations.—For purposes of subparagraphs (A)(i)(II) and (C)(i), the requirements relating to the financial obligation of an entity for liability shall include—

"(i) coverage of such entity under an insurance policy or other arrangement, secured and maintained by such entity, to effectively insure such entity against losses arising from professional liability claims, including those arising from its service as a designated decisionmaker under this subsection; or

"(ii) evidence of minimum capital and surplus levels that are maintained by such entity to cover any losses as a result of liability arising from its service as a designated decisionmaker under this subsection.

The appropriate amounts of liability insurance and minimum capital and surplus levels for purposes of clauses (i) and (ii) shall be determined by an actuary using sound actuarial principles and accounting practices pursuant to established guidelines of the American Academy of Actuaries and in accordance with such regulations as the Secretary may prescribe and shall be maintained throughout the term for which the designation is in effect. The provisions of this subparagraph shall not apply in the case of a designated decisionmaker that is a group health plan, plan sponsor, or health insurance issuer and that is regulated under Federal law or a State financial solvency law.

"(E) Limitation on appointment of treating physicians.—A treating physician who directly delivered the care or treatment or provided services which is the subject of a cause of action by a participant or beneficiary under paragraph (1) may not be appointed (or deemed to be appointed) as a designated decisionmaker under this paragraph with respect to such participant or beneficiary.

"(F) Failure to appoint.—With respect to any cause of action under paragraph (1) relating to a denial of a claim for benefits where a designated decisionmaker has not been appointed in accordance with this paragraph, the plan sponsor or named fiduciary responsible for determinations under section 503 shall be deemed to be the designated decisionmaker.

"(G) Effect of appointment.—The appointment of a designated decisionmaker in accordance with this paragraph shall not affect the liability of the appointing plan sponsor or named fiduciary for the failure of the plan sponsor or named fiduciary to comply with any other requirement of this title.

"(H) Treatment of certain trust funds.—For purposes of this subsection, the terms 'employer' and 'plan sponsor', in connection with the assumption by a designated decisionmaker of the liability of employer or other plan sponsor pursuant to this paragraph, shall be construed to include a trust fund maintained pursuant to section 302 of the Labor Management Relations Act, 1947 (29 U.S.C. 186) or the Railway Labor Act (45 U.S.C. 151 et seq.).

"(3) Requirement of exhaustion of independent medical review.—

"(A) In general.—Paragraph (1) shall apply only if—

"(i) a final determination denying a claim for benefits under section 503B has been referred for independent medical review under section 503C(d) and a written determination by an independent medical reviewer has been issued with respect to such review, or

"(ii) the qualified external review entity has determined under section 503C(c)(3) that a referral to an independent medical reviewer is not required.

"(B) Injunctive relief for irreparable harm.—A participant or beneficiary may seek relief under subsection (a)(1)(B) prior to the exhaustion of administrative remedies under section 503B or 503C (as required under subparagraph (A)) if it is demonstrated to the court, by a preponderance of the evidence, that the exhaustion of such remedies would cause irreparable harm to the health of the participant or beneficiary. Any determinations that already have been made under section 503A, 503B, or 503C in such case, or that are made in such case while an action under this subparagraph is pending, shall be given due consideration by the court in any action under subsection (a)(1)(B) in such case. Notwithstanding the awarding of such relief under subsection (a)(1)(B) pursuant to this subparagraph, no relief shall be available under paragraph (1), with respect to a participant or beneficiary, unless the requirements of subparagraph (A) are met.

"(C) Receipt of benefits during appeals process.—Receipt by the participant or beneficiary of the benefits involved in the claim for benefits during the pendency of any administrative processes referred to in subparagraph (A) or of any action commenced under this subsection—

"(i) shall not preclude continuation of all such administrative processes to their conclusion if so moved by any party, and "(ii) shall not preclude any liability under subsection (a)(1)(C) and this subsection in connection with such claim.

The court in any action commenced under this subsection shall take into account any receipt of benefits during such administrative processes or such action in determining the amount of the damages awarded.

"(4) LIMITATIONS ON RECOVERY OF DAMAGES.—

"(A) MAXIMUM AWARD OF NONECONOMIC DAMAGES.—The aggregate amount of liability for noneconomic loss in an action under paragraph (1) may not exceed $1,500,000.

"(B) LIMITATION ON AWARD OF PUNITIVE DAMAGES.—In the case of any action commenced pursuant to paragraph (1), the court may not award any punitive, exemplary, or similar damages against a defendant, except that the court may award punitive, exemplary, or similar damages (in addition to damages described in subparagraph (A)), in an aggregate amount not to exceed $1,500,000, if—

"(i) the denial of a claim for benefits involved in the case was reversed by a written determination by an independent medical reviewer under section 503C(d)(3)(F); and

"(ii) there has been a failure to authorize coverage in compliance with such written determination.

"(C) PERMITTING APPLICATION OF LOWER STATE DAMAGE LIMITS.—A State may limit damages for noneconomic loss or punitive, exemplary, or similar damages in an action under paragraph (1) to amounts less than the amounts permitted under this paragraph.

"(5) ADMISSIBILITY.—In an action described in subclause (I) or (II) of paragraph (1)(A) relating to a denial of a claim for benefits, any determination by an independent medical reviewer under section 503C(d) or 503C(e)(4)(B) relating to such denial is admissible.

"(6) WAIVER OF INTERNAL REVIEW.—In the case of any cause of action under paragraph (1), the waiver or nonwaiver of internal review under section 503B(a)(4) by the group health plan, or health insurance issuer that offers health insurance coverage in connection with a group health plan, shall not be used in determining liability.

"(7) LIMITATIONS ON ACTIONS.—Paragraph (1) shall not apply in connection with any action that is commenced more than 5 years after the date on which the failure described in such paragraph occurred or, if earlier, not later than 2 years after the first date the participant or beneficiary became aware of the personal injury or death referred to in such paragraph.

"(8) EXCLUSION OF DIRECTED RECORDKEEPERS.—

"(A) IN GENERAL.—Paragraph (1) shall not apply with respect to a directed record keeper in connection with a group health plan.

"(B) DIRECTED RECORDKEEPER.—For purposes of this paragraph, the term 'directed record keeper' means, in connection with a group health plan, a person engaged in directed recordkeeping activities pursuant to the specific instructions of the plan, the employer, or another plan sponsor, including the distribution of enrollment information and distribution of disclosure materials under this Act or title I of the Bipartisan Patient Protection Act and whose duties do not include making determinations on claims for benefits.

"(C) LIMITATION.—Subparagraph (A) does not apply in connection with any directed recordkeeper to the extent that the directed recordkeeper fails to follow the specific instruction of the plan or the employer or other plan sponsor.

"(9) PROTECTION OF THE REGULATION OF QUALITY OF MEDICAL CARE UNDER STATE LAW.—Nothing in this subsection shall be construed to preclude any action under State law against a person or entity for liability or vicarious liability with respect to the delivery of medical care. A cause of action that is based on or otherwise relates to a group health .plan's determination on a claim for benefits shall not be deemed to be the delivery of medical care under any State law for purposes of this paragraph. Any such cause of action shall be maintained exclusively under this section. Nothing in this paragraph shall be construed to alter, amend, modify, invalidate, impair, or supersede section 514.

"(10) COORDINATION WITH FIDUCIARY REQUIREMENTS.—A fiduciary shall not be treated as failing to meet any requirement of part 4 solely by reason of any action taken by a fiduciary which consists of full compliance with the reversal under section 503C (relating to independent external appeals procedures for group health plans) of a denial of claim for benefits (within the meaning of section 503C(i)(2)).

"(11) CONSTRUCTION.—Nothing in this subsection shall be construed as authorizing a cause of action under paragraph (1) for the failure of a group health plan or health insurance issuer to provide an item or service that is specifically excluded under the plan or coverage.

"(12) LIMITATION ON CLASS ACTION LITIGATION.—A claim or cause of action under this subsection may not be maintained as a class action, as a derivative action, or as an action on behalf of any group of 2 or more claimants.

"(13) PURCHASE OF INSURANCE TO COVER LIABILITY.—Nothing in section 410 shall be construed to preclude the purchase by a group health plan of insurance to cover any liability or losses arising under a cause of action under subsection (a)(1)(C) and this subsection.

"(14) RETROSPECTIVE CLAIMS FOR BENEFITS.—A cause of action shall not arise under paragraph (1) where the claim for benefits relates to an item or service that has already been provided to the participant or beneficiary under the plan or coverage and the claim relates solely to the subsequent denial of payment for the provision of such item or service.

"(15) EXEMPTION FROM PERSONAL LIABILITY FOR INDIVIDUAL MEMBERS OF BOARDS OF DIRECTORS, JOINT BOARDS OF TRUSTEES, ETC.—Any individual who is—

"(A) a member of a board of directors of an employer or plan sponsor; or

"(B) a member of an association, committee, employee organization, joint board of trustees, or other similar group of representatives of the entities that are the plan sponsor of plan maintained by two or more employers and one or more employee organizations;

shall not be personally liable under this subsection for conduct that is within the scope of employment or of plan-related duties of the individuals unless the individual acts in a fraudulent manner for personal enrichment.

"(16) DEFINITIONS AND RELATED RULES.—For purposes of this subsection:

"(A) CLAIM FOR BENEFITS.—The term 'claim for benefits' shall have the meaning given such term in section 503A(e).

"(B) GROUP HEALTH PLAN.—The term 'group health plan' shall have the meaning given such term in section 733(a).

"(C) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' has the meaning given such term in section 733(b)(1).

"(D) HEALTH INSURANCE ISSUER.—The term 'health insurance issuer' has the meaning given such term in section 733(b)(2).

"(E) ORDINARY CARE.—The term 'ordinary care' means, with respect to a determination on a claim for benefits, that degree of care, skill, and diligence that a reasonable and prudent individual would exercise in making a fair determination on a claim for benefits of like kind to the claims involved.

"(F) PERSONAL INJURY.—The term 'personal injury' means a physical injury and includes an injury arising out of the treatment (or failure to treat) a mental illness or disease.

"(G) TREATMENT OF EXCEPTED BENEFITS.—The provisions of this subsection (and subsection (a)(1)(C)) shall not apply to excepted benefits (as defined in section 733(c)), other than benefits described in section 733(c)(2)(A), in the same manner as the provisions of part 7 do not apply to such benefits under subsections (b) and (c) of section 732.

(2) CONFORMING AMENDMENT.—Section 502(a)(1) of such Act (29 U.S.C. 1132(a)(1)) is amended—

(A) by striking "or" at the end of subparagraph (A);

(B) in subparagraph (B), by striking "plan;" and inserting "plan, or"; and

(C) by adding at the end the following new subparagraph:

"(C) for the relief provided for in subsection (n) of this section.".

(b) AVAILABILITY OF ACTIONS IN STATE COURT.—

(1) JURISDICTION OF STATE COURTS.—Section 502(e)(1) of such Act (29 U.S.C. 1132(e)) is amended—

(A) in the first sentence, by striking "subsection (a)(1)(B)" and inserting "paragraphs (1)(B), (1)(C), and (7) of subsection (a)";

(B) in the second sentence, by striking "paragraphs (1)(B) and (7)" and inserting "paragraphs (1)(B), (1)(C), and (7)"; and

(C) by adding at the end the following new sentence: "State courts of competent jurisdiction in the State in which the plaintiff resides and district courts of the United States shall have concurrent jurisdiction over actions under subsections (a)(1)(C) and (n).".

(2) LIMITATION ON REMOVABILITY OF CERTAIN ACTIONS IN STATE COURT.—Section 1445 of title 28, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) A civil action brought in any State court under subsections (a)(1)(C) and (n) of section 502 of the Employee Retirement Income Security Act of 1974 against any party (other than the employer, plan, plan sponsor, or other entity treated under section 502(n) of such Act as such) arising from a medically reviewable determination may not be removed to any district court of the United States.

"(2) For purposes of paragraph (1), the term 'medically reviewable decision' means a denial of a claim for benefits under the plan which is described in section 503C(d)(2) of the Employee Retirement Income Security Act of 1974.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to acts and omissions, from which a cause of action arises, occurring on or after the applicable effective date under section 601.

Amend section 403 to read as follows:

SEC. 403. LIMITATION ON CERTAIN CLASS ACTION LITIGATION.

(a) IN GENERAL.—Section 502 of the Employee Retirement Income Security Act of

1974 (29 U.S.C. 1132), as amended by section 402, is further amended by adding at the end the following:

"(o) Limitation on Class Action Litigation.—Any claim or cause of action that is maintained under this section (other than under subsection (n)) or under section 1962 or 1964(c) of title 18, United States Code, in connection with a group health plan, or health insurance coverage issued in connection with a group health plan, as a class action, derivative action, or as an action on behalf of any group of 2 or more claimants, may be maintained only if the class, the derivative claimant, or the group of claimants is limited to the participants or beneficiaries of a group health plan established by only 1 plan sponsor. No action maintained by such class, such derivative claimant, or such group of claimants may be joined in the same proceeding with any action maintained by another class, derivative claimant, or group of claimants or consolidated for any purpose with any other proceeding. In this paragraph, the terms 'group health plan' and 'health insurance coverage' have the meanings given such terms in section 733.".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to actions commenced on or after August 2, 2001. Notwithstanding the preceding sentence, with respect to class actions, the amendment made by subsection (a) shall apply with respect to civil actions which are pending on such date in which a class action has not been certified as of such date.

Amend section 603 to read as follows:

SEC. 603. SEVERABILITY.

(a) In General.—Except as provided in subsections (b) and (c), if any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

(b) Dependence of Remedies on Appeals.—If any provision of section 503A, 503B, or 503C of the Employee Retirement Income Security Act of 1974 (as inserted by section 131) or the application of either such section to any person or circumstance is held to be unconstitutional, section 502(n) of such Act (as inserted by section 402) shall be deemed to be null and void and shall be given no force or effect.

(c) Remedies.—If any provision of section 502(n) of the Employee Retirement Income Security Act of 1974 (as inserted by section 402), or the application of such section to any person or circumstance, is held to be unconstitutional, the remainder of such section shall be deemed to be null and void and shall be given no force or effect.

Page 16, line 10, strike "on a timely basis" and insert "in accordance with the applicable deadlines established under this section and section 503B".

Page 29, line 14, strike "or modify".

Page 36, line 12, strike "upheld, reversed, or modified" and insert "upheld or reversed".

Page 39, line 23, strike "uphold, reverse, or modify" and insert "uphold or reverse".

Page 40, line 8, and page 44, line 9, strike "or modify".

Page 23, line 18; page 41, line 19; page 43, line 2; , , strike "reviewer (or reviewers)" and insert "a review panel".

Page 33, line 7, strike "reviewer" and insert "review panel".

Page 34, line 25, strike "reviewer" and insert "review panel composed of 3 independent medical reviewers".

Page 34, lines 8 and 13; page 36, line 8; page 37, line 3; page 38, lines 6 and 20; page 39, line 4, 20, and 21; page 40, lines 1, 2 and 14; page 41, line 6; page 43, lines 6, 17, and 20; page 44, lines 5, 9, and 14; page 45, line 24; page 61, line 5; page 67, line 3; page 68, line 25; , strike "reviewer" and insert "review panel".

Page 36, line 14; page 43, line 21; page 44, line 12; , strike "reviewer's" and insert "review panel's".

Page 41, line 4, strike "reviewer (or reviewers)" and insert "review panel".

Page 47, line 15, strike "independent external reviewer" and insert "independent medical review panel".

Page 50, line 20, strike "1 or more individuals" and insert "an independent medical review panel".

Page 51, amend lines 4 through 6 to read as follows:

"(B) with respect to each review, the review panel meets the requirements of paragraph (4) and at least 1 reviewer on the panel meets the requirements described in paragraph (5); and

Page 51, line 8, strike "the reviewer" and insert "each reviewer".

Page 53, line 21, strike "a reviewer" and insert "each reviewer".

Page 54, line 6, strike "a reviewer (or reviewers)" and insert "the independent medical review panel".

Page 61, line 5, insert "or any independent medical review panel" after "reviewer".

Page 64, lines 1 and 5, strike "reviewers" and insert "review panel".

Page 64, line 14; page 69, lines 16 and 19, strike "reviewers" and insert "review panels".

Page 8, after line 17, insert the following (and place the text from page 8, line 18, through page 16, line 20 in quotation marks):

Part 5 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 is amended by inserting after section 503 (29 U.S.C. 1133) the following:

"SEC. 503A. PROCEDURES FOR INITIAL CLAIMS FOR BENEFITS AND PRIOR AUTHORIZATION DETERMINATIONS.

Page 16, after line 21, insert the following (and place the text from page 16, line 22, through page 25, line 13 in quotation marks):

Part 5 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (as amended by section 102) is amended further by inserting after section 503A (29 U.S.C. 1133) the following:

"SEC. 503B. INTERNAL APPEALS OF CLAIMS DENIALS.

Page 25, after line 15, insert the following (and place the text from page 25, line 16, through page 69, line 22 in quotation marks):

Part 5 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (as amended by sections 102 and 103) is amended further by inserting after section 503B (29 U.S.C. 1133) the following:

"SEC. 503C. INDEPENDENT EXTERNAL APPEALS PROCEDURES.

Page 119, line 1, insert after "treatment." the following: "The name of the designated decisionmaker (or decisionmakers) appointed under paragraph (2) of section 502(n) of the Employee Retirement Income Security Act of 1974 for purposes of such section.".

Page 138, line 21, insert after "plan" the following: "and only with respect to patient protection requirements under section 101 and subtitles B, C, and D and this subtitle".

Page 145, line 12, strike "and the provisions of sections 502(a)(1)(C), 502(n), and 514(d) of the Employee Retirement Income Security Act of 1974 (added by section 402)".

Page 148, line 15, after "Act" insert the following: "and sections 503A through 503C of the Employee Retirement Income Security Act of 1974".

Page 149, line 9, after "Act" insert the following: "and sections 503A through 503C of the Employee Retirement Income Security Act of 1974 (with respect to enrollees under individual health insurance coverage in the same manner as they apply to participants and beneficiaries under group health insurance coverage)".

Page 152, line 16, insert "section 101 and subtitles B, C, D, and E of" before "title I".

Page 155, strike lines 1 through 19 (and redesignate the subsequent paragraphs accordingly).

Page 158, strike lines 19 through 25 and insert the following:

"(b)(1)(A) Subject to subparagraphs (B) and (C), a group health plan (and a health insurance issuer offering group health insurance coverage in connection with such a plan) shall comply with the requirements of sections 503A, 503B, and 503C, and such requirements shall be deemed to be incorporated into this subsection.

"(B) With respect to the internal appeals process required to be established under section 503B, in the case of a group health plan that provides benefits in the form of health insurance coverage through a health insurance issuer, the Secretary shall determine the circumstances under which the plan is not required to provide for such process and system (and is not liable for the issuer's failure to provide for such process and system), if the issuer is obligated to provide for (and provides for) such process and system.

"(C) Pursuant to rules of the Secretary, insofar as a group health plan enters into a contract with a qualified external review entity for the conduct of external appeal activities in accordance with section 503C, the plan shall be treated as meeting the requirement of such section and is not liable for the entity's failure to meet any requirements under such section.

"(2) In the case of a group health plan, compliance with the requirements of sections 503A, 503B, and 503C, and compliance with regulations promulgated by the Secretary, in connection with a denial of a claim under a group health plan shall be deemed compliance with subsection (a) with respect to such claim denial.

"(3) Terms used in this subsection which are defined in section 733 shall have the meanings provided such terms in such section.".

Page 210, line 19, after "Act" insert the following: "and sections 503A through 503C of the Employee Retirement Income Security Act of 1974".

Make such additional technical and conforming changes to the text of the bill as are necessary to do the following:

(1) Replace references to sections 102, 103, and 104 of the bill with references to sections 503A, 503B, and 503C of the Employee Retirement Income Security Act of 1974, as amended by the bill.

(2) In sections 102, 103, and 104, strike any reference to "enrollee" or "enrollees" and insert "in connection with the group health plan" after "health insurance coverage", and make necessary conforming grammatical changes.

The CHAIRMAN. Pursuant to House Resolution 219, the gentleman from Georgia (Mr. Norwood) and a Member opposed each will control 30 minutes.

Mr. ANDREWS. Mr. Chairman, I claim the time in opposition to the amendment.

The CHAIRMAN. The gentleman from New Jersey will be recognized for 30 minutes.

The gentleman from Georgia (Mr. NORWOOD) is recognized on his amendment.

Mr. NORWOOD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to bring before the House an effort at bridging the gap on this very difficult and contentious issue. I realize that my decision to bring forth this amendment is a controversial one, but I hope my colleagues will set aside for an hour their bitterness and consider the substance of our proposal.

I have heard some of my colleagues come to the floor to say that my amendment was written by the insurance industry. It is just silly, I think, for people to say that. The insurance industry cannot stand me. They have had me on dart boards for years, and everyone in the House knows that. So let us set aside those insane accusations. Instead, Mr. Chairman, let us talk about the substance of the amendment.

My amendment is consistent with the principles of the underlying bill. My amendment creates a cause of action for a negligent denial of a claim for benefits. This cause of action against insurers will be heard in State court. So does the underlying bill.

The amendment protects employers by allowing them to have a designated decisionmaker to be liable. So does the underlying bill.

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It requires all administrative remedies be exhausted before a case can go to court. So the underlying bill, my amendment only allows punitive damages in cases where the insurer refuses to follow the determination of the external reviewer. So does the underlying bill.

There are, however, some significant differences. My amendment caps liability at $1.5 million for noneconomic damages. Punitive damages are capped at $1.5 million. I argued long and hard with almost every friend I have against putting caps in a bill for 4 years because we had a President who said he would veto a patient protections bill with caps. Now we have a President who says he will veto a bill without caps.

This compromise is a simple recognition of political reality. I have made a compromise to create a rebuttal presumption in favor of the insurer when the external reviewers rule in favor of the plan.

I have listened to my colleagues complain long and loud about the inequity of that, but I have one simple question in response: If the external reviewer says the plan was right in turning down a treatment, how could the plan have been negligent in turning down a treatment?

I know some of my colleagues feel I have made a significant change moving away from the simple lifting of the ERISA preemption, but before Members condemn differences because they are changes, think about what has really changed. Under my amendment, a patient will have a cause of action against an insurer in every State in America, in a State court using State rules and procedures. Is that significantly different from the underlying bill?

I know some of my colleagues believe that the language of my amendment preempts the direction of current case law. We worked deep into the night last night on that language. I am not completely satisfied with the provision in our bill that protects State law, and I pledge to Members to work to further clarify the language in conference because I know Members know my intent.

But before Members offhandedly reject the language, I think they should explain to us how Americans will be left without a remedy under this amendment.

Mr. Chairman, the key difference between the amendment I am bringing before Members today and the underlying bill is that the President has agreed to sign the bill with the amendment I am bringing today. With all due respect to the gentleman from Kentucky, the amendment I bring today is a significant departure from the Fletcher bill.

The President has moved our way. I know this is not the ideal way to offer a potential hand of compromise. I really would not blame Members if they voted against the amendment, our Democratic friends, solely because of the process issue. But before slapping away the hand that is being extended to us, Members, I hope, will consider the substance and realize how close we truly are to a law, not a bill. We have done that, folks. But a law.

Mr. Chairman, I reserve the balance of my time.

Mr. ANDREWS. Mr. Chairman, I yield 2½ minutes to the gentleman from Texas (Mr. TURNER), a Member who understands the flaws of writing a complicated bill overnight.

Mr. TURNER. Mr. Chairman, we have heard a lot today from the other side about the need for balance between giving patients protections and holding down the cost of health insurance premiums.

In Texas, we have had 4 years of experience under our patient protection laws. Health insurance premiums in Texas have gone up at less than half the national average, 1,400 patients have exercised their right to appeal, and only 17 lawsuits have occurred.

The original Ganske-Dingell-Norwood bill is modeled after the Texas law. I submit to Members, in Texas, it is working. The Norwood amendment that is offered here today destroys that balance and tips the scales of justice in favor of the insurance companies.

Let us look at what the Norwood amendment does to the Ganske-Dingell-Norwood bill. First, it establishes procedural rules that favor the insurance company. For example, if the external review panel makes a ruling and you decide as a patient to appeal it, you go into court with the legal presumption that the medical review panel is correct. And to overcome that, patients have to do it by clear and convincing evidence, not the usual preponderance of the evidence in most civil cases.

Secondly, the Norwood amendment imposes this cap on noneconomic damages. The gentleman from Florida mentioned that the President would not sign a bill without a noneconomic damages cap. That is unusual because when the President pushed tort reform in Texas in 1995, there was no cap on noneconomic damages. In Texas today, there are no caps on noneconomic damages in lawsuits brought against HMOs.

Thirdly, the Norwood amendment grants the HMO industry special protection from accountability that no other business or industry in this Nation has to date.

Fourth, the Norwood amendment requires patients to prove that the wrongful and negligent acts of the HMO are the proximate cause of their injury rather than a proximate cause of the injury, as in the underlying bill. Some Members might ask, What is the big deal, "A" or "the"? Very simple.

In a case involving an automobile accident, somebody runs a red light, causes an accident, it is pretty easy to say that the running of the red light is the proximate cause of the injury. But in malpractice cases, there is seldom a single cause of an injury.

Consider a woman with breast cancer. Her HMO denies her a mammogram which would have detected the nodule, she gets cancer and dies. The family brings a lawsuit against the HMO. The truth of the matter is, if we go with the Norwood amendment requiring the proximate cause, she would not recover. Her family would not recover because the proximate cause of her death was the cancer. So "a proximate cause" is what the law should say.

We need to make sure that the Norwood amendment is defeated.

Yet under the Norwood amendment, state laws like the Texas Patient Protection Law are preempted and patients end up in federal court with less protection.

It leaves the doctor at a disadvantage when the doctor is subject to a malpractice lawsuit along with an HMO. The claim against the doctor would be in state court under state law.

The suit against the HMO would be under federal law and in every event would be subject to more favorable procedural protections. When HMOs make medical decisions they should have no less accountability than doctors must face in this country today.

The Norwood amendment is worse than current law in a lot of ways. It rolls back the protections that have been given to patients and their doctors in both statutory and common law. Why should we turn our backs on the original Ganske-Dingell-Norwood-Berry bill that has already passed in a bipartisan fashion in the Senate, a bill that passed this House in October of 1999 by an overwhelming majority of the House.

Mr. NORWOOD. Mr. Chairman, I yield 30 seconds to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Chairman, my colleague from the other side said this was modeled, the Ganske-Dingell bill was modeled after the Texas law, and it was a wonderful bill.

Mr. Chairman, I wonder if the gentleman has read page 167 of the bill which provides to certain health care plans sponsored by very large group providers absolute immunity for nonmedical injuries? The language of the gentleman's bill says if there is a self-funded, self-insured plan, it gets absolute immunity when someone is injured or killed by a nonmedical determination.

So let us say they wrongfully decide coverage and a patient is injured, there is absolute immunity, there is no recovery whatsoever.

Mr. NORWOOD. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. PETERSON).

Mr. PETERSON of Minnesota. Mr. Chairman, I rise today to support the Norwood amendment. I first started working on a patient protections bill back in September 1992 when I introduced what I think was the first patient protection legislation in the House, H.R. 6027.

Among other things, it tried to make sense out of the way that ERISA impacted health services in this country. I have been working on these issues ever since.

It seems to me that we have finally reached the point where both sides in this debate have moved enough towards the middle we might be able to finally resolve these issues. The Fletcher-Peterson bill that I have been involved in has helped move everyone toward the center.

When the Senate was doing their bill, the Senate passed amendments that moved their bill toward the Fletcher-Peterson position. During the last few days, the Ganske-Dingell bill has added language to cover some of these same provisions, such as including the dedicated decision-maker language, requiring the full exhaustion of internal and external reviews before going to court, keeping contract disputes in Federal courts and making adjustments to MSAs.

The patients' rights issue has come a long way since 1992 when we first started on this. Last night we continued that progress with the gentleman from Georgia (Mr. NORWOOD) helping to put together a compromise that we could actually pass into law. Last night, to the credit of the gentleman from Georgia (Mr. NORWOOD) and President Bush, each gave a little to get a little, and the product of that compromise is what we have before us today.

But are we grateful for this compromise? Are we praising everyone for having reached an agreement that is essentially the majority of the base bill itself? No. Instead, now, we have shifted the argument to other issues, like preemption of State law.

As I understand it, the Ganske-Dingell bill develops a State cause of action in that it modifies it with things such as a dedicated decision-maker and other things which are a preemption of State law, as far as I can see. That leaves us with the question of whether or not, if we are doing that, it is constitutional.

Can we make Federal conditions on a State cause of action, and is this not preemption of State law? The Norwood amendment has created a Federal cause of action modified in the same ways. I think it is more workable, and I think clearly it will withstand the test of constitutionality.

With regard to the liability provisions, as a result of the negotiation with the President, the Norwood amendment increased the caps on damages to $1.5 million from the $500,000 that was advocated in the Fletcher-Peterson bill.

The Norwood amendment will protect small businesses and mitigate against possible increases of uninsured, as well as improving, health care delivery. This amendment finally moves H.R. 2563 to a place of agreement, a place where the Patients' Bill of Rights can pass the House; and if the other body is willing to work with us in good faith, we can ultimately get the President's signature and put this legislation into law.

Mr. Chairman, I encourage each and every one of my colleagues to support a real solution to the issue of patients' rights. Support the Norwood amendment.

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. WAXMAN), who is a champion of consumer groups across the Nation that strongly oppose the Norwood amendment.

Mr. WAXMAN. Mr. Chairman, I am sorry to say it is hard to escape the conclusion that last night President Bush finally put so much pressure on the gentleman from Georgia (Mr. NORWOOD) that in the words of the New York Times editorial today he, quote, "apparently sold out his own cause." That is sad for Americans who need and deserve a strong and enforceable Patients' Bill of Rights.

Mr. Chairman, I just want to review what the American Medical Association concluded about the deal agreed to by their former ally: It overturns the good work done by States in protecting patients; it reverses developing case laws that allow patients to hold plans accountable when they play doctor. In other words, it makes things worse instead of better for patients. It provides patient protections, but does not allow enforcement of those rights.

If the White House operatives thought they could defend the so-called "compromise" President Bush talked the gentleman from Georgia (Mr. NORWOOD) into, why did they insist that he make a commitment without talking it over with his allies in and out of the government? Why did they insist that drafting be rushed through in the wee hours of the morning, and insist that they move forward before consumer and physician groups and the American public could see and understand the provisions?

Why do we find ourselves here on the House floor voting on an amendment that either deliberately or accidentally preempts State laws, disadvantages patients, and provides HMOs with a presumption that they are right and the patient and physicians are wrong.

Mr. Chairman, I think the answer is obvious. They knew that if people really got a chance to look at this, they would see it for the sham that it is.

This is not the way to enact a Patients' Bill of Rights. This is the way to ensure another stalemate. Reject this amendment.

□ 1900

Mr. NORWOOD. Mr. Chairman, everybody knows that the New York Times is not all of our Bible. They get it wrong frequently. They even reported I lost 60 pounds; and you know darn well it was 40, so they do not get it right.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. BARTON).

Mr. BARTON of Texas. Mr. Chairman, my father was a combat navigator in World War II. He flew a B-24 liberator on 50 combat missions. He won every combat award the Army Air Corps could award except the Congressional Medal of Honor. I am glad he did not win that one or I would not be here.

When I got elected to Congress I went to him and I asked him for some advice.

I said: Dad, what should I do when I get up there?

He said: Son, always pick a good pilot.

I said: Pick a good pilot. What do you mean?

He said: There are going to be lots of rascals in Washington and they're going to try to flimflam you; but if you've got a good pilot, he'll set the right course and he'll always get you home.

Last week the gentleman from Georgia (Mr. NORWOOD) was the toast of the town on the liberal side because he was holding out for the Patients' Bill of Rights. He negotiated an agreement with the White House and President Bush which I have looked at this afternoon, it looks pretty good to me, and all of a sudden today he is accused of selling out.

Mr. Chairman, the gentleman from Georgia is a good pilot. I would fly with him anywhere. The day the gentleman from Georgia sells out is the day "In God We Trust" that is on the facade behind us falls off that facade.

I am with the gentleman from Georgia, I am going to vote for this bill, and I say God bless the gentleman from Georgia, he is a good man.

Mr. ANDREWS. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. PALLONE), who represents a State that just enacted a very strong patient protection law that will be repealed by this amendment.

Mr. PALLONE. Mr. Chairman, when you are sick and you have been denied care and often do not have the energy to fight, the Norwood amendment puts all sorts of roadblocks in the way of a real independent review. The real Patients' Bill of Rights allows you to quickly and informally go to an independent review board. They look at the patient, they look at the medical record, look at whatever they want and decide what care you need. Norwood turns this around and puts roadblocks in your way. It makes it a judicial-type procedure stacked against you. The HMO picks the information it sends to the board, the patient has no right to see it and no right to ask witnesses any questions. You will need a lawyer under Norwood in order to make your case. You have to prove that the HMO's decision was wrong and should be either affirmed or overturned. There is no flexibility with the board to craft a plan of care somewhere in between.

Worse, if the board agrees with the HMO, a presumption in favor of the HMO makes an appeal to the courts almost impossible.

Norwood stacks the deck against you. And it gives all the cards to the HMO.

Mr. ANDREWS. Mr. Chairman, I yield 4 minutes to the gentleman from Iowa (Mr. GANSKE), one of the two principal authors of this bill.

Mr. GANSKE. Mr. Chairman, I thank the gentleman for yielding time.

Here we are. This is the nitty-gritty of the debate. We have sort of been fooling around until we get to the Norwood amendment.

My colleague from Georgia is an acknowledged expert on this issue. I wonder if my colleague would clarify some issues for me.

The gentleman from Georgia (Mr. NORWOOD) last night at the Committee on Rules agreed that he had said that, quote, "HMOs will be treated better than others in the Norwood amendment."

Is that because HMOs are being given affirmative defenses?

Mr. NORWOOD. Mr. Chairman, will the gentleman yield?

Mr. GANSKE. I yield to the gentleman from Georgia.

Mr. NORWOOD. Because there is no way that you can make it exactly the same between the physician and the HMO, I do not believe. If the gentleman is talking about the rebuttable presumption, and I presume he is, what I would say to him there is that I did the best I could do in negotiations to continue to allow the patient to have the recourse to going into court.

Mr. GANSKE. But it is fair to say, then, that he stands by his statement?

Mr. NORWOOD. I stand by the fact that if an insurance company does exactly what they are told to do by a group of physicians in the external review model, then we have to encourage them to offer the treatment and not put them in a position so that they have always the fear of being drug into court. But as the gentleman knows, I agree that that patient should have the right to go into court.

Mr. GANSKE. So he stands by his statement that HMOs are treated better in his amendment than others.

Now, is it the gentleman's understanding that his bill would abrogate State laws on patients' rights?

Mr. NORWOOD. It is my understanding and the intent of this bill that, first of all, we have a Federal cause of action for denial of care or the delay of care in State court. We intend, and it is going to be this way before we get it out of that conference if there is any question about it, because the gentleman knows how it is with lawyers: "is" doesn't mean "is." One lawyer says it means this; another lawyer says it means that. But our intent is not to preempt any cause of action at the State level.

Mr. GANSKE. Let me just read to the gentleman a statement by Ari Fleischer today on this issue. The question to him was:

Republicans and Democrats believe that the deal struck between Mr. NORWOOD and the President would abrogate State laws on patients' bill of rights. Is that the White House understanding?

Here is what Mr. Fleischer said:

Yes. Yes. And I think you can get into a good discussion of that at the background.

Question: So he doesn't believe that it would not abrogate State laws?

Fleischer: There are a certain series of preemptions in there.

Does the gentleman agree with Mr. Fleischer's assessment there?

Mr. NORWOOD. In some States that presently have a managed care, an HMO reform bill, we are going to have a preemption and a replacement in that.

Mr. GANSKE. The gentleman from Georgia has respected the opinion of Sara Rosenbaum, David Frankfurt and Rand Rosenblatt. He has sent out Dear Colleagues on them. This is what they have to say about the Norwood amendment:

"In preempting State law, the Norwood amendment goes beyond conduct that involves negligent medical judgment to a particular patient's case. The amendment made by virtue of the words "based on" stipulate that State malpractice law does not apply to any treatment decision made by the managed care organization, whether it be negligent, reckless, willful or wanton. For example," Rosenbaum continues, "no State cause of action could be maintained against a designated decisionmaker for its decision to discharge a patient early from a hospital even if the likely result of that discharge would result in a patient's death. In short, all forms of vicarious liability under State law would be preempted."

Is that an accurate representation?

Mr. NORWOOD. The key word here is "may." We do not believe that it does that. We do not intend for it to do that. And I do not intend for it to do that when we have the opportunity to get into conference.

Mr. GANSKE. I thank the gentleman.

Mr. NORWOOD. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia (Mr. ISAKSON).

Mr. ISAKSON. Mr. Chairman, our State's motto is "Wisdom, Justice and Moderation." A favorite son of ours today, Dr. CHARLES NORWOOD, exhibited those three qualities and those three characteristics absolutely.

I do not think a thing in the world I am going to do is going to change a mind in here, what I say; but I hope maybe we will get back and change our hearts for just a second.

My granddaddy had a saying in south Georgia when he got into a confusing controversy. He said, "You know, if you want to get the mud out of the water, you've got to get the hogs out of the spring."

We are at a point in this debate where the focus on self-interest of all the diverse interests on this bill is clouding the water. We have made steps forward in patients' rights. We have made steps forward in the amount that can be received in noneconomic and punitive damages. We have made steps forward in protecting the fact that Americans are still going to have insurance and joint and several liability will not sweep through American business.

Some can poke fun at the gentleman from Georgia if they like, and you can ask me hard questions I cannot answer; but successful legislation in America on behalf of the people we are here to represent who are our citizens, are going to be the patients, are better than the muddy water interests of any lawyer, any business employer, any physician, any HMO or any insurance company.

There comes a time and a place for a man to do what is right. Dr. CHARLES NORWOOD has done what is right. You may disagree, but we are light years ahead of where we have ever been; and we owe this debate better than some of the things that have been said.

I urge your support for the Norwood amendment.

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. GREEN) to comment on the bill that is before us rather than the one he wishes was before us.

Mr. GREEN of Texas. Mr. Chairman, first I want to say that I respect the gentleman from Georgia (Mr. NORWOOD) and the hard work that he has done; but I also disagree with the language that was agreed to, and I can stand here on this floor and still respect him but disagree with him.

The President and the gentleman from Georgia stood last night on the podium and proclaimed they reached a compromise. But it is really not a compromise. It is not a compromise because not everybody was involved. Only one Member was involved in it. The Norwood amendment holds HMOs to different standards than doctors and hospitals. That was the base reason for the bill. We are going to hear lots of Members come up tonight and talk about how this is a great bill, but they were for the Fletcher bill. They were not for a real patients' bill of rights, anyway. So we are going to hear that tonight. Even though HMOs act like doctors if they deny or delay care, they are not held accountable like doctors under this amendment. They are the only health care providers that are shielded. That is what is wrong.

What is more troubling about this proposal is that it destroys the important patient protections that we have had in Texas for 4 years. The gentleman from Arizona (Mr. SHADEGG) may quote Texas law, but the amendment that the gentleman from Georgia negotiated with the President goes against Texas law. It does not have anything to do with holding an employer who runs the business. That is Texas law. We wanted to correct that in this bill. But it does change the liability. And it does change the presumption.

There is nothing in Texas law that gives the HMO or the insurance company the presumption that they are right. That is wrong. That is why our appeals are so successful in Texas. That is why 52 percent of the 1,400 appeals were in favor of the patient. The HMOs that you are defending were wrong more than half the time. That is what is wrong with this law. That is why it is so bad. It is going to hurt what we have successfully done in Texas where the insurance policies are under State law. But we need to do a real patients' bill of rights for everyone in the country. Sixty percent of my constituents do not come under Texas law; they come under ERISA. That is why we need to make sure we pass a strong patients' bill of rights, not a patients' bill of wrongs, not an HMO bill of rights. That is what this is.

You heard the gentleman from Texas (Mr. TURNER) talk about just the changing of an "a" to a "the" will make sure our patients are shafted by this bill.

Mr. ANDREWS. Mr. Chairman, I am pleased to yield 1½ minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, let me simply say I am trained as a lawyer. But today I stand on this floor as someone who has been, as many of us, a patient. I would like to cast my lot with the physicians. And though I agree with the gentleman, I do not want a bill; I would like to have a law. But I am prepared as a patient to fight to the last breath so that patients around the country can have the privilege of knowing that decisions between them and their physician are not interfered with by HMOs.

I know the gentleman from Georgia means well and we do respect him. But his amendment interferes and puts a wedge between the patient-physician relationship. Our people understand what is right and what is wrong. Under the presumption in his amendment, patients are wrong, physicians are wrong and HMOs are right. Interestingly enough, the George Washington University in a letter dated today said that this amendment stipulates that State malpractice law does not apply to any treatment decision made by a managed care organization whether it be negligent, reckless, willful or wanton.

Picture yourself in a relationship with a doctor. They recommend a diagnosis; they ask for a procedure. And there you are with an HMO that denies it, recklessly, willfully and wantonly and God help that you live and if you do not, look at your relatives going in to challenge them, not because they want to be in court but because they want to right the wrong and the HMO stands as the right and you stand as the wrong.

I fight for the patients, and I fight for the physicians. I think this amendment should go down.

□ 1915

Mr. NORWOOD. Mr. Chairman, I yield 2 minutes to my lawyer, the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. I thank the gentleman for yielding me time.

Mr. Chairman, let me begin by saying I respect greatly our colleague, the gentleman from Iowa (Mr. GANSKE), who has worked very hard on this bill; but I think it is important to note he talked about the issue of affirmative defenses. In the negotiations between the gentleman from Georgia (Mr. NORWOOD) and the President, all of the affirmative defenses were stricken from the bill because the gentleman from Georgia (Mr. NORWOOD) wanted them stricken and they are gone.

Let us talk about this, the other issue of preemption. I need to talk about preemption, because a great deal has been made here. Let us talk about the issue of preemption, because that seems to be of great concern here.

It needs to be understood that, number one, ERISA today preempts a claim for benefits in all 50 States. If you try to bring a claim for benefits and bring that as a cause of action in State court, you cannot bring it in a single State, including Texas. Indeed, the corporate healthcare case, Corporate HealthCare v. Texas right here, says specifically that. If you seek to bring a claim for benefits case in State court, it is preempted by Federal law.

There is a good reason for that. It is so that the management of claims in all 50 States can be uniform, because this law, ERISA, was intended to govern multi-State employers and multi-State unions.

Now, let us talk about a second issue, that is the Ganske bill. They would have you believe that the Norwood amendment is the only thing that preempts anything. That is ridiculous. The Ganske-Dingell bill preempts issue after issue within the State cause of action. It says you can bring a State cause of action, but then it preempts pieces of that. It says you can only bring it against a designated decisionmaker, it says you can only bring it after exhausting external review. The preemption issue is in your bill as well as our bill, although it is 19 pages long in your bill.

Let us talk about its effort at preemption in this bill. In this bill, we say what current law says, and that is if you are bringing a claim for benefits, that belongs in Federal court. But, do you know what? We give a remedy for damages.

But we also go beyond and codify existing State law on the issue of the claims you can bring in States. If you bring a negligence claim against a plan or its doctor, you can bring that for the services they delivered, you can bring that under existing State law, and this bill specifically says you can continue to bring it.

This is a red herring. I urge the adoption of the Norwood amendment.

Mr. ANDREWS. Mr. Chairman, I yield myself 15 seconds.

I believe the gentleman from Arizona said affirmative defenses are not spelled out in the Federal cause of action. That is right. Of course, that means it is up to the judiciary to invent them as we go along. We do not know whether there will be affirmative defenses or not, what they will mean, because it is not included in here. Because when you draft a cause of action overnight, you cannot think of those things.

Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Chairman, I thank the gentleman for yielding me time.

Make no mistake, the Norwood amendment guts the patients' bill of rights, and what is left behind? Nothing more than an "HMO Bill of Slights."

The Norwood amendment slights patients with weakened accountability provisions; it slights patients by preempting stronger State laws, which would allow patients to sue HMOs for bad medical decisions; it slights patients by prohibiting class action lawsuits against HMOs; and it slights patients by allowing HMOs to delay a patient's day in court by choosing Federal court over State court.

Mr. Chairman, justice delayed is justice denied. The American people have waited too long for a real HMO bill of rights. Vote no on the Norwood amendment, the "HMO Bill of Slights."

Mr. NORWOOD. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Georgia (Mr. DEAL), a good friend of mine.

Mr. DEAL of Georgia. Mr. Chairman, I thank the gentleman for yielding me time.

As a trial attorney, I am both amused and somewhat dismayed by some of the things that have been said here today. First of all, as a trial attorney, it is amusing it see my good friend the plastic surgeon cross-examining my other good friend, a dentist. But be that as it may, there are a lot of things that have been said here.

First of all, on the issue of preemption, I think the gentleman from Arizona (Mr. SHADEGG) said it well. If States could do the things that we are seeking to do in this legislation, then let States to it. It is the very fact they cannot that is the necessity for the Federal legislation that we are attempting to put in place here today.

On behalf of my friend the gentleman from Georgia (Mr. NORWOOD), let me say this in conclusion. Many who would speak against his efforts have been here for decades and saw no reason to go forward with the effort of a patients' bill of rights, and to them I say, the gentleman from Georgia (Mr. NORWOOD) should be your hero.

For those who would denigrate his methods or motives, I would simply say to them, this issue would not be here today on the brink of becoming law had it not been for his dedication.

For those of you who think the gentleman from Georgia (Mr. NORWOOD) has sold out, it simply proves to me, you do not know the gentleman from Georgia (Mr. NORWOOD).

Mr. ANDREWS. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. LOFGREN), one of our advocates for a strong and forceful patients' bill of rights.

Ms. LOFGREN. Mr. Chairman, it has been quite a week here in the House of Representatives. On Tuesday, we made it a felony for scientists to cure disease with stem cells; Wednesday, we gave $36 billion in tax goodies to big oil, gas and others, and allowed drilling in national refuges; and today, we see the perversion of a good idea, a law that would protect patients from insurance companies has been transformed into a bill that protects insurance companies from patients.

The President's deal was obviously written by, or at least for, special interests. It would repeal California's responsible law and replace it with a new Federal preemption that would prevent wrongdoers who are insurers, even intentional wrongdoers, from being held responsible for their actions.

Now, why is it that doctors, lawyers, nurses can be held responsible for their wrongdoing, but not insurance companies? It looks to me that the bigger the campaign contributions to the Republicans, the bigger the payoff with laws to benefit those same contributors.

This body has morphed from a place where legislation is deliberated upon to the White House ATM machine. This week, start by making scientists criminals; midweek, trash the environment; today, destroy the patients' bill of rights.

It is a good thing Congress is about to recess. I do not know if the country could stand another week like this one of Republican "victories," where the special interests rule to the detriment of ordinary Americans.

Mr. ANDREWS. Mr. Chairman, we hear often about the benefits of the Texas patients' bill of rights, which will be repealed as a result of this amendment.

Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, let me start out by saying I have nothing but the highest respect for the gentleman from Georgia (Mr. NORWOOD). The problem is, the gentleman from Georgia (Mr. NORWOOD) went as far as could go, and he ran into the White House. It is ironic, after being here for 7 years, coming from a State where my former Governor used to say, let Texans run Texas, and where my Texas colleagues up here on the other side of the aisle said, let the States do it, because the States can do it better, what always happens, whenever it gets in the way of the powerful special interests, this idea of devolving power to the States becomes wholly inconvenient.

The bill before us today would upend the law in Texas that passed under George Bush's watch, the law he talked about during the campaign that he was so proud about. But the fact is, that it upends the interests of very powerful insurance companies who do not like the Texas law, they do not like the California law, they do not like the New Jersey law.

Now we are told we have to pass a bill in the House before conference so we can get to conference, and then the gentleman from Georgia (Mr. NORWOOD) has turned around and told us if there are problems with it, we will work it out in conference.

It all seems rather inconsistent. Defeat the Norwood amendment, and let us pass a real patients' bill of rights.

Mr. ANDREWS. Mr. Chairman, the American Medical Association, health care providers across the country, want the Norwood amendment defeated.

Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. CAPPS), a representative of the nursing profession before she came here.

Mrs. CAPPS. Mr. Chairman, I rise in opposition to the Norwood amendment.

In the absence of action by the Federal Government, my State of California recently acted to protect its citizens from overzealous cost-cutters in the HMOs. One of the strengths of Ganske-Dingell is it creates a Federal floor for patient protections, allowing States like my own to have stronger protections.

But this amendment would override those State laws in order to protect HMOs from accountability. As was confirmed in an exchange just now between the gentleman from Iowa (Mr. GANSKE) and the gentleman from Georgia (Mr. NORWOOD), this amendment obliterates the cause of action defined by the State of California, my State, and so many other States as well.

If this amendment were to pass, patients in my home State would have fewer protections than they do right now, and HMOs in California would have more freedom to abuse them.

This amendment will do worse than take the teeth out of the Ganske-Dingell bill; it will take the teeth out of state protections. So I oppose the Norwood amendment, and I urge my colleagues to do the same.

Mr. NORWOOD. Mr. Chairman, it is my pleasure to yield 1 minute to my friend, the gentleman from New York (Mr. HOUGHTON).

Mr. HOUGHTON. Mr. Chairman, before I begin, I just want to thank a couple of people who have spent an enormous amount of time on this, Francesca Tedesco and also Kathy Rafferty. I want to thank the gentleman from Georgia (Mr. NORWOOD).

What the gentleman from Georgia (Mr. NORWOOD) has done is very, very significant. I say this because I come from the world of business. You can have a patient, you can have a patient's rights, but if you do not have the funding for that patient, it does not do any good.

What the gentleman from Georgia (Mr. NORWOOD) has done is bridge the gap and made it possible for those people, not only in large and small businesses, and small businesses, as you know, comprise 75 percent of the employment in this country, it enables them now to buy into a program which they feel they can afford, without having the sword of liability, unending liability, hanging over their head.

I think a lot of people are going to be thanking the gentleman from Georgia (Mr. NORWOOD) for bridging this gap, because it would not have happened without him.

Mr. ANDREWS. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Texas (Mr. SANDLIN), another Texan who does not want his State law repealed by the Norwood amendment.

Mr. SANDLIN. Mr. Chairman, I rise in strong opposition to this outrageous amendment. For patients, this amendment is a lose-lose situation. It is heads, the HMOs win, and tails, the patients lose.

Just a couple of points. This presumption, do you realize there is a rebuttable presumption that creates a hurdle so high that patients will never be able to recover? I have been in this situation before.

Do you know that courts will be giving written instructions to juries to say the insurance company won before and the insurance company ought to win again, and that is the burden you are putting on them.

You are also increasing the burden on punitives. You are making it outrageous. You are increasing it to clear and convincing. That will never happen.

The biggest fraudulent change of all was done in the dark of the night where the standard was changed from a proximate cause to the proximate cause. That was not done by accident, it was done to gut the entire bill. If someone dies from a heart attack, for example, and was denied treatment, the death will not be from the lack of treatment, it will be from the heart attack, and they lose.

This entire bill has been gutted. We all know what happened. We worked 5 years on this bill, and last night it was undone in a matter of minutes, and we know what happened.

Mr. ANDREWS. Mr. Chairman, I am pleased to yield 1½ minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Chairman, I rise in opposition to the Norwood amendment. It overturns the painstaking work that has been done over the past 5 years to craft a good piece of legislation that said that we are going to protect patients in this country, that we are going to protect their families.

It essentially establishes an HMO bill of rights. It affords insurance companies and HMOs a special status. It literally gives them the ability to act with impunity, that is, to make medical decisions that overrule doctors and harm patients; and, my friends, they never have to face the consequences of their actions.

It is the first time, and now legally the presumption is that the HMO is right, and you have to prove them wrong. That is what happened at the White House last night.

The Bush-Norwood amendment is just another example of President Bush siding with the special interests over hardworking American families by carving out special protections for the HMOs. This amendment rolls back patient protection, it walks all over States' rights.

My God, the other party is always talking about States making their decisions, individuals making the decisions, except when it conflicts with the rewards for their special interest friends.

Vote against the Norwood amendment.

Mr. ANDREWS. Mr. Chairman, I am pleased to yield 1 minute to the gentlewoman from Ohio (Mrs. JONES), a strong voice against special interest legislation.

Mrs. JONES of Ohio. Mr. Chairman, I rise in opposition to the Norwood amendment. It is very easy to speak in a vacuum about the impact that legislation has on the Federal level in State courts.

□ 1930

But the reality is, with the lack of time dedicated to this particular legislation, we do not really know what in heck it will have. In fact, we worry, and I am sure the gentleman from Georgia (Mr. NORWOOD) worries as well, that people's ability to bring claims in State courts have been, in fact, affected by this legislation.

Many of my colleagues may have had the opportunity to think about what happens in a courtroom, but I served in a courtroom for 10 years. One of the dilemmas about having legislation that is passed and saying in the State court, this is the impact we think it is going to have, is that it will ultimately take someone's case to work its way through the State court, through the appellate court, and then to the Supreme Court to resolve it.

So why, when we are people of good sense, can we not resolve it right here and understand and put in place legislation that will not have that type of impact?

Mr. Chairman, I rise in opposition to this legislation.

Mr. NORWOOD. Mr. Chairman, it is a pleasure to yield 1½ minutes to the gentleman from Tennessee (Mr. HILLEARY).

Mr. HILLEARY. Mr. Chairman, I am a proud supporter of the Norwood amendment and I commend the gentleman from Georgia and the President last night for breaking the logjam on the Patients' Bill of Rights.

The Norwood amendment affects only liability. We are all in agreement on the medical care side of this debate. The only debate is over where the available money for health care will go, to the patients or the cost of litigation.

The Norwood amendment calls for full compensation to the patient for economic damages caused by an HMO. In other words, patients are completely compensated and reimbursed for the money the HMO actually caused them to lose. In addition, the Norwood amendment allows up to $3 million for pain and suffering and punitive damages. That is a lot of money, but not so much money as to create massive numbers of new, frivolous lawsuits.

The Ganske bill, on the other hand, allows for unlimited punitive and economic damages. This will be a tremendous enticement for frivolous lawsuits. Thus, way too much of the precious limited money available for patient health care will be chewed up in the litigation of these lawsuits, not for health care.

The bill of the gentleman from Iowa (Mr. GANSKE) also makes an effort, although an inadequate effort, to close off lawsuits against businesses which had absolutely nothing to do with the HMO's unlawful act. No business in its right mind will offer insurance or any kind of health care benefits to its employees if they can be sued for something they did not do.

If we want a legitimate Patients' Bill of Rights that actually wants a chance to become law this year and help these people we keep talking about, I strongly urge my colleagues to vote for the Norwood amendment.

Mr. NORWOOD. Mr. Chairman, it is a pleasure to yield to the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Chairman, let me thank the gentleman for yielding me time, and let me say that all of us, I think, owe the gentleman from Georgia (Mr. NORWOOD) a great big thank-you. The gentleman has been at this for 6½ years as a Member of Congress.

I know when I went to his district in 1994 and campaigned with him, we went around his district, we spent 16 hours in a bus going to about 16 small towns in eastern Georgia. Those constituents in that district wanted a Patients' Bill of Rights.

The gentleman came up here, and we all know, every Member of Congress knows, there is nobody in this body who has worked harder, nobody who has put more heart and soul into trying to find the right language that will be signed into law than the gentleman from Georgia (Mr. NORWOOD), and we owe him a great big thanks.

Everybody thinks there is some big fight here, that there is some huge difference. Let us put it all back in perspective.

The bill we have here is an identical bill. We have one bill. The only big argument is over how much more liability we are going to impose on insurers and on employers.

The amendment offered by the gentleman from Georgia basically says that we are going to expand remedies and we are going to expand liability from where we are today, and we are going to give people easier access to courts. Our friends on the other side have an even greater expansion of liability in State and Federal courts, and what their language will do is drive employers out of the system, will drive up costs for employers and their employees. It will damage the foundation of our health insurance system today, which is employer-provided coverage.

What we are trying to do here is to find some common ground, and I think the gentleman from Georgia (Mr. NORWOOD), working with the President, has found common ground that will give patients in America greater access to the courts, greater remedies, bringing greater accountability. Not as much as we have on the other side, but our bill will not drive employers out of the system; it will not drive up costs. It is a reasonable compromise that the American people expect us to deliver for them.

Mr. ANDREWS. Mr. Chairman, it is my privilege to yield 2 minutes to the gentleman from Iowa (Mr. GANSKE), the principal voice for patients around America.

Mr. GANSKE. Mr. Chairman, I have here a "Dear Colleague" that was sent out by the gentleman from Georgia on August 1. It says, "An explanation of how ERISA preemption works." It says, "Under H.R. 2563," that is the base bill, the Ganske-Dingell bill, "if an insurer injures you by denying or delaying medically necessary care, you can go to State court under common law to hold the insurer accountable." That has been a fundamental part of the bill.

So it surprised me greatly when I read on page 20 of the Norwood amendment these words: "A civil action brought in any State court under section" such and such "against any party other than the employer plan, plan's sponsor or any other entity, i.e., dedicated decision-maker, arising from a medically reviewable determination may not be removed from any district court."

What this basically means is that all of those groups can go into Federal, and that gets to then this interesting part of the Norwood bill. I mean, this could be interpreted as unconstitutional under Pegram v. Hedrick.

But then, at the end, we have a nonseverability clause, so that the entire enforcement section becomes inoperative if one section in the Norwood amendment is unconstitutional.

Mr. Chairman, I am just amazed at this. I know the gentleman from Georgia in the past has fought against putting nonseverability clauses in.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. GANSKE. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, all of that dies, but the preemption clause remains, and, as a result of this, the subscriber to the health care plan is left totally naked and devoid of any protection or any rights to enforce his interests in his policy.

Mr. NORWOOD. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Ohio (Mr. PORTMAN).

Mr. PORTMAN. Mr. Chairman, I thank the gentleman from Georgia.

I just want to make the point that we just heard from the other side that somehow cases that are in State court would be removed to Federal district court. That would not happen under the Norwood amendment. It would be in State court with a Federal cause of action.

So I do not know what the point of that last statement was, but we are in State court, and that is a change. That is a change that the gentleman from Georgia (Mr. NORWOOD) brought to this debate.

I am a strong supporter of the Norwood amendment and I am also a strong supporter of the underlying bill.

I want to back up for a second and talk about why we are here. Eight years ago when I got elected to Congress, we were talking about the Patients' Bill of Rights, and it was about access to emergency room care, it was about access to OB-GYNs, it was about access to specialists, it was about access to clinical trials. All of this is in this underlying legislation. This is the Patients' Bill of Rights we have been talking about for all of the 8 years I have been here.

But while this bill provides all of these patient rights, it also provides the single most important protection of all, and that is health care insurance coverage. It provides the right balance, yes, making HMOs and other insurance companies accountable; yes, providing access to the courts when one is aggrieved; but not raising the cost of health care insurance to the point that we is risking health care coverage for literally millions of Americans. That is the most fundamental protection of all. It is the right balance.

It is easy around this place to criticize. It is easy to be partisan, and we have heard some of that today on the floor. We have even heard some allegations of bad motives. We have even heard some allegations of corruption earlier on the floor. That is easy. What is harder is to get something done for the American people.

The American patient has waited too long. I commend the gentleman from Georgia (Mr. NORWOOD) for working hard on this issue not only for all of the time he has been in Congress, but over the last month, for working hard to find a bill that this President can sign and that provides the fundamental patients' rights that we have talked about and that provides the fundamental accountability for HMOs, and that delivers for the American people.

That is what this place is all about. That is the heavy lifting. I commend the gentleman from Georgia (Mr. NORWOOD).

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas (Mr. BERRY), one of the leaders throughout this effort, a real expert on this matter.

Mr. BERRY. Mr. Chairman, I thank the gentleman from New Jersey, and I thank him for his leadership, along with many others that have worked hard on this issue. The gentleman from Iowa (Mr. GANSKE) has worked tirelessly and continues to work tirelessly in the interests of patients, particularly children.

It has been an interesting day. We have heard a lot of rhetoric on this floor. I have been almost amused. I say "almost." This would be funny, it would be amusing if it was not such serious business. I have heard my colleagues on this side of the aisle stand in the well and talk about how our bill allows us to sue like they are proud of it. But this bill over here is a terrible thing; it lets you sue also.

Like I say, if it was not for the serious nature of this, it would be funny.

Meryl Haggart, a great country singer, has this song that he sings, made probably back in the 1980s, called Rainbow Stew. It says, "When a President goes through the White House door and does what he says he will do, we will all be drinking that free bubble-up and eating that rainbow stew."

This is the biggest batch of rainbow stew I have ever seen. That is what it is, folks. It is rainbow stew. That is what your constituents are going to get is rainbow stew.

I carry this buckeye in my pocket. It is a worthless little old thing. Folklore in Arkansas says if you carry one, it will bring you good luck and keep rheumatism away if you rub it just right. You have got to know how to rub it. That is what this is going to be worth to the American people.

Now, we have heard over and over that the real important thing about this is, it will be signed into law. If this ever gets signed into law, I will come to this floor, ask for unanimous consent, and stand on my head and stack BBs. And I am not in too good a shape. I think it would be very difficult.

I urge this body not to do something so foolish as to vote for this amendment.

Mr. NORWOOD. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. CULBERSON), a new Member of Congress who, I think, is a great addition to this Chamber.

Mr. CULBERSON. Mr. Chairman, I rise in very strong support of the Norwood amendment, because I am completely committed to protecting the 10th amendment right of the States to enact a Patients' Bill of Rights.

I came here on January 3 after serving 14 years in the Texas house. I am a coauthor of the Texas patients' bill of rights. I served longer under Governor Bush than any other governor. I helped carry all of his tort reforms in 1995. I helped pass this patients' bill of rights in Texas in 1997. So I know firsthand that this legislation the gentleman has drafted does not preempt the Texas patients' bill of rights, as has been stated. This bill protects the rights of States to regulate health care and to pass medical malpractice laws.

Mr. Chairman, I know that George W. Bush is a man of honor, integrity, and a man of his word; and he and the gentleman from Georgia (Mr. NORWOOD) have both given us their word that if there is any doubt that this bill would in any way preempt or restrict the rights of the States to regulate health care or protect patients' rights, they will fix it in conference. I believe the language they have now protects the rights of States.

I strongly support the amendment, and I urge Members who believe in the rights of States to protect the rights of patients at the State level to support this legislation.

□ 1945

Mr. ANDREWS. Mr. Chairman, I yield 2½ minutes to the gentleman from Michigan (Mr. DINGELL), a giant in this institution, the dean of the House of Representatives and our great friend.

Mr. DINGELL. Mr. Chairman, I think it is time for us to look at this as what it is. I am told by my good friend on the other side that the problem here is lawsuits. I am sure they have trouble with that.

My problem is without some mechanism for the American citizen to think his rights are being properly protected in the courts of law, there is no sustainable right for that American citizen.

I had a good friend who called me up not long back. He is a doctor of medicine, very much respected. He had been serving as an appeals officer for an HMO since he retired. He said, DINGELL, you do not know it but they just fired me. I said, Doc, tell me why they did it. He said, They said I was making medical decisions instead of insurance decisions.

That is the issue here before us. We want to see to it that we still have medical decisions being made in favor of, and on behalf of, the patients. This is to see to it that the HMOs are treated the same as anybody else, not given preferential and reverential treatment.

That is what the Norwood amendment does. It shelters them against litigation. Worse than that it preempts State law; and in the process it jiggers the rules of evidence, the weight of the proceedings, the manner of proceedings, so that the hand of the Government is weighing heavily on the scales of justice against the citizen who has lost a leg or a wife or a husband or who has been injured by HMOs engaging in the practice of medicine.

If an American citizen cannot go to court to get relief and help under those situations, the value of his citizenship has been shrunk, and it will be shrunk by the Norwood amendment if it is adopted. Just remember what I stated about my friend who was fired for making medical decisions instead of insurance decisions.

Now, it does preempt the laws of the States now in existence; and it weighs the new proceedings against the person who wishes to complain to his government about having been wronged by an HMO. I have here in my hands a letter which I will insert in the RECORD at the appropriate time from the insurance commissioner from the State of Michigan, a good Republican official, who complains that the law of the State of Michigan is being usurped by the amendment offered by my good friend from Georgia. Protect my citizens, if you will not protect your own, against that kind of outrage.

OFFICE OF FINANCIAL AND
INSURANCE SERVICES,
Lansing, MI, August 2, 2001.

MICHIGAN CONGRESSIONAL DELEGATION,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVES: I am contacting you again with regard to an amendment that is being proposed to the patients' bill of rights legislation. It has come to our attention that the Norwood amendment contains a provision that would preempt all State internal and external review laws. States would not be allowed to certify and retain these laws. The internal and external review process would be federalized.

I oppose the portion of the Norwood amendment that would preempt the Michigan Office of Financial and Insurance Services' ability to implement, oversee and enforce Michigan's statutory internal and external grievance procedures. Michigan was one of the first states to implement both an internal and external grievance procedure when it enacted its patient's bill of rights in 1996. Then again in 2000, the Michigan Legislature, with Governor Engler's support, enacted the Patient's Right to Independent Review Act (PRIRA-2000 PA 251) that provided sweeping changes to the external review procedure and shortened (considerably) the time frames for the internal review procedures. PRIRA took effect.October 1, 2000.

I am asking for your help in resolving this preemption issue as the process moves forward. The Senate bill allows states to certify state laws and therefore retain their internal/external reviews, so this issue will be a point of negotiation in conference. It would be very helpful if enough Members objected to this provision in the Norwood amendment so that it is highlighted for those conference negotiations. If States are not allowed to retain jurisdiction over the internal and external review process then their ability to oversee other protections will be severely limited.

Very truly yours,
FRANK M. FITZGERALD,
Commissioner.

Mr. NORWOOD. Mr. Chairman, I yield myself such time as I may consume.

The CHAIRMAN. The gentleman from Georgia has 7 minutes.

Mr. NORWOOD. Mr. Chairman, this is not the ideal process I would have designed for this debate today. I am disappointed that some of my colleagues have allowed their passionate feelings about process to lead them into making dubious statements about substance, because this debate most assuredly should be about substance.

I would like to remind my colleagues of what my amendment provides for injured patients. A patient who is injured when an insurer makes a negligent denial of claim for benefits will have the opportunity to hold that insurer accountable in State court. The patient will have access to the State courts that we have together supported for years. The patient will hold the insurer liable under the same State rules and procedures that a doctor will be held accountable under. Is not this what we have been fighting for all these years?

My amendment includes those protections to prevent frivolous lawsuits that we have all fought to include in a bill. All of us. My amendment protects employers by allowing them to choose a designated decision-maker, so very important to all of us.

My amendment requires patients exhaust all administrative remedies. My amendment also includes a rebuttable presumption in favor of the plan if the reviewer rose in favor of the plan. While I know my friends have raised concerns about this provision, I continue to raise just one simple question: If an expert reviewer says an insurer was right in denying care, how was the insurer negligent in denying care? Should not they have some extra consideration?

My amendment includes limitations on damages. There is a $1.5 million cap on noneconomic damages. There is a cap on punitive damages of $1.5 million. That is only available when an insurer ignores an external reviewer. I believe personally in limitation of damages. Some of my colleagues do not, obviously. This is a legitimate area for debate, is it not?

Mr. Chairman, these issues I have raised are issues we should be debating. I am sorry that the debate has deteriorated some. I am disappointed that they feel that they have not been given adequate time for a debate. I will understand if they feel they cannot support my amendment solely because of process, because they have heard me complain before of similar things.

But before Members cast this vote against this bill, I ask them to consider what the amendment actually does; and more importantly, I want Members to support who supports this bill.

The President has committed to signing our bill with this amendment. I have been working for 5 years to get a bill signed into law, not just pass another bill. Like it or not, we have to work with this President who has to sign this bill.

I think my colleagues are deluding themselves, maybe, if they think we can force a bill down this President's throat. It is simply not going to happen with this honorable man from Texas. So I accept the President's offer to bridge the gap.

I know this is not the final bill, and so do the Members. I know there are words that need to be changed. I think my colleagues are missing the boat by treating every interpretation of a problem in my amendment, real or imagined, as a life-or-death decision.

Instead, we should be looking at the underlying offer and asking ourselves, is this an offer that accomplishes what we set out to do in creating a real remedy for patients?

Mr. Chairman, the answer to that question is yes. I encourage my colleagues, all my colleagues, to join me in accepting the President's offer of a compromise to go into conference. I would encourage my colleagues who will vote no today to set aside their feelings and ask themselves, what are they holding out for? What is it that they need to say yes to, once and for all changing the law of this great Nation to protect patients?

Mr. Chairman, I have found the answer, I believe. The working answer is in this amendment and in a conference. I would encourage my colleagues to join me in supporting this amendment. I am saddened deeply that it will not be bipartisan; and I know it will not, because I believe now and I have believed for years the true answer to this is a bipartisan solution.

I want to take a minute of personal privilege to thank all the Members. Many Members on both sides of the aisle have worked as hard as I have. I know who they are. I have worked as hard against my friend, the gentleman from Kentucky (Mr. FLETCHER), as anybody I know; but by golly, he has worked hard in his own way to protect patients, too.

Nobody I know has been around this issue consistently and constantly and every time I turn around more than my friend, the gentleman from Arizona (Mr. SHADEGG). He has added tremendously to this debate in many ways, which I do not have time to go over right now.

I want to say to all of my Democratic colleagues, I believe them very much when they say they want a patient protections bill. I believe that our Members do, too. I know how hard they have worked. I know who they are, too. I have had a few hours with them to try to work this out.

I just have to point out to all the Members, I want Members to know who Bridget Taylor is, a lady that I have the greatest respect and admiration for who has worked her little heart out for the benefit of patients of this Nation.

I want to say to my staff, I thank them. I know what I have done to them. My friend, Rodney Whitlock, has been with me 7 years; and I do not know many people who have taken a worse beating on my behalf than Rodney Whitlock in the last 2 weeks. I thank him.

And to my friend, the gentleman from Michigan (Mr. DINGELL), he knows I love him and respect him, and I know where he wants to go. He knows where I want to go. It has been a great honor working with the gentleman from Michigan. I appreciate his efforts on behalf of patients, too.

Lastly, I want to say to my friend, and I do mean that, to the gentleman from Iowa (Mr. GANSKE), I do not know anybody, including me, that has worked as hard as the gentleman has. I admire the gentleman so. I know he is trying to do the right things for his patients. God knows, there is nobody more persistent and tough and stubborn and willing to fight and stand up, and I have admired the gentleman so, because he has taken some tough hits. I know the people of Iowa need to be grateful to have you as their Representative in Congress.

Lastly, I want to say to all of the Members about the President of the United States, I do not make any bones about it, I love this man. I have gotten to know him. I have the greatest respect in the world for him. Whatever Members may think of him, I promise them, the President and his staff have worked me good for the last 2 weeks. What they have been trying to do is to get a patients' protection bill out that they can agree with.

I thank them for their efforts and thank all of the Members. I hope that at some point tonight we will have a bipartisan vote.

Mr. ANDREWS. Mr. Chairman, I yield myself the balance of my time.

Mr. ANDREWS. Mr. Chairman, let me begin by expressing my appreciation to my good friend, the gentleman from Michigan (Mr. DINGELL), whom I admire so much; to the gentleman from Iowa (Mr. GANSKE); and to all those involved.

The vote we are about to take is not about the good intentions of good and decent people, because there are many in this debate. It is about making a good choice for the people of our country, the people who are sitting in a hospital waiting-room tonight with their stomachs and their hearts in their throats, not just because they are worried about whether their loved one is going to recover, but whether they are going to have a hassle over who pays the bill. That is who we have to think about here tonight.

I respect those who are here tonight to try to help the President. I am here to try to help the patients of the United States of America here tonight.

To understand why I oppose this flawed amendment, Members need to understand the following situation. A person goes to her primary care provider. The primary care provider says, You really ought to see a specialist. She does not get the right to see the specialist because the HMO says no.

Because of the time delay, she develops a malignant tumor. She is in the hospital. She dies as a result of the malignant tumor. But before she dies, the wrong medications are administered to her wrongly by an employee of the hospital. Her estate sues the hospital and sues the HMO, not because they want to recover a lot of money, but because they have been wronged.

The way I read this bill, there is one word that denies that family's claim. Because despite whatever good intentions there might be, the law is about words, not good intentions. The words in this bill say that the actions of the HMO have to be the proximate cause of the injury.

□ 2000

And a good lawyer, and, boy, the HMOs have really good lawyers, is going to figure out in a heartbeat how to beat that case. Because he or she is going to say the death here was not "the" proximate cause by the HMO, it was "a" proximate cause. So the claim gets tossed out.

This is not just about words, it is about values. If we want to hold the HMOs of this country accountable, this is the vote. There will not be another one. I do not think so. If my colleagues want to hold them accountable, they should come to floor, take out their card, and vote for the patients of this country. Vote "no" on the Norwood amendment.

Mr. WEXLER. Mr. Chairman, I would like to state for the record my enthusiastic support for the Dingell-Ganske Bi-Partisan Patients' Bill of Rights (H.R. 2563) and my opposition to the Norwood amendment. The Dingell-Ganske is the only true patient protection bill in Congress. H.R. 2563 allows patients to sue an HMO in state courts when they are denied care. Further, the bill allows patients to sue in federal court for breach of contract.

H.R. 2563 would return medical decisionmaking to patients and health care professionals. Americans would have greater access to specialists, including pediatric specialists for children and gynecologists for women. Coverage for emergency room care would be available, as well as the right to talk freely with doctors and nurses about every medical option. The Patients' Bill of Rights would end financial incentives for doctors and nurses to limit the care they provide. It would also provide an appeals process and real legal accountability for the decisions made by insurance companies.

Opponents of this bill claim that the Dingell-Ganske Patients' Bill of Rights would unnecessarily expose employers to lawsuits. In fact, the newly filed Dingell-Ganske bill includes amendments adopted in the Senate which shield employers from liability if they are not directly involved in the decisionmaking process.

In light of the passage of the McCain, Kennedy, Edwards Bipartisan Patients' Bill of Rights in the Senate, the Republican leadership has drafted a weak amendment that purports to protect patients' rights while at the same time protecting the insurance industry. At the last minute, the President, the Republican leadership and Congressman Norwood crafted an amendment that basically negates the Dingell-Ganske bill. While the Norwood Amendment claims to allow lawsuits to be filed in state courts, such suits would be limited by federal law. Further, the Norwood amendment allows employers to unilaterally remove an action from state to federal courts. Federal courts are the wrong venue for bringing medical suits. Federal courts are backlogged with cases that would take priority over civil actions. Further, federal courts do not have experience with medical suits because they are typically brought before state courts.

Additionally, the Norwood amendment unreasonably caps non-economic damages. Those without substantial income—the elderly, children and homemakers would suffer the most under these limited damage provisions. The Amendment also caps punitive damages and heightens the bar required to obtain compensation by asking juries to meet the "clear and convincing" standard prior to awarding damages. In short, the Amendment creates legal hurdles that make it almost impossible for a patient who is being denied care to get help from the courts.

All concerns over the Bipartisan Patient Protection bill have been resolved in the Senate and have been adopted in the newly drafted Dingell-Ganske. There is no reason to oppose this bill, unless you are trying to appease the insurance companies.

Ms. MILLENDER-McDONALD. Mr. Chairman, I rise in support of the base bill, Dingell-Norwood-Ganske-Berry. However, I am concerned about provisions in the Norwood amendment, if adopted, that will have a deleterious impact on women.

H.R. 2563, in its original form, provides protections for women and mothers and provides them with direct access to a physician specializing in obstetrics or gynecology, without them having to obtain prior authorization or referral from their primary physicians. The base bill requires that plans permit parents to designate a pediatrician as their child's primary provider. My district constituents will derive substantial benefits from this provision. Furthermore, the base bill provides vital protection regarding medical and surgical benefits for women afflicted with cancer, including coverage that a doctor deems medically necessary.

Mr. Speaker, it is paramount for us to pass a bill that establishes both internal and external appeals processes, and which allows women a mechanism to appeal a denial of a benefit claim to services and/or treatment that a doctor feels is necessary. Today I stand and champion the needs of all Americans, but particularly for women. I applaud the authors of the Dingell-Ganske-Berry bill. Their legislation is a beacon of good policy and intentions. On the other hand, the negotiated agreement, crafted under the cloak of secrecy and darkness, must not be tolerated nor condoned. I implore my colleagues to support the base bill, support women's needs contained within it, and support Americans who want and need a true patients bill of rights.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, opponents of the Bipartisan Patients' Bill of Rights contend that allowing the public to sue their HMOs will lead to a litigation explosion, a rise in health care costs, and insurance companies going bankrupt. Regardless of the fact that none of these theories have been proven, and that the facts actually show the opposite to be true, they are inundating the public with this misleading rhetoric. Well, those who live in glass houses should not throw stones. The managed care industry does not hesitate to sue when it protects its bottom line, regardless of the effect it has on patients.

Mr. Chairman, we must pass a Patients' Bill of Rights that no longer allows HMOs to maintain their privileged immunity from being held legally responsible to their patients. Though this is what we should do, many of my colleagues are willing to keep medical decisions in the hands of unqualified HMOs and support the Norwood amendment.

The amendment provides for a one-sided preemption of state damage caps. For states with no damage caps, the damage caps in this amendment would apply. States that currently do not cap damages would be forced to accept the damage limitations provided in this bill. Mr. Chairman, a $500,000 cap to cover damages for pain and suffering is not enough. Placing a cap on punitive damages erodes the deterrent effect of punitive awards.

Mr. Chairman, I would like to conclude with an example that may provide my colleagues with a clearer picture of what the Norwood amendment does to patients who depend on their insurance companies to provide for them.

Consider the woman with breast cancer. Her HMO denies her a mammogram, which could have detected it. The undetected cancer worsens. When it is finally diagnosed, it is beyond treatment. The woman dies. Her family brings a lawsuit against the HMO for failure to provide the mammogram that could have identified her condition and led to life saving treatment. Even if the jury finds fault with the HMO, $500,000 will not bring that woman back. $500,000 is not enough for pain and suffering. $500,000 is a slap on the wrist for an HMO that prevented a woman from receiving a mammogram that may have detected breast cancer, and possibly saved her life.

Now, I ask my colleagues to imagine that this woman was their mother, their wife, their daughter. Would $500,000 be enough to raise your kids? Would $500,000 be enough to put your kids through college? Would $500,000 be enough to explain where their mother is? How then would they feel about the Norwood amendment—the amendment that stacks the deck against patients, the amendment that could possibly stack the deck against one of their loved ones?

Mr. OWENS. Mr. Chairman, I rise in opposition to the Norwood amendment to H.R. 2563, the Bipartisan Patient Protection Act, aka, the Patients' Bill of Rights.

The deception being debated here today is quite reminiscent of Orwell's novel when each day citizens wake up to a new reality. Yesterday, we left the Hill and Mr. Norwood was one of the leading proponents of a significant and fair Patient's Bill of Rights that was truly bipartisan. We arrived today and the Patients' Bill of Rights has been transformed into a HMO Bill of Rights, stripping both patients and states of the right to hold these "sacred cows" accountable. The extent to which the American people are being counted upon to ignore the details and simply "don't worry, be happy" that something was done is shameful and frightening.

A system of checks and balances is only fair and just. Why should the patient and their family members be left without recourse in the event of a tragic error simply because they belong to an HMO. This is a government of, by, and for the people, not HMO's. Our responsibility is to ensure a patient's right to sue health plans for injuries sustained as a result of a delay or denial of medical care. If anyone deserves a privileged status when involved in or affected by medical decisions it should be the potential victim.

A patient's right to recourse is an important check and balance in a system that must balance profit margins with patient needs. To take such an important protection away from American citizens is wrong. To further limit a state's right to protect its citizens from self serving decisions made by HMO's may be unconstitutional. To abandon our commitment to a meaningful Patient's Bill of Rights for political expedience is unconscionable. Mr. NORWOOD conceded too much. The Ganske/Dingell Bill offers us a chance to pass a true bipartisan Patient's Bill of Rights that is fair and just.

Mr. Chairman, to preserve states' rights and consumer rights; and to block one more path toward the corporate takeover of America, I urge my colleagues to defeat this poison amendment, and pass a fair Patient's Bill of Rights.

Mrs. CHRISTENSEN. Mr. Chairman, I rise in opposition to the Bush/Norwood amendment and I urge my colleagues to oppose its passage.

I agree with the American Medical Association, which oppose the Norwood amendment for four very good reasons.

First, the Norwood amendment overturns the good work that states like Texas and

Georgia have done in protecting patients. It reverses developing case law that allows patients to hold plans accountable when they make decisions that harm them.

Second, the Norwood amendment takes away states power to set the standards by which HMOs can be punished with punitive damages creating a one-way preemption of states rights in favor HMOs.

Third, it gives HMOs an unfair advantage by raising the bar making it harder for patients to make their case in court.

Finally, and most troubling, the Norwood amendment provides patients protections on the one hand but does not allow them to enforce those same protections in court.

Mr. Chairman, the Norwood amendment and all of the amendments offered today, are nothing more than poison pills designed to kill the meaningful Ganske/Dingell patient protection bill by forcing a conference with the Senate.

I urge my colleagues to oppose the Norwood amendment, which is nothing more than a gift to the HMO industry. The American people want us to give them a real Patients' Bill of Rights with real enforcement provisions and real protections.

Mr. McGOVERN. Mr. Chairman, I rise today to urge this House vote against the Norwood-Bush amendment for Ganske-Dingell.

Norwood-Bush is not real reform. President Bush doesn't want to sign any meaningful patient protection legislation. As Governor, he never signed any Texas patient protection law, and now he is attempting to use this Congress to kill real patient protections.

For five years, the Republicans ignored patients by forcing through hollow patient protection bills that only benefit insurance companies. Today we have an opportunity to finally put patients ahead of bureaucrats and bean-counters.

President Bush wants the House to pass a bill just different enough that the Senate cannot support it. The House Republican leadership can then kill the bill in conference.

Patients, their families and their physicians deserve much better.

The Norwood-Bush proposal is about bad politics, not good policy.

Let's get past the politics. Let's do this right. Pass the Ganske-Dingell bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. NORWOOD).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ANDREWS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 218, noes 213, not voting 3, as follows:

[Roll No. 329]

AYES—218

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOES—213

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Ganske
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—3

Lipinski
Paul
Spence

☐ 2023

Mr. ISTOOK changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider Amendment No. 3 printed in House Report 107-184.

AMENDMENT NO. 3 OFFERED BY MR. THOMAS

Mr. THOMAS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. THOMAS:

Add at the end the following new title (and amend the table of contents of the bill accordingly):

TITLE VIII—REFORMS RELATING TO HEALTH CARE LIABILITY CLAIMS

SEC. 801. TABLE OF CONTENTS OF TITLE.

The table of contents of this title is as follows:

Sec. 801. Table of contents of title.
Sec. 802. Application in States.
Sec. 803. Encouraging speedy resolution of claims.
Sec. 804. Compensating patient injury; fair share rule.
Sec. 805. Authorization of payment of future damages to claimants in health care lawsuits.
Sec. 806. No punitive damages for health care products that comply with FDA standards.
Sec. 807. Effect on other laws.
Sec. 808. Definitions.
Sec. 809. Effective date; general provisions.

SEC. 802. APPLICATION IN STATES.

The provisions of this title relating to any requirement or rule shall not apply with respect to a health care lawsuit brought under State law insofar as the applicable statutory law of that State with respect to such lawsuit specifies another policy with respect to such requirement or rule.

SEC. 803. ENCOURAGING SPEEDY RESOLUTION OF CLAIMS.

Health care lawsuits shall be commenced no later than 2 years after the claimant discovers, or through the use of reasonable diligence should have discovered, the injury for which the lawsuit was brought. In all cases, a health care lawsuit shall be filed no later than 5 years after the date of the injury. The time periods for filing health care lawsuits established in this section shall not apply in cases of malicious intent to injure. To the extent that chapter 171 of title 28, United States Code, relating to tort procedure, and, subject to section 802, State law (with respect to both procedural and substantive matters), establishes a longer period during which a health care lawsuit may be initiated than is authorized in this section, such chapter or law is superceded or preempted.

SEC. 804. COMPENSATING PATIENT INJURY; FAIR SHARE RULE.

(a) UNLIMITED AMOUNT OF DAMAGES FOR ACTUAL LOSSES IN HEALTH CARE LAWSUITS.—In any health care lawsuit, the full amount of a claimant's economic loss may be fully recovered, subject to section 809(d)(2), without limitation.

(b) ADDITIONAL NON-ECONOMIC DAMAGES.—Subject to section 809(d)(2), in any health care lawsuit, the amount of non-economic damages may be as much as $250,000, regardless of the number of parties against whom the action is brought or the number of separate claims or actions brought with respect to the same occurrence.

(c) NO DISCOUNT OF AWARD FOR NON-ECONOMIC DAMAGES.—In any health care lawsuit, an award for future non-economic damages shall not be discounted to present value. The jury shall not be informed of the maximum award for non-economic damages. An award for non-economic damages in excess of the amount specified in subsection (b) (or the amount provided under section 809(d)(2), if applicable) shall be reduced either before the entry of judgment, or by amendment of the judgment after entry, and such reduction shall be made before accounting for any other reduction in damages required by law. If separate awards are rendered for past and future non-economic damages and the combined awards exceed the amount so specified, the future non-economic damages shall be reduced first.

(d) FAIR SHARE RULE.—In any health care lawsuit, each party shall be liable for the party's several share of any damages only and not for the share of any other person. Each party shall be liable only for the amount of damages allocated to such party in direct proportion to such party's percentage of responsibility. A separate judgment shall be rendered against each such party for the amount allocated to such party. For purposes of this section, the trier of fact shall determine the proportion of responsibility of each party for the claimant's harm.

(e) ADDITIONAL HEALTH BENEFITS.—In any health care lawsuit, any party may introduce evidence of collateral source benefits. If any party elects to introduce such evidence, the opposing party may introduce evidence of any amount paid or contributed or reasonably likely to be paid or contributed in the future by or on behalf of such opposing party to secure the right to such collateral source benefits. No provider of collateral source benefits shall recover any amount against the claimant or receive any lien or credit against the claimant's recovery or be equitably or legally subrogated to the right of the claimant in a health care lawsuit. This subsection shall apply to a health care lawsuit that is settled as well as a health care lawsuit that is resolved by a fact finder.

(f) TREATMENT OF PUNITIVE DAMAGES.—

(1) GENERAL RULE.—Punitive damages may, to the extent permitted by applicable State law, be awarded in any health care lawsuit in any Federal or State court against a defendant if the claimant establishes by clear and convincing evidence that the harm suffered was the result of conduct—

(A) specifically intended to cause harm; or

(B) conduct manifesting a conscious, flagrant indifference to the rights or safety of others.

(2) APPLICABILITY.—This subsection shall apply to any such health care lawsuit on any theory where punitive damages are sought. This subsection does not create a cause of action for punitive damages.

(3) LIMITATION ON PUNITIVE DAMAGES.—The total amount of punitive damages that may be awarded to a claimant for losses resulting from the injury which is the subject of such a health care lawsuit may not exceed the greater of—

(A) 2 times the amount of economic damages, or

(B) $250,000,

regardless of the number of parties against whom the action is brought or the number of actions brought with respect to the injury. Subject to section 802, this subsection does not preempt or supersede any State or Federal law to the extent that such law would further limit the award of punitive damages.

(4) BIFURCATION.—At the request of any party, the trier of fact shall consider in a separate proceeding whether punitive damages are to be awarded and the amount of such award. If a separate proceeding is requested, evidence relevant only to the claim of punitive damages, as determined by applicable State law, shall be inadmissible in any proceeding to determine whether actual damages are to be awarded.

(g) LIMITATIONS ON APPLICABILITY OF THIS SECTION.—This section applies only to health care lawsuits. Furthermore only to the extent that—

(1) chapter 171 of title 28, United States Code, relating to tort procedure, permits the recovery of a greater amount of damages than authorized by this section, such chapter shall be superseded by this section; and

(2) only to the extent that either chapter 171 of title 28, United States Code, relating to tort procedure, or, subject to section 802, State law (with respect to procedural and substantive matters), prohibits the introduction of evidence regarding collateral source benefits or mandates or permits subrogation or a lien on an award of damages for the cost of providing collateral source benefits, such chapter or law is superseded or preempted by this section.

SEC. 805. AUTHORIZATION OF PAYMENT OF FUTURE DAMAGES TO CLAIMANTS IN HEALTH CARE LAWSUITS.

(a) IN GENERAL.—In any health care lawsuit, if an award of future damages, without reduction to present value, equaling or exceeding $50,000 is made against a party with sufficient insurance or other assets to fund a period payment of such a judgment, the court shall, at the request of any party, enter a judgment ordering that the future damages be paid by periodic payments in accordance with the Uniform Periodic Payment of Judgments Act promulgated by the National Conference of Commissioners on Uniform State Laws in July 1990. This section applies to all actions which have not been first set for trial or retrial prior to the effective date of this title.

(b) LIMITATION ON APPLICABILITY OF THIS SECTION.—Only to the extent that chapter 171 of title 28, United States Code, relating to tort procedure, or, subject to section 802, State law (with respect to both procedural and substantive matters), reduces the applicability or scope of the regulation of periodic payment of future damages as authorized in this section, is such chapter or law preempted or superseded.

SEC. 806. NO PUNITIVE DAMAGES FOR HEALTH CARE PRODUCTS THAT COMPLY WITH FDA STANDARDS.

(a) GENERAL RULE.—In the case of any health care lawsuit, no punitive or exemplary damages may be awarded against the manufacturer of a medical product based on a claim that the medical product caused the claimant's harm if the medical product complies with FDA standards.

(b) EXCEPTION.—Subsection (a) shall not apply in any health care lawsuit in which—

(1) before or after the grant of FDA permission to market a medical product, a person knowingly misrepresents to or withholds from the FDA required information that is material and relevant to the performance of such medical product, if such misrepresentation or withholding of information is causally related to the harm which the claimant allegedly suffered; or

(2) a person makes an illegal payment to an official of FDA for the purpose of either securing or maintaining approval of such medical product.

SEC. 807. EFFECT ON OTHER LAWS.

This title does not affect the application of title XXI of the Public Health Service Act (relating to the national vaccine program). To the extent that this title is judged to be in conflict with such title XXI, then this title shall not apply to an action brought under such title. If any aspect of such a civil action is not governed by a Federal rule of law under such title, then this title or otherwise applicable law (as determined under this title) will apply to that aspect of the action.

SEC. 808. DEFINITIONS.

As used in this title:

(1) ALTERNATIVE DISPUTE RESOLUTION.—The term "alternative dispute resolution" means a system that provides for the resolution of health care lawsuits in a manner other than through a civil action brought in a State or Federal Court.

(2) AMOUNT RECOVERED BY CLAIMANTS.—The term "amount recovered by claimants" means the total amount of damages awarded to a party, after taking into account any reduction in damages required by this title or

applicable law, and after deducting any disbursements or costs incurred in connection with prosecution or settlement of a claim, including all costs paid or advanced by any person. Costs of health care incurred by the plaintiff and the attorneys' office overhead costs or charges for legal services are not deductible disbursements or costs for such purpose. Such term does not include any punitive or exemplary damages.

(3) CLAIMANT.—The term "claimant" means any person who asserts a health care liability claim or brings a health care lawsuit, including a person who asserts or claims a right to legal or equitable contribution, indemnity, or subrogation, arising out of a health care lawsuit, and any person on whose behalf such a claim is asserted or such an action is brought, whether deceased, incompetent, or a minor.

(4) COLLATERAL SOURCE BENEFITS.—The term "collateral source benefits" means any amount paid or reasonably likely to be paid in the future to or on behalf of the claimant, or any service, product or other benefit provided or reasonably likely to be provided in the future to or on behalf of the claimant, as a result of injury or wrongful death, pursuant to—

(A) any State or Federal health, sickness, income-disability, accident or workers' compensation act;

(B) any health, sickness, income-disability, or accident insurance that provides health benefits or income-disability coverage;

(C) any contract or agreement of any group, organization, partnership, or corporation to provide, pay for, or reimburse the cost of medical, hospital, dental, or income disability benefits; and

(D) any other publicly or privately funded program.

(5) COMPLIES WITH FDA STANDARDS.—The term "complies with FDA standards" means, in the case of any medical product, that such product is either—

(A) subject to pre-market approval or review by the Food and Drug Administration under section 505, 506, 510, 515 or 520 of the Federal Food, Drug, and Cosmetic Act (21 U.S. C. 355, 356, 360, 360e, 360j) or section 351 of the Public Health Service Act (42 U.S. C. 262) and such approval or review concerns the adequacy of the packaging or labeling of such medical product or the safety of the formulation or performance of any aspect of such medical product which a health care lawsuit claims caused the claimant's harm, and such medical product was marketed in conformity with the regulations under such sections, or

(B) generally recognized as safe and effective pursuant to conditions established by the FDA and applicable FDA regulations, including those related to packaging and labeling.

(6) CONTINGENT FEE.—The term "contingent fee" includes all compensation to any person or persons which is payable only if a recovery is effected on behalf of one or more claimants.

(7) ECONOMIC LOSS.—The term "economic loss" means reasonable amounts incurred for necessary health treatment and medical expenses, lost wages, replacement service losses, and other pecuniary expenditures due to personal injuries suffered as a result of injury.

(8) FDA.—The term "FDA" means the Food and Drug Administration.

(9) HEALTH CARE GOODS OR SERVICES.—The term "health care goods or services" means any medical product, or any service provided by a health care provider or by any individual working under the supervision of a health care provider, that relates to the diagnosis, prevention, or treatment of any human disease or impairment, or the assessment of the health of human beings.

(10) HEALTH CARE LAWSUIT.—The term "health care lawsuit" means any health care liability claim concerning the provision of health care goods or services, or any civil action concerning the provision of health care goods or services brought in a State or Federal Court or pursuant to an alternative dispute resolution procedure, against a health care provider or the manufacturer, distributor, supplier, marketer, promoter or seller of a medical product, regardless of the theory of liability on which the claim is based, or the number of claimants, plaintiffs, defendants, or other parties, or the number of claims or causes of action in which the claimant alleges a health care liability claim.

(11) HEALTH CARE LIABILITY CLAIM.—The term "health care liability claim" means a demand by any person (whether or not pursuant to an alternative dispute resolution system, an action in State court, or an action in Federal court) concerning the provision of health care goods or services, if made against a health care provider or the manufacturer, distributor, supplier, marketer, promoter or seller of a medical product, including third-party claims, cross-claims, counter-claims, or contribution claims, which are based upon the provision or use of (or the failure to provide or use) health care services or medical products, regardless of the theory of liability on which the claim is based, or the number of claimants, plaintiffs, defendants, or other parties, or the number of claims or causes of action.

(12) HEALTH CARE PROVIDER.—The term "health care provider" means any person or entity required by State or Federal laws or regulations to be licensed, registered, or certified to provide health care goods or services or whose health care goods or services are required to be so licensed, registered, or certified, or which are exempted from such requirement by other statute or regulation.

(13) INJURY.—The term "injury" means any illness, disease, or other harm that is the subject of a health care liability claim.

(14) MALICIOUS INTENT TO INJURE.—The term "malicious intent to injure" means intentionally causing or attempting to cause physical injury other than providing health care goods or services.

(15) MEDICAL PRODUCT.—The term "medical product" means a drug (as defined in section 201(g)(1) of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 321(g)(1)) or a medical device as defined in section 201(h) of such Act (21 U.S.C. 321(h)), including anycomponent or raw material used therein, but excluding health care services.

(16) NON-ECONOMIC LOSS.—The term "non-economic loss" means physical impairment, emotional distress, mental anguish, disfigurement, loss of enjoyment, loss of companionship, loss of services, loss of consortium, and any other non-pecuniary losses.

(17) RECOVERY.—The term "recovery" means the net sum recovered after deducting any disbursements or costs incurred in connection with prosecution or settlement of a claim, including all costs paid or advanced by any person. Costs of health care incurred by the plaintiff and the attorneys' office overhead costs or charges for legal services are not deductible disbursements or costs for such purpose.

(18) STATE.—The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States, or any political subdivision thereof.

(20) STATE LAW.—The term "State law" includes all constitutional provisions, statutes, laws, judicial decisions, rules, regulations, or other State action having the effect of law in any State.

SEC. 809. EFFECTIVE DATE; GENERAL PROVISIONS.

(a) IN GENERAL.—This title shall apply to any health care lawsuit brought in a Federal or State court, and to any health care liability claim subject to an alternative dispute resolution system, that is initiated on or after the date of enactment of this Act, except that any health care lawsuit arising from an injury occurring before the date of enactment of this Act shall be governed by the applicable statute of limitations provisions in effect at the time the injury occurred.

(b) HEALTH CARE LAWSUITS.—The provisions governing health care lawsuits set forth in this title supersede chapter 171 of title 28, United States Code, relating to tort claims procedure and, subject to section 802, preempt State law to the extent that State law differs from any provisions of law established by or under this title.

(c) PROTECTION OF STATES' RIGHTS.—Any issue that is not governed by any provision of law established by or under this title (including State standards of negligence) will be governed by otherwise applicable State or Federal law. Subject to subsection (d)(2) and section 802, this title does not preempt or supersede any law that imposes greater protections for health care providers, plans, and organizations from liability, loss, or damages that those provided by this title.

(d) RULE OF CONSTRUCTION.—No provision of this title shall be construed to preempt—

(1) the implementation of any State sponsored or private alternative dispute resolution program;

(2) pursuant to section 802, any State statutory limit (whether enacted before, on, or after the date of the enactment of this Act) on the total amount of economic, non-economic, or punitive damages that may be awarded in a health care lawsuit, whether or not such State statutory limit permits the recovery of a greater or lesser amount of such damages than is provided for under section 804; or

(3) any defense available to a party in a health care lawsuit under any other provision of Federal law.

The CHAIRMAN. Pursuant to House Resolution 219, the gentleman from California (Mr. THOMAS) and the gentleman from Michigan (Mr. CONYERS) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. THOMAS.)

Mr. THOMAS. Mr. Chairman, I yield myself 3 minutes. Subsequent to that I yield the balance of my time to the gentleman from California (Mr. COX) and ask unanimous consent that he control the balance of the time.

The CHAIRMAN. Without objection, the gentleman from California (Mr. COX) will control the balance of the time.

There was no objection.

Mr. THOMAS. Mr. Chairman, the amendment that was just passed puts a limit on the amount that can be received in terms of damages. One side of the equation has been adjusted properly. Notwithstanding the fact you can seek damages, there is a limit.

This amendment proposes to create balance, put a limit on the other side of the equation. What you see here is a quote from a letter from the American College of Surgeons to the President of the United States on February 7. It says:

If the Congress seriously entertains caps on punitive and noneconomic damages—we have just done that—we believe it would be difficult if not impossible to explain why Federal policymakers did not at the same time address the liability exposure faced by physicians, hospitals and other health care practitioners.

It would be unfair, the College of Surgeons said, to enact a patients' bill of rights that caps damages for suits against health plans without capping damages for suits brought against physicians and other health care providers. This is exactly what this amendment does. It does not intrude on any State that has in place its own desired medical malpractice structure, but where there is none, this amendment will provide one unless and until the State passes its own and the State's prerogative would then prevail. It is simply an opportunity to provide a degree of uniformity where there is none today.

Mr. Chairman, it is my pleasure to include for the RECORD a letter, I might say a long overdue letter, from the American Medical Association.

It says, and I quote, on behalf of the American Medical Association, we would like to express our support for medical liability reform consistent with the general tort reform provisions included in the amendment to H.R. 2563 being offered by the gentleman from California (Mr. COX), myself, Chairman TAUZIN, Chairman BOEHNER and Chairman SENSENBRENNER.

The American Medical Association has gone on record in support of this medical malpractice amendment. Let us bring symmetry to this package. Let us put limits on plans. Let us put limits on physicians. Let us move forward in a way in which, as we go to conference, we will know for sure that at long last there is balance in the way in which assessment and the metering out is done where patients' health is concerned.

AMERICAN MEDICAL ASSOCIATION,
Chicago, Illinois, August 2, 2001.

Hon. CHRIS COX,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE COX: On behalf of the American Medical Association (AMA) we would like to express our support for medical liability reform consistent with the general tort reform provisions included in the amendment to H.R. 2563 being offered by you and Representatives Bill Thomas, Billy Tauzin, John Boehner, and Jim Sensenbrenner.

AMA policy has long supported medical liability reform and we appreciate your efforts in this regard. As you know we have expressed concerns in the past about coupling such reforms with the Patients' Bill of Rights. As we enter conference it continues to be our hope that controversy surrounding this amendment will not interfere with the ultimate passage of meaningful patients' rights legislation.

This issue remains a high priority for the AMA and we stand ready to work with you on this or any other matter.

Respectfully,
ROBERT W. GILMORE, MD

Mr. CONYERS. Mr. Chairman, I yield myself such time as I may consume.

Ladies and gentlemen of the House, we are now reaching perhaps the worst amendment on medical malpractice that has ever been brought forward to the House of Representatives. I say that carefully because the one that the Republicans brought forward in 1995 was a real doozy, but this one goes further than that one. This caps doctors and hospitals. What makes it worse than 1995 is that it extends medical malpractice protection to insurance and HMO companies.

Secondly, it lowers punitive damage caps to only two times the economic damages, or $250,000, where the 1995 bill in its generosity limited it to three times economic damages, or $250,000.

Third, it has new limitations on accruing interest on noneconomic damages.

Finally, it applies limitations to private settlements as well as court cases.

So here in a system where each State has heretofore determined what the economic damages would be, what the noneconomic damages would be, what the punitive damages would be, here the majority party in this body has now determined that we are not only going to protect HMOs, we are going to cap suits against doctors and hospitals.

In a single stroke, the Thomas amendment, which is joined in by several chairmen on the other side as well, would place an arbitrary and capricious cap on the ability of the millions of persons harmed by medical negligence to recover in their own State courts. This amendment is even worse than the coverage in the Norwood amendment; and as I have said, this is the most severe and limiting malpractice amendment ever considered by the House.

If it were adopted, Congress would be saying to the American people, We don't care if you lose your ability to bear children; we don't care if you're forced to bear excruciating pain for the remainder of your life; we don't care if you're permanently disfigured or crippled, because under this amendment, a medical professional who fell asleep in the operating room or operated on the wrong patient would be completely insulated from punitive damages. The language goes so far as to cap the liability of a doctor, heaven forbid, who even rapes his patient. Do Members not know that punitive damages are the only way to deter such outrageous conduct?

The new statute of limitations takes no account of the fact that many injuries caused by malpractice or faulty drugs take years, sometimes decades, to manifest themselves. Under this proposal, a patient who is negligently inflicted with HIV-infected blood and develops AIDS 6 years later would be forever barred from filing a liability claim.

The so-called periodic payment provisions are nothing less than a Federal installment plan for HMOs. The bill allows insurance companies teetering on the verge of bankruptcy to delay and then completely avoid future financial obligations. Have you no shame? They would have no obligation to pay interest on amounts they owe their victims.

And guess what else happens under this sweetheart deal of an amendment? The drug companies, the producers of killer devices like the Dalkon Shield, the Cooper-7 IUD, high absorbency tampons linked to toxic shock syndrome and silicone gel implants, all would have completely avoided billions of dollars in damages had this bill been law.

Somewhere between 80 to 100,000 people die in this country each year from medical malpractice. It is the third leading cause of preventable deaths in America. If we pass this amendment, there is no question that the pain and suffering and deaths will increase. And this Congress will be to blame.

Therefore, I urge a "no" vote on the Thomas amendment.

Mr. Chairman, this "poison pill" amendment represents the most far reaching and dangerous malpractice provision ever considered by the Congress, and is even worse than previous malpractice limitations passed during the "Contract with America." Unlike previous malpractice amendments taken up the Republican House, this would apply to limit HMO and insurance company liability. It would also supersede state laws to severely limit recoveries by harmed patients. The following is a more detailed description.

Scope and Preemption (Secs. 802,809)—the amendment preempts state law and the federal torts claims act with regard to any health care actions, even privately negotiated claims and those submitted to arbitration. This means the bill would limit the liability of physicians, drug companies, and hospitals. In addition, it would limit the liability of HMO's and insurance companies in a far more severe fashion that the Norwood amendment or the Fletcher bill.

Statute of limitations/repose (Sec. 803)—provides for a statute of limitations that prohibits victims from bringing any health care lawsuit more than two years after an injury is discovered. It also provides for a statute of repose that prohibits victims from bringing any health care lawsuit more than five years after the negligent conduct that caused the injury first occurred. The above time limitations for initiating a health care lawsuit will not apply in cases where there is a "malicious" intent to injure—an almost impossible standard to meet. Thus under the proposal, a patient who is negligently inflicted with HIV-inflected blood and develops AIDS 6 years later would be forever barred from filing a medical malpractice or product liability claim.

Cap on Non-economic Damages (Sec. 804(b), (c))—caps the award of non-economic damages in health care lawsuits at $250,000 regardless of the number of defendants involved. These caps are far more restrictive than the caps on non-economic damages proposed in the Norwood amendment of $1.5 million. Although harder to scientifically measure, non-economic damages compensate victims for real losses—such as loss of sight, disfigurement, inability to bear children, incontinence, inability to feed or bathe oneself, or loss of a limb—that are not accounted for in lost wages. Caps on non-economic damages would unfairly penalize those victims who suffer the most severe injury and are most in need of financial security. Non-economic damage caps have also been found to have a disproportionately negative impact on women, minorities, the poor, the young, and the unemployed; since they generally have lower wages, a greater proportion of their losses is non-economic. The bill also provides that an award for future non-economic damages will not be discounted to present value, which would appear to mean that there will be no adjustment made for inflation when non-economic damages are awarded. This restriction has never been proposed in any previous malpractice amendment.

Joint and Several Liability (804)(d))—provides that in any health care lawsuit concerning the provision of health care goods or services, each party shall be liable only for the amount of damages allocated to such party in direct proportion to such party's percentage of responsibility. This provision eliminates the state doctrine of joint and several liability for non-economic damages, and raises the concern that instead of placing the burden of financial loss on the identifiable defendant, victims who prevail on a liability claim may not be able to recover all of their damages.

Collateral Source (804(e))—eliminates the collateral source rule by allowing defendants in medical malpractice cases to unilaterally introduce evidence of collateral source payments received or to be received by the claimant, such as health or disability insurance. In most states under the collateral source rule, a victim is able to obtain compensation for the full amount of damages incurred, and his or her health insurance provider is able to seek subrogation in respect of its own payments to the victim. This ensures that the true cost of damages lies with the wrongdoer while eliminating the possibility of double recovery by the victim. The Thomas amendment would turn this system on its head by allowing tortfeasors to introduce evidence of potential collateral payments owing from the insurer to the victim. This would have the effect of shifting costs from negligent health care providers at the expense of injured victims.

Limits on Punitive Damages (804(f))—caps punitive damage awards at the greater of $250,000 or two times economic damages and limits the state law standard for the award of punitive damages to intentional or "consciously indifferent" conduct; and allows for a bifurcated proceeding to determine issues relating to punitive damages. Again, the cap on punitive damages in the Thomas amendment is far worse than even the Norwood amendment which caps punitive damages at $1.5 million. It is also more severe than previously considered malpractice amendments. Punitive damages impose punishment for outrageous and deliberate misconduct and they deter others from engaging in similar behavior. Collectively, these restrictions on punitive damages are likely to completely eliminate not only the incentive for seeking punitive damages, but any realistic possibility of obtaining them. Permitting defendants to bifurcate proceedings concerning the award of punitive damages will lead to far more costly and time-consuming proceedings, again working to the disadvantage of injured victims.

Periodic Payments (805)—grants wrongdoers the option of paying damage awards in excess of $50,000 on an "installment plan." This provision would apply not only to future economic damages realized over time, such as lost wages, but to non-economic losses, like the loss of a limb, that are realized all at once. Also, in contrast to many state law periodic payment provisions, the Thomas proposal does not seek to protect the victim from the risk of nonpayment resulting from future insolvency by the wrongdoer or to specify that future payments should be increased to account for inflation or to reflect changed circumstances.

Elimination of Punitive Damages for FDA approved health care products—completely bans punitive damages in the case of drugs or other devices that have been approved by the FDA or any other drug "generally recognized as safe and effective" pursuant to FDA-established conditions. Injuries from medical devices have an estimated cost of $26 billion annually. It is problematic to use compliance with the FDA as a basis for immunity from punitive damages when those regulations have proven inadequate to protect patients numerous times in the past. Government safety standards, at their best, establish only a minimum level of protection for the public. At their worst, they can become outdated, under-protective or under-enforced. Providing immunity from punitive damages to these manufacturers would eliminate the possibility of recovering these costs and would shift the burden to the injured patient. Banning punitive damages for FDA-approved products will also have a disproportionate impact on women and seniors, since they make up the largest class of victims of medical products.

The Thomas amendment also ignores a number of complex legal issues. For example, in the state law context, various damage caps have been held to violate state constitutional guarantees relating to equal protection, due process, and rights of trial by jury and access to the courts; and these very same concerns will surely be present at the Federal level. And by layering a system of Federal rules on top of a two-century old system of State common law, the Thomas amendment will inevitably lead to confusing conflicts, not only within the Federal and State courts, but between Federal and State courts.

Mr. Chairman, I reserve the balance of my time.

Mr. COX. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. SHAW).

Mr. SHAW. Mr. Chairman, I rise in strong support of the Patients' Bill of Rights and this amendment to reform malpractice.

Mr. Chairman, in the last Congress I cosponsored the Bipartisan Consensus Managed Care Improvement Act, known as the Dingell-Norwood bill, after much serious consideration. I decided to support this reform legislation, in opposition to Republican leadership, in order to send a strong message to patients and the managed care industry about the importance of addressing managed care abuses. Notwithstanding my support for the Dingell-Norwood bill in 1999, I remained concerned that implementation of that bill could increase health insurance costs and expand liability to employers and health plans, and therefore voted for several less litigious substitutes last year. As a result, this year I am cosponsor of H.R. 2315, Patients' Bill of Rights Act of 2001, which was introduced by Representative Ernie Fletcher and endorsed by President George W. Bush.

Because of my concern that the new Ganske-Dingell bill could result in a tidal wave of medical malpractice lawsuits against health plans, HMOs—and, make no mistake about it—doctors, hospitals and other health care providers, I rise in strong support of the Thomas-Cox Medical Malpractice Reform Amendment.

Currently, even before the drastic expansion of medical malpractice lawsuits that would certainly result from passage of the new Ganske-Dingell bill, it was estimated that the direct and indirect costs of medical malpractice reform cost the Medicare program approximately $1.5 billion over a 10 year period. Why? Because the threat of lawsuits results in physicians practicing defensive medicine—for example, ordering extra tests or treatments that they might not otherwise do. This adds *indirectly* to Medicare costs at a time when the Medicare program, like the Social Security program, will be running a deficit in the near future as millions of baby boomers become eligible for Medicare.

Yet, we know from a 1996 study of Medicare heart attack victims that the additional tests and treatments did not help or harm these Medicare heart patients. Yet the defensive medicine test increased these heart attack patient's hospital and doctor's bills from five to nine percent. Medical malpractice premiums are also incorporated as *direct* Medicare costs that determine how much a doctor or hospital is paid for each Medicare patient they treat. Again, Medicare is currently paying every day for direct and indirect medical malpractice costs that do not improve the quality of health care that Medicare patients receive.

We have to remember that this is a *patient's* bill of rights, so why would we want to drive up a patient's hospital and doctor bills if the patient's recovery are not improved? Medicare savings that would result from these medical malpractice reforms—which, as I mentioned earlier, the CBO estimated to be $1.5 billion over 10 years—could be applied to a new

Medicare prescription drug benefit or to improving Medicare's preventive health care benefits like breast, cervical or prostate cancer screening. Likewise, patients who have private health insurance would ultimately benefit from lower medical bills, which keep health insurance premiums down, helping to ensure that health insurance remains affordable for individuals and employers. In the absence of this Thomas-Cox Medical Malpractice Reform Amendment, the health care dollars that are diverted from providing patient care and into the legal system will explode. Will redirecting health care dollars into trial lawyers' pockets and the courts provide patients with any better care—which should be the true measure of a patients bill of rights? Research has shown that the threat of medical malpractice lawsuits will not improve patient care.

What I have concluded, as a Member committed to ensuring that managed care plans should be held liable for their decisions, is that Congress needs to:

First enact a bill which ensures that patients have a indisputable right to hold health plans and all health care providers legal accountable for quality health care.

Second, that the new limited right to sue created by Congress be balanced by pairing it with the medical malpractice reforms in the Thomas-Cox Medical Malpractice Reform Amendment—reforms that are similar to the reforms 20 states already have.

In closing, I support a strong Patients' Bill of Rights that is balanced by holding health care providers legally accountable with the reasonable limits on medical malpractice lawsuits contained in the Thomas-Cox Medical Malpractice Reform Amendment.

Mr. COX. Mr. Chairman, I yield myself 30 seconds for the purpose of correcting the record because the gentleman from Michigan has just stated several things that are factually in error.

First, he said that this amendment would apply to health plans, that it would provide relief from damages to health plans. It does not. It has no application to health plans or insurers. If it did, the American Medical Association would not endorse it.

Second, he said that it preempts State law. It preempts no State law. None.

Third, he said that intentional conduct such as a rape would somehow go scott free under this. That is flat wrong. Intentional conduct is excepted.

Lastly, he said that if a professional fell asleep or were negligent that he/she would not be responsible for punitive damages. That is simply false.

Mr. Chairman, I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I yield myself 1 minute. I just want to ask the floor manager, the gentleman from California (Mr. COX), if I heard him correctly when he said that this measure before us preempts no State law.

I yield to him for a yes or no response.

Mr. COX. Mr. Chairman, that is correct. Section 802 specifically states that.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. SCOTT), a member of the Committee on the Judiciary.

Mr. SCOTT. Mr. Chairman, I thank the gentleman for yielding time. It is ironic that when you have a bill entitled Patients' Bill of Rights, we are spending all of our time stripping the patients of those rights.

There are many issues in this amendment, about 10 different issues, we have got 20 minutes to explain them all which is about 2 minutes per issue as we strip our patients of their fundamental rights and traditional laws when they are victims of negligence.

Questions like the statute of limitations. When do you lose your right to sue? What is a reasonable amount of time before you have to file your suit or lose your rights? Two minutes is not enough time to explain that.

A cap on noneconomic damages. When you lose your sight, lose a limb, what is fair, particularly if you were nonworking, did not have any economic losses? What is fair when you suffer a situation like that? States have dealt with that. The amount in this bill is one of the lowest found anywhere in the country.

The complicated issue of joint and several liability. If everybody agrees that you have got a $100,000 case, how do you ever collect if the HMO is partly at fault, the doctor is partly at fault, maybe the nurse is, maybe the hospital, how do you ever get recovery, particularly if one of them is about to go bankrupt?

□ 2045

We cannot discuss that in 2 minutes.

The collateral source rule, where you have a person who has paid an insurance premium and has a benefit, who ought to get the benefit of that? Should it be the one that paid the premium, should it be Blue Cross/Blue Shield getting their money back, or should it be the one that created the damage altogether? This bill provides that out of the three, the one that created the problem gets the benefit.

The calculation of the periodic payments, that is a calculated issue. We know with lottery proceeds, you can get a lump sum or get your money strung out. You know if you get the lump sum, you only get half the money. How does this work out? Do they get to just pay half the money, or do they get to spread it out? We do not have time to show that calculation and how unfair this is.

This is not only bad policy, it is a bad process, and I would hope that we would defeat this amendment.

Mr. COX. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, in fact, the purpose of this legislation is to make sure that we do not have runaway health care costs and that we have more people insured. The legislation states, and it is worth pointing out, because we have heard something slightly different here, that there will be unlimited damages paid to compensate patients for their medical injuries. Unlimited, without limit.

We are, however, putting some regulations on abuses by lawyers. For example, we want to make sure that there is a fair share rule. If you cause 95 percent of the problem, you pay 95 percent of the damage. That is not the rule today.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Mrs. DAVIS).

Mrs. DAVIS of California. Mr. Chairman, I rise today in opposition to the Thomas malpractice amendment. I want you to know that throughout my tenure in the State legislature I supported malpractice reform. I agree with the gentleman from California (Mr. THOMAS) that we do need to address this issue, and I am saddened that this amendment was developed in the middle of the night.

Malpractice reform is too big and too important an issue to be addressed in this hasty, unclear manner. If you want to ask any member of the State legislature over the last few years how they feel about that, I am sure they will reflect that opinion.

I am just not sure if you realize how enormous an issue it is. Do you realize that this bill would put medical malpractice cases in Federal courts for the first time? It is not a small, minor change. It is a major policy decision that should be debated on its own, rather than as a sideline discussion to another major bill.

I am pleased that the gentleman from California (Mr. THOMAS) brought up the letter from the AMA, because if he had only read the second paragraph, I think you would have gotten a different feeling about this letter. It goes on to say, in fact, the AMA policy has long supported medical liability reform. They have in California, it is called MICRA. They appreciate the efforts. But they also say that they have expressed concerns in the past about coupling such reforms with the patients' bill of rights. They are concerned that this amendment could interfere with the ultimate passage of meaningful patients' rights legislation.

I spoke to a physician earlier today who said, yes, complicate it and kill it. I hope that is not what we are trying to do here.

I know in the State assembly I tried to bring together attorneys and physicians around this matter to develop a compromise on malpractice reform. There is just no way that this House can find the right answer to this important issue without bringing all the parties involved to the table.

If we want effective and responsible malpractice reform, I urge Members to vote against the Thomas amendment.

Mr. COX. Mr. Chairman, I yield myself 10 seconds to point out that the American Medical Association has strongly been in support of these reforms every year I have been in Congress, for 15 years, and their only concern, as the gentlewoman did not let on, is President Clinton, representing the trial lawyers, threatened to veto the legislation if they included the provision they wanted.

Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. SENSENBRENNER), the chairman of the Committee on the Judiciary.

Mr. SENSENBRENNER. Mr. Chairman, the purpose of this amendment is to make sure that health care coverage is more available and affordable to all Americans.

These medical malpractice reform provisions will benefit the American people by limiting costs to doctors, hospitals, and other health care providers, which in turn will improve access to affordable health care insurance for all. Unfortunately, the current medical malpractice litigation is a wealth redistribution lottery that benefits trial lawyers, instead of an efficient system designed to fairly compensate those injured by the wrongful acts of others.

Medical malpractice lawyers often simply target the perceived deep pockets of doctors, hospitals and insurance companies. In many cases, defendants know a lawsuit would not succeed on its merits, but agree to settle out of court just to avoid the endless and expensive legal process. In the end, the lawyers often walk away with as much money as the plaintiff. This injustice raises the price of health care, causes unwarranted personal anguish and unfairly damages reputations.

Doctors and hospitals should be held responsible for truly negligent behavior resulting in actual harm. But a system that perpetuates the concept of joint and several liability has no effective mechanism, such as the cap on noneconomic damages, to deter frivolous lawsuits is simply not just.

America is the only country in the world that provides unlimited compensation for noneconomic damages. Of course, noneconomic damages are separate from and do not include payment for medical costs, lost wages and other out-of-pocket expenses. Therefore, a cap on noneconomic damages would not in any way limit the amount of money an injured plaintiff could receive for their hospital costs, doctor bills, other medical expenses, and lost wages.

Malpractice insurance is expensive because many of the claims brought against doctors and other health care providers are lengthy and frivolous. In the year 2000, the average medical malpractice claim took more than 5 years to settle. Statistics also show that 80 percent of all medical malpractice claims do not even involve a negligent adverse event to the plaintiff. Furthermore, only one out of six plaintiffs who receive compensation from these claims present any evidence of negligent medical injury.

We also have the ever more prevalent problem of doctors practicing defensive medicine. Many doctors are ordering unnecessary and costly medical tests and procedures solely to insulate themselves from potential lawsuit and not for the medical benefit of their patients. For example, conservative estimates predict that with effective medical malpractice tort reform, $600 million a year would be saved in Medicare payments in just the area of treating cardiac disease.

Let me be perfectly clear about who benefits from our current health care liability system: the trial lawyers in America, who continue to line their pockets with each outrageous verdict or settlement. Congress' concern should be helping improve America's health care system, not helping the trial lawyers purchase fancier homes, cars, boats, and country club membership.

This amendment is clearly needed if we are going to make a definitive step today to improve the health care system. The AMA supporters of the Ganske-Dingell patients' bill of rights approach recognized this fact, as was stated by the chairman of the Committee on Ways and Means earlier tonight.

My colleagues, the choice is simple: the more dollars which are spent on medical malpractice lawsuits, insurance premiums and lawyers, the fewer dollars there are for Americans to receive quality medical care. Let us put patients' rights ahead of lawyers' avarice, and support this much needed amendment.

Mr. CONYERS. Mr. Chairman, I yield myself 20 seconds merely to point out to the distinguished floor manager, the gentleman from California (Mr. Cox), that on page 10, section 809, lines 21 and 22, it says, "This title shall apply to any health care lawsuit brought in a Federal or State court." I presume the State court is operating under State law.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York (Mr. NADLER), a member of the Committee on the Judiciary.

Mr. NADLER. Mr. Chairman, a few minutes ago this House by a party-line vote adopted the Norwood amendment which caps punitive damages at $1.5 million and caps noneconomic damages at $1.5 million.

This amendment will take both noneconomic damages, pain and suffering, loss of a limb, and say that a child who lost a limb should be compensated at only $250,000, and punitive damages should be compensated at only $250,000.

If this amendment passes, both amendments will be in place and the bill will totally contradict itself, because in one place it will say $1.5 million and in the other place, $250,000. The attempt by the Republican majority is to kill this bill through poison pill amendments. They have done two contradictory amendments.

Secondly, let me point out that by capping punitive damages at $250,000, the purpose of punitive damages is to deter willful, grossly negligent misconduct. We know of companies that have calculated that they will let people die, they will put unsafe things in their cars or other things, because it is cheaper to pay the damages than to change what they are doing.

Punitive damages are designed to stop that. By limiting punitive damages to $250,000, you will get HMOs that will calculate that it is cheaper to deny medical care, cheaper to pay the economic damages, cheaper to pay the $250,000 limited punitive damages, no matter how willful, how grossly negligent, how deceitful, how willful they may be. It is cheaper to kill people and save money, because we have removed the one deterrent the law has.

This is an amendment that should never be passed. But, of course, it does not really matter, since we already killed the bill, which will never pass the Senate, by putting in the Norwood amendment. But we should not set the precedent of saying to large corporations, calculate the cost benefit. Do things that may kill or maim people if it is cheaper for your bottom line.

Mr. COX. Mr. Chairman, I yield myself 20 seconds to correct the gross, egregious and ought to be subject to punitive damages if we have the kinds of standards we are talking about here in the Congress misstatements of what this amendment is all about.

Punitive damages under this legislation are unlimited. They are not limited to $250,000. The gentleman apparently did not read the amendment. There is a base of $250,000, or twice economic damages, and economic damages are unlimited under this legislation.

He said punitive damages also are limited for health insurance plans or HMOs. This amendment has no application to HMOs or health insurance plans. None.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE), a valued member of the Committee on the Judiciary.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I am glad the distinguished gentleman from California made the point about this amendment. It has nothing to do with HMOs, so he says, and the patients' bill of rights.

This is the very point that we are making about this amendment. It is clearly a poison pill. It is the adding of a medical malpractice issue. No matter how relevant it may be to the general discussion of medical malpractice, both

Federal and State law, it has no relevance in this debate.

The real issue becomes that those who have been fighting for the medical malpractice revisions have done so and have been refuted and rejected for session after session, and they use the patients' bill of rights when we are trying to reestablish the sanctity of the patient and physician relationship to now do this.

The most egregious part of this particular amendment is the cap on noneconomic damages, for what that says is that if you have a child age 5 with the potential of growth, education and opportunity, and through some tragic accident at age 5 they lose their limbs, then you will limit the ability of that child growing into adulthood to be able to be cared for independently by capping the noneconomic damages.

□ 2100

This is not a case of frivolousnes; this is not a case where we are suggesting that there are frivolous lawsuits. This is mean-spirited.

Then, secondarily what this does is it gives the medical device companies, the ones that have the MRI, the ones that have the needles, a buyout. The buyout is, even if they are approved by the FDA, they get a buyout. We know that government agencies are not perfect, so that means if we got some blanket approval 25 years ago for a device, we have no ability, if someone is injured, to recover.

This is heinous. This is, I would say, one of the worst amendments we have, and the American Medical Association will have nothing to do with it, and they should not be misused as they are being misused. Vote this amendment down.

Mr. COX. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana (Mr. TAUZIN), the chairman of the Committee on Energy and Commerce.

Mr. TAUZIN. Mr. Chairman, as a cosponsor of the amendment, let me first make the point that no one argues, no one can argue, that unnormally high, runaway malpractice jury awards harms our health care. First of all, it raises costs, it absolutely raises the cost of medical malpractice insurance of physicians and gets passed on to all of us.

Secondly, we all know what it does to physicians. It sends a chilling effect to physicians around the country who end up practicing defensive medicine; in fact, doing things not necessary, not required, just to protect themselves from the lawyers who might end up suing them.

Today, we can do something about it. We can pass this amendment modeled after the California law.

What is beautiful about this amendment is that not only does this amendment place some caps on those runaway charges that juries sometimes make that we all pay for, but it does so in a way that does not preempt the State law. For example, if your State caps noneconomic damages at $500,000, so be it. If your State has any cap on punitive damages, then your State law in that area is preserved. If your State wants to place a $500,000 cap on punitive damages 3 years from now, it is permitted to do so under this amendment.

In short, our authors have put this amendment together in such a way that it helps a number of States restrain runaway malpractice costs and, at the same time, preserves your State's ability to do it differently if you want to do it differently in your State.

Mr. Chairman, this is modest medical malpractice reform. We passed some recently on medical devices that were going out of business, not because they were losing lawsuits; simply because the cost of defending the lawsuits was driving the companies out of the business of making things, like shunts for kids with hydrocephalic cases or limbs for children who have lost their limbs to cancer.

When we passed that medical malpractice reform a few years ago, those manufacturers went back into business. Today, we have a chance to keep our health care system in business. Pass this good amendment.

Mr. CONYERS. Mr. Chairman, I yield myself 1½ minutes to first, hopefully correct the chairman of the Committee on the Judiciary, the gentleman from Wisconsin (Mr. SENSENBRENNER), who asserted that lawyers were getting huge fees. All fees, most Members know, are controlled by the court. Any exorbitant fees are not permitted. And from time immemorial, lawyers get one-third of the recovery. If that is what we are complaining about, we should make it clear that anything more excessive is controlled by the court.

Then, the gentleman from California (Mr. COX), the floor manager, has asserted that the bill does not cap punitive damages. Now if, unfortunately, a physician rapes a patient, many would say she has no economic damages, she may have no lost wages and negligible medical costs. So the Cox amendment would, in that case, cap her punitive damages at $250,000.

Mr. COX. Mr. Chairman, that is false. That is false. The gentleman must yield on that point.

Mr. CONYERS. Sir, control yourself.

So, I say to the gentleman from California (Mr. COX), it is incorrect, I repeat, incorrect to assert that this amendment does not cap punitive damages. If the gentleman takes issue with that, he may use his own time and explain to the membership what he disagrees about.

Mr. Chairman, I yield 1 minute to the gentleman from Iowa (Mr. GANSKE).

Mr. GANSKE. Mr. Chairman, I stood on this floor arguing for medical malpractice reform, and I continued before that, but not on this bill.

Let me read to my colleagues from a letter from the AMA on this. "AMA policy has long supported medical liability reform, and we appreciate your efforts in this regard. As you know, we have expressed concerns in the past about coupling such reforms with the Patients' Bill of Rights. As we enter into the conference for the Patients' Bill of Rights, it continues to be our hope that controversy surrounding this amendment will not interfere with the ultimate passage of a meaningful Patients' Bill of Rights."

We have just passed an amendment that I think will make the conference more difficult. I think if this amendment to this bill passes, the conference will be really difficult. I continue to be a supporter for medical malpractice reform. I would like to see it come up another time.

I urge a no vote on this amendment.

Mr. COX. Mr. Chairman, I yield myself 45 seconds to correct the record.

We have the right of free speech here on the floor of the House, but it is very important that we stick to the facts. The bill says very clearly that, first of all, punitive damages are not limited, but rather, they are fixed in amount, in a variable amount that can rise to infinity at twice economic damages.

Second, the gentleman from Michigan stated an outrageous example. He says if a physician rapes someone, that they would somehow be shielded from liability by this amendment or some other act of Congress. What this amendment very clearly states is that anyone who specifically intends to cause harm has no place in this provision. It does not apply.

Mr. Chairman, I yield 1 minute to the gentleman from Kentucky (Mr. FLETCHER), the author of so much of the good work that the President and the Congress are bringing to the floor today.

Mr. FLETCHER. Mr. Chairman, as a practicing physician, the possibility of malpractice was always there in the back of your mind, because you wanted to make sure you delivered the most quality care you could to your patients.

I can think of generally, probably a day did not go by when there were things that you felt like, well, I do not really think we need this, but because of the way malpractice is, we are going to order a specific test. A patient that comes in with a headache, you may not see them again for a while, and you order an $800 or a $1,000 MRI just to make sure that if something happens way in the future that you do not incur some sort of frivolous lawsuit.

But let me talk about a couple of things. One, according to Daniel P. Kessler, an associate professor at Stanford Business School, when he looked at direct costs, he said they may be relatively small, the direct costs of liability. I think clearly we can say they are fairly significant. But they are small relative to the indirect costs which he estimates five times.

For that reason and for the quality of care, to make sure that we do not promote defensive medicine, I urge my colleagues to support this, as most of the physicians across the country would agree.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 1 minute to the gentlewoman from Ohio (Mrs. JONES), a lawyer, prosecutor, and former judge.

Mrs. JONES of Ohio. Mr. Chairman, as we sit here debating a Patients' Bill of Rights, we stopped talking about the patients' rights and started reading letters from the AMA saying, well, I do not want the doctors to be any more liable, the HMOs, so we are happy with the legislation.

I would suggest to those of my colleagues on the floor of this House, walk a mile in the shoes of someone who has been injured, walk a mile in the shoes of a family member who has a child that has been maimed or blinded, and you will not be talking about limits, you will be talking about, let me get to court and establish my damages, and if I establish them, pay me; and if they have been negligent or extremely negligent, let me get punitive damages.

Let us get realistic, I say to my colleagues. We as significant Members of Congress can pass legislation that will not be questionable, that will not be left to a court to interpret. We can make it clear to the people of these United States that we are going to stand up for patients' rights, that we are going to stand up and allow them to collect if they are damaged.

Mr. COX. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, I thank the gentleman from California for yielding time.

I would like to commend the sponsors of this amendment. I introduced bills both in the previous Congress and in this Congress that are substantially the same as this amendment, so I am grateful that we are going to have a chance to include this in legislation that is moving.

Why do we need medical malpractice reform? It is simple. Medical malpractice awards are out of control. Medical malpractice awards are draining millions of dollars from health care and putting it into courtrooms and trial lawyers. They are contributing significantly to the staggering increase in health care costs. They are forcing doctors to practice defensive medicine to protect themselves against, very often, meritless claims, and these awards are forcing some doctors to leave their specialties altogether.

My State of Pennsylvania has been particularly hard hit by what is now a legal system run amok. We rank second in the Nation in medical malpractice judgments. We suffer through jury verdicts that are amongst the highest, twice the level of California, which has this kind of medical malpractice reform. As a result, doctors in my State often pay premiums that are twice the level of California, often over $100,000 a year just for insurance; good doctors who have never harmed a soul, who have never been negligent.

Mr. Chairman, this is long overdue. This provision applies to all health care providers; it provides reasonable parameters on awards. It eliminates the insidious application of joint and several liability; and that, in layman terms, simply means that defendants will be required to pay judgments in proportion to their responsibility, not in proportion to the thickness of their wallet.

Finally, Mr. Chairman, many of us are concerned that what we do here in Washington respect the rights of the States. This amendment does exactly that. This amendment says that if there is a State that has a medical malpractice law on the books, then that State law will prevail. If a State has no law whatsoever, then this amendment would prevail. If a State has no law and subsequently chooses to pass a law, then this would become irrelevant in that State; the State law would then once again prevail. This respects States' rights. This is going to help restore funding to health care instead of to trial lawyers.

I urge my colleagues to support this amendment.

Mr. CONYERS. Mr. Chairman, I reserve my time.

Mr. COX. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Louisiana (Mr. MCCRERY), a member of the Committee on Ways and Means.

Mr. MCCRERY. Mr. Chairman, placing reasonable caps on medical malpractice will help us, as the gentleman from Louisiana pointed out (Mr. TAUZIN), to fight health care inflation. In 1999, fully 13 percent of our gross domestic product went to health care expenses. That number will climb to almost 16 percent before this decade is over. At some point, this trend becomes unsustainable and some sort of national health care system in which politicians ration health care becomes inevitable.

Our medical malpractice system is a drag on the health care system in many ways. Dollars spent on lawyers, enormous jury awards and settlements to avoid litigation are not being spent on patient care. Data from the insurance analyst A.M. Best show that injured claimants received less than one-third of total malpractice premiums in 1996, while attorneys' fees, the cost of expert witnesses and other court costs eat up more than half.

The fear of being sued encourages defensive medicine, extra tests and procedures which may help insulate physicians from being sued, but do nothing for patients, other than add to their bills. The amendment before us strikes an appropriate balance. It permits States to enact their own medical malpractice laws, if they wish, but it does set a standard which will govern malpractice actions in States which have failed to enact their own reforms.

Finally, it is critical to remember that nothing in this amendment denies injured plaintiffs from obtaining adequate redress, including compensation for 100 percent of their economic losses, their medical costs, their lost wages, future lost wages. Instead, though, this amendment places reasonable limits on noneconomic and punitive damages.

As the American Medical Association noted in testimony in 1996, "While these can be emotionally charged issues, the fact remains that the current tort system, driven as it is by the potential for unlimited attorneys' fees and unlimited compensation for intangible losses, is unable to resolve medical liability claims effectively and efficiently."

□ 2115

"Moreover, even with the cap of a quarter of a million dollars, the United States would be the most generous country in the world in compensating for noneconomic losses."

This is a balanced amendment. It will do great good for our health care system in this country.

Mr. CONYERS. Mr. Chairman, I reserve my time.

Mr. COX. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. GREENWOOD), a member of the Committee on Energy and Commerce.

Mr. GREENWOOD. Mr. Chairman, I thank the gentleman for yielding me time.

In my State of Pennsylvania, it was not very long ago that when I looked at the medical community I saw a group of folks doing pretty well. They seemed to have a nice income. They seemed to be enjoying their profession. They seemed to be on top of the world.

In the last 15 years or so I have seen a dramatic change in my doctors from the State of Pennsylvania. I have seen them hit with medical malpractice rates that are phenomenal, a 45 percent increase in the medical malpractice rates just in the last year in the State of Pennsylvania.

I knew a physician. He was a good orthopedist, one of the best. All he liked to do was get up in the morning and fix broken bones. His medical malpractice rates got so high that his daughter secretly paid his premiums for him just so he would not give up and quit. Finally, when he found out how high those premiums were, he left the State of Pennsylvania and we lost one of our finest physicians.

The doctors in my State of Pennsylvania have had it. We have got to pass this medical malpractice tonight.

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Mr. Chairman, last night one could watch network TV or C-SPAN and by switching back and forth one could watch two shows, "Let's Make a Deal" and "The Price Is Right." If one listened very closely in the middle of night, one could almost hear the White House say, Come on down. You are our next contestant.

We still do not know what was behind doors 1, 2, or 3; and we are wondering what the grand prize was. We know this amendment was filed for political cover. Let us be straight about it. That being said, let us get to the facts.

All of us are concerned about the high cost of medical care. However, medical malpractice does not contribute to that. An October 1992 study of the Congressional Budget Office concluded and said:

> Malpractice insurance premiums account for less than one penny of each dollar spent annually on the Nation's health care.

A study funded by the Texas Medical Association, the Trial Lawyers' Association, the Texas Hospital Association said:

> Changing the medical professional liability system will have minimal cost savings impact on their overall health care delivery system in Texas.

Many factors contribute to increased medical costs. This is not one of them. Vote no on Thomas-Cox. It is pure politics. We know it. It is nothing more and the patients lose.

PARLIAMENTARY INQUIRY

Mr. COX. Mr. Chairman, does the minority have the right to close?

The CHAIRMAN. The gentleman from California has the right to close.

Mr. COX. Mr. Chairman, I yield myself 5 seconds to observe that this Chamber has on many occasions passed legislation of this type, and it has been scored by the Congressional Budget Office as saving $1.5 billion.

Mr. Chairman, I reserve the balance of my time.

PARLIAMENTARY INQUIRY

Mr. CONYERS. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The chair finds that the gentleman from Michigan is not a "manager" of the pending measure within the meaning of clause 3(c) of rule XVII. Consequently, the gentleman from California has the right to close.

Mr. CONYERS. Mr. Chairman, I thank the Chair for answering my anticipated question.

Mr. Chairman, I yield the balance of my time to the gentlewoman from Colorado (Ms. DEGETTE).

The CHAIRMAN. The gentlewoman is recognized for 1¼ minutes.

Ms. DEGETTE. Mr. Chairman, if this amendment passes, this bill will have completed its transformation from the Patients' Bill of Rights, to the providers' bill of rights. Make no mistake about it, under the Norwood amendment which just passed, patients will never be able to hold HMOs legally accountable because of an unreasonable burden of proof.

If this amendment is passed, patients will now not be adequately compensated for their damages that they incur as a result of malpractice by doctors or any other providers.

My colleague, the gentleman from California (Mr. COX), says incorrectly that the bill provides unlimited economic damages. But he knows as well as everybody else here that State statutes limit economic damages to actual money paid out of pocket. So if there is someone who has medical bills of $2,000 and they have noneconomic damages of $1 million, too bad. They are out of court. The only noneconomic damages they can get would be $4,000 under this amendment.

Now where will this apply? In some of the most tragic situations, loss of a limb or sight, the loss of mobility, the loss of fertility, excruciating pain and permanent and severe disfigurement, also, the loss of a child or a spouse. There are a number of other damages that are limited. Do not take this out on the patients. Vote no on this amendment.

Mr. COX. Mr. Chairman, I yield myself 15 seconds while they are setting up the chart to correct the misunderstanding of the gentlewoman.

She described a situation in which there were for some reason, under State law, a limit on economic damages, there is no such limit in this bill, and that the limit amounted to $2,000 in a case and that that would mean twice the economic damages would be a $4,000 limit under this bill. But she misunderstands it because the limit in that case would be a quarter million dollars. That is the limit that would apply, the greater, not the lesser, of twice the economic damages or a quarter million dollars.

Mr. Chairman, I will inquire how much time remains.

The CHAIRMAN. The gentleman from California has 2 minutes remaining.

Mr. COX. Mr. Chairman, I yield myself my remaining time.

Mr. Chairman, I wish to address the Chamber from the floor because I wanted to draw attention to this chart.

This describes the situation in America today in which insurance premiums paid by all of us here in this Chamber are distributed unequally to pay the costs of lawsuit abuse: 32.46 percent going to pay injured claimants; and 52 percent to pay attorneys, witnesses, expert witnesses, and other court expenses. That is wrong, and we are here to fix it.

There is virtually a constitutional right in America to bring a bad lawsuit, and we count on the courts to throw the bad ones out. But in the Federal system today, because the courts are so busy, 93 percent of cases never get a single day of trial.

That creates enormous opportunity for mischief, because then people can extort settlements, since everyone knows how expensive it is to wait it out and pay their lawyers while they finally might be one of the 7 percent of cases that get their day in court.

We want to adopt a "fair share" rule. We want to say that if one committed 5 percent of the problem, then pay 5 percent of the damages. Let us say that a rapist drug dealer staggers into the emergency room with a knife wound and demands, in his drug-induced haze, to be operated on, and gives the emergency room fits.

The surgeon that works on him does the best he can, but it is not perfect. The drug dealer and rapist sues. The jury finds he is 95 percent responsible for his own knife wounds, but 5 percent of the problem lies with the hospital, because the physician was working too long.

Today the hospital, us, the premium payer, can be made to pay 100 percent because the drug dealer is without means. We want a fair share rule because if one pays premiums, one should not be denied health care in that way.

Everyone knows this bill, which is very important, which we are going to pass, which expands patient protections, is going to raise the cost of insurance. We are trying to find ways to regulate it.

If Members believe that all doctors are bad and all lawyers are good, this amendment is not for them. But if Members believe that some lawyers need some regulation, as well as HMOs getting regulation properly in this bill, vote aye for lower health care premiums and more access to health care.

Mr. SHAYS. Mr. Chairman, I rise in support of the Thomas-Cox amendment. As one who has long supported reforming our medical malpractice laws, I am pleased to support this amendment.

This amendment is similar to legislation Mr. GREENWOOD and I introduced, the Medical Malpractice Rx Act, which will help prevent frivolous, excessive lawsuits that are driving up the cost of health care, forcing doctors to practice defensive medicine, and making access to affordable health insurance more difficult for the average American.

Only 40 cents of every dollar paid to litigate and settle malpractice cases is ever paid to the actual victims. Lawsuits impose unnecessarily high litigation costs on all parties and these costs are then passed along to consumers. The rate of malpractice cases has doubled in the past ten years and on average 120,000 lawsuits are filed against America's

500,000 physicians at any one time. That's one lawsuit for every four doctors.

It is imperative we adopt the Thomas-Cox amendment to discourage abuse of our legal system and curb the unsustainable growth of medical costs in our country. I urge my colleagues on both sides of the aisle to vote in favor of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. THOMAS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CONYERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 207, noes 221, not voting 5, as follows:

[Roll No. 330]

AYES—207

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Doolittle
Dreier
Dunn
Ehlers
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Johnson (CT)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wilson
Wolf
Young (AK)
Young (FL)

NOES—221

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Chambliss
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doyle
Duncan
Edwards
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Ganske
Gephardt
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Grucci
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Nethercutt
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Terry
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Wicker
Woolsey
Wu
Wynn

NOT VOTING—5

Lipinski
Markey
Paul
Spence
Thompson (CA)

□ 2146

Mr. ENGLISH changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. BEREUTER) having assumed the chair, Mr. LAHOOD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2563) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage, pursuant to House Resolution 219, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. BERRY

Mr. BERRY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. BERRY. Yes, Mr. Speaker, in its current form I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BERRY moves to recommit the bill H.R. 2563 to the Committee on Ways and Means, the Committee on Energy and Commerce, and the Committee on Education and the Workforce with instructions that each report the same back to the House forthwith with the following amendment:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Bipartisan Patient Protection Act".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—IMPROVING MANAGED CARE

Subtitle A—Utilization Review; Claims; and Internal and External Appeals

Sec. 101. Utilization review activities.
Sec. 102. Procedures for initial claims for benefits and prior authorization determinations.
Sec. 103. Internal appeals of claims denials.
Sec. 104. Independent external appeals procedures.
Sec. 105. Health care consumer assistance fund.

Subtitle B—Access to Care

Sec. 111. Consumer choice option.
Sec. 112. Choice of health care professional.
Sec. 113. Access to emergency care.
Sec. 114. Timely access to specialists.
Sec. 115. Patient access to obstetrical and gynecological care.
Sec. 116. Access to pediatric care.
Sec. 117. Continuity of care.

Sec. 118. Access to needed prescription drugs.
Sec. 119. Coverage for individuals participating in approved clinical trials.
Sec. 120. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations.

Subtitle C—Access to Information

Sec. 121. Patient access to information.

Subtitle D—Protecting the Doctor-Patient Relationship

Sec. 131. Prohibition of interference with certain medical communications.
Sec. 132. Prohibition of discrimination against providers based on licensure.
Sec. 133. Prohibition against improper incentive arrangements.
Sec. 134. Payment of claims.
Sec. 135. Protection for patient advocacy.

Subtitle E—Definitions

Sec. 151. Definitions.
Sec. 152. Preemption; State flexibility; construction.
Sec. 153. Exclusions.
Sec. 154. Treatment of excepted benefits.
Sec. 155. Regulations.
Sec. 156. Incorporation into plan or coverage documents.
Sec. 157. Preservation of protections.

TITLE II—APPLICATION OF QUALITY CARE STANDARDS TO GROUP HEALTH PLANS AND HEALTH INSURANCE COVERAGE UNDER THE PUBLIC HEALTH SERVICE ACT

Sec. 201. Application to group health plans and group health insurance coverage.
Sec. 202. Application to individual health insurance coverage.
Sec. 203. Cooperation between Federal and State authorities.

TITLE III—APPLICATION OF PATIENT PROTECTION STANDARDS TO FEDERAL HEALTH INSURANCE PROGRAMS

Sec. 301. Application of patient protection standards to Federal health insurance programs.

TITLE IV—AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Sec. 401. Application of patient protection standards to group health plans and group health insurance coverage under the Employee Retirement Income Security Act of 1974.
Sec. 402. Availability of civil remedies.
Sec. 403. Limitation on certain class action litigation.
Sec. 404. Limitations on actions.
Sec. 405. Cooperation between Federal and State authorities.
Sec. 406. Sense of the Senate concerning the importance of certain unpaid services.

TITLE V—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

Subtitle A—Application of Patient Protection Provisions

Sec. 501. Application of requirements to group health plans under the Internal Revenue Code of 1986.
Sec. 502. Conforming enforcement for women's health and cancer rights.

Subtitle B—Health Care Coverage Access Tax Incentives

Sec. 511. Expanded availability of Archer MSAs.
Sec. 512. Deduction for 100 percent of health insurance costs of self-employed individuals.
Sec. 513. Credit for health insurance expenses of small businesses.
Sec. 514. Certain grants by private foundations to qualified health benefit purchasing coalitions.
Sec. 515. State grant program for market innovation.

TITLE VI—EFFECTIVE DATES; COORDINATION IN IMPLEMENTATION

Sec. 601. Effective dates.
Sec. 602. Coordination in implementation.
Sec. 603. Severability.

TITLE VII—MISCELLANEOUS PROVISIONS

Sec. 701. No impact on Social Security Trust Fund.
Sec. 702. Customs user fees.
Sec. 703. Fiscal year 2002 medicare payments.
Sec. 704. Sense of Senate with respect to participation in clinical trials and access to specialty care.
Sec. 705. Sense of the Senate regarding fair review process.
Sec. 706. Annual review.
Sec. 707. Definition of born-alive infant.

TITLE VIII—REVENUE OFFSETS

Subtitle A—Extension of Custom User Fees

Sec. 801. Further extension of authority to levy customs user fees.

Subtitle B—Tax Shelter Provisions

PART I—CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE

Sec. 811. Clarification of economic substance doctrine.

PART II—PENALTIES

Sec. 821. Increase in penalty on underpayments resulting from failure to satisfy certain common law rules.
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TITLE I—IMPROVING MANAGED CARE

Subtitle A—Utilization Review; Claims; and Internal and External Appeals

SEC. 101. UTILIZATION REVIEW ACTIVITIES.

(a) COMPLIANCE WITH REQUIREMENTS.—

(1) IN GENERAL.—A group health plan, and a health insurance issuer that provides health insurance coverage, shall conduct utilization review activities in connection with the provision of benefits under such plan or coverage only in accordance with a utilization review program that meets the requirements of this section and section 102.

(2) USE OF OUTSIDE AGENTS.—Nothing in this section shall be construed as preventing a group health plan or health insurance issuer from arranging through a contract or otherwise for persons or entities to conduct utilization review activities on behalf of the plan or issuer, so long as such activities are conducted in accordance with a utilization review program that meets the requirements of this section.

(3) UTILIZATION REVIEW DEFINED.—For purposes of this section, the terms "utilization review" and "utilization review activities" mean procedures used to monitor or evaluate the use or coverage, clinical necessity, appropriateness, efficacy, or efficiency of health care services, procedures or settings, and includes prospective review, concurrent review, second opinions, case management, discharge planning, or retrospective review.

(b) WRITTEN POLICIES AND CRITERIA.—

(1) WRITTEN POLICIES.—A utilization review program shall be conducted consistent with written policies and procedures that govern all aspects of the program.

(2) USE OF WRITTEN CRITERIA.—

(A) IN GENERAL.—Such a program shall utilize written clinical review criteria developed with input from a range of appropriate actively practicing health care professionals, as determined by the plan, pursuant to the program. Such criteria shall include written clinical review criteria that are based on valid clinical evidence where available and that are directed specifically at meeting the needs of at-risk populations and covered individuals with chronic conditions or severe illnesses, including gender-specific criteria and pediatric-specific criteria where available and appropriate.

(B) CONTINUING USE OF STANDARDS IN RETROSPECTIVE REVIEW.—If a health care service has been specifically pre-authorized or approved for a participant, beneficiary, or enrollee under such a program, the program shall not, pursuant to retrospective review, revise or modify the specific standards, criteria, or procedures used for the utilization review for procedures, treatment, and services delivered to the enrollee during the same course of treatment.

(C) REVIEW OF SAMPLE OF CLAIMS DENIALS.—Such a program shall provide for a periodic evaluation of the clinical appropriateness of at least a sample of denials of claims for benefits.

(c) CONDUCT OF PROGRAM ACTIVITIES.—

(1) ADMINISTRATION BY HEALTH CARE PROFESSIONALS.—A utilization review program shall be administered by qualified health care professionals who shall oversee review decisions.

(2) USE OF QUALIFIED, INDEPENDENT PERSONNEL.—

(A) IN GENERAL.—A utilization review program shall provide for the conduct of utilization review activities only through personnel who are qualified and have received appropriate training in the conduct of such activities under the program.

(B) PROHIBITION OF CONTINGENT COMPENSATION ARRANGEMENTS.—Such a program shall not, with respect to utilization review activities, permit or provide compensation or anything of value to its employees, agents, or contractors in a manner that encourages denials of claims for benefits.

(C) PROHIBITION OF CONFLICTS.—Such a program shall not permit a health care professional who is providing health care services to an individual to perform utilization review activities in connection with the health care services being provided to the individual.

(3) ACCESSIBILITY OF REVIEW.—Such a program shall provide that appropriate personnel performing utilization review activities under the program, including the utilization review administrator, are reasonably accessible by toll-free telephone during normal business hours to discuss patient care and allow response to telephone requests, and that appropriate provision is made to receive and respond promptly to calls received during other hours.

(4) LIMITS ON FREQUENCY.—Such a program shall not provide for the performance of utilization review activities with respect to a class of services furnished to an individual more frequently than is reasonably required to assess whether the services under review are medically necessary and appropriate.

SEC. 102. PROCEDURES FOR INITIAL CLAIMS FOR BENEFITS AND PRIOR AUTHORIZATION DETERMINATIONS.

(a) PROCEDURES OF INITIAL CLAIMS FOR BENEFITS.—

(1) IN GENERAL.—A group health plan, and a health insurance issuer offering health insurance coverage, shall—

(A) make a determination on an initial claim for benefits by a participant, beneficiary, or enrollee (or authorized representative) regarding payment or coverage for items or services under the terms and conditions of the plan or coverage involved, including any cost-sharing amount that the participant, beneficiary, or enrollee is required to pay with respect to such claim for benefits; and

(B) notify a participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional involved regarding a determination on an initial claim for benefits made under the terms and conditions of the plan or coverage, including any cost-sharing amounts that the participant, beneficiary, or enrollee may be required to make with respect to such claim for benefits, and of the right of the participant, beneficiary, or enrollee to an internal appeal under section 103.

(2) ACCESS TO INFORMATION.—

(A) TIMELY PROVISION OF NECESSARY INFORMATION.—With respect to an initial claim for benefits, the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional (if any) shall provide the plan or issuer with access to information requested by the plan or issuer that is necessary to make a determination relating to the claim. Such access shall be provided not later than 5 days after the date on which the request for information is received, or, in a case described in subparagraph (B) or (C) of subsection (b)(1), by such earlier time as may be necessary to comply with the applicable timeline under such subparagraph.

(B) LIMITED EFFECT OF FAILURE ON PLAN OR ISSUER'S OBLIGATIONS.—Failure of the participant, beneficiary, or enrollee to comply with the requirements of subparagraph (A) shall not remove the obligation of the plan or issuer to make a decision in accordance with the medical exigencies of the case and as soon as possible, based on the available information, and failure to comply with the time limit established by this paragraph shall not remove the obligation of the plan or issuer to comply with the requirements of this section.

(3) ORAL REQUESTS.—In the case of a claim for benefits involving an expedited or concurrent determination, a participant, beneficiary, or enrollee (or authorized representative) may make an initial claim for benefits orally, but a group health plan, or health insurance issuer offering health insurance coverage, may require that the participant, beneficiary, or enrollee (or authorized representative) provide written confirmation of such request in a timely manner on a form provided by the plan or issuer. In the case of such an oral request for benefits, the making of the request (and the timing of such request) shall be treated as the making at that time of a claim for such benefits without regard to whether and when a written confirmation of such request is made.

(b) TIMELINE FOR MAKING DETERMINATIONS.—

(1) PRIOR AUTHORIZATION DETERMINATION.—

(A) IN GENERAL.—A group health plan, and a health insurance issuer offering health insurance coverage, shall make a prior authorization determination on a claim for benefits (whether oral or written) in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 14 days from the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination on the request for prior authorization and in no case later than 28 days after the date of the claim for benefits is received.

(B) EXPEDITED DETERMINATION.—Notwithstanding subparagraph (A), a group health plan, and a health insurance issuer offering health insurance coverage, shall expedite a prior authorization determination on a claim for benefits described in such subparagraph when a request for such an expedited determination is made by a participant, beneficiary, or enrollee (or authorized representative) at any time during the process for making a determination and a health care professional certifies, with the request, that a determination under the procedures described in subparagraph (A) would seriously jeopardize the life or health of the participant, beneficiary, or enrollee or the ability of the participant, beneficiary, or enrollee to maintain or regain maximum function. Such determination shall be made in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 72 hours after the time the request is received by the plan or issuer under this subparagraph.

(C) ONGOING CARE.—

(i) CONCURRENT REVIEW.—

(I) IN GENERAL.—Subject to clause (ii), in the case of a concurrent review of ongoing care (including hospitalization), which results in a termination or reduction of such care, the plan or issuer must provide by telephone and in printed form notice of the concurrent review determination to the individual or the individual's designee and the individual's health care provider in accordance with the medical exigencies of the case and as soon as possible, with sufficient time prior to the termination or reduction to allow for an appeal under section 103(b)(3) to be completed before the termination or reduction takes effect.

(II) CONTENTS OF NOTICE.—Such notice shall include, with respect to ongoing health care items and services, the number of ongoing services approved, the new total of approved services, the date of onset of services, and the next review date, if any, as well as a statement of the individual's rights to further appeal.

(ii) RULE OF CONSTRUCTION.—Clause (i) shall not be construed as requiring plans or issuers to provide coverage of care that would exceed the coverage limitations for such care.

(2) RETROSPECTIVE DETERMINATION.—A group health plan, and a health insurance issuer offering health insurance coverage, shall make a retrospective determination on a claim for benefits in accordance with the medical exigencies of the case and as soon as possible, but not later than 30 days after the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination on the claim, or, if earlier, 60 days after the date of receipt of the claim for benefits.

(c) NOTICE OF A DENIAL OF A CLAIM FOR BENEFITS.—Written notice of a denial made under an initial claim for benefits shall be issued to the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 2 days after the date of the determination (or, in the case described in subparagraph (B) or (C) of subsection (b)(1), within the 72-hour or applicable period referred to in such subparagraph).

(d) REQUIREMENTS OF NOTICE OF DETERMINATIONS.—The written notice of a denial of a claim for benefits determination under subsection (c) shall be provided in printed form and written in a manner calculated to be understood by the participant, beneficiary, or enrollee and shall include—

(1) the specific reasons for the determination (including a summary of the clinical or scientific evidence used in making the determination);

(2) the procedures for obtaining additional information concerning the determination; and

(3) notification of the right to appeal the determination and instructions on how to initiate an appeal in accordance with section 103.

(e) DEFINITIONS.—For purposes of this part:

(1) AUTHORIZED REPRESENTATIVE.—The term "authorized representative" means, with respect to an individual who is a participant, beneficiary, or enrollee, any health care professional or other person acting on behalf of the individual with the individual's consent or without such consent if the individual is medically unable to provide such consent.

(2) CLAIM FOR BENEFITS.—The term "claim for benefits" means any request for coverage (including authorization of coverage), for eligibility, or for payment in whole or in part, for an item or service under a group health plan or health insurance coverage.

(3) DENIAL OF CLAIM FOR BENEFITS.—The term "denial" means, with respect to a claim for benefits, a denial (in whole or in part) of, or a failure to act on a timely basis upon, the claim for benefits and includes a failure to provide benefits (including items and services) required to be provided under this title.

(4) TREATING HEALTH CARE PROFESSIONAL.—The term "treating health care professional" means, with respect to services to be provided to a participant, beneficiary, or enrollee, a health care professional who is primarily responsible for delivering those services to the participant, beneficiary, or enrollee.

SEC. 103. INTERNAL APPEALS OF CLAIMS DENIALS.

(a) RIGHT TO INTERNAL APPEAL.—

(1) IN GENERAL.—A participant, beneficiary, or enrollee (or authorized representative) may appeal any denial of a claim for benefits under section 102 under the procedures described in this section.

(2) TIME FOR APPEAL.—

(A) In general.—A group health plan, and a health insurance issuer offering health insurance coverage, shall ensure that a participant, beneficiary, or enrollee (or authorized representative) has a period of not less than 180 days beginning on the date of a denial of a claim for benefits under section 102 in which to appeal such denial under this section.

(B) Date of denial.—For purposes of subparagraph (A), the date of the denial shall be deemed to be the date as of which the participant, beneficiary, or enrollee knew of the denial of the claim for benefits.

(3) Failure to act.—The failure of a plan or issuer to issue a determination on a claim for benefits under section 102 within the applicable timeline established for such a determination under such section is a denial of a claim for benefits for purposes this subtitle as of the date of the applicable deadline.

(4) Plan waiver of internal review.—A group health plan, or health insurance issuer offering health insurance coverage, may waive the internal review process under this section. In such case the plan or issuer shall provide notice to the participant, beneficiary, or enrollee (or authorized representative) involved, the participant, beneficiary, or enrollee (or authorized representative) involved shall be relieved of any obligation to complete the internal review involved, and may, at the option of such participant, beneficiary, enrollee, or representative proceed directly to seek further appeal through external review under section 104 or otherwise.

(b) Timelines for Making Determinations.—

(1) Oral requests.—In the case of an appeal of a denial of a claim for benefits under this section that involves an expedited or concurrent determination, a participant, beneficiary, or enrollee (or authorized representative) may request such appeal orally. A group health plan, or health insurance issuer offering health insurance coverage, may require that the participant, beneficiary, or enrollee (or authorized representative) provide written confirmation of such request in a timely manner on a form provided by the plan or issuer. In the case of such an oral request for an appeal of a denial, the making of the request (and the timing of such request) shall be treated as the making at that time of a request for an appeal without regard to whether and when a written confirmation of such request is made.

(2) Access to information.—

(A) Timely provision of necessary information.—With respect to an appeal of a denial of a claim for benefits, the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional (if any) shall provide the plan or issuer with access to information requested by the plan or issuer that is necessary to make a determination relating to the appeal. Such access shall be provided not later than 5 days after the date on which the request for information is received, or, in a case described in subparagraph (B) or (C) of paragraph (3), by such earlier time as may be necessary to comply with the applicable timeline under such subparagraph.

(B) Limited effect of failure on plan or issuer's obligations.—Failure of the participant, beneficiary, or enrollee to comply with the requirements of subparagraph (A) shall not remove the obligation of the plan or issuer to make a decision in accordance with the medical exigencies of the case and as soon as possible, based on the available information, and failure to comply with the time limit established by this paragraph shall not remove the obligation of the plan or issuer to comply with the requirements of this section.

(3) Prior authorization determinations.—

(A) In general.—Except as provided in this paragraph or paragraph (4), a group health plan, and a health insurance issuer offering health insurance coverage, shall make a determination on an appeal of a denial of a claim for benefits under this subsection in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 14 days from the date on which the plan or issuer receives information that is reasonably necessary to enable the plan or issuer to make a determination on the appeal and in no case later than 28 days after the date the request for the appeal is received.

(B) Expedited determination.—Notwithstanding subparagraph (A), a group health plan, and a health insurance issuer offering health insurance coverage, shall expedite a prior authorization determination on an appeal of a denial of a claim for benefits described in subparagraph (A), when a request for such an expedited determination is made by a participant, beneficiary, or enrollee (or authorized representative) at any time during the process for making a determination and a health care professional certifies, with the request, that a determination under the procedures described in subparagraph (A) would seriously jeopardize the life or health of the participant, beneficiary, or enrollee or the ability of the participant, beneficiary, or enrollee to maintain or regain maximum function. Such determination shall be made in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 72 hours after the time the request for such appeal is received by the plan or issuer under this subparagraph.

(C) Ongoing care determinations.—

(i) In general.—Subject to clause (ii), in the case of a concurrent review determination described in section 102(b)(1)(C)(i)(I), which results in a termination or reduction of such care, the plan or issuer must provide notice of the determination on the appeal under this section by telephone and in printed form to the individual or the individual's designee and the individual's health care provider in accordance with the medical exigencies of the case and as soon as possible, with sufficient time prior to the termination or reduction to allow for an external appeal under section 104 to be completed before the termination or reduction takes effect.

(ii) Rule of construction.—Clause (i) shall not be construed as requiring plans or issuers to provide coverage of care that would exceed the coverage limitations for such care.

(4) Retrospective determination.—A group health plan, and a health insurance issuer offering health insurance coverage, shall make a retrospective determination on an appeal of a denial of a claim for benefits in no case later than 30 days after the date on which the plan or issuer receives necessary information that is reasonably necessary to enable the plan or issuer to make a determination on the appeal and in no case later than 60 days after the date the request for the appeal is received.

(c) Conduct of Review.—

(1) In general.—A review of a denial of a claim for benefits under this section shall be conducted by an individual with appropriate expertise who was not involved in the initial determination.

(2) Peer review of medical decisions by health care professionals.—A review of an appeal of a denial of a claim for benefits that is based on a lack of medical necessity and appropriateness, or based on an experimental or investigational treatment, or requires an evaluation of medical facts—

(A) shall be made by a physician (allopathic or osteopathic); or

(B) in a claim for benefits provided by a non-physician health professional, shall be made by reviewer (or reviewers) including at least one practicing non-physician health professional of the same or similar specialty;

with appropriate expertise (including, in the case of a child, appropriate pediatric expertise) and acting within the appropriate scope of practice within the State in which the service is provided or rendered, who was not involved in the initial determination.

(d) Notice of Determination.—

(1) In general.—Written notice of a determination made under an internal appeal of a denial of a claim for benefits shall be issued to the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 2 days after the date of completion of the review (or, in the case described in subparagraph (B) or (C) of subsection (b)(3), within the 72-hour or applicable period referred to in such subparagraph).

(2) Final determination.—The decision by a plan or issuer under this section shall be treated as the final determination of the plan or issuer on a denial of a claim for benefits. The failure of a plan or issuer to issue a determination on an appeal of a denial of a claim for benefits under this section within the applicable timeline established for such a determination shall be treated as a final determination on an appeal of a denial of a claim for benefits for purposes of proceeding to external review under section 104.

(3) Requirements of notice.—With respect to a determination made under this section, the notice described in paragraph (1) shall be provided in printed form and written in a manner calculated to be understood by the participant, beneficiary, or enrollee and shall include—

(A) the specific reasons for the determination (including a summary of the clinical or scientific evidence used in making the determination);

(B) the procedures for obtaining additional information concerning the determination; and

(C) notification of the right to an independent external review under section 104 and instructions on how to initiate such a review.

SEC. 104. INDEPENDENT EXTERNAL APPEALS PROCEDURES.

(a) Right to External Appeal.—A group health plan, and a health insurance issuer offering health insurance coverage, shall provide in accordance with this section participants, beneficiaries, and enrollees (or authorized representatives) with access to an independent external review for any denial of a claim for benefits.

(b) Initiation of the Independent External Review Process.—

(1) Time to file.—A request for an independent external review under this section shall be filed with the plan or issuer not later than 180 days after the date on which the participant, beneficiary, or enrollee receives notice of the denial under section 103(d) or notice of waiver of internal review under section 103(a)(4) or the date on which

the plan or issuer has failed to make a timely decision under section 103(d)(2) and notifies the participant or beneficiary that it has failed to make a timely decision and that the beneficiary must file an appeal with an external review entity within 180 days if the participant or beneficiary desires to file such an appeal.

(2) Filing of request.—

(A) In general.—Subject to the succeeding provisions of this subsection, a group health plan, or health insurance issuer offering health insurance coverage, may—

(i) except as provided in subparagraph (B)(i), require that a request for review be in writing;

(ii) limit the filing of such a request to the participant, beneficiary, or enrollee involved (or an authorized representative);

(iii) except if waived by the plan or issuer under section 103(a)(4), condition access to an independent external review under this section upon a final determination of a denial of a claim for benefits under the internal review procedure under section 103;

(iv) except as provided in subparagraph (B)(ii), require payment of a filing fee to the plan or issuer of a sum that does not exceed $25; and

(v) require that a request for review include the consent of the participant, beneficiary, or enrollee (or authorized representative) for the release of necessary medical information or records of the participant, beneficiary, or enrollee to the qualified external review entity only for purposes of conducting external review activities.

(B) Requirements and exception relating to general rule.—

(i) Oral requests permitted in expedited or concurrent cases.—In the case of an expedited or concurrent external review as provided for under subsection (e), the request for such review may be made orally. A group health plan, or health insurance issuer offering health insurance coverage, may require that the participant, beneficiary, or enrollee (or authorized representative) provide written confirmation of such request in a timely manner on a form provided by the plan or issuer. Such written confirmation shall be treated as a consent for purposes of subparagraph (A)(v). In the case of such an oral request for such a review, the making of the request (and the timing of such request) shall be treated as the making at that time of a request for such a review without regard to whether and when a written confirmation of such request is made.

(ii) Exception to filing fee requirement.—

(I) Indigency.—Payment of a filing fee shall not be required under subparagraph (A)(iv) where there is a certification (in a form and manner specified in guidelines established by the appropriate Secretary) that the participant, beneficiary, or enrollee is indigent (as defined in such guidelines).

(II) Fee not required.—Payment of a filing fee shall not be required under subparagraph (A)(iv) if the plan or issuer waives the internal appeals process under section 103(a)(4).

(III) Refunding of fee.—The filing fee paid under subparagraph (A)(iv) shall be refunded if the determination under the independent external review is to reverse or modify the denial which is the subject of the review.

(IV) Collection of filing fee.—The failure to pay such a filing fee shall not prevent the consideration of a request for review but, subject to the preceding provisions of this clause, shall constitute a legal liability to pay.

(c) Referral to Qualified External Review Entity Upon Request.—

(1) In general.—Upon the filing of a request for independent external review with the group health plan, or health insurance issuer offering health insurance coverage, the plan or issuer shall immediately refer such request, and forward the plan or issuer's initial decision (including the information described in section 103(d)(3)(A)), to a qualified external review entity selected in accordance with this section.

(2) Access to plan or issuer and health professional information.—With respect to an independent external review conducted under this section, the participant, beneficiary, or enrollee (or authorized representative), the plan or issuer, and the treating health care professional (if any) shall provide the external review entity with information that is necessary to conduct a review under this section, as determined and requested by the entity. Such information shall be provided not later than 5 days after the date on which the request for information is received, or, in a case described in clause (ii) or (iii) of subsection (e)(1)(A), by such earlier time as may be necessary to comply with the applicable timeline under such clause.

(3) Screening of requests by qualified external review entities.—

(A) In general.—With respect to a request referred to a qualified external review entity under paragraph (1) relating to a denial of a claim for benefits, the entity shall refer such request for the conduct of an independent medical review unless the entity determines that—

(i) any of the conditions described in clauses (ii) or (iii) of subsection (b)(2)(A) have not been met;

(ii) the denial of the claim for benefits does not involve a medically reviewable decision under subsection (d)(2);

(iii) the denial of the claim for benefits relates to a decision regarding whether an individual is a participant, beneficiary, or enrollee who is enrolled under the terms and conditions of the plan or coverage (including the applicability of any waiting period under the plan or coverage); or

(iv) the denial of the claim for benefits is a decision as to the application of cost-sharing requirements or the application of a specific exclusion or express limitation on the amount, duration, or scope of coverage of items or services under the terms and conditions of the plan or coverage unless the decision is a denial described in subsection (d)(2).

Upon making a determination that any of clauses (i) through (iv) applies with respect to the request, the entity shall determine that the denial of a claim for benefits involved is not eligible for independent medical review under subsection (d), and shall provide notice in accordance with subparagraph (C).

(B) Process for making determinations.—

(i) No deference to prior determinations.—In making determinations under subparagraph (A), there shall be no deference given to determinations made by the plan or issuer or the recommendation of a treating health care professional (if any).

(ii) Use of appropriate personnel.—A qualified external review entity shall use appropriately qualified personnel to make determinations under this section.

(C) Notices and general timelines for determination.—

(i) Notice in case of denial of referral.—If the entity under this paragraph does not make a referral to an independent medical reviewer, the entity shall provide notice to the plan or issuer, the participant, beneficiary, or enrollee (or authorized representative) filing the request, and the treating health care professional (if any) that the denial is not subject to independent medical review. Such notice—

(I) shall be written (and, in addition, may be provided orally) in a manner calculated to be understood by a participant or enrollee;

(II) shall include the reasons for the determination;

(III) include any relevant terms and conditions of the plan or coverage; and

(IV) include a description of any further recourse available to the individual.

(ii) General timeline for determinations.—Upon receipt of information under paragraph (2), the qualified external review entity, and if required the independent medical reviewer, shall make a determination within the overall timeline that is applicable to the case under review as described in subsection (e), except that if the entity determines that a referral to an independent medical reviewer is not required, the entity shall provide notice of such determination to the participant, beneficiary, or enrollee (or authorized representative) within such timeline and within 2 days of the date of such determination.

(d) Independent Medical Review.—

(1) In general.—If a qualified external review entity determines under subsection (c) that a denial of a claim for benefits is eligible for independent medical review, the entity shall refer the denial involved to an independent medical reviewer for the conduct of an independent medical review under this subsection.

(2) Medically reviewable decisions.—A denial of a claim for benefits is eligible for independent medical review if the benefit for the item or service for which the claim is made would be a covered benefit under the terms and conditions of the plan or coverage but for one (or more) of the following determinations:

(A) Denials based on medical necessity and appropriateness.—A determination that the item or service is not covered because it is not medically necessary and appropriate or based on the application of substantially equivalent terms.

(B) Denials based on experimental or investigational treatment.—A determination that the item or service is not covered because it is experimental or investigational or based on the application of substantially equivalent terms.

(C) Denials otherwise based on an evaluation of medical facts.—A determination that the item or service or condition is not covered based on grounds that require an evaluation of the medical facts by a health care professional in the specific case involved to determine the coverage and extent of coverage of the item or service or condition.

(3) Independent medical review determination.—

(A) In general.—An independent medical reviewer under this section shall make a new independent determination with respect to whether or not the denial of a claim for a benefit that is the subject of the review should be upheld, reversed, or modified.

(B) Standard for determination.—The independent medical reviewer's determination relating to the medical necessity and appropriateness, or the experimental or investigational nature, or the evaluation of the medical facts, of the item, service, or condition involved shall be based on the medical condition of the participant, beneficiary, or enrollee (including the medical records of the participant, beneficiary, or enrollee) and valid, relevant scientific evidence and clinical evidence, including peer-reviewed medical literature or findings and including expert opinion.

(C) NO COVERAGE FOR EXCLUDED BENEFITS.—Nothing in this subsection shall be construed to permit an independent medical reviewer to require that a group health plan, or health insurance issuer offering health insurance coverage, provide coverage for items or services for which benefits are specifically excluded or expressly limited under the plan or coverage in the plain language of the plan document (and which are disclosed under section 121(b)(1)(C)). Notwithstanding any other provision of this Act, any exclusion of an exact medical procedure, any exact time limit on the duration or frequency of coverage, and any exact dollar limit on the amount of coverage that is specifically enumerated and defined (in the plain language of the plan or coverage documents) under the plan or coverage offered by a group health plan or health insurance issuer offering health insurance coverage and that is disclosed under section 121(b)(1) shall be considered to govern the scope of the benefits that may be required: *Provided*, That the terms and conditions of the plan or coverage relating to such an exclusion or limit are in compliance with the requirements of law.

(D) EVIDENCE AND INFORMATION TO BE USED IN MEDICAL REVIEWS.—In making a determination under this subsection, the independent medical reviewer shall also consider appropriate and available evidence and information, including the following:

(i) The determination made by the plan or issuer with respect to the claim upon internal review and the evidence, guidelines, or rationale used by the plan or issuer in reaching such determination.

(ii) The recommendation of the treating health care professional and the evidence, guidelines, and rationale used by the treating health care professional in reaching such recommendation.

(iii) Additional relevant evidence or information obtained by the reviewer or submitted by the plan, issuer, participant, beneficiary, or enrollee (or an authorized representative), or treating health care professional.

(iv) The plan or coverage document.

(E) INDEPENDENT DETERMINATION.—In making determinations under this section, a qualified external review entity and an independent medical reviewer shall—

(i) consider the claim under review without deference to the determinations made by the plan or issuer or the recommendation of the treating health care professional (if any); and

(ii) consider, but not be bound by, the definition used by the plan or issuer of "medically necessary and appropriate", or "experimental or investigational", or other substantially equivalent terms that are used by the plan or issuer to describe medical necessity and appropriateness or experimental or investigational nature of the treatment.

(F) DETERMINATION OF INDEPENDENT MEDICAL REVIEWER.—An independent medical reviewer shall, in accordance with the deadlines described in subsection (e), prepare a written determination to uphold, reverse, or modify the denial under review. Such written determination shall include—

(i) the determination of the reviewer;

(ii) the specific reasons of the reviewer for such determination, including a summary of the clinical or scientific evidence used in making the determination; and

(iii) with respect to a determination to reverse or modify the denial under review, a timeframe within which the plan or issuer must comply with such determination.

(G) NONBINDING NATURE OF ADDITIONAL RECOMMENDATIONS.—In addition to the determination under subparagraph (F), the reviewer may provide the plan or issuer and the treating health care professional with additional recommendations in connection with such a determination, but any such recommendations shall not affect (or be treated as part of) the determination and shall not be binding on the plan or issuer.

(e) TIMELINES AND NOTIFICATIONS.—

(1) TIMELINES FOR INDEPENDENT MEDICAL REVIEW.—

(A) PRIOR AUTHORIZATION DETERMINATION.—

(i) IN GENERAL.—The independent medical reviewer (or reviewers) shall make a determination on a denial of a claim for benefits that is referred to the reviewer under subsection (c)(3) in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 14 days after the date of receipt of information under subsection (c)(2) if the review involves a prior authorization of items or services and in no case later than 21 days after the date the request for external review is received.

(ii) EXPEDITED DETERMINATION.—Notwithstanding clause (i) and subject to clause (iii), the independent medical reviewer (or reviewers) shall make an expedited determination on a denial of a claim for benefits described in clause (i), when a request for such an expedited determination is made by a participant, beneficiary, or enrollee (or authorized representative) at any time during the process for making a determination, and a health care professional certifies, with the request, that a determination under the timeline described in clause (i) would seriously jeopardize the life or health of the participant, beneficiary, or enrollee or the ability of the participant, beneficiary, or enrollee to maintain or regain maximum function. Such determination shall be made in accordance with the medical exigencies of the case and as soon as possible, but in no case later than 72 hours after the time the request for external review is received by the qualified external review entity.

(iii) ONGOING CARE DETERMINATION.—Notwithstanding clause (i), in the case of a review described in such clause that involves a termination or reduction of care, the notice of the determination shall be completed not later than 24 hours after the time the request for external review is received by the qualified external review entity and before the end of the approved period of care.

(B) RETROSPECTIVE DETERMINATION.—The independent medical reviewer (or reviewers) shall complete a review in the case of a retrospective determination on an appeal of a denial of a claim for benefits that is referred to the reviewer under subsection (c)(3) in no case later than 30 days after the date of receipt of information under subsection (c)(2) and in no case later than 60 days after the date the request for external review is received by the qualified external review entity.

(2) NOTIFICATION OF DETERMINATION.—The external review entity shall ensure that the plan or issuer, the participant, beneficiary, or enrollee (or authorized representative) and the treating health care professional (if any) receives a copy of the written determination of the independent medical reviewer prepared under subsection (d)(3)(F). Nothing in this paragraph shall be construed as preventing an entity or reviewer from providing an initial oral notice of the reviewer's determination.

(3) FORM OF NOTICES.—Determinations and notices under this subsection shall be written in a manner calculated to be understood by a participant.

(f) COMPLIANCE.—

(1) APPLICATION OF DETERMINATIONS.—

(A) EXTERNAL REVIEW DETERMINATIONS BINDING ON PLAN.—The determinations of an external review entity and an independent medical reviewer under this section shall be binding upon the plan or issuer involved.

(B) COMPLIANCE WITH DETERMINATION.—If the determination of an independent medical reviewer is to reverse or modify the denial, the plan or issuer, upon the receipt of such determination, shall authorize coverage to comply with the medical reviewer's determination in accordance with the timeframe established by the medical reviewer.

(2) FAILURE TO COMPLY.—

(A) IN GENERAL.—If a plan or issuer fails to comply with the timeframe established under paragraph (1)(B) with respect to a participant, beneficiary, or enrollee, where such failure to comply is caused by the plan or issuer, the participant, beneficiary, or enrollee may obtain the items or services involved (in a manner consistent with the determination of the independent external reviewer) from any provider regardless of whether such provider is a participating provider under the plan or coverage.

(B) REIMBURSEMENT.—

(i) IN GENERAL.—Where a participant, beneficiary, or enrollee obtains items or services in accordance with subparagraph (A), the plan or issuer involved shall provide for reimbursement of the costs of such items or services. Such reimbursement shall be made to the treating health care professional or to the participant, beneficiary, or enrollee (in the case of a participant, beneficiary, or enrollee who pays for the costs of such items or services).

(ii) AMOUNT.—The plan or issuer shall fully reimburse a professional, participant, beneficiary, or enrollee under clause (i) for the total costs of the items or services provided (regardless of any plan limitations that may apply to the coverage of such items or services) so long as the items or services were provided in a manner consistent with the determination of the independent medical reviewer.

(C) FAILURE TO REIMBURSE.—Where a plan or issuer fails to provide reimbursement to a professional, participant, beneficiary, or enrollee in accordance with this paragraph, the professional, participant, beneficiary, or enrollee may commence a civil action (or utilize other remedies available under law) to recover only the amount of any such reimbursement that is owed by the plan or issuer and any necessary legal costs or expenses (including attorney's fees) incurred in recovering such reimbursement.

(D) AVAILABLE REMEDIES.—The remedies provided under this paragraph are in addition to any other available remedies.

(3) PENALTIES AGAINST AUTHORIZED OFFICIALS FOR REFUSING TO AUTHORIZE THE DETERMINATION OF AN EXTERNAL REVIEW ENTITY.—.

(A) MONETARY PENALTIES.—

(i) IN GENERAL.—In any case in which the determination of an external review entity is not followed by a group health plan, or by a health insurance issuer offering health insurance coverage, any person who, acting in the capacity of authorizing the benefit, causes such refusal may, in the discretion of a court of competent jurisdiction, be liable to an aggrieved participant, beneficiary, or enrollee for a civil penalty in an amount of up to $1,000 a day from the date on which the determination was transmitted to the plan or issuer by the external review entity until the date the refusal to provide the benefit is corrected.

(ii) ADDITIONAL PENALTY FOR FAILING TO FOLLOW TIMELINE.—In any case in which treatment was not commenced by the plan in accordance with the determination of an independent external reviewer, the Secretary shall assess a civil penalty of $10,000 against the plan and the plan shall pay such penalty to the participant, beneficiary, or enrollee involved.

(B) CEASE AND DESIST ORDER AND ORDER OF ATTORNEY'S FEES.—In any action described in subparagraph (A) brought by a participant, beneficiary, or enrollee with respect to a group health plan, or a health insurance issuer offering health insurance coverage, in which a plaintiff alleges that a person referred to in such subparagraph has taken an action resulting in a refusal of a benefit determined by an external appeal entity to be covered, or has failed to take an action for which such person is responsible under the terms and conditions of the plan or coverage and which is necessary under the plan or coverage for authorizing a benefit, the court shall cause to be served on the defendant an order requiring the defendant—

(i) to cease and desist from the alleged action or failure to act; and

(ii) to pay to the plaintiff a reasonable attorney's fee and other reasonable costs relating to the prosecution of the action on the charges on which the plaintiff prevails.

(C) ADDITIONAL CIVIL PENALTIES.—

(i) IN GENERAL.—In addition to any penalty imposed under subparagraph (A) or (B), the appropriate Secretary may assess a civil penalty against a person acting in the capacity of authorizing a benefit determined by an external review entity for one or more group health plans, or health insurance issuers offering health insurance coverage, for—

(I) any pattern or practice of repeated refusal to authorize a benefit determined by an external appeal entity to be covered; or

(II) any pattern or practice of repeated violations of the requirements of this section with respect to such plan or coverage.

(ii) STANDARD OF PROOF AND AMOUNT OF PENALTY.—Such penalty shall be payable only upon proof by clear and convincing evidence of such pattern or practice and shall be in an amount not to exceed the lesser of—

(I) 25 percent of the aggregate value of benefits shown by the appropriate Secretary to have not been provided, or unlawfully delayed, in violation of this section under such pattern or practice; or

(II) $500,000.

(D) REMOVAL AND DISQUALIFICATION.—Any person acting in the capacity of authorizing benefits who has engaged in any such pattern or practice described in subparagraph (C)(i) with respect to a plan or coverage, upon the petition of the appropriate Secretary, may be removed by the court from such position, and from any other involvement, with respect to such a plan or coverage, and may be precluded from returning to any such position or involvement for a period determined by the court.

(4) PROTECTION OF LEGAL RIGHTS.—Nothing in this subsection or subtitle shall be construed as altering or eliminating any cause of action or legal rights or remedies of participants, beneficiaries, enrollees, and others under State or Federal law (including sections 502 and 503 of the Employee Retirement Income Security Act of 1974), including the right to file judicial actions to enforce rights.

(g) QUALIFICATIONS OF INDEPENDENT MEDICAL REVIEWERS.—

(1) IN GENERAL.—In referring a denial to 1 or more individuals to conduct independent medical review under subsection (c), the qualified external review entity shall ensure that—

(A) each independent medical reviewer meets the qualifications described in paragraphs (2) and (3);

(B) with respect to each review at least 1 such reviewer meets the requirements described in paragraphs (4) and (5); and

(C) compensation provided by the entity to the reviewer is consistent with paragraph (6).

(2) LICENSURE AND EXPERTISE.—Each independent medical reviewer shall be a physician (allopathic or osteopathic) or health care professional who—

(A) is appropriately credentialed or licensed in 1 or more States to deliver health care services; and

(B) typically treats the condition, makes the diagnosis, or provides the type of treatment under review.

(3) INDEPENDENCE.—

(A) IN GENERAL.—Subject to subparagraph (B), each independent medical reviewer in a case shall—

(i) not be a related party (as defined in paragraph (7));

(ii) not have a material familial, financial, or professional relationship with such a party; and

(iii) not otherwise have a conflict of interest with such a party (as determined under regulations).

(B) EXCEPTION.—Nothing in subparagraph (A) shall be construed to—

(i) prohibit an individual, solely on the basis of affiliation with the plan or issuer, from serving as an independent medical reviewer if—

(I) a non-affiliated individual is not reasonably available;

(II) the affiliated individual is not involved in the provision of items or services in the case under review;

(III) the fact of such an affiliation is disclosed to the plan or issuer and the participant, beneficiary, or enrollee (or authorized representative) and neither party objects; and

(IV) the affiliated individual is not an employee of the plan or issuer and does not provide services exclusively or primarily to or on behalf of the plan or issuer;

(ii) prohibit an individual who has staff privileges at the institution where the treatment involved takes place from serving as an independent medical reviewer merely on the basis of such affiliation if the affiliation is disclosed to the plan or issuer and the participant, beneficiary, or enrollee (or authorized representative), and neither party objects; or

(iii) prohibit receipt of compensation by an independent medical reviewer from an entity if the compensation is provided consistent with paragraph (6).

(4) PRACTICING HEALTH CARE PROFESSIONAL IN SAME FIELD.—

(A) IN GENERAL.—In a case involving treatment, or the provision of items or services—

(i) by a physician, a reviewer shall be a practicing physician (allopathic or osteopathic) of the same or similar specialty, as a physician who, acting within the appropriate scope of practice within the State in which the service is provided or rendered, typically treats the condition, makes the diagnosis, or provides the type of treatment under review; or

(ii) by a non-physician health care professional, a reviewer (or reviewers) shall include at least one practicing non-physician health care professional of the same or similar specialty as the non-physician health care professional who, acting within the appropriate scope of practice within the State in which the service is provided or rendered, typically treats the condition, makes the diagnosis, or provides the type of treatment under review.

(B) PRACTICING DEFINED.—For purposes of this paragraph, the term "practicing" means, with respect to an individual who is a physician or other health care professional that the individual provides health care services to individual patients on average at least 2 days per week.

(5) PEDIATRIC EXPERTISE.—In the case of an external review relating to a child, a reviewer shall have expertise under paragraph (2) in pediatrics.

(6) LIMITATIONS ON REVIEWER COMPENSATION.—Compensation provided by a qualified external review entity to an independent medical reviewer in connection with a review under this section shall—

(A) not exceed a reasonable level; and

(B) not be contingent on the decision rendered by the reviewer.

(7) RELATED PARTY DEFINED.—For purposes of this section, the term "related party" means, with respect to a denial of a claim under a plan or coverage relating to a participant, beneficiary, or enrollee, any of the following:

(A) The plan, plan sponsor, or issuer involved, or any fiduciary, officer, director, or employee of such plan, plan sponsor, or issuer.

(B) The participant, beneficiary, or enrollee (or authorized representative).

(C) The health care professional that provides the items or services involved in the denial.

(D) The institution at which the items or services (or treatment) involved in the denial are provided.

(E) The manufacturer of any drug or other item that is included in the items or services involved in the denial.

(F) Any other party determined under any regulations to have a substantial interest in the denial involved.

(h) QUALIFIED EXTERNAL REVIEW ENTITIES.—

(1) SELECTION OF QUALIFIED EXTERNAL REVIEW ENTITIES.—

(A) LIMITATION ON PLAN OR ISSUER SELECTION.—The appropriate Secretary shall implement procedures—

(i) to assure that the selection process among qualified external review entities will not create any incentives for external review entities to make a decision in a biased manner; and

(ii) for auditing a sample of decisions by such entities to assure that no such decisions are made in a biased manner.

No such selection process under the procedures implemented by the appropriate Secretary may give either the patient or the plan or issuer any ability to determine or influence the selection of a qualified external review entity to review the case of any participant, beneficiary, or enrollee.

(B) STATE AUTHORITY WITH RESPECT TO QUALIFIED EXTERNAL REVIEW ENTITIES FOR HEALTH INSURANCE ISSUERS.—With respect to health insurance issuers offering health insurance coverage in a State, the State may provide for external review activities to be conducted by a qualified external appeal entity that is designated by the State or that is selected by the State in a manner determined by the State to assure an unbiased determination.

(2) CONTRACT WITH QUALIFIED EXTERNAL REVIEW ENTITY.—Except as provided in paragraph (1)(B), the external review process of a plan or issuer under this section shall be conducted under a contract between the plan or issuer and 1 or more qualified external review entities (as defined in paragraph (4)(A)).

(3) TERMS AND CONDITIONS OF CONTRACT.—The terms and conditions of a contract under paragraph (2) shall—

(A) be consistent with the standards the appropriate Secretary shall establish to assure there is no real or apparent conflict of interest in the conduct of external review activities; and

(B) provide that the costs of the external review process shall be borne by the plan or issuer.

Subparagraph (B) shall not be construed as applying to the imposition of a filing fee under subsection (b)(2)(A)(iv) or costs incurred by the participant, beneficiary, or enrollee (or authorized representative) or treating health care professional (if any) in support of the review, including the provision of additional evidence or information.

(4) QUALIFICATIONS.—

(A) IN GENERAL.—In this section, the term "qualified external review entity" means, in relation to a plan or issuer, an entity that is initially certified (and periodically recertified) under subparagraph (C) as meeting the following requirements:

(i) The entity has (directly or through contracts or other arrangements) sufficient medical, legal, and other expertise and sufficient staffing to carry out duties of a qualified external review entity under this section on a timely basis, including making determinations under subsection (b)(2)(A) and providing for independent medical reviews under subsection (d).

(ii) The entity is not a plan or issuer or an affiliate or a subsidiary of a plan or issuer, and is not an affiliate or subsidiary of a professional or trade association of plans or issuers or of health care providers.

(iii) The entity has provided assurances that it will conduct external review activities consistent with the applicable requirements of this section and standards specified in subparagraph (C), including that it will not conduct any external review activities in a case unless the independence requirements of subparagraph (B) are met with respect to the case.

(iv) The entity has provided assurances that it will provide information in a timely manner under subparagraph (D).

(v) The entity meets such other requirements as the appropriate Secretary provides by regulation.

(B) INDEPENDENCE REQUIREMENTS.—

(i) IN GENERAL.—Subject to clause (ii), an entity meets the independence requirements of this subparagraph with respect to any case if the entity—

(I) is not a related party (as defined in subsection (g)(7));

(II) does not have a material familial, financial, or professional relationship with such a party; and

(III) does not otherwise have a conflict of interest with such a party (as determined under regulations).

(ii) EXCEPTION FOR REASONABLE COMPENSATION.—Nothing in clause (i) shall be construed to prohibit receipt by a qualified external review entity of compensation from a plan or issuer for the conduct of external review activities under this section if the compensation is provided consistent with clause (iii).

(iii) LIMITATIONS ON ENTITY COMPENSATION.—Compensation provided by a plan or issuer to a qualified external review entity in connection with reviews under this section shall—

(I) not exceed a reasonable level; and

(II) not be contingent on any decision rendered by the entity or by any independent medical reviewer.

(C) CERTIFICATION AND RECERTIFICATION PROCESS.—

(i) IN GENERAL.—The initial certification and recertification of a qualified external review entity shall be made—

(I) under a process that is recognized or approved by the appropriate Secretary; or

(II) by a qualified private standard-setting organization that is approved by the appropriate Secretary under clause (iii).

In taking action under subclause (I), the appropriate Secretary shall give deference to entities that are under contract with the Federal Government or with an applicable State authority to perform functions of the type performed by qualified external review entities.

(ii) PROCESS.—The appropriate Secretary shall not recognize or approve a process under clause (i)(I) unless the process applies standards (as promulgated in regulations) that ensure that a qualified external review entity—

(I) will carry out (and has carried out, in the case of recertification) the responsibilities of such an entity in accordance with this section, including meeting applicable deadlines;

(II) will meet (and has met, in the case of recertification) appropriate indicators of fiscal integrity;

(III) will maintain (and has maintained, in the case of recertification) appropriate confidentiality with respect to individually identifiable health information obtained in the course of conducting external review activities; and

(IV) in the case of recertification, shall review the matters described in clause (iv).

(iii) APPROVAL OF QUALIFIED PRIVATE STANDARD-SETTING ORGANIZATIONS.—For purposes of clause (i)(II), the appropriate Secretary may approve a qualified private standard-setting organization if such Secretary finds that the organization only certifies (or recertifies) external review entities that meet at least the standards required for the certification (or recertification) of external review entities under clause (ii).

(iv) CONSIDERATIONS IN RECERTIFICATIONS.—In conducting recertifications of a qualified external review entity under this paragraph, the appropriate Secretary or organization conducting the recertification shall review compliance of the entity with the requirements for conducting external review activities under this section, including the following:

(I) Provision of information under subparagraph (D).

(II) Adherence to applicable deadlines (both by the entity and by independent medical reviewers it refers cases to).

(III) Compliance with limitations on compensation (with respect to both the entity and independent medical reviewers it refers cases to).

(IV) Compliance with applicable independence requirements.

(V) Compliance with the requirement of subsection (d)(1) that only medically reviewable decisions shall be the subject of independent medical review and with the requirement of subsection (d)(3) that independent medical reviewers may not require coverage for specifically excluded benefits.

(v) PERIOD OF CERTIFICATION OR RECERTIFICATION.—A certification or recertification provided under this paragraph shall extend for a period not to exceed 2 years.

(vi) REVOCATION.—A certification or recertification under this paragraph may be revoked by the appropriate Secretary or by the organization providing such certification upon a showing of cause. The Secretary, or organization, shall revoke a certification or deny a recertification with respect to an entity if there is a showing that the entity has a pattern or practice of ordering coverage for benefits that are specifically excluded under the plan or coverage.

(vii) PETITION FOR DENIAL OR WITHDRAWAL.—An individual may petition the Secretary, or an organization providing the certification involves, for a denial of recertification or a withdrawal of a certification with respect to an entity under this subparagraph if there is a pattern or practice of such entity failing to meet a requirement of this section.

(viii) SUFFICIENT NUMBER OF ENTITIES.—The appropriate Secretary shall certify and recertify a number of external review entities which is sufficient to ensure the timely and efficient provision of review services.

(D) PROVISION OF INFORMATION.—

(i) IN GENERAL.—A qualified external review entity shall provide to the appropriate Secretary, in such manner and at such times as such Secretary may require, such information (relating to the denials which have been referred to the entity for the conduct of external review under this section) as such Secretary determines appropriate to assure compliance with the independence and other requirements of this section to monitor and assess the quality of its external review activities and lack of bias in making determinations. Such information shall include information described in clause (ii) but shall not include individually identifiable medical information.

(ii) INFORMATION TO BE INCLUDED.—The information described in this subclause with respect to an entity is as follows:

(I) The number and types of denials for which a request for review has been received by the entity.

(II) The disposition by the entity of such denials, including the number referred to a independent medical reviewer and the reasons for such dispositions (including the application of exclusions), on a plan or issuer-specific basis and on a health care specialty-specific basis.

(III) The length of time in making determinations with respect to such denials.

(IV) Updated information on the information required to be submitted as a condition of certification with respect to the entity's performance of external review activities.

(iii) INFORMATION TO BE PROVIDED TO CERTIFYING ORGANIZATION.—

(I) IN GENERAL.—In the case of a qualified external review entity which is certified (or recertified) under this subsection by a qualified private standard-setting organization, at the request of the organization, the entity shall provide the organization with the information provided to the appropriate Secretary under clause (i).

(II) ADDITIONAL INFORMATION.—Nothing in this subparagraph shall be construed as preventing such an organization from requiring additional information as a condition of certification or recertification of an entity.

(iv) USE OF INFORMATION.—Information provided under this subparagraph may be used by the appropriate Secretary and qualified private standard-setting organizations to conduct oversight of qualified external review entities, including recertification of such entities, and shall be made available to the public in an appropriate manner.

(E) LIMITATION ON LIABILITY.—No qualified external review entity having a contract with a plan or issuer, and no person who is employed by any such entity or who furnishes professional services to such entity (including as an independent medical reviewer), shall be held by reason of the performance of any duty, function, or activity required or authorized pursuant to this section, to be civilly liable under any law of the United States or of any State (or political subdivision thereof) if there was no actual malice or gross misconduct in the performance of such duty, function, or activity.

(5) REPORT.—Not later than 12 months after the general effective date referred to in section 601, the General Accounting Office shall prepare and submit to the appropriate committees of Congress a report concerning—

(A) the information that is provided under paragraph (3)(D);

(B) the number of denials that have been upheld by independent medical reviewers and the number of denials that have been reversed by such reviewers; and

(C) the extent to which independent medical reviewers are requiring coverage for benefits that are specifically excluded under the plan or coverage.

SEC. 105. HEALTH CARE CONSUMER ASSISTANCE FUND.

(a) GRANTS.—

(1) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the "Secretary") shall establish a fund, to be known as the "Health Care Consumer Assistance Fund", to be used to award grants to eligible States to carry out consumer assistance activities (including programs established by States prior to the enactment of this Act) designed to provide information, assistance, and referrals to consumers of health insurance products.

(2) STATE ELIGIBILITY.—To be eligible to receive a grant under this subsection a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a State plan that describes—

(A) the manner in which the State will ensure that the health care consumer assistance office (established under paragraph (4)) will educate and assist health care consumers in accessing needed care;

(B) the manner in which the State will coordinate and distinguish the services provided by the health care consumer assistance office with the services provided by Federal, State and local health-related ombudsman, information, protection and advocacy, insurance, and fraud and abuse programs;

(C) the manner in which the State will provide information, outreach, and services to underserved, minority populations with limited English proficiency and populations residing in rural areas;

(D) the manner in which the State will oversee the health care consumer assistance office, its activities, product materials and evaluate program effectiveness;

(E) the manner in which the State will ensure that funds made available under this section will be used to supplement, and not supplant, any other Federal, State, or local funds expended to provide services for programs described under this section and those described in subparagraphs (C) and (D);

(F) the manner in which the State will ensure that health care consumer office personnel have the professional background and training to carry out the activities of the office; and

(G) the manner in which the State will ensure that consumers have direct access to consumer assistance personnel during regular business hours.

(3) AMOUNT OF GRANT.—

(A) IN GENERAL.—From amounts appropriated under subsection (b) for a fiscal year, the Secretary shall award a grant to a State in an amount that bears the same ratio to such amounts as the number of individuals within the State covered under a group health plan or under health insurance coverage offered by a health insurance issuer bears to the total number of individuals so covered in all States (as determined by the Secretary). Any amounts provided to a State under this subsection that are not used by the State shall be remitted to the Secretary and reallocated in accordance with this subparagraph.

(B) MINIMUM AMOUNT.—In no case shall the amount provided to a State under a grant under this subsection for a fiscal year be less than an amount equal to 0.5 percent of the amount appropriated for such fiscal year to carry out this section.

(C) NON-FEDERAL CONTRIBUTIONS.—A State will provide for the collection of non-Federal contributions for the operation of the office in an amount that is not less than 25 percent of the amount of Federal funds provided to the State under this section.

(4) PROVISION OF FUNDS FOR ESTABLISHMENT OF OFFICE.—

(A) IN GENERAL.—From amounts provided under a grant under this subsection, a State shall, directly or through a contract with an independent, nonprofit entity with demonstrated experience in serving the needs of health care consumers, provide for the establishment and operation of a State health care consumer assistance office.

(B) ELIGIBILITY OF ENTITY.—To be eligible to enter into a contract under subparagraph (A), an entity shall demonstrate that it has the technical, organizational, and professional capacity to deliver the services described in subsection (b) to all public and private health insurance participants, beneficiaries, enrollees, or prospective enrollees.

(C) EXISTING STATE ENTITY.—Nothing in this section shall prevent the funding of an existing health care consumer assistance program that otherwise meets the requirements of this section.

(b) USE OF FUNDS.—

(1) BY STATE.—A State shall use amounts provided under a grant awarded under this section to carry out consumer assistance activities directly or by contract with an independent, non-profit organization. An eligible entity may use some reasonable amount of such grant to ensure the adequate training of personnel carrying out such activities. To receive amounts under this subsection, an eligible entity shall provide consumer assistance services, including—

(A) the operation of a toll-free telephone hotline to respond to consumer requests;

(B) the dissemination of appropriate educational materials on available health insurance products and on how best to access health care and the rights and responsibilities of health care consumers;

(C) the provision of education on effective methods to promptly and efficiently resolve questions, problems, and grievances;

(D) the coordination of educational and outreach efforts with health plans, health care providers, payers, and governmental agencies;

(E) referrals to appropriate private and public entities to resolve questions, problems and grievances; and

(F) the provision of information and assistance, including acting as an authorized representative, regarding internal, external, or administrative grievances or appeals procedures in nonlitigative settings to appeal the denial, termination, or reduction of health care services, or the refusal to pay for such services, under a group health plan or health insurance coverage offered by a health insurance issuer.

(2) CONFIDENTIALITY AND ACCESS TO INFORMATION.—

(A) STATE ENTITY.—With respect to a State that directly establishes a health care consumer assistance office, such office shall establish and implement procedures and protocols in accordance with applicable Federal and State laws.

(B) CONTRACT ENTITY.—With respect to a State that, through contract, establishes a health care consumer assistance office, such office shall establish and implement procedures and protocols, consistent with applicable Federal and State laws, to ensure the confidentiality of all information shared by a participant, beneficiary, enrollee, or their personal representative and their health care providers, group health plans, or health insurance insurers with the office and to ensure that no such information is used by the office, or released or disclosed to State agencies or outside persons or entities without the prior written authorization (in accordance with section 164.508 of title 45, Code of Federal Regulations) of the individual or personal representative. The office may, consistent with applicable Federal and State confidentiality laws, collect, use or disclose aggregate information that is not individually identifiable (as defined in section 164.501 of title 45, Code of Federal Regulations). The office shall provide a written description of the policies and procedures of the office with respect to the manner in which health information may be used or disclosed to carry out consumer assistance activities. The office shall provide health care providers, group health plans, or health insurance issuers with a written authorization (in accordance with section 164.508 of title 45, Code of Federal Regulations) to allow the office to obtain medical information relevant to the matter before the office.

(3) AVAILABILITY OF SERVICES.—The health care consumer assistance office of a State shall not discriminate in the provision of information, referrals, and services regardless of the source of the individual's health insurance coverage or prospective coverage, including individuals covered under a group health plan or health insurance coverage offered by a health insurance issuer, the medicare or medicaid programs under title XVIII or XIX of the Social Security Act (42 U.S.C. 1395 and 1396 et seq.), or under any other Federal or State health care program.

(4) DESIGNATION OF RESPONSIBILITIES.—

(A) WITHIN EXISTING STATE ENTITY.—If the health care consumer assistance office of a State is located within an existing State regulatory agency or office of an elected State official, the State shall ensure that—

(i) there is a separate delineation of the funding, activities, and responsibilities of the office as compared to the other funding, activities, and responsibilities of the agency; and

(ii) the office establishes and implements procedures and protocols to ensure the confidentiality of all information shared by a participant, beneficiary, or enrollee or their personal representative and their health care providers, group health plans, or health insurance issuers with the office and to ensure that no information is disclosed to the State agency or office without the written authorization of the individual or their personal representative in accordance with paragraph (2).

(B) Contract entity.—In the case of an entity that enters into a contract with a State under subsection (a)(3), the entity shall provide assurances that the entity has no conflict of interest in carrying out the activities of the office and that the entity is independent of group health plans, health insurance issuers, providers, payers, and regulators of health care.

(5) Subcontracts.—The health care consumer assistance office of a State may carry out activities and provide services through contracts entered into with 1 or more nonprofit entities so long as the office can demonstrate that all of the requirements of this section are complied with by the office.

(6) Term.—A contract entered into under this subsection shall be for a term of 3 years.

(c) Report.—Not later than 1 year after the Secretary first awards grants under this section, and annually thereafter, the Secretary shall prepare and submit to the appropriate committees of Congress a report concerning the activities funded under this section and the effectiveness of such activities in resolving health care-related problems and grievances.

(d) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

Subtitle B—Access to Care

SEC. 111. CONSUMER CHOICE OPTION.

(a) In General.—If—

(1) a health insurance issuer providing health insurance coverage in connection with a group health plan offers to enrollees health insurance coverage which provides for coverage of services (including physician pathology services) only if such services are furnished through health care professionals and providers who are members of a network of health care professionals and providers who have entered into a contract with the issuer to provide such services, or

(2) a group health plan offers to participants or beneficiaries health benefits which provide for coverage of services only if such services are furnished through health care professionals and providers who are members of a network of health care professionals and providers who have entered into a contract with the plan to provide such services,

then the issuer or plan shall also offer or arrange to be offered to such enrollees, participants, or beneficiaries (at the time of enrollment and during an annual open season as provided under subsection (c)) the option of health insurance coverage or health benefits which provide for coverage of such services which are not furnished through health care professionals and providers who are members of such a network unless such enrollees, participants, or beneficiaries are offered such non-network coverage through another group health plan or through another health insurance issuer in the group market.

(b) Additional Costs.—The amount of any additional premium charged by the health insurance issuer or group health plan for the additional cost of the creation and maintenance of the option described in subsection (a) and the amount of any additional cost sharing imposed under such option shall be borne by the enrollee, participant, or beneficiary unless it is paid by the health plan sponsor or group health plan through agreement with the health insurance issuer.

(c) Open Season.—An enrollee, participant, or beneficiary, may change to the offering provided under this section only during a time period determined by the health insurance issuer or group health plan. Such time period shall occur at least annually.

SEC. 112. CHOICE OF HEALTH CARE PROFESSIONAL.

(a) Primary Care.—If a group health plan, or a health insurance issuer that offers health insurance coverage, requires or provides for designation by a participant, beneficiary, or enrollee of a participating primary care provider, then the plan or issuer shall permit each participant, beneficiary, and enrollee to designate any participating primary care provider who is available to accept such individual.

(b) Specialists.—

(1) In general.—Subject to paragraph (2), a group health plan and a health insurance issuer that offers health insurance coverage shall permit each participant, beneficiary, or enrollee to receive medically necessary and appropriate specialty care, pursuant to appropriate referral procedures, from any qualified participating health care professional who is available to accept such individual for such care.

(2) Limitation.—Paragraph (1) shall not apply to specialty care if the plan or issuer clearly informs participants, beneficiaries, and enrollees of the limitations on choice of participating health care professionals with respect to such care.

(3) Construction.—Nothing in this subsection shall be construed as affecting the application of section 114 (relating to access to specialty care).

SEC. 113. ACCESS TO EMERGENCY CARE.

(a) Coverage of Emergency Services.—

(1) In general.—If a group health plan, or health insurance coverage offered by a health insurance issuer, provides or covers any benefits with respect to services in an emergency department of a hospital, the plan or issuer shall cover emergency services (as defined in paragraph (2)(B))—

(A) without the need for any prior authorization determination;

(B) whether the health care provider furnishing such services is a participating provider with respect to such services;

(C) in a manner so that, if such services are provided to a participant, beneficiary, or enrollee—

(i) by a nonparticipating health care provider with or without prior authorization, or

(ii) by a participating health care provider without prior authorization,

the participant, beneficiary, or enrollee is not liable for amounts that exceed the amounts of liability that would be incurred if the services were provided by a participating health care provider with prior authorization; and

(D) without regard to any other term or condition of such coverage (other than exclusion or coordination of benefits, or an affiliation or waiting period, permitted under section 2701 of the Public Health Service Act, section 701 of the Employee Retirement Income Security Act of 1974, or section 9801 of the Internal Revenue Code of 1986, and other than applicable cost-sharing).

(2) Definitions.—In this section:

(A) Emergency medical condition.—The term "emergency medical condition" means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in a condition described in clause (i), (ii), or (iii) of section 1867(e)(1)(A) of the Social Security Act.

(B) Emergency services.—The term "emergency services" means, with respect to an emergency medical condition—

(i) a medical screening examination (as required under section 1867 of the Social Security Act) that is within the capability of the emergency department of a hospital, including ancillary services routinely available to the emergency department to evaluate such emergency medical condition, and

(ii) within the capabilities of the staff and facilities available at the hospital, such further medical examination and treatment as are required under section 1867 of such Act to stabilize the patient.

(C) Stabilize.—The term "to stabilize", with respect to an emergency medical condition (as defined in subparagraph (A)), has the meaning given in section 1867(e)(3) of the Social Security Act (42 U.S.C. 1395dd(e)(3)).

(b) Reimbursement for Maintenance Care and Post-Stabilization Care.—A group health plan, and health insurance coverage offered by a health insurance issuer, must provide reimbursement for maintenance care and post-stabilization care in accordance with the requirements of section 1852(d)(2) of the Social Security Act (42 U.S.C. 1395w-22(d)(2)). Such reimbursement shall be provided in a manner consistent with subsection (a)(1)(C).

(c) Coverage of Emergency Ambulance Services.—

(1) In general.—If a group health plan, or health insurance coverage provided by a health insurance issuer, provides any benefits with respect to ambulance services and emergency services, the plan or issuer shall cover emergency ambulance services (as defined in paragraph (2)) furnished under the plan or coverage under the same terms and conditions under subparagraphs (A) through (D) of subsection (a)(1) under which coverage is provided for emergency services.

(2) Emergency ambulance services.—For purposes of this subsection, the term "emergency ambulance services" means ambulance services (as defined for purposes of section 1861(s)(7) of the Social Security Act) furnished to transport an individual who has an emergency medical condition (as defined in subsection (a)(2)(A)) to a hospital for the receipt of emergency services (as defined in subsection (a)(2)(B)) in a case in which the emergency services are covered under the plan or coverage pursuant to subsection (a)(1) and a prudent layperson, with an average knowledge of health and medicine, could reasonably expect that the absence of such transport would result in placing the health of the individual in serious jeopardy, serious impairment of bodily function, or serious dysfunction of any bodily organ or part.

SEC. 114. TIMELY ACCESS TO SPECIALISTS.

(a) Timely Access.—

(1) In general.—A group health plan and a health insurance issuer offering health insurance coverage shall ensure that participants, beneficiaries, and enrollees receive timely access to specialists who are appropriate to the condition of, and accessible to, the participant, beneficiary, or enrollee, when such specialty care is a covered benefit under the plan or coverage.

(2) Rule of construction.—Nothing in paragraph (1) shall be construed—

(A) to require the coverage under a group health plan or health insurance coverage of benefits or services;

(B) to prohibit a plan or issuer from including providers in the network only to the extent necessary to meet the needs of the plan's or issuer's participants, beneficiaries, or enrollees; or

(C) to override any State licensure or scope-of-practice law.

(3) ACCESS TO CERTAIN PROVIDERS.—

(A) IN GENERAL.—With respect to specialty care under this section, if a participating specialist is not available and qualified to provide such care to the participant, beneficiary, or enrollee, the plan or issuer shall provide for coverage of such care by a nonparticipating specialist.

(B) TREATMENT OF NONPARTICIPATING PROVIDERS.—If a participant, beneficiary, or enrollee receives care from a nonparticipating specialist pursuant to subparagraph (A), such specialty care shall be provided at no additional cost to the participant, beneficiary, or enrollee beyond what the participant, beneficiary, or enrollee would otherwise pay for such specialty care if provided by a participating specialist.

(b) REFERRALS.—

(1) AUTHORIZATION.—Subject to subsection (a)(1), a group health plan or health insurance issuer may require an authorization in order to obtain coverage for specialty services under this section. Any such authorization—

(A) shall be for an appropriate duration of time or number of referrals, including an authorization for a standing referral where appropriate; and

(B) may not be refused solely because the authorization involves services of a nonparticipating specialist (described in subsection (a)(3)).

(2) REFERRALS FOR ONGOING SPECIAL CONDITIONS.—

(A) IN GENERAL.—Subject to subsection (a)(1), a group health plan and a health insurance issuer shall permit a participant, beneficiary, or enrollee who has an ongoing special condition (as defined in subparagraph (B)) to receive a referral to a specialist for the treatment of such condition and such specialist may authorize such referrals, procedures, tests, and other medical services with respect to such condition, or coordinate the care for such condition, subject to the terms of a treatment plan (if any) referred to in subsection (c) with respect to the condition.

(B) ONGOING SPECIAL CONDITION DEFINED.—In this subsection, the term "ongoing special condition" means a condition or disease that—

(i) is life-threatening, degenerative, potentially disabling, or congenital; and

(ii) requires specialized medical care over a prolonged period of time.

(c) TREATMENT PLANS.—

(1) IN GENERAL.—A group health plan or health insurance issuer may require that the specialty care be provided—

(A) pursuant to a treatment plan, but only if the treatment plan—

(i) is developed by the specialist, in consultation with the case manager or primary care provider, and the participant, beneficiary, or enrollee, and

(ii) is approved by the plan or issuer in a timely manner, if the plan or issuer requires such approval; and

(B) in accordance with applicable quality assurance and utilization review standards of the plan or issuer.

(2) NOTIFICATION.—Nothing in paragraph (1) shall be construed as prohibiting a plan or issuer from requiring the specialist to provide the plan or issuer with regular updates on the specialty care provided, as well as all other reasonably necessary medical information.

(d) SPECIALIST DEFINED.—For purposes of this section, the term "specialist" means, with respect to the condition of the participant, beneficiary, or enrollee, a health care professional, facility, or center that has adequate expertise through appropriate training and experience (including, in the case of a child, appropriate pediatric expertise) to provide high quality care in treating the condition.

SEC. 115. PATIENT ACCESS TO OBSTETRICAL AND GYNECOLOGICAL CARE.

(a) GENERAL RIGHTS.—

(1) DIRECT ACCESS.—A group health plan, and a health insurance issuer offering health insurance coverage, described in subsection (b) may not require authorization or referral by the plan, issuer, or any person (including a primary care provider described in subsection (b)(2)) in the case of a female participant, beneficiary, or enrollee who seeks coverage for obstetrical or gynecological care provided by a participating health care professional who specializes in obstetrics or gynecology.

(2) OBSTETRICAL AND GYNECOLOGICAL CARE.—A group health plan and a health insurance issuer described in subsection (b) shall treat the provision of obstetrical and gynecological care, and the ordering of related obstetrical and gynecological items and services, pursuant to the direct access described under paragraph (1), by a participating health care professional who specializes in obstetrics or gynecology as the authorization of the primary care provider.

(b) APPLICATION OF SECTION.—A group health plan, or health insurance issuer offering health insurance coverage, described in this subsection is a group health plan or coverage that—

(1) provides coverage for obstetric or gynecologic care; and

(2) requires the designation by a participant, beneficiary, or enrollee of a participating primary care provider.

(c) CONSTRUCTION.—Nothing in subsection (a) shall be construed to—

(1) waive any exclusions of coverage under the terms and conditions of the plan or health insurance coverage with respect to coverage of obstetrical or gynecological care; or

(2) preclude the group health plan or health insurance issuer involved from requiring that the obstetrical or gynecological provider notify the primary care health care professional or the plan or issuer of treatment decisions.

SEC. 116. ACCESS TO PEDIATRIC CARE.

(a) PEDIATRIC CARE.—In the case of a person who has a child who is a participant, beneficiary, or enrollee under a group health plan, or health insurance coverage offered by a health insurance issuer, if the plan or issuer requires or provides for the designation of a participating primary care provider for the child, the plan or issuer shall permit such person to designate a physician (allopathic or osteopathic) who specializes in pediatrics as the child's primary care provider if such provider participates in the network of the plan or issuer.

(b) CONSTRUCTION.—Nothing in subsection (a) shall be construed to waive any exclusions of coverage under the terms and conditions of the plan or health insurance coverage with respect to coverage of pediatric care.

SEC. 117. CONTINUITY OF CARE.

(a) TERMINATION OF PROVIDER.—

(1) IN GENERAL.—If—

(A) a contract between a group health plan, or a health insurance issuer offering health insurance coverage, and a treating health care provider is terminated (as defined in paragraph (e)(4)), or

(B) benefits or coverage provided by a health care provider are terminated because of a change in the terms of provider participation in such plan or coverage,

the plan or issuer shall meet the requirements of paragraph (3) with respect to each continuing care patient.

(2) TREATMENT OF TERMINATION OF CONTRACT WITH HEALTH INSURANCE ISSUER.—If a contract for the provision of health insurance coverage between a group health plan and a health insurance issuer is terminated and, as a result of such termination, coverage of services of a health care provider is terminated with respect to an individual, the provisions of paragraph (1) (and the succeeding provisions of this section) shall apply under the plan in the same manner as if there had been a contract between the plan and the provider that had been terminated, but only with respect to benefits that are covered under the plan after the contract termination.

(3) REQUIREMENTS.—The requirements of this paragraph are that the plan or issuer—

(A) notify the continuing care patient involved, or arrange to have the patient notified pursuant to subsection (d)(2), on a timely basis of the termination described in paragraph (1) (or paragraph (2), if applicable) and the right to elect continued transitional care from the provider under this section;

(B) provide the patient with an opportunity to notify the plan or issuer of the patient's need for transitional care; and

(C) subject to subsection (c), permit the patient to elect to continue to be covered with respect to the course of treatment by such provider with the provider's consent during a transitional period (as provided for under subsection (b)).

(4) CONTINUING CARE PATIENT.—For purposes of this section, the term "continuing care patient" means a participant, beneficiary, or enrollee who—

(A) is undergoing a course of treatment for a serious and complex condition from the provider at the time the plan or issuer receives or provides notice of provider, benefit, or coverage termination described in paragraph (1) (or paragraph (2), if applicable);

(B) is undergoing a course of institutional or inpatient care from the provider at the time of such notice;

(C) is scheduled to undergo non-elective surgery from the provider at the time of such notice;

(D) is pregnant and undergoing a course of treatment for the pregnancy from the provider at the time of such notice; or

(E) is or was determined to be terminally ill (as determined under section 1861(dd)(3)(A) of the Social Security Act) at the time of such notice, but only with respect to a provider that was treating the terminal illness before the date of such notice.

(b) TRANSITIONAL PERIODS.—

(1) SERIOUS AND COMPLEX CONDITIONS.—The transitional period under this subsection with respect to a continuing care patient described in subsection (a)(4)(A) shall extend for up to 90 days (as determined by the treating health care professional) from the date of the notice described in subsection (a)(3)(A).

(2) INSTITUTIONAL OR INPATIENT CARE.—The transitional period under this subsection for

a continuing care patient described in subsection (a)(4)(B) shall extend until the earlier of—

(A) the expiration of the 90-day period beginning on the date on which the notice under subsection (a)(3)(A) is provided; or

(B) the date of discharge of the patient from such care or the termination of the period of institutionalization, or, if later, the date of completion of reasonable follow-up care.

(3) SCHEDULED NON-ELECTIVE SURGERY.—The transitional period under this subsection for a continuing care patient described in subsection (a)(4)(C) shall extend until the completion of the surgery involved and post-surgical follow-up care relating to the surgery and occurring within 90 days after the date of the surgery.

(4) PREGNANCY.—The transitional period under this subsection for a continuing care patient described in subsection (a)(4)(D) shall extend through the provision of post-partum care directly related to the delivery.

(5) TERMINAL ILLNESS.—The transitional period under this subsection for a continuing care patient described in subsection (a)(4)(E) shall extend for the remainder of the patient's life for care that is directly related to the treatment of the terminal illness or its medical manifestations.

(c) PERMISSIBLE TERMS AND CONDITIONS.—A group health plan or health insurance issuer may condition coverage of continued treatment by a provider under this section upon the provider agreeing to the following terms and conditions:

(1) The treating health care provider agrees to accept reimbursement from the plan or issuer and continuing care patient involved (with respect to cost-sharing) at the rates applicable prior to the start of the transitional period as payment in full (or, in the case described in subsection (a)(2), at the rates applicable under the replacement plan or coverage after the date of the termination of the contract with the group health plan or health insurance issuer) and not to impose cost-sharing with respect to the patient in an amount that would exceed the cost-sharing that could have been imposed if the contract referred to in subsection (a)(1) had not been terminated.

(2) The treating health care provider agrees to adhere to the quality assurance standards of the plan or issuer responsible for payment under paragraph (1) and to provide to such plan or issuer necessary medical information related to the care provided.

(3) The treating health care provider agrees otherwise to adhere to such plan's or issuer's policies and procedures, including procedures regarding referrals and obtaining prior authorization and providing services pursuant to a treatment plan (if any) approved by the plan or issuer.

(d) RULES OF CONSTRUCTION.—Nothing in this section shall be construed—

(1) to require the coverage of benefits which would not have been covered if the provider involved remained a participating provider; or

(2) with respect to the termination of a contract under subsection (a) to prevent a group health plan or health insurance issuer from requiring that the health care provider—

(A) notify participants, beneficiaries, or enrollees of their rights under this section; or

(B) provide the plan or issuer with the name of each participant, beneficiary, or enrollee who the provider believes is a continuing care patient.

(e) DEFINITIONS.—In this section:

(1) CONTRACT.—The term "contract" includes, with respect to a plan or issuer and a treating health care provider, a contract between such plan or issuer and an organized network of providers that includes the treating health care provider, and (in the case of such a contract) the contract between the treating health care provider and the organized network.

(2) HEALTH CARE PROVIDER.—The term "health care provider" or "provider" means—

(A) any individual who is engaged in the delivery of health care services in a State and who is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State; and

(B) any entity that is engaged in the delivery of health care services in a State and that, if it is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed.

(3) SERIOUS AND COMPLEX CONDITION.—The term "serious and complex condition" means, with respect to a participant, beneficiary, or enrollee under the plan or coverage—

(A) in the case of an acute illness, a condition that is serious enough to require specialized medical treatment to avoid the reasonable possibility of death or permanent harm; or

(B) in the case of a chronic illness or condition, is an ongoing special condition (as defined in section 114(b)(2)(B)).

(4) TERMINATED.—The term "terminated" includes, with respect to a contract, the expiration or nonrenewal of the contract, but does not include a termination of the contract for failure to meet applicable quality standards or for fraud.

SEC. 118. ACCESS TO NEEDED PRESCRIPTION DRUGS.

(a) IN GENERAL.—To the extent that a group health plan, or health insurance coverage offered by a health insurance issuer, provides coverage for benefits with respect to prescription drugs, and limits such coverage to drugs included in a formulary, the plan or issuer shall—

(1) ensure the participation of physicians and pharmacists in developing and reviewing such formulary;

(2) provide for disclosure of the formulary to providers; and

(3) in accordance with the applicable quality assurance and utilization review standards of the plan or issuer, provide for exceptions from the formulary limitation when a non-formulary alternative is medically necessary and appropriate and, in the case of such an exception, apply the same cost-sharing requirements that would have applied in the case of a drug covered under the formulary.

(b) COVERAGE OF APPROVED DRUGS AND MEDICAL DEVICES.—

(1) IN GENERAL.—A group health plan (and health insurance coverage offered in connection with such a plan) that provides any coverage of prescription drugs or medical devices shall not deny coverage of such a drug or device on the basis that the use is investigational, if the use—

(A) in the case of a prescription drug—

(i) is included in the labeling authorized by the application in effect for the drug pursuant to subsection (b) or (j) of section 505 of the Federal Food, Drug, and Cosmetic Act, without regard to any postmarketing requirements that may apply under such Act; or

(ii) is included in the labeling authorized by the application in effect for the drug under section 351 of the Public Health Service Act, without regard to any postmarketing requirements that may apply pursuant to such section; or

(B) in the case of a medical device, is included in the labeling authorized by a regulation under subsection (d) or (3) of section 513 of the Federal Food, Drug, and Cosmetic Act, an order under subsection (f) of such section, or an application approved under section 515 of such Act, without regard to any postmarketing requirements that may apply under such Act.

(2) CONSTRUCTION.—Nothing in this subsection shall be construed as requiring a group health plan (or health insurance coverage offered in connection with such a plan) to provide any coverage of prescription drugs or medical devices.

SEC. 119. COVERAGE FOR INDIVIDUALS PARTICIPATING IN APPROVED CLINICAL TRIALS.

(a) COVERAGE.—

(1) IN GENERAL.—If a group health plan, or health insurance issuer that is providing health insurance coverage, provides coverage to a qualified individual (as defined in subsection (b)), the plan or issuer—

(A) may not deny the individual participation in the clinical trial referred to in subsection (b)(2);

(B) subject to subsection (c), may not deny (or limit or impose additional conditions on) the coverage of routine patient costs for items and services furnished in connection with participation in the trial; and

(C) may not discriminate against the individual on the basis of the enrollee's participation in such trial.

(2) EXCLUSION OF CERTAIN COSTS.—For purposes of paragraph (1)(B), routine patient costs do not include the cost of the tests or measurements conducted primarily for the purpose of the clinical trial involved.

(3) USE OF IN-NETWORK PROVIDERS.—If one or more participating providers is participating in a clinical trial, nothing in paragraph (1) shall be construed as preventing a plan or issuer from requiring that a qualified individual participate in the trial through such a participating provider if the provider will accept the individual as a participant in the trial.

(b) QUALIFIED INDIVIDUAL DEFINED.—For purposes of subsection (a), the term "qualified individual" means an individual who is a participant or beneficiary in a group health plan, or who is an enrollee under health insurance coverage, and who meets the following conditions:

(1)(A) The individual has a life-threatening or serious illness for which no standard treatment is effective.

(B) The individual is eligible to participate in an approved clinical trial according to the trial protocol with respect to treatment of such illness.

(C) The individual's participation in the trial offers meaningful potential for significant clinical benefit for the individual.

(2) Either—

(A) the referring physician is a participating health care professional and has concluded that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1); or

(B) the participant, beneficiary, or enrollee provides medical and scientific information establishing that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1).

(c) PAYMENT.—

(1) IN GENERAL.—Under this section a group health plan and a health insurance issuer shall provide for payment for routine patient costs described in subsection (a)(2) but is not required to pay for costs of items and services that are reasonably expected (as determined by the appropriate Secretary) to be paid for by the sponsors of an approved clinical trial.

(2) PAYMENT RATE.—In the case of covered items and services provided by—

(A) a participating provider, the payment rate shall be at the agreed upon rate; or

(B) a nonparticipating provider, the payment rate shall be at the rate the plan or issuer would normally pay for comparable services under subparagraph (A).

(d) APPROVED CLINICAL TRIAL DEFINED.—

(1) IN GENERAL.—In this section, the term "approved clinical trial" means a clinical research study or clinical investigation—

(A) approved and funded (which may include funding through in-kind contributions) by one or more of the following:

(i) the National Institutes of Health;

(ii) a cooperative group or center of the National Institutes of Health, including a qualified nongovernmental research entity to which the National Cancer Institute has awarded a center support grant;

(iii) either of the following if the conditions described in paragraph (2) are met—

(I) the Department of Veterans Affairs;

(II) the Department of Defense; or

(B) approved by the Food and Drug Administration.

(2) CONDITIONS FOR DEPARTMENTS.—The conditions described in this paragraph, for a study or investigation conducted by a Department, are that the study or investigation has been reviewed and approved through a system of peer review that the appropriate Secretary determines—

(A) to be comparable to the system of peer review of studies and investigations used by the National Institutes of Health; and

(B) assures unbiased review of the highest ethical standards by qualified individuals who have no interest in the outcome of the review.

(e) CONSTRUCTION.—Nothing in this section shall be construed to limit a plan's or issuer's coverage with respect to clinical trials.

SEC. 120. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR SECONDARY CONSULTATIONS.

(a) INPATIENT CARE.—

(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the treatment of breast cancer is provided for a period of time as is determined by the attending physician, in consultation with the patient, to be medically necessary and appropriate following—

(A) a mastectomy;

(B) a lumpectomy; or

(C) a lymph node dissection for the treatment of breast cancer.

(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician and patient determine that a shorter period of hospital stay is medically appropriate.

(b) PROHIBITION ON CERTAIN MODIFICATIONS.—In implementing the requirements of this section, a group health plan, and a health insurance issuer providing health insurance coverage, may not modify the terms and conditions of coverage based on the determination by a participant, beneficiary, or enrollee to request less than the minimum coverage required under subsection (a).

(c) SECONDARY CONSULTATIONS.—

(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage, that provides coverage with respect to medical and surgical services provided in relation to the diagnosis and treatment of cancer shall ensure that full coverage is provided for secondary consultations by specialists in the appropriate medical fields (including pathology, radiology, and oncology) to confirm or refute such diagnosis. Such plan or issuer shall ensure that full coverage is provided for such secondary consultation whether such consultation is based on a positive or negative initial diagnosis. In any case in which the attending physician certifies in writing that services necessary for such a secondary consultation are not sufficiently available from specialists operating under the plan or coverage with respect to whose services coverage is otherwise provided under such plan or by such issuer, such plan or issuer shall ensure that coverage is provided with respect to the services necessary for the secondary consultation with any other specialist selected by the attending physician for such purpose at no additional cost to the individual beyond that which the individual would have paid if the specialist was participating in the network of the plan or issuer.

(2) EXCEPTION.—Nothing in paragraph (1) shall be construed as requiring the provision of secondary consultations where the patient determines not to seek such a consultation.

(d) PROHIBITION ON PENALTIES OR INCENTIVES.—A group health plan, and a health insurance issuer providing health insurance coverage, may not—

(1) penalize or otherwise reduce or limit the reimbursement of a provider or specialist because the provider or specialist provided care to a participant, beneficiary, or enrollee in accordance with this section;

(2) provide financial or other incentives to a physician or specialist to induce the physician or specialist to keep the length of inpatient stays of patients following a mastectomy, lumpectomy, or a lymph node dissection for the treatment of breast cancer below certain limits or to limit referrals for secondary consultations; or

(3) provide financial or other incentives to a physician or specialist to induce the physician or specialist to refrain from referring a participant, beneficiary, or enrollee for a secondary consultation that would otherwise be covered by the plan or coverage involved under subsection (c).

Subtitle C—Access to Information

SEC. 121. PATIENT ACCESS TO INFORMATION.

(a) REQUIREMENT.—

(1) DISCLOSURE.—

(A) IN GENERAL.—A group health plan, and a health insurance issuer that provides coverage in connection with health insurance coverage, shall provide for the disclosure to participants, beneficiaries, and enrollees—

(i) of the information described in subsection (b) at the time of the initial enrollment of the participant, beneficiary, or enrollee under the plan or coverage;

(ii) of such information on an annual basis—

(I) in conjunction with the election period of the plan or coverage if the plan or coverage has such an election period; or

(II) in the case of a plan or coverage that does not have an election period, in conjunction with the beginning of the plan or coverage year; and

(iii) of information relating to any material reduction to the benefits or information described in such subsection or subsection (c), in the form of a notice provided not later than 30 days before the date on which the reduction takes effect.

(B) PARTICIPANTS, BENEFICIARIES, AND ENROLLEES.—The disclosure required under subparagraph (A) shall be provided—

(i) jointly to each participant, beneficiary, and enrollee who reside at the same address; or

(ii) in the case of a beneficiary or enrollee who does not reside at the same address as the participant or another enrollee, separately to the participant or other enrollees and such beneficiary or enrollee.

(2) PROVISION OF INFORMATION.—Information shall be provided to participants, beneficiaries, and enrollees under this section at the last known address maintained by the plan or issuer with respect to such participants, beneficiaries, or enrollees, to the extent that such information is provided to participants, beneficiaries, or enrollees via the United States Postal Service or other private delivery service.

(b) REQUIRED INFORMATION.—The informational materials to be distributed under this section shall include for each option available under the group health plan or health insurance coverage the following:

(1) BENEFITS.—A description of the covered benefits, including—

(A) any in- and out-of-network benefits;

(B) specific preventive services covered under the plan or coverage if such services are covered;

(C) any specific exclusions or express limitations of benefits described in section 104(d)(3)(C);

(D) any other benefit limitations, including any annual or lifetime benefit limits and any monetary limits or limits on the number of visits, days, or services, and any specific coverage exclusions; and

(E) any definition of medical necessity used in making coverage determinations by the plan, issuer, or claims administrator.

(2) COST SHARING.—A description of any cost-sharing requirements, including—

(A) any premiums, deductibles, coinsurance, copayment amounts, and liability for balance billing, for which the participant, beneficiary, or enrollee will be responsible under each option available under the plan;

(B) any maximum out-of-pocket expense for which the participant, beneficiary, or enrollee may be liable;

(C) any cost-sharing requirements for out-of-network benefits or services received from nonparticipating providers; and

(D) any additional cost-sharing or charges for benefits and services that are furnished without meeting applicable plan or coverage requirements, such as prior authorization or precertification.

(3) DISENROLLMENT.—Information relating to the disenrollment of a participant, beneficiary, or enrollee.

(4) SERVICE AREA.—A description of the plan or issuer's service area, including the provision of any out-of-area coverage.

(5) PARTICIPATING PROVIDERS.—A directory of participating providers (to the extent a plan or issuer provides coverage through a network of providers) that includes, at a minimum, the name, address, and telephone number of each participating provider, and information about how to inquire whether a

participating provider is currently accepting new patients.

(6) CHOICE OF PRIMARY CARE PROVIDER.—A description of any requirements and procedures to be used by participants, beneficiaries, and enrollees in selecting, accessing, or changing their primary care provider, including providers both within and outside of the network (if the plan or issuer permits out-of-network services), and the right to select a pediatrician as a primary care provider under section 116 for a participant, beneficiary, or enrollee who is a child if such section applies.

(7) PREAUTHORIZATION REQUIREMENTS.—A description of the requirements and procedures to be used to obtain preauthorization for health services, if such preauthorization is required.

(8) EXPERIMENTAL AND INVESTIGATIONAL TREATMENTS.—A description of the process for determining whether a particular item, service, or treatment is considered experimental or investigational, and the circumstances under which such treatments are covered by the plan or issuer.

(9) SPECIALTY CARE.—A description of the requirements and procedures to be used by participants, beneficiaries, and enrollees in accessing specialty care and obtaining referrals to participating and nonparticipating specialists, including any limitations on choice of health care professionals referred to in section 112(b)(2) and the right to timely access to specialists care under section 114 if such section applies.

(10) CLINICAL TRIALS.—A description of the circumstances and conditions under which participation in clinical trials is covered under the terms and conditions of the plan or coverage, and the right to obtain coverage for approved clinical trials under section 119 if such section applies.

(11) PRESCRIPTION DRUGS.—To the extent the plan or issuer provides coverage for prescription drugs, a statement of whether such coverage is limited to drugs included in a formulary, a description of any provisions and cost-sharing required for obtaining on- and off-formulary medications, and a description of the rights of participants, beneficiaries, and enrollees in obtaining access to access to prescription drugs under section 118 if such section applies.

(12) EMERGENCY SERVICES.—A summary of the rules and procedures for accessing emergency services, including the right of a participant, beneficiary, or enrollee to obtain emergency services under the prudent layperson standard under section 113, if such section applies, and any educational information that the plan or issuer may provide regarding the appropriate use of emergency services.

(13) CLAIMS AND APPEALS.—A description of the plan or issuer's rules and procedures pertaining to claims and appeals, a description of the rights (including deadlines for exercising rights) of participants, beneficiaries, and enrollees under subtitle A in obtaining covered benefits, filing a claim for benefits, and appealing coverage decisions internally and externally (including telephone numbers and mailing addresses of the appropriate authority), and a description of any additional legal rights and remedies available under section 502 of the Employee Retirement Income Security Act of 1974 and applicable State law.

(14) ADVANCE DIRECTIVES AND ORGAN DONATION.—A description of procedures for advance directives and organ donation decisions if the plan or issuer maintains such procedures.

(15) INFORMATION ON PLANS AND ISSUERS.—The name, mailing address, and telephone number or numbers of the plan administrator and the issuer to be used by participants, beneficiaries, and enrollees seeking information about plan or coverage benefits and services, payment of a claim, or authorization for services and treatment. Notice of whether the benefits under the plan or coverage are provided under a contract or policy of insurance issued by an issuer, or whether benefits are provided directly by the plan sponsor who bears the insurance risk.

(16) TRANSLATION SERVICES.—A summary description of any translation or interpretation services (including the availability of printed information in languages other than English, audio tapes, or information in Braille) that are available for non-English speakers and participants, beneficiaries, and enrollees with communication disabilities and a description of how to access these items or services.

(17) ACCREDITATION INFORMATION.—Any information that is made public by accrediting organizations in the process of accreditation if the plan or issuer is accredited, or any additional quality indicators (such as the results of enrollee satisfaction surveys) that the plan or issuer makes public or makes available to participants, beneficiaries, and enrollees.

(18) NOTICE OF REQUIREMENTS.—A description of any rights of participants, beneficiaries, and enrollees that are established by the Bipartisan Patient Protection Act (excluding those described in paragraphs (1) through (17)) if such sections apply. The description required under this paragraph may be combined with the notices of the type described in sections 711(d), 713(b), or 606(a)(1) of the Employee Retirement Income Security Act of 1974 and with any other notice provision that the appropriate Secretary determines may be combined, so long as such combination does not result in any reduction in the information that would otherwise be provided to the recipient.

(19) AVAILABILITY OF ADDITIONAL INFORMATION.—A statement that the information described in subsection (c), and instructions on obtaining such information (including telephone numbers and, if available, Internet websites), shall be made available upon request.

(20) DESIGNATED DECISIONMAKERS.—A description of the participants and beneficiaries with respect to whom each designated decisionmaker under the plan has assumed liability under section 502(o) of the Employee Retirement Income Security Act of 1974 and the name and address of each such decisionmaker.

(c) ADDITIONAL INFORMATION.—The informational materials to be provided upon the request of a participant, beneficiary, or enrollee shall include for each option available under a group health plan or health insurance coverage the following:

(1) STATUS OF PROVIDERS.—The State licensure status of the plan or issuer's participating health care professionals and participating health care facilities, and, if available, the education, training, specialty qualifications or certifications of such professionals.

(2) COMPENSATION METHODS.—A summary description by category of the applicable methods (such as capitation, fee-for-service, salary, bundled payments, per diem, or a combination thereof) used for compensating prospective or treating health care professionals (including primary care providers and specialists) and facilities in connection with the provision of health care under the plan or coverage.

(3) PRESCRIPTION DRUGS.—Information about whether a specific prescription medication is included in the formulary of the plan or issuer, if the plan or issuer uses a defined formulary.

(4) UTILIZATION REVIEW ACTIVITIES.—A description of procedures used and requirements (including circumstances, timeframes, and appeals rights) under any utilization review program under sections 101 and 102, including any drug formulary program under section 118.

(5) EXTERNAL APPEALS INFORMATION.—Aggregate information on the number and outcomes of external medical reviews, relative to the sample size (such as the number of covered lives) under the plan or under the coverage of the issuer.

(d) MANNER OF DISCLOSURE.—The information described in this section shall be disclosed in an accessible medium and format that is calculated to be understood by a participant or enrollee.

(e) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a group health plan, or a health insurance issuer in connection with health insurance coverage, from—

(1) distributing any other additional information determined by the plan or issuer to be important or necessary in assisting participants, beneficiaries, and enrollees in the selection of a health plan or health insurance coverage; and

(2) complying with the provisions of this section by providing information in brochures, through the Internet or other electronic media, or through other similar means, so long as—

(A) the disclosure of such information in such form is in accordance with requirements as the appropriate Secretary may impose, and

(B) in connection with any such disclosure of information through the Internet or other electronic media—

(i) the recipient has affirmatively consented to the disclosure of such information in such form,

(ii) the recipient is capable of accessing the information so disclosed on the recipient's individual workstation or at the recipient's home,

(iii) the recipient retains an ongoing right to receive paper disclosure of such information and receives, in advance of any attempt at disclosure of such information to him or her through the Internet or other electronic media, notice in printed form of such ongoing right and of the proper software required to view information so disclosed, and

(iv) the plan administrator appropriately ensures that the intended recipient is receiving the information so disclosed and provides the information in printed form if the information is not received.

Subtitle D—Protecting the Doctor-Patient Relationship

SEC. 131. PROHIBITION OF INTERFERENCE WITH CERTAIN MEDICAL COMMUNICATIONS.

(a) GENERAL RULE.—The provisions of any contract or agreement, or the operation of any contract or agreement, between a group health plan or health insurance issuer in relation to health insurance coverage (including any partnership, association, or other organization that enters into or administers such a contract or agreement) and a health care provider (or group of health care providers) shall not prohibit or otherwise restrict a health care professional from advising such a participant, beneficiary, or enrollee who is a patient of the professional about the health status of the individual or medical care or treatment for the individual's condition or disease, regardless of whether benefits for such care or treatment are provided under the plan or coverage, if the professional is acting within the lawful scope of practice.

(b) Nullification.—Any contract provision or agreement that restricts or prohibits medical communications in violation of subsection (a) shall be null and void.

SEC. 132. PROHIBITION OF DISCRIMINATION AGAINST PROVIDERS BASED ON LICENSURE.

(a) In General.—A group health plan, and a health insurance issuer with respect to health insurance coverage, shall not discriminate with respect to participation or indemnification as to any provider who is acting within the scope of the provider's license or certification under applicable State law, solely on the basis of such license or certification.

(b) Construction.—Subsection (a) shall not be construed—

(1) as requiring the coverage under a group health plan or health insurance coverage of a particular benefit or service or to prohibit a plan or issuer from including providers only to the extent necessary to meet the needs of the plan's or issuer's participants, beneficiaries, or enrollees or from establishing any measure designed to maintain quality and control costs consistent with the responsibilities of the plan or issuer;

(2) to override any State licensure or scope-of-practice law; or

(3) as requiring a plan or issuer that offers network coverage to include for participation every willing provider who meets the terms and conditions of the plan or issuer.

SEC. 133. PROHIBITION AGAINST IMPROPER INCENTIVE ARRANGEMENTS.

(a) In General.—A group health plan and a health insurance issuer offering health insurance coverage may not operate any physician incentive plan (as defined in subparagraph (B) of section 1852(j)(4) of the Social Security Act) unless the requirements described in clauses (i), (ii)(I), and (iii) of subparagraph (A) of such section are met with respect to such a plan.

(b) Application.—For purposes of carrying out paragraph (1), any reference in section 1852(j)(4) of the Social Security Act to the Secretary, a Medicare+Choice organization, or an individual enrolled with the organization shall be treated as a reference to the applicable authority, a group health plan or health insurance issuer, respectively, and a participant, beneficiary, or enrollee with the plan or organization, respectively.

(c) Construction.—Nothing in this section shall be construed as prohibiting all capitation and similar arrangements or all provider discount arrangements.

SEC. 134. PAYMENT OF CLAIMS.

A group health plan, and a health insurance issuer offering health insurance coverage, shall provide for prompt payment of claims submitted for health care services or supplies furnished to a participant, beneficiary, or enrollee with respect to benefits covered by the plan or issuer, in a manner that is no less protective than the provisions of section 1842(c)(2) of the Social Security Act (42 U.S.C. 1395u(c)(2)).

SEC. 135. PROTECTION FOR PATIENT ADVOCACY.

(a) Protection for Use of Utilization Review and Grievance Process.—A group health plan, and a health insurance issuer with respect to the provision of health insurance coverage, may not retaliate against a participant, beneficiary, enrollee, or health care provider based on the participant's, beneficiary's, enrollee's or provider's use of, or participation in, a utilization review process or a grievance process of the plan or issuer (including an internal or external review or appeal process) under this title.

(b) Protection for Quality Advocacy by Health Care Professionals.—

(1) In general.—A group health plan and a health insurance issuer may not retaliate or discriminate against a protected health care professional because the professional in good faith—

(A) discloses information relating to the care, services, or conditions affecting one or more participants, beneficiaries, or enrollees of the plan or issuer to an appropriate public regulatory agency, an appropriate private accreditation body, or appropriate management personnel of the plan or issuer; or

(B) initiates, cooperates, or otherwise participates in an investigation or proceeding by such an agency with respect to such care, services, or conditions.

If an institutional health care provider is a participating provider with such a plan or issuer or otherwise receives payments for benefits provided by such a plan or issuer, the provisions of the previous sentence shall apply to the provider in relation to care, services, or conditions affecting one or more patients within an institutional health care provider in the same manner as they apply to the plan or issuer in relation to care, services, or conditions provided to one or more participants, beneficiaries, or enrollees; and for purposes of applying this sentence, any reference to a plan or issuer is deemed a reference to the institutional health care provider.

(2) Good faith action.—For purposes of paragraph (1), a protected health care professional is considered to be acting in good faith with respect to disclosure of information or participation if, with respect to the information disclosed as part of the action—

(A) the disclosure is made on the basis of personal knowledge and is consistent with that degree of learning and skill ordinarily possessed by health care professionals with the same licensure or certification and the same experience;

(B) the professional reasonably believes the information to be true;

(C) the information evidences either a violation of a law, rule, or regulation, of an applicable accreditation standard, or of a generally recognized professional or clinical standard or that a patient is in imminent hazard of loss of life or serious injury; and

(D) subject to subparagraphs (B) and (C) of paragraph (3), the professional has followed reasonable internal procedures of the plan, issuer, or institutional health care provider established for the purpose of addressing quality concerns before making the disclosure.

(3) Exception and special rule.—

(A) General exception.—Paragraph (1) does not protect disclosures that would violate Federal or State law or diminish or impair the rights of any person to the continued protection of confidentiality of communications provided by such law.

(B) Notice of internal procedures.—Subparagraph (D) of paragraph (2) shall not apply unless the internal procedures involved are reasonably expected to be known to the health care professional involved. For purposes of this subparagraph, a health care professional is reasonably expected to know of internal procedures if those procedures have been made available to the professional through distribution or posting.

(C) Internal procedure exception.—Subparagraph (D) of paragraph (2) also shall not apply if—

(i) the disclosure relates to an imminent hazard of loss of life or serious injury to a patient;

(ii) the disclosure is made to an appropriate private accreditation body pursuant to disclosure procedures established by the body; or

(iii) the disclosure is in response to an inquiry made in an investigation or proceeding of an appropriate public regulatory agency and the information disclosed is limited to the scope of the investigation or proceeding.

(4) Additional considerations.—It shall not be a violation of paragraph (1) to take an adverse action against a protected health care professional if the plan, issuer, or provider taking the adverse action involved demonstrates that it would have taken the same adverse action even in the absence of the activities protected under such paragraph.

(5) Notice.—A group health plan, health insurance issuer, and institutional health care provider shall post a notice, to be provided or approved by the Secretary of Labor, setting forth excerpts from, or summaries of, the pertinent provisions of this subsection and information pertaining to enforcement of such provisions.

(6) Constructions.—

(A) Determinations of coverage.—Nothing in this subsection shall be construed to prohibit a plan or issuer from making a determination not to pay for a particular medical treatment or service or the services of a type of health care professional.

(B) Enforcement of peer review protocols and internal procedures.—Nothing in this subsection shall be construed to prohibit a plan, issuer, or provider from establishing and enforcing reasonable peer review or utilization review protocols or determining whether a protected health care professional has complied with those protocols or from establishing and enforcing internal procedures for the purpose of addressing quality concerns.

(C) Relation to other rights.—Nothing in this subsection shall be construed to abridge rights of participants, beneficiaries, enrollees, and protected health care professionals under other applicable Federal or State laws.

(7) Protected health care professional defined.—For purposes of this subsection, the term "protected health care professional" means an individual who is a licensed or certified health care professional and who—

(A) with respect to a group health plan or health insurance issuer, is an employee of the plan or issuer or has a contract with the plan or issuer for provision of services for which benefits are available under the plan or issuer; or

(B) with respect to an institutional health care provider, is an employee of the provider or has a contract or other arrangement with the provider respecting the provision of health care services.

Subtitle E—Definitions

SEC. 151. DEFINITIONS.

(a) Incorporation of General Definitions.—Except as otherwise provided, the provisions of section 2791 of the Public Health Service Act shall apply for purposes of this title in the same manner as they apply for purposes of title XXVII of such Act.

(b) SECRETARY.—Except as otherwise provided, the term "Secretary" means the Secretary of Health and Human Services, in consultation with the Secretary of Labor and the term "appropriate Secretary" means the Secretary of Health and Human Services in relation to carrying out this title under sections 2706 and 2751 of the Public Health Service Act and the Secretary of Labor in relation to carrying out this title under section 714 of the Employee Retirement Income Security Act of 1974.

(c) ADDITIONAL DEFINITIONS.—For purposes of this title:

(1) APPLICABLE AUTHORITY.—The term "applicable authority" means—

(A) in the case of a group health plan, the Secretary of Health and Human Services and the Secretary of Labor; and

(B) in the case of a health insurance issuer with respect to a specific provision of this title, the applicable State authority (as defined in section 2791(d) of the Public Health Service Act), or the Secretary of Health and Human Services, if such Secretary is enforcing such provision under section 2722(a)(2) or 2761(a)(2) of the Public Health Service Act.

(2) ENROLLEE.—The term "enrollee" means, with respect to health insurance coverage offered by a health insurance issuer, an individual enrolled with the issuer to receive such coverage.

(3) GROUP HEALTH PLAN.—The term "group health plan" has the meaning given such term in section 733(a) of the Employee Retirement Income Security Act of 1974, except that such term includes a employee welfare benefit plan treated as a group health plan under section 732(d) of such Act or defined as such a plan under section 607(1) of such Act.

(4) HEALTH CARE PROFESSIONAL.—The term "health care professional" means an individual who is licensed, accredited, or certified under State law to provide specified health care services and who is operating within the scope of such licensure, accreditation, or certification.

(5) HEALTH CARE PROVIDER.—The term "health care provider" includes a physician or other health care professional, as well as an institutional or other facility or agency that provides health care services and that is licensed, accredited, or certified to provide health care items and services under applicable State law.

(6) NETWORK.—The term "network" means, with respect to a group health plan or health insurance issuer offering health insurance coverage, the participating health care professionals and providers through whom the plan or issuer provides health care items and services to participants, beneficiaries, or enrollees.

(7) NONPARTICIPATING.—The term "nonparticipating" means, with respect to a health care provider that provides health care items and services to a participant, beneficiary, or enrollee under group health plan or health insurance coverage, a health care provider that is not a participating health care provider with respect to such items and services.

(8) PARTICIPATING.—The term "participating" means, with respect to a health care provider that provides health care items and services to a participant, beneficiary, or enrollee under group health plan or health insurance coverage offered by a health insurance issuer, a health care provider that furnishes such items and services under a contract or other arrangement with the plan or issuer.

(9) PRIOR AUTHORIZATION.—The term "prior authorization" means the process of obtaining prior approval from a health insurance issuer or group health plan for the provision or coverage of medical services.

(10) TERMS AND CONDITIONS.—The term "terms and conditions" includes, with respect to a group health plan or health insurance coverage, requirements imposed under this title with respect to the plan or coverage.

SEC. 152. PREEMPTION; STATE FLEXIBILITY; CONSTRUCTION.

(a) CONTINUED APPLICABILITY OF STATE LAW WITH RESPECT TO HEALTH INSURANCE ISSUERS.—

(1) IN GENERAL.—Subject to paragraph (2), this title shall not be construed to supersede any provision of State law which establishes, implements, or continues in effect any standard or requirement solely relating to health insurance issuers (in connection with group health insurance coverage or otherwise) except to the extent that such standard or requirement prevents the application of a requirement of this title.

(2) CONTINUED PREEMPTION WITH RESPECT TO GROUP HEALTH PLANS.—Nothing in this title shall be construed to affect or modify the provisions of section 514 of the Employee Retirement Income Security Act of 1974 with respect to group health plans.

(3) CONSTRUCTION.—In applying this section, a State law that provides for equal access to, and availability of, all categories of licensed health care providers and services shall not be treated as preventing the application of any requirement of this title.

(b) APPLICATION OF SUBSTANTIALLY COMPLIANT STATE LAWS.—

(1) IN GENERAL.—In the case of a State law that imposes, with respect to health insurance coverage offered by a health insurance issuer and with respect to a group health plan that is a non-Federal governmental plan, a requirement that substantially complies (within the meaning of subsection (c)) with a patient protection requirement (as defined in paragraph (3)) and does not prevent the application of other requirements under this Act (except in the case of other substantially compliant requirements), in applying the requirements of this title under section 2707 and 2753 (as applicable) of the Public Health Service Act (as added by title II), subject to subsection (a)(2)—

(A) the State law shall not be treated as being superseded under subsection (a); and

(B) the State law shall apply instead of the patient protection requirement otherwise applicable with respect to health insurance coverage and non-Federal governmental plans.

(2) LIMITATION.—In the case of a group health plan covered under title I of the Employee Retirement Income Security Act of 1974, paragraph (1) shall be construed to apply only with respect to the health insurance coverage (if any) offered in connection with the plan.

(3) DEFINITIONS.—In this section:

(A) PATIENT PROTECTION REQUIREMENT.—The term "patient protection requirement" means a requirement under this title, and includes (as a single requirement) a group or related set of requirements under a section or similar unit under this title.

(B) SUBSTANTIALLY COMPLIANT.—The terms "substantially compliant", substantially complies", or "substantial compliance" with respect to a State law, mean that the State law has the same or similar features as the patient protection requirements and has a similar effect.

(c) DETERMINATIONS OF SUBSTANTIAL COMPLIANCE.—

(1) CERTIFICATION BY STATES.—A State may submit to the Secretary a certification that a State law provides for patient protections that are at least substantially compliant with one or more patient protection requirements. Such certification shall be accompanied by such information as may be required to permit the Secretary to make the determination described in paragraph (2)(A).

(2) REVIEW.—

(A) IN GENERAL.—The Secretary shall promptly review a certification submitted under paragraph (1) with respect to a State law to determine if the State law substantially complies with the patient protection requirement (or requirements) to which the law relates.

(B) APPROVAL DEADLINES.—

(i) INITIAL REVIEW.—Such a certification is considered approved unless the Secretary notifies the State in writing, within 90 days after the date of receipt of the certification, that the certification is disapproved (and the reasons for disapproval) or that specified additional information is needed to make the determination described in subparagraph (A).

(ii) ADDITIONAL INFORMATION.—With respect to a State that has been notified by the Secretary under clause (i) that specified additional information is needed to make the determination described in subparagraph (A), the Secretary shall make the determination within 60 days after the date on which such specified additional information is received by the Secretary.

(3) APPROVAL.—

(A) IN GENERAL.—The Secretary shall approve a certification under paragraph (1) unless—

(i) the State fails to provide sufficient information to enable the Secretary to make a determination under paragraph (2)(A); or

(ii) the Secretary determines that the State law involved does not provide for patient protections that substantially comply with the patient protection requirement (or requirements) to which the law relates.

(B) STATE CHALLENGE.—A State that has a certification disapproved by the Secretary under subparagraph (A) may challenge such disapproval in the appropriate United States district court.

(C) DEFERENCE TO STATES.—With respect to a certification submitted under paragraph (1), the Secretary shall give deference to the State's interpretation of the State law involved with respect to the patient protection involved.

(D) PUBLIC NOTIFICATION.—The Secretary shall—

(i) provide a State with a notice of the determination to approve or disapprove a certification under this paragraph;

(ii) promptly publish in the Federal Register a notice that a State has submitted a certification under paragraph (1);

(iii) promptly publish in the Federal Register the notice described in clause (i) with respect to the State; and

(iv) annually publish the status of all States with respect to certifications.

(4) CONSTRUCTION.—Nothing in this subsection shall be construed as preventing the certification (and approval of certification) of a State law under this subsection solely because it provides for greater protections for patients than those protections otherwise required to establish substantial compliance.

(5) PETITIONS.—

(A) PETITION PROCESS.—Effective on the date on which the provisions of this Act become effective, as provided for in section 601, a group health plan, health insurance issuer, participant, beneficiary, or enrollee may submit a petition to the Secretary for an advisory opinion as to whether or not a standard or requirement under a State law applicable to the plan, issuer, participant, beneficiary, or enrollee that is not the subject of a certification under this subsection, is superseded under subsection (a)(1) because such standard or requirement prevents the application of a requirement of this title.

(B) Opinion.—The Secretary shall issue an advisory opinion with respect to a petition submitted under subparagraph (A) within the 60-day period beginning on the date on which such petition is submitted.

(d) Definitions.—For purposes of this section:

(1) State law.—The term "State law" includes all laws, decisions, rules, regulations, or other State action having the effect of law, of any State. A law of the United States applicable only to the District of Columbia shall be treated as a State law rather than a law of the United States.

(2) State.—The term "State" includes a State, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, any political subdivisions of such, or any agency or instrumentality of such.

SEC. 153. EXCLUSIONS.

(a) No Benefit Requirements.—Nothing in this title shall be construed to require a group health plan or a health insurance issuer offering health insurance coverage to include specific items and services under the terms of such a plan or coverage, other than those provided under the terms and conditions of such plan or coverage.

(b) Exclusion From Access to Care Managed Care Provisions for Fee-for-Service Coverage.—

(1) In general.—The provisions of sections 111 through 117 shall not apply to a group health plan or health insurance coverage if the only coverage offered under the plan or coverage is fee-for-service coverage (as defined in paragraph (2)).

(2) Fee-for-service coverage defined.—For purposes of this subsection, the term "fee-for-service coverage" means coverage under a group health plan or health insurance coverage that—

(A) reimburses hospitals, health professionals, and other providers on a fee-for-service basis without placing the provider at financial risk;

(B) does not vary reimbursement for such a provider based on an agreement to contract terms and conditions or the utilization of health care items or services relating to such provider;

(C) allows access to any provider that is lawfully authorized to provide the covered services and that agrees to accept the terms and conditions of payment established under the plan or by the issuer; and

(D) for which the plan or issuer does not require prior authorization before providing for any health care services.

SEC. 154. TREATMENT OF EXCEPTED BENEFITS.

(a) In General.—The requirements of this title and the provisions of sections 502(a)(1)(C), 502(n), and 514(d) of the Employee Retirement Income Security Act of 1974 (added by section 402) shall not apply to excepted benefits (as defined in section 733(c) of such Act), other than benefits described in section 733(c)(2)(A) of such Act, in the same manner as the provisions of part 7 of subtitle B of title I of such Act do not apply to such benefits under subsections (b) and (c) of section 732 of such Act.

(b) Coverage of Certain Limited Scope Plans.—Only for purposes of applying the requirements of this title under sections 2707 and 2753 of the Public Health Service Act, section 714 of the Employee Retirement Income Security Act of 1974, and section 9813 of the Internal Revenue Code of 1986, the following sections shall be deemed not to apply:

(1) Section 2791(c)(2)(A) of the Public Health Service Act.

(2) Section 733(c)(2)(A) of the Employee Retirement Income Security Act of 1974.

(3) Section 9832(c)(2)(A) of the Internal Revenue Code of 1986.

SEC. 155. REGULATIONS.

The Secretaries of Health and Human Services, Labor, and the Treasury shall issue such regulations as may be necessary or appropriate to carry out this title. Such regulations shall be issued consistent with section 104 of Health Insurance Portability and Accountability Act of 1996. Such Secretaries may promulgate any interim final rules as the Secretaries determine are appropriate to carry out this title.

SEC. 156. INCORPORATION INTO PLAN OR COVERAGE DOCUMENTS.

The requirements of this title with respect to a group health plan or health insurance coverage are, subject to section 154, deemed to be incorporated into, and made a part of, such plan or the policy, certificate, or contract providing such coverage and are enforceable under law as if directly included in the documentation of such plan or such policy, certificate, or contract.

SEC. 157. PRESERVATION OF PROTECTIONS.

(a) In General.—The rights under this Act (including the right to maintain a civil action and any other rights under the amendments made by this Act) may not be waived, deferred, or lost pursuant to any agreement not authorized under this Act.

(b) Exception.—Subsection (a) shall not apply to an agreement providing for arbitration or participation in any other nonjudicial procedure to resolve a dispute if the agreement is entered into knowingly and voluntarily by the parties involved after the dispute has arisen or is pursuant to the terms of a collective bargaining agreement. Nothing in this subsection shall be construed to permit the waiver of the requirements of sections 103 and 104 (relating to internal and external review).

TITLE II—APPLICATION OF QUALITY CARE STANDARDS TO GROUP HEALTH PLANS AND HEALTH INSURANCE COVERAGE UNDER THE PUBLIC HEALTH SERVICE ACT

SEC. 201. APPLICATION TO GROUP HEALTH PLANS AND GROUP HEALTH INSURANCE COVERAGE.

(a) In General.—Subpart 2 of part A of title XXVII of the Public Health Service Act is amended by adding at the end the following new section:

"SEC. 2707. PATIENT PROTECTION STANDARDS.

"Each group health plan shall comply with patient protection requirements under title I of the Bipartisan Patient Protection Act, and each health insurance issuer shall comply with patient protection requirements under such title with respect to group health insurance coverage it offers, and such requirements shall be deemed to be incorporated into this subsection.".

(b) Conforming Amendment.—Section 2721(b)(2)(A) of such Act (42 U.S.C. 300gg-21(b)(2)(A)) is amended by inserting "(other than section 2707)" after "requirements of such subparts".

SEC. 202. APPLICATION TO INDIVIDUAL HEALTH INSURANCE COVERAGE.

Part B of title XXVII of the Public Health Service Act is amended by inserting after section 2752 the following new section:

"SEC. 2753. PATIENT PROTECTION STANDARDS.

"Each health insurance issuer shall comply with patient protection requirements under title I of the Bipartisan Patient Protection Act with respect to individual health insurance coverage it offers, and such requirements shall be deemed to be incorporated into this subsection.".

SEC. 203. COOPERATION BETWEEN FEDERAL AND STATE AUTHORITIES.

Part C of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–91 et seq.) is amended by adding at the end the following:

"SEC. 2793. COOPERATION BETWEEN FEDERAL AND STATE AUTHORITIES.

"(a) Agreement With States.—A State may enter into an agreement with the Secretary for the delegation to the State of some or all of the Secretary's authority under this title to enforce the requirements applicable under title I of the Bipartisan Patient Protection Act with respect to health insurance coverage offered by a health insurance issuer and with respect to a group health plan that is a non-Federal governmental plan.

"(b) Delegations.—Any department, agency, or instrumentality of a State to which authority is delegated pursuant to an agreement entered into under this section may, if authorized under State law and to the extent consistent with such agreement, exercise the powers of the Secretary under this title which relate to such authority.".

TITLE III—APPLICATION OF PATIENT PROTECTION STANDARDS TO FEDERAL HEALTH INSURANCE PROGRAMS

SEC. 301. APPLICATION OF PATIENT PROTECTION STANDARDS TO FEDERAL HEALTH INSURANCE PROGRAMS.

(a) Sense of Congress.—It is the sense of Congress that enrollees in Federal health insurance programs should have the same rights and privileges as those afforded under title I and under the amendments made by title IV to participants and beneficiaries under group health plans.

(b) Conforming Federal Health Insurance Programs.—It is the sense of Congress that the President should require, by executive order, the Federal official with authority over each Federal health insurance program, to the extent feasible, to take such steps as are necessary to implement the rights and privileges described in subsection (a) with respect to such program.

(c) GAO Report on Additional Steps Required.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress a report on statutory changes that are required to implement such rights and privileges in a manner that is consistent with the missions of the Federal health insurance programs and that avoids unnecessary duplication or disruption of such programs.

(d) Federal Health Insurance Program.—In this section, the term "Federal health insurance program" means a Federal program that provides creditable coverage (as defined in section 2701(c)(1) of the Public Health Service Act) and includes a health program of the Department of Veterans Affairs.

TITLE IV—AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

SEC. 401. APPLICATION OF PATIENT PROTECTION STANDARDS TO GROUP HEALTH PLANS AND GROUP HEALTH INSURANCE COVERAGE UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 is amended by adding at the end the following new section:

"SEC. 714. PATIENT PROTECTION STANDARDS.

"(a) In General.—Subject to subsection (b), a group health plan (and a health insurance issuer offering group health insurance coverage in connection with such a plan) shall comply with the requirements of title I of the Bipartisan Patient Protection Act (as in effect as of the date of the enactment of such Act), and such requirements shall be deemed to be incorporated into this subsection.

"(b) Plan Satisfaction of Certain Requirements.—

"(1) Satisfaction of certain requirements through insurance.—For purposes of subsection (a), insofar as a group health plan provides benefits in the form of health insurance coverage through a health insurance issuer, the plan shall be treated as meeting the following requirements of title I of the Bipartisan Patient Protection Act with respect to such benefits and not be considered as failing to meet such requirements because of a failure of the issuer to meet such requirements so long as the plan sponsor or its representatives did not cause such failure by the issuer:

"(A) Section 111 (relating to consumer choice option).

"(B) Section 112 (relating to choice of health care professional).

"(C) Section 113 (relating to access to emergency care).

"(D) Section 114 (relating to timely access to specialists).

"(E) Section 115 (relating to patient access to obstetrical and gynecological care).

"(F) Section 116 (relating to access to pediatric care).

"(G) Section 117 (relating to continuity of care), but only insofar as a replacement issuer assumes the obligation for continuity of care.

"(H) Section 118 (relating to access to needed prescription drugs).

"(I) Section 119 (relating to coverage for individuals participating in approved clinical trials).

"(J) Section 120 (relating to required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for secondary consultations).

"(K) Section 134 (relating to payment of claims).

"(2) Information.—With respect to information required to be provided or made available under section 121 of the Bipartisan Patient Protection Act, in the case of a group health plan that provides benefits in the form of health insurance coverage through a health insurance issuer, the Secretary shall determine the circumstances under which the plan is not required to provide or make available the information (and is not liable for the issuer's failure to provide or make available the information), if the issuer is obligated to provide and make available (or provides and makes available) such information.

"(3) Internal appeals.—With respect to the internal appeals process required to be established under section 103 of such Act, in the case of a group health plan that provides benefits in the form of health insurance coverage through a health insurance issuer, the Secretary shall determine the circumstances under which the plan is not required to provide for such process and system (and is not liable for the issuer's failure to provide for such process and system), if the issuer is obligated to provide for (and provides for) such process and system.

"(4) External appeals.—Pursuant to rules of the Secretary, insofar as a group health plan enters into a contract with a qualified external appeal entity for the conduct of external appeal activities in accordance with section 104 of such Act, the plan shall be treated as meeting the requirement of such section and is not liable for the entity's failure to meet any requirements under such section.

"(5) Application to prohibitions.—Pursuant to rules of the Secretary, if a health insurance issuer offers health insurance coverage in connection with a group health plan and takes an action in violation of any of the following sections of the Bipartisan Patient Protection Act, the group health plan shall not be liable for such violation unless the plan caused such violation:

"(A) Section 131 (relating to prohibition of interference with certain medical communications).

"(B) Section 132 (relating to prohibition of discrimination against providers based on licensure).

"(C) Section 133 (relating to prohibition against improper incentive arrangements).

"(D) Section 135 (relating to protection for patient advocacy).

"(6) Construction.—Nothing in this subsection shall be construed to affect or modify the responsibilities of the fiduciaries of a group health plan under part 4 of subtitle B.

"(7) Treatment of substantially compliant state laws.—For purposes of applying this subsection in connection with health insurance coverage, any reference in this subsection to a requirement in a section or other provision in the Bipartisan Patient Protection Act with respect to a health insurance issuer is deemed to include a reference to a requirement under a State law that substantially complies (as determined under section 152(c) of such Act) with the requirement in such section or other provisions.

"(8) Application to certain prohibitions against retaliation.—With respect to compliance with the requirements of section 135(b)(1) of the Bipartisan Patient Protection Act, for purposes of this subtitle the term 'group health plan' is deemed to include a reference to an institutional health care provider.

"(c) Enforcement of Certain Requirements.—

"(1) Complaints.—Any protected health care professional who believes that the professional has been retaliated or discriminated against in violation of section 135(b)(1) of the Bipartisan Patient Protection Act may file with the Secretary a complaint within 180 days of the date of the alleged retaliation or discrimination.

"(2) Investigation.—The Secretary shall investigate such complaints and shall determine if a violation of such section has occurred and, if so, shall issue an order to ensure that the protected health care professional does not suffer any loss of position, pay, or benefits in relation to the plan, issuer, or provider involved, as a result of the violation found by the Secretary.

"(d) Conforming Regulations.—The Secretary shall issue regulations to coordinate the requirements on group health plans and health insurance issuers under this section with the requirements imposed under the other provisions of this title. In order to reduce duplication and clarify the rights of participants and beneficiaries with respect to information that is required to be provided, such regulations shall coordinate the information disclosure requirements under section 121 of the Bipartisan Patient Protection Act with the reporting and disclosure requirements imposed under part 1, so long as such coordination does not result in any reduction in the information that would otherwise be provided to participants and beneficiaries.".

(b) Satisfaction of ERISA Claims Procedure Requirement.—Section 503 of such Act (29 U.S.C. 1133) is amended by inserting "(a)" after "Sec. 503." and by adding at the end the following new subsection:

"(b) In the case of a group health plan (as defined in section 733), compliance with the requirements of subtitle A of title I of the Bipartisan Patient Protection Act, and compliance with regulations promulgated by the Secretary, in the case of a claims denial, shall be deemed compliance with subsection (a) with respect to such claims denial.".

(c) Conforming Amendments.—(1) Section 732(a) of such Act (29 U.S.C. 1185(a)) is amended by striking "section 711" and inserting "sections 711 and 714".

(2) The table of contents in section 1 of such Act is amended by inserting after the item relating to section 713 the following new item:

"SEC. 714. PATIENT PROTECTION STANDARDS.".

(3) Section 502(b)(3) of such Act (29 U.S.C. 1132(b)(3)) is amended by inserting "(other than section 135(b))" after "part 7".

SEC. 402. AVAILABILITY OF CIVIL REMEDIES.

(a) Availability of Federal Civil Remedies in Cases Not Involving Medically Reviewable Decisions.—

(1) In general.—Section 502 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132) is amended by adding at the end the following new subsections:

"(n) Cause of Action Relating to Provision of Health Benefits.—

"(1) In general.—In any case in which—

"(A) a person who is a fiduciary of a group health plan, a health insurance issuer offering health insurance coverage in connection with the plan, or an agent of the plan, issuer, or plan sponsor, upon consideration of a claim for benefits of a participant or beneficiary under section 102 of the Bipartisan Patient Protection Act (relating to procedures for initial claims for benefits and prior authorization determinations) or upon review of a denial of such a claim under section 103 of such Act (relating to internal appeal of a denial of a claim for benefits), fails to exercise ordinary care in making a decision—

"(i) regarding whether an item or service is covered under the terms and conditions of the plan or coverage,

"(ii) regarding whether an individual is a participant or beneficiary who is enrolled under the terms and conditions of the plan or coverage (including the applicability of any waiting period under the plan or coverage), or

"(iii) as to the application of cost-sharing requirements or the application of a specific exclusion or express limitation on the amount, duration, or scope of coverage of items or services under the terms and conditions of the plan or coverage, and

"(B) such failure is a proximate cause of personal injury to, or the death of, the participant or beneficiary,

such plan, plan sponsor, or issuer shall be liable to the participant or beneficiary (or the estate of such participant or beneficiary) for economic and noneconomic damages (but not exemplary or punitive damages) in connection with such personal injury or death.

"(2) CAUSE OF ACTION MUST NOT INVOLVE MEDICALLY REVIEWABLE DECISION.—

"(A) IN GENERAL.—A cause of action is established under paragraph (1)(A) only if the decision referred to in paragraph (1)(A) does not include a medically reviewable decision.

"(B) MEDICALLY REVIEWABLE DECISION.—For purposes of this subsection, the term 'medically reviewable decision' means a denial of a claim for benefits under the plan which is described in section 104(d)(2) of the Bipartisan Patient Protection Act (relating to medically reviewable decisions).

"(3) LIMITATION REGARDING CERTAIN TYPES OF ACTIONS SAVED FROM PREEMPTION OF STATE LAW.—A cause of action is not established under paragraph (1)(A) in connection with a failure described in paragraph (1)(A) to the extent that a cause of action under State law (as defined in section 514(c)) for such failure would not be preempted under section 514.

"(4) DEFINITIONS AND RELATED RULES.—For purposes of this subsection.—

"(A) ORDINARY CARE.—The term 'ordinary care' means, with respect to a determination on a claim for benefits, that degree of care, skill, and diligence that a reasonable and prudent individual would exercise in making a fair determination on a claim for benefits of like kind to the claims involved.

"(B) PERSONAL INJURY.—The term 'personal injury' means a physical injury and includes an injury arising out of the treatment (or failure to treat) a mental illness or disease.

"(C) CLAIM FOR BENEFITS; DENIAL.—The terms 'claim for benefits' and 'denial of a claim for benefits' have the meanings provided such terms in section 102(e) of the Bipartisan Patient Protection Act.

"(D) TERMS AND CONDITIONS.—The term 'terms and conditions' includes, with respect to a group health plan or health insurance coverage, requirements imposed under title I of the Bipartisan Patient Protection Act.

"(E) TREATMENT OF EXCEPTED BENEFITS.—Under section 154(a) of the Bipartisan Patient Protection Act, the provisions of this subsection and subsection (a)(1)(C) do not apply to certain excepted benefits.

"(5) EXCLUSION OF EMPLOYERS AND OTHER PLAN SPONSORS.—

"(A) CAUSES OF ACTION AGAINST EMPLOYERS AND PLAN SPONSORS PRECLUDED.—Subject to subparagraph (B), paragraph (1)(A) does not authorize a cause of action against an employer or other plan sponsor maintaining the plan (or against an employee of such an employer or sponsor acting within the scope of employment).

"(B) CERTAIN CAUSES OF ACTION PERMITTED.—Notwithstanding subparagraph (A), a cause of action may arise against an employer or other plan sponsor (or against an employee of such an employer or sponsor acting within the scope of employment) under paragraph (1)(A), to the extent there was direct participation by the employer or other plan sponsor (or employee) in the decision of the plan under section 102 of the Bipartisan Patient Protection Act upon consideration of a claim for benefits or under section 103 of such Act upon review of a denial of a claim for benefits.

"(C) DIRECT PARTICIPATION.—

"(i) IN GENERAL.—For purposes of subparagraph (B), the term 'direct participation' means, in connection with a decision described in paragraph (1)(A), the actual making of such decision or the actual exercise of control in making such decision.

"(ii) RULES OF CONSTRUCTION.—For purposes of clause (i), the employer or plan sponsor (or employee) shall not be construed to be engaged in direct participation because of any form of decisionmaking or other conduct that is merely collateral or precedent to the decision described in paragraph (1)(A) on a particular claim for benefits of a participant or beneficiary, including (but not limited to)—

"(I) any participation by the employer or other plan sponsor (or employee) in the selection of the group health plan or health insurance coverage involved or the third party administrator or other agent;

"(II) any engagement by the employer or other plan sponsor (or employee) in any cost-benefit analysis undertaken in connection with the selection of, or continued maintenance of, the plan or coverage involved;

"(III) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating the plan or any benefit under the plan, if such process was not substantially focused solely on the particular situation of the participant or beneficiary referred to in paragraph (1)(A); and

"(IV) any participation by the employer or other plan sponsor (or employee) in the design of any benefit under the plan, including the amount of copayment and limits connected with such benefit.

"(iii) IRRELEVANCE OF CERTAIN COLLATERAL EFFORTS MADE BY EMPLOYER OR PLAN SPONSOR.—For purposes of this subparagraph, an employer or plan sponsor shall not be treated as engaged in direct participation in a decision with respect to any claim for benefits or denial thereof in the case of any particular participant or beneficiary solely by reason of—

"(I) any efforts that may have been made by the employer or plan sponsor to advocate for authorization of coverage for that or any other participant or beneficiary (or any group of participants or beneficiaries), or

"(II) any provision that may have been made by the employer or plan sponsor for benefits which are not covered under the terms and conditions of the plan for that or any other participant or beneficiary (or any group of participants or beneficiaries).

"(D) APPLICATION TO CERTAIN PLANS.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subsection, no group health plan described in clause (ii) (or plan sponsor of such a plan) shall be liable under paragraph (1) for the performance of, or the failure to perform, any non-medically reviewable duty under the plan.

"(ii) DEFINITION.—A group health plan described in this clause is—

"(I) a group health plan that is self-insured and self administered by an employer (including an employee of such an employer acting within the scope of employment); or

"(II) a multiemployer plan as defined in section 3(37)(A) (including an employee of a contributing employer or of the plan, or a fiduciary of the plan, acting within the scope of employment or fiduciary responsibility) that is self-insured and self-administered.

"(6) EXCLUSION OF PHYSICIANS AND OTHER HEALTH CARE PROFESSIONALS.—

"(A) IN GENERAL.—No treating physician or other treating health care professional of the participant or beneficiary, and no person acting under the direction of such a physician or health care professional, shall be liable under paragraph (1) for the performance of, or the failure to perform, any non-medically reviewable duty of the plan, the plan sponsor, or any health insurance issuer offering health insurance coverage in connection with the plan.

"(B) DEFINITIONS.—For purposes of subparagraph (A)—

"(i) HEALTH CARE PROFESSIONAL.—The term 'health care professional' means an individual who is licensed, accredited, or certified under State law to provide specified health care services and who is operating within the scope of such licensure, accreditation, or certification.

"(ii) NON-MEDICALLY REVIEWABLE DUTY.—The term 'non-medically reviewable duty' means a duty the discharge of which does not include the making of a medically reviewable decision.

"(7) EXCLUSION OF HOSPITALS.—No treating hospital of the participant or beneficiary shall be liable under paragraph (1) for the performance of, or the failure to perform, any non-medically reviewable duty (as defined in paragraph (6)(B)(ii)) of the plan, the plan sponsor, or any health insurance issuer offering health insurance coverage in connection with the plan.

"(8) RULE OF CONSTRUCTION RELATING TO EXCLUSION FROM LIABILITY OF PHYSICIANS, HEALTH CARE PROFESSIONALS, AND HOSPITALS.—Nothing in paragraph (6) or (7) shall be construed to limit the liability (whether direct or vicarious) of the plan, the plan sponsor, or any health insurance issuer offering health insurance coverage in connection with the plan.

"(9) REQUIREMENT OF EXHAUSTION.—

"(A) IN GENERAL.—A cause of action may not be brought under paragraph (1) in connection with any denial of a claim for benefits of any individual until all administrative processes under sections 102 and 103 of the Bipartisan Patient Protection Act (if applicable) have been exhausted.

"(B) EXCEPTION FOR NEEDED CARE.—A participant or beneficiary may seek relief exclusively in Federal court under subsection 502(a)(1)(B) prior to the exhaustion of administrative remedies under sections 102, 103, or 104 of the Bipartisan Patient Protection Act (as required under subparagraph (A)) if it is demonstrated to the court that the exhaustion of such remedies would cause irreparable harm to the health of the participant or beneficiary. Notwithstanding the awarding of relief under subsection 502(a)(1)(B) pursuant to this subparagraph, no relief shall be available as a result of, or arising under, paragraph (1)(A) or paragraph (10)(B), with respect to a participant or beneficiary, unless the requirements of subparagraph (A) are met.

"(C) RECEIPT OF BENEFITS DURING APPEALS PROCESS.—Receipt by the participant or beneficiary of the benefits involved in the claim for benefits during the pendency of any administrative processes referred to in subparagraph (A) or of any action commenced under this subsection—

"(i) shall not preclude continuation of all such administrative processes to their conclusion if so moved by any party, and

"(ii) shall not preclude any liability under subsection (a)(1)(C) and this subsection; in connection with such claim.

The court in any action commenced under this subsection shall take into account any receipt of benefits during such administrative processes or such action in determining the amount of the damages awarded.

"(D) ADMISSIBLE.—Any determination made by a reviewer in an administrative proceeding under section 103 of the Bipartisan Patient Protection Act shall be admissible in any Federal court proceeding and shall be presented to the trier of fact.

"(10) STATUTORY DAMAGES.—

"(A) IN GENERAL.—The remedies set forth in this subsection (n) shall be the exclusive remedies for causes of action brought under this subsection.

"(B) ASSESSMENT OF CIVIL PENALTIES.—In addition to the remedies provided for in paragraph (1) (relating to the failure to provide contract benefits in accordance with the plan), a civil assessment, in an amount not to exceed $5,000,000, payable to the claimant may be awarded in any action under such paragraph if the claimant establishes by clear and convincing evidence that the alleged conduct carried out by the defendant demonstrated bad faith and flagrant disregard for the rights of the participant or beneficiary under the plan and was a proximate cause of the personal injury or death that is the subject of the claim.

"(11) LIMITATION ON ATTORNEYS' FEES.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, or any arrangement, agreement, or contract regarding an attorney's fee, the amount of an attorney's contingency fee allowable for a cause of action brought pursuant to this subsection shall not exceed ⅓ of the total amount of the plaintiff's recovery (not including the reimbursement of actual out-of-pocket expenses of the attorney).

"(B) DETERMINATION BY DISTRICT COURT.—The last Federal district court in which the action was pending upon the final disposition, including all appeals, of the action shall have jurisdiction to review the attorney's fee to ensure that the fee is a reasonable one.

"(12) LIMITATION OF ACTION.—Paragraph (1) shall not apply in connection with any action commenced after 3 years after the later of—

"(A) the date on which the plaintiff first knew, or reasonably should have known, of the personal injury or death resulting from the failure described in paragraph (1), or

"(B) the date as of which the requirements of paragraph (9) are first met.

"(13) TOLLING PROVISION.—The statute of limitations for any cause of action arising under State law relating to a denial of a claim for benefits that is the subject of an action brought in Federal court under this subsection shall be tolled until such time as the Federal court makes a final disposition, including all appeals, of whether such claim should properly be within the jurisdiction of the Federal court. The tolling period shall be determined by the applicable Federal or State law, whichever period is greater.

"(14) PURCHASE OF INSURANCE TO COVER LIABILITY.—Nothing in section 410 shall be construed to preclude the purchase by a group health plan of insurance to cover any liability or losses arising under a cause of action under subsection (a)(1)(C) and this subsection.

"(15) EXCLUSION OF DIRECTED RECORDKEEPERS.—

"(A) IN GENERAL.—Subject to subparagraph (C), paragraph (1) shall not apply with respect to a directed recordkeeper in connection with a group health plan.

"(B) DIRECTED RECORDKEEPER.—For purposes of this paragraph, the term 'directed recordkeeper' means, in connection with a group health plan, a person engaged in directed recordkeeping activities pursuant to the specific instructions of the plan or the employer or other plan sponsor, including the distribution of enrollment information and distribution of disclosure materials under this Act or title I of the Bipartisan Patient Protection Act and whose duties do not include making decisions on claims for benefits.

"(C) LIMITATION.—Subparagraph (A) does not apply in connection with any directed recordkeeper to the extent that the directed recordkeeper fails to follow the specific instruction of the plan or the employer or other plan sponsor.

"(16) EXCLUSION OF HEALTH INSURANCE AGENTS.—Paragraph (1) does not apply with respect to a person whose sole involvement with the group health plan is providing advice or administrative services to the employer or other plan sponsor relating to the selection of health insurance coverage offered in connection with the plan.

"(17) NO EFFECT ON STATE LAW.—No provision of State law (as defined in section 514(c)(1)) shall be treated as superseded or otherwise altered, amended, modified, invalidated, or impaired by reason of the provisions of subsection (a)(1)(C) and this subsection.

"(18) RELIEF FROM LIABILITY FOR EMPLOYER OR OTHER PLAN SPONSOR BY MEANS OF DESIGNATED DECISIONMAKER.—

"(A) IN GENERAL.—Notwithstanding the direct participation (as defined in paragraph (5)(C)(i)) of an employer or plan sponsor, in any case in which there is (or is deemed under subparagraph (B) to be) a designated decisionmaker that meets the requirements of subsection (o)(1) for an employer or other plan sponsor—

"(i) all liability of such employer or plan sponsor involved (and any employee of such employer or sponsor acting within the scope of employment) under this subsection in connection with any participant or beneficiary shall be transferred to, and assumed by, the designated decisionmaker, and

"(ii) with respect to such liability, the designated decisionmaker shall be substituted for the employer or sponsor (or employee) in the action and may not raise any defense that the employer or sponsor (or employee) could not raise if such a decisionmaker were not so deemed.

"(B) AUTOMATIC DESIGNATION.—A health insurance issuer shall be deemed to be a designated decisionmaker for purposes of subparagraph (A) with respect to the participants and beneficiaries of an employer or plan sponsor, whether or not the employer or plan sponsor makes such a designation, and shall be deemed to have assumed unconditionally all liability of the employer or plan sponsor under such designation in accordance with subsection (o), unless the employer or plan sponsor affirmatively enters into a contract to prevent the service of the designated decisionmaker.

"(C) TREATMENT OF CERTAIN TRUST FUNDS.—For purposes of this paragraph, the terms 'employer' and 'plan sponsor', in connection with the assumption by a designated decisionmaker of the liability of employer or other plan sponsor pursuant to this paragraph, shall be construed to include a trust fund maintained pursuant to section 302 of the Labor Management Relations Act, 1947 (29 U.S.C. 186) or the Railway Labor Act (45 U.S.C. 151 et seq.).

"(19) PREVIOUSLY PROVIDED SERVICES.—

"(A) IN GENERAL.—Except as provided in this paragraph, a cause of action shall not arise under paragraph (1) where the denial involved relates to an item or service that has already been fully provided to the participant or beneficiary under the plan or coverage and the claim relates solely to the subsequent denial of payment for the provision of such item or service.

"(B) EXCEPTION.—Nothing in subparagraph (A) shall be construed to—

"(i) prohibit a cause of action under paragraph (1) where the nonpayment involved results in the participant or beneficiary being unable to receive further items or services that are directly related to the item or service involved in the denial referred to in subparagraph (A) or that are part of a continuing treatment or series of procedures; or

"(ii) limit liability that otherwise would arise from the provision of the item or services or the performance of a medical procedure.

"(20) EXEMPTION FROM PERSONAL LIABILITY FOR INDIVIDUAL MEMBERS OF BOARDS OF DIRECTORS, JOINT BOARDS OF TRUSTEES, ETC.—Any individual who is—

"(A) a member of a board of directors of an employer or plan sponsor; or

"(B) a member of an association, committee, employee organization, joint board of trustees, or other similar group of representatives of the entities that are the plan sponsor of plan maintained by two or more employers and one or more employee organizations;

shall not be personally liable under this subsection for conduct that is within the scope of employment or of plan-related duties of the individuals unless the individual acts in a fraudulent manner for personal enrichment.

"(o) REQUIREMENTS FOR DESIGNATED DECISIONMAKERS OF GROUP HEALTH PLANS.—

"(1) IN GENERAL.—For purposes of subsection (n)(18) and section 514(d)(9), a designated decisionmaker meets the requirements of this paragraph with respect to any participant or beneficiary if—

"(A) such designation is in such form as may be prescribed in regulations of the Secretary,

"(B) the designated decisionmaker—

"(i) meets the requirements of paragraph (2),

"(ii) assumes unconditionally all liability of the employer or plan sponsor involved (and any employee of such employer or sponsor acting within the scope of employment) either arising under subsection (n) or arising in a cause of action permitted under section 514(d) in connection with actions (and failures to act) of the employer or plan sponsor (or employee) occurring during the period in which the designation under subsection (n)(18) or section 514(d)(9) is in effect relating to such participant and beneficiary,

"(iii) agrees to be substituted for the employer or plan sponsor (or employee) in the action and not to raise any defense with respect to such liability that the employer or plan sponsor (or employee) may not raise, and

"(iv) where paragraph (2)(B) applies, assumes unconditionally the exclusive authority under the group health plan to make medically reviewable decisions under the plan with respect to such participant or beneficiary, and

"(C) the designated decisionmaker and the participants and beneficiaries for whom the decisionmaker has assumed liability are identified in the written instrument required under section 402(a) and as required under section 121(b)(19) of the Bipartisan Patient Protection Act.

Any liability assumed by a designated decisionmaker pursuant to this subsection shall be in addition to any liability that it may otherwise have under applicable law.

"(2) Qualifications for designated decisionmakers.—

"(A) In general.—Subject to subparagraph (B), an entity is qualified under this paragraph to serve as a designated decisionmaker with respect to a group health plan if the entity has the ability to assume the liability described in paragraph (1) with respect to participants and beneficiaries under such plan, including requirements relating to the financial obligation for timely satisfying the assumed liability, and maintains with the plan sponsor and the Secretary certification of such ability. Such certification shall be provided to the plan sponsor or named fiduciary and to the Secretary upon designation under subsection (n)(18)(B) or section 517(d)(9)(B) and not less frequently than annually thereafter, or if such designation constitutes a multiyear arrangement, in conjunction with the renewal of the arrangement.

"(B) Special qualification in the case of certain reviewable decisions.—In the case of a group health plan that provides benefits consisting of medical care to a participant or beneficiary only through health insurance coverage offered by a single health insurance issue, such issuer is the only entity that may be qualified under this paragraph to serve as a designated decisionmaker with respect to such participant or beneficiary, and shall serve as the designated decisionmaker unless the employer or other plan sponsor acts affirmatively to prevent such service.

"(3) Requirements relating to financial obligations.—For purposes of paragraph (2)(A), the requirements relating to the financial obligation of an entity for liability shall include—

"(A) coverage of such entity under an insurance policy or other arrangement, secured and maintained by such entity, to effectively insure such entity against losses arising from professional liability claims, including those arising from its service as a designated decisionmaker under this part; or

"(B) evidence of minimum capital and surplus levels that are maintained by such entity to cover any losses as a result of liability arising from its service as a designated decisionmaker under this part.

The appropriate amounts of liability insurance and minimum capital and surplus levels for purposes of subparagraphs (A) and (B) shall be determined by an actuary using sound actuarial principles and accounting practices pursuant to established guidelines of the American Academy of Actuaries and in accordance with such regulations as the Secretary may prescribe and shall be maintained throughout the term for which the designation is in effect. The provisions of this paragraph shall not apply in the case of a designated decisionmaker that is a group health plan, plan sponsor, or health insurance issuer and that is regulated under Federal law or a State financial solvency law.

"(4) Limitation on appointment of treating physicians.—A treating physician who directly delivered the care, treatment, or provided the patient service that is the subject of a cause of action by a participant or beneficiary under subsection (n) or section 514(d) may not be designated as a designated decisionmaker under this subsection with respect to such participant or beneficiary.".

(2) Conforming amendment.—Section 502(a)(1) of such Act (29 U.S.C. 1132(a)(1)) is amended—

(A) by striking "or" at the end of subparagraph (A);

(B) in subparagraph (B), by striking "plan;" and inserting "plan, or"; and

(C) by adding at the end the following new subparagraph:

"(C) for the relief provided for in subsection (n) of this section.".

(b) Rules Relating to ERISA Preemption.—Section 514 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144) is amended—

(1) by redesignating subsection (d) as subsection (f); and

(2) by inserting after subsection (c) the following new subsections:

"(d) Preemption Not To Apply to Causes of Action under State Law Involving Medically Reviewable Decision.—

"(1) Non-preemption of certain causes of action.—

"(A) In general.—Except as provided in this subsection, nothing in this title (including section 502) shall be construed to supersede or otherwise alter, amend, modify, invalidate, or impair any cause of action under State law of a participant or beneficiary under a group health plan (or the estate of such a participant or beneficiary) against the plan, the plan sponsor, any health insurance issuer offering health insurance coverage in connection with the plan, or any managed care entity in connection with the plan to recover damages resulting from personal injury or for wrongful death if such cause of action arises by reason of a medically reviewable decision.

"(B) Medically reviewable decision.—For purposes of subparagraph (A), the term 'medically reviewable decision' means a denial of a claim for benefits under the plan which is described in section 104(d)(2) of the Bipartisan Patient Protection Act (relating to medically reviewable decisions).

"(C) Limitation on punitive damages.—

"(i) In general.—Except as provided in clauses (ii) and (iii), with respect to a cause of action described in subparagraph (A) brought with respect to a participant or beneficiary, State law is superseded insofar as it provides any punitive, exemplary, or similar damages if, as of the time of the personal injury or death, all the requirements of the following sections of the Bipartisan Patient Protection Act were satisfied with respect to the participant or beneficiary:

"(I) Section 102 (relating to procedures for initial claims for benefits and prior authorization determinations).

"(II) Section 103 of such Act (relating to internal appeals of claims denials).

"(III) Section 104 of such Act (relating to independent external appeals procedures).

"(ii) Exception for certain actions for wrongful death.—Clause (i) shall not apply with respect to an action for wrongful death if the applicable State law provides (or has been construed to provide) for damages in such an action which are only punitive or exemplary in nature.

"(iii) Exception for willful or wanton disregard for the rights or safety of others.—Clause (i) shall not apply with respect to any cause of action described in subparagraph (A) if, in such action, the plaintiff establishes by clear and convincing evidence that conduct carried out by the defendant with willful or wanton disregard for the rights or safety of others was a proximate cause of the personal injury or wrongful death that is the subject of the action.

"(2) Definitions and related rules.—For purposes of this subsection and subsection (e)—

"(A) Treatment of excepted benefits.—Under section 154(a) of the Bipartisan Patient Protection Act, the provisions of this subsection do not apply to certain excepted benefits.

"(B) Personal injury.—The term 'personal injury' means a physical injury and includes an injury arising out of the treatment (or failure to treat) a mental illness or disease.

"(C) Claim for benefit; denial.—The terms 'claim for benefits' and 'denial of a claim for benefits' shall have the meaning provided such terms under section 102(e) of the Bipartisan Patient Protection Act.

"(D) Managed care entity.—

"(i) In general.—The term 'managed care entity' means, in connection with a group health plan and subject to clause (ii), any entity that is involved in determining the manner in which or the extent to which items or services (or reimbursement therefor) are to be provided as benefits under the plan.

"(ii) Treatment of treating physicians, other treating health care professionals, and treating hospitals.—Such term does not include a treating physician or other treating health care professional (as defined in section 502(n)(6)(B)(i)) of the participant or beneficiary and also does not include a treating hospital insofar as it is acting solely in the capacity of providing treatment or care to the participant or beneficiary. Nothing in the preceding sentence shall be construed to preempt vicarious liability of any plan, plan sponsor, health insurance issuer, or managed care entity.

"(3) Exclusion of employers and other plan sponsors.—

"(A) Causes of action against employers and plan sponsors precluded.—Subject to subparagraph (B), paragraph (1) does not apply with respect to—

"(i) any cause of action against an employer or other plan sponsor maintaining the plan (or against an employee of such an employer or sponsor acting within the scope of employment), or

"(ii) a right of recovery, indemnity, or contribution by a person against an employer or other plan sponsor (or such an employee) for damages assessed against the person pursuant to a cause of action to which paragraph (1) applies.

"(B) Certain causes of action permitted.—Notwithstanding subparagraph (A), paragraph (1) applies with respect to any cause of action that is brought by a participant or beneficiary under a group health plan (or the estate of such a participant or beneficiary) to recover damages resulting from personal injury or for wrongful death against any employer or other plan sponsor maintaining the plan (or against an employee of such an employer or sponsor acting within the scope of employment) if such cause of action arises by reason of a medically reviewable decision, to the extent that there was direct participation by the employer or other plan sponsor (or employee) in the decision.

"(C) Direct participation.—

"(i) Direct participation in decisions.—For purposes of subparagraph (B), the term 'direct participation' means, in connection with a decision described in subparagraph (B), the actual making of such decision or the actual exercise of control in making such decision or in the conduct constituting the failure.

"(ii) Rules of construction.—For purposes of clause (i), the employer or plan sponsor (or employee) shall not be construed to be engaged in direct participation because of any form of decisionmaking or other conduct that is merely collateral or precedent to the decision described in subparagraph (B) on a particular claim for benefits of a particular participant or beneficiary, including (but not limited to)—

“(I) any participation by the employer or other plan sponsor (or employee) in the selection of the group health plan or health insurance coverage involved or the third party administrator or other agent;

“(II) any engagement by the employer or other plan sponsor (or employee) in any cost-benefit analysis undertaken in connection with the selection of, or continued maintenance of, the plan or coverage involved;

“(III) any participation by the employer or other plan sponsor (or employee) in the process of creating, continuing, modifying, or terminating the plan or any benefit under the plan, if such process was not substantially focused solely on the particular situation of the participant or beneficiary referred to in paragraph (1)(A); and

“(IV) any participation by the employer or other plan sponsor (or employee) in the design of any benefit under the plan, including the amount of copayment and limits connected with such benefit.

“(iv) IRRELEVANCE OF CERTAIN COLLATERAL EFFORTS MADE BY EMPLOYER OR PLAN SPONSOR.—For purposes of this subparagraph, an employer or plan sponsor shall not be treated as engaged in direct participation in a decision with respect to any claim for benefits or denial thereof in the case of any particular participant or beneficiary solely by reason of—

“(I) any efforts that may have been made by the employer or plan sponsor to advocate for authorization of coverage for that or any other participant or beneficiary (or any group of participants or beneficiaries), or

“(II) any provision that may have been made by the employer or plan sponsor for benefits which are not covered under the terms and conditions of the plan for that or any other participant or beneficiary (or any group of participants or beneficiaries).

“(4) REQUIREMENT OF EXHAUSTION.—

“(A) IN GENERAL.—Except as provided in subparagraph (D), a cause of action may not be brought under paragraph (1) in connection with any denial of a claim for benefits of any individual until all administrative processes under sections 102, 103, and 104 of the Bipartisan Patient Protection Act (if applicable) have been exhausted.

“(B) LATE MANIFESTATION OF INJURY.—

“(i) IN GENERAL.—A participant or beneficiary shall not be precluded from pursuing a review under section 104 of the Bipartisan Patient Protection Act regarding an injury that such participant or beneficiary has experienced if the external review entity first determines that the injury of such participant or beneficiary is a late manifestation of an earlier injury.

“(ii) DEFINITION.—In this subparagraph, the term ‘late manifestation of an earlier injury’ means an injury sustained by the participant or beneficiary which was not known, and should not have been known, by such participant or beneficiary by the latest date that the requirements of subparagraph (A) should have been met regarding the claim for benefits which was denied.

“(C) EXCEPTION FOR NEEDED CARE.—A participant or beneficiary may seek relief exclusively in Federal court under subsection 502(a)(1)(B) prior to the exhaustion of administrative remedies under sections 102, 103, or 104 of the Bipartisan Patient Protection Act (as required under subparagraph (A)) if it is demonstrated to the court that the exhaustion of such remedies would cause irreparable harm to the health of the participant or beneficiary. Notwithstanding the awarding of relief under subsection 502(a)(1)(B) pursuant to this subparagraph, no relief shall be available as a result of, or arising under, paragraph (1)(A) unless the requirements of subparagraph (A) are met.

“(D) FAILURE TO REVIEW.—

“(i) IN GENERAL.—If the external review entity fails to make a determination within the time required under section 104(e)(1)(A)(i), a participant or beneficiary may bring an action under section 514(d) after 10 additional days after the date on which such time period has expired and the filing of such action shall not affect the duty of the independent medical reviewer (or reviewers) to make a determination pursuant to section 104(e)(1)(A)(i).

“(ii) EXPEDITED DETERMINATION.—If the external review entity fails to make a determination within the time required under section 104(e)(1)(A)(ii), a participant or beneficiary may bring an action under this subsection and the filing of such an action shall not affect the duty of the independent medical reviewer (or reviewers) to make a determination pursuant to section 104(e)(1)(A)(ii).

“(E) RECEIPT OF BENEFITS DURING APPEALS PROCESS.—Receipt by the participant or beneficiary of the benefits involved in the claim for benefits during the pendency of any administrative processes referred to in subparagraph (A) or of any action commenced under this subsection—

“(i) shall not preclude continuation of all such administrative processes to their conclusion if so moved by any party, and

“(ii) shall not preclude any liability under subsection (a)(1)(C) and this subsection in connection with such claim.

“(F) ADMISSIBLE.—Any determination made by a reviewer in an administrative proceeding under section 104 of the Bipartisan Patient Protection Act shall be admissible in any Federal or State court proceeding and shall be presented to the trier of fact.

“(5) TOLLING PROVISION.—The statute of limitations for any cause of action arising under section 502(n) relating to a denial of a claim for benefits that is the subject of an action brought in State court shall be tolled until such time as the State court makes a final disposition, including all appeals, of whether such claim should properly be within the jurisdiction of the State court. The tolling period shall be determined by the applicable Federal or State law, whichever period is greater.

“(6) EXCLUSION OF DIRECTED RECORDKEEPERS.—

“(A) IN GENERAL.—Subject to subparagraph (C), paragraph (1) shall not apply with respect to a directed recordkeeper in connection with a group health plan.

“(B) DIRECTED RECORDKEEPER.—For purposes of this paragraph, the term ‘directed recordkeeper’ means, in connection with a group health plan, a person engaged in directed recordkeeping activities pursuant to the specific instructions of the plan or the employer or other plan sponsor, including the distribution of enrollment information and distribution of disclosure materials under this Act or title I of the Bipartisan Patient Protection Act and whose duties do not include making decisions on claims for benefits.

“(C) LIMITATION.—Subparagraph (A) does not apply in connection with any directed recordkeeper to the extent that the directed recordkeeper fails to follow the specific instruction of the plan or the employer or other plan sponsor.

“(7) CONSTRUCTION.—Nothing in this subsection shall be construed as—

“(A) saving from preemption a cause of action under State law for the failure to provide a benefit for an item or service which is specifically excluded under the group health plan involved, except to the extent that—

“(i) the application or interpretation of the exclusion involves a determination described in section 104(d)(2) of the Bipartisan Patient Protection Act, or

“(ii) the provision of the benefit for the item or service is required under Federal law or under applicable State law consistent with subsection (b)(2)(B);

“(B) preempting a State law which requires an affidavit or certificate of merit in a civil action;

“(C) affecting a cause of action or remedy under State law in connection with the provision or arrangement of excepted benefits (as defined in section 733(c)), other than those described in section 733(c)(2)(A); or

“(D) affecting a cause of action under State law other than a cause of action described in paragraph (1)(A).

“(8) PURCHASE OF INSURANCE TO COVER LIABILITY.—Nothing in section 410 shall be construed to preclude the purchase by a group health plan of insurance to cover any liability or losses arising under a cause of action described in paragraph (1)(A).

“(9) RELIEF FROM LIABILITY FOR EMPLOYER OR OTHER PLAN SPONSOR BY MEANS OF DESIGNATED DECISIONMAKER.—

“(A) IN GENERAL.—Paragraph (1) shall not apply with respect to any cause of action described in paragraph (1)(A) under State law insofar as such cause of action provides for liability with respect to a participant or beneficiary of an employer or plan sponsor (or an employee of such employer or sponsor acting within the scope of employment), if with respect to the employer or plan sponsor there is (or is deemed under subparagraph (B) to be) a designated decisionmaker that meets the requirements of section 502(o)(1) with respect to such participant or beneficiary. Such paragraph (1) shall apply with respect to any cause of action described in paragraph (1)(A) under State law against the designated decisionmaker of such employer or other plan sponsor with respect to the participant or beneficiary.

“(B) AUTOMATIC DESIGNATION.—A health insurance issuer shall be deemed to be a designated decisionmaker for purposes of subparagraph (A) with respect to the participants and beneficiaries of an employer or plan sponsor, whether or not the employer or plan sponsor makes such a designation, and shall be deemed to have assumed unconditionally all liability of the employer or plan sponsor under such designation in accordance with subsection (o), unless the employer or plan sponsor affirmatively enters into a contract to prevent the service of the designated decisionmaker.

“(C) TREATMENT OF CERTAIN TRUST FUNDS.—For purposes of this paragraph, the terms ‘employer’ and ‘plan sponsor’, in connection with the assumption by a designated decisionmaker of the liability of employer or other plan sponsor pursuant to this paragraph, shall be construed to include a trust fund maintained pursuant to section 302 of the Labor Management Relations Act, 1947 (29 U.S.C. 186) or the Railway Labor Act (45 U.S.C. 151 et seq.).

“(10) PREVIOUSLY PROVIDED SERVICES.—

“(A) IN GENERAL.—Except as provided in this paragraph, a cause of action shall not arise under paragraph (1) where the denial involved relates to an item or service that has already been fully provided to the participant or beneficiary under the plan or coverage and the claim relates solely to the subsequent denial of payment for the provision of such item or service.

“(B) EXCEPTION.—Nothing in subparagraph (A) shall be construed to—

“(i) prohibit a cause of action under paragraph (1) where the nonpayment involved results in the participant or beneficiary being unable to receive further items or services that are directly related to the item or service involved in the denial referred to in subparagraph (A) or that are part of a continuing treatment or series of procedures;

“(ii) prohibit a cause of action under paragraph (1) relating to quality of care; or

“(iii) limit liability that otherwise would arise from the provision of the item or services or the performance of a medical procedure.

“(11) EXEMPTION FROM PERSONAL LIABILITY FOR INDIVIDUAL MEMBERS OF BOARDS OF DIRECTORS, JOINT BOARDS OF TRUSTEES, ETC.—Any individual who is—

“(A) a member of a board of directors of an employer or plan sponsor; or

“(B) a member of an association, committee, employee organization, joint board of trustees, or other similar group of representatives of the entities that are the plan sponsor of plan maintained by two or more employers and one or more employee organizations;

shall not be personally liable under this subsection for conduct that is within the scope of employment or of plan-related duties of the individuals unless the individual acts in a fraudulent manner for personal enrichment.

“(12) CHOICE OF LAW.—A cause of action brought under paragraph (1) shall be governed by the law (including choice of law rules) of the State in which the plaintiff resides.

“(13) LIMITATION ON ATTORNEYS' FEES.—

“(A) IN GENERAL.—Notwithstanding any other provision of law, or any arrangement, agreement, or contract regarding an attorney's fee, the amount of an attorney's contingency fee allowable for a cause of action brought under paragraph (1) shall not exceed ⅓ of the total amount of the plaintiff's recovery (not including the reimbursement of actual out-of-pocket expenses of the attorney).

“(B) DETERMINATION BY COURT.—The last court in which the action was pending upon the final disposition, including all appeals, of the action may review the attorney's fee to ensure that the fee is a reasonable one.

“(C) NO PREEMPTION OF STATE LAW.—Subparagraph (A) shall not apply with respect to a cause of action under paragraph (1) that is brought in a State that has a law or framework of laws with respect to the amount of an attorney's contingency fee that may be incurred for the representation of a participant or beneficiary (or the estate of such participant or beneficiary) who brings such a cause of action.

“(e) RULES OF CONSTRUCTION RELATING TO HEALTH CARE.—Nothing in this title shall be construed as—

“(1) affecting any State law relating to the practice of medicine or the provision of, or the failure to provide, medical care, or affecting any action (whether the liability is direct or vicarious) based upon such a State law,

“(2) superseding any State law permitted under section 152(b)(1)(A) of the Bipartisan Patient Protection Act, or

“(3) affecting any applicable State law with respect to limitations on monetary damages.

“(f) NO RIGHT OF ACTION FOR RECOVERY, INDEMNITY, OR CONTRIBUTION BY ISSUERS AGAINST TREATING HEALTH CARE PROFESSIONALS AND TREATING HOSPITALS.—In the case of any care provided, or any treatment decision made, by the treating health care professional or the treating hospital of a participant or beneficiary under a group health plan which consists of medical care provided under such plan, any cause of action under State law against the treating health care professional or the treating hospital by the plan or a health insurance issuer providing health insurance coverage in connection with the plan for recovery, indemnity, or contribution in connection with such care (or any medically reviewable decision made in connection with such care) or such treatment decision is superseded.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to acts and omissions (from which a cause of action arises) occurring on or after the applicable effective under section 601.

SEC. 403. LIMITATION ON CERTAIN CLASS ACTION LITIGATION.

Section 502 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132), as amended by section 402, is further amended by adding at the end the following:

“(p) LIMITATION ON CLASS ACTION LITIGATION.—

“(1) IN GENERAL.—Any claim or cause of action that is maintained under this section in connection with a group health plan, or health insurance coverage issued in connection with a group health plan, as a class action, derivative action, or as an action on behalf of any group of 2 or more claimants, may be maintained only if the class, the derivative claimant, or the group of claimants is limited to the participants or beneficiaries of a group health plan established by only 1 plan sponsor. No action maintained by such class, such derivative claimant, or such group of claimants may be joined in the same proceeding with any action maintained by another class, derivative claimant, or group of claimants or consolidated for any purpose with any other proceeding. In this paragraph, the terms ‘group health plan’ and ‘health insurance coverage’ have the meanings given such terms in section 733.

“(2) EFFECTIVE DATE.—This subsection shall apply to all civil actions that are filed on or after January 1, 2002.”.

SEC. 404. LIMITATIONS ON ACTIONS.

Section 502 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132) (as amended by section 402(a)) is amended further by adding at the end the following new subsection:

“(q) LIMITATIONS ON ACTIONS RELATING TO GROUP HEALTH PLANS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), no action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) by a participant or beneficiary seeking relief based on the application of any provision in section 101, subtitle B, or subtitle D of title I of the Bipartisan Patient Protection Act (as incorporated under section 714).

“(2) CERTAIN ACTIONS ALLOWABLE.—An action may be brought under subsection (a)(1)(B), (a)(2), or (a)(3) by a participant or beneficiary seeking relief based on the application of section 101, 113, 114, 115, 116, 117, 118(a)(3), 119, or 120 of the Bipartisan Patient Protection Act (as incorporated under section 714) to the individual circumstances of that participant or beneficiary, except that—

“(A) such an action may not be brought or maintained as a class action; and

“(B) in such an action, relief may only provide for the provision of (or payment of) benefits, items, or services denied to the individual participant or beneficiary involved (and for attorney's fees and the costs of the action, at the discretion of the court) and shall not provide for any other relief to the participant or beneficiary or for any relief to any other person.

“(3) OTHER PROVISIONS UNAFFECTED.—Nothing in this subsection shall be construed as affecting subsections (a)(1)(C) and (n) or section 514(d).

“(4) ENFORCEMENT BY SECRETARY UNAFFECTED.—Nothing in this subsection shall be construed as affecting any action brought by the Secretary.”.

SEC. 405. COOPERATION BETWEEN FEDERAL AND STATE AUTHORITIES.

Subpart C of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191 et seq.) is amended by adding at the end the following new section:

“SEC. 735. COOPERATION BETWEEN FEDERAL AND STATE AUTHORITIES.

“(a) AGREEMENT WITH STATES.—A State may enter into an agreement with the Secretary for the delegation to the State of some or all of the Secretary's authority under this title to enforce the requirements applicable under title I of the Bipartisan Patient Protection Act with respect to health insurance coverage offered by a health insurance issuer and with respect to a group health plan that is a non-Federal governmental plan.

“(b) DELEGATIONS.—Any department, agency, or instrumentality of a State to which authority is delegated pursuant to an agreement entered into under this section may, if authorized under State law and to the extent consistent with such agreement, exercise the powers of the Secretary under this title which relate to such authority.”.

SEC. 406. SENSE OF THE SENATE CONCERNING THE IMPORTANCE OF CERTAIN UNPAID SERVICES.

It is the sense of the Senate that the court should consider the loss of a nonwage earning spouse or parent as an economic loss for the purposes of this section. Furthermore, the court should define the compensation for the loss not as minimum services, but, rather, in terms that fully compensate for the true and whole replacement cost to the family.

TITLE V—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

Subtitle A—Application of Patient Protection Provisions

SEC. 501. APPLICATION TO GROUP HEALTH PLANS UNDER THE INTERNAL REVENUE CODE OF 1986.

Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended—

(1) in the table of sections, by inserting after the item relating to section 9812 the following new item:

“Sec. 9813. Standard relating to patients' bill of rights.”;

and

(2) by inserting after section 9812 the following:

“SEC. 9813. STANDARD RELATING TO PATIENTS' BILL OF RIGHTS.

“A group health plan shall comply with the requirements of title I of the Bipartisan Patient Protection Act (as in effect as of the date of the enactment of such Act), and such requirements shall be deemed to be incorporated into this section.”.

SEC. 502. CONFORMING ENFORCEMENT FOR WOMEN'S HEALTH AND CANCER RIGHTS.

Subchapter B of chapter 100 of the Internal Revenue Code of 1986, as amended by section 501, is further amended—

(1) in the table of sections, by inserting after the item relating to section 9813 the following new item:

"Sec. 9814. Standard relating to women's health and cancer rights.";

and

(2) by inserting after section 9813 the following:

"SEC. 9814. STANDARD RELATING TO WOMEN'S HEALTH AND CANCER RIGHTS.

"The provisions of section 713 of the Employee Retirement Income Security Act of 1974 (as in effect as of the date of the enactment of this section) shall apply to group health plans as if included in this subchapter.".

Subtitle B—Health Care Coverage Access Tax Incentives

SEC. 511. EXPANDED AVAILABILITY OF ARCHER MSAS.

(a) Extension of Program.—Paragraphs (2) and (3)(B) of section 220(i) of the Internal Revenue Code of 1986 (defining cut-off year) are each amended by striking "2002" each place it appears and inserting "2004".

(b) Increase In Number of Permitted Account Participants.—

(1) In general.—Subsection (j) of section 220 of such Code is amended by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6) and by inserting after paragraph (2) the following new paragraph:

"(3) Determination of whether limit exceeded for years after 2001.—

"(A) In general.—The numerical limitation for any year after 2001 is exceeded if the sum of—

"(i) the number of Archer MSA returns filed on or before April 15 of such calendar year for taxable years ending with or within the preceding calendar year, plus

"(ii) the Secretary's estimate (determined on the basis of the returns described in clause (i)) of the number of Archer MSA returns for such taxable years which will be filed after such date, exceeds 1,000,000. For purposes of the preceding sentence, the term 'Archer MSA return' means any return on which any exclusion is claimed under section 106(b) or any deduction is claimed under this section.

"(B) Alternative computation of limitation.—The numerical limitation for any year after 2001 is also exceeded if the sum of—

"(i) 90 percent of the sum determined under subparagraph (A) for such calendar year, plus

"(ii) the product of 2.5 and the number of medical savings accounts established during the portion of such year preceding July 1 (based on the reports required under paragraph (5)) for taxable years beginning in such year,

exceeds 1,000,000".

(2) Conforming amendments.—

(A) Clause (ii) of section 220(j)(2)(B) of such Code is amended by striking "paragraph (4)" and inserting "paragraph (5)".

(B) Subparagraph (A) of section 220(j)(4) of such Code is amended by striking "and 2001" and inserting "2001, 2002, and 2003".

(c) Increase in Size of Eligible Employers.—Subparagraph (A) of section 220(c)(4) of such Code is amended by striking "50 or fewer employees" and inserting "100 or fewer employees".

(d) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(e) GAO Study.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall prepare and submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the impact of Archer MSAs on the cost of conventional insurance (especially in those areas where there are higher numbers of such accounts) and on adverse selection and health care costs.

SEC. 512. DEDUCTION FOR 100 PERCENT OF HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) In General.—Paragraph (1) of section 162(l) of the Internal Revenue Code of 1986 is amended to read as follows:

"(1) Allowance of deduction.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to 100 percent of the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer and the taxpayer's spouse and dependents.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 513. CREDIT FOR HEALTH INSURANCE EXPENSES OF SMALL BUSINESSES.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following:

"SEC. 45G. SMALL BUSINESS HEALTH INSURANCE EXPENSES.

"(a) General Rule.—For purposes of section 38, in the case of a small employer, the health insurance credit determined under this section for the taxable year is an amount equal to the applicable percentage of the expenses paid by the taxpayer during the taxable year for health insurance coverage for such year provided under a new health plan for employees of such employer.

"(b) Applicable Percentage.—For purposes of subsection (a), the applicable percentage is—

"(1) in the case of insurance purchased as a member of a qualified health benefit purchasing coalition (as defined in section 9841), 30 percent, and

"(2) in the case of insurance not described in paragraph (1), 20 percent.

"(c) Limitations.—

"(1) Per employee dollar limitation.—The amount of expenses taken into account under subsection (a) with respect to any employee for any taxable year shall not exceed—

"(A) $2,000 in the case of self-only coverage, and

"(B) $5,000 in the case of family coverage.

In the case of an employee who is covered by a new health plan of the employer for only a portion of such taxable year, the limitation under the preceding sentence shall be an amount which bears the same ratio to such limitation (determined without regard to this sentence) as such portion bears to the entire taxable year.

"(2) Period of coverage.—Expenses may be taken into account under subsection (a) only with respect to coverage for the 4-year period beginning on the date the employer establishes a new health plan.

"(d) Definitions.—For purposes of this section—

"(1) Health insurance coverage.—The term 'health insurance coverage' has the meaning given such term by section 9832(b)(1).

"(2) New health plan.—

"(A) In general.—The term 'new health plan' means any arrangement of the employer which provides health insurance coverage to employees if—

"(i) such employer (and any predecessor employer) did not establish or maintain such arrangement (or any similar arrangement) at any time during the 2 taxable years ending prior to the taxable year in which the credit under this section is first allowed, and

"(ii) such arrangement provides health insurance coverage to at least 70 percent of the qualified employees of such employer.

"(B) Qualified employee.—

"(i) In general.—The term 'qualified employee' means any employee of an employer if the annual rate of such employee's compensation (as defined in section 414(s)) exceeds $10,000.

"(ii) Treatment of certain employees.—The term 'employee' shall include a leased employee within the meaning of section 414(n).

"(3) Small employer.—The term 'small employer' has the meaning given to such term by section 4980D(d)(2); except that only qualified employees shall be taken into account.

"(e) Special Rules.—

"(1) Certain rules made applicable.—For purposes of this section, rules similar to the rules of section 52 shall apply.

"(2) Amounts paid under salary reduction arrangements.—No amount paid or incurred pursuant to a salary reduction arrangement shall be taken into account under subsection (a).

"(f) Termination.—This section shall not apply to expenses paid or incurred by an employer with respect to any arrangement established on or after January 1, 2010.".

(b) Credit To Be Part of General Business Credit.—Section 38(b) of such Code (relating to current year business credit) is amended by striking "plus" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting ", plus", and by adding at the end the following:

"(16) in the case of a small employer (as defined in section 45G(d)(3)), the health insurance credit determined under section 45G(a).".

(c) No Carrybacks.—Subsection (d) of section 39 of such Code (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

"(11) No carryback of section 45G credit before effective date.—No portion of the unused business credit for any taxable year which is attributable to the employee health insurance expenses credit determined under section 45G may be carried back to a taxable year ending before the date of the enactment of section 45G.".

(d) Denial of Double Benefit.—Section 280C of such Code is amended by adding at the end the following new subsection:

"(d) Credit for Small Business Health Insurance Expenses.—

"(1) In general.—No deduction shall be allowed for that portion of the expenses (otherwise allowable as a deduction) taken into account in determining the credit under section 45G for the taxable year which is equal to the amount of the credit determined for such taxable year under section 45G(a).

"(2) Controlled groups.—Persons treated as a single employer under subsection (a) or (b) of section 52 shall be treated as 1 person for purposes of this section.".

(e) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following:

"Sec. 45G. Small business health insurance expenses.".

(f) Effective Date.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2001, for arrangements established after the date of the enactment of this Act.

SEC. 514. CERTAIN GRANTS BY PRIVATE FOUNDATIONS TO QUALIFIED HEALTH BENEFIT PURCHASING COALITIONS.

(a) In General.—Section 4942 of the Internal Revenue Code of 1986 (relating to taxes on failure to distribute income) is amended by adding at the end the following:

"(k) Certain Qualified Health Benefit Purchasing Coalition Distributions.—

"(1) In general.—For purposes of subsection (g), sections 170, 501, 507, 509, and 2522, and this chapter, a qualified health benefit purchasing coalition distribution by a private foundation shall be considered to be a distribution for a charitable purpose.

"(2) Qualified health benefit purchasing coalition distribution.—For purposes of paragraph (1)—

"(A) In general.—The term 'qualified health benefit purchasing coalition distribution' means any amount paid or incurred by a private foundation to or on behalf of a qualified health benefit purchasing coalition (as defined in section 9841) for purposes of payment or reimbursement of amounts paid or incurred in connection with the establishment and maintenance of such coalition.

"(B) Exclusions.—Such term shall not include any amount used by a qualified health benefit purchasing coalition (as so defined)—

"(i) for the purchase of real property,

"(ii) as payment to, or for the benefit of, members (or employees or affiliates of such members) of such coalition, or

"(iii) for any expense paid or incurred more than 48 months after the date of establishment of such coalition.

"(3) Termination.—This subsection shall not apply—

"(A) to qualified health benefit purchasing coalition distributions paid or incurred after December 31, 2009, and

"(B) with respect to start-up costs of a coalition which are paid or incurred after December 31, 2010.".

(b) Qualified Health Benefit Purchasing Coalition.—

(1) In general.—Chapter 100 of such Code (relating to group health plan requirements) is amended by adding at the end the following new subchapter:

"Subchapter D—Qualified Health Benefit Purchasing Coalition

"Sec. 9841. Qualified health benefit purchasing coalition.

"SEC. 9841. QUALIFIED HEALTH BENEFIT PURCHASING COALITION.

"(a) In General.—A qualified health benefit purchasing coalition is a private not-for-profit corporation which—

"(1) sells health insurance through State licensed health insurance issuers in the State in which the employers to which such coalition is providing insurance are located, and

"(2) establishes to the Secretary, under State certification procedures or other procedures as the Secretary may provide by regulation, that such coalition meets the requirements of this section.

"(b) Board of Directors.—

"(1) In general.—Each purchasing coalition under this section shall be governed by a Board of Directors.

"(2) Election.—The Secretary shall establish procedures governing election of such Board.

"(3) Membership.—The Board of Directors shall—

"(A) be composed of representatives of the members of the coalition, in equal number, including small employers and employee representatives of such employers, but

"(B) not include other interested parties, such as service providers, health insurers, or insurance agents or brokers which may have a conflict of interest with the purposes of the coalition.

"(c) Membership of Coalition.—

"(1) In general.—A purchasing coalition shall accept all small employers residing within the area served by the coalition as members if such employers request such membership.

"(2) Other members.—The coalition, at the discretion of its Board of Directors, may be open to individuals and large employers.

"(3) Voting.—Members of a purchasing coalition shall have voting rights consistent with the rules established by the State.

"(d) Duties of Purchasing Coalitions.—Each purchasing coalition shall—

"(1) enter into agreements with small employers (and, at the discretion of its Board, with individuals and other employers) to provide health insurance benefits to employees and retirees of such employers,

"(2) where feasible, enter into agreements with 3 or more unaffiliated, qualified licensed health plans, to offer benefits to members,

"(3) offer to members at least 1 open enrollment period of at least 30 days per calendar year,

"(4) serve a significant geographical area and market to all eligible members in that area, and

"(5) carry out other functions provided for under this section.

"(e) Limitation on Activities.—A purchasing coalition shall not—

"(1) perform any activity (including certification or enforcement) relating to compliance or licensing of health plans,

"(2) assume insurance or financial risk in relation to any health plan, or

"(3) perform other activities identified by the State as being inconsistent with the performance of its duties under this section.

"(f) Additional Requirements for Purchasing Coalitions.—As provided by the Secretary in regulations, a purchasing coalition shall be subject to requirements similar to the requirements of a group health plan under this chapter.

"(g) Relation to Other Laws.—

"(1) Preemption of state fictitious group laws.—Requirements (commonly referred to as fictitious group laws) relating to grouping and similar requirements for health insurance coverage are preempted to the extent such requirements impede the establishment and operation of qualified health benefit purchasing coalitions.

"(2) Allowing savings to be passed through.—Any State law that prohibits health insurance issuers from reducing premiums on health insurance coverage sold through a qualified health benefit purchasing coalition to reflect administrative savings is preempted. This paragraph shall not be construed to preempt State laws that impose restrictions on premiums based on health status, claims history, industry, age, gender, or other underwriting factors.

"(3) No waiver of HIPAA requirements.—Nothing in this section shall be construed to change the obligation of health insurance issuers to comply with the requirements of title XXVII of the Public Health Service Act with respect to health insurance coverage offered to small employers in the small group market through a qualified health benefit purchasing coalition.

"(h) Definition of Small Employer.—For purposes of this section—

"(1) In general.—The term 'small employer' means, with respect to any calendar year, any employer if such employer employed an average of at least 2 and not more than 50 qualified employees on business days during either of the 2 preceding calendar years. For purposes of the preceding sentence, a preceding calendar year may be taken into account only if the employer was in existence throughout such year.

"(2) Employers not in existence in preceding year.—In the case of an employer which was not in existence throughout the 1st preceding calendar year, the determination under paragraph (1) shall be based on the average number of qualified employees that it is reasonably expected such employer will employ on business days in the current calendar year.".

(2) Conforming amendment.—The table of subchapters for chapter 100 of such Code is amended by adding at the end the following item:

"Subchapter D. Qualified health benefit purchasing coalition.".

(c) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

SEC. 515. STATE GRANT PROGRAM FOR MARKET INNOVATION.

(a) In General.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall establish a program (in this section referred to as the "program") to award demonstration grants under this section to States to allow States to demonstrate the effectiveness of innovative ways to increase access to health insurance through market reforms and other innovative means. Such innovative means may include (and are not limited to) any of the following:

(1) Alternative group purchasing or pooling arrangements, such as purchasing cooperatives for small businesses, reinsurance pools, or high risk pools.

(2) Individual or small group market reforms.

(3) Consumer education and outreach.

(4) Subsidies to individuals, employers, or both, in obtaining health insurance.

(b) Scope; Duration.—The program shall be limited to not more than 10 States and to a total period of 5 years, beginning on the date the first demonstration grant is made.

(c) Conditions for Demonstration Grants.—

(1) In general.—The Secretary may not provide for a demonstration grant to a State under the program unless the Secretary finds that under the proposed demonstration grant—

(A) the State will provide for demonstrated increase of access for some portion of the existing uninsured population through a market innovation (other than merely through a financial expansion of a program initiated before the date of the enactment of this Act);

(B) the State will comply with applicable Federal laws;

(C) the State will not discriminate among participants on the basis of any health status-related factor (as defined in section 2791(d)(9) of the Public Health Service Act), except to the extent a State wishes to focus on populations that otherwise would not obtain health insurance because of such factors; and

(D) the State will provide for such evaluation, in coordination with the evaluation required under subsection (d), as the Secretary may specify.

(2) APPLICATION.—The Secretary shall not provide a demonstration grant under the program to a State unless—

(A) the State submits to the Secretary such an application, in such a form and manner, as the Secretary specifies;

(B) the application includes information regarding how the demonstration grant will address issues such as governance, targeted population, expected cost, and the continuation after the completion of the demonstration grant period; and

(C) the Secretary determines that the demonstration grant will be used consistent with this section.

(3) FOCUS.—A demonstration grant proposal under section need not cover all uninsured individuals in a State or all health care benefits with respect to such individuals.

(d) EVALUATION.—The Secretary shall enter into a contract with an appropriate entity outside the Department of Health and Human Services to conduct an overall evaluation of the program at the end of the program period. Such evaluation shall include an analysis of improvements in access, costs, quality of care, or choice of coverage, under different demonstration grants.

(e) OPTION TO PROVIDE FOR INITIAL PLANNING GRANTS.—Notwithstanding the previous provisions of this section, under the program the Secretary may provide for a portion of the amounts appropriated under subsection (f) (not to exceed $5,000,000) to be made available to any State for initial planning grants to permit States to develop demonstration grant proposals under the previous provisions of this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $100,000,000 for each fiscal year to carry out this section. Amounts appropriated under this subsection shall remain available until expended.

(g) STATE DEFINED.—For purposes of this section, the term "State" has the meaning given such term for purposes of title XIX of the Social Security Act.

TITLE VI—EFFECTIVE DATES; COORDINATION IN IMPLEMENTATION

SEC. 601. EFFECTIVE DATES.

(a) GROUP HEALTH COVERAGE.—

(1) IN GENERAL.—Subject to paragraph (2) and subsection (d), the amendments made by sections 201(a), 401, 403, 501, and 502 (and title I insofar as it relates to such sections) shall apply with respect to group health plans, and health insurance coverage offered in connection with group health plans, for plan years beginning on or after October 1, 2002 (in this section referred to as the "general effective date").

(2) TREATMENT OF COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act, the amendments made by sections 201(a), 401, 403, 501, and 502 (and title I insofar as it relates to such sections) shall not apply to plan years beginning before the later of—

(A) the date on which the last collective bargaining agreements relating to the plan terminates (excluding any extension thereof agreed to after the date of the enactment of this Act); or

(B) the general effective date;

but shall apply not later than 1 year after the general effective date. For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this Act shall not be treated as a termination of such collective bargaining agreement.

(b) INDIVIDUAL HEALTH INSURANCE COVERAGE.—Subject to subsection (d), the amendments made by section 202 shall apply with respect to individual health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after the general effective date.

(c) TREATMENT OF RELIGIOUS NONMEDICAL PROVIDERS.—

(1) IN GENERAL.—Nothing in this Act (or the amendments made thereby) shall be construed to—

(A) restrict or limit the right of group health plans, and of health insurance issuers offering health insurance coverage, to include as providers religious nonmedical providers;

(B) require such plans or issuers to—

(i) utilize medically based eligibility standards or criteria in deciding provider status of religious nonmedical providers;

(ii) use medical professionals or criteria to decide patient access to religious nonmedical providers;

(iii) utilize medical professionals or criteria in making decisions in internal or external appeals regarding coverage for care by religious nonmedical providers; or

(iv) compel a participant or beneficiary to undergo a medical examination or test as a condition of receiving health insurance coverage for treatment by a religious nonmedical provider; or

(C) require such plans or issuers to exclude religious nonmedical providers because they do not provide medical or other required data, if such data is inconsistent with the religious nonmedical treatment or nursing care provided by the provider.

(2) RELIGIOUS NONMEDICAL PROVIDER.—For purposes of this subsection, the term "religious nonmedical provider" means a provider who provides no medical care but who provides only religious nonmedical treatment or religious nonmedical nursing care.

(d) TRANSITION FOR NOTICE REQUIREMENT.—The disclosure of information required under section 121 of this Act shall first be provided pursuant to—

(1) subsection (a) with respect to a group health plan that is maintained as of the general effective date, not later than 30 days before the beginning of the first plan year to which title I applies in connection with the plan under such subsection; or

(2) subsection (b) with respect to a individual health insurance coverage that is in effect as of the general effective date, not later than 30 days before the first date as of which title I applies to the coverage under such subsection.

SEC. 602. COORDINATION IN IMPLEMENTATION.

The Secretary of Labor and the Secretary of Health and Human Services shall ensure, through the execution of an interagency memorandum of understanding among such Secretaries, that—

(1) regulations, rulings, and interpretations issued by such Secretaries relating to the same matter over which such Secretaries have responsibility under the provisions of this Act (and the amendments made thereby) are administered so as to have the same effect at all times; and

(2) coordination of policies relating to enforcing the same requirements through such Secretaries in order to have a coordinated enforcement strategy that avoids duplication of enforcement efforts and assigns priorities in enforcement.

SEC. 603. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. NO IMPACT ON SOCIAL SECURITY TRUST FUND.

(a) IN GENERAL.—Nothing in this Act (or an amendment made by this Act) shall be construed to alter or amend the Social Security Act (or any regulation promulgated under that Act).

(b) TRANSFERS.—

(1) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this Act has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(2) TRANSFER OF FUNDS.—If, under paragraph (1), the Secretary of the Treasury estimates that the enactment of this Act has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of such Act.

SEC. 702. CUSTOMS USER FEES.

Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended by striking "2003" and inserting "2011, except that fees may not be charged under paragraphs (9) and (10) of such subsection after March 31, 2006".

SEC. 703. FISCAL YEAR 2002 MEDICARE PAYMENTS.

Notwithstanding any other provision of law, any letter of credit under part B of title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.) that would otherwise be sent to the Treasury or the Federal Reserve Board on September 30, 2002, by a carrier with a contract under section 1842 of that Act (42 U.S.C. 1395u) shall be sent on October 1, 2002.

SEC. 704. SENSE OF SENATE WITH RESPECT TO PARTICIPATION IN CLINICAL TRIALS AND ACCESS TO SPECIALTY CARE.

(a) FINDINGS.—The Senate finds the following:

(1) Breast cancer is the most common form of cancer among women, excluding skin cancers.

(2) During 2001, 182,800 new cases of female invasive breast cancer will be diagnosed, and 40,800 women will die from the disease.

(3) In addition, 1,400 male breast cancer cases are projected to be diagnosed, and 400 men will die from the disease.

(4) Breast cancer is the second leading cause of cancer death among all women and the leading cause of cancer death among women between ages 40 and 55.

(5) This year 8,600 children are expected to be diagnosed with cancer.

(6) 1,500 children are expected to die from cancer this year.

(7) There are approximately 333,000 people diagnosed with multiple sclerosis in the United States and 200 more cases are diagnosed each week.

(8) Parkinson's disease is a progressive disorder of the central nervous system affecting 1,000,000 in the United States.

(9) An estimated 198,100 men will be diagnosed with prostate cancer this year.

(10) 31,500 men will die from prostate cancer this year. It is the second leading cause of cancer in men.

(11) While information obtained from clinical trials is essential to finding cures for diseases, it is still research which carries the risk of fatal results. Future efforts should be taken to protect the health and safety of adults and children who enroll in clinical trials.

(12) While employers and health plans should be responsible for covering the routine costs associated with federally approved or funded clinical trials, such employers and health plans should not be held legally responsible for the design, implementation, or outcome of such clinical trials, consistent with any applicable State or Federal liability statutes.

(b) Sense of the Senate.—It is the sense of the Senate that—

(1) men and women battling life-threatening, deadly diseases, including advanced breast or ovarian cancer, should have the opportunity to participate in a federally approved or funded clinical trial recommended by their physician;

(2) an individual should have the opportunity to participate in a federally approved or funded clinical trial recommended by their physician if—

(A) that individual—

(i) has a life-threatening or serious illness for which no standard treatment is effective;

(ii) is eligible to participate in a federally approved or funded clinical trial according to the trial protocol with respect to treatment of the illness;

(B) that individual's participation in the trial offers meaningful potential for significant clinical benefit for the individual; and

(C) either—

(i) the referring physician is a participating health care professional and has concluded that the individual's participation in the trial would be appropriate, based upon the individual meeting the conditions described in subparagraph (A); or

(ii) the participant, beneficiary, or enrollee provides medical and scientific information establishing that the individual's participation in the trial would be appropriate, based upon the individual meeting the conditions described in subparagraph (A);

(3) a child with a life-threatening illness, including cancer, should be allowed to participate in a federally approved or funded clinical trial if that participation meets the requirements of paragraph (2);

(4) a child with a rare cancer should be allowed to go to a cancer center capable of providing high quality care for that disease; and

(5) a health maintenance organization's decision that an in-network physician without the necessary expertise can provide care for a seriously ill patient, including a woman battling cancer, should be appealable to an independent, impartial body, and that this same right should be available to all Americans in need of access to high quality specialty care.

SEC. 705. SENSE OF THE SENATE REGARDING FAIR REVIEW PROCESS.

(a) Findings.—The Senate finds the following:

(1) A fair, timely, impartial independent external appeals process is essential to any meaningful program of patient protection.

(2) The independence and objectivity of the review organization and review process must be ensured.

(3) It is incompatible with a fair and independent appeals process to allow a health maintenance organization to select the review organization that is entrusted with providing a neutral and unbiased medical review.

(4) The American Arbitration Association and arbitration standards adopted under chapter 44 of title 28, United States Code (28 U.S.C. 651 et seq.) both prohibit, as inherently unfair, the right of one party to a dispute to choose the judge in that dispute.

(b) Sense of the Senate.—It is the sense of the Senate that—

(1) every patient who is denied care by a health maintenance organization or other health insurance company should be entitled to a fair, speedy, impartial appeal to a review organization that has not been selected by the health plan;

(2) the States should be empowered to maintain and develop the appropriate process for selection of the independent external review entity;

(3) a child battling a rare cancer whose health maintenance organization has denied a covered treatment recommended by its physician should be entitled to a fair and impartial external appeal to a review organization that has not been chosen by the organization or plan that has denied the care; and

(4) patient protection legislation should not pre-empt existing State laws in States where there already are strong laws in place regarding the selection of independent review organizations.

SEC. 706. ANNUAL REVIEW.

(a) In General.—Not later than 24 months after the general effective date referred to in section 601(a)(1), and annually thereafter for each of the succeeding 4 calendar years (or until a repeal is effective under subsection (b)), the Secretary of Health and Human Services shall request that the Institute of Medicine of the National Academy of Sciences prepare and submit to the appropriate committees of Congress a report concerning the impact of this Act, and the amendments made by this Act, on the number of individuals in the United States with health insurance coverage.

(b) Limitation With Respect to Certain Plans.—If the Secretary, in any report submitted under subsection (a), determines that more than 1,000,000 individuals in the United States have lost their health insurance coverage as a result of the enactment of this Act, as compared to the number of individuals with health insurance coverage in the 12-month period preceding the date of enactment of this Act, section 402 of this Act shall be repealed effective on the date that is 12 month after the date on which the report is submitted, and the submission of any further reports under subsection (a) shall not be required.

(c) Funding.—From funds appropriated to the Department of Health and Human Services for fiscal years 2003 and 2004, the Secretary of Health and Human Services shall provide for such funding as the Secretary determines necessary for the conduct of the study of the National Academy of Sciences under this section.

SEC. 707. DEFINITION OF BORN-ALIVE INFANT.

(a) In General.—Chapter 1 of title 1, United States Code, is amended by adding at the end the following:

"§ 8. 'Person', 'human being', 'child', and 'individual' as including born-alive infant

"(a) In determining the meaning of any Act of Congress, or of any ruling, regulation, or interpretation of the various administrative bureaus and agencies of the United States, the words 'person', 'human being', 'child', and 'individual', shall include every infant member of the species homo sapiens who is born alive at any stage of development.

"(b) As used in this section, the term 'born alive', with respect to a member of the species homo sapiens, means the complete expulsion or extraction from his or her mother of that member, at any stage of development, who after such expulsion or extraction breathes or has a beating heart, pulsation of the umbilical cord, or definite movement of voluntary muscles, regardless of whether the umbilical cord has been cut, and regardless of whether the expulsion or extraction occurs as a result of natural or induced labor, caesarean section, or induced abortion.

"(c) Nothing in this section shall be construed to affirm, deny, expand, or contract any legal status or legal right applicable to any member of the species homo sapiens at any point prior to being born alive as defined in this section.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 1 of title 1, United States Code, is amended by adding at the end the following new item:

"8. 'Person', 'human being', 'child', and 'individual' as including born-alive infant.".

TITLE VIII—REVENUE OFFSETS

Subtitle A—Extension of Custom User Fees

SEC. 801. FURTHER EXTENSION OF AUTHORITY TO LEVY CUSTOMS USER FEES.

Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)), as amended by section 702, is amended by striking ", except that fees may not be charged under paragraphs (9) and (10) of such subsection after March 31, 2006".

Subtitle B—Tax Shelter Provisions

PART I—CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE

SEC. 811. CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE.

(a) In General.—Section 7701 of the Internal Revenue Code of 1986 is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) Clarification of Economic Substance Doctrine; Etc.—

"(1) General rules.—

"(A) In general.—In applying the economic substance doctrine, the determination of whether a transaction has economic substance shall be made as provided in this paragraph.

"(B) Definition of economic substance.—For purposes of subparagraph (A)—

"(i) In general.—A transaction has economic substance only if—

"(I) the transaction changes in a meaningful way (apart from Federal income tax effects) the taxpayer's economic position, and

"(II) the taxpayer has a substantial nontax purpose for entering into such transaction and the transaction is a reasonable means of accomplishing such purpose.

"(ii) Special rule where taxpayer relies on profit potential.—A transaction shall not be treated as having economic substance by reason of having a potential for profit unless—

"(I) the present value of the reasonably expected pre-tax profit from the transaction is substantial in relation to the present value of the expected net tax benefits that would be allowed if the transaction were respected, and

"(II) the reasonably expected pre-tax profit from the transaction exceeds a risk-free rate of return.

"(C) TREATMENT OF FEES AND FOREIGN TAXES.—Fees and other transaction expenses and foreign taxes shall be taken into account as expenses in determining pre-tax profit under subparagraph (B)(ii).

"(2) SPECIAL RULES FOR TRANSACTIONS WITH TAX-INDIFFERENT PARTIES.—

"(A) SPECIAL RULES FOR FINANCING TRANSACTIONS.—The form of a transaction which is in substance the borrowing of money or the acquisition of financial capital directly or indirectly from a tax-indifferent party shall not be respected if the present value of the deductions to be claimed with respect to the transaction are substantially in excess of the present value of the anticipated economic returns of the person lending the money or providing the financial capital. A public offering shall be treated as a borrowing, or an acquisition of financial capital, from a tax-indifferent party if it is reasonably expected that at least 50 percent of the offering will be placed with tax-indifferent parties.

"(B) ARTIFICIAL INCOME SHIFTING AND BASIS ADJUSTMENTS.—The form of a transaction with a tax-indifferent party shall not be respected if—

"(i) it results in an allocation of income or gain to the tax-indifferent party in excess of such party's economic income or gain, or

"(ii) it results in a basis adjustment or shifting of basis on account of overstating the income or gain of the tax-indifferent party.

"(3) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

"(A) ECONOMIC SUBSTANCE DOCTRINE.—The term 'economic substance doctrine' means the common law doctrine under which tax benefits under subtitle A with respect to a transaction are not allowable if the transaction does not have economic substance or lacks a business purpose.

"(B) TAX-INDIFFERENT PARTY.—The term 'tax-indifferent party' means any person or entity not subject to tax imposed by subtitle A. A person shall be treated as a tax-indifferent party with respect to a transaction if the items taken into account with respect to the transaction have no substantial impact on such person's liability under subtitle A.

"(C) EXCEPTION FOR PERSONAL TRANSACTIONS OF INDIVIDUALS.—In the case of an individual, this subsection shall apply only to transactions entered into in connection with a trade or business or an activity engaged in for the production of income.

"(D) TREATMENT OF LESSORS.—In applying subclause (I) of paragraph (1)(B)(ii) to the lessor of tangible property subject to a lease, the expected net tax benefits shall not include the benefits of depreciation, or any tax credit, with respect to the leased property and subclause (II) of paragraph (1)(B)(ii) shall be disregarded in determining whether any of such benefits are allowable.

"(4) OTHER COMMON LAW DOCTRINES NOT AFFECTED.—Except as specifically provided in this subsection, the provisions of this subsection shall not be construed as altering or supplanting any other rule of law referred to in section 6662(i)(2), and the requirements of this subsection shall be construed as being in addition to any such other rule of law."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions after the date of the enactment of this Act.

PART II—PENALTIES

SEC. 821. INCREASE IN PENALTY ON UNDERPAYMENTS RESULTING FROM FAILURE TO SATISFY CERTAIN COMMON LAW RULES.

(a) IN GENERAL.—Section 6662 of the Internal Revenue Code of 1986 (relating to imposition of accuracy-related penalty) is amended by adding at the end the following new subsection:

"(i) INCREASE IN PENALTY IN CASE OF FAILURE TO SATISFY CERTAIN COMMON LAW RULES.—

"(1) IN GENERAL.—To the extent that an underpayment is attributable to a disallowance described in paragraph (2)—

"(A) subsection (a) shall be applied with respect to such portion by substituting '40 percent' for '20 percent', and

"(B) subsection (d)(2)(B) and section 6664(c) shall not apply.

"(2) DISALLOWANCES DESCRIBED.—A disallowance is described in this subsection if such disallowance is on account of—

"(A) a lack of economic substance (within the meaning of section 7701(m)(1)) for the transaction giving rise to the claimed benefit or the transaction was not respected under section 7701(m)(2),

"(B) a lack of business purpose for such transaction or because the form of the transaction does not reflect its substance, or

"(C) a failure to meet the requirements of any other similar rule of law.

"(3) INCREASE IN PENALTY NOT TO APPLY IF COMPLIANCE WITH DISCLOSURE REQUIREMENTS.—Paragraph (1)(A) shall not apply if the taxpayer discloses to the Secretary (as such time and in such manner as the Secretary shall prescribe) such information as the Secretary shall prescribe with respect to such transaction.".

(b) MODIFICATIONS TO PENALTY ON SUBSTANTIAL UNDERSTATEMENT OF INCOME TAX.—

(1) MODIFICATION OF THRESHOLD.—Subparagraph (A) of section 6662(d)(1) of such Code is amended to read as follows:

"(A) IN GENERAL.—For purposes of this section, there is a substantial understatement of income tax for any taxable year if the amount of the understatement for the taxable year exceeds the lesser of—

"(i) $500,000, or

"(ii) the greater of 10 percent of the tax required to be shown on the return for the taxable year or $5,000."

(2) MODIFICATION OF PENALTY ON TAX SHELTERS, ETC.—Clauses (i) and (ii) of section 6662(d)(2)(C) of such Code are amended to read as follows:

"(i) IN GENERAL.—Subparagraph (B) shall not apply to any item attributable to a tax shelter."

"(ii) DETERMINATION OF UNDERSTATEMENTS WITH RESPECT TO TAX SHELTERS, ETC.—In any case in which there are one or more items attributable to a tax shelter, the amount of the understatement under subparagraph (A) shall in no event be less than the amount of understatement which would be determined for the taxable year if all items shown on the return which are not attributable to any tax shelter were treated as being correct. A similar rule shall apply in cases to which subsection (i) applies, whether or not the items are attributable to a tax shelter."

(c) TREATMENT OF AMENDED RETURNS.—Subsection (a) of section 6664 of such Code is amended by adding at the end the following new sentence: "For purposes of this subsection, an amended return shall be disregarded if such return is filed on or after the date the taxpayer is first contacted by the Secretary regarding the examination of the return."

SEC. 822. PENALTY ON PROMOTERS OF TAX AVOIDANCE STRATEGIES WHICH HAVE NO ECONOMIC SUBSTANCE, ETC.

(a) PENALTY.—

(1) IN GENERAL.—Section 6700 of the Internal Revenue Code of 1986 (relating to promoting abusive tax shelters, etc.) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) PENALTY ON SUBSTANTIAL PROMOTERS FOR PROMOTING TAX AVOIDANCE STRATEGIES WHICH HAVE NO ECONOMIC SUBSTANCE, ETC.—

"(1) IMPOSITION OF PENALTY.—Any substantial promoter of a tax avoidance strategy shall pay a penalty in the amount determined under paragraph (2) with respect to such strategy if such strategy (or any similar strategy promoted by such promoter) fails to meet the requirements of any rule of law referred to in section 6662(i)(2).

"(2) AMOUNT OF PENALTY.—The penalty under paragraph (1) with respect to a promoter of a tax avoidance strategy is an amount equal to 100 percent of the gross income derived (or to be derived) by such promoter from such strategy.

"(3) TAX AVOIDANCE STRATEGY.—For purposes of this subsection, the term 'tax avoidance strategy' means any entity, plan, arrangement, or transaction a significant purpose of the structure of which is the avoidance or evasion of Federal income tax.

"(4) SUBSTANTIAL PROMOTER.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'substantial promoter' means, with respect to any tax avoidance strategy, any promoter if—

"(i) such promoter offers such strategy to more than 1 potential participant, and

"(ii) such promoter may receive fees in excess of $500,000 in the aggregate with respect to such strategy.

"(B) AGGREGATION RULES.—For purposes of this paragraph—

"(i) RELATED PERSONS.—A promoter and all persons related to such promoter shall be treated as 1 person who is a promoter.

"(ii) SIMILAR STRATEGIES.—All similar tax avoidance strategies of a promoter shall be treated as 1 tax avoidance strategy.

"(C) PROMOTER.—The term 'promoter' means any person who participates in the promotion, offering, or sale of the tax avoidance strategy.

"(D) RELATED PERSON.—Persons are related if they bear a relationship to each other which is described in section 267(b) or 707(b).

"(4) COORDINATION WITH SUBSECTION (a).—No penalty shall be imposed by this subsection on any promoter with respect to a tax avoidance strategy if a penalty is imposed under subsection (a) on such promoter with respect to such strategy."

(2) CONFORMING AMENDMENT.—Subsection (d) of section 6700 of such Code is amended—

(A) by striking "PENALTY" and inserting "PENALTIES", and

(B) by striking "penalty" the first place it appears in the text and inserting "penalties".

(b) INCREASE IN PENALTY ON PROMOTING ABUSIVE TAX SHELTERS.—The first sentence of section 6700(a) of such Code is amended by striking "a penalty equal to" and all that follows and inserting "a penalty equal to the greater of $1,000 or 100 percent of the gross income derived (or to be derived) by such person from such activity."

SEC. 823. MODIFICATIONS OF PENALTIES FOR AIDING AND ABETTING UNDERSTATEMENT OF TAX LIABILITY INVOLVING TAX SHELTERS.

(a) IMPOSITION OF PENALTY.—Section 6701(a) of the Internal Revenue Code of 1986 (relating to imposition of penalty) is amended to read as follows:

"(a) Imposition of Penalties.—

"(1) In general.—Any person—

"(A) who aids or assists in, procures, or advises with respect to, the preparation or presentation of any portion of a return, affidavit, claim, or other document,

"(B) who knows (or has reason to believe) that such portion will be used in connection with any material matter arising under the internal revenue laws, and

"(C) who knows that such portion (if so used) would result in an understatement of the liability for tax of another person,

shall pay a penalty with respect to each such document in the amount determined under subsection (b).

"(2) Certain tax shelters.—If—

"(A) any person—

"(i) aids or assists in, procures, or advises with respect to the creation, organization, sale, implementation, management, or reporting of a tax shelter (as defined in section 6662(d)(2)(C)(iii)) or of any entity, plan, arrangement, or transaction that fails to meet the requirements of any rule of law referred to in section 6662(i)(2), and

"(ii) opines, advises, represents, or otherwise indicates (directly or indirectly) that the taxpayer's tax treatment of items attributable to such tax shelter or such entity, plan, arrangement, or transaction and giving rise to an understatement of tax liability would more likely than not prevail or not give rise to a penalty, and

"(B) such opinion, advice, representation, or indication is unreasonable,

then such person shall pay a penalty in the amount determined under subsection (b). If a standard higher than the more likely than not standard was used in any such opinion, advice, representation, or indication, then subparagraph (A)(ii) shall be applied as if such standard were substituted for the more likely than not standard."

(b) Amount of Penalty.—Section 6701(b) of such Code (relating to amount of penalty) is amended—

(1) by inserting "or (3)" after "paragraph (2)" in paragraph (1),

(2) by striking "subsection (a)" each place it appears and inserting "subsection (a)(1)", and

(3) by redesignating paragraph (3) as paragraph (4) and by adding after paragraph (2) the following:

"(3) Tax shelters.—In the case of—

"(A) a penalty imposed by subsection (a)(1) which involves a return, affidavit, claim, or other document relating to a tax shelter or an entity, plan, arrangement, or transaction that fails to meet the requirements of any rule of law referred to in section 6662(i)(2), and

"(B) any penalty imposed by subsection (a)(2),

the amount of the penalty shall be equal to 100 percent of the gross proceeds derived (or to be derived) by the person in connection with the tax shelter or entity, plan, arrangement, or transaction."

(c) Referral and Publication.—If a penalty is imposed under section 6701(a)(2) of such Code (as added by subsection (a)) on any person, the Secretary of the Treasury shall—

(1) notify the Director of Practice of the Internal Revenue Service and any appropriate State licensing authority of the penalty and the circumstances under which it was imposed, and

(2) publish the identity of the person and the fact the penalty was imposed on the person.

(d) Conforming Amendments.—

(1) Section 6701(d) of such Code is amended by striking "Subsection (a)" and inserting "Subsection (a)(1)".

(2) Section 6701(e) of such Code is amended by striking "subsection (a)(1)" and inserting "subsection (a)(1)(A)".

(3) Section 6701(f) of such Code is amended by inserting ", tax shelter, or entity, plan, arrangement, or transaction" after "document" each place it appears.

SEC. 824. FAILURE TO MAINTAIN LISTS.

Section 6708(a) of the Internal Revenue Code of 1986 (relating to failure to maintain lists of investors in potentially abusive tax shelters) is amended by adding at the end the following: "In the case of a tax shelter (as defined in section 6662(d)(2)(C)(iii)) or entity, plan, arrangement, or transaction that fails to meet the requirements of any rule of law referred to in section 6662(i)(2), the penalty shall be equal to 50 percent of the gross proceeds derived (or to be derived) from each person with respect to which there was a failure and the limitation of the preceding sentence shall not apply."

SEC. 825. PENALTY FOR FAILING TO DISCLOSE REPORTABLE TRANSACTION.

(a) In General.—Part I of subchapter B of chapter 68 of the Internal Revenue Code of 1986 (relating to assessable penalties) is amended by inserting after section 6707 the following new section:

"SEC. 6707A. PENALTY FOR FAILURE TO INCLUDE TAX SHELTER INFORMATION WITH RETURN.

"(a) Imposition of Penalty.—Any person who fails to include with its return of Federal income tax any information required to be included under section 6011 with respect to a reportable transaction shall pay a penalty in the amount determined under subsection (b). No penalty shall be imposed on any such failure if it is shown that such failure is due to reasonable cause.

"(b) Amount of Penalty.—

"(1) In general.—The amount of the penalty under subsection (a) shall be equal to the greater of—

"(A) 5 percent of any increase in Federal tax which results from a difference between the taxpayer's treatment (as shown on its return) of items attributable to the reportable transaction to which the failure relates and the proper tax treatment of such items, or

"(B) $100,000.

For purposes of subparagraph (A), the last sentence of section 6664(a) shall apply.

"(2) Listed transaction.—If the failure under subsection (a) relates to a reportable transaction which is the same as, or substantially similar to, a transaction specifically identified by the Secretary as a tax avoidance transaction for purposes of section 6011, paragraph (1)(A) shall be applied by substituting '10 percent' for '5 percent'.

"(c) Reportable Transaction.—For purposes of this section, the term 'reportable transaction' means any transaction with respect to which information is required under section 6011 to be included with a taxpayer's return of tax because, as determined under regulations prescribed under section 6011, such transaction has characteristics which may be indicative of a tax avoidance transaction.

"(d) Coordination With Other Penalties.—The penalty imposed by this section is in addition to any penalty imposed under section 6662."

(b) Conforming Amendment.—The table of sections for part I of subchapter B of chapter 68 of such Code is amended by inserting after the item relating to section 6707 the following:

"Sec. 6707A. Penalty for failure to include tax shelter information on return."

SEC. 826. REGISTRATION OF CERTAIN TAX SHELTERS WITHOUT CORPORATE PARTICIPANTS.

Section 6111(d)(1)(A) of the Internal Revenue Code of 1986 (relating to certain confidential arrangements treated as tax shelters) is amended by striking "for a direct or indirect participant which is a corporation".

SEC. 827. EFFECTIVE DATES.

(a) In General.—Except as provided in subsections (b), (c), and (d), the amendments made by this subtitle shall apply to transactions after the date of the enactment of this Act.

(b) Section 821.—The amendments made by subsections (b) and (c) of section 821 shall apply to taxable years ending after the date of the enactment of this Act.

(c) Section 822.—The amendments made by subsection (a) of section 822 shall apply to any tax avoidance strategy (as defined in section 6700(c) of the Internal Revenue Code of 1986, as amended by this title) interests in which are offered to potential participants after the date of the enactment of this Act.

(d) Section 826.—The amendment made by section 826 shall apply to any tax shelter interest which is offered to potential participants after the date of the enactment of this Act.

PART III—LIMITATIONS ON IMPORTATION OR TRANSFER OF BUILT-IN LOSSES

SEC. 831. LIMITATION ON IMPORTATION OF BUILT-IN LOSSES.

(a) In General.—Section 362 of the Internal Revenue Code of 1986 (relating to basis to corporations) is amended by adding at the end the following new subsection:

"(e) Limitation on Importation of Built-in Losses.—

"(1) In general.—If in any transaction described in subsection (a) or (b) there would (but for this subsection) be an importation of a net built-in loss, the basis of each property described in paragraph (2) which is acquired in such transaction shall (notwithstanding subsections (a) and (b)) be its fair market value immediately after such transaction.

"(2) Property described.—For purposes of paragraph (1), property is described in this paragraph if—

"(A) gain or loss with respect to such property is not subject to tax under this subtitle in the hands of the transferor immediately before the transfer, and

"(B) gain or loss with respect to such property is subject to such tax in the hands of the transferee immediately after such transfer.

In any case in which the transferor is a partnership, the preceding sentence shall be applied by treating each partner in such partnership as holding such partner's proportionate share of the property of such partnership.

"(3) Importation of net built-in loss.—For purposes of paragraph (1), there is an importation of a net built-in loss in a transaction if the transferee's aggregate adjusted bases of property described in paragraph (2) which is transferred in such transaction would (but for this subsection) exceed the fair market value of such property immediately after such transaction."

(b) Comparable Treatment Where Liquidation.—Paragraph (1) of section 334(b) of such Code (relating to liquidation of subsidiary) is amended to read as follows:

"(1) In general.—If property is received by a corporate distributee in a distribution in a complete liquidation to which section 332 applies (or in a transfer described in section 337(b)(1)), the basis of such property in the hands of such distributee shall be the same as it would be in the hands of the transferor; except that the basis of such property in the hands of such distributee shall be the fair market value of the property at the time of the distribution—

"(A) in any case in which gain or loss is recognized by the liquidating corporation with respect to such property, or

"(B) in any case in which the liquidating corporation is a foreign corporation, the corporate distributee is a domestic corporation, and the corporate distributee's aggregate adjusted bases of property described in section 362(e)(2) which is distributed in such liquidation would (but for this subparagraph) exceed the fair market value of such property immediately after such liquidation."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions after the date of the enactment of this Act.

SEC. 832. DISALLOWANCE OF PARTNERSHIP LOSS TRANSFERS.

(a) TREATMENT OF CONTRIBUTED PROPERTY WITH BUILT-IN LOSS.—Paragraph (1) of section 704(c) of the Internal Revenue Code of 1986 is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by adding at the end the following:

"(C) if any property so contributed has a built-in loss—

"(i) such built-in loss shall be taken into account only in determining the amount of items allocated to the contributing partner, and

"(ii) except as provided in regulations, in determining the amount of items allocated to other partners, the basis of the contributed property in the hands of the partnership shall be treated as being equal to its fair market value immediately after the contribution.

For purposes of subparagraph (C), the term 'built-in loss' means the excess of the adjusted basis of the property over its fair market value immediately after the contribution."

(b) ADJUSTMENT TO BASIS OF PARTNERSHIP PROPERTY ON TRANSFER OF PARTNERSHIP INTEREST IF THERE IS SUBSTANTIAL BUILT-IN LOSS.—

(1) ADJUSTMENT REQUIRED.—Subsection (a) of section 743 of such Code (relating to optional adjustment to basis of partnership property) is amended by inserting before the period "or unless the partnership has a substantial built-in loss immediately after such transfer".

(2) ADJUSTMENT.—Subsection (b) of section 743 of such Code is amended by inserting "or with respect to which there is a substantial built-in loss immediately after such transfer" after "section 754 is in effect".

(3) SUBSTANTIAL BUILT-IN LOSS.—Section 743 of such Code is amended by adding at the end the following new subsection:

"(d) SUBSTANTIAL BUILT-IN LOSS.—For purposes of this section, a partnership has a substantial built-in loss with respect to a transfer of an interest in a partnership if the transferee partner's proportionate share of the adjusted basis of the partnership property exceeds 110 percent of the basis of such partner's interest in the partnership."

(4) CLERICAL AMENDMENTS.—

(A) The section heading for section 743 of such Code is amended to read as follows:

"SEC. 743. ADJUSTMENT TO BASIS OF PARTNERSHIP PROPERTY WHERE SECTION 754 ELECTION OR SUBSTANTIAL BUILT-IN LOSS."

(B) The table of sections for subpart C of part II of subchapter K of chapter 1 of such Code is amended by striking the item relating to section 743 and inserting the following new item:

"Sec. 743. Adjustment to basis of partnership property where section 754 election or substantial built-in loss."

(c) ADJUSTMENT TO BASIS OF UNDISTRIBUTED PARTNERSHIP PROPERTY IF THERE IS SUBSTANTIAL BASIS REDUCTION.—

(1) ADJUSTMENT REQUIRED.—Subsection (a) of section 734 of such Code (relating to optional adjustment to basis of undistributed partnership property) is amended by inserting before the period "or unless there is a substantial basis reduction".

(2) ADJUSTMENT.—Subsection (b) of section 734 of such Code is amended by inserting "or unless there is a substantial basis reduction" after "section 754 is in effect".

(3) SUBSTANTIAL BASIS REDUCTION.—Section 734 of such Code is amended by adding at the end the following new subsection:

"(d) SUBSTANTIAL BASIS REDUCTION.—For purposes of this section, there is a substantial basis reduction with respect to a distribution if the sum of the amounts described in subparagraphs (A) and (B) of subsection (b)(2) exceeds 10 percent of the aggregate adjusted basis of partnership property immediately after the distribution."

(4) CLERICAL AMENDMENTS.—

(A) The section heading for section 734 of such Code is amended to read as follows:

"SEC. 734. ADJUSTMENT TO BASIS OF UNDISTRIBUTED PARTNERSHIP PROPERTY WHERE SECTION 754 ELECTION OR SUBSTANTIAL BASIS REDUCTION."

(B) The table of sections for subpart B of part II of subchapter K of chapter 1 of such Code is amended by striking the item relating to section 734 and inserting the following new item:

"Sec. 734. Adjustment to basis of undistributed partnership ' property where section 754 election or substantial basis reduction."

(d) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall apply to contributions made after the date of the enactment of this Act.

(2) SUBSECTION (b).—The amendments made by subsection (a) shall apply to transfers after the date of the enactment of this Act.

(3) SUBSECTION (c).—The amendments made by subsection (a) shall apply to distributions after the date of the enactment of this Act.

Mr. BERRY (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arkansas (Mr. BERRY) is recognized for 5 minutes in support of his motion to recommit.

Mr. BERRY. Mr. Speaker, this motion to recommit is very simple. It is the underlying bill that we are considering today, H.R. 2563, the true Bipartisan Patient Protection Act, but with one important difference: The costs of the bill are entirely paid for in the motion to recommit.

The sponsors of the Bipartisan Patient Protection Act had committed ourselves to paying for the cost of the bill, and we added these pay-fors when we presented a substitute to the Committee on Rules. However, the Committee on Rules would not even let us offer this substitute.

The underlying bill, the Bipartisan Patient Protection Act, is nearly the same as the Senate-passed bill. It was a bill that was debated for 2 weeks by the Senate, not 2 hours. It was ultimately passed by the Senate in a true bipartisan majority of 59, just like a true bipartisan majority passed a similar bill here in the last Congress.

However, this motion to recommit is even better than either of those bills because it keeps our promise that nearly every Member of this House, nearly every Member that sits this evening here on this floor has promised to pay for our bills and not to raid the Medicare and Social Security trust fund.

Mr. Speaker, this is a commitment we have made to the American people, and it should be honored. The provisions to pay for the bill are good government provisions. They continue the existing customs fees, as did the Senate, and they crack down on sham business enterprises designed solely to generate tax benefits. Nothing in the recently passed bill is changed.

I want to remind my colleagues that because the Committee on Rules did not make these provisions in order, this motion to recommit is Members' only opportunity to vote for an amendment to pay for this bill. It is Members' only chance not to rob the Medicare and Social Security trust funds.

I urge a "yes" vote.

Mr. Speaker, I yield the balance of my time to the gentleman from South Carolina (Mr. SPRATT), the ranking member of the Committee on the Budget.

Mr. SPRATT. Mr. Speaker, day by day, bill by bill, the surplus is washing away. The House is driving this budget straight into the Medicare trust fund.

Yesterday, it was the energy bill, with an impact on the budget, according to the Congressional Budget Office, of $33 billion over 10 years. Today it is the Patients' Bill of Rights whose impact is $15 billion to $25 billion brought to the floor without being scored.

In each case, Democrats have offered offsets to protest the trust funds and the surplus, and in each case, Republicans spurned the offer of offsets.

Mr. Speaker, in 2 days, this House will have whacked $40 to $50 billion out of the surplus. It is a good thing we are going home.

Mr. Speaker, let me warn Members, mid-August when we are at home, the Congressional Budget Office will complete its midyear update of the budget, and when we come back, there will be no question, the House will be in the Medicare trust fund. That is where the budget activity today will have taken us, by passing bills like this and paying no heed whatsoever to the budget. Bring it up, ignore the offset.

I direct Members' attention to this chart. This shows what thin ice the budget is now sitting on. After the energy bill last night and the defense bill we reported yesterday, there is a $12 billion bottom line remainder in fiscal year 2002. That is black.

But if we come down here to where we have estimated the August update by the Congressional Budget Office, and we have only estimated that they will take the economy down by one-half of one percentage point in the next year, Members will see that black 12 turns to a red 16. We go from a surplus of $12 to $16 billion in deficit, meaning we are $16 billion into the Medicare trust fund. So much for the lockbox. That is not just 1 year, it is every year from now until 2011; so much so, we consume the entire Medicare surplus over this period of time.

Mr. Speaker, the only honest vote is for the motion to recommit, which will pay for this bill.

Mr. TAUZIN. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker, I would say to the gentleman if we would be so foolish as to adopt this motion to recommit and pass tonight a $7.5 billion tax increase, Americans might not want us to come home.

This motion to recommit not only would put forward this $7.5 billion tax increase, but as Members know, it would undo the good work of this House in endorsing the great work the gentleman from Georgia (Mr. NORWOOD) has done in reaching agreement on the contentious issue of liability.

Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Speaker, the gentleman from Louisiana (Mr. TAUZIN) mentioned that we would go back to the original liability that would drive employers out of the system, drive up costs for employers and their employees. We do not want to do that.

It would also eliminate the association health plans that we have worked so hard on over the last 10 years to try to help small employers provide health insurance for their employees.

But of all things, after 40 years of one party controlling this House and balancing the budget one time in 40 years, to stand in the well of the House and say that this bill will bust the budget, please, give me a break.

Mr. TAUZIN. Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. THOMAS).

Mr. THOMAS. Mr. Speaker, the gentleman said that this is the same bill. I know he does not want to revisit the passage of the Norwood amendment. It passed. And what is not in the bill now with the Norwood amendment is what is in this underlying bill.

I invite Members to turn to page 121 where it says on line 15, "no preemption of State law." And then down on line 4 it says, "no right of action for recovery, indemnity or contribution by issuers against treating health care professionals and treating hospitals." They gave it on line 14, and took it away on line 34. Thank goodness that is no longer in the bill.

Let us visit the tax portion. What the Congressional Budget Office said was that if this became law, their bill, the one we changed, it would increase premiums 5 percent.

□ 2200

It does not sound like a lot, but guess what employers do? They will then, because their health costs are higher in terms of the insurance, lower the wages. The Congressional Budget Office says they do. You have to make up that because there is lower revenue. The Congressional Budget Office says that your legislation reduces income and the HI payroll tax, that is the Medicare Trust Fund, by $13 billion over 10 years. That is true; but remember, he proudly said, there was a tax increase in here. The tax increase that is in here increases the general fund because it is revenue. Now, that is good because they take general fund revenue and put it over in Social Security to make up the lost money because, remember, that payroll reduction also affects the Social Security payroll tax fund.

So what they have done is taken general fund money and put it in the Social Security fund, but the corporate tax increase only goes into the general fund. You heard the gentleman on the floor. Guess who invades the HI trust fund? According to the Congressional Budget Office, their underlying bill, the one we are going to vote down in just a minute, decreases income and HI payroll taxes by $13.4 billion. The corporate tax provision in their bill can only go into general revenue. It cannot cover HI.

They reduce the HI trust fund. Ironically, my friends, if you want to protect the HI trust fund, vote "no" on the motion to recommit.

The SPEAKER pro tempore (Mr. BEREUTER). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. BERRY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 208, noes 220, not voting 6, as follows:

[Roll No. 331]

AYES—208

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Ganske
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—220

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom

Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—6

Lipinski
Paul
Spence
Stupak
Thompson (CA)
Weldon (PA)

□ 2218

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. STUPAK. Mr. Speaker, on rollcall vote number 331, I was unavoidably detained and missed that vote. Had I been here, I would have voted "aye."

(Mr. SNYDER asked and was given permission to speak out of order for 1 minute.)

CONGRATULATIONS AND FAREWELL TO OUR COLLEAGUE, THE HONORABLE ASA HUTCHINSON

Mr. SNYDER. Mr. Speaker, the hour is late, but it is never too late to say good-bye and hello to a friend; good-bye to ASA HUTCHINSON, Congressman, and hello to the new head of the DEA, ASA HUTCHINSON.

ASA, we will miss you.

Mr. Speaker, I yield to the gentleman from Missouri (Mr. HULSHOF).

Mr. HULSHOF. Mr. Speaker, I, too, want to add my accolades to the departing Member, a classmate of mine, who came in in the 105th Congress.

The gentleman from Arkansas has served with distinction the Third Congressional District of Arkansas since his election. As ASA tells it, the folks back home in Arkansas were not too impressed about this DEA nomination, until they found out that he would be the head of 9,000 employees and have offices in over 50 countries, at which point they then thought it was kind of a big deal.

ASA, of course, served with distinction on the Committee on the Judiciary, and, as some of you who worked with him knew, he was thrust into an interesting role with the impeachment matter. But he has also been a leader on other issues regarding the Federal Judiciary, whether it is regarding our forfeiture laws, whether it is racial profiling, or campaign finance.

I think all of those issues, and the open mindedness that ASA brought to those issues, is one reason there was such a tremendous show of support, when every one of his colleagues on the Democratic side of the aisle on the Committee on the Judiciary signed a letter of support to the Senate Committee on the Judiciary, urging ASA's confirmation. I think that was a tremendous show of bipartisan support.

Finally, Mr. Speaker, ASA, we simply say to you that as you continue your service to this great Nation, that we wish you and Susan and your family Godspeed. We all in this Chamber have been enriched by having known you, and we are luckier all the more for the fact that we have had a chance to work with you.

We wish you well.

The SPEAKER pro tempore (Mr. BEREUTER). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. McDERMOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 226, nays 203, not voting 5, as follows:

[Roll No. 332]

YEAS—226

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Saxton
Scarborough
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—203

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren

Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Snyder
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—5

Lipinski
Paul
Solis
Spence
Thompson (CA)

☐ 2342

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to recommit was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS TO THE ENGROSSMENT OF H.R. 2563, BIPARTISAN PATIENT PROTECTION ACT

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 2563, the Clerk be authorized to correct section numbers, punctuation, and cross-references, and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill, H.R. 2563.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO HAVE UNTIL SEPTEMBER 4, 2001 TO FILE REPORT ON H.R. 2586, NATIONAL DEFENSE AUTHORIZATION ACT, 2002

Mr. STUMP. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services have until September 4, 2001 to file a report to accompany the bill H.R. 2586.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO HAVE UNTIL SEPTEMBER 4, 2001, TO FILE SUPPLEMENTAL REPORT ON H.R. 2646, THE FARM SECURITY ACT OF 2001

Mr. COMBEST. Mr. Speaker, I ask unanimous consent for the Committee on Agriculture to have until 5 p.m. on September 4, 2001 to file a supplemental report to accompany H.R. 2646, the Farm Security Act of 2001.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

☐ 2245

PROVIDING FOR CONDITIONAL ADJOURNMENT OF THE HOUSE AND RECESS OR ADJOURNMENT OF THE SENATE

Mr. ARMEY. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 208) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 208

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Thursday, August 2, 2001, or Friday, August 3, 2001, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2 p.m. on Wednesday, September 5, 2001, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns at the close of business on any day from Thursday, August 2, 2001 through Saturday, August 4, 2001, or from Monday, August 6, 2001, through Saturday, August 11, 2001, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until noon on Tuesday, September 4, 2001, or until such time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CONDITIONAL ADJOURNMENT OF THE HOUSE TO MONDAY, AUGUST 6, 2001

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today it shall adjourn to meet at noon on Monday, August 6, and when the House adjourns on Monday, August 6, it shall adjourn to meet at noon on Tuesday, August 7; and when the House adjourns on Tuesday, August 7, and on each of its successive days of meeting under this order, it shall stand adjourned until noon on each third successive day until it shall convene at 2:00 p.m. on Wednesday, September 5, 2001; unless the House sooner receives the message from the Senate transmitting its adoption of a concurrent resolution providing for the summer district work period, in which case the House, following its adoption thereof, shall adjourn pursuant to that concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. McDERMOTT. Mr. Speaker, reserving the right to object, I will ask the gentleman from Texas, the days the House will be in session, will they be pro forma sessions, no legislation will be brought up?

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. McDERMOTT. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, the gentleman has a good point; and, yes, it will be only pro forma.

Mr. McDERMOTT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, SEPTEMBER 5, 2001

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, September 5, 2001.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MAKING IN ORDER MOTIONS TO SUSPEND THE RULES ON WEDNESDAY, SEPTEMBER 5, 2001

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that it be in order at any time on the legislative day of Wednesday, September 5, 2001, for the Speaker to entertain motions that the House suspend the rules.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING THE SPEAKER, MAJORITY LEADER, AND MINORITY LEADER TO ACCEPT RESIGNATIONS AND MAKE APPOINTMENTS NOTWITHSTANDING ADJOURNMENT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Wednesday, September 5, 2001, the Speaker, majority leader, and minority leader be authorized to accept resignations and to make appointments authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING REMOVAL OF THE MACE OF THE HOUSE AFTER ADJOURNMENT TO THE SMITHSONIAN INSTITUTION FOR REPAIRS

Mr. ARMEY. Mr. Speaker, I offer a resolution (H. Res. 223) and ask unanimous consent for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

H. RES. 223

Resolved, That the Sergeant at Arms of the House of Representatives is authorized and directed, on behalf of the House of Representatives, to deliver the mace of the House of Representatives, following an adjournment of the House pursuant to concurrent resolution, to the Smithsonian Institution only for the purpose of having necessary repairs made to the mace and under such circumstances as will assure that the mace is properly safeguarded; Provided, however, That the mace shall be returned to the House of Representatives before noon on the day before the House next reconvenes pursuant to concurrent resolution or at any sooner time when so directed by the Speaker of the House of Representatives.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

WISHING A GOOD RECESS PERIOD TO THE STAFF OF THE HOUSE OF REPRESENTATIVES

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that it be the will of the House that all those kind souls and good people who staff this body have a very good recess period during the month of August.

The SPEAKER pro tempore (Mr. BEREUTER). Is there objection to the request of the gentleman from Texas?

There was no objection.

REQUESTING THE PRESIDENT TO TAKE MEASURES TO FOCUS APPROPRIATE ATTENTION ON NEIGHBORHOOD CRIME PREVENTION, COMMUNITY POLICING, AND REDUCTION OF SCHOOL CRIME

Mr. ISSA. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. Res. 193) requesting that the President focus appropriate attention on the issues of neighborhood crime prevention, community policing, and reduction of school crime by delivering speeches, convening meetings, and directing his Administration to make reducing crime an important priority, and for other purposes.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. STUPAK. Reserving the right to object, but I do not intend to object, Mr. Speaker, I introduced this resolution along with the gentleman from Pennsylvania (Mr. WELDON) and the gentleman from Pennsylvania (Mr. HOEFFEL) to emphasize the importance of crime prevention at the local level and to recognize the efforts of National Night Out.

I am pleased to say that this resolution has bipartisan support with over 64 cosponsors.

I would like to specifically thank the chairman of the Committee on the Judiciary, the gentleman from Wisconsin (Mr. SENSENBRENNER); and the ranking members of the Committee on the Judiciary; and ranking member of the Subcommittee on Crime; and the leadership on both sides of the aisle in helping to bring this measure to the floor.

Our resolution calls upon the President to focus on neighborhood crime prevention, community policing programs, and reducing crime, and to issue a proclamation in support of National Night Out.

Mr. Speaker, last year over 32 million people participated in National Night Out. These 32 million people joined together and sent a message loud and clear that they do not want crime in their neighborhoods and streets and that they will keep working together until their communities are safe.

Each of us will be returning next week to our districts for the August recess. I hope each Member will take the opportunity to participate in a National Night Out event in their community and show the strength of our national commitment to stop crime and keep our communities safe.

Our resolution also urges President Bush to continue to focus national attention on reducing crime and to issue a proclamation in support of National Night Out, which is such an important national event. National Night Out brings communities together; and when we come together with our neighbors, our community leaders, our families, our unity leaves no room for crimes.

It is a testament to what we can do together, and I am proud to see the House pass this resolution in support of such a program.

Mr. Speaker, I have introduced this resolution along with Representatives CURT WELDON and JOE HOEFFEL to emphasize the importance of crime prevention at the local level and to recognize the efforts of National Night Out. I am pleased to say that this resolution has bipartisan support, with 64 cosponsors. I would like to specifically thank the Chairman JIM SENSENBRENNER, and Ranking Member of the Judiciary Committee, the Chairman and Ranking Member of the Crime Subcommittee, and the leadership on both sides of the aisle for their help in bringing this measure to the floor.

Our resolution calls upon the President to focus on neighborhood crime prevention, community policing programs and reducing school crime and to issue a proclamation in support of National Night Out.

National Night Out, which is coming up on August 7, is a successful national program which exemplifies the goals of crime reduction through neighborhood and community efforts. It is a nationwide event which combines a nationally coordinated crime prevention campaign with local community groups and law enforcement organizations to take a stand against crime.

This year's National Night Out is the 18th annual event in the campaign by National Association of Town Watch to fight crime. National Night Out has grown year after year, and now includes citizens, law enforcement agencies, civic groups, businesses, neighborhood organizations and local officials from 9,500 communities from all 50 states and the District of Columbia, U.S. territories, Canadian cities and military bases worldwide.

Last year over 32 million people participated in National Night Out. Those 32 million people joined together and sent a message, loud and clear, that they don't want crime in their neighborhoods and streets, and that they will keep working together until their communities are safe.

I firmly believe that a focus on neighborhood and community crime prevention is essential. It is for this reason that I have long supported the COPS program in the Department of Justice, and that I am such a strong supporter of National Night Out. As a former police officer who used to fight crime on the local and state level, I can tell you these programs work. Personal involvement in one's community, individual attention to our youth, taking responsibility for ourselves and for others, these things make a difference.

Each of you will be returning next week to your districts for the August recess. I hope that you will take the opportunity to participate in a National Night Out event in your community, and show the strength of our national commitment to stop crime and keep our communities safe.

Our resolution also urges President Bush to continue to focus national attention on reducing crime, and to issue a proclamation in support of National Night Out, which is such an important national event.

National Night Out brings communities together. And when we come together with our neighbors, our community leaders, our families—our unity leaves no room for crime. It is a testament to what we can do together—and I am proud to see the House pass this resolution in support of such an important program.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 193

Whereas neighborhood crime is of continuing concern to the American people;

Whereas the fight against neighborhood crime requires people to work together in cooperation with law enforcement officials;

Whereas neighborhood crime watch organizations are effective at promoting awareness about, and the participation of volunteers in, crime prevention activities at the local level;

Whereas neighborhood crime watch groups can contribute to the Nation's war on drugs by helping to prevent their communities from becoming markets for drug dealers;

Whereas crime and violence in schools is of continuing concern to the American people due to the recent high-profile incidents that have resulted in fatalities at several schools across the United States;

Whereas community-based programs involving law enforcement, school administrators, teachers, parents, and local communities work effectively to reduce school violence and crime;

Whereas citizens across the United States will soon take part in "National Night Out", a unique crime prevention event which will demonstrate the importance and effectiveness of community participation in crime prevention efforts by having people spend the period from 7 to 10 o'clock p.m. on August 7, 2001, with their neighbors in front of their homes with their lights on; and

Whereas schools that turn their lights on from 7 to 10 o'clock p.m. on August 7, 2001, will send a positive message to the participants of "National Night Out" and show their commitment to reduce crime and violence in schools: Now, therefore, be it

Resolved, That the House of Representatives—

(1) supports the goals and ideas of "National Night Out"; and

(2) requests that the President—

(A) issue a proclamation calling on the people of the United States to conduct appropriate ceremonies, activities, and programs to demonstrate support for "National Night Out"; and

(B) focus appropriate attention on the issues of neighborhood crime prevention, community policing, and reduction of school crime by delivering speeches, convening meetings, and directing his Administration to make reducing crime an important priority.

The resolution was agreed to.

A motion to reconsider was laid on the table.

MOURNING THE DEATH OF RON SANDER, WELCOMING THE RELEASE FROM CAPTIVITY OF ARNIE ALFORD, STEVE DERRY, JASON WEBER, AND DAVID BRADLEY, AND SUPPORTING EFFORTS TO COMBAT SUCH TERRORISM

Mr. BALLENGER. Mr. Speaker, I ask unanimous consent that the Committee on International Relations be discharged from further consideration of the concurrent resolution (H. Con. Res. 89) mourning the death of Ron Sander at the hands of terrorist kidnappers in Ecuador and welcoming the release from captivity of Arnie Alford, Steve Derry, Jason Weber, and David Bradley, and supporting efforts by the United States to combat such terrorism, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

Mr. WALDEN of Oregon. Mr. Speaker, reserving the right to object, I yield to the gentleman from North Carolina (Mr. BALLENGER), the manager of the bill.

Mr. BALLENGER. Mr. Speaker, on October 12, 2000, 10 men, including five Americans, were abducted from an Ecuadorean oil field. On January 31, 2001, Ron Sander of Sunrise Beach, Missouri, was brutally murdered by his captors.

The hostages spent 141 days in captivity and endured malnutrition, isolation, and physical and mental abuse.

On June 23, 2001, Colombian National Police General Jose Leonardo Gallego's anti-kidnapping unit, working with the U.S. authorities, arrested 59 people, including eight men accused of abducting the 10 oil field workers in Ecuador. We thank General Gallego for his good work in bringing these criminals to justice.

Please join me in supporting this resolution expressing condolences to the family of Ron Sander and welcoming the release of the American captives back home.

Mr. WELDON of Oregon. Continuing to reserve my right to object, Mr. Speaker, I yield to the gentleman from Missouri (Mr. SKELTON).

Mr. SKELTON. Mr. Speaker, let me take this opportunity to commend the gentleman for introducing this resolution mourning the death of Mr. Ron Sander of Sunrise Beach, Missouri, and welcoming the other victims of this kidnapping incident home from South America.

Ron Sander was one of 10 people who were seized by terrorists last October while they were working for an oil company in Ecuador. In what can only be termed a tragedy, Sander was found murdered in late January, shot five times in the back by his captors.

While it appears to be clear that those who kidnapped Ron Sander and nine other were merely part of a gang of criminals, the act of kidnapping is fast becoming a tool which is employed by those violent actors who are involved in the Colombian civil war, and increasingly, in the countries which neighbor Colombia.

The oil-rich areas of Ecuador attract many American companies and other firms that employ Americans. It is my hope that we in the Congress can help to find a peaceful resolution to the conflicts of the region and can thereby hope to lessen the possibility that Americans would be kidnapped in a cowardly act of violence not unlike the one that took the life of Ronald Sander.

My heart goes out to the families of all the kidnapping victims who waited for their loved ones' safe return; but most of all, I want to express my deepest sympathy to Mr. Sander's family.

Mr. WALDEN of Oregon. Mr. Speaker, continuing to reserve my right to object, I am pleased to have this opportunity to address what I believe is one of the most outrageous acts committed against American citizens abroad in recent years, the kidnapping of five American citizens working in Ecuador by a band of ruthless terrorists.

On October 12, 2000, a number of international oil workers were abducted from an oil field in northern Ecuador by a heavily armed group of terrorists. Mr. Speaker, "terrorists" may be too generous a word to describe these thugs, for they were motivated not by ideology but by naked greed. Their intention was to ransom their captives, plain and simple.

Among the hostages taken were five American citizens, Arnie Alford, Steve Derry, Jason Weber of Gold Hill, Oregon, in my congressional district, David Bradley of Casper, Wyoming, and Ron Sander of Sunrise Beach, Missouri.

The nightmare that began for these men on October 12 would ultimately last 141 days, 4½ months of deprivation and hardship such as we can scarcely contemplate. These men endured inhumane treatment day after day at the hands of their captors. They suffered from prolonged malnutrition, isolation from loved ones, and relentless physical and mental abuse.

Each day was spent marching at gunpoint through the unforgiving jungles of South America, and each night was spent tied up in the terrorists' camps. The diet that sustained the men was as cruel as their surroundings: small portions of rice and occasionally the meat of rodents. The perseverance shown by these brave Americans in the face of such unremitting adversity is a testament to the human spirit.

Mr. Speaker, the fear of death hung over the heads of these hostages every day of their ordeal. Sadly, on January 31 of 2001, that fear became a reality when one of the hostages, Ron Sander, was murdered by his kidnappers. His body was discovered riddled with bullets, a brutal act intended to encourage the employers of the hostages to meet the kidnappers' demand.

Finally, the nightmare came to an end when the hostages were released from their captivity and handed over to Ecuadoran military authorities.

Mr. Speaker, the purpose of this resolution first and foremost is to welcome the safe return of our fellow citizens and to mourn the death of Ron Sander, an innocent victim of the greed and malice of cowards.

The resolution also recognizes the cooperation of the Ecuadoran authorities who provided invaluable assistance in negotiating the safe return of the hostages.

It further acknowledges the employers of the victims, Erickson Air-Crane, Schlumberger Ltd., and Helmerich & Payne, whose commitment to their employees during this ordeal was absolute and unwavering.

Finally, House Concurrent Resolution 89 reiterates the United States' commitment to securing justice for the victims of this crime and holding the terrorists accountable for their actions.

It also expresses the sense of Congress that the United States must redouble its efforts to prevent future kidnappings and eliminate the threat represented by international terrorist organizations.

Mr. Speaker, in closing, I want to add that I could not be more pleased at the arrest of a number of suspects in this case by the Colombia National Police on June 23. Working in concert with U.S. authorities, the Colombia police arrested 59 people, including eight men accused of participating in this October kidnapping.

It is my profound hope that if these men are in fact guilty of this hideous crime, that they will receive swift and severe punishment that they so richly deserve.

Mr. Speaker, I thank the Committee on International Relations for moving on this resolution with such great haste, and I appreciate the time of the House to share this.

I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 89

Whereas Ron Sander of Sunrise Beach, Missouri, one of ten men abducted from an Ecuadorian oil field on October 12, 2000, was brutally murdered by his terrorist captors on January 31, 2001;

Whereas Arnie Alford, Steve Derry, and Jason Weber, of Gold Hill, Oregon, and David Bradley, of Casper, Wyoming, were also among the ten men abducted;

Whereas the kidnapped men endured inhuman treatment at the hands of their captors, suffering from malnutrition, isolation, and physical and mental abuse;

Whereas the hostages spent 141 days in captivity before being released to Ecuadorian military authorities;

Whereas the Government of Ecuador provided invaluable assistance in seeking the safe return of the hostages; and

Whereas the employers of the hostages, Erickson Air-Crane, Schlumberger Ltd., and Helmerich & Payne, maintained a tireless commitment to their employees and their families during protracted negotiations with the terrorists: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That

(1) the Congress welcomes the safe return of American citizens Arnie Alford, Steve Derry, Jason Weber, and David Bradley from captivity by terrorists in Ecuador and congratulates them for their perseverance in the face of persistent and unremitting adversity;

(2) the Congress extends its deepest sympathy to the family of Ron Sander, who was killed by terrorists in Ecuador, and salutes his steadfast courage under the most difficult of circumstances;

(3) the Congress supports the commitment of the United States to bringing the killers of Ron Sanders and the kidnappers of Arnie Alford, Steve Derry, Jason Weber, and David Bradley to justice; and

(4) it is the sense of the Congress that the United States must redouble its efforts to prevent future kidnappings by working in concert with foreign governments to neutralize the threat represented by terrorist groups who perpetrate such crimes.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

□ 2300

APPALACHIAN REGIONAL DEVELOPMENT ACT REAUTHORIZATION

Mr. LATOURETTE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2501) to reauthorize the Appalachian Regional Development Act of 1965, and ask for its immediate consideration in the House.

The SPEAKER pro tempore (Mr. BEREUTER). Is there objection to the request of the gentleman from Ohio?

Mr. COSTELLO. Mr. Speaker, reserving the right to object, I yield to the gentleman from Ohio, the chairman of the subcommittee, for an explanation of the bill.

Mr. LATOURETTE. Mr. Speaker, I thank the gentleman from Illinois for yielding to me.

H.R. 2501 authorizes the Appalachian Regional Commission for fiscal years 2002 through 2006. The bill also requires the ARC to target at least half of ARC project funds to distressed areas and counties, creates a council to coordinate Federal economic development assistance in the region, provides affordable access to technology and telecommunications through a new program initiative, and lowers the administrative cost share for Local Development Districts that include a distressed county.

Mr. Speaker, I want to thank the ranking member of the Subcommittee on Economic Development, Public Buildings and Emergency Management of the Committee on Transportation and Infrastructure, the gentleman from Illinois (Mr. COSTELLO); the ranking member of our full committee, the gentleman from Minnesota (Mr. OBERSTAR); the chairman of the full committee, the gentleman from Alaska (Mr. YOUNG), for their diligent attention to this very important program, and two Members of our subcommittee to whom this program is critical, the gentleman from Ohio (Mr. NEY) and the gentlewoman from West Virginia (Mrs. CAPITO), a valuable new member of the subcommittee, who worked tirelessly to assist us in this reauthorization.

I support the bill and thank the gentleman from Illinois.

Mr. COSTELLO. Further reserving the right to object, Mr. Speaker, I thank the chairman of the subcommittee, the gentleman from Ohio (Mr. LATOURETTE), for his leadership regarding the reauthorization of the Appalachian Regional Commission. The subcommittee hearing was very enlightening and provided essential information for the public record. I commend Jesse White and his excellent staff for working with us to shape a fair bipartisan bill. This is a good bill and it deserves our support.

Continuing my reservation of objection, Mr. Speaker, I yield to the ranking member of the full committee, the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Speaker, the Transportation and Infrastructure Committee has devoted a significant amount of time to reviewing and evaluating the Appalachian Regional Commission (ARC) and its programs. In 1997, the Economic Development Subcommittee held a series of hearings regarding not only the ARC but also the Economic Development Administration, and in 1998, both agencies were reauthorized with broad bipartisan support.

The ARC received overwhelming bipartisan support for one self-evident reason—ARC programs WORK. These essential programs have significantly boosted employment, population growth, and income throughout the region. Despite more than 35 years of effort, we are only halfway home—the region has not yet pulled itself up to the national average. Of ARC's 406 counties, 118 counties remain severely economically distressed. One hundred years of decline cannot be overcome in only 35 years. Much work remains to be done, and new initiatives need to be considered, not only to maintain the existing economic foothold in the region, but also to help it prepare for the new economy.

H.R. 2501 is certainly another step in the right direction for the people of Appalachia. The bill authorizes the ARC for five years, it establishes a coordinating council to address Federal agency program delivery for the region, and it increases funding consistent with inflation. The bill also establishes a telecommunications program and authorizes $10 million for this new initiative in fiscal year 2002 and such sums as may be necessary in succeeding years. The new information highway is just as important in opening up opportunities for people of the Appalachian region as is the Appalachian Development Highway System; the telecommunications program will help put the people of Appalachia on the highway of the future.

I thank Subcommittee Chairman LATOURETTE, Ranking member COSTELLO, and Chairman YOUNG for their diligent work on this bill. For Chairman YOUNG and Ranking Member COSTELLO the problems of Appalachia are very similar to the problems confronting regions in Alaska and the Mississippi Delta. The Denali Commission and the Delta Regional Authority have worked closely with the ARC to the benefit of each of the regions and the Nation as a whole.

I strongly support the bill and urge its passage.

Mr. COSTELLO. Continuing my reservation of objection, Mr. Speaker, I yield to the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Mr. Speaker, I would like to thank also the gentleman from Ohio (Mr. LATOURETTE); the gentleman from Alaska (Mr. YOUNG), the chairman of our committee; and the ranking members, the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Illinois (Mr. COSTELLO), for all their hard work on reauthorizing the Appalachian Regional Commission.

As a West Virginian native, I am especially grateful to the ARC for its commitment to improving the lives of my fellow Mountaineers. As my colleagues may know, West Virginia is the only State that is entirely within the boundaries of the ARC.

The Appalachian Regional Commission is critical to the continued economic development not only of my State but the whole of Appalachia. The area served by the ARC is very diverse, both economically and geographically. And while we have made progress in recent years, we continue to face numerous challenges.

ARC's assistance helps level the playing field and gives my constituents a chance to share in the economic prosperity that has for so long left many of us behind. The flexibility and diversity of its programs enable local communities to tailor the ARC grants to their individual needs.

In the district I represent, 11 counties are classified by the ARC as economically distressed. And I have seen firsthand the positive impact that these grants can have on a community. In my district alone, the ARC has assisted with equipping industrial parks, helped improve the skills of the workforce, and preserved precious jobs by strengthening industries ranging from wood products to Internet technology.

The ARC is also instrumental at meeting energy funding requests to assist rural communities with their most desperate situations. Recently, the town of Wardensville contacted me regarding the need for immediate assistance for a damaged sewer. I contacted the ARC and was able to secure the necessary funding which allowed the town to repair the damage rather quickly.

Mr. Speaker, it is imperative for the Congress to reauthorize the ARC. A 5-year reauthorization will ensure that ARC continues to address my home State of West Virginia's needs. It would also enable the commission and our local communities to develop and implement long-term strategies for economic growth with a new emphasis on technology.

I fully support this request, and I thank the gentleman for yielding to me.

Mr. COSTELLO. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2501

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENTS TO APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965.

(a) SHORT TITLE.—This Act may be cited as the "Appalachian Regional Development Reauthorization Act of 2001".

(b) AMENDMENTS TO APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965.—Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision of law, the reference shall be considered to be made to a section or other provision of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.).

SEC. 2. COORDINATION OF APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS.

Section 104 (40 U.S.C. App.) is amended—

(1) by striking the section heading and all that follows through "The President" and inserting the following:

"SEC. 104. COORDINATION OF APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS.

"(a) LIAISON BETWEEN FEDERAL GOVERNMENT AND COMMISSION.—The President"; and

(2) by adding at the end the following:

"(b) INTERAGENCY COORDINATING COUNCIL.—

"(1) IN GENERAL.—In carrying out subsection (a), the President shall establish an interagency council to be known as the 'Interagency Coordinating Council on Appalachia'.

"(2) MEMBERSHIP.—The Council shall be composed of—

"(A) the Federal Cochairman, who shall serve as Chairperson of the Council; and

"(B) representatives of Federal agencies that carry out economic development programs in the Appalachian region.".

SEC. 3. TELECOMMUNICATIONS AND TECHNOLOGY.

The Act (40 U.S.C. App.) is amended by inserting after section 202 the following:

"SEC. 203. TELECOMMUNICATIONS AND TECHNOLOGY.

"(a) IN GENERAL.—In order to ensure that the people and businesses of the Appalachian region have the knowledge, skills, and access to telecommunications services to compete in the technology-based economy, the Commission may provide technical assistance and make grants, enter into contracts, and otherwise provide funds for the following purposes:

"(1) To increase affordable access to advanced telecommunications in the region.

"(2) To provide education and training for people, businesses, and governments in the region in the use of telecommunications technology.

"(3) To develop relevant technology readiness programs for industry groups and businesses in the region.

"(4) To support entrepreneurial opportunities in information technology in the region.

"(b) SOURCES OF FUNDING.—Assistance provided under this section may be provided entirely from appropriations made available to carry out this section or in combination with funds available under a Federal grant-in-aid program (as defined in section 214(c)), under another Federal program, or from any other source.

"(c) FEDERAL SHARE LIMITATIONS SPECIFIED IN OTHER LAWS.—Notwithstanding any provision of law limiting the Federal share in a Federal grant-in-aid program or other Federal program, funds appropriated to carry out this section may be used to increase such Federal share, as the Commission determines appropriate.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Commission to carry out this section $10,000,000 for fiscal year 2002 and such sums as may be necessary for fiscal years 2003 through 2006. Such sums shall remain available until expended.".

SEC. 4. PROGRAM DEVELOPMENT CRITERIA.

(a) ELIMINATION OF GROWTH CENTER CRITERIA.—Section 224(a)(1) (40 U.S.C. App.) is amended by striking "in an area determined by the State have a significant potential for growth or".

(b) DISTRESSED COUNTIES AND AREAS.—Section 224 (40 U.S.C. App.) is amended by adding at the end the following:

"(d) ASSISTANCE TO DISTRESSED COUNTIES AND AREAS.—For each fiscal year, at least one-half of the amount of grant expenditures approved by the Commission under this Act shall support activities or projects that benefit counties for which distressed county designations are in effect under section 226.".

SEC. 5. GRANTS FOR ADMINISTRATIVE EXPENSES OF LOCAL DEVELOPMENT DISTRICTS.

Section 302(a)(1)(A) (40 U.S.C. App.) is amended by inserting "(or 75 percent for a development district that includes 1 or more counties for which a distressed county designation is in effect under section 226)" after "50 percent".

SEC. 6. ADDITION OF COUNTIES TO APPALACHIAN REGION.

Section 403 is amended—

(1) in the third undesignated paragraph, relating to Kentucky—

(A) by inserting "Edmonson," after "Cumberland,";

(B) by inserting "Hart," after "Harlan,"; and

(C) by inserting "Metcalfe," after "Menifee,"; and

(2) in the fifth undesignated paragraph, relating to Mississippi—

(A) by inserting "Grenada," after "Clay,";

(B) by inserting "Montgomery," after "Monroe,"; and

(C) by inserting "Panola," after "Oktibbeha Pontotoc,".

SEC. 7. TECHNICAL AMENDMENTS.

(a) Strategies.—The Act (40 U.S.C. App.) is amended—

(1) in the third sentence of section 101(b) by striking “implementing investment program” and inserting “strategy statement”;

(2) in section 225—

(A) in subsection (a) by striking “(3) describe the development program” and inserting “(3) describe the development strategies”; and

(B) in subsection (c) by striking “Appalachian State development programs” and inserting “Appalachian State development strategies”; and

(3) in section 303—

(A) in the section heading by striking “**INVESTMENT PROGRAMS**” and inserting “**STRATEGY STATEMENTS**”;

(B) by striking “implementing investment program” each place it appears and inserting “strategy statement”; and

(C) by striking “implementing investments programs” and inserting “strategy statements”.

(b) Support of Local Development Districts.—Section 102(a)(5) (40 U.S.C. App.) is amended by inserting “and support” after “formation”.

(c) Office Space Leasing.—Section 106(7) (40 U.S.C. App.) is amended by striking “for any term expiring no later than September 30, 2001”.

(d) Supplements to Federal Grant-In-Aid Programs.—Section 214 (40 U.S.C. App.) is amended—

(1) in subsection (a) by striking the third sentence;

(2) by striking subsection (c) and inserting the following:

“(c) Federal Grant-In-Aid Programs Defined.—

“(1) Included programs.—In this section, the term ‘Federal grant-in-aid programs’ means those Federal grant-in-aid programs authorized by this Act or another Act for the acquisition or development of land, the construction or equipment of facilities, or other community or economic development or economic adjustment activities, including but not limited to grant-in-aid programs authorized by the following Acts:

“(A) The Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).

“(B) The Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.).

“(C) Title VI of the Public Health Services Act (42 U.S.C. 291 et seq.).

“(D) The Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.).

“(E) Part IV of title III of the Communications Act of 1934 (47 U.S.C. 390 et seq.).

“(F) The Land and Water Conservation Fund Act of 1965 (16 U.S.C 4601–4 et seq.).

“(G) The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.).

“(H) Sections 201 and 209 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141 and 3149).

“(I) Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.).

“(2) Excluded programs.—In this section, the term ‘Federal grant-in-aid programs’ does not include—

“(A) the program for the construction of the development highway system authorized by section 201 or any program relating to highway or road construction authorized by title 23, United States Code; or

“(B) any other program for which loans or other Federal financial assistance, except a grant-in-aid program, is authorized by this or any other Act.”; and

(3) by striking subsection (d).

(e) Program Development Criteria.—Section 224(a)(2) (40 U.S.C. App.) is amended by striking “per capita income” and inserting “per capita market income”.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

Section 401(a) (40 U.S.C. App.) is amended to read as follows:

“(a) In General.—In addition to amounts authorized by section 201 (and other amounts made available for the Appalachian development highway system program) and section 203, there are authorized to be appropriated to the Commission to carry out this Act—

“(1) $78,000,000 for fiscal year 2002;

“(2) $80,000,000 for fiscal year 2003;

“(3) $83,000,000 for fiscal year 2004;

“(4) $85,000,000 for fiscal year 2005; and

“(5) $87,000,000 for fiscal year 2006.”.

SEC. 9. TERMINATION.

Section 405 (40 U.S.C. App.) is amended by striking “2001” and inserting “2006”.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATOURETTE

Mr. LaTOURETTE. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. LaTourette:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; AMENDMENTS TO APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965.

(a) Short Title.—This Act may be cited as the “Appalachian Regional Development Reauthorization Act of 2001”.

(b) Amendments to Appalachian Regional Development Act of 1965.—Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision of law, the reference shall be considered to be made to a section or other provision of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.).

SEC. 2. COORDINATION OF APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS.

Section 104 (40 U.S.C. App.) is amended—

(1) by striking the section heading and all that follows through “The President” and inserting the following:

“SEC. 104. COORDINATION OF APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS.

“(a) Liaison Between Federal Government and Commission.—The President”; and

(2) by adding at the end the following:

“(b) Interagency Coordinating Council.—

“(1) In general.—In carrying out subsection (a), the President shall establish an interagency council to be known as the ‘Interagency Coordinating Council on Appalachia’.

“(2) Membership.—The Council shall be composed of—

“(A) the Federal Cochairman, who shall serve as Chairperson of the Council; and

“(B) representatives of Federal agencies that carry out economic development programs in the Appalachian region.”.

SEC. 3. TELECOMMUNICATIONS AND TECHNOLOGY.

The Act (40 U.S.C. App.) is amended by inserting after section 202 the following:

“SEC. 203. TELECOMMUNICATIONS AND TECHNOLOGY.

“(a) In General.—In order to ensure that the people and businesses of the Appalachian region have the knowledge, skills, and access to telecommunications services to compete in the technology-based economy, the Commission may provide technical assistance and make grants, enter into contracts, and otherwise provide funds for the following purposes:

“(1) To increase affordable access to advanced telecommunications in the region.

“(2) To provide education and training for people, businesses, and governments in the region in the use of telecommunications technology.

“(3) To develop relevant technology readiness programs for industry groups and businesses in the region.

“(4) To support entrepreneurial opportunities in information technology in the region.

“(b) Sources of Funding.—Assistance provided under this section may be provided entirely from appropriations made available to carry out this section or in combination with funds available under a Federal grant-in-aid program (as defined in section 214(c)), under another Federal program, or from any other source.

“(c) Federal Share Limitations Specified in Other Laws.—Notwithstanding any provision of law limiting the Federal share in a Federal grant-in-aid program or other Federal program, funds appropriated to carry out this section may be used to increase such Federal share, as the Commission determines appropriate.

“(d) Authorization of Appropriations.—There is authorized to be appropriated to the Commission to carry out this section $10,000,000 for fiscal year 2002 and such sums as may be necessary for fiscal years 2003 through 2006. Such sums shall remain available until expended.”.

SEC. 4. PROGRAM DEVELOPMENT CRITERIA.

(a) Elimination of Growth Center Criteria.—Section 224(a)(1) (40 U.S.C. App.) is amended by striking “in an area determined by the State have a significant potential for growth or”.

(b) Distressed Counties and Areas.—Section 224 (40 U.S.C. App.) is amended by adding at the end the following:

“(d) Assistance to Distressed Counties and Areas.—For each fiscal year, at least one-half of the amount of grant expenditures approved by the Commission under this Act shall support activities or projects that benefit severely and persistently distressed counties or areas.”.

SEC. 5. GRANTS FOR ADMINISTRATIVE EXPENSES OF LOCAL DEVELOPMENT DISTRICTS.

Section 302(a)(1)(A) (40 U.S.C. App.) is amended by inserting “(or 75 percent for a development district that includes 1 or more counties for which a distressed county designation is in effect under section 226)” after “50 percent”.

SEC. 6. ADDITION OF COUNTIES TO APPALACHIAN REGION.

Section 403 is amended—

(1) in the third undesignated paragraph, relating to Kentucky—

(A) by inserting “Edmonson,” after “Cumberland,”;

(B) by inserting “Hart,” after “Harlan,”; and

(C) by inserting “Metcalfe,” after “Menifee,”; and

(2) in the fifth undesignated paragraph, relating to Mississippi—

(A) by inserting “Grenada,” after “Clay,”;

(B) by inserting “Montgomery,” after “Monroe,”; and

(C) by inserting “Panola,” after “Oktibbeha Pontotoc,”.

SEC. 7. TECHNICAL AMENDMENTS.

(a) Strategies.—The Act (40 U.S.C. App.) is amended—

(1) in the third sentence of section 101(b) by striking "implementing investment program" and inserting "strategy statement";

(2) in section 225—

(A) in subsection (a) by striking "(3) describe the development program" and inserting "(3) describe the development strategies"; and

(B) in subsection (c) by striking "Appalachian State development programs" and inserting "Appalachian State development strategies"; and

(3) in section 303—

(A) in the section heading by striking "**INVESTMENT PROGRAMS**" and inserting "**STRATEGY STATEMENTS**";

(B) by striking "implementing investment program" each place it appears and inserting "strategy statement"; and

(C) by striking "implementing investments programs" and inserting "strategy statements".

(b) SUPPORT OF LOCAL DEVELOPMENT DISTRICTS.—Section 102(a)(5) (40 U.S.C. App.) is amended by inserting "and support" after "formation".

(c) OFFICE SPACE LEASING.—Section 106(7) (40 U.S.C. App.) is amended by striking "for any term expiring no later than September 30, 2001".

(d) SUPPLEMENTS TO FEDERAL GRANT-IN-AID PROGRAMS.—Section 214 (40 U.S.C. App.) is amended—

(1) in subsection (a) by striking the third sentence;

(2) by striking subsection (c) and inserting the following:

"(c) FEDERAL GRANT-IN-AID PROGRAMS DEFINED.—

"(1) INCLUDED PROGRAMS.—In this section, the term 'Federal grant-in-aid programs' means those Federal grant-in-aid programs authorized by this Act or another Act for the acquisition or development of land, the construction or equipment of facilities, or other community or economic development or economic adjustment activities, including but not limited to grant-in-aid programs authorized by the following Acts:

"(A) The Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).

"(B) The Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.).

"(C) Title VI of the Public Health Services Act (42 U.S.C. 291 et seq.).

"(D) The Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.).

"(E) Part IV of title III of the Communications Act of 1934 (47 U.S.C. 390 et seq.).

"(F) The Land and Water Conservation Fund Act of 1965 (16 U.S.C 4601–4 et seq.).

"(G) The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.).

"(H) Sections 201 and 209 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141 and 3149).

"(I) Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.).

"(2) EXCLUDED PROGRAMS.—In this section, the term 'Federal grant-in-aid programs' does not include—

"(A) the program for the construction of the development highway system authorized by section 201 or any program relating to highway or road construction authorized by title 23, United States Code; or

"(B) any other program for which loans or other Federal financial assistance, except a grant-in-aid program, is authorized by this or any other Act."; and

(3) by striking subsection (d).

(e) PROGRAM DEVELOPMENT CRITERIA.—Section 224(a)(2) (40 U.S.C. App.) is amended by striking "per capita income" and inserting "per capita market income".

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

Section 401(a) (40 U.S.C. App.) is amended to read as follows:

"(a) IN GENERAL.—In addition to amounts authorized by section 201 (and other amounts made available for the Appalachian development highway system program) and section 203, there are authorized to be appropriated to the Commission to carry out this Act—

"(1) $78,000,000 for fiscal year 2002;

"(2) $80,000,000 for fiscal year 2003;

"(3) $83,000,000 for fiscal year 2004;

"(4) $85,000,000 for fiscal year 2005; and

"(5) $87,000,000 for fiscal year 2006.".

SEC. 9. TERMINATION.

Section 405 (40 U.S.C. App.) is amended by striking "2001" and inserting "2006".

Mr. LATOURETTE (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THURGOOD MASHALL UNITED STATES COURTHOUSE

Mr. LATOURETTE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 988) to designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall United States Courthouse," and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. COSTELLO. Mr. Speaker, reserving the right to object, I strongly support H.R. 988, a bill to name the Federal courthouse at 40 Centre in New York City in honor of former Supreme Court Justice Thurgood Marshall, one of our country's genuine heroes.

I thank the gentleman from New York (Mr. ENGEL) for introducing this bill and for his steadfast support of this legislation, and the chairman, the gentleman from Ohio (Mr. LATOURETTE), for his support in moving this bill through the subcommittee and to the floor this evening.

The contributions of Judge Thurgood Marshall are legendary. His dedication and devotion to the ideals of equality and dignity for all people were of historical proportions.

Mr. Speaker, further reserving my right to object, I yield to the ranking member of the full committee, the gentleman from Minnesota (Mr. OBERSTAR).

(Mr. OBERSTAR asked and was given permission to revise and extend his remarks.)

Mr. OBERSTAR. Mr. Speaker, I strongly support H.R. 988, to name the U.S. Courthouse at 40 Centre Street in New York City in honor of former Supreme Court Justice Thurgood Marshall. The naming of the federal courthouse after Justice Marshall is a fitting tribute to one of the most important lawyers and Justices in American history.

During his arguments as attorney for the plaintiffs in the landmark case of Brown v. Board of Education, Marshall was asked to define "equal" by Justice Frankfurter. Marshall responded that: "Equal means getting the same thing, at the same time, and in the same place." This statement encapsulates Justice Marshall's values and what he tried to achieve during a lifetime of fighting for those who were unable to fight for themselves.

Justice Marshall's long journey took him from a humble beginning as the grandson of a slave in a time and place where segregation and racism were strong barriers, and ended with him becoming the first black Justice of the Supreme Court. This great accomplishment was not only easily achieved, and, indeed, was made possible in large part by the changes in society and law that were created by Marshall's own victories against racial inequities.

Although he finished near the top of his undergraduate class, Justice Marshall was denied entry to the University of Maryland Law School because of his race. Soon after graduating first in his class from Howard University Law School, Justice Marshall commenced his career as a lawyer for the NAACP. He began the work of creating a more just society by challenging pay gaps between black and white teachers in Maryland. Justice Marshall then went on to open for others the very door that had been closed to him: he won a lawsuit against the University of Maryland Law School that forced it to admit black students.

While working for the NAACP, Justice Marshall fought an unending battle against racism and inequality in laws. As a result of fighting for the rights and freedoms of others, Justice Marshall's own freedom—an even his life—was constantly in danger. On more than one occasion he was harassed and threatened. In Tennessee, he was arrested on false charges; and when he was in Florida to argue a case where a local sheriff set up the defendant, the Governor assigned the state police to protect him, out of concern for his safety. Justice Marshall was not intimidated and continued his crusade, becoming chief counsel for the NAACP.

Justice Marshall was behind the successful strategy of using the courts to achieve racial equality. He first attacked school segregation at every level, culminating in the landmark Brown v. Board of Education decision that ended segregation in public schools in 1954.

During his career with the NAACP, Marshall won 29 of the 32 civil rights cases he argued before the Supreme Court. Some of the important, but lesser known, victories that Justice Marshall won were: to stop the government from enforcing property covenants that restricted the sale of land by race; to end discrimination in interstate bus travel; and to end whites-only primary elections.

In 1961 President Kennedy nominated Marshall for a seat on the Second Circuit Court of

Appeals, and in 1964 President Johnson appointed Marshall as solicitor general.

After serving three years as solicitor general, President Johnson nominated Thurgood Marshall for a seat on the Supreme Court. Justice Marshall overcame opposition from southern senators to be confirmed by the Senate and went on to serve on the Supreme Court for 24 years, during which time he wrote many of the Court's most important decisions. Throughout his service on the Supreme Court, Justice Marshall continued to be a strong advocate of individual rights, and remained true to his crusade to end discrimination.

By fighting and winning as he did for the protection to the rights of minorities, Justice Marshall brought greater protection to the rights of all Americans.

The career, character, and contributions of Justice Thurgood Marshall are without equal. His struggles for equality and dignity for all people were of historic proportions. He has given to the American public an enduring symbol of leadership, determination, compassion, and honor.

There is no tribute we could bestow upon him that could in any way enhance the record he complied himself as a distinguished advocate of the Constitution and its fair and equal application to all Americans.

Mr. Speaker, I am honored to support this bill and urge its passage.

Mr. COSTELLO. Mr. Speaker, continuing my reservation of objection, I yield to the gentleman from Ohio (Mr. LATOURETTE), the ranking member of the subcommittee.

Mr. LATOURETTE. Mr. Speaker, I thank the gentleman for yielding to me.

H.R. 988 designates the U.S. courthouse at 40 Centre Street in New York as the Thurgood Marshall United States Courthouse.

Mr. Speaker, similar legislation to honor this great jurist passed the House in the 104th, the 105th, and the 106th Congress. Sadly, and unfortunately, the other body has not acted.

I too want to congratulate our colleague, the gentleman from New York (Mr. ENGEL) for his persistence in bringing this important matter to our attention. It is a bill worthy of being enacted by this body, and hopefully we can have it on the President's desk for his signature.

Mr. COSTELLO. Further reserving my right to object, Mr. Speaker, I yield to the gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Speaker, first of all, let me thank the gentleman from Illinois (Mr. COSTELLO), the gentleman from Ohio (Mr. LATOURETTE), the gentleman from Alaska (Mr. YOUNG), and the gentleman from Minnesota (Mr. OBERSTAR) for their assistance in bringing the bill to the floor. It is a pleasure working with them, and a special thanks to the gentleman from Illinois (Mr. COSTELLO).

Mr. Speaker, I am proud to be the sponsor of H.R. 988, which designates the United States courthouse at Foley Square in New York City as the Thurgood Marshall United States Courthouse.

Thurgood Marshall, of course, was the first African American Supreme Court justice and one of the most well-known leaders of the Civil Rights movement. His efforts were instrumental in the landmark case Brown v. Board of Education which made segregation in schools illegal.

Realizing his abilities, President Kennedy appointed him to the Second Circuit of the U.S. Court of Appeals. He next served as Solicitor General under President Johnson and won 29 of the 32 cases he argued. When he was appointed to the Supreme Court of the U.S., President Johnson stated that it was, "The right thing to do, the right time to do it, the right man, and the right place." And I could not agree more.

Mr. Speaker, my legislation has the support of Thurgood Marshall's family, the New York State Senate, the New York State Bar Association, and the New York State County Lawyers Association, of which Marshall was a long-time member. The Federal courthouse at Foley Square is where Thurgood Marshall practiced when appointed by President Kennedy to the U.S. Court of Appeals for the Second Circuit in 1961.

This is an honor for Thurgood Marshall, it is a fitting honor, and I thank the House for considering this important legislation and look forward to its passage.

Mr. COSTELLO. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the bill, as follows:

H.R. 988

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The United States courthouse located at 40 Centre Street in New York, New York, shall be known and designated as the "Thurgood Marshall United States Courthouse".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in section 1 shall be deemed to be a reference to the "Thurgood Marshall United States Courthouse".

The bill was ordered to be engrossed, read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LATOURETTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bills H.R. 2501 and H.R. 988.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXPRESSING SENSE OF CONGRESS REGARDING ESTABLISHMENT OF NATIONAL HEALTH CENTER WEEK

Mr. LATOURETTE. Mr. Speaker, I ask unanimous consent that the Committee on Government Reform be discharged from further consideration of the concurrent resolution (H. Con. Res. 179) expressing the sense of Congress regarding the establishment of a National Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

□ 2310

The SPEAKER pro tempore (Mr. BEREUTER). Is there objection to the request of the gentleman from Ohio?

Mr. DAVIS of Illinois. Mr. Speaker, reserving the right to object, although I will not object, I rise today in support of this important resolution, and I am pleased to have been a major sponsor of this legislation along with the gentleman from Massachusetts (Mr. CAPUANO), the gentleman from Florida (Mr. BILIRAKIS), and the gentleman from Texas (Mr. BONILLA), my fellow co-chairs of the Community Health Center Caucus.

I thank the gentleman from Illinois (Mr. HASTERT), the gentleman from Missouri (Mr. GEPHARDT), the gentleman from Indiana (Mr. BURTON), and the gentleman from California (Mr. WAXMAN) for expediting this resolution to the floor.

The resolution before us simply urges the establishment of a Community Health Center Week beginning on August 19. The establishment of Community Health Center Week would raise awareness of health services provided by the more than 1,029 community health centers located in rural and urban communities throughout America.

Community health centers have stood in the gap providing health services to the poor and medically underserved throughout our Nation, in public housing, homeless shelters and in rural America. It is a program that has been successful and is currently serving over 12 million people at 3,200 health delivery sites throughout the United States, Puerto Rico, Guam and the Virgin Islands. Health centers have been cost-effective and at the same time provide quality health care to their patient population. They are truly community oriented and patient focused.

In addition, health centers play a major role in helping to reduce health disparities. We still remain a Nation divided when it comes to health care, divided along the lines of those who have and those who have not access to care. Health centers have to bridge the gap between those entities.

A National Health Center Week will allow health centers to raise awareness and educate the public about health issues and the role that they play in our communities. Therefore, I am pleased to support this resolution, and urge its immediate adoption.

Mr. Speaker, I thank the gentleman from Ohio, and urge adoption of this resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 179

Whereas community, migrant, public housing, and homeless health centers are vital to many communities in the United States;

Whereas there are more than 1,029 such health centers serving nearly 12,000,000 people at 3,200 health delivery sites, located in all 50 States of the United States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands;

Whereas such health centers have provided cost-effective, quality health care to poor and medically underserved people in the United States, including the working poor, the uninsured, and many high-risk and vulnerable populations;

Whereas such health centers help reduce health disparities, meet escalating health care needs, and provide a vital safety net, in the health care delivery system of the United States;

Whereas such health centers provide care to 1 of every 9 uninsured Americans, 1 of every 8 low-income Americans, and 1 of every 10 rural Americans;

Whereas the people to whom such health centers provide care would otherwise lack access to health care;

Whereas such health centers and other innovative programs in primary and preventive care serve 600,000 homeless persons and more than 650,000 farm workers in the United States;

Whereas such health centers make health care responsive and cost-effective by integrating the delivery of primary care with aggressive outreach, patient education, translation, and other enabling support services;

Whereas such health centers increase the use of preventive health services, including immunizations, pap smears, mammograms, and glaucoma screenings;

Whereas in communities served by such health centers, infant mortality rates have decreased between 10 and 40 percent;

Whereas such health centers are built through community initiative;

Whereas Federal grants assist participating communities in finding partners and recruiting doctors and other health professionals;

Whereas Federal grants constitute, on average, 28 percent of the annual budget of such health centers, with the remainder provided by State and local governments, medicare, medicaid, private contributions, private insurance, and patient fees;

Whereas such health centers are community-oriented and patient-focused;

Whereas such health centers tailor their services to fit the special needs and priorities of communities, working together with schools, businesses, churches, community organizations, foundations, and State and local governments;

Whereas such health centers contribute to the health and well-being of their communities by keeping children healthy and in school and helping adults remain healthy and productive;

Whereas such health centers encourage citizen participation and provide jobs for 50,000 community residents; and

Whereas the establishment of a National Community Health Center Week for the week beginning August 19, 2001, would raise awareness of the health services provided by such health centers: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that—

(1) there should be established a National Community Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers; and

(2) the President should issue a proclamation calling on the people of the United States and interested organizations to observe such a week with appropriate programs and activities.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LATOURETTE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res. 179.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CONGRATULATING UKRAINE ON TENTH ANNIVERSARY OF REESTABLISHMENT OF ITS INDEPENDENCE

Mr. TANCREDO. Mr. Speaker, I ask unanimous consent that the Committee on International Relations be discharged from further consideration of the resolution (H. Res. 222) congratulating Ukraine on the tenth anniversary of reestablishment of it independence, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

Mr. SCHAFFER. Mr. Speaker, reserving the right to object, later this month on August 20, the gentleman from Illinois (Mr. HASTERT) has authorized a delegation of Members of this House to travel to Ukraine to help the Ukrainian people and to celebrate with them in their celebration of the tenth anniversary of Ukrainian independence. It is a celebration of victory that belongs to the people of Ukraine, and I thank the gentlewoman from Ohio (Ms. KAPTUR) for her help in bringing this resolution forward and delivering it to the people of Ukraine later this month.

Ms. KAPTUR. Mr. Speaker, will the gentleman yield?

Mr. SCHAFFER. Further reserving the right to object, I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Speaker, I thank the gentleman from Colorado (Mr. SCHAFFER) who co-chairs the Ukrainian Caucus with myself; we have several dozen Members who are participants in that. For dropping this resolution, H. Res. 222, congratulating Ukraine on the tenth anniversary of the reestablishment of its independence, we ask for the unanimous approval of the membership.

Mr. Speaker, it is important to remind ourselves and think about the fragile beginnings of our own Republic, after 10 years, where were we. We did not even have a Constitution in place, and it took us almost a century more to grant civil rights to all of our people. And voting rights did not come until almost another 70 years later to women, then in the mid-20th century to minorities.

So we see the struggle of this democratic Nation, this democratic Republic, to provide greater and fuller, more robust liberties to all of her people. We look at Ukraine after 10 years, she has been building broad and durable relations with the 1994 charter for Ukrainian-American partnership, friendship and cooperation, and also her distinctive partnership since 1997 with NATO.

Ukraine has done many things that the West has asked, including dismantling her nuclear arsenal. On June 28, 1996, Ukraine's parliament voted to adopt a democratic constitution of the Ukraine, providing for presidential and parliamentary elections, and we are about to embark on the third set of parliamentary elections.

Mr. Speaker, I would say to the gentleman from Colorado (Mr. SCHAFFER) and, indeed, our entire membership that Ukraine has been trying to pursue friendly relations with her neighboring countries and has been consistently pursuing a course of European integration with a commitment to ensuring democracy and prosperity for its citizens. The road has not always been easy.

Mr. Speaker, it still has many rough bumps in that road, certainly the full development of free press and independent media; the development of a rule of law and a judicial system; a legislative branch of the government that participates fully and equally with the executive. And as we move this resolution forward, we want to walk alongside Ukraine on this journey, and we urge her to join with the community of freedom-loving nations and European nations, and hopefully in our lifetime see her fully integrated into the European and trans-Atlantic set of institutions that we have all come to respect and love.

Mr. Speaker, I thank the gentleman for yielding, and urge this resolution's swift passage. I thank the gentleman from Illinois (Mr. HASTERT), the gentleman from Illinois (Mr. HYDE), the gentleman from California (Mr. LANTOS), the gentleman from California (Mr. GALLEGLY), the gentleman from New York (Mr. ENGEL), all Members who have supported this resolution at the authorizing level, the gentleman from Colorado (Mr. TANCREDO), and the gentleman from Nebraska (Mr. BEREUTER) who shares our interest in moving Ukraine forward.

Mr. SCHAFFER. Mr. Speaker, I thank the gentlewoman for her help and leadership on this important issue.

Mr. Speaker, Ukraine faces certain challenges. There is no question about that, and the United States is prepared to pay whatever supportive role it can to help promote private property ownership, freedom of speech, human rights and political stability. Despite all of those challenges, and some of them are not coming soon enough, the economic growth in Ukraine is opening up Ukrainian people to a tremendous amount of prosperity that they have not experienced before.

As I said before, there are lot of political figures that we have had a chance to meet over time, but the tenth anniversary of Ukrainian independence is a victory and celebration for the people of Ukraine. Their hope for freedom, democracy and an enduring, independent nation is our hope as well, and we are anxious to get to Ukraine and celebrate this monumental event with them.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 222

Whereas the proclamation on August 24, 1991 of the independence of Ukraine led to the disintegration of the Soviet Union;

Whereas Ukraine and the United States, proceeding from their shared commitment to democratic values, have expressed their determination to build broad and durable relations in the 1994 Charter for Ukrainian-American Partnership, Friendship and Cooperation and Ukraine is a country that maintains a distinctive partnership with NATO since 1997;

Whereas on June 28, 1996, Ukraine's Parliament voted to adopt the democratic Constitution and Ukraine has conducted its presidential and parliamentary elections according to it, moving further away from the former communist model of one-party totalitarian rule; and

Whereas Ukraine since its independence has successfully transferred from a colony of the Soviet empire into a viable, peaceful state, which established exemplary relations with all, neighboring countries and consistently pursues a course of European integration with a commitment to ensuring democracy and prosperity for its citizens: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) as a leader of the democratic nations of the world, the United States commends and congratulates the people of Ukraine on the tenth anniversary of Ukrainian independence;

(2) the President and Parliament of Ukraine should continue their efforts to maintain the balance of powers between the executive and legislative branches of government and ensure that their cooperation is aimed at furthering democratic reforms and strengthening civil society based on the rule of law; and

(3) the United States should continue to assist in building a truly independent Ukraine through encouraging and supporting democratic and market-economy transformations in Ukraine, keeping the doors of European and Trans-Atlantic institutions open to this nation.

The resolution was agreed to.

A motion to reconsider was laid on the table.

☐ 2320

APPOINTMENT OF HON. FRANK R. WOLF TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH SEPTEMBER 5, 2001

The SPEAKER pro tempore (Mr. BEREUTER) laid before the House the following communication from the Speaker:

WASHINGTON, DC,
August 2, 2001.

I hereby appoint the Honorable FRANK R. WOLF or, if not available to perform this duty, the Honorable WAYNE T. GILCHREST to act as Speaker pro tempore to sign enrolled bills and joint resolutions through September 5, 2001.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the appointment is approved.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

INTRODUCTION OF DEPARTMENT OF ENVIRONMENTAL PROTECTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HORN) is recognized for 5 minutes.

Mr. HORN. Mr. Speaker, recently I introduced legislation, H.R. 2694, to elevate the Environmental Protection Agency, EPA, to a permanent Cabinet-level position. It has been 31 years since the EPA was first established, and I would suggest to my colleagues that this legislation is long overdue.

This is not the first time the House of Representatives has been asked to consider this legislation, and indeed it is not even the first bill on the subject this year. But in many respects, it is a better bill than its predecessors, and I hope it will move swiftly through the legislative process.

On December 2, 1970, our Nation marked its first major environmental milestone by establishing the Environmental Protection Agency. In so doing, then President Richard Nixon stated, "I am making an exception to one of my own principles: that, as a matter of effective and orderly administration, additional new independent agencies normally should not be created. Because environmental protection cuts across so many jurisdictions and because environmental deterioration is of great importance to the quality of life in our country and the world, I believe that in this case a strong, independent agency is needed."

President Nixon's overriding concern to be addressed by the establishment of the EPA was that although numerous parts of the Government may have been sympathetic to protecting environmental quality, no one distinct department existed to focus solely on our environment. Moreover, the mission statements and purposes across departments necessarily affect how each department views environmental protection, leading to inconsistent and varying ideas of real protection.

Thus, the EPA was organized. Since 1970, we have made a number of important strides to improve our environment, including such historic legislative achievements as the Clean Air and Clean Water Acts. Today, the administrator of the EPA is a member of President Bush's Cabinet. But, the Administrator serves in that capacity at the pleasure of the country's chief executive officer. If we are truly serious about maintaining our commitment to environmental protection, Cabinet-level status must be made permanent by elevating the EPA to a full department.

In each of the past several Congresses, my colleagues and I have attempted to elevate the EPA to a Cabinet-level department. The closest that we came to achieving this principle occurred in 1993. The base legislation at that time was developed by the gentleman from Michigan (Mr. CONYERS), then chairman of the House Committee on Government Operations. This bill, in turn, was similar to legislation crafted by Senator Glenn and considered by the Senate. That bill passed the Senate by a wide margin, 79–15.

The reason to introduce the bill remains as pressing today as it was in

1993 and certainly as it was in 1970. Protecting our environment is a priority for all Americans. To give this function the attention it deserves really necessitates elevating the EPA to the Department of Environmental Protection. H.R. 2694 does precisely this. In no small part, this commitment and elevation of the EPA signals to our world partners and to our own citizens that environmental protection and restoration is at the top of our policy priorities.

Besides elevating the EPA to a full department, we should look upon this as an opportunity to fix long overdue procedural challenges. In particular, we have an opportunity to ensure that in addressing environmental regulations, the Department utilizes the best science that is currently available and that sound public health priorities will actually be addressed by the proposal. It is worth noting that in passing their version of the legislation, the Senate included this very proposal and passed it by a vote of 95-3. It is refreshing to see that sometimes policy considerations can prevail over partisanship.

We face serious challenges to prevent global warming, to reduce toxic emissions, to assure quality air and to prevent other harmful discharges to ensure that we have clean sources of drinking water. These are large challenges with which we cannot afford to play politics. Evaluating the Environmental Protection Agency allows us the opportunity to take politics out of the equation, but we need to do it correctly. I look forward to working with my colleagues and the administration to move forward on this important bill.

MINNESOTANS MOURN THE DEATH OF KOREY STRINGER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. RAMSTAD) is recognized for 5 minutes.

Mr. RAMSTAD. Mr. Speaker, the people of Minnesota and Minnesota Vikings football fans around the world are mourning today because we have had a tragic death in the family.

Minnesotans are devastated over the loss of Korey Stringer, the gifted all-pro Minnesota Vikings football player, loving husband and father, popular hero to Minnesota kids and respected role model in our great State.

As Vikings head coach Dennis Green put it, "We have lost a brother, a teammate and a friend. Everybody loved, respected and admired Korey Stringer. He was our gift from heaven."

Mr. Speaker, Minnesota lost more than just the anchor of the Vikings offensive line when Korey Stringer died at 1:50 this morning because of heatstroke. We lost much more than a Pro Bowl football player. We lost one of the finest people in the National Football League and our Twin Cities community.

As my friend Minnesota Vikings all-pro wide receiver Cris Carter said yesterday, "There was not a more well-liked player on our football team, but it's far greater than about football."

Korey was in his seventh season as a Viking after he was drafted in the first round in 1995 as a 20-year-old from Ohio State. Even though Korey was a native of Warren, Ohio, he chose to make the Twin Cities area his permanent home. He was a huge man physically, 6 feet 4, 335 pounds, and his heart was even bigger.

Known as a gentle giant, Korey Stringer gave so much to our Twin Cities community. He established Korey's Crew community service programs at local schools and at the St. Paul public library, and he was always available to help kids when help was needed. He loved to visit kids in local hospitals and schools, and he was one of the most involved Vikings in our community.

□ 2330

Brad Madson, Director of Community Relations for the Vikings said yesterday, "Korey was one of a handful of players who wanted to get involved in the community. When he wasn't performing community service as part of his own Korey's Crew program, he was there supporting his teammates' community efforts."

A fifth-grade teacher at Bancroft Elementary in South Minneapolis, where Korey Stringer visited the kids weekly to talk about the importance of reading and staying in school, paid tribute to Korey yesterday by saying, "Korey Stringer was not commanding or brash. He was genuine and honest, and kids were drawn to him like a magnet.

"When Stringer visited schools, he signed autographs, shook hands and posed for photographs. But then he sat down and listened to the students' stories. He made them smile and laugh. And he came with his oft-repeated message: Read, stay in school, be responsible, be respectful."

Another teacher said yesterday, "A lot of times celebrities come and they spend 5 to 10 minutes, give a speech and then leave. Not Korey Stringer. He arrived early, greeted each youth, took photos with them, asked them about their favorite books and talked to them about them. He stayed until the last kid left. Not only did the Vikings lose a good football player, but the community lost a good man."

USA Today had a wonderful story in today's edition about Korey's love and concern for others. Just last week, Korey visited with Steven Arnold, who had been an assistant coach when Stringer played at Harding High School in Warren, Ohio. Coach Arnold told Stringer they were having equipment problems with a local youth football team, not enough money to buy equipment. Stringer went right out to his truck and signed over his Pro Bowl to the youth football team. That was Korey Stringer.

Mr. Speaker, Minnesota Vikings owner Red McCombs summed it up well when he said, "We have lost a truly remarkable man who was an outstanding husband, father and football player."

My good friend of many years, former Viking Joe Senser, who is now the radio voice of the Minnesota Vikings, said, "You will not find a better family man who loved his family more."

Korey's loving wife Kelci, 3 year-old son Kodie and his extended family are in the thoughts and prayers of all of us. Korey, you might be gone, but you will never be forgotten by the people of Minnesota.

AMERICA SHOULD NOT TURN ITS BACK ON WORLD CONFERENCE AGAINST RACISM

The SPEAKER pro tempore (Mr. OSBORNE). Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I would also like to be associated with the remarks of the gentleman from Minnesota relative to the loss of Korey Stringer, who not only was a great football player, but indeed was a role model, not only for Minnesota, but for the entire Nation. So we share with you the comments you have just made.

Mr. Speaker, as we speak, an intensive 2 week effort is under way in Geneva to finalize plans for the World Conference Against Racism, Racial Discrimination, Xenophobia and Related Intolerance. The World Conference, to be held in Durban, South Africa, on August 31, is expected to be the most important international meeting on racism ever held.

Given America's tragic history of racial oppression, racism and inequality and the bloody struggles required to end slavery, lynching, Jim Crow discrimination in employment, education, health care and public accommodations, one would assume that America would have some important lessons to share with the international community.

Given the heavy price the world has been forced to pay as a result of the slave trade, one would assume that America would be sensitive and responsive to an attempt to clarify that history and examine means of redressing the wrongs of slavery and racism.

Given the ongoing conflicts and the heritage of conflict as a result of the exploitation of the Third World and other developed nations, largely driven by the American slave system, driven by the lingering aftereffects of the slave trade, one would assume that America would be sensitive and responsive to an attempt to clarify that history and examine means of redressing the wrongs of slavery and racism.

Given the contradictions arising from the international debt crisis, from the process of globalization and trade driven by the great inequalities between the rich nations and the poor nations, one would assume that America would be sensitive and responsive to an attempt to clarify that history and examine means of redressing the wrongs of slavery and racism.

One would assume that America would feel a powerful sense of responsibility to share those experiences, because we understand the immense human, social and economic costs associated with the evils of racism and discrimination.

Unfortunately, if one were to make those assumptions, one would be wrong. Our State Department has indicated that the United States will not attend the World Conference unless two items are struck from the proposed agenda: The characterization of Zionism as racism, and the issue of reparations for slavery and colonialism.

In international forums from Ireland to the Mideast, from Southern Africa to the Indian sub-continent, America has always insisted that problems cannot be solved, that differences cannot be narrowed, if we refuse to discuss them.

Suddenly America has become the loner in world diplomacy, insisting it is our way or no way. The Anti-Ballistic Missile Treaty, the Germ Warfare Treaty, the Kyoto Global Warming Treaty, and now the World Conference on Racism.

What kind of superpower are we? Are we about democracy, about democratic process, about transparency and mutual self-interest? Or are we about imposing our will on international consultations, about insisting on predetermining the outcomes of discussions between nations?

Only those who fear the outcome of fair and open discussion have reason to refuse to engage in debate and discussion. I believe that we have nothing to fear in openly and honestly exploring history and in repudiating racism.

It is time to come to grips with racism and the legacy of racism. It is in our national interests and in our international interests.

UN Secretary General Kofi Annan has correctly defined the problem. He stated we need to "find ways to acknowledge the past without getting lost there; and to help heal old wounds without reopening them."

If America is serious about its affirmation that racism and democracy are fundamentally incompatible, and I think that we are serious about it, then America must be at the table on August 31.

So I would hope, I would pray, and I would urge that America do in fact attend the conference, participate, and explore with the rest of the world attempts to find solutions to our past and present problems.

RESPONDING TO SECESSIONIST ARGUMENTS AGAINST INDIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I come to the House floor tonight to respond to statements made by some of my colleagues in their extensions of remarks on July 24. Their reference is to various secessionist movements in India.

My colleagues suggest that Muslims in Kashmir and Sikhs in Punjab, among other religious and ethnic groups in certain Indian states, have the right to separate their states from the Indian Nation. They seek the United States' support for secession. But their theory is not based on the American experience.

These critics deem the recent landmark summit between India and Pakistan a failure because it did not produce any substantive agreement over Kashmir. They argue that Indian Prime Minister Vajpayee's refusal to speak extensively on Kashmir was a testament to India's contempt for democracy.

Mr. Speaker, I would like to draw a parallel between India, the world's largest democracy, and our own democracy in the United States. We cannot forget the principles on which this Nation was founded and the war we fought to maintain these principles, for it was in the Civil War that the Union fought to keep the South from seceding and to keep this Nation united.

□ 2340

It was South Carolina's act of secession that was fiercely battled on American soil to keep the United States together at any cost. Americans refused to give in to the South's secession on idealogical grounds and vehemently denied any right to secession based on the Constitution or the American historical experience. The framework of this Nation is founded on the fundamental notion that States cannot secede.

My colleagues condemned India for trying to keep the Nation together. India is a model for democracy in the South Asia region. India is supporting the same ideals that shaped the history and success of the United States. We should support India in its opposition to State secession.

Americans cherish the unity and patriotism that we fought so hard to maintain during the Civil War. India is fighting a battle that America fought in the 19th century and all for the same outcome: a united country.

My colleagues have made claims that India is not one nation, but rather a multinational state put together by the British for administrative convenience. Their claims ignore India's history, its independence movement, and the principles on which India was founded.

India was founded as a secular state based on an equality of religions. Secularism is the thread that holds together the fabric of diversity that characterizes India. Muslims and Sikhs do not need to secede from such a nation. Secession based on religion or any other idealogical principle goes against the secularism that India stands for, and it is the secularism that India cannot afford to compromise in its fight for democracy.

Mr. Speaker, a divided India is a recipe for chaos. A peaceful and smooth transition to a split India is not feasible. With the diverse array of regions, 18 official languages and 17 freedom movements in India, the breakdown of India would be disruptive for its people and the international community. A divided India is more susceptible to outside influence and the possible resurgence of colonialism. For a country such as India, unity is its strength.

While a joint agreement may not have come out of the India-Pakistan summit in July, we must realize that India has a sincere desire to improve relations with its neighbors. A united and strong India is a necessary prerequisite for cultivating a positive relationship with not only Pakistan, but all of South Asia.

IMMIGRATION REFORM

The SPEAKER pro tempore (Mr. OSBORNE). Under a previous order of the House, the gentleman from Colorado (Mr. TANCREDO) is recognized for 5 minutes.

Mr. TANCREDO. Mr. Speaker, we are once again approaching a national discussion with the regard to the issue of immigration, and I am glad we are doing so because it is, of course, an important one.

I am concerned because many times this particular issue is one that we are reluctant to deal with. We are reluctant on the floor of the House; we are reluctant oftentimes in the court of public opinion to discuss the issue of immigration or immigration reform for fear that somehow or other our concerns on this particular topic would be interpreted as being either anti-immigrant or racist in nature.

But it is a fact, Mr. Speaker, that it is one of the most significant and perplexing problems we face as a Nation. It is, I think, one of the most serious of the domestic policy issues that we face as a Nation, because it affects us in a variety of ways. Massive immigration into the United States, especially massive numbers of illegal immigrants into the United States, cause a number of problems. They cause problems not just for people in the United States, but they cause problems even for those coming in.

We have heard, of course, many times of the situations that have occurred as people have come across the border, have been taken advantage of either by people on this side or on the other side of the border, people who charge large sums of money for taking people into the United States illegally; and then when these folks get here, they are oftentimes taken advantage of by employers who know that they can pay them lower than the going rate for wages, they can withhold benefits, they can do all of this because the employee being illegally here cannot do, or refuses, or is fearful of, doing anything about it. So it is bad for the person coming across the border, and it is bad for people here for a variety of reasons.

Massive numbers of people coming across the border, legally and illegally, low-skilled and, therefore, low-wage earners, have a depressing effect on the income of low-income people in the United States. It is difficult for people here to get jobs sometimes; it is certainly difficult for them to compete with people who are working for even lower than minimum wage levels.

But there are even more important and pressing problems that we face in this country as a result of massive immigration, and those problems deal specifically with the cost of infrastructure that has to be developed and created in response to the growing numbers of people in the country.

We have time and time and time again talked about the problems that the Nation faces as a result of an energy crisis. Yesterday, this House, to its credit, passed the President's bill, an energy reform proposal that hopefully will bring us a long way towards solving the energy crisis that we face in this Nation. But why do we face the crisis, is the concern that we should all have.

Why is it that there is not enough energy to go around? Well, the fact is, Mr. Speaker, that the problem is a direct result of the numbers of people that we have coming across the borders in the United States.

The massive numbers of illegal immigrants and legal immigrants have increased the population of the United States dramatically over the last 10 years. According to the United States Census, immigration accounts for over 55 percent of the population increase in the country. As a result, there are, of course, lots of pressures that are brought about in terms of infrastructural costs.

Recently, we have witnessed something else happen. We have witnessed a proposal on the part of a Working Group in the White House, a proposal to provide amnesty to at least 3.5 million Mexicans who are here illegally. Now, that is peculiar in many ways.

First of all, we tried this once before. In 1986, we proposed and, in fact, adopted an amnesty plan. It was designed at that time to reduce the number of illegal aliens coming into the country, to help us get a grip on our immigration problem. It, of course, did not work. It did exactly what we would assume it would do, Mr. Speaker. It encouraged many millions of others to come into the country illegally in the hopes that they too, in time, would be given the opportunity to be legalized because of their illegal activity, I mean as bizarre as that sounds, as incongruous as that sounds, as illogical as that sounds. But, nonetheless, we have done that.

I am concerned about this proposal, and I do hope that we will eventually strike it down.

EMBRYONIC STEM CELL RESEARCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. MCDERMOTT) is recognized for 5 minutes.

Mr. McDERMOTT. Mr. Speaker, I wanted to come to the well tonight to talk a little bit about an issue that has gotten a lot of attention here on the floor, lots of talk and lots of rhetoric, and that is the whole question of embryonic stem cell research. I am a physician and I know firsthand about taking care of these people; I know about health and the issues of morality, and I have devoted my life to trying to improve the health and well-being of individuals, both in the Congress and in the legislature, as well as in my office.

As a physician, I was trained almost 40 years ago, and I am amazed by the medical progress which has occurred over the last few decades. It is hard to believe that in 1924, the President of the United States' son died because he was playing tennis, he developed a blister on his heel, got an infection, and died. That certainly was before antibiotics; it could not happen today. The last 50 years have seen an absolute explosion of medical technology and knowledge in this whole arena.

In the new millennium, the issue that is of the most importance and the most promise is the whole area of stem cells. These are the most primary, primitive cells in the human body that start out as one cell and they become human beings. When we think about the things that can be done with stem cells, the possibilities are unlimited, although our knowledge is limited at this point.

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We have to be able to imagine a day when somebody like Lou Gehrig would have a stem cell treatment that would allow him to live. People like that are hopeless at this point, and stem cell research gives them some hope. I have taken care of people like this, with Parkinson's disease, with Lou Gehrig's disease, Huntington's Chorea, paralysis, blindness, diabetes, and spinal cord injuries.

I put this picture up of Christopher Reeve, Superman, who was riding a horse, broke his neck, and is now paralyzed. This young girl next to him is also paralyzed. These are the people we are talking about finding some help for. Right now, there is no help for either one of them, no hope that they will ever be able to walk again.

Stem cells, as I say, are the most undifferentiated cells. When given the proper signals, they become any specialized cell in the body: brain, blood, liver, lung. The opportunities are unlimited.

There are three sources of these stem cells: adult stem cells; that is, stem cells we would get out of my body or any other adult's body that are operating in the bone marrow to produce blood or something like that; fetal stem cells, that is in babies that are in the womb and/or developing fetuses that are in the womb and for one reason or another are born either naturally or some other way because of an elective procedure; or the third way is from embryos.

Now, how does an embryo come about? People sort of say, where do they come from? Our research right now under the National Institutes of Health in embryonic research is controlled by very strict guidelines. This administration stepped in and stopped what has been going on in this country for the last 8 years.

The question we have to ask ourselves is, why is this? Now, my belief is that it has nothing to do with science, it really is a moratorium on for political reasons. Let me explain why I say that.

The embryonic stem cells come from in vitro fertilization clinics. There are people out there who try to have children in the normal manner and it does not work, so they go to a clinic, and the woman goes through a procedure by which she creates a number of eggs. They are extracted from her body and put in a test tube. The man puts his semen in the test tube, and we start a baby to develop.

Now, that baby, the doctor harvests, and that is the term they use, harvests three eggs, so you have three test tubes. You put these eggs in there and you fertilize them and you start out a child.

When the time comes for the woman to get pregnant, they take one of those and put it in the woman's uterus, and hopefully it takes. If the first one takes, we now only have two left. The question is, what do we do with those? We can throw them away, or we can let them be used for this research.

My belief is that the possibilities are so great that we must continue this research. Throughout history, people have resisted scientific advancement. History is replete with examples of fundamentalist, religious leaders issuing scientific decisions based on absolutely no evidence.

I want to talk today about embryonic stem cell research. There has been a lot of rhetoric out there denying its therapeutic potential, questioning its morality, focusing on adult stem cells, and so on.

I am a physician. I know first-hand about health and morality. I have devoted my life to improving the health and well-being of people—on an individual level as a practicing physician, and through health policy—both in the Washington State legislature and here in Congress.

As a physician who trained roughly 40 years ago, I am amazed by the medical progress just over the past few decades. In the first half of this century, an infected blister could kill, as it did to President Coolidge's 16-year-old son in 1924, following a tennis match at the White House. The last 50 years have borne witness to such an explosion of scientific and medical advances that have saved countless lives and alleviated human suffering.

As we enter the new millennium, stem cell research is the wave of the future in biomedical research.

So much of what I learned in medical school has changed. The untreatable afflictions can be treated, if we just allow science to progress. Imagine the day when Lou Gehrig's Disease is not associated with a miserable and certain death. Think about diabetic children no longer requiring multiple pin-pricks throughout each and every day for the rest of his/her life in order to survive. Picture paralyzed individuals standing up and walking away from their wheelchairs.

I have taken care of patients with many of these afflictions. I have friends who have suffered and some that have died.

Embryonic stem cell research offers unprecedented promise for these and so many devastating diseases and disabilities—Parkinson's disease, ALS, Huntington's Chorea, paralysis, blindness, diabetes—the list is endless. Stem cells are undifferentiated cells, which, given the proper signal, are potentially capable of becoming any specialized cell, such as a brain or blood cell. As such, their potential for saving lives is unlimited.

There are three sources of stem cells—adult, fetal and embryo. Under the Clinton Administration, the National Institutes of Health issued explicit guidelines for research involving stem cells derived from embryos. The guidelines provide stringent requirements that enable scientists to conduct stem cell research within the constraints of careful federal oversight and standards.

Currently, the administration has placed a moratorium on these NIH guidelines and is deciding whether or not to shut the doors on the most promising biomedical research of our time.

Throughout history, people have resisted scientific advancement. History is replete with examples of fundamentalist, religious leaders issuing scientific decisions based on absolutely no evidence. It is déjà vu all over again today with this current Administration as they inject politics into the single most promising biomedical research of the century.

The Administration unfortunately is not committed to research that would hasten medical discoveries, but rather holds science hostage to the Catholic vote. As several New York Times articles report, Karl Rove, the president's chief political adviser is concerned about the views of the Catholic Church because Catholic voters are seen as such a swing vote in the elections. The Administration has degraded medical research and the tremendous potential of embryonic stem cell research into an anti-abortion debate.

We cannot allow the current Administration to withdraw federal support for embryonic stem cell research. It is unconscionable that purely political considerations are obstructing medical discoveries that could help the 120,000 children and one million adults with Type I diabetes; the 500,000 individuals suffering from Parkinson's disease; the 200,000 living day-to-day with the disabling effects of spinal chord injuries; and millions more.

Without a microscope, one cannot even see what this debate is all about. The center of the controversy is a microscopic, days old cluster of cells—this is the embryo.

It is stored in this test tube. It is an egg fertilized by a sperm and stored frozen in one of these—is this life?

I have a question for those who oppose embryonic stem cell research on supposedly "moral grounds"—if you were to pass a home that was on fire and there was a seven year old child in this home, would you risk your life to save that child? I imagine the answer would be yes. If, on the other hand, you passed a fertility clinic that was on fire, would you risk your life to save an embryo? Save one of these test tube?

Embryonic stem cells are developmentally the earliest of all stem cells, and, therefore, they have the greatest potential to become different body cells—greater than adult stem cells. The embryonic stem cell is a unique type of cell that holds the key to cures for so many devastating diseases and afflictions. This is perhaps the first time ever that a solitary source offers so much promise for a multitude of different illnesses.

Limiting crucial research to adult stem cells, a position suggested by the White House and many of my colleagues, is foolishly shortsighted. In fact, the general consensus shared among numerous scientists at a recent National Academy of Science workshop on stem cells was that the evidence for the broad potential of adult stem cells is at best scant.

Despite some reports of success, it is certainly unclear whether adult stem cells have the same promise as embryonic stem cells. First of all, cells for all tissue types have not yet been found in the adult human. Second, genetic disorders would be present in the patient's adult stem cells. Third, all evidence suggests that adult stem cells lack the same capacity to multiply as do embryonic stem cells.

Another compromise suggested by the White House would permit such research but limit it to the very few cell lines already in existence. Not only is this utterly foolish because there is not nearly enough cell lines to make a significant contribution, but it is also hypocritical. These cell lines were most likely not derived in compliance with the NIH guidelines. As the administration is seemingly preoccupied with the morality and ethics of this subject, they may end up advocating research on cell lines that were most likely not derived with any ethical oversight.

Another one of my colleagues has been circulating a Dear Colleague that suggests there is another alternative—that it is possible to remove the embryonic stem cell without destroying the embryo. He refers to a conference attended to by Members and staff at NIH. I was at that conference. The scientists made it abundantly clear that we lack this technology today, and rather, it is years away. We do not have years to waste while we wait.

Some of my colleagues have tried to convince us that there is no clinical evidence to support human embryonic stem cell research. Well of course not, there is a federal moratorium on the research! These cells were only recently isolated, the first grant applications were due at NIH last March, and then the administration placed everything on hold. If they ever allow the research to proceed with full urgency, there will be clinical success.

Furthermore, my colleagues are regrettably misleading and not up-to-date with the scientific literature. There are in fact numerous studies using animal models that demonstrate the tremendous therapeutic promise of embryonic stem cells. These findings challenge much of what I learned in medical school. For instance, medical dogma for decades accepted no hope for so many neurological disorders.

For example, scientists have been able to transform embryonic stem cells derived from mice into the type of neuron that is defective with Parkinson's disease. We know that these neurons work when placed in animals. That is, when these neurons, which were originally derived from embryonic stem cells, are injected into an animal model of Parkinson's, the animal improves.

Have any doubts? Here is the scientific paper that describes these promising results.

Similarly, researchers have transformed embryonic stem cells into the cell which, when defective causes MS. When this cell was implanted into an animal model with MS, the abnormality was repaired.

And here is a scientific paper that demonstrates those findings.

Both of these examples demonstrate the therapeutic potential of embryonic stem cells. Researchers have taken embryonic stem cells and turned them into a desired cell that works. These cells are implanted into animal models with different illnesses, and the animals get better.

Lets turn to diabetes. This paper describes a study whereby embryonic stem cells are transformed into pancreatic islet stem cells. These islet cells responded to sugar in the right way by producing insulin.

For those who say the evidence is lacking, I say, get your head out of the sand. The evidence most definitely is out there.

The prevailing expert scientific opinion supports a thorough investigation of stem cells from all sources. Even the recently released NIH report recognized the unique potential of embryonic stem cells. But for the White house, it is not about advancing scientific discovery. Instead, their concern for the "swing vote" is their modus operandi. For them, this debate is unfortunately about the next election.

Embryonic stem cells are derived from embryos that are produced during in vitro fertilization, a process that creates many more fertilized eggs than are implanted into women trying to become pregnant. Unused embryos are stored frozen in test tubes and eventually thrown away. Embryonic stem cell research would use only these excess embryos, obtained from fertility clinics and with consent from the donors.

In other words, if the research were not performed, these embryos would be discarded. And how many embryos would be "saved" if the research did not take place? The answer is none. Opponents argue for embryonic adoption. But for the most part, the vast majority of couples do not want to donate their genes to strangers. No policy made in the White House or in Congress will result in these couples changing their minds.

Thus, we are having a debate over whether to perform life-saving research or to dispose of the embryos and abandon the greatest hope for a cure for so many devastating illnesses.

Those opposed to embryonic stem cell research assert that their position is based on ethical and moral grounds. But what is so ethical or moral about prohibiting research to alleviate human suffering? It is utterly hypocritical and outrageous that the opposition remains silent over the fact that these embryos are thrown away in fertility clinics, but conveys such fury over saving them to perform vital life-saving research.

How can we compare the importance of a group of cells smaller than the dot at the end of this sentence with the poor quality of life and decreased life expectancy for young children with insulin-dependent diabetes? In fact, it is completely amoral to deny access to the single most promising research of today.

The Administration lacks support from many members of its own party, with several conservative pro-life Republicans openly supportive of embryonic stem cell research. When Orin Hatch insists that a frozen embryo stored in a refrigerator in a clinic is not equivalent to an embryo or a fetus in the womb, the Administration's facade of having a commitment to promote innovative medical research is completely undermined.

Banning federal funding for such embryonic stem cell research would not eliminate it. Ironically, such research would then take place in the private market without the benefit of ethical regulation. Under the Clinton Administration, the National Institute of Health issued explicit guidelines for embryonic stem cell research. The guidelines provide stringent requirements that enable scientists to conduct research within the constraints of careful federal oversight.

Prohibiting federal support for embryonic stem cell research will severely impede medical progress. Federal support is critical because it would greatly expand resources. Not only would the government provide crucial funding, but public support also enables multiple parties to simultaneously pursue critical research, thereby increasing the chances for significant discoveries over a shorter period of time. Without federal support, scientific advances would be held hostage to exclusivity rights held by a single entity in the private market.

Furthermore, very few NIH grants were received this past March because investigators fear that the guidelines will be overturned. Without federal support, scientists who work with embryonic stem cells must create a separate lab for such work if they hope to ever receive NIH grants for other areas of research. This is to avoid the possibility of "contaminating" equipment for sanctioned research with that of embryonic stem cell research. The ramifications of banning this research will therefore be felt in scientific discoveries far beyond the stem cell debate.

Actually, we are already witnessing the consequences, as the exodus of our best and brightest minds has begun. A few weeks ago, UCSF (University of California at San Francisco) lost a leading stem cell researcher who moved to Cambridge, England. He left so that he can proceed with his work. As the university's chancellor for medical affairs said: "If federal support for stem cell research is not forthcoming, the risk exists that talented scientists will leave academic centers to seek opportunities in the private sector or even overseas."

America has been on the forefront of scientific discovery. The administration is jeopardizing our position and taking us several steps backward to assuage the fundamentalist attitudes of the minority.

The White House is currently "reviewing" the matter; in other words, they are assessing the polls and the impact of any decision on the 2004 elections. It is not secret that Mr. Rove has consulted the National Conference of Catholic Bishops on this issue. Enough time has been wasted. The Administration must act now to separate political aspirations from scientific discovery.

"A responsible leader is someone who makes decisions based upon principle, not based upon polls or focus groups." The New York Times reminds us that President Bush spoke these words a few days before Election Day. Perhaps someone should remind the President.

I implore my colleagues and this administration to support embryonic stem cell research. Furthermore, I urge you to support my bill—"The Stem Cell Research Act of 2001" (H.R. 2059). This bill not only supports this crucial research, but it also advocates for federal support of the derivation process itself. That is, instead of relying on private companies to derive the stem cells, we must support and fund this process as well.

I want to close in the issue of morality. Here is a real-life picture of what we are talking about. This is a picture of an embryo, magnified several thousand times. This area here, between the 8 and 10 o'clock position is the area from which stem cells are obtained. It actually contains about 100 cells. There are more cells in a drop of blood from a pin-prick than there are in this one section of the photo.

And here is Mr. Christopher Reeve with a young child—both of whom who were tragically paralyzed.

Are we going to ignore Mr. Reeve and this child? I fervently believe that the moral obligation is to help these individuals and the millions of Americans who are suffering from debilitating illnesses and disabilities. We must focus on those already born who urgently await medical progress.

For the first time ever, cures for so many afflictions that historically have been considered hopeless are now on the horizon. The fact is that embryonic stem cells come from cells that were destined to be discarded in any case. It is high time to separate politics from science.

A FEW THOUGHTS ON ENERGY

The SPEAKER pro tempore (Mr. OSBORNE). Under a previous order of the House, the gentleman from Maryland (Mr. EHRLICH) is recognized for 5 minutes.

Mr. EHRLICH. Mr. Speaker, a few thoughts on energy.

Last night we acknowledged our duty as responsible stewards of America's economy in putting forth a sound energy policy that respects and protects our environment.

We adopted a long-term energy strategy, and it was balanced, Mr. Speaker, between conservation and investments in renewable, nonrenewable, and nuclear sources. We never lost sight of our responsibility for the health and vitality of our environment.

H.R. 4 places confidence in America's ability to develop technologies and market incentives to address our energy need in an environmentally safe and cost-effective manner. Americans rely on clean, abundant, and affordable energy, Mr. Speaker. All of us want a strong economy and a clean, healthy environment.

Last night, this House reaffirmed its commitment to these principles. Further, last night's vote was more than drilling for oil or CAFE standards or gasoline additives.

We refused to reward oil-producing nations openly hostile to the United States of America. We said no to OPEC's political whims in setting the world price for oil. We said no to taking away consumer choice in preference and safety that would have eliminated tens of thousands of jobs, good jobs, Mr. Speaker, for American workers.

We did much more. We created a balanced strategy for America's national economic security and environmental need. We laid the groundwork to break this Nation's dangerous dependency on foreign oil through investments in alternative and renewable energies such as fuel cells, wind, solar, geothermal, biomass, and fusion energy.

We spoke up, Mr. Speaker, for those in our society whose voice is seldom heard, poor, low-income Americans, by reauthorizing and improving upon the Low-income Home Energy Assistance Program, the so-called LIHEAP program, and weatherization programs.

Mr. Speaker, we approved H.R. 4 last night. It is a responsible, balanced energy strategy which recognizes the need for conservation, alternative energy, and a healthy environment. This was a great day for America. It was a critical day for Marylanders, particularly, and for all Americans.

Mr. Speaker, I yield to my friend, the gentleman from the great State of Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. I thank my colleague for yielding to me, Mr. Speaker, and I appreciate his remarks on legislation on energy.

One other part of that legislation had to do with the Buy Indian Act for the first Americans, involving the first Americans in energy transmission and production, and a myriad of other activities that will help bring economic vitality to the reservations and sovereign nations.

CONCERN ABOUT SIDS AND NATIVE AMERICAN TRIBES

Mr. HAYWORTH. Mr. Speaker, I rise tonight to speak of another concern shared by all Americans, but especially the first Americans. That would be SIDS, or Sudden Infant Death Syndrome. SIDS can happen to any family and is one of the major causes of death in babies from 1 month to 1 year of age.

SIDS is used to describe the unexplained death of an infant, and the cause of this condition is not known at this time. Researchers continue to investigate this mysterious and tragic syndrome.

Congress has a special trust responsibility to assure the highest possible health status for Native Americans. Despite this trust responsibility, Native Americans and Alaska natives continue to bear a disproportionate burden of illness and premature mortality in comparison with other populations in the United States.

I am extremely concerned about SIDS because this tragic syndrome is the leading cause of infant mortality among Native Americans and Alaska natives.

CONCERN ABOUT SIDS AND NATIVE AMERICAN TRIBES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. HAYWORTH) is recognized for 5 minutes.

Mr. HAYWORTH. Mr. Speaker, specific risk factors have been identified, and through identification and implementation of learned actions, there is a potential reduction in the incidence rate of SIDS by up to 40 percent. Infant mortality rates among Native Americans in Indian Health Service areas was 9.3 versus 7.6 in the United States for all races.

Now, understand that among Native Americans, that means the incidence of infant mortality is 22 percent higher. The areas in Tucson, Aberdeen, and Nashville exceeded the U.S. rate by over 50 percent. Infant mortality for SIDS in Indian Health Service areas average 2.3 times greater than all races in the United States, and three times the Caucasian rate.

As I mentioned earlier, Mr. Speaker, the cause of SIDS is not known at this time. Researchers continue their important work to investigate and to understand and to try to prevent this syndrome. It is known that behavior modification and risk factor awareness has proven to reduce the incidence of SIDS by up to 40 percent.

Mr. Speaker, we must look to partner with the Indian Health Service, Indian Health Service Area Health Boards, Tribal health departments, and Tribal Councils to develop culturally sensitive national, regional, and local SIDS risk reduction education programs. We must develop tribally sensitive behavior modification models in tribal-specific formats, improving communication and education to high-risk mothers and caregivers.

Mr. Speaker, I would commend such organizations as CJ Foundation for SIDS as a model to raise awareness of the steps to reduce the risks of SIDS and to decrease the frequency of SIDS-related deaths.

As indicated in recent study by the Center for Disease Control and Prevention, the disparity between the health of Native Americans and the rest of the population is ever widening.

Mr. Speaker, we must work for public health for the special Tribal trust relationship between the Government of the United States and the sovereign Indian nations to help solve this problem, which falls disproportionately on the first Americans.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. THOMPSON of California (at the request of Mr. GEPHARDT) for today after 9:15 p.m. and the balance of the week on account of family business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Ms. BROWN of Florida, for 5 minutes, today.

Mr. HOLDEN, for 5 minutes, today.

(The following Members (at the request of Mr. HAYWORTH) to revise and extend their remarks and include extraneous material:)

Mr. HORN, for 5 minutes, today.

Mr. RAMSTAD, for 5 minutes, today.

Mr. HUNTER, for 5 minutes, today.

Mr. HUTCHINSON, for 5 minutes, today.

Mr. EHLERS, for 5 minutes, today.

Mr. EHRLICH, for 5 minutes, today.

Mr. TANCREDO, for 5 minutes, today.

Mr. HAYWORTH, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. MCDERMOTT, for 5 minutes, today.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 494. An act to provide for a transition to democracy and to promote economic recovery in Zimbabwe; to the Committee on Financial Services; in addition to the Committee on International Relations for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

ADJOURNMENT

Mr. HAYWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly, pursuant to the previous order of the House of today, the House adjourned until noon on Monday, August 6, 2001, unless it sooner has received a message from the Senate transmitting its concurrence in House Concurrent Resolution 208, in which case the House shall stand adjourned pursuant to that concurrent resolution.

Thereupon (at midnight) pursuant to House Concurrent Resolution 208, the House adjourned under the previous order of the House until noon on Wednesday, September 5, 2001, if not sooner in receipt of a message from the Senate transmitting its concurrence in House Concurrent Resolution 208.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

3301. A letter from the Acting Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting the Department's final rule—Export Sales Reporting Requirements (RIN: 0551–AA51) received July 31, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3302. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Onions Grown in South Texas; Decreased Assessment Rate [Docket No. FV01–959–1 FIR] received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3303. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Nectarines and Peaches Grown in California; Revision of Handling Requirements for Fresh Nectarines and

Peaches [Docket No. FV01-916–1 FIR] received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3304. A letter from the Acting Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting the Department's final rule—Program to Assist U.S. Producers in Developing Domestic Markets for Value-Added Wheat Gluten and Wheat Starch Products (RIN: 0551–AA60) received July 31, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3305. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Raisins Produced From Grapes Grown in California; Final Free and Reserve Percentages for 2000–01 Crop Natural (Sun-Dried) Seedless and Zante Currant Raisins [Docket No. FV01–989–3 IFR] received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3306. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Raisins Produced From Grapes Grown in California; Reporting on Organic Raisins [Docket No. FV01–989–2 FR] received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3307. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Almonds Grown in California; Revision of Requirements Regarding Quality Control Program [Docket No. FV01–981–1 FR] received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3308. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Kiwifruit Grown in California; Removal of Certain Inspection and Pack Requirements [Docket No. FV01–920–1 FR] received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3309. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Tart Cherries Grown in the States of Michigan, et al.; Suspension of Provisions Under the Federal Marketing Order for Tart Cherries [Docket No. FV01–930–5 IFR] received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3310. A letter from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Nectarines and Peaches Grown in California; Revision of Reporting Requirements for Fresh Nectarines and Peaches [Docket No. FV01–916–3 IFR] received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3311. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Karnal Bunt; Compensation for the 1999–2000 and Subsequent Crop Seasons [Docket No. 96–016–37] (RIN: 0579–AA83) received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3312. A letter from the Chief, Programs and Legislation Division, Office of Legislative Liaison, Department of Defense, transmitting the Secretary of the Air Force's determination to temporarily waive the provisions of 10 U.S.C. Subsection 2466(a); to the Committee on Armed Services.

3313. A letter from the Alternate, Office of the Secretary of Defense, Department of Defense, transmitting the Department's "Major" final rule—TRICARE; Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Eligibility and Payment Procedures for CHAMPUS Beneficiaries Age 65 and Over—received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

3314. A letter from the Assistant General Counsel for Regulatory Affairs, Consumer Product Safety Commission, transmitting a letter responding to the Commission's memorandum concerning the review by the General Accounting Office ("GAO") of regulations that were not submitted to GAO pursuant to the Congressional Review Act; to the Committee on Energy and Commerce.

3315. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Wyoming: Final Authorization of State Hazardous Waste Management Program Revision [FRL–7025–1] received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3316. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—New Mexico: Final Authorization of State Hazardous Waste Management Program Revisions [FRL–7026–1] received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3317. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutant Emissions: Group IV Polymers and Resins [AD-FRL–7025–2] (RIN: 2060–AH47) received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3318. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities; New York [Region II Docket No. NY50–224a, FRL–7024–7] received August 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3319. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Navy's Proposed Letter(s) of Offer and Acceptance (LOA) to Japan for defense articles and services (Transmittal No. 01–22), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

3320. A letter from the Personnel Management Specialist, Department of Labor, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3321. A letter from the Chairman, Federal Trade Commission, transmitting the semiannual report on the activities of the Office of Inspector General for the period ending March 31, 2001, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

3322. A letter from the Assistant Administration, Office of Oceanic and Atmospheric Research, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Improved Methods for Ballast Water Treatment and Management and Lake Champlain Canal Barrier Demonstration: Request for Proposals for FY 2001 [Docket No. 000404094–1144–02] (RIN: 0648–ZA84) received July 31, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3323. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Deep-Water Species Fishery by Vessels Using Trawl Gear in the Gulf of Alaska [Docket No. 010112013–1013–01; I.D. 072001B] received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3324. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Inseason Adjustment for the Commercial Fishery from the U.S.—Canada Border to Cape Falcon, OR [Docket No. 000501119–0119–01; I.D. 061201A] received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3325. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Closure of the Commercial Fishery from Horse Mountain to Point Arena, CA [Docket No. 000501119–0119–01; I.D. 061201B] received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3326. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Magnuson-Stevens Fishery Conservation and Management Act Provisions; Fisheries of the Northeastern United States; Atlantic Deep-Sea Red Crab Fishery [Docket No. 010413094–1178–02; I.D. 060701A] (RIN: 0648–AP10) received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3327. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Guidance under section 355(e); Recognition of Gain on Certain Distributions of Stocks or Securities In Connection with an Acquisition [TD 8960] (RIN: 1545–BA01) received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3328. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Administrative, Procedural, and Miscellaneous [Notice 2001–49] received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3329. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Interest-free adjustments with respect to underpayments of employment taxes [TD 8959] (RIN: 1545–AY21) received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3330. A letter from the General Counsel, Department of Defense, transmitting the Department's proposed legislation relating to the operations and management of the Department; jointly to the Committees on Education and the Workforce and Armed Services.

3331. A letter from the Secretary, Department of Transportation, transmitting a draft of proposed legislation entitled, "To authorize appropriations for fiscal years 2001 and 2002 for the United States Coast Guard, and for other purposes"; jointly to the Committees on Transportation and Infrastructure, Energy and Commerce, and the Judiciary.

3332. A letter from the Vice President of the United States, transmitting notification of certain actions undertaken by an agent of the Congress, Comptroller General David M. Walker, which exceed his lawful authority and which, if given effect, would unconstitutionally interfere with the functioning of the Executive Branch received August 2, 2001; to the Committee on Government Reform.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Filed on August 2 (legislative day, August 1), 2001]

Mr. GOSS: Committee on Rules. House Resolution 219. Resolution providing for consideration of the bill (H.R. 2563) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage (Rept. 107–184). Referred to the House Calendar.

Mr. SESSIONS: Committee on Rules. House Resolution 220. Resolution providing for pro forma sessions during the summer district work period (Rept. 107–185). Referred to the House Calendar.

[Submitted August 2, 2001]

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 2175. A bill to protect infants who are born alive (Rept. 107–186). Referred to the Committee of the Whole House on the State of the Union.

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 2277. A bill to provide for work authorization for nonimmigrant spouses of treaty traders and treaty investors (Rept. 107–187). Referred to the Committee of the Whole House on the State of the Union.

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 2278. A bill to provide for work authorization for nonimmigrant spouses of intracompany transferees, and to reduce the period of time during which certain intracompany transferees have to be continuously employed before applying for admission to the United States (Rept. 107–188). Referred to the Committee of the Whole House on the State of the Union.

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 2048. A bill to require a report on the operations of the State Justice Institute (Rept. 107–189). Referred to the Committee of the Whole House on the State of the Union.

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 2047. A bill to authorize appropriations for the United States Patent and Trademark Office for fiscal year 2002, and for other purposes; with an amendment (Rept. 107–190). Referred to the Committee of the Whole House on the State of the Union.

Mr. COMBEST: Committee on Agriculture. H.R. 2646. A bill to provide for the continuation of agricultural programs through fiscal year 2011; with an amendment (Rept. 107–191 Pt. 1). Ordered to be printed.

Mr. OXLEY: Committee on Financial Services. H.R. 1408. A bill to safeguard the public from fraud in the financial services industry, to streamline and facilitate the antifraud information-sharing efforts of Federal and State regulators, and for other purposes; with an amendment (Rept. 107–192 Pt. 1). Ordered to be printed.

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XII the Committee on Agriculture discharged from further consideration of H.R. 1408.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

H.R. 1408. Referral to the Committee on Agriculture extended for a period ending not later than August 2, 2001.

H.R. 1408. Referral to the Committee on the Judiciary extended for a period ending not later than September 14, 2001.

H.R. 2646. Referral to the Committee on International Relations extended for a period ending not later than September 7, 2001.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

[Omitted from the Record of August 1, 2001]

By Mr. PAYNE:

H.R. 2707. A bill to restrict United States assistance of any kind to Turkey until Turkey uses its influence with the Turkish Cypriot leadership to achieve a settlement on Cyprus based on United Nations' Security Council resolutions; to the Committee on International Relations.

By Mr. FROST:

H. Res. 218. Resolution designating minority membership on certain standing committees of the House; considered and agreed to.

[Submitted August 2, 2001]

By Mr. LARGENT (for himself, Mr. Hall of Texas, Mr. Portman, Mr. DeMint, Mr. Akin, Mr. Armey, Mr. Barr of Georgia, Mr. Bartlett of Maryland, Mr. Barton of Texas, Mr. Blunt, Mr. Brady of Texas, Mr. Bryant, Mr. Burr of North Carolina, Mr. Burton of Indiana, Mr. Buyer, Mr. Camp, Mr. Cantor, Mr. Cooksey, Mr. Cox, Mr. Crenshaw, Mrs. Cubin, Mr. Culberson, Mr. Deal of Georgia, Mr. DeLay, Ms. Dunn, Mrs. Emerson, Mr. Everett, Mr. Fossella, Mr. Gibbons, Mr. Gillmor, Mr. Goode, Mr. Goodlatte, Mr. Graham, Mr. Green of Wisconsin, Mr. Hefley, Mr. Herger, Mr. Hilleary, Mr. Isakson, Mr. Sam Johnson of Texas, Mr. Jones of North Carolina, Mr. Keller, Mr. Kerns, Mr. Knollenberg, Mr. Lucas of Oklahoma, Mr. Mica, Mr. Otter, Mr. Oxley, Mr. Reynolds, Mrs. Roukema, Mr. Schaffer, Mr. Sensenbrenner, Mr. Sessions, Mr. Shimkus, Mr. Souder, Mr. Stearns, Mr. Sununu, Mr. Sweeney, Mr. Tancredo, Mr. Tauzin, Mr. Terry, Mr. Thornberry, Mr. Tiberi, Mr. Tiahrt, Mr. Vitter, Mr. Weldon of Florida, and Mr. Wamp):

H.R. 2714. A bill to terminate the Internal Revenue Code of 1986; to the Committee on Ways and Means.

By Mr. SCHIFF (for himself, Mr. McKeon, Mr. Berman, Mr. Gallegly, Mr. Sherman, Ms. Solis, and Mr. Dreier):

H.R. 2715. A bill to direct the Secretary of the Interior to conduct a special resources study to evaluate the suitability and feasibility of establishing the Rim of the Valley Corridor as a unit of the Santa Monica Mountains National Recreation Area; to the Committee on Resources.

By Mr. SMITH of New Jersey (for himself, Mr. Buyer, and Mr. Simmons):

H.R. 2716. A bill to amend title 38, United States Code, to revise, improve, and consolidate provisions of law providing benefits and services for homeless veterans; to the Committee on Veterans' Affairs, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TAUZIN (for himself, Mr. Traficant, Mr. Barr of Georgia, Mr. Brady of Texas, Mr. Burton of Indiana, Mr. Callahan, Mr. Culberson, Mr. DeMint, Mr. Hall of Texas, and Mr. Stump):

H.R. 2717. A bill to promote freedom, fairness, and economic opportunity for families by repealing the income tax, abolishing the Internal Revenue Service, and enacting a national retail sales tax to be administered primarily by the States; to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MARKEY (for himself and Mrs. Tauscher):

H.R. 2718. A bill to take the 50 Peacekeeper (MX) missiles off of high-alert status, and for other purposes; to the Committee on Armed Services.

By Mrs. JO ANN DAVIS of Virginia:

H.R. 2719. A bill to amend the Federal Water Pollution Control Act to impose limitations on wetlands mitigation activities carried out through the condemnation of private property; to the Committee on Transportation and Infrastructure.

By Mr. MARKEY (for himself and Mr. Barton of Texas):

H.R. 2720. A bill to amend the privacy provisions of the Gramm-Leach-Bliley Act; to the Committee on Financial Services.

By Ms. CARSON of Indiana (for herself, Mr. Bonior, Mrs. Thurman, Mr. McDermott, Mr. Sanders, Mr. George Miller of California, Ms. McKinney, Mr. Payne, and Mr. Pallone):

H.R. 2721. A bill to amend the Agricultural Marketing Act of 1946 to require that a warning label be affixed to arsenic-treated wood sold in the United States; to the Committee on Agriculture, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HOUGHTON (for himself, Mr. Rangel, Mr. Hall of Ohio, Mr. Wolf, Mr. Royce, Mr. Payne, Mr. Ehlers, Mr. Lantos, Mr. Cooksey, Mr. Rush, Mr. Greenwood, Mr. George Miller of California, Mr. Fletcher, Mr. Ackerman, Mr. LaTourette, Ms. Carson of Indiana, Mrs. Northup, Mr. Boucher, Mr. Rogers of Michigan, Mr. Allen, Mr. Schaffer, Mr. Delahunt, Mr. Weldon of Florida, Ms. Baldwin, Mr. Upton, Mr. McDermott, Mr. Diaz-Balart, Ms. Rivers, Mr. English, Mr. Snyder, Mr. Udall of Colorado, Ms. Woolsey, Mr. Coyne, Mr. Stark, Mr. Jefferson, Mr. Neal of Massachusetts, Mr. Evans, Mr. Hoeffel, and Mr. Lewis of Georgia):

H.R. 2722. A bill to implement a system of requirements on the importation of diamonds, and for other purposes; to the Committee on Ways and Means.

By Ms. McKINNEY (for herself, Mr. Lewis of Georgia, Mr. Pallone, Mr. Filner, Ms. Lee, Ms. Carson of Indiana, Mr. Cummings, Mr. Fattah, Mr. Hastings of Florida, Mr. Hilliard, Mr. Thompson of Mississippi, Mr. Payne, Mr. Meeks of New York, Mr. Owens, Mr. Towns, Mrs. Jones of Ohio, Mr. Watt of North Carolina, Mr. Rush, Mr. Scott, Mr. McNulty, Mr. Clay, Mr. Ford, Mrs. Christensen, Mrs. Meek of Florida, Ms. Waters, Ms. Millender-McDonald, Mr. Davis of Illinois, Mr. Brady of Pennsylvania, Mr. Frost, Ms. Norton, Mr. Ross, Mr. Sabo, Mr. Bonior, Mr. Jackson of Illinois, Mr. Kucinich, Mrs. Capps, Mr. LaHood, Mrs. Mink of Hawaii, Mr. McGovern, Mr. Wynn, Mr. Honda, Mr. Blagojevich, Mr. Barrett, Mr. Farr of California, Mr. Etheridge, Mr. Doggett, Mrs. Clayton, Mr. DeFazio, Mr. Kildee, Mr. Sandlin, Mr. Engel, Mr. Gonzalez, Mr. Nadler, Mr. Jefferson, Mr. Carson of Oklahoma, Ms. Pelosi, Mr. Underwood, Mr. Gutierrez, Mr. Rangel, Mr. Rodriguez, Mr. Lantos, Mr. Souder, Mr. Becerra, Mrs. Thurman, Mr. Conyers, Ms. Brown of Florida, Ms. Eddie Bernice Johnson of Texas, Mr. Clyburn, Mr. Holt, Ms. Kilpatrick, Mr. Pascrell, Mr. Evans, Mr. Ferguson, Mr. Visclosky, Mr. Costello, Ms. Schakowsky, Mr. Capuano, Mr. LaTourette, Mr. Gilchrest, Mr. Meehan, Mr. Israel, Mr. Serrano, Mr. Baird, Mr. Matsui, Mr. George Miller of California, Mr. Bishop, Mr. Watts of Oklahoma, Mr. Snyder, Mr. Sanders, Mrs. Maloney of New York, Mr. Frank, Ms. Watson, Ms. Jackson-Lee of Texas, Mr. LoBiondo, Mr. Grucci, Ms. Sanchez, Mr. Wu, Mr. Crowley, Mr. Shows, Mr. Green of Texas, Mr. Barcia, Ms. Slaughter, and Mr. Hoeffel):

H.R. 2723. A bill to authorize the President to award a gold medal on behalf of the Congress to Reverend Doctor Martin Luther King, Jr. (posthumously) and his widow Coretta Scott King in recognition of their contributions to the Nation on behalf of the civil rights movement; to the Committee on Financial Services.

By Mr. CANNON (for himself and Mr. Boucher):

H.R. 2724. A bill to amend title 17, United States Code, and for other purposes; to the Committee on the Judiciary.

By Mrs. KELLY (for herself, Ms. Millender-McDonald, Mr. Dreier, Mr. Davis of Illinois, Mr. Hayworth, Ms. Dunn, Mr. King, Mr. Baldacci, Ms. Lee, Mrs. Bono, Mr. Wynn, Mr. Capuano, Mr. Cummings, Mr. Hinchey, Mrs. McCarthy of New York, Mrs. Christensen, Mr. Bilirakis, Mr. Forbes, Mr. Isakson, Mr. Pomeroy, Mr. Shows, Mr. Green of Wisconsin, Mr. Baker, Mr. Buyer, Mr. Hilleary, Mr. Sessions, Mr. Fattah, Ms. Harman, Mr. LaFalce, Mr. Graham, Mr. Horn, Mr. McInnis, Ms. Pelosi, Mr. Kleczka, Mr. Oberstar, Ms. Eshoo, Mr. Payne, Mr. Tom Davis of Virginia, Mr. Neal of Massachusetts, Mr. Sandlin, Mrs. Myrick, Mrs. Biggert, Mrs. Capps, Mr. Boyd, Mr. Pallone, Mr. Levin, Mr. Towns, Mr. Matsui, Ms. Berkley, Mr. Underwood, Mr. Hulshof, Mr. English, Mr. Riley, Mr. Jones of North Carolina, Mr. Terry, Mr. Bass, Mr. Green of Texas, Mr. Moran of Kansas, Mr. Cunningham, Mr. McIntyre, Mr. Dicks, Mr. Thompson of Mississippi, Mr. Pickering, Mr. Rush, Ms. Jackson-Lee of Texas, Mr. Grucci, Ms. Granger, Mr. Weller, Mr. Lampson, Mr. Hoyer, Mr. Davis of Florida, Mr. Callahan, Mr. Price of North Carolina, Mrs. Emerson, Mr. Cramer, Mr. Gonzalez, Mr. McGovern, Mr. Goode, Mr. Skelton, Mr. Ehlers, Mr. McNulty, Mr. Crowley, Ms. Kaptur, Mr. Jackson of Illinois, Mr. Jefferson, Ms. Brown of Florida, Mr. Dingell, Mrs. Maloney of New York, Mr. Borski, Mr. Stark, Mrs. Thurman, Ms. McKinney, Mr. Brown of Ohio, Mr. Lipinski, Mr. Frost, Mr. Conyers, Mr. Weiner, Mr. Pascrell, Mr. Costello, Mr. Frank, Mr. Watt of North Carolina, Ms. McCarthy of Missouri, Mr. Gilman, Mr. Meeks of New York, Mr. Peterson of Pennsylvania, Mr. Shays, Mr. Clay, Mr. Portman, Mr. Whitfield, Mr. Cardin, Mr. LoBiondo, Ms. Solis, Mr. Rangel, Mr. Combest, Mr. Greenwood, Mrs. Morella, Mr. Kirk, Mrs. Roukema, Mr. Weldon of Pennsylvania, Ms. Ros-Lehtinen, Ms. Woolsey, Mr. Ney, Mrs. Capito, Mr. McDermott, Mr. Burton of Indiana, and Mr. Baca):

H.R. 2725. A bill to provide for the reauthorization of the breast cancer research special postage stamp, and for other purposes; to the Committee on Government Reform, and in addition to the Committees on Energy and Commerce, and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Alaska:

H.R. 2726. A bill to provide for the payment of State taxes and local taxes collected by the State on the sale of cigarettes and motor fuel by a tribal retail enterprise to persons that are not members of the tribe, and for other purposes; to the Committee on Resources.

By Mr. BONIOR (for himself, Ms. Carson of Indiana, Mr. George Miller of California, Mr. Pallone, Ms. DeLauro, Mr. Kildee, Ms. Pelosi, and Mr. Sanders):

H.R. 2727. A bill to establish a labeling requirement under the Federal Insecticide, Fungicide, and Rodenticide Act in order to prohibit the use of arsenic-treated lumber to manufacture playground equipment, and for other purposes; to the Committee on Agriculture, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. JACKSON-LEE of Texas:

H.R. 2728. A bill to amend the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to allow States and localities to provide primary and preventive care to all individuals; to the Committee on Energy and Commerce.

By Mr. ALLEN (for himself, Mr. Saxton, Mr. Bonior, Mr. Waxman, Mr. Abercrombie, Ms. Baldwin, Mr. Baldacci, Mr. Barrett, Mr. Capuano, Mr. Delahunt, Mr. Ferguson, Mr. Hinchey, Mr. Inslee, Mr. Kennedy of Rhode Island, Ms. Kilpatrick, Mr. Kucinich, Mr. Lantos, Ms. Lee, Ms. McKinney, Mrs. Maloney of New York, Mr. George Miller of California, Mr. Neal of Massachusetts, Mr. Olver, Mr. Quinn, Mr. Sanders, Ms. Schakowsky, Mr. Serrano, and Mr. Stark):

H.R. 2729. A bill to amend the Clean Air Act to establish requirements concerning the operation of fossil fuel-fired electric utility steam generating units, commercial and industrial boiler units, solid waste incineration units, medical waste incinerators, hazardous waste combustors, chlor-alkali plants, and Portland cement plants to reduce emissions of mercury to the environment, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SESSIONS (for himself and Ms. Pryce of Ohio):

H.R. 2730. A bill to amend the Gramm-Leach-Bliley Act to provide for uniform national financial privacy standards for financial institutions, and for other purposes; to the Committee on Financial Services.

By Mr. BAIRD (for himself, Ms. Hooley of Oregon, Mr. DeFazio, and Mr. Inslee):

H.R. 2731. A bill to direct the Secretary of Education, in consultation with the Secretary of Energy, to establish a 2-year grant program to compensate schools for rising energy costs; to the Committee on Education and the Workforce.

By Mr. BAIRD (for himself, Mr. Ehlers, Mr. Otter, Mr. Bonior, Mr. Rahall, Mr. Oberstar, Mr. DeFazio, Mr. Walden of Oregon, Mr. Inslee, Mr. Hastings of Washington, Mr. McDermott, Mr. Wu, Mr. Blumenauer, Ms. Hooley of Oregon, Mr. Borski, Mr. Barcia, Mr. George Miller of California, Mr. Simpson, Mr. Thompson of California, Mr. Nethercutt, Mr. Dicks, and Mr. Hall of Texas):

H.R. 2732. A bill to amend the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990 to prevent the westward spread of aquatic nuisance species by directing the Secretary of the Interior to prevent westward spread of such species across and beyond the 100th meridian, monitor water bodies, and provide rapid response capacity in certain Western States, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BARCIA (for himself and Mr. Ehlers):

H.R. 2733. A bill to authorize the National Institute of Standards and Technology to work with major manufacturing industries on an initiative of standards development and implementation for electronic enterprise integration; to the Committee on Science.

By Mr. BARR of Georgia (for himself, Mr. Wexler, Mr. Bass, Mr. Burton of Indiana, Mr. Keller, Mr. Rangel, Mr. Deutsch, Mr. Meeks of New York, Mr. Mica, Mr. Calvert, Mr. Davis of Florida, Mr. Scott, Mr. Chabot, Ms. Eddie Bernice Johnson of Texas, Mr. McDermott, and Mr. Boehner):

H.R. 2734. A bill to amend title 18, United States Code, and the Federal Rules of Criminal Procedure with respect to bail bond forfeitures; to the Committee on the Judiciary.

By Mr. BARTON of Texas (for himself, Mr. Towns, Mr. Bryant, Mr. Blunt, and Mr. Condit):

H.R. 2735. A bill to protect the rights of American consumers to diagnose, service, and repair motor vehicles purchased in the United States, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BERMAN:

H.R. 2736. A bill to provide for the adjustment of status of certain foreign agricultural workers, to amend the Immigration and Nationality Act to reform the H–2A worker program under that Act, and for other purposes; to the Committee on the Judiciary, and in addition to the Committees on Ways and Means, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BORSKI (for himself, Ms. Dunn, Mr. Capuano, Mr. Dicks, Ms. Kaptur, Mr. Lampson, Mr. McGovern, Mrs. Meek of Florida, Mr. Foley, Mr. Neal of Massachusetts, Mr. Brady of Pennsylvania, Mr. LaTourette, Mr. Fattah, Mr. Delahunt, Mr. Oberstar, Mr. Inslee, Mr. DeFazio, Mr. Filner, Mr. Baird, Mr. Hastings of Washington, Mr. Paul, Mr. Smith of Washington, Mr. Larsen of Washington, Mr. Lipinski, Ms. McKinney, and Mr. Underwood):

H.R. 2737. A bill to amend the Internal Revenue Code of 1986 to repeal the harbor maintenance tax and to amend the Water Resources Development Act of 1986 to authorize appropriations for activities formerly funded with revenues from the Harbor Maintenance Trust Fund; to the Committee on Ways and Means, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BOUCHER (for himself, Mr. Shays, and Mr. Waxman):

H.R. 2738. A bill to amend title 5, United States Code, to clarify that all protections offered under the Freedom of Information Act and Privacy Act apply to members of the uniformed services to the same extent and in the same manner as to any other individual; to the Committee on Government Reform.

By Mr. BROWN of Ohio (for himself and Mr. Chabot):

H.R. 2739. A bill to amend Public Law 107–10 to require a United States plan to endorse and obtain observer status for Taiwan at the annual summit of the World Health Assembly in May 2002 in Geneva, Switzerland, and for other purposes; to the Committee on International Relations.

By Mr. BURR of North Carolina (for himself and Mr. Kleczka):

H.R. 2740. A bill to amend the Federal Food, Drug, and Cosmetic Act with respect to the receipt of donated prescription drug samples by charitable health care entities; to the Committee on Energy and Commerce.

By Mr. CALVERT:

H.R. 2741. A bill to amend the Internal Revenue Code of 1986 to decrease the class life for petroleum refinery property placed in service to comply with petroleum product specifications as promulgated by rule by the Administrator of Environmental Protection Agency under, and to provide compliance with refinery site, terminal, and other infrastructure air emissions requirements under, the Clean Air Act; to the Committee on Ways and Means.

By Mr. CARSON of Oklahoma (for himself, Mr. Largent, Mr. Istook, Mr. Watts of Oklahoma, Mr. Watkins, and Mr. Kildee):

H.R. 2742. A bill to authorize the construction of a Native American Cultural Center and Museum in Oklahoma City, Oklahoma; to the Committee on Resources.

By Mrs. CHRISTENSEN (for herself, Mr. Cummings, Mr. Clyburn, Ms. Brown of Florida, Mrs. Meek of Florida, Ms. Jackson-Lee of Texas, Ms. McKinney, Mr. Hilliard, Ms. Eddie Bernice Johnson of Texas, Ms. Lee, Mr. Thompson of Mississippi, Mr. Rush, Mr. Hastings of Florida, Mr. Rangel, Mr. Davis of Illinois, Ms. Kilpatrick, Mr. Meeks of New York, Ms. Millender-McDonald, Ms. Watson, Mr. Wynn, Mrs. Jones of Ohio, Mr. Payne, Ms. Carson of Indiana, Mr. Ford, Mr. Conyers, Mr. Owens, Mrs. Clayton, Mr. Bishop, Mr. Towns, and Mr. Jackson of Illinois):

H.R. 2743. A bill to require managed care organizations to contract with providers in medically underserved areas, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. COLLINS:

H.R. 2744. A bill to amend the Internal Revenue Code of 1986 to classify qualified rental office furniture as 5-year property for purposes of depreciation; to the Committee on Ways and Means.

By Mr. COLLINS (for himself and Mr. Pomeroy):

H.R. 2745. A bill to amend title XI of the Social Security Act to clarify the coordination of benefits among health plans; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CROWLEY (for himself, Mr. Shays, Mrs. Lowey, Mr. Gilman, Ms. McKinney, Mr. Kucinich, Mr. Green of Texas, Mrs. Maloney of New York, Mrs. McCarthy of New York, Mr. Serrano, Mr. Hoeffel, and Mr. Weiner):

H.R. 2746. A bill to establish the Airport Noise Curfew Commission and to define its functions and duties; to the Committee on Transportation and Infrastructure.

By Ms. DEGETTE (for herself and Mr. Ramstad):

H.R. 2747. A bill to require implementation of the National Institutes of Health Guidelines for Research Using Human Pluripotent Stem Cells, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DREIER (for himself and Mr. Schiff):

H.R. 2748. A bill to authorize the establishment of a national database for purposes of identifying, locating, and cataloging the many memorials and permanent tributes to America's veterans; to the Committee on Veterans' Affairs, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. DUNN (for herself, Mr. Larsen of Washington, Mr. Dicks, and Mr. Souder):

H.R. 2749. A bill to amend title 49, United States Code, improve pipeline safety and enhance community access to pipeline safety information; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ENGEL (for himself, Ms. Hart, Mr. Towns, and Mr. Rush):

H.R. 2750. A bill to amend title XVIII of the Social Security Act to provide for coverage of home infusion drug therapies under the Medicare Program; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ETHERIDGE (for himself, Mr. McIntyre, Mr. Murtha, Mr. Green of Texas, Mr. Dooley of California, Mr. Price of North Carolina, Mr. Jones of North Carolina, Mr. Watt of North Carolina, Mr. Schrock, Mrs. Clayton, Mr. Edwards, and Mr. Spratt):

H.R. 2751. A bill to authorize the President to award a gold medal on behalf of the Congress to General Henry H. Shelton and to provide for the production of bronze duplicates of such medal for sale to the public; to the Committee on Financial Services.

By Mr. FERGUSON (for himself, Mr. Saxton, Mr. LoBiondo, Mrs. Roukema, Mr. Frelinghuysen, Mr. Smith of New Jersey, Mr. Rothman, Mr. Andrews, and Mr. Pallone):

H.R. 2752. A bill to protect school web pages from fraud and related activity; to the Committee on the Judiciary.

By Mr. GREEN of Wisconsin (for himself, Ms. Velázquez, Mr. Schaffer, Mr. Jones of North Carolina, Mr. Rush, Mr. Gonzalez, and Mr. Souder):

H.R. 2753. A bill to require a housing impact analysis of any new rule of a Federal agency that has an economic impact of $100,000,000 or more; to the Committee on the Judiciary.

By Mr. GREEN of Wisconsin (for himself and Mr. Scott):

H.R. 2754. A bill to amend title 18, United States Code, to reform Federal Prison Industries, and for other purposes; to the Committee on the Judiciary.

By Mr. GUTIERREZ (for himself, Mr. Owens, Mr. Davis of Illinois, Mr. Lipinski, Ms. McKinney, Ms. Lee, Ms.

KAPTUR, Mr. TOWNS, Mr. STARK, Mr. MCGOVERN, Mr. RUSH, Mr. CUMMINGS, Mr. FRANK, Mr. FILNER, Ms. CARSON of Indiana, Ms. SOLIS, Mr. KUCINICH, Mr. JACKSON of Illinois, Mr. BLAGOJEVICH, Mr. COSTELLO, Mr. CONYERS, and Mr. THOMPSON of Mississippi):

H.R. 2755. A bill to protect day laborers from unfair labor practices; to the Committee on Education and the Workforce.

By Mr. HALL of Texas (for himself, Mr. LARGENT, Mr. BARTON of Texas, Mr. BOEHLERT, Ms. JACKSON-LEE of Texas, Mr. GREEN of Texas, Mr. SANDLIN, Mr. ORTIZ, and Mr. CANNON):

H.R. 2756. A bill to establish a mechanism for funding research, development, and demonstration activities relating to ultra-deepwater and unconventional natural gas and other petroleum exploration and production technologies, and for other purposes; to the Committee on Science, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. HARMAN (for herself, Ms. ESHOO, Mrs. CAPPS, Mr. WAXMAN, Ms. LOFGREN, Ms. WOOLSEY, Mr. HONDA, Mr. FARR of California, Mr. SHERMAN, Mr. FILNER, Mr. BACA, Ms. WATSON, Mr. CONDIT, Mr. SCHIFF, Mrs. DAVIS of California, Ms. SOLIS, Mr. GEORGE MILLER of California, Ms. PELOSI, Mr. THOMPSON of California, Mrs. NAPOLITANO, Mrs. TAUSCHER, and Mr. MATSUI):

H.R. 2757. A bill to provide for the refund of certain overcharges for electricity in the Western States, and for other purposes; to the Committee on Energy and Commerce.

By Mr. HASTINGS of Florida:

H.R. 2758. A bill to require that general Federal elections be held during the first consecutive Saturday and Sunday in November, and for other purposes; to the Committee on House Administration.

By Mr. HOEKSTRA:

H.R. 2759. A bill to permit voters to vote for "None of the Above" in elections for Federal office and to require an additional election if "None of the Above" receives the most votes; to the Committee on House Administration.

By Mr. HOEKSTRA:

H.R. 2760. A bill to provide that the voters of the United States be given the right, through advisory voter initiative, to propose the enactment and repeal of Federal laws in a national election; to the Committee on House Administration, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. HOOLEY of Oregon:

H.R. 2761. A bill to amend the Internal Revenue Code of 1986 to provide tax benefits for small businesses, to repeal the Federal communications excise tax, and for other purposes; to the Committee on Ways and Means.

By Ms. HOOLEY of Oregon:

H.R. 2762. A bill to provide incentives to encourage private sector efforts to reduce earthquake losses, to establish a national disaster mitigation program, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Financial Services, and Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HUNTER (for himself, Mr. BARCIA, Mr. BARR of Georgia, Mr. BARTLETT of Maryland, Mr. BURTON of Indiana, Mr. DEMINT, Mr. HOSTETTLER, Mr. LEWIS of Kentucky, Mr. PITTS, Mr. SHOWS, Mr. SMITH of New Jersey, Mr. STEARNS, Mr. PETRI, Mr. BACHUS, and Mr. DOOLITTLE):

H.R. 2763. A bill to implement equal protection under the 14th article of amendment to the Constitution for the right to life of each born and preborn human person from the moment of fertilization; to the Committee on the Judiciary.

By Mr. HUNTER:

H.R. 2764. A bill to address certain matters related to Colorado River water management and the Salton Sea by providing funding for habitat enhancement projects at the Salton Sea, authorization and direction to the Secretary of the Interior regarding Federal environmental compliance, and funding for off-stream water management reservoirs and associated facilities near the All American Canal; to the Committee on Resources.

By Mr. INSLEE (for himself, Mr. HASTINGS of Florida, Mr. HINCHEY, Mrs. MINK of Hawaii, Mr. CROWLEY, Mr. SCHIFF, Mr. MCDERMOTT, Ms. MCKINNEY, and Ms. LEE):

H.R. 2765. A bill to expand the teacher loan forgiveness programs under the guaranteed and direct student loan programs, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. JACKSON-LEE of Texas (for herself and Mr. TERRY):

H.R. 2766. A bill to amend the Immigration and Nationality Act to modify the requirements for a child born abroad and out of wedlock to acquire citizenship based on the citizenship of the child's father, and for other purposes; to the Committee on the Judiciary.

By Mr. JEFFERSON:

H.R. 2767. A bill to amend title 36, United States Code, to provide for maintenance by the American Battle Monuments Commission of a memorial park in Nairobi, Kenya, honoring the persons killed by the bombing of the United States Embassy; to the Committee on International Relations.

By Mrs. JOHNSON of Connecticut (for herself, Mr. STARK, Mr. CAMP, Mr. CARDIN, Mr. CRANE, Ms. DUNN, Mr. ENGLISH, Mr. FOLEY, Mr. HAYWORTH, Mr. SAM JOHNSON of Texas, Mr. KLECZKA, Mr. LEWIS of Georgia, Mr. LEWIS of Kentucky, Mr. MCCRERY, Mr. MCDERMOTT, Mr. MCNULTY,. Mr. RAMSTAD, Mr. SHAW, Mrs. THURMAN, and Mr. WELLER):

H.R. 2768. A bill to amend title XVIII of the Social Security Act to provide regulatory relief and contracting flexibility under the Medicare Program; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. KELLY:

H.R. 2769. A bill to amend title 38, United States Code, to improve the automobile assistance program for disabled veterans; to the Committee on Veterans' Affairs.

By Mr. KOLBE (for himself, Mr. MORAN of Virginia, and Mr. RAMSTAD):

H.R. 2770. A bill to amend United States trade laws to provide more fairness to U.S. industry; to the Committee on Ways and Means.

By Mr. KOLBE (for himself, Mr. STENHOLM, Mr. SMITH of Michigan, Mr. DOOLEY of California, and Mr. TOOMEY):

H.R. 2771. A bill to amend title II of the Social Security Act to provide for individual security accounts funded by employee and employer Social Security payroll deductions, to extend the solvency of the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LAFALCE:

H.R. 2772. A bill to amend the Immigration and Nationality Act to modify restrictions added by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996; to the Committee on the Judiciary.

By Mr. LANGEVIN (for himself, Mr. ABERCROMBIE, Mr. BERMAN, Mr. BLAGOJEVICH, Mr. CAPUANO, Ms. CARSON of Indiana, Mrs. CHRISTENSEN, Mr. COYNE, Mr. CROWLEY, Mr. DELAHUNT, Mr. ENGEL, Mr. FARR of California, Mr. FILNER, Mr. FRANK, Mr. HOEFFEL, Mr. HONDA, Mr. KENNEDY of Rhode Island, Mr. KIRK, Mr. KLECZKA, Mr. CLAY, Mr. LANTOS, Ms. LEE, Mrs. MCCARTHY of New York, Ms. MCCOLLUM, Mr. MCGOVERN, Ms. MCKINNEY, Mr. MORAN of Virginia, Mr. NADLER, Mr. OWENS, Mr. PASCRELL, Mr. PAYNE, Ms. PELOSI, Mr. RUSH, Ms. SOLIS, Mr. STARK, Mr. TIERNEY, Mr. TOWNS, Mr. WAXMAN, Mr. WEINER, Mr. WEXLER, and Ms. WOOLSEY):

H.R. 2773. A bill to amend title 18, United States Code, to prohibit the manufacture or importation, or transfer by a licensed firearms dealer, of a pistol that does not have a chamber load indicator and, in the case of a semiautomatic pistol that has a detachable magazine, a mechanism that prevents the pistol from being fired when the magazine is not attached; to the Committee on the Judiciary.

By Mr. LARSEN of Washington (for himself and Ms. BERKLEY):

H.R. 2774. A bill to establish a loan guarantee program for renewable energy source facilities; to the Committee on Financial Services.

By Mr. LEVIN (for himself, Mr. CASTLE, and Mr. WAXMAN):

H.R. 2775. A bill to amend title XIX of the Social Security Act to revise and simplify the transitional medical assistance (TMA) program; to the Committee on Energy and Commerce.

By Mr. LOBIONDO (for himself, Mr. MENENDEZ, Mr. SAXTON, Mr. PALLONE, Mr. PASCRELL, Mr. ROTHMAN, Mr. PAYNE, and Mr. HOLT):

H.R. 2776. A bill to designate buildings 315, 318, and 319 located at the Federal Aviation Administration's William J. Hughes Technical Center in Atlantic City, New Jersey, as the "Frank R. Lautenberg Aviation Security Complex"; to the Committee on Transportation and Infrastructure.

By Mrs. LOWEY (for herself, Mr. CROWLEY, Mr. GILMAN, Ms. DELAURO, Ms.

Slaughter, Mr. Waxman, Ms. DeGette, Mr. Boehlert, Mrs. Morella, Mr. Leach, and Mrs. Biggert):

H.R. 2777. A bill to amend title XIX of the Social Security Act to provide States with options for providing family planning services and supplies to individuals eligible for medical assistance under the Medicaid Program; to the Committee on Energy and Commerce.

By Mrs. McCARTHY of New York (for herself, Ms. Schakowsky, Mr. Pascrell, Mr. Weiner, Mr. Capuano, Mrs. Maloney of New York, Mr. Crowley, Mr. McGovern, Ms. Solis, Mr. Nadler, Ms. Norton, Mr. Moran of Virginia, Mrs. Tauscher, and Mrs. Lowey):

H.R. 2778. A bill to protect ability of law enforcement to effectively investigate and prosecute illegal gun sales and protect the privacy of the American people; to the Committee on the Judiciary.

By Ms. McCOLLUM (for herself, Ms. Baldwin, Mr. Blumenauer, Mr. Filner, Mr. McGovern, and Mr. Oberstar):

H.R. 2779. A bill to repeal section 641 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, which requires the collection of information regarding nonimmigrant foreign students and other exchange program participants; to the Committee on the Judiciary.

By Ms. McCOLLUM:

H.R. 2780. A bill to amend the Federal Election Campaign Act of 1971 to establish a program under which Congressional candidates may receive public funding for carrying out campaigns for election for Federal office, to amend the Internal Revenue Code of 1986 to establish an income tax checkoff to provide funding for such program and to provide a refundable tax credit for individuals who make contributions to such candidates, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. McKEON (for himself, Mr. Boehner, Mrs. Roukema, Mr. Ballenger, Mr. Ehlers, Mr. Tom Davis of Virginia, Mr. Isakson, Mr. Gordon, Mr. Osborne, Mr. Hoekstra, Mr. Armey, Mr. Walsh, Mr. Castle, Mrs. Kelly, Mr. DeMint, Mr. Peterson of Pennsylvania, Mr. Thomas, Mr. Calvert, and Mr. Hilleary):

H.R. 2781. A bill to amend the Higher Education Act of 1965 to make certain interest rate changes permanent; to the Committee on Education and the Workforce.

By Ms. McKINNEY (for herself, Mr. Stark, Mr. Evans, Ms. Kaptur, Mr. Filner, Mr. McGovern, Mr. Sanders, Mr. Hilliard, Mr. Phelps, Mr. Kucinich, Mr. Conyers, Mr. DeFazio, Mr. Hinchey, Ms. Woolsey, Mr. Thompson of Mississippi, Ms. Carson of Indiana, Ms. Lee, Mr. Abercrombie, Mr. Jackson of Illinois, Mr. Cummings, Mr. Watt of North Carolina, Ms. Solis, Mr. Davis of Illinois, Mr. Brown of Ohio, and Ms. Brown of Florida):

H.R. 2782. A bill to require nationals of the United States that employ more than 20 persons in a foreign country to implement a Corporate Code of Conduct with respect to the employment of those persons, and for other purposes; to the Committee on International Relations, and in addition to the Committees on Government Reform, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MALONEY of New York:

H.R. 2783. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide for research on whether drugs approved under such Act for human use affect women differently than men, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. MALONEY of New York:

H.R. 2784. A bill to amend the Family and Medical Leave Act of 1993 to allow employees to take, as additional leave, parental involvement leave to participate in or attend their children's and grandchildren's educational and extracurricular activities and to clarify that leave may be taken for routine medical needs and to assist elderly relatives, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committees on Government Reform, and House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MARKEY:

H.R. 2785. A bill to suspend temporarily the duty on certain R-core transformers; to the Committee on Ways and Means.

By Mr. MARKEY:

H.R. 2786. A bill to provide deployment criteria for the National Missile Defense system, and to provide for operationally realistic testing of the National Defense system against countermeasures; to the Committee on Armed Services, and in addition to the Committees on Rules, and International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MEEK of Florida (for herself, Mr. Serrano, Mr. Rush, Mr. Blagojevich, Mr. Petri, and Ms. Ros-Lehtinen):

H.R. 2787. A bill to amend the Child Care and Development Block Grant Act of 1990 to increase the availability of, and improve quality care for, children with disabilities, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MENENDEZ (for himself, Mr. Capuano, Mr. Rush, Mr. Baldacci, Ms. Schakowsky, Mr. Frost, Mr. Bonior, Mrs. Jones of Ohio, Mr. Borski, Mr. McDermott, Mr. Wexler, Ms. Sanchez, Mr. Engel, Mr. Gutierrez, Mr. Clay, Mr. Cummings, and Mr. Green of Texas):

H.R. 2788. A bill to ensure that children enrolled in Medicaid and other Federal means-tested programs at highest risk for lead poisoning are identified and treated, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. MILLENDER-McDONALD (for herself and Mr. Rangel):

H.R. 2789. A bill to amend title XIX of the Social Security Act to permit States to expand Medicaid eligibility to uninsured, poor adults; to the Committee on Energy and Commerce.

By Ms. MILLENDER-McDONALD (for herself and Mr. Nethercutt):

H.R. 2790. A bill to provide, with respect to diabetes in minority populations, for an increase in the extent of activities carried out by the Centers for Disease Control and Prevention and the National Institutes of Health; to the Committee on Energy and Commerce.

By Mrs. MINK of Hawaii:

H.R. 2791. A bill to amend the Immigration and Nationality Act to remove from an alien the initial burden of establishing that he or she is entitled to nonimmigrant status under section 101(a)(15)(B) of such Act, in the case of an alien seeking such status in order to enter the United States for a brief temporary stay occasioned by a family obligation, such as the illness or death of a close relative; to the Committee on the Judiciary.

By Mr. MORAN of Kansas (for himself, Mr. Smith of New Jersey, and Mr. Simmons):

H.R. 2792. A bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to make service dogs available to disabled veterans and to make various other improvements in health care benefits provided by the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. NADLER:

H.R. 2793. A bill to amend the Elementary and Secondary Education Act of 1965 to permit local educational agencies to use professional development funds to provide incentives, including bonus payments, to recognized educators who achieve an information technology certification that is directly related to the curriculum or content area in which the teacher provides instruction; to the Committee on Education and the Workforce.

By Mr. NEAL of Massachusetts (for himself, Mr. Tom Davis of Virginia, Ms. Lofgren, Mr. Weller; Mr. Matsui, Ms. Dunn, Mr. Doggett, Mr. Wolf, Ms. Harman, Mr. Cannon, Mr. Frank, Mr. Cantor, Mr. Moran of Virginia, Mr. Pomeroy, Ms. Eshoo, Mr. Ose, and Mr. McGovern):

H.R. 2794. A bill to provide relief from the alternative minimum tax with respect to incentive stock options exercised during 2000; to the Committee on Ways and Means.

By Mr. NETHERCUTT (for himself, Mr. Chambliss, and Mr. Cunningham):

H.R. 2795. A bill to amend title 18, United States Code, to protect and promote the public safety and interstate commerce by establishing Federal criminal penalties and civil remedies for certain violent, threatening, obstructive and destructive conduct that is intended to injure, intimidate, or interfere with plant or animal enterprises, and for other purposes; to the Committee on the Judiciary.

By Mr. NEY (for himself, Mr. Oxley, Ms. Pryce of Ohio, Mr. Gillmor, Mrs. Jones of Ohio, and Mr. Tiberi):

H.R. 2796. A bill to amend the Federal Home Loan Bank Act to permit privately insured credit unions to become members of a Federal home loan bank; to the Committee on Financial Services.

By Mr. NEY:

H.R. 2797. A bill to amend title 18, United States Code, to provide specific penalties for taking a firearm from a Federal law enforcement officer; to the Committee on the Judiciary.

By Mr. OTTER:

H.R. 2798. A bill to amend the Federal Water Pollution Control Act to require plaintiffs to file certain bonds when bringing citizen suits; to the Committee on Transportation and Infrastructure, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PALLONE (for himself and Ms. Rivers):

H.R. 2799. A bill to amend title XVIII of the Social Security Act to provide for coverage of pharmacist services under part B of the Medicare Program; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PAUL:

H.R. 2800. A bill to amend section 8(a) of the National Labor Relations Act; to the Committee on Education and the Workforce.

By Mr. PAUL (for himself and Mr. Schaffer):

H.R. 2801. A bill to amend the Internal Revenue Code of 1986 with respect to the purchase of prescription drugs by individuals who have attained retirement age, and to amend the Federal Food, Drug, and Cosmetic Act with respect to the importation of prescription drugs and the sale of such drugs through Internet sites; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PAUL (for himself, Mr. Calvert, Mr. Cooksey, Mr. Hayworth, Mr. Hoekstra, Mr. Royce, and Mr. Sensenbrenner):

H.R. 2802. A bill to amend title XVIII of the Social Security Act to remove the sunset and numerical limitation on Medicare participation in Medicare+Choice medical savings account (MSA) plans; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PAYNE (for himself, Mr. Andrews, Mr. Ferguson, Mr. Frelinghuysen, Mr. Holt, Mr. LoBiondo, Mr. Menendez, Mr. Pallone, Mr. Pascrell, Mr. Smith of New Jersey, Mr. Saxton, Mrs. Roukema, and Mr. Rothman):

H.R. 2803. A bill to designate the air traffic control tower at Newark International Airport in Newark, New Jersey, as the "William J. 'Whitey' Conrad Air Traffic Control Tower"; to the Committee on Transportation and Infrastructure.

By Ms. PELOSI (for herself, Mr. Berman, Ms. Lofgren, Ms. Woolsey, and Ms. Berkley):

H.R. 2804. A bill to designate the United States courthouse located at 95 Seventh Street in San Francisco, California, as the "James R. Browning United States Courthouse"; to the Committee on Transportation and Infrastructure.

By Mr. PITTS:

H.R. 2805. A bill to provide for research on, and services for individuals with, post-abortion depression and psychosis; to the Committee on Energy and Commerce.

By Mr. PITTS (for himself, Mr. Clement, Mr. Wolf, and Mr. Scott):

H.R. 2806. A bill to direct the Secretary of the Interior to provide assistance for the maintenance of gravesites of former Presidents of the United States; to the Committee on Resources.

By Mr. PORTMAN (for himself and Mr. Cardin):

H.R. 2807. A bill to amend the Internal Revenue Code of 1986 to clarify the status of professional employer organizations and to promote and protect the interests of professional employer organizations, their customers, and workers; to the Committee on Ways and Means.

By Mr. PORTMAN (for himself and Mr. Pomeroy):

H.R. 2808. A bill to amend the Internal Revenue Code of 1986 to transfer all excise taxes imposed on alcohol fuels to the Highway Trust Fund, and for other purposes; to the Committee on Ways and Means.

By Mr. REYES:

H.R. 2809. A bill to increase the total number of nonimmigrant visas that may be issued to nurses under section 101(a)(15)(H)(i)(c) of the Immigration and Nationality Act in each fiscal year, to increase the number of such visas that may be allocated for employment in States with larger populations, and to exempt locally-owned hospitals in health professional shortage areas from certain requirements applicable to employment of physicians and nurses admitted under section 101(a)(15)(H)(i)(b) of such Act; to the Committee on the Judiciary.

By Mr. REYES:

H.R. 2810. A bill to modify the benefits provided under the NAFTA Transitional Adjustment Assistance Program; to the Committee on Ways and Means.

By Mr. ROTHMAN:

H.R. 2811. A bill to improve the quality of life and safety of persons living and working near railroad tracks; to the Committee on Transportation and Infrastructure.

By Mr. SANDERS (for himself, Mr. Kucinich, Ms. Lee, Ms. McKinney, Mr. Owens, Ms. Brown of Florida, Mr. Brown of Ohio, Mrs. Clayton, Mr. Costello, Mr. Davis of Illinois, Mr. Filner, Mr. Kildee, Ms. Norton, Mr. Serrano, Ms. Solis, Mr. Stark, and Mr. Weiner):

H.R. 2812. A bill to amend the Fair Labor Standards Act of 1938 to increase the Federal minimum wage to the value it had in 1968, and to provide for increases in such wage based on the cost of living; to the Committee on Education and the Workforce.

By Mr. SANDERS (for himself, Mr. Clay, Mr. DeFazio, Mr. Hinchey, Mr. Kucinich, Ms. Lee, Ms. Norton, Mr. Stark, and Mrs. Thurman):

H.R. 2813. A bill to authorize States to regulate the rates for cable television service and to impose a one-year moratorium on increases in such rates; to the Committee on Energy and Commerce.

By Mr. SAWYER (for himself and Mr. Burr of North Carolina):

H.R. 2814. A bill to provide for expansion of electricity transmission networks in order to support competitive electricity markets, to ensure reliability of electric service, to modernize regulation, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SCARBOROUGH (for himself, Mr. Roemer, Mr. Quinn, Mr. Lewis of Georgia, Mrs. Maloney of New York, Mr. McNulty, Ms. Norton, Mr. Delahunt, Mr. Brown of Ohio, Mr. Wexler, Ms. Carson of Indiana, Mr. Moore, Mr. Cummings, Mr. Meehan, Mr. McGovern, Mr. Nadler, Ms. Solis, Mr. Kennedy of Rhode Island, Mr. Baldacci, Mr. Frank, Mr. Kildee, Mr. Frost, Mr. Coyne, Mr. Pallone, Mr. Hoyer, Mr. Lantos, Mr. Strickland, Ms. McCarthy of Missouri, Ms. McKinney, Mr. Menendez, Mr. Wolf, Mr. King, Mr. Sanders, Mr. Rangel, Mr. Berman, Mr. Barrett, Ms. Eddie Bernice Johnson of Texas, Mr. Watt of North Carolina, Mr. Payne, Mr. Costello, Mr. Rodriguez, Ms. Kaptur, Mr. Honda, Mr. Stark, Ms. Baldwin, Mr. Langevin, Mr. Holden, Mr. Maloney of Connecticut, Ms. Eshoo, Mr. Hastings of Florida, Mr. Waxman, Ms. Roybal-Allard, Mr. LaHood, Mrs. Lowey, Mr. Spratt, Mrs. Capps, Mr. Moran of Virginia, Mr. Gonzalez, Ms. Schakowsky, Mr. Rush, Ms. Sanchez, Mr. Carson of Oklahoma, Mr. Sandlin, Mr. Tierney, Mrs. Thurman, Mr. Boyd, Mr. McDermott, Mr. Blagojevich, Mr. Shimkus, Mr. Sessions, Mr. Greenwood, Mr. Foley, Mr. Ehrlich, Mr. Gilman, Mr. English, Mr. Walsh, Mr. Borski, Mr. Barcia, Mr. Souder, Mr. Neal of Massachusetts, Mrs. Christensen, Mr. Gephardt, Ms. Jackson-Lee of Texas, Mr. Tom Davis of Virginia, Mr. Hinchey, Mr. Rahall, Mr. Levin, Mr. Skelton, Mr. Cardin, Mrs. Mink of Hawaii, Mr. LaFalce, Ms. Lofgren, Mr. Farr of California, Mr. Bishop, Mr. Filner, Mr. Clyburn, Mr. Scott, Mr. Bonior, Mr. Hilliard, Mr. Sabo, Mrs. Clayton, Mr. Olver, Mr. Kleczka, Mr. Traficant, Mr. Serrano, Mr. Thompson of Mississippi, Ms. Pelosi, Mr. Kind, and Mr. Udall of New Mexico):

H.R. 2815. A bill to designate the Federal building located at 10th Street and Constitution Avenue, NW, in Washington, DC, as the "Robert F. Kennedy Department of Justice Building"; to the Committee on Transportation and Infrastructure.

By Mr. SIMMONS:

H.R. 2816. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for the purchase and installation of equipment to test for radon and to remove radon from the air and water; to the Committee on Ways and Means.

By Mr. SIMMONS (for himself and Mrs. Johnson of Connecticut):

H.R. 2817. A bill to provide for the effective punishment of online child molesters, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SIMPSON:

H.R. 2818. A bill to authorize the Secretary of the Interior to convey certain public land within the Sand Mountain Wilderness Study Area in the State of Idaho to resolve an occupancy encroachment dating back to 1971; to the Committee on Resources.

By Mr. SMITH of Texas:

H.R. 2819. A bill to amend the Clayton Act with respect to the exemptions from the notification requirements of section 7A of such Act; to the Committee on the Judiciary.

By Mr. STRICKLAND (for himself and Mr. NEY):

H.R. 2820. A bill to amend title 38, United States Code, to suspend for five years the authority of the Secretary of Veterans Affairs to increase the copayment amount in effect for medication furnished by the Secretary on an outpatient basis for the treatment of non-service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. THORNBERRY:

H.R. 2821. A bill to amend title 10, United States Code, to improve the organization and management of the Department of Defense with respect to space programs and activities, and for other purposes; to the Committee on Armed Services.

By Mrs. THURMAN (for herself, Mr. FOLEY, Mr. BOYD, Mr. DOYLE, Mr. FILNER, Mr. GEKAS, Mr. HASTINGS of Florida, Mr. PETERSON of Pennsylvania, Mr. PLATTS, Mr. PUTNAM, Ms. ROS-LEHTINEN, Ms. WATSON, and Ms. WOOLSEY):

H.R. 2822. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers to include compensation received for compulsory or involuntary commercial plant conversions as income or gain over a 10-year period; to the Committee on Ways and Means.

By Mrs. THURMAN (for herself, Mr. FOLEY, Mr. BOYD, Mr. HASTINGS of Florida, Mr. PUTNAM, and Ms. ROS-LEHTINEN):

H.R. 2823. A bill to amend the Internal Revenue Code of 1986 to expand the nontaxable exchange period within which commercial citrus trees destroyed under public order due to the citrus tree canker may be replaced; to the Committee on Ways and Means.

By Mrs. THURMAN (for herself, Mr. FOLEY, Mr. BOYD, Mr. HASTINGS of Florida, Mr. PUTNAM, and Ms. ROS-LEHTINEN):

H.R. 2824. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers to include citrus canker tree replacement payments made by the Secretary of Agriculture as income or gain over a 10-year period; to the Committee on Ways and Means.

By Mr. TOOMEY (for himself, Mr. FLAKE, Mr. PITTS, Mr. GOODE, Mr. HOEKSTRA, Mr. RYUN of Kansas, Mr. CHABOT, Mr. TIAHRT, Mr. PENCE, Mr. VITTER, Mr. WELDON of Florida, Mr. ROGERS of Michigan, and Mr. THUNE):

H.R. 2825. A bill to amend the Economic Growth and Tax Relief Reconciliation Act of 2001 to change the October 1, 2001, due date for corporate estimated taxes to September 24, 2001; to the Committee on Ways and Means.

By Mr. UNDERWOOD (for himself, Mr. FALEOMAVAEGA, and Mrs. CHRISTENSEN):

H.R. 2826. A bill to increase the waiver requirement for certain local matching requirements for grants provided to American Samoa, Guam, the Virgin Islands, or the Commonwealth of the Northern Mariana Islands, and for other purposes; to the Committee on Resources.

By Mr. WALDEN of Oregon (for himself, Mr. HERGER, Mr. POMBO, Mr. DOOLITTLE, Mr. SIMPSON, Mr. HASTINGS of Washington, Mr. NETHERCUTT, and Mr. GIBBONS):

H.R. 2827. A bill to respond to the economic disaster threatening certain farmers and communities resulting from the Federal Government's denial of irrigation water for the Klamath Irrigation Project in the States of Oregon and California; to the Committee on Agriculture.

By Mr. WALDEN of Oregon (for himself, Mr. DEFAZIO, Mr. HERGER, Mr. POMBO, Mr. DOOLITTLE, Mr. SIMPSON, Mr. HASTINGS of Washington, Mr. NETHERCUTT, and Mr. GIBBONS):

H.R. 2828. A bill to authorize refunds of amounts collected from Klamath Project irrigation and drainage districts for operation and maintenance of the Project's transferred and reserved works for water year 2001, and for other purposes; to the Committee on Resources.

By Mr. WALDEN of Oregon (for himself, Mr. HERGER, Mr. DOOLITTLE, Mr. SIMPSON, Mr. HASTINGS of Washington, Mr. NETHERCUTT, and Mr. GIBBONS):

H.R. 2829. A bill to amend the Endangered Species Act of 1973 to require the Secretary of the Interior to give greater weight to scientific or commercial data that is empirical or has been field-tested or peer-reviewed, and for other purposes; to the Committee on Resources.

By Ms. WATERS:

H.R. 2830. A bill to restore the eligibility to vote and register to vote in Federal elections to individuals who have completed sentences for criminal offenses, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ARMEY:

H. Con. Res. 208. Concurrent resolution providing for a conditional adjournment of the House of Representatives and a conditional recess or adjournment of the Senate; considered and agreed to.

By Mr. CALVERT:

H. Con. Res. 209. Concurrent resolution expressing the sense of the Congress that the Secretary of Health and Human Services should administratively provide for coverage under the Medicare Program of backup systems for durable medical equipment in the case of a power failure; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FROST:

H. Con. Res. 210. Concurrent resolution expressing the sense of Congress regarding the establishment of a Disability Arts Month; to the Committee on Government Reform.

By Mr. KING (for himself, Ms. ROS-LEHTINEN, Mr. ROHRABACHER, Mr. MCGOVERN, Mr. ABERCROMBIE, Mr. PITTS, Mr. STARK, Mr. CAPUANO, Mr. OWENS, Mr. SOUDER, Mr. ENGLISH, Mr. DIAZ-BALART, Mr. EVANS, Mr. UNDERWOOD, Mr. SHAYS, Mr. CASTLE, and Mr. CHABOT):

H. Con. Res. 211. Concurrent resolution commending Daw Aung San Suu Kyi on the 10th anniversary of her receiving the Nobel Peace Prize and expressing the sense of the Congress with respect to the Government of Burma; to the Committee on International Relations.

By Mr. RODRIGUEZ:

H. Con. Res. 212. Concurrent resolution expressing the sense of the Congress that a commemorative postage stamp should be issued in honor of William C. Velásquez, the national Hispanic civic leader; to the Committee on Government Reform.

By Mr. ROYCE (for himself, Mr. BECERRA, Ms. ROS-LEHTINEN, Mr. PAYNE, Mr. SMITH of New Jersey, Mr. ROHRABACHER, Mr. GILMAN, Mr. KIRK, and Mr. HORN):

H. Con. Res. 213. Concurrent resolution expressing the sense of Congress regarding North Korean refugees who are detained in China and returned to North Korea where they face torture, imprisonment, and execution; to the Committee on International Relations.

By Mr. SHAW (for himself, Mr. THOMAS, Mr. CRANE, Mrs. JOHNSON of Connecticut, Mr. HOUGHTON, Mr. HERGER, Mr. MCCRERY, Mr. CAMP, Mr. SAM JOHNSON of Texas, Ms. DUNN, Mr. COLLINS, Mr. PORTMAN, Mr. ENGLISH, Mr. WATKINS, Mr. HAYWORTH, Mr. WELLER, Mr. HULSHOF, Mr. MCINNIS, Mr. LEWIS of Kentucky, Mr. FOLEY, Mr. BRADY of Texas, Mr. RYAN of Wisconsin, Mr. BROWN of South Carolina, Mrs. CAPITO, Mr. DIAZ-BALART, Mr. DOOLITTLE, Mr. DREIER, Mr. GOSS, Mr. HORN, Mr. MILLER of Florida, Mr. NETHERCUTT, Mr. OSE, Mr. PLATTS, Mr. PETERSON of Pennsylvania, Mr. PUTNAM, Mr. SCARBOROUGH, Mr. SESSIONS, Mr. STEARNS, Mr. SWEENEY, Mr. WATTS of Oklahoma, Mr. WAMP, and Mr. YOUNG of Florida):

H. Con. Res. 214. Concurrent resolution expressing the sense of the Congress that the President and the Congress should save Social Security as soon as possible and vigorously safeguard Social Security surpluses, and that the President's Commission to Strengthen Social Security should recommend innovative ways to protect workers' financial commitment without benefit cuts or payroll tax increases; to the Committee on Ways and Means.

By Mr. UNDERWOOD:

H. Con. Res. 215. Concurrent resolution expressing the sense of Congress that a series of postage stamps should be issued to commemorate each of the 50 States, the District of Columbia, and the territories of Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Commonwealth of Puerto Rico; to the Committee on Government Reform.

By Mr. SCHAFFER (for himself, Mr. BILIRAKIS, Mr. WYNN, Mr. SESSIONS, Mr. CRANE, Mr. SMITH of New Jersey, Mrs. LOWEY, Mr. WEXLER, Mr. CHABOT, and Mr. BROWN of Ohio):

H. Res. 221. A resolution expressing the sense of the House regarding United States policy toward Taiwan's membership in international organizations; to the Committee on International Relations.

By Mr. SCHAFFER (for himself and Ms. KAPTUR):

H. Res. 222. A resolution congratulating Ukraine on the tenth anniversary of re-establishment of its independence; to the Committee on International Relations. considered and agreed to.

By Mr. ARMEY:

H. Res. 223. A resolution authorizing the cleaning and repair of the mace of the House of Representatives by the Smithsonian Institution.; considered and agreed to.

By Mr. FERGUSON (for himself, Mr. SAXTON, Mrs. ROUKEMA, Mr. FRELINGHUYSEN, Mr. HOLT, Mr. PAYNE, Mr. ANDREWS, and Mr. LOBIONDO):

H. Res. 224. A resolution honoring the New Jersey State Law Enforcement Officers Association; to the Committee on the Judiciary.

By Mr. HASTINGS of Florida:

H. Res. 225. A resolution expressing the sense of the House of Representatives that the United States Postal Service should issue a postage stamp commemorating the Fisk Jubilee Singers; to the Committee on Government Reform.

By Mr. MATSUI (for himself, Ms. NORTON, Ms. CARSON of Indiana, Mr. CAPUANO, Mr. MATHESON, Mr. LANGEVIN, Mr. SKELTON, Mr. SHIMKUS, Mr. PASTOR, Mr. SMITH of New Jersey, Mr. PRICE of North Carolina, and Mr. REYES):

H. Res. 226. A resolution expressing the sense of the House of Representatives that there should be established a Children's Vision Awareness Day; to the Committee on Government Reform.

By Ms. MILLENDER-McDONALD:

H. Res. 227. A resolution expressing the sense of the House of Representatives regarding the 80th Anniversary of the city of Lynwood, California, and its role as a flourishing, multi-cultural city in Los Angeles County; to the Committee on Government Reform.

By Ms. MILLENDER-McDONALD:

H. Res. 228. A resolution expressing the sense of the House of Representatives regarding the 55th anniversary of the Lynwood Chamber of Commerce, California, and its outstanding leadership for Lynwood business owners; to the Committee on Government Reform.

By Ms. MILLENDER-McDONALD:

H. Res. 229. A resolution expressing the sense of the House of Representatives regarding the military service of Filipinos during World War II and their eligibility for benefits under programs administered by the Secretary of Veterans Affairs; to the Committee on Veterans' Affairs, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SESSIONS (for himself, Mr. HAYWORTH, Mr. FLAKE, Mr. SHADEGG, Mr. KOLBE, Mr. ROYCE, Mr. TANCREDO, Mr. MILLER of Florida, Mr. NUSSLE, Mr. MANZULLO, Mr. HYDE, Mr. JOHNSON of Illinois, Mrs. BIGGERT, Mr. HOSTETTLER, Mr. GUTKNECHT, Mr. THUNE, Mr. PAUL, Mr. BONILLA, Mr. GREEN of Wisconsin, Mr. STUMP, Mr. RADANOVICH, Mr. SIMPSON, Mr. OTTER, Mr. WELLER, Mr. SOUDER, Mr. BOEHNER, Mr. PETRI, Mr. SENSENBRENNER, Mr. RYAN of Wisconsin, Mr. KENNEDY of Minnesota, Mr. CULBERSON, Mr. ISSA, Mr. LATHAM, Mr. LEACH, Mr. GANSKE, Mr. SHIMKUS, Mr. CRANE, Mr. SKEEN, Mr. ROHRABACHER, Mr. DOOLEY of California, Mr. RUSH, Mr. DAVIS of Illinois, Mr. COSTELLO, Mr. JACKSON of Illinois, Mr. STUPAK, Mr. OBERSTAR, Mr. SABO, Mr. TRAFICANT, Ms. BALDWIN, Mr. BARRETT, Mr. KIND, Mr. OBEY, Mr. KLECZKA, and Mr. PHELPS):

H. Res. 230. A resolution expressing the sense of the House of Representatives that Article I, section 10 of the United States Constitution should not be used to renew the interstate economic protectionism of our Nation's early history; to the Committee on the Judiciary.

By Mr. SHAW (for himself and Mr. WYNN):

H. Res. 231. A resolution expressing the sense of the House of Representatives that a National Child's Day ought to be established; to the Committee on Government Reform.

By Mr. SWEENEY:

H. Res. 232. A resolution establishing a Select Committee on Medical Research; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. THOMPSON of California introduced a bill (H.R. 2831) for the relief of Patricia and Michael Duane, Gregory Hansen, Mary Pimental, Randy Ruiz, Elaine Schlinger, and Gerald Whitaker; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 13: Mr. STRICKLAND.

H.R. 28: Mr. LEACH.

H.R. 41: Mrs. NAPOLITANO.

H.R. 71: Mr. DAVIS of Illinois, Ms. McKINNEY, Mr. CUMMINGS, and Mrs. JONES of Ohio.

H.R. 72: Mr. CUMMINGS.

H.R. 75: Mr. BONIOR, Mr. JACKSON of Illinois, Mrs. JONES of Ohio, Mr. BRADY of Pennsylvania, Mr. FROST, Mr. CUMMINGS, Mr. BALDACCI, Ms. BROWN of Florida, and Mr. MEEKS of New York.

H.R. 98: Mr. DAVIS of Florida.

H.R. 122: Mr. WELLER.

H.R. 183: Mr. NADLER.

H.R. 257: Mr. FORBES, Mr. KINGSTON, and Mr. NORWOOD.

H.R. 265: Ms. EDDIE BERNICE JOHNSON of Texas and Mrs. LOWEY.

H.R. 267: Mr. McKEON, Mrs. KELLY, Mr. GRUCCI, and Mr. JACKSON of Illinois.

H.R. 275: Mr. OSE.

H.R. 281: Ms. VELÁZQUEZ.

H.R. 292: Mr. JACKSON of Illinois, Ms. SOLIS, and Mr. RUSH.

H.R. 321: Mr. McDERMOTT, Mr. SANDERS, Mr. DELAHUNT, Mr. HINCHEY, and Mr. RANGEL.

H.R. 389: Mr. DEFAZIO.

H.R. 397: Mr. McNULTY, Mr. MEEKS of New York, and Mr. PASTOR.

H.R. 437: Mr. OSE.

H.R. 440: Mr. McGOVERN.

H.R. 448: Mr. SOUDER.

H.R. 455: Mr. COOKSEY.

H.R. 500: Mr. ACEVEDO-VILÁ.

H.R. 525: Mr. BISHOP.

H.R. 626: Mr. LATHAM, Mr. HAYES, Mr. HOBSON, Mr. MANZULLO, and Mr. OSBORNE.

H.R. 656: Mr. MATHESON, Mr. SOUDER, and Mr. McHUGH.

H.R. 662: Mr. TOOMEY.

H.R. 663: Ms. WOOLSEY.

H.R. 664: Mr. FATTAH, Mr. MATHESON, and Mr. LAFALCE.

H.R. 680: Ms. LOFGREN.

H.R. 690: Mr. UNDERWOOD.

H.R. 702: Mr. THOMPSON of California.

H.R. 709: Mr. HONDA.

H.R. 730: Mr. ENGLISH.

H.R. 749: Mr. SOUDER.

H.R. 751: Mr. WICKER.

H.R. 781: Mr. ACEVEDO-VILÁ.

H.R. 786: Mr. ALLEN and Mr. JACKSON of Illinois.

H.R. 792: Mr. BROWN of Ohio and Mr. BLAGOJEVICH.

H.R. 822: Mr. CANTOR and Mr. CLEMENT.

H.R. 831: Mr. REYES, Mr. LAMPSON, Mr. GILCHREST, Ms. CARSON of Indiana, Mr. TOOMEY, Mr. BACHUS, Mr, BLUNT, Mr. PITTS, Mr. CALLAHAN, Mr. ACKERMAN, Mr. PHELPS, Mr. SHERMAN, Mr. MEEKS of New York, and Mr. MATHESON.

H.R. 840: Mrs. CAPPS and Mr. HASTINGS of Florida.

H.R. 844: Mr. SMITH of New Jersey.

H.R. 848: Mr. McGOVERN, Mr. HASTINGS of Florida, and Mr. LAHOOD.

H.R. 853: Mr. BISHOP.

H.R. 854: Mrs. JO ANN DAVIS of Virginia and Mr. DICKS.

H.R. 868: Mr. BASS, Ms. BALDWIN, Mr. HOEKSTRA, Mr. CANNON, and Mr. LEACH.

H.R. 877: Mr. EHRLICH.

H.R. 914: Mr. MANZULLO.

H.R. 919: Mr. RANGEL.

H.R. 938: Mr. HONDA and Mr. KUCINICH.

H.R. 948: Mr. PRICE of North Carolina, Ms. LEE, Mr. DAVIS of Illinois, Mr. LEACH, Mr. LUCAS of Kentucky, Ms. VELÁZQUEZ, Mr. WYNN, and Mr. ENGEL.

H.R. 951: Mr. FERGUSON, Mr. FATTAH, Mr. TRAFICANT, Mr. LEACH, and Mr. EVANS.

H.R. 968: Mr. GORDON and Mr. BROWN of South Carolina.

H.R. 969: Mr. MANZULLO.

H.R. 981: Mr. CHAMBLISS.

H.R. 1021: Mr. SCHAFFER and Mr. CLAY.

H.R. 1024: Mr. PLATTS.

H.R. 1030: Mrs. NORTHUP, Mr. PICKERING, Mr. BAKER, Mr. BROWN of South Carolina, Mr. WICKER, and Mr. STRICKLAND.

H.R. 1035: Mr. BRADY of Pennsylvania.

H.R. 1038: Mr. McDERMOTT, Mr. SANDERS, Mr. PASTOR, Mr. HINCHEY, and Mr. RANGEL.

H.R. 1051: Mr. BONIOR, Mr. JACKSON of Illinois, and Ms. SOLIS.

H.R. 1052: Mr. STARK.

H.R. 1055: Mr. GONZALEZ and Mr. HILLIARD.

H.R. 1060: Ms. CARSON of Indiana.

H.R. 1073: Mr. MATHESON.

H.R. 1076: Mr. JOHNSON of Illinois.

H.R. 1090: Mr. MICA.

H.R. 1092: Mr. MEEHAN, Mr. BLUMENAUER, and Mr. DEFAZIO.

H.R. 1109: Mr. BRYANT, Mr. KELLER, Ms. PRYCE of Ohio, Mr. FOLEY, and Ms. GRANGER.

H.R. 1110: Mr. HOBSON.

H.R. 1136: Mr. BEREUTER.

H.R. 1155: Ms. VELÁZQUEZ, Mr. FORD,, Mr. OWENS, and Mrs. CLAYTON.

H.R. 1160: Ms. HOOLEY of Oregon.

H.R. 1170: Mr. SAWYER, Mr. MASCARA, Mr. SHOWS, Mr. COYNE, and Mr. WEINER.

H.R. 1172: Ms. LOFGREN, Mr. QUINN, Mr. SABO, Mr. GRUCCI, Mr. BOEHLERT, Mr. SERRANO, Mr. LUCAS of Oklahoma, and Mr. ORTIZ.

H.R. 1177: Mr. OLVER and Mr. WATT of North Carolina.

H.R. 1191: Mr. EVANS.

H.R. 1198: Mr. PASCRELL, Mr. COYNE, Mrs. LOWEY, Ms. ROYBAL-ALLARD, and Mrs. NAPOLITANO.

H.R. 1202: Ms. WOOLSEY, Ms. SCHAKOWSKY, Mr. STRICKLAND, Mr. KLECZKA, Mr. KUCINICH, Mr. CANTOR, and Mr. KING.

H.R. 1212: Mr. CLEMENT and Mr. NORWOOD.

H.R. 1232: Mr. HINCHEY.

H.R. 1238: Mr. MEEKS of New York and Mr. ENGLISH.

H.R. 1242: Mr. OLVER.

H.R. 1252: Mr. SKELTON and Ms. WATERS.

H.R. 1274: Mr. MANZULLO.

H.R. 1290: Mrs. MINK of Hawaii and Mr. MEEKS of New York.

H.R. 1296: Mr. OXLEY, Mr. RAMSTAD, and Mr. CANNON.

H.R. 1305: Mr. BRADY of Texas and Mr. CULBERSON.

H.R. 1307: Mr. GREEN of Texas.

H.R. 1319: Ms. McCOLLUM.

H.R. 1322: Ms. PELOSI, Mr. NADLER, Mr. RUSH, Ms. KAPTUR, Mr. SABO, Mr. COSTELLO, Ms. WOOLSEY, Mr. PASTOR, Mr. SANDLIN, Mr. WYNN, Mr. LANTOS, Mr. LANGEVIN, Mr. KENNEDY of Rhode Island, Mr. PASCRELL, Mr. BLAGOJEVICH, Mr. STUPAK, Mr. PALLONE, Ms. VELÁZQUEZ, and Ms. LOFGREN.

H.R. 1341: Mr. DUNCAN.

H.R. 1353: Mr. EVANS, Mr. BAIRD, Mr. SHOWS, Mr. SHIMKUS, Mr. REHBERG, Mr.

Pombo, Mr. Watkins, and Mr. Lucas of Oklahoma.

H.R. 1357: Mr. Oxley and Mr. Ney.

H.R. 1358: Mr. Engel.

H.R. 1377: Mr. Foley, Mr. Crane, and Mr. Burton of Indiana.

H.R. 1381: Mr. Price of North Carolina.

H.R. 1405: Mr. Davis of Florida.

H.R. 1412: Mr. Costello and Mrs. Napolitano.

H.R. 1436: Ms. Berkley, Mr. Diaz-Balart, and Mr. Becerra.

H.R. 1476: Mr. Hinchey and Mr. Bonior.

H.R. 1509: Mr. Baca, Mr. Ortiz, Mr. Serrano, Mr. Acevedo-Vilá, Mrs. Napolitano, Mr. Rodriguez, Mr. Becerra, Ms. Solis, Mr. Hinojosa, Mr. Pastor, and Ms. Velázquez.

H.R. 1520: Mrs. McCarthy of New York.

H.R. 1522: Mr. Levin and Mrs. Lowey.

H.R. 1524: Mr. Ballenger.

H.R. 1525: Mr. Bonior and Mr. Fattah.

H.R. 1556: Ms. Hart and Mr. Evans.

H.R. 1577: Mrs. Cubin, Mr. Kingston, Mr. Quinn, Mr. Platts, Ms. Pryce of Ohio, Tiahrt, Mr. McKeon, Mrs. Wilson, and Mr. Cramer.

H.R. 1582: Mr. Rush.

H.R. 1587: Ms. Slaughter.

H.R. 1600: Mr. LaHood.

H.R. 1609: Mr. Dicks.

H.R. 1613: Ms. Slaughter.

H.R. 1621: Mr. Bonior.

H.R. 1624: Mr. Brady of Pennsylvania, Mr. Ramstad, Mr. LaHood, and Mr. Bonilla.

H.R. 1642: Mr. Matheson.

H.R. 1645: Mr. Reyes, Mr. DeFazio, and Mr. Rush.

H.R. 1669; Mr. Becerra.

H.R. 1675: Mr. Kerns and Mr. Platts.

H.R. 1680: Ms. Carson of Indiana and Mr. Scott.

H.R. 1685: Ms. Carson of Indiana and Mr. Berry.

H.R. 1700: Ms. Solis and Mr. Rangel.

H.R. 1703: Mr. George Miller of California, Mr. Kind, Mr. Moore, and Ms. Solis.

H.R. 1711: Ms. Carson of Indiana.

H.R. 1734: Ms. Carson of Indiana.

H.R. 1744: Ms. Carson of Indiana and Mr. Hinchey.

H.R. 1773: Mr. Holt, Mr. Wu, and Mr. Pascrell.

H.R. 1779: Mr. Weiner, Mr. Smith of New Jersey, Mr. Olver, Mr. Wu, Ms. Jackson-Lee of Texas, and Mrs. Kelly.

H.R. 1782: Mr. DeMint.

H.R. 1789: Mr. Green of Texas.

H.R. 1790: Ms. Kilpatrick.

H.R. 1798: Mr. Burton of Indiana.

H.R. 1810: Mr. Udall of New Mexico and Mr. Olver.

H.R. 1816: Ms. McKinney, Ms. Rivers, Mr. Kildee, Mrs. Mink of Hawaii, Mr. Brown of Ohio, and Mr. McGovern.

H.R. 1822: Mr. McIntyre, Mr. Shows, Mr. Price of North Carolina, and Mr. Rangel.

H.R. 1839: Mr. Goodlatte.

H.R. 1860: Mr. Manzullo, and Ms. Velázquez.

H.R. 1861: Mr. Davis of Illinois.

H.R. 1897: Ms. Eshoo, Ms. Berkley, and Mrs. Maloney of New York.

H.R. 1918: Mr. Smith of New Jersey and Mr. Dooley of California.

H.R. 1956: Mr. Riley, Mr. Cramer, Mr. Weldon of Pennsylvania, and Mr. Bachus.

H.R. 1975: Mr. Cannon, Mrs. Biggert, and Mr. Udall of New Mexico.

H.R. 1979: Mr. Hayworth, and Mr. Hastings of Washington.

H.R. 1986: Mr. Wamp.

H.R. 1987: Mr. Dreier, Mr. Frank, Mr. Lewis of Georgia, Mr. LaHood, Mr. Nussle, Mr. Berry, and Mr. Camp.

H.R. 1988: Mr. Mollohan.

H.R. 2002: Mr. Radanovich, Mr. Cannon, Mr. Osborne, and Mr. Moran of Kansas.

H.R. 2009: Mr. Watt of North Carolina.

H.R. 2014: Mr. Schaffer.

H.R. 2023: Mr. Hastings of Washington, Mr. Berry, Mr. Coble, Mr. Simmons, Ms. Pryce of Ohio, Mr. King, Mr. Nussle, Mr. Baca, Mrs. Tauscher, Mr. Radanovich, Mr. Boswell, Mr. Ross, and Mr. Knollenberg.

H.R. 2031: Ms. Carson of Indiana.

H.R. 2033: Mrs. Christensen, Mr. Hinojosa, Mr. Pascrell, and Mr. Acevedo-Vilá.

H.R. 2034: Mr. Serrano.

H.R. 2035: Mr. Gordon and Mr. McGovern.

H.R. 2036: Mr. Pastor, Ms. Jackson-Lee of Texas, Mrs. Cubin, and Ms. Slaughter.

H.R. 2038: Mr. Strickland.

H.R. 2058: Mr. Gutierrez.

H.R. 2059: Mr. Towns and Mr. Price of North Carolina.

H.R. 2063: Mr. Blumenauer and Mr. Price of North Carolina.

H.R. 2073: Mr. Foley.

H.R. 2074: Ms. Eddie Bernice Johnson of Texas, Mr. Blumenauer, Mr. Coyne, Ms. Baldwin, and Ms. Schakowsky.

H.R. 2096: Mr. Brown of South Carolina and Mr. Bartlett of Maryland.

H.R. 2097: Mr. Bonior, Mr. Pascrell, Ms. Watson, Mr. Reyes, and Mrs. Napolitano.

H.R. 2098: Mr. Hoeffel.

H.R. 2117: Ms. Norton, Mr. Blunt, Ms. McCarthy of Missouri, and Mr. Gordon.

H.R. 2121: Mr. Engel.

H.R. 2125: Mr. Menendez.

H.R. 2126: Mr. Frost and Mr. Stenholm.

H.R. 2134: Mr. Filner, Mr. English, and Mr. Doyle.

H.R. 2138: Mr. Meeks of New York, and Mr. Price of North Carolina.

H.R. 2142: Mr. Baca, Mr. Wu, Mr. Andrews, Mrs. Mink of Hawaii, Mr. Wexler, Mr. McDermott, and Mr. Ehlers.

H.R. 2155: Mr. Hayworth.

H.R. 2158: Mr. Rahall and Ms. Carson of Indiana.

H.R. 2166: Mrs. Thurman, Mr. Rangel, Mr. McNulty, and Mr. Rush.

H.R. 2173: Ms. Carson of Indiana, Mr. Brown of Ohio, and Mr. Diaz-Balart.

H.R. 2179: Mr. Filner, Ms. McKinney, Mr. Frost, and Mr. Souder.

H.R. 2180: Mr. Condit.

H.R. 2220: Ms. Eshoo.

H.R. 2233: Ms. Carson of Indiana.

H.R. 2240: Mr. Weldon of Florida.

H.R. 2244: Mr. Hilliard.

H.R. 2258: Mr. Capuano, Ms. Solis, and Ms. McKinney.

H.R. 2275: Mr. Lampson, Mr. Udall of Colorado, Mr. Hall of Texas, Mr. Baird, Ms. Rivers, Mr. Gordon, Mr. Shays, Mrs. Morella, Mr. Boehlert, and Ms. Hart.

H.R. 2281: Mr. Evans.

H.R. 2294: Mr. DeFazio, Mr. Meeks of New York, Mr. Meehan, and Mr. Clement.

H.R. 2308: Mr. Clement, Mr. Green of Texas, and Mrs. Jo Ann Davis of Virginia.

H.R. 2316: Mr. Frelinghuysen, Mr. Goodlatte, Mr. Stump, Mr. Bartlett of Maryland, Mr. Everett, and Mr. Collins.

H.R. 2319: Mr. Hastings of Florida and Mrs. Clayton.

H.R. 2328: Mr. Rush.

H.R. 2329: Mr. Hoeffel, Mr. Kennedy of Rhode Island, Mr. Neal of Massachusetts, Mr. Clyburn, and Mr. Crowley.

H.R. 2340: Ms. Carson of Indiana and Mr. Rush.

H.R. 2341: Mr. Gallegly.

H.R. 2343: Mr. Hilliard.

H.R. 2348: Mrs. Clayton, Mr. Udall of New Mexico, Mr. Clay, Mr. Smith of Washington, Mr. English, Mr. Hinojosa, Mr. Sherman, Mr. Payne, Mr. Davis of Illinois, Mr. Schiff, Mr. Acevedo-Vilá, Mr. Paul, and Ms. Hooley of Oregon.

H.R. 2349: Mr. Evans.

H.R. 2357: Mr. Sam Johnson of Texas, Mr. Callahan, Mrs. Emerson, Mr. Mica, and Mr. Sessions.

H.R. 2362: Mr. McGovern, Mr. Blumenauer, and Ms. Carson of Indiana.

H.R. 2375: Mrs. Kelly.

H.R. 2380: Mr. Gutierrez, Mr. Bonior, Mr. McGovern, Mr. Meeks of New York, Mr. Borski, Mr. Jackson of Illinois, Mr. LaHood, Mrs. Lowey, Ms. Hooley of Oregon, and Mrs. Biggert.

H.R. 2417: Mr. McKeon.

H.R. 2422: Mr. Coyne and Mr. Smith of New Jersey.

H.R. 2428: Mr. Faleomavaega.

H.R. 2435: Mr. Oxley.

H.R. 2454: Mr. Herger, Mr. Condit, Mr. Becerra, Mr. Dooley of California, Mr. Lewis of California, Mr. Matsui, Mr. Lantos, Mr. Dreier, Mr. Ose, Mr. Sherman, Mr. Gary G. Miller of California, Mr. Thomas, Mr. Pombo, Mr. Cox, Mr. Honda, Mr. Rohrabacher, Mrs. Napolitano, Mrs. Tauscher, Mr. Filner, Mr. Radanovich, Mr. Doolittle, Mr. McKeon, Mr. George Miller of California, Ms. Millender-McDonald, and Ms. Woolsey.

H.R. 2457: Mr. Kingston.

H.R. 2462: Mr. Borski, Mr. Gordon, Mrs. Thurman, Mr. Doyle, Mr. Paul, and Mr. Moore.

H.R. 2466: Mr. Wicker.

H.R. 2476: Mr. Hinojosa and Mr. Rush.

H.R. 2482: Mr. Stark, Ms. Woolsey, and Mr. Baca.

H.R. 2513: Mr. Barrett.

H.R. 2550: Mr. Foley.

H.R. 2555: Mr. Berman, Ms. DeLauro, Mrs. Jones of Ohio, Mr. Pence, Mr. Baird, Mr. Frost, and Mr. Kucinich.

H.R. 2560: Mr. Lipinski.

H.R. 2563: Mr. Lantos and Mr. Rothman.

H.R. 2566: Mr. McNulty, Mr. Ackerman, Ms. Hart, Mrs. McCarthy of New York, Mr. Nadler, Ms. Rivers, Mr. Engel, Mr. Kerns, and Mrs. Jo Ann Davis of Virginia.

H.R. 2570: Ms. Lofgren, Mr. McGovern, Mr. Wexler, Mr. Kucinich, Mr. Matsui, and Mr. Hinchey.

H.R. 2573: Ms. Woolsey, Mr. Coyne, Mr. Filner, Ms. Pelosi, and Mr. Ramstad.

H.R. 2576: Mr, Goode.

H.R. 2578: Mr. Baca, Mr. Calvert, Mr. Condit, Mr. Dooley of California, Mr. Farr of California, Mr. Herger, Mr. Horn, Mr. Lantos, Mr. Lewis of California, Ms. Roybal-Allard, Mr. Sherman, Ms. Solis, and Mr. Waxman.

H.R. 2605: Mr. Kucinich.

H.R. 2609: Mr. Quinn.

H.R. 2613: Mr. Coble, Ms. Carson of Indiana, Mrs. Clayton, and Mr. Etheridge.

H.R. 2618: Mrs. Johnson of Connecticut and Mr. Kennedy of Rhode Island.

H.R. 2622: Ms. Velázquez and Mr. Kucinich.

H.R. 2623: Mr. Frost, Mr. Sanders, and Ms. Ros-Lehtinen.

H.R. 2624: Mr. Forbes.

H.R. 2629: Mr. Bonior, Mr. Borski, Ms. McKinney, and Mr. Pascrell.

H.R. 2631: Mr. Nethercutt and Mr. Herger.

H.R. 2635: Ms. Jackson-Lee of Texas and Mr. Frost.

H.R. 2637: Ms. DeLauro and Mr. Scott.

H.R. 2640: Mr. Filner.

H.R. 2641: Mrs. Emerson and Ms. Slaughter.

H.R. 2649: Mr. BLUNT, Mr. SHAW, Mr. FOSSELLA, and Mr. BEREUTER.

H.R. 2659: Mr. EHLERS.

H.R. 2661: Mr. MCGOVERN, Mr. STUPAK, and Mr. LEVIN.

H.R. 2663: Mr. CLEMENT.

H.R. 2666: Mr. ENGLISH, Mr. PASCRELL, and Mr. PENCE.

H.R. 2669: Mr. HASTINGS of Washington.

H.R. 2675: Mr. HAYWORTH, Mr. GREEN of Texas, and Mr. OSBORNE.

H.R. 2676: Mrs. CLAYTON, Mr. HILLIARD, Mr. CLYBURN, Ms. WATERS, Ms. MCKINNEY, Mr. BISHOP, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. TOWNS, Mr. LEWIS of Georgia, Mrs. THURMAN, Mr. ROSS, and Mr. RANGEL.

H.R. 2678: Mr. CUNNINGHAM, Mr. WOLF, and Mr. HOYER.

H.J. Res. 54: Mr. GOODLATTE and Mr. GREEN of Texas.

H. Con. Res. 20: Mr. SANDERS.

H. Con. Res. 42: Mr. UDALL of Colorado and Mr. GREEN of Texas.

H. Con. Res. 60: Ms. SCHAKOWSKY.

H. Con. Res. 77: Mr. SCHIFF.

H. Con. Res. 102: Mr. LUCAS of Kentucky.

H. Con. Res. 131: Mr. KUCINICH and Mr. PAYNE.

H. Con. Res. 141: Ms. BALDWIN.

H. Con. Res. 144: Mr. VISCLOSKY.

H. Con. Res. 166: Mr. WAXMAN, Ms. HARMAN, Ms. WATERS, Mr. BONIOR, and Mr. STUPAK.

H. Con. Res. 173: Ms. ROYBAL-ALLARD, Mr. LEACH, and Ms. HOOLEY of Oregon.

H. Con. Res. 175: Mr. HORN, Mr. DEFAZIO, Mr. WAXMAN, Mr. TIERNEY, Mr. KUCINICH, Ms. MCKINNEY, Mr. MORAN of Virginia, and Mr. TRAFICANT.

H. Con. Res. 177: Mr. HASTINGS of Florida, Mr. KUCINICH, and Mr. CUMMINGS.

H. Con. Res. 181: Mr. LUCAS of Kentucky, and Mr. BONIOR.

H. Con. Res. 184: Mr. LEWIS of Kentucky, Mr. TIAHRT, Mr. WICKER, Mr. DEMINT, Mr. RILEY, Mr. HAYWORTH, Mr. BAKER, Mr. HOEKSTRA, Mr. SCHAFFER, Mr. SMITH of Texas, Mr. DOOLITTLE, Mr. BARTLETT of Maryland, Mr. SKEEN, Mr. GRAHAM, Mr. LARGENT, Mr. HILLEARY, Ms. HART, Mr. MCINNIS, and Mr. RYUN of Kansas.

H. Con. Res. 188: Mr. CANTOR, Mr. HAYWORTH, and Mr. COYNE.

H. Con. Res. 191: Mr. FILNER and Mr. WATT of North Carolina.

H. Con. Res. 195: Mr. STARK.

H. Con. Res. 203: Mr. ENGEL, Mrs. LOWEY, and Ms. MCKINNEY.

H. Res. 117: Mr. TIERNEY and Mr. MEEHAN.

H. Res. 125: Mr. ISSA.

H. Res. 132: Mr. COYNE.

H. Res. 133: Mr. GILMAN, Mr. CROWLEY, Mr. WOLF, and Mr. DAVIS of Illinois.

H. Res. 144: Mr. STARK.

H. Res. 177: Mr. PASTOR and Mr. COSTELLO.

H. Res. 197: Mr. WELDON of Florida.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 770: Mr. PHELPS.

H.R. 2037: Mr. SENSENBRENNER.

DISCHARGE PETITIONS

Under clause 2 of rule XV, the following discharge petition was filed:

Petition 3. July 30, 2001, by Mr. JIM TURNER on House Resolution 203, was signed by the following Members: Jim Turner, Stephen Horn, Christopher Shays, Michael N. Castle, Lindsey O. Graham, Todd Russell Platts, Marge Roukema, Ken Lucas, Brad Carson, Thomas H. Allen, Sherrod Brown, Marion Berry, James H. Maloney, Leonard L. Boswell, Ron Kind, Robert E. Andrews, Joseph Crowley, Louise McIntosh Slaughter, Nick Lampson, John Lewis, Hilda L. Solis, Zoe Lofgren, Steve Israel, Gary L. Ackerman, James R. Langevin, Michael M. Honda, Dale E. Kildee, Ted Strickland, Joseph M. Hoeffel, James P. McGovern, Jay Inslee, Rush D. Holt, Darlene Hooley, Carolyn McCarthy, Ellen O. Tauscher, Charles A. Gonzalez, Shelley Berkley, Lynn C. Woolsey, Ruben Hinojosa, John B. Larson, Amo Houghton, Stephanie Tubbs Jones, Mike McIntyre, Baron P. Hill, Earl Blumenauer, Rick Larsen, Brad Sherman, John W. Olver, Grace F. Napolitano, James C. Greenwood, Xavier Becerra, Ciro D. Rodriguez, Gene Green, Steven R. Rothman, Susan A. Davis, Barney Frank, Steny H. Hoyer, David E. Bonior, Charles W. Stenholm, Peter Deutsch, Nancy Pelosi, Charles B. Rangel, Maurice D. Hinchey, Michael E. Capuano, Eva M. Clayton, Edward J. Markey, John F. Tierney, Henry A. Waxman, Jerrold Nadler, Nita M. Lowey, John Elias Baldacci, Lois Capps, Martin T. Meehan, James P. Moran, Sam Farr, Chet Edwards, Tom Udall, Jim Davis, Tim Holden, Luis V. Gutierrez, Tom Sawyer, Frank Pallone, Jr., Richard A. Gephardt, Ken Bentsen, Allen Boyd, Diane E. Watson, David E. Price, Chaka Fattah, Gerald D. Kleczka, Jim McDermott, Rosa L. DeLauro, Bob Etheridge, Ed Pastor, Mike Thompson, Melvin L. Watt, Nydia M. Velázquez, David D. Phelps, Adam B. Schiff, Betty McCollum, Robert A. Borski, Bob Filner, Robert T. Matsui, Peter A. DeFazio, John M. Spratt, Jr., Tammy Baldwin, Ike Skelton, Bob Clement, Diana DeGette, Dennis J. Kucinich, Robert Wexler, George Miller, Janice D. Schakowsky, Lane Evans, Jim Matheson, Constance A. Morella, Brian Baird, Benjamin L. Cardin, Lucille Roybal-Allard, Silvestre Reyes, Harold E. Ford, Jr., Anna G. Eshoo, Marcy Kaptur, Bill Pascrell, Jr., Bart Gordon, Adam Smith, Eliot L. Engel, Dennis Moore, Lynn N. Rivers, John J. LaFalce, Patsy T. Mink, Martin Frost, Christopher John, Thomas M. Barrett, Max Sandlin, Tom Lantos, Major R. Owens, Anthony D. Weiner, Patrick J. Kennedy, Karen McCarthy, Barbara Lee, Jane Harman, Norman D. Dicks, David Wu, Earl Pomeroy, Bernard Sanders, Michael R. McNulty, Tony P. Hall, John D. Dingell, Vic Snyder, Gary A. Condit, John Conyers, Jr., Paul E. Kanjorski, Lloyd Doggett, James L. Oberstar, Sander M. Levin, Gene Taylor, Elijah E. Cummings, Karen L. Thurman, Mark Steven Kirk, Carolyn C. Kilpatrick, Calvin M. Dooley, Robert A. Brady, Bill Luther, Mark Udall, William J. Coyne, Jerry F. Costello, Edolphus Towns, Gregory W. Meeks, Howard L. Berman, Donald M. Payne, William D. Delahunt, John S. Tanner, Carolyn B. Maloney, Julia Carson, William J. Jefferson, Carrie P. Meek, Nancy L. Johnson, Jesse L. Jackson, Jr., James A. Leach, Zach Wamp, Frank Mascara, Jose E. Serrano, Rod R. Blagojevich, Nick J. Rahall II, Alan B. Mollohan, Michael F. Doyle, Bart Stupak, James A. Barcia, Neil Abercrombie, Solomon P. Ortiz, Robert E. (Bud) Cramer, Jr., Rob Simmons, Mike Ross, Tim Roemer, Danny K. Davis, Sheila Jackson-Lee, Bobby L. Rush, Jim Ramstad, Loretta Sanchez, Robert C. Scott, Robert Menendez, Fortney Pete Stark, Juanita Millender-McDonald, and Joe Baca.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members' names were withdrawn from the following discharge petitions:

Petition 2 by Mr. INSLEE on House Resolution 165: Dennis Moore.

Petition 3 by Mr. TURNER on House Resolution 166: Wm. Lacy Clay.

SENATE—*Thursday, August 2, 2001*

The Senate met at 9:30 a.m. and was called to order by the Presiding Officer, the Honorable JACK REED, a Senator from the State of Rhode Island.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, You have promised that, "In quietness and confidence shall be our strength."—Isaiah 30:15. Thank You for prayer in which we can commune with You, renew our convictions, receive fresh courage, and affirm our commitment to serve You. In Your presence we simply can be and know that we are loved. You love us and give us new beginnings each day. Thank You that we can depend on Your guidance for all that is ahead of us this day. Suddenly we realize that this quiet moment has refreshed us. We are replenished with new hope.

Now we can return to our outer world of challenges and opportunities with greater determination. We want to serve You by giving our very best to the leadership of our Nation to which You have called us. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable BILL NELSON, a Senator from the State of Florida, led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, August 2, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JACK REED, a Senator from the State of Rhode Island, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. REED thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

SCHEDULE

Mr. REID. Mr. President, today, the Senate will resume consideration of the VA–HUD Appropriations Act under the able leadership of the two managers, Senators MIKULSKI and BOND. The first matter of business today will be an amendment of Senator NELSON of Florida. There will be rollcall votes on amendments to this bill throughout the day. When I say "throughout the day," we have every expectation this bill will end sooner rather than later. We need very badly to get back on the Agriculture emergency bill. We hope to do that very soon.

Cloture was filed on the Agriculture supplemental, so all first-degree amendments must be filed prior to 1 p.m. today. I have conferred with the Democratic manager, Senator MIKULSKI, and both her staff and the staff of Senator BOND have looked at their amendments and are in a position to make a determination as to these amendments. We hope, as I have indicated, there will be just a few amendments offered today. We know Senator KYL of Arizona has an amendment, perhaps two amendments he will offer, but hopefully we can wrap up this bill quite soon.

MEASURE PLACED ON THE CALENDAR—H.R. 2602

Mr. REID. Mr. President, I understand there is a bill at the desk for a second reading.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

> A bill (H.R. 2602) to extend the Export Administration Act until November 20, 2001.

Mr. REID. I object to further proceedings.

The ACTING PRESIDENT pro tempore. Under the rule, the bill will be placed on the calendar.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of H.R. 2620, which the clerk will report by title.

The legislative clerk read as follows:

> A bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

Pending:

> Mikulski/Bond amendment No. 1214, in the nature of a substitute.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Florida, Mr. NELSON, is recognized to offer an amendment.

Mr. NELSON of Florida. Mr. President, I am waiting for the amendment to arrive. I seek counsel of the manager of the bill.

Ms. MIKULSKI. Mr. President, we know the direction in which the Senator from Florida wants to go. He is deeply concerned about arsenic-treated wood. What he is evaluating, based on our advice, is whether he wants to offer something that is a mandate or pursue a more prudent direction in terms of a study. I believe his staff is coming over with the amendment.

The Senator has a lot of concerns about this. I recommend he state now what those concerns are, and when staff gets here we can step back and he can offer his amendment. I encourage the more prudent course; however, the Senator is within his rights. Either way, we look forward to hearing the Senator's arguments.

Also, I note the cooperation of my colleague, Senator BOND, that we could start at 9:30 and be ready to move forward. He is missing a very important Republican caucus and I thank him for his cooperation. I know President Bush and the Vice President are here. In his commitment, particularly to moving this bill and the funding for veterans and other compelling needs, he was willing to be gracious enough to work with the Democratic leadership and meet earlier in the day. I publicly thank him.

Mr. BOND. Mr. President, my sincere thanks to my colleague from Maryland. Obviously, this is the most important thing we have to do. I share Senator MIKULSKI's view we should begin discussion of this serious concern of the Senator from Florida. We look forward to working with the Senator. I thank the Chair and the manager on the Democratic side, who has a very good idea. Normally, when she has a good idea, it is much more successful than some of the other approaches that might be taken. I offer that as a humble suggestion.

Ms. MIKULSKI. I note the Senator from Florida is reviewing his materials with his staff. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant bill clerk proceeded to call the roll.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 1228 TO AMENDMENT NO. 1214

Mr. NELSON of Florida. Mr. President, I send to the desk an amendment.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. Nelson] proposes an amendment numbered 1228.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . ARSENIC IN PLAYGROUND EQUIPMENT.

(a) Findings.—The Congress makes the following findings:

(1) The Department of Health and Human Services has determined that arsenic is a known carcinogen, and the Environmental Protection Agency has classified chromated copper arsenate (CCA), which is 22 percent arsenic, as a "restricted use chemical.

(2) CCA is often used as a preservative in pressure-treated wood, and CCA-treated wood is widely used in constructing playground equipment frequented by children.

(3) In 2001, many communities in Florida and elsewhere have temporarily or permanently closed playgrounds in response to elevated levels of arsenic in soil surrounding CCA-treated wood playground equipment.

(4) The State of Florida recently announced that its own wood-treatment plant would cease using arsenic as a preservative.

(5) PlayNation Play Systems, which manufactures playground equipment, announced in June 2001 that it would no longer use CCA as a preservative in its playground products.

(6) In May 2001, the Environmental Protection Agency announced that it would expedite its ongoing review of the health risks facing children playing near CCA-treated wood playground equipment, and produce its findings in June 2001. The EPA later postponed the release of its risk assessment until the end of the summer of 2001, and announced that its risk assessment would be reviewed by a Scientific Advisory Panel in October 2001.

(7) The EPA also plans to expedite its risk assessment regarding the re-registering of arsenic as a pesticide by accelerating its release from 2001 to 2003.

(8) The Consumer Product Safety Commission, which has the authority to ban hazardous and dangerous products, announced in June 2001 that it would consider a petition seeking the banning of CCA-treated wood from all playground equipment.

(9) Many viable alternatives to CCA-treated wood exist, including cedar, plastic products, aluminum, and treated wood without CCA. These products, alone or in combination, can fully replace CCA-treated wood in playground equipment.

(b) Sense of the Senate.It is the Sense of the Senate that the potential health and safety risks to children playing on and around CCA-treated wood playground equipment is a matter of Branch, state and local governments, affected industries, and parents.

(c) Report.—Not later than 30 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency, in consultation with the Consumer Product Safety Commission, shall submit a report to Congress which shall include—

(1) the Environmental Protection Agency's most up-to-date understanding of the potential health and safety risks to children playing on and around CCA-treated wood playground equipment;

(2) the Environment Protection Agency's current recommendations to state and local governments about the continue use of CCA-treated wood playground equipment; and

(3) an assessment of whether consumers considering purchases of CCA-treated wood playground equipment are adequately informed concerning the health effects associated with arsenic.

Mr. NELSON of Florida. Mr. President, I say to the chairman of the appropriations subcommittee, the Senator from Maryland, I thank her and the Senator from Missouri, the ranking member, for giving me the opportunity to offer this amendment having to do with arsenic-treated wood. This problem has manifested itself, particularly in Florida recently, because of arsenic leaching from treated wood on playground equipment and then flowing into the soil. The health departments have analyzed the soil and found the level of arsenic at a level to create concern about the danger to the children. Thus, local governments have been reaching out to the federal government, wondering whether they should close their playgrounds.

We have asked EPA, the appropriate federal agency, to conduct the study. They say it is underway. Much to my horror, as my constituency of Florida is rising up in arms, wanting to know is this a danger or not, EPA is on a schedule to do a study not to be completed until 2003.

I say to the chairman and ranking member of the subcommittee, this has nothing to do with partisan politics. This has to do with safety standards and EPA doing a study. The question is: When are they going to finish?

We urged the EPA to accelerate this study because of the conundrum confronting local government in deciding whether to keep playgrounds closed or whether to close other playgrounds that are now open. They want some direction.

We are talking about arsenic. It is a poison. We talked about it last night. We adopted the Boxer-Nelson amendment that will require the EPA to take certain standards into consideration when setting the level of arsenic in our drinking water.

What alarms so many of us, and brought about the Boxer-Nelson amendment last night, was that the EPA—which had announced the deadline when they were supposed to come forth imposing this reduced amount of arsenic in drinking water—announced that they were suddenly pushing that off, thus the reason for the amendment having to do with arsenic in drinking water, which passed overwhelmingly last night.

Now I bring to the Senate for discussion, and hopefully adoption, an amendment that will require the EPA to accelerate this study. Initially, when we had voiced our concern because of the playground situation in Florida, EPA had said it was going to complete its study by June. Then they delayed, and said it would be sometime in the fall. Mind you, this is after we had pushed them pretty hard, because their study was not going to be completed until 2003.

This amendment requires them to complete this study within 30 days of enactment of this bill, so we can give some certainty as to the scientific conclusions. Is the arsenic in the treated lumber leaching into the playground soil? Is this a sufficient hazard that the city governments and the county governments ought to be closing those playgrounds, or is it at such a level that, with a change in this or that—in the construction, in the wood—that we could eliminate this potential hazard to our children?

I bring to the Senate today a safety issue. Let me recap. What I am asking our colleagues to do is join me in our quest to determine if arsenic-treated playground wood is hazardous to our children. That treated wood is everywhere. It is in our playground equipment. It is in picnic tables. It is in desks. It is in fences. Mr. President, 98 percent of outdoor wood sold in the United States today is treated with CCA, chromated copper arsenate.

CCA is an insecticide that is 22 percent arsenic. As I stated, in our State and in other parts of the country, public playgrounds have been closed or closely examined and are due to be closed because of the potential health hazards that may be posed by high concentrations of arsenic found in the soil in and around the arsenic-treated wood playground equipment.

There are communities all across Florida: Gainesville, Tarpon Springs, Tampa, Port Orange, Ormond Beach, Deland, Deltona, Clermont, Miami, whose local governments have shut down their parks and are looking to the federal government, the EPA, for guidance as to whether or not those parks are safe.

Some communities, such as the one in Cambridge, MA, have already decided to replace all of their playground and park equipment treated with arsenic because many consumer and health groups have urged the State of Massachusetts to ban arsenic-treated wood. Imagine the horror of a parent whose child played in the soil on a playground with equipment treated with arsenic, and that playground was later closed down or torn down due to the high concentrations of arsenic in the soil of that playground.

This amendment is designed to speed the process so the EPA will give us an answer because parents need to know whether their children are playing on or around equipment that poses a health hazard.

At the beginning of this year when we first asked the EPA if chromated copper arsenate, CCA—that is arsenic-treated wood—was safe, they said they would know in 2003, when they completed a reregistration of CCA as a pesticide. As I said earlier, we said that was not good enough. So the EPA revised its timetable and said they would complete their reassessment of the arsenic-treated wood by 2002. They said they would tell us if the arsenic-treated wood playground equipment is safe. Then they changed that to by June of 2001. The EPA missed its own June deadline. They now say they will complete a risk assessment regarding children and arsenic-treated wood at the end of this summer—on into the fall. The EPA also plans to assemble a scientific advisory panel in October of 2001 to review the playground data.

Meantime the Consumer Product Safety Commission has agreed to conduct a review of the safety of CCA-treated wood for use in playground equipment. As my colleagues know, the Consumer Products Safety Commission has the authority to immediately ban CCA-treated wood for use in children's playground equipment if it finds that CCA-treated wood poses an imminent and immediate risk to children.

I am heartened but I am not satisfied with all these announcements because that is all they are: announcements, meaningless declarations, while the American people still do not know if arsenic-treated wood playground equipment is safe.

Earlier, I introduced S. 877 that requires the EPA to complete a risk assessment of the hazards to children within a date certain and to require mandatory labels on each piece of arsenic-treated wood. The wood-preserving industry, in conjunction with EPA, recently committed to a voluntary labeling program.

I personally think mandatory labeling is necessary to ensure the American people are properly informed. But that fight is for another day. We know arsenic is classified by the EPA and the World Health Organization as a known human carcinogen.

In 1999, the National Research Council concluded that there was an indisputable link between arsenic and skin- bladder- and lung cancer. A University of Florida researcher commissioned by the Florida EPA recently declared that simply touching arsenic-treated wood could be a health risk for children. And a research team from the Connecticut Agricultural Experiment Station found that arsenic is readily available on the surface of CCA-treated wood. The Environmental Working Group has concluded from reviewing the Connecticut study and others that significant quantities of arsenic can be dislodged from the surface of CCA-treated wood and that the cancer risk could be as great as 1 in 1,000. Therefore, the Environmental Working Group is seeking a ban of the substance.

For all these reasons, we need the Environmental Protection Agency and the Consumer Product Safety Commission to give the American people the guidance they deserve.

This amendment stresses the sense of the Senate that the potential health risk to children playing on and around CCA-treated wood and playground equipment is a matter of great importance. This amendment says the EPA must submit a report to Congress within 30 days of enactment, detailing the most up-to-date understanding of the health and safety risk to children playing on and around CCA-treated wood playground equipment. It seeks the EPA's current recommendations to state and local governments about the continued use of CCA-treated wood playground equipment.

It mandates that within 30 days—no more delays. This amendment would require within 30 days of the enactment that the EPA come forth with their recommendations so the people of America will know what to do about their children playing on these playgrounds.

Those are my remarks in offering the amendment.

Does the chairman of the committee have any particular inquiry she would like to make at this point?

Ms. MIKULSKI. No. I wish to make some comments.

Mr. NELSON of Florida. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, our colleague from Florida raises some very valid concerns. All of us want to ensure that our playgrounds, our back decks, and our picnic tables and anything with wood outside are not harmful to our children's health. If it is harmful to our children, it will be harmful to special needs populations such as the elderly. Of course, there is playground equipment that has a particular risk associated with it.

The issue of arsenic in the ground and around playgrounds has also raised considerable attention. I acknowledge the validity of the Senator's concerns. I also want to acknowledge his frustration that the bureaucracy has not rigorously stood sentry over their voluntary effort and also that they have been a little slow in moving on an evaluation of this matter.

This is an issue of great concern to this committee. In fact, the issue is in two agencies—the EPA and the Consumer Product Safety Commission. The good news is you have two agencies looking at it. The bad news often is getting them to work together and move it, which requires bilateral treaty negotiation.

We think the Senator's amendment kind of moves it because that is what his amendment is. He doesn't take the position on the outcome. He doesn't come in with a muscular amendment to mandate without an evaluation. We think the Nelson approach is very prudent. He wants to have the EPA study, but at the same time he doesn't want the study to be a career in and of itself.

We need to know. The kids need to know. The parents need to know. Guess what. The wood industry needs to know. They have been cooperating with the EPA in a voluntary way for a voluntary program.

But to give you an idea of the complexity, the Consumer Product Safety Commission has jurisdiction over treated wood and any risk that might come from wood; the EPA has jurisdiction over the chemicals used to treat wood. One has jurisdiction over the chemicals and the other has jurisdiction over the wood. Now we are trying to get them to work together to come up quickly with an evaluation on treated wood.

Both agencies have said they are working to ensure that wood-treated products are safe. The EPA has a voluntary labeling program with which the forestry industry has cooperated, but an evaluation shows that it has some very significant flaws. They say they are now working to enhance the program. But, again, I think we need to push them along to come up with the report that we need.

Senator NELSON's amendment requires EPA, in consultation with the Consumer Product Safety Commission, to report to Congress on health and safety risks of chemically-treated wood and to recommend how consumers and State and local governments can be better informed about the potential health risks. And I am sure the forest industry wants to know that. They want to be good citizens. This is one of the important by-products.

In early July, the Agency completed its review of the American Wood Preservers Institute proposal to strengthen information available to the consumer. The EPA says they are going to hold a public hearing of a scientific advisory board during the week of October 2 to give peer review on the Agency's hazardous assessment methodologies for calculating potential exposure in playgrounds.

The Senator's amendment says 30 days within enactment; Is that correct?

Mr. NELSON of Florida. That is correct.

Ms. MIKULSKI. Within enactment, or 30 days of the fiscal year?

Mr. NELSON of Florida. Enactment.

Ms. MIKULSKI. That pretty much takes us into October and November.

We think that is a strong message to EPA to move this process along. We think it is important they hold public hearings. We think it is important that they consult with their scientific advisory board. But we also would like them to operate within a 30-day framework to move this issue along.

I thank the Senator. Rather than coming in saying legislate, mandate, and regulate, let's get the report. Then we can identify the most prudent way to protect consumers and to provide important information for the industry.

I support this amendment.

The ACTING PRESIDENT pro tempore. The Senator from Missouri.

Mr. BOND. Mr. President, the Senator from Florida raises a valid concern. We certainly want to ensure that our playgrounds, boardwalks, and backyard decks are not harmful to our children's health, our grandparents' health, or to our neighbors' health.

The issue of arsenic in the ground around playgrounds receives considerable attention, as has already been indicated. Let me be more specific. This issue is of great concern to two agencies funded in this bill, both the EPA and the Consumer Product Safety Commission.

For the information of all my colleagues, the CPSC has jurisdiction over treated-wood products and any risks that might come from them when the wood products are used for playground sets and decks; the EPA has jurisdiction over the chemicals used to treat the wood. These chemicals are used to prevent the wood in our decks, boardwalks, and playground sets from rotting and therefore becoming unstable and unsafe. Both agencies have been working to ensure that treated-wood products are safe. I can appreciate the frustration the Senator from Florida feels about the delay in seeing a result to those studies.

EPA currently oversees a voluntary labeling program so that consumers who purchase treated-wood products are made aware of the potential risks from the chemicals. Admittedly, the program can be more effective. EPA has learned that the program has flaws and is now working to improve that program. By this fall, every piece of chemically treated wood will be labeled and there will be better information made available to the public.

I sympathize with Senator NELSON on the media attention in his State on wood products treated with chromated copper arsenic, or CCA. As I said, EPA has already established a voluntary labeling program. There has been extensive pressure on wood preserver manufacturers to ensure voluntary compliance. Caution labels with EPA-approved wording will be affixed to CCA-treated lumber within 90 days, and information signs will appear in lumber stores and home centers in about 30 days.

For the information of my colleagues and those who might be watching, there is a Web site, www.ccasafetyinfo.com, and a toll-free number, 800-282-0600, to answer consumer questions in both English and Spanish.

The products, while they may sound bad, have previously been approved by EPA and the Consumer Product Safety Commission. They have been in use for over 70 years. As far as we are aware, no scientifically peer reviewed medical or science journal has ever documented harm to anyone from the regular use of CCA-treated wood. In spite of this, EPA and the CPSC are taking steps to put any doubt to rest by conducting further reviews specifically on the risk to children.

As the manager of the bill, the chair of the subcommittee, has indicated, there is to be peer-reviewed scientific discussion early in October, depending upon when this bill gets enacted. Thirty days may or may not cover it. But it is clear that we will adopt it.

I urge my colleagues to support the amendment that would make sure we do not wait until 2003 to get the results. We do not yet know when the scientific information can be ready, but whether it is 30 days or 45 days or 60 days, I am confident it will, and must, be during this calendar year, and sooner rather than later.

Sometimes you can set any deadline you want, but if you do not have the scientific reviews, if they physically cannot get in, you cannot come up with the study. I am sure EPA will do the study. This amendment, that I trust will be adopted overwhelmingly, will send a clear signal to them that they must put all due speed behind it and get this study completed as quickly as humanly possible.

Again, I urge my colleagues to support the amendment. I thank the Senator for framing it in a way that makes good sense.

The PRESIDING OFFICER (Mr. MILLER). The Senator from New York is recognized.

Mrs. CLINTON. Mr. President, I rise in support of the amendment offered by the Senator from Florida. This is an issue that he brought to my attention some months ago following the initial debate over the arsenic standard. We had a good debate last night, with a very strong vote, to ensure that we get the right kind of standard as soon as possible so people will know what to expect from their drinking water. We also made it very clear that we want to help communities be able to meet these standards.

It should not be an unfunded mandate to take care of your health. We ought to have the best scientific information, made available through the studies that are done or commissioned, to provide the help that communities need to be able to protect themselves, particularly their children.

Senator NELSON came upon a problem I never knew existed. I cannot tell you how many times I have been around playground equipment that is wooden. I always thought it was really attractive. It is the kind I preferred. It is what I bought for my own daughter. It certainly never crossed my mind that—for good reasons, to prevent pest and termite infestations—manufacturers would want to treat that wood. I never thought about it.

But what Senator NELSON has determined—and I applaud him for this because it became an issue in Florida, and he brought it to our attention—is that something called CCA, chromated copper arsenic, is widely used as a preservative in pressure-treated wood, including playground equipment. This CCA is 22 percent arsenic.

I remember when I used to practice law, which seems as if it was a very long time ago, I had a case that involved treated wood that was treated at a plant in Tennessee. I went to visit it. The wood was treated with all kinds of chemicals, but it was used for telephone poles; it was used for railroad tracks; it was not used in playground equipment.

What Senator NELSON has learned is that, through rain and natural deterioration, the arsenic that is in this compound, CCA, to treat this wood, can leach into the ground and can even come off on one's hands. You think about all those little hands and all those little mouths and those little bodies kind of rolling around this playground equipment.

I really commend the Senator for bringing this problem to our attention. Because of his hard work, the EPA and the Consumer Product Safety Commission are conducting reviews of the health and safety risks to children playing on and around CCA-treated wooden playground equipment.

I believe the Senator's amendment is necessary because, again, it sets a deadline. Otherwise, folks can just keep studying and talking and avoiding making a decision. But he is trying to put some teeth into this appropriations bill, which I commend and support because just the other day I had a friend of mine say she heard Senator NELSON speak on this issue in relation to playground equipment. She was just about ready to buy some playground equipment for her grandchildren. She does not know whether to buy it or not. She does not know whether it is safe or unsafe.

If you live in a State that gets as much rain as the good Senator's State of Florida, you have to be even more worried. If it is as humid as it is down there, you have to be more worried.

We do not want to make a decision that is not scientifically based, so we need to get these science studies done and the EPA and the Consumer Product Safety Commission making their decision. They have asked for public comment. But we should pass this Nelson amendment because it really directs the EPA to report to Congress as soon as possible—which is, in effect, a report to the public—so my friend can decide whether or not she is going to buy wooden playground equipment or plastic or steel, or whatever choice she is going to make.

I commend the Senator for understanding this is an issue that is not one of these abstract issues that only concerns somebody sitting in some ivory tower somewhere. This is an issue that concerns every mother and father who takes their child to play at a playground or anybody who is thinking about buying equipment for their backyard.

We need to look to a nonpartisan, independent source such as the scientists who will examine this issue, find out whether this CCA is or is not a health hazard, or whether it can be fixed, and if it can, so it can be a problem that can be prevented. This is one of those public service issues to which I really think we owe the people of this country an answer; otherwise, we may be unfairly tarring this industry. We may be preventing people from buying playground equipment that is totally safe. We don't know. We just know this CCA has arsenic in it. We need to get to the bottom of whether that is harmful or not.

I commend the Senator for his approach. I hope my colleagues on both sides of the aisle will support this amendment so we can get an answer sooner instead of later.

Mr. President, I yield back whatever time I might have been given.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I think the statement of all of our colleagues points out why we really have to move this study along. I believe the committee is prepared to accept the Nelson amendment. As we move to conference, we also want to consult EPA about how long it will take them to collect their information.

Here is where we are. EPA and the Consumer Product Safety Commission are in the jurisdiction of this subcommittee. We take our mandated reports to agencies very seriously because then we need them for the following year's appropriations. And the authorizers need them for the second session of the 107th Congress.

So let's shoot for this 30 days because I think there is this sense of urgency, particularly at the local government rec center level. Right now they are worried about two things. They are worried about their kids being exposed to arsenic-treated wood, and they are worried about lawsuits.

Local government should not be worried about either one. It is our job to stand sentry and give the best advice. I am ready to stand sentry over the bureaucracy to ensure a timely completion of this report so that not only will the concerns of Senator NELSON be settled, but really the concerns of the Nation. We thank him for being so assertive in this area.

We are prepared to accept the amendment.

Mr. BOND. Mr. President, we are prepared to accept the amendment. We have had a discussion with the Senator. The manager on the Democratic side and I are ready to push for this to make sure we get the information. We are happy to accept the amendment.

Mr. NELSON of Florida. Mr. President, I am so grateful to the chair and the ranking member for their recognition of the emergency nature of this issue. I am very grateful for their acceptance of the amendment.

Mr. KENNEDY. Mr. President, I am pleased to see that after almost 40 years, the American people may finally see action that will protect the public from arsenic.

I strongly support Senator NELSON'S amendment to direct the EPA, in consultation with the Consumer Product Safety Commission, to report to Congress on levels of arsenic in children's playground equipment, and to recommend how consumers and State and local governments can be better informed about these potential health risks. Preliminary studies have shown that arsenic, used as a preservative in wood may be a harmful carcinogen, especially to children. Last April, the EPA itself found a possible direct link between arsenic and DNA damage.

Senator NELSON'S amendment sends a strong message to the EPA that parents must know if their children are safe, and we are taking long overdue action on other aspects of this issue too. Yesterday, we adopted Senator BOXER'S amendment, which requires EPA to immediately put into effect a standard for arsenic in drinking water, and inform the public about the amount of arsenic in the water. Last Friday, the House passed an amendment to reinstate the EPA rule wrongly delayed by the Bush administration, to reduce the accepted standard of arsenic in drinking water from 50 parts per billion to 10 parts per billion and protect millions of Americans. That rule is the result of decades of debate, scientific studies, rule-making, and public comment, and it deserves to be implemented now.

We know that arsenic is a serious threat to public health. The 50 parts per billion standard for drinking water was originally set in 1942, and is clearly out of date. A National Academy of Sciences study in 1999 found that arsenic in drinking water is extremely carcinogenic, causing lung, bladder, and skin cancer. As a Wall Street Journal article on April 19 stated on the 10 parts per billion standard, "few government decisions could have been more thoroughly researched, over so many years."

Action by Congress is long overdue. Senator NELSON'S amendment is a needed step in the continuing battle to protect Americans from the dangers of arsenic, and I urge my colleagues to support it.

The PRESIDING OFFICER. Is there further debate on this amendment?

If not, the question is on agreeing to amendment No. 1228.

The amendment (No. 1228) was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Mr. President, we are waiting for 10:30 for the Senator from Arizona to offer an amendment. If there is no business on this bill, I ask unanimous consent to be permitted to proceed up to 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. BOND are located in today's RECORD under "Morning Business.")

Mr. BOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SMITH of New Hampshire. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Hampshire.

Mr. SMITH of New Hampshire. Mr. President, I will take 2 or 3 minutes to speak in anticipation of an amendment that will be offered by Senator KYL. I reluctantly have to oppose the Senator's amendment, although I understand the situation he faces. His amendment would alter the formula for the State revolving fund for the Clean Water Act.

Senator KYL's amendment would alter a Clean Water Act formula for the SRF that has been in place since 1987. While I recognize the Senator's concerns about the lack of funds for his State and the money that goes to Arizona and other States in the face of these great economic needs, I have to oppose the amendment as the ranking Republican on the Environment and Public Works Committee which has jurisdiction over the Clean Water Act.

Very simply, this is not the place to change the formula for the SRF—on an appropriations bill. I urge my colleague and other colleagues, if Senator KYL does offer the amendment, to think seriously. They can take a look at a chart, which I will enter into the RECORD, which shows how all of these formulas will affect everybody's States. If it is simply a matter of will they get more, will they get less, they can vote that way if they wish, but that is really not the issue. I hope my colleagues will understand that this is not the place to try to get into the authorizing business on something as complex as the formula for the SRF, State revolving fund, for the Clean Water Act.

The Environment and Public Works Committee has committed to examine the waste and drinking water concerns of our country and amend the Clean Water Act and the Safe Drinking Water Act. Senator JEFFORDS has pledged to move along those lines. I know when I was the chairman and Senator REID was the ranking member, we did that, and I have been assured by Senator JEFFORDS that water infrastructure will continue to be a priority for the committee.

I commit to Senator KYL right now to examine the issue of the formula he is looking at, and I urge him to allow us to put this together in a way that is a proper legislative package with the appropriate vehicle. If the Senator does offer the amendment, I urge my colleagues to oppose it and work with me and others on the committee to solve the water infrastructure problems over the years.

Finally, I recognize Arizona and other States, mostly in the West, have been shortchanged on this formula, but this is a complex issue. It should not be adjusted simply by raising somebody's numbers and lowering somebody else's, which is what is going to happen here. It is not the way to do it. I hope we can do it otherwise, and I urge my colleagues to consider that if there is a vote on the Kyl amendment.

I ask unanimous consent that the chart to which I referred be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

State or Territory	Need	Percent of total need	Current allocation	Kyl amendment	Kyl amendment allocation	Net change
NEW YORK	15987	12.3516	$150,144,455	8.2500	$110,818,125	−$39,326,330
CALIFORNIA	11839	9.1468	97,287,568	8.2500	110,818,125	13,530,557
ILLINOIS	11203	8.6554	61,520,850	8.2500	110,818,125	49,297,275
OHIO	7698	5.9475	76,578,683	5.9475	79,889,507	3,310,824
NEW JERSEY	7357	5,6840	55,587,715	5.6840	76,350,623	20,762,908
PENNSYLVANIA	6034	4.6619	53,883,131	4.6619	62,620,587	8,737,456
FLORIDA	5400	4.1720	45,916,315	4.1720	56,040,963	10,124,648
MIAMI	5062	3.9109	58,626,146	3.9109	52,533,214	−6,092,932
INDIANA	4964	3.8352	32,783,360	3,8352	51,516,174	18,732,814
TEXAS	4702	3.6328	62,176,356	3.6328	48,797,150	−13,379,206
NORTH CAROLINA	3973	3.0695	24,550,580	3.0695	41,231,620	16,681,040
VIRGINIA	3955	3.0556	27,838,856	3.0556	41,044,817	13,205,961
MASSACHUSETTS	3804	2.9390	46,453,615	2.9390	39,477,745	−6,975,870
MISSOURI	2957	2.2846	37,709,057	2.2846	30,687,616	−7,021,441
KENTUCKY	2317	1.7901	17,313,149	1.7901	24,045,724	6,732,575
ARIZONA	2245	1.7345	9,187,830	1.7345	23,298,512	14,110,682
WISCONSIN	2042	1.5777	37,042,805	1.5777	21,191,786	−15,851,019
OREGON	1929	1.4903	15,366,780	1.4903	20,019,077	4,652,297
CONNECTICUT	1781	1.3760	16,664,360	1.3760	18,483,140	1,818,780
WEST VIRGINIA	1734	1.3397	21,207,231	1.3397	17,995,376	−3,211,855
GEORGIA	1721	1.3296	22,999,127	1.3296	17,860,463	−5,138,664
SOUTH CAROLINA	1548	1.1960	13,934,876	1.1960	16,065,076	2,130,200
KANSAS	1414	1.0925	10,935,398	1.0925	14,674,430	3,739,032
MARYLAND	1378	1.0646	32,902,909	1.0646	14,300,824	−18,602,085
PUERTO RICO	1358	1.0492	17,741,646	1.0492	14,093,264	−3,648,382
WASHINGTON	1281	0.9897	23,655,976	.09897	13,294,162	−10,361,814
RHODE ISLAND	1281	0.9897	11,820,600	0.9897	13,294,162	1,473,562
LOUISIANA	1044	0.8066	14,979,924	0.8066	10,834,586	−4,145,338
TENNESSEE	927	0.7162	19,760,551	0.7162	9,620,365	−10,140,186
IOWA	877	0.6776	18,410,585	0.6776	9,101,468	−9,309,117
MINNESOTA	866	0.6691	25,001,912	0.6691	8,987,310	−16,014,602
HAWAII	837	0.6467	10,535,110	06467	8,686,349	−1,848,761
ALABAMA	801	0.6189	15,210,963	0.6189	8,312,743	−6,898,220
MISSISSIPPI	797	0.6158	12,255,813	0.6158	8,271,231	−3,984,582
MAINE	782	0.6042	10,529,737	0.6042	8,115,562	−2,414,175
NEW HAMPSHIRE	748	0.5779	13,593,690	0.5779	7,762,711	
DISTRICT OF COLUMBIA	609	0.4705	6,677,296	0.5500	7,387,875	710,579
NEBRASKA	563	0.4350	6,958,035	0.5500	7,387,875	429,840
ALASKA	489	0.3778	8,141,438	0.5500	7,387,875	−753,563
COLORADO	461	0.3562	10,880,325	0.5500	7,387,875	−3,492,450
OKLAHOMA	334	0.2580	10,990,472	0.5500	7,387,875	−3,602,597
VERMONT	320	0.2472	6,677,296	0.5500	7,387,875	710,579
UTAH	315	0.2434	7,167,582	0.5500	7,387,875	220,293
IDAHO	314	0.2426	6,677,296	0.5500	7,387,875	710,579
ARKANSAS	270	0.2086	8,899,031	0.5500	7,387,875	−1,511,156
TERRITORIES	230	0.1777	3,395,736	0.2500	3,358,125	−37,611
DELAWARE	226	0.1746	6,677,296	0.5500	7,387,875	710,579
NEW MEXICO	161	0.1244	6,677,296	0.5500	7,387,875	710,579
SOUTH DAKOTA	130	0.1004	6,677,296	0.5500	7,387,875	710,579
MONTANA	119	0.0919	6,677,296	0.5500	7,387,875	710,579
NEVADA	116	0.0896	6,677,296	0.5500	7,387,875	710,579
NORTH DAKOTA	94	0.0726	6,677,296	0.5500	7,387,875	710,579
WYOMING	39	. 0.0301	6,677,296	0.5500	7,387,875	710,579
Total	129,433			99.9454		

Sate or Territory	Population	Need
New York	18976	15987
California	33872	11839
Illinois	12419	11203
Ohio	11353	7698
New Jersey	8414	7357
Pennsylvania	12281	6034
Florida	15982	5400
Michigan	9938	5062
Indiana	6080	4964
Texas	20852	4702
North Carolina	8049	3973
Virginia	7079	3955
Massachusetts	6349	3804
Missouri	5595	2957
Kentucky	4042	2317

Sate or Territory	Population	Need
Arizona	5131	2245
Wisconsin	5364	2042
Oregon	3421	1929
Connecticut	3406	1781
West Virginia	1808	1734
Georgia	8186	1721
South Carolina	4012	1548
Kansas	2688	1414
Maryland	5296	1378
Puerto Rico	3809	1358
Washington	5894	1281
Rhode Island	1048	1281
Louisiana	4469	1044
Tennessee	5689	927
Iowa	2926	877

Sate or Territory	Population	Need
Minnesota	4919	866
Hawaii	1212	837
Alabama	4447	801
Mississippi	2845	797
Maine	1275	782
New Hampshire	1236	748
District of Columbia	572	609
Nebraska	1711	563
Alaska	627	489
Colorado	4301	461
Oklahoma	3451	334
Vermont	609	320
Utah	2233	315
Idaho	1294	314
Arkansas	2673	270

Sate or Territory	Population	Need
Territories	411	230
Delaware	784	226
New Mexico	1819	161
South Dakota	755	130
Montana	902	119
Nevada	1998	116
North Dakota	642	94
Wyoming	494	39

Mr. SMITH of New Hampshire. I yield the floor.

AMENDMENT NO. 1229 TO AMENDMENT NO. 1214

Mr. KYL. Mr. President, if there is not an objection by the assistant majority leader or ranking members of the committee, I offer this amendment that was just spoken about.

I send an amendment to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER (Mr. CARPER). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. KYL], for himself, Mr. FITZGERALD, Mr. MCCAIN, and Mr. BROWNBACK, proposes an amendment numbered 1229 to amendment No. 1214.

Mr. KYL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To specify the manner of allocation of funds made available for grants for the construction of wastewater and water treatment facilities and groundwater protection infrastructure)

On page 105, between lines 14 and 15, insert the following:

SEC. 4 . STATE AND TRIBAL ASSISTANCE GRANTS.

Notwithstanding any other provision of this Act, none of the funds made available under the heading "STATE AND TRIBAL ASSISTANCE GRANTS" in title III for capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) shall be expended by the Administrator of the Environmental Protection Agency except in accordance with the formula for allocation of funds among recipients developed under subparagraph (D) of section 1452(a)(1) of the Safe Drinking Water Act (42 U.S.C. 300j-12(a)(1)(D)) (including under a regulation promulgated under that section before the date of enactment of this Act) and in accordance with the wastewater infrastructure needs survey conducted under section 1452(h) of that Act (42 U.S.C. 300j-12(h)), except that—

(1) subject to paragraph (3), the proportional share under clause (ii) of section 1452(a)(1)(D) of that Act (42 U.S.C. 300j-12(a)(1)(D)) shall be a minimum of 0.675 percent and a maximum of 8.00 percent;

(2) any State the proportional share of which is greater than that minimum but less than that maximum shall receive 97.50 percent of the proportionate share of the need of the State; and

(3) the proportional share of American Samoa, Guam, the Northern Mariana Islands, and the United States Virgin Islands shall be, in the aggregate, 0.25 percent.

Mr. KYL. Mr. President, I appreciate the comments of the Senator from New Hampshire a moment ago, but it illustrates exactly why we need this amendment. The Senator, who is the ranking member of the authorizing committee, says we should not be doing this amendment on an appropriations bill, which is the pending business before the Senate; we should allow the amendment to come out of the authorizing committee.

He is right, in theory, because almost everyone recognizes the current formula for allocating wastewater treatment grants under the EPA's program is unfair. It is way out of date. It is based on 1970s data and, as he noted, especially for growth States, it is woefully inadequate.

The problem is the authorizing committee has had 14 years to change the formula and has not done so. There comes a time when one's patience begins to wear thin. In representing the interests of the States that are growth States, where needs far exceed what they were back in the 1970s or even 1980s, I think we have an obligation to say enough is enough; it is time to change this formula.

Almost everyone in this body has at one time or another made note of the fact that one of the unique things about the Senate is any 1 of the 100 Senators can offer amendments to change law or to fix things. In the House of Representatives where I served, it is more difficult to do that because of the numbers of people and the rules.

The nice thing about the Senate is we have this opportunity. That is why it is frequently the case that amendments are offered on legislation that comes before us, even though it would be nice to deal with that subject in another way. We do it all the time. Mostly we do it when the need is so great, the case is so good, and the degree of fairness involved is such it would be unfair and unwise for us to do anything else.

I say to my friend from New Hampshire, who says let us take care of it in the authorizing committee, he has had many years to do that. This act has not been reauthorized since it was passed in 1987. It needs to be reauthorized, and it needs to be fixed.

I commend Senator JEFFORDS, the new chairman of the committee, for saying he intends to take this up so he can get a reauthorization. I hope that is done, and I hope it is done this fall. I also hope it includes a formula reallocation if we are not able to do it in this bill, but we have heard that story year after year after year and nothing happens. There is a reason nothing happens—because the States that have it good under the formula do not want to change. That is human nature. There is nothing wrong with that. I do not blame them.

As a simple matter of fairness, if a formula has grown so out of whack over the years that it treats more than half of the people in this country very unfairly, then something needs to be done. We have it within our power to do it.

This amendment is germane and will be ruled such by the Parliamentarian if there is a question about it and, therefore, it will be offered and it will be voted on.

Since there are far more Senators whose States benefit under this amendment than those that would lose funds because they are getting more than their fair share today, I hope it will be adopted. Those Senators who vote against this amendment, notwithstanding the fact their States benefit, will certainly have some explaining to do to the folks back home.

What does the amendment do? We have some funds in the Federal Government that help localities construct facilities to ensure their drinking water is safe and that they have good wastewater treatment facilities. These are conducted under the Environmental Protection Agency.

The EPA does a needs survey every 4 years. It decides what communities need. It does this on a State-by-State basis. We base the allocations of the drinking water fund strictly on the basis of that needs survey because we recognize EPA is not being political in this endeavor. EPA understands what the needs are. It does this survey and says: Here are the communities that need the money the most.

The formula for the drinking water is based upon that EPA quadrennial needs survey. EPA also does a quadrennial needs survey for wastewater treatment, but we do not base our allocations for wastewater facilities on the basis of that needs survey. No, we base it on a 1970s era construction grant program which has no relevance to wastewater treatment, is way out of date, even if it ever did, is based on 1970 census data, I believe, and, therefore, has been overcome by events and time with respect to the real needs throughout the United States.

Based on the chart, we can see visually what the situation is. There are several States that have a need, and that need, represented by the red bar, is based on the percentage of need the States are currently receiving. In other words, EPA says: This is how much you need, and then here is how much Congress gives.

To use my State of Arizona as an example, we can see Arizona receives a very small amount, less than 1 percent. This is why I am offering the amendment. My State is being treated very unfairly. Under the formula which does not provide a 100-percent allocation, Arizona, as all of the other States, would get up to this minimal level. We can see on the chart the blue line for all the States is the same. Those States below the line would be brought up to that level.

The State of Maryland is the State that has the highest bar on this particular chart. The percentage of current need fulfilled in the State of Maryland is far in excess of my State of Arizona, even though my State of Arizona has more population and is faster growing. Is that fair? This is according to the EPA. This is not according to population, JON KYL, or the Governor of Arizona. This is the Environmental Protection Agency's survey of needs. Here is Arizona, less than 1 percent, and here is Maryland, much higher.

What we are saying is, let's even it out and make sure everybody gets at least a percentage of what the EPA says they deserve to have. That is what we are trying to do, to make it fair for everybody.

Incidentally, the formula change is very simple. The amendment is a two-page amendment. It reads as follows: "shall be a minimum of 0.675 percent and a maximum of 8.00 percent" of the needs survey of the EPA. So there is a top and a bottom, and within that, everybody receives funds according to the percentage that EPA has recommended.

It reads further:

> (2) any State the proportional share of which is greater than that minimum but less than that maximum shall receive 97.50 percent of the proportionate share of the need of the State.

That is the percent everybody within the maximum and minimum will receive.

> (3) the proportional share of American Samoa, Guam, the Northern Mariana Islands, and the United States Virgin Islands shall be, in the aggregate, 0.25 percent.

I note that even though the EPA lists Arizona as No. 16 on the list of the States in terms of need—we rank 16th from the top—we are 53rd in how much money is received after a couple of the territories and the District of Columbia. That is why I am standing before you today.

There are many other States—I think 28—in addition to Arizona that are in the same box. Some are in a little worse shape than Arizona—actually, I do not think any are in worse shape than my State of Arizona, but there are several that receive more because EPA has said they need more than the State of Arizona. States such as New Jersey and Illinois, for example, receive substantially more money under this amendment.

This is not about anything complicated. It does not take a lot of work to figure out how it works. It is simply a readjustment based on EPA's own figures.

Included in the appropriations bill on VA-HUD and independent agencies is an increase in funding of $500 million over that requested by the President in the EPA's clean water State revolving fund. It is my understanding that the increase brings current year funding up to a historic level of $1.35 billion.

I applaud both Senator MIKULSKI and Senator BOND, who are the chairman and ranking member respectively of the committee, for the work they put in on it. Having been a member of the Appropriations Committee, I know how difficult it is and how hard they work on this. I appreciate the work they have put in on it.

I wish to make it clear that I support the funding for this program established under the Clean Water Act of 1987. Our States do depend on this revolving fund to provide much needed financial assistance. It comes in the form of low interest rate loans to sewer utility ratepayers who otherwise bear the brunt of the costs associated with compliance of EPA clean water regulations. This is one of the ways in which we impose a mandate on communities but then help them to fulfill that mandate financially.

It is particularly beneficial for customers of the small rural water companies that serve so much of the population in the Western and Midwestern States. Unfortunately, the EPA has been administering this program since its inception with a very seriously flawed allocation formula that I described earlier. It was based on a formula that was derived for Federal construction loans using data that was gathered in the early 1970s.

During these 30 years, I think we are all aware of the fact that the demographic distribution in the country has changed dramatically, as have the other factors that would cause the EPA to rank localities based upon their need for this kind of funding.

In my State of Arizona, our population has nearly tripled from 1.8 million to 5.1 million since 1970. Just think about the changes that has required in terms of infrastructure in the State. I might add, that does not include a very large population that is probably not counted.

Much of that shift in population has come from other regions of the country, so you not only have burgeoning needs in the growth States—and I know the State of the Presiding Officer is in the same position—but you also have declining need in some of the other States that historically have a higher population and receive more money to take care of that population.

It should be obvious that over time these formulas should be adjusted, but as I say, it has never been adjusted, and I have no reason to believe that circumstances today create any greater opportunity for us to do that than last year or the year before or the year before that.

The formula that currently exists reflects neither this current population distribution nor the EPA's documented need of individual States as established in its quadrennial wastewater infrastructure needs survey. The EPA will update its wastewater needs survey in the year 2002, but based on the most recently completed survey from 1998, there is a vast discrepancy in the percentage of need fulfilled from State to State.

I have no doubt that after this next survey, this chart is going to be even more skewed. States that are primarily the growth States are going to be in an even more difficult situation—States such as California, for example, and my own State of Arizona.

Let me illustrate this disparity using, however, the 1998 EPA wastewater infrastructure need survey and the actual clean water revolving fund allocations to the States in fiscal year 2000. The State of Arizona received funding in fiscal year 2000 to address only .41 percent; that is four-tenths of 1 percent of the validated infrastructure needs. By contrast, four States with populations very similar to Arizona—Wisconsin, Maryland, Minnesota, and Louisiana—each received funding that met from 4 times to 7 times the percentage received by my State: 1.43 percent in the case of Louisiana and 2.89 percent in the case of Minnesota. So there is a 7-to-1 ratio of States with almost equal population.

That is not fair. I understand why the Representatives of those States want to defend what they have, but they cannot defend its fairness, so they are relegated to an argument that procedurally we should not do it on this bill but on another bill. But we never get around to doing it on another bill. It is a catch-22 for us.

My constituents back home ask, Why is Congress so partisan and why can't it ever just act in a fair way to get things done. I have a hard time explaining it in this case because it is a totally bipartisan issue. There are winner States and States that have to give back some of the money they are in effect receiving today, in the future. And it doesn't respect party lines. People from both parties are winners and losers under this current formula and would be under the new formula. I don't think anybody can defend a formula that, based upon EPA's own recommendations, gives one State seven times more than another State of the very same population. It is very hard to defend.

If my colleagues would refer to the floor chart again, we see by graph what I illustrated in terms of actual numbers. It only includes those States not covered by the minimum or maximum shares under the proposed formula, so it avoids a skewed representation.

I make another point about this amendment because there is another fund out of which the committee is able to allocate money, and it is based on so-called earmarks. My change here, this amendment, this formula change, does not in any way affect those earmarks. I make that crystal clear to everybody. Their earmarks are not affected today or tomorrow. They are totally outside the scope of this amendment.

Let me illustrate how the earmarks also work. There is only one State that has double-digit millions of dollars in earmarks. That is the State of Missouri, which receives $10.250 million in earmark funds, in addition to the formula funds. My State, by the way, gets $1 million. So there is a 10-to-1 ratio.

For those who say we even it out in the earmarks, no, it is not evened out in the earmarks. There are only three other States that received over $5 million in earmarks: Maryland, Mississippi, and Arkansas. We have a situation where not only does the formula discriminate but the earmarks also discriminate.

We have and will hear the argument we should not be legislating on an appropriations bill. After having complimented the chairman and ranking member, I note they represent two of these four States. They are able, in the committee, to ensure that their State is treated as they would consider to be very fairly. However, they argue that those not on the committee shouldn't be able to do anything on the floor of the Senate; that would be legislating on an appropriations bill; we cannot do that. Again, it is a catch-22. You have to be on the Appropriations Committee; otherwise, if you are not on the Appropriations Committee, don't offer an amendment on the floor or they will come to the floor and say they will stick together and urge their colleagues to vote against this amendment because it would be legislating on an appropriations bill. Again, a catch-22 situation.

Last year, I was on the Appropriations Committee, I voluntarily left, so I guess I can't complain, but I didn't think I would be treated unfairly as a result of leaving the committee. This boils down to a matter of unfairness. Every one of my colleagues, I know, has only the best interests of both their constituents and the country at large in their mind. But nobody wants to give up an advantage. If you are inadvertently given $100 in change from a clerk who should have given you $10, do you keep the $100? Most would say no. It is similar here.

The allocation of funds boils down to fairness and honesty. I defy anybody in this body to tell me there is a more equitable distribution, a more equitable fashion to distribute these funds than on the basis of a proportional share of the total validated need as determined by EPA. I don't ask anything more than a fair share of funding for the people of Arizona, my State, and for all other Americans.

As I said, mine is not the only State that is adversely affected. In fact, a majority of the States are adversely affected by the unfair and outdated formula that is in the bill today. Using the simple needs-based formula that I proposed, 27 States and the District of Columbia will receive more than they are currently receiving—not their total percentage share but at least more than they are receiving now. Using this formula, all but three States receive, at a minimum, their exact proportion of share of total need.

This is a very fair way to make an adjustment. Ordinarily, you have to take away from half and give to the other half. This formula works in such a way that very few States could argue they are being shortchanged. In the case of those States, they have simply been receiving far too much in comparison to what EPA has said their needs are. Two of the three States I noted subjected to the cap in the formula will still receive substantially more than they do under the current system.

It is time to do something to rectify what I think is a gross disparity that impacts the health and welfare of so many of our citizens. I ask my colleagues to recognize the inequity and join me in supporting a reasonable reformulation that takes into account both the aging systems in the East and the growing infrastructure needs in the West that have been driven by this population shift over the last 30 years.

I close by talking just a little bit about the way the committee has legislated on an appropriations bill because we will hear we cannot do that, and also to talk directly to some of my colleagues on the Environment and Public Works Committee.

I note the distinguished chairman of the committee is here. I complimented him—I don't know if he was here—on his, I think, publicly expressed but certainly privately expressed desire to take up in his committee later this fall the reauthorization of the underlying legislation which is very sorely needed. I applaud the Senator for that. Obviously, there is no commitment to take up the formula or to change the formula, and it will be too late for the fiscal year 2000 funds which, again, will fall far short of what is needed and will be unfairly distributed.

Before anyone votes no on this amendment because Members think it is an inappropriate vehicle, think for a moment about what happens to the fiscal year 2002 funds that we are appropriating if the necessary authorization bill is not passed in time to affect the allocations. I suspect my colleague from Vermont will confirm that would be a tall order to get a formula changed, done in time, and signed into law to affect the appropriations for fiscal year 2002.

Back to the question of legislation on an appropriations bill. Ordinarily, we shouldn't do something dramatically different on an appropriations bill than the appropriators have put in the bill. But it is not true that the amendment is outside of the norm of what we do. Let me focus attention on just a section of the State and tribal assistance grants, which is where we find the funding for the State clean water revolving fund. In other words, you do not have to go very far afield. You can stay right in the same section and find out that we have legislated on an appropriations bill.

On page 76, line 3, I see we are providing funding:

> . . . for Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended, except that notwithstanding section 1452(n) of the Safe Water Drinking Act, as amended, none of the funds made available under this heading in this Act, or in previous appropriations Acts, shall be reserved by the Administrator for health effects studies on drinking water contaminants.

On page 76, line 21, grants specified in the Senate report accompanying this Act are provided:

> . . . except that, notwithstanding any other provision of law, of the funds herein and hereafter appropriate under this heading for such special needs infrastructure grants, the Administrator may use up to 3 percent of the amount of each project appropriated to administer the management and oversight of construction of such projects through contracts, allocation to the Corps of Engineers, or grants to the States.

And on page 78 line 4:

> *Provided further*, That no funds provided by this legislation to address the water, wastewater and other critical infrastructure needs of the colonias in the United States along the United States-Mexico border shall be made available to a county or municipal government unless that government has established an enforceable local ordinance, or other zoning rule, which prevents in that jurisdiction the development or construction of any additional existing colonia areas, or the development within an existing colonia [or] the construction of any new home, business, or other structure which lacks water, wastewater, or other necessary infrastructure.

So that is pretty heavy duty legislating, I would say. It comes straight out of the appropriations bill before us, in fact the exact same section I am attempting to amend.

Basically what we are saying is the Appropriations Committee can amend and legislate when the bill is before the committee, but the rest of the Senators are denied that opportunity when the bill comes to the floor.

As I said, as a general rule it is probably a good thing to let most of the work be done by the committee. But in a case such as this where there is so much disparity, so much unfairness, and where we have not been able to get the authorizers to do this reauthorizing notwithstanding many years of effort, I think we have to take the opportunity that lies before us.

Mr. FITZGERALD from Illinois, Mr. BROWNBACK from Kansas, and Mr.

McCAIN are all cosponsors of this amendment and they and some other Members would wish to speak on this amendment. But at this point, since I see the distinguished ranking member from Missouri here and the chairman of the authorizing committee, I will yield the floor to them for their comments.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, it is with mixed emotions that I rise to respond to the amendment offered by my good friend from Arizona, mixed emotions because, No. 1, I could not agree more with the emphasis he has put on the need for clean water, safe drinking water, and proper water infrastructure in this country.

One of the most important things we do on this committee is to get the money that we need to assure healthy water—healthy wastewater systems and healthy drinking water systems throughout this country. When we look at the needs for water infrastructure, they are overwhelming. We have an annual shortfall of funding of about $12 billion per year for clean water. Over the next 20 years it is estimated we are going to need $200 billion in water infrastructure. That excludes operation and maintenance.

We, the distinguished chair and I, have fought every year to increase the amount of money set out by OMB. We have always said the President is underfunding water, but we all know OMB represents the bad guys. They have always decided to cut the money going to the State revolving funds to fund other priorities. So each year we have taken the inadequate—grossly inadequate—funds for State revolving funds for water infrastructure and increased them. We have increased them because even with the increases we have been able to include, we are falling far short.

I do not think there is any other environmental program which has the potential to have more impact on the health of this country than assuring clean drinking water, safe drinking water, and cleaning up wastewater. If we do not do those jobs well, we will have failed in the most basic health requirements for our country.

I have heard, in every area of this country, the cries for more water infrastructure. There is not a community in this country, I do not believe, urban or rural, that does not have tremendous funding needs to upgrade water and sewer systems: Baltimore, MD, St. Louis, MO, Safford, AZ. We all need it. It could be Delaware—the whole State could use some. I know because this is a broad-scale problem. I appreciate the Senator from Arizona raising it to the level of bringing it to the floor because I have been adamant, demanding of our ranking member on EPW and our chairman of EPW that they focus on water problems. I am a humble toiling servant of the EPW committee, and I have said we have to have water issues high on our agenda. It has been too long since we have dealt with the Clean Water Act.

Certainly the funding formula ought to be one component of that review because we have tremendous water needs throughout our country. Whether it is east coast, west coast, the Great Plains, the South, the North, we have water needs. That is why I am glad he brought it up.

The other part of the emotion is it is the wrong place. I am sorry, but we cannot deal with reviewing a complicated formula as part of an overarching programmatic review that is needed on the entire water issue on this appropriations bill.

We come to the floor and we have just now received an amendment. The amendment says that its proportional share, if there is a minimum of .675 percent and a maximum of 8 percent but the State proportional share is greater than the minimum, then they shall receive 97.5 percent of the proportionate share.

If we fell below the minimum, if we really were way down and we fell below a minimum somehow, then we would be shut out. What happens to those who fall below the minimum? What happens to those who are above the maximum? How do you calculate the proportionate share?

These are all issues that ought to be worked out in a committee markup. They are complicated issues. I have questions that I could debate all day long on how to make this formula work. I do not want to do that in this Chamber. I don't think we have time to do that here. I would like to have my staff spend time, working on a bipartisan basis with the staffs of both sides, with the EPA, with the others who are knowledgeable, to figure out how this works, getting input from the States and the localities that receive the funds to see how it works. Then I can turn in anger and disgust to a staff member if they cannot explain it to me.

Right now we are looking at something that I think has great problems. For that reason, among many others, I say, please, let's take this to the authorizing committee.

If the author of this amendment had come to me last year or the year before or the year before or the year before, I would have been more than happy to sign on to a bill that says let's update this formula. I would be happy to sign on. And I have supported broader measures that said let's deal with this whole problem and figure out how we are going to meet the $200 billion water infrastructure needs over the next 20 years. This is a vitally important matter for human health.

We talk about a lot of things that have only that much, that tiny impact on the health of our country. We spend so much time debating things that are about a gnat's eyebrow worth of difference, if we do this or do that.

What we are talking about now is something that makes a huge difference, that makes a difference between whether communities are healthy, whether the children, the older people, the people who are sick, who are needy, are getting healthy water. Are the people in that community subject to the disease that comes from untreated wastewater? These are vitally important questions that need to be referred to the committee.

I know the new chairman of the committee has put this issue at the top of his agenda. I know EPA is currently working on a needs survey for clean water funding.

I understand the survey will be completed in early 2002. I would love to get in the middle of the debate over how we utilize these SRF funds. I would like for the authorizing committee to send a clear signal to OMB, to our Budget Committee, and to the Appropriations Committee that we need more money in State revolving funds, or find another means of funding them, because we are falling far behind.

I appreciate very much this significant issue being raised. I know if I were in Arizona I would want to have a good water infrastructure myself because you get thirsty out there in the heat. But this, unfortunately, as the Senator so well surmised, is not the place, this is not the time, and this is not the vehicle. I wish him well in some other venue. I will be a strong supporter trying to help him get it done.

I urge and plead with my colleagues to recognize the importance of the issue he raised but to vote against it.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I want to say that the way the opposition to my amendment was delivered by the distinguished Senator just proves yet again why he is such an effective Member of this body and such a great representative of his State and the constituents of the whole country. He has in some sense agreed that we need to do something, but makes an argument, which he indicated last night he would have to make, in opposition to the amendment. I appreciate that fact. But I don't think one could ever ask for an opponent to an amendment who has more graciously expressed his views. I want to let the distinguished Senator from Missouri know that I appreciate that.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, as was pointed out, I am chairman of the committee that has jurisdiction over this matter. I appreciate the Senator from Arizona bringing to the attention of this body the seriousness of the freshwater problems that we have in this country.

When I became the chairman of the Environment and Public Works Committee, one of my top priorities was to craft legislation to ensure that the Federal Government meet its responsibilities to assist communities in meeting their drinking water and waste water infrastructure needs. Under the leadership of our ranking member, Senator SMITH of New Hampshire, the committee has already begun to investigate proper procedures to ensure that every community in this country has good freshwater and is able to dispose of their waste water.

I think it is important that we discuss this, and it has been brought up. But I would have to object very strenuously to the amendment. It is under the jurisdiction of our committee, and we are dedicated to trying to help make sure that we have better quality water and the quantity of funds available for making sure that we improve our freshwater system.

I have to object to the amendment on the basis that it is under the jurisdiction of my committee. But I will certainly do all I can to work with the Senator from Arizona as we move forward in the process of developing a better system.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. KYL. Mr. President, let me also acknowledge the comments of the Senator from Vermont. They are very welcome. I appreciate the fact that the authorizing jurisdiction lies within the committee that he chairs, and that in the ordinary course of events he is absolutely right; the formula should be modified when the act is reauthorized under his committee. There are reasons why we make exceptions to that.

Sometimes in the U.S. Congress, the exceptions prove the rule. There are frequent times when we don't do the work in the authorizing committee but rather do it on appropriations bills. In fact, every one of my colleagues—including, I am sure, the distinguished chairman of the committee—will acknowledge that on more than one occasion we have ground our teeth and said it looks as if the authorizing committees are no longer relevant around here; that the appropriators are taking the jurisdiction from us and are making all of the decisions. It is probably a bit of an exaggeration, but I am sure every one of us has felt that at times.

I certainly appreciate the concerns expressed by the chairman of the committee, who has to protect his committee's jurisdiction. I absolutely understand that. As I said, in the normal course of events, I wouldn't disagree with him at all, as a member now of several authorizing committees, having gotten off of the Appropriations Committee. But we are in a situation today where I think almost everybody will acknowledge that the formula is unfair, and yet we haven't been able to get a reauthorization of this act since its inception in 1987. That is not the fault of the distinguished chairman.

But the fact is, it is very difficult to ever change formulas once they are in place because of the opposition of the Senators who perceive that they would be losing under the formula. Let me turn to a chart that I think will also make the point.

Under the Kyl-Fitzgerald-McCain legislation, some States will lose some of the windfalls that they have been receiving. But every State except three, as I have pointed out, still does very well. If you look in the far corner, there is a State that is pretty much above every other State. The line for New York State is way up here. It is true that under our amendment it would be brought down to here. But every other State else in the formula is down here.

While it is true that there are States that will lose—and New York State, I confess to my colleagues from New York, will lose funding under this act. They have been getting a windfall for a number of years. That must be a testament to their great work before the committee. And I suspect a former Senator from New York also had a little something to do with that.

My point is, yes, there are a few States that will lose funding because they have been getting too much, and almost all of the other States that are within this minimum-maximum range are way down here. I don't think one can say it is unfair.

With respect to the comment that my colleague from Missouri made, that is a complicated formula. I want to make it very clear exactly what we are talking about because it is the epitome of simplicity.

Three factors. In accordance with the wastewater infrastructure needs survey, what does EPA recommend?

You get 97.5 percent of the funds that are available. There is a minimum and a maximum. The minimum is 1.675, and the maximum is 8.0.

It couldn't be simpler. We have available a chart that shows exactly the dollars and percentages—which States receive more, which States receive less, and how the earmarks relate to that. We don't affect the earmarks in any way. The earmarks are untouched. The 2002 earmarks are indicated on this particular chart.

I don't think the formula is at all complicated. I don't think it takes a lot of work to figure out how you fared under the amendment.

I also note that while the Senator from Missouri was concerned about States that receive the minimum amount, actually we shouldn't be concerned about the States receiving the minimum because, according to the survey, they actually would receive less money than that but we guarantee that all States receive a minimum amount. They actually end up receiving more percentage-wise than they should based upon the recommendations.

I think it is a very fair formula. It is very similar to other formulas that we have. We already have a similar kind of formula with respect to drinking water under the same act. The EPA makes a recommendation. We have a formula that allocates funding based upon those recommendations.

I think, A, it is fair; B, the minimum States are protected; and, C, you can see that only a few States that have been receiving what I would refer to as windfalls are going to be rather substantially reduced. Everyone else is reduced only a small amount. There are a few States that actually increase a fair amount. That is, frankly, because of the fact that they have been significantly shortchanged in the past.

For the benefit of my colleagues, I would like to relate a few of the statistics.

The distinguished Presiding Officer represents the State of Delaware, which is currently receiving $6.7 million but would receive $9.1 million under the formula.

Let me start at the top. We all know California is a fast-growing State. It is slated to receive $97 million under the current allocation. It would receive $108 million under the Kyl-Fitzgerald-McCain amendment.

I think the State of Illinois has been significantly shortchanged probably more than any other State. It received $61 million. According to the allocation, it should receive $108 million. It would gain $48 million.

I think for the citizens of Illinois, it is just unconscionable that it has fallen that far behind.

The State of Ohio similarly has been receiving less.

The State of New Jersey, which is receiving $55 million, would receive almost $75 million—about a $21 million increase.

This just illustrates the point. I could go on down the list.

Next is Pennsylvania, which is receiving $54 million but would receive $61 million. The State of Florida receives $46 million; it would receive $55 million. The State of Indiana receives $32 million; it would receive $50 million.

You can see how there are States that are really significantly below. Just in the spirit of full disclosure, going down to my own State of Arizona, it receives $9 million; it should be receiving $22 million.

My point is, there are a lot of States that are way behind what EPA thinks they should be receiving. There are a few States that are way ahead of what they should be receiving. But as I said, only three States will actually receive less as a result of our amendment. Let's see if I actually have those States listed.

All but three States will receive, at a minimum, their exact proportionate share of total need. And two of them subjected to the cap in the formula will still receive substantially more than they do under the current system

Mr. President, there are other Members who would like to speak to this amendment. I promised them they would have the opportunity. At least two of them are tied up in the Commerce Committee, which I assume is going to be done with its business pretty soon. So I would like to have an opportunity for them to speak. But I also note the distinguished chairman of the subcommittee is in this Chamber.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. I move to table the pending amendment.

Ms. MIKULSKI. Would the Senator withhold? I want to speak. I also understand there are two other Members who wish to speak. Will the Senator withhold because I understand the other Senator from Arizona wishes to speak?

Mr. KYL. That is correct.

Ms. MIKULSKI. If the Senator makes his motion to table, does that terminate the debate? I ask the Senator, in the spirit of——

Mr. JEFFORDS. I withdraw my motion to table at this time.

The PRESIDING OFFICER. The motion is withdrawn.

Ms. MIKULSKI. Mr. President, I thank both Senators because last night the Senator from Arizona, Mr. KYL, said he would be here at 10:30 this morning, ready to offer his amendment and ready to debate it and line up his speakers. He really met that commitment. We thank him for honoring that commitment.

Also, he made it very clear last night that the other Senator from Arizona wished to speak. We want to be able to accommodate him because I think we have been moving along in a spirit of comity. I would just ask the proponent of the amendment if we could encourage those speakers to come to the Chamber. My remarks will not be of a prolonged nature. If the two Commerce Committee Senators could come over, I believe we could have this amendment wrapped up before lunch and, I think, would be moving in a well-paced way.

Again, we want to keep the kind of atmosphere of civility that has set the tone of the bill. If everyone would notice, there has not even been a quorum call. So I am ready to make my remarks. We would then go to those two other colleagues to speak.

I ask the Senator, are they coming?

Mr. President, we are going to have a little quorum call, just for clarification.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, again, I thank the Senator from Arizona for proposing his amendment and moving with a promptness that is appreciated by both Senator BOND and I. I acknowledge the validity of many of the concerns that the Senator from Arizona raises.

When you have a State such as Arizona, that certainly is growing in population, and you find out you are down on a list of Federal funds, it is, indeed, troubling.

I also acknowledge the fact that the Nation is facing a clean water funding crisis. It is estimated that we have an annual funding shortfall for clean water infrastructure of at least $12 billion. I can honestly tell the Senator that if I gave $1 billion to every State in the Union over and above what is in our bill, it would be well used because it is needed.

We have heard about water problems from failing septic tanks in the Delmarva region that you and I represent, where the rural poor really do not have the bucks to do it. We have heard about the big failing water systems in the Chicagos and the Baltimores, where they were built over 100 years ago, and it is beyond the scope of this Appropriations Committee to deal with it.

We need full-scale authorizing hearings on the needs for America's water infrastructure—both the needs and the formula. So I acknowledge that this is a big deal and a big problem.

There is not a community in this country—urban or rural—that does not have some important funding need related to water, whether it is from Baltimore to St. Louis to Stafford or Scottsdale, AZ. However, I must say, Senator KYL's amendment is outside of the scope of the VA–HUD bill. I truly believe, because it is a formula change, that it will trigger essentially a water war on the VA–HUD bill.

This is, indeed, an authorizing issue and should be addressed by the authorizers in comprehensive water infrastructure legislation.

Last night we had an excellent discussion on the issue of arsenic. We all agreed that arsenic is a problem. We all agreed that complying with the Federal mandate on arsenic will also be a problem. So our colleague, the Senator from New Mexico, Mr. DOMENICI, offered an amendment for authorizing on funding. We thought that was an excellent way to go and, wow, suddenly you had a Domenici-Mikulski-Schumer-Clinton-Bond—an amazing list of cosponsors. The message of that was not only that arsenic is a problem, but, like last night when we talked about it, how do we pay for these water issues?

What we have done—again, working on a bipartisan basis—the VA–HUD bill does not break new ground on environmental issues. We essentially broke no new ground, whether it was on enforcement, whether it was reallocating from sewers to State revolving funds, and so on. We essentially kept the framework from last year to get the President to put his arms around it, to get our new EPA Administrator to put her arms around it, to then look at what EPA should be and what are some of the new changes we need to make.

We think we have gotten off to a good start. Because this is a year of transition, both within the executive branch and also within this subcommittee, that was the framework we approached, so that we could be prudent, that we would not lurch ahead in either the executive or legislative branch and make mistakes that we would have to then go back and evaluate.

As my colleagues know, often on environmental issues, we end up with either unfunded mandates or, in some instances, unintended consequences to what seems to be a good idea.

The new chairman of the Committee on Environment and Public Works believes that water should be at the top of his agenda. He is here today to speak on that. EPA is currently working on a needs survey for clean water funding. This should be done early in the next calendar year.

I cannot support the Kyl amendment until the authorizers have had an opportunity to examine the needs survey and we have the very important census data related to growth that the Senator from Arizona has talked about. We all acknowledge that Arizona has grown, but we want to have more data on that. Then we need to have recommendations on how to clearly allocate our clean water.

There is also another issue with the actual formula that the Senator is proposing. It is going to be a little geeky here so stick with me.

This amendment would require EPA to allocate the fiscal year 2002 clean water State revolving fund appropriation to the States using an allocation formula for the drinking water State revolving loan fund.

Remember, we have two revolving loan funds: one for clean water and the other for drinking water. You might say: Why is that such a big deal? Dirty water is dirty water, and why not commingle the formulas?

This is really inconsistent with the Nation's wastewater and clean water needs. Drinking water systems and wastewater systems are fundamentally different. They deal with two different problems. They focus on different pollutants. Wastewater systems concentrate on removing pollution that deteriorates our rivers, lakes, and our bays—the Chair is familiar with it—the nitrogens, the phosphorous. That is why we have those problems on the Chesapeake Bay.

The drinking water system removes pollutants and treats water to make sure it is safe to drink. One, we are drinking it; and the other drops it into the big drink like the Chesapeake Bay—two different things and two different kinds of pollution.

When we get our drinking water, we are not dealing with phosphorous and nitrogen and those issues with which we have had to deal.

In addition, the wastewater systems need to address shortcomings from the past, such as combined sewer overflows. Anyone from the city knows that this combined sewer overflow and the sanitary overflows are really big issues. There is no parallel to those issues in the drinking water systems. You can see how they are different. Then to use the same formulas, it gets to be a problem.

Also, this amendment has another fundamental flaw. It references a water infrastructure needs survey to be conducted under the Safe Drinking Water Act. EPA has advised the committee today that no such survey exists. The wastewater needs survey is required under the Clean Water Act, not the Safe Drinking Water Act.

We are going to get lost here. We don't want to get lost on the Senator's needs or what we want to accomplish. This shows exactly why this is the wrong place to offer this amendment. It is so complicated. We have needs surveys. We have formulas. We have safe water. We have clean water. We have drinking water. We have dirty water. We have wastewater. We need to be clear that the formulas are based on the problem to be addressed as well as on population.

Section 2 of the Senator's amendment is unclear. The Agency would be at a loss on how to calculate the formula given this direction.

The needs for surface water quality projects differ geographically from drinking water projects. For example, some communities are served by central drinking water systems, but there is no municipal wastewater system. In another circumstance, a community may have a minor drinking water problem but might have a terrible or significant combined sewer overflow or a sanitary sewer overflow. As a result, surveying the construction needs of drinking water systems has no connection to the wastewater treatment system in the same community.

The Presiding Officer was a Governor. I am sure he follows that. But most of all, local government follows it.

Which brings me to another issue: Changes of this magnitude applied here with such scant notice would severely disrupt State programs. States must plan ahead. They have to use an expected range of capitalization grants for planning purposes. You have to know what you are going to get and when you are going to get it. Changes of the size implicit in the amendment would stop the State CWSRF, the clean water State revolving fund, loan programs for a significant period of time. This means that States would have to scurry around, prepare new intended-use plans, hold public hearings, try to get their bond issues straightened out.

As you know, States have capital budgets. We don't. Capital budgets are based on what is going to come out of general revenue and what able Governors take to the bond market. A lot of our water and sewer is done on bonds, particularly at the local level.

This is going to wreak havoc in all States. I know the Senator's intention is to get more money into some States. It will wreck havoc even in his own State.

Keep in mind, we will not only have the loss of money but we will have the loss of time. It will affect our drinking water as well as our commitment to the environment.

The clean water State revolving fund addresses clean water needs which are very different from drinking water. I have talked about that. The use of the drinking water State revolving fund would misdirect resources, resulting in a mismatch between the allocation of Federal funds by States and by the State's needs.

I could go on: Who are winners, and who are losers.

The important thing is, when it comes to water, there should be no losers. We all have our needs. We all have our problems. These formulas were originally established to meet those needs.

Maybe there is the need to adjust those formulas. In every formula, some States gain and some States do not do as well as they should. Formulas are really complicated. They do approach the level of treaty negotiations.

To try to do this on this bill would wreck havoc. It would trigger Senators coming to see what they are going to get and what they are going to lose.

The more prudent way would be for there to be some type of instruction to EPA for evaluation. We would be happy to enter into a colloquy with both Senators from Arizona. We would be happy to sign a letter to the very able Administrator at the EPA outlining the concerns the Senators have. But we don't think we should have this amendment. If we pass this amendment, it is going to wreak havoc in the States with their ability to administer their programs; it is going to wreak havoc with the capital programs; it is going to wreak havoc with their bonds; and, most of all, it is going to wreak havoc with, really, the confusion that is going to come with using one formula for wastewater and use it also for drinking water. We really encourage—because it is not sound—this is not the place to enter into such a significant, complex public policy debate with enormous consequences to our constituents, to our communities, to our States and their ability to meet their fiscal responsibility as well as their environmental and public health stewardship. I am telling you, this is really the very wrong place to do this amendment. I oppose it.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I thank my colleague, the chair of the subcommittee, the Senator from Maryland, for laying out the concerns, first, that the EPA has about it. I am relieved to see I was not the only one confused by the formula. I tried to figure out how the formula in section 2 would work, and I found a lot more questions than answers.

The EPA has advised us that they don't know how the formula would work. That is why I said a few moments ago that on these complicated items there needs to be substantive hearings. There should be hearings on how the changes might affect existing water bonding issues, existing water programs in the States. There should be hearings on how these changes would affect the States where the needs are. Most important, we need to sit down with all of the players and make sure we have a formula that everybody understands and that works.

So I believe the EPA has given us the reasons that we described in general about the problems in trying to adopt a significant change on the floor. Having said that, I am very enthusiastically a supporter of the suggestion the chair of the committee has made that we join either in a colloquy, letters and instruction, first, to the EPA, to present to us options for revising and updating the formula, if needed, for both the drinking water revolving fund and the clean water revolving fund and the one that deals with wastewater, to give us their best assessment and to actually provide that to the Environment and Public Works Committee so we will have something with which to work.

As I have said before, I am a most enthusiastic proponent of revising these formulas and finding ways to put more money into this very badly needed area, for investments for the future health and well-being of our community.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ALLEN. Mr. President, let me say to my colleagues I very much support the Safe Drinking Water Act. There are tremendous needs throughout America and in our Commonwealth of Virginia, especially in the southwestern region of Virginia.

This issue deals with wastewater and the need for cleaning up our wastewater, where there are combined sewer overflow situations in Lynchburg, Richmond, and other areas, as well as the Northern Virginia area, which flows into the Potomac, which affects the Chesapeake Bay, which is important to Virginia and the State of Maryland; and the Chair's home State of Delaware has a few tributaries that flow into the Chesapeake Bay. It is also important to Pennsylvania and New York, which are also part of that watershed.

Now, again, I am very much in favor of all these ideas. The question is: How do you meet the needs? In trying to determine how you meet the needs for clean water, drinking water, and clean water as regards wastewater treatment, you want to have a good, objective, up-to-date determination of needs.

The drinking water allocations are based on EPA's recommendations. There is a needs survey. But as I best understand it—and I may ask, in a moment, my colleague from Arizona, Senator KYL, to join me to explain this because some fellow Senators are saying they don't understand this, and I want to have a better understanding.

The wastewater moneys are based on a 1970s population number and have not changed since the law was passed in 1987, 14 years ago. As I understand this formula change, what it attempts is to bring in fairness and equity and address the needs for wastewater cleanup and base the numbers on EPA's wastewater needs survey. So it is a similar sort of logic and formula and survey that is used for drinking water that we would want to use for wastewater.

It strikes me, regarding the matter of fairness, that a minority of States in this proposal get way more than the percentage EPA recommends under the current formula and a majority receive much less—mostly in States that are growing faster. Regardless, everyone recognizes—and I haven't heard anybody listening to the debate on the floor or in between saying that the current formula is right—now is the time to make sure the wastewater allocations, the taxpayer dollars, are being utilized in a way that addresses the needs of the various States.

The formula change also does not affect the so-called earmarks. That is separate and in a smaller pot of money. I ask the Senator from Arizona, Mr. KYL, if he will please take the floor and let me ask him a few questions so we can clear up any misunderstandings that have been proffered here by others who may not seem to understand this proposal.

I ask the Senator from Arizona this: The current plan, the current allocation for wastewater moneys, is it a formula based on population from the 1970 census?

Mr. KYL. Mr. President, I say to the Senator from Virginia, my staff has tried to find out the basis for the current formula, and they have had a very difficult time getting anybody to tell them what it is. We have gone back in the debates, in the records, and so on. As best we can tell, it is a formula that is based upon a construction grant program using 1970s data, including population data. That is as clear as I can be about it. I urge anybody—of course, I find it interesting that those who are opposing the amendment do so on procedural grounds, not defending the existing formula. I haven't found anybody to defend, let alone explain, what the basis of the existing formula is.

Mr. ALLEN. If the Senator will yield for a further question, I ask the Senator from Arizona this: The formula he is proposing here, though, is based, as he states, on needs, actual needs. How do you determine those needs? What is the formula? What is the criterion by which needs are addressed?

Mr. KYL. I appreciate that question from the Senator because there has been, I think, a misunderstanding here. My understanding is that EPA has at least two different "needs surveys," as they call them. They survey needs of communities for drinking water, and we use that survey with a formula for the allocation of drinking water moneys in a different place in this bill. They also do a survey for wastewater needs.

It is my proposal that we use that survey as the basis for the allocation of wastewater funds. Those are different surveys. We should not confuse the two. We are not suggesting that we use the drinking water survey for wastewater allocations. Leave the drinking water survey for the drinking water allocations and use the wastewater survey for the wastewater allocations.

It is further my understanding that each of these is redone every 4 years on a rotating basis.

In 2002, there will be the new 4-year wastewater treatment survey. Two years ago, we had the most recent drinking water survey. So every 2 years, we have a new survey. One is for drinking water; one is for wastewater. My concern is we will wait until the 2002 wastewater survey, and then it will be at least fiscal year 2003, or later, when it can be implemented, even if we are all in agreement to use that survey. Clearly, we will be yet another year or even 2 years down the road without having made the formula safe.

To summarize, the Senator from Virginia is correct. There are two different needs surveys, one for drinking water and one for wastewater. We are not using the drinking water survey; we are using the wastewater survey. The formulas also differ slightly.

I believe there is a 1-percent minimum on drinking water for that fund. In ours, it is a .675-percent minimum, 8-percent maximum, and everybody else within that range receives 97.5 of what is available. It is a very simple formula and not dissimilar to the drinking water formula, but it is not the same formula.

Mr. ALLEN. Mr. President, I ask the Senator if he will yield for a further question.

There was an assertion that this will affect some of the bonding and expected amounts of money. The Senator is saying after the 2002 analysis, or the survey for wastewater monies, which is calculated on an antiquated, outdated, inaccurate formula, there would be a change. Even if nothing happened, even if the Senate does not act in a farsighted, appropriate way and vote for the amendment, there still would be changes in allocations to the different States anyway. Isn't that correct?

Mr. KYL. The Senator from Virginia is correct. That is based on two primary factors:

First, as both the Senator from Maryland and the Senator from Missouri have noted, they have fought very hard for increased funding. One never knows. Each year, from one year to the next, we never know what amount of money is going to be available; that is very true. It would be folly for someone to count on a particular amount of money.

Second, as I said, we do not touch the earmarks. The earmarks come from a separate pot, basically, if we want to simplify it. That comes from a separate pot of money, and the committee can certainly do a lot of adjusting within their earmark authority from year to year. We cannot predict, obviously, from year to year what that would be.

So, yes, the Senator is correct. There are at least two bases, and maybe others, for not knowing exactly how much money one is going to get from one year to the next, even under the existing formula.

Mr. ALLEN. As far as that is concerned in bonding and hypothecating expected revenues from the Federal Government, it is a risky business for State governments or local or regional municipal waterworks anyway.

As I understand it, the Senator is trying to make sure we are allocating scarce taxpayer resources; we are making a priority. Obviously, on drinking water—and that is not affected by this—in the wisdom of the Senate, the House, and the Federal Government, they said—before the Presiding Officer and I were in the Senate, but it made sense—let us make sure the money is getting to those who need it the most.

The same logic is applied in the measure of the Senator from Arizona, as far as wastewater is concerned, which is very important for recreation, for water treatment and, obviously, for our enjoyment and health.

It seems to me the Senator from Arizona is moving forward, making sure, when the survey is done next year, it will utilize a needs assessment, not outdated population figures that are 20 or 30 years old, and making sure we are getting the funds to the areas that need it the most.

Most tributaries do not just flow out of one State; they start in one State and sometimes travel through several others. For example, as I mentioned, Delaware: Folks from Delaware say everything flows into the Atlantic Ocean or towards the oceanside. Some of the rivers or streams will flow through Maryland into the Chesapeake Bay. Therefore, if there is some waste coming from a stream that—and I am sure there would not be too much, but there can be from time to time, as we all know, on the Delmarva peninsula. But the point is, if one is cleaning it up on the riparian areas of the river in Delaware, that helps Maryland and that helps Virginia as well.

Sometimes we look at it on a State-by-State basis. The Colorado River flows, obviously, out of Colorado through Utah, through Arizona, through a part of or at least the border of Nevada and California. The Potomac River actually starts some of the tributaries in Virginia, goes through West Virginia, obviously through Maryland, and obviously on the banks of Virginia. The same with the Missouri, the Mississippi, the Ohio, the Kanawa, the Cheat—all sorts of rivers go through many States.

I ask the Senator from Arizona one final question: What would he say is the most salient point in how his proposal would more accurately reflect the actual wastewater treatment needs of this country than the old formula that is admitted by all to be outdated and wrong? How would his proposal, in the most salient way, make it a more accurate determination and allocation of scarce funds to the actual needs of wastewater cleanup?

Mr. KYL. I will answer the question of the Senator from Virginia by simply saying it is based upon EPA recommendations. We know growth States, population changes, account for a big part of the increased needs.

The Senator is also correct that there are some other localized factors, including waterways, the existence of waterways and other factors that bear on this. That is why I note that States that have been significantly underfunded include a big growth State such as California and the State of Illinois. I just do not understand why Illinois has been so drastically underfunded. Ohio, maybe that is because both Ohio and Illinois have substantial waterways, as the Senator from Virginia does.

New Jersey is another State that has been woefully underfunded. Yet it is not as big a growth State as California or my own State of Arizona.

Indiana is another State that is underfunded. It could be that series of rivers in the Ohio, Indiana, and Illinois area. I cannot explain why the EPA recommends exactly what it recommends and, in comparison to the existing formula, why some States are so much out of skew. One general reason is that of population growth. There are others, as the Senator has pointed out.

The main reason this formula makes sense is EPA looks at all of this, applies a needs-based test, makes the recommendations, and those are the recommendations that we plug into the formula.

Mr. ALLEN. I thank the Senator from Arizona, and I urge my colleagues to join me in supporting the Senator from Arizona. I think it is the Kyl-Fitzgerald-McCain amendment.

It is a matter of fairness. It is addressing actual needs, and there is a reason population would be more of a concern, because as population increases, obviously there may be a corresponding increase in wastewater treatment needs.

I conclude by saying I urge my colleagues to use objective standards. Do not use politics but look at objective needs to clean up the wastewater in this country.

I am very grateful to the Senator from Arizona for spending this amount of time and effort to try to correct this inequity. It seems to have been around for several decades, and this is the time to act. Who knows when we will have another chance, the way the Senate moves.

Again, I commend the Senator from Arizona. I urge my colleagues to join me in supporting this amendment. It will be good for the water in their States and the water throughout the United States.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I reiterate before a fellow Bay Senator leaves the Chamber, EPA has informed me why this amendment has a fundamental flaw. The amendment references a wastewater infrastructure needs survey to be conducted under the Safe Drinking Water Act. No such survey exists, according to EPA. The wastewater needs survey is required under the Clean Water Act, not the Safe Drinking Water Act. I wanted to make that point.

I have a question for the Senator from Arizona. I know he has put a lot of work into trying to develop this formula, but I really wanted to bring to his attention what EPA has apprised me of, and I think we need to check that. I know the Senator likes to always operate off the basis of fact.

The EPA says the agency would be at a loss as to how to calculate a formula given this direction. So there is no needs survey on which to calculate it. We are getting "section this of that act" and "section that of that act," et cetera, which is why we need this in an authorizing bill and not on an appropriations bill. I do not dispute the Senator believes this—I want to share this information with him.

I suggest the absence of a quorum to share this information with the Senator.

The PRESIDING OFFICER (Mr. CORZINE). The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the Kyl amendment be temporarily set aside at the concurrence of the managers, Senator KYL and Senator REID, and that when Senator SCHUMER offers his amendment regarding the HUD gun buyback, there be 60 minutes of debate prior to a vote in relation to the amendment, with no second-degree amendments in order to either the Kyl or Schumer amendments; that at 12:30 p.m. today, Senator MCCAIN be recognized to speak with reference to the Kyl amendment, with that time not charged against the time on the Schumer amendment; that any time remaining after the time for debate on the Schumer amendment be equally divided among Senators MIKULSKI, BOND, and KYL, with the understanding that Senator FITZGERALD will have some of Senator KYL's time; that at 1:55 p.m. today, there be 2 minutes for explanation prior to a vote in relation to the Kyl amendment, to be followed by 2 minutes prior to a vote in relation to the Schumer amendment, with the time equally controlled and divided in the usual form. I further ask unanimous consent that in case Senator KYL, in his original offer of amendments, cited the wrong statutory section, he have the right to modify his amendment.

The PRESIDING OFFICER. Is there objection?

Mr. BOND. There is no objection on this side. We believe this is an appropriate accommodation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SCHUMER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1231 TO AMENDMENT NO. 1214

Mr. SCHUMER. Mr. President, I ask unanimous consent that the pending amendment be laid aside and we move to the Schumer amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from New York [Mr. SCHUMER] proposes an amendment numbered 1231.

Mr. SCHUMER. I ask unanimous consent reading of the amendment be dispensed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To make drug elimination grants for low-income housing available for the BuyBack America program)

On page 25, line 23, before the period, insert the following: ": *Provided further*, That of the amount under this heading, $15,000,000 shall be available for the BuyBack America program, enabling gun buyback initiatives undertaken by public housing authorities and their local police departments".

Mr. SCHUMER. Mr. President, I will be brief. I thank the Chair of the VA-HUD subcommittee for her help on this amendment and for her general help to this Senator, for which I am forever appreciative.

I rise to introduce an amendment to restore a valuable initiative to reduce gun violence in the Nation's public housing authorities. The amendment sets aside $15 million of the $300 million that we allocate to the public housing drug elimination program for BuyBack America, a gun buyback program to eradicate violence in our Nation's public housing authorities. BuyBack America was introduced by the Department of HUD in November, 1999. In the first year alone, it helped local police departments in 80 cities take 20,000 guns off our streets. Guns were bought back for around $50. The guns were taken in and then destroyed.

Since the gun buyback policy was first introduced through New York City's Toys for Guns programs in 1993—someone I have come to know, Mr. Mateo, was the initiator—thousands of low-crime, underserved neighborhoods have seized the opportunity to eradicate gun violence. The program works. From Annapolis to Atlanta, from San Francisco to Schenectady, it has helped raise gun control awareness and lower rates of violence. However, HUD last week announced its plans to discontinue BuyBack America. The program has been targeted as part of a campaign, in my judgment at least, by the administration against any kind of gun control, no matter how moderate, how rational, and how protective of the rights of legitimate gun owners—which this program clearly is.

In fact, the President's budget this year zeroed out funding for the entire Public Housing Drug Elimination Program, which had been funded through Senator MIKULSKI's leadership, and I know my colleague has been involved as well, for which we thank him.

If we do not set aside a certain amount for gun buyback programs, it will not be done by the administration, given its unfriendly position toward even modest measures dealing with taking guns away from kids and criminals.

So I ask that this amendment be supported. I, temporarily at least, yield back my time with the right to come back later and speak further on the amendment.

Ms. MIKULSKI. I acknowledge the cooperation of the Senator working with us. Before I speak on the amendment, I am going to inform the Senator that we are scheduled to move his amendment aside at 12:30 when those tied up in Commerce are coming over. Then we are scheduled to come back to the amendment of the Senator, I believe, at quarter of 1.

I want to advise the Senator of that. I think he was dealing with a very pressing New York need and did not hear the unanimous consent agreement, though we had the cooperation of his staff.

Mr. SCHUMER. I thank the Senator. I yield the floor. I will be back at 12:45 to resume the debate.

Ms. MIKULSKI. Before he leaves, the Senator from New York should know I am going to support his amendment.

Mr. SCHUMER. Once again, the Senator from Maryland hits a home run for New York, Maryland, and America. Thank you. I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, one of the things that occurred in the VA-HUD budget as it came from the President was to eliminate $300 million for drug elimination in public housing.

The Presiding Officer's predecessor was one of the champions of that, the distinguished former Senator from New Jersey, Mr. Lautenberg. We worked hands on, on many of the items. We think that $300 million in drug elimination is a very important program.

At the same time as we have been saying to the Senator from Arizona and others we are not going to break new ground in this bill because of the transitions both of the executive branch as well as the legislative branch, the committee has restored the $300 million in drug elimination funds. We have restored that because we know we have to get drugs out of public housing. We know we have to make sure, in getting the drugs out of public housing, that public housing provides an opportunity to be not only a way of life, but to lead to a better life.

We turned to the authorizers and we encouraged them to hold hearings on what has the most efficacy, making sure public housing is neither a slum landlord nor an incubator for drug dealing, and we encouraged them to do that. The Schumer amendment mandates that we keep the gun buyback program which Secretary Martinez would like to eliminate.

We think, again, it is the executive branch acting and so on. We need conversation, again, on what is the most effective way to deal with crime in our communities, gun violence in our communities. I have had in the past several years the most gruesome statistics in Maryland. I like being from a State of Super Bowl champions, and I love the show "Homicide" that was on, that was so terrific. But what I did not like was the homicide rate. Thanks to Mayor O'Malley and Commissioner Norris, we are bringing that down. But gun violence—we are like a war zone.

The Schumer amendment would give our local police departments and our public housing authorities the opportunity to operate a gun buyback program using Federal dollars. But it is their choice. In other words, the Feds do not say you must do it, nor do the Feds say you cannot do it; it leaves it up to the local community whether they think it has efficacy in that area. It might not work in every community. We do not have that one-size-fits-all on how to deal with ending violence and getting drugs out of public housing. But each city or county should have the opportunity to operate a gun buyback program if it chooses.

Many public housing complexes function almost as small cities unto themselves. They have their own police departments; they have their own governing authority. They really are, in some instances, small towns. We, of course, would like to make sure they have the sense of being a village. They have unique needs, require special help and attention.

This program was started in 1999 during the Clinton administration. It provided up to $500,000 for police departments around the country to buy back and destroy weapons. During the first year of operation, 20,000 guns were taken off the street in 80 different cities.

The amendment gives our local police more resources in fighting crime. We should not second-guess those local decisions on how to do it. Whether it is the cops on the beat or gun buybacks, it will allow the local authorities to do that. We must do everything we can to protect our citizens who live in public housing and those who live around public housing because everything that goes bad with public housing goes bad with the neighborhood near public housing.

I support this Schumer amendment. I look forward to its adoption.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. Mr. President, I yield myself 5 minutes from the opponent's time.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I thank the distinguished chair of the subcommittee, the Senator from Maryland, for explaining why this is an important but misdirected amendment.

First, I express my sincere appreciation to the chair of the subcommittee for including in the bill the money that was zeroed out by the administration for the drug elimination program. I worked with the distinguished senior Senator from North Carolina several years ago to include money for eliminating drugs in public housing because it has been our heartfelt belief for a long time that we need to make assisted housing—whether it be public housing or whether it be section 8 financed housing—the kind of housing where a mother, or mother and father, would want to raise their children in a proper atmosphere.

Getting drugs out of public housing, making sure it is safe, is probably one of the very first steps in addition to keeping the rain out and keeping the cold out in winter. Making sure it is safe and drug free is vitally important. I was very disappointed that the administration zeroed it out.

We now have it back in the bill, and there is the flexibility in the PHAs to use this money however they want. The amendment by the Senator, my good friend from New York, would establish a $15 million set-aside in the public housing drug elimination fund for the gun buyback program. It is unnecessary because right now, if they wish to do so, a PHA can use money for the buyback. It takes away the choice and the decision from the local levels.

Local public housing authorities can conduct drug buy-back programs under the drug elimination grant. The bottom line is it is not mandatory. The PHA makes a choice, based upon its need to eliminate crime and illegal drug activity, what is the best thing we can do in this community to protect our friends and neighbors from drug crime.

That is a legitimate choice. I support that local choice, despite the fact to my knowledge there is no evidence that gun buyback programs actually reduce crime or illegal drug activity. They make people feel good. It is a feel-good program.

But let me ask you, my colleagues. Let's apply a commonsense test. Sometimes back home some of the things you hear on the street corner at the place where you have breakfast make a whole lot more sense than some of the very sophisticated things that we discuss up here. I was talking to some of the guys out at the livestock market breakfast place where I go out for breakfast every Saturday morning. They said: Tell me. If you were a criminal and they had a gun buyback program, would you go in and sell your gun to the gun buyback program?

I said: What do you mean? Say the cops or the PHA have a gun buyback program. Rather than using my good gun to go out and make holdups, I am going to get $5 for the buyback.

He said: No. You find an old gun that doesn't work, or you go out and steal a few more guns. Say I have 15 or 20 guns that are inoperable, outdated, and ineffective. I will trade them in. You know what I can do with that money. I can either get drugs or buy some ammunition for my good gun.

Ask the gang back home. Go to the town square and ask them. How many criminals do you think are going to sell their guns to the buyback program? They are going to tell you none, or fewer.

That is just common sense. I don't believe there is any evidence on the other side.

Having that said, if PHA believes it will make everybody feel good, and if they think it will help to use money for a gun buyback program, go for it.

But I tell you it is one program that I just think doesn't meet the commonsense test. It just does not make any sense to me.

I urge my colleagues to leave the discretion with the public housing authorities and not seek to take money away from security needs, or from other things, or from programs that have some questions about it.

I reserve the remainder of my time, and I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Arizona is recognized.

Mr. McCAIN. Thank you, Mr. President.

First of all, I thank the managers of this bill for their courtesy. I know they appreciate the fact that we had a markup of some important legislation this morning in the Commerce Committee. I apologize for any delay that may have caused in completing this very important appropriations bill. I thank the Senator from Maryland and the Senator from Missouri for their courtesy in not only allowing me to speak on the amendment of my colleague from Arizona but also for allowing me to propose my amendment.

I understand that it is the wish of the managers that it be laid aside after I propose it, and then I would speak on it after 2 o'clock. I ask the Senator from Maryland if that is the case.

Ms. MIKULSKI. Mr. President, will the Senator from Arizona repeat his question?

Mr. McCAIN. Mr. President, my understanding of the parliamentary procedure is that at this time I will speak on behalf of the Kyl amendment, propose my amendment, then ask that it be laid aside, and that I would be allowed to speak on my amendment after the two votes at 2 o'clock.

Ms. MIKULSKI. If the Senator will withhold, we have a very complicated unanimous consent here to accommodate Senators. I wish to bring to the Senator's attention that at about 5 until 2 we are going to have two votes: one on Kyl and one on Schumer. Then we will be happy for the Senator to send up his amendment. Maybe we will not be happy with the Senator's amendment, but we will be happy for the Senator to offer it.

Mr. McCAIN. I thank the Senator from Maryland.

Again, I express my appreciation for her accommodation. I know it is difficult to accommodate each Senator who has a very busy schedule. I thank the managers for their accommodation to mine.

AMENDMENT NO. 1229

I rise to support my colleague, Senator KYL, as a cosponsor of his amendment to the VA-HUD appropriations bill. I believe this is a very good amendment, one that is entirely appropriate to this bill as it directly relates to a more fair distribution of Federal dollars for water and wastewater infrastructure needs among the 50 States and territories of our nation.

This amendment is simple—it will address a funding inequity in EPA funding by applying the formula under the Safe Drinking Water Act revolving loan fund to the Clean Water Act revolving loan fund for fiscal year 2002.

Why is this important?

For about 12 years, the EPA has managed a Clean Water State revolving loan fund for capitalization purposes to construct water infrastructure and related projects. The funds are distributed on a State-by-State basis and utilized as seed money for State-administered loans for water infrastructure needs. It operates as an important source of capital with State flexibility to set their own priorities.

Back in 1996, the Safe Drinking Water Act was amended to establish a similar State revolving loan fund to address safe drinking water infrastructure needs.

While these two operating loan funds are similar in intent, the Clean Water revolving loan fund utilizes outdated information in its allocation distributions. As my colleague, Senator KYL, has noted, it's very difficult to address the various States' growing needs when the allocation formula is based on information relevant to the 1970's.

I would like to describe how my State has changed since the 1970s. We have grown from a very small State in the 1970s with two Members of Congress. As a result of the latest census, we are now a very medium to a large State that will now have eight members of our congressional delegation. Our State has grown, according to the

1990 to the 2000 census, in a 10-year period 40 percent—40-percent growth in a 10-year period.

There has been similar growth in other States in the West. New Mexico, Colorado, California, and a number of other States have grown significantly—perhaps not percentage-wise as large as ours but certainly in the case of numbers; Nevada has also experienced dramatic growth.

What Senator KYL and I are arguing here is that there needs to be a reformulation to reflect demographic reality.

I want to point out what everyone who lives west of the Mississippi knows. Water is more precious than gold. Water is the limiting factor in the growth of our States in the West. Water is what will be and has been the cause of major disputes throughout the West.

I believe Mark Twain said that in the West whiskey is for drinking and water is for fighting. Mark Twain had it right because water is the key factor in the ability of our States to sustain the growth and maintain a lifestyle that allows people to choose to move to the West and have the kind of lifestyle that they deserve. The formula has not been updated to consider states with substantial growth or more recent documented needs established by the EPA in its own analyses.

In contrast, the similar Safe Drinking Water revolving loan fund has been operating by the designated allocation formula under the 1996 Act that required the EPA to allocate funding according to the agency's Drinking Water Infrastructure Needs Survey. While these two revolving funds are substantially similar, only one uses updated and relevant data. This is an unfortunate discrepancy and it should be fixed.

This amendment simply tries to fulfill the intended purpose of the original Clean Water Act by allocating important Federal dollars on a needs-based system that is current and valid to the States' identified priorities.

Communities in my home State of Arizona have been frustrated by the formula distribution inequity as their water and wastewater needs continue to be underfunded and ignored. The Arizona State water authority estimates it may have lost out on $250–300 million due to the oversight in establishing a fair and updated formula. However, this is not just about Arizona. It is about a majority of the States funded through the current Clean Water revolving loan fund distribution formula whom are facing the same disparities.

Unfortunately, the Clean Water Act has not been amended since 1987. While authorization for the act expired in 1990, the programs under act are continued by annual appropriations while the Congress continues to work toward a comprehensive reauthorization.

In the meantime, Congress has circumvented the act by earmarking as much as 30 percent of the general funds available for water and wastewater needs for special interest projects through this appropriations bill. Many of these funded projects are not authorized in the Clean Water Act and do not abide by the funding distributions process identified in the act.

This continuing earmarking process is not a practice favored by State water quality officials, State infrastructure financing officials, or by the EPA. Earmarking funds from the overall State revolving fund decreases the amount available to other communities that desperately need assistance. It undermines the intent of the State revolving loan fund; it does not allow States to determine their own priorities; and, it prolongs the wait for States to receive the necessary funds to address their water needs.

In my review of the EPA section of this appropriations bill, I found that one-fourth of the earmarks of the 180 earmarks included in the EPA section are not targeted for States—but for consortiums, universities, or foundations. How is this abiding by the intent of the law?

While I disagree with the earmarking process and I hope that it changes, I also understand that this amendment does not affect those projects identified for funding in this bill under the current water and wastewater accounts. We did that, with all due respect, because we knew that if we affected any earmarking, we would remove whatever chance we might have of adoption of this amendment. What it will impact is the undesignated amounts of funding for the clean water revolving loan fund to ensure a more fair and equitable distribution for this coming fiscal year. This is particularly important as this VA–HUD appropriations bill proposes to increase overall funding in this account by $500 million, for a total of $1.35 billion.

With an estimated $300 billion needed over the next 20 years to fix our existing water systems and build new ones, we simply cannot allow this inequity to continue.

EPA's guidelines stipulate that the intent of the revolving loan fund is:

> To provide a basis for equal consideration of all eligible water quality projects for state revolving fund funding.

Let's remedy this problem and fulfill the intent of this important act.

Mr. President, I would just like to mention my appreciation for Senator KYL's efforts on this issue. As many of my colleagues may know, Senator KYL's background in the legal profession was on issues of water. I would put his credentials against those of anyone in this body on this very important issue.

I already described earlier how important water is in the whole future of the western part of the United States, particularly those of us in the Southwest. Barry Goldwater, my predecessor, used to say quite often, only half humorously: "We have so little water in Arizona, the trees chase the dogs." We have not reached that point yet, but the fact is, what we do need, as in every situation where there have been demographic changes—and in the Southwest and in the West there have been profound demographic changes, as we all know, since the 1970s and the 1980s—we just need to upgrade and modernize this formula.

We are not asking for a special deal for Arizona. We are not asking for a special deal for any State. We are simply asking—and we are not even affecting the present earmarking process, on which my views are well known in this body—that an update year 2001 formula be implemented so that everyone can receive funding according to the greatest need, again, according to the guidelines that are stipulated, "to provide a basis for equal consideration of all eligible water quality projects for state revolving fund funding."

I thank my colleague from Arizona for bringing forward what some view as an esoteric issue in some respects but a vital issue—a vital issue for all of those States that are now not being treated on an equal basis—of our water supplies and projects.

So I thank my colleague from Arizona and urge my colleagues to support this important amendment.

Mr. JEFFORDS. Mr. President, I rise today to speak in opposition to the amendment to the VA/HUD appropriations bill offered by Senator KYL.

The Senate Committee on Environment and Public Works, of which I am the new Chair, has jurisdiction over the Clean Water Act. Through the Clean Water State Revolving Fund provisions of this act, Federal funding is provided to communities throughout the Nation to protect water quality. Senator KYL's amendment would significantly alter the formula" used in the "SRF" to allocate these federal funds among States.

Last evening, in the debate related to arsenic, many Senators noted the tremendous financial challenge that communities face in continuing to provide clean, affordable drinking water. It is important to recognize that these communities face an equally tremendous challenge when it comes to keeping pace with the wastewater treatment, stormwater management, and other types of water infrastructure they need to protect water quality.

The Clean Water SRF was specifically designed to help communities meet these water infrastructure needs. However, over the next 20 years, the water infrastructure needs of our Nation are estimated to be as much as $1 trillion—$1 trillion. The current annual level of funding provided through the SRF—averaging roughly $1 billion per year—comes nowhere near meeting needs of this magnitude.

Because these funds are so desperately needed by so many communities, the Senate should proceed very cautiously when making changes to the Clean Water SRF.

When I became the chair of the Environment and Public Works Committee, I stated that one of my top priorities was to craft legislation to ensure that the Federal Government meets its responsibility to assist communities in meeting their drinking water and wastewater infrastructure needs. Under the leadership of the now ranking member, Senator SMITH of New Hampshire, the committee has already begun this process.

I am committed to continuing this effort, and I look forward to working closely with Senator SMITH, the chair and ranking member of our Water Subcommittee, and other members of the committee and the Senate as we move forward.

The Environment and Public Works Committee will carefully consider a number of issues critical to meeting our national water infrastructure needs as this legislation develops. Among these issues will be the subject addressed by Senator KYL's amendment—the allocation of money to States through the Clean Water SRF.

We will be thoroughly studying the current "formula" used for allocating Federal funds by this program and, if appropriate, we will modify it to ensure it is fair and adequately serves the Nation.

As I mentioned previously, the tremendous water infrastructure needs faced by our Nation—coupled with inadequacy of Federal resources currently available to help communities meet them—demands that we proceed cautiously.

I am concerned that changing the funding "formula" for the Clean Water SRF in an appropriations bill, as we rush to complete Senate business before August recess, is not such a cautious approach.

For that reason, I urge my colleagues to oppose the Kyl amendment, and allow the Environment and Public Works Committee the opportunity to craft legislation that reflects a carefully and thorough consideration of the solutions to our Nation's water tremendous infrastructure needs.

Mr. BAUCUS. Mr. President, I appreciate the issue that my distinguished colleague from Arizona has brought to the attention of the Senate with his amendment, and that is the need to reevaluate how we distribute funding to the states under the Clean Water Revolving Fund. The Senator is right. It appears that it has been a long time since we took a hard look at where our most pressing infrastructure needs are. And don't get me wrong, Montana looks like it would do very well if Senator KYL's amendment were to succeed.

But addressing the serious problems that exist with our Nation's water and wastewater infrastructure is something that falls squarely within the jurisdiction of the Committee on Environment and Public Works. This is an issue that needs the full time and attention of the authorizing Committee. What is the most appropriate floor, or minimum share for each state, because that's where Montana would fall. What is the most appropriate ceiling? Again, I think this just is too important an issue to address in a short debate over an amendment to an appropriations bill. I understand that this is one of the issues Chairman JEFFORDS plans to take up in the fall, and I will encourage him to do that, because frankly, I agree with Senator KYL that it's high time we took a look at these formulas to make sure we are spending our limited resources in the most efficient and effective way possible.

AMENDMENT NO. 1226, AS MODIFIED, TO AMENDMENT NO. 1214

Mr. McCAIN. Mr. President, at this time I rise to offer an amendment. I have a modification to my amendment. I believe it is at the desk.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. McCAIN], proposes an amendment numbered 1226, as modified to amendment No. 1214.

Mr. McCAIN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, No. 1226, as modified, is as follows:

(Purpose: To reduce by $5,000,000 amounts available for certain projects funded by the Community Development Fund of the Department of Housing and Urban Development and make the amount available for veterans claims adjudication)

On page 105, between lines 14 and 15, insert the following:

SEC. 428. (a) REDUCTION IN AMOUNTS AVAILABLE FOR PROJECTS FUNDED BY COMMUNITY DEVELOPMENT FUND.—The amount appropriated by title II under the heading "EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES" under the paragraph "COMMUNITY DEVELOPMENT FUND" is hereby reduced by $5,000,000. The amount of the reduction shall be derived from the termination of the availability of funds under that paragraph for projects, and in amounts, as follows:

(1) $375,000 for the Fells Point Creative Alliance of Baltimore, Maryland, for development of the Patterson Center for the Arts.

(2) $150,000 for the County of Kauai, Hawaii, for the Heritage Trails project.

(3) $375,000 for infrastructure improvements to the School of the Building Arts in Charleston, South Carolina.

(4) $50,000 for development assistance for Desert Space Station in Nevada.

(5) $125,000 for the Center Theatre Group, of Los Angeles, California, for the Culver City Theater project.

(6) $500,000 for the Louisiana Department of Culture, Recreation, and Tourism for development activities related to the Louisiana Purchase Bicentennial Celebration.

(7) $225,000 for the City of Providence, Rhode Island, for the development of a Botanical Center at Roger Williams Park and Zoo.

(8) $100,000 for the Newport Art Museum in Newport, Rhode Island, for historical renovation.

(9) $125,000 for the City of Wildwood, New Jersey, for revitalization of the Pacific Avenue Business District.

(10) $150,000 for Studio for the Arts of Pocahontas, Arkansas, for a new facility.

(11) $500,000 for the Southern New Mexico Fair and Rodeo in Dona Ana County, New Mexico, for infrastructure improvements and to build a multi-purpose event center.

(12) $500,000 for Dubuque, Iowa, for the development of an American River Museum.

(13) $500,000 for Sevier County, Utah, for a multi-events center.

(14) $50,000 to the OLYMPIA ship of Independence Seaport Museum to provide ship repairs which will contribute to the economic development of the Penn's Landing waterfront area in Philadelphia, Pennsylvania.

(15) $250,000 for the Lewis and Clark State College, Idaho, for the Idaho Virtual Incubator.

(16) $500,000 for Henderson, North Carolina, for the construction of the Embassy Cultural Center.

(17) $50,000 to the Alabama Wildlife Federation for the development of the Alabama Quail Trail in rural Alabama.

(18) $175,000 for the Urban Development authority of Pittsburgh, Pennsylvania, for the Harbor Gardens Greenhouse project.

(b) INCREASE IN AMOUNT AVAILABLE FOR VETERANS CLAIMS ADJUDICATION.—The amount appropriated by title I under the heading "DEPARTMENTAL ADMINISTRATION" under the paragraph "GENERAL OPERATING EXPENSES" is hereby increased by $5,000,000, with the amount of the increase to be available for veterans claims adjudication.

Mr. McCAIN. Mr. President, I ask unanimous consent that my amendment No. 1226 be modified.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I ask unanimous consent that Senator KYL, Senator GRAHAM of Florida, and Senator SMITH of New Hampshire be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. At this time I understand it is the wish of the managers that I lay aside this amendment and that we debate it following the votes that will take place beginning at 1:55.

Mr. REID. I did not hear the request.

Mr. McCAIN. Mr. President, I ask unanimous consent that my amendment be laid aside until following the votes that will take place at 1:55.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 1231

Mr. CRAIG. Mr. President, may I inquire how much time remains for both sides on the Schumer amendment?

The PRESIDING OFFICER. The sponsor has 21 minutes 10 seconds; the opponents have 24 minutes 42 seconds.

Mr. CRAIG. Could you repeat that? The sponsor has how much time?

The PRESIDING OFFICER. The sponsor has 21 minutes 10 seconds; the opponents have 24 minutes 42 seconds.

Mr. CRAIG. Mr. President, I will now speak on the Schumer amendment, and I will use such time as I might consume on that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator may proceed.

AMENDMENT NO. 1231

Mr. CRAIG. Mr. President, the Senator from New York brings an amendment to this Chamber—certainly, I think, with the most sincere of intent—to set aside $15 million; in other words, to mandate the gun surrender program that just a few weeks ago the Bush administration announced it was terminating, largely because it does not work. So what I thought I would do, for the next few moments, is sketch for us the facts about gun surrender programs over the last several years and why they do not work.

As we know, there is no mandate in the law. President Clinton and Secretary Cuomo changed the description of the Public Housing Drug Elimination Program to allow public housing authorities to make grants available for gun surrender initiatives. It is interesting that of the 1,000 housing authorities this change affected, only about 100 took advantage of the program.

There is a peculiar reason they took advantage of the program. Very early on, starting back in 1978, it became obvious gun surrender programs were a great photo opportunity for local law enforcement and, in some instances, certain housing agencies or groups. Never mind that they did nothing to deter crime. In fact, they were not taking off the streets guns being used in crimes. It was an opportunity to get rid of some old guns, some antiques, something that filled your closet that your granddad had given you that might not be worth anything and you wanted to get rid of any way; and you did not know how to get rid of it; and along came local law enforcement that said: "We are going to have a gun surrender program." So you take a gun down to the police station and get $50 or $100 or $150 for it.

The guns turned in belonged to people who least likely were involved in the commission of a crime. For example, senior citizens and spouses who had inherited guns that may have been their husbands' who had passed away were the ones most often who came to sell their guns.

Some guns turned in were the cheap handguns purchased, as the Senator from Missouri mentioned, for the express purpose of selling them: You go out on the street and buy a gun for $15 or $20 and sell it for $100. Hey, let me tell you, folks are not stupid, they are going to play an advantage if they can find one, and in many instances they did.

So let me give you a little history.

In 1978, when we first saw gun buyback programs, overall crime was not significantly reduced in the 17-month period following the gun buyback program in Baltimore, MD. I believe that was the first one, in 1978. Who reports that? The Comptroller General of the United States.

Then we look at the 1992 Seattle gun surrender program. It too failed. It did not reduce gun injuries, deaths, or crimes. It didn't save anyone from being victimized by crime. But it made for a great photo opportunity.

In 1996, the program that collected the greatest number of guns, as was mentioned, was the Baltimore program. Yet the rate of gun killings rose 50 percent and gun assaults more than doubled while the program was in effect. This was the largest gun surrender program ever implemented, in terms of the number of guns purchased. Gun deaths shot up 50 percent. And assaults more than doubled.

If you want politics and you want publicity, then gun surrender programs are great. You can show tables covered with 15- or 20-year-old guns that would never have been used in the commission of a crime. It is a great photo op.

In 1998, according to the National Institute of Justice looked at various crime fighting measures and asked, "What doesn't work?" Their answer? Gun surrender programs. They failed to reduce violent crime in even two more cities: St. Louis, and Seattle.

Many of us who live part time in this city saw the publicity that went on and the very good-faith effort the Washington, DC, police made in 1999 with their gun surrender program. More than half of the 2,912 weapons bought by the District of Columbia police for $100 were 15 years of age or older, according to the District of Columbia police themselves.

The Senator from New York knows as well as I do that guns used in crimes are typically 9-millimeter or .38 caliber semiautomatic pistols. Those are the ones most often cited in crime reports that are used in the commission of a crime. Such are not the guns collected by these programs.

Gun surrender programs don't work. That is why the Bush administration—the President, HUD Secretary Martinez—came forward and said: This is a bad use of scarce resources. If we are interested in making public housing safer—and we are—if we are interested in getting drugs out of public housing—and we are—then the $15 million the Senator from New York would waste on photo opportunities would better be used in law enforcement efforts within public housing and elsewhere.

What the Senator from Missouri, the ranking member of the appropriations subcommittee, has said is that within the current law, it is an option. In other words, if a housing agency wants to divert some of its funds for a gun buyback, they can do so. But the reason none of them do it is because they know it doesn't work. They know that funds are limited, and they know that they can use their money elsewhere to more effectively improve the safety of the citizens who live within those housing units and the community at large.

That is why gun surrender programs are on the wane today, are no longer popular, unless you are interested in a photo op. The facts are out there. They don't work. In many instances, unless you have good law enforcement on the street and you have let the criminal know that if he uses a gun in the commission of a crime he is going to have to do time, then the use of guns in the commission of a crime goes up. It has been proven in Baltimore. It is clearly true in Seattle. I don't think it changed the statistics in Washington, DC.

We did get a lot of old guns and some antiques out of the closets of law-abiding citizens because it was a way for them to market them, in some instances, for a great deal more than they might otherwise have gotten for them.

With that, I yield the floor and retain the remainder of our time.

Mr. HATCH. Mr. President, Senator SCHUMER's amendment would, if accepted, waste $15 million in taxpayer money on a program that has proved to be a failure. This amendment has more to do with partisan politics than sound public policy. In my view, we should not spend even one red cent of taxpayer money for such purposes.

Housing, Urban and Development Secretary Mel Martinez was right to terminate the gun buyback program. And he did so for a single, sound reason: such programs do not reduce crime. I will cite just a few of the conclusions reached by those who have examined these programs.

First, "overall crime was not significantly reduced in the 17-month period following the [Baltimore] buyback program." Report to the Congress by the Comptroller General of the United States, Handgun Control: Effectiveness and Costs, 2/6/78.

In addition, gun buyback programs may encourage gun thefts, with the Government serving, in effect, as a reliable fence for the stolen guns. Such programs also give offenders a profitable way to dispose of weapons used in crimes. Dr. Philip J. Cook, criminologist at Duke University.

Finally, another study found that "[1992] Seattle buy-back program failed to reduce significantly the frequency of firearms injuries, deaths, or crimes." Callahan, et al., "Money for Guns: Evaluation of the Seattle Gun Buy-

Back Program," Public Health Reports, July-August 1994.

Thus, this debate should not be about gun politics. It should be about our responsibility to spend the taxpayers' money wisely. If the supporters of this amendment truly care about public safety, we should spend the $15 million dollars on hiring additional police officers to patrol high-crime public housing areas.

The PRESIDING OFFICER. Who yields time? The Senator from New York.

Mr. SCHUMER. Mr. President, I yield myself such time as I may consume. I think I have 21 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. SCHUMER. First, it is always a pleasure to debate with my good friend from Idaho, Senator CRAIG. He makes very good but not persuasive arguments, at least in my opinion.

Let me say a couple things about this issue. First, we all know about methods of proof. Senator CRAIG is citing statistics: Crime went up here, gun use went up here while there was a buyback program. I could find just as many localities where crime went down while there was a buyback program.

The bottom line is, the buyback programs mainly occur in cities where there is lots of other factors going on, and no one can prove one way or the other whether this works or doesn't work. You can't prove it beyond a reasonable doubt.

Let's use commonsense logic. Commonsense logic is, if a gun is not in the hands of a family, a person who doesn't want it, isn't our society likely to have less gun violence? It is very hard to prove that is wrong.

Certainly, if you believe there is a moral imperative that everyone have a gun, you are against this program. If you believe the way to reduce law enforcement is to give every man and woman and child a gun—there are some who believe that—oppose this amendment. But if you believe gun owners have rights and Americans are entitled to have guns, but there is also some danger to guns and that we should be careful, why not have a program that says: If you want—you are not being compelled—if you want to bring your gun back in and get $50 for it, you can. It is perfectly sensible and logical to think that works.

I don't want to oversell this program. It is not a panacea. We have not put hundreds of millions of dollars in but merely 15. In the eyes of most people who should know, it has worked.

Let me quote the mayor of Houston in the State of Texas, hardly a State and a city known for its strong advocacy of gun control. Mayor Lee Brown was the former police commissioner of New York City so he has a great deal of law enforcement background:

> Having spent my career in law enforcement, I recognize that gun buybacks are a very effective way of reducing the number of guns in circulation.

This has worked all over the country. In Lexington, KY, 1,517 guns were purchased; Toledo, OH, 1,050; Atlanta, 838. We can talk about criminals and kids going out and using the guns. What about accidents? If a family doesn't want a gun in a home and doesn't know how to dispose of it, doesn't allowing them to go to their local police precinct and have the gun bought back help?

Let's not debate theology here. I would be happy to debate theology, and I did with my good friend from Idaho in many different areas in terms of guns. But this is not a theological issue unless you are part of that small band who believe that the best thing that can happen to America is everyone should have a gun. I don't. I am sort of agnostic. I don't think we should take away everybody's gun, and I don't think we should give everybody a gun. I think we should let law-abiding people make their own decisions. But the very logic that my good friend from Idaho uses: let people make their own decisions, is gainsaid by this amendment.

Let's say somebody has bought a gun and wants to get rid of it. Why not? I don't understand the logic of the opposition. I do understand the opposition.

Let me say to my colleagues that the Bush administration, very quietly but really, has begun a campaign to roll back the moderate, sensible measures that we have had to keep guns out of the hands of children and criminals, not just in this issue. Attorney General Ashcroft sent a letter to the NRA, where he said there had to be a compelling State interest to have a gun control law. As a lawyer, we both know that "compelling State interest" is next to impossible to prove. Many lawyers argue that under that theory the Brady law could be thrown out as unconstitutional, despite the fact that not a single person has ever been shown to be legally deprived of a gun because of the Brady law. Yet it has kept hundreds of thousands of felons from buying them.

Then, amazingly enough—you know, we keep records on everything; the IRS keeps records; every agency keeps records—well, the FBI has kept records on gun purchases, as the ATF has, by gun dealers. Jim Kessler, on my staff, a few years ago, found out something that changed the way we think about gun control. He found that 50 percent of the guns used in crimes came from 1 percent of the dealers. Let me repeat that because it is an astounding finding. Fifty percent of the guns used in crimes come from 1 percent of the dealers. When we found those numbers, I thought there was a real breakthrough because the NRA had always said, "Don't pass new laws, enforce the existing laws."

I, again, want to do something to reduce gun violence. And here we had the opportunity to go after the 1 percent of the dealers who are putting guns, a hugely disproportionate amount of guns, into criminal hands. We could come down on them and not come down on all the others—the very thing the NRA preaches, that most people who own and sell guns are law abiding was proven by this report and we could just come down on the 1 percent. All of a sudden, the administration wants to destroy the records so we can no longer come to 1 percent.

I will tell you what happened here. The administration stealthily has been moving to an extreme position on gun control. President Bush, when he campaigned, did not take such positions, but that is where they are moving. On issue after issue after issue, that has happened. That is why this buyback proposal, modest as it was, was taken out of the HUD-VA appropriation, not because they had done exhaustive studies about whether it works or not, not because we could not afford it; these are no new dollars; they come out of an existing program, but because that narrow band of ideologues, way out of the mainstream, the kind of people who think many of our brave law enforcement people are black-booted thugs, it was said, put pressure on the administration to move way over. Hence, they removed this provision.

Again, I say to my colleagues, anyone who tells you absolutely that this program doesn't work doesn't have the statistics. Conversely, anyone who tells you we can prove beyond any doubt that it does work is also overselling because they don't have the statistics either, and I don't want to claim that. But by simple logic, particularly in inner cities where we know there are too many guns, giving people an incentive to sell the gun back, an unwanted gun, it is very hard to disagree that it would reduce the amount of accidents caused in the home by guns and the amount of crime caused by kids and criminals with guns.

So if you want to brandish your ideological sword, show the NRA that you are with them all the way, vote against this amendment. If you want to reduce crime or have a good chance of doing it, get some very dangerous things out of the hands of those who don't want them, vote for this amendment.

This is hardly the most important issue on gun control we will debate. I am amazed it has brought such opposition, such attention, and such focus from the administration. But I do believe, with all due respect to my colleague from Idaho, that the motivation to remove this amendment is not people's safety, but an ideology that says everybody, everybody, everybody should have a gun, and that makes America a better place.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER (Mr. DURBIN). The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I will use such time as I might consume within our time limitation. I, too, enjoy engaging my colleague from New York on this issue. The Senator from New York, as I said while he was not on the floor, does, I think, bring this amendment with good intent. He has been an outspoken advocate of gun control and wants to eliminate crime in which guns are used. I certainly want to eliminate guns crime. We all do.

Let me suggest to you today that while the Senator from New York might like to engage me in a theological debate, this isn't one. This debate is over $15 million and how it can best be used in housing authorities to combat crime and drug use.

The committee has worked its will. They have said it is an option. If you want to do a gun surrender program, it is an option but it is not mandatory.

Let me tell you one reason why.

I think the Senator from New York would find this an interesting fact because it comes from New York City. If I may have the attention of the Senator from New York, I found this a fascinating problem because what is happening out there is that somebody is gaming a bad program.

Mr. SCHUMER. Will my colleague yield for a question?

Mr. CRAIG. I am happy to yield.

Mr. SCHUMER. When the Senator said this was an option before the amendment, it was an option for the administration. As I understand it, it would not be an option in the New York City Housing Authority, or any housing authority that got $20 million out of this program; they would not be allowed to take $1 million and set that aside for a buyback program. The administration has the option of not allowing these funds for this purpose under the present statute. If the Senator will answer that.

Mr. CRAIG. We have the chairman of the subcommittee on the floor. I have not read the specifics of the provision within the appropriation. But I was told by the ranking member that housing authorities, under this current legislation, have the option, if they choose, to do a gun buyback. Is that accurate or inaccurate? I don't want to misstate the reality of the legislation.

Mr. SCHUMER. If I may answer——

Mr. CRAIG. I ask the chairman of the appropriations subcommittee on VA-HUD if that flexibility exists within the law. Does the chairman know that?

Ms. MIKULSKI. Let me advise the Senator what my staff told me. I might also need a moment for additional clarification.

As I understand the legislation, there is currently an option. What the Schumer amendment does is do a setaside, am I correct?

Mr. SCHUMER. That is correct.

Ms. MIKULSKI. Does that clarify it?

Mr. CRAIG. Yes. Therefore, the statement I made was accurate. I said that within the law there is an option to use the money, if an authority wishes to, for the purpose of a gun buyback. Is that an inaccurate statement?

Mr. SCHUMER. If the Senator will yield, it is true, it is an option. As I understand it——

Mr. CRAIG. That is all I need to have.

Mr. SCHUMER. If I might finish.

Mr. CRAIG. On your time only.

Mr. SCHUMER. I ask unanimous consent that I be allowed to answer on my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHUMER. The option has been foreclosed by the administration. They said they would not spend any of this money and not allow the housing authorities to spend any of this money for a buyback program. That is what has happened. It would not be available to the housing authority, even though in the law it is an option. The administration sets out regulations, and the buyback program would not be part of the regulation.

I yield the floor.

Mr. CRAIG. I think that is appropriate. I am not going to disagree with the Senator from New York on that proviso, because what is in the law today was done by the Clinton administration and not a mandate of the Congress itself.

President Clinton and Secretary Cuomo did that by regulatory change. So there is flexibility. What is true in the law, which we are dealing with in this Chamber, is the option. The Schumer amendment would mandate a specific amount of money to be used for that purpose.

Let me quote an article I found most fascinating from the New York Daily News Online, July 28, 2000:

> A gun buyback program to get illegal weapons off the streets had to be altered yesterday after a stampede of court officers [that is, law enforcement officers] tried to cash in. Brooklyn District Attorney Charles Hynes ordered changes in the initiative when he found out that court officers—some of them in uniform—were handing in their old .38 caliber service revolvers. Because the program had pulled in only about 200 guns since the one-month window began on July 1, Hynes upped the reward on Monday from $100 to $250 per gun.

In other words, it was not working, a point that has been driven home numerous times. The Senator from New York says: It feels good. So let us dump $15 million because it feels good, while we all know it is a whale of a photo-op.

Here is what happened, and this is a quote from the district attorney:

> We had a surge last night of about 100 guns and they all seemed to be .38 [caliber] service revolvers.

According to the article:

> One court officer collected $1,500 by turning in six guns.

And even though people were gaming the system, officials had to pay for the guns because they had made the offer. The point is——

Mr. SCHUMER. Will the Senator yield?

Mr. CRAIG. Let me finish.

Mr. SCHUMER. Would the Senator yield on my time?

Mr. CRAIG. Let me finish my thought, and then I will be happy to give the Senator his time to debate.

The reality is, it confirms the point that the program gets gamed. In 1978, in Baltimore, it did not work. Crime went up. In this city over 2,000 guns were purchased, many of them 15 years of age and older. They are not the current weapon used on the street in street crime.

If a family finds a gun on their hands which they inherited and they do not know what to do with it, they could take it down to the local police department and hand it in. They could do that. They do not have to be paid to get rid of a gun. They can hand it in or they can take it down to a pawn shop and get a little money.

I find this a fascinating quote, and I think the Senator from New York will find it fascinating also. The Boston Globe, Tuesday October 24, 2000:

> The threat was gun violence—

And I must say the threat today is still gun violence.

> the stakes, the lives of urban youth.

The stakes today, in many instances, the lives of urban youth. Both the Senator from New York and I are concerned about that.

The image was a body face down in blood and the sound was the wail of sirens, funeral hymns, and more gunfire. Amid the violence that gripped urban centers nationwide in the 1990s, America's call to stop the violence was a cry of civic activism: Everybody turn in your guns.

It caught on with the made-for-television popularity. Guns for money. Guns for food. Guns for concert tickets. Guns for therapy, for shopping trips, and in one town in Illinois, firearms for a free table dance at a strip club.

In this case, the offer was and I quote

> Buns for Guns. Around the country and in Boston, gun buybacks spurred intense publicity. Private sponsors poured money into the programs. Led by groups Citizens for Safety, Boston collected 2,800 guns in four years.
>
> With gun violence again on the rise this year—

That is the year 2000—

> the cry to bring back the buyback is growing among some Boston activists. But almost five years after the last goods-for-guns event, crime specialists and some police officials are warning against them, saying gun buybacks were and are among the least effective tools for public safety.
>
> Studies of gun buybacks, including a Harvard analysis —

And I know the Senator from New York says statistics do not matter. This is just a feel good amendment, but we are talking about $15 million in taxpayer money

> of Boston's program, say unanimously that the programs don't work. In an interview yesterday, Boston Police Commissioner Paul F. Evans said that in retrospect, buybacks failed to produce the impact many had hoped for or expected.

I could go on to quote more of the Boston Globe article. Whether it is food for guns, tickets for guns, or money for guns, it did not work. That is why the Bush administration has said it is a bad use of money. I do not care if one feels good or feels bad, or one does not want to believe in the statistics that come from Harvard University, the reality is we have to get at crime in our housing and it is not done by throwing $15 million at a program that flat out does not work.

If someone has an old gun in their closet and they want to get it out of the hands of anybody in their family, take it to the police department and give it to them. They do not have to be paid, or they could take it to a pawn shop and get 5 or 10 bucks maybe.

The problem is that much of what we were buying for $100 to $250 was not pawnable because it was old, it was antique, and it was nonfunctional. As the Senator from New York says, though, if it feels good, then maybe we ought to do it. We should not do it for $15 million, not when our budgets are tight and not when we are scrambling over where to get money to do all other kinds of programs that are important to the American people.

I do not always agree with Harvard, but Harvard has studied the program in Boston and they say it does not work. Law enforcement says it does not work and ought not be used. My guess is, that is why President Bush and Secretary Martinez said, let's don't do it anymore. It is not a philosophical or evangelical reason. The reality is: It does not work.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, the Senator from Idaho is trying to oversell his point. He says it does not work. He cited one anecdote from a police commissioner in Boston. Then he talked about the Brooklyn program. And then he talked about food and theater tickets. That is like saying we ought to scrap all automobiles because the Edsel did not work.

We are not talking about those programs. We are not talking about $100; we are not talking about $250; and we are not talking about theater tickets. We are not talking about any of those. We are not even talking about law enforcement unless they live in a public housing project, and I do not think many do. We are talking about a program that housing authorities have run with great success. Again, I am not going to cite statistics.

My friend from Idaho has some police saying this is "feel good." No, this is not feel good. It is life and death.

I am trying to be honest in saying neither he nor I can prove whether these programs affect the statistics. It cannot be proven because there is no control. We do not have two identical cities or two identical housing projects, one that had the program and one that did not.

I do not have to oversell my case because it is such a strong case. The strong case is a simple case, and that is when guns are off the streets and not in unwanted hands, our society is likely to be safer.

I go back to the argument I made before. There are some—maybe my friend from Idaho—who do not believe that, but there are some who believe the more guns people have the better. Most people, most Americans, most gun owners do not believe that.

As for his argument about old guns being turned in, the Senator is an expert on law enforcement. Old guns are more dangerous. They misfire more frequently; they fire inaccurately more frequently. And the program, as it is set up, is not supposed to give a reward for a gun that does not work but only those that do. Again, more strawman arguments, maybe about some programs somewhere that did not work, but this program has.

We cannot cite the name and case, but someone is alive today because of this program. Probably more than one person is alive because of this program.

I ask my colleagues not to get wrapped up in the whole ideological fervor here; rather, to commonsense arguments, not some program about movies for guns and not about some program about $250 for guns but about this program which has a track record. Ask housing authorities throughout the country and law enforcement people in those housing authorities throughout the country if they

Because of this administration's assault on rational laws that keep guns out of the hands of criminals, they took it out. It would be a lot better for our society if we put it back.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time? If neither side yields time, time will be charged equally against both sides.

Mr. REID. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. The Senator from Idaho has 4 minutes 24 seconds remaining; the Senator from New York has 6 minutes 43 seconds remaining. Time will be taken from both sides until someone yields time.

Mr. REID. I say to my friends, if they do not wish to use all their time, they can yield it back. Senator KYL can speak on his amendment.

Mr. SCHUMER. Mr. President, I will be happy—I just made eye contact with my friend from Idaho—to yield back my time. I believe he will yield back his, and we will vote at 1:55 p.m.

I yield back my time.

Mr. CRAIG. Mr. President, I ask unanimous consent that some articles and some of those terrible statistics from different gun buyback programs be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Jan. 2, 1994]

ADD GUN BUYBACKS TO THE PUBLIC WISH LIST

(By Erik Eckholm)

It may have started as a holiday exercise in wishful thinking. But last week, as a "toys for guns" exchange in Manhattan's embattled Washington Heights continued to draw in scores of weapons each day, grizzled police veterans were becoming believers and even the National Association for the Advancement of Colored People had joined in, laying plans to sponsor similar programs in other cities.

Before Christmas, Police Commissioner Raymond W. Kelley had compared the new program to chicken soup: can't do any harm. But his tone changed as the guns poured in in response to a local businessman's offer of a $100 Toys-R-Us gift certificate for each surrendered weapon, on top of $75 in cash offered from an existing city gun-purchase program. "I'm converted," the Police Commissioner told reporters. "Sometimes chicken soup works."

The N.A.A.C.P. saw the buoyant response as a glimmer of sanity in a culture of urban violence that is especially devastating to blacks. Other private sponsors have gotten on board, with makers and sellers of athletic shoes and even Dial-A-Mattress pledging gift certificates for their products. And there was talk in Congress of tax breaks for corporations that contribute.

Gun-purchase programs have been tried over the years in many cities, with varied results. In New York City, the standing cash-for-guns program had yielded modest numbers of guns; somehow, this new combination of toys, Christmas, private leadership, tabloid frenzy and a general desperation about gunfire has worked magic, drawing in some 550 guns in the first eight days of the program, which began Dec. 22.

In Dallas, too, an offer of coveted goods—tickets to Cowboys games—seemed to pull in more weapons than cash alone. Still, probably the most spectacular response yet to any gun buying program involved cash only. In St. Louis in the fall of 1991, the police over a one-month period collected 7,547 guns by offering $50 for handguns and $25 for rifles. But the program was not continued, a St. Louis police official said last week, for one reason: money. The cost had been $351,000, and no police department can sustain that level of spending for long.

Corporate donations may help support the new programs, but the question of costs and benefits remains. It is easy to be skeptical. After all, what difference does it make to melt down a few thousand guns in a country owning 200 million of them? And nobody thinks criminals are selling off the tools of their trade.

Buyback proponents point instead to more modest possible benefits. Fewer guns in dresser drawers, they say, may mean fewer accidental shootings, fewer crimes of passion, fewer guns stolen for later use in crime and reduced chances of teenagers grabbing household weapons to settle scores. "Taking guns out of circulation is a good thing in itself," said Jeffery Y. Muchnick, legislative director of the Coalition to Stop Gun Violence.

But some criminologists are unenthusiastic about gun purchase programs, arguing that resources could be better spent and warning about possible unintended consequences.

Lawrence W. Sherman, a professor at the University of Maryland and president of the Crime Control Institute, said gun buybacks would have to be coupled with a national ban on new sales of handguns, or at least of the semiautomatic pistols wreaking the most havoc, to do any good over the long term. "Otherwise," he said, "taking guns out of circulation in the face of constant market demand unwittingly subsidizes the gun industry."

Philip J. Cook, a professor of public policy at Duke University, studies the economics of street guns and warns that the entry of a major new gun buyer, albeit the police department, can have unforeseen effects.

"You can't see this as exempt from normal market processes," he said. Between vouchers and cash, a person could get $175 for a gun last week in New York, well above the retail price of many new handguns. Dr. Cook says buyback programs may encourage gun thefts, with government serving, in effect, as a reliable fence. Such programs also give offenders a profitable way to dispose of weapons used in crimes, he said.

On the positive side, Dr. Cook said that if a sustained gun-purchase program were to succeed in raising the floor price for privately traded guns in a community, some teenager seeking illegal guns could be priced out of the market. But this would be achieved at enormous expense, he added, raising questions about the best use of resources. In New York City, at least, where restrictive laws have already prompted black market prices of $250 to $300 for pistols retailing in the South for $39, and prices of $500 or more for higher-quality weapons, that floor would have to be quite high to seriously alter the market.

At best, a gun-purchase program nibbles at the edges of gun violence. "The central problem of criminal justice is not just to get the guns off the street, but to get the gunmen off the street," said Thomas Repetto, a former police officer and head of the private Citizen's Crime Commission in New York. He calls for more aggressive enforcement of the gun laws, using specially trained gun squads to identify and arrest gun carriers, drawing on knowledge gleaned by community police officers.

Still, whatever their weak points, buybacks are here and happening. Even skeptics have to appreciate their symbolic value in dispirited neighborhoods; responses like the one elicited in Washington Heights suggest that people have had it with senseless killings. "You work on many fronts at once," Mr. Repetto said, "What's most impressive about Washington Heights is the outpouring of community sentiment against guns. That's even more impressive than the numbers of guns turned in."

[From the Boston Globe, Oct. 24, 2000]

Specialists Cool on Calls to Revive Gun Buybacks

(By Francie Latour)

The threat was gun violence. The stakes, the lives of urban youth. The image was a body face-down in blood and the sound was a wail of sirens, funeral hymns, and more gunfire.

Amid the violence that gripped urban centers nationwide in the 1990s, America's call to stop the violence was a cry of civic activism: Everybody turn in your guns.

It caught on with made-for-television popularity.

Guns for money. Guns for food. Guns for concert tickets. Guns for therapy, for shopping trips, and in one town in Illinois, firearms for a free table dance at a strip club: Buns for Guns.

Around the country and in Boston, gun buybacks spurred intense publicity. Police unveiled bins of guns. Private sponsors poured money into the programs. Led by the group Citizens for Safety, Boston collected 2,800 guns in four years.

With gun violence again on the rise this year, the cry to bring back the buyback is growing among some Boston activists. But almost five years after the last goods-for-guns event, crime specialists and some police officials are warning against them, saying buybacks were—and are—among the least effective tools for public safety.

Studies of gun buybacks, including a Harvard analysis of Boston's program, say unanimously that the programs don't work. In an interview yesterday, Boston Police commissioner Paul F. Evans said that in retrospect, buybacks failed to produce the impact many had hoped for or expected.

And despite Mayor Thomas M. Menino's appearance on the White House lawn last year, where he and other mayors landed President Clinton's $15 million federal program to fund buybacks through local housing authorities, the city has yet to take advantage of its share of that money and is unlikely to do so.

"We'll never know the impact of taking even one gun off the street in terms of how many lives that act could have saved," Evans said yesterday. "But you have to step back and analyze the bottom-line results. We found the neighborhoods where we needed the guns to come in were the neighborhoods that brought in the fewest guns."

A series of studies published by the Washington D.C.-based Police Executive Research Forum offers a bleak analysis.

In cities such as St. Louis and Seattle, surveys of buyback participants showed that a significant minority planned on using the money to buy a new gun. In St. Louis, the surveys showed that those who had been arrested at least twice were three times as likely as law-abiding citizens to say they would buy a new weapon; 18- to 34-year-olds were 10 times more likely than older participants to say they would do so.

According to a study of Boston's 1993 and 1994 gun buybacks by Harvard criminologist David Kennedy, few buyback guns were the semiautomatic pistols used in crimes. Nearly 75 percent of the guns were made before 1968, with some qualifying as museum pieces.

That was the case as recently as April, when Springfield conducted a gun buyback using the federal funds. Malden and Worcester have also participated in the federally funded buybacks, which started last fall.

A spokesman for the Springfield Housing Authority, Raymond Berry, said the city's Police Department took 287 guns off the street. They included some handguns, but no assault weapons, and some guns were donated to the Springfield Armory National Historic Firearms Museum.

The Boston Housing Authority said this week it could spend up to $20,000 from its drug prevention funding to coordinate its own buyback. According to HUD, the federal government would provide $43 for every $100 the city uses toward the program. In the past, the city has paid $50 per gun.

Some Boston Activists, including the gang-intervention group Gangpeace and former members of Citizens for Safety, have said that with gun violence on the rise, it is time to take advantage of the federal money for a program that, at the very least , offers residents a safe way to get rid of unwanted handguns.

"I think Boston is making a mistake by not reinstituting the buybacks that relieved our streets of almost 3,000 firearms," said Lew Dabney, who participated in buybacks from 1993 to 1996.

The payoff from buybacks was not just in removing guns from homes, Dabney argued, but in the way it empowered residents to take action against gun violence. It allowed ordinary volunteers to become civic heroes, broke down racial barriers, and created memorable images such as that of author/activist Michael Patrick McDonald coaxing teens to turn over firearms.

According to HUD, the national buyback program has recovered 21,600 guns from 95 public housing developments.

But a spokeswoman for the BHA said investments in youth activities, community policing, and drug intervention were more cost-effective ways to reduce violence.

Even of BHA wanted to initiate a program, spokeswoman Lydia Agro said, it could not do so without the Police Department.

Yesterday, Commissioner Evans said he had discussed the buybacks with BHA oficials, but none was planned so far.

"I wouldn't rule another buyback out, "Evans said. But with the limited resources we have, and the money and man hours in setting up a buyback, you have to ask what is the value?"

Next to none, according to Kennedy, who authored the Harvard study.

"I don't think anybody who's looked at buybacks in my detail thinks they have very much impact," Kennedy said.

On the one hand, he said, the buybacks offer a civic function akin to garbage disposal, to help people remove unwanted guns they are too afraid to handle.

But the cost of police departments can be considerable, from staffing checkpoints and overtime costs to ballistics testing and disposing of the guns.

The decision to pump $15 million into a national buyback comes two years after a 1997 study commissioned by the Justice Department called buybacks the lest effective use of crime control dollars.

"I think the best conclusion to draw is that the federal HUD buyback program will be a waste of money," said Lawrence Sherman, a criminologist at the University of Pennsylvania who authorized the Justice Department study. "The problem is, there is still this wonderful idea of one life at a time, one gun at a time, that you can associate with these programs. There's an emotional aspect to crime prevention that has nothing to do with the evidence about whether they work or don't work."

[From the National Review, June 15, 2000]

The Madness of Gun Buybacks—Andrew Cuomo's Policy is Full of Holes

(By Dave Kopel, of the Independent Institute)

Housing Secretary Andrew Cuomo held a press conference last week to announce his success in paying Americans not to exercise their constitutional rights. Although Congress never appropriated money for the project, Cuomo has used federal tax dollars to conduct a "BuyBack America" program, which Cuomo says has claimed more than 10,000 guns in recent weeks.

The program isn't really a "buyback." Since Cuomo's Department of Housing and Urban Development didn't sell the guns in the first place, it can't buy them "back." Nor will the program contribute anything to public safety.

A criminal, for whom a gun is a tool of the trade, is unlikely to sell his tool for $50. Instead, the typical sellers in a "buyback" are the widows of hunters, other older people, or other non-dangerous types—rather than teenage gangsters who have suddenly decided to abandon a life of violence.

Because most people who surrender their guns are very unlikely to commit a violent gun crime, the public safety benefit of a buyback, if any, must lie in reducing the supply of guns which can be stolen, or in removing a potential suicide instrument. But the buyback doesn't even provide much in the way of disarmament: a study of a gun buybacks in Seattle reported that sixty-six percent of sellers had another gun that they did not surrender. Indeed, three percent of gun sellers said they would use the money to buy another gun, or would donate the proceeds to the National Rifle Association. [Charles M. Callahan, et al., Money for Guns: Evaluation of the Seattle Gun Buy-Back Program 84 PUB. HEALTH REP. 474 (1994).]

Moreover, the guns sold at buybacks are often old or defective. This shouldn't be surprising; a rational person with a gun worth more than $50 would sell the gun at a gun store for a fair price, rather than giving it to the government for $50.

Unsurprisingly, the social science evidence shows that buybacks have absolutely no positive effect in reducing gun crime, gun accidents, or any other form of gun misuse. The research is detailed is Under Fire: gun Buybacks, Exchanges and Amnesty Programs, a book published by the D.C.-based Police Foundation (a think tank for big-city police chiefs).

The money wasted on the Cuomo buyback came from a Drug Elimination Grant Program. Although Congress gave HUD money for the battle against drugs (which are illegal), Cuomo used the money to get rid of guns, which are not only legal, but are specifically protected by the Second Amendment and by forty-four state constitutions.

Why is so much energy invested in buybacks by the anti-gun forces? One reason is that it's a path of relatively little resistance. Gunowners may fight against efforts to take their guns, but they are indifferent to the government buying guns from other people.

Second, buybacks can be initiated without legislative approval, as long as there's an executive branch official, like Cuomo, willing to spend tax money "creatively" or unlawfully.

More importantly, anti-gun activists really do believe that guns are inherently evil. The people who want the government to buy and destroy guns enjoy the same satisfaction that others have enjoyed at book burnings, or at the prohibitionists' rally where whiskey is poured into the river. From the destroyers' viewpoint, there's no need to wait for social science to find benefits from the destruction. The destruction of the wicked object is good in itself.

In a free country, destructionists have every right to their own opinions, including opinions that paying other people to stop exercising constitutional rights is a good idea. But it's hard to balance the motives of a politician who claims not to be against law-abiding citizens owning guns—and then takes satisfaction every time a citizen surrenders her firearms to the government to be melted into a slab of useless metal.

[From the New York Daily News, July 28, 2000]

GUN BUY-BACK BACKFIRES WHEN OFFICERS CASH IN

(By Mike Claffey)

A gun buy-back program to get illegal weapons off the streets had to be altered yesterday after a stampede of court officers tried to cash in.

Brooklyn District Attorney Charles Hynes ordered changes in the initiative when he found out that court officers—some of them in uniform—were handing in their old .38-caliber service revolvers.

Because the program had pulled in only about 200 guns since the one-month window began July 1, Hynes upped the reward on Monday from $100 to $250 per gun.

"We had a surge last night of about 100 guns and they all seem to be .38 service revolvers," said a source in the prosecutor's office.

One court officer collected $1,500 by turning in six guns.

"This is a program with good intentions to get illegal guns off the street and shouldn't be bastardized by people looking for a quick buck," said Hynes' spokesman, Kevin Davitt.

"We're going to be contacting those people who abused the program and ask for our money back," Davitt said.

But a spokesman for the court system, David Bookstaver, said it is not clear that the officers can be forced to do that.

"District Attorney Hynes has indicated that this is really not in the spirit of what the program was designed for," Bookstaver said.

But he added that court officials " have no authority" to tell the officers to give the money back.

He said, however, that word was going out yesterday that court officers can no longer participate.

Some court officers in Brooklyn were upset that Hynes had forbidden them from participating in the buy-back offer. The officers were allowed to keep their revolvers after they were issued 9-mm. semiautomatics last year.

"I have the flyer right here and it says, 'Any working handgun, sawed-off shotgun or assault rifle. No questions asked.'" said Bob Patelli a Senior Court Officers Association delegate at Brooklyn Supreme Court.

"If the DA sees fit to discontinue the program, fine. But he's bound legally to pay for the guns he's already taken."

Patelli added that the program was achieving its goal of getting extra guns out of circulation.

"It gets the gun off the street instead of leaving it is a closet where children or a burglar could find them," he said.

Last year, 659 firearms were turned in for $100 each. The money comes from drug forfeiture funds, Davitt said.

"We thought that perhaps $100 was not meeting the value that some people place on these weapons," he said.

To be turned in, guns must be wrapped in brown paper and can be taken to any Brooklyn precinct house. If the gun is deemed operable, the desk officer is supposed to give the person a pink voucher that can be redeemed at the district attorney's office at 350 Jay St.

Mr. CRAIG. Mr. President, what is the status of the amendment in relation to when will it be voted on?

The PRESIDING OFFICER. At 1:55 p.m. there will be a sequence of votes, and this will be the second vote.

Mr. CRAIG. I move to table the amendment for the vote at that time.

The PRESIDING OFFICER. The motion has been made to table the amendment.

Mr. CRAIG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays have been ordered.

Mr. CRAIG. I understand that is within the unanimous consent time sequence that has already been established.

The PRESIDING OFFICER. That is correct.

Mr. CRAIG. I yield back the remainder of my time, and I yield the floor.

The PRESIDING OFFICER. All time has been yielded back on the Schumer amendment.

AMENDMENT NO. 1229

The PRESIDING OFFICER. The time between now and 1:55 p.m. is evenly divided among the two managers of the bill and the Senator from Arizona. Does the Senator from Arizona seek recognition?

Mr. KYL. Yes. I thank the Chair. First, I have two unanimous consent requests. I ask unanimous consent that the Senator from Illinois, Mr. DURBIN, and the Senator from Kansas, Mr. BROWNBACK, be added as cosponsors to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1229, AS MODIFIED

Mr. KYL. Mr. President, I have a modification to my amendment at the desk and I ask that the amendment be modified accordingly. A copy has been provided to Senator MIKULSKI.

The PRESIDING OFFICER. Is there objection to the modification? Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

On page 105, between lines 14 and 15, insert the following:

SEC. 4 . STATE AND TRIBAL ASSISTANCE GRANTS.

Notwithstanding any other provision of this Act, none of the funds made available under the heading "STATE AND TRIBAL ASSISTANCE GRANTS" in title III for capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) shall be expended by the Administrator of the Environmental Protection Agency except in accordance with the formula for allocation of funds among recipients developed under subparagraph (D) of section 1452(a)(1) of the Safe Drinking Water Act (42 U.S.C. 300j–12(a)(1)(D)) (including under a regulation promulgated under that section before the date of enactment of this Act) and in accordance with the wastewater infrastructure needs survey conducted under section 516 of the Federal Water Pollution Control Act (33 U.S.C. 1375), except that—

(1) subject to paragraph (3), the proportional share under clause (ii) of section 1452(a)(1)(D) of the Safe Drinking Water Act (42 U.S.C. 300j–12(a)(1)(D)) shall be a minimum of 0.675 percent and a maximum of 8.00 percent;

(2) any State the proportional share of which is greater than that minimum but less than that maximum shall receive 97.50 percent of the proportionate share of the need of the State; and

(3) the proportional share of American Samoa, Guam, the Northern Mariana Islands, and the United States Virgin Islands shall be, in the aggregate, 0.25 percent.

Mr. KYL. Mr. President, I believe there is only one other speaker besides myself. I am informed Senator FITZGERALD is on his way. When he arrives, he will address the amendment, and after that, other than myself, as I said, I do not think there are any other speakers, unless the distinguished assistant majority leader wishes to be recognized to comment at this point.

Mr. President, I apologize for one bit of confusion, and I thank the Senator from Maryland, the distinguished chairman of the subcommittee, for catching an error. The wrong section was cited in one part of the amendment. She correctly noted we had referred to the wrong section, and the modification which has just been adopted refers to the right section. I apologize for any confusion that might have caused.

I do think it has caused some confusion because I am in receipt of one document which I understand has been circulated to some Members of the majority that criticizes the amendment in two primary ways, the first of which is a suggestion that this amendment uses the same formula as used in the drinking water section of the bill. I suspect the citing of the section might have created some of that confusion.

It has been clear from the outset, as I have described this over and over and I went through the description with the Senator from Virginia, that the whole point of this amendment is to use a formula which is based upon a needs survey established by the Environmental Protection Agency relating to wastewater treatment. I pointed out that there are two such needs-based surveys: One relates to drinking water; one relates to wastewater.

Obviously, the drinking water needs survey should relate to drinking water. That is exactly what the law provides. That is the survey that is used for the formula for drinking water. By the same token, the wastewater needs survey should apply to wastewater, but it does not. The law today has a different formula and it is very difficult to understand the origins. As near as anybody can figure out, it relates to a construction grants program that was in existence in the 1970s. It has nothing to do with this needs survey.

We say, just as we should have a needs survey by EPA driving the decisions for drinking water, which we do, we should have a similar kind of formula for wastewater. The wastewater formula is not based on the drinking water needs survey, it is based on the wastewater needs survey.

I note, in this document that has been circulated at least among some Members of the majority, that the criticism is we should not have the same formula apply to drinking water apply to wastewater. It does not. To the extent there was confusion because one of the sections was miscited in the amendment, I apologize for that, again. I thank the Senator from Maryland for allowing me to make that correction.

We are talking about two different needs surveys, two different formulas. We simply want the type of needs survey EPA conducts to apply to the formula in this case.

The second item I want to point out about the document is a complete error in one of its comments. I quote from this document:

> A number of other States, for example, Ohio, Illinois, Florida, Indiana, and New Jersey, would receive reduced allocations.

I assure all my colleagues from those States that is not only true, but the reality is that the States cited are among the States that receive the highest benefits of the formula change—Ohio, Illinois, Florida, Indiana, and New Jersey. In fact, I think they are the highest. Let me go through the numbers precisely.

For the State of Ohio, it would today receive $76,845,000. Under the formula, the pending amendment, it would receive $78,423,000. The net increase is $3,577,000, when you take the earmarks into account.

For the State of Illinois, which I think receives the highest benefit—I confess to the Presiding Officer, I do not know why Illinois would have been so shortchanged in the past, but I appreciate his willingness to cosponsor the amendment because of the clear discrepancy—under the current allocation, the State of Illinois would receive $61,735,000. Under the pending amendment, Illinois would receive $108 million, which is a net gain of $48,764,000, again taking into account the $2.5 million earmarks. That is an increase from $61 to $108 million. The next State cited is Florida. Florida goes from $46 million to $55 million; Indiana goes from $32 million to $50 million; New Jersey goes from $55 million to almost $75 million.

This document floating around titled "Comments on Kyl Amendment," is not only in error; it is almost 180 degrees off. I can't explain why anyone would make this conclusion. The miscitation of the section number has nothing to do with these numbers. Somebody has grossly misunderstood the amendment, misunderstood the charts or the formula, or in some other way deliberately misstated the facts.

I say to my Democratic colleagues who might have received this document, "Comments on Kyl Amendment," this page-and-a-half document is wrong. It is wrong in the first half because we are not using the same formula as the safe drinking water formula. And it is wrong in the second half, for what reason I don't know, but it is grossly wrong. It could not be more wrong with respect to the States it claims are receiving reductions. Those States happen to be the States receiving the largest increases.

For the benefit of my colleagues who were not here for the earlier part of the debate, let me explain what we are talking about while I am waiting for Senator FITZGERALD, a cosponsor of the amendment. The bill we are debating deals with, among other things, EPA, and it has sections dealing with funding from different funds for projects that the U.S. Government has mandated: To protect drinking water and to protect communities from problems relating to improper wastewater treatment. We provide those mandates. Congress, therefore, provides funding to help local communities create the proper infrastructure to meet the requirements of the statute and EPA.

As Senator MIKULSKI and Senator BOND have eloquently pointed out, it is always a struggle to get the funding to fill these needs, but they have done a great job in getting additional funding this year for that purpose.

The problem is, whereas the drinking water portion is allocated on the basis of EPA's recommendations and what they call the needs survey, there is no such reference to EPA recommendations with respect to wastewater treatment. Instead, we are reverting to a formula based on 1970s data. It has never been updated since the action was put into place in 1987.

There is a legitimate suggestion we ought to go to the authorizing committee to try to fix this. The authorizing committee has had 14 years to try to correct this, and my staff has repeatedly tried to make contact with people to see if they would be interested in doing it.

Thus far, we have not had any success. Despite the fact that the chairman of the committee has indicated his willingness to take up the reauthorization this fall, there is no commitment to take up a modification of the formula to meet the needs of the high gross States about which I have been talking. There is absolutely no reason to think we will succeed this year in modifying the formula through the authorizing committee. Even if we were to succeed in doing that, the States I named would receive tremendous shortfalls for the fiscal year 2002. There is no way to fix it for the fiscal year 2002. I have a couple of communities in my State that are in dire need of this funding. There is no way they can get it.

We suggested this formula change, which is very simple. It says we should use the needs survey of the EPA and provide 97.5 percent of the funding available in accordance with that recommendation, and we have a minimum and a maximum so that no State gets more than 8 percent and no State gets less than the minimum we provide. That is similar to other formulas. It is very fair. It is very simple. It is easy to apply. The net result, based upon the charts I showed earlier, will go a significant degree toward not only providing funding for those States and localities that need it the most, but reducing the significant unfairness in the formula that exists today. That is what we are talking about. It is that simple.

For those Senators from the following States, I hope since they will receive more money—again, let me note we are not affecting earmarks. We have included the earmarks.

The PRESIDING OFFICER. The time controlled by the Senator from Arizona has expired.

Ms. MIKULSKI. First, an inquiry about the time. Did the Senator from Arizona consume the time to be allocated to the Senator from Illinois, Mr. FITZGERALD?

The PRESIDING OFFICER. That is correct.

Mr. KYL. I inquire of the Senator from Maryland, maybe I misunderstood the unanimous consent request. I thought because the Schumer time had been yielded back that all the remaining time was divided.

Ms. MIKULSKI. That is correct. That is my understanding.

The PRESIDING OFFICER. The Chair will state the time is parsed into three allocations, three 10-minute segments: One for the Senator from Arizona, one each for the chairman of the subcommittee, and the ranking member.

Mr. KYL. I say to Senator MIKULSKI, if Senator FITZGERALD arrives, perhaps we can accommodate him in some way.

Ms. MIKULSKI. As I understand, the distinguished ranking member has 10 minutes. I am sure he will be happy to yield. We will not preclude Senator FITZGERALD from offering a comment.

We have debated the contents on this bill for a good part of the morning. I think it has been a very constructive debate and a civil debate, which we hope the Senate would be.

I will talk about process for a minute. The Kyl amendment is legislating on appropriations. Ordinarily, I would offer a point of order exactly on that, to knock it down on the point of order under the rules of the Senate.

Because of something the House did—and remember, we work off the House bill, as I understand it, and I believe the Senator's analysis is accurate. We are not able to do that, so this will be a straight up or down—it will not be straight up or down. Either Senator BOND and I have declared our intent to offer a motion to table, which I am not yet offering, but we really are legislating on appropriations. This is so complicated.

Even with the good will from the standpoint of the Senator from Arizona, myself, and Senator BOND, the ranking member, where we tried to explain this formula over that formula or that survey, it shows how complex this is. In fairness, to make sure we have a formula that works for constituents, works for the communities, works for the taxpayer, we cannot deal with this formula on the Senate floor. This truly must be done through the authorizing process.

I acknowledge the problems the Senator from Arizona has had when he says it has been 14 years and it is time to take a new look and a fresh look. Acknowledging the need for a new and fresh look, I also encourage the Senator in the most collegial tone possible, to also be in discussions with the very able administrator of EPA. I have found Administrator Whitman to be able, accessible, interested in hearing about specific issues and specific problems. We did bring the Senator's amendment to the EPA staff. They furnished a very competent analysis. In fact, it was through them that we identified the error in the drafting.

I do not really recommend that this amendment be agreed to. We really do not know the consequences of the amendment. There is no way to evaluate the consequences of the amendment. It could have very dire effects.

There is no latitude to offer a point of order. We will be offering a motion to table the amendment, but we do not want to table the problem.

The problem is a real problem. This is why, again, with the encouragement of the authorizers, I really share with my colleagues, working with Administrator Whitman has been a very positive experience from this Senator's viewpoint. I suggest perhaps the Senator and colleagues who are so passionate about this issue, as they have expressed themselves on the floor, meet with her and get EPA to start working on the analysis of exactly the consequences, which we would need should we come to an authorizing hearing. Then, if the authorizing hearings do not quite get to it, we would have the benefit of their analysis and their thinking.

Let's not table the problem. One of us will move to table this amendment. But, again, I do not want to table the problem.

I know the time is growing short. We are awaiting Senator FITZGERALD. We know Senator BOND is temporarily off the floor at a meeting with some of his Republican colleagues. I believe the moderates are meeting. He is available. I will reserve my time for the end. I ask the Presiding Officer, how much time do I have?

The PRESIDING OFFICER. The Senator from Maryland has 3 minutes 10 seconds remaining. The Senator from Missouri has 10 minutes.

Ms. MIKULSKI. I inquire of the Senator from Illinois how much time he will need.

Mr. FITZGERALD. Only a couple of minutes; 5 minutes will be fine.

Ms. MIKULSKI. I ask unanimous consent 5 minutes from the time of the minority be allocated to the Senator from Illinois.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. Mr. President, I thank the Senator from Maryland for her generosity.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Mr. FITZGERALD. Mr. President, I thank my colleague from Maryland for yielding me the time.

I rise to support my friend from Arizona, Senator KYL, and compliment him on the amendment he has introduced. I think he has studied this issue very carefully. He has noticed that many States—in fact, about 29 States—appear to get severely shortchanged in the current formula in the clean water development fund. His is a new formula that has a better rationale to it. We cannot really figure out what formula was used back in 1987 in the conference committee. They just picked an arbitrary formula that seemed to steer a lot of money to a select handful of States. But most States, the majority of States, come up short under the current formula.

As I understand it, Senator KYL's new formula is based on the same formula that is used in the safe drinking water revolving fund. It certainly will make for a better need-based distribution of these important allocations of funds for wastewater treatment around the country.

I rise to support Senator KYL's amendment. I understand the Presiding Officer has joined as a cosponsor. This seems to be good legislation for our State and a majority of States around the country. We all know from local communities around our States how important these funds are for these water treatment projects.

I hope we will have a majority vote in favor of this amendment.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. I ask unanimous consent that Senator ALLEN from Virginia be also listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time? If no one yields time, time will be deducted from the time remaining to both sides.

Ms. MIKULSKI. Mr. President, let's be clear. This amendment totally changes the water formula—totally. New York loses $14 million, Maryland loses $2 million. There are winners and there are losers. Under what I am suggesting, we table this and end this debate but we encourage the authorizers to really face the problem of water infrastructure needs and to ask the Administrator of the EPA to evaluate these formulas, taking into consideration the needs of our communities, the new census data, and that we act in a prudent and measured way.

This is not the place to do this legislation. It is absolutely not the place to do this legislation.

I yield the floor and ask how much time I have remaining.

The PRESIDING OFFICER. The Senator from Maryland has 1 minute 15 seconds remaining.

Ms. MIKULSKI. I reserve that time.

The PRESIDING OFFICER. The Senator from Missouri has 7 minutes 45 seconds.

The Senator from Missouri.

Mr. BOND. Mr. President, let me just check on the time status. We are to begin the votes at 1:50; is that correct?

The PRESIDING OFFICER. At 1:55.

Mr. BOND. Is there to be a time period for the proponents and opponents prior to that 1:50, or are we to use the time that is now allotted to us?

The PRESIDING OFFICER. At 1:55 there will be 2 minutes equally divided before the first vote and 2 minutes equally divided before the second vote.

Mr. BOND. Mr. President, I yield myself 2 minutes from the time I have remaining.

The PRESIDING OFFICER. The Senator has 1 minute 46 seconds remaining.

Mr. BOND. I will use that.

Mr. President, again, I commend Senator KYL, the Senator from Arizona, for bringing to our attention the very important issue of how these vitally important funds are allocated. I have raised my concerns that the allocation he seeks to add in the appropriations bill should go through a thorough process in the authorizing committee because it is very complex.

I have looked at the formula that has developed. I find that it has many, many different aspects. He has figured in earmarks that are not included in the allocation. There is a 1-year formula that is extremely confusing. The EPA has already advised us they would not know how to implement it. Certainly the more I see of it the more I believe it must have a thorough discussion, debate, hearings, and the work of the markup in the authorizing committee.

I commend him for bringing this to our attention. I urge my colleagues to support our tabling motion.

On behalf of the Senator from Vermont, the chairman of the Committee on Environment and Public Works, I move to table the Kyl amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator from Maryland yield back her time?

Ms. MIKULSKI. I yield the time.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) is absent because of a death in the family.

The PRESIDING OFFICER (Mr. BAYH). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 58, nays 41, as follows:

[Rollcall Vote No. 266 Leg.]

YEAS—58

Akaka
Bond
Breaux
Byrd
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Daschle
Dayton
Dodd
Edwards
Frist
Graham
Gramm
Grassley
Gregg
Harkin
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Mikulski
Miller
Murray
Nelson (FL)
Nickles
Reed
Reid
Rockefeller
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Snowe
Specter
Stabenow
Stevens
Thompson
Voinovich
Wellstone
Wyden

NAYS—41

Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Boxer
Brownback
Bunning
Burns
Campbell
Conrad
Corzine
Craig
Crapo
DeWine
Dorgan
Durbin
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Hagel
Hatch
Helms
Johnson
Kyl
Lugar
McCain
McConnell
Murkowski
Nelson (NE)
Roberts
Santorum
Smith (OR)
Thomas
Thurmond
Torricelli
Warner

NOT VOTING—1

Domenici

The motion was agred to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1231

The PRESIDING OFFICER. There will be 2 minutes evenly divided before a vote on the Schumer amendment.

Who yields time? The Senator from Idaho.

Ms. MIKULSKI. Mr. President, this is a very contentious amendment. The Senator from Idaho is entitled to be heard.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BOND. Mr. President, is this a motion to table?

The PRESIDING OFFICER. Yes. A motion to table has been made.

Mr. BOND. Is the first time to be taken by the proponents of the measure or by the proponents of the tabling?

The PRESIDING OFFICER. Senator CRAIG sought recognition in support of the motion to table.

Mr. BOND. I suggest that Senator HUTCHISON would wish 30 seconds.

Mr. CRAIG. I will be happy to yield to the Senator from Texas.

Mrs. HUTCHISON. Not at this time.

The PRESIDING OFFICER. The Senate will be in order before we proceed.

The Senator from Idaho.

Mr. CRAIG. Mr. President, it is my understanding there are 2 minutes equally divided?

The PRESIDING OFFICER. That is correct.

Mr. CRAIG. Or per side?

The PRESIDING OFFICER. One minute in support of the amendment and 1 minute in opposition.

Mr. CRAIG. Mr. President, I am speaking on the motion to table the Schumer amendment. Mr. SCHUMER wishes to allocate $15 million of this appropriation to what we call gun buybacks. He is taking $15 million away from AIDS and the homeless and Native American housing and the revitalization of the public housing.

I am telling you what the record says. Since 1978, law enforcement in America has clearly said gun buybacks don't work. They buy back old and obsolete and unused guns off the street, yes; out of homes, yes. Do they take away the semi-automatics or the .38s used in the commission of crimes? Absolutely not. That is why law enforcement in America today is backing away from gun buybacks. The commissioner of law enforcement in Boston said, "We won't use our money there anymore because it is ineffective." Crime goes up. Yes, they are great photo opportunities, but it does not work.

That is why, 2 weeks ago, the Bush administration said we will allocate money in HUD for those things that work, where we can get at crime through interdiction and law enforcement and not through a photo opportunity.

I ask you to vote to table the Schumer amendment.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Mr. President, this is a commonsense amendment. It says we ought to continue, at a very modest sum of $15 million, a gun buyback program. Contrary to what my friend said, it is supported by law enforcement. It has worked in public housing authorities, where it is most needed. We are not putting any restrictions on anyone who wants to keep their gun or use their gun, but if people wish to turn in their guns for a modest sum, get it out of the home to avoid accidents, avoid a criminal getting their hands on the gun, avoid a kid going out with the gun on the street, creating havoc, why not?

We should not make this any kind of ideological test. It is simple, common sense that buyback programs have worked. It is funded very modestly. The administration wants to rescind it. We should keep it going. It is that plain and simple.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the motion.

The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Hampshire (Mr. GREGG) is necessarily absent.

I further announce that the Senator from New Mexico (Mr. DOMENICI) is absent because of a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the chamber desiring to vote?

The result was announced—yeas 65, nays 33, as follows:

[Rollcall Vote No. 267 Leg.]

YEAS—65

Allard
Allen
Baucus
Bayh
Bennett
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Carnahan
Chafee
Cleland
Cochran
Collins
Conrad
Craig
Crapo
DeWine
Dorgan
Edwards
Ensign
Enzi
Feingold
Frist
Gramm
Grassley
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kyl
Leahy
Lincoln
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nelson (NE)
Nickles
Reid
Roberts
Rockefeller
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NAYS—33

Akaka
Biden
Boxer
Cantwell
Carper
Clinton
Corzine
Daschle
Dayton
Dodd
Durbin
Feinstein
Fitzgerald
Graham
Harkin
Hollings
Inouye
Kennedy
Kerry
Kohl
Landrieu
Levin
Lieberman
Mikulski
Murray
Nelson (FL)
Reed
Sarbanes
Schumer
Stabenow
Torricelli
Wellstone
Wyden

NOT VOTING—2

Domenici
Gregg

The motion was agreed to.

Mr. BOND. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1226, AS MODIFIED

Mr. McCAIN. Mr. President, I believe my amendment, which I offered earlier, is the pending business.

The PRESIDING OFFICER. The Senator is correct.

Mr. McCAIN. I seek recognition.

The PRESIDING OFFICER. The Senator is recognized.

Mr. McCAIN. Mr. President, I am pleased to have the support and cosponsorship of this amendment of Senators KYL, SMITH, and GRAHAM of Florida. I am also especially grateful for the key support of organizations such as the Veterans of Foreign Wars, Disabled American Veterans, AMVETS, Paralyzed Veterans of America, Council for a Livable World, and Citizens Against Government Waste.

This amendment provides funding for the Secretary of Veterans Affairs—top priority—by adding $5 million that is desperately needed for veterans claims adjudication and eliminating more than $5 million in nonveteran-related earmarked funds contained in the VA-HUD legislation.

I want to get right to it. Currently, it takes an average of 215 days—215 days—at any of the 58 VA regional offices to make a decision on the hundreds of thousands of claims filed annually. There is presently a backlog of over 600,000 claims by our veterans.

That is an unacceptable situation. What we are talking about in this amendment is a matter of priorities.

The amendment will not exceed the budget resolution caps because it is fully offset by cutting funding for 18 separate earmarks by 50 percent, not totally. I am not eliminating the funding for any program or earmark this year. I am eliminating half of the money. Frankly, $5 million is a small amount as compared with the more than $40 million or $50 million that is needed as stated by the Secretary of Veterans Affairs.

I repeat, I am only cutting half from these specific earmarks in the community development fund account of title II.

For the record, of the 255 total number of earmarked projects in this fund, nearly 9 out of 10 are for States well represented on the Appropriations Committee. The earmarks I propose to cut in half are just a few examples of the pages of earmarks totaling more than $140 million that are funded from the community development fund.

Unfortunately, the appropriators have substituted their judgment on how best to spend the funds and have earmarked moneys for programs such as bicentennial celebrations, botanical gardens, art museums, art centers, and heritage trails.

I point out the bill language as to what a community development program is all about:

> The wide range of fiscal, economic, and social development activities are eligible with spending priorities determined at the local level—

Spending priorities determined at the local level—

> but the law enumerates general objectives which the block grants are designed to fulfill, including adequate housing, a suitable living environment, and expanded economic opportunities principally for persons of low and moderate income.

"Principally for persons of low and moderate income." I am going to point out some things such as the deprived area of Newport, RI, that is supposed to get some of this money, and other deprived areas of the country, as I say 9 out of 10 of which are in the States represented on the Appropriations Committee.

I cannot stand here and tell my colleagues that some earmarked projects are not valid and important, but decisions as to whether a project should get taxpayers' funds should not be made by appropriators, bypassing the legitimate funding process. If we earmark funds in this way, I would just as soon transfer some of the funds to help our veterans, unless we are willing to strike all the earmarks so the community development fund can operate as intended. I doubt there will be any takers.

Secretary Principi testified before the VA-HUD subcommittee of the Senate Appropriations Committee on May 2, 2001, that his No. 1 priority is to drastically decrease the backlog in claims against the VA. President Bush also recently emphasized this priority and has promised a top-to-bottom review of VA benefits claims process.

Currently, it takes an average of 215 days—215 days—at any of the 58 regional VA offices to make a decision on the hundreds of thousands of claims filed annually. Furthermore, the Veterans of Foreign Wars wrote me on July 30, 2001, that an investigation of claims processing delays of their members found "a lengthy list of hundreds of claims pending over 720 days."

Balance 720 days for a VA claim with a World War II veteran, one of our greatest generations. We know how old they are. Isn't our obligation to the living as well as to the deceased?

Today there are nearly 600,000 outstanding claims awaiting adjudication by the VA, and that number is expected to continue to rise.

I imagine the managers of the bill are going to say this $5 million is unnecessary. Let me tell you what the veterans say. Let me tell you what the Veterans of Foreign Wars say:

> On behalf of the 2.7 million members of the Veterans of Foreign Wars of the United States, and its Ladies Auxiliary, I would like to take this opportunity to express our support for your amendment to S. 1216 that would increase the amount available for veterans claims adjudication by $10 million.

That has been reduced to $5 million.

> As you know, the Department of Veterans Affairs is not completing quality work on benefits claims in an efficient manner. In fact, an original claims for service connected disability that does not require substantial development is averaging 215 days. . . . Additionally, a recent request by the VA Claims Processing Task Force for a list of original claims pending over 720 days resulted in a lengthy list of hundreds of claims.

> Your amendment would provide additional dollars crucial to VA's attempt to improve the quality and timeliness of veterans' claims processing.
>
> Thank you for all you do for American veterans.

From the DAV:

> On behalf of the more than 1 million members of the Disabled American Veterans (DAV), I am writing to express our support for your proposed amendment to add $10 million for adjudication of veterans' claims to S. 1216, the Fiscal Year 2002 VA, HUD and Independent Agencies Appropriations Bill.
>
> As you are aware, the claims backlog at the Board of Veterans' Appeals is at an unacceptable level of approximately 600,000 cases. These long delays that veterans or claimants must endure for claims benefits decisions are unconscionable.

That is what the disabled veterans say.

> More needs to be done to ensure quality, timely decisions. Employees need to be added to deal with this backlog. This amendment will provide needed funds to assist in this effort.

Paralyzed Veterans of America:

> On behalf of the Paralyzed Veterans of America, I am writing to offer our support for your proposed amendment to S. 216 . . . to provide additional funding for veterans' claims adjudication, would bring this important account closer to the level recommended by the Independent Budget, which is co-authored by the Paralyzed Veterans of America, AMVETS, the Disabled American Veterans and the Veterans of Foreign Wars.
>
> The chronic backlog faced by veterans seeking the benefits they have earned is simply unconscionable. We must take action. This additional funding will not solve the problem overnight, but will be an important step forward to ensure that veterans receive timely and accurate claims decisions.
>
> We appreciate your commitment to addressing this problem.

In another letter:

> Dear Senator McCain: AMVETS fully supports your amendment. . . .
>
> Disabled veterans must now wait months and sometimes years for their benefit claims to be decided. Your amendment will help VA fulfill its mission and improve the overall quality and timeliness of the service provided to veterans and their families.
>
> We urge the Senate to approve your amendment. Veterans have earned our respect and gratitude, and we thank you for your good work on behalf of American veterans.

Now, the analysis for the Associated Press last year found that the benefits administration takes longer to process claims than it did a decade ago. It took 164 days in 1991 to complete an original claim, compared with currently 215 days, and up to 3 years if appealed. There are more than a few veterans, such as 72-year-old Wayne Young of Cuyahoga Falls, OH, who for more than 44 years has been waiting for final adjudication of his veterans claim benefits by the VA.

Secretary Principi directed a 10-person blue ribbon claims processing task force that will review the Department's handling of applications for veterans benefits. This task force will officially report to him this fall. However, preliminary results indicate that the Secretary will need an additional $40 million on top of the additional $132 million provided in the bill to hire additional claims adjudicators to assist already overworked VA employees in reducing the time it takes to process claims.

I am sure the managers of the bill will say they put in a sufficient amount of money. I respect that view. I respect more the views of the veterans organizations who are the ones who are the advocates for and defenders of the veterans of this Nation. I appreciate the dedication and efforts on behalf of veterans that the Senator from Maryland and the Senator from Missouri have displayed year after year, time after time. I just believe we need additional money.

The additional $5 million in funding that I am proposing in this amendment for claims adjudication matters would allow the Department of Veterans Affairs to hire approximately 100 additional claims adjudication personnel to begin chipping away at this backlog or, at the very least, slowing its growth a bit.

The current staff members handling these claims are considerably overworked. For every 10 claims for veterans' disability benefits, 4 are actually decided incorrectly, thereby increasing the number of outstanding claims for veterans awaiting to have their healthcare needs met. This already unacceptable number will continue to increase, unless the Congress appropriately funds the VA for personnel adjudication.

In an effort to try and accelerate the claims process and drive down the backlog, claims personnel often ignore the Department's own rules in deciding claims. When the regional offices have rejected a claim, a veteran can appeal to the Board of Veterans Appeals. Last year that panel overturned the regional offices 26 percent of the time, and sent back another 30 percent of cases. The VA special appeals court returned 64 percent of its cases, mostly because of procedural problems. All the while, our veterans continue to wait for us to fulfill our promise to them.

Secretary Principi has stated that his "top priority is to the living veterans, not the decreased. Many veterans die before their claims are handled, we need to do a much better job of processing these claims before these veterans die. Only 5 million of the 16 million World War II vets who saved the world are alive today. Every day, World War II veterans are passing on before their claims are decided, and that's a real tragedy."

I stand alongside Secretary Principi on this most worthy endeavor to reform this badly broken system.

Mr. President, our veterans risked their lives in defense of our nation, whether charging the beaches of Normandy and Inchon, fighting in Vietnam, or putting themselves into harms way in Iraq and Kosovo. Yet these great Americans must now wait and wait and wait just to get an answer from the Veterans Administration.

Instead of fulfilling a promise that America would take care of their mental and physical injuries incurred while honorably serving our country, we "reward" them with an overworked, inefficient process that results in thousands of veterans everyday being turned away from benefit that were earned, deserved, and promised.

This amendment will go a long way to help our veterans. It also recognizes our government's solemn obligation to take care of these veterans' mental and physical health needs that resulted while defending our great nation. In the words of President Abraham Lincoln, given during his second inaugural address on Mary 4, 1865, "To care for him who shall have borne the battle and his widow and his orphan."

Secretary Principi is dedicated to carrying out this sacred responsibility, and I have every confidence that properly funded, he and the others in his Department will ensure that we here in Congress fulfill our promise to the Veterans of the United States of America.

I urge my colleagues' support for this amendment.

Now I will talk about the projects for which the money has been reduced, actually cut in half. One is the desert space station in Nevada, of $100,000. Please remember in the context of what the community development programs are supposed to be for, and that is, of course, including adequate housing, a suitable living environment, and an expanded opportunities prescription appeal for persons of low and moderate income, requiring grant recipients to use 70 percent of the block grant funds for activities that benefit low- and moderate-income persons.

I repeat: Grant recipients are required to use at least 70 percent of their block grant funds for activities that benefit low- and moderate-income persons.

The title is out of this world. Tourists can look for extraterrestrials in the Nevada desert. Visitors to Las Vegas might find an extraterrestrial or two if they knew where to look. Las Vegas is no stranger to the weird. Many would say the city is a weirdness magnet unless proliferating Elvises, drive-through wedding chapels, and elaborate faux cities make sense. A bird's eye look at the town, however, shows that Las Vegas is simply a small, beautiful cluster of lights sitting within a vast and very dark desert expanse.

Some people come to this city looking for something out of the darkness, something extraterrestrial. When it comes to alien mania, Las Vegas is as popular as Roswell, NM. On the lonely roads that cross Nevada, one of the least densely populated States, reports of swirling lights, government cover-ups, and UFO crashes are not considered odd but commonplace occurrences.

When your client is ready for a break from the gaming tables and the glitz of the strip, you can suggest alien hunting as an alternative to Las Vegas' many wonders. Despite the secrecy, this craze won't go away anytime soon.

An hour away from the strip, in Pahrump, NV, a museum is being built in the shape of a spaceship, to be completed by 2005. It will be the official Area 51 artifact and information center. It will offer a 3-D IMAX center theater, a digistar planetarium, and an Area 51 theme restaurant in the expectation of attracting 374,000 visitors annually.

The 95,000-square-foot facility will call itself the Desert Space Station Science Museum. What it is all about is the Area 51.

Adventure Las Vegas offers commissionable day tours that take visitors to the perimeter of this top secret installation. Clients stop in Slot Canyon along the way to view ancient Indian petroglyphs that some believe to be drawings of aliens. Then they travel through some remote and very mysterious areas, such as a dry lake bed where UFOs are rumored to have been observed. After observing these strange sightings, they will drop into the Little Ale Inn Cafe. There they will have the chance to view top secret documents taken from Area 51 and possibly have a conversation with Capt. Chuck Clark, and ex-Air Force captain and the author of The Area 51 Manual. The Area 51 Research Center, located at this quirky location, has a large amount of information about this mysterious region on display, as well as for sale.

We are asking to take half a million dollars for the Desert Space Station Science Museum and give it to help our veterans have their claims processed.

I mentioned earlier about the community development grant programs being for activities that benefit low- and moderate-income persons: $200,000 is for the Newport Air Museum.

Welcome to Newport: Rich in history, Newport prides itself on being a vibrant community offering a wide variety of events and activies year-round. Whether you were drawn here to enjoy the music festivals, yachting regattas, mansion tours, professional tennis at the Newport Casino or a day at the beach, Newport offers you a picturesque location to relax and enjoy.

This unique island community instantly blends the old and the new—colonial homes stand feet away from modern condominiums and offices. The bustling harbor glistens as elegant yachts, luxury liners and lobster boats compete for space. All of these combined are the charm that is Newport . . .

* * * * *

However, Newport was rediscovered in the 1800's by the country's wealthy citizens as the ideal location to spend their summers. Suddenly, elaborate mansions and villas sprung up along Bellevue Avenue and Ocean Drive—each more ornate and luxurious than the one next door. These "summer cottages" provided the perfect backdrop for "The 400," an elite group of the very rich. This extravagant era officially opened the door to America's first resort.

They are going to spend $200,000 on an art museum in Newport, RI.

Harbor Gardens Greenhouse Project:

When some people think of Pittsburgh, they still envision steel mills and smoky skies. Others identify the city by its sports teams or its three rivers or its colleges and hospitals or Heinz ketchup.

But who'd ever think Pittsburgh could become known for producing orchids?

Well, Bill Strickland would.

The president of the Bidwell Training Center on the North Side is trying to come up with $3 million to create something called Harbor Gardens Greenhouse.

It would be a 46,000-square-foot glass facility located at Bidwell offices on Metropolitan Street in Manchester and "dedicated to producing orchids," according to a recent funding request submitted to the city's Urban Redevelopment Authority.

Strickland readily admits that growing the delicate, beautiful flowers would be "untraditional" for Pittsburgh but insists that untraditional thinking is what may be needed now.

I really believe it would be a good idea to grow orchids in Pittsburgh. I also happen to believe our veterans need their claims processed as a greater priority.

Here is $1 million for a multi-purpose events center in Utah. I have a copy of the minutes of the Richfield City Council meeting held on Tuesday, September 19, 2000 at 7:00 p.m. in the Council Chambers of the Richfield City office building located at 75 East Center, Richfield, Utah.

Pledge of Allegiance was led by Mayor David Kay Kimball.

Roll Call was answered . . .

Ruth Jackson, representing the committee promoting the multi events center gave a presentation to the Council. She explained that they are going throughout the County giving this presentation to educate the voters about the multi events center and the upcoming bond election. They showed a model representing what the building will look like when constructed. It was also explained that there would be an advisory board over the maintenance and operation manager of the building and that some one from the City could sit on this board giving the city some voice in how the building is utilized. One point made is that the community may not need this facility now, but it will within the next five to ten years.

There is a beach resort shore trail in Hawaii. There is a bicentennial party, Louisiana Purchase Bicentennial Commission party for $1 million; a river museum in Iowa, a couple of million dollars; Culver City Council Theater.

Idaho Virtual Incubator—that is kind of an interesting one. I don't quite understand it—$500,000, the Idaho Virtual Incubator:

The Idaho Virtual Incubator prepares businesses for e-commerce, offers students "hands-on" experience through virtual internships and fosters partnerships for job creation, expansion and retention.

Madam President, I think I have made my point. We have over 60,000 unprocessed claims. The committee very wisely—and I appreciate it—has added funding to help address this issue. We are trying to add more funding. Not just in my view but the view of every veterans organization in America, this money is needed. Because of the rules, obviously, that I would be subject to a budget point of order, I have found projects that I think are of lower priority than that of processing the claims of our veterans. Some of them are interesting, some of them entertaining; some of them are outrageous.

But the point is, none of these projects that I have identified could possibly, in the view of any objective observer, have priority over the processing of our veterans' claims.

I mentioned earlier, only 5 million of our 16 million World War II veterans survive today. They are leaving us at a rate of 30,000 every single month. It seems to me our first obligation would be to provide, as rapidly as possible, a process where the claims they may have for injuries or disabilities incurred in the service of this country would take priority over desert space stations, or greenhouses, Wildwood vacation resorts, botanical gardens, multi-event systems, multipurpose radio, multipurpose events centers, et cetera, et cetera.

I think the choice is clear. I am not saying the earmarks themselves are something that I approve of; I do not. I am not attacking the earmarks. I am not trying to have them removed. I am trying to cut them in half so we can have an extra $5 million, which is not a lot of money when you consider the entire budget of this VA–HUD appropriations bill, so we can begin, at least, working with Secretary Principi, to provide for veterans.

Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. McCAIN. I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Madam President, on occasion I have an opportunity to travel with my colleague from Arizona and go through an airport somewhere in the country. I remember not too long ago going to Dallas, TX, on our way to Phoenix. Veterans coming up to my colleague—he is a lot more recognizable than I am—and saying, "Thank you, Senator McCAIN, for fighting for us."

Madam President, does the Senator from Maryland wish to speak at this moment? If I took her time, I apologize for doing that.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Ms. MIKULSKI. Does the Senator wish to speak in behalf of the McCain amendment?

Mr. KYL. Madam President, that is what I am doing, yes.

Ms. MIKULSKI. It was my understanding we would follow the tradition of alternating.

Mr. KYL. I am happy to yield the floor to the Senator from Maryland. I did not realize she wished to speak.

The PRESIDING OFFICER. The Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, thank you very much. I thank the junior Senator from Arizona.

Madam President, first of all, know that in talking about veterans and about the claims processing, not only wouldn't I argue with JOHN McCAIN, but I wouldn't argue with all the history that we have had on this almost intractable problem. Cutting the time that a veteran must wait for a decision on claims processing has been one of my highest priorities since I originally chaired the committee in 1990. It seems as if we never get a handle on this issue.

The items of concern that were listed by the Senator from Arizona are accurate. Those are exactly the same problems my distinguished colleague and ranking member, Senator BOND, and I had in an extensive discussion with Administrator Principi during our VA hearing.

They are absolutely right. It takes too long for claims. It is absolutely wrong that our veterans who were willing to risk their lives and put their lives in the line of fire to defend the United States of America have to wait in line to find out about adjudication, particularly for a disability benefit. There is absolute agreement that it is wrong for veterans to have to wait 205 days or 7 months to get a decision on the claim.

Having agreed on the problem, what my colleagues in the Senate need to know is, on a bipartisan basis, working with the executive branch we have attempted to solve this problem.

First of all, for the VA-HUD bill, we put $1.1 billion in for the administration of benefits. That is $1 billion-plus for the administration of the benefits. We have also increased it by $132 million. Where did we get that number? We got that number from George Bush. We got that number from President Bush. This isn't BARBARA MIKULSKI's number. This isn't KIT BOND's number. This isn't something that we pulled off a Ouija board. This came from President Bush.

My colleague from Arizona says: I don't want to argue with you about what the veterans have to say. I don't want to dispute our veterans. But I have to believe that President Bush and Tony Principi, the Administrator of Veterans Affairs, knew what it would take to begin to really solve this problem this year, which has been a disaster for more than a decade. The money recommendation came from President George Bush. That is from where the $132 million come.

Let's talk about our very able new Administrator of Veterans Affairs. I think the world of our new Administrator. I want to say this as a Democrat. I think President Bush has given us an outstanding Veterans Affairs Administrator. I am so excited about the possibility of working with Administrator Principi, a Vietnam vet himself, a former Under Secretary of VA during the Bush-Quayle administration, and with a substantial stint in the private sector picking up even more management skills.

Secretary Principi brings to us the heart and soul of a veteran—and committed to it because he was a foxhole guy himself; all the way up now to the considerable experience he has had not only with VA but also with the private sector.

I am telling you that Tony Principi and the President say we need $132 million. I am willing not only to take it to the bank, but I am willing to take it to the Federal checkbook. That is where we got the money. I believe that it will really make a substantial dent.

We haven't been laggards, nor have we been deleterious, nor have we invented numbers out of the thin air.

Let me tell you what we are going to buy with this new money. We are going to buy close to 900 new employees to handle the backlog, and also to handle the new cases triggered by legislation enacted last year. Forty-six million dollars of that will be to hire these processors to implement what they call "duty to assist"—to actually help the veterans prepare their claims.

One of the problems in doing claims is that our veterans often don't prepare them properly. It is through no fault of the veterans. Many of them have visual problems. They are old. They are not well. If you have a disability, you stand to be pretty sick. And also you are pretty sick of the bureaucracy and you are pretty sick of the paperwork. But some of these new people will actually help the veterans do it right so we can get it done in the right time.

There is a new law to require the VA to review 98,000 cases—we have to go over the backlog—and another 244,000 that were pending when the legislation was enacted.

By the way, the VA will be able to also carry out a new policy of adding type 2 diabetes to the list of presumptive disability conditions. Over 100,000 new claims are expected to be in this category, particularly from our Vietnam vets.

Additionally, the fiscal year 2001 supplemental spending also gave the Veterans Affairs $19 million in this category. We have $132 million, and in the supplemental that we just passed there is another $19 million. I think that takes us to $151 million. That is not potato chips, but it will buy us a lot of microchips to try to move this backlog.

I think we are keeping our promises to our veterans. We have not been laggards. We don't want to dump money on the problem, but we want to engage in solving the problem. That is why we ask the administration to give us the right amounts needed, and we will see that we step up and do that. That is where we come in on the money. That is why I am going to oppose the Senator's amendment. We are honoring President Bush's request, and we think if President Bush thinks it is adequate, the Senate ought to think it is adequate.

The other issue I am going to take up is this question of earmarks. People use the term "earmarks" as if it is a Darth Vader stain on the bill. Let me tell you, we can look at these projects; we can analyze them; we can joke about them, and so on. But when you talk to colleagues the way I have, we often end up meeting very compelling community needs. I know the Presiding Officer has spoken to me about the desperate need in her community to help the Meals on Wheels community. As I understand, the ability to really meet that overwhelming caseload is tremendous. We are going to try to work with her. I do not know if you are on this hit list or not. But I do know that when we follow the earmark, it is not something that a Senator makes up out of thin air.

My distinguished colleague and I wanted to weed out the pork. We established criteria that is within the framework of the community development block grant. We don't even consider a project unless a list is filled out for a project. You filled one out. In fact, you filled out more than one because of the needs of the State of Michigan.

What is it that we ask? Question No. 1, can you demonstrate that it will create jobs or a compelling human need? Does it create jobs or meet a compelling human need? Does it benefit a low- or moderate-income neighborhood? Does it eliminate physical or economic stress? Is there matching funds from a non-Federal source to show that there is grassroots support behind this? And is it essentially limited to a 1-year endeavor? That is what we ask our colleagues.

Does it create jobs? Does it help poor or moderate neighborhoods? Does it eliminate that distress? Can you show there is money from other sources? And also, this is not meant to be a year to year to year to year entitlement.

I want to talk about one in my own neighborhood. It is money for something called the Fells Point Creative Alliance to develop the Patterson Center for the Arts. I think when you read it, I can understand where someone might think this is for some yuppie, artsy, Gucci, woo woo kind of thing. I am not into "woo woo," but I am into empowerment.

Let me tell you about the neighborhood. This neighborhood is called Highlandtown. In the city of Baltimore, neighborhoods have names because Baltimore, the very nature of it, is a city of neighborhoods. And, God, I love it. And I am so proud of it. I love those neighborhoods. The neighborhoods are really what make Baltimore.

It is not the Inner Harbor and not Camden Yards and not PSI Net Stadium. The Inner Harbor is great in terms of an entertainment area, but it is the neighborhoods that are the heart and soul of Baltimore. This Highlandtown neighborhood was made up of people who represented the Polish, the Italian, the German, and the Greek community. They built this country. They sat on their white steps. They went to war. And while the men were at war on the battled front, the women were at home being "Rosy the Riveters" on the home front. We are both men and women, the veterans of World War II.

That neighborhood is aging in place, as are the people in it. I have a substantial number of aging World War II, GI, red-blooded Americans in that neighborhood, and their wives, who worked in factories called Bethlehem Steel, Martin Marietta, building the radar at Western Electric, who live in that neighborhood.

They are old. And we are fighting off the predators, the predatory lending crowd, the flipping crowd. We are fighting off the drug dealers. What was once a proud neighborhood is now teeter-tottering on disaster.

Now we have a new mayor and a new spirit. And guess what we are doing. We are transforming that teeter-tottering neighborhood into revitalization and creating a new village, with this theater being one anchor and the regional library being another. We are creating a new village, not only to keep out the bad but to build up the good.

With these young artists, we are creating a new sense of a new kind of village. So this isn't some gooshy little Playdough project. This is not a gooshy little Playdough project.

Now, if the mayor of the city of Baltimore is ready to work to anchor it, we have the right people ready to anchor it. The police commissioner is working to keep out the drug dealers. Our housing commissioner is keeping out the predatory lenders. I do not think we should eliminate this to keep out the empowerment money.

I will tell you, our people fought for their country. I think they now are trying to fight for their neighborhood. That is what this project is all about.

So I wanted to talk about mine. But behind every one of these congressionally designated projects is a story such as this. So if you really want to help the veterans of Highlandtown, you let me bring this help to them.

So, Madam President, I feel very strongly about this. I feel so strongly about those veterans who are waiting in line. I do not want them in line any more than my colleague does. He and I would be partners in this, including my wonderful colleague from Missouri. We are ready to go hand in hand. But do not punish neighborhoods to be able to help the neighborhoods.

Remember, our veterans fought for the neighborhoods. Now we have to fight for the neighborhoods and fight for our veterans, and not pit them against each other.

Madam President, I yield my time.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Madam President, I ask unanimous consent that the time until 4 p.m. today be equally divided and controlled in the usual form with respect to the pending McCain amendment No. 1226; that no amendments be in order to the McCain amendment; that the only other amendment in order during this period be a managers' amendment; and that at 4 p.m., if the managers' amendment has not been agreed to, the amendment then be agreed to, and the motion to reconsider be laid upon the table, if the amendment has been agreed upon by the two managers and the two leaders, Senator DASCHLE and Senator LOTT; that the Senate then vote in relation to the McCain amendment; that upon disposition of the above amendments, the bill be read a third time, and the Senate vote on passage of the bill, with the above occurring with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. BOND. No objection on this side.

Ms. MIKULSKI. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Madam President, we have a difference of opinion, obviously. Do we want these projects that I described, or do we want to go along with the strong recommendations of our veterans organizations? It really isn't too much more complicated than that. Some of these projects are absolutely ridiculous, but we have seen many other ridiculous projects in this porkbarrel spending which has lurched totally out of control.

But the fact is, do we want to have these projects funded—9 out of 10 of them are the Appropriations Committee; things such as desert space stations and orchid greenhouses—or do we want to add $5 million—which we are not destroying; we are only cutting in half—or do we want to take the strong advice and recommendation of every veterans organization in America? It is that simple.

I would be willing to vote. I will be glad to be on record siding with the veterans of America, with whom I have had some experience.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Madam President, I started to comment earlier about the degree to which veterans organizations and individual veterans around the country have relied upon my colleague from Arizona, Senator McCAIN, to carry their flag in battles here in the Congress.

It always personally impresses me when I see people come up to him, as I frequently do, and thank him for the work that he has done or their behalf.

It always pains me when either of us—and sometimes both of us—have had to vote against the VA-HUD appropriations bill, which has money for many veterans programs, because of our concern that not enough of the money is allocated to veterans programs vis-a-vis the HUD programs.

I have explained to my very good friend and colleague, Senator BOND from Missouri, on many occasions why I have cast that vote, wishing very much that I could support the good work that he and others have done in support of our veterans.

I recognize that, as a result, this particular amendment is, in many respects, a symbolic amendment. It only takes half of the funding away from these projects that Senator McCAIN described. And it is a relatively small amount of the money that we believe will be necessary to supplement the funds that have been made available for the resolution of these veterans' claims.

It is true that the committee has set forth an amount that was recommended for the resolution of those claims, but it is also true that this fall—when the blue ribbon task force established to make recommendations comes out with its recommendations—we anticipate that they will be for a lot more money that is needed to adjudicate the claims of the veterans. It will be too late by then to get that money in this appropriations bill.

Senator McCAIN's effort was a modest attempt to put a very small amount of money, but symbolically important to our veterans, as he noted, back into the veterans part of this bill. It is for that reason I strongly support it.

I will not go through all of the other arguments Senator McCAIN has so eloquently cited as the basis for his amendment.

I appreciate very much what Senator MIKULSKI said. She has taken the amount recommended by the administration and put that in the bill. As I said, all of us recognize, as she noted, it is not nearly enough. The question is, do we exercise some independent judgment here, anticipate that there will be a recommendation for funding in the future, but that it will come too late in this appropriations process or do we put that money into projects Senator McCAIN has targeted for at least some treatment under his amendment?

I agree with him. The choice is clear. I tell all of my veteran friends when they confront me and ask, why did you have to vote against that VA-HUD appropriations bill there is a process in Washington to put the sweet with the sour, to make sure that whatever you do that doesn't go down very easily, you put something sweet with it so it is hard to vote against it.

Nobody wants to vote against veterans programs. We all want to support our veterans. That is why you take programs that can be subject to some criticism in the HUD portion of the bill, put them with the VA part of the bill and, voila, you have a recipe for success; Members will not dare vote against it.

I have voted against it. I will probably vote against it again in the future. I hope my veteran friends, by observing what is occurring here today, appreciate the fact that when we try very hard to move some of that money from programs that we think are not as useful for people into the veterans part of the budget, you can see how hard that is going to be. That is why, at the end of the day, we fight as hard as we can to get as much support for the veterans in the bill. And if we can't get more than we have been getting, then in many cases we end up opposing the bill. While it is true and in some respects symbolic, I think the symbolism is very important.

I urge my colleagues to support Senator McCAIN's amendment to begin to send two messages. The first message is to our veterans, that we understand your needs, we understand your requirements, and we support you. Secondly, to those who have the difficult job of putting together this bill, it is time to begin to exercise some discretion here, and with respect to these projects that each Member likes so much, all earmarked projects, put less money against those projects and transfer some of that money into the veterans part of the budget.

As Senator McCAIN said with respect to these World War II veterans, they don't have much time left. I hope my colleagues will support his amendment.

Mr. HATCH. Mr. President, I rise today in opposition to Senator McCAIN's amendment to S. 1216, the appropriations bill for VA HUD.

This amendment would remove badly needed resources for many communities throughout the country and specifically in Sevier County in my home State of Utah. It furthermore seeks to overturn the carefully crafted work performed by the Senate Appropriations Committee when putting together this bill. I understand that legislating oftentimes means making difficult decisions, but the cuts proposed by Senator McCAIN go too far and would hurt too many.

I urge my colleagues to vote to table this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. KYL. Might I inquire of the Senator from Missouri or Maryland if it would be all right if I take a couple minutes off the subject of the McCain amendment to simply talk about a part of what will be included in the managers' amendment?

Mr. BOND. Madam President, I assume the Senator from Arizona is controlling the time of the other Senator from Arizona. He is free to utilize such time as he wishes. We will extend him our good wishes.

ALLOCATION FORMULA FOR STATE WATER POLLUTION CONTROL REVOLVING FUND

Mr. KYL. Let me thank the Senator from Missouri and the Senator from Maryland for agreeing to accept as part of the managers' amendment an amendment which I was going to offer. They have done this in good faith. I especially appreciate the fact that they have expressed support for what I am trying to achieve. I will explain it very briefly.

It was an amendment that expressed the sense of the Senate essentially that since we were not able to modify the formula for the wastewater treatment programs under EPA by an amendment on the floor on this appropriations bill, largely because of the argument that it is more appropriately done on the authorization bill, the authorizing committee, in September, should take up the reauthorization of the legislation, including an attempt to deal with this particular formula.

The operative paragraph says:

> It is the sense of the Senate that the Committee on Environment and Public Works of the Senate should be prepared to enact authorizing legislation (including an equitable needs-based formula) for the State water pollution control revolving fund as soon as practicable after the Senate returns from recess in September.

That is the result of the fact that my earlier amendment was defeated but, frankly, defeated on a technicality, as most of the individuals noted.

There is a good case to be made for evaluating the current formula for distribution of these funds, that it can be done in the authorizing committee, that it should be done shortly after we return here, and I hope it can be done in time for changes to be made to affect the fiscal year 2002 numbers. That is the only way the formula can be made more fair for this next year.

I express to my colleagues, the managers of this legislation, my thanks for their willingness to include this sense-of-the-Senate resolution in the managers' amendment as a way of at least moving forward on the reform that most people agreed to earlier but were not willing to make on the appropriations bill itself.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, I claim such time from the time of the opponents of this amendment as I may require.

The PRESIDING OFFICER. Without objection, the Senator is recognized.

Mr. BOND. First, let me thank my dear friend from Arizona for his amendment that is going to be in the managers' amendment. It is a pleasure to be working with the Senator from Arizona again. He formerly was on this committee. We regret he is no longer on our appropriations subcommittee. We still miss him, but I assure you, our aim is getting better.

I would like to tell the Senator from Arizona that we strongly support his admonition/instruction to the Environment and Public Works Committee to move on the subject which he addresses. That subject, of course, is the equitable allocation and the badly needed funding for our water infrastructure. I cannot emphasize too much how important that is to the health and well-being of all of our people and to the progress of this country.

He has done a great service, raising the question about allocation of the revolving funds, and we look forward to working with him. We are going to have to provide more resources than are now available. I assure him and my other colleagues that we want to do that in an equitable manner. I look forward, as a member of the Environment and Public Works Committee, to working with our chairman and ranking member to see that that occurs.

AMENDMENT NO. 1226, AS MODIFIED

Mr. BOND. With respect to the amendment by the other Senator from Arizona, Mr. McCAIN, while I am very sympathetic to the point he has made about the need to improve VA's claim processing, I join with the manager of the bill, the distinguished chair, in opposing it.

We have been concerned. We have worked all year long to assist VA in dealing with the unacceptable backlog in VA claims processing. Nobody has been a more forceful, consistent spokesperson about the need to bring up-to-date and up-to-speed VA claims processing than the Senator from Maryland. I have listened to her for hours on end in the Appropriations Committee as she has sought more money, as she has admonished officials of the VA to get with it and get on the ball and get these claims processed.

This has really been a crusade she has led. I agree with her 100 percent. We are totally in agreement that VA claims processing is extremely important. It is a matter of justice and fairness to the people who have protected our country, and we have a long way to go. We believe this should be the highest priority.

I agree with her, and I thank her for her kind words about Secretary Principi. We are excited to have a man of his background, his commitment, and his dedication at the helm in VA.

This is a difficult management problem. It is a resource problem. It is a personnel problem. We are totally committed to supporting Secretary Principi as far as we can. Secretary Principi has set a goal of processing regional disability claims within 100 days by the summer of 2003. That is an admirable and, unfortunately, ambitious goal considering that it now takes VBA more than 200 days to process a claim.

Nevertheless, he has set forth a timetable. He has set forth a budget he needs. He has set forth his plan to develop an effective processing operation that will assure that our Nation's veterans receive the service and the compensation they deserve. To address this need, to fulfill our part of the bargain, the bill before us provides significant funding increases to the VA, as requested by Secretary Principi. He said: This is my goal; this is where I want to be, no more than a hundred days. We will get there by 2003. He told us what he needed.

Our bill provides $1.1 billion for the administration of benefits. That is $132 million, or a 13-percent increase over the fiscal year 2001 level. And, at the request of the administration, we have already provided the additional $19 million in the recently enacted fiscal year 2001 Supplemental Appropriation Act that gives the VA the ability to hire new claims processors immediately. So that is actually $151 million that we are putting into Veterans Affairs.

This funding will increase the VA's budget and allow the VA to hire much needed additional staff, increase training, and modernize and upgrade information technology. Specifically, the VA will be able to hire and train 890 new employees to help resolve the backlog of cases and handle new cases due to legislation, such as the "duty to assist" enacted last year. This is a significant hiring increase. Bringing on all these people is a tremendous workload for the personnel section. Therefore, we have questions as to whether they could do more. They have outlined for us what they think is the optimum capacity for hiring new personnel, bringing them on board, giving them the training so they can accomplish the goal that Secretary Principi has sent down the pike for the 100-day limit for the processing of claims.

Frankly, the money that the Senator from Arizona has proposed is not in his request. It has not been requested by the person who has to do the job, who has to administer and make sure the money is well spent. Frankly, I believe we need to stay with the responsible work plan that the Secretary has outlined.

Finally, let me talk about some of the rhetoric we have heard on porkbarrel. I come from a background of working in State government. One of the most important things we can do for the people in our States is to assure that we have strong communities. That means education, health care, and housing. But it also means strong communities. I spent a great deal of time, when I was Governor, working on how we develop communities, how we bring together the facilities that are needed to make sure we have livable communities.

Now, housing, obviously, in this budget is second only in priorities to taking care of our veterans. Veterans are our first priority. Housing is second. Below that, is assuring that the communities have what they need to be strong communities. We need good communities to support good housing so families can raise their children in the proper setting.

I am very pleased that we have been able to put money into community development. This is a very important priority. This is something that is recognized across this country and is strongly supported.

There is $5,012,993,000 going into the community development fund. These funds go back and are administered by locally elected officials and State-elected officials—except for roughly 2.8 percent of those funds that are allocated here.

Now, if you don't think any of these buildings or any community development activities should be carried forward, you could save $5 billion by knocking out community development funds. Given the many, many different objects for spending, I can assure you, as one who lives in a small town and who travels to communities of all sizes in our State, the community development activities are vitally important from a governmental standpoint, from a quality-of-life standpoint, and from an economic development standpoint. They help draw and attract the kinds of economic activities and the kinds of community activities that are beneficial. I believe in them. I believe it works.

Community development block grant funds are extremely important, and I will strongly oppose anybody who wants to cut the $5 billion we put into community development block grants.

It is easy to pick out a project that has been recommended here and included by an elected Senator—anything you want—that goes to a different State than yours and call it "pork." If it is in your own State, it is a "strategic investment." How is that $5 billion allocated? It is allocated by elected officials. That is what this process of government is all about. It is a republican form of government. They elect people at the local level and State level to make decisions on how to spend the money that is raised in taxes. A small portion of it—$5 billion out of the total budget—goes to community development.

Who is best to make these decisions? We say, by and large, the decisions should be made at the local and State level. This is money the Federal Government raises and sends back for community development. But do the people who are elected to serve their States in the Senate know what some of those priorities are? I happen to think they do. I travel around my State, and I know the need and the opportunities that economic development initiative grants and community development block grants can meet. I think those are very important.

Do we make decisions on all these funds? No, only about 2.8 percent. I think that anybody in this body who takes their job seriously is going to be seeing needs in their States. They are going to have the ability to identify improvements and projects or buildings that would benefit the communities—particularly the communities most in need, the communities needing a handout.

I am proud to have been able to work with the Senator from Maryland and with most of my colleagues. The 1600 requests we had went to communities all over this Nation to try to provide some funds for the top priorities as identified by our colleagues from the 50 States in the Nation. I will be happy to discuss at any length the contention of those who think that community development funds from the Federal Government through the community development block grant are not necessary. They make a great difference, and I do not apologize for the fact that those elected by the voters of the 50 States ought to have a say in allocating 2.8 percent of that.

Madam President, I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. McCAIN. Madam President, I thank the committee chairman and the ranking member of the subcommittee for their commitment and adherence to the needs of our veterans. I appreciate it very much. I know that all veterans and all Americans do as well.

I point out that there was a $132 million addition for the VA, and it was a $211 million addition over the President's budget for community development grants. I listened carefully to the comments by the Senator from Missouri about elected officials being wise enough to determine spending for projects in their own State. I wonder if that wisdom now resides in the Appropriations Committee, where 9 out of 10 of the earmarks came from. I am sorry the rest of us are not as well informed. In fact, I read this: Missouri, 15 projects, the largest number of projects, for $9.150 million. And, of course, we can go down the list of the Appropriations Committee: Maryland, 13 projects, $5.260 million; West Virginia, $8 million; Alaska, $7.490 million. Of course, there is a dramatic demarcation there between these funds and those who are not members of the Appropriations Committee.

That may be some coincidence. I believe $5 million is a very modest amount of money. I described the projects that half the money is taken from, and I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PENDING VA CASES BY STATE

Vermont, White River Junction—1,420
West Virginia, Huntington—5,926
Maryland, Baltimore—5,958
Ohio, Cleveland—13,715
Alabama, Montgomery—13,758
Wisconsin, Milwaukee—10,049
Missouri, St. Louis—11,561
New Mexico, Albuquerque—5,859
South Dakota, Sioux Falls—1,919
Montana, Fort Harrison—2,454
Alaska, Anchorage—2,674
Idaho, Boise—3,031
Iowa, Des Moines—5,183
New Hampshire, Manchester—2,224
Pennsylvania, Philadelphia/Pitts.—14,854
Kentucky, Louisville—10,724
South Carolina, Columbia—9,394
Mississippi, Jackson—7,442
Illinois, Chicago—10,832
North Dakota, Fargo—2,399
Louisiana, New Orleans—9,198
Texas, Houston/Waco—38,598
Colorado, Denver—9,001
Utah, Salt Lake City—1,574
Washington, Seattle—13,091
California, Oak./L.A./S.D.—47,448
Nevada, Reno—7,105
Massachusetts, Boston—5,147
Rhode Island, Providence—4,042
New York, NYC/Buffalo—22,745
Connecticut, Hartford—3,411
Maine, Togus—4,395
New Jersey, Newark—7,384
Indiana, Indianapolis—6,289
Michigan, Detroit—9,687
Delaware, Wilmington—1,984
Virginia, Roanoke—17,635
Georgia, Atlanta—16,714
North Carolina, Winston-Salem—20,784
Tennessee, Nashville—14,276
Florida, St. Petersburg—33,218
Nebraska, Lincoln—4,229
Minnesota, St. Paul—7,357
Kansas, Wichita—6,971
Arkansas, Little Rock—7,881
Oklahoma, Muskogee—10,767
Oregon, Portland—12,368
Arizona, Phoenix—8,687
Hawaii, Honolulu—4,481
District of Columbia—6,872
Puerto Rico, San Juan—11,581
Philippines, Manilla—7,890
Total cases pending: 524,186

STATE COSTS BY PROJECT

State	No. of projects	Total (in thousands)
Missouri	15	$9,150
Rhode Island	14	3,900
Pennsylvania	13	3,700
Maryland	13	5,260
Alabama	12	4,400
Illinois	12	3,000
South Dakota	11	3,750
Wisconsin	10	3,000
California	9	3,700
Nevada	9	4,000
Louisiana	8	2,900
Vermont	8	5,000
Iowa	7	4,000
New York	7	2,000
Hawaii	6	3,000
Mississippi	6	5,250
New Mexico	6	4,400
Alaska	5	7,490
West Virginia	5	8,050
South Carolina	5	3,000
North Dakota	4	3,300
New Hampshire	4	2,500
Washington	4	3,300
Massachusetts	4	1,050
New Jersey	4	1,050
Colorado	3	2,800
Ohio	3	2,500
Texas	3	2,000
Florida	3	2,050
Delaware	3	1,100
Georgia	3	1,050
Indiana	3	1,800
Nebraska	3	1,800
Oregon	3	1,750
Maine	3	2,750
Tennessee	3	1,850
Idaho	2	1,500
Montana	2	1,750
Utah	2	1,800
Michigan	2	1,050
Minnesota	2	1,050
Arkansas	2	1,300
Connecticut	2	600
North Carolina	2	1,300
Kansas	2	1,500
Oklahoma	1	1,000
Kentucky	1	3,500
Virginia	1	1,000
Arizona	....	....
Wyoming	....	....
50 states	255	140,000

COUNCIL FOR CITIZENS
AGAINST GOVERNMENT WASTE,
Washington, DC, August 1, 2001.

Hon. JOHN MCCAIN,
Russell Senate Office Building
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the one million members and supporters of the Council for Citizens Against Government. Waste (CCAGW), I would like to express our support for your efforts to reduce wasteful spending in the fiscal 02 appropriations bill for the Departments of Veterans Affairs and Housing and Urban Development (VA/HUD). Your leadership on these issues is greatly appreciated.

Last year, CCAGW chronicled a record of 6,333 pork-barrel items in spending for fiscal 01 that totaled $18.5 billion. Congress seems to be on track to beat that dubious achievement. Ignoring the absence of earmarks in this year's House VA/HUD spending bill, the Senate exceeded the record levels of last year and added 256 earmarks in Community Development Block Grants (CDBGs), totaling $138 million.

Some examples of this self-indulgence include: $1,000,000 for a multi-purpose center for the Southern New Mexico Fair and Rodeo in Dona Ana County, New Mexico; $750,000 for development of an arts center in Baltimore, Maryland; $500,000 for the Idaho Virtual Incubator at Lewis and Clark State College in Idaho; $350,000 for the Harbor Gardens Greenhouse project in Pittsburgh, Pennsylvania; $300,000 for a heritage trails project in Kauai, Hawaii; $300,000 for a new facility for Studio for the Arts in Pocahontas, Arkansas; $250,000 for the Culver City Theater Project in Culver City, California; $100,000 for development assistance for the Desert Space Station in Nevada; and $100,000 for the development of the Alabama Quail Trail.

Your amendment will eliminate much of this egregious spending and spare the taxpayers from being forced to pay for the appropriators' largess. CCAGW applauds your efforts and urges your colleagues to support your amendment. The vote on your amendment will be among those considered for CCAGW's annual Congressional Ratings.

Sincerely,

THOMAS SCHATZ,
President.

[Citizens Against Government Waste release, July 26, 2001]

PORK ALERT: CAGW'S PORK PATROL TAKES A CLOSER LOOK AT FISCAL 2002 VA/HUD PORK

Next week, the Senate is expected to consider the FY 2002 appropriations bill for the Departments of Veterans Affairs and Housing and Urban Development (VA/HUD). The Senate ignored the House request of zero earmarks and picked up beyond where they left off last year, adding 256 earmarks totaling $138 million for the Community Development Block Grant (CDBG) program in the bill. The 13 VA/HUD Appropriations subcommittee members gobbled up 101 of those earmarks (39 percent), totaling $54.7 million. The other 16 Senate appropriators received another 104 earmarks (41 percent), totaling $55.7 million. That means 29 percent of the Senate would get 80 percent of the projects and dollars, proving, once again, that appropriators abuse their privileges. A few examples:

Taxpayers Left Out in the Cold, Alaska. Senate Appropriations Committee Ranking Member Ted Stevens (R-Alaska) earmarked $2.25 million for the city of Fairbanks to provide winter recreation alternatives to military and civilian residents. Sen. Stevens might just have asked federal taxpayers to send their old sleds and ice skates up north.

Leadership Has Its Privileges, Missouri. Senate VA/HUD Appropriations Subcommittee Ranking Member Christopher "Kit" Bond (R-Mo.) earmarked $7.1 million in CDBGs for his home state, including: $1 million for the City Market renovation project in Kansas City; $1 million for the University of Missouri-Kansas City Life Sciences Initiative; and, $250,000 to the city of St. Joseph for redevelopment of its downtown area.

We Have Enough Bull, New Mexico. Cowboys, cotton candy, and kicking bulls must be on the mind of VA/HUD Approriations subcommittee member Pete Dominici (R-N.M.). The senator earmarked $1 million for infrastructure improvements and for a new multi-purpose and event center for the Dana County Rodeo and Fair. YEE-HAW!

Out of This World, Nevada. As if the International Space Station didn't cost enough, a new tribute to man's heavenly aspirations is being built in the desert. Senate Appropriations Committee member Harry Reid (D-Nev.) must be seeing stars over the $100,000 that was earmarked for a futuristic space museum in his home state. It won't fly with taxpayers.

Not-so Bravo, Hawaii, Rhode Island, and Vermont. Appropriators are taking taxpayers to the cleaners and the theater. Hawaii, Rhode Island, and Vermont are slated to receive a total of $1.1 million for the refurbishment of theaters and performance centers. Although some theaters may be historic, preserving the past probably took a back seat to preserving their starring role on Capitol Hill for VA/HUD Appropriations subcommittee member Patrick Leahy (D-Vt.) and Appropriations Committee members Daniel Inouye (D-Hawaii) and Jack Reed (D-R.I.)

Taxpayer Always Comes Last, Nevada. Known for tourists, gambling, and friendly service, Las Vegas has made a name for itself with its billion-dollar hospitality industry. From showgirls to costumed Romans, the customer always comes first. The taxpayer, though, obviously comes last. Senate Appropriations Committee member Harry Reid D-Nev.) gamble away $700,000 for a hospitality training facility in Las Vegas.

Mr. McCAIN. I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, we are coming now to the closing moments of this bill. I know we are waiting for a clearance to take up the manager's amendment, and we should be coming to that shortly. As soon as we have cleared the manager's amendment, I will be offering it.

As we go into the final minutes, I am going to make some final comments on the bill. We have really done a good job, and we have done a good job working on a bipartisan basis, working with President Bush and his Cabinet.

There are 13 appropriations subcommittees. The big three are Defense, Labor-HHS, and VA-HUD. VA-HUD spends $84 billion of the taxpayers' money. Of that, $51 billion goes to veterans, and it is worth every nickel of it. Housing and Urban Development receives $31 billion. A substantial amount of that goes to community development block grant money, which is decided by the local community: housing for the elderly, the special needs population, and housing for the poor. We have tried to use the best ideas and the best practices to make sure subsidies are not a way of life but a way to a better life. That is what we have concentrated on again in this bill.

We have the Environmental Protection Agency. We have worked to clean up the environment. We have the National Space Agency and the National Science Foundation, very important for public investments in new ideas, in new knowledge, which always leads to America being on the competitive edge and the cutting edge.

We try to inspire young people through a national service program where they get value by working in the community and taxpayers get value by the work they do, and we create the habits of the heart that hopefully will inspire the next generation to have the spirit of voluntarism.

We think we have done a very good job in this bill. The reason we have done a good job is cooperation, collegiality, courtesy, and civility. I thank my ranking member, Senator BOND of Missouri, for the way we have worked together on this bill.

This has been a very difficult year. First, there was the delayed transition of the executive branch. President Bush took office in a timely manner, but because of the delayed transition we were late getting started. The President was late getting started. We have worked to catch up, and he has given us some terrific Cabinet people to work with in VA-HUD, our Secretary of Housing, and our Administrator of the Environment. I extolled the virtues of our Secretary of Veterans Affairs.

So many people think we are pretty prickly in politics, but we think we have worked well with the Bush administration. I have been delighted at their courtesy.

It was the Senator from Missouri, when there was the transition of power with the Democrats taking control, who, with enormous graciousness, provided practical help in transitioning the gavel to me. He was so courteous and the transition so effective and so seamless, that we did not miss a beat in terms of holding our hearings, trying to be responsible to the needs of our communities, and trying to be responsible to the needs of the taxpayer.

In the most sincere and genuine way, I want to thank my colleague for his graciousness because I believe we have truly been able to serve the people and serve the Nation.

He has an outstanding staff, and I want to thank them now:—Jon Kamarck, Cheh Kim, and John Stoody—for their wonderful work with my staff. I thank my staff—Paul Carliner, Gabrielle Batkin and Joel Widder, a detailee from the National Science Foundation—for the outstanding job they have done.

This committee has also had a tradition of bipartisanship. We have kept that tradition, and I think America benefits from it. As we now come to these closing minutes, we will really be able to complete our bill with pride.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. NELSON of Florida. Madam President, will the Senator yield?

The PRESIDING OFFICER. The Senator has no time to yield. The time has expired.

Mr. NELSON of Florida. I ask unanimous consent that I be granted 3 minutes in order to enter into a colloquy with the distinguished Senator from Maryland.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON of Florida. I thank the Presiding Officer.

Madam President, I congratulate the two Senators who have been managing this bill. I thank them for their vision with regard to America's space program, and indeed I have entered into a written colloquy with the Chair of the committee that will be inserted in the RECORD. I want to take this opportunity to express my concern and share that concern with the Chair and the ranking member of the committee. I have been afraid there may be some attempt, because NASA has had almost $5 billion of overruns in the space station, that there may be some attempt to punish NASA by the administration.

I want to express my concern that if we starve NASA of the funds it needs, particularly with regard to the space shuttle upgrades, that could endanger the safety of the space shuttle program. I do not have to even conjecture further for the chairman and the ranking member that should there be another catastrophe in the manned space flight program, that could severely not only cripple but end the manned space flight program.

I thank the Chairman and the ranking member for recognizing space shuttle upgrades need to be addressed, not only in the bill but when we go to conference. I want to state clearly and unequivocally we cannot starve this space shuttle upgrade program, because if we do, we are getting to the point of risking the safety of the crews we fly.

Ms. MIKULSKI. I assure the Senator from Florida that we are safety-obsessed when it comes to the safety of our astronauts. In this bill, we have actually provided $3.2 billion for the shuttle.

The PRESIDING OFFICER. If the Senator would suspend, the Senator has used 3 minutes.

Ms. MIKULSKI. We agree. The Senator can count on it, and everyone should know he is a Senator-astronaut.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Madam President, I want to make one additional comment to the Senator from Florida for whom I have the highest respect, admiration, and appreciation of his advocacy for the space program. I say in all candor to the Senator from Florida, he knows these cost overruns go on and on. There is no one more qualified than the Senator from Florida to start exercising some fiscal discipline because we do not have an unlimited amount of taxpayers' dollars.

Unfortunately, before the authorizing committee, the Director of NASA keeps coming back and back saying: We have it under control; we keep imposing caps, and every year they tend to increase.

Madam President, I say to the Senator from Florida, whom I admire enormously, he is beginning to lose support when the costs just continue without any end in sight, and that should be of concern most of all to the Senator from Florida who is the advocate and spokesperson for this very important part of our Nation.

I yield the floor.

Ms. MIKULSKI. If I may respond——

The PRESIDING OFFICER. The Senator from Arizona has 4 minutes. The time of the Senator from Maryland has expired.

Mr. McCAIN. I yield 2 minutes to the Senator from Maryland and 2 minutes to the Senator from Florida.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. I will claim 1 minute. I say to my colleagues from Arizona and Florida, first, on the cost overruns, Senator BOND and I absolutely agree. The space station is running a $4 billion overrun. We want to shake, rattle, and roll this culture of permissiveness with these overruns. We are trying to work with the administration to deal with it.

While we are dealing with that, though, we want to ensure for each and every mission that we can send our astronauts into space and return them home safely and maintain our shuttle upgrades.

I yield back whatever time is remaining.

The PRESIDING OFFICER. The Senator from Florida.

Mr. NELSON of Florida. I thank the Senator from Arizona for yielding 2 minutes. I agree with him. It is inexcusable that there is the lack of discipline so that the overruns to the tune of $5 billion have occurred on the space station. I agree with Senator McCAIN on that.

The fact is, however, that the space shuttle account has been starved 40 percent less over the last 10 years, and we cannot continue to rob from Peter to pay Paul in other parts of the program without endangering the safety of the program.

The Senator and I share the vision of this country. We share the character of the American people, which is, by nature, we are explorers; we are adventurers. We never want to give that up because if we do, we are dead as a country; we are a second-rate country. We want to continue to explore into the unknown, but we have to do that with the utmost of safety. We all suffered through the tragic explosion of the 25th flight of the space shuttle, and from that we learned that we simply have to have the two-way communication and we have to have adequate resources.

There is a plan over the next 10 years of upgrading the shuttle so that it provides reliable and safe access to space, and that is what I am advocating.

Mr. McCAIN. How much time do I have remaining?

The PRESIDING OFFICER (Mr. NELSON of Nebraska). The Senator from Arizona has 1 minute 10 seconds remaining.

Mr. McCAIN. Mr. President, I thank the Senator from Florida. It is appropriate to say, though, when he says the budget was starved, that budget was recommended by NASA. We agreed to administration budget requests, and we were told time after time they could live within those budgets. I do not disagree with the Senator's depiction that the budget was "starved" or reduced, but those were the budget requests to which we agreed. Therefore, we have to get much more realistic estimates of the costs so that we can plan on them and also impose fiscal discipline, which I think the Senator from Florida will agree with me is somewhat lacking, at least in comparison to the pledges they make to the Congress of the United States.

I thank the Senator from Florida. I look forward to discussing this with him in the committee and also on the floor. It is a very important issue and one to which we have not paid enough attention. Now that the Senator from Florida is here, I think we will be paying a lot more attention.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, has all time expired?

The PRESIDING OFFICER. It has.

Ms. MIKULSKI. Mr. President, I move to table the McCain amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The senior assistant bill clerk called the roll.

Mr. NICKLES, I announce that the Senator from New Mexico (Mr. DOMENICI) is absent because of a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announed—yeas 69, nays 30, as follows:

[Rollcall Vote No. 268 Leg.]

YEAS—69

Akaka
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Byrd
Cantwell
Carnahan
Carper
Chafee
Clinton
Cochran
Conrad
Corzine
Craig
Crapo
Daschle
DeWine
Dodd
Dorgan
Durbin
Edwards
Enzi
Feinstein
Frist
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
McConnell
Mikulski
Murray
Nelson (NE)
Reed
Reid
Roberts
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (OR)
Specter
Stabenow
Stevens
Thompson
Thurmond
Torricelli
Wyden

NAYS—30

Allard
Allen
Baucus
Bunning
Burns
Campbell
Cleland
Collins
Dayton
Ensign
Feingold
Fitzgerald
Graham
Gramm
Hutchison
Inhofe
Kyl
Lugar
McCain
Miller
Murkowski
Nelson (FL)
Nickles
Rockefeller
Smith (NH)
Snowe
Thomas
Voinovich
Warner
Wellstone

NOT VOTING—1

Domenici

The motion was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DASCHLE. Mr. President, I compliment our two managers. We have come a long way, and, I understand we are not far off from the point where we can have final passage. The managers have done an outstanding job. My hope is that we could go back on Agriculture.

I announce to my colleagues that we have two remaining pieces of business. We have, of course, the Agriculture bill, and we have nominations that I would like to be able to take up and complete.

If there is any way we could finish it tonight, there would be no session tomorrow. I hope, perhaps, we can all work together to see if there might be a way to accomplish the rest of our work tonight. There is still plenty of time. Then we can go all make our plane reservations for tomorrow. I announce that if there is a way to do it, we sure would like to find a way.

Again, let me compliment our colleagues for getting us to this point.

I yield the floor.

Ms. MIKULSKI. Mr. President, I thank the leader very much for those kind words.

I have a unanimous consent request, and then we will go to final passage.

Once again, I thank Senator BOND and his staff and my staff for their cooperation. I also thank Senator HARRY REID who helped us move the amendment process.

As you noticed, this bill had a minimum, and we are proud of our content and proud of our process.

AMENDMENT NO. 1338

Ms. MIKULSKI. Mr. President, I send the VA–HUD managers' amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Maryland [Ms. MIKULSKI), for herself and Mr. BOND, proposes an amendment numbered 1338.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in the RECORD under "Amendments Submitted.")

Ms. MIKULSKI. Mr. President, the amendment includes the Harkin amendment for a 1-year public housing agency, an Iowa issue;

A Hollings amendment on earmark corrections;

An Inouye amendment on the eligibility standards for mortgages for Hawaii homeland;

A Lincoln-Hutchison amendment certifying the eligibility of HOME program funds project;

A Torricelli amendment to conduct a study at VA on particular diseases;

A Mikulski amendment clarifying a plan on HOPE VI;

A Wellstone amendment preventing discrimination in the rental or sale of housing—a nondiscrimination provision;

A Lott amendment to ensure that NASA-funded rocket propulsion testing is assigned according to existing procedures;

A Dorgan amendment on funding for EPSCoR programs;

A Conrad amendment on technical and other assistance for Turtle Mountain;

A Dorgan amendment on the eligibility of North Dakota cemeteries;

A Durbin amendment extending the comment period on this network 12 cares process by 60 days;

A Kerry amendment on increasing funds for Youthbuild;

And a Kyl amendment on the sense of the Senate that the Environment and Public Works Committee should report equitable clean water funding legislation.

I ask unanimous consent that the managers' amendment be agreed to.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Maryland still has the floor.

Ms. MIKULSKI. Mr. President, I ask the Senator from Alabama why he surprised us.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, we have to clarify one of the amendments that we thought was cleared. We ask our colleagues to please stay because we think we will be able to clear it.

While we are doing this clarification with our colleague from Alabama, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MIKULSKI. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the managers' amendment, as previously offered, with the deletion of the Lott amendment, be adopted.

The PRESIDING OFFICER. Is there objection?

Mr. BOND. Mr. President, we have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is agreed to.

The amendment (No. 1338) was agreed to.

Ms. MIKULSKI. I move to reconsider the vote.

Mr. BOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, let me express my sincere appreciation for the work of the chair of the committee. She has done an excellent job by making sure everybody knows what is going on. We have taken care of many of the problems and challenges that arise in this bill. I thank her for the tremendous cooperation she has provided us throughout.

She said some kind words about collegiality, but on this side, what we know about collegiality we have learned from the distinguished Senator from Maryland, which she has shown us in the past, on how to work effectively, both as chair and ranking member. It is my great pleasure to work with her. And I share her enthusiasm for cleaning up the Chesapeake Bay. I assure you, Mr. President, it is one of my highest priorities.

I express my appreciation to Senator MIKULSKI's staff: Paul Carliner, Gabrielle Batkin, Joel Widder; and, obviously, to my staff: Jon Kamarck, Cheh Kim, and John Stoody. They have made a very difficult bill work well.

I hope now that we can accept this bill and send it on to conference. I appreciate the work and accommodation of all of our colleagues who were kind and understanding to know why we could not take all 1,600 proposed amendments worth $22 billion to add on to the bill.

AMENDMENT NO. 1214

The PRESIDING OFFICER. Under the previous order, amendment No. 1214, as amended, is agreed to.

The amendment (No. 1214), in the nature of a substitute, was agreed to.

EPA'S REGULATION OF PESTICIDES

Mr. HARKIN. Mr. President, I rise today to discuss two important issues facing agriculture and EPA's regulation of the use of pesticides.

First, as my colleagues know, 1996 capped a major shift in pesticide policy in this country with the unanimous passage by this House of the Food Quality Protection Act (FQPA). This act, which was later signed into law, provided new protections for infants, children, and other subpopulations potentially vulnerable to the effects of pesticide residues.

That act accelerated a trend in our country to move toward safer, reduced risk pesticides. It is important that all pesticides on the market meet FQPA's safety standards, and safer products allow farmers and others to better protect public health and safeguard our environment. It is a winning situation for everyone. Ensuring that effective, reduced risk pesticides continue to come to market is essential to ensuring that farmers and others continue to have a complete, effective, and affordable toolbox to address pest issues facing agriculture, industry, and our urban areas.

An additional $5 million is needed to adequately support the registration of additional safer, reduced risk compounds. I would ask that this need be considered when this bill goes to conference.

Mr. CRAIG. Will the Senator from Iowa yield?

Mr. HARKIN. I would be happy to yield to my friend from Idaho.

Mr. CRAIG. I wanted to commend the Senator for bringing this matter to the attention of the Senate. It is my understanding that, in the last few years, over half of the applications received by EPA for new pesticides are for reduced risk, safer products.

In addition, there is a commitment by everyone, environmental groups, industry, farmers, and others, that it is important to review the older pesticides to ensure they meet today's higher health and safety standards.

Given that some of the older pesticides have had their uses adjusted as a result of FQPA, this additional money will help ensure that our farmers have a complete tool box to control the pests that threaten our agriculture. It will help bring new, cost-effective products to market and will help provide adequate alternatives for farmers.

It also helps ensure that farmers have the tools they need to continue to provide a safe and abundant supply of food. I want to express my support for these additional funds as well.

Mr. HARKIN. I thank the Senator from Idaho for his support and his help on this issue. He and I have worked together closely on several pesticide issues over the years on the VA/HUD subcommittee, and I always value his insights into agricultural issues facing this body.

The second issue I wanted to discuss involves EPA's pesticide evaluation process. Making evaluations of a particular pesticide's safety requires complex scientific analyses that ultimately depend on having complete and reliable data to base the analyses upon. Data that you need include pesticide residues in food and water and exposures to applicators and farm workers, among others.

While EPA's ability to conduct through scientific analyses on possible pesticide exposures from drinking water and to farm workers has improved, additional work remains to be done.

I am urging that the conference committee consider including an additional $1 million for this purpose.

Mr. CRAIG. Again, I commend my colleague for bringing this matter to our attention.

It is my understanding that this additional money could be used by EPA in a collaborative way between industry and the environmental community to strengthen EPA's information and assessment techniques.

Better data, with enhanced methods to evaluate potential pesticide exposures, will result in more accurate and scientifically sound risk assessments, thereby contributing to better quality decisions by EPA.

I look forward to working with my colleague from Iowa to include these funds in the final conference report.

Ms. MIKULSKI. If the gentlemen will yield, I thank the Senators for their discussion. Reduced-risk pesticides can provide farmers and others with alternative pesticides that may present lower risks to public health and the environment, and can help ensure that farmers continue to have the tools they need. Also, given the difficult task that EPA faces in making timely, scientific decision about pesticides, providing the tools that EPA needs to improve its decision making should be a high priority.

I will work to ensure that these items receive every appropriate consideration as the VA/HUD bill moves forward.

Mr. BOND. I rise in support of the statements by my colleagues Mr. CRAIG and Mr. HARKIN, I have a longstanding interest in ensuring that pesticides meet FQPA's safety standards based on factual, reliable scientific data. The additional funding discussed by Mr. CRAIG and Mr. HARKIN for strengthening EPA's scientific analysis on worker exposure and drinking water would also help enhance sound scientific decisions by EPA. Moreover, the additional funding for faster review and approval of reduced risk pesticides will enable these products to be on the market sooner, and help ensure that farmers and others have a complete tool box to control pests that attack their crops and threaten public health.

I look forward to working with Mr. CRAIG, Mr. HARKIN, and Ms. MIKULSKI to consider these additional funds in the conference report.

Mr. HARKIN. I would like to thank the distinguished chair and ranking member of the VA/HUD Subcommittee for their consideration. I am also hopeful that we will be able to agree upon a legislative package that will address several issues with pesticide fees currently facing the EPA and chemical industry. The Senator from Indiana, Mr. LUGAR, and I have been working together in the Agriculture Committee to come up with long-term fix for several pesticide fee provisions that expire this year.

I am very hopeful that this work could lead to an agreement that could help resolve issues that are likely to arise in conference on the VA/HUD bill.

Mr. CRAIG. I would like to commend Senators HARKIN and LUGAR for their work in the Agriculture Committee on pesticide fees.

As they and my colleagues know, the legal authorization for the collection of fees from pesticide manufacturers soon expires. The expiration of the so-called maintenance fee authorization will mean that EPA will face a significant funding shortfall as it attempts to implement FQPA.

There has been a widespread consensus in Congress to prevent the tolerance fee rule from taking effect. We have postponed the rule for 2 consecutive years, and another year postponement is included in this bill, as well as the House's version. I would urge the Senate to follow the House's action and reauthorize maintenance fees at $20 million for fiscal year 2002. I would hope this is the first year of a multi-year fix. This would help maintain the critical base funding necessary to ensure that FQPA protections for public health are realized.

Mr. HARKIN. I thank my colleague from Idaho for putting his finger on exactly why it is so important to come to a resolution on these pesticide fee issues.

Mr. CRAIG. I would like to thank the Senators HARKIN and LUGAR for their efforts and leadership on this issue. I look forward to working with my colleagues to find an agreement that is acceptable to all parties on pesticide fees.

Ms. MIKULSKI. I want to thank the Senators from Iowa and Idaho for their remarks. You've laid out the issues regarding pesticide fees and EPA funding very well, and I look forward to working with them and the Senator from Missouri to resolve them.

Mr. REID. As we have discussed, the legal authorization for the collection of fees from pesticide manufacturers soon expires. The expiration of the so-called maintenance fee authorization will mean that EPA will face a significant funding shortfall as it attempts to meet important FQPA pesticide protections for children. EPA is far behind the schedule we set for them in that unanimously adopted law. This means that the important FQPA provisions we wrote 5 years ago to protect children from the dangers posed by toxic pesticides are still not being fully implemented.

At a Senate Environment and Public Works Committee hearing on EPA's proposed budget, EPA Administrator Whitman testified that she supported these important protections. She has taken additional steps during her tenure which demonstrate her support in concrete ways. At the hearing, the Administrator recognized that the shortfall I've mentioned above would cause a reduction of 200 EPA employees dedicated to making sure our pesticide standards protect kids. She promised that those reductions would absolutely not occur.

To her credit, Administrator Whitman testified that this shortfall would not be realized because she pledged to complete the so-called tolerance fee rule proposed during the Clinton administration. The administration to its credit also took this position in its budget. The tolerance rule would provide roughly $51 million in fees to support and accelerate FQPA work. That was an important statement. It was an affirmation of FQPA's provisions that the costs of pesticide programs should be paid for by the pesticide industry rather than by the taxpayer. I look forward to working with the Administration to follow through on its pledge.

Recognizing, however, that it may be difficult to complete that rulemaking on schedule, it is extremely important that we extend the maintenance fee authorization in conference to ensure that EPA has the funds to at least continue their current level of work. I would underscore the remarks of my colleague from Idaho that this authorization needs to include an increase so that funding meets at least the $20 million level.

Will my colleague from Maryland work in conference to ensure that EPA is provided with the critical base funding for FQPA children's health protections by supporting the extension of such fees?

Ms. MIKULSKI. I want to thank the Senator from Nevada for raising this issue. I look forward to working with him as well to resolve this issue in conference.

NESCAUM

Mr. JEFFORDS. Mr. President, I would like to engage the distinguished manager of the bill in a brief colloquy regarding funding for the Northeast States for Coordinated Air Use Management (NESCAUM). As she knows, for many years now, NESCAUM has received support in the VA–HUD conference reports. The $300,000 in funds provided in previous Subcommittee bills has enabled the organization to do outstanding work that is helping to protect the health and welfare of citizens in Vermont and the Northeast from air pollution.

Mr. SMITH of New Hampshire. I would like to echo the words of my colleague from Vermont. As Senators BOND and MIKULSKI know, I have supported funding for NESCAUM before and would hope that we can continue that at current levels in the fiscal year 2002 bill. The organization is very important to developing workable and cost-effective air pollution control strategies in the Northeast. I encourage the Chair to continue that past support.

Ms. MIKULSKI. I appreciate the views of the chairman and ranking Member of the authorizing committee. As they have indicated, NESCAUM has received support from the subcommittee from the past and I will ensure that it receives every appropriate consideration as we move forward.

Mr. JEFFORDS. I thank the Chair for her consideration.

NATIONAL SPACE BIOMEDICAL RESEARCH INSTITUTE (NSBRI)

Mrs. HUTCHISON. Mr. President, I rise to engage in a colloquy with the distinguished Senator from Maryland and chairman of the VA-HUD-Independent Agencies Appropriations Subcommittee. As the Senator knows, several years ago, NASA established the National Space Biomedical Research Institute (NSBRI) to enlist the broad scientific community in the effort to develop solutions to the health-related problems and physical and psychological challenges men and women will face on long-duration space flights. These 2 to 3 year missions will one day allow astronauts to travel to other planets and explore our solar system. The Institute also investigates ways to deliver medical care on these missions through new technologies and remote treatment advances. While addressing these space issues, the NSBRI plans to rapidly transfer discoveries that will also benefit human health on Earth.

As the distinguished Senator knows, the NSBRI is headquartered in Houston, TX at the Baylor College of Medicine. Eleven other prestigious research organizations make up the 12-member consortium of NSBRI Institutions, including the renowned Johns Hopkins University in Maryland. If we are to meet our established goals for human space flight and the continued exploration of the final frontier, we must better understand the physiological and psychological effects of space travel on the brave men and women who we launch into space. The NSBRI is the primary institution charged with this task.

I know that the Senator from Maryland shares my concern that NSBRI receive adequate funding. I have been informed that in order to fully fund current NSBRI research projects, an increase above the president's Fiscal Year 2002 budget is required.

I ask the Senator from Maryland to work with me in ensuring that NSBRI is provided with an increase in funding for NSBRI within the available amounts appropriated in the bill.

Ms. MIKULSKI. I thank the distinguished Senator from Texas, and I share her concern for the brave men and women who risk their lives to achieve the national goals that we have established for space travel. I agree that the health effects of these travels must be better understood, and that we should not endanger our astronauts who engage in long-term space travel without fully understanding the effects such travel has on the human body.

I thank the Senator from Texas for raising this important issue, and I offer my commitment to work with her to provide the NSBRI with the resources to achieve the goals we both share.

PHILADELPHIA'S NEIGHBORHOOD TRANSFORMATION INITIATIVE

Mr. SPECTER. Mr. President, I seek recognition to enter into a colloquy with Senator BOND to discuss efforts to assist the city of Philadelphia in its Neighborhood Transformation Initiative. On Monday, July 30, 2001, I met with Mayor John Street for an hour and a half regarding this initiative, which seeks to eliminate "blight" in the city of Philadelphia as well as focus on the elements that are essential for a neighborhood to thrive. These elements include the development of recreational facilities, retail opportunities, transportation, secure streets, cultural outlets and quality schools. I was very impressed with Mayor Street's plan to transform the city. I believe that the city is on the right track and could provide the prototype for addressing overall blight that plagues so many American neighborhoods.

In order to assist Philadelphia in reducing inner city blight, I aim to provide even greater flexibility in the use of CDBG funds. I believe this increased flexibility is imperative in order for the city to develop a long-term plan with a predictable funding stream.

Additionally, I understand that there may be additional funds available in the HUD Neighborhood Initiative program when the VA/HUD appropriations bill goes to conference. I would appreciate any funds that may be available for implementation of the city of Philadelphia's blight removal plan.

Mr. BOND. I understand that like so many neighborhoods in large urban cities, the neighborhoods in the city of Philadelphia have been devastated by depopulation and that other Philadelphia neighborhoods are experiencing the initial signs of decline with stagnant or declining property values, rising crime, and a breakdown in public infrastructure. Still, other neighborhoods are largely stable, but are hardly flourishing.

I respect what the Senator from Pennsylvania seeks to accomplish with these provisions. The CDBG is a flexible block grant program used by States and communities for critical projects such as affordable housing, economic development, and human service projects. Last year the committee provided approximately $5 billion for the program. While this program is already a very flexible program, I am happy to work with the Senator from Pennsylvania to assist the city of Philadelphia to use CDBG funding to develop a long-term blight removal plan.

I understand that the city of Philadelphia is in dire need of neighborhood development and blight removal, and I would be glad to work with the Senator from Pennsylvania in conference to try to secure funding under the Neighborhood Initiative effort for this meritorious program.

NASA

Mr. NELSON of Florida. Mr. President, one of the agencies funded in this bill is particularly important to me and to my constituents in Florida: the National Aeronautics and Space Administration. NASA supports programs that invest in our Nation's future. At present, NASA's most significant and visible investment is the International Space Station. But, we have a problem on our hands: The Space Station is now expected to cost almost $5 billion dollars more than projected just a few months ago. If we are going to complete this project, we have to find the money somewhere. Does the Senator agree?

Ms. MIKULSKI. I wholeheartedly agree. We must complete this project. It is an investment in our children's future. This laboratory of the heavens will allow us to conduct research in tissue growth, looking at the causes of cancer and potential medical treatments. We are going to investigate new drugs, and develop a whole new understanding of the building blocks of life. Using the microgravity environment of space, our industries will develop new advanced materials that may lead to stronger, lighter metals and more powerful computer chips. The station will also house experiments in combustion science, that could lead to reduced emissions from power plants and automobiles, saving consumers billions of dollars. And these are just a few of the possibilities. At the same time, I am deeply disturbed about the recent cost overruns in the Space Station program. We have to find funds to complete the station, and as Chair of the VA-HUD Subcommittee, I attempted to balance this need with those of other programs within the agency.

Mr. NELSON of Florida. I thank the Senator, and agree with her that recently announced ISS cost increases are disturbing. Funding these cost overruns without adding more money to NASA's budget—as the Bush Administration has proposed—necessitates cutting many of NASA's programs, and possibly endangering the future viability of the station itself. At the same time, there are many other worthwhile projects being conducted at NASA—that have nothing to do with the space station—such as research in extra-galactic astronomy using the Hubble Space Telescope, global climate change research by remotely sensing the Earth, and launch technology development that could decrease the cost of getting to space by a factor of 10 or more. Not to mention the other human space flight programs impacted by station cost overruns. Cuts to the Space Shuttle Program may have catastrophic consequences. We have to continue supporting these and other projects, but where will all the money come from? I recognize that this situation has tied the hands of appropriators in both chambers, and applaud the efforts of Senators MIKULSKI and BOND, as well as Representatives WALSH and MOLLOHAN in the House, in attempting to solve this problem. While the Chambers are far apart in their approaches, I understand that Senator MIKULSKI plans to work with conferees to support a combination of the priorities in each bill. Is this correct?

Ms. MIKULSKI. The Senator is correct. The committee has endorsed the projects included in the bill's report. At the same time, I also recognize the need to support some of the priorities that were endorsed by the House. I plan to press for a marriage of the two bills during conference, combining the priorities of each Chamber. In fact, during this year's appropriations process, I have especially appreciated the input of Senator NELSON, as I believe that the combined interests of his constituents in Florida, and my own constituents in Maryland best represent the diversity of programs supported by NASA. Although programs in Florida largely focus on human space flight and supporting a robust commercial space industry, and programs in Maryland center around the remote sensing of Earth and exploring our own solar system, we both believe in doing everything we can to support a robust civilian space program for our Nation and the world. For this reason, I look forward to continuing to work with Senator NELSON and his staff in best representing the interests of both of our constituencies, as well as those of the rest of my colleagues.

Mr. NELSON. I thank the distinguished Senator. I appreciate her support and that of her staff on this issue, and look forward to continuing to work with her.

INTERNATIONAL SPACE STATION

Mrs. HUTCHISON. Mr. President, I rise to enter into a colloquy with the Senator from Maryland and chairwoman of the VA-HUD-Independent Agencies Appropriations Subcommittee concerning the International Space Station and NASA's funding.

We are both concerned about the recently projected cost growth for the International Space Station. I support a space station that is fully functioning, and in order to achieve that goal, NASA must work within the budget that Congress has given it. At the same time, I understand the difficulty in estimating the costs of such an amazing engineering feat. We are now within a year of the station being "core complete," and I believe Congress must adequately fund the station so that we can begin to see the benefits of its unique scientific research.

NASA's projected 5-year cost growth of over $4 billion includes many program liens that reflect 2 years of actual operational experience for the station. That on-orbit experience has eliminated many unknowns and has significantly enhanced NASA's awareness of what it takes to operate the space station. Unfortunately, the greater awareness has come a price tag that threatens reaching the full capability of the space station as originally planned in terms of research, a permanent crew of six, and a crew rescue vehicle.

I understand NASA is dealing with the budgetary challenges and has proposed a "core complete" plan for the station to stay within budget constraints. Importantly, NASA and OMB have put into place an independent external review board to assess the space station's budget and to assure the station will provide maximum benefit to the U.S. taxpayer. This external review board will evaluate the costs and benefits for enhancing research, a habitation module for a crew of six and a crew rescue vehicle.

Does the Senator agree it is important in conference that we not preclude the full review of these potential enhancements by the independent external review board, and not preclude the ability of NASA to undertake these enhancements, in order to ensure the originally planned capability for the space station?

Ms. MIKULSKI. I am concerned about the continued cost overruns on the space station and the lack of real urgency at NASA to really get the station budget under control. We have to send NASA a message that it cannot keep spending more and more money that is meant for other programs. The committee supports administration's objectives of reining in station cost growth, reforming program management to avoid cost overruns in the future, and creating an independent panel to validate the budget estimates and management reforms. The external review committee will present its recommendations this fall to address the space station funding problem. We are, necessarily, in a "wait and see" mode until NASA and OMB give us a new plan that will be the result of the independent external review.

I agree that we should not take any action that would prevent the achievement of the original scientific mission of the station. Despite the space station funding challenge, the committee is committed to completing the station: one that is capable of supporting world-class research.

But let me say, I will ensure that the space station problems do not threaten NASA's science programs. We can never shortchange safety or the science, and I'm afraid with the overruns we are going to be shortchanging science.

Mrs. HUTCHISON. I thank the Senator and would like to reassert that I do not disagree with what you said about the real concerns with cost overruns that, it unchecked, will limit the space station's ability to perform as intended. I want to work with you to make sure that we do not cut off capabilities of the space station, and thereby never see the scientific contributions for which we have already made a significant investment.

VETERANS' HEALTH CARE

Mr. ROCKEFELLER. Mr. President, I ask the Senator from Maryland, the chair of the VA-HUD Subcommittee, to enter into a colloquy.

I had intended to offer an amendment to the bill before us to increase the spending for veterans' health care.

I think the need is there, as the President's budget plainly shows that next year VA will need nearly $1 billion to cover the cost of payroll and inflation. But the President's budget only provided an additional $800 million.

VA needs additional funding to pay for the long-term care needs of an aging population, emergency care coverage in non-VA hospitals, hepatitis C treatment, and new outpatient clinics.

I do understand the very restrictive allocation that Senator MIKULSKI's subcommittee faces—due to a budget resolution not of her own making. Because of that, I have decided against offering my amendment, but I would like to ask the Senator a question.

Toward the end of the year, I feel certain that Congress will need to revisit various spending bills. I feel strongly that one of the areas which should receive more attention at that time is VA health care. I ask, therefore, for the Senator's assurance that we can go back and add additional funding for VA health care.

Ms. MIKULSKI. The subcommittee recognizes that increased funding for VA healthcare is very important to keeping our promises to our nation's veterans.

Within our allocation, which was very tight, we were able to provide $21.4 billion for VA medical care. This is $1.1 billion above the fiscal year 2001 level, $400 million above the President's request, and $100 million above the House.

The VA also retains copayments from veterans and third-party health insurance. CBO estimates that these will provide an additional $900 million for VA medical care in fiscal year 2002.

VA will also carry over $882 million in unobligated medical care funding from fiscal year 2001 to fiscal year 2002.

This level of funding will allow VA to open at least 33 more community based outpatient clinics, and improve waiting times for veterans to receive care.

We also provide $390 million for VA medical and prosthetic research. This is $40 million above the fiscal year 2001 level, and $30 million above the President's request. This funding is critical to making more progress in: One, recruiting and retaining high quality medical professionals; two, the treatment of chronic diseases; three, diagnosis and treatment of degenerative brain diseases like Alzheimers and Parkinsons; and four, research involving special populations, especially those who suffer from spinal cord injury, stroke, nervous system diseases, and post traumatic stress disorder.

So within our tight allocation, the subcommittee was able to keep our promises to our nation's veterans.

But we recognize that there is always more we can do.

So I assure Senator ROCKEFELLER that within our available resources we will continue to do all we can to meet the needs of our Nation's veterans, and keep the promises we made to them.

ESTABLISHMENT OF AN OUTPATIENT CLINIC IN PASSAIC COUNTY, NJ

Mr. TORRICELLI. Mr. president, I request unanimous consent to engage the distinguished chairwoman of the VA/HUD appropriations Subcommittee in a colloquy about a critical health care matter facing the veterans in my State of New Jersey.

Ms. MIKULSKI. I would be happy to accommodate my colleague from New Jersey.

Mr. TORRICELLI. I thank my distinguished colleague from Maryland. In my State of New Jersey, the veterans population is facing an epidemic in receiving the health care services they need. They have earned these health care benefits by virtue of their service to our country in the Armed Forces, and I believe, as many other Members of this body believe, that we should make every effort to ensure that the men and women who have served their country in times of war should have access to quality and dependable health care when they need it.

The problems that the veterans of New Jersey come across in receiving the care that they need are many. Each year, under the Veterans Service Integrated Network, our region has been seeing its veterans health care funding dwindle as it is reallocated to other parts of the country. This means that there are fewer hospital beds, fewer doctors, fewer nurses, and fewer support staff members to respond to the needs of the 750,000 veterans who still live in New Jersey.

This also means that there are fewer facilities where veterans can go to get checkups, prescriptions for much needed drugs or therapy and rehabilitation for ailments incurred during their service.

Indeed, a veteran in New Jersey who puts in a request to have a routine checkup may have to wait several months before they receive an appointment. I cannot overstate the critical situation that thousands of New Jersey veterans face each day. There is a severe backlog of appointments at all of the New Jersey's veterans hospitals and outpatient clinics and unless this matter is addressed in the near future, the problem will only become more acute.

Earlier this year, I met with members of the Veterans of Foreign Wars from New Jersey. In our conversation, they stated that one of the ways we can alleviate the current problem being faced by the veterans in our state is to establish a new outpatient clinic in Passaic County, NJ. This new clinic could provide services to veterans throughout the northern part of my state where a large concentration of veterans live. Currently, many veterans in this region of New Jersey have to travel long distances to get health care, some even as far as New York City.

The House VA/HUD Appropriations Subcommittee agreed with the merits of establishing a new outpatient clinic in Passaic County, and encouraged the VA to establish one there. It is my hope that the members of the Senate will recognize this need as well and encourage the VA to locate a new outpatient clinic in Passaic County. It will provide a great measure of relief to a veterans population that has been underserved for many years.

Ms. MIKULSKI. I thank the Senator from New Jersey for his thoughts on this matter.

MOORESVILLE, NC LIBRARY PROJECT

Mr. EDWARDS. Senator MIKULSKI, you have made available $140,000,000 for the Economic Development Initiative (EDI) to finance a variety of economic development efforts. I want to make you and your committee aware of a project I think is worthy of an EDI grant.

The town of Mooresville, NC is in dire need of assistance in rebuilding its library. The current library has more than 60,000 books, despite the fact that it was built to hold only 26,000. The Town plans to add 20,000 square feet to house library materials as well as community room as well as a large research and reference area. The library is on the National Register of Historic Landmarks. I am certain this project will contribute to the overall revitalization of the neighborhood.

I am certain the Senator would agree that the Mooresville project is a worthwhile investment. I respectfully ask you to urge members of the conference committee to provide $1 million in EDI funds for the Mooresville library project.

Ms. MIKULSKI. I thank the Senator from North Carolina for bringing this project to the committee's attention. The subcommittee will give it every appropriate consideration as we move forward.

STATE AND TRIBAL ASSISTANCE GRANTS

Mr. REID. Mr. President, I would like to engage in a brief colloquy with Senator MIKULSKI, the chair of the VA, HUD, and Independent Agencies Subcommittee.

As the Senator is aware, I have always been a supporter of the State and Tribal Assistance Grants program administered by the Environmental Protection Agency. Over the years, the STAG program has provided millions of dollars to many of the rural communities throughout the State for wastewater treatment, waters systems, and programs designed to improve air quality.

For good reason, this program is tremendously popular with Members and I know that the chairwoman receives far more requests for funding that she can possibly accommodate.

However, I would like to ask my friend to consider two STAG grant requests for the State of Nevada should additional funds become available to the subcommittee in conference.

The first involves funding for restoration of the Las Vegas Wash. As my friend knows, the Las Vegas is the primary wetland area in southern Nevada that filters the drinking water that supplies Las Vegas and the rapidly growing areas around it. For several years, the local, State, and Federal governments have been working cooperatively—a remarkable success story—to restore and protect these wetlands. This STAG grant will allow this important work to continue.

The second request is for Lake Tahoe. As the Senator from Maryland knows, I have always marveled at her commitment and dedication to saving the Chesapeake Bay. I have similar passion for protecting and restoring the Jewel of the High Sierra's, Lake Tahoe. The relatively modest STAG grant I am seeking for Lake Tahoe will provide funding for a series of air and water quality projects that will contribute to fulfilling the requirements of the Lake Tahoe Environmental Improvement Program, a 10 year Federal, State, local, and private sector blueprint for saving Lake Tahoe.

All I ask is that my friend and colleague give these two requests her consideration during the House-Senate conference committee.

Ms. MIKULSKI. I thank the distinguished assistant majority leader for his thoughtful words. I agree that the two matters you have brought to my attention are important and worthy. Senator BOND, our ranking member, and I will certainly work with the House conferees and consider these grant requests for funding.

SEWER INFRASTRUCTURE FUNDING FOR MICHIGAN

Mr. LEVIN. Mr. President, as the Senate considers the fiscal year 2002 Appropriations Act for VA/HUD and Independent Agencies, which includes funding for the Environmental Protection Agency, I wonder if the distinguished Senator from Maryland would be willing to consider in conference funding for sewer projects in Michigan.

In Michigan, we are facing an urgent need to maintain and improve our aging sewer systems. In southeast Michigan alone this will cost between $14 and $26 billion over the next 30 years. I would greatly appreciate the committee's assistance in protecting water quality in Michigan by funding these much-needed sewer projects.

Ms. MIKULSKI. So many of our communities are facing enormous funding needs to upgrade aging wastewater infrastructure, including Michigan communities, and we regret that we could not fund the new combined sewer overflow program within existing funding constraints. The Senator from Michigan's request will receive every appropriate consideration as we move forward.

Mr. LEVIN. I thank my friend from Maryland and the committee for their hard work in putting together this important legislation.

GEORGIA COMMUNITY REDEVELOPMENT INITIATIVE

Mr. MILLER. I rise to engage in a colloquy with the distinguished subcommittee chairwoman about a very important community development initiative taking place within the great State of Georgia.

First, I thank the distinguished subcommittee chairwoman for her continued support of community redevelopment and empowering neighborhoods. Additionally Senator MIKULSKI, through her tenure as ranking member and now chair, has always made education one of her top priorities.

In my State of Georgia, three institutions of higher education, which are also Historically Black Colleges and Universities, are participating in a group community redevelopment initiative. Morehouse College, the Morehouse School of Medicine and Spelman College have formed a nonprofit corporation—College Partners, Inc.—and are working with the city of Atlanta in a land acquisition deal. The deal will result in the expansion of the Atlanta University Center, AUC, space, as well as surrounding community development and revitalization.

The West End community, which sits at the boundary of these AUC campuses, has been unable to significantly capitalize on the renewed interest in residential and commercial development within the Atlanta area. This community has high unemployment, low educational attainment, deteriorating and/or vacant housing, and a preponderance of families that live at or below the Federal poverty level. All of this exists less than three miles from downtown Atlanta, where there sits prime commercial developments.

Acquisition of the land in question will allow the campuses to expand and enable the surrounding community development process to continue and remain on target with the objectives of the city's empowerment zone, which already has improved the neighborhoods east and north of the campuses.

Ms. MIKULSKI. I appreciate very much the comments from the Senator from Georgia. How will the surrounding neighborhood benefit from the result of the land acquisition?

Mr. MILLER. Each participating school, which are all currently landlocked, will be able to expand their capabilities and establish and/or expand programs in their particular areas of expertise. But what makes the initiative so worthwhile is that the program expansion will move beyond the confines of the institutions and out into the community. For instance, Morehouse College will continue its partnership with Fannie Mae Foundation and HUD to provide leadership training to community organizers, local nonprofit organizations, and members of the Neighborhood Planning Units. Morehouse also plans to establish a charter school. Morehouse School of Medicine will be expanding its Community Health and Preventive Medicine Programs, as well as expand an initiative to stimulate the interest of and introduce minority elementary and middle school students to medical and science careers early in their education. Finally, Spelman College plans to provide local residents with training in early childhood development and childcare while simultaneously providing a hands-on laboratory for student education majors. In addition to the request for the CPI project, as we have discussed, Spelman College is seeking additional funds to renovate one of their primary buildings, Packard Hall, and include its use in the larger community revitalization efforts. Specifically, $1 million is sought from the Economic Development Initiatives account in your bill for each of these projects, for a total of $2 million. This funding is urgently needed to ensure the completion of this vital community development initiative.

I hope that language for both College Partners, Inc., and Spelman College can be included in the conference report for these initiatives that work to further community revitalization and educational attainment.

Ms. MIKULSKI. I appreciate the inquiry from the Senator from Georgia and the subcommittee will work with him and Mr. CLELAND to ensure that these initiatives receive every appropriate consideration as we move forward.

ACQUISITION AND REVITALIZATION OF ATLANTA'S WEST END

Mr. CLELAND. Mr. President, I rise to enter into a colloquy with the distinguished Senator from Maryland, the chairman of the Subcommittee, Ms. MIKULSKI, regarding a joint collaboration between three of Georgia's finest academic institutions, Morehouse School of Medicine, Morehouse College and Spelman College. As the Senator is aware, these neighboring institutions have come together for the purpose of acquiring and revitalizing an 11 acre parcel of land in Atlanta's West End community that is contiguous to all three schools. The acquisition of this land is critical to the future success of each institution, due to the fact that all three schools are essentially landlocked.

The acquisition of this property will enable each school to significantly expand their education and community based programs, as well as contribute to the revitalization of Atlanta's West-End Community. All three institutions are working very hard to secure private resources for this project. However, given the scope of this initiative, the schools are also seeking federal support from the Department of Housing and Urban Development's Economic Development Initiative program.

I applaud the Chairman for her leadership in promoting community revitalization programs in the VA-HUD appropriations bill. I would ask the Chairman if she would give every consideration to supporting the important initiative I have just described in the upcoming conference with the House on the VA-HUD bill.

Ms. MIKULSKI. I am aware of the joint collaboration between these three Historically Black institutions in Atlanta, and I applaud their effort to contribute to the revitalization of Atlanta's West-End Community. I would tell the Senator that during the development of this year's bill, we received a large number of meritorious requests for projects within HUD's Economic Development Initiative account—including the project he just described. With respect to the conference, I can assure my friend from Georgia that this project will receive every appropriate consideration.

Mr. CLELAND. I thank the gentlelady for her leadership and look forward to working with her as the process moves forward.

SPINA BIFIDA

Mr. BROWNBACK. Mr. President, I would like to bring to the attention of my colleagues the No. 1 permanently disabling birth defect in the United States. Spina Bifida is a neural tube defect and occurs when the central nervous system does not for properly close during the early stages of pregnancy. The most severe form of Spina Bifida occurs in 96 percent of the children born with this disease. People with Spina Bifida often have paralysis of muscle groups, difficulties with bowel and bladder control, and learning and developmental challenges. There are approximately 70,000 individuals living with the challenges of Spina Bifida in our Nation.

This is also a very preventable birth defect. Sixty million women are at risk of having a child born with Spina Bifida, and each year approximately 4,000 pregnancies in this country are affected by Spina Bifida. Unfortunately, only 2,500 of these children are born. This translates into approximately 11 Spina Bifida and neural tube defect affected pregnancies in this country each and every day. Yet, if all women of childbearing age were to consume 0.4 milligrams of folic acid before becoming pregnant, the incidence of folic acid-preventable Spina Bifida would be reduced between 50–75 percent. Let me repeat this. If all women of childbearing age had a multivitamin with 0.4 milligrams of folic acid everyday with breakfast, we could reduce the incidence of this birth defect by 50–75 percent.

Fortunately, we are working to get the word out regarding the importance of folic acid consumption. Created by the Children's Health Act of 2000, the Centers for Disease Control and Prevention's National Center on Birth Defects and Developmental Disabilities' mission is to improve the health of children by preventing birth defects and developmental disabilities. I have just heard that the center's folic acid prevention campaign has reduced neural tube defect births by 20 percent. This public health success should be celebrated, but it is only half of the equation—2,500 babies are born each year with Spina Bifida.

Much more must be done to improve the quality of life for those 70,000 individuals and their families that live with this disease day in and out. Major medical advances have permitted babies born with Spina Bifida to have a normal life expectancy and live independent and fulfilling lives. However, living with this disease can be expensive—emotionally, physically, and financially. The lifetime costs associated with a typical case of Spina Bifida—including medical care, special education, therapy services, and loss of earnings—exceed $500,000. The total societal cost of Spina Bifida exceeds $750 million per year. The Social Security Administration payments to individuals with Spina Bifida exceed $82 million per year. Tens of millions of dollars are spent on medical care covered by Medicaid and Medicare. Clearly we need to do more to improve the quality of life for people suffering from Spina Bifida. With improved quality-of-life for individuals and families affected for Spina Bifida, the stigma and fear associated with a Spina Bifida birth will decrease significantly.

I support efforts to examine the current state of and opportunities in the practice of secondary prevention—including in utero surgery—and efforts to reduce and prevent secondary health effects of Spina Bifida. One step of many we must take to improve the quality of life for those suffering from this disease is in the creation of a national registry of persons affected by Spina Bifida and its secondary conditions so we can know who is affected and how we can help them.

Ms. MIKULSKI. I, too, share my distinguished colleague's concern about this permanent and disabling birth defect. The exact causes of Spina Bifida are unknown. While we know that consumption of the recommended daily dosage of folic acid plays a tremendous part in the prevention of this disease, we still have much to learn. We also need to help those that suffer from this disease and their loved ones deal with the day-to-day challenges of living with this birth defect. As more and more individuals with Spina Bifida live longer, it is increasingly important to ensure that their quality-of-life is maximized—this includes educational and vocational attainment, amelioration of secondary health effects, and ongoing support for them and their families. In 1996, this Senate passed the Agent Orange Benefits Act which provides benefits for persons affected by Spina Bifida whose biological father or mother is or was a Vietnam veteran. I was proud to support this important Act, but I am troubled that not all of the 3,000 eligible families have been identified by the Veterans Administration.

Mr. BOND. How many families have been identified under the Agent Orange Benefits Act?

Mr. BROWNBACK. Only 900 families out of the 3,000 eligible have been identified for these benefits.

Mr. BOND. Is there a reason why less than half of the eligible families have been identified since passage of the Agent Orange Benefits Act.?

Mr. BROWNBACK. The Veterans Administration's funding capacity to conduct outreach, educational, and programmatic initiatives has been limited to this number so far.

Mr. BOND. I, too, am concerned about the effects of this devastating disease and am pleased to stand with two of my colleagues on this important public health issue. I supported the passage of the Children's Health Act last year that created the new birth defects center at CDC and I am pleased that their prevention education efforts have already led to a downturn in Spina Bifida cases. I am also pleased that the identified families to date are utilizing the benefits under the Agent Orange Benefits Act. I, in addition to the distinguished Senators from Kansas and Maryland, support efforts that would improve the quality of life for those suffering from this condition and further support the development of a national registry. Both the CDC and the Veterans Administration are making strides in the study of this disease and I support a collaborative initiative for the two agencies to improve upon existing registries of persons affected by Spina Bifida, and other birth defects, especially for those whose father or mother served our nation during the Vietnam war.

Ms. MIKULSKI. I agree with my colleague from Missouri. The key to developing and maintaining a national registry will be the collaboration between the various federal agencies. I also support collaboration between the CDC and the Veterans Administration to further conduct outreach education initiatives to ensure that all of the 3,000 eligible families receive benefits as designated under the Agent Orange Benefits Act.

I thank the Senators from Kansas and Missouri for their support of this bipartisan effort to begin to establish the groundwork for improving the quality of life for individuals affected by Spina Bifida.

NSF EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH (EPSCOR)

Mr. DORGAN. Mr. President, I commend Chairman MIKULSKI and Ranking Member BOND for their foresight and leadership in providing a $256 million, or 6 percent, increase for the National Science Foundation. I also appreciate their willingness to provide $85 million for the NSF Experimental Program to Stimulate Competitive Research, EPSCoR, program. EPSCoR is a proven program that is helping researchers in historically underfunded States to improve their competitiveness for federal R&D.

The managers of this bill have been gracious enough to accept an amendment from me that increases the EPSCoR funding in the Senate bill to $90 million in fiscal year 2002. This modest $5 million increase does not need to be offset because it comes out of the amount already appropriated through the NSF Education and Human Resources line-item.

EPSCoR helps these States to build infrastructure and expertise in areas of scientific importance to the States and the Nation by providing seed money that allows smaller research universities to hire faculty, obtain equipment, support the development of young faculty members, and other vital tasks that the Stanfords and MITs of the world take for granted.

While I am glad that the EPSCoR level in the Senate bill is $10 million above the current level and the President's budget request, we are still falling woefully short of the level needed to help under-funded States. The top 5 States—California, New York, Massachusetts, Colorado, and DC—received 48 percent of total NSF funding in 2000. One State alone receives twice as much NSF funding as the 21 EPSCoR States combined. California received $452 million in NSF funding in fiscal year 2000, which is 15 percent of the total NSF funding. The 21 EPSCoR States, plus Puerto Rico, share only 7 percent of total NSF funding, $207 million.

In 1990, the NSF EPSCoR budget was only $8 million. While it is true that this funding has grown steadily in the years since then, these increases have been extremely modest in comparison to total Federal R&D expenditures. In fact, even with the additional co-funding that NSF provides to EPSCoR grantees, the $90 million, plus the $25 million in co-funding, in total EPSCoR funding provided under my amendment would still represent only 2.5 percent of the total NSF budget in fiscal year 2002.

I have already heard from a number of my colleagues who support my amendment and 17 Members of the Senate joined Senator NICKLES and me in sending a letter to the subcommittee requesting this funding level.

EPSCoR is good Federal policy. At its most basic, scientific research is about ideas. When you have research institutions in 5 States receiving half of the basic science research funding, a whole universe of ideas are left unexplored. EPSCoR has been invaluable to States like North Dakota becoming more competitive for Federal research dollars. North Dakota's total NSF funding increased by 307 percent from 1990–1999. The number of competitive NSF awards that North Dakota researchers received increased by 71 percent between 1993–1998. More than 30 topnotch young faculty were brought to North Dakota, through the support of EPSCoR, that would otherwise have gone elsewhere. Those EPSCoR-supported researchers have successfully competed for more than $12 million in Federal and private R&D funding.

EPSCoR is also a key to economic development in EPSCoR States like North Dakota. A single, typical $100,000 research grant generates $230,000 back into the local economy, according to an analysis by NDSU. EPSCoR-supported researchers were awarded 12 patents between 1986–1999. Michael Chambers, whose early research was supported by an EPSCoR award, has now founded Aldevron, a biotech company in Fargo. The Small Business Administration named Michael its Region 8 Young Entrepreneur of the Year in 2000.

The NSF EPSCoR program has also funded an innovative program in North Dakota that supports university faculty and students in providing technical expertise to North Dakota companies with scientific questions and problems. More than 180 students, a dozen faculty members, and 75 companies have benefitted from the program so far. For instance, Dr. Joel Jorgenson of Fargo designed an on-board recorder, monitoring and read-out system to solve a problem for Global Electric MotorCars (GEM) of Fargo, which is now the nation's largest manufacturer of Neighborhood Electrical Vehicles. GEM has since been acquired by Daimler-Chrysler and will be doubling its 130-employee workforce by the end of 2001. Dr. Robert Nelson with North Dakota State University devised a means for Ottertail Power Company to detect when and where a fault has occurred on its power line, increasing the efficiency of the transmission lines.

Despite the progress being made to help EPSCoR States improve their competitiveness, they still tend to lag behind—especially in winning large-scale center and multidisciplinary awards. Addressing this challenge is the next step needed to improve competitiveness, and full funding for EPSCoR at the $90 million level called for by the amendment I have offered is key.

I think $90 million for the NSF's Education and Human Resources for the EPSCoR program is important to ensure full implementation of the NSF EPSCoR's new infrastructure program. The additional $25 million in cofunding will ensure a robust NSF EPSCoR program next year. I thank the Chair and the Ranking Member of the Subcommittee for agreeing to include my amendment.

LOW-INCOME HOUSING ASSISTANCE IN NEW YORK AND MASSACHUSETTS

Mr. BOND. Mr. President, I believe that we need to provide additional clarification regarding section 226 of the VA/HUD Fiscal Year 1999 Appropriations Act, Public Law 105–276, that provides a prohibition of public housing funding for certain State-developed housing in New York and Massachusetts, covering some 12,000 units. This transfer has been described as the "federalization" of this housing, but it should be called a sham, with the analogy of a husband walking out on his wife and children and leaving them with nothing. This housing was developed by State government with no nexus to public housing.

To be clear, the Senator Banking Committee in the Quality Housing and Work Responsibility Act of 1998 had sought to fund the long-term housing needs of low-income housing developed with New York and Massachusetts funding with new Federal public housing funding, despite the fact, as I have noted, that these are not public housing units and have absolutely no nexus to public housing or any Federal housing program.

As a result, the Congress passed section 226 of the VA/HUD Fiscal Year 1999 Appropriations Act to ensure for fiscal year 1999 and every following fiscal year, including all appropriation acts in every succeeding fiscal year, that these state-developed low-income housing units remain the responsibility of New York and Massachusetts, and not create the unusual, unfair and unique precedent of requiring the Federal Government to fund this housing as public housing. The costs of this "federalization" will exceed $100 million annually for New York alone, totaling well over $1 billion in the next 10-year period. This likely is an underestimate of costs. I warn all Members that this scheme will result in a reduction of funds to all PHAs throughout the Nation, each will see a loss of needed funds whether the public housing is in Baltimore, MD; Kansas City, MO; Anchorage, AK; San Francisco; West Virginia and every other State.

Ms. MIKULSKI. The legislation is clear on its face that it is a permanent law and a permanent prohibition on funding these State-developed low-income housing units as public housing. In addition, to fund State-developed units as public housing, there must be an affirmative change in law, a change I cannot support.

Frankly, it is not fair to other States to have their funding cut to pay for State-developed and supported housing in New York and Massachusetts.

Mr. BOND. I agree with everything you have said and I am embarrassed for these States and their attempt to transfer the responsibility for their own low-income housing responsibilities to the Federal Government through public housing funding. Even more important, unlike the current chairman and ranking member of the House VA/HUD Appropriations Subcommittee, we were responsible as Senate chair and ranking member for the VA/HUD Fiscal Year 1999 Appropriations Act which included this provision that rejected the federalization of these State-developed units as public housing. The law was drafted as a permanent prohibition on the use of Federal funding for these units and I urge both New York and Massachusetts to acknowledge their responsibility to maintain this low-income housing for low-income families. We have been in a period of economic growth and these States should accept their responsibilities to their State residents consistent with their promise to provide affordable low-income housing.

Mr. McCAIN. Mr. President, I want to thank both Senator BOND and Senator MIKULSKI for their hard work on this important legislation which provides federal funding for the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies. Unfortunately, I must again speak about the unacceptably high funding levels of parochial projects in this appropriations bill. Although the level of add-ons in some sections of this bill has decreased, this bill still contains approximately $523 million in porkbarrel spending.

Overall, this bill spends 7.6 percent higher than the level enacted in fiscal year 2001, which is greater than the 4 percent increase in discretionary spending that the President wanted to adhere to. In real dollars, this is $2.69 billion in additional spending above the amount requested by the President, and $8.015 billion higher than last year. So far this year, with the appropriations bills considered, spending levels have exceeded the President's budget request by nearly $7 billion. A good amount of this increase is in the form of parochial spending for unrequested projects. In this bill, I have identified 492 separate earmarks totaling $523 million, which is greater than the 400 earmarks totaling $472 million, in the legislation passed last year.

The committee provides $23.8 billion in discretionary funding for the VA. That amount is $452.7 million more than the President's budget request and $1.5 billion above the amount in fiscal year 2001. Some progress has been made to reduce the overall amount of earmarks for the VA in this spending bill. Chairman Byrd of the Appropriations Committee, and Chairman Mikulski of the VA–HUD Appropriations Subcommittee, have held the amount in earmarks to approximately $24 million this year. Nonetheless, it is $24 million that will not be available for higher priorities.

Among other Senators who have stood on the Senate floor to fight for additional funding for veterans healthcare, I am concerned that the Committee has directed critical dollars from veterans healthcare to fund spending projects that have not been properly reviewed. Certain provisions funded under the VA in this legislation illustrate that Congress still does not have its priorities in order.

One especially troubling expense, neither budgeted for nor requested by the Administration over the past ten years, is a provision that directs the VA to continue the ten year old demonstration project involving the Clarksburg, West Virginia, Veterans Affairs Medical Center (VAMC) and the Ruby Memorial Hospital at West Virginia University. Several years ago, the VA–HUD appropriations bill contained a plus-up of $2 million for the Clarksburg VAMC that ended up on the Administration's line-item veto list and since then the millions keep flowing.

Last year, the Committee "recommended" $1 million for the design of a nursing home care unit at the Beckley, West Virginia, VAMC. This year they strengthened their report language urging "the VA to accelerate the design of the nursing home care unit at the Beckley, WV VAMC."

This year, for Martinsburg, West Virginia, the Committee provides $1 million for a feasibility study to establish a Center for Healthcare Information at the Office of Medical Information Security Service at the Martinsburg VAMC to identify solutions to protect the privacy, confidentiality, and integrity of the sensitive medical records of the VA patient population.

Alaska also has a number of items that will include funding above the budget request of the President and the Secretary of Veterans Affairs. The Committee report directs the VA to start up and operate by 2002 a community-based outpatient clinic (CBOC) on the Matanuska-Susitna Valley, Alaska, costing $1 million. The Committee initially directs the VA only to report by March 30, 2002, on its progress to establish a Matanuska-Susitna Valley CBOC, but then expects the VA to ensure it is operational by 2002. It further recommends that all veterans living farther than a 50-mile radius from Anchorage be authorized to use contract care from local private physicians.

For St. Louis, MO, the committee "encouraged" the VA to pursue an innovative approach at a cost of $7 million for leasing parking spaces at the John Cochran Division of the VA Medical Center in St. Louis as a means to address a parking shortfall at the VA hospital. The committee also suggests that funds be transferred from the minor construction VA account in order to secure additional private sector investment for this VA Medical Center.

The Committee also directs the VA to explore new uses for the Miles City, Montana VA facility and to continue to support the Hawaii VA Pacific Telemedicine Project. In addition, the Committee directs the VA to conduct a feasibility study on the need for a VA Research Center for the Clarksburg VAMC on the campus of West Virginia University.

Additionally, the committee "expects" the continuation at the current spending level of the Rural Veterans Health Care Initiative at the White River Junction, VT VAMC. The current level is an astounding $7 million.

On a more positive note, one provision directs the VA to submit a report on the number of homeless veterans and the type of homeless veterans services that the VA provides. I am pleased that the Senate Veterans Affairs Committee has focused on the critical plight of our Nation's homeless veterans. I had hoped, however, that they would have prevailed in conference in recent years on a relevant amendment that I had first offered to the VA–HUD appropriations bill in 1999, which was adopted, but later dropped in conference. I hope that the proposed VA report provides the catalyst for legislation next year. I am disappointed that it has already taken this long to address this matter. We owe it to these less fortunate veterans who served their country so well only to find nowhere to call home.

Although the Committee report calls for yet another study on the Veterans Equitable Resource Allocation (VERA) system, I continue to be pleased by the General Accounting Office and the VA reports, which recommend that veterans health care funding should be shifted from northeastern states to southern and southwestern states. This helps ensure that critical health care funding for veterans follows them to the actual locations where their medical care takes place.

While I am encouraged by the increase specifically in veterans health care funding over last year's enacted levels, we must do much more. We made a promise to our veterans that we would take care of their mental and physical health needs incurred for their many sacrifices for our Nation. The VA currently has a backlog of 600,000 claims. Currently, four our of every 10 claims for veterans' disability benefits are decided incorrectly further contributing to the backlog. The millions in dollars wasted in porkbarrel spending would go a long way to decreasing the backlog in veterans claims by funding additional claims adjudicators and training.

This bill also contains the funding for the Department of Housing and Urban Development. The programs administered by HUD help our Nation's families purchase their homes, helps many low-income families obtain affordable housing, combats discrimination in the housing market, assists in rehabilitating neighborhoods and helps our Nation's most vulnerable the elderly, disabled and disadvantaged have access to safe and affordable housing.

Unfortunately, this bill shifts money away from many critical housing and community programs by bypassing the appropriate competitive process and inserting earmarks and set-asides for special projects that received the attention of the Appropriations Committee. This is unfair to the many communities and families who do not have the good fortune of residing in a region of the country represented by a member of the Appropriations Committee.

Some of the earmarks for special projects in this bill include: $300,000 for the County of Kauai, Hawaii, for the Heritage Trails project; $750,000 for infrastructure improvements to the School of the Building Arts in Charleston, South Carolina; $100,000 for development assistance for the Desert Space Station in Nevada; $1 million for the Louisiana Department of Culture, Recreation, and Tourism for development activities related to the Louisiana Purchase Bicentennial Celebration; $450,000 for the City of Providence, Rhode Island, for the development of a Botanical Center at Roger

Williams Park and Zoo; $200,000 for the Newport Art Museum in Newport, Rhode Island for historical renovation; and $500,000 for the Lewis and Clark State College for the Idaho Virtual Incubator.

This bill also funds the Environmental Protection Agency which provides resources to help state, local and tribal communities enhance capacity and infrastructure to better address their environmental needs. I support directing more resources to communities that are most in need and facing serious public health and safety threats from environmental problems. Unfortunately, after a review of this year's bill for EPA programs, I find it difficult to believe that we are fully responding to the most urgent environmental issues. Nearly one-fourth of the 180 earmarks provided for the EPA are targeted for consortiums, universities, or foundations.

There are many environmental needs in communities back in my home state of Arizona, but these communities will be denied funding as long as we continue to tolerate earmarking that circumvents a regular merit-review process.

For example, some of the earmarks include: $250,000 for the Envision Utah Project; $250,000 for the Central California ozone study; $750,000 for the painting and coating assistance initiative through the University of Northern Iowa; $2.5 million for the National Alternative Fuels Training Consortium in Morgantown, West Virginia; and $3.9 million for the Mine Waster Technology Program at the National Environmental Waste Technology, Testing, and Evaluation Center in Butte, Montana.

While these projects may be important, why do they rank higher than other environmental priorities? It is also important to note that none of the 180 earmarks for the EPA were even requested by the President's budget.

For independent agencies such as the National Aeronautics and Space Administration, this bill also includes earmarks of money for locality-specific projects such as: $5 million for the planetarium for the Clay Center of the Arts and Sciences in Charleston, West Virginia; and $2 million for the University of Mississippi Geoinformatics Center.

I also want to comment on the many cost overruns and management problems at NASA. Last year, as part of the authorization bill for NASA, Congress established a cost cap on the International Space Station. Before establishing this cost cap, we worked with NASA to ensure that the funding levels of the cap were accurate. NASA indicated that the funding levels were sufficient to complete the Station. Earlier this year, NASA notified the Commerce Committee of $4 billion in cost overruns for the International Space Station.

I know that it is difficult, if not impossible, to envision NASA having cost overruns for one year that amount to twice its annual budget. I can only conclude that either NASA did not know about the cost overruns or they knew and did not notify Congress about these problems. In either case, it is a major shortfall in the program's management.

However, NASA has attempted to pay for these cost overruns from within existing budgetary limits. NASA has proposed drastic reductions in the station design. Included in these reductions is the crew return vehicle. This cut has reduced the maximum crew for the station to three astronauts. Given the fact that two and a half astronauts are required to operate the facility, only half of an astronaut's time can be devoted to research.

A recent NASA and OMB agreement reveals that research time by the permanent crew will be limited to 20 hours per weeks. This amount of time may be further reduced if NASA makes its goal of providing 30 percent of the research time available to the commercial sector. NASA is currently exploring several options of how to increase crew research time. With this limitation on research time, the question for us is whether the Government wants to continue spending on this project which may add up to $100 billion, for only 20 hours of research per week in return.

To further add to the cost concerns, NASA announced earlier this year that the X-33 program, a joint program with Lockheed Martin, would be canceled. This cancellation represented another $1 billion investment with no final product. It is our understanding that the Defense Department is reviewing the program to see if they can utilize any of the project.

I continue to be concerned about NASA fundamental management approaches. An example of NASA's mismanagement is the ill-fated Propulsion Module that was supposed to provide a U.S. capability for long-term propulsion of the space station. This program was canceled, due to cost growth and poor management. According to the General Accounting Office, NASA began to build the Propulsion Module for the Space Station before it had completed a project plan, a risk management plan, or developed realistic cost and schedule estimates.

Further review revealed that the propulsion model design proposed a tunnel diameter that was too small to accommodate crew operations and did not have detailed analyses to even quantify the amount of propulsion capability that would be required. This lack of planning led to a $265 million increase—from $479 to $744 million—and schedule slippage of 2 years.

I am greatly concerned that NASA has significant infrastructure problems for the Space Shuttle program looming in the near future. Many of the vital facilities to support the Shuttle program are literally falling apart. The Vehicle Assembly Building at the Kennedy Space Flight Center, built in the early 1960s for assembly of Apollo/Saturn vehicles and currently used to prepare the Space Shuttle launch assembly, has nets inside the building to prevent concrete from falling from the roof onto the workers and equipment below. The sidings on the outside of the building are becoming loose due to time and weather. Addressing the risks associated with a crumpling infrastructure is in of itself a Shuttle upgrade project that has potential to increase the overall safety and reliability of the Shuttle program. These renovations along with many others will be costly. NASA must start making plans today to address these infrastructure problems on an agency-wide basis in order to prevent a crisis. We must get these management problems under control.

Mr. REED. Mr. President, I would like to thank Chairman MIKULSKI and Senator BOND for all of the hard work they have put into the Fiscal Year 2002 VA–HUD Appropriations bill. Given the serious fiscal restraints facing the Congress this year as a result of the budget resolution and the unsound tax cut, they have masterfully negotiated the many and often competing demands of the programs under the subcommittee's jurisdiction.

In particular, I would like to thank Senators MIKULSKI and BOND for restoring much needed funds to a number of important Department of Housing and Urban Development programs that were slated for drastic cuts under the President's budget.

Despite the economic prosperity that our country has experienced, many Americans are still lack safe and affordable housing. In my own state of Rhode Island, 46 percent of Rhode Islanders are unable to afford this rent without spending over 30 percent of their income on housing. In terms of homeownership, the average sales price of a home in Rhode Island went up by $24,000 between 1999 and 2000. In the same period, the number of houses on the market decreased by over 50 percent, and only 25 percent of these homes were affordable to low-income families.

This housing affordability crisis has been affecting families around the country. The latest HUD worst case housing needs study indicates that there are over 4.9 million low-income Americans who pay more than 50 percent of their income for rent. In addition, a broader study done by the National Housing Conference, the mortgage bankers and others shows that 14 percent or 13.7 million American families have worst case housing needs. Ten million of these people are elderly or work full or part-time.

This is why I was so concerned about the President's budget proposal to cut

HUD programs by $1.7 billion. Once you factor in inflation, the Administration was proposing to cut housing programs by $2.2 billion, an 8 percent real spending decrease compared to Fiscal Year 2001.

One of the President's cuts that most concerned me was the $859 million net cut in public housing, the program that supports some of our nation's most vulnerable families. In my own state of Rhode Island, approximately two-thirds of our public housing units are used by the elderly and disabled.

I also was disappointed by the Administration's decision to eliminate the public housing drug elimination program (PHDEP). This flexible, community-based program has made public housing much safer by helping local housing agencies create comprehensive anti-crime and anti-drug strategies.

I applaud both Senators MIKULSKI and BOND for restoring funding to both of these programs. The VA–HUD bill before us today contains almost $3 billion for the Public Housing Capital Fund, $650 million more than the President's request, and $300 million for the drug elimination grant program.

I also approve of the bill's requirement that 30 percent of the funding for HUD homeless programs be set aside for permanent housing for the disabled homeless. This shows the Senate's commitment towards helping end homelessness, not just funding programs for those who are homeless. Likewise, the committee's allocation of $500,000 for the Interagency Council on the Homeless will help Federal Government agencies better coordinate their programs for preventing and ending homelessness. I also want to commend the committee for putting Shelter Plus Care renewals for the homeless in a separate account. As chairman of the Housing Subcommittee, I personally believe that the long-term solution to the renewal problem should be solved by transferring renewals to the Section 8 program, and I hope the committee considers doing this in the future.

I am also pleased about the language in the bill supporting the reauthorization of the Mark-to Market program. I held a subcommittee hearing on this issue on June 19, 2001, and the Banking Committee successfully marked up a reauthorization bill yesterday morning on August 1, 2001. It is my hope that this important legislation will be enacted into law well before the expiration of the original program on September 30, 2001.

I also would like to commend both the administration and the committee on increasing funding for HUD's office of Lead Hazard Control by $10 million. Nonetheless, much more needs to be done. I, and a number of my colleagues, believe that this number should be much higher and will continue to work to increase funding for this extremely important program. No family in this country should be forced to live in housing that can cause permanent brain damage to their children.

Finally, I was pleased to see language in the bill asking HUD to institute a computer program to adequately calculate the amount of credit subsidy necessary to support the FHA multifamily mortgage insurance programs and to establish a task force to determine the costs of multifamily defaults. I am disappointed that the administration has chosen to allow this program to stay shut down. Clearly, the FHA multifamily program has some problems that need to be solved; however, the administration's solution of raising the insurance premiums misses the larger point of ensuring that these programs continue to construct affordable housing. Thus, I also support the bill's language regarding the need for FHA premium changes to be made through notice and comment rule making. I hope to work with my colleagues over the next several months to see if we can't come up with a longer term solution to the repeated shutdown of this important FHA insurance premium program.

There are two issues with this year's VA–HUD appropriations bill that I hope we can address as the bill moves forward. The first is the Committee's decision to cut Section 8 reserves from two months to one month, without protecting public housing authorities from budget shortfalls. The second is the implications of the decision to expand the traditional rescission language to include all funds recaptured from the Section 8 program.

I know that the chair and ranking member of the subcommittee care very much about supporting hard-pressed parents who are struggling to provide a decent home for their children. The Section 8 program is the principle source of housing assistance for these extremely low-income parents who face the most acute housing needs of any segment of our population. It is an especially critical support for parents who have just left welfare and who may be earning too little to afford decent housing. It also helps parents move their kids out of areas of concentrated poverty and into neighborhoods with educational and employment opportunities.

For all these reasons, we must maintain our commitment to the Section 8 program and make sure it works efficiently. Keeping the Section 8 reserves at adequate levels is an important part of making this housing program work. Basically, the Section 8 reserves provide additional funds to Public Housing Agencies (PHAs) whose voucher program costs exceed their budget allocation in a given year. Thus, if a PHA approaches the final months of its fiscal year and needs more funds to pay landlords or pay for utility costs, it can request up to 2 months of additional funding from HUD. The reserves are critical to the program's financing because HUD bases each PHA's annual budget not on its expected costs in the coming fiscal year, but rather on its actual costs in the prior year. Since the factors that cause such increases can be unpredictable from year to year, sufficient reserves are necessary so that PHAs won't be forced to reduce the number of families they serve.

I am also concerned about the current rescission language in the bill. It is not unusual for Congress to reclaim Section 8 monies that HUD does use. However, this year's bill goes one step further by rescinding all future recaptures from Fiscal Year 2002 and prior years, and diverting them into other accounts, some of which are not even related to the housing needs of low-income families.

As I mentioned previously, PHAs' budgets are based on the prior year's actual costs and not on their expected costs if they adopt changes to serve more families. They may need additional resources beyond their budget allocations if they succeed in making their programs work better. But this bill cuts the Section 8 reserves that could provide these additional resources. And, by rescinding all recaptures that HUD could make this year and next, it deprives HUD of funds to ensure that PHAs that are increasing voucher utilization do not get caught in a budget squeeze. HUD may also use recaptures to adjust contracts with owners under the project-based Section 8 program if unforseen costs arise, such as rising utility prices. If HUD does not have the resources to make these adjustments, these owners may opt-out of the Section 8 program. Finally, HUD can currently redirect at least some recaptures to offset Section 8 costs in the upcoming fiscal year, reducing the appropriated dollars needed to maintain the size of the program. This in turn, frees up funds to provide more new vouchers.

If we are serious about helping extremely low-income families benefit from voucher assistance, then we need to ensure that the needed resources are available to make this program work well and efficiently. But this bill contains two provisions that run the risk of doing just the opposite. Both the reduction in reserves and the rescission could run the risk of undermining the financing of the Section 8 program, and undermining efforts to serve more families with vouchers. Let's not run this risk. Let's ensure that the Section 8 program is our first priority for use of recapture funds.

Again, I thank Senators BOND and MIKULSKI for all of their hard work on this bill and I hope that we will be able to discuss these matters in more detail, and that we work together to find ways to address these issues.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Ms. MIKULSKI. Mr. President, I now ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The bill having been read the third time, the question is, Shall the bill pass?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) is absent because of a death in the family.

The PRESIDING OFFICER (Mr. DAYTON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 94, nays 5, as follows:

[Rollcall Vote No. 269 Leg.]

YEAS—94

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Ensign
Enzi
Feinstein
Fitzgerald
Frist
Graham
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wellstone
Wyden

NAYS—5

Feingold
Gramm
Kyl
McCain
Voinovich

NOT VOTING—1

Domenici

The bill (H.R. 2620), as amended, was passed.

(The bill will be printed in a future edition of the RECORD.)

Mr. BOND. Mr. President, I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Ms. MIKULSKI. Mr. President, I move that the Senate insist on its amendments and request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Ms. MIKULSKI, Mr. LEAHY, Mr. HARKIN, Mr. BYRD, Mr. KOHL, Mr. JOHNSON, Mr. HOLLINGS, Mr. INOUYE, Mr. BOND, Mr. BURNS, Mr. SHELBY, Mr. CRAIG, Mr. DOMENICI, Mr. DEWINE, and Mr. STEVENS conferees on the part of the Senate.

BIPARTISANSHIP ON APPROPRIATIONS BILLS

Mr. BYRD. Mr. President, as the Senate prepares to adjourn until September, I thank the members of the Senate Appropriations Committee who have worked so hard to report nine bills from committee for the fiscal year that begins on October 1. In particular, I thank my distinguished colleague, the ranking member on the full committee, TED STEVENS and the chairmen and ranking members for the five bills that have passed the Senate.

The five chairmen and ranking members include Senator BARBARA MIKULSKI and Senator KIT BOND on the VA/HUD and Independent Agencies bill, Senator HARRY REID and Senator PETE DOMENICI on the Energy and Water bill, Senator PATTY MURRAY and Senator RICHARD SHELBY on the Transportation bill, Senator RICHARD DURBIN and Senator ROBERT BENNETT on the Legislative Branch bill and Senator CONRAD BURNS on the Interior bill.

We have a longstanding tradition on the Appropriations Committee of working together on a bipartisan basis to produce the thirteen appropriations bills. This year, we established a goal of reporting nine bipartisan and fiscally responsible bills prior to the August recess. We have met this challenge. I thank my good friend TED STEVENS for his leadership in helping us meet this goal.

Based on that tradition of bipartisanship, the transition in party leadership on the Appropriations Committee was seamless. The hard work of the committee to produce 13 bills preceded the transition and continued after I assumed the chairmanship and the committee was reorganized on July 10, 2001. This is a credit to all of our colleagues and our dedicated staff who have labored unceasingly to bring these bills to the Senate.

Producing the fiscal year 2002 appropriations bills has been a particular challenge this year. With the election of a new President, the President's budget was sent to the Congress on April 9, 2001, 2 months later than in a normal year. When we received the President's budget, it included a number of proposed reductions in discretionary programs. We have scrutinized the budget and where appropriate we accepted the proposed cuts, but in other cases we had to restore cuts in programs that have broad bipartisan support in the Senate.

Restoring these cuts, while funding programs that are important to all Americans, has been very difficult, given the very tight limits on discretionary spending contained in the budget resolution. I did not vote for that budget resolution, but we have worked together on a bipartisan basis to produce bills that are within their 302(b) allocations. We do not have unlimited resources at our disposal, so we have been forced to make difficult decisions. Nevertheless, we believe the bills that the committee brought to the Senate have been fair, balanced, and served the needs of the American people.

We have held the line while making sure that we kept our promise to our Nation's veterans, we have helped the poor move to a better life by rebuilding neighborhoods, we have protected the environment and invested in science and technology and we have funded disaster relief programs in response to floods and other natural disasters to provide assistance to our citizens in their time of need.

We have funded our Nation's transportation systems to promote safe travel on our roads, in the air and on our waterways. We have invested in our Nation's energy independence and funded our natural resource programs. We have invested in our Nation's infrastructure for bridges and dams and navigation projects.

I thank the many Senators who have dedicated themselves to this task and I look forward to working to send thirteen bipartisan and fiscally responsible appropriations bills to the President. I have spoken with the House Appropriations Committee Chairman BILL YOUNG and the Ranking Member DAVID OBEY and urged them to move quickly to conference on the appropriations bills. I had pressed the House to complete conference action on two of the bills before the August recess, but the House did not name their conferees. However, our staffs will be working during August to resolve differences between the House and Senate bills so that we can go to conference on several of these bills when Congress returns in September.

I am committed to producing 13 bills this year. We should not go down the road employed in recent years of producing omnibus appropriations bills that rob Members of the opportunity to read, let alone understand the contents of the bill. We intend to work together on a bipartisan basis to meet the challenges that lay before us.

ORDER OF BUSINESS

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DASCHLE. For the information of our colleagues, there will be three votes shortly on three nominees that we will take from the Executive Calendar. We are in the process of drafting a unanimous consent request to accommodate debate and the vote on those three nominees.

I urge colleagues to stay in proximity of the building and the floor because these votes will happen shortly. The distinguished chair of the Judiciary Committee has reported them out, and I thank him and applaud him for his expedited work on these nominations. There will be a short debate and then there will be votes. They will not be stacked, but as I understand it, there is a request for time on each of the nominees.

We will have those votes and, hopefully, at that point, we will be able to announce further legislative business.

Mr. LEAHY. If the distinguished leader will yield, it is my understanding—and I have not had a chance to speak with the distinguished ranking member, but I hope there will be a very short time on these nominees on statements, in such a way that the leader will be able to propound, if he wishes, a request that the last two of the three votes be 10-minute votes.

Mr. DASCHLE. Mr. President, if we can accommodate all Senators with that understanding, we will make that part of the request. If Senators wish to be heard on these nominations, I hope they will let us know. Shortly, we will propound that unanimous consent request.

Mr. LOTT. If the majority leader will yield, he is not propounding a unanimous consent at this point?

Mr. DASCHLE. Shortly. Not at this point.

Mr. LOTT. The majority leader is to designate a short period of time for each one of these nominations; is that right?

Mr. DASCHLE. It was my understanding that there were requests for time on each nominee. If there is not, then it is my desire to have a period during which Senators could speak to the nominees and we would have three stacked votes.

Mr. LOTT. I thank the Senator for yielding.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Senate now proceed to executive session to consider the nominations reported out earlier today by the Judiciary Committee: William Riley to be a Circuit Judge for the Eighth Circuit, Sarah Hart to be the Director of the National Institute of Justice, and Robert Mueller to be the Director of the FBI.

I ask unanimous consent that I can request the yeas and nays on each with one show of seconds, and that prior to the votes on these nominees, there be 10 minutes of debate equally divided between the chairman and ranking member of the Judiciary Committee; that the motions to reconsider be laid upon the table; that the President be immediately notified of the Senate's actions, and that the Senate return to legislative session; and that the second and third votes in the series be 10 minutes in length.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I ask unanimous consent that following the votes on these nominations, the Senate then resume consideration of the Agriculture supplemental bill.

The PRESIDING OFFICER. Is there objection?

Mr. LOTT. Mr. President, reserving the right to object, I ask that the unanimous consent request be amended to provide for a vote on Lugar amendment No. 1212, with 60 minutes of debate prior to the vote on the cloture motion.

Mr. DASCHLE. Mr. President, I object to that temporarily. I need to consult with my colleagues and certainly the chair and the manager of the bill, but perhaps that is something we might be able to do. We will certainly work with the Republican leader to provide him with some information in that regard at a later date.

Mr. LOTT. Mr. President, further reserving my right to object, I appreciate the spirit in which Senator DASCHLE made his comments. We are going to try and find a way to get the Agriculture supplemental appropriations bill done, and done in a reasonable period of time, certainly before too late tomorrow.

I want to add to that, I appreciated what he had to say earlier tonight about his willingness to try and find a way to get completion on this bill, even tonight, so we would be able to go ahead and go to our constituents and our families tomorrow. I doubt it is going to be possible to do that, but we are still looking for a way. I appreciate his attitude, but at this point I understand his hesitancy, and I feel constrained to object to going straight to the cloture vote. The PRESIDING OFFICER. The objection is noted.

Mr. DASCHLE. With that objection, it is likely the final vote on the nominations tonight will be the last vote, and we will then have the cloture vote tomorrow morning at 9:30.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

EXECUTIVE SESSION

NOMINATION OF WILLIAM J. RILEY TO BE CIRCUIT JUDGE FOR THE EIGHTH CIRCUIT

NOMINATION OF SARAH V. HART TO BE DIRECTOR OF NATIONAL INSTITUTE OF JUSTICE

NOMINATION OF ROBERT S. MUELLER TO BE DIRECTOR OF FEDERAL BUREAU OF INVESTIGATION

The PRESIDING OFFICER. The nominations will be stated.

The legislative clerk read the nominations of William J. Riley, from Nebraska, to be a Circuit Judge for the Eighth Circuit; Sarah V. Hart, from Pennsylvania, to be Director of the National Institute of Justice; and Robert S. Mueller, III, from California, to be Director of the Federal Bureau of Investigation.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, we are going to have a series of votes on nominees, all of whom went through the Judiciary Committee this morning. Mr. Riley was the subject of nomination hearings before the Judiciary Committee on July 24. That was the fourth of five nomination hearings I scheduled in less than 3 weeks the Senate Judiciary Committee was allowed to have such hearings. Mr. Riley's was the fourth judicial nomination, the second nominee to a Court of Appeals considered by the Judiciary Committee since that date.

I mention this because the Senate Judiciary Committee, in the less than 4 weeks we have been allowed to have a full committee, has probably moved through judicial nominations faster than at any time in the past several years.

We will also have nominations of a Department of Justice nominee, also voted on this morning. The most important of all of these, I believe, is the nomination of Robert Mueller to be Director of the Federal Bureau of Investigation. We received his paperwork and completed it on July 24. We are now at August 2, again probably a speed record, to get this nomination before the Senate for confirmation. I thank the Senators on both sides of the aisle for making it possible to move that rapidly.

Mr. Mueller served as a Federal prosecutor in three different U.S. attorneys' offices, main Justice, in both Republican and Democratic administrations. He testified he either personally prosecuted or supervised the prosecution of just about every type of Federal criminal offense, including homicide, drug trafficking, organized crime, cybercrime, major fraud, civil rights, and environmental crime.

Mr. Mueller answered some very searching questions of Members on both sides of the aisle.

I think all of us have enormous respect for so many of the men and women in the FBI. They are the best trained and best motivated law enforcement agents anywhere in the world.

Many of us share also the concern that some within the hierarchy of the FBI let them down as a result of the problems with Waco, Ruby Ridge, the Hanssen spy case, and the foul-ups in the FBI lab.

I thought that whoever the next Director was owed it to all the wonderful men and women in the Bureau to make it better. I am convinced Robert Mueller can. I told him we were expediting his nomination, we were moving his nomination faster than any nominee has ever moved for such a prominent position, whether it has been a Republican President or Democratic President. It is because of our faith in him. We know he has a difficult job ahead of him.

I told him that all Americans look forward to his making sure the FBI is the preeminent law enforcement agency in the world and that he has the faith, and the hope, of 100 Senators. All 100 of us have an awesome responsibility. We represent a quarter of a billion people, and we have to make the judgment: Is the President's choice the best person?

I believe it is. I have that faith in him. I have the faith that Attorney General Ashcroft has done a very good job in his work, and I applaud Attorney General Ashcroft for what he has done. I applaud President Bush for his appointment. We will move forward on that.

Mr. President, the Senators from Nebraska made a powerful statement on behalf of William Riley of Nebraska to serve as a judge for the United States Court of Appeals for the Eighth Circuit. That is one of the reasons it moved so quickly. I see the former Governor of Nebraska, now a distinguished colleague in this Chamber, former Governor NELSON and now-Senator NELSON. I yield to Senator NELSON.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LEAHY. Mr. President, I ask unanimous consent that the Senator from Nebraska have 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Nebraska.

Mr. NELSON of Nebraska. Mr. President, I thank the chairman for his kind remarks and for his shepherding through his committee in record time the nomination of William Riley. I have known Bill Riley since our law school days at the University of Nebraska College of Law. He had a distinguished career at the University of Nebraska, serving as editor in chief of the Nebraska Law Review.

Rather ironically, his first job out of law school was clerking for one of the judges on the Eighth Circuit Court of Appeals, the same court which he seeks to preside in today.

He has been a member of a number of community and professional organizations, and in addition to his professional accomplishments, he has been active in his community, participating in the Boy Scouts for more than 25 years, serving as a juvenile diversion judge as a leader for young boys and girls charged with nonfelony crimes, and offering legal services to financially disadvantaged members of the community.

He possesses not only the legal intellect, the experience and the expertise to be an excellent judge, but he has also displayed throughout his entire career high ethical standards. It is a real pleasure for me to have the opportunity to comment so positively on Mr. Riley's qualifications and to thank the committee and the chair for moving this expeditiously.

It is a good indication that on a bipartisan basis, this Senate can act in a very timely manner on these nominations. I thank the chairman, and I thank the Chair.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the call of the quorum count against whatever time is still pending.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAGEL. Mr. President, I strongly recommend Bill Riley to the Eighth U.S. Circuit Court of Appeals. I know that he will be an excellent appellate judge and will serve with distinction. He will bring to the bench the knowledge, experience and temperament he has acquired throughout his distinguished career.

I would like to thank the chairman of the Senate Judiciary Committee, Senator LEAHY, and ranking member HATCH for the expeditious manner in which they handled Mr. Riley's nomination.

Bill Riley received his undergraduate degree from the university of Nebraska in 1969 and graduated with distinction in 1972 from the university of nebraska College of Law. Bill began his career by clerking for the Honorable Donald P. Lay on the Eighth Circuit Court of Appeals. That's right, the Eighth Circuit. Who would have known that almost 30 years later Bill would be nominated to the same court?

Since 1973 Bill has practiced law with the firm of Fitzgerald, Schorr, Barmettler & Brennan of Omaha, where he is now chair of the firm's litigation department. Bill has had a varied trial practice including business litigation, Federal securities law, U.S. copyright, trademark and patent suits, ERISA claims, corporate environmental pollution claims and various contract disputes.

Bill is board certified in civil trial practice by the National Board of Trial Advocacy, 1994, and an associate of the American Board of Trial Advocates. Bill is also a fellow of the American College of Trial Lawyers, which, as you know, is limited to 1 percent of lawyers in each State and only lawyers with 15 years of trial experience. From 1992 to 1994 Bill also served as chair of the Federal Practice Committee for the U.S. District Court.

Bill has found time to not only represent his clients, but to share his time and talents with other lawyers in Nebraska. Bill is a master attorney and charter member of the Robert M. Spire Inns of Court, which is a teaching organization for younger trial lawyers and law students. He has also been President of the Omaha Bar Association, a member of House of Delegates of the Nebraska State Bar Association, and past Chair of the Ethics Committee for the Nebraska State Bar Association. Over the years Bill has spoken at numerous legal seminars and conferences and his talents and time with other lawyers have contributed to the improvement of our legal system.

In addition to his active trial practice, Bill also teaches Trial Practice as an Adjunct Professor at Creighton University School of Law. He is married to Norma J. Riley and has three children, Brian, Kevin, and Erin.

Bill Riley is fully prepared for the challenges that lay ahead for the Eighth Circuit. He possesses the integrity, experience, intellect, and temperament to be an exceptional Federal judge. I strongly recommend his confirmation.

Mr. HATCH. Mr. President, I am also pleased that we will vote on a nominee who is extremely well-qualified to serve in the important positions of a circuit judge.

The judicial nominee is William Jay Riley, who has been nominated for the

Eighth Circuit Court of Appeals. Mr. Riley graduated in 1972 from Nebraska Law School, where he was Editor in Chief of the Nebraska Law Review and was Order of the Coif. After graduation, he served as a law clerk for the court to which he has now been nominated before entering private practice. Mr. Riley will be a fine addition to the Eighth Circuit Court of Appeals.

I have examined the records of this nominee, and I support him without reservation. I urge all of my colleagues to vote to confirm Mr. Riley.

Mr. LEAHY. Mr. President, I am pleased to today to vote to confirm William J. Riley of Nebraska to serve as a judge on the U.S. Court of Appeals for the Eighth Circuit. Mr. Riley was the subject of a nominations hearing before the Judiciary Committee on July 24th, which was the fourth of five nominations hearings I have scheduled since the Senate was allowed to reorganize on June 5. Mr. Riley's was the fourth judicial nomination considered by the Judiciary Committee since that date, and the second nominee to a Court of Appeals. The Judiciary Committee has considered and the Senate confirmed three judicial nominees in that period of time, and Mr. Riley will be the fourth, before the August recess begins.

William J. Riley, 54, is a native Nebraskan, and a graduate of the University of Nebraska and the University of Nebraska Law School. Mr. Riley served as a law clerk to the Honorable Donald Lay of the U.S. Court of Appeals for the Eighth Circuit, and went on to a distinguished career with the Omaha law firm of Fitzgerald, Schorr, Barmettler & Brennan. Over the course of his legal career he handled a variety of types of cases, including insurance defense, commercial litigation, and plaintiffs' personal injury, and his clients have ranged from individuals to large corporations. He has extensive litigation experience in both Federal and State courts.

Mr. Riley has been active in bar activities at the State and local level, and in other professional associations. He served as chair of the Nebraska State Bar Ethics Committee from 1996–1998, and in that capacity he was responsible for a non-discrimination amendment to the Nebraska Code of Professional Responsibility. He has also been a member of the Nebraska State Bar's House of Delegates for the last three years. He is on the Executive Council of the Omaha Bar Association, is its immediate past president, and in the past served as its treasurer. He also served as chair of the Federal Practice Committee of the U.S. District Court in Nebraska, and is active in the American College of Trial Lawyers and the American Board of Trial Advocates.

I am always glad to see qualified nominees who are supported by both home-State Senators, and Mr. Riley is such a nominee. In this case, both of the Senators from Nebraska, CHUCK HAGEL, a Republican, and BEN NELSON, a Democrat, strongly supported his nomination. Both contacted me to ask that he be scheduled for a hearing, and both came to his hearing and spoke convincingly on his behalf.

Senator HAGEL told the Judiciary Committee about Mr. Riley's, "knowledge, experience, and temperament," and that he knows Mr. Riley, "will be an excellent addition to the Eighth Circuit and will serve with distinction."

When Senator Ben Nelson introduced Mr. Riley at his hearing, he too attested to Mr. Riley's credentials, and underscored the nominee's support from both sides of the aisle, telling us that "Mr. Riley exemplifies the kind of nominee that we would like to see put forth for these very important judgeships. He is not only a qualified person for this position, but he has earned broad bipartisan support and respect in Nebraska as well."

I know that both Senator NELSON and Senator HAGEL believe that this sort of bipartisan support is a crucial component of a successful nomination, and they followed through by working together with the White House to find a qualified candidate on whom they could agree. I hope the process that they undertook, like the one that recently produced the two District Court judges in Montana, demonstrates the advantages to such an approach.

I hope it makes clear that when the President works with Members of the Senate from both parties on the selection of qualified, consensus candidates to be judicial nominees, those nominations are likely to move more smoothly through the confirmation process.

The question is, Will the Senate advise and consent to the nomination of William J. Riley, of Nebraska, to be a U.S. Circuit Judge for the Eighth Circuit? On this question, the yeas and nays have been ordered, the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON) is necessarily absent.

I further announce that the Senator from New Mexico (Mr. DOMENICI) is absent because of a death in the family.

The PRESIDING OFFICER (Ms. CANTWELL). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 270 Ex.]

YEAS—97

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NOT VOTING—3

Domenici
Inouye
Thompson

The nomination was confirmed.

Mr. LEAHY. I move to reconsider the vote.

Mrs. BOXER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NOMINATION OF SARAH V. HART TO BE DIRECTOR, NATIONAL INSTITUTE OF JUSTICE

Mr. LEAHY. Madam President, I am pleased to vote today to confirm Sarah V. Hart to be the Director of the National Institute of Justice, the research and development agency of the Department of Justice.

For the last 6 years, Ms. Hart has served as Chief Counsel of the Pennsylvania Department of Corrections, and before that as an Assistant District Attorney in Philadelphia for many years.

And it is not only her resume, but the strong support of former District Attorney from Philadelphia, my good friend Senator SPECTER, that makes it easy for me to vote to confirm Ms. Hart.

I hope that, once confirmed, Ms. Hart will take her stewardship of the National Institute of Justice seriously. The NIJ is tasked with undertaking objective, independent, non-partisan research on crime and justice issues. In order to do that it is crucial that NIJ remain independent from the political aims of the administration and the Justice Department, and remain committed to publishing its research no matter what the results.

Ms. Hart assured us, both at her hearing before the Judiciary Committee, and in answer to written questions submitted to her, that she understands this, and I look forward to seeing the results of the research conducted by NIJ under her supervision. In particular, I look forward to seeing the NIJ study on the role of racial bias in the federal death penalty carried out in a way that is true to its original intent, and not in a way that presumes before it even begins that racial bias is not a problem. And, again, at her hearing, and in writing afterwards, Ms. Hart assured us that would be the case.

Because of those answers, and, as I said, because of Senator SPECTER's support, I am pleased to be able to vote to confirm Sarah Hart.

Mr. HATCH. Madam President, Sarah Hart is an outstanding choice to be Director of the National Institute of Justice. She is an accomplished litigator who understands criminal justice issues. As a prosecutor in Philadelphia for 7 years, she assembled an impressive record of trial victories. And her subsequent experience litigating consent decrees made her an expert in issues related to the administration of criminal justice systems. Throughout her career, Ms. Hart has focused on the rights of victims of crime. I am pleased to support Ms. Hart's nomination, and I urge my colleagues to vote in favor of her confirmation.

Mr. LEAHY. Madam President, are these 10-minute rollcall votes?

The PRESIDING OFFICER. The Senator is correct.

The question is, Will the Senate advise and consent to the nomination of Sarah V. Hart, of Pennsylvania, to be Director of the National Institute of Justice? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) is absent because of a death in the family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 271 Ex.]

YEAS—98

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NOT VOTING—2

Domenici
Inouye

The nomination was confirmed.

Mr. LEAHY. Madam President, I move to reconsider the vote.

Mr. BROWNBACK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROBERT S. MUELLER, III, TO BE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION

Mr. LEAHY. Madam President, I have moved swiftly in the Judiciary Committee to consider and move forward the nomination of Robert S. Mueller, III, to be Director of the Federal Bureau of Investigation. His nomination was sent to the Senate on July 18 but his paperwork was not completed until July 24. Less than one week later, we held 2 days of hearings, on July 30 and 31, and made sure that the committee considered his nomination the same week, on August 2, in order to ensure committee and Senate consideration of this important nomination before the August recess. The committee unanimously and favorably reported this nomination. I thank the Democratic and Republican members of the committee for their cooperation and attention in allowing this nomination to move forward on an expedited basis.

Mr. Mueller has had an outstanding career in law enforcement, serving as a Federal prosecutor in three different United States Attorneys' Offices and in Main Justice under both Republican and Democratic administrations. As he testified at his confirmation hearing, he has "either personally prosecuted or supervised the prosecution of just about every type of Federal Criminal offense, including homicide, drug trafficking, organized crime, cyber crime, major frauds, civil rights and environmental crime."

Mr. Mueller was the only witness at his hearings. The committee did not call other witnesses we are in the midst of intensive and ongoing FBI oversight hearings. These FBI oversight hearings were an integral part of the committee's preparation to consider the nomination of a new FBI Director, and Mr. Mueller's opening statement at his confirmation hearings specifically addressed significant issues raised in the prior hearings.

At the oversight hearing on June 20, 2001, the committee examined both outside oversight mechanisms and methods to restore confidence in the FBI. Witnesses included former Senator John C. Danforth, who investigated the events at Waco as Special Counsel to the Attorney General; the Honorable William H. Webster, former FBI and CIA Director, currently heading a review of FBI security in the aftermath of the Hanssen espionage case; Glenn A. Fine, current Inspector General of the Department of Justice; Michael R. Bromwich, former Inspector General of the Department of Justice; and Norman J. Rabkin, Managing Director, Tax Administration and Justice Issues, General Accounting Office.

At the oversight hearing on July 18, 2001, the committee considered the reform of FBI management with views from inside and outside the FBI. Witnesses included Raymond W. Kelly, former New York City Police Commissioner and Commissioner of the U.S. Customs Service; Bob E. Dies, FBI Assistant Director for Information Resources; Kenneth H. Senser, Acting FBI Deputy Assistant Director for Security Programs and Countermeasures; John E. Roberts, Unit Chief, FBI Office of Professional Responsibility; John Werner, former Supervisory Special Agent, FBI Office of Professional Responsibility; Frank L. Perry, Supervisory Senior Resident Agent, Raleigh, North Carolina, and former head of the Office of Law Enforcement Ethics at the FBI Academy; and Patrick J. Kiernan, Supervisory Special Agent in the Law Enforcement Ethics Unit at the FBI Academy.

This nomination comes at a crucial juncture for the FBI. Mr. Mueller acknowledged at his confirmation hearing "that the Bureau's remarkable legacy of service and accomplishment has been tarnished by some serious and highly publicized problems in recent years. Waco, Ruby Ridge, the FBI lab, Wen Ho Lee, Robert Hanssen and the McVeigh documents—these familiar names and events remind us all that the FBI is far from perfect and that the next director faces significant management and administrative challenges." Mr. Mueller reminded us "that these problems do not tell the whole story of the FBI in recent years." He correctly observed that the FBI has had "astonishing success during the same period" and that "the men and women of the FBI have continued, throughout this period of controversy, to do an outstanding job." Nevertheless, Mr. Mueller recognized that "highly publicized problems have, indeed, shaken the public's trust in the FBI." The Judiciary Committee aims to forge a constructive partnership with Mr. Mueller to get the FBI back on track. Congress sometimes has followed a hands-off approach about the FBI. Until the Bureau's problems are solved, we will need a hands-on approach for awhile.

The rights of all Americans are at stake in the selection of an FBI Director. The FBI has extraordinary power to affect the lives of ordinary Americans. By properly using its extraordinary investigative powers, the FBI can protect the security of us all by combating sophisticated crime, terrorism, and espionage. But unchecked, these same powers can undermine our civil liberties, such as freedom of speech and of association, and the right to privacy. By leaking information, the FBI can destroy the lives and reputations of people who have not been charged or had a trial. Worse, such leaking can be used for political intimidation and coercion. By respecting constitutional safeguards for criminal suspects, the FBI can help ensure that persons accused of Federal crimes receive a fair trial and that justice is served. Our paramount standard for evaluating a new Director is his demonstrated adherence to the Constitution as the bulwark of liberty and the rule of law. This is necessary to assure the American people that the FBI will exercise its power effectively and fairly.

Throughout is career and in his testimony at his confirmation hearing, Mr. Mueller has showed his commitment to these principles. He testified, "I care deeply about the rule of law. In a free society a central responsibility of government. I believe, is to protect its citizens from criminal harm within the framework of the Constitution." He stressed that "the FBI is vital to the preservation of our civil order and our civil rights."

This was the sixth time the Judiciary Committee has held confirmation hearings for an FBI Director since 1973, when the first nomination was made under the 1968 law requiring Presidential appointment and Senate confirmation of the FBI Director.

That first nomination hearings, along with enactment in 1976 of the 10-year term for the Director, were conducted against the backdrop of Watergate. The nominee then was L. Patrick Gray, an Assistant Attorney General who became Acting Director after the death of J. Edgar Hoover in 1972. Gray held that position when the Watergate break-in and cover-up occurred. At the time of his confirmation hearings in early 1973, very little of the scandal was known beyond the reporting of the Washington Post. Patrick Gray had met with the President's Counsel John Dean, so this committee prepared to subpoena Dean and expected strong resistance in the name of Executive privilege. Other events then took over, the Gray nomination was withdrawn, and he later admitted personally destroying evidence. Those were dark days for the Bureau.

Lost confidence in the FBI is not just a PR problem. The challenges facing the next FBI Director are different from the issues of abuse of power three decades ago but are just as tough. The American public has lost some confidence in the Bureau. This is not just a PR problem. This erosion of public trust threatens the FBI's ability to perform its mission. Citizens who mistrust the FBI will be less likely to come forward and report information about criminal activity. Judges and jurors will be less likely to believe the testimony of FBI witnesses. Even innocent or minor mistakes by the FBI in future cases may be perceived in a sinister light that is not warranted. Since FBI agents perform forensic and other critical work for many law enforcement agencies on the Federal, State and local levels, the repercussions of this decline in public confidence in the FBI has rippled far beyond Federal criminal cases.

In his confirmation testimony, Mr. Mueller took special note of the impact within the FBI: "The shaken trust, in turn, inevitably affects the morale of the men and women who serve at the Bureau." He pledged to "make it my highest priority to restore the public's confidence in the FBI, to re-earn the faith and trust of the American people."

Constructive oversight is necessary. For too long, the Congress has taken a hands-off approach to the FBI. Problems have been allowed to fester. The Congress has a duty to the American people to conduct systematic and ongoing oversight of the FBI to ensure it meets the highest standards of professionalism, competence, and adherence to the law. Constructive, bipartisan oversight of the FBI can greatly improve its effectiveness. While reviews by Inspectors General and other outside experts are important—the ultimate test is accountability to the people through the Congress.

Three principles guide the Judiciary Committee's oversight of the FBI. First, our task is to rebuild confidence in the FBI as a vital national asset, not to tear it down.

Second, when we look at mistakes, we do so as an essential first step to find and fix their cause. The purpose is not to detract from the outstanding work of the dedicated professional men and women of the FBI who go to work every day to keep this nation safe. Highly publicized mistakes have created an impression that the Bureau is unmanageable, unaccountable and unreliable. Unfortunately, these mistakes detract from the outstanding performance of FBI Special Agents and other employees who handle the most complex criminal, terrorist, and counterintelligence cases day in and day out. Only by fixing those problems, and continuously improving the organization, will the tremendous work done by so many agents and employees get the full credit it deserves.

Finally, our efforts will be to reach bipartisan solutions that make the FBI better able to fulfill the weighty mission we demand of it. Working with the new Director and the Attorney General, I am convinced we can achieve these goals.

Several Members discussed with the nominee his views on providing information to Congress. In response to Senator Schumer's concern about a request he had made for documents from the FBI on a policy issue regarding records of gun sales, Mr. Mueller said:

> I do believe that the Bureau should do everything possible to accommodate the requests of Congress. If there are documents that relate to the policy, that are generated by the FBI, then I believe the Department of Justice and the FBI should do everything possible to accommodate the request of Congress, consistent with its law enforcement responsibilities.

Mr. Mueller repeated this assurance when Senator Specter cited a number of problems in getting FBI documents over the years. Mr. Mueller stated, "I absolutely agree that Congress is entitled to oversight of the ongoing responsibilities of the FBI and the Department of Justice." He added that "it is incumbent upon the FBI and the Department of Justice to attempt to accommodate every request from Congress swiftly and, where it cannot accommodate or believes that there are confidential issues that have to be raised, to bring to your attention and articulate with some specificity, not just the fact that there's an ongoing investigation, not just the fact that there's an ongoing or an upcoming trial, but with specificity why producing the documents would interfere with either that trial or for some other reason or we believed covered by some issue of confidentiality."

Mr. Mueller cited two cases, BCCI and BNL, when he was head of the Justice Department's Criminal Division where an accommodation was reached to provide information to Congress on pending cases. He said he "would expect that we would always have that ability to accomplish the accommodation that is necessary for Congress to discharge its responsibilities in oversight." Questioned further, Mr. Mueller said "congressional oversight is appropriate, even if there is a pending prosecution or investigation" and "it is incumbent upon us to attempt to accommodate the necessity of the oversight committee to have the information it needs." He went on to say there may be "the assertion of executive privilege" and "where there is a clash or disagreement between the executive and the legislative, I believe the courts are the final arbiters."

Senator GRASSLEY expressed concern about a deliberate pattern of denying, delaying or simply not complying with legitimate requests and asked the nominee how he would change the Bureau's penchant for denying legitimate access to documents and witnesses. Mr. Mueller replied that if there is an investigation by a committee of Congress, he would "expect to have somebody responsible for assuring that we are responsive on that particular issue" and, where "some confidential interests" are implicated, "to state honestly and directly to the committee what should be done to accommodate the committee's request." He would like to "foster a change in the perception so that you do have the feeling at the end of the day that the FBI has been responsive."

Accommodation, rather than obstruction, of congressional requests for documents will be Mr. Mueller's goal. That is a positive promise.

Three core problems: The questions being asked about the FBI are directed at three interrelated issues: the Bureau's security and information technology problems, management problems, and insular "culture." The committee is in the midst of examining each of these areas at oversight hearings that began in June shortly after I became chairman.

Serious security breakdowns and information technology inadequacies: In the national security field, our country depends on FBI counterintelligence to protect the most sensitive intelligence, military, and diplomatic secrets from foreign espionage. The espionage case of Robert Hanssen demonstrates, however, that the FBI's own security and the investigation of espionage in its own ranks failed dramatically, with enormous potential consequences. What is more disturbing is how many red flags the FBI apparently overlooked during the many years that Hanssen was a spy. The reviews by the Inspector General and Judge Webster will not be done for many months, but testimony before the Committee in July shed light on how this spy was able to operate with impunity for so long. We were told that there were no less than 15 different areas of security at the FBI that were broken and needed to be "bolstered, redesigned, or in some cases established for the first time."

The committee intends to continue its oversight work in this area, including closed sessions with the Director and other FBI officials to consider classified aspects of FBI information security.

One of the things Director Freeh did after Hanssen's arrest was to require periodic security-screening polygraph exams for FBI agents with access to the most sensitive information. Reviews are currently underway that focus on the benefits and risks of the polygraph as a security screening tool. If the FBI needs wider use of polygraph exams, there must be firm assurances of consistency in their administration, application and quality controls. In response to a question from Senator HATCH, Mr. Mueller said he is willing to continue the requirement for polygraph exams for managers handling national security matters. He confirmed that he had already completed that polygraph exam. He stated his belief that "you don't ask people to do that which you're unwilling to do yourself."

The FBI needs to fully join the 21st century. This is the information age, but the FBI's information technology is obsolete. The committee has been told that the FBI's computer systems have not been updated for over 6 years; that more than 13,000 desktop computers are so old they cannot run on today's basic software; that the majority of the smaller FBI field offices have internal networks that work more slowly than the Internet connections many of us have at home; and that the investigative databases are so old that FBI agents are unable to store photographs, graphical or tabular data on them.

Hard-working, dedicated FBI agents trying to fight crime across the country deserve better, and they should have the computer and network tools that most businesses take for granted and many Americans enjoy at home.

To the credit of former FBI Director Louis Freeh, in the last year of his tenure, he reached outside the Bureau for fresh management perspectives and expert advice. He recruited two new senior FBI officials, who were not career agents but were brought into the FBI from IBM and the CIA to develop plans for addressing the Bureau's security and information technology problems. The Director should continue to look for the best advice from outside the Bureau, while at the same time identifying leaders within the Bureau who are committed to necessary reforms. In the months ahead the committee will watch closely to see if the Director backs up the proponents of reform when they face opposition from Bureau officials wedded to the status quo.

At his confirmation hearings Mr. Mueller placed great emphasis on the need "to upgrade the information systems and to upgrade the systems and procedures to integrate modern technology. Every FBI manager, indeed, every agent needs to be computer literate, not a computer programmer, but aware of what computers can and cannot do to assist them with their jobs."

When asked by Senator DEWINE how quickly he would be able to fully implement the FBI's information technology plan, Mr. Mueller said the Bureau has "a 3-year technology update plan called Trilogy, and the goods news about that is that it's laying the foundation, whether it be the networks or the software, the hardware, the user interfaces for bringing the FBI agent into the modern era." He added that the "not-so-good news is that once we have that structure in place, there's a lot more to do." Mr. Mueller cited in particular "the storage and each retrieval of documents, of imaging documents when they come in immediately so that you have ultimately what is referred to in the private sector as a paperless office."

The security and information technology problems facing the FBI are not problems of money. The Congress has poured money into the FBI. They are management problems and they can no longer be ignored. Mr. Mueller has seen the FBI up close for many years—as Acting Deputy Attorney General, as Assistant Attorney General, and in three United States Attorneys' offices. The committee wanted to know what management objectives he would bring to the job, based on his past experience, and what other resources he would draw on to bring about needed changes.

Mr. Mueller spelled out his overall "management priorities" in his opening statement to the committee: "Underlying these priorities is my belief that the core asset of the FBI is its employees. I am committed to providing the leadership, and management, and energy necessary to enable these talented and dedicated people to do their jobs as effectively as possible." His first priority will be "to recruit, encourage, and select the highest quality leadership" resulting in "a management team that reflects the diversity of our society." Second to "review carefully management structures and systems" with special concern "about the span of control, the degree of decentralization, and whether responsibilities are clearly defined." Third is to rebuild the information infrastructure, as discussed earlier. Fourth is for the FBI "to review continuously its priorities and its allocation of resources" in order to "anticipate the challenges the Bureau will be facing 10 and 20 years into the future and prepare now to meet those challenges." Fifth is to "develop the respect and confidence of those with whom it intersects, including other law enforcement agencies, both domestic and international, and Congress."

Mr. Mueller added that he would "move quickly on administrative and management changes." Personnel changes would be made first. Changes in structure and span of control would take more time, with input from a management consultant study commissioned by the Attorney General, other pending reviews, and ideas from other executives who rule large organizations.

The management structure at the FBI may simply have become too unwieldy. when the Bureau was smaller, its headquarters could reasonably attempt to keep track of the activities in its field offices. In recent years, however, the Bureau has grown tremendously with 56 field offices, plus 44 overseas legal attaches. It may not be possible for headquarters to effectively monitor field activities. The belated production of documents in Oklahoma City bombing case happened despite 16 separate orders from headquarters for pretrial production of those documents. Similar problems arose in the Wen Ho Lee case, where a field office disregarded instructions from headquarters. At the FBI oversight hearings Former New York Police Commissioner and Customs Commissioner Ray

Kelly testified that a regional structure makes a large law enforcement organization more manageable.

At the confirmation hearings I asked Mr. Mueller whether this is something that would be considered. He replied, "Absolutely," and said he "did read Commissioner Kelly's testimony with some interest." He added, "I would look at that proposal with a view to whether it goes toward affording appropriate span of control." He went on to stress the need "to have the technological infrastructure be such that I would be able to review, as would the intermediate managers, review the work on critical cases or critical classes of cases by turning on your computer and using the mouse to click on a series of cases to see what has been done the last 3 days, what you expect to be done in the next 30 days."

Senator KOHL asked if it was realistic to expect big changes quickly, given the size of the FBI with more than 27,000 employees and a budget of more than $3.5 billion. Mr. Mueller replied, "I do think that one can relatively quickly, over several weeks/months, learn the institution and learn the people, learn what are the largest problems, whether it is span of control, what are the larger personnel problems and in a relatively short time. And I don't want to specify any particular time, but certainly within months start to make substantial changes." He added that making "the most critical decisions" about positions of leadership "is not an extraordinarily time-consuming undertaking." Changing the organizational structure and the span of control "will take longer time than perhaps making some personnel changes."

I asked the nominee what management problems caused the FBI's failure to produce documents in the McVeigh case. Mr. Mueller cited two contributing factors. One was "the lack of an infrastructure to have all documents coded and readily available" in a case with "a huge volume of documents spread across any number of offices in this country and internationally." Second was "accountability" and "overlapping areas of responsibility in various areas of the FBI" which make it "very difficult to have accountability." There was "perhaps a failure of accountability down to the lowest levels." Mr. Mueller said he would address this issue: "It has been my practice in the past to identify areas of responsibility, put somebody in charge of that area of responsibility and hold that individual accountable for discharging that responsibility. And I want to make certain that where that is done within the Bureau, there is clear accountability."

I also asked Mr. Mueller to discuss the time of his own reporting to the Attorney general on the document production problem in the McVeigh case. He testified: "Turning to the issue of the time line, upon hearing about the issue, I heard about it I believe on a Wednesday afternoon. On that Friday, the decision was made to put over the execution of Mr. McVeigh. When I heard about it on a Wednesday afternoon, the initial response, and I believe I talked to the prosecutor that night or the following morning, the initial thrust of what I was concerned about is to make certain that defense counsel were aware of this immediately so that defense counsel could make its or their own interpretation of whether these documents contained any Brady or exculpatory information."

Mr. Mueller also testified:

> I was not aware, I don't believe, at the outset the extent of the commitment to turn over documents until the following morning. And I actually had brief discussions with Mr. Ashcroft's staff on Wednesday afternoon, I think it was, about it, but I did not have an opportunity to fully brief the Attorney General until the following day, at which point I did have an opportunity to brief him more expansively that the fact that I had mentioned previously to his staff, that there was an issue. And, thereafter, the discussions ensured as to what was the appropriate response we would take to the fact that these documents had come to our attention.

Both Senator FEINGOLD and Senator SESSIONS raised concerns about the FBI's failure to provide information to prosecutors in the 1963 Birmingham bombing case. Mr. Mueller testified that he shared this concern. In cases "involving national security information that may bear on a particular prosecution," there may be "valid reasons for keeping certain of the information from the prosecutors that go into court," but mechanisms exist "to assure that there is no Brady information, exculpatory information that should be given to the defense." He added that the day-to-day problem of FBI inability to produce documents quickly "is attributable in part to its antiquated filing system." He said his objective is to have an FBI system to image documents into a database to make them "immediately accessible so that you do not have the problem such as you saw with he prosecution of the McVeigh documents."

Mr. Mueller expressed his willingness to reach out to experts wherever they may be found, including in and outside the FBI to address management and infrastructure problems. He stated that he has "reached out, and will continue to reach out" to "persons who have been in the Bureau previously" and "persons in large corporations, CEOs, who have run successful corporations to try to identify those management structures that worked well and would work best at the FBI." He also is "looking forward to receiving the report of the consulting firm that is charged with looking at the FBI from top to bottom." Mr. Mueller added that he "would welcome the insight from any other individuals, assuming it is a combination of individuals with experience in management and private industry, law enforcement, and other walks of life.

With regard to FBI personnel management, Mr. Mueller agreed that promotion of diversity within the FBI to ensure that the FBI employment level is reflective of America is a priority. The FBI should be more sensitive to recruiting and training minorities. In addition, Mr. Mueller acknowledged in response to questions from Senator DURBIN that "racial profiling is abhorrent to the Constitution, it is abhorrent in any way, shape or form. And I would make certain that from the first day an FBI agent sets foot in the academy in Quantico that that refrain is repeated as part of the training, and as one goes through the ranks, continuous retraining, and focus on the fact that the FBI, in order to be the preeminent law enforcement organization in the country if not in the world, has to have an unblemished record with regard to addressing and strongly attacking any indication of racial profiling."

It is especially important to understand how the nominee views the FBI Director's relationship with the Attorney General in the overall management structure at the Department of Justice. Too often in the past Directors have had the final word on management of the Bureau. Of course, there are legitimate concerns about political interference with investigations, as Watergate demonstrated. The FBI Director is not, however, unique in having to resist with interference. Both the FBI Director and the Attorney General have that duty, and they should work together to ensure the integrity of both investigations and prosecutions. The FBI Director should be part of the Justice Department's leadership team.

I asked Mr. Mueller under oath at his confirmation hearing to give his commitment that if he were ever pressured politically by the Republications or the Democrats to affect an investigation, that he would resist that pressure with all his might. Mr. Mueller replied, "Absolutely."

I questioned the nominee on how he sees the FBI Director's relationship with the current and subsequent Attorneys General, since he may work with more than one Attorney General over his 10-year term. Mr. Mueller testified:

> This is the most difficult issue I think that a director of the FBI has to address, in that the FBI has its ultimate responsibility to the American people to be independent, to pursue its investigations without any favor to one political party or the other or to any particular individual, no matter how powerful that individual should be. And on a day-to-day basis, on the other hand, I do believe that, absent extraordinary circumstances, the Director of the FBI, and the FBI, is a component of * * * the Department of Justice, reporting to the Attorney General. And

there should be a close relationship on, for instance, policy matters, and there is a requirement in almost every matter that the Attorney General be apprised of that. And, again, I report, in essence, to the Attorney General and then to the President.

There may be circumstances—there have been in history—where it is important for the FBI and the Director of the FBI to put * * * the interests of the people above that reporting structure. And I hope that I do not have occasion to meet such a situation, but there is the possibility, perhaps even the probability, that I will. If there is an occasion where I believe that for reasons of political influence or the influence of the powerful that the Bureau is asked to do something that is inappropriate, wrong under the Constitution, that under those circumstances I have an obligation to find a way to address that. It may be going elsewhere in the administration. It may be going to Congress. It may be going to the American people. I don't know what the exact answer is. But I hope I do not have to face that situation because it will be the hardest decision that, should I be confirmed as Director, would have to make.

I consider this answer to be a model for all Mr. Mueller's successors as FBI Director.

Senator SPECTER and Senator SESSIONS asked the nominee what he would do if he had information that the Attorney General was taking an improper law enforcement action for political reasons. Mr. Mueller replied that he would "go to the Attorney General first before I made perhaps a disclosure to Congress." He would also "explore other alternatives or a variety of alternatives in order to make certain that justice was done." Questioned further on the second day of the hearing, Mr. Mueller said that "if it was a matter of substantial consequence" and he "was turned down by the Attorney General, I would think I'd have an obligation to inform the Senate of that, and produce those documents."

In the discussion of this issue, reference was made to a memorandum from FBI Deputy Director Esposito to FBI Director Freeh, dated December 9, 1996. In that memorandum Mr. Esposito said Lee Radek, chief of the Justice Department's Public Integrity Section, had made a comment to Director Freeh. According to the Esposito memorandum, Mr. Radek had commented that there was a lot of "pressure" on him regarding a case before the "Attorney General's job might hang in the balance." The accuracy of this memorandum has been seriously questioned. At a Subcommittee hearing on May 24, 2000, Mr. Radek testified that he felt pressure from the Attorney General to do a good job, but that there was no connection in his mind between any such pressure and whether or not the Attorney General would continue in her job as Attorney General during the second Clinton Administration. Mr. Esposito's second-hand account has not been corroborated. This episode should be a warning of the risk that lower level officials may seek to sabotage political appointees. The use of this memorandum as a straw man for questioning the nominee should not imply agreement by other Members to its credibility.

The nominee was also asked to consider the possibility that he and the Attorney General might decide to withhold information on national security matters from a President if the President were the target of a criminal investigation. In response to a question from Senator SPECTER, Mr. Mueller stated, "There may be an occasion where it's possible, yes." Mr. Mueller also explained that, if disclosing "information to a target would hamper or undercut the investigation," he would expect "that any decision as to whether or not that information should be disclosed to the target would be made in conjunction with the Attorney General. But the decision may well be that that information should not be disclosed." Mr. Mueller went on to state, "If it is national security information, on the other hand, that bears upon the security of the United States, I think we have an obligation to assure that anything within those materials that bears on the national security finds its place in the national security structure."

I am troubled by an apparent inconsistency in this response, because the President bears full and ultimate responsibility for the national security structure and all the diplomatic, military, intelligence, and other actions necessary to protect the nation's security. An FBI Director must find a way to accommodate the legitimate needs of the President to exercise his constitutional responsibilities for national security, just as it accommodates the needs of the Congress to exercise its oversight responsibilities.

The FBI "culture" needs an overhaul. The committee is receiving testimony in our oversight hearings showing that, too often, the independence that is part of the FBI's culture has crossed the line into arrogance. Senator Danforth expressed concern to this committee about entrenched executives at the FBI who have created a closed and insular culture resistant to disclosure of mistakes and to reforms. His concern was echoed in testimony the committee heard from experienced FBI Special agents, who told us of a "club" mentality among some Bureau executives who resist criticism or change that threatens their careers. Senator Danforth recommended that the new director should be prepared to clean house to the extent necessary to implement needed changes.

If there is one message that a new Director should get from recent problems, it is that FBI executives need to be more willing to admit their mistakes. Too often their response is to protect the Bureau from embarrassment or shield self-serving executives from criticism and needed change. As Senator Danforth testified, the FBI helped fan the flames of conspiracy theories at Waco by covering up evidence that it used pyrotechnic rounds, even though they had nothing to do with starting the fire. The present FBI culture makes it easier to cover up rather than admit a mistake. A new Director must understand that this type of conduct risks a far greater cost in the lost of public confidence, as compared with admitting mistakes when they occur.

Let me cite one example that occurred just a week ago. In its recent weekly newsletter for FBI employees, the FBI reported on the Judiciary Committee's July 18 hearing. But the newsletter reported on the Testimony of the two senior FBI agents, who told us about what they were doing to fix the security and information technology problems at the FBI. Their testimony was also the only testimony posted on the FBI website. Yet, the testimony of the four other FBI agents who testified about problems of a double standard in adjudicating discipline and about retaliation within the FBI was ignored—not mentioned in the newsletter nor posted on the Website. Ignoring the testimony will not make it disappear. This kind of attitude makes it much harder to make the changes that need to be made. If the FBI tries to suppress information that things have gone wrong, it will never get them fixed.

When I asked Mr. Mueller at his confirmation hearings about this newsletter, he stated "that it is important that everybody in the Bureau look at both the good and the bad in order to address it." After my remarks at the nomination hearings, FBI Headquarters decided to send the testimony of the four other FBI agents to the field offices. That was the right decision.

In his opening statement, Mr. Mueller discussed the broader concerns about the FBI's culture:

> [A]s we examine the mistakes of the past, we must be resolved to respond quickly and forthrightly to the mistakes of the future. Three elements are critical to a proper response: First, we must be willing to admit immediately that a mistake has occurred. This includes providing timely information to the appropriate committees of Congress. And for matters involving cases and courts, immediately informing the court and defense counsel as appropriate. Failure to admit one's mistakes contributes to the perception of institutional arrogance.
>
> Second, those responsible for the mistake must be held accountable. This does not mean punishing employees for simple errors in doing their jobs. Nobody is perfect, and we want to encourage people to come forward immediately when mistakes are made, but we must hold people accountable, and we cannot tolerate efforts to cover up problems or to blame others for them. If confirmed, I will be committed to inculcating a culture which understands that we all make mistakes and that we must be forthright and honest in admitting them and correcting

> them as quickly as possible. We must tell the truth and let the facts speak for themselves. The truth is what we expect in our investigations of others, and the truth is what we must demand of ourselves when we come under scrutiny . . . .
>
> And, third, every significant mistake must be examined to determine whether broader reform is necessary. We must learn from our mistakes or we will be bound to repeat them.

I questioned Mr. Mueller about two recent cases where mistakes have not been rectified. Documents provided to the Committee on the Justice Department's January 2001 decision on Ruby Ridge discipline revealed that discipline given to some FBI agents in January 1995 was incorrect. Another example was a CIA officer who was initially suspected of espionage before the FBI discovered that Hanssen was the real culprit. The CIA officer was cleared and allowed to return to his work, but the FBI did not formally notify him or his family that he is no longer suspected of any wrongdoing. Mr. Mueller agreed to look into these matters.

In other questioning of the nominee, Senator SESSIONS observed that there has been a concern in the FBI that if somebody made an honest error, the hierarchy would be too hard on them. He saw this as a factor in the lack of willingness to come forward with and admit an error. Mr. Mueller agreed and said "the bedrock principle ought to be to tell the truth . . . the sooner the better." Senator SPECTER asked Mr. Mueller what his response would be when an FBI official deliberately does not correct a mistake in testimony to Congress or deliberately does not disclose important information. He replied that "absolutely anybody who lies deserves the strongest sanction, up to and including dismissal from the FBI."

Another concern about the FBI culture is the Bureau's treatment of local law enforcement agencies. Senator DEWINE asked how the nominee intended to set the right tone for the FBI in this area. Mr. Mueller replied that one way would be "outreach" to address any complaints such as stealing an investigation. He also stressed that "the FBI can and should allow others to trumpet its successes." He stated, "In my own mind, the praise that makes the biggest difference is that that comes from others with whom you've worked. And my hope would be that we could operate on that principle."

Senator GRASSLEY expressed concern about a culture of arrogance at the FBI, exemplified by the practice of holding press conferences in very high-profile cases before the investigation is complete. Mr. Mueller responded that he is "not a great one for press conferences" and that in cases where the FBI assists local law enforcement "I would much rather have, at the conclusion of an investigation, that the state and locals stand at the podium, do the press conference, and thank the FBI."

Senator SPECTER, citing an unanswered letter he sent to Director Freeh about leaks in the press regarding an alleged investigation of Senator TORRICELLI, asked what action the FBI Director could take to preclude these types of leaks. Mr. Mueller replied, "Generally speaking . . . I abhor leaks. They are detrimental to the mission of the FBI. They are detrimental to most particularly the individual who is the subject of them. I think you set a standard of very harsh treatment when an investigation is conducted and somebody is determined to have leaked." He pledged to "do everything in my power to assure" that Justice Department regulations on public statements "are abided by and that any breach of those regulations is treated firmly." He also agreed "to determine whether there is predication" for an inquiry on the leaks regarding Senator TORRICELLI and, if there is predication, to "conduct an inquiry."

To ensure full investigation of mistakes, I support the change made by the Attorney General to give the Justice Department's Inspector General full authority over the FBI. The Inspector General statute should be amended to make this regulatory change permanent. Witnesses at the oversight hearings expressed concern that the Inspector General will not get the same cooperation from FBI personnel as a separate Inspector General for the Bureau. The Director's responsibility includes ensuring that FBI personnel cooperate fully with the Inspector General. One former Justice Department Inspector General testified that, when his office sought FBI personnel to work on a review of FBI performance, experienced Agents were reluctant to participate and declined to have their names listed in the report. Agents did not view this work as "career-enhancing." A Director must make clear that FBI executives should reward—not discourage—participation in Inspector General, and other oversight, investigations of Bureau performance.

The committee has heard disturbing testimony about retaliation against FBI Agents who are tasked to investigate their colleagues or who discuss issues with the Congress, either directly or through cooperation with the General Accounting Office, which assists in congressional oversight. It is important that a new Director send a clear message to FBI employees that he will not tolerate retaliation against agents who conduct internal investigations or who bring information about wrongdoing to the Congress directly.

In response to a question from Senator DURBIN about his proposal for a separate FBI Inspector General, Mr. Mueller noted the Attorney General's recent action and said he sees the Inspector General from the Department of Justice "working very closely with the FBI Office of Professional Responsibility to allocate responsibilities." He added, "If I were the Attorney General I might have some concern about a separate Inspector General feeding the perception that the FBI was a separate institution accountable only to itself. And I'm not certain in my own mind whether or not what the accountability you seek cannot be discharged by an Inspector General with appropriate personnel in the Department of Justice, as opposed to establishing another Inspector General in the FBI."

Senator DURBIN asked what steps the nominee would take to ensure that there will be a healthy relationship with an Inspector General in the management of the FBI. Mr. Mueller replied that the FBI Director should meet weekly or every other week "with the Inspector General to review the cases, in the same way that the Attorney General meets with the Inspector General." Mr. Mueller also stated, "To the extent that the Inspector General in the past was hampered by having to go to the Attorney General and specifically requesting authority, that has been removed."

Internal investigations must also lead to fair and just discipline. Here the recent record is troubling. An internal FBI study that was released at the Committee's July hearing found a double standard at work, with senior FBI executives receiving a slap on the wrist for the same kind of conduct that would result in serious discipline for lower level employees. The most vivid example occurred when seven Senior Executives submitted false travel vouchers to they could fly to Washington for the retirement dinner of a Deputy Director. They received only letters of censure for a voucher fraud offense that could cost an average Agent his or her career. Two of them actually received promotions and cash awards. In another case, the argument was asserted within the Justice Department that the FBI Director may not be disciplined because he is a Presidential appointee and that, in any event, the FBI Director should not be disciplined for exercising poor judgment. This argument conflicts with the basic principle that all public officials should be held equally accountable.

In his opening statement, Mr. Mueller said it is "very important that there be no double standards in accountability. I know there have been allegations that senior FBI officials are sometimes treated more leniently than more junior employees. Any such double standard would be fundamentally unfair and enormously destructive to employee morale. If anything, senior FBI officials should be held to a higher standard than other employees, for, after all, they should serve as an example. I commit to this committee, to the employees of the FBI, and to the American people that there will be no such double standard should I become director of the FBI."

In response to my questions, Mr. Mueller put even greater emphasis on appointing "leaders in the FBI who are held to a higher standard" because they "serve as example for others in the FBI."

During the confirmation hearings, Committee members raised issues regarding the scope and methods of FBI investigations.

Senator FEINGOLD asked if the nominee was willing to consider requiring FBI agents to record interviews electronically, a practice consistent with the practice of many law enforcement agencies around the country. Mr. Mueller said that he would and that the FBI no longer has a "hard and fast rule" against it. Interviews may be recorded with the approval of the Special Agent in Charge. While working homicides in the District of Columbia, Mr. Mueller saw "the advantage of the use of recording interviews." However, given the thousands of FBI interviews conducted daily including background investigations, he thought it would be "counterproductive to require recording and transcribing all such interviews." The FBI "will continue to look at it, particularly in an instance where it is important that a confession or critical evidence relating to a terrorist attack needs to be deciphered accurately with no room for error."

Senator FEINGOLD also expressed concern about the FBI's difficulty distinguishing between peaceful political dissent and criminal activity in the past and possibly in the targeting of Arab Americans today. He asked what steps Mr. Mueller would take to ensure that the Bureau does not infringe on fundamental First Amendment rights and restricts itself to investigating only criminal activity. Mr. Mueller replied that he does "share the concern." Citing his experience in criminal investigations, he said he "would insist that whenever we are undertaking an investigative enterprise, that there be adequate predication for the steps we take to pursue that investigation." He also said he would address the problems of "span of control" and the FBI's computer infrastructure in order to "have transparency of information all the way to the top." This would "provide the oversight necessary" to assure that "predication is being looked at, demonstrated, before a particular important investigation is going forward or a class of investigation is going forward."

Senator SPECTER raised the issue of FBI agents asking someone who has been arrested if they have information about some other person who is a public figure, with the suggestion that the case against the individual under arrest will go easier if that individual is able to identify somebody who is well known. Mr. Mueller responded that "a general targeting, without predication, is anathema to the Bureau, and to the extent that any incident such as that comes to the attention of the Director, it should be dealt with firmly."

Senator CANTWELL raised a privacy concerns, which I share, about the FBI's Carnivore system, or DCS–1000, and new technologies such as a key logger system. Mr. Mueller said he was sensitive to those concerns and had talked with a number of privacy groups when he was Acting Deputy Attorney General. Asked by Senator CANTWELL to review Carnivore, Mr. Mueller said the Justice Department is conducting such a review and he would look at it when it is completed.

The Fourth Amendment must be kept up to date in response to new and emerging surveillance technologies. This is an issue about which I alerted Mr. Mueller that the FBI should anticipate increased oversight from the Judiciary Committee and increased concern on both sides of the aisle. I asked the nominee to look at the procedures in place for law enforcement access to electronic information because so much of it is stored in the hands of third parties. Our aim should be to make sure that privacy is properly protected in the electronic age, whether it is a keystroke, thermal imaging, or dealing with the proliferation of small companies that hold our data. Mr. Mueller agreed to do so, observing that "there are issues where there is a law enforcement tool, there are privacy interests implicated, and yet one doesn't know where the line is."

Privacy interests are also implicated by the Attorney General's decision to cut-back on the retention of records of gun sales to legitimate gun owners. Mr. Mueller initially acknowledged that this decision "could" subvert the FBI's effort to keep guns out of the hands of criminals and go after the bad dealers, but noted that he was "not familiar with the debate or what evidence there is, what study there has been of the impact of the change, but, yes, it could." Mr. Mueller accepted my invitation to work with members of the Committee and the Attorney General to ensure that the National Incident Criminal Background Check System maintains an accurate auditing system, but also protects the legitimate rights of gun owners.

The FBI has long been considered the crown jewel of law enforcement agencies. Today, it has lost some of its earlier luster. The next FBI Director has both a great challenge and a great opportunity to restore public confidence in the Bureau, and the Judiciary Committee stands ready to help. The Committee needs to forge a strong and constructive oversight partnership with the leadership at the Department of Justice and the FBI to shape the reforms and find the solutions to make the FBI the premier law enforcement agency that the American people want and expect it to be.

Robert Mueller seems well prepared to meet this challenge and take advantage of this opportunity as the next Director of the FBI. With a statutory ten-year term, the position of FBI Director is unique in our government, and confirmation of a nominee to that position is an exceptionally serious responsibility for the Senate.

With full consciousness of that responsibility, I urge my colleagues to confirm the nomination of Robert S. Mueller, III, to be Director of the Federal Bureau of Investigation.

Mr. HATCH. Madam President, I am very pleased that the Senate will vote today on the confirmation of three excellent nominees for high office.

The nomination of Robert Mueller to be FBI Director is particularly significant. I consider the FBI to be one of the most important agencies of the Government, and the post of FBI Director to be one of the most consequential in the world. The FBI Director is trusted to command huge resources that touch the lives of people around the globe. He is charged with protecting the most important resource in America—our people. And the Director holds a term—10 years—that exceeds that of any elected Federal representative. The Director thus has great power and great insulation from the popular will—a combination that requires this body to be especially vigilant in its confirmation review. But after examining Bob Mueller's record, meeting with him privately, listening to many people who know him, and questioning him at the Judiciary Committee hearing earlier this week, I am extremely confident that President Bush has chosen the right person for this position. Mr. Mueller has the judgment, integrity and dedication to purpose that will make him an excellent FBI Director.

I will mention two things about Mr. Mueller that particularly strike me on his long list of professional accomplishments. The first is his military record. For his service as a Marine during the Vietnam war, Mr. Mueller was awarded the Bronze Star, 2 Navy Commendation Medals, the Purple Heart, and the Vietnamese Cross of Gallantry. The second particularly notable item is that in 1995, after 2 years as a senior partner in the distinguished firm of Hale and Dorr, Mr. Mueller left to become a regular, line prosecutor in the homicide section of the District of Columbia's U.S. Attorney's Office. This was after he had served as the head of the Criminal Section in the Department of Justice and in other high offices. This speaks volumes about Mr. Mueller's character, values, and commitment to public service.

Of course, Mr. Mueller will need to muster all his skill and experience to execute his new assignment. He will step into the FBI at a time of some disruption caused by several high-profile embarrassments. But he will have the inheritance of former Director Louis Freeh's tremendous work, and he will be supported by the Bush administration and Attorney General Ashcroft in particular. I hope he has support from Congress as well. We should be careful to act in ways that encourage positive change at the FBI and avoid distracting the bureau from its mission.

I again applaud President Bush for his choice of Bob Mueller to be FBI Director. I have every confidence that he will prove to be an excellent leader and a force for positive change at the FBI.

Madam President, I urge my colleagues to vote to confirm the President's nominee, Mr. Mueller.

Mr. GRASSLEY. Madam President, I rise to support the nomination of Robert Mueller to be the Director of the FBI. I also want to thank my friend, the chairman of the Judiciary Committee, for holding a hearing and a committee vote on Mr. Mueller's nomination this soon after President Bush's forwarding of Mr. Mueller's nomination to the Senate. It is my hope that when we return from summer recess, we will be able to keep the same pace with President Bush's many other critical nominees.

Mr. Mueller will have a big job in front of him as the new Director of the FBI. The Bureau is plagued with culture problems which have eroded the public's confidence in their ability to effectively investigate crime and apprehend criminals. The senior management of the FBI has fostered a culture of arrogance that has produced abuse of power and coverup. The FBI has been embarrassed time and again by the misconduct of its senior management. First there were the tragedies at Waco and Ruby Ridge. The FBI retaliated against Dr. Fred Whitehurst after he blew the whistle on the FBI crime labs. There was also the botched investigation into the Wen Ho Lee matter and the FBI's failure to turn over evidence to the defense in the Timothy McVeigh trial.

As an ardent advocate of FBI reform, what often gets lost in my comments is the respect that I have for the thousands of men and women serving their country as FBI employees. My criticisms of the FBI's management culture should in no way minimize the great sacrifices that our honest and hardworking FBI agent and support personnel make every day for our country. But these men and women, as well as the American people, deserve a law enforcement organization that has integrity and credibility. The FBI management system is broken, and this does a real disservice to the hardworking agents on the street.

Mr. Mueller and I met in my office a few weeks ago to discuss this culture of arrogance and his plans for reform. In the three short weeks since that meeting, the FBI's culture of arrogance has continued to raise its ugly head. Just a week after the meeting, the national papers were filled with headlines that the FBI couldn't find its guns. The FBI has lost or had stolen from them 440 firearms and 171 laptop computers. The Inspector General is currently conducting an investigation to determine the extent of the damages, but we do know that one of the lost guns was used in the commission of a homicide and at least one of the laptops contained classified information about two espionage cases.

A day after that revelation, four senior FBI agents testified before the Judiciary Committee that the Bureau has dual standard for the disciplining of employees. According to these men, Senior Executive Service employees are given slaps on the wrists for their infractions, while the rank and file agents are often punished to the letter of the law.

Most recently, last Thursday, the public saw a good example of how some SES employees abuse their power: The Washington Times reported that a group of FBI managers staged a conference entitled "Integrity in Law Enforcement" that we merely a sham and a cover, so that senior FBI managers could obtain improper reimbursements for traveling to a retirement party for veteran agent Larry Potts. The Washington Times further reported that "no one was disciplined other than to receive letters of censure." This lack of discipline directly counters the letter of the law. In 1994, Director Freeh issued a "Bright Line" memo dictating that voucher fraud and the making of false statements would result in dismissal. Had the rank and file done this, they would have been fired.

These most recent FBI blunders are further eroding public confidence that the FBI is up to the task their Nation has called upon them to do.

But, not all the news is bad. In the weeks since our meeting, the Attorney General has issued an order to enlarge the jurisdiction of the Department of Justice Office of Inspector General. The Inspector General will not have primary jurisdiction over allegations of misconduct against employees of the FBI and DEA. This is an important and encouraging step toward overall FBI reform. I hope it will help to solve the problems that the FBI has with their management culture. Previous to this, the Inspector General could not initiate an investigation within the FBI or DEA, without expressed permission from the Deputy Attorney General. I have been saying for many years that the FBI should not be allowed to police itself, and I am encouraged by this new step toward the establishment of a free and independent oversight entity. Along these same lines, Senator Leahy and I will soon be offering a bill to make permanent what the Attorney General's Order accomplished regarding oversight of the Bureau and the reporting of misconduct by FBI employees. This bill is critical to having lasting reform.

In order for a true change in the FBI's management culture to occur, there must be vigorous oversight by an independent IG, as well as by the Congress. With the Attorney General's order and the work of the Senate Judiciary Committee, there will be oversight. But, there must also be a strong leader known for honesty and integrity at the helm of the Bureau. Mr. Mueller has sterling credentials and a great deal of experience. He has also impressed me with his history of reform while the U.S. Attorney for San Francisco. A similar overhaul is needed at the FBI. However, I'm converned that Mr. Mueller still doesn't fully comprehend the culture problems that exist at the FBI. As the new Director, he must be committed to fundamentally changing the Bureau's management culture.

That being said, I am suporting Mr. Mueller's nomination. Based on this responses to the concerns that I have raised with him, the commitments he has made to reform the culture of the FBI, as well as the many recommendations he has received in support of this nomination, I trust that he will be able to institute the much needed reform of the FBI's management culture. I will be voting to confirm Mr. Mueller to be director of the FBI.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Madam President, I have sought recognition to comment on the confirmation of Robert Mueller to be Director of the FBI and to comment about the hearings which were very important in establishing standards for congressional oversight.

Mr. Mueller brings outstanding credentials to the position of Director of the FBI: an excellent academic background, an excellent professional background, served as U.S. attorney in Boston, as U.S. attorney in San Francisco, as Assistant Attorney General in charge of the Criminal Division, earlier this year was acting Deputy Attorney General.

One of the things he did which I found enormously impressive was while in private practice in a very lucrative context, he called up the U.S. attorney for the District of Columbia and asked for a job trying homicide cases. That was after he had been Assistant Attorney General for the Criminal Division. That was his devotion to public service and his devotion to law enforcement and his devotion to prosecution.

I found that unique based on my own experience as an assistant district attorney before becoming D.A. of the city of Philadelphia. People ask me from time to time what my favorite job was. It is not Senator or D.A., but assistant D.A. where you really get into the courtroom and try so many cases. He brings an outstanding background to this very important and very difficult job.

Arguably, the Director of the FBI is the most powerful man in America. I say that because the Director has a 10-year statutory term. The most the President of the United States can serve is two 4-year terms for a total of 8 years. What the President does is subject to considerable public scrutiny, unlike the record of the FBI where most of its work is done on a confidential basis and in secret. So it is a very powerful position.

Mr. Mueller comes to this job with a very troubled Federal Bureau of Investigation. Recognizing that and the problems they have had with the crime laboratory and the Hanssen case and Waco and Ruby Ridge, they have also had tremendous successes. They have had successes on the Unibomber, the Trade Center bombings, the Embassy terrorist attacks, Khobar Towers, and many successful actions thwarting terrorist attacks which are not publicized.

When a mistake is made by a public official or by an agency like the FBI, they are plastered across the front pages. Their successes are not noted. Many of them are confidential so their informants and sources are not disclosed. While it is a troubled agency, it is still a very fine agency. It has performed investigative service for the United States. The FBI responsibilities have increased enormously in the last few years, fighting organized crime overseas and international terrorism.

I think Director Freeh did as good a job as could be done under very difficult circumstances. I analogize Director Freeh to the story of the Dutch boy who is trying to keep the water from coming through the dyke. He runs around and sticks his finger in the holes of the dyke. No matter how many holes he plugs up with his fingers, more water comes in. That was a problem Director Freeh had. I think overall he did as good a job as could be done under the circumstances.

Notwithstanding that overall evaluation, I do believe there were very serious shortcomings in the responsibility of the FBI and by Director Freeh to congressional oversight. I believe the oversight function is an enormously important function; Congress has to oversee the way our appropriations are spent and oversee the way the executive branch functions. We have not done enough in that regard. We did not do the oversight necessary in Waco where there was the incident on April 19, 1993. No one can establish cause and effect, but chances are good that had there been effective oversight immediately after the Waco incident, that the Oklahoma City bombing would not have occurred 2 years to the day on April 19 of April 1995. It took until 1999 with the inquiry by former Senator Danforth to do appropriate oversight there.

This Senator tried hard in mid-1995 to pursue oversight as to Waco and as to Ruby Ridge. Finally, we did have hearings on Ruby Ridge. That was an example of effective congressional Senate oversight. I had the opportunity to chair that subcommittee. It is not just my view but a widespread view. Randy Weaver was on the mountain at Ruby Ridge and a virtual army went out to bring him off the mountain. The results were disastrous. The U.S. Marshal, Marshal Degan, was killed. Randy Weaver's wife, Vicki, was killed. Randy Weaver's son, Sammy Weaver, age 14, was killed in a gunfire fight.

The FBI finally conceded they had violated the constitutional standards in use of deadly force on their rules of engagement. It took a Senate oversight hearing to bring that out and to get that matter corrected. Regrettably, to this day, Ruby Ridge was a 1992 incident and the Senate Judiciary Committee worked in 1995 and published a report in December. To this day, that matter is still under investigation with substantial reason to believe there has not been appropriate action taken by way of discipline.

One of the things Mr. Mueller committed to do was to revisit that situation.

The oversight function is a matter which our Judiciary Committee has not pursued, as I stated. I had the opportunity to chair a subcommittee on Department of Justice oversight in 1999 and in the year 2000. In the course of that oversight inquiry, when we were investigating campaign finance reform and sought to get a report made by Charles Labella, who came in as a special assistant. We could never get the report, even though the Department of Justice had a duty to provide it to the Judiciary Committee on oversight. When we finally issued a subpoena for the Labella report in April of the year 2000, we did obtain the report.

At that time, we obtained another document which classifies as a dynamite document which should have been turned over to the FBI long before. This is a memorandum dated December 9, 1996. I ask unanimous consent the text of this memorandum be printed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1)

Mr. SPECTER. This memorandum, dated December 9, 1996, is from Director Freeh to one of his top deputies, Mr. Esposito. It relates to a conversation which Mr. Esposito had with a top-ranking official in the Department of Justice named Lee Radek of the Public Integrity Section.

The kernel of the memorandum is contained in paragraph 4 which I will now read:

> I also advise the Attorney General of Lee Radek's comment to you that there was a lot of "pressure" on him and PIS, Public Integrity Section, regarding this case [and that refers to the Democratic national campaign matter which is the caption of the memorandum] because the "attorney General's job might hang in the balance" or words to that effect.

Now, this conversation between Mr. Esposito and Mr. Radek occurred in December of 1996 at the precise time when President Clinton had not stated whether he would reappoint Attorney General Reno. There was an enormous furor over the issue of campaign finance irregularities. The Governmental Affairs Committee conducted an extensive investigation in 1996.

Now, had this memorandum been disclosed, as I think it should have been, and had the Senate known a top Department of Justice official was going easy on this investigation because of protecting the Attorney General's job, the demands for independent counsel might have come out entirely differently. That was a major matter.

When I saw this memorandum in December of the year 2000, I told Director Freeh I thought he had an absolute duty to have turned over this memorandum contemporaneously with the event, and he disagreed, saying it would have destroyed his relationship with the Attorney General—and his relationship had a lot of problems, in any event. I admired Director Freeh for his taking a stand that independent counsel should have been appointed, and in many respects he did act in a courageous way on that particular subject. But this memorandum was dynamite. By the time it came up in the year 2000, it was a cold potato, it was an old matter.

I said to Director Freeh that he must testify about this issue, and he said he wouldn't do so. To my chagrin, I could not get a subpoena from the Judiciary Committee to compel Director Freeh's attendance and testimony.

We did bring in Mr. Esposito and we did bring in Mr. Radek, put them both under oath and had them testify, and they told contradictory versions. Mr. Radek said, well, he had made a comment about pressure and he had made a comment about the Attorney General's job hanging in the balance, but there was no connection between the two. That is set out fully in the record and can be reviewed by anyone who cares to do so, to evaluate the credibility of Mr. Radek in saying that—although he had said there was a lot of pressure and he said the Attorney General's job hung in the balance, that there was no connection between the two.

When Attorney General Reno testified 3½ years after the fact, she said she didn't recall any such conversation with FBI Director Freeh but if it had occurred, she was sure she would have taken some action. But, as I say, at that point it was totally stale, not subject to any real investigation or congressional oversight on that point.

Before the confirmation hearing with Mr. Mueller, I met with him for the better part of an hour in my office and went over that memorandum and other matters about which I had questioned him. During the course of his testimony on Monday, 3 days ago, when I asked him if that was the kind of a memorandum which ought to have been disclosed, he was equivocal. He was equivocal about a number of other matters. At the suggestion of the chairman that Bob Mueller and Arlen Specter sit down, we did Tuesday morning in my office for the better part of an hour. And when he resumed his testimony on Tuesday, he said that that memorandum from Director Freeh should have been made a part of the record, that that was appropriate congressional oversight and it should have been disclosed. I consider that important because we really have to establish standards as to what Mr. Mueller will do as FBI Director and what is appropriate congressional oversight.

Another matter that I had discussed informally with Mr. Mueller before the confirmation hearing, and then questioned him about during the confirmation hearing, was the issue of the obligation of the FBI, of the Department of Justice, to submit to congressional oversight on pending criminal investigations and on pending criminal prosecutions. I cited to Mr. Mueller a summary of the law which appeared in Congressional Research.

During the course of my questioning of Mr. Mueller on Monday afternoon of this week, I had asked him about his recognition of the authority of Congress to have the last word on oversight, and to have access to pending FBI investigations and pending FBI prosecutions. At that time, I read to him extracts from the Congressional Research Service which summarized the law on the subject in a publication dated April 7, 1995, as follows:

> . . . a review of congressional investigations that have implicated the Department of Justice or the Department of Justice investigations over the past 70 years, from the Palmer Raids and Teapot Dome to Watergate and through Iran-Contra and Rocky Flats, demonstrates that the Department of Justice has been consistently obligated to submit to congressional oversight regardless of whether litigation is pending so that Congress is not delayed unduly in investigating misfeasance, malfeasance, or maladministration in the Department of Justice or elsewhere.

Skipping some:

> In all instances, investigating committees were provided with documents respecting open or closed cases that included prosecutorial memoranda, FBI investigative reports, summaries of FBI interviews memoranda.

Another facet of the same report:

> In the majority of instances reviewed, the testimony of subordinate Department of Justice employees, such as line attorneys and FBI field agents, was taken formally or informally and included detailed testimony about specific instances of the Department's failure to prosecute alleged meritorious cases.

In my questioning of Mr. Mueller on Monday afternoon, he was equivocal about his recognition of those legal principles. As I say, we had a meeting in my office for the better part of an hour Tuesday morning at the suggestion of the chairman. During that time, we came to a meeting of the minds, as we had on the memorandum of December 9, 1996, so that when Mr. Mueller testified on Tuesday afternoon, he did say that it was appropriate for Congress to inquire as a matter of oversight into pending criminal investigations, so that he agreed with the language of the Congressional Research Service and did agree that, in the final analysis, Congress had the last say as to what was appropriate for congressional oversight.

There was a bit of qualification when he talked about appropriate cases. Of course, there has to be responsibility in what the Congress asks for. But when the Congress presses it, the law is established that if it ends a criminal prosecution because Congress believes the oversight is warranted for legislation, then Congress has the paramount authority.

I discussed with Mr. Mueller the frustration of congressional oversight in the Wen Ho Lee case, which was illustrative of Congress really not doing sufficient oversight and the intransigence and noncompliance by the Federal authorities.

The Wen Ho Lee case was a matter under investigation really for decades. To this day, we do not know whether Dr. Wen Ho Lee was a major spy or was a victim of overreaching by the FBI and the Department of Justice.

The case came to a head in August of 1997, when FBI Director Freeh sent one of his top deputies to talk personally with Attorney General Reno to request a warrant under the Foreign Intelligence Surveillance Act.

Attorney General Reno delegated that authority to someone who had no experience in the field, and ultimately the warrant was turned down. And there was no followup by either Attorney General Reno or FBI Director Freeh. That resulted last year in legislation, so that it is now a statutory obligation. When the FBI Director makes a request, the Attorney General has an obligation to respond in writing, and the FBI Director has an obligation to follow up personally.

The Wen Ho Lee case then languished for 16 months until December of 1998, when it was reinvigorated because the Cox commission was about to come out with a report from the House of Representatives. highly critical of the Department of Energy and the Department of Justice, including the FBI. At that time, Department of Energy Secretary Richardson initiated a polygraph of Wen Ho Lee conducted by a private agency, which was reported to have cleared Wen Ho Lee of complicity, saying he passed the polygraph. It was later held in question and later discredited. Meanwhile, Dr. Lee had continuing access to highly classified information.

Finally, the FBI proceeded with a search warrant in April of 1999 and then waited until December of 1999 before indicting Wen Ho Lee and arresting him. At that time, they manacled him and held him in solitary confinement, with no explanation ever forthcoming as to why he could stay at large for months and months and months and then be worse than public enemy No. 1.

During that period of time, a Judiciary subcommittee with oversight of the Department of Justice was proceeding to try to get records and documents and, significantly, without success. Our efforts are summarized, and there are many letters, but this one is illustrative, dated November 30, from me to Director Freeh saying:

> I am very much concerned about the repetitive problem that the FBI fails to produce records and that they are then discovered at a much later date.
>
> I know you will recall the incident in September 1997 when the CIA advised the Government Affairs Committee of certain information in FBI files concerning foreign contributions which the FBI had not disclosed.

That one was a very vituperative hearing where the FBI had not turned over the information and the CIA came forward and told us what was in the FBI files. Then the FBI belatedly conceded that it was in fact in their files.

My letter to Director Freeh of November 30 goes on:

> By letter dated November 24, 1999, I wrote asking for an explanation about the failure of the FBI to turn over records pursuant to subpoenas in the Ruby Ridge hearings.

We had no response there.

Going on:

> With respect to Waco, there has been a series of belated disclosures. Last August, it was disclosed that incendiaries were fired at the compound contrary to Attorney General Janet Reno's previous testimony. Shortly thereafter, the FBI discovered extensive documents in Quantico which had not been previously disclosed. A few days ago, the press reported another incident where the FBI found documents long after they were supposed to have been produced, some four days after Department of Justice attorneys had advised a Federal Judge in Waco that there were no such records.
>
> The Department of Justice has recently advised that Attorney General Reno's testimony before the Judiciary Committee on June 8, 1999 was incomplete because she did not have access to certain FBI records.

The letter goes on and on.

I ask unanimous consent, instead of reading it at length, that it be printed in the Record at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. SPECTER. I am not unaware that this is a somewhat lengthy statement, but believe me, it is a short summary of efforts made to find out what was going on in the Wen Ho Lee investigation and where we were being stonewalled by the FBI. Had we had access to these records and had we conducted the oversight, we would have perhaps been able to correct some of the serious errors which were in process.

Another illustrative letter was from me to Director Freeh dated January 3, 2000. I will read only one paragraph.

> I am writing to renew my request—which was first made in writing on September 29, 1999—for access to the ten pieces of intelligence information referred to in the July 1999 Inspector General's Special Report on the Handling of FBI Intelligence Information. . . .

Then a note:

> We have been waiting for the 10 pieces of intelligence information for an unreasonably long time.

Again, I ask unanimous consent that the full text of the letter be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. SPECTER. Then the Department of Justice accepted a guilty plea from Dr. Wen Ho Lee on 1 count of 59 counts and then was thoroughly chastised by the Federal judge for the way they had conducted the investigation.

Then Dr. Lee was debriefed, and we are still waiting for answers from the FBI as to what has occurred in the case going up to August of 2001 on an oversight which has been in process for years.

I talk about this at some length because of the importance of the Judiciary Committee pursuing this oversight and finding out what is going on in the FBI. We have a very significant advance made on a recognition by Mr. Mueller, who will be sworn in as Director of the FBI, that the Congress has a right to pending FBI investigations and to pending FBI prosecutions.

They can't hide behind the assertion that, well, it is confidential and subject to investigation or subject to prosecution.

The hour is growing late. One other matter I want to put on the record at this point is the issue on which I questioned Mr. Mueller about the leaks on the alleged investigation into Senator ROBERT TORRICELLI. As I said to Mr. Mueller at the hearing on Tuesday afternoon, the day before yesterday, all I know about that is what I read in the newspaper. But I had written to Director Freeh back on June 8 of this year, saying:

> I am interested to know whether you have initiated any investigation on the leaks which have appeared in the press concerning an alleged investigation of Senator Bob Torricelli; and, if so, what that investigation has disclosed.

As I said Tuesday, and repeat today, I haven't gotten an answer to the letter. I asked Mr. Mueller for a commitment that he would investigate to see what had happened because of the devastating nature of this leak. But this leak is one of many. The papers have been filled with stories about Dr. Wen Ho Lee and many other matters. But we have a commitment from the Director to respond on the Torricelli matter.

Briefly, in conclusion—the two most popular words of any speech—I comment about the problems in the FBI, but I do acknowledge, as I did at the outset, that I believe the FBI is a very important and good investigative organization, and that we find the errors, we find the difficulties, and they are publicized. But I do believe that the Senate is at fault, the Congress is at fault in not pursuing oversight. It is a very tough thing to do because you have to make the request repeatedly and you have to insist on it and you have to follow up on it. When we will have a Director who concedes that Congress is entitled to information on pending investigations and pending prosecutions, then we know where we ought to head.

EXHIBIT 1

DECEMBER 9, 1996.

MEMORANDUM

To: Mr. Esposito.
From: Director, FBI.
Subject: Democratic National Campaign Matter.

As I related to you this morning, I met with the Attorney General on Friday, 12/6/96, to discuss the above-captioned matter.

I stated that DOJ had not yet referred the matter to the FBI to conduct a full, criminal investigation. It was my recommendation that this referral take place as soon as possible.

I also told the Attorney General that since she had declined to refer the matter to an Independent Counsel it was my recommendation that she select a first rate DOJ legal team from outside Main Justice to conduct the inquiry. In fact, I said that these prosecutors should be "junk-yard dogs" and that in my view, PIS was not capable of conducting the thorough, aggressive kind of investigation which was required.

I also advised the Attorney General of Lee Radek's comment to you that there was a lot of "pressure" on him and PIS regarding this case because the "Attorney General's job might hang in the balance" (or words to that effect). I stated that those comments would be enough for me to take him and the Criminal Division off the case completely.

I also stated that it didn't make sense for PIS to call the FBI the "lead agency" in this matter while operating a "task force" with DOC IGs who were conducting interviews of key witnesses without the knowledge or participation of the FBI.

I strongly recommended that the FBI and hand-picked DOJ attorneys from outside Main Justice run this case as we would any matter of such importance and complexity.

We left the conversation on Friday with arrangements to discuss the matter again on Monday. The Attorney General and I spoke today and she asked for a meeting to discuss the "investigative team" and hear our recommendations. The meeting is now scheduled for Wednesday, 12/11/96, which you and Bob Litt will also attend.

I intend to repeat my recommendations from Friday's meeting. We should present all of our recommendations for setting up the investigation—both AUSAs and other resources. You and I should also discuss and consider whether on the basis of all the facts and circumstances—including Huang's recently released letters to the President as well as Radek's comments—whether I should recommend that the Attorney General reconsider referral to an Independent Counsel.

It was unfortunate that DOJ declined to allow the FBI to play any role in the Independent Counsel referral deliberations. I agree with you that based on the DOJ's experience with the Cisneros matter—which was only referred to an Independent Counsel because the FBI and I intervened directly with the Attorney General—it was decided to exclude us from this decision-making process.

Nevertheless, based on information recently reviewed from PIS/DOC, we should determine whether or not an Independent Counsel referral should be made at this time. If so, I will make the recommendation to the Attorney General.

EXHIBIT 2

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC, November 30, 1999.

Director LOUIS FREEH,
Federal Bureau of Investigation,
Washington, DC.

DEAR DIRECTOR LOUIS FREEH: I am very much concerned about the repetitive problem that the FBI fails to produce records and that they are then discovered at a much later date.

I know you will recall the incident in September 1997 when the CIA advised the Governmental Affairs Committee of certain information in FBI files concerning foreign contributions which the FBI had not disclosed.

By a letter dated November 24, 1999, I wrote asking for an explanation about the failure of the FBI to turn over records pursuant to subpoenas in the Ruby Ridge hearings.

With respect to Waco, there has been a series of belated disclosures. Last August, it was disclosed that incendiaries had been fired at the compound, contrary to Attorney General Janet Reno's previous testimony. Shortly thereafter, the FBI discovered extensive documents in Quantico which had not been previously disclosed. A few days ago, the press reported another incident where the FBI found documents long after they were supposed to have been produced, some four days after the Department of Justice attorneys had advised a Federal Judge in Waco that there were no such records.

The Department of Justice has recently advised that Attorney General Reno's testimony before the Judiciary Committee on June 8, 1999 was incomplete because she did not have access to certain FBI records.

Similarly, Mr. Neil Gallagher has sought to correct his testimony before the Governmental Affairs Committee on June 9, 1999 because he was not aware of certain FBI documents when he testified.

On the eve of our Judiciary Subcommittee hearing on Wen Ho Lee on November 3, 1999, we were given important documents at the last minute which have been in the FBI files since December 19, 1997 and December 10, 1998.

These are only a few of the many instances where documents have been disclosed by the FBI long after they should have been made available. Would you please let me know why so many documents have been produced so late and what procedures you now have or are putting into place to prevent this from happening in the future. As I know you understand, every time we get late disclosures, we have to go back and retrace our inquiries. Of even greater importance is the issue of the reliability of FBI responses to our document requests.

I would appreciate a response as promptly as possible so that we can proceed.

Sincerely,

ARLEN SPECTER.

EXHIBIT 3

U.S. SENATE,
Washington, DC, January 3, 2000.

Hon. LOUIS J. FREEH,
Director, Federal Bureau of Investigation, Washington, DC.

DEAR DIRECTOR FREEH: I am writing to renew my request—which was first made in writing on September 29, 1999—for access to the ten pieces of intelligence information referred to in the July 1999 Inspector General's Special Report on the Handling of FBI Intelligence Information Related to the Justice Department's Campaign Finance Investigation, and any analysis regarding the validity of such information and its suitability for use in a prosecution or relevance to a plea agreement. These ten pieces of information are covered by the November 17, 1999, resolution of the Judiciary Committee, which authorized a number of subpoenas.

I would also appreciate your assistance in ensuring that the background check and clearance request for my Chief Counsel, Mr. David Brog, it processed in an expeditious manner.

Both of these matters are important for the Judiciary subcommittee which I chair to be able to conduct its oversight in a prompt and thorough manner.

Sincerely,

ARLEN SPECTER.

Mr. SESSIONS. Madam President, I served on the subcommittee on oversight effort on the FBI and the Department of Justice. I thought if the American people had seen that, they would have known that he was committed to getting to the truth, as he is always, and that there was, indeed, vigorous oversight at least with regard to those aspects of the FBI and the Department of Justice.

Nobody is perfect. Everybody makes mistakes. But it is our duty to ask tough questions and insist on excellence. I am a big fan of the FBI, but they are not perfect. I am a big fan of the Department of Justice, but they are not perfect. Senator GRASSLEY and Senator SPECTER have been tough on them and demanded excellence, and I respect that. I think it is very healthy. I believe that Bob Meuller, who I knew at the Department of Justice for many years, is a professional's professional, who is a tough leader with the kinds of insight into the FBI's strengths and weaknesses that would allow him to have a unique opportunity to make a positive change.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Robert S. Mueller, III, of California, to be Director of the Federal Bureau of Investigation? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) is absent because of a death in family.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 272]

YEAS—98

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NOT VOTING—2

Domenici
Inouye

The nomination was confirmed.

Mr. LEAHY. Madam President, I move to reconsider the vote.

Mr. REID. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Madam President, I thank the distinguished majority leader and Members on both sides of the aisle for arranging to expedite the scheduling of these three votes. As I said to the Senator from Nevada, the majority whip, it is extremely important that we were able to move especially Bob Mueller as quickly as we did.

I thank the leadership for making this possible, and I thank all Senators on both sides of the aisle for voting for him. It sends a strong signal. We have somebody who wants to preserve the very best of the FBI and to correct those areas where there are problems. I think he can do both. He comes with a strong mandate from the Senate, and that will help.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. DASCHLE. Madam President, I compliment the distinguished chairman of the Judiciary Committee for his expeditious work on these nominations and so many others. We have broken some records. His work and determination demonstrate real fairness and ensure these people have the opportunity to serve at the earliest possible date. His willingness to do that and his desire to work with the leadership are very much appreciated. I want to commend him publicly for that.

Mr. LEAHY. I thank the Senator.

LEGISLATIVE SESSION

JUDICIAL NOMINATIONS

Mr. LEAHY. Madam President, on July 20, I was pleased that we were able to confirm a number of judicial and executive nominations. We confirmed Judge Roger Gregory for a lifetime appointment to the United States Court of Appeals for the Fourth Circuit. Last year and earlier this year, he was unable even to get a hearing from the Republican majority.

Having gotten that hearing, his nomination was reported favorably to the Senate on a 19 to 0 vote by the committee and the Senate voted to confirm him by a vote of 93 to 1 vote. The supposed controversy some contend surrounded this nomination was either nonexistent or quickly dissipated. In addition we have confirmed the two nominees to the District Court vacancies in Montana in order to help end the crisis in that district that was brought to our attention by Chief Judge Molloy.

Today we report and the Senate is confirming William Riley, nominated to the United States Court of Appeals for the Eighth Circuit. Mr. Riley was strongly supported by both his home State Senators, one a respected Republican and one a valued Democratic Senator.

In the entire first year of the first Bush Administration, 1989, without all the disruptions, distractions and shifts of Senate majority that we have experienced this year, only five Court of Appeals judges were confirmed all year.

In the first year of the Clinton Administration, 1993, without all the disruptions, distractions and shifts in Senate majority that we have experienced this year, only three Court of Appeals judges were confirmed all year. In 1993, the first Court of Appeals nominee to be confirmed was not until September 30. During recent years under a Republican Senate majority, there were no Court of Appeals nominees confirmed at any time during the entire 1996 session, not one. In 1997, the first Court of Appeals nominee was not confirmed until September 26.

Having confirmed our first Court of Appeals nominee on July 20, the Senate this year is ahead of the pace in 1993, the first year of the Clinton Administration, and ahead of the pace in 1996 and 1997, when the Senate was under Republican control.

A fair assessment of the circumstances of this year would suggest that the confirmation of a single Court of Appeals nominee this early in the year and the confirmation of even a few Court of Appeals judges in this shortened time frame of only a few weeks in session should be commended, not criticized. Today we confirm our second Court of Appeals nominee.

The Judiciary Committee held two hearings on two Court of Appeals nominees in July. In July 1995, the Republican Chairman held one hearing with one Court of Appeals nominee.

In July 1996, the Republican Chairman held one hearing with one Court of Appeals nominee, who was confirmed in 1996. In July 1997, the Republican Chairman held one hearing with one Court of Appeals nominee. In 1998, the Republican Chairman did hold two hearings with two Court of Appeals nominees, but neither of whom was confirmed in 1998. In July 2000, the Republican Chairman did not hold a single hearing with a Court of Appeals nominee.

During the more than 6 years in which the Senate Republican majority scheduled confirmation hearings, there were 34 months with no hearing at all, 30 months with only one hearing and only 12 times in almost six and one-half years did the Judiciary Committee hold as many as two hearings involving judicial nominations in a month. Over the last 6 years only 46 nominees were confirmed by the Republican majority in the Senate to the Courts of Appeals around the country.

This Democratic Senate has confirmed two within the month the Senate has been reorganized before the August recess. So without acknowledging the unprecedented shifts in majority status this year, our productivity compares most favorably with the last 6 years. With the confirmation of William Riley to the Eighth Circuit, we have exceeded the record in five of the last 6 years.

I am considering holding another judicial confirmation hearing in August, during the Senate recess. No such hearing was held during any of the last 6 years. If we proceed, it may be the first time a judicial confirmation hearing was held during the August recess.

I went to the White House for the President's announcement of his first judicial nominations as a demonstration of bipartisanship. I noticed our initial hearing on judicial nominees within 10 minutes of the Senate adoptions of S. Res. 120 reorganizing the Senate just before the July 4 recess. We held two hearings in July. We confirmed two Court of Appeals Judges in July. The facts are that the Democratic majority in the Senate has proceeded fairly.

I have also respectfully suggested that the White House work with Senators to identify and send more District Court nominations to the Senate who are broadly supported and can help us fill judicial vacancies in our federal trial courts. According to the Administrative Office of the U.S. Courts, almost two-thirds of the vacancies on the federal bench are in the District Courts, 75 of 108. But fewer than one-third of President Bush's nominees initial 30 nominees have been for District Court vacancies.

The two who were consensus candidates and whose paperwork was complete have had their hearing earlier this month and were confirmed July 20.

I did try to schedule District Court nominees for our hearing last week, but none of the files of the seven District Court nominees pending before the Committee was complete.

Because of President Bush's unfortunate decision to exclude the American Bar Association from his selection process, the ABA was only able to begin its evaluation of candidates' qualifications after the nominations were made public. We are doing the best we can, and we hope to include District Court candidates at our next nominations hearing.

There has been talk that the President will be sending more District Court nominees to the Senate today or tomorrow.

If he does, I hope that they are consensus candidates and that their home state Senators have been involved in the selection process. Unfortunately, they are being received late in this short session and without the peer review that the ABA had traditionally provided at the time of the nomination for more than 50 years. We will do the best we can to proceed with mainstream candidates with broad-ranging support in the limited time available to us before the Senate adjourns this year and given the heavy legislative agenda that we must accomplish.

When some Republican Senators bemoan the current vacancies, they should also acknowledge that many of the current vacancies could have been filled and should have been filled over the last several years. Indeed, if the 65 judicial nominations sent to us over the past few years by President Clinton had been acted upon, we would have scores fewer vacancies.

At the end of the last session of Congress in which there was a Senate Democratic majority, in 1994, there were 63 vacancies on the Federal courts, which included several new judgeships created by statute in 1990 and as yet unfilled. When the Senate returned to a Democratic majority on June 6 of this year, there were 104 vacancies. When the Senate was finally allowed to reorganize and made its Committee assignments on July 10, there were 110 vacancies.

Of the judicial emergency vacancies, almost half would not exist if President Clinton's qualified nominees for those positions had been confirmed by the Republican majority over the last few years. I noted last week that the Republican Senate over the last several years refused to take action on no fewer than a dozen nominees to what are now emergency vacancies on the Courts of Appeals.

I remind my colleagues of their failure to grant a hearing or Committee or Senate consideration to the following: Robert Cindrich to the Third Circuit; Judge James A. Beaty, Jr. and Judge James A. Wynn, Jr. to the Fourth Circuit; Jorge Rangel, Enrique Moreno and H. Alston Johnson to the Fifth Circuit; Judge Helene White, Kathleen McCree-Lewis and Kent Marcus to the Sixth Circuit; Bonnie Campbell to the Eighth Circuit; James Duffy and Barry Goode to the Ninth Circuit.

Those were 12 Court of Appeals nominees to 10 vacancies who could have gone a long way toward reducing the level of judicial emergencies around the country. Our first confirmation this year was of Judge Roger Gregory to a judicial emergency vacancy.

I have yet to hear our Republican critics acknowledge any shortcomings among the practices they employed over the last six years.

When they have done that and we have established a common basis of understanding and comparison, we will have taken a significant step forward. That would help go a long way toward helping me change the tone here in Washington. It would make it easier to work together to get as much accomplished as we possibly can.

Mr. HATCH. Madam President, I am pleased that today the Senate confirmed William Riley to be a judge on the Eighth Circuit Court of Appeals. This confirmation brings the total of judicial confirmations for the year to four. Even if we include today's confirmation vote in the total for the month of July, I want to note for the record that this is significantly fewer judges than were confirmed during most of the months of July during my tenure as Chairman of the Judiciary Committee, even though we had a Democratic President and a Republican Senate during those years. Here is the number of judges confirmed during the months of July when I was chairman:

July 1995—11 judges confirmed.
July 1996—16 judges confirmed.
July 1997—3 judges confirmed.
July 1998—6 judges confirmed.

July 1999—4 judges confirmed.
July 2000—5 judges confirmed.

MORNING BUSINESS

Mr. DASCHLE. I ask for unanimous consent that the Senate now proceed to a period for morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ELECTION FRAUD

Mr. BOND. Madam President, for the past several months I have been waiting patiently for the opportunity promised me to offer testimony on election fraud before the Senate Rules Committee. The committee has held days of hearings in Washington, and they have been on the road. My concern was that perhaps the committee was not interested in vote fraud, was not interested in hearing the details of the criminal activities that took place in Missouri in November of 2000. Certainly, it was not interested in what election law reforms are necessary to attack vote cheats.

Unfortunately, I can wait no longer. I am here in the Chamber rather than the committee because, although I was assured I would have the opportunity to testify about the extraordinary circumstances that occurred around the election in St. Louis, and thus make the case for real vote fraud reform, the committee has decided to move ahead without giving me the opportunity to pursue a voting machinery bill before the recess.

It is an understatement to say I am disappointed. But rather than dampening my enthusiasm, that disappointment makes me even more committed to the cause.

Simply put, it is imperative that we pass legislation this year that makes it easier to vote but harder to cheat. One without the other will not work and will not be acceptable.

Voting is the most important duty and responsibility of a citizen of our Republic. It should not and must not be diluted by fraud, by false filings and lawsuits, judges who don't follow the law, and politicians to try to profit from confusion. At the same time, voters should not be unduly confused by complicated ballots and voter rosters or confounded by inadequate phone lines or voting machinery.

One simple point as we begin: Vote fraud is not about partisanship. It is not about Democrats versus Republicans. It is not about the north side of St. Louis versus the south side. It is not about ethnic groups or religious groups or interest groups. It affects all citizens. It is about justice, for vote fraud is a criminal, not a political, act.

Illegal votes dilute the value of votes cast legally. When people try to stuff the ballot box, what they are really doing is trying to steal political power from those who follow election laws. There can be no graver example of disenfranchisement. The Missouri Court of Appeals wrote:

> [E]qual vigilance is required to ensure that only those entitled to vote are allowed to cast a ballot. Otherwise, the rights of those lawfully entitled to vote are inevitably diluted.

Let's discuss what is vote fraud; how does it work; how widespread is it; how can we stop it. Vote fraud is, at the core, the practice of illegally adding votes to a candidate's vote total or taking them away. It can be done by simply stuffing the ballot box with extra ballots at the end of the voting day. It can be done by voting in the names of people who are dead or otherwise have not voted. It can be done by creating lists of bogus names and addresses and then voting all those fake identities. It can be done in person. It can be done by absentee ballot. It can be done with a judge, incompetent, inattentive or unlawful, who issues a court order.

However, it is done, its design and purpose is single-minded: cheat to win. Fortunately, most of the time it does not work. But unfortunately, there are those who argue that because it fails more than it succeeds, it is not a real problem.

To those who make that argument, I recommend they take a few moments to review the comments of an old friend of mine with whom I served when I was Governor of Missouri. He is from the other party but is an active leader. State Representative Quincy Troupe stated this year, after news of the vote fraud came out in St. Louis: In this town, to win in a close election "you have to beat the cheat." That is the cry in St. Louis, people trying to cheat to win.

The impulse has been around since the dawn of civilization. Parents, teachers, and coaches tried mightily to instill in us that we should play fair, abide by the rules, and 99 percent of the time their lessons took root.

Unfortunately, not everybody has gotten the message. Every day we read stories of consumer fraud, the selling of test scores, point shaving scandals, stock swindles, real estate scams. I suppose we should not be shocked that people also try to steal votes and, ultimately, elections.

Because we are a nation of laws and we have basic faith that people will play fair, we simply don't like it when people try to cheat to win. That, of course, is what voter fraud is all about.

Unfortunately, we in Missouri saw it in this past election. No one wants his or her State to become a poster child for a problem, the hometown become a laughingstock. So it is with dismay that I come before my colleagues today to describe what has gone on in St. Louis, what is going on, what reforms I believe are vital.

Missouri's secretary of state has just completed a comprehensive review of election 2000, centered around four basic voter fraud schemes, the question of felons voting, as well as reviewing the actions by local judges and the now infamous dead-man-claims-long-lines-keep-him-from-voting court case.

The four vote fraud schemes regularly practiced across the country are: Did individuals register and vote more than once; did any dead individuals have votes cast in their names; were false names/addresses voted; were drop sites used to give individuals multiple voting identities.

Each of these are classic vote fraud schemes designed to allow a small number of people to cast numerous votes either by absentee ballots or by moving from polling place to polling place and voting multiple names from the voter list.

Each scheme relies on access to registered voter lists in order to know what names to use, knowledge of the false names, or requires the individuals to have control of the absentee ballots. In one common form of absentee ballot fraud, the drop site scam, the individuals used in the scheme simply register, usually by mail, multiple names at one address and then request absentee ballots for all their new roommates, phantom though they might be, and they vote all of the ballots coming into those invisible roomies.

Sad to say, each of these schemes was in use on election day in Missouri. In reviewing only 2 of Missouri's 114 counties, the secretary of state found 14 probable drop sites where there were at least 8 registered voters, 8 registered voters in one house, with another 200 possible sites requiring further review. We had 68 dual registered people who voted twice. Good luck, folks. I think your day is coming. There were 79 vacant lots used as addresses for voters, and 14 dead people voted—certainly an inspiring theological effort, but one that is disappointing politically.

In addition, this investigation found that 114 felons voted and over 1,200 people who were not registered at all voted—in direct contravention of Missouri law. These people went before judges and said, "I want to vote." The Missouri Constitution says you have to be registered to vote. The judges said: You look like a nice guy or lady, so we are going to let you vote. That is illegal; that is fraud; that is criminal.

As I said, for each of the drop sites, the secretary of state used an eight-person rule—meaning he only reviewed those sites that showed eight or more registered voters at one address. And his staff only visited 20 percent of the total sites identified. Only law enforcement would be able to determine how many illegal votes were cast from these sites.

However, those responsible for voting twice, voting dead persons' names, and creating false addresses were obviously violating the law. There can be no question that criminal fraud occurred.

What can be done to protect us from this cheating in the future? In our review of the secretary of state's report, it is clear that a fundamental requirement for fraud is voter list manipulation. Bogus names are added with the intent to vote them absentee. Voters who have moved or died are left on the lists in order to create a pool of names to be voted, and the sheer confusion of clogged up voter rolls is used to further complicate efforts by election officials to keep the votes legal.

My staff's review of the voter lists in St. Louis has found rolls so clogged with incorrect, fraudulent data it almost defies description.

The number of registered voters threatens to outnumber the voting age population. A total of 247,000-plus St. Louis residents, dead or alive, are listed as registered voters compared with the city's voting age population of 258,000. That is a whopping 96-percent registration rate.

The reason why: Almost 70,000 St. Louis residents, or 28 percent, are on the inactive voter list. That means 1 in 4 eligible St. Louis voters cannot be located by the U.S. Postal Service as actually living where the voter rolls say they are registered.

More than 23,000 people in St. Louis are also registered elsewhere in Missouri. That means 1 in 10 are at least dual registered. Over 17,000 voters still are listed as registered in the city, even after moving out and registering at new addresses. Nearly 700 voters are registered twice in St. Louis. No fewer than 400 are registered once in the city and twice more elsewhere in the State. And five Missouri voters are registered at four different places across the State.

Though dead for 10 years, former St. Louis Alderman Albert "Red" Villa was actually registered to vote this spring in the city's mayoral primary. Ritzy Meckler, a mixed-breed dog, was also registered to vote in St. Louis. We don't know her party preference, but I won't go into the "voting is going to the dogs" line.

This spring, a city grand jury began an investigation of 3,800 voter registration cards dumped on the election board on the last day to register before the March 6 primary: Press reports initially noted that at least 1,000 were bogus registrations for people already registered.

The U.S. attorney has now taken over the case, and a Federal grand jury investigation is underway, as the FBI has recently issued a subpoena to the St. Louis Election Board for records pertaining to any person who registered to vote between October 1 of last year and March 6 of this year. They also requested all records of anyone who cast absentee ballots or regular ballots, as well as anyone who was turned away from voting.

It is obvious that there has been brazen fraud with these bogus voter registrations. With dead people registering, fake names on voter lists, and phony addresses, it is painfully clear that the system is being abused.

The only conclusion: Reform is imperative.

There are three key weaknesses in the current system: the ease in which drop sites can be created; the ability of individuals to imposter others and vote in their name; and dual registrations.

The drop sites are a direct result of allowing mail-in or drop-off registration without also requiring some form of authentication that the names being registered are of people actually existing. This creates pools of false names on the voter rolls.

Because absentee voting after mail-in registration is allowed, it is very easy for those bent on cheating to cast votes for people who never existed. This clearly is in need of reform.

Second, the ability of individuals to pose as others is directly dependent upon what type of identification is required for people voting. In the St. Louis mayoral primary this past March, as a result of the attention I and others brought to this situation, they required photo IDs, and there were no complaints of voter impersonation or voter intimidation. Obviously, the ability to pose as another would be severely restricted with a simple photo ID requirement. St. Louis may have had an honest election. It should be celebrated in the history of Missouri. The March election was an honest one.

Third, the number of dual registrations creates a huge pool of names for the unscrupulous to abuse. It also causes confusion for the legitimate voters. A statewide database would clearly eliminate most dual registrations. That is certainly one of the recommendations of the Carter-Ford Commission that deserves support.

However, as simple as these reforms may be, the problems are deeper. For example, motor voter actually blocks States from requiring notarization or other forms of authentication on mail-in registration cards.

Given that nearly all of the fraudulent registrations were mail-in forms, it is obvious that we need to make real reforms in this area. At a minimum, States need to be given the authority to require on mail registration forms a place for notarization or other authentication. Under current law, States are actually prohibited from including this safeguard. This is one obvious place where the Federal law is clearly an impediment to antifraud efforts. Why do we so easily require a photo ID to board a plane or to buy beer and cigarettes, while leaving the ballot box undefended?

Motor voter has also built a system whereby once bogus names are registered, it is impossible to get them off the lists. Current Federal law blocks a person's removal from the rolls unless he or she is reported dead, requests removal, or the U.S. Postal Service returns certified election board mailings to the person as "undeliverable" and the person fails to vote in two successive Federal elections. When names are added to vote lists for fraudulent purposes, they certainly are not going to request removal, or they certainly are not going to forget to vote. If you have gone to the trouble to register somebody fraudulently, you are going to vote them in every election. What protections do we have? None.

We passed the motor voter bill with best intentions. Unfortunately, we now have proof that the very mechanism designed to boost voter participation has turned the Nation's voter rolls into a tangled mess. In Missouri, we saw how the motor voter flaws paralyzed the St. Louis Election Board last year. The board's inability to maintain its lists invited brazen vote fraud, now the subject of a Federal criminal probe.

In Florida, St. Louis, and elsewhere, sloppy maintenance of voter rolls fueled charges of minority disenfranchisement. The legacy of the motor voter bill is that while it tried to boost voter participation, it may, in fact, now be responsible for reducing the integrity of and confidence in our elections. The best election "reform" Congress can undertake this year is to go back and fix the flaws in the law we passed 7 years ago.

We need to get a handle on the voter lists. People who register and follow the rules should not be frustrated by inadequate polling places and phone lines, or confused by out-of-date lists. At the same time, we must require the voter list to be scrubbed and reviewed in a much more timely manner—so cheaters cannot use confusion as their friend.

It is time we got rid of St. Louis's lasting reputation, described my old friend Quincy Troop this way: The only way you can win a close election in this town, you have to beat the cheat.

Madam President, I thank the Chair and my colleagues. I yield the floor.

RELEASING THE HOLD ON TWO NOMINEES FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. SPECTER. Madam President, I had written placing a hold on two nominees from the Department of Health and Human Services. I wrote that last week on Janet Rehnquist, on July 27. She is up for inspector general of the Department of Health and Human Services; and Alex Michael Azar, II, up for general counsel of the Department of Health and Human Services.

I placed a hold on them and had notified them on that day, last Friday. I had a meeting with them on Monday and I have written today releasing the hold.

The hold was placed on them on a matter that is ongoing. That is because, when we had the Budget Appropriation hearings on the National Institutes of Health, Senator HARKIN and I had written—I was chairman at the time—to the Institutes asking questions about stem cell research. The replies we got were censored, and we finally laboriously got the originals and found that information very favorable to stem cell research had been deleted. I asked Secretary Thompson about that and got an unsatisfactory answer, which I need not go into in any detail about here. And then NIH had submitted a 200-page report to the Department of Health and Human Services, and that report on the report was published in the New York Times in mid-June.

Senator HARKIN and I could not get it until less than 24 hours after we had a hearing on stem cells on that report 2 weeks ago. I talked to the inspector general nominee, Janet Rehnquist, about assurances that if she were confirmed that she would, as inspector general of HHS, conduct a thorough inquiry into why those reports were censored.

I received a letter in reply, and I need not go into detail now, and it is really not determinative for consideration because I am advised by the chairman of the Finance Committee they will not be reported out before recess with respect to Mr. Azar. I asked him about his standards as general counsel to render an opinion on stem cell research, which would be an objective opinion. The general counsel, under the previous administration, had rendered an opinion that the Federal statute barred extracting stem cells from the embryos, but did not ban research once they had been extracted.

The President has taken a contrary position, and funding has been held up. I wanted assurances from Mr. Azar that his determination would be an objective determination. He has written to me. It is not ripe for a final determination, but I wanted to comment because of the importance of the subject and state publicly that the holds have been withdrawn as far as this Senator is concerned.

I thank the Chair especially for her diligence in presiding.

I yield the floor.

LOUIS ARMSTRONG DAY

Mr. HATCH. Madam President, I wish to thank my colleagues, Senators SCHUMER, BREAUX, LANDRIEU, and LIEBERMAN for co-sponsoring my resolution designating this Saturday, the centennial of a great American legend's birthday, "Louis Armstrong Day."

Thanks to the wonders of technology, we can all continue to appreciate the genius of Louis Armstrong's music. It is music that uplifts the spirit, and that has inspired countless musicians and fans for nearly a century. There are millions of people around the world who love Louis Armstrong's music. And, thanks to the wonders of technology, there are millions more who have never heard his music who someday will, and their lives will be uplifted. From the perspective of this Louis Armstrong fan, they've all got something to look forward to.

DEPARTMENT OF DEFENSE COUNTERDRUG SUPPORT

Mr. GRASSLEY. Madam President, I rise to express my deep concern about the apparent lack of emphasis by the Department of Defense on the counterdrug mission. This has been a year of continual discussion of increased DoD funding for various military missions. However, all the indications I am hearing point to a decreased DoD interest in this mission, as well as decreased funding levels. I believe this would be a poor policy decision, and a poor indication of the nation's priorities.

In May 2001 testimony, before the Senate Caucus on International Narcotics Control, on which I served as Chairman, the heads of the Drug Enforcement Administration, the U.S. Customs Service, and the U.S. Coast Guard all testified that DoD reductions would be detrimental to their agencies' counterdrug efforts. The Office of National Drug Control Policy summarized that (quote) DoD's command and control system provides the communications connectivity and information system backbone . . . while the military services detection and monitoring assets provide a much need intelligence cueing capability (end quote).

The Commandant of the Coast Guard testified at length about DoD counterdrug support, stating (quote) [w]e would go downhill very quickly (end quote) without DoD contributions. The Commandant also stated that 43 percent of Coast Guard seizures last year were from U.S. Navy vessels, using onboard Coast Guard law enforcement detachments. The Coast Guard concluded that (quote) [s]hould there be any radical reduction of the assets provided through the Department of Defense . . . it would peril the potential for all the other agencies to make their contributions as productive . . . mainly because of the synergy that is generated by the enormous capability that the 800-pound gorilla brings to the table . . . They are very, very good at what they do. They are the best in the world . . . and when they share those capabilities . . . in terms of intelligence fusion and command and control, we do much better than we would ever otherwise have a chance to do (end quote). I understand that an internal review of DoD's drug role contemplated severe reductions as a working assumption. After years of decline in DoD's role in this area, I believe this sends the wrong signal and flies in the face of DoD's statutory authority.

I have consistently supported an integrated national counterdrug strategy. If we reduce the DoD role, we risk lessening the effectiveness of other agencies as well. We need to make these decisions carefully, and with full Congressional involvement. I urge the Department of Defense to keep in mind DoD's important role in, and necessary contribution to, a serious national drug control strategy.

AMERICAN INDIAN ENERGY AND NATIONAL ENERGY SECURITY

Mr. CAMPBELL. Madam President, as Congress begins the August recess and Americans get in their cars, vans and trucks to take their deserved vacations, we should keep in mind that the U.S. dependency on foreign sources of energy is at an all-time high of more than 60 percent.

Both the House and Senate are considering various parts of what will become our national energy plan, but to date little attention has been paid to energy development and conservation on American Indian reservations.

Indian lands comprise about 5 percent of the total landmass of our Nation and if consolidated, would be about the size of the State of Minnesota. In the last century, Indians were relegated to small remnants of their aboriginal lands, in areas most considered ill suited to agriculture or any other form of activity.

On and under these Indian-owned lands are huge reserves of oil, natural gas, coal bed methane, uranium, and alternative sources of energy such as wind and hydropower. There are many tribes that want to develop these energy resources and are looking to Congress for assistance to do just that.

We are not just talking about drilling in the Alaska National Wildlife Refuge, ANWR. Indian resources span from the coal fields of Montana to the natural gas patch in Colorado and beyond.

The tribes are not only interested in research and development, and financial and tax incentives, though they are needed, but are looking for changes and reforms to existing regulations that have kept energy and other projects from Indian lands.

Developing Indian energy is not only in the interest of the tribes and their members, but is largely consistent with the Bush administration's emphasis on production, conservation, and ensuring long-term supply is guaranteed.

It is Congress' obligation to ensure the Nation's supply of energy is secure and also to assist Indian tribal development and job creation in the process. To this end I am working to help ensure that tribes are brought into the fold when Congress gets serious about energy policy this fall.

I ask unanimous consent that copies of various recent news articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, June 29, 2001]

FALLING ENERGY PRICES COULD SPARK THE ECONOMY

(By Greg Ip)

WASHINGTON.—Energy prices, which helped drive the economy to the brink of recession, are declining and could be crucial to reviving growth.

Rising production, moderate weather and weakening demand have helped reduce prices of natural gas, gasoline and Western wholesale electricity to below year-ago levels and return inventories to a comfortable range. If sustained, the drop in prices, combined with a tax cut and lower interest rates, helps increase the likelihood of an economic recovery in coming months.

But here is the catch: Prices have dropped in part because slowing economies in the U.S. and abroad have lessened demand. A sharp rebound in growth could tighten supplies and cause prices to rise.

"It looks that the worse of the energy stocks may be behind us, in part because of growing supply and, even more important, the effects of the economic downturn are really starting to show up on the demand side," said Tom Robinson, senior director at Cambridge Energy Research Associates. "The market looks much better supplied heading into the summer and next winter than most people would have thought six months ago."

Higher energy prices, by some estimates, reduced economic growth about a percentage point in the past year by sapping consumer incomes. Spending isn't likely to fully rebound because the prices haven't returned to previous levels and because retail electric bills have yet to fully reflect the jump in wholesale costs earlier this year.

Federal Reserve Chairman Alan Greenspan yesterday blamed rising energy costs for hurting profit margins and investment as they drove up business costs between the spring of 2000 and last winter, little of which was passed on in higher prices.

The subsequent decline suggests "some easing in pressures on profit margins from energy this quarter," he told the Economic Club of Chicago. While the Fed couldn't be certain the spike in gasoline prices "is behind us . . . it is encouraging that in market economies well-publicized forecasts of crises, such as earlier concerns-about gasoline price surges this summer, more often than not fail to develop."

Crude-oil prices have slipped to about $25 a barrel from an average of $28.63 in May and more than $30 a year ago. But drops in other energy prices have been more striking. Consider:

Spot natural-gas prices, which rose from $4.40 per million British thermal units a year ago to above $10 in the winter, have since slipped to about $3.25. Mr. Robinson estimates robust drilling activity has lifted North American production as much as 3% from a year ago, while demand has fallen as some power plants substituted cheaper fuels for gas. Combined that has dramatically boosted gas in storage from far below seasonal norms to well above.

Regular gasoline average $1.54 a gallon across the country Monday, down from $1.71 in the late May and 12 cents below year ago levels, according to the Energy Department. Larry Goldstein, president of P * * * Energy Group, an industry research organization, said that consumption instead of rising the expected 1% to 1.5% this summer is now expected to fall 2%. Gasoline inventories, bolstered by surging imports are near a five-year high.

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[From the Reno Gazette Journal, July 31, 2001]

TEAMSTERS BACK OIL EXPLORATION IN ALASKA WILDERNESS

WASHINGTON.—The Teamsters will start airing radio ads this week in favor of drilling in the Arctic National Wildlife Refuge in Alaska. The campaign aligns the union with the Bush administration and sets it apart from much of organized labor.

The 60-second spots will air on radio stations in Pennsylvania and West Virginia this week as the House prepares to vote on the issue and other energy proposals.

The ads will cost at least $20,000, said Teamsters spokesman Rob Black.

Pennsylvania and West Virginia were selected because of the impact energy exploration could have on their economics, union officials said. More than 200 businesses in those states are involved in Alaskan petroleum exploration.

The ads say that opening the refuge could mean 75,000 new jobs—"Good jobs, union jobs"—with 40,000 of those in Pennsylvania and West Virginia.

Environmentalists get slammed for being "so intolerant and excessive" while jobs are being lost and families are hurting.

"Part of the problem? Not understanding that protecting the environment and developing new sources of energy go hand in hand," the ads say. Listeners are urged to call their representatives.

Vice President Dick Cheney met with the Teamsters and some of the more conservative construction and steel unions earlier this summer, when the Bush administration was trying to build support for its energy plan by touting job creation.

The Teamsters union, which supported former Vice President Al Gore in last year's election but sometimes tilts Republican, has been a thorn in the Bush administration's side on another issue—whether to open the border to Mexican trucks.

The union has been lobbying against President Bush's plan to allow the trucks on America's roads on Jan. 1, in keeping with the North American Free Trade Agreement.

The Senate is nearing a vote on the issue, and Democratic leaders predict passage of tougher safety standards for Mexican trucks.

Bush prefers giving the trucks access to U.S. roads and then auditing Mexican trucking companies during the next 18 months.

The Teamsters union has been airing $50,000 worth of radio ads, opposing Bush's plan, in the Washington area.

NATION OF IMMIGRANTS

Mr. KENNEDY. Madam President, each year the American Immigration Law Foundation and the American Immigration Lawyers Association sponsor a national writing contest on immigration. Thousands of fifth grade students across the country participate in the competition, answering the question, "Why I'm Glad America is a Nation of Immigrants."

In fact, "A Nation of Immigrants" was the title of a book that President Kennedy wrote in 1958, when he was a Senator. In this book, and throughout his life, he honored America's heritage and history of immigration as a principal source of the Nation's progress and achievements.

I had the privilege of serving as one of the judges for this year's contest, and was very impressed by the young writers. In their essays, they showed great pride in the Nation's diversity and its immigrant heritage, and many students told the story of their own family's immigration.

The winner of this year's contest is Crystal D. Armstead, a fifth grader from Philadelphia. In her essay, she reminds us of America's immigrant foundation and the importance of honoring our diversity. She describes how immigration has affected her family and how it enriches her life today. Other students honored for their creative essays were Robert Banovic of Pittsburgh, PA, Megan Imrie of Orland Park, IL, Carter Jones of Huntington Beach, CA, and Amanda Tabata of Honolulu, HI.

I believe that these award-winning essays in the "Celebrate America" contest will be of interest to all of us in the Senate, and I ask unanimous consent they be printed in the RECORD.

There being no objection the material was ordered to be printed in the RECORD, as follows:

GRAND PRIZE WINNER, CRYSTAL D. ARMSTEAD, PHILADELPHIA, PA

REASONS WHY I'M GLAD AMERICA IS A NATION OF IMMIGRANTS:

The United States has the largest immigration population in the world. There are two types of immigrants today. Those who are running from something, and those who are running to something. In the early 1600's there was a third reason. Africans were brought to America against their will as slaves. Africans had no choice but to become part of American culture. Today, African Americans have freedom to leave, but are so much a part of the American society that we remain a part of this country. I'm part of the American melting pot.

My school is an example of America in 2001. There are at least thirty countries represented in my school.

Some of the children in my school don't speak English, or speak very little English. In the classroom, they sometimes have a translator. In the lunchroom and in the school yard, language is not a problem. We play tag, jump rope, and run around the school yard. We need no translators. It is a privilege to go to school with so many cultures.

In the fourth grade, everyone researched their culture and country of origin. My ancestors came from Africa. They weren't treated well, but today I'm able to attend one of the best schools in Philadelphia. I was proud when my grandmother shared stories from Africa.

We finished the project with an international lunch. We enjoyed dishes and wore clothes from our country of origin.

FINALIST, ROBERT BANOVIC, PITTSBURGH, PA

MY ROAD TO AMERICA

When the war started, I was four years old. I lived with my mom, dad, grandmother, and grandfather. One day my dad went to the war. My mom said that he would come back soon but he never did.

As we sat down to eat one day, the shaking and screaming began. There was dust all over. They threw a grenade in my house and killed my grandfather who I loved a lot. The door and bricks fell on me. Everywhere around me were dead people—men, women, and children. The war didn't choose.

My uncle took my mom, grandmother, and me to another city. From there we moved on again but my mom didn't come because she was trapped in the city we came from. My grandmother died three months later and I was left with a woman I didn't even know. I didn't see my mom for six months. When she came, the war was still going on but I didn't care, at least I had my mom. My dad was gone, my grandfather and grandmother, too—all of them died in one year.

When my mom and I came to the United States, it was hard and we cried a lot. We didn't have any friends and we didn't know how to speak English. But we have a lot more here than we did in Bosnia. Most of all we have freedom. Now I'm one happy kid who is glad we are here!

FINALIST, MEGAN IMRIE, ORLAND PARK, IL

LIBERIO

This is a true story. It is to show why I am glad America is a nation of immigrants.

My great-grandfather was an immigrant from Italy. In the 1930s people did not get paid much and had to work very long hours. His name was Liberio. When people became tired with the way their bosses treated them, they picketed for unions. Liberio and his co-workers were among these workers. Liberio was their leader. One day during a picket, the police arrested him and his co-workers. When it was Liberio's turn to be questioned, the police asked why they were picketing, since this is America. Then Liberio said: "I know all about America. My name is Liberio and it means liberty. I have three sons. My first son is named Salvatore, which means salvation. America gives salvation to people who are poor, hungry, persecuted or even in danger. My next son's name is Victorio, which means victory. Victory stands for America because we are victorious over depression and hardships and other countries that are against our way of life. My last son's name is Franco which means freedom. Freedom is America. Its people can believe, can live and dream however they choose. Do not tell me I do not know what America is." When the police heard this, they let my great-grandfather and his companions go. I feel that this is very important because it made many understand what America is.

FINALIST, CARTER JONES, HUNTINGTON BEACH, CA

AMERICA AS A QUILT

I like to think of America As a huge quilt, Each person acting as A small thread, Each person's character Describes the color Of each thread. Each person's appearance Determines the texture Of each thread. Each family acts as A group of threads. Each family's love For each other Determines how the Threads are placed. When a marriage occurs Two more threads Are woven together. When all the families Are woven together, It makes a very Unique fabric.

As the fabric grows, It forms quilt pieces That form a Complete quilt. Each family has its Own unique pattern That determines the Way the quilt Patches will look. If you were To take other Country's quilts and Compare them to The United States' Quilt, you would Get a very different Product because Of different foods And different Traditions of each Country in the world. The United States Quilt would have A very different Texture and color Than any other Country in the world. All the different Characteristics and skin Colors of people Around the world Make our quilt Beautiful.

If you were to Look at the United States' Quilt, really Study it, you Would find Characteristics Of all the other Countries on it.

People have Immigrated here From other countries, And because of that, Each quilt patch Is different from The next quilt patch. Immigrants from Countries other than The United States Bring different foods And traditions, which Change the colors and Textures of the United States' beautiful And unique quilt.

FINALIST, AMANDA TABATA, HONOLULU, HI

I'm proud to live in a place with many immigrants.

Many people get to share customs, traditions, history, language, and many more things.

Many people do not know how lucky they are to live in a place with many immigrants.

I can learn many things about a culture from one another.

Give thanks because you live in a wonderful diverse, and free country.

Really take the time to experience, and learn about all of the cultures, history, tradition, religions and many more things.

Always be proud of who you are, what culture you are, and where you come from.

Nurture, and create an appreciation for all cultures.

Together we stand in a community of different cultures, so we are strong.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred July 4, 1991 in Houston, TX. Eight to 10 high school and college-aged males beat Paul Broussard, 27, and two of his companions with two-by-fours, some with nails in them. Broussard died seven hours later. Police labeled the homicide a "gay bashing."

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

FISCAL YEAR 2002 TRANSPORTATION APPROPRIATIONS ACT

Mr. FEINGOLD. Madam President, I am pleased that the Senate was able to pass a Transportation Appropriations bill that fully funds the airport and highway trust funds and provides funds for high-speed rail research and development, among other things. Ensuring that our Nation's transportation infrastructure receives adequate funding for improvement and maintenance is a critical responsibility of Congress. Due in large part to TEA-21, Congress has been able to provide these necessary funds on a consistent basis.

At the same time, I continue to be concerned about unauthorized spending that is included in the accompanying report. While I appreciate the desire to respond to local requests and concerns, nevertheless Congress must work harder to rein itself in when it comes to this type of spending. We all know that this is not an easy task. While I disagree with the President's tax cut which has reduced the availability of funds for necessary programs, nevertheless I am encouraged by the Administration's recent announcement that it wants to work with Congress to cut back unauthorized spending in appropriations bills.

Adequate funding for our entire transportation infrastructure is one of my highest budget priorities. I am pleased that this bill accomplishes that goal.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Madam President, at the close of business yesterday, Wednesday, August 1, 2001, the Federal debt stood at $5,706,162,161,657.50, five trillion, seven hundred six billion, one hundred sixty-two million, one hundred sixty-one thousand, six hundred fifty-seven dollars and fifty cents.

One year ago, August 1, 2000, the Federal debt stood at $5,652,485,270,404.28, five trillion, six hundred fifty-two billion, four hundred eighty-five million, two hundred seventy thousand, four hundred four dollars and twenty-eight cents.

Five years ago, August 1, 1996, the Federal debt stood at $5,183,636,383,503.29, five trillion, one hundred eighty-three billion, six hundred thirty-six million, three hundred eighty-three thousand, five hundred three dollars and twenty-nine cents.

Ten years ago, August 1, 1991, the Federal debt stood at $3,577,200,000,000, three trillion, five hundred seventy-seven billion, two hundred million.

Fifteen years ago, August 1, 1986, the Federal debt stood at $2,079,858,000,000, two trillion, seventy-nine billion, eight hundred fifty-eight million, which reflects a debt increase of more than $3 trillion, $3,626,304,161,657.50, three trillion, six hundred twenty-six billion, three hundred four million, one hundred sixty-one thousand, six hundred fifty-seven dollars and fifty cents during the past 15 years.

ADDITIONAL STATEMENTS

COMMENDING THE STUDENTS OF SUNNYSIDE AND TECUMSEH MIDDLE SCHOOLS OF LAFAYETTE, IN

• Mr. INOUYE. Madam President, I rise to commend the students of Sunnyside and Tecumseh Middle Schools of Lafayette, IN, for their efforts to honor the Japanese American veterans of World War II.

On June 29, 2001, I was honored to help dedicate the long-awaited National Japanese American Memorial to Patriotism. Located just a stone's throw from this chamber, at the corner of New Jersey and Louisiana Avenues, the memorial is a beautiful evocation of Japanese American contributions to life of this great Nation.

Though small in numbers, Americans of Japanese ancestry have had a tremendous impact on our Nation in countless ways, in fields and factories, in boardrooms and classrooms, in State houses and court houses. Of course, when their Nation called, they answered, performing magnificently on the battlefield. Their success, achieved in the face of discrimination and cultural misunderstanding, is a testament to their values of hard work, self-sacrifice, and love of family, community, and country, values that have helped make our Nation strong and prosperous.

The National Japanese American Memorial to Patriotism is a fitting tribute to the "patriotism, perseverance, and posterity" of this small but vigorous minority in our country. I hope that all our colleagues, and indeed Americans everywhere, will have a chance to visit this remarkable shrine and reflect on the lesson that it teaches us, that America is great because it embraces its diversity, and that freedom and opportunity can be realized only when they are available to all.

Today I would like to share with you another tribute, one less grand, perhaps, and constructed of cloth and paper rather than steel and stone, but no less meaningful. I am referring to a remarkable work of art and remembrance, a quilt that comes from the heartland of America. Crafted by the young people in Lafayette, IN, the quilt honors the thousands of Japanese Americans who answered the call of duty during the Second World War.

Through the good offices of the Japanese American Veterans Association, the larger-than-life quilt to which I refer had its inaugural unveiling at the dedication dinner celebrating the June 29, 2001 opening of the National Japanese American Memorial to Patriotism. It captured the hearts and imaginations of all who saw it that evening, and in so doing, appropriately highlighted the memorial's primary mission, to educate Americans about the heritage of Japanese Americans and their special place in the fabric of our Nation.

I would like to commend the 8th grade students of Sunnyside and Tecumseh Middle Schools of Lafayette, IN, who joined together to create this unique work, and to thank their teacher, Ms. Leila Meyerratken, for her inspirational support for this initiative. Five hundred students, often working after school and on weekends, contributed their time, energy, and inspiration to the school project. Mrs. Meyerratken herself gave up holidays and leave to see the project through.

The quilt is a marvelously conceived and meticulously constructed work. The structure and detail were crafted with an eye for historical accuracy, and every opportunity was taken to imbue the quilt with appropriate symbolism. For example, 120,000 tassels edge the red-white-and blue tapestry, to represent the number of Japanese Americans incarcerated in the wartime relocation camps. And the quilt's dimensions are carefully framed at 19 x 41 feet, to recall the fateful year America entered the war.

The main body of the red, white, and blue cloth quilt is interspersed with memorabilia, including dog tags and parts of uniforms, that were selected from Nisei veterans themselves. Other sections contain heartfelt poems written by some of the junior high students. The names of more than 20,000 Nisei soldiers, from the 100th Battalion, the famed 442nd Infantry Regiment, the 522nd Artillery Battalion, 1399th Engineer Construction Battalion, and the Military Intelligence Service, are painstakingly attached to the rest of the quilt's panels.

Its creators intended the quilt to honor Americans of Japanese ancestry who volunteered to fight for their country in order to prove their loyalty, in spite of the detention of their family members in internment camps. The students expressed hope that the tapestry will teach others how Japanese Americans, by making sacrifices on the field of battle, rose above the indignities they suffered. These youths felt strongly that the World War II history of the Japanese Americans soldiers, which is not generally covered in history books, was a story worth telling.

Mrs. Meyerratken, the leader of the project, says that the quilt "is meant to promote social justice by teaching others in simple ways what these veterans did and how they overcame racism."

I hope that the quilt will tour the Nation and convey to all citizens the message of tolerance and understanding that these young people from Indiana have so beautifully and inspirationally captured in this marvelous quilt. If this quilt accurately represents the sentiments of America's heartland, then I think the future is in good hands indeed.•

TRIBUTE TO WALKER JOHNSON

• Mr. McCONNELL. Madam President, today I rise to pay tribute to a fine man and a great Kentuckian, Mr. Walker Johnson. On July 24, 2001, Walker celebrated his 90th birthday. I urge my colleagues to join me in wishing him the very best.

Walker Johnson is a loving family man and a great friend. Born to Robert and Sanny Johnson, he enjoys small-town living and is a life-long resident of Adair County, KY. Walker is the father of four children, Billy, Doris, James, and Delois. In fact, it is through Delois and her husband, Rich, that I have heard so many wonderful stories about Walker. He is a special friend to many, and is always willing to help others.

Walker is a unique individual who is known for his wit and sense of humor. Throughout his life, Walker has pursued a wide range of activities including music, horse shoeing, and dog trading. He is a talented musician and spent much time in his early years traveling and playing the fiddle with performers such as String Bean and Uncle Henry's Mountaineers. In the 1940s, he put the fiddle aside and began shoeing horses and trading dogs. Walker was one of the most skilled and hardest working farrier's in the business. In fact, at the age of 68, he managed to shoe 18 horses in one day. What a feat!

Walker has also stayed busy trading dogs, which he's done for more than 50 years. He has sold dogs all over Kentucky as well as in several other States. Today, at the age of 90, he still enjoys trading and sitting down with friends for good conversation.

On behalf of myself and my colleagues in the U.S. Senate, I want to pay tribute to Walker Johnson and sincerely wish him and his family the very best. I ask that an article which ran in the Adair Progress on Sunday August 24, 2000, appear in the RECORD.

The article follows:

[From the Adair Progress, Aug. 24, 2000]

AN OLD-TIME FIDDLER NOW AN HONORABLE KENTUCKY COLONEL

(By Paul B. Hayes)

For around three-quarters of a century, Walker Johnson has traveled around the countryside—playing a fiddle, shoeing horses or trading dogs and various other items.

Johnson, a life-long resident of the county who has resided in the Millerfield community for the past 50-plus years, is known far and wide for his activities throughout the years, along with wit and humor.

A few weeks ago, the 89-year-old Johnson began having some health problems, but doctors installed a pacemaker in his heart about a month ago, and he appears to be on the mend. Last week, his spirits got a little boost when State Senator Vernie McGaha paid him a visit, and made him a Kentucky Colonel on behalf of Gov. Paul Patton.

While visiting with Sen. McGaha, his son Bobby, and another friend, Johnson took a little while to reminisce about his years as a musician, farrier and trader—and even play a tune or two on his fiddle.

"I've been playing a fiddle over 80 years," Johnson said while sitting on the porch of his home, "When I was six years old, Daddy made me a little cigar box fiddle.

"I started playing it, and that's all I wanted to do," he continued, "I got so where I wouldn't help Momma pack in the water or wood, and she got mad and threw it out the window.

"Eight days later, Daddy went to town and bought me a three-quarter size fiddle. He brought it home, give it to me, and told Momma "This don't go out the window.' "

Johnson kept playing his fiddle and before too many years had passed, was traveling quite a bit to play music (In an article about Johnson that appeared a few years ago in the Russell Register, he was quoted as saying "I found out it was a lot easier to earn money by playing a fiddle at night than it was to hoe in the fields all day long.")

He played for a long time with String Bean, who later went on to the Grand Ole Opry and also made many appearances on Hee Haw.

He also played for a good while with Uncle Henry's Kentucky Mountaineers. The group played weekly on a Lexington radio station for three years, then got a chance to audition for the Grand Ole Opry.

"We went down there and played, and they offered to hire us," he recalled. "But, we decided not to go because it was too far.

Uncle Henry's group also went to Chicago to perform for a while, Johnson didn't go. "Casey Jones took my place when the band went to Chicago," he said.

Johnson also played at a weekly square dance that was held in Columbia for two years, but in the 1940s, he gave up playing his fiddle on a regular basis, and took up his other two professions—shoeing horses and trading dogs.

Johnson shoed horses for many years—including many race horses that raced at the country fairs in Russell and Adair counties. He shoed so many Russell County Derby winners (along with several Adair County Derby winners) that he was given special recognition at the Russell County Fair one year.

He kept on shoeing horses way past the time most people would have retired, even shoeing 18 horses in one day when he was 68 years old.

"They always said it took a strong back and a weak mind to shoe horses," he said, "and I guess I was well qualified, for I had them both."

While he's played music and shoed horses for years, Johnson's main reputation has been gained as a dog trader. In dog trading circles, he's known all over Kentucky and several other states.

"I've been trading dogs for 55 years," he said "I've sold a many a load of dogs in North Carolina, Virginia, Georgia and other states. I've owned a many a good dog, and a lot that weren't no count at all."

Johnson said that he traded fox hounds for 43 years, then 12 years ago switched to beagles. A few weeks ago, when he was sick, he sold all the beagles he had.

"I had six, and sold them all," he said. "This is the first time in 35 years that I haven't had a dog, but I'm going to get me some more when I get able."

On his being made a Kentucky Colonel at the age of 89, Johnson admitted he was quite pleased to receive the commission.

"I'm proud to be a Kentucky Colonel, it's about the only thing I've got now that I ain't got no dogs," he said. And, referring to the Kentucky Colonel certificate, which lists him as the Honorable Walker Johnson, he added, "I've been a long time finding out I was honorable—I was always called something else."•

HONORING FOSTER PARENTS

• Mrs. CARNAHAN. Mr. President, I would like to take this opportunity to honor and recognize a very special group of people. I commend Missouri's foster parents for their dedication to helping the lives of children. Every day, caring people open up their homes for children who are in need of help. Currently, Missouri is home to approximately 4,416 foster families.

Being a foster parent takes tremendous skill and dedication. Foster parents have to go through a training and assessment program in order to have a better understanding of the challenges that they will face raising foster children. Foster parents work as a team with experts from state agencies to provide care that is in the best interest of the child.

Of special note are two extraordinary Missourians. Mr. and Mrs. Isaac Garner of Lexington, MO, have unselfishly been foster parents to 236 kids. Their dedication throughout the years stems from a life-long commitment to serving their community and children who are in need of a loving home.

I commend the Garners and all of the foster parents in Missouri for their efforts on behalf of Missouri's children. Thank you for making me proud to be a Missourian.•

IN MEMORY OF BILL ASHWORTH

• Mr. SARBANES. Madam President, earlier this week the Senate lost one of its finest and most respected professional staff members. George William Ashworth, known to all of us as Bill, passed away suddenly on Monday, leaving not only his loving family and a multitude of friends, but a 25-year record of extraordinary public service.

I first came to know Bill when I joined the Senate Foreign Relations Committee in 1977. He had been serving on the staff, which was then nonpartisan, since 1972, after having served two years in the U.S. Army and then covering the Pentagon and national security issues for the Christian Science Monitor. He came to the Committee as a specialist on arms control matters, and provided expert advice to all of us as we considered landmark treaties such as the Anti-Ballistic Missile Treaty, the Threshhold Test Ban Treaty, the Peaceful Nuclear Explosions Treaty, and the Interim Agreement on Strategic Offensive Arms SALT I. Bill not only understood the details and implications of complex treaty provisions, but could explain them in a way that made clear the vital interests at stake. He had a passion for helping to build an institutional framework for peace and stability, at a time when the threat of mutual assured destruction shaped nearly every aspect of U.S. foreign policy.

After 7 years with the committee, Bill was appointed to important positions at the U.S. Arms Control and Disarmament Agency, one of which required Senate confirmation. In 1981, he returned to the Committee staff, this time under the leadership of Senator Claiborne Pell, where again he brought his vast experience to bear on the establishment of sensible and verifiable controls on nuclear arms. Over the next 16 years, until his retirement in 1997, Bill Ashworth became one of the most knowledgeable and influential staff members on national security questions, ranging from conventional weapons sales and military assistance to multilateral arms control treaties. He served as a key staffer for the bipartisan Arms Control Observer Group, briefing Members and planning missions to increase our familiarity with salient issues under negotiations. Many of us relied on his insights and guidance as the Foreign Relations Committee considered amendments to the Arms Export Control Act, controversial arms sales, foreign policy implications of the annual defense authorization and appropriation bills, and resolutions of ratification for the START I and II Treaties, the Intermediate-Range Nuclear Forces INF Treaty, the Treaty on Conventional Forces in Europe, CFE, and the Chemical Weapons Convention, among others.

In all these endeavors, Bill developed cooperative working relationships with colleagues on both sides of the aisle while remaining true to his high ideals and strongly-held convictions. He was known as a hard bargainer, who took seriously his role in conducting oversight of the administration and protecting the interests of Committee members. Many an ill-conceived policy was dropped or amended because of Bill's close eye and sharp mind. He served as an example and mentor to my own staff, selflessly providing advice and encouragement at every turn.

Bill Ashworth's influence will long be felt in the field to which he devoted his career, but his presence will be sorely missed by all who had the privilege of knowing him. I want to extend my deepest condolences to his wife, Linda, and his daughters, Anne and Jennifer. It was clear to all of us how much Bill adored his family, and I want to thank them for all the late hours and stressful moments they must have endured while he was diligently working to make the world a safer place for all of us.●

IN RECOGNITION OF DR. JAMES BIANCO AND ANTHONY BIANCO

● Mrs. MURRAY. Madam Presdent, I rise today to recognize a very distinguished father and son duo from the State of Washington, Dr. James Bianco and his father, Anthony Bianco.

Jim Bianco is the CEO of Cell Therapeutics Inc., a Seattle-based company that develops cancer therapies. Recently, Jim was honored by the National Organization of Rare Diseases, NORD, for his distinguished work.

Jim's father, Anthony Bianco, also just received some long-overdue recognition for his military service to our Nation. During World War II, Tony Bianco was a pilot with the 32nd bomb squadron. Our Christmas Day, 1944, Tony was not required to fly. But he choose to fly that day in service to his country. On that mission over Czechoslovakia, his squadron was attacked. Shrapnel came through the floor of his B–17, entered his lower leg, and exited through his knee. It was a serious injury, yet Tony managed to land his plane safety. He spent the next nine months in a hospital in Italy before being sent back to the United States.

Because of the recovery time for his injury and the coinciding of the end of the War, Tony was never given his 2nd Lieutenant bars. Tony's son Jim just recently discovered this oversight, and has worked diligently to get his father the recognition he deserves.

Recently, Jim was able to present his father Tony with his 2nd Lieutenant bars in recognition of his correct status after his bravery in World War II. I, too, would like to recognize Anthony Bianco and thank him for his brave service to our country. Congratulations should go to both of these men, and a heartfelt thanks to both of them for serving our country.●

HONORING REAL LIFE WITH MARY AMOROSO

● Mr. TORRICELLI. Madam President, I rise today to bring to your attention a noteworthy television program as we in Government continue to encourage broadcasters to produce more "family entertainment" programming. It is a program that reflects a commitment to family programming by a cable television network and an individual, Mary Amoroso.

The program is called "Real Life with Mary Amoroso," and appears on the Comcast Cable Network's CN8 Channel. It can be seen in about four million households from the Washington DC to New York City mid-Atlantic region.

Completing its fifth season, the program is a multiple Emmy Award nominee. With criticism around the country about a lack of quality family programming, Real Life with Mary Amoroso has stood as proud proof that family entertainment can be accomplished.

Real Life with Mary Amoroso has tackled issues ranging from grieving for the loss of a child to finding a job after you've been laid off to Internet dating. The show has focused on government's involvement in personal lives, in topics ranging from the human impacts of Federal approval of stem-cell research to the effect of divorce on today's families.

In fact, comedian/philosopher, Steve Allen, father of the talk-show format, told the show's producers that he'd never had a better interview after he appeared on the program to talk about "Dumbth"—his book about the "dumbing-down" of American discourse.

"We talk about birth, death, dating, child development and parenting issues, addictions and abuse, public range and school yard shootings, mid-life crises, and aging," said show host Mary Amoroso. "If our viewers are living it and worrying about it, we want to talk about it and offer them resources and connections."

I would like to recognize Ms. Amoroso, who is also a columnist on family issues for the Bergen Record newspaper in New Jersey, for her excellent work and dedication to these family-friendly formats. The Comcast cable television network and the Roberts family owners also deserve a great deal of credit for its commitment to this initiative.●

IN MEMORY OF SARAH MAE SHOEMAKER CALHOON

● Mr. CARPER. Madam President, I rise today to commemorate the passing of a wonderful woman, mother, and American, Sarah Mae Shoemaker Calhoon died on July 7, 2001 outside of Columbus, OH after a courageous battle with cancer. Mrs. Calhoun was 75 years old.

Mrs. Calhoon was born on August 31, 1925 in Philadelphia, PA to the late Samuel and Sarah Mae Shoemaker. She spent her childhood in Philadelphia, where she would graduate from Cheltenham High School. On August 29, 1947, just two days before her 22nd birthday, Sarah Mae Shoemaker was married to Tom Calhoon, a Marine from nearby Grandview Heights.

The new Mr. and Mrs. Calhoon had their first child, Tom, Jr. or "little" Tom as they often called him, early in their marriage. In September of 1948, Tom, Sarah, and "little" Tom moved to Columbus, OH, where, over the next 4 years would become the proud parents of three more sons, Sam, Don, and Bob. Their only daughter, Susie, would be born in April of 1961.

Although I did not know Sarah Mae Calhoon personally, I have known her son Tom for more than half of my life. We met as undergraduates at Ohio State University in the 1960s and have been fraternity brothers for more than three decades. Despite living so far from each other, Tom and I have managed to keep in touch over the years. It is often said that all children are a reflection of their parents. If Tom is even a faint reflection of his mother, it is a great tribute to the values she carried throughout her life and instilled in her children.

Since her recent passing, I have heard and read many wonderful things abut Sarah Mae Calhoon. I have learned about her strong commitment to the community of Columbus, whether it be through her active membership in a variety of organizations like the PTA, 4–H, the Lions Auxiliary or in her unofficial role as the "zoning watchdog" of the Calhoon's neighborhood on Old Cemetery Road. I have read about her great success as a multi-million dollar producer in the real estate industry. I have heard, from both former customers and competitors alike, about the dedication, loyalty, and integrity that she brought to her job every day.

Most importantly, however, I have learned about her unfailing commitment to being a mother and wife. Nothing was more precious to Sarah Calhoon than her family, and she did all she could to ensure that all of her children grew up in a loving and nurturing environment that would enable them to go on to lead valuable and fulfilling lives. She consistently put the needs, concerns, and feelings of her family and others before her own wishes, never asking for much but always giving a great deal. Her life served as an example, providing inspiration to women everywhere struggling to maintain the careful balance between career and family, a task that she carried out with admirable grace and skill.

Everything that I have learned about Sarah Mae Calhoon since her death has only confirmed what I had always pictured my good friend Tom's mother would be like: the epitome of an exemplary wife, mother, business woman, and citizen.

In closing, I would like to extend my greatest condolences to her husband, their five children, seven grandchildren, and countless others whose lives were touched by this wonderful woman. As we celebrate her remarkable life, let it be known that Sarah Mae Calhoon will be dearly missed, yet never forgotten.●

TRIBUTE TO CINDY REESMAN FOR HER SERVICE TO THE PEOPLE OF SOUTH DAKOTA

• Mr. JOHNSON, Madam President, I rise today to honor and pay tribute to Cindy Reesman, who grew up on a farm near Colton, SD, and attended school in Chester. Cindy has been a highly-valued member of my staff for 10 years, and I wanted to take this opportunity to publicly thank her for years of hard work and dedication to the people of South Dakota and to me. Cindy will no longer be working on my staff after next week, as she will be moving back to South Dakota with her husband, Ed Reesman and their two year old daughter, Margaret. My wife Barbara and I, along with my entire staff, will miss her greatly.

Cindy is truly a public servant, as demonstrated by her efforts in my office since 1991, when she joined my staff in the House of Representatives as office manager and scheduler. Cindy quickly earned my trust and confidence, and she soon brought stability and her considerable organizational skills to my office. As every member of Congress knows, a scheduler and office manager are an integral part of a congressional office and our daily life. Cindy's efforts over the years have certainly made my time in Congress more organized, as well as more enjoyable.

Cindy's efforts over the years as a member of my staff have included five and a half years as my office manager and scheduler in the House of Representatives, as well as four and a half years working for me in the Senate, both as my scheduler and in her current role as a part time employee managing my official Senate website. I have had the opportunity to see Cindy progress through an important part of her life, from when she started on my staff as Cindy Coomes, a graduate of Northern State University in Aberdeen, SD, to when she was married in September of 1994 to Ed Reesman and to when Cindy and Ed became proud parents of Margaret "Mattie" Reesman in May of 1999.

Cindy has been an instrumental part of my staff for the past 10 years, and it is hard to imagine her not being here. However, I know that when she returns to South Dakota to live in Sioux Falls, she will be an active member of the community who will continue to serve the public with her many talents.

I know Cindy's parents, Eddie and Lois Coomes, the rest of her family, friends and colleagues are all very proud of Cindy and wish her all the best on her move back to South Dakota. She has a wonderful career and life in front of her, and I know she will continue to succeed at whatever she chooses to do. On behalf of my wife Barbara and I, and my entire staff, I want to thank Cindy Reesman for her dedication and years of hard work for the people of South Dakota.•

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 4:05 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4. An act to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 1499. An act to amend the District of Columbia College Access Act of 1999 to permit individuals who graduated from a secondary school prior to 1998 and individuals who enroll in an institution of higher education more than 3 years after graduating from a secondary school to participate in the tuition assistance programs under such Act, and for other purposes; to the Committee on Governmental Affairs.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 2602. An act to extend the Export Administration Act until November 20, 2001.

MEASURES READ THE FIRST TIME

On August 1, 2001:

The following bill was read the first time:

H.R. 2602. An act to extend the Export Administration Act until November 20, 2001.

On August 2, 2001:

The following bill was read the first time:

H.R. 2505. An act to amend title 18, United States Code, to prohibit human cloning.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3244. A communication from the Attorney/Advisor of the Department of Transportation, transmitting, pursuant to law, the report of a nomination confirmed for the position of Administrator of the Federal Railroad Administration, received on July 31, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3245. A communication from the Acting General Counsel, Executive Office for Immigration Review, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Motions to Reopen for Suspension of Deportation and Special Rule Cancellation of Removal Pursuant to Section 1505(c) of the LIFE Act Amendments" (RIN1125-AA31) received on July 31, 2001; to the Committee on the Judiciary.

EC-3246. A communication from the Fiscal Assistant Secretary, Department of the Treasury, transmitting, pursuant to law, a report under the Government Securities Act Amendments of 1993 for the period beginning January 1, 2000 through December 31, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC-3247. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a report on Air Force depot maintenance for Fiscal Year 2001; to the Committee on Armed Services.

EC-3248. A communication from the Administrator of the General Service Administration, transmitting, a report relative to additional lease prospectuses that support the GSA's Capital Investment and Leasing Program for Fiscal Year 2002; to the Committee on Environment and Public Works.

EC-3249. A communication from the Acting Administrator of the Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Program to Assist U.S. Producers in Developing Domestic Markets for Value-Added Wheat Gluten and Wheat Starch Products" (RIN0551-AA60) received on July 31, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3250. A communication from the Acting Administrator of the Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Export Sales Reporting Requirements" (RIN0551-AA51) received on July 31, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3251. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of State Plans for Designated Facilities; New York" (FRL7024-7) received on August 1, 2001; to the Committee on Environment and Public Works.

EC-3252. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Emission Standards for Hazardous Air Pollutants Emissions: Group IV Polymers and Resins" (FRL7025-2) received on August 1, 2001; to the Committee on Environment and Public Works.

EC-3253. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "New Mexico: Final Authorization of

State Hazardous Waste Management Program Revisions" (FRL7026-1) received on August 1, 2001; to the Committee on Environment and Public Works.

EC–3254. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Wyoming: Final Authorization of State Hazardous Waste Management Program Revision" (FRL7025-1) received on August 1, 2001; to the Committee on Environment and Public Works.

EC–3255. A communication from the Personnel Management Specialist, Office of the Assistant Secretary for Administration and Management, Department of Labor, transmitting, pursuant to law, the report of a nomination for the position of Assistant Secretary for Employment and Training, EX–IV, received on August 2, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–3256. A communication from the Director of the Employment Service, Office of Employment Policy, United States Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Repayment of Student Loans" (RIN3206–AJ33) received on August 2, 2001; to the Committee on Governmental Affairs.

EC–3257. A communication from the Acting Deputy General Counsel, Office of Disaster Assistance, Small Business Administration, transmitting, pursuant to law, the report of a rule entitled "Military Reservist Economic Injury Disaster Loans" (RIN3245–AE45) received on August 2, 2001; to the Committee on Small Business and Entrepreneurship.

EC–3258. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a certification of a proposed license for the export of defense articles or services sold commercially under a contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–3259. A communication from the Executive Secretary and Chief of Staff, Agency for International Development, transmitting, pursuant to law, the report of a nomination for the position of Assistant Administrator of the Bureau for Policy and Program Coordination, received on August 2, 2001; to the Committee on Foreign Relations.

EC–3260. A communication from the Alternate OSD, Office of the Secretary of Defense, transmitting, pursuant to law, the report of a rule entitled "TRICARE Eligibility and Payment Procedures for CHAMPUS Beneficiaries Age 65 and Over" (RIN0720–AA66) received on August 2, 2001; to the Committee on Armed Services.

EC–3261. A communication from the Under Secretary of Defense, Acquisition and Technology, transmitting, pursuant to law, a report concerning the detailed live fire test and evaluation plan for the C–130 Avionics Modernization Program; to the Committee on Armed Services.

EC–3262. A communication from the Deputy Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC–3263. A communication from the Assistant Director for Executive and Political Personnel, Department of the Air Force, transmitting, pursuant to law, the report of a vacancy in the position of Assistant Secretary of the Air Force, Acquisition, received on August 2, 2001; to the Committee on Armed Services.

EC–3264. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Closure of the Commercial Fishery from U.S.-Canada Border to Leadbetter Pt., WA" received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3265. A communication from the Director of the Minority Business Development Agency, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Solicitation of Applications for the Minority Business Development Center (MBDC)" (RIN0640–ZA08) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3266. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Interim Final Rule Amending the Emergency Interim Rule for the Atlantic Deep-Sea Red Crab Fishery" (RIN0648–AP10) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3267. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Inseason Adjustment for the Commercial Fishery from U.S.-Canada Border to Cape Falcon, OR" received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3268. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries Off West Coast and Western Pacific States; West Coast Salmon Fisheries; Closure of the Commercial Fishery from Horse Mountain to Point Arena, CA" received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3269. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska—Closes Third Quarter Deep-Water Species Using Trawl Gear, Gulf of Alaska" received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3270. A communication from the Regulations Coordinator for the Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities—Update" (RIN0938–AK47) received on August 2, 2001; to the Committee on Finance.

EC–3271. A communication from the Regulations Coordinator of the Center for Medicaid and Medicare Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Prospective Payment System for Inpatient Rehabilitation Facilities" (RIN0938–AJ55) received on August 2, 2001; to the Committee on Finance.

EC–3272. A communication from the Regulations Coordinator of the Centers for Medicaid and Medicare Services, Department of Health and Human Service, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Changes to the Hospital Inpatient Prospective Payment Systems and Rates and Costs of Graduate Medical Education; Fiscal Year 2002 Rates" (RIN0938–AK20, 0938–AK73, 0938–AK74) received on August 2, 2001; to the Committee on Finance.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–173. A resolution adopted by the City Council of Fairview Park, Ohio relative to NASA; to the Committee on Commerce, Science, and Transportation.

POM–174. A concurrent resolution adopted by the House of the Legislature of the State of New Hampshire relative to Turkey and the Republic of Cypress; to the Committee on Foreign Relations.

HOUSE CONCURRENT RESOLUTION 9

Whereas, in 1974, Turkey sent armed forces to Cyprus and occupied over 36 percent of the land, creating widespread displacement of Greek Cypriots from the northern part of the island; and

Whereas, the international community and the United States Government have repeatedly called for the speedy withdrawal of all foreign forces from Cyprus; and

Whereas, a peaceful, just, and lasting solution to the Cyprus problem would greatly benefit the security and the political, economic, and social well-being of all Cypriots, as well as contribute to improved relations between Greece and Turkey; and

Whereas, the attention of the world will be focused on this region when the Olympics are held in Greece in 2002; and

Whereas, United Nations Security Council Resolutions 1250 and 1251, adopted on June 26, 1999, and June 29, 1999, respectively, provided parameters for a solution and were supported by the United States; and

Whereas, Resolution 1250 reaffirms all its earlier resolutions on Cyprus, particularly Resolution 1218 of December 22, 1998, and

Whereas, Resolution 1251 reaffirms that the status quo is unacceptable and that negotiations on a final political solution to the Cyprus problem have been at an impasse for too long; and

Whereas, Resolution 1251 also reiterates the United Nations' position that a Cyprus settlement must be based on a state of Cyprus with a single sovereignty and international personality and a single citizenship, with its independence and territorial integrity safeguarded, and comprising 2 politically equal communities as described in the relevant United Nations Security Council resolutions, in a bicommunal and bizonal federation, and that such a settlement must exclude union in whole or in part with any other country or any form of partition or secession; and

Whereas, despite such resolutions over 30,000 Turkish armed forces remain stationed on the island of Cyprus with no substantial progress toward the establishment of an independent, bicommunal federation; and

Whereas, efforts by the United Nations and the United States to resolve this dispute remain unsuccessful: Now, therefore, be it

Resolved by the House of Representatives, the Senate concurring:

That the general court of New Hampshire hereby urges the President of the United

States to increase the administration's efforts in mediating a peaceful resolution to the dispute in Cyprus; and

That the general court of New Hampshire hereby urges the President of the United States to persuade Turkey to comply with United Nations Security Council resolutions addressing Cyprus and to cooperate fully in achieving lasting peace and independence for the Republic of Cyprus; and

That copies of this resolution, signed by the speaker of the house and the president of the senate, be forwarded by the house clerk to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, each member of the New Hampshire Congressional delegation, the President of the Republic of Cyprus, the American Ambassador to Cyprus, the Cypriot Ambassador to the United States, and the Turkish Ambassador to the United States.

POM-175. A concurrent resolution adopted by House of the Legislature of the State of Delaware relative to Clean Air Act; to the Committee on Environment and Public Works.

HOUSE CONCURRENT RESOLUTION NO. 12

Whereas, methyl tertiary butyl ether (MTBE) is a volatile organic compound derived from natural gas that is added to gasoline either seasonally or year-round in many parts of the United States to increase the octane level and to reduce carbon monoxide and ozone levels in the air; and

Whereas, MTBE is found in gasoline and other petroleum products commonly stored in underground storage tanks and is typically added to reformulated gasoline, oxygenated fuel and premium grades of unleaded gasoline; and

Whereas, health complaints related to MTBE in the air were first reported in Alaska in November 1992 when about 200 Fairbanks residents reported problems such as headaches, dizziness, eye irritation, burning of the nose and throat, disorientation and nausea; and

Whereas, similar health complaints have been registered in Anchorage, Alaska, Milwaukee, Wisconsin, Missouri, Montana, and New Jersey; and

Whereas, currently the United States Environmental Protection Agency (EPA) tentatively classifies MTBE as a possible human carcinogen; and

Whereas, MTBE is one the EPA's Drinking Water Priority List, which means that it is a possible candidate for future regulation; and

Whereas, there is widespread concern about the health risks presented by the continued use of MTBE in gasoline; and

Whereas, on January 3, 2001, H.R. 20 was introduced in the United States House of Representatives; and

Whereas, H.R. 20 amends section 211 of the Clean Air Act (69 Stat. 322, 42 U.S.C. §7401 et seq.) to modify the provisions regarding the oxygen content of reformulated gasoline and to improve the regulation of the fuel additive, methyl tertiary butyl ether (MTBE): Now therefore be it

Resolved, That the House of Representatives of the 141st General Assembly of the State of Delaware, the Senate thereof concurring therein, memorializes the Congress of the United States to enact H.R. 20, that was introduced on January 3, 2001, and that modifies provisions of the Clean Air Act, regarding the oxygen content of reformulated gasoline and improves the regulation of the fuel additive methyl tertiary butyl ether (MTBE).

POM-176. A joint resolution adopted by the Legislature of the State of Maine relative to Election Reform; to the Committee on Rules and Administration.

JOINT RESOLUTION

Whereas, Maine citizens believe election outcomes are rightfully determined by voters, not state and federal courts of law; and

Whereas, in recent local, state and federal elections, outdated voting technology and numerous other problems concerning the election process in the nation as a whole have led to action in state and federal courts; and

Whereas, concerns about the integrity of the voting process, whether well-founded or not, point to the inadequacies of voting procedures that exist nationwide; and

Whereas, we wish to acknowledge the citizens' desire to channel these concerns into action to result in substantial election reform that will ensure nondiscriminatory equal access to the election system for all voters, including seniors and the disabled and minority, military and overseas citizens, and to ensure the complete and accurate counting of all valid votes cast: Now, therefore, be it

Resolved, That We, your Memorialists, respectfully urge and request the Congress of the United States to support significant reforms to our nation's voting system; and be it further

Resolved, That suitable copies of this resolution, duly authenticated by the Secretary of State, be transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate and each Member of the Maine Congressional Delegation in support of major electoral reform in order to ensure that the true intent of the country's voters determines the outcome of all future elections.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LIEBERMAN, from the Committee on Governmental Affairs, without amendment:

H.R. 93: A bill to amend title 5, United States Code, to provide that the mandatory separation age for Federal firefighters be made the same as the age that applies with respect to Federal law enforcement officers.

H.R. 364: A bill to designate the facility of the United States Postal Service located at 5927 Southwest 70th Street in Miami, Florida, as the "Marjory Williams Scrivens Post Office".

H.R. 821: A bill to designate the facility of the United States Postal Service located at 1030 South Church Street in Asheboro, North Carolina, as the "W. Joe Trogdon Post Office Building".

H.R. 1183: A bill to designate the facility of the United States Postal Service located at 113 South Main Street in Sylvania, Georgia, as the "G. Elliot Hagan Post Office Building".

H.R. 1753: A bill to designate the facility of the United States Postal Service located at 419 Rutherford Avenue, N.E., in Roanoke, Virginia, as the "M. Caldwell Butler Post Office Building".

H.R. 2043: A bill to designate the facility of the United States Postal Service located at 2719 South Webster Street in Kokomo, Indiana, as the "Elwood Haynes 'Bud' Hillis Post Office Building".

By Mr. LEAHY, from the Committee on the Judiciary, with amendments:

H.R. 2133: A bill to establish a commission for the purpose of encouraging and providing for the commemoration of the 50th anniversary of the Supreme Court decision in Brown v. Board of Education.

By Mr. LEAHY, from the Committee on the Judiciary, with amendments and an amendment to the title and with a preamble:

S. Res. 138: A resolution designating the month of September as "National Prostate Cancer Awareness Month".

By Mr. LEAHY, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 143: A resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week of November 11 through November 17, 2001, as "National Veterans Awareness Week".

S. Res. 145: A resolution recognizing the 4,500,000 immigrants helped by the Hebrew Immigrant Aid Society.

S. Res. 146: A resolution designating August 4, 2001, as "Louis Armstrong Day".

By Mr. LIEBERMAN, from the Committee on Governmental Affairs, without amendment:

S. 271: A bill to amend title 5, United States Code, to provide that the mandatory separation age for Federal firefighters be made the same as the age that applies with respect to Federal law enforcement officers.

By Mr. LEAHY, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 356: A bill to establish a National Commission on the Bicentennial of the Louisiana Purchase.

By Mr. LIEBERMAN, from the Committee on Governmental Affairs, without amendment:

S. 737: A bill to designate the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the "Joseph E. Dini, Jr. Post Office".

S. 970: A bill to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the Horatio King Post Office Building.

S. 985: A bill to designate the facility of the United States Postal Service located at 113 South Main Street in Sylvania, Georgia, as the "G. Elliot Hagan Post Office Building".

S. 1026: A bill to designate the United States Post Office located at 60 Third Avenue in Long Branch, New Jersey, as the "Pat King Post Office Building".

By Mr. LEAHY, from the Committee on the Judiciary, with amendments:

S. 1046: A bill to establish a commission for the purpose of encouraging and providing for the commemoration of the 50th anniversary of the Supreme Court decision in Brown v. Board of Education.

By Mr. LIEBERMAN, from the Committee on Governmental Affairs, without amendment:

S. 1144: A bill to amend title III of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11331 et seq.) to reauthorize the Federal Emergency Management Food and Shelter Program, and for other purposes.

S. 1181: A bill to designate the facility of the United States Postal Service located at 2719 South Webster Street in Kokomo, Indiana, as the "Elwood Haynes "Bud" Hillis Post Office Building".

S. 1198: A bill to reauthorize Franchise Fund Pilot Programs.

By Mr. DODD, from the Committee on Rules and Administration, without amendment:

S.J. Res. 19: A joint resolution providing for the reappointment of Anne d'Harnoncourt as a citizen regent of the Board of Regents of the Smithsonian Institution.

S.J. Res. 20: A joint resolution providing for the appointment of Roger W. Sant as a citizen regent of the Board of Regents of the Smithsonian Institution.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. ALLARD for the Committee on Armed Services.

*Ronald M. Sega, of Colorado, to be Director of Defense Research and Engineering.

By Mr. CLELAND for the Committee on Armed Services.

*Mario P. Fiori, of Georgia, to be an Assistant Secretary of the Army.

By Mr. LEVIN for the Committee on Armed Services.

*Michael Parker, of Mississippi, to be an Assistant Secretary of the Army.

*H.T. Johnson, of Virginia, to be an Assistant Secretary of the Navy.

*John P. Stenbit, of Virginia, to be an Assistant Secretary of Defense.

*Michael L. Dominguez, of Virginia, to be an Assistant Secretary of the Air Force.

*Nelson F. Gibbs, of California, to be an Assistant Secretary of the Air Force.

Mr. LEVIN for the Committee on Armed Services.

Air Force nomination of Lt. Gen. Paul V. Hester.

Army nomination of Lt. Gen. Larry R. Ellis.

Navy nominations beginning Capt. CHRISTOPHER C. AMES and ending Capt. PATRICK M. WALSH, which nominations were received by the Senate and appeared in the Congressional Record on April 23, 2001, [Minus 1 name: Capt. Robert D. Jenkins, III]

Marine Corps nomination of Lt. Gen. Earl B. Hailston.

Mr. WARNER for the Committee on Armed Services.

Air Force nomination of Gen. John P. Jumper.

Mr. LEVIN. Mr. President, for the Committee on Armed Services, I report favorably the following nomination lists which were printed in the RECORDS on the dates indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Army nominations beginning BYUNG H* AHN and ending ELIZABETH S* YOUNGBERG, which nominations were received by the Senate and appeared in the Congressional Record on July 12, 2001.

Marine Corps nominations beginning MICHAEL K. TOELLNER and ending MICHAEL T. ZIEGLER, which nominations were received by the Senate and appeared in the Congressional Record on July 24, 2001.

By Mr. HOLLINGS for the Committee on Commerce, Science, and Transportation.

*Kirk Van Tine, of Virginia, to be General Counsel of the Department of Transportation.

*Jeffrey William Runge, of North Carolina, to be Administrator of the National Highway Traffic Safety Administration.

*Nancy Victory, of Virginia, to be Assistant Secretary of Commerce for Communications and Information.

*John Arthur Hammerschmidt, of Arkansas, to be a Member of the National Transportation Safety Board for the remainder of the term expiring December 31, 2002.

*Otto Wolff, of Virginia, to be an Assistant Secretary of Commerce.

*Otto Wolff, of Virginia, to be Chief Financial Officer, Department of Commerce.

By Mr. BINGAMAN for the Committee on Energy and Natural Resources.

*Theresa Alvillar-Speake, of California, to be Director of the Office of Minority Economic Impact, Department of Energy.

By Mr. LIEBERMAN for the Committee on Governmental Affairs.

*Daniel R. Levinson, of Maryland, to be Inspector General, General Services Administration.

Lynn Leibovitz, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

Mr. LEAHY for the Committee on the Judiciary.

William J. Riley, of Nebraska, to be United States Circuit Judge for the Eighth Circuit.

Sarah V. Hart, of Pennsylvania, to be Director of the National Institute of Justice.

Robert S. Mueller, III, of California, to be Director of the Federal Bureau of Investigation for the term of ten years.

Mr. ROCKEFELLER for the Committee on Veterans Affairs:

Claude M. Kicklighter, of Georgia, to be an Assistant Secretary of Veterans Affairs (Policy and Planning).

John A. Gauss, of Virginia, to be an Assistant Secretary of Veterans Affairs (Information and Technology).

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before and duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BINGAMAN (for himself and Mr. HATCH):

S. 1302. A bill to authorize the payment of a gratuity to members of the armed Forces and civilian employees of the United States who performed slave labor for Japan during World War II, or the surviving spouses of such members, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. KERRY:

S. 1303. A bill to amend title XVIII of the Social Security Act to provide for payment under the medicare program for more frequent hemodialysis treatments; to the Committee on Finance.

By Mr. KERRY:

S. 1304. A bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of oral drugs to reduce serum phosphate levels in dialysis patients with end-stage renal disease; to the Committee on Finance.

By Mr. GRAHAM (for himself and Mr. GRASSLEY):

S. 1305. A bill to amend the Internal Revenue Code of 1986 to clarify the status of professional employer organizations and to promote and protect the interests of professional employer organizations, their customers, and workers; to the Committee on Finance.

By Mr. BAUCUS (for himself, Mr. HARKIN, Mr. LOTT, Mr. JEFFORDS, Mr. WARNER, Mrs. LINCOLN, Mr. SMITH of New Hampshire, Mr. REID, Mr. VOINOVICH, Mr. CRAPO , Mr. BURNS, Mr. THOMAS, Mr. BOND, Mr. DEWINE, Mr. GRAMM, Mr. HUTCHINSON, Mr. LIEBERMAN, Ms. LANDRIEU, and Mr. ENZI):

S. 1306. A bill to amend the Internal Revenue Code of 1986 to transfer all excise taxes imposed on alcohol fuels to the Highway Trust Fund, and for other purposes; to the Committee on Finance.

By Mr. HELMS (for himself and Mr. KYL):

S. 1307. A bill to bar access to United States capital markets to enterprises owned or controlled by the People's Republic of China, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. MURRAY (for herself and Ms. CANTWELL):

S. 1308. A bill to provide for the use and distribution of the funds awarded to the Quinault Indian Nation under United States Claims Court Dockets 772–72, 773–71, and 775–71, and for other purposes; to the Committee on Indian Affairs.

By Mr. DOMENICI:

S. 1309. A bill to amend the Water Desalination Act of 1996 to reauthorize that Act and to authorize the construction of a desalination research and development facility at the Tularosa Basin, New Mexico, and for other purposes; to the Committee on Environment and Public Works.

By Mr. REID:

S. 1310. A bill to provide for the sale of certain real property in the Newlands Project, Nevada, to the city of Fallon, Nevada; to the Committee on Energy and Natural Resources.

By Mr. LEAHY (for himself, Mr. BROWNBACK, Mr. KENNEDY, Ms. COLLINS, Mr. DURBIN, Mr. JEFFORDS, and Mr. GRAHAM):

S. 1311. A bill to amend the Immigration and Nationality Act to reaffirm the United States historic commitment to protecting refugees who are fleeing persecution or torture; to the Committee on the Judiciary.

By Mr. NELSON of Florida:

S. 1312. A bill to authorize the Secretary of the Interior to conduct a special resource study of Virginia Key Beach, Florida, for possible inclusion in the National Park System; to the Committee on Energy and Natural Resources.

By Mr. KENNEDY (for himself, Mr. DODD, and Mr. WELLSTONE):

S. 1313. A bill to provide for the adjustment of status of certain foreign agricultural workers, to amend the Immigration and Nationality Act to reform the H–2A worker program under that Act, and for other purposes; to the Committee on the Judiciary.

By Mr. BREAUX (for himself and Mrs. HUTCHISON):

S. 1314. A bill to protect the public's ability to fish for sport, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LEAHY (for himself and Mr. HATCH):

S. 1315. A bill to make improvements in title 18, United States Code, and safeguard the integrity of the criminal justice system; to the Committee on the Judiciary.

By Mr. KERRY:

S. 1316. A bill to amend title 49, United States Code, to waive federal preemption of State law providing for the awarding of punitive damages against motor carriers for engaging in unfair or deceptive trade practices in the processing of claims relating to loss, damage, injury, or delay in connection with transportation of property in interstate commerce; to the Committee on Commerce, Science, and Transportation.

By Mr. SCHUMER (for himself and Mr. SANTORUM):

S. 1317. A bill to amend title XVIII of the Social Security Act to provide for equitable reimbursement rates under the medicare program to Medicare+Choice organizations; to the Committee on Finance.

By Mr. MURKOWSKI:

S. 1318. A bill to provide Coastal Impact Assistance to State and local governments, to amend the Outer Continental Shelf Lands Act Amendments of 1978, the Land and Water Conservation Fund Act of 1965, the Urban Park and Recreation Recovery Act, and the Federal Aid in Wildlife Restoration Act (commonly referred to as the Pittman-Robertson Act) to establish a fund to meet the outdoor conservation and recreation needs of the American people, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. LEAHY (for himself and Mr. HATCH):

S. 1319. A bill to authorize appropriations for the Department of Justice for fiscal year 2002, and for other purposes; to the Committee on the Judiciary.

By Mr. KOHL (for himself and Mr. CORZINE):

S. 1320. A bill to change the date for regularly scheduled Federal elections and establish polling place hours; to the Committee on Rules and Administration.

By Mr. INHOFE (for himself and Mr. NICKLES):

S. 1321. A bill to authorize the construction of a Native American Cultural Center and Museum in Oklahoma City, Oklahoma; to the Committee on Indian Affairs.

By Mr. FITZGERALD:

S. 1322. A bill to amend the Internal Revenue Code of 1986 to classify qualified rental office furniture as 5-year property for purposes of depreciation; to the Committee on Finance.

By Mr. KERRY:

S. 1323. A bill entitled the "SBIR and STTR Foreign Patent Protection Act of 2001"; to the Committee on Small Business and Entrepreneurship.

By Mr. LIEBERMAN:

S. 1324. A bill to provide relief from the alternative minimum tax with respect to incentive stock options exercised during 2000; to the Committee on Finance.

By Mr. MURKOWSKI:

S. 1325. A bill to ratify an agreement between the Aleut Corporation and the United States of America to exchange land rights received under the Alaska Native Claims Settlement Act for certain land interests on Adak Island, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. LUGAR:

S. 1326. A bill to extend and improve working lands and other conservation programs administered by the Secretary of Agriculture; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. McCAIN (for himself, Mr. LOTT, and Mr. BURNS):

S. 1327. A bill to amend title 49, United States Code, to provide emergency Secretarial authority to resolve airline labor disputes; to the Committee on Health, Education, Labor, and Pensions.

By Ms. LANDRIEU:

S. 1328. A bill entitled the "Conservation and Reinvestment Act"; to the Committee on Energy and Natural Resources.

By Mr. JEFFORDS (for himself, Mr. BINGAMAN, Mr. HATCH, Mr. GRASSLEY, Mr. DASCHLE, Mr. DURBIN, Mr. CHAFEE, and Mr. BOND):

S. 1329. A bill to amend the Internal Revenue Code of 1986 to provide a tax incentive for land sales for conservation purposes; to the Committee on Finance.

By Mr. HARKIN (for himself and Mr. HATCH):

S. 1330. A bill to amend the Internal Revenue Code of 1986 to provide that amounts paid for foods for special dietary use, dietary supplements, or medical foods shall be treated as medical expenses; to the Committee on Finance.

By Mr. MILLER (for himself, Mr. CLELAND, Mr. BUNNING, and Mr. HELMS):

S. 1331. A bill to amend the Tennessee Valley Authority Act of 1933 to modify provisions relating to the Board of Directors of the Tennessee Valley Authority, and for other purposes; to the Committee on Environment and Public Works.

By Mr. TORRICELLI:

S. 1332. A bill to amend the Internal Revenue Code of 1986 to exclude certain severance payment amounts from income; to the Committee on Finance.

By Mr. JEFFORDS (for himself, Mr. LIEBERMAN, Ms. SNOWE, Mr. SCHUMER, and Mr. KERRY):

S. 1333. A bill to enhance the benefits of the national electric system by encouraging and supporting State programs for renewable energy sources, universal electric service, affordable electric service, and energy conservation and efficiency, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. WARNER:

S. 1334. A bill to require increases in the strengths of the full-time support personnel for the Army National Guard of the United States through fiscal year 2001 to support the readiness and training of the Army National Guard of the United States to meet increasing mission requirements, and for other purposes; to the Committee on Armed Services.

By Mr. KENNEDY (for himself, Mr. DEWINE, Mr. DASCHLE, Ms. SNOWE, Mr. DURBIN, Mr. CORZINE, Ms. STABENOW, Mr. BAUCUS, Mr. BINGAMAN, Mr. LIEBERMAN, Ms. LANDRIEU, Mr. JOHNSON, and Mr. CONRAD):

S. 1335. A bill to support business incubation in academic settings; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MILLER (for himself and Mr. WARNER):

S. 1336. A bill to amend the Internal Revenue Code of 1986 to reduce the maximum capital gains rates for individual taxpayers and to reduce the holding period for long-term capital gain treatment to 1 month, and for other purposes; to the Committee on Finance.

By Ms. CANTWELL:

S. 1337. A bill to provide for national digital school districts; to the Committee on Health, Education, Labor, and Pensions.

By Mr. CAMPBELL:

S. 1338. A bill to expand and enhance the Little Bighorn Battlefield National Monument; to the Committee on Energy and Natural Resources.

By Mr. CAMPBELL:

S. 1339. A bill to amend the Bring Them Home Alive Act of 2000 to provide an asylum program with regard to American Persian Gulf War POW/MIAs, and for other purposes; to the Committee on the Judiciary.

By Mr. CAMPBELL:

S. 1340. A bill to amend the Indian Land Consolidation Act to provide for probate reform with respect to trust or restricted lands; to the Committee on Indian Affairs.

By Mr. HATCH (for himself, Mr. KENNEDY, and Mr. JEFFORDS):

S. 1341. A bill to amend the Internal Revenue Code of 1986 to expand human clinical trials qualifying for the orphan drug credit, and for other purposes; to the Committee on Finance.

By Mr. DORGAN (for himself and Mr. STEVENS):

S. 1342. A bill to allocate H–1B visas for demonstration projects in rural America; to the Committee on the Judiciary.

By Mr. CHAFEE (for himself, Mrs. FEINSTEIN, Ms. SNOWE, Mr. SCHUMER, Ms. COLLINS, Mr. BINGAMAN, Mr. SPECTER, Mrs. CLINTON, Mr. JEFFORDS, Mr. GRAHAM, Mr. HARKIN, and Mr. CORZINE):

S. 1343. A bill to amend title XIX of the Social Security Act to provide States with options for providing family planning services and supplies to individuals eligible for medical assistance under the medicaid program; to the Committee on Finance.

By Mr. CAMPBELL:

S. 1344. A bill to provide training and technical assistance to Native Americans who are interested in commercial vehicle driving careers; to the Committee on Indian Affairs.

By Ms. SNOWE (for herself and Ms. COLLINS):

S. 1345. A bill to direct the Secretary of Transportation to establish a commercial truck safety pilot program in the State of Maine, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. SESSIONS (for himself, Mr. BINGAMAN, Mr. ALLARD, and Ms. COLLINS):

S. 1346. A bill to amend the Federal Food, Drug, and Cosmetic Act with regard to new animal drugs, and for other purposes; to the Committee on Finance.

By Mr. BAUCUS (for himself and Mr. BYRD):

S. 1347. A bill to establish a Congressional Trade Office; to the Committee on Governmental Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. WELLSTONE:

S. Res. 147. A resolution to designate the month of September of 2001, as "National Alcohol and Drug Addiction Recovery Month"; to the Committee on the Judiciary.

By Mr. BIDEN:

S. Res. 148. A resolution Designating October 30, 2001, as "National Weatherization Day"; to the Committee on the Judiciary.

By Mr. DASCHLE:

S. Res. 149. A resolution electing Alfonso E. Lenhardt of New York as the Sergeant of Arms and Doorkeeper of the Senate; considered and agreed to.

ADDITIONAL COSPONSORS

S. 170

At the request of Mr. REID, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 177

At the request of Mr. AKAKA, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 177, a bill to amend the provisions of title 39, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 214

At the request of Mr. MCCAIN, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 214, a bill to elevate the position of Director of the Indian Health Service within the Department of Health and Human Services to Assistant Secretary for Indian Health, and for other purposes.

S. 258

At the request of Ms. SNOWE, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 258, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of annual screening pap smear and screening pelvic exams.

S. 312

At the request of Mr. GRASSLEY, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 312, a bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers and fishermen, and for other purposes.

S. 423

At the request of Mr. WYDEN, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 423, a bill to amend the Act entitled "An Act to provide for the establishment of Fort Clatsop National Memorial in the State of Oregon, and for other purposes".

S. 503

At the request of Mr. BINGAMAN, his name was added as a cosponsor of S. 503, a bill to amend the Safe Water Act to provide grants to small public drinking water system.

S. 671

At the request of Mr. SCHUMER, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 671, a bill to provide for public library construction and technology enhancement.

S. 677

At the request of Mr. HATCH, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 677, a bill to amend the Internal Revenue Code of 1986 to repeal the required use of certain principal repayments on mortgage subsidy bond financing to redeem bonds, to modify the purchase price limitation under mortgage subsidy bond rules based on median family income, and for other purposes.

S. 699

At the request of Mr. JOHNSON, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 699, a bill to provide for substantial reductions in the price of prescription drugs for medicare beneficiaries.

S. 710

At the request of Mr. KENNEDY, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 710, a bill to require coverage for colorectal cancer screenings.

S. 787

At the request of Mr. CHAFEE, his name was added as a cosponsor of S. 787, a bill to prohibit the importation of diamonds from countries that have not become signatories to an international agreement establishing a certification system for exports and imports of rough diamonds or that have not unilaterally implemented a certification system meeting the standards set forth herein.

S. 836

At the request of Mr. CRAIG, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 836, a bill to amend part C of title XI of the Social Security Act to provide for coordination of implementation of administrative simplification standards for health care information.

S. 839

At the request of Mrs. HUTCHISON, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 839, a bill to amend title XVIII of the Social Security Act to increase the amount of payment for inpatient hospital services under the medicare program and to freeze the reduction in payments to hospitals for indirect costs of medical education.

S. 918

At the request of Ms. SNOWE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 918, a bill to provide more child support money to families leaving welfare, to simplify the rules governing the assignment and distribution of child support collected by States on behalf of children, to improve the collection of child support, and for other purposes.

S. 1038

At the request of Mr. JEFFORDS, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 1038, a bill to amend the Internal Revenue Code of 1986 to improve access to tax-exempt debt for small nonprofit health care and educational institutions.

S. 1113

At the request of Mr. SPECTER, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1113, a bill to amend section 1562 of title 38, United States Code, to increase the amount of Medal of Honor Roll special pension, to provide for an annual adjustment in the amount of that special pension, and for other purposes.

S. 1114

At the request of Mr. SPECTER, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 1114, a bill to amend title 38, United States Code, to increase the amount of educational benefits for veterans under the Montgomery GI Bill.

S. 1125

At the request of Mr. MCCONNELL, the names of the Senator from Washington (Ms. CANTWELL), the Senator from California (Mrs. FEINSTEIN), and the Senator from Utah (Mr. HATCH) were added as cosponsors of S. 1125, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1200

At the request of Mr. CLELAND, the names of the Senator from New Jersey (Mr. CORZINE) and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of S. 1200, a bill to direct the Secretaries of the military departments to conduct a review of military service records to determine whether certain Jewish American war veterans, including those previously awarded the Distinguished Service Cross, Navy Cross, or Air Force Cross, should be awarded the Medal of Honor.

S. 1208

At the request of Mr. BUNNING, his name was added as a cosponsor of S. 1208, a bill to combat the trafficking, distribution, and abuse of Ecstasy (and other club drugs) in the United States.

S. 1271

At the request of Mr. VOINOVICH, the names of the Senator from North Dakota (Mr. CONRAD) and the Senator from Georgia (Mr. MILLER) were added as cosponsors of S. 1271, a bill to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small business concerns with certain Federal paperwork requirements, to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small business concerns, and for other purposes.

S. 1274

At the request of Mr. KENNEDY, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S.

1274, a bill to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke.

S. 1286

At the request of Mrs. CARNAHAN, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 1286, a bill to provide for greater access to child care services for Federal employees.

S. RES. 143

At the request of Mr. BIDEN, the names of the Senator from Wisconsin (Mr. FEINGOLD) and the Senator from Missouri (Mrs. CARNAHAN) were added as cosponsors of S. Res. 143, a resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week of November 11 through November 17, 2001, as "National Veterans Awareness Week."

S. RES. 146

At the request of Mr. HATCH, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. Res. 146, a resolution designating August 4, 2001, as "Louis Armstrong Day."

S. CON. RES. 56

At the request of Ms. SNOWE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. Con. Res. 56 , a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued by the United States Postal Service honoring the members of the Armed Forces who have been awarded the Purple Heart.

S. CON. RES. 59

At the request of Mr. HUTCHINSON, the names of the Senator from Georgia (Mr. CLELAND), the Senator from Maryland (Ms. MIKULSKI), the Senator from Montana (Mr. BAUCUS), the Senator from Arkansas (Mrs. LINCOLN), and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. Con. Res. 59, a concurrent resolution expressing the sense of Congress that there should be established a National Community Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers.

AMENDMENT NO. 1226

At the request of Mr. MCCAIN, the names of the Senator from Arizona (Mr. KYL), the Senator from Florida (Mr. GRAHAM), and the Senator from New Hampshire (Mr. SMITH) were added as cosponsors of amendment No. 1226 proposed to H.R. 2620, a bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN (for himself and Mr. HATCH):

S. 1302. A bill to authorize the payment of a gratuity to members of the Armed Forces and civilian employees of the United States who performed slave labor for Japan during World War II, or the surviving spouses of such members, and for other purposes; to the Committee on Veterans' Affairs.

Mr. BINGAMAN. Madam President, during the last Congress, I introduced the Bataan-Corregidor Veterans Compensation Act to recognize American veterans who served at Bataan and Corregidor during World War II and were captured, held as prisoners of war, and forced to perform slave labor to support the Japanese war effort. That bill helped bring attention to the plight of Americans captured and enslaved in the Pacific theater at a time when our Government undertook important efforts on behalf of enslaved victims of Nazi oppression in Europe. I believe that our government should also take action on behalf of those who were enslaved in the Pacific theater. Since the waning days of those heroes are quickly passing, the time to take action on this important matter is now.

Today I am introducing an updated version of last year's bill, now entitled the World War II Pacific Theater Veterans Compensation Act, to acknowledge the contributions of all ex-prisoners of war in the Pacific who were forced into slave labor by the Japanese. The bill would award a gratuity of $20,000 to each surviving veteran, government, or government contractor employee who was imprisoned by the Japanese during World War II and forced to perform slave labor to support Japan's war effort. The bill would also extend that gratuity to surviving spouses of such veterans or employees.

I believe that this bill is both necessary and appropriate, particularly as those Americans who sacrificed so much approach their final years. Why is it necessary? First, because Americans who were enslaved by Japan have never been adequately compensated for the excruciating sacrifices they made while in Japanese military and company prisons and labor camps. In the War Claims Acts of 1948 and 1952, our Government paid former U.S. prisoners of war $1.00 per day for "missed meals" during their captivity, and later, $1.50 per day for "forced labor, pain, and suffering." Even those paltry compensations were not widely known about or received by all veterans who qualified for them. Second, this bill is necessary since ongoing efforts to obtain appropriate compensation from the government of Japan, or from Japanese companies through litigation, have been unsuccessful and are not likely to succeed in a timely enough manner to compensate surviving veterans or others who would be eligible.

My colleagues might ask, "Why is this bill appropriate?" If enacted into law, it would have our own government recognize the vital military contributions made by members of the Armed Forces and civilians employed by the government in the Pacific theater, and would compensate those heroes for the many sacrifices they were forced to make at the hands of their Japanese captors. From December 1941 to April 1942, for example, American military forces stationed in the Philippines fought valiantly for almost six months against overwhelming Japanese military forces on the Bataan peninsula. As a result of that prolonged conflict, U.S. forces prevented Japan from achieving its strategic objective of capturing Australia and thereby dooming Allied hopes in the Pacific theater from the outset of the war.

Once captured by the Japanese, American prisoners of war in the Philippines endured the infamous "Death March" during which approximately 730 Americans died to the notorious Japanese prison camp north of Manila. Of the survivors of the March, more than 5,000 more Americans perished during the first six months of captivity. The Japanese forced many of those who survived captivity to embark on "hell ships"—unmarked merchant ships—to be transported to Japan to work as slave laborers in company-owned mines, shipyards, and factories. How tragic and cruel it was that many of our own men perished in those unmarked vessels, victims of attacks by American military aircraft and submarines who unknowingly caused their demise! The stories of other American military and civilian employees captured by the Japanese at Wake Island, Java, Manchuria, Taiwan, and other locations in the Pacific and enslaved to support the war effort are equally compelling.

This bill is also appropriate because it reflects international precedents by Allied nations to honor their enslaved veterans in the way which I propose in this bill. Allied governments, including Canada, New Zealand, the Netherlands, and the United Kingdom have authorized compensation gratuities. In 1998, the Canadian Government authorized the payment of $15,600 (Canadian dollars) to veterans who were captured in Hong Kong and enslaved by the Japanese. Last October, Prime Minister Tony Blair announced a multi-million pound compensation fund for former enslaved Japanese prisoners of war in recognition of their heroic experiences. Given those important precedents by our Allies, is it no less appropriate for our own nation to compensate those who gave so much to defend and preserve our freedom? Surely, the denial of personal freedom; the severe physical punishment; the lifetime of health problems many suffered as a result of prolonged malnutrition and physical beatings—as well as the impact of those experiences on family and loved ones—merit the recognition that I propose in this legislation.

I believe the Congress should act as soon as possible to enact this legislation into law. These brave heroes are leaving us at an increasing rate each year while the court system struggles to resolve the compensation claims of worthy American heroes. The time to act is now, else justice and honor may not ever be served. I thank Senator HATCH for agreeing to cosponsor this legislation, and I urge my fellow Senators to support it.

By Mr. KERRY:

S. 1303. A bill to amend title XVIII of the Social Security Act to provide for payment under the medicare program for more frequent hemodialysis treatments; to the Committee on Finance.

Mr. KERRY. Madam President, I am pleased to introduce legislation to improve the quality of life for the more than 250,000 Americans with End Stage Renal Disease, ESRD. The Kidney Patient Daily Dialysis Quality Act of 2001 will update the Medicare program to reflect the current state of medical science on the efficacy of hemodialysis by eliminating the limitation on the number of sessions now covered by Medicare. Specifically, this bill move Medicare beyond its conventional coverage of three hemodialysis sessions per week to provide coverage of more frequent hemodialysis, as defined by at least five times a week at a dialysis facility or in the home, if determined appropriate by a patient's physician.

ESRD is irreversible kidney failure. Without treatment or transplantation, death invariably results. Unfortunately, the number of Americans with ESRD is growing at a rate of 6 percent to 7 percent per year, and this population is projected to double over the next ten years. Due to the shortage of organs available for transplantation, almost 90 percent of patients with ESRD received hemodialysis treatments three times per week. This has been standard policy since 1972, when Congress created the Medicare End Stage Renal Disease Program. This program has been enormously successful in saving hundreds of thousands of lives, and increasing the life expectancy for hundreds of thousands of others with this terrible disease. However, the program now needs to be modernized.

Today, scientific and medical evidence shows that more frequent hemodialysis enhances the health of patients with ESRD by improving toleration of dialysis, high blood pressure and anemia control, cardiovascular status, nutrition, quality of sleep, mental clarity, and increasing energy and strength. In addition to these improvements in patient health, and subsequent reductions in required medications and hospitalizations, daily hemodialysis can significantly reduce costs to the Medicare program. According to a Project Hope study, more frequent hemodialysis could save the Medicare program between $120 million and $260 million per year.

The Kidney Patient Daily Dialysis Quality Act of 2001 stands to improve the quality of life for hundreds of thousands of Americans suffering from kidney failure. Scientific evidence supports the promise of this legislation and modern technology exists to provide it, it is time to deliver.

By Mr. KERRY:

S. 1304. A bill to amend title XVII of the Social Security Act to provide for coverage under the medicare program of oral drugs to reduce serum phosphate levels in dialysis patients with end-stage renal disease; to the Committee on Finance.

Mr. KERRY. Madam President, I am pleased to introduce legislation to improve the quality of life for the more than 250,000 Americans with End Stage Renal Disease, ESRD. My legislation will update the Medicare program to provide patients with better treatment for ESRD by providing coverage of oral prescription medications that reduce the serum phosphate levels in dialysis patients.

Patients with ESRD cannot eliminate dietary phosphorus and, without undergoing a kidney transplant, risk developing a condition known as hyperphosphatemia. This condition, and the hospitalization that accompanies it, can be prevented through the use of phosphate binding drugs, which are taken orally with meals and bind to dietary phosphorus, thereby reducing absorption in the body. Making phosphate binders available to Medicare-eligible ESRD patients makes both medical and economical sense. Not only do these medications improve the quality of life for patients with kidney failure, but they stand to reduce overall Medicare costs associated with treating patients who develop hyperphosphatemia. A recent scientific study by the U.S. Renal Data System found that the use of one such drug could save Medicare, on average, $17,328 per patient on an annual basis.

Under current law, ESRD patients are prohibited from enrolling in Medicare+Choice plans. Many ESRD patients are also ineligible for "Medigap" coverage as 63 percent of the patients are under the age of 65. Thus, ESRD patients are denied access to the only existing mechanisms under which Medicare enrollees can obtain prescription drug coverage.

ESRD patients are among the sickest, poorest, most likely to be disabled, and most frequently hospitalized of all Medicare beneficiaries. In light of the shortage of organs available for transplant, it is imperative that we do all we can to supplement traditional hemodialysis treatment and improve the quality of life for those patients with kidney disease. Scientific evidence supports the promise of phosphate binding drugs to enhance the health of Americans with ESRD, and it is time that every patient realize that promise.

By Mr. GRAHAM (for himself and Mr. GRASSLEY):

S. 1305. A bill to amend the Internal Revenue Code of 1986 to clarify the status of professional employer organizations and to promote and protect the interests of professional employer organizations, their customers, and workers; to the Committee on Finance.

Mr. GRAHAM. Madam President, today, together with my Finance Committee colleague, Senator GRASSLEY, I am introducing the Professional Employer Organization Workers Benefits Act of 2001. Companion legislation is being introduced in the House by Representatives CARDIN and PORTMAN. This legislation expands retirement and health benefits for workers at small and medium-sized businesses in this country.

This bill is a narrower version of a bill that I sponsored in the last Congress, S. 2979, the Graham-Mack bill. Our new bill incorporates several improvements recommended by interested parties over the course of the past several years. Most significantly, the scope of this bill has been limited to address technical issues that were raised by the Treasury Department, Internal Revenue Service, and the Labor Department. I think it is fair to say that a much improved version of this proposal has emerged, one that ensures that the legislation's objective of expanding retirement and health coverage is achieved, while also ensuring that other important Federal policies are not affected. I am very pleased that, the Commissioner of the IRS, in a letter sent to one of the House companion bill sponsors recently, has indicated his interest in seeing this legislation enacted in a timely fashion.

In brief, this bill would permit certified professional employer organizations, PEOs, to assist small and medium-sized businesses in complying with the multiple responsibilities of being an employer. It does this by permitting the PEOs to accept responsibility for employment taxes and provide employee benefits to workers in small businesses. For many of these workers, the PEO's pension, health and other benefits represent benefits that the worker would not have received otherwise because they are too costly for the small business to provide on its own. PEOs provide the expertise and the economies of scale necessary to provide health and retirement benefits in an affordable and efficient manner.

Congress must take every opportunity to encourage businesses to provide retirement and health benefits to their employees. PEOs offer one creative way to bridge the gap between what workers need and what small businesses can afford to provide them. This legislation clarifies the tax law to make it clear that PEOs meeting certain standards will be able to offer those needed employee benefits and collect Federal employment taxes for their business customers.

In addition, I would like to make clear what this bill does not do. Unlike certain other bills, this bill applies only to PEOs, i.e., arrangements where the PEO accepts responsibility for all or almost all of the workers at a worksite. It does not have anything to do with temporary staffing agencies or similar arrangements. Further, this bill by its terms applies only to the two areas of the tax law I have mentioned, employment tax and employee benefit laws. It does not affect any other law, nor does it affect the determination of who is the employer for tax law or any other purpose. The bill specifically states that it creates no inferences with respect to those issues.

I am hopeful that, with this narrower focus, this legislation can be considered quickly on its own merits, without getting bogged down in the disputes over the so-called contingent workforce and independent contractor issues, issues that are not addressed in this bill. While those are important issues that Congress may want to examine, we should not allow those complex issues to delay resolution of the unrelated PEO issues addressed by this bill. We believe that the changes made by our legislation will help expand retirement and health plan coverage both in the short-term and the longer run.

I look forward to working with Senator GRASSLEY and my other colleagues on the Finance Committee and the Administration in moving this bill during this Congress so that we can begin to address the difficulties faced by small businesses and their workers in obtaining benefits and meeting the other challenges of operating in an increasingly globalized economy.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

S. 1305

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Professional Employer Organization Workers Benefits Act of 2001".

SEC. 2. NO INFERENCE.

Nothing contained in this Act or the amendments made by this Act shall be construed to create any inference with respect to the determination of who is an employee or employer—

(1) for Federal tax purposes (other than the purposes set forth in the amendments made by section 3), or

(2) for purposes of any other provision of law.

SEC. 3. CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.

(a) EMPLOYMENT TAXES.—Chapter 25 of the Internal Revenue Code of 1986 (relating to general provisions relating to employment taxes) is amended by adding at the end the following new section:

"SEC. 3511. CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.

"(a) GENERAL RULES.—For purposes of the taxes imposed by this subtitle—

"(1) a certified professional employer organization shall be treated as the employer (and no other person shall be treated as the employer) of any work site employee performing services for any customer of such organization, but only with respect to remuneration remitted by such organization to such work site employee, and

"(2) the exemptions and exclusions which would (but for paragraph (1)) apply shall apply with respect to such taxes imposed on such remuneration.

"(b) SUCCESSOR EMPLOYER STATUS.—For purposes of sections 3121(a) and 3306(b)(1)—

"(1) a certified professional employer organization entering into a service contract with a customer with respect to a work site employee shall be treated as a successor employer and the customer shall be treated as a predecessor employer, and

"(2) a customer whose service contract with a certified professional employer organization is terminated with respect to a work site employee shall be treated as a successor employer and the certified professional employer organization shall be treated as a predecessor employer.

"(c) LIABILITY WITH RESPECT TO INDIVIDUALS PURPORTED TO BE WORK SITE EMPLOYEES.—

"(1) GENERAL RULES.—Solely for purposes of its liability for the taxes imposed by this subtitle—

"(A) the certified professional employer organization shall be treated as the employer of any individual (other than a work site employee or a person described in subsection (e)) who is performing services covered by a contract meeting the requirements of section 7705(e)(2)(F), but only with respect to remuneration remitted by such organization to such individual, and

"(B) the exemptions and exclusions which would (but for subparagraph (A)) apply shall apply with respect to such taxes imposed on such remuneration.

"(d) SPECIAL RULE FOR RELATED PARTY.—Subsection (a) shall not apply in the case of a customer which bears a relationship to a certified professional employer organization described in section 267(b) or 707(b). For purposes of the preceding sentence, such sections shall be applied by substituting '10 percent' for '50 percent'.

"(e) SPECIAL RULE FOR CERTAIN INDIVIDUALS.—For purposes of the taxes imposed under this subtitle, an individual with net earnings from self-employment derived from the customer's trade or business (including a partner in a partnership that is a customer), is not a work site employee with respect to remuneration paid by a certified professional employer organization.

"(f) .REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.".

(b) EMPLOYEE BENEFITS.—Section 414 of such Code (relating to definitions and special rules) is amended by adding at the end the following new subsection:

"(w) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—

"(1) PLANS MAINTAINED BY CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—

"(A) IN GENERAL.—Except as otherwise provided in this subsection, in the case of a plan or program established or maintained by a certified professional employer organization to provide employee benefits to work site employees, then, for purposes of applying the provisions of this title applicable to such benefits—

"(i) such plan shall be treated as a single employer plan established and maintained by the organization,

"(ii) the organization shall be treated as the employer of the work site employees eligible to participate in the plan, and

"(iii) the portion of such plan covering work site employees shall not be taken into account in applying such provisions to the remaining portion of such plan or to any other plan established or maintained by the certified professional employer organization providing employee benefits (other than to work site employees).

"(B) SPECIAL EXCEPTIONS IN APPLYING RULES TO BENEFITS.—

"(i) IN GENERAL.—In applying any requirement listed in clause (iii) to a plan or program established by the certified professional employer organization—

"(I) the portion of the plan established by the certified professional employer organization which covers work site employees performing services for a customer shall be treated as a separate plan of the customer (including for purposes of any disqualification or correction),

"(II) the customer shall be treated as establishing and maintaining the plan, as the employer of such employees, and as having paid any compensation remitted by the certified professional employer organization to such employees under the service contract entered into under section 7705, and

"(III) a controlled group that includes a certified professional employer organization shall not include in the controlled group any work site employees performing services for a customer.

For purposes of subclause (III), all persons treated as a single employer under subsections (b), (c), (m), and (o) shall be treated as members of the same controlled group.

"(ii) SELF-EMPLOYED INDIVIDUALS.—A work site employee who would be treated as a self-employed individual (as defined in section 401(c)(1)), a disqualified person (as defined in section 4975(e)(2)), a 2-percent shareholder (as defined in section 1372(b)(2), or a shareholder-employee (as defined in section 4975(f)(6)(C)), but for the relationship with the certified professional employer organization, shall be treated as a self-employed individual, disqualified person, a 2-percent shareholder, or shareholder-employee for purposes of rules applicable to employee benefit plans maintained by such certified professional employer organization.

"(iii) LISTED REQUIREMENTS.—The requirements listed in this clause are:

"(I) NONDISCRIMINATION AND QUALIFICATION.—Sections 79(d), 105(h), 125(b), 127(b)(2) and (3), 129(d)(2), (3), (4), and (5), 132(j)(1), 274(j)(3)(B), 401(a)(4), 401(a)(17), 401(a)(26), 401(k)(3) and (12), 401(m)(2) and (11), 404 (in the case of a plan subject to section 412), 410(b), 412, 414(q), 415, 416, 419, 422, 423(b), 505(b), 4971 4972, 4975, 4976, 4978, and 4979.

"(II) SIZE.—Sections 220, 401(k)(11), 401(m)(10), 408(k), and 408(p).

"(III) ELIGIBILITY.—Section 401(k)(4)(B).

"(IV) AUTHORITY.—Such other similar requirements as the Secretary may prescribe.

"(iv) WELFARE BENEFIT FUNDS.—With respect to a welfare benefit fund maintained by a certified professional employer organization for the benefit of work site employees performing services for a customer, section 419 shall be treated as not listed in clause (iii)(I) if the fund provides only 1 or more of the following:

"(I) Medical benefits other than retiree medical benefits.

"(II) Disability benefits.

"(III) Group term life insurance benefits which do not provide for any cash surrender value or other money that can be paid, assigned, borrowed or pledged for collateral for a loan.

"(v) EXCISE TAXES.—Notwithstanding clause (iii), the certified professional employer organization and the customer contracting for work site employees to pay services shall be jointly and severally liable for the tax imposed by section 4971 with respect to failure to meet the minimum funding requirements and the tax imposed by section 4976 with respect to funded welfare benefit plans.

"(vi) CONTINUATION COVERAGE REQUIREMENTS.—For purposes of applying the provisions of section 4980B with respect to a group health plan maintained by a certified professional employer organization for the benefit of work site employees:

"(I) TERMINATION OF EMPLOYMENT EVENTS.—Each of the following events shall constitute a termination of employment of a work site employee for purposes of section 4980B(f)(3)(B):

"(aa) The work site employee ceasing to provide services to any customer of such certified professional employer organization.

"(bb) The work site employee ceasing to provide services to one customer of such certified professional employer organization and becoming a work site employee with respect to another customer of such certified professional employer organization; and

"(cc) The termination of a service contract between the certified professional employer organization and the customer with respect to which the work site employee performs services, provided, however, that such a contract termination shall not constitute a termination of employment under section 4980B(f)(3)(B) for such work site employee if, at the time of such contract termination, such customer maintains a group health plan (other than a plan providing only excepted benefits within the meaning of sections 9831 and 9832 or a plan covering less than two participants who are employees).

"(II) TERMINATION EVENT CONSTITUTING A QUALIFYING EVENT.—If an event described in subparagraph (vi)(I) also constitutes a qualifying event under section 4980B(f)(3) with respect to the group health plan maintained by the certified professional employer organization for the affected work site employee, such plan shall no longer be required to provide continuation coverage as of any new coverage date.

"(III) NEW COVERAGE DATE WHEN TERMINATION EVENT CONSTITUTES QUALIFYING EVENT.—For purposes of subclause (II), a new coverage date shall be the first date on which—

"(aa) the customer maintains a group health plan other than a plan described in section 4980B(d), a plan providing only excepted benefits within the meaning of sections 9831 and 9832, or a plan covering less than two participants who are employees, or

"(bb) a service contract between such customer and another certified professional employee organization becomes effective under which worksite employees performing services for such customer are covered under a group health plan of such other certified professional employee organization, other than a plan described in section 4980B(d), a plan providing only excepted benefits within the meaning of sections 9831 and 9832, or a plan covering less than two participants who are employees.

"(IV) EFFECT OF CUSTOMER-MAINTAINED PLAN.—As of a new coverage date described in subclause (III)(aa), the customer shall be required to make continuation coverage available to any qualified beneficiary who was receiving (or was eligible to elect to receive) continuation coverage under a certified professional employer organization's group health plan and who is, or whose qualifying event occurred in connection with, a person whose last employment prior to such employee's qualifying event was as a work site employee providing services to such customer pursuant to a service contract with such certified professional employer organization.

"(C) EFFECT OF NEW SERVICE CONTRACT WITH CERTIFIED PEO.—As of a new coverage date described in subclause (III)(bb), the second certified professional employee organization shall be required to make continuation coverage available to any qualified beneficiary who was receiving (or was eligible to elect to receive) continuation coverage under the first certified professional employer organization's group health plan and who is, or whose qualifying event occurred in connection with, a person whose last employment prior to such employee's qualifying event was as a work site employee providing services to the customer pursuant to a service contract with the first certified professional employer organization.

"(vii) CONTINUED COVERAGE FOR QUALIFIED BENEFICIARIES.—As of the date that a certified professional employee organization's group health plan first provides coverage to one or more work site employees providing services to a customer, such group health plan shall be required to make continuation coverage available to any qualified beneficiary who was receiving (or was eligible to receive or elect to receive) continuation coverage under a group health plan sponsored by such customer if, in connection with coverage being provided by the organization's plan, such customer terminates each of its group health plans, other than a plan or plans providing only excepted benefits within the meaning of sections 9831 and 9832 or covering less than two participants who are employees.

"(viii) EFFECT OF TERMINATION OF PEO STATUS.—The termination of a professional employer organization's status as a certified professional employer organization—

"(I) shall constitute an event described in section 4980B(f)(3)(B) for any work site employee performing services pursuant to a contract between a customer and such professional employer organization, but

"(II) no loss of coverage within the meaning of section 4980B(f)(3) occurs unless, in connection with such termination of status as a certified professional employer organization, the individual formerly treated as a work site employee performing services for the customer pursuant to a contract with such professional employer organization ceases to be covered under the arrangement of the professional employer organization that had been, prior to such termination of status, the group health plan of such organization.

"(ix) PERSON LIABLE FOR TAX.—For purposes of the liability for tax under section 4980B, the person or entity required to provide continuation coverage under this clause (vi) shall be deemed to be the employer under section 4980B(e)(1)(A).

"(2) PLANS MAINTAINED BY CUSTOMERS OF CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—If a customer of a certified professional employer organization provides (other than through such organization) any employee benefits, then with respect to such benefits—

"(A) work site employees of the organization who perform services for the customer shall be treated as leased employees of such customer,

"(B) such customer shall be treated as a recipient for purposes of subsection (n), and paragraphs (4) and (5) of subsection (n) shall not apply for such purposes, and

"(C) with respect to such work site employees, sections 105(h), 403(b)(12), 422, and 423 shall be treated as a benefit listed in subsection (n)(3)(C).

"(3) PLANS MAINTAINED BY COMPANIES IN SAME CONTROLLED GROUP AS CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATION.—In applying any requirement listed in paragraph (1)(B)(iii), a controlled group which includes a certified professional employer organization shall not include in such controlled group any work site employees performing services for a customer. For purposes of this paragraph, all persons treated as a single employer under subsections (b), (c), (m) and (o) shall be treated as members of the same controlled group.

"(4) RULES APPLICABLE TO PLANS MAINTAINED BY CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS AND PLANS MAINTAINED BY THEIR CUSTOMERS.—

"(A) SERVICE CREDITING FOR PARTICIPATION AND VESTING PURPOSES.—In the case of a plan maintained by a certified professional employer organization or a customer, for purposes of determining a work site employee's service for eligibility to participate and vesting under sections 410(a) and 411, rules similar to the rules of paragraphs (1) and (3) of section 413(c) shall apply to service for the certified professional employer organization and customer.

"(B) COMPENSATION.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subsection (s) and section 415(c)(3), or other comparable provisions of this title based on compensation which affects employee benefit plans, compensation received from the customer with respect to which the work site employee performs services shall be taken into account together with compensation received from the certified professional employer organization.

"(ii) EXCEPTION.—For purposes of applying sections 404 and 412 to a plan maintained by a certified professional employer organization, only compensation received from the certified professional employer organization shall be taken into account.

"(C) ELIGIBLE EMPLOYERS.—The provisions of sections 457(f)(1)(A) and (B) apply to a work site employee performing services for a customer that is an eligible employer as defined in section 457(e)(1). The preceding sentence shall not apply in the case of a plan described in section 401(a) which includes a trust exempt from tax under section 501(a), an annuity plan or contract described in section 403, the portion of a plan which consists of a transfer of property described in section

83, the portion of a plan which consists of a trust to which section 402(b) applies, or a qualified governmental excess benefit arrangement described in section 415(m).

"(5) SPECIAL RULES WHERE MULTIPLE PLANS.—

"(A) IN GENERAL.—For purposes of applying section 415 with respect to a plan maintained by a certified professional employer organization, the organization and customers of such organization shall be treated as a single employer, except that if plans are maintained by a certified professional employer organization and a customer with respect to a work site employee, any action required to be taken by such plans shall be taken first with respect to the plan maintained by the customer.

"(B) MINIMUM BENEFIT.—If a minimum benefit is required to be provided under section 416, such benefit shall, to the extent possible, be provided through the plan maintained by the certified professional employer organization.

"(6) TERMINATION OF SERVICE CONTRACT BETWEEN CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATION AND CUSTOMER.—

"(A) IN GENERAL.—

"(i) TREATMENT OF SUCCESSOR PLAN.—If a service contract between a customer and a certified professional employer organization is terminated and work site employees of the customer were covered by a plan maintained by the organization, then, except as provided in regulations, any plan of another certified professional employer organization or the customer which covers such work site employees shall be treated as a successor plan for purposes of any rules governing in-service distributions.

"(ii) TREATMENT AS SEVERANCE FROM EMPLOYMENT AND SEPARATION FROM SERVICE.—If a service contract between a customer and a certified professional employer organization is terminated, and there is no plan treated as a successor plan under clause (i), then such termination shall be treated as a plan termination with respect to each work site employee of such customer.

"(B) DISTRIBUTION RULES APPLICABLE TO SUBPARAGRAPH (A)(ii).—Except as otherwise required by this title, in any case to which subparagraph (A)(ii) applies, the certified professional employer organization plan may distribute—

"(i) during the 2-year period beginning on the date of such termination (in accordance with plan terms) only—

"(I) elective deferrals and earnings attributable thereto,

"(II) qualified nonelective contributions (within the meaning of section 401(m)(4)(C)) and earnings attributable thereto, and

"(III) matching contributions described in section 401(k)(3)(D)(ii)(I) and earnings attributable thereto,

of former work site employees associated with the terminated customer only in a direct rollover described in section 401(a)(31), and

"(ii) after such 2-year period, amounts in such plan in accordance with plan terms.".

(c) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATION DEFINED.—Chapter 79 of such Code (relating to definitions) is amended by adding at the end the following new section:

"SEC. 7705. CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.

"(a) IN GENERAL.—For purposes of this title, the term 'certified professional employer organization' means a person who applies to be treated as a certified professional employer organization for purposes of sections 414(w) and 3511 and who has been certified by the Secretary as meeting the requirements of subsection (b).

"(b) CERTIFICATION.—A person meets the requirements of this subsection if such person—

"(1) demonstrates that such person (and any owner, officer, and such other persons as may be specified in regulations) meets such requirements as the Secretary shall establish with respect to tax status, background, experience, business location, and annual financial audits,

"(2) represents that it will satisfy the bond and independent financial review requirements of subsections (c) on an ongoing basis,

"(3) represents that it will satisfy such reporting obligations as may be imposed by the Secretary,

"(4) represents that it will maintain a qualified plan (as defined in section 408(p)(2)(D)(ii)) or an arrangement to provide simple retirement accounts (within the meaning of section 408(p)) which benefit at least 95 percent of all work site employees who are not highly compensated employees for purposes of section 414(q),

"(5) computes its taxable income using an accrual method of accounting unless the Secretary approves another method,

"(6) agrees to verify the continuing accuracy of representations and information which was previously provided on such periodic basis as the Secretary may prescribe, and

"(7) agrees to notify the Secretary in writing of any change that materially affects the continuing accuracy of any representation or information which was previously made or provided.

"(c) REQUIREMENTS.—

"(1) IN GENERAL.—An organization meets the requirements of this paragraph if such organization—

"(A) meets the bond requirements of subparagraph (2), and

"(B) meets the independent financial review requirements of subparagraph (3).

"(2) BOND.—

"(A) IN GENERAL.—A certified professional employer organization meets the requirements of this paragraph if the organization has posted a bond for the payment of taxes under subtitle C (in a form acceptable to the Secretary) that is in an amount at least equal to the amount specified in subparagraph (B).

"(B) AMOUNT OF BOND.—

"(i) IN GENERAL.—For the period April 1 of any calendar year through March 31 of the following calendar year, the amount of the bond required is equal to the greater of:

"(I) 5 percent of the organization's liability for taxes imposed by this subtitle during the preceding calendar year (but not to exceed $1,000,000), or

"(II) $50,000.

"(ii) SPECIAL RULE FOR NEWLY CREATED PROFESSIONAL EMPLOYER ORGANIZATIONS.—During the first three full calendar years that an organization is in existence, subclause (I) of clause (i) shall not apply. For this purpose—

"(I) under rules provided by the Secretary, an organization is treated as in existence as of the date that such organization began providing services to any client which were comparable to the services being provided with respect to worksite employees, regardless of whether such date occurred before or after the organization is certified under section 7705, and

"(II) an organization with liability for taxes imposed by this subtitle during the preceding calendar year in excess of $5,000,000 shall no longer be described in this clause (ii) as of April 1 of the year following such calendar year.

"(3) INDEPENDENT FINANCIAL REVIEW REQUIREMENTS.—A certified professional employer organization meets the requirements of this subparagraph if such organization—

"(A) has, as of the most recent audit date, caused to be prepared and provided to the Secretary (in such manner as the Secretary may prescribe) an opinion of an independent certified public accountant as to whether the certified professional employer organization's financial statements are presented fairly in accordance with generally accepted accounting principles, and

"(B) provides to the Secretary an assertion regarding Federal employment tax payments and an examination level attestation on such assertion from an independent certified public accountant not later than the last day of the second month beginning after the end of each calendar quarter. Such assertion shall state that the organization has withheld and made deposits of all taxes imposed by chapters 21, 22, and 24 of the Internal Revenue Code in accordance with regulations imposed by the Secretary for such calendar quarter and such examination level attestation shall state that such assertion is fairly stated, in all material respects.

"(4) SPECIAL RULE FOR SMALL CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—The requirements of paragraph (3)(A) shall not apply with respect to a fiscal year of an organization if such organization's liability for taxes imposed by subtitle C during the calendar year ending on (or concurrent with) the end of the fiscal year were $5,000,000 or less.

"(5) FAILURE TO FILE ASSERTION AND ATTESTATION.—If the certified professional employer organization fails to file the assertion and attestation required by paragraph (3) with respect to a particular quarter, then the requirements of paragraph (3) with respect to such failure shall be treated as not satisfied for the period beginning on the due date for such attestation.

"(6) AUDIT DATE.—For purposes of paragraph (3)(A), the audit date shall be six months after the completion of the organization's fiscal year.

"(d) SUSPENSION AND REVOCATION AUTHORITY.—The Secretary may suspend or revoke a certification of any person under subsection (b) for purposes of section 414(w) or 3511, or both, if the Secretary determines that such person is not satisfying the representations or requirements of subsections (b) or (c), or fails to satisfy applicable accounting, reporting, payment, or deposit requirements.

"(e) WORK SITE EMPLOYEE.—For purposes of this title—

"(1) IN GENERAL.—The term 'work site employee' means, with respect to a certified professional employer organization, an individual who—

"(A) performs services for a customer pursuant to a contract which is between such customer and the certified professional employer organization and which meets the requirements of paragraph (2), and

"(B) performs services at a work site meeting the requirements of paragraph (3).

"(2) SERVICE CONTRACT REQUIREMENTS.—A contract meets the requirements of this paragraph with respect to an individual performing services for a customer if such contract is in writing and provides that the certified professional employer organization shall—

"(A) assume responsibility for payment of wages to the individual, without regard to the receipt or adequacy of payment from the customer for such services,

"(B) assume responsibility for reporting, withholding, and paying any applicable taxes under subtitle C, with respect to the individual's wages, without regard to the receipt or adequacy of payment from the customer for such services,

"(C) assume responsibility for any employee benefits which the service contract may require the certified professional employer organization to provide, without regard to the receipt or adequacy of payment from the customer for such services,

"(D) assume shared responsibility with the customer for firing the individual and for recruiting and hiring any new worker,

"(E) maintain employee records relating to the individual, and

"(F) agree to be treated as a certified professional employer organization for purposes of sections 414(w) and 3511 with respect to such individual.

"(3) WORK SITE COVERAGE REQUIREMENT.—

"(A) IN GENERAL.—The requirements of this paragraph are met with respect to an individual if at least 85 percent of the individuals performing services for the customer at the work site where such individual performs services are subject to 1 or more contracts with the certified professional employer organization which meet the requirements of paragraph (2).

"(B) SPECIAL RULES.—For purposes of subparagraph (A)—

"(i) WORK SITE.—The term 'work site' means a physical location at which an individual generally performs service for the customer or, if there is no such location, the location from which the individual receives job assignments from the customer.

"(ii) CONTIGUOUS LOCATIONS.—For purposes of clause (i), work sites which are contiguous locations shall be treated as a single physical location.

"(iii) NONCONTIGUOUS LOCATIONS.—For purposes of clause (i), noncontiguous locations shall be treated as separate work sites, except that each work site within a reasonably proximate area must satisfy the 85 percent test under subparagraph (A) for the individuals performing services for the customer at such work site. In determining whether noncontiguous locations are reasonably proximate, all facts and circumstances shall be taken into account.

"(iv) WORK SITES 35 MILES OR MORE APART.—Any work site which is separated from all other customer work sites by at least 35 miles shall not be treated as reasonably proximate under clause (iii).

"(v) DIFFERENT INDUSTRY.—A work site shall not be treated as reasonably proximate to another work site under clause (iii) if the work site operates in a different industry or industries from such other work site as determined by the Secretary.

"(f) EMPLOYER AGGREGATION RULES.—

"(1) IN GENERAL.—For purposes of subsections (c)(2)(B)(ii), (c)(4) and (e), all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as 1 person.

"(2) PLANS MAINTAINED BY COMPANIES IN SAME CONTROLLED GROUP AS CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATION.—For purposes of subsection (b)(4), if certified professional employer organizations are part of a controlled group, then the certified professional employer organizations (but no other member of the controlled group) shall be treated as 1 person.

"(3) QUALIFIED PLANS.—For purposes of subsection (b)(4)—

"(A) a qualified plan (as defined in section 408(p)(2)(D)(ii)) which is maintained by, or an arrangement to provide a simple retirement account (within the meaning of section 408(p)) to, a customer with respect to a work site employee performing services for such customer shall be treated as if it were maintained by the applicant, and

"(B) work site employees who do not meet the minimum age and service requirements of section 410(a)(1)(A) (or who are excludable from consideration under section 410(b)(3)) shall not be taken into account.

"(g) DETERMINATION OF EMPLOYMENT STATUS.—Except to the extent necessary for purposes of section 414(w) or 3511, nothing in this section shall be construed to affect the determination of who is an employee or employer for purposes of this title.

"(h) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section and sections 414(w) and 6503(k).".

(d) CONFORMING AMENDMENTS.—

(1) Section 45B of such Code is amended by adding at the end the following new subsection:

"(e) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—For purposes of this section, in the case of a certified professional employer organization that is treated, under section 3511, as the employer of a worksite employee who is a tipped employee, the credit determined under this section does not apply to such organization, but does apply to the customer of such organization. For this purpose the customer shall take into account any remuneration and taxes remitted by the certified professional employer organization.".

(2) Section 707 of such Code is amended by adding at the end the following new subsection:

"(d) PAYMENTS TO CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—If a partnership that is a customer of a certified professional employer organization (as defined in section 7705) makes a payment to such an organization on behalf of a partner, and the payment, if made directly to the partner, would be treated as a guaranteed payment under section 707(c), the partnership shall treat the payment as if it were a guaranteed payment made to a partner. To the extent that the relevant partner receives all or any portion of such a payment, such partner shall be treated as receiving a guaranteed payment for services under section 707(c).".

(3) Section 3302 of such Code is amended by adding at the end the following new subsection:

"(h) TREATMENT OF CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—If a certified professional employer organization (as defined in section 7705) (or a client of such organization) makes a payment to the State's unemployment fund with respect to a work site employee, such organization shall be eligible for the credits available under this section with respect to such payment.".

(4) Section 3303(a) of such Code is amended—

(A) by striking the period at the end of subparagraph (D) of paragraph (3) and inserting "; and",

(B) by inserting immediately after paragraph (3) the following new paragraph:

"(4) a certified professional employer organization (as defined in section 7705) is permitted to collect and remit, in accordance with paragraphs (1), (2), and (3), contributions during the taxable year to the State unemployment fund with respect to a work site employee.", and

(C) in the last sentence—

(i) by striking "paragraphs (1), (2), and (3)" and inserting "paragraphs (1), (2), (3), and (4)", and

(ii) by striking "paragraph (1), (2), or (3)" and inserting "paragraph (1), (2), (3), or (4)".

(5) Section 6053(c) such Code is amended by adding at the end the following new paragraph:

"(8) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—For purposes of any report required by this section, in the case of a certified professional employer organization that is treated, under section 3511, as the employer of a worksite employee, the customer with respect to whom a worksite employee performs services shall be the employer for purposes of reporting under this section and the certified professional employer organization shall furnish to the customer any information necessary to complete such reporting no later than such time as the Secretary shall prescribe.".

(e) CLERICAL AMENDMENTS.—

(1) The table of sections for chapter 25 of such Code is amended by adding at the end the following new item:

"Sec. 3511. Certified professional employer organizations.".

(2) The table of sections for chapter 79 of such Code is amended by inserting after the item relating to section 7704 the following new item:

"Sec. 7705. Certified professional employer organizations.".

(f) REPORTING REQUIREMENTS AND OBLIGATIONS.—The Secretary of the Treasury shall develop such reporting and recordkeeping rules, regulations, and procedures as the Secretary determines necessary or appropriate to ensure compliance with the amendments made by this Act with respect to entities applying for certification as certified professional employer organizations or entities that have been so certified. Such rules shall be designed in a manner which streamlines, to the extent possible, the application of requirements of such amendments, the exchange of information between a certified professional employer organization and its customers, and the reporting and recordkeeping obligations of the certified professional employer organization.

(f) USER FEES.—Subsection (b) of section 10511 of the Revenue Act of 1987 (relating to fees for requests for ruling, determination, and similar letters) is amended by adding at the end the following new paragraph:

"(4) CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS.—The fee charged under the program in connection with the certification by the Secretary of a professional employer organization under section 7705 of the Internal Revenue Code of 1986 shall not exceed $500.".

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this Act shall take effect on the later of—

(A) January 1, 2003, or

(B) the January 1st of the first calendar year beginning more than 12 months after the date of the enactment of this Act.

(2) CERTIFICATION PROGRAM.—The Secretary of the Treasury shall establish the certification program described in section 7705(b) of the Internal Revenue Code of 1986 (as added by subsection (c) of this section) not later than 3 months before the effective date determined under paragraph (1).

(3) TRANSITION ISSUES.—For years beginning before the effective date specified in paragraph (1), subject to such conditions as the Secretary of the Treasury may prescribe, employee benefit plans in existence on the

date of the enactment of this Act shall not be treated as failing to meet the requirements of the Internal Revenue Code of 1986 merely because such plans were maintained by an organization prior to such organization becoming a certified professional employer organization (as defined by section 7705 of such Code (as so added)).

By Mr. BAUCUS (for himself, Mr. HARKIN, Mr. LOTT, Mr. JEFFORDS, Mr. WARNER, Mrs. LINCOLN, Mr. SMITH of New Hampshire, Mr. REID, Mr. VOINOVICH, Mr. CRAPO, Mr. BURNS, Mr. THOMAS, Mr. BOND, Mr. DEWINE, Mr. GRAMM, Mr. HUTCHINSON, Mr. LIEBERMAN, Ms. LANDRIEU, and Mr. ENZI):

S. 1306. A bill to amend the Internal Revenue Code of 1986 to transfer all excise taxes imposed on alcohol fuels to the Highway Trust Fund, and for other purposes; to the Committee on Finance.

Mr. BAUCUS. Madam President, I rise today to introduce a piece of legislation that will help ensure that the Trust is restored to the Highway Trust Fund.

The Highway Trust Fund Recovery Act, HTFRA, of 2001 will direct 2.5 cents from the sale of gasohol into the Highway Trust Fund beginning in Fiscal Year 2004.

This bill is important for several reasons. First, the bill reconfirms the landmark 1998 highway bill—TEA 21, which is so important to economic development in Montana and throughout the country. Second, the bill will ensure that much needed highway improvements are made throughout the country. Third, this bill means more jobs for Montanans and others throughout the country.

It is, in short, the right thing to do.

By way of background, the gas tax was established for one simply reason: to finance the construction of the national highway system.

In 1993, there was a departure. The tax was increased, by 4.3 cents a gallon. And, for the first time, the tax was used not for the highway program, but instead for deficit reduction.

I supported the increase, reluctantly, as part of an overall compromise that was a key step towards balancing the budget.

Even so, many of us were determined to restore the principle that the gas tax should only be used to fund our highway and related transportation programs. We worked, as we said, to "put the trust back in the trust fund."

It was a long, difficult fight. We faced tough opposition, from the Administration, the budget committees, and elsewhere. But, in the end, we prevailed. During the Senate's consideration of the 1998 highway bill, we provided that the entire gas tax, including the 4.3 cents, would go into the Highway Trust Fund and be used exclusively for highway construction and other transportation needs. When an amendment was offered to repeal the 4.3 cents tax, it was defeated.

Don't get me wrong. Nobody likes taxes. But, since its inception, the gas tax is how we get money to pay for our highways. As these things go, the gas tax has worked well.

Ensuring necessary and affordable energy supplies, including ethanol-blended motor fuels and other initiatives, is important to the quality of life and economic prosperity of all Americans. Policies to achieve these objectives, however, should not come at the expense of transportation infrastructure improvements.

Under current law, ethanol enjoys an exemption from current excise tax rates. This exemption allows the price of gasohol, ethanol mixed with gasoline, to be lower than the price of gasoline. Two and one half cents from the sale of this lower priced fuel is still sent to the General Fund of the U.S. Treasury. It should be going to the Highway Trust Fund.

Let me explain what the Highway Trust Fund Recovery Act of 2001 would mean for our nation's highway program. At least $400 million a year would now go where it belongs, toward the maintenance of our Nation's highways.

I'll get right to the point. Most of my colleagues were here for the highway bill debate. You know how difficult it was. You know how hard we fought to make sure that each of our states would get enough funding to support our transportation needs.

We still need more. As was made clear in the debate over TEA-21 in 1998, America still has a significant shortfall in funding when it comes to maintaining a serviceable highway system. The Department of Transportation estimates that the Nations requires $56.6 billion annually just to maintain existing road and bridge conditions on our Federal highway system. Yet TEA-21 meets only 56 percent of that need.

This 2.5 cent transfer means that thousands of hard-working folks who show up every day, in good weather and bad, to build our roads and improve our communities will have jobs to go to. These are people who depend on their jobs to support themselves and their families.

Pulling this all together, the Congress needs to find a way to enhancing our energy independence without undermining our highway programs. The Highway Trust Fund Recovery Act of 2001 is a step in the right direction.

There's one final point.

For the past few years, Congress has been criticized for putting partisan politics ahead of the public interest. In short, of not getting much done.

There have been some notable exceptions. Balancing the budget. Reforming the welfare system.

And, yes, reaching a bipartisan compromise on the 1998 highway bill, TEA-21. That bill did not just reauthorize the highway program. It renewed and revitalized the highway program. We passed it overwhelmingly, by a vote of 88–5. It was a great accomplishment.

We can confirm that accomplishment by passing the Highway Trust Fund Recovery Act of 2001.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1306

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Highway Trust Fund Recovery Act of 2001".

SEC. 2. ALL ALCOHOL FUELS TAXES TRANSFERRED TO HIGHWAY TRUST FUND.

(a) IN GENERAL.—Section 9503(b)(4) of the Internal Revenue Code of 1986 (relating to certain taxes not transferred to Highway Trust Fund) is amended—

(1) by adding "or" at the end of subparagraph (C),

(2) by striking the comma at the end of subparagraph (D)(iii) and inserting a period, and

(3) by striking subparagraphs (E) and (F).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxes received in the Treasury after September 30, 2003.

Mr. VOINOVICH. Madam President, I rise today to join my colleague, Senator MAX BAUCUS, in introducing The Highway Trust Fund Recovery Act of 2001. The tax treatment of ethanol-blended fuels is an issue that is disproportionately reducing the amount of Federal highway funding States receive, serving as a disincentive to ethanol use, and impacting our ability to address fully our highway improvement needs. The legislation we are introducing today addresses this problem by ensuring that the portion of the per gallon Federal tax on ethanol-blended fuels which is currently deposited into the General Fund is deposited into the Highway Trust Fund instead.

As my colleagues may be aware, the Federal tax on gasoline that does not contain ethanol is 18.4 cents per gallon, whereas the Federal tax on gasohol, a blend of gasoline and ethanol, is 13.0 cents per gallon. The 5.4 cents per gallon tax difference is meant to keep the price of ethanol down, and serve as an incentive to help promote ethanol's use as a renewable and alternative fuel.

The 18.4 cents per gallon tax on gasoline is the major source of income to the Highway Trust Fund. The money that accumulates in the Highway Trust Fund is used for highway, highway safety, transit, and other surface transportation programs.

However, of the 13.0 cents per gallon Federal tax on gasohol, only 10.4 cents are sent to the Highway Trust Fund, .1 cent goes to the Leaking Underground Storage Tank Fund, while the remaining 2.5 cents are deposited into the

General Fund of the Treasury. Although 2.5 cents does not sound like a lot of money, it actually adds up to hundreds of millions of dollars per year that are not being used for the purpose of improving our Nation's roadways, the reason they were collected in the first place.

The bill we are introducing today, the Highway Trust Fund Recovery Act, would ensure that the remaining 2.5 cent tax paid by highway users on ethanol-blended fuels is deposited into the Highway Trust Fund. Under the bill, annual deposits to the Highway Account would increase by some $400 million per year based on current gasohol sales.

Ohio has the Nation's 10th largest highway network, the 5th highest volume of traffic, the 4th largest interstate highway network, and the 2nd largest inventory of bridges in the country. While Ohio's traffic and congestion have risen, its Federal receipts have not risen commensurately because of the different tax treatment of ethanol-blended fuels.

The reason for this disproportion is because Ohio's uses of gasohol is among the highest in the Nation, 40 percent of the state's gasoline consumption in 2000 compared to a national average of around 10 percent. Since Ohio's Federal appropriation under the Transportation Equity Act for the 21st Century, TEA-21, is determined by its contribution to the Highway Trust Fund, and gasohol is taxed differently than conventional gasoline, gasohol consumption has significantly decreased the amount of revenue credited to Ohio in the Highway Trust Fund.

It's simple: less money in means less money out.

According to the Ohio Department of Transportation, ODOT, Ohio is losing more than $160 million per year due to gasohol consumption. To put that number in perspective, it equals 17 percent of Ohio's total obligation ceiling; over one half of the State's major new construction program budget; and it nearly equals the amount the State budgets for routine bridge repair and replacement for an entire year. Of that $160 million figure, the state is losing more than $50 million simply because 2.5 cents of the Federal tax on gasohol are deposited into the General Fund. This amount is 5 percent of the Ohio's total obligation ceiling; one-sixth of Ohio's major new construction program; and equal to the amount ODOT budgets for safety improvement projects for a two-year period.

The 11 States that make up the Mississippi Valley Conference of the American Association of State Highway and Transportation Officials, AASHTO, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, Ohio, and Wisconsin, account for 70 percent of the Nation's ethanol consumption. The Federal fuel tax rate for ethanol impacts this region more than any other region of the country. If the legislation we are introducing were enacted today, this region alone would receive over $225 million more in additional highway funding.

My State of Ohio has made the environmentally sound decision to utilize ethanol in order to keep the air clean; we should not be penalized with fewer highway dollars for doing the right thing.

Our legislation would not affect the highway formulas or distribution of funds under TEA-21, and it does not take effect until fiscal year 2004, after the expiration of TEA-21. It is important that Congress know what estimated Highway Trust Fund revenues will be prior to the next highway authorization process.

The current tax treatment of gasohol is a disincentive to use ethanol, a clean, renewable fuel source. The bill we are introducing today is good environmental policy, good agricultural policy, good energy policy, and good transportation policy. States should not be penalized for using ethanol. It does not make sense for taxes paid on ethanol-blended fuels to be deposited in the General Fund when we need more than $50 billion per year over the next 20 years just to maintain the current physical condition of our Nation's highways.

Taxes on ethanol are paid by motorists whose vehicles are causing the same wear and tear on our roads and bridges that non-ethanol-fueled vehicles cause. While we may have policy reasons for taxing ethanol at a lower rate or establishing a market for ethanol-blended fuels, surely we ought to insist that the taxes paid by ethanol users are deposited into the Highway Trust Fund where they can be used to make our highways safer and less congested.

This bill would help ensure that we have reliable alternative sources of energy, while we meet our clean air goals, but not at the expense of States' highway funding. I urge my colleagues to join me in cosponsoring this legislation, and I urge its speedy consideration by the Senate.

By Mr. DOMENICI:

S. 1309. a bill to amend the Water Desalination Act of 1996 to reauthorize that Act and to authorize the construction of a desalination research and development facility at the Tularosa Basin, New Mexico, and for other purposes; to the Committee on Environment and Public Works.

Mr. DOMENICI. Madam President, I rise today to introduce "The Water Supply Security Act of 2001." Access to fresh water is an increasingly critical national and international issue. As the world's population grows and stores of fresh water are depleted, finding additional sources of fresh water is key to ensuring world peace and security.

In the Middle East, a major component of almost every peace agreement is water. President Khatami of Iran said last month that peace in the region will be largely determined by mechanisms to solve the problem of water. Shortly after being elected, Israeli Prime Minister Sharon stated that one of the first things he was going to do was to build two water desalting plants in Israel to meet that country's water needs.

Providing fresh water to the people of Africa is a key component in fighting the AIDS epidemic plaguing that continent. AIDS researchers have determined that a principal reason that mothers with AIDS and HIV are spreading the virus to their children is because there is not enough clean water to mix infant formula.

Here in the United States, arid states such as New Mexico are facing serious water shortages. City planners in my home town of Albuquerque have speculated that the city will not be able to grow much more because the aquifer located beneath the city is quickly drying up. Nevada, Arizona, Texas, California and Florida are facing similar problems. A study by the Hudson Institute found that by the year 2025, 45 percent of the U.S. population growth will occur in California, Texas, and Florida, States already facing severe water shortages. This population explosion will undoubtedly result in a scarcity of fresh water.

Although all these States have diminishing stores of fresh water, they all have large deposits of brackish and sea water. Because brackish and sea water account for over 97 percent of the water on earth, being able to cheaply convert this water into fresh water is important to ensuring an adequate supply of fresh water.

President Kennedy, a strong proponent of the government funding for desalting technology, stated "if we could ever competitively, at a cheap rate, get fresh water from salt water . . . (this) would be in the long-range interests of humanity which would really dwarf any other scientific accomplishments."

The R&D funded by the federal government between 1952 and the early 1980s resulted in the two desalting technologies that are most widely used today. The development of these widely used technologies would not have been possible had it not been for federally sponsored research and development. Just as these endeavors resulted in significant technological breakthroughs, I believe that a renewed investment by the federal government would lead to further advancements in the technology.

Although desalting technology has become significantly cheaper in recent years, the cost of desalting brackish and seawater is still substantially more expensive than treatment and delivery of other municipal water supplies. In 1996, Congress passed the Water Desalination Act of 1996. This created a small desalting R & D and demonstration program within the Bureau of Reclamation that was tasked with determining the most technologically efficient and cost-effective means by which useable water can be produced from saline water.

This program has been very successful despite receiving limited funding. However, their authorization is set to expire in 2002. The legislation I introduce today would re-authorize the desalting R & D and demonstration program run by the Bureau of Reclamation for an additional six years so that they can continue their work on ensuring that we are able to produce fresh water at a reduced cost.

In addition to renewing this program, the federal government needs to pursue next-generation technologies that would significantly drive down the cost of converting large volumes of readily available saline and brackish waters. Although desalting technology cost and performance have been significantly improved over the past thirty years, overall cost needs to be reduced by a factor of 5 to 10 to make desalted water affordable. While the currently available technologies may be meeting the needs of certain coastal communities with adequate resources to finance such technology, there is a real need for technologies that can tackle a broader range of applications and reduce costs significantly. Such revolutionary desalting technologies would provide significant relief to communities throughout the world, be they rich or poor, coastal or inland.

Our national laboratories have long been known for being at the forefront of science. The laboratories have extensive expertise in virtually all of the key science and technology areas necessary for developing next-generation desalting technology. Furthermore, the labs are already engaged in research and development in several non-traditional desalination technologies. As such, I believe our national laboratories should play a significant role in the development of this vital technology. Drawing from the technological expertise that the labs can provide should ensure that this endeavor will be a successful one.

The bill that I introduce today would direct a collaboration between the Bureau of Reclamation and the Department of Energy in evaluating current technology, advising on how to proceed with additional research, authorizing the building of a facility where these advances in technology could be tested, and confirming project and operation costs in a real-world application. This bill would also employ the extensive knowledge in desalination technology that the Bureau of Reclamation has accumulated over the past 30 years by allowing that agency to conduct internal research.

I have no doubt that this legislation would help to push the state of the art forward to ensure that the world has access to this life sustaining resource for years to come.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1309

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Water Supply Security Act of 2001”.

SEC. 2. AUTHORIZATION OF RESEARCH AND STUDIES.

Section 4 of the Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104-298) is amended by adding at the end the following:

“(c) TULAROSA BASIN DESALINATION FACILITY.—

“(1) IN GENERAL.—

“(A) TECHNOLOGY PROGRESS PLAN.—

“(i) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, Sandia National Laboratories, in collaboration with the Secretary of Energy and in consultation with the Secretary, and using as models the roles of desalination facilities operated by the Federal Government and other research institutions as of the date of enactment of this subsection, shall develop a desalination technology progress plan that includes—

“(I) an overview of available short-term and long-term desalination technology development;

“(II) recommendations for the location, siting, and configuration of the facility under subparagraph (B);

“(III) an assessment of the contributions that the facility could make to the field of desalination; and

“(IV) recommendations concerning the most effective and efficient manner of carrying out subparagraph (B).

“(ii) COST-SHARING REQUIREMENTS.—The cost-sharing requirements described in sections 1604 and 1605 of the Wastewater and Groundwater Study and Facilities Act (43 U.S.C. 390h-2, 390h-3) shall not apply to—

“(I) the funding of the technology progress plan described in clause (i);

“(II) the facility authorized to be constructed under subparagraph (B); or

“(III) any research carried out by Sandia National Laboratories under this Act.

“(B) TESTING AND EVALUATION FACILITY.—

“(i) CONSTRUCTION.—Not later than 3 years after the date of completion of the technology progress plan under subparagraph (A), the Secretary of Energy, in collaboration with the Secretary and in accordance with the memorandum of understanding described in subparagraph (C) and the technology progress plan developed under subparagraph (A)(i), shall construct a desalination test and evaluation facility at the Tularosa Basin, located in Otero County in the State of New Mexico (referred to in this subsection as the ‘facility’).

“(ii) REPORT.—Not later than 1 year after the date on which the facility begins operation, the Secretary of Energy shall submit to Congress a report that describes project plans of, and any technological advancements developed by, the facility.

“(iii) CONTRACTORS.—The Secretary of Energy may enter into such contracts as are necessary (including contracts with other Federal agencies, State agencies, educational institutions, and private entities and organizations) to carry out this subparagraph.

“(C) MEMORANDUM OF UNDERSTANDING.—In carrying out this paragraph, the Secretary of Energy and the Secretary of the Interior shall enter into a memorandum of understanding under which the Secretary of Energy shall seek from the Secretary of the Interior, and the Secretary of the Interior shall provide to the Secretary of Energy, technical assistance and expertise in the development and construction of the facility.

“(2) PURPOSES.—The facility—

“(A) shall be used—

“(i) to carry out research on, and to test, demonstrate, and evaluate, new desalination technologies (including long-term, alternative technologies that have the potential for significant desalination cost reductions beyond the time frame of the focus of current research);

“(ii) to fully evaluate the performance of new technologies, including performance in—

“(I) energy consumption;

“(II) byproduct disposal; and

“(III) operational maintenance costs; and

“(iii) to determine the most technologically-efficient and cost-efficient means by which potable water may be produced from salinated water or other water that is unsuitable for use; and

“(B) should be capable of processing at least 100,000 gallons of water per day.

“(3) COLLABORATION; FACILITY DISCRETION.—

“(A) COLLABORATION.—All research at the facility shall be carried out by the Secretary of Energy, in collaboration with the Secretary.

“(B) FACILITY DISCRETION.—Research described in paragraph (2)(A)(i) may be carried out at the facility or at any other laboratory facility determined to be suitable by Sandia National Laboratories.

“(4) PROVISION OF WATER.—

“(A) IN GENERAL.—Subject to subparagraph (B), all desalinated water produced by the facility shall be provided to 1 or more communities located in Otero County, New Mexico, at no cost to the communities, as jointly determined by the Secretary of Energy and the Secretary.

“(B) TIMING; SUPPLEMENTARY ASPECT.—The water provided under subparagraph (A) shall be—

“(i) provided only after technology testing demonstrates that the water is of a consistent, reliable quality, as determined by Sandia National Laboratories, in coordination with the Secretary of Energy; and

“(ii) supplementary to water provided by public water systems or wells in the communities.

“(5) TECHNICAL ADVISORY COMMITTEE.—

“(A) IN GENERAL.—The Secretary and the Secretary of Energy shall jointly establish a technical advisory committee to provide, under such procedures as the Secretary and the Secretary of Energy shall jointly develop, program guidance and technical assistance in carrying out this subsection.

“(B) COMPOSITION.—

“(i) IN GENERAL.—The technical advisory committee shall be composed of—

"(I) representatives from the Department of the Interior and the Department of Energy, to be appointed by the Secretary and the Secretary of Energy, respectively; and

"(II) such additional representatives from academic institutions, the private sector, other Federal agencies, and educational institutions, as the Secretary and the Secretary of Energy, respectively, determine to be appropriate.

"(ii) CHAIRPERSONS.—A representative of the Department of the Interior selected by the Secretary and a representative of the Department of Energy selected by the Secretary of Energy shall serve as cochairpersons of the technical advisory committee.

"(6) COST SHARING.—Section 7 shall not apply to this subsection.".

SEC. 3. CONSULTATION; AUTHORIZATION OF APPROPRIATIONS.

The Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104-298) is amended—

(1) by striking section 8;

(2) by redesignating section 9 as section 8;

(3) in section 8 (as redesignated by paragraph (2)), in the first sentence, by striking "Army," and inserting "Army and the Secretary of Energy,"; and

(4) by adding at the end the following:

"SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

"(a) RESEARCH AND STUDIES.—

"(1) IN GENERAL.—There is authorized to be appropriated to the Secretary to carry out section 3 and section 4(c)(1)(A) $6,000,000 for each of fiscal years 2002 through 2008.

"(2) RESEARCH PROGRAMS.—Of the amounts made available under paragraph (1)—

"(A) not to exceed $1,000,000 for each fiscal year may be awarded, without any cost-sharing requirement, to institutions of higher education (including United States-Mexico binational research foundations and inter-university research programs established by the 2 countries) for research grants; and

"(B) not less than $1,000,000 of the amount made available for fiscal year 2002 shall be used to carry out section 4(c)(1)(A).

"(3) INTERNAL RESEARCH.—

"(A) IN GENERAL.—Of the amounts made available under paragraph (1) to carry out section 3 for each of fiscal years 2002 through 2008, the Secretary may use not more than 25 percent for research carried out by the Department of the Interior.

"(B) COST SHARING.—Research described in subparagraph (A) shall not be subject to any cost-sharing requirement.

"(b) DESALINATION DEMONSTRATION AND DEVELOPMENT.—

"(1) IN GENERAL.—There is authorized to be appropriated to the Secretary to carry out section 4 (other than section 4(c)) $30,000,000 for the period of fiscal years 2002 through 2008.

"(2) DESALINATION RESEARCH AND DEVELOPMENT FACILITY.—There is authorized to be appropriated to the Secretary of Energy for transfer to Sandia National Laboratories, to carry out section 4(c) (other than section 4(c)(1)(A)) $6,000,000 for each of fiscal years 2003 through 2008.".

SEC. 4. TECHNICAL AND CONFORMING AMENDMENTS.

(a) AUTHORIZATION OF RESEARCH AND STUDIES.—Section 3 of the Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104-298) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (1), (2), (3), (4), (5), (6), and (7) as subparagraphs (A), (B), (C), (D), (E), (F), and (G), respectively, and indenting appropriately;

(B) by striking "In order to" and inserting the following:

"(1) IN GENERAL.—To";

(C) in the first sentence—

(i) by striking "is authorized to award grants and to enter into contracts," and inserting "may award grants and enter into cooperative agreements, interagency agreements, and contracts,"; and

(ii) by inserting "and" after "financing of research"; and

(D) by striking "Awards" and all that follows through "include—" and inserting the following:

"(2) LOCATIONS.—If the Secretary determines that it is in the national interest, the Secretary may carry out a program described in paragraph (1), in accordance with all applicable law, at a location outside the United States.

"(3) BASIS FOR GRANTS, AGREEMENTS, AND CONTRACTS.—All awards of grants and all cooperative agreements, interagency agreements, and contracts entered into under paragraph (1), shall be made on the basis of a competitive, merit-reviewed process.

"(4) TOPICS.—Research and study topics authorized by this section include—"; and

(2) in subsection (c), by striking "other facilities and educational institutions suitable" and inserting the following: "educational institutions, international organizations, international foundations, and international educational institutions, and other facilities suitable".

(b) DESALINATION DEMONSTRATION AND DEVELOPMENT.—Section 4 of the Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104-298) is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting after subsection (a) the following:

"(b) LOCATION.—If the Secretary determines that it is in the national interest, the Secretary may carry out the program described in subsection (a), in accordance with all applicable law, at a location outside the United States."; and

(3) in subsection (c) (as redesignated by paragraph (1)), by striking "conducted through" and all that follows through "to develop" and inserting the following: "conducted through the provision of grants to, and the entering into cooperative agreements and contracts (including cost-sharing agreements) with, non-Federal public utilities, State and local governmental agencies, educational institutions, international organizations, international foundations, international educational institutions, and other entities, as appropriate, to develop".

(c) COST SHARING.—Section 7 of the Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104-298) is amended—

(1) by striking the first sentence and inserting the following:

"(a) IN GENERAL.—

"(1) ALL PROJECTS.—Notwithstanding any other provision of law, the Federal share of the cost of a research, study, or demonstration project or a desalination development project or activity carried out under this Act—

"(A) except as provided in paragraph (2) and in section 9(a)(3)(B), shall not exceed 100 percent of the total cost of the project or activity; and

"(B) may be paid out of—

"(i) funds made available to the Secretary, in an amount not to exceed 50 percent of the total cost of the project or activity;

"(ii) funds made available to 1 or more other heads of Federal agencies; or

"(iii) a combination of funds described in clauses (i) and (ii).

"(2) INTERIOR PROJECTS.—The Federal share of the cost of a project or activity described in paragraph (1) that is carried out by the Secretary shall not exceed 50 percent.";

(2) by striking "A Federal contribution" and inserting the following:

"(b) DETERMINATION OF INFEASIBILITY.—A contribution by the Secretary described in subsection (a)(2) that is";

(3) by striking "The Secretary shall prescribe" and inserting the following:

"(c) PROCEDURES.—The Secretary shall prescribe"; and

(4) by striking "Costs of operation," and inserting the following:

"(d) NON-FEDERAL RESPONSIBILITIES.—Costs of operation,".

(d) CONSULTATION.—Section 8 of the Water Desalination Act of 1996 (42 U.S.C. 10301 note; Public Law 104-298) (as redesignated by section 3(2)) is amended to read as follows:

"SEC. 8. CONSULTATION.

"(a) IN GENERAL.—In carrying out this Act, the Secretary shall consult with the heads of other Federal agencies (including the Secretary of the Army) that have experience in conducting desalination research or operating desalination facilities.

"(b) INTERNATIONAL CONSULTATION.—In a case in which the Secretary intends to conduct an activity under this Act in accordance with section 3(a)(2) or 4(b), the Secretary shall consult with the Secretary of State before beginning the conduct of the activity.

"(c) OTHER PROGRAMS.—Nothing in this Act prohibits any other agency from carrying out a program for desalination research or operation that is authorized under any other provision of law.".

By Mr. REID:

S. 1310. A bill to provide for the sale of certain real property in the Newlands Project, Nevada, to the city of Fallon, Nevada; to the Committee on Energy and Natural Resources.

Mr. REID. Madam President, I rise today to introduce legislation to provide the City of Fallon, NV, the exclusive right to purchase approximately 6.3 acres of public land located in the downtown area of the City. My bill, the Fallon Rail Freight Loading Facility Transfer Act, will enable the City of Fallon to make the necessary long-term investments to ensure the future viability of this important municipal asset.

Fallon is a rural agricultural community of 8700 residents located in northern Nevada approximately 70 miles east of Reno. Since 1984 the City has leased approximately 6.3 acres of property from the U.S. Bureau of Reclamation that it utilizes as a rail freight yard and loading facility. The City, the State of Nevada, the U.S. Department of Transportation and the Southern Pacific Railroad have collectively invested a significant amount of money in this facility that is directly responsible for over 400 jobs in the community.

On January 1, 2000, the long-term lease agreement between the City of Fallon and the Bureau of Reclamation expired. As negotiations began for a new long-term lease the City and the

Bureau came to the conclusion that it would be in both party's best interests to have ownership of this property transferred to the City.

The City would be able to make long term investments in a facility that it owned without having to worry about renegotiating new leases and the possibility of losing access to the property which is critical to the economic well being of the community. The Bureau of Reclamation would be able to divest itself from an asset that no longer serves a purpose to its core mission allowing more of its scarce resources to be focused on the traditional roles of the Bureau. Of course this transfer will be contingent on the satisfactory conclusion of all necessary environmental reviews and will be purchased by the City at fair market value.

The Fallon Rail Freight Loading Facility Transfer Act is a win-win situation for all affected parties. I look forward to prompt consideration of this important piece of legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1310

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fallon Rail Freight Loading Facility Transfer Act".

SEC. 2. CONVEYANCE TO THE CITY OF FALLON, NEVADA.

(a) CONVEYANCE.—

(1) IN GENERAL.—Subject to subsections (b) and (c), the Secretary of the Interior shall convey to the city of Fallon, Nevada, all right, title, and interest of the United States in and to approximately 6.3 acres of real property in the Newlands Reclamation Project, Nevada, generally known as "380 North Taylor Street, Fallon, Nevada", and identified for disposition on the map entitled "Fallon Rail Freight Loading Facility".

(2) MAP.—The map referred to in paragraph (1) shall be on file and available for public inspection in—

(A) the office of the Commissioner of Reclamation; and

(B) the office of the Area Manager of the Bureau of Reclamation, Carson City, Nevada.

(b) CONSIDERATION.—

(1) IN GENERAL.—The Secretary shall require that, as consideration for the conveyance under subsection (a), the city of Fallon, Nevada, shall pay to the United States an amount equal to the fair market value of the real property, as determined—

(A) by an appraisal of the real property conducted not later than 60 days after the date of enactment of this Act by an independent appraiser approved by the Commissioner of Reclamation; and

(B) without taking into consideration the value of any structure or other improvement on the property.

(2) CREDIT OF PROCEEDS.—The amount paid to the United States under paragraph (1) shall be credited, in accordance with section 204(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(c)), to the appropriate fund in the Treasury relating to the Newlands Reclamation Project, Nevada.

(c) LIABILITY.—The conveyance under subsection (a) shall not occur until such date as the Commissioner of Reclamation certifies that all liability issues relating to the property (including issues of environmental liability) have been resolved.

By Mr. LEAHY (for himself, Mr. BROWNBACK, Mr. KENNEDY, Ms. COLLINS, Mr. DURBIN, Mr. JEFFORDS, and Mr. GRAHAM):

S. 1311. A bill to amend the Immigration and Nationality Act to reaffirm the United States historic commitment to protecting refugees who are fleeing persecution or torture; to the Committee on the Judiciary.

Mr. LEAHY. Madam President, I am proud to introduce the Refugee Protection Act, a bipartisan bill that would sharply reduce the use of expedited removal at our borders while also reducing the number of asylum seekers whom we detain. This is a bipartisan bill. I am joined today by Senators BROWNBACK, KENNEDY, COLLINS, DURBIN, JEFFORDS, and GRAHAM. I am grateful for the support of the Chairman and Ranking Member of the immigration subcommittee.

In 1996, I introduced an amendment to the Illegal Immigration Reform and Immigrant Responsibility Act, "IIRIRA", that would have authorized the use of expedited removal only at times of immigration emergencies. The bill we introduce today is modeled on that proposal. That amendment passed the Senate with bipartisan support, but was omitted from the bill that was reported out of a partisan, closed conference. As a result, expedited removal took effect on April 1, 1997. America's historic reputation as a beacon for refugees has suffered as a consequence, and it is long past time to restore it.

Expedited removal allows INS inspections officers summarily to remove aliens who arrive in the United States without travel documents, or even with facially valid travel documents that the officers merely suspect are fraudulent, unless the aliens utter the magic words 'political asylum' upon their first meeting with American immigration authorities. This policy is fundamentally unwise and unfair, both in theory and in practice, and its efficacy and fairness has come under increasing criticism.

First, expedited removal ignores the fact that many deserving asylum applicants are forced to travel without papers. For example, victims of repressive governments often find themselves forced to flee their homelands at a moment's notice, without time or means to acquire proper documentation. Or a government may systematically strip refugees of their documentation, as the Serbian government did in Kosovo in 1999.

Second, expedited removal places an undue burden on refugees, and places too much authority in the hands of low-level INS officers. Refugees typically arrive at our borders ragged and tired from their ordeals, and often with little or no knowledge of English. Our policy forces them to undergo a secondary inspection interview with an INS officer without expertise in asylum and with the power to deport them on the spot, subject only to a supervisor's approval. By law, anyone who indicates a fear of persecution or requests asylum during this interview is to be referred for an interview with an asylum officer. But no safeguards exist to guarantee that this happens, and the secondary inspection interviews generally take place behind closed doors with no witnesses. Indeed, this interview often becomes unduly confrontational and intimidating. As the Lawyers Committee for Human Rights has documented, refugees are detained for as long as 36 hours, are deprived of food and water, and are often shackled. If they are lucky, they will be provided with a competent interpreter. If they are unlucky, they will receive no interpreter at all, an interpreter with extraordinarily limited knowledge of their language, or even an interpreter who works for the airline owned by the government that they claim is persecuting them. Such a system is a betrayal of our ideals, and we need to reform it.

I was heartened to hear James Ziglar, the President's choice to head the INS, criticize expedited removal at his confirmation hearing. He said: "I definitely think we need to change the process where asylum-seekers come here, to make sure that we know who these people are and what their claims are and whether they're legitimate before we turn around and put them on a plane back to an uncertain future." I could not agree more with Mr. Ziglar, and I look forward to working with him on this issue.

I was also moved by the recent words of Theodore McCarrick, the new Archbishop of Washington, in a July 22 oped in the Washington Post. Archbishop McCarrick described how expedited removal forces potential asylum seekers arriving on our shores "to immediately articulate their fear of return" or be "subject to immediate deportation without any recourse to the legal system." He wrote: "Those who come to our shores and request asylum should be given a chance to make their case before a qualified asylum officer and immigration judge. The Refugee Protection Act to be considered by Congress would reform the U.S. asylum system appropriately and should be enacted."

The Archbishop described the case of Ditron, an ethnic Albanian from Kosovo who fled from the Milosevic government in early 1998 and made it all the way to Newark International Airport, where he tried to gain asylum.

But the language barrier prevented him from communicating his fear of returning to Kosovo to the INS inspector, and he was put on a plane and deported under expedited removal. We only know about his story because he was somehow able to make it back to the United States a second time, and his application for asylum is now pending. But such a 50 percent success ratio is simply unacceptable for this Nation.

I became aware of another very disturbing case last summer. A domestic violence victim from the Dominican Republic fled to the United States. The INS believed that she had been a victim and that her life would be endangered if she were returned to her native country. Nonetheless, she was ordered deported under expedited removal because the INS officers who interviewed her took it upon themselves to make a legal determination that victims of domestic violence were ineligible for asylum on that ground. It is bad enough that these officers decided their responsibilities in implementing expedited removal went so far as interpreting U.S. asylum law. Even worse, they got the law wrong. Although a recent Board of Immigration Appeals decision had indicated that domestic violence victims could not gain asylum here, that decision was under review at the time and was later vacated by then-Attorney General Janet Reno. Luckily, a number of Members of Congress intervened in the case and the INS did not deport this woman, who has since been granted asylum. But had her case not been brought to our attention by the Lawyers' Committee for Human Rights, she would likely have become a silent victim of the expedited removal process.

Another expedited removal horror story came to our attention just last week. Libardo Yepes Holguin fled Colombia last November after his life was threatened by the paramilitary forces involved in the civil war there. When he arrived at Miami International Airport, he told the INS inspectors that he feared being returned to Colombia and that he wanted to seek asylum. He was nonetheless put on a plane back to Colombia, where his life was again threatened. He managed to escape again, and this time entered the United States by crossing a river from Mexico. He was seized by INS officers and has been detained in Texas since May. The INS is currently attempting to remove Mr. Yepes Holguin based on the prior removal order entered against him in Miami last fall, despite his sworn testimony that his repeated requests to apply for asylum were ignored.

Finally, and most shockingly, expedited removal has even been used against U.S. citizens. Sharon McKnight, a 35-year old U.S. citizen with the mental capacity of a 5-year old, returned to the United States last June from a trip to visit her grandfather in Jamaica. INS inspectors did not believe she was a citizen, wrongly questioning the authenticity of her U.S. passport and dismissing as fake the birth certificate presented by her waiting relatives that showed she was born on Long Island. She was held overnight in a room at the airport, handcuffed and with her legs shackled to a chair. During the entire time she was at the airport she was given nothing to eat and was not allowed to use the restroom. Ms. McKnight was put on a plane back to Jamaica, denied entrance to her own country because of expedited removal. Although immigration officials realized their mistake eventually and allowed her to return, any system that permits such "mistakes" is sorely in need of reform. For her part, Ms. McKnight has said: "They treated me like an animal—I will have nightmares all my life."

These stories, just four of the many stories demonstrating the human cost of expedited removal, go a long way toward showing the inhumanity of the new immigration regime that Congress imposed in 1996. But refugees and U.S. citizens are not the only people affected by expedited removal. Human rights groups have also documented numerous cases where people traveling to the United States on business, with proper travel documents, have been removed based on the so-called "sixth sense" of a low-level INS officer who suspected that their facially valid documents were fraudulent. In other words, the damage done by expedited removal also threatens the increasingly international American economy, if businesspeople from around the world are treated disrespectfully at our ports of entry, they are likely to take their business elsewhere.

But perhaps the most distressing part of expedited removal is that there is no way for us to know how many deserving refugees have been excluded. Because secondary inspection interviews are conducted in secret, we typically only learn about mistakes when refugees manage to make it back to the U.S. a second time, like Ditron, or when they are deported to a third country they passed through on their way to the U.S., like Mr. Thevakumar. This uncertainty should lead us to be especially wary of continuing this failed experiment.

As I said, my bill would limit the use of expedited removal to times of immigration emergencies, defined as the arrival or imminent arrival of aliens that would substantially exceed the INS' ability to control our borders. The bill gives the Attorney General the discretion to declare an emergency migration situation, and the declaration is good for 90 days. During those 90 days, the INS would be authorized to use expedited removal against people coming from a nation whose crisis has given rise to the emergency migration situation. The Attorney General can extend the declaration for further periods of 90 days, in consultation with the House and Senate Judiciary Committees.

This framework allows the government to take extraordinary steps when a true immigration emergency threatens our ability to patrol our borders. At the same time, it recognizes that expedited removal is an extraordinary step, and is not an appropriate measure under ordinary circumstances.

This bill also provides safeguards that will guarantee refugees some due process rights, even during immigration emergencies. First, aliens would be given the right to have an immigration judge review a removal order, and would have the opportunity both to speak before the immigration judge on their own behalf and to be represented at the hearing at their own expense. To make these rights meaningful, immigration officers would be required to inform aliens of their rights before they are removed or withdraw their application to enter the country. This provision takes away from INS inspectors the unilateral, and prior to 1997, unprecedented, power to remove an alien from the United States.

Second, this bill reforms the procedures used to determine whether an applicant who seeks asylum has a credible fear of persecution. If an asylum officer determines that an applicant does not have a credible fear of persecution, the applicant will now have a right to a prompt review by an immigration judge. The applicant will have the right to appear at that review hearing and to be represented, at the applicant's expense.

Even those asylum seekers who are found to have a credible fear of persecution and thus escape expedited removal move on to another troubled system. Under current law and practice, they are often detained in INS detention facilities or in local jails where the INS rents space. In other words, these men and women who have fled persecution in their native lands are all too often treated like common criminals. We need to do something to solve this problem as well, and the Refugee Protection Act attempts to do so.

As a young girl in Zaire, now the Democratic Republic of Congo, Adolphine Mwanza lived in a convent and was studying to be a nun. Her family was known to be opposed to the corruption of the ruling Mobutu regime. Her brother was killed, and she was kidnapped, tortured, and raped. She escaped from the country and fled to the United States in November 1999 on a Zambian passport. She was sent to an INS detention facility in Elizabeth, New Jersey, where she was found to have a credible fear of persecution. But despite the fact that she had volunteer attorneys from the New York University Law School clinic, and a Roman Catholic convent had agreed to house and support her, her request for parole from detention was denied by the INS. She was held in a detention facility for eight months, until she was granted aslyum.

This is senseless. We should not detain people whom our own government has found to be likely candidates for asylum as if they were awaiting a criminal trial. Moreover, the cost to the government to detain someone like Adolphine Mwanza for eight months cannot be justified. And she is not alone. Many asylum seekers are detained for more than a year even though there are family members or nongovernmental organizations that are willing to house them and ensure that they appear for their asylum hearing.

The Refugee Protection Act would clarify that the Attorney General has the option to parole asylum seekers, and would add language to existing law to say that it is the policy of the United States not to detain asylum seekers who have been found to have a credible fear of persecution. It also instructs the Attorney General to promulgate regulations to authorize and promote the use of alternatives to the detention of asylum seekers, such as paroling them to private nonprofit voluntary agencies. For those who would still be detained, the bill would guarantee access to legal and religious services. It would also ensure that they are only detained in INS facilities or in contract facilities that contain only immigration detainees asylum seekers would no longer be housed alongside criminals in county jails. In addition, asylum seekers would have the right to have an asylum officer make a determination about whether they should be paroled from detention, and to have an immigration judge review that determination.

These changes will reduce the use of detention against asylum seekers, offer them fundamental due process rights, and improve the conditions of their confinement in those cases where detention is appropriate. These are crucial steps, and we should act on them as quickly as possible.

Finally, this bill includes three additional provisions. First, it would eliminate the one-year deadline for asylum applicants that was imposed in 1996. By definition, worthy asylum applicants have arrived in the United States following traumatic experiences abroad. They often must spend their first months here learning the language and adjusting to a culture that in many cases is extraordinarily different from the one they know. Therefore, although I can understand the desire to have asylum seekers submit timely applications, the existing one-year rule does not make sense.

Second, the bill would eliminate the existing annual limit on the number of people who have been granted asylum who can become legal permanent residents. Once we have decided that someone is worthy of asylum, we should not delay their adjustment into American society. These are people who have chosen the United States because of its ideals and its freedoms, in other words, they are exactly the sort of people we would want to become citizens. We need to eliminate the backlogs that prevent them from starting that process by getting their green cards. This bill will do that.

Third, the bill eliminates the annual limit on the number of refugees who may be admitted or granted asylum because they are subject to persecution for resistance to coercive population control methods. Under current law, only 1000 people can be accepted to the United States in any year for that reason. Americans are united in their opposition to forced sterilization and abortion, and we should not place an artificial limit on the number of people fleeing from such policies that we will accept.

This bill has received the support of a wide variety of civil rights and religious groups, with a coalition of over 50 groups, from the Lawyers' Committee for Human Rights to the Hebrew Immigrant Aid Society to the Lutheran Immigration and Refugee Service, endorsing it. And even before it has been introduced it has been the subject of favorable editorials or op-eds in the Washington Post, Pittsburgh Post-Gazette, San Francisco Chronicle, San Diego Union-Tribune, Newark, Star-Ledger, Arizona Republic, Baltimore Sun, Minneapolis Star-Tribune, San Antonio Express-News, South Florida Sun-Sentinel, Oakland Tribune, Buffalo News, Bangor, ME., Daily News, and Harrisburg, PA., Patriot-News. Meanwhile, the immigration subcommittee of the Judiciary Committee has already heard testimony this year about the inherent unfairness of our current expedited removal and detention policies from people who went through those systems before being granted asylum. I hope that the momentum this bill already has will lead to prompt consideration by the Senate.

Even in 1996, a year in which immigration was as unpopular in this Capitol as I can remember, this body agreed that expedited removal was inappropriate for a country of our ideals and our historic commitment to human rights. And that agreement cut across party lines, as many of my Republican colleagues voted to implement expedited removal only in times of immigration emergencies. I urge them, as well as my fellow Democrats, to support this legislation and to work for its prompt passage.

Mr. BROWNBACK. Madam President, I am pleased to join my distinguished colleagues, Senators LEAHY, COLLINS, and KENNEDY, among others to introduce the Refugee Protection Act of 2001. The Refugee Protection Act will restore fairness to our treatment of refugees who arrive at our shores seeking freedom from persecution and oppression. It will reduce the number of asylum seekers placed in prison-like detention facilities.

On July 10, standing on Ellis Island, President Bush said, "America at its best is a welcoming society." From our very beginnings almost 400 years ago when the refugee Pilgrims landed on Plymouth Rock seeking religious freedom, our Nation has welcomed refugees. When we give refuge to desperate people fleeing extraordinary persecution, we are a better Nation. Moreover, asylees, by definition, represent the best of American values. Often they are people who have stood alone, at great personal cost, against hostile governments for principles that are fundamental to us such as political and religious liberty. Therefore, as Americans with a noble legacy, we must continue to examine our asylum policies with an eagle-eyed vigilance for fairness and justice.

On May 3, I chaired an Immigration Subcommittee hearing on asylum policy. We heard testimony that genuine refugees are, from time to time, mistakenly deported by INS inspectors, treated abusively during airport inspections, and that many asylum seekers are detained in prison-like conditions well beyond the time needed to determine their identity and establish that they have a credible fear of persecution.

First of all, it must be stated that the men and women who serve the INS are dedicated public servants, with a difficult job and in no fashion do I want to indict them. They often work under extremely demanding conditions, sometimes with insufficient resources, yet they complete their difficult tasks with fairness and good judgment. However, we must examine various incidents of abuse which have come to our attention regarding the treatment of asylee applicants while their claim is pending. Clearly, these incidents are not official INS policy and most officers would abhor such mistreatment, yet they do occur, nonetheless, and therefore must be addressed.

At that hearing, former asylum seekers presented moving testimony about such mistreatment. For example, Mekabou Fofana, a Liberian teenager, testified that he arrived at JFK airport nine days before his 16th birthday. Despite his request, he was not provided with a Mandingo interpreter. When INS officials twisted his arm and attempted to forcibly fingerprint him, Mekabou fell to the floor, hitting his head and bleeding so profusely that he had to be taken to the hospital. After a year and a half in detention in adult facilities, Mekabou was granted asylum and is now attending high school in New York City.

An Albanian asylum seeker who arrived at O'Hare International Airport in Chicago last year also submitted testimony to the subcommittee. This testifier who wishes to remain anonymous was dragged by his clothing after he explained that he wished to apply for asylum. Despite his requests, he was not provided with an Albanian interpreter whom he could understand, and officers yelled at him when he refused to sign documents written in English that he could not comprehend.

Faheem Danishmandi, a refugee from Afghanistan, arrived in America at age nineteen, traumatized by the recent killing of his father and separation from his mother. When he told an INS officer that he did not have a passport, the officer roughly searched him, apparently looking for documents then he was chained to a bench for 25 hours. After five months in detention, he was granted asylum.

Amin Al-Torfi, a torture survivor from Iraq, fled to America after he and his family were persecuted by Saddam Hussein's regime because of their political opinions and religious beliefs. At the airport, he was told that he would have to wait three days to get an Arabic interpreter. He was shackled by the leg to a bench for eight hours, strip-searched, and led handcuffed with another asylum seeker through the airport in front of other passengers. After five months of detention, Amin was granted asylum.

A change in our law is desperately needed. I believe in the enforcement of our nation's immigration laws. I also believe that people who find themselves under INSA jurisdiction deserve humane treatment. We are a *Nation* of immigrants, of refugees, of the courageous who resisted governmental persecution and fled to America in search of freedom. Given this proud tradition, we have a higher responsibility to asylum seekers. We have a responsibility to afford them a fair opportunity to present their asylum claims, a responsibility to not unnecessarily detain them for extended periods, and a responsibility not to turn them away to suffer further persecution.

At the May 3 hearing, Leonard Glickman, President of the Hebrew Immigrant Aid Society testified on behalf of his own agency and five other Jewish organizations. Mr. Glickman discussed the tragic history of 900 Jews on the ship, the *St. Louis*, who, in 1939, were fleeing Nazi persecution. American immigration officials turned them away from the Port of Miami and they were forced to return to Europe where most perished. He concluded that, "The Jewish community is greatly concerned about the major changes that were instituted in the U.S. asylum system in 1996, changes that we believe threaten to undermine refugee protection and US global leadership in this area."

Dr. Don Hammond, a Senior Vice President for World Relief also testified. World Relief is the relief, development, and refugee assistance arm of the National Association of Evangelicals which has called for passage of the Refugee Protection Act. Dr. Hammond stated that there has been a significant increase in religious persecution in a number of countries around the world. A University of California study of expedited removal listed the 101 countries with the highest number of people being turned away from the United States and sent back to their countries of origin. According to Dr. Hammond, of those 101 countries, almost 40 percent are listed on the Open Doors World Watch list of countries that severely restrict religious freedom. "In other words," Dr. Hammond concluded, "over a third of those who were subjected to expedited removal from the U.S. were being sent back to countries which are known to persecute Christians" and other religious minorities.

I believe that the future of American immigration policy towards asylees is promising. In his July 18 confirmation hearing to serve as INS Commissioner, James Ziglar committed to changing INS policy regarding asylum seekers. He said, "I definitely think that we need to change the process where asylum-seekers come here, to make sure that we know who these people are and what their claims are and whether they're legitimate before we turn around and put them on a plan back to an uncertain future." Mr. Ziglar continued that, "I am not one who particularly likes the idea in general of people being detained, unless they have been convicted of a crime, or unless they create some kind of danger to the community. So, my inclination in general is not to detain people unless there is some kind of valid reason, subject to all the due process requirements." Passage of the Refugee Protection Act, combined with fair and humane enforcement by an INS committed to the protection of refugees, will ensure that our *Nation* once again fully lives up to the dreams of the immigrants who built this great nation as a refuge of freedom and justice.

Mr. KENNEDY. Madam President, I am honored to join Senator LEAHY, Senator BROWNBACK, and other colleagues, in introducing the "Refugee Protection Act of 2001." Our goal is to protect courageous persons who arrive on our shores seeking asylum, provide alternatives to detention for asylum seekers, and improve detention conditions for all persons detained by the INS. The bill also eliminates the arbitrary one-year deadline on filing for asylum, and eliminates the cap on the number of persons granted asylum who can adjust their status to lawful permanent resident.

Every day people are forced to leave their native lands in desperation, fearing for their lives and for the lives of their loved ones. Many of them arrive in the United States seeking asylum, and we have a responsibility to ensure they are able to request it in a fair and efficient manner.

In 1996, Congress enacted harsh immigration laws that included an expedited removal process granting INS inspection officers broad authority to summarily remove potential asylum seekers if they arrive without proper papers. This process also requires persons seeking asylum to specifically state their fear of persecution or their intent to apply for asylum immediately upon arriving in the U.S. But asylum seekers are often traumatized, and are unable to speak to a stranger about their harrowing experience. This is particularly true when they first arrive in the U.S., often after a long and difficult journey.

Many asylum seekers are unable to articulate their fears, especially to government officials whom they may view with distrust because of past experience in their home countries. Many of them speak very little, if any, English, and adequate translators are often not available to assist them in making their asylum claims.

Legal representation is not permitted at the initial and most critical phase of the expedited removal process, thereby increasing the likelihood that individuals actually eligible for asylum will be turned away and sent back to their native lands to face additional persecution. The law contains no opportunity for judicial appeal of decisions on summary removal. Instead, low-level INS employees have broad, unchecked authority to issue final and binding deportation orders.

Some argue that the expedited removal process is appropriate. Their view is based on the false assumption that the process, in practice, follows the procedures in the regulations. In particular, the regulations require a careful interview and the taking of a systematic sworn statement, a process that should take several hours. The officer conducting the interview must begin by reading a set of specific advisories, including an express notice that persons who fear persecution in their native lands may claim asylum in the U.S.

The interviewing officer must also ask specific questions about whether the person has "any fear or concern" about return to their homeland. And if the person faces charges, the charges must be explained orally, in a language the individual understands. The regulations also require review of the file and approval of any removal or deportation order by a high-level supervisor before an expedited removal order is considered final.

It is clear that these regulations are not adequately followed in practice. Members of my staff have observed first-hand the unfair process. During a visit to JFK International Airport, my staff toured the area where inspection interviews were held and spoke with INS employees. The interviews were conducted side-by-side in a large, open room, affording no privacy to persons who had to share very personal and painful information with government officials.

My staff met with an inspector, who was informed that he would be meeting with congressional staff. The inspector told the staff about the "cockamamie stories people make up" and the phony documents they present. Upon hearing these stories, he said that he puts people back on a plane and sends them "out of here."

The inspector admitted that he did not read anyone any advisories to determine whether they were fearful. The inspector said that anyone who wants to apply for asylum would tell him about that immediately, and those were the only people he referred to asylum officers for interviews. He made this statement in spite of the fact that many asylum seekers do not ask for asylum. Our staff members, including the staff from other members' offices, were appalled by these remarks and behavior.

When a supervisor was asked whether the inspectors received training in asylum and interviewing techniques, the supervisor dismissed training as "warm fuzzy stuff," even though many asylum seekers have fled persecution by people in uniforms and are reluctant to speak to uniformed INS officers.

Many immigration groups representing asylum seekers have shared similarly shocking stories. The expedited removal process has caused great hardships for many vulnerable individuals.

Recently, the Immigration Subcommittee held a hearing on asylum policy. At the hearing, a young man from the Democratic Republic of Congo recounted the tragic circumstances that led to his escape. He described being severely beaten and tortured by security forces, and then witnessing his father's death at the hands of these forces. His mother and sisters fled the family home and he has not seen them since.

Upon his arrival in the U.S., he was placed in chains and taken to a detention facility. Neither an interpreter nor a lawyer was present to assist him. Yet, the INS officer decided he did not have a credible fear of persecution and ordered his deportation. An immigration judge reviewed the case, but again the young man did not have an interpreter or lawyer to help him. When he was taken to the airport for deportation, he pleaded with INS officials not to deport him. His pleas were ignored and three detention guards carried him onto the plane. The airline employees subsequently asked the guards to take him off the plane and he was returned to the detention facility. Finally, the INS reversed its decision and decided his fear was credible, but only after this young man begged not to be sent home for fear he would be killed. His case vividly demonstrates the failure of some INS officials to follow the procedures set forth in the regulations.

Congress must act to end these abuses. Our bill is intended to accomplish this goal. It limits expedited removal to immigration emergencies. It offers protection to persons arriving without proper documents, who will now be referred to an immigration judge to have their case reviewed, rather than have their fate determined by a low-level INS employee who has not been trained in asylum issues.

If an individual indicates an intention to apply for asylum or a credible fear of persecution, the immigration officer must refer the individual to an asylum officer for an interview. The bill limits the existing broad authority of immigration officers and permits persons to seek review of their case by an asylum officer who is trained in determining whether a person's expression of fear is credible. The individual must be given written information, in a language the individual understands, about the consequences of his decisions, the availability of review of his case and his ability to have counsel. After the interview with the asylum officer, the individual may have the case reviewed by an immigration judge. During this review, the individual will have the opportunity to be heard and represented by counsel, at no expense to the government.

Currently, asylum seekers who request asylum are often subject to mandatory detention. They are held in INS detention centers or state and county jails, often with criminal inmates, and often for weeks, months or even years. They have little access to legal representation, health care, or contact with family, friends or clergy who can assist them. Such conditions are extremely traumatizing for those who have already suffered so much.

Under our proposal, the general policy will be to parole asylum seekers who establish a credible fear of persecution, not place them in mandatory detention. Asylum seekers could be released to family, friends or community groups who are ready to assist them. These alternatives to detention have been tested at various sites, and they are cost-effective and have been successful in achieving the goal of providing a safe, compassionate residence, offering services, and increasing compliance with INS procedures and court proceedings.

In addition, those persons who remain in INS detention must be kept safe and treated humanely. I commend the INS for issuing detention standards to accomplish this goal, but the guidelines are not binding. Our proposal would codify the most important guidelines to ensure that all persons in detention are safe and treated with dignity. The bill requires that persons in detention have access to legal services, visits by persons who are able to lend assistance in the preparation of their cases, and access to legal resources, telephones and religious services. Other protections would be guaranteed by the legislation as well.

Our bill also authorizes the establishment of group legal orientation programs, to identify persons with meritorious claims for relief and refer them to counsel at no cost to the government. These programs save the government money by improving the efficiency of the judicial process and by reducing the need for prolonged detention. They educate persons about their rights, options and likelihood of success. The bill also creates a national center to provide training for nonprofit agencies that offer such programs, to consult with nonprofit groups on program development and substantive legal issues, and to develop standards for such programs.

Finally, our proposal deals with two other important concerns. In 1996, Congress enacted a law requiring, for the first time, that persons seeking asylum must apply within a year of their arrival in the U.S. Since the enactment of this deadline, more than 10,000 asylum seekers have had their claims rejected by the INS. Many of these individuals did not file their claims, because they were unfamiliar with our legal system and did not know they are required to file a timely application.

Asylum seekers should be able to apply for protection, regardless of when they file their claims. Our bill will eliminate the one-year deadline, thereby preserving the ability of persons seeking refuge to be granted safe haven without regard to the timing of their application. This provision will offer much-needed protection to persons who have fled their home countries out of fear and terror.

Immigration law also currently places a cap of 10,000 on the number of persons granted asylum whose status can be adjusted to lawful permanent resident each fiscal year, regardless of the number of persons granted asylum in that year. Because the number of persons granted asylum each year exceeds 10,000, the cap has created a large backlog. The INS estimates that a backlog of 57,000 asylees is awaiting adjustment. This delay causes significant hardship to deserving individuals and their families. Our bill will eliminate the arbitrary cap of 10,000 and permit eligible persons to adjust their status without waiting up to six years, as may occur under current law.

Clearly, we need to improve the treatment of those who arrive on our shores seeking asylum and awaiting adjudication of their claims and adjustment of their status. I urge my colleagues to support the Refugee Protection Act of 2001. It is a vital piece of legislation that is long overdue.

By Mr. NELSON of Florida:

S. 1312. A bill to authorize the Secretary of the Interior to conduct a special resource study of Virginia Key Beach, Florida, for possible inclusion in the National Park System; to the Committee on Energy and Natural Resources.

Mr. NELSON of Florida. Madam President, I am proud to introduce the Virginia Key Beach Resource Study Bill. Congresswoman Carrie Meek has introduced the companion to this legislation in the House of Representatives. This bill authorizes the Secretary of Interior to conduct a special resource study of Virginia Key Beach, FL, for inclusion in the National Park System.

Based solely on its natural attributes, Virginia Key is worthy of inclusion. Situated just off the mainland of the City of Miami, between Key Biscayne to the south and Fisher Island to the north, Virginia Key is a 1,000-acre barrier island, characterized by a unique and sensitive natural environment. The island is non-residential and includes ponds and waterways, a tropical hardwood hammock and a large wildlife conservation area.

Virginia Key Beach deserves national distinction for another reason. Its unique history teaches us about our Nation's progress toward achieving racial justice. For decades in South Florida, beaches were segregated by race. As the only beach in Miami that permitted blacks from the 1940s to the 1960s, Virginia Key was a source of seaside recreation for countless African-American families. Virginia Key also was the site for many baptisms and religious services. Thus, Virginia Key's value to our Nation, and to Florida, should be recognized both for its natural beauty and its role in the Nation's ongoing struggle for equality and social justice.

By Mr. KENNEDY (for himself, Mr. DODD, and Mr. WELLSTONE):

S. 1313. A bill to provide for the adjustment of status of certain foreign agricultural workers, to amend the Immigration and Nationality Act to reform the H–2A worker program under that Act, and for other purposes; to the Committee on the Judiciary.

Mr. KENNEDY. Madam President, it is a privilege to join my colleagues in introducing the "H–2A Reform and Agricultural Worker Adjustment Act of 2001."

The Nation needs and deserves an agricultural policy that protects farm workers, provides hard-working foreign-born workers with the opportunity to become legal permanent residents, and provides the growers of fruits, vegetables and other commodities with an adequate and legal labor supply. Our bill works toward achieving this goal. It establishes a legalization program for foreign-born farm workers, guarantees certain labor protections for all farm workers, and improves wages and working conditions.

We cannot continue to ignore the fact that large numbers of the persons employed in agriculture today are undocumented. Illegal workers are at the mercy of unscrupulous employers, who can get away with paying them very low wages, exposing them to dangerous working conditions, lowering the wages for all farm workers.

Agricultural workers are indispensable members of the workforce. We need an agricultural policy that recognizes their contributions and rewards their work. Under our bill, 500,000 farm workers currently working in the United States, without employment authorization, would be able to adjust their status to legal permanent resident. Persons who work in agriculture for at least 90 days would be able to obtain temporary residency status and would be able to adjust their status to legal permanent residency after working 90 days in three out of the next four years in agriculture. Because agricultural work is seasonal and varies throughout the United States, workers would be permitted to change employers and accept non-agricultural work to supplement their incomes during this period.

These changes will benefit both workers and growers. It will benefit all farm workers by improving wages and working conditions. It will provide a means for foreign-born workers to become permanent residents. By obtaining legal status, workers will no longer be forced to endure substandard wages and working conditions for fear of being deported.

Agriculture is a time-sensitive industry. Growers must have an immediate, reliable and legal workforce at harvest time. Everyone is harmed when crops rot in the field for lack of a labor force. By these changes, growers will have access to dependable, hard-working employees and a workforce that will not be suddenly reduced by INS raids.

Our bill also keeps families together. Immediate family members would be granted legal status at the beginning, and they would be eligible for adjustment to permanent resident status after the worker completes the work requirement. This change will keep hard-working persons and their families together.

Our proposal also offers labor protections to agricultural workers that are long overdue. For example, farm workers could not be fired from agricultural employment except for just cause; and they would receive credit for any day lost because of on-the-job injuries.

Agriculture is a thriving industry, generating billions of dollars in revenue each year. Yet farm workers are among the lowest-paid members of the workforce. Three-quarters of all farm workers earn less than $10,000 a year. Over three-fifths of farm worker households live in poverty. Only half of farm workers own a car, and even fewer own a home or even a trailer. To improve the wages and working conditions of all agricultural workers, we must give them the basic labor rights available to other U.S. workers.

Central to our bill is the belief that collective bargaining provides the best way to improve wages and working conditions, and stabilize the agricultural labor market. The bill creates a Federal right for farm workers to organize, provides incentives for H–2A employers to accept collective bargaining, establishes a streamlined application process for employers with collective bargaining agreements, and exempts H–2A employers with such agreements from increased H–2A user fees. The bill also prohibits the use of H–2A workers as strikebreakers. These procedures will secure improved wages and working conditions for all agricultural workers, and protect workers from unfair wages by maintaining wage standards.

The bill ends discrimination against H–2A workers by giving them, for the first time, the same labor protections as U.S. workers. It gives guest workers the same labor rights as U.S. workers, by ending the unfair exclusion of H–2A workers from coverage under the Migrant and Seasonal Agricultural Worker Protection Act. Coverage under that Act means that H–2A workers will have the right to bring a private action to enforce working arrangements with their employers, rather than depend on the Department of Labor to protect their rights.

The bill also protects U.S. workers by removing the incentive to discriminate against them by requiring the employers of H–2A workers to pay the equivalent FICA and FUTA taxes to a new fund. The money from the fund will be used to improve labor management practices to enhance the productivity of the existing labor force and to support demonstration projects to improve farm labor management, including projects on recruitment, workplace literacy and training, health and safety, and the development of labor-saving technology.

Last year, bipartisan negotiations between the House and Senate resulted in an agreement on migrant agricultural workers that both the agricultural employers and the farm workers supported. The compromise created an earned adjustment program for undocumented farm workers and a reformed H–2A temporary worker program. This compromise represented a positive step toward much needed reform. Unfortunately, efforts to enact this agreement failed but I hope we will succeed in this Congress.

I urge my colleagues to support the H-2A Reform and Agricultural Worker Adjustment Act of 2001. These reforms are long overdue, and will improve the lives and working conditions of dedicated, hard-working farm workers.

By Mr. LEAHY (for himself and Mr. HATCH):

S. 1315. A bill to make improvements in title 18, United States Code, and safeguard the integrity of the criminal justice system; to the Committee on the Judiciary.

Mr. LEAHY. Madam President, I am pleased to introduce today, with my good friend from Utah, Senator HATCH, the Judicial Improvement and Integrity Act of 2001. I would like to thank Senator HATCH for his co-sponsorship of this measure. This effort builds on other legislation that Senator HATCH and I have worked on together to improve the criminal justice system, including, in this Congress alone, the Drug Abuse Education, Prevention and Treatment Act, S. 304, and the Children's Confinement Conditions Improvement Act, S. 1174.

This bill would improve the criminal code and safeguard the integrity of the judicial system. It would protect witnesses who come forward to provide information on criminal activity to law enforcement officials; eliminate a loophole in the criminal contempt statute that allows some defendants to avoid serving prison sentences imposed by the Court; eliminate a loophole in the statute of limitations that makes some defendants immune from further prosecution if they get their plea agreements vacated; grant the government the clear right to appeal the dismissal of a part of a count of an indictment, such as a predicate act in a RICO count; insure that courts may impose appropriate terms of supervised release in drug cases; give the District Courts greater flexibility in fashioning appropriate conditions of release for certain elderly prisoners; and clarify the District Court's authority to revoke or modify a term of supervised release when the defendant willfully violates the obligation to pay restitution to the victims of the defendant's crime.

Section two of the bill would amend title 18, United States Code, Section 1512, which prohibits attempts to tamper with witnesses, victims and informants. The statute currently provides that, if the offense involves murder or attempted murder, the maximum sentence is 20 years. If the defendant uses intimidation, physical force, threats or corrupt persuasion, the maximum is 10 years. The bill would increase the statutory maximum sentence for offenses involving the use or attempted use of physical force to 20 years. This change recognizes that the use or attempted use of physical force to tamper with a witness is closely related to attempted murder and that this fact should be reflected in the applicable penalty. For example, if the defendant severely beats the witness, causing serious bodily injury, the offense is arguably as serious as attempted murder, even if the government cannot prove that the defendant intended to kill the witness. It is therefore appropriate that the defendant face a potential 20-year sentence. The bill would also add a conspiracy provision that would make the maximum penalty for conspiring to tamper with a witness in violation of section 1512 or to retaliate against a witness in violation of title 18, United States Code, Section 1513 the same as that for the underlying substantive offense that was the object of the conspiracy. A similar provision was part of the Hatch-Leahy Juvenile Justice legislation, S. 254, which passed the Senate in 1999 but did not emerge from Conference.

The third section of the bill would close a loophole in title 18, United States Code, section 401, which contains penalties for criminal contempt of court. This statute provides that a court may punish contempt by a fine "or" imprisonment. Courts have held that this language permits the imposition of either a fine or a term of imprisonment, but not both. This limitation on sentencing is highly unusual, since virtually all criminal statutes permit both a fine and imprisonment. More importantly, it creates the potential for an enormous, unjust windfall for defendants in cases where the court fails to notice the peculiar language of the statute and mistakenly imposes both a fine and imprisonment. In such cases, the defendant can simply pay the fine and then appeal the prison sentence as illegal. Surprisingly, courts have held that, once the fine is paid, the case can no longer be remanded to the district court to have the sentence corrected because the defendant has served the sentence. Thus, the only option is to vacate the prison term and set defendant free. See In re Bradley, 318 U.S. 50 (1943). Courts have continued to follow this rule even after the passage of title 18, United States Code, section 3551(b) as part of the Sentencing Reform Act, which generally permits a court to impose a fine in addition to any other sentence. See United States v. Versaglio, 85 F.3d 943, 946–47 (2d Cir. 1996); United States v. Holloway, 991 F.2d 370, 373 (7th Cir. 1993).

It is time for Congress to correct this recurring problem. It is unjust to permit a defendant to go free without any serving time in prison simply because the judge made an obvious and easily-correctable mistake in imposing sentence. Moreover, there is no good reason to limit courts to only one sentencing option in criminal contempt cases. Allowing the imposition of both a fine and imprisonment should not result in harsher sentences; if anything, defendants may benefit because courts may choose to impose a fine and a shorter prison sentence instead of a longer prison sentence. The second section of our bill would therefore amend section 401 to allow the court to impose both a fine and imprisonment for criminal contempt. It would make similar changes on a handful of other statutes that contain language similar to section 401: sections 1705, 1916, 2234, and 2235, of title 18 and in section 636 of title 28 of the United States Code.

The fourth section of the bill would add a new provision extending the statute of limitations for counts that are dismissed pursuant to a plea bargain. This would also close a loophole that exists under current law, which is illustrated by United States v. Podde, 105 F.3d 813 (2d Cir. 1995). In that case, a defendant who was charged with fraud pled guilty to a lesser offense pursuant to a plea agreement, and the fraud charges were dismissed. Later, however, the defendant was able to get his guilty plea set aside based upon a new Supreme Court decision. The district court then granted the government's motion to reinstate the original fraud charges, and the defendant went to trial and was convicted. On appeal, however, the court of appeals vacated the defendant's conviction based upon the statute of limitations. The court ruled that the fraud indictment could not be reinstated because the statute of limitations for the fraud charges had expired before the defendant's guilty plea was vacated. The Third Circuit reached the same result on similar facts in United States v. Midgley, 142 F.3d 174, 178–80 (3d Cir. 1998). Under these decisions, the defendants could no longer be prosecuted for any offense, even though the government had brought the case within the limitations period and pursued it diligently. Our provision would prevent such unjust results in the future by allowing the government 60 days to move to reinstate the dismissed counts after the order vacating the defendant's guilty plea becomes final. This approach is similar to that of 18 U.S.C. § 3288, which gives the government a grace period to obtain a new indictment where counts are dismissed after the statute of limitations has expired.

The fifth section of the bill would amend title 18, United States Code, section 3731, which permits the United States to appeal certain orders of the District Court to the appropriate Court of Appeals. It would clarify that the government is allowed to appeal the dismissal of a part of a count, such as an overt act in a conspiracy count or a predicate act in a RICO count. This approach is consistent with the Supreme Court's observation that section 3731 permits "an appeal from an order dismissing only a portion of a count." Sanabria v. United States, 437 U.S. 54, 69 n.23 (1978). The majority of Federal circuits already interpret section 3731 to permit this where the portion of the count that is dismissed could itself constitute a "discrete basis of liability." See United States v. Mobley, 193 F.3d 492, 495, 7th Cir. 1999; United States v. Levasseur, 846 F.2d 786, 1st Cir. 1988. However, one federal circuit has held that section 3731 does not permit any government appeal from the dismissal of only part of a count. See United States v. Louisiana Pacific Corporation, 106 F.3d 345, 10th Cir. 1997. In other cases, appellate review of orders dismissing predicate acts or overt acts has been denied where the dismissed acts could not themselves have been charged in separate counts. See United States v. Terry, 5 F.3d 874, 5th Cir. 1993; United States v. Tom, 787 F.2d 65, 2d Cir. 1986. It is time to resolve these conflicting results definitively. The reach of section 3731 should clearly be extended to orders dismissing portions of counts. In some cases, the dismissal of an overt act or a predicate act may significantly impair the government's ability to prove its case. Defendants, of course, may get appellate review of the denial of a motion to dismiss part of a count after the trial if they are convicted. The government should also be able to appeal when such motions are granted, and it has no way of doing so other than through section 3731.

Section six of the bill would resolve a conflict in the circuits as to the permissible length of supervised release in controlled substances cases. Under 18 U.S.C. 3583(b), "[e]xcept as otherwise provided," the maximum authorized terms of supervised release are 5 years for Class A and B felonies, 3 years for Class C and D felonies, and 1 year for Class E felonies and certain misdemeanors. The drug trafficking offenses in 21 U.S.C. §§ 841 and 960 prescribe special supervised release terms, however, that are longer than those applicable generally under section 3583(b). Those longer terms, which may include lifetime supervised release, were enacted in 1986 in the same Act that inserted the introductory phrase "Except as otherwise provided" in section 3583(b). Because of this clear legislative history and intent, three courts of appeals have held that section 3583(b) does not limit the length of supervised release that may be imposed for a violation of 21 U.S.C. §§ 841 or 960 when a greater term is there provided. United States v. LeMay, 952 F.2d 995, 998 (8th Cir. 1991); United States v. Eng, 14 F.3d 165, 172–3 (2d Cir. 1994); United States v. Garcia, 112 F.3d 395 (9th Cir. 1997). Two courts of appeals, however, have reached the opposite result, holding that the length of a supervised release term that can be imposed for controlled substance cases is limited by 18 U.S.C. 3583(b). United States v. Gracia, 983 F.2d 625, 630 (5th Cir. 1993); United States v. Kelly, 974 F.2d 22, 24–5 (5th Cir. 1992); United States v. Good, 25 F.3d 218 (4th Cir. 1994). Although the issue has not arisen with frequency, the conflict is entrenched and should be dealt with definitively. Accordingly, the amendment would add the words "Notwithstanding section 3583 of title 18" to the title 21 controlled substance offenses in the parts of those statutes dealing with supervised release to make clear that the longer terms there prescribed control over the general provision in section 3583.

Section seven of the bill would confer express authority on District Courts under 18 U.S.C. § 3582(c)(1)(A), when exercising the power to reduce a term of imprisonment for extraordinary and compelling reasons, to impose a sentence of probation or supervised release with or without conditions. Such added flexibility is consistent with the purposes for which this statute was designed and will likely facilitate its use in appropriate cases. Under section 3582(c)(1)(A), a court is authorized, on motion of the Bureau of Prisons and consistent with the purposes of sentencing in 18 U.S.C. § 3553, to "reduce the term of imprisonment" upon a finding that "extraordinary and compelling reasons" warrant such a reduction. This limited authority has been generally utilized when a defendant sentenced to imprisonment becomes terminally ill or develops a permanently incapacitating illness not present at the time of sentencing. In such circumstances, the situation of a prisoner (e.g., one suffering from a contagious debilitating disease), may make a court reluctant simply to release the prisoner back into society unless another sentencing option such as home confinement as a condition of supervised release or probation can be imposed. Presently, however, it is doubtful whether a court can order such a sentence since section 3582(c)(1)(A) speaks only in terms of reducing "the term of imprisonment," not imposing in its stead a lesser type of sentence. Compare Fed. R. Crim. P 35(b), which gives a court the power to "reduce a sentence" to reflect substantial assistance.

Finally, section eight would remedy a statutory ambiguity relating to restitution as a condition of supervised release. Under 18 U.S.C. § 3583(c) and (e), the court is authorized to consider various sentencing factors set forth in 18 U.S.C. § 3553 as a basis for imposing restitution as a condition of supervised release or for revoking or modifying the conditions of supervised release. Supervised release is among the purposes of sentencing enumerated in section 3553, in paragraph (a)(7), but is not among the factors enumerated in section 3583(c) and (e). However, 18 U.S.C. § 3583(c) also authorizes the court to impose any condition of supervised release that is an authorized condition of probation under 18 U.S.C. § 3563(b), and making restitution is among those conditions (see section 3564(b)(2)). Thus, it appears clear that a court has authority to impose a restitution condition upon a term of supervised release. See, e.g., United States v. Payan, 992 F.2d 1387, 1395–96 (5th Cir. 1993). But the absence of a reference to section 3553(a)(7) in the revocation subsection of section 3583 raises a question whether, even though it is an authorized condition of supervised release, a court has authority to revoke or modify the term for the willful failure to make restitution. This amendment would provide a reference to section 3553(a)(7) in the supervised release statute and remove any ambiguity in this regard. Of course, even under the amended statute, a court could not revoke or modify the defendant's supervised release for failure to pay restitution unless the defendant had the resources to pay and willfully refused to do so. See Bearden v. Georgia, 461 U.S. 660 (1983); Payan, 992 F.2d at 1396–97.

For all of these reasons, I am pleased to introduce this legislation along with Senator HATCH, and I urge its swift enactment into law.

By Mr. MURKOWSKI:

S. 1318. A bill to provide Coastal Impact Assistance to State and local governments, to amend the Outer Continental Shelf Lands Act Amendments of 1978, the Land and Water Conservation Fund Act of 1965, the Urban Park and Recreation Recovery Act, and the Federal Aid in Wildlife Restoration Act (commonly referred to as the Pittman-Robertson Act) to establish a fund to meet the outdoor conservation and recreation needs of the American people, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. MURKOWSKI. Madam President, I rise today, to introduce the Conservation and Reinvestment Act of 2001. The bill is identical to a bill I introduced at the start of the 106th Congress. This important legislation remedies a tremendous inequity in the distribution of revenues generated by offshore oil and gas production. It allocates a portion of those moneys to the coastal States and communities who shoulder the responsibility for energy development activity off their coastlines. It also provides a secure funding source for state recreation and wildlife conservation programs.

By reinvesting revenues from offshore oil and gas production into a variety of important conservation, recreation and environmental programs, this bill will rededicate the Federal Government to a partnership with state and local governments to meet the demands of all Americans for outdoor experiences. In addition, it reaffirms the original promise of the Land Water Conservation Fund that a portion of the revenues obtained by the Federal Government from the development of our natural resources would be reinvested into the outdoor recreation and natural resource estate of the Nation.

Like last Congress, this bill is the start of a process. As many of us in this chamber remember, consideration of OCS revenue sharing legislation during the 106th Congress resulted in an outcome none of us could have anticipated, the creation of a 6 year budget category that dedicates appropriated funds for a variety of conservation programs. Enactment of the Conservation Spending Category was one of the great bipartisan achievements of the 106th Congress and was an important step in providing annual funding for a number of programs that protect our nation's natural and cultural legacy.

However, coastal impact assistance was not included. While the coastal States that support offshore oil and gas activities received some funding last year, they were specifically excluded from the Conservation Spending Category and no money has been appropriated this Congress.

This bill directs that 27 percent of the revenues generated from oil and natural gas production on the Outer Continental Shelf, or OCS, be returned to coastal States and communities. Offshore oil and gas production generates over $4 billion in revenues annually for the U.S. Treasury. Yet, unlike mineral receipts from onshore Federal lands, OCS oil and gas revenues are not directly returned to the States in which production occurs and which bear the burdens of such activity.

This legislation remedies this disparity. States and communities that bear the responsibilities for and costs associated with offshore oil and gas production will finally receive some assistance from the revenues generated by this federal activity. This legislation would share revenues generated by OCS oil and gas activities with counties, parishes and boroughs, the local government entities most directly affected, and State governments.

The bill also acknowledges that all coastal States, including those States bordering the Great Lakes, have unique needs. It directs that a portion of OCS revenues be shared with these States, even if no OCS production occurs off their coasts. Coastal States and communities can use OCS Impact Assistance funds on everything from environmental programs, to coastal and marine conservation efforts, to new infrastructure requirements.

This is a true investment in the future. This money will be used, day-in and day-out, to improve the quality of life of coastal State residents.

Let me also remind everyone that OCS production only occurs off the coasts of 6 States, yet the bill shares OCS revenues with 34 States. There are 28 coastal States that will get a share of OCS revenues which have no OCS production. In fact, in all areas except the Gulf of Mexico and Alaska there is a moratorium prohibiting any new OCS production.

The OCS accounts for 24 percent of this Nation's natural gas production and 14 percent of its oil production. We need to ensure that the OCS continues to meet our future domestic energy needs. I firmly believe that the Federal Government needs to do all it can to pursue and encourage further technological advances in OCS exploration and production. These technological achievements will continue to result in new OCS production having an unparalleled record of excellence on environmental and safety issues. Additional technological advances will further improve resource recovery and will increase revenues to the Treasury for the benefit of all Americans who enjoy programs funded by OCS money.

I will do all I can to ensure a healthy OCS program, including new OCS development in the Arctic. A number of challenges face new developments in this area, I am confident that we can work through them all. History has shown us that in the Arctic, and in other OCS areas, development and the environmental protection are compatible.

This bill also takes a portion of the revenues received by the Federal Government from OCS development and invests it in conservation and wildlife programs. Thus, Titles II and III of the bill share OCS revenues will ALL States for these purposes. Title II of this bill provides a secure source of funding for the Land and Water Conservation Fund, LWCF. The LWCF was established over three decades ago to provide Federal money for State and Federal land acquisition and help meet recreation needs. Title III of this bill provides funding for State fish and wildlife conservation programs. The money would be distributed through the Pittman-Robertson program administered by the United States Fish and Wildlife Service. This money could be used for both game and non-game wildlife. With the inclusion of OCS revenues, the amount of money available for state fish and game programs would nearly double. States will be able to use these moneys to increase fish and wildlife populations and improve fish and wildlife habitat.

This bill is not perfect but it is a step to ensuring not only that Coastal States have money to address the effects of OCS-activities but that all States have funds necessary to provide outdoor recreation and conservation resources for all of us to enjoy.

By Mr. LEAHY (for himself and Mr. HATCH):

S. 1319. A bill to authorize appropriations for the Department of Justice for fiscal year 2002, and for other purposes; to the Committee on the Judiciary.

Mr. LEAHY. Madam President, I am pleased to introduce the 21st Century Department of Justice Appropriations Authorization Act. I thank Senator HATCH, the Ranking Republican Member of the Judiciary Committee, for his hard work and support of this legislation.

The last time Congress properly authorized spending for the entire Department of Justice, "DOJ" or the "Department", was in 1979. Congress extended that authorization in 1980 and 1981. Since then, Congress has not passed nor has the President signed an authorization bill for the Department. In fact, there are a number of years where Congress failed to consider any Department authorization bill. This 21-year failure to properly reauthorize the Department has forced the appropriations committees in both houses to reauthorize and appropriate money.

We have ceded the authorization power to the appropriators for too long. Our bipartisan legislation is an attempt to reaffirm the authorizing authority and responsibility of the House and Senate Judiciary Committees. I commend Chairman SENSENBRENNER and Ranking Member CONYERS of the House Judiciary Committee for working in a bipartisan manner to pass similar legislation in the House of Representatives.

The "21st Century Department of Justice Appropriations Authorization Act," is a comprehensive authorization of the Department based on H.R. 2215 as passed by the House of Representatives on July 23, 2001. Our bipartisan legislation contains four titles which authorize appropriations for the Department for fiscal year 2002, provide permanent enabling authorities which will allow the Department to efficiently carry out its mission, clarify and harmonize existing statutory authority, and repeal obsolete statutory authorities. The bill establishes certain reporting requirements and other mechanisms, such as DOJ Inspector General authority to investigate allegations of misconduct by employees of the Federal Bureau of Investigation (FBI), intended to better enable the Congress and the Department to oversee the operations of the Department. Finally, the bill creates a separate Violence Against Women Office to combat domestic violence.

Title I authorizes appropriations for the major components of the Department for fiscal year 2002. The authorization mirrors the President's request regarding the Department except in two areas. First, the bill increased the President's request for the DOJ Inspector General by $10 million. This is necessary because the Committee is concerned about the severe downsizing of that office and the need for oversight, particularly of the FBI, at the Department. Second, the bill authorizes at least $10 million for the investigation and prosecution of intellectual property crimes, including software counterfeiting crimes and crimes identified in the No Electronic Theft, NET, Act, Public Law 105-147. The American copyright industry is the largest exporter of goods from the United States, employing more than 7 million Americans, and these additional funds are needed to strengthen the resources available to DOJ and the FBI to investigate and prosecute cyberpiracy.

The bill does not contain an authorization for appropriations for several unauthorized grant programs. Senator HATCH and I have decided to review each of these expired programs and authorize them as needed.

In addition, Title I authorizes $9 million in FY 2002 to add an additional Assistant United States Attorney in each of the 94 U.S. Attorney Offices to implement part of the Administration's Project Safe Neighborhoods proposal to reduce school gun violence across the nation. These prosecutors will assist in targeting juveniles who obtain weapons and commit violent crimes, as well as the adults who place firearms in the hands of juveniles.

Title II permanently establishes a clear set of authorities that the Department may rely on to use appropriated funds, including establishing permitted uses of appropriated funds by the Attorney General for Fees and Expenses of Witnesses, the FBI, the Immigration and Naturalization Service, the Federal Prison System, and the Detention Trustee. Title II also establishes new reporting requirements which are intended to enhance Congressional oversight of the Department, including new reporting requirements for information about the enforcement of existing laws, for information regarding the Office of Justice Programs, OJP, and the submission of other reports, required by existing law, to the House and Senate Judiciary Committees. Section 206(e) expands an existing reporting requirement regarding copyright infringement cases. Title II also establishes a counterterrorism fund and provides the Attorney General with additional authority to strengthen law enforcement operations.

Title III repeals outdated and open-ended statutes, requires the submission of an annual authorization bill to the House and Senate Judiciary Committees, and provides states with flexibility to use existing Truth-In-Sentencing and Violent Offender Incarceration Grants to account for juveniles being housed in adult prison facilities. Title III requires the Department to submit to Congress studies on untested rape examination kits, and the allocation of funds, personnel, and workloads for each office of U.S. Attorney and each division of the Department.

Section 305 requires the Attorney General and Director of the FBI to provide the House and Senate Judiciary Committees with a detailed report on the use of DCS 1000, also known as Carnivore, and other similar Internet surveillance systems. Many have raised legitimate privacy concerns with Carnivore. Congress needs to know the facts about Carnivore to find a way to balance the needs of law enforcement investigators with the privacy interests of all Americans.

In addition, Title III provides new oversight and reporting requirements for the FBI and other activities conducted by the Justice Department. Specifically, section 308 codifies the Attorney General's order of July 11, 2001, which revised Department of Justice's regulations concerning the Inspector General. The section insures that the Inspector General for the Department of Justice has the authority to decide whether a particular allegation of misconduct by Department of Justice personnel, including employees of the Federal Bureau of Investigation and the Drug Enforcement Administration, should be investigated by the Inspector General or by the internal affairs unit of the appropriate component of the Department of Justice.

Section 309 requires the Attorney General to submit a report and recommendation to the House and Senate Committees on the Judiciary not later than 90 days after enactment of this Act on whether there should be established an office of Inspector General for the FBI or an office of Deputy Inspector General for the FBI that would be responsible for supervising independent oversight of programs and operations of the FBI.

Title IV establishes a Violence Against Women Office (VAWO) within the Justice Department. The VAWO is headed by a Director, who is appointed by the President and confirmed by the Senate. In addition, Title IV enumerates duties and responsibilities of the Director, requires the Attorney General to ensure VAWO is adequately staffed and authorizes appropriations for the VAWO.

I look forward to working with Senator HATCH, Congressman SENSENBRENNER and Congressman CONYERS to bring the important business of re-authorizing the Department back before the Senate and House Judiciary Committees. Clearly, regular reauthorization of the Department should be part and parcel of the Committees' traditional role in overseeing the Department's activities. Swift passage into law of the "21st Century Department of Justice Appropriations Authorization Act" will be a significant step toward restoring our oversight role.

I ask unanimous consent that the text of the bill and a section-by-section analysis of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

S. 1319

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS

(a) SHORT TITLE.—This Act may be cited as the "21st Century Department of Justice Appropriations Authorization Act".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2002

Sec. 101. Specific sums authorized to be appropriated.
Sec. 102. Appointment of additional Assistant United States Attorneys; reduction of certain litigation positions.
Sec. 103. Authorization for additional Assistant United States Attorneys for project safe neighborhoods.

TITLE II—PERMANENT ENABLING PROVISIONS

Sec. 201. Permanent authority.
Sec. 202. Permanent authority relating to enforcement of laws.
Sec. 203. Notifications and reports to be provided simultaneously to committees.
Sec. 204. Miscellaneous uses of funds; technical amendments.
Sec. 205. Technical and miscellaneous amendments to Department of Justice authorities; authority to transfer property of marginal value; recordkeeping; protection of the Attorney General.
Sec. 206. Oversight; waste, fraud, and abuse of appropriations.
Sec. 207. Enforcement of Federal criminal laws by Attorney General.
Sec. 208. Counterterrorism fund.
Sec. 209. Strengthening law enforcement in United States territories, commonwealths, and possessions.
Sec. 210. Additional authorities of the Attorney General.

TITLE III—MISCELLANEOUS

Sec. 301. Repealers.
Sec. 302. Technical amendments to title 18 of the United States Code.
Sec. 303. Required submission of proposed authorization of appropriations for the Department of Justice for fiscal year 2003.
Sec. 304. Study of untested rape examination kits.
Sec. 305. Report on DCS 1000 ("carnivore").
Sec. 306. Study of allocation of litigating attorneys.
Sec. 307. Use of truth-in-sentencing and violent offender incarceration grants.
Sec. 308. Authority of the Department of Justice Inspector General.
Sec. 309. Report on Inspector General and Deputy Inspector General for Federal Bureau of Investigation.

TITLE IV—VIOLENCE AGAINST WOMEN

Sec. 401. Short title.
Sec. 402. Establishment of Violence Against Women Office.

TITLE I—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2002

SEC. 101. SPECIFIC SUMS AUTHORIZED TO BE APPROPRIATED.

There are authorized to be appropriated for fiscal year 2002, to carry out the activities of the Department of Justice (including any bureau, office, board, division, commission, subdivision, unit, or other component thereof), the following sums:

(1) GENERAL ADMINISTRATION.—For General Administration: $93,433,000.

(2) ADMINISTRATIVE REVIEW AND APPEALS.—For Administrative Review and Appeals: $178,499,000 for administration of pardon and clemency petitions and for immigration-related activities.

(3) OFFICE OF INSPECTOR GENERAL.—For the Office of Inspector General: $55,000,000, which shall include for each such fiscal year, not to exceed $10,000 to meet unforeseen emergencies of a confidential character.

(4) GENERAL LEGAL ACTIVITIES.—For General Legal Activities: $566,822,000, which shall include for each such fiscal year—

(A) not less than $4,000,000 for the investigation and prosecution of denaturalization and deportation cases involving alleged Nazi war criminals;

(B) not less than $10,000,000 for the investigation and prosecution of intellectual property crimes, including software counterfeiting crimes and crimes identified in the No Electronic Theft (NET) Act (Public Law 105-147); and

(C) not to exceed $20,000 to meet unforeseen emergencies of a confidential character.

(5) ANTITRUST DIVISION.—For the Antitrust Division: $140,973,000.

(6) UNITED STATES ATTORNEYS.—For United States Attorneys: $1,346,289,000.

(7) FEDERAL BUREAU OF INVESTIGATION.—For the Federal Bureau of Investigation: $3,507,109,000, which shall include for each such fiscal year—

(A) not to exceed $1,250,000 for construction, to remain available until expended; and

(B) not to exceed $70,000 to meet unforeseen emergencies of a confidential character.

(8) UNITED STATES MARSHALS SERVICE.—For the United States Marshals Service: $626,439,000, which shall include for each such fiscal year not to exceed $6,621,000 for construction, to remain available until expended.

(9) FEDERAL PRISON SYSTEM.—For the Federal Prison System, including the National Institute of Corrections: $4,662,710,000.

(10) FEDERAL PRISONER DETENTION.—For the support of United States prisoners in non-Federal institutions, as authorized by section 4013(a) of title 18 of the United States Code: $724,682,000, to remain available until expended.

(11) DRUG ENFORCEMENT ADMINISTRATION.—For the Drug Enforcement Administration: $1,480,929,000, which shall include not to exceed $70,000 to meet unforeseen emergencies of a confidential character.

(12) IMMIGRATION AND NATURALIZATION SERVICE.—For the Immigration and Naturalization Service: $3,516,411,000, which shall include—

(A) not to exceed $2,737,341,000 for salaries and expenses of enforcement and border affairs (i.e., the Border Patrol, deportation, intelligence, investigations, and inspection programs, and the detention program);

(B) not to exceed $650,660,000 for salaries and expenses of citizenship and benefits (i.e., programs not included under subparagraph (A));

(C) for each such fiscal year, not to exceed $128,410,000 for construction, to remain available until expended; and

(D) not to exceed $50,000 to meet unforeseen emergencies of a confidential character.

(13) FEES AND EXPENSES OF WITNESSES.—For Fees and Expenses of Witnesses: $156,145,000 to remain available until expended, which shall include for each such fiscal year not to exceed $6,000,000 for construction of protected witness safesites.

(14) INTERAGENCY CRIME AND DRUG ENFORCEMENT.—For Interagency Crime and Drug Enforcement: $338,106,000, for expenses not otherwise provided for, for the investigation and prosecution of persons involved in organized crime drug trafficking, except that any funds obligated from appropriations authorized by this paragraph may be used under authorities available to the organizations reimbursed from such funds.

(15) FOREIGN CLAIMS SETTLEMENT COMMISSION.—For the Foreign Claims Settlement Commission: $1,130,000.

(16) COMMUNITY RELATIONS SERVICE.—For the Community Relations Service: $9,269,000.

(17) ASSETS FORFEITURE FUND.—For the Assets Forfeiture Fund: $22,949,000 for expenses authorized by section 524 of title 28, United States Code.

(18) UNITED STATES PAROLE COMMISSION.—For the United States Parole Commission: $10,862,000.

(19) FEDERAL DETENTION TRUSTEE.—For the necessary expenses of the Federal Detention Trustee: $1,718,000.

(20) JOINT AUTOMATED BOOKING SYSTEM.—For expenses necessary for the operation of the Joint Automated Booking System: $15,957,000.

(21) NARROWBAND COMMUNICATIONS.—For the costs of conversion to narrowband communications, including the cost for operation and maintenance of Land Mobile Radio legacy systems: $104,606,000.

(22) RADIATION EXPOSURE COMPENSATION.—For administrative expenses in accordance with the Radiation Exposure Compensation Act: $1,996,000.

(23) COUNTERTERRORISM FUND.—For the Counterterrorism Fund for necessary expenses, as determined by the Attorney General: $4,989,000.

(24) OFFICE OF JUSTICE PROGRAMS.—For administrative expenses not otherwise provided for, of the Office of Justice Programs: $116,369,000.

SEC. 102. APPOINTMENT OF ADDITIONAL ASSISTANT UNITED STATES ATTORNEYS; REDUCTION OF CERTAIN LITIGATION POSITIONS.

(a) APPOINTMENTS.—Not later than September 30, 2003, the Attorney General may exercise authority under section 542 of title 28, United States Code, to appoint 200 assistant United States attorneys in addition to the number of assistant United States attorneys serving on the date of the enactment of this Act.

(b) SELECTION OF APPOINTEES.—Individuals first appointed under subsection (a) may be appointed from among attorneys who are incumbents of 200 full-time litigation positions in divisions of the Department of Justice and whose official duty station is at the seat of Government.

(c) TERMINATION OF POSITIONS.—Each of the 200 litigation positions that become vacant by reason of an appointment made in accordance with subsections (a) and (b) shall be terminated at the time the vacancy arises.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 103. AUTHORIZATION FOR ADDITIONAL ASSISTANT UNITED STATES ATTORNEYS FOR PROJECT SAFE NEIGHBORHOODS.

(a) IN GENERAL.—The Attorney General shall establish a program for each United States Attorney to provide for coordination with State and local law enforcement officials in the identification and prosecution of violations of Federal firearms laws including school gun violence and juvenile gun offenses.

(b) AUTHORIZATION FOR HIRING 94 ADDITIONAL ASSISTANT UNITED STATES ATTORNEYS.—There are authorized to be appropriated to carry out this section $9,000,000 for fiscal year 2002 to hire an additional Assistant United States Attorney in each United States Attorney Office.

TITLE II—PERMANENT ENABLING PROVISIONS

SEC. 201. PERMANENT AUTHORITY.

(a) IN GENERAL.—Chapter 31 of title 28, United States Code, is amended by adding at the end the following:

“§ 530C. Authority to use available funds

“(a) IN GENERAL.—Except to the extent provided otherwise by law, the activities of the Department of Justice (including any bureau, office, board, division, commission, subdivision, unit, or other component thereof) may, in the reasonable discretion of the Attorney General, be carried out through any means, including—

“(1) through the Department's own personnel, acting within, from, or through the Department itself;

“(2) by sending or receiving details of personnel to other branches or agencies of the Federal Government, on a reimbursable, partially-reimbursable, or nonreimbursable basis;

“(3) through reimbursable agreements with other Federal agencies for work, materials, or equipment;

“(4) through contracts, grants, or cooperative agreements with non-Federal parties; and

“(5) as provided in subsection (b), in section 524, and in any other provision of law consistent herewith, including, without limitation, section 102(b) of Public Law 102–395 (106 Stat. 1838), as incorporated by section 815(d) of Public Law 104–132 (110 Stat. 1315).

“(b) PERMITTED USES.—

“(1) GENERAL PERMITTED USES.—Funds available to the Attorney General (i.e., all funds available to carry out the activities described in subsection (a)) may be used, without limitation, for the following:

“(A) The purchase, lease, maintenance, and operation of passenger motor vehicles, or police-type motor vehicles for law enforcement purposes, without regard to general purchase price limitation for the then-current fiscal year.

“(B) The purchase of insurance for motor vehicles, boats, and aircraft operated in official Government business in foreign countries.

“(C) Services of experts and consultants, including private counsel, as authorized by section 3109 of title 5, and at rates of pay for individuals not to exceed the maximum daily rate payable from time to time under section 5332 of title 5.

“(D) Official reception and representation expenses (i.e., official expenses of a social nature intended in whole or in predominant part to promote goodwill toward the Department or its missions, but excluding expenses of public tours of facilities of the Department of Justice), in accordance with distributions and procedures established, and rules issued, by the Attorney General, and expenses of public tours of facilities of the Department of Justice.

“(E) Unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on the certificate of the Attorney General.

"(F) Miscellaneous and emergency expenses authorized or approved by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General for Administration.

"(G) In accordance with procedures established and rules issued by the Attorney General—

"(i) attendance at meetings and seminars;

"(ii) conferences and training; and

"(iii) advances of public moneys under section 3324 of title 31: *Provided*, That travel advances of such moneys to law enforcement personnel engaged in undercover activity shall be considered to be public money for purposes of section 3527 of title 31.

"(H) Contracting with individuals for personal services abroad, except that such individuals shall not be regarded as employees of the United States for the purpose of any law administered by the Office of Personnel Management.

"(I) Payment of interpreters and translators who are not citizens of the United States, in accordance with procedures established and rules issued by the Attorney General.

"(J) Expenses or allowances for uniforms as authorized by section 5901 of title 5, but without regard to the general purchase price limitation for the then-current fiscal year.

"(K) Expenses of—

"(i) primary and secondary schooling for dependents of personnel stationed outside the continental United States at cost not in excess of those authorized by the Department of Defense for the same area, when it is determined by the Attorney General that schools available in the locality are unable to provide adequately for the education of such dependents; and

"(ii) transportation of those dependents between their place of residence and schools serving the area which those dependents would normally attend when the Attorney General, under such regulations as he may prescribe, determines that such schools are not accessible by public means of transportation.

"(2) SPECIFIC PERMITTED USES.—

"(A) AIRCRAFT AND BOATS.—Funds available to the Attorney General for United States Attorneys, for the Federal Bureau of Investigation, for the United States Marshals Service, for the Drug Enforcement Administration, and for the Immigration and Naturalization Service may be used for the purchase, lease, maintenance, and operation of aircraft and boats, for law enforcement purposes.

"(B) PURCHASE OF AMMUNITION AND FIREARMS; FIREARMS COMPETITIONS.—Funds available to the Attorney General for United States Attorneys, for the Federal Bureau of Investigation, for the United States Marshals Service, for the Drug Enforcement Administration, for the Federal Prison System, for the Office of the Inspector General, and for the Immigration and Naturalization Service may be used for—

"(i) the purchase of ammunition and firearms; and

"(ii) participation in firearms competitions.

"(C) CONSTRUCTION.—Funds available to the Attorney General for construction may be used for expenses of planning, designing, acquiring, building, constructing, activating, renovating, converting, expanding, extending, remodeling, equipping, repairing, or maintaining buildings or facilities, including the expenses of acquisition of sites therefor, and all necessary expenses incident or related thereto; but the foregoing shall not be construed to mean that funds generally available for salaries and expenses are not also available for certain incidental or minor construction, activation, remodeling, maintenance, and other related construction costs.

"(3) FEES AND EXPENSES OF WITNESSES.—Funds available to the Attorney General for fees and expenses of witnesses may be used for—

"(A) expenses, mileage, compensation, protection, and per diem in lieu of subsistence, of witnesses (including advances of public money) and as authorized by section 1821 or other law, except that no witness may be paid more than 1 attendance fee for any 1 calendar day;

"(B) fees and expenses of neutrals in alternative dispute resolution proceedings, where the Department of Justice is a party; and

"(C) construction of protected witness safesites.

"(4) FEDERAL BUREAU OF INVESTIGATION.—Funds available to the Attorney General for the Federal Bureau of Investigation for the detection, investigation, and prosecution of crimes against the United States may be used for the conduct of all its authorized activities.

"(5) IMMIGRATION AND NATURALIZATION SERVICE.—Funds available to the Attorney General for the Immigration and Naturalization Service may be used for—

"(A) acquisition of land as sites for enforcement fences, and construction incident to such fences;

"(B) cash advances to aliens for meals and lodging en route;

"(C) refunds of maintenance bills, immigration fines, and other items properly returnable, except deposits of aliens who become public charges and deposits to secure payment of fines and passage money; and

"(D) expenses and allowances incurred in tracking lost persons, as required by public exigencies, in aid of State or local law enforcement agencies.

"(6) FEDERAL PRISON SYSTEM.—Funds available to the Attorney General for the Federal Prison System may be used for—

"(A) inmate medical services and inmate legal services, within the Federal prison system;

"(B) the purchase and exchange of farm products and livestock;

"(C) the acquisition of land as provided in section 4010 of title 18; and

"(D) the construction of buildings and facilities for penal and correctional institutions (including prison camps), by contract or force account, including the payment of United States prisoners for their work performed in any such construction;

except that no funds may be used to distribute or make available to a prisoner any commercially published information or material that is sexually explicit or features nudity.

"(7) DETENTION TRUSTEE.—Funds available to the Attorney General for the Detention Trustee may be used for all the activities of such Trustee in the exercise of all power and functions authorized by law relating to the detention of Federal prisoners in non-Federal institutions or otherwise in the custody of the United States Marshals Service and to the detention of aliens in the custody of the Immigration and Naturalization Service, including the overseeing of construction of detention facilities or for housing related to such detention, the management of funds appropriated to the Department for the exercise of detention functions, and the direction of the United States Marshals Service and Immigration Service with respect to the exercise of detention policy setting and operations for the Department of Justice.

"(c) RELATED PROVISIONS.—

"(1) LIMITATION OF COMPENSATION OF INDIVIDUALS EMPLOYED AS ATTORNEYS.—No funds available to the Attorney General may be used to pay compensation for services provided by an individual employed as an attorney (other than an individual employed to provide services as a foreign attorney in special cases) unless such individual is duly licensed and authorized to practice as an attorney under the law of a State, a territory of the United States, or the District of Columbia.

"(2) REIMBURSEMENTS PAID TO GOVERNMENTAL ENTITIES.—Funds available to the Attorney General that are paid as reimbursement to a governmental unit of the Department of Justice, to another Federal entity, or to a unit of State or local government, may be used under authorities available to the unit or entity receiving such reimbursement.".

(b) CONFORMING AMENDMENT.—The table of sections of chapter 31 of title 28, United States Code, is amended by adding at the end the following:

"530C. Authority to use available funds.".

SEC. 202. PERMANENT AUTHORITY RELATING TO ENFORCEMENT OF LAWS.

(a) IN GENERAL.—Chapter 31 of title 28, United States Code (as amended by section 201), is amended by adding at the end the following:

"§ 530D. Report on enforcement of laws

"(a) REPORT.—

"(1) IN GENERAL.—The Attorney General shall submit to the Congress a report of any instance in which the Attorney General or any officer of the Department of Justice—

"(A) establishes or implements a formal or informal policy to refrain—

"(i) from enforcing, applying, or administering any provision of any Federal statute, rule, regulation, program, policy, or other law whose enforcement, application, or administration is within the responsibility of the Attorney General or such officer on the grounds that such provision is unconstitutional; or

"(ii) within any judicial jurisdiction of or within the United States, from adhering to, enforcing, applying, or complying with, any standing rule of decision (binding upon courts of, or inferior to those of, that jurisdiction) established by a final decision of any court of, or superior to those of, that jurisdiction, respecting the interpretation, construction, or application of the Constitution or of any statute, rule, regulation, program, policy, or other law whose enforcement, application, or administration is within the responsibility of the Attorney General or such officer;

"(B) determines—

"(i) to contest affirmatively, in any judicial, administrative, or other proceeding, the constitutionality of any provision of any Federal statute, rule, regulation, program, policy, or other law; or

"(ii) to refrain from defending or asserting, in any judicial, administrative, or other proceeding, the constitutionality of any provision of any Federal statute, rule, regulation, program, policy, or other law, or not to appeal or request review of any judicial, administrative, or other determination adversely affecting the constitutionality of any such provision; or

"(C) approves (other than in circumstances in which a report is submitted to the Joint

Committee on Taxation, pursuant to section 6405 of the Internal Revenue Code of 1986) the settlement or compromise (other than in bankruptcy) of any claim, suit, or other action—

"(i) against the United States (including any agency or instrumentality thereof) for a sum that exceeds, or is likely to exceed, $2,000,000; or

"(ii) by the United States (including any agency or instrumentality thereof) pursuant to an agreement, consent decree, or order (or pursuant to any modification of an agreement, consent decree, or order) that provides injunctive or other nonmonetary relief that exceeds, or is likely to exceed, 3 years in duration.

"(2) SUBMISSION OF REPORT TO THE CONGRESS.—For the purposes of paragraph (1), a report shall be considered to be submitted to the Congress if the report is submitted to—

"(A) the majority leader and minority leader of the Senate;

"(B) the Speaker, majority leader, and minority leader of the House of Representatives;

"(C) the chairman and ranking minority member of the Committee on the Judiciary of the House of Representatives and the chairman and ranking minority member of the Committee on the Judiciary of the Senate; and

"(D) the Senate Legal Counsel and the General Counsel of the House of Representatives.

"(b) DEADLINE.—A report shall be submitted—

"(1) under subsection (a)(1)(A), not later than 30 days after the establishment or implementation of each policy;

"(2) under subsection (a)(1)(B), within such time as will reasonably enable the House of Representatives and the Senate to take action, separately or jointly, to intervene in timely fashion in the proceeding, but in no event later than 30 days after the making of each determination; and

"(3) under subsection (a)(1)(C), not later than 30 days after the conclusion of each fiscal-year quarter, with respect to all approvals occurring in such quarter.

"(c) CONTENTS.—A report required by subsection (a) shall—

"(1) specify the date of the establishment or implementation of the policy described in subsection (a)(1)(A), of the making of the determination described in subsection (a)(1)(B), or of each approval described in subsection (a)(1)(C);

"(2) include a complete and detailed statement of the relevant issues and background (including a complete and detailed statement of the reasons for the policy or determination, and the identity of the officer responsible for establishing or implementing such policy, making such determination, or approving such settlement or compromise), except that—

"(A) such details may be omitted as may be absolutely necessary to prevent improper disclosure of national-security- or classified information, or of any information subject to the deliberative-process-, executive-, attorney-work-product-, or attorney-client privileges, if the fact of each such omission (and the precise ground or grounds therefor) is clearly noted in the statement: Provided, That this subparagraph shall not be construed to deny to the Congress (including any House, Committee, or agency thereof) any such omitted details (or related information) that it lawfully may seek, subsequent to the submission of the report; and

"(B) the requirements of this paragraph shall be deemed satisfied—

"(i) in the case of an approval described in subsection (a)(1)(C)(i), if an unredacted copy of the entire settlement agreement and consent decree or order (if any) is provided, along with a statement indicating the legal and factual basis or bases for the settlement or compromise (if not apparent on the face of documents provided); and

"(ii) in the case of an approval described in subsection (a)(1)(C)(ii), if an unredacted copy of the entire settlement agreement and consent decree or order (if any) is provided, along with a statement indicating the injunctive or other nonmonetary relief (if not apparent on the face of documents provided); and

"(3) in the case of a determination described in subsection (a)(1)(B) or an approval described in subsection (a)(1)(C), indicate the nature, tribunal, identifying information, and status of the proceeding, suit, or action.

"(d) DECLARATION.—In the case of a determination described in subsection (a)(1)(B), the representative of the United States participating in the proceeding shall make a clear declaration in the proceeding that any position expressed as to the constitutionality of the provision involved is the position of the executive branch of the Federal Government (or, as applicable, of the President or of any executive agency or military department).

"(e) APPLICABILITY TO THE PRESIDENT AND TO EXECUTIVE AGENCIES AND MILITARY DEPARTMENTS.—The reporting, declaration, and other provisions of this section relating to the Attorney General and other officers of the Department of Justice shall apply to the President, to the head of each executive agency or military department (as defined, respectively, in sections 105 and 102 of title 5, United States Code) that establishes or implements a policy described in subsection (a)(1)(A) or is authorized to conduct litigation, and to the officers of such executive agency.".

(b) CONFORMING AMENDMENTS.—

(1) The table of sections for chapter 31 of title 28, United States Code (as amended by section 201), is amended by adding at the end the following:

"530D. Report on enforcement of laws.".

(2) Section 712 of Public Law 95–521 (92 Stat. 1883) is amended by striking subsection (b).

(3) Not later than 30 days after the date of the enactment of this Act, the President shall advise the head of each executive agency or military department (as defined, respectively, in sections 105 and 102 of title 5, United States Code) of the enactment of this section.

(4)(A) Not later than 90 days after the date of the enactment of this Act, the Attorney General (and, as applicable, the President, and the head of any executive agency or military department described in subsection (e) of section 530D of title 28, United States Code, as added by subsection (a)) shall submit to Congress a report (in accordance with subsections (a), (c), and (e) of such section) on—

(i) all policies of which the Attorney General and applicable official are aware described in subsection (a)(1)(A) of such section that were established or implemented before the date of the enactment of this Act and were in effect on such date; and

(ii) all determinations of which the Attorney General and applicable official are aware described in subsection (a)(1)(B) of such section that were made before the date of the enactment of this Act and were in effect on such date.

(B) If a determination described in subparagraph (A)(ii) relates to any judicial, administrative, or other proceeding that is pending in the 90-day period beginning on the date of the enactment of this Act, with respect to any such determination, then the report required by this paragraph shall be submitted within such time as will reasonably enable the House of Representatives and the Senate to take action, separately or jointly, to intervene in timely fashion in the proceeding, but not later than 30 days after the date of the enactment of this Act.

SEC. 203. NOTIFICATIONS AND REPORTS TO BE PROVIDED SIMULTANEOUSLY TO COMMITTEES.

If the Attorney General or any officer of the Department of Justice (including any bureau, office, board, division, commission, subdivision, unit, or other component thereof) is required by any Act (which shall be understood to include any request or direction contained in any report of a committee of the Congress relating to an appropriations Act or in any statement of managers accompanying any conference report agreed to by the Congress) to provide a notice or report to any committee or subcommittee of the Congress (other than both the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate), then such Act shall be deemed to require that a copy of such notice or report be provided simultaneously to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate.

SEC. 204. MISCELLANEOUS USES OF FUNDS; TECHNICAL AMENDMENTS.

(a) BUREAU OF JUSTICE ASSISTANCE GRANT PROGRAMS.—Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended—

(1) in section 504(a) by striking "502" and inserting "501(b)";

(2) in section 506(a)(1) by striking "participating";

(3) in section 510(a)(3) by striking "502" and inserting "501(b)";

(4) in section 510 by adding at the end the following:

"(d) No grants or contracts under subsection (b) may be made, entered into, or used, directly or indirectly, to provide any security enhancements or any equipment to any non-governmental entity that is not engaged in law enforcement or law enforcement support, criminal or juvenile justice, or delinquency prevention."; and

(5) in section 511 by striking "503" and inserting "501(b)".

(b) ATTORNEYS SPECIALLY RETAINED BY THE ATTORNEY GENERAL.—The 3d sentence of section 515(b) of title 28, United States Code, is amended by striking "at not more than $12,000".

SEC. 205. TECHNICAL AND MISCELLANEOUS AMENDMENTS TO DEPARTMENT OF JUSTICE AUTHORITIES; AUTHORITY TO TRANSFER PROPERTY OF MARGINAL VALUE; RECORDKEEPING; PROTECTION OF THE ATTORNEY GENERAL.

(a) Section 524 of title 28, United States Code, is amended—

(1) in subsection (a) by inserting "to the Attorney General" after "available";

(2) in paragraph (c)(1)—

(A) by striking the semicolon at the end of the 1st subparagraph (I) and inserting a period;

(B) by striking the 2d subparagraph (I); and

(C) by striking "fund" in the 3d sentence following the 2d subparagraph (I) and inserting "Fund";

(3) in paragraph (c)(2)—

(A) by striking "for information" each place it appears; and

(B) by striking "$250,000" the 2d and 3d places it appears and inserting "$500,000";

(4) in paragraph (c)(3) by striking "(F)" and inserting "(G)";

(5) in paragraph (c)(5) by striking "Fund which" and inserting "Fund, that"; and

(6) in subsection (c)(9)(B)—

(A) by striking "year 1997" and inserting "years 2002 and 2003"; and

(B) by striking "Such transfer shall not" and inserting "Each such transfer shall be subject to satisfaction by the recipient involved of any outstanding lien against the property transferred, but no such transfer shall".

(b) Section 522 of title 28, United States Code, is amended by inserting "(a)" before "The", and by inserting at the end the following:

"(b) With respect to any data, records, or other information acquired, collected, classified, preserved, or published by the Attorney General for any statistical, research, or other aggregate reporting purpose beginning not later than 1 year after the date of enactment of 21st Century Department of Justice Appropriations Authorization Act and continuing thereafter, and notwithstanding any other provision of law, the same criteria shall be used (and shall be required to be used, as applicable) to classify or categorize offenders and victims (in the criminal context), and to classify or categorize actors and acted upon (in the noncriminal context).".

(c) Section 534(a)(3) of title 28, United States Code, is amended by adding "and" after the semicolon.

(d) Section 509(3) of title 28, United States Code, is amended by striking the 2d period.

(e) Section 533 of title 28, United States Code, is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by adding after paragraph (2) a new paragraph as follows:

"(3) to assist in the protection of the person of the Attorney General.".

(f) Hereafter, no compensation or reimbursement paid pursuant to section 501(a) of Public Law 99–603 (100 Stat. 3443) or section 241(i) of the Act of June 27, 1952 (ch. 477) shall be subject to section 6503(d) of title 31, United States Code, and no funds available to the Attorney General may be used to pay any assessment made pursuant to such section 6503 with respect to any such compensation or reimbursement.

(g) Section 108 of Public Law 103–121 (107 Stat. 1164) is amended by replacing "three" with "six", by replacing "only" with ", first,", and by replacing "litigation." with "litigation, and, thereafter, for financial systems, and other personnel, administrative, and litigation expenses of debt collection activities.".

SEC. 206. OVERSIGHT; WASTE, FRAUD, AND ABUSE OF APPROPRIATIONS.

(a) Section 529 of title 28, United States Code, is amended by inserting "(a)" before "Beginning", and by adding at the end the following:

"(b) Notwithstanding any provision of law limiting the amount of management or administrative expenses, the Attorney General shall, not later than May 2, 2003, and of every year thereafter, prepare and provide to the Committees on the Judiciary and Appropriations of each House of the Congress using funds available for the underlying programs—

"(1) a report identifying and describing every grant, cooperative agreement, or programmatic services contract that was made, entered into, awarded, or extended, in the immediately preceding fiscal year, by or on behalf of the Office of Justice Programs (including any component or unit thereof, and the Office of Community Oriented Policing Services), and including, without limitation, for each such grant, cooperative agreement, or contract: the term, the dollar amount or value, a complete and detailed description of its specific purpose or purposes, the names of all parties, the names of each unsuccessful applicant or bidder (and a complete and detailed description of the specific purpose or purposes proposed of the application or bid), except that such description may be summary with respect to each application or bid having a total value of less than $350,000; and

"(2) a report identifying and reviewing every grant, cooperative agreement, or programmatic services contract made, entered into, awarded, or extended after October 1, 2002, by or on behalf of the Office of Justice Programs (including any component or unit thereof, and the Office of Community Oriented Policing Services) that was closed out or that otherwise ended in the immediately preceding fiscal year (or even if not yet closed out, was terminated or otherwise ended in the fiscal year that ended 2 years before the end of such immediately preceding fiscal year), and including, without limitation, for each such grant, cooperative agreement, or contract: a complete and detailed description of how the appropriated funds involved actually were spent, complete and detailed statistics relating to its performance, its specific purpose or purposes, and its effectiveness, and a written declaration by each non-Federal grantee and each non-Federal party to such agreement or to such contract, that—

"(A) the appropriated funds were spent for such purpose or purposes, and only such purpose or purposes;

"(B) the terms of the grant, cooperative agreement, or contract were complied with; and

"(C) all documentation necessary for conducting a full and proper audit under generally accepted accounting principles, and any (additional) documentation that may have been required under the grant, cooperative agreement, or contract, have been kept in orderly fashion and will be preserved for not less than 3 years from the date of such close out, termination, or end;

except that the requirement of this paragraph shall be deemed satisfied with respect to any such description, statistics, or declaration if such non-Federal grantee or such non-Federal party shall have failed to provide the same to the Attorney General, and the Attorney General notes the fact of such failure and the name of such grantee or such party in the report.".

(b) Section 1913 of title 18, United States Code, is amended by striking "to favor" and inserting "a jurisdiction, or an official of any government, to favor, adopt,", by inserting ", law, ratification, policy," after "legislation" every place it appears, by striking "by Congress" the 2d place it appears, by inserting "or such official" before ", through the proper", by inserting ", measure," before "or resolution", by striking "Members of Congress on the request of any Member" and inserting "any such Member or official, at his request,", by striking "for legislation" and inserting "for any legislation".

(c) Section 1516(a) of title 18, United States Code, is amended by inserting ", entity, or program" after "person", and by inserting "grant, or cooperative agreement," after "subcontract,".

(d) Section 112 of title I of section 101(b) of division A of Public Law 105–277 (112 Stat. 2681–67) is amended by striking "fiscal year" and all that follows through "Justice—", and inserting "any fiscal year the Attorney General—".

(e) Section 2320(f) of title 18, United States Code, is amended—

(1) by striking "title 18" each place it appears and inserting "this title"; and

(2) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively;

(3) by inserting "(1)" after "(f)"; and

(4) by adding at the end the following:

"(2) The report under paragraph (1), with respect to criminal infringement of copyright, shall include the following:

"(A) The number of infringement cases involving specific types of works, such as audiovisual works, sound recordings, business software, video games, books, and other types of works.

"(B) The number of infringement cases involving an online element.

"(C) The number and dollar amounts of fines assessed in specific categories of dollar amounts, such as up to $500, from $500 to $1,000, from $1,000 to $5,000, from $5,000 to $10,000, and categories above $10,000.

"(D) The amount of restitution awarded.

"(E) Whether the sentences imposed were served.".

SEC. 207. ENFORCEMENT OF FEDERAL CRIMINAL LAWS BY ATTORNEY GENERAL.

Section 535 of title 28, United States Code, is amended in subsections (a) and (b), by replacing "title 18" with "Federal criminal law", and in subsection (b), by replacing "or complaint" with "matter, or complaint witnessed, discovered, or", and by inserting "or the witness, discoverer, or recipient, as appropriate," after "agency,".

SEC. 208. COUNTERTERRORISM FUND.

(a) ESTABLISHMENT; AVAILABILITY.—There is hereby established in the Treasury of the United States a separate fund to be known as the "Counterterrorism Fund", amounts in which shall remain available without fiscal year limitation—

(1) to reimburse any Department of Justice component for any costs incurred in connection with—

(A) reestablishing the operational capability of an office or facility that has been damaged or destroyed as the result of any domestic or international terrorism incident;

(B) providing support to counter, investigate, or prosecute domestic or international terrorism, including, without limitation, paying rewards in connection with these activities; and

(C) conducting terrorism threat assessments of Federal agencies and their facilities; and

(2) to reimburse any department or agency of the Federal Government for any costs incurred in connection with detaining in foreign countries individuals accused of acts of terrorism that violate the laws of the United States.

(b) NO EFFECT ON PRIOR APPROPRIATIONS.—The amendment made by subsection (a) shall not affect the amount or availability of any appropriation to the Counterterrorism Fund made before the date of enactment of this Act.

SEC. 209. STRENGTHENING LAW ENFORCEMENT IN UNITED STATES TERRITORIES, COMMONWEALTHS, AND POSSESSIONS.

(a) EXTENDED ASSIGNMENT INCENTIVE.—Chapter 57 of title 5, United States Code, is amended—

(1) in subchapter IV, by inserting at the end the following:

"§ 5757. Extended assignment incentive

"(a) The head of an Executive agency may pay an extended assignment incentive to an employee if—

"(1) the employee has completed at least 2 years of continuous service in 1 or more civil service positions located in a territory or possession of the United States, the Commonwealth of Puerto Rico, or the Commonwealth of the Northern Mariana Islands;

"(2) the agency determines that replacing the employee with another employee possessing the required qualifications and experience would be difficult; and

"(3) the agency determines it is in the best interest of the Government to encourage the employee to complete a specified additional period of employment with the agency in the territory or possession, the Commonwealth of Puerto Rico or Commonwealth of the Northern Mariana Islands, except that the total amount of service performed in a particular territory, commonwealth, or possession under 1 or more agreements established under this section may not exceed 5 years.

"(b) The sum of extended assignment incentive payments for a service period may not exceed the greater of—

"(1) an amount equal to 25 percent of the annual rate of basic pay of the employee at the beginning of the service period, times the number of years in the service period; or

"(2) $15,000 per year in the service period.

"(c)(1) Payment of an extended assignment incentive shall be contingent upon the employee entering into a written agreement with the agency specifying the period of service and other terms and conditions under which the extended assignment incentive is payable.

"(2) The agreement shall set forth the method of payment, including any use of an initial lump-sum payment, installment payments, or a final lump-sum payment upon completion of the entire period of service.

"(3) The agreement shall describe the conditions under which the extended assignment incentive may be canceled prior to the completion of agreed-upon service period and the effect of the cancellation. The agreement shall require that if, at the time of cancellation of the incentive, the employee has received incentive payments which exceed the amount which bears the same relationship to the total amount to be paid under the agreement as the completed service period bears to the agreed-upon service period, the employee shall repay that excess amount, at a minimum, except that an employee who is involuntarily reassigned to a position stationed outside the territory, commonwealth, or possession or involuntarily separated (not for cause on charges of misconduct, delinquency, or inefficiency) may not be required to repay any excess amounts.

"(d) An agency may not put an extended assignment incentive into effect during a period in which the employee is fulfilling a recruitment or relocation bonus service agreement under section 5753 or for which an employee is receiving a retention allowance under section 5754.

"(e) Extended assignment incentive payments may not be considered part of the basic pay of an employee.

"(f) The Office of Personnel Management may prescribe regulations for the administration of this section, including regulations on an employee's entitlement to retain or receive incentive payments when an agreement is canceled. Neither this section nor implementing regulations may impair any agency's independent authority to administratively determine compensation for a class of its employees."; and

(2) in the analysis by adding at the end the following:

"5757. Extended assignment incentive.".

(b) CONFORMING AMENDMENT.—Section 5307(a)(2)(B) of title 5, United States Code, is amended by striking "or 5755" and inserting "5755, or 5757".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first applicable pay period beginning on or after 6 months after the date of enactment of this Act.

(d) REPORT.—No later than 3 years after the effective date of this section, the Office of Personnel Management, after consultation with affected agencies, shall submit a report to Congress assessing the effectiveness of the extended assignment incentive authority as a human resources management tool and making recommendations for any changes necessary to improve the effectiveness of the incentive authority. Each agency shall maintain such records and report such information, including the number and size of incentive offers made and accepted or declined by geographic location and occupation, in such format and at such times as the Office of Personnel Management may prescribe, for use in preparing the report.

SEC. 210. ADDITIONAL AUTHORITIES OF THE ATTORNEY GENERAL.

(a) FBI DANGER PAY.—Section 151 of the Foreign Relations Act, fiscal years 1990 and 1991 (5 U.S.C. 5928 note) is amended by inserting "or Federal Bureau of Investigation" after "Drug Enforcement Administration".

(b) FOREIGN REIMBURSEMENTS.—For fiscal year 2002 and thereafter, whenever the Federal Bureau of Investigation participates in a cooperative project to improve law enforcement or national security operations or services with a friendly foreign country on a cost-sharing basis, any reimbursements or contributions received from that foreign country to meet its share of the project may be credited to appropriate current appropriations accounts of the Federal Bureau of Investigation. The amount of a reimbursement or contribution credited shall be available only for payment of the share of the project expenses allocated to the participating foreign country.

(c) RAILROAD POLICE TRAINING FEES.—For fiscal year 2002 and thereafter, the Attorney General is authorized to establish and collect a fee to defray the costs of railroad police officers participating in a Federal Bureau of Investigation law enforcement training program authorized by Public Law 106–110, and to credit such fees to the appropriation account "Federal Bureau of Investigation, Salaries and Expenses", to be available until expended for salaries and expenses incurred in providing such services.

(d) WARRANTY WORK.—In instances where the Attorney General determines that law enforcement-, security-, or mission-related considerations mitigate against obtaining maintenance or repair services from private sector entities for equipment under warranty, the Attorney General is authorized to seek reimbursement from such entities for warranty work performed at Department of Justice facilities, and to credit any payment made for such work to any appropriation charged therefor.

TITLE III—MISCELLANEOUS

SEC. 301. REPEALERS.

(a) OPEN-ENDED AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL INSTITUTE OF CORRECTIONS.—Chapter 319 of title 18, United States Code, is amended by striking section 4353.

(b) OPEN-ENDED AUTHORIZATION OF APPROPRIATIONS FOR UNITED STATES MARSHALS SERVICE.—Section 561 of title 28, United States Code, is amended by striking subsection (i).

SEC. 302. TECHNICAL AMENDMENTS TO TITLE 18 OF THE UNITED STATES CODE.

Title 18 of the United States Code is amended—

(1) in section 4041 by striking "at a salary of $10,000 a year";

(2) in section 4013—

(A) in subsection (a)—

(i) by replacing "the support of United States prisoners" with "Federal prisoner detention";

(ii) in paragraph (2) by adding "and" after "hire;";

(iii) in paragraph (3) by replacing "entities; and" with "entities."; and

(iv) in paragraph (4) by inserting "The Attorney General, in support of Federal prisoner detainees in non-Federal institutions, is authorized to make payments, from funds appropriated for State and local law enforcement assistance; for" before "entering"; and

(B) by redesignating—

(i) subsections (b) and (c) as subsections (c) and (d); and

(ii) paragraph (a)(4) as subsection (b), and subparagraphs (A), (B), and (C), of such paragraph (a)(4) as paragraphs (1), (2), and (3) of such subsection (b); and

(3) in section 209(a)—

(A) by striking "or makes" and inserting "makes"; and

(B) by striking "supplements the salary of, any" and inserting "supplements, the salary of any".

SEC. 303. REQUIRED SUBMISSION OF PROPOSED AUTHORIZATION OF APPROPRIATIONS FOR THE DEPARTMENT OF JUSTICE FOR FISCAL YEAR 2003.

When the President submits to the Congress the budget of the United States Government for fiscal year 2003, the President shall simultaneously submit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate such proposed legislation authorizing appropriations for the Department of Justice for fiscal year 2003 as the President may judge necessary and expedient.

SEC. 304. STUDY OF UNTESTED RAPE EXAMINATION KITS.

The Attorney General shall conduct a study to assess and report to Congress the number of untested rape examination kits that currently exist nationwide and shall submit to the Congress a report containing a summary of the results of such study. For the purpose of carrying out such study, the Attorney General shall attempt to collect information from all law enforcement jurisdictions in the United States.

SEC. 305. REPORT ON DCS 1000 ("CARNIVORE").

Not later than 30 days after the end of fiscal years 2001 and 2002, the Attorney General and the Director of the Federal Bureau of Investigation shall provide to the Committees on the Judiciary of the House of Representatives and the Senate a report detailing—

(1) the number of orders or extensions applied for to authorize the use of DCS 1000 (or any similar system or device);

(2) the fact that the order or extension was granted as applied for, was modified, or was denied;

(3) the kind of order applied for and the specific statutory authority relied on to use DCS 1000 (or any similar system or device);

(4) the court that authorized each use of DCS 1000 (or any similar system or device);

(5) the period of interceptions authorized by the order, and the number and duration of any extensions of the order;

(6) the offense specified in the order or application, or extension of an order;

(7) the Department of Justice official or officials who approved each use of DCS 1000 (or any similar system or device);

(8) the criteria used by the Department of Justice officials to review requests to use DCS 1000 (or any similar system or device);

(9) a complete description of the process used to submit, review, and approve requests to use DCS 1000 (or any similar system or device); and

(10) any information intercepted that was not authorized by the court to be intercepted.

SEC. 306. STUDY OF ALLOCATION OF LITIGATING ATTORNEYS.

Not later than 180 days after the date of the enactment of this Act, the Attorney General shall submit a report to the chairman and ranking minority member of the Committees on the Judiciary of the House of Representatives and Committee on the Judiciary of the Senate, detailing the distribution or allocation of appropriated funds, attorneys and other personnel, per-attorney workloads, and number of cases opened and closed, for each Office of United States Attorney and each division of the Department of Justice except the Justice Management Division.

SEC. 307. USE OF TRUTH-IN-SENTENCING AND VIOLENT OFFENDER INCARCERATION GRANTS.

Section 20105(b) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13705(b)) is amended to read as follows:

"(b) USE OF TRUTH-IN-SENTENCING AND VIOLENT OFFENDER INCARCERATION GRANTS.—Funds provided under section 20103 or 20104 may be applied to the cost of—

"(1) altering existing correctional facilities to provide separate facilities for juveniles under the jurisdiction of an adult criminal court who are detained or are serving sentences in adult prisons or jails;

"(2) providing correctional staff who are responsible for supervising juveniles who are detained or serving sentences under the jurisdiction of an adult criminal court with orientation and ongoing training regarding the unique needs of such offenders; and

"(3) providing ombudsmen to monitor the treatment of juveniles who are detained or serving sentences under the jurisdiction of an adult criminal court in adult facilities, consistent with guidelines issued by the Assistant Attorney General.

SEC. 308. AUTHORITY OF THE DEPARTMENT OF JUSTICE INSPECTOR GENERAL.

Section 8E of the Inspector General Act of 1978 (5 U.S.C. App) is amended—

(1) in subsection (b), by striking paragraphs (2) and (3) and inserting the following:

"(2) except as specified in subsection (a) and paragraph (3), may investigate allegations of criminal wrongdoing or administrative misconduct by an employee of the Department of Justice, or may, in the Inspector General's discretion, refer such allegations to the Office of Professional Responsibility or the internal affairs office of the appropriate component of the Department of Justice; and

"(3) shall refer to the Counsel, Office of Professional Responsibility of the Department of Justice, allegations of misconduct involving Department attorneys, investigators or law enforcement personnel, where the allegations relate to the exercise of an attorney's authority to investigate, litigate, or provide legal advice, except that no such referral shall be made if the attorney is employed in the Office of Professional Responsibility."; and

(2) by inserting at the end the following:

"(d) The Attorney General shall insure by regulation that any component of the Department of Justice receiving a nonfrivolous allegation of criminal wrongdoing or administrative misconduct by an employee of the Department shall report such information to the Inspector General.".

SEC. 309. REPORT ON INSPECTOR GENERAL AND DEPUTY INSPECTOR GENERAL FOR FEDERAL BUREAU OF INVESTIGATION.

Not later than 90 days after the date of enactment of this Act, the Attorney General shall submit a report and recommendation to the chairman and ranking member of the Committee on the Judiciary of the Senate and the Committee of the Judiciary on the House of Representatives concerning—

(1) whether there should be established, within the Department of Justice, a separate Office of the Inspector General for the Federal Bureau of Investigation that shall be responsible for supervising independent oversight of programs and operations of the Federal Bureau of Investigation; and

(2) whether there should be established, within the Office of the Inspector General for the Department of Justice, an Office of Deputy Inspector General for the Federal Bureau of Investigation that shall be responsible for supervising independent oversight of programs and operations of the Federal Bureau of Investigation.

TITLE IV—VIOLENCE AGAINST WOMEN

SEC. 401. SHORT TITLE.

This title may be cited as the "Violence Against Women Office Act".

SEC. 402. ESTABLISHMENT OF VIOLENCE AGAINST WOMEN OFFICE.

Part T of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg et seq.) is amended—

(1) in section 2002(d)(3)—

(A) by striking "section 2005" and inserting "section 2009"; and

(B) by striking "section 2006" and inserting "section 2010";

(2) by redesignating sections 2002 through 2006 as sections 2006 through 2010, respectively; and

(3) by inserting after section 2001 the following:

"SEC. 2002. ESTABLISHMENT OF VIOLENCE AGAINST WOMEN OFFICE.

"(a) OFFICE.—There is hereby established within the Department of Justice, under the general authority of the Attorney General, a Violence Against Women Office (in this title referred to as the 'Office').

"(b) DIRECTOR.—The Office shall be headed by a Director (in this title referred to as the 'Director'), who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall report to the Attorney General through the Assistant Attorney General, and shall make reports to the Deputy Attorney General as the Director deems necessary to fulfill the mission of the Office. The Director shall have final authority for all grants, cooperative agreements, and contracts awarded by the Office. The Director shall not engage in any employment other than that of serving as the Director, nor shall the Director hold any office in, or act in any capacity for, any organization, agency, or institution with which the Office makes any contract or other arrangement under this title.

"SEC. 2003. DUTIES AND FUNCTIONS OF DIRECTOR OF VIOLENCE AGAINST WOMEN OFFICE.

"(a) IN GENERAL.—The Director shall have the following duties:

"(1) Serving as special counsel to the Attorney General on the subject of violence against women.

"(2) Maintaining liaison with the judicial branches of the Federal and State Governments on matters relating to violence against women.

"(3) Providing information to the President, the Congress, the judiciary, State and local governments, and the general public on matters relating to violence against women.

"(4) Serving, at the request of the Attorney General or Assistant Attorney General, as the representative of the Department of Justice on domestic task forces, committees, or commissions addressing policy or issues relating to violence against women.

"(5) Serving, at the request of the President, acting through the Attorney General, as the representative of the United States Government on human rights and economic justice matters related to violence against women in international forums, including, but not limited to, the United Nations.

"(6) Carrying out the functions of the Department of Justice under the Violence Against Women Act of 1994 (title IV of Public Law 103–322) and the amendments made by that Act, and other functions of the Department of Justice on matters relating to violence against women, including with respect to those functions—

"(A) the development of policy, protocols, and guidelines;

"(B) the development and management of grant programs and other programs, and the provision of technical assistance under such programs; and

"(C) the award and termination of grants, cooperative agreements, and contracts.

"(7) Providing technical assistance, coordination, and support to—

"(A) other elements of the Department of Justice, in efforts to develop policy and to enforce Federal laws relating to violence against women, including the litigation of civil and criminal actions relating to enforcing such laws;

"(B) other Federal, State, and tribal agencies, in efforts to develop policy, provide technical assistance, and improve coordination among agencies carrying out efforts to eliminate violence against women, including Indian or indigenous women; and

"(C) grantees, in efforts to combat violence against women and to provide support and assistance to victims of such violence.

"(8) Exercising such other powers and functions as may be vested in the Director pursuant to this title or by delegation of the Attorney General or Assistant Attorney General.

"(9) Establishing such rules, regulations, guidelines, and procedures as are necessary to carry out any function of the Office.

"SEC. 2004. STAFF OF VIOLENCE AGAINST WOMEN OFFICE.

"The Attorney General shall ensure that the Director has adequate staff to support the Director in carrying out the Director's responsibilities under this title.

"SEC. 2005. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as are necessary to carry out this title.".

Section 1. Short title and table of contents

Section 1 provides that the short title of the Act shall be the "21st Century Department of Justice Appropriations Authorization Act." It also contains a table of contents.

TITLE I—AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 2002

Section 101. Specific sums authorized to be appropriated

Section 101 authorizes appropriations to carry out the work of the various components of the Department of Justice for fiscal year 2002. The structure of Title I mirrors the organization of the annual Commerce-Justice-State, CJS, appropriations bill and the President's budget request. The bill authorizes the appropriations of amounts requested by the President in most accounts. The accounts, and the activities and components that each would fund, are as follows:

General Administration—$93,433,000—For the leadership offices of the Department, including the offices of the Attorney General and Deputy Attorney General, and the Justice Management Division, Executive Support program, Intelligence Policy, Office of Professional Responsibility, and General Administration.

Administrative Review and Appeals—$178,499,000—For the Executive Office for Immigration Review and the Office of the Pardon Attorney.

Office of Inspector General—$55,000,000—For the investigation of allegations of violations of criminal and civil statutes, regulations, and ethical standards by Department employees, and for the new position of Deputy Inspector General to oversee the Federal Bureau of Investigation. This amount is $10 million above the President's Request. The IG's office has been severely downsized over the last several years from approximately 460 to 360 full-time equivalents. Oversight is a priority and this level of funding should get the IG back on the path of meeting the audit and oversight needs of the Department. The Committee expects that the OIG will substantially increase its oversight of the FBI, INS, and the Department's grant programs.

General Legal Activities—$566,822,000—For the conduct of the legal activities of the Department. This includes the office of Solicitor General, Tax Division, Criminal Division, Civil Division, Environment and Natural Resources Division, Civil Rights Division, Office of Legal Counsel, Interpol, Legal Activities Office Automation, and Office of Dispute Resolution. The authorization includes not less than $4,000,000 to augment the investigation and prosecution of denaturalization and deportation cases involving alleged Nazi war criminals and not less than $10,000,000 to augment the investigation and prosecution of intellectual property crimes, including software counterfeiting crimes and crimes identified in the No Electronic Theft (NET) Act (Public Law 105-147).

Antitrust Division—$140,973,000—For decreasing anti-competitive behavior among U.S. businesses and increasing the competitiveness of the national and international business environment.

United States Attorneys—$1,346,289,000—For the 93 U.S. Attorneys and their offices and the Executive Office of U.S. Attorneys. The U.S. Attorneys represent the United States in the vast majority of criminal and civil cases handled by the Justice Department.

Federal Bureau of Investigation—$3,507,109,000—For the detection, investigation, and prosecution of crimes against the United States. The FBI also plays a primary role in the protection of the United States from foreign intelligence activities and investigating and preventing acts of terrorism against the United States.

United States Marshals Service—$626,439,000—To protect the Federal courts and its personnel and to ensure the effective operation of the federal judicial system, of which no more than $6,621,000 may be used for construction.

Federal Prison System—$4,662,710,000—For the administration, operation, and maintenance of federal penal and correctional institutions.

Federal Prison Detention—$724,682,000—For the support of United States prisoners in non-federal institutions, as authorized by 18 U.S.C. §4013(a).

Drug Enforcement Agency—$1,480,929,000—To enforce the controlled substance laws and regulations of the United States and to recommend and support non-enforcement programs aimed at reducing the availability of illicit controlled substances on the domestic and international markets.

Immigration and Naturalization Service—$3,516,411,000—For the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, of which no more than $2,737,341,000 for salaries and expenses and border affairs, no more than $650,660,000 for salaries and expenses of citizenship and benefits, and no more than $128,410,000 for construction.

Fees and Expenses of Witnesses—$156,145,000—For fees and expenses associated with providing witness testimony on behalf of the United States, expert witnesses, and private counsel for government employees who have been sued, charged, or subpoenaed for actions taken while performing their official duties.

Interagency Crime and Drug Enforcement—$338,106,000—For the detection, investigation, and prosecution of individuals involved in organized crime drug trafficking.

Foreign Claims Settlement Commission—$1,130,000—To adjudicate claims of U.S. nationals against foreign governments under jurisdiction conferred by the International Claims Settlement Act of 1949, as amended, and other authorizing legislation;

Community Relations Service (CRS)—$9,269,000—To assist communities in preventing violence and resolving conflicts arising from racial and ethnic tensions and to develop the capacity of such communities to address these conflicts without external assistance. CRS activities are conducted in accordance with Title X of the Civil Rights Act of 1964.

Assets Forfeiture Fund—$22,949,000—To provide a stable source of resources to cover the costs of the asset seizure and forfeiture program, including the costs of seizing, evaluating, inventorying, maintaining, protecting, advertizing, forfeiting, and disposing of property.

United States Parole Commission—$10,862,000—For the activities of the U.S. Parole Commission. The Commission has jurisdiction over all Federal prisoners eligible for parole, wherever confined, and continuing jurisdiction over those who are released on parole or as if on parole.

Federal Detention Trustee—$1,718,000—For necessary expenses to exercise all power and functions authorized by law relating to the detention of Federal prisoners in non-federal institutions or otherwise in the custody of the United States Marshall Service; and the detention of aliens in the custody of the Immigration and Naturalization Service.

Joint Automated Booking System—$15,957,000—For expenses necessary for the nationwide deployment of a Joint Automated Booking System including automated capability to transmit fingerprint and image data.

Narrowband Communications—$104,606,000—For the costs of conversion to narrowband communications, including the cost for operation and maintenance of Land Mobile Radio legacy systems.

Radiation Exposure Compensation—$1,996,000—For necessary administrative expenses in accordance with the Radiation Exposure Compensation Act.

Counterterrorism Fund—$4,989,000—For the reimbursement of: 1. the costs incurred in reestablishing the operational capability of an office or facility which has been damaged or destroyed as a result of any domestic or international terrorist incident and 2. the costs of providing support to counter, investigate or prosecute domestic or international terrorism, including payment of rewards in connection with these activities.

Office of Justice Programs—$116,369,000—For necessary administrative expenses of the Office of Justice Programs.

Section 102. Appointment of additional Assistant United States Attorneys and reduction of certain litigation positions

This section authorizes the Attorney General to transfer 200 additional Assistant U.S. Attorneys from among the six litigating divisions at the Justice Department's headquarters, Main Justice, in Washington, D.C. to the various U.S. Attorneys offices around the country. Vacant positions resulting from transfers pursuant to this section will be terminated. This section is intended to raise the productivity of Washington-based lawyers, who litigate criminal and civil cases across the Nation for the Justice Department, by moving them to the field. Litigating attorneys for the government are most effective in the Federal judicial district where their cases are pending. The transfer authorization is discretionary to prevent ongoing litigation from being adversely effected.

Section 103. Authorization of additional Assistant United States Attorneys for Project Safe Neighborhoods

This section authorizes an additional Assistant United States Attorney in each of the 94 U.S. Attorney Offices to implement part of the Administration's Project Safe Neighborhoods proposal to reduce school gun violence across the nation. These prosecutors will assist in targeting juveniles who obtain weapons and commit violent crimes, as well as the adults who place firearms in the hands of juveniles.

TITLE II—PERMANENT ENABLING PROVISIONS

Section 201. Permanent authority

Section 201 amends Chapter 31 of Title 28, United States Code, by creating a new section, "530C". This section details permitted uses of available funds by the Attorney General to carry out the activities of the Justice Department. General permitted uses of available funds include: payment for motor vehicles, boats, and aircraft; payment for service of experts and consultants, and payment for private counsel; payment for official reception and representation expenses and public tours; payment of unforeseen emergencies of a confidential character; payment of miscellaneous and emergency expenses; payment of certain travel and attendance expenses; payment of contracts for personal services abroad; payment of interpreters and translators; and payment for uniforms.

Specific permitted uses of available funds include: payment for aircraft and boats; payment for ammunition, firearms, and firearm competitions; and payment for construction of certain facilities.

The use of funds appropriated for Fees and Expenses of Witnesses is limited to certain expenses and the construction of witness safesites. The use of funds appropriated for the Federal Bureau of Investigation is limited to the detection, investigation, and prosecution of crimes against the United States. The use of funds appropriated for the Immigration and Naturalization Service is limited to general Immigration and Naturalization Service activities. The use of appropriated funds for the Federal Prison System is limited to general function of the Federal Prison System. The use of appropriated funds for the Detention Trustee is limited to the functions authorized by law relating the detention of Federal prisoners in non-Federal institutions or otherwise in the custody of the United States Marshals Service and for the detention of aliens in the custody of the INS.

The Attorney General is prohibited from compensating employed attorneys who are not duly licensed and authorized to practice under the law of a State, U.S. territory, or the District of Columbia. And reimbursement payments to governmental units of the Department of Justice, other Federal entities, or State or local governments are limited to uses permitted by the authority permitting such reimbursement payment.

Section 202. Permanent authority relating to the enforcement of laws

Section 202 amends Chapter 31 of Title 28, United States Code, by creating a new section, "530D" relating to reporting on the enforcement of laws. This section directs the Attorney General to report to Congress in any case in which the Attorney General, the President, head of executive agency, or military department:

1. establishes a policy to refrain from enforcing any provision of a Federal statute, rule regulation, program, policy, or other law within the responsibility of the Attorney General;
2. refrains from adhering to, enforcing, applying, or complying with any other judicial determination or other statute, rule, regulation, program, or policy within the responsibility of the Attorney General;
3. decides to contest in any judicial, administrative, or other proceeding, the constitutionality of any provision of any Federal statute, rule, regulation, program, policy, or other law;
4. refrains from defending or asserting, in any judicial, administrative, or other proceeding, the constitutionality of any provision of any Federal statute, rule, regulation, program, policy, or other law, or not to appeal or request review of any judicial, administrative, or other determination adversely affecting the constitutionality of any such provision; or
5. when the Attorney General approves the settlement or compromise of any claim, suit or other action against the United States for more than $2,000,000 or for injunctive relief against the government that is likely to exceed three years.

Each report, which is subject to certain time and content requirements, must be submitted to the Majority and Minority Leaders of the Senate, the Speaker of the House, House Majority Leader, House Minority Leader, and the Chairman and ranking minority member of the Senate and House Committees on the Judiciary, the Senate Legal Counsel and the General Counsel of the House of Representatives. Section 202 also includes a number of conforming amendments.

Section 203. Notifications and reports to be provided simultaneously to committees

Section 203 requires the Attorney General or other officer of the Department of Justice to simultaneously submit copies of any notice or report, which is required by law to be submitted to other Committees or Subcommittees of Congress, to the House and Senate Judiciary Committees.

Section 204. Miscellaneous uses of funds; technical amendments

Section 204 provides technical amendments to the Bureau of Justice Assistance grant programs in title I of the Omnibus Crime Control and Safe Streets Act of 1968. It also makes minor amendments to the amount available to compensate attorneys specially retained by the Attorney General.

Section 205. Technical amendment; authority to transfer property of marginal value.

Section 205 makes technical amendments to section 524(c) of title 28, United States Codes, clarifies the Attorney General's authority to transfer property of marginal value, and requires the use of standard criteria for the purpose of categorizing offenders, victims, actors, and those acted upon in any data, records, or other information acquired, collected, classified, preserved, or published by the Attorney General for any statistical, research, or other aggregate reporting purpose. This section also makes several clerical and technical amendments to title 28, United States Code. In addition, this section adds authority to ensure that no inference is created that the government is liable for interest on certain retroactive payments made by the Department of Justice and to improve financial systems and debt-collection activities.

Section 206. Oversight; waste, fraud, and abuse of appropriations

Section 206 amends Section 529 of Title 28, United States Code, to require the Attorney General to submit an annual report to the House and Senate Committees on the Judiciary detailing: every grant, cooperative agreement, or programmatic services contract that was made, entered into, awarded, or extended in the immediately preceding fiscal year by or on behalf of the Office of Justice Programs; and a report on every grant, cooperative agreement, or programmatic services contract made, entered into, awarded, or extended by or on behalf of the Office of Justice Programs that was terminated or that otherwise ended in the immediately preceding fiscal year.

In addition, Section 206 amends the Anti-Lobbying Act to expand its coverage to all legislative activity at the federal and state level and establishes a new reporting requirement on the enforcement and prosecution of copyright infringements, along with a number of conforming amendments.

Section 207. Enforcement of the federal criminal laws by Attorney General

Section 207 provides clarifying amendments to title 28, United States Code, relating to the enforcement of federal criminal law.

Section 208. Counterterrorism fund

Section 208 establishes a counterterrorism fund in the Treasury of the United States, without effecting prior appropriations, to reimburse Justice Department components for any costs incurred in connection with:

1. reestablishing the operational capability of an office or facility that has been damaged as the result of any domestic or international terrorism incident;
2. providing support to counter, investigate, or prosecute domestic or international terrorism, including paying rewards in connection with these activities;
3. conducting terrorism threat assessments of Federal agencies; and
4. for costs incurred in connection with detaining individuals in foreign countries who are accused of acts of terrorism in violation of United States law.

Section 209. Strengthening law enforcement in United States Territories, Commonwealths, and Possessions.

Section 209 allows the payment of a retention bonus and other extended assignment incentives to retain law enforcement personnel in U.S. Territories, Commonwealths and Possessions. This new authority is needed to continue the fight against drug and crime problems in these areas.

Section 210. Additional authorities of the Attorney General.

Section 210 provides special "danger pay" allowances for FBI agents in hazardous duty locations outside the United States, as is provided for agents of the Drug Enforcement Administration. The section also permits the FBI to enter into cooperative projects with foreign countries to improve law enforcement or intelligence operations and to charge a fee for training of railroad police officers. In addition, the section authorizes the Attorney General to seek reimbursement of warranty work performed at Department of Justice facilities. The Administration requested these provisions in its budget submission for FY 2002.

TITLE III—MISCELLANEOUS

Section 301. Repealers.

Section 301 repeals open-ended authorizations of appropriations for the National Institute of Corrections and the United States Marshals Service.

Section 302. Technical amendments to title 18 of the United States Code

Section 302 makes several minor clarifying amendments to title 18, United States Code. Section 302(3) moves a comma that became the focus of a statutory construction question in Crandon v. United States.

Section 303. Required submission of proposed authorization of appropriations for the Department of Justice for fiscal year 2003.

Section 303 requires the President to submit a Department of Justice authorization bill for FY 2003 to the House and Senate Committees on the Judiciary when the President submits his FY 2003 budget. This authorization bill should contain any recommended additions, changes or modifications to existing authorities that may be necessary to carry out the functions of the Department. Any such addition, change, or modification should be accompanied by a description of the change and the justification for the change.

Section 304. Study of untested rape examination kits.

Section 304 requires the Attorney General to conduct a study and assessment of untested rape examination kits that currently exist nationwide, including information from all law enforcement jurisdictions. The Attorney General is required to submit a report of this study and assessment to the Congress.

Section 305. Report on DCS 1000 ("Carnivore")

Section 305 requires the Attorney General and Director of the Federal Bureau of Investigation to submit a timely report to the

House and Senate Committees on the Judiciary detailing: 1. the number of orders or extensions applied for to authorize the use of DCS 1000 (or any similar system or device); 2. the fact that the order or extension was granted as applied for, was modified, or was denied; 3. the kind of order applied for and the specific statutory authority relied on to use DCS 1000 (or any similar system or device); 4. the court that authorized each use of DCS 1000 (or any similar system or device); 5. the period of interceptions authorized by the order, and the number and duration of any extensions of the order; 6. the offense specified in the order or application, or extension of an order; 7. the Department of Justice official or officials who approved each use of DCS 1000 (or any similar system or device); 8. the criteria used by the Department of Justice officials to review requests to use DCS 1000 (or any similar system or device); 9. a complete description of the process used to submit, review, and approve requests to use DCS 1000 (or any similar system or device); and 10. any information intercepted that was not authorized by the court to be intercepted.

Section 306. Study of allocation of litigating attorneys.

Section 306 requires the Attorney General to report to Congress within 180 days of enactment of this bill on the allocation of funds, attorneys, and other personnel, per-attorney workloads, and number of cases opened and closed for each office of U.S. Attorney and each division of the Department of Justice.

Section 307. Use of Truth-In-Sentencing and Violent Offender Incarceration Grants.

Section 307 provides states with flexibility to use existing Truth-In-Sentencing and Violent Offender Incarceration Grants to account for juveniles being housed in adult prison facilities.

Section 308. Authority of the Department of Justice Inspector General.

Section 308 codifies the Attorney General's order of July 11, 2001, which revised Department of Justice's regulations concerning the Inspector General. The section insures that the Inspector General for the Department of Justice has the authority to decide whether a particular allegation of misconduct by Department of Justice personnel, including employees of the Federal Bureau of Investigation and the Drug Enforcement Administration, should be investigated by the Inspector General or by the internal affairs unit of the appropriate component of the Department of Justice. Consistent with the Attorney General's order, the one exception is that allegations of misconduct that relate to the exercise of an attorney's authority to investigate, litigate, or provide legal advice should be referred to the Office of Professional Responsibility of the Department of Justice.

Section 309. Report on Inspector General and Deputy Inspector General for Federal Bureau of Investigation.

Section 309 requires the Attorney General to submit a report and recommendation to the House and Senate Committees on the Judiciary not later than 90 days after enactment of this Act on whether there should be established an office of Inspector General for the FBI or an office of Deputy Inspector General for the FBI that shall be responsible for supervising independent oversight of programs and operations of the FBI.

TITLE IV—VIOLENCE AGAINST WOMEN

Section 401. Short title.

Section 401 establishes the "Violence Against Women Office Act" as the short title.

Section 402. Establishment of Violence Against Women Office.

Section 402 establishes a Violence Against Women Office, VAWO, within the Department of Justice, headed by a presidentially appointed and Senate confirmed Director. The Director is vested with authority for all grants, cooperative agreements, and contracts awarded by the VAWO. In addition, the Director is prohibited from other employment during service as Director or affiliation with organizations the may create a conflict of interest.

This section enumerates the following duties of the Director: 1. serving as special counsel to the Attorney General on violence against women; 2. maintaining a liaison with the judicial branches of Federal and State Governments; 3. providing information to the President, the Congress, the judiciary, State and local government, and to the general public; 4. serving as a representative of the Justice Department on domestic task forces, committees, or commissions; 5. serving as a representative of the United States Government on human rights and economic justice matters at international forums; 6. carrying out the functions of the Justice Department under the Violence Against Women Act of 1994 and other matters relating to violence against women, including developing policy, the development and management of grant and other programs, and the award and termination of grants; 7. providing technical assistance, coordination, support to other elements of the Justice Department, other Federal, State, and Tribal agencies, and to grantees; exercising other powers delegated by the Attorney General or Assistant Attorney General; 8. and establishing rules, regulations, guidelines and necessary procedures to carry out the functions of VAWO.

This section requires the Attorney General to ensure that VAWO receives adequate staff to support the Director in carrying out the responsibilities of the VAWO Act.

This section also authorizes such sums as are necessary to carry out the VAWO Act.

Mr. HATCH. Madam President, I rise in support of the 21st Century Department of Justice Appropriations Authorization Act, which Senator LEAHY and I have introduced today. Senator LEAHY and I have been working for several years to pass a Department of Justice reauthorization bill, and I can say that it is once again a major priority of the Judiciary Committee this session. I want to emphasize to my colleagues how important it is that the Senate consider and pass this legislation to reauthorize the Department of Justice this year.

It is simply inexcusable that over two decades have lapsed since Congress has passed a general authorization bill for the Department of Justice. It is in my view a matter of significant concern when any major cabinet department goes for such a long period of time without congressional reauthorization. Absence of reauthorization encourages administrative drift and permits important policy decisions to be made ad hoc through the adoption of appropriations bills or special purpose legislation. Moreover, our failure to reauthorize has also placed the undue burden on the appropriations committees in both houses to act as both authorizers and appropriators. This legislation will end the piecemeal funding of important programs and responsibilities which affect the day-to-day lives of all Americans.

The Department of Justice's main duty is to provide justice to all Americans, certainly of central importance to our national life. It has the primary responsibility for the enforcement of our Nation's laws. Through its divisions and agencies including the FBI and DEA, it investigates and prosecutes violations of Federal criminal laws, protects the civil rights of our citizens, enforces the antitrust laws, and represents every department and agency of the United States government in litigation. Increasingly, its mission is international as well, protecting the interests of the United States and its people from growing threats of trans-national crime and international terrorism. Additionally, among the Department's key duties is providing much needed assistance and advice to State and local law enforcement.

The vast importance of the Department's role is demonstrated by the growth of its budget in the last two decades. In FY 1979, the Department of Justice's budget was just $2.538 billion. In contrast, the Department of Justice's budget now exceeds $24 billion and it employs more than 125,000 people. Such a vast department requires Congress' full attention. Yet, it is fair to say that Congress has been less than vigilant in its job of overseeing the Department of Justice. Let me be clear that I am not advocating that we micro-manage the Department of Justice. I have full confidence in Attorney General Ashcroft and the thousands of employees who competently manage the Department daily. However, we cannot continue to neglect our responsibility to oversee closely this Department that so profoundly affects the lives of all Americans.

The authorizations contained in the 1979 reauthorization act, the last Justice Department authorization bill that Congress passed, are hopelessly out of date and have been amended, patched, and tweaked by Congress every year since. The lack of a comprehensive authorization has needlessly increased the administrative burden on the Department of Justice by causing them to perform operations inefficiently or to delay implementation of programs until specific authorization is legislated. This bill authorizes and consolidates a host of appropriations authorities and makes them permanent. These authorities are essential to the administration of the Department of Justice and accomplishment of its mission.

I want to take a moment to highlight some of the more important provisions of this bill. Title I of the bill authorizes appropriations for the major components of the Department for FY 2002. Among these authorizations are funding for the Drug Enforcement Administration to combat the trafficking of illegal drugs, the Immigration and Nationalization Service to enforce our country's immigration laws, and the Federal Bureau of Investigation to protect against cybercrime and terrorism. The authorization levels reflect the President's budget in all but two areas. First, the bill increases the President's request for the Department's Inspector General by $10 million. This increase is warranted because the IG's office has been cut severely over the last several years and the need for effective oversight, particularly over the FBI, is essential. Second, the bill increases by $10 million the request for the Computer Crime and Intellectual Property Section within the Department. With the number and severity of computer crimes growing dramatically each year, this increase will enhance the Department's ability to investigate and prosecute computer related crimes, such as software counterfeiting crimes and denial of service attacks.

Additionally, this bill codifies the Attorney General's recent order that extended the authority of the Inspector General's Office to oversee the programs and operations of the FBI and to investigate allegations of wrongdoing within the Bureau. The bill also directs the Attorney General to submit a report and recommendation to Congress to determine whether to establish an Office of Inspector General for the FBI or an office of Deputy Inspector General for the FBI, which would be responsible for supervising independent oversight of the programs and operations of the FBI. While I am confident that the FBI's new Director, Robert Mueller, has the knowledge and ability to correct some of the bureaucratic and managerial problems the FBI has experienced, I agree with the Attorney General that FBI should be subject to the oversight of the IG. I look forward to the Attorney General's report, and I am sure it will provide guidance as to whether additional measures are warranted to ensure the effective operation of the Bureau.

Finally, the bill establishes a Violence Against Women Office, VAWO, within the Justice Department, which will be headed by a presidentially appointed and Senate confirmed Director. The bill enumerates the duties and responsibilities of the Director and requires the Attorney General to ensure that the Office is staffed adequately. The Director, in part, will serve as a special counsel to the Attorney General on issues related to violence against women, provide information to the President, the Congress, State and local governments, and the general public, and maintain a liaison with the judicial branches of federal and State governments. Establishing this office bespeaks our commitment to reducing violent crimes against women.

This bill is a step in the right direction. It will undoubtedly revive Congress's role and interest in overseeing the Department of Justice. The Judiciary Committee has redoubled its efforts and plans to vote the Department of Justice reauthorization bill out of Committee soon after we return from the August recess. It is a highly important and overdue piece of legislation that deserves our immediate attention, and I am confident that it will receive the support of my colleagues and be enacted this year.

By Mr. KOHL (for himself and Mr. CORZINE):

S. 1320. a bill to change the date for regularly scheduled Federal elections and establish polling place hours; to the Committee on Rules and Administration.

Mr. KOHL. Madam President, today I am introducing the Weekend Voting Act of 2001. This legislation will change the day for congressional and presidential elections from the first Tuesday in November to the first weekend in November. This legislation is virtually identical to legislation that I first proposed in 1997 in the 105th Congress.

Earlier this week, the National Commission on Federal Election Reform presented its recommendations to the President on how to improve the administration of elections in our country. These recommendations, coming on the heels of the contested Presidential election of last year, lay out some strong ideas for how we can strengthen our election system at a time when Congress may very well take action in this area. As a cosponsor of election reform legislation, I am hopeful that we can pass real election reform this year.

One of the recommendations the National Commission made to the President is that we move Election Day to a national holiday, in particular Veterans Day. As might have been expected, this proposal has not been well received by veterans groups who rightly consider this a diminishment of their service and the day that historically has been designated to honor that service. While I agree with the Commission's goal of moving election day to a non-working day, I believe we can achieve all the benefits of holiday voting without offending our veterans by moving our elections to the weekend.

My proposal for weekend voting would call for the polls to be open the same hours across the continental United States, addressing the challenge of keeping results on one side of the country, or even a State, from influencing voting in places where polls are still open. Moving elections to the weekend will expand the pool of buildings available for poling stations and people available to work at the polls, addressing the critical shortage of poll workers. Weekend voting also has the potential to increase voter turnout by giving all voters ample opportunity to get to the polls without creating a national holiday.

Under this bill, polls would be open nationwide for a uniform period of time from Saturday, 6 p.m. eastern time to Sunday, 6 p.m. eastern time. Polls in other time zones would also open and close at this time. Election officials would be permitted to close polls during the overnight hours if they determine it would be inefficient to keep them open. Because the polls are open from Saturday to Sunday, they also would not interfere with religious observances.

Amidst all the discussion about election reform, there is growing support for uniform polling hours. The freewheeling atmosphere surrounding election night last November, with the networks calling the outcome of elections in states when polling places were still open in many places, and in some cases even in the very states being called, cannot be repeated. While it is difficult to determine the impact this information has on voter turnout, there is no question that it contributes to the popular sentiment that voting doesn't matter. At the end of the day, as we assess how to make our elections better, we are not only seeking to make voting more equitable, we are also looking for ways to engage Americans in our democracy.

I come from the business world, where you had a perfect gauge of what the public thought of you and your products. If you turned a profit, you knew the public liked your product—if you didn't, you knew you needed to make changes. If customers weren't showing up when your store was open, you knew you had to change your store hours.

In essence, it's time for the American democracy to change its store hours. Since the mid-19th century, election day has been on the first Tuesday of November. Ironically, this date was selected because it was convenient for voters. Tuesdays were traditionally court day, and land-owning voters were often coming to town anyway.

Just as the original selection of our national voting day was done for voter convenience, we must adapt to the changes in our society to make voting easier for the regular family. Sixty percent of all households have two working adults. Since most polls in the United States are open only 12 hours, from 7 a.m. to 7 p.m., voters often have only one or two hours to vote. As we saw in this last election, even with our relatively low voter turnout, long lines in many polling places kept some waiting even longer than one or two hours. If voters have children, and are dropping them off at day care, or if they have a long work commute, there is just not enough time in a workday to vote.

We can do better by offering more flexible voting hours for all Americans, especially working families.

Since I introduced my weekend voting legislation in 1997, a number of States have been experimenting with novel ways to increase voter turnout and satisfaction. Oregon conducted the first presidential elections completely by mail, resulting in impressive increases in voter turnout. Texas has implemented an early voting plan which also resulted in increased turnout. And California has relaxed restrictions on absentee voting, and even had weekend voting in some localities. Although there are security concerns that need to be ironed out, Internet voting has tremendous potential to transform the way we vote. In Arizona's Democratic primary 46 percent of all votes came via the Internet. The Defense Department coordinated a pilot program with several U.S. counties and the Federal Voting Assistance Program to have overseas voters, primarily military voters, cast their votes via the Internet. It is becoming increasingly clear that these new models can increase voter turnout, and voters are much more pleased with the additional convenience and ease with voting.

For decades we've seen a gradual decline in voter turnout. In 1952, about 63 percent of eligible voters came out to vote—that number dropped to 49 percent in the 1996 election. We saw a minor increase in this past election with voter turnout at 51 percent of eligible voters, however, not a significant increase given the closeness of the election. Non-Presidential year voter turnout is even more abysmal.

Analysts point to a variety of reasons for this drop off. Certainly, common sense suggests that the general decline in voter confidence in government institutions is one logical reason. However, I'd like to point out, one survey of voters and nonvoters suggested that both groups are equally disgruntled with government.

Thus, we must explore ways to make our electoral process more user friendly. We must adjust our institutions to the needs of the American public of the 21st century. Our democracy has always had the amazing capacity to adapt to the challenges thrown before it, and we must continue to do so if our country is to grow and thrive.

Of 44 democracies surveyed, 29 of them allow their citizens to vote on holidays or the weekends. And in nearly every one of these nations, voter turnout surpasses our country's poor performance. We can do better. That is why I am proposing that we consider weekend voting.

I recognize a change of this magnitude may take some time. But the many questions raised by our last election have given us a unique opportunity to reassess all aspects of voting in America. We finally have the momentum to accomplish real reform. How much lower should our citizens' confidence plummet before we adapt and create a more 'consumer-friendly' polling system? How much more should voting turnout decline before we realize we need a change?

The Weekend Voting Act will not solve all of this democracy's problems, but it is a commonsense approach for adapting this grand democratic experiment of the 18th century to the American family's lifestyle of the 21st century.

By Mr. INHOFE (for himself and Mr. NICKLES):

S. 1321. A bill to authorize the construction of a Native American Cultural Center and Museum in Oklahoma City, Oklahoma; to the Committee on Indian Affairs.

Mr. INHOFE. Madam President, as many people may be aware, my state of Oklahoma has well over a quarter of a million American Indians. Even Oklahoma derives its name from the Choctaw words, "okla" meaning people and "humma" meaning red. Today, I am pleased to introduce, along with my colleague, Senator NICKLES, a bill that will provide a grant to help fund the construction and development of the Native American Cultural Center and Museum, which will be centrally located along the North Canadian River at the southeast corner of Interstate 35 and Interstate 40, in Oklahoma City. This project marks the culmination of years of dreaming and planning by many people, including state Senator Kelly Haney, who is recognized worldwide for his Indian art.

The Native American Cultural Center will provide people from all over the world with an extensive picture of American Indians from the earliest civilization in North America, to their current role in today's society. Through art, music and dance, visitors will be able to see the wide array of lifestyles, customs and language of American Indians come alive as they walk through the various displays. The Center will include a 300-seat theater, a museum store, a 40,000 square-foot amphitheater, a festival market place, and artist and dance exhibits. As an affiliate of the Smithsonian Institution, it will share and showcase artifacts from one of the world's most renowned museums. An internationally acclaimed team of architects, planners, engineers, and technical consultants, who have participated in projects from the National Holocaust Museum to films such as Jurassic Park, have come together to create a complex that features the distinct characteristics of all of Oklahoma's tribes.

By bringing economic development and cultural diversity to Oklahoma, the Native American Cultural Center and Museum will not only benefit the people of Oklahoma, but the nation as a whole. This important project will serve as a reminder of the rich heritage of the first Americans as well as a symbol of hope and progress for the future.

Mr. NICKLES. Madam President, today I am pleased to introduce legislation with Senator INHOFE that will bring a long-overdue Native American Cultural Center to Oklahoma.

For many years there has been a desire among Oklahomans to develop a facility to chronicle the history of the 39 tribes that currently reside in Oklahoma. Oklahoma is fortunate to have the second largest Native American population in the country.

Senator INHOFE and I are introducing legislation today that will do just that. The Cultural Center will celebrate the influential role that Native Americans played in our country's history. The Center will also provide a common ground to meet and discuss the issues and concerns that continue to plague our Indian communities. The Cultural Center is a partnership with the Oklahoma Historical Society to become a member of the Smithsonian Affiliations Program.

It is important to note that the Center will assist in communicating the history and culture of all Native Americans, not just Oklahomans.

This project is strongly supported in Oklahoma. In fact, two-thirds of the funds for the Center will come from the State of Oklahoma and private donations, a maximum of one-third coming from the Federal Government.

I look forward to the opening of a state-of-the-art Native American Cultural Center and Museum in Oklahoma.

I want to thank Senator INHOFE for his hard work and I ask the support of my colleagues for this important project.

By Mr. KERRY:

S. 1323. A bill entitled the "SBIR and STTR Foreign Patent Protection Act of 2001"; to the Committee on Small Business and Entrepreneurship.

Mr. KERRY. Madam President, today I am introducing a bill to establish a five-year pilot program at the Small Business Administration to help protect the intellectual property of companies that are trying to export promising technology they have developed through the Small Business Administration's Small Business Innovation Research, SBIR, and Small Business Technology Transfer, STTR, programs. This week is a particularly appropriate time to introduce this legislation because 211 years ago, in 1790, the very first U.S. patent was issued. It was issued to Mr. Samuel Hopkins of Pennsylvania and signed by President George Washington himself.

A lot has changed in the past two centuries, but the need to protect intellectual property remains as important as ever. Our forefathers had the wisdom to guarantee "inventors the exclusive right to their respective . . . discoveries" in the United States. Today, the need for foreign patent protection is equally critical for international sales.

These small businesses need help because protecting the intellectual property of the technology they export requires them to file for foreign patents, and the costs associated with filing such patents are often prohibitively expensive. We know this because it has been documented through outside research and testimony before the Senate Committee on Small Business and Entrepreneurship. For example, Mr. Clifford Hoyt, who is vice president and chief technology officer of Cambridge Research and Instrumentation, testified on June 21st, as part of the Committee's hearing on reauthorization of the STTR program, that "patent protection in Europe is $20,000." Information from the American Intellectual Property Law Association's, AIPLA, spring meeting shows that the costs of foreign patents range from $7,200 in Canada to $27,200 in Japan. Those costs include fees for filing, examination, translation and attorneys.

Interestingly enough, foreign patent protection costs are not just an obstacle for small businesses; they also affect our universities. Let me quote Dr. Anthony Pirri, who is director of technology transfer for Northeastern University in Boston and also testified at the STTR hearing: "For universities like Northeastern with limited resources, the patent expense burden is large. It is especially large because many of our technologies have international significance and require us to patent, do foreign filings. Therefore, anything you can do to help in that world would be very desirable."

This problem was first identified in 1996 through a research study financed by the SBA's Office of Advocacy entitled "Foreign Patenting Behavior in Small and Large Firms." That study found that "technology-based small businesses were filing fewer patents overseas than large businesses for similar innovative products primarily due to a lack of funds to obtain foreign patents."

Foreign patent protection is important to eventual commercialization. However, if technologies of small businesses aren't protected, large foreign-owned firms can replicate the product and benefit directly from a U.S. Federally funded research effort.

I am obviously concerned about this. To help small innovative companies overcome such barriers, and to maximize our investment in the SBIR and STTR technologies, the Small Business Administration, SBA, should be authorized to provide grants to underwrite the costs of initial foreign patent applications filed by SBIR and STTR companies. Ultimately, the goal is for the grant fund to be self-sustaining, generating revenue from a percentage of the relevant technology's export sales and/or licensing fees.

Here's how the grants would work: The SBA would be authorized to award grants of up to $25,000 to companies seeking foreign patent protection for their technology or product developed under the SBIR and STTR programs. Each company would be limited to one grant and, in order to be eligible for the grant, it must have already filed for patent protection in the United States. Both of these provisions are designed to ensure, to the extent possible, that companies apply for their most promising technology and therefore return money to the grant fund. By giving the companies only one shot at a grant to protect and make money from their SBIR or STTR technologies, it forces them to select the one most likely to succeed and have sales. At the same time, requiring companies to have already filed for patent protection in the United States prior to seeking a foreign patent grant is a gauge of the company's confidence in the commercial potential of its technology. It also demonstrates the company's commitment to protecting that technology.

The bill establishes the program at $2.5 million in the first year and increases that amount gradually over four years to $10 million annually.

In FY2003, the bill authorizes $2.5 million, in order to fund 100 grants of $25,000.

In FY2004, the bill authorizes $5 million, in order to fund 200 grants of $25,000.

In FY2005, the bill authorizes $7.5 million, in order to fund 300 grants of $25,000.

In FY2006 and FY2007, the bill authorizes $10 million a year, in order to fund 400 grants of $25,000.

As I said earlier, ultimately the goal is for this to be a self-sustaining grant fund. To realize that money, in return for the grants, each recipient would be obligated to pay between three percent and five percent of its related export sales or licensing fees to the fund, to be known as the "SBIR and STTR Foreign Patent Protection Grant Fund." To maintain a reasonable incentive for the small businesses, the total amount would be capped at four times the amount of the grant, which for a $25,000 grant would be $100,000.

I have talked about many of the needs and merits of this legislation, but in closing I would like to add that increased, successful exports by our innovative small businesses could mean a lot to the U.S. economy overall. We have seen the balance of trade deficits rise steadily for many years. According to the U.S. Census Bureau's Foreign Trade Division, in last year alone our country's trade balance deficit was $436 billion. The first four months of 2001 are slightly worse. We should be doing everything that we can to improve upon our exports, and small businesses can play an important role in that arena.

I hope that my colleagues will join me in sponsoring this bill. This pilot, if enacted and implemented properly, has the potential to greatly benefit small businesses, protect their innovations and promote their exports.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1323

SECTION 1. SHORT TITLE.

This Act may be cited as the "SBIR and STTR Foreign Patent Protection Act of 2001".

SEC. 2. FINDINGS.

The Congress finds that—

(1) small business concerns represent approximately 96 percent of all exporters of goods;

(2) there has been dynamic growth in the number of small business concerns exporting goods, and the dollar value of their exports;

(3) despite such growth, small business concerns encounter problems in obtaining financing for exports;

(4) growth in United States exports will depend primarily on technology innovation, making the protection of intellectual property in the global market of special national interest;

(5) the costs of filing for initial patent protection in foreign markets can be prohibitive for small business concerns involved in the Small Business Innovation Research Program (referred to in this section as "SBIR") and the Small Business Technology Transfer Program (referred to in this section as "STTR"), representing an insurmountable barrier to obtaining the protection needed to pursue the international markets;

(6) to overcome such barriers and to maximize the Federal investment in the SBIR and STTR programs, the Small Business Administration should be authorized to provide grants to be used to underwrite the costs of initial foreign patent applications by SBIR and STTR awardees; and

(7) a program established to provide such grants should, over time, become self funding.

SEC. 3. ESTABLISHMENT OF GRANT PILOT PROGRAM.

Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding at the end the following:

"(w) FOREIGN PATENT PROTECTION GRANT PILOT PROGRAM.—

"(1) GRANTS AUTHORIZED.—The Administrator shall make grants from the Fund established under paragraph (6) for the purpose of assisting SBIR and STTR awardees in seeking foreign patent protection in accordance with this subsection.

"(2) NUMBER OF GRANTS.—The Administrator shall make grants under this subsection to not more than—

"(A) a total of 100 SBIR and STTR awardees in fiscal year 2003;

"(B) a total of 200 SBIR and STTR awardees in fiscal year 2004;

"(C) a total of 300 SBIR and STTR awardees in fiscal year 2005; and

"(D) a total of 400 SBIR and STTR awardees in each of fiscal years 2006 and 2007.

"(3) GRANT PURPOSES.—Grants made under this subsection shall be used by awardees to underwrite costs associated with initial foreign patent applications for technologies or products developed under the SBIR or STTR program, and for which an application for United States patent protection has already been filed.

"(4) CONSIDERATIONS.—In awarding grants under this subsection, the Administrator shall consider—

"(A) the size and financial need of the applicant;

"(B) the potential foreign market for the technology;

"(C) the time frames for filing foreign patent applications; and

"(D) such other factors as the Administrator deems relevant.

"(5) GRANT AMOUNTS.—The amount of a grant made to any SBIR or STTR awardee under this subsection may not exceed $25,000, and no awardee may receive more than 1 grant under this subsection.

"(6) ESTABLISHMENT OF REVOLVING FUND.—There is established in the Treasury of the United States a revolving fund, which shall be—

"(A) known as the 'SBIR and STTR Foreign Patent Protection Grant Fund' (referred to in this subsection as the 'Fund');

"(B) administered by the Office of Technology of the Administration; and

"(C) used solely to fund grants under this subsection and to pay the costs to the Administration of administering those grants.

"(7) ROYALTY FEES.—

"(A) IN GENERAL.—Each recipient of a grant under this subsection shall pay a fee to the Administration, to be deposited into the Fund, based on the export sales receipts or licensing fees, if any, from the product or technology that is the subject of the foreign patent petition.

"(B) ANNUAL INSTALLMENTS BASED ON RECEIPTS.—The fee required under subparagraph (A)—

"(i) shall be paid to the Administration in annual installments, based on the export sales receipts or licensing fees described in subparagraph (A) that are collected by the grant recipient in that calendar year;

"(ii) shall not be required to be paid in any calendar year in which no export sales receipts or licensing fees described in subparagraph (A) are collected by the grant recipient; and

"(iii) shall not exceed, in total, the lesser of—

"(I) an amount between 3 percent and 5 percent, as determined by the Administrator, of the total export sales receipts and licensing fees referred to in subparagraph (A); or

"(II) 4 times the amount of the grant received.

"(8) ADMINISTRATIVE PROVISIONS.—Not later than 180 days after the date of enactment of this subsection, the Administrator shall—

"(A) issue such regulations as are necessary to carry out this subsection; and

"(B) establish appropriate application and other administrative procedures, as the Administrator deems necessary.

"(9) REPORT.—The Administrator shall, on January 31, 2006, submit a report to the Congress on the grants authorized by this subsection, which report shall include—

"(A) the number of grant recipients under this subsection since the date of enactment of this subsection;

"(B) the number of such grant recipients that have made foreign sales (or granted licenses to make foreign sales) of technologies or products developed under the SBIR or STTR program;

"(C) the total amount of fees paid into the Fund by recipients of grants under this subsection in accordance with paragraph (7);

"(D) recommendations for any adjustment in the percentages specified in paragraph (7)(B)(iii)(I) or the amount specified in paragraph (7)(B)(iii)(II) necessary to reduce to zero the cost to the Administration of making grants under this subsection; and

"(E) any recommendations of the Administrator regarding whether authorization for grants under this subsection should be extended, and any necessary legislation related to such an extension.

"(10) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Fund, to remain available until expended—

"(A) $2,500,000 for fiscal years 2003;

"(B) $5,000,000 for fiscal year 2004;

"(C) $7,500,000 for fiscal year 2005; and

"(D) $10,000,000 for each of fiscal years 2006 and 2007.".

By Mr. LIEBERMAN:

S. 1324. A bill to provide relief from the alternative minimum tax with respect to incentive stock options exercised during 2000; to the Committee on Finance.

Mr. LIEBERMAN. Madam President, today I am introducing a second proposal with regard to the perverse impact of the Alternative Minimum Tax, AMT, on Incentive Stock Options, ISOs. I previously introduced a bill, S. 1142, addressing this issue going forward and today I am introducing a bill to provide relief to the victims of this perverse tax who filed returns and paid taxes this past April. As I will explain, they were hit by the tax equivalent of the perfect storm.

The argument for reform of the AMT as applied to ISOs is overwhelming. An employee who receives ISOs is taxed on the phantom paper gains the tax code deems to exist when he or she exercises an option, and is required to pay the AMT tax on these "gains" even if the "gains" do not, in fact, exist. This means the taxpayer may have no gains, no profits or assets, with which to pay the AMT and might even have to borrow funds to pay the tax, go into default on his or her AMT liability, or even declare bankruptcy.

This Kafkaesque situation is unfair. It is not fair to impose tax on "income" or "gains" unless the income or gains exist. With the AMT tax on ISOs, it is not relevant if the "gains" exist in a financial sense. That they exist on paper is sufficient to trigger the tax.

In terms of providing relief to taxpayers hit with the AMT on ISOs in their filing for 2000 taxes, let me make a series of points.

First, there have been victims of the AMT/ISO tax going back before 2000. But, there were an unprecedented number of victims this last year due to a convergence of events.

Over the last decade, more and more companies have adopted broad-based stock option plans where all or almost all employees are granted ISOs, rather than only senior management.

In addition, the internet and telecommunications boom spawned an unprecedented number of start-up companies over the last few years.

These start-ups overwhelmingly favor the use of ISOs as a means of attracting and motivating employees, and many of these companies grant options to most, if not all of their employees.

Then, as we all know, the stock market, especially the technology-driven NASDAQ, posted record highs in the spring of 2000, and then collapsed over the next 12 months, astounding even seasoned professionals. Many of the high-flying technology companies saw their stock value drop 80 percent to 90 percent during this period.

As a result, the relatively unknown AMT caught many employees by surprise. Other employees were aware of the AMT but thought they could claim a full credit for the AMT once they sold the stock acquired by exercise of ISOs. Some were unable to sell before year-end, in order to eliminate the AMT hit, by trading restrictions. Others were naive in thinking that the value of the shares they held would rebound in 2001, in time to sell the stock and pay their AMT liability for 2000.

In short, in tax year 2000 we saw the tax equivalent of the perfect storm.

Second, the imposition of AMT on individuals discourages the very behavior that Congress wanted to encourage with the creation of ISOs. In 1984, the Senate Finance Committee noted the goal of ISOs to "encourage employee ownership of the stock on an employer's business" by allowing for "the deferral of tax until an employee disposes of the stock received through the exercise of an employee stock option". To encourage individuals to hold shares with the promise of capital gains tax rates is the goal, but it is a goal that is defeated when the AMT is imposed at the time they exercise an option even if the "gains" are never realized. The taxpayers who held their shares and realized gain are the ones who deserve relief. They fell into a trap which the tax code created through its perverse and confusing structure.

Third, the trap was one that many of these employees did not understand. They rightly assumed that the AMT was directed at taxing the wealthy and could not possibly affect them. This is a case where the complexity of the tax and the contradictory incentives it provides for ISOs lured the victims into the trap.

Fourth, we are likely to see a major debate on AMT reform, but this is a broader debate about the fundamentals of the tax code, not a tax trap like we have with ISOs. An increasing number of taxpayers find themselves paying the AMT because they have large state tax deductions or large numbers of personal exemptions. The AMT is likely to snare 1.5 million taxpayers this year and nearly 36 million by 2010. The AMT they may pay may be infuriating, but it would normally not substantially increase their overall tax liability. The AMT paid because of ISOs can be hundreds of thousands or even millions of dollars and can be devastating. It can cause a tax liability that is many times the taxpayer's total income. This is a problem that needs to be addressed not, now when we finally take up broad-based AMT reform.

Let me be clear about the cost and budget implications of my bill. The Joint Tax Committee on Taxation has found that my proposal would reduce government tax revenues by $1.3 billion over ten years. This is substantially less expensive than the cost of my earlier bill, which was estimated to cost $12.412 billion over ten years. I will not propose to enact my bill unless this sum is financed and will have no impact on the Federal budget.

The budget situation we face will not make it easy to enact these reforms. The massive tax cut of $1.3 trillion was financed from the surpluses. We are now finding that it was, as I and others feared, way too large and leaves us no room to take up additional tax measures. In fact, just last week we saw reports of a memo leaked where Republicans predicting that the Congressional Budget Office deficit/budget updates in August would find that we have zero available surplus beyond the Social Security and Medicare trust funds in fiscal year 2002 and that Congress may have to dip into those trust funds by nearly $41 billion in fiscal year 2003. If this is true, it would leave no additional non-trust fund surplus dollars available for other uses, such as growth tax incentives, fixing the ISO/AMT problem, education, energy or defense, in fiscal year 2002. The fiscal year 2002 budget resolution bars Congress from spending any money in either the Social Security or Medicare Part A trust funds for any purpose other than Medicare or Social Security.

I recount this here because it means that we must find a revenue or spending offset to finance our ISO/AMT proposal, or any other growth tax incentive. We cannot use the surplus. This raises a substantial barrier to enactment of this proposal and it is a barrier that we could have easily avoided had we enacted a tax cut we could afford.

I am pleased that today Rep. RICHARD NEAL, TOM DAVIS, ZOE LOFGREN, and JERRY WELLER are introducing the same bill in the other body. Earlier, Representative LOFGREN introduced H.R. 1487, a bipartisan bill that has given a great deal of visibility to this issue. I look forward to working with my distinguished House colleagues to remedy this inequity in the tax code, both for victims in 2000 and going forward.

Finally, let me note that I have proposed in S. 1134 to provide a special capital gains tax rate, in fact to set a zero tax rate, for stock purchased by employees in stock option plans, by investors in Initial Public Offerings, and similar purchases of company treasury stock. This zero rate would be effective, however, only if the shares are held for at least three years, so the AMT gamble with ISOs would be even more dramatic. During the first year of that holding period, the AMT would have to be paid and during the remaining period the value of the stock could well dive from the exercise price creating an even more invidious trap.

We need to fix the ISO/AMT problem so that capital gains incentives for entrepreneurs will work as intended and provide the boost to economic growth.

We need also to focus on the victims of the 2000 perfect storm.

I ask that two documents be printed at this point in the RECORD, an explanation of my bill and a comparison of incentive and nonstatutory stock options. Both have been prepared by professionals with accounting firms.

INCENTIVE STOCK OPTIONS AND THE ALTERNATIVE MINIMUM TAX—AN EXPLANATION OF THE LIEBERMAN-NEAL-DAVIS-LOFGREN-WELLER PROPOSAL

Issue: The difference between the exercise price and the fair market value at the time of exercise, the "spread", of stock obtained with an incentive stock option, "ISO", is a tax preference for purposes of the individual alternative minimum tax, "AMT". If the ISO preference causes a taxpayer to pay the AMT for the year of exercise, there may be a tax credit carryforward that is available to offset regular tax in a future year. However, if the stock declines significantly in value between the date of exercise and the date of its sale, there may not be sufficient regular income in any future year to utilize the AMT credit. As a result, a taxpayer may pay significant permanent AMT for what was intended to be only a "timing" preference. This problem is particularly acute for individuals who exercised incentive stock options in 2000, prior to the significant decline in the stock values of many companies.

Example: In January, 2000, a sales manager for Silicon Valley Company exercises options for 15,000 shares of stock with an exercise price of $5 per share, the fair market of the stock when the options were granted in 1997. At the date of exercise, the stock is trading at $125 per share. The spread gives rise to an AMT tax preference of $1.8 million and generates a net AMT liability for 2000 of approximately $500,000.00, over and above the manager's tax liability on her $60,000 annual salary. Since ISO stock retained for at least a year from the date of exercise is eligible for capital gains treatment, manager does not immediately sell her ISO shares. In April 2001, the company and the stock market have setbacks and the stock again trades at $5 per share.

Under current law, the amount of AMT credit that the manager can use annually is limited to approximately $5,000, her expected regular tax over her AMT tax. As a result, it would take roughly 100 years for the AMT credits to be fully utilized.

Lieberman/Neal/Davis/Lofgren/Weller Proposal: Limits the amount of the AMT preference resulting from the exercise of an incentive stock option in 2000 to an amount based on the fair market value of the stock as of April 15, 2001, or, if such stock is sold or exchanged on or before that date, to the amount realized on such sale or exchange.

Example: Under the same facts as above, a sales manager who acquired stock through the exercise of an incentive stock option would use the $5 per share April 15, 2001 fair market value of the stock to calculate the AMT preference amount. If the manager has already filed her 2000 tax return, she would file an amended return for the 2000 tax year to reflect the revised AMT preference amount of $0.00, the revised April 15, 2001 fair market value of $5.00 per share equals the original $5.00 per share exercise price.

COMPARISON OF INCENTIVE AND NONSTATUTORY STOCK OPTIONS

The following is a broad overview of the basic tax concepts that apply to U.S. taxpayers who receive stock options granted by U.S. companies, for services rendered. It does not address the tax consequences for non-U.S. taxpayers or the company issuing the options. This outline assumes that the stock received upon exercise is not restricted within the meaning of IRC section 83. If there are restrictions on the stock received upon exercise, the tax consequences will differ significantly from that described in this outline.

TERMS

Grant Date—This is the date the stock options are granted to you by the company. This date generally is reset if the terms of the stock option are changed; e.g. exercise price is lowered.

Exercise Price—This is the price you have to pay to purchase a share of stock under the terms of the option agreement.

Vesting Date—This is the date that you earn the right to exercise your options. For example, your shares may vest over four years, starting after one year. In this case, on each anniversary of the grant date you earn the right to exercise one fourth of your options.

Exercise Date—This is the day you exercise your stock options by paying the exercise price to purchase the shares in which you are vested.

Fair Market Value—This is the true value of the stock at any given date, usually determined by the price at which the stock is trading for on an established exchange. For a private company, the fair market value should be determined by an independent third party appraisal. If the company does not have an outside appraisal performed, the Board should establish the value using appropriate methods and current information.

Spread on Exercise Date—This is the difference between the exercise price (what you pay for the stock) and the fair market value (what the stock is worth) at the time you exercise your stock options. This is often referred to as the bargain element.

Sale Date—This is the day you sell the shares of stock you had previously purchased on the exercise date.

Spread on Sale Date—This is the difference between the exercise price (what you paid for the stock) and the fair market value (what the stock is worth) on the day you sell your shares.

Incentive Stock Options (ISOs)—These are stock options that qualify for special tax treatment by meeting a number of special rules, the details of which are not included in this memo. One of the key requirements is that the exercise price is at least equal to the fair market value at the date of grant. ISOs are contrasted with Nonstatutory Stock Options in the following table.

Nonstatutory Stock Options (NSOs; also referred to as NQOs, as in nonqualified)—These are stock options that do not meet all the rules for ISOs. They are less tax favored, but generally more flexible.

COMPARISON OF TAX CONSEQUENCES—INCENTIVE STOCK OPTION VS. NONSTATUTORY STOCK OPTIONS

Event	Incentive stock options	Nonstatutory stock options
Grant Date: For example, you are granted the right to purchase 1,000 shares at $1.50 per share vesting over 4 years.	The grant of an incentive stock option is not a taxable event	The grant of a nonstatutory stock option is almost always not a taxable event. For this comparison, we'll assume it is not a taxable event.
Vesting Date: For example, after one year you have the right to purchase 250 shares.	Vesting is not a taxable event	Vesting is not a taxable event.
Exercise Date: For example, you pay $1,500 and purchase all 1,000 shares when they are worth $13.50 each, i.e. $13,500 for a spread of $12,000. (This discussion assumes the shares received upon exercise are not restricted under tax law).	ISOs: The exercise of ISOs is not a taxable event for regular tax. However, the spread or bargain element is a tax preference item for the alternative minimum tax (AMT), unless you exercise and sell your ISO stock within the same year, in which case AMT does not apply.	NSOs: The spread at exercise ($12 per share) is compensation income, reportable on your W–2 and subject to income and payroll tax withholding. You get tax basis in the stock equal to the Fair Market Value on the exercise date, i.e. $13.50 per share. AMT does not apply to NSOs.
Sale Date: For example, you hold the shares for a while and then sell them for $15.00 each; i.e. you sell the stock for $15,000 that had cost $1,500, for a gain of $13,500.	If you meet the holding rules below, the entire spread ($13,500) on the date of sale is taxed as a capital gain. Regardless of how long you hold the stock, you get a credit for any alternative minimum tax you may have paid upon exercise, but you may not be able to use it all in any given year.	The difference between the sale price, i.e. $15.00 and tax basis of $13.50 is a capital gain. (You already paid tax on the $12 per share spread at exercise.) For sales after 12/31/97, you must hold the shares for more than one year to get long term capital gain treatment. You could also have loss, if so, it would be a capital loss.
Special ISO Holding Rule	You must hold your ISO shares for more than one year from the date of exercise and two years from the grant date before you sell them; in order to have the entire spread taxed as a capital gain. Meeting these holding periods converts the spread (i.e. the bargain element on the date of exercise) from ordinary income to long term capital gains, taxed at a lower rate.	An earlier sale turns the tax treatment of an ISO into that of an NSO. The spread on exercise date (or the spread on sale, if less) is taxed as compensation, reportable on your W–2, but only in the year of sale. If the sale occurs in a year after the year of exercise, you still are subject to alternative minimum tax in the year of exercise (based on the spread at exercise).

By Mr. MURKOWSKI:

S. 1325. A bill to ratify an agreement between the Aleut Corporation and the United States of America to exchange land rights received under the Alaska Native Claims Settlement Act for certain land interests on Adak Island, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. MURKOWSKI. Madam President, I rise today to introduce legislation which will facilitate and promote the successful commercial reuse of the former Naval Air Facility on Adak Island, AK . At the same time, this legislation will allow the Aleut people of Alaska to reclaim the island and to make use of its modern infrastructure and important location.

The legislation I introduce today is very similar to a bill I introduced nearly four years ago in the 105th Congress. It ratifies an agreement between the Aleut Corporation, an Alaska Native Regional Corporation, the Department of the Interior and the Department of the Navy. In 1997, The Aleut Corporation, the U.S. Navy and the Interior Department were still in the process of negotiating and structuring the Agreement to provide for the fair and responsible transfer of the former military facility. I am pleased to tell you that "The Agreement Concerning the Conveyance of Property at the Adak Naval Complex, Adak AK" was signed last September. Thus, the time is now appropriate for Congress to consider the Agreement and ratify its provisions to allow for final transfer.

The bill and the Agreement also further the conservation of important wildlife habitat within the Aleutian Islands region of Alaska. A portion of Adak is within the Aleutian Islands subunit of the Alaska Maritime National Wildlife Refuge. The Agreement facilitates the Department of the Interior's continued management and protection of the Refuge lands on Adak and even adds some of the Navy lands to the Refuge. More importantly, in exchange for the developed Navy lands, which are not suitable for the Refuge but are commercially useful, the Aleut Corporation will convey environmentally sensitive lands it holds elsewhere in the Refuge to the Department of the Interior. Thus, not only are the former military lands put to productive use, but the Refuge gains valuable new habitat.

For many years the Navy has played an important role in Alaska's Aleutian Chain. Its presence was first established during World War II with the selection and development of the island because of Adak's ability to support a major airfield and its natural and protected deep water port. The Navy's presence contributed greatly to the defense of our Pacific coast during World War II and throughout the Cold War. Through the Navy's presence, Adak became the largest development in the Aleutians as well as Alaska's sixth largest community. With the end of the Cold War our defense needs changed, however, and Adak was selected for closure during the last base closure round.

Those very same features that made Adak strategically important for defense purposes also make it important for commercial purposes. Adak is a natural stepping stone to Asia and is at the crossroads of air and sea trade between North America, Europe and Asia. With the ability to use Adak commercially, the Aleut people, through The Aleut Corporation, can establish it as an important intercontinental location with sufficient enterprise to provide year round jobs for the Aleut people. These goals are consistent with the promises and the Alaska Native Claims Settlement Act, the legislation that created the corporation.

This rebirth of Adak is already well underway. The local Aleut residents assumed responsibility for the operation of the Island from the Navy last October and there are a number of new commercial enterprises and endeavors. At the same time a new community has begun to take shape. Just last month the new City of Adak was established as a result of a public referendum and it is now in the process of taking over responsibility for the docks, utilities, roads and other public facilities.

The Agreement resolves a number of important issues related to the transfer of this former military base and the establishment of the new community on Adak, including responsibility for environmental remediation, institutional controls, indemnification, required public access and reservation of lands for government use. The environmental remediation work of the Navy is still ongoing and will continue to an extent for several more years. However, all the interested parties agree that a final transfer can occur within the next twelve months. Hence the need for this legislation.

This bill furthers our Nation's objective of conversion of closed defense facilities into successful commercial reuse, it benefits the Aleut people and restores them to their ancestral lands and it benefits the National Wildlife Refuge System. I believe everyone will agree that such legislation is important and worthy of our support.

By Mr. LUGAR:

S. 1326. a bill to extend and improve working lands and other conservation programs administered by the Secretary of Agriculture; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. LUGAR. Madam President, I rise today to introduce the Working Lands Conservation Act. The bill is intended to achieve two major goals: first, to assist our farmers and ranchers in meeting short-term environmental challenges, such as water and air quality concerns and the regulation of animal feeding operations; and, secondly, to enhance the long-term quality of our environment and sustainability of our natural resources.

As some of my colleagues may recall, the Senate Agriculture Committee has a long history of bipartisan cooperation on conservation. From the Conservation Reserve, to the Wetlands Reserve, to the Environmental Quality Incentives Program, we have conscientiously sought to do what is best for our Nation's environment. We have laid aside partisan differences when it has come to conservation and our natural resources are better because of our joint efforts.

In that spirit, my bill joins those of several of my colleagues and represents a foundation for our work on the conservation title of the farm bill. Senator HARKIN has introduced the Conservation Security Act—an innovative idea that would reward good conservation farmers for their environmental efforts and thus foster conservation and environmental improvements.

Senators CRAIG, FEINSTEIN, and THOMAS have introduced a Grasslands Reserve Act that would protect and restore one million acres of our fragile grasslands while allowing the owners to maintain economic use of the land. Senators HUTCHINSON and LINCOLN have a bill that reauthorizes and expands the Wetlands Reserve Program.

Senator CRAPO has introduced a bill, of which I am a cosponsor, that covers many of the items in the conservation title of the current farm bill. I know he has put much thought into his bill and I look forward to working with him and my other colleagues as we fashion the conservation title of the new farm bill.

While there are many valid approaches on how we should foster improvements in our environment, this bill invests in our working lands—the land we use to grow our food, our fiber; the land we depend upon for sustenance. This working land cropland, pasture, rengeland, and private forests, makes up some 70 percent of the land areas of the contiguous 48 States. How this land is managed has profound effects on our economy and environment. The farm bill we are cross developing is one of the most important pieces of environmental and natural resource legislation this Congress will address. It is essential that the conservation title be a major component of the legislation we develop together.

Since 1985, the last time Congress made a major investment in conservation as part of a farm bill, we have spent most of our conservation dollars through programs that set aside productive cropland as a primary means of achieving our environmental goals. These efforts are certainly worthwhile and I support continuing them. Indeed the preeminent land-idling program we have, the Conservation Reserve, was introduced on my farm in Indiana and I continue to support it.

But we cannot land-idle our way to environment performance. The folly of this, solely from a resource conservation standpoint—is evident from the situation we now see after fifteen years of extensive land idling through the Conservation Reserve. After having set aside up to 36.4 million acres at one point, State water quality reports today will name nonpoint source pollution as the Nation's biggest water quality challenge and agriculture as the biggest culprit, primarily due to sediment, nutrient loadings, and pathogens. While the Conservation Reserve has many benefits, particularly wildlife habitat in the Great Plains, it is obvious that large-scale land-idling schemes will not solve all of the problems associated with water and air quality. Yet these are the environmental challenges that confront most farmers today, and the ones most likely to result in costly new regulation for our farmers and ranchers. How we deal with these environmental challenges will affect the commercial viability of farming and ranching over the next decade.

A quick review of how we are spending our voluntary conservation dollars will show just how much ground we have to make up. In 1985, 97 cents of every financial assistance dollar from the U.S. Department of Agriculture went to working lands; three cents went to land retirement. Today, the situation is nearly reversed with some 85 cents going toward land retirement, primarily through the Conservation Reserve, and only 15 cents going toward working lands. This over-reliance on removing land from production comes at the expense of caring for working lands, and, given the contemporary environmental issues facing landowners, this imbalance must be addressed during our reauthorization of the farm bill.

For our working lands to continue to be productive, and to ensure that agriculture can tend to its environmental concerns, I believe that the overarching goal of the new conservation title should be to emphasize conservation on working agricultural lands. Much as President Theodore Roosevelt championed public land conservation early in the last century, today we must champion the care of our working lands.

Bringing conservation programs up to levels needed to address priority issues will require new funding. If you exclude the short-term emergency funding, the budget resolution provides an additional $66.15 billion for agriculture above the baseline. I believe that a significant portion of this new spending should be devoted to conservation. My bill increases mandatory conservation spending by approximately $2 billion per year. This amount would effectively double our investment in voluntary, incentive-based conservation programs. And, because of the funding provided by the budget resolution, we can enhance our working lands programs without cutting or diminishing our existing land retirement programs.

To focus on working lands, our first order of business is to strengthen the Environmental Quality Incentives Program. EQIP, as it is called, offers financial, technical and educational assistance to farmers and ranchers and is generally seen as the workhorse conservation program for working lands. Congress created EQIP in 1996 by merging four other conservation programs and provided $200 million a year in mandatory spending. Today, requests for EQIP assistance far outstrip available funds and analyses show there is a demonstrated need for an additional $1.2 billion per year to address the anticipated needs of the livestock industry alone. My bill established national priorities for EQIP, makes several needed reforms to the program such as shortening the length of the contract and removing discriminatory size restrictions, and provides $1.5 billion a year to be phased-in over a three year period.

In addition, my bill provides more flexibility and financial incentives within EQIP to create partnerships at the state and local level, partnerships that are essential to meeting the environmental challenges agriculture faces. My bill establishes a grants section within EQIP to leverage federal funds with funding from non-federal entities and encourages states to develop plans that bring together multiple Federal, State, and local programs to create coordinated conservation initiatives to address critical environmental challenges. There is already good experience on this score through the Conservation Reserve Enhancement Program and the continuous signup program for buffer practices.

My bill expands this concept by making private and other non-federal entities eligible for a special $100 million matching grant program within EQIP. The grant program would create cooperative federal/non-federal ventures that would spur conservation on private lands through market-based initiatives. Under my proposal, non-federal entities would bid to have their projects approved and then combine their funds with federal money to stimulate more use of market-based solutions in areas such as water quality or carbon credit trading. For example, drinking water suppliers facing the necessity, and cost, of building new treatment facilities might find it less expensive to pay upstream farmers and ranchers to voluntarily make reductions in pollutant discharges, thereby obviating the need for new treatment facilities. Taken together, these provisions will spark creative and innovative approaches to conservation that work better for farmers, ranchers, communities, and the environment.

Reforming, adequately funding, and focusing the Environmental Quality Incentives Program on national environmental issues will dramatically accelerate the amount of conservation on our landscape. But it will also require that we resolve one of the key problems we face today—the lack of qualified technical assistance to help our farmers and ranchers plan, design, install, and maintain conservation practices. Insufficient annual appropriations for USDA's Natural Resources Conservation Service over the past decade have caused a steady decline in real terms in the number of field staff available to give landowners technical advice. At the same time, demand for technical assistance has ballooned as producers grapple with conservation challenges.

My bill ensures that technical assistance will be available to implement conservation by reforming the so-called section 11 Cap in the Commodity Credit Corporation Charter Act. The Commodity Credit Corporation is allowed to reimburse agencies for work they do for the various programs under the Corporation, but the section 11 cap limits total reimbursements to no more than $36.2 million annually. The cap was put on by Congress to control computer purchases by the Department of Agriculture, but is has also had the unintended side effect of limiting technical assistance reimbursement for conservation programs. To resolve the problem, my bill exempts conservation technical assistance reimbursements from the cap.

Reforming the section 11 Cap will help solve part of the problem, but my bill also looks to the private and non-profit sector to help fill the technical assistance gap. Crop advisors, farm managers, private agronomists and engineers, conservation district professionals, and other qualified individuals could help fill the technical assistance gap for many landowners who are willing to pay for their services. My bill creates a fee-based certification program within USDA to increase the number of technical assistance providers and provides for the use of incentive payments to help farmers and ranchers pay for qualified technical assistance for nutrient management plans. In all cases, work done by third parties would have to meet the technical standards of the Natural Resources Conservation Service.

Maintaining the confidentiality of producer information contained in USDA files is vital to voluntary private lands conservation. Farmers and ranchers must be confident that their private business information will not be compromised if they participate in a conservation program. Farmers and ranchers are increasingly concerned about this issue as both government agencies and non-governmental entities have attempted to secure USDA data for regulatory purposes. In order to maintain the trust that exists between producers and USDA, my bill includes provisions to protect the confidentiality of the information farmers and ranchers disclose when developing and implementing conservation plans without affecting current Freedom of Information Act procedures.

Strengthening EQIP and our technical assistance capabilities are the two most important priorities my bill addresses. But there are other programs that add important features to a comprehensive conservation program that my bill reauthorizes and funds.

My bill reauthorizes and increase funding for the Wildlife Habitat Incentives program. Created in the 1996 farm bill, this program provides technical and financial assistance to landowners that agree to develop wildlife habitat. The program was originally funded at $50 million over the seven year life of the 1996 farm bill. My bill increases the funding level to $50 million per year, devoting an aggregate of one-half billion dollars to wildlife habitat over the life of the bill.

Similarly, my bill reauthorizes, amends, and increase funding for the Farmland Protection Program. This voluntary program, also created in the 1996 farm bill, assist state and local programs purchase development rights on farms and helps farmers on the urban-rural interface stay in farming. The program has been lauded for its assistance to communities wishing to preserve agriculture, open space, wildlife habitat and other environmental benefits. My bill expands participation in the program to non-profit organizations, allows grassland easements, and increases funding to $65 million per year.

My bill preserves the Conservation Reserve Program at its current level of 36.4 million acres. This leaves room for enrolling more than 2 million acres of additional land right now, as well as the acres that become available as existing contracts expire. The bill amends the program to create an incentive to increase the amount of hardwood trees entering the program and statutorily reserves 4 million acres for the continuous signup and for the Conservation Reserve Enhancement Program. Both the continuous signup and the Conservation Reserve Enhancement Program target high priority environmental concerns such as water quality.

My bill also makes a major new commitment to wetland restoration through the Wetlands Reserve Program by reauthorizing the program and adding 2.5 million acres to the enrollment authorization, more than doubling the rate of wetland restoration we have achieved since 1990. Of the new acreage, the bill targets 50,000 acres of wetland restoration a year to cooperative agreements with States for high priority environmental needs such as hypoxia, eutrophication, wildlife habitat, flooding, and groundwater recharge.

In the area of reform, within existing USDA conservation programs there are numerous overlaps and redundancies. My bill requires the Secretary of Agriculture to aggressively look at the entire range of USDA conservation programs to identify program overlaps, explore potential consolidations, develop ways to simplify and streamline program administration, and then report her recommendations to Congress.

As we continue the process of reauthorizing the farm bill, several fundamental choices lie before us and will require us to make decisions that will set the course of voluntary private lands conservation efforts for the next decade. The choices we make will determine the overall health of our environment. The Working Lands Conservation Act provides a solid basis for making those conservation decisions. The bill helps restore balance between working lands programs and land-idling programs without cutting popular programs such as the Conservation Reserve. The focus of my conservation reforms is to assist farmers and ranchers to not only meet regulatory requirements, but to proactively resolve them before they enter a regulatory context. It increases the coherence of conservation policy, protects producer confidentiality, and assures that more technical assistance will be available to our farmers and ranchers.

As a Nation, we entrust the care of over 50 percent of our land to just two percent of our citizens—the farmers and ranchers who work the land and produce the food and fiber we demand. This bill recognizes that farmers and ranchers are much more than food and fiber producers. They are the most important natural resource managers in this Nation. My bill will give them the technical and financial tools they need to care for the land—and our environment, as they make a living from it. It recognizes that conservation is a shared responsibility; a partnership between farmers, ranchers, and the public. This bill strengthens those partnerships and ensures conservation will be a fundamental part of the mission of this Committee, Congress, and the Department of Agriculture.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1326

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Working Lands Conservation Act".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—WORKING LANDS CONSERVATION PROGRAMS

Sec. 101. Environmental quality incentives program.
Sec. 102. Conservation reserve program.
Sec. 103. Wetlands reserve program.
Sec. 104. Farmland protection program.
Sec. 105. Wildlife Habitat Incentive Program.

TITLE II—MISCELLANEOUS REFORMS AND EXTENSIONS

Sec. 201. Privacy of personal information relating to natural resources conservation programs.
Sec. 202. Reform and consolidation of conservation programs.
Sec. 203. Certification of private providers of technical assistance.
Sec. 204. Extension of conservation authorities.
Sec. 205. Technical amendments.
Sec. 206. Effect of amendments.

TITLE I—WORKING LANDS CONSERVATION PROGRAMS

SEC. 101. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

(a) IN GENERAL.—Chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) is amended to read as follows:

"CHAPTER 4—ENVIRONMENTAL QUALITY INCENTIVES PROGRAM

"SEC. 1240. PURPOSES.

"The purposes of the environmental quality incentives program established by this chapter are to promote agricultural production and environmental quality as compatible national goals, and to maximize environmental benefits per dollar expended, by—

"(1) assisting producers in complying with this title, the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Safe Drinking Water Act (42 U.S.C. 300f et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), and other Federal, State, and local environmental laws (including regulations);

"(2) avoiding, to the maximum extent practicable, the need for resource and regulatory programs by assisting producers in protecting soil, water, air, and related natural resources and meeting environmental quality criteria established by Federal, State, and local agencies;

"(3) providing flexible technical and financial assistance to producers to install and maintain conservation systems that enhance soil, water, related natural resources (including grazing land and wetland), and wildlife while sustaining production of food and fiber;

"(4) assisting producers to make beneficial, cost effective changes to cropping systems, grazing management, nutrient management associated with livestock, pest or irrigation management, or other practices on agricultural land;

"(5) facilitating partnerships and joint efforts among producers and governmental and nongovernmental organizations; and

"(6) consolidating and streamlining conservation planning and regulatory compliance processes to reduce administrative burdens on producers and the cost of achieving environmental goals.

"SEC. 1240A. DEFINITIONS.

"In this chapter:

"(1) COMPREHENSIVE NUTRIENT MANAGEMENT.—

"(A) IN GENERAL.—The term 'comprehensive nutrient management' means any combination of structural practices, land management practices, and management activities associated with crop or livestock production described in subparagraph (B) that collectively ensure that the goals of crop or livestock production and preservation of natural resources, especially the preservation and enhancement of water quality, are compatible.

"(B) ELEMENTS.—For the purpose of subparagraph (A), structural practices, land management practices, and management activities associated with livestock production are—

"(i) manure and wastewater handling and storage;

"(ii) land treatment practices;

"(iii) nutrient management;

"(iv) recordkeeping;

"(v) feed management; and

"(vi) other waste utilization options.

"(C) PRACTICE.—

"(i) PLANNING.—The development of a comprehensive nutrient management plan shall be a practice that is eligible for incentive payments and technical assistance under this chapter.

"(ii) IMPLEMENTATION.—The implementation of a comprehensive nutrient plan shall be accomplished through structural and land management practices identified in the plan.

"(2) ELIGIBLE LAND.—The term 'eligible land' means agricultural land (including cropland, rangeland, pasture, and other land on which crops or livestock are produced), including agricultural land that the Secretary determines poses a serious threat to soil, water, or related resources by reason of the soil types, terrain, climatic, soil, topographic, flood, or saline characteristics, or other factors or natural hazards.

"(3) LAND MANAGEMENT PRACTICE.—The term 'land management practice' means a site-specific nutrient or manure management, integrated pest management, irrigation management, tillage or residue management, grazing management, air quality management, or other land management practice carried out on eligible land that the Secretary determines is needed to protect, in the most cost-effective manner, water, soil, or related resources from degradation.

"(4) LIVESTOCK.—The term 'livestock' means dairy cattle, beef cattle, laying hens, broilers, turkeys, swine, sheep, and such other animals as determined by the Secretary.

"(5) MAXIMIZE ENVIRONMENTAL BENEFITS PER DOLLAR EXPENDED.—

"(A) IN GENERAL.—The term 'maximize environmental benefits per dollar expended' means to maximize environmental benefits to the extent the Secretary determines is practicable and appropriate, taking into account the amount of funding made available to carry out this chapter.

"(B) LIMITATION.—The term 'maximize environmental benefits per dollar expended' does not require the Secretary—

"(i) to provide the least cost practice or technical assistance; or

"(ii) to require the development of a plan under section 1240E as part of an application for payments or technical assistance.

"(6) PRACTICE.—The term 'practice' means 1 or more structural practices, land management practices, and comprehensive nutrient management planning practices.

"(7) PRODUCER.—The term 'producer' means a person that is engaged in livestock or agricultural production, as determined by the Secretary.

"(8) STRUCTURAL PRACTICE.—The term 'structural practice' means—

"(A) the establishment on eligible land of a site-specific animal waste management facility, terrace, grassed waterway, contour grass strip, filterstrip, tailwater pit, permanent wildlife habitat, constructed wetland, or other structural practice that the Secretary determines is needed to protect, in the most cost-effective manner, water, soil, or related resources from degradation; and

"(B) the capping of abandoned wells on eligible land.

"SEC. 1240B. ESTABLISHMENT AND ADMINISTRATION OF ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—During each of the 2003 through 2011 fiscal years, the Secretary shall provide technical assistance, cost-share payments, and incentive payments to producers, that enter into contracts with the Secretary, through an environmental quality incentives program in accordance with this chapter.

"(2) ELIGIBLE PRACTICES.—

"(A) STRUCTURAL PRACTICES.—A producer that implements a structural practice shall be eligible for any combination of technical assistance, cost-share payments, and education.

"(B) LAND MANAGEMENT PRACTICES.—A producer that performs a land management practice shall be eligible for any combination of technical assistance, incentive payments, and education.

"(C) COMPREHENSIVE NUTRIENT MANAGEMENT PLANNING.—A producer that develops a comprehensive nutrient management plan shall be eligible for any combination of technical assistance, incentive payments, and education.

"(3) EDUCATION.—The Secretary may provide conservation education at national, State, and local levels consistent with the purposes of the environmental quality incentives program to—

"(A) any producer that is eligible for assistance under this chapter; or

"(B) any producer that is engaged in the production of an agricultural commodity.

"(b) APPLICATION AND TERM.—A contract between a producer and the Secretary under this chapter may—

"(1) apply to 1 or more structural practices, land management practices, and comprehensive nutrient management planning practices;

"(2) have a term of not less than 3, nor more than 10, years, as determined appropriate by the Secretary, depending on the practice or practices that are the basis of the contract; and

"(3) in the case of a structural practice or comprehensive nutrient management planning practice, have a term of less than 3 years if the Secretary determines that a lesser term is consistent with the purposes of the program under this chapter.

"(c) APPLICATION AND EVALUATION.—

"(1) IN GENERAL.—The Secretary shall establish an application and evaluation process for awarding technical assistance, cost-share payments, and incentive payments to a producer in exchange for the performance of 1 or more practices that maximizes environmental benefits per dollar expended.

"(2) COMPARABLE ENVIRONMENTAL VALUE.—

"(A) IN GENERAL.—The Secretary shall establish a process for selecting applications for technical assistance, cost-share payments, and incentive payments when there are numerous applications for assistance for practices that would provide substantially the same level of environmental benefits.

"(B) CRITERIA.—The process under subparagraph (A) shall be based on—

"(i) a reasonable estimate of the projected cost of the proposals described in the applications; and “(ii) the priorities established under this subtitle and other factors that maximize environmental benefits per dollar expended.

“(3) Consent of owner.—If the producer making an offer to implement a structural practice is a tenant of the land involved in agricultural production, for the offer to be acceptable, the producer shall obtain the consent of the owner of the land with respect to the offer.

“(4) Bidding down.—If the Secretary determines that the environmental values of 2 or more applications for technical assistance, cost-share payments, or incentive payments are comparable, the Secretary shall not assign a higher priority to the application only because it would present the least cost to the program established under this chapter.

“(d) Cost-Share Payments.—

“(1) In general.—Except as provided in paragraph (2), the Federal share of cost-share payments to a producer proposing to implement 1 or more practices shall be not more than 75 percent of the projected cost of the practice, as determined by the Secretary.

“(2) Exceptions.—

“(A) Limited resource and beginning farmers; natural disasters.—The Secretary may increase the maximum Federal share under paragraph (1) to not more than 90 percent if the producer is a limited resource farmer or a beginning farmer or to address a natural disaster, as determined by the Secretary.

“(B) Cost-share assistance from other sources.—Any cost-share payments received by a producer from a State or private organization or person for the implementation of 1 or more practices shall be in addition to the Federal share of cost-share payments provided to the producer under paragraph (1).

“(3) Other payments.—A producer shall not be eligible for cost-share payments for practices on eligible land under this chapter if the producer receives cost-share payments or other benefits for the same practice on the same land under chapter 1 and this chapter.

“(e) Incentive Payments.—The Secretary shall make incentive payments in an amount and at a rate determined by the Secretary to be necessary to encourage a producer to perform 1 or more practices.

“(f) Technical Assistance.—

“(1) In general.—The Secretary shall allocate funding under this chapter for the provision of technical assistance according to the purpose and projected cost for which the technical assistance is provided for a fiscal year.

“(2) Amount.—The allocated amount may vary according to—

“(A) the type of expertise required;

“(B) the quantity of time involved; and

“(C) other factors as determined appropriate by the Secretary.

“(3) Limitation.—Funding for technical assistance under this chapter shall not exceed the projected cost to the Secretary of the technical assistance provided for a fiscal year.

“(4) Other authorities.—The receipt of technical assistance under this chapter shall not affect the eligibility of the producer to receive technical assistance under other authorities of law available to the Secretary.

“(5) Non-federal assistance.—

“(A) In general.—The Secretary may request the services of, and enter into a cooperative agreement with, a State water quality agency, State fish and wildlife agency, State forestry agency, or any other governmental or nongovernmental organization or person considered appropriate to assist in providing the technical assistance necessary to develop and implement conservation plans under the program.

“(B) Private sources.—

“(i) In general.—The Secretary shall ensure that the processes of writing and developing proposals and plans for contracts under this chapter, and of assisting in the implementation of practices covered by the contracts, are open to private persons, including—

“(I) agricultural producers;

“(II) representatives from agricultural cooperatives;

“(III) agricultural input retail dealers;

“(IV) certified crop advisers;

“(V) persons providing technical consulting services; and

“(VI) other persons, as determined appropriate by the Secretary.

“(ii) Other conservation programs.—The requirements of this subparagraph shall also apply to each other conservation program of the Department of Agriculture.

“(6) Incentive payments for technical assistance.—

“(A) In general.—A producer that is eligible to receive technical assistance for a practice involving the development of a comprehensive nutrient management plan may obtain an incentive payment that can be used to obtain technical assistance associated with the development of any component of the comprehensive nutrient management plan.

“(B) Purpose.—The purpose of the payment shall be to provide a producer the option of obtaining technical assistance for developing any component of a comprehensive nutrient management plan from a private person earlier than the producer would otherwise receive the technical assistance from the Secretary.

“(C) Payment.—The incentive payment shall be—

“(i) in addition to cost-share or incentive payments that a producer would otherwise receive for structural practices and land management practices;

“(ii) used only to procure technical assistance from a private person that is necessary to develop any component of a comprehensive nutrient management plan; and

“(iii) in an amount determined appropriate by the Secretary, taking into account—

“(I) the extent and complexity of the technical assistance provided;

“(II) the costs that the Secretary would have incurred in providing the technical assistance; and

“(III) the costs incurred by the private provider in providing the technical assistance.

“(D) Eligible practices.—The Secretary may determine, on a case by case basis, whether the development of a comprehensive nutrient management plan is eligible for an incentive payment under this paragraph.

“(E) Certification by secretary.—

“(i) In general.—Only private persons that have been certified by the Secretary under section 16 of the Soil Conservation and Domestic Allotment Act shall be eligible to provide technical assistance under this subsection.

“(ii) Quality assurance.—The Secretary shall ensure that certified private providers are capable of providing technical assistance regarding comprehensive nutrient management in a manner that meets the specifications and guidelines of the Secretary and that meets the needs of producers under the environmental quality incentives program.

“(F) Advance payment.—On the determination of the Secretary that the proposed comprehensive nutrient management of a producer is eligible for an incentive payment, the producer may receive a partial advance of the incentive payment in order to procure the services of a certified private provider.

“(G) Final payment.—The final installment of the incentive payment shall be payable to a producer on presentation to the Secretary of documentation that is satisfactory to the Secretary and that demonstrates—

“(i) completion of the technical assistance; and

“(ii) the actual cost of the technical assistance.

“(g) Partnerships and Cooperation.—

“(1) Purposes.—The Secretary may designate special projects, as recommended by the State Conservationist, with advice from the State technical committee, to enhance technical and financial assistance provided to several producers within a specific area to address environmental issues affected by agricultural production with respect to—

“(A) meeting the purposes and requirements of—

“(i) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) or comparable State laws in impaired or threatened watersheds;

“(ii) the Safe Drinking Water Act (42 U.S.C. 300f et seq.) or comparable State laws in watersheds providing water for drinking water supplies; or

“(iii) the Clean Air Act (42 U.S.C. 7401 et seq.) or comparable State laws; or

“(B) watersheds of special significance or other geographic areas of environmental sensitivity; or

“(C) enhancing the technical capacity of producers to facilitate community-based planning, implementation of special projects, and conservation education involving multiple producers within an area.

“(2) Incentives.—To realize the objectives of the special projects under paragraph (1), the Secretary shall provide incentives to producers participating in the special projects to encourage partnerships and sharing of technical and financial resources among producers and among producers and governmental and nongovernmental organizations.

“(3) Funding.—

“(A) In general.—The Secretary shall make available 5 percent of funds provided for each fiscal year under this chapter to carry out this subsection.

“(B) Special projects.—The purposes of the special projects under this subsection shall be to encourage—

“(i) producers to cooperate in the installation and maintenance of conservation systems that affect multiple agricultural operations;

“(ii) sharing of information and technical and financial resources; and

“(iii) cumulative environmental benefits across operations of producers.

“(4) Flexibility.—

“(A) In general.—The Secretary may enter into agreements with States, local governmental and nongovernmental organizations, and persons to allow greater flexibility to adjust the application of eligibility criteria, approved practices, innovative conservation practices, and other elements of the programs described in subparagraph (B) to better reflect unique local circumstances and goals in a manner that is consistent with the purposes of this chapter.

“(B) Applicable programs.—Subparagraph (A) shall apply to—

"(i) the environmental quality incentives program established by this chapter;

"(ii) the program to establish conservation buffers announced on March 24, 1998 (63 Fed. Reg. 14109) or a successor program;

"(iii) the conservation reserve enhancement program announced on May 27, 1998 (63 Fed. Reg. 28965) or a successor program; and

"(iv) the wetlands reserve program established under subchapter C of chapter 1.

"(5) Unused funding.—Any funds made available for a fiscal year under this subsection that are not obligated by June 1 of the fiscal year may be used to carry out other activities under this chapter during the fiscal year in which the funding becomes available.

"(h) Modification or Termination of Contracts.—

"(1) Voluntary modification or termination.—The Secretary may modify or terminate a contract entered into with a producer under this chapter if—

"(A) the producer agrees to the modification or termination; and

"(B) the Secretary determines that the modification or termination is in the public interest.

"(2) Involuntary termination.—The Secretary may terminate a contract under this chapter if the Secretary determines that the producer violated the contract.

"SEC. 1240C. EVALUATION OF OFFERS AND PAYMENTS.

"In evaluating applications for technical assistance, cost-share payments, and incentive payments, the Secretary shall accord a higher priority to assistance and payments that—

"(1) maximize environmental benefits per dollar expended; and

"(2)(A) address national conservation priorities involving—

"(i) comprehensive nutrient management;

"(ii) water quality, particularly in impaired watersheds;

"(iii) soil erosion; or

"(iv) air quality;

"(B) are provided in conservation priority areas established under section 1230(c); or

"(C) are provided in special projects under section 1240B(g) with respect to which State or local governments have provided, or will provide, financial or technical assistance to producers for the same conservation or environmental purposes.

"SEC. 1240D. DUTIES OF PRODUCERS.

"To receive technical assistance, cost-share payments, or incentive payments under this chapter, a producer shall agree—

"(1) to implement an environmental quality incentives program plan that describes conservation and environmental goals to be achieved through 1 or more practices that are approved by the Secretary;

"(2) not to conduct any practices on the farm or ranch that would tend to defeat the purposes of this chapter;

"(3) on the violation of a term or condition of the contract at any time the producer has control of the land, to refund any cost-share or incentive payment received with interest, and forfeit any future payments under this chapter, as determined by the Secretary;

"(4) on the transfer of the right and interest of the producer in land subject to the contract, unless the transferee of the right and interest agrees with the Secretary to assume all obligations of the contract, to refund all cost-share payments and incentive payments received under this chapter, as determined by the Secretary;

"(5) to supply information as required by the Secretary to determine compliance with the environmental quality incentives program plan and requirements of the program; and

"(6) to comply with such additional provisions as the Secretary determines are necessary to carry out the environmental quality incentives program plan.

"SEC. 1240E. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM PLAN.

"(a) In General.—To be eligible to receive technical assistance, cost-share payments, or incentive payments under the environmental quality incentives program, an owner or producer of a livestock or agricultural operation must submit to the Secretary for approval a plan of operations that incorporates practices covered under this chapter, and is based on such principles, as the Secretary considers necessary to carry out the program, including a description of the practices to be implemented and the objectives to be met by the implementation of the plan.

"(b) Avoidance of Duplication.—The Secretary shall, to the maximum extent practicable, eliminate duplication of planning activities under the environmental quality incentives program and comparable conservation programs.

"SEC. 1240F. DUTIES OF THE SECRETARY.

"To the extent appropriate, the Secretary shall assist a producer in achieving the conservation and environmental goals of an environmental quality incentives program plan by—

"(1) providing technical assistance in developing and implementing the plan;

"(2) providing technical assistance, cost-share payments, or incentive payments for developing and implementing 1 or more practices, as appropriate;

"(3) providing the producer with information, education, and training to aid in implementation of the plan; and

"(4) encouraging the producer to obtain technical assistance, cost-share payments, or grants from other Federal, State, local, or private sources.

"SEC. 1240G. LIMITATION ON PAYMENTS.

"(a) In General.—Subject to subsection (b), the total amount of cost-share and incentive payments paid to a producer under this chapter may not exceed—

"(1) $50,000 for any fiscal year; or

"(2) $150,000 for any multiyear contract.

"(b) Adjustments.—The Secretary may modify the payment limitations for producers under subsection (a), on a case-by-case basis, if the Secretary determines that a different limitation—

"(1) is warranted in light of 1 or more practices for which the payment is made; and

"(2) maximizes environmental benefits per dollar expended and is consistent with the purposes of this chapter.

"SEC. 1240H. CONSERVATION INNOVATION GRANTS.

"(a) In General.—From funds made available to carry out this chapter, the Secretary shall use $100,000,000 for each fiscal year to pay the Federal share of competitive grants that are intended to stimulate innovative approaches to leveraging Federal investment in environmental enhancement and protection, in conjunction with agricultural production, through the environmental quality incentives program.

"(b) Use.—The Secretary shall award grants under this section to governmental and nongovernmental organizations and persons, on a competitive basis, to carry out projects that—

"(1) involve producers that are eligible for payments or technical assistance under this chapter;

"(2) implement innovative projects, such as—

"(A) market-based pollution credit trading; and

"(B) provision of funds to promote adoption of best management practices; and

"(3) leverage funds made available to carry out this chapter with matching funds provided by State and local governments and private organizations to promote environmental enhancement and protection in conjunction with agricultural production.

"(c) Federal Share.—The Federal share of a grant made to carry out a project under this section shall not exceed 50 percent of the cost of the project.

"(d) Unused Funding.—Any funds made available for a fiscal year under this section that are not obligated by June 1 of the fiscal year may be used to carry out other activities under this chapter during the fiscal year in which the funding becomes available.".

(b) Funding.—Section 1241(b) of the Food Security Act of 1985 (16 U.S.C. 3841(b)) is amended—

(1) in paragraph (1), by striking "$130,000,000" and all that follows through "2002," and inserting "$650,000,000 for fiscal year 2003, $1,000,000,000 for fiscal year 2004, and $1,500,000,000 for each of fiscal years 2005 through 2011,"; and

(2) by striking paragraph (2) and inserting the following:

"(2) Obligation of funds.—If a contract under the environmental quality incentives program is terminated prior to the date set out for the expiration for the contract and funds obligated for the contract are remaining, the remaining funds may be used to carry out any other contract under the program during the same fiscal year in which the original contract was terminated.".

(c) Cooperation With Other Government Agencies.—Section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i) is amended in the last sentence by inserting "but excluding transfers and allotments for conservation technical assistance" after "activities".

SEC. 102. CONSERVATION RESERVE PROGRAM.

(a) Extension of Program.—

(1) In general.—Section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) is amended—

(A) in subsections (a), (b)(3), and (d), by striking "2002" each place it appears and inserting "2011"; and

(B) in subsection (h)(1), by striking "the 2001 and 2002" and inserting "each of the 2001 through 2011".

(2) Duties of owners and operators.—Section 1232(c) of the Food Security Act of 1985 (16 U.S.C. 3832(c)) is amended by striking "2002" and inserting "2011".

(b) Conservation Buffers and Conservation Reserve Enhancement Program.—Section 1231(d) of the Food Security Act of 1985 (16 U.S.C. 3831(d)) is amended—

(1) by striking "2002" and inserting "2011"; and

(2) by inserting before the period at the end the following: ", of which not less than 4,000,000 acres shall be enrolled—

"(1) to establish conservation buffers as part of the program announced on March 24, 1998 (63 Fed. Reg. 14109) or a successor program; and

"(2) through the conservation reserve enhancement program announced on May 27, 1998 (63 Fed. Reg. 28965) or a successor program.".

(c) Hardwood Trees.—Section 1231(e)(2) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(2)) is amended—

(1) by striking "In the" and inserting the following:

"(A) IN GENERAL.—In the";

(2) by striking "The Secretary" and inserting the following:

"(B) EXISTING HARDWOOD TREE CONTRACTS.—The Secretary"; and

(3) by adding at the end the following:

"(C) EXTENSION OF HARDWOOD TREE CONTRACTS.—

"(i) IN GENERAL.—In the case of land devoted to hardwood trees under a contract entered into under this subchapter before the date of enactment of this subparagraph, on the request of the owner or operator of the land, the Secretary shall extend the contract for a term of 15 years.

"(ii) RENTAL PAYMENTS.—The amount of a rental payment for a contract extended under clause (i) shall be 50 percent of the rental payment that was applicable to the contract before the contract was extended.".

(d) HAYING AND GRAZING ON BUFFER STRIPS.—Section 1232(a)(7) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(7)) is amended—

(1) by striking "except that the Secretary—" and inserting "except that—";

(2) in subparagraph (A)—

(A) by striking "(A) may" and inserting "(A) the Secretary may"; and

(B) by striking "and" at the end;

(3) in subparagraph (B)—

(A) by striking "(B) shall" and inserting "(B) the Secretary shall"; and

(B) by striking the period at the end and inserting a semicolon;

(4) in subparagraph (C), by striking the period at the end and inserting "; and"; and

(5) by adding at the end the following:

"(D) for maintenance purposes, the Secretary shall permit harvesting or grazing or other commercial uses of forage, in a manner that is consistent with the purposes of this subchapter and a conservation plan approved by the Secretary, on acres enrolled—

"(i) to establish conservation buffers as part of the program announced on March 24, 1998 (63 Fed. Reg. 14109) or a successor program; and

"(ii) into the conservation reserve enhancement program announced on May 27, 1998 (63 Fed. Reg. 28965) or a successor program.".

(e) FUNDING.—Section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)) is amended—

(1) by striking "1996 through 2002" and inserting "2003 through 2011"; and

(2) in paragraph (1), by inserting ", including technical assistance" before the semicolon at the end.

SEC. 103. WETLANDS RESERVE PROGRAM.

(a) MAXIMUM ENROLLMENT.—Section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) is amended by striking "975,000 acres" and inserting "3,475,000 acres".

(b) EXTENSION OF PROGRAM.—Section 1237(c) of the Food Security Act of 1985 (16 U.S.C. 3837(c)) is amended by striking "2002" and inserting "2011".

(c) WETLANDS RESERVE ENHANCEMENT PROGRAM.—Section 1237 of the Food Security Act of 1985 (16 U.S.C. 3837) is amended by adding at the end the following:

"(h) WETLANDS RESERVE ENHANCEMENT PROGRAM.—

"(1) IN GENERAL.—The Secretary may enter into cooperative agreements with State or local governments, and with private organizations, to develop, on land that is enrolled, or is eligible to be enrolled, in the wetland reserve established under this subchapter, wetland restoration activities in watershed areas.

"(2) PURPOSE.—The purpose of the agreements shall be to address critical environmental issues, including hypoxia, eutrophication, wildlife habitat, flooding, and groundwater recharge.

"(3) LIMITATION.—The total number of acres that may be covered by agreements entered into under this subsection shall not exceed 50,000 acres for each calendar year.".

(d) MONITORING AND MAINTENANCE.—Section 1237C(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3837c(a)(2)) is amended by striking "assistance" and inserting "assistance (including monitoring and maintenance)".

(e) TECHNICAL ASSISTANCE.—Section 1241(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(2)) is amended by inserting ", including technical assistance" before the semicolon at the end.

SEC. 104. FARMLAND PROTECTION PROGRAM.

Section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127) is amended to read as follows:

"SEC. 388. FARMLAND PROTECTION PROGRAM.

"(a) DEFINITION OF AGRICULTURAL LAND.—In this section, the term 'agricultural land' means land on a farm or ranch that is—

"(1) cropland;

"(2) rangeland or grassland;

"(3) pastureland; or

"(4) private forest land.

"(b) ESTABLISHMENT.—The Secretary of Agriculture shall establish and carry out a farmland protection program under which the Secretary shall purchase conservation easements or other interests in agricultural land with prime, unique, or other productive soil that is subject to a pending offer for the purpose of protecting topsoil by limiting nonagricultural uses of the land from—

"(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

"(2) any organization that—

"(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

"(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

"(C) is described in section 509(a)(2) of that Code; or

"(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

"(c) CONSERVATION PLAN.—Any agricultural land for which a conservation easement or other interest is purchased under this section shall be subject to the requirements of a conservation plan that ensures that continued agricultural use of the agricultural land—

"(1) will not degrade the environment; and

"(2) in the case of cropland, will require the conversion of the agricultural land to less intensive uses, at the option of the Secretary.

"(d) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available $65,000,000 for each of fiscal years 2003 through 2011 for providing technical assistance and purchasing conservation easements under this section.".

SEC. 105. WILDLIFE HABITAT INCENTIVE PROGRAM.

Section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)) is amended by striking "a total of $50,000,000 shall be made available for fiscal years 1996 through 2002" and inserting "the Secretary shall make available $50,000,000 for each of fiscal year 2003 through 2011".

TITLE II—MISCELLANEOUS REFORMS AND EXTENSIONS

SEC. 201. PRIVACY OF PERSONAL INFORMATION RELATING TO NATURAL RESOURCES CONSERVATION PROGRAMS.

Subtitle E of title XII of the Food Security Act of 1985 (16 U.S.C. 3841 et seq.) is amended—

(1) by redesignating sections 1244 and 1245 (16 U.S.C. 3844, 3845) as sections 1245 and 1246, respectively; and

(2) by inserting after section 1243 (16 U.S.C. 3843) the following:

"SEC. 1244. PRIVACY OF PERSONAL INFORMATION RELATING TO NATURAL RESOURCES CONSERVATION PROGRAMS.

"(a) INFORMATION RECEIVED FOR TECHNICAL AND FINANCIAL ASSISTANCE.—Except as provided in subsection (c) and notwithstanding any other provision of law, information provided to, or developed by, the Setretary (including a contractor of the Secretary) for the purpose of providing technical or financial assistance to an owner or operator with respect to any natural resources conservation program administered by the Natural Resources Conservation Service or the Farm Service Agency—

"(1) shall not be considered to be public information; and

"(2) shall not be released to any person or Federal, State, local, or tribal agency outside the Department of Agriculture.

"(b) INVENTORY, MONITORING, AND SITE SPECIFIC INFORMATION.—Except as provided in subsection (c) and notwithstanding any other provision of law, in order to maintain the personal privacy, confidentiality, and cooperation of owners and operators, and to maintain the integrity of sample sites, the specific geographic locations of the National Resources Inventory of the Department of Agriculture data gathering sites and the information generated by those sites—

"(1) shall not be considered to be public information; and

"(2) shall not be released to any person or Federal, State, local, or tribal agency outside the Department of Agriculture.

"(c) EXCEPTIONS.—

"(1) RELEASE AND DISCLOSURE FOR ENFORCEMENT.—The Secretary may release or disclose to the Attorney General information covered by subsection (a) or (b) to the extent necessary to enforce the natural resources conservation programs referred to in subsection (a).

"(2) DISCLOSURE TO COOPERATING PERSONS AND AGENCIES.—

"(A) IN GENERAL.—The Secretary may release or disclose information covered by subsection (a) or (b) to a person or Federal, State, local, or tribal agency working in cooperation with the Secretary in providing technical and financial assistance described in subsection (a) or collecting information from National Resources Inventory data gathering sites.

"(B) USE OF INFORMATION.—The person or Federal, State, local, or tribal agency that receives information described in subparagraph (A) may release the information only for the purpose of assisting the Secretary—

"(i) in providing the requested technical or financial assistance; or

"(ii) in collecting information from National Resources Inventory data gathering sites.

"(3) STATISTICAL AND AGGREGATE INFORMATION.—Information covered by subsection (b) may be disclosed to the public if the information has been transformed into a statistical or aggregate form that does not allow the identification of any individual owner, operator, or specific data gathering site.

"(4) CONSENT OF OWNER OR OPERATOR.—

"(A) IN GENERAL.—An owner or operator may consent to the disclosure of information described in subsection (a) or (b).

"(B) CONDITION OF OTHER PROGRAMS.—The participation of the owner or operator in, and the receipt of any benefit by the owner or operator under, this title or any other program administered by the Secretary may not be conditioned on the owner or operator providing consent under this paragraph.

"(d) VIOLATIONS; PENALTIES.—Section 1770(c) shall apply with respect to the release of information collected in any manner or for any purpose prohibited by this section.".

SEC. 202. REFORM AND CONSOLIDATION OF CONSERVATION PROGRAMS.

(a) IN GENERAL.—The Secretary of Agriculture shall develop a plan for—

(1) consolidating conservation programs administered by the Secretary that are targeted at agricultural land; and

(2) to the maximum extent practicable—

(A) designing forms that are applicable to all such conservation programs;

(B) reducing and consolidating paperwork requirements for such programs;

(C) developing universal classification systems for all information obtained on the forms that can be used by other agencies of the Department of Agriculture;

(D) ensuring that the information and classification systems developed under this paragraph can be shared with other agencies of the Department through computer technologies used by agencies; and

(E) developing 1 format for a conservation plan that can be applied to all conservation programs targeted at agricultural land.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the plan developed under subsection (a), including any recommendations for implementation of the plan.

(c) NATIONAL CONSERVATION PLAN.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a plan and estimated budget for implementing the appraisal of the soil, water, and related resources of the Nation contained in the National Conservation Program under section 5 of the Soil and Water Resources Conservation Act of 1977 (16 U.S.C. 2004) as the primary vehicle for managing conservation on agricultural land in the United States.

SEC. 203. CERTIFICATION OF PRIVATE PROVIDERS OF TECHNICAL ASSISTANCE.

The Soil Conservation and Domestic Allotment Act is amended by inserting after section 15 (16 U.S.C. 590o) the following:

"SEC. 16. CERTIFICATION OF PRIVATE PROVIDERS OF TECHNICAL ASSISTANCE.

"(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish procedures for certifying private persons to provide technical assistance to agricultural producers and landowners participating in conservation programs administered by the Secretary.

"(b) STANDARDS.—The Secretary shall establish standards for the conduct of—

"(1) the certification process conducted by the Secretary; and

"(2) periodic recertification by the Secretary of private providers.

"(c) CERTIFICATION REQUIRED.—A private provider may not provide technical assistance under any conservation program administered by the Secretary without certification approved by the Secretary.

"(d) FEE.—In exchange for certification, a private provider shall pay a fee to the Secretary in an amount determined by the Secretary.

"(e) PROVIDER.—Except as provided in section 1240B(f)(6) of the Food Security Act of 1985 (7 U.S.C. 3839aa–(f)(6)), the Secretary shall determine under what individual cases and conservation programs technical assistance may be delivered by private providers or by the Secretary.

"(f) OTHER REQUIREMENTS.—The Secretary may establish other requirements as the Secretary determines are necessary to carry out this section.".

SEC. 204. EXTENSION OF CONSERVATION AUTHORITIES.

(a) ECARP AUTHORITY.—Section 1230(a)(1) of the Food Security Act of 1985 (16 U.S.C. 3830(a)(1)) is amended by striking "2002" and inserting "2011".

(b) CONSERVATION FARM OPTION.—Section 1240M(h)(6) of the Food Security Act of 1985 (16 U.S.C. 3839bb(h)(6)) is amended by striking "fiscal year 2002" and inserting "each of fiscal years 2002 through 2011".

(c) FLOOD RISK REDUCTION.—Section 385(a) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7334(a)) is amended by striking "2002" and inserting "2011".

(d) RESOURCE CONSERVATION AND DEVELOPMENT PROGRAM.—Section 1538 of the Agriculture and Food Act of 1981 (16 U.S.C. 3461) is amended in the first sentence by striking "2002" and inserting "2011".

(e) FORESTRY.—

(1) OFFICE OF INTERNATIONAL FORESTRY.—Section 2405(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 6704(d)) is amended by striking "2002" and inserting "2011".

(2) FORESTRY INCENTIVES PROGRAM.—Section 4(j) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103(j)) is amended by striking "2002" and inserting "2011".

SEC. 205. TECHNICAL AMENDMENTS.

(a) DELINEATION OF WETLANDS; EXEMPTIONS TO PROGRAM INELIGIBILITY.—

(1) REFERENCES TO PRODUCER.—Section 322(e) of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127; 110 Stat. 991) is amended by inserting "each place it appears" before "and inserting".

(2) GOOD FAITH EXEMPTION.—Section 1222(h)(2) of the Food Security Act of 1985 (16 U.S.C. 3822(h)(2)) is amended by striking "to actively" and inserting "to be actively".

(3) DETERMINATIONS.—Section 1222(j) of the Food Security Act of 1985 (16 U.S.C. 3822(j)) is amended by striking "National" and inserting "Natural".

(b) WILDLIFE HABITAT INCENTIVE PROGRAM.—Section 387 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a) is amended in the section heading by striking "**incentives**" and inserting "**incentive**".

SEC. 206. EFFECT OF AMENDMENTS.

(a) IN GENERAL.—Except as otherwise specifically provided in this Act and notwithstanding any other provision of law, this Act and the amendments made by this Act shall not affect the authority of the Secretary of Agriculture to carry out a conservation program for any of the 1996 through 2002 fiscal or calendar years under a provision of law in effect immediately before the date of enactment of this Act.

(b) LIABILITY.—A provision of this Act or an amendment made by this Act shall not affect the liability of any person under any provision of law as in effect immediately before the date of enactment of this Act.

By Mr. MCCAIN (for himself, Mr. LOTT, and Mr. BURNS):

S. 1327. A bill to amend title 49, United States Code to provide emergency Secretarial authority to resolve airline labor disputes; to the Committee on Health, Education, Labor, and Pensions.

Madam President, I rise today to introduce the Airline Labor Dispute Resolution Act. This bill would give the Secretary of Transportation the authority to send airline labor disputes to binding arbitration in order to prevent labor actions that might cripple the national air transportation system. The intent of this bill is to fix a collective bargaining process that is not serving the unions, the airlines, or the traveling public. Senators LOTT and BURNS are joining me as original cosponsors of this legislation.

The Commerce Committee held a hearing in April on the status of labor issues in the airline industry. The hearing made it clear to most everyone that the current process for resolving airline labor disputes is not working. While labor negotiations in the airline industry have been ongoing for years, things have begun to worsen. The trend towards larger airlines has given unions greater leverage, which appears to have contributed to a mind set that views any work stoppage as legitimate. Normally, even acrimonious labor negotiations are a part of the negotiating process with both sides using what leverage is available to them to reach the best deal. However, times have changed, and these acrimonious negotiations now adversely affect the American people.

As I have said before, I have no problems with the labor organizations exercising their legal rights. At the moment, strikes are a permitted action under applicable labor statutes, provided that specific steps have been taken to resolve the dispute. Increasingly, however, courts have found that airline labor unions have illegally resorted to self-help measures. In the past, United, American, Northwest and Delta have obtained court ordered relief from these alleged illegal job actions. In American's case, the court fined American's pilots over $45 million for not adhering to an injunction.

These actions have affected millions of consumers. Middle America has too often been stranded as a result of this illegal union activity. According to published reports, United canceled over 23,000 flights last year as a result of its pilots' refusal to fly overtime, destroying carefully planned vacations and business trips. Northwest and Delta cancelled thousands of flights preemptively over the holiday seasons to combat alleged slowdowns by mechanics and failures to fly overtime by pilots, respectively. The pilots' sickout at American in 1999 left thousands of people stranded, some of whom have banded together to sue the pilots for damages.

The unions are not the only ones to blame for the current situation—airline management must also shoulder some of the responsibility. Airlines have skillfully used the existing process to draw out negotiations and leave employees bound for years to the terms of old agreements. As one witness at our hearing testified, airlines use the current procedures to prolong negotiations and avoid accountability at the bargaining table. Employees can become quite frustrated and have reportedly lost faith in the existing system. That is no excuse for illegal job actions, but it is another indication that the current process is broken. These matters should be resolved more quickly and with more certainty.

Those who seek to maintain the status quo will undoubtedly say that the current collective bargaining process is not perfect but works well enough. They will point out that several significant agreements were reached in the industry this year without any disruption to commercial air transportation. It is true that several unions and major airlines were able to avoid strikes this year. But that does not mean the process cannot or should not be improved. Air transportation has become an integral part of our economy and society, and each year our dependence upon it grows. If we do not act now to address the flaws in the system, we will pay a very high price in the future when the very threat of a disruption in air service may be devastating.

Because airlines are so important to the well being of the country, the traveling public can be held hostage by both sides in these disputes. With few large air carriers, a job action at a major airline can have a catastrophic effect on the aviation system and the consumer. The rest of the airlines would have a difficult time absorbing the excess passengers in the event of a strike, and the system could come to a standstill. While management and labor are affected by this, both parties have contingencies planned in the event of work stoppages. The consumer is the one most affected by a job action.

The dispute resolution process in this bill is modeled on the process used by Major League Baseball to resolve contract disputes between individual players and teams. If binding arbitration is ordered by the Secretary, each side must make its last, best offer. A panel of five arbitrators would be chosen: three neutral persons and one each selected by the two sides. That panel would then choose one proposal or the other—it could not, for example, split the difference between the two proposals. This would naturally force each side to be as reasonable as possible, otherwise it would risk having to live by terms proposed by the other side. This system has worked well for baseball and can be adapted for the airline industry.

This bill would give much greater certainty to the public, the unions, and the airlines that contract disputes will get resolved without disruption to the nation. I urge my colleagues to join me in supporting this effort to improve the system for resolving labor-management disputes in the airline industry.

By Ms. LANDRIEU:

S. 1328. A bill entitled the "Conservation and Reinvestment Act"; to the Committee on Energy and Natural Resources.

Ms. LANDRIEU. Madam President, today I rise to introduce perhaps the most significant conservation effort ever considered by the Congress.

The Conservation and Reinvestment Act, CARA, is bipartisan landmark legislation that makes a multi-year commitment to conservation programs benefitting all 50 States. It reinvests revenues earned from the depletion of a nonrenewable asset, oil and gas reserves on the Outer Continent Shelf, for the protection and enhancement of our natural and cultural heritage, threatened coastal areas and wildlife. It also reinvests in our local communities and our children through enhanced outdoor recreational opportunities. By enacting CARA, we can ensure that this century begins with the most significant commitment of resources to conservation ever.

During the 106th Congress the House of Representatives passed almost identical legislation by an overwhelming vote of 315 to 102 and the Senate Committee on Energy and Natural Resources reported a version with the support of the Chairman and Ranking Member. In addition, a bipartisan group of 63 Senators sent a letter to Majority Leader LOTT and Minority Leader DASCHLE on September 19, 2000 requesting that CARA be brought to the floor of the Senate for consideration before the adjournment of the 106th Congress. Just last week the House Committee on Resources reported the bill by a vote of 29 to 12 and it currently has two-hundred and thirty nine co-sponsors. CARA is supported by Governors, Mayors and a coalition of over 5,000 organizations from throughout the country.

This legislation provides $3.125 billion for eight distinct reinvestment programs including: Impact Assistance and Coastal Conservation for all coastal states and eligible local governments and to mitigate the various impacts of producing states that serve as the "platform" for the crucial development of federal offshore energy resources from the Outer Continental Shelf, restoring Congressional intent with respect to the Land and Water Conservation Fund, LWCF, by providing stable and annual funding for the state and federal side of the LWCF at its authorized $900 million level while protecting the rights of private property rights owners; establishing a Wildlife Conservation and Restoration Fund at $350 million through the successful program of Pittman-Robertson by reinvesting the development of nonrenewable resources into a renewable resource of wildlife conservation and education; providing funding for the Urban Parks and Recreation Recovery program through matching grants to local governments to rehabilitate and develop recreation programs, sites and facilities enabling cities and towns to focus on the needs of its populations within our more densely inhabited areas with fewer greenspaces, playgrounds and soccer fields for our youth; providing funding for the Historic Preservation Fund through the programs of the Historic Preservation Act, including grants to the States, maintaining the National Register of Historic Places and administering numerous historic preservation programs and fully funding the Payment In-Lieu of Taxes (PILT) program.

The time has come to take the proceeds from a non-renewable resource for the purpose of reinvesting a portion of these revenues in the conservation and enhancement of our renewable resources. To continue to do otherwise, as we have over the last fifty years, is fiscally irresponsible.

By Mr. JEFFORDS (for himself, Mr. BINGAMAN, Mr. HATCH, Mr. GRASSLEY, Mr. DASCHLE, Mr. DURBIN, Mr. CHAFEE, and Mr. BOND):

S. 1329. A bill to amend the Internal Revenue Code of 1986 to provide a tax incentive for land sales for conservation purposes; to the Committee on Finance.

Mr. JEFFORDS. Madam President, together with Senators BINGAMAN, HATCH, GRASSLEY, DASCHLE, DURBIN, BOND, and CHAFEE, I am today introducing the Conservation Tax Incentives Act of 2001. As an incentive for voluntary conservation of environmentally significant land, this bill allows landowners to exclude from income fifty percent of the gain they realize on sales, for conservation purposes, of land or easements in land. This proposal, included in President

Bush's Budget Blueprint, was a central element in his environmental platform during the campaign. It is a sensible, modest tax proposal to help the environment and is supported by a wide range of groups, including the American Farm Bureau, the Association of State Foresters, Defenders of Wildlife, and the Nature Conservancy.

Landowners have a stake in the quality of life of their communities' environment. They also have a right to reap the economic benefits of their investments in land. Landowners able to make charitable contributions of land for conservation purposes can realize tax benefits that make it possible to achieve both their financial and conservation goals. For many taxpayers, however, in Vermont and elsewhere throughout the country, holdings in land represent a major financial asset they cannot afford to donate. Others may not have sufficient income to be able to take full advantage of the tax benefit of a charitable donation. For these landowners, a sale of the land for development may be the only viable way to realize the full economic return on their investment in land. We need new federal tax incentives to help these "land-rich, cash-poor" landowners protect their investments and at the same time achieve permanent conservation interests. This bill provides a market-based, voluntary land conservation incentive to help those who own and want to conserve environmentally sensitive land but cannot afford to give it away.

The need for this bill has never been more pressing. We are consuming land at an alarming pace. The pace of land development exceeds by far both the rate of population growth and the rate of open space conservation. In the United States, two acres of farmland per minute, about a million acres per year, are lost to development. Almost one-third of the species in the United States are extinct or under threat of extinction. Loss of open space not only threatens biodiversity, but also quality of life. It increases traffic congestion, and air and water pollution; it decreases opportunities for recreation; and it threatens productive agricultural land. Healthy communities are made up to complex systems of forests, productive soils, rivers, and other interdependent resources. Deforestation, the paving over of agricultural land, the filling-in of wetlands, and urban sprawl are consuming the landscape and straining the balance of wild and human habitat. The sustainability of a healthy quality of life is increasingly in jeopardy.

My bill's approach to these problems creates no new regulatory authority; it requires no appropriations; and it has no new attempts to define conservation. It creates a simple, voluntary incentive for private, market-rate sales of land, or interests in land, to government agencies or qualified non-profit organizations. Incorporating definitions and concepts that already exist in the tax code, this bill provides substantial conservation benefits at a minimal cost—about $66 million per year, as estimated by the Joint Committee on Taxation. Projections show that every year the bill could protect land valued at up to $150 million.

In drafting the bill, we were careful to ensure that land acquired with this new tax incentive would truly serve conservation purposes. The only qualified purchasers are publicly supported conservation charitable organizations and governmental natural resource and environmental agencies; these entities have long and respected records of serving the public interest in acquiring and managing land for conservation purposes. The bill builds on that record of trust and responsible stewardship without imposing new and cumbersome requirements to ensure that the public interest is served.

In addition, the bill requires a statement by the conservation purchasers memorializing their intent to serve the specified conservation purposes. This language was crafted to protect the public's conservation investment and does not create a tax-driven land use restriction. In essence, we want to make sure that the intention to conserve land does not rob the land of the commercial value for which the landowner must be compensated. The required statement of the purchaser's intent should not be construed to impose restrictions on the property or covenants running with the land, which might result in an appraisal that could deny sellers the full value of their land. Property should be appraised at its unencumbered, full fair market value. Furthermore, the value of property in the hands of the purchasing conservation entity should be its full fair market value, regardless of the purchaser's intent of conservation and regardless of the required statement of intent. This principle is important, because it means that a land trust could serve as the original conservation purchaser and subsequently transfer the property to another cooperating conservation purchaser, such as a governmental agency, receiving the full fair market value on the subsequent transfer.

This bill has broad bipartisan support. In the 106th Congress, a majority of the Members of the Senate Finance Committee supported it as an element of the Community Renewal and New Markets Act. It is a modest, bipartisan, innovative proposal that should be a part of this year's environment and tax agenda, and I urge my colleagues to join me in support.

Mr. BINGAMAN. Madam President, I rise today to join my colleagues, Senators JEFFORDS and HATCH, as an original co-sponsor of the Conservation Tax Incentives Act of 2001. The great conservationist Aldo Leopold once stated. "That land is a community is the basic concept of ecology, but that land is to be loved and respected is an extension of ethics" This legislation is in keeping with the conservation ethic so eloquently articulated by Mr. Leopold decades ago.

The bill that we are introducing today will greatly expand the benefits of our existing conservation land easement laws which will have an enormous impact on the preservation of our nation's forests, prairies, deserts and open space. This legislation will save millions of acres of our nation's land for future generations by reducing by 50 percent the tax on capital gains that would normally be owned on a sale provided the land or easements are sold to public or private conservation entities for conservation purposes. These types of sales of conservation and preservation organizations will enhance opportunities for recreation, maintain open space, help to retain lands in agricultural production, and preserve important habitat.

Whether it is riparian habitat in New Mexico, mixed grass prairie in the Midwest, open space in California and the foothills of the Rocky Mountains, or woodlands of the Southeast, this legislation would provide enhanced conservation through the voluntary actions of citizens. It would help to address the dramatic loss of farmland acreage to development. It would ensure that important habitat for wildlife is conserved. It would eliminate tax disincentive that keeps landowners who wish to see their land preserved from reaching their goal.

This bill will have positive impacts in New Mexico. The legislation will help landowners who wish to ensure that their lands remain in ranching in future decades or who want to preserve other open lands for future generations. The bill would provide a boost to the efforts of state and local government to stretch limited conservation dollars. And it will enhance the ability of local land conservation organizations to craft voluntary agreements with landowners to conserve lands.

I believe enactment of this legislation would have significant consequences for our nation's landscape for generations to come. I look forward to working with my colleagues to secure its passage.

By Mr. HARKIN (for himself and Mr. HATCH):

S. 1330. A bill to amend the Internal Revenue Code of 1986 to provide that amounts paid for foods for special dietary use, dietary supplements, or medical foods shall be treated as medical expenses; to the Committee on Finance.

Mr. HARKIN. Madam President, today I am introducing legislation, the Dietary Supplement Tax Fairness Act, on behalf of myself and my distinguished colleague Senator HATCH. This legislation will make the cost of dietary supplements, medical foods, and foods for special dietary when offered as a health insurance plan tax deductible for employers and excluded from taxable income for employees. Unfortunately, today the tax code provides this sensible tax treatment for these products only if they are prescribed drugs.

Our current policy is unfair and is failing to take full advantage of the potential to improve health and hold down health care costs through preventive health care practices available to consumers. Many Americans are using these healthcare products to improve their health and to stay healthy and would like to be able to have access to these products in the form of an insurance benefit. Insurance companies and employers responding to this consumer demand have been frustrated by being unable to offer a benefit like this in a manner consistent with other health care practices which receive favorable consideration in the Internal Revenue Code. The White House Commission on Complementary and Alternative Health Care Policy has consistently heard in testimony of the need for greater insurance coverage of products like the ones in my legislation. Bringing the code up to date to recognize and allow for this important need for wellness and health promotion is an important step forward to overall sound healthcare policy.

I want to emphasize the importance our legislation places on quality. Consumers need and deserve to know that the products they are buying are of a high quality and consistency. With that in mind, the Dietary Supplement Health and Education Act of 1994 called on the Food and Drug Administration, FDA, to develop and implement Good Manufacturing Practice Standards, GMPs, for dietary supplements. Senator HATCH and I have repeatedly pushed the FDA to produce and implement these important consumer protections. After seven years, draft GMPs were published in the Federal Register but have not been finalized. I am hopeful that these final standards will be put in place without further delay. The legislation we are introducing requires that dietary supplement and other products meet good manufacturing practice standards in order to receive the improved tax treatment. This will offer a strong incentive to maintain and improve quality.

I urge my colleagues to review this legislation and I hope they will join us in support and join us in our effort to win its passage. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1330

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act shall be known as the "Dietary Supplement Tax Fairness Act of 2001."

SECTION 2. FINDINGS.

The Congress finds that—

(1) the inclusion of foods for special dietary use, dietary supplements, and medical foods in the deduction for medical expenses does not subject such items to regulation as drugs,

(2) the Internal Revenue Code of 1986 treats such items as allowable for the medical expense deduction, but only if such items are prescribed drugs,

(3) such items have been shown through research and historical use to be a valuable benefit to human health, in particular disease prevention and overall good health, and

(4) children with inborn errors of metabolism, metabolic disorders, and autism, and all individuals with diabetes, autoimmune disorders, and chronic inflammatory conditions, frequently require daily dietary interventions as well as medical interventions to manage their conditions and such dietary interventions often become a significant economic burden on such individuals.

SEC. 3. AMOUNTS PAID FOR FOODS FOR SPECIAL DIETARY USE, DIETARY SUPPLEMENTS, OR MEDICAL FOODS TREATED AS MEDICAL EXPENSES.

(a) IN GENERAL.—Paragraph (1) of section 213(d) of the Internal Revenue Code of 1986 (relating to medical, dental, etc., expenses) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively, and by inserting after subparagraph (B) the following new subparagraph:

"(C) for foods for special dietary use, dietary supplements (as defined in section 201 of the Federal Food, Drug, and Cosmetic Act), and medical foods,".

(b) SPECIAL RULE FOR INSURANCE COVERING FOODS FOR SPECIAL DIETARY USE, DIETARY SUPPLEMENTS, AND MEDICAL FOODS.—Subsection (d) of section 213 of the Internal Revenue Code of 1986 (relating to medical, dental, etc., expenses) is amended by adding at the end the following new paragraph:

"(12) SPECIAL RULE FOR INSURANCE COVERING FOODS FOR SPECIAL DIETARY USE, DIETARY SUPPLEMENTS, AND MEDICAL FOODS.—Amounts paid for insurance covering foods and supplements referred to in paragraph (1)(C) shall be treated as described in paragraph (1)(E) only if such foods and supplements comply with applicable good manufacturing practices prescribed by the Food and Drug Administration or with other comparable standards.".

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (E) of section 213(d)(1) of the Internal Revenue Code of 1986, as redesignated by subsection (a), is amended by striking "subparagraphs (A) and (B)" and inserting "subparagraphs (A), (B), and (C)".

(2) The last sentence of section 213(d)(1) of such Code is amended by striking "subparagraph (D)" and inserting "subparagraph (E)".

(3) Paragraph (6) of section 213(d) of such Code is amended—

(A) by striking "and (C)" and inserting "(C), and (D)", and

(B) by striking "paragraph (1)(D)" in subparagraph (A) and inserting "paragraph (1)(E)".

(4) Paragraph (7) of section 213(d) of such Code is amended by striking "and (C)" and inserting "(C), and (D)".

(5) Sections 72(t)(2)(D)(i)(III) and 7702B(a)(4) of such Code are each amended by striking "section 213(d)(1)(D)" and inserting "section 213(d)(1)(E)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

By Mr. TORRICELLI:

S. 1332. A bill to amend the Internal Revenue Code of 1986 to exclude certain severance payment amounts from income; to the Committee on Finance.

Mr. TORRICELLI. Madam President, I rise to introduce a bill that is intended to provide tax relief for people who have lost their jobs due to the current economic slowdown and the fact that many corporations are now forced to downsize their workforces. The number of layoffs this calendar year is approaching an all-time high. There were over 770,000 job cuts during the first six (6) months of the year. U.S. employers cut 124,852 jobs during the month of June. The June figure increased 56 percent from May, 80,140, and marked the sixth time in seven months that job cuts exceeded 100,000. Last month the number was actually 624 percent, over June, 2000 when job cuts totaled just 17,241 which was a three (3) year record low.

I am introducing a bill which will provide tax relief to these displaced workers. This legislation will exclude the first $5,000 of severance pay received by people who may be adjusting to an extended period of unemployment in an economy that is no longer bustling. This exclusion is available for any displaced worker whose overall severance payment does not exceed $125,000.

Under present tax law, severance payments are included in gross income. However, severance pay is not intended to be included as part of a worker's wage. Rather, it is intended to be a supplement to assist them during unemployment. Displaced workers often lose nearly a third of their severance packages to taxes. The lump sums they receive in severance pay drives them up into a higher tax bracket that is not representative of their true income or standard of living.

Corporations are already allowed to write-off the severance packages they provide to laid off employees, yet the workers are often adversely effected. For good reasons this body has devoted much time and attention this session to determining how to return to American tax payers that which is rightfully theirs. Clearly, these displaced workers deserve what is truly fair tax treatment at a time when they could truly benefit from it.

The economic prosperity of the last decade benefitted most Americans. Unfortunately, many of the industries most adversely effected by the current economic cycle contributed greatly to our unprecedented growth. Therefore, it is inexcusable for our government to disregard the needs of these displaced workers. It is important that our government take steps to help these workers by removing the unfair tax burden that is placed upon them.

By Mr. JEFFORDS (for himself, Mr. LIEBERMAN, Ms. SNOWE, Mr. SCHUMER, Mr. KERRY):

S. 1333. A bill to enhance the benefits of the national electric system by encouraging and supporting State programs for renewable energy sources, universal electric service, affordable electric service, and energy conservation and efficiency, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. JEFFORDS. Madam President, I rise today to introduce a bill to establish renewable energy targets for electricity sales, an electric systems benefit fund, and net metering programs to ensure a clean, sustainable energy future. I am pleased to be joined by Mr. LIEBERMAN, Ms. SNOWE, Mr. SCHUMER, and Mr. KERRY in introducing the "Renewable Energy and Energy Efficiency Investment Act of 2001".

This bill will help bring renewable energy sources and energy efficiency technologies from the minds of the American entrepreneur to the fields of the American farmer, to the hills where strong winds blow, and to the roofs of our homes. Investing in and utilizing these technologies offers tremendous benefits for the health of our citizens, environment and economy. It is time for our Nation to transition from smokestacks, coal power and smog to a future with windmills, solar power and blue skies.

Our Nation has vast, untapped resources than can power our homes and businesses using the heat of the earth, the brilliance of the sun and the strength of the wind. Unlike the limited fossil fuel resources, these sources of energy are forever replacing themselves. All we have to do is harness them.

Today, renewables are beginning to take hold. Wind power, for example, is the fastest growing form of energy in the world. Worldwide almost 4,000 megawatts of new wind energy capacity were added in the year 2000. Other forms of renewable energy, such as solar, biomass and geothermal, offer the same potential and the same benefits. These technologies provide high-tech jobs for U.S. workers. They help reduce acid rain and other forms of air pollution, including greenhouse gas emissions. They are not subject to supply changes that lead to large fluctuations in the price of fossil fuels and they help us reduce our dependence on foreign sources of fossil fuels.

There is perhaps no better time to push these technologies forward. Our Nation is focused on energy issues make it was in the last decade. We are at crossroads where we can begin to see the end of the path toward a clean, sustainable energy future. Renewable energy is the most important landmark on that path. Let me describe how this bill will make this happen.

First, our bill will put in place a Nation-wide wires charge to create an electric system benefit fund. This will help develop renewable energy sources, promote energy efficiency and assist low-income residents meet their energy needs.

Second, our legislation will make it cheaper and easier for consumers to install renewable energy sources in their homes, farms, and small business by simplifying the metering process.

Third, our bill has a comprehensive disclosure provision, giving consumers honest and verifiable information regarding their energy choices.

Finally, our bill will require the suppliers of electricity to include a minimum amount of renewable energy in the products that they sell. We start with 2.5 percent in the first year and work up to 20 percent by the year 2020. The Union of Concerned Scientists found that this program is achievable and will lead to tremendous reductions in air, water and other pollutants that turn our blue skies to grey. Energy Information Administration also found that this program would lead to an 18 percent decrease in the amount of carbon dioxide we release compared to the status quo and ease supply pressures on and prices of natural gas. All these benefits come at the same time that we establish our nation as a leader in developing and manufacturing the cutting edge technologies that will not only power our economy, but the economies of countries all over the world.

Our nation's future depends on having clean, reliable, and sustainable sources of energy. With this bill we can ensure that future becomes a reality. At the same time, we can capture the global market for renewable energy and we can increase our energy security. Most importantly, we can know that our children and grandchildren will thank us for giving them a clean, sustainable energy supply.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1333

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Renewable Energy and Energy Efficiency Investment Act of 2001".

SEC. 2. FINDINGS.

Congress finds that—

(1) the generation of electricity is unique in its combined influence on the security, environmental quality, and economic efficiency of the United States;

(2) the generation and sale of electricity has a direct and profound impact on interstate commerce;

(3) the Federal Government and the States have a joint responsibility for the maintenance of public purpose programs affected by the national electric system;

(4) notwithstanding the public's interest in and enthusiasm for programs that enhance the environment, encourage the efficient use of resources, and provide for affordable and universal service, the investments in those public purposes by existing means continues to decline;

(5) the dependence of the United States on foreign sources of fossil fuels is contrary to our national security;

(6) alternative, sustainable energy sources must be pursued;

(7) consumers have a right to certain information in order to make objective choices on their electric service providers; and

(8) net metering of small systems for self-generation of electricity is in the public interest in order to encourage private investment in renewable energy resources, stimulate economic growth, and enhance the continued diversification of the energy resources used in the United States.

SEC. 3. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) BIOMASS.—The term "biomass" means—

(A) organic material from a plant that is planted exclusively for the purpose of being used to produce electricity; and

(B) nonhazardous, cellulosic or agricultural animal waste material that is segregated from other waste materials and is derived from—

(i) a forest-related resource, including—

(I) mill and harvesting residue;

(II) precommercial thinnings;

(III) slash; and

(IV) brush;

(ii) an agricultural resource, including—

(I) orchard tree crops;

(II) vineyards;

(III) grain;

(IV) legumes;

(V) sugar; and

(VI) other crop by-products or residues;

(iii) miscellaneous waste such as—

(I) waste pallet;

(II) crate;

(III) dunnage; and

(IV) landscape or right-of-way tree trimmings, but not including—

(aa) municipal solid waste;

(bb) recyclable postconsumer wastepaper;

(cc) painted, treated, or pressurized wood;

(dd) wood contaminated with plastic or metals; or

(ee) tires; and

(iv) animal waste that is converted to a fuel rather than directly combusted, the residue of which is converted to biological fertilizer, oil, or activated carbon.

(3) BOARD.—The term "Board" means the National Electric System Benefits Board established under section 4.

(4) COMMISSION.—The term "Commission" means the Federal Energy Regulatory Commission.

(5) FUND.—The term "Fund" means the National Electric System Benefits Fund established by section 5.

(6) LANDFILL GAS.—The term "landfill gas" means gas generated from the decomposition of household solid waste, commercial solid waste, and industrial solid waste disposed of in a municipal solid waste landfill unit (as

those terms are defined in regulations promulgated under subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.)).

(7) Pollutant.—The term "pollutant" means—

(A) carbon dioxide, mercury nitrous oxide, sulfur dioxide, or any other substance that the Administrator identifies by regulation as a substance that, when emitted into the air from a combustion device used in the generation of electricity, endangers public health or welfare (within the meaning of section 302(h) of the Clean Air Act (42 U.S.C. 7602(h));

(B) any substance discharged into water that is regulated under a National Pollutant Discharge Elimination System permit issued under section 402 of the Federal Water Pollution Control Act (33 U.S.C. 1342); and

(C) any substance disposed of in a solid or hazardous waste facility that is regulated under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(8) Renewable energy.—The term "renewable energy" means electricity generated from—

(A) a renewable energy source; or

(B) hydrogen that is produced from a renewable energy source.

(9) Renewable energy source.—The term "renewable energy source" means—

(A) wind;

(B) biomass;

(C) landfill gas; or

(D) a geothermal, solar thermal, or photovoltaic source.

(10) Retail electric supplier.—

(A) In general.—The term "retail electric supplier" means a person or entity that sells retail electricity to consumers.

(B) Inclusions.—The term "retail electric supplier" includes—

(i) a regulated utility company (including affiliates or associates of such a company);

(ii) a company that is not affiliated or associated with a regulated utility company;

(iii) a municipal utility;

(iv) a cooperative utility;

(v) a local government; and

(vi) a special district.

(11) Secretary.—The term "Secretary" means the Secretary of Energy.

SEC. 4. NATIONAL ELECTRIC SYSTEM BENEFITS BOARD.

(a) Establishment.—The Secretary shall establish a National Electric System Benefits Board to carry out the functions and responsibilities described in this section.

(b) Membership.—The Board shall be composed of—

(1) 1 representative of the Commission appointed by the Commission;

(2) 2 representatives of the Secretary appointed by the Secretary;

(3) 2 persons nominated by the national organization representing State regulatory commissioners and appointed by the Secretary;

(4) 1 person nominated by the national organization representing State utility consumer advocates and appointed by the Secretary;

(5) 1 person nominated by the national organization representing State energy offices and appointed by the Secretary;

(6) 1 person nominated by the national organization representing energy assistance directors and appointed by the Secretary; and

(7) 1 representative of the Environmental Protection Agency appointed by the Administrator.

(c) Chairperson.—The Secretary shall select a member of the Board to serve as Chairperson of the Board.

(d) Manager.—

(1) Appointment.—The Board shall by contract appoint an electric systems benefits manager for a term of not more than 3 years, which term may be renewed by the Board.

(2) Compensation.—The compensation and other terms and conditions of employment of the manager shall be determined by a contract between the Board and the individual or the other entity appointed as manager.

(3) Functions.—The manager shall—

(A) monitor the amounts in the Fund;

(B) receive, review, and make recommendations to the Board regarding applications from States under section 6(b); and

(C) perform such other functions as the Board may require to assist the Board in carrying out its duties under this Act.

SEC. 5. NATIONAL ELECTRIC SYSTEM BENEFITS FUND.

(a) Establishment.—

(1) In general.—The Board shall establish an account or accounts at 1 or more financial institutions, which account or accounts shall be known as the "National Electric System Benefits Fund", consisting of amounts deposited in the fund under subsection (c).

(2) Status of fund.—The wires charges collected under subsection (c) and deposited in the Fund—

(A) shall constitute electric system revenues and shall not constitute funds of the United States;

(B) shall be held in trust by the manager of the Fund solely for the purposes stated in subsection (b); and

(C) shall not be available to meet any obligations of the United States.

(b) Use of Fund.—

(1) Funding of system benefit programs.—Amounts in the Fund shall be used by the Board to provide matching funds to States for the support of State system benefit programs relating to—

(A) renewable energy sources;

(B) assisting low-income households in meeting home energy needs;

(C) energy conservation and efficiency; or

(D) research and development in areas described in subparagraphs (A) through (C).

(2) Distribution.—

(A) In general.—Except for amounts needed to pay costs of the Board in carrying out its duties under this section, the Board shall instruct the manager of the Fund to distribute all amounts in the Fund to States to fund system benefit programs under paragraph (1).

(B) Fund share.—

(i) In general.—Subject to clause (iii), the Fund share of a system benefit program funded under paragraph (1) shall be 50 percent.

(ii) Proportionate reduction.—To the extent that the amount of matching funds requested by States exceeds the maximum projected revenues of the Fund, the matching funds distributed to the States shall be reduced by an amount that is proportionate to each State's annual consumption of electricity compared to the aggregate annual consumption of electricity in the United States.

(iii) Additional state funding.—A State may apply funds to system benefit programs in addition to the amount of funds applied for the purpose of matching the Fund share.

(3) Program criteria.—The Board shall recommend eligibility criteria for system benefits programs funded under this section for approval by the Secretary.

(4) Application.—Not later than August 1 of each year, a State seeking matching funds for the following year shall file with the Board, in such form as the Board may require, an application—

(A) certifying that the funds will be used for an eligible system benefit program;

(B) stating the amount of State funds earmarked for the program; and

(C) summarizing the manner in which amounts from the Fund were used in the State during the previous calendar year.

(c) Wires Charge.—

(1) Determination of needed funding.—Not later than September 1 of each year, the Board shall determine and inform the Commission of the aggregate amount of wires charges that it will be required to be paid into the Fund to pay matching funds to States and the operating costs of the Board in the following year.

(2) Imposition of wires charge.—

(A) In general.—Not later than December 15 of each year, the Commission shall impose a nonbypassable, competitively neutral wires charge to be paid directly into the Fund by the operator of the wire on the amount of electricity carried through the wire in interstate commerce.

(B) Measurement.—For the purposes of subparagraph (A)—

(i) electricity generated in the United States shall be measured as the electricity exits the busbar at a generation facility; and

(ii) electricity generated outside the United States shall be measured at the point of delivery to the system of the wire operator.

(C) Amount of wires charge.—The wires charge shall be set at a rate equal to the lesser of—

(i) 2 mills per kilowatt-hour; or

(ii) a rate that is estimated to result in the collection of an amount of wires charges that is as nearly as possible equal to the amount of needed funding determined under paragraph (1).

(3) Deposit in the fund.—The wires charge shall be paid by the operator of the wire directly into the Fund at the end of each month during the calendar year for distribution by the electric systems benefits manager under section 5.

(4) State wires charge.—

(A) In general.—A State that imposes a wires charge may pay into the Fund some or all of the wires charge imposed under this subsection on behalf of wire operators serving that State.

(B) Payment.—Payments by the State into the Fund under subparagraph (A) shall be applied towards the wires charge imposed under this subsection.

(5) Penalties.—The Commission may assess against a wire operator that fails to pay a wires charge as required by this subsection a civil penalty in an amount equal to not more than the amount of the unpaid wires charge.

(d) Auditing.—

(1) In general.—The Fund shall be audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards.

(2) Access to records.—Representatives of the Secretary and the Commission shall have access to all books, accounts, reports, files, and other records pertaining to the Fund as necessary to facilitate and verify the audit.

(3) Reports.—

(A) In general.—A report on each audit shall be submitted to the Secretary, the Commission, and the Secretary of the Treasury, who shall submit the report to the President and Congress not later than 180 days after the close of the fiscal year.

(B) Requirements.—An audit report shall—

(i) set forth the scope of the audit; and

(ii) include—

(I) a statement of assets and liabilities, capital, and surplus or deficit;

(II) a statement of surplus or deficit analysis;

(III) a statement of income and expenses;

(IV) any other information that may be considered necessary to keep the President and Congress informed of the operations and financial condition of the Fund; and

(V) any recommendations with respect to the Fund that the Secretary or the Commission may have.

SEC. 6. RENEWABLE ENERGY GENERATION STANDARDS.

(a) RENEWABLE ENERGY CREDITS.—

(1) IN GENERAL.—Not later than April 1 of each year, each retail electric supplier shall submit to the Secretary renewable energy credits in an amount equal to the required annual percentage of the retail electric supplier's total amount of kilowatt-hours of electricity sold to consumers during the previous calendar year.

(2) RATE.—The rates charged to each class of consumers by a retail electric supplier shall reflect an equal percentage of the cost of generating or acquiring the required annual percentage of renewable energy under subsection (b).

(3) ELIGIBLE RESOURCES.—A retail electric supplier shall not represent to any customer or prospective customer that any product contains more than the percentage of eligible resources if the additional amount of eligible resources is being used to satisfy the renewable generation requirement under subsection (b).

(4) STATE RENEWABLE ENERGY PROGRAM.—

(A) IN GENERAL.—Nothing in this section precludes any State from requiring additional renewable energy generation in the State under any renewable energy program conducted by the State.

(B) LIMITATION.—A State may limit the benefits of any State renewable energy program to renewable energy generators located within the boundaries of the State or other boundaries (as determined by the State).

(b) REQUIRED RENEWABLE ENERGY.—Of the total amount of electricity sold by each retail electric supplier during a calendar year, the amount generated by renewable energy sources shall be not less than the percentage specified in the following table:

Calendar year:	Percentage reduction:
2002	2.5
2003	3
2004	4
2005	5
2006	6
2007	7
2008	8
2009	9
2010	10
2011	11
2012	12
2013	13
2014	14
2015	15
2016	16
2017	17
2018	18
2019	19
2020 and thereafter	20.

(c) SUBMISSION OF RENEWABLE ENERGY CREDITS.—To meet the requirements under subsection (a)(1), a retail electric supplier may submit to the Secretary—

(1) renewable energy credits issued under subsection (d) for renewable energy generated by the retail electric supplier during the calendar year for which renewable energy credits are being submitted or any previous calendar year; or

(2) renewable energy credits—

(A) issued under subsection (d) to any renewable energy generator for renewable energy generated during the calendar year for which renewable energy credits are being submitted or a previous calendar year; and

(B) acquired by the retail electric supplier under subsection (e).

(d) ISSUANCE OF RENEWABLE ENERGY CREDITS.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish a program to issue, monitor the sale or exchange of, and track renewable energy credits.

(2) APPLICATION.—

(A) IN GENERAL.—Under the program established under paragraph (1), an entity that generates electric energy through the use of a renewable energy resource may apply to the Secretary for the issuance of renewable energy credits.

(B) REQUIREMENTS.—An application under subparagraph (A) shall identify—

(i) the type of renewable energy resource used to produce the electric energy;

(ii) the State in which the electric energy was produced; and

(iii) any other information that the Secretary determines appropriate.

(3) NUMBER OF RENEWABLE ENERGY RESOURCE CREDITS.—

(A) IN GENERAL.—The Secretary shall issue to an entity 1 renewable energy credit for each kilowatt-hour of electric energy that the entity generates through the use of a renewable energy resource in any State in calendar year 2001 and each year thereafter.

(B) PARTIAL CREDIT.—If both a renewable energy resource and a nonrenewable energy resource are used to generate the electric energy, the Secretary shall issue renewable energy credits based on the proportion of the renewable energy resource used.

(4) ELIGIBILITY.—To be eligible for a renewable energy credit under this subsection, the unit of electricity generated through the use of a renewable energy resource shall be sold or used by the generator.

(5) IDENTIFICATION OF RENEWABLE ENERGY CREDITS.—The Secretary shall identify renewable energy credits by—

(A) the type of generation; and

(B) the State in which the generating facility is located.

(6) FEE.—

(A) IN GENERAL.—To receive a renewable energy credit, the entity shall pay a fee, calculated by the Secretary, in an amount that is equal to the lesser of—

(i) the administrative costs of issuing, recording, monitoring the sale of exchange of, and tracking the renewable energy credit; or

(ii) 5 percent of the national average market value (as determined by the Secretary) of that quantity of renewable energy credits.

(B) USE.—The Secretary shall use the fee to pay the administrative costs described in subparagraph (A)(i).

(e) SALE OR EXCHANGE.—A renewable energy credit may be sold or exchanged by the entity issued the renewable energy credit or by any other entity that acquires the renewable energy credit.

(f) VERIFICATION.—The Secretary may collect the information necessary to verify and audit—

(1) the annual electric energy generation and renewable energy generation of any entity applying for renewable energy credits under this section;

(2) the validity of renewable energy credits submitted by a retail electric supplier to the Secretary; and

(3) the amount of electricity sales of all retail electric suppliers.

(g) ENFORCEMENT.—

(1) IN GENERAL.—The Secretary may bring an action in United States district court to impose a civil penalty on a retail electric supplier that fails to comply with subsection (a).

(2) AMOUNT OF PENALTY.—A retail electric supplier that fails to submit the required number of renewable energy credits under subsection (a) shall be subject to a civil penalty of not more than 3 times the estimated national average market value (as determined by the Secretary) of that quantity of renewable energy credits for the calendar year concerned.

SEC. 7. NET METERING.

(a) DEFINITIONS.—In this section:

(1) CUSTOMER-GENERATOR.—The term "customer-generator" means a retail electric customer that generates electricity measured by a net metering system.

(2) ELECTRIC COMPANY.—

(A) IN GENERAL.—The term "electric company" means a company that is engaged in the business of distributing electricity to retail electric customers.

(B) INCLUSIONS.—The term "electric company" includes an investor-owned utility, public utility district, irrigation district, port district, electric cooperative, or municipal electric utility.

(3) NET METERING.—The term "net metering" means the measuring of the difference between—

(A) the quantity of electricity supplied by an electric company to a customer-generator during a billing period; and

(B) the quantity of electricity generated by a customer-generator and fed back to the electric company by a net metering system during the billing period.

(4) NET METERING SYSTEM.—The term "net metering system" means a facility for generation of electricity that—

(A) is of not more than 100 kilowatts capacity;

(B) is interconnected and operates in parallel with the transmission and distribution system of an electric company;

(C) is intended primarily to offset some or all of the electricity requirements of a customer-generator;

(D) is located on the premises of a customer-generator; and

(E) employs a renewable energy source.

(b) REQUIREMENT TO ALLOW NET METERING.—An electric company shall allow a retail electric customer to interconnect and employ a net metering system using—

(1) a kilowatt-hour meter capable of registering the flow of electricity in 2 directions; or

(2) another type of comparably equipped meter that would otherwise be applicable to the customer's usage but for the use of net metering.

(c) NET METERING ACCOUNTING.—

(1) IN GENERAL.—Electric energy measurements for a net metering system shall be calculated in accordance with this subsection.

(2) RATES AND CHARGES.—An electric company—

(A) shall charge a customer-generator rates and charges that are identical to those that would be charged other retail electric customers of the electric company in the same rate class; and

(B) shall not charge a customer-generator any additional standby, capacity, interconnection, or other rate or charge.

(3) MEASUREMENT.—An electric company that supplies electricity to a customer-generator shall measure the quantity of electricity produced by the customer-generator and the quantity of electricity consumed by the customer-generator during a billing period in accordance with normal metering practices.

(4) ELECTRICITY SUPPLIED EXCEEDING ELECTRICITY GENERATED.—If the quantity of electricity supplied by an electric company during a billing period exceeds the quantity of electricity generated by the customer-generator and fed back to the electric distribution system during the billing period, the electric company may bill the customer-generator for the net quantity of electricity supplied by the electric company, in accordance with normal metering practices.

(5) ELECTRICITY GENERATED EXCEEDING ELECTRICITY SUPPLIED.—If the quantity of electricity generated by a customer-generator during a billing period exceeds the quantity of electricity supplied by the electric company during the billing period—

(A) the electric company may bill the customer-generator for the appropriate charges for the billing period in accordance with paragraph (1); and

(B) the customer-generator shall be credited for the excess kilowatt-hours generated during the billing period, with the kilowatt-hour credit appearing on the bill for the following billing period.

(6) UNUSED CREDITS.—At the beginning of each calendar year, any unused kilowatt-hour credits accumulated by a customer-generator during the previous calendar year shall expire without compensation to the customer-generator.

(d) SAFETY.—

(1) REQUIREMENTS.—

(A) INTERIM PROVISION.—A net metering system using photovoltaic generation shall conform to applicable electrical safety, power quality, and interconnection requirements established by the National Electrical Code, the Institute of Electrical and Electronic Engineers, and Underwriters Laboratories.

(B) REGULATION.—Not later than 180 days after the date of enactment of this Act, the Commission shall adopt electrical safety, power quality, and interconnection requirements for net metering systems that use generation technology other than photovoltaic technology.

(2) TESTING AND INSPECTION.—An electric company may, at its own expense, and upon reasonable written notice to a customer-generator, perform such testing and inspection of a net metering system as is necessary to demonstrate to the satisfaction of the electric company that the system conforms to applicable electric safety, power quality, and interconnection requirements.

(3) ADDITIONAL METERS.—An electric company may, at its own expense and with the written consent of a customer-generator, install 1 or more additional meters to monitor the flow of electricity in each direction.

SEC. 9. DISCLOSURE REQUIREMENTS.

(a) DEFINITIONS.—In this section:

(1) EMISSIONS DATA.—The term "emissions data" means the type and amount of each pollutant emitted or released by a generation facility in generating electricity.

(2) GENERATION DATA.—The term "generation data" means the type of fuel (such as coal, oil, nuclear energy, or solar power) used by a generation facility to generate electricity.

(b) DISCLOSURE SYSTEM.—The Secretary shall establish a system of disclosure that—

(1) enables retail consumers to knowledgeably compare retail electric service offerings, including comparisons based on generation source portfolios, emissions data, and price terms; and

(2) considers such factors as—

(A) cost of implementation;

(B) confidentiality of information; and

(C) flexibility.

(c) REGULATION.—Not later than March 1, 2002, the Secretary, in consultation with the Board, and with the assistance of a Federal interagency task force that includes representatives of the Commission, the Federal Trade Commission, the Food and Drug Administration, and the Environmental Protection Agency, shall promulgate a regulation prescribing—

(1) the form, content, and frequency of disclosure of emissions data and generation data of electricity by generation facilities to electricity wholesalers or retail companies and by wholesalers to retail companies;

(2) the form, content, and frequency of disclosure of emissions data, generation data, and the price of electricity by retail companies to ultimate consumers; and

(3) the form, content, and frequency of disclosure of emissions data, generation data, and the price of electricity by generation facilities selling directly to ultimate consumers.

(d) ACCESS TO RECORDS.—The Secretary shall have full access to the records of all generation facilities, electricity wholesalers, and retail companies to obtain any information necessary to administer and enforce this section.

(e) FAILURE TO DISCLOSE.—The failure of a retail company to accurately disclose information as required by this section shall be treated as a deceptive act in commerce under section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(f) REGULATIONS.—The Secretary may promulgate such regulations, conduct such investigations, and take such other actions as are necessary or appropriate to implement and obtain compliance with this section and regulations promulgated under this section.

Mr. LIEBERMAN. Madam President, today Senator JEFFORDS, Senator SNOWE, and I are introducing the Renewable Energy Act of 2001. This is a landmark bill as it sets a national goal of fueling 20 percent of our electricity generation with renewable energy sources by the year 2020. For our long-term energy policy, setting such a goal is important. In addition to supporting traditional hydrocarbon fuel sources, we must also invest in those sources, like solar, wind, geothermal, and biomass, that will not eventually run dry. Such investments will also significantly lessen our vulnerability to our foreign energy suppliers. Furthermore, nations such as Japan and Denmark have already made great strides in advancing renewable technologies and it is in our economic interest to be able to compete on the international market. While some of the details of the bill need ongoing evaluation and tuning, we should view this bill as stating a goal, not as the detailed road map on how to get there. For example, the definition of renewables needs further attention and expansion. But I believe the Renewable Energy Act sets laudable goals to aspire to and makes a useful statement about our national priorities as we approach the energy debate.

By Mr. WARNER.

S. 1334. A bill to require increases in the strengths of the full-time support personnel for the Army National Guard of the United States through fiscal year 2001 to support the readiness and training of the Army National Guard of the United States to meet increasing mission requirements, and for other purposes; to the Committee on Armed Services.

Mr. WARNER. Madam President, I rise today to introduce legislation to fulfill an urgent need of the Army National Guard.

I recently visited the Headquarters of the Virginia National Guard and the Maneuver Training Center at Fort Pickett. I conferred with Major General Claude A. Williams, the Adjutant General, of the Virginia National Guard. Major General Williams heads a superb organization composed of outstanding units, including the 29th Infantry Division, Light, the 91st Troop Command, the 28th Engineer Brigade, the 54th Field Artillery Brigade, and the 192nd Fighter Wing. The Maneuver Training Center at Fort Picket and its personnel perform a vital training mission for units of the active Army, Army Guard, and Reserve.

I was astonished to learn during my visit last month that the Army has funded only 59 percent of the validated operational billets for Active Guard and Reserve, "AGRs", and military technicians within the Army National Guard units. The "full rate" in Virginia is even lower than this national average, only 51 percent. I raised a question about this and expressed my concern to the Secretary of the Army and Chief of Staff of the Army at a recent Senate Armed Services Committee hearing.

The legislation I am introducing today requires annual increases in the numbers of full time active-duty officers and military technicians in the Army National Guard—724 AGRs and 487 military technicians each year for the next 11 years. The legislation is based on a plan drawn up, cooperatively, by the Active Army and the Army National Guard. When fully implemented, the increases contained in the legislation will raise the Guard's "fill rate" from its present level of 59 percent of valid personnel requirements, to a level of 71 percent—an acceptable level within current force structure and readiness planning parameters.

AGRs and Military Technicians are critically important force multipliers for Army National Guard units. They directly impact training, command and control, technical, functional, and military expertise required to effectively train, administer, and prepare ready units and equipment for transition from peacetime to a wartime posture. AGRs and Military Technicians perform functions vital for meeting supply, training, and maintenance requirements of the Army National Guard units.

The increases in authorized end strengths set forth in this legislation are essential because of the increased reliance on Guard units to carry out Army missions. Each Army National Guard division has been assigned rotational duty in Bosnia-Herzegovina with the Stabilization Force, SFOR, missions in Bosnia-Herzegovina. The 29th Infantry Division, Light, of the Virginia National Guard is now fully engaged in executing its phased deployment to Bosnia and will be in place in October of this year. I applaud the Army for its ongoing efforts to integrate the National Guard in its operational planning. The Guard needs these soldiers in place in their full time support roles to ensure its success.

I know that Army leaders must make difficult decisions each year based on changing priorities and requirements and that the President must do the same in his annual budget submission. I am convinced, however, that the increases in end strength prescribed in this legislation are necessary and must be assigned the highest priority.

By Mr. KENNEDY (for himself, Mr. DEWINE, Mr. DASCHLE, Ms. SNOWE, Mr. DURBIN, Mr. CORZINE, Ms. STABENOW, Mr. BAUCUS, Mr. BINGAMAN, Mr. LIEBERMAN, Ms. LANDRIEU, Mr. JOHNSON, and Mr. CONRAD):

S. 1335. A bill to support business incubation in academic settings; to the Committee on Health, Education, Labor, and Pensions.

Mr. KENNEDY. Madam President, it is a privilege to join my colleagues in introducing the LEADERS Act—the Linking Educators And Developing Entrepreneurs for Reaching Success Act. Our bipartisan goal is to bring together entrepreneurs and academic institutions to encourage small businesses. These innovative centers can have a significant role in the modern economy, and provide needed cutting-edge educational and entrepreneurial opportunities for college students.

I commend Senator DEWINE for his leadership in developing this bipartisan legislation, and for his continuing leadership on economic and education issues. We agree that college-affiliated business incubators can be effective tools in improving education and the economy, and this legislation is designed to encourage them.

A business incubator facilitates economic development by providing specific resources and services to entrepreneurial, start-up companies. This assistance often includes office space at discounted rent, access to telephone and Internet services, consulting opportunities, and other appropriate technical assistance. The goal of such business incubators is to produce successful firms that will be successful in the long run through modest and timely start-up assistance.

Business incubators can have an important role in strengthening and sustaining local economies. Several studies have shown that incubated businesses tend to survive longer, create more jobs, remain in their communities, and provide worthwhile benefits to their employees.

One of the best ways to encourage entrepreneurship is to enhance the role of colleges and universities in developing new ideas into sustainable businesses that prosper, remain in their communities, and provide good jobs and good benefits to local workers in the cities and towns that need them most. Business incubators will benefit colleges and universities as well, because they can provide students with real-life examples of emerging businesses and case studies to enhance their educational experience.

Our legislation creates a program in the Department of Education to support academic-affiliated business incubators. A $20 million fund will offer competitive grants to acquire or renovate space, develop curricula and training for incubator businesses or managers, and conduct feasibility studies for developing and locating incubators.

Eligible applicants will include nonprofit organizations that have an affiliation with a college or university and that manage an incubator. Priority is given to incubators in economically distressed areas, to applications which provide strong educational opportunities in entrepreneurship, and to applications that emphasize cooperation by businesses, academic institutions, local economic leaders, and local government officials.

Small business entrepreneurs have an outstanding track record of products that improve and often save lives. Today these entrepreneurs take advantage of innovative ideas and turn them into job and economic growth. Entrepreneurs can benefit immensely from contacts with academic institutions, and Congress should encourage those contacts.

Colleges and universities often have well-equipped laboratories, good computer systems, and extensive libraries. They can be a source of ideas that spur business creation. Colleges and universities can also provide the skills and experience of a dedicated faculty, and the enthusiasm and potential of today's students.

Current studies show that nearly seven out of ten teenagers want to control their own destinies by becoming entrepreneurs. Six in ten young women, seven in ten Hispanic youth, and nearly eight in ten African-American youth are interested in starting a business of their own. But too many of these young men and women say they know little about how to start their own business. A large majority are taught little about how business or the economy works.

Students who benefit from such instruction start more new business, develop more new products, and are more likely to be involved in high-technology initiatives than their peers. Most entrepreneurs say that they "learned by doing"—through hands-on access to mentors and similar opportunities. Our legislation will provide access to real-world examples of entrepreneurship and business development, and help lay a stronger foundation for growing and thriving firms.

More and more, academic institutions across the country recognize this opportunity by establishing successful business incubators. In Massachusetts, Salem State College and the University of Massachusetts at Lowell have created successful incubators on their campuses.

Other incubators are reaching out to colleges and universities. The Commonwealth Corporation, a leader in workforce training in Massachusetts, has established an incubator and is actively pursuing ties in Boston with The University of Massachusetts.

Increasingly today, business leaders are recognizing the advantages of affiliations with institutions of higher learning, and academic leaders are welcoming the idea of including entrepreneurial projects in their curricula. In many cases, faculty members themselves are launching incubators.

It makes sense for Congress to support these constructive partnerships. The LEADERS Act can make a worthwhile contribution to this growing movement, and I look forward to early action by the Senate to approve it.

Mr. DEWINE. Madam President, I rise today, along with my good friend, Senator KENNEDY, to introduce the "Linking Educators And Developing Entrepreneurs for Reaching Success Act of 2001" (LEADERS Act). This bipartisan measure will help foster business development by strengthening academic affiliated business incubators.

Our Nation's ability to expand economically hinges on new business growth. Small businesses provide 75 percent of the new jobs in this country, and in 1999, the number of new employer firms outnumbered the amount of business closures. Though our American entrepreneurial spirit is alive and well, as most businessmen and women can attest, starting and maintaining a business is very difficult. In the first two years, more than half of all new businesses fail and, after four years, the failure rate climbs to more than 60 percent.

That's why business incubation is so important. These incubators are centers designed to accelerate the successful development of new companies. They offer an array of business support resources. Most of the incubators provide their clients with access to appropriate rental space and flexible leases, shared services and equipment, technology support services, and assistance in obtaining financing for growth. They also provide a range of services like management guidance, technical assistance, and consulting. Such support an incubation increases the chance of small business survival to about 86 percent.

Our LEADERS Act authorizes the Secretary of Education to provide competitive grants to nonprofit organizations that manage incubators and are affiliated with academic institutions. These grants can be used to acquire or renovate space for an incubator or to support curriculums developed by businesses, faculty, entrepreneurs, and local leaders. The Secretary also can award a grant to help fund feasibility studies to help colleges or local development officials determine the viability of an incubator in their respective communities.

The Act would authorize $20 million for grants in each of the next three fiscal years. The nonprofit organizations that receive funding under the bill would be required to match federal contributions dollar for dollar, and their proposals must have the support of local community leaders.

Many of the non-profit incubators include universities, which are an integral part of the business incubation process. Academic affiliated incubators provide unique educational opportunities for students and entrepreneurs. This is accomplished with enhanced access to a skilled workforce and a wealth of resources. Ohio is the home of one of the oldest university-based business incubators, the Ohio University Innovation Center, which was established in 1982. Since it's inception, the Center has created 625 jobs, including 125 for students. A number of other important institutions in Ohio, such as The Ohio State University, Bowling Green State University, Case Western Reserve University, Franklin University, John Carroll University, University of Cincinnati, and University of Dayton operate business incubators.

The goal of the incubator is simple: to produce successful, financially viable firms. And, studies show that business incubation works. Almost 87 percent of incubated companies remain in operation, with roughly 84 percent of them remaining in their home communities. It is vital that we give small businesses the necessary tools to stay afloat and to prosper. This legislation will help to foster the next generation of successful entrepreneurs and ultimately further bolster the stability of our economy

I urge my colleagues to support this legislation and our efforts to help America's entrepreneurs.

By Ms. CANTWELL:

S. 1337. A bill to provide for national digital school districts; to the Committee on Health, Education, Labor, and Pensions.

Ms. CANTWELL. Madam President, I rise today to introduce the National Digital School District Act, a bill that embraces the powerful role technology can have as a tool in educating our nation's children.

Just as technology has brought innovation and efficiency to our daily lives and our businesses, technology has already demonstrated its enormous potential to enhance the ways that we can prepare our children to meet the educational demands of the changing economy.

Across the country, we have seen how proper uses of technology can transform a conventional curriculum into a multi-media, interactive experience that not only helps children learn more effectively, but does so in a way that is enjoyable and fosters a student's passion for learning.

In numerous recent studies, including those done by the Department of Education, the White House Office on Science and Technology and the RAND Corporation, researchers have found that technology has a very positive impact on serving the goals of education in important ways, including:

1. Supporting student performance—technology provides opportunities for acquiring problem-solving skills and methods for learning in innovative and interactive ways.

2. Increased motivation and self-esteem—studies have found that one of the most common effects of technology on students was an increase in the motivation of students who experience education in new and enjoyable ways.

3. Preparing students for the future—as both higher education and the workplace are increasingly becoming infused with technology, technology is a crucial component of student preparation, and;

The potential impact of technology on education is no secret. In fact, schools have dramatically increased their focus on putting technology in the classroom. Both the public and private sector have been diligently wiring school buildings and putting computers in many classrooms, making access to computers and the Internet increasingly commonplace.

But as the old saying goes, you can lead a horse to water, but you can't make it drink. The same is true for children, just putting technology into a school does not ensure that teachers know how to use it or children are able to learn from it.

Unless technology is properly integrated into curriculum, the students will not realize the benefits of having the access. Without teachers who know how to use computers to teach the kids, the kids will not benefit.

In addition to computers and access, we need to assure teacher training and curriculum development. This legislation is a good first step toward fixing this problem, in effect, bridging the technology and teaching divide.

To accomplish this goal, our bill takes two tracks, first, the legislation establishes a grant program in which the state and federal government share the responsibility to create model programs to team technology with curriculum and teacher training—to develop comprehensive approaches to using technology in education.

Second, to help identify best practices, the legislation will also require a study to evaluate and highlight which of these strategies work and which do not work in bringing technology to the classroom.

Schools across the country are being given the tool of technology. Indeed, the total annual investment in education technology is currently almost $5 billion per year.

According to a recently released study by NetDay, although 97 percent of teachers have some type of access to computers in their schools, only 32 percent of teachers say that computers are well integrated into their classrooms and curricula.

We can do better.

Teachers around the country are finding ways to enhance the classroom experience by teaching conventional topics with technological tools. Schools and businesses in my home State of Washington are leaders in these areas.

For example, in rural, agricultural Eastern Washington, Diane Peterson wanted to improve her Waterville Elementary 4th and 5th graders' success with math, science, reading, and writing. She found that University of Washington scientists needed data gathered on local vegetation and weather—she put those facts together and came up with a plan. Students were able to use 3-mail and shared web-sites to write, organize and present a useful study to the Western Washington scientists. The students are learning math and science skills through real-world experience, possible only through the use of the Internet. And helping science to boot.

Also, administrators in districts around the countries are increasingly finding particular methods and strategies that are crucial to realizing the value of technology. The Seattle Public School District, for example, has undertaken an effort to employ at every school a person who, with expertise in both education and technology, trains and advises teachers in how to use technology to teach different subjects. Teachers now have a resource to guide them as they bring technology into the classroom. The district has found that having a person who can educate teachers and help them make the most of the technology available to them can make the difference between technology as an educational tool or as a waste of money.

The Bill and Melinda Gates foundations have been leaders in improving education through the use of technology. For example, in Washington State, the Foundation had created the $45 million "Teacher Leadership Project," a grant program to provide leadership development for 1,000 K–12 teachers a year, over three years. Participants receive in-depth training, as well as hardware and software to create a technology-rich learning environment. Teachers attend workshops and seminars, participate in e-mail discussions, keep records of the experiences, and assist with assessment and evaluation. Clearly, assessment and evaluation are critical to the future application for this program. This program is an excellent model to bring technology into the classroom.

These programs show that when used effectively, technology can enhance learning.

But to fully employ technology as an educational tool across the country we must develop programs that take into account the real needs for education and that can be scaled for implementation by any school or district.

Successful strategies are those that not only install computers, but also integrate these resources in three crucial ways, through:

1. Teacher Training and professional development—We must teach the teachers so they can use technology to teach the children.

2. Curriculum development—Technology isn't helpful unless it is incorporated into lesson plans.

3. Resource allocation—In order to be successful, a program should match the technology needs to the goals of the program.

The National Digital School District Act addresses these important elements of technology in education by requiring that local and state agencies incorporate these criteria into their education plans.

Through these requirements, the National Digital School District Act will encourage the development of best practices for the use of technology in schools; practices that can be scaled up in states and local districts around the country.

Additionally, this legislation will ensure that the Department of Education leads the way in identifying best practices for the use of technology by assessing and evaluating the effectiveness of these strategies.

Teachers, administrators, private sector organizations, and non-profit groups are developing innovative approaches in countless classrooms, schools and districts.

Too often, however, the programs and strategies are springing up in isolation—without any mechanisms to facilitate the evaluation and sharing of the results of these efforts.

My bill will bridge this information gap. Not only will this legislation help provide assistance to schools, districts and states as they begin using technology in the classroom, but this will help ensure that federal monies are spent prudently and effectively.

The National Digital School District Act directs the Secretary of Education to complete a comprehensive report after three years to describe what works and what doesn't work—providing guidance to educators and policymakers at the federal, state and local levels. This report will describe the strategies being implemented around the country that best achieve their intended goals.

Using this report we will be able to identify which programs work well and could be adapted successfully for use in other school districts. The report need not be exhaustive, but it must be comprehensive—if a program works, we should know about it. We need a clear inventory of successful programs to identify the best practices educators can implement.

The National Digital School District Act will succeed in identifying these practices and helping to bridge the gap between the vast potential for technology as an educational tool, and the challenges facing teachers who uses it in the classroom.

By Mr. CAMPBELL:

S. 1338. A bill to expand and enhance the Little Bighorn Battlefield National Monument; to the Committee on Energy and Natural Resources.

Mr. CAMPBELL. Madam President, the ultimate test of patriotism has always been the willingness to die for one's country. To step in harm's way, to face shots fired in anger for the sake of defending those things one holds sacred, these are acts of courage that people admire almost instinctively. So much so that we even admire the courage displayed by our enemies.

Those of us who witness such bravery, either up close or from accounts written years ago, often feel compelled to make some gesture that acknowledges the heroism and sacrifice of those who were willing to endure the horror of war.

For this reason, our Nation has a long tradition of setting aside and preserving the sites where important battles have occurred, believing that such ground is hallowed by those who gave their lives in conflict, and in the hope that understanding the events of our past helps us to understand the kind of people we are. A necessary part of this honoring is attempting to preserve the appearance of the places where these battles occurred as the combatants would have experienced them and to freeze these locations in time as much as possible.

Today, I am proud to offer a bill that will continue to protect the sanctity of one such place: the Little Bighorn Battlefield National Monument in southern Montana, the site where Gen. George Armstrong Custer and the U.S. Seventh Cavalry were defeated by a united force of Northern Cheyenne, Arapaho and Lakota Indians, in 1876.

Anyone who has stood, looking down past the grave markers to the trees along the Little Bighorn River, can tell you that it is a haunting place to visit. As you walk along Battle Ridge where soldiers of the U.S. Seventh Cavalry and Indian warriors struggled furiously, it is easy to imagine exactly how it looked on that hot June day when so many men died.

But anyone who has stood on that same hill recently can also tell you that beyond the trees are the telltale signs of commercial development creeping up on the borders of the Monument. For years the site was protected by its sheer isolation. That is no longer the case. The actual battle occurred across a wide area, and only a very small part of that area is protected by inclusion in the Monument. Other historically important sites nearby have already been overrun by development. Hills have been graded and geographical features have been altered. Action must be taken quickly if we are to preserve the Monument looking as it did over a century ago.

The bill I am introducing proposes a way for additional lands to be protected by the Monument. This bill does this by establishing a Committee composed of all interested parties, both those with current interests and those with historical interests in this piece of land, which will keep a registry of important sites that might be taken into the Monument. It is my belief that through a consultative process and cooperation, all interests can be accommodated. I have used this inclusionary process before with the research and protection of the Sand Creek National Historic Site in Colorado.

In the 102nd Congress, while serving as a member of the House, I introduced the bill that changed the name of this monument from the Custer Battlefield National Monument to the Little Bighorn National Monument, to recognize that there were heroes on both sides of this conflict: not only Custer, but also Sitting Bull and Crazy Horse and thousands of other warriors.

I wanted to reclaim the memory of that day for Indian people, and to make clear that the tragedy of June 26, 1876, was just one small part of a much larger tragedy: the near destruction of a people and the ending of a way of life. The Indian victory at the Little Bighorn that day was only a brief pause in the march of history, it was the beginning of the end. One week later the Untied States marked its first centennial, only one hundred years of existence.

This country needs places like the Little Bighorn Battlefield, just as we need places like Bunker Hill and Gettsburg and Omaha Beach, locations made special by the extraordinary events that occurred there. We need to keep them separate and sacred and dedicated to the belief that some things are worthy of laying down your life. They are, in the fullest sense of the word, monuments: reminders of what is important.

The Little Bighorn Battlefield National Monument is such a place. I ask this Congress to join me in ensuring that this Monument remain a special place for generations to come.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1338

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Little Bighorn Battlefield National Monument Enhancement Act of 2001".

SEC. 2. FINDINGS AND PURPOSES.

(a) Findings.—Congress makes the following findings:

(1) The following events were key in the creation of the Little Bighorn Battlefield National Monument:

(A) On June 25 and 26, 1876, a historic battle between the United States Seventh Cavalry, led by General George Armstrong Custer, and an opposing force of Arapaho, Northern Cheyenne, and Lakota Indians, was fought near the Little Bighorn River in southern Montana.

(B) On August 1, 1879, the battlefield was officially recognized and designated as a national cemetery under General Order No. 78, Headquarters of the Army.

(C) On December 7, 1886, Executive Order No. 337443 established the boundary, approximately one mile square, for the National Cemetery of Custer's Battlefield Reservation.

(D) On April 14, 1926, the Reno-Benteen Battlefield was acquired by an Act of Congress (44 Stat. 168), and the Army was ordered to take charge of the site.

(E) On April 15, 1930, by an Act of Congress (46 Stat. 168), all rights, titles and privileges of the Crow tribe, from whose reservation the battlefield site was carved, were granted to the United States.

(F) On August 10, 1939, a public historical museum was authorized (53 Stat. 1337).

(G) On June 3, 1940, Executive Order No. 8428 transferred management of the area to the National Park Service, Department of the Interior.

(H) On March 22, 1946, by an Act of Congress (Public Law 79–332) the area was redesignated, Custer Battlefield National Monument.

(I) On January 3, 1991, by an Act of Congress (Public Law 102–201), Custer Battlefield National Monument was redesignated as Little Bighorn Battlefield National Monument (referred to in this Act as the "Monument"), and an Indian memorial was authorized.

(2) The current total size of the Monument is 765.34 acres. This includes the areas immediately surrounding the cemetery and a separate area, the Reno-Benteen Battlefield, a few miles from the cemetery. There are additional sites of historical interest related to the 1876 battle that are not contained within the boundaries of the Monument as it is presently constituted.

(3) The United States has a tradition of preserving the sites of historic battles, in the conviction that such ground is hallowed by the sacrifices of those who gave their lives in conflict, and in the hope that understanding the events of our past, especially tragic events, helps us to understand the people we have become. A necessary part of this preserving and honoring is attempting, as much as is possible, to maintain the appearance of the places where these struggles occurred as the participants would have experienced them.

(4) The area surrounding the Monument has seen markedly increased commercial development in recent years. Such development not only threatens to intrude on the experience of visitors to the Monument, but in many instances the development has actually taken place directly on sites of historical importance, irrevocably altering physical features of the landscape that are crucial for understanding what took place at the Battle of the Little Bighorn.

(5) It is in the interest of the United States to preserve the integrity of the site of the Battle of the Little Bighorn, an event of lasting significance for the United States and for the sovereign Indian nations. In order to preserve this historical treasure, it is imperative that additional lands surrounding the Monument be set aside and given protected status or be made part of the Monument itself.

(6) All areas of the Monument, as well as the other areas of historical interest, are completely contained within the external boundaries of the Crow Indian Reservation.

(7) There is every indication that additional land and facilities are available for inclusion in the Monument through either voluntary conveyance or by gift or donation from private individuals and entities.

(b) Purposes.—It is the purpose of this Act—

(1) to establish a cooperative and collaborative process for expanding and enhancing the Monument;

(2) to ensure that the process established by this Act reflects the social, historical and cultural concerns of the Indian tribes participating in such processes in a manner consistent with the long-standing Federal policy to encourage tribal self-determination; and

(3) to ensure that the resources within the Monument are protected and enhanced by—

(A) providing for partnerships between the Crow Tribe, the National Park Service, and the Native American Tribes who participated in the Battle of Little Bighorn; and

(B) encouraging private individuals and entities to donate land and facilities to the Monument.

SEC. 3. LITTLE BIGHORN BATTLEFIELD NATIONAL MONUMENT ENHANCEMENT COMMITTEE.

(a) In General.—There is established a committee to be known as the "Little Bighorn Battlefield National Monument Enhancement Committee" (referred to in this section as the "Committee").

(b) Composition.—The Committee shall be composed of—

(1) 1 member appointed by the Secretary of Interior to represent the Department of Interior;

(2) 3 members appointed by the Secretary of Interior to represent the Native American tribes who participated in the Battle of Little Bighorn; and

(3) 1 member appointed by the Crow Indian tribe.

(c) Administrative Provisions.—

(1) Quorum; meetings.—Three members of the Committee shall constitute a quorum. The Committee shall act and provide advise by the affirmative vote of a majority of the members voting at a meeting at which a quorum is present. The Committee shall meet on a regular basis. Notice of meetings and the agenda shall be published in local newspapers which have a distribution which generally covers the area affected by the Monument. Committee meetings shall be held at locations and in such a manner as to ensure adequate public involvement.

(2) Advisory functions.—The Committee shall advise the Secretary to ensure that the Monument, its resources and landscape, is sensitive to the history being portrayed and artistically commendable.

(3) Technical staff.—In order to provide staff support and technical services to assist the Committee in carrying out its duties under this Act, upon the request of the Committee, the Secretary of the Interior is authorized to detail any personnel of the National Park Service to the Committee.

(4) Compensation.—Members of the Committee shall serve without compensation but shall be entitled to travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service under section 5703 of title 5, United States Code.

(5) Charter.—The provisions of section 14(b) of the Federal Advisory Committee Act (5 U.S.C. Appendix; 86 Stat. 776), are hereby waived with respect to the Committee.

(d) Duties.—The Committee shall—

(1) maintain a registry of facilities and land that may be offered by private individuals and entities by gift, sale, transfer, or other voluntary conveyance for inclusion in the Monument;

(2) by a majority vote determined whether some or all of a parcel of land or facility listed on the registry under paragraph (1) is appropriate for inclusion as a part of the Monument; and

(3) in the case of a positive recommendation under subparagraph (A), provide advise to the Secretary on—

(A) whether the land or facility involved may be available for no or nominal consideration or under what terms and conditions the owner of such land or facility would be willing to transfer such land or facility for inclusion in the Monument for no or nominal consideration; or

(B) whether the Committee recommends the use of the Fund established under section 5 to acquire such land or facility.

SEC. 4. RULE OF CONSTRUCTION.

Nothing in this act shall be construed to limit or impair the jurisdiction or authority of the Crow Indian tribe.

SEC. 5. ESTABLISHMENT OF FUND.

There is established in the Treasury of the United States a fund to be known as the "Little Bighorn Battlefield National Monument Enhancement Fund". The Fund shall be used as provided for in section 3(d)(3)(B) and shall include—

(1) all amounts appropriated to the Fund; and

(2) all amounts donated to the Fund.

By Mr. CAMPBELL:

S. 1339. A bill to amend the Bring Them Home Alive Act of 2000 to provide an asylum program with regard to American Persian Gulf War POW/MIAs, and for other purposes; to the Committee on the Judiciary.

Mr. CAMPBELL. Madam President, I am pleased to introduce the "Persian Gulf War POW/MIA Accountability Act of 2001." This bill will help persuade foreign Nations and their inhabitants to take necessary and sometimes risky steps needed to return any surviving American POW/MIAs from the Persian Gulf War by providing asylum to those foreign nationals who cooperate.

This bill builds on S. 484, the Bring Them Home Alive Act of 2000, which I introduced in the 106th Congress. This legislation was signed into law last November. As many of you know, this law provides for the granting of refugee status in the United States to nations of certain foreign countries in which American Vietnam War POW/MIAs or American Korean War POW/MIAs may be present.

On January 17, 1991, Lieutenant Commander Michael Speicher's F–18 was shot down over Western Iraq during the first hours of the Persian Gulf War. Based on the accounts of other pilots flying in the mission and 12 hours of radio silence, Lieutenant Commander Speicher was declared Missing in Action, MIA, the next day. On May 22, 1991, his status was changed to Killed in Action/Body Not Recovered, KIA/BNR.

In December 1995, investigators from the Army and Navy found the crash site of Lieutenant Commander Speicher's F–18. Located at the crash site were used flares and parts of a survival kit. Near the site, the canopy of the plane was found which would indicate that Lieutenant Commander Speicher ejected from his plane before it crashed. Based on this and other information, the Navy came to the conclusion that they could no longer assume that Lieutenant Commander Speicher was indeed KIA. On January 11, of this year, the Navy changed his official status from KIA/BNR back to MIA.

News reports indicated one of the major breaks in this case was provided by an Iraqi defector. According to his information, during the first days of the war, he drove a downed American pilot to Baghdad. The pilot was alive and alert. This defector was able to pass two lie detector tests and pointed to Lieutenant Commander Speicher in a photo lineup.

Under this legislation, if Lieutenant Commander Speicher were found alive and returned home, this defector and his family would be granted refugee status in the United States. As a veteran and a proud American, I will not rest until we have exhausted every avenue available to repatriate the brave men and women who have sacrificed so much for the freedom we enjoy. This legislation provides the kinds of incentives we need to help bring American POW/MIAs home alive.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1339

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Persian Gulf War POW/MIA Accountability Act of 2001".

SEC. 2. AMERICAN PERSIAN GULF WAR POW/MIA ASYLUM PROGRAM.

(a) ASYLUM PROGRAM.—The Bring Them Home Alive Act of 2000 (Public Law 106–484; 114 Stat. 2195; 8 U.S.C. 1157 note) is amended by inserting after section 3 the following new section:

"SEC. 3A. AMERICAN PERSIAN GULF WAR POW/MIA ASYLUM PROGRAM.

"(a) ASYLUM FOR ELIGIBLE ALIENS.—Notwithstanding any other provision of law, the Attorney General shall grant refugee status in the United States to any alien described in subsection (b), upon the application of that alien.

"(b) ELIGIBILITY.—Refugee status shall be granted under subsection (a) to—

"(1) any alien who—

"(A) is a national of Iraq or a nation of the Greater Middle East Region (as determined by the Attorney General in consultation with the Secretary of State); and

"(B) personally delivers into the custody of the United States Government a living American Persian Gulf War POW/MIA; and

"(2) any parent, spouse, or child of an alien described in paragraph (1).

"(c) DEFINITIONS.—In this section:

"(1) AMERICAN PERSIAN GULF WAR POW/MIA.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'American Persian Gulf War POW/MIA' means an individual—

"(i) who is a member of a uniformed service (within the meaning of section 101(3) of title 37, United States Code) in a missing status (as defined in section 551(2) of such title and this subsection) as a result of the Persian Gulf War, or any successor conflict, operation, or action; or

"(ii) who is an employee (as defined in section 5561(2) of title 5, United States Code) in a missing status (as defined in section 5561(5) of such title) as a result of the Persian Gulf War, or any successor conflict, operation, or action.

"(B) EXCLUSION.—Such term does not include an individual with respect to whom it is officially determined under section 552(c) of title 37, United States Code, that such individual is officially absent from such individual's post of duty without authority.

"(2) MISSING STATUS.—The term 'missing status', with respect to the Persian Gulf War, or any successor conflict, operation, or action, means the status of an individual as a result of the Persian Gulf War, or such conflict, operation, or action, if immediately before that status began the individual—

"(A) was performing service in Kuwait, Iraq, or another nation of the Greater Middle East Region; or

"(B) was performing service in the Greater Middle East Region in direct support of military operations in Kuwait or Iraq.

"(3) PERSIAN GULF WAR.—The term 'Persian Gulf War' means the period beginning on August 2, 1990, and ending on the date thereafter prescribed by Presidential proclamation or by law.".

(b) BROADCASTING INFORMATION.—Section 4(a)(2) of that Act is amended—

(1) by striking "and" at the end of subparagraph (A);

(2) by striking the period at the end of subparagraph (B) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(C) Iraq, Kuwait, or any other country of the Greater Middle East Region (as determined by the International Broadcasting Bureau in consultation with the Attorney General and the Secretary of State).".

By Mr. CAMPBELL:

S. 1340. A bill to amend the Indian Land Consolidation Act to provide for probate reform with respect to trust or restricted lands; to the Committee on Indian Affairs.

Mr. CAMPBELL. Madam President, today, I am pleased to introduce the Indian Probate Reform Act of 2001 which builds on the solid foundations of the Indian Land Consolidation Act Amendments of 2000, P.L. 106–462, which I also sponsored.

The Land Consolidation Act Amendments were necessary for two reasons. First, it rewrote the parts of the existing law that were held unconstitutional by the United States Supreme Court.

Second, many of the laws dealing with Indian probate and the use of Indian land had been in place for more than a century. Through P.L. 106–462, Congress was able to revisit those laws to remove provisions that were based on out-dated, misguided, and discredited federal policies.

As my colleagues know Federal Indian policy is sometimes out-dated, and counter-productive Federal laws impede tribal efforts to achieve economic self determination and sufficiency.

As Congress worked on the Land Consolidation Act Amendments, it became clear that other laws also needed to be updated but could not be addressed until we enacted P.L. 106–462. With that work completed, we now have an opportunity to remove a number of complications concerning the probate of Indian estates and lands.

Presently about 20 different State laws of interstate succession apply to the inheritance of Indian allotments. This makes it almost impossible for the Federal Government to provide general probate planning advice to allotment owners.

Also, administrative law judges must monitor developments and changes in the probate laws of every State where allotments are located. This is simply an unnecessary waste of their time and tax dollars. The average Indian estate takes more than a year to probate, and in some cases a decedent's heirs will have died before the decedent's probate is completed. We can do better.

I am pleased that Interior Secretary Norton is making trust fund reform such a high priority. But we in Congress have to do our part to support these efforts. I trust that my colleagues share my commitment to ensure that adequate resources are available to support real trust reform efforts. We must also be willing to roll up our sleeves and take a good hard look at the laws that provide the framework for the use and probate of Indian trust lands, especially trust lands that are in individual Indian ownership.

This bill is the next step in completing the work we began last Congress by establishing uniform federal Indian probate rules.

I ask unanimous consent that the text of the bill printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1340

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Probate Reform Act of 2001".

SEC. 2. AMENDMENTS TO THE INDIAN LAND CONSOLIDATION ACT.

(a) IN GENERAL.—The Indian Land Consolidation Act (25 U.S.C. 2201 et seq.) is amended by adding at the end the following:

"Subtitle B—Indian Probate Reform

"SEC. 231. FINDINGS.

"Congress makes the following findings:

"(1) The General Allotment Act of 1887 (commonly known as the "Dawes Act"), which authorized the allotment of Indian reservations, did not allow Indian allotment owners to provide for the testamentary disposition of the land that was allotted to such owners.

"(2) The Dawes Act provided that allotments would descend according to State law of intestate succession based on the location of the allotment.

"(3) The Federal Government's reliance on the State law of intestate succession with respect to the descendency of allotments has resulted in numerous problems to Indian tribes, their members, and the Federal Government. These problems include—

"(A) the increasing fractionated ownership of trust and restricted land as these lands are inherited by successive generations of owners as tenants in common;

"(B) the application of different rules of intestate succession to each of a decedent's interests in trust and restricted land if such land is located within the boundaries of different States which makes probate planning unnecessarily difficult and impedes efforts to provide probate planning assistance or advice;

"(C) the absence of a uniform general probate code for trust and restricted land which makes it difficult for Indian tribes to work cooperatively to develop tribal probate codes; and

"(D) the failure of Federal law to address or provide for many of the essential elements of general probate law, either directly or by reference, which is unfair to the owners of trust and restricted land and their heirs and devisees and which makes probate planning more difficult.

"(4) Based on the problems identified in paragraph (3), a uniform Federal probate code would likely—

"(A) reduce the number of unnecessary fractionated interests in trust or restricted land;

"(B) facilitate efforts to provide probate planning assistance and advice;

"(C) facilitate inter-tribal efforts to produce tribal probate codes pursuant to section 206; and

"(D) provide essential elements of general probate law that are not applicable on the date of enactment of this subtitle to interests in trust or restricted land.

"SEC. 232. RULES RELATING TO INTESTATE INTERESTS AND PROBATE.

"(a) IN GENERAL.—Any interest in trust or restricted land that is not disposed of by a valid will shall—

"(1) descend according to a tribal probate code that is approved pursuant to section 206; or

"(2) in the case of an interest in trust or restricted land to which such a code does not apply, be considered an 'intestate interest' and descend pursuant to subsection (b), this Act, and other applicable Federal law.

"(b) INTESTATE SUCCESSION.—An interest in trust or restricted land described in subsection (a)(2) (intestate interest) shall descend as provided for in this subsection in the following order:

"(1) SURVIVING INDIAN SPOUSE.—

"(A) SOLE HEIR.—A surviving Indian spouse of the decedent shall receive all of the decedent's intestate interests if no Indian child or grandchild of the decedent survives the decedent.

"(B) OTHER HEIRS.—A surviving Indian spouse of the decedent shall receive a one-half interest in each of the decedent's intestate interests if the decedent is also survived by Indian children or grandchildren.

"(C) HEIRS OF THE FIRST OR SECOND DEGREE OTHER THAN SURVIVING INDIAN SPOUSE.—The one-half interest in each of the decedent's intestate interests that do not descend to the surviving Indian spouse under subparagraph (B) shall descend in the following order:

"(i) To the Indian children of the decedent in equal shares, or to the Indian grandchildren of the decedent, if any, in equal shares by right of representation if 1 or more of the Indian children of the decedent do not survive the decedent.

"(ii) If the decedent is not survived by Indian children or grandchildren, to the surviving Indian parent of the decedent, or to both of the surviving Indian parents of the decedent as joint tenants with the right of survivorship.

"(iii) If the decedent is not survived by any person who is eligible to inherit under clause (i) or (ii), to the surviving Indian brothers and sisters of the decedent.

"(iv) If the decedent is not survived by any person who is eligible to inherit under clause (i), (ii), or (iii), the intestate interests shall descend, or may be acquired, as provided for in section 207(a)(3)(B), 207(a)(4), or 207(a)(5).

"(2) NO SURVIVING INDIAN SPOUSE.—If the decedent is not survived by an Indian spouse, the intestate interests of the decedent shall descend to the individuals described in subparagraphs (A) through (D) who survive the decedent in the following order:

"(A) To the Indian children of the decedent in equal shares, or to the Indian grandchildren of the decedent, if any, in equal shares by right of representation if 1 or more of the Indian children of the decedent do not survive the decedent.

"(B) If the decedent is not survived by Indian children or grandchildren, to the surviving Indian parent of the decedent, or to both of the surviving Indian parents of the decedent as joint tenants with the right of survivorship.

"(C) If the decedent is not survived by any person who is eligible to inherit under subparagraph (A) or (B), to the surviving Indian brothers and sisters of the decedent.

"(D) If the decent is not survived by any person who is eligible to inherit under subparagraph (A), (B), or (C), the intestate interests shall descend, or may be acquired, as provided for in section 207(a)(3)(B), 207(a)(4), or 207(a)(5).

"(3) SURVIVING NON-INDIAN SPOUSE.—

"(A) NO DESCENDANTS.—A surviving non-Indian spouse of the decedent shall receive a life estate in each of the intestate interests of the decedent pursuant to section 207(b)(2) if the decedent is not survived by any children or grandchildren.

"(B) DESCENDANTS.—A surviving non-Indian spouse of the decedent shall receive a life estate in one-half of the intestate interests of the decedent pursuant to section 207(b)(2) if the decedent is survived by at least one of the children or grandchildren of the decedent.

"(C) DESCENDANTS OTHER THAN SURVIVING NON-INDIAN SPOUSE.—The one-half life estate interest in each of the decedent's intestate interests that do not descend to the surviving non-Indian spouse under subparagraph (B) shall descend to the children of the decedent in equal shares, or to the grandchildren of the decedent, if any, in equal shares by right of representation if 1 or more of the children of the decedent do not survive the decedent.

"(4) NO SURVIVING SPOUSE OR INDIAN HEIRS.—If the decedent is not survived by a spouse, a life estate in the intestate interests of the decedent shall descend in the following order:

"(A) To the children of the decedent in equal shares, or to the grandchildren of the decedent, if any, in equal shares by right of representation if 1 or more of the children of the decedent do not survive the decedent.

"(B) If the decedent has no surviving children or grandchildren, to the surviving parents of the decedent.

"(5) REMAINDER INTEREST FROM LIFE ESTATES.—The remainder interest from a life estate established under paragraphs (3) and (4) shall descend in the following order:

"(A) To the Indian children of the decedent in equal shares, or to the Indian grandchildren of the decedent, if any, in equal shares by right of representation if 1 or more of the children of the decedent do not survive the decedent.

"(B) If there are no surviving Indian children or grandchildren of the decedent, to the surviving Indian parent of the decedent or to both of the surviving Indian parents of the decedent as joint tenant with the right of survivorship.

"(C) If there is no surviving Indian child, grandchild, or parent, to the surviving Indian brothers or sisters of the decedent in equal shares.

"(D) If there is no surviving Indian descendant or parent, brother or sister, the intestate interests of the decedent shall descend, or may be acquired, as provided for in section 207(a)(3)(B), 207(a)(4), or 207(a)(5).

"(c) SPECIAL RULE RELATING TO SURVIVAL.—For purposes of this section, an individual who fails to survive a decedent by at least 120 hours is deemed to have predeceased the decedent for purposes of intestate succession, and the heirs of the decedent shall be determined accordingly. If it is not established by clear and convincing evidence that an individual who would otherwise be an heir survived the decedent by at least 120 hours, such individual shall be deemed to have failed to survive for the required time-period for purposes of the preceding sentence.

"(d) Pretermitted Spouses and Children.—

"(1) Spouses.—For purposes of this section, if the surviving spouse of a testator married the testator after the testator executed his or her will, the surviving spouse shall receive the intestate share in trust or restricted land that such spouse would have otherwise received if the testator had died intestate. The preceding sentence shall not apply to an interest in trust or restricted lands where—

"(A) the will is executed before the date specified in section 234(a);

"(B) the testator's spouse is a non-Indian and the testator has devised his or her interests in trust or restricted land to an Indian or Indians;

"(C) it appears from the will or other evidence that the will was made in contemplation of the testator's marriage to the surviving spouse;

"(D) the will expresses the intention that it is to be effective notwithstanding any subsequent marriage; or

"(E) the testator provided for the spouse by a transfer of funds or property outside of the will and an intent that the transfer be in lieu of a testamentary provision is demonstrated by the testator's statements or is reasonably inferred from the amount of the transfer or other evidence.

"(2) Children.—For purposes of this section, if a testator executed his or her will prior to the birth of 1 or more children of the testator and the omission is the product of inadvertence rather than an intentional omission, such children shall share in the decedent's intestate interests in trust or restricted lands as if the decedent had died intestate.Any person recognized as an heir by virtue of adoption under the Act of July 8, 1940 (54 Stat 746) shall be treated as a decedent's child under this section.

"(e) Divorce.—

"(1) Surviving spouse.—

"(A) In general.—For purposes of this section, an individual who is divorced from the decedent, or whose marriage to the decedent has been annulled, shall not be considered to be a surviving spouse unless, by virtue of a subsequent marriage, such individual is married to the decedent at the time of death. A decree of separation that does not terminate the status of husband and wife shall not be considered a divorce for purposes of this subsection.

"(B) Rule of construction.—Nothing in subparagraph (A) shall be construed to prevent an entity responsible for adjudicating interests in trust or restricted land from giving force and effect to a property right settlement if one of the parties to the settlement dies before the issuance of a final decree dissolving the marriage of the parties to the property settlement.

"(2) Effect of subsequent divorce on a will or devise.—If after executing a will the testator is divorced or the marriage of the testator is annulled, upon the effective date of the divorce or annulment any disposition of interests in trust or restricted land made by the will to the former spouse shall be deemed to be revoked unless the will expressly provides otherwise. Property that is prevented from passing to a former spouse based on the preceding sentence shall pass as if the former spouse failed to survive the decedent. Any provision of a will that is revoked solely by operation of this paragraph shall be revived by the testator's remarriage to the former spouse.

"(f) Notice.—To the extent practicable, the Secretary shall notify the owners of trust and restricted land of the provisions of this title. Such notice may, at the discretion of the Secretary, be provided together with the notice required under section 207(g).

"SEC. 233. COLLECTION OF PAST-DUE AND OVER-DUE CHILD SUPPORT

"The Secretary shall establish procedures to provide for the collection of past-due or over-due support obligations entered by a tribal court or any other court of competent jurisdiction from the revenue derived from an interests in trust or restricted land.

"SEC. 234. EFFECTIVE DATE.

"(a) In General.—The provisions of this title shall not apply to the estate of an individual who dies prior to the later of—

"(1) the date that is 1 year after the date of enactment of this subtitle; or

"(2) the date specified in section 207(g)(5).".

(b) Other Amendments.—The Indian Land Consolidation Act (25 U.S.C. 2201 et seq.) is amended—

(1) by inserting after section 202, the following:

"Subtitle A—General Land Consolidation";

(2) in section 206 (25 U.S.C. 2205)—

(A) in subsection (a)(3)—

(i) by striking "The Secretary" and inserting the following:

"(A) In general.—The Secretary"; and

(ii) by adding at the end the following:

"(B) Tribal probate codes.—A tribal probate code shall not prevent the devise of an interest in trust or restricted land to nonmembers of the tribe unless the code—

"(i) provides for the renouncing of interests, reservation of life estates, and payment of fair market value in the manner prescribed under subsection (c)(2); and

"(ii) does not prohibit the devise of an interest in an allotment to an Indian person if such allotment was originally allotted to the lineal ancestor of the devisee."; and

(B) in subsection (c)(2)—

(i) in subparagraph (A)—

(I) by striking "In general.—Paragraph" and inserting the following:

"(A) Nonapplicability to certain interests.—

"(i) In general.—Paragraph";

(II) by striking "if, while" and inserting the following: "if—

"(I) while";

(III) by striking the period and inserting "; or";

(IV) by adding at the end thereof the following:

"(II) the interest is part of a family farm that is devised to a member of the decedent's family if the devisee agrees that the Indian tribe that exercises jurisdiction over the land will have the opportunity to acquire the interest for fair market value if the interest is offered for sale to an entity that is not a member of the family of the owner of the land.

"(ii) Rule of construction.—Nothing in clause (i)(II) shall be construed to prevent or limit the ability of an owner of land to which such clause applies to mortgage such land or to limit the right of the entity holding such a mortgage to foreclose or otherwise enforce such a mortgage agreement pursuant to applicable law."; and

(ii) in subparagraph (B), by striking "207(a)(6)(B)" and inserting "207(a)(6)";

(3) in section 207 (25 U.S.C. 2206)—

(A) in subsection (a)(6), by striking subparagraph (A) and inserting the following:

"(A) Devise to others.—

"(i) In general.—Notwithstanding paragraph (2), an owner of trust or restricted land—

"(I) who does not have an Indian spouse or an Indian lineal descendant may devise his or her interests in such land to his or her spouse, lineal descendant, heirs of the first or second degree, or collateral heirs of the first or second degree;

"(II) who does not have a spouse or an Indian lineal descendent may devise his or her interests in such land to his or her lineal descendant, heirs of the first or second degree, or collateral heirs of the first or second degree; or

"(III) who does not have a spouse or lineal descendant may devise his or her interests in such land to his or her heirs of the first or second degree, or collateral heirs of the first or second degree.

"(ii) Rule of construction.—Any devise of an interest in trust or restricted land under clause (i) to a non-Indian will be construed to devise a life estate unless the devise explicitly states that the testator intends for the devisee to take the interest in fee.

"(B) Unexercised rights of redemption.—

"(i) In general.—This subparagraph (B) shall only apply to interests in trust or restricted land that are held in trust or restricted status as of the date of enactment of the Indian Probate Reform Act of 2001, and interests in any parcel of land, at least a portion of which is in trust or restricted status as of such date of enactment, that is subject to a tax sale, tax foreclosure proceeding, or similar proceeding.

"(ii) Exercise of right.—If the owner of such an interest referred to in clause (i) fails or refuses to exercise any right of redemption that is available to that owner under applicable law, the Indian tribe that exercises jurisdiction over the trust or restricted land referred to in such clause may exercise such right of redemption.

"(iii) Penalties and assessments.—To the extent permitted under the Constitution of the United States, an Indian tribe acquiring an interest under clause (i) may acquire such an interest without being required to pay—

"(I) penalties; or

"(II) past due assessments that exceed the fair market value of the interest."; and

(B) in subsection (g)(5), by striking "this section" and inserting "subsections (a) and (b)"; and

(4) in section 217 (25 U.S.C. 2216)—

(A) in subsection (e)(3), by striking "prospective applicants for the leasing, use, or consolidation of" and insert "any person that is leasing, using or consolidating, or is applying to, lease, use, or consolidate,"; and

(B) in subsection (f)—

(A) by striking "After the expiration of the limitation period provided for in subsection (b)(2) and prior" and inserting "Prior"; and

(B) by striking "sold, exchanged, or otherwise conveyed under this section".

(c) Issuance of Patents.—Section 5 of the Act of February 8, 1887 (24 Stat. 348) is amended by striking the second proviso and inserting the following: "*Provided*, That the rules of intestate succession under the Indian Land Consolidation Act, or a tribal probate code approved under such Act and regulations, shall apply thereto after such patents have been executed and delivered:".

By Mr. HATCH (for himself, Mr. KENNEDY, and Mr. JEFFORDS):

S. 1341. A bill to amend the Internal Revenue Code of 1986 to expand human clinical trials qualifying for the orphan drug credit, and for other purposes; to the Committee on Finance.

Mr. HATCH. Madam President, I rise today to introduce legislation to clarify and expand the expenses qualifying for the orphan drug tax credit. I am pleased to be joined in this legislation by Senators KENNEDY and JEFFORDS.

As the original sponsor of the legislation authorizing the orphan drug program, and a leader in the Senate in our successful effort in 1996 to make the tax credit permanent, I am here today to ask my colleagues to support a needed improvement to the Orphan Drug Tax Credit. This improvement would make the tax credit even more effective in advancing the development of treatments for life-threatening rare diseases and conditions.

The Orphan Drug Tax Credit provides tax incentives to companies that develop treatments for diseases affecting fewer than 200,000 people, a population typically too small to provide a natural impetus for the private sector to take the necessary risks to develop a remedy that may never be profitable. The diseases covered under the credit include: ALS, Lou Gehrig's disease; cerebral palsy; cystic fibrosis; epilepsy; Gaucher's disease; Hunington disease; sickle cell disease; and system lupus erythematosus, Lupus. More than 20 million Americans suffer from these rare diseases.

The Orphan Drug Tax Credit has been very successful. For example, in the case of multiple sclerosis, 6 years ago there was no treatment for any type of the disease, only for its symptoms. Thanks in large part to this law, there are now three products on the market to treat the disease.

Unfortunately, the design of the credit includes a flaw that limits its effectiveness. The bill we are introducing today would correct this problem. Under the current Orphan Drug Tax Credit, a 50 percent is available for expenses related to human clinical testing of drugs that are designated as meeting the statutory definition of an "orphan" by the Food and Drug Administration, FDA. Qualifying expenses are those paid or incurred after the date on which the drug is designated as a potential treatment for a rare disease or disorder.

The problem is that qualified expenses incurred during the time it takes the FDA to officially designate the drug as an "orphan" are not eligible for the credit. Unfortunately, the FDA approval process can take from two months to more than a year. In some cases, companies developing these potentially life-saving drugs are left with a difficult decision, delay the start of the clinical trials until the designation is received, or go ahead and start the trials without the designation, but forego the benefits of tax credit that is so crucial to offsetting the high cost of developing these drugs. Neither choice is in the best interest of the 20 million Americans who are waiting and hoping for a cure for their disorder.

The bill we are introducing today would solve this problem by simply providing that qualifying expenses include those incurred after the date on which the company files an application with the FDA for designation of the drug as a potential treatment for a rare disease or disorder. The credit's availability for these pre-designation expenses, however, is conditioned upon the FDA actually making the designation. Thus, under this change, the designation must still first be granted before the credit could be claimed. But, once the designation is granted, the credit could be claimed for both the clinical testing expenses incurred between the filing of the application and the designation date, as well as for those incurred after the designation date.

It is important to note that this change will also simplify the current law. In fact, this change was recommended earlier this year by the staff of the Joint Committee on Taxation in its study of recommendations to simplify the Federal tax system.

The bill would also make one other change designed to help Americans suffering from rare diseases. It would provide that the FDA publish on a monthly basis a list of applications for orphan drug designations. This provision will allow rare disease patients early access to information about proposed clinical trials and will help the industry locate research subjects for their studies.

The Orphan Drug Tax Credit enjoys wide bipartisan support, and rightly so. It is a tax incentive that works. Now, we have a chance to make it work even better. The tax clarification in this bill was passed in both the Senate twice in the 106th Congress, once in H.R. 2488, the Financial Freedom Act of 1999, which was vetoed by President Clinton for unrelated reasons, and again in H.R. 4577, the Department of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, 2001, which passed on July 10, 2000.

I urge my colleagues to support this legislation and I ask unanimous consent that the text of bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1341

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXPANDED HUMAN CLINICAL TRIALS QUALIFYING FOR ORPHAN DRUG CREDIT.

(a) IN GENERAL.—Subclause (I) of section 45C(b)(2)(A)(ii) of the Internal Revenue Code of 1986 is amended to read as follows:

"(I) after the date that the application is filed for designation under such section 526, and".

(b) CONFORMING AMENDMENT.—Clause (i) of section 45C(b)(2)(A) of the Internal Revenue Code of 1986 is amended by inserting "which is" before "being" and by inserting before the comma at the end "and which is designated under section 526 of such Act".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2001.

SEC. 2. PUBLICATION OF FILING AND APPROVAL OF REQUESTS FOR DESIGNATION OF DRUGS FOR RARE DISEASES OR CONDITIONS.

Subsection (c) of section 526 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360bb) is amended to read as follows:

"(c) Not less than monthly, the Secretary shall publish in the Federal Register, and otherwise make available to the public, notice of requests for designation of a drug under subsection (a) and approvals of such requests. Such notice shall include—

"(1) the name and address of the manufacturer and the sponsor;

"(2) the date of the request for designation or of the approval of such request;

"(3) the nonproprietary name of the drug and the name of the drug under which an application is filed under section 505(b) or section 351 of the Public Health Service Act;

"(4) the rare disease or condition for which the designation is requested or approved; and

"(5) the proposed indication for use of the product.".

By Mr. DORGAN (for himself and Mr. STEVENS):

S. 1342. A bill to allocate H–1B visas for demonstration projects in rural America; to the Committee on the Judiciary.

Mr. DORGAN. Madam President, I'm pleased to be joined by Senator STEVENS in introducing legislation that we believe will develop high-tech employment opportunities in small towns and rural communities by using the H–1B visa program in a meaningful way for rural States.

Over the past several decades, hundreds of communities in rural America have seen their populations shrink by more than a third. Devastated by the overwhelming loss of people and businesses, or outmigration, these rural communities have been stymied in their efforts to grow their economies and create jobs for their people. Most of these areas have also not benefited from the recent technology-driven growth in the economy. The combined effects of this economic stagnation and isolation have made it extremely difficult for these small rural towns to attract high-tech companies and recruit the skilled technology workers that they need to participate in the new economy.

The proposal we are introducing today builds upon legislation signed into law by President Clinton last fall that provided the Nation's high-technology companies with the stopgap measure they needed to secure skilled workers for unfilled positions by increasing the annual number of foreign workers that can receive H-1B status to 195,000 over the next three years. That legislation, which I supported, was an appropriate short-term response to the problems caused by a scarcity of qualified labor that threatened the nation's continued economic growth.

The bill that Senator STEVENS and I are now introducing is called the "21st Century Homesteading Act." It would establish up to six H-1B visa demonstration projects in qualifying rural areas, including those devastated by population loss. This legislation is designed to encourage high-technology firms to grow their businesses and increase employment in those distressed rural areas that need them the most. It would do this by both awarding grant funds and targeting a small portion of the total annual H-1B visa allocations to economic development planning districts in eligible areas.

The major provisions of the 21st Century Homesteading Act are as follows:

Six demonstration programs. The bill authorizes and requires the Secretary of Agriculture to conduct up to six demonstration H-1B visa projects to be implemented through the award of grant funding to qualifying economic development planning districts in rural areas.

Application process. To apply for grant funds, economic development planning districts would be required, among other things, to submit an application to the Secretary, sign a resolution of support to bring high-tech development opportunities into that district, and execute a declaration of need confirming that the area has experienced substantial outmigration, has high unemployment or poverty rates, or has a population that is 10 percent or more Native American.

Local transfer of visa fees. The amount of each grant awarded to eligible districts would be equal to the H-1B visa fees paid by petitioning employers. Grants can be used only to provide education, training, equipment, and infrastructure in connection with the employment of H-1B workers within that district.

Total of 12,000 H-1B visas. Up to 12,000 H-1B visas could be issued to eligible aliens for employment through these demonstration projects—and no one planning district could issue more than 2,000 H-1B visas.

New account for program funds. A separate "Twenty-first Century Homesteading Account" would be established in the Treasury general fund. The H-1B visa fees paid for foreign workers in approved demonstration projects would be deposited into that account and remain available to the Agriculture Secretary until expended to carry out such projects.

Let me be clear on three points. First, we do not intend with this legislation to replace skilled American workers with their foreign counterparts. Under current law, H-1B visas are temporary and firms that significantly rely on them must have attempted to hire U.S. workers and attest that a U.S. worker is not laid off during a significant period of time before and after an H-1B worker is hired. Our legislation would not change these and other restrictions. Furthermore, the 21st Century Homesteading Act also requires designated economic development planning districts to establish training programs for other workers who live in that district.

Second, this legislation permits an allocation of no more than 2,000 H-1B visas for each of the six demonstration projects that are authorized. Thus, even if all 12,000 H-1B visas were ultimately allocated to the full six demonstration projects, that number would still represent less than one-tenth of the total H-1B visas permitted in the first year. This small allocation of H-1B visas should have little or no impact on the overall efforts of companies seeking H-1B workers in other parts of the country. In fact, to date, only 117,000 of the 195,000 H-1B visas available for this year have been approved, so allocating a small portion for these demonstration programs should not present a problem.

And third, this legislation in no way increases or decreases the overall levels of immigration into the country. It simply targets a very small number of existing employment visas to those communities that have not benefited from the recent technology boom, and which are likely to benefit the most from the addition of new residents with the necessary skills to help attract and retain high-tech employers.

Finally, I would note that the prospect for these demonstration projects is not merely a theoretical exercise. This approach was raised with me by economic development officials in North Dakota who stand ready, willing, and able to apply for economic development planning district status. In my judgment, this group has already demonstrated the kind and level of commitment that is needed to make this initiative successful.

There is great need in rural America, especially in states like mine. But often this need is not properly addressed here in Washington because of what I think is a fundamental misunderstanding of the problem of outmigration and the economic maladies associated with it. The 21st Century Homesteading Act is an effort to fine tune one of our federal policies in order to address the shortage of skilled labor and lack of job growth in many rural communities. I urge my colleagues to support this important demonstration initiative for rural America.

By Mr. CHAFFEE (for himself, Mrs. FEINSTEIN, Ms. SNOWE, Mr. SCHUMER, Ms. COLLINS, Mr. BINGAMAN, Mr. SPECTER, Mrs. CLINTON, Mr. JEFFORDS, Mr. GRAHAM, Mr. HARKIN, and Mr. CORZINE):

S. 1343. A bill to amend title XIX of the Social Security Act to provide States with options for providing family planning services and supplies to individuals eligible for medical assistance under the Medicaid program; to the Committee on Finance.

Mr. CHAFEE, Madam President, I am pleased to be joined today by Senators FEINSTEIN, SNOWE, BINGAMAN, COLLINS, SCHUMER, SPECTER, GRAHAM, CLINTON, CORZINE, HARKIN, and JEFFORDS in introducing the Family Planning State Empowerment Act of 2001. This legislation would provide States with a mechanism to improve the health of low-income women and families by allowing States to expand family planning services to additional women under the Medicaid program.

The Federal Government currently reimburses States for 90 percent of their expenditures for family planning services under Medicaid, due to the importance of these for low-income women. This reimbursement rate is higher than for most other health care services.

Generally, women may qualify for Medicaid services, including family planning, in one of two ways: they have children and an income level below a threshold set by the State (ranging from 15–86 percent of the Federal poverty level; or they are pregnant and have incomes up to 133 percent of the poverty level, federal law allows states to raise this income eligibility level to 185 percent, if they desire. If a woman qualifies because of pregnancy, she is automatically eligible for family planning services for sixty days following delivery. After those sixty days, the women's Medicaid eligibility expires.

If States want to provide Medicaid family planning services to additional populations of low-income women, they must apply to the federal government for a so-called "1115" waiver. These waivers allow States to establish demonstration projects in order to test new approaches to health care delivery in a manner that is budget-neutral to the Federal Government.

To date, these waivers have enabled fourteen States to expand access to family planning services. Most of these waivers allow states to extend family planning to women beyond the sixty-day post-partum period. This allows many women to increase the length of time between births, which was significant health benefits for women and their children. For this reason, an Institute of Medicine report recommended that Medicaid should cover family planning services for two years following a delivery.

Some of the waivers allow States to provide family planning to women based solely on income, regardless of whether they qualify for Medicaid due to pregnancy or children. In general, States have used the same income eligibility levels that apply to pregnant women (133 percent or 185 percent of the poverty level, creating continuity for both family planning and prenatal care services. These expanded services also help states reduce rates of unintended pregnancy and the need for abortion.

My State of Rhode Island was one of the first states to obtain one of these waivers, and has had great success with it in terms of preventing unintended pregnancies and improving public health in general. Rhode Island's waiver has averted 1,443 pregnancies from August 1994 through 1997, resulting in a savings to the state of $14.3 million. In addition, Rhode Island's waiver has assisted low-income women with spacing-out their births. The number of low-income women in Rhode Island with short inter-birth intervals, becoming pregnant within 18 months of having given birth dropped from 41 percent in 1993 to 29 percent in 1999. The gap between Medicaid recipients and privately insured women was 11 percent in 1993, compared with only 1 percent—almost negligible, in 1999. As these statistics show, these waivers are extremely valuable and serve as a huge asset to the women's health, not only to my constituents but to constituents in the thirteen other States who currently benefit from these waivers.

Unfortunately, the waiver process is extremely cubersome and time consuming, often taking up to three years for States to receive approval from the Federal Government. This may discourage States from applying for family planning waivers, or at the very least, delay them from providing important services to women.

Our bill would rectify this problem by allowing States to extend family planning services through Medicaid without going through the waiver process. Eliminating the waiver requirement will facilitate State innovation and provide assistance to more low-income women.

This bill will allow States to provide family planning services to women with incomes up to 185 percent of the Federal poverty level. For low-income, post-partum women, States will no longer be limited to providing them with only sixty days of family planning assistance. States may also provide family planning for up to one year to women who lose Medicaid-eligibility because of income.

I urge my colleagues to join me in supporting this important legislation, and ask for unanimous consent that the legislation and the accompanying findings section be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1343

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Family Planning State Empowerment Act of 2001".

SEC. 2. STATE OPTION TO PROVIDE FAMILY PLANNING SERVICES AND SUPPLIES TO INDIVIDUALS WITH INCOMES THAT DO NOT EXCEED A STATE'S INCOME ELIGIBILITY LEVEL FOR MEDICAL ASSISTANCE.

(a) IN GENERAL.—Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) is amended—

(1) by redesignating section 1935 as section 1936; and

(2) by inserting after section 1934 the following:

"STATE OPTION TO PROVIDE FAMILY PLANNING SERVICES AND SUPPLIES

"SEC. 1935. (a) IN GENERAL.—Subject to subsections (b) and (c), a State may elect (through a State plan amendment) to make medical assistance described in section 1905(a)(4)(C) available to any individual whose family income does not exceed the greater of—

"(1) 185 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved; or

"(2) the eligibility income level (expressed as a percent of such poverty line) that has been specified under a waiver authorized by the Secretary or under section 1902(r)(2)), as of October 1, 2001, for an individual to be eligible for medical assistance under the State plan.

"(b) COMPARABILITY.—Medical assistance described in section 1905(a)(4)(C) that is made available under a State plan amendment under subsection (a) shall—

"(1) not be less in amount, duration, or scope than the medical assistance described in that section that is made available to any other individual under the State plan; and

"(2) be provided in accordance with the restrictions on deductions, cost sharing, or similar charges imposed under section 1916(a)(2)(D).

"(c) OPTION TO EXTEND COVERAGE DURING A POST-ELIGIBILITY PERIOD.—

"(1) INITIAL PERIOD.—A State plan amendment made under subsection (a) may provide that any individual who was receiving medical assistance described in section 1905(a)(4)(C) as a result of such amendment, and who becomes ineligible for such assistance because of hours of, or income from, employment, may remain eligible for such medical assistance through the end of the 6-month period that begins on the first day the individual becomes so ineligible.

"(2) ADDITIONAL EXTENSION.—A State plan amendment made under subsection (a) may provide that any individual who has received medical assistance described in section 1905(a)(4)(C) during the entire 6-month period described in paragraph (1) may be extended coverage for such assistance for a succeeding 6-month period.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to medical assistance provided on and after October 1, 2001.

SEC. 3. STATE OPTION TO EXTEND THE POSTPARTUM PERIOD FOR PROVISION OF FAMILY PLANNING SERVICES AND SUPPLIES.

(a) IN GENERAL.—Section 1902(e)(5) of the Social Security Act (42 U.S.C. 1396a(e)(5)) is amended—

(1) by striking "eligible under the plan, as though" and inserting "eligible under the plan—

"(A) as though";

(2) by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(B) for medical assistance described in section 1905(a)(4)(C) for so long as the family income of such woman does not exceed the maximum income level established by the State for the woman to be eligible for medical assistance under the State plan (as a result of pregnancy or otherwise).".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to medical assistance provided on and after October 1, 2001.

Mrs. FEINSTEIN. Madam President, I am pleased to be joined by a bipartisan group of my colleagues in introducing this important legislation. I rise today with Senators CHAFEE, SNOWE, SCHUMER, COLLINS, BINGAMAN, SPECTER, CLINTON, JEFFORDS, GRAHAM, HARKIN, and CORZINE to introduce the Family Planning State Empowerment Act of 2001.

The Family Planning State Empowerment Act of 2001 would give States the option to provide family planning services to low-income women who do not qualify for Medicaid.

Each year, approximately 3 million pregnancies, or about half of all pregnancies, are unintended. Increasing access to family planning services could help avert these 3 million unintended pregnancies and all the decisions and costs associated with either continuing or terminating a pregnancy.

Family planning services give women the necessary tools to space the births of their children, which improves women's health and reduces rates of infant mortality.

Medicaid family planning is also cost effective. For every $1 invested in family planning, $3 are saved in pregnancy and health care-related costs.

The Federal Government currently reimburses States for 90 percent of their expenditures for family planning services under Medicaid.

If States want to provide Medicaid family planning services to populations of low-income women, other than low-income pregnant women or low-income women with children, they must apply to the Federal Government for a waiver.

Presently, 14 States, including California, have obtained Medicaid waivers from the Federal Government to provide family planning services to over 1.3 million women annually. Another eight States have applied for waivers.

The waiver process is extremely cumbersome and time consuming, often taking up to three years to receive approval from the Federal Government.

This is legislation is timely because once again the door is being closed by the Administration on women's reproductive health. This time, the losers will be low-income women.

Secretary of Health and Human Services Tommy Thompson announced last month that he will not approve any new waiver requests nor grant any renewals for single service waivers, which includes this Medicaid family planning waiver.

And if the Administration gets its way, California will lose $100 million a year, and over 900,000 low-income Californians will have to look elsewhere for family planning and reproductive health services.

Family planning and reproductive health services are much more than just accessing contraceptives. Services provided include screening and treatment for sexually transmitted diseases and HIV, basic infertility services and pregnancy testing and counseling. Women can receive pap smears and breast exams, which are crucial to detecting cervical and breast cancer.

It is estimated that this waiver will save California $900 million over the 5-year waiver period in public expenditures for medical care and social services.

It is ironic that an Administration that is seeking to reduce the number of abortions would try to halt the very family planning services that could avoid unintended pregnancies.

In effect, the Administration is asking the clinics in our States, which provide services to some of our Nation's sickest and most vulnerable populations, to either turn away low-income women that need family planning services at the door or to provide them with services without the necessary funds.

I am pleased to join my colleagues in saying enough is enough. Low income women deserve access to family planning and reproductive health services. And States should not have to ask the federal government for permission to use Medicaid funds to provide these essential services.

It is time that this Administration walk-the-walk and talk-the-talk We cannot afford to shut the door on those who cannot otherwise afford family planning and reproductive health services.

I urge my colleagues to join me in supporting this important legislation.

Mr. SCHUMER. Madam President, the Family Planning State Empowerment Act is our long-term shield against the ideological whims of those who threaten to cut cost-effective family planning services for low income women across the country. Why do we need such a protective measure? In the past two weeks, it became clear that the Federal Government would not renew these programs nor would they approve any pending application requests. That is why I, along with 21 of my colleagues including Mr. CHAFEE, sent a letter asking the government to reconsider their decision which would seriously impinge upon the ability of states to expand coverage of family planning services.

The Family Planning State Empowerment Act would allow State governments and agency experts to practice what they know best, implementing these cost-effective family planning service programs that reduce the number of unintended pregnancies and abortions. In New York alone, 13,440 women would be served under its pending family planning service program proposal. As the years go by, States are offering more services to more women all at a minimal cost to the Federal Government.

There are 1.2 million women aged 13 to 44 in New York who are in need of publicly supported contraceptive services, 16.5 million in the United States. Thousands of women have already benefitted from prenatal, delivery, and postpartum family planning services in states such as New York, Georgia, Colorado, Virginia, Wisconsin, and Kentucky, to name a few. These programs successfully help low-income women to avoid closely spaced births that are linked to low birth weight, infant mortality, and maternal morbidity. It would be a shame to curtail the progress of these family planning service programs when there are so many more women to serve.

As part of their applications for federal approval, States are required to demonstrate that expanding Medicaid coverage of family planning services would come at no additional cost to the Federal Government. Every dollar spent for contraceptive services saves $3 in public funds that would have been needed to provide prenatal and newborn medical care alone. New York's pending family planning service program would save the Federal Government $3.2 billion. Instead of allowing these programs to be used as decoys in the ideological battle over choice issues, let us preserve their effectiveness and put them out of the way of federal reach and under full state authority.

Though the Federal Government can play an important oversight role in the welfare of publicly financed programs—it has overstepped its boundaries in using these programs as sacrificial lambs to further its ideological agenda. We cannot stand idly by and let the Federal Government determine the fate of such programs that have proven themselves since 1993 not only economically sound but essential to the provision of vital health services to individuals who could not receive them otherwise. That is why I am a proud original co-sponsor of the Family Planning State Empowerment Act of 2001.

By Mr. CAMPBELL:

S. 1344. A bill to provide training and technical assistance to Native Americans who are interested in commercial vehicle driving careers; to the Committee on Indian Affairs.

Mr. CAMPBELL. Madam President, today I am pleased to introduce a bill that promotes job creation and economic opportunity for Native Americans. The Native American Commercial Driving Training and Technical Assistance Act will encourage and promote tribally-controlled community colleges to offer commercial vehicle training programs.

Economic development is the key to many of the social and economic ills that plague Indian and Alaska Native communities. In 1999, the Bureau of Indian Affairs labor statistics for Indian and Alaska Native communities determined that the unemployment rate for Indians living near or in Indian communities was 43 percent. This figure is astonishing when compared to the overall unemployment rate in the United States which is only 4.5 percent.

As former Chairman and now Vice-Chairman of the Committee on Indian Affairs, I have focused on building tribal capacity and good governance so that Indian and Alaska Native communities can create business-friendly environments. Human capital and skill development is also important, and with training and certificate programs tribally-controlled community colleges are fostering skilled workers who are ready to enter into the marketplace.

The bill that I am introducing today will enable tribally-controlled community colleges to have more resources to develop commercial vehicle training programs. There are already two tribally-controlled community colleges, D-Q University in the state of California and Fort Peck Community College in the state of Montana, that offer commercial vehicle driving programs. The grant program authorized in this bill will encourage other tribal colleges to develop commercial truck driving training programs.

The trucking industry is a thriving industry. According to the Department of Transportation, there are currently about 3 million truck drivers in the United States. However, the American Trucking Association estimates that between 10 percent and 20 percent of the Nation's trucks sit idle due to a lack of qualified drivers. In fact, estimates range from 200,000 to 500,000 as to the shortage of new qualified drivers that are needed this year and in the coming years.

I am the only Member of the Senate who is a licensed and certified commercial truck driver and who once earned his living as an over-the-road driver.

Based on my personal experience the truck driving industry has something unique to offer Indian communities; a well-paying profession. This is a win-win situation because the trucking industry needs more qualified drivers, and Indian communities need more job opportunities. With this bill,more American Indians will have the opportunity to undertake the training necessary to obtain a Commercial Truck Driver's License, and join a rewarding and well-paying profession.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1344

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Native American Commercial Driving Training and Technical Assistance Act".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) Despite the availability of abundant natural resources on Indian lands and a rich cultural legacy that accords great value to self-determination, self-reliance, and independence, Native Americans suffer higher rates of unemployment, poverty, poor health, substandard housing, and associated social ills than those of any other group in the United States.

(2) The United States has an obligation to assist Indian tribes with the creation of appropriate economic and political conditions.

(3) The economic success and material well-being of Native American communities depends on the combined efforts of the Federal Government, tribal governments, the private sector, and individuals.

(4) Two tribally controlled community colleges, D-Q University in the State of California and Fort Peck Community College in the State of Montana, currently offer commercial vehicle driving programs.

(5) The American Trucking Association reports that at least until the year 2005, the trucking industry will need to hire 403,000 truck drivers each year to fill empty positions.

(6) According to the Federal Government Occupational Handbook the commercial driving industry is expected to increase about as fast as the average for all occupations through the year 2008 as the economy grows and the amount of freight carried by trucks increases.

(7) A career in commercial vehicle driving offers a competitive salary, employment benefits, job security, and a profession.

(b) PURPOSE.—It is the purpose of this Act—

(1) to foster and promote job creation and economic opportunities for Native Americans; and

(2) to provide education, technical, and training assistance to Native Americans who are interested in a commercial vehicle driving career.

SEC. 3. DEFINITIONS.

In this Act:

(1) COMMERCIAL VEHICLE DRIVING.—The term "commercial vehicle driving" means the driving of a vehicle which is a tractor-trailer truck.

(2) SECRETARY.—The term "Secretary" means the Secretary of Labor.

SEC. 4. COMMERCIAL VEHICLE DRIVING TRAINING PROGRAM.

(a) GRANTS.—The Secretary may award 4 grants, on a competitive basis, to eligible entities to support programs providing training and certificates leading to the professional development of individuals with respect to commercial vehicle driving.

(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), an entity shall—

(1) be a tribally-controlled community college or university (as defined in section 2 of the Tribally-Controlled Community College or University Assistance Act of 1978 (25 U.S.C. 1801)); and

(2) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) PRIORITY.—In awarding grants under subsection (a), the Secretary shall give priority to—

(1) grant applications that propose training that exceeds the United States Department of Transportation's Proposed Minimum Standards for Training Tractor-Trailer Drivers; and

(2) grant applications that propose training that exceeds the entry level truck driver certification standards set by the Professional Truck Driver Institute.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the Act.

By Ms. SNOWE (for herself and Ms. COLLINS)

S. 1345. A bill to direct the Secretary of Transportation to establish a commercial truck safety pilot program in the State of Maine, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Ms. SNOWE. Madam President, I rise today to introduce legislation the Commercial Truck Safety Pilot Program Act to create a safety pilot program for commercial trucks.

The Commercial Truck Safety Pilot Program Act would authorize a safety demonstration program in my home state of Maine that could be a model for other states. I have been working closely with the Maine Department of Transportation, communities in my State, and others to address statewide concerns about the existing Federal Interstate truck weight limit of 80,000 pounds.

I believe that safety must be the number one priority on our roads and highways, and I am very concerned that the existing Interstate weight limit has the perverse impact of forcing commercial trucks onto State and local secondary roads that were never designed to handle heavy commercial trucks safely. We are talking about narrow roads, lanes, and rotaries, with frequent pedestrian crossings and school zones.

I have been working to address this concern for many years. During the 105th Congress, for example, I authored a provision providing a waiver from federal weight limits on the Maine Turnpike the 100-mile section of Maine's Interstate in the southern portion of the State and it was signed into law as part of TEA-21. I have also corresponded with the Department of Transportation and the Senate Environment and Public Works Committee to make them aware of my serious concerns and to urge them to work with me in an effort to address this challenge.

In addition, the Maine Department of Transportation is in the process of conducting a study of the truck weight limit waiver on the Maine Turnpike, and I have been working closely with the State in the hopes of expanding this study, which will focus on the safety impact of higher limits, infrastructure issues, air quality issues and economic issues as well, in order to secure the data necessary to ensure that commercial trucks are required to operate in the safest possible manner.

Federal law attempts to provide uniform truck weight limits, 80,000 pounds, on the Interstate system, but the fact is there are a myriad of exemptions and grandfathering provisions. The legislation I am submitting today would simply direct the Secretary of Transportation to establish a three-year pilot program to improve commercial motor vehicle safety in the State of Maine.

Specifically, the measure would direct the Secretary, during this period, to waive federal vehicle weight limitations on certain commercial vehicles weighing over 80,000 pounds using the Interstate System within Maine, permitting the State to set the limit. In addition, it would provide for the waiver to become permanent unless the Secretary determines it has resulted in an adverse impact on highway safety.

I believe this is a measured, responsible approach to a very serious public safety issue. I hope to work with all of those with a stake in this issue, safety advocates, truckers, states, and communities, to address this matter in the most effective possible way, and I hope that my colleagues will join me in this effort.

Ms. COLLINS. Madam President, I rise to join with my colleague from Maine in sponsoring the Commercial Truck Safety Pilot Program Act, an important piece of legislation that addresses a significant safety problem in our State.

Under current law, trucks weighing as much as 100,000 pounds are allowed to travel on Interstate 95 from Maine's border with New Hampshire to Augusta, our capital city located. At Augusta, trucks weighing more than 80,000 pounds are forced off Interstate 95, which proceeds for another 200 miles through the northern half of the State, and on to smaller roads that pass through cities, towns, and villages.

Trucks weighing up to 100,000 pounds are permitted on interstate highways in New Hampshire, Massachusetts, and New York as well as the Canadian provinces of New Brunswick and Quebec. The weight limit disparity on various segments of Maine's Interstate Highway System forces trucks traveling to and from destinations in these

States and provinces to use Maine's State and local roads. Consequently, many Maine communities along the Interstate see substantially more truck traffic than would otherwise be the case if the weight limit were 100,000 pounds for all of Maine's Interstate highways.

The problem Maine faces because of the disparity in truck weight limits is perhaps most pronounced in our State capital. Augusta is the Maine Turnpike's northern terminus where heavy trucks that are prohibited from traveling along the northern segment of Interstate 95 enter and exit the turnpike. The high number of trucks that must traverse Augusta's local roads creates a severe hazard for those who live and work in as well as visit the city.

It is estimated that the truck weight disparity sends 310 vehicles in excess of 80,000 pounds through Augusta everyday. These vehicles, which are often carrying hazardous materials, must pass through the Cony Circle, one of the State's most dangerous traffic circles and the scene of 130 accidents per year. The fact that the circle is named for the twelve hundred student high school that it abuts adds to the severity of the problem.

A uniform truck weight limit of 100,000 pounds on Maine's interstate highways would reduce the highway miles and travel times necessary to transport freight through Maine, resulting in economic and environmental benefits. Moreover, Maine's extensive network of State and local roads will be better preserved without the wear and tear of heavy truck traffic. Most importantly, however, a uniform truck weight limit will keep trucks on the interstate where they belong rather than on roads and highways that pass through Maine's cities, towns, and neighborhoods.

The legislation that Senator SNOWE and I are introducing addresses the safety issues we face in Maine because of the disparities in truck weight limits. The legislation directs the Secretary of Transportation to establish a commercial truck safety pilot program in Maine. Under the pilot program, the truck weight limit on all Maine highways that are part of the interstate highway system would be set at 100,000 pounds for three years. During the waiver period, the Secretary would study the impacts of the pilot program on safety, and would receive the input of a panel that would include State officials, safety organizations, municipalities, and the commercial trucking industry. The waiver would become permanent if the panel determined that motorists were safer as a result of a uniform truck weight limit on Maine's Interstate highway system.

Maine's citizens and motorists are needlessly at risk because too many heavy trucks are forced off the interstate and on to local roads. The legislation Senator SNOWE and I are introducing is not an attempt to roll back weight standards but rather a commonsense approach to a severe safety problem in my State. I hope my colleagues will support passage of this important legislation.

By Mr. SESSIONS (for himself, Mr. BINGAMAN, Mr. ALLARD, and Ms. COLLINS):

S. 1346. A bill to amend the Federal Food, Drug, and Cosmetic Act with regard to new animal drugs, and for other purposes; to the Committee on Finance.

Mr. SESSIONS. Madam President, we do a lot of things here that are controversial and get headlines. But oftentimes we do things that are bipartisan, that are complex and technical. Working together, we accomplish things that are good for the country.

The legislation I have introduced tonight, along with Senator JEFF BINGAMAN from New Mexico, is that kind of legislation. It is supported by 27 different farm and veterinary medicine groups. It is called the Minor Use and Minor Species Animal Health Act. It deals with a problem that, unfortunately, goes largely unnoticed, except by those who are directly affected. Livestock and food animal producers, pet owners, zoo and wildlife biologists, and animals themselves face a severe shortage of approved animal drugs for use in minor species.

Minor species include thousands of animal species, including all fish, birds, and sheep. By definition, minor species are any animals other than the major species, which are cattle, horses, chickens, turkeys, dogs, and cats. A similar shortage of drugs and medicines for major animal species exists for diseases that occur infrequently or which occur in limited geographical areas.

Due to the lack of availability for these minor use drugs, millions of animals go untreated or treatment is delayed. Without access to these necessary minor use drugs, farmers and ranchers also suffer. An unhealthy animal that is left untreated can spread disease throughout an entire herd. For example, sheep ranchers lost nearly $45 million worth of livestock in 1999 alone. The sheep industry estimates if it had access to effective and necessary drugs to treat diseases, growers' reproduction costs for their animals would be cut by up to 15 percent. In addition, feedlot deaths would be reduced by 1 to 2 percent, adding approximately $8 million of revenue to the industry.

Alabama's catfish industry ranks second in the Nation. Though it is not the State's only aquacultural commodity, catfish is by far its largest. Indeed, catfish make up 68 percent of the Nation's aquacultural industry. That industry generates enormous opportunities in the poorest part of Alabama, and it is necessary that it be a strong industry.

The catfish industry estimates its losses at $60 million per year attributable to diseases for which drugs are not available. Indeed, it is not uncommon for a catfish producer to lose half his stock to disease.

The U.S. aquacultural industry overall, including food fish and ornamental fish, produces and raises over 800 different species. Unfortunately, this industry has only five drugs approved for use in treating aquacultural diseases. This results in economic hardship.

The problem is simply this: A drug company must go through a long research program to develop a drug. Then the company has to seek approval for the drug. The company simply is financially unable to do so because there are not many animals for which the product will be used. It makes it difficult for them to do the investment.

I, along with Senators BINGAMAN, ALLARD, and COLLINS, resolve to improve this situation by introducing the Minor Use and Minor Species Animal Health Act. The legislation will allow animal drug manufacturers the opportunity to develop and obtain approval for minor use drugs which are vitally needed by a wide variety of animal industries.

Our legislation incorporates the major proposals of the Food and Drug Administration's Center for Veterinary Medicine to increase the availability of drugs for minor animal species and rare diseases in all animals. The act creates incentives for animal drug manufacturers to invest in product development and obtain FDA approval.

The legislation creates a program very similar to the human orphan drug program that has dramatically increased the availability of drugs to treat rare human diseases over the past 20 years.

The Minor Use and Minor Species Animal Health Act will not alter, however, the FDA drug approval responsibilities that ensure the safety of animal drugs to the public. The FDA's Center for Veterinary Medicine currently evaluates new animal products prior to approval and use. This rigorous testing and review process provides consumers with the confidence that animal drugs are safe for animals and consumers of products derived from treated animals.

Current FDA requirements include guidelines to prevent harmful residues and evaluations to examine the potential for the selection of resistant pathogens. Any food animal medicine or drug considered for approval under this bill would be subject to the same assessments.

The Minor Use and Minor Species Animal Health Act is supported by 25 organizations, including the American Farm Bureau Federation, the Animal

Health Institute, the American Veterinary Medical Association, and the National Aquaculture Association. This is vital, important legislation.

The act will reduce the economic risks and hardships which fall upon ranchers and farmers as a result of livestock diseases. It will benefit pets and their owners and benefit various endangered species and aquatic animals. It will promote the health of all animal species while protecting human health as well, and will alleviate unnecessary animal suffering.

This is commonsense legislation which would benefit millions of American pet owners, farmers, and ranchers. I believe it represents a consensus effort on which we worked hard.

Mary Alice Tyson, on my staff, and other staff members have worked hard on it. I believe it is an act that will gain universal support in the Senate, will be a step forward, and something good we can do to help animals and the producers of animals in America.

By Mr. BAUCUS (for himself and Mr. BYRD):

S. 1347. A bill to establish a Congressional Trade Office; to the Committee on Government Affairs.

Mr. BAUCUS. Madam President, on behalf of myself and Senator BYRD, I am introducing a bill to create a Congressional Trade Office. This is designed to help the Senate get ahead of the curve and better understand and deal with globalization, trade, and economic commercial actions around the world, to help us understand what we are doing.

The Congressional Trade Office, the CTO, will have the expertise we need in Congress to get independent and nonpartisan information about trade. This new entity will help us meet our constitutional responsibility for trade policy.

The importance of trade in our economy continues to grow. Trade is equivalent to 27 percent of our economy today, compared with only 11 percent in 1970, just 30 years ago.

Article I, section 8 of the U.S. Constitution provides:

> Congress shall have the power . . . to regulate commerce with foreign nations.

Our responsibility as Members of Congress is to set the direction of trade policy. It is true that under article II of the Constitution, the President, the Chief Executive, has the primary responsibility with respect to foreign policy. With respect to trade, the Constitution is clear, and it provides that Congress shall have the power to regulate commerce with foreign nations. Our responsibility is effective and active oversight of our Nation's trade policy.

I have served in the Congress for 25 years and I have watched the continuing transfer of responsibility for trade policy from the Congress to the executive branch.

I believe this must stop. We must reassert Congress' constitutionally defined responsibility. The CTO will provide the means to meet our responsibilities.

Congress needs to be much better prepared to deal with trade issues responsibly and authoritatively: consideration of fast track; FTAs—so-called free trade agreements—with Jordan, Chile, Singapore, and perhaps Australia, and others; Chinese accession to the WTO; a possible new round launch; compliance with existing agreements.

To manage trade policy, we need access to more and better information, independently arrived at, from people whose commitment is to the Congress, and only to the Congress.

The first task of the CTO is to monitor compliance with major trade agreements. It will evaluate success based on real world business results. It will recommend actions needed to ensure that commitments are fully implemented. It will also provide annual assessments of the extent to which agreements comply with labor and environmental goals.

The CTO's second task will be to observe trade negotiations firsthand. CTO staff will participate in selected negotiations as observers and report back to the Congress. Congress needs this information to provide meaningful oversight of trade policy. And it is especially vital for Congress to monitor trade negotiations under fast track.

The third task relates to dispute settlement. The CTO will evaluate each WTO decision where the U.S. is a participant, explain why cases are lost, and measure the anticipated commercial results from wins. CTO staff will participate as observers on the U.S. delegation.

Frankly, I don't think we know whether the WTO dispute settlement process has been successful or not, from the perspective of U.S. commercial interests. A count of wins versus losses doesn't tell us very much. The CTO will give us the facts we need to evaluate the process properly.

The final task will be analytical. The CTO will analyze major outstanding trade barriers based on a cost to the U.S. economy. It will also provide an analysis of the administration's—Republican or Democrat—trade policy agenda, and it will analyze the trade accounts every quarter.

The Congressional Trade Office is designed to serve the Congress. Its Director will report to the Senate Finance Committee and the House Ways and Means Committee, but will also advise other committees on the impact of trade negotiations on those committees' areas of jurisdiction.

Trade rules increasingly affect domestic regulations. The CTO can advise on the implications of trade policy for domestic regulatory issues.

The CTO will have a professional staff with a mix of expertise in economics and trade law in various industries and geographic regions. I believe this will give Congress long-term institutional memory on trade, something that is very much needed, particularly when other countries have much more expertise, much more time in their governments devoted to trade and how their countries can benefit from trade basically at the expense of others.

I am very grateful for the support of my good friend, Senator BYRD, and I encourage my colleagues to join with us in creating the Congressional Trade Office. I believe this will help the Congress get a little bit further ahead of the curve, better understand the implications of globalization, and pull us a little bit out of our day-to-day reactive mode around here, thinking more long term in a better sense of what is happening in the world—more information, better information on which we can make decisions in this body and, therefore, serve our people better.

I very much thank my good friend, Senator BYRD. He has been helpful to us. I yield the floor, and I, again, thank him for his help.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Madam President, I congratulate the Senator from Montana on his longtime leadership in the trade field and for his services on the Finance Committee which has jurisdiction in very great measure over this subject matter. I thank him for his leadership. I thank him for sponsoring the legislation that he has just discussed and for allowing me to be a cosponsor with him. I value his leadership in this area.

I have been long concerned about the U.S. trade policy. It extends over these 49 years in which I have been a Member of the Congress. I am for free trade, and I am for fair trade. I have in recent years voted against the North American Free Trade Agreement. I voted against the GATT/WTO agreements. I voted against the permanent normal trading relations with China. It is my belief that American interests, particularly the interests of American workers, have not been properly represented in these developments. I believe that Congress has allowed itself to take a backseat to the intent of Presidents on making international trade negotiations an executive-to-executive preserve.

Congress should vigorously defend the authority it has been granted under the Constitution, whether the issue is a legislative enactment that strips away the authority of Congress to debate and, if necessary, to amend trade agreements or a constitutional amendment that—in the name of balanced budgets—strips away our power over the purse. The balanced budget amendment is an issue for another occasion. The need for Congress to restore its role with respect to foreign trade, however, is something that Senator BAUCUS and I wish to highlight. We note that article I, section 8, of the Constitution gives Congress the exclusive authority to "regulate commerce with foreign nations." Congress, not the President, has this authority and responsibility.

Unfortunately, over the past few decades, Congress has been less than zealous in safeguarding its prerogatives with respect to foreign trade. The result is that the American people have less input into our trade agreements than they should have. Is there any doubt that the process is less democratic than was intended by the Framers of the Constitution?

U.S. trade negotiators need our input at each and every stage of the process. Enhanced congressional participation will help them in their efforts to reinforce the framework of fair trade. It will give the results of trade negotiations greater legitimacy and increase public understanding of the costs and benefits of globalization. The Constitution demands that we make this effort, and the people we represent expect us to make that effort.

Madam President, now is the time for the House and the Senate to create a Congressional Trade Office modeled after the Congressional Budget Office. Regardless of how each of us may feel about the great trade issues of the day, we should be able to agree that Congress needs better access to information about trade negotiations and the impact of trade agreements on the U.S. economy. It is indisputable that we live in an increasingly interdependent world, and it is our duty under the Constitution to make sure that American interests are properly reflected as the architecture of that world is established.

Senator BAUCUS and I agree on the urgency of this task. Our legislation would establish a nonpartisan Congressional Trade Office the purposes of which would be to first, provide Congress with trade data and analysis; second, participate in all future trade negotiations; third, observe and evaluate international trade dispute resolution processes; and fourth, monitor compliance with major bilateral, regional, and multilateral trade agreements.

The Senate Finance Committee and the House Ways and Means Committee cannot possibly address the full panoply of issues that arise in this day and age in connection with trade legislation. Consequently, trade bills can be—and are—referred to multiple committees in both Houses of Congress. Our bill recognizes this trend and provides that the resources of the Congressional Trade Office will be available to all House and Senate committees of relevant jurisdiction.

I join with Senator BAUCUS in urging our colleagues to seize this opportunity to move toward the restoration of our constitutional role in trade policy. Let us resolve to put ourselves, the Congress, back in the center of the great game of formulating and implementing mutually beneficial international trade agreements.

Madam President, I thank my colleague, Mr. BAUCUS, again, for his leadership, and I yield the floor.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 147—TO DESIGNATE THE MONTH OF SEPTEMBER OF 2001, AS "NATIONAL ALCOHOL AND DRUG ADDICTION RECOVERY MONTH"

Mr. WELLSTONE submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 147

Whereas alcohol and drug addiction is a devastating disease that can destroy lives, families, and communities;

Whereas alcohol and drug addiction carry direct and indirect costs for the United States of more than $246,000,000,000 each year;

Whereas scientific evidence demonstrates the crucial role that treatment plays in restoring those suffering from alcohol and drug addiction to more productive lives;

Whereas in 1999, research at the National Institute on Drug Abuse at the National Institutes of Health showed that about 14,800,000 Americans were users of illicit drugs, and about 3,500,000 were dependent on illicit drugs; an additional 8,200,000 were dependent on alcohol;

Whereas the 1999 National Household Survey of Drug Abuse, a project of the Substance Abuse and Mental Health Services Administration, showed that drug use varies substantially among States, ranging from a low of 4.7 percent to a high of 10.7 percent for the overall population, and from 8.0 percent to 18.3 percent for youths age 12–17;

Whereas the Office of National Drug Control Policy's 2001 National Drug Control Strategy includes the reduction of the treatment gap for individuals who are addicted to drugs as one of the top 3 goals for reducing the health and social costs to the public;

Whereas the lives of children, families, and communities are severely affected by alcohol and drug addiction, through the effects of the disease, and through the neglect, broken relationships, and violence that are so often a part of the disease of addiction;

Whereas a National Institute on Drug Abuse 4-city study of 1,200 adolescents found that community-based treatment programs can reduce drug and alcohol use, improve school performance, and lower involvement with the criminal justice system;

Whereas a number of organizations and individuals dedicated to fighting addiction and promoting treatment and recovery will recognize the month of September of 2001 as National Alcohol and Drug Addiction Recovery Month;

Whereas the Substance Abuse and Mental Health Services Administration's Center for Substance Abuse Treatment, in conjunction with its national planning partner organizations and treatment providers, have taken a Federal leadership role in promoting Recovery Month 2001;

Whereas National Alcohol and Drug Addiction Recovery Month aims to promote the societal benefits of substance abuse treatment, laud the contributions of treatment providers, and promote the message that recovery from substance abuse in all its forms is possible;

Whereas the 2001 national campaign embraces the theme of "We Recover Together: Family, Friends and Community", and highlights the societal benefits, importance, and effectiveness of drug and treatment as a public health service in our country; and

Whereas the countless numbers of those who have successfully recovered from addiction are living proof that people of all races, genders, and ages recover every day from the disease of alcohol and drug addiction, and make positive contributions to their families, workplaces, communities, States, and the Nation: Now, therefore, be it

Resolved, That the Senate—

(1) designates the month of September of 2001 as "National Alcohol and Drug Addiction Recovery Month"; and

(2) requests that the President issue a proclamation urging the people of the United States to carry out appropriate programs and activities to demonstrate support for those individuals recovering from alcohol and drug addiction.

Mr. WELLSTONE. Madam President, I rise today to submit a resolution to proclaim September, 2001 as "National Alcohol and Drug Addiction Recovery Month". The purpose is to recognize the societal benefits, importance and effectiveness of drug treatment as a public health service. The Year 2001 Recovery Month theme is "We Recover Together: Family, Friends, and Community", with a clear message that we need to work together to promote treatment for alcohol and drug addiction throughout our country.

Addiction to alcohol and drugs is a disease that many individuals face as a painful, private struggle, often without access to treatment or medical care. But this disease also has staggering public costs. A 1998 report prepared by The Lewin Group for the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism, estimated the total economic cost of alcohol and drug abuse to be approximately $246 billion for 1992. Of this cost, an estimated $98 billion was due to addiction to illicit drugs and other drugs taken for non-medical purposes. This estimate includes addiction treatment and prevention costs, as well as costs associated with related illnesses, reduced job productivity or lost earnings, and other costs to society such as crime and social welfare programs.

Adults and children who have the disease of addiction can be found throughout our society. We know from the outstanding research done at the National Institute on Drug Abuse at the National Institutes of Health that 14,800,000 Americans were users of illicit drugs, and about 3,500,000 were dependent on illicit drugs. An additional 8 million were dependent on alcohol. The 1999 Household Survey of Drug

Abuse, a project of the Substance Abuse and Mental Health Services Administration, showed that drug use varies among States, ranges from a low of 4.7 percent to a high of 10.7 percent of the overall population, and from 8.0 percent to 18.3 percent for youths age 12–17.

The 2001 National Drug Control Strategy of the Office of National Drug Control Policy, ONDCP, has recognized the importance of drug treatment. The ONDCP Strategy includes the reduction of the treatment gap for individuals who are addicted to drugs as one of the top 3 goals for reducing the health and social costs to the public. And yet, 80 percent of adolescents needing treatment are unable to access services because of the severe lack of coverage for addiction treatment or the unavailability of treatment programs or trained health care providers in their community. The 1998 Hay Group Report revealed that the overall value of substance abuse treatment benefits has decreased by 74.5 percent from 1988 through 1998, leaving our youth without sufficient medical care for this disease when they are most vulnerable.

We know that addiction to alcohol and other drugs contribute to other problems as well. Addictive substances have the potential for destroying the person who is addicted, as well as his or her family. We know, for example, that fetal alcohol syndrome is the leading known cause of mental retardation. If a woman who was addicted to alcohol could receive proper treatment, fetal alcohol syndrome for her baby would be 100 percent preventable, and more than 12,000 infants born in the U.S. each year would not suffer from fetal alcohol syndrome, with its irreversible physical and mental damage.

We know too of the devastation caused by addiction when violence between people is one of the consequences. A 1998 SAMHSA report outlined the links between domestic violence and substance abuse. We know from clinical reports that 25–50 percent of men who commit acts of domestic violence also have substance abuse problems. The report recognized the link between the victim of abuse and use of alcohol and drugs, and recommended that after the woman's safety has been addressed, the next step would be to help with providing treatment for her addiction as a step toward independence and health, and toward the prevention of the consequences for the children who suffer the same abuse either directly, or indirectly by witnessing spousal violence.

The physical, emotional, and social harm caused by this disease is both preventable and treatable. We know from the excellent research conducted at NIH, through the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism, that treatment for drug and alcohol addiction can be effective. The effectiveness of treatment is the major finding from a NIDA-sponsored 4-city study of drug abuse treatment outcomes for 1,200 adolescents. The study showed that community-based treatment programs can reduce drug and alcohol use, improve school performance, and lower involvement with the criminal justice system.

Addiction to alcohol and drugs is a disease that affects the brain, the body, and the spirit. We must provide adequate opportunities for the treatment of addiction in order to help those who are suffering and to prevent the health and social problems that it causes. We know that the costs to do so are very low. A 1999 study by the Rand Corporation found that the cost to managed care health plans is now only about $5 per person per year for unlimited substance abuse treatment benefits to employees of big companies. A 1997 Milliman and Robertson study found that complete substance abuse treatment parity would increase per capita health insurance premiums by only one half of one percent, or less than $1 per member per month—without even considering any of the obvious savings that will result from treatment. Several studies have shown that for every $1 spent on treatment, more than $7 is saved in other health care expenses. These savings are in addition to the financial and other benefits of increased productivity, as well as participation in family and community life. Providing treatment for addiction also saves millions of dollars in the criminal justice system. But for treatment to be effective and helpful throughout our society all systems of care, including private insurance plans, must share this responsibility.

The National Alcohol and Drug Addiction Recovery Month in the year 2001 celebrates the tremendous strides taken by individuals who have undergone successful treatment and recognizes those in the treatment field who have dedicated their lives to helping our young people recover from addiction. Many individuals, families, organizations, and communities give generously of their time and expertise to help those suffering from addiction and to help them to achieve recovery and productive, healthy lives. The Substance Abuse and Mental Health Services Administration's Center for Substance Abuse Treatment, SAMHSA/CSAT, in conjunction with national planning partner organizations and treatment providers, have taken a Federal leadership role in promoting Recovery Month 2001. The Recovery Month events being planned throughout our nation, including one on September 29, in St. Paul, Minnesota, will recognize the countless numbers of those who have successfully recovered from addiction and who are living proof that people of all races, genders, and ages recover every day from the disease of alcohol and drug addiction, and now make positive contributions to their families, workplaces, communities, state, and nation.

I urge the Senate to adopt this resolution designating the month of September, 2001, as Recovery Month, and to take part in the many local and national activities and events recognizing this effort.

SENATE RESOLUTION 148—DESIGNATING OCTOBER 30, 2001, AS “NATIONAL WEATHERIZATION DAY”

Mr. BIDEN submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 148

Whereas the average family in the United States spends more than $1,300 annually on utility bills.

Whereas that figure represents nearly 15 percent of a low-income family's income and could approach 18 percent as fuel costs steadily rise;

Whereas the Weatherization Assistance Program (referred to in this resolution as the “Program”), by using Federal, State, local, and private dollars, benefits households and communities across the Nation by providing cost-effective, energy-efficient retrofits to homes occupied by low-income families;

Whereas the average energy cost savings for each home that is weatherized is more than $250 annually, allowing families to spend the saved money on groceries, doctor bills, prescriptions, and other needs, thereby making them more self-sufficient;

Whereas carbon dioxide emissions are reduced by an average of 1 ton per weatherized household, reducing pollution levels in our air;

Whereas 52 jobs are created within the Nation's communities for each $1,000,000 invested in weatherization;

Whereas for every $1 invested by the Department of Energy in the Program, another $3.39 is leveraged from other sources;

Whereas the Program works with public and private partners to help reduce the energy burden of the Nation's low-income families and promote the benefits of weatherization to all people in the Nation;

Whereas people across the Nation should become more aware of the importance of energy conservation, pollution reduction, and safer homes; and

Whereas a concerted public information campaign will help get the weatherization message to the people in our Nation: Now, therefore, be it

Resolved,

SECTION 1. NATIONAL RESPONSE TO WEATHERIZATION.

(a) DESIGNATION.—The Senate—

(1) designates October 30, 2001, as “National Weatherization Day”;

(2) encourages families to learn about the benefits of weatherizing their homes, including energy conservation, money savings, and safer homes for their children; and

(3) encourages community action and service agencies, Federal, State, and local government agencies, and private sector partners to work together to promote the positive aspects of weatherizing our Nation's housing stock.

(b) PROCLAMATION.—The Senate requests that the President issue a proclamation calling upon the Federal, State, local, and private sector leaders of our Nation to observe and promote National Weatherization Day with appropriate partnerships, activities, and ceremonies.

Mr. BIDEN. Madam President, today I am proud to submit a resolution expressing the sense of the Senate that October 30, 2001, be designated as "National Weatherization Day." By doing so, we will anchor a national effort by States, localities, and community groups to raise the awareness of all Americans concerning the importance of weatherizing the Nation's housing stock to conserve energy, thereby reducing consumption of all forms of energy.

October is already designated as Energy Awareness Month and will serve as the ideal host month for this day. Why, then, do we need a day specifically devoted to supporting weatherization efforts? Although some people today know of the benefits of weatherizing a home, most unfortunately do not. Weatherization Day, then, will help bring targeted recognition of these efforts, and specifically those of the U.S. Department of Energy's Weatherization Assistance Program, which uses Federal, State, local, and private dollars to provide cost-effective, energy-efficient retrofits to homes occupied by low-income families.

The average family in the United States spends more than $1,300 annually on utility bills. For low-income families, that can take away almost 15 percent of their entire annual income, and 18 percent if fuel costs rise as they have been for the past year. That is unacceptable and that is why the Weatherization Assistance Program exists today. The average energy cost savings for each home that is weatherized is more than $250 annually. This gives these families the ability to purchase essential items like groceries and prescription drugs, pay for medical bills, and make themselves more self-sufficient. At the same time, weatherizing a home also provides a substantial economic and environmental boon to local communities, by adding an average of 52 jobs for every $1,000,000 invested and by reducing carbon dioxide emissions by an average of 1 ton per weatherized household.

I think that we owe it to ourselves and, more importantly, to our future generations, to continue to improve the awareness of all Americans of the importance of energy conservation, pollution reduction, and safer homes. By having a designated Weatherization Day, we will provide much-needed attention to this issue.

SENATE RESOLUTION 149—ELECTING ALFONSO E. LENHARDT OF NEW YORK AS THE SERGEANT OF ARMS AND DOORKEEPER OF THE SENATE

Mr. DASCHLE submitted the following resolution; which was considered and agreed to:

S. RES. 149

Resolved, That Alfonso E. Lenhardt of New York be, and he is hereby, elected Sergeant at Arms and Doorkeeper of the Senate effective September 4, 2001.

AMENDMENTS SUBMITTED AND PROPOSED

SA 1228. Mr. NELSON, of Florida proposed an amendment to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

SA 1229. Mr. KYL (for himself, Mr. FITZGERALD, Mr. MCCAIN, Mr. BROWNBACK, and Mr. DURBIN) proposed an amendment to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) supra.

SA 1230. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table.

SA 1231. Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

SA 1232. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table.

SA 1233. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1234. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1235. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1236. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1237. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1238. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1239. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1240. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1241. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1242. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1243. Ms. COLLINS (for herself and Ms. SNOWE) submitted an amendment intended to be proposed by her to the bill S. 1243, to amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules; which was ordered to lie on the table.

SA 1244. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table.

SA 1245. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1246. Mr. DASCHLE submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1247. Mr. DASCHLE submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1248. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1249. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1250. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1251. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1252. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1253. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1254. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1255. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1256. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1257. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1258. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1259. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1260. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1261. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1262. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1263. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1264. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1265. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1266. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1267. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1268. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1269. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1270. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1271. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1272. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1273. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1274. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1275. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1276. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1277. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1278. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1279. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1280. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1281. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1282. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1283. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1284. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1285. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1286. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1287. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1288. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1289. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1290. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1291. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1292. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1293. Ms. SNOWE (for herself and Ms. Collins) submitted an amendment intended to be proposed by her to the bill S. 1246, supra ; which was ordered to lie on the table.

SA 1294. Ms. SNOWE (for herself and Mrs. Feinstein) submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1295. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1296. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1297. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1298. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1299. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1300. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1301. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1302. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1303. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1304. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1305. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1306. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1307. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1308. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA 1309. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1310. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table.

SA-1311. Mr. GREGG submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table.

SA-1312. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1313. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1314. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1315. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1316. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1317. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1318. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1319. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

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SA-1329. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1330. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1331. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1332. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1333. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1334. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1335. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1336. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table.

SA-1337. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 2620, supra; which was ordered to lie on the table.

SA-1338. Ms. MIKULSKI (for herself and Mr. BOND) proposed an amendment to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) supra.

SA-1339. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table.

SA-1340. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

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SA-1469. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

SA-1470. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 1228. Mr. NELSON of Florida proposed an amendment to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . ARSENIC IN PLAYGROUND EQUIPMENT.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Department of Health and Human Services has determined that arsenic is a known carcinogen, and the Environmental Protection Agency has classified chromated copper arsenate (CCA), which is 22 percent arsenic, as a "restricted use chemical."

(2) CCA is often used as a preservative in pressure-treated wood, and CCA-treated wood is widely used in constructing playground equipment frequented by children.

(3) In 2001, many communities in Florida and elsewhere have temporarily or permanently closed playgrounds in response to elevated levels of arsenic in soil surrounding CCA-treated wood playground equipment.

(4) The State of Florida recently announced that its own wood-treatment plant would cease using arsenic as a preservative.

(5) PlayNation Play Systems, which manufactures playground equipment, announced in June 2001 that it would no longer use CCA as a preservative in its playground products.

(6) In May 2001, the Environmental Protection Agency announced that it would expedite its ongoing review of the health risks facing children playing near CCA-treated wood playground equipment, and produce its findings in June 2001. The EPA later postponed the release of its risk assessment until the end of the summer of 2001, and announced that its risk assessment would be reviewed by a Scientific Advisory Panel in October 2001.

(7) The EPA also plans to expedite its risk assessment regarding the re-registering of arsenic as a pesticide by accelerating its release from 2002 to 2003.

(8) The Consumer Product Safety Commission, which has the authority to ban hazardous and dangerous products, announced in June 2001 that it would consider a petition seeking the banning of CCA-treated wood from all playground equipment.

(9) Many viable alternatives to CCA-treated wood exist, including cedar, plastic products, aluminum, and treated would without CCA. These products, alone or in combination, can fully replace CCA-treated wood in playground equipment.

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the potential health and safety risks to children playing on and around CCA-treated wood playground equipment is a matter of the highest priority, which demands immediate attention from the Congress, the Executive Branch, state and local governments, affected industries, and parents.

(c) REPORT.—Not later than 30 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency, in consultation with the Consumer Product Safety Commissions, shall submit a report to Congress which shall include—

(1) the Environmental Protection Agency's most up-to-date understanding of the potential health and safety risks to children playing on and around CCA-treated wood playground equipment;

(2) the Environmental Protection Agency's current recommendations to state and local governments about the continued use of CCA-treated wood playground equipment; and

(3) an assessment of whether consumers considering purchases of CCA-treated wood playground equipment are adequately informed concerning the health effects associated with arsenic.

SA 1229. Mr. KYL (for himself, Mr. FITZGERALD, Mr. MCCAIN, Mr. BROWNBACK, and Mr. DURBIN) proposed an amendment to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; as follows:

On page 105, between lines 14 and 15, insert the following:

SEC. 4 . STATE AND TRIBAL ASSISTANCE GRANTS.

Notwithstanding any other provision of this Act, none of the funds made available under the heading "STATE AND TRIBAL ASSISTANCE GRANTS" in title III for capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) shall be expended by the Administrator of the Environmental Protection Agency except in accordance with the formula for allocation of funds among recipients developed under subparagraph (D) of section 1452(a)(1) of the Safe Drinking Water Act (42 U.S.C. 300j-12(a)(1)(D)) (including under a regulation promulgated under that section before the date of enactment of this Act) and in accordance with the wastewater infrastructure needs survey conducted under section 516 of the Federal Water Pollution Control Act (33 U.S.C. 1375), except that—

(1) subject to paragraph (3), the proportional share under clause (ii) of section 1452(a)(1)(D) of the Safe Drinking Water Act (42 U.S.C. 300j-12(a)(1)(D)) shall be a minimum of 0.675 percent and a maximum of 8.00 percent;

(2) any State the proportional share of which is greater than that minimum but less

than that maximum shall receive 97.50 percent of the proportionate share of the need of the State; and

(3) the proportional share of American Samoa, Guam, the Northern Mariana Islands, and the United States Virgin Islands shall be, in the aggregate, 0.25 percent.

SA 1230. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:

SEC. 7 . UNLAWFUL STOCKYARD PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.

(a) IN GENERAL.—Title III of the Packers and Stockyards Act, 1921, (7 U.S.C. 201 et seq.) is amended by adding at the end the following:

"SEC. 318. UNLAWFUL STOCKYARD PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.

"(a) DEFINITIONS.—In this section:

"(1) HUMANELY EUTHANIZE.—The term 'humanely euthanize' means to kill an animal by mechanical, chemical, or other means that immediately render the animal unconscious, with this state remaining until the animal's death.

"(2) NONAMBULATORY LIVESTOCK.—The term 'nonambulatory livestock' means any livestock that is unable to stand and walk unassisted.

"(b) UNLAWFUL PRACTICES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), it shall be unlawful for any stockyard owner, market agency, or dealer to buy, sell, give, receive, transfer, market, hold, or drag any nonambulatory livestock unless the nonambulatory livestock has been humanely euthanized.

"(2) EXCEPTIONS.—

"(A) NON-GIPSA FARMS.—Paragraph (1) shall not apply to any farm the animal care practices of which are not subject to the authority of the Grain Inspection, Packers, and Stockyards Administration.

"(B) VETERINARY CARE.—Paragraph (1) shall not apply in a case in which nonambulatory livestock receive veterinary care intended to render the livestock ambulatory.".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) takes effect 1 year after the date of enactment of this Act.

(2) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall promulgate regulations to carry out the amendment.

SA 1231. Mr. SCHUMER submitted an amendment intended to be proposed to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; as follows:

On page 25, line 23, before the period, insert the following: ": *Provided further*, That of the amount under this heading, $15,000,000 shall be available for the BuyBack America program, enabling gun buyback initiatives undertaken by public housing authorities and their local police departments".

SA 1232. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 24, line 3, insert "(a) IN GENERAL.—" before "In".

On page 24, between lines 9 and 10, insert the following:

(b) BAYOU METO DEMONSTRATION PROJECT.—Of the amount made available under subsection (a), the Secretary shall use not less than $8,000,000 to provide financial, technical, educational, and research assistance for the Bayou Meto Demonstration Project in Lonoke County, Arkansas, in order to encourage ground water conservation, including irrigation system installation and improvement.

SA 1233. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.

(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (2) shall become effective one day after the date of enactment.

SA 1234. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) Base State Grants.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) Grants for Value of Production.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) Specialty Crop Priority.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) Specialty Crop Defined.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) Conditions on Payment to State.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

"(b) Conditions on Payment to State.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) Additional Disbursements From the Indemnity Fund.—Subsection (d) of such section is amended to read as follows:

"(d) Additional Disbursement to Cotton Ginners.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) Conforming Amendment.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) Deadline for Expenditures.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) Total Amount of Expenditures.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) Promulgation.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) Effective Date.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (3) shall become effective one day after the date of enactment.

SA 1235. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) Conforming Amendment.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) Deadline for Expenditures.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) Total Amount of Expenditures.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) Promulgation.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) Effective Date.—

(1) In general.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) Exception.—Section (4) shall become effective one day after the date of enactment.

SA 1236. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) Assistance Authorized.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.):

(b) Amount.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) Supplemental Payment.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) Special Rule for Georgia.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) Base State Grants.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) Grants for Value of Production.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) Specialty Crop Priority.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) Specialty Crop Defined.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) Conditions on Payment to State.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

"(b) Conditions on Payment to State.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) Additional Disbursements From the Indemnity Fund.—Subsection (d) of such section is amended to read as follows:

"(d) Additional Disbursement to Cotton Ginners.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) Conforming Amendment.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) Deadline for Expenditures.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) Total Amount of Expenditures.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) Promulgation.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) Effective Date.—

(1) In general.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) Exception.—Section (5) shall become effective one day after the date of enactment.

SA 1237. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) Assistance Authorized.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) Amount.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206-224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) Supplemental Payment.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) Special Rule for Georgia.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) Base State Grants.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) Grants for Value of Production.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) Specialty Crop Priority.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) Specialty Crop Defined.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) Conditions on Payment to State.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) Conditions on Payment to State.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) Additional Disbursements From the Indemnity Fund.—Subsection (d) of such section is amended to read as follows:

"(d) Additional Disbursement to Cotton Ginners.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) Conforming Amendment.—Subsection (c) of such section is amended by striking "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) Deadline for Expenditures.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) Total Amount of Expenditures.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) Promulgation.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) Effective Date.—

(1) In general.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) Exception.—Section (6) shall become effective one day after the date of enactment.

SA 1238. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) Assistance Authorized.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (7) shall become effective one day after the date of enactment.

SA 1239. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (8) shall become effective one day after the date of enactment.

SA 1240. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.

(17) New Jersey, $1,100,000.

(18) Pennsylvania, $980,000.

(19) New Mexico, $900,000.

(20) Maine, $880,000.

(21) Ohio, $800,000.

(22) Indiana, $660,000.

(23) Nebraska, $640,000.

(24) Massachusetts, $640,000.

(25) Virginia, $620,000.

(26) Maryland, $500,000.

(27) Louisiana, $460,000.

(28) South Carolina, $440,000.

(29) Tennessee, $400,000.

(30) Illinois, $400,000.

(31) Oklahoma, $390,000.

(32) Alabama, $300,000.

(33) Delaware, $290,000.

(34) Mississippi, $250,000.

(35) Kansas, $210,000.

(36) Arkansas, $210,000.

(37) Missouri, $210,000.

(38) Connecticut, $180,000.

(39) Utah, $140,000.

(40) Montana, $140,000.

(41) New Hampshire, $120,000.

(42) Nevada, $120,000.

(43) Vermont, $120,000.

(44) Iowa, $100,000.

(45) West Virginia, $90,000.

(46) Wyoming, $70,000.

(47) Kentucky, $60,000.

(48) South Dakota, $40,000.

(49) Rhode Island, $40,000.

(50) Alaska, $20,000.

(c) Specialty Crop Priority.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) Specialty Crop Defined.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) Conditions on Payment to State.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) Conditions on Payment to State.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) Additional Disbursements From the Indemnity Fund.—Subsection (d) of such section is amended to read as follows:

"(d) Additional Disbursement to Cotton Ginners.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) Conforming Amendment.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) Deadline for Expenditures.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) Total Amount of Expenditures.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a). Promulgation.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) Effective Date.—

(1) In general.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) Exception.—Section (9) shall become effective one day after the date of enactment.

SA 1241. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) Assistance Authorized.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) Amount.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) Supplemental Payment.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of

2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) Special Rule for Georgia.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) Base State Grants.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) Grants for Value of Production.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) Specialty Crop Priority.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) Specialty Crop Defined.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) Conditions on Payment to State.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) Conditions on Payment to State.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) Additional Disbursements From the Indemnity Fund.—Subsection (d) of such section is amended to read as follows:

"(d) Additional Disbursement to Cotton Ginners.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) Conforming Amendment.—Subsection (c) of such section is amended by striking "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) Deadline for Expenditures.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) Total Amount of Expenditures.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) Promulgation.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (10) shall become effective one day after the date of enactment.

SA 1242. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official

Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (11) shall become effective one day after the date of enactment.

SA 1243. Ms. COLLINS (for herself and Ms. SNOWE) submitted an amendment intended to be proposed by her to the bill S. 1243, to amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules; which was ordered to lie on the table; as follows:

On page 35, line 2, before the period, insert the following: ", of which $500,000 shall be set aside for the Forum Francophone Des Affaires of Lewiston, Maine, for a program to increase exports by small businesses in the United States to French-speaking regions".

SA 1244. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert:

SEC. . LAMB FEEDER ELIGIBILITY.

Upon enactment, all rancher and feeder members of the Rocky Mountain States Lamb Cooperative engaged in the production of lamb, and the Rocky Mountain States Lamb Cooperative shall be eligible to participate in 7 USC 2009(d)(3)(B) business and industry direct and guaranteed loans under 7 USC 1932(a)(1) as proscribed by the Cooperative Stock Purchase Program.

SA 1245. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert:

SEC. . BUSINESS AND INDUSTRY LOAN ELIGIBLE PURPOSE.

Upon enactment, the Rocky Mountain Grower Finance Company shall be eligible to distribute 7 USC 2009(d)(3)(B) business and industry direct and guaranteed loans under 7 USC 1932(a)(1) as proscribed by the Cooperative Stock Purchase Program to the member growers of the Rocky Mountain Sugar Growers Cooperative.

SA 1246. Mr. DASCHLE submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE —CONSERVATION

SEC. 01. CONSERVATION RESERVE PROGRAM.

(a) TECHNICAL ASSISTANCE.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), in addition to amounts made available under section 801 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–49), the Secretary shall use $44,000,000 of funds of the Commodity Credit Corporation to provide technical assistance under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(b) EXTENSION OF CONTRACTS.—Notwithstanding section 1231(e)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(1)), an owner or operator that has entered into a contract under the conservation reserve program that would otherwise expire during calendar year 2001 may extend the contract for 1 year.

(c) PAYMENTS.—

(1) IN GENERAL.—Subject to paragraph (2), during the 2001 and 2002 calendar years, the Secretary shall include among practices that are eligible for payments under the conservation reserve program—

(A) the preservation of shallow water areas for wildlife;

(B) the establishment of permanent vegetative cover, such as contour grass strips and cross-wind trap strips; and

(C) the preservation of wellhead protection areas.

(2) OTHER PRACTICES.—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

(d) PILOT PROGRAM FOR ENROLLMENT OF WETLAND AND BUFFER ACREAGE IN CONSERVATION RESERVE.—

(1) IN GENERAL.—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3831(h)(4)(B)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

(2) CONFORMING AMENDMENT.—Section 1232(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(4)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

SEC. 02. WETLANDS RESERVE PROGRAM.

(a) MAXIMUM ENROLLMENT.—Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) and section 808 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–52), subject to subsection (b), the Secretary shall use $200,000,000 of funds of the Commodity Credit Corporation for enrollment of additional acres beginning in fiscal year 2002 in the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

(b) TECHNICAL ASSISTANCE; MONITORING AND MAINTENANCE EXPENSES.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary shall use—

(1) not less than $12,000,000, but not more than $15,000,000, to provide technical assistance under the wetlands reserve program; and

(2) not less than $8,000,000, but not more than $10,000,000, for monitoring and maintenance expenses incurred by the Secretary for land enrolled in the wetlands reserve program as of the date of enactment of this Act.

SEC. 03. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

In addition to amounts made available under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), the Secretary shall use $250,000,000 of funds of the Commodity Credit Corporation to carry out the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.).

SEC. 04. WILDLIFE HABITAT INCENTIVE PROGRAM.

In addition to amounts made available under section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary shall use $7,000,000 of funds of the Commodity Credit Corporation to carry out the Wildlife Habitat Incentive Program established under section 387 of that Act.

SEC. 05. FARMLAND PROTECTION PROGRAM.

(a) In General.—In addition to amounts made available under section 388(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127) and section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106–224), the Secretary shall use $40,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 to—

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

(2) any organization that—

(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) Technical Assistance.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary may use not more than $3,000,000 to provide technical assistance under the farmland protection program.

SEC. 06. RISK MANAGEMENT CONSERVATION ASSISTANCE.

(a) In General.—Notwithstanding sections 01 through 05, subject to subsection (d), of the amount of funds made available under this title (other than section 01(a)), the Secretary shall use $100,000,000 to address critical risk management needs (including such needs under programs specified in subsection (b)) in States that are described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

(b) Minimum Amount.—Subject to subsection (d), the minimum amount each State described in subsection (a) shall receive under subsection (a) shall be $5,000,000.

(c) Programs.—For the purpose of subsection (a), the programs specified in this subsection are—

(1) the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.);

(2) the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.);

(3) the Wildlife Habitat Incentive Program established under section 387 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a); and

(4) the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127).

(d) Other States.—The Secretary shall use any funds made available under subsection (a) that have not been obligated by June 1, 2002, to provide assistance under the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in States that are not described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

SA 1247. Mr. DASCHLE submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Emergency Agricultural Assistance Act of 2001".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—MARKET LOSS ASSISTANCE

Sec. 101. Bonus market loss payments.
Sec. 102. Oilseeds.
Sec. 103. Peanuts.
Sec. 104. Sugar.
Sec. 105. Honey.
Sec. 106. Cottonseed.
Sec. 107. Commodity purchases.
Sec. 108. Loan deficiency payments.
Sec. 109. Milk.
Sec. 110. Pulse crops.
Sec. 111. Apples.

TITLE II—CONSERVATION

Sec. 201. Conservation reserve program.
Sec. 202. Wetlands reserve program.
Sec. 203. Environmental quality incentives program.
Sec. 204. Wildlife Habitat Incentive Program.
Sec. 205. Farmland protection program.
Sec. 206. Risk management conservation assistance.

TITLE III—CREDIT AND RURAL DEVELOPMENT

Subtitle A—Credit

Sec. 301. Farm energy emergency loans.

Subtitle B—Rural Development

Sec. 311. Value-added agricultural product market development grants.
Sec. 312. Regulations; notice of acceptance of applications.
Sec. 313. Funding.

TITLE IV—MISCELLANEOUS

Sec. 401. Crop and pasture flood compensation program.

TITLE V—ADMINISTRATION

Sec. 501. Obligation period.
Sec. 502. Commodity Credit Corporation.
Sec. 503. Regulations.

TITLE I—MARKET LOSS ASSISTANCE

SEC. 101. BONUS MARKET LOSS PAYMENTS.

(a) In General.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall use funds of the Commodity Credit Corporation to make a bonus market loss payment to owners and producers on a farm that produced a 2001 crop of a contract commodity (as defined in section 102 of the Agricultural Market Transition Act (7 U.S.C. 7202)).

(b) Computation.—A payment under this section shall be computed by multiplying—

(1) the payment rate determined under subsection (c); by

(2) the payment quantity determined under subsection (d).

(c) Payment Rate.—The payment rate for a payment under this section shall equal—

(1) in the case of wheat, $0.095 per bushel;

(2) in the case of corn, $0.037 per bushel;

(3) in the case of grain sorghum, $0.066 per bushel;

(4) in the case of barley, $0.056 per bushel;

(5) in the case of oats, $0.004 per bushel;

(6) in the case of upland cotton, $0.00993 per pound; and

(7) in the case of rice, $0.383 per hundredweight.

(d) Payment Quantity.—

(1) In general.—Except as provided in paragraph (2), the payment quantity for a payment made to owners and producers on a farm under this section shall equal the quantity of the 2001 crop of a contract commodity produced by the owners and producers on the farm.

(2) Disasters.—In the case of owners and producers on a farm that suffered a loss in the production of the 2001 crop of a contract commodity as a result of a natural disaster (as determined by the Secretary), the payment quantity for a payment made to the owners and producers on the farm under this section shall equal the product obtained by multiplying—

(A) the greater of—

(i) the yield assigned to the farm for the 2001 crop of the contract commodity under subparagraphs (A) and (B) of section 508(g)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(g)(2)); or

(ii) the county average yield for the 2000 crop of the contract commodity, as determined by the Secretary; by

(B) the number of acres planted or considered planted to the contract commodity for harvest on the farm in the 2001 crop year.

SEC. 102. OILSEEDS.

The Secretary shall use $76,490,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106–224) to producers of the 2000 crop of oilseeds that received a payment under that section.

SEC. 103. PEANUTS.

The Secretary shall use $1,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106–224) to producers of quota peanuts or additional peanuts for the 2000 crop year that received a payment under that section.

SEC. 104. SUGAR.

(a) Marketing Assessment.—Section 156(f) of the Agricultural Market Transition Act (7 U.S.C. 7272(f)) shall not apply with respect to the 2001 crop of sugarcane and sugar beets.

(b) Emergency Financial Assistance for 2000 Crop of Sugar Beets.—Notwithstanding section 815(d)(1) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–56), in making payments under that section for quality losses for the 2000 crop of sugar beets of producers on a farm in an area covered by Manager's Bulletin MGR–01–010 issued by the Federal Crop Insurance Corporation on March 2, 2001—

(1) the Secretary shall calculate the amount of a quality loss, regardless of whether the sugar beets are processed, on an aggregate basis by cooperative;

(2) the Secretary shall make the quality loss payments to a cooperative for distribution to cooperative members; and

(3) the amount of a quality loss, regardless of whether the sugar beets are processed, shall be equal to the difference between—

(A) the per unit payment that the producers on the farm would have received for the crop from the cooperative if the crop had not suffered a quality loss; and

(B) the average per unit payment that the producers on the farm received from the cooperative for the affected sugar beets.

SEC. 105. HONEY.

(a) NONRECOURSE MARKETING ASSISTANCE LOANS.—

(1) IN GENERAL.—The Secretary shall use funds of the Commodity Credit Corporation to make nonrecourse marketing assistance loans available to producers of the 2001 crop of honey.

(2) LOAN RATE.—The loan rate for a marketing assistance loan under paragraph (1) for honey shall be 65 cents per pound.

(3) REPAYMENT RATE.—The Secretary shall permit producers to repay a marketing assistance nonrecourse loan under paragraph (1) at a rate that is the lesser of—

(A) the loan rate for honey, plus interest (as determined by the Secretary); or

(B) the prevailing domestic market price for honey, as determined by the Secretary.

(b) LOAN DEFICIENCY PAYMENTS.—

(1) IN GENERAL.—The Secretary may make loan deficiency payments available to any producer of honey that, although eligible to obtain a marketing assistance loan under subsection (a), agrees to forgo obtaining the loan in return for a payment under this subsection.

(2) AMOUNT.—A loan deficiency payment under this subsection shall be determined by multiplying—

(A) the loan payment rate determined under paragraph (3); by

(B) the quantity of honey that the producer is eligible to place under loan, but for which the producer forgoes obtaining the loan in return for a payment under this subsection.

(3) LOAN PAYMENT RATE.—For the purposes of this subsection, the loan payment rate shall be the amount by which—

(A) the loan rate established under subsection (a)(2); exceeds

(B) the rate at which a loan may be repaid under subsection (a)(3).

(c) CONVERSION OF RECOURSE LOANS.—In order to provide an orderly transition to the loans and payments provided under this section, the Secretary shall convert recourse loans for the 2001 crop of honey outstanding on the date of enactment of this Act to nonrecourse marketing assistance loans under subsection (a).

(d) LIMITATIONS.—

(1) IN GENERAL.—The marketing assistance loan gains and loan deficiency payments that a person may receive for the 2001 crop of honey under this section shall be subject to the same limitations that apply to marketing assistance loans and loan deficiency payments received by producers of the same crop of other agricultural commodities.

(2) FORFEITURES.—The Secretary shall carry out this section in such a manner as to minimize forfeitures of honey marketing assistance loans.

(e) TRANSITION ASSISTANCE.—In the case of a producer that marketed or redeemed, before, on, or within 30 days after the date of the enactment of this Act, a quantity of an eligible 2001 crop for which the producer has not received a loan deficiency payment or marketing loan gain under this section, the producer shall be eligible to receive a payment from the Secretary under this section in an amount equal to the payment or gain that the producer would have received for that quantity of eligible production as of the date on which the producer lost beneficial interest in the quantity or redeemed the quantity, as determined by the Secretary.

SEC. 106. COTTONSEED.

The Secretary shall use $15,000,000 of funds of the Commodity Credit Corporation for fiscal year 2002 to provide assistance to producers and first handlers of the 2001 crop of cottonseed.

SEC. 107. COMMODITY PURCHASES.

(a) IN GENERAL.—The Secretary shall use $110,599,473 of funds of the Commodity Credit Corporation to purchase agricultural commodities, especially agricultural commodities that have experienced low prices during the 2000 or 2001 crop years, such as apples, apricots, asparagus, bell peppers, bison meat, black beans, black-eyed peas, blueberries (wild and cultivated), cabbage, cantaloupe, cauliflower, chickpeas, cranberries, cucumbers, dried plums, dry peas, eggplants, lemons, lentils, melons, onions, peaches (including freestone), pears, potatoes (summer and fall), pumpkins, raisins, raspberries, red tart cherries, snap beans, spinach, strawberries, sweet corn, tomatoes, and watermelons.

(b) GEOGRAPHIC DIVERSITY.—The Secretary is encouraged to purchase agricultural commodities under this section in a manner that reflects the geographic diversity of agricultural production in the United States, particularly agricultural production in the Northeast and Mid-Atlantic States.

(c) OTHER PURCHASES.—The Secretary shall ensure that purchases of agricultural commodities under this section are in addition to purchases by the Secretary under any other law.

(d) TRANSPORTATION AND DISTRIBUTION COSTS.—The Secretary may use not more than $20,000,000 of the funds made available under subsection (a) to provide assistance to States to cover costs incurred by the States in transporting and distributing agricultural commodities purchased under this section.

(e) PURCHASES FOR SCHOOL NUTRITION PROGRAMS.—The Secretary shall use not less than $55,000,000 of the funds made available under subsection (a) to purchase agricultural commodities of the type distributed under section 6(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(a)) for distribution to schools and service institutions in accordance with section 6(a) of that Act.

SEC. 108. LOAN DEFICIENCY PAYMENTS.

Section 135(a)(2) of the Agricultural Market Transition Act (7 U.S.C. 7235(a)(2)) is amended by striking "2000 crop year" and inserting "each of the 2000 and 2001 crop years".

SEC. 109. MILK.

(a) EXTENSION OF MILK PRICE SUPPORT PROGRAM.—Section 141 of the Agricultural Market Transition Act (7 U.S.C. 7251) is amended by striking "2001" each place it appears in subsections (b)(4) and (h) and inserting "2002".

(b) REPEAL OF RECOURSE LOAN PROGRAM FOR PROCESSORS.—Section 142 of the Agricultural Market Transition Act (7 U.S.C. 7252) is repealed.

SEC. 110. PULSE CROPS.

(a) IN GENERAL.—The Secretary shall use $20,000,000 of funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that grow dry peas, lentils, or chickpeas (collectively referred to in this section as a "pulse crop").

(b) COMPUTATION.—A payment to owners and producers on a farm under this section for a pulse crop shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary; by

(2) the acreage of the producers on the farm for the pulse crop determined under subsection (c).

(c) ACREAGE.—

(1) IN GENERAL.—The acreage of the producers on the farm for a pulse crop under subsection (b)(2) shall be equal to the number of acres planted to the pulse crop by the owners and producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest.

(2) BASIS.—For the purpose of paragraph (1), the number of acres planted to a pulse crop by the owners and producers on the farm for a crop year shall be based on (as determined by the Secretary)—

(A) the number of acres planted to the pulse crop for the crop year, as reported to the Secretary by the owners and producers on the farm, including any acreage that is included in reports that are filed late; or

(B) the number of acres planted to the pulse crop for the crop year for the purpose of the Federal crop insurance program established under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

SEC. 111. APPLES.

(a) IN GENERAL.—The Secretary shall use $150,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers to provide relief for the loss of markets during the 2000 crop year.

(b) PAYMENT QUANTITY.—

(1) IN GENERAL.—Subject to paragraph (2), the payment quantity of apples for which the producers on a farm are eligible for payments under this section shall be equal to the quantity of the 2000 crop of apples produced by the producers on the farm.

(2) MAXIMUM QUANTITY.—The payment quantity of apples for which the producers on a farm are eligible for payments under this section shall not exceed 5,000,000 pounds of apples produced on the farm.

(c) LIMITATIONS.—Subject to subsection (b)(2), the Secretary shall not establish a payment limitation, or gross income eligibility limitation, with respect to payments made under this section.

(d) APPLICABILITY.—This section applies only with respect to the 2000 crop of apples and producers of that crop.

TITLE II—CONSERVATION

SEC. 201. CONSERVATION RESERVE PROGRAM.

(a) TECHNICAL ASSISTANCE.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), in addition to amounts made available under section 801 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–49), the Secretary shall use $44,000,000 of funds of the Commodity Credit Corporation to provide technical assistance under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(b) EXTENSION OF CONTRACTS.—Notwithstanding section 1231(e)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(1)), an owner or operator that has entered into a contract under the conservation reserve program that would otherwise expire during calendar year 2001 may extend the contract for 1 year.

(c) Payments.—

(1) In general.—Subject to paragraph (2), during the 2001 and 2002 calendar years, the Secretary shall include among practices that are eligible for signing incentive payments under the conservation reserve program—

(A) the preservation of shallow water areas for wildlife;

(B) the establishment of permanent vegetative cover, such as contour grass strips and cross-wind trap strips; and

(C) the preservation of wellhead protection areas.

(2) Other practices.—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

(d) Pilot Program for Enrollment of Wetland and Buffer Acreage in Conservation Reserve.—

(1) In general.—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3831(h)(4)(B)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

(2) Conforming amendment.—Section 1232(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(4)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

SEC. 202. WETLANDS RESERVE PROGRAM.

(a) Maximum Enrollment.—Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) and section 808 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–52), subject to subsection (b), the Secretary shall use $200,000,000 of funds of the Commodity Credit Corporation for enrollment of additional acres beginning in fiscal year 2002 in the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

(b) Technical Assistance; Monitoring and Maintenance Expenses.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary shall use—

(1) not less than $12,000,000, but not more than $15,000,000, to provide technical assistance under the wetlands reserve program; and

(2) not less than $8,000,000, but not more than $10,000,000, for monitoring and maintenance expenses incurred by the Secretary for land enrolled in the wetlands reserve program as of the date of enactment of this Act.

SEC. 203. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

In addition to amounts made available under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), the Secretary shall use $250,000,000 of funds of the Commodity Credit Corporation to carry out the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.).

SEC. 204. WILDLIFE HABITAT INCENTIVE PROGRAM.

In addition to amounts made available under section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary shall use $7,000,000 of funds of the Commodity Credit Corporation to carry out the Wildlife Habitat Incentive Program established under section 387 of that Act.

SEC. 205. FARMLAND PROTECTION PROGRAM.

(a) In General.—In addition to amounts made available under section 388(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127) and section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106–224), the Secretary shall use $40,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 to—

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

(2) any organization that—

(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) Technical Assistance.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary may use not more than $3,000,000 to provide technical assistance under the farmland protection program.

SEC. 206. RISK MANAGEMENT CONSERVATION ASSISTANCE.

(a) In General.—Notwithstanding sections 201 through 205, subject to subsection (d), of the amount of funds made available under this title (other than section 201(a)), the Secretary shall use $100,000,000 to address critical risk management needs (including such needs under programs specified in subsection (b)) in States that are described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

(b) Minimum Amount.—Subject to subsection (d), the minimum amount each State described in subsection (a) shall receive under subsection (a) shall be $5,000,000.

(c) Programs.—For the purpose of subsection (a), the programs specified in this subsection are—

(1) the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.);

(2) the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.);

(3) the Wildlife Habitat Incentive Program established under section 387 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a); and

(4) the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127).

(d) Other States.—The Secretary shall use any funds made available under subsection (a) that have not been obligated by June 1, 2002, to provide assistance under the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in States that are not described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

TITLE III—CREDIT AND RURAL DEVELOPMENT

Subtitle A—Credit

SEC. 301. FARM ENERGY EMERGENCY LOANS.

(a) In General.—Section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended—

(1) in the first sentence—

(A) by striking "aquaculture operations have" and inserting "aquaculture operations (i) have"; and

(B) by striking "the Disaster Relief and Emergency Assistance Act:" and inserting "the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), or (ii) have suffered or are likely to suffer substantial economic injury on or after June 1, 2000, as the result of a sharp and significant increase in energy costs or input costs from energy sources occurring on or after June 1, 2000, in connection with an energy emergency declared by the President or the Secretary:";

(2) in the third sentence, by striking "the Disaster Relief and Emergency Assistance Act" and inserting "the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) or by an energy emergency declared by the President or the Secretary"; and

(3) in the fourth sentence—

(A) by inserting "or energy emergency" after "natural disaster" each place it appears; and

(B) by inserting "or declaration" after "emergency designation".

(b) Funding.—Funds available for emergency loans under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) to meet the needs resulting from natural disasters shall be available to carry out the amendments made by subsection (a).

(c) Guidelines.—Not later than 30 days after the date of enactment of this Act, the Secretary shall issue such guidelines as the Secretary determines to be necessary to carry out the amendments made by subsection (a).

(d) Report.—Not later than 18 months after the date of final publication by the Secretary of the guidelines issued under subsection (c), the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the effectiveness of loans made available as a result of the amendments made by subsection (a), together with recommendations for improvements to the loans, if any.

Subtitle B—Rural Development

SEC. 311. VALUE-ADDED AGRICULTURAL PRODUCT MARKET DEVELOPMENT GRANTS.

The Secretary shall use funds made available under section 313(a) to award grants for projects under the terms and conditions provided in section 231(a) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1621 note), except that the Secretary shall give preference to bioenergy projects.

SEC. 312. REGULATIONS; NOTICE OF ACCEPTANCE OF APPLICATIONS.

(a) In General.—Not later than 75 days after the date of enactment of this Act, the

Secretary shall promulgate final regulations to carry out this subtitle.

(b) NOTICE OF ACCEPTANCE OF APPLICATIONS.—Not later than 20 days after the date of promulgation of regulations under subsection (a), the Secretary shall publish in the Federal Register a notice that the Secretary is accepting applications for grants for which funds are made available under this subtitle.

SEC. 313. FUNDING.

(a) IN GENERAL.—On October 1, 2001, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary $20,000,000 to carry out section 311.

(b) ENTITLEMENT.—The Secretary shall be entitled to receive the funds transferred under subsection (a) and shall accept the funds.

TITLE IV—MISCELLANEOUS

SEC. 401. CROP AND PASTURE FLOOD COMPENSATION PROGRAM.

(a) DEFINITION OF COVERED LAND.—In this section:

(1) IN GENERAL.—The term "covered land" means land that—

(A) was unusable for agricultural production during the 2001 crop year as the result of flooding;

(B) was used for agricultural production during at least 1 of the 1992 through 2000 crop years; and

(C) is a contiguous parcel of land of at least 1 acre.

(2) EXCLUSIONS.—The term "covered land" excludes any land for which a producer is insured, enrolled, or assisted during the 2001 crop year under—

(A) a policy or plan of insurance authorized under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.);

(B) the noninsured crop assistance program operated under section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333);

(C) any crop disaster program established for the 2001 crop year;

(D) the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.);

(E) the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.);

(F) any emergency watershed protection program or Federal easement program that prohibits crop production or grazing; or

(G) any other Federal or State water storage program, as determined by the Secretary.

(b) COMPENSATION.—The Secretary shall use not more than $24,000,000 of funds of the Commodity Credit Corporation to compensate producers with covered land for losses from long-term flooding.

(c) PAYMENT RATE.—The payment rate for compensation provided to a producer under this section shall be equal to the average county cash rental rate per acre established by the National Agricultural Statistics Service for the 2001 crop year.

(d) PAYMENT LIMITATION.—The total amount of payments made to a person (as defined in section 1001(5) of the Food Security Act of 1985 (7 U.S.C. 1308(5))) under this section may not exceed $40,000.

TITLE V—ADMINISTRATION

SEC. 501. OBLIGATION PERIOD.

(a) IN GENERAL.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out this Act and the amendments made by this Act.

(b) AVAILABILITY.—Funds described in subsection (a) shall remain available until expended.

SEC. 502. COMMODITY CREDIT CORPORATION.

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act and the amendments made by this Act.

SEC. 503. REGULATIONS.

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this Act and the amendments made by this Act.

(b) PROCEDURE.—The promulgation of the regulations and administration of the amendments made by this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SA 1248. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. 1 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "New York," after "New Hampshire,";

(2) by striking paragraphs (1) and (7);

(3) in paragraph (2), by striking "Class III-A" and inserting "Class IV";

(4) by striking paragraph (3) and inserting the following:

"(3) DURATION.—Consent for the Northeast Interstate Dairy Compact shall terminate on—

"(A) in the case of States other than New York, September 30, 2011; and

"(B) in the case of New York, September 30, 2004.";

(5) in paragraph (4), by striking "New York,".

(6) in paragraph (5), by striking "the projected rate of increase" and all that follows through "Secretary" and inserting "the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code"; and

(7) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

SA 1249. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. 1 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147(3) of the Agricultural Market Transition Act (7 U.S.C. 7256(3)) is amended by striking "September 30, 2001" and inserting "on the ending date on which certain provisions of the Agricultural Act of 1949 are not applicable to milk under section 171(b)(1)".

SA 1250. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147(3) of the Agricultural Market Transition Act (7 U.S.C. 7256(3)) is amended by striking "2001" and inserting "2004".

SA 1251. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147(3) of the Agricultural Market Transition Act (7 U.S.C. 7256(3)) is amended by striking "2001" and inserting "2006".

SA 1252. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147(3) of the Agricultural Market Transition Act (7 U.S.C. 7256(3)) is amended by striking "2001" and inserting "2002".

SA 1253. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "Maryland," after "Maine,";

(2) in paragraph (3), by striking "2001" and inserting "2004"; and

(3) in paragraph (4), by striking "Maryland,".

SA 1254. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1) by inserting "Pennsylvania," after "New Hampshire,";

(2) in paragraph (3), by striking "2001" and inserting "2004"; and

(3) in paragraph (4), by striking "Pennsylvania,".

SA 1255. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "Delaware," after "Connecticut.";

(2) in paragraph (3), by striking "2001" and inserting "2004"; and

(3) in paragraph (4), by striking "Delaware,".

SA 1256. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "New Jersey," after "New Hampshire,";

(2) in paragraph (3), by striking "2001" and inserting "2004"; and

(3) in paragraph (4), by striking "New Jersey,".

SA 1257. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. 1 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) by striking paragraphs (1), (3), and (7);

(2) in paragraph (2), by striking "Class III-A" and inserting "Class IV";

(3) in paragraph (5), by striking "the projected rate of increase" and all that follows through "Secretary" and inserting "the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code"; and

(4) by redesignating paragraphs (2), (4), (5), and (6) as paragraphs (1), (2), (3), and (4), respectively.

SA 1258. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by striking "and Vermont" and inserting ", Vermont, and Virginia";

(2) in paragraph (3), by striking "2001" and inserting "2006"; and

(3) in paragraph (4), by striking "Virginia,".

SA 1259. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. 1 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "New York," after "New Hampshire,";

(2) by striking paragraphs (1) and (7);

(3) in paragraph (2), by striking "Class III-A" and inserting "Class IV";

(4) by striking paragraph (3) and inserting the following:

"(3) DURATION.—Consent for the Northeast Interstate Dairy Compact shall terminate on—

"(A) in the case of States other than New York, September 30, 2011; and

"(B) in the case of New York, September 30, 2006";

(5) in paragraph (4), by striking "New York.";

(6) in paragraph (5), by striking "the projected rate of increase" and all that follows through "Secretary" and inserting "the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United Stats Code"; and

(7) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

SA 1260. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "New Jersey," after "New Hampshire,";

(2) in paragraph (3), by striking "2001" and inserting "2006"; and

(3) in paragraph (4), by striking "New Jersey,".

SA 1261. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "Pennsylvania," after "New Hampshire,";

(2) in paragraph (3), by striking "2001" and inserting "2006"; and

(3) in paragraph (4), by striking "Pennsylvania,".

SA 1262. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis is adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "Delaware," after "Connecticut,";

(2) in paragraph (3), by striking "2001" and inserting "2006"; and

(3) in paragraph (4), by striking "Delaware,".

SA 1263. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 7 . NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "Maryland," after "Maine,";

(2) in paragraph (3), by striking "2001" and inserting "2006"; and

(3) in paragraph (4), by striking "Maryland,".

SA 1264. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 7___. NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by striking "and Vermont" and inserting "Vermont, and Virginia";

(2) in paragraph (3), by striking "2001" and inserting "2004"; and

(3) in paragraph (4), by striking "Virginia,".

SA 1265. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. 1___. NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "New York," after "New Hampshire,";

(2) by striking paragraphs (1) and (7);

(3) in paragraph (2), by striking "Class III-A" and inserting "Class IV";

(4) by striking paragraph (3) and inserting the following:

"(3) Duration.—Consent for the Northeast Interstate Dairy Compact shall terminate on—

"(A) in the case of States other than New York, September 30, 2011; and

"(B) in the case of New York, September 30, 2004.";

(5) in paragraph (4), by striking "New York,".

(6) in paragraph (5), by striking "the projected rate of increase" and all that follows through "Secretary" and inserting "the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code"; and

(7) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

SA 1266. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. 1___. NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "New York," after "New Hampshire,";

(2) by striking paragraphs (1) and (7);

(3) in paragraph (2), by striking "Class III-A" and inserting "Class IV";

(4) in paragraph (3), by striking "2001" and inserting "2006";

(5) in paragraph (4), by striking "New York,".

SA 1267. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. 1___. NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by inserting "New York," after "New Hampshire,";

(2) by striking paragraphs (1) and (7);

(3) in paragraph (2), by striking "Class III-A" and inserting "Class IV";

(4) by striking paragraph (3) and inserting the following:

"(3) Duration.—Consent for the Northeast Interstate Dairy Compact shall terminate on—

"(A) in the case of States other than New York, September 30, 2011; and

"(B) in the case of New York, September 30, 2004.";

(5) in paragraph (4), by striking "New York,".

(6) in paragraph (5), by striking "the projected rate of increase" and all that follows through "Secretary" and inserting "the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code"; and

(7) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

SA 1268. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:

SEC. 703. CERTIFICATION AND LABELING OF ORGANIC WILD SEAFOOD.

(a) Exclusive Authority of Secretary of Commerce.—The Secretary of Commerce shall have exclusive authority to provide for the certification and labeling of wild seafood as organic wild seafood.

(b) Relationship to Other Law.—The certification and labeling of wild seafood as organic wild seafood shall not be subject to the provisions of the Organic Foods Production Act of 1990 (title XXI of Public Law 101–624; 104 Stat. 3935; 7 U.S.C. 6501 et seq.).

(c) Regulations.—

(1) In general.—The Secretary of Commerce shall prescribe regulations for the certification and labeling of wild seafood as organic wild seafood.

(2) Considerations.—In prescribing the regulations, the Secretary—

(A) may take into consideration as guidance, to the extent practicable, the provisions of the Organic Foods Production Act of 1990 and the regulations prescribed in the administration of that Act; and

(B) shall accommodate the nature of the commercial harvesting and processing of wild fish in the United States.

(3) Time for Initial Implementation.—The Secretary shall promulgate the initial regulations to carry out this section not later than one year after the date of the enactment of this Act.

SA 1269. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . SALMON.

(a) The Secretary of the Treasury shall transfer, out of funds in the Treasury not otherwise appropriated, $5,000,000, to remain available until expended, to respond to fisheries failures and record low salmon harvests in the State of Alaska by providing individual assistance and economic development, including the following amounts—

(1) $10,000,000 to the Kenai Peninsular Borough;

(2) $10,000,000 to the Association of Village Council Presidents;

(3) $10,000,000 to the Tanana Chiefs Conference, including $2,000,000 to address the combined impacts of poor salmon runs and the implementation of the Yukon River Salmon Treaty;

(4) $10,000,000 to Kawerak, Inc.; and

(5) $10,000,000 to the Bristol Bay Native Association, including funds for its revolving loan program in support of local fishermen.

(b) Amounts made in this section shall be transferred by direct lump sum payment within 30 days of enactment.

SA 1270. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) Assistance Authorized.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) Amount.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section

204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) Supplemental Payment.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) Special Rule for Georgia.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) Base State Grants.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) Grants for Value of Production.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) Specialty Crop Priority.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) Specialty Crop Defined.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) Conditions on Payment to State.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) Conditions on Payment to State.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) Additional Disbursements From the Indemnity Fund.—Subsection (d) of such section is amended to read as follows:

"(d) Additional Disbursement to Cotton Ginners.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) Conforming Amendment.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) Deadline for Expenditures.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) Total Amount of Expenditures.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) Promulgation.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (10) shall become effective one day after the date of enactment.

SA 1271. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (11) shall become effective one day after the date of enactment.

SA 1272. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000.(Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800;000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.

(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) Specialty Crop Priority.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) Specialty Crop Defined.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) Conditions on Payment to State.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) Conditions on Payment to State.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) Additional Disbursements From the Indemnity Fund.—Subsection (d) of such section is amended to read as follows:

"(d) Additional Disbursement to Cotton Ginners.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) Conforming Amendment.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) Deadline for Expenditures.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) Total Amount of Expenditures.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) Promulgation.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) Effective Date.—

(1) In general.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) Exception.—Section (9) shall become effective one day after the date of enactment.

SA 1273. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) Assistance Authorized.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) Amount.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) Supplemental Payment.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) Special Rule for Georgia.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section

814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106-224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106-387; 114 Stat. 1549A-42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking, "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (4) shall become effective one day after the date of enactment.

SA 1274. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) Assistance Authorized.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) Amount.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) Supplemental Payment.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) Special Rule for Georgia.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) Base State Grants.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) Grants for Value of Production.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) Specialty Crop Priority.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) Specialty Crop Defined.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) Conditions on Payment to State.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) Conditions on Payment to State.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) Additional Disbursements From the Indemnity Fund.—Subsection (d) of such section is amended to read as follows:

"(d) Additional Disbursement to Cotton Ginners.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title

2 of the Official Code of Georgia applicable to cotton ginner claims''.

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (5) shall become effective one day after the date of enactment.

SA 1275. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide, supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) Conditions on Payment to State.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) Conditions on Payment to State.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) Additional Disbursements From the Indemnity Fund.—Subsection (d) of such section is amended to read as follows:

"(d) Additional Disbursement to Cotton Ginners.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) Conforming Amendment.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) Deadline for Expenditures.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) Total Amount of Expenditures.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) Promulgation.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) Effective Date.—

(1) In general.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) Exception.—Section (6) shall become effective one day after the date of enactment.

SA 1276. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) Assistance Authorized.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) Amount.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) Supplemental Payment.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) Special Rule for Georgia.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) Base State Grants.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) Grants for Value of Production.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 ,et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (7) shall become effective one day after the date of enactment.

SA 1277. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) Promulgation.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) Effective Date.—

(1) In general.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) Exception.—Section (8) shall become effective one day after the date of enactment.

SA 1278. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) Assistance Authorized.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) Amount.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) Supplemental Payment.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) Special Rule for Georgia.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) Base State Grants.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) Grants for Value of Production.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.
(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) Specialty Crop Priority.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) Specialty Crop Defined.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) Conditions on Payment to State.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) Conditions on Payment to State.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (2) shall become effective one day after the date of enactment.

SA 1279. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike everything after the enacting clause and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall, to the maximum extent practicable, use $4,622,240,000 of funds of the Commodity Credit Corporation to make a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transaction Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportionate to the amount of the total contract payments received by the owners and producers for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

SEC. 2. SUPPLEMENTAL OILSEEDS PAYMENT.

The Secretary shall use $423,510,000 of funds of the Commodity Credit Corporation to make a supplemental payment under section 202 of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers of the 2000 crop of oilseeds that previously received a payment under such section.

SEC. 3. SUPPLEMENTAL PEANUT PAYMENT.

The Secretary shall use $54,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (Public Law 206–224; 7 U.S.C. 1421 note) to producers of quota peanuts or additional peanuts for the 2000 crop year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 4. SUPPLEMENTAL TOBACCO PAYMENT.

(a) SUPPLEMENTAL PAYMENT.—The Secretary shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(b) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to eligible persons (as defined in such section) that previously received a payment under such section.

(b) SPECIAL RULE FOR GEORGIA.—The Secretary may make payments under this section to eligible persons in Georgia only if the State of Georgia agrees to use the sum of $13,000,000 to make payments at the same time, or subsequently, to the same persons in the same manner as provided for the Federal payments under this section, as required by section 204(b)(6) of the Agricultural Risk Protection Act of 2000.

SEC. 5. SUPPLEMENTAL WOOL AND MOHAIR PAYMENT.

The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387), to producers of wool and producers of mohair, for the 2000 marketing year that previously received a payment under such section. The Secretary shall adjust the payment rate specified in such section to reflect the amount made available for payments under this section.

SEC. 6. SUPPLEMENTAL COTTONSEED ASSISTANCE.

The Secretary shall use $84,700,000 of funds of the Commodity Credit Corporation to provide supplemental assistance under section 204(e) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 7 U.S.C. 1421 note) to producers and first-handlers of the 2000 crop of cottonseed that previously received assistance under such section.

SEC. 7. SPECIALTY CROPS.

(a) BASE STATE GRANTS.—The Secretary shall use $26,000,000 of funds of the Commodity Credit Corporation to make grants to the several States and the Commonwealth of Puerto Rico to be used to support activities that promote agriculture. The amount of the grant shall be—

(1) $500,000 to each of the several States; and

(2) $1,000,000 to the Commonwealth of Puerto Rico.

(b) GRANTS FOR VALUE OF PRODUCTION.—The Secretary shall use $133,400,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States in an amount that represents the proportion of the value of specialty crop production in the State in relation to the national value of specialty crop production, as follows:

(1) California, $63,320,000.
(2) Florida, $16,860,000.
(3) Washington, $9,610,000.
(4) Idaho, $3,670,000.
(5) Arizona, $3,430,000.
(6) Michigan, $3,250,000.
(7) Oregon, $3,220,000.
(8) Georgia, $2,730,000.
(9) Texas, $2,660,000.
(10) New York, $2,660,000
(11) Wisconsin, $2,570,000.
(12) North Carolina, $1,540,000.
(13) Colorado, $1,510,000.
(14) North Dakota, $1,380,000.
(15) Minnesota, $1,320,000.
(16) Hawaii, $1,150,000.
(17) New Jersey, $1,100,000.
(18) Pennsylvania, $980,000.
(19) New Mexico, $900,000.
(20) Maine, $880,000.
(21) Ohio, $800,000.
(22) Indiana, $660,000.
(23) Nebraska, $640,000.
(24) Massachusetts, $640,000.
(25) Virginia, $620,000.
(26) Maryland, $500,000.
(27) Louisiana, $460,000.
(28) South Carolina, $440,000.
(29) Tennessee, $400,000.

(30) Illinois, $400,000.
(31) Oklahoma, $390,000.
(32) Alabama, $300,000.
(33) Delaware, $290,000.
(34) Mississippi, $250,000.
(35) Kansas, $210,000.
(36) Arkansas, $210,000.
(37) Missouri, $210,000.
(38) Connecticut, $180,000.
(39) Utah, $140,000.
(40) Montana, $140,000.
(41) New Hampshire, $120,000.
(42) Nevada, $120,000.
(43) Vermont, $120,000.
(44) Iowa, $100,000.
(45) West Virginia, $90,000.
(46) Wyoming, $70,000.
(47) Kentucky, $60,000.
(48) South Dakota, $40,000.
(49) Rhode Island, $40,000.
(50) Alaska, $20,000.

(c) SPECIALTY CROP PRIORITY.—As a condition on the receipt of a grant under this section, a State shall agree to give priority to the support of specialty crops in the use of the grant funds.

(d) SPECIALTY CROP DEFINED.—In this section, the term "specialty crop" means any agricultural crop, except wheat, feed grains, oilseeds, cotton, rice, peanuts, and tobacco.

SEC. 8. COMMODITY ASSISTANCE PROGRAM.

The Secretary shall use $10,000,000 of funds of the Commodity Credit Corporation to make a grant to each of the several States to be used by the States to cover direct and indirect costs related to the processing, transportation, and distribution of commodities to eligible recipient agencies. The grants shall be allocated to States in the manner provided under section 204(a) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)).

SEC. 9. TECHNICAL CORRECTION REGARDING INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) CONDITIONS ON PAYMENT TO STATE.—Subsection (b) of section 1121 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105–277 (7 U.S.C. 1421 note), and as amended by section 754 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted by Public Law 106–387; 114 Stat. 1549A–42), is amended to read as follows:

"(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State—

"(1) contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2002 (or as soon as administratively practical thereafter), to provide compensation to cotton producers as provided in such subsection;

"(2) requires the recipient of a payment from the indemnity fund to repay the State, for deposit in the indemnity fund, the amount of any duplicate payment the recipient otherwise recovers for such loss of cotton, or the loss of proceeds from the sale of cotton, up to the amount of the payment from the indemnity fund; and

"(3) agrees to deposit in the indemnity fund the proceeds of any bond collected by the State for the benefit of recipients of payments from the indemnity fund, to the extent of such payments."

(b) ADDITIONAL DISBURSEMENTS FROM THE INDEMNITY FUND.—Subsection (d) of such section is amended to read as follows:

"(d) ADDITIONAL DISBURSEMENT TO COTTON GINNERS.—The State of Georgia shall use funds remaining in the indemnity fund, after the provision of compensation to cotton producers in Georgia under subsection (a) (including cotton producers who file a contingent claim, as defined and provided in section 5.1 of chapter 19 of title 2 of the Official Code of Georgia), to compensate cotton ginners (as defined and provided in such section) that—

"(1) incurred a loss as the result of—

"(A) the business failure of any cotton buyer doing business in Georgia; or

"(B) the failure or refusal of any such cotton buyer to pay the contracted price that had been agreed upon by the ginner and the buyer for cotton grown in Georgia on or after January 1, 1997, and had been purchased or contracted by the ginner from cotton producers in Georgia;

"(2) paid cotton producers the amount which the cotton ginner had agreed to pay for such cotton received from such cotton producers in Georgia; and

"(3) satisfy the procedural requirements and deadlines specified in chapter 19 of title 2 of the Official Code of Georgia applicable to cotton ginner claims".

(c) CONFORMING AMENDMENT.—Subsection (c) of such section is amended by striking. "Upon the establishment of the indemnity fund, and not later than October 1, 1999, the" and inserting "The".

SEC. 10. INCREASE IN PAYMENT LIMITATIONS REGARDING LOAN DEFICIENCY PAYMENTS AND MARKETING LOAN GAINS.

Notwithstanding section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(1)), the total amount of the payments specified in section 1001(3) of that Act that a person shall be entitled to receive for one or more contract commodities and oilseeds under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) during the 2001 crop year may not exceed $150,000.

SEC. 11. TIMING OF, AND LIMITATION ON, EXPENDITURES.

(a) DEADLINE FOR EXPENDITURES.—All expenditures required by this Act shall be made not later than September 30, 2001. Any funds made available by this Act and remaining unexpended by October 1, 2001, shall be deemed to be unexpendable, and the authority provided by this Act to expend such funds is rescinded effective on that date.

(b) TOTAL AMOUNT OF EXPENDITURES.—The total amount expended under this Act may not exceed $5,500,000,000. If the payments required by this Act would result in expenditures in excess of such amount, the Secretary shall reduce such payments on a pro rata basis as necessary to ensure that such expenditures do not exceed such amount.

SEC. 12. REGULATIONS.

(a) PROMULGATION.—As soon as practicable after the date of the enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this Act and the amendments made by this Act. The promulgation of the regulations and administration of this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), this bill shall become effective on the date of enactment.

(2) EXCEPTION.—Section (3) shall become effective one day after the date of enactment.

SA 1280. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 20, line 5, strike "2000 crop year" and insert "2000 and 2001 crop years."

On page 20, line 23, strike "2000 crop of apples and producers of that crop" and insert "2000 and 2001 crops of apples and producers of those crops."

SA 1281. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 9, line 7, strike "$16,940,000" and insert "$10,940,000."

On page 10, line 3, strike "$220,000,000" and insert "$226,000,000."

SA 1282. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 7, line 4, strike "$55,210,000" and insert "$50,210,000."

On page 10, line 3, strike "$220,000,000" and insert "$225,000,000."

SA 1283. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "$500,000,000" and insert "$460,000,000."

On page 24, line 24, strike "$40,000,000" and insert "$80,000,000."

SA 1284. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "$500,000,000" and insert "$450,000,000."

On page 10, line 3, strike "$220,000,000" and insert "$270,000,000."

SA 1285. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 21, line 19, strike "1 year" and insert "2 years."

SA 1286. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 20, line 16, strike "5,000,000" and insert "10,000,000."

SA 1287. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "$500,000,000" and insert "$480,000,000."

On page 29, line 14, strike "$20,000,000" and insert "$40,000,0000."

SA 1288. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural procedures; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "$500,000,000" and insert "$420,000,000."

On page 24, line 24, strike "$40,000,000" and insert "$120,000,000."

SA 1289. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural procedures; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "$500,000,000" and insert "$450,000,000."

On page 20, line 3, strike "$150,000,000" and insert "$200,000,000."

SA 1290. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural procedures; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "$500,000,000" and insert "$400,000,000."

On page 20, line 3, strike "$150,000,000" and insert "$250,000,000."

SA 1291. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural procedures; which was ordered to lie on the table; as follows:

On page 45, after line 25, insert the following:

SEC. 604. SUDDEN OAK DEATH SYNDROME CONTROL.

(a) RESEARCH, MONITORING, AND TREATMENT OF SUDDEN OAK DEATH SYNDROME.—

(1) IN GENERAL.—The Secretary of Agriculture shall carry out a sudden oak death syndrome research, monitoring, and treatment program to develop methods to control, manage, or eradicate sudden oak death syndrome from oak trees on both public and private land.

(2) RESEARCH, MONITORING, AND TREATMENT ACTIVITIES.—In carrying out the program under paragraph (1), the Secretary may—

(A) conduct open space, roadside, and aerial surveys;

(B) provide monitoring technique workshops;

(C) develop baseline information on the distribution, condition, and mortality rates of oaks in California and the Pacific Northwest;

(D) maintain a geographic information system database;

(E) conduct research activities, including research on forest pathology, Phytophthora ecology, forest insects associated with oak decline, urban forestry, arboriculture, forest ecology, fire management, silviculture, landscape ecology, and epidemiology;

(F) evaluate the susceptibility of oaks and other vulnerable species throughout the United States; and

(G) develop and apply treatments.

(b) MANAGEMENT, REGULATION, AND FIRE PREVENTION.—

(1) IN GENERAL.—The Secretary shall conduct sudden oak death syndrome management, regulation, and fire prevention activities to reduce the threat of fire and fallen trees killed by sudden oak death syndrome.

(2) MANAGEMENT, REGULATION, AND FIRE PREVENTION ACTIVITIES.—In carrying out paragraph (1), the Secretary may—

(A) conduct hazard tree assessments;

(B) provide grants to local units of government for hazard tree removal, disposal and recycling, assessment and management of restoration and mitigation projects, green waste treatment facilities, reforestation, resistant tree breeding, and exotic weed control;

(C) increase and improve firefighting and emergency response capabilities in areas where fire hazard has increased due to oak die-off;

(D) treat vegetation to prevent fire, and assessment of fire risk, in areas heavily infected with sudden oak death syndrome;

(E) conduct national surveys and inspections of—

(i) commercial rhododendron and blueberry nurseries; and

(ii) native rhododendron and huckleberry plants;

(F) provide for monitoring of oaks and other vulnerable species throughout the United States to ensure early detection; and

(G) provide diagnostic services.

(c) EDUCATION AND OUTREACH.—

(1) IN GENERAL.—The Secretary shall conduct education and outreach activities to make information available to the public on sudden death oak syndrome.

(2) EDUCATION AND OUTREACH ACTIVITIES.—In carrying out paragraph (1), the Secretary may—

(A) develop and distribute educational materials for homeowners, arborists, urban foresters, park managers, public works personnel, recreationists, nursery workers, landscapers, naturists, firefighting personnel, and other individuals, as the Secretary determines appropriate;

(B) design and maintain a website to provide information on sudden oak death syndrome; and

(C) provide financial and technical support to States, local governments, and nonprofit organizations providing information on sudden oak death syndrome.

(d) SUDDEN OAK DEATH SYNDROME ADVISORY COMMITTEE.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary shall establish a Sudden Oak Death Syndrome Advisory Committee (referred to in this subsection as the "Committee") to assist the Secretary in carrying out this Act.

(B) MEMBERSHIP.—

(i) COMPOSITION.—The Committee shall consist of—

(I) 1 representative of the Animal and Plant Health Inspection Service, to be appointed by the Administrator of the Animal and Plant Health Inspection Service;

(II) 1 representative of the Forest Service, to be appointed by the Chief of the Forest Service;

(III) 1 representative of the Agricultural Research Service, to be appointed by the Administrator of the Agricultural Research Service;

(IV) 2 individuals appointed by the Secretary from each of the States affected by sudden oak death syndrome; and

(V) any individual, to be appointed by the Secretary, in consultation with the Governors of the affected States, that the Secretary determines—

(aa) has an interest or expertise in sudden oak death syndrome; and

(bb) would contribute to the Committee.

(ii) DATE OF APPOINTMENTS.—The appointment of a member of the Committee shall be made not later than 90 days after the date of enactment of this Act.

(C) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Committee have been appointed, the Committee shall hold the initial meeting of the Committee.

(2) DUTIES.—

(A) IMPLEMENTATION PLAN.—The Committee shall prepare a comprehensive implementation plan to address the management, control, and eradication of sudden oak death syndrome.

(B) REPORTS.—

(i) INTERIM REPORT.—Not later than 1 year after the date of enactment of this Act, the Committee shall submit to Congress the implementation plan prepared under subparagraph (A).

(ii) FINAL REPORT.—Not later than 3 years after the date of enactment of this Act, the Committee shall submit to Congress a report that contains—

(I) a summary of the activities of the Committee;

(II) an accounting of funds received and expended by the Committee; and

(III) findings and recommendations of the Committee.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2002 through 2007—

(1) to carry out subsection (a), $7,500,000, of which up to $1,500,000 shall be used for treatment;

(2) to carry out subsection (b), $6,000,000;

(3) to carry out subsection (c), $500,000; and

(4) to carry out subsection (d), $250,000.

SA 1292. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 45, after line 25, insert the following:

SEC. 604. SUDDEN OAK DEATH SYNDROME CONTROL.

(a) RESEARCH, MONITORING, AND TREATMENT OF SUDDEN OAK DEATH SYNDROME.—

(1) IN GENERAL.—The Secretary of Agriculture shall carry out a sudden oak death syndrome research, monitoring, and treatment program to develop methods to control, manage, or eradicate sudden oak death syndrome from oak trees on both public and private land.

(2) RESEARCH, MONITORING, AND TREATMENT ACTIVITIES.—In carrying out the program under paragraph (1), the Secretary may—

(A) conduct open space, roadside, and aerial surveys;

(B) provide monitoring technique workshops;

(C) develop baseline information on the distribution, condition, and mortality rates of oaks in California and the Pacific Northwest;

(D) maintain a geographic information system database;

(E) conduct research activities, including research on forest pathology, Phytophthora ecology, forest insects associated with oak decline, urban forestry, arboriculture, forest ecology, fire management, silviculture, landscape ecology, and epidemiology;

(F) evaluate the susceptibility of oaks and other vulnerable species throughout the United States; and

(G) develop and apply treatments.

(b) MANAGEMENT, REGULATION, AND FIRE PREVENTION.—

(1) IN GENERAL.—The Secretary shall conduct sudden oak death syndrome management, regulation, and fire prevention activities to reduce the threat of fire and fallen trees killed by sudden oak death syndrome.

(2) MANAGEMENT, REGULATION, AND FIRE PREVENTION ACTIVITIES.—In carrying out paragraph (1), the Secretary may—

(A) conduct hazard tree assessments;

(B) provide grants to local units of government for hazard tree removal, disposal and recycling, assessment and management of restoration and mitigation projects, green waste treatment facilities, reforestation, resistant tree breeding, and exotic weed control;

(C) increase and improve firefighting and emergency response capabilities in areas where fire hazard has increased due to oak die-off;

(D) treat vegetation to prevent fire, and assessment of fire risk, in areas heavily infected with sudden oak death syndrome;

(E) conduct national surveys and inspections of—

(i) commercial rhododendron and blueberry nurseries; and

(ii) native rhododendron and huckleberry plants;

(F) provide for monitoring of oaks and other vulnerable species throughout the United States to ensure early detection; and

(G) provide diagnostic services.

(c) EDUCATION AND OUTREACH.—

(1) IN GENERAL.—The Secretary shall conduct education and outreach activities to make information available to the public on sudden death oak syndrome.

(2) EDUCATION AND OUTREACH ACTIVITIES.—In carrying out paragraph (1), the Secretary may—

(A) develop and distribute educational materials for homeowners, arborists, urban foresters, park managers, public works personnel, recreationists, nursery workers, landscapers, naturists, firefighting personnel, and other individuals, as the Secretary determines appropriate;

(B) design and maintain a website to provide information on sudden oak death syndrome; and

(C) provide financial and technical support to States, local governments, and nonprofit organizations providing information on sudden oak death syndrome.

(d) SUDDEN OAK DEATH SYNDROME ADVISORY COMMITTEE.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary shall establish a Sudden Oak Death Syndrome Advisory Committee (referred to in this subsection as the "Committee") to assist the Secretary in carrying out this Act.

(B) MEMBERSHIP.—

(i) COMPOSITION.—The Committee shall consist of—

(I) 1 representative of the Animal and Plant Health Inspection Service, to be appointed by the Administrator of the Animal and Plant Health Inspection Service;

(II) 1 representative of the Forest Service, to be appointed by the Chief of the Forest Service;

(III) 1 representative of the Agricultural Research Service, to be appointed by the Administrator of the Agricultural Research Service;

(IV) 2 individuals appointed by the Secretary from each of the States affected by sudden oak death syndrome; and

(V) any individual, to be appointed by the Secretary, in consultation with the Governors of the affected States, that the Secretary determines—

(aa) has an interest or expertise in sudden oak death syndrome; and

(bb) would contribute to the Committee.

(ii) DATE OF APPOINTMENTS.—The appointment of a member of the Committee shall be made not later than 90 days after the date of enactment of this Act.

(C) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Committee have been appointed, the Committee shall hold the initial meeting of the Committee.

(2) DUTIES.—

(A) IMPLEMENTATION PLAN.—The Committee shall prepare a comprehensive implementation plan to address the management, control, and eradication of sudden oak death syndrome.

(B) REPORTS.—

(i) INTERIM REPORT.—Not later than 1 year after the date of enactment of this Act, the Committee shall submit to Congress the implementation plan prepared under subparagraph (A).

(ii) FINAL REPORT.—Not later than 3 years after the date of enactment of this Act, the Committee shall submit to Congress a report that contains—

(I) a summary of the activities of the Committee;

(II) an accounting of funds received and expended by the Committee; and

(III) findings and recommendations of the Committee.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2002 through 2007—

(1) to carry out subsection (a), $7,500,000, of which up to $1,500,000 shall be used for treatment;

(2) to carry out subsection (b), $6,000,000;

(3) to carry out subsection (c), $500,000; and

(4) to carry out subsection (d), $250,000.

SA 1293. Ms. SNOWE (for herself and Ms. COLLINS) submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 12, between lines 3 and 4, insert the following:

(e) NORTHEAST INTERSTATE DAIRY COMPACT.—Section 147(3) of the Agricultural Market Transition Act (7 U.S.C. 7256(3)) is amended by striking "September 30, 2001" and inserting "the ending date applicable to milk under section 171(b)(1)".

SA 1294. Ms. SNOWE (for herself and Mrs. FEINSTEIN) submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 47, between lines 2 and 3, insert the following:

SEC. 7. . CORPORATE AVERAGE FUEL ECONOMY STANDARDS.

Section 320 of the Department of Transportation and Related Agencies Appropriations Act, 2001 (114 Stat. 1356, 1356A-28), is repealed.

SA 1295. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Emergency Agricultural Assistance Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—MARKET LOSS ASSISTANCE

Sec. 101. Market loss assistance.
Sec. 102. Oilseeds.
Sec. 103. Peanuts.
Sec. 104. Sugar.
Sec. 105. Honey.
Sec. 106. Wool and mohair.
Sec. 107. Cottonseed.
Sec. 108. Commodity purchases.
Sec. 109. Loan deficiency payments.
Sec. 110. Milk.
Sec. 111. Pulse crops.
Sec. 112. Tobacco.
Sec. 113. Apples.

TITLE II—ADMINISTRATION

Sec. 201. Obligation period.
Sec. 202. Commodity Credit Corporation.
Sec. 203. Regulations.

TITLE I—MARKET LOSS ASSISTANCE

SEC. 101. MARKET LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall use funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT AND MANNER.—In providing payments under this section, the Secretary shall—

(1) use the same contract payment rates as are used under section 802(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106-78); and

(2) provide the payments in a manner that is consistent with section 802(c) of that Act.

SEC. 102. OILSEEDS.

(a) In General.—The Secretary shall use $500,000,000 of funds of the Commodity Credit Corporation to make payments to producers of the 2001 crop of oilseeds that are eligible to obtain a marketing assistance loan under section 131 of the Agricultural Market Transition Act (7 U.S.C. 7231).

(b) Computation.—A payment to producers on a farm under this section for an oilseed shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary;

(2) the acreage of the producers on the farm for the oilseed, as determined under subsection (c); and

(3) the yield of the producers on the farm for the oilseed, as determined under subsection (d).

(c) Acreage.—

(1) In general.—Except as provided in paragraph (2), the acreage of the producers on the farm for an oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(2) New producers.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the acreage of the producers for the oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 2001 crop year, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(d) Yield.—

(1) Soybeans.—Except as provided in paragraph (3), in the case of soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(2) Other oilseeds.—Except as provided in paragraph (3), in the case of oilseeds other than soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average national yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(3) New producers.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 2001 crop.

(4) Data source.—To the maximum extent available, the Secretary shall use data provided by the National Agricultural Statistics Service to carry out this subsection.

SEC. 103. PEANUTS.

The Secretary shall use $55,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106–224) to producers of quota peanuts or additional peanuts for the 2000 crop year that received a payment under that section.

SEC. 104. SUGAR.

(a) Marketing Assessment.—Section 156(f) of the Agricultural Market Transition Act (7 U.S.C. 7272(f)) shall not apply with respect to the 2001 crop of sugarcane and sugar beets.

(b) Emergency Financial Assistance for 2000 Crop of Sugar Beets.—Notwithstanding section 815(d)(1) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–56), in making payments under that section for quality losses for the 2000 crop of sugar beets of producers on a farm in an area covered by Manager's Bulletin MGR–01–010 issued by the Federal Crop Insurance Corporation on March 2, 2001—

(1) the Secretary shall calculate the amount of a quality loss, regardless of whether the sugar beets are processed, on an aggregate basis by cooperative;

(2) the Secretary shall make the quality loss payments to a cooperative for distribution to cooperative members; and

(3) the amount of a quality loss, regardless of whether the sugar beets are processed, shall be equal to the difference between—

(A) the per unit payment that the producers on the farm would have received for the crop from the cooperative if the crop had not suffered a quality loss; and

(B) the average per unit payment that the producers on the farm received from the cooperative for the affected sugar beets.

SEC. 105. HONEY.

(a) In General.—The Secretary shall use funds of the Commodity Credit Corporation to make nonrecourse loans available to producers of the 2001 crop of honey on fair and reasonable terms and conditions, as determined by the Secretary.

(b) Loan Rate.—The loan rate for a loan under subsection (a) for honey shall be equal to 85 percent of the simple average price received by producers of honey, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of honey, excluding the year in which the average price was the highest and the year in which the average price was the lowest.

SEC. 106. WOOL AND MOHAIR.

(a) In General.—The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–55), to producers of wool, and producers of mohair, for the 2000 marketing year that received a payment under that section.

(b) Payment Rate.—The Secretary shall adjust the payment rate specified in that section to reflect the amount made available for payments under this section.

SEC. 107. COTTONSEED.

(a) Fiscal Year 2001.—The Secretary shall use $34,000,000 of funds of the Commodity Credit Corporation for fiscal year 2001 to provide assistance to producers and first handlers of the 2000 crop of cottonseed.

(b) Fiscal Year 2002.—The Secretary shall use $66,000,000 of funds of the Commodity Credit Corporation for fiscal year 2002 to provide assistance to producers and first handlers of the 2001 crop of cottonseed.

SEC. 108. COMMODITY PURCHASES.

(a) In General.—The Secretary shall use $220,000,000 of funds of the Commodity Credit Corporation to purchase agricultural commodities, especially agricultural commodities that have experienced low prices during the 2000 or 2001 crop years, such as apples, apricots, asparagus, bell peppers, bison meat, black beans, black-eyed peas, blueberries (wild and cultivated), cabbage, cantaloupe, cauliflower, chickpeas, cranberries, cucumbers, dried plums, dry peas, eggplants, lemons, lentils, melons, onions, peaches (including freestone), pears, potatoes (summer and fall), pumpkins, raisins, raspberries, red tart cherries, snap beans, spinach, strawberries, sweet corn, tomatoes, and watermelons.

(b) Geographic Diversity.—The Secretary is encouraged to purchase agricultural commodities under this section in a manner that reflects the geographic diversity of agricultural production in the United States.

(c) Other Purchases.—The Secretary shall ensure that purchases of agricultural commodities under this section are in addition to purchases by the Secretary under any other law.

(d) Transportation and Distribution Costs.—The Secretary may use not more than $20,000,000 of the funds made available under subsection (a) to provide assistance to States to cover costs incurred by the States in transporting and distributing agricultural commodities purchased under this section.

(e) Purchases for School Nutrition Programs.—The Secretary shall use not less than $55,000,000 of the funds made available under subsection (a) to purchase agricultural commodities of the type distributed under section 6(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(a)) for distribution to schools and service institutions in accordance with section 6(a) of that Act.

SEC. 109. LOAN DEFICIENCY PAYMENTS.

Section 135(a)(2) of the Agricultural Market Transition Act (7 U.S.C. 7235(a)(2)) is amended by striking "2000 crop year" and inserting "each of the 2000 and 2001 crop years".

SEC. 110. MILK.

(a) Extension of Milk Price Support Program.—Section 141 of the Agricultural Market Transition Act (7 U.S.C. 7251) is amended by striking "2001" each place it appears in subsections (b)(4) and (h) and inserting "2002".

(b) Repeal of Recourse Loan Program for Processors.—Section 142 of the Agricultural Market Transition Act (7 U.S.C. 7252) is repealed.

SEC. 111. PULSE CROPS.

(a) In General.—The Secretary shall use $20,000,000 of funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that grow dry peas, lentils, or chickpeas (collectively referred to in this section as a "pulse crop").

(b) Computation.—A payment to owners and producers on a farm under this section for a pulse crop shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary; by

(2) the acreage of the producers on the farm for the pulse crop determined under subsection (c).

(c) Acreage.—

(1) In general.—The acreage of the producers on the farm for a pulse crop under subsection (b)(2) shall be equal to the number of acres planted to the pulse crop by the owners and producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest.

(2) Basis.—For the purpose of paragraph (1), the number of acres planted to a pulse crop by the owners and producers on the farm for a crop year shall be based on (as determined by the Secretary)—

(A) the number of acres planted to the pulse crop for the crop year, as reported to the Secretary by the owners and producers on the farm, including any acreage that is included in reports that are filed late; or

(B) the number of acres planted to the pulse crop for the crop year for the purpose of the Federal crop insurance program established under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

SEC. 112. TOBACCO.

(a) Tobacco Payments.—

(1) Definitions.—In this subsection:

(A) Eligible person.—The term "eligible person" means a person that—

(i) owns a farm for which, regardless of temporary transfers or undermarketings, a basic quota or allotment for eligible tobacco is established for the 2001 crop year under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.);

(ii) controls the farm from which, under the quota or allotment for the relevant period, eligible tobacco is marketed, could have been marketed, or can be marketed, taking into account temporary transfers; or

(iii) grows, could have grown, or can grow eligible tobacco that is marketed, could have been marketed, or can be marketed under the quota or allotment for the 2001 crop year, taking into account temporary transfers.

(B) Eligible tobacco.—The term "eligible tobacco" means each of the following kinds of tobacco:

(i) Flue-cured tobacco, comprising types 11, 12, 13, and 14.

(ii) Fire-cured tobacco, comprising types 21, 22, and 23.

(iii) Dark air-cured tobacco, comprising types 35 and 36.

(iv) Virginia sun-cured tobacco, comprising type 37.

(v) Burley tobacco, comprising type 31.

(vi) Cigar-filler and cigar-binder tobacco, comprising types 42, 43, 44, 54, and 55.

(2) Payments.—Not later than September 30, 2002, the Secretary shall use funds of the Commodity Credit Corporation to make payments under this subsection.

(3) Poundage payment quantities.—For the purposes of this subsection, individual tobacco quotas and allotments shall be converted to poundage payment quantities as follows:

(A) Flue-cured and burley tobacco.—In the case of Flue-cured tobacco (types 11, 12, 13, and 14) and Burley tobacco (type 31), the poundage payment quantity shall equal the number of pounds of the basic poundage quota of the kind of tobacco, irrespective of temporary transfers or undermarketings, under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2001 crop year.

(B) Other kinds of eligible tobacco.—In the case of each other kind of eligible tobacco, individual allotments shall be converted to poundage payment quantities by multiplying—

(i) the number of acres that may, irrespective of temporary transfers or undermarketings, be devoted, without penalty, to the production of the kind of tobacco under the allotment under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2001 crop year; by

(ii)(I) in the case of fire-cured tobacco (type 21), 1,630 pounds per acre;

(II) in the case of fire-cured tobacco (types 22 and 23), 2,601 pounds per acre;

(III) in the case of dark air-cured tobacco (types 35 and 36), 2,337 pounds per acre;

(IV) in the case of Virginia sun-cured tobacco (type 37), 1,512 pounds per acre; and

(V) in the case of cigar-filler and cigar-binder tobacco (types 42, 43, 44, 54, and 55), 2,165 pounds per acre.

(4) Available payment amounts.—The available payment amount for pounds of a payment quantity under paragraph (2) shall be equal to—

(A) in the case of fire-cured tobacco (types 21, 22, and 23) and dark air-cured tobacco (types 35 and 36), 26 cents per pound; and

(B) in the case of each other kind of eligible tobacco not covered by subparagraph (A), 13 cents per pound.

(5) Division of payments among eligible persons.—

(A) In general.—Payments available with respect to a pound of payment quantity, as determined under paragraph (4), shall be made available to eligible persons in accordance with this paragraph.

(B) Flue-cured and cigar tobacco.—In the case of payments made available in a State under paragraph (2) for Flue-cured tobacco (types 11, 12, 13, and 14) and cigar-filler and cigar-binder tobacco (types 42, 43, 44, 54, and 55), the Secretary shall distribute (as determined by the Secretary)—

(i) 50 percent of the payments to eligible persons that are owners described in paragraph (1)(A)(i); and

(ii) 50 percent of the payments to eligible persons that are growers described in paragraph (1)(A)(iii).

(C) Other kinds of eligible tobacco.—In the case of payments made available in a State under paragraph (2) for each other kind of eligible tobacco not covered by subparagraph (A), the Secretary shall distribute (as determined by the Secretary)—

(i) 33⅓ percent of the payments to eligible persons that are owners described in paragraph (1)(A)(i);

(ii) 33⅓ percent of the payments to eligible persons that are controllers described in paragraph (1)(A)(ii); and

(iii) 33⅓ percent of the payments to eligible persons that are growers described in paragraph (1)(A)(iii).

(6) Standards.—In carrying out this subsection, the Secretary shall use, to the maximum extent practicable, the same standards for payments that were used for making payments under section 204(b) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106–224).

(7) Judicial review.—A determination by the Secretary under this subsection shall not be subject to judicial review.

(b) Grading of Price-Support Tobacco.—

(1) In general.—Not later than November 30, 2001, the Secretary shall conduct a referendum among producers of each kind of tobacco that is eligible for price support under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) to determine whether the producers favor the mandatory grading of the tobacco by the Secretary.

(2) Mandatory grading.—If the Secretary determines that mandatory grading of each kind of tobacco described in paragraph (1) is favored by a majority of the producers voting in the referendum, effective for the 2002 and subsequent marketing years, the Secretary shall ensure that all kinds of the tobacco are graded at the time of sale.

(3) Judicial review.—A determination by the Secretary under this subsection shall not be subject to judicial review.

SEC. 113. APPLES.

(a) In General.—The Secretary shall use $150,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers to provide relief for the loss of markets during the 2000 crop year.

(b) Payment Quantity.—

(1) In general.—Subject to paragraph (2), the payment quantity of apples for which the producers on a farm are eligible for payments under this section shall be equal to the quantity of the 2000 crop of apples produced by the producers on the farm.

(2) Maximum quantity.—The payment quantity of apples for which the producers on a farm are eligible for payments under this section shall not exceed 5,000,000 pounds of apples produced on the farm.

(c) Limitations.—Subject to subsection (b)(2), the Secretary shall not establish a payment limitation, or gross income eligibility limitation, with respect to payments made under this section.

(d) Applicability.—This section applies only with respect to the 2000 crop of apples and producers of that crop.

TITLE II—ADMINISTRATION

SEC. 201. OBLIGATION PERIOD.

(a) Fiscal Year 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out the following:

(1) Section 101.

(2) Section 107(a).

(b) Fiscal Year 2002.—

(1) In general.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out title I (other than sections 101 and 107(a)).

(2) Availability.—Funds described in paragraph (1) shall remain available until expended.

SEC. 202. COMMODITY CREDIT CORPORATION.

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

SEC. 203. REGULATIONS.

(a) In General.—The Secretary may promulgate such regulations as are necessary to implement this Act and the amendments made by this Act.

(b) Procedure.—The promulgation of the regulations and administration of the amendments made by this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SA 1296. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Emergency Agricultural Assistance Act of 2001".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—MARKET LOSS ASSISTANCE

Sec. 101. Market loss assistance.
Sec. 102. Oilseeds.
Sec. 103. Peanuts.
Sec. 104. Sugar.
Sec. 105. Honey.
Sec. 106. Wool and mohair.
Sec. 107. Cottonseed.
Sec. 108. Commodity purchases.
Sec. 109. Loan deficiency payments.
Sec. 110. Milk.
Sec. 111. Pulse crops.
Sec. 112. Tobacco.
Sec. 113. Apples.

TITLE II—ADMINISTRATION

Sec. 201. Obligation period.
Sec. 202. Commodity Credit Corporation.
Sec. 203. Regulations.

TITLE I—MARKET LOSS ASSISTANCE

SEC. 101. MARKET LOSS ASSISTANCE.

(a) In General.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall use funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) Amount and Manner.—In providing payments under this section, the Secretary shall—

(1) use the same contract payment rates as are used under section 802(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106–78); and

(2) provide the payments in a manner that is consistent with section 802(c) of that Act.

SEC. 102. OILSEEDS.

(a) In General.—The Secretary shall use $500,000,000 of funds of the Commodity Credit Corporation to make payments to producers of the 2001 crop of oilseeds that are eligible to obtain a marketing assistance loan under section 131 of the Agricultural Market Transition Act (7 U.S.C. 7231).

(b) Computation.—A payment to producers on a farm under this section for an oilseed shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary;

(2) the acreage of the producers on the farm for the oilseed, as determined under subsection (c); and

(3) the yield of the producers on the farm for the oilseed, as determined under subsection (d).

(c) Acreage.—

(1) In general.—Except as provided in paragraph (2), the acreage of the producers on the farm for an oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(2) New producers.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the acreage of the producers for the oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 2001 crop year, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(d) Yield.—

(1) Soybeans.—Except as provided in paragraph (3), in the case of soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(2) Other oilseeds.—Except as provided in paragraph (3), in the case of oilseeds other than soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average national yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(3) New producers.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 2001 crop.

(4) Data source.—To the maximum extent available, the Secretary shall use data provided by the National Agricultural Statistics Service to carry out this subsection.

SEC. 103. PEANUTS.

The Secretary shall use $55,210,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 204(a) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106–224) to producers of quota peanuts or additional peanuts for the 2000 crop year that received a payment under that section.

SEC. 104. SUGAR.

(a) Marketing Assessment.—Section 156(f) of the Agricultural Market Transition Act (7 U.S.C. 7272(f)) shall not apply with respect to the 2001 crop of sugarcane and sugar beets.

(b) Emergency Financial Assistance for 2000 Crop of Sugar Beets.—Notwithstanding section 815(d)(1) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–56), in making payments under that section for quality losses for the 2000 crop of sugar beets of producers on a farm in an area covered by Manager's Bulletin MGR–01–010 issued by the Federal Crop Insurance Corporation on March 2, 2001—

(1) the Secretary shall calculate the amount of a quality loss, regardless of whether the sugar beets are processed, on an aggregate basis by cooperative;

(2) the Secretary shall make the quality loss payments to a cooperative for distribution to cooperative members; and

(3) the amount of a quality loss, regardless of whether the sugar beets are processed, shall be equal to the difference between—

(A) the per unit payment that the producers on the farm would have received for the crop from the cooperative if the crop had not suffered a quality loss; and

(B) the average per unit payment that the producers on the farm received from the cooperative for the affected sugar beets.

SEC. 105. HONEY.

(a) In General.—The Secretary shall use funds of the Commodity Credit Corporation to make nonrecourse loans available to producers of the 2001 crop of honey on fair and reasonable terms and conditions, as determined by the Secretary.

(b) Loan Rate.—The loan rate for a loan under subsection (a) for honey shall be equal to 85 percent of the simple average price received by producers of honey, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of honey, excluding the year in which the average price was the highest and the year in which the average price was the lowest.

SEC. 106. WOOL AND MOHAIR.

(a) In General.—The Secretary shall use $16,940,000 of funds of the Commodity Credit Corporation to provide a supplemental payment under section 814 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–55), to producers of wool, and producers of mohair, for the 2000 marketing year that received a payment under that section.

(b) Payment Rate.—The Secretary shall adjust the payment rate specified in that section to reflect the amount made available for payments under this section.

SEC. 107. COTTONSEED.

(a) Fiscal Year 2001.—The Secretary shall use $34,000,000 of funds of the Commodity Credit Corporation for fiscal year 2001 to provide assistance to producers and first handlers of the 2000 crop of cottonseed.

(b) Fiscal Year 2002.—The Secretary shall use $66,000,000 of funds of the Commodity Credit Corporation for fiscal year 2002 to provide assistance to producers and first handlers of the 2001 crop of cottonseed.

SEC. 108. COMMODITY PURCHASES.

(a) In General.—The Secretary shall use $220,000,000 of funds of the Commodity Credit Corporation to purchase agricultural commodities, especially agricultural commodities that have experienced low prices during the 2000 or 2001 crop years, such as apples, apricots, asparagus, bell peppers, bison meat, black beans, black-eyed peas, blueberries (wild and cultivated), cabbage, cantaloupe, cauliflower, chickpeas, cranberries, cucumbers, dried plums, dry peas, eggplants, lemons, lentils, melons, onions, peaches (including freestone), pears, potatoes (summer and fall), pumpkins, raisins, raspberries, red tart cherries, snap beans, spinach, strawberries, sweet corn, tomatoes, and watermelons.

(b) Geographic Diversity.—The Secretary is encouraged to purchase agricultural commodities under this section in a manner that reflects the geographic diversity of agricultural production in the United States.

(c) OTHER PURCHASES.—The Secretary shall ensure that purchases of agricultural commodities under this section are in addition to purchases by the Secretary under any other law.

(d) TRANSPORTATION AND DISTRIBUTION COSTS.—The Secretary may use not more than $20,000,000 of the funds made available under subsection (a) to provide assistance to States to cover costs incurred by the States in transporting and distributing agricultural commodities purchased under this section.

(e) PURCHASES FOR SCHOOL NUTRITION PROGRAMS.—The Secretary shall use not less than $55,000,000 of the funds made available under subsection (a) to purchase agricultural commodities of the type distributed under section 6(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(a)) for distribution to schools and service institutions in accordance with section 6(a) of that Act.

SEC. 109. LOAN DEFICIENCY PAYMENTS.

Section 135(a)(2) of the Agricultural Market Transition Act (7 U.S.C. 7235(a)(2)) is amended by striking "2000 crop year" and inserting "each of the 2000 and 2001 crop years".

SEC. 110. MILK.

(a) EXTENSION OF MILK PRICE SUPPORT PROGRAM.—Section 141 of the Agricultural Market Transition Act (7 U.S.C. 7251) is amended by striking "2001" each place it appears in subsections (b)(4) and (h) and inserting "2002".

(b) REPEAL OF RECOURSE LOAN PROGRAM FOR PROCESSORS.—Section 142 of the Agricultural Market Transition Act (7 U.S.C. 7252) is repealed.

SEC. 111. PULSE CROPS.

(a) IN GENERAL.—The Secretary shall use $20,000,000 of funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that grow dry peas, lentils, or chickpeas (collectively referred to in this section as a "pulse crop").

(b) COMPUTATION.—A payment to owners and producers on a farm under this section for a pulse crop shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary; by

(2) the acreage of the producers on the farm for the pulse crop determined under subsection (c).

(c) ACREAGE.—

(1) IN GENERAL.—The acreage of the producers on the farm for a pulse crop under subsection (b)(2) shall be equal to the number of acres planted to the pulse crop by the owners and producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest.

(2) BASIS.—For the purpose of paragraph (1), the number of acres planted to a pulse crop by the owners and producers on the farm for a crop year shall be based on (as determined by the Secretary)—

(A) the number of acres planted to the pulse crop for the crop year, as reported to the Secretary by the owners and producers on the farm, including any acreage that is included in reports that are filed late; or

(B) the number of acres planted to the pulse crop for the crop year for the purpose of the Federal crop insurance program established under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

SEC. 112. TOBACCO.

(a) TOBACCO PAYMENTS.—

(1) DEFINITIONS.—In this subsection:

(A) ELIGIBLE PERSON.—The term "eligible person" means a person that—

(i) owns a farm for which, regardless of temporary transfers or undermarketings, a basic quota or allotment for eligible tobacco is established for the 2001 crop year under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.);

(ii) controls the farm from which, under the quota or allotment for the relevant period, eligible tobacco is marketed, could have been marketed, or can be marketed, taking into account temporary transfers; or

(iii) grows, could have grown, or can grow eligible tobacco that is marketed, could have been marketed, or can be marketed under the quota or allotment for the 2001 crop year, taking into account temporary transfers.

(B) ELIGIBLE TOBACCO.—The term "eligible tobacco" means each of the following kinds of tobacco:

(i) Flue-cured tobacco, comprising types 11, 12, 13, and 14.

(ii) Fire-cured tobacco, comprising types 21, 22, and 23.

(iii) Dark air-cured tobacco, comprising types 35 and 36.

(iv) Virginia sun-cured tobacco, comprising type 37.

(v) Burley tobacco, comprising type 31.

(vi) Cigar-filler and cigar-binder tobacco, comprising types 42, 43, 44, 54, and 55.

(2) PAYMENTS.—Not later than September 30, 2002, the Secretary shall use funds of the Commodity Credit Corporation to make payments under this subsection.

(3) POUNDAGE PAYMENT QUANTITIES.—For the purposes of this subsection, individual tobacco quotas and allotments shall be converted to poundage payment quantities as follows:

(A) FLUE-CURED AND BURLEY TOBACCO.—In the case of Flue-cured tobacco (types 11, 12, 13, and 14) and Burley tobacco (type 31), the poundage payment quantity shall equal the number of pounds of the basic poundage quota of the kind of tobacco, irrespective of temporary transfers or undermarketings, under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2001 crop year.

(B) OTHER KINDS OF ELIGIBLE TOBACCO.—In the case of each other kind of eligible tobacco, individual allotments shall be converted to poundage payment quantities by multiplying—

(i) the number of acres that may, irrespective of temporary transfers or undermarketings, be devoted, without penalty, to the production of the kind of tobacco under the allotment under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2001 crop year; by

(ii)(I) in the case of fire-cured tobacco (type 21), 1,630 pounds per acre;

(II) in the case of fire-cured tobacco (types 22 and 23), 2,601 pounds per acre;

(III) in the case of dark air-cured tobacco (types 35 and 36), 2,337 pounds per acre;

(IV) in the case of Virginia sun-cured tobacco (type 37), 1,512 pounds per acre; and

(V) in the case of cigar-filler and cigar-binder tobacco (types 42, 43, 44, 54, and 55), 2,165 pounds per acre.

(4) AVAILABLE PAYMENT AMOUNTS.—The available payment amount for pounds of a payment quantity under paragraph (2) shall be equal to—

(A) in the case of fire-cured tobacco (types 21, 22, and 23) and dark air-cured tobacco (types 35 and 36), 26 cents per pound; and

(B) in the case of each other kind of eligible tobacco not covered by subparagraph (A), 13 cents per pound.

(5) DIVISION OF PAYMENTS AMONG ELIGIBLE PERSONS.—

(A) IN GENERAL.—Payments available with respect to a pound of payment quantity, as determined under paragraph (4), shall be made available to eligible persons in accordance with this paragraph.

(B) FLUE-CURED AND CIGAR TOBACCO.—In the case of payments made available in a State under paragraph (2) for Flue-cured tobacco (types 11, 12, 13, and 14) and cigar-filler and cigar-binder tobacco (types 42, 43, 44, 54, and 55), the Secretary shall distribute (as determined by the Secretary)—

(i) 50 percent of the payments to eligible persons that are owners described in paragraph (1)(A)(i); and

(ii) 50 percent of the payments to eligible persons that are growers described in paragraph (1)(A)(iii).

(C) OTHER KINDS OF ELIGIBLE TOBACCO.—In the case of payments made available in a State under paragraph (2) for each other kind of eligible tobacco not covered by subparagraph (A), the Secretary shall distribute (as determined by the Secretary)—

(i) 33⅓ percent of the payments to eligible persons that are owners described in paragraph (1)(A)(i);

(ii) 33⅓ percent of the payments to eligible persons that are controllers described in paragraph (1)(A)(ii); and

(iii) 33⅓ percent of the payments to eligible persons that are growers described in paragraph (1)(A)(iii).

(6) STANDARDS.—In carrying out this subsection, the Secretary shall use, to the maximum extent practicable, the same standards for payments that were used for making payments under section 204(b) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106–224).

(7) JUDICIAL REVIEW.—A determination by the Secretary under this subsection shall not be subject to judicial review.

(b) GRADING OF PRICE-SUPPORT TOBACCO.—

(1) IN GENERAL.—Not later than November 30, 2001, the Secretary shall conduct a referendum among producers of each kind of tobacco that is eligible for price support under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) to determine whether the producers favor the mandatory grading of the tobacco by the Secretary.

(2) MANDATORY GRADING.—If the Secretary determines that mandatory grading of each kind of tobacco described in paragraph (1) is favored by a majority of the producers voting in the referendum, effective for the 2002 and subsequent marketing years, the Secretary shall ensure that all kinds of the tobacco are graded at the time of sale.

(3) JUDICIAL REVIEW.—A determination by the Secretary under this subsection shall not be subject to judicial review.

SEC. 113. APPLES.

(a) IN GENERAL.—The Secretary shall use $150,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers to provide relief for the loss of markets during the 2000 crop year.

(b) PAYMENT QUANTITY.—

(1) IN GENERAL.—Subject to paragraph (2), the payment quantity of apples for which the producers on a farm are eligible for payments under this section shall be equal to the quantity of the 2000 crop of apples produced by the producers on the farm.

(2) MAXIMUM QUANTITY.—The payment quantity of apples for which the producers on a farm are eligible for payments under

this section shall not exceed 5,000,000 pounds of apples produced on the farm.

(c) LIMITATIONS.—Subject to subsection (b)(2), the Secretary shall not establish a payment limitation, or gross income eligibility limitation, with respect to payments made under this section.

(d) APPLICABILITY.—This section applies only with respect to the 2000 crop of apples and producers of that crop.

TITLE II—ADMINISTRATION

SEC. 201. OBLIGATION PERIOD.

(a) FISCAL YEAR 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out the following:

(1) Section 101.

(2) Section 107(a).

(b) FISCAL YEAR 2002.—

(1) IN GENERAL.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out title I (other than sections 101 and 107(a)).

(2) AVAILABILITY.—Funds described in paragraph (1) shall remain available until expended.

SEC. 202. COMMODITY CREDIT CORPORATION.

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

SEC. 203. REGULATIONS.

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this Act and the amendments made by this Act.

(b) PROCEDURE.—The promulgation of the regulations and administration of the amendments made by this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SA 1297. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike sections 1 and 2 and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall use funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT AND MANNER.—In providing payments under this section, the Secretary shall—

(1) use the same contract payment rates as are used under section 802(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106–78); and

(2) provide the payments in a manner that is consistent with section 802(c) of that Act.

SEC. 2. OILSEEDS.

(a) IN GENERAL.—The Secretary shall use $500,000,000 of funds of the Commodity Credit Corporation to make payments to producers of the 2001 crop of oilseeds that are eligible to obtain a marketing assistance loan under section 131 of the Agricultural Market Transition Act (7 U.S.C. 7231).

(b) COMPUTATION.—A payment to producers on a farm under this section for an oilseed shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary;

(2) the acreage of the producers on the farm for the oilseed, as determined under subsection (c); and

(3) the yield of the producers on the farm for the oilseed, as determined under subsection (d).

(c) ACREAGE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the acreage of the producers on the farm for an oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(2) NEW PRODUCERS.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the acreage of the producers for the oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 2001 crop year, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(d) YIELD.—

(1) SOYBEANS.—Except as provided in paragraph (3), in the case of soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(2) OTHER OILSEEDS.—Except as provided in paragraph (3), in the case of oilseeds other than soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average national yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(3) NEW PRODUCERS.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 2001 crop.

(4) DATA SOURCE.—To the maximum extent available, the Secretary shall use data provided by the National Agricultural Statistics Service to carry out this subsection.

(c) OBLIGATION PERIOD.—The Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this section.

SEC. 11. OBLIGATION PERIOD.

(a) FISCAL YEAR 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act (other than section 2).

(b) FISCAL YEAR 2002.—

(1) IN GENERAL.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out section 2.

(2) AVAILABILITY.—Funds described in paragraph (1) shall remain available until expended.

SA 1298. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 11 and insert the following:

TITLE II—CONSERVATION

SEC. 201. CONSERVATION RESERVE PROGRAM.

(a) TECHNICAL ASSISTANCE.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), in addition to amounts made available under section 801 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–49), the Secretary shall use $44,000,000 of funds of the Commodity Credit Corporation to provide technical assistance under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(b) EXTENSION OF CONTRACTS.—Notwithstanding section 1231(e)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(1)), an owner or operator that has entered into a contract under the conservation reserve program that would otherwise expire during calendar year 2001 may extend the contract for 1 year.

(c) PAYMENTS.—

(1) IN GENERAL.—Subject to paragraph (2), during the 2001 and 2002 calendar years, the Secretary shall include among practices that are eligible for payments under the conservation reserve program—

(A) the preservation of shallow water areas for wildlife;

(B) the establishment of permanent vegetative cover, such as contour grass strips and cross-wind trap strips; and

(C) the preservation of wellhead protection areas.

(2) OTHER PRACTICES.—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

(d) Pilot Program for Enrollment of Wetland and Buffer Acreage in Conservation Reserve.—

(1) In general.—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3831(h)(4)(B)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

(2) Conforming amendment.—Section 1232(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(4)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

SEC. 202. WETLANDS RESERVE PROGRAM.

(a) Maximum Enrollment.—Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) and section 808 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–52), subject to subsection (b), the Secretary shall use $200,000,000 of funds of the Commodity Credit Corporation for enrollment of additional acres beginning in fiscal year 2002 in the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

(b) Technical Assistance; Monitoring and Maintenance Expenses.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary shall use—

(1) not less than $12,000,000, but not more than $15,000,000, to provide technical assistance under the wetlands reserve program; and

(2) not less than $8,000,000, but not more than $10,000,000, for monitoring and maintenance expenses incurred by the Secretary for land enrolled in the wetlands reserve program as of the date of enactment of this Act.

SEC. 203. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

In addition to amounts made available under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), the Secretary shall use $250,000,000 of funds of the Commodity Credit Corporation to carry out the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.).

SEC. 204. WILDLIFE HABITAT INCENTIVE PROGRAM.

In addition to amounts made available under section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary shall use $7,000,000 of funds of the Commodity Credit Corporation to carry out the Wildlife Habitat Incentive Program established under section 387 of that Act.

SEC. 205. FARMLAND PROTECTION PROGRAM.

(a) In General.—In addition to amounts made available under section 388(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127) and section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106–224), the Secretary shall use $40,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 to—

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

(2) any organization that—

(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) Technical Assistance.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary may use not more than $3,000,000 to provide technical assistance under the farmland protection program.

SEC. 206. RISK MANAGEMENT CONSERVATION ASSISTANCE.

(a) In General.—Notwithstanding sections 201 through 205, subject to subsection (d), of the amount of funds made available under this title (other than section 201(a)), the Secretary shall use $100,000,000 to address critical risk management needs (including such needs under programs specified in subsection (b)) in States that are described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

(b) Minimum Amount.—Subject to subsection (d), the minimum amount each State described in subsection (a) shall receive under subsection (a) shall be $5,000,000.

(c) Programs.—For the purpose of subsection (a), the programs specified in this subsection are—

(1) the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.);

(2) the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.);

(3) the Wildlife Habitat Incentive Program established under section 387 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a); and

(4) the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127).

(d) Other States.—The Secretary shall use any funds made available under subsection (a) that have not been obligated by June 1, 2002, to provide assistance under the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in States that are not described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

TITLE III—ADMINISTRATION

SEC. 301. OBLIGATION PERIOD.

(a) Fiscal Year 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act (other than title II).

(b) Fiscal Year 2002.—

(1) In general.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out title II.

(2) Availability.—Funds described in paragraph (1) shall remain available until expended.

SEC. 302. COMMODITY CREDIT CORPORATION.

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

SA 1299. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike sections 1 and 2 and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) In General.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall use funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) Amount and Manner.—In providing payments under this section, the Secretary shall—

(1) use the same contract payment rates as are used under section 802(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106–78); and

(2) provide the payments in a manner that is consistent with section 802(c) of that Act.

SEC. 2. OILSEEDS.

(a) In General.—The Secretary shall use $500,000,000 of funds of the Commodity Credit Corporation to make payments to producers of the 2001 crop of oilseeds that are eligible to obtain a marketing assistance loan under section 131 of the Agricultural Market Transition Act (7 U.S.C. 7231).

(b) Computation.—A payment to producers on a farm under this section for an oilseed shall be equal to the product obtained by multiplying—

(1) a payment rate determined by the Secretary;

(2) the acreage of the producers on the farm for the oilseed, as determined under subsection (c); and

(3) the yield of the producers on the farm for the oilseed, as determined under subsection (d).

(c) Acreage.—

(1) In general.—Except as provided in paragraph (2), the acreage of the producers on the farm for an oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 1998, 1999, or 2000 crop year, whichever is greatest, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(2) New producers.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the acreage of the producers for the oilseed under subsection (b)(2) shall be equal to the number of acres planted to the oilseed by the producers on the farm during the 2001 crop year, as reported by the producers on the farm to the Secretary (including any acreage reports that are filed late).

(d) Yield.—

(1) SOYBEANS.—Except as provided in paragraph (3), in the case of soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(2) OTHER OILSEEDS.—Except as provided in paragraph (3), in the case of oilseeds other than soybeans, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average national yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 1998, 1999, or 2000 crop year.

(3) NEW PRODUCERS.—In the case of producers on a farm that planted acreage to an oilseed during the 2001 crop year but not the 1998, 1999, or 2000 crop year, the yield of the producers on a farm under subsection (b)(3) shall be equal to the greater of—

(A) the average county yield per harvested acre for each of the 1996 through 2000 crop years, excluding the crop year with the greatest yield per harvested acre and the crop year with the lowest yield per harvested acre; or

(B) the actual yield of the producers on the farm for the 2001 crop.

(4) DATA SOURCE.—To the maximum extent available, the Secretary shall use data provided by the National Agricultural Statistics Service to carry out this subsection.

(c) OBLIGATION PERIOD.—The Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this section.

Strike section 11 and insert the following:

SEC. 11. OBLIGATION PERIOD.

(a) FISCAL YEAR 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act (other than section 2).

(b) FISCAL YEAR 2002.—

(1) IN GENERAL.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out section 2.

(2) AVAILABILITY.—Funds described in paragraph (1) shall remain available until expended.

SA 1300. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246 to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 11 and insert the following:

TITLE II—CONSERVATION

SEC. 201. CONSERVATION RESERVE PROGRAM.

(a) TECHNICAL ASSISTANCE.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), in addition to amounts made available under section 801 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–49), the Secretary shall use $44,000,000 of funds of the Commodity Credit Corporation to provide technical assistance under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(b) EXTENSION OF CONTRACTS.—Notwithstanding section 1231(e)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(1)), an owner or operator that has entered into a contract under the conservation reserve program that would otherwise expire during calendar year 2001 may extend the contract for 1 year.

(c) PAYMENTS.—

(1) IN GENERAL.—Subject to paragraph (2), during the 2001 and 2002 calendar years, the Secretary shall include among practices that are eligible for payments under the conservation reserve program—

(A) the preservation of shallow water areas for wildlife;

(B) the establishment of permanent vegetative cover, such as contour grass strips and cross-wind trap strips; and

(C) the preservation of wellhead protection areas.

(2) OTHER PRACTICES.—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

(d) PILOT PROGRAM FOR ENROLLMENT OF WETLAND AND BUFFER ACREAGE IN CONSERVATION RESERVE.—

(1) IN GENERAL.—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3831(h)(4)(B)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

(2) CONFORMING AMENDMENT.—Section 1232(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(4)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

SEC. 202. WETLANDS RESERVE PROGRAM.

(a) MAXIMUM ENROLLMENT.—Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) and section 808 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–52), subject to subsection (b), the Secretary shall use $200,000,000 of funds of the Commodity Credit Corporation for enrollment of additional acres beginning in fiscal year 2002 in the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

(b) TECHNICAL ASSISTANCE; MONITORING AND MAINTENANCE EXPENSES.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary shall use—

(1) not less than $12,000,000, but not more than $15,000,000, to provide technical assistance under the wetlands reserve program; and

(2) not less than $8,000,000, but not more than $10,000,000, for monitoring and maintenance expenses incurred by the Secretary for land enrolled in the wetlands reserve program as of the date of enactment of this Act.

SEC. 203. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

In addition to amounts made available under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), the Secretary shall use $250,000,000 of funds of the Commodity Credit Corporation to carry out the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.).

SEC. 204. WILDLIFE HABITAT INCENTIVE PROGRAM.

In addition to amounts made available under section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary shall use $7,000,000 of funds of the Commodity Credit Corporation to carry out the Wildlife Habitat Incentive Program established under section 387 of that Act.

SEC. 205. FARMLAND PROTECTION PROGRAM.

(a) IN GENERAL.—In addition to amounts made available under section 388(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127) and section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106–224), the Secretary shall use $40,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 to—

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

(2) any organization that—

(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) TECHNICAL ASSISTANCE.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary may use not more than $3,000,000 to provide technical assistance under the farmland protection program.

SEC. 206. RISK MANAGEMENT CONSERVATION ASSISTANCE.

(a) IN GENERAL.—Notwithstanding sections 201 through 205, subject to subsection (d), of the amount of funds made available under this title (other than section 201(a)), the Secretary shall use $100,000,000 to address critical risk management needs (including such needs under programs specified in subsection (b)) in States that are described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

(b) MINIMUM AMOUNT.—Subject to subsection (d), the minimum amount each State described in subsection (a) shall receive under subsection (a) shall be $5,000,000.

(c) PROGRAMS.—For the purpose of subsection (a), the programs specified in this subsection are—

(1) the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.);

(2) the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.);

(3) the Wildlife Habitat Incentive Program established under section 387 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a); and

(4) the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127).

(d) Other States.—The Secretary shall use any funds made available under subsection (a) that have not been obligated by June 1, 2002, to provide assistance under the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in States that are not described in section 522(c)(1)(A) of the Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(A)).

TITLE III—ADMINISTRATION

SEC. 301. OBLIGATION PERIOD.

(a) Fiscal Year 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act (other than title II).

(b) Fiscal Year 2002.—

(1) In general.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out title II.

(2) Availability.—Funds described in paragraph (1) shall remain available until expended.

SEC. 302. COMMODITY CREDIT CORPORATION.

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

SA 1301. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers, which was ordered to lie on the table; as follows:

At the appropriate place insert:

For necessary expenses involved in making indemnity payments to qualified dairy farmers for milk or cows producing such milk and manufacturers, the Secretary of Agriculture through the Commodity Credit Corporation shall make available funds not exceeding $500,000,000.

SA 1302. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers, which was ordered to lie on the table; as follows:

Strike section 11 and insert the following:

TITLE II—CONSERVATION

SEC. 201. CONSERVATION RESERVE PROGRAM.

(a) Technical Assistance.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), in addition to amounts made available under section 801 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–49), the Secretary shall use $44,000,000 of funds of the Commodity Credit Corporation to provide technical assistance under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(b) Extension of Contracts.—Notwithstanding section 1231(e)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(1)), an owner or operator that has entered into a contract under the conservation reserve program that would otherwise expire during calendar year 2001 may extend the contract for 1 year.

(c) Payments.—

(1) In general.—Subject to paragraph (2), during the 2001 and 2002 calendar years, the Secretary shall include among practices that are eligible for payments under the conservation reserve program—

(A) the preservation of shallow water areas for wildlife;

(B) the establishment of permanent vegetative cover, such as contour grass strips and cross-wind trap strips; and

(C) the preservation of wellhead protection areas.

(2) Other practices.—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

(d) Pilot Program for Enrollment of Wetland and Buffer Acreage in Conservation Reserve.—

(1) In general.—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3831(h)(4)(B)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

(2) Conforming amendment.—Section 1232(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(4)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

SEC. 202. WETLANDS RESERVE PROGRAM.

(a) Maximum Enrollment.—Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) and section 808 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–52), subject to subsection (b), the Secretary shall use $200,000,000 of funds of the Commodity Credit Corporation for enrollment of additional acres beginning in fiscal year 2002 in the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

(b) Technical Assistance; Monitoring and Maintenance Expenses.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary shall use—

(1) not less than $12,000,000, but not more than $15,000,000, to provide technical assistance under the wetlands reserve program; and

(2) not less than $8,000,000, but not more than $10,000,000, for monitoring and maintenance expenses incurred by the Secretary for land enrolled in the wetlands reserve program as of the date of enactment of this Act.

SEC. 203. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

In addition to amounts made available under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), the Secretary shall use $250,000,000 of funds of the Commodity Credit Corporation to carry out the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.).

SEC. 204. WILDLIFE HABITAT INCENTIVE PROGRAM.

In addition to amounts made available under section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary shall use $7,000,000 of funds of the Commodity Credit Corporation to carry out the Wildlife Habitat Incentive Program established under section 387 of that Act.

SEC. 205. FARMLAND PROTECTION PROGRAM.

(a) In General.—In addition to amounts made available under section 388(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127) and section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106–224), the Secretary shall use $40,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 to—

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

(2) any organization that—

(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) Technical Assistance.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary may use not more than $3,000,000 to provide technical assistance under the farmland protection program.

TITLE III—ADMINISTRATION

SEC. 301. OBLIGATION PERIOD.

(a) Fiscal Year 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act (other than title II).

(b) Fiscal Year 2002.—

(1) In general.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out title II.

(2) Availability.—Funds described in paragraph (1) shall remain available until expended.

SEC. 302. COMMODITY CREDIT CORPORATION.

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

SA 1303. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 11 and insert the following:

TITLE II—CONSERVATION

SEC. 201. CONSERVATION RESERVE PROGRAM.

(a) Technical Assistance.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), in addition to amounts made available under section 801 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–49), the Secretary shall use $44,000,000 of funds of the Commodity Credit Corporation to provide technical assistance under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

(b) Extension of Contracts.—Notwithstanding section 1231(e)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(1)), an owner or operator that has entered into a contract under the conservation reserve program that would otherwise expire during calendar year 2001 may extend the contract for 1 year.

(c) Payments.—

(1) In general.—Subject to paragraph (2), during the 2001 and 2002 calendar years, the Secretary shall include among practices that are eligible for payments under the conservation reserve program—

(A) the preservation of shallow water areas for wildlife;

(B) the establishment of permanent vegetative cover, such as contour grass strips and cross-wind trap strips; and

(C) the preservation of wellhead protection areas.

(2) Other practices.—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

(d) Pilot Program for Enrollment of Wetland and Buffer Acreage in Conservation Reserve.—

(1) In general.—Section 1231(h)(4)(B) of the Food Security Act of 1985 (16 U.S.C. 3831(h)(4)(B)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

(2) Conforming amendment.—Section 1232(a)(4) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(4)) is amended by inserting "(which may include emerging vegetation in water)" after "vegetative cover".

SEC. 202. WETLANDS RESERVE PROGRAM.

(a) Maximum Enrollment.—Notwithstanding section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) and section 808 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–52), subject to subsection (b), the Secretary shall use $200,000,000 of funds of the Commodity Credit Corporation for enrollment of additional acres beginning in fiscal year 2002 in the wetlands reserve program established under subchapter C of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3837 et seq.).

(b) Technical Assistance; Monitoring and Maintenance Expenses.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary shall use—

(1) not less than $12,000,000, but not more than $15,000,000, to provide technical assistance under the wetlands reserve program; and

(2) not less than $8,000,000, but not more than $10,000,000, for monitoring and maintenance expenses incurred by the Secretary for land enrolled in the wetlands reserve program as of the date of enactment of this Act.

SEC. 203. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

In addition to amounts made available under section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841), the Secretary shall use $250,000,000 of funds of the Commodity Credit Corporation to carry out the environmental quality incentives program established under chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.).

SEC. 204. WILDLIFE HABITAT INCENTIVE PROGRAM.

In addition to amounts made available under section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a(c)), the Secretary shall use $7,000,000 of funds of the Commodity Credit Corporation to carry out the Wildlife Habitat Incentive Program established under section 387 of that Act.

SEC. 205. FARMLAND PROTECTION PROGRAM.

(a) In General.—In addition to amounts made available under section 388(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127) and section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 3830 note; Public Law 106–224), the Secretary shall use $40,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 to—

(1) any agency of any State or local government, or federally recognized Indian tribe, including farmland protection boards and land resource councils established under State law; and

(2) any organization that—

(A) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clauses (i), (ii), and (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

(B) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

(C) is described in section 509(a)(2) of that Code; or

(D) is described in section 509(a)(3) of that Code and is controlled by an organization described in section 509(a)(2) of that Code.

(b) Technical Assistance.—Notwithstanding section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i), of the funds made available under subsection (a), the Secretary may use not more than $3,000,000 to provide technical assistance under the farmland protection program.

TITLE III—ADMINISTRATION

SEC. 301. OBLIGATION PERIOD.

(a) Fiscal Year 2001.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act (other than title II).

(b) Fiscal Year 2002.—

(1) In general.—Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out title II.

(2) Availability.—Funds described in paragraph (1) shall remain available until expended.

SEC. 302. COMMODITY CREDIT CORPORATION.

Except as otherwise provided in this Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this Act.

SA 1304. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 1 and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) In General.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall use funds of the Commodity Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) Amount and Manner.—In providing payments under this section, the Secretary shall—

(1) use the same contract payment rates as are used under section 802(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106–78); and

(2) provide the payments in a manner that is consistent with section 802(c) of that Act.

SA 1305. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 11 and insert the following:

SEC. 11. OBLIGATION PERIOD.

Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act.

SA 1306. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 11 and insert the following:

SEC. 11. OBLIGATION PERIOD.

Except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out this Act.

SA 1307. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 1 and insert the following:

SECTION 1. MARKET LOSS ASSISTANCE.

(a) In General.—The Secretary of Agriculture (referred to in this Act as the "Secretary") shall use funds of the Commodity

Credit Corporation to provide assistance in the form of a market loss assistance payment to owners and producers on a farm that are eligible for a final payment for fiscal year 2001 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(b) AMOUNT AND MANNER.—In providing payments under this section, the Secretary shall—

(1) use the same contract payment rates as are used under section 802(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106–78); and

(2) provide the payments in a manner that is consistent with section 802(c) of that Act.

SA 1308. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 28, Line 14, add the Committee on Health, Education, Labor, and Pensions.

SA 1309. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 20, line 10, strike the words "the quantity of the 2000 crop" and replace with "the highest quantity of any single crop year between 1999 and 2001."

SA 1310. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 34, line 2, strike "$60,000,000" and insert "$80,000,000".

On Page 21, line 24 strike "$615,000,000" and insert "$635,000,000".

SA 1311. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. PROHIBITION ON HUMAN CLONING.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 15, the following:

"CHAPTER 16—HUMAN CLONING

"Sec.

"301. Definitions.

"302. Prohibition on human cloning.

"§ 301. Definitions

"In this chapter:

"(1) HUMAN CLONING.—The term 'human cloning' means human asexual reproduction, accomplished by introducing the nuclear material of a human somatic cell into a fertilized or unfertilized oocyte whose nucleus has been removed or inactivated to produce a living organism (at any stage of development) with a human or predominantly human genetic constitution.

"(2) SOMATIC CELL.—The term 'somatic cell' means a diploid cell (having a complete set of chromosomes) obtained or derived from a living or deceased human body at any stage of development.

"§ 302. Prohibition on human cloning

"(a) IN GENERAL.—It shall be unlawful for any person or entity, public or private, in or affecting interstate commerce—

"(1) to perform or attempt to perform human cloning;

"(2) to participate in an attempt to perform human cloning; or

"(3) to ship or receive the product of human cloning for any purpose.

"(b) IMPORTATION.—It shall be unlawful for any person or entity, public or private, to import the product of human cloning for any purpose.

"(c) PENALTIES.—

"(1) IN GENERAL.—Any person or entity that is convicted of violating any provision of this section shall be fined under this section or imprisoned not more than 10 years, or both.

"(2) CIVIL PENALTY.—Any person or entity that is convicted of violating any provision of this section shall be subject to, in the case of a violation that involves the derivation of a pecuniary gain, a civil penalty of not less than $1,000,000 and not more than an amount equal to the amount of the gross gain multiplied by 2, if that amount is greater than $1,000,000.

"(d) SCIENTIFIC RESEARCH.—Nothing in this section shall restrict areas of scientific research not specifically prohibited by this section, including research in the use of nuclear transfer or other cloning techniques to produce molecules, DNA, cells other than human embryos, tissues, organs, plants, or animals other than humans.".

(b) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 15 the following:

"16. Human Cloning .... 301".

SA 1312. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 20, strike lines 2 through 5 and insert the following:

(a) IN GENERAL.—The Secretary shall use $250,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers to provide relief for the loss of markets during the 2000 crop year, of which $100,000,000 shall be derived by transfer from the amount authorized to be used for the purpose described in section 102(a).

SA 1313. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 20, line 16, strike "5,000,000" and insert "10,000,000".

SA 1314. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 10, lines 3 and 4, strike "$220,000,000 of funds of the Commodity Credit Corporation" and insert "$270,000,000 of funds of the Commodity Credit Corporation (of which $50,000,000 shall be derived by transfer from the amount authorized to be used for the purpose described in section 102(a))".

SA 1315. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Beginning on page 24, strike line 24 and all that follows through page 25, line 2, and insert the following: "$80,000,000 of funds of the Commodity Credit Corporation to make payments under the farmland protection program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note; Public Law 104–127), of which $40,000,000 shall be derived by transfer from the amount authorized to——".

SA 1316. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 21, line 19, strike "1 year" and insert "2 years".

SA 1317. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 20, strike lines 5 through 24 and insert the following:

for the loss of markets during the 2000 and 2001 crop years.

(b) PAYMENT QUANTITY.—

(1) IN GENERAL.—Subject to paragraph (2), the payment quantity of apples for which the producers on a farm are eligible for payments under this section shall be equal to the quantity of the 2000 crop of apples produced by the producers on the farm.

(2) MAXIMUM QUANTITY.—The payment quantity of apples for which the producers on a farm are eligible for payments under this section shall not exceed 5,000,000 pounds of apples produced on the farm.

(c) LIMITATIONS.—Subject to subsection (b)(2), the Secretary shall not establish a payment limitation, or gross income eligibility limitation, with respect to payments made under this section.

(d) APPLICABILITY.—This section applies only with respect to the 2000 and 2001 crops of apples and producers of those crops.

SA 1318. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural procedures; which was ordered to lie on the table; as follows:

On page 4, line 3, strike "$500,000,000" and insert "$100,000,000."

SA 1319. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural procedures; which was ordered to lie on the table; as follows:

On page 9, line 19, strike "$34,000,000" and insert "$3,400,000."

SA 1320. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural procedures; which was ordered to lie on the table; as follows:

Beginning on page 13, line 19, strike all text through page 14, line 14, and insert the following in lieu thereof:

"ELIGIBLE PERSON.—The Term 'eligible person' means only residents of American Samoa."

SA 1321. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural procedures; which was ordered to lie on the table; as follows:

On page 10, line 3, strike "$220,000,000" and insert "$22,000,000."

SA 1322. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural procedures; which was ordered to lie on the table; as follows:

On page 12, line 6, strike "$20,000,000" and insert "$5,000,000."

SA 1323. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural procedures; which was ordered to lie on the table; as follows:

On page 36, line 18, strike "$18,000,000" and insert "$1,800,000."

SA 1324. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 43, line 24, strike "$24,000,000" and insert "$2,400,000."

SA 1325. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Beginning on page 7, line 3, strike all text beginning with "SEC. 103. PEANUTS." through page 20, line 5, and insert the following in lieu thereof:

"SEC. 103. APPLES.

(a) IN GENERAL.—The Secretary shall use $300,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers to provide relief for the loss of markets during the 2000 crop year."

SA 1326. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 10, line 7, strike "bison meat,"

SA 1327. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Beginning on page 10, line 15, through page 10, line 16, strike "is encouraged to purchase" and insert the following in lieu thereof: "is required to purchase".

SA 1328. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agriculture producers; which was ordered to lie on the table; as follows:

On page 7, line 4, strike "$55,210,000" and insert "$15,000,000."

SA 1329. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agriculture producers; which was ordered to lie on the table; as follows:

On page 9, line 7, strike "$16,940,000" and insert "$5,000,000."

SA 1330. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agriculture producers; which was ordered to lie on the table; as follows:

At the appropriate place add the following:

SEC. 802. REDUCTION IN AMOUNTS.

Notwithstanding any other provision. of this Act, each amount provided by this Act (other than amounts provided under sections 101 and 107(a) and title II) is reduced by 7.1 percent.

SA 1331. Mrs. LINCOLN submitted an amendment, intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agriculture producers; which was ordered to lie on the table; as follows:

At the appropriate place add the following:

SEC. 802. REDUCTION IN AMOUNTS.

Notwithstanding any other provision of this Act, each amount provided by this Act (other than amounts provided under sections 101 and 107(a) and title II) is reduced by 7.1 percent.

SA 1332. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place add the following:

SEC. 1. The Secretary of Agriculture shall administer Dairy Market Mitigation Payments in the amount of $5000 to each United States dairy farmer producing milk as of the date of enactment.

SEC. 2. The Secretary of Agriculture shall make an additional Compact Adjustment Payment of $2500 to each dairy farmer who has sold milk into the Northeast Dairy Compact during the previous 1 year prior to enactment.

SEC. 3. The Secretary of Agriculture shall study and report, within six months of enactment, on the effectiveness of 7 USC 608(c), and issue recommendations for strengthening enforcement and increasing compliance.

SA 1333. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place add the following:

SEC. 1. The Secretary of Agriculture shall administer Dairy Market Mitigation Payments in the amount of $5000 to each United States dairy farmer producing milk as of the date of enactment.

SEC. 2. The Secretary of Agriculture shall make an additional Compact Adjustment Payment of $2500 to each dairy farmer who has sold milk into the Northeast Dairy Compact during the previous 1 year prior to enactment.

SEC. 3. The Secretary of Agriculture shall study and report, within six months of enactment, on the effectiveness of 7 USC 608(c), and issue recommendations for strengthening enforcement and increasing compliance.

SA 1334. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place insert:

The amount of $500,000,000 shall be made available for necessary expenses involved in making indemnity payments to dairy farmers in the states designated by the Secretary of Agriculture for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of: (1) presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer; or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968 (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, $450,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of the farmers' willful failure to follow procedures prescribed by the Federal Government: *Provided further*, That this amount shall be transferred to the Commodity Credit Corporation: *Provided further*, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit corporation for the purpose of making dairy indemnity disbursements.

SA 1335. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE VII—DAIRY CONSUMERS AND PRODUCERS PROTECTION

SEC. 701. NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by striking "States" and all that follows through "Vermont" and inserting "States of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont";

(2) by striking paragraphs (1), (3), and (7);

(3) in paragraph (2), by striking "Class III-A" and inserting "Class IV";

(4) by striking paragraph (4) and inserting the following:

"(4) ADDITIONAL STATE.—Ohio is the only additional State that may join the Northeast Interstate Dairy Compact.";

(5) in paragraph (5), by striking "the projected rate of increase" and all that follows through "Secretary" and inserting "the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code"; and

(6) by redesignating paragraphs (2), (4), (5), and (6) as paragraphs (1), (2), (3), and (4), respectively.

SEC. 702. SOUTHERN DAIRY COMPACT.

(a) IN GENERAL.—Congress consents to the Southern Dairy Compact entered into among the States of Alabama, Arkansas, Georgia, Kansas, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Virginia, and West Virginia, subject to the following conditions:

(1) LIMITATION OF MANUFACTURING PRICE REGULATION.—The Southern Dairy Compact Commission may not regulate Class II, Class III, or Class IV milk used for manufacturing purposes or any other milk, other than Class I, or fluid milk, as defined by a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937 (referred to in this section as a "Federal milk marketing order") unless Congress has first consented to and approved such authority by a law enacted after the date of enactment of this joint resolution.

(2) ADDITIONAL STATES.—Florida, Nebraska, and Texas are the only additional States that may join the Southern Dairy Compact, individually or otherwise.

(3) COMPENSATION OF COMMODITY CREDIT CORPORATION.—Before the end of each fiscal year in which a Compact price regulation is in effect, the Southern Dairy Compact Commission shall compensate the Commodity Credit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(4) MILK MARKETING ORDER ADMINISTRATOR.—At the request of the Southern Dairy Compact Commission, the Administrator of the applicable Federal milk marketing order shall provide technical assistance to the Compact Commission and be compensated for that assistance.

(b) COMPACT.—The Southern Dairy Compact is substantially as follows:

"ARTICLE I. STATEMENT OF PURPOSE, FINDINGS AND DECLARATION OF POLICY

"§ 1. Statement of purpose, findings and declaration of policy

"The purpose of this compact is to recognize the interstate character of the southern dairy industry and the prerogative of the states under the United States Constitution to form an interstate commission for the southern region. The mission of the commission is to take such steps as are necessary to assure the continued viability of dairy farming in the south, and to assure consumers of an adequate, local supply of pure and wholesome milk.

"The participating states find and declare that the dairy industry is an essential agricultural activity of the south. Dairy farms, and associated suppliers, marketers, processors and retailers are an integral component of the region's economy. Their ability to provide a stable, local supply of pure, wholesome milk is a matter of great importance to the health and welfare of the region.

"The participating states further find that dairy farms are essential and they are an integral part of the region's rural communities. The farms preserve land for agricultural purposes and provide needed economic stimuli for rural communities.

"In establishing their constitutional regulatory authority over the region's fluid milk market by this compact, the participating states declare their purpose that this compact neither displace the federal order system nor encourage the merging of federal orders. Specific provisions of the compact itself set forth this basic principle.

"Designed as a flexible mechanism able to adjust to changes in a regulated marketplace, the compact also contains a contingency provision should the federal order system be discontinued. In that event, the interstate commission is authorized to regulate the marketplace in replacement of the order system. This contingent authority does not anticipate such a change, however, and should not be so construed. It is only provided should developments in the market other than establishment of this compact result in discontinuance of the order system.

"By entering into this compact, the participating states affirm that their ability to regulate the price which southern dairy farmers receive for their product is essential to the public interest. Assurance of a fair and equitable price for dairy farmers ensures their ability to provide milk to the market and the vitality of the southern dairy industry, with all the associated benefits.

"Recent, dramatic price fluctuations, with a pronounced downward trend, threaten the viability and stability of the southern dairy region. Historically, individual state regulatory action had been an effective emergency remedy available to farmers confronting a distressed market. The federal order system, implemented by the Agricultural Marketing Agreement Act of 1937, establishes only minimum prices paid to producers for raw milk, without preempting the power of states to regulate milk prices above the minimum levels so established.

"In today's regional dairy marketplace, cooperative, rather than individual state action is needed to more effectively address the market disarray. Under our constitutional system, properly authorized states acting cooperatively may exercise more power to regulate interstate commerce than they may assert individually without such authority. For this reason, the participating states invoke their authority to act in common agreement, with the consent of Congress, under the compact clause of the Constitution.

"ARTICLE II. DEFINITIONS AND RULES OF CONSTRUCTION

"§ 2. Definitions

"For the purposes of this compact, and of any supplemental or concurring legislation enacted pursuant thereto, except as may be otherwise required by the context:

"(1) 'Class I milk' means milk disposed of in fluid form or as a fluid milk product, subject to further definition in accordance with the principles expressed in subdivision (b) of section three.

"(2) 'Commission' means the Southern Dairy Compact Commission established by this compact.

"(3) 'Commission marketing order' means regulations adopted by the commission pursuant to sections nine and ten of this compact in place of a terminated federal marketing order or state dairy regulation. Such order may apply throughout the region or in any part or parts thereof as defined in the regulations of the commission. Such order may establish minimum prices for any or all classes of milk.

"(4) 'Compact' means this interstate compact.

"(5) 'Compact over-order price' means a minimum price required to be paid to producers for Class I milk established by the commission in regulations adopted pursuant to sections nine and ten of this compact, which is above the price established in federal marketing orders or by state farm price regulations in the regulated area. Such price may apply throughout the region or in any part or parts thereof as defined in the regulations of the commission.

"(6) 'Milk' means the lacteral secretion of cows and includes all skim, butterfat, or other constituents obtained from separation or any other process. The term is used in its broadest sense and may be further defined by the commission for regulatory purposes.

"(7) 'Partially regulated plant' means a milk plant not located in a regulated area but having Class I distribution within such area. Commission regulations may exempt plants having such distribution or receipts in amounts less than the limits defined therein.

“(8) 'Participating state' means a state which has become a party to this compact by the enactment of concurring legislation.

“(9) 'Pool plant' means any milk plant located in a regulated area.

“(10) 'Region' means the territorial limits of the states which are parties to this compact.

“(11) 'Regulated area' means any area within the region governed by and defined in regulations establishing a compact over-order price or commission marketing order.

“(12) 'State dairy regulation' means any state regulation of dairy prices, and associated assessments, whether by statute, marketing order or otherwise.

“§ 3. Rules of construction

“(a) This compact shall not be construed to displace existing federal milk marketing orders or state dairy regulation in the region but to supplement them. In the event some or all federal orders in the region are discontinued, the compact shall be construed to provide the commission the option to replace them with one or more commission marketing orders pursuant to this compact.

“(b) The compact shall be construed liberally in order to achieve the purposes and intent enunciated in section one. It is the intent of this compact to establish a basic structure by which the commission may achieve those purposes through the application, adaptation and development of the regulatory techniques historically associated with milk marketing and to afford the commission broad flexibility to devise regulatory mechanisms to achieve the purposes of this compact. In accordance with this intent, the technical terms which are associated with market order regulation and which have acquired commonly understood general meanings are not defined herein but the commission may further define the terms used in this compact and develop additional concepts and define additional terms as it may find appropriate to achieve its purposes.

“ARTICLE III. COMMISSION ESTABLISHED

“§ 4. Commission established

“There is hereby created a commission to administer the compact, composed of delegations from each state in the region. The commission shall be known as the Southern Dairy Compact Commission. A delegation shall include not less than three nor more than five persons. Each delegation shall include at least one dairy farmer who is engaged in the production of milk at the time of appointment or reappointment, and one consumer representative. Delegation members shall be residents and voters of, and subject to such confirmation process as is provided for in the appointing state. Delegation members shall serve no more than three consecutive terms with no single term of more than four years, and be subject to removal for cause. In all other respects, delegation members shall serve in accordance with the laws of the state represented. The compensation, if any, of the members of a state delegation shall be determined and paid by each state, but their expenses shall be paid by the commission.

“§ 5. Voting requirements

“All actions taken by the commission, except for the establishment or termination of an over-order price or commission marketing order, and the adoption, amendment or rescission of the commission's by-laws, shall be by majority vote of the delegations present. Each state delegation shall be entitled to one vote in the conduct of the commission's affairs. Establishment or termination of an over-order price or commission marketing order shall require at least a two-thirds vote of the delegations present. The establishment of a regulated area which covers all or part of a participating state shall require also the affirmative vote of that state's delegation. A majority of the delegations from the participating states shall constitute a quorum for the conduct of the commission's business.

“§ 6. Administration and management

“(a) The commission shall elect annually from among the members of the participating state delegations a chairperson, a vice-chairperson, and a treasurer. The commission shall appoint an executive director and fix his or her duties and compensation. The executive director shall serve at the pleasure of the commission, and together with the treasurer, shall be bonded in an amount determined by the commission. The commission may establish through its by-laws an executive committee composed of one member elected by each delegation.

“(b) The commission shall adopt by-laws for the conduct of its business by a two-thirds vote, and shall have the power by the same vote to amend and rescind these by-laws. The commission shall publish its by-laws in convenient form with the appropriate agency or officer in each of the participating states. The by-laws shall provide for appropriate notice to the delegations of all commission meetings and hearings and of the business to be transacted at such meetings or hearings. Notice also shall be given to other agencies or officers of participating states as provided by the laws of those states.

“(c) The commission shall file an annual report with the Secretary of Agriculture of the United States, and with each of the participating states by submitting copies to the governor, both houses of the legislature, and the head of the state department having responsibilities for agriculture.

“(d) In addition to the powers and duties elsewhere prescribed in this compact, the commission shall have the power:

“(1) To sue and be sued in any state or federal court;

“(2) To have a seal and alter the same at pleasure;

“(3) To acquire, hold, and dispose of real and personal property by gift, purchase, lease, license, or other similar manner, for its corporate purposes;

“(4) To borrow money and issue notes, to provide for the rights of the holders thereof and to pledge the revenue of the commission as security therefor, subject to the provisions of section eighteen of this compact;

“(5) To appoint such officers, agents, and employees as it may deem necessary, prescribe their powers, duties and qualifications; and

“(6) To create and abolish such offices, employments and positions as it deems necessary for the purposes of the compact and provide for the removal, term, tenure, compensation, fringe benefits, pension, and retirement rights of its officers and employees. The commission may also retain personal services on a contract basis.

“§ 7. Rulemaking power

“In addition to the power to promulgate a compact over-order price or commission marketing orders as provided by this compact, the commission is further empowered to make and enforce such additional rules and regulations as it deems necessary to implement any provisions of this compact, or to effectuate in any other respect the purposes of this compact.

“ARTICLE IV. POWERS OF THE COMMISSION

“§ 8. Powers to promote regulatory uniformity, simplicity, and interstate cooperation

“The commission is hereby empowered to:

“(1) Investigate or provide for investigations or research projects designed to review the existing laws and regulations of the participating states, to consider their administration and costs, to measure their impact on the production and marketing of milk and their effects on the shipment of milk and milk products within the region.

“(2) Study and recommend to the participating states joint or cooperative programs for the administration of the dairy marketing laws and regulations and to prepare estimates of cost savings and benefits of such programs.

“(3) Encourage the harmonious relationships between the various elements in the industry for the solution of their material problems. Conduct symposia or conferences designed to improve industry relations, or a better understanding of problems.

“(4) Prepare and release periodic reports on activities and results of the commission's efforts to the participating states.

“(5) Review the existing marketing system for milk and milk products and recommend changes in the existing structure for assembly and distribution of milk which may assist, improve or promote more efficient assembly and distribution of milk.

“(6) Investigate costs and charges for producing, hauling, handling, processing, distributing, selling and for all other services performed with respect to milk.

“(7) Examine current economic forces affecting producers, probable trends in production and consumption, the level of dairy farm prices in relation to costs, the financial conditions of dairy farmers, and the need for an emergency order to relieve critical conditions on dairy farms.

“§ 9. Equitable farm prices

“(a) The powers granted in this section and section ten shall apply only to the establishment of a compact over-order price, so long as federal milk marketing orders remain in effect in the region. In the event that any or all such orders are terminated, this article shall authorize the commission to establish one or more commission marketing orders, as herein provided, in the region or parts thereof as defined in the order.

“(b) A compact over-order price established pursuant to this section shall apply only to Class I milk. Such compact over-order price shall not exceed one dollar and fifty cents per gallon at Atlanta, Ga., however, this compact over-order price shall be adjusted upward or downward at other locations in the region to reflect differences in minimum federal order prices. Beginning in nineteen hundred ninety, and using that year as a base, the foregoing one dollar fifty cents per gallon maximum shall be adjusted annually by the rate of change in the Consumer Price Index as reported by the Bureau of Labor Statistics of the United States Department of Labor. For purposes of the pooling and equalization of an over-order price, the value of milk used in other use classifications shall be calculated at the appropriate class price established pursuant to the applicable federal order or state dairy regulation and the value of unregulated milk shall be calculated in relation to the nearest prevailing class price in accordance with and subject to such adjustments as the commission may prescribe in regulations.

"(c) A commission marketing order shall apply to all classes and uses of milk.

"(d) The commission is hereby empowered to establish a compact over-order price for milk to be paid by pool plants and partially regulated plants. The commission is also empowered to establish a compact over-order price to be paid by all other handlers receiving milk from producers located in a regulated area. This price shall be established either as a compact over-order price or by one or more commission marketing orders. Whenever such a price has been established by either type of regulation, the legal obligation to pay such price shall be determined solely by the terms and purpose of the regulation without regard to the situs of the transfer of title, possession or any other factors not related to the purposes of the regulation and this compact. Producer-handlers as defined in an applicable federal market order shall not be subject to a compact over-order price. The commission shall provide for similar treatment of producer-handlers under commission marketing orders.

"(e) In determining the price, the commission shall consider the balance between production and consumption of milk and milk products in the regulated area, the costs of production including, but not limited to the price of feed, the cost of labor including the reasonable value of the producer's own labor and management, machinery expense, and interest expense, the prevailing price for milk outside the regulated area, the purchasing power of the public and the price necessary to yield a reasonable return to the producer and distributor.

"(f) When establishing a compact over-order price, the commission shall take such other action as is necessary and feasible to help ensure that the over-order price does not cause or compensate producers so as to generate local production of milk in excess of those quantities necessary to assure consumers of an adequate supply for fluid purposes.

"(g) The commission shall whenever possible enter into agreements with state or federal agencies for exchange of information or services for the purpose of reducing regulatory burden and cost of administering the compact. The commission may reimburse other agencies for the reasonable cost of providing these services.

"§ 10. Optional provisions for pricing order

"Regulations establishing a compact over-order price or a commission marketing order may contain, but shall not be limited to any of the following:

"(1) Provisions classifying milk in accordance with the form in which or purpose for which it is used, or creating a flat pricing program.

"(2) With respect to a commission marketing order only, provisions establishing or providing a method for establishing separate minimum prices for each use classification prescribed by the commission, or a single minimum price for milk purchased from producers or associations of producers.

"(3) With respect to an over-order minimum price, provisions establishing or providing a method for establishing such minimum price for Class I milk.

"(4) Provisions for establishing either an over-order price or a commission marketing order may make use of any reasonable method for establishing such price or prices including flat pricing and formula pricing. Provision may also be made for location adjustments, zone differentials and for competitive credits with respect to regulated handlers who market outside the regulated area.

"(5) Provisions for the payment to all producers and associations of producers delivering milk to all handlers of uniform prices for all milk so delivered, irrespective of the uses made of such milk by the individual handler to whom it is delivered, or for the payment of producers delivering milk to the same handler of uniform prices for all milk delivered by them.

"(A) With respect to regulations establishing a compact over-order price, the commission may establish one equalization pool within the regulated area for the sole purpose of equalizing returns to producers throughout the regulated area.

"(B) With respect to any commission marketing order, as defined in section two, subdivision three, which replaces one or more terminated federal orders or state dairy regulations, the marketing area of now separate state or federal orders shall not be merged without the affirmative consent of each state, voting through its delegation, which is partly or wholly included within any such new marketing area.

"(6) Provisions requiring persons who bring Class I milk into the regulated area to make compensatory payments with respect to all such milk to the extent necessary to equalize the cost of milk purchased by handlers subject to a compact over-order price or commission marketing order. No such provisions shall discriminate against milk producers outside the regulated area. The provisions for compensatory payments may require payment of the difference between the Class I price required to be paid for such milk in the state of production by a federal milk marketing order or state dairy regulation and the Class I price established by the compact over-order price or commission marketing order.

"(7) Provisions specially governing the pricing and pooling of milk handled by partially regulated plants.

"(8) Provisions requiring that the account of any person regulated under the compact over-order price shall be adjusted for any payments made to or received by such persons with respect to a producer settlement fund of any federal or state milk marketing order or other state dairy regulation within the regulated area.

"(9) Provision requiring the payment by handlers of an assessment to cover the costs of the administration and enforcement of such order pursuant to Article VII, Section 18(a).

"(10) Provisions for reimbursement to participants of the Women, Infants and Children Special Supplemental Food Program of the United States Child Nutrition Act of 1966.

"(11) Other provisions and requirements as the commission may find are necessary or appropriate to effectuate the purposes of this compact and to provide for the payment of fair and equitable minimum prices to producers.

"ARTICLE V. RULEMAKING PROCEDURE

"§ 11. Rulemaking procedure

"Before promulgation of any regulations establishing a compact over-order price or commission marketing order, including any provision with respect to milk supply under subsection 9(f), or amendment thereof, as provided in Article IV, the commission shall conduct an informal rulemaking proceeding to provide interested persons with an opportunity to present data and views. Such rulemaking proceeding shall be governed by section four of the Federal Administrative Procedure Act, as amended (5 U.S.C. §553). In addition, the commission shall, to the extent practicable, publish notice of rulemaking proceedings in the official register of each participating state. Before the initial adoption of regulations establishing a compact over-order price or a commission marketing order and thereafter before any amendment with regard to prices or assessments, the commission shall hold a public hearing. The commission may commence a rulemaking proceeding on its own initiative or may in its sole discretion act upon the petition of any person including individual milk producers, any organization of milk producers or handlers, general farm organizations, consumer or public interest groups, and local, state or federal officials.

"§ 12. Findings and referendum

"(a) In addition to the concise general statement of basis and purpose required by section 4(b) of the Federal Administrative Procedure Act, as amended (5 U.S.C. §553(c)), the commission shall make findings of fact with respect to:

"(1) Whether the public interest will be served by the establishment of minimum milk prices to dairy farmers under Article IV.

"(2) What level of prices will assure that producers receive a price sufficient to cover their costs of production and will elicit an adequate supply of milk for the inhabitants of the regulated area and for manufacturing purposes.

"(3) Whether the major provisions of the order, other than those fixing minimum milk prices, are in the public interest and are reasonably designed to achieve the purposes of the order.

"(4) Whether the terms of the proposed regional order or amendment are approved by producers as provided in section thirteen.

"§ 13. Producer referendum

"(a) For the purpose of ascertaining whether the issuance or amendment of regulations establishing a compact over-order price or a commission marketing order, including any provision with respect to milk supply under subsection 9(f), is approved by producers, the commission shall conduct a referendum among producers. The referendum shall be held in a timely manner, as determined by regulation of the commission. The terms and conditions of the proposed order or amendment shall be described by the commission in the ballot used in the conduct of the referendum, but the nature, content, or extent of such description shall not be a basis for attacking the legality of the order or any action relating thereto.

"(b) An order or amendment shall be deemed approved by producers if the commission determines that it is approved by at least two-thirds of the voting producers who, during a representative period determined by the commission, have been engaged in the production of milk the price of which would be regulated under the proposed order or amendment.

"(c) For purposes of any referendum, the commission shall consider the approval or disapproval by any cooperative association of producers, qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the Capper–Volstead Act, bona fide engaged in marketing milk, or in rendering services for or advancing the interests of producers of such commodity, as the approval or disapproval of the producers who are members or stockholders in, or under contract with, such cooperative association of producers, except as provided in subdivision (1) hereof and subject to the provisions of subdivision (2) through (5) hereof.

"(1) No cooperative which has been formed to act as a common marketing agency for both cooperatives and individual producers shall be qualified to block vote for either.

“(2) Any cooperative which is qualified to block vote shall, before submitting its approval or disapproval in any referendum, give prior written notice to each of its members as to whether and how it intends to cast its vote. The notice shall be given in a timely manner as established, and in the form prescribed, by the commission.

“(3) Any producer may obtain a ballot from the commission in order to register approval or disapproval of the proposed order.

“(4) A producer who is a member of a cooperative which has provided notice of its intent to approve or not to approve a proposed order, and who obtains a ballot and with such ballot expresses his approval or disapproval of the proposed order, shall notify the commission as to the name of the cooperative of which he or she is a member, and the commission shall remove such producer's name from the list certified by such cooperative with its corporate vote.

“(5) In order to insure that all milk producers are informed regarding the proposed order, the commission shall notify all milk producers that an order is being considered and that each producer may register his approval or disapproval with the commission either directly or through his or her cooperative.

“§ 14. Termination of over-order price or marketing order

“(a) The commission shall terminate any regulations establishing an over-order price or commission marketing order issued under this article whenever it finds that such order or price obstructs or does not tend to effectuate the declared policy of this compact.

“(b) The commission shall terminate any regulations establishing an over-order price or a commission marketing order issued under this article whenever it finds that such termination is favored by a majority of the producers who, during a representative period determined by the commission, have been engaged in the production of milk the price of which is regulated by such order; but such termination shall be effective only if announced on or before such date as may be specified in such marketing agreement or order.

“(c) The termination or suspension of any order or provision thereof, shall not be considered an order within the meaning of this article and shall require no hearing, but shall comply with the requirements for informal rulemaking prescribed by section four of the Federal Administrative Procedure Act, as amended (5 U.S.C. §553).

“ARTICLE VI. ENFORCEMENT

“§ 15. Records; reports; access to premises

“(a) The commission may by rule and regulation prescribe record keeping and reporting requirements for all regulated persons. For purposes of the administration and enforcement of this compact, the commission is authorized to examine the books and records of any regulated person relating to his or her milk business and for that purpose, the commission's properly designated officers, employees, or agents shall have full access during normal business hours to the premises and records of all regulated persons.

“(b) Information furnished to or acquired by the commission officers, employees, or its agents pursuant to this section shall be confidential and not subject to disclosure except to the extent that the commission deems disclosure to be necessary in any administrative or judicial proceeding involving the administration or enforcement of this compact, an over-order price, a compact marketing order, or other regulations of the commission. The commission may promulgate regulations further defining the confidentiality of information pursuant to this section. Nothing in this section shall be deemed to prohibit (i) the issuance of general statements based upon the reports of a number of handlers, which do not identify the information furnished by any person, or (ii) the publication by direction of the commission of the name of any person violating any regulation of the commission, together with a statement of the particular provisions violated by such person.

“(c) No officer, employee, or agent of the commission shall intentionally disclose information, by inference or otherwise, which is made confidential pursuant to this section. Any person violating the provisions of this section shall, upon conviction, be subject to a fine of not more than one thousand dollars or to imprisonment for not more than one year, or to both, and shall be removed from office. The commission shall refer any allegation of a violation of this section to the appropriate state enforcement authority or United States Attorney.

“§ 16. Subpoena; hearings and judicial review

“(a) The commission is hereby authorized and empowered by its members and its properly designated officers to administer oaths and issue subpoenas throughout all signatory states to compel the attendance of witnesses and the giving of testimony and the production of other evidence.

“(b) Any handler subject to an order may file a written petition with the commission stating that any such order or any provision of any such order or any obligation imposed in connection therewith is not in accordance with law and praying for a modification thereof or to be exempted therefrom. He shall thereupon be given an opportunity for a hearing upon such petition, in accordance with regulations made by the commission. After such hearing, the commission shall make a ruling upon the prayer of such petition which shall be final, if in accordance with law.

“(c) The district courts of the United States in any district in which such handler is an inhabitant, or has his principal place of business, are hereby vested with jurisdiction to review such ruling, provided a complaint for that purpose is filed within thirty days from the date of the entry of such ruling. Service of process in such proceedings may be had upon the commission by delivering to it a copy of the complaint. If the court determines that such ruling is not in accordance with law, it shall remand such proceedings to the commission with directions either (1) to make such ruling as the court shall determine to be in accordance with law, or (2) to take such further proceedings as, in its opinion, the law requires. The pendency of proceedings instituted pursuant to this subdivision shall not impede, hinder, or delay the commission from obtaining relief pursuant to section seventeen. Any proceedings brought pursuant to section seventeen, except where brought by way of counterclaim in proceedings instituted pursuant to this section, shall abate whenever a final decree has been rendered in proceedings between the same parties, and covering the same subject matter, instituted pursuant to this section.

“§ 17. Enforcement with respect to handlers

“(a) Any violation by a handler of the provisions of regulations establishing an over-order price or a commission marketing order, or other regulations adopted pursuant to this compact shall:

“(1) Constitute a violation of the laws of each of the signatory states. Such violation shall render the violator subject to a civil penalty in an amount as may be prescribed by the laws of each of the participating states, recoverable in any state or federal court of competent jurisdiction. Each day such violation continues shall constitute a separate violation.

“(2) Constitute grounds for the revocation of license or permit to engage in the milk business under the applicable laws of the participating states.

“(b) With respect to handlers, the commission shall enforce the provisions of this compact, regulations establishing an over-order price, a commission marketing order or other regulations adopted hereunder by:

“(1) Commencing an action for legal or equitable relief brought in the name of the commission of any state or federal court of competent jurisdiction; or

“(2) Referral to the state agency for enforcement by judicial or administrative remedy with the agreement of the appropriate state agency of a participating state.

“(c) With respect to handlers, the commission may bring an action for injunction to enforce the provisions of this compact or the order or regulations adopted thereunder without being compelled to allege or prove that an adequate remedy of law does not exist.

“ARTICLE VII. FINANCE

“§ 18. Finance of start-up and regular costs

“(a) To provide for its start-up costs, the commission may borrow money pursuant to its general power under section six, subdivision (d), paragraph four. In order to finance the costs of administration and enforcement of this compact, including payback of start-up costs, the commission is hereby empowered to collect an assessment from each handler who purchases milk from producers within the region. If imposed, this assessment shall be collected on a monthly basis for up to one year from the date the commission convenes, in an amount not to exceed $.015 per hundredweight of milk purchased from producers during the period of the assessment. The initial assessment may apply to the projected purchases of handlers for the two-month period following the date the commission convenes. In addition, if regulations establishing an over-order price or a compact marketing order are adopted, they may include an assessment for the specific purpose of their administration. These regulations shall provide for establishment of a reserve for the commission's ongoing operating expenses.

“(b) The commission shall not pledge the credit of any participating state or of the United States. Notes issued by the commission and all other financial obligations incurred by it, shall be its sole responsibility and no participating state or the United States shall be liable therefor.

“§ 19. Audit and accounts

“(a) The commission shall keep accurate accounts of all receipts and disbursements, which shall be subject to the audit and accounting procedures established under its rules. In addition, all receipts and disbursements of funds handled by the commission shall be audited yearly by a qualified public accountant and the report of the audit shall be included in and become part of the annual report of the commission.

"(b) The accounts of the commission shall be open at any reasonable time for inspection by duly constituted officers of the participating states and by any persons authorized by the commission.

"(c) Nothing contained in this article shall be construed to prevent commission compliance with laws relating to audit or inspection of accounts by or on behalf of any participating state or of the United States.

"ARTICLE VIII. ENTRY INTO FORCE; ADDITIONAL MEMBERS AND WITHDRAWAL

"§20. Entry into force; additional members

"The compact shall enter into force effective when enacted into law by any three states of the group of states composed of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia and when the consent of Congress has been obtained.

"§21. Withdrawal from compact

"Any participating state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after notice in writing of the withdrawal is given to the commission and the governors of all other participating states. No withdrawal shall affect any liability already incurred by or chargeable to a participating state prior to the time of such withdrawal.

"§22. Severability

"If any part or provision of this compact is adjudged invalid by any court, such judgment shall be confined in its operation to the part or provision directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this compact. In the event Congress consents to this compact subject to conditions, said conditions shall not impair the validity of this compact when said conditions are accepted by three or more compacting states. A compacting state may accept the conditions of Congress by implementation of this compact.".

SEC. 703. PACIFIC NORTHWEST DAIRY COMPACT.

Congress consents to a Pacific Northwest Dairy Compact proposed for the States of California, Oregon, and Washington, subject to the following conditions:

(1) TEXT.—The text of the Pacific Northwest Dairy Compact shall be identical to the text of the Southern Dairy Compact, except as follows:

(A) References to "south", "southern", and "Southern" shall be changed to "Pacific Northwest".

(B) In section 9(b), the reference to "Atlanta, Georgia" shall be changed to "Seattle, Washington".

(C) In section 20, the reference to "any three" and all that follows shall be changed to "California, Oregon, and Washington.".

(2) LIMITATION OF MANUFACTURING PRICE REGULATION.—The Dairy Compact Commission established to administer the Pacific Northwest Dairy Compact (referred to in this section as the "Commission") may not regulate Class II, Class III, or Class IV milk used for manufacturing purposes or any other milk, other than Class I, or fluid milk, as defined by a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937 (referred to in this section as a "Federal milk marketing order").

(3) EFFECTIVE DATE.—Congressional consent under this section takes effect on the date (not later than 3 year after the date of enactment of this Act) on which the Pacific Northwest Dairy Compact is entered into by the second of the 3 States specified in the matter preceding paragraph (1).

(4) COMPENSATION OF COMMODITY CREDIT CORPORATION.—Before the end of each fiscal year in which a price regulation is in effect under the Pacific Northwest Dairy Compact, the Commission shall compensate the Commodity Credit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(5) MILK MARKETING ORDER ADMINISTRATOR.—At the request of the Commission, the Administrator of the applicable Federal milk marketing order shall provide technical assistance to the Commission and be compensated for that assistance.

SEC. 704. INTERMOUNTAIN DAIRY COMPACT.

Congress consents to an Intermountain Dairy Compact proposed for the States of Colorado, Nevada, and Utah, subject to the following conditions:

(1) TEXT.—The text of the Intermountain Dairy Compact shall be identical to the text of the Southern Dairy Compact, except as follows:

(A) In section 1, the references to "southern" and "south" shall be changed to "Intermountain" and "Intermountain region", respectively.

(B) References to "Southern" shall be changed to "Intermountain ".

(C) In section 9(b), the reference to "Atlanta, Georgia" shall be changed to "Salt Lake City, Utah".

(D) In section 20, the reference to "any three" and all that follows shall be changed to "Colorado, Nevada, and Utah.".

(2) LIMITATION OF MANUFACTURING PRICE REGULATION.—The Dairy Compact Commission established to administer the Intermountain Dairy Compact (referred to in this section as the "Commission") may not regulate Class II, Class III, or Class IV milk used for manufacturing purposes or any other milk, other than Class I, or fluid milk, as defined by a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937 (referred to in this section as a "Federal milk marketing order").

(3) EFFECTIVE DATE.—Congressional consent under this section takes effect on the date (not later than 3 year after the date of enactment of this Act) on which the Intermountain Dairy Compact is entered into by the second of the 3 States specified in the matter preceding paragraph (1).

(4) COMPENSATION OF COMMODITY CREDIT CORPORATION.—Before the end of each fiscal year in which a price regulation is in effect under the Intermountain Dairy Compact, the Commission shall compensate the Commodity Credit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(5) MILK MARKETING ORDER ADMINISTRATOR.—At the request of the Commission, the Administrator of the applicable Federal milk marketing order shall provide technical assistance to the Commission and be compensated for that assistance.

SA 1336. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . RELEASE OF HOME PROGRAM FUNDS.

Notwithstanding the requirement regarding commitment of funds in the first sentence of section 288(b) of the HOME Investment Partnerships Act (42 U.S.C. 12838(b)), the Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall approve the release of funds under that section to the Arkansas Development Finance Authority (in this section referred to as the "ADFA") for projects, if—

(1) funds were committed to those projects on or before June 12, 2001;

(2) those projects had not been completed as of June 12, 2001;

(3) the ADFA has fully carried out its responsibilities as described in section 288(a); and

(4) the Secretary has approved the certification that meets the requirements of section 288(c) with respect to those projects.

SA 1337. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 2620, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . TORNADO SHELTERS GRANTS.

(a) CDBG ELIGIBLE ACTIVITIES.—

(1) IN GENERAL.—Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)) is amended—

(A) in paragraph (22), by striking "and" at the end;

(B) in paragraph (23), by striking the period at the end and inserting a semicolon;

(C) in paragraph (24), by striking "and" at the end;

(D) in paragraph (25), by striking the period at the end and inserting "; and"; and

(E) by adding at the end the following:

"(26) the construction or improvement of tornado- or storm-safe shelters for manufactured housing parks and residents of other manufactured housing, the acquisition of real property for sites for such shelters, and the provision of assistance (including loans and grants) to nonprofit or for-profit entities (including owners of such parks) for such construction, improvement, or acquisition, except that a shelter assisted with amounts made available pursuant to this paragraph—

"(A) shall be located in a neighborhood consisting predominantly of persons of low- and moderate-income; and

"(B) may not be made available exclusively for use of the residents of a particular manufactured housing park or of other manufactured housing, but shall generally serve the residents of the area in which it is located.".

(2) AUTHORIZATION OF APPROPRIATIONS.—In addition to any amounts otherwise made available for grants under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.), there is authorized to be appropriated for assistance only for activities pursuant to section 105(a)(26) of that Act, as added by this section, $50,000,000 for fiscal year 2002.

(b) USE OF AMERICAN PRODUCTS.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available for the activities authorized under the amendments made by this section should be American-made.

(2) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available for the activities authorized under the amendments made by this section, the Secretary of Housing and Urban Development, to the greatest extent practicable, shall provide to that entity a notice describing the statement made in paragraph (1) by the Congress.

SA 1338. Ms. MIKULSKI (for herself and Mr. BOND) proposed an amendment to amendment SA 1214 submitted by Ms. MIKULSKI and intended to be proposed to the bill (H.R. 2620) making appropriations for the Department of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002; and for other purposes; as follows:

At the end of Section 214, add the following:

Public Housing Authorities in Iowa that are a part of a city government shall not be required to comply with section 2(b) of the United States Housing Act of 1937, as amended, regarding the requirement that a public housing agency shall contain not less than one member who is directly assisted by the public housing authority during fiscal year 2002.

On page 62, between lines 13 and 14, insert the following:

SEC. 218. ENDOWMENT FUNDS.

Of the amounts appropriated in the Consolidated Appropriations Act, 2001 (Public Law 106–554), for the operation of an historical archive at the University of South Carolina, Department of Archives, South Carolina, such funds shall be available to the University of South Carolina to fund an endowment for the operation of an historical archive at the University of South Carolina, Department of Archives, South Carolina, without fiscal year limitation.

At the appropriate place, insert the following:

SEC. ___. HAWAIIAN HOMELANDS.

Section 247 of the National Housing Act (12 U.S.C. 1715z–12) is amended—

(1) in subsection (d), by striking paragraphs (1) and (2) and inserting the following:

"(1) NATIVE HAWAIIAN.—The term 'native Hawaiian' means any descendant of not less than one-half part of the blood of the races inhabiting the Hawaiian Islands before January 1, 1778, or, in the case of an individual who is awarded an interest in a lease of Hawaiian home lands through transfer or succession, such lower percentage as may be established for such transfer or succession under section 208 or 209 of the Hawaiian Homes Commission Act of 1920 (42 Stat. 111), or under the corresponding provision of the Constitution of the State of Hawaii adopted under section 4 of the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union', approved March 18, 1959 (73 Stat. 5).

"(2) HAWAIIAN HOME LANDS.—The term 'Hawaiian home lands' means all lands given the status of Hawaiian home lands under section 204 of the Hawaiian Homes Commission Act of 1920 (42 Stat. 110), or under the corresponding provision of the Constitution of the State of Hawaii adopted under section 4 of the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union', approved March 18, 1959 (73 Stat. 5)."; and

(2) by adding at the end the following:

"(e) CERTIFICATION OF ELIGIBILITY FOR EXISTING LESSEES.—Possession of a lease of Hawaiian home lands issued under section 207(a) of the Hawaiian Homes Commission Act of 1920 (42 Stat. 110), shall be sufficient to certify eligibility to receive a mortgage under this subchapter.".

At the appropriate place insert the following:

SEC. ___. RELEASE OF HOME PROGRAM FUNDS.

Notwithstanding the requirement regarding commitment of funds in the first sentence of section 288(b) of the HOME Investment Partnerships Act (42 U.S.C. 12838(b)), the Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall approve the release of funds under that section to the Arkansas Development Finance Authority (in this section referred to as the "ADFA") for projects, if—

(1) funds were committed to those projects on or before June 12, 2001;

(2) those projects had not been completed as of June 12, 2001;

(3) the ADFA has fully carried out its responsibilities as described in section 288(a); and

(4) the Secretary has approved the certification that meets the requirements of section 288(c) with respect to those projects.

On page 18, after line 20, add the following:

SEC. 110. (a) STUDY OF VISCOSUPPLEMENTATION.—The Secretary of Veterans Affairs shall carry out a study of the benefits and costs of using viscosupplementation as a means of treating degenerative knee diseases in veterans instead of, or as a means of delaying, knee replacement. The study shall consider the benefits and costs of the procedure for veterans and the effect of the use of the procedure on the provision of medical care by the Department of Veterans Affairs.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the study carried out under subsection (a). The report shall set forth the results of the study, and include such other information regarding the study, including recommendations as a result of the study, as the Secretary considers appropriate.

(c) FUNDING.—The Secretary shall carry out the study under subsection (a) using amounts available to the Secretary under this title under the heading "MEDICAL AND PROSTHETIC RESEARCH".

At the appropriate place insert the following:

SEC. . Notwithstanding any other provision of law with respect to this or any other fiscal year, the Housing Authority of Baltimore City may use the remaining balance of the grant award of $20,000,000 made to such authority for development efforts at Hollander Ridge in Baltimore, Maryland with funds appropriated for fiscal year 1996 under the heading "Public Housing Demolition, Site Revitalization, and Replacement Housing Grants" for the rehabilitation of the Claremont Homes project and for the provision of affordable housing in areas within the City of Baltimore either (1) designated by the partial consent decree in Thompson v. HUD as non-impacted census tracts or (2) designated by said authority as either strong neighborhoods experiencing private investment or dynamic growth areas where public and/or private commercial or residential investment is occurring.

At the appropriate place insert the following:

SEC. ___. DISCRIMINATION IN THE SALE OR RENTAL OF HOUSING.

(a) IN GENERAL.—Any entity that receives funds pursuant to this Act, and discriminates in the sale or rental of housing against any person because the person is, or is perceived to be, a victim of domestic violence, dating violence, sexual assault, or stalking, including because the person has contacted or received assistance or services from law enforcement related to the violence, shall be considered to be discriminating against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection with the sale or rental, because of sex under section 804(b) of the Civil Rights Act of 1968 (42 U.S.C. 3604(b)).

(b) DEFINITIONS.—In this section:

(1) COURSE OF CONDUCT.—The term "course of conduct" means a course of repeatedly maintaining a visual or physical proximity to a person or conveying verbal or written threats, including threats conveyed through electronic communications, or threats implied by conduct.

(2) DATING VIOLENCE.—The term "dating violence" has the meaning given the term in section 826 of the Higher Education Amendments of 1998 (20 U.S.C. 1152).

(3) DOMESTIC VIOLENCE.—The term "domestic violence" has the meaning given the term in section 826 of the Higher Education Amendments of 1998 (20 U.S.C. 1152).

(4) ELECTRONIC COMMUNICATIONS.—The term "electronic communications" includes communications via telephone, mobile phone, computer, e-mail, video recorder, fax machine, telex, or pager.

(5) PARENT; SON OR DAUGHTER.—The terms "parent" and "son or daughter" have the meanings given the terms in section 101 of the Family and Medical Leave Act of 1993 (29 U.S.C. 2611).

(6) REPEATEDLY.—The term "repeatedly" means on 2 or more occasions.

(7) SEXUAL ASSAULT.—The term "sexual assault" has the meaning given the term in section 826 of the Higher Education Amendments of 1998 (20 U.S.C. 1152).

(8) STALKING.—The term "stalking" means engaging in a course of conduct directed at a specific person that would cause a reasonable person to suffer substantial emotional distress or to fear bodily injury, sexual assault, or death to the person, or the person's spouse, parent, or son or daughter, or any other person who regularly resides in the person's household, if the conduct causes the specific person to have such distress or fear.

At the appropriate place, insert:

SEC. . NASA FUNDED PROPULSION TESTING.—NASA shall ensure that rocket propulsion testing funded by this Act is assigned to testing facilities by the Rocket Propulsion Test Management Board in accordance with current baseline roles. Assignments will be made to maximize the benefit of Federal government investments and shall include considerations such as facility cost, capability, availability, and personnel experience.

At the appropriate place in title III, insert the following:

SEC. . EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

From amounts available to the National Science Foundation under this act, a total of $115,000,000 may be available to carry out the Experimental Program to Stimulate Competitive Research (EPSCoR), which includes $25 million in co-funding.

On page 27, line 20, insert after the colon the following: "*Provided*, That the Secretary of Housing and Urban Development (Secretary) may provide technical and financial assistance to the Turtle Mountain Band of Chippewa for emergency housing, housing assistance, and other assistance to address the mold problem at the Turtle Mountain Indian Reservation: *Provided further*, That the Secretary shall work with the Turtle Mountain Band of Chippewa, the Federal Emergency Management Agency, the Indian Health Service, the Bureau of Indian Affairs, and other appropriate federal agencies in developing a plan to maximize federal resources to address the emergency housing needs and related problems.:".

At the appropriate place, insert the following:

SEC. . (a) ELIGIBILITY OF NORTH DAKOTA VETERANS CEMETERY FOR AID REGARDING VETERANS CEMETERIES.—The Secretary of Veterans Affairs shall treat the North Dakota Veterans Cemetery, Mandan, North Dakota, as a veterans' cemetery owned by the State of North Dakota for purposes of making grants to States in expanding or improving veterans' cemeteries under section 2408 of title 38, United States Code.

(a) APPLICABILITY.—This section shall take effect on the date of enactment of this Act, and shall apply with respect to grants under section 2408 of title 38, United States Code, that occur on or after that date.

At the appropriate place, insert the following:

SEC. . Notwithstanding any other provision of this Act, none of the funds appropriated or otherwise made available in this Act for 'Medical care' appropriations of the Department of Veterans Affairs may be obligated for the realignment of the health care delivery system in Veterans Integrated Service Network 12 (VISN 12) until 60 days after the Secretary of Veterans Affairs certifies that the Department has: (1) consulted with veterans organizations, medical school affiliates, employee representatives, State veterans and health associations, and other interested parties with respect to the realignment plan to be implemented; and (2) made available to the Congress and the public information from the consultations regarding possible impacts on the accessibility of veterans health care services to affected veterans.

On page 34, line 2, strike out "$60,000,000" and insert in lieu thereof: "$70,000,000".

On page 47, line 20, strike out "$1,097,257,000" and insert in lieu thereof: "$1,087,257,000".

SEC. 4. . SENSE OF THE SENATE CONCERNING THE STATE WATER POLLUTION CONTROL REVOLVING FUND.

(a) FINDINGS.—Congress finds that—

(1) funds from the drinking water State revolving fund established under section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12) are allocated on the basis of an infrastructure needs survey conducted by the Administrator of the Environmental Protection Agency, in accordance with the Safe Drinking Water Act Amendments of 1996 (Public Law 104-182);

(2) the needs-based allocation of that fund was enacted by Congress and is seen as a fair and reasonable basis for allocation of funds under a revolving fund of this type;

(3) the Administrator of the Environmental Protection Agency also conducts a wastewater infrastructure needs survey that should serve as the basis for allocation of the State water pollution control revolving fund established under title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.);

(4) the current allocation formula for the State water pollution control revolving fund is so inequitable that it results in some States receiving funding in an amount up to 7 times as much as States with approximately similar populations, in terms of percentage of need met; and

(5) the Senate has proven unwilling to address that inequity in an appropriations bill, citing the necessity of addressing new allocation formulas only in authorization bills.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Committee on Environment and Public Works of the Senate should be prepared to enact authorizing legislation (including an equitable, needs-based formula) for the State water pollution control revolving fund as soon as practicable after the Senate returns from recess in September.

SA 1339. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, strike all on lines 12 through 14.

SA 1340. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 702.

SA 1341. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 703.

SA 1342. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

Strike section 704.

SA 1343. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246 to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, strike "(1),".

SA 1344. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, strike ", (3), and (7)" and insert "and (3)".

SA 1345. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 5, strike "New York".

SA 1346. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 5, strike "Pennsylvania".

SA 1347. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 3, line 4, strike "Kentucky".

SA 1348. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246 to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 3, line 5, strike "Oklahoma".

SA 1349. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 3, line 6, strike "Virginia".

SA 1350. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246 to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 3, line 22, strike "Texas".

SA 1351. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 35, line 17, strike “California”.

SA 1352. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 35, line 17, strike “Oregon”.

SA 1353. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 35, line 18, strike “Washington”.

SA 1354. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 3, 2001.’’’

SA 1355. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 4, 2001.’’’

SA 1356. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 5, 2001.’’’

SA 1357. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 6, 2001.’’’

SA 1358. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 7, 2001.’’’

SA 1359. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 8, 2001.’’’

SA 1360. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 9, 2001.’’’

SA 1361. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 10, 2001.’’’

SA 1362. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 11, 2001.’’’

SA 1363. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 12, 2001.’’’

SA 1364. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 13, 2001.’’’

SA 1365. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 14, 2001.’’’

SA 1366. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 15, 2001.’’’

SA 1367. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

“‘(3) DURATION.—

“‘Consent for the Northeast Interstate Dairy Compact shall terminate on August 16, 2001.’’’

SA 1368. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: “, and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 17, 2001.'"

SA 1369. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 18, 2001.'"

SA 1370. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 18, 2001.'"

SA 1371. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 20, 2001.'"

SA 1372. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 21, 2001.'"

SA 1373. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 22, 2001.'"

SA 1374. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 23, 2001.'"

SA 1375. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 24, 2001.'"

SA 1376. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 25, 2001.'"

SA 1377. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 26, 2001.'"

SA 1378. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 27, 2001.'"

SA 1379. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 28, 2001.'"

SA 1380. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 29, 2001.'"

SA 1381. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 30, 2001.'"

SA 1382. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on August 31, 2001.'"

SA 1383. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 1, 2001.'"

SA 1384. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 2, 2001.'"

SA 1385. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 3, 2001.'"

SA 1386. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 4, 2001.'"

SA 1387. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 5, 2001.'"

SA 1388. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 7, 2001.'"

SA 1389. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 8, 2001.'"

SA 1390. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 9, 2001.'"

SA 1391. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 11, 2001.'"

SA 1392. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 12, 2001.'"

SA 1393. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 13, 2001.'"

SA 1394. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 14, 2001.'"

SA 1395. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 15, 2001.'"

SA 1396. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 16, 2001.'"

SA 1397. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 17, 2001.'"

SA 1398. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 18, 2001.'"

SA 1399. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 19, 2001.'"

SA 1400. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 20, 2001.'"

SA 1401. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 21, 2001.'"

SA 1402. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 22, 2001.'"

SA 1403. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 23, 2001.'"

SA 1404. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 24, 2001.'"

SA 1405. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 25, 2001.'"

SA 1406. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 26, 2001.'"

SA 1407. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 27, 2001.'"

SA 1408. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 28, 2001.'"

SA 1409. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 29, 2001.'"

SA 1410. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 2, line 7, insert before the semicolon the following: ", and inserting in lieu of paragraph (3) the following:

"'(3) DURATION.—

"'Consent for the Northeast Interstate Dairy Compact shall terminate on September 30, 2001.'"

SA 1411. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 30, 2001."

SA 1412. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 29, 2001."

SA 1413. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 28, 2001."

SA 1414. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 27, 2001."

SA 1415. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 26, 2001."

SA 1416. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 25, 2001."

SA 1417. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 24, 2001."

SA 1418. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 23, 2001."

SA 1419. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 22, 2001."

SA 1420. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 21, 2001."

SA 1421. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 20, 2001."

SA 1422. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 19, 2001."

SA 1423. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 18, 2001."

SA 1424. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 17, 2001."

SA 1425. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 16, 2001."

SA 1426. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 15, 2001."

SA 1427. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 14, 2001."

SA 1428. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 13, 2001."

SA 1429. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 12, 2001."

SA 1430. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 11, 2001."

SA 1431. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 10, 2001."

SA 1432. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 9, 2001."

SA 1433. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 8, 2001."

SA 1434. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 7, 2001."

SA 1435. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 6, 2001."

SA 1436. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 5, 2001."

SA 1437. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 4, 2001."

SA 1438. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 3, 2001."

SA 1439. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 2, 2001."

SA 1440. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on September 1, 2001."

SA 1441. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 31, 2001."

SA 1442. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 30, 2001."

SA 1443. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 29, 2001."

SA 1444. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 28, 2001."

SA 1445. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 27, 2001."

SA 1446. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 26, 2001."

SA 1447. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 25, 2001."

SA 1448. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 24, 2001."

SA 1449. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 23, 2001."

SA 1450. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 22, 2001."

SA 1451. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 21, 2001."

SA 1452. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 20, 2001."

SA 1453. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 19, 2001."

SA 1454. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 18, 2001."

SA 1455. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 17, 2001."

SA 1456. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 16, 2001."

SA 1457. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 15, 2001."

SA 1458. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 14, 2001."

SA 1459. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 13, 2001."

SA 1460. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 12, 2001."

SA 1461. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 11, 2001."

SA 1462. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 10, 2001."

SA 1463. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 9, 2001."

SA 1464. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 8, 2001."

SA 1465. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 7, 2001."

SA 1466. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 6, 2001."

SA 1467. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 5, 2001."

SA 1468. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 4, 2001."

SA 1469. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

"Notwithstanding any other provision of this act or any other act, consent for all interstate dairy compacts under this act shall terminate on August 3, 2001."

SA 1470. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

On page 12, between lines 3 and 4, insert the following:

(c) DAIRY MARKET MITIGATION PAYMENTS.—

(1) IN GENERAL.—The Secretary shall use such funds of the Commodity Credit Corporation as are necessary to make a payment, in an amount equal to $5,000, to the producers on each farm that, as of the date of enactment of this Act, is engaged in the commercial production of milk in the United States, as determined by the Secretary.

(2) COMPACT ADJUSTMENT PAYMENTS.—The Secretary shall use such funds of the Commodity Credit Corporation as are necessary to make a payment, in an amount equal to $2,500, to the producers on each farm that, during the 1-year period ending on the date of enactment of this Act, was engaged in the commercial production of milk in an area covered by the Northeast Interstate Dairy Compact described in section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256), as determined by the Secretary.

(3) STUDY.—

(A) IN GENERAL.—The Secretary shall conduct a study of—

(i) the effectiveness of Federal milk marketing orders issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937; and

(ii) methods of strengthening enforcement of, and improving compliance with, Federal milk marketing orders.

(B) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study, including any recommendations for strengthening enforcement of, and improving compliance with, Federal milk marketing orders.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, August 2, 2001. The purpose of this Hearing will be to discuss rural economic development issues for the next Federal farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, August 2, 2001, at 9:30 a.m., on pending committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Commerce, Science and Transportation and the Committee on Energy and Natural Resources, be authorized to meet during the session of the Senate on Thursday, August 2, at 2:30 p.m., to conduct a joint oversight hearing. The committees will receive testimony on the National Academy of Sciences report on fuel economy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, August 2, for purposes of conducting a full committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this business meeting is to continue consideration of energy policy legislation, if necessary.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, August 2, at 10 a.m., to conduct a business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet in open executive session during the session of the Senate on Thursday, August 2, 2001.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Thursday, August 2, 2001, at 9:30 a.m., for a business meeting to consider pending committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on the nomination of John Lester Henshaw, of Missouri, to be an Assistant Secretary of Labor, Occupational Safety and Health Administration during the session of the Senate on Thursday, August 2, 2001, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, August 2, 2001, at 10 a.m., in Dirksen Building room 226.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on August 2, 2001, at 9 a.m., to hold a markup to consider the following legislation: S. 565, the "Equal Protection of Voting Rights Act of 2001"; an original resolution providing for members on the part of the Senate of the Joint Committee on Printing and the Joint Committee of Congress on the Library; S.J. Res. 19 and 20, providing for the reappointment of Anne d'Harnoncourt and the appointment of Roger W. Sant, respectively, as Smithsonian Institution citizen regents; and other legislative and administrative matters ready for consideration at the time of the markup.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Thursday, August 2, 2001, for a hearing on the nominations of John A. Gauss to be Assistant Secretary of Veterans Affairs for Information and Technology, and Claude M. Kicklighter to be Assistant Secretary of Veterans Affairs for Policy and Planning, followed by a markup on pending legislation.

Committee Print of S. 739, the proposed "Heather French Henry Homeless Veterans Assistance Act."

Committee Print of S. 1088, the proposed "Veterans' Benefits Improvement Act of 2001."

Committee Print of S. 1090, the proposed "Veterans' Compensation Cost-of-Living Adjustment Act of 2001."

Committee Print of S. 1188, the proposed "Department of Veterans Affairs Medical Programs Enhancement Act of 2001."

The meeting will take place in room 418 of the Russell Senate Office Building at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Financial Institutions of the Committee on Banking, Housing and Urban Affairs be authorized to meet during the session of the Senate on Thursday, August 2, 2001, to conduct a hearing on "Comprehensive Deposit Insurance Reform: Responses to the FDIC Recommendations For Reform."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management Support of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, August 2, 2001, at 2:15 p.m., in open session to receive testimony on installation programs, military construction programs, and family housing programs, in review of the Defense authorization request for fiscal year 2002.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mrs. LINCOLN. Madam President, I ask unanimous consent that the privilege of the floor be granted to one of my staff members, Matt Fryar.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002

On August 1, 2001, the Senate amended and passed H.R. 2299, as follows:

Resolved, That the bill from the House of Representatives (H.R. 2299) entitled "An Act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes.", do pass with the following amendment:

Strike out all after the enacting clause and insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary, $67,349,000: Provided, That not to exceed $60,000 shall be for allocation within the Department for official reception and representation expenses as the Secretary may determine: Provided further, That notwithstanding any other provision of law, there may be credited to this appropriation up to $2,500,000 in funds received in user fees.

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, $8,500,000.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

For necessary expenses for conducting transportation planning, research, systems development, development activities, and making grants, to remain available until expended, $15,592,000.

TRANSPORTATION ADMINISTRATIVE SERVICE CENTER

Necessary expenses for operating costs and capital outlays of the Transportation Administrative Service Center, not to exceed $125,323,000, shall be paid from appropriations made available to the Department of Transportation: Provided, That such services shall be provided on a competitive basis to entities within the Department of Transportation: Provided further, That the above limitation on operating expenses shall not apply to non-DOT entities: Provided further, That no funds appropriated in this Act to an agency of the Department shall be transferred to the Transportation Administrative Service Center without the approval of the agency modal administrator: Provided further, That no assessments may be levied against any program, budget activity, subactivity or project funded by this Act unless notice of such assessments and the basis therefor are presented to the House and Senate Committees on Appropriations and are approved by such Committees.

MINORITY BUSINESS RESOURCE CENTER PROGRAM

For the cost of guaranteed loans, $500,000, as authorized by 49 U.S.C. 332: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $18,367,000. In addition, for administrative expenses to carry out the guaranteed loan program, $400,000.

MINORITY BUSINESS OUTREACH

For necessary expenses of Minority Business Resource Center outreach activities, $3,000,000, of which $2,635,000 shall remain available until September 30, 2003: Provided, That notwithstanding 49 U.S.C. 332, these funds may be used for business opportunities related to any mode of transportation.

COAST GUARD

OPERATING EXPENSES

For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for; purchase of not to exceed five passenger motor vehicles for replacement only; payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), and section 229(b) of the Social Security Act (42 U.S.C. 429(b)); and recreation and welfare, $3,427,588,000, of which $695,000,000 shall be available for defense-related activities including drug interdiction; and of which $25,000,000 shall be derived from the Oil Spill Liability Trust Fund: Provided, That none of the funds appropriated in this or any other Act shall be available for pay for administrative expenses in connection with shipping commissioners in the United States: Provided further, That none of the funds provided in this Act shall be available for expenses incurred for yacht documentation under 46 U.S.C. 12109, except to the extent fees are collected from yacht owners and credited to this appropriation: Provided further, That of the amounts made available under this heading, not less than $13,541,000 shall be used solely to increase staffing at Search and Rescue stations, surf stations and command centers, increase the training and experience level of individuals serving in said stations through targeted retention efforts, revised personnel policies and expanded training programs, and to modernize and improve the quantity and quality of personal safety equipment, including survival suits, for personnel assigned to said stations: Provided further, That the Department of Transportation Inspector General shall audit and certify to the House and Senate Committees on Appropriations that the funding described in the preceding proviso is being used solely to supplement and not supplant the Coast Guard's level of effort in this area in fiscal year 2001.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For necessary expenses of acquisition, construction, renovation, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto, $669,323,000, of which $20,000,000 shall be derived from the Oil Spill Liability Trust Fund; of which $79,640,000 shall be available to acquire, repair, renovate or improve vessels, small boats and related equipment, to remain available until September 30, 2006; $12,500,000 shall be available to acquire new aircraft and increase aviation capability, to remain available until September 30, 2004; $97,921,000 shall be available for other equipment, to remain available until September 30, 2004; $88,862,000 shall be available for shore facilities and aids to navigation facilities, to remain available until September 30, 2004; $65,200,000 shall be available for personnel compensation and benefits and related costs, to remain available until September 30, 2003; and $325,200,000 for the Integrated Deepwater Systems program, to remain available until September 30, 2006: Provided, That the Commandant of the Coast Guard is authorized to dispose of surplus real property, by sale or lease, and the proceeds shall be credited to this appropriation as offsetting collections and made available only for the National Distress and Response System Modernization program, to remain available for obligation until September 30, 2004: Provided further, That none of the funds provided under this heading may be obligated or expended for the Integrated Deepwater Systems (IDS) system integration contract until the Secretary or Deputy Secretary of Transportation and the Director, Office of Management and Budget jointly certify to the House and Senate Committees on Appropriations that funding for the IDS program for fiscal years 2003 through 2007, funding for the National Distress and Response System Modernization program to allow for full deployment of said system by 2006, and funding for other essential Search and Rescue procurements, are fully funded in the Coast Guard Capital Investment Plan and within the Office of Management and Budget's budgetary projections for the Coast Guard for those years: Provided further, That none of the funds provided under this heading may be obligated or expended for the Integrated Deepwater Systems (IDS) integration contract until the Secretary or Deputy Secretary of Transportation, and the Director, Office of Management and Budget jointly approve a contingency procurement strategy for the recapitalization of assets and capabilities envisioned in the IDS: Provided further, That upon initial submission to the Congress of the fiscal year 2003 President's budget, the Secretary of Transportation shall transmit to the Congress a comprehensive capital investment plan for the United States Coast Guard *which includes funding for each budget line item for fiscal years 2003 through 2007, with total funding for each year of the plan constrained to the funding targets for those years as estimated and approved by the Office of Management and Budget: Provided further, That the amount herein appropriated shall be reduced by $100,000 per day for each day after initial submission of the President's budget that the plan has not been submitted to the Congress: Provided further, That the Director, Office of Management and Budget shall submit the budget request for the IDS integration contract delineating sub-headings as follows: systems integrator, ship construction, aircraft, equipment, and communications, providing specific assets and costs under each sub-heading.*

(RESCISSIONS)

Of the amounts made available under this heading in Public Laws 105–277, 106–69, and 106–346, $8,700,000 are rescinded.

ENVIRONMENTAL COMPLIANCE AND RESTORATION

For necessary expenses to carry out the Coast Guard's environmental compliance and restoration functions under chapter 19 of title 14, United States Code, $16,927,000, to remain available until expended.

ALTERATION OF BRIDGES

For necessary expenses for alteration or removal of obstructive bridges, $15,466,000, to remain available until expended.

RETIRED PAY

For retired pay, including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, payment for career status bonuses under the National Defense Authorization Act, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C. ch. 55), $876,346,000.

RESERVE TRAINING

(INCLUDING TRANSFER OF FUNDS)

For all necessary expenses of the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services, $83,194,000: Provided, That no more than $25,800,000 of funds made available under this heading may be transferred to Coast Guard "Operating expenses" or otherwise made available to reimburse the Coast Guard for financial support of the Coast Guard Reserve: Provided further, That none of the funds in this Act may be used by the Coast Guard to assess direct charges on the Coast Guard Reserves for items or activities which were not so charged during fiscal year 1997.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For necessary expenses, not otherwise provided for, for applied scientific research, development, test, and evaluation; maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, $21,722,000, to remain available until expended, of which $3,492,000 shall be derived from the Oil Spill Liability Trust Fund: Provided, That there may be credited to and used for the purposes of this appropriation funds received from State and local governments, other public authorities, private sources, and foreign countries, for expenses incurred for research, development, testing, and evaluation.

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including operations and research activities related to commercial space transportation, administrative expenses for research and development, establishment of air navigation facilities, the operation (including leasing) and maintenance of aircraft, subsidizing the cost of aeronautical charts and maps sold to the public, lease or purchase of passenger motor vehicles for replacement only, in addition to amounts made available by Public Law 104–264, $6,916,000,000, of which $5,777,219,000 shall be derived from the Airport and Airway Trust Fund: Provided, That there may be credited to this appropriation funds received from States, counties, municipalities, foreign authorities, other public authorities, and private sources, for expenses incurred in the provision of agency services, including receipts for the maintenance and operation of air navigation facilities, and for issuance, renewal or modification of certificates, including airman, aircraft, and repair station certificates, or for tests related thereto, or for processing major repair or alteration forms: Provided further, That of the funds appropriated under this heading, not less than $6,000,000 shall be for the contract tower cost-sharing program: Provided further, That funds may be used to enter into a grant agreement with a nonprofit standard-setting organization to assist in the development of aviation safety standards: Provided further, That none of the funds in this Act shall be available for new applicants for the second career training program: Provided further, That none of the funds in this Act shall be available for paying premium pay under 5 U.S.C. 5546(a) to any Federal Aviation Administration employee unless such employee actually performed work during the time corresponding to such premium pay: Provided further, That none of the funds in this Act may be obligated or expended to operate a manned auxiliary flight service station in the contiguous United States.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for acquisition, establishment, and improvement by contract or purchase, and hire of air navigation and experimental facilities and equipment as authorized under part A of subtitle VII of title 49, United States Code, including initial acquisition of necessary sites by lease or grant; engineering and service testing, including construction of test facilities and acquisition of necessary sites by lease or grant; construction and furnishing of quarters and related accommodations for officers and employees of the Federal Aviation Administration stationed at remote localities where such accommodations are not available; and the purchase, lease, or transfer of aircraft from funds available under this heading; to be derived from the Airport and Airway Trust Fund, $2,914,000,000, of which $2,536,900,000 shall remain available until September 30, 2004, and of which $377,100,000 shall remain available until September 30, 2002: Provided, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the establishment and modernization of air navigation facilities: Provided further, That upon initial submission to the Congress of the fiscal year 2003 President's budget, the Secretary of Transportation shall transmit to the Congress a comprehensive capital investment plan for the Federal Aviation Administration which includes funding for each budget line item for fiscal years 2003 through 2007, with total funding for each year of the plan constrained to the funding targets for those years as estimated and approved by the Office of Management and Budget: Provided further, That the amount herein appropriated shall be reduced by $100,000 per day for each day after initial submission of the President's budget that the plan has not been submitted to the Congress.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for research, engineering, and development, as authorized under part A of subtitle VII of title 49, United States Code, including construction of experimental facilities and acquisition of necessary sites by lease or grant, $195,808,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 2004: Provided, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for research, engineering, and development.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(AIRPORT AND AIRWAY TRUST FUND)

For liquidation of obligations incurred for grants-in-aid for airport planning and development, and noise compatibility planning and programs as authorized under subchapter I of chapter 471 and subchapter I of chapter 475 of title 49, United States Code, and under other law authorizing such obligations; for administration of such programs and of programs under section 40117 of such title; and for inspection activities and administration of airport safety programs, including those related to airport operating certificates under section 44706 of title 49, United States Code, $1,800,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: Provided, That none of the funds under this heading shall be available for the planning or execution of programs the obligations for which are in excess of $3,300,000,000 in fiscal year 2002, notwithstanding section 47117(h) of title 49, United States Code: Provided further, That notwithstanding any other provision of law, not more than $64,597,000 of funds limited under this heading shall be obligated for administration: Provided further, That of the funds under this heading, not more than $10,000,000 may be available to carry out the Essential Air Service program under subchapter II of chapter 417 of title 49 U.S.C., pursuant to section 41742(a) of such title.

GRANTS-IN-AID FOR AIRPORTS

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

Of the unobligated balances authorized under 49 U.S.C. 48103, as amended, $301,720,000 are rescinded.

SMALL COMMUNITY AIR SERVICE DEVELOPMENT

For necessary expenses to carry out the Small Community Air Service Development Pilot Program under section 41743 of title 49 U.S.C., $20,000,000, to remain available until expended.

AVIATION INSURANCE REVOLVING FUND

The Secretary of Transportation is hereby authorized to make such expenditures and investments, within the limits of funds available pursuant to 49 U.S.C. 44307, and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program for aviation insurance activities under chapter 443 of title 49, United States Code.

FEDERAL HIGHWAY ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Necessary expenses for administration and operation of the Federal Highway Administration, not to exceed $316,521,000, of which $25,000,000 shall be available to the National Scenic Byways program, $500,000 shall be for the Kalispell, Montana Bypass Project, and the remainder shall be paid in accordance with law from appropriations made available by this Act to the Federal Highway Administration together with advances and reimbursements received by the Federal Highway Administration: Provided, That of the funds available under section 104(a) of title 23, United States Code: $7,500,000 shall be available for "Child Passenger Protection Education Grants" under section 2003(b) of Public Law 105–178, as amended; $7,000,000 shall be available for motor carrier safety research; $375,000 shall be available for a traffic project for Auburn University; and $11,000,000 shall be available for the motor carrier crash data improvement program, the commercial driver's license improvement program, and the motor carrier 24-hour telephone hotline.

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

None of the funds in this Act shall be available for the implementation or execution of programs, the obligations for which are in excess of $31,919,103,000 for Federal-aid highways and highway safety construction programs for fiscal year 2002: Provided, That within the $31,919,103,000 obligation limitation on Federal-aid highways and highway safety construction programs, not more than $447,500,000 shall be available for the implementation or execution of programs for transportation research (sections 502, 503, 504, 506, 507, and 508 of title 23, United States Code, as amended; section 5505 of title 49, United States Code, as amended; and sections 5112 and 5204–5209 of Public Law 105–178) for fiscal year 2002: Provided further, That within the $225,000,000 obligation limitation on Intelligent Transportation Systems, the following sums shall be made available for Intelligent Transportation System projects that are designed to achieve the goals and purposes set forth in section 5203 of the Intelligent Transportation Systems Act of 1998 (subtitle C of title V of Public Law 105–178; 112 Stat. 453; 23 U.S.C. 502 note) in the following specified areas:

Indiana Statewide, $1,500,000;

Southeast Corridor, Colorado, $9,900,000;

Jackson Metropolitan, Mississippi, $1,000,000;

Harrison County, Mississippi, $1,000,000;

Indiana, SAFE–T, $3,000,000;

Maine Statewide (Rural), $1,000,000;

Atlanta Metropolitan GRTA, Georgia, $1,000,000;

Moscow, Idaho, $2,000,000;

Washington Metropolitan Region, $4,000,000;

Travel Network, South Dakota, $3,200,000;

Central Ohio, $3,000,000;

Delaware Statewide, $4,000,000;

Santa Teresa, New Mexico, $1,500,000;

Fargo, North Dakota, $1,500,000;

Illinois Statewide, $3,750,000;

Forsyth, Guilford Counties, North Carolina, $2,000,000;

Durham, Wake Counties, North Carolina, $1,000,000;

Chattanooga, Tennessee, $2,380,000;

Nebraska Statewide, $5,000,000;

South Carolina Statewide, $7,000,000;

Texas Statewide, $4,000,000;

Hawaii Statewide, $1,750,000;

Wisconsin Statewide, $2,000,000;

Arizona Statewide EMS, $1,000,000;

Vermont Statewide (Rural), $1,500,000;

Rutland, Vermont, $1,200,000;

Detroit, Michigan (Airport), $4,500,000;

Macomb, Michigan (border crossing), $2,000,000;

Sacramento, California, $6,000,000;

Lexington, Kentucky, $1,500,000;

Maryland Statewide, $2,000,000;

Clark County, Washington, $1,000,000;

Washington Statewide, $6,000,000;

Southern Nevada (bus), $2,200,000;

Santa Anita, California, $1,000,000;

Las Vegas, Nevada, $3,000,000;

North Greenbush, New York, $2,000,000;

New York, New Jersey, Connecticut (TRANSCOM), $7,000,000;

Crash Notification, Alabama, $2,500,000;

Philadelphia, Pennsylvania (Drexel), $3,000,000;

Pennsylvania Statewide (Turnpike), $1,000,000;

Alaska Statewide, $3,000,000;

St. Louis, Missouri, $1,500,000;

Wisconsin Communications Network, $620,000: Provided further, That, notwithstanding any other provision of law, funds authorized under section 110 of title 23, United States Code, for fiscal year 2002 shall be apportioned to the States in accordance with the distribution set forth in section 110(b)(4)(A) and (B) of title 23, United States Code, except that before such apportionments are made, $35,565,651 shall be set aside for the program authorized under section 1101(a)(8)(A) of the Transportation Equity Act for the 21st Century, as amended, and section 204 of title 23, United States Code; $31,815,091 shall be set aside for the program authorized under section 1101(a)(8)(B) of the Transportation Equity Act for the 21st Century, as amended, and section 204 of title 23, United States Code; $21,339,391 shall be set aside for the program authorized under section 1101(a)(8)(C) of the Transportation Equity Act for the 21st Century, as amended, and section 204 of title 23, United States Code; $2,586,593 shall be set aside for the program authorized under section 1101(a)(8)(D) of the Transportation Equity Act for the 21st Century, as amended, and section 204 of title 23, United States Code; $4,989,367 shall be set aside for the program authorized under section 129(c) of title 23, United States Code, and section 1064 of the Intermodal Surface Transportation Efficiency Act of 1991, as amended; $230,681,878 shall be set aside for the programs authorized under sections 1118 and 1119 of the Transportation Equity Act for the 21st Century, as amended; $3,348,128 shall be set aside for the program authorized under section 1101(a)(11) of the Transportation Equity Act for the 21st Century, as amended and section 162 of title 23, United States Code; $13,129,913 shall be set aside for the program authorized under section 118(c) of title 23, United States Code; $13,129,913 shall be set aside for the program authorized under section 144(g) of title 23, United States Code; $55,000,000 shall be set aside for the program authorized under section 1221 of the Transportation Equity Act for the 21st Century, as amended; $100,000,000 shall be set aside to carry out a matching grant program to promote access to alternative methods of transportation; $45,000,000 shall be set aside to carry out a pilot program that promotes innovative transportation solutions for people with disabilities; and $23,896,000 shall be set aside and transferred to the Federal Motor Carrier Safety Administration as authorized by section 102 of Public Law 106–159: Provided further, That, of the funds to be apportioned to each State under section 110 for fiscal year 2002, the Secretary shall ensure that such funds are apportioned for the programs authorized under sections 1101(a)(1), 1101(a)(2), 1101(a)(3), 1101(a)(4), and 1101(a)(5) of the Transportation Equity Act for the 21st Century, as amended, in the same ratio that each State is apportioned funds for such programs in fiscal year 2002 but for this section.

FEDERAL-AID HIGHWAYS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

Notwithstanding any other provision of law, for carrying out the provisions of title 23, United States Code, that are attributable to Federal-aid highways, including the National Scenic and Recreational Highway as authorized by 23 U.S.C. 148, not otherwise provided, including reimbursement for sums expended pursuant to the provisions of 23 U.S.C. 308, $30,000,000,000 or so much thereof as may be available in and derived from the Highway Trust Fund, to remain available until expended.

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

For necessary expenses for the Appalachian Development Highway System as authorized under Section 1069(y) of Public Law 102–240, as amended, $350,000,000, to remain available until expended.

STATE INFRASTRUCTURE BANKS

(RESCISSION)

Of the funds made available for State Infrastructure Banks in Public Law 104–205, $5,750,000 are rescinded.

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

MOTOR CARRIER SAFETY

LIMITATION ON ADMINISTRATIVE EXPENSES

(INCLUDING RESCISSION OF FUNDS)

For necessary expenses for administration of motor carrier safety programs and motor carrier safety research, pursuant to section 104(a)(1)(B) of title 23, United States Code, not to exceed $105,000,000 shall be paid in accordance with law from appropriations made available by this Act and from any available take-down balances to the Federal Motor Carrier Safety Administration, together with advances and reimbursements received by the Federal Motor Carrier Safety Administration, of which $5,000,000 is for the motor carrier safety operations program: Provided, That such amounts shall be available to carry out the functions and operations of the Federal Motor Carrier Safety Administration.

(RESCISSION)

Of the unobligated balances authorized under 23 U.S.C. 104(a)(1)(B), $6,665,342 are rescinded.

NATIONAL MOTOR CARRIER SAFETY PROGRAM

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

(INCLUDING RESCISSION OF CONTRACT AUTHORIZATION)

For payment of obligations incurred in carrying out 49 U.S.C. 31102, 31106 and 31309, $204,837,000, to be derived from the Highway Trust Fund and to remain available until expended: Provided, That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of $183,059,000 for "Motor Carrier Safety Grants", and "Information Systems": Provided further, That notwithstanding any other provision of law, of the $22,837,000 provided under 23 U.S.C. 110, $18,000,000 shall be for border State grants and $4,837,000 shall be for State commercial driver's license program improvements.

Of the unobligated balances authorized under 49 U.S.C. 31102, 31106, and 31309, $2,332,546 are rescinded.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

OPERATIONS AND RESEARCH

For expenses necessary to discharge the functions of the Secretary, with respect to traffic and highway safety under chapter 301 of title 49, United States Code, and part C of subtitle VI of title 49, United States Code, $132,000,000 of which $96,360,000 shall remain available until September 30, 2004: Provided, That none of the funds appropriated by this Act may be obligated or expended to plan, finalize, or implement any rulemaking to add to section 575.104 of title 49 of the Code of Federal Regulations any requirement pertaining to a grading standard that is different from the three grading standards (treadwear, traction, and temperature resistance) already in effect.

OPERATIONS AND RESEARCH

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

(INCLUDING RESCISSION OF CONTRACT AUTHORIZATION)

For payment of obligations incurred in carrying out the provisions of 23 U.S.C. 403, to remain available until expended, $72,000,000, to be derived from the Highway Trust Fund: Provided, That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which, in fiscal year 2002, are in excess of $72,000,000 for programs authorized under 23 U.S.C. 403.

Of the unobligated balances authorized under 23 U.S.C. 403, $1,516,000 are rescinded.

NATIONAL DRIVER REGISTER

(HIGHWAY TRUST FUND)

For expenses necessary to discharge the functions of the Secretary with respect to the National Driver Register under chapter 303 of title 49, United States Code, $2,000,000, to be derived from the Highway Trust Fund, and to remain available until expended.

HIGHWAY TRAFFIC SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

(INCLUDING RESCISSION OF CONTRACT AUTHORIZATION)

Notwithstanding any other provision of law, for payment of obligations incurred in carrying out the provisions of 23 U.S.C. 402, 405, 410, and 411 to remain available until expended, $223,000,000, to be derived from the Highway Trust Fund: Provided, That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which, in fiscal year 2002, are in excess of $223,000,000 for programs authorized under 23 U.S.C. 402, 405, 410, and 411 of which $160,000,000 shall be for "Highway Safety Programs" under 23 U.S.C. 402, $15,000,000 shall be for "Occupant Protection Incentive Grants" under 23 U.S.C. 405, $38,000,000 shall be for "Alcohol-Impaired Driving Countermeasures Grants" under 23 U.S.C. 410, and $10,000,000 shall be for the "State Highway Safety Data Grants" under 23 U.S.C. 411: Provided further, That none of these funds shall be used for construction, rehabilitation, or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures: Provided further, That not to exceed $8,000,000 of the funds made available for section 402, not to exceed $750,000 of the funds made available for section 405, not to exceed $1,900,000 of the funds made available for section 410, and not to exceed $500,000 of the funds made available for section 411 shall be available to NHTSA for administering highway safety grants under chapter 4 of title 23, United States Code: Provided further, That not to exceed $500,000 of the funds made available for section 410 "Alcohol-Impaired Driving Countermeasures Grants" shall be available for technical assistance to the States.

Of the unobligated balances authorized under 23 U.S.C. 402, 405, 410, and 411, $468,600 are rescinded.

FEDERAL RAILROAD ADMINISTRATION

SAFETY AND OPERATIONS

For necessary expenses of the Federal Railroad Administration, not otherwise provided for, $111,357,000, of which $6,159,000 shall remain available until expended: Provided, That, as part of the Washington Union Station transaction in which the Secretary assumed the first deed of trust on the property and, where the Union Station Redevelopment Corporation or any successor is obligated to make payments on such deed of trust on the Secretary's behalf, including payments on and after September 30, 1988, the Secretary is authorized to receive such payments directly from the Union Station Redevelopment Corporation, credit them to the appropriation charged for the first deed of trust, and make payments on the first deed of trust with those funds: Provided further, That such additional sums as may be necessary for payment on the first deed of trust may be advanced by the Administrator from unobligated balances available to the Federal Railroad Administration, to be reimbursed from payments received from the Union Station Redevelopment Corporation.

RAILROAD RESEARCH AND DEVELOPMENT

For necessary expenses for railroad research and development, $30,325,000, to remain available until expended.

RAILROAD REHABILITATION AND IMPROVEMENT PROGRAM

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94–210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: Provided, That pursuant to section 502 of such Act, as amended, no new direct loans or loan guarantee commitments shall be made using Federal funds for the credit risk premium during fiscal year 2002.

NEXT GENERATION HIGH-SPEED RAIL

For necessary expenses for the Next Generation High-Speed Rail program as authorized under 49 U.S.C. 26101 and 26102, $40,000,000, to remain available until expended.

ALASKA RAILROAD REHABILITATION

To enable the Secretary of Transportation to make grants to the Alaska Railroad, $20,000,000 shall be for capital rehabilitation and improvements benefiting its passenger operations, to remain available until expended.

NATIONAL RAIL DEVELOPMENT AND REHABILITATION

To enable the Secretary to make grants and enter into contracts for the development and rehabilitation of freight and passenger rail infrastructure, $12,000,000, to remain available until expended.

CAPITAL GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

For necessary expenses of capital improvements of the National Railroad Passenger Corporation as authorized by 49 U.S.C. 24104(a), $521,476,000, to remain available until expended.

FEDERAL TRANSIT ADMINISTRATION

ADMINISTRATIVE EXPENSES

For necessary administrative expenses of the Federal Transit Administration's programs authorized by chapter 53 of title 49, United States Code, $13,400,000: Provided, That no more than $67,000,000 of budget authority shall be available for these purposes: Provided further, That of the funds in this Act available for execution of contracts under section 5327(c) of title 49, United States Code, $2,000,000 shall be reimbursed to the Department of Transportation's Office of Inspector General for costs associated with audits and investigations of transit-related issues, including reviews of new fixed guideway systems: Provided further, That not to exceed $2,600,000 for the National Transit Database shall remain available until expended.

FORMULA GRANTS

For necessary expenses to carry out 49 U.S.C. 5307, 5308, 5310, 5311, 5327, and section 3038 of Public Law 105–178, $718,400,000, to remain available until expended: Provided, That no more than $3,592,000,000 of budget authority shall be available for these purposes: Provided further, That, notwithstanding any other provision of law, of the funds provided under this heading, $5,000,000 shall be available for grants for the costs of planning, delivery, and temporary use of transit vehicles for special transportation needs and construction of temporary transportation facilities for the VIII Paralympiad for the Disabled, to be held in Salt Lake City, Utah: Provided further, That in allocating the funds designated in the preceding proviso, the Secretary shall make grants only to the Utah Department of Transportation, and such grants shall not be subject to any local share requirement or limitation on operating assistance under this Act or the Federal Transit Act, as amended: Provided further, That notwithstanding section 3008 of Public Law 105–78, $3,350,000 of the funds to carry out 49 U.S.C. 5308 shall be transferred to and merged with funding provided for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities under "Federal Transit Administration, Capital investment grants".

UNIVERSITY TRANSPORTATION RESEARCH

For necessary expenses to carry out 49 U.S.C. 5505, $1,200,000, to remain available until expended: Provided, That no more than $6,000,000 of budget authority shall be available for these purposes.

TRANSIT PLANNING AND RESEARCH

For necessary expenses to carry out 49 U.S.C. 5303, 5304, 5305, 5311(b)(2), 5312, 5313(a), 5314, 5315, and 5322, $23,000,000, to remain available until expended: Provided, That no more than $116,000,000 of budget authority shall be available for these purposes: Provided further, That $5,250,000 is available to provide rural transportation assistance (49 U.S.C. 5311(b)(2)), $4,000,000 is available to carry out programs under the National Transit Institute (49 U.S.C. 5315), $8,250,000 is available to carry out transit cooperative research programs (49 U.S.C. 5313(a)), $55,422,400 is available for metropolitan planning (49 U.S.C. 5303, 5304, and 5305), $11,577,600 is available for State planning (49 U.S.C. 5313(b)); and $31,500,000 is available for the national planning and research program (49 U.S.C. 5314).

TRUST FUND SHARE OF EXPENSES

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

Notwithstanding any other provision of law, for payment of obligations incurred in carrying out 49 U.S.C. 5303–5308, 5310–5315, 5317(b), 5322, 5327, 5334, 5505, and sections 3037 and 3038 of Public Law 105–178, $5,397,800,000, to remain available until expended, and to be derived from the Mass Transit Account of the Highway Trust Fund: Provided, That $2,873,600,000 shall be paid to the Federal Transit Administration's formula grants account: Provided further, That $93,000,000 shall be paid to the Federal Transit Administration's transit planning and research account: Provided further, That $53,600,000 shall be paid to the Federal Transit Administration's administrative expenses account: Provided further, That $4,800,000 shall be paid to the Federal Transit Administration's university transportation research account: Provided further, That $100,000,000 shall be paid to the Federal Transit Administration's job access and reverse commute grants program: Provided further, That $2,272,800,000 shall be paid to the Federal Transit Administration's capital investment grants account.

CAPITAL INVESTMENT GRANTS

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out 49 U.S.C. 5308, 5309, 5318, and 5327, $668,200,000, to remain available until expended: Provided, That no more than $2,941,000,000 of budget authority shall be available for these purposes: Provided further, That notwithstanding any other provision of law, there shall be available for fixed guideway modernization, $1,136,400,000; there shall be available for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities, $568,200,000 together with $3,350,000 transferred from "Federal Transit Administration, Formula grants" to allow the Secretary to make a grant of $350,000 to Alameda Contra Costa County Transit District, California and a grant of $6,000,000 for Central Oklahoma Transit facilities and there shall be available for new fixed guideway systems $1,236,400,000, to be available for transit new starts; to be available as follows:

$192,492 for Denver, Colorado, Southwest corridor light rail transit project;

$3,000,000 for Northeast Indianapolis downtown corridor project;

$3,000,000 for Northern Indiana South Shore commuter rail project;

$15,000,000 for Salt Lake City, Utah, CBD to University light rail transit project;

$6,000,000 for Salt Lake City, Utah, University Medical Center light rail transit extension project;

$2,000,000 for Salt Lake City, Utah, Ogden-Provo commuter rail project;

$4,000,000 for Wilmington, Delaware, Transit Corridor project;

$500,000 for Yosemite Area Regional Transportation System project;

$60,000,000 for Denver, Colorado, Southeast corridor light rail transit project;

$10,000,000 for Kansas City, Missouri, Central Corridor Light Rail transit project;

$25,000,000 for Atlanta, Georgia, MARTA extension project;

$2,000,000 for Maine Marine Highway development project;

$151,069,771 for New Jersey, Hudson-Bergen light rail transit project;

$20,000,000 for Newark-Elizabeth, New Jersey, rail link project;

$3,000,000 for New Jersey Urban Core Newark Penn Station improvements project;

$7,000,000 for Cleveland, Ohio, Euclid corridor extension project;

$2,000,000 for Albuquerque, New Mexico, light rail project;

$35,000,000 for Chicago, Illinois, Douglas branch reconstruction project;

$5,000,000 for Chicago, Illinois, Ravenswood line extension project;

$24,223,268 for St. Louis, Missouri, Metrolink St. Clair extension project;

$30,000,000 for Chicago, Illinois, Metra North central, South West, Union Pacific commuter project;

$10,000,000 for Charlotte, North Carolina, South corridor light rail transit project;

$9,000,000 for Raleigh, North Carolina, Triangle transit project;

$65,000,000 for San Diego, California, Mission Valley East light rail transit extension project;

$10,000,000 for Los Angeles, California, East Side corridor light rail transit project;

$80,605,331 for San Francisco, California, BART extension project;

$9,289,557 for Los Angeles, California, North Hollywood extension project;

$5,000,000 for Stockton, California, Altamont commuter rail project;

$113,336 for San Jose, California, Tasman West, light rail transit project;

$6,000,000 for Nashville, Tennessee, Commuter rail project;

$19,170,000 for Memphis, Tennessee, Medical Center rail extension project;

$150,000 for Des Moines, Iowa, DSM bus feasibility project;

$100,000 for Macro Vision Pioneer, Iowa, light rail feasibility project;

$3,500,000 for Sioux City, Iowa, light rail project;

$300,000 for Dubuque, Iowa, light rail feasibility project;

$2,000,000 for Charleston, South Carolina, Monobeam project;

$5,000,000 for Anderson County, South Carolina, transit system project;

$70,000,000 for Dallas, Texas, North central light rail transit extension project;

$25,000,000 for Houston, Texas, Metro advanced transit plan project;

$4,000,000 for Fort Worth, Texas, Trinity railway express project;

$12,000,000 for Honolulu, Hawaii, Bus rapid transit project;

$10,631,245 for Boston, Massachusetts, South Boston Piers transitway project;

$1,000,000 for Boston, Massachusetts, Urban ring transit project;

$4,000,000 for Kenosha-Racine, Milwaukee Wisconsin, commuter rail extension project;

$23,000,000 for New Orleans, Louisiana, Canal Street car line project;

$7,000,000 for New Orleans, Louisiana, Airport CBD commuter rail project;

$3,000,000 for Burlington, Vermont, Burlington to Middlebury rail line project;

$1,000,000 for Detroit, Michigan, light rail airport link project;

$1,500,000 for Grand Rapids, Michigan, ITP metro area, major corridor project;

$500,000 for Iowa, Metrolink light rail feasibility project;

$6,000,000 for Fairfield, Connecticut, Commuter rail project;

$4,000,000 for Stamford, Connecticut, Urban transitway project;

$3,000,000 for Little Rock, Arkansas, River rail project;

$14,000,000 for Maryland, MARC commuter rail improvements projects;

$3,000,000 for Baltimore, Maryland rail transit project;

$60,000,000 for Largo, Maryland, metrorail extension project;

$18,110,000 for Baltimore, Maryland, central light rail transit double track project;

$24,500,000 for Puget Sound, Washington, Sounder commuter rail project;

$30,000,000 for Fort Lauderdale, Florida, Tri-County commuter rail project;

$8,000,000 for Pawtucket-TF Green, Rhode Island, commuter rail and maintenance facility project;

$1,500,000 for Johnson County, Kansas, commuter rail project;

$20,000,000 for Long Island Railroad, New York, east side access project;

$3,000,000 for New York, New York, Second Avenue subway project;

$4,000,000 for Birmingham, Alabama, transit corridor project;

$5,000,000 for Nashua, New Hampshire-Lowell, Massachusetts, commuter rail project;

$10,000,000 for Pittsburgh, Pennsylvania, North Shore connector light rail extension project;

$13,000,000 for Philadelphia, Pennsylvania, Schuykill Valley metro project;

$3,000,000 for Philadelphia, Pennsylvania, Cross County metro project;

$20,000,000 for Pittsburgh, Pennsylvania, stage II light rail transit reconstruction project;

$2,500,000 for Scranton, Pennsylvania, rail service to New York City project;

$2,500,000 for Wasilla, Alaska, alternate route project;

$1,000,000 for Ohio, Central Ohio North Corridor rail (COTA) project;

$4,000,000 for Virginia, VRE station improvements project;

$50,000,000 for Twin Cities, Minnesota, Hiawatha Corridor light rail transit project;

$70,000,000 for Portland, Oregon, Interstate MAX light rail transit extension project;

$50,149,000 for San Juan, Tren Urbano project;

$10,296,000 for Alaska and Hawaii Ferry projects.

JOB ACCESS AND REVERSE COMMUTE GRANTS

Notwithstanding section 3037(l)(3) of Public Law 105–178, as amended, for necessary expenses to carry out section 3037 of the Federal Transit Act of 1998, $25,000,000, to remain available until expended: Provided, That no more than $125,000,000 of budget authority shall be available for these purposes: Provided further, That up to $250,000 of the funds provided under this heading may be used by the Federal Transit Administration for technical assistance and support and performance reviews of the Job Access and Reverse Commute Grants program.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to the Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Corporation's budget for the current fiscal year.

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

For necessary expenses for operations and maintenance of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation, $13,345,000, to be derived from the Harbor Maintenance Trust Fund, pursuant to Public Law 99–662.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

RESEARCH AND SPECIAL PROGRAMS

For expenses necessary to discharge the functions of the Research and Special Programs Administration, $41,993,000, of which $645,000 shall be derived from the Pipeline Safety Fund, and of which $5,434,000 shall remain available until September 30, 2004: Provided, That up to $1,200,000 in fees collected under 49 U.S.C. 5108(g) shall be deposited in the general fund of the Treasury as offsetting receipts: Provided further, That there may be credited to this appropriation, to be available until expended, funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training, for reports publication and dissemination, and for travel expenses incurred in performance of hazardous materials exemptions and approvals functions.

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

(OIL SPILL LIABILITY TRUST FUND)

For expenses necessary to conduct the functions of the pipeline safety program, for grants-in-aid to carry out a pipeline safety program, as authorized by 49 U.S.C. 60107, and to discharge the pipeline program responsibilities of the Oil Pollution Act of 1990, $58,750,000, of which $11,472,000 shall be derived from the Oil Spill Liability Trust Fund and shall remain available until September 30, 2003; of which $47,278,000 shall be derived from the Pipeline Safety Fund, of which $30,828,000 shall remain available until September 30, 2004.

EMERGENCY PREPAREDNESS GRANTS

(EMERGENCY PREPAREDNESS FUND)

For necessary expenses to carry out 49 U.S.C. 5127(c), $200,000, to be derived from the Emergency Preparedness Fund, to remain available until September 30, 2004: Provided, That not more than $14,300,000 shall be made available for obligation in fiscal year 2002 from amounts made available by 49 U.S.C. 5116(i) and 5127(d): Provided further, That none of the funds made available by 49 U.S.C. 5116(i) and 5127(d) shall be made available for obligation by individuals other than the Secretary of Transportation, or his designee.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General to carry out the provisions of the Inspector General Act of 1978, as amended, $50,614,000: Provided, That the Inspector General shall have all necessary authority, in carrying out the duties specified in the Inspector General Act, as amended (5 U.S.C. App. 3) to investigate allegations of fraud, including false statements to the government (18 U.S.C. 1001), by any person or entity that is subject to regulation by the Department: Provided further, That the funds made available under this heading shall be used to investigate, pursuant to section 41712 of title 49, United States Code: (1) unfair or deceptive practices and unfair methods of competition by domestic and foreign air carriers and ticket agents; and (2) the compliance of domestic and foreign air carriers with respect to item (1) of this proviso.

SURFACE TRANSPORTATION BOARD

SALARIES AND EXPENSES

For necessary expenses of the Surface Transportation Board, including services authorized by 5 U.S.C. 3109, $18,457,000: Provided, That notwithstanding any other provision of law, not to exceed $950,000 from fees established by the Chairman of the Surface Transportation Board shall be credited to this appropriation as offsetting collections and used for necessary and authorized expenses under this heading: Provided further, That the sum herein appropriated from the general fund shall be reduced on a dollar-for-dollar basis as such offsetting collections are received during fiscal year 2002, to result in a final appropriation from the general fund estimated at no more than $17,507,000.

BUREAU OF TRANSPORTATION STATISTICS

OFFICE OF AIRLINE INFORMATION

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses of the Office of Airline Information, under chapter 111 of title 49, United States Code, $3,760,000, to be derived from the Airport and Airway Trust Fund as authorized by Section 103(b) of Public Law 106–181.

TITLE II

RELATED AGENCIES

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SALARIES AND EXPENSES

For expenses necessary for the Architectural and Transportation Barriers Compliance Board, as authorized by section 502 of the Rehabilitation Act of 1973, as amended, $5,015,000: Provided, That, notwithstanding any other provision of law, there may be credited to this appropriation funds received for publications and training expenses.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the National Transportation Safety Board, including hire of passenger motor vehicles and aircraft; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS–15; uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901–5902) $70,000,000, of which not to exceed $2,000 may be used for official reception and representation expenses.

TITLE III—GENERAL PROVISIONS

(INCLUDING TRANSFERS OF FUNDS)

SEC. 301. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; purchase of liability insurance for motor vehicles operating in foreign countries on official department business; and uniforms, or allowances therefore, as authorized by law (5 U.S.C. 5901–5902).

SEC. 302. Such sums as may be necessary for fiscal year 2002 pay raises for programs funded in this Act shall be absorbed within the levels appropriated in this Act or previous appropriations Acts.

SEC. 303. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for an Executive Level IV.

SEC. 304. None of the funds in this Act shall be available for salaries and expenses of more than 98 political and Presidential appointees in the Department of Transportation.

SEC. 305. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.

SEC. 306. None of the funds appropriated in this Act shall remain available for obligation beyond the current fiscal year, nor may any be transferred to other appropriations, unless expressly so provided herein.

SEC. 307. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 308. (a) No recipient of funds made available in this Act shall disseminate personal information (as defined in 18 U.S.C. 2725(3)) obtained by a State department of motor vehicles in connection with a motor vehicle record as defined in 18 U.S.C. 2725(1), except as provided in 18 U.S.C. 2721 for a use permitted under 18 U.S.C. 2721.

(b) Notwithstanding subsection (a), the Secretary shall not withhold funds provided in this Act for any grantee if a State is in noncompliance with this provision.

SEC. 309. (a) For fiscal year 2002, the Secretary of Transportation shall—

(1) not distribute from the obligation limitation for Federal-aid Highways amounts authorized for administrative expenses and programs funded from the administrative takedown authorized by section 104(a)(1)(A) of title 23, United States Code, for the highway use tax evasion program, amounts provided under section 110 of title 23, United States Code, and for the Bureau of Transportation Statistics;

(2) not distribute an amount from the obligation limitation for Federal-aid Highways that is equal to the unobligated balance of amounts made available from the Highway Trust Fund (other than the Mass Transit Account) for Federal-aid highways and highway safety programs for the previous fiscal year the funds for which are allocated by the Secretary;

(3) determine the ratio that—

(A) the obligation limitation for Federal-aid Highways less the aggregate of amounts not distributed under paragraphs (1) and (2), bears to

(B) the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction programs (other than sums authorized to be appropriated for sections set forth in paragraphs (1) through (7) of subsection (b) and sums authorized to be appropriated for section 105 of title 23, United States Code, equal to the amount referred to in subsection (b)(8)) for such fiscal year less the aggregate of the amounts not distributed under paragraph (1) of this subsection;

(4) distribute the obligation limitation for Federal-aid Highways less the aggregate amounts not distributed under paragraphs (1) and (2) of section 117 of title 23, United States Code (relating to high priority projects program), section 201 of the Appalachian Regional Development Act of 1965, the Woodrow Wilson Memorial Bridge Authority Act of 1995, and $2,000,000,000 for such fiscal year under section 105 of title 23, United States Code (relating to minimum guarantee) so that the amount of obligation authority available for each of such sections is equal to the amount determined by multiplying the ratio determined under paragraph (3) by the sums authorized to be appropriated for such section (except in the case of section 105, $2,000,000,000) for such fiscal year;

(5) distribute the obligation limitation provided for Federal-aid Highways less the aggregate amounts not distributed under paragraphs (1) and (2) and amounts distributed under paragraph (4) for each of the programs that are allocated by the Secretary under title 23, United States Code (other than activities to which paragraph (1) applies and programs to which paragraph (4) applies) by multiplying the ratio determined under paragraph (3) by the sums authorized to be appropriated for such program for such fiscal year; and

(6) distribute the obligation limitation provided for Federal-aid Highways less the aggregate amounts not distributed under paragraphs (1) and (2) and amounts distributed under paragraphs (4) and (5) for Federal-aid highways and highway safety construction programs (other than the minimum guarantee program, but only to the extent that amounts apportioned for the minimum guarantee program for such fiscal year exceed $2,639,000,000, and the Appalachian development highway system program) that are apportioned by the Secretary under title 23, United States Code, in the ratio that—

(A) sums authorized to be appropriated for such programs that are apportioned to each State for such fiscal year, bear to

(B) the total of the sums authorized to be appropriated for such programs that are apportioned to all States for such fiscal year.

(b) EXCEPTIONS FROM OBLIGATION LIMITATION.—The obligation limitation for Federal-aid Highways shall not apply to obligations: (1) under section 125 of title 23, United States Code; (2) under section 147 of the Surface Transportation Assistance Act of 1978; (3) under section 9 of the Federal-Aid Highway Act of 1981; (4) under sections 131(b) and 131(j) of the Surface Transportation Assistance Act of 1982; (5) under sections 149(b) and 149(c) of the Surface Transportation and Uniform Relocation Assistance Act of 1987; (6) under sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991; (7) under section 157 of title 23, United States Code, as in effect on the day before the date of the enactment of the Transportation Equity Act for the 21st Century; and (8) under section 105 of title 23, United States Code (but, only in an amount equal to $639,000,000 for such fiscal year).

(c) REDISTRIBUTION OF UNUSED OBLIGATION AUTHORITY.—Notwithstanding subsection (a), the Secretary shall after August 1 for such fiscal year revise a distribution of the obligation limitation made available under subsection (a) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year giving priority to those States having large unobligated balances of funds apportioned under sections 104 and 144 of title 23, United States Code, section 160 (as in effect on the day before the enactment of the Transportation Equity Act for the 21st Century) of title 23, United States Code, and under section 1015 of the Intermodal Surface Transportation Act of 1991 (105 Stat. 1943–1945).

(d) APPLICABILITY OF OBLIGATION LIMITATIONS TO TRANSPORTATION RESEARCH PROGRAMS.—The obligation limitation shall apply to transportation research programs carried out under chapter 5 of title 23, United States Code, except that obligation authority made available for such programs under such limitation shall remain available for a period of 3 fiscal years.

(e) REDISTRIBUTION OF CERTAIN AUTHORIZED FUNDS.—Not later than 30 days after the date of the distribution of obligation limitation under subsection (a), the Secretary shall distribute to the States any funds: (1) that are authorized to be appropriated for such fiscal year for Federal-aid highways programs (other than the program under section 160 of title 23, United States Code) and for carrying out subchapter I of chapter 311 of title 49, United States Code, and highway-related programs under chapter 4 of title 23, United States Code; and (2) that the Secretary determines will not be allocated to the States, and will not be available for obligation, in such fiscal year due to the imposition of any obligation limitation for such fiscal year. Such distribution to the States shall be made in the same ratio as the distribution of obligation authority under subsection (a)(6). The funds so distributed shall be available for any purposes described in section 133(b) of title 23, United States Code.

(f) SPECIAL RULE.—Obligation limitation distributed for a fiscal year under subsection (a)(4) of this section for a section set forth in subsection (a)(4) shall remain available until used and shall be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.

SEC. 310. The limitations on obligations for the programs of the Federal Transit Administration shall not apply to any authority under 49 U.S.C. 5338, previously made available for obligation, or to any other authority previously made available for obligation.

SEC. 311. None of the funds in this Act shall be used to implement section 404 of title 23, United States Code.

SEC. 312. None of the funds in this Act shall be available to plan, finalize, or implement regulations that would establish a vessel traffic safety fairway less than five miles wide between the Santa Barbara Traffic Separation Scheme and the San Francisco Traffic Separation Scheme.

SEC. 313. Notwithstanding any other provision of law, airports may transfer, without consideration, to the Federal Aviation Administration (FAA) instrument landing systems (along with associated approach lighting equipment and runway visual range equipment) which conform to FAA design and performance specifications, the purchase of which was assisted by a Federal airport-aid program, airport development aid program or airport improvement program grant. The Federal Aviation Administration shall accept such equipment, which shall thereafter be operated and maintained by FAA in accordance with agency criteria.

SEC. 314. Notwithstanding any other provision of law, and except for fixed guideway modernization projects, funds made available by this Act under "Federal Transit Administration, Capital investment grants" for projects specified in this Act or identified in reports accompanying this Act not obligated by September 30, 2004, and other recoveries, shall be made available for other projects under 49 U.S.C. 5309.

SEC. 315. The Secretary of Transportation shall, in cooperation with the Federal Aviation Administrator, encourage a locally developed and executed plan between the State of Illinois, the City of Chicago, and affected communities for the purpose of modernizing O'Hare International Airport, addressing traffic congestion along the Northwest Corridor including western airport access, increasing commercial air service at the Gary-Chicago Airport, increasing commercial air service at the Greater Rockford Airport, preserving and utilizing existing Chicago-area reliever and general aviation airports, and moving forward with a third Chicago-area airport. If such a plan cannot be developed and executed by said parties, the Secretary and the Administrator shall work with Congress to enact a federal solution to address the aviation capacity crisis in the Chicago area, including northwest Indiana.

SEC. 316. Notwithstanding any other provision of law, any funds appropriated before October 1, 2001, under any section of chapter 53 of title 49, United States Code, that remain available for expenditure may be transferred to and administered under the most recent appropriation heading for any such section.

SEC. 317. None of the funds in this Act may be used to compensate in excess of 335 technical staff-years under the federally funded research and development center contract between the Federal Aviation Administration and the Center for Advanced Aviation Systems Development during fiscal year 2002.

SEC. 318. Funds received by the Federal Highway Administration, Federal Transit Administration, and Federal Railroad Administration from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training may be credited respectively to the Federal Highway Administration's "Federal-Aid Highways" account, the Federal Transit Administration's "Transit Planning and Research" account, and to the Federal Railroad Administration's "Safety and Operations" account, except for State rail safety inspectors participating in training pursuant to 49 U.S.C. 20105.

SEC. 319. Effective on the date of enactment of this Act, of the funds made available under section 1101(a)(12) of Public Law 105–178, as amended, $9,231,000 are rescinded.

SEC. 320. Beginning in fiscal year 2002 and thereafter, the Secretary may use up to 1 percent of the amounts made available to carry out 49 U.S.C. 5309 for oversight activities under 49 U.S.C. 5327.

SEC. 321. Funds made available for Alaska or Hawaii ferry boats or ferry terminal facilities pursuant to 49 U.S.C. 5309(m)(2)(B) may be used to construct new vessels and facilities, or to improve existing vessels and facilities, including both the passenger and vehicle-related elements of such vessels and facilities, and for repair facilities: Provided, That not more than $3,000,000 of the funds made available pursuant to 49 U.S.C. 5309(m)(2)(B) may be used by the State of Hawaii to initiate and operate a passenger ferryboat services demonstration project to test the viability of different intra-island and inter-island ferry routes.

SEC. 322. Notwithstanding 31 U.S.C. 3302, funds received by the Bureau of Transportation Statistics from the sale of data products, for necessary expenses incurred pursuant to 49 U.S.C. 111 may be credited to the Federal-aid highways account for the purpose of reimbursing the Bureau for such expenses: Provided, That such funds shall be subject to the obligation limitation for Federal-aid highways and highway safety construction.

SEC. 323. Section 3030(a) of the Transportation Equity Act for the 21st Century (Public Law 105–178) is amended by adding at the end, the following line: "Washington County–Wilsonville to Beaverton commuter rail.".

SEC. 324. Section 3030(b) of the Transportation Equity Act for the 21st Century (Public Law 105–178) is amended by adding at the end the following: "Detroit, Michigan Metropolitan Airport rail project.".

SEC. 325. None of the funds in this Act may be obligated or expended for employee training which: (a) does not meet identified needs for knowledge, skills and abilities bearing directly upon the performance of official duties; (b) contains elements likely to induce high levels of emotional response or psychological stress in some participants; (c) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluations; (d) contains any methods or content associated with religious or quasi-religious belief systems or "new age" belief systems as defined in Equal Employment Opportunity Commission Notice N–915.022, dated September 2, 1988; (e) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace; or (f) includes content related to human immunodeficiency virus/acquired immune deficiency syndrome (HIV/AIDS) other than that necessary to make employees more aware of the medical ramifications of HIV/AIDS and the workplace rights of HIV-positive employees.

SEC. 326. None of the funds in this Act shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegraph, telephone, letter, printed or written material, radio, television, video presentation, electronic communications, or other device, intended or designed to influence in any manner a Member of Congress or of a State legislature to favor or oppose by vote or otherwise, any legislation or appropriation by Congress or a State legislature after the introduction of any bill or resolution in Congress proposing such legislation or appropriation, or after the introduction of any bill or resolution in a State legislature proposing such legislation or appropriation: Provided, That this shall not prevent officers or employees of the Department of Transportation or related agencies funded in this Act from communicating to Members of Congress or to Congress, on the request of any Member, or to members of State legislature, or to a State legislature, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of business.

SEC. 327. (a) IN GENERAL.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a–10c).

(b) SENSE OF THE CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products to the greatest extent practicable.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 328. Notwithstanding any other provision of law, the Commandant of the United States Coast Guard shall maintain an onboard staffing level at the Coast Guard Yard in Curtis Bay, Maryland of not less than 530 full time equivalent civilian employees: Provided, That the Commandant may reconfigure his vessel maintenance schedule and new construction projects to maximize employment at the Coast Guard Yard.

SEC. 329. Rebates, refunds, incentive payments, minor fees and other funds received by the Department from travel management centers, charge card programs, the subleasing of building space, and miscellaneous sources are to be credited to appropriations of the Department and allocated to elements of the Department using fair and equitable criteria and such funds shall be available until December 31, 2002.

SEC. 330. For necessary expenses of the Amtrak Reform Council authorized under section 203 of Public Law 105–134, $420,000, to remain available until September 30, 2003.

SEC. 331. In addition to amounts otherwise made available under this Act, to enable the Secretary of Transportation to make grants for surface transportation projects, $20,000,000, of which $4,000,000 shall be only for the Charleston International Airport, South Carolina parking facility project; $2,000,000 shall be only for the Caraway Overpass Project in Jonesboro, Arkansas; $1,000,000 shall be only for the Moorhead, Minnesota Southeast Main Rail relocation project; $1,500,000 shall be only for the Interstate Route 295 and Commercial Street connector in Portland, Maine; and $500,000 shall be on'y for the Calais, Maine Downeast Heritage Center, access, parking, and pedestrian improvements, to remain available until expended.

SEC. 332. Section 648 of title 14, United States Code, is amended by striking the words "or such similar Coast Guard industrial establishments"; and inserting after the words "Coast Guard Yard": "and other Coast Guard specialized facilities". This paragraph is now labeled "(a)" and a new paragraph "(b)" is added to read as follows:

"(b) For providing support to the Department of Defense, the Coast Guard Yard and other Coast Guard specialized facilities designated by the Commandant shall qualify as components of the Department of Defense for competition and workload assignment purposes. In addition, for purposes of entering into joint public-private partnerships and other cooperative arrangements for the performance of work, the Coast Guard Yard and other Coast Guard specialized facilities may enter into agreements or other arrangements, receive and retain funds from and pay funds to such public and private entities, and may accept contributions of funds, materials, services, and the use of facilities from such entities. Amounts received under this subsection may be credited to appropriate Coast Guard accounts for fiscal year 2002 and for each fiscal year thereafter.".

SEC. 333. None of the funds in this Act may be used to make a grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations not less than three full business days before any discretionary grant award, letter of intent, or full funding grant agreement totaling $1,000,000 or more is announced by the department or its modal administrations from: (1) any discretionary grant program of the Federal Highway Administration other than the emergency relief program; (2) the airport improvement program of the Federal Aviation Administration; or (3) any program of the Federal Transit Administration other than the formula grants and fixed guideway modernization programs: Provided, That no notification shall involve funds that are not available for obligation.

SEC. 334. INCREASE IN MOTOR CARRIER FUNDING. (a) IN GENERAL.—Notwithstanding any other provision of law, whenever an allocation is made of the sums authorized to be appropriated for expenditure on the Federal lands highway program, and whenever an apportionment is made of the sums authorized to be appropriated for expenditure on the surface transportation program, the congestion mitigation and air quality improvement program, the National Highway System, the Interstate maintenance program, the bridge program, the Appalachian development highway system, and the minimum guarantee program, the Secretary of Transportation shall deduct a sum in such amount not to exceed two-fifths of 1 percent of all sums so made available, as the Secretary determines necessary, to administer the provisions of law to be financed from appropriations for motor carrier safety programs and motor carrier safety research. The sum so deducted shall remain available until expended.

(b) EFFECT.—Any deduction by the Secretary of Transportation in accordance with this paragraph shall be deemed to be a deduction under section 104(a)(1)(B) of title 23, United States Code.

SEC. 335. For an airport project that the Administrator of the Federal Aviation Administration (FAA) determines will add critical airport capacity to the national air transportation system, the Administrator is authorized to accept funds from an airport sponsor, including entitlement funds provided under the "Grants-in-Aid for Airports" program, for the FAA to hire additional staff or obtain the services of consultants: Provided, That the Administrator is authorized to accept and utilize such funds only for the purpose of facilitating the timely processing, review, and completion of environmental activities associated with such project.

SEC. 336. None of the funds made available in this Act may be used to further any efforts toward developing a new regional airport for southeast Louisiana until a comprehensive plan is submitted by a commission of stakeholders to the Administrator of the Federal Aviation Administration and that plan, as approved by the Administrator, is submitted to and approved by the Senate Committee on Appropriations and the House Committee on Appropriations.

SEC. 337. Section 8335(a) of title 5, United States Code, is amended by inserting the following before the period in the first sentence: "if the controller qualifies for an immediate annuity at that time. If not eligible for an immediate annuity upon reaching age 56, the controller may work until the last day of the month in which the controller becomes eligible for a retirement annuity unless the Secretary determines that such action would compromise safety".

SEC. 338. Notwithstanding any other provision of law, States may use funds provided in this Act under Section 402 of Title 23, United States Code, to produce and place highway safety public service messages in television, radio, cinema and print media, and on the Internet in accordance with guidance issued by the Secretary of Transportation: Provided, That any State that uses funds for such public service messages shall submit to the Secretary a report describing and assessing the effectiveness of the messages: Provided further, That $15,000,000 designated for innovative grant funds under Section 157 of Title 23, United States Code shall be used for national television and radio advertising to support the national law enforcement mobilizations conducted in all 50 states, aimed at increasing safety belt and child safety seat use and controlling drunk driving.

SEC. 339. Section 1023(h) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 127 note) is amended—

(1) in the subsection heading, by inserting "OVER-THE-ROAD BUSES AND" before "PUBLIC"; and

(2) in paragraph (1), by striking "to any vehicle which" and inserting the following: "to—

"(A) any over-the-road bus, as that term is defined in section 301 of the Americans with Disabilities Act of 1990 (42 U.S.C § 12181); or

"(B) any vehicle that".

SEC. 340. None of the funds in this Act shall be used to pursue or adopt guidelines or regulations requiring airport sponsors to provide to the Federal Aviation Administration without cost building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings for services relating to air traffic control, air navigation or weather reporting. The prohibition of funds in this section does not apply to negotiations between the Agency and airport sponsors to achieve agreement on "below-market" rates for these items or to grant assurances that require airport sponsors to provide land without cost to the FAA for air traffic control facilities.

SEC. 341. None of the funds provided in this Act or prior Appropriations Acts for Coast Guard "Acquisition, construction, and improvements" shall be available after the fifteenth day of any quarter of any fiscal year, unless the Commandant of the Coast Guard first submits a quarterly report to the House and Senate Committees on Appropriations on all major Coast Guard acquisition projects including projects executed for the Coast Guard by the United States Navy and vessel traffic service projects: Provided, That such reports shall include an acquisition schedule, estimated current and year funding requirements, and a schedule of anticipated obligations and outlays for each major acquisition project: Provided further, That such reports shall rate on a relative scale the cost risk, schedule risk, and technical risk associated with each acquisition project and include a table detailing unobligated balances to date and anticipated unobligated balances at the close of the fiscal year and the close of the following fiscal year should the Administration's pending budget request for the acquisition, construction, and improvements account be fully funded: Provided further, That such reports shall also provide abbreviated information on the status of shore facility construction and renovation projects: Provided further, That all information submitted in such reports shall be current as of the last day of the preceding quarter.

SEC. 342. Funds provided in this Act for the Transportation Administrative Service Center (TASC) shall be reduced by $37,000,000, which limits fiscal year 2002 TASC obligational authority for elements of the Department of Transportation funded in this Act to no more than $88,323,000: Provided, That such reductions from the budget request shall be allocated by the Department of Transportation to each appropriations account in proportion to the amount included in each account for the Transportation Administrative Service Center.

SEC. 343. SAFETY OF CROSS-BORDER TRUCKING BETWEEN UNITED STATES AND MEXICO. No funds limited or appropriated in this Act may be obligated or expended for the review or processing of an application by a Mexican motor carrier for authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border until—

(1) the Federal Motor Carrier Safety Administration—

(A) performs a full safety compliance review of the carrier consistent with the safety fitness evaluation procedures set forth in part 385 of title 49, Code of Federal Regulations, and gives the carrier a satisfactory rating before granting conditional and, again, before granting permanent authority to any such carrier;

(B) requires that any such safety compliance review take place onsite at the Mexican motor carrier's facilities;

(C) requires Federal and State inspectors to verify electronically the status and validity of the license of each driver of a Mexican motor carrier commercial vehicle crossing the border;

(D) gives a distinctive Department of Transportation number to each Mexican motor carrier operating beyond the commercial zone to assist inspectors in enforcing motor carrier safety regulations including hours-of-service rules under part 395 of title 49, Code of Federal Regulations;

(E) requires—

(i) inspections of all commercial vehicles of Mexican motor carriers authorized, or seeking authority, to operate beyond United States municipalities and commercial zones on the United States-Mexico border that do not display a valid Commercial Vehicle Safety Alliance inspection decal, by certified Federal inspectors, or by State inspectors whose operations are funded in part or in whole by Federal funds, in accordance with the requirements for a Level I Inspection under the criteria of the North American Standard Inspection (as defined in section 350.105 of title 49, Code of Federal Regulations), including examination of the driver, vehicle exterior and vehicle under-carriage, and

(ii) a Commercial Vehicle Safety Alliance decal to be affixed to each such commercial vehicle upon completion of the inspection required by clause (i) or a re-inspection if the vehicle has met the criteria for the Level I inspection when no component parts were hidden from view and no evidence of a defect was present, and

(iii) that any such decal, when affixed, expire at the end of a period of not more than 90 days, but

nothing in this paragraph shall be construed to preclude the Administration from requiring reinspection of a vehicle bearing a valid inspection decal or from requiring that such a decal be removed when a certified Federal or State inspector determines that such a vehicle has a safety violation subsequent to the inspection for which the decal was granted;

(F) requires State inspectors who detect violations of Federal motor carrier safety laws or regulations to enforce them or notify Federal authorities of such violations;

(G) equips all United States-Mexico border crossings with Weigh-In-Motion (WIM) systems as well as fixed scales suitable for enforcement action and requires that inspectors verify by either means the weight of each commercial vehicle entering the United States at such a crossing;

(H) the Federal Motor Carrier Safety Administration has implemented a policy to ensure that no Mexican motor carrier will be granted authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border unless that carrier provides proof of valid insurance with an insurance company licensed and based in the United States; and

(I) publishes in final form regulations—

(i) under section 210(b) of the Motor Carrier Safety Improvement Act of 1999 (49 U.S.C. 31144 nt.) that establish minimum requirements for motor carriers, including foreign motor carriers, to ensure they are knowledgeable about Federal safety standards, that include the administration of a proficiency examination;

(ii) under section 31148 of title 49, United States Code, that implement measures to improve training and provide for the certification of motor carrier safety auditors;

(iii) under sections 218(a) and (b) of that Act (49 U.S.C. 31133 nt.) establishing standards for the determination of the appropriate number of Federal and State motor carrier inspectors for the United States-Mexico border;

(iv) under section 219(d) of that Act (49 U.S.C. 14901 nt.) that prohibit foreign motor carriers from leasing vehicles to another carrier to transport products to the United States while the lessor is subject to a suspension, restriction, or limitation on its right to operate in the United States;

(v) under section 219(a) of that Act (49 U.S.C. 14901 nt.) that prohibit foreign motor carriers from operating in the United States that is found to have operated illegally in the United States; and

(vi) under which a commercial vehicle operated by a Mexican motor carrier may not enter the United States at a border crossing unless an inspector is on duty; and

(2) the Department of Transportation Inspector General certifies in writing that—

(A) all new inspector positions funded under this Act have been filled and the inspectors have been fully trained;

(B) each inspector conducting on-site safety compliance reviews in Mexico consistent with the safety fitness evaluation procedures set forth in part 385 of title 49, Code of Federal Regulations, is fully trained as a safety specialist;

(C) the requirement of subparagraph (B) has not been met by transferring experienced inspectors from other parts of the United States to the United States-Mexico border, undermining the level of inspection coverage and safety elsewhere in the United States;

(D) the Federal Motor Carrier Safety Administration has implemented a policy to ensure compliance with hours-of-service rules under part 395 of title 49, Code of Federal Regulations, by Mexican motor carriers seeking authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border;

(E) the information infrastructure of the Mexican government is sufficiently accurate, accessible, and integrated with that of U.S. law enforcement authorities to allow U.S. authorities to verify the status and validity of licenses, vehicle registrations, operating authority and insurance of Mexican motor carriers while operating in the United States, and that adequate telecommunications links exist at all United States-Mexico border crossings used by Mexican motor carrier commercial vehicles, and in all mobile enforcement units operating adjacent to the border, to ensure that licenses, vehicle registrations, operating authority and insurance information can be easily and quickly verified at border crossings or by mobile enforcement units;

(F) there is adequate capacity at each United States-Mexico border crossing used by Mexican motor carrier commercial vehicles to conduct a sufficient number of meaningful vehicle safety inspections and to accommodate vehicles placed out-of-service as a result of said inspections;

(G) there is an accessible database containing sufficiently comprehensive data to allow safety monitoring of all Mexican motor carriers that apply for authority to operate commercial vehicles beyond United States municipalities and commercial zones on the United States-Mexico border and the drivers of those vehicles; and

(H) measures are in place in Mexico, similar to those in place in the United States, to ensure the effective enforcement and monitoring of license revocation and licensing procedures.

For purposes of this section, the term "Mexican motor carrier" shall be defined as a Mexico-domiciled motor carrier operating beyond United States municipalities and commercial zones on the United States-Mexico border.

SEC. 344. Notwithstanding any other provision of law, for the purpose of calculating the non-federal contribution to the net project cost of the Regional Transportation Commission Resort Corridor Fixed Guideway Project in Clark County, Nevada, the Secretary of Transportation shall include all non-federal contributions (whether public or private) made on or after January 1, 2000 for engineering, final design, and construction of any element or phase of the project, including any fixed guideway project or segment connecting to that project, and also shall allow non-federal funds (whether public or private) expended on one element or phase of the project to be used to meet the non-federal share requirement of any element or phase of the project.

SEC. 345. Item 1348 of the table contained in section 1602 of the Transportation Equity Act for the 21st Century (112 Stat. 306) is amended by striking "Extend West Douglas Road" and inserting "Second Douglas Island Crossing".

SEC. 346. Item 642 in the table contained in section 1602 of the Transportation Equity Act for the 21st Century (112 Stat. 281), relating to Washington, is amended by striking "Construct passenger ferry facility to serve Southworth, Seattle" and inserting "Passenger only ferry to serve Kitsap County-Seattle".

Item 1793 in section 1602 of the Transportation Equity Act for the 21st Century (112 Stat. 322), relating to Washington, is amended by striking "Southworth Seattle Ferry" and inserting "Passenger only ferry to serve Kitsap County-Seattle".

SEC. 347. Notwithstanding any other provision of law, historic covered bridges eligible for Federal assistance under section 1224 of the Transportation Equity Act for the 21st Century, as amended, may be funded from amounts set aside for the discretionary bridge program.

SEC. 348. (a) Item 143 in the table under the heading "Capital Investment Grants" in title I of the Department of Transportation and Related Agencies Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–456) is amended by striking "Northern New Mexico park and ride facilities" and inserting "Northern New Mexico park and ride facilities and State of New Mexico, Buses and Bus-Related Facilities".

(b) Item 167 in the table under the heading "Capital Investment Grants" in title I of the Department of Transportation and Related Agencies Appropriations Act, 2000 (Public Law 106–69; 113 Stat. 1006) is amended by striking "Northern New Mexico Transit Express/Park and Ride buses" and inserting "Northern New Mexico park and ride facilities and State of New Mexico, Buses and Bus-Related Facilities".

SEC. 349. Beginning in fiscal year 2002 and thereafter, notwithstanding 49 U.S.C. 41742, no essential air service subsidies shall be provided to communities in the United States (except Alaska) that are located fewer than 100 highway miles from the nearest large or medium hub airport, or fewer than 70 highway miles from the nearest small hub airport, or fewer than 50 highway miles from the nearest airport providing scheduled service with jet aircraft; or that require a rate of subsidy per passenger in excess of $200 unless such point is greater than 210 miles from the nearest large or medium hub airport.

SEC. 350. (a) FINDINGS.—Congress makes the following findings:

(1) The condition of highway, railway, and waterway infrastructure across the Nation varies widely and is in need of improvement and investment.

(2) Thousands of tons of hazardous chemicals, and a very small amount of high level radioactive material, is transported along the Nation's highways, railways, and waterways each year.

(3) The volume of hazardous chemical transport increased by over one-third in the last 25 years and is expected to continue to increase. Some propose significantly increasing radioactive material transport.

(4) Approximately 261,000 people were evacuated across the Nation because of rail-related accidental releases of hazardous chemicals between 1978 and 1995, and during that period industry reported 8 transportation accidents involving the small volume of high level radioactive waste transported during that period.

(5) The Federal Railroad Administration has significantly decreased railroad inspections and has allocated few resources since 1993 to assure the structural integrity of railroad bridges. Train derailments have increased by 18 percent over roughly the same period.

(6) The poor condition of highway, railway, and waterway infrastructure, increases in the volume of hazardous chemical transport, and proposed increases in radioactive material transport increase the risk of accidents involving such chemicals and materials.

(7) Measuring the risks of hazardous chemical or radioactive material accidents and preventing such accidents requires specific information concerning the condition and suitability of specific transportation routes contemplated for such transport to inform and enable investment in related infrastructure.

(8) Mitigating the impact of hazardous chemical and radioactive material transportation accidents requires skilled, localized, and well-equipped emergency response personnel along all specifically identified transportation routes.

(9) Accidents involving hazardous chemical or radioactive material transport pose threats to the public health and safety, the environment, and the economy.

(b) STUDY.—The Secretary of Transportation shall, in consultation with the Comptroller General of the United States, conduct a study of the hazards and risks to public health and safety, the environment, and the economy associated with the transportation of hazardous chemicals and radioactive material.

(c) MATTERS TO BE ADDRESSED.—The study under subsection (b) shall address the following matters:

(1) Whether the Federal Government conducts individualized and detailed evaluations and inspections of the condition and suitability of specific transportation routes for the current, and any anticipated or proposed, transport of hazardous chemicals and radioactive material, including whether resources and information are adequate to conduct such evaluations and inspections.

(2) The costs and time required to ensure adequate inspection of specific transportation routes and related infrastructure and to complete the infrastructure improvements necessary to ensure the safety of current, and any anticipated or proposed, hazardous chemical and radioactive material transport.

(3) Whether Federal, State, and local emergency preparedness personnel, emergency response personnel, and medical personnel are adequately trained and equipped to promptly respond to accidents along specific transportation routes for current, anticipated, or proposed hazardous chemical and radioactive material transport.

(4) The costs and time required to ensure that Federal, State, and local emergency preparedness personnel, emergency response personnel, and medical personnel are adequately trained and equipped to promptly respond to accidents along specific transportation routes for current, anticipated, or proposed hazardous chemical and radioactive material transport.

(5) The availability of, or requirements to establish, information collection and dissemination systems adequate to provide the public, in an accessible manner, with timely, complete, specific, and accurate information (including databases) concerning actual, proposed, or anticipated shipments by highway, railway, or waterway of hazardous chemicals and radioactive materials, including accidents involving the transportation of such chemicals and materials by those means.

(d) DEADLINE FOR COMPLETION.—The study under subsection (b) shall be completed not later than six months after the date of the enactment of this Act.

(e) REPORT.—Upon completion of the study under subsection (b), the Secretary shall submit to Congress a report on the study.

SEC. 351. (a) Of the funds appropriated by title I for the Federal Railroad Administration under the heading "RAILROAD RESEARCH AND DEVELOPMENT", up to $750,000 may be expended to pay 25 percent of the total cost of a comprehensive study to assess existing problems in the freight and passenger rail infrastructure in the vicinity of Baltimore, Maryland, that the Secretary of Transportation shall carry out through the Federal Railroad Administration in cooperation with, and with a total amount of equal funding contributed by, Norfolk-Southern Corporation, CSX Corporation, and the State of Maryland.

(b)(1) The study shall include an analysis of the condition, track, and clearance limitations and efficiency of the existing tunnels, bridges, and other railroad facilities owned or operated by CSX Corporation, Amtrak, and Norfolk-Southern Corporation in the Baltimore area.

(2) The study shall examine the benefits and costs of various alternatives for reducing congestion and improving safety and efficiency in the operations on the rail infrastructure in the vicinity of Baltimore, including such alternatives for improving operations as shared usage of track, and such alternatives for improving the rail infrastructure as possible improvements to existing tunnels, bridges, and other railroad facilities, or construction of new facilities.

(c) Not later than one year after the date of the enactment of this Act, the Secretary shall submit a report on the results of the study to Congress. The report shall include recommendations on the matters described in subsection (b)(2).

SEC. 352. PRIORITY HIGHWAY PROJECTS, GEORGIA. In selecting projects to carry out using funds apportioned under section 110 of title 23, United States Code, the State of Georgia shall give priority consideration to the following projects:

(1) Improving Johnson Ferry Road from the Chattahoochee River to Abernathy Road, including the bridge over the Chattahoochee River.

(2) Widening Abernathy Road from 2 to 4 lanes from Johnson Ferry Road to Roswell Road.

SEC. 353. SAFETY BELT USE LAW REQUIREMENTS. Section 355(a) of the National Highway System Designation Act of 1995 (109 Stat. 624) is amended by striking "has achieved" and all that follows and inserting the following: "has achieved a safety belt use rate of not less than 50 percent.".

SEC. 354. STUDY OF MISSISSIPPI RIVER BRIDGE IN MEMPHIS, TENNESSEE. Not later than 180 days after the date of enactment of this Act, the Secretary of Transportation shall conduct a study and submit to Congress a report on the costs and benefits of constructing a third bridge across the Mississippi River in the Memphis, Tennessee, metropolitan area.

SEC. 355. (a) Congress makes the following findings:

(1) Section 345 of the National Highway System Designation Act of 1995 authorizes limited relief to drivers of certain types of commercial motor vehicles from certain restrictions on maximum driving time and on-duty time.

(2) Subsection (c) of that section requires the Secretary of Transportation to determine by rulemaking proceedings that the exemptions granted are not in the public interest and adversely affect the safety of commercial motor vehicles.

(3) Subsection (d) of that section requires the Secretary of Transportation to monitor the safety performance of drivers of commercial motor vehicles who are subject to an exemption under section 345 and report to Congress prior to the rulemaking proceedings.

(b) It is the sense of Congress that the Secretary of Transportation should not take any action that would diminish or revoke any exemption in effect on the date of the enactment of this Act for drivers of vehicles under section 345 of the National Highway System Designation Act of 1995 (Public Law 104–59; 109 Stat. 613; 49 U.S.C. 31136 note) unless the requirements of subsections (c) and (d) of such section are satisfied.

SEC. 356. Section 41703 of title 49, United States Code, is amended by adding at the end the following:

"(e) AIR CARGO VIA ALASKA.—For purposes of subsection (c) of this section, cargo taken on or off any aircraft at a place in Alaska in the course of transportation of that cargo by one or more air carriers or foreign air carriers in either direction between any place in the United States and a place not in the United States shall not be deemed to have broken its international journey, be taken on in, or be destined for Alaska.".

SEC. 357. Point Retreat Light Station, including all property under lease as of June 1, 2000, is transferred to the Alaska Lighthouse Association.

SEC. 358. PRIORITY HIGHWAY PROJECTS, MINNESOTA. In selecting projects to carry out using funds apportioned under section 110 of title 23, United States Code, the State of Minnesota shall give priority consideration to the following projects:

(1) The Southeast Main and Rail Relocation Project in Moorhead, Minnesota.

(2) Improving access to and from I–35 W at Lake Street in Minneapolis, Minnesota.

SEC. 359. NOISE BARRIERS, GEORGIA. Notwithstanding any other provision of law, the Secretary of Transportation shall approve the use of funds apportioned under paragraphs (1) and (3) of section 104(b) of title 23, United States Code, for construction of Type II noise barriers—

(1) at the locations identified in section 358 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (113 Stat. 1027); and

(2) on the west side of Interstate Route 285 from Henderson Mill Road to Chamblee Tucker Road in DeKalb County, Georgia.

SEC. 360. The Secretary is directed to give priority consideration to applications for airport improvement grants for the Addison Airport in Addison, Texas, Pearson Airpark in Vancouver, Washington, Mobile Regional Airport in Mobile, Alabama, Marks Airport in Mississippi, Madison Airport in Mississippi, and Birmingham International Airport in Birmingham, Alabama.

SEC. 361. Section 5117(b)(3) of the Transportation Equity Act for the 21st Century (Public

Law 105–178; 112 Stat. 449; 23 U.S.C. 502 note) is amended —

(1) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (F), and (G), respectively;

(2) by inserting after subparagraph (B) the following new subparagraph (C):

"(C) FOLLOW-ON DEPLOYMENT.—(i) After an intelligent transportation infrastructure system deployed in an initial deployment area pursuant to a contract entered into under the program under this paragraph has received system acceptance, the original contract that was competitively awarded by the Department of Transportation for the deployment of the system in that area shall be extended to provide for the system to be deployed in the follow-on deployment areas under the contract, using the same asset ownership, maintenance, fixed price contract, and revenue sharing model, and the same competitively selected consortium leader, as were used for the deployment in that initial deployment area under the program.

"(ii) If any one of the follow-on deployment areas does not commit, by July 1, 2002, to participate in the deployment of the system under the contract, then, upon application by any of the other follow-on deployment areas that have committed by that date to participate in the deployment of the system, the Secretary shall supplement the funds made available for any of the follow-on deployment areas submitting the applications by using for that purpose the funds not used for deployment of the system in the nonparticipating area. Costs paid out of funds provided in such a supplementation shall not be counted for the purpose of the limitation on maximum cost set forth in subparagraph (B).";

(4) by inserting after subparagraph (D), as redesignated by paragraph (1), the following new subparagraph (E):

"(E) DEFINITIONS.—In this paragraph:

"(i) The term 'initial deployment area' means a metropolitan area referred to in the second sentence of subparagraph (A).

"(ii) The term 'follow-on deployment areas' means the metropolitan areas of Baltimore, Birmingham, Boston, Chicago, Cleveland, Dallas/Ft. Worth, Denver, Detroit, Houston, Indianapolis, Las Vegas, Los Angeles, Miami, New York/Northern New Jersey, Northern Kentucky/Cincinnati, Oklahoma City, Orlando, Philadelphia, Phoenix, Pittsburgh, Portland, Providence, Salt Lake, San Diego, San Francisco, St. Louis, Seattle, Tampa, and Washington, District of Columbia."; and

(5) in subparagraph (D), as redesignated by paragraph (1), by striking "subparagraph (D)" and inserting "subparagraph (F)".

This Act may be cited as the "Department of Transportation and Related Agencies Appropriations Act, 2002".

PROVIDING FOR THE ELECTION OF ALFONSO E. LENHARDT AS SERGEANT AT ARMS

Mr. DASCHLE. Madam President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 149) providing for the election of Alfonso E. Lenhardt as Sergeant at Arms and Doorkeeper of the Senate, effective September 4, 2001.

Mr. DASCHLE. Madam President, it is my honor to welcome Alfonso E. Lenhardt as Sergeant at Arms of the U.S. Senate.

In 1789, when the office was first established, the challenges of the job were quite different than they are today. The Sergeant at Arms was given the responsibility for keeping a majority of members together long enough to organize and begin the business of government.

Today, the job has grown, and so has the office. The Sergeant at Arms is now the chief protocol and law enforcement officer of the Senate, as well as the administrative manager for many Senate support services. The Sergeant at Arms oversees the largest staff and budget in the U.S. Senate.

That expanded role demands expanded skills—in both law-enforcement and management.

In every position he has held, Al Lenhardt has demonstrated those skills as well as a solemn commitment to public service.

Al retired from the United States Army in 1997 as a Major General after over 31 years of domestic and international experience in national security and law enforcement programs. As Commanding General at the U.S. Army Recruiting Command in Ft. Knox, KY, he managed and directed over 13,000 people in over 1,800 separate locations.

Before the recruiting command, Al served as the senior military police officer in the Army, overseeing all Army police operations and security matters worldwide and managing a budget of over $300 million.

For the past four years, he has served as Executive Vice President and Chief Operating Officer of the Council on Foundations, a non-profit membership association of foundations and corporate philanthropic organizations.

Al Lenhardt is a versatile senior executive with the stature, the management experience and the law enforcement portfolio to make an outstanding Senate Sergeant at Arms. While Al Lenhardt may not be readily known to you because he has no prior connection to me or to the Senate, I think my colleagues will be impressed with the experience, the ability and the character of the man.

In the 212 year history of the Senate, Al Lenhardt will become the 35th person to serve as Sergeant at Arms, and the first African American to hold this position.

But more importantly, Al is clearly of the highest caliber and qualifications. The Senate will benefit greatly from his service and leadership. We all look forward to working with him in the months and years ahead.

Madam President, I ask unanimous consent that the resolution be agreed to, the motion to reconsider be laid upon the table, without intervening action for debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 149) was agreed to.

(The text of S. Res. 149 is printed in today's RECORD under "Statements on Submitted Resolutions.")

UNANIMOUS CONSENT AGREEMENT—S. 1246

Mr. DASCHLE. Madam President, I ask unanimous consent that the cloture vote on the Agriculture supplemental authorization bill occur at 9:30 on Friday, August 3, with the mandatory quorum waived; further, that Senators have until 10 a.m. to file second-degree amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Montana is recognized.

(The remarks of Mr. BAUCUS and Mr. BYRD pertaining to the introduction of S. 1347 are located in today's RECORD under "Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from Arkansas.

EMERGENCY AGRICULTURE ASSISTANCE

Mrs. LINCOLN. Madam President, I am here on the floor out of a sense of frustration and I suppose a very deep sense of dedication, maybe because I am from a seventh-generation Arkansas farm family, maybe because I am a daughter of a farmer who I watched for many years toiling to ensure that he could provide a good upbringing, a good heritage to his family, working on that family farm.

Maybe it is because I have watched neighbors and family members who have had to give up a way of life and a profession, a piece of their heritage, because they were unsure of where their Government was going to be for them as family farmers. Or perhaps it is because they were inundated by so many things that were unpredictable, things they could not predict or control such as the weather or the economy or the fact that their Government could not make a decision as to whether the family farmer was important enough to support and to keep in business.

I am really here because, in the 11th hour, I still take my job very seriously. That job is to be here to fight hard, to do everything I can to support that American farmer and that farmer in Arkansas who has spent this entire year trying to put out a crop and wondering whether or not his or her Government was going to come through in the end with an emergency supplemental appropriation as we promised.

I am here to talk about agriculture and to talk about the rural economic crisis that we are on the verge of making even worse. Six years ago, Congress and the White House, the Republicans and the Democrats, stood toe to toe and dared each other to blink. Of course no one did, and all that happened is that the Federal Government shut down. FSA offices and other important Government offices around the country closed. Farmers could not get access to the services they needed. Seniors could not access the services they needed. People all around the country were knocking on Government doors that would not open. But up here in Washington, instead of sitting down and figuring out how to get those doors open, politicians only pointed fingers at each other. They were more concerned about laying blame on each other than finding a solution.

Here we are again. Now we find ourselves at another impasse, this time on an emergency assistance package for farmers that is profoundly crucial to the economic well-being of our farmers and our rural economies, an emergency assistance package we have been talking about since February. In February we started talking about the dire situation our farmers were in, that rural America was in dire straits because we had not addressed their needs, whether it was in trade or whether it was in how Government was going to provide them what they needed in order to be competitive and maintain themselves in a competitive way in the global marketplace.

Whether we are talking about the delta region of Arkansas and Mississippi or the prairies of the Dakotas or anywhere else for that matter, our rural economies are in deep trouble.

I don't think there is a single person in this body who would dispute that. Our farmers are hurting, and they are hurting badly. But, of course, they are not the only ones who are hurting. All of the small town institutions, businesses, and local banks were up here to talk to us back in February about what we do in extending these loans to these critical people in our communities. Do we give them a loan knowing their cost of production is going to be enormous because of energy and because of fertilizer input? Do we extend that loan knowing the prices are in the tank on commodities and have remained there and probably will remain there?

It is also hurting the suppliers, the corner grocery stores on Main Street, and the car dealers. They are all hurting because their viability depends on the health of the farm economy.

Colleagues, this crisis is real, and we are on the verge of making it much, much worse. If we don't get an emergency assistance package passed this week, these farmers and these small towns—very real people, many of whom happen to be related to me and to you—and these rural economies will have run out of time.

I am frustrated. I am outraged that we have been sitting in this Chamber all week without being able to come to agreement on an emergency package that we all agree our farmers need. The House passed a $5.5 billion emergency package, and they are saying, oh, just do what we did, and we can all go home. But that doesn't even meet the needs of the AMTA assistance payments that our farmers need to survive. The fact is, it doesn't even give them what they had prior to 1999.

Because of the Freedom to Farm Act, we have ratcheted down the payments every year that the Government is willing to provide to help them compete in that global marketplace. What happened? We are coming now and asking them to take even less in that emergency assistance.

I don't blame Republicans and I don't blame Democrats. I blame all of us because we are all responsible if we are unable to come together because we are ready to go home or because we are tired and we don't want to do our job by coming together and getting a package approved and sending it out to rural America.

I plead with the President. He visited with Young Farmers of America the other day and talked about how agriculture and farmers are the soul of America. Let me tell you, they need us right now. They need us a lot.

It is our duty at this point not to be tired, not to go home, but to sit down with one another and talk about how we can come together to provide them what they need. It is no wonder that the citizens of this country are cynical about what goes on in Washington. Farmers have been out there toiling all year and for centuries—many centuries ago—to provide us with the safest, most abundant and affordable food supply in this world.

I think it certainly behooves us to stay a few extra hours to come up with something that is going to be the best possible job and the best possible package for our American farmers. They look for farm support and all they see is another showdown at the OK Corral. Only it isn't Congress. It is our farmers, and our rural economy, and the people who live in these communities who are in the line of fire. We need to put our guns back in our holsters, and we need to find some resolution to this impasse.

I, for one, am ready to stay here and do the job that the people of Arkansas sent me here to do; that is, to work out an agreement and come up with the solutions on behalf of those people who ensure that I and my children, and you and your children, have a safe, abundant, and affordable food supply day in and day out.

Thank you, Madam President. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Madam President, I thank my colleague and friend from Arkansas for the very poignant speech she just gave about the plight of agriculture in America. Senator LINCOLN has said it succinctly and with meaning and I think with a passion that she rightly has to fight for the people who live in our small towns and communities—our farmers. She is right. They are hurting. We have to pay attention.

We are operating under the failed Freedom to Farm bill that was passed back in 1996. Year after year we have had to come in and patch it up, fix it up, and put in supplemental payments to keep our farmers alive, to keep their heads above water.

It is another reason why in the new farm bill we have to make the changes necessary to get off of the old failed Freedom to Farm bill and to have a farm bill where we don't have to rely on a yearly basis on a fickle Congress or a President who says no.

We have come up with a bill out of our Agriculture Committee that would at least provide for our farmers the same payment they received last year to help keep them going. But, even with those payments, it won't make them whole because of the increased fuel prices and fertilizer prices and everything else.

I have heard from the administration that the reason they don't want the bill we reported out of the Committee is because they have seen net farm income go up this year. I am sorry. I don't know what figures they are looking at. I think what they are saying is last year our farm prices were at a 15-year low. Farm income is a little better than last year, but really the increase comes almost entirely from increased livestock prices—not grain prices. Prices are still in the basement. But the bill before us provides money to the crop farmers. They are the ones who are hurting. But the President said no, that he is going to veto the bill because he said farmers don't need that much money. Keep in mind that the bill is within our budget guidelines. We are doing exactly what the budget allows us to do, but the President says no, it is too much.

This is the difference. I have to point this out. In the fall of 1998, Congress passed emergency relief for farmers. It went to the White House. President Clinton vetoed it because it wasn't enough to help our farmers. We came back and added more money to keep our farmers alive and well.

This year the Senate passed a bill to provide sufficient support for our farmers. This President says no, he will veto it because it is too much. What a difference.

What do we have here that is costing extra money? We have the full level of market loss and oilseed payments that were in a similar package last year. We also have nutrition, rural economic development and conservation money. We have money for several conservation programs, including the Wetlands Reserve Program, the Wildlife Habitat Incentives Program, the Farmland Protection Program, the Environmental Quality Incentives Program.

Right now for the Wetlands Reserve Program we have a backlog of $568 million nationwide. Here are the top 10 States with the backlog: Arkansas, Iowa, California, Louisiana, Missouri, Florida, Minnesota, Illinois, Michigan, and Mississippi.

Our bill provides $200 million to cut that backlog down by over a third. It would enroll 150,000 acres in the Wetlands Reserve Program. The-President says no. That is too much.

For the Wildlife Habitat Incentives Program, the backlog is $14 million. We have put in $7 million to cut it down by half. Again, the top 10 States are Oregon, Texas, Florida, West Virginia, Arkansas, Colorado, Maine, Michigan, Arkansas, and South Dakota. We had $7 million, and the President says no. That is too much.

The Farmland Protection Program is a program that provides some money for the state and local governments and non-profit groups so they can buy development easements from farmers to stop the urban sprawl. There is a $255 million backlog for FPP. The top 10 States are: California, New York, Maryland, Florida, Pennsylvania, Delaware, Kentucky, Michigan, New Jersey, and Massachusetts.

In that program, we put $40 million to help leverage money supplied by state and local governments, as well as non-profit groups—they are already doing it—to help buy easements to keep the land from being developed for non-agricultural purposes. The President says: No, that is too much money.

Finally, we have the Environmental Quality Incentives Program. The backlog is over $1.3 billion. We have $250 million in the bill, plus $200 million already in the law, which would help cut that down by about a third. Again, the top 10 States are: Texas, Oklahoma, Georgia, Arkansas, Kansas, Montana, Kentucky, Nebraska, Tennessee, and Virginia. We put $250 million in the bill. The President says: No, it is too much money.

It is not too much, in any case, to help save our soil and our water, to provide conservation money to farmers and ranchers in America who need the help and who need the support.

The Lugar substitute, that I guess we will be voting on, takes out all this conservation money. It provides zero dollars for conservation. It is rather sad that we are in this situation. We are trying to help farmers be good stewards and the President stands in the way.

As Senator LINCOLN said: Our farmers are good stewards of their land. They try to take good care of it. In many cases, these farmers are spending their own money, using their own equipment, spending their time—and all we are trying to do is give them some help and support. And the President has said: No, that is too much.

We will debate this more tomorrow. But tonight I wanted to just point out what we have in the bill, to try to help our farmers with conservation. Three of these programs will be put into jeopardy, and all will be underfunded. The Wetlands Reserve Program, the Wildlife Habitat Incentives Program and the Farmland Protection Program will all be put in jeopardy because we will not fund them if the Lugar amendment is adopted.

Finally, I have had a lot of conversations with people at the White House and OMB today. They want to spend only $5.5 billion. When I asked why, I got the answer: Because they want $5.5 billion.

I don't see any real reason for it because the budget does allow us to spend not only $5.5 billion in fiscal 2001, but $7.35 billion for fiscal 2002.

So what we are trying to do is what the budget allows us to do right now: get the money out to help our farmers now, get the conservation program funding out, and get money out to help some of our specialty crop producers around the country. And basically the President is saying, no.

I hope the Senate will persevere. I hope we will tell the President we have to fight for our farmers and our farm families; that we cannot, for no good reason fail to send the help they need. I have not heard one good reason from the White House why we should not put this money out to help save our farmers. I believe we have to, that we must, and I hope we do tomorrow.

Madam President, I yield the floor and the remainder of my time.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Madam President, I ask unanimous consent that the Senator from Alabama, Mr. SESSIONS, be allowed to speak for up to 15 minutes after I speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO KANSAS GOVERNOR JOAN FINNEY

Mr. BROWNBACK. Madam President, I rise today to pay tribute to a Kansan the Presiding Officer knew. She died as a result of complications associated with her fight with liver cancer—a lady who was the first female Governor of the State of Kansas, Joan Finney. She was a lady I had the privilege of serving with in State government.

I was Secretary of Agriculture under her for a brief period of time. She was a remarkable lady.

One of the tributes that was given to her yesterday, when the State paid their final respects to Governor Finney, was by Rev. Francis Krische, pastor of the Most Pure Heart of Mary Catholic Church, who stated to the mourners something about Governor Finney that probably captures the essence of Governor Finney, a beautiful woman. He said this about her: "She knew how to be with people. This was one of the keys to her success."

She really did know how to be with people. She had been elected treasurer in the State of Kansas for 4 terms. She was elected as the first female Governor in the State of Kansas from 1991 to 1995. She started out her career in politics serving a Member of this body, Senator Frank Carlson, whose seat I now occupy.

She worked for him for several years doing constituent work, which fit Governor Finney beautifully because she so loved to help people. She was beautiful about it. She was beautiful about working with people. I would be around her at different events, and it was always so amazing to me the depth of her knowledge of the people she would see whom she knew. She knew the family members. She knew something about what was happening in their families. I sometimes thought she knew all of the people of Kansas.

She was really a beautiful lady. I think the depth of her caring was such a key characteristic of hers. To learn and know about an individual is how much she cared about the people she was working for and serving, whether it was as a caseworker for Senator Carlson or whether it was as State treasurer or whether it was as Governor of the State of Kansas.

The Democrat Party, in its annual meeting this year in Topeka, adopted a resolution regarding Governor Finney and stated this about her: "She was truly one of Kansas' most adored native daughters. And she was." She was adored by the people.

She felt that the people's view was the correct one, even though she might disagree with it. She would go ahead and proceed forward with that view, whatever it might be. She was, in that sense, a populist in the best sense of the word: It was to represent the people. And the people's will was paramount in politics.

She had a deep heart. She really cared for the people who she served. And you could see, this was not something that was a practiced skill of hers, where she would work, for example, at learning people's names. It was written in her heart. She knew these people in her heart. She cared for them. While many people would have had disagreements on different policy issues, they would never disagree with the heart of Joan Finney because it was one of those pure hearts.

She played the harp for a number of people. She played it professionally. It was a gift that she used frequently when asked. It was something I think that also helped to express just the inside of who this beautiful woman was.

She was somebody who really played beautifully and played purely in the game of life.

So as people say their prayers tonight, I hope they remember Joan Finney, as well as her husband Spencer, who is still alive, although mourning, obviously, the death of his spouse. I hope they will remember her. And I can guarantee she would remember them.

I yield the floor.

Mr. ROBERTS. Madam President, on Wednesday, Kansans paid their final respects to Governor Finney and I join with my colleague Senator BROWNBACK in expressing our state's condolences to the Finney family.

While Senate business kept me from attending her funeral in Topeka, I want to share with my colleagues her success in Kansas government and politics. Although Joan and I belonged to different political parties, she put those differences aside when it came to work together for the State of Kansas.

Governor Finney was a straight shooter, never ducking behind guarded words. Some believe that her direct nature hurt her politically in the State Capitol, but Kansans appreciated this quality. In an interview with the Topeka Capital Journal she said, "I believe the people should be supreme in all things . . . Even if you don't agree and the majority want a certain issue and believe in a certain issue, I accept that and I will stand by the people."

Governor Finney is a key figure in Kansas' strong tradition of electing women to various offices. She served as State Treasurer for four consecutive terms and then was elected as the first female governor serving from 1991 to 1995. She will be remembered for her dedication and hardwork for all Kansans throughout her life.

During his sermon, Reverend Francis Krische, pastor of the Most Pure Heart of Mary Catholic Church reminded mourners that "She knew how to be with people. This was one of the keys to her success".

Madam President, it is painful when God calls home a friend and colleague, but her memory will continue to remind us of our commitment to our constituents and family.

The PRESIDING OFFICER. Under the previous order, the Senator from Alabama is recognized for 15 minutes.

(The remarks of Mr. SESSIONS pertaining to the introduction of S. 1346 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

ORDER AUTHORIZING APPOINTMENTS

Mr. REID. Madam President, I ask unanimous consent that notwithstanding the recess or adjournment of the Senate, the President of the Senate, the President of the Senate pro tempore, and the majority and minority leaders be authorized to make appointments to commissions, committees, boards, conferences, or interparliamentary conferences authorized by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR REFERRAL OF NOMINATION

Mr. REID. Madam President, I ask unanimous consent that the order I submit to the Senate be considered with respect to referral of the nomination of the Assistant Secretary of the Army for Civil Works for the 107th Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

The order reads as follows:

Ordered that, when the nomination for the Assistant Secretary of the Army for Civil Works is received by the Senate, it be referred to the Committee on Armed Services, provided that when the Committee on Armed Services reports the nomination, it be referred to the Committee on Environment and Public Works for a period of 20 days of session, provided further that if the Committee on Environment and Public Works does not report the nomination within those 20 days, the Committee be discharged from further consideration of the nomination and the nomination be placed on the calendar.

MEASURE READ THE FIRST TIME—H.R. 2505

Mr. REID. Madam President, I understand H.R. 2505 is at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2505) to amend title 18, United States Code, to prohibit human cloning.

Mr. REID. Madam President, I ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard.

ORDERS FOR FRIDAY, AUGUST 3, 2001

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m., Friday, August 3. I further ask unanimous consent that on Friday, immediately following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the Agriculture supplemental authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Madam President, on Friday, tomorrow, the Senate will convene at 9:30 a.m. and resume consideration of the Agricultural supplemental authorization bill with an immediate vote on cloture on that bill. We expect to complete action on that bill sometime tomorrow. I remind everyone that all second-degree amendments to the Agriculture supplemental bill must be filed prior to 10 a.m. tomorrow morning.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Madam President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8 p.m., adjourned until Friday, August 3, 2001, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate August 2, 2001:

THE JUDICIARY

TERRENCE L. O'BRIEN, OF WYOMING, TO BE UNITED STATES CIRCUIT JUDGE FOR THE TENTH CIRCUIT, VICE WADE BRORBY, RETIRED.

JEFFREY R. HOWARD, OF NEW HAMPSHIRE, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIRST CIRCUIT, VICE NORMAN H. STAHL, RETIRED.

M. CHRISTINA ARMIJO, OF NEW MEXICO, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEW MEXICO, VICE A NEW POSITION CREATED BY PUBLIC LAW 106-553, APPROVED DECEMBER 21, 2000.

KARON O. BOWDRE, OF ALABAMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ALABAMA, VICE SAM C. POINTER, JR., RETIRED.

DAVID L. BUNNING, OF KENTUCKY, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF KENTUCKY, VICE WILLIAM O. BERTELSMAN, RETIRED.

KAREN K. CALDWELL, OF KENTUCKY, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF KENTUCKY, VICE HENRY R. WILHOIT, JR., RETIRED.

CLAIRE V. EAGAN, OF OKLAHOMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OKLAHOMA, VICE THOMAS RUTHERFORD BRETT, RETIRED.

KURT D. ENGELHARDT, OF LOUISIANA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF LOUISIANA, VICE MOREY L. SEAR, RETIRED.

STEPHEN P. FRIOT, OF OKLAHOMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF OKLAHOMA, VICE WAYNE E. ALLEY, RETIRED

CALLIE V. GRANADE, OF ALABAMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF ALABAMA, VICE ALEX T. HOWARD, JR., RETIRED.

JOE L. HEATON, OF OKLAHOMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF OKLAHOMA, VICE RALPH G. THOMPSON, RETIRED.

LARRY R. HICKS, OF NEVADA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEVADA, VICE JOHNNIE B. RAWLINSON, ELEVATED.

WILLIAM P. JOHNSON, OF NEW MEXICO, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEW MEXICO, VICE JOHN E. CONWAY, RETIRED.

JAMES H. PAYNE, OF OKLAHOMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN, EASTERN AND WESTERN DISTRICTS OF OKLAHOMA, VICE BILLY MICHAEL BURRAGE, RESIGNED.

DANNY C. REEVES, OF KENTUCKY, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF KENTUCKY, VICE A NEW POSITION CREATED BY PUBLIC LAW 106-553, APPROVED DECEMBER 21, 2000.

DEPARTMENT OF JUSTICE

ROSCOE CONKLIN HOWARD, JR., OF THE DISTRICT OF COLUMBIA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF COLUMBIA FOR THE TERM OF FOUR YEARS, VICE WILMA A. LEWIS, RESIGNED.

DAVID CLAUDIO IGLESIAS, OF NEW MEXICO, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF NEW MEXICO FOR THE TERM OF FOUR YEARS, VICE NORMAN C. BAY.

MATTHEW HANSEN MEAD, OF WYOMING, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF WYOMING FOR THE TERM OF FOUR YEARS, VICE DAVID D. FREUDENTHAL, RESIGNED.

MICHAEL J. SULLIVAN, OF MASSACHUSETTS, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF MASSACHUSETTS FOR THE TERM OF FOUR YEARS, VICE DONALD KENNETH STERN, RESIGNED.

DREW HOWARD WRIGLEY, OF NORTH DAKOTA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF

NORTH DAKOTA FOR THE TERM OF FOUR YEARS, VICE JOHN THOMAS SCHNEIDER, RESIGNED.

COLM F. CONNOLLY, OF DELAWARE, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF DELAWARE FOR THE TERM OF FOUR YEARS, VICE CARL SCHNEE, RESIGNED.

SUSAN W. BROOKS, OF INDIANA, TO BE UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF INDIANA FOR THE TERM OF FOUR YEARS, VICE JUDITH ANN STEWART, RESIGNED.

LEURA GARRETT CANARY, OF ALABAMA, TO BE UNITED STATES ATTORNEY FOR THE MIDDLE DISTRICT OF ALABAMA FOR THE TERM OF FOUR YEARS, VICE CHARLES REDDING PITT, RESIGNED.

THOMAS C. GEAN, OF ARKANSAS, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF ARKANSAS FOR THE TERM OF FOUR YEARS, VICE PAUL KINLOCH HOLMES, III, RESIGNED.

RAYMOND W. GRUENDER, OF MISSOURI, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF MISSOURI FOR THE TERM OF FOUR YEARS, VICE AUDREY G. FLEISSIG, RESIGNED.

JOSEPH S. VAN BOKKELEN, OF INDIANA, TO BE UNITED STATES ATTORNEY FOR THE NORTHERN DISTRICT OF INDIANA FOR THE TERM OF FOUR YEARS, VICE JON ERNEST DEGUILIO, RESIGNED.

CHARLES W. LARSON, SR., OF IOWA, TO BE UNITED STATES ATTORNEY FOR THE NORTHERN DISTRICT OF IOWA FOR THE TERM OF FOUR YEARS, VICE STEPHEN JOHN RAPP, RESIGNED.

THE JUDICIARY

LAWRENCE J. BLOCK, OF VIRGINIA, TO BE A JUDGE OF THE UNITED STATES COURT OF FEDERAL CLAIMS FOR A TERM OF FIFTEEN YEARS, VICE ERIC G. BRUGGINK, TERM EXPIRED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS VICE CHIEF OF STAFF, UNITED STATES AIR FORCE, AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 8034:

To be general

LT. GEN. ROBERT H. FOGLESONG, 8617

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEN. JOHN W. HANDY, 5379

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. CHARLES F. WALD, 1222

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. TEED M. MOSELEY, 1516

CONFIRMATIONS

Executive Nominations Confirmed by the Senate August 2, 2001:

THE JUDICIARY

WILLIAM J. RILEY, OF NEBRASKA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE EIGHTH CIRCUIT.

DEPARTMENT OF OF JUSTICE

SARAH V. HART, OF PENNSYLVANIA, TO BE DIRECTOR OF THE NATIONAL INSTITUTE OF JUSTICE.

DEPARTMENT OF JUSTICE

ROBERT S. MUELLER, III, OF CALIFORNIA, TO BE DIRECTOR OF THE FEDERAL BUREAU OF INVESTIGATION FOR THE TERM OF TEN YEARS.

EXTENSIONS OF REMARKS

FINANCIAL LITERACY PROGRAMS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. TOWNS. Mr. Speaker, most of us learned our first money management lesson when watching our parents pay bills, earning our first allowance, or getting that first job. But in a fast changing world, parents and young adults could use a little help in life's money lessons. As we move more toward an e-commerce world, it is important that our young people are able to manage their money and have the skills it takes to plan, invest and save in a fast-paced transaction culture.

Traditionally, education has been based on the three R's—reading, writing, and arithmetic—but recent surveys show that parents are ready to add a fourth pillar to basic education: financial literacy. According to a survey recently released by Visa, 82 percent of parents say that teaching practical money skills in schools is very important. In addition 93 percent of parents said that high school students should be required to take a class in practical money skills, yet 69 percent say that their children have not taken any such classes. Similar results have been seen in research conducted by Jump$tart Coalition for Financial Literacy and consumer groups, including Americans for Consumer Education and Competition headed by our former colleague, Susan Molanari.

As policy makers and parents, we need to bring basic financial facts and skills to young adults across America. It is true that providing an educational framework for financial literacy is easy to say, but more complex to accomplish. Yes, financial maturity does initially begin at home, as it should, but it would be very beneficial to extend into the classroom. To that end, we should do our best to provide teachers with the necessary tools needed to integrate financial literacy into their curriculum in order to ensure that today's young adults grow up with financial know-how.

Some states such as Wisconsin and Delaware have already passed legislation that would incorporate financial literacy into their curriculums and many others are planning similar legislation. Lawmakers on both the state and national levels recognize the importance of integrating personal-finance management courses into the daily lessons of our education system and work with educators and parents to bring it into our local schools.

A number of companies have added their support to these efforts. I would like to commend Visa U.S.A. for working with the teachers and parents to help teach young adults basic economic and personal money management through their Practical Money Skills for Life program. Unfortunately, many young adults are never taught the basic principals of personal finances and have to learn money management through the school of hard knocks. Therefore, I am pleased that Visa, U.S.A. has created the practical Money Skills for Life curriculum, calculators and interactive games available to everyone, free of charge, over the Internet, making its ability to reach students unlimited.

Practical Money Skills for Life is an online educational resource for personal financial education tools to help parents and educators teach young adults personal financial responsibility. It lets teachers use the Internet as an educational solution and, because it is an Internet based program, parents can also access the curriculum from their homes. It gives students the basics like budgeting, saving, and investing—the essentials for a healthy and prosperous future.

Students are learning how to balance a checkbook, avoid irresponsible spending, understand the importance of a good credit history, and most importantly: how to make and live by a budget. The Practical Money Skills For Life program actually makes it fun for students to learn about finance.

With an understanding that many schools are suffering from a digital divide, Visa takes their program one step further by donating computer labs to high schools in need across the country. Coupled with teacher training on their financial literacy curriculum, this contribution to our nation's schools, teachers and students is invaluable.

In addition to free curriculums and tools being offered by Visa, there are many other organizations that are raising awareness about the importance of educating the youth on personal finances. Two such groups that I would like to recognize is the Jump$tart Coalition for Personal Financial Literacy, and Americans for Consumer Education and Competition.

The Jump$tart Coalition for Personal Financial Literacy, is a nonprofit organization based in Washington, DC whose goal is to ensure that students have skills to be financially competent upon graduation from high school. They work with a number of organizations to work to raise awareness of the need for financial literacy for our young people.

Americans for Consumer Education and Competition (ACEC), chaired by my former colleague from the State of New York Susan Molinari is another group working to improve financial literacy skills. Ms. Molinari has been working with state legislatures to introduce financial literacy curriculum into the education system.

We recognize that more still needs to be done. We can all do our part to ensure that parents, teachers and students have tools they need to become financially savvy. Practical Money Skills for Life and curriculums like it, are a step in the right direction.

IN HONOR OF OUR DIVERSITY

HON. CHRIS CANNON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. CANNON. Mr. Speaker, Hispanic Americans throughout our nation's history have significantly influenced our culture and strengthened our democratic society. The Hispanic community in the Southwest has particularly deep roots that have shaped our traditional way of life for centuries. But that community is also one of our most vibrant and dynamic elements today. During my term as the Congressman for the Third District of Utah, the number of residents claiming Hispanic or Latino decent or ethnicity has grown by 138 percent.

Our economy is sustained and revitalized by the contributions of Hispanic Americans. These individuals tirelessly enhance our society by their examples of pride and their drive to succeed. Hispanic Americans routinely establish themselves as pillars of our communities and demonstrate unwavering determination to provide a better life for themselves and their families.

I encourage all Americans to celebrate the cultural and ethnic diversity in our communities. Living among and associating with people from various backgrounds is the best opportunity for all of us to learn greater tolerance, acceptance and appreciation for the unique abilities of all individuals. On this occasion, I rise to specially recognize and commend the Hispanic Americans who live in the Third District of Utah and their many examples of hard work and dedication to family. On behalf of all my constituents, I wish to express my gratitude to these unique Americans whose contributions have helped to establish the blessed, prosperous, and thriving country we all enjoy today.

PERSONAL EXPLANATION

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. OXLEY. Mr. Speaker, I was detained from the House floor during last night's vote on H.R. 1140, the Railroad Retirement and Survivors' Improvement Act of 1002. As a cosponsor of this legislation, I would have voted "aye" on this bill.

H.R. 1140 was carefully crafted to reduce railroad employee plan cost while improving benefits to retirees, widows, and widowers. It has the endorsement of railroad management and almost every rail labor organization. With nearly 600 active rail employees and more than 2,300 railroad retirement beneficiaries in

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

my congressional district, I am glad that H.R. 1140 passed by such a wide margin, and look forward to Senate action on this much-needed legislation.

IN HONOR OF MAYOR AND MRS. AL CAPPUCCILLI ON THE OCCASION OF THEIR 50TH WEDDING ANNIVERSARY, AUGUST 11, 2001

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. DINGELL. Mr. Speaker, I rise today to pay tribute to my dear friends, Al and Tavi Cappuccilli, on the occasion of their 50th wedding anniversary.

I have been impressed by a number of the Cappuccilli's accomplishments and achievements, but none reflects more highly upon them than the love and success of their five children and seven grandchildren. I have observed the affection and time Al and Tavi have spent and spend with their children, and how confident and well rounded they are as a result. The Cappuccilli's now delight in lavishing the same kind of attention on their grandchildren. Al and Tavi have done such a superb job of making their family their most important priority, that now the Cappuccilli children and grandchildren come home every Christmas Eve, without fail, to celebrate "the real Christmas".

I am pleased to say that the Cappuccilli's have not confined their magnanimity to their children and family. Al and Tavi have faithfully and dutifully supported the Monroe community in a myriad different ways. For 23 years, Al was the Executive Director of the Monroe County United Way, where he was instrumental in establishing the Monroe County Food Bank in the early 1980s. Most recently, as Mayor, Al has presided over 10 years of growth and considerable progress.

Mr. Speaker, on Saturday, August 11, 2001, Al and Tavi Cappuccilli will return to the same church in which they were wed, and to which they have continued to belong, to renew the wedding vows they made to each other 50 years ago. On this momentous occasion, I wish to express my heartfelt esteem and congratulations to a wonderful couple who stand as a loving example for an entire community.

TRIBUTE TO FIRST BAPTIST CHURCH OF ATLANTA STUDENT CHOIR

HON. JOHNNY ISAKSON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. ISAKSON. Mr. Speaker, I am pleased today to welcome the First Baptist Church of Atlanta, Celebration Student Choir to our Nation's Capital.

Tomorrow, in the Cannon caucus room, the choir will perform for the House of Representatives Bipartisan Prayer Breakfast. The Celebration Student Choir consists of one hundred members, ranging in age from 13 to 18. The student choir is under the directorship of Reverend Chester Whisonant.

The First Baptist Church of Atlanta has enjoyed the teaching and leadership of its current pastor Dr. Charles Stanley for 32 years. Dr. Stanley's TV ministry, "In Touch" can be seen in virtually every country of the world. We are indeed honored to have this renowned choir perform for the members of the United States House of Representatives.

HUMAN CLONING PROHIBITION ACT OF 2001

SPEECH OF

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. HOYER. Mr. Speaker, this Congress can and should outlaw the practice of human cloning. No pressing need exists to allow such cloning, and I believe it is appropriate for Congress to make the practice illegal.

However, I cannot support the overbroad approach taken by H.R. 2505. This legislation goes beyond banning reproductive cloning to ban research in somatic cell nuclear transfer. The result is that the bill would cut off scientific developments that are granting new hope to millions of Americans who have been told there is no cure. Without the use of nuclear transfer, these stem cell developments will likely remain in the laboratory and will not be used to help patients.

If H.R. 2505 were to pass into law in its present form it would be difficult, if not impossible, for our nation to benefit from stem cell research that is currently ongoing or that would take place in the future. This is because the only practical means of developing breakthroughs in stem cell research into treatments is through the use of somatic cell nuclear transfer. The bill prohibits the importation of safe and effective medical treatments, and it would use criminal law to interfere with the scientific progress.

Almost every Member of Congress, including myself, agrees that human cloning is unsafe and unethical and should be prohibited. However, I believe the manner in which H.R. 2505 is written would extend the bill's prohibitions far beyond the goal of banning human cloning and would prevent our citizens from benefitting from ongoing or prospective scientific discoveries.

HISPANIC RECOGNITION AWARDS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. FRANK. Mr. Speaker, I was delighted to be given a chance to send my congratulations to the winners of the Hispanic Recognition Awards which are going to be held on August 3 in North Dartmouth, Massachusetts. The Hispanic Recognition Awards Committee has assembled a very diverse and valuable group of individuals and institutions to receive well merited recognition for their work in helping preserve Latino culture and values in the framework of our national unity. I am delighted to have a chance to share with my colleagues the work of this important organization and I ask that the names of the award winners be printed here so that they may get the recognition to which they are entitled.

HISPANIC RECOGNITION AWARDS

INDIVIDUALS AND ORGANIZATIONS TO BE HONORED AT THE EVENT

Organization of Latinos in Action—For their dedicated work educating the Latino Community in leadership and citizen's participation.

Brockton Hispanic Festival—For their years of service in the cultural arena.

Sabor Latino Car Club—For their enthusiasm and dedication to the youth and community issues.

Poder 1110 Radio Station—For their dedication and service in communications to the Latino Community.

New Bedford Housing Authority—For their services, support and dedication to provide quality-affordable housing to Hispanics and the very estimable support to Latino organizations.

YWCA Southeastern Massachusetts—For their services, support and dedication to provide education to Hispanics and their very estimable support to Latino organizations.

Rev. Miguel and Mary Gonzalez—For their years of service as leaders, teachers and role models for all the citizens of New Bedford.

Benjamin Cruz—For his dedication and leadership in favor of the Latino Community of Brockton.

Jose Torres—For his dedication and leadership in favor of the Latino Community of Taunton.

Jarrett T. Barrios—For his demonstrated leadership and support in favor of the Latino Community.

Officer Osvaldo Alers—For his service as police officer and a role model.

RECOGNIZING THE CONTRIBUTIONS OF RANDY JURADO ERTLL

HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Ms. SOLIS. Mr. Speaker, I rise today to recognize my Communications Director, Randy Jurado Ertll, who is leaving today to resume his work on immigration and community issues in the Los Angeles area.

Randy, who was born in the United States and spent his early years in El Salvador, moved to the Los Angeles area as a young boy. After graduating from Occidental College, Randy returned to El Salvador to research the Salvadoran economic system and find ways to promote financial stability amongst the countries' small businesses.

Once he returned to the United States, Randy continued to promote the well-being of the Salvadoran community by co-founding the Salvadoran American Political Action Committee. The PAC seeks to endorse and support candidates for political office who will promote the political and economic well-being of the Salvadoran American/Latino Community in the United States.

In 1996, Randy joined the California League of Conservation Voters as a new voter organizer, working to increase Latino voter turnout and educate new voters on environmental issues. He also became a regular editorial contributor on educational, environmental and political dealings to La Opinion, the largest Spanish newspaper in the United States.

After gaining considerable experience with the Southern California media industry, Randy joined my staff last year as the Communications Director. Given his personal knowledge with immigration issues, he also tackled this important issue for my Congressional office, including serving as my staff liaison to the Congressional Hispanic Caucus.

For the past eight months, Randy has helped to ensure that immigrants in the 31st Congressional District are afforded the rights to which they are entitled. He has also worked to make sure that all of the residents of my district are informed about the important work that we do here in Washington, D.C. Now, I wish him the best of luck as he returns to Los Angeles, to his community and to his dear fiancee.

TRIBUTE TO JOHN MEZZALINGUA AND CENTRAL NEW YORK BASED PPC ON ACHIEVING SIGNIFICANT MILESTONES

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. WALSH. Mr. Speaker, this month, one of the pioneering firms in the field of telecommunications equipment productions, PPC, will celebrate the completion of its 60th year in operation and its owner and founder, John Mezzalingua, will celebrate his 97th birthday on August 30th.

As an infant, John Mezzalingua immigrated to Central New York with his mother from Italy. At the age of 17, Mr. Mezzalingua began to work in an iron foundry with his father and soon expanded the family greenhouse and floral business to include a trucking service. During the Great Depression, Mr. Mezzalingua saved enough money to purchase automatic machinery and headed a production products company known as PPC. It grew to become one of the world's largest producers of cable connector products.

When the Magnavox Corporation purchased PPC, Mr. Mezzalingua retired. When the Netherlands-based North American Philips Corporation bought Magnavox in 1974, it decided to exit the connector business. Mr. Mezzalingua, nearing the age of 80, and his son Dan repurchased the company to keep its jobs in Central New York.

Today, John Mezzalingua Associates, Incorporated, the parent company of PPC, is headquartered and operates three plants in Central New York where it designs and manufactures connectors, traps and filters, and fiber optics products for telecommunications firms worldwide. It has additional manufacturing plants in Denmark and St. Kitts and maintains research operations in Switzerland.

On behalf of the people of New York's 25th Congressional District, it is my honor to congratulate Mr. John Mezzalingua on his 97th birthday and PPC on its 60 years in Central New York. We wish the very best for Mr. Mezzalingua, his family, and his company.

CONGRATULATING SAM AND SHIRLEY SHEFTS ON THEIR 50TH WEDDING ANNIVERSARY

HON. JAMES P. McGOVERN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. MCGOVERN. Mr. Speaker, today I rise to pay tribute to Sam and Shirley Shefts as they celebrate their 50th wedding anniversary. Sam was born in 1929, in the midst of the Great Depression in the Bronx, New York. At the age of 19, he married the beautiful girl next door, Shirley Yshoel. Both having been raised in poverty by immigrant parents, their marriage started out with nothing but love and the traditions of family.

Together they built a life of countless successes. Sam served in the National Guard for 12 years. Shirley maintained a warm and nurturing home, first in the Bronx, then in East Meadow, NY as they raised their three daughters, Janet, Mindy and Nancy. They both taught the girls, mostly by example, the values of hard work, religion, education, charity and appreciation of the goodness of life and nature. Though they could not afford to attend college themselves, they made it possible for all three of the girls.

Working side by side with his brothers, Sam provided for the family in the business and craft of carved glass. The "Shefts" signature could be found on glass murals throughout the country, including fine restaurants such as Tavern on the Green and the Russian Tea Room in New York City and the Old Ebbitt Grill in Washington DC. Once the children were grown, Shirley worked at an art gallery. She also was a volunteer with honors with the United Order of True Sisters, an organization that provides support to families affected by cancer.

Now living in Boynton Beach, Florida, Shirley and Sam Shefts continue to be active and vibrant members of their community and their synagogue. This year, their daughters and son-in-law will proudly honor their golden anniversary with a party, bringing together their brothers and sisters, nieces & nephews, cousins and dear friends in a wonderful celebration of their 50 years together.

Mr. Speaker, I know that all of my colleagues in this House join me in paying tribute to this wonderful couple on this happy occasion.

IN HONOR OF DR. JIM D. ROLLINS

HON. ASA HUTCHINSON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. HUTCHINSON. Mr. Speaker, I rise today to honor Dr. Jim D. Rollins, the Superintendent of the Springdale Public School District in Springdale, Arkansas.

On August 23, 2001, the Springdale School District will hold its annual back-to-school celebration and rally. This year's celebration is particularly special as it will commemorate the beginning of Dr. Rollins's 20th year as Springdale Schools Superintendent.

Dr. Rollins has a long and distinguished career working to educate the youth of Arkansas. He began teaching science to students at Ridgeroad Junior High School in North Little Rock, Arkansas. Eventually, he moved across town to take the helm as Principal of Lakewood Junior High School. Years later, he accepted a position in Springdale as Director of Secondary Education, before becoming Superintendent, a position he has held since the early 1980's.

Along with the aforementioned accomplishments, Dr. Rollins has held executive positions in a number of professional organizations including the Arkansas Association for Supervision and Curriculum Development and the Board of Directors of Northwest Arkansas Education Service Cooperative. He was selected to be a member of the Arkansas Governor's Task Force on Youth at Risk and received the Arkansas Superintendent of the Year Award in 1992.

I congratulate Dr. Rollins for his 20 years of dedication and service to the students of the Springdale School District. I am confident that he will continue to be successful in molding the lives of our nation's future.

A PROCLAMATION CELEBRATING THE MARRIAGE OF MICHAEL AND ROBYN SHAHEEN

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. NEY. Mr. Speaker, I commend the following article to my colleagues:

> Whereas, on June 30, 2001 Robyn Horner and Michael Shaheen joined together into the blessed union of holy matrimony, and;
>
> Whereas, they began on that day, witnessed by God, a journey together that will lead them to the path of all of life's joys,
>
> Therefore, I ask my colleagues to join with me in congratulating them and wishing them the very best that life has to offer.

THE EIGHTIETH ANNIVERSARY OF THE BIRTHDAY OF DR. ANDREI SAKHAROV

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. HOYER. Mr. Speaker, on May 21 of this year human rights advocates in Russia and all over the world marked the 80th" anniversary of the birth of celebrated scientist and human rights advocate, Dr. Andrei Sakharov.

As a Soviet scientist and citizen of the world, Andrei Sakharov combined a brilliant intellect with a deep concern for humanity. He was the youngest member of the USSR Academy of Sciences. After World War II, Sakharov worked as a theoretical physicist and received the Soviet Union's highest award three times for his scientific accomplishments in the field of thermonuclear weapons development.

By the late 1960s, however, his protests against nuclear testing and calls for greater intellectual freedom had made him a pariah to the Kremlin. The publication of his seminal essay, "Progress, Coexistence, and Intellectual Freedom," brought him international attention and respect. In 1970, Sakharov and fellow activists Valery Chalidze and Andrei Tverdokhlebov founded the Moscow Human Rights Committee to help Soviet citizens secure the rights theoretically granted to them under the Soviet Constitution. As journalist David Remnick wrote recently, "his modest apartment on Chkalova Street in Moscow seemed the moral center of an immoral empire."

In 1975, as a result of his human rights advocacy and his work toward genuine detente between the West and the Soviet bloc, Dr. Sakharov was awarded the Nobel Peace Prize. In the words of the Chairman of the Nobel Committee:

> Sakharov's fearless personal commitment in upholding the fundamental principles for peace between men is a powerful inspiration for all true workers for peace. Uncompromisingly and with unflagging strength Sakharov has fought against the abuse of power and all forms of violation of human dignity, and he has fought no less courageously for the idea of government based on the rule of law. In a convincing manner Sakharov has emphasized that Man's inviolable rights provide the only safe foundation for genuine and enduring international cooperation. In this way, in a particularly effective manner, working under difficult conditions, he has enhanced respect for the values that rally all true peace lovers.

True to form, Moscow would not allow Dr. Sakharov to travel to Oslo to receive the honor. Dr. Elena Bonner, his energetic wife and partner in the human rights struggle, accepted the prize in his stead and delivered his Nobel lecture, "Peace, Progress, and Human Rights." Ironically, on the same day that Dr. Sakharov was receiving by proxy the Noble Peace Prize, December 10, 1975, the recipient himself was in Vilnius, Lithuania attending the political trial of Sergei Kovalev, a fellow scientist and colleague in the struggle for human rights.

By 1980, the Kremlin and KGB had decided that this soft-spoken scientist who kept talking about human rights violations and political prisoners, as well as criticizing the Soviet invasion of Afghanistan, could no longer be allowed to speak his mind freely and to meet with foreign journalists. He was picked up on the streets of Moscow and, without a shred of judicial process, sent into "internal exile" in the city of Gorky about 300 kilometers east of Moscow. Even at this distance he could not be silenced, although the KGB did its best to harass him. Through Dr. Bonner, Dr. Sakharov continued to appeal for justice for the victims of human rights violations and to call on the international scientific community to work together for peace and disarmament.

By the late 1980's, however, Soviet authorities understood that the Soviet system could not compete with the rest of the world by repressing its best minds and criminalizing dissent. In December 1986, Soviet leader Mikhail Gorbachev called Dr. Sakharov and invited him to return to Moscow "to resume his patriotic work." What Gorbachev had in mind is unclear. Nevertheless, in April 1989, in the first genuinely contested national elections since Lenin dissolved the Constituent Assembly in 1918, Sakharov was elected to the Congress of People's Deputies where he resumed his "patriotic work" advancing the ideas of liberty and human rights for the Soviet people.

Mr. Speaker, at one point during a session of the Congress of People's Deputies, General Secretary Gorbachev turned off Dr. Sakharov's microphone in an effort to silence his arguments against the privileged position of the Communist Party under the Soviet Constitution. At that time, as Co-Chairman of the Helsinki Commission, I compared Dr. Sakharov's actions with those of former President John Quincy Adams who, as a Member of the United States House of Representatives, absolutely refused to be silenced on the subject of slavery despite the existence of the so-called "gag rule."

Tragically, Dr. Sakharov succumbed to a heart attack on December 14th, 1989, eight months after his election to the Congress of People's Deputies.

Some 50,000 people, along with foreign dignitaries and fellow members of the Congress of People's Deputies, gathered at the Palace of Youth to say farewell to their hero and colleague. And, yes, the KGB was also in attendance. Chairman Kryuchkov filed a report to the Party leadership that can now be found on the Internet.

Mr. Speaker, through the kindness of Dr. Elena Bonner, today Dr. Sakharov's papers are available to researchers and the public at the Sakharov Archive at Brandeis University in Waltham, Massachusetts. This archive is an invaluable contribution to world literature on human rights and international peace, and I hope that it will find generous support from the American people.

May Dr. Sakharov's example inspire us in the years to come.

A SPECIAL PILGRIMAGE TO ITALY

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mrs. LOWEY. Mr. Speaker, the Italian American community in this nation remains deeply interested in tracing and maintaining their family connections in Italy. Each year, family members of all ages visit the small towns and villages where their loved ones lived before emigrating to the United States.

I recently became aware of one such trip by the grandson of one of the more prominent and successful Italian American families in our country: the Pope family. Paul David Pope, a successful businessman and philanthropist who lives in Florida, traveled to Italy in June to honor the memory of his grandfather, Generoso Pope Sr. While doing so, he rekindled the spirit of benevolence which his grandfather had bestowed on the villages of Pasquarielli, Terranova and Arpaise in the southern province of Benevento.

In 1906, at the age of 15, Generoso Pope left his poor farming village and arrived in New York City with little money and a dream of success. He labored in the sand pits of Long Island for five years while going to night school. Following that, he went to work for the newly formed Colonial Sand and Stone Company and by 1926 he was the company President.

In 1928, Pope purchased Il Progresso Italo-Americano, the nation's largest Italian language daily newspaper. He later bought 3 other large Italian language newspapers in New York and Philadelphia.

Generoso Pope became an advocate and a champion for the new Italian immigrants who came to the United States. A patriot who helped to raise funds for the Allies War effort, Pope urged his readers to learn English, become citizens and vote. Pope later became the sponsor of the now world famous Columbus Day celebration in New York.

In 1929, Pope returned to Arpaise, Italy, with his wife and sons. He paid for a municipal power plant to bring electricity to the poor and isolated community, and in subsequent years, helped other local villages construct buildings like churches, schools and municipal structures. He also financed scholarships for worthy students.

More than 70 years later, Paul Pope followed his grandfather's path home to Arpaise, to learn more about his grandfather's impact on the small towns where he lived. Paul also emulated his grandfather by making a significant contribution to fund several urgently needed civic improvements in the town. The emotional highlight of the trip occurred when town leaders and citizens honored Paul Pope with a magnificent Festa. It came 65 years after a similar Festa was held for his grandfather. Mayor Armando Cimmino bestowed Honorary Citizenship on Paul Pope for his work and philanthropy on behalf of Arpaise. Paul Pope also received the prestigious Magna Grecia Award by the International Association of Magna Grecia and an award from the International Association of Marguttiani. Paul Pope concluded his historic visit with a private mass with His Holiness Pope John Paul II.

While in Italy, Pope announced the establishment of the Pope Medal to be presented annually to an individual who makes significant contributions in promoting their cultural initiatives, as well as his intention to sponsor an annual conference on the Italian-American experience, dedicated to the memory of his grandfather. The annual conference will be held under the auspices of the Calandra Institute of Queens College, City University of New York. The first conference will be held in 2002 and will focus on the Italian language press in America from its origins in the 19th century through today. Mr. Paul also hopes to hold additional forums at selected American colleges and universities with leading Italians in business, government, education and the arts.

Paul Pope's experience proves once again that the ties between the United States and Italy are strong and enduring. I salute Paul Pope and the distinguished Italian Americans from New York who accompanied him on the trip including New York State Supreme Court Justice Dominic R. Massaro; Monsignor George J. Cascelli, Director Italian Apostolate of the Archdiocese of New York; Dr. Joseph Scelsa, Vice President for Institutional Development at Queens College; Maria Fosco, President of the Italian Welfare League; and Joan Migliori, Assistant Director of the City University of New York Italy Exchange Program. Paul Pope has made an important contribution to furthering cultural interactions between the United States and Italy, and I commend him for his leadership, commitment and vision.

ARTICLE BY LANCE SIMMENS AND PAMELA CONLEY ULICH

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. CONYERS. Mr. Speaker, I submit the following insightful and poignant article, by Lance Simmens and Pamela Conley Ulich, from the Loyola of of Los Angeles Entertainment Law Review, for publication in the CONGRESSIONAL RECORD.

> "Bye, Bye Miss American plc, drove my Daimler to the movies to see a foreign-made flic; And good old actors were drinking whiskey and beer, singing this is the day we're unemployed here, this will be the day we're unemployed here."

I. INTRODUCTION

Globalization profoundly impacts traditional ways of conducting business, and the entertainment industry is not immune from the new economics drastically changing the world. Could Hollywood become "Hollyhasbeen"? Will television and theatrical motion pictures shot in the United States go the way of the American car and American-made clothing?

Runaway production has caused serious labor issues, including the dislocation of thousands of workers and jobs. In 1998. twenty-seven percent of films released in the United States were produced abroad, and an estimated 20,000 jobs were lost to foreign countries. Lower exchange rates, direct government subsidies and lower labor wages enticed American production companies to film in foreign locales. In 1998, the direct economic loss of runaway production was $2.8 billion. When coupled with the loss of ancillary business, the losses likely totaled $10.3 billion for 1998 alone. These loses juxtapose with the issues of free trade versus fair trade in an uneasy balance.

This article considers why many television and theatrical motion pictures targeted primarily at U.S. audiences are not made in America. It also examines the economic impact resulting from the flight of such productions. Finally, it considers possible solutions in an effort to reverse the trend.

II. THE HISTORY OF "RUNAWAY PRODUCTION"

Runaway production is not a new phenomenon. In December 1957, the Hollywood American Federation of Labor ("AFL") Film Council, an organization of twenty-eight AFL–CIO unions, prepared a report entitled "Hollywood at the Crossroads: An Economic Study of the Motion Picture Industry." This report addressed runaway production and indicated that prior to 1949, there were an "insignificant" number of American-interest features made abroad. However, the report indicated a drastic increase in productions shot abroad between 1949 and 1957. At that time four major studios—Columbia Pictures, Inc. ("Columbia"), Twentieth-Century Fox, Inc. ("Fox"), Metro-Goldwyn-Mayer ("MGM") and United Artists, Inc. ("United Artists")—produced 314 films. Of these films, 159, or 50.6 percent, were shot outside the United States. It also revealed runaway films were shot primarily in the United Kingdom, Italy, Mexico, France and Germany. The report further identified factors that led producer to shoot abroad: 1) authentic locale; 2) lower labor costs; 3) blocked currencies; 40 tax advantages and 50 easy money and/or subsidies.

On December 1, 1961, H. O'Neil Shanks, John Lehners and Robert Gilbert of the Hollywood AFL Film Council testified regarding runaway productions before the Education and Labor Subcommittee on the Impact of Imports and Exports on American Employment. Shanks explained to the subcommittee: "Apart from the fact that thousands of job opportunities for motion picture technicians, musicians, and players are being "exported" to other countries at the expense of American citizens residing in the State of California, the State of New York, and in other States because of runaway production this unfortunate trend . . . threatens to destroy a valuable national asset in the field of world-wide mass communications, which is vital to our national interest and security. If Hollywood is thus permitted to become "obsolete as a production center" and the United States voluntarily surrenders its position of world leadership in the field of theatrical motion pictures, the chance to present a more favorable American image on the movie screens of non-Communist countries in reply to the cold war attacks of our Soviet adversaries will be lost forever."

John "Jack" L. Dales, Executive Secretary of the Screen Actors Guild ("SAG"), and actor Charlton Heston also testified, before this subcommittee. Dales stated: "We examined and laid out, without evasion, all the causes [of runaway production] we knew. Included as impelling foreign production were foreign financial subsidies, tax avoidance, lower production costs, popularity of authentic locale, frozen funds—all complex reasons. We urged Congressional action in two primary areas: 1) fight subsidy with subsidy. Use the present 10 percent admissions tax to create a domestic subsidy; 2) taxes . . . We proposed consideration of a spread of five or seven years over which tax would be paid on the average, not on the highest, income for those years."

Despite these impassioned pleas, runaway production has continued to grow in importance, scope and visibility. Today it ranks among the most critical issues confronting the entertainment industry. The issue received increased attention in June 1999, when SAG and the Directors Guild of America ("DGA") commissioned a Monitor Company report, "The Economic Impact of U.S. Film and Television Runaway Production" ("Monitor Report"), that analyzed the quantity of motion pictures shot abroad and resulting losses to the American economy. In January 2001, concerns over runaway production were addressed in a report prepared by the United States Department of Commerce. The eighty-eight page document ("Department of Commerce Report") was produced at the request of a bipartisan congressional group. Like the Monitor Report, the Department of Commerce Report acknowledged the "flight of U.S. television and cinematic film production to foreign shores." Both reports quantify the nature and depth of the problem and warn of further proliferation if left unchecked.

Additionally, the media is bringing the issue of runaway production to the attention of the general public. Numerous newspaper articles have focused on the concerns cited in the Monitor Report.

For example, in The Washington Post, Lorenzo di Bonaventura, Warner Bros. president of production, explained the runaway production issue as follows: "For studios, the economics of moving production overseas are tempting. The Matrix cost us 30 percent less than it would have if we shot in the United States. . . . The rate of exchange is 62 cents on the dollar. Labor costs, construction materials are all lower. And they want us more. They are very embracing when we come to them."

Di Bonaventura indicated Warner Bros. received $12 million in tax incentives for filming The Matrix in Australia. This is a significant savings for a film that cost approximately $62 million to produce.

III. CAUSES OF RUNAWAY PRODUCTION

In the Department of Commerce Report, the government delineated factors leading to runaway film and television production. These factors have contributed to the "substantial transformation of what used to be a traditional and quintessentially American industry into an increasingly dispersed global industry."

A. VERTICAL INTEGRATION: GLOBALIZATION

Vertical integration is defined by the International Monetary Fund as "the increasing integration of economics around the world, particularly through trade and financial flows." The term may also refer to "the movement of people (labor) and knowledge (technology) across international borders."

Consequently, companies must now be productive and international in order to profit. Because companies are generally more interested in profits than in people, companies are often not loyal to communities in which they have flourished. Instead, they solely consider the bottom line in the process of making business decisions.

Columbia is an excellent example of the conversion from a traditional U.S.-based company to a global enterprise. Columbia began in 1918 when independent producer Harry Cohn, his brother Jack and their associate Joe Brandt, started the company with a $100,000 loan. In 1926, Columbia purchased a small lot on Gower Street in Hollywood, California, with just two sound stages and a small office building. In 1929, Columbia's success began when it produced its first "talkie" feature, The Donovan Affair, directed by Frank Capra, who would become an important asset to Columbia. Capra went on to produce other box office successes for Columbia such as You Can't Take It With You and Mr. Smith Goes to Washington.

In 1966, Columbia faced a takeover attempt by the Banque de Pan's et de Pays-Bas, owner of twenty percent of Columbia, and Maurice Clairmont, a well-known corporate raider. The Communications Act of 1934 prohibited foreign ownership of more than one-fifth of an American company with broadcast holdings. The Banque de Pan's could not legally take over Columbia because one of Columbia's subsidiaries, Screen Gems, held a number of television stations. In 1982, the Coca-Cola Company purchased Columbia.

In 1988, Columbia's share of domestic box office receipts fell to 3.5 percent and Columbia registered a $104 million loss. In late 1989, Columbia entered into an agreement with Sony USA, Inc., a subsidiary of Japan's Sony Corporation, for the purchase of all of Columbia's outstanding stock. This acquisition apparently did not violate the amended Communications Act.

Following in Columbia's footsteps, other studios have globalized through foreign ownership. Universal Studios, Inc. ("Universal"), previously the Music Corporation of America, was acquired by the Japanese electronics company Matsushita in 1991, and four years later was purchased by Seagram, a Canadian company headquartered in Montreal. In 1985, Australian media mogul Rupert Murdoch acquired a controlling interest in Fox, and Time, Inc., a publishing and cable television giant, acquired Warner Bros. in 1989.

As studios become multinational, their loyalty to the community or country in which they were born wanes. The international corporations are no longer concerned with the ramifications of moving production outside of their community or country; they are instead concerned only with bottom-line profits. Columbia exemplifies globalization. Columbia no longer owns a studio lot, let alone its humble beginnings on Gower Street. The Studio simply rents office space in a building in Culver City, California. Not surprisingly, global corporations think globally, not locally. Shooting abroad is not only acceptable, but preferable to companies who are not loyal to any one country.

B. RISING PRODUCTION AND DISTRIBUTION COSTS AND DECREASING PROFITS

By the end of the 1990s, studio executives began to alter their business methods. Despite aggressive cost-cutting, layoffs, strategic joint ventures and movement of production to foreign shores, rising production and distribution costs have consumed profits over the last decade. Production costs rose from an average of $26.8 million to $51.5 million. Distribution costs for new feature films more than doubled. In 1990, the average motion picture cost $11.97 million to distribute, and by 1999, the costs rose to $24.53 million. At the same time, profit margins dropped. For example, Disney Studio's profits decreased from 25 percent in 1987 to 19 percent in 1997, and Viacom's profits dropped from 13 percent in 1987 to less than 6.5 percent in 1997. Additionally, both Time Warner and News Corporation, parent of Fox, showed declining profits as well.

C. TECHNOLOGICAL ADVANCES

According to the Department of Commerce Report, "New technologies and tools may well be contributing to the increase in the amount of foreign production of U.S. entertainment programming." Ten years ago, even if a foreign country had lower labor costs, it would have been prohibitively expensive to transport equipment and qualified technicians to produce a quality picture abroad. However, new technology is defeating that obstacle. Scenes shot on film must be transferred or scanned into a videotape format; this process creates what is referred to as dailies. However, many foreign production centers are unable to instantaneously produce dailies from film. Nevertheless, technological advancement has led to the creation of high definition video, which, like dailies, offers immediate viewing capabilities aproximating the visual quality of film. As the quality of high definition video continues to improve, producers will be free to shoot abroad regardless of whether the country offers film processing centers. .

D. GOVERNMENT SWEETENERS

Canada is extremely aggressive in its application of both Federal and provincial subsidies to entice production north of the border: At the federal level, the Canadian government offers tax credits to compensate for salary and wages, provides funding for equity investment, and provides working capital loans. At the provincial level, similar tax credits are offered, as well as incentives through the waiving of fees for parking, permits, location, and other local costs.

These enticements equal a sizeable economic benefit. According to the Monitor Report, "U.S.-developed productions located in Canada have been able to realize total savings, including incentives and other cost reducing characteristics of producing in Canada, of up to twenty-six percent." The Department of Commerce Report carefully delineates a plethora of incentives employed by a host of countries. It concludes the undeniable impact of these programs is to weaken the market position of the U.S. film-making industry and those who depend on the industry for employment.

E. EXCHANGE RATES

Because the U.S. dollar is stronger than Canadian, Australian and U.K. currencies, American producers have more purchase power when they opt to film abroad. As a result, producers are tempted to locate where the dollar has the most value. The Canadian, Australian and U.K. currencies have all declined by fifteen to twenty-three percent, relative to the U.S. dollar, since 1990.

IV. THE IMPACT OF RUNAWAY PRODUCTION

A. THE ECONOMIC IMPACT

In total, U.S. workers and the government lost $10.3 billion to economic runaways in 1998. According to the Monitor Report, "$2.8 billion in direct expenditures were lost to the United States in 1998 from both theatrical films and television economic runaways." For example, if a theatrical picture is shot in New York, then carpenters are employed to make the set, caterers are employed to prepare and serve food, and costume designers are hired to provide wardrobe. As the Department of Commerce Report explains, "Behind the polished, finished film product there are tens of thousands of technicians, less well-known actors, assistant directors and unit production managers, artists, specialists, post-production workers, set movers, extras, construction workers, and other workers in fields too numerous to mention."

This fiscal loss ripples through the economy affecting peripheral industries. In addition to the direct economic loss discussed above, the Monitor Report calculated an additional $5.6 billion lost in indirect expenditures. Indirect expenditures include real estate, restaurants, clothing and hotel revenues, which are not realized. In addition to these private industry losses, the govenment lost $1.9 billion in taxes to runaway production. As opposed to the $10.3 billion lost in 1998, the study estimated those figures will be between $13 and $15 billion in 2001.

B. THE U.S. PRODUCTION DROUGHT

The Monitor Report stated that between 1990 and 1998, U.S. film production growth fell sharply behind the growth occurring in the top U.S. runaway production locations of Canada, Australia and the U.K. It stated that Australia "is growing 26.4 percent annually in production of U.S.-developed feature films, or more than three times the U.S. growth rate." Similarly, "Canada is growing at 18.2 percent annually in production of U.S.-developed television projects, more than double the U.S. rate." During the same period, annual growth rates in the United States were 8.2 percent for feature films, and 2.6 percent for television.

C. JOB LOSS

Runaway production also impacts the U.S. labor market. It is estimated there are 270,000 jobs directly tied to film production. It is further estimated that 20,000 jobs were lost in 1998 alone due to runaway production. However, these statistics do not fully reflect the impact of economic runaway production on employment. They fail to account for spin-off employment that accompanies film production. It is estimated by the Commerce Department that the ripple effect of secondary and tertiary jobs associated with the industry might easily double or triple the number of jobs dependent upon the industry.

Regardless of the understated nature of the economic impact, the Commerce Department acknowledges that at least $18 billion in direct and indirect export revenues and $20 billion in economic activity are generated by the industry annually.

D. LOSS OF PENSION AND HEALTH BENEFITS

Performers and others who work on foreign productions may lose valuable pension and health benefits. As provided in the SAG collective bargaining agreements, performers are entitled to receive pension and health contributions made to the plans on behalf of performers when they work on productions. Although SAG does allow for some pension and health reciprocity with the Canadian performers union, performers must negotiate this term into their contracts. More often than not, performers are unable to negotiate this benefit for work performed in Canada.

E. CULTURAL IDENTITY

In 1961, Congress was warned that the trend of runaway production threatened to destroy a valuable "national asset" in the field of worldwide mass communications. As H. O'Neil Shanks, John Lehners and Robert Gilbert of the Hollywood AFL Film Council testified in 1961, if Hollywood became "obsolete as a production center" and the United States voluntarily surrendered its positon of leadership in the field of theatrical motion pictures, the chance to present a more favorable American image on the movie screen would be forever lost. Although the Cold War is no longer a reason to protect cultural identity, today U.S.-produced pictures are still a conduit through which our values, such as democracy and freedom, are promoted.

V. SOLUTIONS

A. THE FILM CALIFORNIA FIRST PROGRAM

California remains a leading force in the industry, and last year took a legislative step to remedy the problem of runaway production. The state passed a three-year, $45 million program aimed at reimbursing film costs incurred on public property. The Film California First ("FCF") program is specifically geared toward increasing the state's competitive edge in attracting and retaining film projects. To accomplish this goal, the legislation provides various subsidies to production companies for filming in California, including offering property leases at below-market rates. This legislation should serve as a model for other states, as they too struggle with an issue of increasing economic importance.

B. WAGE-BASED TAX CREDIT

A possible solution could be patterned after a legislative proposal offered, but never advanced, in the 106th Congress. Specifically, this proposal called for a wage-based tax credit for targeted productions and provided: (1) a general business tax credit that would be a dollar-for-dollar offset against any federal income tax liability; (2) a credit cap at twenty-five percent of the first $25,000 in wages and salaries paid to any employee whose work is in connection with a film or television program substantially produced in the United States and (3) availability of credit only to targeted film and television productions with costs of more than $500,000 and less than $10 million.

C. FUTURE SOLUTIONS

To rectify the problems of runaway productions, legislation at the local, state and federal levels is paramount. Over the past thirty years, the film industry has expanded beyond California to become a major engine of economic growth in states such as New York, Texas, Florida, Illinois and North Carolina. To achieve effective legislative remedies, it is critical to examine the successful programs implemented by other nations.

Maybe it is the inexorable result of a changing world. Regardless, the proliferation of foreign subsidies for U.S. film production, which is occurring at an increasing rate worldwide, raises troubling questions of fairness and equity. From a competitive standpoint, it appears as though the deck is stacked against a class of workers who seek to derive their livelihood from this industry but find their jobs have moved overseas. It is understandable that producers will take the opportunity to film abroad when the reduction in costs is as much as twenty-five percent. Consequently, the only remedy for America's workforce is to pass legislation that provides commensurate benefits in the United States.

It is apparent that a laissez-faire, market-oriented approach has failed the American worker. Unemployment is extraordinarily high within the creative community, leading to seventy percent of SAG's 100,000 plus members earning less than $ 7,500 annually. This economic hardship is exacerbated by runaway production. Thus, it is abundantly clear that legislative remedies attempting to more adequately level the playing field must be pursued. Amid encouraging signs that a tax bill of significant consequence is likely to pass Congress in the coming months, it is imperative that the creative community take a proactive position to ensure that the tax bill provides incentives for domestic film production. It must use all resources to cure the concerns presented in the two reports outlined in this Article. Organizations, such as SAG, must work with Congress to develop a proposal that is acceptable in terms of cost and other political considerations.

While it seems unlikely that there is the political will or desire to match the incentives offered by many of our competitors, it is conceivable to the authors that an effective approach can be designed to substantially close the gap on cost savings without eliminating them. Thus, the approach advocated involves identifying the level where cost savings of filming abroad are minimized so as not to be the determinative location factor. An appropriate level may be in the range of ten percent cost savings versus the twenty-six percent cost savings now common in some Canadian locations.

It is important to note the strategy used to fashion a remedy is just as important as the relief sought. The industry should be willing to approach the tax-writing committee staff with the afore-mentioned concept and work closely with them in designing a legislative remedy. This strategy represents a holistic approach to a global problem. It is important to remember the United States risks losing its economic advantage in a vital industry which carries with it enormous economic consequences. As noted in the Department of Commerce Report:

> If the most rapid growth in the most dynamic area of film production is occurring outside the United States, then employment, infrastructure, and technical skills will also grow more rapidly outside the United States, and the country could lose its competitive edge in important segments of the film industry.

VI. CONCLUSION

Politics represents the art of the possible. The approach advocated in this Article should find a receptive ear in the halls of Congress if for nothing else than its simplicity. Timing is crucial. Left unchecked, the only certainty is continuing runaway production with the attendant economic costs, lost jobs, and diminished tax revenues at all levels of government. In a time of waning economic growth and warning signs of dwindling surpluses and future economic weakness, including production incentives into any upcoming tax relief is essential to preserving the U.S. workforce in the American entertainment industry.

IN RECOGNITION OF THE VIRGIN ISLANDS COUNCIL OF THE BOY SCOUTS OF AMERICA

HON. DONNA M. CHRISTENSEN

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mrs. CHRISTENSEN. Mr. Speaker, I rise today to pay tribute to the Virgin Islands Council of the Boy Scouts of America, (VIBSCA) for their long-standing service to the people of the U.S. Virgin Islands and on the occasion of their being recognized by the organizers of the 29th Annual Open Atlantic Blue Marlin Fishing Tournament, popularly known as the "Boy Scouts Tournament," held each year on St. Thomas. Considered the best of its kind, the contest attracts top anglers from around the globe.

Scouting in the United States Virgin Islands can be traced as far back as 1914. After the transfer of the islands in 1917 from Denmark to the United States, there was scouting of a sort that for all intent and purposes was open only to children of the military. However, it was not until February of 1930, just three years after Scouting was established in Puerto Rico, that the first official Boy Scout Troop was formed in the United States Virgin Islands.

Mr. Speaker, history was made twice on the first of January 1965 when the Virgin Islands got their own Boy Scout Council and Mr. Samuel B. King became the first black council executive in the entire Boy Scout movement in the United States.

During the last thirty-six years, the VIBSCA have sent leaders to Wood Badge Courses in Puerto Rico and to the U.S. mainland and in 1983, the first leadership Wood Badge course was held at Howard M. Wall on St. Croix, U.S. Virgin Islands. Wood Badge, very similar the U.S. Army's Basic Training regimen, is the highest training offered to selected male and female leaders to enable them to better serve the youth. The VICBSA has participated in eight National Jamborees, one World Jamboree, nine Caribbean Jamborees and many trips to Philmont Scout Reservation in Cimmaron, New Mexico as well as many training courses locally and on the mainland for both leaders and Scouts.

I am proud to represent this segment of my constituency—the VIBSCA—because they have shaped and molded the minds and bodies of thousands of Virgin Islands youth over the past seventy-one years. As a result of their work and service to the Virgin Islands community, today many of these former scouts hold positions of influence and stature still contributing to the betterment of a rich and flourishing Virgin Islands society.

On behalf of a grateful Virgin Islands community, my family, staff and myself, I wish to congratulate the Virgin Islands Council of the Boy Scouts of America, its members, both past and present, for their many contributions to our community and for so generously giving of themselves and their values to generations of Virgin Islands youth over the years.

May God continue to bless the Virgin Islands Council of the Boy Scouts of America and scouts all over our blessed Nation. Best wishes for an eventful, fulfilling "Boy Scouts Tournament."

BILL TO AMEND THE INTERNAL REVENUE CODE OF 1986 TO CLARIFY THE TREATMENT OF INCENTIVE STOCK OPTIONS AND EMPLOYEE STOCK PURCHASE PLANS

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. HOUGHTON. Mr. Speaker, today I am introducing a bill to solve a problem that has been facing a number of companies during the past year who grant stock options to their employees.

Many companies use stock options as an incentive to attract and motivate employees. Companies give their workers the right to purchase company stock, at a small discount from the listed price, through Employee Stock Purchase Plans and Incentive Stock Options. Employee stock ownership motivates workers and can create a positive relationship between management and workers, where both reap rewards for successful company performance.

For nearly 30 years the Internal Revenue Service (IRS) has taken the position that the income from these stock options is not subject to employment taxes. However, recent audits and rulings on specific companies have raised the troubling prospect that the IRS now believes that employment taxes should be withheld from the paychecks of individuals who exercise stock options under these plans.

Employee Stock Purchase Plans and Incentive Stock Options were created by Congress to provide tools to build strong companies and encourage greater employee ownership of company stock. It was not the intent of Congress to dilute these incentives by requiring employment tax withholding when the stock is purchased.

While I am pleased that the IRS currently has in place a moratorium so that no employment taxes will be assessed on stock options, I believe Congress needs to clarify existing law to prevent any future attempts to change past policy on stock options. The current moratorium extends until January 1, 2003, and unless Congress adopts the proposed legislation, companies and workers will face uncertainty as to whether options are subject to withholding taxes.

The legislation I am introducing would clarify that the difference between the exercise price and the fair market value of stock offered by the Incentive Stock Option or Employee Stock Purchase Plan is excluded from employment taxes. In addition, wage withholding is not required on disqualifying dispositions of Incentive Stock Option stock or on the fifteen percent discount offered to employees by Employee Stock Purchase Plans.

I urge my colleagues to join me in cosponsoring this legislation.

CLOSE FINGER LAKES NATIONAL FOREST TO DRILLING

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. WALSH. Mr. Speaker, I rise today in opposition to proposals to drill for natural gas within the Finger Lakes National Forest located in Hector, New York between Seneca and Cayuga Lakes. This proposed drilling will have catastrophic effects on wildlife, recreation in the area, and tourism vital to the region's economy.

The Finger Lakes National Forest is the smallest national forest in the country and draws 46,000 recreational visitors each year who hunt, fish, camp, and hike on the 16,000-plus acre reserve. Any drilling in national parks, including the proposed drilling in the Finger Lakes National Forest which would utilize 130 foot rigs and pipelines, will cause irreparable damage to the landscape and environment.

Recently, my office has been flooded with letters from concerned neighbors across Upstate New York. I have referred their correspondence to Dale Bosworth, Chief of the United States Forest Service, to be included as part of the record on this issue.

In addition, I have expressed my concern to Congressman CALLAHAN, Chairman of the House Appropriations Subcommittee on Energy and Water Development. I encourage Mr. CALLAHAN and my fellow Appropriations Committee colleagues to support language recently added to an accompanying Senate Appropriations bill that would ban all oil and natural gas exploration in the forest. Our House Energy and Water Development conferees have the ability to retain the Senate version's language when the spending package is considered in conference later this year.

My father, former Rep. William F. Walsh, represented this area in Congress in the 1970's. During that time, he fought hard to ensure this pristine wilderness area would be protected for future generations. In our current attempts to construct a sound and responsible national energy policy, it is my hope that this body recognizes the need for continued environmental stewardship to protect these national treasures for the generations that follow.

I urge my fellow members to support my call to ban drilling in the Finger Lakes National Forest.

RECOGNIZING AN OUTSTANDING FRIENDSHIP AND PARTNERSHIP BETWEEN TWO CITIES, IRWINDALE, CA, AND SALVATIERRA, GUANAJUATO, MEXICO

HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Ms. SOLIS. Mr. Speaker, I rise today to recognize an international friendship that began many years, has withstood the test of time and continues to grow as each year passes.

The Sister City Partnership between the City of Irwindale, California, in the 31st Congressional District and the City of Salvatierra, Guanajuato, Mexico, began 36 years ago. Through this partnership, both communities have realized cultural and humanitarian benefits.

For example, the City of Salvatierra has received donations from Irwindale of much-needed equipment such as a fire engine, ambulance, street sweeper and optical instruments to improve the quality of life for its citizens.

In addition, Irwindale has experienced first-hand the benefits of cultural exchange and good will through the bi-annual visits of its residents to Mexico. In fact, a local park in Salvatierra, Mexico, was named after the City of Irwindale.

I am privileged to recognize these two exemplary cities, Irwindale and Salvatierra, for their friendship and exchanges that benefit residents in both cities.

CONGRATULATIONS TO COUNCIL OF KHALISTAN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. TOWNS. Mr. Speaker, the Council of Khalistan, led by my friend Dr. Gurmit Singh Aulakh, recently completed 15 years of service and I would like to take this opportunity to congratulate the Council of Khalistan. Dr. Aulakh is a well-known presence around here. He has been working these halls for 15 years, advocating the cause of freedom for the Sikhs of Punjab, Khalistan, who are being subjected to brutal tyranny by the Indian government.

The Sikhs and other minorities like the Christians, Muslims, Dalit "untouchables," and others have been killed by the tens of thousands, held as political prisoners in large numbers—over 52,000 Sikhs alone, according to a recent report from the Movement Against State Repression—and subjected to other atrocities like violent attacks on religious institutions like Christian churches and schools, the Golden Temple, and the Babri mosque, attempts to burn down a Gurdwara and some houses, the Staines murder. In the face of these atrocities democratic India does nothing.

It is because of the efforts of activists like Dr. Aulakh that these matters come to light. He is a major leader in the human-rights movement and the leader of the Sikh community. I salute him for his tireless efforts and submit the following articles.

CONCERN AT NEW THREATS TO RELIGIOUS FREEDOM

[The following statement was issued in New Delhi and Hyderabad on Sunday, 29th July 2000 by All India Christian Council President Dr Joseph D'Souza and Secretary General John Dayal in the wake of reports of draconian changes in the Foreign Contributions regulation act, the Private members Bill in the Lok Sabha against freedom of faith, the incidence of Vishwa Hindu Parishad goons "arresting" Christian workers in Varanasi, the forcible "re-conversion" of Orissa Christians under the combined pressure of the VHP and the Orissa Police.]

The All India Christian Council calls upon Civil Society, the national Human Rights Commission and fellow citizens to take united action to counter a series of recent incidents in several Indian states by Fundamentalist extremists of the Sangh Parivar, as well as by police forces acting at their behest, in which the civil rights of Christian individuals and groups have been violently attacked. The Council is deeply concerned that the central and state governments, instead of taking urgent steps to restore confidence among the terrorised minorities, have seemingly condoned such actions. The Centre is in fact, according to media reports, bringing forward legislation that will further and more seriously affect religious minorities in the country and their work, and injure Constitutional guarantees.

The Council has declared it will extend all legal assistance to the victims who have been terrorised, specially in the states of Orissa, Gujarat, Uttar Pradesh and Rajasthan.

The most ominous incident has taken place in Varanasi in the state of Uttar Pradesh, where the state government controlled by the Bharatiya Janata party has condoned military training with firearms provided to elements of the Sangh Parivar in recent months. In that city on 24th July 2001, a Christian religious worker was among five persons "detained" by self styled vigilantes of the Vishwa Hindu Parishad. The five men had come to the city to attend a meeting. The City Superintendent of Police, who had the five men released, admitted they were innocent of the charges of conversion levied against them. The police have however taken no action against the VHP goons who terrorised the Christian group.

VHP groups are also terrorising the inmates of an ashram in Kota district of Rajasthan which is home to over 1,500 destitute and orphaned young people from various parts of the country. Death threats have been made against Bishop M A Thomas and officials of the Ashram. Many other similar cases have been reported from other states.

In Orissa, ruled by a coalition in which the BJP is a partner, the police have looked on while Tribal Christians are being coerced into "reconverting" to Hinduism. The Police have evoked the infamous and ironically named Freedom of Religion Act selectively against the Christians but not against their tormentors. As the media has reported, 17 adult persons had some time ago become Christians, and had told the police they had done so of their own free will, without any duress or allurement. The police, acting at the behest of local religio-political goons, however, chose to prosecute them and registered cases against them. Emboldened by this, the local fundamentalist elements intimidated the Christians, organising social ostracisation against them. Reports suggest that the authorities tacitly supported the "reconversion." The council has deplored the blatant religious partisanship of the local police and civil administration.

It is quite clear that these elements are getting strengthened by the attitude of the Central government. The minority communities, specially Christians are alarmed, at the failure of the Central government to denounce a Private Members bill moved by one of their party members in the Lok Sabha, the lower house of Parliament, which seeks a ban on religious conversions, which in effect means a ban on freedom of faith. This bill evoked dark memories of a similar Hitlerian OP Tyagi Bill in the late Seventies which the government, of which the current Bharatiya Janata party was a part, had extended its support.

The council has also strongly criticised the government's reported plan to enact new laws to strangle foreign donations and grants to minority, specially Christian, institutions and organisations. The existing Foreign Contributions Act, FCRA, is already being used as a weapon by the BJP government to target Christian groups and to stifle all protest. We fear the proposed laws are being designed to entirely curtain the educational and public welfare work of the Christian church in India. Christian groups have been thoroughly investigated in the law two years and have been found innocent, and yet extremist groups as well as ruling political parties have persisted a hate campaign against us using disinformation, half truths and malicious lies.

We call upon Civil Society, the national Human Rights Commission and all fellow citizens to unite in fighting this erosion of civil liberties and constitutional guarantees.

HAVE YOU DONE ENOUGH???

The anti-Christian Bill is in the Parliament. This is a place where even very sensitive Bills have been passed by manipulations, ignorance and negligence. Pandemoniums are created to pass Bills by voice votes. Bills become Acts in a second as opposition stages a walkout.

Have you heard your representative opposing the Bill? Have you heard the Christian MP's forum responding? Have you read about the Bill in your newspaper? Have you heard any of the church leaders speaking out? Now the burden is upon you. Do you know that it is the Sikh leader Gurmit Singh Aulakh who dedicates all his energies to bring up the issue of Christian persecution before the American legislative bodies?

How many Indian Christians have you seen lobbying against the persecution of Christians at the UN organisations or the US Committees?

Do you know that it is dalits, atheists and even moslems who have taken up the issue of the present Bill which is bound to affect the Christians the most? Dr. Satinath Choudhry is one of the earliest to respond. The objections to the Bill have appeared before the secular and dalit E-fora even before the head of any Church has even taken note of the Bill. Fascism is here and now. The very rights of individuals are at stake. Have you done enough???

PERSONAL EXPLANATION

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, on rollcall Nos. 298 and 299, final passage of H.R. 2647, Legislative Branch Appropriations Act for fiscal year 2002 and the approval of the Journal, I was detained at the White House in a meeting on World Conference Against Racism. Had I been present, I would have voted "yea" on both.

TRIBUTE TO RUTH HYMAN

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. PALLONE. Mr. Speaker, I would like to call the attention of Congress to an event on Thursday, August 16 in New Jersey. The Jewish Family and Children's Service of Greater Monmouth County is holding a dinner and tribute at Temple Beth El of Oakhurst to honor Ruth Hyman. Ruth will have the distinction of being honored for her work as a philanthropist and her support of Jewish causes in the area, as well as in Israel.

Ruth, a close friend of mine, was born in my hometown of Long Branch, New Jersey into a family of four boys and four girls. She says that her parents' direction and teachings of tzedakah, menschlichkeit, and the Torah guided her to be the person that she is today.

Ruth's teachings as a child can well be seen in her community involvement. She is a life member of Daughters of Miriam, charter and life member of the Central Jersey Jewish Home for the Aged, founder and past chairperson of the Federation Women's Business and Professional Division, benefactor and board member of the Jewish Community Center, and an active member of B'nai Brith, AMIT, and Congregation Brothers of Israel. For the past twenty-five years Ms. Hyman has been the Chairperson of the Women's Division of Israel Bonds, and for the past twenty-six years she has been the president of the Long Branch Hadassah.

This is not the first time that Ruth has been honored for her service to the community. Ruth has received the Service Award from the Jewish Federation Women's Campaign, Woman of Valor of the Long Branch chapter of Hadassah, Israel Bonds Golda Meir Award and the Ben Gurion Award, Lay Leader of the Year by the Jewish Federation, and the Hadassah National Leadership Award. The community cannot express the debt that we owe to my friend Ruth who has shown us all that selflessness will never go unrecognized.

I want to personally thank Ruth Hyman for being a leader of the Jewish community and an excellent role model for our youth.

HONORING CONNEE GARTLAND ON HER 80TH BIRTHDAY

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. PAYNE. Mr. Speaker, I would like my colleagues here in the U.S. House of Representatives to join me in honoring a very special person, Mrs. Connee Gartland, on the occasion of her 80th birthday. Family and friends will gather this weekend in Dennisport, Massachusetts to celebrate this milestone.

Constance Doris Fischer Gartland was born on August 7, 1921 in Boston, Massachusetts to Alfons and Louise M. Fischer. She earned a B.S. Degree in Education from Salem State College in 1943 and a Master's in Business from Boston University in 1945. During her distinguished career as an educator, she held the position of Business Education Teacher at Mary Brooks School and Academie Moderne, both in Boston; and Weston High School in Weston, Massachusetts.

On October 7, 1950 Connee married Edward V. Gartland, Jr. They became the proud parents of four children: Susan, Pamela, Deborah and Edward V. III and eventually the proud grandparents of five grandchildren; Brian and Kevin Anderson, Delaney and Riley Cruickshank, and Edward V. Gartland IV. They lived in Newton, Massachusetts and spent summers in their home in Dennisport.

With warmth and generosity, Connee and Ed opened their hearts and home over the years to neighbors and friends of all ages and from all parts of the country. There was always lively and enjoyable conversation in their home because of their may interests and activities.

During the winter, Connee now lives in Fort Myers, Florida where she is a member of the Development Committee at her church. Other memberships include the Women's Club, the 9-Holers Golf League, where she held the position of Treasurer; and the staff of the Lake Fairways Newsletter, The Informer.

Mr. Speaker, I know my colleagues join me in sending our congratulations to a wonderful person, Connee Gartland, who has touched so may lives as a former educator, parent, grandparent, and friend. Let us extend our best wishes for a Happy 80th Birthday and continued health and happiness.

U.S. RELATIONS WITH PERU

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. TOWNS. Mr. Speaker, U.S. relations with Peru have recently become a matter of concern due to the shoot-down of the U.S. missionary plane, with the death of two U.S. nationals, a mother and her child, and the continued imprisonment of Lori Berenson. At the same time, we have been witnessing the growing accusations of corruption and human rights abuses stemming from the arrest of former Peruvian spy chief Vladimiro

Montesinos. The fact that Berenson was arrested and convicted at a time when Montesinos virtually controlled the country's judiciary system is enough to arouse suspicion over the country's ability to have fairly administered justice.

Berenson's recent sham retrial, under Peru's current provisional government, has served to bolster those suspicions. As a result of the judiciary's long ties to the country's corrupt political system, Berenson's second trial before a civilian judge, which sentenced her to twenty years in prison, marked only a slight improvement over the original 1996 military trial in which a hooded judge sentenced Berenson to life imprisonment.

On the eve of a potential new era of politics in Peru, the time to act on the Berenson case is now. On July 28th, president-elect Alejandro Toledo will be sworn in as Peru's new president and the country, which had been gripped by autocracy for the last ten years under now-disgraced former President Alberto Fujimori, will be given a genuine opportunity to break with its corrupt past. President Bush and the U.S. Congress should do all that they can to assist President Toledo and the whole of Peru in their recovery from ten years of corrupt leadership, if the new administration ensures that Lori Berenson be granted justice. Regarding the Berenson case, we would like to know if the State Department did enough to protect this U.S. national and what exactly were the ties between this country and Montesinos, and did we do enough to publicize the villainy of this man. I'm afraid the answers to these questions may prove embarrassing.

Beyond the moral obligation to intervene on Berenson's behalf, the President has a legal obligation to seek Berenson's release. Under U.S. Code 22 Section 1732, the President must do everything in his power, short of acts of war, to obtain or effectuate the release of a U.S. citizen wrongfully incarcerated by a foreign government.

The following press memorandum was authorized by Mariah Freark and Sabrina Blum, Research Associates at the Washington-based Council on Hemispheric Affairs (COHA), an organization that has been long-committed to addressing issues associated with democracy and human rights throughout the hemisphere. COHA's researchers have often spoken out about controversial issues regarding U.S. relations with Latin America. The attached press memorandum addresses information concerning Lori Berenson and Peru, and should serve to enlighten us.

[From the American Prospect, May 25, 2001]

OUR MAN IN LITTLE HAVANA

THE SECRET COLD WAR HISTORY OF OTTO JUAN REICH, GEORGE W. BUSH'S FRIGHTENING NOMINEE FOR ASSISTANT SECRETARY OF STATE OF WESTERN HEMISPHERE AFFAIRS

(By Jason Vest)

It was the summer of 1985 and John Lantigua, then The Washington Post's Nicaragua stringer, discovered he had a new nickname, at least among American right-wingers: "Johnny Sandinista."

For many senior politicos in the Reagan Administration, Nicaragua was a black and white issue. If you weren't pro-Contra and anti-Sandinista, you were a dupe of two malevolent forces: What one senior official euphemistically called "the source" of evil in this hemisphere—Cuba—and the power behind Cuba that then Director of Central Intelligence William J. Casey held was the center of all world terrorism and subversion: the Soviet Union.

John Lantigua's reporting didn't reflect such a Manichean worldview, and for that, the Administration would try to smear him and others who didn't "come on-side." In a "report" produced by the far-right "media watchdog" group Accuracy in Media, Daniel James—identified only as a "Latin America expert," but, in fact, a longtime CIA contract propagandist—reported that, according to unnamed U.S. government officials, Lantigua was being furnished with live-in female Sandinista sex slaves in exchange for penning Sandinista agitprop.

To those who covered Central America, the charges were absurd: Not only was Lantigua living with his American fianceé, but he was in the middle of a freeze-out by the Sandinistas, who, along with the Reagan Administration, sometimes found Lantigua's reporting to be inconvenient. Lantigua got a kick out of the item, assuming that it had originated with Otto Reich, a particularly ideological State Department official who Lantigua and his Newsday colleague Morris Thompson had met for lunch when Reich had made a brief visit to "Venezuela's foreign policy does not depend on the ambassadors in Caracas." Eventually the U.S. prevaile on Venezuela to honor Reich's diplomatic credentials, though he wasn't entirely beloved figured in caracas: In 1989, for instance, the newspaper la Republica reported, with some umbrage, that Reich had turned the U.S. Embassy into something of a support base for the Panamanian Civic Crusade, an anti-Noriega group backed by the CIA.

In the view of Larry Birns, the head of Washington's Council on Hemispheric Affairs, the combination of Reich's hard-line views, current business connections, and Iran-Contra past would make him a disastrous choice to be the United States' point person for Latin America. "It would be of interest to anticipate the violent polemical struggle between Fortune 500 U.S. multinationals, most of whom denounced Helms-Burton for interfering with trade with Cuba, and the State Department's Latin American office under an ideologically driven Reich." (Birns is also alarmed at the prospect of Roger Noriega, another Jesse Helms favorite, being named Ambassador to the Organization of American States.)

"If confirmed, [Reich's] tenure will inevitably be littered with hemispheric vendettas, abusive run-ins with strong-willed regional leaders, and a cheerful indifference to state department rules and regulations," Birns says. "During his years in the public sector, Reich seemingly has found it against the very marrow of his personality and basic nature to be able to walk down a straight path. If [Secretary of State Colin] Powell continues to maintain that Reich and Noriega are the best qualified candidates to fill the vacancies, then the Secretary of State can expect to soon be hearing from Saturday Night Live."

[From the News Mexico, Jan. 20, 2001]

FAREWELL TO CLINTON, WELCOME TO BUSH

BUSH SEEN AS MAN WHO CAN DO BUSINESS WITH MEXICO

(By Krista Larson)

WASHINGTON—Throughout his campaign, the former Texas governor who will become the 43rd president of the United States on Saturday emphasized his experience leading a border state with strong economic ties to its southern neighbor. He even demonstrated his Spanish in stump speeches.

As George W. Bush is inaugurated, experts say there appear to be new opportunities for improved bilateral relations between neighbors, but that potential obstacles also lie ahead.

"Obviously Mexico is going to be predominate on the radar screen, and that can result in more activity," said Armand Peschard-Sverdrup, director of the Mexico Próject at the Center for Strategic and International Studies. "With the more activity, chances are you could also have points of tension."

There is an image that Bush will be a "bigger ear in Washington" for Mexico-U.S. relations than in the past, said Larry Birns, director of the Council on Hemispheric Affairs.

"It may not easily play out in specific policies, but certainly in lingo and rhetoric the White House is going to refer to its relations with Mexico as being all-important," Birns said.

Bush's experience in Texas was cited by Peschard-Sverdrup as significant. "The border is definitely the frontline of the relationship," he said. "With Bush being a former border governor, he definitely has first hand experience of managing the relationship at the state level, and I think that's gong to give him a better perspective than someone from a state that obviously doesn't have as much interaction with Mexico."

Bush has already met with President Vicente Fox when Fox traveled to the United States shortly after his July 2 presidential victory.

"The good thing is at least at the level of the presidency, there's an affinity toward each other's country and they personally seem to get along," Peschard-Sverdrup said. "Once you have that type of engagement at the presidential level, you would expect that would then transcend down to the Cabinet."

During his campaign, Bush said he had a vision for the two countries and declared that the United States is "destined to have a special relationship with Mexico, as clear and strong as we have had with Canada and Great Britain." He pledged in August to look south "not as an afterthought, but as a fundamental commitment of my presidency." And he said he'd "fulfill the promise of hemispheric free trade" by building on the North American Free Trade Agreement and other regional trade initiatives.

That doesn't mean the new administrations won't be without potential disagreements. "There are disruptive issues out there," said Birns, noting there will be pressure to address the certification process that has been an irritant to Mexicans for years. "Republicans are much less likely to eliminate the drug certification process than the Democrats would have been."

BUSH ON KEY ISSUES

Trade: Bush wants to restore fast-track negotiating authority and said his priorities will include expanding free trade "within our own hemisphere." Also plans to "vigorously enforce" anti-dumping and laws to combat unfair trade practices.

Immigration: While Bush is strongly opposed to illegal immigration, he has said more should be done to welcome legal immigrants. He supports expanding temporary agricultural workers program and increasing the number of high-tech worker visas. He favors a six-month standard for processing immigration application and would encourage family reunification. He has said he would support legislation to divide the Immigration and Naturalization Service into separate agencies for naturalization and for enforcement. He has also pledged that "with expanded patrols, we can make our borders something more than lines on a map." Wants to hire more agents and focus a reformed INS "on the job of defending our border."

Drugs: Bush has said that the United States is the market that sustains the narcotics trade and has pledged to improve interdiction. His "Southwest Border initiative" would provide 5 million dollars annually to reimburse border counties for prosecuting federal drug cases and would appoint a coordinator responsible for working with federal and local agencies.

[From the New York Times, May 6, 2001]

NEW CHALLENGE TO THE BOGOTÁ LEADERSHIP

POOR REGION'S GOVERNORS UNITE TO OPPOSE DRUG PLAN AND SEEK AID

(By Juan Forero)

IBAGUE, Colombia—Normally, Guillermo Jaramillo, governor of a poor and debt-ridden province, could expect to be ignored by Colombia's highly centralized government in far off Bogotá.

It has been this way since colonial times, with the capital, high in the Andes, dictating policies as it sees fit, often regardless of the wishes of local officials.

But these days, Mr. Jaramillo and five like-minded governors—all from southern provinces mired in civil conflict and where most of the country's illicit drug crops are grown—have not only attracted the attention of Bogotá but also angered entrenched politicians who frown on insolent regional leaders.

The reason is that the governors, all of whom won office last October, have organized into a formidable political bloc that has harshly criticized the central government for everything from the handling of finances to the drug war.

That has embarrassed officials in Bogotá and highlighted the lack of support in rural Colombia for an American-financed program that largely relies on aerial defoliation to stamp out drug production.

Indeed, the governors have gone as far as Europe and Washington to criticize the program, which has destroyed coca fields across southern Colombia but displaced and alienated farmers.

The governors instead propose their own voluntary eradication program of coca and heroin poppy fields, and have sought out foreign governments for financing and technical expertise.

Most troubling to Bogotá, some of the governors have expressed the desire to hold their own talks with insurgencies that have been at war for years, leftist rebels and right-wing paramilitaries. Some in Bogotá, however, see such a proposal as nothing short of treason, since peace negotiations are held under the sole mandate of President Andrés Pastrana.

"This is a threat against the Constitution and against the peace process," said Robert Camacho, a Bogotá congressman.

Some Colombia experts say that the governors' efforts, while understandable in a country whose rural regions have long been forgotten, could prove damaging to the country as a whole.

The governors' movement, called the southern bloc, has stirred enough concern that new life has been injected into proposed congressional legislation that would sanction local officials who are seen as meddling in the peace process. The bill was first proposed last fall, before the governors took office.

"These governors are popularly elected, and they are realizing a program contrary to their duties: dividing the state," said Fernando Giraldo, dean of the political science department at the Javeriana University in Bogotá.

Because of the southern bloc, said Mr. Giraldo, Colombia is "before the international community displaying a fragmented voice, the president on one side and the governors on the other."

In interviews, the governors said their goal is not to destabilize. Rather, they said, the aim is simply to draw attention to their region's problems and to obtain resources for regional public projects and agricultural development programs seen as alternatives to defoliation.

If the aid comes from Bogotá, so be it, the governors say; but they say they will continue to appeal to foreign governments, too. The southern bloc's proposals are still in the planning stages, and little financial support has gone their way.

"What we want for the regions, for the provinces as well as the towns, is the possibility to express ourselves," said Mr. Jaramillo, speaking in his office overlooking a public square here in Ibagué, the capital of the province of Tolima. "That is why we've gone out to explain our ideas, and present what we think is a bit different from the national government's concepts."

The governors said that they supported Mr. Pastrana's peace efforts and respected his authority when it came to negotiating, but they said they wanted the particular concerns of their provinces to be aired by local officials in those talks with the insurgencies.

The governors and other provincial officials also hinted, as many local officials in Colombia do, that the government should open dialogue with paramilitary groups, something Mr. Pastrana's government has refused. Recently, in fact, Mr. Jaramillo met with the paramilitary leader, Carlos Castaño, and also paid a visit to the rebels.

"What we've said is we cannot sign a peace pact, but we can do a peace process," said Floro Tunubalá, the governor of Cauca. "And to do a peace process means talking."

The southern bloc is a mixture of traditionalists and upstarts. They include Parmenio Cuéllar of Nariño, a former senator and minister of justice, and Mr. Jaramillo, a pediatric heart surgeon who has operated on 1,200 children.

"This is something that can jeopardize the country's well-being," added Mr. Camacho, who in recent speech said the governor's bloc is akin to a secessionist movement. "It is about war and peace and too delicate for them to do what they want."

The group also has the most unlikely governor in Colombia, Mr. Tunubala a Guambiano Indian who won office in a province well known for discrimination and social inequality. Mr. Tunubalá's political movement—composed of Indians, union leaders, poor farmers, intellectuals and others outside the province's circle of power—has already angered some people in Cauca and prompted death threats.

The other governors, longtime local politicians, are from Huila and the two provinces where most of Colombia's coca grows, Putumayo and Caquetá.

The governors acknowledge that local officials have more control since the country's 1991 Constitution gave regional leaders more decisionmaking powers and resources.

But revenue is still raised by the central government. The six provinces, the size of Kansas and with a combined population of six million, also remain desperately poor and rural in a largely urban country.

The region also contains three-quarters of the country's coca crops and nearly all the poppy fields, employing 335,000 people in all.

The very fact that an alliance exists is "essentially a cry for help, a collective petition for the government to do something," said Larry Birns, a Colombia expert and director of the Council on Hemispheric Affairs in Washington. "These are governors that, because they come from peripheral states, have been neglected."

The issue that most unities the governors is their opposition to defoliation, which they warn alienates their constituents without resolving the problems, that lead farmers to cultivate illegal crops.

Juan de Jesús Cárdenas, governor of Huila, said regional leaders across the south believed that defoliation would simply drive farmers to cultivate coca and poppies in other regions.

"That is what has happened with defoliation of Putumayo, with the movement of displaced people into Nariño," said the governor, whose province serves as a corridor for drugs and rebels.

The governors want to replace illicit crops by prodding farmers to eradicate in exchange for subsidies and markets for their products. The Colombian government, with American money and expertise, is running such a program, but the governors said they were working to tailor their own programs to meet the needs of farmers in their provinces.

"We need gradual eradication," said Mr. Tunubalá. "We need to put in new crops, and we need to look for markets nationally and internationally."

That was the reason for Mr. Jaramillo's recent trip to a mountainous rebel-controlled region in southern Tolima. There, Mr. Jaramillo meet with farmers to urge them to participate in the eradication program financed by the Americans. It was not easy. Most had felt ignored by a central government they view as inept and unresponsive.

Several farmers, after meeting with Mr. Jaramillo, said they would not have agreed to meet with or participate had it not been for the governor, whom they view as independent from Bogotá. Leftist rebels who showed up uninvited—and had the power to quash any government plan in the region—allowed farmers to move forward in part because of Mr. Jaramillo's involvement.

"He from these lands," said one farmer, Ramiro Pérez, 38 standing on a steep mountain where he grows poppies. "We've seen him here. He has worked hard to get here. Maybe that means good news."

[From the Berkshire Eagle, Sept. 2, 2000]

SOME AMERICAN STRUGGLES

(By Mark Miller)

PITTSFIELD—This week, the president of the United States spent part of a day in Cartagena, Colombia, talking about the drug trade and democracy. The president of Peru announced a new trial for an American serving a life sentence as a convicted terrorist. Venezuela's politics were eclipsed by reports of lawsuits over defective Firestone tires there. Nicaragua continue to be absent from our news while, as usual, we Americans could walk into a discount store and get bargains on back-to-school clothes stitched in Nicaragua.

WASHINGTON REPORT ON THE HEMISPHERE

Washington Report on the Hemisphere is a biweekly newsletter from the Council on Hemispheric Affairs that keeps a sharp eye on the rest of the Americas outside the United States. The Aug. 7 and 16 issues

(COHA is no slave to the calendar) both lead off with updates on the exploits of Hugo Chavez, Venezuela's immensely popular though unconventional president. I'd forgotten he had engineered the renaming of his nation the Bolivarian Republic of Venezuela, after Simon Bolivar, the Venezuelan leader in early 19th-century South American struggles for independence from Spain.

Chavez "made a healthy start on his campaign promise to weed out the systematic corruption infesting the ranks of the bureaucracy, by sacking hundreds of judges from all layers of the country's notorious judiciary that was plagued by unabated nepotism and inefficiency. His next move was to bring about some badly needed new management to this state oil company (Petroleos de Venezuela) that, as stated in the new constitution, will forever be insulated from privatization."

Business investors are unenthusiastic about Chavez. Note is made (crediting an Economist Intelligence Unit report) of "the rapid rate at which foreign firms are packing up and leaving over concerns of an increasingly hostile business climate. Historically, foreign investment has been an Achilles heel for Venezuela, averaging a mere 2 percent of its [gross domestic product] over the past decade."

Chavez has visited Cuba five times since 1998, recently praising Fidel Castro's "visionary work," and has been cultivating leaders in "oil-exporting hubs including Libya, Iraq and Iran in an effort to convince these OPEC nations to sustain the high price of gasoline . . " Chavez has been criticized within his own country for his bold moves to freely associate himself with rogue nations, thereby going out of his way to damage relations with the U.S., which remains the largest importer of Venezuelan oil."

[From the New York Times, Dec. 18, 2000]

LATIN AMERICA IS PRIORITY ON BUSH TRADE AGENDA

(By Anthony DePalma)

He may not be comfortable discussing unrest in East Timor, or pronouncing the name of the leaders of Turkmenistan, but President-elect George W. Bush considers the rest of the Western Hemisphere "our backyard" and will have several opportunities in his first year in office to make Latin America a trade and foreign policy priority.

During the campaign, Mr. Bush said he would kickstart the stalled process of getting a free trade agreement of the Americas signed by 2005. The agreement would build on the North American Free Trade Agreement, which went into effect in 1994, and would unite 34 of the countries in North, Central and South America into what President Clinton once said would be 'the world's largest market.'

The first order of business would be a bruising battle in a divided Congress over fast-track authority, the legislative tool that Mr. Bush will need to negotiate a comprehensive trade deal. Under fast track, trade deals are brought to Congress for approval only when complete. Congress then votes on the agreement without having the chance to add amendments that suit the needs and wishes of individual members.

"I'd expect that within the first 100 days in office he'll propose approval of fast-track authority," said Sidney Weintraub, an economist at the Center for Strategic and International Studies and a former deputy assistant secretary of state for international finance and development.

Even though Republicans narrowly control the House of Representatives, Mr. Bush will need to reach across the aisle to Democrats for help in getting fast-track authority approved. Mr. Weintraub expects that the need for bipartisan cooperation will provide Democrats an opportunity to attach environment and labor standards to the bill, although Mr. Bush has made it clear that he does not support such standards if they are too rigidly drawn.

In negotiating a trade deal, Mr. Bush would also have to heed strongly voiced opposition to such side agreements from some Latin American nations, led by Brazil, that fear that labor and environmental standards attached to a trade deal could be used as protectionist shields by American businesses that feel threatened by Latin American competition.

In a campaign speech in Miami in August, Mr. Bush said the Clinton administration dropped the ball on Latin America after losing the legislative battle to win fast-track authority. In the speech, he said that by the time the third Summit of the Americas meets, a fast-track bill will already have been introduced in Congress.

'When the next president sits at the Americas Summit in Quebec next April, other nations must know that fast-track authority is on the way,' he said during the campaign.

Although Mr. Bush criticized President Clinton for stalling the drive for a free trade agreement of the Americas, the process has actually been chugging along, though largely out of sight. Negotiating teams have continued to work on technical details, and when trade officials gather in Quebec, a substantial framework for the trade negotiations leading to a 2005 deal will be in place.

'The 2005 date was set at the first Americas Summit in Miami in 1994 and reconfirmed at the second in Santiago.' said Richard E. Feinberg, a former senior director of the National Security Council's Office of Inter-American Affairs under President Clinton and now a professor at the graduate school of international relations at the University of California in San Diego. "All the major players remain committed to the 2005 date."

During the campaign, Mr. Bush talked about developing a "special relationship" with Mexico, which is one of the few foreign countries he has ever visited. Referring more broadly to all of Latin America, he said he would "look south, not as an afterthought but as a fundamental commitment of my presidency.

As governor of a border state, Mr. Bush has had a front-row seat on the expansion of international trade, and the effect on Texas has been substantial. According to a recent study by the Council of the Americas, Texas exports to Mexico have more than doubled since Nafta came into force in 1994.

Mr. Bush will not have to worry about union opposition to new international trade deals as much as Vice President Al Gore would have, but there is a segment of the Republican Party that has become increasingly protectionist and could complicate any trade deal. That could force Mr. Bush to take a page from Mr. Clinton's playbook and cast increased trade in political and strategic terms, as Mr. Clinton did in winning a trade vote on China.

Mr. Bush had promised to meet with Mexico's president, Vicente Fox Quesada, even before Mr. Fox was inaugurated on Dec. 1, a signal that the administrations of both countries, starting at roughly the same time, would work in tandem to resolve common problems like illegal immigration, illicit drugs and environmental pollution. Because of the extraordinary delays in the American election, the meeting never took place, but Mr. Bush sent a congratulatory message to Mr. Fox on the day of his inauguration.

Mr. Fox has already taken a preemptive lead on some of these areas. During the summer he visited Mr. Clinton and both presidential candidates, and talked freely about his ideas for deepening Nafta and taking measures to reduce barriers that prevent Mexican workers from entering the United States to find work.

Mr. Fox's ideas were not warmly embraced by either Democrats or Republicans, and a close relationship with him and Mexico could put Mr. Bush into a difficult position with members of his own party.

"He will, as he said, have a 'special relationship' with Mexico, but the question now is what kind of relationship will it be," said Larry Birns, director of the Council on Hemispheric Affairs in Washington, who supported Mr. Gore. "Here is where a Bush presidency might run into real trouble."

[From the Miami Herald, May 30, 2001]

GIVING HAITI A CHANCE

(By Larry Birns and Sarah Townes)

Haiti's seemingly eternal malaise is, if anything, worsening as a result of disruptive local politics, shrill rhetoric and the near elimination of overseas assistance.

Even though President Jean-Bertrand Aristide (who last November again won the presidency by a huge margin) agreed to a number of mischievous conditions for U.S. aid to resume, Washington has given no indication that it would be forthcoming. The U.S. campaign of economic asphyxiation and political isolation is not only unseemly, but also gravely damaging to U.S. interests.

If this policy continues unaltered, it could bring added turmoil to the island, inevitably followed by renewed efforts of desperate Haitians willing to risk the dangerous 800-mile voyage to Florida.

Such an exodus would greatly embarrass the Bush White House, just as it did the Clinton administration, particularly as the interdiction pact has now lapsed.

The "Democratic Convergence," a 15-party coalition of mainly micro-factions that vehemently reject Aristide's legitimacy based on charges of electoral fraud in last May's senatorial balloting, has named Gerard Gourgue "Provisional President." This is bringing chaos closer. Gourgue called for the return of the commanders of Haiti's repressive armed forces, expelled by the U.S. military in 1994.

Despite its modest popular standing, the convergence effectively has been awarded a crippling de facto veto by Sen. Jesse Helms, Aristide's relentless avenger, with U.S. policymakers also insisting that it is the democratic alternative.

The convergence is the main obstacle to negotiations and the resumption of aid. Aristide first met with its leaders in February to discuss possible solutions to the stalemate. Regrettably, his offer to include some convergence leaders in his government and appoint a new impartial electoral body were peremptorily rejected. Aristide's call for initiating a dialogue also was rejected by the convergence, though he has offered to move up the next round of legislative elections.

The State Department and National Security Council always have viewed Aristide as a liability rather than as the island's principal political asset. Allegations against him routinely understate his wide support.

Aristide towers over potential alternatives and has worked hard to cooperate with Washington's often arrogant demands.

In December, the Clinton administration agreed to restore aid once the Haitian leader adopted eight conditions that addressed electoral and economic reforms along with narcotics smuggling, illegal migration and human-rights violations. Later, Aristide agreed to all of them.

After several requests by Haiti for help in addressing the election issue, the Organization of American States belatedly decided to dispatch a delegation to discuss election reforms. Since Washington largely determines OAS Haiti policy, its initiative's bona fides will require scrutiny.

LITTLE SUPPORT

There is a danger here, which comes far less from the fact that relatively few Haitians have any respect for the opposition coalition. Any outside imposed government and revitalized military, as hinted by Gourgue, could destroy the country's fragile human-rights situation, its enfeebled judicial system and its lame democratization process.

The Bush administration would do well to honor the commitments made by President Clinton.

Failing to display some basic amity to Haiti's population will only add more yellowed pages to the profoundly jaundiced and mean-spirited links to Port-au-Prince, which historically have been characterized by condescension rather than respect.

[From the Columbia, Missouri, Tribune Online, July 8, 2000]

CITIZENS OF PERU LEFT TO FIGHT FOR NATION'S DEMOCRACY

Editor, the Tribune: Scores of women, clad in black and carrying coffins symbolizing the death of democracy in Peru, Marched through the streets of Lima on June 28m demanding new balloting in protest of President Alberto Fujimon's scandal-ridden re-election. As the march headed toward the hotel hosting the Organization of American States delegation, the women faced a barrage of tear gas from the security forces. The OAS, much like the United States, has been largely ineffective in trying to promote democracy in what has become Fujimon country. Like a couple of ill-whelped dogs, the OAS and the United States have skulked away from the indignant attitude of "El Chino" and left the Peruvian people to be the sole defenders of the nation's democracy.

Even with the recent OAS proposal to reform the system, there are no guarantees that the government will follow the guidelines. In fact, Fujimori has amply shown that he has nothing but contempt for both OAS secretary-general Cesár Gaviria and the Clinton administration, but as the police attack on the women's march reveals—and as Bastille Day approaches—he does indeed have good grounds to fear the citizenry who will no longer tolerate his false claims to power. Where else can change begin but at home? Hopefully, the recent mass demonstrations will spark positive change toward democratic reforms even if a feckless OAS is unable to mandate new elections.

HOLOCAUST VICTIMS INSURANCE RELIEF ACT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. WAXMAN. Mr. Speaker, today I am introducing H.R. 2693, the Holocaust Victims Insurance Relief Act, a bill to require all companies operating in the United States to disclose the names on Holocaust-era insurance policies. The legislation would also enable survivors to access to this information by establishing a Holocaust Insurance Registry at the National Archives.

At its core, this is a moral issue. Insurance companies holding Holocaust-era policies have a responsibility to disclose any information that will help survivors finally reclaim their policies with dignity and equity. In many cases, company archives contain the only existing files related to the countless policies that were stolen from victims of Nazi ghettos and death camps.

Just one year ago, on July 17, 2000, the United States and Germany signed an Executive Agreement establishing the German Foundation "Remembrance, Responsibility, and the Future," a $5 billion fund to settle all Holocaust-era claims, including slave and forced labor, banking, and insurance. During the preceding ceremony, U.S. Holocaust Envoy Stuart Eizenstat said, "It is critically important that all German insurance companies cooperate with the process established by the International Commission on Holocaust Era Insurance Claims, or ICHEIC. This includes publishing lists of unpaid insurance policies and subjecting themselves to audit. Unless German insurance companies make these lists available through ICHEIC, potential claimants cannot know their eligibility, and the insurance companies will have failed to assume their moral responsibility."

Unfortunately, little progress has been made since then and the urgency of this issue grows as Holocaust survivors are dying every day. Although the ICHEIC was established in1998 to expeditiously resolve unpaid Holocaust-era claims, more than 84% of the over 72,675 claims inquiries filed remain unresolved because the claimants cannot identify the company holding their assets.

Furthermore, it is outrageous that regardless of their level of compliance with ICHEIC rules insurance companies that contribute to the Foundation fund are given a minimal $150 million cap on all liabilities, virtual legal immunity in U.S. courts, and an arbitrary January 31, 2002 expiration of their obligation to accept claims.

The insurance companies must be held accountable. H.R. 2693 will ensure that Congress will not stand by and allow them to shirk their obligation.

This bill also expresses congressional support for states seeking to adopt and enforce their own laws to address the issue of unpaid Holocaust-era policies, and recognizes the efforts of legislatures in California, New York, Florida, Washington, and Minnesota. I also understand that similar efforts are underway in the legislatures of Texas, Illinois, and Massachusetts.

California led the nation in enacting a Holocaust insurance reporting statute at the state level, and it has provided the insurance companies with a powerful incentive to comply with the law. It is time for us to extend this relief to survivors across the country.

I would also like to thank my colleague Representative ENGEL, who is an original cosponsor of this bill and who was instrumental in introducing similar legislation in the 105th and 106th Congresses.

Less than six months from today, the ICHEIC deadline for accepting claims will expire. We must act swiftly to make sure that survivors have the necessary information to file their rightful claims. I urge my colleagues to support this legislation and I hope we can bring it to the floor for a vote in the near future.

TRIBUTE TO GITTA NAGEL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. LANTOS. Mr. Speaker, I invite my colleagues to join me today in paying tribute to a dedicated champion of Jewish affairs and public service, Mrs. Gitta Nagel of California, who will soon be receiving an Honorary Doctorate degree from Bar-Ilan University in Israel. Mrs. Nagel has continually strived to ensure a brighter, more cohesive future for the Jewish community by encouraging stronger academic programs and an everlasting remembrance of the Holocaust.

As a young child living in Amsterdam during the Holocaust, Gitta saw first hand the destructive force and brutality of the Nazi regime, an experience that would continue to drive her throughout her life as a philanthropist. After the war, she emigrated to the United States where she attended UCLA and met her future husband, Jack Nagel.

Through her efforts to promote a stronger Jewish community, Gitta Nagel has held leadership roles in numerous organizations including the United Jewish Communities, the Union of Orthodox Jewish Congregations, and Israel Bonds. In addition, she was a founding member of the Golda Meir Club, an organization that supports the State of Israel through her annual purchase of $5,000 worth of Israeli government bonds. Gitta also started a chapter of Bnei Akiva, a testament to her unwavering support for Zionism and the State of Israel.

She has also shown a perpetual commitment to a prosperous future through her support of education. Therefore, Mr. Speaker, it is no surprise that Gitta is an original founder of Yeshiva Yavneh of Los Angeles High Schools. She had lent her support to Bar-Ilan University through an endowment for immigrant students, doctoral fellowships, research grants, and numerous other academic programs.

Mr. Speaker, in addition to Gitta Nagel's unwavering support for Jewish organizations, I would like to both emphasize and commend her work to preserve the memory of the Holocaust. Gitta has selflessly worked to secure a special place in history for Holocaust victims. She has given incredible amounts of time, energy and resources to make sure that the atrocity of the Holocaust is never forgotten.

The Nagel's are founders of the U.S. Holocaust Memorial Museum in Washington, D.C., and are members of the Board of Trustees of the Simon Wiesenthal Center in Los Angeles. In 1985, Gitta spoke before the Federation of Humanities in Stockholm, Sweden in a ceremony recognizing the 40th anniversary of the disapperance of Raoul Wallenberg, the Swedish diplomat responsible for saving the lives of over 100,000 Jews during the end of World War II, including my wife Annette and me. She was also a featured speaker before the Austrian Parliament during the celebration of the 90th birthday of Simon Wisenthal.

Mr. Speaker, I urge my colleagues in Congress to join me in recognizing Gitta Nagel's contributions and commitments to Jewish affairs and community service worldwide. She has had a major impact in strengthening the ties of the Jewish people and ensuring that the Holocaust will never be repeated. I invite my colleagues to join me in congratulating Gitta Nagel for her very deserved honor.

TRIBUTE TO KOREY STRINGER

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. TRAFICANT. Mr. Speaker, I am deeply saddened to share the news of the passing of Korey Stringer.

Fans of football, the Minnesota Vikings, and the community of the greater St. Paul and Minneapolis area have suffered a great loss. All-Pro Offensive Tackle Korey Stringer was more than a great athlete; he was a great American.

This native of Warren, Ohio had his life cut short while training for the game he loved. However, in that short life Korey contributed much to the teams he played for and communities he lived in. While in high school at Warren Harding High School, in my district, Korey personally achieved status as an all-Ohio player twice and was a unanimous All-American his senior year. As a senior, Korey recorded an incredible 52 tackles as a defensive tackle and was named Ohio Division I Lineman of the Year. These accomplishments are impressive, but Korey was always more proud of Warren Harding's undefeated season that led to a state title his junior year. Korey was a player that was consistently concerned with those around him and made every effort possible to aid them.

Many players with impressive high school accolades never quite make it in college, but this was not the case for Korey Stringer. After doing a fine job representing his hometown, Korey did an excellent job representing the entire state while playing for Ohio State University. In his first year, Korey was selected as Big Ten Freshman of the Year. The awards continued for Korey as he was named Big Ten Offensive Lineman of the Year for both 1993 and 1994, Ohio State's Most Valuable Player in 1994, and two time All-American.

After being drafted as the 24th overall selection in the 1995 draft, Korey joined the Minnesota Vikings. He played with dedication to the game, the fans, and his teammates as he only missed three games in six seasons. Last season was a breakout year for Korey as he was named to the All-Pro team and helped Robert Smith set the team records for single-season and career rushing total. Playing as an offensive lineman, it is hard to assess the achievements of the individual. With Korey, it is much easier because his achievements came both on and off the field. While on the field, the Vikings, Robert Smith, and every quarterback to play since 1995 have succeeded as a result of Korey's efforts. Additionally, the Vikings have been one of the most successful teams in the NFL, reaching the NFC Championship game several times. Off the field, Stringer has contributed to the community with the "Super Viking Challenge" at local schools and libraries.

My heart and my prayers go out today to Korey's wife Kelci, his son Kodie Drew, and his extended family. My thoughts also go out to the players on the Minnesota Vikings with whom Korey played. Korey was a great American and superb football player. He will be deeply missed.

INTRODUCTION OF THE AMERICAN CITIZENS' PROTECTION AND WAR CRIMINAL PROSECUTION ACT OF 2001

HON. WILLIAM D. DELAHUNT

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. DELAHUNT. Mr. Speaker, this afternoon I joined with Senator CHRISTOPHER DODD of Connecticut in introducing the "American Citizens' Protection and War Criminal Prosecution Act of 2001."

This bicameral legislation seeks to reaffirm the U.S. commitment to bringing war criminals to justice, while ensuring that U.S. servicemembers and civilians are not put at risk of unwarranted prosecution before the International Criminal Court or other foreign tribunals.

I am pleased to be joined in introducing the House bill by the gentleman from New York, Mr. HOUGHTON, and the gentleman from California, the ranking member of the House International Relations Committee, Mr. LANTOS.

As my colleagues know, the United States initially withheld its support for the Rome Statute. President Clinton signed it last year only after securing numerous changes that ensure a fair trial for the accused and protect U.S. servicemembers and civilians from arbitrary assertions of jurisdiction by the ICC.

The American role was pivotal in negotiating these concessions, and it remains so today, as negotiators continue to work to improve the rules and procedures under which the ICC will operate.

But some have urged that the U.S., rather than seek improvements, withdraw from this process altogether. The measure introduced by the senator from North Carolina (Mr. HELMS) and the gentleman from Texas (Mr. DELAY), and recently passed by this body as an amendment to the Department of State Authorization bill, would effectively end U.S. participation in negotiations and forbid U.S. cooperation with the ICC.

I believe the concerns that caused this House to take that action should be fully addressed before the President and the Senate consider further steps to ratify the Rome Statute. But this can be accomplished only through engagement, not retreat. At a time when the United States is increasingly perceived as "going it alone," this is not the moment to abdicate our responsibilities by abandoning our historic commitment to the rule of law.

Our legislation seeks to reaffirm that commitment while ensuring in no uncertain terms that U.S. servicemembers and civilians are not placed at risk. The bill would protect Americans from prosecution before the ICC in two ways. First, it would require that whenever a U.S. citizen is accused by a crime under the Rome Statute, the U.S. government must investigate or prosecute the case itself—unless the President determines that it is not in the national interest to do so.

Second, the bill would prohibit the extradition of any American citizen if the U.S. is investigating or prosecuting the crime under U.S. law. It would also bar extradition if the individual has been tried and acquitted of the crime or, after an investigation, no reasonable basis has been found to proceed with a prosecution.

If, notwithstanding these protections, a U.S. citizen were ever to come before the ICC, the bill would require the President to take steps to ensure that the defendant receives legal representation and every benefit of due process.

The bill would also encourage active diplomatic efforts to address continuing U.S. concerns with provisions of the Rome Statute. And, whether or not we eventually become a party to the Statute, the bill would authorize the President to provide support and assistance to the ICC in the prosecution of accused war criminals—particularly those accused of committing atrocities against U.S. servicemembers or civilians, or citizens of friendly nations.

The President must have this authority to defend our citizens and protect our national interests. And through our cooperation, to demonstrate our unfailing commitment to the cause of justice throughout the world.

I look forward to working with my colleagues in both chambers and with the Administration to ensure that the United States continues to play its proper role in fostering a more just and peaceful world.

TRIBUTE TO CAMP CHEN-A-WANDA

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. ISRAEL. Mr. Speaker, I rise today to pay tribute to Camp Chen-A-Wanda on their annual visit to Washington. Every year, many youngster from Long Island, specifically from my district (NY–2) attend this summer camp located in Pennsylvania.

Camp Chen-A-Wanda prepares our young adults to become leaders in tomorrow's society. It encourages campers to express themselves as individuals by offering a wide variety of athletic, artistic, and other recreational activities.

This prestigious institution has provided hundreds of children in the New York area with the opportunity to explore their creative, academic, athletic and spiritual nature in a nurturing and motivating atmosphere.

Although one may leave Camp Chen-A-Wanda just after a few weeks, the camp experience never leaves the camper. By the end of the summer, campers have forged new friendships, achieved new goals, and are confidently prepared to start the upcoming school year.

I would like to congratulate Camp Directors Caryl and Morey Baldwin of Dix Hills, Long Island; and Marcy and Craig Neyer of Montville, NJ, on their good work. I wish them the best of luck in the future.

And most important, I would like to see many of the campers of Camp Chen-A-Wanda, return to Washington, D.C. as interns, legislative staff, and future Legislators.

CRAZY FOR KAZAKHSTAN

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. PAUL. Mr. Speaker, I would like to draw the attention of my colleagues to the Op Ed article "Crazy for Kazakhstan—Asian nation of vital interest" by former Secretary of Energy Bill Richardson published in "The Washington Times" on July 30, 2001. Mr. Richardson has been working with countries of Central Asia, particularly with oil rich Kazakhstan, for a long time and has an extensive expertise in the region. I think we can rely on his assessments. In the article he outlines achievements of Kazakhstan and defines this country one of the promising "of all the countries rising from the ashes of the Soviet Union".

Indeed, Kazakhstan, despite the difficulties of its transition period, has carried out large scale economic and political reforms, especially when compared to the rest of the newly independent states.

Kazakhstan is a young country located in a critically strategic region with "rough" neighbors and it is crucial for the U.S. to work with this country both politically and economically to ensure their security, independence and progressive development.

This year is the 10th anniversary of Kazakhstan's independence and during this period Kazakhstan has shown its commitment to work with the U.S. in many areas, including sensitive ones, and has proven to be our reliable partner.

Mr. Speaker, I agree with Mr. Richardson that this key Central Asian country is of great importance to U.S. interests. Kazakhstan in many ways should be seen as our natural ally in the region. The time has come for the U.S. to pay closer attention to this country and be more engaged with it. For this reason I cosponsored the legislation (H.R. 1318) that would grant permanent trade relations to Kazakhstan.

I submit the full text of this article from "The Washington Times" to be placed in the RECORD.

[From the Washington Times, July 30, 2001]

CRAZY FOR KAZAKHSTAN

(By Bill Richardson)

As secretary of energy and ambassador to the United Nations during the Clinton administration, I traveled three times to Kazakhstan to underscore the importance of this key Central Asian country to U.S. interests. Of all the countries rising from the ashes of the Soviet Union, few offer the promise of Kazakhstan. In terms of both economic potential and political stability, Kazakhstan is critical to the long-term success of the Central Asian nations. The Bush administration should continue our policy of engaging Kazakhstan to ensure that this key country moves towards the Western orbit and adopts continued market and political reforms.

From its independence from the Soviet Union in 1991 to the Present, Kazak leaders have made the difficult and controversial decisions necessary to bring their country into the 21st century. In May 1992, President Nursultan Nazarbayev announced that Kazakhstan would unilaterally disarm all of its nuclear weapons. In the aftermath of the Soviet Union's collapse, Kazakhstan was left with the fourth-largest nuclear arsenal in the world, a tempting target for terrorists and other extremists. Mr. Nazarbayev's courageous decision to disarm in the face of opposition from Islamic nationalists and potential regional instability was one of the fundamental building blocks that have allowed Kazakhstan to emerge as a strong, stable nation and a leader in Central Asia. Then-President George Bush hailed the decision as "a momentous stride toward peace and stability."

Since that time, Central Asia has become an increasingly complex region. Russia is reemerging from its post-Soviet economic crises and is actively looking for both economic opportunities in Central Asia as well as to secure its political influence over the region. China is rapidly expanding its economic power and political influence in the region. Iran, despite recent progress made by moderate elements in the government, is still a state sponsor of terrorism and is actively working to develop weapons of mass destruction. Many of the other former Soviet republics have become havens for religious extremists, terrorists, drug cartels and transit points for smugglers of all kind.

In the center of this conflict and instability Kasakhstan has begun to prosper by working to build a modern economy, developing its vast natural resources and providing a base of stability in a very uncertain part of the world. With the discovery of the massive Kashagan oil field in the Kazak portion of the Caspian Sea, Kazakhstan is poised to become a major supplier of petroleum to the Western World and a competitor to Organization of Petroleum Exporting Countries (OPEC). It is critical that we continue to facilitate western companies' investment in Kazakhstan and the establishment of secure, east-west pipeline routes for Kazak oil. This is the only way for Kazakhstan to loosen its dependence on Russia for transit rights for its oil and gas and secure additional, much needed, oil for the world market.

American policy in the region must be based on the complex geopolitics of Central Asia and provide the support required to enable these countries to reach their economic potential. We must continue to give top priority to the development of Kazakhstan's oil and gas industries and to the establishment of east-west transportation corridors for Caspian oil and gas. We must also remain committed to real support for local political leadership, fostering rule of law and economic reforms and to helping mitigate and solve the lingering ethnic and nationalistic conflicts in the region. Only through meaningful and substantial cooperation with Kazakhstan, will we be able to realize these goals.

There are many challenges ahead for Kazakhstan, but there are enormous opportunities for economic and political progress. Mr. Nazarbayev has taken advantage of Kazakhstan's stability to begin transforming its economy from the old Soviet form giant, state-owned industries and collective grain farms into a modern, market-based economy. We have much at stake in this development. Will Kazakhstan become a true market-oriented democracy, or will it slip into economic stagnation and ethnic violence like so many of its neighbor? The stability of Central Asia and the Caucasus depends on how Kazakhstan chooses to move forward. The United States must do its part to enhance U.S.-Kazakhstancooperation and encourage prosperity and stability for the entire region.

REMOVAL OF SIGNATURE FROM DISCHARGE PETITION

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. MOORE. Mr. Speaker, I rise today to request that my signature be removed from discharge petition number 0002. This petition moves to discharge the Committee on Rules from the consideration of H. Res. 165, a resolution providing for the consideration of the bill H.R. 1468.

Mr. Speaker, I am pleased by the Federal Energy Regulatory Commission's (FERC) recent action to expand price restrictions imposed in California on wholesale electricity to cover 10 other Western states. Though FERC could have exercised its statutory authority to set "just and reasonable" wholesale rates several months ago, I hope that the Commission's June 19 Order will soon achieve the intended goal of "correct[ing] dysfunctions in the wholesale power markets operated by the Independent System Operator [ISO] and California Power Exchange [PX]."

In response to FERC's June 19 Order, Senator DIANNE FEINSTEIN [D–CA] and GORDON SMITH [R–OR] stopped advocating consideration of their legislation [S. 764] that would force FERC to follow its statutory mandate to set "just and reasonable" wholesale power rates. I agree with Senator SMITH that FERC's action renders S. 764 "substantially moot."

In light of FERC's recent actions and the decision by Senators FEINSTEIN and SMITH not to push for consideration of their legislation, I believe that House action on this matter is no longer warranted at this time. The House needs to exercise patience and wait for a period of perhaps a few months to see if FERC's June 19 Order exerts downward pressure on wholesale prices.

INTRODUCTION OF THE VACCINES FOR CHILDREN LEGISLATION

HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Ms. HARMAN. Mr. Speaker, I am pleased to be joined by many of my colleagues in introducing legislation today to improve children's access to immunization. Our bill will correct a technicality that now denies children enrolled in some State Children's Health Insurance Programs (SCHIP) free vaccines through the Vaccines for Children Program.

Today is a fitting day to introduce this bill because it is the first day of "National Immunization Awareness Month." Immunization is the first stage in a lifetime of good health. Diseases such as polio, measles, and whooping cough have been virtually eradicated in the United States through widespread immunization. But access to needed vaccines can be severely constrained by the cost of $600 per child for the recommended schedule of immunizations. Federal programs such as Vaccines for Children were created to help ease the financial burden of vaccinations on poor families—we need to make sure that these vaccines continue to go to those who need them most.

The Vaccines for Children and the SCHIP were both designed to improve the health of children—we must now guarantee that they work well together. Because of a ruling by the Department of Health and Human Services in 1998, in states that chose to offer children insurance through non-Medicaid programs, children enrolled in SCHIP lost their eligibility for free vaccines. In California, this affected almost 580,000 children, and it costs the state $18 million a year to fill the gap left by the lack of coordination between these two programs. Children in 32 other states are similarly affected.

Our legislation would add children enrolled in State Children's Health Insurance Programs to the list of children eligible for Vaccines for Children, regardless of the way SCHIP is delivered in their state. These children received free vaccines when they were uninsured, and would receive vaccines were they enrolled in a Medicaid SCHIP program in another state. We must now fill the promise of better health care that came with the passage of SCHIP in 1997, and include these children in Vaccines for Children as well.

HUMAN CLONING PROHIBITION ACT OF 2001

SPEECH OF

HON. PETE SESSIONS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Mr. SESSIONS. Mr. Speaker, I would like to submit the article entitled, "Cloning's Big Test" for the RECORD.

[From the New Republic, Aug. 6, 2001]

CLONING'S BIG TEST .

(By Leon R. Kass and Daniel Callahan)

Everyone has been arguing for weeks about whether President Bush should authorize funding for research on human embryonic stem cells. But few have noticed the much more momentous decision now before us: whether to permit the cloning of human beings. At issue in the first debate is the morality of using and destroying human embryos. At issue in the second is the morality of designing human children.

The day of human cloning is near. Reputable physicians have announced plans to produce a cloned child within the year. One biotech company (Advanced Cell Technology) just announced its intention to start producing embryonic human clones for research purposes. Recognizing the urgent need for action, Congress is considering legislation that would ban human cloning. Last Tuesday the House Judiciary Committee approved a tough anti-cloning bill, H.R. 2505, the Human Cloning prohibition Act of 2001. Introduced by Republican Dave Weldon of Florida and Democrat Bart Stupak of Michigan, and co-sponsored by more than 120 members from both parties, the bill is scheduled for a vote on the House floor as early as this week. But the House is also considering a much weaker "compromise" bill that would ban reproductive cloning but permit cloning for research. It is terribly important that the former, and not the latter, passes. First, because cloning is unethical, both in itself and in what it surely leads to. Second, because the Weldon-Stupak bill offers our best-indeed, our only—hope of preventing it from happening.

The vast majority of Americans object to human cloning. And they object on multiple grounds: It constitutes unethical experimentation on the child-to-be, subjecting him or her to enormous risks of bodily and developmental abnormalities. It threatens individuality, deliberately saddling the clone with a genotype that has already lived and to whose previous life its life will always be compared. It confuses identity by denying the clone two biological parents and by making it both twin and offspring of its older copy. Cloning also represents a giant step toward turning procreation into manufacture; it is the harbinger of much grizzlier eugenic manipulations to come. Permitting human cloning means condoning a despotic principle: that we are entitled to design the genetic makeup of our children (see "Preventing a Brave New World," by Leon R. Kass, TNR, May 21).

So how do we stop it? The biotech industry proposes banning only so-called reproductive cloning by prohibiting the transfer of a cloned embryo to a woman to initiate a pregnancy. But this approach will fail. The only way to effectively ban reproductive cloning is to stop the process from the beginning, at the stage where the human somatic cell nucleus is introduced into the egg to produce the embryo clone. That is, to effectively ban any cloning, we need to ban all human cloning.

Here is why: Once cloned embryos exist, it will be virtually impossible to control what is done with them. Created in commercial laboratories, hidden from public view, stockpiles of cloned human embryos couldl be produced, bought, and sold without anyone knowing it. As we have seen with in vitro embryos created to treat infertility, embryos produced for one reason can be used for another: Today, "spare embryos" created to begin a preganancy are used—by someone else—in research; and tomorrow, clones created for research will be used—by someone else—to begin a pregnancy. Efforts at clonal baby-making (like all assisted reproduction) would take place within the privacy of a doctor-patient relationship, making outside scrutiny extremely difficult.

Worst of all, a ban only on reproductive cloning will be unenforceable. Should the illegal practice be detected, governmental attempts to enforce the ban would run into a swarm of practical and legal challenges. Should an "illicit clonal pregnancy" be discovered, no government agency is going to compel a woman to abort the clone, and there would be understandable outrage were she fined or jailed before or after she gave birth. For all these reasons, the only practically effective and legally sound approach is to block human cloning at the start—at producing the embryonic clone.

The Weldon-Stupak bill does exactly that. It precisely and narrowly describes the specific deed that it outlaws (human somatic cell nuclear transfer to an egg). It requires no difficult determinations of the perpetrator's intent or knowledge. It introduces substantial criminal and monetary penalties, which will deter renegade doctors or scientists as well as clients who would bear cloned children. Carefully drafted and limited in scope, the bill makes very clear that there is to be no interference with the scientifically and medically useful practices of animal cloning or the equally valuable cloning of human DNA fragments, the duplication of somatic cells, or stem cells in tissue culture. And the bill steers clear of the current stem-cell debate, limiting neither research with embryonic stem cells derived from non-cloned embryos nor even the creation of research embryos by ordinary in vitro fertilization. If enacted, the law would bring the United States into line with many other nations.

Unfortunately, the House is also considering the biotech industry's favored alternative: H.R. 2608, introduced by Republican Jim Greenwood of Pennsylvania and Democrat Peter Deutsch of Florida. It explicitly permits the creation of cloned embryos for research while attempting to ban only reproductive cloning. But that's not something it is likely to achieve. It licenses companies to manufacture embryo clones, as long as they say they won't use them to initiate a pregnancy or ship them knowing that they will be so used. It therefore guarantees that there will be clonal embryo-farming and trafficking in clones, with many opportunities for reproductive efforts unintended by their original makers. And the bill's proposed ban on initiating pregnancy is, as already argued, virtually impossible to enforce.

There are further difficulties. The acts the Greenwood-Deutsch bill bans turn largely on intent and knowledge—hard matters to discern and verify. The confidentiality of the called-for Food and Drug Administration registration of embryos-cloning means that the public will remain in the dark about who is producing the embryo clones, where they are bought and sold, and who is doing what with them. A provision preempting state law would make it impossible for any state to enact any other—and more restrictive—legislation. A sunset clause dissolving the prohibition after ten years would leave us with no ban at all, not even on reproductive cloning. Most radically, the bill would create two highly disturbing innovations in federal law: It would license for the first time the creation of living human embryos solely for research purposes, and it would make it a felony not to ultimately exploit and destroy them. The Greenwood-Deutsch legislation reads less like the Cloning Prohibition Act of 2001 and more like the "Human Embryo Cloning Registration and Industry Protection Act of 2001."

It is possible that embryo-cloning will someday yield tissues derivable for each person from his own embryonic twin clone, tissues useful for the treatment of degenerative disease. But the misleading term "therapeutic cloning" obscures the fact that the research clone will be "treated" only to exploitation and destruction and that any future "therapies" are, at this point, purely hypothetical. Besides, we have promising alternatives—not only in adult stem cells but also in non-cloned embryonic stem-cell lines—that do not open the door to human clonal reproduction. Happily, these alternatives will not require commodifying women's ovaries in order to provide the vast number of eggs that would be needed to give each of us our own twin embryo when we need regenerative tissue. Should these alternatives fail, or should animal-cloning experiments someday demonstrate the unique therapeutic potential of stem cells derived from embryo clones, Congress could later revisit and lift the ban.

The Weldon-Stupak bill has drawn wide support across the political spectrum; feminist health writer Judy Norsigian and liberal embryologist Stuart Newman joined Catholic spokesman Richard Doerflinger and political theorist Francis Fukuyama in testifying in its favor. Health and Human Services Secretary Tommy Thompson, a proponent of research with embryonic stem cells, has endorsed it. Thoughtful people understand that human cloning is not about pro-life versus pro-choice. Neither is it a matter of right versus left. It is only and emphatically about baby design and manufacture, the opening skirmish of a long battle against eugenics and the post-human future. Once embryonic clones are produced in laboratories, the eugenic revolution will have begun. Our best chance to stop it may be on the House floor next week.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCEIS APPROPRIATIONS ACT, 2002

SPEECH OF

HON. EVA M. CLAYTON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

The House in Committee of the Whole House on the State of the the Union had under consideration the bill. (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development and for sundry independent agenceis, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes,

Mrs. CLAYTON. Mr. Chairman, I want to bring to the attention of my colleagues an imporant issue affecting communities across the country, especially low-income communities with limited resources. Current Federal programs provide cleanup money for the worst sites. The Federal Government should help States provide funds for sites that have significant contaimination but aren't the worst. Federal funding for redevelopment goes mainly to urban areas because private sector participation is more readily available. Rural and Environmental Justice communities have non-commercial needs. Environmental justice programs do not provide funding for cleanup.

Superfund was established to address the worst sites. Sites that don't qualify for the National Priorities List may still require cleanup. Typically the State provides 10 percent of the cleanup cost and the Federal Government provides 90 percent of the cleanup cost.

All costs were recovered for the original Superfund site, the PCB spill along the roadsides of North Carolina that resulted in the Warren County problem.

EPA's Brownfields Program Provides money for site assessments and revolving loan programs. It does not provide money for actual cleanup. Economic redelevopment is key component. Most are located in urban areas.

Environmental Justice Programs provide funds to address EJ concerns and issues and to increase involvement by the people in areas where environment injusice has occured. It does not provide funds for cleanup activities.

Areas where environmental justice has occurred are typically low-inccome areas where it is difficult to obtain the private sector interest in economic redevelopment.

EJ communities have many needs other than economic redevlopment.

Warren County is one of the poorest counties in North Carolina. The site of the detoxification and redevelopment project is rural and not suitable for commercial redevelopment. The county needs recreational and community facilities. They cannot obtain grants for these facilities until the site is cleaned up.

The Enviornmental Justice Program can not provide funds for the cleanup in Warren County, the birthplace of the environmental justice movement,

States have Voluntary Cleanup Programs. These progams have limited funds. In North Carolina, the program looks at sites that have serious problems but did not qualify for Superfund and provides oversight for there cleanup. Principal Responsible Parties are sought to participate. If they do not voluntarily participate the state may cleanup the site if funds are avialable.

Federal agencies other than EPA provide cleanup funds if their waste is part of a Superfund Cleanup; 10 percent of the material for the Warren County project came from Ft. Bragg and they have indicated that they will not participate.

The detoxification and redevelopment project in Warren County is not a part of North Carolina's voluntary cleanup program. However, the State of North Carolina has provided over $10 million to date for the project. The estimated total cost is $17.5 million. Based on this the state has provided over 50 percent of the funding rather than the 10 percent they would provide for a Superfund project.

NAGORNO-KARABAKH PEACE PROCESS

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. SCHIFF. Mr. Speaker, I submit for the RECORD the following letter on Nagorno-Karabakh Peace Process:

WASHINGTON, DC,
April 4, 2001.

Hon. COLIN POWELL,
Secretary of State, Department of State,
Washington, DC.

DEAR SECRETARY POWELL: I would like to extend my congratulations to you on your appointment earlier this year as our nation's new Secretary of State. Your expertise in international affairs and your prestige among world leaders will undoubtedly serve as an asset to the office and our country.

As a representative of the largest Armenian community outside of Armenia, I am very interested in the recent developments in the Nagorno-Karabakh peace process, as well as U.S. recognition of the Armenian Genocide, and the economic well being of the Republic of Armenia.

Your personal attendance at the talks on Nagorno-Karabakh in Key West, Florida is an indication of the Administration's interest in the region.

I fully agree with your statement expressing our country's commitment to facilitating a mutually acceptable settlement of the Nagorno-Karabakh conflict. While a lasting peace will serve as a stabilizing force in the Caucasus, I sincerely hope that the history of this region will be an important factor in determining outcomes.

In his attempt to fortify his iron grip over a multiethnic and multicultural society that was the Soviet Union, Joseph Stalin redrew the map of the region to weaken the indigenous populations by carving up ethnically homogeneous republics into unrecognizable autonomous and semi-autonomous regions, such as Nagorno-Karabakh, Nakhichevan and Javakh, all historically Armenian.

The Nagorno-Karabakh peace talks may be our opportunity to correct one of the many historical injustices committed by Stalin.

As a member of the House International Relations Committee, I would greatly appreciate an opportunity to meet with you in the near future to discuss the Administration's policy vis-a-vis the Caucasus. I look forward to hearing from your office regarding a meeting and look forward to working with you on foreign policy issues in the years to come.

Sincerely,

ADAM B. SCHIFF,
Member of Congress.

WORLD CONFERENCE ON RACISM

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. DAVIS of Illinois. Mr. Speaker, as we speak an intensive two week effort is underway in Geneva to finalize plans for the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance.

The World Conference, to be held in Durban, South Africa on August 31st, is expected to be the most important international meeting on racism ever held.

Given America's tragic history of racial oppression, racism and inequality and the bloody struggles required to end slavery, lynching, Jim Crow, discrimination in employment, education, health care and public accommodations one would assume that America would have some important lessons to share with the international community.

Given the heavy price the world has been forced to pay as a result of the slave trade one would assume that America would be sensitive and responsive to an attempt to clarify that history and examine means of redressing the wrongs of slavery and racism.

Given the ongoing conflicts, and the heritage of conflict, as a result of the exploitation of the third world by the U.S. and other developed nations largely driven by American slave system, driven by the lingering aftereffects of the slave trade one would assume that America would be sensitive and responsive to an attempt to clarify that history and examine means of redressing the wrongs of slavery and racism.

Given the contradictions arising from the international debt crisis, from the process of globalization and trade driven by the great inequalities between the rich nations and the poor nations, one would assume that America would be sensitive and responsive to an attempt to clarify that history and examine means of redressing the wrongs of slavery and racism.

And one would assume that America would feel a powerful sense of responsibility to share those experiences, because we understand the immense human, social and economic costs associated with the evils of racism and discrimination.

Unfortunately, if one were to make those assumptions, one would be wrong . . . our State Department has indicated that the United States will not attend the World Conference unless two items are struck from the proposed agenda: the characterization of Zionism as racism and the issue of reparations for slavery and colonialism.

In international forums from Ireland to the Mideast, from Southern Africa to the Indian sub-continent America has always insisted that problems cannot be solved, that differences cannot be narrowed if we refuse to discuss them.

Suddenly America has become the loner in world diplomacy, insisting that it is our way or no way.

The Anti-Ballistic Missile Treaty, the Germ Warfare Treaty the Kyoto Global Warming Treaty and now the World Conference on Racism.

What kind of super-power are we?

Are we about democracy, about democratic process, about transparency and mutual self interest.

Or are we about imposing our will on international consultations, about insisting on predetermining the outcomes of discussions between nations?

Only those who fear the outcome of fair and open discussion have reason to refuse to engage in debate and discussion.

I believe we have nothing to fear in openly and honestly exploring history and repudiating racism.

It's time to come to grips with racism and the legacy of racism. It's in our national interest and our international interest.

U.N. Secretary-General Kofi Annan has corrected defined the problem: we need to "find way to acknowledge the past without getting lost there; and to help heal old wounds without reopening them."

If American is serious about its affirmation that racism and democracy are fundamentally incompatible, and I think that we are serious about it, then America must be at the table in Durban, South Africa on August 31st.

If I might paraphrase the words of Abraham Lincoln: America was conceived in liberty and dedicated to the proposition that all men and women are created equal. Now, we are being tested as to whether this nation, or any nation, so conceived and so dedicated can long endure.

Mr. Speaker, I am optimistic that America, and the world, are firmly on the road to ending racism and resolving the lingering and persistent after effects of this great distortion of all human, civil and economic rights.

Mr. Speaker if we are to continue down that road, we must not, we cannot fail this great test.

Mr. Speaker, in the interests of all humankind let us hope and pray that America will not turn its back on the World Conference on Racism.

SENATE—*Friday, August 3, 2001*

The Senate met at 9:30 a.m. and was called to order by the Honorable ROBERT C. BYRD, a Senator from the State of West Virginia.

The PRESIDENT pro tempore. From its very beginning, the Senate has opened its daily sessions with prayer. It continues to this day. Tennyson, that great poet, said:

More things are wrought by prayer
Than this world dreams of.
Wherefore, let thy voice
Rise like a fountain for me night and day.

The prayer will be led today by the Senate Chaplain, Dr. Lloyd J. Ogilvie. Dr. Ogilvie, please.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear Father, bless the Senators as they begin the August recess. During the time away from the daily stresses and strains of Washington, renew them mentally, spiritually, and physically. Give them quality time with family and friends. May relationships with their constituents in their States be strengthened as the Senators listen and learn what is on their minds and hearts. May these leaders, who give so much of themselves, allow You to give them what they need. Help them to rest in You, wait patiently for You to replenish their souls, and enjoy the sheer pleasure of leisurely hours. So much depends on these men and women. Help free them to depend on You more deeply. As this portion of the 107th Senate comes to a close, may these Senators feel that they have done their best and that You are pleased. Whisper in their souls, "Well done, good and faithful servant." You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable ROBERT C. BYRD led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. DASCHLE. This morning, the Senate will vote on cloture on the Agriculture supplemental authorization bill. We expect to complete action on the bill today.

A reminder to all of my colleagues, all second-degree amendments to the bill must be filed before 10 o'clock. In addition, we expect to consider several Executive Calendar nominations today. I would like to begin the cloture vote in just a moment.

MEASURE PLACED ON THE CALENDAR—H.R. 2505

Mr. DASCHLE. I understand there is a bill due for a second reading.

The PRESIDENT pro tempore. The clerk will read the bill the second time.

The legislative clerk read as follows:

A bill (H.R. 2505) to amend title 18, United States Code, to prohibit human cloning.

Mr. DASCHLE. I object to any further proceedings at this time.

The PRESIDENT pro tempore. The bill will be placed on the calendar.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

EMERGENCY AGRICULTURAL ASSISTANCE ACT OF 2001

The PRESIDENT pro tempore. Under the order previously entered, the Senate will now resume consideration of S. 1246, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1246) to respond to the continuing economic crisis adversely affecting American agricultural producers.

Pending:

Lugar amendment No. 1212, in the nature of a substitute.

CLOTURE MOTION

The PRESIDENT pro tempore. Under the previous order, the clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on Calendar No. 102, S. 1246, a bill to respond to the continuing economic crisis adversely affecting American farmers:

Tom Harkin, Harry Reid, Jon Corzine, Max Baucus, Patty Murray, Jeff Bingaman, Tim Johnson, Edward Kennedy, Jay Rockefeller, Daniel Akaka, Paul Wellstone, Mark Dayton, Maria Cantwell, Ben Nelson, Blanche Lincoln, Richard Durbin, Herb Kohl.

The PRESIDENT pro tempore. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on S. 1246, a bill to respond to the continuing economic crisis adversely affecting American farmers shall be brought to a close? The yeas and nays are required under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from California (Mrs. BOXER) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) is absent because of a death in the family.

The PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 49, nays 48, as follows:

[Rollcall Vote No. 273 Leg.]

YEAS—49

Akaka
Baucus
Bayh
Biden
Bingaman
Breaux
Byrd
Cantwell
Carnahan
Carper
Cleland
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feinstein
Graham
Harkin
Hollings
Hutchinson
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Snowe
Stabenow
Wellstone
Wyden

NAYS—48

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Chafee
Cochran
Collins
Craig
Crapo
DeWine
Ensign
Enzi
Feingold
Fitzgerald
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchison
Inhofe
Kyl
Lott
Lugar
McCain
McConnell
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner

NOT VOTING—3

Boxer
Domenici
Inouye

The PRESIDENT pro tempore. On this vote, the yeas are 49, the nays are 48. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. DASCHLE. Mr. President, I enter a motion to reconsider.

The PRESIDENT pro tempore. The clerk will state the motion.

The legislative clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE] enters a motion to reconsider the vote by which the motion to invoke cloture on S. 1246 was rejected.

Mr. DASCHLE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The motion will be placed on the calendar. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DISASTER FUNDING FOR THE KLAMATH BASIN

Mr. WYDEN. Mr. President, I thank my colleague, Senator HARKIN, for this opportunity to speak on the drought funding and legislative needs for the Klamath Basin in southern Oregon.

I understand that the bill currently being considered, the Emergency Agriculture Assistance Act of 2001, is primarily a bill to provide money for farmers suffering market loss this year. A market loss, as I understand it, happens when a farmer receives less money for his crop than he spent to produce it. But, due to drought, my constituents were unable to plant their crops.

Mr. HARKIN. I appreciate your understanding that there is a difference between the economic-based problems we are trying to address in the current bill and natural disaster related relief in an emergency or supplemental funding bill later this year, once we know the full extent of nature's toll on agriculture this season. However, the Supplemental Appropriations Act of 2001 provided $20,000,000 for farmer families in the Klamath. How much additional money will the farmers in the basin be needing?

Mr. WYDEN. In the Supplemental Appropriations Act of 2001 Congress provided $20,000,000 in emergency money for farmer families in the Klamath. This amount was designed only to keep these farms afloat until further monetary assistance could be found or until the drought ended.

According to the Klamath Basin Water Users Association, this drought will cost the Klamath Basin agricultural community at least $200 million above the $20 million provided already. In 2000, the revenue for agriculture in the Klamath Basin, according to the USDA Farm Service Agency, was $132 million. The projected income for 2001 is only $28 million. There is a difference of $104 million in lost revenues alone. That figure does not include the increased costs my constituents incurred to get through the drought with their farms intact, such as well augmentation and cover crop planting to protect topsoil from erosion.

May I count on the consideration of the Senator from Iowa, the chairman of the Agriculture Committee and a member of the Agriculture Appropriation Subcommittee, as I pursue additional funding for the Klamath Basin farmers at the first possible opportunity?

Mr. HARKIN. I appreciate my friend's pursuit of relief for his constituents. I can promise to work closely with you concerning fair drought relief funding for the farm families in the Klamath Basin.

Mr. WYDEN. In addition, there are other solutions for the Klamath Basin, such as, but not limited to, water conservation, wetlands restoration and irrigation system updates that will have to be considered. These may require legislative action. May I count on you to help me craft appropriate language that will be acceptable in the upcoming Farm Bill that will begin to address the long term solutions needed in the Klamath Basin?

Mr. HARKIN. I agree with you that an ounce of prevention is worth a pound of cure. Certainly, I will work with you to address possible long term solutions for the Klamath in the Farm bill.

Mr. JOHNSON. Mr. President, this week the Senate has been trying to pass S. 1246, the Emergency Agriculture Assistance Act, legislation to provide emergency relief to U.S. farmers and ranchers suffering at this time. Unfortunately, certain members of the Senate have tried to politicize, delay, and complicate this very necessary legislation. Moreover, now that the House of Representatives has adjourned for the August recess, we may very well be forced to adopt a reduced level of assistance in order to match the House's lower funding level in a fashion that meets the President's needs, without a conference committee. If this must be the case, then I am sure the will of the Senate will be to adopt less funding for farmers, but I shall vote against reduced funding for our farmers and ranchers this year because I know it is not enough to adequately assist crop producers and livestock ranchers through the 2001 crop year, indeed a fourth year in a row of near-recession in agriculture.

I have made a quick calculation or two regarding the level of assistance expected if we indeed enact the House passed assistance level of just $5.5 billion today. First, the funding for program crops nationwide will be reduced by around 16 percent. More importantly, South Dakota's farmers and ranchers stand to lose between $30 and $50 million. The reduced market loss AMTA payment in the House plan is 85 percent of the level in Senator HARKIN's plan, indicating to me that South Dakota farmers would lose around $23 million in these market loss payments if we adopt the House plan. Moreover, the oilseed payment is reduced by about $4.5 million under the House plan. Finally, if you count the assistance we provide to peas, lentils, wool, honey, flooded lands and conservation programs and total everything up, South Dakota may realize a loss of between $30 and $50 million under the House plan.

Under the leadership of Senator HARKIN, the Senate Agriculture Committee completed action on the fiscal year 2001 short-term economic assistance package for farmers and ranchers, providing $7.494 billion, $5.5 B in fiscal year 2001 funds plus $1.994 B in fiscal year 2002 funds. The United States Department of Agriculture, USDA, said they must distribute the fiscal nyar 2001 funds, $5.5 B in AMTA, by the end of the fiscal year, September 30, 2001. USDA has indicated the only way they can guarantee timely delivery of aid is to provide it through the bonus AMTA payment mechanism. Moreover, my colleague from South Dakota, the Majority Leader, Senator DASCHLE has received an assertion from the Congressional Budget Office, CBO, that Congress has to resolve this issue before the August recess in order to protect the $5.5 billion set aside, for fiscal year 2001, for these emergency payments. Nonetheless, we have had trouble getting a final vote on this assistance package because some of my colleagues, whom I respect a great deal, are slowing the bill down because they are upset at the level of funding, $7.4 billion.

In South Dakota, farmers and ranchers continue to struggle from terribly low commodity prices. While certain prices have improved in recent months, this short-term recovery in price, really just in the livestock sector, cannot compensate for nearly 4 years of recession in farm country. Most crop prices remain at 15–25 year all-time lows. Moreover, input costs such as fuel and fertilizer have increased dramatically, wiping out chances for producers to enjoy profits to keep operations afloat. Corn prices remain around $1.55 per bushel, far below the $4.50 range when the 1996 farm bill was enacted. Soybean prices are stagnant at $4.50 per bushel, nearly $4.00 less than soybean price levels in 1996. While wheat prices have made a very modest price recovery, they still remain less than $3.00 per bushel, far below the $5.55 level in 1996. Moreover, due to disease, drought, and winter kill, many South Dakota farmers had most or all of their winter wheat crop wiped out completely, so this modest increase in price won't help them because they may not have a crop to put in the bin.

All this at a time when aggregate production costs, the prices farmers pay for their inputs such as fuel and fertilizer, are 20 percent higher right now than the prices farmers receive for their commodities. This price-cost squeeze makes it very difficult to turn a profit in agriculture today. So, this assistance is badly needed. And while it is unfortunate that this assistance is necessary, I believe this aid is critical until Congress can write the next farm bill in a way that promotes and supports fair marketplace competition and good stewardship of our land.

Unfortunately, the administration and some Senators want to reduce the size of this emergency package, suggesting it provides too much assistance to our Nation's family farmers, or, alleging that it creates budget problems. Even more ridiculous is the assertion by some that no funding is necessary in fiscal year 2002 to help farmers. I believe we need to look at this from the farmers' perspective, a little tractor-seat common sense if you will, because farmers deal with crop years, not fiscal years. It all boils down to some in the administration wanting to implement this assistance based upon how the Government does business, by fiscal years, instead of how farmers and ranchers do business, by crop years. We need this assistance to span the current crop year, and therefore, it must allow for investments over both fiscal year 2001 and fiscal year 2002.

Further, our budget resolution, which was adopted by Congress and signed by the President, allows for this funding. The budget resolution enacted by Congress and signed by the President provided the Agriculture Committees authority to spend up to $5.5 B in fiscal year 2001, with additional authority to spend up to $7.35 B in fiscal year 2002, for a total of $12.85 B in fiscal year 2001-2002 spending authority for agriculture. The committees were given total discretion to spend this money on emergency and/or farm bill programs. However, for the third time now, Office of Management and Budget, OMB, Director Mitch Daniels has signaled a possible veto threat if the Senate aid package totals more than $5.5 billion in fiscal year 2001. A similar OMB threat was made as the House contemplated $6.5 billion, and despite efforts to increase the aid in the House, the level ended up at $5.5 billion. It cannot be argued that we are busting any budget caps, or endangering the Medicare or Social Security Trust funds, because this money has already been provided by the budget resolution, and it is not part of the $73.5 billion (fiscal year 2003-2001) ag reserve fund. A veto is not warranted because the aid total for fiscal year 2001 is $5.5 billion, precisely the level permitted under the budget resolution. The fact that an additional $1.9 billion is provided in the grand total does not matter because it is actually fiscal year 2002 money, which we are permitted to spend under the budget resolution passed by Congress and signed by the President. The Senate Agriculture Committee voted to spend $7.4 billion of both fiscal year 2001 and 2002 money because the current, 2001 crop year spans both fiscal years. It is a subtle, yet, critically important difference between a crop year and a fiscal year that must be understood in order to meet the needs of farmers. The 2001 crop year mirrors the 2001 calendar year, while the fiscal year 2001 fiscal year "expires" September 30, 2001. Several major commodities must be marketed after the fiscal year 2001 fiscal year ends, and prices for these commodities are not expected to magically improve after September 30. Clearly, there is a necessity to provide economic aid into fiscal year 2002 as well. In order to provide modest aid in fiscal year 2002, we have chosen to take a modest $1.9 billion, out of $7.35 billion available in fiscal year 2002, to help producers through the entire 2001 crop year. Unfortunately, the administration doesn't seem to understand the difference between a fiscal year and a crop year. Additionally, we left around $5.4 B for additional fiscal year 2002 spending if needed.

Last year, as part of the crop insurance reform legislation, Congress provided a total of $7.14 billion in emergency aid for both fiscal year 2000 and fiscal year 2001, almost exactly the same amount of assistance we aim to provide this time around. Specifically, $5.5 billion last year was allocated for bonus AMTA in fiscal year 2000, and, $1.64 billion for other needs in fiscal year 2001. Coincidentally, Congress and the President understood the need to provide assistance in fiscal year 2000 and fiscal year 2001 for the 2000 crop year , thus, a precedent has been set to do it once again. Furthermore, let us not forget that every major farm organization actually requested at least $9-10 billion in emergency ag support this year. Our legislation doesn't provide that total, but it does cover a majority of the immediate economic distress in agriculture today. I find it ironic that some in the Senate would rely upon the OMB Director, Mitch Daniels, on how much farm aid is necessary when what we are trying to pass in the Senate, $7.4 billion, is supported by farmers, including the following farm groups; Farm Bureau, Farmers Union, the National Corn Growers, and the National Assn. of Wheat Growers.

Yet some are still suggesting that spending $5.5 billion, most of it in fiscal year 2001, will be enough to help U.S. family farmers and ranchers. However, 19 Republicans in the House Agriculture Committee, including the Chairman Larry Combest, voted against an amendment to reduce the size of the House package to $5.5 billion because they believe that $5.5 billion does not go far enough to assist farmers and ranchers at this time. The vote to reduce the size of this assistance for farmers to $5.5 billion in the House Ag Committee passed by just one vote. The House passed emergency package falls short, by 16 percent, on the level of support Congress provided to program crops last year. Moreover, the Lugar or House plan does not include any funding for critical conservation programs such as CRP and WRP. Finally, Chairman Combest and other House Republicans were so concerned with the inadequacy of the House passed $5.5 billion that they wrote their "viewpoints" or "concerns" into the House passed legislation. Their concerns, accompanying the House farm aid state, and I am quoting from what House Republicans wrote about their own ag emergency bill now:

> . . .H.R. 2213, as reported by the House Agriculture Committee is inadequate. . . . .the assistance level ($5.5 billion) is not sufficient to address the needs of farmers and ranchers in the 2001 crop year. . .At a time when real net cash income on the farm is at its lowest level since the Great Depression and the cost of production is expected to set a record high, H.R. 2213 as reported by the Committee cuts supplemental help to farmers by $1 billion from last year to this year. Hardest hit will be wheat, corn, grain sorghum, barley, oats, upland cotton, rice, soybean, and other oilseed farmers since the cuts will be at their expense.

This is very concerning to me. Many of the farmers that will suffer if we go with $5.5 billion—the wheat, corn, grain sorghum, and soybean farmers, are trying to make a living in my State of South Dakota. So, as you can see, these very poignant words prove that the House passed $5.5 billion level of assistance is woefully inadequate. I will stay and fight on the Senate floor for increased funding this week to ensure South Dakota's farmers are assisted with the construction of a more sturdy bridge over this year's financial problems.

Mr. McCAIN. Mr. President, let met first commend the efforts of my colleagues who are working very hard to deliver some form of Federal relief to prevent the demise of more of America's family farms.

While this bill provides much needed emergency assistance to certain sectors of the agricultural community, I am concerned about this bill for several reasons.

It guarantees very generous Federal subsidies at higher levels than in previous years even though these same subsidies were eliminated or intended to be phased out by the 1996 farm bill. It disproportionately favors large farming operations over smaller ones. It adds $5 billion to the already $27 billion delivered in supplemental and emergency spending for farmers since 1999. This is funding in addition to Federal payments or loans authorized through the 1996 farm bill. While the 1996 farm bill was intended to reduce reliance on the Federal Government, payments to farmers have increased by 400 percent, from $7 billion in 1996 to $32 billion in 2001.

Again, I recognize that many Americans in the agriculture industry are facing economic ruin. However, already this year, the Senate has included $4.7 billion in wasteful, unnecessary, or unreviewed spending in five appropriations bills. Surely, among these billions of dollars, there are at least a few programs that we could all agree are lower priority than desperately needed aid for America's farmers.

I appreciate the agreement of my colleagues to put before the Senate the House bill that conforms with the agreed-upon budget resolution. Through this bill, billions of dollars are provided in supplemental payments to oilseed producers, peanut producers, wool and mohair producers, tobacco producers and cottonseed producers.

Fortunately, this bill does not include additional egregious provisions proposed in the Senate version of the bill, such as continuing subsidies for honey producers, extension of the dairy price support program, perks for the sugar industry, and various other new or pilot programs.

Recent indications are that these continuing supplemental payments that Congress obligates from taxpayer dollars are now paying at least forty percent, if not more of total farm income. How are we helping the farming sector to become more self-sufficient? Our actions are only serving as a crutch to small farmers while fattening the incomes of large farming conglomerates and agribusinesses. We should learn from past failures and take responsible action to focus Federal assistance on a fair, needs-based approach.

This bill passed by unanimous consent today, despite the disagreement of some of my colleagues who advocated for a much higher level of supplemental spending. I hope that my colleagues will exercise greater prudence and fiscal responsibility when we return from the August recess to consider the agricultural appropriations bill and reauthorization of the 1996 Farm bill to ensure that such ad-hoc spending is brought under control.

Mr. DASCHLE. Mr. President, I ask unanimous consent the Agriculture Committee be discharged from further consideration of H.R. 2213, the Agriculture supplemental bill, that the Senate proceed to its consideration, that the bill be read the third time and passed, and that the motion to reconsider be laid upon the table. I further ask unanimous consent that S. 1246 be placed on the calendar and that the previously entered motion to reconsider the failed cloture vote on S. 1246 be in order.

The PRESIDENT pro tempore. Is there objection to the several requests.

Without objection, it is so ordered.

The bill (H.R. 2213) was read the third time and passed.

(The bill will appear in a future edition of the RECORD.)

The PRESIDENT pro tempore. This corrects the fact that the motion to reconsider was not properly entered.

Mr. DASCHLE. Mr. President, I am extremely disappointed that our Republican colleagues chose to work against us instead of with us to provide critical financial relief to help farmers and ranchers deal with the fourth year in a row of low prices. My colleagues' choice to filibuster the committee bill, which a majority of Senators supported, was a decision we could not afford.

Unfortunately, it will cost farmers and ranchers across the country. For my State of South Dakota, that decision to filibuster will cost producers over $50 million in decreased assistance. But, South Dakota is not alone. Producers in each and every one of our states are being deprived of critical assistance because of the actions of my Republican colleagues.

Why? Because the President and Senate Republicans drew an arbitrary and partisan $5.5 billion line in the sand.

Even though the budget resolution authorizes the Senate Agriculture Committee to use $5.5 billion in fiscal year 2001 and $7.35 billion in fiscal year 2002 to provide economic assistance to producers, and even though it specifically allows the use of fiscal year 2002 funds to support the 2001 crop, the President insisted that we spend only $5.5 billion. His rationale "The farm economy is improving, so farmers don't need any additional help."

That is certainly not what I am hearing in South Dakota, and I know it is not what my colleagues on this side of aisle have heard in their states. Across the country, poor prices have hobbled producers for 4 years now.

Major crop prices, despite showing slight improvement over last year's significantly depressed prices, remain at 10 to 25-year lows. Net farm income minus government payments for 1999 thru 2001 is the lowest since 1984. Input costs are at record levels, making it more expensive for producers to do their job than ever before.

Despite all this, my Republican colleagues insisted on a bill that provides far less. Less for feed grain, wheat, and oilseed producers in my part of the country. Less for rice and cotton producers in the South. Less for specialty crop producers in the Northeast and Northwest.

And when I say less, I not only mean less than what is in the Committee's package, but less than what is absolutely needed.

Chairman HARKIN worked hard to improve on the House-passed $5.5 billion package. His package provided the full level of last year's market loss assistance for producers of major crops. It provided significant funding for specialty crops. It provided a substantial commitment to agricultural conservation.

Yet, my Republican colleagues filibustered. Why? Are they planning to go home and tell producers they fought long and hard to provide you with less?

Now that we are forced to pass the House legislation, we have lost for too much of what is critically needed for program crops, specialty crops, and conservation. This is reckless, and it's wrong. America's farmers and ranchers deserve better, much better.

So, I can't help but feel this country's farmers and ranchers got shortchanged. But what also troubles me is what the actions of my Republican colleagues over the past few days mean for the farm bill. Congress must come together quickly to write new farm policy this year so we don't have to keep coming back for more ad hoc emergency assistance, year after year.

Congress must get passed its stubborn refusal to acknowledge the failures of current farm policy and work together to change it. We need policies that better address the interests of family farmers and ranchers. Farmers and ranchers must have an income safety net that can offset severe price fluctuations, and that can help manage uncertainties in the marketplace. Such policies are critical to long-term survival in an industry in which the majority of producers operate on margins of less than 5 percent.

I believe there is a lot we can agree on. And by working together, I am certain there is a lot we can accomplish. I stand ready to work with my Republican colleagues. But, my colleagues must first choose to stand up for America's family farmers and ranchers.

I am hopeful they will.

Mr. LEVIN. Mr. President, I am very disappointed by the Emergency Agricultural Supplemental that this body has just passed because of the President's opposition to the much better legislation reported by the Senate Agriculture Committee and the fact the House of Representatives already left for the August recess. The Senate has passed a bill that fails to provide adequate aid to America's farmers and rural communities. Some on the other side of the aisle claimed that the bill passed by Senate Agricultural Committee spends too much money in support of America's farmers and that the farm economy is improving. I wish that were the case, but the facts in rural America do not support that assertion. The major farm groups do not agree with that conclusion, that is why they supported the stronger alternative, the bill proposed by the Chairman of the Agriculture Committee Senator HARKIN.

As we all know, our Nation's farmers have not shared in the prosperity which many Americans have experienced over the past decade. In the past three years, Congress has assisted America's farmers by providing substantial assistance to agricultural producers. No one, not least of all America's farmers, likes the fact that annual emergency agriculture supplementals have seemingly become routine.

Senator HARKIN, chairman of the Senate Agriculture Committee, crafted an impressive bill that addressed the needs of specialty crop farmers, in a more comprehensive fashion, than does the bill that just passed the Senate.

The bill that just passed provides nearly a billion dollars less in AMTA payments for traditional row crops than did the committee version. In addition, the passed bill makes no real effort to address the problems faced by farmers in States that do not rely on AMTA payments. It is difficult for a Senator with a large base of specialty crops to support it. This bill provides no more than a pittance for specialty crops. None of this pittance even goes directly to farmers of specialty crops. We have told farmers that they need to diversify if they are to succeed, yet the States that have diversified and specialized receive next to nothing in the House bill.

I am concerned about some of the arguments made to support the exclusion of funds for specialty crops. In particular, I am troubled by those who claim that payments should not be made to specialty crops because aid to producers of these crops cannot be dispensed by the end of the fiscal year. It was argued that payments should only be made to crops that can easily receive funds before the end of this fiscal year. I understand the need to get money to farmers as soon as possible. However, this money must also not only be distributed promptly it must be distributed fairly. Providing assistance chiefly to program crops may be prompt, but it ignores the needs facing many farmers throughout the Nation. Senator HARKIN, and the Senate Agriculture Committee, drafted a bill that, just like the last three emergency supplementals, dispensed money credited to two fiscal years. This bill would have allocated the $5.5 billion in FY01 funds to AMTA payments which can be dispensed this year, while specialty crops and conservation will be addressed in fiscal year 2002 monies that are already provided for in the budget resolution. This bill provides less assistance for row crops than does the committee, passed bill, and it is unfair to farmers who do not grow specialty crops.

The passage of this bill will lead to the loss of the following programs:

$150 million in market loss assistance for apple growers. It is estimated that apple growers have lost $500 million last year due to unfair trade and weather related disasters. Furthermore, some estimate that the industry may lose as much as 30 percent of its farmers this year without some form of aid.

$270 million in commodity purchases of specialty crops. These purchases provide food for shelters, food banks and schools, yet that money, $50 million of which will be used for the school lunch program, is not in the House version.

The $44 million sugar assessment, which has been suspended the past two years due to our budget surplus is not waived this year.

$542 million needed to fund conservation programs is excluded from the House version. As a result many important programs will lie dormant.

The number of farmers in our nation has been declining for well over a century. Now, farmers comprise only 1 percent of our population. The declining number of farmers and the increasing scarcity of Federal dollars makes it harder and harder to sustain the level of assistance we provide our farmers. Part of the success of current farm policy is that programs such as Women Infants Children program, WIC, balance rural and urban interests and attempt to meet the needs of each community. Assistance to the agricultural sector must address the concerns of all Americans if it is to continue at the needed level. The bill passed by the Senate fails to do that. This trend of narrowly focused farm programs cannot be sustained. The next farm bill that this body undertakes must help all Americans while helping farmers. The committee-passed bill addressed issues important to all of us: hunger, conservation and energy independence. This bill does not. Gone is the $270 million allocated for commodity purchases that would have helped specialty crop farmers, like cherry, bean and asparagus farmers in Michigan, while providing foodstuffs to school lunch programs, food banks and soup kitchens that guarantee a healthy diet is available to all Americans.

The conservation programs included in S. 1246 but not in the bill we just passed would have prevented erosion, preserved green space, increased wildlife habitat and ensured a clean water supply. Currently, in the State of Michigan there are three farmers who apply for every open slot in Federal conservation programs. These farmers will now have to wait even longer to participate in these programs.

I commend the chairman and the Senate Agriculture Committee for the hard work they put into the Agriculture Supplemental Bill which they reported to the Senate. The bill passed by this body, because the President's opposition to the better alternative left us no choice, ignores the needs of specialty crop producers and fails to fund farm programs that have the broader effect of helping all Americans.

Mrs. MURRAY. Mr. President, I rise to express my extreme disappointment with the agriculture supplemental assistance package the Senate passed today.

This week, the Bush administration did a great disservice to our nation's farmers, to rural communities, and to agricultural conservation programs around this nation. The administration's veto threats forced the Senate to pass a bill that does not meet the needs of farmers in my State.

In fact, this bill is completely inadequate to meet the needs of our farmers and rural America. The bill abandons our apple producers. It abandons our pea and lentil producers. And it rejects a fair emergency payment to our wheat producers.

It didn't have to be this way. Senator HARKIN worked with many of our colleagues to draft a balanced $7.4 billion emergency economic package. I fought hard to include $150 million in emergency payments for apple producers. I worked to include $20 million in assistance for dry pea and lentil producers. And many Senators worked together to ensure that wheat and other program crop producers received an emergency payment equal to what they received last year.

The Harkin bill was balanced, fair, and fiscally responsible. It deserved to become law. Yet, throughout this debate, the Bush administration steadfastly threatened to veto any bill larger than $5.5 billion. Today, President Bush won, and our farmers lost.

Instead of the Harkin bill, the Senate passed the House agriculture supplemental bill. We passed it because the President will sign it. We passed it because further delay threatened the availability of $5.5 billion in emergency relief. We did not pass it because it's the best bill possible.

The President's veto threats have cost Washington state producers $103 million. Let me repeat that: According to the Senate Agriculture Committee, President Bush's veto threats will cost Washington State producers an estimated $103 million in assistance. That includes the $50.3 million in assistance our apple growers would have received under the apple aid package.

I would like to thank Senator HARKIN for his support for specialty crop producers. Senator HARKIN worked tirelessly to help all regions and all producers. In my opinion, he could not have put together a more balanced and fair package.

I would also like to thank Senator DASCHLE. Senator DASCHLE is committed to working with us to address the shortfalls in the House bill. I look forward to working with him to complete the unfinished business we began this week.

This fight is not over. I would urge my colleagues to return from the August recess ready to pass an agriculture aid package that is balanced and fair to America's farmers.

Mr. CRAPO. Mr. President, I rise regarding the Senate's passage of H.R. 2213, the House-passed Emergency Agriculture Assistance Act.

There is a great need for economic assistance in farm country. There is no disagreement about that fact.

There has been no disagreement that we will spend the $12.85 billion provided in the budget for agriculture in fiscal years 2001 and 2002. The question has been on when and how we will spend it.

I wanted to pass an emergency bill with more emergency money than was in the House-passed bill. I was willing to work toward a compromise that met the current needs of our farmers—even if that meant spending a small portion of the fiscal year 2002 funding.

I had asked for Senate action on this supplemental since before the House passed its emergency assistance package on June 26th—more than a month ago. But, time ran out.

The House bill does not fund all the needs of Idaho's farmers and ranchers. It is not a perfect solution, but it is a necessary one. We now have a good start in providing short-term assistance to our producers. I hope we can build on that when we return in September.

We should move quickly to a farm bill. A fair and effective national food policy that recognizes the importance of a safe, abundant, domestic supply of food.

Farmers and ranchers across the country are looking to us to pass legislation that will: provide a safety net to producers, increase the commitment to conservation, bolster our export promotion programs, continue our commitment to agricultural research, and, find innovative ways to address rural development needs.

These are pressing needs. These are important needs, and the chairman of the Senate Agriculture Committee tried to address many of these needs in the economic assistance package. Now that we have allocated the $5.5 billion for fiscal year 2001, I hope that we can now focus our efforts on the farm bill.

I look forward to working in cooperation with the chairman and ranking member of the Agriculture Committee to craft a fair and effective bill as expeditiously as possible.

But, as those of us who worked on the 1996 Farm Bill know, the farm bill alone will not solve all our problems. We must continue to pursue tax reforms, address unfair regulatory burdens, and move toward free and fair trade. Our producers are being handcuffed by unfair foreign competition and barriers to exports, it is time this stopped.

I hope the recent debate on the emergency supplemental has raised awareness of the needs in agriculture. I hope this has prodded us to action on the farm bill. And, I hope we can work together for the needs of not just agricultural producers, but the consumers that benefit from efficient, safe, domestic food production.

Ms. SNOWE. Mr. President, I rise today to express my disappointment that funding in the Committee-passed bill that is important to Maine is no longer a reality. While the emergency agriculture assistance bill the Senate passed today provides $2 million for Maine, including $850,000 for a State grant for specialty crops, gone is the possibility of conferees making any decision to reauthorize or extend the Northeast Interstate Dairy Compact.

Gone is the $5 million for Maine for incentive-based voluntary agriculture conservation programs. Gone is the $270 million for CCC commodity purchases for Northeast specialty crops for the federal nutrition programs, such as wild blueberries, cranberries, and potatoes. Gone is $150 million in Apple Market Loss Assistance, of which $1.6 million would have gone to apple growers in Maine. Gone is the $25 million for disaster payments for the recent devastation from armyworms, some of which would have gone to Maine hay farmers.

Gone is the $20 million for fiscal year 2002 for the Senior Nutrition Program, called Senior Farm Share in Maine. This is a program for low income elderly that allows them to obtain shares with which to purchase locally produced produce throughout the growing season.

Out of a $5.5 billion package passed by the Senate today, the State of Maine will receive approximately $2 million. I am deeply troubled by the unbalanced and unfair emergency agriculture bills Congress continues to pass that almost totally ignore the farmers in my State of Maine and throughout the Northeast. My votes on this emergency agriculture funding bill reflect my true disappointment that once, again, funding for farmers and rural communities in Maine and the Northeast was left out. As we begin to work on the 2002 farm bill, I hope my colleagues are willing to work with the Northeast Senators to rectify this unbalance and this unfairness.

I am also disappointed that the legislation does not include the Dairy Consumers and Producers Protection amendment, which as a free-standing bill is sponsored by 37 of my colleagues from New England and throughout the Mid-Atlantic states and the Southeast.

This legislation reauthorizes the very successful Northeast Interstate Dairy Compact. As my colleagues are, by now, no doubt aware, the Northeast Interstate Dairy Compact will expire on September 30 of this year if it is not reauthorized by Congress.

The compact has unquestionably been of great benefit to preserving our dairy farms, while also assuring consumers a continuous, adequate supply of quality local milk at a stable price . . . saving consumers money overall by helping to stabilize milk prices . . . and generally helping regional economies. In my home State of Maine alone, our 463 dairy farms produce products valued at $100 million, and provide employment for approximately 2,100 Mainers.

The compact grew out of the need to address a fundamental problem in the New England dairy farming community—the loss of family dairy farms, which was largely the result of increased production costs, coupled with price volatility in the milk market. Farm milk prices have fallen more than five percent in real dollars since 1985, and New England dairy farmers have struggled with this decline.

However, 5 years ago, New England dairy farmers were able to stabilize the effects of this decline when Congress passed the Compact as part of the Freedom to Farm Act, and it was implemented by the U.S. Department of Agriculture. Since then, the Northeast Interstate Dairy Compact has provided a reliable safety net for small family farmers throughout New England by helping to maintain a stable price for fresh fluid milk on supermarket shelves.

Now, I know that one of the chief arguments made by detractors is that the compact is harmful to consumers. The facts, however, tell a different story.

For consumers, the compact translates to the addition of a small increment in the price of milk—a recent University of Connecticut study put the cost at 2.5 cents per gallon. Indeed, rather than overcharging New England milk drinkers, the compact has instead resulted in milk prices ranking among the lowest and most stable in the country. And it's no small point that Federal nutrition programs, such as the Women, Infants, and Children Program, or WIC, are held entirely harmless under the Compact. In fact, the advocates of these federal nutrition programs support the compact and serve on its commission.

In return, the compact has paid off with lower, more stable dairy prices in New England that more fairly reflect farmers' costs. As testimony proved at the July 25 Judiciary Committee hearing held by Senator LEAHY of Vermont, the existence of the Northeast Dairy Compact has had a tremendous, positive impact—without threatening or otherwise financially harming any other dairy farmer in the country.

In response to my recent request, the Departments of Agriculture throughout New England sent me data that clearly shows that the compact has slowed the rate of dairy farm reductions in the New England Dairy Compact area. These letters show that in the 3 years prior to the compact's establishment, New England lost 572 dairy farms, compared to 408 farms in the 3 years since its implementation. Even during this period of historic lows in milk prices, 164 fewer farms left the business.

How has this worked? Under the compact, whenever the Federal Government's minimum price falls below that of the Northeast Dairy Commission, which administers the compact, dairy processors are required to pay the difference to farmers. Moreover, the compact has given dairy farmers a measure of confidence in the near term for the price of their milk so they have been willing to reinvest in their operations by upgrading and modernizing facilities, acquiring more efficient equipment, purchasing additional cropland

and improving the genetic base of their herds. Without the compact, farmers would have been far more hesitant to do these things—if at all—and their lenders would have been much less willing to meet their capital needs.

And the compact has protected future generations of dairy farmers by helping local milk remain in the region and preventing dependence on a single source of milk—from outside the region—that can lead to higher milk prices through increased transportation costs, as well as increased vulnerability to natural catastrophes.

All this has been accomplished without threatening or otherwise financially harming any other dairy farmer in the country. In fact, more than 97 percent of the fluid milk market in New England is self-contained within the area with strong markets for local milk because of the demand for freshness and high transportation costs to ship milk in from other areas.

In short, the compact provides a fairer value for dairy farmers, and protects a way of life important to New England—a win-win situation for everyone involved, at no cost to the Federal Government. Let me repeat—the costs of operating the compact are borne entirely by the farmers and processors of the compact region, at absolutely no expense to the federal government.

Moreover, the compact provides environmental benefits through preservation of dwindling agricultural land and open spaces that help to combat the growing problem of urban sprawl, particularly near large cities. As a July 29, 2001 Boston Globe editorial pointed out, "A wide range of environmental organizations back the compact, seeing it as a defense against the sprawl that often occurs when beleaguered farmers sell out to developers."

The amendment offered by Senator SPECTER of Pennsylvania would have permanently authorized the Northeast Compact, as well as giving approval for states contiguous to the participating New England states to join, in this case, Pennsylvania, New York, New Jersey, Delaware, and Maryland. It would also have granted Congressional approval for a new Southern Dairy Compact, comprised of 14 states—Alabama, Arkansas, Georgia, Kansas, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Virginia, and West Virginia.

Why did the amendment include all of these States—half the country? The answer is that dairy compacting is really a States rights issue more than anything else, as the only action the Senate needs to take is to give its congressional consent under the Compact Clause of the U.S. Constitution, Article I, section 10, clause 3, to allow the 25 states to proceed with their two independent compacts.

Consider 24 other States with Maine's and you have a reflection of all of the Northeast and Southern Compact legislators—and all of their Governors—who have requested nothing more than congressional approval to "compact".

All of the legislatures in these 25 States, including Maine, have ratified legislation that allows their individual States to join a Compact, and the governor of every State has signed a compact bill into law. Half of the States in this country await our congressional approval to address farm insecurity by stabilizing the price of fresh fluid milk on grocery shelves and to protect consumers against volatile price swings.

Altogether, these 25 States make up about 28 percent of the Nation's fluid milk market—New England production is only about three and a half percent of this. This is somewhat comparable to two States of Minnesota and Wisconsin which together make up to 24 percent of the fluid milk market. California makes up another 20 percent.

Detractors have also claimed that compacts encourage the over-production of milk, but again, the facts say otherwise. In the nearly four years that the compact has been in effect, milk production in the Compact region has risen by just 2.2 percent or 100 million pounds of milk. In Wisconsin alone, milk production increased by almost 900 million pounds, or 4 percent. Nationally during this identical period, milk production rose 7.4 percent.

And finally, those who oppose this compact assert that it discourages trade between compact and non-compact states. To the contrary, dairy compacts require farmers from inside and outside the compact region to receive the compact price. An OMB study found that trade in milk in the compact region actually increased by 8 percent 1 year after the compact was implemented—further, 30 percent of milk sold in the compact region was produced outside the compact region in the State of New York.

As we work on the fiscal year 2002 Agriculture appropriations, and the 2002 farm bill, I hope that my colleagues realize that should the Compact Commission be shut down even temporarily while Congress grapples with its extension, it cannot magically be brought back to life again. It would take many months if not a year to restore the successful process that is now in place. I do not want to gamble with this process in such as manner that endangers the livelihoods of the dairy farmers of Maine.

During debate on this bill, according to the chairman of the Senate Agriculture Committee, Mr. HARKIN, the compact amendment offered was not germaine to this particular bill. According to the Senator from Wisconsin, Mr. KOHL, an extensive debate is needed on the compact reauthorization. Since the farm bill is an appropriate vehicle for this debate, I would hope these Senators will work with me to extend the Northeast Compact until such time as the 2002 Farm bill is completed.

The bottom line is, the Northeast Interstate Dairy Compact has provided the very safety net that we had hoped for when the compact passed as part of the omnibus farm bill of 1996. Mr. President, the Dairy Compact has helped farmers maintain a stable price for fluid milk during times of volatile swings in farm milk prices . . . the consumers in the Northeast Compact area, and now in the Mid-Atlantic area and the Southeast area, have shown their willingness to pay a few pennies more for their milk, none of it at government expense, if the additional money is going directly to the dairy farmer and environmental organizations have supported dairy compacting as a means to help to preserve dwindling agricultural land and open spaces.

I urge my colleague not to look success in the face and turn the other way, but to support us for a vote on the compacts that half of our states support.

Mr. President I ask unanimous consent that the following material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE OF MAINE, DEPARTMENT OF AGRICULTURE, FOOD & RURAL RESOURCES,
Augusta, Maine, July 3, 2001.

Senator OLYMPIA J. SNOWE,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR SNOWE: We have worked closely on the reauthorization of the Northeast Dairy Compact. I am grateful for your efforts and I know Maine's dairy farmers are as well. I understand that the issue of reauthorization is coming to the top of the Congressional agenda. I want to reiterate how critical the Compact is to dairy farmers in Maine and the region, and to provide you with the latest facts.

There are 463 dairy farms comprising 220,000 acres in Maine. These herds, which total about 42,000 animals, produce milk valued at more than $100 million annually. Those farms directly employ 1,389 people. There are 1,486 indirect jobs attributable to the dairy industry.

Maintaining the number of dairy farms, not just the number of cows, is important to Maine. Dairy farms are an important and in some cases, the only contributor to small town economies. The contribution is vital to maintaining an economically viable rural environment.

The Compact was designed to assure the continued viability of dairy farming in the Northeast and to assure an adequate, local supply of milk. The Compact has met both goals.

More than $139.4 million has been distributed through December 31, 2000, to dairy farmers in the region since the Compact's inception, of that $13.7 million has gone to Maine dairy farmers. In the five years leading up to the Compact the number of dairy farms in Maine dropped to 514 from 614, a 16 percent decrease. In the five years since the Compact the loss was only 9 percent, from 514 to 463.

At the same time, WIC programs in the region have received $4 million and the school lunch programs across the Northeast have received $700,000. These payments are made under the Compact to hold harmless those who need milk most.

The Compact creates milk-price stability and farmers receive a fair price. By maintaining the viability of dairy farming, it creates economic stability in rural New England. The money from milk checks is spent at local feed stores, equipment dealers and deposited at local banks. By helping to keep families on working farms, the Compact preserves farmland. The people of Maine when asked about public policy have consistently ranked the conservation of open space as a high priority.

The benefits of the Compact, and the balances it creates, are all provided with no tax dollars. I proudly support the reauthorization of the Northeast Dairy Compact and strongly encourage your continued support.

Sincerely,

ROBERT W. SPEAR,
Commissioner, Department of Agriculture.

NEW HAMPSHIRE, DEPARTMENT OF AGRICULTURE, MARKETS & FOOD,
June 27, 2001.

Senator OLYMPIA J. SNOWE,
Russell Senate Office Building,
Washington, DC 20510.

DEAR SENATOR SNOWE: You have asked for comment on the impact of the Northeast Interstate Dairy Compact on the stability of the dairy industry in New Hampshire.

Since the Compact's inception in July 1997, the number of farms producing milk for the commercial market in this state has declined from 187 to 176. Several of these farms have exited because of death of the operator; the land of these farms in most cases is being operated by a neighboring farmer.

But focusing solely on change in the numbers of farms may be a mistake, for we have seen a period of stability in production come during the time the Compact has been in effect. With a measure of confidence in the near term price of milk our farmers have been willing to reinvest in their operations by upgrading and modernizing facilities, acquiring more efficient equipment, purchasing additional cropland and improving the genetic base of their herds.

Without the Compact's role in milk pricing during periods when Federal Order prices were at rock-bottom lows our farmers would not have had the courage to modernize and improve their operations and their lenders would not have had the willingness to meet their capital needs. If there had been no Compact, I would expect that by now we would be down to 130 or even fewer farms.

The investments made in our dairy enterprises as a consequence of the stability brought by the Compact serve our New England consumers by helping to assure reliable sources of fresh milk at reasonable cost.

Sincerely,

STEPHEN H. TAYLOR,
Commissioner.

RHODE ISLAND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT,
Providence, RI, July 2, 2001.

Senator OLYMPIA J. SNOWE,
Russell Senate Building,
Washington, DC.

DEAR SENATOR SNOWE: I am responding to your recent letter requesting information regarding the positive effects of the Northeast Dairy Compact on protecting and maintaining dairy farms.

Rhode Island has a healthy, though limited dairy industry, and is considered a consumer state. While the number of dairy farms in Rhode Island is small in comparison to other Compact states, their viability is important to our agricultural economy, and they additionally have important benefits for open space protection, wildlife habitat etc.

In terms of pure numbers, there are currently 23 active dairy farms in Rhode Island, down from 32 at the initiation of the Compact in 1997. In 1983 there were 123 dairy farms, which reveals that 6.5 farms were lost per year on average prior to the Compact, and that rate has declined to 2.3 farms lost per year since inception of the Compact.

It was not anticipated or expected that the Dairy Compact would end the loss of dairy farms. Significant other factors contribute to farm losses (in general) which put pressure on the viability of the farm (ie. death of the operator, tax and estate issues, development pressure, loss of tillable land etc).

What the Dairy Compact has clearly done, from our perspective and the specific testimony of Rhode Island dairy farmers, is to improve the business climate of the farm, enabling farmers to better withstand pressures which before often brought about the downfall of the farm. This is evidenced by the decline in farm losses after initiation of the Compact. It is our observation that the dairy farms which remain are more viable, more stable, and a better business risk for lenders, which has allowed operations to modernize and other improvements to occur which improve the farm's chances for survival in coming years.

I hope this information and perspective is useful. Please contact me if I can further assist.

Sincerely,

KENNETH D. AYARS,
Chief, RIDEM/Division of Agriculture.

CONNECTICUT DEPARTMENT OF AGRICULTURE, OFFICE OF THE COMMISSIONER,
June 22, 2001.

Senator OLYMPIA J. SNOWE,
Russel Senate Building, Washington, DC.

DEAR SENATOR SNOWE: The people of Connecticut have been consistently supportive of the Northeast Dairy Compact.

Connecticut is a state of 3,000,000 persons and about 3,000,000 acres. It is a state with a great deal of diversity, with an economy that has evolved from one that was agriculture based to an industrial society and today is on the way to becoming a high tech Mecca. Yet dairy farms remain an integral part of the state's quality of life.

Why do Connecticut citizens support the Compact?

Because 70% of the working landscape in the state is utilized by dairy farmers;

Because of the state's 225 dairy farms, 60% open their farms to the public to tour the farm, visit a pumpkin patch, milk a cow, pet a calf, enjoy a hayride, go through a corn maze, or just take a quiet walk in a meadow to observe wildlife;

Because dairy farms have become important school systems that use in class and on farm visits to bring real-life, hands-on experience to the science and math curriculum;

Because of the $60 million farmers received from the Compact three percent went to support WIC programs and one percent to reimburse school lunch programs;

Because during the five years since the Compact has been in place, the attrition of dairy farms dropped (64 in the five years prior, 47 in the five years after); and

Because in the Dairy Compact area, consumers have enjoyed some of the lowest retail milk prices in the country.

I support the Northeast Dairy Compact because a stable milk price is as beneficial to our state's consumers as it is to our processors, retailers and farmers.

Thank for your support of this important, groundbreaking legislation!

Sincerely yours,

SHIRLEY FERRIS.

STATE OF MAINE—JOINT RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO REAUTHORIZE THE NORTHEAST INTERSTATE DAIRY COMPACT

Whereas, Maine has nearly 500 dairy farms annually producing milk valued at over $100,000,000; and

Whereas, maintaining a sufficient supply of Maine-produced milk and milk products is in the best interest of Maine consumers and businesses; and

Whereas, a University of Connecticut study, done while the Northeast Interstate Dairy Compact has been in existence, concluded that from July 1997 to July 2000, the price of milk to the consumer increased 29c of which 4 1/2c went to the farmer; and

Whereas, Maine is a member of the Northeast Interstate Dairy Compact; and

Whereas, the Northeast Interstate Dairy Compact will terminate at the end of September 2001 unless action is taken by the Congress to reauthorize it; and

Whereas, the Northeast Interstate Dairy Compact's mission is to ensure the continued viability of dairy farming in the Northeast and to assure consumers of an adequate, local supply of pure and wholesome milk and also helps support the Women, Infants and Children program, commonly known as "WIC"; and

Whereas, the Northeast Interstate Dairy Compact has established a minimum price to be paid to dairy farmers for their milk, which has helped to stabilize their incomes; and

Whereas, in certain months the compact's minimum price has resulted in dairy farmers receiving nearly 10% more for their milk than the farmers would have otherwise received; and

Whereas, actions taken by the compact have directly benefited Maine dairy farmers by not diminishing the farmer's share; now, therefore, be it

Resolved, That We, your Memorialists, respectfully urge and request that the United States Congress reauthorize the Northeast Interstate Dairy Compact; and be it further

Resolved, That suitable copies of this Memorial, duly authenticated by the Secretary of State, be transmitted to the Honorable George W. Bush, President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, each member of the United States Congress who sits as chair on the United States House of Representatives Committee on Agriculture or the United States Senate Committee on Agriculture, Nutrition and Forestry, the United States Secretary of Agriculture and each Member of the Maine Congressional Delegation.

ORDER OF PROCEDURE

Mr. DASCHLE. I also ask unanimous consent that the following Senators be recognized: Senator HARKIN for 20 minutes; Senator CLINTON for 10 minutes, Senator SCHUMER for 10 minutes, Senator LINCOLN for 5 minutes, Senator

DORGAN for 15 minutes, and Senator DAYTON for 5 minutes.

The PRESIDENT pro tempore. Is there objection?

Mr. LOTT. Reserving the right to object, Mr. President—and I do not intend to object—I think the Senators who wish to be heard on this issue should have an opportunity. I did want to see if the ranking member on this side might have some request at this time with regard to the timing of the speeches or indications of how votes might occur. I withdraw my reservation and yield the floor to Senator LUGAR.

The PRESIDENT pro tempore. The Senator cannot yield the floor.

The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, I would like the RECORD to reflect that Senators SESSIONS, COLLINS, GORDON SMITH, and TIM HUTCHINSON voted "yes" on the unanimous consent request as granted by the Chair.

The PRESIDENT pro tempore. Very well.

Mr. LUGAR. Mr. President, I inquire if Members on our side wish time. There are requests: From Senator ROBERTS for 10 minutes, 5 minutes for Senator CRAIG, and I reserve 15 minutes for myself.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LUGAR. I thank the Chair.

Mr. DASCHLE. Mr. President, I ask that the Senators alternate, Republican and Democrat, as we acknowledge those who have requested time.

The PRESIDENT pro tempore. Is there objection?

There is no objection.

Mr. DASCHLE. I yield the floor.

The PRESIDENT pro tempore. The minority leader.

Mr. LUGAR. Mr. President, before the distinguished majority leader leaves the floor, I inquire, then, about any plans for further votes to occur today or this afternoon.

Mr. DASCHLE. Mr. President, I failed to add to the list Senator LEAHY. I ask 5 minutes for Senator LEAHY.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, with this unanimous consent request, there will be no more rollcall votes today. I thank all Senators for their cooperation.

Mr. LOTT. Thank you, Mr. President. I yield the floor.

THE PRESIDING OFFICER (Mr. DAYTON). The Senator from Iowa.

Mr. HARKIN. Mr. President, I understand under the unanimous consent request I am recognized for up to 20 minutes.

The PRESIDING OFFICER. The Senator is recognized for 20 minutes.

EMERGENCY AGRICULTURAL ASSISTANCE

Mr. HARKIN. Mr. President, here is the situation, just for the benefit of all who are watching and wondering what happened. Basically what has happened is that the Senate just took up the House-passed Agriculture emergency bill and passed it, and therefore it will be sent to the President for his signature. I also point out we still have pending in the Senate the bill that was passed by our committee and there has been entered a motion to reconsider that has been placed by our leader, by Senator DASCHLE of South Dakota. So at some point when we come back it is entirely within the realm of feasibility or possibility that this Senate might want to revisit that Senate bill because it is clear that the House bill is totally inadequate to meet the needs of our farmers across the country.

I am proud of our committee and the work it did. Keep in mind that our committee was not reconstituted or able to do business until June 29, because the Senate organizing resolution was held up until then. And we did not have our full membership until July 10. But our committee worked diligently to look at the entire spectrum of farm families across America to try to determine what was needed to keep these farm families in business, keep their heads above water for yet another year until we can get a farm bill passed. The bill we reported out met the needs of farmers across America. Yet the White House said no.

I again point out that our committee voted the Senate bill out on a bipartisan vote. The Senate voted, again on a bipartisan vote, in favor of our bill and the provisions we had in our bill. But the White House said no.

Now we are at the point, because the House has left, they went home, and because we need to get this money out, that a gun is held at our heads by the White House and by OMB. They are saying if we do not pass the House bill, or if we pass something more adequate to the need in rural America we may lose even the $5.5 billion the House provided. So the gun was held at our heads and the White House refused to compromise.

Yesterday I spoke several times with the head of the Office of Management and Budget, Mr. Daniels, I spoke with the President's chief of staff, and I spoke with the Secretary of Agriculture to see if they would at least meet with us to see if there could be some compromise worked out. I said to the President's chief of staff last night: I respectfully request a meeting with the President at least to lay out our case on why the House bill was inadequate. That meeting was denied. So the President decided he would accept only $5.5 billion, which is only about three-fourths of what Congress passed in a similar bill last year.

I had a long visit with the head of OMB on the phone last night to try to determine why they picked that number. He said: Well, it looked as if farm income was a little bit better this year.

I said: Compared to what? We have had extremely low commodity prices, in some cases at about 30-year lows. Now, because livestock receipts were up a little bit the ag picture looks a little bit better than it did last year, but we are still in the basement. However, the money in this bill mainly goes to crop farmers, and they are the ones who are hurting the most. They are not only as bad off as last year, but they are probably worse off than last year because the prices are still low and all of their production costs have gone up—fertilizer, fuel, everything. Yet somehow the bean counters down at OMB have said no, the House bill is sufficient.

I will resubmit for the RECORD at this time letters or statements from just about all of the main farm organizations: The American Farm Bureau, National Association of Wheat Growers, the National Corn Growers Association, the American Soybean Association, the National Barley Growers Association and others—all saying that the House bill is inadequate. I ask unanimous consent they be printed in the RECORD.

[From the Voice of Agriculture, Monday July 30, 2001]

FARM BUREAU DISAPPOINTED IN HOUSE FUNDING FOR FARMERS

WASHINGTON, DC., June 21, 2001—The House Agriculture Committee's decision to provide only $5.5 billion in a farm relief package "is disheartening and will not provide sufficient assistance needed by many farm and ranch families," said American Farm Bureau Federation President Bob Stallman.

"We believe needs exceed $7 billion," Stallman said. "The fact is agricultural commodity prices have not strengthened since last year when Congress saw fit to provide significantly more aid."

Stallman said securing additional funding will be a high priority for Farm Bureau. He said the organization will now turn its attention to the Senate and then the House-Senate conference committee that will decide the fate of much-needed farm relief.

"Four years of low prices has put a lot of pressure on farmers. We need assistance to keep this sector viable," the farm leader said.

"We've been told net farm income is rising but a closer examination shows that is largely due to higher livestock prices, not most of American agriculture," Stallman said.

"And, costs are rising for all farmers and ranchers due to problems in the energy industry that are reflected in increased costs for fuel and fertilizer. Farmers and ranchers who produce grain, oilseeds, cotton, fruits and vegetables need help and that assistance is needed soon."

NATIONAL ASSOCIATION OF
WHEAT GROWERS,
Washington, DC, July 11, 2001.

Hon. TOM HARKIN,
Chairman, Senate Agriculture Committee, Russell Senate Officer Building, Washington, DC.

DEAR CHAIRMAN HARKIN: As President of the National Association of Wheat (NAWG), and on behalf of wheat producers across the nation, I urge the Committee to draft a 2001 agriculture economic assistance package that provides wheat producers with a market loss payment equal to the 1999 Production Flexibility Contract (AMTA) payment rate.

NAWG understands Congress is facing difficult budget decisions. We too are experiencing tight budgets in wheat country. While wheat prices hover around the loan rate, PFC payments this year have declined from $0.59 to $0.47. At the same time, input costs have escalated. Fuel and oil expenses are up 53 percent from 1999, and fertilizer costs have risen 33 percent this year alone.

Given these circumstances, NAWG's first priorty for the 2001 crop year is securing a market loss payment at the 1999 PFC rate. We believe a supplemental payment at $0.64 for wheat—the same level provided in both 1999 and 2000—is warranted and necessary to provide sufficient income support to the wheat industry.

NAWG has a history of supporting fiscal discipline and respects efforts to preserve the integrity of the $73.5 billion in FY02–FY11 farm program dollars. However, given current financial conditions, growers cannot afford the reduced level of support provided by the House in H.R. 2213. Wheat farmers across the nation are counting on a market loss payment at the 1999 PFC rate.

Thank you for your leadership and support.

Sincerely,

DUSTY TALLMAN,
President, National Association of Wheat Growers.

NATIONAL CORN GROWERS ASSOCIATION,
Washington, DC, July 23, 2001.

Hon. TOM HARKIN,
Chairman, Senate Committee on Agriculture, Russell Senate Office Building, Washington, DC.

DEAR CHAIRMAN HARKIN: We write to urge you to take immediate action on the $5.5 billion in funding for agricultural economic assistance authorized in the FY01 budget resolution.

The fiscal year 2001 budget resolution authorized $5.5 billion in economic assistance for those suffering through low commodity prices in agriculture. However, these funds must be dispersed by the US Department of Agriculture by September 30, 2001. We are very concerned that any further delay by Congress concerning these funds will severely hamper USDA's efforts to release funds and will, in turn, be detrimental to producers anxiously awaiting this relief.

We feel strongly that the Committee should disperse these limited funds in a similar manner to the FY00 economic assistance package—addressing the needs of the eight major crops—corn, wheat, barley, oats, oilseeds, sorghum, rice and cotton. It is these growers who have suffered greatly from the last two years of escalating fuel and other input costs. The expectation of these program crop farmers is certainly for a continuation of the supplemental, AMTA at the 1999 level.

Again, we urge the Committee to allocate the market loss assistance payments at the FY99 production flexibility contract payment level for program crops. We feel strongly that Congress should support the growers getting hit hardest by increasing input costs.

Sincerely,

LEE KLEIN,
President, National Corn Growers Association.

NATIONAL FARMERS UNION,
Aurora, CO, July 25, 2001.

FARMERS UNION COMMENDS SENATE ON EMERGENCY ASSISTANCE PACKAGE

WASHINGTON, D.C. (July 25, 2001).—The National Farmers Union (NFU) today applauded the Senate Agriculture Committee on its approval of $7.4 billion in emergency assistance for U.S. agriculture producers. The bill provides supplemental income assistance to feed grains, wheat, rice and cotton producers as well as specialty crop producers. The Senate measure provides the needed assistance at the same levels as last year and is $2 billion more than what is provided in a House version of the measure. NFU urges expeditious passage by the full Senate and resolution in the House/Senate conference committee that adopts the much needed funding at the Senate level.

"We commend Chairman Tom Harkin for his leadership in crafting this assistance package," said Leland Swenson, president of NFU. "We are pleased that members of the committee have chosen to provide funding that is comparable to what many farmers requested at the start of this process. This level of funding recognizes the needs that exist in rural America at a time when farmers face continued low commodity prices for row and specialty crops while input costs for fuel, fertilizer and energy have risen rapidly over the past year."

The Senate Agriculture Committee approved the Emergency Agriculture Assistance Act of 2001 that provides $7.4 billion in emergency assistance to a broad range of agriculture producers and funds conservation programs. It also provides loans and grants to encourage value-added products, compensation for damage to flooded lands and support for bio-energy-based initiatives. The funding level is the same as what was provided last year and is comparable to what NFU had requested in order to meet today's needs for farmers and ranchers. The House proposal provides $5.5 billion.

"We now urge the full Senate to quickly pass this much-needed assistance package," Swenson added. "It is vital that the House/Senate conference committee fund this measure at the Senate level. As we meet the challenge of crafting a new agriculture policy for the future, today's needs for assistance are still great. We hope for swift action to help America's farmers and ranchers."

NATIONAL BARLEY GROWERS ASSOCIATION (NBGA)—POSITION STATEMENT

INCOME AND MARKET LOSS ASSISTANCE FOR THE 2001 CROP

The Fiscal Year (FY) 2002 budget resolution provides $5.5 billion in additional agricultural assistance for crop year 2001 and an increase of $73.5 billion in the agriculture budget baseline through 2011. The budget resolution also provided flexibility in the use of a total of $79 billion. Because agricultural prices are not improving and production costs continue to escalate, NBGA believes it will be difficult to fully address the chronically ailing agriculture economy if Congress provides no more than $5.5 billion in assistance.

Although projections show a rise in farm income, this is largely due to the fact that analysis project livestock cash receipts to rise from $98.8 billion in 2000 to $106.6 billion in 2001. At the same time, cash receipts from crop sales are up less than $1 billion.

Further, producers continue to face historic low prices and income as well as increased input costs. In 2000, farm expenditures for fuel and oil, electricity, fertilizer and crop protection chemicals are estimated to increase farmers' cost $2.9 billion. This year, USDA estimates those expenses will rise an additional $2 billion to $3 billion while farm income continues to decrease. These issues affect every sector of agriculture.

We urge Congress to mandate that the Secretary of Agriculture make emergency economic assistance for the 2001 crops in the form of a market loss assistance payment at the 1999 Production Flexibility Contract (PFC, or AMTA) payment rate as soon as practicable prior to the end of FY01.

We beleive this additional assistance will help address the serious economic conditions in the farm sector and does not jeopardize the House and Senate Agriculture Committees' ability to develop effective new long-term farm policy in the near future.

AMERICAN FARM
BUREAU FEDERATION,
Park Ridge, IL, July 31, 2001.

Hon. TOM HARKIN,
Chairman, Agriculture, Nutrition and Forestry Committee, U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR HARKIN: The American Farm Bureau Federation supports at least $5.5 billion in supplemental Agricultural Market Transition Act payments and $500 million in market loss assistance payments for oilseeds as part of the emergency spending package for crop year 2001. We also believe it is imperative to offer assistance to peanut, fruit and vegetable producers. In addition, it is crucial to extend the dairy price support in this bill since the current program will expire in less than two months.

All over this country agriculture has been facing historic low prices and increasing production costs. These challenges have had a significant effect on the incomes of U.S. producers. At the same time, projections of improvement for the near future are not very optimistic. We appreciate your leadership in providing assistance to address the low-income situation that U.S. producers are currently facing.

We thank you for your leadership and look forward to working with you to provide assistance for agricultural producers.

Sincerely,

BOB STALLMAN,
President.

JULY 31, 2001.

Hon. TOM HARKIN,
Committee on Agriculture, Nutrition, and Forestry, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The undersigned oilseed producer organizations strongly support the Committee's efforts to complete consideration of legislation to provide Economic Loss Assistance to producers of 2001 crops prior to the August Congressional work period. As you know, funds available for this purpose in FY-2001 must be expended before the end of the Fiscal Year on September 30, 2001. This deadline requires that Congress complete action this week, so that the Farm Service Agency can process payments after enactment.

As part of the Economic Loss Assistance package, we support continuing the level of support for oilseeds provided in last year's plan of $500 million. Prices for oilseeds are at or below levels experienced for the 2000 crop. Farmers and their lenders expect Congress to maintain oilseed payments at last year's levels.

For this reason, we support making funds available for oilseed payments from the $7.35 billion provided in the Budget Resolution for FY-2002. This is the same approach used for 2000 crop oilseeds, when $500 million in FY-2001 funds were made available. We only ask that oilseed producers receive the same support, and in the same manner, provided last year.

Thank you very much for your efforts to provide fair and equitable treatment for oilseed producers in this time of severe economic hardship.

Sincerely yours.

BART RUTH,
President, American Soybean Assn.
LLOYD KLEIN,
President, National Sunflower Assn.
STEVE DAHL,
President, U.S. Canola Assn.

NATIONAL WILDLIFE FEDERATION,
Reston, VA, July 27, 2001.

Senator TOM HARKIN,
U.S. Senate, Chairman, Senate Agriculture Committee, Washington, DC.

DEAR SENATOR HARKIN: On behalf of the National Wildlife Federation (NWF) and its more than 4 million members and supporters nationwide, I would like to thank for your strong leadership in providing significant funding for conservation programs within the Emergency Agricultural Aid Package passed by the Senate Agriculture Committee earlier this week.

For too many years, conservation programs have been overlooked as viable and sustainable solutions to the emergency needs of agricultural producers suffering from the results of flooding and drought. As you are aware, programs such as the Wetlands Reserve Program and Floodplain Easement Program put needed funds into the hands of farmers at the same time that they take disaster-prone land out of production, reducing the need for future disaster assistance. Thanks to your efforts, such programs will be considered as components of agricultural disaster assistance this year. We look forward to working with you to ensure that this funding is retained during floor consideration of the bill and in conference with the House.

Once again, we thank you for your work in support of conservation programs.

Sincerely,

MARK VAN PUTTEN,
President & CEO.

THE AMERICAN DIETETIC ASSOCIATION,
Chicago, July 31, 2001.

Hon. TOM HARKIN,
Committee on Agriculture, Nutrition, and Forestry, U.S. Senate, Russell Building, Washington, DC.

Attn: Karil Bialostosky.

DEAR MR. CHAIRMAN: ADA is writing to go on record in support of several nutrition provisions proposed in the Emergency Agricultural Assistance Act of 2001 (S. 1246). These provisions move programs in the right direction by increasing consumer access to healthful foods. The American Dietetic Association promotes optimal nutrition and well being for all people by advocating for its members—70,000 nutrition professionals who are the leading providers of food and nutrition services in the United States.

All consumers in the United States should have access to a wide variety of safe, affordable and nutritious foods. ADA urges Congress to support agriculture policy and fund programs that help Americans follow a diet consistent with the U.S. Dietary Guidelines for Americans. The Commodity Purchases provision (Title I, Section 108) and Sections 301, 302, 303 and 304 of the Nutrition Title (Title III) move toward that goal.

Sincerely,

KATHERINE J. GORTON,
Director,
National Nutrition Policy.

Mr. HARKIN. I ask again, Mr. President, who knows better what the farmers of America need, OMB and the bean counters or the National Corn Growers Association? Who knows better what our farmers need, the people down at the White House running around those corridors down there or the American Soybean Association and our soybean farmers? Who knows better about what our farmers need, the people down at OMB who say we only need three-fourths of what we had last year or the farmers of America, through their representatives here, who have said time and time again the House bill is inadequate?

To show you how bad it really is, here is a letter dated today to me from the American Soybean Association, the National Corn Growers Association, the National Association of Wheat Growers, and the National Cotton Council, sent to me in my capacity as chairman of the Senate Agriculture Committee.

It says:

> The undersigned organizations are concerned that despite your best efforts to develop an emergency assistance package, the Senate's efforts to respond to the severe economic crisis facing agriculture will be unsuccessful unless emergency agricultural legislation is enacted prior to the August recess. With the House of Representatives already in recess, the only course available to the Senate to ensure that farmers receive $5.5 billion of funds earmarked for 2001 is to pass H.R. 2213 as passed by the House.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 3, 2001.

Re Emergency Assistance for Agriculture.

Hon. TOM HARKIN,
U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: The undersigned organizations are concerned that despite your best efforts to develop an emergency assistance package, the Senate's efforts to respond to the severe economic crisis facing agriculture will be unsuccessful unless emergency agricultural legislation is enacted prior to the August recess. With the House of Representatives already in recess, the only course available to the Senate to ensure that farmers receive $5.5 billion of funds earmarked for 2001 is to pass H.R. 2213 as passed by the House.

In order to avoid the very real possibility these budgeted funds will be lost, we urge the Senate to take the necessary action and pass H.R. 2213 without amendment and send the bill to the President. Without timely action, we face the prospect of missing the budget-imposed September 30 deadline and forfeiting this crucial financial aid.

With prices of many commodities even lower than 2000, with increased costs for fuel and other inputs, and with severe weather in some regions, U.S. farmers need this assistance package more than ever. It is imperative that Congress complete its work right away.

Thank you for your consideration of our request.

Sincerely,

American Soybean Association.
National Corn Growers Association.
National Association of Wheat Growers.
National Cotton Council.

Mr. HARKIN. Mr. President, again, I want you to know how proud I am to have stood side by side with the American Soybean Association, the National Corn Growers Association, the National Association Of Wheat Growers, and the National Cotton Council. We have fought side by side to respond to the dire needs of our farmers in America.

But, as this letter shows, we have a gun held to our heads. If we don't pass that House bill today, we risk losing even that amount of money.

We have this confrontation. I had hoped that the President would be willing to meet with us to seek some reasonable compromise. After all, this President came to town saying he wanted to be a conciliator. He wanted to work together in a bipartisan fashion to seek compromise. We want to seek compromise. The House passed $5.5 billion. We passed $7.5 billion. We were willing to meet and discuss and work out some compromise. The White House was unwilling to meet and unwilling to compromise.

I have heard time after time speeches on the other side of the Senate. I have heard from my Republican friends saying how bad it is in agriculture and how much we need this assistance. But, obviously, the President has said no.

In my conversations with the head of OMB last night, I kept saying: Why? For what reason is it $5.5 billion or nothing? He said that is our number—5.5. It was almost like a mantra. He said: It is 5.5, and we are not going to budge from it.

It is one thing to have a strong position, but it is another thing to have a position in which you have taken a strong stand that does not correlate with the facts. The facts are that farmers and rural America need a lot more help than what this House bill provides.

Again, I point out what the difference between the House-passed bill and the Senate bill means for our farmers around America. These are the payments that would go out to farmers in a number of States in this country.

In this column, we see what the Senate bill would provide. We see in this column the House bill. The comparisons are just on the commodity title, but do not include the specialty crop purchases or House bill specialty crop payments to states. This is how much each State will lose because the President refused to compromise.

Washington State will lose $103 million for their farmers. That is the difference between what the Senate bill had and what the House bill had. Washington State farmers will get $75 million from the House bill. We had $178 million in our bill for Washington State farmers. Washington farmers are going to be hurt and hurt badly. So will their community banks; so will the auto dealers; so will the hardware stores; the feed stores; and, everyone else in those small towns all over the State of Washington.

In Iowa, in my home State, farmers will lose $91.47 million because the President said no, again just on the commodity title and not counting conservation, for example.

In Minnesota, they will lose $82.7 million; Texas, $82.4 million. In the President's home State, farmers are going to lose $82.42 million.

In Illinois, they will lose $81.6 million. In Nebraska, they will lose $65.2 million; Kansas will lose $61.7 million for their farmers; North Dakota, $60.7 million; California, $52.5 million; Arkansas will lose $43.9 million for their farmers; Indiana will lose $40.12 million; Louisiana, $32 million; South Dakota, $32 million; Missouri, $31 million; Michigan, $31 million; Ohio, $29 million; Montana, $24 million; Wisconsin, $24 million; Idaho, $23.9 million; Oklahoma, $22.8 million; Mississippi, $22 million.

That is what the House bill is going to cost the farmers in those States because the President said no. The President is determined that the House bill was sufficient to take care of the farmers in those States.

Time and time again I see the President visiting farms. How many farms is he going to have to visit before he gets the picture and before he understands what is happening in rural America?

I ask unanimous consent to have printed in the RECORD a letter of March 13 sent to the Honorable PETE DOMENICI, chairman —at that time—of the Budget Committee. It was signed by 21 Members of the Senate asking that the 2001 Agriculture Market Transition Act payment be the same as it was last year. The letter went on to say how bad things are in rural America with high production costs, fuel, fertilizer, and interest rates with projections that farm income will not improve in the near future. It says:

> We believe it is vitally important to provide at least as much total economic assistance for 2001 and 2002 as was provided for the 2000 crop.

I ask unanimous consent that this letter and the accompanying signatures be printed in the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, DC,
March 13, 2001.

Hon. PETE V. DOMENICI,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR PETE: We are writing to request your assistance in including appropriate language in the FY02 budget resolution so that emergency economic loss assistance can be made available for 2001 and 2002 or until a replacement for the 1996 Farm Bill can be enacted. Specifically, since conditions are not appreciably improved for 2001, we support making market loss assistance available so that the total amount of assistance available through the 2001 Agricultural Market Transition Act payment and the Market Loss Assistance payments will be the same as was available for the 2000 crop. We understand it is unusual to ask that funds to be made available in the current fiscal year be provided in a budget resolution covering the next fiscal year, but the financial stress in U.S. agriculture is extraordinary.

According to USDA and other prominent agriculture economists, the U.S. agricultural economy continues to face persistent low prices and depressed farm income. According to testimony presented by USDA on February 14, 2001, "a strong rebound in farm prices and income from the market place for major crops appears unlikely . . . assuming no supplemental assistance, net cash farm income in 2001 is projected to be the lowest level since 1994 and about $4 billion below the average of the 1990's." The USDA statement also said . . . "(a) national farm financial crisis has not occurred in large part due to record government payments and greater off-farm income."

In addition to sluggish demand and chronically low prices, U.S. farmers and ranchers are experiencing rapidly increasing input costs including fuel, fertilizer and interest rates. According to USDA, "increases in petroleum prices and interest rates along with higher prices for other inputs, including hired labor increased farmers' production expenses by 4 percent or $7.6 billion in 2000, and for 2001 cash production expenses are forecast to increase further. At the same time, major crop prices for the 2000–01 season are expected to register only modest improvement from last year's 15–25 year lows, reflecting another year of large global production of major crops and ample stocks."

During the last 3 years, Congress has provided significant levels of emergency economic assistance through so-called Market Loss Assistance payments and disaster assistance for weather related losses. During the last three years, the Commodity Credit Corporation has provided about $72 billion in economic and weather related loss assistance and conservation payments. The Congressional Budget Office and USDA project that expenditures for 2001 will be $14–17 billion without additional market or weather loss assistance. With projections that farm income will not improve in the near future, we believe it is vitally important to provide at least as much total economic assistance for 2001 and 2002 as was provided for the 2000 crop.

Congress has begun to evaluate replacement farm policy. In order to provide effective, predictable financial support which also allows farmers and ranchers to be competitive, sufficient funding will be needed to allow the Agriculture Committee to ultimately develop a comprehensive package covering major commodities in addition to livestock and specialty crops, rural development, trade, and conservation initiatives. Until new legislation can be enacted, it is essential that Congress provide emergency economic assistance necessary to alleviate the current financial crisis.

We realize these recommendations add significantly to projected outlays for farm programs. Our farmers and ranchers clearly prefer receiving their income from the market. However, while they strive to further reduce costs and expand markets, federal assistance will be necessary until conditions improve.

We appreciate your consideration of our views.

Sincerely,

Thad Conchran, John Breaux, Tim Hutchinson, Mary Landrieu, Kit Bond, Blanche Lincoln, Jim Bunning, Mitch McConnell, Max Cleland, Jeff Sessions, Richard Shelby, Jesse Helms, Larry Craig, James Inhofe, Strom Thurmond, Zell Miller, Craig Thomas, Chuck Hagel, Peter Fitzgerald, Bill Frist, Kay Bailey Hutchison.

Mr. HARKIN. Mr. President, nothing has changed. I can only assume my friends on the other side of the aisle would like to have had more money for our farmers. They would like to have had the Senate-passed bill to provide 100 percent of AMTA because this is what they asked for. That is what we put in the Senate bill. But, obviously, the President said no. The President said no; farmers had enough.

I also point out what else was in our bill in terms of conservation. Our bill provided funding for a number of USDA conservation programs. The Wetlands Reserve Program, the Wildlife Habitat Incentives Program, and Farmland Protection Program are all in jeopardy because the House bill has zero dollars for conservation.

Let me show you what it is in terms of all of the funding for these programs.

Here is the Wetlands Reserve Program. Right now the total backlog is about $568 million. In our bill, we had $200 million for the Wetlands Reserve Program to cut that in half. Here are the top 10 States that need funding for the Wetlands Reserve Program.

I see my friend and colleague from Arkansas, a distinguished member of our committee, here in the Chamber. Arkansas has $89 million in backlog for the Wetlands Reserve Program. These are all eligible enrollments. But we don't have the money for it. At least our bill would have cut that almost in half.

Iowa, my State, $81.9 million; California, $78.9 million; Louisiana, $69 million; Mississippi, $18 million. All of these States have backlogs for the Wetlands Reserve Program. The House provides zero dollars. That puts the Wetlands Reserve Program in jeopardy.

We have the Farmland Protection Program to help buy easements to keep our farmland in farmland rather than in urban sprawl. The total U.S. backlog is $255 million. We had $40 million in our bill, which coupled with money from the States, local governments and non-profit organizations would have helped a lot to save farmland. The House bill had zero dollars for that.

Under the Wildlife Habitat Incentives Program, the backlog is $14 million. We had $7 million in our bill, again to cut that backlog in half.

Here are all the States with all of the backlogs that we could have helped in the Wildlife Habitat Incentives Program.

Lastly, Environmental Quality Incentives Program, with a backlog of $1.3 billion. We had $250 million in our bill to reduce that down.

Mr. President, I ask unanimous consent to have printed in the RECORD four charts showing the backlogs in USDA conservation programs for a number of States.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Wetlands Reserve Program

[Total U.S. Backlog = $568,772,170]

TOP 10 STATES

Arkansas	$89,102,486
Iowa	81,965,541
California	78,988,416
Louisiana	69,656,427
Missouri	41,111,255
Florida	27,539,000
Minnesota	25,017,968
Illinois	24,986,434
Michigan	20,500,000
Mississippi	18,173,136

Source: U.S. Department of Agriculture, Natural Resources Conservation Service.

Farmland Protection Program

[Total U.S. Backlog = $255,677,581]

TOP 10 STATES

California	$47,692,183
New York	33,760,639
Maryland	29,531,511
Florida	18,799,852
Pennsylvania	15,908,572
Delaware	12,926,040
Kentucky	12,290,000
Michigan	11,579,235
New Jersey	10,692,132
Massachusetts	10,465,820

Source: U.S. Department of Agriculture, Natural Resources Conservation Service.

Wildlife Habitat Incentives Program

[Total U.S. Backlog = $14,447,989]

TOP 10 STATES

Oregon	$1,129,115
Texas	1,100,000
Florida	1,040,000
West Virginia	1,030,472
Arkansas	920,000
Colorado	770,000
Maine	650,000
Michigan	613,434
Alabama	548,000
South Dakota	529,395

Source: U.S. Department of Agriculture, Natural Resources Conservation Service.

Environmental Quality Incentives Program

[Total U.S. Backlog = $1,378,348,711]

TOP 10 STATES

Texas	$175,615,986
Oklahoma	60,684,644
Georgia	55,908,744
Arkansas	53,263,407
Kansas	49,142,061
Montana	46,421,056
Kentucky	44,107,218
Nebraska	42,912,850
Tennessee	40,772,836
Virginia	39,795,591

Source: U.S. Department of Agriculture, Natural Resources Conservation Service.

Mr. HARKIN. These States have tremendous backlogs and needs in the Environmental Quality Incentives Program to help clean up the water and conserve resources in these States. We had about $1½ billion in our bill to help all of the States meet the environmental standards and needs in States.

Many of the farmers in these States have to meet environmental standards, and even without requirements, farmers and ranchers strive to take care of the land. They want to do their best to be good stewards. In many cases farmers are doing this out of their own pockets with their own machinery and their own time.

I believe we need to help them. We need to help these farmers meet these environmental standards. Yet the House bill provides nothing.

It is too bad that the President would not even meet with us and would not try to work out some decent compromise. We were willing. The President said, no. They made their point they were only going to have $5.5 billion for our farmers; they were not going to have any conservation.

We also wanted to broaden this bill out to address the needs of our specialty crop producers in America, the people who raise peas and lentils and apples and all the other fruits and vegetables that are part of our great bounty that we have in this country. These farmers are hurting, too. We tried to help them. The House bill does a little bit, but hardly anything at all, to help these beleaguered farmers.

Lastly, I want to say—and I want to make this point one more time, as I made it to OMB and to the White House—the $7.5 billion that we had in our bill fully complied with the budget. No budget point of order would lay against our bill. We had $5.5 billion in fiscal year 2001. We used $2 billion of the $7.35 billion that was allowed us in 2002. We did not bust any budgets. We stayed within the budget. We met our obligations, and we met our obligations both to fiscal responsibility and also our responsibility to the farmers of this country.

So I will close by saying that the fight goes on. This Senator, and I am sure many other Senators in this body, are not going to give up. The President got his way because he has the veto.

I am hopeful that we can work with the White House in August and in September, and going into this fall, on two things. One is to shape and fashion a new farm bill that will get us off the failed policies of the past. There is no doubt in anyone's mind that the Freedom to Farm bill has failed, and failed miserably. We need a new farm bill. We need a new vision of agriculture in America. We need a farm bill that will move us into the 21st century.

I look forward to working with the administration and with the Secretary of Agriculture, for whom I have the highest regard and respect, to fashion that new farm bill.

I also hope that as we go into the fall, we should come back and see what we might need to fill the gap between the end of September and whenever the farm bill is passed. The House bill we passed shorted farmers in Iowa and across the nation. The market loss and oilseed payments were cut back. The specialty crops were left out. Conservation was left out. Some assistance to our dairy farmers was left out. I hope we can come back in September—maybe early October—and revisit this and, hopefully, have the help and the support of the White House at that time to at least fill in that gap. That is what we tried to do in this bill, to fill in the gap from the end of September until such time as the farm bill is passed and enacted to make sure that our programs for conservation were not interrupted, and to make sure that farmers were taken care of.

The fiscal year may end on September 30, but the crop-year does not. Farmers need help in October and November.

So hope springs eternal. The fight goes on. We will never give up the fight to provide the kind of assistance and support that our farmers and our farm families need—and not just those in the Midwest, but those in Michigan and New York and Washington State and all over this country, to make sure that those farm families are able to continue and to provide the agricultural products that we need for our country.

I yield the floor.

ORDER OF PROCEDURE

The PRESIDING OFFICER (Ms. STABENOW). The Senator from Indiana is recognized.

Mr. LUGAR. Madam President, I ask unanimous consent that Senator CRAPO be added to the list of speakers who have been granted 5 minutes to speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Excuse me just one second. I am supposed to add someone else.

Madam President, I ask unanimous consent that Senator DODD be added to the list of speakers who have been granted 10 minutes to speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMERGENCY AGRICULTURAL ASSISTANCE

Mr. LUGAR. Madam President, I join the distinguished chairman of the Agriculture Committee in saying the fight always goes on for American farmers. In the Agriculture Committee we have that commitment. And it is one we take with a great deal of pride and, likewise, with a high energy level. But today, Madam President, let me just say American farmers rejoice because a remarkable thing has occurred in this Senate Chamber this morning. We have come together with our colleagues in the House to pass a bill, which now, through some effort, will go to the House, to the President for signature, and to American farmers.

Let me just say the benefits to American farmers are very substantial. We began this quest because American farmers, according to the best estimate of the USDA, would receive—without our action—$3 billion less in aggregate cash income this year. We have, by our actions this morning, sent to American farmers $5.5 billion. We have, in fact, exceeded the gap and, as a matter of fact, made certain that agricultural income in America for this year will be $2.5 billion more than last year.

That has not escaped the attention of a good number of agricultural organizations that have beneficiaries. The American Soybean Association, the National Corn Growers Association, the National Association of Wheat Growers, the National Cotton Council, and the U.S. Rice Producers Group have all written this morning to the chairman, with a copy of their letter to me, simply urging the Senate "to take the necessary action and pass H.R. 2213"—the House bill—"without amendment and send the bill to the President."

Each of these groups wrote to the chairman: "Without timely action, we face the prospect of missing the budget-imposed September 30 deadline and forfeiting this crucial financial aid." I mention that because I appreciate their commendation of our work and their encouragement that we do precisely what we have done this morning.

I want to mention that it is important that all Members understand what we have done; namely, that through the so-called AMTA payments, $4.622 billion in supplemental payments will be sent to producers in the next few days; $424 million in market loss payments to soybean producers and other oilseed producers, who received this assistance last year, will be distributed in the next few days; $159 million in assistance to producers of specialty crops, such as fruits and vegetables, will receive their money through our block grants to the States.

I make that point because the only way in which money could conceivably have gotten to any specialty group would have been through these block grants to States and a distribution after finding the recipients in each of those States. I make that point because there always was an illusion that somehow money to specialty crops could come in some other way, but there are not good lists, the criteria, and the other aspects that have surrounded the so-called program crops. Therefore, this was an essential point, if the specialty crop recipients were to get their money before September 30. And $129 million in market loss assistance will go to tobacco farmers, whose names and addresses are well known to USDA; $54 million, likewise, to peanut growers; $85 million for cotton seed; $17 million for wool and mohair producers; and $10 million of emergency food assistance support.

I make these points because each one of us may have a wish list of those that we would like to receive money. The purpose of this action, the reason that both Houses have taken action—and we have done so unanimously this morning—is that we saw a gap for American agriculture in total. We have tried to fill the gap. In committing compromises and bicameral compromises, we have tried to make certain that assistance came to the normal program recipients since the time of the 1930s, the specialty crops, and to many others who were identified in previous supplemental bills of the last 2 years.

I regret there is difficulty with regard to the stance of the President. I simply want to support the President very strongly in the action he took.

First of all, he supported the $5.5 billion of payments. He pointed out, as I have this morning, that if these are to make a difference for farmers, they need to be received now. They need to make their appointments with the country bankers as required and make certain that they stay in business. It is easy enough for us to speculate that if we did not take action now or if we took action in the by and by, somehow more might be obtained.

The fact is, more was not going to be obtained for farmers now. The only way in which money could be obtained was, first of all, following the budget resolution so a point of order was not entered; secondly, recognizing that the money destined for next year in the Senate Agriculture Committee's original bill was very likely to be taken off the table before it was distributed.

I want to make the point again that we suggested earlier in the debate: While we are in recess, OMB and CBO are going to come forward with estimates of our national budget picture. Almost every prediction is that these estimates will downsize the amount of money that is anticipated to be coming into the Federal Government, the amount of the surplus, the amount of money, in fact, for the appropriations bills, eight of which are still to be considered by the Senate.

Already the distinguished chairman of the Senate Appropriations Committee, the distinguished ranking member, Senators BYRD and STEVENS, are cautioning the subcommittees in appropriations not to exceed the allocations of money they have received. They are cautioning them because they are pointing out the money simply may not be there.

We were in a position that if we did not take action now, it is very conceivable that the money that was destined for American farmers might not have been there either. The number of claimants, whether in defense, in health, in education, in all the various aspects of American life, are very considerable. We have pinned down for American farmers today money that we want to go to American farmers. We have done so in a responsible way. We have done so with the support of the President of the United States and both Houses of the Congress. That is no minor achievement in an agricultural piece of legislation.

Let me point out one further thing about the President of the United States; that is, he is determined, as I hope most of us are, to be responsible with regard to money. We have had years in this body in which Members were more or less responsible—sometimes less. As a consequence, large deficits were the result.

In a bipartisan way, we have determined those days ought to be over. It does require that, finally, we do our very best to conform to the budget, that we respect the rights at least of all the other claimants to Federal funds, including taxpayers. The President is simply saying: I am going to do my duty. If I see things exceeding the budget, I am going to veto those bills.

He has said that with regard to our Agriculture Committee bill. If it exceeds $5.5 billion, I am going to veto it. The President said that to me personally at 3:40 yesterday afternoon, face to face. So there was no doubt. He did not hide behind a letter from OMB, did not suggest that unnamed advisers necessarily were speaking for him. He came to the Capitol twice during this week and talked about the trust he has in behalf of the American people, all of the American people, for the integrity of our financial system and the integrity of Social Security and Medicare and all of the educational plans he has worked with the Congress to forward and all the plans for health care for the elderly that he is working with the Congress to forward.

All of these are also our objectives. They fit together only if there is a certain degree of discipline and order.

The President has said: I am going to provide that. You can count on me.

His credibility is at stake when he says that. Sometimes Presidents say, perhaps if this doesn't work out, this and that will occur. This President said: If this exceeds $5.5 billion, I am going to veto it.

I believed that. This morning, the Senate has believed that. The House believed that. We have a result in conformity with the budget. That is a victory for the American people likewise, as well as for agricultural America.

Now it has, in fact, more money than the year before but some assurance that we are not going to have fiscal irresponsibility again, rampant inflation, the difficulties that come when there is not solid leadership at the top and in this body.

Finally, let me say that it has been a pleasure for me to work on this bill with members of the Agriculture Committee, our chairman, Senator HARKIN, with the present occupant of the chair, Ms. STABENOW, with many Members who had diverse views.

One of the aspects of our committee I have found—my service is now in its 25th year—is that we do have diverse views because we come from constituents who believe very strongly about these issues and who want our advocacy and our support. We try to do that. I think we listen to each other, and we understand that there is not simply one crop in America that is dominant, that we are a very diverse group in terms of our interests. It is amazing how we are able to come together for good results.

I believe we have come together for a good result on this day. I appreciate, even as I say that—I see the faces and hear the words of the Members—that not every aspect of this result is in conformity with what we might have wished would have occurred. I made the admission, as I was offering an amendment the other day—which failed narrowly by 52–48—that this is not exactly the amendment I would have started with or the one maybe I would have finished with. Nevertheless, it was an amendment that reflected the views of Members of the House and many members of our committee and, in my judgment, was in the realm of the possible. That is the final criteria for agricultural bills. It takes very little skill to paint a picture of all of the money that might go to various States or people or crops or groups in America. Simply to add them up and say, here is the total, believe me, all of these are good folks and all need the money. That is true. They are all good, and they all need the money. Agriculture does not pay well.

The facts of life are that money that goes into agriculture is very important, not only for the recipients but for our country, for the continuity of all of our States and small towns in the rural areas that we try to support.

At the same time, most farmers I know understand that funds are not available for everything. They want people of common sense to make certain that there is something at the end of the rainbow as opposed to blue-sky thinking and more grandiose schemes.

In due course, we are going to have an opportunity, under the leadership of our chairman, the distinguished Senator from Iowa, to consider a farm bill this year or next, or whatever the context may be in the scheduling of the distinguished chairman. I will join him enthusiastically, as I suspect the occupant of the chair will, as we take a look at conservation programs that are very important for America, for rural development programs that are important, not just for farmers but often for the second income for farmers and their families and those who are important to agricultural production in America.

We are going to take a look, I hope, at nutrition programs that make a very sizable difference for many Americans beyond production in agriculture. This scope of our committee's activities is broad, as broad as food, nutrition, and forestry might imply, and that is exciting.

I think we are going to have a superb farm bill, and I hope we will be able to work closely with our friends in the House, with the White House, with everybody, so we move along together without misunderstandings and have the best sort of result at the end of the road with the greatest amount of agreement.

I trust in the course of brokering all of these different ideas there will be some disagreement, and ultimately we will have to make hard choices. I am prepared to work on that project with that thought firmly in mind, and I look forward to it. For the moment, I believe we have great news this morning for farmers in America but likewise for the citizens of our country because we have acted in a responsible way. We will have even better news as we proceed into a new farm bill and take a comprehensive look at all the ways we might affect the lives of Americans in a very constructive way.

I yield the floor.

Mr. HARKIN. Madam President, I know the Senator from New York is next up to speak, and I ask unanimous consent that I speak for about 3 minutes without jeopardizing her right to speak.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Madam President, I ask unanimous consent that the Senator from Washington, Ms. CANTWELL, be added to the list of speakers and be allowed to speak for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, I take this time to express my deep gratitude to my ranking member, my good friend, the distinguished Senator from Indiana, to thank him for the graciousness he has given to me, first when he was chairman and I was ranking member and now when I am chairman and he is ranking member. I could not ask for a better partner on the Senate Agriculture Committee than Senator LUGAR. We have worked very closely together.

This legislative disagreement we had here this week again reminds me of why this is called the crucible of democracy. We grind these issues out in time and we move ahead, which is what I have always loved about the legislative process. Friends can differ. We can fight these things out and work them out, and we move ahead.

I am quite taken by what the distinguished ranking member said about looking ahead on the farm bill. We have discussed this personally, in private, many times.

Everything the distinguished ranking member just mentioned is something I feel strongly about and feel deeply about. I believe we are going to have many, many opportunities to work together this fall to fashion a new farm bill, as the distinguished ranking member said, that looks at the broad spectrum of agriculture beyond just production but all of the aspects of agriculture.

I am quite heartened by his words and, again, I want the Senator from Indiana to know how much I really appreciate the many kindnesses he and his staff have shown to me and my staff through all of the processes of the changes that have come about this summer, and working on this bill, and I really look forward to working with him on the development of the new farm bill.

The PRESIDING OFFICER. The Senator from New York.

Mrs. CLINTON. Madam President, I also thank the chairman and ranking member for not only the work they have done on this bill but the work they will do on the farm bill this fall. I know this is a difficult matter.

Both the chairman and the ranking member have outlined the challenges ahead of us, but I know everyone in this Chamber is ready and willing to work together to get a result that will be not only fair to our farmers but will recognize the full extent of both agricultural and conservation needs that go hand in hand with agriculture throughout our country.

I rise today to say a few words about agriculture in New York because I have noticed many of my colleagues are surprised there is agriculture in New York. Many people, perhaps some in the gallery today, think of New York and think of New York City. They may fly into LaGuardia or out of JFK. They do not get a chance to travel throughout the State to see the beauty of the scenery and to know how important agriculture is to the livelihood, the economy, and the future of New York.

In every section of New York, even surprisingly in some of the boroughs of New York City, there are still some agricultural interests. Much of the State, from St. Lawrence to Orleans, to the entire southern tier out into Long Island, agriculture remains a critical part of the fabric of life in New York and is a crucial livelihood for countless New Yorkers.

In fact, agriculture still is the No. 1 economic sector in New York, which would come, I suppose, as a surprise to many people from the Midwest or the South. I have been fortunate, having grown up in the Midwest—actually in Illinois, right between the chairman and the ranking member of the Agriculture Committee—to know a little bit about Midwest agriculture. Then I have been honored to have lived in Arkansas, for which good friend Senator LINCOLN, having come from a farming family, is a champion, so I know full well how critical agriculture is in the Midwest, in the South, in the West, but I do not want anyone in this Chamber or anyone in our country to overlook or forget how important agriculture is in the Northeast and particularly in the State of New York.

I received a letter from a farmer in Kent, NY. What he has written could be written from the chairman's State or the ranking member's State. I want to read what he said:

> I am writing this letter with great concern on behalf of our family farm. Our family farm was started in early 1900 by my grandfather and grandmother when they came to America from England. I started working on the farm as a young man at the age of 7 by riding with my father and watching how to work and how to make a living, by providing food for the world in which we live. Now at age 46, I sit back and try to evaluate what is wrong with our agriculture picture.
>
> Our cost of production has gone through the roof as fuel, labor and growing mandates are taking our profit out of the picture. Our fresh fruit apples, after being packed out of storage, have a slim chance to exceed the cost of production.
>
> Our vegetable operation, along with our grain crops, are in the same position, due to commodity prices that are lower than 25 years ago, but yet fuel prices alone have more than doubled in 15 months.

He goes on to write:

> Usually, there is always one commodity that excels each year to offset the poorer priced ones, but that has not happened in the past year. Your first response is to get your cost of production down and to establish a higher yield, but we have exhausted all of these options. Every time we have a potential for a commodity price increase, one of our competitors ship across the borders, keep prices low and here we sit in New York just trying to survive.
>
> I have a great deal of pride and want to do my part to keep agriculture the number one industry in our County of Orleans, State of New York. Let us get agriculture out of this situation and back on track immediately.

I could not agree with this gentleman more. What I hope we are going to be able to do, as the chairman, the ranking member, and the committee members craft their farming bill for this fall, is to make sure those of us who may not be on the committee but who represent farmers and a farming State, no matter how difficult that may be for some to believe, will also be at that table because we have to be heard on behalf of our farmers.

I want to point to this chart. In 1964, there were 66,510 family farms. In 1997, we are down to 31,757. Certainly, some of those farms were lost because New York grew. The county I live in became pricey, choice real estate for people who wanted to live near New York City. We are fighting to preserve the farmland we still have left in Westchester County.

We know there were inevitable changes. No one is arguing against the inevitability of change that is going to take farmland out of production, but in many parts of our State we lost population. There was not population pressure forcing people into the country, therefore doing away with available farmland. We lost farmland because our farmers were not given a fair shake, were not given the tools with which to compete.

As we look at the farm bill, I hope we are going to also look at the important essential role farmers play in conservation, preserving our rural countryside, making it possible to have high water quality and wildlife habitat. I know if it were not for farmers all up and down the Midwest and the South, there would not be as many ducks to hunt every year. I know farmers have played a critical role in preserving wildlife habitat for hunters and for the enjoyment of so many other people.

Farmers have a role not only in producing quality, affordable food, but also improving water quality and wildlife habitat, restoring wetlands, and protecting farmland from further development. I hope we are going to get some of that conservation assistance in the farm bill coming this fall. I would have preferred by far the bill that came out of the committee in the Senate. That was not possible because of the President's veto threat. That is what the ranking member just explained. I deeply regret that.

As the chairman, Senator HARKIN, pointed out, this would not have busted the budget. This was forward funding that would have gone into next year. The dollars then could have been distributed not only to help our farmers but also to do the conservation work that they do for all of us.

I want to mention also that we have some crops in New York that do not produce a lot of money, less than $10,000, but we are proud of them. We have a lot of orchards in New York, going from 6,931 in 1964 to 2,436 in 1997. We still are proud of our apple growers. We are proud of our speciality crops.

In May, there was an article in the Washington Post about the plight of apple growers in Albany, NY. It told how this past March Susan and Gary Davis auctioned off the machinery they used to tend orchards and vegetables on a farm that had been in their family for a century. They said: You feel like you are letting them down, both past generations and your own children. But they just could not keep up with the costs, and their farm manager finally said he could not do it anymore. The grower gave up and moved to find a livelihood somewhere else.

We know we have to do more to make farming a viable alternative for those who are willing to put in the long hours, are willing to do the work that gives us a safe food supply. I consider food security part of national security. Certainly that is true when it comes to the speciality crops and also when it comes to dairy in New York.

Our dairy farmers are down to 8,732 farms. I bet a lot of people did not know there were 8,700 dairy farms in New York. We are the third largest dairy producing State in America, and we are proud of that fact. But we have to have some help. We have to be able to compete with our neighbors to the north, with our neighbors to the south, and with our neighbors to the west.

Milk is New York's leading agricultural product, creating almost $2 billion in receipts. We rank third behind California and Wisconsin. Our dairy farmers are probably the hardest working farmers, maybe the hardest working small businesspeople, one will find anywhere. It is a 24-hour-a-day, 7-day-a-week job. I was visiting with some of our dairy farmers on the shores of Lake Champlain. They have been there for seven, eight, and nine generations. This is a difficult, tough job. We should not make it any harder. We should be proud of those who are willing to do this work, and we should find ways to support them because it helps all of us.

Finally, I hope my colleague, Senator SCHUMER, and I are able to convey as clearly and, hopefully, persuasively as possible that when agriculture is discussed, New York should be at the table. I thank everyone in this Chamber for giving us the opportunity to have our farmers receive the same help that all of our farmers in America need.

I thank the Chair.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Kansas.

Mr. ROBERTS. Madam President, there is a sigh of relief all throughout farm country in regard to passage of this emergency assistance. We avoided a partisan train wreck, losing the money, taking the money from next year's farm bill, and or next year's emergency assistance. I regret that it came to this. This is a trail we really did not have to take.

When you serve on the Agriculture Committee—and I have done that in the House and Senate—you have the opportunity to serve on one of the most nonpartisan committees in the Congress.

With the events of the past week, I deeply regret what some have referred to as partisan milk that got a little sour and curdled a little bit. But, we have cleaned it up and we have made some progress. We have an old expression in my hometown of Dodge City, KS: If you are riding ahead of the herd, it's a good thing to take a look back now and then to make sure it is still there.

I say to my colleagues, the reverse is also true. We have done that today. It is a good idea for both sides to take a look and tell your leadership when you are about to be driven off an emergency assistance cliff along with our farmers and ranchers. We avoided that today, and that is a positive step.

We had the possibility of endangering emergency funding for our farmers and ranchers. I was worried some would have preferred an issue as opposed to a bill. We were about to saw off the branch that supports our farmers and hang all of us in the process.

Here is the deal. If the majority had prevailed, the bill would have had to be conferenced with the House. If we simply check the lights in the House, they are out of town; they are gone. I went over to the House last night during the debate on the Patients' Bill of Rights. I met with both the Agriculture Committee chairman, LARRY COMBEST, and the ranking member, CHARLIE STENHOLM, both good friends, not to mention the members of the House Agriculture Committee. They were adamant, and I mean adamant—put that in bold letters—in support of the statement they released a day or two ago. Their statement—not mine—said:

> For the sake of our farmers, the U.S. Senate must put politics aside and realize the critical importance of passing the 2001 crop assistance bill immediately, so that the process can continue and a bill can be sent to the President for signature.

The House statement went on:

> The House Ag Committee, anticipating this need, acted early and responsibly, passing a bill out 6 weeks ago.

That is now 7 weeks.

> This bill was passed by the House on June 26—

Unanimously on a voice vote—

> and was immediately sent to the Senate where it languished. If payments are not made before September 30 of this year then $5.5 billion that was fought for and budgeted for farmers will disappear. At this critical time, we must all put our agendas aside and concentrate our efforts on providing the needed assistance for farmers. It is unwise to encumber the bill with unnecessary, non-emergency items like increased conservation spending when our farmers' livelihoods hang in the balance. The process must move on.

My friends, those were the words of the Chairman and Ranking Member in the House. We have done that. I think it is a step in the right direction.

I point out that one of the reasons the House was so adamant, why they were so upset, is that the House Agriculture Committee passed a new farm bill out of committee last week, and it uses the $2 billion extra that was in the Senator from Iowa's approach for their farm bill. I do not know how my colleagues on the other side of the aisle would have proposed, or we would have proposed, to reconcile the difference.

I am not sure what the farm bill will look like in the Senate, but I do not think we want to propose the House cut their own farm bill in terms of target price, AMTA payments, loan levels. Obviously the farmers of wheat, corn, cotton, rice, and soybean in North Dakota, South Dakota, Minnesota, Iowa, Arkansas, and Kansas would not have supported that move.

I say it again: We were about to borrow from the future. We did not do that.

I will sum up what I think happened in this situation. I think it could be a good lesson learned.

June 5, my colleagues on the other side take over control of the Senate and the Senate Agriculture Committee. June 20, the House Agriculture Committee passed its bill. This is the emergency assistance bill. June 26, the full House passed the bill on a voice vote. June 28 to July 24, 6 hearings were held in the Senate Agriculture Committee on the farm bill and other issues no hearings or meetings on the assistance package were held during this time. July 25 we went to markup. Late July 27, the bill is brought up for debate; July 30 through today, this moment, debate on the legislation. July 31, the CBO sends a letter to the Senate stating 2001 funds will be scored in 2002 if the bill is not passed before the August recess. July 31, the House Agriculture Committee Chairman COMBEST and Ranking Member STENHOLM asked the Senate to please approve the House-passed bill and get the money to farmers and ranchers. August 1, Mr. COMBEST and Mr. STENHOLM make strong statements that I don't have to go into, again asking the Senate to pass the House bill. August 2, CBO verbally confirmed to me what they stated in their previous letter of July 31: The bill must be passed before the August recess or they will score the money going out in fiscal year 2002. Again this morning, CBO staff again confirm to my staff that the Senate bill, as written, must be passed before the August recess in order for the money to be scored in fiscal year 2001.

I think that lays out the facts.

Again, the point was, delay. In August, there is going to be a new budget estimate. I think we all know about the rhetoric and the legislation that will be flying around in September and October with any emergency or additional spending bumping against the trust funds.

Do we really want to be considering a package like this with amendments, saying we cannot use the money because it will allegedly come from Social Security? Do we want agriculture in that position? Do we want farmers and ranchers being the poster people for raiding Social Security? I don't think that is a very good idea.

Finally, you can't have it both ways. Further delay of trade authority for the President and getting a consistent and aggressive export policy will certainly mean a continued loss of market share and exports. We have to sell our commodities. If we don't, it means there will be calls for another emergency bill next year. I hope we don't have to have that, but we may. And this money and this emergency bill, or at least in the proposal offered by the distinguished chairman, would have taken money from that account.

I was very worried this morning. I thought Senators could, maybe would, take this issue and ride with it, that we would have gone squarely into a boxed canyon and fired off our shotguns of partisan rhetoric, whoop and holler as to who was to blame. Some of that has been said on the Senate floor. Or we could have passed the House version, and we did, of emergency relief and get assistance to hard-pressed farmers and hopefully begin bipartisan work on the next farm bill.

I have been through six farm bills. You can always have an issue or you can always have a bill. It is basically that simple. In this regard, without question, I think the decision reached spared agriculture and that means the assessments will be forthcoming.

There used to be a chairman in the House Agriculture Committee in Texas, Bob Poage, an outstanding chairman, great chairman. People used to ask Bob, when a farm bill came to the floor of the House, Mr. Poage, Mr. Chairman, is this the best possible bill? And he would say, no; but it is the best bill possible.

In a gesture of friendship and bipartisanship with the distinguished chairman of the House Agriculture Committee, the distinguished ranking member, and other members of the Agriculture Committee, the distinguished acting Presiding Officer is a very valued member of the committee. Let's work together on this. Let's not go down this road again. Let's work in a bipartisan matter for farmers. I pledge I will do that. I pledge to the chairman I will do that. This morning was not a pleasant experience for any of us. But we did the right thing as of this morning.

To reiterate:

Mr. President, this is a partisan trail that we did not have to take. When you serve on the Agriculture Committee, you have the opportunity to serve on one of the most nonpartisan committees in the Congress. With this standoff, I deeply regret the spilled partisan milk, and its gotten pretty sour.

There is an old expression we have in my home town of Dodge City, KS—"If you are riding ahead of the herd it's a good thing to take a look back now and then to make sure its still there."

My colleagues, the reverse is also true. It would be most timely and a good idea this morning for the herd across the aisle to look ahead and tell your leadership that you are about to be driven off an emergency assistance cliff—along with our farmers and ranchers.

Those who are endangering emergency funding for our farmers and ranchers, those who apparently prefer an issue to emergency farmer relief are about to saw off the branch that will support farmers and hang all of us in the process. Here is the deal.

Obviously, should the majority prevail, this bill would have to be conferenced with the House. Check the lights over there, the House is gone. I went over to the House last night during the debate on the Patients' Bill of Rights and met with both Agriculture Chairman LARRY COMBEST and Ranking Member CHARLIE STENHOLM, not to mention many members of the House Agriculture Committee.

They are ADAMANT in support of the statement they released just a day or two ago. That statement, theirs—not mine—said this:

> The Senate Majority Leader is diverting attention with a fast shell game to quickly switch blame for the Senate not finishing its work on farmer assistance on time. Close of business set for early August has been scheduled since the beginning of the year. Against this well publicized early August deadline, the Senate has had the House-approved bill languishing for over a month now. There has been absolutely nothing keeping the Senate Agriculture Committee from moving on its own package, rather than waiting until the last minute. The Senate's search for an excuse on a past-due bill must mean they fear going home to face the music from constituents.

In another statement on July 31:

> For the sake of our farmers, the U.S. Senate must put politics aside and realize the critical importance of passing the 2001 crop assistance bill immediately so, that the process can continue and a bill can be sent to the President for signature. The House Ag committee, anticipating this need, acted early and responsibly, passing a bill out 6 weeks ago. This bill was passed by the House on June 26, and was immediately sent to the Senate where it has languished. If payments are not made before September 30 of this year, then $5.5 billion that was fought for and budgeted for farmers will disappear. At this critical time, we must all put our agendas aside and concentrate our efforts on providing the needed assistance for farmers. It is unwise to encumber the bill with unnecessary, non-emergency items like increased conservation spending when our farmers' livelihoods hang in the balance. The process must move on, and the Senate must act.

I would also point out that the House Agriculture Committee passed a new farm bill out of committee last week. It uses this $2 billion for 2002 funding on the new farm bill.

How do my colleagues on the other side propose to reconcile this difference? I'm not sure what the farm bill will look like in the Senate. But would they propose the House cut the target price, AMTA, or loan levels in its proposal? Will the wheat, corn, cotton, rice, and soybean farmers in North Dakota, South Dakota, Minnesota, Iowa, Arkansas, and other States support that move?

I will say it again, we are borrowing from the future if we pass this bill as it is currently written.

Mr. President, let me sum up:

June 5: My colleagues on the other side take over control of the Senate and Senate Agriculture Committee.

June 20: House Agriculture Committee passes its bill.

June 26: The full House passes the bill on a voice vote.

June 28 to July 24: Six hearings in the Senate Agriculture Committee on the farm bill and other issues. No hearings or meetings on this assistance package.

July 25: Mark-up.

Late July 27: Bill is brought up for debate.

July 30 through today: debate on this legislation.

July 31: CBO sends letter to the Senate stating 2001 funds will be scored in 2002 if the bill is not passed before the August recess.

July 31: House Agriculture Committee Chairman COMBEST and Ranking Member STENHOLM ask the Senate to approve the House passed bill and get our money to our farmers and ranchers.

August 1: Mr. COMBEST and Mr. STENHOLM accuse the Senate majority leader and chairman of obstructing the passage of this important legislation.

August 2: CBO verbally confirmed to me what they had stated in their previous letter of July 31: the bill must be passed before August recess or they will score the money going out in FY02.

Mr. President, I believe that lays out the facts.

Again, the point is the delay. In August, there will be a new budget estimate. And we all know the rhetoric and legislation that will be flying around here with regard any emergency or additional spending bumping against trust funds. Do we really want to be considering this package with amendments saying we cannot use the money because it allegedly will come from Social Security. Do we want agriculture in that position?

Finally, let me say you cannot have it both ways on the other side of the aisle. Further delay of trade authority for the President will certainly mean continued loss of market share and exports. That means another emergency bill next year. And, this money robs that account.

Now, Senators can take the issue and ride with it, squarely into a box canyon and fire off our partisan pop guns and whoop and holler as to who was to blame. Or we can pass the House version of emergency relief and get the assistance to our hard pressed farmers and hopefully begin bipartisan work on the next farm bill.

We can have an issue or we can enact emergency assistance, it is that simple. In this regard, without question the decision reached this morning will spare agriculture further delay and will provide the assistance needed.

The PRESIDING OFFICER. The Senator from Arkansas.

Mrs. LINCOLN. Madam President, I came to the floor last night in a great deal of frustration, and now I come to the floor in a great deal of disappointment. This morning, the Senate moved forward on an emergency assistance package for farmers that most in this body know is inadequate. We have done something. We have moved forward, as many people have said, because the House has left or because the President drew a line in the sand.

That is not what our job in the Senate is. Our job in the Senate is to do the best we can possibly do. Is this bill the best we can do? Absolutely not. I don't think there is a Senator in this Chamber who thinks we have done the best job we could do on an Agriculture emergency supplemental bill. That is amazing to me.

We approved a bill that most Members know is not going to provide even the minimum of support that our farmers and our communities, our rural communities, our community banks, and our rural economies really need. Our program crops said from day 1 of this year they needed AMTA payments at 100 percent of the 1999 level.

In February, when we started going to the administration, saying we are going to need an emergency Agriculture supplemental bill, we are going to need 100-percent AMTA at 1999 levels, we are going to have to have it; our bankers are saying they are making loans to our agricultural producers based on the fact they are going to get 100 percent at 1999 levels, the administration and others came back and said: Wait until we get through with this tax bill. Then they said: Well, wait until we finish with the education bill. Then we will deal with it. And then: Let's wait until we get past the Patients' Bill of Rights and we will deal with it. Wait, wait, wait until we get back from the Fourth of July recess.

And guess what. We made the mistake of believing them and we waited in good faith, thinking at the end of the road the administration would have the same consideration for production agriculture as those who have grown up in it. Guess what. We were wrong. We were wrong. We thought they would come in good faith from the administration and work with Members on this.

Have they? No. People have said: I am tired; it is time for vacation. Let's go home.

Our specialty crops needed more money for commodity purchases and other forms of support. All of our production farmers needed assistance. Where were we? The administration says farm income is at an all-time high. Guess what. Do you know why it is at an all-time high? Because the rural economy has been in the tanks for years. Their energy costs are at an all-time high and rising. Their fertilizer input costs are at an all-time high. Their energy costs, diesel—name it—implement costs, the costs of buying machinery, and the costs of meeting environmental regulations, every one of them is at an all-time high, and many of our States have producers whose farmer income, 50 percent of it, is government payment. Why? Because we have not provided for our agricultural producers in terms of good, solid, trade opportunities and global marketplace shares because we have not taken into consideration what it means to those individuals to produce a safe and abundant and affordable food supply for those who enjoy it.

We enjoy the most environmentally sound agricultural products in the world coming out of this country. That is all going away unless we make an obligation to production agriculture, that when it comes time to being there for them, we will be there, instead of just saying all year long: Just wait. Just wait until we get through all of these other things and then we will be there for you.

I look at some of my local spinach growers in Arkansas who are not far from local canneries yet find it impossible sometimes to market their spinach just down the road because they can be outbid by spinach that is coming in from Mexico, grown with chemicals we banned over 10 years ago.

What are we doing for production agriculture, to make sure that you and I will continue to have that environmentally well grown product for our children and for future generations? What is our response? Give them less than they need, close up shop, and fly home for vacation. Why? Because the House is going home, we can't do anything.

Well if the House jumps off the bridge, are we going to jump off the bridge, too? What if the administration says it is just not that important; we are not going to come over to negotiate with you to come to some middle ground that is going to provide our producers the 100 percent of AMTA from 1999 levels that we promised them back in February? I don't know. I reject that. I still believe I am here to do the best job I can possibly do for those American producers. I reject the argument that it is too late. I reject the argument that we cannot give them what they need.

The PRESIDING OFFICER (Mr. CORZINE). The time of the Senator has expired.

Mrs. LINCOLN. I ask unanimous consent for an additional 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. LINCOLN. I reject the argument that we cannot stay here and fight for our American producers and our farmers.

Farmers themselves say that government is just waiting until they die away, that the family farmer is gone and we can just depend on corporate America to provide us what we need.

I look around at some of the fights I have been fighting this year on behalf of aquaculture and fish farmers in Arkansas. They are having to compete with misleading labeling from other countries that are claiming they are producing that kind of product which we produce here, a farm-raised, grain-fed product, when we know what is coming in the country from Vietnam is not that. It is raised on the Mekong River under unbelievable environmental conditions. Yet it has been sent to this country in misleading ways and sold to the consumers here.

We are dealing with a crisis in agricultural production. I come to the floor saddened. As I look around at this body, I realize that the Members of the Senate years ago used to travel here from their home farms in faraway States and spend the time that they did to debate the issues of this country, all the while still remembering where they came from, the heartland that they represented, the communities and the agricultural producers. In my home State of Arkansas, when that farmer is out in the field and he is bringing in his crop, he is picking cotton or he is combining beans or he is combining rice and gets to the end of a long hot day, and the Sun is setting and he sees a thunderstorm coming out of the west, do you know what. He doesn't pack it up and go home. He turns the lights on, on his combine, and he keeps going, because he believes in producing for the American people and the world the safest, most abundant and affordable food supply in this world, and he does no less.

I, for one, think the Senate could do better. I think we must.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

MORNING BUSINESS

Mr. SCHUMER. Madam President, I ask unanimous consent there be a period for morning business with Senators permitted to speak up to 10 minutes, and the following Senators be added to the current list of speakers: Senator KENNEDY for 20 minutes, Senator BYRD, Senator HOLLINGS, Senator CORZINE, and Senator SMITH of Oregon.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMERGENCY AGRICULTURE ASSISTANCE ACT

Mr. SCHUMER. Madam President, I know for me to speak on the floor about agriculture raises some eyebrows, let's say. I have found that as I, along with others, have been trying to help my colleague from Vermont who has been fighting a lonely battle, for Northeast agriculture. When I spoke in the Democratic caucus, I heard someone sort of singing "Old McDonald," and other things. So people ask, why am I so interested in agriculture, coming from a State such as New York?

For one thing, people forget how much agriculture there is in the State of New York. We are a large agricultural producer. We rank third in dairy production. We rank second or third, depending on the year, in apple production. We are high up in onions and many kinds of specialty products. In fact—and these are numbers that even surprised me—New York has 38,000 farmers. That is 13,500 more farmers than Idaho; 10,400 more than Montana; 7,700 more than North Dakota; 5,500 more than South Dakota; and 28,800 more than Wyoming. So those States which are regarded as agricultural States have fewer farmers, many fewer, than my State of New York.

We do have a large city—we have several large cities. Thank God, we have lots of other kinds of industries. But agriculture is a vital industry.

The second reason I care about agriculture—and it has been new to me; 18 years in the House serving a district in a corner of Brooklyn and Queens, we didn't have any farmers—is meeting the people who do it. I met one family with a farm in their family in Suffolk County for 12 generations. You look into their eyes and see how hard-working they are and see how productive they are, and you see the land and God's beauty in a wonderful way give forth fruits and vegetables and crops. You see how hard they work and you feel for them.

They are on a frustrating treadmill. It seems they work harder and harder but survival in agriculture is even more difficult for them. You look into their eyes and you realize something else. These farmers are the breeder reactor, the place where American values grow and are nurtured. It has been so since the Republic was founded, and it still is. The values of hard work and teamwork and self-reliance and individuality, for which our country is known and blessed, have started on the farm.

So even if all the food could be produced somewhere else and it could be as good and as high quality, I do not think we would want to lose farmers from America and the American way of life because the two are so inextricably tied. So I care about agriculture. I care a great deal about our farmers in New York.

This farm bill, admittedly, does not do what we want. But I want to tell the farmers that we have gotten a pledge from our majority leader that the part of this bill that was cut out by the House will be debated in September. That includes the relief for the apple farmers that many of us in the Northeast—my colleague, Senator CLINTON—and Senator LEVIN and Senator STABENOW and the two Senators from Washington worked hard to get in the bill. That will come back and have another chance. The provisions the Senator from Iowa put in the bill to deal with specialty crops and conservation, which affected the Northeast, will come back as well. I am glad about that.

When the farm bill comes up, we will make our fight for the dairy farmers, and it is going to be a royal fight because we really care about them.

What I would like my colleagues to know is, my good friend from Vermont, who has often been alone in this fight, is now being joined by many of us. As I mentioned, my colleagues Senator CLINTON and Senator TORRICELLI are in the fight; Senator JEFFORDS, of course, has always been in the fight, as have our Senators from Massachusetts and Pennsylvania and other States as well. We are going to put Northeast agriculture on the legislative map.

It will not be good enough to have bills any longer that do not do a thing for us. I think we have persuaded our Democratic leadership here in the Senate to do so. We have a bit of work to do in the House. We have a bit of work to do in the White House. But we are going to do it.

In fact, as I look at this as somebody admittedly new to agriculture, I would like to make a point to my colleagues. I have never seen a place where we spend so much money and where there is so much unhappiness among the recipients. Something is dramatically wrong.

Mr. President, 50 percent or 47 percent of farm income is now Government. I do not know one other area in the country where that happens. I am willing to do it because, as I said, I believe in the family farm and the values that they bring. But can't we come up with a better way? Can't we come up with a way that makes the family wheat farmer in North Dakota and the family corn and hog farmers in Illinois happier than they are now? Can't we as we come up with that come up with something that includes the dairy farmer in New York or Vermont or the apple grower in New Jersey or Massachusetts? We have to come up with a better way because the present way isn't working.

More and more money—this is another $5 billion—doesn't help our area. Our fights will come later in September and in October with the farm bill. But that $5.5 billion isn't making many people happy, even though they are getting it, because they are still struggling.

Freedom to Farm is a problem. Everyone says it. I tend to agree. But you know that we had problems before Freedom to Farm, too. As long as I have been in the Congress, which is from 1981, we have seen more and more money going to agriculture and our family farmers be less and less happy. They are not happy in the Northeast where we get very little help. They are not happy in the Middle West and the South where they get a lot of help.

We are going to have to come together and come up with a system that works that doesn't put 80 percent of the money to huge agribusiness where they do not need it but directs the dollars at the family farm and gives that family I talked about as I began my speech, who wakes up at sunrise and battles the elements and produces God's bounty from the Earth, a fighting chance.

Let's not continue on this treadmill to nowhere. It is going to divide us. You see the fissures already. More importantly, it is not going to help the people we want to help—the family farmer.

I am here today to stick up for the 38,000 New York farmers who work hard—and many others who depend on them—and the Northeastern farmer and to say to my colleagues we have to do a lot better in a system that continually spends more money and produces less happiness among the people who are its recipients.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I applaud the senior Senator from New York for his statement. I note that the two Senators from New York have been in the conferences we held. They fought hard for the interests of the Northeast and the Atlantic States. It is partly because of that fight that I have to stand here today to strongly oppose another of the misguided, unbalanced, and actually archaic plans for emergency agricultural assistance.

To put it bluntly, not only for Vermont farmers but farmers throughout the Northeast and Mid Atlantic States, they receive little or no relief from this package. This package is unbalanced and unfair to my region, even when it passed the House of Representatives, and it remains unbalanced and unfair as it passes the Senate today.

Chairman HARKIN's bill that passed out of the Senate Agriculture Committee recognizes the emergency assistance needs for all farmers in all States. Chairman HARKIN's bill has comprehensive assistance for specialty crops, including desperately needed assistance for our Nation's apple growers. It also adds needed funding for voluntary agricultural conservation programs on private lands, programs that the President chose not to fund this year despite overwhelming needs, and in spite of critical backlogs in all 50 States.

Conservation assistance funds are critical for cash-poor farmers—especially in my region of the country—helping farm families comply with the highest water and soil quality standards to keep their farmland healthy not only for this year but for next year.

None of those comprehensive specialty crop funds, nor conservation funds, are found in the bill we just passed.

Senator HARKIN's bill also added disaster assistance for the devastation caused by armyworms in New England and throughout the country. None of this assistance is in the bill we just passed.

Despite what one may hear, the bill we passed is not agricultural assistance for all farmers—not by a long shot. It is sodden with regional disparity. Those of us from the regions that have been slighted strongly believe that this has to be the last agricultural bill with such bias. It is not even fiscally responsible.

The bill sends billions of taxpayer dollars—dollars that come from farm families across the Nation—to a handful of States in the Midwest. In fact, almost $3 billion of the $5.5 billion in emergency agricultural assistance—about 50 percent of this agricultural assistance—will go to only 10 States.

I have to ask, Why? Why does my State of Vermont—a State where family farmers are in serious trouble, where low prices and poor weather conditions are forcing farmers to sell their family land—receive less than four one-hundredths of a percent of this year's emergency agricultural assistance?

Vermont farmers pay taxes, too. In fact, if assistance in this so-called agricultural emergency bill were based on the true value of Vermont's contributions to the Nation's agriculture, Vermont would receive over six times what I see in this bill.

Farmers throughout the Northeast and Mid Atlantic States pay their taxes. While those farmers produce almost 7 percent of the Nation's agricultural products, those farmers receive 1 percent of the $5.5 billion flying out these doors to the Midwest.

Look at Texas. Texas farmers are going to receive about 8 percent of the $5.5 billion—almost $400 million alone. When all is said and done, five select States in this country will each receive over $300 million for this bill. Ten States are going to get over $150 million. The rest get practically nothing.

Some may say we passed this bill to expedite funds to our Nation's farmers. I think they are speaking of only a small number of farmers in only a very small, select number of States. They should be saying a small number of farmers in a small number of select States will get one heck of a lot of money, but to make it fair every other State will be allowed to pay the bill. That is really what they are saying. All of us will pay the bill so a small number of States can get the benefit.

What bothers me is this goes on year after year after year. We have had disaster relief bills. We in the Northeast paid with our taxes a substantial part of the bill to try to help the country. But when we have had disasters I have never seen the return.

We "expedite funds to our Nation's farmers," as they say. They are not talking about Vermont farmers; they are not talking New Jersey farmers, or farmers throughout the Northeast and Mid Atlantic States, or the farmers in States with specialty crops not covered in the skewed State grant formulation we took from the House bill.

We had a chance to even out the bias--at least to help all farmers in all States. As I said, we have taken an easy in irresponsible route to simply pass an unbalanced and unfair House bill. We have dismissed the true needs of specialty crop States, and we have dismissed the essential conservation programs that truly help my region's farmers. Sadly, once again, we are being left out in the cold.

In fact, for that matter, even on the basis of this we get a bum deal. We get even worse because the dairy compact was left out of it.

If you are a proponent of States rights, regional dairy compacts are the answer. They are State-initiated, they are State-ratified, and they are State-supported programs that assure a safe supply of milk for consumers.

I received a letter signed by 22 Governors, Republicans and Democrats—I believe there is even an Independent in there—who are endorsing the dairy compact bill Because it would ratify the compacts that their States have negotiated among themselves.

If you support interstate trade, regional compacts are the answer. The Northeast Dairy Compact has prompted an increase in sales of milk into the compact region from neighboring States.

If you support a balanced budget, then regional compacts are the answer. Why? Because the Northeast Compact does not cost the taxpayers a single cent, which is a lot different from some of the farm programs that are being boosted up by billions of dollars in this bill.

If you support farmland protection programs, regional compacts are the answer. In fact, that is why major environmental groups have endorsed the Northeast Dairy Compact; they know it helps preserve farmland and prevents urban sprawl. I recently received a letter from 33 environmental, conservation, and public interest membership organizations supporting the dairy compact amendment.

Lastly, of course, if we are worried about consumers, then we ought to like regional dairy compacts. Retail milk prices within the compact region are lower on average than in the rest of the Nation where they do not have a compact.

The dairy compact has done what it is supposed to do: It has stabilized widely fluctuating dairy prices; it has ensured a fair price for dairy farmers; it has made it possible for farm families to stay in business; and it has protected consumers' supplies of fresh milk.

Unfortunately, though, this is a policy debate that pits dairy farmers who go to work every single day trying to make a living against some of the Nation's most powerful corporations. It pits consumers and communities that treasure the open space and quality of life that local dairy farming offers, against those who can spend millions of dollars on ads and lobbyists here in Washington.

We should not stay in the way of these State initiatives that protect farmers and consumers without costing taxpayers a cent.

Dairy compacts are one of those issues where Members have very strong views even though we all share the same core beliefs. We all want to support our dairy farmers and we all believe that they should be able to earn a decent living for their families. We all want ample supplies of fresh milk, at reasonable prices, for our States' consumers. Unlike agricultural commodities such as wheat, corn, and soybeans, milk is highly perishable.

When a dairy farmer brings the milk to market, that milk has to be sold right away, or it quickly loses its value. It can't be set aside in a silo. For big processors, that's just fine. They can buy milk at distressed prices and store it away to make cheese or powdered milk or ice cream. But that setup hurts farmers, who work incredibly hard just to make a living, and consumers, who want farmers around to supply fresh milk for the store shelves.

As a nation we have tried several remedies to cut through this knot, and the record is proving that regional compacts are the most sensible and workable answer yet. And unlike other legislative remedies that come with price tags, and often hefty ones, compacts cost Federal taxpayers nothing.

Milk is one of those unusual foods where the spread between what farmers get paid for their labor, and what consumers pay for the product, is huge and increasing throughout the Nation.

In New England, what farmers get paid has been fairly stable since the dairy compact began working in 1997, and that is one of its great successes. But what processors and stores charge for milk has greatly increased since 1997—not just in New England, but in the rest of the Nation. Consumer prices are lower in new England than in much of the rest of the country and that the $10,000 to $20,000 in added annual income has helped keep New England farmers in business who otherwise would have had to leave farming.

There is a hidden risk right now to consumers and farmers in New England—and the rest of the Nation. This is the growing concentration of processors in the milk industry.

In New England, Suiza Foods is rapidly trying to cinch a stranglehold on milk supplies. In some parts of New England they already control 70 to 80 percent of the fluid milk supply. They have swept in, bought processing plants in New England, and then closed them—elimiating competition.

The ascent of Suiza is nothing less than stunning. In a few short years, Suiza has gained its dominant position in the milk processing business. I showed you three charts a couple days ago showing the incredible increase in the dominance of Suiza in just a few years. Even worse, if its purchase of Dean Foods is approved, a strong case can be made that Suiza is on the verge of becoming a monopoly in the milk processing business. I have asked the Department of Justice and its Antitrust Division to closely monitor Suiza's surging market dominance, and I again call to their attention the urgency of doing that.

But equally remarkable is the fact that Suiza is also now in the process of consolidating a dominant position as the chief purchaser of milk from farmers. Simply put, in many parts of the country, Suiza Foods is the dominant customer—if it is not the only customer—for farmers' raw milk to be used for fluid processing. Suiza Foods is now dominating both the purchase and the sale of fluid milk in this country. Suiza is becoming—all at once—both a monopolist and a monopsonist in the fluid dairy marketplace.

Suiza Foods is a new type of market force. I have searched our antitrust case law for a name for this type of combined market power. There is no adequate name on the books for what Suiza has become, as I called them in a recent Judiciary hearing, and on the Senate floor, they are "suizopolies."

How can suppliers and consumers defend themselves from a giant firm—this Suizopoly—that controls both the purchase of a product—from thousands of suppliers with little bargaining power—and its sale to millions of consumers?

The best way is the dairy compact; it gives the public some control over access to milk, it assures fresh, local supplies of milk, and it gives farmers some ability to earn a living income.

I also want to respond to seven myths about the compact that the big processors have spent millions of dollars to promote, through years of lobbying and advertising and campaign contributions. They were trumpeting many of these myths before the compact was enacted, and they have not changed their songsheets, even though the compact has done just what it was supposed to do, proving their arguments dead wrong.

This first myth is that dairy compacts are milk taxes that hurt consumers. As you have just heard, concentration, is the major cause of consumer price increase in the milk sector.

And, a recent independent study funded by USDA determined that industry profit taking—including profit taking by Suiza—and cost increases not related to the compact, are responsible for more than 90 percent of the increase in retail prices in New England since the compact was implemented. This leaves less than three cents of a gallon of milk attributable to the compact.

A recent GAO report requested by Senator FEINGOLD and myself says to all: It compares the prices of a gallon of 2 percent milk in Boston and Milwaukee for last year. The wholesale price of milk in Boston was $2.03. The wholesale price in Milwaukee was $2.08—five cents more than in Boston. So you would expect retail prices to be about the same for Boston, or slightly less, than for Milwaukee.

However, Suiza controls around 70 percent of the milk supply in Massachusetts and a greater amount in Boston. The average retail price listed by GAO is $2.74 in Boston for a gallon of milk but only $2.26 in Milwaukee.

Obviously, the compact does not cause the difference—the wholesale prices for Boston are lower than in Milwaukee, as the GAO makes clear.

The GAO report also shows that for most of the cities they examined, the consumer prices in the compact region were lower.

There is a myth that the dairy compact has harmed nutritional programs such as WIC, school lunch, school breakfast, and food stamps.

Wrong again. The fact is that the Compact Commission requires compensation to State WIC and school lunch programs for any potential impacts. In fact, if anything it has overcompensated the WIC program, as noted in the 1998 OMB study. A letter from the Massachusetts WIC Director says this:

> The Commission has taken strong steps to protect the WIC Program and the School Lunch program from any impacts due to the compact. . . . Because of this, our WIC Program was able to serve approximately 5,875 more participants with fresh wholesome milk without added costs. . . .

The New England Compact Commission has exempted school breakfast and lunch programs from any pricing impacts due to milk price regulation.

Commissioner Kassler of Massachusetts tells me in writing that "without the compact, this [regional New England] milk shed will dwindle and milk would be brought in from greater distances and at greater costs." Those greater costs have been estimated in the range of from 20 to 67 cents per gallon.

There is also a myth that dairy compacts are unconstitutional price-fixing cartels. This is my favorite example of twisted logic. I believe my opponents' argument goes something like this:

> Interstate compacts would be unconstitutional if the Constitution didn't explicitly contain a clause allowing the creation of interstate compacts with the consent of Congress.

By operation of the compact clause, States explicitly have the opportunity to solve regional problems in this constitutionally permitted way. United States Federal courts have recognized the Northeast Dairy Compact as a constitutional exercise of congressional authority under the commerce and compact clauses of the U.S. Constitution.

There is a myth that dairy compacts are barriers to interstate trade. Dairy compacts encourage greater competition in the marketplace by preserving more family farms and increasing trade.

An OMB study concluded that trade into the compact region actually increased after implementation. And I would also point out that farmers in non-compact States, like New York, or even Wisconsin, are perfectly free to sell their milk in the compact region at compact rates. New York dairy producers are benefiting today by doing just that. Indeed, if Wisconsin were to trade places with New York, Wisconsin farmers would gain the benefit of the compact.

There is also a myth that dairy compacts encourage farmers to overproduce milk and will lead to a flood of milk in the market. The fact is that the dairy compact regulatory process includes a supply management program that helps to prevent overproduction. In 2000, the Northeast Dairy Compact States produced 4.7 billion pounds of milk, a 0.6 percent decline from 1999.

In the nearly 4 years that the compact has been in effect, milk production in the compact region has risen by just 2.2 percent. Nationally during this same period, milk production rose 7.4 percent. In Wisconsin milk production rose over 4 percent.

There is a myth that dairy compact only help bigger farms at the expense of smaller ones.

Just like most commodity programs, the compact benefits all participants. Also, 75 percent of the farms in New England have fewer than 100 cows.

The worst myth is that the dairy compact has not been successful.

The success of the Northeast Dairy Compact is undeniable.

Let me just close with this.

Mr. President, when I was a young man—actually even before my teens—I thought how much I would love being in the Senate. Why? Because every State has two Senators. A State with a large population, a powerful State such as the Presiding Officer's State, or a small, rural State such as mine each get two. The one place where every State is equal, supposedly, is in the Senate; two Senators.

I thought what a joy it would be to represent my native State of Vermont in the Senate; and it has been. I love the Senate. I have so much respect for Members on both sides of the aisle.

I think of the Senate as a place where the country can come together, where regional interests can be represented, and, of course, where States can maintain their identity, certainly, and where we have an obligation to help each other. And we have.

Whether it be earthquakes in California or floods in the Midwest or defense programs in the Southeast, and on and on, the Senators from my part of the country have supported providing assistance to those parts of the country. I could give a million different examples. But there seems to be one area where that effort to help each other always falls apart: The Northeast Mid-Atlantic States, when it comes to agriculture disaster programs.

We are always there. We are like the fire brigade that answers the call in the middle of the night. We show up all the time, show up all the time to protect those other "houses." It would kind of be nice if, just once, when it is our "house" on fire, some of those we have helped throughout the years could come and maybe help us put out the fire. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CORZINE. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LEAHY). Without objection, it is so ordered.

Mr. CORZINE. Mr. President, let me begin by saying how honored I am to have a chance to rise while the distinguished Senator from Vermont is in the chair. I concur strongly with the majority of the arguments made by the Senator about the fairness of how our agricultural activities in our country are distributed. Sometimes our agricultural emergencies in the Northeast are lost sight of when we get around to supporting our family farmers and agricultural activities.

TREASURY BORROWING AND TAX CUTS

Mr. CORZINE. Mr. President, I rise to discuss a recent report by the Treasury Department that has received very little attention in Washington, but it is sending a very significant signal, message, about the recently approved tax bill to the financial analysts around the world and market participants around the globe.

On July 30, the Treasury Department announced that it expects to borrow from the public $51 billion during the quarter ending in September. This was a whopping reversal from an estimate in a similar Treasury report issued just 3 months earlier.

Back in April, Treasury said that it expected to pay down a total of $57 billion in debt in this very quarter—a negative cashflow swing of an incredible $108 billion.

Let me repeat that. For this quarter, we have gone from an estimate showing that we would reduce our debt by $57 billion, to an estimate that we will increase our debt by $51 billion—again, a $108 billion swing in just 3 months.

I used to serve on the Treasury Department's Debt Advisory Committee as a private citizen, so perhaps this report by the Treasury struck me as a little more troubling than it did many of my colleagues. It is a serious reversal and worthy of a few minutes to discuss its implications because it is a precursor of things to come.

The first and perhaps most important point to make is this: We are financing the tax rebates that are so much ballyhooed by borrowing, something about which the American people would be more troubled if they knew it were happening. We are going into debt in order to finance these tax cuts. That is not a function of any accounting tricks. It has nothing to do with trust fund accounting. My comments are not political. It is a simple undeniable statement of fact—a fact that is a precursor of things to come, the end result of this flawed and overreaching tax cut program.

The tax rebates will cost $40 billion this fiscal year. But we don't have $40 billion lying around, as many advocates expected. As a result, the Treasury Department says it will now have to borrow every dollar that will then be sent out in a check from the Treasury. In addition, we will have to pay out $500 million in additional interest this year just to finance these tax rebates.

It may be the right thing to do for stimulating the economy, but it comes at a real cost. And that is before we unfold all the other elements of this tax cut over the years.

To be fair, it is true that in the previous quarter the Government ran a surplus. If you consider the fiscal year as a whole, there is still a chance we will see an on-budget surplus. But it is undeniable that in this quarter we will be in deficit, not just an on-budget deficit but a unified deficit, meaning we enter Medicare trust fund moneys and maybe even potentially Social Security trust funds.

Thus, every tax cut check that goes out is being financed by borrowing, with its accompanying interest costs. That is not what we told the American people when we passed this tax cut. We said we were just giving back their money; that is, excess revenues. We didn't say we would go out and borrow to finance that tax cut. We did not say we would increase our debt to finance the tax cut. We said we had the money.

Now the truth is out. We don't. That is one truth that was conveniently left out when the administration sent out its $34 million notice taking credit for the tax cut.

Beyond the need to finance the tax rebates, Treasury was also forced to build up its cash balance because of a gimmick—one of many gimmicks—that was built into this recently enacted tax bill. This is one that really bothers me, actually more than the rebates, as you could make an argument that we need that as a slowing economy occurs.

That legislation shifted the due date for corporate taxes from September 17 of this year to October 1. This was nothing more than accounting magic to allow us to spend more money next year without showing a raid on the Medicare surplus. But this particular gimmick has come at a real cost. By delaying the receipt of those revenues, the Treasury will pay, at a minimum, an additional $40 million in interest. That is actually $40 million that comes out of the Treasury's pocket and goes into individual corporations that benefit from the delay in payment of their taxes.

Think about that. To finance an accounting gimmick to provide political cover in fiscal year 2002, taxpayers are going to pay an extra $40 million. I guess in our budget that sounds like not too much. Where I come from, it is a lot. And seeing some of the things we argue for, whether it is our apple growers or other folks who are in need of emergency aid, it is a lot of money—$40 million that could have been used to improve education, protect our environment, strengthen our national defense. In my view, that is just plain wrong. Unfortunately, it is only the beginning of a number of the magic tricks we have going on with regard to this tax cut.

Unfortunately, this $40 million gimmick was one but maybe the smallest. Some of the tax cuts don't become effective for several years. Others phase out before a 10-year timeframe, as we talked about. A number of extenders, which we know are going to be there, are left out. The AMT is ignored. And in what has to be the most egregious gimmick in the history of tax policy, the whole tax cut will expire after 9 years.

I am new to government. I am new to politics. But I find this gimmickry outrageous. It is intellectually dishonest, and it would never have been tolerated in most of the financial transactions in which I participated in my private life. In fact, if I ever tried to use such gimmickry when I was back on the street, I would have been called to task by the SEC or the U.S. attorney, and for good reason.

Having said all this, I recognize that despite my personal concerns about the premises of the tax bill and its many gimmicks, we don't have the votes to fix the problem now. It is inevitable that we will have to fix it eventually if we want to address the needs of America, to invest in America the way we talked about with regard to education, with regard to agriculture, with regard to the health care system and our military. Otherwise, we will just find ourselves further in debt and without the resources to fix Social Security and Medicare, to provide a meaningful prescription drug benefit, or these things that we need to do in our national defense.

For those who continue to insist that there is plenty of money for the tax cut, just read the latest statement from the Treasury Department. I suspect it is only the beginning.

I ask unanimous consent that a copy of the Treasury Department statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TREASURY ANNOUNCES MARKET FINANCING ESTIMATES

The Treasury Department announced today that it expects to borrow $51 billion in marketable debt during the July–September 2001 quarter and to target a cash balance of $55 billion on September 30. This includes a borrowing of $61 billion in marketable Treasury securities and the buyback of an estimated $9½ billion in outstanding marketable Treasury securities. In the quarterly announcement on April 30, 2001, Treasury announced that it expected to pay down a total of $57 billion in marketable debt and to target an end-of-quarter cash balance of $60 billion. The change in borrowing reflects a number of factors, most significantly the shift in the September 15 corporate tax due date to October 1 and the need to finance in this quarter the tax rebates.

The Treasury also announced that it expects to pay down $36 billion in marketable debt during the October-December 2001 quarter and to target a cash balance of $30 billion on December 31.

During the April–June 2001 quarter, the Treasury paid down $163 billion in marketable debt, including the buyback of $9¼ billion in outstanding marketable securities, and ended with a cash balance of $44 billion on June 30. On April 30, the Treasury announced that it expected to pay down $187 billion in marketable debt and to target an end-of-quarter cash balance of $60 billion. The increase in the borrowing was the result of a shortfall in receipts and lower issues of State and Local Government Series securities.

Mr. CORZINE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(Mr. CORZINE assumed the Chair.)

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICA'S FARMERS NEED ASSISTANCE

Mr. DORGAN. Mr. President, as the Senate prepares to leave town for the August recess, and most of my colleagues are perhaps already on an airplane, it might be useful to describe what has happened at the end of the legislative business we completed a couple of hours ago.

This past week, we considered legislation dealing with some emergency help for family farmers. In fact, it was actually kind of hard to get that legislation even considered because the Republicans in the Senate filibustered the motion to proceed.

For those who do not understand the mechanics of how the Senate works, in plain English that means they demanded a debate on whether we should even debate the bill. A motion to proceed and a filibuster on the motion to proceed meant we had to debate whether we should even start debating. If that sounds a little goofy and a little arcane to regular folks who sit around and talk about issues in a straightforward way, it is because it was arcane and, at least in this Senator's judgment, "goofy." But sometimes, that is just the way the Senate works. However, I certainly would not want to change the rules of the Senate.

We had to debate the motion to proceed and deal with a filibuster, and then we got the legislation to the floor. The legislation was written to help family farmers during tough times.

Family farmers across this country have confronted a total collapse in prices for that which they produce. In most cases, in my State at least, they are trying to run a family operation. They are living on a farm, with neighbors a good ways away. They have a yard-light that illuminates that farm. They often have cattle, a few horses, some chickens, and in some cases a half dozen or so cats running around. They have a tractor, a combine, a drill or a seeder. They are all equipped to go about the business of farming.

Family farmers all across this country go out when the spring comes, when it is dry enough to get in the fields, and they plant some grain. They hope then, after they plant their seed, nothing catastrophic is going to happen that would prevent it from growing. They hope it does not hail. That might destroy their crop. They hope it rains enough. They hope it does not rain too much. That would also destroy the crop. They hope it does not get disease, it could, and that could destroy the crop. They hope insects do not come, and they could, and those insects could destroy the crop. All these things, the family farmer must cope with.

But, there is one more thing family farmers must deal with. They have all this fervent hope and trust, having invested all they own in these tiny seeds they planted in the ground. Then in the fall, they hope they can fuel up the combine and go out and harvest that crop. When they do that, they put it in a truck haul it to the elevator. The country elevator receives that grain when they raise the hoist and dump that grain into the pit. The grain trader then says to that farmer: Yes, we know you worked hard. We know you and your family planted in the spring. We know you and your kids and your spouse drove the tractor and drove the combine. We know you have your life savings in this grain, and that you managed against all odds to finally harvest it. But, this grain is not worth much. This food you have produced does not have value. The market says this food is not very important.

Those family farmers, who struggle day after day in so many different ways to try to make a living on the family farm, are told that which they produce in such abundance and that which the world so desperately needs somehow has no value. Talk about something that makes no sense, this is it.

We have at least 500 million people in this world who go to bed every single night with an ache in their belly because it hurts to be hungry. At the same time, our family farmers are losing their shirts because they are told the crop they struggled to produce has no value.

A world that is hungry and family farmers producing food the market says has no value? Is there something not connecting here? You bet your life there is something not connecting.

It is interesting to see what we have done in the last several weeks. The priorities around here are not so much family farmers. The priorities, if one closes their eyes and listens to the debate, are: missile defense, Mexican trucks, the managed care industry. Those are all the priorities, but when it comes to talking about the extra needs of family farmers during tough times, we are told they do not need that extra $1.9 billion. Enough votes were available in the Senate to pass that legislation. We had 52 votes in favor of it.

I went to a real small school. I graduated from a high school in a class of 9, but I figured out enough from math to understand when one has 100 votes and 52 vote yes, that means yes wins.

We had enough votes to pass this legislation, and we had a vote on it. We received 52 votes. But guess what. It did not pass. Why? Because there was a filibuster.

President Bush and the Republicans in the Senate said: We are going to filibuster this—which requires 60 votes to break —because we do not want to give that extra aid to family farmers.

All we are talking about is a bridge over price valleys. We are talking about a small bridge during tough times.

During this discussion, some friends of mine came to the Senate and said: Things are better on the farm, prices have improved.

When prices for grain hit a 25-year low and then improve slightly to only an 18-year low, I suppose one could say things are better.

I ask those who say things are better to take a look at their bank account. Have they lost 40 percent of their income? If so, then come here and understand the empathy that ought to be shown to family farmers. If not, do not talk about slight improvements.

Has anybody in the Senate, in recent years, raised a 250-pound hog? I don't think so. If they had, they would be aware of the time during these last several years in which a 250-pound hog brought less than 10 cents a pound. A 250-pound hog from the farm to the market brought less than $25 for the entire hog. Someone bought that hog, processed it and sent it to the market to be laid on a grocery store shelf. But at the grocery store, the meat from that hog cost $300 to the folks who bought it. This was the same hog that brought only $25 to the family farm.

Is there something wrong with this? Unless one has gotten less than $25 for a hog recently—and that has happened in recent years to those who produce hogs—do not talk to me about slight improvements.

Yes, the price of hogs has increased, but tell me: What kind of loss did family farmers incur when they went through that $25 price valley? Commodity prices have collapsed in a very significant way. In most cases, they have stayed way down. We need to do something about it.

I prefer that farmers get all of their income from the marketplace, but at this point that is not possible. The grain markets have collapsed. Until we find a way for that market to come back, if we want family farmers in our future, we need to provide a safety net. That is what we are trying to do.

We are trying to write a new farm bill, and we were trying to provide an emergency piece that will get them to the point where we get this new farm bill in place. That is what this debate was about.

We lost today, no question about it. One can describe it a lot of ways. There was once a general who lost badly in a battle, and the press asked him what happened. He said: As far as I am concerned, we took quite a beating. He was pretty candid about it.

We lost this morning. North Dakota farmers lost $60 million, but this morning was just the bell for the end of round one. There will be other rounds, and this issue is not going away. The $1.9 billion is not going away. That $1.9 billion is available to help family farmers.

Senator HARKIN from Iowa brought that help in a bill that did not have a budget point of order against it. It has been provided for in the budget. It was available, and we ought to make it available when it is needed. It is needed now.

We lost today, but we will be back in September or in October. I believe in the end we will prevail on this issue.

Let me make a final point. Some say: Why is it I care so much about family farming? Why don't I deal with other issues, other businesses? My State is 40 percent agriculture. What happens to family farmers has an impact on every Main Street and every business on every Main Street in the State of North Dakota. It is not just the economic issues that concern me, however. I think our country is more secure, and I think our country is a better place when we have a broad network of producers living on the farms in this country producing America's food.

Europe does it that way because they have been hungry in their past and they decided never to be hungry again. They want to foster and maintain a network of producers across Europe. We ought to do the same.

The family farm is not just an economic unit. It is that, to be sure, and it is an economic unit that is destined to fail when prices collapse if we do not do something to help. But it is much more than just an economic unit. Family farms produce more than just a bushel of wheat. Family farms produce a culture that is important to this country. They produce community. They produce values. They are a seedbed—and always have been a seedbed—for family values in our country. Family values that have for years been rolling from family farms to our small towns to our large cities.

Family farms are not just some piece of nostalgia for us to talk about. Those who support big corporate agriculture and would not mind seeing a couple big corporations farming America from California to Maine say the family farm is yesterday. They say, good for you, good for supporting yesterday, but it is yesterday. It is like the little old diner, as I have said before, that is left behind when the interstate comes through: It is nice to look at, does not mean much, but it is not a viable part of our modern society. They are dead wrong. They are as wrong as can be. The family farm is important in this country. It is important to its culture, and it is important to its future.

When we have a debate about these issues, we discover the answer to these questions: Whom do you stand for, whom do you fight for, and what are your priorities? Some say: My priorities are to let Mexican trucks into this country. That was the big debate we had for the past week and a half. My priorities are to build a national missile defense system and it does not matter what it costs, they say. My priorities are to stand with the managed care industry and the big insurance companies in the debate on a Patients' Bill of Rights. That is what they say.

Those are not my priorities. My priorities are to say I stand for family farmers. I stand for the interests of family farmers and the role they should play in our country's future. But they cannot and will not play that roll, unless we help them over tough times.

Let me go back to one final point. This is a big world with a lot of people living in it. I have traveled much of it. It is true that all over this world, even as I speak, people are dying from hunger and hunger-related causes, most of them children. About 40 to 45 people a minute die from hunger and hunger-related causes. My old friend—the late Harry Chapin, who died many years ago, this wonderful singer, songwriter, storyteller—used to devote half the proceeds of all of his concerts every year to fight world hunger. He said this: If 45,000 people died tomorrow in New Jersey, it would be headlines around the world, but the winds of hunger blow every single day across this world and cause death. Nary a headline anywhere.

My point is, we have wonderful family farmers who struggle and risk all they have and work very hard to produce the best quality food produced anywhere in the world. They produce this food in a world that is rife with hunger, in a world in which young children suffer by not having enough to eat in so many corners of our globe. And then our family farmers are told the food they produce has no value.

This country is the arms merchant of the world. We ship more military equipment and sell more military equipment than any other country in the world by far. I would much prefer we be known as a country that helps feed the world, as a country whose family farmers labor hard to produce good quality food, and we find a way to connect that with the needs that exist in this world and give children a chance.

This issue is a big issue, an important issue. Our family farmers have a big stake in it. This morning in North Dakota, our family farmers lost $60 million that they should have received to help them over these tough times.

We are going to be back. We lost round one, but we are not giving up. We are going to come back and get that assistance for family farmers. Why? Because we think it is important not just for family farmers, but because we think it is important for our country and for our country's future as well.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I thank Senator JEFFORDS for allowing me to go ahead and do this bit of work and make a statement about which I feel very personal and passionate.

COMMENDING ELIZABETH LETCHWORTH

Mr. LOTT. I send a resolution to the desk and I ask that it be read in its entirety.

The PRESIDING OFFICER. The clerk will report the resolution.

The legislative clerk read as follows:

S. RES. 154

Whereas Elizabeth B. Letchworth has dutifully served the United States Senate for over 25 years;

Whereas Elizabeth's service to the Senate began with her appointment as a United States Senate page in 1975;

Whereas Elizabeth continued her work as a special Legislative assistant, a Republican Cloakroom assistant, and as a Republican Floor Assistant;

Whereas in 1995 Elizabeth was appointed by the Majority Leader and elected by the Senate to be Secretary for the Majority;

Whereas Elizabeth was the first woman to be elected as Republican Secretary;

Whereas Elizabeth was the youngest person to be elected the Secretary for the majority at the age of 34: Now, therefore, be it

Resolved, That the United States Senate commends Elizabeth Letchworth for her many years of service to the United States Senate, and wishes to express its deep appreciation and gratitude for her contributions to the institution. In addition, the Senate wishes Elizabeth and her husband Ron all the best in their future endeavors.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to Elizabeth Letchworth.

Mr. LOTT. Mr. President, I ask unanimous consent the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 154) was agreed to.

The preamble was agreed to.

Mr. LOTT. Mr. President, I know from the expressions on the faces of all of our officers and staff members in the Senate Chamber, there is a bittersweet feeling about the fact that Elizabeth Letchworth will be leaving to go on to the next venture in her life. I have said many times—not often enough—how much I appreciated the great work done by the officers of the Senate and the staff, those who read the bills, the clerks, the Parliamentarians, our own floor assistants. They make this place run. They serve us all so well, Democrat and Republican. We get to take the bows and go back home to our constituents, or home for the night, and quite often they continue to work. I take this occasion to thank all for the great work they do and say how much I appreciate you.

The record will show someday that quite often I took into consideration a very capable and deserving staff in deciding not to be in session on occasion. I do think about the staff, and I am sure that my successor as majority leader will do the same.

Also I should say I regret that I am doing this alone, now, at this hour. There is probably not a Senator in this body who could not tell a personal story about some event or some situation where Elizabeth Letchworth helped—again, Republican and Democrat, and Independent. She has looked after us all, sometimes when we did not even deserve it, but she was particularly helpful to me while I was majority leader. The rules of the Senate are not easy to understand. We mess them up every now and then, especially if we try to do things on our own. If there is an Elizabeth or a Marty or a Lula or a Dave, quite often we avoid making a mistake.

Elizabeth has been special. On behalf of all the Republican Senators, and all Senators, we thank her for her years of service and dedication. Senator Dole had a lot of fine staff, but I guess Elizabeth is the one who has stayed with me the longest. She serves the institution. She doesn't serve one leader or another. She has served us all well. We have been smart enough to keep her around.

While I wish we had all 100 Members here—and perhaps I should have done this earlier today when we were all here, but it is typical of her—we were running around trying to figure out how we were going to get the Agriculture bill done with the least amount of pain and suffering for both sides and for the President. And we got it done. Once again, she helped to make it possible.

I wanted the resolution to be read in its entirety because she has had quite a career. It is obvious she is quite young, still. But she has been around this institution for almost 26 years, going back to 1975. She started as a page during her junior and senior years in high school. Obviously she should have known then not to stay any longer, but she made a miscalculation, as young people quite often will, and she has been here ever since.

Elizabeth had her first permanent position with former Republican Hugh Scott of Pennsylvania. That was so long ago I was not even in Congress—maybe I was. I guess I would have been, but I can't remember that far back. She served for Howard Baker, Bob Dole, and now for me as majority and minority leader. She is the first and only one, to date, to hold the post of Republican secretary, and she served in that position for 7 years.

Elizabeth is a native of Virginia. Let me note, also, her parents are Jody and Don Baldwin. I want to mention them in particular because I have known her father for about 30 years myself, going back to when I was a staff member for a Democrat in the House. If that is not ancient history, I don't know what is. But I always loved him and enjoyed working with him. I know he was oh so proud of Elizabeth and the confidence we have had in her and the job she has done.

She did, again, show great wisdom. She married Ron Letchworth, born in Greenville, MS, finished high school at Hazlehurst, MS, and as is typical of southern boys, he overran his kick coverage and married Elizabeth. That means he married way over his head, but he is a great guy.

Elizabeth is retiring and going on to do different things, other things. I believe they will live in North Carolina and she will tend to her other passion—other than the Senate—golf and other things about life that are important. Too often, as staff members and as Senators, we get to thinking this is the world, it is all here in this room, in this Chamber, in this building, within the beltway. But out beyond the beltway is a wonderful life, a lot of wonderful people, and a lot of wonderful things to do.

I understand there is life after the Senate. I am not sure of that, but for now I look forward to finding that out someday myself.

Until then, I say to Elizabeth Letchworth, we appreciate all you have done. We will always think of you and love you and we wish you the very best at whatever you do.

Mr. JEFFORDS. Will the Senator yield?

Mr. LOTT. I am happy to yield.

Mr. JEFFORDS. I join in the accolades. I know I speak 100 percent for the Independents here when I say that, having experienced the tremendous responsibility that is carried by Elizabeth. But I also know her effectiveness. There is not a Senator here who has not been saved at least once, twice, or three times out of embarrassment by being astutely and highly reminded that you forgot to do something, but, most of all, just the effectiveness and the confidence that all of us have in Elizabeth, making sure that everything is fair and square. She has been fantastic.

I agree with every word the Senator said, and I am sure I speak for all Members not here.

Mr. LOTT. I thank the Senator from Vermont.

Mr. DASCHLE. Mr. President, I, too, come to the floor to publicly acknowledge and thank Elizabeth for the public service she has provided to her country. Public service is not easy. It requires many, many sacrifices. It is enough to provide the sacrifices, but to do it with grace, with intelligence, with a sense of humor, and with a real sense of dedication is another matter altogether.

Elizabeth Letchworth did it just that way. She is a Republican. I am a Democrat. As Senator BOND and others have noted, there are times when Democrats and Republicans have it out in so many ways on the Senate floor politically and philosophically. But there are those times when, in spite of our deep differences of opinion, we recognize there is a higher calling, a higher responsibility, and a higher order. I must say in all the years I have known her, Elizabeth understood that and demonstrated that with her actions and with her words.

She in many respects exemplifies the very finest of public service professionalism. She made our jobs easier. She made our jobs even more enjoyable, and certainly I think more rewarding.

On this her last day, I know I speak for all of my colleagues on this side of the aisle in expressing to her our heartfelt thanks, our sincere congratulations, and our best wishes for what we know will be a very exciting future.

I yield the floor.

Mr. DODD. Mr. President, I wish to add my voice to that of the distinguished majority leader in extending my very best to a remarkable woman who served all of us tremendously well during her tenure.

Elizabeth, we wish you the very, very best. I know to the outside world, as they look at the floor and they see Republicans on one side and Democrats on the other, we must look slightly chaotic, to put it mildly to the casual observer. But what they do not see day in and day out is the tremendous work of the staff who represent us at one level. They work so deeply and profoundly with all of us on many levels.

I cannot tell the Chair on how many occasions Elizabeth Letchworth has been tremendously kind and generous to me when I have come to the floor and asked for guidance or assistance. She never looked at me as if I were a Democrat when she responded to me. She looked at me as a Senator and a person who had a job to do.

We will miss you tremendously and only hope that your example will be followed by others who sit in that chair in the years to come, be they Democrats or Republicans on either side.

I wish you and your family the very best, and I hope you come back often to see us.

I thank you for the tremendous courtesies that you have extended to me and to other Members of this body throughout your service. We thank you immensely.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, a few months ago our distinguished Republican leader presented a resolution which was adopted, I think, with the wholehearted support of all of us. I want to take a moment for a personal thank you to Elizabeth Letchworth, who has been an absolutely invaluable guide and counselor and friend during the time I have been in the Senate.

When we first get to the Senate, as the occupant of the chair knows well, our normal question is: What is happening? It is a little bit obtuse and confusing. I often recall that great old saw that: In these chaotic times that are so complex, if you are not totally confused, you are not thinking clearly.

There are times when I have passed that test of thinking clearly by being totally confused. Usually the person I went to was Elizabeth, and I would say, "What's happening?" She could explain not only the procedural aspects and what we needed to do in terms of making sure our rights were protected and we were able to present our views, whether on resolutions or bills—she was absolutely invaluable in that—but she also had a pretty good idea of what was going to happen, too. Trying to schedule the day around the work of the Senate floor is a challenge which I don't think any of us not the leadership—maybe even not some of them—have mastered. Because things do change here, it is always very difficult to figure out what is going on.

Elizabeth was the one who, time and time again, told us what was likely to happen, when we could plan on things, what we could do.

On a personal note, as my son was growing up and going to school here, the time I was able to spend with him in the evenings depended upon when we could complete our out-of-Senate work. Elizabeth became probably the best friend I had in terms of my being able to spend some time with my son. I would walk up to the desk in the front with a perplexed look on my face, and she would say: Are you having dinner with your son tonight or do you have something planned? She knew in advance what I was coming to ask her, and she was often able to tell me very precisely what was going on.

In terms of my relationship with my son, I know I can add his thanks to mine for the great friendship and the thoughtfulness she exhibited in helping us deal with the complex time schedules of the Senate.

Most of all, I have to say in this body sometimes things get a little tense. There is tension across the aisle and there is tension with colleagues on our own side of the aisle. But she was always able to maintain a pleasant and a friendly attitude that helped take away some of the tension and helped smooth over some of the difficult times.

That is a high standard she has set. It is going to be very difficult for those who follow her to equal that degree of service and friendship. But I join with all my colleagues in saying a heartfelt thanks for being a wonderful friend, a great guide, great counselor. We wish you the very best of luck. We hope, if your sense of humor permits, you will come back and watch us from time to time and help guide us through the difficult times ahead. You have certainly done an excellent job in the past.

I join wholeheartedly with a sincere vote of thanks for Elizabeth Letchworth.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, the distinguished Senate leaders have called attention to the fact this is the last day on which Republican Secretary Elizabeth Letchworth will work with us in this Chamber. Thus ends the extraordinary career of an extraordinary Senate staff person.

Elizabeth originally came to the Senate as a page. She stayed for 26 years. That is almost as long as Robinson Crusoe was on that island. He was on that island 28 years, 2 months and 19 days, so Elizabeth has almost equaled that. Her diligent, dedicated work, and her loyalty to the Senate led to her eventual rise to Republican Secretary, the first woman, the only woman, to serve in that capacity.

Ms. Letchworth has worked for or with six different Senate majority leaders, including myself. Therefore, I am speaking from personal experience when I say she made life and work easier and more enjoyable for all of us. Through the years, I came not only to respect Elizabeth's work, but also to admire her as a person. She always provided an oasis of calm in the middle of the many storms that brewed about her on the Senate floor. She was friendly and courteous. She worked on the Republican side, but she was always straightforward with me, always accurate. Not once did she ever mislead me, but she always was willing to be so helpful.

Hers were the qualities so important to Members on both sides of the aisle because those qualities engender that precious commodity, and it is a most precious commodity in this Chamber, a most precious commodity if the Senate is to work its will. It is a commodity called trust. The Members on the Democratic side of the aisle developed such a high regard for Elizabeth that when we learned she was leaving, the Democratic Conference passed a resolution commending her for her extraordinary work and her illustrious career.

Elizabeth's work here in the Senate will be remembered. I hope she will come back and see us. She has served the Senate well and in serving the Senate well, she served her country well. I wish the best for Elizabeth Letchworth and her husband Ron as they embark upon a new phase in their lives. I doubt that our paths will ever cross in that new phase because I do not play golf. I do not have much time for it, but I hope this new phase in her life will be enjoyable. I trust she will remember us as fondly as we will certainly remember her.

LIFE'S MIRROR

There are loyal hearts, there are spirits brave,
There are souls that are pure and true,
Then give to the world the best you have,
And the best will come back to you.

Give love, and love to your life will flow,
A strength in your utmost need,
Have faith, and a score of hearts will show
Their faith in your word and deed.

Give truth, and your gift will be paid in kind;
And honor will honor meet:
And a smile that is sweet will surely find
A smile that is just as sweet.

Give pity and sorrow to those who mourn,
You will gather in flowers again
The scattered seeds from your thought outborne,
Though the sowing seemed but vain.

For life is the mirror of king and slave,
Tis just what we are and do;
Then give to the world the best you have,
And the best will come back to you.—Madeline Bridges.

May God always bless you, Elizabeth.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Mr. President, I ask unanimous consent all the remarks made on the Senate floor regarding Elizabeth Letchworth appear in the RECORD immediately following the remarks of Senator LOTT.

The PRESIDING OFFICER. Without objection, it is so ordered.

ELECTING DAVID SCHIAPPA SECRETARY FOR THE MINORITY

Mr. LOTT. Now, we make a first attempt to name a successor, and that will be a difficult task. So I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. CARPER). The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 155) electing Dave Schiappa of Maryland as secretary for the minority of the Senate.

There being no objection, the Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, I ask unanimous consent the resolution be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 155) was agreed to.

(The resolution is printed in today's RECORD under "Statements on Submitted Resolutions.")

Mr. LOTT. Good luck, Dave; you are going to need it. I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I ask to proceed as in morning business.

The PRESIDING OFFICER. The Senator is recognized.

AGRICULTURAL ECONOMIC ASSISTANCE

Mr. JEFFORDS. I rise today to voice my frustration about the events that unfolded today regarding the Agricultural Economic Assistance Act. I am disappointed for one reason. This legislation leaves my farmers behind. Of the $5.5 billion in this bill, only a very small amount goes to Vermont or any of the farms in our area of the country. Only $1.5 million out of the $5.5 billion in this package will reach Vermonters. That amounts to only about $1,000 per farm.

Mr. President, 50 percent of the money goes to 10 States. Our dairy farmers are the hardest working, most efficient. The compact has no Federal cost.

It is without question that the states in the Northeast are left out.

During the proceedings on this bill, there was much talk about the amount of the overall spending package. As we continue to wrestle with budget and spending concerns, I encourage my colleagues to take a look at a program that provides assistance and stability for farmers at no cost to the federal government, the Northeast Interstate Dairy Compact.

The Northeast Dairy Compact was established to restore the regulatory authority of the six New England states over the New England dairy marketplace. This authority, however, must be granted by Congress.

By gaining the consent of Congress in 1996, the Northeast Dairy Compact has allowed the compact commission to regulate milk pricing in the region.

Since July of 1997, when the compact commission first set the Class I over-order price at $16.94, the Northeast Dairy Compact has proven to be a great success—providing farmers with a fair price for their milk, protecting consumers from price spikes, reducing market dependency upon milk from a single source, controlling excess supply, and helping to preserve rural landscapes by strengthening farm communities.

Farmers across our Nation face radically different conditions and factors of production.

Differences in climate, transportation, feed, energy, and land value validate the need for regional pricing. Compacts allow states to address these differences and create a price level that is appropriate for producers, processors, retailers and consumers.

The stability created by the compact pricing mechanism is important for several reasons. It guarantees farmers a fair price for their product and allows them to plan for the future. Farmers, knowing that they can count on a fair price, can allocate money to purchase and repair machinery, improve farming practices, and above all, stay in business.

Opponents of compacts argue that compacts leads to overproduction. These allegations, however, are unfounded. The Northeast Dairy Compact has not led to overproduction during its first 4 years. In fact, during 2000, the Northeast Dairy Compact states produced 4.7 billion pounds of milk, a 0.6 percent reduction from 1999. Since the Northeast Dairy Compact has been in effect, milk production in the region has risen by just 2.2 percent. Nationally, milk production rose 7.4 percent from 1997 to 2000. Over this same period, California, the largest milk producing state in the country, increased its milk production by 16.9 percent.

Originally created as a three-year pilot program, the Northeast Dairy Compact has been extremely successful in demonstrating the merits of compacts. We no longer need to speculate about the potential effects of compacts. We now have the hard evidence—they are good for farmers, good for consumers, and good for the environment.

As has been stated by several of my colleagues today, we, who represent the Northeast will do everything in our power to secure the survival of our family farms. We look forward to working throughout this year to make sure the dairy compact is, again, allowed to show the benefits to this Nation of effective farming which results in no cost to the Government.

It is certainly hard for me to understand why we get so much criticism. It is the only farm program that doesn't cost the Federal Government money, and it is one of the first on some people's lists of programs to get rid of. It is entirely unbelievable and incomprehensible.

I yield the floor.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT OF THE TWO HOUSES OVER THE LABOR DAY HOLIDAY

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H. Con. Res. 208, just received from the House.

The PRESIDING OFFICER. The Chair lays before the Senate H. Con. Res. 208, which will be stated.

The bill clerk read as follows:

H. CON. RES. 208

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Thursday, August 2, 2001, or Friday, August 3, 2001, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DASCHLE. Mr. President, I ask unanimous consent the resolution be agreed to, the motion to reconsider be laid upon the table, any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 208) was agreed to.

Mr. DASCHLE. Mr. President, I yield the floor.

ELECTION REFORM

Mr. DODD. Mr. President, I would like to talk about election reform. I have talked about it on a number of occasions.

Yesterday, as chairman of the Rules Committee, we had a markup of one of the election reform bills. I say with a high degree of sadness—and I truly mean this—that our good friends on the Republican side of the aisle decided for whatever reasons not to show up; to sort of boycott the markup. I haven't had that experience in my 20 years in the Senate and 6 years in the House. I gather that it may have happened on other committees but never on ones on which I served.

Again, I understand there is disappointment sometimes when our amendments or our bills are not going to be marked up, or are not going to have the necessary votes to be marked up. I had scheduled the markup well in advance with full notice. There are some 16 election reform bills that I know of which have been introduced in the Senate. We didn't mark up all of them. We marked up one bill. It was open for amendment, or substitution, as is the normal process. As I have been both in the majority and minority, over the years that is how it has been done.

In the Rules Committee you cannot vote by proxy. You have to be there for the final vote. You can only vote by proxy on amendments.

We had the convening of the markup at 9:00 in the morning with the full idea that at least an hour-and-a-half would be available for people to come and offer amendments, debate, or discuss the issue of election reform.

I think there were some 200 to 300 people in the hearing room. Many came in wheelchairs and some with seeing-eye dogs and other such equipment in order to assist them. There were people from various ethnic and racial groups in the country who care about election reform, and average Americans who just wanted to see what Congress might do and what the Senate might do in response to the tremendously disappointing events of last fall when we saw what tremendous shambles our election process is in. The events of last fall peeled back the scandalous conditions of our electoral processes all across the country—not only in one state during one election. Almost without exception, every State is in desperate need of repairing the election process.

As a result of what happened last fall, there has been a heightened degree of interest in doing something about our election process. As a result, as the chairman of the Rules Committee since June, I have had three hearings on the issue. We had one hearing prior to that when I was ranking member of the committee.

The bill I propose is one that has been cosponsored by 50 other Members of this body. It received some rhetorical support from others who are not exactly cosponsors but have told me that they will support the bill when it comes to the floor. The same bill has been introduced by Congressman JOHN CONYERS of Michigan in the House of Representatives. It enjoys, I think, over 100 bipartisan cosponsors in that body. There are also other bills that enjoy some support. The bill offered by the now ranking member of the Rules Committee, Senator MCCONNELL, has some 70 cosponsors. Thirty-one of those cosponsors are cosponsors of the bill I introduced.

There is a lot of interest in this subject matter. What was disappointing to me and what saddened me was that on a day in which we were going to hold a markup to figure out how we might improve the electoral system so more people would have the opportunity to vote and have their votes counted, our friends on the other side decided not to come and be heard, let alone vote on this matter.

That troubles me, and I hope it is something not to be repeated. It is not a very good civics lesson, particularly for the dozens of people who showed up yesterday. Some made the extra strenuous effort to be there, considering their physical condition.

Mr. President, between 4 to 6 million people last November 7 showed up to vote and were told their votes would not count despite the fact they had the right to vote. Many of them stood in lines in the colder northern tier States for hours on end.

I heard in our hearings in Atlanta the other day, with Senator CLELAND at my side, witnesses from Georgia who literally sat in rooms for hours without chairs—elderly people simply waiting for a chance to vote and to have their votes counted.

When you have a markup of a bill that is open for all sorts of bills to be considered as amendments or substitutes before the committee, it is disheartening to me that such a message might be sent that we don't care enough to vote on a bill such as this to encourage Americans to vote.

I hope that when we come back in September the offer I made in November of last year as the ranking Democrat on the committee to the then-chairman of the committee to work together on a bipartisan bill will be taken up, and that we can sit down and try to craft something a majority of our colleagues would like to get behind and support; and that the other body would do the same, and put some meaningful resources on the table so that States and localities will have the help to make the changes that are necessary in order for the election system in our country to work.

The election system is in a shambles. This is not some question of fixing a minor problem, I regret to report. All you need to do is read the reports that have come out in the last few days—studies from the Civil Rights Commission report, to the reports by the Massachusetts Institute of Technology and the California Institute of Technology.

Their studies indicate, as I noted a few moments ago, a stunning 4 to 6 million people showed up last fall who attempted to vote or intended to vote and were not able to have their votes counted. It is a scandalous situation by any estimation.

For example, in my State alone—one of the most affluent States in the Union, the State of Connecticut, on a per capita income basis—we have not bought a new voting piece of equipment in almost a quarter of a century. In fact, the company that made the machines we use in my State no longer exists.

Mr. President, there are some exceptions. I think some States, such as Rhode Island, because of the tremendous efforts of the former secretary of State there—now Congressman JIM LANGEVIN, who is a quadriplegic and has been elected to Congress by the good people of Rhode Island—have become very progressive in regards to the electoral reform.

The people in Rhode Island who are blind, for instance, can vote without having someone go into the voting booth with them. It is the only State I know of in the country where you can do that today. But Congressman LANGEVIN was sensitive to it because of his own physical condition. He told me, with very minor investments—about $400 per precinct—they were able to make not only the voting place accessible but the ballot accessible.

Last fall, 10 million blind people did not vote in America. I have a sister who is blind, blind from birth. She is legally blind. She totally lacks vision in one eye, and has very slight vision in her other eye. From time to time, she has needed assistance—and I don't want to suggest to you she has not voted on her own from time to time—but she works with many people as part of the National Federation of the Blind. She is a board member and attends their conventions. You need only talk to people in your respective States, and ask people who are totally blind what it was like to go and vote last fall. They will tell you they had to take someone with them to vote. Some States will allow you to bring a family member. Some insist you go in with a poll worker you don't know. So the idea of casting a ballot in private is nonexistent.

Therefore, when I talk about trying to establish some national requirements to improve the system, it isn't just better equipment, it is also making the voting booth more accessible to those who are disabled.

At any rate, let me share with you these statistics. As I said, there were 4 to 6 million people—this is stunning—trying to do their civic duty who were turned away and denied the chance to vote.

Earlier this week, former Presidents Ford and Carter released a report. Their findings echo those of the Cal-Tech-MIT report. The report makes clear that the election of 2000 was more than "a closely contested election;" as some have attempted to characterize it. It was more than a matter of a few disputed ballots in a single State. It was, in the words of the Ford-Carter Commission——

Mr. President, I see my friend and colleague from the State of Washington. I would like to be able to proceed for about 5 additional minutes, if that is all right with her.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DODD. I thank the Chair.

The Ford-Carter Commission described the results of last fall's election as "a political ordeal unlike any in living memory." It was an ordeal that spread beyond a few counties in Florida to encompass—and incriminate—the electoral system within our entire Nation.

Like the Cal-Tech-MIT report, this report adds to the growing body of evidence that in the year 2000—and in previous years—American voters were disenfranchised—not by the thousands, or even by the tens of thousands, but by the millions. These are people who intended to vote, stood in line, did everything they thought they needed to do—thought they had registered to vote—and for a variety of reasons were not able to cast their ballots, or not have their ballots counted.

They were people who were disproportionately poor, who are racial or ethnic minorities, who speak English as a second—not first—language, and who are physically disabled.

In Florida alone, the U.S. Civil Rights Commission found that African American voters were 10 times more likely than white voters to have their ballots thrown out.

Across the country, the votes of poor and minority voters were three times more likely to go uncounted than the ballots of wealthier Anglo voters. That kind of disparity—based on race, income, ethnicity, language, and physical ability—is unacceptable, at least it ought to be, in any nation that calls itself a democracy. For a nation such as ours—which is the birth place of modern democracy, which holds itself out among the community of nations as an emblem of self-governance—six million people, out of 100 million who cast their ballots, were thwarted. That is more than unacceptable; it is unconscionable.

Likewise, as our colleague from Missouri, Senator BOND, has said, it is unacceptable and unconscionable when any American abuses his or her right to vote by committing fraud. I wholeheartedly endorse the comments that he made on the Senate floor yesterday that we need to expand voter participation and reduce voter fraud in our Nation.

I appreciate, by the way, the Senator from Missouri telling me the night before what he was going to say on the floor the next day. Those are common courtesies we extend to each other, regardless of differences that may exist.

Voter fraud and voter disenfranchisement are different wrongs, but they have a similar impact. They both debase our electoral system. They both distort the value of votes lawfully cast. And they both diminish the true will of the American people. I wholeheartedly embrace his statement that we need reforms that ensure that more Americans can vote and that fewer can cheat.

I look forward to working with him during the month of August, and his staff, to see if we can craft those parts of what he has proposed as a part of our bill.

Some have argued that—against this overwhelming evidence that millions of Americans are routinely deprived their right to effectively exercise the most fundamental right we have in a democracy; against this overwhelming evidence that our electoral system is in profound need of reform—we should make strengthening our election laws optional.

In 1965 we passed the Voting Rights Act. We did not make the elimination of the poll tax or elimination of the literacy tests an option. We said: It is wrong because you are voting for President of the United States and the National Congress.

If we were just voting for the local sheriff or the school board or the general assembly of that State, then I do not think the Federal Government has a lot to say. You might argue that we do. But when you are voting for the President and the National Congress, then, if you deprive people the right to vote, either de jure, by law, or de facto because of what you failed to do to make the system accessible to people, then you have affected the people who vote in my State when they vote for President or they vote for the National Congress.

So the idea that somehow we are going to make de facto barriers to people's right to vote optional is as ludicrous on its face as it was in 1965 to say we had no right to abandon or get rid of de jure hurdles to people's right to vote when it came to casting ballots for the Presidency and the Congress of the United States.

I am not interested in having overly burdensome requirements. I do not think having basic national standards that say, if you are blind, you have the right to vote in private; if you are disabled and cannot reach the machine, you ought to be able to do so. We did that with the Americans With Disabilities Act. You cannot go into a public accommodation or a public restroom that isn't handicap accessible today. You ought not be able to go into a voting booth that isn't handicap accessible.

I do not think you are going to get that by leaving it optional. I think there does need to be a national requirement to see to it you do not have these punch-hole ballots or chads hanging around all over the place. I do not care if you want to have a different machine in every State, but meet basic minimum requirements.

Provisional voting, giving people the right to see how they voted—you can go to a gasoline station and you know how much gas you put in your car because you get a receipt to look at. Can't we do the same for a voting machine, so that when you vote, and you come out of the booth, you can take a look and make sure your vote was recorded as you intended it to be recorded in the 21st century? Or can't we have a sample ballot so you might have some idea about what you are going to see in the voting booth when you walk into that booth for the very first time?

Those are the kinds of requirements I am talking about. I do not think that is overly aggressive, overly excessive. And I believe that if the National Government requires it, that we ought to also pay for it.

My bill does both. I am pleased to say the Presiding Officer and others are cosponsors of the bill we have introduced. I am not suggesting it is perfect. I hope when we come back in September—I have been told by the majority leader; I appreciate his tremendous leadership on this issue—we will make this a priority issue so we can get it done. We can provide some resources and start to make a difference in the 2002 elections. Hopefully, by the 2004 Presidential race, we will at least reduce substantially the amount of abuse we saw occur in the 2000 election, and hereafter we will see to it that voting opportunities are not going to be left to wither and deteriorate to the point they had, as we evidenced, in the year 2000. It is not easy. It is going to take some investment.

I will end on this note. It was said by Thomas Paine more than 200 years ago. I know these other issues are important. I don't minimize them, whether we are talking about an energy bill, a farm bill, a Patients' Bill of Rights, all those questions that we debate every day as elected representatives in this body, down the hall in the other body, or down the street in the White House. All of that depends, as Thomas Paine said, on the right to vote. The right to vote is the right upon which all other rights depend. If we can't get the right to vote right, then what confidence do people have that we will make the kinds of decisions they asked us to make when they sent us here as their representatives?

I know it is not as popular and doesn't have the same glamour attached to it as some of these other issues. I don't think there is anything more important this Congress can do than to see to it we redress the wrongs committed in the year 2000 and the years before then.

I urge my colleagues, particularly those from the other side. I have gone to many of their offices. I have let them know. I have visited them the last several weeks. I have explained the bill and asked for their ideas. I want a bipartisan bill. I have been to the office of BEN NIGHTHORSE CAMPBELL, the offices of LINCOLN CHAFEE, PETER FITZGERALD, KIT BOND—I have talked to them—on down the list. I will continue to do so because I want a bipartisan bill. I am saddened again that yesterday my Republican friends on the Rules Committee decided not to come and vote and be heard on a bill that was going to try to improve people's right to vote in America.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. I ask unanimous consent to address the Senate for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. CANTWELL. Mr. President, I commend my colleague from Connecticut for his fine remarks on election reform, a very important issue, indeed, and one I am sure we will be addressing when we resume after our summer recess.

WASHINGTON STATE AGRICULTURE

Ms. CANTWELL. Mr. President, the Senate is about to adjourn for a summer recess, clearly doing so after having moved this morning on an Agriculture supplemental bill that does not truly understand the plight of American farmers and the impacts in my home State of Washington.

The impact on Washington State farmers and the impact they have on our State economy and the national economy is clear. There are over 40,000 farmers in our State covering 15 million acres of land. Washington State apples are 50 percent of our Nation's apples, and Washington State is the third largest wheat-producing State in the country. We export about 90 percent of that wheat internationally.

Farmers in our State have been struck by a series of disasters this year. They have suffered a drought, they have suffered a destructive storm, and this morning they are left with an Ag supplemental bill that does not do enough for the farmers in my State. In fact, this bill we have passed, compared to the Harkin bill, leaves my State with hundreds of millions of dollars less resources for both wheat and apples.

I ask unanimous consent to print in the RECORD a document produced by the State of Washington that details the elements and impacts of the drought.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOW IS AGRICULTURE AFFECTED

The drought largely is the result of reduced snow pack in the Cascade Mountains, which acts as storage for water that is released during the spring and early summer. This water is captured in rivers and reservoirs where it is distributed via irrigation systems to farmers. This relatively reliable water supply has allowed the arid fields of eastern Washington to become some of the most productive and diverse agricultural lands in the United States.

The drought affects not only the water available from rivers and reservoirs for irrigated crops, but may affect non-irrigated crops as well. Insufficient soil moisture of prolonged dry conditions will reduce yields for those crops.

Agriculture is the core industry of rural Washington and supports the small towns and cities of eastern Washington. In 1997, the food and agriculture industry—farming, food processing, warehousing, transportation and farm services—employed over 183,000 people. Farming, excluding farm owners and families, employs about 84,000 people in Washington.

In 1999 farmers harvested over $5.3 billion while food processors sold $8.9 billion worth of products. Washington's food and agricultural companies exported $3.5 billion of products. The most valuable of these crops come from irrigated land. About 27 percent of Washington's cropland is irrigated, yet this acreage produces more than 70 percent of the total value of all of Washington State's harvest. This includes the most valuable crops: apples; cherries and other tree fruit; vegetables; onions; and potatoes. All of the 20 most valuable crops, by harvest value per acre, are irrigated.

Agriculture also is potentially affected by disruptions in transportation, especially barge traffic due to lower river levels. In the case of wheat, for example, there is insufficient truck and rail capacity to absorb the load if barge transportation is curtailed.

The current drought, unlike other recent droughts, is occurring at a time when farmers are facing many other serious challenges. Many smaller farms are likely to face bankruptcy or leave farming. The weak condition of many segments of the agriculture industry in the state makes the industry more vulnerable to the effects of the drought. Most farmers are in their third year of net losses due to poor market conditions. Many farmers lack the credit to either survive a year without a harvest or make the investments necessary to mitigate the impacts—such as drilling deep wells or upgrading irrigation and distribution systems.

Impacts on the production of crops also may affect the market prices for those corps, which will affect farmers in different ways. For example, Washington produces half of the U.S. apple crop and a significant reduction in harvest may increase the price for those farmers who remain in business. Therefore, some farmers may suffer while others who have water may actually see improved revenue.

The extraordinary rise in energy costs exacerbates the problem for farmers. Farmers rely on diesel fuel for their equipment. Current diesel prices are up 20 percent to 30 percent over last year's levels. The cost of electricity to run pumps is expected to rise as much as 150 percent. The price of natural gas, which is used to make fertilizer, has risen sharply. Most of the irrigated crops are either stored in cold controlled atmosphere warehouses or processed (canned, dried, frozen, etc.) Cold storage and processing require large amounts of energy (especially electricity and natural gas) and water. If these costs force closure of the processing plants, farmers may have no place to sell their products.

Increased risk of disease, insects, noxious weeds, erosion, and fire resulting from abandoned fields, are also concerns. Without maintenance of the fields or removal of abandoned orchards, the risk of damage to adjoining fields is significant. The Washington State Department of Agriculture (WSDA) has requested funds to assist local Weed Boards to deal with these problems, while state and federal fire officials are preparing for a potentially record year for forest and range fires.

Ms. CANTWELL. It reads in part:

The current drought, unlike other recent droughts, is occurring at a time when farmers are facing many other serious challenges. Many smaller farms are likely to face bankruptcy or leave farming altogether. The weak condition of many segments of the agriculture industry in the state makes the industry more vulnerable to the effects of drought. Most farmers are in their third year of net losses due to poor market conditions. Many farmers lack the credit to survive another year without a harvest or make the investments necessary to mitigate these impacts—such as drilling deep wells or upgrading irrigation and distribution systems.

From Ritzville to Yakima, from Chelan to Wenatchee, the family farms in my State are hurting. Just this past week I met with farmers from Ritzville; they are wheat farmers. Wheat farmers are seeing a 14-year low in wheat prices. They made it clear they need help and they need help now.

Part of our discussion is what is the sentiment for support of the family farms across our country.

I ask unanimous consent to print in the RECORD an article from a local Walla Walla newspaper about the impacts.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLL: VOTERS SUPPORT FARM AND RANCH CONSERVATION EFFORTS

WALLA WALLA.—America's farms and ranches are important to the nation's voters, and not just for their locally grown food.

A new poll released today shows that voters value farms and ranches for the conservation benefits they provide, such as cleaner air and water and wildlife habitat. And not only do voters want the federal government to support programs that secure those values, by linking conservation practices with farm payments, but voters are willing to pay to ensure conservation benefits from farms and ranches.

A poll, a telephone survey of 1,024 registered voters nationwide, uncovered strong support for American agriculture, with 81 percent of voters saying they want their food to come from within the United States.

Americans professed a close connection to farmers and ranchers, with 70 percent reporting that they have bought something directly from a farmer during the last year, such as at a farm stand or a farmers' market. Voter concern about farm environmental issues registers almost as high as for current "hot" political issues.

For example, 71 percent are concerned about pesticide residues on food and 69 percent of American voters say they are concerned about loss of farmland to development, compared with more than 80 percent of voters concerned about public education and gas prices.

Seventy-eight percent of the American electorate report they are aware of government income support programs for farmers. Voters strongly approve of these programs when they are used to correct low market prices or in cases of drought or flood damage.

The addition of conservation conditions to farm supports, however, received overwhelming approval, as 75 percent of American voters feel income support to the American farmer should come with the stipulation that farmers are required to apply "one or more conservation practices," such as protecting wetlands or preventing water pollution.

"We were struck by how many voters make the link between agriculture and conservation benefits," said Ralph Grossi, president of American Farmland Trust. "The public feels strongly about all the values they see in American agriculture; not only do they appreciate America's bounty on their tables, they also realize farms and ranches provide environmental benefits and they are willing to share the cost."

Several programs exist to support conservation on farms and ranches, among them the Farmland Protection Program, Environmental Quality Incentives Program, and the Wetlands Reserve Program.

For each of these programs, demand has far outstripped federal funding in 2001. For WRP alone, unmet requests from farmers totaled $568 million. This year FPP was only allocated $17.5 million in funding—leaving a gap of $90 million and hundreds of farmers waiting in line to protect their land.

"As expected, when we asked voters about how they wanted to increase federal spending, they placed a high priority on addressing pressing needs like finding cures for cancer, educating our children and ensuring adequate energy supplies," said Grossi. "What we did not expect was the finding that a majority of voters—53 percent—feel increasing funds to keep productive farmland from being developed should be a national priority."

And voters are willing to spend their own money to help farmers protect the environment. When asked whether they would like to get all or some of possible $100 tax refund, 63 percent said they'd forego some of that money to protect waterways, wetlands or wildlife habitat.

"With such strong support for agricultural conservation, policymakers should triple conservation spending in the next farm bill," Grossi pointed out. "The programs are there, and they work. With $21 billion allocated annually to farm support payments by the budget agreement, half should be reserved for conservation programs. It's just a question of putting some financial muscle into making conservation happen."

"Over the past 19 year I have repeatedly surveyed farmers and found them very willing to conserve natural resources. These new results strongly indicate that conservation-oriented farm programs will please not just farmers, but most voters," said Dr. J. Dixon Esseks, a political scientist from Northern Illinois University who directed the poll.

The telephone survey of 1,024 registered voters nationwide was conducted June 2–21, 2001, with a margin of sampling error of +3.1 percent in 95 out of 100 cases.

Ms. CANTWELL. This article discusses what Americans really want to do to help family farmers. Actually, a poll was taken to understand American support for what we might do in the Senate. It said that 78 percent of the American electorate report that they are aware of government income support programs for farmers, and voters strongly approve of these programs when they are used in a fashion to correct low market prices or in case of drought or flood damage. We should be secure in knowing that our constituents want to help family farms.

The family farms in my State are on the brink. They are on the brink because our Governor has declared a drought in Washington State. The drought, along with an energy crisis, is having a catastrophic effect on agriculture. In many cases water is not available for irrigation; the farmers have been unable to get the irrigated water supply they need. Right in the middle of this trouble, a severe storm occurred and greatly impacted the fruit tree industry in the State, ruining various orchards throughout the central part of Washington.

I ask unanimous consent to print in the RECORD an article from the Yakima Herald that reads in part:

> Silent and unyielding, drought stalks Central Washington. . . . Crops are wilting, jobs are evaporating, income needed to sustain family farms and rural communities is vanishing, stolen away by this drought like a thief in the night.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Yakima Herald-Republic, July 29, 2001]

DRY, DRY AGAIN

(By David Lester)

Silent and unyielding, drought stalks Central Washington during this unsettling summer of 2001. Crops are wilting, jobs are evaporating and income needed to sustain farm families and rural communities is vanishing, stolen away by this drought like a thief in the night.

The drought could mean staggering losses, estimated in one analysis at more than $270 million in reduced income for farmers, lost jobs and less money circulating through the local economy.

Some of those effects already are being felt. Farm employment is down. Farm service businesses are reporting steep declines in sales and have laid off workers to compensate.

Land has been idled in some parts of the Yakima Valley because there isn't enough water to go around, or the water has been transferred to another district suffering a worse shortage. The Roza Irrigation District, among the most severely affected, has drained its reserves of $2 million to buy precious water.

And like victims of theft, area residents are sensing a loss of confidence and an eroding optimism about the future.

They also are grieving.

Carelessness may have lit the match, but drought fueled the fire that took the lives of four young area firefighters July 10 in a tinder-dry and remote part of the Okanogan few people had ever heard of.

The entire Northwest has many weeks yet during which it must deal with the threat of raging forest fires, much as during the Chelan-area Tyee Creek and the Lakebeds complex fires in Klickitat County in 1994.

"Locally in Central and Eastern Washington, we have the potential to have fires like the ones in Montana last summer," said Mick Mueller, an ecologist for the U.S. Forest Service's Leaveworth Ranger District.

Wildfire blackened more than 600,000 acres in Montana and a similar amount in Idaho last year. It was the worst wildlife season in the West in 50 years.

PREPARING FOR THE WORST

When Gov. Gary Locke declared a drought emergency March 14, the outlook statewide was bleak for municipal water supplies, irrigation, migratory fish and power production. But spring rains eased drought worries in Western Washington and the dryland wheat country in the far eastern part of the state.

Doug McChesney, state Ecology Department coordinator for drought response, said the Yakima Basin continues to suffer because of its reliance on a limited water-storage system that places a premium on a healthy snowpack every year. Also, a greater percentage of Central Washington farmland relies on junior water rights than the rest of the state.

When the snowpack doesn't come during the winter, the basin suffers, as it has this year.

The numbers tell the story: As of June 1, the amount of water in the snow was just 22 percent of average. All snow was gone by July 1. The total amount of water produced in the watershed through July was just 46 percent of average and the second-lowest in 75 years, second only to 1977. Reservoir storage on July 1 was just 66 percent of average, the second-lowest in 60 years.

"The west side of the state is clearly better off. It's the band down the middle of the state from the Cascade crest to the east where the worst of the problems are," McChesney said.

When higher energy costs, higher fertilizer costs and three years of poor marketing conditions for apples and other crops are added in, Central Washington farmers are carrying most of the burden for the rest of the state.

"They are getting clobbered. There is no doubt about that," McChesney added.

The region went through a nearly identical drought in 1994, but as McChesney suggested, this year's record drought couldn't have come at a worse time.

SEARCH FOR STORAGE

Already reeling from several years of poor market prices, the 2001 drought is staggering the area with another body blow.

"Farmers are survivors, but they are being pushed about as far as they can be pushed," observed Tom Carpenter, a longtime Granger farmer on the Roza Irrigation District.

Carpenter and other basin farmers are once again pushing for new water storage to insulate the basin from drought. The five Cascade lakes in the Yakima Irrigation Project can store less than half the water used in the basin each year.

No new storage has been constructed since 1933. In the intervening years, the basin went through a natural maturing process with the planting of more perennial crops like apples and other tree fruits, mint, grapes, and hops that must have water every year to survive. Also, a relatively new demand for water to protect threatened fish is taxing the system further.

Carpenter, a diversified grower and an active player in basin water issues for many years, said the people who built the basin found ways to get things done.

"I wonder what's wrong with us. Why don't we have the vision to do what we need to do and take care of everyone's interests?" he asked. "We are just fighting over the crumbs."

The impacts aren't being felt solely on the 72,000-acre Roza or the 59,000-acre Kittitas Reclamation District, where farmers are receiving barely a third of a normal water supply.

They are at the end of the line in a water-rights system that favors those who were here first. The first homesteaders have what are called senior water rights. Their rights are satisfied first when there isn't enough to go around. Later arrivals, known as juniors, share what's left.

It is a system that has led to the most restrictive rationing in the Yakima Irrigation Project's 96-year history. In 1994, junior users were limited to 38 percent of a full supply.

But because the large irrigation divisions in the 464,000-acre project have a combination of senioor and junior rights, farmers in other parts of the basin, like the sprawling Wapato Irrigation Project, are struggling with too little water to have a successful harvest.

ADDING UP THE DOLLARS

A 4-year-old economic-impact analysis prepared by Northwest Economic Associates of Vancouver, Wash., an agriculture and natural resources economics consulting firm, suggests a water shortage like 2001 would cut farm income in the Yakima River Basin by $136 milllion, or 13 percent of the total in an average year.

When the effect of smaller crops on processors, farm suppliers, trucking and retail are included, the figure balloons to more than a quarter of a billion dollars.

The firm prepared the report for the Tri-County Water Resource Agency, a Yakima-based consortium of counties, cities and irrigation districts working to meet all water needs in the three-county basin.

William Dillingham, a senior economist for the state Employment Security Department, said the agency is trying to track the effects of a historic water shortage on employment in Central Washington counties.

"Yakima County has a huge amount of its employment associated with agriculture. When you tie in food processing, transportation and ag services, that number begins to get pretty big, pretty quickly," he said.

State officials have taken a stab at just how big. Using the Northwest Economic Associates study as a basis for their estimate, four state agencies in late June projected the 2001 drought could cut statewide farm production by up to $400 million, or about 12.5 percent of total farm production. In addition, up to 7,500 farm jobs would be lost, as would up to 1,400 jobs in the farm-related processing, trucking, wholesaling and warehousing industries.

The projection recognizes the local losses would not be mirrored statewide because other parts of the state have near-normal water supplies and would have average crop production.

In the midst of all this, Central Yakima Valley fruit growers suffered millions of dollars in crop damage from a freak and powerful wind-and-hail storm in late June, with gusts clocked at 108 mph in one Zillah orchard.

Looking at the growing tale of woe, a state official asked privately: "What's next, a plague of locusts?"

FISH ARE SUFFERING, TOO

River flows depleted to record lows in some places because of too little winter snow are threatening the Northwest's multimillion-dollar investment in savings its declining salmon and steelhead runs. More water is being used to turn Columbia River power turbines to generate needed power, exposing more fish to a near-certain death.

The Yakima Valley's celebration of a huge returning run of adult spring chinook this year, the largest in at least 50 years, is tempered by the prospect that some of these fish won't spawn successfully in low September river flows.

Also, young chinook salmon and threatened steelhead trout starting their dangerous journey to the Pacific Ocean are being subjected to higher water temperatures and more predators as the Lower Yakima River, southeast of Prosser, rides along slightly above minimum streamflows.

Higher fish losses this year would mean a smaller run of adults in two to three years. Dwindling numbers could turn up the pressure for more fish protective measures.

"Rising water temperatures may not kill fish by itself, but predators are more active eaters when temperatures are higher," said Dale Bambrick of Ellensburg, the Eastern Washington habitat team leader for the National Marine Fisheries Service. "It's a double whammy. The salmon and steelhead critters aren't functioning well."

DROUGHT EFFECT REACH FAR

The struggle on the farm is being felt in town, too.

City residents in parts of Yakima and Kennewick are being required to rotate water use to make an inadequate supply stretch.

Workers in industries that supply farmers and process the commodities they produce are being laid off because there is too little work.

Duane Huppert, who has owned Huppert Farm and Lawn Center in Ellensburg for 17 years, said he canceled a farm implement order this spring when the initial water forecast came out in March.

"When that came out, it was like turning off the business as far as ag sales are concerned," Huppert said. "It really stops any farmer from buying anything when you look at a year like this."

"As a farm equipment dealer, our sales were cut drastically," he added.

Huppert, who sells John Deere products, said he is concerned about the lingering effects of this drought into next year and beyond.

"This community is an ag community whether people like it or not," he said, "We get a lot of income from farmers, and the money they spend goes through a lot of businesses."

In the heart of the Yakima Valley in Sunnyside, Bleyhl Farm Service, a supplier of feed, fuel, fertilizer and equipment to farmers, also is feeling the pinch.

Verle Kirk, the firm's Sunnyside store division manager, said the firm cut its work force in Sunnyside by about 14 percent to some 70 employees in response to a cut in sales.

Sales of irrigation equipment dropped when the Roza shut down for three weeks in May to stretch its water supply. Sales have not recovered, Kirk said.

Farmers are also buying less nitrogen fertilizer because of higher costs for natural gas used to produce it. Corn seed isn't moving because the crop requires more water.

"It seems like these guys are shopping harder. Profitability hasn't been good the last two years," he said. "It hasn't been good this year. If they don't make money, it won't get any better next year."

Ms. CANTWELL. Mr. President, the article goes on to state that the drought could mean staggering losses of more than $270 million in reduced income from farmers, lost jobs, and less money circulating through our local economy.

The most critical stories are emerging from my State, including those of the apple industry. An agricultural assistance bill such as the one we passed that does not support apple growers fails to understand a very important part of our agricultural sector. You heard from many of my colleagues from New York, Michigan, and Maine about the fact that we need to do something to help America's apple growers who are experiencing the worst economic losses in more than 70 years.

Currently prices are as low as 40 percent below the cost of production. Between 1995 and 1998, apple growers lost approximately $760 million due to questionable import practices involving such countries as China and Korea, in addition to the stiff export tariffs.

Growers like to be self-sufficient and would not ask for help if it did not mean their survival. Many growers in financial crisis are being pushed off their farms. One study has estimated that the numbers of those leaving their farms could be as high as 30 percent.

We need to stop this exodus from the family farms by providing farmers this year with the support and money they desperately need. The Harkin bill would have done that. Instead, as the Senator from Iowa stated earlier, with a gun to our head and without the recourse of getting cooperation and support from the President or from our colleagues on the other side of the aisle, we passed an Ag supplemental bill that will mean hundreds of millions fewer dollars to the State of Washington and to family farmers. We need to do better.

Many of my colleagues have talked about the shortcomings of this legislation. So as we prepare for adjournment, as wheat farmers begin their harvest, as apple growers deal with drought and suffer from storm loss, as communities throughout Washington State and the country deal with the economic impacts being felt by the agricultural industry, I hope my colleagues will think hard about these issues and return in September to do more for family farmers and to show our appreciation for that industry.

I yield back the remainder of my time.

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Ms. CANTWELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Louisiana.

FAMILY FARMS NEED ASSISTANCE

Ms. LANDRIEU. Mr. President, before leaving for the recess, I, too, wanted to address a couple of points on my mind and I am sure on the minds of the people of Louisiana. We have enjoyed, as a State, some success this session on many different issues. Of course, some of them are not resolved.

Senator BREAUX and I have been very involved with the issue of education and health care. As we wind down this particular part of our session, I wish to speak for a moment on the area of agriculture.

The Senator from Washington just spoke. She says she is leaving town with some disappointment. I add my voice to say I, too, am disappointed in the outcome of our Agriculture supplemental appropriations bill. We seem to have room in the budget for many other items, but sometimes when it comes to our farmers and agriculture, they are cut short or draw the short straw.

That is very unfortunate because, according to the budget outline, there was money available to allocate in an emergency and supplemental way to meet the needs of farmers, not only in Louisiana and throughout the South but, as the Senator from Washington said, the farmers and agricultural interests in her State and throughout the Nation.

The House adjourned, setting the floor quite low at $5.5 billion. The Senate, in a bipartisan fashion and with bipartisan support, went on record as supporting a higher number of $7.5 billion. When $2 billion is cut out, a lot of farmers in Louisiana are shortchanged.

Our AMTA payments were reduced substantially. The conservation programs, so important to farmers in Louisiana because of our tremendous wetlands conservation efforts, are shortchanged.

The public/private partnerships that farmers and landowners can enter into with the Government to reduce production and help keep prices high, was curtailed because of our lack of commitment to this funding level. In addition, because of the unfortunate timing, we are not going to be able to come back in the fall and recoup the lost ground because we will be past the September deadline.

I have here an interesting letter from the American Soybean Association, National Corn Growers, National Association of Wheat Growers, and, of course, the National Cotton Council.

This letter says: We would rather have $5.5 billion than nothing, and so would I. But they should not have had to settle for the $5.5 billion when even settling for $7.5 billion is not enough to meet the needs and the emergencies being experienced by farmers everywhere who are, frankly, entitled to more.

I most certainly do not blame these associations for saying, listen, we are between a rock and a hard place. They are saying, "The House has adjourned. It has approved $5.5 billion. We would just as soon take that." I know if they could stand here and speak their minds, and speak the truth, they would say $5.5 billion is not enough. It is going to leave a lot of our farmers with higher debts and impact a lot of our rural communities across the Nation.

In Louisiana, we have experienced some of the lowest prices in decades, and a severe drought. This drought has brought about an intrusion of saltwater into many of our marshes and farmland, creating additional problems. It is a very difficult time in agriculture.

I did not want to leave without saying I am extremely disappointed we were not able to get the level of AMTA payments higher. It is very important to our farmers and our conservation programs. I think we will end up paying a higher price in the months and years to come.

In addition, it is of particular disappointment we do not have included in this particular package our voluntary State-supported, State-recommended, and State-endorsed dairy compacts. Compacts are important to dairy farmers all over this Nation and come at no cost to the taxpayer.

We are arguing about an agricultural funding bill because the two Houses cannot decide whether $5.5 billion is the right amount or $6.5 billion or $7.5 billion. I know money does not grow on trees, and we do not want to overspend.

We want to live within budgetary constraints, but what puzzles me so much about this debate is the dairy compact does not cost the taxpayers a penny. We could have added it and not added one penny to the Agriculture supplemental appropriations bill because dairy compacts do not cost the taxpayers any money. They are a voluntary, State-run, State-supported and allow dairy farmers, along with consumers and the retail representatives, to set a price for fluid milk so we can make sure everyone in our districts and our regions have a fresh, steady supply of milk.

It is a system whereby if prices go up, the producers pay out of their profits; if the prices go down, the farmers are paid out of the profits to retailers and others, therefore, leveling the price and allowing the farmers to make plans for their growth and production of dairy products.

It has been proven very successful in the Northeast. The Senators from Vermont have been two of the lead sponsors and advocates. New York has petitioned to join, Pennsylvania has petitioned to join, and the Southern delegates and the Southern Senators want the South to have the same right to organize into compacts and help our farmers.

In Louisiana, we have lost 204 dairy farms since 1995. We have only 468 remaining. If we do not answer in some way to the dairy farms, I am going to be back in 3 years saying: We had 468, now we are down to 250, and 3 years from now we will be down to 150. Before you know it, we will be in a position where we are importing all of our milk from other parts of the Nation. We will be paying higher prices, because there will be less competition and less of a competitive organization of dairy farmers.

Had Louisiana been a member of the Southern Dairy Compact last year, our 468 dairy farms would have received almost $12 million in compact payments. That is not a huge amount of money by Washington standards. It is not in the billions, but I can tell my colleagues, $12 million means a lot to the people of Louisiana and to these farmers who are scratching out a living, trying to operate their enterprises at a profit. It not only means a lot to the farmers and their families, but to the communities in which they buy supplies, pay taxes that provide for vital community services.

When a dairy farmer goes out of business, it does not just collapse that particular dairy farm and bring harm to that particular family, it affects the whole rural economy of many of our States.

Northeast Dairy compact States show the compact had a steadying influence on the support of farms. Without exception, we know, based on the facts and the figures, that the Northeast experiment has been very positive.

When we come back in the fall, I am not sure what we can do to restore the level of funding. As I said, this was an opportunity lost. We now have to operate under new budget constraints. I am not sure how we are going to fill in the gaps, but because the dairy compact does not cost additional funding, I am hopeful. I look forward to joining with my colleagues in building a bipartisan support for State-run, State-supported voluntary dairy compacts that do not cost the taxpayer a dime but help keep a steady, reliable source of fluid milk coming to our consumers and to consumers in every region of this Nation. I am hopeful that when we get back, we will have success.

We have a farm bill to debate. There are many changes that our farmers are going to need so that we can compete more effectively. We need to open up trade opportunities, more risk management tools, and the dairy compact that can help our farmers help themselves and not just rely on a Government handout. That is all they ask. They just want to be met halfway. We can most certainly do a better job.

I am going to fight as hard as I can for the Southern region of this Nation that, in my opinion, has historically been shortchanged when it comes to agriculture. I am going to join with Senators from New York, New Jersey, and Washington, and other States which have, in some way, also been shortchanged because of the lack of emphasis on speciality crops. Although I do not represent New Jersey, New York, or Washington, I think it is important for us to make sure the agriculture bill is fair and equitable to every region of this Nation.

The South has been shortchanged time and again. We are going to join a coalition to make sure our farmers get their fair share and that we are providing the taxpayers a good return on the money that is invested. We need to create ways to help farmers minimize the cost to the taxpayers and maximize the total benefit.

ELECTION REFORM

Ms. LANDRIEU. Mr. President, I will take 2 more minutes, if I can, to say a word about the election reform measure that Senator DODD spoke about just a few minutes ago.

I am proud to be a cosponsor of that election reform measure. I thank the Senator from Connecticut for leading this effort, for being such a terrific and articulate spokesperson for improving our election system in this Nation.

It truly is a travesty and really a hypocrisy for us to encourage people to register to vote, urge them to exercise their full rights as citizens, and then not count their votes, or turn them away at the polls.

In the year 2001, that should not be the case. That should not be the case at any time. Unfortunately, there have been dark places in our history where people by the millions were turned away or were not allowed to register. Our country has made great progress.

As the last election showed, and as we need to discuss when we come back, we have a lot of fixing to do. There are improvements that need to be made. We need to proudly stand up to the world and say: Yes, we want our citizens registered, and if they are a legal voter, whether they are in a wheelchair, visually impaired, or have other physical challenges, despite the fact they may be older or not as strong and as able, they have a right to vote and they have a right to have their vote counted, and they have a right to the kind of equipment and technology that is available that makes sure those votes are counted and certified.

In conclusion, no system is going to be perfect, but the evidence is in to suggest that the system we have in the United States can and should be perfected. I am proud that in Louisiana we do have standardized voting machines, and we have worked very hard on opening access to those polling places.

Even in Louisiana, where we do have standardized voting machines, and state-of-the-art technology in poor and wealthy districts, rural and urban districts, we can make improvements there.

I look forward to working with my colleagues on this important subject when we return.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. CARNAHAN). Will the Senator withhold her request for a quorum call?

Ms. LANDRIEU. Yes.

The PRESIDING OFFICER. The Senator from Alaska.

ENERGY

Mr. MURKOWSKI. Madam President, I will try to be brief because I am sure there are many who would like to start the recess.

Madam President, I call your attention and that of my colleagues to the activity in the U.S. House of Representatives which occurred the day before yesterday, rather late at night. This involved the reporting out of an energy bill, a very comprehensive bill. As a consequence, the baton now passes to the Senate. There is going to be a great deal of debate in the committee, on which I am the ranking member, along with other members of that committee, including the Senator from Louisiana who just addressed this body. As a consequence of that debate and the development of our own energy bill at this time, I will highlight one of the topical points in that bill that affects my State of Alaska. That is the issue of ANWR, the Arctic National Wildlife Refuge.

The action by the House is very responsible. It puts the issue in perspective. The issue has been that somehow this huge area called ANWR, an area of 19 million acres, an area that is approximately the size of the State of South Carolina, is at risk by any action by the Congress to initiate authorization for exploration.

What the House has done is extraordinary, mandating a limitation of 2,000 acres to be the footprint associated with any development that might occur in that area. It takes the whole issue and puts it in perspective, that, indeed, This is not more than four or five small farms, assuming the rest of the area of the State of South Carolina were a wilderness. That is the perspective.

For those who argue ANWR is at risk, the House action has clearly identified the footprint will be 2,000 acres. What will that do to America's technology, to America's ingenuity? It will challenge it. It will say, we must develop this field, if indeed the oil is there, with this kind of footprint.

This technology has been developed in this country. The exploration phase is three-dimensional. It suggests that you can drill under the U.S. Capitol and come out at gate 8 at Reagan Airport. That is the technology. This gives side views of what lies under the ground and the prospects for oil and gas. It mandates the best technology. It mandates we must develop this technology, and as a consequence puts a challenge to the environmental community, the engineering community, and our Nation. That challenge will help make this the best oilfield in the world, bar none.

What else does it have? It has a project labor agreement. That means there will be a contractual commitment between the unions, the Teamsters, and the AFL-CIO, and it will create thousands of jobs in this country. These are American jobs.

I urge Members to consider for a moment that over half of our deficit balance of payments is the cost of imported oil. Once the Congress speaks on this issue, there will be a reaction from OPEC. That reaction will be very interesting. OPEC is going to increase its supply and the price of oil is going to be reduced in this country. There is no question about it. If OPEC knows we mean business about reducing our dependence on imported oil, they will clearly get the signal.

Furthermore, it is rather interesting what the House did with the disposition of royalties. The anticipated revenue from lease sales for the Federal land in this area is somewhere in the area of $1.5 to $2 billion. That money is not just beginning to go in the Federal Treasury; it will go into the development of alternative and renewable sources of energy. So we have the funds to develop the new technologies.

One of the misconceptions in this country that covers energy is that it is all the same. It isn't. We generate electricity from coal. The State of West Virginia is a major supplier of coal. Nearly 51 percent of the energy produced in this country comes from coal. We also have the capability to produce from nuclear. About 22 percent of our energy comes from nuclear. We also use a large amount of natural gas, but our natural gas reserves are going down faster than we are finding new ones.

We have hydro; we have wind; we have solar. These are all important in the mix. The funds from the sale or lease in ANWR are going to go back and develop renewable sources of energy.

The point I make is why these energies are important. America moves on oil. The world moves on oil. There is no alternative. We must find an alternative, perhaps fuel sales, perhaps hydrogen technology, but it is not there. We will be increasingly dependent on sources from overseas.

I know the President pro tempore remembers the issue of the U2 over Russia, Gary Powers, an American pilot in an observation plane that was shot down. At that time, we were contemplating a major meeting of the world leaders to try and relieve tensions. When his plane was shot down, tensions were increased dramatically between the Soviet Union and the United States. It was a time of great tension.

The other day we had a U2 flying over Iraq with an American pilot. We were enforcing a no-fly zone. We were doing an observation. A missile was shot at that aircraft, barely missing it. It blew up behind the tail. It hardly made page 5 in the news.

We are importing a million barrels a day from Iraq. We are enforcing a no-fly zone over Iraq. We have flown 231,000 individual sorties, with men and women flying our aircraft, enforcing this no-fly zone, ensuring his targets are not fully developed. Occasionally we bomb and take out targets.

How ironic; here we are, importing a million barrels a day, enforcing a no-fly zone, taking on his targets, but we are taking this oil and putting it in our aircraft to do it. I don't know about our foreign policy.

What does he do with the money he receives from us? His Republican Guards keep Saddam Hussein alive. He develops a missile delivery capability. He puts on a biological warhead, perhaps. Where is it aimed? At our ally, Israel. Virtually every speech Saddam Hussein gives is concluded with "death to Israel."

Where does this fit in the big picture? Six weeks ago we imported 750,000 barrels a day from Iraq. I find it frustrating. We had another little experience about 3½ weeks ago. Saddam Hussein was not satisfied with the sanctions being levied by the U.N. He said: I will cut my oil production 2.5 million for 30 days. That is 60 million barrels. We all thought OPEC would stand up and increase production. They didn't. They have a cartel. We can't have cartels in this country. We have antitrust laws against them.

My point is quite evident. OPEC, the Mideast nations, are trying to stick together, hold up the price, because they are increasing their leverage on the United States. What does that do to the national security of this country? It is quite obvious to me.

There is another argument that was used. We heard it on the House floor: Ban the export of any Alaskan oil that might come from ANWR. Fine, I will support that.

One of the amusing observations I made the other day is that one of the Members of the House got up and said we have to oppose opening this because all the oil is going to Japan. That is nonsense. So it is prohibited in the authorization. The last oil that was exported outside the United States from Alaska occurred a year ago last April, a very small amount that was surplus. But it is not surplus anymore because California is now importing a great deal of foreign oil because they have increased their utilization while Alaska has declined in its production.

If you go through the arguments that will be before this body on the ANWR issue, please think about the action of the House, the responsible action of the House. No longer is 19 million acres at risk, an area the size of the State of South Carolina; 2,000 acres is at risk. Is that a reasonable compromise to address our energy security? Certainly. It mandates the best use and the highest use of particular knowledge. It has a project labor agreement in it. The unions think very highly of this because it has become a jobs issue.

We have an obligation to do what is right for America. We know our environmental friends have taken a stand on this, but most of their arguments are gone: Can you open it safely? Surely; and the Federal royalties are going to go back for conservation and renewables and R&D. We are going to put a ban on exports, resolving that issue.

ANWR has been the focal point of a lot of misinformation by environmental extremists. They have tried to hold it hostage for their own publicity, membership, and dollars, and they have been quite effective. But the House vote proves that when we really look beyond the rhetoric, we can safely explore the resources in ANWR.

I applaud the House leadership for crafting a compromise, a balanced bill, one that I think every Member should seriously consider.

After the recess, I am going to be discussing this issue at some length. I hope my colleagues will join me. We have heard from a few who say, we are going to filibuster this. You are going to filibuster an energy bill? Is that what you really want to do? Are you going to filibuster and in effect cause us to increase our dependence on imported oil? Filibuster a bill that will provide more American jobs for American labor? I welcome that debate.

It is amusing, and I am going to conclude on this note because I see the President pro tempore patiently waiting, how things change in our media as they are exposed to the pressures from special interest groups. I am going to quote from the Chattanooga Free Press, June 3 of this year, an article done by Reed Irvine. He cites the issue of the Arctic National Wildlife Refuge, the issue of arsenic in the drinking water, the idea of trying to bring things into balance. He specifically takes on two of the major newspapers in this country, the Washington Post and the New York Times, by reminding us of their gross inconsistency. He states:

> In 1987, a Washington Post editorial describing ANWR as one of the "bleakest, most remote places on the continent" said, "(T)here is hardly any other place where drilling would have less impact on surrounding life . . . Congress would be right to go ahead and, with all the conditions and environmental precautions that apply in Prudhoe Bay, see what's under the refuge's tundra."
>
> In 1988, a New York Times editorial said of the area, "(T)he potential is enormous and the environmental risks are modest . . . the likely value of the oil far exceeds plausible estimates of the environmental cost." It concluded, "(I)t is hard to see why absolutely pristine preservation of this remote wilderness should take precedence over the nation's energy needs."

That was in 1988. We are importing right now close to 60 percent of the oil we consume. The article goes on to say:

> Since then our energy needs have become more pressing, but with new editorial page editors, both these papers are now singing a different tune about the ANWR. At the Times, editorial-page editor Howell Raines has dumbed-down the paper's editorial pages and op-ed pages. A good example is an editorial on drilling for oil in ANWR published last March. It said, "This page has addressed the folly of trespassing on a wondrous, wildlife preserve for what, by official estimates, is likely to be a modest amount of economically recoverable oil."

What the Post had described as "one of the bleakest, most remote places on the continent" had somehow in the flick of a new editorial editor been transformed, in 14 years, to some wonderful wildlife preserve.

> Having worked that miracle, Raines has been designated as the next executive editor of the paper.

Over on the other side:

> Fred Hiatt, who succeeded Meg Greenfield as the editorial page editor of the Washington Post, effected a similar transformation. Now a Post editorial describes that formerly remote, bleak wasteland as, "a unique ecological resource" and says that exploiting it "for more oil to feed more of the same old profligate habits would be to take the wrong first step." The Post accused [those of us in this body who support this] of "demagoguery."

How clever.

I ask unanimous consent the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chattanooga Times/Chattanooga Free Press, June 3, 2001]

SHADY ENVIRONMENTALISM

(By Reed Irvine)

Environmentalists come in many shades of green, but a lot of them are just plain shady, ignoring science and common sense and jumping on the green bandwagon for partisan political purposes. This is evident in the rush of people to bash the Bush environmental initiatives. All of a sudden, thanks to a last minute move by Bill Clinton, countless Americans began quaking in their boots, having learned from the media that something very few of them had ever heard of before, arsenic in drinking water, might give them cancer.

They were not told that this conclusion was based on studies in countries where the level of arsenic in drinking water is as much as 10 times higher that the 50 parts per billion maximum level permitted in the U.S. We have yet to see a study showing that cancers caused by arsenic are more prevalent in communities in this country where arsenic in drinking water is above average than in those communities where it is below average. We have seen a story in the New York Times reporting that arsenic is used at the Sloan Kettering Institute to cure a particularly vicious type of leukemia.

Even more than arsenic in drinking water, the proposed drilling for oil in the Arctic National Wildlife Refuge has been used to bash President bush and Vice President Dick Cheney. Back in the 1980s. two of our most influential newspapers, the Washington Post and the New York Times, favored exploitation of the oil in this remote, inhospitable region of Alaska.

In 1987, a Washington Post editorial describing this area as "one of the bleakest, most remote places on this continent" said, "(T)here is hardly any other place where drilling would have less impact on the surrounding life . . . Congress would be right to go ahead and, with all the conditions and environmental precautions that apply to Prudhoe Bay, see what's under the refuge's tundra."

In 1988, a New York times editorial said of this area, "(T)he potential is enormous and the environmental risks are modest . . . the likely value of the oil far exceeds plausible estimates of the environmental cost." It concluded "(I)t is hard to see why absolutely pristine preservation of this remote wilderness should take precedence over the nation's energy needs."

Since then our energy needs have become more pressing, but with new editorial-page editors, both of these papers are now singing a different tune about the ANWR. At the Times, editorial-page editor Howell Raines, has dumbed-down the paper's editorial and op-ed pages. A good example is an editorial on drilling for oil in the ANWR published last March. It said, "This page has addressed the folly of trespassing on a wondrous wildlife preserve for what, by official estimates, is likely to be a modest amount of economically recoverable oil." What the Post had described as "one of the bleakest, most remote places on this continent," had been transformed in 14 years to "a wondrous wildlife preserve." Having worked that miracle, Raines has been designated as the next executive editor of the paper.

Fred Hiatt, who succeeded Meg Greenfield as editorial-page editor of the Washington Post, effected a similar transformation. Now a Post editorial describes that formerly remote, bleak wasteland as "a unique ecological resource" and says that exploiting it "for more oil to feed more of the same old profligate habits would be to take the wrong step first." The Post accused the Alaska senators who advocate drilling for oil in the ANWR of "demagoguery."

Sen. Frank Murkowski sent a letter to the Post in which he pointed out that Alaska has 125 million acres of national parks, preserves and wildlife refuges, of which 19 million acres are in the ANWR. Congress set aside 1.5 million ANWR acres for possible oil and gas exploration. The Bush proposal is to permit drilling on about 2,000 acres, about one-hundredth of 1 percent of the entire refuge. Sen. Murkowski concluded, "I suggest the demagoguery comes when you follow the extreme environmentalist line: 19 million acres for wildlife and pristine conditions and not even 2,000 acres for energy security." Energy security is not a minor consideration. The U.S. imported 37 percent of its oil in the 1970s and 57 percent today. It is said that ANWR could supply only enough oil to meet our needs for six months. That might be true if ANWR were our only source of oil. The U.S. Geological Survey estimates that there is enough oil there to replace our imports from Saudi Arabia for the next 20 to 30 years. Only a very shady environmentalist would shun that.

Mr. MURKOWSKI. My next effort after the recess will be to come back and discuss the energy situation. It is not a matter of pointing fingers. When we come back, I will say why we are focusing in on oil exploration as well. I am going to try to answer the question why is it safer and better to import our oil rather than drilling right here in America by providing the facts. We need to know what we have in America first.

I am going to talk about how the experts estimate ANWR might only contain a 6-month supply of oil, which is absolutely ridiculous because that would be true only if we produced no oil nor imported any into the United States for 6 months. ANWR has the potential of equaling what we are currently importing from Saudi Arabia for a 30-year period of time.

We are going to answer the question of whether we should focus more on conservation. I am going to answer that by saying we need a balance.

I am going to answer the question of why it takes energy so long to turn it around once the shortage begins to become noticed.

I am going to talk about why we must act now because we are going to be held responsible if, indeed, we do not act now.

Madam President, I thank the President pro tempore for his attention. I remind my colleague we have some heavy lifting to do because the American people are looking for action.

We started in 1992. I was on the committee. Senator BENNETT JOHNSTON was chairman of that committee. We put out an energy bill from that committee. When it came to this floor, we gave away clean coal; we gave away nuclear; we gave away hydro; we gave away natural gas; we gave away oil; and we concentrated on alternatives and renewables. We expended $6 billion. That was a worthwhile effort. But we didn't increase supply.

This is a different year. The "perfect storm" has come together. Our natural gas prices have quadrupled. We haven't built a new coal-fired plant in this Nation since 1995. We haven't done anything with nuclear energy in a quarter of a century. We haven't built a new refinery in 25 years. Now we suddenly find that we don't have a distribution system for our electrical generation or our natural gas generation. We are constrained. It is affecting the economy. It is affecting jobs. It is going to get worse. The American people expect us to come back and do something about it. They will not stand for grandstanding. They will not stand for the status quo. They will not stand for the threat of filibusters.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Madam President, what is the time limit for Senators to speak?

The PRESIDING OFFICER. Ten minutes.

Mr. BYRD. I thank the Chair.

Madam President, I ask unanimous consent that I may speak using whatever time is necessary.

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC SLOWDOWN AND BUDGET SURPLUS REVISIONS

Mr. BYRD. Madam President, the Commerce Department reported last week, July 27, that the U.S. economy grew at an anemic 0.7 percent rate in the second quarter of this year, April 1–June 30. This is the slowest growth rate in 8 years, and considerably lower than the 8.3 percent growth rate seen just 18 months ago.

"If you applied logic to the [economic] news these days," wrote Allan Sloan in the Washington Post on Tuesday, July 31, "the logical conclusion would be that the economy has fallen off a cliff and is about to splatter all over the canyon floor and take us with it."

This week, July 30, the Wall Street Journal reported, "the economy has been pushed to the edge of a recession by a breathtaking decline in business investment." In the second quarter, nonresidential investment tumbled at a 13.6 percent rate. Consumer spending, along with robust state and local government spending, is the only thing that prevented the economy from shrinking over the last three months.

In an effort to stem the tide, the Federal Reserve has dramatically cut short-term interest rates by almost 3 percentage points over the last 7 months. These are the most aggressive rate reductions since the 1982 recession under President Reagan.

Despite this negative economic news, the Administration remains resolutely optimistic about the economy's future, pinning their hopes on the recently enacted tax cut. Treasury Secretary Paul O'Neill said last week, July 23, that the U.S. economy might grow by more than 3 percent next year. The President's chief economic advisor, Larry Lindsey, in a speech before the Federal Reserve Bank of Philadelphia, reaffirmed this optimistic outlook.

What concerns me is the effect that these tax cuts have had on the economy so far.

Despite the Fed's efforts to cut short-term interest rates to simulate the sluggish economy, long-term interest rates have remained flat or have even risen since earlier this year. The interest rate on the 10-year bond, for example, increased from 4.75 percent in mid-March to just over 5.1 percent today, August 3. Long-term rates have limited efforts by the Fed to stimulate the economy.

What's keeping those rates from falling is the expectation by Wall Street that the recently enacted tax cut has seriously jeopardized our debt retirement efforts. Fed Chairman Greenspan said last week, July 24, before the Senate Banking Committee that long-term rates are higher than expected because of Wall Street's uncertainty about the size of the surpluses and how much debt the federal government will be able to retire.

Just 4 months ago, the President sent his budget to Congress and projected a $125 billion non-Social Security surplus in the current fiscal year. Today, that surplus may have virtually disappeared. Now you see it. Now you don't see it. It did a Houdini on us. It virtually disappeared.

The Treasury Department this week, July 30, announced its debt retirement plans for the next 3 months. Instead of retiring $57 billion in debt, as the Treasury had expected on April 30 before the tax cut was passed, the Treasury now plans to borrow $51 billion. That's a difference of $108 billion.

In part, this quarter's borrowing results from a bookkeeping gimmick in the tax cut bill and will be paid back next quarter. But, the fact remains that interest rates are higher than necessary because of Wall Street's perception that our debt retirement efforts have been threatened in recent months.

If the Federal Government fails to meet Wall Street's expectation about debt retirement, and if surpluses do repeatedly come in below forecasts, investors will continue to drive up long-term interest rates, offsetting the limited stimulus that the tax cuts were supposed to provide, and further stifling economic growth.

Madam President, in his "Report on the Public Credit" to the House of Representatives in January 1790, Alexander Hamilton—our Nation's first Secretary of the Treasury and arguably our Nation's most gifted Secretary of the Treasury—wrote that "states, like individuals, who observe their engagements are respected and trusted, while the reverse is the fate of those who pursue an opposite conduct."

When the administration makes false promises about a budget that can adequately provide for the operations of Government and allow for a massive tax cut without disrupting debt retirement efforts, and then does not deliver on those promises, that administration breaks faith with the American people and undermines trust in their government.

That is the message that the financial markets are sending to the American people. Fiscal responsibility is slipping.

After 10 years of belt tightening and two deficit reduction packages—OBRA of 1990 and OBRA of 1993—signed into law by Republican and Democratic Presidents, this administration's reliance on 10-year projections and its dogged determination to force a massive tax cut through the Congress has put this country in danger of falling back into the deficit dungeon. Will we never learn?

The Senate Budget Committee—based on the administration's own informal estimates—projects that $17 billion in Medicare surpluses will be used in fiscal year 2001 to offset the loss of revenues from the tax cut recently enacted into law. What is worse is that, in fiscal year 2002, the Budget Committee estimates that the entire Medicare surplus and $4 billion of the Social Security surplus will have to be used to offset the loss in revenues from the tax cut.

Meanwhile, this administration is trying to divert attention from its own complicity—divert attention from its own complicity, you see—in creating our current budgetary morass. Despite a tax cut that cost $74 billion in the current fiscal year, White House officials have routinely said that—aha—"the real threat"—they say down there at the other end of the avenue—"the real threat"—this is the White House now; the White House is talking—"the real threat to the surpluses comes from spending (Fliescher, July 9)."

Well, Madam President, I just have to ask, whose spending? Whose spending? The President, himself, requested the only appropriations spending bill that this Congress has passed for the current fiscal year. The Congress passed the supplemental appropriations bill at exactly the same level—exactly the same level—that was requested by the President—not one thin dime more did the Congress appropriate; not one thin dime more than the President requested. So whose spending? The only other spending that has occurred so far is the spending caused by this year's colossal tax cut. Remember, tax cuts spend money—your money—from the U.S. Treasury just like appropriation bills.

Well, I already have the notice for my check. Here it is: "Notice of status and amount of immediate tax relief." Here is what it says: "Dear taxpayer: We are pleased to inform you that the U.S. Congress passed, and President George W. Bush signed into law, the Economic Growth and Tax Relief Reconciliation Act of 2001. As part of the immediate tax relief, you"—me; "you" it says—"will be receiving a check in the amount of $600 during the week of September 10, 2001."

That is spending. That says the Treasury is going to send me and my wife of 64 years $600. That is spending. Tax cuts have spent that surplus that we were talking about a few months back, and we have smashed the piggy bank to the tune of $74 billion in just 1 year. That is just $74 for every minute since Jesus Christ was born.

Moreover, it costs an additional $116 million just to mail out the checks. Here is part of it. Here is part of the $600 million it cost to process and mail out the checks, and to tell taxpayers like ROBERT BYRD that he is going to get $600. Half of it will be his and half will be his wife's.

Now, as the fiscal outlook worsens, there are some who are running for cover or spinning the old blame game wheel as fast as it will go. In fact, I have noted media reports that some Senators are considering raising the old specter of a constitutional amendment—aha, they are going to amend this Constitution now, they say, the Constitution which I hold in my hand—the old specter of a constitutional amendment that would require a balanced budget. Talk about gimmicks. That one is the mother of all gimmicks. Now because of this flashy tax cut—because of this flashy tax cut—and a sluggish economy, we are poised to spend the Medicare surpluses, disrupt our debt retirement efforts, and dive right back into the deficit doldrums. The present course threatens to push the economy and the American people off a cliff into that old familiar sea of red ink.

Look out below.

The Congress had the opportunity earlier this year to pass a responsible budget—to exercise some restraint, to show some caution—before pressing ahead with a budget based on half-baked economic projections and political promises that were made first in the New Hampshire snows of a campaign year—last year, the year 2000. We could have afforded a smaller tax cut, we could have lived within our means while protecting Social Security and Medicare.

That is your money.

Madam President, in spite of the hand that was dealt to us, this Senate is trying to craft 13 responsible appropriations bills. The Senate Appropriations Committee, on which I have sat now for 44 years, has successfully reported out 9 of the 13 appropriations bills—Agriculture, Commerce-Justice-State, energy and water, foreign operations, Interior, legislative branch, Transportation, Treasury-General Government, and VA-HUD—and stayed within our 302(b) allocations. There you are. We have stayed within our 302(b) allocation. In other words, we have not bust the budget. So don't blame it on us. These are balanced and responsible bills. We have done our best.

Unfortunately, the full Senate has not been able to act as quickly.

To date, the President has not signed one—not one—of the 13 regular appropriations bills for the coming fiscal year into law—not one.

The full Senate has passed only five appropriations bills so far, energy and water, Interior, legislative branch, Transportation, and VA-HUD—five of the nine that the Senate Appropriations Committee has reported out. That means that when the Congress returns from its summer recess, the Senate will have to pass eight appropriations bills and all thirteen conference reports before the fiscal year ends on September 30.

Earlier this year I was optimistic about the appropriations and budget process. Our new President was preaching bipartisanship. We were being told that there would be a new spirit, a new spirit in Washington, a new tone, a new era, a new era of cooperation between Democrats and Republicans working together to address our nation's challenges. What a pretty picture! Aha.

When the President missed the deadline for submitting his budget to Congress, we gave him the benefit of the doubt. We knew it takes a new administration time to get up and running. We all know that. The details of that budget were not sent to the Congress before Congress took up the budget resolution, although this Senator and others asked for those details repeatedly. Yet, Congress passed the President's plan. Cooperation ruled.

When the President delayed sending us his Defense budget amendment until after his tax cut bill had been passed, Congress again gave him the benefit of the doubt. Congress was doing its part to encourage the new spirit, the new tone in Washington. A review of our national defense needs was underway, and it seemed logical that the administration would need time to complete that review before requesting additional defense funds.

When Congress learned that the administration's Office of Management and Budget would miss the July 15 statutory deadline for submitting its mid-session review to Congress, not much grumbling was heard in these quarters. It is not unprecedented for an administration to miss these budgetary deadlines, but it is also well to remember that these are statutory deadlines, not recommendations that the administration may choose to meet whenever it is convenient.

Now in the final days before the August recess, I have detected a distinct slowdown in the appropriations process.

With only 17 legislative days left before the start of the new fiscal year, we still have to pass eight appropriations bills, and we have not conferenced one single bill with the House.

It is becoming clear that Congress is very likely to blow right by the September 30 deadline for passing 13 appropriations bills. I do not want to see the budgetary train wreck that we have sometimes witnessed in recent years. Senator TED STEVENS and I, and the other members of the Appropriations Committee—Republicans and Democrats—have been working diligently to avoid just such an outcome. However, unless we change track soon, this train is heading straight for a thirteen car pile-up once again.

I can see the sign. Just read it with me: "Danger, stop, look, listen: Omnibus Bill Ahead!"

If that happens, much of the fiscal restraint that this Congress has mustered is likely to be jettisoned. No matter how carefully Congress tries to craft disciplined, balanced spending bills, when it comes to the final hours before the end of the fiscal year, the pressure to bundle these spending bills has a way of melting all fiscal restraint. Both the Senate and the House need to redouble our efforts to pass these appropriations bills, get them to conference and send them to the White House before September 30.

Let us work diligently instead of playing the blame game and letting the chips fall where they may.

I hope the American people will not be misled by the fancy rhetoric that will certainly fill the political balloons over the coming weeks. You are going to heat lots of it. The tax cut and spending plan that were passed earlier this year were sheer madness. The political balloons may fill the air—even though we are past the fourth of July, the balloons are going up—but they cannot obscure the clear, plain fact of what has happened here. It is not traditional Congressional spending which has cut the surplus, headed us back towards deficits, and threatened our efforts to pay back the debt.

Rather, a Republican-led Congress, at the prodding of the administration, took a gamble and played the odds that the shortfalls of a fiscally irresponsible tax cut could be held off for several years. Maybe we would be lucky. Maybe the gamble would work. But the chickens are coming home to roost much sooner, and lady luck seems to have taken a hike.

In 1981, then-Senate Republican leader Howard Baker called the Reagan tax-cut plan a "river boat gamble." The country lost on that bet. Two decades later, we are only just beginning to recoup our losses.

President Bush took another spin at the roulette wheel and he has wagered our economic prosperity and retirement security that our budget will land in the black. It seems like nothing ever changes in this city. I have been here 49 years. Some things do change.

The Senate will soon recess for the month of August, and, before we leave, it is important that the American people understand that the wheel was rigged. The earnest claims of bipartisan cooperation have vaporized like the smoke at the poker table. In this tax cut casino, the budget can only land on red. But, some of us knew that before we ever got into the game.

I yield the floor.

The PRESIDING OFFICER (Mr. CORZINE). The majority leader.

Mr. DASCHLE. Madam President, let me congratulate the distinguished Senator from West Virginia, our chairman of the Appropriations Committee, for his eloquence and for his wisdom.

I share his view on the propriety of the tax cut. I share his pride in the actions taken by the Appropriations Committee in this body over the last several weeks as we have attempted to make up for lost time on the appropriations process.

We inherited a horrendous schedule. Slowly but surely we have been catching up. Were it not for his leadership and his absolute determination to get back on track, we could not have a full appreciation of how far we have come in the last couple of weeks. As he said, we have done it staying within the budget parameters outlined in the budget resolution. We have not broken the caps, once again demonstrating the fiscal discipline so critical when we began this process several months ago.

We will continue our work when we return. I commend the Senator for his comments today, as well as for his work throughout the last several weeks in reaching this point.

Mr. BYRD. Mr. President, will the majority leader yield?

Mr. DASCHLE. I yield to the Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the majority leader for his tenacity, his determination, and his desire to pass all nine of the appropriations bills which have been reported from the Appropriations Committee before the August recess.

Our committee, Democrats and Republicans, have worked together to report these bills. It is a committee sui generis, one of a kind. The Democrats and the Republicans on that committee work together. There is no hemming and hawing. We work until we get the work done.

The leader said he wanted those bills out of the committee. They are out of the committee. They are on the calendar. He wanted to act on them in the Senate before the August break.

The Senate appointed conferees on at least three of the appropriations bills. I see three on the calendar. Three bills in conference, three appropriations bills with the Senate conferees appointed but there are no House conferees appointed, which concerns me.

I hope when we return from the August recess the other body will appoint its conferees, and we can join with our House counterparts on these conference reports and report them back to the Senate at good speed.

I have been in consultation with the chairman of the House Appropriations Committee and with the subcommittee chairman on the Appropriations Subcommittee on Interior, and others. They assure me they will move rapidly when we do return, but in the meantime our staffs can be doing some of the preliminary work which will make it much easier for our conferees to do their work speedily upon our return.

I thank the majority leader.

Mr. DASCHLE. Mr. President, I thank the chairman and share his concern for the fact we have not yet named conferees on the House side. We are ready to go to work, and we could have accomplished a good deal in the last several weeks were it not for the fact we are unable to go to conference until our House counterparts are prepared to work with us.

I am hopeful when we come back we can make up for lost time because there certainly has been a great deal of lost time today.

NOMINATIONS

Mr. President, I ask unanimous consent to proceed to executive session.

I stand corrected. Mr. President, I understand our Republican colleagues are not yet prepared to move to executive session. I will simply say we are prepared to move 58 additional nominees today. That is in addition to the 30 we have already done this week, making a total of 88 nominations we will have done should our Republican colleagues allow us to move forward with the unanimous consent request.

That means since July 9, which is the first business day following the completion of the organizing resolution, we will have completed 168 nominations. That is some record.

As I said all along, we want to be fair. We want to be responsive. We recognize many of these people need to know the outcome of their nominating process. Unlike so many occasions over the last 6 years, we are desirous of treating all nominees fairly and moving as quickly as we can. Until our Republican colleagues are prepared to provide us with the ability to move forward on this unanimous consent request, I will withhold the request.

I yield the floor.

U.S. PARTICIPATION IN GLOBAL CLIMATE CHANGE RESPONSE

Mr. BYRD. Mr. President, last week, 178 countries reached an agreement in Bonn, Germany, on implementation of the Kyoto Protocol. While this agreement does not settle all the details of how a ratified protocol might work, nearly all the signatories to that treaty hailed last week's agreement as a step forward in the worldwide response to global climate change.

I am disappointed, however, that the United States remained on the sidelines of this latest round of negotiations. I urged the Bush administration not to abandon the negotiation process. I think that we have seen, in last week's agreement, proof that the rest of the world will not sit idly by and wait for the United States. Perhaps this is a good lesson for the administration to learn. America must make an effort, in concert with both industrialized and developing countries, to address the real and serious problem of global climate change.

While I believe that the United States must remain engaged in multilateral talks to address the ever-increasing amounts of greenhouse gases that are emitted into our atmosphere, this does not mean that we should simply sign up to any agreement that may come down the road. The Senate has been very clear on the conditions under which a treaty on climate change may be ratified.

Developing countries must also be included in a binding framework to limit their future emissions of greenhouse gases. It makes no difference if a greenhouse gas is released from a factory in the United States or a factory in China; the global effect is the same. Quizzically, the Kyoto Protocol, as now written, does make such distinctions. It ignores scientific knowledge about the global nature of the problem.

The question of developing country participation was not addressed at the conference in Bonn. Without the United States' full engagement in the talks, there is no other country that can raise this issue and stand a chance of success. This is not meant to disparage the herculean efforts of some of our closest allies to improve the technical aspects of last week's agreement. Some of our allies made substantial contributions to the agreement on technical issues such as allowing the use of forests to absorb carbon dioxide, which is a greenhouse gas, and attempting to improve the compliance mechanisms of the treaty. Those allies should be applauded for their efforts to craft an agreement that does not preclude the United States from participating in future talks, but even our allies would agree that the United States must return to the table.

Despite the shortcomings in the agreement reached at Bonn, I see a window of opportunity for the United States to rejoin the multilateral talks on the Kyoto Protocol. It is a small window, and it is closing, but it is a window nonetheless. In October 2001, the next round of negotiations on climate change will begin in Marrakesh, Morocco. If the administration were to formulate a new, comprehensive, multilateral plan to address climate change before that conference, I believe there would be several factors working in our favor.

The world agrees that any treaty on climate change will be of limited use unless the United States is a full participant, because we are, for now, the largest emitter of greenhouse gases. Developing countries know that we will be the source of much of the new technology that will allow them to use cleaner, more efficient forms of energy. The United States also has much to gain by working with other countries to secure "emission credits" that will help us to reduce our greenhouse gas emissions in a manner that lessens the impact on our economy. Other countries recognize these facts, and many may be willing to hear a bold, new proposal from the United States that may facilitate our return to an improved version of the Kyoto Protocol.

Make no doubt about it, if the United States does return to negotiating on the Kyoto Protocol, progress will not come easy. But in some respects, our role as an international leader is at stake. In Bonn, by remaining on the sidelines during the negotiation, the United States ceded its leadership because of a hasty declaration that the Protocol was, in the words of the President, "fatally flawed." I continue to urge President Bush to demonstrate the indispensability of our leadership in the world by rejoining the negotiations on global climate change, and directing those negotiations toward a solution that encourages developing country participation and protects the health of our economy.

I note that my colleagues on the Committee on Foreign Relations also recognize the importance of remaining engaged in these discussions. On Wednesday, that committee accepted, by a unanimous vote, an amendment to the State Department authorization bill that expounds upon the Senate's position on climate change. Sponsored by Senator KERRY, this amendment expresses the sense of the Congress that the United States must address climate change both domestically and internationally, and supports the objective of our participation in a revised Kyoto Protocol or other, future binding climate change agreement, that includes developing country participation and protects our economy. It is a wise and well-crafted statement, which I support fully.

Formulating an international response to climate change is an ambitious goal. It is a challenge to which the United States must rise. I hope that when Congress returns to session in September, the President will have made the decision that our country must be a full participant in international talks on the Kyoto Protocol, and that he will have made progress in developing specific proposals to improve a multilateral treaty on climate change.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

EXPORT ADMINISTRATION ACT

Mr. REID. Mr. President, I have been very concerned for several months about the Senate not taking action on the Export Administration Act. It is so important to this country that we keep up with the technology that is available and sell it overseas.

I called the President's Chief of Staff yesterday and said it appeared the House was not going to act on the bill. They had simply given us an extension until November. That really does not help very much. So I asked the President's Chief of Staff, Andrew Card, if we can get a letter from the President indicating how important this was and that he would use whatever Executive powers he had at his control during this period of time when we are in a situation where companies cannot sell what they need to sell, and the President fulfilled that responsibility. I appreciate it very much.

Condoleezza Rice said among other things:

I am pleased that the Senate plans to take up S. 149 on September 4, 2001. Because the current Export Administration Act will expire on August 20, 2001, the President is prepared to use the authorities provided him under the International Emergency Economic Powers Act to extend the existing dual-use export control program. As you know, IEEPA authority has previously been used to administer our export control programs. Since a new EAA will provide us the strongest authority to administer dual-use export controls, particularly as related to enforcement, penalties for export control violations, and the protection of business propriety information, we support swift enactment of S. 149.

Mr. President, this statement says a great deal. As I indicated, I am very appreciative.

To maintain America's technology superiority, the United States must modernize outdated export controls on information products and technology. Reform of the export control system is critical because restricting access to computing power is not feasible and no longer serves the national interest. It needlessly undermines technological preeminence of America's information technology industry without accomplishing any significant national security objective.

The continued use of MTOPS, a standard design by the United States Government to regulate the export of information technology is outdated given today's technological and economic realities and the global economy.

Under current law, the President of the United States is required to use an antiquated metric, called MTOPS, which means millions of theoretical operations per second, to measure computer performance and set export control thresholds based on country tiers. This is the intelligence information we have in various countries.

The conclusion could not be clearer. MTOPS are increasingly useless as a measure of performance. MTOPS cannot accurately measure performance of current microprocessors or alternative supercomputing sources clustering. This makes MTOPS-based hardware controls irrelevant. The best choice is to eliminate MTOPS.

Eliminating MTOPS will ensure America's continued prosperity and security in the networked world. It will ensure Government policies that promote U.S. global economic, technological, and military leadership.

Eliminating MTOPS will remove unnecessary and unproductive layer of regulation that no longer serves a meaningful national security purpose and will help level the playing field for American companies that compete in the global economy.

President Bush, the Department of Defense, the General Accounting Office, and the Defense Science Board all recently concluded that MTOPS is an "outdated and invalid" metric and that the current system is simply ineffective. Repeal of NDAA language would give the President the flexibility to develop a more modern, effective system.

This is a bill good for America, and when we come back, I will urge my colleagues to quickly move this legislation.

I again express my appreciation to the President of the United States and his Security Adviser Condoleezza Rice for giving us this information. We will, with their approval, move on this legislation as soon as we get back.

This letter was sent to the majority leader, Senator DASCHLE. I ask unanimous consent it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, August 2, 2001.

Hon. THOMAS A. DASCHLE,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR MR. LEADER: Thank you for your efforts to advance the Senate's consideration of S. 149, the Export Administration Act of 2001. This bill has the Administration's strong support.

I am pleased that the Senate plans to take up S. 149 on September 4, 2001. Because the current Export Administration Act (EAA) will expire on August 20, 2001, the President is prepared to use the authorities provided to him under the International Emergency Economic Powers Act (IEEPA) to extend the existing dual-use export control program. As you know, IEEPA authority has previously been used to administer our export control programs. Since a new EAA will provide us the strongest authority to administer dual-use export controls, particularly as related to enforcement, penalties for export control violations, and the protection of business proprietary information, we support swift enactment of S. 149.

I look forward to continuing to work with you on these important national security issues.

Sincerely,

CONDOLEEZZA RICE,
Assistant to the President for
National Security Affairs.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—EXECUTIVE CALENDAR

Mr. REID. Mr. President, as if in executive session, I ask unanimous consent all nominations received by the Senate during the 107th Congress, except numbers PN 386 and PN 630, remain in status quo, notwithstanding the August 3, 2001, adjournment of the Senate, and the provisions of rule 31, paragraph 6 of the Standing Rules of the Senate.

Mr. LOTT. Reserving the right to object, Mr. President, it is my understanding if this consent were granted on the two nominations, the two cited as PN 386 and PN 630, they would be returned to the White House. However, the White House could immediately resubmit the names. Therefore, I modify the request, or ask to modify the request so that all nominations remain in status quo during the adjournment of the Senate.

Mr. REID. Mr. President, I reserve the right to object to that. I simply say Mary Gall had a hearing and she was not reported out of the committee. In fact, the committee acted affirmatively not to report that to the Senate. I say that Otto Reich as the Assistant Secretary of State—there have been a number of Senators who raised questions about that. If the President feels strongly about Otto Reich, during this period of time we are gone, he has the absolute authority to send that name back to us. I think that would be an appropriate way to proceed.

Therefore, I object to the modified request of the minority leader.

Mr. LOTT. Therefore, I object to the original request by the distinguished assistant majority leader.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I respect very much, of course, the decision made by the minority leader. I just disagree with him. It seems to me it is going to unnecessarily create a lot of work for a lot of people. Sending those two names back—if the President wishes to resubmit them, he can do that, but there is no need to belabor that any further today.

Mr. LOTT. Mr. President, if I could be recognized just to respond briefly, I understand what the Senator from Nevada is saying. We discussed it.

We believe Mary Sheila Gall's nomination to be Chairman of the Consumer Product Safety Commission was treated very badly and very shabbily in terms of the things that were said about her and the vote that occurred. I am sure there will be those who make the argument on the other side.

With regard to Otto Reich to be Assistant Secretary of State, he has not had a hearing. We believe it is unfair to single him out and send back just one nominee at this time.

My understanding is over the past several years, during the 5 years I was majority leader, in every year but one we sent back no nominees. In 1999, we did actually send back nine. To isolate it down to one or two this early in the session, we believe, is a problem. We realize it is a ministerial process now. They will all be sent down and all will be bundled up and sent back, but it does highlight our concern about the way these two nominees are being treated.

I understand what Senator REID was saying. We have taken that action, right or wrong. Now we can move on.

Mr. REID. I just say to the distinguished Republican leader, I had a meeting in my office yesterday on Otto Reich. Some of my friends came to speak to me very favorably about Otto Reich.

I think the decision may focus more attention on it than if the President simply resubmitted the name, but as I said earlier, time will only tell if he will resubmit the name. I am sure he will resubmit the names of all the others. It just creates a lot of paperwork for a lot of people.

Mr. LOTT. If the Senator will just yield on one point, I thank the Senator for nominations we are going to be able to move now. A lot of work has been done to get this list cleared. You have given a lot of time to it, as has Senator NICKLES. I just wanted to thank you in advance for the work that has been done.

Mr. REID. Of course, nothing would be done but for the two leaders. Senator NICKLES and I were given an assignment to do what we could to clear these names. He came to me yesterday and he said, since you have been given this job, I have been able to clear three. He said prior to my getting involved he cleared 58 or so. For Senator NICKLES and me, this makes us look good also. But these names could not have been cleared but for the work of our two leaders.

The nominations returned are as follows:

NOMINATIONS RETURNED

The following nominations were returned to the President of the United States pursuant to Rule XXXI, paragraph 6 of the Standing Rules of the Senate on Friday, August 3, 2001.

Ellen G. Engleman, of Indiana, to be Administrator of the Research and Special Programs Administration, Department of Transportation.

Kirk Van Tine, of Virginia, to be General Counsel of the Department of Transportation.

Donald R. Schregardus, of Ohio, to be an Assistant Administrator of the Environmental Protection Agency.

The following named officers for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

Col. William P. Ard, 9315, to be Brigadier General.

Col. Rosanne Bailey, 5417, to be Brigadier General.

Col. Bradley S. Baker, 8811, to be Brigadier General.

Col. Mark G. Beesley, 0692, to be Brigadier General.

Col. Ted F. Bowlds, 8694, to be Brigadier General.

Col. John T. Brennan, 1908, to be Brigadier General.

Col. Roger W. Burg, 0024, to be Brigadier General.

Col. Patrick A. Burns, 9945, to be Brigadier General.

Col. Kurt A. Cichowski, 2191, to be Brigadier General.

Col. Maria I. Cribbs, 1906, to be Brigadier General.

Col. Andrew S. Dichter, 7838, to be Brigadier General.

Col. Jan D. Eakle, 6186, to be Brigadier General.

Col. David M. Edgington, 5942, to be Brigadier General.

Col. Silvanus T. Gilbert III, 9317, to be Brigadier General.

Col. Stephen M. Goldfein, 0317, to be Brigadier General.

Col. David S. Gray, 6354, to be Brigadier General.

Col. Wendell L. Griffin, 7494, to be Brigadier General.

Col. Ronald J. Haeckel, 5442, to be Brigadier General.

Col. Irving L. Halter Jr., 3411, to be Brigadier General.

Col. Richard S. Hassan, 8751, to be Brigadier General.

Col. William L. Holland, 4785, to be Brigadier General.

Col. Gilmary M. Hostage III, 6091, to be Brigadier General.

Col. James P. Hunt, 1379, to be Brigadier General.

Col. John C. Koziol, 4047, to be Brigadier General.

Col. David R. Lefforge, 3407, to be Brigadier General.

Col. William T. Lord, 1920, to be Brigadier General.

Col. Arthur B. Morrill III, 9005, to be Brigadier General.

Col. Larry D. New, 2557, to be Brigadier General.

Col. Leonard E. Patterson, 4994, to be Brigadier General.

Col. Michael F. Planert, 4078, to be Brigadier General.

Col. Jeffrey A. Remington, 2881, to be Brigadier General.

Col. Edward A. Rice Jr., 4597, to be Brigadier General.

Col. David J. Scott, 6307, to be Brigadier General.

Col. Winfield W. Scott III, 5508, to be Brigadier General.

Col. Mark D. Shackelford, 8403, to be Brigadier General.

Col. Glenn F. Spears, 2012, to be Brigadier General.

Col. David L. Stringer, 5498, to be Brigadier General.

Col. Henry L. Taylor, 3446, to be Brigadier General.

Col. Richard E. Webber, 3908, to be Brigadier General.

Col. Roy M. Worden, 4884, to be Brigadier General.

Col. Ronald D. Yaggi, 2965, to be Brigadier General.

The following named officer for appointment as Vice Chief of Staff, United States Air Force, and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., sections 601 and 8034:

Lt. Gen. Robert H. Foglesong, 8617, to be General.

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Gen. John W. Handy, 5379, to be General.

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

1Lt. Gen. Charles F. Wald, 1222, to be Lieutenant General.

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Maj. Gen. Teed M. Moseley, 1516, to be Lieutenant General.

The following named officers for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

Col. Byron S. Bagby, 3934, to be Brigadier General.

Col. Leo A. Brooks Jr., 5819, to be Brigadier General.

Col. Sean J. Byrne, 2057, to be Brigadier General.

Col. Charles A. Cartwright, 2898, to be Brigadier General.

Col. Philip D. Coker, 7623, to be Brigadier General.

Col. Thomas R. Csrnko, 1332, to be Brigadier General.

Col. Robert L. Davis, 2604, to be Brigadier General.

Col. John DeFreitas III, 7924, to be Brigadier General.

Col. Robert E. Durbin, 9354, to be Brigadier General.

Col. Gina S. Farrisee, 7084, to be Brigadier General.

Col. David A. Fastabend, 5081, to be Brigadier General.

Col. Richard P. Formica, 7015, to be Brigadier General.

Col. Kathleen M. Gainey, 4227, to be Brigadier General.

Col. Daniel A. Hahn, 0301, to be Brigadier General.

Col. Frank G. Helmick, 8189, to be Brigadier General.

Col. Rhett A. Hernandez, 7009, to be Brigadier General.

Col. Mark P. Hertling, 3917, to be Brigadier General.

Col. James T. Hirai, 5860, to be Brigadier General.

Col. Paul S. Izzo, 1942, to be Brigadier General.

Col. James L. Kennon, 4010, to be Brigadier General.

Col. Mark T. Kimmitt, 8655, to be Brigadier General.

Col. Robert P. Lennox, 8104, to be Brigadier General.

Col. Douglas E. Lute, 2691, to be Brigadier General.

Col. Timothy P. McHale, 0796, to be Brigadier General.

Col. Richard W. Mills, 9267, to be Brigadier General.

Col. Benjamin R. Mixon, 7168, to be Brigadier General.

Col. James R. Moran, 2618, to be Brigadier General.

Col. James R. Myles, 2299, to be Brigadier General.

Col. Larry C. Newman, 6949, to be Brigadier General.

Col. Carroll F. Pollett, 9096, to be Brigadier General.

Col. Robert J. Reese, 3946, to be Brigadier General.

Col. Stephen V. Reeves, 2272, to be Brigadier General.

Col. Richard J. Rowe Jr., 5346, to be Brigadier General.

Col. Kevin T. Ryan, 4755, to be Brigadier General.

Col. Edward J. Sinclair, 9044, to be Brigadier General.

Col. Eric F. Smith, 3800, to be Brigadier General.

Col. Abraham J. Turner, 5542, to be Brigadier General.

Col. Volney J. Warner, 3024, to be Brigadier General.

Col. John C. Woods, 4554, to be Brigadier General.

Col. Howard W. Yellen, 3205, to be Brigadier General.

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Lt. Gen. Larry R. Jordan, 0772, to be Lieutenant General.

The following named officers for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

Brig. Gen. Keith B. Alexander, 9763, to be Major General.

Brig. Gen. Eldon A. Bargewell, 6135, to be Major General.

Brig. Gen. David W. Barno, 9794, to be Major General.

Brig. Gen. John R. Batiste, 9665, to be Major General.

Brig. Gen. Peter W. Chiarelli, 6598, to be Major General.

Brig. Gen. Claude V. Christianson, 1982, to be Major General.

Brig. Gen. Robert T. Dail, 5056, to be Major General.

Brig. Gen. Paul D. Eaton, 1993, to be Major General.

Brig. Gen. Karl W. Eikenberry, 5197, to be Major General.

Brig. Gen. Robert H. Griffin, 5619, to be Major General.

Brig. Gen. John W. Holly, 6285, to be Major General.

Brig. Gen. David H. Huntoon Jr., 1919, to be Major General.

Brig. Gen. James C. Hylton, 8014, to be Major General.

Brig. Gen. Gene M. LaCoste, 2941, to be Major General.

Brig. Gen. Dee A. McWilliams, 1427, to be Major General.

Brig. Gen. Raymond T. Odierno, 8425, to be Major General.

Brig. Gen. Virgil L. Packett II, 9367, to be Major General.

Brig. Gen. Joseph F. Peterson, 2747, to be Major General.

Brig. Gen. David H. Petraeus, 1960, to be Major General.

Brig. Gen. Marilyn A. Quagliotti, 8480, to be Major General.

Brig. Gen. Michael D. Rochelle, 4381, to be Major General.

Brig. Gen. Donald J. Ryder, 5451, to be Major General.

Brig. Gen. Henry W. Stratman, 1226, to be Major General.

Brig. Gen. Joe G. Taylor Jr., 0884, to be Major General.

Brig. Gen. N. Ross Thompson III, 5240, to be Major General.

Brig. Gen. James D. Thurman, 8182, to be Major General.

Brig. Gen. Thomas R. Turner II, 7116, to be Major General.

Brig. Gen. John M. Urias, 6022, to be Major General.

Brig. Gen. Michael A. Vane, 9890, to be Major General.

Brig. Gen. William G. Webster Jr., 9468, to be Major General.

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Maj. Gen. John M. Le Moyne, 7525, to be Lieutenant General.

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

Brig. Gen. Lester Martinez-Lopez, 1323, to be Major General.

The following named officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

Col. Dawn R. Horn, 3444, to be Brigadier General.

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Lt. Gen. Paul J. Kern, 5577, to be General.

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Lt. Gen. Kevin P. Byrnes, 7639, to be Lieutenant General.

The following named officers for appointment in the United States Coast Guard to the grade indicated under title 14, U.S.C., section271:

Rear Adm. (lh) James C. Olson, 7892, to be Rear Admiral.

Rear Adm. (lh) James W. Underwood, 8189, to be Rear Admiral.

Rear Adm. (lh) Ralph D. Utley, 9691, to be Rear Admiral.

Rear Adm. (lh) Kenneth T. Venuto, 2213, to be Rear Admiral.

Mary Sheila Gall, of Virginia, to be Chairman of the Consumer Product Safety Commission.

Leslie Lenkowsky, of Indiana, to be Chief Executive Officer of the Corporation for National and Community Service.

P. H. Johnson, of Mississippi, to be Federal Cochairperson, DeltaRegional Authority.

Thomas C. Dorr, of Iowa, to be Under Secretary of Agriculture for Rural Development.

Hilda Gay Legg, of Kentucky, to be Administrator, Rural Utilities Service, Department of Agriculture.

Mark Edward Rey, of the District of Columbia, to be Under Secretary of Agriculture for Natural Resources and Environment.

Thomas C. Dorr, of Iowa, to be a Member of the Board of Directors of the Commodity Credit Corporation.

Mark Edward Rey, of the District of Columbia, to be a Member of the Board of Directors of the Commodity Credit Corporation.

Elsa A. Murano, of Texas, to be Under Secretary of Agriculture for Food Safety.

James Edward Rogan, of California, to be Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.

Joseph E. Schmitz, of Maryland, to be Inspector General, Department of Defense.

Michael Parker, of Mississippi, to be an Assistant Secretary of the Army.

Marvin R. Sambur, of Indiana, to be an Assistant Secretary of the Air Force.

Brian Jones, of California, to be General Counsel, Department of Education.

Linton F. Brooks, of Virginia, to be Deputy Administrator for Defense Nuclear Nonproliferation, National Nuclear Security Administration.

Janet Hale, of Virginia, to be an Assistant Secretary of Health and Human Services.

Joan E. Ohl, of West Virginia, to be Commissioner on Children, Youth, and Families, Department of Health and Human Services.

Kenneth M. Donohue, Sr., of Virgina, to be Inspector General, Department of Housing and Urban Development.

Sharee M. Freeman, of Virginia, to be Director, Community Relations Service, for a term of four years.

John W. Gillis, of California, to be Director of the Office for Victims of Crime.

Thomas L. Sansonetti, of Wyoming, to be an Assistant Attorney General.

1J. Robert Flores, of Virginia, to be Administrator of the Office of Juvenile Justice and Delinquency Prevention.

Deborah J. Daniels, of Indiana, to be an Assistant Attorney General.

Richard R. Nedelkoff, of Texas, to be Director of the Bureau of Justice Assistance.

Mauricio J. Tamargo, of Florida, to be Chairman of the Foreign Claims Settlement Commission of the United States for a term expiring September 30, 2003.

John W. Suthers, of Colorado, to be United States Attorney for the District of Colorado for the term of four years.

Anna Mills S. Wagoner, of North Carolina, to be United States Attorney for the Middle District of North Carolina for the term of four years.

Thomas E. Moss, of Idaho, to be United States Attorney for the District of Idaho for the term of four years.

William Walter Mercer, of Montana, to be United States Attorney for the District of Montana for the term of four years.

Michael G. Heavican, of Nebraska, to be United States Attorney for the District of Nebraska for the term of four years.

Todd Peterson Graves, of Missouri, to be United States Attorney for the Western District of Missouri for the term of four years.

John L. Brownlee, of Virginia, to be United States Attorney for the Western District of Virginia for the term of four years.

Paul K. Charlton, of Arizona, to be United States Attorney for the District of Arizona for the term of four years.

Cranston J. Mitchell, of Missouri, to be a Commissioner of the United States Parole Commission for a term of six years.

Edward F. Reilly, of Kansas, to be a Commissioner of the United States Parole Commission for a term of six years.

Marie F. Ragghianti, of Maryland, to be a Commissioner of the United States Parole Commission for a term of six years.

Gilbert G. Gallegos, of New Mexico, to be a Commissioner of the United States Parole Commission for a term of six year.

J. Strom Thurmond, Jr., of South Carolina, to be the United States Attorney for the District of South Carolina for the term of four years.

Michael W. Mosman, of Oregon, to be United States Attorney for the District of Oregon for the term of four years.

Paul J. McNulty, of Virginia, to be United States Attorney for the Eastern District of Virginia for the term of four years.

Robert Garner McCampbell, of Oklahoma, to be United StatesAttorney for the Western District of Oklahoma for the term of four years.

Harry Sandlin Mattice, Jr., of Tennessee, to be United States Attorney for the Eastern District of Tennessee for the term of four years.

Timothy Mark Burgess, of Alaska, to be United States Attorney for the District of Alaska for the term of four years.

Roscoe Conklin Howard, Jr., of the District of Columbia, to be United States Attorney for the District of Columbia for the term of four years.

David Claudio Iglesias, of New Mexico, to be United StatesAttorney for the District of New Mexico for the term of four years.

Matthew Hansen Mead, of Wyoming, to be United States Attorney for the District of Wyoming for the term of four years.

Michael J. Sullivan, of Massachusetts, to be United States Attorney for the District of Massachusetts for the term of four years.

Drew Howard Wrigley, of North Dakota, to be United States Attorney for the District of North Dakota for the term of four years.

Colm F. Connolly, of Delaware, to be United States Attorney for the District of Delaware for the term of four years.

Susan W. Brooks, of Indiana, to be United States Attorney for the Southern District of Indiana for the term of four years.

Leura Garrett Canary, of Alabama, to be United States Attorney for the Middle District of Alabama for the term of four years.

Thomas C. Gean, of Arkansas, to be United States Attorney for the Western District of Arkansas for the term of four years.

Raymond W. Gruender, of Missouri, to be United States Attorney for the Eastern District of Missouri for the term of four years.

Joseph S. Van Bokkelen, of Indiana, to be United States Attorney for the Northern District of Indiana for the term of four years.

Charles W. Larson, Sr., of Iowa, to be United States Attorney for the Northern District of Iowa for the term of four years.

Margaret M. Chiara, of Michigan, to be United States Attorney for the Western District of Michigan for the term of four years.

Robert J. Conrad, Jr., of North Carolina, to be United States Attorney for the Western District of North Carolina for the term of four years.

James Ming Greenlee, of Mississippi, to be United States Attorney for the Northern District of Mississippi for the term of four years.

Terrell Lee Harris, of Tennessee, to be United States Attorney for the Western District of Tennessee for the term of four years.

Stephen Beville Pence, of Kentucky, to be United States Attorney for the Western District of Kentucky for the term of four years.

Gregory F. Van Tatenhove, of Kentucky, to be United States Attorney for the Eastern District of Kentucky for the term of four years.

Thomas B. Heffelfinger, of Minnesota, to be United States Attorney for the District of Minnesota for the term of four years.

Patrick Leo Meehan, of Pennsylvania, to be United States Attorney for the Eastern District of Pennsylvania for the term of four years.

Jay S. Bybee, of Nevada, to be an Assistant Attorney General.

Eugene Scalia, of Virginia, to be Solicitor for the Department of Labor.

Frederico Juarbe, Jr., of Virginia, to be Assistant Secretary of Labor for Veterans' Employment and Training.

John D. Negroponte, of the District of Columbia, to be a Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Representative of the United States of America to the United Nations.

John D. Negroponte, of the District of Columbia, to be the Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

George L. Argyros, Sr., of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Spain, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to Andorra.

Charlotte L. Beers, of Texas, to be Under Secretary of State for Public Diplomacy.

J. Richard Blankenship, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of The Bahamas.

Hans H. Hertell, of Puerto Rico, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

Otto J. Reich, of Virginia, to be an Assistant Secretary of State (Western Hemisphere Affairs).

Ronald E. Neumann, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Bahrain.

Patricia de Stacy Harrison, of Virginia, to be an Assistant Secretary of State (Educational and Cultural Affairs).

Joseph M. DeThomas, of Pennsylvania, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Estonia.

Patrick Francis Kennedy, of Illinois, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Representative of the United States of America to the United Nations for the U.N. Management and Reform, with the rank of Ambassador.

Michael E. Malinowski, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Nepal.

Arlene Render, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cote d'Ivoire.

John F. Turner, of Wyoming, to be Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs.

John N. Palmer, of Mississippi, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Portugal.

Bonnie McElveen-Hunter, of North Carolina, to be AmbassadorExtraordinary and Plenipotentiary of the United States of America to the Republic of Finland.

Brian E. Carlson, of Virginia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Latvia.

Mattie R. Sharpless, of North Carolina, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Central African Republic.

R. Barrie Walkley, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea.John J. Danilovich, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Costa Rica.

Jackson McDonald, of Florida, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of The Gambia.

John Malcolm Ordway, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be AmbassadorExtraordinary and Plenipotentiary of the United States of America to the Republic of Armenia.

Marcelle M. Wahba, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Arab Emirates.

Mary E. Peters, of Arizona, to be Administrator of the Federal Highway Administration.

Joseph M. Clapp, of North Carolina, to be Administrator of the Federal Motor Carrier Safety Administration.

Jeffrey D. Jarrett, of Pennsylvania, to be Director of the Office of Surface Mining Reclamation and Enforcement.

Robert C. Bonner, of California, to be Commissioner of Customs. James Gilleran, of California, to be Director of the Office of Thrift Supervision for the remainder of the term expiring October 23, 2002.

B. John Williams, Jr., of Virginia, to be Chief Counsel for the Internal Revenue Service and an Assistant General Counsel in the Department of the Treasury.

Marianne Lamont Horinko, of Virginia, to be Assistant Administrator, Office of Solid Waste, Environmental Protection Agency.

Cari M. Dominguez, of Maryland, to be a Member of the Equal Employment Opportunity Commission for a term expiring July 1, 2001.

John P. Walters, of Michigan, to be Director of National Drug Control Policy.

Scott M. Burns, of Utah, to be Deputy Director for State and Local Affairs, Office of National Drug Control Policy.

Eduardo Aguirre, Jr., of Texas, to be First Vice President of the Export-Import Bank of the United States for a term expiring January 20, 2005. Grace Trujillo Daniel, of California, to be a Member of the Board of Directors of the Federal Agricultural Mortgage Corporation.

Fred L. Dailey, of Ohio, to be a Member of the Board of Directors of the Federal Agricultural Mortgage Corporation.

Mark W. Olson, of Minnesota, to be a Member of the Board ofGovernors of the Federal Reserve System for the unexpired term of fourteen years from February 1, 1996.

Susan Schmidt Bies, of Tennessee, to be a Member of the Board of Governors of the Federal Reserve System for a term of fourteen years from February 1, 1998.

Dennis L. Schornack, of Michigan, to be Commissioner on the part of the United States on the International Joint Commission, United States and Canada.

The following named officers for appointment in the United States Marine Corps to the grade indicated under title 10, U.S.C., section 624:

Brig. Gen. James F. Amos, 1550, to be Major General.

Brig. Gen. John G. Castellaw, 2524, to be Major General.

Brig. Gen. Timothy E. Donovan, 4843, to be Major General.

Brig. Gen. Robert M. Flanagan, 2865, to be Major General.

Brig. Gen. James N. Mattis, 7981, to be Major General.

Brig. Gen. Gordon C. Nash, 4684, to be Major General.

Brig. Gen. Robert M. Shea, 3652, to be Major General.

Brig. Gen. Frances C. Wilson, 7788, to be Major General.

The following named officer for appointment in the United States Marine Corps Reserve to the grade indicated under title 10, U.S.C., section 12203:

Brig. Gen. John W. Bergman, 6022, to be major general.

The following named officers for appointment in the United States Marine Corps to the grade indicated under title 10, U.S.C., section624:

Col. Ronald S. Coleman, 3216, to be Brigadier General.

Col. James F. Flock, 6021, to be Brigadier General.

Col. Kenneth J. Glueck Jr., 6343, to be BrigadierGeneral.

Col. Dennis J. Hejlik, 3767, to be Brigadier General.

Col. Carl B. Jensen, 5079, to be Brigadier General.

Col. Robert B. Neller, 0298, to be Brigadier General.

Col. John M. Paxton Jr., 0190, to be Brigadier General.

Col. Edward G. Usher III, 6626, to be Brigadier General.

The following named officers for appointment in the United States Marine Corps Reserve to the grade indicated under title 10, U.S.C., section 12203:

Col. Craig T. Boddington, 6953, to be Brigadier General.

Col. Scott Robertson, 2941, to be Brigadier General.

The following named officer for appointment in the United States Marine Corps Reserve to the grade indicated under title 10, U.S.C., section 12203:

Brig. Gen. John J. McCarthy Jr.; 8507, to be Major General.

Brigadier General Edwin J. Arnold, Jr., United States Army, to be a Member and President of the Mississippi River Commission, under the provisions of Section 2 of an Act of Congress, approved June 1879 (21 Stat. 37) (33 USC 642).

Brigadier General Carl A. Strock, United States Army, to be a Member of the Mississippi River Commission, under the provisions of Section 2 of an Act of Congress, approved 28 June 1879 (21 Stat. 37) (22 USC 642).

Bruce Cole, of Indiana, to be Chairperson of the National Endowment for the Humanities for a term of four years.

Marion Blakey, of Mississippi, to be Chairman of the National Transportation Safety Board for a term of two years.

Marion Blakey, of Mississippi, to be a Member of the National Transportation Safety Board for a term expiring December 31, 2005.

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

Capt. Robert D. Jenkins III, 2940, to be Rear Admiral (lower half).

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

Rear Adm. (lh) Rand H. Fisher, 2658, to be Rear Admiral.

Rear Adm. (lh) Charles H. Johnston Jr., 2065, to be Rear Admiral.

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

Rear Adm. (lh) DAVID ARCHITZEL, 0741, to be Rear Admiral.

Rear Adm. (lh) JOSE L. BETANCOURT, 0044, to be Rear Admiral.

Rear Adm. (lh) ANNETTE E. BROWN, 7474, to be Rear Admiral.

Rear Adm. (lh) JOSEPH D. BURNS, 3870, to be Rear Admiral.

Rear Adm. (lh) BRIAN M. CALHOUN, 7720, to be Rear Admiral.

Rear Adm. (lh) KEVIN J. COSGRIFF, 3968, to be Rear Admiral.

Rear Adm. (lh) LEWIS W. CRENSHAW JR., 4960, to be Rear Admiral.

Rear Adm. (lh) TERRANCE T. ETNYRE, 8044, to be Rear Admiral.

Rear Adm. (lh) MARK P. FITZGERALD, 2694, to be Rear Admiral.

Rear Adm. (lh) JONATHAN W. GREENERT, 8869, to be Rear Admiral.

Rear Adm. (lh) CURTIS A. KEMP, 5881, to be Rear Admiral.

Rear Adm. (lh) ANTHONY W. LENGERICH, 9020, to be Rear Admiral.

Rear Adm. (lh) WALTER B. MASSENBURG, 4394, to be Rear Admiral.

Rear Adm. (lh) JAMES K. MORAN, 5752, to be Rear Admiral.

Rear Adm. (lh) CHARLES L. MUNNS, 9043, to be Rear Admiral.

Rear Adm. (lh) RICHARD B. PORTERFIELD, 3989, to be Rear Admiral.

Rear Adm. (lh) JAMES A. ROBB, 4692, to be Rear Admiral.

Rear Adm. (lh) JOSEPH A. SESTAK JR., 0962, to be Rear Admiral.

Rear Adm. (lh) STEVEN J. TOMASZESKI, 3394, to be Rear Admiral.

Rear Adm. (lh) JOHN W. TOWNES III, 0177, to be Rear Admiral.

Rear Adm. (lh) CHRISTOPHER E. WEAVER, 5940, to be Rear Admiral.

Rear Adm. (lh) CHARLES B. YOUNG, 0248, to be Rear Admiral.

Rear Adm. (lh) THOMAS E. ZELIBOR, 6272, to be Rear Admiral.

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Adm. James O. Ellis Jr., 4995, to be Admiral.

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

Capt. Richard K. Gallagher, 9308, to be Rear Admiral (Lower Half).

Capt. Thomas J. Kilcline Jr., 3174, to be Rear Admiral (Lower Half).

Nils J. Diaz, of Florida, to be a Member of the Nuclear Regulatory Commission for the term of five years expiring June 30, 2006.

Jo Anne Barnhart, of Delaware, to be Commissioner of Social Security for the term expiring January 19, 2007.

John L. Howard, of Illinois, to be Chairman of the Special Panel on Appeals for a term of six years.

Barrington D. Parker, Jr., of Connecticut, to be United States Circuit Judge for the Second Circuit.

Terrence W. Boyle, of North Carolina, to be United States Circuit Judge for the Fourth Circuit.

Dennis W. Shedd, of South Carolina, to be United States Circuit Judge for the Fourth Circuit.

Edith Brown Clement, of Louisiana, to be United States Circuit Judge for the Fifth Circuit.

Priscilla Richman Owen, of Texas, to be United States Circuit Judge for the Fifth Circuit.

Deborah L. Cook, of Ohio, to be United States Circuit Judge for the Sixth Circuit.

Jeffrey S. Sutton, of Ohio, to be United States Circuit Judge for the Sixth Circuit.

Michael W. McConnell, of Utah, to be United States Circuit Judge for the Tenth Circuit.

Miguel A. Estrada, of Virginia, to be United States Circuit Judge for the District of Columbia Circuit.

John G. Roberts, Jr., of Maryland, to be United States Circuit Judge for the District of Columbia Circuit.

Sharon Prost, of the District of Columbia, to be United States Circuit Judge for the Federal Circuit.

Lavenski R. Smith, of Arkansas, to be United States Circuit Judge for the Eighth Circuit.

Odessa F. Vincent, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

Charles W. Pickering, Sr., of Mississippi, to be United States Circuit Judge for the Fifth Circuit.

Timothy M. Tymkovich, of Colorado, to be United States Circuit Judge for the Tenth Circuit.

Terry L. Wooten, of South Carolina, to be United States District Judge for the District of South Carolina.

Laurie Smith Camp, of Nebraska, to be United States District Judge for the District of Nebraska.

Paul G. Cassell, of Utah, to be United States District Judge for the District of Utah.

John D. Bates, of Maryland, to be United States District Judge for the District of Columbia.

Reggie B. Walton, of the District of Columbia, to be United States District Judge for the District of Columbia.

Harris L. Hartz, of New Mexico, to be United States Circuit Judge for the Tenth Circuit.

Mary Ellen Coster Williams, of Maryland, to be a Judge of the United States Court of Federal Claims for a term of fifteen years.

Richard R. Clifton, of Hawaii, to be United States Circuit Judge for the Ninth Circuit.

Carolyn B. Kuhl, of California, to be United States Circuit Judge for the Ninth Circuit.

James E. Gritzner, of Iowa, to be United States District Judge for the Southern District of Iowa.

Michael J. Melloy, of Iowa, to be United States Circuit Judge for the Eighth Circuit.

Michael P. Mills, of Mississippi, to be United States District Judge for the Northern District of Mississippi.

Charles F. Lettow, of Virginia, to be a Judge of the United States Court of Federal Claims for a term of fifteen years.

Marian Blank Horn, of Maryland, to be a Judge of the United States Court of Federal Claims for a term of fifteen years.

Terrence L. O'Brien, of Wyoming, to be United States Circuit Judge for the Tenth Circuit.

1Jeffrey R. Howard, of New Hampshire, to be United States Circuit Judge for the First Circuit.

M. Christina Armijo, of New Mexico, to be United States District Judge for the District of New Mexico.

Karon O. Bowdre, of Alabama, to be United States District Judge for the Northern District of Alabama.

David L. Bunning, of Kentucky, to be United States District Judge for the Eastern District of Kentucky.

Karen K. Caldwell, of Kentucky, to be United States District Judge for the Eastern District of Kentucky.

Claire V. Eagan, of Oklahoma, to be United States District Judge for the Northern District of Oklahoma.

Kurt D. Engelhardt, of Louisiana, to be United States District Judge for the Eastern District of Louisiana.

Stephen P. Friot, of Oklahoma, to be United States District Judge for the Western District of Oklahoma.

Callie V. Granade, of Alabama, to be United States District Judge for the Southern District of Alabama.

Joe L. Heaton, of Oklahoma, to be United States District Judge for the Western District of Oklahoma.

Larry R. Hicks, of Nevada, to be United States District Judge for the District of Nevada.

William P. Johnson, of New Mexico, to be United States District Judge for the District of New Mexico.

James H. Payne, of Oklahoma, to be United States District Judge for the Northern, Eastern and Western Districts of Oklahoma.

Danny C. Reeves, of Kentucky, to be United States District Judge for the Eastern District of Kentucky.

Lawrence J. Block, of Virginia, to be a Judge of the United States Court of Federal Claims for a term of fifteen years.

Kent R. Hill, of Massachusetts, to be an Assistant Administrator of the United States Agency for International Development.

Robert A Stenevik in the Air Force to be Colonel 28 nominations in the Army received by the Senate beginning with Roger L Armstead and ending with Carl S Young, Jr. 4 nominations in the Army received by the Senate beginning with Donald W. Dawson, III and ending with Daniel F. Lee.

Curtis W. Marsh in the Marine Corps to be Colonel 247 nominations in the Public Health Service received by the Senate beginning with Robert F. Anda and ending with Larry E. Richardson.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent to proceed to executive session to consider en bloc the following nominations: Calendar Nos. 59, 60, 159, 161, 248, 303 through 310, 312 through 336, 338 through 342, 347 through 359, and all the nominations on the Secretary's desk; that the nominees be confirmed; that the motion to reconsider be laid upon the table; and the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF THE TREASURY

Kenneth W. Dam, of Illinois, to be Deputy Secretary of the Treasury.

Michele A. Davis, of Virginia, to be an Assistant Secretary of the Treasury.

James Gurule, of Michigan, to be Under Secretary of the Treasury for Enforcement.

Peter R. Fisher, of New Jersey, to be an Under Secretary of the Treasury.

DEPARTMENT OF JUSTICE

Robert D. McCallum, Jr., of Georgia, to be an Assistant Attorney General.

DEPARTMENT OF COMMERCE

Michael J. Garcia, of New York, to be an Assistant Secretary of Commerce.

Linda Mysliwy Conlin, of New Jersey, to be an Assistant Secretary of Commerce.

DEPARTMENT OF THE TREASURY

Henrietta Holsman Fore, of Nevada, to be Director of the Mint for a term of five years.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Michael Minoru Fawn Liu, of Illinois, to be an Assistant Secretary of Housing and Urban Development.

Melody H. Fennel, of Virginia, to be an Assistant Secretary of Housing and Urban Development.

DEPARTMENT OF COMMERCE

David A. Sampson, of Texas, to be Assistant Secretary of Commerce for Economic Development.

ENVIRONMENTAL PROTECTION AGENCY

Jeffrey R. Holmstead, of Colorado, to be an Assistant Administrator of the Environmental Protection Agency.

George Tracy Mehan, III, of Michigan, to be an Assistant Administrator of the Environmental Protection Agency.

Judith Elizabeth Ayres, of California, to be an Assistant Administrator of the Environmental Protection Agency.

DEPARTMENT OF STATE

Richard J. Egan, of Massachusetts, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

Vincent Martin Battle, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Lebanon.

Richard Henry Jones, of Nebraska, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait.

Craig Roberts Stapleton, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czech Republic.

Robert Geers Loftis, of Colorado, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho.

Daniel R. Coats, of Indiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Germany.

Theodore H. Kattouf, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Syrian Arab Republic.

Maureen Quinn, of New Jersey, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Qatar.

Joseph Gerald Sullivan, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zimbabwe.

Johnny Young, of Maryland, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Slovenia.

Edward William Gnehm, Jr., of Georgia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan.

R. Nicholas Burns, of Massachusetts, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be United States Permanent Representative on the Council of the North Atlantic Treaty Organization, with the rank and status of Ambassador Extraordinary and Plenipotentiary, vice Alexander R. Vershbow.

Edmund James Hull, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Yemen.

Nancy Goodman Brinker, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Hungary.

Christopher William Dell, of New Jersey, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Angola.

Jeanne L. Phillips, of Texas, to be Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador, vice Amy L. Bondurant.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Carole Brookins, of Indiana, to be United States Executive Director of the International Bank for Reconstruction and Development for a term of two years.

INTERNATIONAL MONETARY FUND

Randal Quarles, of Utah, to be United States Executive Director of the International Monetary Fund for a term of two years.

OVERSEAS PRIVATE INVESTMENT CORPORATION

Ross J. Connelly, of Maine, to be Executive Vice President of the Overseas Private Investment Corporation.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Patrick M. Cronin, of the District of Columbia, to be an Assistant Administrator of the United States Agency for International Development.

ENVIRONMENTAL PROTECTION AGENCY

Robert E. Fabricant, of New Jersey, to be an Assistant Administrator of the Environmental Protection Agency.

THE JUDICIARY

Lynn Leibovitz, of the District of Columbia, to be an Associate Judge of the Superior Court of the district of Columbia for the term of fifteen years.

GENERAL SERVICES ADMINISTRATION

Daniel R. Levinson, of Maryland, to be Inspector General, General Services Administration.

DEPARTMENT OF ENERGY

Theresa Alvillar-Speake, of California, to be Director of the Office of Minority Economic Impact, Department of Energy.

Jeffrey William Runge, of North Carolina, to be Administrator of the National Highway Traffic Safety Administration.

NATIONAL TRANSPORTATION SAFETY BOARD

John Arthur Hammerschmidt, of Arkansas, to be a Member of the National Transportation Safety Board for the remainder of the term expiring December 31, 2002.

DEPARTMENT OF COMMERCE

Otto Wolff, of Virginia, to be an Assistant Secretary of Commerce.

Otto Wolff, of Virginia, to be Chief Financial Officer, Department of Commerce.

Nancy Victory, of Virginia, to be Assistant Secretary of Commerce for Communications and Information.

DEPARTMENT OF DEFENSE

H. T. Johnson, of Virginia, to be an Assistant Secretary of the Navy.

John P. Stenbit, of Virginia, to be an Assistant Secretary of Defense.

Michael L. Dominguez, of Virginia, to be an Assistant Secretary of the Air Force.

Nelson F. Gibbs, of California, to be an Assistant Secretary of the Air Force.

Mario P. Fiori, of Georgia, to be an Assistant Secretary of the Army.

Ronald M. Sega, of Colorado, to be Director of Defense Research and Engineering.

AIR FORCE

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601 and to be appointed as Chief of Staff, United States Air Force under the provisions of title 10, U.S.C., section 8033:

To be general

Gen. John P. Jumper, 7457.

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C. section 601:

To be lieutenant general

Lt. Gen. Paul V. Hester, 2071.

ARMY

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Lt. Gen. Larry R. Ellis, 0750.

MARINE CORPS

The following named officer for reappointment in the United States Marine Corps to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. Earl B. Hailston, 8306.

NAVY

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. CHRISTOPHER C. AMES, 2860.
Capt. MICHAEL C. BACHMANN, 0069.
Capt. REUBIN B. BOOKERT, 2839.
Capt. STANLEY D. BOZIN, 5487.
Capt. JEFFREY A. BROOKS, 5383.
Capt. CHARLES T. BUSH, 7136.
Capt. JOHN D. BUTLER, 7534.
Capt. JEFFREY B. CASSIAS, 7214.
Capt. BRUCE W. CLINGAN, 5808.
Capt. DONNA L. CRISP, 1255.
Capt. WILLIAM D. CROWDER, 9877.
Capt. PATRICK W. DUNNE, 9923.
Capt. DAVID A. GOVE, 5823.
Capt. RICHARD D. JASKOT, 2452.
Capt. STEPHEN E. JOHNSON, 2239.
Capt. GARY R. JONES, 3181.
Capt. JAMES D. KELLY, 3504.
Capt. DONALD P. LOREN, 4828.
Capt. JOSEPH MAGUIRE, 0399.
Capt. ROBERT T. MOELLER, 1217.
Capt. ROBERT B. MURRETT, 7287.
Capt. ROBERT D. REILLY, JR., 8553.
Capt. JACOB L. SHUFORD, 7889.
Capt. PAUL S. STANLEY, 7882.
Capt. PATRICK M. WALSH, 1107.

DEPARTMENT OF VETERANS AFFAIRS

Claude M. Kicklighter, of Georgia, to be an Assistant Secretary of Veterans Affairs (Policy and Planning).

John A. Gauss, of Virginia, to be an Assistant Secretary of Veterans Affairs (Information and Technology).

NOMINATIONS PLACED ON THE SECRETARY'S DESK

ARMY

PN640 Army nominations (44) beginning BYUNG H. * AHN, and ending ELIZABETH S. * YOUNGBERG, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 12, 2001

MARINE CORPS

PN681 Marine Corps nominations (1076) beginning MICHAEL K. TOELLNER, and ending MICHAEL T. ZIEGLER, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 24, 2001

Mr. REID. Mr. President, continuing in executive session, I ask unanimous consent that the Finance Committee be discharged from the following nominations:

John Huntsman to be Deputy U.S. Trade Representative;

Janet Rehnquist to be Inspector General at the Department of Health and Human Services;

Alex Azar II, to be General Counsel of the Department of Health and Human Services;

And, Rosario Marin to be Treasurer of the United States;

That the Senate consider the nominations en bloc, they be confirmed, the motions to reconsider be laid on the table, the President be immediately notified of the Senate's action, and any statements thereon be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were considered and confirmed.

Mr. REID. Mr. President, if I could take a brief minute to speak on John Huntsman to be Deputy U.S. Trade Representative, I have known the Huntsman family for many, many years. A finer family is no place in existence. John will be the Deputy U.S. Trade Representative. He is one of about 9, 10, or 11 siblings. He is from a huge family. John Huntsman, Sr., is one of the finest philanthropic individuals I have ever known. He is a giver.

I went to a meeting with a number of other Senators and met him. He has dedicated most of his life to giving away the fortune that he has been able to accumulate. He started a great cancer institute, one of the finest in the world, in Salt Lake City. This month, August 25, the Vice President is going to go break ground for this new hospital.

I was with John Huntsman, Sr., recently, the father of this fine man who is going to be Deputy U.S. Trade Representative. He had made a commitment this year to give many millions of dollars to charity. Times were bad in his business. Oil prices went up, and he simply didn't have the money to fulfill this commitment. He went out and borrowed the money so he could give it away.

He is a wonderful man. I am happy to be present when he is confirmed as Trade Representative. He is from the same hue as his father, and we can expect great things for the country from John Huntsman.

The nominations were considered and confirmed.

Mr. REID. Mr. President, I ask unanimous consent that the HELP Committee be discharged from further consideration of the following nominees:

John Henshaw to be Assistant Secretary of Labor;

Emily DeRocco to be Assistant Secretary of Labor;

And the Foreign Relations Committee be discharged from further consideration of the nomination of Martin Silverstein to be Ambassador to the Oriental Republic of Uruguay;

That the nominations be considered and confirmed en bloc, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, that any statements thereon be printed in the RECORD, and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were considered and confirmed.

REFERRAL OF FREDERICO JUARBE, JR.

Mr. REID. Mr. President, I ask unanimous consent that the nominations of Frederico Juarbe, Jr., to be Assistant Secretary of Labor for Veterans' Employment and Training, be referred jointly to the HELP Committee and the Committee on Veterans' Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATION OF ROBERT D. MCCALLUM, JR.

Mr. LEAHY. Mr. President, today the Senate completes the confirmation process for Robert D. McCallum, Jr. to be the Assistant Attorney General to head the Civil Division at the Department of Justice. I congratulate Mr. McCallum and his family.

The Judiciary Committee has worked very hard since returning in July to act on presidential nominations to fill vital positions at the Department of Justice. In addition to the confirmations of the Deputy Attorney General, the Solicitor General, the Assistant Attorney General for the Criminal Division, the Assistant Attorney General for Legislative Affairs, and the Assistant Attorney General for Legal Policy, during the last month we have held four hearings on Department of Justice nominees and today we confirm a sixth nominee to a leadership role at the Department of Justice in the last month.

With the confirmation of Mr. McCallum, we have confirmed seven of the Attorney General's Assistant Attorneys General. We have also completed action on ASA HUTCHINSON to head the Drug Enforcement Administration, Jim Ziglar to head the Immigration and Naturalization Service and Bob Mueller to serve as the Director of the Federal Bureau of Investigation. I commend the Members of the Committee on both sides of the aisle for their cooperation in this regard.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

H.R. 1088, THE INVESTOR AND CAPITAL MARKETS RELIEF ACT OF 2001

Mr. DASCHLE. Mr. President, many of our colleagues have indicated their strong support for H.R. 1088, the Investor and Capital Markets Fee Relief Act. I share the belief that the Senate should take action on this critical legislation promptly.

A number of Senate leaders on securities matters have noted the importance of this bill, including the senior Senator from New York, Mr. SCHUMER, Chairman of the Banking Committee, Mr. SARBANES, the Chairman of the Securities Subcommittee, Senator DODD, the Assistant Majority Leader, Senator REID, and many others.

I want to take this opportunity to update the Senate on the status of H.R. 1088. The Senate approved the bill unanimously in March. After good-faith negotiations between both bodies, the House then approved an amended bill, which included agreed-upon improvements by an overwhelming bipartisan vote of 404 to 22. It is now pending on the Senate calendar.

This legislation is long overdue. The Securities Exchange Commission now collects fees from the investing public that are six times higher than needed to cover the costs of operating the Commission. Fee reductions can free up new investment capital that can help spur the economy at a time when it needs a boost.

Equally important are provisions in the bill that provide the Commission staff pay parity with other Federal financial regulators, which can help the agency stem turnover and retain quality staff. Investors in our securities markets deserve the best quality regulators to protect them, and those fine public servants deserve proper compensation.

This legislation should have been approved last year. It was unfortunate that, in the last Congress, even though the bill was approved by committees in both the House and Senate, it was never considered on the floor of either body. Efforts by many Senators to move the bill in the waning days of the last Congress were stymied.

Under new leadership, the Senate will soon have an opportunity to make amends for that lapse by finalizing this legislation. When Congress returns from its August work period, I will continue working with my colleagues to ensure enactment of this key measure.

Mr. SARBANES. Mr. President, I am pleased that the Majority Leader will work to ensure enactment of the SEC pay parity and fee reduction legislation when Congress returns from the August recess. Passage of H.R. 1088 is very important to the staff of the Securities and Exchange Commission as well as to the many segments of the securities industry.

This bill enjoys wide bipartisan support in the Senate. The Senate version of the bill, S. 143, The Competitive Market Supervision Act of 2001, was passed by the Banking Committee on March 1 by voice vote. It was passed by the full Senate on March 22, by unanimous consent.

I want to focus on the importance of the bill's pay parity provisions. These would authorize the Commission to pay its employees on a par with the other Federal financial regulators. Our securities markets are the envy of the world. It is important that the regulator of those markets be in a favorable position to attract and retain qualified employees. Enacting pay parity contributes towards this goal and will result in enhanced supervision of the securities markets.

Mr. SCHUMER. Mr. President, I thank my good friend, the Majority Leader, Mr. DASCHLE, and the Chairman of the Banking Committee, Mr. SARBANES, for their commitment to this important piece of legislation, H.R. 1088, of which I am the chief Democratic sponsor. This bill is of tremendous importance to New York.

As the Senator from South Dakota, Mr. DASCHLE, has indicated, this legislation would reduce transaction fees paid by investors to fund the ongoing activities of the SEC. Such fee reductions will be of substantial benefit to investors, businesses and individual investors, alike. The bill also gives pay parity for employees at the SEC so that the SEC may attract and retain highly qualified regulators to ensure the integrity of our markets.

As my colleague knows, H.R. 1088, as passed by the House, incorporated the Senate position reflected in S. 143, which was approved by this Senate under unanimous consent in March. There will be no conference on the bill and we have assurances the President will sign it. All that is left is for the Senate to act, and I urge that we do so as expeditiously as possible upon our return from the August recess.

I also thank the distinguished Assistant Majority Leader, the Senator from Nevada, Mr. REID, for his commitment to moving this critical legislation.

Mr. REID. I thank my friend, the Senator from New York, Mr. SCHUMER, for his unwavering leadership on this bill. I couldn't agree more that this bill is very important to investors. It is unfortunate that we have not been able to act on this bill before the August recess, but this should not be interpreted as anything other than a difficulty with timing.

As my friend knows, I support this legislation. I think it is a good bill and I look forward to getting it to the floor. As the Majority Leader has indicated, although there will be a number of important measures competing for floor time this fall, including appropriations bills, it is our intention to bring this bill before the Senate.

I am hopeful our friends in the minority will extend to us the necessary cooperation to complete action on this matter. I look forward to working with the Senator from New York and our colleagues to pass this important legislation.

Mr. DODD. Mr. President, I would like to add my support for the passage of H.R.1088, the Investor and Capital Markets Relief Act. As many of my colleagues have noted, this legislation is the result of bipartisan cooperation in both the Senate and the House.

We have worked closely to craft legislation that I believe will have important benefits for both retail and institutional investors, the securities industry and the Securities and Exchange Commission.

I would specifically like to recognize the Chairman and Ranking Members of the Banking Committee for their efforts on this bill, especially with regard to ensuring pay parity for employees of the SEC. The inclusion of this vital component will help to maintain the high level of competency we currently enjoy at the SEC .

I would also like to thank the Majority Leader and the Assistant Majority Leader for their commitment to the timely consideration of this legislation. It is my hope that when we return from the August work period, we can consider this legislation in a prompt fashion.

THE RETIREMENT OF REAR ADMIRAL LARRY BAUCOM, USN

Mr. THURMOND. Mr. President, I rise today to recognize an outstanding naval officer and public servant, Rear Admiral Larry C. Baucom, U.S. Navy, as he completes more than 30 years of active duty with the U.S. Navy. Whether as a midshipman at the U.S. Naval Academy, as the commanding officer of a fighter squadron, as the commander of a nuclear-powered aircraft carrier, or, most recently, as the Director of the Navy's Environmental Protection, Safety and Occupational Health Division, he tirelessly worked to serve America and our Navy and Marine Corps. It is a privilege for me to honor his many outstanding achievements and service to our great Nation and our service men and women.

Rear Admiral Baucom is a son of Columbia, SC. A 1970 Naval Academy graduate, he was awarded his Naval Flight Officer wings in 1971. During his

30-year career in the Navy, he served in a variety of operational assignments, including Fighter Squadron 32, Fighter Wing ONE, the U.S. Naval Test Pilot School in Patuxent River, MD, and as Executive Officer of USS *George Washington*, CVN 73. An inspired, confident leader, he commanded Fighter Squadron 143, USS *Trenton*, LPD 14, and the nuclear-powered aircraft carrier, USS *Carl Vinson*, CVN 70. Under his command, USS *Carl Vinson* was awarded two Meritorious Unit Commendations and the Battle Efficiency Award for 1996 following a highly successful Arabian Gulf deployment that included combat operations in support of Operation DESERT STRIKE. Following this tour, he served at the Supreme Allied Headquarters as the Assistant Chief of Staff for Plans and Policy. Rear Admiral Baucom also continuously pursued educational opportunities throughout his career being awarded a Master's Degrees in Systems Management from the University of Southern California and in National Security and Strategic Studies from the Naval War College.

In his most recent assignment as the Navy's Director of Environmental Protection, Safety and Occupational Health Division, Rear Admiral Baucom worked to ensure that the Navy remains a leader of environmental stewardship and towards ensuring the safety and welfare of its Sailors, Marines and civil service employees. Whether contributing to the Department's efforts to guarantee critical training at the Atlantic Fleet Weapons Training Facility at Vieques, Puerto Rico, protecting the health and safety of shipyard workers, or addressing the encroachment issues that complicate our operational and training ranges, Rear Admiral Baucom's leadership has been vital to the readiness and success of our country's military forces.

Rear Admiral Baucom provided exceptional advice, support and guidance to the Secretary of the Navy and the Chief of Naval Operations. His keen insight, relentless dedication, and extraordinary talent have contributed significantly to building and maintaining the world's best-trained, best-equipped, and best-prepared Navy and Marine Corps. His vision has positively shaped the future readiness and capabilities of the fleet in ways that will resonate for generations.

I thank Rear Admiral Baucom for his many public service contributions and a life devoted to ensuring our national security. It is my distinct honor to wish him, and his wife Linda, much happiness and fair winds and following seas as they begin a new chapter in their lives.

CAP AND TRADE APPROACH TO CLIMATE CHANGE

Mr. McCAIN. Mr. President, I rise with my friend and colleague from Connecticut to express our concerns on a subject that is at the forefront of the many issues of global concern, climate change. The science surrounding this issue has come increasingly into focus, and Senator LIEBERMAN and I believe that it is time to take action.

Mr. LIEBERMAN. Mr. President, I also am pleased to rise to join my friend and colleague from Arizona, Senator McCAIN, in making this call for consideration of the development of an economy-wide cap-and-trade system to control our emissions of greenhouse gases. Senator McCAIN and I have been discussing the need to develop such legislation for some time, and upon our return from recess, we plan to discuss with leaders from each sector of our economy to discuss what commitments they can make to curb our growing problem of global warming without seriously harming our economy.

At this point, I invite Senator McCAIN to comment on his views on the subject.

Mr. McCAIN. Over the past year, the Commerce, Science, and Transportation Committee has held several hearings on the various scientific reports from the National Academy of Science and the International Panel on Climate Change, IPCC. These reports conclude that air temperatures are, in fact, rising. The IPCC report states that there is new and stronger evidence that most of the observed warming over the past 50 years is attributable to human activities. We continue to see throughout the world the melting of glaciers, the dying of coral reefs, and rising ocean temerpatures.

The agreement reached last week in Bonn, Germany on the Kyoto Protocol means that the rest of the world is moving forward to address this important problem. Given the fact that the United States produces approximately 25 percent of the total greenhouse gases emissions, the United States has a responsibility to cut its emissions of greenhouse gases. The United States must realize that when it comes to the climate, there are no boundaries. Therefore, climate change is an global problem and must be resolved globally.

The current situation demands leadership from the United States. In accordance with the agreement reached last week, there is going to be a world marketplace for carbon reductions, a marketplace that rewards improvements in energy efficiency, advances in energy technologies, and improvements in land-use practices—and we are running the risk that America is not going to be part of it.

The risks that climate change poses for businesses have now increased. In addition to the risk of unpredictable impacts of global warming, and of unpredictable regulation of greenhouse gas emissions, American companies now face the risk of being left out of the global marketplace to buy and sell emission reductions.

While U.S. businesses are gaining experience with voluntary programs and are recognized as the world's experts in this area, they are increasingly recognizing that purely voluntary approaches will not be enough to meet the goal of preventing dangerous effects on the climate system. Increasingly, businesses confronting these risks see sensible regulation of carbon dioxide and other greenhouse gases as necessary and inevitable. Clearly, they prefer the cap-and-trade approach.

In a July 23 editorial in the Wall Street Journal, a cap and trade program was discussed as one of the incentive-based market strategies that has been developed as an alternative to traditional fiat-based, "nanny-sez-so" regulation. The editorial further states that " a cap and trade program will result in more abatement from those firms who can do it at relatively lower costs and less abatement from those firms who can only do it at relatively higher costs. The net will be the same amount of overall pollution reduction, but achieved at lower cost than would obtain under traditional regulation."

As usual, industry is ahead of government in this area. Many companies have already started trading programs either within their company or as members of partnerships to meet predetermined levels. Not only are these companies meeting their environmental goals, they are also realizing it on a profitable basis. We all know that improved efficiencies mean improved profitability.

The 1990 Clean Air Act's acid rain emissions trading program for limiting sulfur dioxide has shown that there can be top-down limits on pollutants and not endanger the economy. The key is unleashing the power of markets to find the most innovative, cost-effective ways of meeting those top-down limits. That's what a cap-and-trade system does best. Deploying the power of a marketplace to pursue the least expensive answers is a unique and powerful American approach to the threat of climate change.

In 1994, the Arizona Public Service (APS), an Arizona public utility, entered into an agreement with the Niagara Mohawk, a New York utility, and the US Department of Energy to swap carbon dioxide and sulfur dioxide credits. APS had reduced its sulfur dioxide emissions below levels mandated under the 1990 Clean Air Act. Niagara Mohawk had reduced its carbon dioxide emissions below the level of its voluntary commitment. APS exchanged its sulfur dioxide allowances issued under the Clean Air Act's acid rain program for Niagara Mohawk carbon dioxide emissions reductions that APS could then use to help meet its commitment to DOE to reduce greenhouse gas emissions. After receiving the sulfur dioxide allowances, Niagara Mohawk donated them to an environmental organization to be retired. The cost savings achieved through this plan were used to fund new domestic and overseas projects designed to create additional carbon dioxide reductions.

However, we should not be deceiving ourselves. Designing a cap and trade system is not an easy task. Critical decisions will have to be made as to the design and implementation of such a system. These decisions will ultimately affect some industries more than others. I would hope that the government can work hand-in-hand with industry to make this happen should a decision be made to pursue a cap and trade program.

A comprehensive cap on America's greenhouse gas emissions, paired with an allowance trading system, can encourage innovation across the full range of opportunities for reducing emissions. That would provide businesses with the regulatory certainty and flexibility they need to confront the climate challenge successfully. Industry has repeatedly said that if Government sets the rules, they will take them from there and make it work.

Trading helps to establish a market value per unit of greenhouse gas. This can be especially helpful as corporate decisions are made on major investments in new technologies. The market value will allow them to make a real comparison by which to consider purchasing new credits for the markets or investing in technologies and capital improvements.

We also have to recognize that the international system for addressing climate change is evolving. Only a few years ago, many of America's trading partners were reluctant to accept market-based solutions. But now they have embraced them, and the global marketplace for greenhouse gas cap-and-trade is beginning. A national cap-and-trade system could give America the business valuable experience they will need to remain competitive with other companies in countries where greenhouse emissions trading is moving forward. We can expand trade opportunities through a new marketplace for the environment.

Given this developing international market, it also makes sense to ensure that what we do domestically can be integrated and recognized on the international level. Ultimately, we need to make sure that the emissions reductions our companies, our farmers, and our foresters produce are fully recognized and fully tradable in the emerging global greenhouse gas marketplace.

I think it is clear that a cap and trade program is a good idea worthy of further consideration by the U.S. Senate. I look forward to working with Senator LIEBERMAN and others who have expressed a willingness to consider this type of approach to address this problem of global climate change.

Mr. LIEBERMAN. Mr. President, I am pleased to rise to join my colleague, Senator McCAIN, in advocating an economy-wide cap-and-trade system to control our emissions of greenhouse gases.

I have been extremely troubled by the failure of our government to engage on this crucial issue. Last Monday, 180 nations agreed to take historic action against global warming by agreeing to the Kyoto Protocol. One did not. We are the one. I believe this failure abdicates the United States' position as a leader in environmental affairs and places U.S. industry at risk.

We now have general scientific agreement that climate change is a problem we must face. Early this year, the United Nation's Intergovernmental Panel on Climate Change released its Third Assessment Report on global warming. According to this panel of expert scientists, unless we find ways to stop global warming, the Earth's average temperature can be expected to rise between 2.5 and 10.4 degrees Fahrenheit during the next century. Such a large, rapid rise in temperature will profoundly alter the Earth's landscape in very practical terms. Sea levels could swell up to 35 feet, potentially submerging millions of homes and coastal property under our present-day oceans. Precipitation could become more erratic, leading to droughts that would aggravate the task of feeding the world's population. Diseases such as malaria and dengue fever could spread at an accelerated pace. Severe weather disturbances and storms triggered by climatic phenomena, such as El Nino, could become more routine.

As the IPCC report reminds us, this threat is being driven by our own behavior. Let me quote the scientists directly, "There is new and stronger evidence that most of the warming observed over the last 50 years is attributable to human activities." There is no doubt that human-induced emissions are warming the planet.

After receiving the IPCC's dire report, the White House requested and received a second opinion from the National Academy of Sciences. The NAS confirmed the findings of the IPCC. Let me quote:

> The IPCC's conclusion that most of the observed warming of the last 50 years is likely to have been due to the increase in greenhouse gas concentrations accurately reflects the current thinking of the scientific community on this issue . . . . Despite the uncertainties, there is general agreement that the observed warming is real and particularly strong within the past twenty years.

By going forward with the Kyoto Protocol even without the United States, the world has taken a giant stride forward in response to this pressing problem. That agreement will create a worldwide market in greenhouse gas reductions, using market forces to drive environmental gains. Unfortunately, because the United States did not participate, U.S. interests were virtually ignored in crafting the final deal. In the end, I believe that not just our environment but our economy will suffer as a result.

For example, let's say a multinational corporation is faced with the need to invest in new, more efficient technology, and has the choice of installing it in the United States or overseas. Under the Kyoto Protocol, the corporation will be able to receive valuable credits for making those efficiency gains—and therefore reducing its greenhouse gas emissions. Those credits will be worth cold, hard cash in the world market that will be established under the treaty. In contrast, the United States currently has no system by which the company will gain credit for the gains. The result will be that more efficient, more competitive technology will be driven overseas.

The agreement in Bonn also has probably made millions of dollars in U.S. investment worthless. A number of our large corporations have invested heavily in forest conservation on the assumption that they would receive credit for these forests' ability to pull carbon out of the atmosphere. In Bonn, however—without the U.S. at the table—credit for forest conservation was written out of the agreement.

After the agreement at Bonn, it will take a lot of work to convince the other nations of the world to reopen the negotiations to U.S. participation.

We can begin by creating a credible domestic system that can work in parallel with the Kyoto Protocol so the United States remains in tune with the remainder of the world as we move forward. Such an approach must move beyond our laudable but inadequate voluntary efforts. As we saw with the Rio Treaty, which former President Bush supported and the Senate ratified in 1992, voluntary programs unfortunately do not work. Instead, Senator McCAIN and I believe that we need a set of standards requiring action. We need an economy-wide cap and trade approach. In contrast to the current international agreement, such a system will take the interests of the United States into account.

I also believe having such a system in place will much better enable us to negotiate an acceptable international agreement with the Kyoto participants when the U.S. does come back to the table. If we do not have our own domestic cap-and-trade system, our companies will be years behind the rest of the world in operating within the system and therefore disadvantaged when we join an international agreement.

The bona-fides of a cap and trade approach are impressive. I was involved in the drafting of the cap-and-trade program in the Clean Air Act to reduce acid rain—one of the most successful environmental programs on the books. Recent reports from the CBO and the Resources for the Future espoused such an approach. Progressive companies such as British Petroleum have greatly reduced their greenhouse emissions by using their own internal cap-and-trade markets. And no less authority than the Wall Street Journal has endorsed such an approach to address our climate problems, stating that the Bush Administration should "propose a domestic cap-and-trade program for carbon dioxide that could, of course, be easily expanded to Canada and Mexico." It would be a giant step forward if the Bush Administration would make such a proposal to the next international meeting on climate change in Marrakesh, Morocco during October.

If we adopt a cap and trade system, we will create a market by which corporations will receive valuable credits for efficient investments. We also will create a market by which corporations can receive credit for the laudable investments they have made to date. And we will unleash the power of that market to drive the United States back into its leadership position in the international effort to avoid the worst effects of one of the most serious environmental problems the world community has ever faced.

I look forward to working with Senator McCAIN when we return in September as we meet with environmentalists and representatives of the various sectors of our economy who are currently generating greenhouse gases. We will ask them to help us fashion a cap and trade system that will work.

Together we can and will meet this historic test and protect our children and grandchildren, and all who follow on the Earth, from the real dangers of an overheated planet.

Mr. President, I ask unanimous consent to print the Wall Street Journal editorials in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REVIEW & OUTLOOK

EMISSIONS IMPOSSIBLE?

While Genoa burned—a topic we take up at greater length in the space below—bureaucrats in Bonn continued to fiddle with a dead treaty, the Kyoto Protocol on global warming. Japan and Europe appear more determined than ever to resuscitate the treaty without the United States. At the risk of sounding flippant, we ask: Why bother?

The whole idea behind Kyoto is puzzling at best, outrageous at worst. Why require the nations of this planet to spend the hundreds of billions of dollars necessary to reduce carbon dioxide and other emissions when we don't even know if the earth's climate is getting permanently hotter or if that temperature change is caused by human activity or if that change is even dangerous?

Why, indeed. Except that if new and more sophisticated research proves that human-generated greenhouse gases are a menace to civilization as we know it, then it is better to start now to control them and far better to do so in the most cost effective fashion. And that's why we harbor a certain fondness for one part of the Kyoto treaty—emissions trading.

Emissions trading—part of a package called "cap-and-trade"—is one of the incentive-based market strategies that has been developed as an alternative to traditional fiat-based, nanny-sez-so regulation. The idea is simple: a lower level of pollution is agreed upon and targeted; permits reflecting that level are issued, or even sold, to polluters; firms that produce emissions below their targets can sell their excess permits to firms that exceed their targets. Firms have a straightforward incentive to come up with emission-reducing innovations because they can keep the financial rewards of their innovation through reduced abatement costs, reduced payments for emission permits and/or selling unneeded permits.

Thus, by providing flexibility and financial incentives, cap-and-trade program will result in more abatement from those firms who can do it at relatively lower cost and less abatement from those firms who can only do it at relatively higher cost. The net will be the same amount of overall pollution reduction, but achieved at lower cost than would obtain under traditional regulation.

And cost is really mega-important. Consider the tab if—as mandated by Kyoto—the U.S. had to reduce its carbon dioxide emissions 7% below its 1990 levels by 2012. Without the ability to buy permits from other countries, compliance would have to be achieved mainly by switching from coal-fired plants to natural gas plants, resulting in the premature retirement of tens of billions of dollars of capital stock, the zooming of energy costs throughout the economy, and the loss of millions of jobs. According to the Energy Information Administration, the cost could be as much as 4% of GDP.

Now, however, consider the cost if the U.S. could meet its targets by buying permits from other countries. In a scenario offered back in 1998 by the Clinton Administration's Council of Economic Advisors, if the U.S. buys permits for its "excess" emissions—so that if doesn't have to reduce by very much its own emissions—the cost would be only 10% of GDP.

If you doubt these estimates—and we agree that the models they are based on are technically complex—then how about a real-life example? Look no further than the fabulously successful cap-and-trade program for sulfur dioxide. The program, which was started in the U.S. in 1995 as part of the effort to cut the emissions that cause acid rain, saves about $700 million annually compared with the cost of traditional regulation and has been reducing emissions by four million tons annually. When the program is fully implemented, sometime over the next couple of years, cost savings should be as much as $2 billion a year—that's twice as much as originally estimated by the EPA.

In fact, the idea of emissions trading to reduce pollution has proved so attractive that some firms—which are under no legal obligation to cut greenhouses gases—have begun to set up programs for internal trading of permits. For firms interested in external trading, there are already several "precompliance" markets where permits can be traded across companies and across national borders.

So, who needs Kyoto? While whatever number of government bureaucrats are filling the air in Bonn with carbon dioxide, the private sector is going ahead with its own cap-and-trade solutions. Not surprisingly, European leaders would rather bureaucrats control the ebb and flow of private sector emissions and have bad mouthed cap-and-trade proposals in the past. Recently, however, even the Euros are beginning to see the light.,

President Bush got it exactly right when he dissed Kyoto. And after Kyoto is pronounced dead in Bonn, the Bush Administration should propose a domestic cap-and-trade program for carbon dioxide that could, of course, be easily expanded to Canada and Mexico. And then to Latin America. And then the world.

ARSENIC IN RURAL WATER SUPPLIES

Mr. STEVENS. Mr. President, yesterday the Senate passed the Appropriations bill funding the Environmental Protection Agency and other departments. I have grave concerns about a provision in that bill, the amendment adopted by the Senate that directs the EPA Administrator to establish a new national primary drinking water regulation for arsenic. This is a slight modification from the House version of this bill, which requires the Administrator to establish this standard at the level set by the previous administration—10 parts per billion. While the Senate language is not that specific, I still have grave concerns over the direction Congress is heading on this issue.

I understand that 59 public water systems in Alaska, most of which are in rural villages, have naturally occurring, background levels of arsenic in their water supplies that substantially exceed the 10 parts per billion standard. If Congress imposes this standard or a similar one on these villages, they will need nearly twenty million dollars to purchase modern, high-tech water treatment facilities. This is money that will otherwise be spent on their more immediate water and sewer needs, including safe wastewater systems. We are moving many rural villages off of honey buckets, but many people on the haul system still have to cart their own untreated wastewater from their homes to local collection bins, where it lies until the city takes it to a sewage lagoon on the outskirts of town. I know of one village in rural Alaska where a young girl was playing near one of these wastewater collection bins when she scratched at a mosquito bite. She developed a bacterial infection and later died. We are making good progress towards getting her village on to a safe, centralized water and wastewater system. Congress should allow areas without reliable sanitary water supplies to address those needs before turning to the relative luxury of removing a few parts per billion of naturally-occurring arsenic. I invite any Senator who disagrees with me to join me on a trip to rural Alaska where they can see these challenges first hand.

I can foresee another unanticipated consequence of a national arsenic standard applied in rural Alaska. There are no toxic waste facilities available to process the arsenic after it is taken out of the water. We can not drive it away because these villages are not on the road system. The arsenic will end up in the local landfill on the edge of town, next to the sewage lagoon. Like a lot of other things that end up in the landfill, the wind will blow it around town, where it will end up in homes and schools. This arsenic may do far more harm to people in rural Alaska than if we were to just leave it alone.

I intend to seek a modification in conference that will recognize the practical problems of forcing a national standard on the most remote, rural areas of the country. We should not turn away from the most pressing sanitation needs in order to impose an unfunded mandate on rural areas, especially one that may result in a greater health risk than the one we are trying to address.

IN MEMORY OF PAUL R. CAREY

Mr. SCHUMER. Mr. President, I rise to draw the attention of the Senate to the recent passing of Paul R. Carey, an extraordinary public servant and New Yorker who died on June 14th at the age of 38 after a long battle with cancer.

Paul Carey was a Commissioner of the United States Securities and Exchange Commission at the time of his death. Previously, he served in the Clinton White House as Special Assistant to the President for Legislative Affairs, and before that as Finance Director for the northeastern United States for the 1992 Clinton-Gore campaign.

Commissioner Carey was a scion of a great New York family whose patriarch is my friend and political hero, the distinguished former Governor of New York, Hugh L. Carey.

The loss of Paul Carey at such an early age was a blow to the causes he fought for as an SEC Commissioner and White House official, and of course to his loving family and his literally thousands of friends, who mourned him at a mass of Christian burial at St. Patrick's Cathedral in New York on June 18th, and celebrated his life at a memorial service here in Washington on July 25th. Governor Carey and his family honored this Senator by asking me to participate in the memorial service, which was a wondrous event whose other celebrants included former SEC Chairman Arthur Levitt; Senator CLINTON; former President Clinton; Governor Carey; and an audience of hundreds of colleagues, Members of the Senate and the House of Representatives, and other loved ones.

All of the remembrances shared at the memorial service were special and poignant, but none could have been more moving or inspiring than the remarks of Paul's father, Governor Carey. He told the uplifting story of the life of a truly gallant young man.

I ask unanimous consent that excerpts of Governor Carey's remarkable statement be printed in the RECORD. And on behalf of the Senate, I extend our thoughts and prayers to the Carey family on the loss of their beloved Paul.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM REMARKS BY FORMER GOVERNOR HUGH L. CAREY

This extended gathering of Paul's family, both the Carey family and his extended family in public service, has been a wonderful tribute to Paul. On behalf of our family, I would like to thank Rev. Coughlin, President Clinton, Senators Clinton and Schumer, Arthur Levitt, Jim Molloy, Mark Patterson, Janet Howard and the many great friends who were responsible for this day of remembrance—and it is, we feel, a celebration, with no remorse, no regret.

When he was about 3 years old, Paul showed signs of the peripatetic propensity he would continue throughout his life. After finding that he was wandering to the neighbors' houses at all hours, his mother fastened a small cowbell to a soft ribbon around his neck. So it became the custom in our house to listen for the bell and to ask, "where's Paul?"

Over the years, Paul's whereabouts gave us some concern but even greater satisfaction. When we took summer vacations, while others took lessons in swimming and waterskiing, he would accompany his mother to Camp Shelter Island, volunteering with disabled teens and adults. Summer after summer, he began to learn, and to show us, his great capacity to help others.

In 1973, Paul's mother—who was then waging her own battle with the illness that was to take her the next spring, and later Paul—was eager to see the family under one roof. She decreed that the Congressional career had separated us too often. By agreement, we decided to give up Congress for an office that would give the family a home. So we committed, against all odds, to the race for Governor of New York.

It was in that 1974 campaign that Paul's appetite and zeal for his avocation—campaigning—started to shine. He and his 11 brothers and sisters took to the road in a Winnebago, bringing the Carey campaign message to county fairs all summer long. And he never stopped reminding me that of the 62 counties in New York State, I carried all but the one I had to canvass on my own after sending my children back to school in the fall.

Later, after his graduation from Colgate, Paul embarked on a career in finance. I rejoiced in the thought that my future comfort was assured by the prospect of a string of successful IPO's. But after he faced his initial surgery and the prospect of a life-threatening illness, he was determined to pursue a life in public service. When he told me he was offered a fundraising position in a national campaign, I tried to steer him away, but swallowed my initial advice when I saw his great enthusiasm and success. Indeed, he did an outstanding job in that role, as the northeast finance director for the Clinton-Gore campaign in 1992, and President Clinton has recounted for you how pivotal Paul's help was at a time when it was needed most.

And when that victory was won, Paul took his passion for public service to the White House. There, he astounded everyone but himself with his accomplishments at the command center of the greatest country in the world. He mastered legislative detail and created relationships on Capitol Hill that would help his President and his administration achieve the most sweeping fiscal reform and debt reduction package since Harry Truman and Lyndon Johnson.

Then suddenly, one Christmas, his life was suddenly and cataclysmically threatened by the returning disease. But, to our family's lasting gratitude, the brilliant surgeon Dr. Murray Brennan and the medical team at Memorial Sloan-Kettering Cancer Center saved Paul's life and gave him the gift of time. And we will always be especially grateful to Dr. Jim Dougherty, who cared for Paul for more than 5 years since then and worked with him to battle each successive phase of the illness while enabling Paul to live his life to the fullest.

I remember that critical time so clearly, not only because we almost lost Paul that winter, but because I saw a strength and determination in my son that I had never known. One morning, after his surgery, when I visited his room and saw that he was apparently asleep, under heavy sedation, I told Paul's sister that I was about to leave for Albany for the state of the State address. Paul suddenly awoke, sat up, and said clearly and adamantly: "When you get to Albany, you tell them that we put money in the budget for research and teaching hospitals and they'd better be sure they don't cut it." I took my orders, went to Albany, and carried Paul's message to the legislature.

Although Paul would continue to battle illness over the next 5½ years, he would do it on his own terms. He made a deal with Dr. Dougherty, to structure his treatments around his work schedule. When he became a Commissioner of the SEC, he waged a spirited battle for the least powerful, individual investor, and never let his illness impair his commitment to that work.

He would sometimes have to travel to the Netherlands, to take powerful treatments, but he would combine those trips with visits to friends at European Embassies, or tours with his brothers and sisters through France and Italy.

Among his most memorable journeys was the White House delegation's trip to Ireland last winter, where he and I were privileged to join President Clinton as he made a farewell visit to the country he had guided toward peace.

And this spring we had the honor to attend the investiture of new Cardinals by his Holiness Pope John Paul II. On that trip, we visited many glorious and deeply religious sites, including the Basilica of his namesake, Saint Paul.

And although we mark today his passing into eternal life, we repeat our belief that today is a joyous remembrance, with no remorse or regret.

And there is no need to ask now, "Where's Paul?" Because today we celebrate Paul's Homecoming. We know where Paul is, he's in his mother's arms.

And now that Paul's ascendancy is complete, I wonder if when he arrived at the Heavenly Gate, perhaps St. Peter had gone fishing as was his custom, and that day St. Paul may have been there to greet him.

If so, Paul may have had a chance to ask a question he had long pondered: When St. Paul wrote to the Romans and the Colossians and the Corinthians, did they ever write back?

But before he'd answer, St. Paul might say, I have a question for you: "Did you bring your Rolodex?"

"Why," Paul would ask, "Would you want my Rolodex?"

And St. Paul would answer, "If it contains the names of all the people you helped, and the people who helped you, that's a list we want to have!"

So if you were in Paul's Rolodex, you're halfway to Heaven!

And you can count on us to be there with you, until we all make it the rest of the way. Thank you and God bless you!

Mrs. CLINTON. Mr. President, I rise to join the senior Senator from New York, Mr. SCHUMER, in paying tribute to the late Paul R. Carey. I was also honored to have been invited to speak at the memorial service for Paul here in Washington last week, and I wish every Senator could have been there to share in the outpouring of emotion and affection for this wonderful young man. My husband and I knew Paul Carey well and we considered him a dear friend. Paul made many important contributions to President Clinton's work in the White House, and he remained a close friend after he left the White House to become a Commissioner of the Securities and Exchange Commission. He touched so many of us with his wonderfully passionate attitude toward life and his truly special gift for friendship. I join Senator SCHUMER in paying tribute to Paul Carey, and in expressing condolences to Governor Carey, to Paul's 11 brothers and sisters, and to his many friends. He was a great New Yorker and we will never forget him.

Mr. DASCHLE. Mr. President, I thank the Senators from New York, Mr. SCHUMER and Mrs. CLINTON, for their statements about Paul Carey. I also knew Paul and his work, both at the SEC and at the White House, and I join the Senators from New York in expressing condolences to his distinguished father, Governor Hugh Carey, and to the rest of Paul's family and many friends. He was a fine public servant and a fine man, and he will be sorely missed.

SALUTE TO JIM GOODNIGHT AND HIS ASSOCIATES AT SAS INSTITUTE

Mr. HELMS. Mr. President, this Nation was founded on the principle of freedom and, needless to say, America's free enterprise system is the hallmark of our Founding Fathers' economic vision. The news on television and in the newspapers report remarkable success stories, and, indeed, our Nation's most notable businesses were founded by men and women who had the ideas and the vision, and the courage to convert those visions into incredible successes.

Those of us blessed to live in North Carolina are proud of our State's history of business successes, citizens like Buck Duke who developed a system to roll tobacco, William Henry Belk, the amazing merchant, whose Main Street sidewalk in Monroe grew into a chain of high-end department stores. There are countless others whose vision and faith in the free enterprise system made North Carolina one of the leading states in which to do business.

Now then, it's an honor to salute another remarkable North Carolinian who has fulfilled the principles of the free enterprise system and thereby developed the largest privately-held software company in the world which, by the way, is headquartered in Cary, NC. SAS Institute, as it is known, was co-founded and now co-owned by James H. Goodnight and John P. Sall in 1976. Today their dream and wisdom ranks as one of North Carolina's largest employers.

This remarkable enterprise was born following a research grant from the U.S. Department of Agriculture to several universities which were seeking new ways to analyze enormous volumes of agricultural data. A result of this grant was the development of the Statistical Analysis System from which SAS takes its name. The customer list of SAS is replete with the vast majority of the Fortune 100 companies, plus all 14 Federal Government departments now use software developed by SAS. SAS software is used by customers in more than 111 countries around the world. It has vast overseas operations which are based in Heidelberg.

I could go on and on reciting the SAS company's business successes but when you get down to it SAS is a reflection of its leadership. It is important to note the innovation of Dr. Goodnight, the distinguished Chairman and Chief Executive Officer who has created one of the most desirable workplace environments in America.

For example, Jim Goodnight had the forethought to create an on-site childcare center back in 1981 and SAS has an extensive medical facility providing healthcare for all of its associates on its campus. As a result of such creative and family friendly innovations SAS has one of the lowest personnel turnover rates in the industry; moreover SAS has been justifiably praised nationally by countless publications such as Working Mother, Fortune and Business Week.

SAS's longstanding commitment to its community, its State and the world is evidenced by its significant contributions to multiple charitable organizations which focus on education and technology.

Jim Goodnight took his personal commitment to education further by establishing a world-class independent co-educational college preparatory day school, which is a model for integrating technology into all facets of education.

Its vast campus might easily be confused for that of a major university.

As the SAS Institute marks its silver anniversary, it's an honor, indeed a privilege to join other friends across North Carolina in saluting this remarkable corporate citizen, the great leader, Dr. Jim Goodnight, on his incredible 25 years. Jim Goodnight's sound business practices, his adherence to the principles of the free enterprise system, together guarantee another remarkable 25 years for this great North Carolina business.

GUNS AND TEEN SUICIDE

Mr. LEVIN. Mr. President, we often rise on this floor to speak on the subject of gun violence and what we can do to prevent it. The debate frequently centers on how we can keep guns out of the hands of criminals and what penalty is appropriate for using a gun to commit a crime. While the importance of these debates cannot be overstated, these discussions all too often ignore a second related and equally important issue—gun-related suicide.

According to statistics from the Brady Campaign to Prevent Gun Violence, most gun deaths in America are not the result of murder, but suicide. The numbers are particularly shocking for young people. According to the Centers for Disease Control and Prevention, from 1993 through 1997, an average of 1,409 young people took their own lives with guns each year. The connection between access to guns and suicide is particularly strong. In fact, The Brady Campaign reports that the presence of a gun in the home increases the risk of suicide fivefold.

While this problem cannot simply be legislated away, trigger locks and other sensible gun safety measures can help limit children's access to firearms. It is clear that reducing our kids' access to guns can save lives.

PROTECTING AGAINST WRONGFUL CONVICTIONS

Mr. WARNER. Mr. President, I rise today to once again state my strong support for legislation that increases access to post conviction DNA testing.

Our judicial system has numerous safeguards in place to help protect against wrongful convictions of innocent people. The presumption that a person is innocent until proven guilty beyond a reasonable doubt is one of many protections our judicial system provides to protect against wrongful convictions. Rights to appeal criminal convictions are another example.

Despite these many protections, I recognize that wrongful convictions, unfortunately, do occur. In my view, we must continuously examine our judicial system to determine if new protections are available to ensure that individuals are not imprisoned for crimes they did not commit.

In the Commonwealth of Virginia, we need look no further than the Earl Washington case to understand that individuals can be convicted of crimes they did not commit. Washington, a mentally retarded man, spent more than a decade on death row after being convicted for the 1982 rape and murder of 19-year-old Rebecca Williams.

In 1994, Governor Wilder commuted Washington's sentence to life in prison as a result of DNA test results. Since 1994, more sophisticated DNA tests became available, and these tests proved conclusively that Washington did not commit the rape and murder. As a result, last year, Governor Gilmore granted Washington a full pardon for this conviction. Subsequently, the Virginia General Assembly unanimously passed legislation signed into law by Governor Gilmore that allows for inmate access to post conviction DNA testing.

Certainly, Earl Washington's case is not unique to Virginia. Wrongful convictions occur in both Federal and State courts all across the country. The Washington case, however, makes clear to me that post conviction DNA testing must be made more available.

Over the last few years, DNA testing has proved to be a reliable means for identifying criminals when biological evidence exists. While DNA testing is standard in today's investigations, such technology was not available even a decade ago. DNA is more and more frequently used by prosecutors to prove guilt. In my view, it should also be made available to prove innocence. Access to post conviction DNA testing, in circumstances where DNA evidence can prove innocence, is of utmost importance to the administration of justice.

In addition to increasing access to DNA testing, we must look at other ways to improve the administration of justice in our system. The Justice Project, a national non-profit organization focusing on identifying and solving issues of fairness in our judicial system, reports that since 1973, 95 people have been exonerated and released from death row. Of those 95 wrongful convictions, only 10 were discovered as a result of DNA testing. Thus, while access to DNA evidence is one new, important component that we must pursue to protect against wrongful convictions, it cannot be the only avenue we pursue.

We have all read or heard about the horrific cases where individuals are convicted and sentenced to death after a trial where the defense attorney slept through portions of the case, was inexperienced in death penalty cases, or failed to even interview important witnesses. Such incompetency on the part of a defense attorney undoubtedly results in some wrongful convictions.

Certainly, convicted defendants may appeal their conviction to a higher court based on the assertion that they were denied a constitutional right to effective assistance of counsel. However, I believe that our system, particularly in the highly complex capital punishment cases, can do a better job at ensuring effective assistance of counsel prior the time a case gets the appellate level.

In this regard, I share the views of Supreme Court Justice Sandra Day O'Connor, who, in a recent speech, stated that perhaps it's time to look at the minimum standards for appointed counsel in death cases and adequate compensation for appointed counsel when they are used.

Increasing access to post conviction DNA testing, and undertaking a closer examination of the issue of national, minimum standards for appointed counsel in death penalty cases, are two steps in the right direction to improving our judicial system and further protecting against wrongful convictions.

My colleague, Senator LEAHY, has joined with Senator GORDON SMITH and Senator COLLINS in introducing legislation that improves access to post conviction DNA testing and provides for minimum standards for appointed counsel in death penalty cases. Today, I am pleased to join as a cosponsor of this important legislation, S. 486, the Innocence Protection Act.

While I do believe that some technical improvements can be made to the Innocence Protection Act, I support its overall goal of additional, reasonable, protections against wrongful convictions.

Specifically, the Innocence Protection Act contains provisions relating to habeas corpus reform. Under the bill, prisoners in States that do not adopt appointed counsel minimum competency standards will be subject to differing habeas corpus rules than prisoners in States which have adopted such standards. In my view, habeas corpus reform is outside the scope of this legislation, and the issue ought to be thoroughly examined by the Judiciary Committee and addressed in separate legislation.

In addition, the Innocence Protection Act directs the Attorney General to withhold a portion of the funds awarded under the prison grant programs from death penalty States that have not established or maintained a system for providing legal representation in capital cases that satisfy the standards called for by this bill. In my view, a more appropriate way to encourage States to adopt minimum competency standards would be through awarding new grant money for those States that adopt such standards.

Nevertheless, despite these differences, the goal of the Innocence Protection Act is an important one. I look forward to working with the sponsors of this legislation on these concerns, and look forward to working for passage of legislation that will further protect against wrongful convictions.

IN HONOR OF PURPLE HEART MEDAL RECIPIENTS

Mr. WELLSTONE. Mr. President, I rise today to recognize those veterans who have earned the Purple Heart Medal. My own State of Minnesota has recently decided to designate August 7, 2001 as a day to honor these veterans.

The Purple Heart Medal was created by General George Washington and first awarded to soldiers who were wounded as a result of actions by an enemy of the United States. General Washington established the award on August 7, 1782. The Purple Heart Medal is still awarded to members of our Nation's armed forces who are wounded while protecting our Nation and democracy.

Our Government issues several medals to soldiers for bravery, good conduct and efficiency. However, the Purple Heart Medal is unique in the fact that a soldier who is awarded this medal received a wound as a result of hostile actions by an enemy of our Nation. As a U.S. Senator and a member of the Senate Veterans Affairs Committee, I have had the opportunity to personally thank many of the Purple Heart Medal recipients in the State of Minnesota for the sacrifice they made for our Nation and democracy. I believe that every recipient of this distinguished award should also receive appropriate acknowledgment from the Senate.

I invite all members of the Senate to join me and urge all 50 States to hold appropriate ceremonies to honor their Purple Heart Medal recipients.

WE NEED A DRUG CZAR

Mr. GRASSLEY. Mr. President, in the last several days, I have received a copy of the most recent PRIDE survey of youth drug use in this country. The numbers are not encouraging. In fact, the numbers over the last several years have not been encouraging. Drug use among teenagers since 1992 has risen sharply. This is true for use of more traditional drugs, like heroin. It is true for the newer or more recently popular designer drugs, like meth and now ecstasy.

I have spoken about these trends frequently here and in hearings. The Caucus on International Narcotics Control, which I co-chair, has held a number of hearings on these dangerous trends and their consequences. No one who is familiar with the details can be anything but concerned about what is happening. No one that is except those who seek to legalize drugs in our society and make them even more available than they now are.

The legalizers, of course, do not admit that this is their intent. But it is like the old magician's trick, watch the birdie. They cloak their efforts to legalize with various disguises. They want marijuana for sick people. They want treatment not prisons. They want compassion not punishment. But it's an old game. It's just a variation on the useful lie: I am for a good cause so I don't have to be honest. Well, as the old saying has it, fool me once shame on you, fool me twice shame on me.

And they are trying to fool people again. The goal this time is to stop the nomination of John Walters to be the nation's drug czar. Their effort is a purely cynical one trying to portray Mr. Walters as some kind of stone age, Neanderthal throwback who is out of step with the needs of real drug policy. But the policy they really advocate is to make drugs more widely available. What they object to is that Mr. Walters does not accept that. So they have begun a campaign to impugn his character, misstate his views, and misrepresent the facts and their own goals. They do not want strong leadership on this issue.

They are trying to portray Mr. Walters as a total supply side advocate who cares nothing about treatment or prevention. They are relying on the hope that people will read what they have to say about his record rather than look at his record. Remember, watch the birdie. They hope to block his nomination in order not to help stop drug use but to clear the way for their efforts to legalize.

The main voices against him have come from groups funded by billionaire advocates for drug legalization. It is coming from a number of journals and organizations that are on record favoring drug legalization. They would have us believe that their motive for opposing the President's candidate to be the drug czar is out of concern for treatment and prevention. This is like the wolf expecting Little Red Riding Hood to believe it is really grandma in the bed.

Some facts. When Mr. Walters was the chief of staff for Bill Bennett, the first Drug Czar, Walters was a key player in helping to ensure that we had a serious demand reduction effort as part of our policy. In the Bush years, demand reduction resources doubled. In 4 years of that administration, the rate of funding for demand was higher than in the 8 years of the last administration. Mr. Walters was a player in making that happen in the first Bush administration. It is true he spoke out a lot on supply reduction. That too was part of the President's strategy and he was responsible for helping to implement that as well. He also became the Deputy Director for Supply at ONDCP. It was his job to speak on these issues. There was a Demand Deputy. It was his job to speak on demand issues. You will not find a lot of supply talk in Dr. Kleber's public comments. As the demand guru it wasn't the focus of his job. You won't find a lot of demand comments in Mr. Walters' statements. Why do you think that is?

In the years after he left ONDCP, Mr. Walers made numerous public statements. Many of these were before Congress. He was asked by committees in Congress responsible for dealing with supply issues to speak on them. Is it any wonder that most of those concern supply reduction? It isn't a mystery, but, remember, watch the birdie.

Let's be clear. The objection to Mr. Walters is not that he is a supply sider or a hawk on demand. It is that he believes we need a serious drug policy that is comprehensive. That is what Congress wants and funds. The President has made it clear that that is what he wants and expects. It's the President's policy. As a member of the President's Cabinet, Mr. Walters will be a strong voice, a forceful advocate. We need that. The major demand groups in this country recognize that and support him.

Mr. Walters is not a drug legalizer. He is a man committed to stopping the flow of illegal drugs across our borders and into our schools and neighborhoods. He is committed to prevention and effective treatment. He has children of his own. He is determined to help protect them in their schools from the drug pushers among us. He cares passionately about this issue.

That is why I believe the Senate needs to move quickly on his nomination. We need leadership. We need commitment. We need passion. Mr. Walters can supply those needs in working with Congress to accomplish a common goal. The only people who benefit from blocking this nomination are the legalizers. We should not become their unwitting allies.

I support this nomination. I urge my colleagues to join me. It is late in the year. The August recess is almost upon us. We need to give Mr. Walters a speedy hearing and a quick confirmation so that he can get about the Nation's business.

JOHN WALTERS NOMINATION

Mr. SESSIONS. Mr. President, I rise today to encourage my colleagues to expedite the nomination of John Walters to be Director of the Office of National Drug Control Policy, ONDCP.

We continue to be faced with a major drug problem in America. Drugs are easily available and kids are using them.

While I believe that we must address the supply of drugs coming into this country, I believe that true achievement can only come from within our Nation.

We must decrease the demand for drugs in America before our efforts to stop the flow of drugs can gain any measure of success.

The real challenge is developing a multifaceted approach to move us down the road to substantial reduction in drug use.

According to the University of Michigan, "Monitoring the Future" survey, that has tested students for 20 years, for 12 years under the Reagan and Bush administrations, drug use went down every single year. (University of Michigan, "Monitoring the Future Study," 1999.)

This was done through a commitment to energizing our Nation as a whole against this threat. Parents, educators, law enforcement officials, business and community leaders, and the media were all enlisted to create a climate of intolerance.

As a Federal prosecutor in Mobile, AL, during these years, I am proud to say that I participated in this effort.

Unfortunately, when the Clinton-Gore administration took office, things began to change. When President Clinton appeared on MTV and joked about whether or not he inhaled marijuana by saying "Maybe I wish I had," he began to erode the leadership by example that is the crucial first step in the war against drugs.

When President Clinton nominated people who did not carry out a tough drug policy this further weakened the message to our children and to drug criminals regarding the importance of the war on drugs.

After taking office, the Clinton-Gore Administration all but eliminated the Drug Czar's office, slashing the number of employees from 146 to 25.

It is not a surprise that the same University of Michigan study that showed the gains we made during the Reagan-Bush years, showed that drug use had steadily risen among our youth during the Clinton-Gore years.

According to the Monitoring the Future Study, since 1992: overall drug use among 10th graders increased 55 percent. Marijuana and hashish use among 10th graders increased 91 percent; heroin use among 10th graders increased 92 percent; cocaine use among 10th graders increased 133 percent.

Except for a slight decline in 2000, drug use generally increased during the Clinton-Gore administration.

If we are going to make real progress in combating drug use in America, we must return to the key concepts of leadership by example, tough law enforcement initiatives, and community involvement. We must also ensure that Federal Government programs that are meant to combat drug use really do work.

There are those in this body who have advocated spending hundreds of millions of dollars on increased drug treatment. Treatment is very valuable, but don't we get more for our money if we prevent individuals from using and becoming addicted to drugs in the first place.

President Bush has made a commitment to reducing drug abuse in America. In order to achieve this goal he has nominated a strong candidate in Mr.

Walters. I believe that Mr. Walters will provide the strong leadership we so desperately need.

President Bush's approach will focus on reducing the demand for drugs through effective education, prevention, treatment, and law enforcement.

President Bush has nominated Mr. Walters for this position because he is an experienced leader in reducing the demand for and supply of drugs. John Walters was indeed a major catalyst for the successes achieved during the Reagan-Bush years. Indeed during his tenure as Assistant to our Drug Czar, Bill Bennett, America saw a marked and dramatic reduction in drug use. The war on drugs was not a failure, it was one success after another.

Some members of the press have focused on Mr. Walters experience in interdiction and law enforcement, but he actually started in public service at the Department of Education, specializing in drug abuse prevention, including writing and taking a lead on the "Schools Without Drugs" prevention and education program.

Mr. Walters went on to serve as the ONDCP chief of staff in the first Bush administration and later was confirmed by the Senate as deputy director. We achieved some of our greatest victories under his watch. It is obvious he has the qualifications and experience for the job.

William Bennett, the former director of ONDCP and Mr. Walters former boss while he was at the agency, has said "John is the best person for the job. He is one of the three or four most knowledgeable people about the issue and he has a deep passion about the job of stopping illegal drugs."

Now more than ever we need strong leadership. The Director of ONDCP coordinates all Federal anti-drug efforts, but it is also important that the Director work more effectively to support State and local efforts. President Bush's plan stresses this aspect.

Let me give you an example of the crisis we face. Last year a study was released by the National Center for Addiction and Substance Abuse at Columbia University. According to the study, adolescents in small-town and rural America are much more likely than their peers in urban areas to have used drugs.

The study reports that 8th-graders in rural areas are 104 percent likelier than those in big cities to use amphetamines, including methamphetamines, and 50 percent likelier to use cocaine.

Law enforcement officials in Alabama have come to me with major concerns about increased drug use and trafficking in the rural parts of the South, particularly an alarming rise in Methamphetamine use and production.

We must take steps to reverse this alarming trend. We need solid leadership at the Office of National Drug Control Policy to address this issue. One area were Mr. Walters can have a major impact on this problem, is in regards to the High Intensity Drug Trafficking Area or HIDTA program.

The Anti-Drug Abuse Act of 1988 authorized the Director of ONDCP to designate areas within the United States which exhibit serious drug trafficking problems and harmfully impact other areas of the country as High Intensity Drug Trafficking Areas.

The HIDTA program provides additional Federal funds to those areas to help eliminate or reduce drug trafficking and its harmful consequences. The program enhances and coordinates drug control efforts among local, State, and Federal law enforcement agencies.

The House and Senate Appropriations Committees have passed increases for the HIDTA program in both versions of the Treasury Postal Appropriations bills. Much of these funds will be left to the discretion of the director of ONDCP.

We need immediate, strong, and competent leadership at ONDCP to ensure that issues like this are properly addressed. The funding must flow to the areas with the most need, where law enforcement can make a real difference. Mr. Walters has the knowledge and expertise to make these types of important decisions.

Mr. Walters can also provide strong leadership in our overall Federal efforts. Our Federal campaign against drugs is spread over a number of agencies, including the Justice, Treasury, and Defense Departments. We need strong leadership to ensure that these efforts are coordinated. I have become concerned in recent months that perhaps some of these agencies efforts have become repetitive.

I have requested that the GAO study these efforts to ensure that is not happening. Mr. Walters has the expertise to take a close look at all our efforts to ensure that our dollars are being sent wisely.

I believe we can make a real difference in the problems with drugs in America. Under President Bush and Mr. Walters leadership, I know we can send a clear message to our youth that drugs use is dangerous and just plain wrong. We can also send a clear message to drug dealers, that there activities will not be tolerated.

I urge my colleagues to move toward confirmation of John Walters nomination. This is not an area where we can afford to delay.

KOREAN GOVERNMENT SUBSIDIES

Mr. CRAIG. Mr. President, I rise today to express my extreme concern about developments in the Republic of Korea that have far reaching negative implications for U.S. semiconductor companies. I am referring to the massive and unjustified government bailout that the South Korean government is providing to Hyundai Electronics, now known as Hynix.

To date, the South Korean Government and the government-owned banks have given Hynix over $4 billion in loans and other types of financing which carry the guarantee of the government of Korea. This is a subsidy pure and simple. As if this is not bad enough, however, two Wall Street Journal articles over the past week report that the Korean government is now planning on giving Hynix an additional billion dollars to keep them solvent.

In the year 2000, Hynix was the world's largest producer of dynamic random access memory, or DRAM, an important type of memory semiconductor that is used in everything from personal computers to satellites. Hynix has captured over 24 percent of the world semiconductor market. However, Hynix achieved such a large share of the global market not because it is particularly good at making DRAMs, but because it borrowed excessively and built up enormous capacity.

Now, Hynix is broke and cannot repay the loans it took out to finance its expansion. Verging on bankruptcy, Hynix has been kept alive by the South Korean government through infusions of new cash. Far from solving the company's problems, however, these government subsidies are just plunging Hynix deeper into debt. This behavior circumvents normal market forces and has very severe implications for the companies in the U.S. and the rest of the world that are forced to compete with Hynix's illegally subsidized products.

Over the past several months, the Korean government has given assurances to me, to my colleague Senator CRAPO, and other members of this body, as well as Ambassador Zoellick, Secretary Evans and Secretary O'Neill, that the Korean government will stop giving these subsidies to Hynix, subsidies that clearly violate our international trade agreements. Now, the Korean government seems poised to violate these assurances completely, destroying the U.S. semiconductor industry in the process.

I call on the Korean government to stop subsidizing Hynix, to stop this distortion of the international semiconductor market, and to let Hynix sink or swim on its own.

Mr. MCCONNELL. Mr. President, as we are all aware, the Internet has revolutionized communication and business. Unfortunately, it also provides a new tool for some very traditional villains: child molesters. While it is already a Federal crime to cross State lines to sexually molest a minor, in recent years the number of people using the Internet to violate this law has skyrocketed. According to a report issued to Congress last year by the National Center for Missing and Exploited

Children, NCMEC, one in five children, aged 10–17, were sexually solicited over the Internet in 1999. And from 1998–2000 alone, the FBI's cybermolester caseload increased by 550 percent.

Unfortunately, loopholes in the current law allow some of these predators to escape without any real consequences. Because most cybermolesters are well-educated, middle-class, and have no previous criminal record, many judges are giving them laughably light sentences. Ironically, the purveyors of child-pornography receive mandatory ten-year sentences, but those who use the Internet to meet children and act out pornographic fantasies often receive no jail time at all.

We need to end the double standard that gives lighter sentences to a special set of privileged criminals. For this reason, last week I re-introduced my Cybermolesters Enforcement Act to ensure that these new on-line molesters are apprehended and brought to justice. Like last year, my bill provides for a five-year mandatory minimum sentence for those who abuse the Internet in an effort to sexually abuse America's children, but it does not change the maximum sentence provided by Federal law.

This year, the bill contains two additional provisions to help the Bureau apprehend these abusers and destroy their disgusting wares. First, my bill would allow law enforcement to obtain a Federal wiretap on those suspected of committing certain child sexual exploitation offenses, such as transmitting computer-generated child pornography, enticing a minor to travel for sexual activity, or transporting a minor for sexual activity. Adding these offenses to the list of crimes for which Federal law enforcement may obtain wiretaps will significantly increase the ability of the authorities to detect and interdict those who use the Internet to send pornography to minors and then arrange to meet them for unlawful sexual activity. As with any other wiretap request, though, the government first must demonstrate probable cause to the satisfaction of a Federal judge in order to use this important tool.

Second, this year my bill would classify child pornography as contraband. Illegal drugs and counterfeit currency are already defined as contraband, and child pornography is at least as dangerous to our society. Classifying child pornography as contraband would enable law enforcement officials to seize it based upon probable cause and destroy it automatically after its use as evidence is no longer needed. Furthermore, treating this odious material as contraband will likely lead to increased cooperation from commercial entities, such as Internet service providers, which are unwittingly used by child pornographers to store and transmit this disgusting material. Because no customer can claim a legitimate property interest in contraband, these entities will be free to seize child pornography, delete its presence on the Internet, and send the images to law enforcement without fear of civil liability from their customers.

The Cybermolesters Enforcement Act addresses a real and chilling threat to our Nation's children. It will support the FBI's "Innocent Images" program, which is on the front lines of the battle against on-line pedophiles. Both Ernie Allen, President of the NCMEC, and by John Walsh of "America's Most Wanted" have endorsed it. "Predators are hiding behind the relative anonymity of the Internet to target children," said Mr. Allen. "While we're making enormous progress in addressing this problem, it is clear that too many of these cases are not being viewed in a serious way by the courts. Senator McCONNELL's bill sends a loud, clear message that enticing children for sexual purposes over the Internet is just as illegal and just as dangerous as doing it in a shopping mall or playground," said Allen. And John Walsh notes that "yesterday's child molesters are today's cybermolesters. Senator McCONNELL's bill is a comprehensive approach to fighting these despicable crimes. It helps the FBI track down these criminals, allows the Bureau to seize their perverse wares, and makes sure we do not let them escape justice."

I urge my colleagues to support this initiative, and I ask unanimous consent that this article by George Will outlining the problem of cybermolesters be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

[From the Washington Post, Jan. 23, 2000]

NASTY WORK

(By George F. Will)

To visit a crime scene, turn on your computer. Log on to a list of "bulletin boards" or real-time chat rooms, which come and go rapidly. Look for names like "Ilovemuchyoungerf" ("f" stands for females) or "vryvryvrybrlylegal" or "Moms'nsons" or "likemyung."

The Internet, like the telephone and automobile before it, has created new possibilities for crime. Some people wielding computers for criminal purposes are being combated by FBI agents working out of an office park in Calverton, Md.

The FBI operation, named Innocent Images, targets cyber-stalkers seeking sex with children, and traffickers in child pornography. As one agent here says, "Business is good—unfortunately." Criminal sexual activity on the Internet is a growth industry.

In many homes, children are the most competent computer users. They are as comfortable on the Internet as their parents are on the telephone. On the Web, children can be pen pals with the entire world, instantly and at minimal cost. But the world contains many bad people. Parents should take seriously a cartoon that shows two dogs working on computers. One says to the other, "When you're online, no one knows you're a dog."

A child does not know if the person with whom he or she is chatting is another child or a much older person with sinister intentions. The typical person that the agents call a "traveler"—someone who will cross state lines hoping to have a sexual encounter with a child—is a white male age 25–45. He has above-average education—often an advanced degree, and he can find his way around the Internet—and above-average income, enabling him to travel. Many "travelers" are married.

But these cyber-stalkers do not know if the person with whom they are chatting is really, as they think, a young boy or girl, or an FBI agent. Some "travelers" who thought they had arranged meetings with children have been unpleasantly surprised, arrested, tried and jailed.

Since the first arrest under Innocent Images in 1995, there have been 487 arrests of "travelers" and pornographers, and 409 convictions. Most of the 78 nonconvictions are in cases still pending. The conviction rate is above 95 percent. However, the FBI is distressed by light sentences from some judges who justify their leniency by the fact that the offenders are socially upscale and first offenders. (Actually, probably not: How likely is it that they get caught the first time they become predators?) Lenient judges also call the crime "victimless" because it is an FBI agent, not a child, receiving the offender's attention.

Agents are trained to avoid entrapment, and predators usually initiate talk about sexual encounters. But children implicitly raise the subject by visiting such chat rooms. Most children recoil when sexual importunings become overt. ("When you come to meet me, make sure you're not wearing any underwear.") But some importunings, including gifts and sympathetic conversation about the problems of children, are cunning, subtle and effective.

Publicity about Innocent Images may deter some predators, but most are driven to risk-taking by obsessions. America Online and other service providers look for suspect chat rooms and close those they spot, but they exist in such rapidly changing profusion that there are always many menacing ones open.

Digital cameras, and the plunging price of computer storage capacity for downloaded photographs, have made this, so to speak, the golden age of child pornography. The fact that the mere possession of it is a crime does not deter people from finding, in the blizzard of Internet activities, like-minded people to whom they say things like, "I'm interested in pictures of boys 6 to 8 having sex with adults."

A booklet available from any FBI office, "A Parent's Guide to Internet Safety," lists signs that a child might be at risk online. These include the child's being online for protracted periods, particularly at night. Being online like that is the unenviable duty of FBI agents running Innocent Images.

Each of the FBI's 56 field offices has an officer trained to seek cyber-stalkers and traffickers in child pornography. Ten offices have Innocent Images operations. Agents assigned to Innocent Images can spend as many as 10 hours a day monitoring the sexual sewer that is a significant part of the "information superhighway." So the FBI looks for "reluctant volunteers" who, while working, are given psychological tests to see that they are not becoming "damaged goods." Whatever these agents are being paid, they are underpaid.

BALLISTIC MISSILE DEFENSE

Mr. SMITH of New Hampshire. Mr. President, as momentum builds for the deployment of missile defense and the abandonment of the obsolete ABM Treaty, those who oppose missile defense are getting more and more desperate in their arguments. One argument that we're hearing with more frequency is the threat of the suitcase bomb. This argument maintains that we shouldn't be spending our scarce defense dollars on ballistic missile defense when there are easier and cheaper ways a potential enemy could deliver a weapon of mass destruction to the United States. Rogue states could just smuggle a bomb in on a ship, or put it in a suitcase in New York, or drop biological weapons into our water supply. A missile defense system won't do anything to stop a suitcase bomb, so it must be a waste of money, or so the argument goes.

This argument is repeated with such frequency, it might be useful to state for the record why it misses the point.

Let me state the most obvious reason first. The presence of one kind of threat doesn't mean you shouldn't also defend against other threats. Imagine if this logic were applied consistently to our approach to national defense. Why have an army if you can be attacked by sea? Or, why have air defenses if you can be attacked by land? Such reasoning is absurd. If we refused to defend against one threat simply because other threats exist, we would end up completely defenseless.

National defense capabilities are like insurance policies: we hope we never have to use them, but the consequences of not having them could be catastrophic. No one would argue that because you have auto insurance you shouldn't also buy insurance for your house. However, opponents of missile defense argue that you don't need insurance against ballistic missiles, but that you only need insurance against suitcase bombs and other terrorist threats.

I think we would all agree that a potential adversary would likely try to exploit any perceived vulnerabilities in our defenses. This is only logical. If the U.S. forgoes the capability to repel a missile attack, that creates a powerful incentive for our adversaries to seek a ballistic missile capability. Once again, this is only logical.

I would like to emphasize that defending against the so-called suitcase bomb threats is not an alternative to defending against ballistic missiles, as opponents of missile defense assert. We must do both. We have an obligation to do both.

Keep in mind that terrorist acts, such as those that would be perpetrated by a suitcase bomb, serve purposes entirely different from ballistic missiles. The surreptitious placement and detonation of a weapon, such as occurred at the World Trade Center or in Oklahoma City, is intended to disrupt society by spreading terror. Such acts depend on covert action and their goal is the actual use of the weapon. That's not why nations acquire ballistic missiles.

How many times have we heard opponents of missile defense drag out the tired cliche "Missiles have a return address!" as though that somehow devalues them. The opposite is true, missiles derive their value from the knowledge of their existence and the belief that they might be used. Of course they have a return address; their owners want to make sure we know it. The point is not, as it is with terrorist weapons, to hide the existence of ballistic missiles, but to broadcast it. The ability to coerce the United States with ballistic missiles depends on our belief that a potential adversary has nuclear missile and would be willing to use them against us. We called this principle deterrence when the Soviet Union was in existence. However, in the hands of a dictator, deterrence can quickly become coercion and blackmail.

Those who argue that missile defense is not necessary as long as a potential adversary could use a suitcase bomb erroneously assume that the goal of a rogue state in having a ballistic missile is to use it somewhere. This is not necessarily correct. These rogue states recognize that ballistic missiles armed with nuclear warheads provide an effective way to coerce the United States. Imagine a dictator who could stand up to the United States with a nuclear missile, knowing full well that there is nothing the United States can do to defend itself.

There is another huge difference between the terrorist act and the ballistic missile—we are actively fighting against terrorism but doing nothing whatsoever to protect ourselves against ballistic missiles. Last year, the United States spent around $11 billion in counter terrorism programs, more than double what we spent on the entire missile defense program, including theater missile defenses. Spending this year on counter terrorism programs will be even higher. And that layer of defense is working, as evidenced last year by the successful interdiction of terrorist infiltration attempts on our northern border. Counter terrorism is an important aspect of our national security program and we need to continue to be vigilant and to dedicate the necessary resources to it. But we have no defense against ballistic missiles, and we cannot continue to have this glaring vulnerability in our defenses.

For those opponents of missile defense, I pose the following questions. Why are nations like North Korea and Iran spending billions of dollars on the development of ballistic missiles? Are they irrational, spending money on things they don't need? I think that's highly unlikely. I think a better explanation is that the leaders of such nations see tremendous value in such weapons. They understand that the only way to counter the power of the United States and reduce its influence is to exploit its vulnerabilities. I think they have surveyed the landscape and have correctly perceived that our one glaring vulnerability is our utter defenselessness against ballistic missile attack. And I think they have realized that ballistic missiles, with their return address painted right on the side in big bright letters, can be instruments of coercion without ever being launched.

That is a purpose very different from the one served by suitcase bombs, and it is time opponents of missile defense stopped pretending otherwise.

THE FISCAL YEAR 2002 VA-HUD AND INDEPENDENT AGENCIES

Mr. KYL. Mr. President, I regret that, once again, I was compelled to oppose this appropriations bill. At the outset, I should make it clear that there are many worthwhile items contained within it. Above all, I am pleased that the committee has provided significant increases in funding for veterans' health care, veterans' medical research, State veterans home construction and other vital programs that serve those who have sacrificed for our Nation.

Nevertheless, I cannot endorse the order of priority accorded to the various programs funded within this bill. I object to leaving veterans' needs unmet while funding hundreds of earmarked projects. And I regret that our appropriations process compels Members to, in effect, choose between voting for rightly popular veterans' programs and voting against wasteful social spending.

For a number of years, I have questioned the desirability of grouping agencies with unrelated missions into omnibus appropriations bills, and I have cited the VA-HUD bill as the best illustration of the problem. Despite my strong support for veterans benefits I have, more often than not, voted against the VA-HUD bill since I came to the Senate, because I believed that the spending levels and earmarks in the HUD portion could not be defended.

We all know that HUD is a Department fraught with serious problems, as detailed repeatedly by the General Accounting Office, which to this day, classifies HUD as the only "high risk" executive branch agency at the Cabinet level. Yet the bill before us provides HUD with a robust nine percent increase, bigger than the increase provided for veterans.

The HUD title also includes eleven pages of earmarked projects, the vast bulk of them in States represented by appropriators. If past history is any guide, the final list of earmarks will grow beyond what is in this bill, or the House bill.

Last night, I reluctantly voted against the amendment offered by the senior Senator from Minnesota, because I believed that the additional funding for veterans' health it provided needed to be, and could have been, fully offset. The first $140 million could be found in those eleven pages of earmarks!

Another $420 million could be found in the allocation for AmeriCorps, former President Clinton's program to pay salaries and benefits to "volunteers."

Nearly all of the remaining $90 million could be found by reclaiming for veterans money this bill allocates for federally-funded community computer centers, an unauthorized expenditure.

It is all about priorities, you see, and the priorities in this bill are out of whack.

Finally, I must reiterate my disappointment with the failure of the Senate to adopt needed reforms to restore equity in the formula used to distribute funding for wastewater needs to the various States. Although the managers graciously adopted my amendment urging the authorizing committee to act this year to address the need for reform, the Senate has lost a real opportunity to bring this outmoded formula into the 21st century.

WILDFIRE TRAGEDIES

Mr. SMITH of Oregon. Mr. President, I rise today to reflect on a tragedy that weighs very heavy upon my heart. Last month four firefighters were killed in a conflagration in Washington State's Okanogan National Forest. My prayers and thoughts are with the families of Tom Craven, Devin Weaver, Jessica Johnson, and Karen FitzPatrick. Their service and bravery will not be forgotten.

This tragedy, like those at Mann Gulch and Storm King Mountain, reminds us of the very real, imminent and often hidden specter of wildfire. While Congress and the Administration have made a commendable commitment to fighting and preventing wildfire, this most recent tragedy raises valid concerns about potential administrative and regulatory barriers to responsible fire management.

There are reports that conflicting authorities, involving the requirements to protect bull trout under the Endangered Species Act, delayed a water drop on the fire for nearly 12 hours, during which time the fire grew from 25 to 2,500 acres. I am aware that the Forest Service is investigating this matter, and in no way want to comment on the verity of this report. The fact that such an occurrence is possible, however, is cause enough for great alarm, and a call for immediate attention by this body and the administration.

I would pose two questions to my colleagues: What obstacles are preventing the protection of human life during emergency situations? If there is indecision in the face of danger, is there also inconsistency in our laws, and our priorities as a government?

There is a clause in the Endangered Species Act, ESA, that provides for threats to human life. It says that "No civil penalty shall be imposed if it can be shown . . . that the defendant committed an act based on a good faith belief that he was acting to protect himself . . . or any other individual from bodily harm, from any endangered species." This is the "charging bear" scenario, which I believe in spirit, should apply to any conflict between human and animal life.

As the Forest Service investigates this tragedy, I believe that clarity should be given to all Federal land management agencies, as well as the National Marine Fisheries Service, NMFS, giving explicit authority, in emergency situations, to take without reservation necessary actions to prevent the loss of human life. While this authority is consistent with the Endangered Species Act, it seems to be constrained by a bureaucracy that has repeatedly turned a blind eye to the human side of natural disasters.

I also want to express my disappointment in one of the government's missed opportunities to prevent wildfire threats in the first place. The National Fire Plan provided a landmark level of funding to reduce hazardous fuel loads on 3.2 million acres of public lands. In addition, the Forest Service and NMFS entered into a Memorandum of Agreement to streamline the ESA consultation process for fuels reduction projects while protecting salmon habitat. NMFS was consequently given $4 million to accomplish this. Over a month ago, thirty NMFS biologists were sent to the Pacific Northwest to expedite these consultations. It appears that, to date, they have not been assigned a single project. In addition, testimony from the General Accounting Office this week reported that there are serious flaws in the implementation of the National Fire Plan, including interagency cooperation.

When I go home to Oregon tomorrow I want to tell my constituents, including my friends and neighbors, that "help is on the way." In order to do that, I must be confident that this body will exert every power at its disposal to protect our citizens, and our forests, from Nature's disasters, and our own.

TRIBUTE TO LANCE ARMSTRONG

Mr. BROWNBACK. Mr. President, in the world of sports, there are competitions, there are grueling tests of strength and endurance, and there is the Tour de France. For 22 days—through 20 different stages—over 2,286 miles—over mountains—across valleys—through cities—some of the world's greatest athletes ride. They compete against each other, the elements, the terrain and themselves, primarily with the hope of simply completing the ride.

Competing in the Tour de France, there are the great athletes, there are the elite athletes, and there is Lance Armstrong. On his Circum Vitae, Lance might list himself as a two time Olympian, a two time US Champion, World Champion, or—a feat boasted by only eight riders since the beginning of the tour in 1903—a three time Tour de France winner.

On this past Sunday, July 29, the 29 year old Texan pulled up to the Champs-Elysees, six minutes and 44 seconds ahead of his next closest competitor. It was his third victory at the Tour de France in as many years. While he has been reluctant to accept the title, many of his fellow cyclists consider him to be "the Patron"—the unquestioned boss of the race.

However, as remarkable as his competitive achievements may be, Mr. Armstrong's Circum Vitae has one addition that establishes him as a truly remarkable human being—he is a cancer survivor. With the same fortitude that carried him over 6 peaks in the Pyrenees, Mr. Armstrong defeated choriocarcinoma, an aggressive form of testicular cancer. By the time it was discovered, the cancer had spread to, and established itself in, Mr. Armstrong's abdomen, lungs and brain. Some of the 11 masses in the talented young cyclist's lungs were the size of golf balls. According to medical science, Mr. Armstrong had an estimated 50/50 chance of survival. Needless to say, the odds of his ever returning to the sport he loved were more slim.

However, as has been made obvious in the last three tours, Lance Armstrong is a man of great determination. Since 1997, Mr. Armstrong has been cancer free. Despite having endured brain surgery, the removal of a testicle and intense chemotherapy, he has returned to and excelled in one of the toughest competitions in the history of sport.

Beyond his professional triumphs, Mr. Armstrong has lived a fulfilled personal life. In 1998, Lance Armstrong and Kristen Richard were joined as husband and wife. In 1999, the couple were blessed with the birth of their first son, Luke David.

Beyond his incredible professional and personal triumphs, Mr. Armstrong has become a beacon of hope to his community. Through his work with the Lance Armstrong Foundation, Mr. Armstrong has greatly benefitted the causes of research, early detection and treatment, and survivorship. The name Lance Armstrong has come to signify hope for cancer patients and their families.

So, I rise today not to congratulate Mr. Armstrong, but to thank him. He has meant a great deal to a great many people. The word "hero" is, in my opinion, overused in the world of sports. Lance Armstrong is a hero.

THE BUDGET OUTLOOK

Mr. ALLARD. Mr. President, on July 20 the senior Senator from the great State of North Dakota made a series of thought-provoking comments on the floor of the Senate. Many of those comments related to a speech Larry Lindsey, President Bush's economic advisor and a distinguished public servant, delivered in Philadelphia on July 19.

In his statement my colleague alleges that Dr. Lindsey misrepresented his views on raising taxes at a time of economic slowdown. In fact, on page 12 of his speech, Dr. Lindsey said, "In recent hearings conducted by Senator CONRAD at which Budget Director Daniels testified, the Senator agreed that raising taxes this year might not be a good idea given the economy. But he went on to be clear that next year might be different. He hinted at a tax increase in 2002, just as the economy is recovering."

If, when he made his remarks on the floor of the Senate, Senator CONRAD had not seen a copy of Dr. Lindsey's speech, I can well understand that he may not have realized that his allegation on the matter of his favoring a tax increase this year was false. As to Senator CONRAD's views on the advisability of a tax increase next year, I must say that the transcript of his floor statement on July 20 only reinforces the view that he might support a tax increase next year when the economy is growing more robustly. Independent observers have drawn the same conclusion about Senator CONRAD's views from his public statements. Robert Samuelson, in the July 11 Washington Post wrote, "To protect on-budget surpluses, Conrad says the Bush administration has 'an affirmative obligation to come up with spending cuts or new revenue (tax increases).'" If this is not the case, and Senator CONRAD is opposed to tax increases next year, I can assure you that I would applaud his decision.

In his Philadelphia speech, Dr. Lindsey provided compelling reasons why we should not even be talking about the possibility of raising taxes next year. First, a tax increase next year would undermine the sense of permanence associated with this year's tax cut. That sense of permanence is key to the success of this year's tax cut. Talk of increasing taxes, or of repealing the tax cut next year, thus reduces the effectiveness of this year's tax cut. Furthermore, you need only look at Japan's experience when it increased taxes early in an expansion. It wasn't pretty.

A second point of concern in this dialogue involves the timing of the tax cut. I am pleased to discover the amount of agreement between the administration and Senator CONRAD on the need for a fiscal stimulus this year. When he announced his tax program in December, 1999, the President said that the country may need an insurance policy. Thus, while he proposed a basic plan involving a 5-year phase-in, the President left flexible the actual timing of his tax reduction, explicitly letting it depend on macroeconomic circumstances. In January he indicated a need to work with Congress on an acceleration of the tax cut. And in his formal proposal in February, the President said explicitly, "I want to work with you to give our economy an important jump-start by making tax relief retroactive." That was a full month before the distinguished senior Senator from North Dakota proposed his $60 billion tax cut proposal for this year.

Fortunately, Congress did pass a fiscal stimulus for 2001. Senator CONRAD's floor statement indicates support for a $60 billion tax reduction this year. That figure is very close to the $74 billion figure that actually passed and was signed into law. I don't believe that the $14 billion difference in these figures could be the basis for Senator CONRAD's assertion that the administration is "driving us into the fiscal ditch," especially given a $2 trillion Federal budget and the Senator's apparent support for cutting taxes during an economic slowdown.

Furthermore, the spending side of the fiscal year 2001 budget was determined last fall under President Clinton. At that time, the President and the Congress increased discretionary spending by more than 8 percent. Had that rate of spending increase been sustained, we certainly would have deficit problems later this decade. Fortunately President Bush proposed a budget, and Congress adopted a budget resolution, with a sharp deceleration of that rate of spending increase.

Looking forward, a comparison of the Democratic alternative that Senator CONRAD referred to in his remarks and the bill that actually passed is instructive. For example, in fiscal year 2002 the bill that passed the Congress and was signed by the President was scored at $38 billion. By comparison, the Democratic alternative was scored at $64 billion. Would the Democratic alternative tax proposal have driven us into the "fiscal ditch" deeper and faster than the President's budget?

In fiscal year 2003, the relevant scoring by Congress' Joint Committee on Taxation shows the bill that actually passed cost $91 billion while the Democratic alternative cost $83 billion. In fiscal year 2004 the figures were $108 billion for the bill that actually passed and $101 billion for the Democratic alternative. In fiscal year 2005 the actual legislation cost $107 billion while the Democratic alternative cost $115 billion. Surely this $7 billion difference between the two bills over a three year period cannot plausibly be labeled "driving us into the fiscal ditch" either.

One must assume that Senator CONRAD's assertions are based on the long-term revenue effects of the President's proposal. Yet, in fiscal year 2006 and later no one is forecasting anything but a large budget surplus. Thus, it is hard to find any factual basis for claims that the President's tax plan is "driving us into the fiscal ditch" by any definition of that term that does not also apply to the proposals Senator CONRAD and his Democrat colleagues advanced during the budget debate.

It is apparent from Senator CONRAD's remarks that he and Dr. Lindsey differ on the proper measure of fiscal tightness. Dr. Lindsey asserted in his speech that the best measure of the Government's effect on the financial markets is the Unified Budget Surplus. This was a concept created by a special commission appointed by President Lyndon Johnson and has been in use for more than 30 years. It has long been the standard for non-partisan analysis of the budget. For good measure, on page fifteen of his speech, Dr. Lindsey quoted Robert Samuelson regarding the usefulness of alternative definitions.

As to the appropriate size of the unified surplus, I concur wholeheartedly with the administration's view that the unified surplus should be at least as large as the Social Security surplus. Dr. Lindsey outlined in his Philadelphia speech why this is appropriate. But, Senator CONRAD and Dr. Lindsey disagree fundamentally regarding the right term to apply to Medicare. As Dr. Lindsey stated in his speech, every dollar of Medicare premiums paid by beneficiaries and every dollar of Medicare taxes paid by workers and their employers is spent on Medicare. In addition, Medicare receives $50 billion in extra money from the rest of the Federal budget. Frankly, the "surplus" concept does not make much sense under the circumstances.

In his floor speech Senator CONRAD made an analogy to "defense," noting that all of its funding is paid for from the rest of the Federal budget. But no one talks of a "defense surplus." Indeed, the concept of a "surplus" in a program that requires net inflows from the rest of the budget seems to make little sense. I therefore do not see why references to the budgetary funding of defense conceivably supports the assertion that Medicare has a "surplus."

Finally, Senator CONRAD and Dr. Lindsey also seem to disagree on the extent to which the Government should control the fruits of our Nation's labor, saving, and risk-taking. Over the last 8 years, the share of GDP taken in Federal receipts has increased from 17.3 percent to 20.3 percent. Even if the President's original campaign proposal on taxes were to have been enacted, the tax share of GDP would have been rolled back only modestly, and would still have been above the post-War average. I believe that I am on firm ground stating that Senator CONRAD's opposition to even this modest rollback means that he supports something close to the current record-setting tax take.

As a member of the Senate Budget Committee, I urge my colleagues to consider these facts as they consider the appropriate course for fiscal policy in the months and years ahead.

FURTHER INVESTIGATION OF THE FBI'S ACTIONS AT RUBY RIDGE

Mr. GRASSLEY. Mr. President, I rise today to discuss the need to revisit an unfortunate chapter in the FBI's history: the investigation of the FBI's actions at Ruby Ridge.

While there have been a number of internal investigations of the FBI's actions at Ruby Ridge, the most recent investigation, sponsored by the Justice Management Division of the Department of Justice, was completed in 1999. The results of this investigation have raised serious questions about the integrity of the previous joint investigation by the Department of Justice and the FBI, which was completed in 1993. Among these questions is whether FBI supervisors who headed that previous investigation were personal friends of some of the senior executives they were investigating. These questions, and many others, were raised in the testimony of four FBI Agents who appeared at a Judiciary Committee Hearing on FBI Oversight, chaired by Senator LEAHY, last month. These exemplary Agents exposed the double standard that has existed in how rank and file FBI Agents are punished versus FBI Senior Officials.

So, you might think that the Justice Management Division's report would have cleared this matter up. Well, you'd be wrong. As a matter of fact, most of us didn't even realize the existence of this report until it was brought to light by the testimony of these Agents. It was also then that we found that Justice Management sat on this report for two years before releasing it internally in January of this year. And, despite clear and convincing evidence of irregularities in how FBI officials have been punished in this matter, Justice Management division has ruled that no new discipline would be imposed against any FBI personnel. One of the FBI Agents testifying at the hearing described this decision as "outrageous" and "alarming."

Three weeks ago, I joined Chairman LEAHY and Senator SPECTER in requesting documents relating to the Justice Management Division's report. While the Department of Justice was responsive in providing the requested materials, many of these documents were subject to protection under the privacy act and our staffs could only review them for a short period of time.

Once again, Senator SPECTER and I have joined Chairman LEAHY, along with Ranking Member HATCH, and Senator KOHL, to request that these documents be provided again, this time with appropriate redactions to comply with Privacy act concerns. I ask that this letter be made part of the RECORD.

Less than twenty-four hours ago we confirmed the nomination of Robert Mueller to head the Federal Bureau of Investigation. In his testimony before the Senate Judiciary Committee, Mr. Mueller stated, as their new Director, the FBI would be honest and forthright about mistakes. While, I understand that the mistakes of Ruby Ridge did not occur on Mr. Mueller's watch I truly believe that the FBI will never truly make a clean break with the past unless matters such as these are resolved.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC, July 27, 2001.

Hon. JOHN ASHCROFT,
Attorney General, Department of Justice, Washington, DC.

DEAR GENERAL ASHCROFT: As you are aware, the Senate Judiciary Committee is conducting oversight hearings on the Federal Bureau of Investigation. At our hearing last week, three present FBI agents and one former agent testified that there is a widespread perception among FBI agents that a "double standard" has been applied in FBI internal disciplinary decisions, with members of the FBI's senior executive service receiving far lighter punishment than line agents for similar infractions.

As a case in point, the witnesses cited the various internal investigations that the FBI conducted into the 1992 incident at Ruby Ridge. A 1993 investigation conducted by a DOJ/FBI task force led to the imposition of discipline against 12 FBI employees in 1995. However, information that subsequently came to light has called into question the integrity of that internal investigation. It was alleged for example, that FBI supervisors who headed the internal investigation were personal friends of some of the senior executives they were investigating and that they failed to take basic investigative steps that would have uncovered significant new evidence on questions such as who had approved the FBI's rules of engagement during the Ruby Ridge siege. Based upon this new information, the Office of Professional Responsibility for the Department of Justice and a Task Force of the Justice Management Division recommended in 1999 that two FBI senior executives be suspended and that the FBI Director and one other FBI agent be censured. They also recommended that discipline imposed in 1995 on three FBI agents be rescinded because of procedural irregularities in their disciplinary proceedings as well as exculpatory evidence that had subsequently been developed. However, in January of 2001, the outgoing Assistant Attorney General for the Justice Management Division ruled that no new discipline would be imposed against any FBI agents and that no previously-imposed discipline would be rescinded. One of the agents at our hearing described this decision as "outrageous" and "alarming."

In order to evaluate these issues, we requested the production of documents relating to the Justice Management Division's disciplinary decision. The Department of Justice's Office of Legislative Affairs provided our Committee with outstanding cooperation and managed to pull together the requested material in a short period of time. However, because the material contained information that was subject to protection under the Privacy Act, we agreed to return all of the material, with the exception of one document, at the conclusion of the hearing. We have requested, however, that the Office of Legislative Affairs provide us with copies of these documents with appropriate redactions to comply with Privacy Act concerns.

Although our review of this material has necessarily been limited by time constraints, what we have seen thus far has confirmed that this material is relevant to the issues that our Committee is examining, including the Justice Management Division's January 2001 decision. It appears that the former Assistant Attorney General's decision was based entirely upon an April 17, 2000 memorandum by two Deputy Assistant Attorneys General. That memorandum contains some surprising conclusions. For example, the memorandum appears to conclude that the FBI's rules of engagement at Ruby Ridge were not contrary to any established Department of Justice policy. As you may know, the Senate Subcommittee on Terrorism, Technology and Government Information, after conducting extensive hearings on the Ruby Ridge incident in 1995, concluded that the rules of engagement were clearly unconstitutional and contrary to the FBI's policy on the use of deadly force. Indeed, the illegality of the rules of engagement was conceded in testimony before the Subcommittee by former Deputy Attorney General Gorelick and former FBI Director Louis Freeh. Further, two FBI agents were disciplined in 1995 for their part in promulgating the rules of engagement, precisely because the rules were inconsistent with established FBI policy on the use of deadly force. It is therefore mystifying how anyone could still believe that the rules of engagement were lawful.

The April 17 memorandum raises other troubling issues. For example, the authors concluded that no discipline was appropriate for senior FBI executives who conducted incomplete investigations into the Ruby Ridge matter because there was insufficient proof that their failures were the result of intentional misconduct. However, under the precedents employed by both the Department of Justice's and the FBI's OPR, intentional misconduct has, in our view, never been a prerequisite for imposing internal discipline; rather, it has been sufficient that an FBI employee acted in reckless disregard of an obligation or standard imposed by law, applicable rule of professional conduct, or Department regulation or policy. For example, according to other documents we have reviewed, it appears that an FBI Inspector who prepared the Ruby Ridge shooting incident report in September 1992 was suspended for five days because Director Freeh found that his analysis of the justification for the shootings was incorrect and incomplete and because his report showed "inattention to detail" in referring, for example, to Vicki Weaver as "Vicki Harris." It is difficult to square the suspension imposed on this lower-level FBI employee with the ruling of the Justice Management Division that no discipline may be imposed on senior FBI executives in the absence of proof of intentional misconduct.

We, of course, understand that none of thee matters occurred under your watch. However, we believe that it is important for our Committee to review carefully how decisions on matters of internal discipline are made within the FBI. As we are sure you can appreciate, the poisonous perception that there is a double standard being applied threatens to undermine FBI morale as well as public confidence. We would therefore appreciate your providing us with appropriately-redacted copies of the documents previously produced to our Committee as soon as possible. In its report on Ruby Ridge filed in December of 1995, the Subcommittee on Terrorism, Technology and Government Information noted that allegations of a cover-up in Ruby Ridge were then under investigation by the Department of Justice, but that "a full public airing of this matter must eventually be undertaken" and that "the Subcommittee will consider additional hearings to deal with the cover-up allegations." (p. 1124). We intend to pursue these matters within the Committee to ensure that Congress, and the public, are fully informed as to how the FBI handled these important investigations.

Sincerely,

PATRICK J. LEAHY,
Chairman,
CHARLES E. GRASSLEY,
Senator,
ARLEN SPECTER,
Senator,
ORRIN G. HATCH,
Ranking Republican Member,
HERB KOHL,
Senator.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred June 4, 1996 in Santa Monica, CA. Lawrence Ford, 61, a retired stockbroker, was found beaten to death in his apartment, allegedly killed by a man who believed Ford was gay. Michael Robert Schafer, 28, was arrested and faced first-degree murder and hate crime charges.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, August 2, 2001, the Federal debt stood at $5,730,045,940,032.12, five trillion, seven hundred thirty billion, forty-five million, nine hundred forty thousand, thirty-two dollars and twelve cents.

One year ago, August 2, 2000, the Federal debt stood at $5,656,022,578,326.22, five trillion, six hundred fifty-six billion, twenty-two million, five hundred seventy-eight thousand, three hundred twenty-six dollars and twenty-two cents.

Five years ago, August 2, 1996, the Federal debt stood at $5,172,008,136,975.88, five trillion, one hundred seventy-two billion, eight million, one hundred thirty-six thousand, nine hundred seventy-five dollars and eighty-eight cents.

Ten years ago, August 2, 1991, the Federal debt stood at $3,569,166,000,000, three trillion, five hundred sixty-nine billion, one hundred sixty-six million.

Twenty-five years ago, August 2, 1976, the Federal debt stood at $623,367,000,000, six hundred twenty-three billion, three hundred sixty-seven million, which reflects a debt increase of more than $5 trillion, $5,106,678,940,032.12, five trillion, one hundred six billion, six hundred seventy-eight million, nine hundred forty thousand, thirty-two dollars and twelve cents during the past 25 years.

ADDITIONAL STATEMENTS

HONORING DR. FRED GILLIARD

• Mr. BAUCUS. Mr. President, I want to take this opportunity to recognize a good friend of mine and a man who has committed his life to education—Dr. Fred Gilliard.

Dr. Gilliard announced this year that he will retire as President of the University of Great Falls on August 13, 2001.

I have seen first hand the impact Dr. Gilliard has had on the University of Great Falls community. Without a doubt, he was a huge success and will be missed.

Dr. Gilliard was proud of his students, staff and facility. Not only did he understand the importance of a good, solid education, but he followed the mission of the University at work and everyday in his life. When I read the mission of the University of Great Falls, three areas, in my view, tell us who Dr. Gilliard is and what he stands for:

Character—have a positive impact on the world and on the communities in which they live and work, particularly by recognizing and accepting personal accountability to themselves, to society and to God;

Competence—further their ability to live full and rewarding lives by becoming competent working members of society who know the basics of their professional field and have access to future learning;

Commitment—find meaning in life which enables them to participate effectively in society while transcending its limitations, by living according to their own moral and religious convictions, as well as respecting the dignity and beliefs of other people.

Dr. Gilliard achieved so much during his tenure as President. From introducing the Student Service Learning Center, moving the institution from "College" to "University" status, and broadcasting classes over the Internet, to completing a successful capital campaign, completing the Jorgenson Library addition and re-starting the Argos men's and women's basketball program. These are just a few Dr. Gilliard's successes.

In early 2000, I called Fred to see if he would be interested in hosting "Montana's Economic Development Summit" at the University of Great Falls. Without hesitation he said, "yes." Since that time, Dr. Gilliard has continued to work tirelessly to help me grow Montana's economy.

I wish the best to Dr. Fred Gilliard and his wife, Berry Lynn. I know Dr. Gilliard will be spending lots of his free time cheering for the Detroit Tigers with his grandson.

Semper Fi, Fred.•

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 9:31 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 208. A concurrent resolution providing for a conditional adjournment of the House of Representatives and a conditional recess or adjournment of the Senate.

At 12:36 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 988. An act to designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall United States Courthouse."

H.R. 2501. An act to reauthorize the Appalachian Regional Development Act of 1965.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 89. A concurrent resolution mourning the death of Ron Sander at the hands of terrorist kidnappers in Ecuador and welcoming the release from captivity of Arnie Alford, Steve Derry, Jason Weber, and David Bradley, and supporting efforts by the United States to combat such terrorism.

H. Con. Res. 179. A concurrent resolution expressing the sense of Congress regarding the establishment of a National Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 2501. An act to reauthorize the Appalachian Regional Development Act of 1965; to the Committee on Environment and Public Works.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 90. Concurrent resolution mourning the death of Ron Sander at the hands of terrorist kidnappers in Ecuador and welcoming the release from captivity of Arnie Alford, Steve, Derry, Jason Weber, and David Bradley, and supporting efforts by the United States to combat such terrorism; to the Committee on Foreign Relations.

H. Con. Res. 89. Concurrent resolution expressing the sense of Congress regarding the establishment of a National Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar.

H.R. 2505. An act to amend title 18, United States Code, to prohibit human cloning.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 4. An act to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3273. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Karnal Bunt; Compensation for the 1999–2000 and Subsequent Crop Seasons" (Doc. No. 96–016–37) received on August 2, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3274. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Interest-free Adjustment with Respect to Underpayments of Employment Taxes" (RIN1545–AY21) received on August 2, 2001; to the Committee on Finance.

EC-3275. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Tax and Revenue Anticipation Notes" (Notice 2001–49) received on August 2, 2001; to the Committee on Finance.

EC-3276. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Guidance Under Section 355(e); Recognition of Gain on Certain Distributions of Stock or Securities In Connection with an Acquisition" (RIN1545–BA01) received on August 2, 2001; to the Committee on Finance.

EC-3277. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace, Malta, MT" ((RIN2120–AA66)(2001–0119)) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3278. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment and Revision of Restricted Area, ID" ((RIN2120–AA66)(2001–0118)) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3279. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Poplar, MT" ((RIN2120–AA66)(2001–0117)) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3280. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establish Class E Airspace; Hagerstown, MD" ((RIN2120–AA66)(2001–0116)) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3281. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737–100 and –200 Series Airplanes" ((RIN2120–AA64)(2001–0366)) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3282. A communication from the Program Analyst of the Federal Aviation Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas DC9 51 and DC 9 83 Series Airplanes Modified by Supplemental Type Certificate SA8026NM" ((RIN2120–AA64)(2001–0364)) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3283. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737–300 Series Airplanes Modified by Supplemental Type Certificate ST00171SE" ((RIN2120–AA64)(2001–0365)) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3284. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model DHC 8 102, 103, 106, 201, 202, 301, 311, 314, and 315 Series Airplanes" ((RIN2120–AA64)(2001–0363)) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3285. A communication from the Program Analyst of the Federal Aviation Administration, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A310, and A300 B4–600, A300–600R, and A300–F4–600R Series Airplanes" ((RIN2120–AA64)(2001–0362)) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3286. A communication from the Attorney of the National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "High-Theft Lines for Model Year 2002" (RIN2127–AI08) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3287. A communication from the Senior Attorney of the National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Adjustment of Some Civil Penalties Required by Statute" (RIN2127–AI42) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3288. A communication from the Paralegal Specialist of the Federal Transit Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Prevention of Alcohol Misuse in Transit Operations; Prevention of Prohibited Drug Use in Transit Operations" (RIN2132–AA56) received on August 2, 2001; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-177. A resolution adopted by the House of the General Assembly of the Commonwealth of Pennsylvania relative to the conflict between the United States Navy and the citizens of Vieques, Puerto Rico; to the Committee on Armed Services.

HOUSE RESOLUTION NO. 11

Whereas, Tensions continue to rise in Puerto Rico over the Navy's presence in Vieques; and

Whereas, Many residents object to the Navy using an inhabited part of the island for target practice with live munitions since 1941; and

Whereas, Demonstrations against the military's presence in Vieques spread throughout Puerto Rico in April 1999 when a United States Marine Corps jet dropped two 500-pound bombs off target, killing a civilian guard working on the bombing range; and

Whereas, A part between the former Puerto Rican Governor and the White House to delay withdrawal of the Navy until 2003 is not in accord with the general consensus in Puerto Rico; and

Whereas, A special commission appointed by former Governor Pedro Rosello concluded that the military training had caused disastrous economic and environmental damage to the island; and

Whereas, The commission also concluded the human and constitutional rights of more than 9,300 residents of Vieques had been violated; and

Whereas, Continued training exercises have made residents anxious about their safety, stifled the island's fledgling tourism and lowered the general quality of life; and

Whereas, News reports last February reported an accidental firing of 263 shells tipped with depleted uranium and raised health concerns among people already reeling from unexplained high rates of cancer; therefore be it

Resolved, That the House of Representatives of the Commonwealth of Pennsylvania call for a repudiation of the agreement reached last year to allow the Navy to resume firing training on the island of Vieques; and be it further

Resolved, That the House of Representatives request that the President issue an executive order for the immediate cessation of bombing on the island range; and be it further

Resolved, That copies of this resolution be transmitted to the President, the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM–178. A resolution adopted by the House of the General Assembly of the Commonwealth of Pennsylvania relative to a national missile defense system; to the Committee on Appropriations.

HOUSE RESOLUTION NO. 238

Whereas, The ballistic missile threat to the United States has been declared by the President, the Secretary of Defense, the Congress of the United States, the bipartisan Commission to Assess the Ballistic Missile Threat to the United States (known as the Rumsfeld Commission) and the United States intelligence community to be a clear, present and growing danger to the United States; and

Whereas, The United States currently cannot stop even one missile launched with malice or by accident by any number of foreign states or terrorist organizations; and

Whereas, It is immoral to intentionally leave the American people, our troops and overseas allies and the nation's children vulnerable to attack by nuclear, chemical or biological weapons delivered by ballistic missiles; and

Whereas, The citizens of the Commonwealth of Pennsylvania and the United States remain exposed to missile attack; therefore be it

Resolved, That the House of Representatives of the Commonwealth of Pennsylvania memorialize the Congress to fully fund and deploy as soon as technologically possible an effective, affordable global missile defense system, including a sea-based system to intercept theater and long-range missiles, space-based sensors and ground-based interceptors and radar, to protect all Americans, United States troops stationed abroad and our nation's allies from ballistic missile attack; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM–179. A resolution adopted by the House of the General Assembly of the Commonwealth of Pennsylvania relative to money earmarked for abandoned mine reclamation; to the Committee on Appropriations.

HOUSE RESOLUTION NO. 230

Whereas, The biggest water pollution problem facing the Commonwealth of Pennsylvania today is polluted water draining from abandoned coal mines; and

Whereas, Over half the streams that do not meet water quality standards in this Commonwealth are affected by mine drainage; and

Whereas, This Commonwealth has more abandoned mine lands than any other state in the nation, with more than 250,000 acres of abandoned mine lands, refuse banks and old mine shafts in 45 of the 67 counties; and

Whereas, The Department of Environmental Protection estimates it will cost more than $15 billion to reclaim and restore abandoned mine lands; and

Whereas, The Commonwealth now receives about $20 million a year from the Federal Government for reclamation projects; and

Whereas, There is now a $1.5 billion balance in the Federal Abandoned Mine Reclamation Trust Fund that is set aside by law to take care of pollution and safety problems caused by old coal mines; and

Whereas, Pennsylvania is the fourth largest coal-producing state in the nation and coal operators contribute significantly to the fund by paying a special fee for each ton of coal they mine; and

Whereas, The Department of Environmental Protection and 39 county conservation districts through the Western and Eastern Pennsylvania Coalitions for Abandoned Mine Reclamation have worked as partners to improve the effectiveness of mine reclamation programs; and

Whereas, The Commonwealth does not seek to rely on the Federal appropriation to solve the abandoned mine lands problem in this State and has enacted the Growing Greener program which has provided additional money for mine reclamation activities; and

Whereas, The Commonwealth has been working with the Interstate Mining Compact Commission, the National Association of Abandoned Mine Land Programs and other states to free more of these funds to clean up abandoned mine lands; and

Whereas, Making more funds available to states for abandoned mine reclamation should preserve the interest revenues now being made available for the United Mine Workers Combined Benefit Fund; and

Whereas, The Federal Office of Surface Mining, the United States Environmental Protection Agency and the Congress of the United States have not agreed to make more funds available to states for abandoned mine reclamation; therefore be it

Resolved, That the House of Representatives of the Commonwealth of Pennsylvania urge the President and Congress of the United States to make the $1.5 billion of Federal moneys already earmarked for abandoned mine land reclamation available to states to clean up and make safe abandoned mine lands; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM–180. A resolution adopted by the House of the General Assembly of the Commonwealth of Pennsylvania relative to the individuals with Disabilities Education Act to the Committee on Appropriations.

HOUSE RESOLUTION NO. 214

Whereas, In 1975 the Congress of the United States enacted the Education of the Handicapped Act, now known as the Individuals with Disabilities Education Act (Public Law 91–230, 20 U.S.C. §1400 et seq.), to ensure that all children with disabilities in the United States have available to them a free and appropriate public education that emphasizes special education and related services designed to meet their unique needs, to ensure that the rights of children with disabilities and their parents or guardians are protected, to assist states and localities in providing for the education of all children with disabilities and to assess and ensure the effectiveness of efforts to educate children with disabilities; and

Whereas, Since 1975, Federal law has authorized Congress to provide 40% of the average per pupil expenditure; and

Whereas, Congress continued the 40% funding authority in the Individuals with Disabilities Education Act amendments of 1997 (Public Law 105–17, 111 Stat. 37); and

Whereas, Congress has never appropriated funds equivalent to the authorized level, has never exceeded the 15% funding level and has usually appropriated funding at approximately the 10% level; and

Whereas, The Lack of an adequate and appropriate Federal fiscal commitment leaves State and local taxpayers bearing a disproportionate share of the costs to comply with these Federal mandates; therefore be it

Resolved, That the House of Representatives of the Commonwealth of Pennsylvania urge the President and Congress to fully fund its obligations under the Individuals with Disabilities Education Act; and be it further

Resolved, That copies of this resolution be transmitted to the President, the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM–181. A resolution adopted by the Senate of the General Assembly of the Commonwealth of Pennsylvania relative to Israel; to the Committee on Foreign Relations.

RESOLUTION

Whereas, The State of Israel and the City of Tel Aviv suffered a vicious terrorist attack on Friday, June 1, 2001, which terrorist attack took the lives of 20 innocent young people; and

Whereas, The State of Israel is under continuing violent attacks against its people; and

Whereas, It is necessary to put an unconditional end to the use of terrorism and violence in order to enable the parties to secure peace in the region; and

Whereas, It is incumbent upon the Federal Government to support the State of Israel and assist in the peace process; therefore be it

Resolved, That the Senate of the Commonwealth of Pennsylvania urge the President and Congress of the United States to:

(1) Offer condolences to the people of the State of Israel and especially to the families of those victims who suffered losses in the terrorist attack of June 1, 2001, in Tel Aviv.

(2) Strongly condemn that attack and any use of terrorism in order to achieve political gains or for any other reason.

(3) Reaffirm the desire of the people of the United States to assist the parties in their efforts to achieve a full and lasting peace; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, to the Presiding Officers of each House of Congress and to each Member of Congress from Pennsylvania.

POM-182. A concurrent resolution adopted by the Senate of the Legislature of the State of Missouri relative to the Railroad Retirement and Survivors Improvement Act of 2000; to the Committee on Finance.

SENATE CONCURRENT RESOLUTION NO. 10

Whereas, The Railroad Retirement and Survivors Improvement Act of 2000 was approved in a bipartisan effort by 391 members of the United States House of Representatives in the 106th Congress, including the entire Missouri delegation to Congress; and

Whereas, more than 83 United States Senators, including both Missouri Senator KIT BOND and then Missouri Senator JOHN ASHCROFT, signed letters of support for this legislation in 2000; and

Whereas, the bill now before the 107th Congress modernizes the Railroad Retirement System for its 690,000 beneficiaries nationwide, including over 23,100 in Missouri; and

Whereas, railroad management, labor and retiree organizations have agreed to support this legislation; and

Whereas, this legislation provides tax relief to freight railroads, Amtrak and commuter lines; and

Whereas, this legislation provides benefit improvements for surviving spouses of rail workers, who currently suffer deep cuts in income when the rail retiree dies; and

Whereas, no outside contributions from taxpayers are needed to implement the changes called for in this legislation; and

Whereas, all changes will be paid for from within the railroad industry, including a full share by active employees: Now, therefore, be it

Resolved by the Missouri Senate, Ninety-first General Assembly, First Regular Session, the House of Representatives concurring therein, That the United States Congress are urged to support the Railroad Retirement and Survivors Improvement Act in the 107th Congress; and be it further *Resolved*, That the Secretary of the Missouri Senate be instructed to prepare properly inscribed copies of this resolution for the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and all Missouri members of the Missouri Congressional delegation.

POM-183. A concurrent resolution adopted by the House of the Legislature of the Sate of Missouri relative to the Railroad Retirement and Survivors Improvement Act of 2000; to the Committee on Finance.

RESOLUTION

Whereas, the Railroad Retirement and Survivors Improvement Act of 2000 was approved in a bipartisan effort by 391 members of the United States House of Representatives of the 106th Congress, including the entire Missouri delegation to the United States House of Representatives; and

Whereas, more than 83 United States Senators, including both Missouri Senator KIT BOND and then Missouri Senator John Ashcroft, signed letters of support for this legislation in 2000; and

Whereas, the bill now before the 107th Congress modernizes the Railroad Retirement System for its 690,000 beneficiaries nationwide, including over 23,100 in Missouri; and

Whereas, railroad management, labor and retiree organizations have agreed to support this legislation; and

Whereas, this legislation provides tax relief to freight railroads, Amtrak and commuter lines; and

Whereas, this legislation provides benefit improvements for surviving spouses of rail workers, who currently suffer deep cuts in income when the rail retiree dies; and

Whereas, no outside contributions from taxpayers are needed to implement the changes called for in this legislation; and

Whereas, all changes will be paid for from within the railroad industry, including a full share of active employees: Now, therefore, be it

Resolved, That the members of the Missouri House of Representatives of the Ninety-first General Assembly, First Regular Session, the Senate concurring therein, hereby urge the United States Congress to support the Railroad Retirement and Survivors Improvement Act introduced in the 107th Congress; and be it further

Resolved, that the Chief Clerk of the Missouri House of Representatives be instructed to prepare properly inscribed copies of this resolution for the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and each member of the Missouri Congressional delegation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GRAHAM, from the Committee on Intelligence:

Special Report entitled "Committee Activities: Special Report of the Select Committee on Intelligence" (Rept. No. 107–51).

By Mr. SARBANES, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 1372: A bill to reauthorize the Export-Import Bank of the United States (Rept. No. 107–52).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. LEAHY (for himself, Mr. HATCH, Mr. SCHUMER, Mr. SPECTER, Mrs. CLINTON, Mr. MCCAIN, and Mr. FEINGOLD):

S. 1348. A bill to designate the Federal building located at 10th Street and Constitution Avenue, NW, in Washington, District of Columbia, as the "Robert F. Kennedy Department of Justice Building"; to the Committee on Environment and Public Works.

By Mr. ENSIGN (for himself and Mr. BROWNBACK):

S. 1349. A bill to provide for a National Stem Cell Donor Bank regarding qualifying human stem cells, and for the conduct and support of research using such cells; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DAYTON:

S. 1350. A bill to amend the title XVIII of the Social Security Act to provide payment to medicare ambulance suppliers of the full costs of providing such services, and for other purposes; to the Committee on Finance.

By Mr. THURMOND (for himself, Mr. BIDEN, and Mr. HATCH):

S. 1351. A bill to provide administrative subpoena authority to apprehend fugitives; to the Committee on the Judiciary.

By Mr. SANTORUM:

S. 1352. A bill to amend the National and Community Service Act of 1990 to carry out the Americorps program as a voucher program that assists charities serving low-income individuals, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HARKIN:

S. 1353. A bill to amend the Tariff Act of 1930 to eliminate the consumptive demand exception relating to the importation of goods made with forced labor; to the Committee on Finance.

By Mrs. CARNAHAN (for herself and Mr. LEAHY):

S. 1354. A bill to require the Secretary of Agriculture to provide payments to producers of forage crops for losses due to army worms; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DURBIN (for himself, Mr. KENNEDY, Mr. LEVIN, Mr . REED, and Mr. SCHUMER):

S. 1355. A bill to prevent children from having access to firearms; to the Committee on the Judiciary.

By Mr. FEINGOLD (for himself, Mr. GRASSLEY, and Mr. KENNEDY):

S. 1356. A bill to establish a commission to review the facts and circumstances surrounding injustices suffered by European Americans, Europeans Latin Americans, and European refugees during World War II; to the Committee on the Judiciary.

By Mr. WELLSTONE (for himself and Mr. FEINGOLD):

S. 1357. A bill to provide for an examination of how schools are implementing the policy guidance of the Department of Education's Office for Civil Rights relating to sexual harassment directed against gay, lesbian, bisexual, and transgender students; to the Committee on the Judiciary.

By Mr. BAYH:

S. 1358. A bill to revise Federal building energy efficiency performance standards, to establish the Office of Federal Energy Productivity within the Department of Energy, to amend Federal Energy Management Program requirements under the National Energy Conservation Policy Act, to enact into law certain requirements of Executive Order No. 13123, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BURNS (for himself, Mr. BREAUX, Mr. HAGEL, Mrs. LINCOLN, and Mr. ENZI):

S. 1359. A bill to amend the Communications Act of 1934 to promote deployment of advanced services and foster the development of competition for the benefit of consumers in all regions of the Nation by relieving unnecessary burdens on the Nation's two percent local exchange telecommunications carriers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. VOINOVICH (for himself, Mr. INHOFE, Mr. SMITH of New Hampshire, and Mr. CRAPO):

S. 1360. To reauthorize the Price-Anderson provisions of the Atomic Energy Act of 1954; to the Committee on Environment and Public Works.

By Mr. BENNETT:

S. 1361. A bill to amend the Central Utah Project Completion Act to clarify the responsibilities of the Secretary of the Interior with respect to the Central Utah Project , to redirect unexpended budget authority for the Central Utah Project for wastewater treatment and reuse and other purposes, to provide for prepayment of repayment contracts for municipal and industrial water delivery facilities, and to eliminate a deadline for such prepayment; to the Committee on Energy and Natural Resources.

By Mr. HUTCHINSON (for himself and Mr. CRAIG):

S. 1362. A bill to amend title XVIII of the Social Security Act and title VII of the Public Health Service Act to expand medical residency training programs in geriatrics, and for other purposes; to the Committee on Finance.

By Mr. SMITH of New Hampshire (for himself, Mr. GREGG, Mr. LEAHY, and Mr. JEFFORDS):

S. 1363. A bill to authorize the Secretary of the Interior to provide assistance in implementing cultural heritage, conservation, and recreational activities in the Connecticut River watershed of the States of Hew Hampshire and Vermont; to the Committee on Energy and Natural Resources.

By Mr. HOLLINGS (for himself, Mr. INOUYE, and Mr. STEVENS):

S. 1364. A bill to ensure full and expeditious enforcement of the provisions of the Communications Act of 1934 that seek to bring about the competition in local telecommunications markets, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. JEFFORDS (for himself, Mr. KERRY, Mr. GRASSLEY, Mr. DAYTON, Mrs. FEINSTEIN, Mr. SCHUMER, and Mr. SARBANES):

S. 1365. A bill to authorize the Secretary of the Department of Housing and Urban Development to make grants to States for affordable housing for low-income persons, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. NICKLES:

S. 1366. A bill for the relief of Lindita Idrizi Heath; to the Committee on the Judiciary.

By Ms. COLLINS (for herself and Mr. FEINGOLD):

S. 1367. A bill to amend title XVIII of the Social Security Act to provide appropriate reimbursement under the medicare program for ambulance trips originating in rural areas; to the Committee on Finance.

By Mr. ALLARD (for himself and Mr. SMITH of New Hampshire):

S. 1368. A bill to amend title 10, United States Code, to improve the organization and management of the Department of Defense with respect to space programs and activities, and for other purposes; to the Committee on Armed Services.

By Mr. WARNER:

S. 1369. A bill to provide that Federal employees may retain for personal use promotional items received as a result of travel taken in the course of employment; to the Committee on Governmental Affairs.

By Mr. MCCONNELL:

S. 1370. A bill to reform the health care liability system; to the Committee on the Judiciary.

By Mr. LEVIN (for himself, Mr. GRASSLEY, Mr. SARBANES, Mr. NELSON of Florida, Mr. KYL, and Mr. DEWINE):

S. 1371. A bill to combat money laundering and protect the United States financial system by strengthening safeguards in private banking and correspondent banking, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SARBANES:

S. 1372. A bill to reauthorize the Export-Import Bank of the United States; from the Committee on Banking, Housing, and Urban Affairs; placed on the calendar.

By Mr. SMITH of New Hampshire (for himself, Mr. HELMS, and Mr. BROWNBACK):

S. 1373. A bill to protect the right to life of each born and preborn human person in existence at fertilization; to the Committee on the Judiciary.

By Mr. BINGAMAN (for himself and Mr. REID):

S. 1374. A bill to provide for a study of the effects of hydraulic fracturing on underground drinking water sources; to the Committee on Environment and Public Works.

By Mr. DORGAN:

S. 1375. A bill to amend the Internal Revenue Code of 1986 to allow tax-free distributions from individual retirement accounts for charitable purposes; to the Committee on Finance.

By Mr. NELSON of Florida:

S. 1376. A bill to amend part C of title XVIII of the Social Security Act to ensure that Medicare + Choice eligible individuals have sufficient time to consider information and to make an informed choice regarding enrollment in a Medicare + Choice plan; to the Committee on Finance.

By Mr. SMITH of Oregon:

S. 1377. A bill to require the Attorney General to establish an office in the Department of Justice to monitor acts of inter-national terrorism alleged to have been committed by Palestinian individuals or individuals acting on behalf of Palestinian organizations and to carry out certain other related activities; to the Committee on the Judiciary.

By Mr. DASCHLE (for himself, Mr. HARKIN, Mr. HATCH, Mr . INOUYE, Mr. JOHNSON, and Mr. REID):

S. 1378. A bill to allow patients access to drugs and medical devices recommended and provided by health care practitioners under strict guidelines, and for other purposes; to the Committee on Health , Education, Labor, and Pensions.

By Mr. KENNEDY (for himself and Mr. HATCH):

S. 1379. A bill to amend the Public Health Service Act to establish an Office of Rare Diseases at the National Institutes of Health, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. KERRY (for himself and Mr. HOLLINGS):

S. 1380. A bill to coordinate and expand United States and international programs for the conservation and protection of North Atlantic Whales; to the Committee on Commerce, Science, and Transportation.

By Mrs. FEINSTEIN:

S. 1381. A bill to redesignate the facility of the United States Postal Service located at 5472 Crenshaw Boulevard in Los Angeles, California, as the "Congressmen Julian C. Dixon Post Office Building"; to the Committee on Governmental Affairs.

By Mr. DEWINE (for himself and Ms. LANDRIEU):

S. 1382. A bill to amend title 11, District of Columbia Code, to redesignate the Family Division of the Superior Court of the District of Columbia as the Family Court of the Superior Court, to recruit and retain trained and experienced judges to serve in the Family Court, to promote consistency and efficiency in the assignment of judges to the Family Court and in the consideration of actions and proceedings in the Family Court, and for other purposes; to the Committee on Governmental Affairs.

By Mrs. CLINTON (for herself and Mr. ROBERTS):

S. 1383. A bill to amend the Internal Revenue Code of 1986 to clarify the treatment of incentive stock options and employee stock purchases; to the Committee on Finance.

By Mr. SMITH of Oregon:

S. 1384. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to expand the definition of the term "Major disaster" to include an application of the Endangered Species Act of 1973 that so uses severe economic hardship; to the Committee on Environment and Public Works.

By Ms. CANTWELL (for herself and Mrs. MURRAY):

S. 1385. A bill to authorize the Secretary of the Interior, pursuant to the provisions of the Reclamation Wastewater and Groundwater Study and Facilities Act to participate in the design, planning, and construction of the Lakehaven water reclamation project for the reclamation and reuse of water; to the Committee on Energy and Natural Resources.

By Mr. SANTORUM:

S. 1386. A bill to amen the Internal Revenue Code of 1986 to provide for the equitable operation of welfare benefit plans for employees, and for other purposes; to the Committee on Finance.

By Mr. BINGAMAN (for himself, Mr. DOMENICI, and Mr. ROCKEFELLER):

S. 1387. A bill to conduct a demonstration program to show that physician shortage, recruitment, and retention problems may be ameliorated in rural States by developing a comprehensive program that will result in statewide physician population growth, and for other purposes; to the Committee on Finance.

By Ms. LANDRIEU:

S. 1388. A bill to make election day a Federal holiday; to the Committee on the Judiciary.

By Mr. DASCHLE (for himself and Mr. JOHNSON):

S. 1389. A bill to provide for the conveyance of certain real property in South Dakota to the State of South Dakota to the State of South Dakota with indemnification by the United States government, and for other purposes; to the Committee on Environment and Public Works.

By Mr. BINGAMAN (for himself, Mr. LUGAR, Mr. TORRICELLI, and Mr. CORZINE):

S. 1390. A bill to amend title XXI of the Social Security Act to require the Secretary of Health and Human Services to make grants to promote innovative outreach and enrollment efforts under the State children's health insurance program, and for other purposes; to the Committee on Finance.

By Mr. SCHUMER (for himself and Mr. DEWINE):

S. 1391. A bill to establish a grant program for Sexual Assault Forensic Examiners, and for other purposes; to the Committee on the Judiciary.

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 1392. A bill to establish procedures for the Bureau of Indian Affairs of the Department of the Interior with respect to tribal recognition; to the Committee on Indian Affairs.

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 1393. A bill to provide grants to ensure full and fair participation in certain decisionmaking processes at the Bureau of Indian Affairs; to the Committee on Indian Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. VOINOVICH (for himself and Mr. DEWINE):

S. Res. 150. A resolution designating the week of September 23 through September 29, 2001, as "National Parents Week"; to the Committee on the Judiciary.

By Mr. DODD (for himself, Mr. SCHUMER, Mr. SMITH of Oregon, Mrs. CLINTON, Mr. LUGAR, Mr. SANTORUM, Mr. WELLSTONE, and Mr. CORZINE):

S. Res. 151. A resolution expressing the sense of the Senate that the World Conference Against Racism, Racial Discrimination, Xenophobia , and Related Intolerance presents a unique opportunity to address global discrimination; to the Committee on Foreign Relations.

By Mrs. LINCOLN:

S. Res. 152. A resolution expressing the sense of the Senate that the secretary of Veterans Affairs should request assistance from the Commissioner of Social Security in fulfilling the Secretary's mandate to provide outreach to veterans, their dependants, and their survivors ; to the Committee on Veterans' Affairs.

By Mrs. CLINTON (for herself, Mr. BIDEN, Mr. DODD, Mr. DURBIN, Mr. KENNEDY, Mr. LEVIN, and Mr. SCHUMER):

S. Res. 153. A resolution recognizing the enduring contributions, heroic achievements, and dedicated work of Shirley Anita Chisholm; to the Committee on the Judiciary.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 154. A resolution commending Elizabeth B. Letchworth for her service to the United States Senate; considered and agreed to.

By Mr. LOTT:

S. Res. 155. A resolution electing David J. Schiappa of Maryland as Secretary of the Minority of the Senate; considered and agreed to.

By Mr. COCHRAN (for himself and Mr. LOTT):

S. Res. 156. A resolution expressing the sense of the Senate that the Regional Humanities Initiative of the National Endowment for the Humanities be named for Eudora Welty; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SMITH of New Hampshire:

S. Res. 157. A resolution expressing the sense of the Senate that the Secretary of State should redesignate the Palestine Liberation Organization as a terrorist organization, and for other purposes; to the Committee on Foreign Relations.

By Mrs. CLINTON (for herself, Mrs. BOXER, Ms. CANTWELL , Mrs. CARNAHAN, Mr. DODD, Mr. HARKIN, Mr. LEVIN, Ms. MIKULSKI, Mrs. MURRAY, Mr. SCHUMER, and Ms. STABENOW):

S. Con. Res. 64. A concurrent resolution directing the Architect of the Capitol to enter into a contract for the design and construction of a monument to commemorate the contributions of minority women to women's suffrage and to the participation of minority women in public life, and for other purposes; to the Committee on Rules and Administration.

By Ms. LANDRIEU (for herself and Mr. BREAUX):

S. Con. Res. 65. A concurrent resolution expressing the sense of Congress that all Americans should be more informed of dyspraxia; to the Committee on Health, Education, Labor, and Pensions.

ADDITIONAL COSPONSORS

S. 60

At the request of Mr. BYRD, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 60, a bill to authorize the Department of Energy programs to develop and implement an accelerated research and development program for advanced clean coal technologies for use in coal-based electricity generating facilities and to amend the Internal Revenue Code of 1986 to provide financial incentives to encourage the retrofitting, repowering, or replacement of coal-based electricity generating facilities to protect the environment and improve efficiency and encourage the early commercial application of advanced clean coal technologies, so as to allow coal to help meet the growing need of the United States for the generation of reliable and affordable electricity.

S. 143

At the request of Mr. ALLEN, his name was added as a cosponsor of S. 143, a bill to amend the Securities Act of 1933 and the Securities Exchange Act of 1934, to reduce securities fees in excess of those required to fund the operations of the Securities and Exchange Commission, to adjust compensation provisions for employees of the Commission, and for other purposes.

S. 486

At the request of Mr. LEAHY, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 486, a bill to reduce the risk that innocent persons may be executed, and for other purposes.

S. 535

At the request of Mr. BINGAMAN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 535, a bill to amend title XIX of the Social Security Act to clarify that Indian women with breast or cervical cancer who are eligible for health services provided under a medical care program of the Indian Health Service or of a tribal organization are included in the optional medicaid eligibility category of breast or cervical cancer patients added by the Breast and Cervical Cancer Prevention and Treatment Act of 2000.

S. 543

At the request of Mr. DOMENICI, the names of the Senator from Utah (Mr. HATCH) and the Senator from Florida (Mr. NELSON) were added as cosponsors of S. 543, a bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits.

S. 548

At the request of Mr. HARKIN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 548, a bill to amend title XVIII of the Social Security Act to provide enhanced reimbursement for, and expanded capacity to, mammography services under the medicare program, and for other purposes.

S. 627

At the request of Mr. GRASSLEY, the name of the Senator from Nebraska (Mr. NELSON) was added as a cosponsor of S. 627, a bill to amend the Internal Revenue Code of 1986 to allow individuals a deduction for qualified long-term care insurance premiums, use of such insurance under cafeteria plans and flexible spending arrangements, and a credit for individuals with long-term care needs.

S. 756

At the request of Mr. WELLSTONE, his name was added as a cosponsor of S. 756, a bill to amend the Internal Revenue Code of 1986 to extend and modify the credit for electricity produced from biomass, and for other purposes.

S. 762

At the request of Mr. CONRAD, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 762, a bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for information technology training expenses and for other purposes.

S. 778

At the request of Mr. KENNEDY, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 778, a bill to expand the class of beneficiaries who may apply for adjustment of status under section 245(i) of the Immigration and Nationality Act by extending the deadline for classification petition and labor certification filings.

S. 790

At the request of Mr. BROWNBACK, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 790, a bill to amend title 18, United States Code, to prohibit human cloning.

S. 805

At the request of Mr. WELLSTONE, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 805, a bill to amend the Public Health Service Act to provide for research with respect to various forms of muscular dystrophy, including Duchenne, Becker, limb girdle, congenital, facioscapulohumeral, myotonic, oculopharyngeal, distal, and emery-dreifuss muscular dystrophies.

S. 847

At the request of Mr. DAYTON, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 847, a bill to impose tariff-rate quotas on certain casein and milk protein concentrates.

S. 857

At the request of Mr. HELMS, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 857, a bill to protect United States military personnel and other elected and appointed officials of the United States Government against criminal prosecution by an international criminal court to which the United States is not a party.

S. 918

At the request of Ms. SNOWE, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 918, a bill to provide more child support money to families leaving welfare, to simplify the rules governing the assignment and distribution of child support collected by States on behalf of children, to improve the collection of child support, and for other purposes.

S. 926

At the request of Mr. HARKIN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 926, a bill to prohibit the importation of any article that is produced, manufactured, or grown in Burma.

S. 1002

At the request of Ms. SNOWE, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1002, a bill to amend the Internal Revenue Code of 1986 to modify certain provisions relating to the treatment of forestry activities.

S. 1008

At the request of Mr. BYRD, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 1008, a bill to amend the Energy Policy Act of 1992 to develop the United States Climate Change Response Strategy with the goal of stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system, while minimizing adverse short-term and long-term economic and social impacts, aligning the Strategy with United States energy policy, and promoting a sound national environmental policy, to establish a research and development program that focuses on bold technological breakthroughs that make significant progress toward the goal of stabilization of greenhouse gas concentrations, to establish the National Office of Climate Change Response within the Executive Office of the President, and for other purposes.

S. 1022

At the request of Mr. WARNER, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1022, a bill to amend the Internal Revenue Code of 1986 to allow Federal civilian and military retirees to pay health insurance premiums on a pretax basis and to allow a deduction for TRICARE supplemental premiums.

S. 1093

At the request of Mr. ROCKEFELLER, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1093, a bill to amend title 38, United States Code, to exclude certain income from annual income determinations for pension purposes, to limit provision of benefits for fugitive and incarcerated veterans, to increase the home loan guaranty amount for construction and purchase of homes, to modify and enhance other authorities relating to veterans' benefits, and for other purposes.

S. 1161

At the request of Mr. CRAIG, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 1161, a bill to amend the Immigration and Nationality Act to streamline procedures for the admission and extension of stay of nonimmigrant agricultural workers; to provide a stable, legal, agricultural work force; to extend basic legal protections and better working conditions to more workers; to provide for a system of one-time, earned adjustment to legal status for certain agricultural workers; and for other purposes.

S. 1220

At the request of Mr. BREAUX, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 1220, a bill to authorize the Secretary of Transportation to establish a grant program for the rehabilitation, preservation, or improvement of railroad track.

S. 1226

At the request of Mr. CAMPBELL, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1226, a bill to require the display of the POW/MIA flag at the World War II memorial, the Korean War Veterans Memorial, and the Vietnam Veterans Memorial.

S. 1232

At the request of Mr. MCCONNELL, the names of the Senator from North Carolina (Mr. HELMS), the Senator from New Hampshire (Mr. SMITH), the Senator from Utah (Mr. BENNETT), the Senator from Arizona (Mr. KYL), the Senator from Iowa (Mr. GRASSLEY), the Senator from Ohio (Mr. DEWINE), the Senator from Alabama (Mr. SHELBY), and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of S. 1232, a bill to provide for the effective punishment of online child molesters, and for other purposes.

S. 1256

At the request of Mrs. FEINSTEIN, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 1256, a bill to provide for the reauthorization of the breast cancer research special postage stamp, and for other purposes.

S. 1275

At the request of Mr. KENNEDY, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 1275, a bill to amend the Public Health Service Act to provide grants for public access defibrillation programs and public access defibrillation demonstration projects, and for other purposes.

S. 1286

At the request of Mrs. CARNAHAN, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 1286, a bill to provide for greater access to child care services for Federal employees.

S. 1295

At the request of Mr. LEVIN, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1295, a bill to amend title 18, United States Code, to revise the requirements for procurement of products of Federal Prison Industries to meet needs of Federal agencies, and for other purposes.

S. 1313

At the request of Mr. KENNEDY, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 1313, a bill to provide for the adjustment of status of certain foreign agricultural workers, to amend the Immigration and Nationality Act to reform the H–2A worker program under that Act, and for other purposes.

S. 1341

At the request of Mr. HATCH, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1341, a bill to amend the Internal Revenue Code of 1986 to expand human clinical trials qualifying for the orphan drug credit, and for other purposes.

S. 1343

At the request of Mr. CHAFEE, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1343, a bill to amend title XIX of the Social Security Act to provide States with options for providing family planning services and supplies to individuals eligible for medical assistance under the medicaid program.

S. RES. 138

At the request of Mr. BURNS, the names of the Senator from New Hampshire (Mr. GREGG) and the Senator from Missouri (Mrs. CARNAHAN) were added as cosponsors of S. Res. 138, a resolution designating the month of September 2001 as "National Prostate Cancer Awareness Month."

S. RES. 143

At the request of Mr. BIDEN, the name of the Senator from Alabama

(Mr. SESSIONS) was added as a cosponsor of S. Res. 143, a resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week of November 11 through November 17, 2001, as "National Veterans Awareness Week."

At the request of Mr. ALLEN, his name was added as a cosponsor of S. Res. 143, supra.

S. RES. 145

At the request of Mr. KENNEDY, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. Res. 145, a resolution recognizing the 4,500,000 immigrants helped by the Hebrew Immigrant Aid Society.

S. CON. RES. 59

At the request of Mr. HUTCHINSON, the names of the Senator from Washington (Mrs. MURRAY), the Senator from Idaho (Mr. CRAIG), the Senator from South Dakota (Mr. DASCHLE), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Alabama (Mr. SESSIONS), and the Senator from Connecticut (Mr. DODD) were added as cosponsors of S. Con. Res. 59, a concurrent resolution expressing the sense of Congress that there should be established a National Community Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers.

AMENDMENT NO. 1157

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of amendment No. 1157 intended to be proposed to H.R. 2500, a bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEAHY (for himself, Mr. HATCH, Mr. SCHUMER, Mr. SPECTER, Mrs. CLINTON, Mr. MCCAIN, and Mr. FEINGOLD):

S. 1348. A bill to designate the Federal building located at 10th Street and Constitution Avenue, NW, in Washington, District of Columbia, as the "Robert F. Kennedy Department of Justice Building"; to the Committee on Environment and Public Works.

Mr. LEAHY. Mr. President, I am pleased to introduce, with Senators HATCH, SCHUMER, SPECTER, CLINTON, and MCCAIN, a bipartisan bill to name the Department of Justice building in honor of the late Robert F. Kennedy. I am also pleased to join the bipartisan efforts of Congressmen ROEMER and SCARBOROUGH, who are introducing companion legislation in the House of Representatives today.

Robert F. Kennedy was a man of great courage and conviction. Of his many accomplishments during his life, the one we honor today is his tenure as Attorney General of the United States. Appointed by his brother, President John F. Kennedy, on January 21, 1961, he served his country admirably in the office of Attorney General until September 3, 1964.

During his tenure as Attorney General, Robert Kennedy led the fight against injustice and championed civil rights for all Americans. He ordered United States Marshals to protect the Freedom Riders in Montgomery, Alabama. He sent Federal troops to open the doors for James Meredith to walk with dignity as the first African-American to attend the University of Mississippi. He pushed Congress to enact the Civil Rights Act of 1964 to guarantee basic freedoms for all our citizens, regardless of race, religion or creed.

Robert F. Kennedy's commitment to justice for all echoed in his fond saying: "Some men see things as they are and ask why; I dream of things that never were and ask why not."

Attorney General Kennedy also was a determined prosecutor. His investigated organized crime throughout America and became the first attorney general to establish coordinated federal law programs for the prosecution of organized crime. From 1960 to 1963, Department of Justice convictions against organized crime rose 800 percent because of his efforts and dedication to bring organized crime figures to justice.

As Attorney General, Bobby Kennedy represented President Kennedy in foreign affairs and closely advised the President in times of trouble. Attorney General Kennedy's wise counsel during the Cuban Missile Crisis in October of 1962, as well as secret negotiations with the Soviet Embassy, helped bring a peaceable end to the crisis.

The memory of Robert F. Kennedy lives on in the work of others who care as much for justice as he did. As Attorney General, Robert Kennedy wrote these words: "What happens to the country, to the world, depends on what we do with what others have left us." It is in that spirit that we honor him today.

I am proud to led this bipartisan effort to name the Department of Justice Building after Robert F. Kennedy with the greatest respect, admiration and appreciation for his service to his country.

By Mr. ENSIGN (for himself and Mr. BROWNBACK):

S. 1349. A bill to provide for a National Stem Cell Donor Bank regarding qualifying human stem cells, and for the conduct and support of research using such cells; to the Committee on Health, Education, Labor, and Pensions.

Mr. SANTORUM. Mr. President, I rise to join my colleague JOHN ENSIGN of Nevada in proud support of The Responsible Stem Cell Research Act of 2001, legislation aimed at committing our Nation to a bold investment in promising, ethical medical research with which we all can live.

As my colleagues well know, the issue of stem cell research has been the subject of rigorous debate in Congress, within the medical, bioethical, legal, and patient advocacy communities, and on the pages and airwaves of the local and national media.

Over the past several months in particular the American public has been witness and subject to a maddening barrage of charges and countercharges about how our public conscience may or may not countenance the deliberate destruction of a human embryo for the purpose of research.

If one thing is clear on this controversial issue, it is that the country is divided about this wrenching dilemma, about whether or not the Federal Government ought to lend support—and thus communal moral sanction—to the speculative potential of stem cell research which involves the destruction of human embryos. This is a profound policy question which is fraught with considerable ethical, moral and legal questions. It requires that our body politic make the monumental determination that will forever brand our public conscience as to whether a human embryo is a life, or conversely, a property which can be destroyed and exploited for the advancement of science and research.

I fervently believe that fertilization produces a new member of the human species, that it is a categorical imperative that human life be treated as an end and not a means. To use a human being, even a newly conceived one, as a commodity is never morally acceptable. Each person must be treated as an end in himself, not as a means to improve someone else's life.

Indeed, current Federal law explicitly prohibits Federal funding of experiments that destroy embryos outside the womb precisely because individual human life begins at fertilization.

But while President Bush continues to review the stem cell guidelines issued under the previous administration to determine whether or not they violate current Federal law barring the use of Federal funds in research that leads to the destruction of embryos, and it is my hope that President bush will uphold current Federal law and reject any semantical nuances or euphemisms with regard to what embryonic stem cell research is all about, the field of promising research behind which all Americans can unite, which is ethical and beyond controversy, is that which involves embryonic-type post-natal stem cells.

Unfortunately, the opportunities for developing successful therapies from stem cells that do not require the destruction of human embryos have been given relative short shrift by the media. But adult and other post-natal stem cells have been successfully extracted from umbilical cord blood, placentas, fat, cadaver brains, bone marrow, and tissues of the spleen, pancreas, and other organs. They can be located in numerous cell and tissue types and can be transformed into virtually all cell and tissue types. And perhaps most important of all, these alternative cell therapies are already treating cartilage defects in children, systemic lupus, and helping restore vision to patients who were legally blind, just to name a few. By contrast, embryonic stem cell research has no equivalent record of success even in animal studies. Embryonic cells have never ameliorated one human malady.

In order to move forward with and build upon the successes of this promising research, the Responsible Stem Cell Research Act would authorize $275 million for this ethical stem cell research which is actually proven to help hundreds of thousands of patients, with new clinical uses expanding almost weekly. This represents a 50 percent increase in current NIH funding being devoted to this stem cell research.

This legislation would also establish a National Stem Cell Donor Bank for umbilical cord blood and human placenta to generate a source of versatile, embryonic-type stem cells that could be matched with people who need stem cells for treatment. These stem cells would be available for biomedical research and clinical purposes.

No matter where one stands on the divisive issue of embryonic stem cell research, this issue and many others dealing with the rapid advancements in biotechnology are coming to define the very important choices which confront us as a society and the courses we must choose as policymakers. With stem cell research moving forward so rapidly, we have a duty to be well educated to be able to make informed decisions about these issues. For this reason, and because of biotechnology's prospects for affecting positive change in other areas of our lives such as in our agriculture community, I have recently joined as a member of the bipartisan Senate Biotechnology Caucus. Co-chaired by our colleagues TIM HUTCHINSON of Arkansas and CHRIS DODD of Connecticut, the Biotechnology Caucus regularly hosts educational forums for members of the Senate and their staff about a broad scope of biotech issues, from the increasing availability of genetically-engineered products to research, trade, and bioethics. The group also acts as a resource for information about biotechnology and encourage committee hearings on the topic.

The possibility that biotechnology may help improve the health humankind holds great promise and must be examined closely. But there is no reason for our Nation to lie fallow with respect to the federal government's support for type of stem cell research which is life-friendly and beyond controversy. It is my hope that our colleagues here in the Senate and in the House will pause from the rancor that has surrounded the stem cell research debate and come to support the Responsible Stem Cell Research Act, an aggressive initiative to fund and develop promising medical research with which we all can live.

By Mr. DAYTON:

S. 1350. A bill to amend the title XVIII of the Social Security Act to provide payment to medicare ambulance suppliers of the full costs of providing such services, and for other purposes; to the Committee on Finance.

Mr. DAYTON. Mr. President, today I rise to introduce the Medicare Access to Ambulance Service Act of 2001. Reliable ambulance service is often a matter of life and death. This bill is designed to head off growing problems that are putting ambulance providers in Minnesota and across the country in financial jeopardy and affecting their ability to deliver emergency services to patients.

The Medicare Access to Ambulance Service Act of 2001 will help ambulance providers whose service quality is threatened by inadequate Medicare payments and the inappropriate payment denials by Medicare claims processors. The continuing difficulties jeopardize the quality of care, and ultimately may increase the time it takes to respond to emergencies.

Recently my staff in Minnesota met with ambulance providers and Medicare beneficiaries in Hibbing, Duluth, Moorhead, St. Cloud, Bemidji, Marshall, and Harmony, Minnesota to listen to their concerns over Medicare ambulance service. In every part of the State the stories were the same. The biggest concern was Medicare's denial of ambulance claims. Medicare has denied claims for such medical emergencies as cardiac arrest, heart attack, and stroke. One elderly woman from Duluth, Minnesota was so upset with the Medicare process and the year it took to get her claim paid, that when she needed an ambulance again she called a taxi. This is unacceptable.

To make matters worse, when Congress enacted the Balanced Budget Act of 1997 it required that ambulance payments be moved to a fee schedule on a cost-neutral basis. Moving to a fee-schedule makes sense, but not on a cost-neutral basis for a system that is already underfunded. The proposed fee-schedule is especially unfair to rural areas and will mean the end of small ambulance providers in Minnesota and throughout the country.

My bill includes four components to address these problems. First, the bill requires that the Medicare fee schedule be based on the national average cost of providing the service. Second, the bill requires the General Accounting Office to determine a reasonable definition for how to identify rural ambulance providers and higher payments for rural ambulance services. Third, the bill includes a "prudent layperson" standard for the payment of emergency ambulance claims. Simply stated, this provision means that if a reasonable person believed an emergency medical problem existed when the ambulance was requested then Medicare would pay the claim. Minnesota already leads the nation with this successfully implemented standard for all other patients, with the exception of those covered by Medicare. And finally, the bill requires Medicare to adopt a "condition coding" to be used by the ambulance provider.

Medicare beneficiaries deserve more from the health insurance system than additional anxiety in an emergency situation for a system into which they have paid. When people in Minnesota and across the country have an emergency requiring an ambulance, they want to know that they will quickly and reliably get the care they need. However, current Medicare policies and procedures are putting quality ambulance service at risk and are forcing many ambulance providers to struggle to stay in business, especially in rural communities. My legislation addresses problems that threaten quality ambulance service for patients in Minnesota and across the country.

By Mr. THURMOND (for himself, Mr. BIDEN, and Mr. HATCH):

S. 1351. A bill to provide administrative subpoena authority to apprehended fugitives; to the Committee on the Judiciary.

Mr. THURMOND. Mr. President, I rise today to introduce legislation that would help Federal law enforcement track down and apprehend dangerous fugitives who are roaming the streets of America.

I am pleased to have as original cosponsors Senator BIDEN and Senator HATCH. Both of them are distinguished members of this Body with extensive knowledge in crime issues, and I greatly appreciate their support on this important legislation.

Fugitives from justice pose a serious threat to public safety. These criminals are evading the criminal justice system with impunity, and many of them are committing more crimes while they are free. We should help law enforcement bring them to justice and prevent future crime.

It has been estimated that fifty percent of the crime in America is committed by five percent of the offenders. It is these serious, repeat criminals, many of whom are fugitives, that law enforcement must address today.

There are over 550,000 felony or other serious Federal and State fugitives listed in the National Crime Information Center database. The number has more than doubled since 1987, and is growing every year.

This bill would respond to the growing fugitive threat by providing the Justice Department administrative subpoena authority for fugitives. Federal officers already have this crime-fighting tool in other areas, and this legislation would fill a serious gap that currently exists for fugitive investigations. Information such as telephone or apartment records may provide the missing link to track down a fugitive. Also, it can be critical to track down leads very quickly because fugitives are often transient and the trail can quickly become cold.

The grand jury is routinely available to obtain information about the whereabouts of those who are suspected of committing crimes. Surprisingly, the same cannot be said for those who were caught but got away. The grand jury is generally not an option to get information about known fugitives who are evading justice.

It is true that a Federal prosecutor can seek the approval of a judge for a administrative subpoena under the All Writs Act. However, it is a long, time-consuming process to get overworked federal judges with crowded dockets to act on these requests, especially if they are not rare. In any event, it may be too late by the time the court responds. Administrative subpoenas can prevent costly delays.

Last year, we worked hard to give law enforcement tools to address the serious fugitive threat, holding hearings and moving important legislation. The Congress authorized $40 million over three years to create task forces led by the Marshals Service to apprehend dangerous fugitives. As part of this effort, the Senate passed administrative subpoena authority twice by unanimous consent last year. However, this authority was not included in the final legislation because it stalled in the House last year. I hope that, as we explain the need for this authority and how it is really a very narrow expansion beyond current law, we will receive widespread support in both Houses of Congress.

Administrative subpoenas are not new to federal law enforcement. They have existed for years to help authorities solve various crimes, including drug offenses, child pornography, and even health care fraud. However, this bill places greater restrictions on the use of the subpoenas than currently exist in these other areas. These subpoenas could be used only to obtain documents and records, not testimony.

None of us want a subpoena issued unless it is needed and fully complies with the law. This bill contains procedures for people to challenge the subpoena that they receive and have a judge review whether it should be issued. Judicial review is required in any case where the person requests it.

The subpoena authority has no impact on the Fourth Amendment and its general prohibition on searches and seizures without a court-approved warrant. Courts have routinely upheld administrative subpoenas as entirely consistent with the Fourth Amendment. Administrative subpoenas do not allow law enforcement to enter a home or business to conduct any search. They only allow the government to receive documentary information that they can show will help them find felons who are on the run.

In summary, this legislation would help authorities get the information they need to find dangerous fugitives before it is too late. I am pleased that this proposal has the endorsement of law enforcement organizations, including the Fraternal Order of Police, the National Association of Police Organizations, and the Federal Law Enforcement Officers Association.

I encourage my colleagues to stand up for law enforcement and support this important legislation. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1351

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fugitive Apprehension Act of 2001".

SEC. 2. ADMINISTRATIVE SUBPOENAS TO APPREHEND FUGITIVES.

(a) IN GENERAL.—Chapter 49 of title 18, United States Code, is amended by adding at the end the following:

"§ 1075. Administrative subpoenas to apprehend fugitives

"(a) DEFINITIONS.—In this section:

"(1) FUGITIVE.—The term 'fugitive' means a person who—

"(A) having been accused by complaint, information, or indictment under Federal law or having been convicted of committing a felony under Federal law, flees or attempts to flee from or evades or attempts to evade the jurisdiction of the court with jurisdiction over the felony;

"(B) having been accused by complaint, information, or indictment under State law or having been convicted of committing a felony under State law, flees or attempts to flee from, or evades or attempts to evade, the jurisdiction of the court with jurisdiction over the felony;

"(C) escapes from lawful Federal or State custody after having been accused by complaint, information, or indictment or having been convicted of committing a felony under Federal or State law; or

"(D) is in violation of subparagraph (2) or (3) of the first undesignated paragraph of section 1073.

"(2) INVESTIGATION.—The term 'investigation' means, with respect to a State fugitive described in subparagraph (B) or (C) of paragraph (1), an investigation in which there is reason to believe that the fugitive fled from or evaded, or attempted to flee from or evade, the jurisdiction of the court, or escaped from custody, in or affecting, or using any facility of, interstate or foreign commerce, or as to whom an appropriate law enforcement officer or official of a State or political subdivision has requested the Attorney General to assist in the investigation, and the Attorney General finds that the particular circumstances of the request give rise to a Federal interest sufficient for the exercise of Federal jurisdiction pursuant to section 1075.

"(b) SUBPOENAS AND WITNESSES.—

"(1) SUBPOENAS.—In any investigation with respect to the apprehension of a fugitive, the Attorney General may subpoena witnesses for the purpose of the production of any records (including books, papers, documents, electronic data, and other tangible and intangible items that constitute or contain evidence) that the Attorney General finds, based on articulable facts, are relevant to discerning the whereabouts of the fugitive. A subpoena under this subsection shall describe the records or items required to be produced and prescribe a return date within a reasonable period of time within which the records or items can be assembled and made available.

"(2) WITNESSES.—The attendance of witnesses and the production of records may be required from any place in any State or other place subject to the jurisdiction of the United States at any designated place where the witness was served with a subpoena, except that a witness shall not be required to appear more than 500 miles distant from the place where the witness was served. Witnesses summoned under this section shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

"(c) SERVICE.—

"(1) AGENT.—A subpoena issued under this section may be served by any person designated in the subpoena as the agent of service.

"(2) NATURAL PERSON.—Service upon a natural person may be made by personal delivery of the subpoena to that person or by certified mail with return receipt requested.

"(3) CORPORATION.—Service may be made upon a domestic or foreign corporation or upon a partnership or other unincorporated association that is subject to suit under a common name, by delivering the subpoena to an officer, to a managing or general agent, or to any other agent authorized by appointment or by law to receive service of process.

"(4) AFFIDAVIT.—The affidavit of the person serving the subpoena entered on a true copy thereof by the person serving it shall be proof of service.

"(d) CONTUMACY OR REFUSAL.—

"(1) IN GENERAL.—In the case of the contumacy by or refusal to obey a subpoena issued to any person, the Attorney General may invoke the aid of any court of the United States within the jurisdiction of which the investigation is carried on or of which the subpoenaed person is an inhabitant, or in which he carries on business or may be found, to compel compliance with the subpoena. The court may issue an order requiring the subpoenaed person to appear before the Attorney General to produce records if so ordered.

"(2) CONTEMPT.—Any failure to obey the order of the court may be punishable by the court as contempt thereof.

"(3) PROCESS.—All process in any case to enforce an order under this subsection may be served in any judicial district in which the person may be found.

"(4) RIGHTS OF SUBPOENA RECIPIENT.—Not later than 20 days after the date of service of an administrative subpoena under this section upon any person, or at any time before the return date specified in the subpoena, whichever period is shorter, such person may file, in the district within which such person resides, is found, or transacts business, a petition to modify or quash such subpoena on grounds that—

"(A) the terms of the subpoena are unreasonable or oppressive;

"(B) the subpoena fails to meet the requirements of this section; or

"(C) the subpoena violates the constitutional rights or any other legal rights or privilege of the subpoenaed party.

"(e) GUIDELINES.—

"(1) IN GENERAL.—The Attorney General shall issue guidelines governing the issuance of administrative subpoenas pursuant to this section.

"(2) REVIEW.—The guidelines required by this subsection shall mandate that administrative subpoenas may be issued only after review and approval of senior supervisory personnel within the respective investigative agency or component of the Department of Justice and of the United States Attorney for the judicial district in which the administrative subpoena shall be served.

"(f) NONDISCLOSURE REQUIREMENTS.—

"(1) IN GENERAL.—Except as otherwise provided by law, the Attorney General may apply to a court for an order requiring the party to whom an administrative subpoena is directed to refrain from notifying any other party of the existence of the subpoena or court order for such period as the court deems appropriate.

"(2) ORDER.—The court shall enter such order if it determines that there is reason to believe that notification of the existence of the administrative subpoena will result in—

"(A) endangering the life or physical safety of an individual;

"(B) flight from prosecution;

"(C) destruction of or tampering with evidence;

"(D) intimidation of potential witnesses; or

"(E) otherwise seriously jeopardizing an investigation or undue delay of a trial.

"(g) IMMUNITY FROM CIVIL LIABILITY.—Any person, including officers, agents, and employees, who in good faith produce the records or items requested in a subpoena shall not be liable in any court of any State or the United States to any customer or other person for such production or for nondisclosure of that production to the customer, in compliance with the terms of a court order for nondisclosure.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The analysis for chapter 49 of title 18, United States Code, is amended by adding at the end the following:

"1075. Administrative subpoenas to apprehend fugitives.".

Mr. BIDEN. Mr. President, I am pleased today to be able to join with Senators THURMOND and HATCH in introducing the Fugitive Apprehension Act of 2001. This bill authorizes the Attorney General to issue administrative subpoenas in cases involving fugitives. Its passage will provide law enforcement with the tools it needs to more effectively track and apprehend fugitives from justice, and I look forward to its prompt consideration.

Crime across the country continues to trend downwards, though we have seen some mixed statistical signals of late. As chairman of the newly-created Judiciary Subcommittee on Crime and Drugs, I am extremely concerned by the Nation's fugitive problem. According to estimates from the Department of Justice, there are approximately 54,000 fugitives from justice in Federal cases.. A total of 565,611 fugitives, including state and local felony cases, have been entered into the database of the National Crime Information Center, up from 340,000 10 years ago. But this figure only begins to measure the problem, as the National Crime Information Center receives just 20 percent of all outstanding State and local felony warrants.

These fugitives from justice are a very real and dangerous concern. For example, last December, there was a shooting in Wilmington, DE. The shooter was charged with attempted murder and weapons violations and was jailed in Chester, PA, on a separate, earlier shooting charge. He then posted $500 bail on those charges, and promptly fled the jurisdiction. Members of Delaware's Violent Fugitive Task Force soon determined this violent criminal was hiding out in West Los Angeles. They alerted local FBI agents, who soon located the fugitive in a car and tried to stop him. He led the agents on a two-mile, high-speed chase, crashed into a pole, then tried to escape on foot. He was eventually captured, arrested, and he was recently returned to Delaware to face charges. This fugitive is particularly dangerous: he has a long record of drug and other offenses, including 52 arrests in Delaware dating all the way back to when he was 13.

Unfortunately, this incident from my home State is not an isolated one, and we should not hamstring law enforcement when they try to catch these criminals. To better equip our Federal law enforcement agents with the resources they need to track and apprehend dangerous fugitives from justice, we need to make some changes to our criminal laws. The Fugitive Apprehension Act of 2001 gives the Attorney General, principally through the United States Marshals Service, authority to issue administrative subpoenas in cases involving fugitives. Last year, the Director of the Marshals Service testified as to the need for these subpoenas in fugitive cases; he noted that seldom is a grand jury available to issue a subpoena in these instances. In fugitive cases, time is often of the essence and successful investigations depend on real-time information, such as telephone subscriber and credit records. The time required to get a court order can make the difference between whether a fugitive is apprehended or remains at large.

Given the privacy concerns that rightfully arise whenever Fourth Amendment protections are impacted, I want to take a moment to describe some of the safeguards in the bill we introduce today. First, and importantly, the bill's provisions apply only to those fugitives charged with or convicted of violent felonies or trafficking in drugs.

Second, the bill in no way authorizes searches by law enforcement agencies; the subpoenas envisioned by the bill may be used only to obtain documents. Witness testimony and searches still must meet the Constitution's warrant requirement.

Third, each administrative subpoena issued must be approved by the local United States Attorney for the district in which the subpoena will be served. I realize the Marshals Service and other law enforcement groups would rather this safeguard not be in the bill, but I insisted upon its inclusion at this point so as to ensure this new investigative power is not abused. I look forward to continuing my discussions with the Marshals Service and others concerning the effect this safeguard could have on their fugitive apprehensions.

Fourth, the bill allows the person on whom an administrative subpoena is served to request to a court that it be overturned—judicial review is mandated each time an administrative subpoena is challenged.

I am mindful of the fact that Federal law enforcement already has administrative subpoena power in other types of cases, including drug enforcement, child abuse and child pornography investigations. The need for administrative subpoena authority should be more clear in fugitive cases; there, the criminal being pursued has already proven his danger to society by committing a very serious crime. The bill we are introducing today is quite limited in scope, and its built in safeguards coupled with the opportunity for judicial review I believe balance well the rights of individuals with the clear need to catch those violent criminals on the lam, criminals whose very presence on our streets threatens us all. I thank Senator THURMOND for his leadership in this area, and I look forward to working with him and Senator HATCH to see this bill signed into law.

By Mr. SANTORUM:

S. 1352. A bill to amend the National and Community Service Act of 1990 to carry out the Americorps program as a voucher program that assists charities serving low-income individuals, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. SANTORUM. Mr. President, today I am introducing a bill which reforms and expands service opportunities through the AmeriCorps program by transitioning the service program toward an individual model with voucher-like awards to individuals desiring to serve low-income individuals or communities. The goal is to decrease dependency on large, more permanent group service locations and dramatically increase the scope of service opportunities and charitable locations which would be eligible for voucher recipients to serve communities and to require that site locations be predominantly serving low-income communities or people.

Under the leadership of former Senator Harris Wofford and the States, significant steps were taken to improve the management of the AmeriCorps program of the Corporation for National Service, CNS, and I recognize the dedication and contributions of AmeriCorps participants. I also believe that more can be done to expand the effectiveness of the AmeriCorps by expanding the opportunities for service and have been looking at a number of options for more than a year.

The bill's approach to reform should better enable participants to get to know the communities that they are serving. It is also a goal of this initiative to place an additional emphasis on the importance of leveraging volunteers and providing technical assistance and capacity building skills for these organizations. This will increase the long-term benefit which the organizations and the communities that they serve receive. The new proposal has some similarities to AmeriCorpsVISTA under the CNS but the scope of the proposed authorization is limited to AmeriCorps, although I believe that other restructuring may well be warranted.

The reform proposal includes the following elements: The individual award or voucher would be for use at charitable organizations predominantly serving the poor (like the current AmeriCorpsVISTA focus). All eligible qualifying charities (consistent with IRS requirements for 501(c)(3)'s) predominantly serving the poor would be eligible locations for service. All receiving locations must comply with the current supervisory and reporting requirements (e.g., web-based reporting system) of the Corporation for National Service. The voucher is awarded to the individual who chooses a qualified location for service and not the charitable organization. The current education and stipend benefits of AmeriCorps would remain the same and be included with the new voucher. The education award may be given to another individual chosen by the AmeriCorps volunteer without impacting the ability of the donee to receive other sources of grant and scholarship assistance, increasing the attractiveness for older Americans to participate. If the number of applicants exceeds the available vouchers, a lottery system established by the Corporation for National Service would be used to determine the selection of qualified voucher recipients. The bill provides for consolidation of Americans and AmeriCorpsVISTA state offices to better leverage resources. A one-year transition period to the new system is provided.

I urge my colleagues to consider this opportunity to reform AmeriCorps participants. I believe that refocusing the program on poverty alleviation efforts, expanded choice, and placing a greater emphasis on serving charities and the needy communities they serve through provision of expanded technical assistance and capacity building services will provide a brighter future for AmeriCorps and a more strategic contribution from this federally supported program for Americans in need.

By Mr. DURBIN (for himself, Mr. KENNEDY, Mr. REED, and Mr. SCHUMER):

S. 1355. A bill to prevent children from having access to firearms; to the Committee on the Judiciary.

Mr. DURBIN. Mr. President, I rise today with my colleagues Senator KENNEDY, LEVIN, REED, and SCHUMER to introduce the Children's Firearm Access Prevention Act of 2001.

My legislation is modeled after similar legislation that Texas enacted into law under then Governor George W. Bush in 1995. It is my sincere hope that President Bush will work with Congress to enact this important bill.

While many in Congress have argued that the Second Amendment guarantees individuals the right to bear arms, there has been far less discussion about the corresponding responsibilities of gun owners to keep their firearms away from children.

The Children's Firearm Access Prevention, CAP, Act of 2001 subjects gun owners to a prison sentence of up to 1 year and a fine of up to $4,000 when they fail to use a secure gun storage or safety device for their firearms and a juvenile under the age of 18 uses that firearm to cause serious bodily injury to themselves or others. The CAP bill also subjects gun owners to a fine of up to $500 when they fail to use a secure gun storage or safety device for their firearm and a juvenile obtains access to the firearm.

My legislation includes commonsense exceptions. Gun owners would not be subject to criminal or civil liability when a juvenile uses a firearm in an act of lawful self-defense; takes the firearm off the person of a law enforcement official; obtains the firearm as a result of an unlawful entry; or obtains the firearm during a time when the juvenile was engaged in agricultural enterprise. Gun owners would also not be liable if they had no reasonable expectation that juveniles would be on the premises, or if the juvenile was supervised by a person older than 18 years of age and was engaging in hunting, sporting, or other lawful purposes.

CAP laws have reduced unintentional shootings in states that have enacted these laws. In Florida, the first State to pass a CAP law, unintentional shooting deaths dropped by more than 50 percent in the first year following enactment. 17 states, including my home state of Illinois, have enacted CAP laws.

A study published in the Journal of the American Medical Association, JAMA, in October of 1997 found a 23 percent decrease in unintentional firearm related deaths among children younger than 15 in those States that had implemented CAP laws. According to the JAMA article, if all 50 States had CAP laws during the period of 1990–1994, 216 children might have lived.

While I understand that some Americans feel safer with a gun in the home, the sad reality is that a gun in the home is far more likely to be used to kill a family member or a friend than to be used in self-defense. Over 90 percent of handguns involved in unintentional shootings are obtained in the home where these shootings occur. Many unintentional shootings could be prevented if firearms were safely stored.

Children and easy access to guns are a recipe for tragedy. I ask my Senate colleagues to join me in this effort to protect children from the dangers of gun violence.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1355

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Children's Firearm Access Prevention Act".

SEC. 2. CHILDREN AND FIREARMS SAFETY.

(a) DEFINITION.—Section 921(a)(34)(A) of title 18, United States Code, is amended by inserting "or removing" after "deactivating".

(b) PROHIBITION.—Section 922 of title 18, United States Code, is amended by inserting after subsection (y) the following:

"(z) PROHIBITION AGAINST GIVING JUVENILES ACCESS TO CERTAIN FIREARMS.—

"(1) DEFINITIONS.—In this subsection:

"(A) JUVENILE.—The term 'juvenile' means an individual who has not attained the age of 18 years.

"(B) CRIMINAL NEGLIGENCE.—The term 'criminal negligence' pertains to conduct that involves a gross deviation from the standard of care that a reasonable person would exercise under the circumstances, but which is not reckless.

"(2) PROHIBITION.—Except as provided in paragraph (3), it shall be unlawful for any person to keep a loaded firearm, or an unloaded firearm and ammunition for a firearm, any of which has been shipped or transported in interstate or foreign commerce or otherwise substantially affects interstate or foreign commerce, within any premises that is under the custody or control of that person if that person knows or, with criminal negligence, should know that a juvenile is capable of gaining access to the firearm without the permission of the parent or legal guardian of the juvenile, and fails to take steps to prevent such access.

"(3) EXCEPTIONS.—Paragraph (2) does not apply if—

"(A) the person uses a secure gun storage or safety device for the firearm;

"(B) the person is a peace officer, a member of the Armed Forces, or a member of the National Guard, and the juvenile obtains the firearm during, or incidental to, the performance of the official duties of the person in that capacity;

"(C) the juvenile obtains, or obtains and discharges, the firearm in a lawful act of self-defense or defense of one or more other persons;

"(D) the person has no reasonable expectation, based on objective facts and circumstances, that a juvenile is likely to be present on the premises on which the firearm is kept;

"(E) the juvenile obtains the firearm as a result of an unlawful entry by any person;

"(F) the juvenile was supervised by a person older than 18 years of age and was engaging in hunting, sporting, or another lawful purpose; or

"(G) the juvenile gained the gun during a time that the juvenile was engaged in an agricultural enterprise.".

(c) PENALTIES.—Section 924(a) of title 18, United States Code, is amended by adding at the end the following:

"(7)(A) Whoever violates section 922(z), if a juvenile (as defined in section 922(z)) obtains access to the firearm that is the subject of the violation and thereby causes death or serious bodily injury to the juvenile or to any other person, shall be fined not more than $4,000, imprisoned not more than 1 year, or both.

"(B) Whoever violates section 922(z), if a juvenile (as defined in section 922(z)) obtains access to the firearm that is the subject of the violation shall be fined not more than $500.".

(d) ROLE OF LICENSED FIREARMS DEALERS.—Section 926 of title 18, United States Code, is amended by adding at the end the following:

"(d) CONTENTS OF FORM.—The Secretary shall ensure that a copy of section 922(z) appears on the form required to be obtained by a licensed dealer from a prospective transferee of a firearm;

"(e) NOTICE OF CHILDREN'S FIREARM ACCESS PREVENTION ACT.—A licensed dealer shall post a prominent notice in the place of business of the licensed dealer as follows:

"IT IS UNLAWFUL AND A VIOLATION OF THE CHILDREN'S FIREARM ACCESS PREVENTION ACT TO STORE, TRANSPORT, OR ABANDON AN UNINSURED FIREARM IN A PLACE WHERE CHILDREN ARE LIKELY TO BE AND CAN OBTAIN ACCESS TO THE FIREARM.".

(e) NO EFFECT ON STATE LAW.—Nothing in this section or the amendments made by this section shall be construed to preempt any provision of the law of any State, the purpose of which is to prevent juveniles from injuring themselves or others with firearms.

By Mr. FEINGOLD (for himself, Mr. GRASSLEY, and Mr. KENNEDY):

S. 1356. A bill to establish a commission to review the facts and circumstances surrounding injustices suffered by European Americans, European Latin Americans, and European refugees during World War II; to the Committee on the Judiciary.

Mr. FEINGOLD. Mr. President, I rise today to introduce the Wartime Treatment of European Americans and Refugees Study Act. This bill would create a Commission to review the United States Government's treatment during World War II of German Americans, Italian Americans, certain Latin Americans, and refugees of Nazi Germany.

I am very pleased that my distinguished colleagues, Senators GRASSLEY and KENNEDY, have joined me as cosponsors of this important bill. I particularly want to thank them for their input and valuable contributions to this bill.

The allied victory in the Second World War was an American triumph, and most of all, a triumph for human freedom. Today we rightly celebrate the contributions of what Tom Brokaw has called the Greatest Generation, the courage displayed by so many Americans in that terrible struggle should be a source of pride for every American.

Those Americans fought, and often gave their lives, to restore freedom and democracy abroad. But, as brave Americans fought enemies in Europe and the Pacific, here at home the U.S. government was curtailing the freedom of its own people. Of course, every nation has the duty to protect its homefront in wartime. But, even in war, we must respect the basic freedoms for which so many Americans have given their lives, including untold numbers of German and Italian Americans.

Many Americans are by now aware that during World War II, under the authority of Executive Order 9066, our government forced more than 100,000 ethnic Japanese from their homes and into camps. This evacuation policy forced Japanese Americans to endure great hardship. Approximately 15,000 additional ethnic Japanese were selectively interned in government operated internment camps. They often lost their basic freedoms, their livelihood, and perhaps worst of all, suffered the shame and humiliation of being locked behind barbed wire and military guard, by their own government. Under the Civil Liberties Act of 1988, this shameful episode in American history received the official condemnation it deserved. Under the Act, people of Japanese ancestry who suffered either relocation or selective internment received an apology and reparations, on behalf of the people of the United States.

But, while the treatment of Japanese Americans has finally received the attention it deserves by the public, most Americans have never even heard about the approximately 11,000 ethnic Germans living in America, the 3,200 ethnic Italians living in America, or the scores of ethnic Bulgarians, Hungarians, Rumanians or other European Americans who were taken from their homes and placed into internment camps during World War II. Hundreds remained interned for up to three years after the war was over.

Today I introduce legislation to convene an independent commission to examine this tragic history, try to understand why it happened, and to try to ensure that it never happens again. We must learn the lessons of history, however painful they might be for us, and for the families that endured this shameful treatment. In a time of American heroism abroad, here at home we faltered. We failed to protect the liberty of all Americans. Through our restrictive immigration policies, we also failed to offer safe harbor to European refugees fleeing Nazi genocide. We turned away thousands of refugees fleeing Germany, delivering many of them to their deaths.

As a Nation we have been slow to address our conduct during the war. There has finally been some measure of justice for Japanese Americans who suffered in the United States, however little or however late. And Congress has finally begun to address the treatment of Italian Americans. Last year, the President signed into law The Wartime Violation of Italian American Civil Liberties Act, which called for a report from the Department of Justice detailing injustices suffered by Italian-Americans during World War II. I believe that this is a step in the right direction, but an independent panel should be convened to conduct a full and thorough review.

I think many Americans would be surprised to learn that, to this day, more than 50 years later, there has been no recognition of the ordeal of thousands of German Americans during and after the Second World War. There has been no justice for ethnic Germans living in America who were branded "enemy aliens" by their own government. The U.S. government limited their travel, imposed curfews and seized their personal property. Thousands were interned in camps, often separated from other members of their family, living in miserable conditions. Many of these families, including American children, were later shipped back to war-torn Europe in exchange for Americans held there, and suffered terribly. It is past time for the U.S. Government to recognize the pain and anguish these actions caused.

And there has been no justice for European Latin Americans, including German and Austrian Jews, who were actually repatriated or deported to hostile, war-torn European Axis powers, often as part of an exchange for Americans being held in those countries. The U.S. government uprooted these people from their homes and forced them into camps in the United States, essentially kidnaping them from nations not even directly involved in the War. Again, many were then shipped for exchange to Europe.

And finally, there has been no justice for Europeans, often Jews, who sought refuge from the Nazis on our shores.

We must examine the U.S. immigration policies of the 1930s and 1940s that turned these people away, and often delivered them into the hands of the Third Reich.

This legislation proposes an independent commission to look at U.S. policies during World War II, including the policies regarding German and Italian Americans, European Latin Americans, and the refugee immigration policies of the World War II era.

In the 1940s, Germans and Italians were the two largest foreign-born populations in the United States. Under the policy put in place by the U.S. government, thousands of aliens were simply arrested by the FBI. Far more often than not, these arrests were based on highly questionable evidence. Those arrested were held indefinitely pending a hearing. Many times their families did not know where they had been taken for weeks, and if both parents were taken, children were often left to fend for themselves until family members or local governments took custody of them.

They received a brief hearing before local hearing boards during which the local U.S. Attorney acted as prosecutor. The hearing boards then recommended to the Department of Justice whether they should be released, paroled, or interned for the duration of the War. Despite the serious nature of this proceeding, those arrested did not have the right to have their own lawyer and did not have the right to confront witnesses against them. The hearing boards would then send their recommendations to the Department of Justice, where a final determination could take months. Internment orders were issued for the duration of the war. Ironically, many were interned on Ellis Island, where immigrants had been welcomed for decades.

Families, often left destitute, struggled to survive and often lost their homes. Finally, the government would permit families to join their loved ones in a family camp, where they would live indefinitely behind barbed wire. These spouses and children were frequently American citizens.

In addition to internment, all enemy aliens during World War II were subject to strict regulations affecting their daily lives. Enemy aliens were required to carry photo-bearing identification booklets at all times, were forbidden to travel beyond a five mile radius of their homes, were required to turn in any short wave radios and cameras they owned. They were required to given the government a full-week's notice if they planned to spend a night away from home, and could not ride in airplanes. Thousands of enemy aliens were prohibited from entering military zones, some even evacuated from their homes. Many aliens and European American citizens were also subject to restrictions in or excluded from military areas that collectively covered one-third of the country.

As I've said, there has been some recognition of the wrongs done to Italian Americans during the war, but there has yet to be any formal recognition of the pain that German American families went through. So I want to take a few moments to give examples to help my colleagues and the public understand the kind of harassment they endured.

The FBI searched tens of thousands of alien residences between 1943 and 1945. The stories of homes ransacked, or people being taken from their families for years, are chilling. Take the case of Guenther Greis. Mr. Greis, as U.S. citizen, was 17 years old when World War II began in 1941. On December 7, 1941 Guenther's father, a German citizen who had lived in the U.S. for at least 15 years, and worked in the chemical industry, was arrested.

Weeks passed before Guenther, his mother, and his family of four boys, three born in the United States, finally learned where their missing father had been taken. He was to be interned for the duration of the war. In the meantime, Guenther's family had struggled to keep their home. Even as their father was being detained by the government, two sons enlisted in the merchant Marines and served in the Pacific War Zone on behalf of the United States. The remaining family eventually was sent to the internment camp in Crystal City, TX, until Guenther and his brother were released in 1946. Guenther's parents remained interned until 1947, two years after the end of the war. To this day, the Greis family does not have explanation of why their father was interned.

Or take the story of Anton Schroeger, a German citizen who came to America at the age of 16, and by the time World War II began, had lived half his life in America. When World War II broke out, Anton was lucky to have a relatively high paying job as a skilled painter at the Milwaukee Road repair shops. Based on what Anton believed to be a false tip from somebody who wanted his job, however, Anton was arrested while at work, and taken to a series of interment camps. After his arrest, his wife, Anna, insisted on joining him in the internment camps, and, in fact, gave birth to a daughter in a camp in Texas. After World War II, Anton earned a living working at lower paying jobs. Despite this ordeal, Anton eventually became a U.S. citizen in 1952. His family is certain that Anton did not engage in any activity that deserved such treatment.

Let me say here that there may have been people affected by these policies who harbored sympathy for our adversaries, and was potentially dangerous. And every government must take steps to protect its homefront in a time of war. But even the people who may have posed a threat to our security should have had the basic protections enshrined in our Constitution. War tests all of our principles and values, without question. But it is during these times of conflict, and fear, that we need to protect those principles the most.

At least 11,000 German-Americans were placed in internment camps during WWII. Thousands more were denied basic freedoms that most of us today take for granted. These Germans and German-Americans deserve a full fact-finding review and acknowledgement from the U.S. government, and they deserve to have their story told so that we may strive to ensure that the individual rights of all Americans will remain free from arbitrary persecution.

The work of the commission created by this bill would include a review of The Alien Enemy Act of 1798, which permitted this treatment under U.S. law and remains on the books today. So, the first act of the Commission would involve a full and thorough review of the federal government's treatment of European Americans and European Latin Americans.

The second part of the Commission's work would be to study America's treatment of refugees from Nazi Germany. After Hitler took power in 1933, the freedoms of German Jews were eroded until many of them sought desperately to flee the country. First came an economic boycott, the loss of civil rights, citizenship, and jobs.

Then, in November 1938, came the Kristallnacht pogrom, and ultimately, incarceration and systematic murder in concentration camps. Unfortunately, as restrictions began to tighten and many Jews sought refuge outside of Nazi Germany, America, instead of acting as a haven for these refugees, was tightening its immigration rules. Between 1933 and 1939, 300,000 Germans, mostly Jews fleeing Nazi persecution, applied for visas to America. Yet only about 90,000 applicants were ever admitted into our nation.

The requirements just to be considered for a visa were formidable. An applicant had to submit an application, a birth certificate, a certificate of good conduct from the German police, affidavits of good conduct, submit to a physical exam, proof of permission to leave a country of origin, proof of booked passage to the U.S., two sponsors in America, and on and on. These requirements made immigrating to the U.S. very difficult. Then, in 1941, a new regulation forbidding the granting of a visa to anyone who had relatives in an Axis-occupied territory essentially made seeking refuge in America impossible for many Jews.

Thanks to research conducted by the United States Holocaust Museum and other American scholars, we now have a fuller understanding of the ramifications of U.S. immigration policies. To put the tragic results of those policies into perspective, I'll recount the fate of the passengers aboard a ship called the *St. Louis*. The *St Louis* sailed from Hamburg in April 1939 with 937 passengers aboard. Over 900 of those passengers were Jews, attempting to flee Germany. America denied entry to the refugees on the ship, and it eventually sailed back to Antwerp in June 1939. From there, the refugees frantically searched for new countries to offer them protection. Some of them succeeded, while many did not, and were later detained and killed at Auschwitz.

Some attempts were made to allow the most vulnerable of these refugees, children, into the United States. On February 9, 1939 the Wagner-Rogers refugee bill was introduced in this very Senate. The bill would have allowed admission to the United States of 20,000 German refugee children under the age of 14 over a period of two years, in addition to the immigration normally permitted. But sadly, that bill was not even considered by the full Senate.

The United States' failure to offer refuge to Jews attempting to flee the Nazis is one of the most shameful periods in our history. We closed our borders to people fleeing persecution, and at the same time, within those borders, we treated too many people of "enemy ethnicity" as threats to a national security. The purpose of this proposed commission, is to understand and acknowledge the United States' actions during this period. As a Nation, we have repeatedly called on other countries to acknowledge their wartime offenses against civilians. Today we have to ask of ourselves what we ask of other nations—why did we do it, and how can we prevent it from happening again?

During the Second World War, we defeated terrible enemies abroad, but we also lost something of ourselves as we denied freedoms to people at home. For many, the nation they called home would never be the same to them after their loyalty was questioned, and their lives were ripped apart. Too many German and Italian Americans were harassed and humiliated by the country where they lived, struggled, raised children, ran businesses, and built their dreams for a better life. This was the country they chose, like millions before them, and like each and every one of us. I hope by establishing a commission we can better understand how we allowed such a gross injustice, and how we can guard against implementing similar policies in the future.

No American can justify using ethnicity as a basis for the terrible treatment these people endured. And there's no way we can justify the policy which allowed European Latin Americans to be torn from their homes, brought here to the U.S. under deplorable conditions to be interned, and sometimes deported back to hostile European nations. Finally, there's surely no way we can justify our World War II era immigration policy, which undoubtedly led to the deaths of thousands of people—people who turned to the U.S., in fear and desperation, for a safe harbor, and were tragically turned away.

We cannot learn from this troubling history unless we first seek to acknowledge it and understand it. Coming to terms with these events will be difficult, but for the families who suffered under these wartime policies, it will be, at long last, a recognition of the ordeal they went through at the hands of their own government. I urge my colleagues to support this legislation, so that we can learn from this painful past, and ensure that we will never again let our worst fears drive us to neglect our most cherished freedoms. Thank you, Mr. President.

I ask unanimous consent that the full text of the Wartime Treatment of European Americans and Refugees Study Act be printed in the RECORD.

There being no objection, the bill as ordered to be printed in the RECORD, as follows:

S. 1356

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Wartime Treatment of European Americans and Refugees Study Act".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The United States has long encouraged other nations to acknowledge their wartime offenses against civilians. Now, the United States Government should fully assess its treatment of European Americans and European Latin Americans during World War II and its effect on Italian American, German American, and other European American communities.

(2) The United States Government should also fully assess its treatment of European refugees who fled persecution and genocide in Europe to seek refuge in the United States prior to and during World War II.

(3) During World War II, the United States Government branded as "enemy aliens" more than 600,000 Italian-born and 300,000 German-born United States resident aliens and their families and required them to carry Certificates of Identification, limited their travel, and seized their personal property. At that time, these groups were the two largest foreign-born groups in the United States.

(4) During World War II, the United States Government arrested, interned or otherwise detained thousands of European Americans, some remaining in custody for years after cessation of World War II hostilities, and repatriated, exchanged, or deported European Americans, including American-born children, to hostile, war-torn European Axis nations, many to be exchanged for Americans held in those nations.

(5) Pursuant to a policy coordinated by the United States with Latin American countries, many European Latin Americans, including German and Austrian Jews, were captured, shipped to the United States and interned. Many were later expatriated, repatriated or deported to hostile, war-torn European Axis nations during World War II, most to be exchanged for Americans and Latin Americans held in those nations.

(6) Millions of European Americans served in the armed forces and thousands sacrificed their lives in defense of the United States.

(7) The wartime policies of the United States Government were devastating to the Italian Americans and German American communities, individuals and their families. The detrimental effects are still being experienced.

(8) Prior to and during World War II, the United States restricted the entry of European refugees who were fleeing persecution and sought safety in the United States. During the 1930's and 1940's, the quota system, immigration regulations, visa requirements, and the time required to process visa applications affected the number of European refugees, particularly those from Germany and Austria, who could gain admittance to the United States.

(9) Time is of the essence for the establishment of a Commission, because of the increasing danger of destruction and loss of relevant documents, the advanced age of potential witnesses and, most importantly, the advanced age of those affected by the United States Government's policies. Many who suffered have already passed away and will never know of this effort.

SEC. 3. DEFINITIONS.

In this Act:

(1) DURING WORLD WAR II.—The term "during World War II" refers to the period between September 1, 1939, through December 31, 1948.

(2) EUROPEAN AMERICANS.—

(A) IN GENERAL.—The term "European Americans" refers to United States citizens and permanent resident aliens of European ancestry, including Italian Americans, German Americans, Hungarian Americans, Romanian Americans, and Bulgarian Americans.

(B) ITALIAN AMERICANS.—The term "Italian Americans" refers to United States citizens and permanent resident aliens of Italian ancestry.

(C) GERMAN AMERICANS.—The term "German Americans" refers to United States citizens and permanent resident aliens of German ancestry.

(3) EUROPEAN REFUGEES.—The term "European refugees" refers to European nationals who desired to flee persecution and genocide in Europe and to enter the United States during the period between January 1, 1933 and December 31, 1945 but were denied entry.

(4) EUROPEAN LATIN AMERICANS.—The term "European Latin Americans" refers to persons of European ancestry, including Italian or German ancestry, residing in a Latin American nation during World War II.

SEC. 4. ESTABLISHMENT OF COMMISSION.

(a) IN GENERAL.—There is established the Commission on Wartime Treatment of European Americans and Refugees (referred to in this Act as the "Commission").

(b) MEMBERSHIP.—The Commission shall be composed of 11 members, who shall be appointed not later than 90 days after the date of enactment of this Act as follows:

(1) Five members shall be appointed by the President.

(2) Three members shall be appointed by the Speaker of the House of Representatives, in consultation with the minority leader.

(3) Three members shall be appointed by the majority leader of the Senate, in consultation with the minority leader.

(c) TERMS.—The term of office for members shall be for the life of the Commission. A vacancy in the Commission shall not affect its powers, and shall be filled in the same manner in which the original appointment was made.

(d) REPRESENTATION.—The Commission shall include 2 members from the Italian American community and 2 members from the German American community representing their wartime treatment interests. The Commission shall also include 2 members representing the interests of European refugees.

(e) MEETINGS.—The President shall call the first meeting of the Commission not later than 120 days after the date of enactment of this Act.

(f) QUORUM.—Six members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(g) CHAIRMAN.—The Commission shall elect a Chairman and Vice Chairman from among its members. The term of office of each shall be for the life of the Commission.

(h) COMPENSATION.—

(1) IN GENERAL.—Members of the Commission shall serve without pay.

(2) REIMBURSEMENT OF EXPENSES.—All members of the Commission shall be reimbursed for reasonable travel and subsistence, and other reasonable and necessary expenses incurred by them in the performance of their duties.

SEC. 5. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—It shall be the duty of the Commission to review—

(1) the United States Government's wartime treatment of European Americans and European Latin Americans as provided in subsection (b)(1); and

(2) the United States Government's refusal to allow European refugees fleeing persecution in Europe entry to the United States as provided in subsection (b)(2).

(b) SCOPE OF REVIEW.—

(1) EUROPEAN AMERICANS AND EUROPEAN LATIN AMERICANS.—The Commission's review shall include, but not be limited to, the following:

(A) A comprehensive review of the facts and circumstances surrounding United States Government actions during World War II which violated the civil liberties of European Americans and European Latin Americans pursuant to the Alien Enemy Act (50 U.S.C. 21–24), Presidential Proclamations 2526, 2527, 2655, 2662, Executive Orders 9066 and 9095, and any directive of the United States Armed Forces pursuant to such law, proclamations, or executive orders respecting the registration, arrest, exclusion, internment, exchange, or deportment of European Americans and European Latin Americans. This review shall include an assessment of the underlying rationale of the United States Government's decision to develop related programs and policies, the information the United States Government received or acquired suggesting the related programs and policies were necessary, the perceived benefit of enacting such programs and policies, and the immediate and long-term impact of such programs and policies on European Americans and European Latin Americans and their communities.

(B) A review of United States Government action with respect to European Americans pursuant to the Alien Enemy Act (50 U.S.C. 21–24) and Executive Order 9066 during World War II, including registration requirements, travel and property restrictions, establishment of restricted areas, raids, arrests, internment, exclusion, policies relating to the families and property that excludees and internees were forced to abandon, internee employment by American companies (including a list of such companies and the terms and type of employment), exchange, repatriation, and deportment, and the immediate and long-term effect of such actions, particularly internment, on the lives of those affected. This review shall include a list of all temporary detention and long-term internment facilities.

(C) A brief review of the participation by European Americans in the United States Armed Forces including the participation of European Americans whose families were excluded, interned, repatriated, or excluded.

(D) A recommendation of appropriate remedies, including how civil liberties can be better protected during war, or an actual, attempted, or threatened invasion or inclusion, an assessment of the continued viability of the Alien Enemy Act (50 U.S.C. 21–24), and public education programs related to the United States Government's wartime treatment of European Americans, European Latin Americans, and European refugees during World War II.

(2) EUROPEAN REFUGEES.—The Commission's review shall cover the period between January 1, 1933, through December 31, 1945, and shall include, to the greatest extent practicable, the following:

(A) A review of the United States Government's refusal to allow European refugees entry to the United States, including a review of the underlying rationale of the United States Government's decision to refuse the European refugees entry, the information the United States Government received or acquired suggesting such refusal was necessary, the perceived benefit of such refusal, and the impact of such refusal on European refugees.

(B) A review of Federal refugee policy relating to those fleeing persecution or genocide, including recommendations for making it easier for future victims of persecution or genocide to obtain refuge in the United States.

(c) FIELD HEARINGS.—The Commission shall hold public hearings in such cities of the United States as it deems appropriate.

(d) REPORT.—The Commission shall submit a written report of its findings and recommendations to Congress not later than 18 months after the date of the first meeting called pursuant to section 4(e).

SEC. 6. POWERS OF THE COMMISSION.

(a) IN GENERAL.—The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, and request the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandum, papers, and documents as the Commission or such subcommittee or member may deem advisable. The Commission may request the Attorney General to invoke the aid of an appropriate United States district court to require, by subpoena or otherwise, such attendance, testimony, or production.

(b) GOVERNMENT INFORMATION AND COOPERATION.—The Commission may acquire directly from the head of any department, agency, independent instrumentality, or other authority of the executive branch of the Government, available information that the Commission considers useful in the discharge of its duties. All departments, agencies, and independent instrumentalities, or other authorities of the executive branch of the Government shall cooperate with the Commission and furnish all information requested by the Commission to the extent permitted by law, including information collected as a result of Public Law 96–317 and Public Law 106–451. For purposes of the Privacy Act (5 U.S.C. 552a(b)(9)), the Commission shall be deemed to be a committee of jurisdiction.

SEC. 7. ADMINISTRATIVE PROVISIONS.

The Commission is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that the compensation of any employee of the Commission may not exceed a rate equivalent to the rate payable under GS–15 of the General Schedule under section 5332 of such title;

(2) obtain the services of experts and consultants in accordance with the provisions of section 3109 of such title;

(3) obtain the detail of any Federal Government employee, and such detail shall be without reimbursement or interruption or loss of civil service status or privilege;

(4) enter into agreements with the Administrator of General Services for procurement of necessary financial and administrative services, for which payment shall be made by reimbursement from funds of the Commission in such amounts as may be agreed upon by the Chairman of the Commission and the Administrator;

(5) procure supplies, services, and property by contract in accordance with applicable laws and regulations and to the extent or in such amounts as are provided in appropriation Acts; and

(6) enter into contracts with Federal or State agencies, private firms, institutions, and agencies for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of the duties of the Commission, to the extent or in such amounts as are provided in appropriation Acts.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

From funds currently authorized to the Department of Justice, there are authorized to be appropriated not to exceed $850,000 to carry out the purposes of this Act.

SEC. 9. SUNSET.

The Commission shall terminate 60 days after it submits its report to Congress.

Mr. KENNEDY. Mr. President, I am honored to join Senator FEINGOLD and my other colleagues in the Senate in introducing the Wartime Treatment of European Americans and Refugees Study Act. This legislation will authorize the study of U.S. policies and practices during World War II that resulted in severe civil liberties violations against European Americans and European Latin Americans. The bill also authorizes an investigation into U.S. refugee policy during World War II that caused many persons seeking safe haven to be turned away from our shores.

This bill will examine these issues by establishing a commission to investigate U.S. policies and programs during that period. Other countries are reexamining their own policies, and so must the United States. Identifying the abuses of the past is one of the best ways to ensure that they never happen again. I urge the Senate to adopt this important legislation.

By Mr. WELLSTONE (for himself and Mr. FEINGOLD):

S. 1357. A bill to provide for an examination of how schools are implementing the policy guidance of the Department of Education's Office for Civil Rights relating to sexual harassment directed against gay, lesbian, bisexual, and transgender students; to the Committee on the Judiciary.

Mr. WELLSTONE. Mr. President, today I am introducing a modest bill that can help us take an important step toward providing all of America's students physically and psychologically safe school environments so they can live up to their full potential as students. I appreciate that Senator FEINGOLD is joining me as an original co-sponsor.

Unfortunately, there is increasing evidence that schools are anything but safe havens for American students who are gay and lesbian, or for those who are perceived to be gay or lesbian. Two studies in recent months have focused on the issue of school harassment of gay and lesbian students. A 7-State study of abuses of gay and lesbian students by their peers, conducted by Human Rights Watch, found that these students often were not protected by school officials, and that in some cases harassment was even condoned by teachers and administrators. That report's troubling summation was that, "Gay youth spend an inordinate amount of energy plotting how to get safely to and from school, how to avoid the hallways when other students are present so they can avoid slurs and shoves, how to cut gym class to escape being beaten up, in short, how to become invisible so they will not be verbally and physically attacked. Too often, students have little energy left to learn." A second, more general report on school bullying, conducted by the American Association of University Women, AAUW, found that 61 percent of students had seen fellow students bullied for being gay or lesbian, whether or not the students actually were gay or lesbian. Boys were the most likely target of such teasing, according to the report.

Further, the recent Surgeon General's Call to Action to Promote Sexual Health and Responsible Behavior notes that "anti-homosexual attitudes are associated with psychological distress for homosexual persons and may have a negative impact on mental health, including a greater incidence of depression and suicide, lower self-acceptance and a greater likelihood of hiding sexual orientation." That report finds that: "Averaged over two dozen studies, 80 percent of gay men and lesbians have experienced verbal or physical harassment on the basis of their orientation, 45 percent had been threatened with violence, and 17 percent had experienced a physical attack."

These studies and numerous journalistic reports describe the verbal, physical and psychological abuse that becomes part of two many gay, lesbian, bisexual and transgendered students' daily lives.

We should seek to provide equal learning experiences for gay and lesbian students. We should also be concerned about the widespread bullying of students with sexual orientation-based epithets in view of the growing evidence that students who are bullied are more likely to harm their fellow students.

The Department of Education's "Sexual Harassment Guidance: Harassment of Students by School Employees, Other Students, or Third Parties," issued in 1997 by the Assistant Secretary for Civil Rights, includes in one section the following statement: "sexual harassment directed at gay or lesbian students that is sufficiently serious to limit or deny a student's ability to participate in or benefit from the school's program constitutes sexual harassment prohibited by Title IX." This guidance was revised in 2001, clarifying that school officials have a responsibility to respond to "acts of verbal, nonverbal, or physical aggression, intimidation, or hostility based on sex or sex-stereotyping."

In spite of the Department's existing guidance, evidence is clear that harassment of gay students remains a serious problem. Even so, the AAUW study cited earlier points out that many schools and universities have not established grievance procedures or designate any representative to address complaints of sex discrimination, including harassment.

To better understand the true level of sexual harassment against gay and lesbian students by peers and school officials in schools, as well as the degree to which schools are employing the Office of Civil Rights, OCR, standard in reacting against such cases of harassment, this bill calls for a study by the Commission on Civil Rights. The study would seek to answer five questions:

What is the best estimate of the true level of harassment against gay and lesbian students in America's schools and universities, applying the OCR standard?

What is the best estimate of the level of gender-based harassment such as that described in the 2001 update of the policy guidance that negatively affects the learning environment of gay and lesbian students?

To what degree are school officials and teachers aware of the alteration of the guidelines in 1997 that now includes certain harassment of gay and lesbian students?

Are the 1997 guidelines being accurately and aggressively enforced by schools?

What are the Commission's recommendations for an alternation in policy or enforcement based on the findings of the study?

The bill calls for completion of the study within 18 months so that Congress can act thoughtfully in working to create safe learning environments for all our students, gay and straight alike. It is endorsed by a number of the groups focused on promoting learning environments that are safe ones for gay students. I hope my colleagues will support it also.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1357

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress makes the following findings:

(1) Although title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.) does not prohibit discrimination on the basis of sexual orientation, one section of the Department of Education's Office for Civil Rights' 1997 final policy guidance, entitled "Sexual Harassment Guidance: Harassment of Students by School Employees, Other Students, or Third Parties" published in the Federal Register on March 13, 1997, 62 Fed. Reg. 12034, included a determination that "sexual harassment directed at gay or lesbian students that is sufficiently serious to limit or deny a student's ability to participate in or benefit from the school's program constitutes sexual harassment prohibited by title IX under the circumstances described in this guidance.". This language was unchanged in a 2001 update of the policy guidance entitled "Revised Sexual Harassment Guidance: Harassment of Students by School Employees, Other Students, or Third Parties" for which a notice of availability was published in the Federal Register on January 19, 2001, 66 Fed. Reg. 5512.

(2) That section of the 2001 "Revised Sexual Harassment Guidance: Harassment of Students by School Employees, Other Students, or Third Parties" went on to state: "Though beyond the scope of this guidance, gender-based harassment, which may include acts of verbal, nonverbal, or physical aggression, intimidation, or hostility based on sex or sex-stereotyping, but not involving conduct of a sexual nature, is also a form of sex discrimination to which a school must respond, if it rises to the level that denies or limits a student's ability to participate in or benefit from the educational program....A school must respond to such harassment in accordance with the standards and procedures described in this guidance.".

(3) There is evidence that brings into question the degree to which the policy guidance on sexual harassment against gay, lesbian, bisexual, and transgender students is being implemented. For example, a 7-State study by Human Rights Watch of the abuses suffered by gay, lesbian, bisexual, and transgender students at the hands of their peers, published in "Hatred in the Hallways: Violence and Discrimination Against Lesbian, Gay, Bisexual, and Transgender Students in U.S. Schools" found that such students were often the victims of abuses.

(4) A 2000 study by the American Association of University Women focused on implementation of title IX of the Education Amendments of 1972 more generally, and the findings of that study, published in "A License for Bias: Sex Discrimination, Schools, and Title IX", included a finding that many schools and universities have not established procedures for handling title IX-based grievances.

(5) The 2001 report of the Surgeon General, entitled "Surgeon General's Call to Action to Promote Sexual Health and Responsible Sexual Behavior" notes that "antihomosexual attitudes are associated with psychological distress for homosexual persons and may have a negative impact on mental health, including a greater incidence of depression and suicide, lower self-acceptance and a greater likelihood of hiding sexual orientation.". It goes on to report: "Averaged over two dozen studies, 80 percent of gay men and lesbians had experienced verbal or physical harassment on the basis of their orientation, 45 percent had been threatened with violence, and 17 percent had experienced a physical attack.".

(b) PURPOSE.—The purpose of this Act is to provide for an examination of how secondary schools are implementing the policy guidance of the Department of Education's Office for Civil Rights related to sexual harassment directed against gay, lesbian, bisexual, and transgender students.

SEC. 2. STUDY OF HOW EDUCATIONAL INSTITUTIONS ARE IMPLEMENTING THE POLICY GUIDANCE RELATING TO SEXUAL HARASSMENT.

(a) IN GENERAL.—The United States Commission on Civil Rights (hereafter in this Act referred to as the "Commission") shall conduct a study of the 1997 final policy guidance entitled "Sexual Harassment Guidance: Harassment of Students by School Employees, Other Students, or Third Parties" published in the Federal Register on March 13, 1997, 62 Fed. Reg. 12034, and the application of such policy guidance.

(b) SCOPE.—

(1) NATIONWIDE.—The study shall be conducted nationwide.

(2) ELEMENTS OF STUDY.—The study shall examine, at a minimum, with regard to secondary schools—

(A) the extent to which there exists sexual harassment against gay and lesbian students in secondary schools, using the applicable standards in the policy guidance of the Office for Civil Rights described in subsection (a);

(B) the extent to which there exists gender-based harassment that negatively affects the learning environment of gay, lesbian, bisexual, and transgender students in secondary schools, applying the definition of such gender-based harassment contained in the 2001 update of the policy guidance entitled "Revised Sexual Harassment Guidance: Harassment of Students by School Employees, Other Students, or Third Parties" for which a notice of availability was published in the Federal Register on January 19, 2001, 66 Fed. Reg. 5512;

(C) the level of awareness by school officials and students of the policy guidance described in subsection (a); and

(D) the level of implementation of such policy guidance.

(c) DEFINITION.—In this section, the term "secondary school" has the meaning given the term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

SEC. 3. REPORTING OF FINDINGS.

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Commission shall transmit to Congress and to the Secretary of Education—

(1) a report of the Commission's findings under section 2; and

(2) any policy recommendations developed by the Commission based upon the study carried out under section 2.

(b) DISSEMINATION.—The report and recommendations shall be disseminated, in a manner that is easily understandable, to the public by means that include the Internet.

SEC. 4. COOPERATION OF FEDERAL AGENCIES.

(a) IN GENERAL.—The head of each Federal department or agency shall cooperate in all respects with the Commission with respect to the study under section 2.

(b) INFORMATION.—The head of each Federal department or agency shall provide to the Commission, to the extent permitted by law, such data, reports, and documents concerning the subject matter of such study as the Commission may request.

(c) DEFINITION.—In this section, the term "Federal department or agency" means any agency as defined in section 551 of title 5, United States Code.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this Act, such sums as may be necessary for fiscal year 2002.

(b) AVAILABILITY.—Any amount appropriated under the authority of subsection (a) shall remain available until expended.

By Mr. BAYH:

S. 1358. A bill to revise Federal building energy efficiency performance standards, to establish the Office of Federal Energy Productivity within the Department of Energy, to amend Federal Energy Management Program requirements under the National Energy Conservation Policy Act, to enact into law certain requirements of Executive Order No. 13123, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. BAYH. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1358

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Facility Energy Management Act of 2001".

SEC. 2. PURPOSE.

The purpose of this Act is to increase the energy efficiency of facilities of Federal agencies by—

(1) establishing the Office of Federal Energy Productivity within the Department of Energy to provide for interagency coordination in evaluating opportunities for, and implementation of, energy efficiency measures and programs;

(2) updating energy reduction goals;

(3) expanding Federal agency resources for energy measurement and improving accountability by providing for—

(A) energy metering and monitoring;

(B) transparent energy spending; and

(C) rigorous interagency and congressional oversight;

(4) promoting the acquisition and operation of more efficient facilities by extending the authority and eligibility of a Federal agency to enter into energy savings performance contracts; and

(5) establishing a reliable and steady source of funding for permanent energy capital improvement available to supplement appropriations for use by Federal agencies and the Architect of the Capitol—

(A) to fund energy efficiency projects; and

(B) to leverage funding for energy savings performance contracts.

SEC. 3. REVISED FEDERAL BUILDING ENERGY EFFICIENCY PERFORMANCE STANDARDS.

Section 305 of the Energy Conservation and Production Act (42 U.S.C. 6834) is amended—

(1) in subsection (a)—

(A) in paragraph (2)(A), by striking "CABO Model Energy Code, 1992" and inserting "the International Residential Code"; and

(B) by adding at the end the following:

"(3) REVISED FEDERAL BUILDING ENERGY EFFICIENCY PERFORMANCE STANDARDS.—

"(A) IN GENERAL.—Not later than 1 year after the date of enactment of this paragraph, the Secretary of Energy shall establish, by rule, revised Federal building energy efficiency performance standards that require that—

"(i) new commercial buildings and multifamily high rise residential buildings be constructed so as—

"(I) to have, in the aggregate, a level of energy efficiency that is 10 percent greater than the level of energy efficiency required under the standards established under paragraph (1); and

"(II) to meet or exceed the most recent ASHRAE Standard 90.1, approved by the American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc.;

"(ii) new residential buildings (other than those described in clause (i)) be constructed so as to exceed the level of energy efficiency required under the most recent version of the International Residential Code by not less than 10 percent.

"(B) ADDITIONAL REVISIONS.—Not later than 180 days after the date of approval of amendments to ASHRAE Standard 90.1 or the International Residential Code, the Secretary of Energy shall determine, based on the cost-effectiveness of the requirements under the amendments, whether the revised standards established under this paragraph should be updated to reflect the amendments.

"(C) COMPUTER SOFTWARE.—The Secretary of Energy shall develop computer software to facilitate compliance with the revised standards established under this paragraph.

"(D) STATEMENT ON COMPLIANCE OF NEW BUILDINGS.—In the budget request of the Federal agency for each fiscal year and each report submitted by the Federal agency under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C. 8258(a)), the head of each Federal agency shall include—

"(i) a list of all new Federal buildings of the Federal agency; and

"(ii) a statement concerning whether the Federal buildings meet or exceed the revised standards established under this paragraph, including a metering and commissioning component that is in compliance with the measurement and verification protocols of the Department of Energy.

"(E) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this paragraph and to implement the revised standards established under this paragraph."; and

(2) by adding at the end the following:

"(e) ENERGY LABELING PROGRAM.—The Secretary of Energy, in cooperation with the

Administrator of the Environmental Protection Agency, shall develop an energy labeling program for new Federal buildings that exceed the revised standards established under subsection (a)(3) by 15 percent or more.

"(f) COLLECTION OF INTERVAL SOLAR DATA.—The Secretary of Commerce shall collect interval solar data at all weather stations under the jurisdiction of the Secretary of Commerce for use in determining building energy efficiency performance under this section.".

SEC. 4. OFFICE OF FEDERAL ENERGY PRODUCTIVITY OF THE DEPARTMENT OF ENERGY.

(a) IN GENERAL.—Title II of the Department of Energy Organization Act is amended by inserting after section 211 (42 U.S.C. 7141) the following:

"SEC. 212. OFFICE OF FEDERAL ENERGY PRODUCTIVITY.

"(a) ESTABLISHMENT.—There is established, within the Department, the Office of Federal Energy Productivity (referred to in this section as the 'Office').

"(b) ASSISTANT SECRETARY FOR FEDERAL ENERGY PRODUCTIVITY.—

"(1) IN GENERAL.—The Office shall be headed by the Assistant Secretary for Federal Energy Productivity (referred to in this section as the 'Assistant Secretary'), who shall report directly to the Secretary.

"(2) DUTIES.—The Assistant Secretary shall—

"(A) ensure compliance with the energy use and expenditure requirements applicable to Federal agencies under Federal law (including Executive orders);

"(B) perform all duties assigned to the Director of the Federal Energy Management Program of the Department of Energy, including duties assigned to the Director by the President by any Executive order in effect on the date of enactment of this subparagraph;

"(C) coordinate implementation of energy efficiency requirements by Federal agencies using staff of the Office that have expertise in the mission of each Federal agency;

"(D) coordinate compilation of, and review, energy-use reports required to be submitted by Federal agencies under this Act and other Federal law (including Executive orders);

"(E) serve as a liaison from the Federal Government to the private sector to identify opportunities and obstacles to expanded private and Federal markets for energy management technologies, energy efficiency technologies, and renewable energy technologies;

"(F) operate the Federal Energy Bank established by section 552 of the National Energy Conservation Policy Act;

"(G)(i) not later than 120 days after the date of enactment of this subparagraph, issue such guidelines for Federal agency energy preparedness and energy emergency response as the Secretary determines to be appropriate; and

"(ii) in accordance with paragraph (3), receive, review, and report on plans submitted by Federal agencies in conformance with the guidelines; and

"(H)(i) not later than 180 days after the date on which the first Assistant Secretary takes office, identify and submit to Congress a list of the principal conservation officers under section 656; and

"(ii) annually update the list.

"(3) ENERGY PREPAREDNESS AND ENERGY EMERGENCY RESPONSE PLANS.—

"(A) SUBMISSION BY FEDERAL AGENCIES.—The head of each Federal agency shall submit to the Assistant Secretary annually (or at such intervals as the Secretary determines to be appropriate) an energy preparedness and energy emergency response plan for the Federal agency that is in conformance with the guidelines issued under paragraph (2)(G)(i).

"(B) REVIEW BY ASSISTANT SECRETARY.—The Assistant Secretary shall review each plan submitted under subparagraph (A) for effectiveness and feasibility.

"(C) REPORT TO CONGRESS.—The Assistant Secretary shall submit to the President and Congress an annual report on the ability of each Federal agency—

"(i) to reduce energy use on an emergency basis; and

"(ii) to perform the mission of the Federal agency during such a period of emergency reduced energy use.

"(c) LIAISON TO DEPARTMENT OF DEFENSE.—

"(1) IN GENERAL.—Not later than 180 days after the date of enactment of this paragraph, the Assistant Secretary shall appoint an individual employed by the Office to serve as a liaison to the Department of Defense.

"(2) DUTIES.—The individual appointed under paragraph (1) shall coordinate energy efficiency measures, and energy efficiency reporting to the President and Congress, into the operation of the Department of Defense without compromising national security or the defense mission of the Department of Defense.

"(3) SECURITY CLEARANCE.—The individual appointed under paragraph (1) shall have appropriate security clearance.

"(d) REPORT TO CONGRESS.—The Secretary, acting through the Office, shall submit to Congress an annual report that—

"(1) describes the energy expenditures, investments, and savings of each Federal agency;

"(2) describes the obstacles to meeting the energy efficiency requirements under Federal law (including Executive orders) that are faced by each Federal agency; and

"(3) includes an accounting of energy-consuming products procured by each Federal agency that indicates—

"(A) which energy-consuming products procured by the Federal agency during the preceding year were Energy Star products or FEMP designated products (as those terms are defined in section 551(a) of the National Energy Conservation Policy Act); and

"(B) which energy-consuming products procured by the Federal agency during the preceding year were neither Energy Star products nor FEMP designated products.

"(e) AUDITS OF FEDERAL ENERGY MANAGEMENT PROGRAMS.—

"(1) IN GENERAL.—The Assistant Secretary may require the Inspector General of each Federal agency to conduct audits of the energy management programs of the Federal agency every 3 years.

"(2) GUIDELINES.—The Assistant Secretary shall—

"(A) issue guidelines for the conduct of audits described in paragraph (1); and

"(B) conduct training for Inspectors General on use of the guidelines.".

(b) LIAISON FROM DEPARTMENT OF DEFENSE.—The Secretary of Defense shall—

(1) establish as a senior level position within the Department of Defense the position of energy management liaison; and

(2) assign to the official appointed to that position by the Secretary of Defense the duty to coordinate with appropriate officials of the Department of Defense and appropriate officials of the Department of Energy concerning energy use and expenditure requirements applicable to the Department of Defense under Federal law (including Executive orders).

(c) TECHNICAL AND CONFORMING AMENDMENTS.—The table of contents in the first section of the Department of Energy Organization Act (42 U.S.C. 7101 note) is amended—

(1) in the item relating to section 209, by striking "Section" and inserting "Sec.";

(2) by inserting after the item relating to section 211 the following:

"Sec. 212. Office of Federal Energy Productivity.";

and

(3) in the items relating to each of sections 213 through 216, by inserting "Sec." before the section designation.

SEC. 5. ENERGY REDUCTION GOALS.

(a) IN GENERAL.—Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended—

(1) in subsection (a)—

(A) by striking paragraph (1) and inserting the following:

"(1) IN GENERAL.—Subject to paragraph (2), each agency shall apply energy conservation measures to, and shall improve the design for the construction of, the Federal buildings of the agency (including each industrial or laboratory facility) so that the energy consumption per gross square foot of the Federal buildings of the agency in calendar years 2002 through 2011 is reduced, as compared with the energy consumption per gross square foot of the Federal buildings of the agency in calendar year 2000, by the percentage specified in the following table:

"Calendar year:	Percentage reduction:
2002	2
2003	4
2004	6
2005	8
2006	10
2007	12
2008	14
2009	16
2010	18
2011	20.";

(B) by striking "(2) An" and inserting the following:

"(2) EXCLUSION OF CERTAIN FEDERAL BUILDINGS.—An"; and

(C) by adding at the end the following:

"(3) REVIEW AND REVISION OF ENERGY PERFORMANCE REQUIREMENT.—Not later than December 31, 2010, the Secretary shall—

"(A) review the results of the implementation of the energy performance requirement established under paragraph (1); and

"(B) submit to Congress recommendations concerning energy performance requirements for calendar years 2012 through 2021."; and

(2) in subsection (c)—

(A) by striking paragraph (1) and inserting the following:

"(1) IN GENERAL.—

"(A) EXCLUSIONS.—An agency may exclude, from the energy performance requirement for a calendar year established under subsection (a) and the energy management requirement established under subsection (b), any Federal building or collection of Federal buildings, and the associated energy consumption and gross square footage, if—

"(i) the head of the agency finds that compliance with those requirements would be impracticable; and

"(ii) the agency has—

"(I) completed and submitted all federally required energy management reports;

"(II) achieved compliance with the energy efficiency requirements of—

"(aa) this Act;

"(bb) subtitle F of title I of the Energy Policy Act of 1992 (42 U.S.C. 8262 et seq.);

"(cc) Executive orders; and

"(dd) other Federal law; and

"(III) implemented all practicable, cost-effective, life-cycle projects with respect to the Federal building or collection of Federal buildings to be excluded.

"(B) FINDING OF IMPRACTICABILITY.—A finding of impracticability under subparagraph (A)(i) shall be based on—

"(i) the energy intensiveness of activities carried out in the Federal building or collection of Federal buildings; or

"(ii) the fact that the Federal building or collection of Federal buildings is used in the performance of a national security function.";

(B) in paragraph (2)—

(i) by striking "(2) Each agency" and inserting the following:

"(2) REVIEW BY SECRETARY.—Each agency"; and

(ii) in the second sentence—

(I) by striking "impracticability standards" and inserting "standards for exclusion"; and

(II) by striking "a finding of impracticability" and inserting "the exclusion"; and

(C) by adding at the end the following:

"(3) CRITERIA.—Not later than 180 days after the date of enactment of this paragraph, the Secretary shall issue guidelines that establish criteria for exclusions under paragraph (1).".

(b) REPORTS.—Section 548(b) of the National Energy Conservation Policy Act (42 U.S.C. 8258(b)) is amended—

(1) in the subsection heading, by inserting "THE PRESIDENT AND" before "CONGRESS"; and

(2) by inserting "President and" before "Congress".

(c) CONFORMING AMENDMENT.—Section 550(d) of the National Energy Conservation Policy Act (42 U.S.C. 8258b(d)) is amended in the second sentence by striking "the 20 percent reduction goal established under section 543(a) of the National Energy Conservation Policy Act (42 U.S.C. 8253(a))." and inserting "each of the energy reduction goals established under section 543(a).".

SEC. 6. ENERGY USE MEASUREMENT AND ACCOUNTABILITY.

(a) IN GENERAL.—Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is amended by adding at the end the following:

"(e) METERING OF ENERGY USE.—

"(1) IN GENERAL.—Subject to paragraph (2), each agency shall meter or submeter the energy use in each Federal building, industrial process, and energy-using structure of the agency.

"(2) GUIDELINES.—

"(A) IN GENERAL.—Not later than 180 days after the date of enactment of this subsection, the Secretary shall issue guidelines concerning the extent of the metering and submetering required under paragraph (1).

"(B) REQUIREMENTS FOR GUIDELINES.—The guidelines shall—

"(i) take into consideration—

"(I) the cost of metering and submetering and the reduced cost of operation and maintenance expected to result from metering and submetering;

"(II) the extent to which metering and submetering are expected to result in—

"(aa) increased potential for energy management;

"(bb) increased potential for energy savings and energy efficiency improvement; and

"(cc) cost and energy savings due to utility contract aggregation; and

"(III) the measurement and verification protocols of the Department of Energy;

"(ii) include recommendations concerning the amount of funds and the number of trained personnel necessary to gather and use the metering information to track and reduce energy use;

"(iii) establish 1 or more dates, not later than 1 year after the date of issuance of the guidelines, on which the requirement specified in paragraph (1) shall take effect; and

"(iv) establish exclusions from the requirement specified in paragraph (1) based on the de minimus quantity of energy use of a Federal building, industrial process, or structure.

"(f) USE OF INTERVAL DATA IN FEDERAL BUILDINGS.—

"(1) IN GENERAL.—Beginning not later than January 1, 2003, each agency shall use, to the maximum extent practicable, for the purposes of efficient use of energy and reduction in the cost of electricity used in the Federal buildings of the agency, interval consumption data that measure on a real-time or daily basis consumption of electricity in the Federal buildings of the agency.

"(2) PLAN.—As soon as practicable after the date of enactment of this subsection, in a report submitted by the agency under section 548(a), each agency shall submit to the Secretary a plan describing how the agency will implement the requirement of paragraph (1), including how the agency will designate personnel primarily responsible for achieving the requirement.".

(b) BUDGET SUBMISSIONS TO THE PRESIDENT.—Section 545 of the National Energy Conservation Policy Act (42 U.S.C. 8255) is amended—

(1) by inserting "(a) BUDGET SUBMISSION TO CONGRESS.—" before "The President"; and

(2) by adding at the end the following:

"(b) BUDGET SUBMISSIONS TO THE PRESIDENT.—The head of each agency shall submit to the President, as part of the budget request of the agency for each fiscal year, a statement of the amount of appropriations requested in the budget for the electric and other energy costs and compliance costs described in subsection (a).".

(c) ENERGY AND WATER CONSERVATION INCENTIVE PROGRAM.—Section 546 of the National Energy Conservation Policy Act (42 U.S.C. 8256) is amended by adding at the end the following:

"(e) ENERGY AND WATER CONSERVATION INCENTIVE PROGRAM.—

"(1) IN GENERAL.—In addition to the other incentive programs established under this section, the Secretary shall establish an incentive program under which, for any fiscal year, of the amounts made available to each agency to pay the costs of providing energy and water for Federal buildings under the jurisdiction of the agency, the agency may retain, without fiscal year limitation, such amounts as are determined under paragraph (2) to have been saved because of energy and water management and conservation projects carried out by the agency.

"(2) DETERMINATION OF RETAINED AMOUNTS.—In cooperation with the Secretary of Defense and the Director of the Office of Management and Budget, the Secretary shall issue guidelines and establish methodologies for—

"(A) retention of amounts saved as described in paragraph (1) for a period ending not more than 3 years after the date of completion of the project that resulted in the savings;

"(B) establishment of a baseline amount of energy and water expenditures, consisting of the amounts that would be expended on energy or water but for implementation of the project; and

"(C) use by agencies of the baseline amounts established under subparagraph (B) in submitting to the President budget requests for appropriated amounts equal to the amounts of savings that an agency is expected to be entitled to retain under paragraph (1).

"(3) USE OF RETAINED AMOUNTS.—Amounts retained under paragraph (1) may be used to carry out energy or water management and conservation projects, invest in renewable energy systems, and purchase electricity from renewable energy sources for use, at the Federal building at which the project that resulted in the savings was carried out.

"(4) ANNUAL REPORT ON USE OF AMOUNTS.—Each report submitted by an agency under section 548(a) shall describe—

"(A)(i) the amounts retained under paragraph (1) during the period covered by the report; and

"(ii) the use of the amounts retained; and

"(B) if no amounts were retained under paragraph (1), why no amounts were retained and the plans of the agency for retaining such amounts in the future.".

(d) REPORTS.—Section 548 of the National Energy Conservation Policy Act (42 U.S.C. 8258) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking "and" at the end;

(B) in paragraph (2), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(3) the quantity of greenhouse gases emitted by the Federal buildings of the agency during each fiscal year, as measured by the agency in consultation with the Assistant Secretary for Federal Energy Productivity of the Department of Energy.";

(2) in subsection (b)(1)—

(A) in subparagraph (B), by striking "and" at the end;

(B) in subparagraph (C), by striking the semicolon at the end and inserting "; and"; and

(C) by adding at the end the following:

"(D) the quantity of greenhouse gases emitted by the Federal buildings of each agency during each fiscal year;"; and

(3) by adding at the end the following:

"(d) RECOMMENDATIONS ON MEANS OF ACCOUNTING FOR ENERGY USE.—

"(1) IN GENERAL.—The Secretary, in cooperation with the Administrator of the Energy Information Agency, the Administrator of General Services, and the Secretary of Defense, shall conduct a study to develop recommendations on the most accurate means of accounting for energy use in Federal facilities.

"(2) REQUIRED RECOMMENDATIONS.—Recommendations shall include a recommendation concerning whether a uniform performance measure based on British thermal units per gross square foot is preferable to an agency-specific performance measure or any other performance-based metric.

"(3) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall submit to Congress a report on the results of the study.".

SEC. 7. FEDERAL GOVERNMENT PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.

(a) PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.—

(1) REQUIREMENTS.—

(A) IN GENERAL.—Part 3 of title V of the National Energy Conservation Policy Act is amended—

(i) by redesignating section 551 (42 U.S.C. 8259) as section 554; and

(ii) by inserting after section 550 (42 U.S.C. 8258b) the following:

“SEC. 551. FEDERAL GOVERNMENT PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.

“(a) DEFINITIONS.—In this section:

“(1) ENERGY STAR PRODUCT.—The term ‘Energy Star product’ means a product that is rated for energy efficiency under an Energy Star program.

“(2) ENERGY STAR PROGRAM.—The term ‘Energy Star program’ means a program administered by the Administrator of the Environmental Protection Agency that involves voluntary cooperation between that agency and an industry to enhance the energy efficiency of the energy consuming products of the industry so as to reduce—

“(A) burdens on air conditioning and electrical systems of buildings that result from the use of the products in the buildings; and

“(B) air pollution caused by utility power generation.

“(3) EXECUTIVE AGENCY.—The term ‘executive agency’ has the meaning given the term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

“(4) FEMP DESIGNATED PRODUCT.—The term ‘FEMP designated product’ means a product that is designated under the Federal Energy Management Program of the Department of Energy as being among the highest 25 percent of equivalent products for energy efficiency.

“(b) PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.—

“(1) REQUIREMENT.—To meet the requirements of an executive agency for an energy consuming product, the head of the executive agency shall, except as provided in paragraph (2), procure—

“(A) an Energy Star product; or

“(B) if there is no Energy Star product that meets the requirements of the executive agency and that is reasonably available, a FEMP designated product.

“(2) EXCEPTIONS.—The head of an executive agency is not required to procure an Energy Star product or FEMP designated product under paragraph (1) if—

“(A) an Energy Star product or FEMP designated product is not cost effective over the life cycle of the product; or

“(B) no Energy Star product or FEMP designated product is reasonably available that meets the requirements of the executive agency.

“(3) PROCUREMENT PLANNING.—

“(A) REQUIREMENT.—The head of an executive agency shall incorporate into the specifications for a procurement involving energy consuming products and systems, and into the factors for the evaluation of offers received for the procurement, criteria for energy efficiency that are consistent with—

“(i) the criteria for energy efficiency used for rating products under the applicable Energy Star program; and

“(ii) the criteria used for designating products under the Federal Energy Management Program of the Department of Energy.

“(B) APPLICABILITY.—The requirement of subparagraph (A) shall apply to—

“(i) a contract for new construction or renovation of a building;

“(ii) a basic ordering agreement;

“(iii) a blanket purchasing agreement;

“(iv) a Government-wide procurement contract; and

“(v) any other contract for a procurement described in that subparagraph.

“(c) LISTING OF ENERGY EFFICIENT PRODUCTS IN FEDERAL CATALOGS.—

“(1) DEVELOPMENT.—The Administrator of General Services and the Director of the Defense Logistics Agency of the Department of Defense shall—

“(A). develop, and revise if appropriate, catalog listings of Energy Star products and FEMP designated products; and

“(B) clearly identify in the listings the products that are Energy Star products and the products that are FEMP designated products.

“(2) AVAILABILITY OF LISTINGS.—The Administrator and the Director shall make the listings available in printed and electronic formats.

“(d) GSA AND DLA INVENTORIES AND LISTINGS.—No energy consuming product may be made available to any executive agency from an inventory or listing of products by the General Services Administration or the Defense Logistics Agency unless—

“(1) the product is an Energy Star product;

“(2) the product is a FEMP designated product and no equivalent Energy Star product is reasonably available; or

“(3) no equivalent Energy Star product or FEMP designated product is reasonably available.

“(e) REGULATIONS.—The Secretary of Energy shall promulgate regulations to carry out this section, including policies and conditions for exercising authority under this section to procure energy consuming products other than Energy Star products and FEMP designated products.”.

(B) CONFORMING AMENDMENTS.—

(i) The table of contents in section 1(b) of the National Energy Conservation Policy Act (42 U.S.C. 8201 note) is amended by striking the item relating to section 551 and inserting the following:

“Sec. 551. Federal Government procurement of energy efficient products.
“Sec. 552. Federal Energy Bank.
“Sec. 553. Energy and water savings measures in congressional buildings.
“Sec. 554. Definitions.”.

(ii) Section 151(5) of the Energy Policy Act of 1992 (42 U.S.C. 8262(5)) is amended by striking “section 551(4)” and inserting “section 554(4)”.

(iii) Section 164(a) of the Energy Policy Act of 1992 (42 U.S.C. 8262h note; Public Law 102–486) is amended by striking “section 551(5)” and inserting “section 554(5)”.

(2) IMPLEMENTATION.—

(A) REGULATIONS.—Not later than 180 days after the effective date specified in subsection (d), the Secretary of Energy shall promulgate regulations to carry out section 551 of the National Energy Conservation Policy Act (as added by paragraph (1)(A)(ii)).

(B) DISPOSAL OF EXISTING INVENTORIES.—An energy consuming product that, on the effective date specified in subsection (d), is in an inventory of products offered by the General Services Administration or the Defense Logistics Agency may be made available to an executive agency out of that inventory without regard tq section 551(d) of the National Energy Conservation Policy Act.

(C) PROCUREMENT OF REPLACEMENT INVENTORY.—On and after the effective date specified in subsection (d), the Administrator of General Services and the Director of the Defense Logistics Agency of the Department of Defense may not list or procure for an inventory of products offered by the General Services Administration or the Defense Logistics Agency an energy consuming product that, under section 551(d) of the National Energy Conservation Policy Act, may not be made available to executive agencies out of that inventory.

(b) PROCUREMENT GUIDELINES.—The Secretary of Energy, in cooperation with the Secretary of Defense, shall issue guidelines that the Secretary of Defense may apply to the procurement of energy consuming products by the Department of Defense to ensure that, to the maximum extent feasible consistent with the performance of the national security missions of the Department of Defense, the products selected for procurement are energy efficient products.

(c) DESIGNATION OF ENERGY STAR PRODUCTS.—The Administrator of the Environmental Protection Agency and the Secretary of Energy shall—

(1) expedite the process of designating products as Energy Star products (as defined in section 551(a) of the National Energy Conservation Policy Act (as added by subsection (a)(1)(A)(ii))); and

(2) merge the efficiency rating procedures used by the Environmental Protection Agency and the Department of Energy under the Energy Star programs (as defined in section 551(a) of that Act).

(d) EFFECTIVE DATE.—Subsection (a) and the amendment made by that subsection take effect on the date that is 180 days after the date of enactment of this Act.

SEC. 8. FEDERAL ENERGY BANK.

Part 3 of title V of the National Energy Conservation Policy Act is amended by inserting after section 551 (as added by section 7(a)(1)(A)(ii)) the following:

“SEC. 552. FEDERAL ENERGY BANK.

“(a) DEFINITIONS.—In this section:

“(1) BANK.—The term ‘Bank’ means the Federal Energy Bank established by subsection (b).

“(2) ENERGY OR WATER EFFICIENCY PROJECT.—The term ‘energy or water efficiency project’ means a project that assists a Federal agency in meeting or exceeding the energy or water efficiency requirements of—

“(A) this part;

“(B) title VIII;

“(C) subtitle F of title I of the Energy Policy Act of 1992 (42 U.S.C. 8262 et seq.); or

“(D) any applicable Executive order, including Executive Order No. 13123 (42 U.S.C. 8251 note (June 3, 1999)).

“(3) FEDERAL AGENCY.—The term ‘Federal agency’ means—

“(A) an Executive agency (as defined in section 105 of title 5, United States Code);

“(B) the United States Postal Service;

“(C) the United States Patent and Trademark Office;

“(D) Congress and any other entity in the legislative branch; and

“(E) a Federal court and any other entity in the judicial branch.

“(4) UTILITY PAYMENT.—The term ‘utility payment’ means a payment made to supply electricity, natural gas, or any other form of energy to provide the heating, ventilation, air conditioning, lighting, or other energy needs of a facility of a Federal agency.

“(b) ESTABLISHMENT OF BANK.—

“(1) IN GENERAL.—There is established in the Treasury of the United States a fund to be known as the ‘Federal Energy Bank’, consisting of—

“(A) such amounts as are deposited in the Bank under paragraph (2);

“(B) such amounts as are repaid to the Bank under subsection (c)(2)(D); and

“(C) any interest earned on investment of amounts in the Bank under paragraph (3).

“(2) DEPOSITS IN BANK.—

"(A) IN GENERAL.—Subject to the availability of appropriations and to subparagraph (B), the Secretary of the Treasury shall deposit in the Bank an amount equal to 2.5 percent for fiscal year 2003 and 5 percent for each fiscal year thereafter of the total amount of utility payments made by all Federal agencies for the preceding fiscal year.

"(B) MAXIMUM AMOUNT IN BANK.—Deposits under subparagraph (A) shall cease beginning with the fiscal year following the fiscal year in which the amounts in the Bank (including amounts on loan from the Bank) become equal to or exceed $1,000,000,000.

"(C) LIMITATION.—No funds made available to any Federal agency (other than to the Department of the Treasury under subsection (f)) shall be deposited in the Bank.

"(3) INVESTMENT OF AMOUNTS.—The Secretary of the Treasury shall invest such portion of the Bank as is not, in the judgment of the Secretary, required to meet current withdrawals. Investments may be made only in interest-bearing obligations of the United States.

"(c) LOANS FROM THE BANK.—

"(1) IN GENERAL.—The Secretary of the Treasury shall transfer from the Bank to the Secretary such amounts as are appropriated to carry out the loan program under paragraph (2).

"(2) LOAN PROGRAM.—

"(A) ESTABLISHMENT.—

"(i) IN GENERAL.—In accordance with subsection (d), the Secretary, in consultation with the Secretary of Defense, the Administrator of General Services, and the Director of the Office of Management and Budget, shall establish a program to make loans of amounts in the Bank to any Federal agency that submits an application satisfactory to the Secretary in order to pay the costs of a project described in subparagraph (C).

"(ii) COMMENCEMENT OF OPERATIONS.—The Secretary may begin—

"(I) accepting applications for loans from the Bank in fiscal year 2002; and

"(II) making loans from the Bank in fiscal year 2003.

"(B) ENERGY SAVINGS PERFORMANCE CONTRACTING FUNDING.—The Secretary shall not make a loan from the Bank to a Federal agency for a project for which funding is available and is acceptable to the Federal agency under title VIII.

"(C) PURPOSES OF LOAN.—

"(i) IN GENERAL.—A loan from the Bank may be used to pay—

"(I) the costs of an energy or water efficiency project, or a renewable or alternative energy project, for a new or existing Federal building (including selection and design of the project);

"(II) the costs of an energy metering plan developed in accordance with the measurement and verification protocols of the Department of Energy, or energy metering equipment, for the purpose of—

"(aa) a new or existing building energy system; or

"(bb) verification of the energy savings under an energy savings performance contract under title VIII; or

"(III) at the time of contracting, the costs of development or cofunding of an energy savings performance contract (including a utility energy service agreement) in order to shorten the payback period of the project that is the subject of the energy savings performance contract.

"(ii) LIMITATION.—A Federal agency may use not more than 10 percent of the amount of a loan under subclause (I) or (II) of clause (i) to pay the costs of administration and proposal development (including data collection and energy surveys).

"(iii) RENEWABLE AND ALTERNATIVE ENERGY PROJECTS.—Not more than 25 percent of the amount on loan from the Bank at any time may be loaned for renewable energy and alternative energy projects (as defined by the Secretary in accordance with applicable law (including Executive orders)).

"(D) REPAYMENTS.—

"(i) IN GENERAL.—Subject to clauses (ii) through (iv), a Federal agency shall repay to the Bank the principal amount of a loan plus interest at a rate determined by the President, in consultation with the Secretary and the Secretary of the Treasury.

"(ii) WAIVER OR REDUCTION OF INTEREST.—The Secretary may waive or reduce the rate of interest required to be paid under clause (i) if the Secretary determines that payment of interest by a Federal agency at the rate determined under that clause is not required to fund the operations of the Bank.

"(iii) DETERMINATION OF INTEREST RATE.—The interest rate determined under clause (i) shall be at a rate that is sufficient to ensure that, beginning not later than October 1, 2007, interest payments will be sufficient to fully fund the operations of the Bank.

"(iv) INSUFFICIENCY OF APPROPRIATIONS.—

"(I) REQUEST FOR APPROPRIATIONS.—As part of the budget request of the Federal agency for each fiscal year, the head of each Federal agency shall submit to the President a request for such amounts as are necessary to make such repayments as are expected to become due in the fiscal year under this subparagraph.

"(II) SUSPENSION OF REPAYMENT REQUIREMENT.—If, for any fiscal year, sufficient appropriations are not made available to a Federal agency to make repayments under this subparagraph, the Bank shall suspend the requirement of repayment under this subparagraph until such appropriations are made available.

"(E) FEDERAL AGENCY ENERGY BUDGETS.—Until a loan is repaid, a Federal agency budget submitted by the President to Congress for a fiscal year shall not be reduced by the value of energy savings accrued as a result of any energy conservation measure implemented using amounts from the Bank.

"(F) NO RESCISSION OR REPROGRAMMING.—A Federal agency shall not rescind or reprogram loan amounts made available from the Bank except as permitted under guidelines issued under subparagraph (G).

"(G) GUIDELINES.—The Secretary shall issue guidelines for implementation of the loan program under this paragraph, including selection criteria, maximum loan amounts, and loan repayment terms.

"(d) SELECTION CRITERIA.—

"(1) IN GENERAL.—The Secretary shall establish criteria for the selection of projects to be awarded loans in accordance with paragraph (2).

"(2) SELECTION CRITERIA.—

"(A) IN GENERAL.—The Secretary may make loans from the Bank only for a project that—

"(i) is technically feasible;

"(ii) is determined to be cost-effective using life cycle cost methods established by the Secretary by regulation;

"(iii) includes a measurement and management component, based on the measurement and verification protocols of the Department of Energy, to—

"(I) commission energy savings for new and existing Federal facilities;

"(II) monitor and improve energy efficiency management at existing Federal facilities; and

"(III) verify the energy savings under an energy savings performance contract under title VIII; and

"(iv)(I) in the case of renewable energy or alternative energy project, has a simple payback period of not more than 15 years; and

"(II) in the case of any other project, has a simple payback period of not more than 10 years.

"(B) PRIORITY.—In selecting projects, the Secretary shall give priority to projects that—

"(i) are a component of a comprehensive energy management project for a Federal facility; and

"(ii) are designed to significantly reduce the energy use of the Federal facility.

"(e) REPORTS AND AUDITS.—

"(1) REPORTS TO THE SECRETARY.—Not later than 1 year after the completion of installation of a project that has a cost of more than $1,000,000, and annually thereafter, a Federal agency shall submit to the Secretary a report that—

"(A) states whether the project meets or fails to meet the energy savings projections for the project; and

"(B) for each project that fails to meet the energy savings projections, states the reasons for the failure and describes proposed remedies.

"(2) AUDITS.—The Secretary may audit, or require a Federal agency that receives a loan from the Bank to audit, any project financed with amounts from the Bank to assess the performance of the project.

"(3) REPORTS TO CONGRESS.—At the end of each fiscal year, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on the operations of the Bank, including a statement of—

"(A) the total receipts by the Bank;

"(B) the total amount of loans from the Bank to each Federal agency; and

"(C) the estimated cost and energy savings resulting from projects funded with loans from the Bank.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Department of the Treasury such sums as are necessary to fund—

"(1) deposits required under subsection (b)(2); and

"(2) the costs to the Treasury associated with the loan program established under subsection (c)(2), as determined in accordance with guidelines issued by the Office of Management and Budget.".

SEC. 9. ENERGY AND WATER SAVING MEASURES IN CONGRESSIONAL BUILDINGS.

(a) IN GENERAL.—Part 3 of title V of the National Energy Conservation Policy Act is amended by inserting after section 552 (as added by section 8) the following:

"SEC. 553. ENERGY AND WATER SAVINGS MEASURES IN CONGRESSIONAL BUILDINGS.

"(a) IN GENERAL.—The Architect of the Capitol—

"(1) shall develop and implement a cost-effective energy conservation strategy for all facilities administered by Congress (referred to in this section as 'congressional buildings') to meet the mandatory standards for Federal buildings established under title III of the Energy Conservation and Production Act (42 U.S.C. 6831 et seq.);

"(2) shall submit to Congress, not later than 120 days after the date of enactment of this section, a revised comprehensive energy conservation and management plan that includes life cycle cost methods to determine the cost-effectiveness of proposed energy efficiency projects;

"(3) shall submit to Congress annually a report on congressional energy management and conservation programs that describes in detail—

"(A) energy expenditures and cost estimates for each facility;

"(B) energy management and conservation projects; and

"(C) future priorities to ensure compliance with this section;

"(4) shall perform energy surveys of all congressional buildings and update the surveys as necessary;

"(5) shall use the surveys to determine the cost and payback period of energy and water conservation measures likely to achieve the energy consumption levels specified in the strategy developed under paragraph (1);

"(6) shall install energy and water conservation measures that will achieve those levels through life cycle cost methods and procedures included in the plan submitted under paragraph (2);

"(7) may contract with nongovernmental entities and use private sector capital to finance energy conservation projects and achieve energy consumption targets;

"(8) may develop innovative contracting methods that will attract private sector funding for the installation of energy efficient and renewable energy technology to meet the requirements of this section, such as energy savings performance contracts described in title VIII;

"(9) may participate in the Financing Renewable Energy and Efficiency (FREE) Savings contracts program for Federal Government facilities established by the Department of Energy;

"(10) not later than 100 days after the date of enactment of this section, shall submit to Congress the results of a study of the installation of submetering in congressional buildings;

"(11) shall produce information packages and 'how-to' guides for each Member and employing authority of Congress that detail simple, cost-effective methods to save energy and taxpayer dollars;

"(12) shall ensure that state-of-the-art energy efficiency technologies are used in the construction of the Visitor Center; and

"(13) shall include in the Visitor Center an exhibit on the energy efficiency measures used in congressional buildings.

"(b) Energy and Water Conservation Incentive.—

"(1) In general.—For any fiscal year, of the amounts made available to the Architect of the Capitol to pay the costs of providing energy and water for congressional buildings, the Architect may retain, without fiscal year limitation, such amounts as the Architect determines were not expended because of energy and water management and conservation projects.

"(2) Use of retained amounts.—Amounts retained under paragraph (1) may be used to carry out energy and water management and conservation projects.

"(3) Annual report on use of amounts.—As part of each annual report under subsection (a)(3), the Architect of the Capitol shall submit to Congress a report on the amounts retained under paragraph (1) and the use of the amounts.".

(b) Repeal.—Section 310 of the Legislative Branch Appropriations Act, 1999 (40 U.S.C. 166i), is repealed.

SEC. 10. ENERGY SAVINGS PERFORMANCE CONTRACTS.

(a) Cost Savings From Replacement Facilities.—Section 801(a) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)) is amended by adding at the end the following:

"(3) Cost savings from replacement facilities.—

"(A) In general.—In the case of an energy savings performance contract that provides for energy savings through the construction and operation of 1 or more buildings or other facilities to replace 1 or more existing buildings or other facilities, benefits ancillary to the purpose of achieving energy savings under the contract may include, for the purpose of paragraph (1), savings resulting from reduced costs of operation and maintenance at the replacement buildings or other facilities as compared with the costs of operation and maintenance at the buildings or other facilities being replaced.

"(B) Determination of payments.—Notwithstanding paragraph (2)(B), the aggregate annual payments by a Federal agency under an energy savings performance contract described in subparagraph (A) may take into account (through the procedures developed under this section) savings resulting from reduced costs of operation and maintenance as described in subparagraph (A).".

(b) Repeal of Sunset.—Section 801 of the National Energy Conservation Policy Act (42 U.S.C. 8287) is amended by striking subsection (c).

(c) Definitions.—The National Energy Conservation Policy Act is amended by striking section 804 (42 U.S.C. 8287c) and inserting the following:

"SEC. 804. DEFINITIONS.

"In this title:

"(1) Energy conservation measure.—The term 'energy conservation measure' has the meaning given the term in section 554.

"(2) Energy saving.—The term 'energy saving' means a reduction, from a baseline cost established through a methodology set forth in an energy savings performance contract, in the cost of energy or water used in—

"(A) 1 or more existing federally owned buildings or other federally owned facilities, that results from—

"(i) the lease or purchase of operating equipment, an improvement, altered operation or maintenance, or a technical service;

"(ii) increased efficiency in the use of existing energy sources by cogeneration or heat recovery, excluding any cogeneration process for a building that is not a federally owned building or a facility that is not federally owned facility; or

"(iii) increased efficiency in the use of existing water sources or treatment of wastewater or stormwater; or

"(B) a replacement facility under section 801(a)(3).

"(3) Energy savings performance contract.—The term 'energy savings performance contract' means a contract that provides for—

"(A) the performance of services for the design, acquisition, installation, testing, operation, and, where appropriate, maintenance and repair, of an energy conservation measure or water conservation measure (or series of such measures) at 1 or more locations; or

"(B) energy savings through the construction and operation of 1 or more buildings or other facilities to replace 1 or more existing buildings or other facilities.

"(4) Federal agency.—The term 'Federal agency' means each authority of the United States Government, regardless of whether the authority is within or subject to review by another agency.

"(5) Water conservation measure.—The term 'water conservation measure' means a conservation measure that—

"(A) improves the efficiency of use of water;

"(B) is cost-effective over the life cycle of the water conservation measure; and

"(C) involves water conservation, water recycling or reuse, more efficient treatment of wastewater or stormwater, an improvement in operation or maintenance efficiency, a retrofit activity, or any other related activity, that is carried out at a building or other facility that is not a Federal hydroelectric facility.".

SEC. 11. FEDERAL FLEET FUEL ECONOMY AND USE OF ALTERNATIVE FUELS.

(a) In General.—Section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

"(f) Federal Fleet Fuel Economy and Use of Alternative Fuels.—

"(1) Definitions.—

"(A) Average fuel economy.—The term 'average fuel economy' has the meaning given the term in section 32901 of title 49, United States Code.

"(B) Covered vehicle.—

"(i) In general.—The term 'covered vehicle' means a passenger automobile or light duty motor vehicle.

"(ii) Exclusions.—The term 'covered vehicle' does not include—

"(I) a military tactical vehicle of the Armed Forces; or

"(II) any law enforcement, emergency, or other vehicle class or type determined to be excluded under guidelines issued by the Secretary of Energy under paragraph (6).

"(C) Federal agency.—The term 'Federal agency' means an Executive agency (as defined in section 105 of title 5, United States Code) (including each military department (as specified in section 102 of that title)) that operates 20 or more motor vehicles in the United States.

"(D) Passenger automobile.—The term 'passenger automobile' has the meaning given the term in section 32901 of title 49, United States Code.

"(2) Minimum average fuel economy.—In fiscal year 2005 and each fiscal year thereafter, the average fuel economy of the covered vehicles acquired by each Federal agency shall be not less than 3 miles per gallon greater than the average fuel economy of the covered vehicles acquired by the Federal agency in fiscal year 2000.

"(3) Use of alternative fuels.—

"(A) In general.—Subject to subparagraph (B), in fiscal year 2005 and each fiscal year thereafter, each Federal agency shall use alternative fuels for at least 50 percent of the total annual volume of motor fuel used by the Federal agency to operate covered vehicles.

"(B) Inclusion of motor fuel purchased by State and local governments.—Not more than 25 percent of the motor fuel purchased by State and local governments at federally-owned refueling facilities may be included by a Federal agency in meeting the requirement of subparagraph (A).

"(4) Implementation plan.—Not later than 1 year after the date of enactment of this paragraph, each Federal agency shall develop and submit to the President and Congress an implementation plan for meeting the requirements of this subsection that takes into account the fleet configuration and fleet requirements of the Federal agency.

"(5) ANNUAL REPORT.—

"(A) IN GENERAL.—Each Federal agency shall submit to the President and Congress an annual report on the progress of the Federal agency in meeting the requirements of this subsection.

"(B) GUIDELINES.—The Secretary of Energy, acting through the Assistant Secretary for Federal Energy Productivity and in consultation with the Administrator of the Energy Information Administration, shall issue guidelines for the preparation by Federal agencies of reports under paragraph (1), including guidelines concerning—

"(i) methods for measurement of average fuel economy; and

"(ii) the collection and annual reporting of data to demonstrate compliance with this subsection.

"(6) GUIDELINES CONCERNING EXCLUSION OF CERTAIN VEHICLES.—Not later than 1 year after the date of enactment of this paragraph, the Secretary of Energy, in consultation with the Assistant Secretary for Federal Energy Productivity, shall issue guidelines for Federal agencies to use in the determination of vehicles to be excluded under paragraph (1)(B)(ii).".

(b) ALTERNATIVE FUEL USE BY LIGHT DUTY FEDERAL VEHICLES.—Section 400AA of the Energy Policy and Conservation Act (42 U.S.C. 6374) is amended—

(1) in subsection (a)(3)(E)—

(A) by striking "(E) Dual" and inserting the following:

"(E) OPERATION OF DUAL FUELED VEHICLES.—

"(i) IN GENERAL.—Subject to clause (ii), dual"; and

(B) by adding at the end the following:

"(ii) MINIMUM ALTERNATIVE FUEL USE.—For fiscal year 2005 and each fiscal year thereafter, not less than 50 percent of the total annual volume of fuel used to operate dual fueled vehicles acquired pursuant to this section shall consist of alternative fuels."; and

(2) in subsection (g)(4)(B), by inserting before the semicolon at the end the following: ", including any 3-wheeled enclosed electric vehicle that has a vehicle identification number".

By Mr. BURNS (for himself, Mr. BREAUX, Mr. HAGEL, Mrs. LINCOLN, and Mr. ENZI):

S. 1359. A bill to amend the Communications Act of 1934 to promote deployment of advanced services and foster the development of competition for the benefit of consumers in all regions of the Nation by relieving unnecessary burdens on the Nation's two percent local exchange telecommunications carrier, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. BURNS. Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1359

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Facilitating Access to Speedy Transmissions for Networks, E-commerce and Telecommunications (FASTNET) Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) The Telecommunications Act of 1996 was enacted to foster the rapid deployment of advanced telecommunications and information technologies and services to all Americans by promoting competition and reducing regulation in telecommunications markets nationwide.

(2) The Telecommunications Act of 1996 specifically recognized the unique abilities and circumstances of local exchange carriers with fewer than two percent of the Nation's subscriber lines installed in the aggregate nationwide.

(3) Given the markets two percent carriers typically serve, such carriers are uniquely positioned to accelerate the deployment of advanced services and competitive initiatives for the benefit of consumers in less densely populated regions of the Nation.

(4) Existing regulations are typically tailored to the circumstances of larger carriers and therefore often impose disproportionate burdens on two percent carriers, impeding such carriers' deployment of advanced telecommunications services and competitive initiatives to consumers in less densely populated regions of the Nation.

(5) Reducing regulatory burdens on two percent carriers will enable such carriers to devote additional resources to the deployment of advanced services and to competitive initiatives to benefit consumers in less densely populated regions of the Nation.

(6) Reducing regulatory burdens on two percent carriers will increase such carriers' ability to respond to marketplace conditions, allowing them to accelerate deployment of advanced services and competitive initiatives to benefit consumers in less densely populated regions of the Nation.

(b) PURPOSES.—The purposes of this Act are—

(1) to accelerate the deployment of advanced services and the development of competition in the telecommunications industry for the benefit of consumers in all regions of the Nation, consistent with the Telecommunications Act of 1996, by reducing regulatory burdens on local exchange carriers with fewer than two percent of the Nation's subscriber lines installed in the aggregate nationwide;

(2) to improve such carriers' flexibility to undertake such initiatives; and

(3) to allow such carriers to redirect resources from paying the costs of such regulatory burdens to increasing investment in such initiatives.

SEC. 3. DEFINITION.

Section 3 of the Communications Act of 1934 (47 U.S.C. 153) is amended—

(1) by redesignating paragraphs (51) and (52) as paragraphs (52) and (53), respectively; and

(2) by inserting after paragraph (50) the following:

"(51) TWO PERCENT CARRIER.—The term 'two percent carrier' means an incumbent local exchange carrier within the meaning of section 251(h) whose access lines, when aggregated with the access lines of any local exchange carrier that such incumbent local exchange carrier directly or indirectly controls, is controlled by, or is under common control with, are fewer than two percent of the Nation's subscriber lines installed in the aggregate nationwide.".

SEC. 4. REGULATORY RELIEF FOR TWO PERCENT CARRIERS.

Title II of the Communications Act of 1934 is amended by adding at the end thereof a new part IV as follows:

"PART IV—PROVISIONS CONCERNING TWO PERCENT CARRIERS

"SEC. 281. REDUCED REGULATORY REQUIREMENTS FOR TWO PERCENT CARRIERS.

"(a) COMMISSION TO TAKE INTO ACCOUNT DIFFERENCES.—In adopting rules that apply to incumbent local exchange carriers (within the meaning of section 251(h)), the Commission shall separately evaluate the burden that any proposed regulatory, compliance, or reporting requirements would have on two percent carriers.

"(b) EFFECT OF COMMISSION'S FAILURE TO TAKE INTO ACCOUNT DIFFERENCES.—If the Commission adopts a rule that applies to incumbent local exchange carriers and fails to separately evaluate the burden that any proposed regulatory, compliance, or reporting requirement would have on two percent carriers, the Commission shall not enforce the rule against two percent carriers unless and until the Commission performs such separate evaluation.

"(c) ADDITIONAL REVIEW NOT REQUIRED.—Nothing in this section shall be construed to require the Commission to conduct a separate evaluation under subsection (a) if the rules adopted do not apply to two percent carriers, or such carriers are exempted from such rules.

"(d) SAVINGS CLAUSE.—Nothing in this section shall be construed to prohibit any size-based differentiation among carriers mandated by this Act, chapter 6 of title 5, United States Code, the Commission's rules, or any other provision of law.

"(e) EFFECTIVE DATE.—The provisions of this section shall apply with respect to any rule adopted on or after the date of enactment of this section.

"SEC. 282. LIMITATION OF REPORTING REQUIREMENTS.

"(a) LIMITATION.—The Commission shall not require a two percent carrier—

"(1) to file cost allocation manuals or to have such manuals audited or attested, but a two percent carrier that qualifies as a class A carrier shall annually certify to the Commission that the two percent carrier's cost allocation complies with the rules of the Commission; or

"(2) to file Automated Reporting and Management Information Systems (ARMIS) reports, except for purposes of section 224.

"(b) PRESERVATION OF AUTHORITY.—Except as provided in subsection (a), nothing in this Act limits the authority of the Commission to obtain access to information under sections 211, 213, 215, 218, and 220 with respect to two percent carriers.

"SEC. 283. INTEGRATED OPERATION OF TWO PERCENT CARRIERS.

"The Commission shall not require any two percent carrier to establish or maintain a separate affiliate to provide any common carrier or noncommon carrier services, including local and interexchange services, commercial mobile radio services, advanced services (within the meaning of section 706 of the Telecommunications Act of 1996), paging, Internet, information services or other enhanced services, or other services. The Commission shall not require any two percent carrier and its affiliates to maintain separate officers, directors, or other personnel, network facilities, buildings, research and development departments, books of account, financing, marketing, provisioning, or other operations.

"SEC. 284. PARTICIPATION IN TARIFF POOLS AND PRICE CAP REGULATION.

"(a) NECA POOL.—The participation or withdrawal from participation by a two percent carrier of one or more study areas in the common line tariff administered and filed by the National Exchange Carrier Association or any successor tariff or administrator shall not obligate such carrier to participate or withdraw from participation in such tariff for any other study area. The Commission may require a two percent carrier to give 60 days notice of its intent to participate or withdraw from participation in such common line tariff with respect to a study area. Except as permitted by section 310(f)(3), a two percent carrier's election under this subsection shall be binding for one year from the date of the election.

"(b) PRICE CAP REGULATION.—A two percent carrier may elect to be regulated by the Commission under price cap rate regulation, or elect to withdraw from such regulation, for one or more of its study areas. The Commission shall not require a carrier making an election under this subsection with respect to any study area or areas to make the same election for any other study area. Except as permitted by section 310(f)(3), a two percent carrier's election under this subsection shall be binding for one year from the date of the election.

"SEC. 285. DEPLOYMENT OF NEW TELECOMMUNICATIONS SERVICES BY TWO PERCENT COMPANIES.

"(a) ONE-DAY NOTICE OF DEPLOYMENT.—The Commission shall permit two percent carriers to introduce new interstate telecommunications services by filing a tariff on one day's notice showing the charges, classifications, regulations, and practices therefor, without obtaining a waiver, or make any other showing before the Commission in advance of the tariff filing. The Commission shall not have authority to approve or disapprove the rate structure for such services shown in such tariff.

"(b) DEFINITION.—For purposes of subsection (a), the term 'new interstate telecommunications service' means a class or subclass of service not previously offered by the two percent carrier that enlarges the range of service options available to ratepayers of such carrier.

"SEC. 286. ENTRY OF COMPETING CARRIER.

"(a) PRICING FLEXIBILITY.—Notwithstanding any other provision of this Act, any two percent carrier shall be permitted to deaverage its interstate switched or special access rates, file tariffs on one day's notice, and file contract-based tariffs for interstate switched or special access services immediately upon certifying to the Commission that a telecommunications carrier unaffiliated with such carrier is engaged in facilities-based entry within such carrier's service area. A two percent carrier subject to rate-of-return regulation with respect to an interstate switched or special access service, for which pricing flexibility has been exercised pursuant to this subsection, shall compute its interstate rate of return based on the nondiscounted rate for such service.

"(b) STREAMLINED PRICING REGULATION.—Notwithstanding any other provision of this Act, upon receipt by the Commission of a certification by a two percent carrier that—

"(1) a local exchange carrier, or its affiliate, or

"(2) a local exchange carrier operated by, or owned in whole or part by, a governmental authority,

is engaged in facilities-based entry within the two percent carrier's service area, the Commission shall regulate the two percent carrier as non-dominant and shall not require the tariffing of the interstate service offerings of the two percent carrier.

"(c) PARTICIPATION IN EXCHANGE CARRIER ASSOCIATION TARIFF.—A two percent carrier that meets the requirements of subsection (a) or (b) of this section with respect to one or more study areas shall be permitted to participate in the common line tariff administered and filed by the National Exchange Carrier Association or any successor tariff or administrator, by electing to include one or more of its study areas in such tariff.

"(d) DEFINITIONS.—For purposes of this section:

"(1) FACILITIES-BASED ENTRY.—The term 'facilities-based entry' means, within the service area of a two percent carrier—

"(A) the provision or procurement of local telephone exchange switching or its equivalent; and

"(B) the provision of telephone exchange service to at least one unaffiliated customer.

"(2) CONTRACT-BASED TARIFF.—The term 'contract-based tariff' shall mean a tariff based on a service contract entered into between a two percent carrier and one or more customers of such carrier. Such tariff shall include—

"(A) the term of the contract, including any renewal options;

"(B) a brief description of each of the services provided under the contract;

"(C) minimum volume commitments for each service, if any;

"(D) the contract price for each service or services at the volume levels committed to by the customer or customers;

"(E) a brief description of any volume discounts built into the contract rate structure; and

"(F) a general description of any other classifications, practices, and regulations affecting the contract rate.

"(3) SERVICE AREA.—The term 'service area' has the same meaning as in section 214(e)(5).

"SEC. 287. SAVINGS PROVISIONS.

"(a) COMMISSION AUTHORITY.—Nothing in this part shall be construed to restrict the authority of the Commission under sections 201 through 208.

"(b) RURAL TELEPHONE COMPANY RIGHTS.—Nothing in this part shall be construed to diminish the rights of rural telephone companies otherwise accorded by this Act, or the rules, policies, procedures, guidelines, and standards of the Commission as of the date of enactment of this section.

"(c) STATE AUTHORITY.—Nothing in this Part shall be construed to limit or affect any authority (as of August 1, 2001) of the States over charges, classifications, practices, services, facilities, or regulations for or in connection with intrastate communication service by wire or radio of any carrier.".

SEC. 5. LIMITATION ON MERGER REVIEW.

(a) AMENDMENT.—Section 310 of the Communications Act of 1934 (47 U.S.C. 310) is amended by adding at the end the following:

"(f) DEADLINE FOR MAKING PUBLIC INTEREST DETERMINATION.—

"(1) TIME LIMIT.—In connection with any merger between two percent carriers, or the acquisition, directly or indirectly, by a two percent carrier or its affiliate of securities or assets of another carrier or its affiliate, if the merged or acquiring carrier remains a two percent carrier after the merger or acquisition, the Commission shall make any determinations required by this section and section 214, and shall rule on any petition for waiver of the Commission's rules or other request related to such determinations, not later than 60 days after the date an application with respect to such merger or acquisition is submitted to the Commission.

"(2) APPROVAL ABSENT ACTION.—If the Commission does not approve or deny an application as described in paragraph (1) by the end of the period specified, the application shall be deemed approved on the day after the end of such period. Any such application deemed approved under this subsection shall be deemed approved without conditions.

"(3) ELECTION PERMITTED.—The Commission shall permit a two percent carrier to make an election pursuant to section 284 with respect to any local exchange facilities acquired as a result of a merger or acquisition that is subject to the review deadline established in paragraph (1) of this subsection.".

(b) EFFECTIVE DATE.—The provisions of this section shall apply with respect to any application that is submitted to the Commission on or after the date of enactment of this Act. Applications pending with the Commission on the date of enactment of this Act shall be subject to the requirements of this section as if they had been filed with the Commission on the date of enactment of this Act.

SEC. 6. TIME LIMITS FOR ACTION ON PETITIONS FOR RECONSIDERATION OR WAIVER.

(a) AMENDMENT.—Section 405 of the Communications Act of 1934 (47 U.S.C. 405) is amended by adding to the end the following:

"(c) EXPEDITED ACTION REQUIRED.—

"(1) TIME LIMIT.—Within 90 days after receiving from a two percent carrier a petition for reconsideration or other review filed under this section or a petition for waiver of a rule, policy, or other Commission requirement, the Commission shall issue an order granting or denying such petition. If the Commission fails to act on a petition for waiver subject to the requirements of this section within this 90-day period, the relief sought in such petition shall be deemed granted. If the Commission fails to act on a petition for reconsideration or other review subject to the requirements of this section within such 90-day period, the Commission's enforcement of any rule the reconsideration or other review of which was specifically sought by the petitioning party shall be stayed with respect to that party until the Commission issues an order granting or denying such petition.

"(2) FINALITY OF ACTION.—Any order issued under paragraph (1), or any grant of a petition for waiver that is deemed to occur as a result of the Commission's failure to act under paragraph (1), shall be a final order and may be appealed.".

(b) EFFECTIVE DATE.—The provisions of this section shall apply with respect to any petition for reconsideration or other review or petition for waiver that is submitted to the Commission on or after the date of enactment of this Act. Petitions for reconsideration or petitions for waiver pending with the Commission on the date of enactment of this Act shall be subject to the requirements of this section as if they had been filed on the date of enactment of this Act.

SEC. 7. NATIONAL SECURITY AND LAW ENFORCEMENT EXCEPTIONS.

Notwithstanding sections 310 and 405 of the Communications Act of 1934 (47 U.S.C. 310 and 405), the 60-day time period under section 310(f)(1) of that Act, as added by section 5 of this Act, and the 90-day time period under section 405(c)(1) of that Act, as added by section 6 of this Act, shall not apply to a petition or application under section 310 or

405 if an Executive Branch agency with cognizance over national security, law enforcement, or public safety matters, including the Department of Defense, Department of Justice, and the Federal Bureau of Investigation, submits a written filing to the Federal Communications Commission advising the Commission that the petition or application may present national security, law enforcement, or public safety concerns that may not be resolved within the 60-day or 90-day time period, respectively.

By Mr. VOINOVICH (for himself, Mr. INHOFE, Mr. SMITH of New Hampshire, and Mr. CRAPO):

S. 1360. To reauthorize the Price-Anderson provisions of the Atomic Energy Act of 1954; to the Committee on Environment and Public Works.

Mr. VOINOVICH. Mr. President, I rise today to introduce legislation to reauthorize the Price Anderson Act, which provides the insurance program for our Nation's commercial nuclear reactor fleet. In 1954, Congress passed the Atomic Energy Act which ended the government monopoly over possession, use, and manufacturing of "special nuclear material". While the Act allowed the private sector access to the nuclear market, due to concerns over liability, the private sector was extremely hesitant to invest in the new market.

Due to these liability concerns, Congress passed the Price-Anderson Act in 1957, the Act was reauthorized on three occasions, most recently in 1988. The Act is due to be reauthorized in 2002. In 1998 the NRC issued their report to Congress called "The Price Anderson Act—Crossing the Bridge to the Next Century: A Report to Congress." In that report the NRC recommended renewal of the Price Anderson Act because the Act provides a valuable public benefit by establishing a system for prompt and equitable steelement of public liability claims resulting from a nuclear accident.

While the report originally suggested that consideration be given to doubling the maximum annual retrospective premium installment from each power reactor license, the NRC has reconsidered this suggestion and now recommends that original premium level be retained. They expressed this view in a letter to me, as the Chairman of the Nuclear Safety Subcommittee on May 11th of this year.

The reason for the change is that in 1998 the NRC had projected that many of the existing commercial reactors would not file for license renewal. The drop in the number of reactors would cause a corresponding drop in the contributions to the fund. There is now heightened interest in extending the operating license of most of the commercial reactors. Therefore an increase in the premium from each reactor is no longer necessary. This has occurred because of the growing interest in nuclear energy. Nuclear energy is a clean, emissions-free source of electricity which currently provides almost twenty percent of our nation's energy supply.

This legislation will help further the commercial application of nuclear energy for electricity, as well as the growing number of medical applications of nuclear medicine. Nuclear energy is vital to supplying cost-efficient and environmentally sound power to the American consumer. This legislation will continue to ensure the availability of our commercial nuclear reactor program. I am joined in introducing this legislation by the ranking members of the Senate Environment and Public Works Committee, Senator SMITH, and the Nuclear Safety Subcommittee Senator INHOFE, as well as an important member of the Subcommittee Senator CRAPO.

By Mr. BENNETT:

S. 1361. A bill to amend the Central Utah Project Completion Act to clarify the responsibilities of the Secretary of the Interior with respect to the Central Utah Project, to redirect unexpended budget authority for the Central Utah Project for wastewater treatment and reuse and other purposes, to provide for prepayment of repayment contracts for municipal and industrial water delivery facilities, and to eliminate a deadline for such prepayment; to the Committee on Energy and Natural Resources.

Mr. BENNETT. Mr. President, I rise today to introduce legislation that would amend the Central Utah Project Completion Act, CUPCA, as originally enacted in 1992. CUPCA re-authorized and provided funding for the completion of the Central Utah Project, CUP, a project that develops Utah's share of water from the Colorado River for use in ten central Utah counties. The CUP was originally authorized in 1956 as part of the Colorado River Storage Project Act and includes five units. The Bureau of Reclamation began construction of this project in 1964. However, in 1992 CUPCA conferred CUP planning and construction responsibilities to the Central Utah Water Conservancy District, which has cultivated an excellent working relationship with the Office of CUP Completion in the Interior Department.

The legislation I am introducing would amend CUPCA to clarify the relationship between the Department of the Interior and the CUP by ensuring that the Secretary of the Interior continue to retain full responsibility for the CUP after the completion of the project's construction phase. It only makes sense that the decisions regarding future operations and maintenance, contract negotiations, and program oversight functions of the Interior Department are consistent with the cooperative decisions made during the project's planning and construction stages. As such, language is needed to clarify the Secretary's further involvement.

Since 1992, numerous changes in the project have occurred to better reflect contemporary water needs. Certain project features were downsized or eliminated while other water management programs grew in size. The 106th Congress, in an effort to address these changes, approved a CUPCA amendment that allowed unused funding authorization resulting from the redesign of the Bonneville Unit to be used "to acquire water and water rights for project purposes including in stream flows, to complete project facilities authorized in this title and title III, to implement water conservation measure . . ." In light of the continuing need to address the redesign replacement projects originally designed in the sixties, my legislation would again extend the unused authorization provision to all CUP units.

Finally, this legislation also extends a CUPCA provision that authorizes the Secretary of the Interior to accept prepayment of parts of the project's Municipal and Industrial repayment debt. The original provision's expiration was to occur in 2002 for reasons relating to the Federal Budget scoring process. This provision has enabled the Central Utah Water Conservancy District to prepay over $138 million to the federal treasury, while also avoiding unnecessary interest charges. The legislation introduced today would remove the 2002 expiration provision and extends the provision to allow the repayment of obligations associated with projects relating to the Uinta Basin.

The water supplied by CUP's many water diversion projects is crucial to the livelihoods of Utah's rural residents and to Utah's burgeoning population. I believe that legislation will serve to better facilitate the timely, economically responsible, and fiscally efficient completion of the Central Utah Project.

By Mr. HUTCHINSON (for himself and Mr. CRAIG):

S. 1362. A bill to amend title XVIII of the Social Security Act and title VII of the Public Health Service Act to expand medical residency training programs in geriatrics, and for other purposes; to the Committee on Finance.

Mr. HUTCHINSON. Mr. President, I am pleased today to be joined by my colleague, Senator CRAIG, In introducing the Advancement of Geriatric Education Act of 2001, or AGE Act is comprehensive legislation which seeks to prepare physicians and other health care professionals to care for our Nation's growing aging population.

It is a know fact that children cannot be treated like little adults and prescribed the same medications in the same dosage amounts. For this reason, we have pediatricians. But just as there are differences between children and adults, so are there differences between middle aged adults and seniors. Many people are unaware that aging individuals often exhibit different symptoms than younger adults with the same illness. For example, an older person who has a heart attack may not experience excruciating chest pain, but rather, show signs of dizziness and confusion. Similarly, older people often exhibit different responses to medications than younger people.

The demographic reality is that there is an enormous segment of the population which will soon be age 65 or older, and there is serious doubt that the U.S. health system will be equipped to handle the multiple needs and demand of an aging population. By 2030, it is projected that one in five Americans will be over age 65.

Geriatricians are physicians who are experts in aging-related issues and the study of the aging process itself. They are specially trained to prevent and manage the unique and often multiple health problems of older adults. Geriatric training can provide health care professionals with the skills and knowledge to recognize special characteristics of older patients and distinguish between disease states and the normal physiological changes associated with aging. Our health care system must increase its focus in this vital area.

Today, there are 9,000 practicing, certified geriatricians in the United States, far short of the 20,000 geriatricians estimated to be necessary to meet the needs of the current aging population. By the year 2030, it is estimated that at least 36,000 geriatricians will be needed to manage the complex health and social needs of the elderly. These figures, as astounding as they sound, say nothing of the geriatrics training needed for all health care professionals who are facing such an increasingly older patient population.

Unfortunately, out of 125 medical schools in our country, only 3 have actual Departments of Geriatrics, including the University of Arkansas for Medical Sciences. Moreover, only 14 schools include geriatrics as a required course, and one-third of medical schools do not even offer geriatrics as a separate course elective.

Congress has taken some positive steps to increase our focus on geriatrics, including the establishment of Geriatric Education Centers and Geriatric Training Programs, which seek to train all health professionals in the area of geriatrics. Congress has also established the Geriatric Academic Career Award program, which promotes the development of academic geriatricians.

It is clear to me, however, that more steps need to be taken, which is why I have introduced the AGE Act today. The AGE Act encourages more physicians to specialize in the area of geriatrics and enhances the current federal programs relating to geriatrics under the Public Health Service Act. The AGE Act is supported by the American Geriatrics Society, the International Longevity Center, and the American Association of Geriatric Psychiatry. I ask unanimous consent that a summary of the AGE Act and the text of the bill be printed in the RECORD.

There being no objection, the material ordered to be printed in the RECORD, as follows:

S. 1362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Advancement of Geriatric Education Act of 2001".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Disregard of certain geriatric residents and fellows against graduate medical education limitations.
Sec. 3. Extension of eligibility periods for geriatric graduate medical education.
Sec. 4. Study and report on improvement of graduate medical education.
Sec. 5. Improved funding for education and training relating to geriatrics.

SEC. 2. DISREGARD OF CERTAIN GERIATRIC RESIDENTS AND FELLOWS AGAINST GRADUATE MEDICAL EDUCATION LIMITATIONS.

(a) Direct GME.—Section 1886(h)(4)(F) of the Social Security Act (42 U.S.C. 1395ww(h)(4)(F)) is amended by adding at the end the following new clause:

"(iii) Increase in limitation for geriatric residencies and fellowships.—For cost reporting periods beginning on or after the date that is 6 months after the date of enactment of the Advancement of Geriatric Education Act of 2001, in applying the limitations regarding the total number of full-time equivalent residents in the field of allopathic or osteopathic medicine under clause (i) for a hospital, the Secretary shall not take into account a maximum of 5 residents enrolled in a geriatric residency or fellowship program approved by the Secretary for purposes of paragraph (5)(A) to the extent that the hospital increases the number of geriatric residents or fellows above the number of such residents or fellows for the hospital's most recent cost reporting period ending before the date that is 6 months after the date of enactment of such Act.".

(b) Indirect GME.—Section 1886(d)(5)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(B)) is amended by adding at the end the following new clause:

"(ix) Clause (iii) of subsection (h)(4)(F) shall apply to clause (v) in the same manner and for the same period as such clause (iii) applies to clause (i) of such subsection.".

SEC. 3. EXTENSION OF ELIGIBILITY PERIODS FOR GERIATRIC GRADUATE MEDICAL EDUCATION.

(a) Direct GME.—Section 1886(h)(5)(G) of the Social Security Act (42 U.S.C. 1395ww(h)(5)(G)) is amended by adding at the end the following new clause:

"(vi) Geriatric residency and fellowship programs.—In the case of an individual enrolled in a geriatric residency or fellowship program approved by the Secretary for purposes of subparagraph (A), the period of board eligibility and the initial residency period shall be the period of board eligibility for the subspecialty involved, plus 1 year.".

(b) Conforming Amendment.—Section 1886(h)(5)(F) of the Social Security Act (42 U.S.C. 1395ww(h)(5)(F)) is amended by striking "subparagraph (G)(v)" and inserting "clauses (v) and (vi) of subparagraph (G)".

(c) Effective Date.—The amendments made by this section shall apply to cost reporting periods beginning on or after the date that is 6 months after the date of enactment of this Act.

SEC. 4. STUDY AND REPORT ON IMPROVEMENT OF GRADUATE MEDICAL EDUCATION.

(a) Study.—The Secretary of Health and Human Services shall conduct a study to determine how to improve the graduate medical education programs under subsections (d)(5)(B) and (h) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) so that such programs prepare the physician workforce to serve the aging population of the United States. Such study shall include a determination of whether the establishment of an initiative to encourage the development of individuals as academic geriatricians would improve such programs.

(b) Report.—Not later than the date that is 6 months after the date of enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report on the study conducted under subsection (a) together with such recommendations for legislative and administrative action as the Secretary determines appropriate.

SEC. 5. IMPROVED FUNDING FOR EDUCATION AND TRAINING RELATING TO GERIATRICS.

(a) Geriatric Faculty Fellowships.—Section of 753(c)(4) of the Public Health Service Act (42 U.S.C. 294c(c)(4)) is amended—

(1) in subparagraph (A), by striking "$50,000 for fiscal year 1998" and inserting "$75,000 for fiscal year 2002"; and

(2) in subparagraph (B), by striking "shall not exceed 5 years" and inserting "shall be 5 years".

(b) Authorization of Appropriations.—Section 757 of the Public Health Service Act (42 U.S.C. 294g) is amended—

(1) in subsection (a)—

(A) by striking "In General.—There are authorized" and inserting "Authorization.—

"(1) In general.—Except as provided in paragraph (2), there are authorized"; and

(B) by adding at the end the following:

"(2) Education and training relating to geriatrics.—There are authorized to be appropriated to carry out section 753 such sums as may be necessary for each of fiscal years 2002 through 2006."; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking "and" at the end; and

(ii) by striking subparagraph (C) and inserting the following:

"(C) not less than $22,631,000 for awards of grants and contracts under—

"(i) section 753 for fiscal years 1998 through 2001; and

"(ii) sections 754 and 755 for fiscal years 1998 through 2002; and

"(D) for awards of grants and contracts under section 753 after fiscal year 2001—

"(i) in 2002, not less than $20,000,000;

"(ii) in 2003, not less than $24,000,000;

"(iii) in 2004, not less than $28,000,000;

"(iv) in 2005, not less than $32,000,000; and

"(v) in 2006, not less than $36,000,000.";

(B) in paragraph (2), by striking "subparagraphs (A) through (C)" and inserting "subparagraphs (A) through (D)"; and

(C) in paragraph (3), by striking "subparagraphs (A) through (C) of paragraph (2)" and inserting "subparagraphs (A) through (D) of paragraph (1)".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2001.

ADVANCEMENT OF GERIATRIC EDUCATION (AGE) ACT OF 2001—LEGISLATIVE SUMMARY

I. PROVIDES AN EXCEPTION TO THE CAP ON RESIDENTS FOR GERIATRIC RESIDENTS

The AGE Act amends the Medicare graduate medical education (GME) resident cap imposed under BBA 97 to provide exceptions for geriatric residents in approved training programs. The 1997 BBA instituted a per-hospital cap based on the number of GME residency slots in existence on or before December 31, 1996. As geriatrics is a relatively new specialty, the cap has resulted in either the elimination or reduction of geriatric of geriatric training programs. This is because a lower number of geriatric residents existed prior to December 31, 1996. The AGE Act provides for an exception from the cap for up to 5 geriatric residents.

II. REQUIRES MEDICARE GME PAYMENT FOR THE 2ND YEAR OF GERIATRIC FELLOWSHIP TRAINING

Under current law, hospitals receive 100 percent GME reimbursement for an individuals's initial residency period, up to five years. The law also includes a geriatric exception allowing programs training geriatric fellows to receive full funding for an additional period comprised of the first and second years of fellowship training. Programs training non-geriatric fellows receive 50 percent of GME funding for fellowship training. In 1998, the period of board eligibility for geriatrics was decreased to one year, in an effort to encourage more geriatrics specialists. However, this change was not intended to reduce support for training of teachers and researchers in geriatrics. A two-year fellowship remains the generally accepted standard, and is generally required to become an academic geriatrician. The AGE Act explicitly authorizes Medicare GME payments for the second year of fellowship.

III. DIRECTS THE SECRETARY OF HHS TO REPORT TO CONGRESS ON WAYS TO IMPROVE THE MEDICARE PROGRAMS TO READY THE PHYSICIAN WORKFORCE TO SERVE THE AGING POPULATION, INCLUDING WHETHER AN INITIATIVE SHOULD BE ESTABLISHED TO DEVELOP ACADEMIC GERIATRICIANS

It is estimated that the country currently has one-quarter of the academic geriatricians necessary to train and educate physicians in the area of geriatrics. Out of 125 medical schools in our country, only 3 have actual Departments of Geriatrics. Moreover, only 14 schools include geriatrics as a *requried* course, and one third of medical schools do not even offer geriatrics as a separate course elective. The AGE Act requires the Secretary of HHS to examine ways to prepare the physician workforce to serve the aging population, including initiatives to develop academic geriatricians, and to report to Congress within 6 months after the date of enactment.

IV. ENHANCES AND AUTHORIZES GREATER FUNDING FOR THE GERIATRIC TRAINING SECTIONS OF THE PUBLIC HEALTH SERVICE ACT

Section 735, Title VII of the Public Health Service Act, encompasses Geriatric Education Centers, which provide geriatrics training to all health professionals (Arkansas has a Geriatric Education Center program), a program to provide geriatric training to dentists and behavioral and mental health benefits, and the Geriatrics Academic Development Award program, which creates junior faculty awards to encourage the development of academic geriatricians. The AGE Act increases the amount of the Geriatric Academic Development Award from $50,000 to $75,000, and authorizes greater funding for all three programs in Fiscal Years 2002 through 2006 ($20 million in Fiscal Year 2002, $24 million in Fiscal Year 2003, $28 million in Fiscal Year 2004, $32 million in Fiscal Year 2005, and $36 million in Fiscal Year 2006).

By Mr. SMITH of New Hampshire (for himself, Mr. GREGG, Mr. LEAHY, and Mr. JEFFORDS):

S. 1363. A bill to authorize the Secretary of the Interior to provide assistance in implementing cultural heritage, conservation, and recreational activities in the Connecticut River watershed of the States of New Hampshire and Vermont; to the Committee on Energy and Natural Resources.

Mr. SMITH of New Hampshire. Mr. President, I am pleased to introduce the Upper Connecticut River Partnership Act of 2001. This legislation is a truly locally-led initiative. I believe it will result in great environmental benefits for the Connecticut River.

The Connecticut River forms the border to New Hampshire and Vermont and provides for a great deal of recreational and tourism opportunities for residents of both States. This legislation takes a major step forward in making sure this River continues to thrive as a treasured resource.

To understand just how significant this legislation is, I would like to share with my colleagues some history about the Connecticut River program. In 1987–88, New Hampshire and Vermont each created a commission to address environmental issues facing the Connecticut river valley. The commissions were established to coordinate water quality and various other environmental efforts along the Connecticut river valley. The two commissions came together in 1990 to form the Connecticut River Joint Commission. The Joint Commission has no regulatory authority, but carries out cooperative education and advisory activities.

To further the local influence of the Commission, the Connecticut River Joint Commission established five advisory bi-state local river subcommittees comprised of representatives nominated by the governing body of their municipalities. These advisory groups developed a Connecticut River Corridor Management Plan. A major portion of the plan focuses on channeling federal funds to local communities to implement water quality programs, nonpoint source pollution controls and other environmental projects. Over the last ten years, the Connecticut River Joint Commission has fostered widespread participation and laid a strong foundation of community and citizen involvement.

As a Senator from New Hampshire and the ranking Republican of the Environment and Public Works Committee, as well as someone who enjoys the beauty of the Connecticut River, I am proud to be the principal author and cosponsor of this locally led, voluntary effort that accomplishes real environmental progress. Too often we depend on bureaucratic federal regulatory programs to accomplish environmental success. This bill takes a different approach and one that I bet will achieve greater results on the ground. I hope that other communities and neighboring states will look at this model as an example of how to develop and implement true voluntary, on the ground, locally-led environmental programs.

I want to thank my colleague from New Hampshire, Senator GREGG, and the two distinguished Senators of Vermont, Senators LEAHY and JEFFORDS, for joining me as original cosponsors to this legislation. I look forward to working with them as we move this important legislation through the Senate.

By Mr. HOLLINGS (for himself, Mr. INOUYE, and Mr. STEVENS):

S. 1364. A bill to ensure full and expeditious enforcement of the provisions of the Communications Act of 1934 that seek to bring about the competition in local telecommunications markets, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. HOLLINGS. Mr. President, I rise to introduce, S. 1364, the Telecommunications competition Enforcement Act of 2001.

I introduce this bill to affirm and enforce the competitive tenants of the Telecommunications Act of 1996. Some want to deregulate the Bell companies and mistakenly assert that deregulation will lead to increased deployment of broadband services. I disagree. The evidence simply does not support such a conclusion. It is only through strengthening and enforcing the competitive provisions of the 1996 Act that local phone markets will become open to competition and the delivery of advanced services will be enhanced.

Congress in conjunction with members of the industry worked to pass the 1996 Act. I should note that at that time, everyone realized the impending innovations in technology and the potential for new and advanced services. These technological changes were expected to allow phone companies to provide high speed data and video services over their facilities, while also allowing cable companies to provide high speed data and phone services over their facilities. It was unquestionably understood by everyone involved that competition would be the driving force for incumbent companies to provide new services. And was this the right way to proceed? Of course it was. A wall street analysis with Montgomery Securities stated that "RBOCs have finally begun to feel the competitive pressure from both CLECs and cable modem providers and are now planning to . . . accelerate/expand deployment of ADSL in order to counter the threat." Another wall street analyst with Prudential Securities noted that with respect to RBOC deployment of broadband service an "important motivating factor is the threat of competition [and] [o]ther players are taking dead aim at the high-speed Internet access market."

Let us not forget the context in which the 1996 Act was passed. When Judge Greene in the 1990s broke-up Ma Bell, the agreement limited the service areas that the Regional Bell Operating Companies could enter. Judge Greene understood the significant market power of the Bell companies who had no competitors in their local markets and had complete access to the customer. Clearly, under such conditions, if Bells were allowed to enter new markets, they could quickly decimate their competitors by leveraging their monopolies in their local markets. Consequently, in an effort to protect competition in other areas, Judge Greene restricted their access to other markets. For these reasons, the Bell companies came to Congress for a solution that would eliminate their service restrictions. After many years of hard work, numerous hearings, and tons of analyses, Congress in an agreement with all the relevant parties including the Bells, long distance service providers, cable companies, and consumer organizations put together a framework that met the needs and requests of all involved parties and one that gave the Bells what they most coveted, entrance into all markets. In doing so, however, Congress also put in place provisions to preserve competition.

Under these conditions, the Bell companies worked with Congress to draft and pass the 1996 Act, and when the Act was finally passed, the Bell companies stated that they would quickly and aggressively open their local markets to competition. On March 5, 1996, Bell South-Alabama President, Neal Travis, stated that "We are going full speed ahead . . . and within a year or so we can offer [long distance] to our residential and business wireline customers." Ameritech's chief executive officer, Richard Notebaert on February 1, 1996, indicated his support of the 1996 Act by stating that, "[T]his bill will rank as one of the most important and far-reaching pieces of federal legislation passed this decade. . . . It offers a comprehensive communications policy, solidly grounded in the principles of the competitive marketplace. It's truly a framework for the information age." On February 8, 1996, US West's President of Long Distance, Richard Coleman, predicted that USWest would meet the 14 point checklist in a majority of its states within 12–18 months. Unfortunately, the Bell companies have not kept their promises. Instead of getting down to the business of competing, the Bell companies chose a strategy of delay. In doing so, they have litigated, they have complained, and they have combined. In other words they have done everything except work to ensure competition in local markets.

When the Bells first filed applications with the Federal Communications Commission, FCC, to enter the long distance market, contrary to their assertions, the FCC and the Department of Justice, DOJ, found that the local markets were not open to competition, and on that basis denied the companies entry into the long distance market. Once the Bells realized that they were not going to get into the long distance market before complying with the 1996 Act, they began a strategy of litigation which had two effects: 1. to delay competition into their local markets and 2. to hold on to their monopoly structure as they entered new markets in order to demolish their competitors. They appealed a series of the FCC's decisions to the courts and challenged the constitutionality of the 1996 Act even taking the case to the Supreme Court.

Having lost in the courts, the Bells have now returned to Congress complaining about the 1996 Act, the very Act that they had previously championed. Many of the Bell companies have been meeting with Senators and Representatives, often accompanied by the same lawyers who helped write the 1996 Act. But this time their message is different. Instead of embracing competition, the once laudable goal they had proclaimed to be seeking, they now want to change the rules of the game and move in the opposite direction. Specifically, they now want to offer lucrative high-speed data services to long distance customers without first opening their local markets to competition, and they want to block their competitors from using their networks to provide high speed data service. As a result of these efforts, the Bells have successfully convinced some members of Congress to introduce bills that in essence allow them to offer such service while protecting the Bells against competition and slowing the delivery of affordable advanced service to consumers by gutting the 1996 Act.

Bell companies claim that because no one contemplated the growth of data services that they should be permitted to continue their hold on the local customer as they provide broadband services. To state it plainly, they are wrong. The technology to provide broadband data services over the Bell network has been around since the early 1980s, but the Bells were slow to deploy service until competition prompted them to do so. Furthermore, recognizing the great potential of broadband services, Richard McCormick, then CEO and Chairman of USWest, in 1994 testifying before the Senate Commerce Committee stated the following:

> I want to touch briefly on USWest's business plan. We have embarked on an aggressive program both within our 14-state region and outside to deploy broadband. We want to be the leader in providing interactive, that is, two-way multimedia services, voice, data, video.

In addition to the Bells realizing the importance of broadband service, Congress recognized the importance of broadband services when it passed the 1996 Act and included section 706 which is dedicated to promoting the development and deployment of advanced services. To quote the Act, "advanced telecommunications capability" is defined as "high-speed switched, broadband telecommunications capability that enables users to originate and receive high-quality voice, data, graphics, and video telecommunications using any technology." Also a search of the legislative debate on the 1996 Act reveals that the word "Internet" appears 273 times. Even the preamble to the 1996 Act refers to "advanced telecommunications and information technologies and services." With this evidence before it, the FCC also concluded that the competitive provisions of the 1996 Act included high-speed, advanced data and voice services.

Today, all Bell companies are providing DSL service to customers. In fact, in October of 1999, SBC announced it would spend $6 billion over 3 years on "project Pronto" which is the company's initiative to become the largest single provider of advanced broadband services in America. And on that point, I certainly commend SBC on its efforts. Through 2000, the four Bell companies invested 3.3. billion in DSL deployment and are expected to spend $10.3 billion through 2003. This investment is expected to payoff as earnings from their DSL investments are expected to be positive by late 2002 as market penetration hits 10 percent. By the end of the first quarter of this year, SBC and BellSouth reached about 50 percent of their customer base while Verizon reached abut 42 percent with DSL service offerings.

Additionally, reports indicate that broadband service is being effectively deployed. In an August 2000 report, the FCC concluded that overall, broadband service is being deployed on a reasonable and timely basis. It also found that there has been ample national deployment of backbone and other fiber facilities that provide backbone functionality. In October of 2000, the FCC issued another report in which it determined that high speed lines connecting homes and small businesses to the Internet increased by 57 percent during the first half of 2000. These developments effectively demonstrate why there is no justification for further deregulation of the Bells at least not until competition in the local markets is acheived.

A major issue in this debate is how to serve rural and underserved ares. However, there it is no demonstrated commitment by the Bells to serve the rural markets. In fact, there behavior would lead you to the opposite conclusion. Qwest/USWest has sold nearly 600 smaller exchanges representing about 500,000 access lines and GTE has sold $1.6 milion access lines. Joe Nacchio, Chief Executive Officer of Qwest stated, "I would have not qualms selling seeral million access lines if [I] could find the real deal." He also noted that "we have about 17.5 million access line—we really like 11 [million]."

While expending a great deal of resources litigating and complaining, Bell companies also have expended a fair amount of their energies in another area, that is merging and combining. In August of 1997, Verizon acquired NYNEX and in June of 2000 acquired GTE. First, SBC acquired Pac Bell, and in October of 1999, acquired Ameritech. The combined company now controls one-third of all access lines in the United States. In March of 2000, Qwest acquired USWest. At the same time, Bell Atlantic acquired Vodafone. In September of 2000, BellSouth Wireless and SBC Wireless entered into a joint venture, Cingular. Yet the local phone markets remain largely closed to competition.

Even though there are many companies working to build a business in the local market, the Bells have met the 271 checklist in only six States, New York, Texas, Oklahoma, Kansas, Massachusetts, and Connecticut. Undoubtedly, if they cannot obtain real access to the local phone markets, competitive companies will not be able to make a go of their businesses. My grave concern is that they will not be able to survive the Bell strategy of delay. Today, CLECs are struggling to survive. Of the 300 CLECs that began providing service since 1996, several have declared bankruptcy or are on the verge of failing and several others have scaled back their buildout plans. CLECs are faced with a significant downturn in the marketplace, tremendous difficulty in raising capital, and local markets that remain largely closed to competition. From the standpoint of capital, CLECs are particularly sensitive to the financial market since the vast majority of them are not profitable and rely on the capital markets for funding. Relying on the marketplace, CLECs have raised and spent $56 billion in their attempts to compete in the local market. Of the publicly traded CLECs in 2000, only 4 CLECs made a profit. Additionally, as a result of the market downturn, the market capitalization of CLECs fell from a high of $86.4 billion in 1999 to $32.1 billion in 2000.

In Congress, we hear about the continued problems faced by competitive carriers trying to obtain access to the Bell network. Between December 1999 and April 2001, both the FCC and state regulators have imposed fines on several Bell companies for violations of their market opening and service quality requirements and other rules. For BellSouth, these fines totaled $804,750, for Qwest, $78.6 million, for SBC, $175 million, and for Verizon, $233 million. However, while these fines may be substantial to most businesses, many in the industry believe that they simply represent the cost of doing business for the Bell companies which over the past year had annual revenues in the range of tens of billions of dollars. Specifically, BellSouth's total revenues were $25.6 billion, Qwest, $18.3 billion, SBC, $50.1 billion, and Verizon, $66.4 billion. Chairman Powell has stated that in order to make fines a more effective tool, Congress should increase the FCC's current fine authority against a common carrier for a single continuing violation from $1.2 million to at least $10 million and extend the statute of limitations for violations which currently stands at 1 year.

In order to get local competition going, the Pennsylvania PUC mandated the functional separation of the retail and wholesale functions of Verizon. Petitions have been filed to impose structural separation in, Alabama, Florida, Georgia, Indiana, Kentucky, Louisiana, Mississippi, New Jersey, North Carolina, South Carolina, Tennessee, and Virginia. Legislation has also been introduced in the State legislatures of Maryland, Michigan, Minnesota, and New Jersey on the issue of structural separation. In September of last year, Chairpersons of the Commissions in Illinois, Indiana, Michigan, Ohio, and Wisconsin, issued a joint statement asserting that although the Commissions had taken repeated and sustained actions over the past months to address operating deficiencies with respect to SBC-Ameritech, CLEC customers had experienced a marked decline in service quality in purchasing network elements from SBC-Ameritech.

In addition to these actions by regulators, the courts also have taken action. In California in 1997, Caltech International Telecom Corporation sued SBC-Pacific Bell claiming that SBC was violating antitrust laws by acting anticompetitively and blocking competitors from their local phone market. Last year, a Federal district court ruled in favor of Caltech. Covad has sued SBC, Verizon, and BellSouth and already has obtained a $24 million arbitration ruling against SBC. Consumers have filed suit in the Superior Court of D.C. alleging that Verizon signed up over 3,000 new customers per day knowing that the company would be unable to provide high-speed service as promised and that its customers would experience significant disruptions and significant delays in obtaining technical support.

Regrettably, as Bells seek to block their competitors from entering their markets, many consumers are suffering through poor quality of Bell service. In New York, the Communications Workers of America issued a service quality report in which it stated that "Verizon has systematically misled state regulators and the public by falsifying service quality data submitted to the PSC" and "60 percent of workers have been ordered to report troubles as fixed when problems remained." 91 percent of field technicians surveyed reported that they were dispatched on repairs of recent installations only to find that dial tone had never been provided. Additionally, consumers with inside wiring maintenance plans were not receiving the services for which they were paying.

Concerned about competition and service quality, the FCC as well as state Commissions have opposed legislative efforts to further deregulate the Bell companies. In response to such measures, former Chairman of the FCC, William Kennard, stated that such legislation would only upset the balance struck by the 1996 Act, . . . [and] would reverse the progress attained by the Act." Mr. Kennard went on to state that "the Telecommunications Act of 1996 is working. Because of years of litigation, competition did not take hold as quickly as some had hoped. The fact that it is now working, however, is undeniable. Local markets are being opened, broadband services are being deployed, and competition, including broadband competition is taking root." More recently at a hearing before Congress in March, Chairman Powell of the FCC counseled against reopening the Telecommunications Act of 1996. He stated that "any wholesale rewrite of the Telecom Act would be ill-advised." The Former Assistant Secretary for Communications and Information, Greg Rhode also stated that "[d]espite the progress being made under the procompetitive approach of the Telecommunications Act of 1996, some in Congress are talking about changing directions. Under the veil of 'de-regulation for data services' some are talking about stopping the progress of competition . . . competition, structured under the 1996 Act, is the model that will best deliver advanced telecommunications and information services, such as high speed Internet access. Walking away from the Act's pro-competitive provisions at this point would be a serious mistake." Recognizing the importance of the 1996 Act, the National Association of Regulatory Utilities Commissioners adopted a resolution opposing federal legislation that would deregulate the Bells and restrict the ability of State public utility commissions from fulfilling their obligations to regulate core telecommunications facilities that are used to provide both voice and data services and to promote deployment of advanced telecommunications capabilities.

Given the lack of competition in the local markets, the intransigent behavior of the Bell companies, and concerns about poor service quality, we are left with no choice but to adopt measures that will ensure Bell compliance with the 1996 Act. This will have to include not only fines, but also the separation of a Bell's retail operations responsible for marketing services to consumers from its wholesale operations responsible for operating and selling capacity on the network. Bell companies continue to have substantial profit margins and revenues in the billions of dollars. In contrast, Bear Stearns has stated that it expects half of the CLECs to disappear because of bankruptcy and consolidation. Unquestionably, I do anticipate that competition will weed out poor competitors. However, it does not serve consumers well for competitors to be weeded out because monopolies are not playing fair.

I strongly believe that the power that the Bell companies have wielded to block their competitors from the local markets must be curbed. That's why I rise to introduce legislation today. Under my bill within one year after passage of the legislation, a Bell company is required to provide retail service through a separate division. If a Bell company has to resell or provide portions of its network to its division on the same terms and conditions that it provides to its competitors, then it will quickly and affordably make its network available to competitors.

Requiring a company to separate functions or divest property is not a novel concept. In 1980, the court decided that the only way to introduced competition into the long distance market was to require Ma Bell to divest the Baby Bells. This has worked well and now the long distance market is competitive. More recently, the Pennsylvania PSC has required Verizon to separate its retail operations from its wholesale operations. These decisions are all based on concerns about the ability of a company to distort competition because the company has significant market power.

Also, my bill clarifies that a carrier may bring an action against a Bell company to comply with the competition provisions of the 1996 Act at the FCC or at a State commission, and has the option of entering an alternative dispute resolution, ADR, process to enforce an interconnection agreement. The FCC is required to resolve such a complaint in 90 days and issue an interim order to correct the dispute within 30 days upon a proper showing by the carrier bringing the dispute.

My bill requires the FCC to impose a penalty of $10 million for each violation and $2 million for each day of each violation. The FCC can treble the damages if the Bell company repeatedly violates competitive provisions of the 1996 Act. I have chosen to include hefty fines, because the fines at the FCC are too small to have any real effect. I am also struck by the fact that for the Bells, fines seem to be just a cost of doing business and not a punishment that deters or positively affects their behavior. As Chairman Powell has stated, the FCC's "fines are trivial and the cost of doing business to many of these companies." My bill would also require the FCC to establish performance guidelines detailing what Bell companies must do in order to allow CLEC's to interconnect with the Bell network.

Today, our communications network remains the envy of the world and the development of innovative advanced services is accelerating rapidly. Last year in a discussion about the lead America has over Europe with respect to the technology revolution, Thomas Middlehof, chief executive of Bertlemann, which is Europe's largest media conglomerate stated that "Europe just doesn't get the message . . . [g]overnments are still trying to protect the old industrial structure." The article also noted that "many [European] leaders now acknowledge a basic policy failure of the past decade [was] subsidizing dying industries." With that said, it is unfortunate that the rollout of local and broadband services on a competitive basis to all Americans is being thwarted by the failure of Bell companies to open their markets to competition. These same monopolists told us their markets would be open years ago. This legislation seeks to hold them to their word.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1364

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telecommunications Fair Competition Enforcement Act of 2001".

SEC. 2. FINDINGS.

The Congress finds:

(1) The Telecommunications Act of 1996 put in place the proper framework to achieve competition in local telecommunications markets.

(2) The Telecommunications Act of 1996 recognized that local exchange facilities are essential facilities and required that all incumbent local exchange carriers open their markets to competition by interconnecting with and providing network access to new entrants, a process to be overseen by Federal and State regulators.

(3) To increase the incentives of the Bell operating companies to open their local networks to competition, the Telecommunications Act of 1996 allows the Bell operating companies to provide interLATA voice and data services in their service region only after opening their local networks to competition.

(4) While some progress has been made in opening local telecommunications markets, the Federal Communications Commission has determined that, 6 years after passage of the Telecommunications Act of 1996, the Bell operating companies have met the market opening requirements of that Act in only 5 States.

(5) It is apparent that the incumbent local exchange carriers do not have adequate incentives to cooperate in this process and that regulators have not exercised their enforcement authority to require compliance.

(6) By improving mandatory penalties on Bell operating companies and their affiliates that have not opened their network to competition, there will be greater assurance that local telecommunications markets will be opened more expeditiously and, as a result, American consumers will obtain the full benefits of competition.

(7) Competitive carriers continue to experience great difficulty in gaining access to the Bell network, and, 5 years after enactment of the Telecommunications Act of 1996, Bell operating companies continue to control over 92 percent of all access lines nationwide.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to improve and strengthen the enforcement of the Telecommunications Act of 1996, in order to ensure that local telecommunications markets are opened more rapidly to full, robust, and sustainable competition; and

(2) to provide an alternative dispute resolution process for expeditious resolution of disputes concerning interconnection agreements.

SEC. 4. ENFORCEMENT OF COMPETITION.

Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following:

"PART IV—ENFORCEMENT

"SEC. 291. SHARED JURISDICTION OVER CERTAIN DISPUTES.

"(a) VIOLATIONS OF SECTIONS 251, 252, 271, AND 272.—A complaint under section 208 alleging that a specific act or practice or failure to act, of a Bell operating company or its affiliate, constitutes a violation of section 251, 252, 271, or 272 may be filed at the Commission or at a State commission.

"(b) ENFORCEMENT OF INTERCONNECTION AGREEMENTS.—An action to enforce compliance by a Bell operating company or its affiliate with an interconnection agreement entered into under section 252 may be initiated at the Commission or at a State Commission.

"(c) INITIATING PARTY.—A complaint described in subsection (a) or an enforcement action described in subsection (b) may be brought by a telecommunications carrier or by the Commission or a State commission on its own motion.

"SEC. 292. EXPEDITED CONSIDERATION OF INTERCONNECTION, INTERLATA AND SEPARATE AFFILIATE COMPLAINTS AND ENFORCEMENT ACTIONS.

"(a) IN GENERAL.—The Commission shall make a final determination with respect to any complaint described in section 291(a) or an enforcement action described in section 291(b) within 90 days after the date on which the complaint, or the filing initiating the action, is received by the Commission.

“(b) Interim Relief.—

“(1) Violations of act.—Within 30 days after a complaint described in section 291(a) has been filed with the Commission, the Commission shall issue an order to the Bell operating company or its affiliate named in the complaint directing it to cease the act or practice that constitutes the alleged violation, or initiate an act or practice to correct the alleged violation, pending a final determination by the Commission if—

“(A) the complaint contains a prima facie showing that the alleged violation occurred or is occurring;

“(B) the complaint describes with specificity the act or practice, or failure to act, that constitutes the alleged violation; and

“(C) it appears from specific facts shown by the complaint or an accompanying affidavit that substantial injury, loss, or damage will result to the complainant before the 90-day period in subsection (a) expires if the order is not issued.

“(2) Interconnection agreements.—Within 30 days after an enforcement action described in section 291(b) has been initiated at the Commission by a telecommunications carrier, the Commission shall issue an order to the Bell operating company or its affiliate named in the action directing it to cease the act or practice that constitutes the alleged noncompliance with the interconnection agreement, or initiate an act or practice to correct the alleged noncompliance, pending a final determination by the Commission if—

“(A) the filing initiating the action contains a prima facie showing that the alleged noncompliance occurred or is occurring;

“(B) the filing describes with specificity the act or practice, or failure to act, that constitutes the alleged noncompliance; and

“(C) it appears from specific facts shown by the filing or an accompanying affidavit that substantial injury, loss, or damage will result to the telecommunications carrier before the 90-day period in subsection (a) expires if the order is not issued.

“(c) Burden of Proof.—In any proceeding under this part with respect to a complaint described in section 291(a), or an enforcement action described in section 291(b), by a telecommunications carrier against a Bell operating company or its affiliate, and upon a prima facie showing by a carrier that there are reasonable grounds to believe that there is a violation or noncompliance, the burden of proof shall be on such Bell operating company or its affiliate to demonstrate its compliance with the section allegedly violated, or with the terms of such agreement, as the case may be.

“SEC. 293. ALTERNATIVE DISPUTE RESOLUTION OF INTERCONNECTION COMPLAINTS.

“(a) Interconnection Agreements.—A party to an interconnection agreement entered into under section 252 may submit a dispute under the agreement to the alternative dispute resolution process established by subsection (b). An action brought under this section may be brought in lieu of an action described in section 291(b) at the Commission or at a State commission.

“(b) Alternative Dispute Resolution Process.—

“(1) Commission to prescribe process.—Within 180 days after the date of enactment of the Telecommunications Fair Competition Enforcement Act of 2001, the Commission shall, after notice and opportunity for public comment, issue a final rule implementing an alternative dispute resolution process for the resolution of disputes under interconnection agreements entered into under section 252. The process shall be available to any party to such an agreement, including agreements entered into prior to the date of enactment of that Act, unless such prior agreement specifically precludes the use of alternative dispute resolution.

“(2) Process requirements.—In carrying out paragraph (1), the Commission shall prescribe a process that—

“(A) provides for binding private commercial arbitration of disputes in an open, nondiscriminatory, and unbiased forum;

“(B) ensures that a dispute submitted to the process can be resolved within 45 days after the date on which the dispute is filed; and

“(C) requires any decision reached under the process to be in writing, available to the public, and posted on the Internet.

“(3) Requests for information.—Any person or panel conducting an arbitration under this subsection may require any party to the dispute to provide such information as may be necessary to enable that person or panel to reach a decision with respect to the dispute. If the party that receives such a request for information fails to comply with such a request for information within 7 business days after the date on which the request was made, then, unless that party shows that the failure to comply was due to extenuating circumstances, the person or panel conducting the arbitration shall render a decision or award in favor of the other party to the arbitration within 14 business days after the date on which the request was made. The decision or award in favor of a party shall not apply if the party in whose favor a decision or award would be rendered under the preceding sentence is not in compliance with a request for information from the person or panel conducting the arbitration.

“(4) Remedies and authority of arbitrator.—Any person or panel conducting an arbitration under this subsection may grant to the prevailing party any relief available in law or equity, including remedies available under this Act, injunctive relief, specific performance, monetary awards, and direct, consequential, and compensatory damages.

“(5) Arbitration award and enforcement.—A final decision or award made by a person or panel conducting an arbitration under this subsection shall be binding upon the parties and is not subject to appeal by the parties or review by the Commission, a State commission, or any Federal or State court. A decision or award under the process may be enforced in any district court of the United States having jurisdiction under sections 9 through 13 of title 9, United States Code.

“SEC. 294. ENFORCEMENT OF PERFORMANCE STANDARDS.

“(a) Commission To Prescribe Performance Standards for Compliance with Interconnection Agreements.—Not later than 180 days after the date of enactment of the Telecommunications Fair Competition Enforcement Act of 2001 the Commission shall, after notice and opportunity for public comment, issue final rules for performance standards, data validation procedures, and audit requirements to ensure prompt and verifiable implementation of interconnection agreements entered into under section 252 and for the purposes of sections 251, 252, 271, and 272. At a minimum, the rules shall include the most rigorous performance standards, data validation procedures, and audit requirements for such agreements adopted by the Commission or any State commission before the date of enactment of the Telecommunications Fair Competition Enforcement Act of 2001, as well as any new performance standards, data validation procedures, and audit requirements needed to ensure full compliance with the requirements of this Act for the opening of local telecommunications markets to competition. In establishing performance standards, data validation procedures, and audit requirements under this section, the Commission shall ensure that such standards, procedures, and requirements are quantifiable and sufficient to determine ongoing compliance by incumbent local exchange carriers with the requirements of their interconnection agreements, including the provision of operating support systems, special access, and retail and wholesale customer service standards, and for the purposes of enforcing sections 251, 252, 271, and 272.

“(b) Specific Requirement for Provision of Local Loops.—A Bell operating company or its affiliate which has not been granted an exemption, suspension, or modification under section 251(f) of the requirement to provide access to local loops (including subloop elements to the extent required under section 251(d)(2)) as an unbundled network element under section 251(c)(3) shall provide any such local loop to a requesting telecommunications carrier with which such Bell operating company or affiliate has an interconnection agreement entered into under section 252 within 5 business days after receiving a request for a specific local loop.

“(c) Enforcement of Performance Metrics.—Any violation of this section, or the rules adopted hereunder, shall be a violation of section 251.

“SEC. 295. FORFEITURES; DAMAGES; ATTORNEYS FEES.

“(a) In General.—The forfeitures provided in this section are in addition to any other requirements, forfeitures, and penalties that may be imposed under any other provision of this Act, any other law, or by a State commission or court.

“(b) Forfeitures for Violation of Sections 251, 252, 271, or 272.—

“(1) In general.—The Commission shall impose a forfeiture of $10,000,000 for each violation by a Bell operating company or any affiliate of such company of section 251, 252, 271, or 272, and a forfeiture of $2,000,000 for each day on which the violation continues.

“(2) Forfeiture increased threefold for repeat violations.—The forfeiture under paragraph (1) shall be increased threefold for a repeated violation of any such section by a Bell operating company or its affiliate.

“(c) Compensatory and Punitive Damages; Costs and Attorney's Fees.—

“(1) In general.—In any civil action brought by a telecommunications carrier against a Bell operating company or any affiliate of such company for damages for a violation of section 251, 252, 271, or 272, or violation of any interconnection agreement entered into under section 252 by a Bell operating company, the carrier may be awarded—

“(A) both compensatory and punitive damages; and

“(B) reasonable attorney fees and costs incurred in bringing the action.

“(2) Treble damages.—In any such action, the telecommunications carrier may be awarded treble damages for a repeated violation of any such section or interconnection agreement by a Bell operating company or its affiliate.

“(d) Forfeiture for Failure to Comply with Order Granting Interim Relief.—If the Bell operating company or its affiliate to which an order is issued under section 292(b) does not comply with the order within 7 days after the date on which the Commission releases the order, and the Commission makes a final determination that the Bell operating company or affiliate is in violation of section 251, 252, 271, or 272, or violation of an interconnection agreement entered into under section 252, then the Commission shall impose a forfeiture of $10,000,000 for each such violation, and a forfeiture of $2,000,000 for each day on which the violation continued after issuance of the order.

"(e) ATTORNEYS FEES.—The Commission, a State commission, a court, or person conducting an arbitration under section 293 may award reasonable attorney fees and costs to the prevailing party in an action commenced by a complaint described in section 291(a), an enforcement action described in section 291(b), or an alternative dispute resolution proceeding under section 293, respectively.

"(f) FORFEITURES DIVIDED BETWEEN COMPLAINANTS AND COMMISSION.—Any forfeiture imposed under subsection (b) or (d) shall be paid to the Commission and divided equally between—

"(1) either—

"(A) the party whose complaint commenced the action that resulted in the determination by the Commission, if the Commission's determination was made in response to a complaint; or

"(B) the party against which the violation was committed, if the action that resulted in the determination by the Commission was commenced by the Commission or a State commission; and

"(2) the Commission for use by its Enforcement Bureau for the purpose of enforcing parts II and III of title II of the Communications Act of 1934 (47 U.S.C. 251 et seq. and 271 et seq.) and carrying out part IV of title II of that Act.

"(g) ADJUSTMENT FOR INFLATION.—The amount of each forfeiture provided for under subsections (b) and (d) shall be increased for violations during each calendar year beginning with 2004 by a percentage amount equal to the percentage increase (if any) in the CPI for the preceding year over the CPI for 2001. For purposes of this subsection, the CPI for any year is the average for the 12 months of the year of the Consumer Price Index for all-urban consumers published by the Department of Labor.

"SEC. 296. SAVINGS CLAUSES.

"(a) OTHER REMEDIES UNDER ACT.—The remedies in this part are in addition to any other requirements or penalties available under this Act or any other law.

"(b) ANTITRUST LAWS.—Nothing in this part modifies, impairs, or supersedes the applicability of any antitrust law, except that a violation by an incumbent local exchange carrier of section 251 or 252 shall also be a violation of the Act of July 2, 1890, commonly known as the Sherman Anti-Trust Act (15 U.S.C. 1 et seq.).".

SEC. 5. RATEPAYER PROTECTION.

The Commission shall not forbear from, or modify, any cost allocation rules, accounting safeguards, or other requirements in a manner that reduces its ability to enforce the provisions of this Act.

SEC. 6. STATUTE OF LIMITATIONS EXTENDED TO 5 YEARS.

Section 503(b)(6) of the Communications Act of 1934 (47 U.S.C. 503(b)(6)) is amended by striking "1 year" each place it appears and inserting "5 years".

SEC. 7. STATE COMMISSIONS MAY USE FEDERAL FORFEITURES.

In any action brought before a State commission to enforce compliance with section 251, 252, 271, or 272 of the Communications Act of 1934 (47 U.S.C. 251, 252, 271, or 272) or an interconnection agreement entered into under section 252, the State commission may apply to the Federal Communications Commission requesting that the Commission impose a forfeiture under section 295 of that Act in addition to any relief granted by the State commission in that action. The Federal Communications Commission may impose a forfeiture under section 295 of that Act upon application by a State commission under this section if it determines that the State commission proceeding was conducted in accordance with the requirements of State law.

SEC. 8. SEPARATION OF RETAIL AND WHOLESALE FUNCTIONS.

(a) IN GENERAL.—Title II of the Communications Act of 1934 (47 U.S.C. 201 et seq.) is amended by adding at the end the following:

"SEC. 277. FUNCTIONAL SEPARATION OF RETAIL SERVICES.

"(a) IN GENERAL.—A Bell operating company may only provide retail service—

"(1) through a division that is legally separate from the part of the Bell operating company that provides wholesale services; and

"(2) in a manner that is consistent with the Code of Conduct described in subsection (b).

"(b) CODE OF CONDUCT.—The Code of Conduct for the provision of retail service by a Bell operating company is as follows:

"(1) A Bell operating company shall transfer to its retail division all relationships with retail customers, including customer interfaces and retail billing and all development, marketing, and pricing of retail services.

"(2) A Bell operating company shall transfer to its retail division all accounts for retail services and all assets, systems, and personnel used by the Bell operating company to carry out the business functions described in paragraph (1).

"(3) The retail division required by this section—

"(A) shall be operated independently from the wholesale services and functions of the Bell operating company of which it is a division;

"(B) shall maintain books, records, and accounts separate from those maintained by other departments, divisions, sections, affiliates, or units of the Bell operating company of which it is a division;

"(C) shall have separate employees and office space from the wholesale services and functions of the Bell operating company of which it is a division;

"(D) shall tie its management compensation only to the performance of the retail division;

"(E) may not own any telecommunications facilities or equipment jointly with the Bell operating company of which it is a division;

"(F) shall not engage in any joint marketing with the wholesale services department, division, section, affiliate, or unit of the Bell operating company of which it is a division;

"(G) shall conduct all wholesale transactions with the Bell operating company of which it is a division on a fully compensatory, arms-length basis, in accordance with part 32 of the Commission's rules (part 32 of title 47, Code of Federal Regulations);

"(H) shall offer retail telecommunications service solely at rates set by tariff; and

"(I) shall also offer all of its retail telecommunications services to telecommunications carriers for wholesale purchase at the avoided cost discount as established pursuant to sections 251(c)(4) and 252(d)(3).

"(4) A Bell operating company shall provide services, facilities, and network elements to any requesting carrier, including its retail division solely at rates, terms, and conditions set by tariff; shall offer physical and virtual collocation pursuant to tariffs; shall not provide any retail service except through its retail division; and shall not grant its retail division any preferential intellectual property rights. The Bell operating company shall conduct any business with unaffiliated persons in the same manner as it conducts business with its retail division, and shall not prefer, or discriminate in favor of, such retail division in the rates, terms, or conditions offered to the retail division, including—

"(A) fulfilling any requests from unaffiliated persons for ordering, maintenance, and repair of unbundled network elements and services provided for resale, within a period no longer than that in which it fulfills such requests from its retail division;

"(B) utilizing the same operating support systems for dealings with unaffiliated persons providing telecommunications service as it uses with its retail division;

"(C) providing any customer or network information to unaffiliated persons providing retail services on the same terms and conditions as it provides such information to its retail division;

"(D) fulfilling any requests from an unaffiliated person for exchange access within a period no longer than that in which it fulfills requests for exchange access from its retail division; and

"(E) fulfilling any such requests in subparagraph (D) with service of a quality that meets or exceeds the quality of exchange access it provides to its retail division.

"(c) BIENNIAL AUDIT.—

"(1) GENERAL REQUIREMENT.—A Bell operating company shall obtain and pay for a joint Federal/State audit every 2 years which shall be conducted by an independent auditor to determine whether such company has complied with this section and the regulations promulgated to implement this section.

"(2) RESULTS SUBMITTED TO COMMISSION; STATE COMMISSIONS.—The auditor described in paragraph (1) shall submit the results of the audit to the Commission and to the State commission of each State in which the company audited provides service, and the Commission shall make such results available for public inspection. Any party may submit comments on the final audit report.

"(3) ACCESS TO DOCUMENTS.—For purposes of conducting audits and reviews under this subsection—

"(A) the independent auditor, the Commission, and the State commission shall have access to the financial books, records, and accounts of each Bell operating company and its retail division necessary to verify transactions conducted with that company that are relevant to the specific activities permitted under this section and that are necessary for the regulation of rates;

"(B) the Commission and the State commission shall have access to the working papers and supporting materials of any auditor who performs an audit under this section; and

"(C) the State commission shall implement appropriate procedures to ensure the protection of any proprietary information submitted to it under this section.

"(d) TRANSITION.—

"(1) A Bell operating company shall have one year from the date of enactment of the

Telecommunications Fair Competition Enforcement Act of 2001 to comply with subsections (a) and (b).

"(2) Until such time as the Bell operating company complies with the requirements of subsection (a), it shall file quarterly reports demonstrating how it is implementing compliance with the nondiscrimination requirements of subsection (b)(4).

"(e) RATEPAYER PROTECTION.—The Commission shall not relax any cost allocation rules, accounting safeguards, or other requirements in a manner that reduces its ability to enforce the provisions of this section.

"(f) DEFINITIONS.—In this section:

"(1) BELL OPERATING COMPANY.—Notwithstanding section 3(4)(C), the term 'Bell operating company' includes any affiliate of such company other than its retail division.

"(2) RETAIL DEVISION.—The term 'retail division' means the division required by this section.

"(3) RETAIL SERVICE.—The term 'retail service' means any telecommunications or information service offered to a person other than a common carrier or other provider of telecommunications.

"(g) REPORT ON VIOLATIONS.—Until December 31, 2010, the Commission shall report to Congress annually on the amount and nature of any violations of sections 251, 252, 271, and 272 by each Bell Operating Company.

"(h) PRESERVATION OF EXISTING AUTHORITY.—Nothing in this section shall be construed to limit the authority of the Commission under any other section of this Act to prescribe additional safeguards consistent with the public interest, convenience, and necessity.

"SEC. 278. SEPARATE RETAIL AFFILIATE.

"(a) REPEATED VIOLATIONS.—If, beginning 2 years after enactment of the Telecommunications Fair Competition Enforcement Act of 2001, the Commission finds that a Bell operating company willfully or knowingly violated the requirements of sections 251, 252, 271, or 272 of this Act, the Commission may require the Bell Operating Company to implement structural separation under this section.

"(b) IN GENERAL.—If the Commission requires a Bell operating company to implement structural separation under this section, then that Bell operating company may provide retail services only through a separate affiliate. A Bell operating company and a separate affiliate established under this section shall not engage in any joint marketing of retail services, notwithstanding section 272(g).

"(c) STRUCTURAL SEPARATION OF BUSINESS.—A Bell operating company shall comply with subsection (b) by transferring the following business functions to its retail affiliate, at the higher of book value or market value:

"(1) all relationships with retail customers, including customer interfaces and retail billing; and

"(2) all development, marketing, and pricing of retail services.

"(d) STRUCTURAL SEPARATION OF ASSETS.—

"(1) A Bell operating company shall comply with subsection (b) by transferring the following assets to its retail affiliate at the higher of book or market value:

"(A) all accounts for retail services, subject to the requirements of subsection (j); and

"(B) all assets, systems, and personnel used by the Bell operating company to carry out the business functions described in subsection (c).

"(2) The price, terms, and conditions of the transfer of assets required by paragraph (1) shall be made publicly available.

"(e) SEPARATE SUBSIDIARY SAFEGUARDS.—The separate affiliate required by this section—

"(1) shall operate independently from the Bell operating company;

"(2) shall maintain books, records, and accounts separate from those maintained by the Bell operating company of which it is an affiliate;

"(3) shall have separate officers and directors from the Bell operating company of which it is an affiliate;

"(4) shall have separate capital stock, the outstanding shares of which may not be held by the Bell operating company in any amount exceeding four times the amount of shares held by unaffiliated persons;

"(5) shall have separate employees and separate employee benefit plans from the Bell operating company of which it is an affiliate;

"(6) may not obtain credit under any arrangement that would permit a creditor, upon default, to have recourse to the assets of the Bell operating company;

"(7) may not own any telecommunications facilities or equipment;

"(8) shall conduct all transactions with the Bell operating company of which it is an affiliate on an arms' length basis, with any such transactions reduced to writing and available for public inspection;

"(9) shall offer retail telecommunications service solely at rates set by tariff;

"(10) shall offer all of its retail telecommunications services for wholesale purchase at the avoided cost discount as established pursuant to sections 251(c)(4) and 252(d)(3);

"(11) shall have separate office space from the wholesale services and functions of the Bell operating company of which it is an affiliate;

"(12) shall tie its management compensation only to the performance of the retail affiliate; and

"(13) shall conduct all wholesale transactions with the Bell operating company of which it is an affiliate on a fully compensatory basis, in accordance with part 32 of the Commission's rules (part 32 of title 47, Code of Federal Regulations).

"(f) NONDISCRIMINATION SAFEGUARDS.—A Bell operating company—

"(1) shall provide services, facilities and network elements to any requesting carrier, including its retail affiliate, solely at rates set by tariff;

"(2) shall conduct any business with unaffiliated entities in the same manner as it conducts business with its retail affiliate, and shall not prefer, or discriminate in favor of, such retail affiliate in the rates, terms, or conditions offered to the retail affiliate, including—

"(A) fulfilling any requests from an unaffiliated entity for exchange access service within a period no longer than that in which it fulfills requests for exchange access service from its retail affiliate;

"(B) fulfilling any such requests with service of a quality that meets or exceeds the quality of exchange access services it provides to its retail affiliate;

"(C) fulfilling any requests from an unaffiliated entity for ordering, maintenance and repair of unbundled network elements and services provided for resale, within a period no longer than that in which it fulfills such requests from its retail affiliate;

"(D) utilizing the same operating support systems for dealings with unaffiliated entities providing telecommunications service as it uses with its retail affiliate; and

"(E) providing any customer or network information to unaffiliated entities providing telecommunications services on the same terms and conditions as it provides such information to its retail affiliate;

"(3) shall not offer physical and virtual collocation other than pursuant to generally available tariffs;

"(4) shall not grant its retail affiliate any preferential intellectual property rights; and

"(5) shall not provide any retail service for its own use, but shall procure such services from a carrier other than its retail affiliate.

"(g) BIENNIAL AUDIT.—

"(1) GENERAL REQUIREMENT.—A Bell operating company shall obtain and pay for a joint Federal/State audit every 2 years conducted by an independent auditor to determine whether such company has complied with this section and the regulations promulgated under this section.

"(2) RESULTS SUBMITTED TO COMMISSION; STATE COMMISSIONS.—The auditor described in paragraph (1) shall submit the results of the audit to the Commission and to the State commission of each State in which the company audited provides service, which shall make such results available for public inspection. Any party may submit comments on the final audit report.

"(3) ACCESS TO DOCUMENTS.—For purposes of conducting audits and reviews under this subsection—

"(A) the independent auditor, the Commission, and the State commission shall have access to the financial books, records, and accounts of each Bell operating company and of its affiliates necessary to verify transactions conducted with that company that are relevant to the specific activities permitted under this section and that are necessary for the regulation of rates;

"(B) the Commission and the State commission shall have access to the working papers and supporting materials of any auditor who performs an audit under this section; and

"(C) the State commission shall implement appropriate procedures to ensure the protection of any proprietary information submitted to it under this section.

"(h) PRESERVATION OF EXISTING AUTHORITY.—Nothing in this section shall be construed to limit the authority of the Commission under any other section of this Act to prescribe safeguards consistent with the public interest, convenience, and necessity.

"(i) PRESUBSCRIPTION.—Concurrent with the establishment of the separate retail affiliate required by this section, in any local calling area served by a Bell operating company, consumers shall have the opportunity to select their provider of telephone exchange service by means of a balloting process established by rule by the Commission.

"(j) RATEPAYER PROTECTION.—The Commission shall not relax any cost allocation rules, accounting safeguards, or other requirements in a manner that reduces its ability to enforce the provisions of this section.

"(k) DEFINITIONS.—In this section:

"(1) BELL OPERATING COMPANY.—Notwithstanding section 3(4)(C), the term 'Bell operating company' includes any affiliate of such company other than its retail affiliate.

"(2) RETAIL AFFILIATE.—The term 'retail affiliate' means the affiliate required by this section.

"(3) RETAIL SERVICE.—The term 'retail service' means any telecommunications or information service offered to a person other than a common carrier or other provider of telecommunications.".

By Mr. NICKLES:

S. 1366. A bill for the relief of Lindita Idrizi Heath; to the Committee on the Judiciary.

Mr. NICKLES. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1366

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT RESIDENT STATUS FOR LINDITA IDRIZI HEATH.

(a) IN GENERAL.—Notwithstanding section 101(b)(1) and subsections (a) and (b) of section 201 of the Immigration and Nationality Act, Lindita Idrizi Heath shall be eligible for issuance of an immigrant visa or for adjustment of status to that of an alien lawfully admitted for permanent residence upon filing an application for issuance of an immigrant visa under section 204 of that Act or for adjustment of status to lawful permanent resident.

(b) ADJUSTMENT OF STATUS.—If Lindita Idrizi Heath enters the United States before the filing deadline specified in subsection (c), Lindita Idrizi Heath shall be considered to have entered and remained lawfully and shall, if otherwise eligible, be eligible for adjustment of status under section 245 of the Immigration and Nationality Act as of the date of enactment of this Act.

(c) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsections (a) and (b) shall apply only if the application for issuance of an immigrant visa or the application for adjustment of status is filed with appropriate fees within 2 years after the date of enactment of this Act.

(d) REDUCTION OF IMMIGRANT VISA NUMBERS.—Upon the granting of an immigrant visa or permanent residence to Lindita Idrizi Heath, the Secretary of State shall instruct the proper officer to reduce by one, during the current or next following fiscal year, the total number of immigrant visas that are made available to natives of the country of birth of Lindita Idrizi Heath under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number of immigrant visas that are made available to natives of the country of birth of Lindita Idrizi Heath under section 202(e) of that Act.

SEC. 2. ELIGIBILITY FOR CITIZENSHIP.

For purposes of section 320 of the Immigration and Nationality Act (8 U.S.C. 1431; relating to the automatic acquisition of citizenship by certain children born outside the United States), Lindita Idrizi Heath shall be considered to have satisfied the requirements applicable to adopted children under section 101(b)(1) of that Act (8 U.S.C. 1101(b)(1)).

SEC. 3. LIMITATION.

No natural parent, brother, or sister, if any, of Lindita Idrizi Heath shall, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

By Ms. COLLINS (for herself and Mr. FEINGOLD):

S. 1367. A bill to amend title XVIII of the Social Security Act to provide appropriate reimbursement under the medicare program for ambulance trips originating in rural areas; to the Committee on Finance.

Ms. COLLINS. Mr. President, I am pleased to join with my friend and colleague, Senator RUSS FEINGOLD, in introducing legislation today to provide needed financial relief to rural ambulance providers.

Historically, Medicare payments for ambulance services provided by free-standing ambulance providers have been based on a proportion of their reasonable charges, while payments to hospital-based providers have been based on their actual costs. The Balanced Budget Act of 1997, however, directed the Secretary of Health and Human Services to establish a fee schedule for the payment of ambulance services using a negotiated rulemaking process. This rulemaking Committee finalized its agreement in February of 2000, and the then-Health Care Financing Administration, HCFA, issued a proposed rule last September. The new fee schedule was originally scheduled to start on January 1, 2001, but its implementation has been delayed while HCFA, now the Centers for Medicare and Medicaid Services, continues to work on publishing a final rule.

Payment under this new fee schedule will preclude hospital providers of ambulance services from recouping their actual costs. For the average, high-volume urban provider, this should not pose a significant problem. Ambulance services in rural areas, however, tend to have higher fixed costs and low volume, which means that they are unable to take advantage of any economies of scale. I am therefore extremely concerned that the proposed rule fails to include a meaningful adjustment for low-volume ambulance providers.

I recently heard about the impact that this change will have on one of Maine's rural hospitals, Franklin Memorial Hospital in Farmington, ME. Logging, tourism, and recreational activities are central to the economic viability of this region, and good emergency transport is essential Franklin Memorial owns and operates five local ambulance services that cover more than 2,000 square miles of rural Maine. They serve some of the most remote areas of the State, and ambulances often have to travel more than 80 miles to reach the hospital. Moreover, these trips frequently involve backwoods and wilderness rescues which require highly trained staff. Since there are only 30,000 people in Franklin Memorial's service area, however, volume is very low.

Under the current Medicare reimbursement system, Franklin Memorial has just managed to break even on its ambulance services. Under the proposed fee schedule, however, these services stand to lose up to $500,000 a year, system-wide. While the small towns served by Franklin Memorial help to subsidize this service, there is no way that they can absorb this loss. The Medicare, Medicaid and S–CHIP Benefits Improvement and Protection Act, BIPA, did increase the mileage adjustment for rural ambulance providers driving between 17 and 50 miles by $1.25. While this is helpful, it will not begin to compensate low-volume ambulance services like Franklin Memorial Hospital adequately.

Congress has required the General Accounting Office to conduct a study of costs in low-volume areas, but any GAO-recommended adjustments in the ambulance fee schedule would not be effective until 2004. The Rural Ambulance Relief Act that I am introducing today with Senator FEINGOLD will therefore establish a hold harmless provision allowing rural ambulance providers to elect to be paid on a reasonable cost basis until the Centers for Medicare and Medicaid Services is able to identify and adjust payments under the new ambulance fee schedule for services provided in low-volume rural areas.

By Mr. ALLARD (for himself and Mr. SMITH of New Hampshire):

S. 1368. A bill to amend title 10, United States Code, to improve the organization and management of the Department of Defense with respect to space programs and activities, and for other purposes; to the Committee on Armed Services.

Mr. ALLARD. Mr. President, today I rise to introduce, along with Senator BOB SMITH, a bill to improve the organization and management of the Department of Defense with respect to space programs and activities. To my very good friend, I would like to extend my congratulations for being the driving force in establishing the "Commission to Assess United States National Security Space Management and Organization" or better known as the Space Commission which led to this legislation.

The Commission looked at the role of organization and management in the development and implementation of national-level guidance and in establishing requirements, acquiring and operating systems, and planning, programming and budgeting for national security space capabilities. What the Commission found is that the United States dependence on space is creating vulnerabilities and demands on our space systems which requires space to be recognized as a top national security priority. This priority must begin at the top with the President and must be embraced by the country's leaders.

Senator SMITH and I agree that space must be a top priority and that is why we are introducing this legislation. We want this to be a statement to everyone, that space is a priority and must be treated as such.

The Commission also concluded that these new vulnerabilities and demands are not adequately addressed by the current management structure at the Department. The Commission found that a number of space activities should be merged, chains of command adjusted, lines of communications opened and policies modified to achieve greater responsibility and accountability.

I understand the Department is making some of these changes today. However, we believe Congress should show its support to our military men and women involved in space that Congress wants them to succeed and that we will provide the tools for them to achieve that goal.

This legislation will provide the Secretary of Defense the tools he needs for more effective management and organization of space program and activities. Specifically the legislation:

Provides permissive authority for the Secretary of Defense to establish an Under Secretary of Defense for Space, Intelligence and Information—This permissive authority will provide the Secretary of Defense flexibility.

Designates the duties of the Under Secretary of Defense for Space, Intelligence and Information, provides for an additional Assistant Secretary of Defense (conditional on creation of the new Under Secretary of Defense position). This provision follows the recommendations of the Commission.

Requires the Secretary of Defense to issue a report 30 days prior to exercise of the authority to establish the new Under Secretary position on the proposed organization; and requires a report one year after enactment if the new position has not been created to describe how the intent of the Space Commission is being implemented.

Establishes the Secretary of the Air Force as the Executive Agent for DOD space programs for DOD functions designated by the Secretary of Defense; and assigns to acquisition executive function to the Under Secretary of the Air Force. The Secretary of Defense has flexibility in assigning and defining functions of the Executive Agent;

Assigns the Under Secretary of the Air Force as the director of the NRO; and directs the Under Secretary of the Air Force to coordinate the space activities of DOD and the NRO;

Directs the Under Secretary of the Air Force to establish a space career field and directs the Secretary of the Air Force to assign the Commander of Air Force Space Command to manage the space career field. Establishment of career field is an important commission recommendation and key indicator concerning AF implementation.

Requires that, to the maximum extent practicable, space programs be jointly managed. I believe this will encourage the Army and Navy to develop space personnel.

Creates a major force program for space which will provide visibility into space program funding.

Requires a GAO assessment of the progress made by DOD in implementing the recommendations of the Space Commission.

Requires the commander of Air Force Space Command to be a four star general; and prohibits the commander of Air Force Space Command from serving concurrently as CINCSPACE or and commander of the U.S. element of NORAD—Elevates space component commander to level of all other major Air Force component commanders

Finally, it expresses the sense of Congress that CINCSPACE should be the best qualified four-star officer from the Army, Navy, Marines, or Air Force—Rotation of CINCSPACE will encourage Army, Navy, and Marines to develop space expertise.

These measures provide the authority which, if exercised by the Secretary, can provide the focus and attention that space programs and activities deserve. This is imperative in a world where some technology's life span can be less than 24 months. DOD must be able to respond to these changing environments.

Mr. President, I want to thank my colleague for joining with me in this effort to provide the Department the tools it needs to make space a top national security priority. We look forward to seeing this bill becoming law and welcome all Senators to join us on this important legislation.

Mr. SMITH of New Hampshire. Mr. President, I am pleased to send to the desk a bill that will make improvements in our current national security space management and organization.

I am delighted to stand here today and state that the Department of Defense is moving forward to implement the recommendations of the Commission to Assess United States National Security Space Management and Organization, more commonly known as the Space Commission. I pushed my colleagues to charter this group of 13 senior military-space experts in the Fiscal Year 1999 Defense Authorization Act to assess the management of military space matters today and make recommendations to strengthen the national security space organization in the future.

It is a wonderful coincidence that the chairman of the bipartisan Space Commission, the Honorable Donald Rumsfeld, was appointed by President Bush and confirmed by the Senate for the position of Secretary of Defense. As a result, Secretary Rumsfeld brings to his position a keen appreciation of the importance of space to the future national security of the United States.

The Space Commission, the efforts of the Secretary of Defense, and this proposed legislation will set this nation on a bold new course. More than fifty years ago, this nation took a similar bold step in establishing military air power with the creation of the U.S. Air Force. This decision, under the National Security Act of 1947, was signed into law by President Truman and dramatically restructured our institutional approach to military air power. This restructuring resulted from years of air-power management problems under the Army, insufficient reforms under the Army Air Corps established in 1926, and assessments of numerous committees like the recent Space Commission.

The military management and organizational reforms of fifty years ago were a great success, and today, quite a bit has changed for the better. As a result of the formation of a separate service focused on air power, we soon developed, and have had, right up to today, the best equipped and best trained Air Force in the world. The U.S. Air Force is capable of surpassing any enemy.

However, we have come to see that there are structural limitations inherent in the Air Force today with respect to space power just as there were in the Army fifty years ago with respect to air power. The Army has been structured to meet ground requirements. Its training, doctrine, leaders, and culture are all focused on fighting ground battles. For systemic reasons, the Army was not able to develop a strong, viable military air power. Therefore, the Air Force was created by the 1947 National Security Act which called for the creation of a separate organization designed to deal specifically with air power.

There are many parallels between the early struggle for air power that led to the creation of the Air Force and the issues we face today in seeking space power. The similarities between these two issues are truly astounding.

Today, space is used only in support of air, land, and sea warfare in much the same manner that air power was at first seen as only a way to support ground forces. Space today is used to provide "information superiority" in support of other missions, but there is the potential for so much more. We, as a Nation, need to stop talking and dreaming of a dominant space presence and start doing. We must recognize the importance of space as a permanent frontier for the military, so that America may proceed into space with the same confidence, assurance, and authority that marked our entrance into the skies.

Currently, space programs are raided for funds ten times more often than other Air Force programs because space programs are either not aggressively defended and/or not aggressively executed consistent with the intent of Congress. Other space opportunities like the military space plane, an air and space vehicle promising future power projection from the U.S. to anywhere in the world in 45 minutes or less, are extremely important to the cost-effective transformation of the military especially during this period of shrinking American military presence around the globe. Yet the space plane and most of the space programs continue to be underfunded. We need a better leader in space.

The reason for this is simple: the top priority of the Air Force is and will remain air power, not space power. The top jobs do and will continue to elude space officers in an Air Force run by pilots unless we can create an organization whose job it would be to defend space programs, to make sure that funding for space opportunities goes where it is supposed to go, and does not get rerouted back to other non-space programs.

Space is too important a frontier and too vital a resource to be allowed to remain untapped and unexplored, undefended and unmanned. America's future security and prosperity depends on our constant vigilance. We cannot afford to ignore space because our enemies will not. While we are ahead of any potential rival in exploiting space, we are not unchallenged. Our future superiority is by no means assured. To ensure superiority, we must combine expansive thinking with a sustained and substantial commitment of resources and vest them in a dedicated, politically powerful, independent advocate for space.

The way it is organized today, the Air Force is not building the material, cultural, or organizational foundations of a service dedicated to space power. Where are the space science and technology investments? Where is the funding for key space-power programs? Where are the personnel investments? What concrete steps are being taken to build a dedicated cadre of young space-warfare officers?

Before closing, let me assure my colleagues of what this legislation is and what it is not. This legislation is about streamlined management, efficient operations, and the elimination of redundancy. It is about establishing an advocate for space who can evaluate space opportunities and bring those proposals forward to the President and Congress for disposition. It is about maximizing the national-security capability for every tax dollar spent. I have seen press stories that twisted Secretary Rumsfeld's support of the Space Commission recommendations as an intent to weaponize space. Let me assure my colleagues that this bill does not weaponize space. This is about management and organization. It is about good government. Enacting this legislation merely ensures that the concrete management reforms recommended by the Space Commission are implemented quickly.

The Secretary of Defense, the Services, and the Intelligence Community all support the unanimous bipartisan recommendations from the Space Commission. I urge my Colleagues to support this bill which implements those recommendations. Space is critical to the future of this nation. It is important for Congress to provide leadership so that these recommendations are implemented quickly and not watered-down. While the Secretary does have broad management authority to run the Department of Defense, space is too important to be managed in-the-margin or through loopholes in statute. Just as Congress established the Army Air Corps in 1926 and the Air Force in 1947, it is right that Congress legislate these space management reforms.

Space dominance is too important to the success of future warfare to allow any bureaucracy, military department, or parochial concern to stand in the way. To protect America's interests we need to move forward consistent with the spirit of the Space Commission. This legislation is a good first step.

By Mr. WARNER:

S. 1369. A bill to provide that Federal employees may retain for personal use promotional items received as a result of travel taken in the course of employment; to the Committee on Governmental Affairs.

Mr. WARNER. Mr. President, today I am introducing legislation that will allow Federal employees to keep frequent flyer miles they receive while on official government travel. This will level the playing field between Federal employees and their counterparts in the private sector where companies traditionally allow employees to retain frequent flyer miles and similar benefits earned while on business travel.

In 1994, a law was passed that requires Federal employees to surrender their frequent flyer miles back to their agencies. The frequent flyer miles would then be used to defray the costs of future travel costs by agency personnel.

A recent review conducted by the Government Accounting Office reports that these miles usually become lost, however, in an administrative shuffle. Airlines do not keep separate business and personal accounts for the same individual. While the law had good intentions, it is impractical, if not impossible, for an agency to apply the miles or travel benefits elsewhere.

While travel may be inherent with certain jobs, business related travel often impedes on an individual's personal time, time that person could be spending with family and at home. Allowing Federal employees to keep their frequent flyer miles will also help to support the government's ongoing efforts to recruit and retain a skilled, qualified workforce. Furthermore, I believe it will boost morale in the federal workforce.

I encourage my colleagues to cosponsor this legislation and show their support for the dedicated employees of the Federal workforce.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1369

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RETENTION OF TRAVEL PROMOTIONAL ITEMS.

(a) IN GENERAL.—Section 5702 of title 5, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (d);

(2) in subsection (d) (as redesignated by paragraph (1)), by striking "This section does" and inserting "Subsections (a) and (b) do"; and

(3) by inserting after subsection (b) the following:

"(c) Promotional items (including frequent flyer miles, upgrades, and access to carrier clubs or facilities) an employee receives as a result of using travel or transportation services procured by the United States or accepted pursuant to section 1353 of title 31 may be retained by the employee for personal use if such promotional items are obtained under the same terms as those offered to the general public and at no additional cost to the Government.".

(b) REPEAL OF SUPERCEDED LAW.—Section 6008 of the Federal Acquisition Streamlining Act of 1994 (5 U.S.C. 5702 note; Public Law 103–355) is repealed.

(c) APPLICABILITY.—The amendments made by this Act shall apply with respect to promotional items received before, on, or after the date of the enactment of this Act.

By Mr. LEVIN (for himself, Mr. GRASSLEY, Mr. SARBANES, Mr. NELSON of Florida, Mr. KYL, and Mr. DEWINE):

S. 1371. A bill to combat money laundering and protect the United States financial system by strengthening safeguards in private banking and correspondent banking, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. LEVIN. Mr. President, today I am introducing, along with my colleagues Senator GRASSLEY, Senator SARBANES, Senator BILL NELSON, Senator MIKE DEWINE, and Senator JON KYL, the Money Laundering Abatement Act, a bill to modernize and strengthen U.S. laws to detect, stop and prosecute money laundering through U.S. banks.

The safety and soundness of our banking system, the stability of the U.S. dollar, the services our banks perform, and the returns our banks earn for depositors make the U.S. banking system an attractive location for money launderers. And money launderers who are able to use U.S. banks can take advantage of the prestige of these banks to lend credibility to their operations, reassure victims, and send wire transfers that may attract less scrutiny from law enforcement. So whether it is to protect their funds or further their crimes, money launderers want access to U.S. banks, and they are devising one scheme after another to infiltrate the U.S. banking system.

The funds they want to move through our banks are enormous. Estimates are that at least $1 trillion in criminal proceeds are laundered each year, with about half of that amount, $500 billion, going through U.S. banks.

Stopping this flood of dirty money is a top priority for U.S. law enforcement which spent about $650 million in taxpayer dollars last year on anti-money laundering efforts. That's because money laundering damages U.S. interests in so many ways, rewarding criminals and financing crime, undermining the integrity of international financial systems, weakening emerging democracies and distorting their economies, and impeding the international fight against corruption, drug trafficking and organized crime.

The bill we are introducing today would provide new and improved tools to stop money laundering. Because it includes provisions that would outlaw the proceeds of foreign corruption, cut off the access of offshore shell banks to U.S. banks, and end foreign bank immunity to forfeiture of laundered funds, this bill would close some of the worst gaps and remedy some of the most glaring weaknesses in existing anti-money laundering laws. For example, the bill would: 1. add foreign corruption offenses, such as bribery and theft of government funds, to the list of foreign crimes that can trigger a U.S. money laundering prosecution; 2. bar U.S. banks from providing banking services to foreign shell banks, which are banks that have no physical presence in any country and carry high money laundering risks; 3. require U.S. banks to conduct enhanced due diligence reviews to guard against money laundering when opening (a) a private bank account with $1 million or more for a foreign person, or (b) a correspondent account for an offshore bank or foreign bank in a country posing high money laundering risks; and 4. make a depositor's funds in a foreign bank's U.S. correspondent account subject to the same civil forfeiture rules that apply to depositors' funds in other U.S. bank accounts.

These provisions are the product of almost three years of work by my staff at the Senate Permanent Subcommittee on Investigations examining money laundering problems in the private and correspondent banking fields. Countless interviews with money laundering experts, bankers, regulators, law enforcement personnel, criminals and victims, and the careful review of literally tens of thousands of pages of documents led to the issuance of two staff reports in 1999 and 2001, and several days of Subcommittee hearings, setting out the problems uncovered and recommendations for strengthening U.S. enforcement efforts.

The first Subcommittee investigation examined private banking, a growing and lucrative banking sector which offers financial services to wealthy individuals, who usually must deposit $1 million or more to open a private bank account. In return, the client is assigned a "private banker" who provides the client with sophisticated financial services, such as offshore accounts, shell corporations, and high dollar wire transfers, which raise money laundering concerns.

A key issue to emerge from this investigation is the role that private banks play in opening accounts and accepting hundreds of millions of dollars in deposits from senior foreign officials or their relatives, even amid allegations or suspicions that the deposits may be the product of government corruption or other criminal conduct. The 1999 staff report described four case histories of senior government officials or their relatives depositing hundreds of millions of suspect dollars into private bank accounts at Citibank, the largest bank in the United States. These case histories showed how Citibank Private Bank had become the banker for a rogues' gallery of senior government officials or their relatives. One infamous example is Raul Salinas, the brother of the former President of Mexico, who is imprisoned in Mexico for murder and is under indictment in Switzerland for money laundering associated with drug trafficking. He deposited almost $100 million into his Citibank Private Bank accounts. Another example involves the three sons of General Sani Abacha, who was the former military leader of Nigeria and was notorious for misappropriating and extorting billions of dollars from his country. His sons deposited more than $110 million into Citibank Private Bank accounts.

The investigation determined that Citibank's private bankers asked few questions before opening the accounts and accepting the funds. It also found that, because foreign corruption offenses are not currently on the list of crimes that can trigger a U.S. money laundering prosecution, corrupt foreign leaders may be targeting U.S. banks as a safe haven for their funds.

Another striking aspect of the investigation was how a culture of secrecy pervaded most private banking transactions. Citibank private bankers, for example, routinely helped clients set up offshore shell companies and open bank accounts in the name of these companies or under other fictional names such as "Bonaparte" or "Gelsobella." After opening these accounts, secrecy remained such a priority that Citibank private bankers were often told by their superiors not to keep any record in the United States disclosing the true owner of the offshore accounts or corporations they manage. One private banker told of stashing with his secretary a "cheat sheet" that identified which client owned which shell company in order to hide it from Citibank managers who did not allow such ownership information to be kept in the United States.

On some occasions, Citibank Private Bank even hid ownership information from its own staff. For example, one Citibank private banker in London worked for years on a Salinas account without knowing Salinas was the beneficial owner. Salinas was instead referred to by the name of his offshore corporation, Trocca, Ltd., or by a code, "CC-2," which stood for "Confidential Client Number 2." Citibank even went so far as to allow Mr. Salinas to deposit millions of dollars into his private bank accounts without putting his name on the wire transfers moving the funds, instead allowing his future wife, using an assumed name, to wire the funds through Citibank's own administrative accounts. Later, when Mr. Salinas' wife was arrested, Citibank discussed transferring all of his funds to Switzerland to minimize disclosure, abandoning that suggestion only after noting that the wire transfer documentation would disclose the funds' final destination.

That's how far one major U.S. private bank went on client secrecy.

The Subcommittee's second money laundering investigation focused on U.S. correspondent accounts opened for high risk foreign banks. Correspondent banking occurs when one bank provides services to another bank to move funds or carry out other financial transactions. It is an essential feature of international banking, allowing the rapid movement of funds across borders and enabling banks and their clients to conduct business worldwide, including in jurisdictions where the banks do not maintain offices.

The problem uncovered by the Subcommittee's year-long investigation is that too many U.S. banks, through the correspondent accounts they provide to foreign banks that carry high risks of money laundering, have become conduits for illicit funds associated with drug trafficking, financial fraud, Internet gambling and other crimes. The investigation identified three categories of foreign banks with high risks of money laundering: shell banks, offshore banks, and banks in jurisdictions with weak anti-money laundering controls. Because many U.S. banks have routinely failed to screen and monitor these high risk foreign banks as clients, they have been exposed to poorly regulated, poorly managed, sometimes corrupt, foreign banks with weak or no anti-money laundering controls. The U.S. correspondent accounts have been used by these foreign banks, their owners and criminal clients to gain direct access to the U.S. financial system, to benefit from the safety and soundness of the U.S. banking system, and to launder dirty money through U.S. bank accounts.

In February of this year, my staff released a 450 page report detailing the money laundering problems uncovered in correspondent banking. The report indicated that virtually every U.S. bank examined, from Chase Manhattan, to Bank of America, to First Union, to Citibank, had opened correspondent accounts for offshore banks. Citibank also admitted opening correspondent accounts for offshore shell banks with no physical presence in any jurisdiction.

The report presents ten detailed case histories showing how high risk foreign banks managed to move billions of dollars through U.S. banks, including hundreds of millions of dollars in illicit funds associated with drug trafficking, financial fraud or Internet gambling. In some cases, the foreign banks were engaged in criminal behavior; in others, the foreign banks had such poor anti-money laundering controls that they did not know or appeared not to care whether their clients were engaged in criminal behavior. Several of the foreign banks operated well outside the parameters of normal banking practices, without basic fiscal or administrative controls, account opening procedures or anti-money laundering safeguards. All had limited resources and staff and relied heavily upon their U.S. correspondent accounts to conduct operations, provide client services, and move funds. Most completed virtually all of their transactions through their correspondent accounts, making correspondent banking integral to their operations. The result was that their U.S. correspondent accounts served as a significant gateway into the U.S. financial system for criminals and money launderers.

In March 2001, the Subcommittee held hearings on the problem of international correspondent banking and money laundering. One witness was a former owner of an offshore bank in the Cayman Islands, John Mathewson, who pleaded guilty in the United States to conspiracy to commit money laundering and tax evasion and has spent the past 5 years helping to prosecute his former clients for tax evasion and other crimes. Mr. Mathewson testified that he had charged his bank clients about $5,000 to set up an offshore shell corporation and another $3,000 for an annual corporate management fee, before opening a bank account for them in the name of the shell corporation. He noted that no one would pay $8,000 for a bank account in the Cayman Islands when they could have the same account for free in the United States, unless they were willing to pay a premium for secrecy. He testified that 95 percent of his 2,000 clients were U.S. citizens, and he believed that 100 percent of his bank clients were engaged in tax evasion. He characterized his offshore bank as a "run-of-the-mill" operation. He also said that the Achilles' heel of the offshore banking community is its dependence upon correspondent banks to do business and that was how jurisdictions like the United States could take control of the situation and stop abuses, if we had the political will to do so.

I think we do have that political will, and that's why we are introducing this bill today. Let me describe some of its key provisions.

The Money Laundering Abatement Act would add foreign corruption offenses such as bribery and theft of government funds to the list of crimes that can trigger a U.S. money laundering prosecution. This provision would make it clear that corrupt funds are not welcome here, and that corrupt leaders can expect criminal prosecutions if they try to stash dirty money in our banks. After all, America can't have it both ways. We can't condemn corruption abroad, be it officials taking bribes or looting their treasuries, and then tolerate American banks profiting off that corruption.

Second, the bill would require U.S. banks and U.S. branches of foreign banks to exercise enhanced due diligence before opening a private bank account of $1 million or more for a foreign person, and to take particular care before opening accounts for foreign government officials, their close relatives or associates to make sure the funds are not tainted by corruption. This due diligence provision targets the greatest money laundering risks that the Subcommittee investigation identified in the private banking field. While some U.S. banks are already performing enhanced due diligence reviews, this provision would put that requirement into law and bring U.S. law into alignment with most other countries engaged in the fight against money laundering.

The Money Laundering Abatement Act would also put an end to some of the extreme secrecy practices at private banks. For example, if a U.S. bank or a U.S. branch of a foreign bank opened or managed an account in the United States for a foreign accountholder, the bill would require the bank to keep a record in the United States identifying that foreign accountholder. After all, U.S. banks already keep records of accounts held by U.S. citizens, and there is no reason to allow U.S. banks to administer offshore accounts for foreign accountholders with less openness than other U.S. bank accounts. The bill would also put an end to the type of secret fund transfers that went on in the Salinas matter by prohibiting bank clients from independently directing funds to be deposited into a bank's "concentration account," an administrative account which merges and processes funds from multiple accounts and transactions, and by requiring banks to link client names to all client funds passing through the bank's concentration accounts.

Our bill would also take a number of steps to close the door on money laundering through U.S. correspondent accounts. First and most importantly, our bill would bar any U.S. bank or U.S. branch of a foreign bank from opening a U.S. correspondent account for a foreign offshore shell bank, which the Subcommittee investigation found to pose the highest money laundering risks of all foreign banks. Shell banks are banks that have no physical presence anywhere—no office where customers can go to conduct banking transactions or where regulators can go to inspect records and observe bank operations. They also have no affiliation with any other bank and are not regulated through any affiliated bank.

The Subcommittee investigation examined four shell banks in detail. All four were found to be operating far outside the parameters of normal banking practice, often without paid staff, basic fiscal and administrative controls, or anti-money laundering safeguards. All four also largely escaped regulatory oversight. All four used U.S. bank accounts to transact business and move millions of dollars in suspect funds associated with drug trafficking, financial fraud, bribe money or other misconduct.

Let me describe one example from the Subcommittee's investigation. M.A. Bank was an offshore bank that was licensed in the Cayman Islands, but had no physical office of its own in any country. In 10 years of operation, M.A. Bank never underwent an examination by any bank regulator. Its owners have since admitted that the bank opened accounts in fictitious names, accepted deposits for unknown persons, allowed clients to authorize third parties to make large withdrawals, and manufactured withdrawal slips or receipts on request.

Nevertheless, M.A. Bank was able to open a U.S. correspondent account at Citibank in New York. M.A. Bank used that account to move hundreds of millions of dollars for clients in Argentina, including $7.7 million in illegal drug money. After the Subcommittee staff began investigating the account, Citibank closed it. After the staff report came out, the Cayman Islands decided to close the bank, but since the bank had no office, Cayman regulators at first didn't know where to go. They eventually sent teams to Uruguay and Argentina to locate bank documents and take control of bank operations. The Cayman Islands finally closed the bank a few months ago.

The four shell banks investigated by the Subcommittee are only the tip of the iceberg. There are hundreds in existence, operating through correspondent accounts in the United States and around the world.

By nature, shell banks operate in extreme secrecy and are resistant to regulatory oversight. No one really knows what they are up to other than their owners. Some jurisdictions known for offshore businesses, such as Jersey and Guernsey, refuse to license shell banks. Others, such as the Cayman Islands and the Bahamas, stopped issuing shell bank licenses several years ago. In addition, both the Cayman Islands and Bahamas announced that by the end of this year, 2001, all of their existing shell banks, which together number about 120, must establish a physical office within their respective jurisdictions, or lose their license. But other offshore jurisdictions, such as Nauru, Vanuatu and Montenegro, are continuing to license shell banks. Nauru alone has licensed about 400.

Here at home, many U.S. banks, such as Bank of America and Chase Manhattan, will not open correspondent bank accounts for offshore shell banks as a matter of policy. But other banks, such as Citibank, continue to do business with offshore shell banks and continue to expose the U.S. banking system to the money laundering risks they bring. Our bill would close the door to these money laundering risks. Foreign shell banks occupy the bottom rung of the banking world, and they don't deserve a place in the U.S. banking system. It is time to shut the door to these rogue operators.

In addition to barring offshore shell banks, the bill would require U.S. banks to exercise enhanced due diligence before opening a correspondent account for an offshore bank or a bank licensed by a jurisdiction known for poor anti-money laundering controls. These foreign banks also expose U.S. banks to high money laundering risks. Requiring U.S. banks to exercise enhanced due diligence prior to opening an account for one of these banks would not only help protect the U.S. banking system from the money laundering risks posed by these foreign banks, but would also help bring U.S. law into parity with the anti-money laundering laws of other countries.

Another provision in the bill would address a key weakness in existing U.S. forfeiture law as applied to correspondent banking, by making a depositor's funds in a foreign bank's U.S. correspondent account subject to the same civil forfeiture rules that apply to depositors' funds in all other U.S. bank accounts. Right now, due to a quirk in the law, U.S. law enforcement faces a significant and unusual legal barrier to seizing funds from a correspondent account. Unlike a regular U.S. bank account, it is not enough for U.S. law enforcement to show that criminal proceeds were deposited into the correspondent account; the government must also show that the foreign bank holding the deposits was somehow part of the wrongdoing.

That's not only a tough job, that can be an impossible job. In many cases, the foreign bank will not have been part of the wrongdoing, but that's a strange reason for letting the foreign depositor who was engaged in the wrongdoing escape forfeiture. And in those cases where the foreign bank may have been involved, no prosecutor will be able to allege it in a complaint without first getting the resources needed to chase the foreign bank abroad.

Take the example of a financial fraud committed by a Nigerian national against a U.S. victim, a fraud pattern which the U.S. State Department has identified as affecting many U.S. citizens and businesses and which consumes U.S. law enforcement resources across the country. If the Nigerian fraudster deposits the fraud victim's funds in a personal account at a U.S. bank, U.S. law enforcement can freeze the funds and litigate the case in court. But if the fraudster instead deposits the victim's funds in a U.S. correspondent account belonging to a Nigerian bank at which the Nigerian fraudster does business, U.S. law enforcement cannot freeze the funds unless it is prepared to show that the Nigerian bank was involved in the fraud. And what prosecutor has the resources to travel to Nigeria to investigate a Nigerian bank? Even when the victim is sitting in the prosecutor's office, and his funds are still in the United States in a U.S. bank, the prosecutor's hands are tied unless he or she is willing to take on the Nigerian bank as well as the Nigerian fraudster. That is one reason so many Nigerian fraud cases are no longer being prosecuted in this country, because Nigerian criminals are taking advantage of that quirk in U.S. forfeiture law to prevent law enforcement from seizing a victim's money before it is transferred out of the country.

Our bill would eliminate that quirk by placing civil forfeitures of funds in correspondent accounts on the same footing as forfeitures of funds in all other U.S. accounts. There is just no reason foreign banks should be shielded from forfeitures when U.S. banks would not be.

The Levin-Grassley bill has a number of other provisions that would help U.S. law enforcement in the battle against money laundering. They include giving U.S. courts "long-arm" jurisdiction over foreign banks with U.S. correspondent accounts; expanding the definition of money laundering to include laundering funds through a foreign bank; authorizing U.S. prosecutors to use a Federal receiver to find a criminal defendant's assets, wherever located; and requiring foreign banks to designate a U.S. resident for service of subpoenas.

These are realistic, practical provisions that could make a real difference in the fight against money laundering. One state Attorney General who has reviewed the bill has written that "there is a serious need for modernizing and refining the federal money laundering statutes to thwart the efforts of the criminal element and close the loopholes they use to their advantage." He expresses "strong support" for the bill, explaining that it "will greatly aid law enforcement" and "provide new tools that will assist law enforcement in keeping pace with the modern money laundering schemes." Another state Attorney General has written that the bill "would provide much needed relief from some of the most pressing problems in money laundering enforcement in the international arena." She predicts that the bill's "effects on money laundering affecting victims of crime and illegal drug trafficking would be dramatic." She also writes that the "burdens it places on the financial institutions are well considered, closely tailored to the problems, and reasonable in light of the public benefits involved."

This country passed its first major anti-money laundering law in 1970, when Congress made clear its desire to not allow U.S. banks to function as conduits for dirty money. Since then, the world has experienced an enormous growth in the accumulation of wealth by individuals around the world, and in the activities of private banks servicing these clients. At the same time there has been a rapid increase in offshore activities, with the number of offshore jurisdictions doubling from about 30 to about 60, and the number of offshore banks skyrocketing to an estimated worldwide total of 4,000, including more than 500 shell banks.

At the same time, the Subcommittee investigations have shown that private and correspondent accounts have become gateways for criminals to carry on money laundering and other criminal activity in the United States and to benefit from the safety and soundness of the U.S. banking industry. U.S. law enforcement needs stronger tools to detect, stop and prosecute money launderers attempting to use these gateways into the U.S. banking system. Enacting this legislation would help provide the tools needed to close those money laundering gateways and curb the dirty funds seeking entry into the U.S. banking industry.

I ask unanimous consent that letters in support for the bill from the two State Attorneys General of the States of Massachusetts and Arizona, as well as a short summary of the bill, and the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1371

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Money Laundering Abatement Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—Congress finds that—

(1) money laundering, the process by which proceeds from criminal activity are disguised as legitimate money, is contrary to the national interest of the United States, because it finances crime, undermines the integrity of international financial systems, impedes the international fight against corruption and drug trafficking, distorts economies, and weakens emerging democracies and international stability;

(2) United States banks are frequently used to launder dirty money, and private banking, which provides services to individuals with large deposits, and correspondent banking, which occurs when 1 bank provides financial services to another bank, are specific banking sectors which are particularly vulnerable to money laundering;

(3) private banking is particularly vulnerable to money laundering by corrupt foreign government officials because the services provided (offshore accounts, secrecy, and large international wire transfers) are also key tools used to launder money;

(4) correspondent banking is vulnerable to money laundering because United States banks—

(A) often fail to screen and monitor the transactions of their high-risk foreign bank clients; and

(B) enable the owners and clients of the foreign bank to get indirect access to the United States banking system when they would be unlikely to get access directly;

(5) the high-risk foreign bank that currently poses the greatest money laundering risks in the United States correspondent banking field is a shell bank, which has no physical presence in any country, is not affiliated with any other bank, and is able to evade day-to-day bank regulation; and

(6) United States anti-money laundering efforts are currently impeded by outmoded and inadequate statutory provisions that make United States investigations, prosecutions and forfeitures more difficult when money laundering involves foreign persons, foreign banks, or foreign countries.

(b) Purpose.—The purpose of this Act is to modernize and strengthen existing Federal laws to combat money laundering, particularly in the private banking and correspondent banking fields when money laundering offenses involve foreign persons, foreign banks, or foreign countries.

SEC. 3. INCLUSION OF FOREIGN CORRUPTION OFFENSES AS MONEY LAUNDERING CRIMES.

Section 1956(c)(7)(B) of title 18, United States Code, is amended—

(1) in clause (ii), by striking "or destruction of property by means of explosive or fire" and inserting "destruction of property by means of explosive or fire, or a crime of violence (as defined in section 16)";

(2) in clause (iii), by striking "1978" and inserting "1978)"; and

(3) by adding at the end the following:

"(iv) fraud, or any scheme or attempt to defraud, against that foreign nation or an entity of that foreign nation;

"(v) bribery of a public official, or the misappropriation, theft, or embezzlement of public funds by or for the benefit of a public official;

"(vi) smuggling or export control violations involving—

"(I) an item controlled on the United States Munitions List established under section 38 of the Arms Export Control Act (22 U.S.C. 2778); or

"(II) technologies with military applications controlled on any control list established under the Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.) or any successor statute;

"(vii) an offense with respect to which the United States would be obligated by a multilateral treaty, either to extradite the alleged offender or to submit the case for prosecution, if the offender were found within the territory of the United States; or

"(viii) the misuse of funds of, or provided by, the International Monetary Fund in contravention of the Articles of Agreement of the Fund or the misuse of funds of, or provided by, any other international financial institution (as defined in section 1701(c)(2) of the International Financial Institutions Act (22 U.S.C. 262r(c)(2)) in contravention of any treaty or other international agreement to which the United States is a party, including any articles of agreement of the members of the international financial institution;".

SEC. 4. ANTI-MONEY LAUNDERING MEASURES FOR UNITED STATES BANK ACCOUNTS INVOLVING FOREIGN PERSONS.

(a) Requirements Relating to United States Bank Accounts Involving Foreign Persons.—Subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after section 5318 the following:

"§ 5318A. Requirements relating to United States bank accounts involving foreign persons

"(a) Definitions.—

"(1) In general.—In this section, the following definitions shall apply:

"(A) Account.—The term 'account'—

"(i) means a formal banking or business relationship established to provide regular services, dealings, or financial transactions; and

"(ii) includes a demand deposit, savings deposit, or other transaction or asset account, and a credit account or other extension of credit.

"(B) Branch or agency of a foreign bank.—The term 'branch or agency of a foreign bank' has the meanings given those terms in section 1 of the International Banking Act of 1978 (12 U.S.C. 3101).

"(C) Correspondent account.—The term 'correspondent account' means an account established for a depository institution, credit union, or foreign bank.

"(D) Correspondent bank.—The term 'correspondent bank' means a depository institution, credit union, or foreign bank that establishes a correspondent account for and provides banking services to a depository institution, credit union, or foreign bank.

"(E) Covered financial institution.—The term 'covered financial institution' means—

"(i) a depository institution;

"(ii) a credit union; and

"(iii) a branch or agency of a foreign bank.

"(F) Credit union.—The term 'credit union' means any insured credit union, as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752), or any credit union that is eligible to make application to become an insured credit union pursuant to section 201 of the Federal Credit Union Act (12 U.S.C. 1781).

"(G) Depository institution.—The term 'depository institution' has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

"(H) Foreign bank.—The term 'foreign bank' has the same meaning as in section 1 of the International Banking Act of 1978 (12 U.S.C. 3101).

"(I) Foreign country.—The term 'foreign country' has the same meaning as in section 1 of the International Banking Act of 1978 (12 U.S.C. 3101).

"(J) Foreign person.—The term 'foreign person' means any foreign organization or any individual resident in a foreign country or any organization or individual owned or controlled by such an organization or individual.

"(K) Offshore banking license.—The term 'offshore banking license' means a license to conduct banking activities which, as a condition of the license, prohibits the licensed entity from conducting banking activities with the citizens of, or with the local currency of, the foreign country which issued the license.

"(L) Private bank account.—The term 'private bank account' means an account (or combination of accounts) that—

"(i) requires a minimum aggregate deposit of funds or assets in an amount equal to not less than $1,000,000;

"(ii) is established on behalf of 1 or more individuals who have a direct or beneficial ownership interest in the account; and

"(iii) is assigned to, administered, or managed in whole or in part by an employee of a financial institution acting as a liaison between the institution and the direct or beneficial owner of the account.

"(2) Other terms.—After consultation with the Board of Governors of the Federal Reserve System, the Secretary may, by regulation, order, or otherwise as permitted by law, define any term that is used in this section and that is not otherwise defined in this section or section 5312, as the Secretary deems appropriate.

"(b) United States Bank Accounts With Unidentified Foreign Owners.—

"(1) Records.—

"(A) In general.—A covered financial institution shall not establish, maintain, administer, or manage an account in the United States for a foreign person or a representative of a foreign person, unless the covered financial institution maintains in the United States, for each such account, a record identifying, by a verifiable name and account number, each individual or entity having a direct or beneficial ownership interest in the account.

"(B) Publicly traded corporations.—A record required under subparagraph (A) that identifies an entity, the shares of which are publicly traded on a stock exchange regulated by an organization or agency that is a member of and endorses the principles of the International Organization of Securities Commissions (in this section referred to as 'publicly traded'), is not required to identify individual shareholders of the entity.

"(C) Foreign banks.—In the case of a correspondent account that is established for a foreign bank, the shares of which are not publicly traded, the record required under subparagraph (A) shall identify each of the owners of the foreign bank, and the nature and extent of the ownership interest of each such owner.

"(2) Complex ownership interests.—The Secretary may, by regulation, order, or otherwise as permitted by law, further delineate the information to be maintained in the United States under paragraph (1)(A), including information for accounts with multiple, complex, or changing ownership interests.

"(c) Prohibition on United States Correspondent Accounts With Foreign Shell Banks.—

"(1) In general.—A covered financial institution shall not establish, maintain, administer, or manage a correspondent account in the United States for, or on behalf of, a foreign bank that does not have a physical presence in any country.

"(2) PREVENTION OF INDIRECT SERVICE TO FOREIGN SHELL BANKS.—A covered financial institution shall take reasonable steps to ensure that any correspondent account established, maintained, administered, or managed by that covered financial institution in the United States for a foreign bank is not being used by that foreign bank to indirectly provide banking services to another foreign bank that does not have a physical presence in any country.

"(3) EXCEPTION.—Paragraphs (1) and (2) do not prohibit a covered financial institution from providing a correspondent account to a foreign bank, if the foreign bank—

"(A) is an affiliate of a depository institution, credit union, or other foreign bank that maintains a physical presence in the United States or a foreign country, as applicable; and

"(B) is subject to supervision by a banking authority in the country regulating the affiliated depository institution, credit union, or foreign bank, described in subparagraph (A), as applicable.

"(4) DEFINITIONS.—For purposes of this subsection—

"(A) the term 'affiliate' means a foreign bank that is controlled by or is under common control with a depository institution, credit union, or foreign bank; and

"(B) the term 'physical presence' means a place of business that—

"(i) is maintained by a foreign bank;

"(ii) is located at a fixed address (other than solely an electronic address) in a country in which the foreign bank is authorized to conduct banking activities, at which location the foreign bank—

"(I) employs 1 or more individuals on a full-time basis; and

"(II) maintains operating records related to its banking activities; and

"(iii) is subject to inspection by the banking authority which licensed the foreign bank to conduct banking activities.

"(d) DUE DILIGENCE FOR UNITED STATES PRIVATE BANK AND CORRESPONDENT BANK ACCOUNTS INVOLVING FOREIGN PERSONS.—

"(1) IN GENERAL.—Each covered financial institution that establishes, maintains, administers, or manages a private bank account or a correspondent account in the United States for a foreign person or a representative of a foreign person shall establish enhanced due diligence policies, procedures, and controls to prevent, detect, and report possible instances of money laundering through those accounts.

"(2) MINIMUM STANDARDS.—The enhanced due diligence policies, procedures, and controls required under paragraph (1) of this subsection, shall, at a minimum, ensure that the covered financial institution—

"(A) ascertains the identity of each individual or entity having a direct or beneficial ownership interest in the account, and obtains sufficient information about the background of the individual or entity and the source of funds deposited into the account as is needed to guard against money laundering;

"(B) monitors such accounts on an ongoing basis to prevent, detect, and report possible instances of money laundering;

"(C) conducts enhanced scrutiny of any private bank account requested or maintained by, or on behalf of, a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure, to prevent, detect, and report transactions that may involve the proceeds of foreign corruption;

"(D) conducts enhanced scrutiny of any correspondent account requested or maintained by, or on behalf of, a foreign bank operating—

"(i) under an offshore banking license; or

"(ii) under a banking license issued by a foreign country that has been designated—

"(I) as noncooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization of which the United States is a member; or

"(II) by the Secretary as warranting special measures due to money laundering concerns; and

"(E) ascertains, as part of the enhanced scrutiny under subparagraph (D), whether the foreign bank provides correspondent accounts to other foreign banks and, if so, the identity of those foreign banks and related due diligence information, as appropriate, under paragraph (1).".

(b) REGULATORY AUTHORITY.—After consultation with the Board of Governors of the Federal Reserve System, the Secretary of the Treasury may, by regulation, order, or otherwise as permitted by law, take measures that the Secretary deems appropriate to carry out section 5318A of title 31, United States Code (as added by this section).

(c) CONFORMING AMENDMENTS.—Section 5312(a) of title 31, United States Code, is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following:

"(5) 'Secretary' means the Secretary of the Treasury, except as otherwise provided in this subchapter.".

(d) CLERICAL AMENDMENT.—The table of sections for subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after the item related to section 5318 the following:

"5318A. Requirements relating to United States bank accounts involving foreign persons.".

(e) EFFECTIVE DATE.—Section 5318A of title 31, United States Code, as added by this section, shall take effect beginning 180 days after the date of enactment of this Act with respect to accounts covered by that section that are opened before, on, or after the date of enactment of this Act.

SEC. 5. LONG-ARM JURISDICTION OVER FOREIGN MONEY LAUNDERERS.

Section 1956(b) of title 18, United States Code, is amended by—

(1) redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) inserting "(1)" after "(b)";

(3) inserting ", or section 1957" after "or (a)(3)"; and

(4) adding at the end the following:

"(2) For purposes of adjudicating an action filed or enforcing a penalty ordered under this section, the district courts shall have jurisdiction over any foreign person, including any financial institution authorized under the laws of a foreign country, against whom the action is brought, if service of process upon the foreign person is made under the Federal Rules of Civil Procedure or the laws of the country in which the foreign person is found, and—

"(A) the foreign person commits an offense under subsection (a) involving a financial transaction that occurs in whole or in part in the United States;

"(B) the foreign person converts, to his or her own use, property in which the United States has an ownership interest by virtue of the entry of an order of forfeiture by a court of the United States; or

"(C) the foreign person is a financial institution that maintains a bank account at a financial institution in the United States.

"(3) A court, described in paragraph (2), may issue a pretrial restraining order or take any other action necessary to ensure that any bank account or other property held by the defendant in the United States is available to satisfy a judgment under this section.

"(4) A court, described in paragraph (2), may appoint a Federal Receiver, in accordance with paragraph (5), to collect, marshal, and take custody, control, and possession of all assets of the defendant, wherever located, to satisfy a judgment under this section or section 981, 982, or 1957, including an order of restitution to any victim of a specified unlawful activity.

"(5) A Federal Receiver, described in paragraph (4)—

"(A) may be appointed upon application of a Federal prosecutor or a Federal or State regulator, by the court having jurisdiction over the defendant in the case;

"(B) shall be an officer of the court, and the powers of the Federal Receiver shall include the powers set out in section 754 of title 28, United States Code; and

"(C) shall have standing equivalent to that of a Federal prosecutor for the purpose of submitting requests to obtain information regarding the assets of the defendant—

"(i) from the Financial Crimes Enforcement Network of the Department of the Treasury; or

"(ii) from a foreign country pursuant to a mutual legal assistance treaty, multilateral agreement, or other arrangement for international law enforcement assistance, provided that such requests are in accordance with the policies and procedures of the Attorney General.".

SEC. 6. LAUNDERING MONEY THROUGH A FOREIGN BANK.

Section 1956(c) of title 18, United States Code, is amended by striking paragraph (6) and inserting the following:

"(6) the term 'financial institution' includes—

"(A) any financial institution, as defined in section 5312(a)(2) of title 31, United States Code, or the regulations promulgated thereunder; and

"(B) any foreign bank, as defined in section 1 of the International Banking Act of 1978 (12 U.S.C. 3101).".

SEC. 7. PROHIBITION ON FALSE STATEMENTS TO FINANCIAL INSTITUTIONS CONCERNING THE IDENTITY OF A CUSTOMER.

(a) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by inserting after section 1007 the following:

"§ 1008. False statements concerning the identity of customers of financial institutions

"(a) IN GENERAL.—Whoever knowingly in any manner—

"(1) falsifies, conceals, or covers up, or attempts to falsify, conceal, or cover up, the identity of any person in connection with any transaction with a financial institution;

"(2) makes, or attempts to make, any materially false, fraudulent, or fictitious statement or representation of the identity of any person in connection with a transaction with a financial institution;

"(3) makes or uses, or attempts to make or use, any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry concerning the identity of any person in connection with a transaction with a financial institution; or

"(4) uses or presents, or attempts to use or present, in connection with a transaction with a financial institution, an identification document or means of identification the possession of which is a violation of section 1028;

shall be fined under this title, imprisoned not more than 5 years, or both.

"(b) DEFINITIONS.—In this section, the following definitions shall apply:

"(1) FINANCIAL INSTITUTION.—The term 'financial institution'—

"(A) has the same meaning as in section 20; and

"(B) in addition, has the same meaning as in section 5312(a)(2) of title 31, United States Code.

"(2) IDENTIFICATION DOCUMENT.—The term 'identification document' has the same meaning as in section 1028(d).

"(3) MEANS OF IDENTIFICATION.—The term 'means of identification' has the same meaning as in section 1028(d).".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) TITLE 18, UNITED STATES CODE.—Section 1956(c)(7)(D) of title 18, United States Code, is amended by striking "1014 (relating to fraudulent loan" and inserting "section 1008 (relating to false statements concerning the identity of customers of financial institutions), section 1014 (relating to fraudulent loan".

(2) TABLE OF SECTIONS.—The table of sections for chapter 47 of title 18, United States Code, is amended by inserting after the item relating to section 1007 the following:

"1008. False statements concerning the identity of customers of financial institutions.".

SEC. 8. CONCENTRATION ACCOUNTS AT FINANCIAL INSTITUTIONS.

Section 5318(h) of title 31, United States Code, is amended by adding at the end the following:

"(3) CONCENTRATION ACCOUNTS.—The Secretary shall issue regulations under this subsection that govern maintenance of concentration accounts by financial institutions, in order to ensure that such accounts are not used to prevent association of the identity of an individual customer with the movement of funds of which the customer is the direct or beneficial owner, which regulations shall, at a minimum—

"(A) prohibit financial institutions from allowing clients to direct transactions that move their funds into, out of, or through the concentration accounts of the financial institution;

"(B) prohibit financial institutions and their employees from informing customers of the existence of, or the means of identifying, the concentration accounts of the institution; and

"(C) require each financial institution to establish written procedures governing the documentation of all transactions involving a concentration account, which procedures shall ensure that, any time a transaction involving a concentration account commingles funds belonging to 1 or more customers, the identity of, and specific amount belonging to, each customer is documented.".

SEC. 9. CHARGING MONEY LAUNDERING AS A COURSE OF CONDUCT.

Section 1956(h) of title 18, United States Code, is amended by —

(1) inserting "(1)" before "Any person"; and

(2) adding at the end the following:

"(2) Any person who commits multiple violations of this section or section 1957 that are part of the same scheme or continuing course of conduct may be charged, at the election of the Government, in a single count in an indictment or information.".

SEC. 10. FUNGIBLE PROPERTY IN BANK ACCOUNTS.

(a) IN GENERAL.—Section 984 of title 18, United States Code, is amended by striking subsection (b) and inserting the following:

"(b) The provisions of this section may be invoked only if the action for forfeiture was commenced by the seizure or restraint of the property, or by the filing of a complaint, within 2 years of the offense that is the basis for the forfeiture.".

(b) APPLICATION.—The amendment made by this section shall apply to any offense committed on or after the date which is 2 years before the date of enactment of this Act.

SEC. 11. FORFEITURE OF FUNDS IN UNITED STATES INTERBANK ACCOUNTS.

(a) FORFEITURE FROM UNITED STATES INTERBANK ACCOUNT.—Section 981 of title 18, United States Code, is amended by adding at the end the following:

"(k) INTERBANK ACCOUNTS.—

"(1) IN GENERAL.—For the purpose of a forfeiture under this section or under the Controlled Substances Act (21 U.S.C. 801 et seq.), if funds are deposited into an account at a foreign bank, and that foreign bank has an interbank account in the United States with a covered financial institution (as defined in section 5318A of title 31), the funds shall be deemed to have been deposited into the interbank account in the United States, and any restraining order, seizure warrant, or arrest warrant in rem regarding the funds may be served on the covered financial institution, and funds in the interbank account, up to the value of the funds deposited into the account at the foreign bank, may be restrained, seized, or arrested.

"(2) NO REQUIREMENT FOR GOVERNMENT TO TRACE FUNDS.—If a forfeiture action is brought against funds that are restrained, seized, or arrested under paragraph (1), it shall not be necessary for the Government to establish that the funds are directly traceable to the funds that were deposited into the foreign bank, nor shall it be necessary for the Government to rely on the application of section 984.

"(3) CLAIMS BROUGHT BY OWNER OF THE FUNDS.—If a forfeiture action is instituted against funds restrained, seized, or arrested under paragraph (1), the owner of the funds deposited into the account at the foreign bank may contest the forfeiture by filing a claim under section 983.

"(4) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

"(A) INTERBANK ACCOUNT.—The term 'interbank account' has the same meaning as in section 984(c)(2)(B).

"(B) OWNER.—

"(i) IN GENERAL.—Except as provided in clause (ii), the term 'owner'—

"(I) has the same meaning as in section 983(d)(6); and

"(II) does not include any foreign bank or other financial institution acting as an intermediary in the transfer of funds into the interbank account and having no ownership interest in the funds sought to be forfeited.

"(ii) EXCEPTION.—The foreign bank may be considered the 'owner' of the funds (and no other person shall qualify as the owner of such funds) only if—

"(I) the basis for the forfeiture action is wrongdoing committed by the foreign bank; or

"(II) the foreign bank establishes, by a preponderance of the evidence, that prior to the restraint, seizure, or arrest of the funds, the foreign bank had discharged all or part of its obligation to the prior owner of the funds, in which case the foreign bank shall be deemed the owner of the funds to the extent of such discharged obligation.".

(b) BANK RECORDS.—Section 5318 of title 31, United States Code, is amended by adding at the end the following:

"(l) BANK RECORDS RELATED TO ANTI-MONEY LAUNDERING PROGRAMS.—

"(1) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

"(A) APPROPRIATE FEDERAL BANKING AGENCY.—The term 'appropriate Federal banking agency' has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

"(B) INCORPORATED TERMS.—The terms 'correspondent account', 'covered financial institution', and 'foreign bank' have the same meanings as in section 5318A.

"(2) 48-HOUR RULE.—Not later than 48 hours after receiving a request by an appropriate Federal banking agency for information related to anti-money laundering compliance by a covered financial institution or a customer of such institution, a covered financial institution shall provide to the appropriate Federal banking agency, or make available at a location specified by the representative of the appropriate Federal banking agency, information and account documentation for any account opened, maintained, administered or managed in the United States by the covered financial institution.

"(3) FOREIGN BANK RECORDS.—

"(A) SUMMONS OR SUBPOENA OF RECORDS.—

"(i) IN GENERAL.—The Secretary or the Attorney General may issue a summons or subpoena to any foreign bank that maintains a correspondent account in the United States and request records related to such correspondent account.

"(ii) SERVICE OF SUMMONS OR SUBPOENA.—A summons or subpoena referred to in clause (i) may be served on the foreign bank in the United States if the foreign bank has a representative in the United States, or in a foreign country pursuant to any mutual legal assistance treaty, multilateral agreement, or other request for international law enforcement assistance.

"(B) ACCEPTANCE OF SERVICE.—

"(i) MAINTAINING RECORDS IN THE UNITED STATES.—Any covered financial institution which maintains a correspondent account in the United States for a foreign bank shall maintain records in the United States identifying the owners of such foreign bank and the name and address of a person who resides in the United States and is authorized to accept service of legal process for records regarding the correspondent account.

"(ii) LAW ENFORCEMENT REQUEST.—Upon receipt of a written request from a Federal law enforcement officer for information required to be maintained under this paragraph, the covered financial institution shall provide the information to the requesting officer not later than 7 days after receipt of the request.

"(C) TERMINATION OF CORRESPONDENT RELATIONSHIP.—

"(i) TERMINATION UPON RECEIPT OF NOTICE.—A covered financial institution shall terminate any correspondent relationship with a foreign bank not later than 10 days after receipt of written notice from the Secretary or the Attorney General that the foreign bank has failed—

"(I) to comply with a summons or subpoena issued under subparagraph (A); or

"(II) to initiate proceedings in a United States court contesting such summons or subpoena.

"(ii) LIMITATION ON LIABILITY.—A covered financial institution shall not be liable to any person in any court or arbitration proceeding for terminating a correspondent relationship in accordance with this subsection.

"(iii) FAILURE TO TERMINATE RELATIONSHIP.—Failure to terminate a correspondent relationship in accordance with this subsection shall render the covered financial institution liable for a civil penalty of up to $10,000 per day until the correspondent relationship is so terminated.".

(c) AUTHORITY TO ORDER CONVICTED CRIMINAL TO RETURN PROPERTY LOCATED ABROAD.—

(1) FORFEITURE OF SUBSTITUTE PROPERTY.—Section 413 of the Controlled Substances Act (21 U.S.C. 853) is amended by striking subsection (p) and inserting the following:

"(p) FORFEITURE OF SUBSTITUTE PROPERTY.—

"(1) IN GENERAL.—Paragraph (2) of this subsection shall apply, if any property described in subsection (a), as a result of any act or omission of the defendant—

"(A) cannot be located upon the exercise of due diligence;

"(B) has been transferred or sold to, or deposited with, a third party;

"(C) has been placed beyond the jurisdiction of the court;

"(D) has been substantially diminished in value; or

"(E) has been commingled with other property which cannot be divided without difficulty.

"(2) SUBSTITUTE PROPERTY.—In any case described in any of subparagraphs (A) through (E) of paragraph (1), the court shall order the forfeiture of any other property of the defendant, up to the value of any property described in subparagraphs (A) through (E) of paragraph (1), as applicable.

"(3) RETURN OF PROPERTY TO JURISDICTION.—In the case of property described in paragraph (1)(C), the court may, in addition to any other action authorized by this subsection, order the defendant to return the property to the jurisdiction of the court so that the property may be seized and forfeited.".

(2) PROTECTIVE ORDERS.—Section 413(e) of the Controlled Substances Act (21 U.S.C. 853(e)) is amended by adding at the end the following:

"(4) ORDER TO REPATRIATE AND DEPOSIT.—

"(A) IN GENERAL.—Pursuant to its authority to enter a pretrial restraining order under this section, including its authority to restrain any property forfeitable as substitute assets, the court may order a defendant to repatriate any property that may be seized and forfeited, and to deposit that property pending trial in the registry of the court, or with the United States Marshals Service or the Secretary of the Treasury, in an interest-bearing account, if appropriate.

"(B) FAILURE TO COMPLY.—Failure to comply with an order under this subsection, or an order to repatriate property under subsection (p), shall be punishable as a civil or criminal contempt of court, and may also result in an enhancement of the sentence of the defendant under the obstruction of justice provision of the Federal Sentencing Guidelines.".

SEC. 12. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act, and the amendments made by this Act, shall take effect 90 days after the date of enactment of this Act.

SUMMARY OF MONEY LAUNDERING ABATEMENT ACT

Foreign Corruption. Expands the list of foreign crimes triggering a U.S. money laundering offense to include foreign corruption offenses such as bribery and misappropriation of government funds.

Unidentified Foreign Accountholders. Requires U.S. banks and U.S. branches of foreign banks opening or managing a bank account in the United States for a foreign person to keep a record in the United States identifying the account owner.

Foreign Shell Banks. Bars U.S. banks and U.S. branches of foreign banks from providing direct or indirect banking services to foreign shell banks that have no physical presence in any country and no bank affiliation.

Foreign Private Bank and Correspondent Accounts. Requires U.S. banks and U.S. branches of foreign banks that open a private bank account with $1 million or more for a foreign person, or a correspondent account for an offshore bank or foreign bank in a country posing high money laundering risks, to conduct enhanced due diligence reviews of those accounts to guard against money laundering.

Foreign Bank Forfeitures. Modifies forfeiture rules for foreign banks' correspondent accounts by making a depositor's funds in a foreign bank's U.S. correspondent account subject to the same civil forfeiture rules that apply to depositors' funds in other U.S. bank accounts.

Additional Measures Targeting Foreign Money Laundering.

Gives U.S. courts "long-arm" jurisdiction over foreign persons committing money laundering offenses in the United States, over foreign banks opening U.S. bank accounts, and over foreign persons seizing assets ordered forfeited by a U.S. court.

Expands the definition of money laundering to include laundering funds through a foreign bank.

Authorizes U.S. courts to order a convicted criminal to return property located abroad and, in civil forfeiture proceedings, to order a defendant to return such property pending a civil trial on the merits. Authorizes U.S. prosecutors to use a court-appointed Federal Receiver to find a criminal defendant's assets, wherever located.

Authorizes Federal law enforcement to subpoena a foreign bank with a U.S. correspondent account for account records, and ask the U.S. correspondent bank to identify a U.S. resident who can accept the subpoena. Requires the U.S. correspondent bank, if it receives government notice that the foreign bank refuses to comply or contest the subpoena in court, to close the foreign bank's account.

Other measures would make it a Federal crime to knowingly falsify a bank customer's true identity; bar bank clients from anonymously directing funds through a bank's general administrative or "concentration" accounts; extend the statute of limitations for civil forfeiture proceedings; simplify pleading requirements for money laundering indictments; and require banks to provide prompt responses to regulatory requests for anti-money laundering information.

THE COMMONWEALTH OF MASSACHUSETTS, OFFICE OF THE ATTORNEY GENERAL,
Boston, MA, August 1, 2001.

Hon. CARL LEVIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR LEVIN: This letter is to express my strong support for the Money Laundering Abatement Act. As I am sure you are aware, money laundering has become increasingly prevalent in recent years. As law enforcement has worked to curb the illegal laundering of funds, the criminal element has become more sophisticated and focused in its efforts to evade the grasp of the law. Specifically, money launderers are taking advantage of foreign shell banks, and banks in jurisdictions with weak money laundering controls to hide their ill-gotten gains.

At this juncture, there is a serious need for modernizing and redefining the Federal money laundering statutes to thwart the efforts of the criminal element and close the loopholes they use to their advantage. The money laundering business has taken advantage of its ability under current law to use foreign banks, largely without negative consequences. This is an issue that must be addressed on the Federal level because of its international element. Moreover, in the Commonwealth of Massachusetts, there is no state level money laundering legislation. As a result, we rely on Federal/State law enforcement partnership to eradicate money laundering. The only hope for eliminating international money laundering ties within our State lies with the United States Congress. I encourage the Congress to take the necessary steps to assist State and Federal law enforcement in their continuing efforts to control the illegal laundering of funds.

The Money Laundering Abatement Act is an important step in that process. Among many useful provisions, the Act prohibits United States banks from providing services to foreign shell banks that have no physical presence in any country, and as a result, are easily used in the laundering of illegal funds. In addition, the legislation provides for enhanced due diligence procedures by United States banks which will at the very least detect money laundering, and will also undoubtedly deter it in the first place. Further, the Act makes it a federal crime to knowingly falsify a bank customer's true identity, which will make tracing of funds immeasurably easier. In addition to these few provisions that I have mentioned, the Act contains many other measures that will greatly aid law enforcement in its mission.

I strongly support your efforts to assist state and federal law enforcement in their money laundering control efforts through the Money Laundering Abatement Act. The legislation strengthens the existing anti-money laundering structure and provides new tools that will assist law enforcement in keeping pace with the modern money laundering schemes. Good luck in your efforts to pass this vital legislation.

Sincerely,

THOMAS F. REILLY.

STATE OF ARIZONA,
OFFICE OF THE ATTORNEY GENERAL,
Phoenix, AZ, August 2, 2001.

Hon. CARL LEVIN,
U.S. Senate, Washington, DC.
Hon. CHUCK GRASSLEY,
U.S. Senate, Washington, DC.

DEAR SENATORS LEVIN AND GRASSLEY: I write to express my views on the Money Laundering Abatement Act you are planning to introduce soon. This bill would provide much needed relief from some of the most pressing problems in money laundering enforcement in the internation arena. The burdens it places on the financial institutions are well considered, closely tailored to the problems, and reasonable in light of the public benefits involved.

The bill focuses on the structural arrangements that allow major money launderers to operate. These include the use of shell banks and foreign accounts, abuse of private banking, evasion of law enforcement efforts to acquire necessary records, and of safe foreign havens for criminal proceeds. The approach is very encouraging, because efforts to limit the abuse of these international money laundering tools and techniques must come from Congress rather than the state legislatures, and because such measures attack money laundering at a deeper and more lasting level than simpler measures.

The focus on structural matters means that this bill's effects on cases actually prosecuted by state attorneys general are a relatively small part of the substantial effects its passage would have on money laundering as a whole. Nevertheless, its effects on money laundering affecting victims of crime and illegal drug trafficking would be dramatic. I will use two exmples from my Office's present money laundering efforts.

My Office initiated a program to combat so-called "prime bank fraud" in 1996, and continued to focus on these cases. Some years ago, the International Chamber of Commerce estimated that over $10 million per day is invested in this wholly fraudulent investment scam. The "PBI" business has grown substantially since then. To date, my Office has recovered over $46 million in these cases, directly and in concert with U.S. Attorneys and SEC. Prime bank fraudsters rely heavily on the money movement and concealment techniques that this bill would address, particularly foreign bank accounts, shell banks, accounts in false identities, movement of funds through "concentration" accounts, and impunity from efforts to repatriate stolen funds. One of our targets was sentenced recently in federal court to over eight years in prison and ordered to make restitution of over $9 million, but without the tools provided in this bill, there is little hope that the victims will ever see anything that was not seized for forfeiture in the early stages of the investigation.

My Office is now engaged in a program to control the laundering of funds through the money transmitters in Arizona, as part of the much larger problem of illegal money movement to and through the Southwest border region. This mechanism is a major facilitator of the drug smuggling operations. Foreign bank accounts and correspondence accounts, immunity from U.S. forfeitures, and false ownership are significant barriers to successful control of money laundering in the Southwest.

Your bill is an example of the immense value of institutions like the Permanent Subcommittee of Investigations, because this type of bill requires a deeper understanding of the issues that come from long term inquiries by professional staff. We who are involved in state level money laundering control efforts should be particularly supportive of such long term strategies because they are most important to the quality of life of our citizens.

I commend your efforts for introducing this important legislation and will assist you in anyway I can to gain its passage.

Yours very truly,

JANET NAPOLITANO,
Attorney General.

By Mr. BINGAMAN (for himself and Mr. REID):

S. 1374. A bill to provide for a study of the effects of hydraulic fracturing on underground drinking water sources; to the Committee on Environment and Public Works.

Mr. BINGAMAN. Mr. President, today I introduce, along with the senior Senator from Nevada, very important legislation to remedy an unnecessary impediment to natural gas production.

In 1997, the Eleventh Circuit ruled that hydraulic fracturing, a process for stimulating development in certain types of gas wells, constituted as "underground injection" under the Safe Drinking Water Act. As such, the State of Alabama was required to establish standards by which all hydraulic fracturing operations associated with natural gas development would be required to obtain a permit under the Safe Drinking Water Act. This is an expensive and time consuming process, and one that appears unnecessary for protection of underground sources of drinking water.

The Environmental Protection Agency argued before the Eleventh Circuit that hydraulic fracturing did not pose a threat to underground sources of drinking water, and should not be subject to regulation under the Safe Drinking Water Act. The Eleventh Circuit did not find that hydraulic fracturing in fact threatened underground sources of drinking water. Instead, the Court found only that, as written, the definition of "underground injection" under the Safe Drinking Water Act included the process of hydraulic fracturing.

Natural gas, including gas from coalbed methane and other unconventional source, is becoming an increasingly important energy source for the United States. It is a clean burning, domestically produced resource, the increased production of which will both enhance our energy security and help us address the problem of global warming.

Protection of drinking water is also an issue of the highest priority. However, it appears that the situation created by the Eleventh Circuit's decision is not one that addresses protection of underground sources of drinking water, because the Court did not find any harm to drinking water associated with groundwater production. Instead, this appears to be a situation where a technical reading of a statute creates expensive permitting requirements not associated with a real on-the-ground need.

The legislation introduced by myself and Senator REID will require the EPA, in consultation with the Secretary of the Interior, the Secretary of Energy, the Groundwater Protection Council, affected States, and other entities, as appropriate, to conduct a study on any impacts from hydraulic fracturing on underground sources of drinking water.

If the Administration determines that hydraulic fracturing endangers underground sources of drinking water, the Administrator shall regulate it under the Safe Drinking Water Act.

If, however, the Administrator determines that hydraulic fracturing will not endangered underground sources of drinking water, the Administrator shall not regulate it under the Safe Drinking Water Act. In that case, States, including the State of Alabama, shall likewise not be required to regulate hydraulic fracturing as an underground injection under the Safe Drinking Water Act.

Our bill addresses regulation under section 1421 of the Safe Drinking Water Act, 42 U.S.C. 300h. Under current law, States are entitled to make a showing under section 1425 of the Safe Drinking Water Act, 42 U.S.C. 300H-4, that for certain oil and gas operations, the State regulations satisfy the statutory requirements of the Safe Drinking Water Act and the State will therefore not be required to promulgate regulations under section 1422 of the Safe Drinking Water Act.

It is our intention that the provisions of Section 1425 apply to hydraulic fracturing operations, and it is our understanding that this is the status of current law. This issue is currently being litigated before the Eleventh Circuit. Should the Eleventh Circuit decide otherwise, we will address the issue as appropriate at that time.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1374

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This act may be cited as the "Hydraulic Fracturing Act".

SEC. 2. HYDRAULIC FRACTURING.

Section 1421 of the Safe Drinking Water Act (42 U.S.C. §300h) is amended by adding at the end the following:

"(e) HYDRAULIC FRACTURING FOR OIL AND GAS PRODUCTION.—

"(1) STUDY OF THE EFFECTS OF HYDRAULIC FRACTURING.—

"(A) IN GENERAL.—Not later than 24 months after the date of enactment of this subsection, the Administrator shall complete a study of the known and potential effects on underground drinking water sources of hydraulic fracturing, including the effects of hydraulic fracturing on underground drinking water sources on a nationwide basis, and within specific regions, states, or portions of states.

"(B) CONSULTATION.—In planning and conducting the study, the Administrator shall consult with the Secretary of the Interior, the Secretary of Energy, the Ground Water Protection Council, affected States, and, as appropriate, representatives of environmental, industry, academic, scientific, public health, and other relevant organizations. Such study may be accomplished in conjunction with other ongoing studies related to the effects of oil and gas production on groundwater resources.

"(C) STUDY ELEMENTS.—The study conducted under subparagraph (A) shall, at a minimum, examine and make findings as to whether—

"(i) such hydraulic fracturing has, or will, endanger (as defined under subsection (d)(2)) underground drinking water sources, including those sources within specific regions, states or portions of states;

"(ii) there are specific methods, practices, or hydrogeologic circumstances in which hydraulic fracturing has, or will, endanger underground drinking water sources; and

"(iii) whether there are any precautionary actions that may reduce or eliminate any such endangerment.

"(2) INDEPENDENT SCIENTIFIC REVIEW.—

"(A) IN GENERAL.—Not later than 2 months after the study under paragraph (1) is completed, the Administrator shall enter into an appropriate agreement with the National Academy of Sciences to have the Academy review the conclusions of the study.

"(B) REPORT.—Not later than 9 months after entering into an appropriate agreement with the Administrator, the National Academy of Sciences shall report to the Administrator, and the Committee on Energy and Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate, on the—

"(i) findings related to the study conducted by the Administrator under paragraph (1); and

"(ii) recommendations, if any, for modifying the findings of the study.

"(3) REGULATORY DETERMINATION.—

"(A) IN GENERAL.—Not later than 6 months after receiving the National Academy of Sciences report under paragraph (2), the Administrator shall determine, after informal public hearings and public notice and opportunity for comment, and based on information developed or accumulated in connection with the study required under paragraph (1) and the National Academy of Sciences report under paragraph (2), either:

"(i) that regulation of hydraulic fracturing under this part is necessary to ensure that underground sources of drinking water will not be endangered on a nationwide basis, or within a specific region, state or portions of a state; or

"(ii) that regulation described under clause (i) is unnecessary.

"(B) PUBLICATION OF DETERMINATION.—The Administrator shall publish the determination in the Federal Register, accompanied by an explanation and the reasons for it.

"(4) PROMULGATION OF REGULATIONS.

"(A) REGULATION NECESSARY.—If the Administrator determines under paragraph (3) that regulation of hydraulic fracturing under this part is necessary to ensure that hydraulic fracturing does not endanger underground drinking water sources on a nationwide basis, or within a specific region, State or portions of a State, the Administrator shall, within 6 months after issuance of that determination, and after public notice and opportunity for comment, promulgate regulations under section 1421 (42 U.S.C. §300h) to ensure that hydraulic fracturing will not endanger such underground sources of drinking water.

"(B) REGULATION UNNECESSARY.—The Administrator shall not promulgate regulations for hydraulic fracturing under this part unless the Administrator determines under paragraph (3) that such regulations are necessary.

"(C) EXISTING REGULATIONS.—A determination by the Administrator under paragraph (3) that regulation is unnecessary will relieve states from any further obligation to regulate hydraulic fracturing as an underground injection under this part.

"(5) DEFINITION OF HYDRAULIC FRACTURING.—For purposes of this subsection, the term "hydraulic fracturing" means the process of creating a fracture in a reservoir rock, and injecting fluids and propping agents, for the purposes of reservoir stimulation related to oil and gas production activities.

"(6) SAVINGS.—Nothing in this subsection shall in any way limit the authorities of the Administrator under section 1431 (42 U.S.C. 300i).".

By Mr. NELSON of Florida:

S. 1376. A bill to amend part C of title XVIII of the Social Security Act to ensure that Medicare + Choice eligible individuals have sufficient time to consider information and to make an informed choice regarding enrollment in a Medicare + Choice plan; to the Committee on Finance.

Mr. NELSON of Florida. Mr. President, I rise today to introduce the Medicare Beneficiary Information Act. It is vital that Medicare + Choice participants receive plan information in a timely, appropriate manner.

Under the Social Security Act, HMOs participating in the Medicare + Choice program are required to submit all of their plan information, including the type, cost and scope of benefits they intend to offer, by July 1st of each year. Upon receiving this information, the Secretary of HHS is required to prepare a booklet that compares the benefits and costs of each plan, and disseminate the information to seniors prior to the open enrollment season. The enrollment season is November 1st through November 30th.

The July 1st deadline was imposed so that seniors would have ample opportunity to read the materials and to make an informed decision before selecting a health plan.

Last month, at the request of the HMO industry, Secretary Thompson extended the deadline until September 15th. As a result, Medicare beneficiaries will have little time to review the comparative information before the enrollment period. In response to these concerns, the Secretary indicated that the information would be posted on the Internet by October 15th.

Senior citizens in many cases do not have access to the Internet. If information is not sent in a timely manner, it will be extremely difficult for seniors, especially low income seniors, to make informed choices about their health plan. As a result, they will have little time to find new health care coverage if their HMO sharply raises premiums and fees, reduces benefits or pulls out of Medicare. Consequently, seniors may be forced to accept whatever changes the HMOs impose or run the risk of having gaps in their coverage should they choose to switch plans.

This bill states that, effective 2002, HMO's are required to submit, complete binding information to the Secretary of Health and Human Services. It also requires that the information be sent to beneficiaries at least 45 days before the beginning of the open enrollment period. It further requires all comparative information to be sent in mail, rather than only being posted on the Internet. This will ensure that seniors are receiving the information necessary to make educated informed decisions about their health plan.

By Mr. SMITH of Oregon:

S. 1377. A bill to require the Attorney General to establish an office in the Department of Justice to monitor acts of international terrorism alleged to have been committed by Palestinian individuals or individuals acting on behalf of Palestinian organizations and to carry out certain other related activities; to the Committee on the Judiciary.

Mr. SMITH of Oregon. Mr. President, almost everyday we hear about new Palestinian violence in Israel and all too often, American citizens are among the victims. Earlier this year, Mrs. Sarah Blaustein, of Long Island, New York, was murdered in a drive-by shooting by Palestinian terrorists south of Jerusalem. A few weeks before that, a 13-year old boy from Maryland, Jacob "Koby" Mandell, was savagely beaten and tortured to death by Palestinian terrorists. Eighteen American citizens have been killed by Palestinian terrorists since the signing of the Oslo accords in September 1993, and six of them were killed during the current wave of violence that began last autumn.

Of course, Americans are occasionally the victims of terrorism all over the world, not just in Israel. But what makes the American victims in Israel unique is that while our government does everything it can to capture the terrorists who harm Americans elsewhere around the world, it takes a completely different approach when it comes to Palestinian terrorists.

Our State Department offers multimillion dollar rewards for information leading to the capture of terrorists who have killed Americans around the world—but it has never offered such a reward to help catch terrorists who are being sheltered by Arafat. The State Department maintains a web site *www.dssrewards.net* for its "Heroes" program, where it posts the rewards to help capture terrorists.

The time has come to take this vital issue out of the State Department's hands and put it back where it belongs, in the Department of Justice. This should not be a political issue. When a matter of justice is at stake, the decision should be made by the legal authorities whose responsibility it is to pursue justice, not politics.

This is why today I rise to introduce the Koby Mandell Justice for American Victims of Terrorism Act of 2000." This bill will establish a special office, within the Department of Justice, the sole purpose of which will be to facilitate the capture of Palestinian terrorists involved in attacks in which American Citizens were harmed. The bill will: Collect evidence against suspected terrorists; offer rewards for information leading to the capture of these terrorists and maintain contact with families of victims to update them on the progress of efforts to capture the terrorists.

In short, this legislation will help ensure that the killers of Americans will have a sanctuary in the Palestinian Authority territories. This legislation will advance the cause of justice and it will put terrorists and their supporters on notice that the United States government will not stand idly by when our citizens are harmed.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1377

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Koby Mandell Justice for American Victims of Terrorism Act of 2001".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Since 1948, many United States citizens have been injured or killed in terrorist attacks committed by Palestinian individuals and organizations in and outside of the Middle East.

(2) Under United States law, individuals who commit acts of international terrorism outside of the United States against nationals of the United States may be prosecuted for such acts in the United States.

(3) The United States has taken a special interest and active role in resolving the Israeli-Palestinian conflict, including numerous diplomatic efforts to facilitate a resolution of the conflict and the provision of financial assistance to Palestinian organizations.

(4) However, despite these diplomatic efforts and financial assistance, little has been done to apprehend, indict, prosecute, and convict Palestinian individuals who have committed terrorist attacks against nationals of the United States.

SEC. 3. ESTABLISHMENT OF OFFICE IN THE DEPARTMENT OF JUSTICE TO MONITOR TERRORIST ACTS BY PALESTINIAN INDIVIDUALS AND ORGANIZATIONS AND CARRY OUT RELATED ACTIVITIES.

(a) IN GENERAL.—The Attorney General shall establish within the Department of Justice an office to carry out the following activities:

(1) Monitor acts of international terrorism alleged to have been committed by Palestinian individuals or individuals acting on behalf of Palestinian organizations.

(2) Collect information against individuals alleged to have committed acts of international terrorism described in paragraph (1).

(3) Offer rewards for information on individuals alleged to have committed acts of international terrorism described in paragraph (1), including the dissemination of information relating to such rewards in the Arabic-language media.

(4) Negotiate with the Palestinian Authority or related entities to obtain financial compensation for nationals of the United States, or their families, injured or killed by acts of terrorism described in paragraph (1).

(5) In conjunction with other appropriate Federal departments and agencies, establish and implement alternative methods to apprehend, indict, prosecute, and convict individuals who commit acts of terrorism described in paragraph (1).

(6) Contact the families of victims of acts of terrorism described in paragraph (1) and provide updates on the progress to apprehend, indict, prosecute, and convict the individuals who commit such acts.

(7) In order to effectively carry out paragraphs (1) through (6), provide for the permanent stationing of an appropriate number of United States officials in Israel, in territory administered by Israel, in territory administered by the Palestinian Authority, and elsewhere, to the extent practicable.

(b) DEFINITION.—In this section, the term "international terrorism" has the meaning given such term in section 2331(b) of title 18, United States Code.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated for fiscal year 2002 and each subsequent fiscal year such sums as may be necessary to carry out this Act.

(b) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations under subsection (a) are authorized to remain available until expended.

By Mr. DASCHLE (for himself, Mr. HARKIN Mr. HATCH, Mr. INOUYE, Mr. JOHNSON, and Mr. REID):

S. 1378. A bill to allow patients access to drugs and medical devices recommended and provided by health care practitioners under strict guidelines, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. DASCHLE. Mr. President, today I am introducing the Access to Medical Treatment Act. I am pleased to be joined by Senators HARKIN, HATCH, INOUYE, JOHNSON, and REID in this effort to increase individuals' freedom of choice in health care.

Patient choice is a value often articulated in health care debates. Yet patients often do not have the right to choose potentially life-saving alternative treatments. I want to thank Berkley Bedell, who formerly represented the 6th District of Iowa, for making me aware of the importance of this issue and for assisting in the development of this bill. This has been a multi-year effort, and he has worked tirelessly on it. Berkley has experienced first-hand the life-saving potential of alternative treatments. His story convinced me that our health care system discourages the use of alternative medicine treatment and thereby restricts the right of patients to choose.

American consumers have already voted for expanded access to alternative treatments with their feet and their wallets. A 1997 study published in the Journal of the American Medical Association, JAMA, shows that 42 percent of Americans used some kind of alternative therapy, spending more than $27 billion that year. Americans made more visits to alternative practitioners than to primary care providers. According to a 1999 JAMA study, people sought complementary and alternative medicine not only because they were dissatisfied with conventional medicine but also because these therapies mirrored their own values, beliefs and philosophical orientation toward health and life.

Alternative therapies are rapidly being incorporated into mainstream medical programs, practice and research. Indeed, at least 75 out of 117 U.S. medical schools offer elective courses in alternative medicine or include alternative medicine topics in required courses. A 1994 study in the Journal of Family Practice revealed that more than 60 percent of doctors from a wide range of specialties recommended alternative therapies to their patients at least once. The National Institutes of Health now has a Center for Complementary and Alternative Medicine where research is underway to expand our knowledge of alternative therapies and their safe and effective use.

Despite the growing demand for many types of alternative medicine, some therapies remain unavailable because they have not yet been approved by the FDA. My bill would increase access to treatments that would normally be regulated by the FDA, but have not yet undergone the expansive and lengthy process currently required to gain FDA approval. Given the popularity of alternative medicine among the American public and its growing acceptance among traditional medical practitioners, it would seem logical to remove some of the access barriers that consumers face when seeking certain alternative therapies.

The Access to Medical Treatment Act supports patient choice while maintaining important patient safeguards. It asserts that individuals, especially those who face life-threatening afflictions for which conventional treatments have proven ineffective, should have the option of trying an alternative treatment. This is a choice rightly made by the consumer, and not dictated by the Federal Government.

All treatments sanctioned by this Act must be prescribed by an authorized health care practitioner who has personally examined the patient. The practitioner must fully disclose all available information about the safety and effectiveness of any medical treatment, including questions that remain unanswered because the necessary research has not been conducted.

The bill carefully restricts the ability of practitioners to advertise or market unapproved drugs or devices or to profit financially from prescribing alternative treatment. This provision was included to ensure that practitioners keep the best interests of patients in mind and to retain incentives for seeking FDA approval. If an individual or a company wants to earn a profit from a product, they would be wise to go through the standard FDA process.

I want to be absolutely clear that this legislation will not dismantle the FDA, undermine its authority, or appreciably change current medical practices. It is not meant to attack the FDA or its approval process. It is meant to complement it. The FDA should, and would under this legislation, remain solely responsible for protecting the health of the Nation from unsafe and impure drugs. The heavy demands and requirements placed upon treatments before they gain FDA approval are important, and I firmly believe that treatments receiving the Federal Government's stamp of approval should be proven safe and effective.

The bill protects patients by requiring practitioners to report any adverse reaction that could potentially have been caused by an unapproved drug or medical device. If an adverse reaction is reported, manufacture and distribution of the drug must cease pending an investigation. If it is determined that the adverse reaction was caused by the drug or medical device, as part of a total recall, the Secretary of the Department of Health and Human Services and the manufacturer have the duty to inform all health care practitioners to whom the drug or medical device has been provided.

This legislation will help build a knowledge base regarding alternative medicine treatments by requiring practitioners to report on effectiveness. This is critical because current information available about the effectiveness of many promising treatments is inadequate. The information generated through this Act will begin to reverse this information gap, as data are collected and analyzed by the Center for Complementary and Alternative Medicine at the National Institutes of Health.

The Access to Medical Treatment Act represents an honest attempt to focus serious attention on the value of alternative treatments and overcome current obstacles to their safe development and utilization. In essence, this legislation addresses the fundamental balance between two seemingly irreconcilable interests: the protection of patients from dangerous and ineffective treatments and the preservation of consumers' freedom to choose alternative therapies. The complexity of this policy challenge should not discourage us from seeking to solve it. I am convinced that the public good will be served by a serious attempt to reconcile these contradictory interests, and I am hopeful the discussion generated by this legislation will help point the way to its resolution.

By Mr. KENNEDY (for himself and Mr. HATCH):

S. 1379. A bill to amend the Public Health Service Act to establish an Office of Rare Diseases at the National Institutes of Health, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. KENNEDY. Mr. President, I am pleased to introduce the Rare Diseases Act of 2001.

This legislation, in conjunction with companion legislation introduced by Senator HATCH to amend the orphan drug tax credit, promises to greatly enhance the prospects for developing new treatments and diagnostics, and even cures for literally thousands of rare diseases and disorders.

The Rare Diseases Act provides a statutory authorization for the existing Office of Rare Diseases at the National Institutes of Health, NIH, and authorizes regional centers of excellence for rare disease research and training. The Act also increases the funding for the Food and Drug Administration's, FDA, Orphan Product Research Grant program, which has provided vital support for clinical research on new treatments for rare diseases and disorders.

I am encouraged that, consistent with our legislation, the President has proposed in fiscal year 2002 to create a network of centers of excellence for rare diseases. This proposal originated with the NIH, in recommendations of a Special Emphasis Panel convened to examine the state of rare disease research. Because the Panel itself was convened in response to a request of the Senate Appropriations Committee in 1966, it is appropriate that we are today introducing legislation which represents the fruition of a long, deliberative process involving both the Congress and the NIH.

It is important to note that Congress has had a longstanding interest in rare diseases. In 1983, Congress enacted the Orphan Drug Act to promote the development of treatments for rare diseases and disorders. Such diseases affect small patient populations, typically smaller than 200,000 individuals in the United States, and include Huntington's disease, myoclonus, ALS, Lou Gehrig's disease, Tourette syndrome, and muscular dystrophy. Although each disease may be rare, there are, in sum, 25 million Americans today who suffer from the six thousand known rare diseases and disorders.

As an original sponsor of the Orphan Drug Act, I am pleased it has been a great success, leading to the development of over 220 treatments for rare diseases and disorders. But the greatest share of credit is due to the original author of the Act, Congressman HENRY WAXMAN of California, and to a woman named Abbey Meyers.

During the 1970s, an organization called the National Organization for Rare Disorders, NORD, was founded by Abbey to provide services and to lobby on behalf of patients with rare diseases and disorders. It was Abbey and her organization which were instrumental in pressing Congress for enactment of legislation to encourage the development of orphan drugs.

In light of this important history, I am very pleased that the Rare Diseases Act of 2001 is supported by NORD. And I am also pleased to join my colleague, Senator HATCH, a champion of research into rare diseases, in introducing this legislation.

By Mr. KERRY (for himself and Mr. HOLLINGS):

S. 1380. A bill to coordinate and expand United States and international programs for the conservation and protection of North Atlantic Whales; to the Committee on Commerce, Science, and Transportation.

Mr. KERRY. Mr. President, as Chairman of the Oceans, Atmosphere and Fisheries Subcommittee, I rise today to introduce the North Atlantic Right Whale Recovery Act of 2001. I am pleased to be joined by our Commerce Committee Chairman, Senator HOLLINGS in this effort. This bill is designed to improve the management and research activities for right whales and increase the focus on reducing mortality caused by ship collisions, entanglement in fishing gear, and other causes. The most endangered of the great whales, the northern Atlantic right whale has shown no evidence of recovery since the whaling days of the 1900s despite full protection from hunting by a League of Nations agreement since 1935. Today the population of North Atlantic Right Whales remains at less than 350 animals, although 2001 was a banner year for reproduction as over 30 calves were born.

The entire Nation has watched with great interest as a team of experts from a number of organizations including the National Marine Fisheries Service, the New England Aquarium and the Center for Coastal Studies has sought to remove the nylon rope that is imbedded in the jaw of a North Atlantic Right Whale, dubbed "Churchill". By all accounts, unless the rope is removed the whale is likely to die from infections that are already discoloring the whale's skin. I would like to offer my sincere appreciation for all of these efforts to date and I hope that by offering this legislation today that we can refocus our attention on how to protect these magnificent mammals.

Right whales are at risk of extinction from a number of sources. These include, ship strikes, the number one source of known right whale fatalities, entanglement in fishing gear, coastal pollution, habitat degradation, ocean noise and climate change. This legislation requires the Secretary of Commerce to institute a North Atlantic Right Whale Recovery Program, in coordination with the Department of Transportation and other appropriate Federal agencies, States, the Southeast and Northeast Northern Atlantic Right Whale Recovery Plan Implementation Team and the Atlantic Large Whale Take Reduction Team, pursuant to the authority provided under the Endangered Species Act, the Marine Mammal Protection Act, and the Magnuson-Stevens Fishery Conservation and Management Act.

This legislation would require the Secretary of Commerce within 6 months of enactment, to initiate demonstration projects designed to result in the immediate reductions in North Atlantic right whale deaths. There are 4 distinct areas that I believe we should be focusing our attention on. First, we should develop acoustic detection and tracking technologies to monitor the migration of right whales so that ships at sea can avoid right whales. Second, we need to continue work on individual satellite tags for right whales. This is yet another way that we can track whale migration and alert ships at sea of the presence of whales and avoid ship strikes. Third, this legislation would speed up the development of neutrally buoyant line and "weak link" fishing gear, so that we can either avoid having whales become entangled in the first place or when they do the "weak links" break and they can more easily become disentangled. Finally this legislation supports research and testing into developing innovative ways to increase the success of disentanglement efforts.

This legislation allows for the government to provide fishermen "whale safe" fishing gear in high use or critical habitat areas. This is crucial, because once we have developed this "whale safe" gear we need to get it in the water as soon as possible. I believe an assistance program that is fair to fishermen will be needed and we are asking the agencies to tell us the potential costs so we can ensure that the gear can be deployed where needed.

This legislation requires the Secretary of Transportation and Commerce to develop and implement a comprehensive ship strike avoidance plan for Right Whales. I am pleased that a draft plan has been issued this week, but I want to make it clear that a plan must be implemented by January of 2003. I would like to stress to my colleagues, that by far the number one source of know right whale mortalities is ship strikes, and in my opinion we have not done nearly enough to prevent these lethal ship strikes from happening.

This legislation establishes a right whale research grant program. This program will establish a peer review process of all innovative biological and technical projects designed to protect right whales. In addition to the scientific community, this peer review team will also be comprised of representatives of the fishing industry and the maritime transportation industry. It is important that from the very beginning we have the input of the people who are on the water every day. Their knowledge and experience is absolutely necessary to developing innovative practices and techniques to save right whales.

Congress has appropriated over $8 million dollars in the last two years to protect right whales. I believe that now is the time to develop a comprehensive plan that spells out what we can do immediately to better protect these whales and focus our research efforts on innovative ideas and technologies that can identify whale migrations.

By Mrs. FEINSTEIN:

S. 1381. A bill to redesignate the facility of the United States Postal Service located at 5472 Crenshaw Boulevard in Los Angeles, California, as the "Congressman Julian C. Dixon Post Office Building"; to the Committee on Governmental Affairs.

Mrs. FEINSTEIN. Mr. President, I rise today to introduce legislation to honor the late Julian Dixon, an esteemed Member of the House of Representatives from California for more than 20 years.

Julian Dixon lived a full life; highlighted by almost thirty years of public service. He served in the Army from 1957 to 1960 and in the California Assembly from 1972 until 1978. Julian was first elected to the House of Representatives in 1978.

As the representative for the Thirty-Second District of California, Julian consistently fought to maintain our Nation's commitment to civil rights and to increase the economic upward mobility of his constituents. Julian was also chair of the Congressional Black Caucus and worked tirelessly to establish a memorial to Dr. Martin Luther King, Jr. here in our Nation's capital.

Julian's legislative work covered myriad issues from intelligence to defense to congressional ethics. He was the ranking member of the House Intelligence Committee and a member of the committee that determines defense appropriations. He used his position on the appropriations committee to provide Federal aid for communities that were devastated by base closings and other defense cuts. He also helped secure emergency funding for damaged businesses after the Northridge earthquake and the Los Angeles riots.

Julian was not only a great legislator, but also a great human being. He was a gentleman in every sense of the word who was willing to work across partisan lines to improve the lives of his constituents and so many Americans. I was privileged as a member of the Senate Appropriations committee to work with Mr. Dixon. In this role, Julian always put California's needs first.

Julian served with passion and distinction. He was a man of the highest integrity and credibility. I am sure his constituents will be proud to have a Post Office named in his honor.

Julian Dixon was a man of principle and fairness whose grace and humility will be sorely missed. I am pleased to honor his memory by introducing a bill to designate the Post Office at 5472 Crenshaw Boulevard in Los Angeles as the "Congressman Julian C. Dixon Post Office Building."

By Mr. DEWINE (for himself and Ms. LANDRIEU):

S. 1382. A bill to amend title 11, District of Columbia Code, to redesignate the Family Division of the Superior Court of the District of Columbia as the Family Court of the Superior Court, to recruit and retain trained and experienced judges to serve in the Family Court, to promote consistency and efficiency in the assignment of judges to the Family Court and in the consideration of actions and proceedings in the Family Court, and for other purposes; to the Committee on Governmental Affairs.

Mr. DEWINE. Mr. President, I rise today to introduce legislation, along with my friends and colleagues Senator LANDRIEU and Senator LEVIN, that will have a vital impact on children and families in the District of Columbia. Our bill, the "District of Columbia Family Court Act of 2001" is aimed at guiding the District, as the Superior Court strives to reform its role in the child welfare system through its creation of a Family Court.

This legislation takes a very important step forward in helping to ensure that the best interest of children in contact with the DC child welfare system are always paramount. In making sure that is the case, judges in the system play a key role. I learned this first-hand nearly thirty years ago when I was serving as an assistant county prosecutor in Greene County, OH. One of my duties was to represent the Greene County Children Services in cases where children were going to be removed from their parents' custody.

I witnessed then that too many of these cases drag on endlessly, leaving children trapped in temporary foster care placements, which often entail multiple moves from foster home to foster home to foster home, for years and years and years. Such multiple placements and lack of permanency for these kids is abuse in its own right.

Since being appointed to the District of Columbia Appropriations Committee, I have made it my personal mission to find financial solutions for the problems facing DC's foster children. In March, Representative DELAY and I laid the groundwork for a DC Family Court Bill that would be bipartisan and effective. In drafting this bill, we have held numerous hearings, met with child welfare advocates from across the District, and had countless meetings with the DC Superior Court Judges.

In particular, I want to thank Chief Judge Rufus King for making himself available to members of Congress and their staffs and for appearing before the DC Subcommittee onAppropriations. Judge King has made reforming the Family Division of the DC Court his number one priority, and I look forward to working with him in the future to implement the reforms established by our DC Family Court Bill.

Our legislation includes a number of important reforms that would ensure that the judicial system protects the children of the District. First, it would increase the length of judicial terms for judges from one year for judges already presiding over the Superior Court to three years. New judges appointed to the Superior Court and then assigned to the Family Court would have five-year terms. This change would enable judges to develop an expertise in Family Law.

Second, the bill would create magistrates so that the current backlog of 4500 permanency cases can be properly and adequately addressed. These magistrates would be distributed among the judges according to a transition plan, which must be submitted to Congress within 90 days of passage of this bill. We want to make sure the court has the flexibility to deal with these important child welfare issues.

Third, the bill provides the resources for an Integrated Judicial Information System, IJIS. This would enable the court to track and properly monitor family cases and would allow all judges and magistrates to have access to the information necessary to make the best decisions about placement and child safety.

Fourth, a reform in the bill that I find extremely important is the One-Judge/One Family provision. This policy would ensure that the same judge, a judge who knows the history of a family and the child, would be making the important permanency decisions. This provision is essential for those hard cases involving abuse and neglect. It ensures consistency. It ensures safety. And, it just makes sense.

Ultimately, our bill would provide consistency through the One-Judge/One-Family provision, it would provide safety and security, and it would provide stability for the children of the District. We need to give the children in the District's welfare system all of these things. It is the right thing to do.

I urge my colleagues to join in support of this bill. We must never, ever lose sight of our responsibility to the children involved. Their needs and their best interests must always come first. And today, I believe we are putting children first and taking a step forward on their behalf.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1382

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "District of Columbia Family Court Act of 2001".

SEC. 2. REDESIGNATION OF FAMILY DIVISION AS FAMILY COURT OF THE SUPERIOR COURT.

(a) IN GENERAL.—Section 11-902, District of Columbia Code, is amended to read as follows:

"§ 11-902. Organization of the court.

"(a) IN GENERAL.—The Superior Court shall consist of the following:

"(1) The Civil Division.

"(2) The Criminal Division.

"(3) The Family Court.

"(4) The Probate Division.

"(5) The Tax Division.

"(b) BRANCHES.—The divisions of the Superior Court may be divided into such branches as the Superior Court may by rule prescribe.

"(c) DESIGNATION OF PRESIDING JUDGE OF FAMILY COURT.—The chief judge of the Superior Court shall designate one of the judges assigned to the Family Court of the Superior Court to serve as the presiding judge of the Family Court of the Superior Court.

"(d) JURISDICTION DESCRIBED.—The Family Court shall have original jurisdiction over the actions, applications, determinations, adjudications, and proceedings described in section 11-1101.".

(b) CONFORMING AMENDMENT TO CHAPTER 9.—Section 11-906(b), District of Columbia Code, is amended by inserting "the Family Court and" before "the various divisions".

(c) CONFORMING AMENDMENTS TO CHAPTER 11.—(1) The heading for chapter 11 of title 11, District of Columbia, is amended by striking "FAMILY DIVISION" and inserting "FAMILY COURT".

(2) The item relating to chapter 11 in the table of chapters for title 11, District of Columbia, is amended by striking "FAMILY DIVISION" and inserting "FAMILY COURT".

(d) CONFORMING AMENDMENTS TO TITLE 16.—

(1) CALCULATION OF CHILD SUPPORT.—Section 16-916.1(o)(6), District of Columbia Code, is amended by striking "Family Division" and inserting "Family Court of the Superior Court".

(2) EXPEDITED JUDICIAL HEARING OF CASES BROUGHT BEFORE HEARING COMMISSIONERS.—Section 16-924, District of Columbia Code, is amended by striking "Family Division" each place it appears in subsections (a) and (f) and inserting "Family Court".

(3) GENERAL REFERENCES TO PROCEEDINGS.—Chapter 23 of title 16, District of Columbia Code, is amended by inserting after section 16-2301 the following new section:

"§ 16-2301.1. References deemed to refer to Family Court of the Superior Court.

"Any reference in this chapter or any other Federal or District of Columbia law, Executive order, rule, regulation, delegation of authority, or any document of or pertaining to the Family Division of the Superior Court of the District of Columbia shall be deemed to refer to the Family Court of the Superior Court of the District of Columbia.".

(4) CLERICAL AMENDMENT.—The table of sections for subchapter I of chapter 23 of title 16, District of Columbia, is amended by inserting after the item relating to section 16-2301 the following new item:

"16-2301.1. References deemed to refer to Family Court of the Superior Court.".

SEC. 3. APPOINTMENT AND ASSIGNMENT OF JUDGES; NUMBER AND QUALIFICATIONS.

(a) NUMBER OF JUDGES FOR FAMILY COURT; QUALIFICATIONS AND TERMS OF SERVICE.—Chapter 9 of title 11, District of Columbia Code, is amended by inserting after section 11-908 the following new section:

"§ 11-908A. Special rules regarding assignment and service of judges of Family Court.

"(a) NUMBER OF JUDGES.—

"(1) IN GENERAL.—The number of judges serving on the Family Court of the Superior Court at any time may not be less than 12 or more than 15.

"(2) REPORT.—The total number of judges on the Superior Court may exceed the limit on such judges to the extent necessary to maintain the requirements of this subsection if the chief judge of the Superior Court—

"(A) obtains the approval of the Joint Committee on Judicial Administration; and

"(B) reports to Congress regarding the circumstances that gave rise to the necessity to exceed the cap.

"(b) QUALIFICATIONS.—The chief judge may not assign an individual to serve on the Family Court of the Superior Court unless—

"(1) the individual has training or expertise in family law;

"(2) the individual certifies to the chief judge that the individual intends to serve the full term of service, except that this paragraph shall not apply with respect to individuals serving as senior judges under section 11-1504 and individuals serving as temporary judges under section 11-908;

"(3) the individual certifies to the chief judge that the individual will participate in the ongoing training programs carried out for judges of the Family Court under section 11-1104(c); and

"(4) the individual meets the requirements of section 11-1732A(b).

"(c) TERM OF SERVICE.—

"(1) IN GENERAL.—

"(A) SERVING JUDGES.—An individual assigned to serve as a judge of the Family Court of the Superior Court who is serving as a judge in the Superior Court on the date of the enactment of the District of Columbia Family Court Act of 2001 shall serve for a term of not fewer than 3 years as determined by the chief judge of the Superior Court (including any consecutive period of service on the Family Division of the Superior Court immediately preceding the date of the enactment of such Act).

"(B) NEW JUDGES.—An individual assigned to serve as a judge of the Family Court of the Superior Court who is not serving as a judge in the Superior Court on the date of the enactment of the District of Columbia Family Court Act of 2001 shall serve for a term of 5 years.

"(2) ASSIGNMENT FOR ADDITIONAL SERVICE.—After the term of service of a judge of the Family Court (as described in paragraph (1)) expires, at the judge's request the judge may be assigned for additional service on the Family Court for a period of such duration (consistent with section 431(c) of the District of Columbia Home Rule Act) as the chief judge may provide.

"(3) PERMITTING SERVICE ON FAMILY COURT FOR ENTIRE TERM.—At the request of the judge, a judge may serve as a judge of the Family Court for the judge's entire term of service as a judge of the Superior Court under section 431(c) of the District of Columbia Home Rule Act.

"(d) REASSIGNMENT TO OTHER DIVISIONS.—The chief judge may reassign a judge of the Family Court to any division of the Superior Court if the chief judge determines that the judge is unable, for cause, to continue serving in the Family Court.".

(b) PLAN FOR FAMILY COURT TRANSITION.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the chief judge of the Superior Court of the District of Columbia shall prepare and submit to the President and Congress a transition plan for the Family Court of the Superior Court, and shall include in the plan the following:

(A) The chief judge's determination of the role and function of the presiding judge of the Family Court.

(B) The chief judge's determination of the number of judges needed to serve on the Family Court.

(C) The chief judge's determination of the number of magistrate judges of the Family Court needed for appointment under section 11–1732, District of Columbia Code.

(D) The chief judge's determination of the appropriate functions of such magistrate judges, together with the compensation of and other personnel matters pertaining to such magistrate judges.

(E) A plan for case flow, case management, and staffing needs (including the needs for both judicial and nonjudicial personnel) for the Family Court.

(F) A plan for space, equipment, and other physical plant needs and requirements during the transition, as determined in consultation with the Administrator of General Services.

(G) An analysis of the success of the use of magistrate judges under the expedited appointment procedures established under section 6(d) in reducing the number of pending actions and proceedings within the jurisdiction of the Family Court (as described in section 11–902(d), District of Columbia, as amended by subsection (a)).

(H) Consistent with the requirements of paragraph (2), a proposal for the disposition or transfer to the Family Court of actions and proceedings within the jurisdiction of the Family Court as of the date of the enactment of this Act (together with actions and proceedings described in section 11–1101, District of Columbia Code, which were initiated in the Family Division but remain pending in other Divisions of the Superior Court as of such date) in a manner consistent with applicable Federal and District of Columbia law and best practices, including best practices developed by the American Bar Association and the National Council of Juvenile and Family Court Judges.

(2) IMPLEMENTATION OF THE PROPOSAL FOR TRANSFER OR DISPOSITION OF ACTIONS AND PROCEEDINGS TO FAMILY COURT.—

(A) IN GENERAL.—The chief judge of the Superior Court and the presiding judge of the Family Court shall take such steps as may be required as provided in the proposal for disposition of actions and proceedings under paragraph (1)(H) to ensure that each action or proceeding within the jurisdiction of the Family Court of the Superior Court (as described in section 11–902(d), District of Columbia Code, as amended by subsection (a)) is transferred to the Family Court or otherwise disposed of as provided in subparagraph (B). The requirement of this subparagraph shall not apply to an action or proceeding pending before a senior judge as defined in section 11–1504, District of Columbia Code.

(B) DEADLINE.—Notwithstanding any other provision of this Act or any amendment made by this Act, no action or proceeding which is within the jurisdiction of the Family Court (as described in section 11–902(d), District of Columbia Code, as amended by subsection (a)) shall remain pending with a judge not serving on the Family Court upon the expiration of 18 months after the date of enactment of this Act.

(C) PROGRESS REPORTS.—The chief judge of the Superior Court shall report to the Committee on Appropriations of each House, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives 6 months and 12 months after the date of enactment of this Act on the progress made towards disposing of actions or proceedings described in subparagraph (B).

(3) EFFECTIVE DATE OF IMPLEMENTATION OF PLAN.—The chief judge of the Superior Court may not take any action to implement the transition plan under this subsection until the expiration of the 30-day period which begins on the date the chief judge submits the plan to the President and Congress under paragraph (1).

(c) TRANSITION TO REQUIRED NUMBER OF JUDGES.—

(1) ANALYSIS BY CHIEF JUDGE OF SUPERIOR COURT.—The chief judge of the Superior Court of the District of Columbia shall include in the transition plan prepared under subsection (b)—

(A) the chief judge's determination of the number of individuals serving as judges of the Superior Court who meet the qualifications for judges of the Family Court of the Superior Court under section 11–908A, District of Columbia Code (as added by subsection (a)); and

(B) if the chief judge determines that the number of individuals described in subparagraph (A) is less than 15, a request that the Judicial Nomination Commission recruit and the President nominate (in accordance with section 433 of the District of Columbia Home Rule Act) such additional number of individuals to serve on the Superior Court who meet the qualifications for judges of the Family Court under such section as may be required to enable the chief judge to make the required number of assignments.

(2) ROLE OF DISTRICT OF COLUMBIA JUDICIAL NOMINATION COMMISSION.—For purposes of section 434(d)(1) of the District of Columbia Home Rule Act, the submission of a request from the chief judge of the Superior Court of the District of Columbia under paragraph (1)(B) shall be deemed to create a number of vacancies in the position of judge of the Superior Court equal to the number of additional appointments so requested by the chief judge, except that the deadline for the submission by the District of Columbia Judicial Nomination Commission of nominees to fill such vacancies shall be 90 days after the creation of such vacancies. In carrying out this paragraph, the District of Columbia Judicial Nomination Commission shall recruit individuals for possible nomination and appointment to the Superior Court who meet the qualifications for judges of the Family Court of the Superior Court.

(d) REPORT BY COMPTROLLER GENERAL.—

(1) IN GENERAL.—Not later than 2 years after the date of the enactment of this Act, the Comptroller General shall prepare and submit to Congress and the chief judge of the Superior Court of the District of Columbia a report on the implementation of this Act (including the transition plan under subsection (b)), and shall include in the report the following:

(A) An analysis of the procedures used to make the initial appointments of judges of the Family Court under this Act and the amendments made by this Act, including an analysis of the time required to make such appointments and the effect of the qualification requirements for judges of the Court (including requirements relating to the length of service on the Court) on the time required to make such appointments.

(B) An analysis of the impact of magistrate judges for the Family Court (including the expedited initial appointment of magistrate judges for the Court under section 6(d)) on the workload of judges and other personnel of the Court.

(C) An analysis of the number of judges needed for the Family Court, including an analysis of how the number may be affected by the qualification requirements for judges, the availability of magistrate judges, and other provisions of this Act or the amendments made by this Act.

(2) SUBMISSION TO CHIEF JUDGE OF SUPERIOR COURT.—Prior to submitting the report under paragraph (1) to Congress, the Comptroller General shall provide a preliminary version of the report to the chief judge of the Superior Court and shall take any comments and recommendations of the chief judge into consideration in preparing the final version of the report.

(e) CONFORMING AMENDMENT.—The first sentence of section 11–908(a), District of Columbia Code, is amended by striking "The chief judge" and inserting "Subject to section 11–908A, the chief judge".

(f) CLERICAL AMENDMENT.—The table of sections for chapter 9 of title 11, District of Columbia Code, is amended by inserting after the item relating to section 11–908 the following new item:

"11–908A. Special rules regarding assignment and service of judges of Family Court.".

SEC. 4. IMPROVING ADMINISTRATION OF CASES AND PROCEEDINGS IN FAMILY COURT.

(a) IN GENERAL.—Chapter 11 of title 11, District of Columbia, is amended by striking section 1101 and inserting the following:

"§ 11–1101. Jurisdiction of the Family Court

"(a) IN GENERAL.—The Family Court of the District of Columbia shall be assigned and have original jurisdiction over—

"(1) actions for divorce from the bond of marriage and legal separation from bed and board, including proceedings incidental thereto for alimony, pendente lite and permanent, and for support and custody of minor children;

"(2) applications for revocation of divorce from bed and board;

"(3) actions to enforce support of any person as required by law;

"(4) actions seeking custody of minor children, including petitions for writs of habeas corpus;

"(5) actions to declare marriages void;

"(6) actions to declare marriages valid;

"(7) actions for annulments of marriage;

"(8) determinations and adjudications of property rights, both real and personal, in any action referred to in this section, irrespective of any jurisdictional limitation imposed on the Superior Court;

"(9) proceedings in adoption;

"(10) proceedings under the Act of July 10, 1957 (D.C. Code, secs. 30–301 to 30–324);

"(11) proceedings to determine paternity of any child born out of wedlock;

"(12) civil proceedings for protection involving intrafamily offenses, instituted pursuant to chapter 10 of title 16;

"(13) proceedings in which a child, as defined in section 16–2301, is alleged to be delinquent, neglected, or in need of supervision;

"(14) proceedings under chapter 5 of title 21 relating to the commitment of the mentally ill;

"(15) proceedings under chapter 11 of title 21 relating to the commitment of the substantially retarded; and

"(16) proceedings under Interstate Compact on Juveniles (described in title IV of the District of Columbia Court Reform and Criminal Procedure Act of 1970).

"(b) DEFINITION.—In this chapter, the term 'action or proceeding' with respect to the Family Court refers to cause of action described in paragraphs (1) through (16) of subsection (a).

"§11-1102. Use of alternative dispute resolution.

"To the greatest extent practicable and safe, cases and proceedings in the Family Court of the Superior Court shall be resolved through alternative dispute resolution procedures, in accordance with such rules as the Superior Court may promulgate.

"§11-1103. Standards of practice for appointed counsel.

"The Superior Court shall establish standards of practice for attorneys appointed as counsel in the Family Court of the Superior Court.

"§11-1104. Administration.

"(a) 'ONE FAMILY, ONE JUDGE' REQUIREMENT FOR CASES AND PROCEEDINGS.—To the greatest extent practicable and feasible, if an individual who is a party to an action or proceeding assigned to the Family Court has an immediate family or household member who is a party to another action or proceeding assigned to the Family Court, the individual's action or proceeding shall be assigned to the same judge or magistrate judge to whom the immediate family member's action or proceeding is assigned.

"(b) RETENTION OF JURISDICTION OVER CASES.—

"(1) IN GENERAL.—In addition to the requirement of subsection (a), any action or proceeding assigned to the Family Court of the Superior Court shall remain under the jurisdiction of the Family Court until the action or proceeding is finally disposed.

"(2) ONE FAMILY, ONE JUDGE.—

"(A) FOR THE DURATION.—An action or proceeding assigned pursuant to this subsection shall remain with the judge or magistrate judge to whom the action or proceeding is assigned for the duration of the action or proceeding to the greatest extent practicable, feasible, and lawful.

"(B) ALL CASES INVOLVING AN INDIVIDUAL.—If an individual who is a party to an action or proceeding assigned to the Family Court becomes a party to another action or proceeding assigned to the Family Court, the individual's subsequent action or proceeding shall be assigned to the same judge or magistrate judge to whom the individual's initial action or proceeding is assigned to the greatest extent practicable, feasible, and lawful.

"(C) REASSIGNMENT.—If the judge to whom the action or proceeding is assigned ceases to serve on the Family Court prior to the final disposition of the action or proceeding, the presiding judge of the Family Court shall ensure that the matter or proceeding is reassigned to a judge serving on the Family Court, except that a judge who ceases to serve in Family Court but remains in Superior Court may retain the case or proceeding for not more than 6 months after ceasing to serve if such retention is in the best interests of the parties.

"(3) STANDARDS OF JUDICIAL ETHICS.—The actions of a judge or magistrate judge in retaining an action or proceeding under this paragraph shall be subject to applicable standards of judicial ethics.

"(c) TRAINING PROGRAM.—

"(1) IN GENERAL.—The presiding judge of the Family Court shall carry out an ongoing program to provide training in family law and related matters for judges of the Family Court, including magistrate judges, attorneys who practice in the Family Court, and appropriate nonjudicial personnel, and shall include in the program information and instruction regarding the following:

"(A) Child development.

"(B) Family dynamics, including domestic violence.

"(C) Relevant Federal and District of Columbia laws.

"(D) Permanency planning principles and practices.

"(E) Recognizing the risk factors for child abuse.

"(F) Any other matters the presiding judge considers appropriate.

"(2) USE OF CROSS-TRAINING.—The program carried out under this section shall use the resources of lawyers and legal professionals, social workers, and experts in the field of child development and other related fields.

"(d) ACCESSIBILITY OF MATERIALS, SERVICES, AND PROCEEDINGS; PROMOTION OF 'FAMILY-FRIENDLY' ENVIRONMENT.—

"(1) IN GENERAL.—To the greatest extent practicable, the presiding judge of the Family Court shall ensure that the materials and services provided by the Family Court are understandable and accessible to the individuals and families served by the Court, and that the Court carries out its duties in a manner which reflects the special needs of families with children.

"(2) LOCATION OF PROCEEDINGS.—To the maximum extent feasible, safe, and practicable, cases and proceedings in the Family Court shall be conducted at locations readily accessible to the parties involved.

"(e) INTEGRATED COMPUTERIZED CASE TRACKING AND MANAGEMENT SYSTEM.—The Executive Officer of the District of Columbia courts under section 11–1703 shall work with the chief judge of the Superior Court—

"(1) to ensure that all records and materials of cases and proceedings in the Family Court are stored and maintained in electronic format accessible by computers for the use of judges, magistrate judges, and nonjudicial personnel of the Family Court, and for the use of other appropriate offices of the District government in accordance with the plan for integrating computer systems prepared by the Mayor of the District of Columbia under section 4(b) of the District of Columbia Family Court Act of 2001;

"(2) to establish and operate an electronic tracking and management system for cases and proceedings in the Family Court for the use of judges and nonjudicial personnel of the Family Court, using the records and materials stored and maintained pursuant to paragraph (1); and

"(3) to expand such system to cover all divisions of the Superior Court as soon as practicable.

"§11–1105. Social services and other related services.

"(a) ON-SITE COORDINATION OF SERVICES AND INFORMATION.—

"(1) IN GENERAL.—The Mayor of the District of Columbia, in consultation with the chief judge of the Superior Court, shall ensure that representatives of the appropriate offices of the District government which provide social services and other related services to individuals and families served by the Family Court (including the District of Columbia Public Schools, the District of Columbia Housing Authority, the Child and Family Services Agency, the Office of the Corporation Counsel, the Metropolitan Police Department, the Department of Health, and other offices determined by the Mayor) are available on-site at the Family Court to coordinate the provision of such services and information regarding such services to such individuals and families.

"(2) DUTIES OF HEADS OF OFFICES.—The head of each office described in paragraph (1), including the Superintendent of the District of Columbia Public Schools and the Director of the District of Columbia Housing Authority, shall provide the Mayor with such information, assistance, and services as the Mayor may require to carry out such paragraph.

"(b) APPOINTMENT OF SOCIAL SERVICES LIAISON WITH FAMILY COURT.—The Mayor of the District of Columbia shall appoint an individual to serve as a liaison between the Family Court and the District government for purposes of subsection (a) and for coordinating the delivery of services provided by the District government with the activities of the Family Court and for providing information to the judges, magistrate judges, and nonjudicial personnel of the Court regarding the services available from the District government to the individuals and families served by the Court. The Mayor shall provide on an ongoing basis information to the chief judge of the Superior Court and the presiding judge of the Family Court regarding the services of the District government which are available for the individuals and families served by the Family Court.

"§11–1106. Reports to Congress.

"Not later than 90 days after the end of each calendar year, the chief judge of the Superior Court shall submit a report to Congress on the activities of the Family Court during the year, and shall include in the report the following:

"(1) The chief judge's assessment of the productivity and success of the use of alternative dispute resolution pursuant to section 11–1102.

"(2) Goals and timetables as required by the Adoption and Safe Families Act of 1997 to improve the Family Court's performance in the following year.

"(3) Information on the extent to which the Court met deadlines and standards applicable under Federal and District of Columbia law to the review and disposition of actions and proceedings under the Court's jurisdiction during the year.

"(4) Information on the progress made in establishing locations and appropriate space for the Family Court that are consistent with the mission of the Family Court until such time as the locations and space are established.

"(5) Information on any factors which are not under the control of the Family Court which interfere with or prevent the Court from carrying out its responsibilities in the most effective manner possible.

"(6) Based on outcome measures derived through the use of the information stored in electronic format under section 11–1104(d), an analysis of the Court's efficiency and effectiveness in managing its case load during the year, including an analysis of the time required to dispose of actions and proceedings among the various categories of the Court's jurisdiction, as prescribed by applicable law and best practices, including (but not limited to) best practices developed by the American Bar Association and the National Council of Juvenile and Family Court Judges.

"(7) If the Court failed to meet the deadlines, standards, and outcome measures described in the previous paragraphs, a proposed remedial action plan to address the failure.".

(b) Expedited Appeals for Certain Family Court Actions and Proceedings.—Section 11–721, District of Columbia Code, is amended by adding at the end the following new subsection:

"(g) Any appeal from an order of the Family Court of the District of Columbia terminating parental rights or granting or denying a petition to adopt shall receive expedited review by the District of Columbia Court of Appeals and shall be certified by the appellant. An oral hearing on appeal shall be deemed to be waived unless specifically requested by a party to the appeal.".

(c) Plan for Integrating Computer Systems.—

(1) In general.—Not later than 6 months after the date of the enactment of this Act, the Mayor of the District of Columbia shall submit to the President and Congress a plan for integrating the computer systems of the District government with the computer systems of the Superior Court of the District of Columbia so that the Family Court of the Superior Court and the appropriate offices of the District government which provide social services and other related services to individuals and families served by the Family Court of the Superior Court (including the District of Columbia Public Schools, the District of Columbia Housing Authority, the Child and Family Services Agency, the Office of the Corporation Counsel, the Metropolitan Police Department, the Department of Health, and other offices determined by the Mayor) will be able to access and share information on the individuals and families served by the Family Court.

(2) Authorization of appropriations.—There are authorized to be appropriated to the Mayor of the District of Columbia such sums as may be necessary to carry out paragraph (1).

(d) Clerical Amendment.—The table of sections for chapter 11 of title 11, District of Columbia Code, is amended by adding at the end the following new items:

"11–1102. Use of alternative dispute resolution.
"11–1103. Standards of practice for appointed counsel.
"11–1104. Administration.
"11–1105. Social services and other related services.
"11–1106. Reports to Congress.".

SEC. 5. TREATMENT OF HEARING COMMISSIONERS AS MAGISTRATE JUDGES.

(a) In General.—

(1) Redesignation of title.—Section 11–1732, District of Columbia Code, is amended—

(A) by striking "hearing commissioners" each place it appears in subsection (a), subsection (b), subsection (d), subsection (i), subsection (l), and subsection (n) and inserting "magistrate judges";

(B) by striking "hearing commissioner" each place it appears in subsection (b), subsection (c), subsection (e), subsection (f), subsection (g), subsection (h), and subsection (j) and inserting "magistrate judge";

(C) by striking "hearing commissioner's" each place it appears in subsection (e) and subsection (k) and inserting "magistrate judge's";

(D) by striking "Hearing commissioners" each place it appears in subsections (b), (d), and (i) and inserting "Magistrate judges"; and

(E) in the heading, by striking "**Hearing commissioners**" and inserting "**Magistrate Judges**".

(2) Conforming amendments.—(A) Section 11–1732(c)(3), District of Columbia Code, is amended by striking ", except that" and all that follows and inserting a period.

(B) Section 16–924, District of Columbia Code, is amended—

(i) by striking "hearing commissioner" each place it appears and inserting "magistrate judge"; and

(ii) in subsection (f), by striking "hearing commissioner's" and inserting "magistrate judge's".

(3) Clerical amendment.—The item relating to section 11–1732 of the table of sections of chapter 17 of title 11, D.C. Code, is amended to read as follows:

"11–1732. Magistrate judges.".

(b) Transition Provision Regarding Hearing Commissioners.—Any individual serving as a hearing commissioner under section 11–1732 of the District of Columbia Code as of the date of the enactment of this Act shall serve the remainder of such individual's term as a magistrate judge, and may be reappointed as a magistrate judge in accordance with section 11–1732(d), District of Columbia Code, except that any individual serving as a hearing commissioner as of the date of the enactment of this Act who was appointed as a hearing commissioner prior to the effective date of section 11–1732 of the District of Columbia Code shall not be required to be a resident of the District of Columbia to be eligible to be reappointed.

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 6. SPECIAL RULES FOR MAGISTRATE JUDGES OF FAMILY COURT.

(a) In General.—Chapter 17 of title 11, District of Columbia Code, is amended by inserting after section 11–1732 the following new section:

"§ 11–1732A. Special rules for magistrate judges of the Family Court of the Superior Court.

"(a) Use of Social Workers in Advisory Merit Selection Panel.—The advisory selection merit panel used in the selection of magistrate judges for the Family Court of the Superior Court under section 11–1732(b) shall include certified social workers specializing in child welfare matters who are residents of the District and who are not employees of the District of Columbia Courts.

"(b) Special Qualifications.—Notwithstanding section 11–1732(c), no individual shall be appointed as a magistrate judge for the Family Court of the Superior Court unless that individual—

"(1) is a citizen of the United States;

"(2) is an active member of the unified District of Columbia Bar;

"(3) for the 5 years immediately preceding the appointment has been engaged in the active practice of law in the District, has been on the faculty of a law school in the District, or has been employed as a lawyer by the United States or District government, or any combination thereof;

"(4) has not fewer than 3 years of training or experience in the practice of family law; and

"(5)(A) is a bona fide resident of the District of Columbia and has maintained an actual place of abode in the District for at least 90 days immediately prior to appointment, and retains such residency during service as a magistrate judge; or

"(B) is a bona fide resident of the areas consisting of Montgomery and Prince George's Counties in Maryland, Arlington and Fairfax Counties, and the City of Alexandria in Virginia, has maintained an actual place of abode in such area for at least 5 years prior to appointment, and certifies that the individual will become a bona fide resident of the District of Columbia not later than 90 days after appointment.

"(c) Service of Current Hearing Commissioners.—Those individuals serving as hearing commissioners under section 11–1732 on the effective date of this section who meet the qualifications described in subsection (b)(4) may request to be appointed as magistrate judges for the Family Court of the Superior Court under such section.

"(d) Functions.—A magistrate judge, when specifically designated by the presiding judge of the Family Court of the Superior Court, and subject to the rules of the Superior Court and the right of review under section 11–1732(k), may perform the following functions:

"(1) Administer oaths and affirmations and take acknowledgements.

"(2) Subject to the rules of the Superior Court and applicable Federal and District of Columbia law, conduct hearings, make findings and enter interim and final orders or judgments in uncontested or contested proceedings within the jurisdiction of the Family Court of the Superior Court (as described in section 11–1101), excluding jury trials and trials of felony cases, as assigned by the presiding judge of the Family Court.

"(3) Subject to the rules of the Superior Court, enter an order punishing an individual for contempt, except that no individual may be detained pursuant to the authority of this paragraph for longer than 180 days.

"(e) Location of Proceedings.—To the maximum extent feasible, safe, and practicable, magistrate judges of the Family Court of the Superior Court shall conduct proceedings at locations readily accessible to the parties involved.

"(f) Training.—The Family Court of the Superior Court shall ensure that all magistrate judges of the Family Court receive training to enable them to fulfill their responsibilities, including specialized training in family law and related matters.".

(b) Conforming Amendments.—(1) Section 11–1732(a), District of Columbia Code, is amended by inserting after "the duties enumerated in subsection (j) of this section" the following: "(or, in the case of magistrate judges for the Family Court of the Superior Court, the duties enumerated in section 11-1732A(d))".

(2) Section 11–1732(c), District of Columbia Code, is amended by striking "No individual" and inserting "Except as provided in section 11–1732A(b), no individual".

(3) Section 11–1732(k), District of Columbia Code, is amended—

(A) by striking "subsection (j)," and inserting the following: "subsection (j) (or proceedings and hearings under section 11-1732A(d), in the case of magistrate judges for the Family Court of the Superior Court),"; and

(B) by inserting after "appropriate division" the following: "(or, in the case of an order or judgment of a magistrate judge of the Family Court of the Superior Court, by a judge of the Family Court)".

(4) Section 11-1732(l), District of Columbia Code, is amended by inserting after "responsibilities" the following: "(subject to the requirements of section 11-1732A(f) in the case of magistrate judges of the Family Court of the Superior Court)".

(c) CLERICAL AMENDMENT.—The table of sections for subchapter II of chapter 17 of title 11, District of Columbia, is amended by inserting after the item relating to section 11-1732 the following new item:

"11-1732A. Special rules for magistrate judges of Family Court of the Superior Court.".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) EXPEDITED INITIAL APPOINTMENTS.—

(A) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the chief judge of the Superior Court of the District of Columbia shall appoint not more than 5 individuals to serve as magistrate judges for the Family Division of the Superior Court in accordance with the requirements of sections 11-1732 and 11-1732A, District of Columbia Code (as added by subsection (a)).

(B) APPOINTMENTS MADE WITHOUT REGARD TO SELECTION PANEL.—Sections 11-1732(b) and 11-1732A(a), District of Columbia Code (as added by subsection (a)) shall not apply with respect to any magistrate judge appointed under this paragraph.

(C) PRIORITY FOR CERTAIN ACTIONS AND PROCEEDINGS.—The chief judge of the Superior Court and the presiding judge of the Family Division of the Superior Court (acting jointly) shall first assign and transfer to the magistrate judges appointed under this paragraph actions and proceedings described as follows:

(i) The action or proceeding involves an allegation of abuse or neglect.

.(ii) The judge to whom the action or proceeding is assigned as of the date of the enactment of this Act is not assigned to the Family Division.

(iii) The action or proceeding was initiated in the Family Division prior to the 2-year period which ends on the date of the enactment of this Act.

SEC. 7. SENSE OF CONGRESS REGARDING BORDER AGREEMENT WITH MARYLAND AND VIRGINIA.

It is the sense of Congress that the State of Maryland, the Commonwealth of Virginia, and the District of Columbia should promptly enter into a border agreement to facilitate the timely and safe placement of children in the District of Columbia's welfare system in foster and kinship homes and other facilities in Maryland and Virginia.

SEC. 8. SENSE OF THE SENATE REGARDING THE USE OF COURT APPOINTED SPECIAL ADVOCATES.

It is the sense of the Senate that the Chief Judge of the Superior Court and the Presiding Judge of the Family Division should take all steps necessary to encourage and support the use of Court Appointed Special Advocates (CASA) in family court actions or proceedings.

SEC. 9. INTERIM REPORTS.

Not later than 12 months after the date of enactment of this Act, the chief judge of the Superior Court and the presiding judge of the Family Court—

(1) in consultation with the General Services Administration, shall submit to Congress a feasibility study for the construction of appropriate permanent courts and facilities for the Family Court; and

(2) shall submit to Congress an analysis of the success of the use of magistrate judges under the expedited appointment procedures established under section 6(d) in reducing the number of pending actions and proceedings within the jurisdiction of the Family Court (as described in section 11-902(d), District of Columbia).

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Courts of the District of Columbia and the District of Columbia such sums as may be necessary to carry out the amendments made by this Act.

SEC. 11. EFFECTIVE DATE.

The amendments made by section 4 shall take effect upon the expiration of the 18 month period which begins on the date of the enactment of this Act.

By Mrs. CLINTON (for herself and Mr. ROBERTS):

S. 1383. A bill to amend the Internal Revenue Code of 1986 to clarify the treatment of incentive stock options and employee stock purchases; to the Committee on Finance.

Mrs. CLINTON. Mr. President, I am pleased to introduce today a bill to support the efforts of the many companies in New York and elsewhere who grant stock options to their employees. Over the past three decades, companies have increasingly used stock options to attract and motivate employees. These companies give their workers the right to purchase company stock, at a small discount from the listed price, through Employee Stock Purchase Plans, ESPP and Incentive Stock Options, ISO. Employees stock ownership has been shown to motivate workers and enhance relationship between management and workers. Indeed, for many workers, these plans are the only way to amass any assets.

For nearly thirty years, the Internal Revenue Service, IRS has taken the position that income from these stock options is not subject to employment taxes. However, recent audits and rulings on individual companies have raised the troubling prospect that the IRS may now reverse its policy.

ESPPs and ISOs were created by Congress to provide tools to build strong companies through increased employee ownership of company stock. The purpose of the bipartisan bill I am introducing today, with Senator ROBERTS, is to clarify that it was not the intent of Congress to dilute these incentives by requiring employment tax withholding when the stock is purchased. While the IRS has in place a moratorium until January 1, 2003 on assessing employment taxes on stock options, we must take action to eliminate any uncertainty for companies and workers as to whether options are subject to withholding taxes.

Again, the legislation I am introducing would clarify that the difference between the exercise price and the fair market value of stock offered by the ISO and ESPP is excluded from employment taxes. In addition, wage withholding is not required on disqualifying dispositions of ISO stock or on the fifteen percent discount offered to employees by ESPPs.

I urge my colleagues to join me in cosponsoring this legislation.

By Mr. SMITH of Oregon:

S. 1384. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to expand the definition of the term "Major disaster" to include an application of the Endangered Species Act of 1973 that souses severe economic hardship; to the Committee on Environment and Public Works.

Mr. SMITH of Oregon. Mr. President, earlier this month I went to the Santiam Canyon community of Detroit. Along with my visit to Klamath Falls in May, it was probably one of the most emotional days I have had as a Senator.

This beautiful community, located on one of Oregon's most popular recreational lakes, has been devastated by a combination of natural and man-made disasters. I stood next to one of the Detroit Lake marinas, which in past years had been the busiest spot on the lake, provided services to hundreds of boaters. I was amazed to see this marina was high and dry. Now there are only tree stumps and mud flats in the reservoir. Again, a result of both natural and man-made disasters. I hosted a town hall where 350 community residents, nearly the entire population of the City of Detroit, came to share their desperate concerns.

I need to tell you what brought the community of Detroit, OR, to this point.

Over 50 years ago, the town was forced by the Federal Government to move from its original location so that Detroit Dam & Reservoir could be built. The original city site was buried under several feet of water. Detroit was a hearty community of strong-willed men and women. Instead of giving up, they moved their community to higher ground, and they survived. Years later, the Federal Government again came to Detroit. Like a number of other timber dependent communities in Santiam Canyon, the timber supply from the surrounding Federal land was cut off and the mills were forced to close. Again, the residents of Detroit refused to be broken, and instead retooled their economy from timber to tourism.

Now, the Federal Government is visiting Detroit, Oregon again. This time, as a result of drought and the government's decision to drain Detroit Reservoir, upon which that new economy was based, the community is once again facing extinction. Even with economic losses estimated at $1.75 million, the Small Business Administration and the Federal Emergency Management Agency tell me that according to their regulations, there is no disaster in Detroit, OR, today.

I am here to tell you that there is a disaster in Detroit, it was caused by the Federal Government, and it should be made right by the Federal Government.

The Corps of Engineers drained Detroit Lake this summer before it ever had a chance to fill. The Corps tells me that under a negotiated agreement with the Oregon Department of Fish and Wildlife, NMFS and other State and Federal agencies, it devised an operating plan to drain the reservoir in order to meet far downstream needs for water quality under the Clean Water Act and the Endangered Species Act, and even to meet the power needs of California. Once again, the needs of rural communities were left out of the equation.

I hope that the Senate will work with me to find more effective ways of addressing drought. Detroit Lake is the prime example of how Federal programs fail to prepare and assist non-agricultural communities through drought disasters. This must change. The Federal Government must engage the States in preparing comprehensive drought contingency plans that address all those who are affected, agricultural and non-agricultural communities alike.

Areas like Detroit Lake and the Klamath Basin also portray in bold proportion the Federal Government's failure to take responsibility for its own actions, actions it deems necessary to meet environmental goals. I do not believe, however, that commitment to shared environmental values means leaving dustbowls, wastelands, and paralyzed communities in the wake of Federal actions. There must be a better way.

Therefore, I am introducing legislation today that would qualify government-induced disasters for Disaster relief under the same guidelines as natural disasters. It seems only fitting that if the Government causes the disaster, it should provide the same relief as when nature causes the problem.

I understand our environmental ethic, and I believe in our environmental stewardship obligations. But I know that I am not alone when I say this Government of the people and by the people, must also be for the people. Including those people hurting in Detroit, OR, today.

By Ms. CANTWELL (for herself and Mrs. MURRAY):

S. 1385. A bill to authorize the Secretary of the Interior, pursuant to the provisions of the Reclamation Wastewater and Groundwater Study and Facilities Act to participate in the design, planning, and construction of the Lakehaven water reclamation project for the reclamation and reuse of water; to the Committee on Energy and Natural Resources.

Ms. CANTWELL. Mr. President, I rise today to introduce important legislation to improving the capacity and reliability of wastewater systems in the State of Washington.

I thank my friend, Washington state's senior Senator, PATTY MURRAY, who worked on this legislation in the last Congress and who has been a champion of clean water as a member of this body. I look forward to working with her as we build on those efforts in the years to come.

The United States economy, the strongest economy in the world, is built on our human infrastructure and our physical infrastructure. We have among the most comprehensive air traffic, public transit, highway, and navigable waterway transportation systems; perhaps the most sophisticated energy transmission grids and communication networks; and the most effective drinking water and wastewater systems in the world.

However, in the face of the natural aging and deterioration of these resources, combined with significant population growth, our Nation has a massive need for investment in the maintenance and improvement of our resources. Our Nation's economic health, and literally the physical health of our constituents, depends on that investment.

In March, the American Society of Civil Engineers released a "Report Card for America's Infrastructure." After an extensive survey of the Nation's infrastructure, the group of professionals perhaps most familiar with the technical capabilities of the roads, bridges, dams, runways, and water treatment plants, gave our Nation a cumulative grade of D+. The group estimated that our Nation needs to invest $1.3 trillion over the next five years to bring our infrastructure up to the standards that keep our overall economy out of the gridlock that has gripped many of our metropolitan areas, that will keep our families safe, and that simply befits the nature of this great Nation in striving to be the best in the world.

The legislation that my colleague and I are introducing today addresses only a small piece of this infrastructure, but it is nonetheless important in addressing the growth of our region and the impacts of that growth on the water systems of one part of Washington. This legislation will authorize one project, in one area of our state, but it is essential to maintaining water quality in the Puget Sound region for fish habitat, for wetland restoration, and for meeting the growing demands for water in the many communities served by the Lakehaven Utility District.

Since 1972 the Federal Government has spent about $73 billion on wastewater treatment programs. That's certainly no minor contribution, and we have made progress, the elimination of nearly 85 percent of wastewater. Unfortunately, with aging water collection and treatment systems across the Nation, it is still estimated that between 35 percent and 45 percent of U.S. surface waters do not meet current water-quality standards. Our Nation's 16,000 wastewater systems still face enormous infrastructure funding needs.

While last year Congress appropriated $1.35 billion for wastewater infrastructure, and another $1.35 billion in the legislation for fiscal year 2002 that this body passed yesterday, EPA has estimated that we will need to spend $126 billion by 2016 to fully achieve secondary treatment improvements of existing facilities. So we still have a long way to go, and I intend to keep working on increasing that Federal commitment with my colleagues.

Again, the legislation that we are introducing today will take steps toward solving some of these infrastructure needs in the Puget Sound area and I will take a moment to explain the legislation.

The Lakehaven Utility District is one of Washington State's largest water and sewer utilities providing 10.5 million gallons of water a day to over 100,000 residents and numerous corporate facilities in south King county and parts of Pierce county. The demand for water from these sources has increased to a point that the district may soon exceed safe water production limits and has resulted in reduction of water levels in all local aquifers.

The District has two secondary wastewater treatment plants that currently discharge more than 6 million gallons of water a day to Puget Sound and the district is certain that techniques successfully used in many parts of this Nation to utilize reclaimed water to manage groundwater levels could be used in this region. The district has prepared a plan to construct additional treatment systems at the two wastewater treatment plants in the district, to improve pipeline distribution systems for transporting water to the reuse areas, and systems to direct water back to the aquifer system. if we make these improvements, the district will be able to better maintain stream levels during droughts and recharge the aquifers without using additional surface water.

The legislation authorizes the Bureau of Reclamation to assist in the planning, land acquisition and construction of this important water reclamation project. The bill limits the Federal contribution to 25 percent and would comply with other limitations and obligations of the Reclamation Wastewater and Groundwater Study and Facilities Act.

This project would begin to meet the needs of improving the wastewater systems serving a large segment of the Northwest population, and will provide additional protection for vital natural resources, using economically feasible and proven technologies. The Federal Government has a role in maintaining these systems and assisting in building additional infrastructure to handle our nation's massive needs.

Thus I urge my colleagues to join with us in support of this critical legislation for the state of Washington and our Nation, I look forward to working with my colleagues to expeditiously take up and pass this bill.

By Mr. SANTORUM:

S. 1386. A bill to amen the Internal Revenue Code of 1986 to provide for the equitable operation of welfare benefit plans for employees, and for other purposes; to the Committee on Finance.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the text of bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1386

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; AMENDMENT TO 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Employee Welfare Benefit Equity Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents; amendment to 1986 Code.

TITLE I—CERTAIN WELFARE BENEFIT PLANS

Sec. 101. Modification of definition of ten-or-more employer plans.
Sec. 102. Clarification of deduction limits for certain collectively bargained plans.
Sec. 103. Clarification of standards for section 501(c)(9) approval.
Sec. 104. Tax shelter provisions not to apply.
Sec. 105. Effective dates.

TITLE II—ENFORCEMENT PROVISIONS

Sec. 201. Clarification of section 4976.
Sec. 202. Effective date.

(c) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—CERTAIN WELFARE BENEFIT PLANS

SEC. 101. MODIFICATION OF DEFINITION OF TEN-OR-MORE EMPLOYER PLANS.

(a) ADDITIONAL REQUIREMENTS.—Paragraph (6)(B) of section 419A(f) (relating to the exception for 10 or more employer plans) is amended by striking "and" at the end of clause (i), by striking the period at the end of clause (ii) and inserting a comma, and by adding at the end the following new clauses:

"(iii) which meets the requirements of section 505(b)(1) with respect to all benefits provided by the plan,

"(iv) which has obtained a favorable determination from the Secretary that such plan (or a predecessor plan) is an organization described in section 501(c)(9), and

"(v) under which no severance pay benefit is provided."

(b) CLARIFICATION OF EXPERIENCE RATING.—

(1) IN GENERAL.—Paragraph (6)(A) of section 419A(f) (relating to the exception for 10 or more employer plans) is amended by striking the second sentence and inserting the following: "The preceding sentence shall not apply to any plan which is an experience-rated plan."

(2) EXPERIENCE-RATED PLAN.—Section 419A(f)(6) is amended by adding at the end the following new subparagraph:

"(C) EXPERIENCE-RATED PLAN.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'experience-rated plan' means a plan which determines contributions by individual employers on the basis of actual gain or loss experience.

"(ii) EXCEPTION FOR GUARANTEED BENEFIT PLAN.—

"(I) IN GENERAL.—The term 'experience-rated plan' shall not include a guaranteed benefit plan.

"(II) GUARANTEED BENEFIT PLAN.—The term 'guaranteed benefit plan' means a plan the benefits of which are funded with insurance contracts or are otherwise determinable and payable to a participant without reference to, or limitation by, the amount of contributions to the plan attributable to any contributing employer. A plan shall not fail to be treated as a guaranteed benefit plan solely because benefits may be limited or denied in the event a contributing employer fails to pay premiums or assessments required by the plan as a condition of continued participation."

(c) SINGLE PLAN REQUIREMENT.—Section 419A(f)(6), as amended by subsections (a) and (b), is amended--

(1) by striking "means a plan" in subparagraph (B) and inserting "means a single plan", and

(2) by adding at the end the following:

"(D) SINGLE PLAN.—For purposes of this paragraph, the term 'single plan' means a written plan or series of related written plans the terms of which provide that—

"(i) all assets of the plan or plans, whether maintained under 1 or more trusts, accounts, or other arrangements and without regard to the method of accounting of the plan or plans, are available to pay benefits of all participants without regard to the participant's contributing employer, and

"(ii) the method of accounting of the plan or plans may not operate to limit or reduce the benefits payable to a participant at any time before the withdrawal of the participant's employer from the plan or the termination of any benefit arrangement under the plan."

SEC. 102. CLARIFICATION OF DEDUCTION LIMITS FOR CERTAIN COLLECTIVELY BARGAINED PLANS.

Paragraph (5) of section 419A(f) (relating to the deductions limits for certain collectively bargained plans) is amended by adding at the end the following flush sentences:

"Subparagraph (B) shall not apply to any plan maintained pursuant to an agreement between employee representatives and 1 or more employers unless the taxpayer applies for, and the Secretary issues, a determination that such agreement is a bona fide collective bargaining agreement and that the welfare benefits provided under the agreement were the subject of good faith bargaining between employee representatives and such employer or employers. The Secretary may issue regulations to carry out the purposes of the preceding sentence."

SEC. 103. CLARIFICATION OF STANDARDS FOR SECTION 501(c)(9) APPROVAL.

Section 505 is amended by adding at the end the following new subsection:

"(d) CLARIFICATION OF STANDARDS FOR EXEMPTION.—

"(1) MEMBERSHIP.—An organization shall not fail to be treated as an organization described in paragraph (9) of section 501(c) solely because its membership includes employees or other allowable participants who—

"(A) reside or work in different geographic locales, or

"(B) do not work in the same industrial or employment classification.

"(2) FUNDING.—An organization described in paragraph (9) or (20) of section 501(c) shall not be treated as discriminatory solely because life insurance or other benefits provided by the organization are funded with different types of products, contracts, investments, or other funding methods of varying costs, but only if the plan under which such benefits are provided meets the requirements of subsection (b)."

SEC. 104. TAX SHELTER PROVISIONS NOT TO APPLY.

Section 419 (relating to treatment of funded welfare benefit plans) is amended by adding at the end the following:

"(h) TAX SHELTER RULES NOT TO APPLY.—For purposes of this title, a welfare benefit fund meeting all applicable requirements of this title shall not be treated as a tax shelter or corporate tax shelter."

SEC. 105. EFFECTIVE DATES.

(a) IN GENERAL.—The amendments made by this title shall apply to contributions to a welfare benefit fund made after the date of the enactment of this Act.

(b) TAX SHELTER RULES.—The amendment made by section 104 shall take effect as if included in the amendments made by section 1028 of the Taxpayer Relief Act of 1997.

TITLE II—ENFORCEMENT PROVISIONS

SEC. 201. CLARIFICATION OF SECTION 4976.

Section 4976 (relating to excise taxes with respect to funded welfare benefit plans) is amended to read as follows:

"SEC. 4976. TAXES WITH RESPECT TO FUNDED WELFARE BENEFIT PLANS.

"(a) IMPOSITION OF TAX.—

"(1) GENERAL RULE.—If—

"(A) an employer maintains a welfare benefit fund, and

"(B) there is—

"(i) a disqualified benefit provided or funded during any taxable year, or

"(ii) a premature termination of such plan,

there is hereby imposed on such employer a tax in the amount determined under paragraph (2).

"(2) AMOUNT OF TAX.—The amount of the tax imposed by paragraph (1) shall be equal to—

"(A) in the case of a taxable event under paragraph (1)(B)(i), 100 percent of—

"(i) the amount of the disqualified benefit provided, or

"(ii) the amount of the funding of the disqualified benefit, and

"(B) in the case of a taxable event under paragraph (1)(B)(ii), 100 percent of all contributions to the fund before the termination.

"(b) DISQUALIFIED BENEFIT.—For purposes of subsection (a)—

"(1) IN GENERAL.—The term 'disqualified benefit' means—

"(A) any post-retirement medical benefit or life insurance benefit provided with respect to a key employee if a separate account is required to be established for such employee under section 419A(d) and such payment is not from such account,

"(B) any post-retirement medical benefit or life insurance benefit provided or funded with respect to an individual in whose favor discrimination is prohibited unless the plan meets the requirements of section 505(b) with respect to such benefit (whether or not such requirements apply to such plan), and

"(C) any portion of a welfare benefit fund reverting to the benefit of the employer.

"(2) EXCEPTION FOR COLLECTIVE BARGAINING PLANS.—Paragraph (1)(B) shall not apply to any plan maintained pursuant to an agreement between employee representatives and 1 or more employers if the Secretary finds that such agreement is a collective bargaining agreement and that the benefits referred to in paragraph (1)(B) were the subject of good faith bargaining between such employee representatives and such employer or employers.

"(3) EXCEPTION FOR NONDEDUCTIBLE CONTRIBUTIONS.—Paragraph (1)(C) shall not apply to any amount attributable to a contribution to the fund which is not allowable as a deduction under section 419 for the taxable year or any prior taxable year (and such contribution shall not be included in any carryover under section 419(d)).

"(4) EXCEPTION FOR CERTAIN AMOUNTS CHARGED AGAINST EXISTING RESERVE.—Subparagraphs (A) and (B) of paragraph (1) shall not apply to post-retirement benefits charged against an existing reserve for post-retirement medical or life insurance benefits (as defined in section 512(a)(3)(E)) or charged against the income on such reserve.

"(c) PREMATURE TERMINATION.—For purposes of subsection (a)—

"(1) IN GENERAL.—The term 'premature termination' means a termination event which occurs on or before the date which is 6 years after the first contribution to a welfare benefit fund which benefits any highly compensated employee.

"(2) EXCEPTION FOR INSOLVENCY, ETC.—Paragraph (1) shall not apply to any termination event which occurs by reason of the insolvency of the employer or for such other reasons as the Secretary may by regulation determine are not likely to result in abuse.

"(3) TERMINATION EVENT.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'termination event' means—

"(i) the termination of a welfare benefit fund,

"(ii) the withdrawal of an employer from a welfare benefit fund to which more than 1 employer contributes, or

"(iii) any other action which is designed to cause, directly or indirectly, a distribution of any asset from a welfare benefit fund to a highly compensated employee.

"(B) EXCEPTION FOR BONA FIDE BENEFITS.—Subparagraph (A) shall not apply to any bona fide benefit (other than a severance benefit) paid from a welfare benefit fund which is available to all employees on a nondiscriminatory basis and payable pursuant to the terms of a written plan.

"(d) DEFINITIONS.—For purposes of this section—

"(1) IN GENERAL.—Except as otherwise provided, the terms used in this section shall have the same respective meanings as when used in subpart D of part I of subchapter D of chapter 1.

"(2) POST-RETIREMENT BENEFIT.—

"(A) IN GENERAL.—The term 'post-retirement benefit' means any benefit or distribution which is reasonably determined to be paid, provided, or made available to a participant on or after normal retirement age.

"(B) NORMAL RETIREMENT AGE.—The term 'normal retirement age' shall have the same meaning given the term in section 3(24) of the Employee Retirement Income Security Act of 1974, but in no event shall such date be later than the latest normal retirement age defined in any qualified retirement plan of the employer maintaining the welfare benefit fund which benefits such individual.

"(C) PRESUMPTION IN THE CASE OF PERMANENT LIFE INSURANCE.—In the case of a welfare benefit fund which provides a life insurance benefit for an employee, any contributions to the fund for life insurance benefits in excess of the cumulative projected cost of providing the employee permanent whole life insurance, calculated on the basis level premiums for each for each year before a normal retirement age, shall be treated as funding a post-retirement benefit."

SEC. 202. EFFECTIVE DATE.

The amendments made by this title shall apply to benefits provided, and terminations occurring, after the date of the enactment of this Act.

By Mr. BINGAMAN (for himself, Mr. DOMENICI and Mr. ROCKEFELLER):

S. 1387. A bill to conduct a demonstration program to show that physician shortage, recruitment, and retention problems may be ameliorated in rural States by developing comprehensive program that will result in statewide physician population growth, and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, I rise today to introduce legislation, the "Rural States Physician Recruitment and Retention Demonstration Act of 2001," with Senators DOMENICI and ROCKEFELLER. This Act would create a demonstration program to show that physician shortage, recruitment, and retention problems may be ameliorated in demonstration States by developing a training program and loan repayment program that will result in statewide physician population growth.

The problem of recruiting and retaining physicians, particularly in some specialties, has reached crisis proportions in my State. There are very few small town residents who don't have a story to tell about losing a cherished doctor or traveling vast distances to see a specialist. And even in New Mexico's most populous city, Albuquerque, the number of practicing neurosurgeons can be counted on one hand. Not so long ago there were 11 of them practicing there. We know that the surgeons in Santa Fe are struggling to recruit a new general surgeon, as are many other communities throughout the State. We know that the thought of having an additional psychiatrist in Las Cruces would be considered by many to be an unrealistic fantasy. I am certain that many Senators from States that are demographically more similar to New Mexico than they are to Washington, D.C. can truly understand the discrepancy in physician recruitment and retention.

Anyone representing a rural State knows that a certain amount of physician turn over is inevitable and understandable. It is very important, however, to anticipate how we can ensure an adequate supply of physicians in the future. Payment for Graduate Medical Education slots has been frozen at the number of physicians who were being trained in 1996. Within the past six months we have been told that the funding for training family physicians, general internists, pediatricians, dentists, nurse practitioners, physician assistants, and other health professionals should be drastically cut because "today a physician shortage no longer exists". Although aggregate data appears to support the notion that we need not be concerned about a physician shortage, this does not reflect what is happening at home.

Health professional shortages continue to exist in geographically isolated and economically disadvantaged areas. This maldistribution problem is exacerbated by market forces that often entice physicians to urban or suburban areas where higher income levels can be achieved. The Medicare payment formula further contributes to the problem by assessing a lower cost of living adjustment in rural areas and, accordingly, decreasing the Medicare payment rate in the very area where the physician shortage exists in the first place. Fortunately we know that economics is only one of the many factors that physicians consider when they are choosing a place to practice. Family considerations and lifestyle issues also play a vital role in this important decision. One of the best predictors of where a physician will practice is directly related to the location of their post-graduate medical education—they are likely to stay within a sixty-mile radius of where they did their residency training. This fact, provides us with a focus for this demonstration project.

This particular piece of legislation creates a demonstration program in nine States that will correct the flaws in the system in two ways, and then will track health professionals in each demonstration State through a state-specific health professions database. Demonstration States would be identified using three criteria including an uninsured rate above the U.S. average, lack of primary care access above the U.S. average, and a combined Medicare and Medicaid population above 20 percent.

The first flaw in the system is the capitation limit placed on all residency graduate medical education positions in 1996. Whereas this action may have been appropriate for some States, maybe even most States, it has been extremely damaging to rural States where we know physicians are in short supply. This bill allows a sponsoring institution to increase the number of residency and fellowship positions by up to 50 percent if the sponsoring institution agrees to require that each resident or fellow in the affected training programs would spend an aggregate of 10 percent of their time during training providing supervised specialty services to underserved and rural community populations outside of their training institution. A waiver from this rural outreach requirement can be granted by the Secretary for certain hospital-based subspecialists, like neurosurgeons, if the demonstration State can demonstrate a shortage of physicians in that specialty statewide.

The second flaw in the system revolves around the debt load carried by many physicians when they finish their training program. Currently there are several Federal and State programs that will help repay education loans. The problem lies in the fact that only primary care specialties currently qualify for these loan repayment programs. This legislation creates a similar loan repayment program for underserved specialists who agree to practice for one year in the demonstration State for each year of education loans that are repaid.

Thus, this demonstration project does two critical things for recruitment and retention in rural States. It exposes to underserved areas that they may never have otherwise been exposed to, which increases the possibility that they will stay and practice there. It also relieves some of their economic burden from loans which may help to moderate the effect of lower Medicare reimbursement rates in rural areas.

I request unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1387

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Rural States Physician Recruitment and Retention Demonstration Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Rural States Physician Recruitment and Retention Demonstration Program.
Sec. 4. Establishment of the Health Professions Database.
Sec. 5. Evaluation and reports.
Sec. 6. Contracting flexibility.

SEC. 2. DEFINITIONS.

In this Act:

(1) COGME.—The term "COGME" means the Council on Graduate Medical Education established under section 762 of the Public Health Service Act (42 U.S.C. 294o).

(2) DEMONSTRATION PROGRAM.—The term "demonstration program" means the Rural States Physician Recruitment and Retention Demonstration Program established by the Secretary under section 3(a).

(3) DEMONSTRATION STATES.—The term "demonstration States" means each State identified by the Secretary, based upon data from the most recent year for which data are available—

(A) that has an uninsured population above 16 percent (as determined by the Bureau of the Census);

(B) for which the sum of the number of individuals who are entitled to benefits under the medicare program and the number of individuals who are eligible for medical assistance under the medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) equals or exceeds 20 percent of the total population of the State (as determined by the Centers for Medicare & Medicaid Services); and

(C) that has an estimated number of individuals in the State without access to a primary care provider of at least 17 percent (as published in "HRSA's Bureau of Primary Health Care: BPHC State Profiles").

(4) ELIGIBLE RESIDENCY OR FELLOWSHIP GRADUATE.—The term "eligible residency or fellowship graduate" means a graduate of an approved medical residency training program (as defined in section 1886(h)(5)(A) of the Social Security Act (42 U.S.C. 1395ww(h)(5)(A))) in a shortage physician specialty.

(5) HEALTH PROFESSIONS DATABASE.—The term "Health Professions Database" means the database established under section 4(a).

(6) MEDICARE PROGRAM.—The term "medicare program" means the health benefits program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(7) MEDPAC.—The term "MedPAC" means the Medicare Payment Advisory Commission established under section 1805 of the Social Security Act (42 U.S.C. 1395b–6).

(8) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

(9) SHORTAGE PHYSICIAN SPECIALTY.—The term "shortage physician specialty" means a medical or surgical specialty identified in a demonstration State by the Secretary based on—

(A) an analysis and comparison of national data and demonstration State data; and

(B) recommendations from appropriate Federal, State, and private commissions, centers, councils, medical and surgical physician specialty boards, and medical societies or associations involved in physician workforce, education and training, and payment issues.

SEC. 3. RURAL STATES PHYSICIAN RECRUITMENT AND RETENTION DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish a Rural States Physician Recruitment and Retention Demonstration Program for the purpose of ameliorating physician shortage, recruitment, and retention problems in rural States in accordance with the requirements of this section.

(2) CONSULTATION.—For purposes of establishing the demonstration program, the Secretary shall consult with—

(A) COGME;

(B) MedPAC;

(C) a representative of each demonstration State medical society or association;

(D) the health workforce planning and physician training authority of each demonstration State; and

(E) any other entity described in section 2(9)(B).

(b) DURATION.—The Secretary shall conduct the demonstration program for a period of 10 years.

(c) CONDUCT OF PROGRAM.—

(1) FUNDING OF ADDITIONAL RESIDENCY AND FELLOWSHIP POSITIONS.—

(A) IN GENERAL.—As part of the demonstration program, the Secretary (acting through the Administrator of the Centers for Medicare & Medicaid Services) shall—

(i) notwithstanding section 1886(h)(4)(F) of the Social Security Act (42 U.S.C. 1395ww(h)(4)(F)) increase, by up to 50 percent of the total number of residency and fellowship positions approved at each medical residency training program in each demonstration State, the number of residency and fellowship positions in each shortage physician specialty; and

(ii) subject to subparagraph (C), provide funding under subsections (d)(5)(B) and (h) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) for each position added under clause (i).

(B) ESTABLISHMENT OF ADDITIONAL POSITIONS.—

(i) IDENTIFICATION.—The Secretary shall identify each additional residency and fellowship position created as a result of the application of subparagraph (A).

(ii) NEGOTIATION AND CONSULTATION.—The Secretary shall negotiate and consult with representatives of each approved medical residency training program in a demonstration State at which a position identified under clause (i) is created for purposes of supporting such position.

(C) CONTRACTS WITH SPONSORING INSTITUTIONS.—

(i) IN GENERAL.—The Secretary shall condition the availability of funding for each residency and fellowship position identified under subparagraph (B)(i) on the execution of a contract containing such provisions as the Secretary determines are appropriate, including the provision described in clause (ii) by each sponsoring institution.

(ii) PROVISION DESCRIBED.—

(I) IN GENERAL.—Except as provided in subclause (II), the provision described in this clause is a provision that provides that, during the residency or fellowship, the resident or fellow shall spend not less than 10 percent of the training time providing specialty services to underserved and rural community populations other than an underserved population of the sponsoring institution.

(II) EXCEPTIONS.—The Secretary, in consultation with COGME, shall identify shortage physician specialties and subspecialties for which the application of the provision described in subclause (I) would be inappropriate and the Secretary may waive the requirement under clause (i) that such provision be included in the contract of a resident or fellow with such a specialty or subspecialty.

(D) LIMITATIONS.—

(i) PERIOD OF PAYMENT.—The Secretary may not fund any residency or fellowship position identified under subparagraph (B)(i) for a period of more than 5 years.

(ii) REASSESSMENT OF NEED.—The Secretary shall reassess the status of the shortage physician specialty in the demonstration State prior to entering into any contract under subparagraph (C) after the date that is 5 years after the date on which the Secretary establishes the demonstration program.

(2) LOAN REPAYMENT AND FORGIVENESS PROGRAM.—

(A) IN GENERAL.—As part of the demonstration program, the Secretary (acting through the Administrator of the Health Resources and Services Administration) shall establish a loan repayment and forgiveness program, through the holder of the loan, under which the Secretary assumes the obligation to repay a qualified loan amount for an educational loan of an eligible residency or fellowship graduate—

(i) for whom the Secretary has approved an application submitted under subparagraph (D); and

(ii) with whom the Secretary has entered into a contract under subparagraph (C).

(B) QUALIFIED LOAN AMOUNT.—

(i) IN GENERAL.—Subject to clause (ii), the Secretary shall repay the lesser of—

(I) 25 percent of the loan obligation of a graduate on a loan that is outstanding during the period that the eligible residency or fellowship graduate practices in the area designated by the contract entered into under subparagraph (C); or

(II) $25,000 per graduate per year of such obligation during such period.

(ii) LIMITATION.—The aggregate amount under this subparagraph may not exceed $125,000 for any graduate and the Secretary may not repay or forgive more than 30 loans per year in each demonstration State under this paragraph.

(C) CONTRACTS WITH RESIDENTS AND FELLOWS.—

(i) IN GENERAL.—Each eligible residency or fellowship graduate desiring repayment of a loan under this paragraph shall execute a contract containing the provisions described in clause (ii).

(ii) PROVISIONS.—The provisions described in this clause are provisions that require the eligible residency or fellowship graduate—

(I) to practice in a health professional shortage area of a demonstration State during the period in which a loan is being repaid or forgiven under this section; and

(II) to provide health services relating to the shortage physician specialty of the graduate that was funded with the loan being repaid or forgiven under this section during such period.

(D) APPLICATION.—

(i) IN GENERAL.—Each eligible residency or fellowship graduate desiring repayment of a loan under this paragraph shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(ii) REASSESSMENT OF NEED.—The Secretary shall reassess the shortage physician specialty in the demonstration State prior to accepting an application for repayment of any loan under this paragraph after the date that is 5 years after the date on which the demonstration program is established.

(E) CONSTRUCTION.—Nothing in the section shall be construed to authorize any refunding of any repayment of a loan.

(F) PREVENTION OF DOUBLE BENEFITS.—No borrower may, for the same service, receive a benefit under both this paragraph and any loan repayment or forgiveness program under title VII of the Public Health Service Act (42 U.S.C. 292 et seq.).

(d) WAIVER OF MEDICARE REQUIREMENTS.—The Secretary is authorized to waive any requirement of the medicare program, or approve equivalent or alternative ways of meeting such a requirement, if such waiver is necessary to carry out the demonstration program, including the waiver of any limitation on the amount of payment or number of residents under section 1886 of the Social Security Act (42 U.S.C. 1395ww).

(e) APPROPRIATIONS.—

(1) FUNDING OF ADDITIONAL RESIDENCY AND FELLOWSHIP POSITIONS.—Any expenditures resulting from the establishment of the funding of additional residency and fellowship positions under subsection (c)(1) shall be made from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395i).

(2) LOAN REPAYMENT AND FORGIVENESS PROGRAM.—There are authorized to be appropriated such sums as may be necessary to carry out the loan repayment and forgiveness program established under subsection (c)(2).

SEC. 4. ESTABLISHMENT OF THE HEALTH PROFESSIONS DATABASE.

(a) ESTABLISHMENT OF THE HEALTH PROFESSIONS DATABASE.—

(1) IN GENERAL.—Not later than 7 months after the date of enactment of this Act, the Secretary (acting through the Administrator of the Health Resources and Services Administration) shall establish a State-specific health professions database to track health professionals in each demonstration State with respect to specialty certifications, practice characteristics, professional licensure, practice types, locations, education, and training, as well as obligations under the demonstration program as a result of the execution of a contract under paragraph (1)(C) or (2)(C) of section 3(c).

(2) DATA SOURCES.—In establishing the Health Professions Database, the Secretary shall use the latest available data from existing health workforce files, including the AMA Master File, State databases, specialty medical society data sources and information, and such other data points as may be recommended by COGME, MedPAC, the National Center for Workforce Information and Analysis, or the medical society of the respective demonstration State.

(b) AVAILABILITY.—

(1) DURING THE PROGRAM.—During the demonstration program, data from the Health Professions Database shall be made available to the Secretary, each demonstration State, and the public for the purposes of—

(A) developing a baseline with respect to a State's health professions workforce and to track changes in a demonstration State's health professions workforce;

(B) tracking direct and indirect graduate medical education payments to hospitals;

(C) tracking the forgiveness and repayment of loans for educating physicians; and

(D) tracking commitments by physicians under the demonstration program.

(2) FOLLOWING THE PROGRAM.—Following the termination of the demonstration program, a demonstration State may elect to maintain the Health Professions Database for such State at its expense.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

SEC. 5. EVALUATION AND REPORTS.

(a) EVALUATION.—

(1) IN GENERAL.—COGME and MedPAC shall jointly conduct a comprehensive evaluation of the demonstration program.

(2) MATTERS EVALUATED.—The evaluation conducted under paragraph (1) shall include an analysis of the effectiveness of the funding of additional residency and fellowship positions and the loan repayment and forgiveness program on physician recruitment, retention, and specialty mix in each demonstration State.

(b) PROGRESS REPORTS.—

(1) COGME.—Not later than 1 year after the date on which the Secretary establishes the demonstration program, 5 years after such date, and 10 years after such date, COGME shall submit a report on the progress of the demonstration program to the Secretary and Congress.

(2) MedPAC.—MedPAC shall submit biennial reports on the progress of the demonstration program to the Secretary and Congress.

(c) FINAL REPORT.—Not later than 1 year after the date on which the demonstration program terminates, COGME and MedPAC shall submit a final report to the President, Congress, and the Secretary which shall contain a detailed statement of the findings and conclusions of COGME and MedPAC, together with such recommendations for legislation and administrative actions as COGME and MedPAC consider appropriate.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to COGME such sums as may be necessary for the purpose of carrying out this section.

SEC. 6. CONTRACTING FLEXIBILITY.

For purposes of conducting the demonstration program and establishing and administering the Health Professions Database, the Secretary may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

By Ms. LANDRIEU:

S. 1388. A bill to make election day a Federal holiday; to the Committee on the Judiciary.

Ms. LANDRIEU. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1388

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress finds that—

(1) democracy is an invaluable birthright of American citizens and each generation must sustain and improve the democratic process for its successors;

(2) the Federal Government must actively create and enforce laws that protect the voting rights of all Americans, and further create an equal opportunity for all Americans to participate in the voting process;

(3) the Federal Government should encourage the value of the right to vote;

(4) 22.6 percent of Americans who do not vote in elections give the reasoning that they are too busy and have a conflicting work or school schedule;

(5) the creation of a legal public holiday on election day will increase the availability of poll workers and suitable polling places; and

(6) the creation of a legal public holiday on election day might make voting easier for some workers and increase voter participation by the American public.

SEC. 2. ESTABLISHMENT OF ELECTION DAY IN FEDERAL ELECTION YEARS AS A LEGAL PUBLIC HOLIDAY.

Section 6103(a) of title 5, United States Code, is amended by inserting immediately below the item relating to Veterans Day the following:

"Election Day, the Tuesday next after the first Monday in November in each even-numbered year.".

By Mr. DASCHLE (for himself and Mr. JOHNSON):

S. 1389. A bill to provide for the conveyance of certain real property in south Dakota to the State of South Dakota with indemnification by the United States government, and for other purposes; to the Committee on Environment and Public Works.

Mr. DASCHLE. Mr. President, today Senator JOHNSON and I are introducing the Homestake Mine Conveyance Act of 2001 to enable the construction of a new, world-renowned science laboratory in the Black Hills of South Dakota.

Last Year, the Homestake Mining Company announced it is closing its gold mine in Lead, SD after 125 years of operation. This mine has been an important part of the economy in the Black Hills, and its closure presented South Dakota with a serious challenge.

New opportunities for Lead became possible, however, when we learned that a group of prominent scientists had identified the mine as a potential site to establish a national underground science laboratory. Composed of some of the foremost researchers in the country, the National Underground Science Laboratory Committee found that Homestake's unique combination of depth, geologic stability and outstanding infrastructure made it an ideal location for an underground laboratory that could support groundbreaking new scientific research. In just the last few months, a $281 million proposal to construct the laboratory has been submitted to the National Science Foundation.

As I learned, tiny particles known as neutrinos hold the answer to fundamental questions about the nature of the universe. These particles cannot be detected on the surface of the Earth due to the immense amount of interference coming in from outer space. However, research laboratories located deep underground, where detectors are shielded by thousand of feet of rock, have been able to detect these particles and provide important new information to scientists. Because the Homestake mine in Lead is over 8,000 feet deep, it offers outstanding opportunities for such research. In fact one neutrino experiment has been operating there since the 1960s.

I have never seen such excitement in Lead as I have seen in relation to this proposal. Banners welcoming visiting scientists to Lead have been hung over the streets. The local chamber of commerce held a "Neutrino Day" in February and reported the highest attendance for any even in recent memory. Students, teachers, miners, business owners, people from every walk of life, have contacted me to express their excitement about the possibility of building a laboratory. The support for this proposal is overwhelming.

In order to make the mine available for research, it is necessary for the facility to be transferred to the State of South Dakota and for the United States to assume a portion of the liability currently associated with the property. The purpose of the legislation Senator JOHNSON and I are introducing today is to ensure that this transfer takes places in a way that is fair to taxpayers, that protects the environment, and that ensures this facility can ultimately become available for research.

This legislation establishes a number of steps that must be taken to meet these goals. First it requires that an independent inspection of the property take place to identify any condition that could pose a threat to human health or the environment. The Environmental Protection Agency must review the report accompanying this inspection and ensure that any problematic conditions are mitigated before transfer may be allowed to take place. Second, it requires that the State of South Dakota purchase environmental insurance to protect the taxpayers against any issue that may arise as a result of acquiring the mine. Third, it establishes a trust fund to provide a permanent source of revenue to finance any clean-up that may be necessary. Finally, this bill would take effect only if the National Science Foundation approves the construction of the laboratory.

To be clear, only a portion of Homestake's existing facilities that are required for the laboratory are being considered for transfer. These include the underground portion of the mine and a small "footprint" on the surface. The legislation specifically prohibits any tailings storage sites, waste rock dumps or other areas from being transferred, as these sites must be reclaimed by Homestake Mining Company.

The final point I want to make is that this legislation is time-sensitive. Homestake's current plan to reclaim the underground mine is to let it slowly flood with water once the mine closes in January of 2001. If that happens, we will forever lose the opportunity to create this laboratory.

This legislation has been developed over a period of months in close consultation with Homestake Mining Company, the environmental community, the scientific community, the State of South Dakota and the South Dakota School of Mines and Technology. I want to thank all the individuals involved with this effort for their help. In particular, I'd like to thank Governor Bill Janklow, whose help and support is this process have been invaluable.

I believe the resulting legislation is fair to all involved, and that it will ensure the success of the laboratory while protecting the environment. Moreover, by enabling the construction of this laboratory, it ultimately will bring significant benefits to the United States and make an important contribution to human knowledge. I look forward to working with all interested parties to make additional improvements to this legislation when we return in September, and I am personally committed to passing this legislation in a timely manner this fall.

I urge my colleagues to give this legislation their support. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1389

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. SHORT TITLE.

This Act may be cited as the "Homestake Mine Conveyance Act of 2001".

SEC. 2. FINDINGS.

Congress finds that—

(1) the United States is among the leading nations in the world in conducting basic scientific research;

(2) that leadership position strengthens the economy and national defense of the United States and provides other important benefits;

(3) the Homestake Mine in Lead, South Dakota, owned by the Homestake Mining Company of California, is approximately 8,000 feet deep and is situated in a unique physical setting that is ideal for carrying out certain types of particle physics and other research;

(4) the Mine has been selected by the National Underground Science Laboratory Committee, an independent panel of distinguished scientists, as the preferred site for the construction of a national underground laboratory;

(5) such a laboratory would be used to conduct scientific research that would be funded and recognized as significant by the United States;

(6) the establishment of the laboratory is in the national interest, and would substantially improve the capability of the United States to conduct important scientific research;

(7) for economic reasons, Homestake intends to cease operations and close the Mine in 2001;

(8) on cessation of operations of the Mine, Homestake intends to implement reclamation actions that would preclude the establishment of a laboratory at the Mine;

(9) Homestake has advised the State that, after cessation of operations at the Mine, instead of carrying out those reclamation actions, Homestake is willing to donate the underground portion of the Mine and certain other real and personal property of substantial value at the Mine for use as the underground science laboratory;

(10) use of the Mine as the site for the laboratory, instead of other locations under consideration, would result in a savings of millions of dollars;

(11) if the National Science Foundation selects the Mine as the site for the laboratory, it is essential that Homestake not complete certain reclamation activities that would preclude the location of the laboratory at the Mine;

(12) Homestake is unwilling to donate, and the State is unwilling to accept, the property at the Mine for the laboratory if Homestake and the State would continue to have potential liability with respect to the transferred property; and

(13) to secure the use of the Mine as the location for the laboratory, and to realize the benefits of the proposed laboratory, it is necessary for the United States to—

(A) assume a portion of any potential future liability of Homestake concerning the Mine; and

(B) address potential liability associated with the operation of the laboratory.

SEC. 3. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) AFFILIATE.—

(A) IN GENERAL.—The term "affiliate" means any corporation or other person that controls, is controlled by, or is under common control with Homestake.

(B) INCLUSIONS.—The term "affiliate" includes a director, officer, or employee of an affiliate.

(3) CONVEYANCE.—The term "conveyance" means the conveyance of the Mine to the State under section 4(a).

(4) FUND.—The term "Fund" means the Environment and Project Trust Fund established under section 7.

(5) HOMESTAKE.—

(A) IN GENERAL.—The term "Homestake" means the Homestake Mining Company of California, a California corporation.

(B) INCLUSION.—The term "Homestake" includes—

(i) a director, officer, or employee of Homestake; and

(ii) an affiliate of Homestake.

(6) LABORATORY.—

(A) IN GENERAL.—The term "laboratory" means the national underground science laboratory proposed to be established at the Mine after the conveyance.

(B) INCLUSION.—The term "laboratory" includes operating and support facilities of the laboratory.

(7) MINE.—

(A) IN GENERAL.—The term "Mine" means the portion of the Homestake Mine in Lawrence County, South Dakota, proposed to be conveyed to the State for the establishment and operation of the laboratory.

(B) INCLUSIONS.—The term "Mine" includes—

(i) real property, mineral and oil and gas rights, shafts, tunnels, structures, in-Mine backfill, in-Mine broken rock, fixtures, and personal property to be conveyed for establishment and operation of the laboratory, as agreed upon by Homestake, the State, and the Director of the laboratory; and

(ii) any water that flows into the Mine from any source.

(C) EXCLUSIONS.—The term "Mine" does not include—

(i) the feature known as the "Open Cut";

(ii) any tailings or tailings storage facility (other than in-Mine backfill); or

(iii) any waste rock or any site used for the dumping of waste rock (other than in-Mine broken rock).

(8) PERSON.—The term "person" means—

(A) an individual;

(B) a trust, firm, joint stock company, corporation (including a government corporation), partnership, association, limited liability company, or any other type of business entity;

(C) a State or political subdivision of a State;

(D) a foreign governmental entity; and

(E) any department, agency, or instrumentality of the United States.

(9) PROJECT SPONSOR.—The term "project sponsor" means an entity that manages or pays the costs of 1 or more projects that are carried out or proposed to be carried out at the laboratory.

(10) STATE.—

(A) IN GENERAL.—The term "State" means the State of South Dakota.

(B) INCLUSIONS.—The term "State" includes an institution, agency, officer, or employee of the State.

SEC. 4. CONVEYANCE OF REAL PROPERTY.

(a) IN GENERAL.—

(1) DELIVERY OF DOCUMENTS.—Subject to paragraph (2) and subsection (b) and notwithstanding any other provision of law, on the execution and delivery by Homestake of 1 or more quit-claim deeds or bills of sale conveying to the State all right, title, and interest of Homestake in and to the Mine, title to the Mine shall pass from Homestake to the State.

(2) CONDITION OF MINE ON CONVEYANCE.—The Mine shall be conveyed as is, with no representations as to the conditions of the property.

(b) REQUIREMENTS FOR CONVEYANCE.—

(1) IN GENERAL.—As a condition precedent of conveyance and of the assumption of liability by the United States in accordance with this Act, the Administrator shall accept the final report or certification of the independent entity under subparagraphs (A) through (E) of paragraph (3).

(2) DUE DILIGENCE INSPECTION.—

(A) IN GENERAL.—As a condition precedent of conveyance and of Federal participation described in this Act, Homestake shall permit an independent entity that is selected jointly by Homestake, the South Dakota Department of Environment and Natural Resources, and the Administrator to conduct a due diligence inspection of the Mine to determine whether any condition of the Mine poses a substantial risk to human health or the environment.

(B) CONSULTATION.—As a condition precedent of the conduct of a due diligence inspection, Homestake, the South Dakota Department of Environment and Natural Resources, the Administrator, and the independent entity shall consult and agree upon the methodology and standards to be used, and other factors to be considered, by the independent entity in—

(i) the conduct of the due diligence inspection;

(ii) the scope of the due diligence inspection; and

(iii) the time and duration of the due diligence inspection.

(3) REPORT TO ADMINISTRATOR.—

(A) IN GENERAL.—The independent entity shall submit to the Administrator a report that—

(i) describes the results of the due diligence inspection under paragraph (2); and

(ii) identifies any condition of or in the Mine that poses a substantial risk to human health or the environment.

(B) PROCEDURE.—

(i) DRAFT REPORT.—Before finalizing the report under this paragraph, the independent entity shall—

(I) issue a draft report;

(II) submit to the Administrator a copy of the draft report;

(III) issue a public notice requesting comments on the draft report that requires all such comments to be filed not later than 45 days after issuance of the public notice; and

(IV) during that 45-day public comment period, conduct at least 1 public hearing in Lead, South Dakota, to receive comments on the draft report.

(ii) FINAL REPORT.—In the final report submitted to the Administrator under this paragraph, the independent entity shall respond to, and incorporate necessary changes suggested by, the comments received on the draft report.

(4) REVIEW AND APPROVAL BY ADMINISTRATOR.—

(A) IN GENERAL.—Not later than 60 days after receiving the final report under paragraph (3), the Administrator shall—

(i) review the report; and

(ii) notify the State in writing of acceptance or rejection of the final report.

(B) CONDITIONS FOR REJECTION.—The Administrator may reject the final report only if the Administrator identifies 1 or more conditions of the Mine that—

(i) pose a substantial risk to human health or the environment, as determined by the Administrator; and

(ii) require response action to correct each condition causing the substantial risk to human health or the environment identified in clause (i) before conveyance and assumption by the Federal Government of liability concerning the Mine under this Act.

(C) REMEDIAL MEASURES AND CERTIFICATION.—

(i) REMEDIATION.—

(I) IN GENERAL.—If the Administrator rejects the final report, Homestake may carry out, or permit the State to carry out, such measures as are necessary to remove or remediate any condition identified by the Administrator under subparagraph (B)(i) as posing a substantial risk to human health or the environment.

(II) LONG-TERM REMEDIATION.—

(aa) IN GENERAL.—In a case in which the Administrator determines that a condition identified by the Administrator under subparagraph (B)(i) requires continuing remediation, or remediation that can only be completed as part of the final closure of the Mine, it shall be a condition of conveyance that Homestake or the National Science Foundation shall deposit into the Fund such funds as are necessary to pay the costs of that remediation.

(bb) SOURCE OF FUNDS.—Any funds deposited by the National Science Foundation under this paragraph shall be made available from grant funding provided for the construction of the Laboratory.

(ii) CERTIFICATION.—After the remedial measures described in clause (i)(I) are carried out and funds are deposited under clause (i)(II), the independent entity may certify to the Administrator that the conditions for rejection identified by the Administrator under subparagraph (B) have been corrected.

(iii) ACCEPTANCE OR REJECTION OF CERTIFICATION.—Not later than 60 days after an independent entity makes a certification under clause (ii), the Administrator shall accept or reject the certification.

SEC. 5. LIABILITY.

(a) ASSUMPTION OF LIABILITY.—Notwithstanding any other provision of law, on completion of the conveyance in accordance with this Act, the United States shall assume any and all liability relating to the Mine and laboratory, including liability for—

(1) damages;

(2) reclamation;

(3) the costs of response to any hazardous substance (as defined in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601)), contaminant, or other material on, under, or relating to the Mine and laboratory; and

(4) closure of the Mine and laboratory.

(b) LIABILITY PROTECTION.—On completion of the conveyance, neither Homestake nor the State shall be—

(1) liable to any person or the United States for injuries, costs, injunctive relief, reclamation, damages (including damages to natural resources or the environment), or expenses, or liable under any other claim (including claims for indemnification or contribution, claims by third parties for death, personal injury, illness, or loss of or damage to property, or claims for economic loss), under any law (including a regulation) for any claim arising out of or in connection with contamination, pollution, or other condition, use, or closure of the Mine and laboratory, regardless of when a condition giving rise to the liability originated or was discovered; or

(2) subject to any claim brought by or on behalf of the United States under section 3730 of title 31, United States Code, relating to negligence on the part of Homestake in carrying out activities for the conveyance of, and in conveying, the Mine.

(c) INDEMNIFICATION.—Notwithstanding any other provision of law, on completion of the conveyance in accordance with this Act, the United States shall indemnify, defend, and hold harmless Homestake and the State from and against any and all liabilities and claims described in subsections (a) and (b).

(d) WAIVER OF SOVEREIGN IMMUNITY.—For the purposes of this Act, the United States waives any claim to sovereign immunity.

(e) TIMING FOR ASSUMPTION OF LIABILITY.—If the conveyance is effectuated by more than 1 legal transaction, the assumption of liability, liability protection, indemnification, and waiver of sovereign immunity provided for under this section shall apply to each legal transaction, as of the date on which the transaction is completed and with respect to such portion of the Mine as is conveyed under that transaction.

(f) EXCEPTIONS FOR HOMESTAKE CLAIMS.—Nothing in this section constitutes an assumption of liability by the United States, or relief of liability of Homestake, for—

(1) any unemployment, worker's compensation, or other employment-related claim of an employee of Homestake that arose before the date of conveyance;

(2) any claim or cause of action, other than an environmental claim or a claim concerning natural resources, that arose before the date of conveyance;

(3) any violation of any provision of criminal law; or

(4) any claim, injury, damage, liability, or reclamation or cleanup obligation with respect to any property or asset that is not conveyed under this Act, except to the extent that any such claim, injury, damage, liability, or reclamation or cleanup obligation arises out of the continued existence or use of the Mine subsequent to the date of conveyance.

SEC. 6. INSURANCE COVERAGE.

(a) PROPERTY AND LIABILITY INSURANCE.—

(1) IN GENERAL.—To the maximum extent practicable, subject to the requirements described in paragraph (2), the State shall purchase property and liability insurance for the Mine and the operation of the laboratory to provide coverage against the liability described in subsections (a) and (b) of section 5.

(2) REQUIREMENTS.—The requirements referred to in paragraph (1) are the following:

(A) TERMS OF INSURANCE.—In determining the type, extent of coverage, and policy limits of insurance purchased under this subsection, the State shall—

(i) periodically consult with the Administrator and the Director of the National Science Foundation; and

(ii) consider certain factors, including—

(I) the nature of the projects and experiments being conducted in the laboratory;

(II) the availability of commercial insurance; and

(III) the amount of funding available to purchase commercial insurance.

(B) ADDITIONAL TERMS.—The insurance purchased by the State under this subsection may provide coverage that is—

(i) secondary to the insurance purchased by project sponsors; and

(ii) in excess of amounts available in the Fund to pay any claim.

(3) FINANCING OF INSURANCE PURCHASE.—

(A) IN GENERAL.—Subject to section 7, the State may finance the purchase of insurance required under this subsection by using—

(i) funds made available from the Fund; and

(ii) such other funds as are received by the State for the purchase of insurance for the Mine and laboratory.

(B) NO REQUIREMENT TO USE STATE FUNDS.—Nothing in this Act requires the State to use State funds to purchase insurance required under this subsection.

(4) ADDITIONAL INSURED.—Any insurance purchased by the State under this subsection shall—

(A) name the United States as an additional insured; or

(B) otherwise provide that the United States is a beneficiary of the insurance policy having the primary right to enforce all rights of the United States under the policy.

(5) TERMINATION OF OBLIGATION TO PURCHASE INSURANCE.—The obligation of the State to purchase insurance under this subsection shall terminate on the date on which—

(A) the Mine ceases to be used as a laboratory; or

(B) sufficient funding ceases to be available for the operation and maintenance of the Mine or laboratory.

(b) PROJECT INSURANCE.—

(1) IN GENERAL.—The State, in consultation with the Administrator and the Director of the National Science Foundation, may require, as a condition of approval of a project for the laboratory, that a project sponsor provide property and liability insurance or other applicable coverage for potential liability associated with the project described in subsections (a) and (b) of section 5.

(2) ADDITIONAL INSURED.—Any insurance obtained by the project sponsor under this section shall—

(A) name the State and the United States as additional insureds; or

(B) otherwise provide that the State and the United States are beneficiaries of the insurance policy having the primary right to enforce all rights under the policy.

(c) STATE INSURANCE.—

(1) IN GENERAL.—To the extent required by State law, the State shall purchase, with respect to the operation of the Mine and the laboratory—

(A) unemployment compensation insurance; and

(B) worker's compensation insurance.

(2) PROHIBITION ON USE OF FUNDS FROM FUND.—A State shall not use funds from the Fund to carry out paragraph (1).

SEC. 7. ENVIRONMENT AND PROJECT TRUST FUND.

(a) ESTABLISHMENT.—On completion of the conveyance, the State shall establish, in an interest-bearing account at an accredited financial institution located within the State, an Environment and Project Trust Fund.

(b) AMOUNTS.—The Fund shall consist of—

(1) an annual deposit from the operation and maintenance funding provided for the laboratory in an amount to be determined—

(A) by the State, in consultation with the Director of the National Science Foundation and the Administrator; and

(B) after taking into consideration—

(i) the nature of the projects and experiments being conducted at the laboratory;

(ii) available amounts in the Fund;

(iii) any pending costs or claims that may be required to be paid out of the Fund; and

(iv) the amount of funding required for future actions associated with the closure of the facility;

(2) an amount determined by the State, in consultation with the Director of the National Science Foundation and the Administrator, and to be paid by the appropriate project sponsor, for each project to be conducted, which amount—

(A) shall be used to pay—

(i) costs incurred in removing from the Mine or laboratory equipment or other materials related to the project;

(ii) claims arising out of or in connection with the project; and

(iii) if any portion of the amount remains after paying the expenses described in clauses (i) and (ii), other costs described in subsection (c); and

(B) may, at the discretion of the State, be assessed—

(i) annually; or

(ii) in a lump sum as a prerequisite to the approval of the project;

(3) interest earned on amounts in the Fund, which amount of interest shall be used only for a purpose described in subsection (c); and

(4) all other funds received and designated by the State for deposit in the Fund.

(c) EXPENDITURES FROM FUND.—Amounts in the Fund shall be used only for the purposes of funding—

(1) waste and hazardous substance removal or remediation, or other environmental cleanup at the Mine;

(2) removal of equipment and material no longer used, or necessary for use, in conjunction with a project conducted at the laboratory;

(3) a claim arising out of or in connection with the conducting of such a project;

(4) purchases of insurance by the State as required under section 6;

(5) payments for and other costs relating to liability described in section 5; and

(6) closure of the Mine and laboratory.

(d) FEDERAL PAYMENTS FROM FUND.—The United States—

(1) to the extent the United States assumes liability under section 5—

(A) shall be a beneficiary of the Fund; and

(B) may direct that amounts in the Fund be applied to pay amounts and costs described in this section; and

(2) may take action to enforce the right of the United States to receive 1 or more payments from the Fund.

(e) NO REQUIREMENT OF DEPOSIT OF PUBLIC FUNDS.—Nothing in this section requires the State to deposit State funds as a condition of the assumption by the United States of liability, or the relief of the State or Homestake from liability, under section 5.

SEC. 8. REQUIREMENTS FOR OPERATION OF LABORATORY.

After the conveyance, nothing in this Act exempts the laboratory from compliance with any law (including a Federal environmental law).

SEC. 9. CONTINGENCY.

This Act shall be effective contingent on the selection, by the National Science Foundation, of the Mine as the site for the laboratory.

SEC. 10. PAYMENT AND REIMBURSEMENT OF COSTS.

The United States may seek payment—

(1) from the Fund, under section 7(d), to pay or reimburse the United States for amounts payable or liabilities incurred under this Act; and

(2) from available insurance, to pay or reimburse the United States and the Fund for amounts payable or liabilities incurred under this Act.

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

By Mr. BINGAMAN (for himself, Mr. LUGAR, Mr. TORRICELLI, and Mr. CORZINE):

S. 1390. A bill to amend title XXI of the Social Security Act to require the Secretary of Health and Human Services to make grants to promote innovative outreach and enrollment efforts under the State children's health insurance program, and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, the bipartisan legislation I am introducing today with Senators LUGAR, TORRICELLI, and CORZINE entitled the "Children's Health Coverage Improvement Act of 2001" would improve outreach and enrollment efforts targeted at children to dramatically reduce the number of uninsured children in this country. This legislation is a companion bill to S. 1016, the "Start Healthy, Stay Healthy Act of 2001," which would expand and improve coverage to children and pregnant women through Medicaid and the State Children's Health Insurance Program, CHIP.

The legislation provides $100 million in grants annually from the unspent allocations in CHIP to community-based public or non-profit organizations, including community health centers, children's hospitals, disproportionate share hospitals, local and county government, and public health departments, for the purposes of conducting innovative outreach and enrollment efforts.

The bill further clarifies that the outstationed workers requirement in Medicaid, which requires that eligibility workers be available in the public in our nation's community health centers and safety net hospitals, shall also enroll children in CHIP if they are eligible for coverage under that program as well.

As you are aware, the State Children's Health Insurance Program, which was passed as part of the Balanced Budget Act of 1997, was the largest expansion of health coverage since the enactment of Medicare and Medicaid in 1965. The program, designed to cover low-income children under age 18, provides on average $4 billion a year to the states to either expand Medicaid, establish a separate state program apart from Medicaid, or a combination of the two approaches.

Unfortunately, according to an Urban Institute report entitled How Familiar Are Low-Income Parents with Medicaid and SCHIP?, it is estimated that up to 80 percent of the 11 million uninsured children in the country are eligible for but unenrolled in Medicaid or SCHIP. Thus, ineligibility for coverage is no longer a barrier for the vast majority of uninsured children. Instead, as the report notes, "A major challenge today is how to reach and enroll the millions of children who are eligible but who remain uninsured."

The biggest problems are knowledge gaps, confusion about program rules, and problems created by bureaucratic barriers to coverage. According to the study, "Only 38 percent of low-income uninsured children have parents who have heard of Medicaid or SCHIP programs and who also understand the basic eligibility rules," Moreover, less than half of parents, 47 percent, of low income uninsured children were even aware of the separate SCHIP program.

As the authors conclude, "For SCHIP expansions to reduce uninsurance among children, it is critical that families know about the coverage available through separate non-Medicaid SCHIP programs . . . ."

In addition, senior health researcher Peter J. Cunningham at the Center for Studying Health System Change recently published an article in Health Affairs entitled "Targeting Communities With High Rates of Uninsured Children" that highlights that the "key to getting children insured" is improved "enrollment outreach."

As the article notes, "Policymakers have understood from the beginning that the key to the success of SCHIP is in getting eligible children to enroll . . . The results of this study suggest that outreach activities and other efforts to stimulate enrollment need to be especially focused in high-uninsurance areas, both because they include a large concentration of the nation's uninsured children and because take-up rates of public and private coverage have historically been lower in these areas."

Cunningham particularly notes that children in high-uninsured communities are disproportionately Hispanic. As he points out, "Hispanics typically have lower take-up rates for health insurance programs for which they are eligible. This could be attributable to immigration concerns, language barriers, lack of awareness of public programs, or not understanding the roll that insurance coverage plays in the United States in securing access to high-quality health care."

As a result, the legislation also contains a provision giving priority to community-based organizations in communities with high rates of eligible but unenrolled children and in areas with high rates of families for whom English is not their primary language. It is certainly my desire for programs such as "promotoras" or community health advisors to receive these grants, as they have been incredibly effective in New Mexico in improving health insurance coverage to children.

An estimated 11 million children under age 19 were without health insurance in 1999, including 129,000 in New Mexico, representing 15 percent of all children in the United States and 22 percent of children in New Mexico, the fourth highest rate of uninsured children in the country. An estimated 103,000 of those children are in families with incomes below 200 percent of poverty, so the majority of those children are already eligible for but unenrolled in Medicaid.

Why is this important? According to the American College of Physicians-American Society of Internal Medicine, uninsured children, compared to the insured, are: up to 6 times more likely to have gone without needed medical, dental or other health care; 2 times more likely to have gone without a physician visit during the previous year; up to 4 times more likely to have delayed seeking medical care; up to 10 times less likely to have a regular source of medical care; 1.7 times less likely to receive medical treatment for asthma; and, up to 30 percent less likely to receive medical attention for any injury.

In fact, one study has "estimated that the 15 percent rise in the number of children eligible for Medicaid between 1984 and 1992 decreased child mortality by 5 percent." This expansion of coverage for children occurred, I would add, during the Reagan and Bush Administrations, so this is clearly a bipartisan issue that deserves further bipartisan action.

Mr. President, I urge this legislation's immediate passage. We can and must do better for our children.

I ask unanimous consent for the text of the bill to be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1390

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Children's Health Coverage Improvement Act of 2001".

SEC. 2. GRANTS TO PROMOTE INNOVATIVE OUTREACH AND ENROLLMENT EFFORTS UNDER SCHIP.

(a) IN GENERAL.—Section 2104(f) of the Social Security Act (42 U.S.C. 1397dd(f)) is amended—

(1) by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—Subject to paragraph (2), the Secretary"; and

(2) by adding at the end the following:

"(2) GRANTS TO PROMOTE INNOVATIVE OUTREACH AND ENROLLMENT EFFORTS.—

"(A) IN GENERAL.—Prior to any redistribution under paragraph (1) of unexpended allotments made to States under subsection (b) or (c) for fiscal year 2000 and any fiscal year thereafter, the Secretary shall—

"(i) reserve from such unexpended allotments the lesser of $100,000,000 or the total amount of such unexpended allotments for grants under this paragraph for the fiscal year in which the redistribution occurs; and

"(ii) subject to subparagraph (B), use such reserved funds to make grants to local and community-based public or nonprofit organizations (including organizations involved in pediatric advocacy, local and county governments, public health departments, Federally-qualified health centers, children's hospitals, and hospitals defined as disproportionate share hospitals under the State plan under title XIX) to conduct innovative outreach and enrollment efforts that are consistent with section 2102(c) and to promote parents' understanding of the importance of health insurance coverage for children.

"(B) PRIORITY FOR GRANTS IN CERTAIN AREAS.—In making grants under subparagraph (A)(ii), the Secretary shall give priority to grant applicants that propose to target the outreach and enrollment efforts funded under the grant to geographic areas—

"(i) with high rates of eligible but unenrolled children, including such children who reside in rural areas; or

"(ii) with high rates of families for whom English is not their primary language.

"(C) APPLICATIONS.—An organization that desires to receive a grant under this paragraph shall submit an application to the Secretary in such form and manner, and containing such information, as the Secretary may decide.".

(b) EXTENDING USE OF OUTSTATIONED WORKERS TO ACCEPT TITLE XXI APPLICATIONS.—Section 1902(a)(55) of such Act (42 U.S.C. 1396a(a)(55)) is amended by inserting ", and applications for child health assistance under title XXI" after "(a)(10)(A)(ii)(IX)".

By Mr. SCHUMER (for himself and Mr. DEWINE):

S. 1391. A bill to establish a grant program for Sexual Assault Forensic Examiners, and for other purposes; to the Committee on the Judiciary.

Mr. SCHUMER. Mr. President, I rise today to introduce the Sexual Assault Forensic Examiners Act of 2001, which is being co-sponsored by Senator DEWINE. This bill aims to vastly improve the care of victims of sexual assault and help see to it that their attackers end up behind bars.

Over 300,000 women are sexually assaulted each year in the United States. Unlike all other violent crimes, rape is not declining in frequency. When a woman suffers the horrific crime of sexual assault, there are two minimal things our system owes her. First, we owe it to her to do everything in our power to find and put her assailants behind bars. Second, we owe her prompt and caring treatment when she's reported the crime, which in itself is often an act of great courage. Yet, all too often, we fail in these basic obligations.

Most rape victims who seek treatment go to hospital emergency rooms, where they often wait hours in public waiting rooms. Some leave the hospital altogether rather than endure extended delay, decreasing the likelihood the offense will ever be reported or prosecuted. Once victims are finally attended to, most victims are treated by a series of rushed emergency room nurses, doctors and lab technicians who often lack specialized training in the particular physical and psychological care rape victims need. Emergency room nurses and doctors also typically have little training in collecting, correctly handling and preserving forensic evidence from rape victims. Moreover, many hospitals lack the latest forensic tools, such as dye that reveals microscopic scratches, and colposcopes, which detect and photograph otherwise invisible pelvic injuries. As a result, evidence is mishandled or never uncovered in the first place—jeopardizing prosecutions. Finally, emergency room personnel, already overworked, are sometimes reluctant to cooperate with police and prosecutors in sexual assault cases, knowing this entails time-consuming interviews, witness preparation and court appearances—to say nothing of unpleasant cross-examinations.

SAFE programs dramatically improve the situation. SAFE examiners are specially trained in the latest techniques of forensic evidence gathering. They cooperate fully with police and prosecutors, and their specialized training and experience makes them better witnesses in court. When defendants claim consent, physical evidence of force, which can be difficult to uncover and explain to juries—can make all the difference. Prosecutors support SAFE programs because they lead to more prosecutions and convictions.

SAFE programs also provide better care to victims. Rather than face a long public wait and a revolving door of emergency room care-givers, victims treated by SAFEs are seen immediately in private, tell their story to and receive care from a single attendant, and are treated with greater sensitivity by examiners with specialized psychological training.

There are now fewer than 750 SAFE programs in the United States, serving less than 5 percent of all victims. Our bill aims to expand SAFE programs by providing $10 million a year from 2002 to 2006 in grants to new or existing SAFE programs. SAFE programs currently have to compete against a myriad of other law enforcement and victims' programs for federal funding under the Violence Against Women Act and the Victims of Crime Act; by contrast, the SAFE Grant Act of 2001 will provide a unique and direct source of Federal funding for SAFEs. The Department of Justice, which is already responsible for developing national standards for SAFE programs, will administer the grants, ensure that recipients conform to the national standards, and give priority to SAFE programs in currently undeserved areas.

Being the victims of a sexual assault is bad enough. We have to see to it that the system doesn't exacerbate the problem with shoddy care and mishandled cases. This bill should provide some help and I'm proud to introduce it today.

Mr. DEWINE. Mr. President, today I rise as a cosponsor of the Sexual Assault Forensic Examiners Act of 2001, sponsored by my colleague, Senator CHARLES SCHUMER, to whom I am grateful for introducing this important legislation. The purpose of this legislation is to appropriate $10 million annually for the support of programs that utilize Sexual Assault Forensic Nurses in the treatment and counseling of rape victims.

Somewhere in America, a woman is sexually assaulted every two minutes. In the past year alone, 307,000 women were sexually assaulted in this country, and unlike other violent crimes, rape is not decreasing in frequency. Unfortunately, the treatment that many rape victims presently receive is far from adequate. Most victims of sexual assault who report their crimes do so in a hospital emergency room, where they frequently wait hours for treatment only to see doctors without specialized training who lack the proper forensic tools for evidence collection. Many victims report that their post-traumatic experiences in hospitals constitute another humiliating victimization. Victims of sexual assault should not be traumatized twice, especially when there are better programs in place that could help them.

A Sexual Assault Forensic Examiner, often referred to as a SAFE, is a registered nurse who has received advanced training and clinical preparation in the forensic examination of sexual assault victims. As opposed to rape survivors seen by typical emergency room personnel, patients seen by these SAFEs rarely wait for treatment, see a single specially trained examiner instead of any number of different doctors, and receive sensitive, specialized care. The intervention of SAFEs in a sex crimes case bolsters the odds of prosecution and conviction of offenders, as these nurses are trained in the proper methods to utilize "rape kits" and collect forensic evidence. Furthermore, the expertise of SAFE nurses renders them better witnesses than most emergency room personnel during trials, which can make the difference between a conviction and an acquittal. The Department of Justice reports that in areas where SAFE programs have been established for more than 10 years, there is a 96 percent rape conviction rate, as opposed to the 4% average conviction rate in areas without SAFE facilities.

Five hundred SAFE programs currently exist in the United States, but these programs treat less than 5 percent of all sexual assault victims. Financial hurdles hinder the growth of SAFE programs, which frequently compete with other law enforcement and victims' programs to obtain the limited Federal funds available from existing sources. By creating a specific and substantial source of Federal funding for SAFE programs, more SAFE programs will be established, improving both the quality of care provided to victims and the conviction rate of their assailants.

In the short time that I have been speaking here, two women became victims of sexual violence. By lending your support to the "Sexual Assault Forensic Examiner Grant Act of 2001," you can help assure that the hundreds of thousands of women who are raped each year receive the sensitive medical care that hey both require and deserve.

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 1392. A bill to establish procedures for the Bureau of Indian Affairs of the Department of the Interior with respect to tribal recognition; to the Committee on Indian Affairs.

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 1393. A bill to provide grants to ensure full and fair participation in certain decisionmaking processes at the Bureau of Indian Affairs; to the Committee on Indian Affairs.

Mr. DODD. Mr. President, I rise today to introduce two pieces of legislation intended to help reform and improve the process by which the Federal Government acknowledges the sovereign rights of American Indian tribes and their Governments.

I offer these bills with a sense of hope and with the expectation that they will contribute to the larger national conversation about how the Federal Government can best fulfill its obligations to America's native peoples. Senator INOUYE and Senator CAMPBELL have provided invaluable leadership on this issue and I hope that the bills I am introducing today will serve as a modest, but useful contribution that will help move us toward a more speedy and more fair recognition process.

Currently there are more than 150 Indian groups that have petitions for recognition as sovereign tribes pending before the Bureau of Indian Affairs, BIA. No fewer than nine of those petitions are from groups based in Connecticut.

Several recent actions by the BIA have generated considerable debate about the timeliness, accuracy, and fairness of the BIA's actions. I believe that careful reform of the recognition process can help prevent future doubts before they emerge.

As we consider how best to reform the process for tribal recognition, we ought to be guided by several firm principles: fairness, openness, respect, and a common interest in bettering the quality of life for all Americans. The two bills that I am introducing today are based on these principles and I believe will bring us closer to our shared objectives.

Problems with the current recognition process have been well documented. It is widely recognized that the process is taking too long to resolve the claims of many Indian groups. It is also known that towns and other interested parties often believe that their input is ignored.

Last year, the then-Assistant Secretary for Indian Affairs testified before the Senate Indian Affairs Committee on the BIA's tribal recognition process. In a remarkable statement, he called for an overhaul of that process. I do not disagree. In fact, I believe that we have an obligation to restore public confidence in the recognition process.

I have proposed a three-part legislative initiative to make the process more accurate, more fair, and more timely. Those parts are: one, provide more money to the Bureau of Indian Affairs. I have previously called for increases in the budget for the BIA so it can upgrade its recognition process. For several years, I have sought and supported additional funding for the BIA's branch of acknowledgment and research. The legislation that I am introducing today would dramatically increase the BIA's budget for this office. Right now, the BIA has about 150 recognition petitions pending. At the current pace, it takes anaverage of eight to ten years for a tribe's petition to be decided upon. It seems to me that is an unacceptably long amount of time. Indeed, I can think of no other area of law where Americans must wait as long to have their rights adjudicated and vindicated. Under any scenario for reform, the BIA should have more resources to get the job done efficiently, thoroughly, and most importantly, accurately. The tribal recognition and Indian Bureau Enhancement Act, which I am introducing would authorize $10 million to help BIA quickly address its backlog. This funding increase is critical to help remedy deficiencies in the process by which Indian groups are evaluated and recommended for acknowledgment as sovereign legal entities.

Two, this legislation will provide assistance grants to local governments and tribes so that they can fully participate in the recognition process and other BIA proceedings. Any government or tribe would have to demonstrate financial need as a condition of receiving these funds. And they would have to demonstrate that a grant would promote the interests of just administration at the BIA. My intention here is to help improve the fact-finding process and ensure that the Bureau's recognition decisions are based on the best available information.

Three, I propose that we make the recognition process more transparent. It bears noting that there has never been an unambiguous grant of authority from Congress to the Bureau of Indian Affairs to administer a program for the recognition of Indian Tribes. I believe that it is time for Congress to make such a clear grant of authority. The legislation I am proposing would essentially codify many of the regulations that the BIA has been operating under for years. I believe that it is in the interest of the general public and American's sovereign tribes to ensure that those parts of the BIA regulations that are working well will have the full force of statutory law. Relying on statutory authority, rather than regulations, will afford the public and tribes with a measure of certainty and permanency that has heretofore been lacking. Anchoring the BIA's authority in legislation will also restore Congress to an appropriate position where it can more effectively monitor and oversee execution of its law.

Let me stress something about these proposed reforms: We should seek not to dictate an outcome, but to ensure a process that is fair, open, and respectful to all. That is the best guarantee of an outcome that is just whatever it may be.

In concluding, I appreciate that the steps I announced today may appear modest to some, excessive to others. I know they will not please everyone. But they do, I believe, outline a series of actions that can bring greater fairness, openness, and respect to this area of Federal policy. That is my sincere hope, in any event.

I look forward to discussing these and other ideas with Chairman INOUYE, Senator CAMPBELL, and their colleagues on the Indians Affairs Committee. I submit these bills to them in humble recognition of their wealth of wisdom and understanding about these matters. I also look forward to discussing them with our other colleagues here in the Senate and with members of the communities that may be impacted by these proposals.

I ask unanimous consent that the text of both bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1392

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Tribal Recognition and Indian Bureau Enhancement Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Purposes.

Sec. 4. Definitions.
Sec. 5. Effect of acknowledgment of tribal existence.
Sec. 6. Scope.
Sec. 7. Letter of intent.
Sec. 8. Duties of the Department.
Sec. 9. Requirements for the documented petition.
Sec. 10. Mandatory criteria for Federal acknowledgment.
Sec. 11. Previous Federal acknowledgment.
Sec. 12. Notice of receipt of a letter of intent or documented petition.
Sec. 13. Processing of the documented petition.
Sec. 14. Testimony and the opportunity to be heard.
Sec. 15. Written submissions by interested parties.
Sec. 16. Publication of final determination.
Sec. 17. Independent review, reconsideration, and final action.
Sec. 18. Implementation of decision acknowledging status as an Indian tribe.
Sec. 19. Authorization of appropriations.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The United States has an obligation to recognize and respect the sovereignty of Native American peoples who have maintained their social, cultural, and political identity.

(2) All Native American tribal governments that represent tribes that have maintained their social, cultural, and political identity, to the extent possible within the context of history, are entitled to establish government-to-government relations with the United States and are entitled to the rights appertaining to sovereign governments.

(3) The Bureau of Indian Affairs of the Department of the Interior exercises responsibility for determining whether Native American groups constitute "Federal Tribes" and are therefore entitled to be recognized by the United States as sovereign nations.

(4) In recent years, the decisionmaking process used by the Bureau of Indian Affairs to resolve claims of tribal sovereignty has been widely criticized.

(5) In order to ensure continued public confidence in the Federal Government's decisions pertaining to tribal recognition, it is necessary to reform the recognition process.

SEC. 3. PURPOSES.

The purposes of this Act are as follows:

(1) To establish administrative procedures to extend Federal recognition to certain Indian groups.

(2) To extend to Indian groups that are determined to be Indian tribes the protection, services, and benefits available from the Federal Government pursuant to the Federal trust responsibility with respect to Indian tribes.

(3) To extend to Indian groups that are determined to be Indian tribes the immunities and privileges available to other federally acknowledged Indian tribes by virtue of their status as Indian tribes with a government-to-government relationship with the United States.

(4) To ensure that when the Federal Government extends acknowledgment to an Indian group, the Federal Government does so based upon clear, factual evidence derived from an open and objective administrative process.

(5) To provide clear and consistent standards of administrative review of documented petitions for Federal acknowledgment.

(6) To clarify evidentiary standards and expedite the administrative review process by providing adequate resources to process petitions.

SEC. 4. DEFINITIONS.

In this Act:

(1) Bureau.—The term "Bureau" means the Bureau of Indian Affairs of the Department of the Interior.

(2) Department.—The term "Department" means the Department of the Interior.

(3) Documented petition.—The term "documented petition" means the detailed arguments made by a petitioner to substantiate the petitioner's claim to continuous existence as an Indian tribe, together with the factual exposition and all documentary evidence necessary to demonstrate that the arguments address the mandatory criteria set forth in section 10.

(4) Historically, historical, or history.—The term "historically", "historical", or "history" means dating from the first sustained contact with non-Indians.

(5) Indian group or group.—The term "Indian group" or "group" means any Indian or Alaska Native aggregation within the continental United States that the Secretary does not acknowledge to be an Indian tribe.

(6) Indian tribe; tribe.—The terms "Indian tribe" and "tribe" mean any group that the Secretary determines to have met the mandatory criteria set forth in section 10.

(7) Petitioner.—The term "petitioner" means any entity that has submitted a letter of intent to the Secretary requesting acknowledgment that the entity is an Indian tribe.

(8) Secretary.—The term "Secretary" means the Secretary of the Interior.

SEC. 5. EFFECT OF ACKNOWLEDGMENT OF TRIBAL EXISTENCE.

Acknowledgment of an Indian tribe under this Act—

(1) confers the protection, services, and benefits of the Federal Government available to Indian tribes by virtue of their status as tribes;

(2) means that the tribe is entitled to the immunities and privileges available to other federally acknowledged Indian tribes by virtue of their government-to-government relationship with the United States;

(3) means that the United States recognizes that the tribe has the responsibilities, powers, limitations, and obligations of a federally acknowledged Indian tribe; and

(4) subjects the Indian tribe to the same authority of Congress and the United States to which other federally acknowledged tribes are subjected.

SEC. 6. SCOPE.

(a) In General.—This Act applies only to those Native American Indian groups indigenous to the continental United States which are not currently acknowledged as Indian tribes by the Department. It is intended to apply only to groups that can present evidence of a substantially continuous tribal existence and which have functioned as autonomous entities throughout history until the date of the submission of the documented petition.

(b) Exclusions.—The procedures established under this Act shall not apply to any of the following:

(1) Any Indian tribe, organized band, pueblo, Alaska Native village, or community that, as of the date of enactment of this Act, has been acknowledged as such and is receiving services from the Bureau.

(2) An association, organization, corporation, or group of any character that has been formed after December 31, 2002.

(3) Splinter groups, political factions, communities, or groups of any character that separate from the main body of a currently acknowledged tribe, except that any such group that can establish clearly that the group has functioned throughout history until the date of the submission of the documented petition as an autonomous tribal entity may be acknowledged under this Act, even though the group has been regarded by some as part of or has been associated in some manner with an acknowledged North American Indian tribe.

(4) Any group which is, or the members of which are, subject to congressional legislation terminating or forbidding the Federal relationship.

(5) Any group that previously petitioned and was denied Federal acknowledgment under part 83 of title 25 of the Code of Federal Regulations prior to the date of enactment of this Act, including reorganized or reconstituted petitioners previously denied, or splinter groups, spinoffs, or component groups of any type that were once part of petitioners previously denied.

(c) Pending Petitions.—Any Indian group whose documented petition is under active consideration under the regulations referred to in subsection (b)(5) as of the date of enactment of this Act, and for which a determination is not final and effective as of such date, may opt to have their petitioning process completed in accordance with this Act. Any such group may request a suspension of consideration in accordance with the provisions of section 83.10(g) of title 25 of the Code of Federal Regulations, as in effect on the date of enactment of this Act, of not more than 180 days in order to provide additional information or argument.

SEC. 7. LETTER OF INTENT.

(a) In General.—Any Indian group in the continental United States that desires to be acknowledged as an Indian tribe and that can satisfy the mandatory criteria set forth in section 10 may submit a letter of intent to the Secretary. A letter of intent may be filed in advance of, or at the same time as, a group's documented petition.

(b) Approval of Governing Body.—A letter of intent must be produced, dated, and signed by the governing body of the Indian group submitting the letter.

SEC. 8. DUTIES OF THE DEPARTMENT.

(a) Publication of List of Indian Tribes.—The Department shall publish in the Federal Register, no less frequently than every 3 years, a list of all Indian tribes entitled to receive services from the Bureau by virtue of their status as Indian tribes. The list may be published more frequently, if the Secretary deems it necessary.

(b) Guidelines for Preparation of Documented Petitions.—

(1) In general.—The Secretary shall make available guidelines for the preparation of documented petitions. Such guidelines shall include the following:

(A) An explanation of the criteria and other provisions relevant to the Department's consideration of a documented petition.

(B) A discussion of the types of evidence which may be used to demonstrate satisfaction or particular criteria.

(C) General suggestions and guidelines on how and where to conduct research.

(D) An example of a documented petition format, except that such example shall not preclude the use of any other format.

(2) Supplementation and revision.—The Secretary may supplement or update the guidelines as necessary.

(c) Assistance.—The Department shall, upon request, provide petitioners with suggestions and advice regarding preparation of the documented petition. The Department shall not be responsible for any actual research necessary to prepare such petition.

(d) Notice Regarding Current Petitions.—Any Indian group whose documented petition is under active consideration as of the date of enactment of this Act shall be notified of the opportunity under section 6(c) to choose whether to complete their petitioning process under the provisions of this Act or under the provisions of part 83 of title 25 of the Code of Federal Regulations, as in effect on the day before such date.

(e) Notice to Groups With a Letter of Intent.—Any group that has submitted a letter of intent to the Department as of the date of enactment of this Act shall be notified that any documented petition submitted by the group shall be considered under the provisions of this Act.

SEC. 9. REQUIREMENTS FOR THE DOCUMENTED PETITION.

(a) In General.—The documented petition may be in any readable form that contains detailed, specific evidence in support of a request to the Secretary to acknowledge tribal existence.

(b) Approval of Governing Body.—The documented petition must include a certification, signed and dated by members of the group's governing body, stating that it is the group's official documented petition.

(c) Satisfaction of Mandatory Criteria.—A petitioner must satisfy all of the mandatory criteria set forth in section 10 in order for tribal existence to be acknowledged. The documented petition must include thorough explanations and supporting documentation in response to all of such criteria.

(d) Standards for Denial.—

(1) In general.—Subject to paragraphs (2) and (3), a petitioner shall not be acknowledged if the evidence presented by the petitioner or others is insufficient to demonstrate that the petitioner meets each of the mandatory criteria in section 10.

(2) Reasonable likelihood of validity.—A criterion shall be considered met if the Secretary finds that it is more likely than not that the evidence presented demonstrates the establishment of the criterion.

(3) Conclusive proof not required.—Conclusive proof of the facts relating to a criterion shall not be required in order for the criterion to be considered met.

(e) Consideration of Historical Situations.—Evaluation of petitions shall take into account historical situations and time periods for which evidence is demonstrably limited or not available. The limitations inherent in demonstrating the historical existence of community and political influence or authority shall also be taken into account. Existence of community and political influence or authority shall be demonstrated on a substantially continuous basis, but such demonstration does not require meeting these criteria at every point in time. Fluctuations in tribal activity during various years shall not in themselves be a cause for denial of acknowledgment under these criteria.

SEC. 10. MANDATORY CRITERIA FOR FEDERAL ACKNOWLEDGMENT.

The mandatory criteria for Federal acknowledgment are the following:

(1) Identification on a substantially continuous basis.—The petitioner has been identified as an American Indian entity on a substantially continuous basis since 1900. Evidence that the group's character as an Indian entity has from time to time been denied shall not be considered to be conclusive evidence that this criterion has not been met. Evidence to be relied upon in determining a group's Indian identity may consist of any 1, or a combination, of the following, as well as other evidence of identification by other than the petitioner itself or its members:

(A) Identification as an Indian entity by Federal authorities.

(B) Relationships with State governments based on identification of the group as Indian.

(C) Dealings with a county, parish, or other local government in a relationship based on the group's Indian identity.

(D) Identification as an Indian entity by anthropologists, historians, or other scholars.

(E) Identification as an Indian entity in newspapers and books.

(F) Identification as an Indian entity in relationships with Indian tribes or with national, regional, or State Indian organizations.

(2) Distinct community.—

(A) In general.—A predominant portion of the petitioning group comprises a distinct community and has existed as a community from historical times until the date of the submission of the documented petition. This criterion may be demonstrated by some combination of the following evidence or other evidence:

(i) Significant rates of marriage within the group, or, as may be culturally required, patterned out-marriages with other Indian populations.

(ii) Significant social relationships connecting individual members.

(iii) Significant rates of informal social interaction which exist broadly among the members of a group.

(iv) A significant degree of shared or cooperative labor or other economic activity among the membership.

(v) Evidence of strong patterns of discrimination or other social distinctions by nonmembers.

(vi) Shared sacred or secular ritual activity encompassing most of the group.

(vii) Cultural patterns shared among a significant portion of the group that are different from those of the non-Indian populations with whom it interacts. Such patterns must function as more than a symbolic identification of the group as Indian, and may include language, kinship organization, or religious beliefs and practices.

(viii) The persistence of a named, collective Indian identity continuously over a period of more than 50 years, notwithstanding changes in name.

(ix) A demonstration of historical political influence under the criterion in paragraph (3) shall be evidence for demonstrating historical community.

(B) Sufficient evidence.—A petitioner shall be considered to have provided sufficient evidence of community at a given point in time if evidence is provided to demonstrate any 1 of the following:

(i) More than 50 percent of the members reside in a geographical area exclusively or almost exclusively composed of members of the group, and the balance of the group maintains consistent interaction with some members of the community.

(ii) At least 50 percent of the marriages in the group are between members of the group.

(iii) At least 50 percent of the group members maintain distinct cultural patterns such as language, kinship organization, or religious beliefs and practices.

(iv) There are distinct community social institutions encompassing most of the members, such as kinship organizations, formal or informal economic cooperation, or religious organizations.

(v) The group has met the criterion in paragraph (3) using evidence described in paragraph (3)(A).

(3) Political influence or authority.—

(A) In general.—The petitioner has maintained political influence or authority over its members as an autonomous entity from historical times until the date of the submission of the documented petition. This criterion may be demonstrated by some combination of the following evidence or by other evidence:

(i) The group is able to mobilize significant numbers of members and significant resources from its members for group purposes.

(ii) Most of the membership considers issues acted upon or actions taken by group leaders or governing bodies to be of importance.

(iii) There is widespread knowledge, communication, and involvement in political processes by most of the group's members.

(iv) The group meets the criterion in paragraph (2) at more than a minimal level.

(v) There are internal conflicts which show controversy over valued group goals, properties, policies, processes, or decisions.

(B) Sufficient evidence.—

(i) In general.—A petitioning group shall be considered to have provided sufficient evidence to demonstrate the exercise of political influence or authority at a given point in time by demonstrating that group leaders or other mechanisms exist or existed that—

(I) allocate group resources such as land and residence rights on a consistent basis;

(II) settle disputes between members or subgroups by mediation or other means on a regular basis;

(III) exert strong influence on the behavior of individual members, such as the establishment or maintenance of norms and the enforcement of sanctions to direct or control behavior; or

(IV) organize or influence economic subsistence activities among the members, including shared or cooperative labor.

(ii) Presumptive evidence.—A group that has met the requirements in paragraph (2)(A) at a given point in time shall be considered to have provided sufficient evidence to meet this criterion at that point in time.

(4) Governing document and membership criteria.—Submission of a copy of the group's governing document and membership criteria. In the absence of a written document, the petitioner must provide a statement describing in full its membership criteria and current governing procedures.

(5) Descendants from a historical Indian tribe.—

(A) In general.—The petitioner's membership consists of individuals who descend from a historical Indian tribe or from historical Indian tribes which combined and functioned as a single autonomous political entity. Evidence acceptable to the Secretary which can be used for this purpose includes the following:

(i) Rolls prepared by the Secretary on a descendancy basis for purposes of distributing claims money, providing allotments, or other purposes.

(ii) Federal, State, or other official records or evidence identifying group members or ancestors of such members as being descendants of a historical tribe or tribes that combined and functioned as a single autonomous political entity.

(iii) Church, school, and other similar enrollment records identifying group members or ancestors of such members as being descendants of a historical tribe or tribes that combined and functioned as a single autonomous political entity.

(iv) Affidavits of recognition by tribal elders, leaders, or the tribal governing body identifying group members or ancestors of such members as being descendants of a historical tribe or tribes that combined and functioned as a single autonomous political entity.

(v) Other records or evidence identifying members or ancestors of such members as being descendants of a historical tribe or tribes that combined and functioned as a single autonomous political entity.

(B) CERTIFIED MEMBERSHIP LIST.—The petitioner must provide an official membership list, separately certified by the group's governing body, of all known current members of the group. The list must include each member's full name (including maiden name), date of birth, and current residential address. The petitioner shall also provide a copy of each available former list of members based on the group's own defined criteria, as well as a statement describing the circumstances surrounding the preparation of the current list and, insofar as possible, the circumstances surrounding the preparation of former lists.

(6) MEMBERSHIP IS COMPOSED PRINCIPALLY OF INDIVIDUALS WHO ARE NOT MEMBERS OF AN ACKNOWLEDGED TRIBE.—

(A) IN GENERAL.—The membership of the petitioning group is composed principally of individuals who are not members of any acknowledged North American Indian tribe.

(B) EXCEPTION.—A petitioning group may be acknowledged even if its membership is composed principally of individuals whose names have appeared on rolls of, or who have been otherwise associated with, an acknowledged Indian tribe, if the group establishes that it has functioned throughout history until the date of the submission of the documented petition as a separate and autonomous Indian tribal entity, that its members do not maintain a bilateral political relationship with the acknowledged tribe, and that its members have provided written confirmation of their membership in the petitioning group.

(7) NO LEGISLATION TERMINATES OR PROHIBITS THE FEDERAL RELATIONSHIP.—Neither the petitioner nor its members are the subject of congressional legislation that has expressly terminated or forbidden the Federal relationship.

SEC. 11. PREVIOUS FEDERAL ACKNOWLEDGMENT.

The provisions of section 83.8 of title 25 of the Code of Federal Regulations, as in effect on the date of enactment of this Act, shall apply with respect to petitioners claiming previous Federal acknowledgment under this Act.

SEC. 12. NOTICE OF RECEIPT OF A LETTER OF INTENT OR DOCUMENTED PETITION.

(a) NOTICE AND PUBLICATION.—

(1) IN GENERAL.—Within 30 days after receiving a letter of intent, or a documented petition if a letter of intent has not previously been received and noticed, the Secretary shall acknowledge such receipt in writing and shall have published within 60 days in the Federal Register a notice of such receipt.

(2) REQUIREMENTS.—The notice published in the Federal Register shall include the following:

(A) The name, location, and mailing address of the petitioner and such other information as will identify the entity submitting the letter of intent or documented petition.

(B) The date the letter or petition was received.

(C) Information regarding how interested and informed parties may submit factual or legal arguments in support of, or in opposition to, the petitioner's request for acknowledgment or to request to be kept informed of all general actions affecting the petition.

(D) Information regarding where a copy of the letter of intent and the documented petition may be examined.

(b) OTHER NOTIFICATION.—The Secretary shall notify, in writing, the chief executive officer, members of Congress, and attorney general of the State in which a petitioner is located and of each State in which the petitioner historically has been located. The Secretary shall also notify any recognized tribe and any other petitioner which appears to have a relationship with the petitioner, including a historical relationship, or which may otherwise be considered to have a potential interest in the acknowledgment determination. The Secretary shall also notify the chief executive officers of the counties and municipalities located in the geographic area historically occupied by the petitioning group.

(c) OTHER PUBLICATION.—The Secretary shall also publish the notice of receipt of the letter of intent, or documented petition if a letter of intent has not been previously received, in a major newspaper or newspapers of general circulation in the town or city nearest to the petitioner. Such notice shall include the information required under subsection (a)(2).

SEC. 13. PROCESSING OF THE DOCUMENTED PETITION.

The provisions of section 83.10 of title 25 of the Code of Federal Regulations, as in effect on the date of enactment of this Act, shall apply with respect to the processing of a documented petition under this Act.

SEC. 14. TESTIMONY AND THE OPPORTUNITY TO BE HEARD.

(a) IN GENERAL.—The Secretary shall consider all relevant evidence from any interested party including neighboring municipalities that possess information bearing on whether to recognize an Indian group or not.

(b) HEARING UPON REQUEST.—Upon an interested party's request, and for good cause shown, the Secretary shall conduct a formal hearing at which all interested parties may present evidence, call witnesses, cross-examine witnesses, or rebut evidence in the record or presented by other parties during the hearing.

(c) TRANSCRIPT REQUIRED.—A transcript of any hearing held under this section shall be made and shall become part of the administrative record upon which the Secretary is entitled to rely in determining whether to recognize an Indian group.

SEC. 15. WRITTEN SUBMISSIONS BY INTERESTED PARTIES.

The Secretary shall consider any written materials submitted to the Bureau from any interested party, including neighboring municipalities, that possess information bearing on whether to recognize an Indian group.

SEC. 16. PUBLICATION OF FINAL DETERMINATION.

The Secretary shall publish in the Federal Register a complete and detailed explanation of the Secretary's final decision regarding a documented petition under this Act, including express finding of facts and of law with regard to each of the critera listed in section 10.

SEC. 17. INDEPENDENT REVIEW, RECONSIDERATION, AND FINAL ACTION.

The provisions of section 83.11 of title 25 of the Code of Federal Regulations, as in effect on the date of enactment of this Act, shall apply with respect to the independent review, reconsideration, and final action of the Secretary on a documented petition under this Act.

SEC. 18. IMPLEMENTATION OF DECISION ACKNOWLEDGING STATUS AS AN INDIAN TRIBE.

The provisions of section 83.12 of title 25 of the Code of Federal Regulations, as in effect on the date of enactment of this Act, shall apply with respect to the implementation of a decision under this Act acknowledging a petitioner as an Indian tribe.

SEC. 19. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act, $10,000,000 for fiscal year 2002 and each fiscal year thereafter.

S. 1393

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GRANT PROGRAM.

(a) IN GENERAL.—To the extent that amounts are appropriated and acceptable requests are submitted, the Secretary shall award grants to eligible local governments and eligible Indian groups to promote the participation of such governments and groups in the decisionmaking process related to the actions described in subsection (b), if the Secretary determines that the assistance provided under such a grant is necessary to protect the interests of the government or group and would otherwise promote the interests of just administration within the Bureau of Indian Affairs.

(b) ACTIONS FOR WHICH GRANTS MAY BE AVAILABLE.—The Secretary may award grants under this section for participation assistance related to the following actions:

(1) ACKNOWLEDGMENT.—An Indian group is seeking Federal acknowledgment or recognition, or a terminated Indian tribe is seeking to be restored to Federally-recognized status.

(2) TRUST STATUS.—A Federally-recognized Indian tribe has asserted trust status with respect to land within the boundaries of an area over which a local government currently exercises jurisdiction.

(3) TRUST LAND.—A Federally-recognized Indian tribe has filed a petition with the Secretary of the Interior requesting that land within the boundaries of an area over which a local government is currently exercising jurisdiction be taken into trust.

(4) LAND CLAIMS.—An Indian group or a Federally-recognized Indian tribe is asserting a claim to land based upon a treaty or a law specifically applicable to transfers of land or natural resources from, by, or on behalf of any Indian, Indian tribe, or group, or band of Indians (including the Acts commonly known as the Trade and Intercourse Acts (1 Stat. 137; 2 Stat. 139; and 4 Stat. 729).

(5) OTHER ACTIONS.—Any other action or proposed action relating to an Indian group or Federally-recognized Indian tribe if the Secretary determines that the action or proposed action is likely to significantly affect the citizens represented by a local government.

(c) AMOUNT OF GRANTS.—Grants awarded under this section to a local government or eligible Indian group for any one action may not exceed $500,000 in any fiscal year.

(d) DEFINITIONS.—In this section:

(1) ACKNOWLEDGED INDIAN TRIBE.—The term "acknowledged Indian tribe" means any Indian tribe, band, nation, pueblo, or other organized group or community which is recognized as eligible for the special programs and

services provided by the United States to Indians because of their status as Indians.

(2) ELIGIBLE INDIAN GROUP.—The term "eligible Indian group" means a group that—

(A) is determined by the Secretary to be in need of financial assistance to facilitate fair participation in a pending action described in subsection (b);

(B) is an acknowledged Indian Tribe or has petitioned the Secretary to be acknowledged as a Indian Tribe; and

(C) petitions the Secretary for a grant under subsection (a).

(3) ELIGIBLE LOCAL GOVERNMENT.—The term "eligible local government" means a municipality or county that—

(A) is determined by the Secretary to be in need of financial assistance to facilitate fair participation in a pending action described in subsection (b); and

(B) petitions the Secretary for a grant under subsection (a).

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(e) EFFECTIVE DATE.—Grants awarded under this section may only be applied to expenses incurred after the date of enactment of this Act.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $8,000,000 for each fiscal year that begins after the date of the enactment of this Act.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 150—DESIGNATING THE WEEK OF SEPTEMBER 23 THROUGH SEPTEMBER 29, 2001, AS "NATIONAL PARENTS WEEK"

Mr. VOINOVICH (for himself and Mr. DEWINE) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 150

Whereas parents play an indispensable role in the rearing of their children;

Whereas good-parenting is a time-consuming, emotionally demanding task that is essential not only to the health of a household but to the well-being of our Nation;

Whereas without question, the future of our Nation depends largely upon the willingness of mothers and fathers, however busy or distracted, to embrace their parental responsibilities and to vigilantly watch over and guide the lives of their children;

Whereas mothers and fathers must strive tirelessly to raise children in an atmosphere of decency, discipline, and devotion, where encouragement abounds and where kindness, affection, and cooperation are in plentiful supply;

Whereas the journey into adulthood can be perilous and lonely for a child without stability, direction, and emotional support;

Whereas children benefit enormously from parents with whom they feel safe, secure, and valued, and in an environment where adult and child alike can help one another aspire to joy and fulfillment on a variety of levels; and

Whereas such a domestic climate contributes significantly to the development of healthy, well-adjusted adults, and it is imperative that the general population not underestimate the favorable impact that positive parenting can have on society as a whole: Now, therefore, be it

Resolved, That the Senate—

(1) designates the week of September 23 through September 29, 2001, as "National Parents Week"; and

(2) requests that the President issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

Mr. DEWINE. Mr. President, I rise today to join my friend and colleague from Ohio, Senator VOINOVICH, to offer a resolution designating September 23 through September 29, 2001, as "National parents Week." During this week, advocates would wear purple ribbons and communities all over would take time to reflect on how important parents are in our children's lives.

As proud parents of eight children and now six grandchildren, my wife, Fran, and I know that our Nation's future is in the hands of our children. They are the next doctors, firefighters, teachers, and parents, themselves. To quote Abraham Lincoln, "a child is a person who is going to carry-on what you have started . . . the fate of humanity is in his hands." President Lincoln's worlds hold as true today as they did well over one hundred years ago.

To safeguard this future, parents must fulfill many demanding responsibilities. They must guide their children, teach them right from wrong, share in their joy and comfort, and support them in times of need. As any parent knows, this is not always easy. It takes a parent's constant dedication, constant attention, and constant love. This resolution will serve as a giant "thank you" to all the parents who work so hard every day to provide for their children.

With this resolution, we congratulate and adulate parents in order to assure them that we are behind them—100 percent. They must know how important it is to stay the course and continue to provide the values and lessons that will secure a bright and promising future for our children.

Mr. VOINOVICH. Mr. President, I rise today to join my friend and colleague, Senator MIKE DEWINE, to introduce legislation that will highlight the week of September 23, 2001 as National Parent's Week.

Positive parenting is a task that is crucial to the future of our Nation, yet the responsibilities and burdens that fall upon parents are too often undervalued. I believe it is essential that we highlight the importance of parents in developing healthy and productive children in our society.

Children thrive in homes where parents take an active role in providing stability, safety and discipline. This, combined with unconditional affection and encouragement, provide children with the solid foundation to move ahead in life.

I was fortunate to have grown up in a household with such loving and dedicated parents. My mother and father strongly believed in the duty and responsibility they had to their six children, and worked tirelessly to ensure that my brothers and sisters and I would become healthy, productive adults.

As a matter of fact, it is from my parents that I learned the importance of using my God-given talents to serve others. My life in public service has been a reflection of what they not only preached, but on how they lived their lives. My siblings and I were taught early on that part of earning and deserving our citizenship was giving back, not only to our immediate family, but also to our community and our country.

Even as my mother entered her eighties, she still served as a model for our family. Although, she was moving on in years, she would still volunteer her time in the library of a Cleveland city school. I would ask her, "Mom—why are you still doing this? You've done enough! Why don't you just rest and take it easy?"

Her answer was always the same: "Because I'm needed."

I was truly blessed to have two wonderful parents who were such loving and supportive role models. Too often, today's youth look elsewhere for guidance and comfort, not realizing that all the support and guidance they need is already there under their own roof. It is imperative that we bring the role of parents back to prominence, for they are the front-line for instilling the values we cherish in all our nation's youth.

I encourage parents all over the nation to recognize and cherish the blessing and responsibility the have in raising God's gifts to them. It is my hope that through the establishment of "National Parents Week," we will raise awareness of just how important our parents are in molding the next generation of Americans citizens.

SENATE RESOLUTION 151—EXPRESSING THE SENSE OF THE SENATE THAT THE WORLD CONFERENCE AGAINST RACISM, RACIAL DISCRIMINATION, XENOPHOBIA, AND RELATED INTOLERANCE PRESENTS A UNIQUE OPPORTUNITY TO ADDRESS GLOBAL DISCRIMINATION

Mr. DODD (for himself, Mr. SCHUMER, Mr. SMITH of Oregon, Mrs. CLINTON, Mr. LUGAR, Mr. SANTORUM, Mr. WELLSTONE, and Mr. CORZINE) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 151

Whereas racial discrimination, ethnic conflict, and xenophobia persist in various parts of the world despite continuing efforts by the international community to address these problems;

Whereas in recent years the world has witnessed campaigns of ethnic cleansing;

Whereas racial minorities, migrants, asylum seekers, and indigenous peoples are persistent targets of intolerance and violence;

Whereas millions of human beings continue to encounter discrimination solely due to their race, skin color, or ethnicity;

Whereas early action is required to prevent the growth of ethnic hatred and to diffuse potential violent conflicts;

Whereas the United Nations World Conference Against Racism, Racial Discrimination, Xenophobia, and Related Intolerance (in this resolution referred to as "WCAR"), to be held in Durban, South Africa, from August 31 through September 7, 2001, aims to create a new world vision for the fight against racism and other forms of intolerance in the twenty-first century, urge participants to adopt anti-discrimination policies and practices, and establish a mechanism for monitoring future progress toward a discrimination-free world;

Whereas the WCAR will review progress made in the fight against racism and consider ways to better ensure the application of existing standards to combat racism;

Whereas participants of the WCAR currently plan to discuss remedies, redress, and other mechanisms to provide recourse at national, regional, and international levels for victims of racism, xenophobia, sexism, religious intolerance, slavery, and other forms of discrimination;

Whereas the WCAR is charged with reviewing the political, historical, economic, social, cultural, and other factors leading to racism and racial discrimination and formulating concrete recommendations to further action-oriented national, regional, and international measures to combat racism;

Whereas some preparatory materials for the WCAR take positions on current crises which, if adopted in the final WCAR Declaration and Program of Action, could exacerbate existing tensions, such as language which takes sides in the current crisis between Israelis and Palestinians;

Whereas the attempt by some to use the WCAR as a platform to resuscitate the divisive and discredited notion equating Zionism with racism, a notion that was overwhelmingly rejected in 1991 by a subsequent United Nations Resolution, would undermine the goals and objectives of the WCAR;

Whereas the WCAR is expected to propose concrete recommendations to ensure that the United Nations has the resources to actively combat racism and racial discrimination; and

Whereas the United States encourages respect for an individual's human rights and fundamental freedoms without distinction of any kind, such as race, color, sex, language, religion, political or other opinion, national or social origin, property, birth, or other status: Now, therefore, be it

Resolved, That the Senate—

(1) encourages all participants in the WCAR to seize this singular opportunity to tackle the scourges of racism, xenophobia, sexism, religious intolerance, slavery, and other forms of discrimination which have divided people and wreaked immeasurable suffering;

(2) recognizes that, since racism, racial discrimination, xenophobia, and other forms of intolerance exist to some extent in every region and country around the world, efforts to address these prejudices should occur within a global framework and without reference to specific regions, countries, or present-day conflicts;

(3) exhorts the participants to utilize the WCAR to mitigate, rather than aggravate, racial, ethnic, and regional tensions;

(4) urges the WCAR to focus on concrete steps that may be taken to address gross human rights violations that were motivated by racially and ethnically based animus and on devising strategies to help eradicate such intolerance;

(5) hopes that objectionable language concerning Israel and Zionism will be removed so that the United States will be able to send a delegation and participate fully in the WCAR; and

(6) commends the efforts of the Government of the Republic of South Africa in hosting the WCAR.

SENATE RESOLUTION 152—EXPRESSING THE SENSE OF THE SENATE THAT THE SECRETARY OF VETERANS AFFAIRS SHOULD REQUEST ASSISTANCE FROM THE COMMISSIONER OF SOCIAL SECURITY IN FULFILLING THE SECRETARY'S MANDATE TO PROVIDE OUTREACH TO VETERANS, THEIR DEPENDANTS, AND THEIR SURVIVORS

Mrs. LINCOLN submitted the following resolution; which was referred to the Committee on Veterans' Affairs:

S. RES. 152

Whereas the Department of Veterans Affairs (VA) has a statutory mandate to provide outreach to veterans, their dependents, and their survivors;

Whereas the most recent survey conducted by the VA indicates that many veterans and survivors are unaware of benefits they are eligible to receive;

Whereas recent press reports indicate many veterans are not aware that they are eligible for low-cost prescription medications as part of medical care provided by the VA;

Whereas some VA outreach initiatives, such as the Health Benefits Hotline (1-877-222-VETS), are somewhat recent;

Whereas more than 9,000,000 veterans receive Social Security benefits;

Whereas the number of members of the largest group of veterans, the Vietnam Era veterans, who are awarded Social Security disability and retirement insurance benefits will increase over time;

Whereas the Social Security Administration sends more than 45,000,000 cost-of-living adjustment notices to its beneficiaries each year;

Whereas the Social Security Administration sends more than 2,000,000 award notices to newly-entitled disability and retirement insurance beneficiaries each year;

Whereas more than 100,000 persons visit the field offices of the Social Security Administration every workday;

Whereas the Social Security Administration has 65,000 employees, most of whom come into contact with the public;

Whereas many Social Security beneficiaries who are veterans could benefit from VA medical care because they do not have prescription drug coverage or are not currently eligible for Medicare; and

Whereas many Social Security beneficiaries are eligible for additional income through the VA's pension and compensation programs: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the Secretary of Veterans Affairs should request assistance from the Commissioner of Social Security in fulfilling the Secretary's mandate to provide outreach to veterans, dependents, and survivors; and

(2) such assistance should include—

(A) using the December 2002 Social Security cost-of-living adjustment notice as a means of publicizing the VA Health Benefits Hotline and the fact that the Department of Veterans Affairs (VA) provides comprehensive health care, including prescription medications, to veterans;

(B) using Social Security award notices for retirement insurance and disability insurance benefits to publicize the VA Health Benefits Hotline and the fact that the VA provides comprehensive health care, including prescription medications, to veterans;

(C) distributing VA publications that describe the cash, health, and other benefits available through the VA to all Social Security Administration field offices so that these publications may be provided to members of the public who visit such offices; and

(D) broadcasting information to all employees at the Social Security Administration who have contact with the public regarding the health care benefits (including the availability of prescription medications as part of treatment) available through the VA, each pension and compensation program of the VA, and other benefits available through the VA so that employees at the Social Security Administration can inform veterans about VA programs.

Mrs. LINCOLN. Mr. President, I rise today to submit a Senate resolution calling on the Secretary of Veterans Affairs to work with the Commissioner of the Social Security Administration to better inform the Nation's veterans and their dependents about benefits available from the VA.

In recent months, we have seen considerable legislative activity designed to improve outreach to veterans and their dependents. The President recently signed into law the Veterans' Survivor Benefits Improvement Act. This Act, for the first time, provides the VA with a legislative mandate to provide outreach and assistance to dependents of veterans. In addition to this legislation, several of my distinguished colleagues in the Senate have introduced the Veterans' Right to Know Act. This Act would require the VA, once it received an application for any benefit, to inform a veteran or a dependent about ALL VA benefits. The Veterans' Right to Know Act would also require the VA to develop an annual outreach plan by working with service organizations representing veterans.

However, I know that the VA is concerned that some of these initiatives are bureaucratic requirements that would divert resources from programs that directly serve the veteran population. I understand the concerns of the VA and let me make it clear that I am not here today to criticize the Secretary of Veterans Affairs or the employees of the VA. I consider the Secretary and his employees to be some of the most dedicated public servants in the Nation.

Instead, I am here today to ask for the Secretary's help and to ask him to consider our perspective as legislators. We have passed legislation to provide health care and economic security to our Nation's veterans and yet we often hear from constituents who are not aware of the benefits and services the VA provides.

One of the most important benefits the VA provides is comprehensive health care, including low-cost prescription medications. Unfortunately, many veterans believe they have to be disabled or poor to enroll in the VA health care system. The reality is that any honorably discharged veteran can enroll in VA health care.

Let me tell you about a message recently posted on the Web site of Seniors USA. The message is from Art Mazer, who is the Coordinator for the Gray Panthers of Greater Boston, Mr. Mazer writes that he has just enrolled in the VA health care system and will now receive his medications for just $2 per month from the VA pharmacy. Mr. Mazer, who happened to find out about these pharmacy benefits through an email newsletter of the Social Security Administration, refers to the prescription drug benefits provided by the VA as "one of the best kept secrets" in the government. Although I applaud the Social Security Administration for its informative newsletter and I am glad Mr. Mazer is sharing the information with other seniors, I am concerned that VA health care is being described on an Internet site for seniors as one of the best kept secrets of the government.

In some ways, it is appropriate that Mr. Mazer found out about VA benefits from the Social Security Administration. Remarkably, two out of every five veterans receive Social Security. Today, more than nine million veterans are on the Social Security rolls. Over the next several years, we will see millions of Vietnam Era veterans being brought into Social Security's disability and retirement programs.

The Social Security Administration has one of the most extensive systems of public communication in our government. Each year, this Agency sends out tens of millions of notices to its beneficiaries. These notices inform the public about Social Security, Medicare, and other vital government programs. Every workday, 100,000 citizens visit the Social Security Administration's 1,300 field offices around the country. The primary role of field office employees is to administer the Social Security programs, but we know from our disabled and elderly constituents that it is often a Social Security employee who tells them about a program to help pay their Medicare bills or a program to help them meet their food expenses. Simply put, the Social Security Administration is on the front lines in our battle to alleviate poverty among our disabled and elderly citizens.

The Resolution I am submitting today calls on the Secretary of Veterans Affairs to request assistance from the Commissioner of Social Security in fulfilling the Secretary's mandate to provide outreach to veterans and their dependents. The Resolution outlines four initiatives, but let me talk briefly about just one.

Each year the Social Security Administration mails 45 million cost-of-living adjustment notices to its beneficiaries. The primary purpose of these COLA notices is to tell beneficiaries how much their benefits will increase. However, the Social Security Administration has used a portion of these notices in the past to provide information on government health care programs, such as Medicare. It is my hope that the Secretary of Veterans Affairs will request that a portion of these COLA notices include information on the VA health care system, including its provision of low-cost prescription drugs. The VA, to its credit, has developed a Health Benefits Hotline, 1-877-222-VETS, so that veterans can find out about and enroll in VA health care. The COLA notices are an effective way to publicize this Hotline. We know that it requires time to prepare for these outreach initiatives, but I am hopeful that this initiative could be implemented for the December 2002 COLA notices. This gives the Secretary over a year to work with the Social Security Administration to implement the initiative.

The initiatives outlined in this Resolution are not costly or intrusive because they build on the already-existing capabilities of the Federal Government. And yet, these initiatives will inform millions of veterans and their dependents about VA programs.

The current Secretary of Veterans Affairs, Anthony J. Principi, is a combat-decorated veteran. I know he is deeply committed to serving veterans and their families. So, today, through this Resolution, I am asking him to take some practical steps to ensure that our veterans and their families are fully informed about benefits and services provided by the VA. I feel sure that the Social Security Administration, an Agency with a well-earned reputation for serving the disabled and the elderly, will respond favorably to a request for assistance by Secretary Principi.

SENATE RESOLUTION 153—RECOGNIZING THE ENDURING CONTRIBUTIONS, HEROIC ACHIEVEMENTS, AND DEDICATED WORK OF SHIRLEY ANITA CHISHOLM

Mrs. CLINTON (for herself, Mr. BIDEN, Mr. DODD, Mr. KENNEDY, Mr. LEVIN, and Mr. SCHUMER) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 153

Whereas Shirley Anita Chisholm has devoted her life to public service;

Whereas Shirley Anita Chisholm served in the New York State Assembly from 1964 to 1968;

Whereas Shirley Anita Chisholm became the first African-American woman to be elected to Congress in 1968;

Whereas Congresswoman Chisholm was a fierce critic of the seniority system in Congress, protested her assignment in 1969 to the Committee on Agriculture of the House of Representatives, and won reassignment to a committee of the House of Representatives on which she could better serve her inner-city district in Brooklyn, New York;

Whereas Congresswoman Chisholm served as a Member of Congress from 1968 until 1983;

Whereas Congresswoman Chisholm proposed legislation to increase funding for child care facilities in order to allow such facilities to extend their hours of operation and provide services to both middle-class and low-income families;

Whereas in 1972 Congresswoman Chisholm became the first African-American and the first woman to be a candidate for the nomination of the Democratic Party for the office of President;

Whereas Congresswoman Chisholm campaigned in the primaries of 12 States, won 28 delegates, and received 152 first ballot votes at the national convention for the nomination of the Democratic Party for the office of President;

Whereas Congresswoman Chisholm has fought throughout her life for fundamental rights for women, children, seniors, African-Americans, Hispanics, and other minority groups;

Whereas Congresswoman Chisholm has been a committed advocate for many progressive causes, including improving education, ending discrimination in hiring practices, increasing the availability of child care, and expanding the coverage of the Federal minimum wage laws to include domestic employment;

Whereas in addition to the service of Congresswoman Chisholm as a legislator, Congresswoman Chisholm has worked to improve society as a nursery school teacher, director of a child care facility, consultant for the New York Department of Social Services, and educator; and

Whereas it is appropriate that the dedicated work and outstanding accomplishments of Congresswoman Chisholm be recognized during the month of March, which is National Women's History Month: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the enduring contributions and heroic achievements of Shirley Anita Chisholm; and

(2) appreciates the dedicated work of Shirley Anita Chisholm to improve the lives and status of women in the United States.

SENATE RESOLUTION 154—COMMENDING ELIZABETH B. LETCHWORTH FOR HER SERVICE TO THE UNITED STATES SENATE

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 154

Whereas Elizabeth B. Letchworth has dutifully served the United States Senate for over 25 years;

Whereas Elizabeth's service to the Senate began with her appointment as a United States Senate page in 1975;

Whereas Elizabeth continued her work as a special Legislative assistant, a Republican Cloakroom assistant, and as a Republican Floor Assistant;

Whereas in 1995 Elizabeth was appointed by the Majority Leader and elected by the Senate to be Secretary for the Majority:

Whereas Elizabeth was the first woman to be elected as Republican Secretary:

Whereas Elizabeth was the youngest person to be elected the Secretary for the Majority at the age of 34. Now, therefore, be it

Resolved, That the United States Senate commends Elizabeth Letchworth for her many years of service to the United States Senate, and wishes to express its deep appreciation and gratitude for her contributions to the institution. In addition, the Senate wishes Elizabeth and her husband Ron all the best in their future endeavors.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to Elizabeth Letchworth.

SENATE RESOLUTION 155—ELECTING DAVID J. SCHIAPPA OF MARYLAND AS SECRETARY OF THE MINORITY OF THE SENATE

Mr. LOTT submitted the following resolution; which was considered and agreed to:

S. RES. 155

Resolved, That David J. Schiappa of Maryland be, and he is hereby, elected Secretary for the Minority of the Senate effective August 29, 2001.

SENATE RESOLUTION 156—EXPRESSING THE SENSE OF THE SENATE THAT THE REGIONAL HUMANITIES INITIATIVE OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES BE NAMED FOR EUDORA WETLY

Mr. COCHRAN (for himself and Mr. LOTT) submitted the following resolution; which was referred to the Committee on Health, Education, Labor, and Pensions:

S. RES. 156

Whereas Eudora Welty was the last of the 4 literary giants (William Faulkner, Tennessee Williams, and Richard Wright) who shaped both the Southern Literary Renaissance and American literature in the 20th century;

Whereas this grand lady of American literature both embraced and transcended the South;

Whereas in the words of critic Maureen Howard, "It is not the South we find in her stories, it is Eudora Welty's south, a region that feeds her imagination and a place we come to trust";

Whereas critic Maureen Howard noted that Eudora Welty was "a Southerner as Checkov was a Russian, because place provides them with a reality, a reality as difficult, mysterious, and impermanent as life";

Whereas Eudora Welty's literary legacy includes more than a dozen novels, collections of short stories, essays, and books of photography;

Whereas for this impressive literary canon Eudora Welty was awarded the Pulitzer Prize in 1973, the French Legion of Honor in 1996, the PEN/Malamud Award in 1992, 6 O'Henry Awards, the Presidential Medal of Freedom, the National Endowment for the Humanities Frankel Medal, The National Book Critics Award, and the Gold Medal of the National Institute of Arts and Letters;

Whereas Eudora Welty was the first living writer to be included in the prestigious Library of America series that features American literary giants such as Mark Twain, Walt Whitman, Henry James, Willa Cather, Edith Wharton, Edgar Allen Poe, and William Faulkner;

Whereas 2 of Eudora Welty's books, The Robber Bridegroom and The Ponder Heart, were adapted for the stage in New York;

Whereas the place in which Eudora Welty lived, Jackson, Mississippi, was central to her work as a writer;

Whereas Jackson, Mississippi was, in Eudora Welty's words, "like a fire that never goes out";

Whereas for Eudora Welty, place was "the stuff of fiction, as close to our living lives as the earth we can pick up and rub between our fingers, something we can feel and smell... We know what the place has made of these people through generations. We have a sense of continuity and that, I think, comes from place.";

Whereas no writer was ever more beloved, or more adored by her readers who avidly followed her life and work;

Whereas Eudora Welty deeply loved family stories and recalled how "Long before I wrote stories, I listened for stories... when their elders sit and begin, children are just waiting and hoping for one to come out, like a mouse from a hole.";

Whereas Eudora Welty's work focused on family life, including weddings, reunions, and funerals;

Whereas Eudora Welty's career began with the study of region and place when she worked as a writer and photographer for the Works Progress Administration, work that later inspired her fiction and literary essays;

Whereas these writings help each of us better understand the humanities and their ties to region and place;

Whereas Eudora Welty's work inspired the National Endowment for the Humanities to launch its Regional Humanities Initiative through 20 planning grants that have been awarded to institutions in the States of Arizona, California, Illinois, Louisiana, Michigan, Mississippi, Montana, Nebraska, New Hampshire, New Jersey, North Dakota, Ohio, Pennsylvania, Rhode Island, South Carolina, Texas, Utah, Virginia, and Wisconsin;

Whereas like the gentle rain that fell across Mississippi on the day of Eudora Welty's funeral, the Regional Humanities Initiative nourishes the soil of American culture and its roots in our regions;

Whereas the Regional Humanities Initiative honors the places from which we each come and preserves our history and culture for future generations; and

Whereas Eudora Welty believed deeply in the noble work of the Regional Humanities Initiative and her name will inspire future generations to understand and celebrate the places that shape our Nation: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Regional Humanities Initiative be named for Eudora Welty.

Mr. COCHRAN. Mr. President, today I am introducing a Sense of the Senate Resolution honoring the memory of Eudora Welty, the famed Mississippi author who died last week. Senator LOTT has joined me in sponsoring this resolution renaming the Regional Humanities Initiative at the National Endowment for the Humanities, NEH, the Eudora Welty Regional Humanities Initiative.

One of the great themes of Miss Welty's writings is a sense of place. It is fitting then that the Regional Humanities Initiative that honors the places from which we come and will preserve our history and culture for future generations be named for her. In fact, a quote from Miss Welty's work is used in the NEH guidelines for this initiative and I would like to share those words with you: "It is by knowing where you stand that you grow able to judge where you are. Place absorbs our earliest notice and attention. It bestows upon us our original awareness: and our critical powers spring up from the study of it and the growth experiences inside it. . . .

"One place comprehended can make us understand other places better. Sense of place gives us equilibrium; extended, it is sense of direction too."

SENATE CONCURRENT RESOLUTION 64—DIRECTING THE ARCHITECT OF THE CAPITOL TO ENTER INTO A CONTRACT FOR THE DESIGN AND CONSTRUCTION OF A MONUMENT TO COMMEMORATE THE CONTRIBUTIONS OF MINORITY WOMEN TO WOMEN'S SUFFRAGE AND TO THE PARTICIPATION OF MINORITY WOMEN IN PUBLIC LIFE, AND FOR OTHER PURPOSES

Mrs. CLINTON (for herself, Mrs. BOXER, Ms. CANTWELL, Mrs. CARNAHAN, Mr. DODD, Mr. HARKIN, Mr. LEVIN, Ms. MIKULSKI, Mrs. MURRAY, Mr. SCHUMER, and Ms. STABENOW) submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 64

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. DESIGN AND CONSTRUCTION OF MONUMENT COMMEMORATING CONTRIBUTIONS OF MINORITY WOMEN TO WOMEN'S SUFFRAGE.

(a) IN GENERAL.—Not later than 1 year after the date of adoption of this Resolution, the Architect of the Capitol shall enter into a contract for the design and construction of a monument to commemorate the contributions of minority women to women's suffrage and to the participation of minority women in public life in the United States (referred to in this Resolution as the "Monument").

(b) WOMEN DEPICTED ON MONUMENT.—The Monument shall depict an appropriate representative, as determined by the Advisory Committee established under section 2, of each of the following:

(1) African American women.
(2) Hispanic American women.
(3) Asian Pacific American women.
(4) Jewish American women.
(5) Native American women.

(c) DEADLINE FOR COMPLETION.—The contract under subsection (a) shall include a requirement that the Monument be completed and delivered to the Architect of the Capitol not later than 18 months after the date on which the Architect enters into the contract.

(d) LOCATION.—The Architect of the Capitol shall arrange for the Monument to be placed in a prominent location of the Capitol.

SEC. 2. ADVISORY COMMITTEE.

(a) IN GENERAL.—An Advisory Committee shall be established to—

(1) solicit from the general public nominees for depiction on the Monument; and

(2) recommend to the Architect of the Capitol, for depiction on the Monument, individuals that are representative of the women specified in section 2(b).

(b) COMPOSITION.—The Advisory Committee shall be composed of 5 members, of whom—

(1) 1 member shall be appointed by the Speaker of the House of Representatives;

(2) 1 member shall be appointed by the minority leader of the House of Representatives;

(3) 1 member shall be appointed by the majority leader of the Senate;

(4) 1 member shall be appointed by the minority leader of the Senate; and

(5) 1 member shall be appointed by the President Pro Tempore of the Senate.

(c) APPOINTMENT.—Not later than 30 days after the adoption of this Resolution, members of the Advisory Committee shall be appointed in accordance with subsection (b).

(d) COMPENSATION.—A member of the Advisory Committee shall serve without pay.

(e) DEADLINE FOR SUBMISSION.—Not later than 90 days after the date of the adoption of this Resolution, the Advisory Committee shall submit to the Architect of the Capitol the names of the individuals to be depicted on the Monument.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Resolution (including sums as are necessary for the Advisory Committee to carry out the duties described in section 2), to remain available until expended.

Mrs. CLINTON. Mr. President, it is an honor to be here today to submit a resolution to recognize the contributions of minority women to women's suffrage and to the history of our country. This resolution establishes an Advisory Committee and directs the Architect of the Capitol to enter into a contract for the design and construction of a monument commemorating the contributions of minority women.

I was so pleased when Congressman DAVIS introduced this resolution. His decision was inspired by the observations of a young woman working in his office who noticed, as she toured the Capitol, that there are so few women, and even fewer minority women, represented in these sacred halls.

The under-representation of women and minorities does a disservice to the thousands of schoolchildren who tour the Capitol every year. I believe the time has come, and is in fact long overdue, to create a statute honoring the contributions of minority women who were instrumental in building our country and leaders in extending equal rights to all people.

I can cite many examples of minority women who I would like to see considered for recognition. Women with New York roots such as Harriet Tubman, Sojourner Truth and Maud Nathan have made considerable contributions to our nation's history.

Harriet Tubman, whose home was in Auburn, NY, escaped slavery and then risked her life again and again to return and lead so many others to freedom. Harriet Tubman's motto was, "keep going." She would encourage escaped slaves in their journey by saying, "Children if you are tired, keep going; if you are scared, keep going; if you are hungry, keep going; if you want to taste freedom, keep going." Harriet Tubman went on to be an active leader in the women's movement, to work for schools for freed slaves and to establish services for the elderly and destitute. Her actions were selfless and her courage is of heroic proportions.

Sojourner Truth was born enslaved in Upstate New York. After her release from slavery, she went on to work as an abolitionist and then as a leader in the women's movement. She was a highly effective speaker, and used her voice to see that equal rights would be extended to all people regardless of the color of one's skin or one's gender. Maud Nathan is another example of a New Yorker who was influential in the women's suffrage movement and served as an early and innovative consumer advocate, organizing for better conditions for working women.

I often think of the courage and vision of these women and so many others who put their lives on the line in the abolitionist, suffrage, civil rights and women's movements, and it is a great sense of pride to me that so many women leaders were from New York.

It is our responsibility to make sure that the contributions of minority women with stories similar to Truth, Tubman, Nathan, and so many others, are told in our schoolrooms, at our dinner tables and yes, celebrated in the halls of Congress.

In 1997, after more than 75 years of storage in the crypt, a monument recognizing suffragists Susan B. Anthony, Elizabeth Cady Stanton and Lucretia Mott was moved to a visible location in the Rotunda. This was the right decision then, and no doubt has aroused the interest of so many people who have had the opportunity to view it since the move.

Now we have an opportunity to make significant strides toward telling a far more accurate story of our Nation's collective history by celebrating the minority women who were behind so many of our nation's important social movements. Their commitment, resilience and courage can be a great source of strength to the next generation of women who will assume the struggles shaping our time.

SENATE CONCURRENT RESOLUTION 65—EXPRESSING THE SENSE OF CONGRESS THAT ALL AMERICANS SHOULD BE MORE INFORMED OF DYSPRAXIA

Ms. LANDRIEU (for herself and Mr. BREAUX) submitted the following concurrent resolution; which was referred to the Committee on health, Education, Labor, and Pensions.

S. CON. RES. 65

Whereas an estimated 1 in 20 children suffers from the developmental disorder dyspraxia;

Whereas 70 percent of those affected by dyspraxia are male;

Whereas dyspraxics may be of average or above average intelligence but are often behaviorally immature;

Whereas symptoms of dyspraxia consist of clumsiness, poor body awareness, reading and writing difficulties, speech problems, and learning disabilities, though not all of these will apply to every dyspraxic;

Whereas there is no cure for dyspraxia, but the earlier a child is treated the greater the chance of developmental maturation;

Whereas dyspraxics may be shunned within their own peer group because they do not fit in;

Whereas most dyspraxic children are dismissed as "slow" or "clumsy" and are therefore not properly diagnosed;

Whereas more than 50 percent of educators have never heard of dyspraxia;

Whereas education and information about dyspraxia are important to detection and treatment; and

Whereas Congress as an institution, and Members of Congress as individuals, are in unique positions to help raise the public awareness about dyspraxia: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) all Americans should be more informed of dyspraxia, its easily recognizable symptoms, and proper treatment;

(2) the Secretary of Education should establish and promote a campaign in elementary and secondary schools across the Nation to encourage the social acceptance of these children; and

(3) the Federal Government has a responsibility to—

(A) endeavor to raise awareness about dyspraxia;

(B) consider ways to increase the knowledge of possible therapy and access to health care services for people with dyspraxia; and

(C) endeavor to inform educators on how to recognize dyspraxic symptoms and to appropriately handle this disorder.

Ms. LANDRIEU. Mr. President, I rise today to say just a few words on the resolution I have submitted concerning Dyspraxia, a developmental disorder that affects five percent of American children each year. My intent is to increase the public's awareness of this disability and to encourage each of my colleagues to do the same.

Let me share with you a few facts. Dyspraxia is caused from the malformation of the neurons of the brain, thus resulting in messages not being properly transmitted to the body. Areas such as movement, language, perception, and thought are affected.

Dyspraxia children fail to achieve the expected levels of development. Due to difficulties, these kids are often shunned from their peer groups because they do not fit in. One in twenty children suffers from Dyspraxia. Seventy percent of those affected are male, and in children suffering from extreme emotional and behavioral difficulties the incidence is likely to be more than fifty percent. There is no cure for Dyspraxia, but the earlier a child is diagnosed the greater the chance of developmental maturation. However, many times these children are dismissed as "clumsy" and "slow" and are never given a chance to improve, finding it hard to succeed under such harsh speculations. More than fifty percent of our educators are unaware that this disability even exists. With such alarming statistics, the number of children recognized cannot be expected to increase.

One of my interns has a younger brother that suffers from this disorder. Borden Wilson is actually a success story. At age 4, Borden's parents noted that he was not able to perform tasks appropriate for his age. He was not speaking much, even with encouragement. After going through a battery of tests performed by various specialists, the problem was identified as Dyspraxia. Upon suggestion, Borden began speech therapy, occupational therapy, and many activities, such as a more structured kindergarten, T-ball, swim team, and karate. Borden's speech is now improving with every day, but one would notice that it is "halted." He has to concentrate on all that he says. School was definitely a battle to be fought. Borden needs a lot of repetition to learn, and learning is easier when all five senses are stimulated. Spelling lists are practiced the entire week in advance. As one can imagine, Borden needs constant encouragement. It is very discouraging to work twice as hard as everyone else and still not possibly be on a level to compete. Borden is 14 years old now. Through the hard work of teachers, therapists, and family, he has overcome many of his problems and is successful in both school and extracurricular activities. I am pleased to announce that Borden now maintains a 4.0 grade point average and placed in the ninety-nine percentile on his California Achievement Test.

This is why it is so vital that we make people aware of Dyspraxia. With proper diagnosis and treatment, all of these children can experience the same level of success that Borden has been able to achieve. I hope that my colleagues will come together in support of this important legislation to raise consciousness of this disability.

AMENDMENTS SUBMITTED AND PROPOSED

SA 1471. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table.

SA 1472. Mr. DAYTON submitted an amendment intended to be proposed to amendment SA 1212 submitted by Mr. Lugar and intended to be proposed to the bill (S. 1246) supra; which was ordered to lie on the table.

SA 1473. Mr. DAYTON submitted an amendment intended to be proposed to amendment SA 1212 submitted by Mr. Lugar and intended to be proposed to the bill (S. 1246) supra; which was ordered to lie on the table.

SA 1474. Mr. DAYTON submitted an amendment intended to be proposed to amendment SA 1212 submitted by Mr. Lugar and intended to be proposed to the bill (S. 1246) supra; which was ordered to lie on the table.

SA 1475. Ms. STABENOW submitted an amendment intended to be proposed by her to the bill S. 1246 supra; which was ordered to lie on the table.

SA 1476. Ms. STABENOW submitted an amendment intended to be proposed by her to the bill S. 1246 supra; which was ordered to lie on the table.

SA 1477. Mr. WARNER submitted an amendment intended to be proposed by him to the bill S. 1246 supra; which was ordered to lie on the table.

SA 1478. Mr. WARNER submitted an amendment intended to be proposed by him to the bill S. 1246 supra; which was ordered to lie on the table.

SA 1479. Mr. REID (for Mr. HELMS) proposed an amendment to the concurrent resolution S. Con. Res. 62, congratulating Ukraine on the 10th anniversary of the restoration of its independence and supporting its full integration into the Euro-Atlantic community of democracies.

SA 1480. Mr. REID (for Mr. HUTCHINSON) proposed an amendment to the concurrent resolution S. con. Res. 59, expressing the sense of Congress that there should be established a National Community Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers.

TEXT OF AMENDMENTS

SA 1471. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill S. 1246 to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . SALMON.—The Secretary of the Treasury shall transfer, out of funds in the Treasury not otherwise appropriated, $50,000,000, to remain available until expended, to be provided within 30 days after enactment of this Act as direct lump sum payments to the entities listed to respond to fisheries failures and record low salmon harvests in the State of Alaska by providing individual assistance and economic development, including the following amounts—

(1) $10,000,000 to the Kodiak Island Borough;

(2) $10,000,000 to the Association of Village Council President;

(3) $10,000,000 to the Tanana Chiefs Conference, including $2,000,000 to address the combined impacts of poor salmon runs and the implementation of the Yukon River Salmon Treaty;

(4) $5,000,000 to Kawerak, Inc.;

(5) $5,000,000 to the Kenai Peninsula Borough;

(6) $5,000,000 to the Aleutians East Borough; and

(7) $5,000,000 to the Briston Bay Native Association for its revolving loan program in support of local fishermen.

SA 1472. Mr. DAYTON submitted an amendment intended to be proposed to amendment SA 1212 submitted by Mr. LUGAR and intended to be proposed to the bill (S. 1246) to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . EMERGENCY FINANCIAL ASSISTANCE FOR 2000 CROP OF SUGAR BEETS.

Notwithstanding section 815(d)(1) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–56), in making payments under that section for quality losses for the 2000 crop of sugar beets of producers on a farm in an area covered by Manager's Bulletin MGR–01–010 issued by the Federal Crop Insurance Corporation on March 2, 2001—

(1) the Secretary shall calculate the amount of a quality loss, regardless of whether the sugar beets are processed, on an aggregate basis by cooperative;

(2) the Secretary shall use funds made available under section 1(a) to make the quality loss payments to a cooperative for distribution to cooperative members; and

(3) the amount of a quality loss, regardless of whether the sugar beets are processed, shall be equal to the difference between—

(A) the per unit payment that the producers on the farm would have received for the crop from the cooperative if the crop had not suffered a quality loss; and

(B) the average per unit payment that the producers on the farm received from the cooperative for the affected sugar beets.

SA 1473. Mr. DAYTON submitted an amendment intended to be proposed to amendment SA 1212 submitted by Mr. LUGAR and intended to be proposed to the bill (S. 1246) to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table, as follows:

At the appropriate place, insert the following:

SEC. . SUGAR BEETS.

(a) MARKETING ASSESSMENT.—No marketing assessment under section 156(f) of the Agricultural Market Transition Act (7 U.S.C. 7272(f)) shall be collected for the 2001 crop of sugar beets until September 30, 2002.

(b) EMERGENCY FINANCIAL ASSISTANCE FOR 2000 CROP OF SUGAR BEETS.—Notwithstanding section 815(d)(1) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–56), in making payments under that section for quality losses for the 2000 crop of sugar beets of producers on a farm in an area covered by Manager's Bulletin MGR–01–010 issued by the Federal Crop Insurance Corporation on March 2, 2001—

(1) the Secretary shall calculate the amount of a quality loss, regardless of whether the sugar beets are processed, on an aggregate basis by cooperative;

(2) the Secretary shall use funds made available under section 1(a) to make the quality loss payments to a cooperative for distribution to cooperative members; and

(3) the amount of a quality loss, regardless of whether the sugar beets are processed, shall be equal to the difference between—

(A) the per unit payment that the producers on the farm would have received for the crop from the cooperative if the crop had not suffered a quality loss; and

(B) the average per unit payment that the producers on the farm received from the cooperative for the affected sugar beets.

SA 1474. Mr. DAYTON submitted an amendment intended to be proposed to amendment SA 1212 submitted by Mr. Lugar and intended to be proposed to the bill (S. 1246) to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. SUGAR BEETS.

(a) Marketing Assessment.—No marketing assessment under section 156(f) of the Agricultural Market Transition Act (7 U.S.C. 7272(f)) shall be collected for the 2001 crop of sugar beets until September 30, 2002.

(b) Emergency Financial Assistance for 2000 Crop of Sugar Beets.—Notwithstanding section 815(d)(1) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (114 Stat. 1549, 1549A–56), in making payments under that section for quality losses for the 2000 crop of sugar beets of producers on a farm in an area covered by Manager's Bulletin MGR–01–010 issued by the Federal Crop Insurance Corporation on March 2, 2001—

(1) the Secretary shall calculate the amount of a quality loss, regardless of whether the sugar beets are processed, on an aggregate basis by cooperative;

(2) the Secretary shall use funds made available under section 1(a) to make the quality loss payments to a cooperative for distribution to cooperative members; and

(3) the amount of a quality loss, regardless of whether the sugar beets are processed, shall be equal to the difference between—

(A) the per unit payment that the producers on the farm would have received for the crop from the cooperative if the crop had not suffered a quality loss; and

(B) the average per unit payment that the producers on the farm received from the cooperative for the affected sugar beets.

SA 1475. Ms. STABENOW submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. APPLES.

(a) In General.—The Secretary shall use $150,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers to provide relief for the loss of markets during the 2000 crop year.

(b) Payment Quantity.—

(1) In general.—Subject to paragraph (2), the payment quantity of apples for which the producers on a farm are eligible for payments under this section shall be equal to the quantity of the 2000 crop of apples produced by the producers on the farm.

(2) Maximum quantity.—The payment quantity of apples for which the producers on a farm are eligible for payments under this section shall not exceed 5,000,000 pounds of apples produced on the farm.

(c) Limitations.—Subject to subsection (b)(2), the Secretary shall not establish a payment limitation, or gross income eligibility limitation, with respect to payments made under this section.

(d) Applicability.—This section applies only with respect to the 2000 crop of apples and producers of that crop.

SEC. 12. OBLIGATION PERIOD.

(a) Fiscal Year 2001.—Notwithstanding section 11 and except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out section 1.

(b) Fiscal Year 2002.—

(1) In general.—Notwithstanding section 11 and except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out this Act (other than section 1).

(2) Availability.—Funds described in paragraph (1) shall remain available until expended.

SA 1476. Ms. STABENOW submitted an amendment intended to be proposed by her to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. COMMODITY PURCHASES.

(a) In General.—The Secretary shall use $270,000,000 of funds of the Commodity Credit Corporation to purchase agricultural commodities, especially agricultural commodities that have experienced low prices during the 2000 or 2001 crop years, such as apples, apricots, asparagus, bell peppers, bison meat, black beans, black-eyed peas, blueberries (wild and cultivated), cabbage, cantaloupe, cauliflower, chickpeas, cranberries, cucumbers, dried plums, dry peas, eggplants, lemons, lentils, melons, onions, peaches (including freestone), pears, potatoes (summer and fall), pumpkins, raisins, raspberries, red tart cherries, snap beans, spinach, strawberries, sweet corn, tomatoes, and watermelons.

(b) Geographic Diversity.—The Secretary is encouraged to purchase agricultural commodities under this section in a manner that reflects the geographic diversity of agricultural production in the United States, particularly agricultural production in the Northeast and Mid-Atlantic States.

(c) Other Purchases.—The Secretary shall ensure that purchases of agricultural commodities under this section are in addition to purchases by the Secretary under any other law.

(d) Transportation and Distribution Costs.—The Secretary may use not more than $20,000,000 of the funds made available under subsection (a) to provide assistance to States to cover costs incurred by the States in transporting and distributing agricultural commodities purchased under this section.

(e) Purchases for School Nutrition Programs.—The Secretary shall use not less than $55,000,000 of the funds made available under subsection (a) to purchase agricultural commodities of the type distributed under section 6(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(a)) for distribution to schools and service institutions in accordance with section 6(a) of that Act.

SEC. 12. OBLIGATION PERIOD.

(a) Fiscal year 2001.—Notwithstanding section 11 and except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and expend funds only during fiscal year 2001 to carry out section 1.

(b)Fiscal year 2002.—

(1) In general.—Notwithstanding section 11 and except as otherwise provided in this Act, the Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out this Act (other than section 1).

(2) Availability.—Funds described in paragraph (1) shall remain available until expended.

SA 1477. Mr. WARNER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. TOBACCO PAYMENTS.

(a) In General.—Except as provided in subsection (b), the Secretary of Agriculture shall use $129,000,000 of funds of the Commodity Credit Corporation to provide a supplemental payment in accordance with the terms and conditions of section 204(b) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106–224) to eligible persons (as defined in that section) that received a payment under that section.

(b) Payment Formula.—The Secretary shall use the payment formula used by the Secretary to make payments under section 803(c) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (7 U.S.C. 1421 note; Public Law 106–78) to make supplemental payments to eligible persons under this section.

SA 1478. Mr. WARNER submitted an amendment intended to be proposed by him to the bill S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. TOBACCO.

(a) Tobacco Payments.—

(1) Definitions.—In this subsection:

(A) Eligible person.—The term "eligible person" means a person that—

(i) owns a farm for which, regardless of temporary transfers or undermarketings, a basic quota or allotment for eligible tobacco is established for the 2001 crop year under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.);

(ii) controls the farm from which, under the quota or allotment for the relevant period, eligible tobacco is marketed, could have been marketed, or can be marketed, taking into account temporary transfers; or

(iii) grows, could have grown, or can grow eligible tobacco that is marketed, could have been marketed, or can be marketed under the quota or allotment for the 2001 crop year, taking into account temporary transfers.

(B) Eligible tobacco.—The term "eligible tobacco" means each of the following kinds of tobacco:

(i) Flue-cured tobacco, comprising types 11, 12, 13, and 14.

(ii) Fire-cured tobacco, comprising types 21, 22, and 23.

(iii) Dark air-cured tobacco, comprising types 35 and 36.

(iv) Virginia sun-cured tobacco, comprising type 37.

(v) Burley tobacco, comprising type 31.

(vi) Cigar-filler and cigar-binder tobacco, comprising types 42, 43, 44, 54, and 55.

(2) Payments.—Not later than December 31, 2001, the Secretary of Agriculture (referred to in this section as the "Secretary") shall use funds of the Commodity Credit Corporation to make payments under this subsection.

(3) Poundage payment quantities.—For the purposes of this subsection, individual tobacco quotas and allotments shall be converted to poundage payment quantities as follows:

(A) Flue-cured and burley tobacco.—In the case of Flue-cured tobacco (types 11, 12, 13, and 14) and Burley tobacco (type 31), the poundage payment quantity shall equal the number of pounds of the basic poundage quota of the kind of tobacco, irrespective of temporary transfers or undermarketings, under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2001 crop year.

(B) Other kinds of eligible tobacco.—In the case of each other kind of eligible tobacco, individual allotments shall be converted to poundage payment quantities by multiplying—

(i) the number of acres that may, irrespective of temporary transfers or undermarketings, be devoted, without penalty, to the production of the kind of tobacco under the allotment under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) for the 2001 crop year; by

(ii)(I) in the case of fire-cured tobacco (type 21), 1,630 pounds per acre;

(II) in the case of fire-cured tobacco (types 22 and 23), 2,601 pounds per acre;

(III) in the case of dark air-cured tobacco (types 35 and 36), 2,337 pounds per acre;

(IV) in the case of Virginia sun-cured tobacco (type 37), 1,512 pounds per acre; and

(V) in the case of cigar-filler and cigar-binder tobacco (types 42, 43, 44, 54, and 55), 2,165 pounds per acre.

(4) Available payment amounts.—The available payment amount for pounds of a payment quantity under paragraph (2) shall be equal to—

(A) in the case of fire-cured tobacco (types 21, 22, and 23) and dark air-cured tobacco (types 35 and 36), 26 cents per pound; and

(B) in the case of each other kind of eligible tobacco not covered by subparagraph (A), 13 cents per pound.

(5) Division of payments among eligible persons.—

(A) In general.—Payments available with respect to a pound of payment quantity, as determined under paragraph (4), shall be made available to eligible persons in accordance with this paragraph.

(B) Flue-cured and cigar tobacco.—In the case of payments made available in a State under paragraph (2) for Flue-cured tobacco (types 11, 12, 13, and 14) and cigar-filler and cigar-binder tobacco (types 42, 43, 44, 54, and 55), the Secretary shall distribute (as determined by the Secretary)—

(i) 50 percent of the payments to eligible persons that are owners described in paragraph (1)(A)(i); and

(ii) 50 percent of the payments to eligible persons that are growers described in paragraph (1)(A)(iii).

(C) Other kinds of eligible tobacco.—In the case of payments made available in a State under paragraph (2) for each other kind of eligible tobacco not covered by subparagraph (A), the Secretary shall distribute (as determined by the Secretary)—

(i) 33⅓ percent of the payments to eligible persons that are owners described in paragraph (1)(A)(i);

(ii) 33⅓ percent of the payments to eligible persons that are controllers described in paragraph (1)(A)(ii); and

(iii) 33⅓ percent of the payments to eligible persons that are growers described in paragraph (1)(A)(iii).

(6) Standards.—In carrying out this subsection, the Secretary shall use, to the maximum extent practicable, the same standards for payments that were used for making payments under section 204(b) of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 1421 note; Public Law 106–224).

(7) Judicial review.—A determination by the Secretary under this subsection shall not be subject to judicial review.

(b) Grading of Price-Support Tobacco.—

(1) In general.—Not later than November 30, 2001, the Secretary shall conduct a referendum among producers of each kind of tobacco that is eligible for price support under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) to determine whether the producers favor the mandatory grading of the tobacco by the Secretary.

(2) Mandatory grading.—If the Secretary determines that mandatory grading of each kind of tobacco described in paragraph (1) is favored by a majority of the producers voting in the referendum, effective for the 2002 and subsequent marketing years, the Secretary shall ensure that all kinds of the tobacco are graded at the time of sale.

(3) Judicial review.—A determination by the Secretary under this subsection shall not be subject to judicial review.

(c) Obligation Period.—The Secretary and the Commodity Credit Corporation shall obligate and, to the maximum extent practicable, expend funds during fiscal year 2002 to carry out this section.

SA 1479. Mr. REID (for Mr. Helms) proposed an amendment to the concurrent resolution S. Con. Res. 62, congratulating Ukraine on the 10th anniversary of the restoration of its independence and supporting its full integration into the Euro-Atlantic community of democracies; as follows:

In paragraph (6) of section 1 of the concurrent resolution, strike "Oleksandorv" and insert "Oleksandrov".

SA 1480. Mr. REID (for Mr. Hutchinson) proposed an amendment to the concurrent resolution S. Con. Res. 59, expressing the sense of Congress that there should be established a National Community Health Center Week to raise awareness of health services provided by the community, migrant, public housing, and homeless health centers; as follows:

On page 3, line 4, insert "Week", the following: "for the week beginning August 19, 2001,".

NOTICE OF HEARINGS/MEETINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that the Committee on Energy and Natural Resources has scheduled a field hearing in Las Cruces, New Mexico to identify issues related to the water supply challenges facing the southern New Mexico border region.

The hearing will take place on Tuesday, August 14, at 9:00 a.m. at New Mexico State University, in Las Cruces, NM.

Those wishing to submit written statements on the subject matter of this hearing should address them to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510.

For further information, please call Mike Connor at 202/224–5479.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that the Subcommittee on Water and Power has scheduled a field hearing in Seattle, Washington to identify the role of the BPA in promoting energy conservation and renewables.

The hearing will take place on the morning of Monday, August 13. The location in Seattle has not yet been determined.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Water and Power, United States Senate, 312 Dirksen Senate Office Building, Washington, DC 20510.

For further information, please call Deborah Estes at 202/224–5360 or Jonathan Black at 202/224–6722.

SUBCOMMITTEE ON WATER AND POWER

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a field hearing has been scheduled before the Subcommittee on Water and Power of the Committee on Energy and Natural Resources.

The hearing will be held on Tuesday, August 7, at 10:00 a.m. in the Judicial

Room of the Best Western Doublewood Inn, 1400 East Interchange Avenue, Bismarck, North Dakota, 58501.

The purpose of the hearing is to receive testimony from PMAs, IOUs and Electric Cooperatives on electric transmission infrastructure and investment needs.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Water and Power, Committee on Energy and Natural Resources, United States Senate, 312 Dirksen Senate Office Building, Washington, D.C. 20510, ATTN: Leon Lowery.

For further information, please contact Leon Lowery at 202/224-2209 or Jonathan Black at 202/224-6722.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCING

Mrs. LINCOLN. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Friday, August 3, 2001 to hear testimony on "The Andean Trade Preferences Act, which is due to expire on December 4, of this year."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mrs. LINCOLN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, August 3, 2001 at 9:30 a.m. to hold a nomination hearing.

Nonimees: Mr. J. Richard Blankenship, of Florida, to be Ambassador to the Commonwealth of the Behamas; Mr. Hans H. Hertell, of Puerto Rico, to be Ambassador to the Dominican Repulic; and Mr. Martin J. Silverstein, of Pennsylvania, to be Ambassador to the Oriental Republic of Uruguay.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. SCHUMER. Madam President, I ask unanimous consent that my agricultural legislative fellow, Hiram Larew, be granted the privilege of the Senate floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002

On August 2, 2001, the Senate amended and passed H.R. 2620, as follows:

Resolved, That the bill from the House of Representatives (H.R. 2620) entitled "An Act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.", do pass with the following amendment:

Strike out all after the enacting clause and insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veteran Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes, namely:

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFERS OF FUNDS)

For the payment of compensation benefits to or on behalf of veterans and a pilot program for disability examinations as authorized by law (38 U.S.C. 107, chapters 11, 13, 18, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of Article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540–548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), $24,944,288,000, to remain available until expended: Provided, That not to exceed $17,940,000 of the amount appropriated shall be reimbursed to "General operating expenses" and "Medical care" for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the "Compensation and pensions" appropriation: Provided further, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical facilities revolving fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by 38 U.S.C. chapters 21, 30, 31, 34, 35, 36, 39, 51, 53, 55, and 61, $2,135,000,000, to remain available until expended: Provided, That expenses for rehabilitation program services and assistance which the Secretary is authorized to provide under section 3104(a) of title 38, United States Code, other than under subsection (a)(1), (2), (5) and (11) of that section, shall be charged to the account: Provided further, That funds shall be available to pay any court order, court award or any compromise settlement arising from litigation involving the vocational training program authorized by section 18 of Public Law 98–77, as amended.

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by 38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487, $26,200,000, to remain available until expended.

VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by 38 U.S.C. chapter 37, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That during fiscal year 2002, within the resources available, not to exceed $300,000 in gross obligations for direct loans are authorized for specially adapted housing loans.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $164,497,000, which may be transferred to and merged with the appropriation for "General operating expenses".

EDUCATION LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $1,000, as authorized by 38 U.S.C. 3698, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,400.

In addition, for administrative expenses necessary to carry out the direct loan program, $64,000, which may be transferred to and merged with the appropriation for "General operating expenses".

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, $72,000, as authorized by 38 U.S.C. chapter 31, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,301,000.

In addition, for administrative expenses necessary to carry out the direct loan program, $274,000, which may be transferred to and merged with the appropriation for "General operating expenses".

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter 37, subchapter V, as amended, $544,000, which may be transferred to and merged with the appropriation for "General operating expenses".

GUARANTEED TRANSITIONAL HOUSING LOANS FOR HOMELESS VETERANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Not to exceed $750,000 of the amounts appropriated by this Act for "General operating expenses" and "Medical care" may be expended for the administrative expenses to carry out the guaranteed loan program authorized by 38 U.S.C. chapter 37, subchapter VI.

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs, including care and treatment in facilities not under the jurisdiction of the department; and furnishing recreational facilities, *supplies, and equipment; funeral, burial, and other expenses incidental thereto for beneficiaries receiving care in the department; administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the department; oversight, engineering and architectural activities not charged to project cost; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the department, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; aid to State homes as authorized by 38 U.S.C. 1741; administrative and legal expenses of the department for collecting and recovering amounts owed the department as authorized under 38 U.S.C. chapter 17, and the Federal Medical Care Recovery Act, 42 U.S.C. 2651 et seq., $21,379,742,000, plus reimbursements: Provided, That of the funds made available under this heading, $675,000,000 is for the equipment and land and structures object classifications only, which amount shall not become available for obligation until August 1, 2002, and shall remain available until September 30, 2003: Provided further, That of the funds made available under this heading, not to exceed $900,000,000 shall be available until September 30, 2003: Provided further, That, in addition to other funds made available under this heading for non-recurring maintenance and repair (NRM) activities, $30,000,000 shall be available without fiscal year limitation to support the NRM activities necessary to implement Capital Asset Realignment for Enhanced Services (CARES) activities: Provided further, That from amounts appropriated under this heading, additional amounts, as designated by the Secretary no later than September 30, 2002, may be used for CARES activities without fiscal year limitation: Provided further, That the Secretary of Veterans Affairs shall conduct by contract a program of recovery audits for the fee basis and other medical services contracts with respect to payments for hospital care; and, notwithstanding 31 U.S.C. 3302(b), amounts collected, by setoff or otherwise, as the result of such audits shall be available, without fiscal year limitation, for the purposes for which funds are appropriated under this heading and the purposes of paying a contractor a percent of the amount collected as a result of an audit carried out by the contractor: Provided further, That all amounts so collected under the preceding proviso with respect to a designated health care region (as that term is defined in 38 U.S.C. 1729A(d)(2)) shall be allocated, net of payments to the contractor, to that region.*

In addition, in conformance with Public Law 105–33 establishing the Department of Veterans Affairs Medical Care Collections Fund, such sums as may be deposited to such Fund pursuant to 38 U.S.C. 1729A may be transferred to this account, to remain available until expended for the purposes of this account.

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by 38 U.S.C. chapter 73, to remain available until September 30, 2003, $390,000,000, plus reimbursements.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of capital policy activities, $67,628,000, plus reimbursements: Provided, That technical and consulting services offered by the Facilities Management Field Service, including project management and real property administration (including leases, site acquisition and disposal activities directly supporting projects), shall be provided to Department of Veterans Affairs components only on a reimbursable basis, and such amounts will remain available until September 30, 2002.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including uniforms or allowances therefor; not to exceed $25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail, $1,194,831,000: Provided, That expenses for services and assistance authorized under 38 U.S.C. 3104(a)(1), (2), (5) and (11) that the Secretary determines are necessary to enable entitled veterans (1) to the maximum extent feasible, to become employable and to obtain and maintain suitable employment; or (2) to achieve maximum independence in daily living, shall be charged to this account: Provided further, That of the funds made available under this heading, not to exceed $60,000,000 shall be available until September 30, 2003: Provided further, That of the funds made available under this heading, the Veterans Benefits Administration may purchase up to four passenger motor vehicles for use in their Manila, Philippines operation: Provided further, That travel expenses for this account shall not exceed $15,665,000.

NATIONAL CEMETERY ADMINISTRATION

For necessary expenses of the National Cemetery Administration for operations and maintenance, not otherwise provided for, including uniforms or allowances therefor; cemeterial expenses as authorized by law; purchase of one passenger motor vehicle for use in cemeterial operations; and hire of passenger motor vehicles, $121,169,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $48,308,000.

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is $4,000,000 or more or where funds for a project were made available in a previous major project appropriation, $155,180,000, to remain available until expended, of which $60,000,000 shall be for Capital Asset Realignment for Enhanced Services (CARES) activities; and of which not to exceed $20,000,000 shall be for costs associated with land acquisitions for national cemeteries in the vicinity of Sacramento, California; Pittsburgh, Pennsylvania; and Detroit, Michigan: Provided, That except for advance planning activities (including market-based and other assessments of needs which may lead to capital investments) funded through the advance planning fund, design of projects funded through the design fund, and planning and design activities funded through the CARES fund (including market-based and other assessments of needs which may lead to capital investments), none of these funds shall be used for any project which has not been approved by the Congress in the budgetary process: Provided further, That funds provided in this appropriation for fiscal year 2002, for each approved project (except those for CARES activities and the three land acquisitions referenced above) shall be obligated: (1) by the awarding of a construction documents contract by September 30, 2002; and (2) by the awarding of a construction contract by September 30, 2003: Provided further, That the Secretary shall promptly report in writing to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above: Provided further, That no funds from any other account except the "Parking revolving fund", may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until one year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only.

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, including planning and assessments of needs which may lead to capital investments, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, 8122, and 8162 of title 38, United States Code, where the estimated cost of a project is less than $4,000,000, $178,900,000, to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is less than $4,000,000, of which $25,000,000 shall be for Capital Asset Realignment for Enhanced Services (CARES) activities: Provided, That from amounts appropriated under this heading, additional amounts may be used for CARES activities: Provided further, That funds in this account shall be available for: (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the department which are necessary because of loss or damage caused by any natural disaster or catastrophe; and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

PARKING REVOLVING FUND

For the parking revolving fund as authorized by 38 U.S.C. 8109, income from fees collected and $4,000,000 from the General Fund, both to remain available until expended, which shall be available for all authorized expenses except operations and maintenance costs, which will be funded from "Medical care".

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by 38 U.S.C. 8131–8137, $100,000,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES

For grants to aid States in establishing, expanding, or improving State veterans cemeteries as authorized by 38 U.S.C. 2408, $25,000,000, to remain available until expended.

Administrative Provisions

(INCLUDING TRANSFER OF FUNDS)

Sec. 101. Any appropriation for fiscal year 2002 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations.

Sec. 102. Appropriations available to the Department of Veterans Affairs for fiscal year 2002 for salaries and expenses shall be available for services authorized by 5 U.S.C. 3109.

Sec. 103. No appropriations in this Act for the Department of Veterans Affairs (except the appropriations for "Construction, major projects", "Construction, minor projects", and the "Parking revolving fund") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

Sec. 104. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or examination of any persons (except beneficiaries entitled under the laws bestowing such benefits to veterans, and persons receiving such treatment under 5 U.S.C. 7901–7904 or 42 U.S.C. 5141–5204), unless reimbursement of cost is made to the "Medical care" account at such rates as may be fixed by the Secretary of Veterans Affairs.

Sec. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 2002 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 2001.

Sec. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 2002 shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act, Public Law 100-86, except that if such obligations are from trust fund accounts they shall be payable from "Compensation and pensions".

Sec. 107. Notwithstanding any other provision of law, during fiscal year 2002, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1920), the Veterans' Special Life Insurance Fund (38 U.S.C. 1923), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the "General operating expenses" account for the cost of administration of the insurance programs financed through those accounts: Provided, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 2002, that are available for dividends in that program after claims have been paid and actuarially determined reserves have been set aside: Provided further, That if the cost of administration of an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: Provided further, That the Secretary shall determine the cost of administration for fiscal year 2002, which is properly allocable to the provision of each insurance program and to the provision of any total disability income insurance included in such insurance program.

Sec. 108. For fiscal year 2002 only, funds available in any Department of Veterans Affairs appropriation or fund for salaries and other administrative expenses shall also be available to reimburse the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication for all services provided at rates which will recover actual costs. Payments may be made in advance for services to be furnished, based on estimated costs. Amounts received shall be credited to the General Operating Expenses account for use by the office that provided the service. Total resources available to these offices for fiscal year 2002 shall not exceed $28,550,000 for the Office of Resolution Management and $2,383,000 for the Office of Employment and Discrimination Complaint Adjudication.

Sec. 109. Notwithstanding any other provision of law, the Department of Veterans Affairs shall continue the Franchise Fund pilot program authorized to be established by section 403 of Public Law 103–356 until October 1, 2002: Provided, That the Franchise Fund, established by Title I of Public Law 104–204 to finance the operations of the Franchise Fund pilot program, shall continue until October 1, 2002.

Sec. 110. (a) Study of Viscosupplementation.—The Secretary of Veterans Affairs shall carry out a study of the benefits and costs of using viscosupplementation as a means of treating degenerative knee diseases in veterans instead of, or as a means of delaying, knee replacement. The study shall consider the benefits and costs of the procedure for veterans and the effect of the use of the procedure on the provision of medical care by the Department of Veterans Affairs.

(b) Report.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the study carried out under subsection (a). The report shall set forth the results of the study, and include such other information regarding the study, including recommendations as a result of the study, as the Secretary considers appropriate.

(c) Funding.—The Secretary shall carry out the study under subsection (a) using amounts available to the Secretary under this title under the heading "MEDICAL AND PROSTHETIC RESEARCH".

Sec. 111. (a) Eligibility of North Dakota Veterans Cemetery for Aid Regarding Veterans Cemeteries.—The Secretary of Veterans Affairs shall treat the North Dakota Veterans Cemetery, Mandan, North Dakota, as a veterans cemetery owned by the State of North Dakota for purposes of making grants to States in expanding or improving veterans cemeteries under section 2408 of title 38, United States Code.

(b) Applicability.—This section shall take effect on the date of enactment of this Act, and shall apply with respect to grants under section 2408 of title 38, United States Code, that occur on or after that date.

Sec. 112. Notwithstanding any other provision of this Act, none of the funds appropriated or otherwise made available in this Act for "Medical care" appropriations of the Department of Veterans Affairs may be obligated for the realignment of the health care delivery system in Veterans Integrated Service Network 12 (VISN 12) until 60 days after the Secretary of Veterans Affairs certifies that the Department has: (1) consulted with veterans organizations, medical school affiliates, employee representatives, State veterans and health associations, and other interested parties with respect to the realignment plan to be implemented; and (2) made available to the Congress and the public information from the consultations regarding possible impacts on the accessibility of veterans health care services to affected veterans.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Public and Indian Housing

HOUSING CERTIFICATE FUND

(INCLUDING RESCISSION AND TRANSFERS OF FUNDS)

For activities and assistance to prevent the involuntary displacement of low-income families, the elderly and the disabled because of the loss of affordable housing stock, expiration of subsidy contracts (other than contracts for which amounts are provided under another heading in this Act) or expiration of use restrictions, or other changes in housing assistance arrangements, and for other purposes, $15,658,769,000 and amounts that are recaptured in this account to remain available until expended: Provided, That of the total amount provided under this heading, $15,506,746,000, of which $11,306,746,000 shall be available on October 1, 2001 and $4,200,000,000 shall be available on October 1, 2002 shall be for assistance under the United States Housing Act of 1937, as amended ("the Act" herein) (42 U.S.C. 1437): Provided further, That the foregoing amounts shall be for use in connection with expiring or terminating section 8 subsidy contracts, for amendments to section 8 subsidy contracts, for enhanced vouchers (including amendments and renewals) under any provision of law authorizing such assistance under section 8(t) of the Act (47 U.S.C. 1437f(t)), contract administrators, and contracts entered into pursuant to section 441 of the McKinney-Vento Homeless Assistance Act: Provided further, That amounts available under the first proviso under this heading shall be available for section 8 rental assistance under the Act: (1) for the relocation and replacement of housing units that are demolished or disposed of pursuant to the Omnibus Consolidated Rescissions and Appropriations Act of 1996; (2) for the conversion of section 23 projects to assistance under section 8; (3) for funds to carry out the family unification program; (4) for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency; (5) for tenant protection assistance, including replacement and relocation assistance; and (6) for the 1-year renewal of section 8 contracts at current rents for units in a project that is subject to an approved plan of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990: Provided further, That of the total amount provided under this heading, no less than $13,400,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: Provided further, That of the total amount provided under this heading, $40,000,000 shall be made available to nonelderly disabled families affected by the designation of a public housing development under section 7 of the Act, the establishment of preferences in accordance with section 651 of the Housing and Community Development Act of 1992 (42 U.S.C. 13611), or the restriction of occupancy to elderly families in accordance with section 658 of such Act, and to the extent the Secretary determines that such amount is not needed to fund applications for such affected families, to other nonelderly disabled families: Provided further, That of the total amount provided under this heading, $98,623,000 shall be made available for incremental vouchers under section 8 of the Act on a fair share basis to those public housing agencies that have no less than 97 percent occupancy rate: Provided further, That amounts available under this heading may be made available for administrative fees and other expenses to cover the cost of administering rental assistance programs under section 8 of the Act: Provided further, That the fee otherwise authorized under section 8(q) of such Act shall be determined in accordance with section 8(q), as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998: Provided further, That $615,000,000 are rescinded from unobligated balances remaining from funds appropriated to the Department of Housing and Urban Development under this heading or the heading "Annual contributions *for assisted housing" for fiscal year 2002 and prior years: Provided further, That, after the amount is rescinded under the previous proviso, to the extent an additional amount is available for rescission from unobligated balances remaining for funds appropriated to the Department of Housing and Urban Development under this heading or the heading "Annual contributions for assisted housing" for fiscal year 2002 and prior years, such amount shall be made available on a pro-rata basis, no sooner than September 1, 2002, and shall be transferred for use under the "Research and Related Activities" account of the National Science Foundation, and shall be transferred for use under the "Science, Aeronautics and Technology" account of the National Aeronautics and Space Administration, and shall be transferred for use under the "HOME investment partnership program" account of the Department of Housing and Urban Development for the production of mixed-income housing for which this amount shall be used to assist the construction of units that serve extremely low-income families, and shall be transferred for use under the "Housing for Special Populations" account of the Department of Housing and Urban Development: Provided further, That the Secretary shall have until September 30, 2002, to meet the rescissions in the preceding provisos: Provided further, That any obligated balances of contract authority that have been terminated shall be canceled.*

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFER OF FUNDS)

For the Public Housing Capital Fund Program to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437), $2,943,400,000, to remain available until September 30, 2003, of which up to $50,000,000 shall be for carrying out activities under section 9(h) of such Act, up to $500,000 shall be for lease adjustments to section 23 projects and no less than $43,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: Provided, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937, as amended: Provided further, That of the total amount, up to $75,000,000 shall be available for the Secretary of Housing and Urban Development to make grants to public housing agencies for emergency capital needs resulting from emergencies and natural disasters in fiscal year 2002.

PUBLIC HOUSING OPERATING FUND

For payments to public housing agencies for the operation and management of public housing, as authorized by section 9(e) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), $3,384,868,000, to remain available until September 30, 2003: Provided, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937, as amended.

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

For grants to public housing agencies and Indian tribes and their tribally designated housing entities for use in eliminating crime in public housing projects authorized by 42 U.S.C. 11901–11908, for grants for federally assisted low-income housing authorized by 42 U.S.C. 11909, and for drug information clearinghouse services authorized by 42 U.S.C. 11921–11925, $300,000,000, to remain available until expended: Provided, That of the total amount provided under this heading, up to $3,000,000 shall be solely for technical assistance, technical assistance grants, training, and program assessment for or on behalf of public housing agencies, resident organizations, and Indian tribes and their tribally designated housing entities (including up to $150,000 for the cost of necessary travel for participants in such training) for oversight, training and improved management of this program; $2,000,000 shall be available to the Boys and Girls Clubs of America for the operating and start-up costs of clubs located in or near, and primarily serving residents of, public housing and housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996: Provided further, That of the amount under this heading, $20,000,000 shall be available for the New Approach Anti-Drug program which will provide competitive grants to entities managing or operating public housing developments, federally assisted multifamily housing developments, or other multifamily housing developments for low-income families supported by non-Federal governmental entities or similar housing developments supported by nonprofit private sources in order to provide or augment security (including personnel costs), to assist in the investigation and/or prosecution of drug-related criminal activity in and around such developments, and to provide assistance for the development of capital improvements at such developments directly relating to the security of such developments: Provided further, That grants for the New Approach Anti-Drug program shall be made on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VI)

For grants to public housing agencies for demolition, site revitalization, replacement housing, and tenant-based assistance grants to projects as authorized by section 24 of the United States Housing Act of 1937, as amended, $573,735,000 to remain available until September 30, 2003, of which the Secretary may use up to $7,500,000 for technical assistance and contract expertise, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the department and of public housing agencies and to residents: Provided, That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein.

NATIVE AMERICAN HOUSING BLOCK GRANTS

(INCLUDING TRANSFERS OF FUNDS)

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (Public Law 104–330), $648,570,000, to remain available until expended, of which $2,200,000 shall be contracted through the Secretary as technical assistance and capacity building to be used by the National American Indian Housing Council in support of the implementation of NAHASDA; $5,000,000 shall be to support the inspection of Indian housing units, contract expertise, and technical assistance in the training, oversight, and management of Indian housing and tenant-based assistance, including up to $300,000 for related travel; and no less than $3,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: Provided, That of the amount provided under this heading, $5,987,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: Provided further, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed $54,600,000: Provided further, That the Secretary of Housing and Urban Development (Secretary) may provide technical and financial assistance to the Turtle Mountain Band of Chippewa for emergency housing, housing assistance, and other assistance to address the mold problem at the Turtle Mountain Indian Reservation: Provided further, That the Secretary shall work with the Turtle Mountain Band of Chippewa, the Federal Emergency Management Agency, the Indian Health Service, the Bureau of Indian Affairs, and other appropriate Federal agencies in developing a plan to maximize Federal resources to address the emergency housing needs and related problems: Provided further, That for administrative expenses to carry out the guaranteed loan program, up to $150,000 from amounts in the first proviso, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (106 Stat. 3739), $5,987,000, to remain available until expended: Provided, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $234,283,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to $200,000 from amounts in the first paragraph, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a), $1,000,000, to remain available until expended: Provided, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $40,000,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to $35,000 from amounts in the first paragraph, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

COMMUNITY PLANNING AND DEVELOPMENT

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901), $277,432,000, to remain available until September 30, 2003: Provided, That the Secretary shall renew all expiring contracts that were funded under section 854(c)(3) of such Act that meet all program requirements before awarding funds for new contracts and activities authorized under this section: Provided further, That the Secretary may use up to $2,000,000 of the funds under this heading for training, oversight, and technical assistance activities.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

For the Office of Rural Housing and Economic Development in the Department of Housing and Urban Development, $25,000,000 to remain available until expended, which amount shall be awarded by June 1, 2002, to Indian tribes, State housing finance agencies, State community and/or economic development agencies, local rural nonprofits and community development corporations to support innovative housing and economic development activities in rural areas: Provided, That all grants shall be awarded on a competitive basis as specified in section 102 of the HUD Reform Act.

EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES

For grants in connection with a second round of empowerment zones and enterprise communities, $75,000,000, to remain available until expended, for "Urban Empowerment Zones", as authorized in the Taxpayer Relief Act of 1997, including $5,000,000 for each empowerment zone for use in conjunction with economic development activities consistent with the strategic plan of each empowerment zone.

COMMUNITY DEVELOPMENT FUND

(INCLUDING TRANSFERS OF FUNDS)

For assistance to units of State and local government, and to other entities, for economic and community development activities, and for other purposes, $5,012,993,000, to remain available until September 30, 2004: Provided, That of the amount provided, $4,801,993,000 is for carrying out the community development block grant program under title I of the Housing and Community Development Act of 1974, as amended (the "Act" herein) (42 U.S.C. 5301): Provided further, That $71,000,000 shall be for flexible grants to Indian tribes notwithstanding section 106(a)(1) of such Act; $3,000,000 shall be available as a grant to the Housing Assistance Council; $2,600,000 shall be available as a grant to the National American Indian Housing Council; and $45,500,000 shall be for grants pursuant to section 107 of the Act of which $4,000,000 shall be made available to support Alaska Native serving institutions and Native Hawaiian serving institutions as defined under the Higher Education Act, as amended, and of which $3,000,000 shall be made available to tribal colleges and universities to build, expand, renovate and equip their facilities: Provided further, That $10,000,000 shall be made available to the Department of Hawaiian Home Lands to provide assistance as authorized under the Hawaiian Homelands Homeownership Act of 2000 (with no more than 5 percent of such funds being available for administrative costs): Provided further, That no less than $15,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: Provided further, That $20,000,000 shall be for grants pursuant to the Self Help Housing Opportunity Program: Provided further, That not to exceed 20 percent of any grant made with funds appropriated herein (other than a grant made available in this paragraph to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Act) shall be expended for "Planning and Management Development" and "Administration" as defined in regulations promulgated by the department.

Of the amount made available under this heading, $28,450,000 shall be made available for capacity building, of which $25,000,000 shall be made available for "Capacity Building for Community Development and Affordable Housing" for LISC and the Enterprise Foundation, for activities as authorized by section 4 of the HUD Demonstration Act of 1993 (Public Law 103–120), as in effect immediately before June 12, 1997, with not less than $5,000,000 of the funding to be used in rural areas, including tribal areas, and of which $3,450,000 shall be for capacity building activities administered by Habitat for Humanity International.

Of the amount made available under this heading, the Secretary of Housing and Urban Development may use up to $55,000,000 for supportive services for public housing residents, as authorized by section 34 of the United States Housing Act of 1937, as amended, and for residents of housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) and for grants for service coordinators and congregate services for the elderly and disabled residents of public and assisted housing and housing assisted under NAHASDA.

Of the amount made available under this heading, $80,000,000 is for grants to create or expand community technology centers in high poverty urban and rural communities and to provide technical assistance to those centers.

Of the amount made available under this heading, $25,000,000 shall be available for neighborhood initiatives that are utilized to improve the conditions of distressed and blighted areas and neighborhoods, to stimulate investment, economic diversification, and community revitalization in areas with population outmigration or a stagnating or declining economic base, or to determine whether housing benefits can be integrated more effectively with welfare reform initiatives.

Of the amount made available under this heading, notwithstanding any other provision of law, $70,000,000 shall be available for YouthBuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and such activities shall be an eligible activity with respect to any funds made available under this heading: Provided, That local YouthBuild programs that demonstrate an ability to leverage private and nonprofit funding shall be given a priority for YouthBuild funding: Provided further, That no more than ten percent of any grant award may be used for administrative costs: Provided further, That not less than $10,000,000 shall be available for grants to establish Youthbuild programs in underserved and rural areas: Provided further, That of the amount provided under this paragraph, $2,000,000 shall be set aside and made available for a grant to YouthBuild USA for capacity building for community development and affordable housing activities as specified in section 4 of the HUD Demonstration Act of 1993, as amended.

Of the amount made available under this heading, $140,000,000 shall be available for grants for the Economic Development Initiative (EDI) to finance a variety of economic development efforts in accordance with the terms and conditions specified for such grants in the Senate report accompanying this Act.

COMMUNITY DEVELOPMENT LOAN GUARANTEES PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, $14,000,000, as authorized by section 108 of the Housing and Community Development Act of 1974, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $608,696,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974, as amended: Provided further, That in addition, for administrative expenses to carry out the guaranteed loan program, $1,000,000, which shall be transferred to and merged with the appropriation for "Salaries and expenses".

BROWNFIELDS REDEVELOPMENT

For Economic Development Grants, as authorized by section 108(q) of the Housing and Community Development Act of 1974, as amended, for Brownfields redevelopment projects, $25,000,000, to remain available until September 30, 2003: Provided, That the Secretary of Housing and Urban Development shall make these grants available on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

HOME INVESTMENT PARTNERSHIPS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, $1,796,040,000 to remain available until September 30, 2004, of which up to $20,000,000 of these funds shall be available for Housing Counseling under section 106 of the Housing and Urban Development Act of 1968; and of which no less than $17,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems.

HOMELESS ASSISTANCE GRANTS

(INCLUDING TRANSFER OF FUNDS)

For the emergency shelter grants program as authorized under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act, as amended; the supportive housing program as authorized under subtitle C of title IV of such Act; the section 8 moderate rehabilitation single room occupancy program as authorized under the United States Housing Act of 1937, as amended, to assist homeless individuals pursuant to section 441 of the McKinney-Vento Homeless Assistance Act; and the shelter plus care program as authorized under subtitle F of title IV of such Act, $1,022,745,000, to remain available until September 30, 2004: Provided, That not less than 30 percent of these funds shall be used for permanent housing, and all funding for services must be matched by 25 percent in funding by each grantee: Provided further, That all awards of assistance under this heading shall be required to coordinate and integrate homeless programs with other mainstream health, social services, and employment programs for which homeless populations may be eligible, including Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health and Substance Abuse Block Grant, Workforce Investment Act, and the Welfare-to-Work grant program: Provided further, That no less than $14,200,000 of the funds appropriated under this heading is transferred to the Working Capital Fund to be used for technical assistance for management information systems and to develop an automated, client-level Annual Performance Report System: Provided further, That $500,000 shall be made available to the Interagency Council on the Homeless for administrative needs.

SHELTER PLUS CARE RENEWALS

For the renewal on an annual basis of contracts expiring during fiscal years 2002 and 2003 or amendment of contracts funded under the Shelter Plus Care program, as authorized under subtitle F of title IV of the McKinney-Vento Homeless Assistance Act, as amended, $99,780,000, to remain available until expended: Provided, That each Shelter Plus Care project with an expiring contract shall be eligible for renewal only if the project is determined to be needed under the applicable continuum of care and meets appropriate program requirements and financial standards, as determined by the Secretary.

HOUSING PROGRAMS

HOUSING FOR SPECIAL POPULATIONS

(INCLUDING TRANSFER OF FUNDS)

For assistance for the purchase, construction, acquisition, or development of additional public and subsidized housing units for low income families not otherwise provided for, $1,001,009,000, to remain available until expended: Provided, That $783,286,000 shall be for capital advances, including amendments to capital advance contracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance, and amendments to contracts for project rental assistance, for the elderly under such section 202(c)(2), and for supportive services associated with the housing, of which amount $50,000,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects, of which amount up to $3,000,000 shall be available to renew expiring project rental assistance contracts for up to a one-year term, and of which amount $50,000,000 shall be for grants under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q–2) for conversion of eligible projects under such section to assisted living or related use: Provided further, That of the amount under this heading, $217,723,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, for project rental assistance, for amendments to contracts for project rental assistance, and supportive services associated with the housing for persons with disabilities as authorized by section 811 of such Act, of which up to $1,200,000 shall be available to renew expiring project rental assistance contracts for up to a one-year term: Provided further, That no less than $3,000,000, to be divided evenly between the appropriations for the section 202 and section 811 programs, shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: Provided further, That the Secretary may designate up to 25 percent of the amounts earmarked under this paragraph for section 811 of such Act for tenant-based assistance, as authorized under that section, including such authority as may be waived under the next proviso, which assistance is five years in duration: Provided further, That the Secretary may waive any provision of such section 202 and such section 811 (including the provisions governing the terms and conditions of project rental assistance and tenant-based assistance) that the Secretary determines is not necessary to achieve the objectives of these programs, or that otherwise impedes the ability to develop, operate, or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate.

FLEXIBLE SUBSIDY FUND

(TRANSFER OF FUNDS)

From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 2001, and any collections made during fiscal year 2002, shall be transferred to the Flexible Subsidy Fund, as authorized by section 236(g) of the National Housing Act, as amended.

MANUFACTURED HOUSING FEES TRUST FUND

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended (42 U.S.C. 5401 et seq.), $17,254,000, to remain available until expended, to be derived from the Manufactured Housing Fees Trust Fund: Provided, That not to exceed the amount appropriated under this heading shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund pursuant to section 620 of such Act: Provided further, That the amount made available under this heading from the general fund shall be reduced as such collections are received during fiscal year 2002 so as to result in a final fiscal year 2002 appropriation from the general fund estimated at not more than $0.

FEDERAL HOUSING ADMINISTRATION

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 2002, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of $160,000,000,000.

During fiscal year 2002, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed $250,000,000: Provided, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund.

For administrative expenses necessary to carry out the guaranteed and direct loan program, $336,700,000, of which not to exceed $332,678,000 shall be transferred to the appropriation for "Salaries and expenses"; and not to exceed $4,022,000 shall be transferred to the appropriation for "Office of Inspector General". In addition, for administrative contract expenses, $160,000,000: Provided, That a combined total of $160,000,000 from amounts appropriated for administrative contract expenses under this heading or the heading "FHA—General and Special Risk Program Account" shall be transferred to the Working Capital Fund for the development and maintenance of information technology systems: Provided further, That to the extent guaranteed loan commitments exceed $65,500,000,000 on or before April 1, 2002 an additional $1,400 for administrative contract expenses shall be available for each $1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below $1,000,000), but in no case shall funds made available by this proviso exceed $16,000,000.

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z–3 and 1735c), including the cost of loan guarantee modifications as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended, $15,000,000, to remain available until expended: Provided, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, of up to $21,000,000,000: Provided further, That any amounts made available in any prior appropriations Act for the cost (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guaranteed loans that are obligations of the funds established under section 238 or 519 of the National Housing Act that have not been obligated or that are deobligated shall be available to the Secretary of Housing and Urban Development in connection with the making of such guarantees and shall remain available until expended, notwithstanding the expiration of any period of availability otherwise applicable to such amounts.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed $50,000,000, of which not to exceed $30,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed $20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, $216,100,000, of which $197,779,000, shall be transferred to the appropriation for "Salaries and expenses"; and of which $18,321,000 shall be transferred to the appropriation for "Office of Inspector General". In addition, for administrative contract expenses necessary to carry out the guaranteed and direct loan programs, $144,000,000: Provided, That to the extent guaranteed loan commitments exceed $8,426,000,000 on or before April 1, 2002, an additional $19,800,000 for administrative contract expenses shall be available for each $1,000,000 in additional guaranteed loan commitments over $8,426,000,000 (including a pro rata amount for any increment below $1,000,000), but in no case shall funds made available by this proviso exceed $14,400,000.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA)

GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed $200,000,000,000, to remain available until September 30, 2003.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, $9,383,000 to be derived from the GNMA guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed $9,383,000 shall be transferred to the appropriation for "Salaries and expenses".

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z–1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, $53,404,000, to remain available until September 30, 2003: Provided, That $3,000,000 shall be for program evaluation to support strategic planning, performance measurement, and their coordination with the Department's budget process: Provided further, That of the amount provided under this heading, $10,000,000 shall be for the Partnership for Advanced Technology in Housing.

FAIR HOUSING AND EQUAL OPPORTUNITY

FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, $45,899,000, to remain available until September 30, 2003, of which $24,000,000 shall be to carry out activities pursuant to such section 561: Provided, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan.

OFFICE OF LEAD HAZARD CONTROL

LEAD HAZARD REDUCTION

For the Lead Hazard Reduction Program, as authorized by sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992, $109,758,000 to remain available until September 30, 2003, of which $10,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related diseases and hazards: Provided, That of the amounts provided under this heading, $1,000,000 shall be for the National Center for Lead-Safe Housing: Provided further, That of the amounts provided under this heading, $750,000 shall be for CLEARCorps.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed $7,000 for official reception and representation expenses, $1,087,257,000, of which $530,457,000 shall be provided from the various funds of the Federal Housing Administration, $9,383,000 shall be provided from funds of the Government National Mortgage Association, $1,000,000 shall be provided from the "Community development fund" account, $150,000 shall be provided by transfer from the "Title VI Indian federal guarantees program" account, $200,000 shall be provided by transfer from the "Indian housing loan guarantee fund program" account and $35,000 shall be transferred from the Native Hawaiian Housing Loan Guarantee Fund: Provided, That no less than $85,000,000 shall be transferred to the Working Capital Fund for the development and maintenance of Information Technology Systems: Provided further, That the Secretary shall fill 7 out of 10 vacancies at the GS–14 and GS–15 levels until the total number of GS–14 and GS–15 positions in the Department has been reduced from the number of GS–14 and GS–15 positions on the date of enactment of Public Law 106–377 by two and one-half percent: Provided further, That of the amount under this heading, $1,500,000 shall be for necessary expenses of the Millenial Housing Commission, as authorized by Public Law 106–74 with the final report due no later than August 30, 2002.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $88,898,000, of which $22,343,000 shall be provided from the various funds of the Federal Housing Administration: Provided, That the Inspector General shall have independent authority over all personnel issues within the Office of Inspector General.

CONSOLIDATED FEE FUND

(RESCISSION)

Of the balances remaining available from fees and charges under section 7(j) of the Department of Housing and Urban Development Act, $6,700,000 are rescinded.

OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For carrying out the Federal Housing Enterprise Financial Safety and Soundness Act of 1992, including not to exceed $500 for official reception and representation expenses, $27,000,000, to remain available until expended, to be derived from the Federal Housing Enterprise Oversight Fund: Provided, That not to exceed such amount shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund: Provided further, That the general fund amount shall be reduced as collections are received during the fiscal year so as to result in a final appropriation from the general fund estimated at not more than $0: Provided further, That this Office shall submit a staffing plan to the House and Senate Committees on Appropriations no later than January 30, 2002.

ADMINISTRATIVE PROVISIONS

SEC. 201. Fifty percent of the amounts of budget authority, or in lieu thereof 50 percent of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the McKinney-Vento Homeless Assistance Amendments Act of 1988 (Public Law 100–628; 102 Stat. 3224, 3268) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section. Notwithstanding the previous sentence, the Secretary may award up to 15 percent of the budget authority or cash recaptured and not rescinded or remitted to the Treasury to provide project owners with incentives to refinance their project at a lower interest rate.

SEC. 202. None of the amounts made available under this Act may be used during fiscal year 2002 to investigate or prosecute under the Fair Housing Act any otherwise lawful activity engaged in by one or more persons, including the filing or maintaining of a non-frivolous legal action, that is engaged in solely for the purpose of achieving or preventing action by a Government official or entity, or a court of competent jurisdiction.

SEC. 203. (a) Notwithstanding section 854(c)(1)(A) of the AIDS Housing Opportunity Act (42 U.S.C. 12903(c)(1)(A)), from any amounts made available under this title for fiscal year 2002 that are allocated under such section, the Secretary of Housing and Urban Development shall allocate and make a grant, in the amount determined under subsection (b), for any State that—

(1) received an allocation in a prior fiscal year under clause (ii) of such section; and

(2) is not otherwise eligible for an allocation for fiscal year 2002 under such clause (ii) because the areas in the State outside of the metropolitan statistical areas that qualify under clause (i) in fiscal year 2002 do not have the number of cases of acquired immunodeficiency syndrome (AIDS) required under such clause.

(b) The amount of the allocation and grant for any State described in subsection (a) shall be an amount based on the cumulative number of AIDS cases in the areas of that State that are outside of metropolitan statistical areas that qualify under clause (i) of such section 854(c)(1)(A) in fiscal year 2002, in proportion to AIDS cases among cities and States that qualify under clauses (i) and (ii) of such section and States deemed eligible under subsection (a).

SEC. 204. Section 225 of the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000, Public Law 106–74, is amended by inserting "and fiscal year 2002" after "fiscal year 2001".

SEC. 205. Section 236(g)(3)(A) of the National Housing Act is amended by striking out "fiscal years 2000 and 2001" and inserting in lieu thereof "fiscal years 2000, 2001, and 2002".

SEC. 206. Section 223(f)(1) of the National Housing Act is amended by inserting "purchase or" immediately before "refinancing of existing debt".

SEC. 207. Section 106(c)(9) of the Housing and Urban Development Act of 1968 is repealed.

SEC. 208. Section 251 of the National Housing Act is amended—

(1) in subsection (b), by striking "issue regulations" and all that follows and inserting the following: "require that the mortgagee make available to the mortgagor, at the time of loan application, a written explanation of the features of an adjustable rate mortgage consistent with the disclosure requirements applicable to variable rate mortgages secured by a principal dwelling under the Truth in Lending Act."; and

(2) by adding the following new subsection at the end:

"(d)(1) The Secretary may insure under this subsection a mortgage that meets the requirements of subsection (a), except that the effective rate of interest—

"(A) shall be fixed for a period of not less than the first 3 years of the mortgage term;

"(B) shall be adjusted by the mortgagee initially upon the expiration of such period and annually thereafter; and

"(C) in the case of the initial interest rate adjustment, is subject to the one percent limitation only if the interest rate remained fixed for five or fewer years.

"(2) The disclosure required under subsection (b) shall be required for a mortgage insured under this subsection.".

SEC. 209. (a) Section 203(c) of the National Housing Act is amended—

(1) in paragraph (1), by striking "and (k)" and inserting "or (k)"; and

(2) in paragraph (2)—

(A) by inserting immediately after "subsection (v)," the following: "and each mortgage that is insured under subsection (k) or section 234(c),"; and

(B) by striking "and executed on or after October 1, 1994,".

(b) The amendments made by subsection (a) shall apply only to mortgages that are executed on or after the date of enactment of this Act or a later date determined by the Secretary and announced by notice in the Federal Register.

SEC. 210. Section 242(d)(4) of the National Housing Act is amended to read as follows:

"(4)(A) The Secretary, in conjunction with the Secretary of Health and Human Services, shall require satisfactory evidence that the hospital will be located in a State or political subdivision of a State with reasonable minimum standards of licensure and methods of operation for hospitals and satisfactory assurance that such standards will be applied and enforced with respect to the hospital.

"(B) The Secretary shall establish the means for determining need and feasibility for the hospital. If the State has an official procedure for determining need for hospitals, the Secretary shall also require that such procedure be followed before the application for insurance is submitted, and the application shall document that need has also been established under that procedure.".

SEC. 211. Section 232(d)(4)(A) of the National Housing Act is amended to read as follows:

"(A)(i) The Secretary, in conjunction with the Secretary of Health and Human Services, shall require satisfactory evidence that a nursing home, intermediate care facility, or combined nursing home and intermediate care facility will be located in a State or political subdivision of a State with reasonable minimum standards of licensure and methods of operation for such homes, facilities, or combined homes and facilities. The Secretary shall also require satisfactory assurance that such standards will be applied and enforced with respect to the home, facility, or combined home or facility.

"(ii) The Secretary shall establish the means for determining need and feasibility for the home, facility, or combined home and facility. If the State has an official procedure for determining need for such homes, facilities, or combined homes and facilities, the Secretary shall also require that such procedure be followed before the application for insurance is submitted, and the application shall document that need has also been established under that procedure.".

SEC. 212. Section 533 of the National Housing Act is amended to read as follows:

"SEC. 533. REVIEW OF MORTGAGEE PERFORMANCE AND AUTHORITY TO TERMINATE.—

"(a) PERIODIC REVIEW OF MORTGAGEE PERFORMANCE.—To reduce losses in connection with single family mortgage insurance programs under this Act, at least once a year the Secretary shall review the rate of early defaults and claims for insured single family mortgages originated or underwritten by each mortgagee.

"(b) COMPARISON WITH OTHER MORTGAGEES.—For each mortgagee, the Secretary shall compare the rate of early defaults and claims for insured single family mortgage loans originated or underwritten by the mortgagee in an area with the rate of early defaults and claims for other mortgagees originating or underwriting insured single family mortgage loans in the area. For purposes of this section, the term "area" means each geographic area in which the mortgagee is authorized by the Secretary to originate insured single family mortgages.

"(c) TERMINATION OF MORTGAGEE ORIGINATION APPROVAL.—(1) Notwithstanding section 202(c) of this Act, the Secretary may terminate the approval of a mortgagee to originate or underwrite single family mortgages if the Secretary determines that the mortgage loans originated or underwritten by the mortgagee present an unacceptable risk to the insurance funds. The determination shall be based on the comparison required under subsection (b) and shall be made in accordance with regulations of the Secretary. The Secretary may rely on existing regulations published before this section takes effect.

"(2) The Secretary shall give a mortgagee at least 60 days prior written notice of any termination under this subsection. The termination shall take effect at the end of the notice period, unless the Secretary withdraws the termination notice or extends the notice period. If requested in writing by the mortgagee within 30 days of the date of the notice, the mortgagee shall be entitled to an informal conference with the official authorized to issue termination notices on behalf of the Secretary (or a designee of that official). At the informal conference, the mortgagee may present for consideration specific factors that it believes were beyond its control and that caused the excessive default and claim rate.".

SEC. 213. Except as explicitly provided in legislation, any grant or assistance made pursuant to Title II of this Act shall be made in accordance with section 102 of the Department of Housing and Urban Development Reform Act of 1989 on a competitive basis.

SEC. 214. Public housing agencies in the State of Alaska shall not be required to comply with section 2(b) of the United States Housing Act of 1937, as amended, during fiscal year 2002. Public Housing Authorities in Iowa that are a part of a city government shall not be required to comply with section 2(b) of the United States Housing Act of 1937, as amended, regarding the requirement that a public housing agency shall contain not less than one member who is directly assisted by the public housing authority during fiscal year 2002.

SEC. 215. Notwithstanding any other provision of law, in fiscal year 2001 and for each fiscal year thereafter, in managing and disposing of any multifamily property that is owned or held by the Secretary and is occupied primarily by elderly or disabled families, the Secretary of Housing and Urban Development shall maintain any rental assistance payments under section 8 of the United States Housing Act of 1937 that are attached to any dwelling units in the property. To the extent the Secretary determines that such a multifamily property owned or held by the Secretary is not feasible for continued rental assistance payments under such section 8, the Secretary may, in consultation with the tenants of that property, contract for project-based rental assistance payments with an owner or owners of other existing housing properties or provide other rental assistance.

SEC. 216. (a) SECTION 207 LIMITS.—Section 207(c)(3) of the National Housing Act (12 U.S.C. 1713(c)(3)) is amended—

(1) by striking "$30,420", "$33,696", "$40,248", "$49,608", and "$56,160" and inserting "$38,025", "$42,120", "$50,310", "$62,010", and "$70,200", respectively;

(2) by striking "$9,000" and inserting "$11,250"; and

(3) by striking "$35,100", "$39,312", "$48,204", "$60,372", and "$68,262" and inserting "$43,875", "$49,140", "$60,255", "$75,465", and "$85,328", respectively.

(b) SECTION 213 LIMITS.—Section 213(b)(2) of the National Housing Act (12 U.S.C. 1715e(b)(2)) is amended—

(1) by striking "$30,420", "$33,696", "$40,248", "$49,608", and "$56,160" and inserting "$38,025", "$42,120", "$50,310", "$62,010", and "$70,200", respectively; and

(2) by striking "$35,100", "$39,312", "$48,204", "$60,372", and "$68,262" and inserting "$43,875", "$49,140", "$60,255", "$75,465", and "$85,328", respectively.

(c) SECTION 220 LIMITS.—Section 220(d)(3)(B)(iii) of the National Housing Act (12 U.S.C. 1715k(d)(3)(B)(iii)) is amended—

(1) by striking "$30,420", "$33,696", "$40,248", "$49,608", and "$56,160" and inserting "$38,025", "$42,120", "$50,310", "$62,010", and "$70,200", respectively; and

(2) by striking "$35,100", "$39,312", "$48,204", "$60,372", and "$68,262" and inserting "$43,875", "$49,140", "$60,255", "$75,465", and "$85,328", respectively.

(d) SECTION 221(d)(3) LIMITS.—Section 221(d)(3)(ii) of the National Housing Act (12 U.S.C. 1715l(d)(3)(ii)) is amended—

(1) by striking "$33,638", "$38,785", "$46,775", "$59,872", and "$66,700" and inserting "$42,048", "$48,481", "58,469", "$74,840", and "$83,375", respectively; and

(2) by striking "$35,400", "$40,579", "$49,344", "$63,834", and "$70,070" and inserting "$44,250", "$50,724", "$61,680", "$79,793", and "$87,588", respectively.

(e) SECTION 221(d)(4) LIMITS.—Section 221(d)(4)(ii) of the National Housing Act (12 U.S.C. 1715l(d)(4)(ii)) is amended—

(1) by striking "$30,274", "$34,363", "$41,536", "$52,135", and "$59,077" and inserting "$37,843", "$42,954", "$51,920", "$65,169", and "$73,846", respectively; and

(2) by striking "$32,701", "$37,487", "$45,583", "$58,968", and "$64,730" and inserting "$40,876", "$46,859", "$56,979", "$73,710", and "$80,913", respectively.

(f) SECTION 231 LIMITS.—Section 231(c)(2) of the National Housing Act (12 U.S.C. 1715v(c)(2)) is amended—

(1) by striking "$28,782", "$32,176", "$38,423", "$46,238", and "$54,360" and inserting "$35,978", "$40,220", "$48,029", "$57,798", "$67,950", respectively; and

(2) by striking "$32,701", "$37,487", "$45,583", "$58,968", and "$64,730" and inserting "$40,876", "$46,859", "$56,979", "$73,710", and "$80,913", respectively.

(g) SECTION 234 LIMITS.—Section 234(e)(3) of the National Housing Act (12 U.S.C. 1715y(e)(3)) is amended—

(1) by striking "$30,420", "$33,696", "$40,248", "$49,608", and "$56,160" and inserting "$38,025", "$42,120", "$50,310", "$62,010", and "$70,200", respectively; and

(2) by striking "$35,100", "$39,312", "$48,204", "$60,372", and "$68,262" and inserting "$43,875", "$49,140", "$60,255", "$75,465", and "$85,328", respectively.

SEC. 217. Notwithstanding any other provision of law, the Tribal Student Housing Project proposed by the Cook Inlet Housing Authority is authorized to be constructed in accordance with its 1998 Indian Housing Plan from amounts previously appropriated for the benefit of the Housing Authority, a portion of which may be used as a maintenance reserve for the completed project.

SEC. 218. ENDOWMENT FUNDS. Of the amounts appropriated in the Consolidated Appropriations Act, 2001 (Public Law 106–554), for the operation of an historical archive at the University of South Carolina, Department of Archives, South Carolina, such funds shall be available to the University of South Carolina to fund an endowment for the operation of an historical archive at the University of South Carolina, Department of Archives, South Carolina, without fiscal year limitation.

SEC. 219. HAWAIIAN HOMELANDS. Section 247 of the National Housing Act (12 U.S.C. 1715z–12) is amended—

(1) in subsection (d), by striking paragraphs (1) and (2) and inserting the following:

"(1) NATIVE HAWAIIAN.—The term 'native Hawaiian' means any descendant of not less than one-half part of the blood of the races inhabiting the Hawaiian Islands before January 1, 1778, or, in the case of an individual who is awarded an interest in a lease of Hawaiian home lands through transfer or succession, such lower percentage as may be established for such transfer or succession under section 208 or 209 of the Hawaiian Homes Commission Act of 1920 (42 Stat. 111), or under the corresponding provision of the Constitution of the State of Hawaii adopted under section 4 of the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union', approved March 18, 1959 (73 Stat. 5).

"(2) HAWAIIAN HOME LANDS.—The term 'Hawaiian home lands' means all lands given the status of Hawaiian home lands under section 204 of the Hawaiian Homes Commission Act of 1920 (42 Stat. 110), or under the corresponding provision of the Constitution of the State of Hawaii adopted under section 4 of the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union', approved March 18, 1959 (73 Stat. 5)."; and

(2) by adding at the end the following:

"(e) CERTIFICATION OF ELIGIBILITY FOR EXISTING LESSEES.—Possession of a lease of Hawaiian home lands issued under section 207(a) of the Hawaiian Homes Commission Act of 1920 (42 Stat. 110), shall be sufficient to certify eligibility to receive a mortgage under this subchapter.".

SEC. 220. RELEASE OF HOME PROGRAM FUNDS. Notwithstanding the requirement regarding commitment of funds in the first sentence of section 288(b) of the HOME Investment Partnerships Act (42 U.S.C. 12838(b)), the Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall approve the release of funds under that section to the Arkansas Development Finance Authority (in this section referred to as the "ADFA") for projects, if—

(1) funds were committed to those projects on or before June 12, 2001;

(2) those projects had not been completed as of June 12, 2001;

(3) the ADFA has fully carried out its responsibilities as described in section 288(a); and

(4) the Secretary has approved the certification that meets the requirements of section 288(c) with respect to those projects.

SEC. 221. Notwithstanding any other provision of law with respect to this or any other fiscal year, the Housing Authority of Baltimore City may use the remaining balance of the grant award of $20,000,000 made to such authority for development efforts at Hollander Ridge in Baltimore, Maryland with funds appropriated for fiscal year 1996 under the heading "Public Housing Demolition, Site Revitalization, and Replacement Housing Grants" for the rehabilitation of the Claremont Homes project and for the provision of affordable housing in areas within the City of Baltimore either (1) designated by the partial consent decree in Thompson v. HUD as nonimpacted census tracts or (2) designated by said authority as either strong neighborhoods experiencing private investment or dynamic growth areas where public and/or private commercial or residential investment is occurring.

SEC. 222. DISCRIMINATION IN THE SALE OR RENTAL OF HOUSING. (a) IN GENERAL.—Any entity that receives funds pursuant to this Act, and discriminates in the sale or rental of housing against any person because the person is, or is perceived to be, a victim of domestic violence, dating violence, sexual assault, or stalking, including because the person has contacted or received assistance or services from law enforcement related to the violence, shall be considered to be discriminating against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection with the sale or rental, because of sex under section 804(b) of the Civil Rights Act of 1968 (42 U.S.C. 3604(b)).

(b) DEFINITIONS.—In this section:

(1) COURSE OF CONDUCT.—The term "course of conduct" means a course of repeatedly maintaining a visual or physical proximity to a person or conveying verbal or written threats, including threats conveyed through electronic communications, or threats implied by conduct.

(2) DATING VIOLENCE.—The term "dating violence" has the meaning given the term in section 826 of the Higher Education Amendments of 1998 (20 U.S.C. 1152).

(3) DOMESTIC VIOLENCE.—The term "domestic violence" has the meaning given the term in section 826 of the Higher Education Amendments of 1998 (20 U.S.C. 1152).

(4) ELECTRONIC COMMUNICATIONS.—The term "electronic communications" includes communications via telephone, mobile phone, computer, e-mail, video recorder, fax machine, telex, or pager.

(5) PARENT; SON OR DAUGHTER.—The terms "parent" and "son or daughter" have the meanings given the terms in section 101 of the Family and Medical Leave Act of 1993 (29 U.S.C. 2611).

(6) REPEATEDLY.—The term "repeatedly" means on 2 or more occasions.

(7) SEXUAL ASSAULT.—The term "sexual assault" has the meaning given the term in section 826 of the Higher Education Amendments of 1998 (20 U.S.C. 1152).

(8) STALKING.—The term "stalking" means engaging in a course of conduct directed at a specific person that would cause a reasonable person to suffer substantial emotional distress or to fear bodily injury, sexual assault, or death to the person, or the person's spouse, parent, or son or daughter, or any other person who regularly resides in the person's household, if the conduct causes the specific person to have such distress or fear.

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries, $28,466,000, to remain available until expended.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

SALARIES AND EXPENSES

For necessary expenses in carrying out activities pursuant to section 112(r)(6) of the Clean Air Act, including hire of passenger vehicles, uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902, and for services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376, $7,621,000, $5,121,000 of which to remain available until September 30, 2002 and $2,500,000 of which to remain available until September 30, 2003: Provided, That the Chemical Safety and Hazard Investigation Board shall have not more than three career Senior Executive Service positions: Provided further, That, hereafter, there shall be an Inspector General at the Board who shall have the duties, responsibilities, and authorities specified in the Inspector General Act of 1978, as amended: Provided further, That an individual appointed to the position of Inspector General of the Federal Emergency Management Agency (FEMA) shall, by virtue of such appointment, also hold the position of Inspector General of the Board: Provided further, That the Inspector General of the Board shall utilize personnel of the Office of Inspector General of FEMA in performing the duties of the Inspector General of the Board, and shall not appoint any individuals to positions within the Board.

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

FUND PROGRAM ACCOUNT

To carry out the Community Development Banking and Financial Institutions Act of 1994, including services authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for ES–3, $100,000,000, to remain available until September 30, 2003, of which $5,000,000 shall be for technical assistance and training programs designed to benefit Native American communities, and up to $9,850,000 may be used for administrative expenses, including administration of the New Markets Tax Credit, up to $6,000,000 may be used for the cost of direct loans, and up to $1,000,000 may be used for administrative expenses to carry out the direct loan program: Provided, That the cost of direct loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $51,800,000.

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable under 5 U.S.C. 5376, purchase of nominal awards to recognize non-Federal officials' contributions to Commission activities, and not to exceed $500 for official reception and representation expenses, $56,200,000, of which $1,000,000 to remain available until September 30, 2004, shall be for a research project on sensor technologies.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

NATIONAL AND COMMUNITY SERVICE PROGRAMS

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Corporation for National and Community Service (the "Corporation") in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 (the "Act") (42 U.S.C. 12501 et seq.), $415,480,000, to remain available until September 30, 2003: Provided, That not more than $31,000,000 shall be available for administrative expenses authorized under section 501(a)(4) of the Act (42 U.S.C. 12671(a)(4)) with not less than $2,000,000 targeted for the acquisition of a cost accounting system for the Corporation's financial management system, an integrated grants management system that provides comprehensive financial management information for all Corporation grants and cooperative agreements, and the establishment, operation, and maintenance of a central archives serving as the repository for all grant, cooperative agreement, and related documents, without regard to the provisions of section 501(a)(4)(B) of the Act: Provided further, That not more than $2,500 shall be for official reception and representation expenses: Provided further, That of amounts previously transferred to the National Service Trust, $5,000,000 shall be available for national service scholarships for high school students performing community service: Provided further, That not more than $240,492,000 of the amount provided under this heading shall be available for grants under the National Service Trust program authorized under subtitle C of title I of the Act (42 U.S.C. 12571 et seq.) (relating to activities including the AmeriCorps program), of which not more than $47,000,000 may be used to administer, reimburse, or support any national service program authorized under section 121(d)(2) of such Act (42 U.S.C. 12581(d)(2)); not more than $25,000,000 shall be made available to activities dedicated to developing computer and information technology skills for students and teachers in low-income communities: Provided further, That not more than $10,000,000 of the funds made available under this heading shall be made available for the Points of Light Foundation for activities authorized under title III of the Act (42 U.S.C. 12661 et seq.), of which not more than $2,500,000 may be used to establish or support an endowment fund, the corpus of which shall remain intact and the interest income from which shall be used to support activities described in title III of the Act, provided that the Foundation may invest the corpus and income in federally insured bank savings accounts or comparable interest bearing accounts, certificates of deposit, money market funds, mutual funds, obligations of the United States, and other market instruments and securities but not in real estate investments: Provided further, That notwithstanding any other law $2,500,000 of the funds made available by the Corporation to the Foundation under Public Law 106–377 may be used in the manner described in the preceding proviso: Provided further, That no funds shall be available for national service programs run by Federal agencies authorized under section 121(b) of such Act (42

U.S.C. 12571(b)): Provided further, That to the maximum extent feasible, funds appropriated under subtitle C of title I of the Act shall be provided in a manner that is consistent with the recommendations of peer review panels in order to ensure that priority is given to programs that demonstrate quality, innovation, replicability, and sustainability: Provided further, That not more than $25,000,000 of the funds made available under this heading shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): Provided further, That not more than $43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): Provided further, That not more than $28,488,000 shall be available for quality and innovation activities authorized under subtitle H of title I of the Act (42 U.S.C. 12853 et seq.): Provided further, That not more than $15,000,000 shall be available for grants to support the Veterans Mission for Youth Program: Provided further, That not more than $5,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639): Provided further, That to the maximum extent practicable, the Corporation shall increase significantly the level of matching funds and in-kind contributions provided by the private sector, and shall reduce the total Federal costs per participant in all programs: Provided further, That not more than $7,500,000 of the funds made available under this heading shall be made available to America's Promise—The Alliance for Youth, Inc. only to support efforts to mobilize individuals, groups, and organizations to build and strengthen the character and competence of the Nation's youth: Provided further, That not more than $5,000,000 of the funds made available under this heading shall be made available to the Communities In Schools, Inc. to support dropout prevention activities: Provided further, That not more than $2,500,000 of the funds made available under this heading shall be made available to the YMCA of the USA to support school-based programs designed to strengthen collaborations and linkages between public schools and communities: Provided further, That not more than $1,000,000 of the funds made available under this heading shall be made available to Teach For America: Provided further, That not more than $1,500,000 of the funds made available under this heading shall be made available to Parents As Teachers National Center, Inc. to support literacy activities.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $5,000,000, to remain available until September 30, 2003.

U.S. COURT OF APPEALS FOR VETERANS CLAIMS

SALARIES AND EXPENSES

For necessary expenses for the operation of the United States Court of Appeals for Veterans Claims as authorized by 38 U.S.C. 7251–7298, $13,221,000, of which $895,000 shall be available for the purpose of providing financial assistance as described, and in accordance with the process and reporting procedures set forth, under this heading in Public Law 102–229.

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of two passenger motor vehicles for replacement only, and not to exceed $1,000 for official reception and representation expenses, $18,437,000, to remain available until expended.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For necessary expenses for the National Institute of Environmental Health Sciences in carrying out activities set forth in section 311(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, $70,228,000.

AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY

SALARIES AND EXPENSES

For necessary expenses for the Agency for Toxic Substances and Disease Registry (ATSDR) in carrying out activities set forth in sections 104(i), 111(c)(4), and 111(c)(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; section 118(f) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended; and section 3019 of the Solid Waste Disposal Act, as amended, $78,235,000, to be derived from the Hazardous Substance Superfund Trust Fund pursuant to section 517(a) of SARA (26 U.S.C. 9507): Provided, That notwithstanding any other provision of law, in lieu of performing a health assessment under section 104(i)(6) of CERCLA, the Administrator of ATSDR may conduct other appropriate health studies, evaluations, or activities, including, without limitation, biomedical testing, clinical evaluations, medical monitoring, and referral to accredited health care providers: Provided further, That in performing any such health assessment or health study, evaluation, or activity, the Administrator of ATSDR shall not be bound by the deadlines in section 104(i)(6)(A) of CERCLA: Provided further, That none of the funds appropriated under this heading shall be available for ATSDR to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 2002, and existing profiles may be updated as necessary.

ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $665,672,000, which shall remain available until September 30, 2003.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; and not to exceed $6,000 for official reception and representation expenses, $2,061,996,200, which shall remain available until September 30, 2003.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $34,019,000, to remain available until September 30, 2003.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or for use by, the Environmental Protection Agency, $25,318,400, to remain available until expended.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project; $1,274,645,560 to remain available until expended, consisting of $634,532,200, as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended by Public Law 101–508, and $640,113,360 as a payment from general revenues to the Hazardous Substance Superfund for purposes as authorized by section 517(b) of SARA, as amended: Provided, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: Provided further; That of the funds appropriated under this heading, $11,867,000 shall be transferred to the "Office of Inspector General" appropriation to remain available until September 30, 2003, and $36,890,500 shall be transferred to the "Science and technology" appropriation to remain available until September 30, 2003.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $75,000 per project, $71,947,400, to remain available until expended.

OIL SPILL RESPONSE

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $14,986,000, to be derived from the Oil Spill Liability trust fund, to remain available until expended.

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,603,015,900, to remain available until expended, of which $1,350,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under title VI of the Federql Water Pollution Control Act, as amended (the "Act"); $850,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended, except that, notwithstanding section 1452(n) of the Safe Drinking Water Act, as amended, none of the funds made available under this heading in this Act, or in previous appropriations Acts, shall be reserved by the Administrator for health effects studies on drinking water contaminants;

$75,000,000 shall be for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $40,000,000 shall be for grants to the State of Alaska to address drinking water and wastewater infrastructure needs of rural and Alaska Native Villages; $140,000,000 shall be for making grants for the construction of wastewater and water treatment facilities and groundwater protection infrastructure in accordance with the terms and conditions specified for such grants in the Senate report accompanying this Act except that, notwithstanding any other provision of law, of the funds herein and hereafter appropriated under this heading for such special needs infrastructure grants, the Administrator may use up to 3 percent of the amount of each project appropriated to administer the management and oversight of construction of such projects through contracts, allocation to the Corps of Engineers, or grants to States; and $1,030,782,400 shall be for grants, including associated program support costs, to States, federally recognized tribes, interstate agencies, tribal consortia, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading in Public Law 104–134, and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities of which and subject to terms and conditions specified by the Administrator, $25,000,000 shall be for Environmental Information Exchange Network grants, including associated program support costs: Provided, That for fiscal year 2002, State authority under section 302(a) of Public Law 104–182 shall remain in effect: Provided further, That for fiscal year 2002, and notwithstanding section 518(f) of the Federal Water Pollution Control Act, as amended, the Administrator is authorized to use the amounts appropriated for any fiscal year under section 319 of that Act to make grants to Indian tribes pursuant to section 319(h) and 518(e) of that Act: Provided further, That for fiscal year 2002, notwithstanding the limitation on amounts in section 518(c) of the Act, up to a total of 1½ percent of the funds appropriated for State Revolving Funds under Title VI of that Act may be reserved by the Administrator for grants under section 518(c) of such Act: Provided further, That no funds provided by this legislation to address the water, wastewater and other critical infrastructure needs of the colonias in the United States along the United States-Mexico border shall be made available to a county or municipal government unless that government has established an enforceable local ordinance, or other zoning rule, which prevents in that jurisdiction the development or construction of any additional colonia areas, or the development within an existing colonia the construction of any new home, business, or other structure which lacks water, wastewater, or other necessary infrastructure.

ADMINISTRATIVE PROVISION

For fiscal year 2002, notwithstanding 31 U.S.C. 6303(1) and 6305(1), the Administrator of the Environmental Protection Agency, in carrying out the Agency's function to implement directly Federal environmental programs required or authorized by law in the absence of an acceptable tribal program, may award cooperative agreements to federally-recognized Indian Tribes or Intertribal consortia, if authorized by their member Tribes, to assist the Administrator in implementing Federal environmental programs for Indian Tribes required or authorized by law, except that no such cooperative agreements may be awarded from funds designated for State financial assistance agreements.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, not to exceed $2,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $5,267,000.

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Quality Improvement Act of 1970, and Reorganization Plan No. 1 of 1977, $2,974,000: Provided, That, notwithstanding any other provision of law, no funds other than those appropriated under this heading shall be used for or by the Council on Environmental Quality and Office of Environmental Quality: Provided further, That notwithstanding section 202 of the National Environmental Policy Act of 1970, the Council shall consist of one member, appointed by the President, by and with the advice and consent of the Senate, serving as chairman and exercising all powers, functions, and duties of the Council.

FEDERAL DEPOSIT INSURANCE CORPORATION

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $33,660,000, to be derived from the Bank Insurance Fund, the Savings Association Insurance Fund, and the FSLIC Resolution Fund.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $359,399,000, and, notwithstanding 42 U.S.C. 5203, to remain available until expended, of which not to exceed $2,900,000 may be transferred to "Emergency management planning and assistance" for the consolidated emergency management performance grant program; up to $15,000,000 may be obligated for flood map modernization activities following disaster declarations; and $21,577,000 may be used by the Office of Inspector General for audits and investigations.

For an additional amount for "Disaster relief", $2,000,000,000, to be available immediately upon the enactment of this Act, and to remain available until expended: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount shall be available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For the cost of direct loans, $405,000 as authorized by section 319 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $25,000,000. In addition, for administrative expenses to carry out the direct loan program, $543,000.

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles as authorized by 31 U.S.C. 1343; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of Government programs to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed $2,500 for official reception and representation expenses, $233,801,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $10,303,000: Provided, That notwithstanding any other provision of law, the Inspector General of the Federal Emergency Management Agency shall also serve as the Inspector General of the Chemical Safety and Hazard Investigation Board.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), sections 107 and 303 of the National Security Act of 1947, as amended (50 U.S.C. 404–405), and Reorganization Plan No. 3 of 1978, $279,623,000: Provided, That for purposes of pre-disaster mitigation pursuant to 42 U.S.C. 5131(b) and (c) and 42 U.S.C. 5196(e) and (i), $25,000,000 of the funds made available under this heading shall be available until expended for project grants.

For an additional amount for "Emergency management planning and assistance", $150,000,000 for programs as authorized by section 33 of the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.).

RADIOLOGICAL EMERGENCY PREPAREDNESS FUND

The aggregate charges assessed during fiscal year 2002, as authorized by Public Law 106–377, shall not be less than 100 percent of the amounts anticipated by FEMA necessary for its radiological emergency preparedness program for the next fiscal year. The methodology for assessment and collection of fees shall be fair and equitable; and shall reflect costs of providing such services, including administrative costs of collecting such fees. Fees received pursuant to this section shall be deposited in the Fund as offsetting collections and will become available for authorized purposes on October 1, 2002, and remain available until expended.

EMERGENCY FOOD AND SHELTER PROGRAM

To carry out an emergency food and shelter program pursuant to title III of Public Law 100–77, as amended, $139,692,000, to remain available until expended: Provided, That total administrative costs shall not exceed 3½ percent of the total appropriation.

NATIONAL FLOOD INSURANCE FUND

(INCLUDING TRANSFERS OF FUNDS)

For activities under the National Flood Insurance Act of 1968 ("the Act"), the Flood Disaster Protection Act of 1973, as amended, not to exceed $28,798,000 for salaries and expenses associated with flood mitigation and flood insurance operations, and not to exceed $76,381,000 for flood mitigation, including up to $20,000,000 for expenses under section 1366 of the Act, which amount shall be available for transfer to the National Flood Mitigation Fund until September 30, 2003. In fiscal year 2002, no funds in excess of: (1) $55,000,000 for operating expenses; (2) $536,750,000 for agents' commissions and taxes; and (3) $30,000,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations.

In addition, up to $7,000,000 in fees collected but unexpended during fiscal years 2000 through 2001 shall be transferred to the Flood Map Modernization Fund and available for expenditure in fiscal year 2002.

Section 1309(a)(2) of the Act (42 U.S.C. 4016(a)(2)), as amended, is further amended by striking "December 31, 2001" and inserting "December 31, 2002".

Section 1319 of the Act, as amended (42 U.S.C. 4026), is amended by striking "September 30, 2001" and inserting "December 31, 2002".

Section 1336 of the Act, as amended (42 U.S.C. 4056), is amended by striking "September 30, 2001" and inserting "December 31, 2002".

The first sentence of section 1376(c) of the Act, as amended (42 U.S.C. 4127(c)), is amended by striking "December 31, 2001" and inserting "December 31, 2002".

NATIONAL FLOOD MITIGATION FUND

Notwithstanding sections 1366(b)(3)(B)–(C) and 1366(f) of the National Flood Insurance Act of 1968, as amended, $20,000,000, to remain available until September 30, 2003, for activities designed to reduce the risk of flood damage to structures pursuant to such Act, of which $20,000,000 shall be derived from the National Flood Insurance Fund.

GENERAL SERVICES ADMINISTRATION

FEDERAL CONSUMER INFORMATION CENTER FUND

For necessary expenses of the Federal Consumer Information Center, including services authorized by 5 U.S.C. 3109, $7,276,000, to be deposited into the Federal Consumer Information Center Fund: Provided, That the appropriations, revenues, and collections deposited into the Fund shall be available for necessary expenses of Federal Consumer Information Center activities in the aggregate amount of $12,000,000. Appropriations, revenues, and collections accruing to this Fund during fiscal year 2002 in excess of $12,000,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

HUMAN SPACE FLIGHT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, in the conduct and support of human space flight research and development activities, including research, development, operations, support and services; maintenance; construction of facilities including repair, rehabilitation, revitalization and modification of facilities, construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase and hire of passenger motor vehicles; not to exceed $20,000 for official reception and representation expenses; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $6,868,000,000, to remain available until September 30, 2003, of which amounts as determined by the Administrator for salaries and benefits; training, travel and awards; facility and related costs; information technology services; science, engineering, fabricating and testing services; and other administrative services may be transferred to the Science, Aeronautics and Technology account in accordance with section 312(b) of the National Aeronautics and Space Act of 1958, as amended by Public Law 106–377: Provided, That the funding level for Development and Operation of the International Space Station shall not exceed $1,781,300,000 for fiscal year 2002, $1,500,400,000 for fiscal year 2003, $1,203,800,000 for fiscal year 2004, $1,078,300,000 for fiscal year 2005 and $1,099,600,000 for fiscal year 2006: Provided further, That the President shall certify, and report such certification to the Senate Committees on Appropriations and Commerce, Science and Transportation and to the House of Representatives Committees on Appropriations and Science, that any proposal to exceed these limits, or enhance the International Space Station design above the content planned for U.S. core complete, is (1) necessary and of the highest priority to enhance the goal of world class research in space aboard the International Space Station; (2) within acceptable risk levels, having no major unresolved technical issues and a high confidence in cost and schedule estimates, and independently validated; and (3) affordable within the multi-year funding available to the International Space Station program as defined above or, if exceeds such amounts, these additional resources are not achieved through any funding reduction to programs contained in Space Science, Earth Science and Aeronautics.

SCIENCE, AERONAUTICS AND TECHNOLOGY

For necessary expenses, not otherwise provided for, in the conduct and support of science, aeronautics and technology research and development activities, including research, development, operations, support and services; maintenance; construction of facilities including repair, rehabilitation, revitalization, and modification of facilities, construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase and hire of passenger motor vehicles; not to exceed $20,000 for official reception and representation expenses; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $7,669,700,000, to remain available until September 30, 2003.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $23,700,000.

ADMINISTRATIVE PROVISIONS

Notwithstanding the limitation on the availability of funds appropriated for "Human space flight", or "Science, aeronautics and technology" by this appropriations Act, when any activity has been initiated by the incurrence of obligations for construction of facilities as authorized by law, such amount available for such activity shall remain available until expended. This provision does not apply to the amounts appropriated for institutional minor revitalization and construction of facilities, and institutional facility planning and design.

Notwithstanding the limitation on the availability of funds appropriated for "Human space flight", or "Science, aeronautics and technology" by this appropriations Act, the amounts appropriated for construction of facilities shall remain available until September 30, 2004.

Notwithstanding the limitation on the availability of funds appropriated for "Office of Inspector General", amounts made available by this Act for personnel and related costs and travel expenses of the National Aeronautics and Space Administration shall remain available until September 30, 2002 and may be used to enter into contracts for training, investigations, costs associated with personnel relocation, and for other services, to be provided during the next fiscal year. Funds for announced prizes otherwise authorized shall remain available, without fiscal year limitation, until the prize is claimed or the offer is withdrawn.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

(INCLUDING TRANSFER OF FUNDS)

During fiscal year 2002, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions, as authorized by 12 U.S.C. 1795 et seq., shall not exceed $1,500,000,000: Provided, That administrative expenses of the Central Liquidity Facility shall not exceed $309,000: Provided further, That $1,000,000 shall be transferred to the Community Development Revolving Loan Fund, of which $650,000, together with amounts of principal and interest on loans repaid, shall be available until expended for loans to community development credit unions, and $350,000 shall be available until expended for technical assistance to low-income and community development credit unions.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880–1881); services as authorized by 5 U.S.C. 3109; authorized travel; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of aircraft; $3,514,481,000, of which not to exceed $285,000,000 shall remain available until expended for Polar research and operations support, and for reimbursement to other Federal agencies for operational and science support and logistical and other related activities for the United States Antarctic program; the balance to remain available until September 30, 2003: Provided, That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: Provided further, That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally: Provided further, That $75,000,000 of the funds available under this heading shall be made available for a comprehensive research initiative on plant genomes for economically significant crops.

MAJOR RESEARCH EQUIPMENT

For necessary expenses of major construction projects pursuant to the National Science Foundation Act of 1950, as amended, including authorized travel, $108,832,000, to remain available until expended.

EDUCATION AND HUMAN RESOURCES

For necessary expenses in carrying out science and engineering education and human resources programs and activities pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109, authorized travel, and rental of conference rooms in the District of Columbia, $872,407,000, to remain available until September 30, 2003: Provided, That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally: Provided further, That $15,000,000 shall be available for the innovation partnership program.

SALARIES AND EXPENSES

For salaries and expenses necessary in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875); services authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $9,000 for official reception and representation expenses; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; rental of conference rooms in the District of Columbia; reimbursement of the General Services Administration for security guard services; $170,040,000: Provided, That contracts may be entered into under "Salaries and expenses" in fiscal year 2002 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General as authorized by the Inspector General Act of 1978, as amended, $6,760,000, to remain available until September 30, 2003.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101–8107), $100,000,000, of which $10,000,000 shall be for a homeownership program that is used in conjunction with section 8 assistance under the United States Housing Act of 1937, as amended.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by 5 U.S.C. 4101–4118 for civilian employees; and not to exceed $1,000 for official reception and representation expenses; $25,003,000: Provided, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever the President deems such action to be necessary in the interest of national defense: Provided further, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Where appropriations in titles I, II, and III of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefor in the budget estimates submitted for the appropriations: Provided, That this provision does not apply to accounts that do not contain an object classification for travel: Provided further, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act; to travel performed by the Offices of Inspector General in connection with audits and investigations; or to payments to interagency motor pools where separately set forth in the budget schedules: Provided further, That if appropriations in titles I, II, and III exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefor set forth in the estimates only to the extent such an increase is approved by the Committees on Appropriations.

SEC. 402. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

SEC. 403. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of the Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811–1831).

SEC. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 405. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made; or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

SEC. 406. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between their domicile and their place of employment, with the exception of any officer or employee authorized such transportation under 31 U.S.C. 1344 or 5 U.S.C. 7905.

SEC. 407. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: Provided, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 408. None of the funds in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law.

SEC. 409. None of the funds provided in this Act shall be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

SEC. 410. Except as otherwise provided under existing law, or under an existing Executive Order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are: (1) a matter of public record and available for public inspection; and (2) thereafter included in a publicly available list of all contracts entered into within 24 months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. 411. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), for a contract for services unless such executive agency: (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder; and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning: (A) the contract pursuant to which the report was prepared; and (B) the contractor who prepared the report pursuant to such contract.

SEC. 412. Except as otherwise provided in section 406, none of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. 413. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

SEC. 414. None of the funds appropriated in title I of this Act shall be used to enter into any new lease of real property if the estimated annual rental is more than $300,000 unless the Secretary submits a report which the Committees on Appropriations of the Congress approve within 30 days following the date on which the report is received.

SEC. 415. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 416. None of the funds appropriated in this Act may be used to implement any cap on reimbursements to grantees for indirect costs, except as published in Office of Management and Budget Circular A–21.

SEC. 417. Such sums as may be necessary for fiscal year 2002 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 418. None of the funds made available in this Act may be used for any program, project, or activity, when the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

SEC. 419. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of such Act as may be necessary in carrying out the programs set forth in the budget for 2002 for such corporation or agency except as hereinafter provided: Provided, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

SEC. 420. Notwithstanding any other provision of law, the term "qualified student loan" with respect to national service education awards shall mean any loan determined by an institution of higher education to be necessary to cover a student's cost of attendance at such institution and made directly to a student by a state agency, in addition to other meanings under section 148(b)(7) of the National and Community Service Act.

SEC. 421. Unless otherwise provided for in this Act, no part of any appropriation for the Department of Housing and Urban Development shall be available for any activity in excess of amounts set forth in the budget estimates submitted to Congress.

SEC. 422. None of the funds appropriated or otherwise made available by this Act shall be used to promulgate a final regulation to implement changes in the payment of pesticide tolerance processing fees as proposed at 64 Fed. Reg. 31040, or any similar proposals. The Environmental Protection Agency may proceed with the development of such a rule.

SEC. 423. Except in the case of entities that are funded solely with Federal funds or any natural persons that are funded under this Act, none of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties to lobby or litigate in respect to adjudicatory proceedings funded in this Act. A chief executive officer of any entity receiving funds under this Act shall certify that none of these funds have been used to engage in the lobbying of the Federal Government or in litigation against the United States unless authorized under existing law.

SEC. 424. No part of any funds appropriated in this Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 425. None of the funds provided in Title II for technical assistance, training, or management improvements may be obligated or expended unless HUD provides to the Committees on Appropriations a description of each proposed activity and a detailed budget estimate of the costs associated with each activity as part of the Budget Justifications. For fiscal year 2002, HUD shall transmit this information to the Committees by January 8, 2002 for 30 days of review.

SEC. 426. Section 70113(f) of title 49, United States Code, is amended by striking "December 31, 2001", and inserting "December 31, 2002".

SEC. 427. All Departments and agencies funded under this Act are encouraged, within the limits of the existing statutory authorities and funding, to expand their use of "E-Commerce" technologies and procedures in the conduct of their business practices and public service activities.

SEC. 428. The Administrator of the Environmental Protection Agency, pursuant to the Safe Drinking Water Act, shall immediately put into effect a new national primary drinking water regulation for arsenic that—

(1) establishes a standard for arsenic at a level providing for the protection of the population in general, fully taking into account those at greater risk, such as infants, children, pregnant women, the elderly and those with a history of serious illness; and

(2) lifts the suspension on the effective date for the community right to know requirements included in the national primary drinking water regulation for arsenic published on January 22, 2001, in the Federal Register (66 Fed. Reg. 6976).

SEC. 429. ARSENIC IN PLAYGROUND EQUIPMENT. (a) FINDINGS.—The Congress makes the following findings:

(1) The Department of Health and Human Services has determined that arsenic is a known carcinogen, and the Environmental Protection Agency has classified chromated copper arsenate (CCA), which is 22 percent arsenic, as a "restricted use chemical".

(2) CCA is often used as a preservative in pressure-treated wood, and CCA-treated wood is widely used in constructing playground equipment frequented by children.

(3) In 2001, many communities in Florida and elsewhere have temporarily or permanently closed playgrounds in response to elevated levels of arsenic in soil surrounding CCA-treated wood playground equipment.

(4) The State of Florida recently announced that its own wood-treatment plant would cease using arsenic as a preservative.

(5) PlayNation Play Systems, which manufactures playground equipment, announced in June 2001 that it would no longer use CCA as a preservative in its playground products.

(6) In May 2001, the Environmental Protection Agency announced that it would expedite its ongoing review of the health risks facing children playing near CCA-treated wood playground equipment, and produce its findings in June 2001. The EPA later postponed the release of its risk assessment until the end of the summer of 2001, and announced that its risk assessment would be reviewed by a Scientific Advisory Panel in October 2001.

(7) The EPA also plans to expedite its risk assessment regarding the re-registering of arsenic as a pesticide by accelerating its release from 2003 to 2002.

(8) The Consumer Product Safety Commission, which has the authority to ban hazardous and dangerous products, announced in June 2001 that it would consider a petition seeking the banning of CCA-treated wood from all playground equipment.

(9) Many viable alternatives to CCA-treated wood exist, including cedar, plastic products, aluminum, and treated wood without CCA. These products, alone or in combination, can fully replace CCA-treated wood in playground equipment.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the potential health and safety risks to children playing on and around CCA-treated wood playground equipment is a matter of the highest priority, which demands immediate attention from the Congress, the Executive Branch, State and local governments, affected industries, and parents.

(c) REPORT.—Not later than 30 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency, in consultation with the Consumer Product Safety Commission, shall submit a report to Congress which shall include—

(1) the Environmental Protection Agency's most up-to-date understanding of the potential health and safety risks to children playing on and around CCA-treated wood playground equipment;

(2) the Environmental Protection Agency's current recommendations to State and local governments about the continued use of CCA-treated wood playground equipment; and

(3) an assessment of whether consumers considering purchases of CCA-treated wood playground equipment are adequately informed concerning the health effects associated with arsenic.

SEC. 430. EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH. From amounts available to the National Science Foundation under this Act, a total of $115,000,000 may be available to carry out the Experimental Program to Stimulate Competitive Research (EPSCoR), which includes $25,000,000 in co-funding.

SEC. 431. SENSE OF THE SENATE CONCERNING THE STATE WATER POLLUTION CONTROL REVOLVING FUND. (a) FINDINGS.—Congress finds that—

(1) funds from the drinking water State revolving fund established under section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j–12) are allocated on the basis of an infrastructure needs survey conducted by the Administrator of the Environmental Protection Agency, in accordance with the Safe Drinking Water Act Amendments of 1996 (Public Law 104–182);

(2) the needs-based allocation of that fund was enacted by Congress and is seen as a fair and reasonable basis for allocation of funds under a revolving fund of this type;

(3) the Administrator of the Environmental Protection Agency also conducts a wastewater infrastructure needs survey that should serve as the basis for allocation of the State water pollution control revolving fund established under title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.);

(4) the current allocation formula for the State water pollution control revolving fund is so inequitable that it results in some States receiving funding in an amount up to 7 times as much as States with approximately similar populations, in terms of percentage of need met; and

(5) the Senate has proven unwilling to address that inequity in an appropriations bill, citing the necessity of addressing new allocation formulas only in authorization bills.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Committee on Environment and Public Works of the Senate should be prepared to enact authorizing legislation (including an equitable, needs-based formula) for the State water pollution control revolving fund as soon as practicable after the Senate returns from recess in September.

This Act may be cited as the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2002".

NOMINATIONS

Mr. REID. Mr. President, in the presence of the distinguished Republican leader, I want to announce that since July 9 the Senate will have been able to confirm 168 civilian nominations. Today alone, we have been able to do 58. This week we did 88. This does not take into consideration the scores and scores of military nominations that have been confirmed by the Senate.

I think this speaks well of some of the progress we are making. We appreciate the cooperation of the Republican leader in allowing us to move through some of this legislation. It has been very difficult the last few days, but with his help we have been able to accomplish a great deal. I am glad it is Friday afternoon at 3:40 and we are getting ready to close the Senate rather than trying to figure out who we can get to preside all night.

The PRESIDING OFFICER. The Republican leader.

Mr. LOTT. Mr. President, let me say again that I appreciate the number of nominees that have been confirmed. I think that will help our overall relationship. A lot of these civilian nominees to head agencies and Assistant Secretary positions clearly need to be moved through. So I am glad to see it is happening. I hope we can continue this pattern when we return in September. And I hope we will begin then to make steady progress on the confirmation of judicial nominees both for the circuit courts as well as the district courts, and also, as soon as they are received, begin to move U.S. attorneys and U.S. marshals in districts throughout the country.

MEASURE READ THE FIRST TIME—H.R. 4

Mr. LOTT. Mr. President, I understand H.R. 4 is at the desk and I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The legislative clerk read as follows:

A bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. LOTT. Mr. President, I now ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard.

The bill will remain at the desk.

The PRESIDING OFFICER. The Senator from Nevada.

CONGRATULATING UKRAINE ON THE 10TH ANNIVERSARY OF THE RESTORATION OF ITS INDEPENDENCE

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 114, S. Con. Res. 62.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 62) congratulating Ukraine on the 10th anniversary of the restoration of its independence and supporting its full integration into the Euro-Atlantic community of democracies.

There being no objection, the Senate proceeded to consider the concurrent resolution.

AMENDMENT NO. 1479

Mr. REID. Mr. President, Senator HELMS has an amendment at the desk. I ask unanimous consent for its consideration and that the amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 1479) was agreed to, as follows:

(Purpose: To make a clerical correction)

In paragraph (6) of section 1 of the concurrent resolution, strike "Oleksandorv" and insert "Oleksandrov".

Mr. REID. I ask unanimous consent that the concurrent resolution, as amended, be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 62), as amended, was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 62

Whereas August 24, 2001, marks the tenth anniversary of the restoration of independence in Ukraine;

Whereas the United States, having recognized Ukraine as an independent state on December 25, 1991, and having established diplomatic relations with Ukraine on January 2, 1992, recognizes that fulfillment of the vision of a Europe whole, free, and secure requires a strong, stable, democratic Ukraine fully integrated in the Euro-Atlantic community of democracies;

Whereas, during the fifth anniversary commemorating Ukraine's independence, the United States established a strategic partnership with Ukraine to promote the national security interests of the United States in a free, sovereign, and independent Ukrainian state;

Whereas Ukraine is an important European nation, having the second largest territory and sixth largest population in Europe;

Whereas Ukraine is a member of international organizations such as the Council of Europe and the Organization on Security and Cooperation in Europe (OSCE), as well as international financial institutions such as the International Monetary Fund (IMF), the World Bank, and the European Bank for Reconstruction and Development (EBRD);

Whereas in July 1994, Ukraine's presidential elections marked the first peaceful and democratic transfer of executive power among the independent states of the former Soviet Union;

Whereas five years ago, on June 28, 1996, Ukraine's parliament voted to adopt a Ukrainian Constitution, which upholds the values of freedom and democracy, ensures a citizen's right to own private property, and outlines the basis for the rule of law in Ukraine without regard for race, religion, creed, or ethnicity;

Whereas Ukraine has been a paragon of inter-ethnic cooperation and harmony as evidenced by the OSCE's and the United States State Department's annual human rights reports and the international community's commendation for Ukraine's peaceful handling of the Crimean secession disputes in 1994;

Whereas Ukraine, through the efforts of its government, has reversed the downward trend in its economy, experiencing the first real economic growth since its independence in fiscal year 2000 and the first quarter of 2001;

Whereas Ukraine furthered the privatization of its economy through the privatization of agricultural land in 2001, when the former collective farms were turned over to corporations, private individuals, or cooperatives, thus creating an environment that leads to greater economic independence and prosperity;

Whereas Ukraine has taken major steps to stem world nuclear proliferation by ratifying the START I Treaty on nuclear disarmament and the Treaty on the Non-Proliferation of Nuclear Weapons, subsequently has turned over the last of its Soviet-era nuclear warheads on June 1, 1996, and in 1998 agreed not to assist Iran with the completion of a nuclear power plant in Bushehr thought to be used for the possible production of weapons of mass destruction;

Whereas Ukraine has found many methods to implement military cooperation with its European neighbors, as well as peacekeeping initiatives worldwide, as exhibited by Ukraine's participation in the KFOR and IFOR missions in the former Yugoslavia, and offering up its own forces to be part of the greater United Nations border patrol missions in the Middle East and the African continent;

Whereas Ukraine became a member of the North Atlantic Cooperation Council of the North Atlantic Treaty Alliance (NATO), signed a NATO-Ukraine Charter at the Madrid Summit in July 1997, and has been a participant in the Partnership for Peace (PfP) program since 1994 with regular training maneuvers at the Yavoriv military base in Ukraine and on Ukraine's southern-most shores of the Black Sea;

Whereas on June 7, 2001, Ukraine signed a charter for the GUUAM (Georgia, Ukraine, Uzbekistan, Azerbaijan, and Moldova) alliance, in hopes of promoting regional interests, increasing cooperation, and building economic stability; and

Whereas 15 years ago, the Soviet-induced nuclear tragedy of Chornobyl gripped Ukrainian lands with insurmountable curies of radiation which will affect generations of Ukraine's inhabitants, and thus, now, Ukraine promotes safety for its citizens and its neighboring countries, as well as concern for the preservation of the environment by closing the last Chornobyl nuclear reactor on December 15, 2000: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That

SECTION 1. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) as a leader of the democratic nations of the world, the United States congratulates the people of Ukraine on their tenth anniversary of independence and supports peace, prosperity, and democracy in Ukraine;

(2) Ukraine has made significant progress in its political reforms during the first ten years of its independence, as is evident by the adoption of its Constitution five years ago;

(3) the territorial integrity, sovereignty, and independence of Ukraine within its existing borders is an important factor of peace and stability in Europe;

(4) the President, the Prime Minister, and Parliament of Ukraine should continue to enact political reforms necessary to ensure that the executive, legislative, and judicial branches of the Government of Ukraine transparently represent the interests of the Ukrainian people;

(5) the Government and President of Ukraine should promote fundamental democratic principles of freedom of speech, assembly, and a free press;

(6) the Government and President of Ukraine should actively pursue in an open and transparent fashion investigations into violence committed against journalists, including the murders of Heorhiy Gongadze and Ihor Oleksandrov;

(7) the Government of Ukraine (including the President and Parliament of Ukraine) should uphold international standards and procedures of free and fair elections in preparation for its upcoming parliamentary elections in March 2002;

(8) the Government of Ukraine (including the President and Parliament of Ukraine) should continue to accelerate its efforts to transform its economy into one founded upon free market principles and governed by the rule of law;

(9) the United States supports all efforts to promote a civil society in Ukraine that features a vibrant community of nongovernmental organizations (NGOs) and an active, independent, and free press;

(10) the Government of Ukraine (including the President and Parliament of Ukraine) should follow a westward-leaning foreign policy whose priority is the integration of Ukraine into Euro-Atlantic structures;

(11) the President of the United States should continue to consider the interests and security of Ukraine in reviewing or revising any European military and security arrangements, understandings, or treaties; and

(12) the President of the United States should continue to support and encourage Ukraine's role in NATO's Partnership for Peace program and the deepening of Ukraine's relationship with NATO.

SEC. 2. TRANSMITTAL OF THE RESOLUTION.

The Secretary of the Senate shall transmit a copy of this resolution to the President of the United States with the further request that the President transmit such copy to the Government of Ukraine.

THURGOOD MARSHALL UNITED STATES COURTHOUSE

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 110, S. 584.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 584) to designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall United States Courthouse."

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Mr. President, I ask unanimous consent that the bill be read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 584) was read the third time and passed, as follows:

S. 584

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF THURGOOD MARSHALL UNITED STATES COURTHOUSE.

The United States courthouse located at 40 Centre Street in New York, New York, shall be known and designated as the "Thurgood Marshall United States Courthouse".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in section 1 shall be deemed to be a reference to the Thurgood Marshall United States Courthouse.

EDWARD N. CAHN FEDERAL BUILDING AND UNITED STATES COURTHOUSE

Mr. REID. Mr. President, I ask unanimous consent that the Environment and Public Works Committee be discharged from the consideration of H.R. 558 and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 558) to designate the Federal building and United States courthouse located at 504 West Hamilton Street in Allentown, Pennsylvania, as the "Edward N. Cahn Federal Building and United States Courthouse."

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 558) was read the third time and passed.

The PRESIDENT pro tempore. The Senator from Nevada.

THURGOOD MARSHALL UNITED STATES COURTHOUSE

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 988 just received from the House.

The PRESIDENT pro tempore. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (H.R. 988) to designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall United States Courthouse."

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Mr. President, I ask unanimous consent that the bill be read three times, passed, and the motion to reconsider be laid upon the table, with no intervening action or debate, and that any statements relating thereto be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (H.R. 988) was read the third time and passed.

THE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed, en bloc, to the consideration of the following calendar items: Calendar No. 57, S. 238; Calendar No. 59, S. 329; Calendar No. 60, S. 491; Calendar No. 61, S. 498; Calendar No. 62, S. 506; Calendar No. 64, S. 509; Calendar No. 99, H.R. 427; and Calendar No. 100, H.R. 271.

There being no objection, the Senate proceeded to consider the bills.

Mr. REID. Mr. President, I ask unanimous consent that any committee amendments, where applicable, be agreed to, the bills, as amended, where applicable, be read three times, passed, and the motions to reconsider be laid upon the table en bloc, that any title amendments, where applicable, be agreed to, and that any statements relating to these matters be printed in the RECORD, with no intervening action or debate.

The PRESIDENT pro tempore. Is there objection to the several requests?

Hearing no objection, the requests are granted.

BURNT, MALHEUR, OWYHEE, AND POWDER RIVER BASIN WATER OPTIMIZATION FEASIBILITY STUDY ACT OF 2001

The bill (S. 238) to authorize the Secretary of the Interior to conduct feasibility studies on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River basin, Oregon, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 238

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Burnt, Malheur, Owyhee, and Powder River Basin

Water Optimization Feasibility Study Act of 2001".

SEC. 2. STUDY.

The Secretary of the Interior may conduct feasibility studies on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River basin, Oregon.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

PEOPLING OF AMERICA THEME STUDY ACT

The bill (S. 329) to require the Secretary of the Interior to conduct a theme study on the peopling of America, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 329

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Peopling of America Theme Study Act".

SEC. 2. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that—

(1) an important facet of the history of the United States is the story of how the United States was populated;

(2) the migration, immigration, and settlement of the population of the United States—

(A) is broadly termed the "peopling of America"; and

(B) is characterized by—

(i) the movement of groups of people across external and internal boundaries of the United States and territories of the United States; and

(ii) the interactions of those groups with each other and with other populations;

(3) each of those groups has made unique, important contributions to American history, culture, art, and life;

(4) the spiritual, intellectual, cultural, political, and economic vitality of the United States is a result of the pluralism and diversity of the American population;

(5) the success of the United States in embracing and accommodating diversity has strengthened the national fabric and unified the United States in its values, institutions, experiences, goals, and accomplishments;

(6)(A) the National Park Service's official thematic framework, revised in 1996, responds to the requirement of section 1209 of the Civil War Sites Study Act of 1990 (16 U.S.C. 1a–5 note; title XII of Public Law 101–628), that "the Secretary shall ensure that the full diversity of American history and prehistory are represented" in the identification and interpretation of historic properties by the National Park Service; and

(B) the thematic framework recognizes that "people are the primary agents of change" and establishes the theme of human population movement and change—or "peopling places"—as a primary thematic category for interpretation and preservation; and

(7) although there are approximately 70,000 listings on the National Register of Historic Places, sites associated with the exploration and settlement of the United States by a broad range of cultures are not well represented.

(b) Purposes.—The purposes of this Act are—

(1) to foster a much-needed understanding of the diversity and contribution of the breadth of groups who have peopled the United States; and

(2) to strengthen the ability of the National Park Service to include groups and events otherwise not recognized in the peopling of the United States.

SEC. 3. DEFINITIONS.

In this Act:

(1) Secretary.—The term "Secretary" means the Secretary of the Interior.

(2) Theme study.—The term "theme study" means the national historic landmark theme study required under section 4.

(3) Peopling of america.—The term "peopling of America" means the migration, immigration, and settlement of the population of the United States.

SEC. 4. NATIONAL HISTORIC LANDMARK THEME STUDY ON THE PEOPLING OF AMERICA.

(a) Theme Study Required.—The Secretary shall prepare and submit to Congress a national historic landmark theme study on the peopling of America.

(b) Purpose.—The purpose of the theme study shall be to identify regions, areas, trails, districts, communities, sites, buildings, structures, objects, organizations, societies, and cultures that—

(1) best illustrate and commemorate key events or decisions affecting the peopling of America; and

(2) can provide a basis for the preservation and interpretation of the peopling of America that has shaped the culture and society of the United States.

(c) Identification and Designation of Potential New National Historic Landmarks.—

(1) In general.—The theme study shall identify and recommend for designation new national historic landmarks.

(2) List of appropriate sites.—The theme study shall—

(A) include a list, in order of importance or merit, of the most appropriate sites for national historic landmark designation; and

(B) encourage the nomination of other properties to the National Register of Historic Places.

(3) Designation.—On the basis of the theme study, the Secretary shall designate new national historic landmarks.

(d) National Park System.—

(1) Identification of sites within current units.—The theme study shall identify appropriate sites within units of the National Park System at which the peopling of America may be interpreted.

(2) Identification of new sites.—On the basis of the theme study, the Secretary shall recommend to Congress sites for which studies for potential inclusion in the National Park System should be authorized.

(e) Continuing Authority.—After the date of submission to Congress of the theme study, the Secretary shall, on a continuing basis, as appropriate to interpret the peopling of America—

(1) evaluate, identify, and designate new national historic landmarks; and

(2) evaluate, identify, and recommend to Congress sites for which studies for potential inclusion in the National Park System should be authorized.

(f) Public Education and Research.—

(1) Linkages.—

(A) Establishment.—On the basis of the theme study, the Secretary may identify appropriate means for establishing linkages—

(i) between—

(I) regions, areas, trails, districts, communities, sites, buildings, structures, objects, organizations, societies, and cultures identified under subsections (b) and (d); and

(II) groups of people; and

(ii) between—

(I) regions, areas, trails, districts, communities, sites, buildings, structures, objects, organizations, societies, and cultures identified under subsection (b); and

(II) units of the National Park System identified under subsection (d).

(B) Purpose.—The purpose of the linkages shall be to maximize opportunities for public education and scholarly research on the peopling of America.

(2) Cooperative arrangements.—On the basis of the theme study, the Secretary shall, subject to the availability of funds, enter into cooperative arrangements with State and local governments, educational institutions, local historical organizations, communities, and other appropriate entities to preserve and interpret key sites in the peopling of America.

(3) Educational initiatives.—

(A) In general.—The documentation in the theme study shall be used for broad educational initiatives such as—

(i) popular publications;

(ii) curriculum material such as the Teaching with Historic Places program;

(iii) heritage tourism products such as the National Register of Historic Places Travel Itineraries program; and

(iv) oral history and ethnographic programs.

(B) Cooperative programs.—On the basis of the theme study, the Secretary shall implement cooperative programs to encourage the preservation and interpretation of the peopling of America.

SEC. 5. COOPERATIVE AGREEMENTS.

The Secretary may enter into cooperative agreements with educational institutions, professional associations, or other entities knowledgeable about the peopling of America—

(1) to prepare the theme study;

(2) to ensure that the theme study is prepared in accordance with generally accepted scholarly standards; and

(3) to promote cooperative arrangements and programs relating to the peopling of America.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

DENVER WATER REUSE PROJECT

The Senate proceeded to consider the bill (S. 491) to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the design, planning, and construction of the Denver Water Reuse project, which had been reported from the Committee on Energy and Natural Resources with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. DENVER WATER REUSE PROJECT.

(a) AUTHORIZATION.—The Secretary of the Interior, in cooperation with the appropriate State and local authorities, may participate in the design, planning, and construction of the Denver Water Reuse Project (hereinafter referred to as the "Project") to reclaim and reuse water in the

service area of the Denver Water Department of the city and county of Denver, Colorado.

(b) COST SHARE.—The Federal share of the cost of the Project shall not exceed 25 percent of the total cost.

(c) LIMITATION.—Funds provided by the Secretary shall not be used for the operation or maintenance of the Project.

(d) FUNDING.—Funds appropriated pursuant to section 1631 of the Reclamation Wastewater and Groundwater Study and Facilities Act (43 U.S.C. 390h–13) may be used for the Project.

SEC. 2. RECLAMATION WASTEWATER AND GROUNDWATER STUDY AND FACILITIES ACT.

Design, planning, and construction of the Project authorized by this Act shall be in accordance with, and subject to the limitations contained in, the Reclamation Wastewater and Groundwater Study and Facilities Act (106 Stat. 4663–4669, 43 U.S.C. 390h et seq.), as amended.

Amend the title so as to read: "A bill to authorize the Secretary of the Interior, pursuant to the provisions of the Reclamation Wastewater and Groundwater to participate in the design, planning, and construction of the Denver Water Reuse project.".

The committee amendment, in the nature of a substitute, was agreed to.

The title amendment was agreed to.

The bill (S. 491) as amended, was read the third time and passed.

NATIONAL DISCOVERY TRAILS ACT OF 2001

The Senate proceeded to consider the bill (S. 498) entitled "National Discovery Trails Act of 2001," which had been reported from the Committee on Energy and Natural Resources with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic)

S. 498

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Discovery Trails Act of 2001".

SEC. 2. NATIONAL TRAILS SYSTEM ACT AMENDMENTS.

(a)(1) Section 3(a) of the National Trails System Act (16 U.S.C. 1242(a)) is amended by inserting after paragraph (4) the following:

"(5) National discovery trails, established as provided in section 5, which will be extended, continuous, interstate trails so located as to provide for outstanding outdoor recreation and travel and to connect representative examples of America's trails and communities. National discovery trails should provide for the conservation and enjoyment of significant natural, cultural, and historic resources associated with each trail and should be so located as to represent metropolitan, urban, rural, and back country regions of the Nation. Any such trail may be designated on federal lands and, with the consent of the owner thereof, on any non federal lands.".

(2) FEASIBILITY REQUIREMENTS; COOPERATIVE MANAGEMENT REQUIREMENT.—Section 5(b) of such Act (16 U.S.C. 1244) is amended by adding at the end the following new paragraph:

"(12) For purposes of subsection (b), a trail shall not be considered feasible and desirable for designation as a national discovery trail unless it meets all of the following criteria:

"(A) The trail must link one or more areas within the boundaries of a metropolitan area (as those boundaries are determined under section 134(c) of title 23, United States Code). It should also join with other trails, connecting the National Trails System to significant recreation and resources areas.

"(B) The trail must be supported by at least one competent trailwide volunteer-based organization. Each trail should have extensive local and trailwide support by the public, by user groups, and by affected State and local governments.

"(C) The trail must be extended and pass through more than one State. At a minimum, it should be a continuous, walkable route.

"(13) The appropriate Secretary for each national discovery trail shall administer the trail in cooperation with at least one competent trailwide volunteer-based organization. Where the designation of discovery trail is aligned with other units of the National Trails System, or State or local trails, the designation of a discovery trail shall not affect the protections or authorities provided for the other trail or trails, nor shall the designation of a discovery trail diminish the values and significance for which those trails were established.".

(b) DESIGNATION OF THE AMERICAN DISCOVERY TRAIL AS A NATIONAL DISCOVERY TRAIL.—Section 5(a) of such Act (16 U.S.C. 1244(a)) is amended—

[(1) by re-designating the paragraph relating to the California National Historic Trail as paragraph (18);

[(2) by re-designating the paragraph relating to the Pony Express National Historic Trail as paragraph (19);

[by re-designating the paragraph relating to the Selma to Montgomery National Historic Trail as paragraph (20); and

[(4) by adding at the end the following:**]**

(1) by redesignating the second paragraph (21) (relating to the Ala Kahakai National Historic Trail) as paragraph (22); and

(2) by adding at the end the following:

"**[**(21)**]** *(23)* The American Discovery Trail, a trail of approximately 6,000 miles extending from Cape Henlopen State Park in Delaware to Point Reyes National Seashore in California, extending westward through Delaware, Maryland, the District of Columbia, West Virginia, Ohio, and Kentucky, where near Cincinnati it splits into two routes. The Northern Midwest route traverses Ohio, Indiana, Illinois, Iowa, Nebraska, and Colorado, and the Southern Midwest route traverses Indiana, Illinois, Missouri, Kansas, and Colorado. After the two routes rejoin in Denver, Colorado, the route continues through Colorado, Utah, Nevada, and California. The trail is generally described in Volume 2 of the National Park Service feasibility study dated June 1995 which shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, the District of Columbia. The American Discovery Trail shall be administered by the Secretary of the Interior in cooperation with at least one competent trailwide volunteer-based organization and other affected federal land managing agencies, and state and local governments, as appropriate. No lands or interests outside the exterior boundaries of federally administered areas may be acquired by the Federal Government solely for the American Discovery Trail. The provisions of sections 7(e), 7(f), and 7(g) shall not apply to the American Discovery Trail.".

(c) COMPREHENSIVE NATIONAL DISCOVERY TRAIL PLAN.—Section 5 of such Act (16 U.S.C. 1244) is further amended by adding at the end the following new subsection:

"(g) Within three complete fiscal years after the date of enactment of any law designating a national discovery trail, the appropriate Secretary shall submit a comprehensive plan for the protection, management, development, and use of the trail, to the Committee on Resources of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. The responsible Secretary shall ensure that the comprehensive plan for the entire trail does not conflict with existing agency direction and shall consult with the affected land managing agencies, the Governors of the affected States, affected county and local political jurisdictions, and local organizations maintaining components of the trail. Components of the comprehensive plan include—

"(1) policies and practices to be observed in the administration and management of the trail, including the identification of all significant natural, historical, and cultural resources to be preserved, model agreements necessary for joint trail administration among and between interested parties, and an identified carrying capacity for critical segments of the trail and a plan for their implementation where appropriate;

"(2) general and site-specific trail-related development including costs; and

"(3) the process to be followed by the volunteer-based organization, in cooperation with the appropriate Secretary, to implement the trail marking authorities in section 7(c) conforming to approved trail logo or emblem requirements. Nothing in this Act may be construed to impose or permit the imposition of any landowner on the use of any non-federal lands without the consent of the owner thereof. Neither the designation of a National Discovery Trail nor any plan relating thereto shall affect or be considered in the granting or denial of a right of way or any conditions relating thereto.".

SEC. 3. CONFORMING AMENDMENTS.

The National Trails System Act is amended—

(1) in section 2(b) (16 U.S.C. 1241(b)), by striking "scenic and historic" and inserting "scenic, historic, and discovery";

(2) in the section heading to section 5 (16 U.S.C. 1244), by striking "**AND NATIONAL HISTORIC**" and inserting "**, NATIONAL HISTORIC, AND NATIONAL DISCOVERY**";

(3) in section 5(a) (16 U.S.C. 1244(a)), in the matter preceding paragraph (1)—

(A) by striking "and national historic" and inserting ", national historic, and national discovery"; and

(B) by striking "and National Historic" and inserting ", National Historic, and National Discovery";

(4) in section 5(b) (16 U.S.C. 1244(b)), in the matter preceding paragraph (1), by striking "or national historic" and inserting ", national historic, or national discovery";

(5) in section 5(b)(3) (16 U.S.C. 1244(b)(3)), by striking "or national historic" and inserting ", national historic, or national discovery";

(6) in section 7(a)(2) (16 U.S.C. 1246(a)(2)), by striking "and national historic" and inserting ", national historic, and national discovery";

(7) in section 7(b) (16 U.S.C. 1246(b)), by striking "or national historic" each place such term appears and inserting ", national historic, or national discovery";

(8) in section 7(c) (16 U.S.C. 1246(c))—

(A) by striking "scenic or national historic" each place it appears and inserting "scenic, national historic, or national discovery";

(B) in the second proviso, by striking "scenic, or national historic" and inserting "scenic, national historic, or national discovery"; and

(C) by striking ", and national historic" and inserting ", national historic, and national discovery";

(9) in section 7(d) (16 U.S.C. 1246(d)), by striking "or national historic" and inserting "national historic, or national discovery";

(10) in section 7(e) (16 U.S.C. 1246(e)), by striking "or national historic" each place such term appears and inserting ", national historic, or national discovery";

(11) in section 7(f)(2) (16 U.S.C. 1246(f)(2)), by striking "National Scenic or Historic" and inserting "national scenic, historic, or discovery trail";

(12) in section 7(h)(1) (16 U.S.C. 1246(h)(1)), by striking "or national historic" and inserting "national historic, or national discovery"; and

(13) in section 7(i) (16 U.S.C. 1246(i)), by striking "or national historic" and inserting "national historic, or national discovery".

Amend the title so as to read: "A bill to amend the National Trails System Act to include national discovery trails, and to designate the American Discovery Trail, and for other purposes.".

The committee amendments were agreed to.

The title amendment was agreed to.

The bill (S. 498), as amended, was read the third time and passed, as follows:

S. 498

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Discovery Trails Act of 2001".

SEC. 2. NATIONAL TRAILS SYSTEM ACT AMENDMENTS.

(a)(1) Section 3(a) of the National Trails System Act (16 U.S.C. 1242(a)) is amended by inserting after paragraph (4) the following:

"(5) National discovery trails, established as provided in section 5, which will be extended, continuous, interstate trails so located as to provide for outstanding outdoor recreation and travel and to connect representative examples of America's trails and communities. National discovery trails should provide for the conservation and enjoyment of significant natural, cultural, and historic resources associated with each trail and should be so located as to represent metropolitan, urban, rural, and back country regions of the Nation. Any such trail may be designated on federal lands and, with the consent of the owner thereof, on any non federal lands.".

(2) FEASIBILITY REQUIREMENTS; COOPERATIVE MANAGEMENT REQUIREMENT.—Section 5(b) of such Act (16 U.S.C. 1244) is amended by adding at the end the following new paragraph:

"(12) For purposes of subsection (b), a trail shall not be considered feasible and desirable for designation as a national discovery trail unless it meets all of the following criteria:

"(A) The trail must link one or more areas within the boundaries of a metropolitan area (as those boundaries are determined under section 134(c) of title 23, United States Code). It should also join with other trails, connecting the National Trails System to significant recreation and resources areas.

"(B) The trail must be supported by at least one competent trailwide volunteer-based organization. Each trail should have extensive local and trailwide support by the public, by user groups, and by affected State and local governments.

"(C) The trail must be extended and pass through more than one State. At a minimum, it should be a continuous, walkable route.

"(13) The appropriate Secretary for each national discovery trail shall administer the trail in cooperation with at least one competent trailwide volunteer-based organization. Where the designation of discovery trail is aligned with other units of the National Trails System, or State or local trails, the designation of a discovery trail shall not affect the protections or authorities provided for the other trail or trails, nor shall the designation of a discovery trail diminish the values and significance for which those trails were established.".

(b) DESIGNATION OF THE AMERICAN DISCOVERY TRAIL AS A NATIONAL DISCOVERY TRAIL.—Section 5(a) of such Act (16 U.S.C. 1244(a)) is amended—

(1) by redesignating the second paragraph (21) (relating to the Ala Kahakai National Historic Trail) as paragraph (22); and

(2) by adding at the end the following:

"(23) The American Discovery Trail, a trail of approximately 6,000 miles extending from Cape Henlopen State Park in Delaware to Point Reyes National Seashore in California, extending westward through Delaware, Maryland, the District of Columbia, West Virginia, Ohio, and Kentucky, where near Cincinnati it splits into two routes. The Northern Midwest route traverses Ohio, Indiana, Illinois, Iowa, Nebraska, and Colorado, and the Southern Midwest route traverses Indiana, Illinois, Missouri, Kansas, and Colorado. After the two routes rejoin in Denver, Colorado, the route continues through Colorado, Utah, Nevada, and California. The trail is generally described in Volume 2 of the National Park Service feasibility study dated June 1995 which shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, the District of Columbia. The American Discovery Trail shall be administered by the Secretary of the Interior in cooperation with at least one competent trailwide volunteer-based organization and other affected federal land managing agencies, and state and local governments, as appropriate. No lands or interests outside the exterior boundaries of federally administered areas may be acquired by the Federal Government solely for the American Discovery Trail. The provisions of sections 7(e), 7(f), and 7(g) shall not apply to the American Discovery Trail.".

(c) COMPREHENSIVE NATIONAL DISCOVERY TRAIL PLAN.—Section 5 of such Act (16 U.S.C. 1244) is further amended by adding at the end the following new subsection:

"(g) Within three complete fiscal years after the date of enactment of any law designating a national discovery trail, the appropriate Secretary shall submit a comprehensive plan for the protection, management, development, and use of the trail, to the Committee on Resources of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. The responsible Secretary shall ensure that the comprehensive plan for the entire trail does not conflict with existing agency direction and shall consult with the affected land managing agencies, the Governors of the affected States, affected county and local political jurisdictions, and local organizations maintaining components of the trail. Components of the comprehensive plan include—

"(1) policies and practices to be observed in the administration and management of the trail, including the identification of all significant natural, historical, and cultural resources to be preserved, model agreements necessary for joint trail administration among and between interested parties, and an identified carrying capacity for critical segments of the trail and a plan for their implementation where appropriate;

"(2) general and site-specific trail-related development including costs; and

"(3) the process to be followed by the volunteer-based organization, in cooperation with the appropriate Secretary, to implement the trail marking authorities in section 7(c) conforming to approved trail logo or emblem requirements. Nothing in this Act may be construed to impose or permit the imposition of any landowner on the use of any non-federal lands without the consent of the owner thereof. Neither the designation of a National Discovery Trail nor any plan relating thereto shall affect or be considered in the granting or denial of a right of way or any conditions relating thereto.".

SEC. 3. CONFORMING AMENDMENTS.

The National Trails System Act is amended—

(1) in section 2(b) (16 U.S.C. 1241(b)), by striking "scenic and historic" and inserting "scenic, historic, and discovery";

(2) in the section heading to section 5 (16 U.S.C. 1244), by striking "**AND NATIONAL HISTORIC**" and inserting "**, NATIONAL HISTORIC, AND NATIONAL DISCOVERY**";

(3) in section 5(a) (16 U.S.C. 1244(a)), in the matter preceding paragraph (1)—

(A) by striking "and national historic" and inserting ", national historic, and national discovery"; and

(B) by striking "and National Historic" and inserting ", National Historic, and National Discovery";

(4) in section 5(b) (16 U.S.C. 1244(b)), in the matter preceding paragraph (1), by striking "or national historic" and inserting ", national historic, or national discovery";

(5) in section 5(b)(3) (16 U.S.C. 1244(b)(3)), by striking "or national historic" and inserting ", national historic, or national discovery";

(6) in section 7(a)(2) (16 U.S.C. 1246(a)(2)), by striking "and national historic" and inserting ", national historic, and national discovery";

(7) in section 7(b) (16 U.S.C. 1246(b)), by striking "or national historic" each place such term appears and inserting ", national historic, or national discovery";

(8) in section 7(c) (16 U.S.C. 1246(c))—

(A) by striking "scenic or national historic" each place it appears and inserting "scenic, national historic, or national discovery";

(B) in the second proviso, by striking "scenic, or national historic" and inserting "scenic, national historic, or national discovery"; and

(C) by striking ", and national historic" and inserting ", national historic, and national discovery";

(9) in section 7(d) (16 U.S.C. 1246(d)), by striking "or national historic" and inserting "national historic, or national discovery";

(10) in section 7(e) (16 U.S.C. 1246(e)), by striking "or national historic" each place such term appears and inserting ", national historic, or national discovery";

(11) in section 7(f)(2) (16 U.S.C. 1246(f)(2)), by striking "National Scenic or Historic"

and inserting "national scenic, historic, or discovery trail";

(12) in section 7(h)(1) (16 U.S.C. 1246(h)(1)), by striking "or national historic" and inserting "national historic, or national discovery"; and

(13) in section 7(i) (16 U.S.C. 1246(i)), by striking "or national historic" and inserting "national historic, or national discovery".

HUNA TOTEM CORPORATION LAND EXCHANGE ACT

The bill (S. 506) to amend the Alaska Native Claims Settlement Act, to provide for a land exchange between the Secretary of Agriculture and the Huna Totem Corporation, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 506

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Huna Totem Corporation Land Exchange Act".

SEC. 2. AMENDMENT OF SETTLEMENT ACT.

The Alaska Native Claims Settlement Act (Public Law 92–203, December 18, 1971, 85 Stat. 688, 43 U.S.C. 1601, et seq.), as amended, is further amended by adding a new section to read:

"SEC. . HUNA TOTEM CORPORATION LAND EXCHANGE.

"(a) GENERAL.—In exchange for lands and interests therein described in subsection (b), the Secretary of Agriculture shall, subject to valid existing rights, convey to the Huna Totem Corporation the surface estate and to Sealaska Corporation the subsurface estate of the Federal lands identified by Huna Totem Corporation pursuant to subsection (c). The values of the lands and interests therein exchanged pursuant to this section shall be equal.

"(b) The surface estate to be conveyed by Huna Totem Corporation and the subsurface estate to be conveyed by Sealaska Corporation to the Secretary of Agriculture are the municipal watershed lands as shown on the map dated September 1, 1997, and labeled attachment A, and are further described as follows:

"MUNICIPAL WATERSHED AND GREENBELT BUFFER

"T43S, R61E, C.R.M.

"Portion of Section	Approximate Acres
16	2
21	610
22	227
23	35
26	447
27	400
33	202
34	76
Approximate total	1,999.

"(c) Within ninety (90) days of the receipt by the United States of the conveyances of the surface estate and subsurface estate described in subsection (b), Huna Totem Corporation shall be entitled to identify lands readily accessible to the Village of Hoonah and, where possible, located on the road system to the Village of Hoonah, as depicted on the map dated September 1, 1997, and labeled Attachment B. Huna Totem Corporation shall notify the Secretary of Agriculture in writing which lands Huna Totem Corporation has identified.

"(d) TIMING OF CONVEYANCE AND VALUATION.—The conveyance mandated by subsection (a) by the Secretary of Agriculture shall occur within ninety (90) days after the list of identified lands is submitted by Huna Totem Corporation pursuant to subsection (c).

"(e) TIMBER MANUFACTURING; EXPORT RESTRICTION.—Notwithstanding any other provision of law, timber harvested from land conveyed to Huna Totem Corporation under this section shall not be exported as unprocessed logs from Alaska, nor may Huna Totem Corporation sell, trade, exchange, substitute, or otherwise convey that timber to any person for the purpose of exporting that timber from the State of Alaska.

"(f) RELATION TO OTHER REQUIREMENTS.—The land conveyed to Huna Totem Corporation and Sealaska Corporation under this section shall be considered, for all purposes, land conveyed under the Alaska Native Claims Settlement Act.

"(g) MAPS.—The maps referred to in this section shall be maintained on file in the Office of the Chief, United States Forest Service, and in the Office of the Secretary of the Interior, Washington, D.C. The acreage cited in this section is approximate, and if there is any discrepancy between cited acreage and the land depicted on the specified maps, the maps shall control. The maps do not constitute an attempt by the United States to convey State or private land.".

KENAI MOUNTAINS-TURNAGAIN ARM NATIONAL HERITAGE AREA ACT OF 2001

The Senate proceeded to consider the bill (S. 509) to establish the Kenai Mountains-Turnagain Arm National Heritage Area in the State of Alaska, and for other purposes, which had been reported from the Committee on Energy and Natural Resources with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Kenai Mountains-Turnagain Arm National Heritage Corridor Act of 2001".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the Kenai Mountains-Turnagain Arm transportation corridor is a major gateway to Alaska and includes a range of transportation routes used first by indigenous people who were followed by pioneers who settled the Nation's last frontier;

(2) the natural history and scenic splendor of the region are equally outstanding; vistas of nature's power include evidence of earthquake subsidence, recent avalanches, retreating glaciers and tidal action along Turnagain Arm, which has the world's second greatest tidal range;

(3) the cultural landscape formed by indigenous people and then by settlement, transportation and modern resource development in this rugged and often treacherous natural setting stands as powerful testimony to the human fortitude, perseverance, and resourcefulness that is America's proudest heritage from the people who settled the frontier;

(4) there is a national interest in recognizing, preserving, promoting, and interpreting these resources;

(5) the Kenai Mountains-Turnagain Arm region is geographically and culturally cohesive because it is defined by a corridor of historic routes—trail, water, railroad, and roadways through a distinct landscape of mountains, lakes, and fjords;

(6) national significance of separate elements of the region include, but are not limited to, the Iditarod National Historic Trail, the Seward Highway National Scenic Byway, and the Alaska Railroad National Scenic Railroad;

(7) national Heritage Corridor designation provides for the interpretation of these routes, as well as the national historic districts and numerous historic routes in the region as part of the whole picture of human history in the wider transportation corridor including early Native trade routes, connections by waterway, mining trail, and other routes;

(8) national Heritage Corridor designation also provides communities within the region with the motivation and means for "grass roots" regional coordination and partnerships with each other and with borough, State, and Federal agencies; and

(9) national Heritage Corridor designation is supported by the Kenai Peninsula Historical Association, the Seward Historical Commission, the Seward City Council, the Hope and Sunrise Historical Society, the Hope Chamber of Commerce, the Alaska Association for Historic Preservation, the Cooper Landing Community Club, the Alaska Wilderness Recreation and Tourism Association, Anchorage Historic Properties, the Anchorage Convention and Visitors Bureau, the Cook Inlet Historical Society, the Moose Pass Sportsman's Club, the Alaska Historical Commission, the Girdwood Board of Supervisors, the Kenai River Special Management Area Advisory Board, the Bird/Indian Community Council, the Kenai Peninsula Borough Trails Commission, the Alaska Division of Parks and Recreation, the Kenai Peninsula Borough, the Kenai Peninsula Tourism Marketing Council, and the Anchorage Municipal Assembly.

(b) PURPOSES.—The purposes of this Act are—

(1) to recognize, preserve, and interpret the historic and modern resource development and cultural landscapes of the Kenai Mountains-Turnagain Arm historic transportation corridor, and to promote and facilitate the public enjoyment of these resources; and

(2) to foster, through financial and technical assistance, the development of cooperative planning and partnerships among the communities and borough, State, and Federal Government entities.

SEC. 3. DEFINITIONS

In this Act:

(1) HERITAGE CORRIDOR.—The term "Heritage Corridor" means the Kenai Mountains-Turnagain Arm National Heritage Corridor established by section 4(a) of this Act.

(2) MANAGEMENT ENTITY.—The term "management entity" means the 11 member Board of Directors of the Kenai Mountains-Turnagain Arm National Heritage Corridor Communities Association, a non-profit corporation, established in accordance with the laws of the State of Alaska.

(3) MANAGEMENT PLAN.—The term "management plan" means the management plan for the Heritage Corridor.

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

SEC. 4. KENAI MOUNTAINS-TURNAGAIN ARM NATIONAL HERITAGE CORRIDOR.

(a) ESTABLISHMENT.—There is established the Kenai Mountains-Turnagain Arm National Heritage Corridor.

(b) BOUNDARIES.—The Heritage Corridor shall comprise the lands in the Kenai Mountains and upper Turnagain Arm region generally depicted on the map entitled "Kenai Peninsula/Turnagain Arm National Heritage Corridor", numbered "Map #KMTA—1, and dated "August 1999". The map shall be on file and available for public inspection in the offices of the

Alaska Regional Office of the National Park Service and in the offices of the Alaska State Heritage Preservation Officer.

SEC. 5. MANAGEMENT ENTITY.

(a) To carry out the purposes of this Act, the Secretary shall enter into a cooperative agreement with the management entity. The cooperative agreement shall be prepared with public participation and shall include information relating to the objectives and management of the Heritage Corridor, including the following:

(1) A discussion of the goals and objectives of the Heritage Corridor.

(2) An explanation of the proposed approach to conservation and interpretation of the Heritage Corridor.

(3) A general outline of the protection measures, to which the management entity commits.

(b) Nothing in this Act authorizes the management entity to assume any management authorities or responsibilities on Federal lands.

(c) Representatives of other organizations shall be invited and encouraged to participate with the management entity and in the development and implementation of the management plan, including but not limited to: The State Division of Parks and Outdoor Recreation; the State Division of Mining, Land and Water; the Forest Service; the State Historic Preservation Office; the Kenia Peninsula Borough, the Municipality of Anchorage; the Alaska Railroad, the Alaska Department of Transportation; and the National Park Service.

SEC. 6. AUTHORITIES AND DUTIES OF MANAGEMENT ENTITY.

(a) MANAGEMENT PLAN.—

(1) IN GENERAL.—Not later than 3 years after the Secretary enters into a cooperative agreement with the management entity, the management entity shall develop a management plan for the Heritage Corridor, taking into consideration existing Federal, State, borough, and local plans.

(2) CONTENTS.—The management plan shall include, but not be limited to—

(A) comprehensive recommendations for conservation, funding, management, and development of the Heritage Corridor;

(B) a description of agreements on actions to be carried out by public and private organizations to protect the resources of the Heritage Corridor;

(C) a list of specific and potential sources of funding to protect, manage, and develop the Heritage Corridor;

(d) an inventory of the known cultural and historic resources contained in the Heritage Corridor; and

(E) a description of the role and participation of other Federal, State, and local agencies that have jurisdiction on lands within the Heritage Corridor.

(b) PRIORITIES.—The management entity shall give priority to the implementation of actions, goals, and policies set forth in the cooperative agreement with the Secretary and the management plan, including assisting communities within the region in—

(1) carrying out programs which recognize important resource values in the Heritage Corridor;

(2) encouraging economic viability in the affected communities;

(3) establishing and maintaining interpretive exhibits in the Heritage Corridor;

(4) improving and interpreting heritage trails;

(5) increasing public awareness and appreciation for the natural, historical, and cultural resources and modern resource development of the Heritage Corridor;

(6) restoring historic buildings and structures that are located within the boundaries of the Heritage Corridor; and

(7) ensuring that clear, consistent, and appropriate signs identifying public access points and sites of interest are placed throughout the Heritage Corridor.

(c) PUBLIC MEETINGS.—The management entity shall conduct 2 or more public meetings each year regarding the initiation and implementation of the management plan for the Heritage Corridor. The management entity shall place a notice of each such meeting in a newspaper of general circulation in the Heritage Corridor and shall make the minutes of the meeting available to the public.

SEC. 7. DUTIES OF THE SECRETARY.

In accordance with the terms and conditions of the cooperative agreement and upon the request of the management entity, and subject to the availability of funds, the Secretary may provide administrative, technical, financial, design, development, and operations assistance to carry out the purposes of this Act.

SEC. 8. SAVINGS PROVISIONS.

(a) REGULATORY AUTHORITY.—Nothing in this Act shall be construed to grant powers of zoning or management of land use to the management entity of the Heritage Corridor.

(b) EFFECT ON AUTHORITY OF GOVERNMENTS.—Nothing in this Act shall be construed to modify, enlarge, or diminish any authority of the Federal, State, or local governments to manage or regulate any use of land as provided for by law or regulation.

(c) EFFECT ON BUSINESS.—Nothing in this Act shall be construed to obstruct or limit business activity on private development or resource development activities.

SEC. 9. PROHIBITION ON THE ACQUISITION OR REAL PROPERTY.

The management entity may not use funds appropriated to carry out the purposes of this Act to acquire real property or interest in real property.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

(a) FIRST YEAR.—For the first year $350,000 is authorized to be appropriated to carry our the purposes of this Act, and is made available upon the Secretary and the management entity entering into a cooperative agreement as authorized in section 3.

(b) IN GENERAL.—There is authorized to be appropriated not more than $1,000,000 to carry out the purposes of this Act for any fiscal year after the first year. Not more than $10,000,000, in the aggregate, may be appropriated for the Heritage Corridor.

(c) MATCHING FUNDS.—Federal funding provided under this Act shall be matched at least 25 percent by other funds or in-kind services.

(d) SUNSET PROVISION.—The Secretary may not make any grant or provide any assistance under this Act beyond 15 years from the date that the Secretary and management entity complete a cooperative agreement.

Amend the title so as to read: "To establish the Kenai Mountains-Turnagain Arm National Heritage Corridor in the State of Alaska, and for other purposes.".

The Committee amendment, in the nature of a substitute, was agreed to.

The title amendment was agreed to.

The bill (S. 509), as amended, was read the third time and passed.

FURTHER PROTECTIONS FOR THE WATERSHED OF THE LITTLE SANDY RIVER AS PART OF THE BULL RUN WATERSHED MANAGEMENT UNIT, OREGON

The bill (H.R. 427) to provide further protections for the watershed of the Little Sandy River as Part of the Bull Run Watershed Management Unit, Oregon, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF LAND TO CARSON CITY, NEVADA, FOR USE AS A SENIOR CENTER

The bill (H.R. 271) to direct the Secretary of the Interior to convey a former Bureau of Land Management administrative site to the city of Carson City, Nevada, for use as a senior center, was considered, ordered to a third reading, read the third time, and passed.

Mr. REID. Mr. President, I ask unanimous consent that Calendar Nos. 56 and 58 be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NORTHERN MARIANAS COVENANTS IMPLEMENTATION ACT

Mr. REID. Mr. President, for the information of all Senators, Calendar Order No. 63, S. 507, is something Senator AKAKA has been working on for a long time. It is the Northern Marianas Covenants Implementation Act. The majority leader has asked me to inform the Senate that he is going to move forward on this legislation sometime in the fall. This has been around a long time. We can't get consent to move forward, so we are going to move forward in the normal course.

NATIONAL COMMUNITY HEALTH CENTER WEEK

Mr. REID. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Con. Res. 59 and the Senate then proceed to its consideration.

The PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 59) expressing the sense of Congress that there should be established a National Community Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers.

There being no objection, the Senate proceeded to consider the concurrent resolution.

AMENDMENT NO. 1480

Mr. REID. Mr. President, I understand Senator HUTCHINSON has an amendment at the desk, and I ask for its consideration.

The PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. HUTCHINSON, proposes an amendment numbered 1480.

The amendment is as follows:

(Purpose: Expressing the Sense of Congress that there should be established a National Community Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers)

On page 3, line 4, insert after "Week", the following: "for the week beginning August 19, 2001,".

Mr. REID. Mr. President, I ask unanimous consent that the amendment be agreed to.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 1480) was agreed to.

Mr. REID. Mr. President, I ask unanimous consent the concurrent resolution, as amended, be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table, the above occurring with no intervening action or debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 59), as amended, was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 59

Whereas community, migrant, public housing, and homeless health centers are nonprofit and community owned and operated health providers that are vital to the Nation's communities;

Whereas there are more than 1,029 of these health centers serving nearly 12,000,000 people at 3,200 health delivery sites, spanning urban and rural communities in the 50 States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands;

Whereas these health centers have provided cost-effective, quality health care to the Nation's poor and medically underserved, including the working poor, the uninsured, and many high-risk and vulnerable populations;

Whereas these health centers act as a vital safety net in the Nation's health delivery system, meeting escalating health needs and reducing health disparities;

Whereas these health centers provide care to 1 of every 9 uninsured Americans, 1 of every 8 low-income Americans, and 1 of every 10 rural Americans, who would otherwise lack access to health care;

Whereas these health centers, and other innovative programs in primary and preventive care, reach out to 600,000 homeless persons and more than 650,000 farm workers;

Whereas these health centers make health care responsive and cost-effective by integrating the delivery of primary care with aggressive outreach, patient education, translation, and enabling support services;

Whereas these health centers increase the use of preventive health services such as immunizations, Pap smears, mammograms, and glaucoma screenings;

Whereas in communities served by these health centers, infant mortality rates have been reduced between 10 and 40 percent;

Whereas these health centers are built by community initiative;

Whereas Federal grants provide seed money empowering communities to find partners and resources and to recruit doctors and health professionals;

Whereas Federal grants, on average, contribute 28 percent of these health centers' budgets, with the remainder provided by State and local governments, Medicare, Medicaid, private contributions, private insurance, and patient fees;

Whereas these health centers are community oriented and patient focused;

Whereas these health centers tailor their services to fit the special needs and priorities of communities, working together with schools, businesses, churches, community organizations, foundations, and State and local governments;

Whereas these health centers contribute to the health and well-being of their communities by keeping children healthy and in school and helping adults remain productive and on the job;

Whereas these health centers engage citizen participation and provide jobs for 50,000 community residents; and

Whereas the establishment of a National Community Health Center Week for the week beginning August 19, 2001, would raise awareness of the health services provided by these health centers: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) there should be established a National Community Health Center Week for the week beginning August 19, 2001, to raise awareness of health services provided by community, migrant, public housing, and homeless health centers; and

(2) the President should issue a proclamation calling on the people of the United States and interested organizations to observe such a week with appropriate programs and activities.

THE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed en bloc to the consideration of the following calendar items relating to postal designations: Calendar No. 125, S. 737; Calendar No. 126, S. 970; Calendar No. 128, S. 1026; Calendar No. 133, H.R. 364; Calendar No. 134, H.R. 821; Calendar No. 135, H.R. 1183; Calendar No. 136, H.R. 1753; and Calendar No. 131, H.R. 2043.

Mr. President, I ask unanimous consent that the bills be read a third time, passed, the motions to reconsider be laid on the table en bloc, that the consideration of these items appear separately in the RECORD, and that any statements relating thereto be printed in the RECORD, with no intervening action or debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

JOSEPH E. DINI, JR. POST OFFICE

The bill (S. 737) to designate the facility of the U.S. Postal Service located at 811 South Main Street in Yerington, Nevada, as the "Joseph E. Dini, Jr. Post Office" was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

S. 737

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. JOSEPH E. DINI, JR. POST OFFICE.

(a) DESIGNATION.—The facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, shall be known and designated as the "Joseph E. Dini, Jr. Post Office".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Joseph E. Dini, Jr. Post Office.

HORATIO KING POST OFFICE BUILDING

The bill (S. 970) to designate the facility of the U.S. Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the "Horatio King Post Office Building" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 970

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. HORATIO KING POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, shall be known as the "Horatio King Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Horatio King Post Office Building.

PAT KING POST OFFICE BUILDING

The bill (S. 1026) to designate the U.S. Post Office located at 60 Third Avenue in Long Branch, New Jersey, as the "Pat King Post Office Building" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1026

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF PAT KING POST OFFICE BUILDING.

The United States Post Office located at 60 Third Avenue in Long Branch, New Jersey, shall be known and designated as the "Pat King Post Office Building".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States Post Office referred to in section 1 shall be deemed to be a reference to the Pat King Post Office Building.

MARJORY WILLIAMS SCRIVENS POST OFFICE

The bill (H.R. 364) to designate the facility of the U.S. Postal Service located at 5927 Southwest 70th Street in Miami, Florida, as the "Marjory Williams Scrivens Post Office" was read the third time and passed.

W. JOE TROGDON POST OFFICE BUILDING

The bill (H.R. 821) to designate the facility of the U.S. Postal Service located at 1030 South Church Street in Asheboro, North Carolina, as the "W. Joe Trogdon Post Office Building" was read the third time and passed.

G. ELLIOT HAGAN POST OFFICE BUILDING

The bill (H.R. 1183) to designate the facility of the U.S. Postal Service located at 113 South Main Street in Sylvania, Georgia, as the "G. Elliot Hagan Post Office Building" was read the third time and passed.

M. CALDWELL BUTLER POST OFFICE BUILDING

The bill (H.R. 1753) to designate the facility of the U.S. Postal Service located at 419 Rutherford Avenue, N.E., in Roanoke, Virginia, as the "M. Caldwell Butler Post Office Building" was read the third time and passed.

ELWOOD HAYNES "BUD" HILLIS POST OFFICE BUILDING

The bill (H.R. 2043) to designate the facility of the U.S. Postal Service located at 2719 South Webster Street in Kokomo, Indiana, as the "Elwood Haynes 'Bud' Hillis Post Office Building" was read the third time and passed.

FEDERAL EMERGENCY MANAGEMENT FOOD AND SHELTER PROGRAMS REAUTHORIZATION

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 129, S. 1144.

The PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1144) to amend title III of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11331 et seq.) to reauthorize the Federal Emergency Management Food and Shelter Program, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating thereto be printed in the RECORD, with no intervening action or debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (S. 1144) was read the third time and passed, as follows:

S. 1144

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

Section 322 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11352) is amended to read as follows:

"SEC. 322. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title $150,000,000 for fiscal year 2002; $160,000,000 for fiscal year 2003, and $170,000,000 for fiscal year 2004.".

SEC. 2. NAME CHANGE TO NOMINATING ORGANIZATION.

Section 301(b) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11331(b)) is amended by striking paragraph (5) and inserting the following:

"(5) United Jewish Communities.".

SEC. 3. PARTICIPATION OF HOMELESS INDIVIDUALS ON LOCAL BOARDS.

Section 316(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11346(a)) is amended by striking paragraph (6) and inserting the following:

"(6) guidelines requiring each local board to include in their membership not less than 1 homeless individual, former homeless individual, homeless advocate, or recipient of food or shelter services, except that such guidelines may waive such requirement for any board unable to meet such requirement if the board otherwise consults with homeless individuals, former homeless individuals, homeless advocates, or recipients of food or shelter services.".

FRANCHISE FUND PILOT PROGRAMS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 137, S. 1198.

The PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1198) to reauthorize Franchise Fund pilot programs.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating thereto be printed in the RECORD, with no intervening action or debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (S. 1198) was read the third time and passed, as follows:

S. 1198

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REAUTHORIZATION OF FRANCHISE FUND PILOT PROGRAMS.

Section 403(f) of the Federal Financial Management Act of 1994 (31 U.S.C. 501 note) is amended by striking "October 1, 2001" and inserting "October 1, 2002".

FEDERAL FIREFIGHTERS RETIREMENT AGE FAIRNESS ACT

Mr. REID. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Calendar No. 132, H.R. 93.

The PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 93) to amend title 5, United States Code, to provide that the mandatory separation age for Federal firefighters be made the same as the age that applies with respect to Federal law enforcement officers.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating thereto be printed in the RECORD, with no intervening action or debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (H.R. 93) was read the third time and passed.

Mrs. FEINSTEIN. Mr. President, today, I applaud my colleagues for passing the Federal Firefighters Retirement Age Fairness Act. This legislation raises the mandatory retirement age for Federal firefighters from 55 to 57.

Federal firefighters are first on the scene to many types of disasters in addition to fires. They respond to hazardous materials threats and terrorist incidents such as the bombing of the World Trade Center in 1993.

Due to an oversight, however, Federal firefighters are currently the only Federal law enforcement employees required to retire at 55 years.

Because many Federal firefighters wish to continue providing their services to the American people after the age of 55, they are frequently hired back by the Federal Government as "consultants." Private consultants charge a higher fee than Federal firefighters' salaries. As a result, the Federal Government pays more money for the same individuals' services, simply because they are over the age of 55.

This bill does not change the minimum age to retire with full benefits. If an individual wishes to retire at 55, he or she may do so without penalty. The legislation gives firefighters the option of working until the age of 57 if they wish.

The bill enjoys broad bipartisan support and the endorsement of key labor organizations such as the American Federation of Government Employees, the National Association of Government Employees, and the International Association of Fire Chiefs.

According to the Congressional Budget Office, this legislation will save taxpayers more than $4 million over the next four years. Federal firefighting capabilities are being sorely tested; we need to make it possible for agencies to retain experienced, qualified firefighters.

"The Federal Firefighters Retirement Age Fairness Act" was the first bill the House of Representatives passed unanimously this year. I am pleased my colleagues here in the Senate chose to support this important legislation, as well.

COMMISSION ON THE BICENTENNIAL OF THE LOUISIANA PURCHASE

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 117, S. 356.

The PRESIDENT pro tempore. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 356) to establish a National Commission on the Bicentennial of the Louisiana Purchase.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Louisiana Purchase Bicentennial Commission Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) the Bicentennial of the Louisiana Purchase occurs in 2003, 200 years after the United States, under the leadership of President Thomas Jefferson and after due consideration and approval by Congress, paid $15,000,000 to France in order to acquire the vast area in the western half of the Mississippi River Basin;

(2) the Louisiana Purchase was the largest peaceful land transaction in history, virtually doubling the size of the United States;

(3) the Louisiana Purchase opened the heartland of the North American continent for exploration, settlement, and achievement to the people of the United States;

(4) in the wake of the Louisiana Purchase, the new frontier attracted immigrants from around the world and became synonymous with the search for spiritual, economic, and political freedom;

(5) today the States of Arkansas, Colorado, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming make up what was the Louisiana Territory; and

(6) commemoration of the Louisiana Purchase and the opening of the West would—

(A) enhance public understanding of the impact of westward expansion on the society of the United States; and

(B) provide lessons for continued democratic governance in the United States.

SEC. 3. DEFINITIONS.

In this Act:

(1) Bicentennial.—The term "Bicentennial" means the 200th anniversary of the Louisiana Purchase.

(2) Commission.—The term "Commission" means the National Commission on the Bicentennial of the Louisiana Purchase established under section 4(a).

SEC. 4. ESTABLISHMENT OF COMMISSION.

(a) Establishment.—There is established a commission to be known as the "National Commission on the Bicentennial of the Louisiana Purchase".

(b) Duties.—The Commission shall plan, encourage, coordinate, and conduct the commemoration of the Bicentennial.

(c) Membership.—

(1) Numbers and Appointment.—The Commission shall be composed of 20 members, including—

(A) 14 members consisting of the governor, or their designee, of each State that made up the Louisiana Territory;

(B) the Director of the National Museum of American History of the Smithsonian Institution or his designee;

(C) the Librarian of Congress or his designee;

(D) as chosen by the Commission, the president or head of 2 United States historical societies, foundations, or organizations of National stature or prominence;

(E) the Secretary of Education or his designee; and

(F) 2 members from the largest Federally recognized Native American tribes within the territory.

(2) International Participation.—The President may invite the Governments of France and Spain to appoint 1 individual each to serve as a nonvoting member of the Commission.

(3) Date of Appointments.—The appointment of a member of the Commission described in paragraph (1) shall be made not later than 120 days after the date of enactment of this Act.

(d) Term; Vacancies.—

(1) Term.—A member shall be appointed for the life of the Commission.

(2) Vacancy.—A vacancy on the Commission—

(A) shall not affect the powers of the Commission; and

(B) shall be filled in the same manner as the original appointment was made.

(e) Organization and Initial Meeting.—No later than 90 days after the date of enactment of this Act, the Commission shall meet and select a Chairperson, Vice Chairperson, and Executive Director.

(f) Meetings.—The Commission shall meet at the call of the Chairperson described under subsection (h).

(g) Quorum.—A quorum of the Commission for decision-making purposes shall be 11 members, except that a lesser number of members, as determined by the Commission, may conduct meetings.

(h) Chairperson.—The Commission shall select a Chairperson of the Commission from the members designated under subsection (c)(1). The Chairperson may be removed by a vote of a majority of the Commission's members.

SEC. 5. DUTIES.

(a) In General.—The Commission shall—

(1) plan and develop activities appropriate to commemorate the Bicentennial including a limited number of proposed projects to be undertaken by the appropriate Federal departments and agencies that commemorate the Bicentennial by seeking to harmonize and balance the important goals of ceremony and celebration with the equally important goals of scholarship and education;

(2) consult with and encourage Indian tribes, appropriate Federal departments and agencies, State and local governments, elementary and secondary schools, colleges and universities, foreign governments, and private organizations to organize and participate in Bicentennial activities commemorating or examining—

(A) the history of the Louisiana Territory;

(B) the negotiations of the Louisiana Purchase;

(C) voyages of discovery;

(D) frontier movements; and

(E) the westward expansion of the United States;

(3) coordinate activities throughout the United States and internationally that relate to the history and influence of the Louisiana Purchase; and

(4) encourage the publication of popular and scholarly works related to the Louisiana purchase.

(b) Reports.—

(1) In general.—Not later than 1 year before the Bicentennial date, the Commission shall submit to the President and Congress a comprehensive report that includes specific recommendations for—

(A) the allocation of financial and administrative responsibility among participating entities and persons with respect to commemoration of the Bicentennial; and

(B) the commemoration of the Bicentennial and related events through programs and activities, such as—

(i) the production, publication, and distribution of books, pamphlets, films, electronic publications, and other educational materials focusing on the history and impact of the Louisiana Purchase on the United States and the world;

(ii) bibliographical and documentary projects, publications, and electronic resources;

(iii) conferences, convocations, lectures, seminars, and other programs;

(iv) the development of programs by and for libraries, museums, parks and historic sites, including international and national traveling exhibitions;

(v) ceremonies and celebrations commemorating specific events;

(vi) the production, distribution, and performance of artistic works, and of programs and activities, focusing on the international and national significance of the Louisiana Purchase and the westward movement opening the frontier for present and future generations; and

(vii) the issuance of commemorative coins, medals, certificates of recognition, and stamps.

(2) Annual Report.—In each fiscal year in which the Commission is in existence, the Commission shall prepare and submit to Congress a report describing the activities of the Commission during the fiscal year. Each annual report shall also include—

(A) recommendations regarding appropriate activities to commemorate the centennial of the Louisiana Purchase, including—

(i) the production, publication, and distribution of books, pamphlets, films, and other educational materials;

(ii) bibliographical and documentary projects and publications;

(iii) conferences, convocations, lectures, seminars, and other similar programs;

(iv) the development of exhibits for libraries, museums, and other appropriate institutions;

(v) ceremonies and celebrations commemorating specific events that relate to the Louisiana Purchase;

(vi) programs focusing on the history of the Louisiana Purchase and its benefits to the United States and humankind; and

(vii) competitions, commissions, and awards regarding historical, scholarly, artistic, literary, musical, and other works, programs, and projects related to the centennial of the Louisiana Purchase;

(B) recommendations to appropriate agencies or advisory bodies regarding the issuance of commemorative coins, medals, and stamps by the United States relating to aviation or the centennial of the Louisiana Purchase;

(C) recommendations for any legislation or administrative action that the Commission determines to be appropriate regarding the commemoration of the centennial of the Louisiana Purchase;

(D) an accounting of funds received and expended by the Commission in the fiscal year that the report concerns, including a detailed description of the source and amount of any funds donated to the Commission in the fiscal year; and

(E) an accounting of any cooperative agreements and contract agreements entered into by the Commission.

(3) Final Report.—Not later than 1 year after the Bicentennial date, the Commission

shall submit to the President and Congress a final report. The final report shall contain—

(A) a summary of the activities of the Commission;

(B) a final accounting of funds received and expended by the Commission;

(C) any findings and conclusions of the Commission; and

(D) specific recommendations concerning the final disposition of any historically significant items acquired by the Commission, including items donated to the Commission.

(c) ASSISTANCE.—In carrying out this Act, the Commission shall consult, cooperate with, and seek advice and assistance from appropriate Federal departments and agencies.

SEC. 6. POWERS OF THE COMMISSION.

(a) IN GENERAL.—The Commission may provide for—

(1) the preparation, distribution, dissemination, exhibition, and sale of historical, commemorative, and informational materials and objects that will contribute to public awareness of, and interest in, the Bicentennial, except that any commemorative coin, medal, or postage stamp recommended to be issued by the United States shall be sold only by a Federal department or agency;

(2) competitions and awards for historical, scholarly, artistic, literary, musical, and other works, programs, and projects relating to the Bicentennial;

(3) a Bicentennial calendar or register of programs and projects, and in other ways provide a central clearinghouse for information and coordination regarding dates, events, places, documents, artifacts, and personalities of Bicentennial historical and commemorative significance; and

(4) the design and designation of logos, symbols, or marks for use in connection with the commemoration of the Bicentennial shall establish procedures regarding their use.

(b) FEDERAL COOPERATION.—To ensure the overall success of the Commission's efforts, the Commission may call upon various Federal departments and agencies to assist in and give support to the programs of the Commission. The head of the Federal department or agency, where appropriate, shall furnish the information or assistance requested by the Commission, unless prohibited by law.

(c) PROHIBITION OF PAY OTHER THAN TRAVEL EXPENSES.—Members of an advisory committee or task force of the Commission shall not receive pay, but may receive travel expenses pursuant to policies adopted by the Commission. Members who are Federal employees shall not receive travel expenses if otherwise reimbursed by the Federal Government.

(d) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action that the Commission is authorized to take under this Act.

(e) AUTHORITY TO PROCURE AND TO MAKE LEGAL AGREEMENTS.—

(1) IN GENERAL.—Notwithstanding any other provision in this Act, only the Commission may procure supplies, services, and property, and make or enter into leases and other legal agreements in order to carry out this Act.

(2) RESTRICTION.—

(A) IN GENERAL.—A contract, lease, or other legal agreement made or entered into by the Commission may not extend beyond the date of the termination of the Commission.

(B) FEDERAL SUPPORT.—The Commission shall obtain property, equipment, and office space from the General Services Administration or the Smithsonian Institution, unless other office space, property, or equipment is less costly.

(3) SUPPLIES AND PROPERTY POSSESSED BY COMMISSION AT TERMINATION.—Any supplies and property, except historically significant items, that are acquired by the Commission under this Act and remain in the possession of the Commission on the date of the termination of the Commission shall become the property of the General Services Administration upon the date of termination.

(f) ADVISORY COMMITTEE.—The Commission may appoint such advisory committees as the Commission determines necessary to carry out the purposes of this Act.

SEC. 7. ADMINISTRATION.

(a) LOCATION OF OFFICE.—

(1) CENTRAL OFFICE.—The central office of the Commission shall be in Washington, D.C.

(2) ADDITIONAL OFFICES.—The Commission shall establish 2 additional offices in New Orleans, Louisiana, and St. Louis, Missouri.

(b) EXECUTIVE DIRECTOR.—There shall be an Executive Director appointed by the Commission and chosen from among detailees from the agencies and organizations represented on the Commission. The Executive Director may be paid at a rate not to exceed the maximum rate of basic pay payable for the Senior Executive Service.

(c) STAFF.—The Commission may appoint and fix the pay of any additional personnel that it considers appropriate, except that an individual appointed under this subsection may not receive pay in excess of the maximum rate of basic pay payable for GS–14 of the General Schedule.

(d) INAPPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Executive Director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, except as provided under subsections (a) and (b) of this section.

(e) MERIT SYSTEM PRINCIPLES.—The appointment of the Executive Director or any personnel of the Commission under subsection (a) or (b) shall be made consistent with the merit system principles under section 2301 of title 5, United States Code.

(f) STAFF OF FEDERAL AGENCIES.—Upon request by the Chairperson of the Commission, the head of any Federal department or agency may detail, on either a nonreimbursable or reimbursable basis, any of the personnel of the department or agency to the Commission to assist the Commission to carry out its duties under this Act.

(g) ADMINISTRATIVE SUPPORT SERVICES.—The Secretary of the Smithsonian Institution may provide to the Commission on a reimbursable basis any administrative support services that are necessary to enable the Commission to carry out this Act.

(h) COOPERATIVE AGREEMENTS.—The Commission may enter into cooperative agreements with other Federal agencies, State and local governments, and nonprofit organizations that will contribute to public awareness of and interest in the centennial of the Louisiana Purchase and toward furthering the goals and purposes of this Act.

(i) PROGRAM SUPPORT.—The Commission may receive program support from the nonprofit sector.

(j) MEMBERS' COMPENSATION.—

(1) IN GENERAL.—A member of the Commission shall serve without compensation.

(2) TRAVEL EXPENSES.—The Commission may adopt a policy, only by unanimous vote, for members of the Commission and related advisory panels to receive travel expenses, including per diem in lieu of subsistence. The policy may not exceed the levels established under sections 5702 and 5703 of title 5, United States Code. Members who are Federal employees shall not receive travel expenses if otherwise reimbursed by the Federal Government.

(k) OTHER REVENUES AND EXPENDITURES.—The Commission may procure supplies, services, and property, enter into contracts, and expend funds appropriated, donated, or received to carry out contracts.

(l) POSTAL SERVICES.—The Commission may use the United States mail to carry out this Act in the same manner and under the same conditions as other agencies of the Federal Government.

SEC. 8. CONTRIBUTIONS.

(a) DONATIONS.—The Commission may solicit, accept, and use donations of money, property, or personal services and historic materials relating to the implementation of its responsibilities under the provisions of this Act. The Commission shall not accept donations the value of which exceeds—

(1) $50,000 annually with respect to an individual; and

(2) $250,000 annually with respect to any person other than an individual.

(b) VOLUNTEER SERVICES.—Notwithstanding section 1342 of title 31, United States Code, the Commission may accept and use voluntary and uncompensated services as the Commission determines necessary.

(c) REMAINING FUNDS.—Any funds (including funds received from licensing royalties) remaining with the Commission on the date of the termination of the Commission may be used to ensure proper disposition, as specified in the final report required under section 10(b), of historically significant property which was donated to or acquired by the Commission. Any funds remaining after such disposition shall be transferred to the Secretary of the Treasury for deposit into the general fund of the Treasury of the United States.

(d) ACQUIRED ITEMS.—Any book, manuscript, miscellaneous printed matter, memorabilia, relic, and other material or property relating to the time period of the Louisiana Purchase acquired by the Commission may be deposited for preservation in national, State, or local libraries, museums, archives, or other agencies with the consent of the depositary institution.

SEC. 9. EXCLUSIVE RIGHT TO NAME, LOGOS, EMBLEMS, SEALS, AND MARKS.

(a) IN GENERAL.—The Commission may devise any logo, emblem, seal, or descriptive or designating mark that is required to carry out its duties or that it determines is appropriate for use in connection with the commemoration of the Bicentennial of the Louisiana Purchase.

(b) LICENSING.—The Commission shall have the sole and exclusive right to use, or to allow or refuse the use of, the name "National Commission on the Bicentennial of the Louisiana Purchase" on any logo, emblem, seal, or descriptive or designating mark that the Commission lawfully adopts.

(c) EFFECT ON OTHER RIGHTS.—No provision of this section may be construed to conflict or interfere with established or vested rights.

(d) USE OF FUNDS.—Funds from licensing royalties received pursuant to this section shall be used by the Commission to carry out the duties of the Commission specified by this Act.

(e) LICENSING RIGHTS.—All exclusive licensing rights, unless otherwise specified, shall revert to the National Museum of American History upon termination of the Commission.

SEC. 10. AUDIT OF FINANCIAL TRANSACTIONS.

(a) IN GENERAL.—

(1) AUDIT.—The Comptroller General of the United States shall audit on an annual basis the financial transactions of the Commission, including financial transactions involving donated funds, in accordance with generally accepted auditing standards.

(2) ACCESS.—In conducting an audit under this section, the Comptroller General.—

(A) shall have access to all books, accounts, financial records, reports, files, and other papers, items, or property in use by the Commission, as necessary to facilitate the audit; and

(B) shall be afforded full facilities for verifying the financial transactions of the Commission, including access to any financial records or securities held for the Commission by depositories, fiscal agents, or custodians.

(b) FINAL REPORT.—Not later than 120 days after the date on which the Commission submits its final report, the Comptroller General of the United States shall submit to the President and to Congress a report detailing the results of any audit of the financial transactions of the Commission conducted by the Comptroller General.

SEC. 11. TERMINATION OF THE COMMISSION.

Not later than 60 days after the submission of the final report, the Commission shall terminate.

SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Subject to subsections (b) and (c), there are authorized to be appropriated to carry out the purposes of this Act $250,000 for each of the fiscal years 2002, 2003, and 2004.

(b) AVAILABILITY OF FUNDS.—Amounts appropriated under this section for any fiscal year shall remain available until March 31, 2004.

Ms. LANDRIEU. Mr. President, today I rise to urge passage of the Louisiana Purchase Bicentennial Commission Act. This legislation creates a commission to celebrate the 200th anniversary of the Louisiana Purchase. I am honored to have sponsored this legislation with Senators BREAUX, LINCOLN, HUTCHINSON, DOMENICI, BAUCUS, and HATCH. The passage of this legislation voices appropriate celebration on the value of the United States' peaceful expansion westward.

The Louisiana Purchase cost the United States $15 million but it doubled the size of the country overnight and brought vast natural resources that had been as yet untapped. To quote Tallyrand, "You have made a noble bargain for yourselves and I suppose you will make the most of it." For the United States, it was only the beginning of an expansion that would stretch from the Atlantic Ocean to the Pacific Ocean.

All or part of 15 States were created from the land acquired in this purchase. It made possible the travels of Lewis and Clark, whose invaluable insight into the peoples and land beyond the Mississippi River emboldened many Americans to search for a new life out West. Around the world, the American Frontier became synonymous with the search for spiritual, economic, and political freedom. The Louisiana Purchase helped shape the American destiny. Commemoration of the Louisiana Purchase and the related opening of the West can enhance public understanding of the impact of the democratic westward expansion on American society.

This bill creates a Commission that will edify, publish, and display the importance of the Louisiana Purchase to all Americans. This bipartisan commission is partially modeled after the celebration of the American Bicentennial—striving to be inclusive of Americans. The commission will include important officials from each state created from the Purchase, museum and education officials, as well as members of Native American Tribes originating on the lands included in the Purchase. These officials will work together to recommend, organize, and oversee the 200th anniversary of the Louisiana Purchase. Commission tasks include planning the issuance of coins, stamps, medals, and certificates of recognition. Under a coordinated effort with libraries, museums, and historical sites, they will develop education programs for exhibit and display. The commission will produce and publish educational materials focusing on the history and the impact of the Louisiana Purchase. This is certainly not an exhaustive list, the commission will be tasked with many efforts. but, it is an insight into the important role that the commission will fulfill.

I thank the Judiciary Committee in their preparation and passage of this bill. Together, the chairman and the ranking member of the Judiciary Committee were incredibly supportive. This was truly a bipartisan effort. I thank my colleagues for recognizing the great value of honoring this momentous occasion, and together, as Americans, we can celebrate the breadth and distance of our Nation's vision.

Mr. REID. Mr. President, I ask unanimous consent that the committee amendment be agreed to, the bill, as amended, be read the third time and passed, the motion to reconsider be laid upon the table, with no intervening action, and that any statements relating to the bill be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the several requests are agreed to.

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 356), as amended, was read the third time and passed.

ESTABLISHING A COMMISSION FOR COMMEMORATION OF 50TH ANNIVERSARY OF SUPREME COURT DECISION IN BROWN V. BOARD OF EDUCATION

Mr. REID. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Calendar No. 120, H.R. 2133.

The PRESIDENT pro tempore. The clerk will read the title of the bill.

The legislative clerk read as follows:

A bill (H.R. 2133) to establish a commission for the purpose of encouraging and providing for the commemoration of the 50th anniversary of the Supreme Court decision in Brown v. Board of Education.

There being no objection, the Senate proceeded to consider the bill, which had been reported by the Committee on the Judiciary with amendments, as follows:

[Omit the parts in black brackets and insert the part printed in italic.]

H.R. 2133

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that as the Nation approaches May 17, 2004, marking the 50th anniversary of the Supreme Court decision in Oliver L. Brown et al. v. Board of Education of Topeka, Kansas et al., it is appropriate to establish a national commission to plan and coordinate the commemoration of that anniversary.

SEC. 2. ESTABLISHMENT.

There is established a commission to be known as the "Brown v. Board of Education 50th Anniversary Commission" (referred to in this Act as the "Commission").

SEC. 3. DUTIES.

In order to commemorate the 50th anniversary of the Brown decision, the Commission shall—

(1) in conjunction with the Department of Education, plan and coordinate public education activities and initiatives, including public lectures, writing contests, and public awareness campaigns, through the Department of Education's ten regional offices; and

(2) in cooperation with the Brown Foundation for Educational Equity, Excellence, and Research in Topeka, Kansas (referred to in this Act as the "Brown Foundation"), and such other public or private entities as the Commission considers appropriate, encourage, plan, develop, and coordinate observances of the anniversary of the Brown decision.

SEC. 4. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed as follows:

(1) Two representatives of the Department of Education appointed by the Secretary of Education, one of whom shall serve as **[**Chair**]** *one of two Co-chairpersons* of the Commission.

(2) Two representatives of the Department of Justice appointed by the Attorney General, one of whom shall serve as one of two Co-chairpersons of the Commission.

[(2)**]** *(3)* Eleven individuals appointed by the President after receiving recommendations as follows:

[(A) Members of the Senate from each of the States in which the lawsuits decided by the Brown decision were originally filed, Delaware, Kansas, South Carolina, and Virginia, and from the State of the first legal challenge, Massachusetts, shall jointly recommend to the President one individual from their respective States.

[(B) Members of the House of Representatives from each of the States referred to in subparagraph (A) shall jointly recommend to the President one individual from their respective States.**]**

(A)(i) The Members of the Senate from each State described in clause (iii) shall each submit the name of 1 individual from the State to the majority leader and minority leader of the Senate.

(ii) After review of the submissions made under clause (i), the majority leader of the Senate, in consultation with the minority leader of the Senate, shall recommend to the President 5 individuals, 1 from each of the States described in clause (iii).

(iii) The States described in this clause are the States in which the lawsuits decided by the Brown decision were originally filed (Delaware, Kansas, South Carolina, and Virginia), and the State of the first legal challenge involved (Massachusetts).

(B)(i) The Members of the House of Representatives from each State described in subparagraph (A)(iii) shall each submit the name of 1 individual from the State to the Speaker of the House of Representatives and the minority leader of the House of Representatives.

(ii) After review of the submissions made under clause (i), the Speaker of the House of Representatives, in consultation with the minority leader of the House of Representatives, shall recommend to the President 5 individuals, 1 from each of the States described in subparagraph (A)(iii).

(C) The Delegate to the House of Representatives from the District of Columbia shall recommend to the President one individual from the District of Columbia.

[(3)] *(4)* Two representatives of the judicial branch of the Federal Government appointed by the Chief Justice of the United States Supreme Court.

[(4)] *(5)* Two representatives of the Brown Foundation.

[(5)] *(6)* Two representatives of the NAACP Legal Defense and Education Fund.

[(6)] *(7)* One representative of the Brown v. Board of Education National Historic Site.

(b) Terms.—Members of the Commission shall be appointed for the life of the Commission.

(c) Vacancies.—A vacancy in the Commission shall be filled in the same manner as the original appointment.

(d) Compensation.—

(1) In general.— Members of the Commission shall serve without pay.

(2) Travel expenses.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

(e) Quorum.—A majority of members of the Commission shall constitute a quorum.

(f) Meetings.—The Commission shall hold its first meeting not later than 6 months after the date of enactment of this Act. The Commission shall subsequently meet at the call of [the Chair] *a Co-chairperson* or a majority of its members.

(g) Executive Director and Staff.— The Commission may secure the services of an executive director and staff personnel as it considers appropriate.

SEC. 5. POWERS.

(a) Powers of Members and Agents.—Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take under this Act.

(b) Gifts and Donations.—

(1) Authority to accept.—The Commission may accept and use gifts or donations of money, property, or personal services.

(2) Disposition of property.—Any books, manuscripts, miscellaneous printed matter, memorabilia, relics, or other materials donated to the Commission which relate to the Brown decision, shall, upon termination of the Commission—

(A) be deposited for preservation in the Brown Foundation Collection at the Spencer Research Library at the University of Kansas in Lawrence, Kansas; or

(B) be disposed of by the Commission in consultation with the Librarian of Congress, and with the express consent of the Brown Foundation and the Brown v. Board of Education National Historic Site.

(c) Mails.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

SEC. 6. REPORTS.

(a) Interim Reports.—The Commission shall transmit interim reports to the President and the Congress not later than December 31 of each year. Each such report shall include a description of the activities of the Commission during the year covered by the report, an accounting of any funds received or expended by the Commission during such year, and recommendations for any legislation or administrative action which the Commission considers appropriate.

(b) Final Report.—The Commission shall transmit a final report to the President and the Congress not later than December 31, 2004. Such report shall include an accounting of any funds received or expended, and the disposition of any other properties, not previously reported.

SEC. 7. TERMINATION.

(a) Date.—The Commission shall terminate on such date as the Commission may determine, but not later than February 1, 2005.

(b) Disposition of Funds.—Any funds held by the Commission on the date the Commission terminates shall be deposited in the general fund of the Treasury.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $250,000 for the period encompassing fiscal years 2003 and 2004 to carry out this Act, to remain available until expended.

Mr. REID. Mr. President, I ask unanimous consent that the committee amendments be agreed to, the bill, as amended, be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the Record.

The PRESIDENT pro tempore. Without objection, the several requests are agreed to.

The committee amendments were agreed to.

The bill (H.R. 2133), as amended, was read the third time and passed.

ESTABLISHING A COMMISSION FOR COMMEMORATION OF 50TH ANNIVERSARY OF SUPREME COURT DECISION IN BROWN V. BOARD OF EDUCATION

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 119, S. 1046.

The PRESIDENT pro tempore. The clerk will state the title of the bill.

The legislative clerk read as follows:

A bill (S. 1046) to establish a commission for the purpose of encouraging and providing for the commemoration of the 50th anniversary of the Supreme Court decision in Brown v. Board of Education.

There being no objection, the Senate proceeded to consider the bill, which had been reported by the Committee on the Judiciary with amendments, as follows:

[Omit the parts in black brackets and insert the part printed in italic.]

S. 1046

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress finds that as the Nation approaches May 17, 2004, marking the 50th anniversary of the Supreme Court decision in Oliver L. Brown et al. v. Board of Education of Topeka, Kansas et al., it is appropriate to establish a national commission to plan and coordinate the commemoration of that anniversary.

SEC. 2. ESTABLISHMENT.

There is established a commission to be known as the "Brown v. Board of Education 50th Anniversary Commission" (referred to in this Act as the "Commission").

SEC. 3. DUTIES.

In order to commemorate the 50th anniversary of the Brown decision, the Commission shall—

(1) in conjunction with the Department of Education, plan and coordinate public education activities and initiatives, including public lectures, writing contests, and public awareness campaigns, through the Department of Education's ten regional offices;

(2) in cooperation with the Brown Foundation for Educational Equity, Excellence, and Research in Topeka, Kansas, (referred to in this Act as the "Brown Foundation") and such other public or private entities as the Commission considers appropriate, encourage, plan, develop, and coordinate observances of the anniversary of the Brown decision; and

(3) submit recommendations to the Congress relating to a joint session of Congress for the purpose of commemorating the anniversary.

SEC. 4. MEMBERSHIP.

(a) Number and Appointment.—The Commission shall be composed as follows:

(1) Two representatives of the Department of Education appointed by the Secretary of Education, one of whom shall serve as [Chair] *one of two Co-chairpersons* of the Commission.

(2) Two representatives of the Department of Justice appointed by the Attorney General, one of whom shall serve as one of two Co-chairpersons of the Commission.

[(2)]*(3)* Eleven individuals appointed by the President after receiving recommendations as follows:

[(A) Members of the Senate from each of the States in which the lawsuits decided by the Brown decision were originally filed, Delaware, Kansas, South Carolina, and Virginia, and from the State of the first legal challenge, Massachusetts, shall jointly recommend to the President one individual from their respective States.

[(B) Members of the House of Representatives from each of the States referred to in subparagraph (A) shall jointly recommend to the President one individual from their respective States.]

(A)(i) The Members of the Senate from each State described in clause (iii) shall each submit the name of 1 individual from the State to the majority leader and minority leader of the Senate.

(ii) After review of the submissions made under clause (i), the majority leader of the Senate, in consultation with the minority leader of the Senate, shall recommend to the President 5 individuals, 1 from each of the States described clause (iii).

(iii) The States described in this clause are the States in which the lawsuits decided by the Brown decision were originally filed (Delaware, Kansas, South Carolina, and Virginia), and the State of the first legal challenge involved (Massachusetts).

(B)(i) The Members of the House of Representatives from each State described in subparagraph (A)(iii) shall each submit the name of 1 individual from the State to the Speaker of the House of Representatives and the minority leader of the House of Representatives.

(ii) After review of the submissions made under clause (i), the Speaker of the House of Representatives, in consultation with the minority leader of the House of Representatives, shall recommend to the President 5 individuals, 1 from each of the States described in subparagraph (A)(iii).

(C) The Delegate to the House of Representatives from the District of Columbia shall recommend to the President one individual from the District of Columbia.

⟦(3)⟧*(4)* Two representatives of the judicial branch of the Federal Government appointed by the Chief Justice of the United States Supreme Court.

⟦(4)⟧*(5)* Two representatives of the Brown Foundation.

⟦(5)⟧*(6)* Two representatives of the NAACP Legal Defense and Education Fund.

⟦(6)⟧*(7)* One representative of the Brown v. Board of Education National Historic Site.

(b) TERMS.—Members of the Commission shall be appointed for the life of the Commission.

(c) VACANCIES.—A vacancy in the Commission shall be filled in the same manner as the original appointment.

(d) COMPENSATION.—

(1) IN GENERAL.— Members of the Commission shall serve without pay.

(2) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

(e) QUORUM.—A majority of members of the Commission shall constitute a quorum.

(f) MEETINGS.—The Commission shall hold its first meeting not later than 6 months after the date of enactment of this Act. The Commission shall subsequently meet at the call of ⟦the Chair⟧ *a Co-chairperson* or a majority of its members.

(g) EXECUTIVE DIRECTOR AND STAFF.— The Commission may secure the services of an executive director and staff personnel as it considers appropriate.

SEC. 5. POWERS.

(a) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take under this Act.

(b) GIFTS AND DONATIONS.—

(1) AUTHORITY TO ACCEPT.—The Commission may accept and use gifts or donations of money, property, or personal services.

(2) DISPOSITION OF PROPERTY.—Any books, manuscripts, miscellaneous printed matter, memorabilia, relics, or other materials donated to the Commission which relate to the Brown decision; shall, upon termination of the Commission—

(A) be deposited for preservation in the Brown Foundation Collection at the Spencer Research Library at the University of Kansas in Lawrence, Kansas; or

(B) be disposed of by the Commission in consultation with the Librarian of Congress, and with the express consent of the Brown Foundation and the Brown v. Board of Education National Historic Site.

(c) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

SEC. 6. REPORTS.

(a) INTERIM REPORTS.—The Commission shall transmit interim reports to the President and Congress not later than December 31 of each year. Each such report shall include a description of the activities of the Commission during the year covered by the report, an accounting of any funds received or expended by the Commission during such year, and recommendations for any legislation or administrative action which the Commission considers appropriate.

(b) FINAL REPORT.—The Commission shall transmit a final report to the President and Congress not later than December 31, 2004. Such report shall include an accounting of any funds received or expended, and the disposition of any other properties, not previously reported.

SEC. 7. TERMINATION.

(a) DATE.—The Commission shall terminate on such date as the Commission may determine, but not later than February 1, 2005.

(b) DISPOSITION OF FUNDS.—Any funds held by the Commission on the date the Commission terminates shall be deposited in the general fund of the Treasury.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated at total of $300,000 for fiscal years 2003 and 2004 to carry out this Act, to remain available until expended.

Mr. ROBERTS. Mr. President, today I rise in support of S. 1046, the Brown v. Board of Education 50th Anniversary Commission bill, which Senator BROWNBACK and I introduced. 2004 marks the 50th anniversary of this landmark Supreme Court decision which found the doctrine of "separate but equal" to be patently unconstitutional. In 2004, it will have been half a century since Oliver Brown of Topeka, Kansas, on behalf of his daughter, Linda, fought the menace of racism and won. This watershed case is an important victory in the civil rights movement, and this Congressional Commission will allow us to fully celebrate and reflect on what this decision has meant to our nation.

On May 17, 1954, in the *Brown v. the Board of Education* decision, the high court issued a definitive interpretation of the 14th Amendment to the United States Constitution. The Court stated that the discriminatory nature of racial segregation ". . . violates the 14th Amendment to the U.S. Constitution, which guarantees all citizens equal protection of the laws." This case brought relief not only to the families from four states and the District of Columbia who were combined under the Brown case, but to individuals throughout our country as it marked a turning point in our Nation's history.

This bill, S. 1046, allows for the establishment of a Congressional Commission to celebrate this historical occasion, by developing public education initiatives and coordinating observances in conjunction with the Brown Foundation for Educational Equality, Excellence and Research in Topeka. The Brown Foundation is concurrently working with the National Park Service in order to convert Linda Brown's former all-black elementary school into a historic site in time for the 50th anniversary.

I'd like to thank Chairman LEAHY and Ranking Member HATCH for their expeditious consideration of this important legislation. I'd also like to thank the Kansas Congressional Delegation for all their work on this issue as well. Finally, I'd like to thank Cheryl Brown Henderson, Linda's sister, who is the Executive Director of the Brown Foundation. Her untiring work has furthered the legacy of the Brown decision and allowed the vision of a Congressional Commission to become closer to a reality.

Mr. BROWNBACK. Mr. President, I rise today to express my thanks to my Senate colleagues for passing S. 1046, a bill that creates a commission to commemorate the 40th anniversary of *Brown* v. *Board*. I would especially like to thank Senator PAT ROBERTS of Kansas who introduced this bill into the Senate and Senator PATRICK LEAHY of Vermont for his leadership in helping me to move this legislation through his committee.

I thank Cheryl Brown Henderson of the Brown Foundation, whose father, Oliver Brown brought the suit against the Topeka Board of Education on behalf of his daughter, Linda Brown. Cheryl has been a steadfast leader in ensuring that the *Brown* decision and legacy continues not only in the State of Kansas but throughout the nation, and she has been very instrumental in creating this legislation that was passed in the Senate today.

I stand before the Senate today proud that Kansas has played an intricate role in shaping our Nation. From "Bleeding Kansas" to the "Exodus to Kansas" to *Brown* v. *Board*, Kansas has been one State in this nation that has led our country in addressing race relations in this country. And I am very proud of that history and legacy.

As you know, the history of desegregating our public school system started before *Brown* v. *Board* with such cases as *Murray* v. *Maryland* and *Sweatt* v. *Painter*. But it was *Brown* v. *Board* that set the fire of the public outrage and changed the course of America's history and the way in which we view equality in the eyes of the law.

Before *Brown*, many States in the United States enforced racially segregated laws—this was an atrocious practice. Many individuals claimed that as a direct result of the 1896 *Plessy* v. *Ferguson* case, which sanctioned the separate but equal doctrine, school segregation was, in fact, legal and culturally acceptable. Oliver Brown, a citizen of Topeka, Kansas joined with other individuals and filed a lawsuit against the Topeka School Board on behalf of his 7-year-old daughter, Linda.

Like other young African Americans, Linda had to cross a set of railroad tracks and board a bus to take her to the "colored" school on the other side of the city where she lived—even though a school for white children was located only a few blocks from her home. This was the basis for the landmark case. There were many notable African Americans who helped to bring this case to the Supreme Court of the United States, however, none so famous as Supreme Court Justice Thurgood Marshall who valiantly defended the rights of not only Linda Brown, but of an entire race of individuals who were treated as second-class citizens.

On May 17, 1954, the Supreme Court rendered its decision that ruled racial segregation in schools in unconstitutional, violating the 14th Amendment of the United States Constitution, which states among other things that, "no state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States."

When the Court ruled in 1954 that school segregation laws were unconstitutional, the Supreme Court demolished the legal foundation on which racial segregation stood. The Court's opinion, written and delivered by Chief Justice Earl Warren, also served as a stirring moral indictment of racial segregation, and an eloquent challenge to America to cast off its prejudices and extend its promises of life, liberty, and the pursuit of happiness to all citizens, regardless of race or color.

This Commission will comprise individuals representing the states that were involved in the Brown case originally filed, Delaware, Kansas, South Carolina, and Virginia, and from the first legal challenge, Massachusetts. The Commission will be charged with planning and coordinating public education activities and initiatives, including public lectures, writing contests, and public awareness campaigns throughout the nation.

In addition, the Commission will work with the Brown Foundation for Educational Equity, Excellence and Research (located in Topeka, Kansas) to plan, develop and coordinate observances of the anniversary of the Brown decision. And finally, the Commission will submit recommendations to the United States Congress relating to a joint session of Congress to commemorate the Brown v. Board anniversary.

I am proud that we were able to pass this legislation today that will honor this historic case—one that set the pace for racial equality in the 20th century, and caused a nation to rethink the meaning of racial equality and tolerance for the betterment of our country.

Mr. REID. Mr. President, I ask unanimous consent that the committee amendments be agreed to, the bill, as amended, be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered. The several requests are agreed to en bloc.

The committee amendments were agreed to.

The bill (S. 1046), as amended, was read the third time and passed, as follows:

S. 1046

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress finds that as the Nation approaches May 17, 2004, marking the 50th anniversary of the Supreme Court decision in Oliver L. Brown et al. v. Board of Education of Topeka, Kansas et al., it is appropriate to establish a national commission to plan and coordinate the commemoration of that anniversary.

SEC. 2. ESTABLISHMENT.

There is established a commission to be known as the "Brown v. Board of Education 50th Anniversary Commission" (referred to in this Act as the "Commission").

SEC. 3. DUTIES.

In order to commemorate the 50th anniversary of the Brown decision, the Commission shall—

(1) in conjunction with the Department of Education, plan and coordinate public education activities and initiatives, including public lectures, writing contests, and public awareness campaigns, through the Department of Education's ten regional offices;

(2) in cooperation with the Brown Foundation for Educational Equity, Excellence, and Research in Topeka, Kansas, (referred to in this Act as the "Brown Foundation") and such other public or private entities as the Commission considers appropriate, encourage, plan, develop, and coordinate observances of the anniversary of the Brown decision; and

(3) submit recommendations to the Congress relating to a joint session of Congress for the purpose of commemorating the anniversary.

SEC. 4. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed as follows:

(1) Two representatives of the Department of Education appointed by the Secretary of Education, one of whom shall serve as one of two Co-chairpersons of the Commission.

(2) Two representatives of the Department of Justice appointed by the Attorney General, one of whom shall serve as one of two Co-chairpersons of the Commission.

(3) Eleven individuals appointed by the President after receiving recommendations as follows:

(A)(i) The Members of the Senate from each State described in clause (iii) shall each submit the name of 1 individual from the State to the majority leader and minority leader of the Senate.

(ii) After review of the submissions made under clause (i), the majority leader of the Senate, in consultation with the minority leader of the Senate, shall recommend to the President 5 individuals, 1 from each of the States described in clause (iii).

(iii) The States described in this clause are the States in which the lawsuits decided by the Brown decision were originally filed (Delaware, Kansas, South Carolina, and Virginia), and the State of the first legal challenge involved (Massachusetts).

(B)(i) The Members of the House of Representatives from each State described in subparagraph (A)(iii) shall each submit the name of 1 individual from the State to the Speaker of the House of Representatives and the minority leader of the House of Representatives.

(ii) After review of the submissions made under clause (i), the Speaker of the House of Representatives, in consultation with the minority leader of the House of Representatives, shall recommend to the President 5 individuals, 1 from each of the States described in subparagraph (A)(iii).

(C) The Delegate to the House of Representatives from the District of Columbia shall recommend to the President one individual from the District of Columbia.

(4) Two representatives of the judicial branch of the Federal Government appointed by the Chief Justice of the United States Supreme Court.

(5) Two representatives of the Brown Foundation.

(6) Two representatives of the NAACP Legal Defense and Education Fund.

(7) One representative of the Brown v. Board of Education National Historic Site.

(b) TERMS.—Members of the Commission shall be appointed for the life of the Commission.

(c) VACANCIES.—A vacancy in the Commission shall be filled in the same manner as the original appointment.

(d) COMPENSATION.—

(1) IN GENERAL.— Members of the Commission shall serve without pay.

(2) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5, United States Code.

(e) QUORUM.—A majority of members of the Commission shall constitute a quorum.

(f) MEETINGS.—The Commission shall hold its first meeting not later than 6 months after the date of enactment of this Act. The Commission shall subsequently meet at the call of a Co-chairperson or a majority of its members.

(g) EXECUTIVE DIRECTOR AND STAFF.— The Commission may secure the services of an executive director and staff personnel as it considers appropriate.

SEC. 5. POWERS.

(a) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take under this Act.

(b) GIFTS AND DONATIONS.—

(1) AUTHORITY TO ACCEPT.—The Commission may accept and use gifts or donations of money, property, or personal services.

(2) DISPOSITION OF PROPERTY.—Any books, manuscripts, miscellaneous printed matter, memorabilia, relics, or other materials donated to the Commission which relate to the Brown decision, shall, upon termination of the Commission—

(A) be deposited for preservation in the Brown Foundation Collection at the Spencer Research Library at the University of Kansas in Lawrence, Kansas; or

(B) be disposed of by the Commission in consultation with the Librarian of Congress, and with the express consent of the Brown Foundation and the Brown v. Board of Education National Historic Site.

(c) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

SEC. 6. REPORTS.

(a) INTERIM REPORTS.—The Commission shall transmit interim reports to the President and Congress not later than December 31 of each year. Each such report shall include a description of the activities of the

Commission during the year covered by the report, an accounting of any funds received or expended by the Commission during such year, and recommendations for any legislation or administrative action which the Commission considers appropriate.

(b) FINAL REPORT.—The Commission shall transmit a final report to the President and Congress not later than December 31, 2004. Such report shall include an accounting of any funds received or expended, and the disposition of any other properties, not previously reported.

SEC. 7. TERMINATION.

(a) DATE.—The Commission shall terminate on such date as the Commission may determine, but not later than February 1, 2005.

(b) DISPOSITION OF FUNDS.—Any funds held by the Commission on the date the Commission terminates shall be deposited in the general fund of the Treasury.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated at total of $300,000 for fiscal years 2003 and 2004 to carry out this Act, to remain available until expended.

NATIONAL VETERANS AWARENESS WEEK

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 118, S. Res. 143.

The PRESIDENT pro tempore. The clerk will read the title of the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 143) expressing the sense of Senate regarding the development of educational programs on veterans' contributions to the country, and the designation of the week of November 11 through November 17, 2001, as "National Veterans Awareness Week".

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to en bloc, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD, with no intervening action or debate.

The PRESIDENT pro tempore. Without objection; it is so ordered.

The resolution (S. Res. 143) was agreed to.

The preamble was agreed to.

The resolution, will appear in a future edition of the RECORD.

THE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed en bloc to the consideration of the following calendar items: Calendar No. 121, S. Res. 138, Calendar No. 122, S. Res. 145, Calendar No. 123, S. Res. 146; that the resolutions be agreed to en bloc, the preambles be agreed to, a title amendment, where appropriate, be agreed to, the motion to reconsider be laid upon the table, the consideration of these items appear separately in the RECORD, and that any statements relating to the resolutions be printed in the RECORD, without any intervening action or debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL PROSTATE CANCER AWARENESS MONTH

The Senate proceeded to consider the resolution (S. Res. 138) designating the month of September as "National Prostate Cancer Awareness Month," which was reported from the Committee on the Judiciary with an amendment, as follows:

[Insert the part printed in italic.]

S. RES. 138

Whereas over 1,000,000 American families live with prostate cancer;

Whereas 1 American man in 6 will be diagnosed with prostate cancer in his lifetime;

Whereas prostate cancer is the most commonly diagnosed nonskin cancer and the second most common cancer killer of American men;

Whereas 198,100 American men will be diagnosed with prostate cancer and 31,500 American men will die of prostate cancer in 2001, according to American Cancer Society estimates;

Whereas fully ¼ of new cases of prostate cancer occur in men during their prime working years;

Whereas African Americans have the highest incidence and mortality rates of prostate cancer in the world;

Whereas screening by both digit rectal examination and prostate specific antigen blood test (PSA) can diagnose the disease in earlier and more treatable stages and have reduced prostate cancer mortality;

Whereas the research pipeline promises further improvements in prostate cancer prevention, early detection, and treatments; and

Whereas educating Americans, including health care providers, about prostate cancer and early detection strategies is crucial to saving men's lives and preserving and protecting our families: Now, therefore, be it

Resolved, That the Senate—

(1) designates the month of September as "National Prostate Cancer Awareness Month";

(2) declares that the Federal Government has a responsibility—

(A) to raise awareness about the importance of screening methods and treatment of prostate cancer;

(B) to increase research funding that is commensurate with the burden of the disease so that the causes of, and improved screening, treatments, and a cure for, prostate cancer may be discovered; and

(C) to continue to consider ways for improving access to, and the quality of, health care services for detecting and treating prostate cancer; and

(3) requests the President to issue a proclamation calling upon the people of the United States, interested groups, and affected persons to promote awareness of prostate cancer, to take an active role in the fight to end the devastating effects of prostate cancer on individuals, their families, and the economy and to observe the month of September *2001* with appropriate ceremonies and activities.

Amend the title so as to read: "Resolution designating the month of September 2001 as 'National Prostate Cancer Awareness Month'.".

The committee amendment was agreed to.

The resolution (S. Res. 138), as amended, was agreed to.

The preamble was agreed to.

The title amendment was agreed to.

The resolution, as amended, with its preamble, reads as follows:

S. RES. 138

Whereas over 1,000,000 American families live with prostate cancer;

Whereas 1 American man in 6 will be diagnosed with prostate cancer in his lifetime;

Whereas prostate cancer is the most commonly diagnosed nonskin cancer and the second most common cancer killer of American men;

Whereas 198,100 American men will be diagnosed with prostate cancer and 31,500 American men will die of prostate cancer in 2001, according to American Cancer Society estimates;

Whereas fully ¼ of new cases of prostate cancer occur in men during their prime working years;

Whereas African Americans have the highest incidence and mortality rates of prostate cancer in the world;

Whereas screening by both digit rectal examination and prostate specific antigen blood test (PSA) can diagnose the disease in earlier and more treatable stages and have reduced prostate cancer mortality;

Whereas the research pipeline promises further improvements in prostate cancer prevention, early detection, and treatments; and

Whereas educating Americans, including health care providers, about prostate cancer and early detection strategies is crucial to saving men's lives and preserving and protecting our families: Now, therefore, be it

Resolved, That the Senate—

(1) designates the month of September *2001* as "National Prostate Cancer Awareness Month";

(2) declares that the Federal Government has a responsibility—

(A) to raise awareness about the importance of screening methods and treatment of prostate cancer;

(B) to increase research funding that is commensurate with the burden of the disease so that the causes of, and improved screening, treatments, and a cure for, prostate cancer may be discovered; and

(C) to continue to consider ways for improving access to, and the quality of, health care services for detecting and treating prostate cancer; and

(3) requests the President to issue a proclamation calling upon the people of the United States, interested groups, and affected persons to promote awareness of prostate cancer, to take an active role in the fight to end the devastating effects of prostate cancer on individuals, their families, and the economy and to observe the month of September 2001 with appropriate ceremonies and activities.

Amend the title so as to read: "Resolution designating the month of September 2001 as 'National Prostate Cancer Awareness Month'.".

RECOGNIZING IMMIGRANTS HELPED BY HEBREW IMMIGRANT AID SOCIETY

The resolution (S. Res. 145) recognizing the 4,500,000 immigrants helped by the Hebrew Immigrant Aid Society was considered and agreed to and the preamble was agreed to, as follows:

S. RES. 145

Whereas the United States has always been a country of immigrants and was built on the hard work and dedication of generations of those immigrants who have gathered on our shores;

Whereas, over the past 120 years, more than 4,500,000 migrants of all faiths have immigrated to the United States, Israel, and other safe havens around the world through the aid of the Hebrew Immigrant Aid Society (referred to in this resolution as 'HIAS'), the oldest international migration and refugee resettlement agency in the United States;

Whereas, since the 1970s, more than 400,000 refugees from more than 50 countries who have fled areas of conflict and instability, danger and persecution, have resettled in the United States with the high quality assistance of HIAS;

Whereas outstanding individuals such as former Secretary of State Henry Kissinger, artist Marc Chagall, Olympic gold-medalist Lenny Krayzelberg, poet and Nobel Laureate Joseph Brodsky, and author and restaurateur George Lang have been assisted by HIAS;

Whereas these immigrants and refugees have been provided with information, counseling, legal assistance, and other services, including outreach programs for the Russian-speaking immigrant community, with the assistance of HIAS; and

Whereas on September 9, 2001, HIAS will celebrate the 120th anniversary of its founding: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes the contributions of the 4,500,000 immigrants and refugees served by HIAS to the United States and democracies throughout the world in the arts, sciences, government, and in other areas; and

(2) requests that the President issue a proclamation—

(A) recognizing September 9, 2001, as the 120th anniversary of the founding of the Hebrew Immigrant Aid Society; and

(B) calling on the people of the United States to conduct appropriate ceremonies, activities, and programs to demonstrate appreciation for the contributions made by the millions of immigrants and refugees served by HIAS.

LOUIS ARMSTRONG DAY

The resolution (S. Res. 146) designating August 4, 2001, as "Louis Armstrong Day" was considered and agreed to and the preamble was agreed to, as follows:

S. RES. 146

Whereas Louis Armstrong's artistic contribution as an instrumentalist, vocalist, arranger, and bandleader is one of the most significant contributions in 20th century American music;

Whereas Louis Armstrong's thousands of performances and hundreds of recordings created a permanent body of musical work defining American music in the 20th century, from which musicians continue to draw inspiration;

Whereas Louis Armstrong and his bandmates served as international ambassadors of goodwill for the United States, entertaining and uplifting millions of people of all races around the world;

Whereas Louis Armstrong is one of the most well-known, respected, and beloved African-Americans of the 20th century;

Whereas Louis Armstrong was born to a poor family in New Orleans on August 4, 1901 and died in New York City on July 6, 1971 having been feted by kings and presidents throughout the world as one of our Nation's greatest musicians; and

Whereas August 4, 2001 is the centennial of Louis Armstrong's birth: Now, therefore, be it

Resolved, That the Senate—

(1) designates August 4, 2001, as "Louis Armstrong Day"; and

(2) requests that the President issue a proclamation calling upon the people of the United States to observe the day with appropriate ceremonies and activities.

ORDER FOR RECORD TO REMAIN OPEN

Mr. REID. Mr. President, I ask unanimous consent that the RECORD remain open until 4:30 p.m. today for insertion of statements and the introduction of bills.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDERS FOR TUESDAY, SEPTEMBER 4, 2001

Mr. REID. I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10 a.m., Tuesday, September 4. I further ask consent that on Tuesday, immediately following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate conduct a period of morning business until 11 a.m., with Senators permitted to speak for up to 10 minutes each, with the following exceptions:

Senator THOMAS or his designee from 10 a.m. to 10:30; Senator DURBIN or his designee from 10:30 until 11 a.m.

Further, that at 11 a.m. the Senate begin consideration of S. 149, the Export Administration Act, and that the Senate recess from 12:30 to 2:15 p.m. for the weekly party conferences.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. I certainly hope the Presiding Officer has a productive and uneventful break and returns with his usual vim and vigor, leading the Senate with the wise knowledge accumulated all these years.

PROGRAM

Mr. REID. On Tuesday, September 4, the Senate will convene at 10 a.m. with morning business until 11 a.m. At 11 a.m. the Senate will begin consideration of the Export Administration Act. We will have our usual Tuesday conference.

ADJOURNMENT UNTIL 10 A.M., TUESDAY, SEPTEMBER 4, 2001

Mr. REID. Therefore, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the provisions of H. Con. Res. 208.

There being no objection, the Senate, at 3:55 p.m., adjourned until Tuesday, September 4, 2001, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate August 3, 2001:

FEDERAL RESERVE SYSTEM

MARK W. OLSON, OF MINNESOTA, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR THE UNEXPIRED TERM OF FOURTEEN YEARS FROM FEBRUARY 1, 1996, VICE ALICE M. RIVLIN, RESIGNED.

DEPARTMENT OF STATE

JACKSON MCDONALD, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF THE GAMBIA.

JOHN MALCOLM ORDWAY, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ARMENIA.

SPECIAL PANEL ON APPEALS

JOHN L. HOWARD, OF ILLINOIS, TO BE CHAIRMAN OF THE SPECIAL PANEL ON APPEALS FOR A TERM OF SIX YEARS, VICE BARBARA JEAN MAHONE, TERM EXPIRED.

DEPARTMENT OF JUSTICE

MARGARET M. CHIARA, OF MICHIGAN, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF MICHIGAN FOR THE TERM OF FOUR YEARS, VICE MICHAEL HAYES DETTMER, RESIGNED.

ROBERT J. CONRAD, JR., OF NORTH CAROLINA, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF NORTH CAROLINA FOR THE TERM OF FOUR YEARS, VICE MARK TIMOTHY CALLOWAY, RESIGNED.

JAMES MING GREENLEE, OF MISSISSIPPI, TO BE UNITED STATES ATTORNEY FOR THE NORTHERN DISTRICT OF MISSISSIPPI FOR THE TERM OF FOUR YEARS, VICE CALVIN D. BUCHANAN, RESIGNED.

TERRELL LEE HARRIS, OF TENNESSEE, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF TENNESSEE FOR THE TERM OF FOUR YEARS, VICE VERONICA FREEMAN COLEMAN, RESIGNED.

STEPHEN BEVILLE PENCE, OF KENTUCKY, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF KENTUCKY FOR THE TERM OF FOUR YEARS, VICE STEVEN S. REED, RESIGNED.

GREGORY F. VAN TATENHOVE, OF KENTUCKY, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF KENTUCKY FOR THE TERM OF FOUR YEARS, VICE JOSEPH LESLIE FAMULARO, RESIGNED.

DEPARTMENT OF LABOR

FREDERICO JUARBE, JR., OF VIRGINIA, TO BE ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT AND TRAINING, VICE ESPIRIDION A. BORREGO.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

LT. GEN. PAUL J. KERN, 5577

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. KEVIN P. BYRNES, 7639

EXECUTIVE OFFICE OF THE PRESIDENT

SCOTT M. BURNS, OF UTAH, TO BE DEPUTY DIRECTOR FOR STATE AND LOCAL AFFAIRS, OFFICE OF NATIONAL DRUG CONTROL POLICY. (NEW POSITION)

DEPARTMENT OF TRANSPORTATION

JOSEPH M. CLAPP, OF NORTH CAROLINA, TO BE ADMINISTRATOR OF THE FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION. (NEW POSITION)

DEPARTMENT OF JUSTICE

THOMAS B. HEFFELFINGER, OF MINNESOTA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF MINNESOTA FOR THE TERM OF FOUR YEARS, VICE BYRON TODD JONES, RESIGNED.

PATRICK LEO MEEHAN, OF PENNSYLVANIA, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF PENNSYLVANIA FOR THE TERM OF FOUR YEARS, VICE MICHAEL RANKIN STILES, RESIGNED.

DEPARTMENT OF AGRICULTURE

ELSA A. MURANO, OF TEXAS, TO BE UNDER SECRETARY OF AGRICULTURE FOR FOOD SAFETY, VICE CATHERINE E. WOTEKI, RESIGNED.

DEPARTMENT OF STATE

MARCELLE M. WAHBA, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE UNITED ARAB EMIRATES.

DEPARTMENT OF THE TREASURY

B. JOHN WILLIAMS, JR., OF VIRGINIA, TO BE CHIEF COUNSEL FOR THE INTERNAL REVENUE SERVICE AND AN ASSISTANT GENERAL COUNSEL IN THE DEPARTMENT OF THE TREASURY, VICE STUART L. BROWN, RESIGNED.

DEPARTMENT OF JUSTICE

JAY S. BYBEE, OF NEVADA, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE RANDOLPH D. MOSS, RESIGNED.

FEDERAL RESERVE SYSTEM

SUSAN SCHMIDT BIES, OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR A TERM OF FOURTEEN YEARS FROM FEBRUARY 1, 1998, VICE SUSAN MEREDITH PHILLIPS, RESIGNED.

CONFIRMATIONS

Executive Nominations Confirmed by the Senate August 3, 2001:

DEPARTMENT OF THE TREASURY

KENNETH W. DAM, OF ILLINOIS, TO BE DEPUTY SECRETARY OF THE TREASURY.

MICHELE A. DAVIS, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE TREASURY.

JAMES GURULE, OF MICHIGAN, TO BE UNDER SECRETARY OF THE TREASURY FOR ENFORCEMENT.

PETER R. FISHER, OF NEW JERSEY, TO BE AN UNDER SECRETARY OF THE TREASURY.

DEPARTMENT OF COMMERCE

MICHAEL J. GARCIA, OF NEW YORK, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

LINDA MYSLIWY CONLIN, OF NEW JERSEY, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

DEPARTMENT OF THE TREASURY

HENRIETTA HOLSMAN FORE, OF NEVADA, TO BE DIRECTOR OF THE MINT FOR A TERM OF FIVE YEARS.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

MICHAEL MINORU FAWN LIU, OF ILLINOIS, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT.

MELODY H. FENNEL, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT.

DEPARTMENT OF COMMERCE

DAVID A. SAMPSON, OF TEXAS, TO BE ASSISTANT SECRETARY OF COMMERCE FOR ECONOMIC DEVELOPMENT.

ENVIRONMENTAL PROTECTION AGENCY

JEFFREY R. HOLMSTEAD, OF COLORADO, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY.

GEORGE TRACY MEHAN, III, OF MICHIGAN, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY.

JUDITH ELIZABETH AYRES, OF CALIFORNIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY.

DEPARTMENT OF STATE

RICHARD J. EGAN, OF MASSACHUSETTS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO IRELAND.

VINCENT MARTIN BATTLE, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF LEBANON.

RICHARD HENRY JONES, OF NEBRASKA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE STATE OF KUWAIT.

CRAIG ROBERTS STAPLETON, OF CONNECTICUT, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE CZECH REPUBLIC.

ROBERT GEERS LOFTIS, OF COLORADO, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF LESOTHO.

DANIEL R. COATS, OF INDIANA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERAL REPUBLIC OF GERMANY.

THEODORE H. KATTOUF, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE SYRIAN ARAB REPUBLIC.

MAUREEN QUINN, OF NEW JERSEY, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE STATE OF QATAR.

JOSEPH GERARD SULLIVAN, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ZIMBABWE.

JOHNNY YOUNG, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SLOVENIA.

EDWARD WILLIAM GNEHM, JR., OF GEORGIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE HASHEMITE KINGDOM OF JORDAN.

R. NICHOLAS BURNS, OF MASSACHUSETTS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE UNITED STATES PERMANENT REPRESENTATIVE ON THE COUNCIL OF THE NORTH ATLANTIC TREATY ORGANIZATION, WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.

EDMUND JAMES HULL, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF YEMEN.

NANCY GOODMAN BRINKER, OF FLORIDA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF HUNGARY.

CHRISTOPHER WILLIAM DELL, OF NEW JERSEY, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ANGOLA.

JEANNE L. PHILLIPS, OF TEXAS, TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT, WITH THE RANK OF AMBASSADOR.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

CAROLE BROOKINS, OF INDIANA, TO BE UNITED STATES EXECUTIVE DIRECTOR OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT FOR A TERM OF TWO YEARS.

INTERNATIONAL MONETARY FUND

RANDAL QUARLES, OF UTAH, TO BE UNITED STATES EXECUTIVE DIRECTOR OF THE INTERNATIONAL MONETARY FUND FOR A TERM OF TWO YEARS.

OVERSEAS PRIVATE INVESTMENT CORPORATION

ROSS J. CONNELLY, OF MAINE, TO BE EXECUTIVE VICE PRESIDENT OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION.

AGENCY FOR INTERNATIONAL DEVELOPMENT

PATRICK M. CRONIN, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.

ENVIRONMENTAL PROTECTION AGENCY

ROBERT E. FABRICANT, OF NEW JERSEY, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY.

GENERAL SERVICES ADMINISTRATION

DANIEL R. LEVINSON, OF MARYLAND, TO BE INSPECTOR GENERAL, GENERAL SERVICES ADMINISTRATION.

DEPARTMENT OF ENERGY

THERESA ALVILLAR-SPEAKE, OF CALIFORNIA, TO BE DIRECTOR OF THE OFFICE OF MINORITY ECONOMIC IMPACT, DEPARTMENT OF ENERGY.

DEPARTMENT OF TRANSPORTATION

JEFFREY WILLIAM RUNGE, OF NORTH CAROLINA, TO BE ADMINISTRATOR OF THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION.

NATIONAL TRANSPORTATION SAFETY BOARD

JOHN ARTHUR HAMMERSCHMIDT, OF ARKANSAS, TO BE A MEMBER OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 31, 2002.

DEPARTMENT OF COMMERCE

OTTO WOLFF, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

OTTO WOLFF, OF VIRGINIA, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF COMMERCE.

NANCY VICTORY, OF VIRGINIA, TO BE ASSISTANT SECRETARY OF COMMERCE FOR COMMUNICATIONS AND INFORMATION.

DEPARTMENT OF DEFENSE

H.T. JOHNSON, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE NAVY.

JOHN P. STENBIT, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF DEFENSE.

MICHAEL L. DOMINGUEZ, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE AIR FORCE.

NELSON F. GIBBS, OF CALIFORNIA, TO BE AN ASSISTANT SECRETARY OF THE AIR FORCE.

MARIO P. FIORI, OF GEORGIA, TO BE AN ASSISTANT SECRETARY OF THE ARMY.

RONALD M. SEGA, OF COLORADO, TO BE DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING.

DEPARTMENT OF VETERANS AFFAIRS

CLAUDE M. KICKLIGHTER, OF GEORGIA, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (POLICY AND PLANNING).

JOHN A. GAUSS, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (INFORMATION AND TECHNOLOGY).

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

JANET REHNQUIST, OF VIRGINIA, TO BE INSPECTOR GENERAL, DEPARTMENT OF HEALTH AND HUMAN SERVICES.

ALEX AZAR II, OF MARYLAND, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.

DEPARTMENT OF LABOR

JOHN LESTER HENSHAW, OF MISSOURI, TO BE AN ASSISTANT SECRETARY OF LABOR.

EMILY STOVER DEROCCO, OF PENNSYLVANIA, TO BE AN ASSISTANT SECRETARY OF LABOR.

DEPARTMENT OF STATE

MARTIN J. SILVERSTEIN, OF PENNSYLVANIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE ORIENTAL REPUBLIC OF URUGUAY.

DEPARTMENT OF THE TREASURY

ROSARIO MARIN, OF CALIFORNIA, TO BE TREASURER OF THE UNITED STATES.

EXECUTIVE OFFICE OF THE PRESIDENT

JON M. HUNTSMAN, JR., OF UTAH, TO BE A DEPUTY UNITED STATES TRADE REPRESENTATIVE, WITH THE RANK OF AMBASSADOR.

DEPARTMENT OF JUSTICE

ROBERT D. MCCALLUM, JR., OF GEORGIA, TO BE AN ASSISTANT ATTORNEY GENERAL.

THE JUDICIARY

LYNN LEIBOVITZ, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FIFTEEN YEARS.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601 AND TO BE APPOINTED AS CHIEF OF STAFF, UNITED STATES AIR FORCE UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTION 8033:

To be general

AIR FORCE NOMINATION OF GEN. JOHN P. JUMPER.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

AIR FORCE NOMINATION OF LT. GEN. PAUL V. HESTER.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

ARMY NOMINATION OF LT. GEN. LARRY R. ELLIS.

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MARINE CORPS NOMINATION OF LT. GEN. EARL B. HAILSTON.

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

NAVY NOMINATION OF CAPT. CHRISTOPHER C. AMES.
NAVY NOMINATION OF CAPT. MICHAEL C. BACHMANN.
NAVY NOMINATION OF CAPT. REUBIN B. BOOKERT.
NAVY NOMINATION OF CAPT. STANLEY D. BOZIN.
NAVY NOMINATION OF CAPT. JEFFREY A. BROOKS.
NAVY NOMINATION OF CAPT. CHARLES T. BUSH.
NAVY NOMINATION OF CAPT. JOHN D. BUTLER.
NAVY NOMINATION OF CAPT. JEFFREY B. CASSIAS.
NAVY NOMINATION OF CAPT. BRUCE W. CLINGAN.
NAVY NOMINATION OF CAPT. DONNA L. CRISP.
NAVY NOMINATION OF CAPT. WILLIAM D. CROWDER.
NAVY NOMINATION OF CAPT. PATRICK W. DUNNE.
NAVY NOMINATION OF CAPT. DAVID A. GOVE.
NAVY NOMINATION OF CAPT. RICHARD D. JASKOT.
NAVY NOMINATION OF CAPT. STEPHEN E. JOHNSON.
NAVY NOMINATION OF CAPT. GARY R. JONES.
NAVY NOMINATION OF CAPT. JAMES D. KELLY.
NAVY NOMINATION OF CAPT. DONALD P. LOREN.
NAVY NOMINATION OF CAPT. JOSEPH MAGUIRE.
NAVY NOMINATION OF CAPT. ROBERT T. MOELLER.
NAVY NOMINATION OF CAPT. ROBERT B. MURRETT.
NAVY NOMINATION OF CAPT. ROBERT D. REILLY JR.
NAVY NOMINATION OF CAPT. JACOB L. SHUFORD.
NAVY NOMINATION OF CAPT. PAUL S. STANLEY.
NAVY NOMINATION OF CAPT. PATRICK M. WALSH.

ARMY NOMINATIONS BEGINNING BYUNG H * AHN AND ENDING ELIZABETH S * YOUNGBERG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 12, 2001.

MARINE CORPS NOMINATIONS BEGINNING MICHAEL K TOELLNER AND ENDING MICHAEL T. ZIEGLER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 24 2001.

EXTENSIONS OF REMARKS

IN HONOR OF JUKE VAN OSS

HON. PETER HOEKSTRA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. HOEKSTRA. Mr. Speaker, I rise today to honor my constituent Juke Van Oss. Juke has been involved in West Michigan radio for 50 years, but August 12 does not just mark the anniversary of his involvment in radio—it also serves as a reminder of over 50 years of community involvement in areas that extend far beyond the airwaves. Juke's service has ranged from the Saugutuck School Board and Village Council, including three years as Mayor, to a position as President of the Chamber of Commerce and a seat on the Region 8 Criminal Justice Planning Council.

Juke got his start in radio during World War II. Shortly after being transferred out of Air Force radio school to the infantry, he was sent to Luzon where he was given 50 pounds of radio equipment to carry around the Pacific theater. After discharge Juke remained involved in radio, earning his Ham license and applying to be an engineer at WHTC 1450 AM. On August 10, 1951 he got his First Class license in Chicago, and his career began two days later.

Juke's big break came one morning when the host didn't arrive on time. He spent an hour on the air, the people loved him, and when the morning slot opened up he had a new job. Juke tried a number of different shows and formats, and it was 40 years ago that he settled into something that suited his amiable nature: He began hosting "Talk of the Town," the mid-morning show that made him famous.

Over 50 year Juke has entertained more listeners than can numbered, and he has seen many people come and go. He has worked with folks who went on to their own successful careers in radio and television, and he has worked through changes in listeners, changes in topics, changes in partners, changes in formats, and changes in technology. Through it all Juke Van Oss has remained the constant.

THE SKIP ENTERTAINMENT COMPANY

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. UNDERWOOD. Mr. Speaker, I would like to take this occasion to commend the SKIP Entertainment Company. The group was originally formed in 1982 as a project of Children's Productions known as Sunshine Kids In Production (SKIP). Based on Guam and comprised of local talent, this group has entertained as well as brought tremendous honors to the island. Under the direction of Lee and Teri Knapp and instructors, Chad Knapp, Tina D'Amato, Brian Thomas and Glenn Packard, members of SKIP recently won awards at the 2001 Showstopper National Dance Finals in San Antonio, Texas.

During the five-day competition, a panel of five judges reviewed over seven hundred dance routines. The five highest scoring entries in the junior division, comprised of kids age 12 and under, as well as the five highest scoring entries in the senior division, comprised of kids age 13 and over, were guaranteed slots to perform at the 2001 Showstopper Television Special.

SKIP's rendition of "Robot," choreographed by Dee Caspary, was performed before a packed house at the San Antonio Auditorium and earned the group the 2001 Showstopper National Junior Championship. Dancers on this routine comprised of Brian Aflague, Deena Aguon, Ryan Brasuel, Chloe Kernaghan, Maho Kogure, Shiina Kuniyoshi, Danielle Leon Guerrero, Ali McCully, Dorian Nelson, Giana Pangelinan, Mariesa Quitugua, Ryan Ruiz, Lauren Santos, Tawyna Unsiog and Patrick Wolff.

"Quiet," choreographed for the senior company by former SKIP dancer Michael Lomeka, was also one of the top five acts in their division selected for the television special. The senior company members include Janelle Cruz, Thomas Cruz, Stacy Eustaquio, Tony Francisco, Janet Hetzel, Claressa Johnston, Nicloe King, Mia McCully, Beatrix Poh, Cora Rivera, Tracy Sablan, and Tawnee Unsiog.

In addition to the national championship title won by the junior company, SKIP won a number of other awards. The SKIP performance of "Kansas City" received the highest score for all dancers under age 9. Dancers include Ashley Arizala, Brian Esperon, Alyssa Mariano, Shayana Mariano, Anjenette Pineda, Tammy Ramirez, DeMario Scimio, Taylor Toves, Tara Unsiog, Teesha Unsiog, Regine Vida, and Kristine Vo. SKIP members also won the Senior Large Group Championship, Senior Line Second Place, Junior Large Group Third Place, and Junior Small Group Third Place.

Having had the chance to view the performances of these kids, I can attest to the fact that these kids are outstanding artists and entertainers who have worked hard to deserve the honors bestowed upon them. Through their exceptional talents and notable achievements, the SKIP kids have brought recognition upon themselves and the island of Guam.

On behalf of the people of Guam, I would like to commend everyone who played a part in the success of the SKIP kids. I wish them continued success and the best in their future undertakings.

HONORING DR. TIMOTHY M. STEARNS

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. RADANOVICH. Mr. Speaker, I rise today to honor Dr. Timothy M. Stearns for his innovative work in the field of education. He has been active in various areas of education, including teaching, researching, launching new programs, and journal editing.

Dr. Stearns received his Bachelor's degree in Sociology from San Jose State University. He went on to obtain his Master's in Business Administration and his Doctorate in Management and Sociology, both from Indiana University. Dr. Stearns has been a member of the Management faculty at the University of Wisconsin, Madison and Marquette University.

Dr. Stearns serves on the editorial board of three academic journals, and is the author of more than 50 research articles and presentations. Dr. Stearns has lectured on entrepreneurship, strategic planning, and corporate re-engineering to executives in various countries, including Poland, Japan, and the People's Republic of China. In 1996, Professor Stearns founded the Institute for Developing Entrepreneurial Action (IDEA). IDEA works with students and local entrepreneurs to help move their dreams toward reality.

Dr. Stearns is currently the Coleman Foundation Endowed Chair in Entrepreneurial Studies at the Craig School of Business at California State University, Fresno. In addition, Dr. Stearns is directing the development of the Center for Innovation and Entrepreneurship on the CSUF campus. The Center will house a creativity lab, a technology transfer center, a venture capital fund, and curriculum for undergraduate and graduate students.

Mr. Speaker, I rise today to honor Dr. Timothy M. Stearns for his dedication to education. I urge my colleagues to join me in wishing Dr. Stearns many more years of continued success.

A TRIBUTE TO GERTIE COLE

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. FARR of California. Mr. Speaker, I rise today to celebrate and salute Ms. Gertie Cole of Watsonville, California. Ms. Cole is my constituent, and last month she was awarded one of five national Jacqueline Kennedy Onassis Awards for volunteer service to the community. As many of my colleagues, friends, and constituents know, community service is something that I strongly believe in, and it is

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

with pride that I honor Ms. Cole here in the United States Congress.

Ms. Cole received the Regional Jefferson Award earlier this year from the American Institute of Public Service. She and the other recipients of this award came from all over the United States to the International Trade Center in Washington, D.C. to attend the 2001 National Jefferson Awards Gala Dinner, held on June 12, 2001. Of the many regional honorees, only five were chosen to receive the Onassis Award, and I am thrilled that Ms. Cole was among them. This award is designed to recognize a few of the countless individuals across the country who are performing extraordinary public services in their local communities. Some are paid; others are volunteers; most are unrecognized.

Mr. Speaker, I join with Ms. Cole's family and friends in congratulating her on this occasion. She is an example to those in her community and across the nation, and I am proud to be able to pay tribute to her here.

HONORING A GREAT AMERICAN—SHERIFF CORDELL WAINWRIGHT

HON. JACK KINGSTON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. KINGSTON. Mr. Speaker, I rise today with great pleasure to honor a great American. Sheriff Cordell Wainwright, after 20 years of service to the state of Georgia and, more specifically, Brantley County, has decided to retire.

When Sheriff Wainwright was first elected in 1971, he was the youngest ever elected to that position in Georgia history. His hard work and dedication to law enforcement have gone unmatched since that day. Throughout the next 30 years, Sheriff Wainwright brought in more drug arrests than anyone in Brantley County history, including the county's largest single drug bust. In fact, it was his information and assistance that led to neighboring Glynn County's largest single drug bust as well.

As extensive as his law enforcement record is, Sheriff Wainwright's greatest achievements may not have come about in the field. Many believe his greatest legacy came through his work in the classrooms and churches of our communities. He started a Junior Deputy Program in the schools that taught students the dangers of drug use. This program is still going on today and continues to work at a more cost efficient rate than Georgia's D.A.R.E. program, while achieving better results.

Sheriff Cordell Wainwright has been nominated for and won many awards throughout his career, including the Brantley County Citizen of the Year. Many people owe their lives to him and our streets are safer because of him. He is a true American hero.

May God Bless him in his future endeavors. He certainly blessed us when He sent Sheriff Wainwright to us.

HONORING TRACEE EVANS

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BENTSEN. Mr. Speaker, on Friday, August 3, 2001, one of Houston's prized reporters will be recognized for her top notch work by the Association for Women in Communications and the 2001 Clarion Awards at the Renaissance Harborplace Hotel in Baltimore, Maryland. Ms. Tracee Evans, of KTRH radio in Houston, Texas, will be awarded this prestigious award for her documentary on the struggle in Kosovo.

The Association for Women in Communications is a professional organization which champions the advancement of women across all communication disciplines by recognizing excellence and promoting leadership. The Clarion Awards is a renowned competition recognizing excellence in many fields of communications. One Clarion Award is given in each field of communications to an exemplary entry and it is judged on quality, substance, style, originality and achievement of the objective.

Ms. Tracee Evans' hard work and creativity distinguish her in the field of Communications. Her documentary on Kosovo is just one example of the many creative and insightful pieces she has created. Her ingenuity serves as a guide for future generations of communication professionals and more notably, her personal accomplishments serve as a model for women wishing to follow in her path.

Mr. Speaker, I join the Association for Women in Communications, the Clarion Awards, Ms. Evans' family, and her colleagues at KTRH in applauding Ms. Evans' diligence in the field of Communications and I look forward to sharing in her future work.

THE 77TH INFANTRY DIVISION OF THE UNITED STATES ARMY

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. UNDERWOOD. Mr. Speaker, I had mentioned in an earlier speech that Guam, each year, sets aside the twenty-first of July as a day to commemorate the landing of the Third Marine Division on the shores of Asan and the First Marine Provisional Brigade, supported by the 77th Infantry of the U.S. Army, in Agat. Over the years, the U.S. Marines, due to the massive casualties they suffered in this campaign have taken the center stage in our commemorations and celebrations. Today, I would like to expound on the contributions of the United States Army—particularly the 77th Infantry Division, towards liberating the people of Guam from their captors fifty-seven years ago.

The 77th Division was first organized on August 25, 1917. A unit comprised of twenty thousand men, it was composed of men from all walks of life. Among these men were first generation immigrants who, upon finding freedom on American soil, accepted the noble duty of protecting it. The 77th was the first Army division to reach France in World War I—gaining fame in the Meuse Argonne Offensive.

Deactivated in May 1919, the division was reactivated for World War II in the spring of 1942. Taking less than 40 days to assemble, the 77th trained for more than a year before being tasked to play a major part in the Pacific theater of the war. The oldest U.S. Army infantry unit at the time, the 77th made their initial landing on Guam.

Touching ground on the southern part of the island on July 21, 1944, the 77th, along with the Marines, pushed north through thickly mined roads, subjected to heavy artillery fire. Roughly, two weeks later, the end to the fighting was virtually at hand. By August 8, the last Japanese stronghold on the island, Mount Santa Rosa, was captured by the 77th Division. This marked the end of organized resistance on the island. By August 10, the official conclusion of the Guam campaign was declared.

This, however, did not put an end to the fighting. Soldiers, sailors and Marines were to spend many more weeks clearing the jungles and mountains of Guam of resisting stragglers. The 77th would eventually spend May and June of 1945 on the front lines in Okinawa, often engaged in hand-to-hand combat. The final tally on Guam by August 10, 1944, came to 7,800 casualties, of whom 2,124 were killed in action or died of wounds. Of this total, the Army accounted for 839, the Navy for 245, and the Marines for 6,716.

Every year since World War II, the liberation of Guam is commemorated as a time of solemn contemplation and remembrance. It was a highly noble struggle of Americans liberating a captive people who happened to be fellow Americans. This serves as a reminder of the spirit of freedom and democracy and the high cost paid to maintain it. The people of Guam are eternally grateful for the contributions of their fellow Americans in the liberation of Guam. As liberators fifty-seven years ago, they deemed that no sacrifice was too great. The people of Guam now consider that no act was too small to merit their undying appreciation and affection. Those who aided in the island's liberation after years of brutal captivity are equally held in the highest esteem. On behalf of a grateful people, I express my sincerest thanks. Si Yu'os Ma'ase'.

HONORING SAM TOLEDO

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. RADANOVICH. Mr. Speaker, I rise today to congratulate Sam Toledo for his contributions to the local restaurant industry and his success as a restaurateur. Sam has three Mexican restaurants that are operated in Fresno, California.

At the age of fourteen, Sam came from Guanajuato, Mexico hoping to find work so he could help his parents financially. He began working as a farm laborer, then was hired as a dishwasher at a local restaurant. This was

Sam's first Job in the restaurant industry. Within two years he worked his way from dishwasher to bussing tables to assistant cook.

Sam married at the age of 18 and continued working in the restaurant industry. He worked at various restaurants as a cook, server, bartender, and head chef A few years later Sam helped a friend open a Mexican restaurant. He put his industry knowledge to work by helping his friend open the restaurant and serving as general manager of the new establishment. That restaurant chain now has three restaurants in Fresno and one in Oakhurst, CA.

After working as general manager of all four restaurants over ten years, Sam was ready to open his own business. Mr. Toledo started with an empty building, prepared the restaurant by himself and billed all expenses to his line of credit. After eight months of hard work, Sam opened the first Toledo's Mexican Restaurant on September 5, 1991. In February of 1995, Sam opened the second Toledo's Mexican Restaurant and three months later opened the third. Mr. Toledo used his experience in the restaurant industry to help three of his nephews open their own businesses. Toledo's Mexican Restaurants remain successful in the Fresno community.

Mr. Speaker, I want to congratulate Sam Toledo for his contributions to the local business community. I urge my colleagues to join me in wishing Mr. Toledo many more years of continued success.

A TRIBUTE TO HENRY J. MELLO

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. FARR of California. Mr. Speaker, I rise today to honor Mr. Henry J. Mello, a native of Watsonville, California. Mr. Mello has worked for many years as a public servant and he has made significant contributions to the Central Coast of California.

Mr. Mello was born on March 24,1923, and studied at Hartnell College in Salinas. Working with his father, Mr. Mello established a farming business in 1940. He founded the Mello Packing Company and later, the Central Industrial Sales Company.

In the mid-1950's, Mr. Mello became active in many local charitable and nonprofit organizations. He became more deeply involved in public service in 1966 when he was elected to the Santa Cruz County Board of Supervisors, on which he served until 1974. Two years later, Mr. Mello was elected to the California State Assembly. During his tenure lasting two terms, Mr. Mello was Chairman of the Committee on Aging and also an influential member of the Ways and Means Committee. In 1980, Mr. Mello was elected to the State Senate, where he served on the Senate Rules Committee and was elected Majority Whip. He retired from the California State Senate in December 1996.

Some of Mr. Mello's greatest contributions have been to the environment and educational community of the Central Coast. He played an integral role in the creation of the Monterey Bay National Marine Sanctuary. He worked to preserve open spaces and develop the agriculture industry on the Central Coast. Mr. Mello was also instrumental in the founding of the University of California, Santa Cruz. He recently donated his extensive personal papers to the Regional History Project of the university's library, which will allow others the opportunity to learn from his work.

Mr. Mello's public service has improved the quality of life on the Central Coast and in the state of California. He has made great contributions to his family, friends, and neighbors, and his lifelong dedication to public service is commendable. It is a pleasure to express my appreciation of his effort and accomplishments.

HONORING THE SAVANNAH DIAMOND DAWGS

HON. JACK KINGSTON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. KINGSTON. Mr. Speaker, it is my distinct honor and pleasure to rise today on behalf of a competitive and outstanding baseball team of exceptional young men. On Saturday July 21, 2001 at Al Rollins Park in Dalton Georgia, the Savannah Diamond Dawgs 10 and under baseball team closed out the post season and took home the machine pitch baseball state championship. I would like to join in and be a part in celebrating their victory.

The Diamond Dawgs under the leadership of coaches David Elliott, Bruce Powell and Kirk Miles, over a three-day stretch defeated Whitefield Co. 14–1, North Hall Co. 10–7, St. Simons Island 7–3, and North Hall Co. 6–2.

Congratulations on a job well done to the players of the Diamond Dawgs Andrew Drough, Thomas Carter, Travis Jaudon, Jamel Miles, David Elliott, Corey Jaudon, Matt Kuhn, Matthew Lee, Jimmy Blakewood, John Coker, Evan Powell, and Ryan Westen.

This team is firm in the principles of teamwork, commitment, and excellence. We all could learn from their example and the best of luck to the defending champions throughout the course of next season.

HONORING THE GRAND OPENING OF THE EMERY/WEINER SCHOOL

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BENTSEN. Mr. Speaker, I rise in recognition the all new Emery-Weiner School in southwest Houston. This $14 million educational facility combines the 23 year old I. Weiner Jewish Secondary School and the brand new Emery High School to form the Emery-Weiner School. This expansion combines the quality education offered at the I. Weiner Jewish Secondary School with the cutting edge facility of the new campus.

This fall as homerooms fill for the first time at the Emery-Weiner School students will benefit from the formation of these two institutions. The state-of-the-art facilities at the new campus will include art and music rooms, as well as a theater, emphasizing the important role the arts play in education. The campus also houses a multi-court gymnasium, cultural arts facility, computer and science labs. The twelve acres in southwest Houston on which the campus sits is surrounded by several more acres of accessible playing fields. The campus will provide tremendous opportunities to students.

On Thursday, September 20, 2001, the Emery-Weiner School will celebrate the opening of this new campus with a special event honoring two of its many benefactors, Mr. Joe Kaplan and Mr. Joe Komfeld. The proceeds from this celebration will benefit the "Joe Fund," a fund appropriately named for these two founding fathers. Mr. Kaplan and Mr. Komfeld contributed countless hours to seeing this project come to fruition. Their selfless offerings make them role models for the students who will benefit from their efforts.

The "Joe Fund" was created to bolster teacher enhancement programs and projects. It will be used to purchase materials to provide teachers the necessary means to incorporate creativity and ingenuity into their everyday classroom. I applaud the leadership of the countless teachers and volunteers who contributed to the erection of this new campus and recognize the commitment of these individuals to providing opportunities through education to our young people.

Mr. Speaker, I congratulate the many people who contributed to the construction of the Emery-Weiner School, and I look forward to seeing the many ways in which the innovative voice of this institution will help to educate and shape the minds of Houstonians. There is no doubt, this school will soon serve as a model for other schools across the nation.

GUAM NATIONAL GUARD

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. UNDERWOOD. Mr. Speaker, on July 21, 1981, thirty-two residents of Guam were sworn in as members of the Guam National Guard giving birth to the nation's newest and westernmost National Guard unit. As the Guam National Guard celebrates its 20th anniversary, we celebrate it's accomplishments and recognize its roots and traditions as part of the oldest component of the Armed Forces and one of the longest enduring American institutions.

The National Guard has a distinct and honored place in American history. Tracing its roots to the formation of the Militia of the Massachusetts Bay Colony in October 7, 1636, its men and women have served in every conflict involving the United States. On Guam, citizen soldiers date back to the first military organization on island first organized in 1771 by the Spanish colonial governor. Within the next two hundred years a number of succeeding militias were organized and later disbanded.

However, it is of note that, prior to the Japanese occupation of Guam during World War II, the defense of the island fell upon the shoulders of a handful of Marines, several sailors, the Guam ancillary guard and Guam militia which consisted of civilian reserve forces. The insular force, a locally-manned militia, were the ones who faced the Japanese invasion force. Although easily overwhelmed, it is ironic that the only ones who put up a defense against the invaders were citizen soldiers—members of the Guam insular guard who had set up some machine gun nests in defense of the Plaza de Espana and at the Governor's offices.

On December 4, 1980, President Jimmy Carter signed into law P.L. 96-600, officially authorizing the establishment of the Guam National Guard. Deriving honor and traditions from the citizen soldiers who came before them, the thirty-two charter members of the Guam National Guard together have made possible the development of the world-class organization for which we now take pride.

Under the leadership of Generals Robert Neitz, Frank Torres, Simon Krevitzky, Edward Perez, Edward Duenas, Colonels Ramon Sudo and Robert Cockey and the current adjutant general, Benny Paulino, the Guam National Guard has been able to develop as a world class organization. Comprised of the Guam Army National Guard and the Guam Air National Guard, this institution has now grown to over 1,000 members performing missions for the federal and territorial governments. In addition to periodic deployments in support of military activities all over the world, the Guam National Guard has been instrumental in recovery efforts on island in the aftermath of emergencies and natural disasters. They have also made tremendous contributions towards mentoring and the development of the island's youth and they have also assisted the local community in its campaign against illegal drugs.

On this, their 20th anniversary, I would like to commend the men and women of the Guam National Guard for their contributions towards the security of our nation and the well being of our island. I would also like to submit for the RECORD the names of the Guam National Guard's 32 charter members who, twenty years ago continued the traditions of their forebears and paved the way for today's men and women on the Guam National Guard.

GUAM NATIONAL GUARD CHARTER MEMBERS

AIR NATIONAL GUARD

Brig. Gen. Robert H. Neitz; TSgt George R. Quichocho; SSgt Raymond L. Taimanglo; SrA Juan G. San Nicolas; SrA Alfred Flores; SrA George C. Pablo; SrA Carlos E. Umayam; A1C Prudencio F. Meno

ARMY NATIONAL GUARD

CPT Arthur W. Meilicke; 2LT Molly A. Benavente; 2LT Michael G. Martinez; CW2 Charles Guantlett; W01 Charles W. Walters; SSG Roland M. Chargualaf; SSG Benjamin B. Garrido; SSG Ladislao C. Quintanilla; SSG Carlos R. Untalan; SGT Edward R. Blas; SGT Charles F. Moore; SGT Joseph J. Sablan; SGT Thomas R. Wolford; SP4 Dedia T. Kellum; SP4 Raymond C. Benavente; SP4 Ricardo Camacho; SP4 Lorenzo M. Manibusan; SP4 James E. Thurman; PFC Raymond P. Cruz; PFC David G. Rodriguez; PFC Jesse R. Camacho; PV1 Marceline I. Castro; PV1 Marcie T. Paulino; PV1 Jeffrey I. Santos

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CONTRIBUTION OF HMONG/LAO VETERANS

HON. TIM HOLDEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. HOLDEN. Mr. Speaker, I rise to salute and honor the important work of Hmong and Lao-Americans in my district in Pennsylvania for their efforts on behalf of their community in Reading and their former homeland of Laos. Many of them are veterans, or the family members of veterans, who served with the United States military and clandestine forces during the Vietnam War, and who have now become proud U.S. citizens.

As new Americans, the Hmong and Lao people from Reading, and other parts of Pennsylvania, are still very concerned about their suffering families and friends still being oppressed by the one-party Communist regime in Laos. Many of my constituents recently traveled from Pennsylvania to Capitol Hill to participate in the U.S. Congressional forum on Laos. At the forum, they offered testimony and evidence regarding human rights abuses in Laos, including: religious persecution against Christians and Buddhists; the oppression of ethnic minorities; and the crackdown against peaceful student demonstrators. The Lao Veterans of America helped to make this effort a success by raising awareness in Congress about the ongoing problems in Laos. Important community leaders that have participated include Mr. Tong Vue, Mr. Nhia Pao Vue, Reverend Song Chai Hang, Long Yang, and others. I am also very grateful to Mr. Philip Smith for his work in Washington, D.C. and the U.S. Congress with regard to Laos and Southeast Asia, and with the Asian American community in my district.

Mr. Speaker, I am very proud to represent the Hmong and Lao-American citizens in my Congressional district, including the veterans and their refugee families, who were staunch allies of the United States during the Vietnam War. It is important for us to recognize and commend them. It is also important not to forget their relatives and friends who continue to suffer terrible human rights abuses in Laos as a result of their devotion to the cause of freedom and democracy.

To the Hmong and Lao-American community, and the Lao Veterans of America, I salute you and thank you for your commitment to the principles of freedom, democracy, and human rights. I appreciate the productive role that you are playing in our community as patriotic new Americans and good citizens.

RADNOR TOWNSHIP CELEBRATES CENTENNIAL YEAR

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. WELDON of Pennsylvania. Mr. Speaker, I am proud to offer congratulations to Radnor Township in Delaware County, Pennsylvania, which is celebrating its centennial this year.

Founded in 1682 by 40 Quakers from Radnorshire, Wales, Radnor Township is a thriving community with a rich history. The land that is now Radnor was purchased as a 5,000-acre parcel from William Penn at a cost of one British pound per 50-acre lot. Prior to settlement by the Welsh, the Lenni Lenape Indians made their home here.

By 1717, the Welsh Friends society began to establish a government in the township. They erected a meetinghouse on a former Conestoga Indian trail, now known as Conestoga Road. The meetinghouse served as the center of the population of the Township for the next 200 years, with Radnorville growing rapidly around it.

The power of Darby and Ithan creeks helped the settlers establish tanneries, gristmills, and sawmills, and allowed them to clear nearby fields for farming. Land that is now preserved as open space at The Willows was once the Township's busiest commercial area.

Thanks to its fortuitous location between Lancaster and Philadelphia, Radnor quickly became a favorite passageway for travelers. At one time, four inns operated in the town. One of these inns, the Sorrel Horse, is believed to have accommodated General Lafayette and George Washington during the encampment at Valley Forge. Today, this is the location of the Agnes Irwin Lower School.

The development of America's first toll road in 1794, Lancaster Turnpike, brought more development and traffic to the town. Additional traffic to the township came when the Columbia (later Pennsylvania) Railroad laid tracks through the township in 1832.

In 1842, the Brothers of the Order of Hermits of St. Augustine established the Catholic College of St. Thomas of Villanova on one of the first great estates in Radnor. Today, Villanova University is a valued neighbor in the community, and just one of several well-known and respected educational institutions located within the township.

The history of the village of Wayne began in 1865 when banker J. Henry Askin bought a 300-acre parcel along the railroad. He named this parcel Louella, for two of his daughters, and built a mansion, a Presbyterian Church, Lyceum Hall, and an avenue (Bloomingdale) of mansard-roofed villas on this property.

In the 1880's, Louella changed hands and was renamed Anthony Wayne after a local Revolutionary War figure. Wayne became one of the country's first suburban communities to be served by a central heating system, a public water supply, sewers, and electricity. The development of such a high-quality public works system led the township's population to double to 3,800 between 1880 and 1890.

By the early 1900's Radnor Township Commissioners knew that the township needed a more elaborate governmental structure. On March 12, 1901, they elected to adopt the status of a First Class Township. This new form of government provided representation to both the suburban villages of Wayne, Rosemont, and Bryn Mawr, as well as the more pastoral districts of Villanova, Newtown Square, St. David's, and Radnor.

Today, Radnor Township is a culturally, ethnically, and economically diverse community. With its status as one of the best places to live in the Philadelphia region and continued high standard of living and education, Radnor Township is a community that residents can be proud to call home.

Mr. Speaker, I urge you and my colleagues to join me in congratulating Radnor Township during its centennial year as the citizens of Radnor begin an exciting new century.

GENGHIS KHAN FURNITURE

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. UNDERWOOD. Mr. Speaker, in 1971, Robert and Anna Kao came to Guam upon Anna's recruitment to work as the Sales Manager for the furniture store at Andersen Air Force Base. Shortly thereafter, the couple opened their own furniture store, Genghis Khan Furniture.

The business grew steadily and over thirty years become the leading provider of fine furniture to the residents and businesses of the island. Based on their success on Guam, Genghis Khan Furniture has been able to branch out. They now have stores in San Diego and San Marcos, California, in addition to a location in mainland China.

Robert and Anna credit their success to their hard work and perseverance. However, they admit that they would not have been able to accomplish this feat without the invaluable support of those close to them. Their children, Michael and Heidi, provided them inspiration and drive to succeed while loyal employees such as their interior design consultant, Sylvia Flores, and their sales manager, Hsui Pi Perez, insured the success of the business that they started.

Despite the rigors and stress involved in running a business, Robert and Anna still managed to become actively involved in community affairs. A member of the masonic fraternity, Robert was also a former president of the Chinese Association of Guam. As a charter member of the Federation of Asian Peoples of Guam, he served as the association's first president. While serving as president of the Confucian Society of Guam in 1997, Robert was instrumental in lobbying the Guam Legislature to designate September 28, Confucius' birthday, as "Teacher's Appreciation Day." In addition, he was also appointed by the Republic of China Overseas Chinese Affairs Commission to serve as the Overseas Chinese Affairs Commissioner on Guam—a position he held for several years. Due to his prominent standing within the community, he was able to coordinate numerous cultural exchanges between Taiwan, China, and Guam.

Anna has also served as a director for several local nonprofit organizations. She currently serves as Vice-President for the Chinese Merchants Association. In addition, she also sits on the Board of Directors for Sanctuary, Incorporated, a local nonprofit organization assisting Guam's youth.

For the past three decades, Genghis Khan Furniture has been at the forefront of providing top quality furniture on Guam. Its founders, Robert and Anna Kao, have been distinguished and productive members of our community. On behalf of the people of Guam, I offer my congratulations to the Kaos and to the employees of Genghis Khan Furniture on their 30th anniversary.

TRIBUTE TO GEORGE PENN

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. SHAW. Mr. Speaker, this week, the Ways and Means Subcommittee on Social Security bids farewell to George Penn. George, a detailee from the Social Security Administration's Office of Inspector General, has served the Subcommittee with distinction as a Professional Staff member since March of last year.

George brought a wealth of new experience to the Subcommittee, having served over 4 years as Senior Attorney for the Office of the General Counsel to the Inspector General. Before then, George served 6 years as a Senior Attorney for the Federal Deposit Insurance Corporation/Resolution Trust Corporation, 2 years with the Department of the Interior as an attorney, and many years in general private practice.

With George's expertise the Subcommittee was better able to tackle one of the fastest growing crimes in America—identity theft. With the rise of the internet age, our Subcommittee has had to deal with a threat to the integrity of the Social Security number as we have never seen before. Supported by George's skill and leadership, the Subcommittee has held numerous hearings on Social Security number privacy and identity theft. Last year, his efforts culminated in the Ways and Means markup of the "Social Security Number Privacy and Identity Theft Prevention Act of 2000." With George's help, 1, along with a number of my Ways and Means colleagues, have held another hearing and have introduced similar legislation this year. George's commitment to excellence, masterful negotiating skills, and steadfast adherence to our key principles for this legislation, have helped to ensure a fair and comprehensive approach to protecting the privacy of Social Security numbers and preventing identity theft.

In addition, George has worked on a number of hearings and resulting legislation aimed at improving the integrity of Social Security programs. George's vast knowledge of the law, superior analytical skills, and attention to detail have helped focus the Subcommittee's oversight efforts on those Social Security Administration's stewardship efforts most needing improvement.

Agency detailees sometimes find the politically charged atmosphere of Capitol Hill overwhelming. But George jumped right into the fray and proved to have an excellent political mind. In addition, using his train commute to good end, George graciously presented the Subcommittee staff with Godiva chocolates on a regular basis. Needless to say, he will be a hard act to follow in many regards.

Americans owe a debt of gratitude to George Penn. His professionalism, integrity, and commitment to improving government's service to the citizens of this country have greatly assisted the Subcommittee and the full Committee on Ways and Means. My heartfelt thanks and best wishes to George Penn.

DIRECTING FERC TO ORDER REFUNDS FOR ELECTRICITY OVERCHARGES

HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. HARMAN. Mr. Speaker, today, I am joined by many of my California colleagues in introducing legislation directing FERC to order refunds to consumers in the Western States of California, Oregon and Washington who have been charged excessive electric energy rates.

This bill is necessary because we were blocked yesterday from offering it as an amendment to H.R. 4, the energy bill.

As our colleagues know, on several occasions, the Federal Energy Regulatory Commission has found electricity rates charged in the Western States to be "unjust and unreasonable." Under the Federal Power Act, such a finding should result in refunds to consumers but, as of today, not a penny has been paid.

To be sure, there is a difference of view on how much should be refunded. While the State claims $8.9 billion, even the Administrative Law Judge tasked by FERC several weeks ago to investigate concluded that upwards of a billion dollars was owed.

Now is the time to finally resolve this issue.

The bill my colleagues and I are sponsoring will require FERC to accelerate the process of refunding electricity overcharges.

It is consistent with the Federal Power Act, although many of us would have liked the bill to do more. In particular, if FERC had acted promptly when the first evidence of gouging surfaced, FERC could have ordered refunds for the period May to October 2000, when electricity rates rose dramatically and evidence of overcharges first surfaced. The Federal Power Act and concern about "takings" prevents FERC and us from including that period, although we hope there may be an equitable way to do so.

Many of us also believe that all sellers of electricity engaged in price gouging should be ordered to make refunds. Last week, for example, FERC exerted jurisdiction over municipal power entities, although many legal experts are dubious about the authority to do so. Again, without amending the Federal Power Act, we are unable to include them, though if we could, there would be an ex post facto concern about recouping for a past period.

Lastly, the process FERC announced last week will still not result in refunds for many months. FERC is again engaged in a process of investigate-and-delay. Consumers need relief now.

We strongly believe FERC should act promptly, using one of two methodologies in the bill that are fair and likely to result in a quick determination. In fact, one of the methodologies was advocated by Republicans on the Commerce Committee.

Consumers in California, Washington and Oregon deserve a prompt resolution of this issue. Billions of dollars have been siphoned from home and business budgets. Those dollars should be returned and returned promptly.

This bill does that and we urge our colleagues in supporting its passage.

BILL TO FIX ISO/AMT PROBLEM INTRODUCED

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. NEAL of Massachusetts. Mr. Speaker, today I am introducing with Mr. DAVIS of Virginia, Ms. LOFGREN, Mr. WELLER and several of our colleagues, legislation to alleviate the problem of the unfair tax imposed by the alternative minimum tax on many of our constituents who exercised incentive stock options last year. The bill represents a temporary patch for the tax year 2000.

I have advocated repeal of the alternative minimum tax (AMT) for some years now. It no longer serves the function for which it was designed. The AMT was intended to make very high income individuals who heavily invested in tax shelters, pay some minimum amount of tax each year. However, the 1986 Tax Reform Act repealed most of these tax shelters, leaving the AMT with little impact on taxpayers until recently. Since the AMT is not adjusted for inflation while the regular tax base is, the AMT now increasingly hits families with large numbers of children, taxpayers in higher tax states, users of the education tax credits, and, in the case of incentive stock options, the unwary.

Incentive stock options are a preference item for purposes of the alternative minimum tax. That means that you include for purposes of calculating the AMT the difference between the price you pay for a share of stock, and the value of the stock at time of exercise. For example, if you exercised an incentive stock option for $10 a share, and the stock was valued at $100 a share, you must include the difference—$90 a share—for purposes of calculating the AMT in the year you bought the stock. Unfortunately, most people have never heard of the AMT, or believe it applied to only high income individuals, and never took this into account in their decision making. If the stock increases in value, then you can pay the taxes you owe. But if your stock crashes in value, you still owe the same amount of tax. Last year, the stock of some people sank so low that they could sell all their stock and still not raise the amount they need to pay the tax they owe. People have complained about taking out a second mortgage on their home, emptying out their pension plans or education funds for their children, and selling all their other assets, just to pay the tax they owe on stock that has lost much of its value.

What makes this situation our responsibility is that Congress told these people to hold onto their shares of stock. Congress provides in the regular tax base an incentive to hold their stock—a lower capital gains tax rate if they told their shares for at least a year. So, on the one hand, Congress tells them to keep their stock, and gives them a backhanded slap by means of the AMT when they listen to us.

The bill we are introducing fixes this problem for last year. The bill states that, in effect, that you can recalculate your AMT tax preference using the difference between the amount you pay for a share of stock, and its value on April 15, 2001. Using the example above, if the value of your share fell from $100 on date of exercise to $30 on April 15, 2001, your tax preference would be $20 per share (instead of $90). Under this proposal, the more you have been hurt by the fall in the value of your stock, the more relief you get. For those who had their stock rise, this bill would not impact them at all.

Some may argue that the bill is retroactive. This, however, has never been a high hurdle for a pro-taxpayer provision. In fact, this week's energy bill contains a retroactive tax provision, as did the Bush tax cut signed into law June 7, 2001.

Others may argue that these individuals simply made a bad investment decision. A bad investment decision does not rest on a tax trap set by Congress, and masked by an outdated and hopelessly complex "second" tax system. Without the AMT, these individuals would simply have lost the value of their stock when it declined, as would any other investor. No one is talking about restoring any value to that stock, and "bailing" these people out. Individuals who exercised incentive stock options are actually much worse off than those who simply made a bad investment decision, because these individuals lose the value of their stock and get to pay the AMT tax on that lost value as well.

This bill costs $1.3 billion over five years according to the Joint Tax Committee. It is bipartisan, and has Members from across the nation as original cosponsors. Senator LIEBERMAN is introducing a companion bill in the Senate.

Mr. Speaker, this tax bill needs to be enacted this year, so that affected taxpayers can file for relief this year. We are working to attach this legislation to any tax bill that moves forward this fall.

POSTAGE STAMP SERIES ENTITLED "E PLURIBUS UNUM"

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. UNDERWOOD. Mr. Speaker, I have the distinct privilege of introducing a resolution that honors the United States of America and all the jurisdictions which comprise it through the issuance of a postage stamp series entitled "E Pluribus Unum."

"E Pluribus Unum" is a Latin phrase that may sound familiar to many of us. In English, it means "out of many, one," and it was selected to appear on our coins and dollar bills because it references the unification of the original thirteen colonies into one nation. Today, the United States of America encompasses 50 states, the District of Columbia, and the territories of Guam, American Samoa, the U.S. Virgin Islands, the Commonwealth of Puerto Rico, and the Commonwealth of the Northern Mariana Islands. As the first year of the millennium draws to a close, it is timely and appropriate that we celebrate these distinct states and territories that unite to form our country, the land of the free.

While we go about our daily routines, it is easy to forget that our great country extends past mountains, rivers, valleys, and even oceans. While our children might recognize the stars and stripes of our national banner and their state or territory flag, it is highly unlikely that they are familiar with the varying flags and emblems of the individual states and territories. Stamps depicting state and territorial flags, or other suitable emblems, are creative and highly enjoyable mediums through which we may impart knowledge to our children regarding the diversity of our great nation.

Stamps are issued every year by the United States Postal Service, with the help of the Citizens' Stamp Advisory Committee. The Advisory Committee has 15 members whose backgrounds cover an extensive range of educational, artistic, historical and professional expertise. The Advisory Committee receives a myriad of letters, postcards and resolutions each year proposing ideas for stamps. The Advisory Committee studies the merits of these ideas and makes recommendations to the United States Postal Service, who has the final authority to issue stamps.

Although this resolution cannot require the United States Postal Service to issue the stamp series, it is important for the U.S. Congress to express support for this legislation and consider its possibilities. Not only will this series serve to showcase our flags, seals, or emblems, which are works of pride and art, but we can expect the series to generate profits for the United States Postal Service, just as the 50 States Commemorative Coin Program Act has done for the Treasury Department. Barring an increase in the cost of stamps, all Americans, particularly our youth, will be introduced to the diversity of our nation at minimal expense by purchasing the whole set of these 56 colorful stamps, for usage or for keepsakes, for under $20. Because each flag or emblem has a history behind it, these stamps can ignite interest in and awareness of our country's rich diversity and our united commitment to national ideals of freedom, justice, and democracy.

For these reasons and more, I urge support for this resolution, which encourages the Citizen Stamp Advisory Committee to recommend to the Postmaster General the issuance of a postage stamp series that honors the United States of America.

TRIBUTE TO THE LATE GOVERNOR JOAN FINNEY OF KANSAS

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. MOORE. Mr. Speaker, I rise today to pay tribute to former Governor Joan Finney of Kansas, who passed away on July 28th in her hometown of Topeka.

Governor Finney was an extraordinary woman, a pioneer, a populist, and my friend.

Governor Finney served the people of Kansas for sixteen years as our elected State Treasurer and then was elected as the first woman Governor of Kansas, defeating her two predecessors in that office while on her way to achieving that goal.

Joan Marie McEnroy Finney was born on February 12, 1925. Her father abandoned her pregnant mother and two older sisters in 1924, and her mother raised the three girls by teaching piano, voice and harp. Governor Finney herself was an accomplished musician and often played her harp at political and social events. She graduated from Manhattan High School in 1942 and earned a bachelor's degree in economic history from Washburn University in Topeka in 1978. Her political career began in 1953 when U.S. Senator Frank Carlson of Kansas hired her as a secretary in his Washington, D.C., office. She returned to Topeka where she worked for Carlson until he retired in 1969; in the following year Finney was appointed Shawnee County Election Commissioner, where she served until 1972.

In 1972, Finney sought the Republican nomination for U.S. Congress in the Second District of Kansas. Two years later, she switched parties and was elected State Treasurer as a Democrat, winning re-election three times. I first got to know her when we were both statewide candidates on the Kansas ballot in 1986; I lost and she won. I know from firsthand experience on the campaign trail with her that she possessed an amazing ability to remember names and personal details about virtually every Kansan she encountered.

In a recent interview with the Topeka Capital-Journal, former Kansas Democratic Party Chairman Jim Parrish noted that Finney had switched parties because of the way the Republican Party in Kansas had treated her:

> She was told generally by the party that, "We're not ready for a woman." . . . I remember her telling me she counselled with Frank Carlson before she did it, and then proceeded to make the change. I go all the way back to the 1974 treasurer's campaign with Joan Finney, and there's not a stronger, more determined woman in all of Kansas political life, ever. And among women I would say she stands tall in terms of being able to set her sights on an objective and go for it in a world where, when she started, it wasn't particularly easy for women.

The Kansas City Star had it right recently, when they wrote:

> People credited .Finney's success to her campaign style, kidding that she had crossed every creek in Kansas. And she was the master one-on-one politician, grasping a voter's hand in both of hers. She saw herself as a populist who listened to everybody.

The Associated Press quoted Republican State Senator David Adkins of Leawood, Kansas, as saying,

> You had to see Joan Finney work a bean feed to understand her appeal. She would walk in and she already knew half the people there, and the other half, before she left they would think she was their best friend.

Her good friend, Kansas Senate Democratic Leader Anthony Hensley hit the nail on the head when he said,

> She literally went door-to-door all of her political career. She'd walk in the parades, speak at the chili suppers, campaign in bowling alleys and grocery stores, just picking up bits and pieces from the people.

In 1991, the Kickapoo Tribe of Kansas gave her the name White Morning Star Woman after she became the first governor to issue an official proclamation to recognize the sovereignty of American Indian tribes. The state's four tribes and Indian leaders nationwide admired Governor Finney for supporting tribal efforts to open casinos on reservations as an income source for them and for being sympathetic to their efforts to assert their sovereignty.

As Governor, she appointed women to an unprecedented number of top jobs in state government. On average, at least half of her cabinet members were women, and her staff of advisors was almost exclusively female. As Kansas Insurance Commissioner Kathleen Sebelius recently commented,

> I don't think there's any question that Joan Finney was one of the most remarkable politicians I've ever known. She changed the face of politics in this state and made it possible for women like me to be seriously considered for statewide office. She pushed women along every step of the way.... She has an impressive place in American history and an incredible place in Kansas history.

During her four years as Governor, the state rewrote its law for distributing money to public schools, revised its abortion law, overhauled its workers' compensation system, re-enacted a capital punishment law, and signed four compacts that allowed Indian tribes in northeast Kansas to open casinos. Legislators rejected her proposals to amend the state constitution to provide for public initiatives and referendums. Finney also took credit for opening international markets to dozens of Kansas businesses due to a series of international trade missions she undertook.

Most importantly, though, Joan Finney will be remembered as a true populist leader in the finest sense of the word. As she said to the Topeka Capital-Journal shortly before her election as Governor:

> I believe the people should be supreme in all things. Even if I don't agree and the majority want a certain issue and believe in a certain issue, I accept that and I will stand by the people.

Governor Finney was a genuine Kansas pioneer, particularly for women in public life. She truly loved people and the people of Kansas loved and respected her. As Commissioner Sebelius noted,

> She had the heart of a true Kansan—someone with strong values, ideals and pride. We should all be so lucky to live like that.

We may never see another leader in our state with her determination, self-confidence and independent spirit, and that truly is our loss.

Governor Joan Finney is survived by her husband, Spencer Finney, and their three children, Sally Finney, Dick Finney, and Mary Holladay. I join with them in mourning the loss of this unique, incredible woman.

HOMELESS VETERANS ASSISTANCE ACT OF 2001

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. SMITH of New Jersey. Mr. Speaker, I am today introducing the "Homeless Veterans Assistance Act of 2001." I intend to have hearings on this measure in September and to ask the House to consider it shortly thereafter.

This is a great Nation, Mr. Speaker, and Fortune smiles on us in this country in so many ways. But tragically, a few are left behind, and a large number of America's veterans are counted among them. Currently, we believe that some 225,000 veterans are homeless on a given night. For these veterans, access to VA benefits, specialized services and effective outreach are vital components to any hope of individual stability and improvement in their prospects.

It is important to create and maintain programs that give veterans the opportunity to become self-sufficient, and to concentrate our resources on programs that work. We know this is not an immediate process but instead constitutes a long-term challenge and struggle for many, both for those who are homeless and those who are trying to help. Also, I believe that some of our government's homeless assistance programs ought to stress prevention as an integral part of any strategy to help homeless veterans. This bill I am introducing, the Homeless Veterans Assistance Act, incorporates a number of these goals.

Mr. Speaker, it is difficult to pinpoint any one cause of homelessness among veterans. Many problems and difficulties could be traceable to an individual's experience in military service, exposure to combat, or return to a seemingly uncaring civilian society. In fact, we know that a majority of homeless veterans today suffer from serious mental illness, including post-traumatic stress disorder, and illegal substance use often complicates their situations. Many have served time in jail. These individual conditions have far-reaching effects on veterans and their families.

A veteran with an impaired mental state may lose the ability to maintain stable employment. Absent employment, it eventually becomes difficult to maintain any type of permanent housing. The vicious cycle only accelerates once employment and housing are lost. The absence of these two important anchors to society is a precursor for increased utilization of medical resources in emergency rooms, VA and other public hospitals and, unfortunately, the resources of America's courtrooms, jails and prisons.

A full platter of medical services may be available to veterans through VA medical facilities, but without better coordination within and across Federal programs relief is only temporary, because veterans once released from VA health care frequently are exposed to the same challenges that created these conditions in the first place. This is why prevention and accountability are two important priorities of my bill. We need to find new ways to prevent veterans from spiraling down to homelessness, but to be responsible we should also provide for them and their caregivers a sense of accountability. And we should not expect veterans to complete this arduous journey alone.

This bill will hold accountable the three federal departments most directly involved in homeless assistance for veterans: Veterans' Affairs, Labor, and Housing and Urban Development. These agencies need to help homeless veterans make a transition to self-reliance; my bill urges them, and in some cases requires them, to cooperate more fully to address the problem of homelessness among veterans.

The bill improves and expands VA's homeless grant and per diem program. Recipients of these funds are contributing substantially to the fulfillment of this bill's objective: to reduce homelessness and provide for the specialty needs of homeless veterans. The initiative I am introducing authorizes higher funding for the program. It also provides a new mechanism for setting the per diem payment so that it will be adjusted regularly. Finally, it eliminates some of the intricate accounting procedures associated with the receipt of the payment.

It is important that any investment produced at taxpayers' expense to help homeless veterans must do the job for which it is intended, or those funds should be returned to the government and put to better use. The existing law requires grant recipients to submit plans, specifications, and specific timetables for implementation of their programs. If the grant recipients cannot meet these obligations, the United States should be entitled to recover the total of unused amounts provided in the grant. My bill would thus bring greater accountability to VA's program to help homeless veterans.

Working is the key to helping homeless veterans rejoin American society, but this is a process that begins with quality medical care and other supportive services including counseling and transitional housing. The Department of Labor's Homeless Veterans Reintegration Program was designed to put homeless veterans back into the labor force. The Secretary of Labor has the authority to determine appropriate job training, counseling, and placement services to aid the transition of homeless veterans back into the labor force.

This bill makes support services available to veterans in need. As homeless veterans begin to make a transition back into the labor force the respective departments must make available essential services to help these veterans. For example, the bill urges the Secretary of Veterans' Affairs to increase contracts with community agencies for representative payee services to help some of these homeless veterans manage their own personal funds and thereby avoid poor choices some of them have made that lead to personal catastrophe. The entity acting as a representative on the veteran's behalf can work with care providers of the Veterans' Health Administration and other parties to a veteran's reintegration to ensure that government funds are used appropriately to help the veteran be reestablished in society.

As I indicated, prevention of homelessness among veterans is an important objective of this bill. This should certainly include veterans transitioning from institutional settings who are at risk for homelessness. As I indicated and as we well know, many homeless veterans have been in jail or in prison. I believe we need to consider making provision for the particular services incarcerated veterans need, and begin providing them before they are released from these institutions into society. The bill includes a demonstration program to test the prevention hypothesis within the institutionalized veteran population, at 6 demonstration sites, one of which will be a Bureau of Prisons facility. The purpose of this program is to provide incarcerated veterans with information, referral and counseling with respect to job training and placement, housing, health care, and other needs determined necessary to assist the veteran in the transition from institutional living to civil life.

Also, Mr. Speaker, some programs with very high success rates have been growing on their own, basically without government intervention. One such program that comes to mind is the "Oxford House" concept. In this model, a group of recovering alcoholics determined to stay sober band together to rent a residential property. Oxford House, Inc., provides earnest money deposits, and the rest is up to the individuals to govern their own lives and run their own homes. This program has been highly effective, and now there are over 800 Oxford Houses nationwide. The bill authorizes a small demonstration project to provide housing assistance to veterans in group houses with similar goals of self-governance. This bill authorizes the Secretary of Veterans' Affairs to make grants up to $5,000 for the purpose of subsidizing housing for veterans who present this need. Elements of the Department of Veterans' Affairs recently have helped sponsor 20 such houses. My bill will provide for 50 more in fiscal year 2003 and an additional 50 houses in fiscal year 2004. This is a model worth exploring.

Mr. Speaker, these are the highlights of my bill, the "Homeless Veterans Assistance Act of 2001." I believe the bill will accomplish very important goals. It will provide needed assistance to homeless veterans, lift them to a sustainable level that will prevent them from returning to a state of homelessness, and help them to become self-sufficient individuals who are accountable for their own actions. This bill will also hold all grant and contract recipients accountable for performing their promised services in exchange for government investments, and promote a greater opportunity to work across departments to provide the best possible service for our Nation's homeless veterans. It also sponsors innovative approaches at prevention of homelessness in high-risk groups within the veteran population.

These are good purposes on which I believe we can all agree, Mr. Speaker, so I am very pleased to offer this bill to the House. On behalf of homeless veterans who need these services, I urge my colleagues to support this bill.

A TRIBUTE TO WILLIAM E. LEONARD, SAN BERNARDINO COUNTY TRANSPORTATION LEADER

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. LEWIS of California. Mr. Speaker, it is a privilege for me to bring to your attention the great life and great works of William E. Leonard. Bill is an old friend and one of the true community leaders of San Bernardino County. He will culminate a 30-year career guiding California's transportation system with the opening next month of what is probably the state's last major freeway: The Foothill Freeway.

The life blood of any community that hopes to succeed and grow are leaders who will step forward and commit their energy, time and personal resources to the goals of that community. Over the years, San Bernardino County has had relatively few leaders who have had the vision to see how the entire region might work together, and the courage to push that vision toward success.

Bill Leonard has been right at the point of able responsible leadership for all of San Bernardino County. For most of my three decades in public life, I have worked with Bill Leonard to improve the economy and quality of life for the residents of the Inland Empire. Although he never sought elected office, Mr. Leonard has been one of the region's—indeed the entire state's—most influential leaders on transportation.

After rising to the rank of First Lieutenant in the U.S. Army in 1946, Mr. Leonard joined his father at the Leonard Realty and Building Company in his hometown San Bernardino. He was active in many construction projects throughout the area, and soon began his public service career as a member of the state Athletic Commission in 1956.

San Bernardino County had already established a statewide reputation for powerful highway planners. Local leaders like publisher James Guthrie and grocer Milton Sage, who served on the California Highway Commission, helped set the standard that allowed the state to create one of the best road systems in the nation. William Leonard carried on that tradition as a member of the state highway commission from 1973 to 1977, and on its successor, the California Transportation Commission, from 1985 to 1993. He was chairman of that commission in 1990-91. He is still a member of the HighSpeed Rail Authority.

Mr. Speaker, we know that a strong family life is the most important factor in a person's success in life. Bill and Bobbi Leonard created a family environment that emphasized a commitment to personal integrity and public service, and this is evident in the lives of their children. Daughter Christene is an elementary school teacher in San Bernardino; son Fred retired after a distinguished 20-year career in the U.S. Air Force. And William Leonard Jr. has been a highly-respected member of the California Assembly and State Senate for the past 23 years, serving as minority leader in both chambers and providing another generation of strong community leadership for the Inland Empire.

Bill Leonard has shown his commitment to action in many ways: He is a board member of the National Orange Show and many hospital, university and community groups. He has received a number of prestigious awards. But he will soon be recognized for his greatest contribution—to ensure the area's roads meet the needs of our citizens. The Legislature has voted to name the interchange of Interstate 15 and the new Foothill Freeway as the William E. Leonard Interchange. It is a fitting memorial to a man who spent his life working for the citizens of the Inland Empire and California, and I ask my colleagues to join me in congratulating him on a career of outstanding public service.

IN HONOR OF LIFE RESOURCES NETWORK

HON. DARRELL E. ISSA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. ISSA. Mr. Speaker, I would like to commend Life Resources Network for it's excellent accomplishments in social services "that provide women with life affirming alternatives to abortion. Over 1,370,000 children, or one quarter of all pregnancies, are aborted each year. While many mothers and fathers want to raise their children, they often feel that abortion is their only viable option.

The mission of Life Resources Network is to solve underlying social issues that lead to unintended pregnancies and the societal pressures that compel both men and women to abort their children. This non-profit organization is operated by more than 100 volunteers that have logged over 1,370 hours. These volunteers focus on distributing the Women's Resource Guide in order to connect women with services that can enhance their lives and the lives of their children. This guide is a directory of services offering information on housing, adoption services, medical care, employment, birth preparation, and many other valuable resources.

From January 2000 to May 2001, Life Resources Network was able to educate 108,000 people through an active Speaker's Bureau and Media Outreach. The bureau covered topics including human life development, post-abortion trauma and abortion alternatives and also equipped teenagers with the facts about pregnancy, pregnancy outcomes and pregnancy prevention.

Life Resources Network has shown remarkable progress in uniting individuals, businesses, and organizations of different philosophies and working together to build a society that offers affirming solutions that elevate women and improve the lives of their children. I would like to personally thank the management and all of the many volunteers at Life Resources for their exemplary efforts to foster a community that promotes healthy choices for women and a healthy environment for their children.

POST-ABORTION DEPRESSION RESEARCH AND CARE ACT

HON. JOSEPH R. PITTS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. PITTS. Mr. Speaker, today, I introduced the Post-Abortion Depression Research and Care Act, a bill to provide hope and healing for the more than 35 million women in this country who have had abortions in the past twenty-eight years.

The Post-Abortion Depression Research and Care Act will direct federal funding for the research of post-abortion depression and the development of successful treatments for emotional distress in post-abortive women.

I have been working on this legislation because I believe that it is a travesty that more work has not been done to support women who have chosen to have an abortion. We cannot simply abandon these women. Because of the emotional issues that often surround a woman's decision to have an abortion, many women are reluctant to even talk about their experiences. Some women don't come to terms with the emotional impact of their abortion until years later. I believe that increased research on post-abortion depression will lead to a greater awareness of this issue and the development of compassionate outreach and counseling programs to help post-abortive women.

We already know much about the psychological impact of giving birth and of miscarrying, and yet much remains to be discovered about post-abortion depression. Why should women who choose to have an abortion be given any less care and concern than women who give birth or women miscarry? Post-abortive women deserve equal treatment.

While there is some disagreement among researchers as to the extent and substance of post-abortion emotional response, everyone agrees that the decision to have an abortion is fraught with emotion. It only makes sense, then, to continue to explore the psychological impact of abortion on women.

I urge my colleagues to support post-abortive women by cosponsoring the Post-Abortion Depression Research and Care Act. Let's not let politics get in the way of good mental health care for women.

TRIBUTE TO ANDREA RAVINETT MARTIN

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. ESHOO. Mr. Speaker, I rise today to honor Andrea Ravinett Martin, an extraordinary leader, a national treasure and a great friend.

Andrea Martin is the founder, the Executive Director and the living soul of The Breast Cancer Fund, a national public trust nonprofit established to innovate and accelerate our nation's response to breast cancer.

A native of Memphis, Tennessee, Andrea graduated Phi Beta Kappa from Newcomb College of Tulane University in New Orleans and went on to earn a Masters degree in French before moving to San Francisco, California in 1969. Three years later, she entered law school at the University of California Hastings and began a career in litigation which would last until 1980, at which point, Andrea opened a Memphis-style barbeque restaurant called Hog Heaven. Years later, having sold the popular San Francisco establishment, Andrea participated as a fellow in the Coro Foundation's City-Focus program, a year-long training program in civic leadership. In May 1988, Andrea, the proud mother of her daughter Mather, married her second husband, Richard Gelernter.

Just eight months after their wedding day—and two weeks after losing her sister-in-law to breast cancer—Andrea discovered a seven centimeter invasive tumor in her right breast. Told she had a 40 percent chance of survival and less then five years to live, Andrea Martin underwent six rounds of chemotherapy, a mastectomy, six weeks of radiation, and a final eight rounds of another chemotherapy protocol. Just one month after the completion of her treatment in 1990, Andrea went back to work, joining Dianne Feinstein's campaign for governor of California. Two months into the campaign, however, the nightmare returned, when Andrea discovered a tiny lump in her remaining breast. Just as quickly as before, she opted for a mastectomy and returned to work two weeks later.

Throughout both her personal and professional life, Andrea Martin has consistently strived to transform her personal adversity into a triumph for humankind. While working for Feinstein, Andrea also began raising money to combat breast cancer, organizing a series of events and activities to heighten awareness and increase funding for the prevention and treatment of this devastating disease.

In October 1992, Andrea Martin founded the Breast Cancer Fund, a national public trust nonprofit that has grown and become one of the preeminent organizations nationwide dedicated to fighting breast cancer. The Fund operates through a wide variety of activities to raise awareness and new sources of funding for cutting-edge projects in breast cancer research, education, advocacy and patient support.

Andrea works full time directing the Fund and traveling across the country to give talks and to consult with researchers, health care providers and breast cancer organizations. A reliable and expert source on breast cancer prevention and treatment, Andrea Martin is frequently called upon by Members of Congress as well as state and local governments to share her insights and counsel on major public policy endeavors. A member of the External Advisory Board to the Breast Cancer SPORE at the University of California in San Francisco, Andrea also serves on numerous advisory committees to the California Division of the American Cancer Society.

In addition to her Breast Cancer Fund activities, Andrea Martin has an extraordinary history of accomplishments, honors and achievements. She's a model of courage for the thousands of women who are diagnosed each year with breast cancer. In 1995, Andrea joined 16 fellow breast cancer survivors in climbing 23,000-foot Aconcagua in the Argentine Andes.

Today Andrea faces another extraordinary challenge in addition to the many she has overcome * * * a malignant brain tumor.

Mr. Speaker, I ask my colleagues to join me today in honoring a woman who has brought hope and courage to millions of women around the world, and as we honor her and her work, we promise our prayers as she fights to overcome this challenge successfully.

CONGRESSMAN SCARBOROUGH ON THE RETIREMENT OF KARIN WALSER

HON. JOE SCARBOROUGH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. SCARBOROUGH. Mr. Speaker, I rise today to pay tribute to a person who has made a great difference in the lives of many people. She has brought hope to the hopeless, love to the unloved and light to the lives of children who have known only darkness.

For over a decade now, Karin Walser has been the driving force behind an organization called "Horton's Kids." Karin's amazing energy level and commitment to those less fortunate than her have made Horton's Kids a shining example of how we all can reach out and greatly impact other's lives.

Too often, we are brought to our knees in despair over the plight of those living in seemingly hopeless conditions. Too often we convince ourselves that there is nothing that one person can do to change the terrible course of a suffering child's life. But Karin has never been driven to despair or cried out in helplessness. Instead, her spirit is sparked by such overwhelming challenges.

Bobby Kennedy once told a group of students in South Africa not to believe that an individual was helpless to cure the world's ills. In a speech he delivered two years to the day before his death, Kennedy said, "Each time a man stands up for an ideal, or acts to improve the lot of others, or strikes out against injustice, he sends forth a tiny ripple of hope, and crossing each other from a million different centers of energy and daring, those ripples build a current which can sweep down the mightiest walls of oppression and resistance."

The walls of oppression were torn down in South Africa two decades after Kennedy's death. But they still act as borders in neighborhoods less than five minutes from the Capitol.

Karin Walser's life has been dedicated to ripping those walls down piece by piece. And with the help of her fiiends and other Capitol Hill staffers, I truly believe these walls will come tumbling down sooner now that Karin is leaving Capitol Hill to join Horton's Kids full-time.

While we will miss Karin, just as we all miss Joe Moakley, I am sure she will never be far from us—or our telephones. Sure, she'll be calling for volunteers, or contributions, or anything else she can think of to help Horton's Kids, but we will all gladly answer her call because we know that together, Karin and Horton's Kids will continue to make a great difference in the lives of our area's most disadvantaged children.

Thank you for all you have done and all you have meant to your hundreds of friends on Capitol Hill. You're not too bad for a left-wing radical.

COMMON SENSE NEEDED ON ARSENIC ISSUE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BEREUTER. Mr. Speaker, this Member commends to his colleagues the following editorial from the August 2, 2001, Lincoln Journal Star. The editorial highlights the need to move beyond the rhetoric and examine the arsenic issue in a rational manner.

Clearly, it is important to get the full story and listen to those who would be most affected by the proposed changes. Many State and local officials as well as water system administrators have expressed concern about the problems which could be caused by the proposed changes. Everyone recognizes the importance of providing safe drinking water for all of our Nation's citizens. Also, some changes in the arsenic standard may well be justified. However, it makes sense to base these changes on sound science rather than emotion.

[From the Lincoln Journal Star, Aug. 2, 2001]

OF ARSENIC, AND ART OF GOVERNING

President George Bush is getting a bum rap on the arsenic issue.

New EPA chief Christine Whitman was neither wacko nor callous when she withdrew new standards for arsenic in drinking water proposed by the Clinton administration that slashed the previous limit by 80 percent.

Neither was Nebraska's entire House delegation oblivious to health concerns when it voted shoulder-to-shoulder—unsuccessfully—against a proposal to force the administration to restore the new standards.

The real reason Bush is undergoing such a bludgeoning on arsenic is because it's so easy for his political enemies to portray him as a heartless boob. Arsenic is nasty. Who could possibly be against removing this poison from our drinking water?

Real life, however, is often complicated, involving tradeoffs in which the costs and payoffs are matters of speculation. As a New York Times story put it, ". . . the setting of environmental risks is as much art as science, one that entails innumerable assumptions about risks, costs and benefits."

The Clinton administration proposed to cut the allowed level for arsenic from 50 parts per billion to 10 parts per billion.

Earlier the administration had toyed with the idea of setting the limit at 5 parts per billion, but decided that would be too expensive. So it upped the new limit to 10 parts per billion. That's still too low for many of Nebraska's communities. The city of York will have to ante up $12 million to meet the new regulation. The city of Alliance will have to spend $6.5 million, or $650 per person. In all, the new water regulations would cost 51 Nebraska communities $97 million.

One may notice that folks in those communities have not been perishing in huge numbers of arsenic-related diseases during the past 50 years. The health benefits of change in arsenic standards involve relatively small numbers in comparison with the nation's 281 million residents.

The reduction in the arsenic level is estimated to prevent 37 to 56 cases of bladder and lung cancer and 21 to 30 deaths annually throughout the nation, according to The New York Times. If the standard were set at 20 parts per billion, the benefit would diminish to preventing an estimated 19 to 20 cases of bladder and lung cancer, and 10 to 11 deaths per year nationally.

Most European countries have set arsenic levels at 20 parts per billions. The World Health Organization recommends 10 parts per billion.

Often unnoticed in the rhetoric over arsenic is that fact that the new regulation was not scheduled to take effect until 2006. Whitman's withdrawal of the new regulation allowed for nine months more study on the "art" of setting environmental standards. Her action hardly deserves the contempt it unleashed.

ON THE 53RD ANNIVERSARY OF INDIA'S INDEPENDENCE

HON. JOSEPH CROWLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. CROWLEY. Mr. Speaker, I rise today to congratulate India on it 53rd anniversary as an independent democratic republic.

Fifty-three years ago India under the leadership of Mahatma Ghandi forged a path towards freedom and democracy by declaring its independence from Britain. With independence India undertook anew a responsibility as a voice of other newly independent nations in the post-colonial world.

India is the world's largest democracy, and in the next fifty years it will become the worlds most populous nation. As we celebrate India's independence it is important for us to reflect on the achievements of the previous 53 years while at the time looking forward to the future.

India and the United States share much in common. Both countries sought independence to create great nations based on freedom and liberty. Both nations also sought to establish a more prosperous future for its people.

As we enter a new century it is important for the United States to recognize India's importance as a great democracy and as a force for stability in South Asia. While India faces many challenges it has nonetheless undertaken an important role of working towards greater prosperity and stability in the region.

India is of immense strategic importance to the United States. Being the only democracy and one of three nuclear powers in the region India has the potential to be a force for economic development and political stability.

South Asia is a vast region that faces many challenges, from the civil war in Afghanistan to great poverty that still haunts much of the region. It is therefore vital for the United States to maintain a dialogue with as many nations in the region as possible. India's cooperation in brining about stability to the region will be essential.

Over the past ten years the United States and India have taken concrete steps to improve their bilateral relations. Trade, investment, and military cooperation have played a major role in bringing the two nations closer.

Mr. Speaker, as a member of the India Caucus I have come to recognize the importance of India in South Asia. I am also proud to have worked on making additional funds available to India and other nations of South Asia for the creation of regional emergency institution similar to our own FEMA, so that we can save more lives in a future natural disaster.

As you know Mr. Speaker, President Clinton worked very hard to foster U.S.–Indian relations and to bring greater regional stability. I encourage President Bush, to continue America's leadership in South Asia. I particularly encourage President Bush to call upon Pakistan to return to a democratic government and to work with India for peace in Kashmir.

As the United States Representative of the second largest South Asian community in the Untied States I would like to congratulate India on this achievement, and seek greater understanding and relations between our two great democracies.

TRIBUTE TO ANDY COMBS

HON. GREG WALDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. WALDEN of Oregon. Mr. Speaker, colleagues, I rise today to publicly thank a member of my Washington, D.C. staff for his tireless efforts on behalf of the good people of Oregon's Second Congressional District. Andy Combs recently departed my staff to pursue a law degree at the University of Oregon. I wish him well in this new endeavor and know that he will excel both in law school and as a lawyer.

Andy comes from Dora, a small town on the southern Oregon coast. He graduated from my alma mater, the University of Oregon, and after serving admirably as a staff member in the Oregon Legislature he embarked to Washington, D.C. to join my staff. He brought those desirable "small town values" to the nation's capital and to how he treated the people who sought assistance from my office.

Andy was more than just "the guy at the front desk." He helped families get the inside track to the sights and sounds of Washington, D.C. Time and again, he brought history alive as he led tours of the Capitol for people who had come nearly 3,000 miles so that their children could better understand the federal government and our bold history. Andy arranged their tours, took their calls, answered their questions. In short, Mr. Speaker, Andy made their day and their trip.

I can't think of a time during his service in my office that a visitor went away disappointed. He attended faithfully to every detail and literally went the extra mile to make sure families could see the White House, the Capitol and other sights in the area.

Moreover, Andy made Oregonians feel at ease and at home when they walked in the door. He possesses that warm and helpful attitude that is too often lacking in a big city. I have a significant stack of letters from Oregonians that took the time to write after their trip to Washington, D.C. to thank me for Andy's treatment of them and his dogged determination to make sure their experience was memorable, Andy was also instrumental in recognizing when something needed to be done, taking the initiative to complete myriad projects and lend others a helping hand.

His ability and intellect will serve him well as a member of the bar. And his likeable attitude will serve him well in the courtroom. In short, Mr. Speaker, Andy's a difficult person to replace. Andy, thanks for a job well done and good luck in the future.

TRIBUTE TO DR. VERMELLE J. JOHNSON

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Dr. Vermelle J. Johnson of South Carolina, who was recently appointed to the Commission on Higher Education. Dr. Johnson's long and illustrious career spans thirty eight years and includes many incredible accomplishments. I am sure her vast experience will serve her well at the Commission on Higher Education.

Dr. Vennelle J. Johnson is leaving her post as Senior Vice President and Vice President of Academic Affairs at Claflin University in Orangeburg, South Carolina to accept her new appointment. Her stellar career was recognized at an evening of reflection and celebration on July 31, 2001 on the campus of Claflin College.

Dr. Johnson began her career as an educator in the public school system in 1963. In 1969, she became an associate professor of business at South Carolina State University. Dr. Johnson moved to Claflin University in 1979, where she established and implemented a Department of Business Administration.

She went back to the South Carolina State University as Professor and Dean of the School of Education in 1982, and in 1985 she became the Executive Vice President and Provost of the University, which at the time was the highest rank held by a female in the South Carolina public college/university system. In this position, Dr. Johnson established several significant new programs, such as a Master of Arts in Teaching and a Department of Nursing.

In 1995 Dr. Johnson returned to Claflin to serve as Senior Vice President and Vice President for Academic Affairs. During this six-year tenure, Dr. Johnson conducted a complete overhaul of the academic curriculum, brought onboard five new academic Honor Societies and Fraternities, and increased faculty professional development and scholarly activity by more than 100%.

Mr. Speaker, I ask you and my colleagues to join me today in honoring Dr. Vermelle J. Johnson for the incredible service she has provided to the students and citizens of South Carolina. I sincerely thank Dr. Johnson for her outstanding contributions and congratulate her on her recent appointment and wish her the best in all of her future endeavors.

THE 'WILLIE VELASQUEZ' COMMEMORATIVE STAMP ACT

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. RODRIGUEZ. Mr. Speaker, throughout the 2000 Presidential election, talk from both sides of the isle focused on the growing prominence of Latino voters in the American political system. Of the total number of registered voters in the United States, Latinos currently comprise almost 6 percent. And according to the United States Census Bureau, 12.5 percent of the total U.S. population or 35.3 million Americans are Hispanic.

Legislation I introduced today would recognize William C. "Willie" Velasquez for his pioneering work to empower Latinos and other minority groups through voter registration. Coining the famous phrase, "Su voto es su voz," "Your vote is your voice," Willie not only translated words describing the influence of the vote, he raised a battle cry for political activism that can still be heard today.

Throughout the American Southwest, Willie was recognized as a selfless advocate of the politically under represented. An outstanding leader who inspired others to play an active role in American democracy, Willie dedicated his life to empowering the Hispanic community through voter registration, hard work, and education. His efforts are largely responsible for the unprecedented growth in the number of registered Hispanic, Native American and low-income voters across the country.

Throughout the 1970s and 1980s, Willie helped to lay the foundation of political activism which brought the importance of the Hispanic vote to prominence in the 2000 Presidential election. In large part due to the civil rights organizations Willie founded, voter registration grew from 2.4 million registered Latinos in 1974 to nearly 8 million in 2000.

In 1974, he founded the Southwest Voter Registration Education Project and the Southwest Voter Research Institute (now known as the William C. Velasquez Institute). Under Willie's leadership, Southwest Voter registered Hispanics, Native Americans and low-income citizens across the country in unprecedented numbers. The research institute enjoyed similar success, emerging as a preeminent institution in the analysis of Hispanic voting trends and demographics.

Sadly, Willie passed away in June 1988 without the opportunity to see the full benefits of much of his groundbreaking advocacy work. Congress adjourned for the day upon learning of his passing, and people across the country lamented the untimely loss of the prominent community organizer and leader. President Clinton later presented the Presidential Medal of Freedom to his widow Janie Velasquez and their children.

A request I submitted to the U.S. Postal Service's Citizens Stamp Advisory Committee was unfortunately denied, but Willie's legacy remains an example for all those who believe in civil rights, democracy, and equality. I hope you will agree that his memory is worthy of national recognition and join my efforts to encourage the U.S. Postal Service to issue a commemorative stamp in Willie's honor.

Now, more than ever before, the Hispanic voice has been heard and courted by both Democrats and Republicans. Today I urge all my colleagues in the House of Representatives to recognize Willie's life-long work and the importance of the Hispanic vote with a commemorative postage stamp.

PROVIDING FOR CONSIDERATION OF H.R. 4, SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

Mr. PETRI. Mr. Speaker, I am disappointed that this rule does not allow the Rahall-Petri-Kind amendment to be considered by the members of the House. Yesterday we went before the Committee on Rules to ask that our amendment striking Title II of Division F of H.R. 4 be made in order during floor debate.

This title addresses various aspects of oil and gas production from federal lease lands, both onshore and offshore. The title reportedly seeks to provide greater incentives and royalty relief to oil and gas producers to encourage exploration and development in these areas. These incentives raise several serious policy questions. Unfortunately, this amendment was not made in order, and the full House was denied the opportunity to address this important issue.

The incentives contained in this section are far too generous. They are not in the public interest. They will not provide for our energy security. Further, none of these provisions was contained in President Bush's report on Energy Policy. Indeed, this title is an oil and gas producer's dream, but it is a taxpayer's nightmare.

First, this section provides a full royalty holiday for certain offshore leases granted over the next 2 years. Royalty payment suspension will be allowed for drilling operations in water as shallow as 400 meters. Just a few weeks ago, Interior Secretary Norton testified before the Resources Committee that the Administration does not support granting relief for production in water under 800 meters in depth. And, importantly, the Secretary currently has the authority to waive royalties. We don't need to mandate it—especially at a time of high prices. The CBO cost estimates for this relief are only the tip of the iceberg—taxpayers will continue to lose hundreds of millions, if not billions, of dollars of revenue during the full lifetimes of these leases.

Second, this title proposes to allow the Secretary of the Interior to replace the current royalty system with a "Royalty-in-Kind" program which allows royalties for oil and gas taken from public lands to be paid in actual deliveries of crude oil or natural gas. This would require enlarging the size of the federal presence in these western states so that federal employees can assume private sector responsibilities. This cannot be done efficiently; an audit of a recent royalty-in-kind pilot program in Wyoming found that it had lost $3 million.

Third, this legislation would mandate a royalty holiday for, and expand the definition of, marginally producing oil and gas wells. Onshore wells producing less than 30 barrels of oil per day would be considered marginal. It is my understanding that approximately 85 percent of all the oil wells on public lands produce less than 30 barrels of oil per day. Clearly, this stretches anyone's definition of marginal. Moreover, relief for truly marginal wells is already provided in this bill through the expansion of the marginal well tax credit.

Fourth, the legislation contains several provisions which transfer the costs of regulatory compliance to taxpayers. Such fees are normally paid by permit applicants. There is no good reason to grant this type of financial relief, and I can think of no other federal program in which taxpayers bear these costs.

I agree that we need to address our energy future to assure all Americans access to reliable and affordable energy. But I fail to see how granting a royalty holiday for oil and gas production on federal leases will accomplish this goal. This title benefits the oil and gas industry without providing any benefit for taxpayers—these royalties are, afterall, rent payments for the privilege of extracting energy resources from publicly owned land. Again, I am disappointed that the rule did not allow members to consider separately these questionable royalty relief provisions.

TRIBUTE TO JEFF EAGER

HON. GREG WALDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. WALDEN of Oregon. Mr. Speaker, colleagues, I want to take the opportunity to publicly thank a member of my Washington, D.C. staff for his years of service to me and to the people of the Second District of Oregon.

Jeff was raised in Central Oregon, graduating from Mountain View High School and then Willamette University. Upon graduating from college, he embarked to Washington, D.C. to begin his public service as a staff member to my predecessor, then-House Agriculture Committee Chairman Bob Smith. Jeff honed his skills in the Congress immediately.

Upon my election to Congress, I was fortunate to successfully recruit Jeff and he joined my staff the day I took office in 1999. He started out as a legislative assistant. Jeff is a quick study, Mr. Speaker. He tackled some of the most complex and vexing issues that face Oregonians and Americans. From how we safely dispose of chemical nerve agents in Eastern Oregon to how we get better quality and more affordable health care to rural America, Jeff learned these issues quickly and worked on creative solutions.

Within a year, Jeff added the title of press secretary to his resume. Now, I have to tell you there's probably nothing more challenging than being a press secretary to a Member of Congress who was a press secretary to a Member of Congress. Jeff rose to the challenge quickly and, frankly, made a difficult job look easy. He got to know the reporters and editors in my district and understood their needs and their deadlines. He excelled at the press secretary duties while continuing to work on his portfolio of legislative issues.

This week Jeff leaves the Nation's capital to return to Oregon where he will attend law school at the University of Oregon. I know he will do as well pursuing a legal career as he did in his work for me. While I wish him every success it goes without saying he will be difficult to replace. Jeff, thank you for a job well done.

TRIBUTE TO THE LAKE CITY HOUSING AUTHORITY ACADEMIC ACHIEVEMENT AND RECOGNITION CEREMONY

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. CLYBURN. Mr. Speaker, I rise today to honor the Fifth Annual Academic Achievement and Recognition Ceremony, being sponsored by the Lake City Housing Authority for the housing resident students of Lake City, Johnsonville, and Kingstree. This special ceremony will be held on August 5, 2001 in Lake City, South Carolina.

The purpose of the ceremony is to honor housing residents who have achieved academic excellence during the prior school year; and to recognize those who have obtained high school diplomas or college degrees. Special recognition will also be given to several individuals who ranked at the top of their classes. This innovative event has become an anticipated occasion for both the housing residents and the community. I commend Mr. Ronald L. Poston, Executive Director of the Lake City Housing Authority, and the Board of Commissioners of the Authority for instigating this creative, community-oriented occasion.

Mr. Speaker, I ask you to join me today in honoring the Fifth Annual Academic Achievement and Recognition Ceremony. It is events such as this that hold our communities together, strengthen our future, and promote our values. I sincerely thank Mr. Ronald Poston and the Board of Commissioners of the Lake City Housing Authority for designing and implementing this innovative and important ceremony, and congratulate those students who will receive recognition this year.

RECOGNIZING ANDREW WOODSON

HON. ERIC CANTOR

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. CANTOR. Mr. Speaker, I rise today to recognize a remarkable young man and his contributions to the seventh district of Virginia. Andrew Woodson has been a servant of the people, tackling any challenge handed him during his service in my Washington, DC office.

Andrew cares about the people of the district, and it shows in his dedication and perseverance. Mr. Speaker, Andrew has been a remarkable addition to the office and his service is appreciated.

Andrew will be leaving Capitol Hill to pursue his law degree at the University of Virginia. Mr. Speaker, I hope you will join me in wishing Andrew Woodson luck at UVA and to thank him for his hard work and dedication during his service to the seventh district.

TRIBUTE TO IRENE DICKERSON ROGERS

HON. LINDSEY O. GRAHAM

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. GRAHAM. Mr. Speaker, I rise today in honor of Mrs. Irene Dickerson Rogers of Pelzer, South Carolina. Mrs. Rogers has lead an extraordinary life of service to our state and to our country.

An educator for the past 61 years, Mrs. Rogers has extended her time and talents to students ranging from elementary to high school. Of her 61 years spent teaching, 43 were in the public school system of Anderson County, the rest of the time she lead adult education classes. A mathematics major with a degree from Lander University in Greenwood, South Carolina, Mrs. Rogers has spent the majority of her career as an educator in the field of mathematics. While most of her years teaching mathematics were spent with middle and high school students, Mrs. Rogers has also generously given her time teaching classes to help better prepare adults entering into job fields associated with higher mathematic skills.

I am exceptionally proud, Mr. Speaker, to make special note that Mrs. Rogers was recently and deservedly awarded the Order of the Silver Crescent, one of the most prestigious awards from the South Carolina Governor. The order of the Silver Crescent is reserved for those South Carolinians who have demonstrated service to our state well beyond their call of duty. With over 61 years of service in education to the Palmetto State, Mrs. Rogers has not only demonstrated remarkable energy and love of her job, but has set an example for all of us to follow. Her belief that each student should be given the maximum opportunity to succeed has left a mark on the schools for whom she has worked, and more importantly, on the students, parents, and communities to whom she has given so much of her time.

I believe it to be of the utmost importance to recognize that not only did Mrs. Rogers directly impact the education of the students in her classroom, but her dedication to her students has impacted the lives of the families and communities within and around the schools. As a teacher, Mrs. Rogers imparted valuable knowledge to her students; as a South Carolinian she has demonstrated drive and dedication in ensuring a bright future for our state that makes us all proud.

Today Mrs. Rogers is an active member of the Pelzer, South Carolina community. A mother of three and a grandmother of two, Mrs. Rogers continues to pass along her love of teaching to her family and friends.

Mr. Speaker, I hope that this body will join me today in honoring Mrs. Irene Dickerson Rogers.

INTRODUCTION OF LEGISLATION NAMING THE "FRANK R. LAUTENBERG AVIATION SECURITY COMPLEX"

HON. FRANK A. LoBIONDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. LoBIONDO. Mr. Speaker, today, I am introducing legislation to designate Buildings 315, 318 and 319 located at the Federal Aviation Administration's William J. Hughes Technical Center in my district as the "Frank R. Lautenberg Aviation Security Complex." As Chairman of the Senate Transportation Appropriations Subcommittee, Senator Lautenberg worked to secure funding to provide for the creation and building of this complex. Due to his tireless efforts on this and other aviation security matters, and for his distinguished service in the Senate, it is fitting to name the complex after Senator Lautenberg.

Throughout his career, Senator Lautenberg was acutely aware of the need for greater vigilance and development of ever more sophisticated and effective technologies and methodologies to counter terrorist threats directed at civil aviation. Senator Lautenberg was at the forefront of the effort to provide the resources necessary for the United States to develop the policies, procedures and equipment needed to ensure the safety of the American flying public.

Following the tragic December 1988 bombing of Pan Am Flight 103 over Lockerbie, Scotland that resulted in the loss of over 270 lives, Senator Lautenberg called for and chaired the first Congressional hearings into this tragedy and initiated efforts to assist the families of the victims.

Senator Lautenberg sponsored the Senate Resolution calling for appointment of a special commission to perform "a comprehensive study and appraisal of practices and policy options with respect to preventing terrorist acts involving aviation security" and President Bush responded with the establishment of the "President's Commission on Aviation Security and Terrorism." Senator Lautenberg was named to serve as one of only four Congressional members of the Commission. Upon completion of the Commission's work, Senator Lautenberg sponsored the Aviation Security Improvement Act of 1990 (PL 101–604), which provided the basis and authority for much of the FAA's current aviation security program.

In the wake of concerns over the crash of TWA flight 800 in 1996, Senator Lautenberg supported President Clinton's establishment of the "White House Commission on Aviation and Security." This commission went on to develop an action plan to deploy new high technology machines to detect the most sophisticated explosives, and offered recommendations to further enhance aviation security. In direct response to that report, Senator Lautenberg joined with his colleagues in sponsoring the Federal Aviation Reauthorization Act of 1996 and the Omnibus Consolidated Appropriations Act of 1997 which appropriated more than $400 million for acquisition of new explosives detection technology and other aviation security improvements.

I thank my colleagues in the New Jersey delegation—ROBERT MENENDEZ, JIM SAXTON, RUSH HOLT, FRANK PALLONE, DONALD PAYNE, STEVE ROTHMAN and WILLIAM PASCRELL—for cosponsoring this bill, and urge its passage.

TRIBUTE TO MELISSA GALVAN

HON. GREG WALDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. WALDEN of Oregon. Mr. Speaker, colleagues, recently I said goodbye to a member of my Washington, DC staff who started with me the day I took office back in 1999. Melissa Galvan served as my manager and scheduler. From managing my schedule and our interns, to handling the office finances and many other important functions, Melissa performed admirably and with dedication.

Melissa was raised in the great state of Oregon and began honing her skills early at Corvallis High School and my college alma mater, the University of Oregon. Upon graduation from college, Melissa embarked to Washington, D.C. to serve the public as a staff member to my predecessor, then-House Agriculture Committee Chairman Bob Smith. Upon my election, I was fortunate to successfully recruit Melissa. From day one of my first term, I—and the residents of the Second Congressional District of Oregon—benefited from Melissa's expertise and affable personality.

I never had to worry about having a seat on a plane, because I knew that Melissa had it taken care of properly. Considering the fluid nature of the schedule in Congress and the fact that I commute back to my district most every week, I assure you that securing a seat on a plane at the last minute is not an easy task. I never had to worry about missing a meeting, because Melissa had it covered. Visitors to my office were always made to feel welcome and cared for because of Melissa.

Simply put, Melissa was a delight to work with and always displayed care and determination during her service on Capitol Hill. She also became a real pal to my son, Anthony, and kept all the "guys" in the office in line, too.

We miss her friendly smile and upbeat attitude, which she has taken to a new job in the private sector. We also are very excited for her and her fiancée, Jason Vaillancourt, an outstanding young man and professional staff member on the House Agriculture Committee. They will marry this fall. Melissa, thanks for your help and a job well done.

POSTAL STAMP CELEBRATING THE LIBERTY MEMORIAL

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. GRAVES. Mr. Speaker, I rise today in support of a national commemorative postal stamp celebrating the Liberty Memorial, our nation's only World War I monument, located in Kansas City, Missouri. Liberty Memorial has been standing for nearly seventy-five years as a monument to those who sacrificed their lives for our freedom and will be rededicated on May 25, 2002. It is my hope that a Liberty Memorial commemorative stamp can be issued as a part of the rededication celebration.

The Liberty Memorial stands 217 feet tall and overlooks the heart of downtown Kansas City as a constant reminder of the battles fought and blood shed for our country in WWI. The peak of the memorial is crowned with four large stone figures representing courage, honor, patriotism and sacrifice. Two carved stone Sphinxes, Memory and Future, guard the memorial. A commemorative stamp of this beautiful site would be a fitting tribute to the veterans who fought in the Great War and the virtues that the Liberty Memorial represents.

The Liberty Memorial is important as the only WWI memorial in the United States, but it also represents a community wide achievement for the citizens of Kansas City. In 1919, a community-based fund raising drive raised over $2,500,000 in less than two weeks. Considering the value of the dollar and the communication challenges at the time, this sum demonstrates the tremendous dedication of the people of Kansas City and the nation to the Liberty Memorial. Seventy-five years later, the citizens of Kansas City are coming together again to rededicate the memorial they worked so hard to build. A commemorative stamp of Liberty Memorial could make the event even more special.

The Liberty Memorial stamp will bring the nation's only WWI memorial to the world and honor those that brought us our freedom in the fashion they deserve. Let us issue a Liberty Memorial Commemorative stamp with the same principle as the monument was built, "In honor of those who served in the world war in defense of liberty and our country."

IN REMEMBRANCE OF JOSEPH HUGH MACAULAY

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mrs. MORELLA. Mr. Speaker, I rise to honor and commemorate the life of my constituent, Joseph Hugh Macaulay. Mr. Macaulay, age 77, passed away on July 13th at Georgetown University Hospital of leukemia.

"Mac," as he was known by his friends and colleagues, served as a congressional aide for more that 30 years. He worked for many different members of Congress, before retiring in 1980 as Chief of Staff to Representative John J. Rhodes, Republican from Arizona, in the Republican Leader's Office.

Mr. Macaulay came to Washington after World War II as a Navy liaison with the U.S. House of Representatives. He began his Capitol Hill experience in 1947, working for Representative Henry J. Latham, Republican of New York. For many years, from 1948 to 1964, Mr. Macaulay served on the staff of Representative Charles B. Hoeven, Republican from Iowa. After working for Representative Charlotte Reid, Republican of Illinois, until 1971, Mr. Macaulay spent three years as administrative assistant with Representative Leslie Arends, Republican from Illinois, who was the Minority Whip. He worked for a year with Representative Virginia Smith, Republican of Nebraska, before joining Congressman Rhodes's office in 1976.

During these many years of dedicated service on Capitol Hill, Mr. Macaulay also had edited "Legislative Alert," a publication for Republican Members which tracked legislation scheduled for consideration and debate on the House Floor.

In all of his many important positions on Capitol Hill, Mr. Macaulay served diligently behind the scenes while never seeking recognition for himself. In addition to his many years of public service, he was committed to his community. For example, Mr. Macaulay volunteered for the past ten years in my district with the Children's Inn at the National Institutes of Health.

Mr. Macaulay, who lived in Bethesda, was a Wisconsin native. He was a graduate of George Washington University and studied at John Hopkins University's School of Advanced International Studies under the American Political Science Association Congressional staff award. He was a Navy veteran of World War II.

Survivors include his wife, Patsy, of Bethesda; two sons, Scott of New York, and Colin, of Philadelphia; a sister; and a granddaughter.

FIRST PLACE WINNERS IN THE NATIONAL HISTORY DAY COMPETITION

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. GARY G. MILLER of California. Mr. Speaker, it is with great pleasure that I rise to honor Jasmine Chiu, Kevin Liang, Jordan Hathaway and Christopher Hynes, of Upland High School, Upland, California, First Place winners in the National History Day competition.

Approximately 700,000 students from across the Nation competed in the year-long, oldest, and most highly regarded humanities contest in the country. I commend each of you for representing Upland High School, your community and the State of California with pride and distinction.

Congratulations and best wishes for success in your future educational endeavors.

TRIBUTE TO MR. JOHN A. McCARROLL

HON. JIM DeMINT

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. DEMINT. Mr. Speaker, I rise today to honor Mr. John A. McCarroll of Greenville, SC, for his many contributions to our State and our community and to congratulate him on his upcoming retirement.

Mr. McCarroll has been the Executive Director of the Phyllis Wheatley Association for the past 30 years. Since becoming director, the agency has grown from a recreational center to a multi-faceted human services agency that operates programs out of its two buildings in Greenville and three satellite centers across the Upstate.

The Phyllis Wheatley Center is a member of the United Way of Greenville and, out of forty-four agencies, receives the second highest allocation behind the Red Cross. The agency had a budget of over $1,300,000 in 1999.

Many individuals that have participated in the agency's programs under Mr. McCarroll's leadership are now serving in important positions throughout the state, including Columbia's Chief of Police, Mr. Charles Austin.

Mr. McCarroll has assisted in providing training for several South Carolina Cabinet Agencies, assisted groups in organizing non-profit agencies, and has provided board development, marketing and fundraising training for non-profit agencies throughout the state.

Additionally, Mr. McCarroll received the Distinguished Leadership Award from the National Association for Community Development. He was selected as an Inaugural Program Participant for Leadership USA in 1995. He currently serves on the Board of Trustees of South Carolina State University and the Greenville County First Steps Board.

Mr. Speaker, I would like to thank Mr. McCarroll for all his years of service to our community and wish him well in his retirement.

PERSONAL EXPLANATION

HON. JOHN M. SPRATT, JR

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. SPRATT. Mr. Speaker, last night, at about 11:23 pm, the House voted 206–223 against an amendment to H.R. 4 offered by Representative MARKEY. I arrived at the House floor a moment after the vote was closed, so my vote was not recorded, but I intended to vote "aye" on the Markey amendment.

I want the record to be clear regarding my position on drilling in Arctic National Wildlife Refuge, or "ANWR." I do not support drilling on the coastal plain of "ANVR." While estimates of the amount of oil that might be recovered from the area vary, I am simply not convinced that spoiling one of the world's last pristine areas is the right answer to our nation's energy problems. In fact, I am a cosponsor of legislation to declare the coastal plain of the reserve, often referred to as "Section

1002," a wildlife refuge so that no drilling can take place. This bill, H.R. 770, the Morris K. Udall Arctic Wilderness Act of 2001, was introduced by Representative MARKEY earlier this year.

I feel strongly enough about protecting ANWR that during debate on H.R. 4 yesterday, I voted against two amendments offered by Representative SUNUNU to H.R. 4—rollcall votes No. 315 and No. 316—designed to make drilling in ANWR more palatable. Furthermore, my vote against final passage of H.R. 4 and for the Motion to Recommit was based in no small part on my disappointment in the bill's ANWR provisions. I regret that I was not able to record my vote on the Markey amendment, but the record should be clear: I support it.

HONORING MARTHA W. BARNETT ON HER TERM AS PRESIDENT OF THE AMERICAN BAR ASSOCIATION

HON. ALLEN BOYD

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BOYD Mr. Speaker, we rise today to recognize the achievements of Martha W. Barnett as she completes her term as President of the American Bar Association.

After joining the ABA in 1986, Martha Barnett's talents quickly became invaluable to the Association. She served on the Board of Governors from 1986 to 1989, and in 1994 she became the first woman to chair the ABA's policy-making House of Delegates. She has been President of the ABA for the 2000–2001 term.

A partner in the law firm of Holland & Knight LLP, Martha Barnett has had a long record of service to the State of Florida. She has been active in the Tallahassee Women Lawyers Association, the Tallahassee Bar Association, as well as the Florida Bar. Martha has been a Governor's Appointee to the Governor's Select Committee on the Workforce 2000 and the Florida Constitution on Ethics, and has served on the Constitution Revision Commission.

Mr. Speaker, we often tell our constituents, particularly students and young people, about the value of public service in our society. Martha Barnett exemplifies the best that public service has to offer, and we would like to thank her for her contributions and wish her the best for the future.

INTRODUCTION OF THE SWAT ACT

HON. BRIAN BAIRD

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BAIRD. Mr. Speaker, I rise today to discuss something that threatens the economic and environmental health of my district and the entire western half of the United States. That something is the spread of zebra mussels from their current infestation area of the Great Lakes and Mississippi River to all of the rivers of the West. The infestation of the zebra mussels has already cost our nation $3.1 billion and if they are allowed to spread to the West, we will see the cost to American businesses and taxpayers expand even further.

If zebra mussels invade the West Coast, they will foul thousands of miles of pipes and canals, water gates and intakes, clog fish screens, obstruct drinking water facilities, block cooling pipes at hydroelectric and nuclear power plants, damage water filter plants, agricultural irrigation systems and other water system components. Waters conducive to zebra mussel establishment are located along the entire West Coast from the ports of Alaska to the reservoirs of southern California, including the Columbia and Snake rivers, the California and south Bay Aqueducts, the Los Angeles Aqueduct, the Colorado River Aqueduct and many smaller rivers in between.

Zebra mussels were inadvertently introduced into the Great Lakes in 1987 by ballast water exchanges from boats that had traveled from Eastern Europe. Since that time, they have spread through connected water bodies by various means including larval transport in ballast water and adult attachment to hulls of ships, barges and recreational crafts. The infestation of zebra mussels throughout the Great Lakes, Mississippi River drainages and the Missouri Rver has cost water users in the area millions of dollars every year, Stopping or slowing their arrival is therefore critical from an economic and biological standpoint. The bill I am introducing today will help prevent the westward spread of zebra mussels, as well as other invasive species that can be transferred through boat traffic.

The bill, entitled the "Stop Westward Aquatic Threats (SWAT)" Act builds upon programs that already exist to educate, monitor and prevent the westward spread of aquatic invasive species, especially zebra mussels. On the federal level, the SWAT Act uses an existing, but underfunded, Fish and Wildlife program called the 100th Meridian Initiative that is designed to prevent the spread of zebra niussels and other aquatic nuisance species west of the 100th meridian. The SWAT Act fully funds education and monitoring programs at boat launches and along higlaways and requires the inspection of commercial boats that cross the 100th meridian. On the State level, the SWAT Act more than doubles the authorized funding, for State Invasive Species Management Plans to help States develop and coordinate their Invasive Species Management Plans.

This may be one of the best investments Congress can make to save money in the long run. By spending a few million dollars today, we can save businesses and taxpayers billions later on.

CONGRATULATIONS TO THE COUNCIL OF KHALISTAN FOR 15 YEARS OF SERVICE

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BURTON of Indiana. Mr. Speaker, I would like to take this opportunity to congratulate Dr. Gurmit Singh Aulakh and the Council of Khalistan, who have completed 15 years of service to the Sikh community in this country and the people of the Sikh homeland, Khalistan.

For the past 15 years, Dr. Aulakh has been diligently walking the halls of the U.S. Congress to tell us about the latest developments in India and the massive violations of human rights that have been perpetrated against Sikhs, Christian, Muslims, and other minorities. We appreciate the work he has done and the information he has provided.

Dr. Aulakh's efforts have made a valuable contribution to the consideration of our policy towards India and South Asia. I appreciate his efforts, and I congratulate him on 15 years of tireless efforts on behalf of the oppressed.

TRIBUTE TO THE LATE DWIGHT "DIKE" EDDLEMAN

HON. TIMOTHY V. JOHNSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. JOHNSON of Illinois. Mr. Speaker, on August 1, 2001, the University of Illinois and every fan of Illinois athletics, lost a close, dear friend by the name of Dwight "Dike" Eddleman. Dike Eddleman was what every young boy dreams of becoming as a kid, the perfect athlete. In his career at the University of Illinois he earned 11 varsity letters in football, basketball, and track & field and if you ever wanted to meet a dedicated athlete and human being, you wouldn't have had to look any further once you met Dike. From the fall of 1947 to the fall of 1948, Dike was in training or in competition on 354 of the 365 days. From this dedication came one of the most impressive athletic careers that has ever been assembled, highlighted by a two year span when he led the football team to the Rose Bowl, the basketball team to the Final Four, and competed in the Olympic Games. In 1993, the University of Illinois' Division of Intercollegiate Athletics appropriately named the University of Illinois male and female Athlete of the Year awards after Dike, ensuring that we would never forget his accomplishments and dedication. Dike Eddleman will be greatly missed, but never forgotten.

TRIBUTE TO 25 YEARS OF SERVICE BY THE EAST JORDAN FAMILY HEALTH CENTER

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. STUPAK. Mr. Speaker, I rise today to call attention to two significant health care events, which will take place while you and I and our House colleagues are back in our districts during the August work period.

The first event is national, the celebration of National Health Center Week, August 19 through 25. This year's theme is "Breaking New Ground in Community Health," a theme that reflects the expanding role of community health centers in our nation's system of health care delivery.

The second event is the Aug. 23 celebration of a quarter century of community service by the East Jordan Family Health Center, which provides basic and expanded medical care for 10,000 members in a rural part of our nation—building healthy families and communities and ensuring a good quality of life.

The two events, Mr. Speaker, are entwined. The national celebration marks more than 30 years of growth of a grant program for health care delivery, and the local celebration is a bright example of that successful growth.

The East Jordan Family Health Center was incorporated 25 years ago when the community lost its only doctor. The next nearest community with a doctor was Charlevoix, 18 miles away. So a forward-looking consortium of community members came together and created a private, not-for-profit service.

When the medical practice in the nearby small community of Bellaire was pulling out, the East Jordan Center purchased that clinic and the services of one doctor.

Now the East Jordan Center offers its 10,000 members the services of ten doctors at two health delivery sites. Among its services are family practice, pediatric care, and internal medicine. The Center offers full X-ray and mammography services.

Membership in the center, Mr. Speaker, is $6 per year for individuals and $10 per year for families. It is governed by a board of directors elected by the membership. The East Jordan Family Health Center draws its strength and direction from the community, and through that strength it offers other services to the community.

Doctors practicing at the Center can provide other health services, such as assisting in a local nursing home. The not-for-profit nature of the Center qualifies the organization for federal grants, which are used to provide health care to those residents who might not otherwise have access to preventive medicine.

The facilities themselves are a community asset. Space is provided free to the local Food Pantry, and to a counseling service. Organizations like Alcoholics Anonymous are given meeting space. Clearly, keeping health care costs low through a community-based health care service helps meet a broad range of local needs.

The outreach doesn't stop there. The center has collaborated with the Northwest Michigan Community Health Agency, the district health department, to renovate space and provide modernized dental facilities, ensuring oral health care access for area residents.

Facilities like the East Jordan Center are a great health deal for their members, but we in Congress need to recognize their important place in national health care delivery. According to the Michigan Primary Care Association, community health centers in Michigan receive 1 percent of the state's Medicaid dollars but provide 10 percent of the Medicaid services, clearly an excellent bang for the buck.

Here's some national figures. According to the National Association of Community Health Centers Inc., our nation's Health Centers are "the family doctor and health care home for more than 10 million people," including one of every 12 rural residents, one of every 10 uninsured persons, one of every six low-income children, and one of every four homeless persons.

As we in Congress work to ensure that all Americans have access to the finest quality, most advanced, most personal kind of health care, we must recognize those individuals and groups on the front lines of health care delivery. I ask you and our House colleagues to join me in wishing the East Jordan Family Health Center the best as it celebrates 25 years of helping to work toward the same goals.

HUMAN CLONING PROHIBITON ACT OF 2001

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition to HR 2505, The Human Cloning Prohibition Act of 2001.

As I have already stated, I believe that cloning is a fascinating, promising issue but one that remains to be more fully explored. As has been evidenced by the prior hearings and debate on this issue, the knowledge of the scientific community in this field is still in its infancy, particularly in the field of stem cell research. It is crucial that Congress carefully consider all options regarding this issue before it proceeds, particularly before we undertake to criminalize aspects of this practice. We must carefully balance society's need for life-saving scientific research against the numerous moral, ethical, social and scientific issues that this issue raises. Yet what we face here today is a bill that threatens to stop this valuable research, in the face of evidence that we should permit this research to continue.

The legal, ethical, physical and psychological implications of such an act are not yet fully understood. It is generally accepted that the majority of Americans is not yet comfortable with the production of a fully replicated human, or "clone." There is little argument that the existence of these unresolved issues is good reason to refrain from this activity at this time. We do not yet know the long-term health risks for a cloned human being, nor have we even determined what the rights of a clone would be as against the person who is cloned or how either would develop emotionally.

Those of us who believe in the Greenwood-Deutsch-Schiff-DeGette substitute are not proposing and are not proponents of human cloning. What we are proponents of is the Bush Administration's NIH report June 2001 entitled "Stem Cells: Scientific Progress and Future Research Directions." This report, as i will discuss further, acknowledges the importance of therapeutic cloning.

None of us want to ensure that human beings come out of the laboratory. In fact, I am very delighted to note that language in the legislation that I am supporting, the Greenwood-Deutsch-Schiff-Degette legislation, specifically says that it is unlawful to use or attempt to use human somatic cell nuclear transfer technology or the product of such technology to initiate a pregnancy to create a human being. But what we can do is save lives.

For the many people come into my office who are suffering from Parkinson's disease, Alzheimer's, neurological paralysis, diabetes, stroke, Lou Gehrig's disease, and cancer, or infertility the Weldon bill questions whether thaf science can continue. I believe it is important to support the substitute, and I would ask my colleagues to do so.

What we can and must accept as a useful and necessary practice is the use of the cloning technique to conduct embryonic stem cell research. This work shows promise in the effort to treat and even cure many devastating diseases and injuries, such as sickle cell anemia, spinal cord damage and Parkinson's disease through valuable stem cell research. This research also brings great hope to those who now languish for years or die waiting for a donor organ or tissue. Yet just as we are seeing the value of such research, H.R. 2505 would seek not only to stop this research, but also to criminalize it. Yet just as we are seeing the value of such research, H.R. 2505 would seek not only to stop this research, but also to criminalize it. We must pause for a moment to consider what conduct should be criminalized.

Those who support the Human Cloning Prohibition Act contend that it will have no negative impact on the field of stem cell research. However, the findings of the report that the National Institutes of Health released in June 2001 are to the contrary. This report states that only clonally derived embryonic stem cells truly hold the promise of generating replacement cells and tissues to treat and cure many devastating diseases. It is ironic at the same time that while the Weldon bill has been making its way through the House, the Administration's NIH is declaring that that the very research that the bill seeks to prohibit is of significant value to all of us.

An embryonic stem cell is derived from a group of cells called the inner cell mass, which is part of the early embryo called the blastocyst. Once removed from the blastocyst, the cells of the inner cell mass can be cultured into embryonic stem cells; this is known as somatic cell nuclear transfer. It is important to note that these cells are not themselves embryos. Evidence indicates that these cells do not behave in the laboratory as they would in the developing embryo.

The understanding of how pluripotent stem cells work has advanced dramatically just since 1998, when a scientist at the University of Wisconsin isolated stem cells from human embryos. Although some progress has been made in adult stem cell research, at this point there is no isolated population of adult stem cells that is capable of forming all the kinds of cells of the body. Adult stem cells are rare, difficult to identify, isolate and purify and do not replicate indefinitely in culture.

Conversely, pluripotent stem cells have the ability to develop into all the cells of the body. The only known sources of human pluripotent stem cells are those isolated and cultured from early human embryos and from certain fetal tissue. There is no evidence that adult stem cells are pluripotent.

Further, human pluripotent stem cells from embryos are by their nature clonally derived—that is, generated by the division of a single cell and genetically identical to that cell. Clonality is important for researchers for several reasons. To fully understand and harness the ability of stem cells to generate replacement cells and tissues, the each identity of those cells' genetic capabilities and functional qualities must be known. Very few studies show that adult stem cells have these properties. Hence, now that we are on the cusp of even greater discoveries, we should not take an action that will cut off these valuable scientific developments that are giving new hope to millions of Americans. For example, it may be possible to treat many diseases, such as diabetes and Parkinson's, by transplanting human embryonic cells. To avoid immunological rejection of these cells "it has been suggested that . . . [a successful transplant] could be accomplished by using somatic cell nuclear transfer technology (so called therapeutic cloning) . . ." according to the NIH.

Hence, although I applaud the intent of H.R. 2505, I have serious concerns about it. H.R. 2505 would impose criminal penalties not only on those who attempt to clone for reproductive purposes, but also on those who engage in research cloning, such as stem cell and infertility research, to expand the boundaries of useful scientific knowledge. These penalties would extend to those who ship or receive a product of human cloning. And these penalties are severe—imprisonment of up to ten years and a civil penalty of up to one million dollars, not to exceed more than two times the gross pecuniary gain of the violator. Many questions remain unanswered about stem cell research, and we must pen-nit the inquiry to continue so that these answers can be found. In addition to research into treatments and cures for life threatening diseases, I am also particularly concerned about the possible effect on the treatment and prevention of infertility and research into new contraceptive technologies. We must not criminalize these inquiries.

H.R. 2505 would make permanent the moratorium on human cloning that the National Bioethics Advisory Commission recommended to President Clinton in 1997 in order to allow for more time to study the issue. Those who support the bill state that we must do so because we do not fully understand the ramifications of cloning and that allowing even cloning for embryonic stem cell research creates a slippery slope into reproductive cloning. I maintain that we must study what we do not know, not prohibit it. The very fact that there was disagreement among the witnesses who spoke before us in Judiciary Committee indicates that there is substantial need for further inquiry. We would not know progress if we were to criminalize every step that yielded some possible negative results along with the positive.

There are many legal uncertainties inherent in prohibiting cloning. First, we face the argument that reproductive cloning may be constitutionally protected by the right to privacy. We *Roe v. Wade* when we legislatively protect embryos. We do not recognize embryos as full-fledged human beings with separate legal rights, and we should not seek to do so.

Instead, I again urge my colleagues to support the Greenwood-Deutsch-Schiff-Degette, a reasonable alternative to H.R. 2505. This legislation includes a ten year moratorium on cloning intended to create a human life, instead of permanently banning it. As I previously noted, it specifically prohibits human cloning or its products for the purposes of initiating or intending to initiate a pregnancy. It imposes the same penalties on this human cloning as does H.R. 2505. Thus, it addressees the concern of some that permitting scientific/research cloning would lead to permitting that permitting the creation of cloned humans.

More importantly, the Greenwood-Deutsch-Schiff-Degette substitute will still permit valuable scientific research to continue, including embryonic stem cell research, which I have already discussed. This substitute would explicitly permit life giving fertility treatments to continue. As I have stated, for the millions of Americans struggling with infertility, protection of access to fertility treatments is crucial. Infertility is a crucial area of medicine in which we are developing cutting edge techniques that help those who cannot conceive on their own. It would be irresponsible to cut short these procedures by legislation that mistakenly treats them as the equivalent of reproductive cloning. For example, there is a fertility technique known as ooplasmic transfer that could be considered to be illegal cloning under H.R. 2505's broad definition of "human cloning." This technique involves the transfer of material that may contain mitochondrial DNA from a donor egg to another fertilized egg. This technique has successfully helped more than thirty infertile couples conceive healthy children. It may also come as no surprise that in vitro fertilization research has been a leading field for other valuable stem cell research.

The Centers for Disease Control and Prevention advise that ten percent of couples in this country, or 6.1 million couples, experience infertility at any given time. It affects men and women with almost equal frequency. In 1998, the last year for which data is available,, there were 80,000 recorded in vitro fertilization attempts, out of which 28,500 babies were born. This technique is a method by which a man's sperm and the woman's egg are combined in a laboratory dish, where fertilization occurs. The resulting embryo is then transferred to the uterus to develop naturally. Thousands of other children were conceived and born as a result of what are now considered lower technology procedures, such as intrauterine insemination. Recent improvements in scientific advancement make pregnancy possible in more than half of the couples pursuing treatments.

The language in my amendment made it explicitly clear that embryonic stem cell research and medical treatments will not be banned or restricted, even if both human and research cloning are.

The organizations that respectively represent the infertile and their doctors, the American Infertility Association and the American Society for Reproductive Medicine, support this amendment. For the millions of Americans struggling with infertility, this provision is very important. Infertility is a crucial area of medicine in which we are developing cutting edge techniques that help those who cannot conceive on their own. It is would be irresponsible to cut short these procedures by legislation that mistakenly addresses these treatments as the equivalent of reproductive cloning.

The proponents of H.R. 2505 argue that their bill will not prohibit these procedures. However, access to infertility treatments is so critical and fundamental to millions that we should make sure that it is explicitly protected here. We must not stifle the research and treatment by placing doctors and scientists in fear that they will violate criminal law. To do so would deny infertile couples access to these important treatments.

Whatever action we take, we must be careful that out of fear of remote consequences we do not chill valuable scientific research, such as that for the treatment and prevention of infertility or research into new contraceptive technologies. The essential advances we have made in this century and prior ones have been based on the principles of inquiry and experiment. We must tread lightly lest we risk trampling this spirit. Consider the example of Galileo, who was exiled for advocating the theory that the Earth rotated around the Sun. It is not an easy balance to simultaneously promote careful scientific advancement while also protecting ourselves from what is dangerous, but we must strive to do so. Lives depend on it.

Mr. Speaker, we must think carefully before we vote on this legislation, which will have far reaching implications on scientific and medical advancement and set the tone for congressional oversight of the scientific community.

A TRIBUTE TO JUSTICE CLINTON WAYNE WHITE

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. LEE. Mr. Speaker, I rise today to honor one of our nation's Civil Rights' Leaders, the Honorable Clinton Wayne White.

Justice Clinton Wayne White was born on October 8, 1921. Between 1942–1945, he proudly served in the United States Army Air Corp.

After World War II, Justice White attended the University of California, Berkeley and received his Bachelor's Degree in 1946 and later he earned his LLB from the University's Boalt Hall School of Law. In 1949, he, along with one other African-American, was admitted to the California State Bar. It was at this time that Justice White truly became an inspiration to African Americans and future African American leaders.

Justice White was a prominent defense attorney who publically criticized and challenged the criminal justice system's biases against African-Americans. He knew how to use the law to fight for social, economic and political progress for people of color. He was a warrior and a crusader, who truly believed in equality for all persons.

It was his strength and determination for equity, which led Justice White to become President of the Oakland NAACP in the 1960s. He waged a successful campaign to change the Alameda County's jury selection system to include minorities.

After several successful years as a leading civil rights attorney, Justice White was elevated to serve as a trial court judge in the Alameda County Superior Court and was later appointed to the State Court of Appeal.

Even with his hectic schedule, Justice White still found the time to participate in many community organizations such as Men of Tomorrow and the Charles Houston Club. He was certain to make time to coach youth baseball teams in Oakland, because he cared about our youth and their future. In 1978, Justice White became the founder of the Clinton White Foundation which seek to enable and empower people to live their lives away from poverty and despair.

Justice White was considered a mentor to current leaders in Alameda County, but to me, he is also and will always be my hero. I knew him when I was still a student in the early 1970s. His guidance and wisdom helped me through some very difficult times. I will always remember his kindness and compassion.

I am proud to stand here alongside his family, friends and colleagues to salute Justice Clinton Wayne White, a man who was a legacy for all.

INTRODUCTION OF THE "TEACHERS FOR TOMORROW" ACT

HON. JAY INSLEE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. INSLEE. Mr. Speaker, today I proudly introduce the Teachers for Tomorrow Act of 2001, a bill to address the serious teacher shortage in our nation's schools. We have over 53 million students in America's elementary and secondary schools—a new enrollment record. Unfortunately, we lack the most important part of the equation—teachers! Nationwide, we will need an additional 2 million teachers over the next ten years. There are particular shortages in specific subject areas such as math, science, bilingual education and special education. For the first time in my district in Washington State, teaching positions have remained vacant.

We cannot afford to allow the current trend to continue where our best and brightest students ignore the teaching profession or leave it altogether. A million teachers are expected to retire over the next ten years, and they are leaving the classroom faster than new teachers are graduating from college. Even more troublesome is the fact that only half of new teachers in urban public schools are still teaching after five years. These are serious warning signs of a teacher shortage and an upcoming crisis if we do not act to recruit and retain teachers.

We must do more to empower new college graduates to choose education as a career. My legislation would permit every public elementary and secondary school teacher to apply for 100% federal loan forgiveness. Current law only applies to teachers that teach specific subject areas or in low-income schools. For teachers of disabled students, specific subject areas, or in low-income schools, my bill would guarantee loan forgiveness over three years. All other teachers would be eligible for loan forgiveness over five years.

Loan forgiveness would be granted for continuing education loans, in order for teachers to pursue advanced degrees. Moreover, rather than allowing these financial incentives to unfairly push teachers into a higher tax bracket, any loan forgiveness would be granted tax neutral status.

Finally, our teachers deserve to use the benefit of their experience and be able to guide their classrooms and schools with local control. My bill maintains the ability of local schools to make hiring, firing and other decisions as they see fit.

Our teachers deserve our highest accolades for educating our nation's children. We ought to thank them for the meaningful work they do every day. I hope that by forgiving federal loans, this legislation will draw more successful students into the teaching profession, and help to retain their experience.

I submit to my colleagues a plan to recruit and retain qualified teachers. We cannot shirk our duty to provide a high quality education to every child. I urge my colleagues to meet this challenge and support this legislation.

TRIBUTE TO DELORIS CARTER HAMPTON

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. MORAN of Virginia. Mr. Speaker, I rise today to pay tribute to Ms. Deloris Carter Hampton, a resident of Northern Virginia, who passed away on July 15, 2001, while attending a family gathering in Bethlehem, Pennsylvania. I first met Deloris over ten years ago and was immediately impressed by her generosity of spirit, boundless energy, sense of humor, and devotion to her family and friends. As a young student, she fulfilled her dream of becoming a dancer by dancing for Martha Graham. She graduated from Tuskegee Institute and received her master's degree from New York University before beginning her teaching career in Huntsville, Alabama and in Englewood, New Jersey. Deloris was a caring wife, mother, friend and teacher. She was dedicated to children and teaching, and spent 27 years as a physical education instructor before retiring in 1996 from the public schools in Prince William County, Virginia. Deloris was an activist in her community, in the State of Virginia and in civil rights. In Prince William County, she was a member of the Service Authority, the National Association for the Advancement of Colored People, the Committee of 100, the Court Appointed Special Advocate (CASA), and a founding member of Women in Community Action (WICA). She was active in the National, Virginia and Prince William County Education Associations, the American Association of University Women (AAUW), the Fairfax County Retired Educators Association as immediate past President, in the Virginia Education Association of Health, Physical Education, Recreation, and Dance, in Carrousels, Inc., and in Celebrate Children. She was a hard working member of her church, Good Shepherd United Methodist Church. Deloris leaves a loving family, her husband, George M. Hampton, Sr., a retired Army officer, her father, George L. Carter, Sr., a son George M. Hampton, Jr., a daughter Sydni T. Hampton, and a granddaughter, Desiree D. Hampton. Deloris will always be missed by those who knew her but her selfless, giving spirit lives on in her community, and with her family and her friends.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2002

SPEECH OF

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2647) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2002, and for other purposes:

Mr. CAMP. Mr. Chairman, I rise today to express my support for the fiscal year 2002 Legislative Branch Appropriations bill. During the last few years, Congress has led a historic effort to reduce the deficit and incorporate fiscal responsibility into federal spending. We reviewed programs and guidelines to make them more efficient and effective and explored alternatives to get the most of each tax dollar. We have also adopted many proposals that have saved taxpayers billions of dollars. Today, we again have the opportunity to reaffirm our message of fiscal responsibility and deficit reduction by passing this legislation.

As many of my Colleagues know, since 1991 I have, along with several other Members, introduced an amendment to the Legislative Branch Appropriations bill that simply requires unspent office funds to be used for deficit or debt reduction. This amendment has always received strong bipartisan support and I am proud to report that the committee has included this provision in the base bill.

In the last few years we have achieved what has eluded Congress for 30 years—a balanced budget. The fiscal year 2002 Legislative Branch Appropriations bill continues our assault on the national debt and holds the line on spending. I believe this measure provides a good incentive for Members to spend taxpayer funds responsibly and lead by example in our efforts to reduce the national debt. Without this provision, Members' unspent office funds can be "reprogrammed" for other budget purposes, frustrating the frugal efforts of many Members. Let's keep practicing sound spending practices and keep moving towards reducing our enormous national debt.

I thank the Chairman for his support and for including the unspent office funds provision in H.R. 2647 and I urge all Members to support this important legislation.

TRIBUTE TO EARNEST L. RICE

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. SERRANO. Mr. Speaker, I rise to pay tribute to Earnest L. Rice, who is about to retire after a long career with United Parcel Service and will soon relinquish his post on my Military Advisory Board.

Earnie Rice has had a long and distinguished career with UPS, starting in 1967 as a package car driver. Over the years, he rose within the ranks of his company and eventually reached the post of Operations Manager. Now, at the end of his career, Earnie is the Community Relations Manager for the Metro New York District, a position he has held for the past eight years.

Earnie Rice has also worked hard for his community. In the past, he served on the Board of Directors of the Harlem YMCA, and worked with the American Cancer Society as well as City Meals-on-Wheels. Mr. Rice also served his country honorably in the Vietnam War.

Mr. Speaker, I ask my colleagues to join me in paying tribute to Mr. Rice. he has been a great asset to our community and we will miss his contributions to my Military Advisory Board. I wish him luck in his future endeavors.

IN MEMORY OF DR. HARLAN DETLEFSEN

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. THOMPSON of California. Mr. Speaker, I rise today to recognize Harlan Detlefsen, Doctor of Veterinary Medicine, who practiced in Ferndale, Humboldt County, California for more than fifty years. His contributions to horse racing and the Humboldt County Fair will be celebrated on August 11, 2001 with the dedication of an historic barn in his memory.

In his long association with the Humboldt County Fair, Dr. Detlefsen served as the track veterinarian, assistant veterinarian and volunteer. His lifelong support and service continued through the 2000 Humboldt County Fair. Highly esteemed in his community and by his colleagues for his dedication and commitment to the highest standards of veterinary practice, Dr. Detlefsen has left a distinguished legacy to his wife, Maxine, and to his daughters, Wendy Lestina, Candace Detlefsen, and Tonya Detlefsen.

After his retirement, Dr. Detlefsen established himself in the Myers Flat area as an extraordinary horticulturist, providing County Fair personnel each year with a variety of fruits and vegetables from his Southern Humboldt gardens.

The Humboldt County Fair Association and the Ferndale Jockey Club will dedicate the historic Assembly Barn, first built in 1928, to Dr. Detlefsen who helped prepare the facilities for the monitoring of racehorses in Fair competitions.

Mr. Speaker, it is appropriate at this time that we recognize Harlan Detlefsen, DVM, for his outstanding service to his community.

IN TRIBUTE TO A PEACEMAKER, JOHN WALLACH, FOUNDER OF SEEDS OF PEACE

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. KUCINICH. Mr. Speaker, on behalf of Mr. GILMAN, Mr. BALDACCI, Mrs. MORELLA, Mr. ALLEN, Mr. SMITH of New Jersey, Mr. BERMAN, Mr. KNOLLENBERG, Mr. LEWIS of Georgia, Mr. DINGELL, Mr. LANTOS, Mr. RAHALL, Ms. LOWEY, Mr. FILNER, Ms. KILPATRICK, Mr. ROTHMAN, Mr. SANDERS and Mr. NADLER, I rise to honor John Wallach, journalist and international peacemaker. Mr. Wallach has nurtured a belief that peace can be achieved when opponents humanize each other, get to know each other, and grow to respect and understand each other, and learn to live together. Mr. Wallach created a place where that humanizing and coexistence could take place. It is a camp called Seeds of Peace.

Starting in 1993, Seeds of Peace has brought together Arab and Israeli teenagers, aged 13 to 15, to learn how to stop the cycle of violence and to learn conflict resolution skills. Since then, teenagers from opposing sides in the Balkans, Cyprus and India/Pakistan international conflicts have begun to participate. They participate in person-to-person peacemaking. They create the substance of peace—daily coexistence. They confront the most difficult issues facing their nations—refugees, water, borders, holy sites—issues that in many cases their leaders have avoided. No subject is left unaddressed and their hatred is raw, the pain is fierce and real. Unlike their national leaders, Seeds of Peace participants must live every waking moment together—sleeping, eating, playing, conversing, and understanding. Seeds of Peace is a supplement to international diplomacy. While governments sign agreements, it is up to ordinary people to fulfill the meaning of those documents, and they do it through daily coexistence.

The Seeds of Peace Camp is set in Maine, a safe, neutral and beautiful environment. It is a physical location that reminds participants of what the world can be. Seeds of Peace fosters friendships among young people in order to facilitate an enduring peace in the future.

An indicator of the program's success was the first Middle East Youth Summit (organized by Seeds of Peace) at Villars, Switzerland in May, 1998. The Summit brought together Seeds of Peace graduates from Egypt, Israel, Jordan, the Palestinian National Authority and the United States to collaborate in figuring out how to end the stalemate of the peace process. The young delegates were presented with the areas in conflict, and they subsequently framed a Declaration of Principles, upholding conflict resolution methods and concepts. The final result of the Summit was the "Charter of Villars," which was proposed as a starting point for Israeli and Palestinian leaders in going about resolving conflicting issues. The Charter serves as a paradigm for future attempts at peaceful conflict resolution.

The short-term impact of the program is obvious, and its long term success will be measured by the continuing connections among graduates. Two-thirds of the teens, it is estimated, remain actively involved with each other and with the program.

A total of twenty-one delegations participated in Seeds of Peace in the summer of 2000: eight delegations from the Middle East (Egypt, Israel, Jordan, Morocco, Palestinian Authority, Qatar, Tunisia, and Yemen), two from Cyprus (Greek Cypriot and Turkish Cypriot), Greece, Turkey, the Balkan nations, and the United States.

For fostering peace through the Seeds of Peace program, Mr. Wallach has been recognized for playing a significant role in the Middle East peace process. He received the *UNESCO Peace Prize in 2000*, and received the Legion of Honor of the Hashemite Kingdom from King Hussein in 1997. Mr. Wallach also founded the Chautauqua Conference on U.S.-Soviet Relations, for which he received the 1991 Medal of Friendship from then President Mikhail Gorbachev. President Clinton saluted Mr. Wallach by writing, "Your commitment to spreading the message of tolerance, justice and human right has helped so many people . . . and planted the seeds for peace in the generation that will one day be leading our world."

Before embarking on a second career as an ambassador of peace and mutual understanding, Mr. Wallach had a distinguished career in journalism and as an author. From 1968 to 1994, he served as diplomatic correspondent, White House correspondent, and foreign editor for the Hearst Newspapers. He was named BBC's first visiting correspondent in 1980, and contributed regularly to CBC, NPR, and BBC. He was also the founding editor of WE/Mbl, the first independent weekly newspaper in Russia. His articles earned many prizes, including two Overseas Press Club awards, the Edward Weintal Prize and the Edwin Hood Award, the highest honor presented by the National Press Club. In 1979, President Carter presented Mr. Wallach with the Congressional Committee of Correspondents Award for his coverage of the Egyptian-Israeli Camp David summit. As an author, he co-authored with his wife Janet Wallach, three books, Arafat: In The Eyes of the Beholder, Still Small Voices, and The New Palestinians. Mr. Wallach has also written The Enemy has a Face.

When Mr. Wallach founded Seeds of Peace, many people told him it was a futile undertaking. They told him he would be risking his reputation. Despite the critics, Mr. Wallach persisted. Thankfully, he did, and through his example, he has demonstrated the power of hopeful vision, dogged determination, inspiring optimism, and faith in humankind. Let us join Mr. Wallach in the hope that one day, there will be a pathbreaking international summit, where the representatives of many nations have in common the experience of peacemaking at Seeds of Peace. That will be a great day indeed.

PERSONAL EXPLANATION

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. NADLER. Mr. Speaker, I was unable to be present for rollcall vote 305. Had I been present, I would have voted "aye." I ask unanimous consent that this be noted at the appropriate place in the RECORD.

COLORADO RIVER QUANTIFICATION SETTLEMENT FACILITATION ACT

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. HUNTER. Mr. Speaker, as you know, the story of the American West is one of a relentless quest for our most precious resource: water. Hundreds of rivers have been diverted and dammed, and thousands have lost their lives over this precious resource. Many of these battles continue today as our Western population rapidly grows, environmental regulations increase, and farmers find themselves in the outrageous predicament of arguing over what should have a priority during water shortages: the livelihood of their families and communities—or fish.

Today I am proud to introduce the Colorado River Quantification Settlement Facilitation Act. This legislation will enable California to avoid future water conflicts by establishing the means for new conservation measures. In addition, it will ensure a reliable source of water for Southern California's many agricultural and urban users.

For decades, California has been using approximately 800,000 acre feet per year more from the Colorado River than its 4.4 million acre feet water right. Understandably, the other river basin states, with many of their communities growing rapidly, have long expressed concern. They feel our continued use of their surplus water, with no plan to wean ourselves from such use, will come into conflict with their inevitable need to utilize their full water rights.

In recent months, the California Colorado River water agencies and the other basin states came to an important agreement. This agreement established a time-line for California to gradually, over fifteen years, decrease its dependency on the Colorado River and live within its 4.4 million acre feet annual allotment. The agreement establishes new operating procedures that allow California to continue to use excess river water, while they develop ways to establish agricultural conservation measures. This will make possible increased transfers of water to urban areas and ensure our future compliance. Further, the agreement mandates that California adhere to specific benchmark conservation goals, which if go unmet, California would immediately be forced to live within the 4.4 million acre feet allotment. Such a scenario would prove disastrous to our state.

My legislation will help California avert such a crisis by providing a degree of certainty in completing the agreement's required benchmarks, funding off-stream reservoirs to store surplus water, and insuring compliance with the Endangered Species Act by funding environmental mitigation in and around the Salton Sea. The Sea, in my district, is the largest lake in California and habitat for hundreds of species of birds and fish, which I aim to protect against the effects of any water conservation measures.

Again, I introduce the Colorado River Quantification Settlement Facilitation Act. This bill will promote conservation and enable reliable water supplies for California for decades to come. I urge my colleagues' thoughtful consideration.

TRIBUTE TO THE BRONX PUERTO RICAN DAY PARADE

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. SERRANO. Mr. Speaker, once again it is with pride that I rise to pay tribute to the Bronx Puerto Rican Day Parade, on its thirteenth year of celebrating the culture and contributions of the Puerto Rican community to our nation.

The Bronx Puerto Rican Day Parade will be held on Sunday, August 5, in my South Bronx Congressional District. The event is the culmination of a series of activities surrounding Puerto Rican Week in the Bronx.

Under the direction of the Bronx Puerto Rican Day Parade Committee, Inc., the parade has grown into one of the most colorful and important festivals of Puerto Rican culture in the five boroughs of New York City and beyond. The Parade brings together people from all ethnic backgrounds, including Puerto Ricans from the Island and all across the nation.

It is an honor for me to join once again the hundreds of thousands of people who will march with pride along the Grand Concourse in celebration of our Puerto Rican heritage. The Puerto Rican flag and other ornaments in the flag's red, white, and blue will decorate the festival.

As one who has participated in the parade in the past, I can attest to the excitement it generates as it brings the entire City together. It is a celebration and an affirmation of life. It is wonderful that so many people can have this experience, which will change the lives of many of them. There's no better way to see our community in the Bronx.

The event will feature a wide variety of entertainment for all age groups. The Parade will end with live music, Puerto Rican food, crafts, and other entertainment. It is expected that this year's parade will surpass last year's number of visitors.

In addition to the parade, the many organizers have provided the community with nearly a week of activities to commemorate the contributions of the Puerto Rican community, its culture and history.

Mr. Speaker, it is with great enthusiasm that I ask my colleagues to join me in paying tribute to this wonderful celebration of Puerto Rican culture, which has brought so much pride to the Bronx community.

RECOGNIZING ANDY AND BETTY BECKSTOFFER FOR BEING CITIZENS OF THE YEAR

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. THOMPSON of California. Mr. Speaker, I rise today to honor Andy and Betty Beckstoffer for being named St. Helena 2001 Citizens of the Year. As residents of St. Helena for over 25 years, they consistently contribute positively to my hometown.

Two of my great friends, Andy and Betty Beckstoffer, have been at the helm of one of the most successful grape growing operations in the country. Beckstoffer Vineyards now owns and operates vineyards in Mendocino, Lake, and Napa counties, all three of which I am honored to represent in Congress.

I admire the Beckstoffers for their success in the grape growing business and in community service. Andy has always been a leader in utilizing new technologies to increase the quality of wine grapes from Northern California. The highly respected winegrowing region in my district owes a lot of its success to the innovative style of Andy Beckstoffer.

Betty Beckstoffer is currently a member of the board of the St. Helena Boys & Girls Club. She works tirelessly to improve the lives of the young people in the Napa Valley. Betty has been a real star in generating support for the Club—she has coordinated fundraising efforts to bring thousands of dollars to support the goal of aiding at-risk children.

The Beckstoffers moved to my hometown, St. Helena, in 1975, the same year Andy became a founding director of the Napa Valley Grape Growers Association. Beckstoffer Vineyards came to life after Andy invested $7,500 to buy a small grape growing company in 1973. The company has grown under the care of the Beckstoffers to a company that now owns over 2500 acres of Northern California vineyards.

Andy and Betty were married in 1960, and are the proud parents of five children. Our community and our country are fortunate to have citizens like the Beckstoffers promoting the wine industry and working to improve the lives of our nation's youth.

Mr. Speaker, please join me in recognizing the achievements of Andy and Betty Beckstoffer. The town of St. Helena, the entire Napa Valley, and our nation should aspire to achieve the success of these two great Americans.

ON THE INTRODUCTION OF THE "MX MISSILE STAND-DOWN ACT"

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. MARKEY. Mr. Speaker, today, Rep. TAUSCHER and I are introducing the "MX Missile Stand-Down Act", a measure to take the 50 MX missiles off of hair-trigger alert.

Secretary of Defense Donald H. Rumsfeld announced on June 27 of this year that the Pentagon would seek to dismantle these 50 MX missiles. Yesterday, the House Armed Services Committee passed by voice vote an amendment by Rep. ALLEN to the Defense Authorization bill to allow such dismantlement, which had been previously prohibited by Congress.

The bill we are introducing today augments these recent steps. According to a preliminary plan by the Air Force, these MX missiles would be dismantled over a 3-year timescale. What our legislation is saying is that there is no need to keep the balance of the silo-busting, heavily-MIRVed MX missiles in a state of ready launch during that time, and therefore we direct the Secretary of Defense to stand-down the MX missiles by removing their warheads over FY2002.

This is a simple but important step. Currently, the United States and Russia have a total of about 4,000 weapons on hair-trigger alert, ready to launch within a few minutes. This state of readiness is unnecessary a decade after the end of the Cold War. As then-Governor George W. Bush observed during the recent Presidential campaign on May 23, 2000, "[T]he United States should remove as many weapons as possible from high-alert, hair-trigger status. Another unnecessary vestige of Cold War confrontation, preparation for quick launch within minutes after warning of an attack was the rule during the era of superpower rivalry. But today for two nations at peace, keeping so many weapons on high alert may create unacceptable risks of accidental or unauthorized launch."

There is a real danger that a false alarm could lead to a nuclear exchange, as evidenced by episodes such as the 1995 incident in which the Russians mistook a scientific launch for an attack and began the process of responding. With the Russian early warning systems having deteriorated since that incident, the hazard is all the more plausible. Therefore, we also direct the Secretary of Defense to make yearly reports to Congress on the condition of the Russian early warning systems, as well as the inventory and alert status of the Russian nuclear arsenal.

This bill continues the process of confidence-building, making a definitive, material statement to the Russians that we do not wish to continue to maintain our nuclear weapons in high-alert and thereby encourage them to follow suit.

ON THE INTRODUCTION OF THE "MX MISSILE STAND-DOWN ACT"

HON. ELLEN O. TAUSCHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mrs. TAUSCHER. Mr. Speaker, I am pleased to join Congressman MARKEY today in offering this important bill which I believe would take an important step toward making the world safer from the threat of accidental nuclear war.

As you may know, Mr. Speaker, the United States and Russia maintain between them, over 4000 weapons on high alert. These weapons are capable of being launched in 3 to 15 minutes and have a combined destructive power nearly 100,000 times greater than the atomic bomb dropped over Hiroshima.

Within a few minutes of receiving instructions to fire, American and Russian land-based rockets with over 3,000 warheads could begin their 25 minute flight to their targets. Less than 15 minutes after receiving their attack order, U.S. and Russian ballistic missile submarines could dispatch over 1,000 warheads.

As you know Mr. Speaker, none of these missiles can be recalled or made to self-destruct.

The Cold War is over but the dangers posed by nuclear weapons have increased because of the heightened risk of an attack resulting from accident, miscalculation or unauthorized use. Indeed, I have serious concerns about the steady deterioration of Russia's early warning and nuclear command systems. According to intelligence reports, critical electronic devices and computers sometimes switch to combat mode for no apparent reason. And many of the radars and satellites intended to detect a ballistic missile attack no longer operate.

During the 2000 campaign, President Bush stated that the "U.S. should remove as many weapons as possible from high-alert, hair-trigger status" because an excess number "on high-alert may create unacceptable risks of accidental or unauthorized launch".

This important bill would take a small but significant step toward reducing the risk of accidental nuclear conflict by de-alerting the 50 Peacekeeper Missiles. By building trust with the Russians and showing them we are serious about arms control, this measure is a serious and responsible investment in our country's security.

In 1991, responding to the August Moscow coup, and along with START negotiations, President George Bush took 450 Minuteman II missiles and all strategic bombers off alert.

In response, Russia announced the deactivation of 503 ICBMs and pledged to keep bombers at low readiness levels.

Mr. Speaker, ten years later it is high time we do this again. Let's deactivate the MX Missiles and send the Russians the same message we did in 1991 that we are serious about reducing the threat of nuclear war.

DISABLED VETERANS SERVICE DOGS & HEALTH CARE IMPROVEMENT ACT OF 2001

HON. JERRY MORAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. MORAN of Kansas. Mr. Speaker, as Chairman of the Veterans Subcommittee on Health I am introducing the "Veterans Service Dogs & Health Care Improvement Act of 2001." This legislation improves veterans' health care services in several important ways.

It allows the VA to provide service dogs to disabled veterans. It mandates improvement in VA capacity for specialized medical programs for veterans, such as serious mental illness, spinal cord injury, blindness, amputees and traumatic brain injuries. It modifies the VA's "ability to pay" formula so that low-income veterans can receive the care they need. Finally, the bill establishes innovative pilot programs to help us learn how we can improve veterans' benefits in the future.

We all know that dog is man's best friend, but for many disabled veterans, a dog is much more than a friend. Service dogs can greatly enhance the quality of life for many seriously disabled veterans. This bill authorizes the Secretary of Veterans Affairs to provide enrolled veterans with spinal cord injuries, immobility due to chronic impairment and hearing impairment to use service dogs in day-today activities. Training, travel, and incidental expenses incurred while adjusting to the dog may also be paid.

This bill also seeks to strengthen mandates for VA to maintain capacity in specialized medical programs, such as serious mental illness, spinal cord injury, blinded veterans, veterans with amputations and veterans suffering from traumatic brain injuries, in each VISN. Although overall capacity has increased in the VA, there has been a decrease in the number of veterans with substance-use and mental illness served in specialized programs. With over 225,000 homeless veterans currently living on our streets, we cannot allow this to continue. Only 11 of 25 spinal cord injury facilities are providing the number of staffed beds specified by a VHA Directive. We must extend the reporting requirement to ensure VA is doing what was directed to care for our at-risk veteran population.

Beyond the VHA Directive regarding capacity, this bill seeks to modify the current VA means-test threshold. For about fifteen years, the VA has determined a nonservice-connected veteran's ability to pay by comparing a veteran's income to a predetermined "means-test threshold." The threshold, expressed in annual household income, is an assumed income level that would be sufficient to a veteran to pay for health care in the community. If a veteran's income is below the "ability to pay" threshold, (currently $23,688 for a single veteran without dependents) he or she is eligible for VA care, and permits the veteran to avoid the co-payments charged to higher-income veterans for VA health care services.

VA's one national standard income threshold has been criticized for years because of the disparities in living costs throughout the country.

The Department of Housing and Urban Development employs a system of ascertaining poverty levels for subsidized housing that is much more reflective of the cost of living around the country than the VA's means test. The Chairman of the Full Committee and I believe the HUD index should be used by VA to better reflect differences in economic factors.

Another provision of this bill explores improved coordination of VA ambulatory and community hospital care. This calls for a 4-year, 4-site pilot project in which the VA refers enrolled veterans to local community hospitals rather than transporting them to an urban VA facility hours away. This is one more way the VA can work to bring VA services closer to the veterans they serve.

Another pilot program proposed in this bill is a 4-year, 4–VISN program for managed care through an outside contractor in VA's $500 million fee-basis and contract hospitalization program. A contractor would provide resource information and referral services to eligible veterans, RN staffed advice lines, coordination with assigned VA case managers, and a variety of reports and data on utilization, satisfaction, quality, access, and outcomes. This program provides care to service-connected veterans whose places of residence or health conditions prevents them to be geographically accessible to VA facilities, or available VA facilities cannot furnish the care or services required. This would also provide health care for life threatening emergencies when no VA facility is available.

Mr. Speaker, this bill makes important improvements in our veterans health care system. When Congress returns from the August break, the Subcommittee will consider this important legislation. I urge the members to support the bill on behalf of veterans.

LIFE OF MRS. MAMIE L. TOWNSEND

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. CARSON of Indiana. Mr. Speaker, it is with both sorrow and appreciation that I submit these remarks on behalf of the life and memory of Mrs. Mamie L. Harrington Townsend who departed this life last Saturday, July 28, 2001.

First I am grateful that Mrs. Townsend was loaned to us for such a long time. I feel a special kinship to her and was saddened when I learned that she had taken a flight to California and whereupon she took another flight to heaven. We were similar in so many ways: Her mother's name is Julia. We both attended Crispus Attucks High School and IUPUI. We both love children, family, community, state and nation. We have backgrounds that reflect diverse employment and have been honored by many of the same organizations.

Mamie was universal in her commitments and volunteerism. She has been acclaimed Woman of the Year by her sorority and received the prestigious Sagamore of the Wabash; distinguished citizen, outstanding businesswoman, "Who's who among women", Sojourner Truth award, and Mary McCloud Bethune award among her many awards. Her greatest reward is yet to come.

Time and space does not accommodate her many achievements. She was simply a unique, tireless, and selfless person.

Mamie was my friend. She had a beautiful spirit. She was a continuous helper to more than we would ever know about.

The great book reminds us that there is a time for all things under the heaven. That there is a time to be born—she was born not once but twice. There is a time to die—she died—in the arms of Jesus.

She has enriched the lives of many—she inspired me especially.

To her family: thanks for sharing Mamie with us. Be strong and of good courage. You have so much to be proud of and to celebrate.

MOTOR VEHICLE OWNERS RIGHT TO REPAIR ACT

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BARTON of Texas. Mr. Speaker, today I am introducing the Motor Vehicle Owners Right to Repair Act. As the name implies, this bill will preserve a vehicle owners' freedom to choose where, how and by whom to repair their vehicles as well as their choice in car parts.

Right now, thousands of vehicle owners who are being turned away from their local repair facility. They are being denied the choice of working on their own vehicles, or the choice of replacement parts because information necessary to make these repairs or integrate replacement parts with the vehicle computer system is not readily available or not available at all. This isn't the way it used to be. Until recently, this information was either not necessary or widely available. But language in the 1990 Clean Air Act mandated that vehicle manufacturers install computer systems in vehicles 1994 and newer to monitor emissions. This law had the unintended consequence of making the vehicle manufacturer the gatekeeper on who can repair, or produce, replacement parts for the vehicle.

This lack of consumer choice will have a huge negative economic impact. An economic study examining this lack of choice's effect on California vehicle owners concluded that motorist repair bills in California alone would increase by 17 billion through 2008. Nation-wide this would equate to a huge tax increase on the American people and severely hurt low and fixed income motorists.

I believe that most vehicle owners who have for years taken for granted that any qualified repair technician of their choice, including themselves, may repair their vehicle have relied heavily on the quality, cost and convenience of the competitive independent aftermarket parts will be surprised to find that in many cases it no longer exists.

With this legislation, we put the motor vehicle owner back in the driver's seat.

MEDICARE REGULATORY AND CONTRACTING REFORM ACT OF 2001

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. STARK. Mr. Speaker, today I am pleased to join Chairman NANCY JOHNSON (R–CT) in introducing legislation that will improve Medicare's administrative functions. Our bill addresses two very important problems in Medicare. First, it takes important steps to improve outreach and assistance to beneficiaries and providers, and to respond to certain other legitimate concerns raised by physicians and other providers. And second, it includes long overdue contracting reforms that will improve beneficiary and provider services and permit the consolidation of Medicare claims processing. Importantly, however, our legislation does not compromise the government's ability to protect taxpayer dollars from being inappropriately spent under Medicare.

Mr. Speaker, no public program can continue without strong public support, and I suggest that Medicare needs both public support and provider support. The Centers for Medicare and Medicaid Services (CMS), formerly the Health Care Financing Administration (HCFA), is constantly criticized for burdensome regulations and paperwork. Yet polls of physicians and other providers have shown that providers prefer Medicare over other payers because Medicare pays faster and does less second-guessing than other payers.

We need to improve the education and information processes for providers. It is hard for even the most seasoned Medicare analyst to keep track of all the payment and policy changes that have occurred in Medicare in the last few years. How can we expect providers to keep track of all of these changes while continuing to provide services? We need to do a much better job of educating and assisting physicians and other providers about these changes, and this legislation will help the CMS/HCFA do so.

Mr. Speaker, throughout the history of Medicare, we have relied on Medicare contractors—carriers and fiscal intermediaries—to provide information to beneficiaries and providers, but that process is outdated in the face of all of the changes. Although that approach worked well for many years, I think most stakeholders would agree that we need major improvements in the Medicare contracting processes. Every President since President Carter has proposed reforms to the administrative contracting provisions in Medicare, yet they have never been enacted. I hope we succeed this time.

Mr. Speaker, our legislation takes important steps to improve outreach and assistance to providers. It would also create a Medicare Provider Ombudsman to help physicians and other providers to address confusion, lack of coordination, and other problems or concerns they may have with Medicare policies.

Our bill reforms the Medicare contracting processes by consolidating the contracting functions for Part A and Part B of Medicare, permitting the Secretary to contract with separate Medicare Administrative Contractors to perform discrete functions, making use of the Federal Acquisition Rules in contracting, eliminating the requirements for cost contracting, and expanding the kinds of entities eligible for contracting. Our bill would permit consolidation of claims processing with fewer contractors, and it would permit separate contracting along functional lines—for beneficiary services, provider services, and claims processing.

Mr. Speaker, my support for combining the administrative contracting functions of Part A and Part B in no way implies my support for combining the Part A and Part B trust funds or otherwise combining the financing or benefits. I strongly oppose such a consolidation.

Mr. Speaker, I have tried for years to get CMS/HCFA to institute a single toll-free phone number for Medicare beneficiaries like the single toll-free phone number that Social Security has operated for years. Finally, in the BBA, the Congress mandated the establishment of a toll-free number, 1–800–MEDICARE. By all accounts, it has been a great success, and even CMS/HCFA now touts its success. However, CMS/HCFA has still been unwilling to permit Medicare beneficiaries to use this number as a single entry point to Medicare. The latest national Medicare handbook includes 14 pages of telephone numbers for beneficiaries to call with specific questions! Surely, if a beneficiary calls the 1–800–MEDICARE number, their call could be transferred to the appropriate number, rather than asking them to try to locate the correct number themselves from among 14 pages of numbers!

In addition to not having a single place to call for Medicare problems, beneficiaries also have no casework office whose responsibility is to help them with their Medicare problems. In the past, CMS/HCFA has relied on the contractors, but many of the problems beneficiaries face are with the contractors themselves. In addition, CMS/HCFA now relies on State Health Insurance Counseling and Assistance Programs (HICAP) organizations to help beneficiaries. I am a strong supporter of these organizations; however, these agencies are staffed with volunteers. It is absurd for a huge public program the size of Medicare to rely on volunteers to be the main source of assistance for its beneficiaries.

We should look to the Social Security Administration to identify ways to provide assistance for Medicare beneficiaries. For example, Social Security not only has regional teleservice centers to staff their national toll-free line and help beneficiaries with their questions, SSA also has Program Service Centers to perform casework for Social Security beneficiaries with specific problems. We need similar offices for Medicare beneficiaries to perform casework for them. Currently, Medicare casework is handled primarily by Congressional offices, since no casework office exists in Medicare.

I have proposed that Medicare staff be stationed in Social Security field offices to help answer questions and provide assistance for Medicare beneficiaries. There are 1291 SSA field offices around the world, and I would like to see Medicare staff in many, if not all of them in the near future. I am pleased that the legislation we are introducing today authorizes a demonstration program to examine the value of placing Medicare staff in SSA field offices, and I hope it will be expanded if it is found to aid beneficiaries.

Finally, Mr. Speaker, let me address Medicare administrative resources. Two years ago, in the January/February 1999 issue of Health Affairs, fourteen of our nation's leading Medicare policy analysts—ranging from conservative to liberal—published an open letter titled, "Crisis Facing HCFA & Millions of Americans." The crisis they spoke about was the lack of resources to administer Medicare. Their letter is even more relevant today. As its administrative workload has increased, CMS/HCFA resources have not kept pace. The changes that we propose in our legislation today are important, but by themselves, they are not sufficient. We simply must get more resources into Medicare administration.

PERSONAL EXPLANATION

HON. ASA HUTCHINSON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. HUTCHINSON. Mr. Speaker, I was inadvertently detained during several rollcall votes this week. If I had been present I would have voted in the following way: Rollcall No. 301—"yea"; No. 302—"nay"; No. 304—"yea"; No. 305—"yea"; and No. 320—"yea".

TRIBUTE TO THE HONORABLE WILLIAM E. LEONARD

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. GARY G. MILLER of California. Mr. Speaker, I rise to pay tribute and honor the accomplishments of The Honorable William E. Leonard, member of the California Assembly, 63rd District.

Mr. Leonard earned a bachelor's degree in Business Administration from UC Berkeley in 1944, and served in the United States Army from 1943 to 1946 where he rose to the rank of First Lieutenant. After his military service, he joined his father at the Leonard Realty & Building Company. He served as a member of the California State Highway Commission from 1973 to 1977, and was appointed to the California Transportation Commission from 1985 to 1993, and served as its chair in 1990 and 1991. Prior to that he was a member of the state's Athletic Commission from 1956 to 1958. He currently serves on the state's High-Speed Rail Authority.

Mr. Leonard has been actively involved in a number of community organizations. He is a member and past director of the San Bernardino Host Lions, a founding member and president of Inland Action, Inc., and a member of the National Orange Show Board of Directors, where he has served as President and Chairman of the Board of Governors. He is also a member and elder of the First Presbyterian Church of San Bernardino. He served on the San Bernardino Valley Board of Realtors, San Bernardo Valley Foundation, St. Bernadine's Hospital Foundation, and the University of California at Riverside Foundation.

In recognition of his outstanding service to the constituents of the 63rd Assembly District, and his involvement in bringing the Foothill Freeway to the Inland Empire, the California State Senate passed a resolution naming the interchange of I–15 and Route 210 as the William E. Leonard Interchange. A dedication ceremony will take place on July 20, 2001.

Mr. Leonard's exemplary record of service has earned the admiration and respect of those who have had the privilege of working with him. I would like to congratulate him on these accomplishments and thank him for the service he has provided to his community.

IN RECOGNITION OF THE COMMUNITY ACTION COUNCIL OF SOUTH TEXAS

HON. CIRO D. RODRIGUEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. RODRIGUEZ. Mr. Speaker, today I would like to recognize the important contributions of the Community Action Council of South Texas (CACST) to the improvement of the general quality of life of the citizens of South Texas. CACST is a private, nonprofit corporation that provides high quality comprehensive primary health care to the medically underserved residents in Duval, Jim Hogg, Starr, and Zapata Counties in South Texas. These counties are currently medically underserved due to geographic isolation, financial barriers, and an insufficient number of health care providers.

The CACST has made great strides in the South Texas health care system, specifically by empowering communities to develop programs to meet their specific needs. This has strengthened the local communities and enhanced opportunities for children and families. In addition, the CACST has maintained a high standard of accountability and provided health care services in accessible low-cost environments.

They have worked to improve access to quality health care by providing trained professionals in areas that had previously been underserved and promote individual responsibility and health awareness in the communities. It is critical that the CACST remain a provider of primary health care and their host of support services, including transportation, case management, outreach, and eligibility assistance. Their presence in the South Texas community has been a tremendous benefit to the individuals that reside there. I commend their efforts to help achieve primary health care for everyone and end health disparities.

TRANSITIONAL MEDICAL ASSISTANCE IMPROVEMENT ACT

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. LEVIN. Mr. Speaker, today I am pleased to join with my colleagues MICHAEL CASTLE and HENRY WAXMAN in introducing the Transitional Medical Assistance Improvement Act. I am also pleased to partner with Senators LINCOLN CHAFEE and JOHN BREAUX, who have introduced identical legislation in the other body. This bill is a critical next step toward making welfare reform work for families and for states. Improving access to health insurance for people leaving welfare is also a necessary component of any plan to reduce the number of uninsured people in the U.S.

When we passed the 1996 welfare reform bill, we agreed on a bipartisan basis that people who left welfare for work should not lose health insurance coverage. Unless Congress acts, the program which keeps that promise, the Transitional Medical Assistance program (TMA), will expire at the end of 2002. The TMA Improvement Act would permanently authorize this critical program and fix some of the problems that have kept it from living up to its potential.

We made the commitment to providing health insurance for people who leave welfare for work both because it was the fair thing to do and because health insurance is a critical work support. According to the Welfare-to-Work Partnership, which represents over 20,000 businesses that have hired former recipients, access to health insurance is one of the five most important things that keeps employees on the job. However, it can be difficult for some employers—especially smaller ones—to offer medical benefits to employees and their dependents. For example, while 74 percent of all The Partnership's members offer health benefits to their new workers, only 56 percent of the smallest employers—those with 50 employees or fewer—are able to do so. And health insurance sometimes isn't offered to part-time employees, or doesn't become effective for up to a year. Even when an employer does offer health care benefits, employees may not participate if they can't afford the premiums.

TMA fills the gap for former welfare recipients who aren't offered insurance or can't afford the coverage they're offered. Unfortunately, certain technical problems with the program have made it difficult for states to administer and even more difficult for eligible workers to access. Here are a few of the major problems the TMA Improvement Act would solve.

Our bill would give states the option of offering up to a year of continuous TMA coverage, without burdensome reporting requirements and excessive paperwork. Current law requires beneficiaries to re-apply for coverage every three months and have states redetermine their eligibility for benefits. The redetermination forms are often long, complicated, and difficult to fill out, requiring time and energy that a working parent in a new job may not have. The process also creates a significant burden for primary care providers by forcing them to re-verify insurance coverage each time they see a TMA patient, which makes them reluctant to serve this population.

Our bill would allow states to offer a second year of TMA coverage to workers who were still poor and uninsured. The Urban Institute estimates that 50% of people leaving welfare are uninsured a year after leaving the rolls On average, those workers earn $7 an hour and cannot afford to purchase private insurance. A few states are already trying to offer these workers a second year of Medicaid coverage, but current law makes doing so administratively complex.

Our bill would allow states to provide transitional health coverage to people who find work quickly. Ironically, current law restricts TMA coverage to those who have been receiving assistance for at least 3 months. This means that some of the most motivated people leaving welfare, those that find work the most quickly, are deprived of health coverage. I applaud my home state of Michigan for using state funds to cover this group, but I believe the federal government should be doing its part.

Our bill would make it easier for employers, community groups, schools, and health clinics to help us enroll working parents in health insurance programs. A recent survey of employers of welfare recipients found that 79% would be willing to help a new employee access information on these programs if they knew he or she were eligible. Many were even willing to help the employee enroll. Our bill would ensure that nonwelfare office sites were able to accept applications for TMA, greatly expanding access for working parents who are unable to go to welfare offices during business hours.

Tens of thousands of former welfare recipients have gone to work since 1996, exactly as we asked. I hope that my colleagues will join me in supporting the TMA Improvement Act, which will ensure that Congress keeps its promise of transitional health insurance for these hard-working parents and their children.

REGARDING THE 50TH ANNIVERSARY OF BRANDY VOLUNTEER FIRE DEPARTMENT

HON. ERIC CANTOR

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. CANTOR. Mr. Speaker, I rise today to honor the 50th anniversary of the Brandy Station Volunteer Fire Department, which has faithfully protected and served its community since 1951.

Throughout its five decades, this organization has served as a true testament to the spirit of volunteerism that makes America such a uniquely compassionate country. After receiving its charter in February, 1951, the department started off by obtaining a single fire truck through the generosity of the neighboring town of Culpeper. Over the course of the next two years, numerous dinners, dances, and bake sales held in order to raise enough money to finance the building of its first fire station in 1953. Although it does receive a small portion of its budget from Culpeper County, the department still operates primarily on the donations of its members and the Brandy Station community. In the year 2000 alone, the volunteers were able to answer seven hundred and twenty-three calls, which included everything from auto accidents and house fires to plane crashes and hazardous chemical spills. Even while answering this extremely high number of calls, they were still able to keep their response time to an incredible low average of 4½ minutes. This is truly an exemplary group of individuals because of their outstanding commitment to the protection of Brandy Station and its citizens.

Mr. Speaker and members of the House, my words here do not do justice to the service of the men and women of the Brandy Station Volunteer Fire Department, but I ask that you join me in honoring their 50th Anniversary and wish them fifty more years of success.

INTRODUCTION OF THE CHILDREN'S LEAD SCREENING ACCOUNTABILITY FOR EARLY INTERVENTION ACT OF 1999 (CHILDREN'S LEAD SAFE ACT)

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. MENENDEZ. Mr. Speaker, I am pleased today to re-introduce the Children's Lead Screen Intervention Act. This important legislation will strengthen federal mandates designed to protect our children from lead poisoning—a preventable tragedy that continues to threaten the health of our children.

Childhood lead poisoning has long been considered the number one environmental health threat facing children in the United States, and despite dramatic reductions in blood lead levels over the past 20 years, lead poisoning continues to be a significant health risk for young children. CDC has estimated that about 890,000, or 4.4 percent, of children between the ages of one and five have harmful levels of lead in their blood. Even at low levels, lead can have harmful effects on a child's intelligence and his, or her, ability to learn.

Children can be exposed to lead from a number of sources. We are all cognizant of lead based paint found in older homes and buildings. However, children may also be exposed to non paint sources of lead, as well as lead dust. Poor and minority children, who typically live in older housing, are at highest risk of lead poisoning. Therefore, this health threat is of particular concern to states, like New Jersey, where more than 35 percent of homes were built prior to 1950.

In 1996, New Jersey implemented a law requiring health care providers to test all young children for lead exposure. But during the first year of this requirement, there were actually fewer children screened than the year before, when there was no requirement at all. Between July 1997 and July 1998, 13,596 children were tested for lead poisoning. The year before that more than 17,000 tests were done.

New Jersey has made some progress since then. In the year 2000, New Jersey screened 67,594 children who were one or two years of age. But that is still only one-third of all children in that age group.

At the federal level, the Health Care Financing Administration (HCFA) has mandated that Medicaid children under 2 years of age be screened for elevated blood lead levels. However, recent General Accounting Office (GAO) reports indicate that this is not being done. For example, the GAO has found that only about 21 percent of Medicaid children between the ages of one and two have been screened. In the state of New Jersey, only about 39 percent of children enrolled in Medicaid have been screened.

Based on these reviews at both the state and federal levels, it is obvious that improvements must be made to ensure that children are screened early and receive follow up treatment if lead is detected. That is why I am introducing this legislation which I believe will address some of the shortcomings that have been identified in existing requirements.

The legislation will require Medicaid providers to screen children and cover treatment for children found to have elevated levels of lead in their blood. It will also require improved data reporting of children who are tested, so that we can accurately monitor the results of the program. Because more than 75 percent—or nearly 700,000—of the children found to have elevated blood lead levels are part of federally-funded health care programs, our bill targets not only Medicaid, but also Head Start, Early Head Start and the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). Head Start and WIC programs would be allowed to perform screening or to mandate that parents show proof of screenings in order to enroll their children.

Education, early screening and prompt follow-up care will save millions in health care costs; but, more importantly will save our greatest resource—our children.

INTRODUCTION OF THE ACCIDENTAL SHOOTING PREVENTION ACT

HON. JAMES R. LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. LANGEVIN. Mr. Speaker, today I am joined by 40 of my colleagues in introducing the "Accidental Shooting Prevention Act" to address the large number of firearm injuries and deaths that occur when users mistakenly fire guns they believe are not loaded. This sensible bipartisan legislation would require that all semiautomatic firearms manufactured after January 1, 2004, which have removable magazines, be equipped with plainly visible chamber load indicators and magazine disconnect mechanisms.

As with many other consumer products, firearm design can reduce the risk of injury. But unlike other products, gun design decisions have been largely left to manufacturers. Fortunately, firearms manufacturers have already produced many guns with safety devices, such as chamber load indicators and magazine disconnect mechanisms, which can help reduce the risk of accidental injuries.

A chamber load indicator indicates that the gun's firing chamber is loaded with ammunition, but to be effective, a user must be aware of the indicator. Generally, chamber load indicators display the presence of ammunition via a small protrusion somewhere on the handgun. Unfortunately, most chamber load indicators do not clearly indicate their existence to untrained users or observers. We must ensure these indicators are easily visible to all gun users, and my legislation will do just that.

By comparison, a magazine disconnect mechanism is an interlocking device which prevents a firearm from being fired when its ammunition magazine is removed, even if there is a round in the chamber. Interlocks are found on a wide variety of consumer products to reduce injury risks. For example, most new cars have an interlocking device that prevents the automatic transmission shifter from being moved from the "park" position unless the brake pedal is depressed. It is common sense that a product as dangerous as a gun should contain a similar safety mechanism.

This is an issue of great importance to me. At the age of sixteen, I was left paralyzed when a police officer's gun accidentally discharged and severed my spine. Had the gun involved in my accident been equipped with a chamber load indicator, the officer would have known that the weapon was loaded. Clearly, mistakes can happen even when guns are in the hands of highly trained weapons experts, which is why safety devices are so critical.

I urge my colleagues to join me and the 40 original co-sponsors of this bill in reducing the risk of unintentional shootings. Please cosponsor this responsible measure, and help make guns safer for consumer use while protecting those unfamiliar with the operation of guns.

CONGRATULATIONS TO MR. AND MRS. WALSH

HON. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. COX. Mr. Speaker, it is my privilege to announce to you, and to the rest of my esteemed colleagues, that on August 4, 2001, Mr. and Mrs. William Walsh will celebrate their 50th wedding anniversary.

Gloria and Bill were both born in Chicago, Illinois. On November 20, 1930, Gloria Augusta was born to Frank and Martha Velten. On October 22, 1929, William and Myrtle Walsh gave birth to William Kenneth.

Although they both graduated from Blue Island High School, they did not meet prior to graduation. It was after graduation, while members of a social club—Gloria was the Secretary-Treasurer and Bill was the President—that they met and began their lifelong partnership.

Gloria and Bill expanded their family with the birth of two daughters, Cynthia and Dawn. In 1959, Bill brought his family to Anaheim, California, and two years later co-founded Continental Vending, a successful family business he still manages.

The marriage of Gloria and Bill is a love story that is still in progress. Their "I do's" are as sincere and heartfelt today as they were 50 years ago and deserve our commendation.

It is with great pleasure that I rise to recognize this grand occasion and join with family and friends to honor William and Gloria Walsh on their 50 years of committed marriage.

On behalf of the United States Congress and the people of Orange County, I extend our sincere congratulations to Bill and Gloria Walsh.

TRIBUTE TO MR. RICHARD NEVINS OF PASADENA, CALIFORNIA

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. SCHIFF. Mr. Speaker, I rise today to pay tribute to Mr. Richard Nevins, who died on Saturday following a bodysurfing accident at St. Malo Beach in Oceanside, California.

Mr. Nevins was a life-long resident of Pasadena, in the Congressional District I am proud to represent. He was very well-known throughout Pasadena, and indeed California as a whole, as a political representative, civic activist, and supporter of the beautification and heritage of his community.

Dick served seven terms on the California State Board of Equalization—an impressive feat. During his terms on the Board he did much to instill a culture of service and professionalism. He was referred to as ". . . an encyclopedia of tax policy" by Lawrence de Graaf who took an oral history from Nevins shortly after his retirement. Professionally he was active in the State Association of County Assessors of California, International Association of Assessing Officers, National Association of Tax Administrators and American Society for Public Administration—Los Angeles Board of Directors. In addition to these professional organizations, Nevins was active in the Los Angeles Urban League, the NAACP (Pasadena Chapter), the World Affairs Council, Town Hall and the Commonwealth Club.

His political legacy also included service as a delegate to three national conventions, including the 1960 Democratic National Convention in Los Angeles, where he was an early supporter of presidential candidate John F. Kennedy. He continued to promote Democratic candidates for the rest of his life. After retiring from the State Board of Equalization in 1986 he served as President of the Boards of the Pasadena Historical Museum and Pasadena Beautiful. He was a familiar figure in his 1935 Ford pickup truck carrying around—gardening tools and planting trees. In fact, one week before his passing, California Governor Gray Davis approved $20,000 in the state budget on a project Dick had lobbied for—landscaping at Pasadena schools. A fitting final contribution for his beloved home city.

Dick was known and loved by people throughout his community. His service as a political representative, his work on civic affairs in Pasadena, and his spirit of community involvement will undoubtedly be felt for years in our region.

Dick graduated from Arroyo Elementary School and Polytechnic School in Pasadena; from Midland School in Los Olivos; and from Yale University with a bachelor's degree in governmment in 1943. He was also a veteran who served our nation in the U.S. Army Air Force in World War II.

Dick is survived by his wife of 55 years, Mary Lois, by three sons, Richard Jr., William and Henry; and by five grandchildren.

I would like to convey to his family and his many many friends, my deepest sympathies. Dick Nevins will be missed by all who knew him.

EGYPTIAN HUMAN RIGHTS VIOLATIONS BASED ON REAL OR PERCEIVED SEXUAL ORIENTATION

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. TOM LANTOS. Mr. Speaker, on the night of May 10, 2001, Egyptian police arrested 52 Egyptian men because they frequented a gay night club. Since then, these men have been denied counsel, the have been tortured, they have had their reputations attacked, and they have been arraigned on trumped up charges of "obscene behavior" despite the fact that Egypt has no laws expressly criminalizing consensual homosexual behavior. Furthermore, if these men are convicted, under Egypt's Emergency State Security Court system, they will not have the right to appeal and may be sentenced up to nine years in prison. Mr. Speaker, by jailing, torturing, and denying a fair trial to people because of their real or perceived sexual orientation, the Egyptian government once again demonstrates its disregard of the human rights of its citizens, and its willingness to deny them the right of free association and due process.

Egypt is clearly violating the human rights of these 52 men. Reports indicate that these men have been tortured with electroshocks, whipped while in prison, threatened with dogs, and they have been forced to undergo degrading and intrusive examinations designed to "prove" that they have been partners in homosexual relations. Mr. Speaker, the Egyptian government has not only harmed these men physically, but has also sought to hurt their reputations. Their names together with identifying details, such as their professions and places of work were published, and they were publicly labeled as members of a "Satanist" organization.

Mr. Speaker, astonishingly even anti-Semitism has been used to defame the detainees. For example, the pro-government press reported that one of the men "confessed" to being "immersed in Judaism." The alleged leader of the so-called "cult" was shown in an evidently doctored photograph in one newspaper with an Israeli flag on his desk.

The Egyptian government's treatment of these 52 men is indicative of a broad pattern of persecution towards religious and secular dissidents. Often these victims of persecution are members of Islamist political movements whom the government sees as a particular threat. In recent months, however, President Mubarak's government has undertaken a number of well publicized prosecutions aimed at secular dissidents. Most notably, the government imposed a seven-year sentence on Saad Eddin Ibrahim, a noted sociologist, for defaming the Egyptian State—a charge apparently prompted by his activism on behalf of religious tolerance and honest elections.

Mr. Speaker, this repressive intolerance has extended to the international sphere. Egypt led the effort, at the recent United Nations General Assembly Special Session on HIV/AIDS, to eliminate from the final document all references to vulnerable groups including men who have sex with men, sex workers, and IV-drug users. And Egypt also led the unsuccessful effort to deny the right to speak at the Special Session to the International Gay and Lesbian Human Rights Commission. Local human rights groups in Egypt have been reluctant to act against many of these abuses—fearful their own precarious situation, facing a determinedly draconian government, will be worsened if they defend stigmatized groups. The Egyptian Organization for Human Rights, a prominent non-governmental organization, recently fired one of its employees because he pressed them to speak out against the arrests of gay men.

Lawyers have been reluctant to take up the case of these 52 men, fearing their own careers and even freedom could be endangered. The right to legal representation is a basic one, essential to the operations of a free and fair justice system. By creating a climate in which due process it is denied to gay men, the Egyptian government has undermined the basic human rights of all Egyptians.

Mr. Speaker, this body must not ignore the Egyptian government's attempts to violate the human rights of individuals based on their real or perceived sexual orientation. The US government and the governments of all countries should stand up and be counted against Egypt's growing record of intolerance and inhumanity. Our distinguished colleague from Massachusetts Mr. Frank and I, along with 34 of our colleagues are sending a letter to President Mubarak to express our very strong disapproval of the arrest of 52 men in Egypt on the basis of their real or perceived sexual orientation.

Mr. Speaker, human rights are universal. These basic rights affirm our shared humanity; they should not be applied unequally according to prejudice and fear. We must not let the Egyptian government's rejection of basic human rights go unnoticed.

PAYING TRIBUTE TO DIXIE LUKE

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. McINNIS. Mr. Speaker, I would like to honor and congratulate Dixie Luke for teaching English and social studies to seventh and eighth grade students for thirty years. After providing a positive influence for hundreds of students in their most critical years, she has decided to move on from the teaching profession.

Dixie is a longtime Colorado resident—she was born in Hotchkiss, Colorado, and has lived in Glenwood Springs for thirty years. Even now she returns almost daily to her birthplace to build the foundation for her next adventure, which involves making sheep's milk cheese, including the caring for the sheep. She also plans on planting a nearby vineyard.

In addition to teaching a more traditional English and social studies curriculum, Dixie used an interdisciplinary unit to give her students a different perspective on learning. One example involved taking students on a day trip to Meeker in order to relate literature to real life. The class first read The Hay Meadow, by Gary Paulson, which is about a boy in Wyoming who has to go to high country to spend a summer working with sheep. Dixie explained that many of her students are from cities and don't have the personal experience to help them relate to the novel's setting. The class then visited the sheep dog trials in Meeker, where they were able to watch the highly trained sheep dogs perform several maneuvers. Another example of a favorite part of the job is the "Mosaic" project, which involves teaching the students to use fourteen different reference sources, and then to cite them.

While she is an old hand at working with kids, in the past few years, she has discovered a few new enjoyable aspects of the job. For instance, she says the results of new CSAP testing have provided more verification for how much her students have been learning. "The Glenwood Springs Middle School had the highest reading and writing scores in the district," she proudly explained, and those scores are also well above the State average. "I always thought that we were preparing the kids well, and it was fun to start seeing those results." Also, during her last five or six years of teaching, Dixie has enjoyed working with new teachers. One fun thing is "helping young teachers . . . to work with the kids in the classroom in a successful way," she said.

Mr. Speaker, Dixie Luke has been a fantastic teacher for thirty years. She has committed herself to her students and has helped to equip them with the education and confidence vital for their success. I would like to thank her for her longtime dedication, and I wish her luck on her next adventure.

LEGISLATION WHICH ENHANCES SENIOR CITIZENS' HEALTH CARE

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. PAUL. Mr. Speaker, I rise to introduce legislation which enhances senior citizens' ability to control their health care and use Medicare money to pay for prescription drugs. This legislation accomplishes these important goals by removing the numerical limitations and sunset provisions in the Medicare Medical Savings Account (MSAS) program so that all seniors can take advantage of the Medicare MSA option.

Medicare MSAs consist of a special savings account containing Medicare funds for seniors to use for their routine medical expenses, including prescription drug costs. Seniors in a Medicare MSA program are also provided with a catastrophic insurance policy to cover nonroutine expenses such as major surgery. Under an MSA plan, the choice of whether to use Medicare funds for prescription drug costs, or other services not available under traditional Medicare such as mamograms, are made by the senior, not by bureaucrats and politicians.

One of the major weaknesses of the Medicare program is that seniors do not have the ability to use Medicare dollars to cover the costs of prescription medicines, even though prescription drugs represent the major health care expenditure for many seniors. Medicare MSAs give those seniors who need to use Medicare funds for prescription drugs the ability to do so without expanding the power of the federal bureaucracy or forcing those seniors who currently have prescription drug coverage into a federal one-size-fits-all program.

Medicare MSAs will also ensure seniors access to a wide variety of health care services by minimizing the role of the federal bureaucracy. As many of my colleagues know, an increasing number of health care providers have withdrawn from the Medicare program because of the paperwork burden and constant interference with their practice by bureaucrats from the Center for Medicare and Medicaid Services (previously known as the Health Care Financing Administration). The MSA program frees seniors and providers from the this burden thus making it more likely that quality providers will remain in the Medicare program!

Mr. Speaker, the most important reason to enact this legislation is seniors should not be treated like children and told what health care services they can and cannot have by the federal government. We in Congress have a duty to preserve and protect the Medicare trust fund and keep the promise to America's seniors and working Americans, whose taxes finance Medicare, that they will have quality health care in their golden years. However, we also have a duty to make sure that seniors can get the health care that suits their needs, instead of being forced into a cookie cutter program designed by Washington-DC-based bureaucrats! Medicare MSAs are a good first step toward allowing seniors the freedom to control their own health care.

In conclusion, Mr. Speaker, I urge my colleagues to provide our senior citizens greater control of their health care, including the ability to use Medicare money to purchase prescription drugs by cosponsoring my legislation to expand the Medicare MSA program.

RECOGNIZING THE OUTSTANDING PROFESSIONALISM AND PERFORMANCE OF THE U.S. DELEGATION TO THE 53RD ANNUAL MEETING OF THE INTERNATIONAL WHALING COMMISSION

HON. WILLIAM D. DELAHUNT

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. DELAHUNT. Mr. Speaker, an often overlooked hallmark of our democracy is the smooth transition of power from administration to administration. This seamless transfer is made possible only through the dedication and hard work of countless numbers of career Federal employees. Often underappreciated and maligned by the public, these career bureaucrats effectively carry out the day to day functions of the Federal Government for the benefit of the American public both at home and abroad.

In this respect, the recent performance of the U.S. delegation to the 53rd Annual Meeting of the International Whaling Commission (IWC) in London exemplifies the type of excellence in public service for which we can all be proud. Considering that several highly contentious issues came before the plenary, the Bush administration is to be commended for sending nothing less than a topnotch team to London. And I applaud the decision of this administration to maintain longstanding U.S. policies that uphold the responsible protection and conservation of the world's cetaceans, especially large whales. Strong U.S. leadership will be vital to thwart future attempts to reverse global whale conservation measures put forward by pro-whaling nations as part of their determined strategy to undermine the IWC. This administration must remain vigilant, and a very brief summation of the issues that arose at this year's meeting will help explain why.

Perhaps the most contentious issue which emerged in London was the proposal by Iceland to rejoin the IWC. In 1992 Iceland, a whaling nation, withdrew from the IWC in part due to the adoption by the IWC of a global moratorium on commercial whaling in 1986. Iceland intended to rejoin the IWC this year but with a reservation against the moratorium. While supportive of Iceland rejoining the IWC, the U.S. delegation strongly, and rightly, opposed the reservation arguing that it would have established, if accepted, a harmful precedent with significant repercussions affecting the adherence of treaty obligations by nations under virtually any international agreement. Such a precedent could severely disrupt the framework of U.S. foreign policy.

Iceland was re-admitted but denied voting rights in the plenary, a decision which sparked significant controversy. Undoubtedly, hard feelings generated in the plenary will linger. Yet the administration was correct in its position. And while it is important for the administration to attempt to restore amicable relations with the Government of Iceland, it should remain clear in communicating its opposition to Iceland's reservation against the global moratorium.

Another item of controversy was the maintenance of lethal scientific research whaling conducted by the Government of Japan in the Southern and North Pacific Oceans. Since 1987, Japan has exploited a loophole in the International Convention for the Regulation of Whaling (ICRW) to maintain whaling under the auspices of self-administered scientific lethal whale research permits in the Southern and North Pacific Oceans. Over 700 minke whales have been taken annually.

Japan's recalcitrance in the face of world opinion to continue this lethal research whaling—a practice which the IWC's own Scientific Committee has ruled consistently to be unnecessary for the management an conservation of whale stocks—led to the Clinton administration's decision last year to certify Japan as in violation of the Pelly Amendment to the Fisherman's Protective Act, and to consider retaliatory economic sanctions on Japanese fishery products. The 68 members of Congress who have agreed to cosponsor my resolution, H. Con. Res. 180, strongly oppose such "scientific whaling," and we very much appreciate the decision of the Bush administration to join us in robust opposition to this illegitimate scheme.

Newer and much lower abundance estimates for Southern Hemisphere minke whale populations helped persuade the IWC plenary, led by the U.S. delegation, to again pass this year a resolution condemning Japan's controversial research and calling on Japan to refrain from continuing these programs. But regrettably, Japan appears unwilling to discontinue or even scale back this illegal whaling contrivance. Should the Japanese decide to again move forward, the administration should re-certify Japan as in violation to the Pelly amendment and this time impose real sanctions. The administration should also continue to engage with Japan in the development of new and better non-lethal scientific methods to obtain data to study whale populations.

Another issue adroitly handled by the U.S. delegation was the emerging question of whether the decline in some global commercial fisheries is linked to a corresponding increase in the consumption of fish by recovering whale populations. In its efforts to justify the resumption of commercial whaling, Japan has postulated a simplistic theory: world fisheries are depleted due to increased foraging by increasing numbers of whales. Moreover, this theory is used conveniently by the Japanese to justify the necessity of its lethal scientific whaling programs. Recently, Japan and other nation's have promoted this concept in other international fisheries organizations, such as the United Nation's Food and Agriculture Organization's Committee on Fisheries (COFI). This tactic has raised concerns within and outside of the IWC that the organization is being undercut in an area within its competence.

The U.S. delegation rightly maintained that the competition claim is grossly oversimplified and biologically unsound. Nevertheless, the U.S. delegation considered it necessary for the issue to be held within the IWC—the one international organization recognized for the management of whale stocks. As a result, while remaining emphatically opposed to lethal scientific whaling and skeptical of the competition theory, the U.S. delegation prudently reached agreement with Japan on a resolution, subsequently adopted by the plenary, that lays out how the IWC will address the question of competition between whales and fisheries in the immediate future. In essence, this resolution acknowledged the competence of the IWC in this area and urged the IWC to engage with FAO and other regional fisheries management organizations to initiate relevant ecosystem-based, holistic and balanced research to investigate this theory.

Representatives of the environmental community objected to this strategy arguing that it legitimized "junk science" and that it was an ill-advised concession to Japan. And time might very well verify those concerns. But at the moment, I agree with the decision of the U.S. delegation that accurate, balanced and non-lethal scientific research offers perhaps the best opportunity to expose the scientific flaws and gaps of this questionable theory once and for all. The U.S. must maintain a strong presence on the IWC Scientific Committee and in the activities of other regional fisheries management organizations to ensure that objectivity is maintained.

I commend the U.S. delegation for its continued efforts to develop a consensus for a Revised Management Scheme (RMS) to govern the future governance of whaling. The U.S. delegation rightly maintained that the RMS must be addressed comprehensively, and not through a piecemeal approach. Despite the fact that little progress was made to resolve difficult issues concerning transparency, supervision and control, the U.S. delegation remained engaged with all nations in an attempt to bridge differences. What has become clear is that the lack of progress on the RMS rests squarely on the shoulders of the pro-whaling bloc led by Japan and Norway, and not on the U.S. and its like-minded allies. This is surprising considering that many of the features being proposed for the RMS mirror elements that are common to other fisheries management regimes of which the pro-whaling nations are signatories.

I also appreciate the actions of the U.S. delegation in strong support of other important conservation proposals raised during the plenary. While I was disappointed to learn that proposals to create whale sanctuaries in the South Pacific and South Atlantic Oceans failed to pass, I was proud to hear that the U.S. delegation strongly supported both proposals. I was also pleased that the U.S. delegation joined a substantial majority of other nations to pass a resolution condemning Norway's desire to export minke whale blubber to Japan, and another resolution that reaffirmed the competence of the IWC in regards to the management of small cetaceans, such as Dall's porpoises. The administration was right to hold the line and support these efforts.

In closing, I would like to commend the leadership of the U.S. delegation to the 53rd meeting, the Commissioner, Mr. Rolland Schmitten, and the Deputy Commissioner, Dr. Michael Tillman, both from NOAA's National Marine Fisheries Service. Their dedicated and tireless service on behalf of the American public in support of sensible, long-term protection of the world's great whales is remarkable. I would also like to extend my appreciation to the other members of the delegation who so ably supported Mr. Schmitten and Dr. Tillman so that they might excel under trying circumstances. Their preparations for this meeting in the midst of the political transition between elected administrations was nothing short of outstanding. They are all a credit to public service in the very best sense, and their efforts are noted and appreciated by the Congress.

EXPRESSING THE SENSE OF THE CONGRESS THAT THE PRESIDENT AND THE CONGRESS SHOULD SAVE SOCIAL SECURITY AS SOON AS POSSIBLE AND VIGOROUSLY SAFEGUARD SOCIAL SECURITY SURPLUSES, AND THAT THE PRESIDENT'S COMMISSION TO STRENGTHEN SOCIAL SECURITY SHOULD RECOMMEND INNOVATIVE WAYS TO PROTECT WORKERS' FINANCIAL COMMITMENT WITHOUT BENEFIT CUTS OR PAYROLL TAX INCREASES

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. SHAW. Mr. Speaker, today I, along with Ways and Means Chairman Bill Thomas, a number of my Ways and Means colleagues, and other Members of this body introduce a concurrent resolution expressing the sense of the Congress that the President and the Congress should save Social Security as soon as possible and vigorously safeguard Social Security surpluses, and that the President's Commission to Strengthen Social Security should recommend innovative ways to protect workers' financial commitment without benefit cuts or payroll tax increases.

Social Security is an enormously popular and successful program, and has helped keep millions of people out of poverty. It has been and will continue to be fundamental income security Americans can rely on.

However, we cannot ignore the fact that Social Security faces financial challenges in the near future. Shortly after the baby boomers begin to retire, Social Security's tax income will not be enough to cover benefit promises, even though hard-working taxpayers contribute billions of dollars of their wages to support the program.

If we do nothing, we would eventually need to reduce benefits by as much as 33% or increase taxes by almost 50% to keep the system in balance. Failing to act would be foolhardy and is entirely unacceptable. We must act soon to save Social Security for both today's seniors and for our kids and grandkids, so that all Americans will a have a secure retirement and protection against income loss from disability or death of a family's breadwinner.

That is why I, along with many other Members of Congress, are introducing this sense of the Congress—because we have a duty to our seniors and to future generations to let them know their retirement security will not be jeopardized.

I urge my colleagues to follow our example and join us in expressing our dedication to saving a program that is the cornerstone of income security for Americans and has served our country well for over two-thirds of a century.

HONORING DIANE HARDEN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. McINNIS. Mr. Speaker, often times we do not fully appreciate what we have until it's gone. Life is no exception. As Diane Harden suffered from a serious form of heart disease, she was faced with the challenge of losing her heart. Her life was in limbo and every day she was alive it was a blessing.

This experience of possibly loosing her life led Diane to gain a new perspective. While her name was placed on a waiting list for nearly 3 months for a donor transplant, finally an organ donor was found to replace Diane's heart. An eighteen year old, under organ donor status, was able to assist Diane and eight others in the pursuit of a healthy life. With only a few bouts of minor rejections, she has fought strongly for her life and lives every moment to the fullest extent. Today, 14 years after the operation, she lives every day with a renewed sense of hope.

Diane now takes care of herself and her husband, who suffers from a disease that attacks the spinal chord. Throughout the couple's 31 years of marriage, they have grown together as they have both faced trying experiences with their health. At a time of celebration for her 50th birthday, Diane and seventy-six others gathered to honor her fourteen years of surviving an organ transplant.

Mr. Speaker, I would like to extend my warmest regard and best wishes to Diane Harden and her husband. My prayers are with them for their continued health and renewed hopes.

FISK JUBILEE SINGERS COMMEMORATIVE STAMP ACT

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. HASTINGS of Florida. Mr. Speaker, today I am proud to introduce a resolution calling on the U.S. Postal Service to honor the Fisk Jubilee Singers with a commemorative stamp. The Fisk Jubilee Singers are true heroes in the fight for civil rights and racial equality in education. Their heritage goes back more than one hundred and thirty years to just after the Civil War. These singers are part of a unique group of former slaves who made it their passion to achieve the kind of education that they did not have access to before emancipation. Their spirit has been felt all across this nation and around the world, and it is my honor to stand before you today to tell you about the legacy of the Fisk Jubilee Singers, whom I hold near to my heart.

The Fisk School was founded in Nashville, Tennessee, just after the end of the Civil War. This school was intended to transcend the racial divide, with the founders of the University opening the doors of education to all persons, regardless of their race. Recently emancipated slaves, ecstatic at the limitless possibilities for freedom offered by learning, took it upon themselves to create in the Fisk School an educational institution that would give to them a sense of profound moral purpose in the great American democracy. The sale of slave paraphernalia paid for the opening of the school, and in 1867 the Fisk School became Fisk University, now the oldest university in Nashville.

Fisk University's accomplishments in the advancement of educational opportunities for African-American's is far too long to mention here. I will tell you briefly that some of the most honored African-American artists, thinkers and activists attended or were involved with Fisk, including W.E.B. DuBois, Booker T. Washington, Charles Spurgeon Johnson, James Weldon Johnson, and Thurgood Marshall, to name a few of the more distinguished African-Americans. Indeed, Fisk University played an enormously profound role in the advancement of black learning and culture in America. I am both humbled by and proud of the time that I, too, spent at Fisk University. Many of the values I hold dear to my heart today I learned from my colleagues and professors at Fisk.

It was in 1871 that a group of students formed the Fisk Jubilee Singers, a choral group, with the intent to raise money for their beloved University. That same year, these singers took all of the money from the school's treasury and used it to tour around the United States and Europe. During that tour they raised enough money to preserve the University and to construct Jubilee Hall, which became the South's first permanent structure built for the education of black students. This building has also been dedicated as a National Historic Landmark. I swell with pride to tell you that the Jubilee Singers were the first internationally acclaimed African-American musicians. They introduced so-called "slave songs" to the world and are considered responsible for preventing that historic and spiritual music from extinction. The Firsk Jubilee Singers still perform to this very day.

Mr. Speaker, the Fisk Jubilee Singers have made a lasting contribution to racial equality and black culture in America. They introduced the spiritual as a musical genre, and demonstrated a truly unique commitment to their education. It is time that we in Congress honor their incredible achievements in such a manner that all of America will come to know of their commitment.

Mr. Speaker, I ask my colleagues to pass my resolution encouraging the Postal Service to issue a postage stamp commemorating the legacy and achievements of the Fisk Jubilee Singers.

JOHN TERRANA HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. KANJORSKI. Mr. Speaker, I rise today to call the attention of the House of Representatives to the hard work and achievements of my very good friend, Attorney John J. Terrana of Kingston, Pennsylvania, who will be honored on August 24, 2001, as Past President of the Wilkes-Barre Chapter of U.N.I.C.O. John's deep love of his Italian heritage makes it especially fitting that he is being honored by this fine organization of Italian-Americans.

Attorney Terrana is a 1970 graduate of St. John the Evangelist School in Pittston and earned his bachelor of arts degree in government and politics from King's College in 1974. In 1981, he served as a legislative assistant to former Congressman Ray Musto and was admitted to practice before the Luzerne County Court of Common Pleas, the Pennsylvania Supreme Court, the U.S. District Court for the Middle District of Pennsylvania and the U.S. Third Circuit Court of Appeals.

John earned his doctor of jurisprudence degree from the George Mason University School of Law in 1982 and established his private practice of law in Luzerne County. He was inducted into membership in the Wilkes-Barre Chapter of U.N.I.C.O. in 1988 and has served at various times on the chapter board of directors, in addition to serving as co-chairman of the Miss U.N.I.C.O. pageant for 10 years.

Last year, when the chapter elected him its president, he also attained the honor of being inducted the Million Dollar Advocates' Forum, an organization whose membership is restricted to trial lawyers who have successfully tried a case which resulted in a verdict or award in excess of one million dollars.

John's sense of humor and warm personality have made him a popular toastmaster and speaker at many events throughout Northeastern Pennsylvania. Everyone who knows John is well-familiar with his devotion to his family.

Attorney Terrana is the son of Dolores Terrana and the late Angelo Terrana and the brother of my former district director, Attorney Joe Terrana, as well as Attorney Angelo Terrana and Rosemary Dessoye, executive vice president of the Pittston Chamber of Commerce. John and his wife, the former Antoinette Farano, have three children, Katie, Julie and John Charles.

Mr. Speaker, I am pleased to call to the attention of the House of Representatives the hard work and achievements of Attorney John Terrana, and I wish him all the best.

PERSONAL EXPLANATION

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. WOOLSEY. Mr. Speaker, yesterday during rollcall vote No. 312, I inadvertently recorded my vote as "aye." My intention had been to vote "no" on the green amendment.

I ask that my statement be inserted in the RECORD at the appropriate place. Thank you.

HONORING HARRY BUTLER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to recognize Harry Butler for all of his contributions to Grand Junction and the state of Colorado. In addition, I would like to congratulate him on his recent election to the Grand Junction City Council, which marks the first person of African-American descent to hold a position on the City Council.

Harry has always been persistent in his efforts to achieve his goals. As a young child, he used to attend church services in the Handy Chapel located in Grand Junction. The chapel was also a residence for him and his wife, Danielle, after they were married. At that time, they exchanged rent for cleaning the facility. The church filled a large portion of his heart. Today, Harry serves as a minister and leads the Saturday morning services at the church he used to reside in.

From the age of seven, Harry has done everything from delivering newspapers to working for the Job Corps in Collbran for 11 years. Harry has consistently extended a helping hand to warm the hearts of others. He worked for the U.S. Bureau of Reclamation in Grand Junction and has become an outstanding minister. He and Danielle have been happily married for 37 years and are proud parents to three children.

Throughout his trials and tribulations, Harry strengthened his faith and found compassion in the Bible. He never takes a moment for granted and truly understands the value of life. Now as a City Councilman, Harry hopes to work on issues of community safety, drug utilization and transportation.

Mr. Speaker, Harry Butler has done great things throughout his life and I am certain he will tackle his new position with the utmost attention and dedication. I would like to extend my warmest regard to Harry and his family and wish him the best throughout his term as a councilman.

TRUTH IN EMPLOYMENT ACT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. PAUL. Mr. Speaker, I rise to introduce the Truth in Employment Act which protects small businesses and independent-minded workers from the destructive and coercive "top-down" organizing tactic known as salting. Salting is a technique designed by unscrupulous union officials for the purpose of harassing small businesses until the businesses compel their employees to pay union dues as a condition of employment.

"Salts" are professional union organizers who apply for jobs solely in order to compel employers into consenting to union monopoly bargaining and forced-dues contract clauses. They do this by disrupting the workplace and drumming up so-called "unfair labor practice" charges which are designed to harass and tie up the small business person in constant and costly litigation.

Thanks to unconstitutional interference in the nation's labor markets by Congress, small businesses targeted by union salts often must acquiesce to union bosses' demands that they force their workers to accept union "representation" and pay union dues. If an employer challenges a salt, the salt may file (and win) an unfair labor practice charge against the employer!

Passing the Truth in Employment Act is a good first step toward restoring the constitution rights of property and contract to employers and employees. I therefore urge my colleagues to stand up for those workers who do not wish to be forced to pay union dues as a condition of employment by cosponsoring the Truth in Employment Act.

DELRAY BEACH, FLORIDA—AN ALL AMERICA CITY

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. SHAW. Mr. Speaker, I rise today to pay tribute to the city of Delray Beach, Florida, "The Village By The Sea," for being one of the ten cities selected by the National Civic League for the 2001 All America City Awards.

The All America City Award is America's oldest and most prestigious community recognition award. It recognizes exemplary grassroots community problem-solving and is given to communities that cooperatively tackle challenges and achieve results.

To qualify as a contender for this competitive Award an application is submitted that illustrates how three community projects were made possible by the efforts of volunteers, government officials, and businesses. The three successful initiatives of Delray Beach were: (1) the Youth Enrichment Vocational Program, which teaches skills and creates opportunities for high-risk youth; (2) the Community Neighbors Helping, which provides elderly minority citizens with food, clothing, and services that they could not otherwise receive; and (3) the Village Academy, a deregulated public school which provides an environment to address the needs of at-risk grade-school students. All of these programs have assisted the countless Delray Beach citizens both young and old with opportunities for a better future.

What makes each of these programs unique and warrants our attention is that through public and private cohesive efforts the residents of Delray Beach have, through their own initiative, created specific programs that address specific challenges that individuals in their community face. Public and private, resources are used to create these programs. A balance is created between individuals and organizations which makes these programs all the more better because everyone has contributed.

Thanks to the Mayor, the City Commissioners, the City Manager, the City workers, and community organizations, churches, businesses and residents, the City of Delray Beach is once again an All America City. It is an accomplishment to be named once, but being named twice is a true distinction, which serves as an inspiration to every city in the State of Florida and sets a standard of civic responsibility that serves as a reminder to us all that the effort always counts.

INTRODUCING THE ELECTION WEEKEND ACT OF 2001

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. HASTINGS of Florida. Mr. Speaker, earlier this week, the National Commission on Federal Election Reform released its report highlighting a variety of reforms that need to occur in our country's faltering election system. While I do not agree with all of the Commission's views, I do agree with the report's recommendation to establish a federal holiday on Election Day.

Today, however, I am taking the Commission's recommendation one step further and introducing the Election Weekend Act. My bill changes our nation's election day from the first Tuesday after the first Monday in November to the first consecutive Saturday and Sunday in November. Furthermore, it expresses the sense of Congress that private sector employers provide their employees with one day off during Election Weekend to allow them ample opportunity and time to cast their ballot without having to leave work.

Each Election Day, employees are faced with the difficult task of balancing their work schedules with their family responsibilities, while trying to find time to make it to the polls. My bill recognizes the undue amount of pressure Americans face when trying to participate in the democratic process. It acknowledges the fact that a great deal of Americans are unable to leave their jobs in the middle of the day and vote because our elections occur on a Tuesday, a day when almost all Americans are working.

As more and more Americans enter the workforce, the choice they are forced to make between working or voting has resulted in decreased voter turnout. In the last election, barely 51 percent of our country's eligible voters actually voted. Also, consider that in the last election, only 48 percent of those who voted cast a ballot for our current President. That means that 48 percent of the 51 percent of people who actually voted last November voted for him. To put it in a different perspective, less than one-quarter of all those eligible to vote voted for our current President—talk about pitiful. Even more, the percentage is even smaller in low and middle income communities where individuals do not enjoy the luxury of taking a three hour lunch to eat and vote. For many, the hour they lose in wages when they go to the polls may mean the difference between paying the bills or finding themselves out on the street.

It is irresponsible of us to continue forcing Americans to choose between a pay check, family time, or democracy. It is the Constitutional privilege of every American to vote. In moving our nation's election day to the first full weekend in November and extending it from one day to two days, we recognize the responsibility that we have to our constituents and our democratic heritage. We should be doing everything we can to protect the integrity of our election system by not only encouraging Americans to vote, but making it more convenient for them to do so.

CONGESTION THREATENS U.S. TRANSPORTATION SYSTEM

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BORSKI. Mr. Speaker, I rise today to alert my colleagues to the growing danger of gridlock in our transportation system.

Many of the nation's major transportation corridors, both rail and highway, have become increasingly congested in recent years, to the point that congestion already threatens the ability of those modes to provide reliable transportation to the U.S. economy.

Major metropolitan areas that are gateways for U.S. international trade, and hubs in the rail and highway systems, are thick with freight traffic as other vehicular traffic also increases.

Increased international trade—expected to double in the next ten years—and continued growth in the domestic economy will further burden our rail and highway systems in the years ahead, with some question that, despite the best efforts and support of Congress, existing infrastructures in those modes can grow to meet those demands.

Existing rail and highway infrastructure cannot handle all of the projected growth in container movements, and there are obvious limits to how much we can increase the capacity of interstates and rail lines. Major expansion of rail or highway infrastructure in corridors such as that along 1–95 on the U.S. East Coast has become both economically and physically difficult to do.

In the coastal corridors a "capacity crunch'is likely in this decade. Federal Highway Administration data indicates average annual increases in highway freight miles of 3 to 4 percent nationally in that period.

For example, it has been estimated that by 2010 there will be an increase of 11,000 fortyfoot containers arriving each day on each coast. While rail may be able to handle approximately 1,000 such units, absent a viable waterborne option, the remaining 10,000 containers would have to be moved by truck. On 1–95, this would equate to an additional truck every 270 yards between Boston and Miami.

As corridor densification increases so too will the cost to the economy in lost productivity. This is prompting transportation planners, shippers and transport operators to look for ways to relieve the pressure on moving freight (and passengers) in impacted regions. For the domestic transportation system to meet the needs of our economy in the 21st Century, we must maximize the efficiency of that system, including, where possible, increasing reliance on waterborne transportation to complement rail and highway systems. The potential options range from increased use of vessels to transport bulk materials to short or long haul intermodal shipping, including high-speed ferries such as are in wide use in Europe and Asia. As transportation agencies and the private sector focus more attention to this option, the federal government should look to means by which to eliminate the barriers to, or to create potential incentives for, development of this complementary means of moving freight and passengers.

The waterborne option presently has unused capacity. Studies to date suggest that as vessel and cargo transfer technologies improve and new vessels come in to service, coastal shipping would be able to provide increasingly competitive service. Such vessels can be built in U.S. shipyards that now have the capacity to construct new designs and do it competitively. One such yard is the Kvaerner Shipyard in Philadelphia. In fact, a shift to the waterborne mode would foster a resurgence in Jones Act shipping and in the process create a new market for U.S. shipyards and American labor.

The expanded use of the coastal waters for moving cargo has some obvious benefits:

It would provide a measure of highway congestion relief,

Some hazardous material movements could shift to coastal vessels,

Vessels have the fewest accidental spills or collisions of all forms of transportation;

The movement of trucks/containers on vessels could foster increased use of intelligent transportation technologies;

Job growth would be stimulated in U.S. shipyards and on vessels;

A healthier U.S.-flag industry assures a future supply of vessels and trained crews for military sealift missions.

With few exceptions, the maritime sector largely has been left behind in Congressional and Administration attention to the transportation modes over the past decade. Policy innovations such as ISTEA, TEA–21 and AIR–21 have served to prepare surface and air transportation for the demands of the next decades. The maritime sector is due the same in order for the national transportation system to meet the demands of the new century. Expanding the use of the waterborne option should be viewed as an enhancement of the nation's transportation system, responding to market demands for relief of congested rail and highway routes, and not as a matter of one mode competing against another. Coastal shipping will not supplant road and rail because of their inherent and respective advantages, e.g. speed of service and flexibility, but it can provide an essential element of new capacity with comparatively smaller investments of public capital.

Analysis to date indicates that there are some likely barriers to an expansion of intermodal coastal shipping such as the harbor maintenance tax on domestic movements, thus requiring the attention of the next Administration and Congress. Likewise, incentives no doubt would facilitate private and public sector investments into establishing coastal corridor operations. It is our duty to do what we can to facilitate and foster coastwise shipping.

HONORING VIRGINIA ANDREW

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. McINNIS. Mr. Speaker, I would like to take a moment to remember the life of Virginia Andrew from Steamboat Springs, Colorado, who passed away on Wednesday, July 25. At the age of 86, many will miss her as we all mourn her passing.

Virginia was a columnist for the Steamboat Pilot, the local paper in Steamboat Springs. She was employed there for more than 50 years. While her original column "Sidney News" was named after an area that no longer exists in the Yampa Valley, her memory will live on in the hearts and minds of the people that she touched. Throughout her career, Virginia covered a wide range of topics ranging from rural news to daily events. She even had issues pertaining to agriculture and politics.

Beyond the life of a journalist, she also operated a Farmers Union Insurance Office for 20 years starting in 1945. She also was a founding partner in the Unique Shop—a cooperative that provided second-hand goods and other items to the elderly population. Amidst all of her activities, the town was always able to recognize her when she drove by in her large blue Oldsmobile sedan.

Mr. Speaker, Virginia Andrews was a person who lived an accomplished life. She always cared for people and wanted only the best for them. I would like to extend my deepest sympathy and warmest regards to her family at this time of remembrance. My thoughts and prayers are with them.

KNIGHTS OF COLUMBUS DAMIEN COUNCIL CELEBRATES 100TH ANNIVERSARY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. KANJORSKI. Mr. Speaker, I rise today to call the attention of the House of Representatives to the good works of the Knights of Columbus Damien Council No. 598 in Carbon County, Pennsylvania. On Aug. 18, 2001, the members will celebrate the 100th anniversary of the council's founding.

The council is one of the oldest in the Knights of Columbus, being the 598th founded out of the nearly 13,000 in existence today. Under the direction of Father James C. McConnon, a group of 47 men from the small town of Mauch Chunk, now known as Jim Thorpe, chose the name of their council to honor Father Damien de Veuster. Now designated as Blessed Damien following his 1995 beatification by Pope John Paul 11, Father de Veuster is remembered for his selfless and courageous efforts to care for the nearly 1,000 lepers abandoned on Molokai Island in Hawaii. Father de Veuster himself died of leprosy in 1889.

Since its founding, Damien Council has served Mauch Chunk, later known as Jim Thorpe, Lehighton, Nesquehoning and the surrounding communities. Among its many accomplishments, the council arranged to televise Advent and Lenten Masses for shut-ins on Blue Ridge Cable TV–13 in the 1970s and 1980s, well before the Catholic cable channel EWTN became available nationwide. The council also broadcast the recitation of the Rosary on WYNS Radio and the Stations of the Cross on WLSH Radio. Damien Council has also provided food baskets for families in need and has honored 39 priests from the area on the occasion of their ordination into the priesthood.

Damien Council continues to aid the church, local communities, families and young people through its various programs. Annual activities include celebrating a Memorial Mass for its deceased members, sponsoring Family Hour of Prayer services, participating in the "Adopt-A-Seminarian" program, jointly sponsoring the Pro-Life Essay Contest with the other councils in the Diocese of Allentown and coordinating the program for Carbon County, promoting the "Keep Christ in Christmas" program, sponsoring the Knights of Columbus Free Throw Championship and hosting the District 29 competition, raising funds for ARC, honoring the members' spouses with Ladies' Appreciation "Knight," celebrating the family by naming a "Family of the Month" and "Family of the Year" and presenting awards and altar server certificates to graduating eighth-grade students.

Damien Council has seen two of its members rise to statewide leadership over the years. Both Thomas P. (Patsy) Milan and William F. (Bill) Carroll served as state treasurers. Damien Council is currently led by Grand Knight Michael A. Heery.

Mr. Speaker, I am pleased to call to the attention of the House of Representatives the good works of the Knights of Columbus Damien Council No. 598 on the occasion of their 100th anniversary, and I wish them all the best.

PRESCRIPTION DRUG AFFORDABILITY ACT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. PAUL. Mr. Speaker, I rise to introduce the Prescription Drug Affordability Act. This legislation ensures that millions of Americans, including seniors, have access to affordable pharmaceutical products. My bill makes pharmaceuticals more affordable to seniors by reducing their taxes. It also removes needless goverment barriers to importing pharmaceuticals and it protects Internet pharmacies, which are making affordable prescription drugs available to millions of Americans, from being strangled by federal regulation.

The first provision of my legislation provides seniors a tax credit equal to 80 percent of their prescription drug costs. As many of my colleagues have pointed out, our nation's seniors are struggling to afford the prescription drugs they need in order to maintain an active and healthy lifestyle. Yet, the federal government continues to impose taxes on Social Security benefits. Meanwhile, Congress continually raids the Social Security trust fund to finance unconstitutional programs! It is long past time for Congress to choose between helping seniors afford medicine or using the Social Security trust fund as a slush fund for big government and pork-barrel spending.

Mr. Speaker, I do wish to clarify that this tax credit is intended to supplement the efforts to reform and strengthen the Medicare system to ensure seniors have the ability to use Medicare funds to purchase prescription drugs. I am a strong supporter of strengthening the Medicare system to allow for more choice and consumer control, including structural reforms that will allow seniors to use Medicare funds to cover the costs of prescription drugs.

In addition to making prescription medications more affordable for seniors, my bill lowers the price for prescription medicines by reducing barriers to the importation of FDA-approved pharmaceuticals. Under my bill, anyone wishing to import a drug simply submits an application to the FDA, which then must approve the drug unless the FDA finds the drug is either not approved for use in the US or is adulterated or misbranded. This process will make safe and affordable imported medicines affordable to millions of Americans. Mr. Speaker, letting the free market work is the best means of lowering the cost of prescription drugs.

I need not remind my colleagues that many senior citizens and other Americans impacted by the high costs of prescription medicine have demanded Congress reduce the barriers which prevent American consumers from purchasing imported pharmaceuticals. Just a few weeks ago, Congress responded to these demands by overwhelmingly passing legislation liberalizing the rules governing the importation of pharmaceuticals. While this provision took a good first step toward allowing free trade in pharmaceuticals, and I hope it remains in the final bill, the American people will not be satisfied until all unnecessary regulations on importing pharmaceuticals are removed.

The Prescription Drug Affordability Act also protects consumers' access to affordable prescription drugs by forbidding the federal government from regulating any Internet sales of FDA-approved pharmaceuticals by state-licensed pharmacists. As I am sure my colleagues are aware, the Internet makes pharmaceuyticals and ohter products more affordable and accessible for millions of Americans. One gentleman in my district has used the Internet to lower his prescription drugs costs from $700 to $100 a month!

However, the federal government has threatened to destroy this option by imposing unnecessary and unconstitutional regulations on web sites which sell pharmaceuticals. Any federal regulations would inevitably drive up prices of pharmaceuticals, thus depriving many consumers of access to affordable prescription medications.

In conclusion, Mr. Speaker, I urge my colleagues to make pharmaceuticals more affordable and accessible by lowering taxes on senior citizens, removing barriers to the importation of pharmaceuticals and protecting legitimate Internet pharmacies from needless regulation by cosponsoring the Prescription Drug Affordability Act.

AMERICAN LEGACY PRESERVATION ACT

HON. JOSEPH R. PITTS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. PITTS. Mr. Speaker, today I submit for introduction a bill to preserve and maintain the final resting places of our nation's greatest leaders. Since the Constitution was ratified, the Unites States has had only 43 Presidents. Some, like Washington and Lincoln and Reagan, have been great men who changed the nation. Others, like Buchanan, were capable and gifted, but have not been judged well by history.

But while James Buchanan may not be on the list of great American Presidents, he was a good man who did a lot for Lancaster County, Pennsylvania and for America. And as a Member of Congress, he did more than any of his peers to protect the Constitution and the principle of judicial review.

While he may not have had the foresight that Lincoln had when it came to slavery, it is a little-known fact that Buchanan bought slaves in Washington, DC, in order to free them here in Pennsylvania.

But much like Abraham Lincoln, he was a self-made man who was born in a log cabin. As a young man, he served in the War of 1812. He was Lancaster's Congressman from 1821 to 1831. He served as Ambassador to Russia and Great Britain. He was a U.S. Senator, and then, finally, he became President.

He served during the most tumultuous time in our history. And while he was not as good a leader as his successor, he did succeed in holding the union together.

He died in 1868 and was buried in my district, the 16th district of Pennsylvania. It is, for a President, a simple grave. The office he held was an important one in his time. Today, it is the most powerful office in the world.

Every one of our Presidents deserves the honor of a well-maintained grave.

Many of us remember several years ago when President Grant's tomb in New York fell into disrepair. Its roof leaked, its walls were covered with graffiti, and it was a hangout for heroin addicts.

Buchanan's grave is very nice by comparison. But keeping it nice has been very difficult. The cemetery association is not a wealthy one, and it is mainly through the efforts of volunteers that it has been maintained at all. When Grant's Tomb fell into disrepair, the National Park Service stepped up to the plate and fixed it. Today it's a tourist attraction.

I'm introducing today the American Legacy Preservation Act, empowering the National Park Service to assist in the upkeep of Presidential gravesites.

Whether it be the grave of Lincoln or Buchanan, Washington or Grant, preserving the final resting places of our Presidents is clearly in the nation's interest. The gravesites have exceptional value in illustrating and interpreting the heritage of the U.S. and helping Americans to value our rich and complex national story. Every American deserves to know that the graves of our past Presidents will be treated with the same dignity as the office they once held.

INTRODUCTION OF MUSIC ONLINE COMPETITION ACT

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BOUCHER. Mr. Speaker, I am pleased today to join with my colleague from Utah, Mr. CANNON, in the introduction of much-needed legislation to facilitate the rapid introduction of services which will meet the public demand for efficient delivery of music over the Internet in a manner which also assures that copyright owners receive compensation for the use of their works.

I am among those who believe that most people are willing to pay a reasonable fee to be able to obtain musical selections over the Internet, and I applaud the planned introduction by the major record labels of websites that will make their music inventories available for streaming and downloading.

There are a number of obstacles to the effective introduction of online music services in current copyright law. A recent hearing in the Judiciary Committee highlighted several of the problems in current copyright law which are impeding the deployment of innovative, legitimate Internet music services to an eager listening public. Some of these problems are practical, such as trying to locate and notify all of the publishers of a particular musical composition. Other obstacles are technical, such as needing to produce multiple copies of a song in different transmission speeds and different media formats. Current copyright law permits the placement ona server of only a single copy.

The measure we introduce today, The Music Online Competition Act, is carefully crafted to remove these obstacles and thereby promote a legitimate online music marketplace that will benefit the public, the creators of copyrighted works and the technology industry. In particular, our bill makes the following changes:

Updates the "Ephemeral" Recording Exemption: Our bill expands the law that allows broadcasters and webcasters to make a single in-house (or "ephemeral") copy of a transmission program to enable multiple copies so as to accommodate the need for different bit rates (e.g., dial-up, broadband), different formats (e.g., RealPlayer or MediaPlayer), and caching throughout the network to ensure efficient and timely delivery of music to consumers. Our bill extends the ephemeral copyright exemption to encompass not only the transmission program but also the individual songs.

Expands the "In-Store Sampling" Exemption: Under current copyright law, "brick and mortar" music retailers pay no license fees to record CDs on a server so that customers may listen to music samples in the store. Our bill allows retailers to use a central server to serve multiple retail establishments and applies the exemption to online retail establishments (such as Amazon.com or CDNow) that offer music samples of 30 or 60 seconds to promote sales of the associated sound recordings.

Clarifies the Status of Incidental and Archival Copying: Our bill adapts existing law to two situations particular to Internet technology. First, the bill exempts from copyright liability buffer copies made in the course of browsing or webcasting, as these buffer copies are mere technical incidents of the operation of the Internet and have no independent economic value. Second, the bill allows consumers to make archival "backup' copies of music that they lawfully acquire over the Internet in order to protect their collections against hard drive crashes, accidental damage or viruses. The bill leaves unchanged existing law with respect to computer programs.

Facilitates Administration of the Section 115 Mechanical License: Witnesses at a recent hearing representing the major music labels, RealNetworks, and MP3.com uniformly urged the creation of an effective mechanism for administering the existing Section 115 statutory license for musical works, which is currently administered with paper submissions and notices to copyright owners. Under our bill, the administration of the statutory license would parallel the administration of other statutory licenses by permitting users to notify the Copyright Office of the use of the statutory license and to deposit royalty payments and accounting information with the Copyright Office, so as to ensure that funds and information are distributed to the owners of the copyright. Our bill specifically instructs the Copyright Office to develop an electronic filing system to receive such notices as a replacement for the current paper filing system.

Assures Nondiscriminatory Licensing to Affiliated and Non-Affiliated Music Distribution Entities: Recording companies are now entering into the online music distribution business by establishing joint ventures with other record companies (e.g., MusicNet and Pressplay) and by acquiring well-known, formerly independent Internet services (such as CDNow, EMusic and MP3.com). It is anticipated that the distribution services owned by record companies will cross license each other, so that each site will be authorized to distribute over the internet approximately 80 percent of all recorded music. If the major record companies do not also license independent non-affilated distribution services, music will be distributed exclusively by a vertically integrated duopoly. In such a circumstance, there would be no competition in music distribution.

In 1995, Congress had a similar concern with respect to cable and satellite subscription services, which Congress addressed by requiring vertically-integrated companies that both owned content and distribution services to offer nondiscriminatory license terms and conditions to all similarly-situated distribution services. Our bill extends this existing nondiscrimination provision to interactive performance services and digital distribution services.

Requires an Examination of Programming Restrictions: The sound recording statutory license for digital cable, satellite and webcasting services includes programming restrictions that, for example, restrict the provider from playing more than 3 selections from a particular CD or more than 4 selections from a particular artist within a 3-hour window. Broadcast radio is not subject to these programming restrictions. Certain digital music services contend that some of these programming restrictions impose undue burdens upon their service, reduce their ability to compete with broadcast radio, and unfairly preclude their ability to take advantage of the statutory license to deliver the type of services that consumers expect from a radio offering. Our bill instructs the Copyright Office and the Department of Commerce jointly to study and report to Congress on the effect of these limitations upon such services, upon copyright owners and upon the public interest, and to make appropriate legislative recommendations.

Requires Direct Payment to Artists: The sound recording statutory performance license provision specifies that royalty payments should be shared equally by performing artists and recording companies. Current law funnels these payments to artists through the recording companies. Our bill requires that these payments instead to be made directly to the artists or to a collective organization representing the artists.

There is uniform agreement among record labels, online companies and consumers that changes to the copyright law are needed. Congress has a responsibility to promote an online marketplace which will allow legitimate, innovative services to thrive. I call upon my colleagues to join with us as we seek to facilitate the rapid introduction of legitimate online music services for the benefit of our constituents, the listening public, of the creators of copyrighted material and of the technology and other entrepreneurial companies which seek to deliver music to consumers. Mr. Speaker, I urge all of my colleagues to join with Mr. CANNON and me in supporting this measure.

PAYING TRIBUTE TO HERBERT OLSON

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. McINNIS. Mr. Speaker, I would like to thank Herbert Olson for his contribution toward the preservation of Colorado's land and natural resources. Herb worked for forty-three years with the Colorado Bureau of Land Management before recently retiring. I ask my colleagues to join me in honoring Herbert for the huge strides he has made for Colorado.

Herb was instrumental in establishing the land acquisition program for the BLM, which has acquired over 33,000 acres of private property during his time there. His talent for working with a diverse group of people allowed him to acquire land from willing sellers only; never did the BLM use the threat of condemnation to force a sale of land.

Because of Herb's work, some of the most breathtaking lands in the world are now under the careful direction of the BLM. His dedication and leadership has provided current residents and visitors of Colorado with the assurance not only that they will be able to enjoy the lands, but also that the property will be preserved for future generations.

The leadership that Herb demonstrated during his long tenure with the BLM has proven fundamental for the success of the program. I would like to thank him for his dedication toward our beautiful state and to congratulate him on a long and successful career. He certainly deserves our recognition.

FEDEX GROUND WINS SAFETY AWARD

HON. FRANK MASCARA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. MASCARA. Mr. Speaker, I rise today to pay tribute to FedEx Ground, the ground transportation subsidiary of FedEx Corporation. For the second year FedEx Ground has been awarded the American Trucking Association (ATA) President's Trophy for Safety Excellence.

Mr. Speaker, as you know, FedEx Ground, previously known as RPS, is the second largest small-package carrier in North America. While providing fifteen years of efficient, affordable, and safe shipping services to customers throughout the United States and Canada, they have accumulated a long list of awards and recognitions for their outstanding safety performance. In addition to the ATA President's Trophy for Safety Excellence, the company has, for the last three years, been awarded "Carrier of the Year" in the small-package ground category by Wal-Mart, the world's largest retailer. Furthermore, the members of the National Small Shipments Traffic Conference have selected FedEx Ground as Parcel Carrier of the Year in 2001 and 1999. All of these awards require a company to establish a record of technological innovation, reliable service, and excellent safety results.

Headquartered in my district, FedEx Ground employs 35,000 men and women nationwide, and 1,700 in the Pittsburgh area. The company moves over 1.5 million packages every day with their 370 distribution hubs and 9,500 drivers and contractors. One of those drivers, Jennifer Zinkel, is one of ten FedEx Ground drivers to be made a captain of the prestigious ATA Road Team during the company's history. She has over 700,000 accident-free miles in her eight-year career as a driver.

I would like to pay special recognition to FedEx Ground President and CEO Daniel J. Sullivan. His vision of merging technological advancements, reliable service, and high safety standards have made the company a leader in the industry.

It is an honor for me to recognize the employees of FedEx Ground in the CONGRESSIONAL RECORD as a team of citizens who recognize the importance of safety to the public while providing high quality shipping services.

RAILROAD RETIREMENT AND SURVIVORS IMPROVEMENT ACT

SPEECH OF

HON. MELISSA A. HART

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Ms. HART. Mr. Speaker, I rise today to strongly support H.R. 1140, the Railroad Retirement and Survivors Improvement Act of 2001. As a cosponsor and one of the 384 yea votes, I am pleased to see the House pass this needed legislation.

One of the original meetings I had in my first months in Congress was with a group of widows whose husbands had worked for Conrail in Beaver County in my Pennsylvania district. These women expressed to me how they struggled to pay their high electricity bills and rising health care costs, and that this legislation would go a long way toward helping them meet those costs. Last session, the House approved similar legislation, but the Senate failed to consider it. I hope that the overwhelming support in the House this time will give the momentum we need to give these widows and retires the relief they need. It also modernizes the pension plan—ensuring that the program will continue to railroad workers and their loved ones.

This legislation not only increases benefits to widows of railroad employees, but also:

Lowers the minimum age of workers with 30 years service eligible for full benefits;

Creates an independent Railroad Retirement Trust Fund; and

Expands the investment authority of the fund to generate better returns.

In a "railroad state" like Pennsylvania, legislation like this provides the needed security for a large portion of our residents. It has the backing of both railroad labor and management.

Now that we have done our part to pass legislation that strengthens railroad retirement, let's make sure that we follow through and get this legislation to the President's desk.

A TRIBUTE TO THE 116 YEARS OF SERVICE BY MANHATTAN'S GOUVERNEUR HOSPITAL

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. NADLER. Mr. Speaker, I rise today to pay tribute to Manhattan's Gouverneur Hospital on the occasion of its 116th anniversary. Since opening its doors to the Lower East Side community in 1885, Gouverneur Hospital has been committed to providing dependable high quality health care at an affordable price. From excellent emergency services to quality long-term care, Gouverneur Hospital has been there for its neighbors time and time again throughout the past century. An excellent medical facility and a haven for the community, the Hospital and its staff provide patients with efficient, thoughtful and affordable care.

On September 12th, 2001, Gouverneur Hospital will be holding a fundraising event in honor of its 116th year of service. I am pleased to offer my congratulations to Gouverneur Hospital on this occasion. The money raised at this function will enable the hospital to better meet the needs of the community, by expanding its nursing facilities, acquiring a mobile medical van, and increasing its services to the Chinese community. I also commend the recipients of the Gouverneur Hospital Community Service Award for their invaluable contributions to the Gouverneur Hospital community.

For the services they have provided to the Lower East Side and their dedication to the well-being of the community, I offer my sincere congratulations to Gouverneur Hospital for 116 years of outstanding service.

CONGRATULATING THE CHURCH OF KHALISTAN ON 15 YEARS OF SERVICE

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. DOOLITTLE. Mr. Speaker, I rise today to congratulate Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, for 15 years of service to the Sikhs, the people of South Asia and America.

Fifteen years ago Dr. Aulakh left a well-paying job to begin striving day in and day out in an effort to draw attention to the plight of the minorities of India. Since that time he has succeeded in raising awareness of the treatment of Christians, Kashmiri Muslims, and other minorities in India and throughout the world. Dr. Aulakh has spoken out on behalf of these people; he has highlighted injustices, and in so doing, has raised the level of awareness of such issues throughout the United States.

On October 7, 1987, the Sikh homeland declared its independence from India. At that time, Dr. Aulakh was named to lead the struggle to regain the lost sovereignty of the Sikhs.

If it were not for Dr. Aulakh's tireless efforts, the human-rights conditions in India would go unexposed and unpunished. Because of his efforts, all of us in Congress are much better informed on these matters and we are more able to take appropriate action. Therefore, I would like to take this opportunity to congratulate Dr. Aulakh and the Council of Khalistan for their tireless efforts on behalf of freedom.

TORTURE AND POLICE ABUSE IN THE OSCE REGION

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. SMITH of New Jersey. Mr. Speaker, over the July Fourth recess, I had the privilege of participating in the U.S. Delegation to the OSCE Parliamentary Assembly's annual meeting held in Paris, where I introduced a resolution on the need for the OSCE participating States—all of our States—to intensify our efforts to combat torture, police abuse, and racial profiling. This resolution, adopted and included the Assembly's final Declaration, also calls for greater protection for non-governmental organizations, medical personnel, and others who treat the victims of torture and report on their human rights violations. The resolution also condemns the insidious practice of racial profiling, which has the effect of leaving minorities more vulnerable to police abuse. Finally, my resolution calls for the OSCE participating States to adopt, in law and in practice, a complete ban on incommunicado detention.

Tragically, recent news reports only underscore how urgent the problem of police abuse is. I would like to survey a few of the reports received by the Helsinki Commission in recent weeks.

First, on July 7 in Slovakia, the body of Karol Sendrei, a 51-year-old Romani father, was returned to his family. The convoluted account of his death has included mutual recriminations among police officers and, so far, has led to the resignation of the mayor of Magnezitovce and indictments against three police officers. While much remains to be sorted out, this much is clear: On July 5, Mr. Sendrei was taken into police custody. The next day, he died of injuries, including shock caused by a torn liver, cranial and pericardial bleeding, and broken jaw, sternum, and ribs. According to reports, Mr. Sendrei had been chained to a radiator and beaten for the last twelve hours of his life.

The deaths in police custody of Lubomir Sarissky in 1999 and now Mr. Sendrei, persistent reports of police abuse in villages like Hermanovce, and the reluctance of the police and judicial system to respond seriously to racially motivated crimes have all eroded trust in law enforcement in Slovakia. As Americans know from first-hand experience, when the public loses that trust, society as a whole pays dearly.

I welcome the concern for the Sendrei case reflected in the statements of Prime Minister Dzurinda, whom I had the chance to meet at the end of May, and others in his cabinet. But statements alone will not restore confidence in the police among Slovakia's Romani community. Those who are responsible for this death must be held fully accountable before the law. I will continue to follow this case, along with the trials of the three men still being prosecuted for the murder of Anastazia Balazova last year.

Although it has received far less press attention, in Hungary, a Romani man was also shot and killed on June 30 by an off-duty police officer in Budapest; one other person was injured in that shooting. While the police officer in that case has been arrested, too often reports of police misconduct in Hungary are ignored or have been countered with a slap on the wrist. I remain particularly alarmed by the persistent reports of police brutality in Hajduhadhaz and police reprisals against those who have reported their abuse to the Helsinki Commission. In one case, a teenager in Hajduhadhaz who had reported being abused by the police was detained by the police again—after his case had been brought to the attention of the Helsinki Commission, and after Helsinki Commission staff had raised it with the Hungarian Ambassador. In an apparent attempt to intimidate this boy, the police claimed to have a "John Doe" criminal indictment for "unknown persons" for damaging the reputation of Hungary abroad. These are outrageous tactics from the communist-era that should be ended.

I urge Hungarian Government officials to look more closely at this problem and take greater efforts to combat police abuse. I understand an investigation has begun into possible torture by a riverbank patrol in Tiszabura, following reports that police in that unit had forced a 14-year-old Romani boy into the icecold waters of the Tisza river. There are now reports that this unit may have victimized other people as well. I am hopeful this investigation will be transparent and credible and that those who have committed abuses will be held fully accountable.

In the Czech Republic, lack of confidence in law enforcement agents has recently led some Roma to seek to form their own self-defense units. Frankly, this is not surprising. Roma in the Czech Republic continue to be the target of violent, racially motived crime: On April 25, a group of Roma were attacked by German and Czech skinheads in Novy Bor. On June 30, four skinheads attacked a group of Roma in Ostrava; one of the victims of that attack was repeatedly stabbed, leaving his life in jeopardy. On July 16, three men shouting Nazi slogans attacked a Romani family in their home in As in western Bohemia. On July 21, a Romani man was murdered in Svitavy by a man who had previously committed attacks against Roma, only to face a slap on the wrist in the courts.

These cases follow a decade in which racially motivated attacks against Roma in the Czech Republic have largely been tolerated by the police. Indeed, in the case of the murder of Milan Lacko, a police officer was involved. More to the point, he ran over Milan Lacko's body with his police car, after skinheads beat him and left him in the road. In another case, involving a 1999 racially motivated attack on another Romani man, the Czech Supreme Court issued a ruling that the attack was premeditated and organized, and then remanded the case back to the district court in Jesenik for sentencing in accordance with that finding. But the district court simply ignored the Supreme Court's finding and ordered four of the defendants released. Under circumstances such as these, is it any wonder that Roma so lack confidence in the police and judiciary that they feel compelled to defend themselves?

I am not, however, without hope for the Czech Republic. Jan Jarab, the Czech Government's Human Rights Commissioner, has spoken openly and courageously of the human rights problems in his country. For example, the Czech News Agency recently reported that Jarob had said that "the Czech legal system deals 'benevolently' with attacks committed by right-wing extremists, '[f]rom police investigators, who do not want to investigate such cases as racial crimes, to state attorneys and judges, who pass the lowest possible sentences.'" I hope Czech political leaders—from every party and every walk of life—will support Jan Jarab's efforts to address the problems he so rightly identified.

Clearly, problems of police abuse rarely if ever go away on their own. On the contrary, I believe that, unattended, those who engage in abusive practices only become more brazen and shameless. When two police officers in Romania were accused of beating to death a suspect in Cugir in early July, was it really a shock? In that case, the two officers had a history of using violent methods to interrogate detainees—but there appears to have been no real effort to hold them accountable for their practices.

I am especially concerned by reports from Amnesty International that children are among the possible victims of police abuse and torture in Romania. On March 14, 14-year-old Vasile Danut was detained by police in Vladesti and beaten severely by police. On April 5, 15-year-old Ioana Silaghi was reportedly attacked by a police officer in Oradea. Witnesses in the case have reportedly also been intimidated by the police. In both cases, the injuries of the children were documented by medical authorities. I urge the Romanian authorities to conduct impartial investigations into each of these cases and to hold fully accountable those who may be found guilty of violating the law.

Mr. Speaker, as is well-known to many Members, torture and police abuse is a particularly widespread problem in the Republic of Turkey. I have been encouraged by the willingness of some public leaders, such as parliamentarian Emre Kocaoglu, to acknowledge the breadth and depth of the problem. Acknowledging the existence of torture must surely be part of any effort to eradicate this abuse in Turkey.

I was therefore deeply disappointed by reports that 18 women, who at a conference last year publicly described the rape and other forms of torture meted out by police, are now facing charges of "insulting and raising suspicions about Turkish security forces." This is, of course, more than just a question of the right to free speech—a right clearly violated by these criminal charges. As one conference participant said, "I am being victimized a second time." Turkey cannot make the problem of torture go away by bringing charges against the victims of torture, by persecuting the doctors who treat torture victims, or by trying to silence the journalists, human rights activists, and even members of Turkey's own parliament who seek to shed light on this dark corner. The charges against these 18 women undermine the credibility of the Turkish Government's assertion that it is truly seeking to end the practice of torture and hope these charges will be dropped.

Finally, Mr. Speaker, I would like to draw attention to the case of Abner Louima in New York, whose case has come to light again in recent weeks. In 1997, Abner Louima was brutally, and horrifically tortured by police officials; he will suffer permanent injuries for the rest of his life because of the damage inflicted in a single evening. Eventually, New York City police officer Justin Volpe pleaded guilty and is serving a 30-year sentence for his crimes. Another officer was also found guilty of participating in the assault and four other officers were convicted of lying to authorities about what happened. On July 12, Abner Louima settled the civil suit he had brought against New York City and its police union.

There has been no shortage of ink to describe the $7.125 million that New York City will pay to Mr. Louima and the unprecedented settlement by the police union, which agreed to pay an additional $1.625 million. What is perhaps most remarkable in this case is that Mr. Louima had reached agreement on the financial terms of this settlement months ago. He spent the last 8 months of his settlement negotiations seeking changes in the procedures followed when allegations of police abuse are made.

As the Louima case illustrated, there is no OSCE participating State, even one with long democratic traditions and many safeguards in place, that is completely free from police abuse. Of course, I certainly don't want to leave the impression that the problems of all OSCE countries are more or less alike—they are not. The magnitude of the use of torture in Turkey and the use of torture as a means of political repression in Uzbekistan unfortunately distinguish those countries from others. But every OSCE participating State has an obligation to prevent and punish torture and other forms of police abuse and I believe every OSCE country should do more.

IN HONOR OF THE LAKE CITY PRESBYTERIAN CHURCH'S 125TH ANNIVERSARY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. McINNIS. Mr. Speaker, today I would like to recognize the Lake City Presbyterian Church. The Lake City Presbyterian Church celebrated its 125th anniversary last month, making it the oldest church in Colorado that still utilizes its original building.

Lake City's Community Presbyterian Church, originally called Lake City's First Presbyterian Church, was started in 1876 with an organizational meeting in Del Norte, Colorado. Reverend Alexander Darley had scoured the area months before looking for Presbyterians and related religious groups to justify his idea to make Lake City the home to the first Presbyterian Church on the Western Slope of the Continental Divide. According to the church's historical record, Rev. Darley went to every house and tent within six miles of Lake City to acquire names for his petition. After the meeting in June of 1876, a piece of land was secured for the 24'x40' frame where the church was to be built. Construction began in August, and by the end of October the church was completed. The estimated cost of the church was $2,100.

Rev. Darling was officially ordained as the minister in 1877, and served Lake City for three years before taking leave. Throughout the years, many ministers have taken the pulpit, including a tape recorder for the winter months of the 1940's and 1950's that filled in the gaps between the summer student ministers that traveled to Lake City. The membership has also fluctuated reaching a high in 1889 of 132 members to its current membership of 84. Many stories accompany the well-kept historical records of the church, and on June 24, 2001 many community members gathered to reminisce about the beautiful old church.

One hundred and twenty-five years is a milestone, and that is why Mr. Speaker, I ask Congress to recognize the oldest church in the state of Colorado. It is an honor to have that distinction, and I salute the members of the Lake City Community Presbyterian Church for continuing its lasting tradition.

THE RIM OF THE VALLEY CORRIDOR STUDY

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. SCHIFF. Mr. Speaker, I rise today to introduce H.R. 2715, the Rim of the Valley Corridor Study Act, directing the Secretary of the Interior to study the feasibility of expanding the Santa Monica Mountains National Recreation Area to include the mountains and canyons in Southern California that are part of the Rim of the Valley Corridor designated by the State of California.

For many families, the mountains above our communities are a nearby haven to enjoy nature, a refuge from the noise and commotion of Los Angeles. The National Park Service oversees the highly successful Santa Monica Mountains National Recreation Area, the world's largest urban park, spanning from the mountains to the sea and protected in perpetuity by Congress in 1978. In the Santa Monica Mountains, Park Service rangers work with state and local authorities and community groups on conservation and recreation projects.

I am introducing the Rim of the Valley Corridor Study Act in an effort to bring back federal resources and expertise to the mountains above the San Fernando, La Crescenta, Santa Clarita, Simi and Conejo valleys as well as the famed Arroyo Seco canyon, home of Pasadena's Rose Bowl. Our mountains can and should be places where city-dwellers can easily go to enjoy such activities as hiking, camping, mountain biking, horseback riding, observing wildlife or even just to admire nature's scenic beauty, up close or afar from our communities.

The Secretary of the Interior would complete the study within one to three years, consulting an advisory committee of representatives of the Los Angeles Mayor, Los Angeles County Supervisors, Ventura County Supervisors, and City Councils of Thousand Oaks, Agoura Hills, Westlake Village, Malibu, Calabasas, Burbank, Glendale, La Canada Flintridge, Pasadena, South Pasadena, Sierra Madre, Santa Clarita, Moorpark, as well as others. It would then be necessary for Congress to enact subsequent legislation to implement the recommendations of the study.

I am pleased to report that this legislation has bipartisan support. With Reps. HOWARD BERMAN, DAVID DREIER, ELTON GALLEGLY, HOWARD "BUCK" MCKEON, BRAD SHERMAN and HILDA SOLIS as principal cosponsors of the Rim of the Valley Corridor Study Act, every Member of Congress whose district includes portions of the Rim of the Valley Corridor is supporting the legislation. It is my hope that the Rim of the Valley Corridor Study Act will result in an initiative creating a lasting legacy of nearby natural open space for our children—and their children—to enjoy.

WILLIAM E. LEONARD TRIBUTE—INTERCHANGE NAMED IN HIS HONOR

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. CALVERT. Mr. Speaker, I rise today to pay tribute to a most exceptional California Inland Empire community leader, friend and great American—William E. Leonard—who will be recognized for his work in transportation with the upcoming dedication and grand-opening of the interchange between the 210 freeway and the 15 interstate highway.

Calvin Coolidge, America's 13th President, once said, "No person was ever honored for what he received; honor has been the reward for what he gave." And Bill Leonard has given much during his years of public and community service.

A member of the California State Highway Commission from 1973 to 1977 and the California Transportation Commission from 1985 to 1993, Bill Leonard has made a great impact in a short amount of time upon Inland Empire and Californian transportation needs. I can think of no other more fitting tribute to Bill Leonard than the dedication of this vital interchange given his many years of service in the field of transportation infrastructure.

Bill Leonard began his professional career when he joined his father at Leonard Realty & Building Company in San Bernardino, after leaving the United States Army (1943–1946) where he rose to the rank of First Lieutenant. He earned a bachelors degree in Business Administration from the University of California at Berkeley in 1944. From the family business, Bill Leonard developed, owned and operated a variety of real estate, management and development services throughout the Inland Empire. And from 1956 to 1958 he served as a member of California's Athletic Commission.

In the community, Bill Leonard has been equally involved and giving. He is a member and past director of the San Bernardino Area Chamber of Commerce, member and past president of the San Bernardino Host Lions, founding member and president of Inland Action, Inc. and a member of the National Orange Show Board of Directors, which he has served as President and Chairman of the Board of Governors. Additionally he has served on the San Bernardino Valley Board of Realtors, San Bernardino College Foundation, St. Bernadine's Hospital Foundation and University of California at Riverside Foundation.

Bill Leonard has been honored numerous times over the years for his outstanding public and community service, including the Boy Scouts of America Inland Empire Council's Distinguished Citizens Award, Valley Group's Award for Excellence in Infrastructure, and more. The Interchange Dedication is a proud addition to this list.

Mr. Speaker, Bill Leonard has dedicated his life to public and community service. An American whose talents have bettered the lives of those living in the Inland Empire and California. It is an honor for me today to join in his recognition—the new Interchange bears a proud and distinguished name.

CALIFORNIA NEIGHBORWORKS

HON. EDWARD R. ROYCE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. ROYCE. Mr. Speaker, I rise today to applaud the efforts of Freddie Mac, California Bank and Trust (CB&T), Impact Community Capital, Neighborhood Housing Services of Orange County (NHSOC) and the California Housing Loan Insurance Fund (CaHLIF), for launching a unique new statewide public-private homeownership initiative called California NeighborWorks. California Neighborworks was designed to help address California's affordable housing crisis. Every American dreams of owning a home, but because of skyrocketing home prices in California, that dream has unfortunately become unattainable for many hard working Californian families. In Orange County alone, home prices have appreciated by a staggering 45 percent since 1995.

All the partners involved should be commended for creating an innovative and progressive program that is responsive to the mortgage needs of Californians. This initiative will help prospective homebuyers achieve their goals by reducing initial out-of-pocket costs by as much as 80 percent. That means that individuals and families that lack the cash to make a large downpayment can take advantage of California NeighborWorks to bridge the financial gap.

This program also helps families with past credit issues by providing them with counseling from Neighborhood Housing Services, giving them a better education about their credit, their finances and the home buying process. And all of this is achieved without burdening taxpayers. Instead, NeighborWorks relies on a collaborative effort between the private sector and non-profit partners to meet the needs of potential homeowners in Orange County and in California.

Providing new ways to get hard working individuals and families into their own homes is truly a worthy objective. It makes them feel good about themselves and about the community they live in. I look forward to seeing more initiatives like this one in California and to working with the NeighborWorks partners in the future.

TRIBUTE TO THE LATE CECILIA HSUI-YA CHANG

HON. DAVID WU

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. WU. Mr. Speaker, I rise to express my condolences to the family and friends of Cecilia Hsui-Ya Chang, also known as Cecilia Yu, upon her passing.

Cecilia Chang was born in 1919 in Tienjing of Hopei Province, near Bejing. She began her literary career very early. Her essays and poems were published in various Chinese literary magazines and newspapers when she was in junior high school. In her second year of high school, she published her first book.

Cecilia Chang studied western languages at the Fu-Jen Catholic University in Beijing at the beginning of the Sino-Japanese war. After she graduated from the Department of Foreign Languages and Literature, she studied history as a graduate student and became a seasoned editor for Fu-Jen Catholic University's literature journal. Because of the ongoing war, she moved to Chungking and worked as the editor of the Literary Edition at the Social Welfare Daily News of Chungking and the National Catholic Newspaper ("YI-Shi Pao") at the age of 24. After WWII, she returned to Beijing to teach as an instructor at Fu-Jen Catholic University.

In 1949, she moved to Taiwan and taught as a professor of the English Department at Providence University in Taichung, Taiwan. In 1965, she began her tenure as professor of literature and translation at Fu-Jen Catholic University School of Literature. She continued to teach at Fu-Jen for 17 years.

Altogether, Cecilia Chang has written and published 82 books in Chinese, some of which have been translated into English, Korean, and French. Her works have been published and widely read in Taiwan, Hong Kong, Mainland China, Malaysia, and Singapore. Institutions and libraries throughout the world, including the Library of Congress and the Central Library of the Republic of China have collected her literary work. Students in China and Taiwan now read her prose and poetry in their textbooks and standard reading.

Throughout her life, Cecilia Chang received many honors and awards, among them, the prestigious Chung Shan Literary Award in 1968; the Distinguished Alumni Award from Taipei Catholic University; the China Literary Society Award; the National Sun Yat Sen Cultural Foundation Literature Award; the Women's Union Long Poetry Award; and the Lifelong Contributor in Literature Award from the Chinese Literary Society of Taipei on May 4, 2001.

Cecilia Chang came to the United Sates seven years ago to live in Southern California. She was married to the late Philip Yu and is survived by one son, Justin Yu of New York City, one daughter, Theresa Yeh of Los Angeles, and four grandchildren, Rosemary and Pauline Yu and Paul and David Yeh.

HONORING CALVARY CHILDREN'S HOME, COBB COUNTY, GEORGIA

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BARR of Georgia. Mr. Speaker, Rev. Snyder Turner is an untiring servant to the needy children of Cobb County, Georgia. Rev. Turner's greatest accomplishment is that he has managed Calvary Children's Home since 1971. Rev. Turner has received numerous awards and widespread recognition for his work with children. His commitment to providing a haven for disadvantaged children makes him an invaluable asset to Cobb County and surrounding communities.

Calvary Children's Home provides long-term care for abused, abandoned, and underprivileged children. The home has operated in Cobb County since 1966, and has continually expanded its ability to care for even more children. In 1997, Calvary moved to a new location in Powder Springs. This new facility allows the Home to care for 20 to 30 children at one time. Calvary Children's Home provides care to children for as long as they need it; there is no age at which care must stop.

This year marks the 30th anniversary of Rev. Turner's leadership at Calvary Children's Home. I would like to extend to Rev. Turner my admiration for his work with the children of Cobb County. I hope Rev. Turner's work and dedication to his community continues for many years to come.

INTRODUCTORY STATEMENT: RIGHT TO LIFE ACT

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. HUNTER. Mr. Speaker, today I am introducing legislation that, if passed, will once and for all protect our unborn children from harm. Over 1.3 million abortions are performed in the United States each year and over 38 million have been performed since abortion was legalized in 1973. This is a national tragedy. It is the duty of all Americans to protect our children—born and unborn. This bill, the Right to Life Act, would provide blanket protection to all unborn children from the moment of conception.

In 1973, the United States Supreme Court, in the landmark case of Roe v. Wade, refused to determine when human life begins and therefore found nothing to indicate that the unborn are persons protected by the Fourteenth Amendment. In the decision, however, the Court did concede that, "If the suggestion of personhood is established, the appellants" case, of course, collapses, for the fetus' right to life would be guaranteed specifically by the Amendment." Considering Congress has the constitutional authority to uphold the Fourteenth Amendment, coupled by the fact that the Court admitted that if personhood were to be established, the unborn would be protected, it can be concluded that we have the authority to determine when life begins.

The Right to Life Act does what the Supreme Court refused to do in Roe v. Wade and recognizes the personhood of the unborn for the purpose of enforcing four important provisions in the Constitution: (1) Sec. 1 of the Fourteenth Amendment prohibiting states from depriving any person of life; (2) Sec. 5 of the Fourteenth Amendment providing Congress the power to enforce, by appropriate legislation, the provision of this amendment; (3) the due process clause of the Fifth Amendment, which concurrently prohibits the federal government from depriving any person of life; and (4) Article 1, Section 8, giving Congress the power to make laws necessary and proper to enforce all powers in the Constitution.

This legislation will protect millions of future children by prohibiting any state or federal law that denies the personhood of the unborn, thereby effectively overturning Roe v. Wade.

We have had some recent successes in protecting our preborn including the passage of the Unborn Victims of Violence Act and the Human Cloning Prohibition Act, as well as the introduction of the Born-Alive Infants Protection Act. These bills recognize the unborn child as a human and provide protection to the fetus. Because I firmly believe that life begins at conception and that the preborn child deserves all the rights and protections afforded an American citizen, I support these pieces of legislation. The Right to Life Act will finally put our unborn children on the same legal footing as all other persons. I hope my colleagues will join me in support of this important effort.

THE GREATEST SHOWMAN ON EARTH

HON. DAN MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. MILLER of Florida. Mr. Speaker, "Ladies and gentlemen, boys and girls of all ages, welcome to the greatest show on earth! The Ringling Brothers and Barnum and Bailey Circus is proud to present Gunther Gebel-Williams."

These words were spoken all across the world for the past quarter of a century reaching the ears of an estimated 200 million people, introducing the greatest animal trainer that has ever lived. Gunther Gebel-Williams has recently passed away, but his memory will live on in the minds of the millions of men, women and children that came to see this amazing man and his dangerous performances. There were 1,500 people that attended his funeral to pay their respects in his adopted home town of Venice.

Gunther Gebel-Williams began his career at the age of 12 in WWII Germany and he later joined the Barnum and Bailey Circus in 1968 only to make his first American debut on Jan. 6, 1969. From that first debut in 1969 until his last in 1989 he never missed a show, totaling 12,000 consecutive performances. Kenneth Feld memorialized Gunther Gebel-Williams by saying "He was unlike any performer anywhere. When he entered the circus arena, whether carrying a Roman Post on galloping horses or atop an elephant, every eye was always on him until he left the floor." When Gunther Gebel-Williams was not performing he would often put on a pair of his old boots and help to sweep the floor.

He loved and cared for the animals like a father. At Gunther's funeral Dr. Richard Houch a retired veterinarian, told the audience of his devotion to animals stating, "He would watch baby tigers and leopards playing to figure out what they could do best in the act. He knew the personality, disposition and idiosyncrasies of every animal." He was an amazing man who was not only loved by the animals but also by his fans and friends. I believe that the world has lost a legend and my congressional district a good citizen. He will be missed greatly.

INTRODUCTION OF MEDICARE REGULATORY AND CONTRACTING REFORM ACT OF 2001

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mrs. JOHNSON of Connecticut. Mr. Speaker, today I rise to introduce the bipartisan Medicare Regulatory and Contracting Reform Act of 2001. Over the past several months, I have been working closely with PETE STARK, Ranking Member of the Ways and Means Health Subcommittee, to assemble this much needed package. This legislation is the product of months of bipartisan consultation with health care providers and with the Department of Health and Human Services. Our bill will go a long way toward alleviating the burden of unreasonable and unnecessary regulatory paperwork from the nation's doctors and other health care providers.

I am pleased that every member of the Health Subcommittee has decided to join me and Congressman STARK in introducing this important legislation, along with several of our colleagues from the full committee. This interest tells us that Members of Congress are hearing from doctors, from home health workers, from hospital administrators, from nursing home aides that change is needed. Good health care is about patients, not paperwork. America's health care providers must be freed from the flood of forms.

My Subcommittee has been taking a serious and honest look at the problems of providers throughout the year. And I have to tell you—the problems are real. At a hearing in March, Susan Wilson of the Visiting Nurses' Association of Central Connecticut testified about how difficult it is for a provider to respond to a technical denial of a claim. For example, a patient must be homebound in order to be entitled to benefits. A physician must certify, in writing, that the patient meets the homebound requirement. However, if the certification is not signed and dated prior to billing for coverage, a claim denial is issued. At this point, a provider has to pursue a formal appeal. Our bill requires the development of a system to allow easy corrections of technical problems with claims without having to go through the appeals process—saving time for providers and for the appeals system.

At a recent meeting of my Subcommittee, Congressman CAMP told us that he spent an afternoon working in one of his local doctors' offices, filling out the forms that need to be completed before Medicare can be billed for a health care service. He was confronted with several books, each as large as a phone book, that needed to be consulted in order to properly code the claim. It just should not be that difficult.

I have visited a wide cross section of Connecticut's health care providers—and they raise a common theme with me. They are frustrated. These are good people who want to take care of the patients they see. And yet they are inundated by forms, requirements, second-guessing, and heavy handed oversight. We have to take action, or we run the risk of driving from the Medicare program the very providers we need to ensure that seniors have access to high quality care.

An eye physician from Torrington Connecticut contacted me earlier this year to express his frustration with a system that subjected him, in his words, "to a star-chamber proceeding . . . for the crime of serving the elderly." This is unacceptable. We must act.

My bill will diminish the paperwork load required to meet complex and technical regulatory requirements and immediately free up for patient care time that providers now spend completing and filing federal forms. Specifically, my bill streamlines the regulatory process, enhances education and technical assistance for doctors and other health care providers, and protects the rights of providers in the audit and recovery process to ensure that the repayment process is fair and open. At the same time, the bill has been carefully designed to protect ongoing and necessary efforts to reduce waste, fraud and abuse from the Medicare program.

In addition, under this bill, the Secretary is given the tools to manage Medicare program operations competitively and efficiently. For the first time, the new Centers for Medicare and Medicaid Services will be able to contract with the best entities available to process claims, make payments and answer questions. And the Secretary will be free to promote quality through incentives for the Medicare Administrative Contractors to provide outstanding service to seniors and health care providers.

The bill includes a section I am particularly excited about that will create a demonstration program designed to make intense and targeted technical assistance available to small health care providers. This demonstration will offer technical experts to work with small providers on a voluntary basis to evaluate systems for compliance and suggest more efficient or more effective means of operating their documentation and billing systems. This demonstration is modeled on successful work undertaken by the Occupational Safety and Health Administration to promote compliance with complicated requirements. Through this demonstration, we are going to help small providers overwhelmed by the complexity of Medicare's rules by showing them what they need to do to comply.

We also create an ombudsman to help providers solve problems they encounter with the Medicare program. Too many doctors tell us that they operate in fear of making an innocent error and ending up with the very viability of their practice in jeopardy. We need to change that mind set—Medicare should help providers comply with rules—it shouldn't drive them away from the system.

Passage of the Johnson-Stark bill will take a long step toward making that goal a reality. I look forward to working with my colleagues and with the Administration to see our bill become law this year.

CLEAN WATER USERS PROTECTION ACT

HON. C.L. "BUTCH" OTTER

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. OTTER. Mr. Speaker, I rise today to introduce the "Clean Water Users Protection Act." This bill provides that plaintiffs under the Clean Water Act must post a bond for their opponents' legal fees before filing a case. Ordinary farmers, small businessmen, rural counties and school districts have all become targets for zealots who place their own interpretation of the law before the interests of rural America. My act will ensure that only legitimate lawsuits are brought under the Clean Water Act.

Congress established Clean Water Act citizen suits in the 1970's to ensure that each citizen would have a voice in making sure that our environment remained clean. Unfortunately, the process was corrupted by those who want to destroy private enterprise and line their pockets in the process. The Talent Irrigation District is a perfect example. In that case a radical environmental group challenged a commonly used, federally regulated herbicide as violating the Clean Water Act. A lower court rejected their suit, and rightfully so. The 9th Circuit Court ruled, against nearly 30 years of precedent to the contrary, that aquatic herbicides are also covered by the Clean Water Act. Every irrigator in the United States now faces the prospect of losing their farms or going to jail. Had the plaintiff in the case been forced to post a bond, perhaps they would have thought twice before filing their suit.

The Clean Water Users Protection Act does not change any obligation under the Clean Water Act. It does not reduce the remediation and/or penalties that can be ordered if violations of the Clean Water Act are found. It will, however, reduce the incentives for frivolous suits to be filed. It will restrain the impulse for mercenary lawyers to set up shop in the guise of caring for the environment. The Sacramento Bee recently ran a series of articles about the immense amounts of money that flow into the pockets of lawyers performing such "citizen-suits." They reported that the government paid out $31.6 million in plaintiffs attorneys fees for 434 environmental cases during the 1990's. Businesses, farmers, and local governments have paid an untold amount more. My bill will stop the flow of dollars away from environmental protection and into lawyers pockets while protecting the honest men and women who live in, care for, and make their living from the beautiful Western states we call home.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2002

SPEECH OF

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 30, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2620) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes,

Mr. NADLER. Mr. Chairman, I rise in support of the Rangel amendment to the Fiscal Year 2002 VA–HUD Appropriations bill which would eliminate funding used to implement the community service requirement for residents of public housing.

The community service requirement amounts to nothing more than an attack on those who are poor. Granted, residents of public housing do receive a benefit from the government—a benefit Congress began providing almost a century ago, because it understood that despite their hard-work, parents could not meet the basic needs of their families.

But instead of proactively addressing the factors that cause people to need public housing in the first place—lack of jobs, low wages, poor education—and helping them to escape the vicious cycle of poverty, we just add to their hardships and label them as undeserving. With these community service requirements, we're essentially saying to them, "Earn your keep or else."

If we followed this logic and made every American earn their keep, then we would demand CEO's of nuclear power companies who receive millions of dollars from the government to subsidize their liability insurance—far more than the meager cost of a public housing unit—to hand out sandwiches at the church soup kitchen. We would demand heads of pharmaceutical companies who, year after year, get billions of dollars in tax breaks, to be candy stripers at the local hospital.

But do we demand those things? Of course not. Because those are the people who donate to our campaign war chests.

If we followed this logic, we would demand the suburban couple, who got a tax break when they bought their first home, to scrub graffiti off the wall at the subway station. We would demand the farmer, who received a subsidy when his crops were damaged in last summer's drought, to pick up litter along the highway.

But do we demand those things? Of course not. Because those people aren't poor. And in Congress, we only like to make things difficult for those who are poor.

For the last decade, every time that poverty issues come before the House, my colleagues on the other side of the aisle, proclaim the words, "personal responsibility." I challenge my colleagues to hold themselves to that same standard. Take responsibility for your own actions. Admit that provisions like this are only intended to demonize those who are poor. Don't hide behind the falsehood that this community service requirement will somehow alleviate the problems of those living in public housing. Acknowledge that your failure to offer serious solutions has only exacerbated their problems.

Mr. Chairman, I urge my colleagues to vote for the Rangel amendment and encourage them to support initiatives that will actually improve the situation of those struggling to make ends meet.

TRIBUTE TO RUDY ABBOTT

HON. BOB RILEY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. RILEY. Mr. Speaker, I rise today to pay tribute to Rudy Abbott, the head baseball coach of Jacksonville State University, Jacksonville, Alabama, for 31 years.

Coach Abbott retired this year after a remarkable career. He is the 29th coach in NCAA history to win 1,000 games and was the winningest coach in Alabama collegiate sports history. Among the highlights of his coaching career are the fact that he led the Jacksonville State Gamecocks to back-to-back NCAA Division II National Championships in 1990 and 1991 and was named the NCAA Division "Coach of the Year" in both years. He guided five teams to the Gulf South Conference titles and earned Gulf South Conference "Coach of the Year" on seven different occasions. He captured eleven Gulf South Conference Division crowns and took seven teams to championships and NCAA Division II World Series berths.

Such a record is all the more remarkable when you learn the "rest of the story" that he only got into collegiate coaching by chance. Following graduation from a junior college in Mississippi, Coach Abbott had returned home to Anniston, Alabama, and landed a job as sports writer for The Anniston Star. In 1964, he became the Sports Information Director at Jacksonville State, and in 1970, he asked to step in as Baseball Coach for a temporary period of time due to the illness of the permanent coach. He stayed for 31 years.

It is said that the measure of a man is the influence he has on the lives of others. Over his thirty years in coaching, it is almost impossible to imagine how many lives Coach Abbott has affected. On a professional level, he coached 24 All Americans and over 75 of his players have gone on to the professional ranks. But more important is what he has done for Jacksonville State University and its athletic department and its student athletes and its student body. I salute Coach Abbott at the end of his baseball coaching career and wish him and his family the very best in the future.

CONCERN-REGARDING BUSINESS OWNERS AND THEIR EMPLOYEES

HON. CORRINE BROWN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. BROWN of Florida. Mr. Speaker and fellow Members of Congress, I want to alert you to a matter of concern that I have regarding business owners and their employees, particularly small business owners, within our country. This problem has been told to me by some of my constituents and is a problem about which business owners throughout the country have written to you.

We are a nation that is built upon the rule of law. This has assured a system of accountability for our conduct as individuals, businesses and institutions. Congress, as elected representatives, meets and acts to improve and refine the system in order to protect the people and their property. The foundation as framed by our nation's founders in the Constitution is the concept of due process and the right thereof. We each have the assurance that the law protects our person and property from libelous, slanderous, and otherwise tortuous interference with our reputation or business. Unfortunately, I have learned that we have within our country a private organization that with the appearance of being quasi-governmental and without any legal or regulatory oversight and control can libel and slander and tortuously interfere with a small business. They can do so with virtual immunity. This organization is the National Better Business Bureau and their franchise local Better Business Bureaus. At times, some of these bureaus classify small business owners as unsatisfactory, libel and slander them with opinion and innuendo, and provide them no due process to correct the problem. If sued in court, they argue qualified immunity under the guise of the public good. No one disputes the right of a Better Business Bureau to print facts. It is when they print falsehoods, opinion, or negative innuendo that a mechanism for redress or correction must be assured.

When closely examined, however, one finds that there are Better Business Bureaus that arbitrarily and capriciously exclude and negatively classify those they don't like. They also frequently rate companies with terrible records as being satisfactory. No written guidelines or rules are available that require the Better Business Bureau to adhere to any legal standard in their dealings with business. (With the internet, the conduct of one local Better Business Bureau is then taken as true and disseminated everywhere.) The Better Business Bureaus also charge money for these reports. They make money without responsibility for how they make it. Why are they above the law and other businesses?

On a first-hand basis, I recently inquired of the National Better Business Bureau regarding the process and I was met with hostility and rebuke. Prominent members of my community who tried to ascertain information about how to redress a concern with a local Better Business Bureau were hung up on by senior ranking National Better Business Bureau employees.

The process I have described is not in the public's best interest. It is not appropriate for us to allow our business owners and their employees, the men and women who make our country strong, to be exposed to this arbitrary and capricious process. A right to redress the actions of the Better Business Bureau when libelous, slanderous, arbitrary, or capricious action is apparent is a fundamental right we must insure. Thank you.

ENSURE FAIR WAGES AND DUE PROCESS FOR DAY LABORERS

HON. LUIS V. GUTIERREZ

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. GUTIERREZ. Mr. Speaker, today I am introducing the "Day Laborer Fairness and Protection Act," a bill to ensure fair wages and due process for day laborers.

Day laborers are individuals who are hired by agencies to work on a day-to-day basis for employers who pay for the services of temporary laborers. Day labor is not of a clerical or professional nature. Most day laborers perform construction, warehouse, restaurant, janitorial, landscaping or light industrial work—often taking home far less than the minimum wage.

In the absence of federal guidelines, day laborers are often subjected to long, unpaid wait-periods before being assigned to a job. Commonly, these workers also face dangerous working conditions and are paid lower wages than full-time workers performing the same or similar jobs. Further, day laborers are frequently charged high (often undisclosed) fees for on-the-job meals, transportation to and from job sites and special attire and safety equipment necessary for jobs. Some agencies even ask workers to sign waivers in case they are injured on the job.

Partially due to these unfair labor conditions, many day laborers are caught in a cycle of poverty. A recent study by the University of Illinois Center for Urban Economic Development found that 65 percent of 510 surveyed day laborers receive $5.15 per hour. Taking into consideration the number of hours spent waiting to be assigned to work (often between 1.5 and three hours), the real value per hour of work is reduced to less than about four dollars per hour. This low figure does not reflect transportation and food and equipment fees, which are often deducted from day laborers' wages.

To address these problems, this Act requires day laborer wages that are equal to those paid to permanent employees who are performing substantially equivalent work, with consideration given to seniority, experience, skills & qualifications. Also, it mandates wages for job assignment wait-times lasting more than thirty minutes. Such wages shall be at a rate that is not less than federal or state minimum wages. Further, it requires itemized statements showing deductions made from day laborers' wages. Finally, it mandates that when a day laborer is hurt on the job, the employer who has requested the services of the day laborer provide for coverage of health care costs.

Mr. Speaker, I urge my colleagues to support this pro-labor legislation.

ARTICLE BY FORMER SEC. BILL RICHARDSON REGARDING KAZAKHSTAN

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. CARSON of Indiana. Mr. Speaker, an article published in The Washington Times of Monday, July 30, 2001, by Mr. Bill Richardson, has especially impressed me. While world attention focuses on major nations, Mr. Richardson reminds us of the strategic importance of a lesser-known, but truly significant nation, Kazakhstan.

We remember Bill Richardson as a former member of this body; as our nation's Ambassador to the United Nations; and, as Secretary of Energy, all excellent credentials for his incisive assessment and powerful reminder of the critical geopolitical importance of Kazakhstan, bounded by Russia, China and Iran, and the enormous store of energy it holds for the world.

I commend the article and urge that my colleagues give it their attention.

[The Washington Times, Published 7/30/01]

CRAZY FOR KAZAKHSTAN

(By Bill Richardson)

As secretary of energy and ambassador to the United Nations during the Clinton administration, I traveled three times to Kazakhstan to underscore the importance of this key Central Asian country to U.S. interests. Of all the countries rising from the ashes of the Soviet Union, few offer the promise of Kazakhstan. In terms of both economic potential and political stability, Kazakhstan is critical to the long-term success of the Central Asian nations. The Bush administration should continue our policy of engaging Kazakhstan to ensure that this key country moves towards the Western orbit and adopts continued market and political reforms.

From its independence from the Soviet Union in 1991 to the present, Kazak leaders have made the difficult and controversial decisions necessary to bring their country into the 21st century. In May 1992, President Nursultan Nazarbayev announced that Kazakhstan would unilaterally disarm all of its nuclear weapons. In the aftermath of the Soviet Union's collapse, Kazakhstan was left with the fourth-largest nuclear arsenal in the world, a tempting target for terrorists and other extremists. Mr. Nazarbayev's courageous decision to disarm in the face of opposition from Islamic nationalists and potential regional instability was one of the fundamental building blocks that have allowed Kazakhstan to emerge as a strong, stable nation and a leader in Central Asia. Then President George Bush hailed the decision as "a momentous stride toward peace and stability."

Since that time, Central Asia has become an increasingly complex region. Russia is reemerging from its post-Soviet economic crises and is actively looking for both economic opportunities in Central Asia as well as to secure its political influence over the region. China is rapidly expanding its economic power and political influence in the region. Iran, despite recent progress made by moderate elements in the government, is still a state sponsor of terrorism and is actively working to develop weapons of mass destruction. Many of the other former Soviet republics have become havens for religious extremists, terrorists, drug cartels and transit points for smugglers of all kind.

In the center of this conflict and instability Kazakhstan has begun to prosper by working to build a modern economy, developing its vast natural resources and providing a base of stability in a very uncertain part of the world. With the discovery of the massive Kashagan oil field in the Kazak portion of the Caspian Sea, Kazakhstan is polseci to become a major supplier of petroleum to the Western world and a competitor to Organization of Petroleum Exporting Countries (OPEC). It is critical that we continue to facilitate western companies' investment in Kazakhstan and the establishment of secure, east-west pipeline routes for Kazak oil. This is the only way for Kazakhstan to loosen 'its dependence on Russia for transit rights for its oil and gas and secure additional, much needed, oil for the world market.

American policy in the region must be based on the complex geopolitics of Central Asia and provide the support required to enable these countries to reach their economic potential. We must continue to give top priority to the development of Kazakhstan's oil and gas industries and to the establishment of east-west transportation corridors for Caspian oil and gas. We must also remain committed to real support for local political leadership, fostering rule of law and economic reforms and to helping mitigate and solve the lingering ethnic and nationalistic conflicts in the region. Only through meaningful and substantial cooperation with Kazakhstan, will we be able to realize these goals.

There are many challenges ahead for Kazakhstan, but there are enormous opportunities for economic and political progress. Mr. Nazarbayev has taken advantage of Kazakhstan's stability to begin transforming its economy from the old Soviet form—giant, state-owned industries and collective grain farms—into a modem, market-based economy. We have much at stake in this development. Will Kazakhstan become a true market-oriented democracy, or will it slip into economic stagnation and ethnic violence like so many of its neighbors? The stability of Central Asia and the Caucasus depends on how Kazakhstan chooses to move forward. The United States must do its part to enhance U.S.-Kazakhstan cooperation and encourage prosperity and stability for the entire region.

IN HONOR OF ED AND LYNN HOGAN

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. GALLEGLY. Mr. Speaker, I rise to honor my close friends Ed and Lynn Hogan: successful entrepreneurs and philanthropists who have seen and changed the world together and who will celebrate their 50th wedding anniversary on August 13, 2001.

Ed's and Lynn's accomplishments are numerous and far-reaching. In 1959, they opened Pleasant Travel Service in Point Pleasant, New Jersey. Three years later, they moved their four children and the business to Southern California to better serve clients wishing to visit Hawaii.

The company is now a limited liability corporation with more than 1,700 employees and revenues exceeding $400 million. Their four children—Brian and Christine, and twins Gary and Glenn—are all executives in the company. Ed is chairman and chief executive officer of Pleasant Holidays, L.L.C., and Lynn serves as vice chairperson. Lynn, a graphics artist who did picture cells for Disney's animated classic "Peter Pan," oversees the development of major promotions, ad campaigns and brochures, and is actively involved with the decoration and renovation of the company's hotels.

The company has expanded to serve Mexico, Tahiti, Japan and other destinations in the Orient, in addition to the ownership of several hotels in Hawaii.

In 1987, Ed and Lynn formed the Pleasant Hawaiian Holidays Foundation to grant annual scholarships and awards to benefit Hawaiian residents. The non-profit Hogan Family Foundation, founded in 1998, is dedicated to promoting an understanding of the importance of travel and tourism "by creating and operating educational, humanitarian, and civic-minded programs that encourage meaningful communication between persons of all cultures."

With the formation of the Travel and Tourism Institute, the Ed and Lynn Hogan Program in Travel and Tourism is funded at Loyola Marymount University in Los Angeles to prepare college students for executive careers in the travel industry.

Ed and Lynn volunteer for numerous other non-profit organizations focused on health care, child abuse and education, and sit on several boards, and have been honored frequently for their efforts.

Not surprisingly, they also have been honored extensively by the tourism industry and the government and people of Hawaii. A few highlights: In 1993, Ed and Lynn were inducted into the American Society of Travel Agents' "Hall of Fame," the travel industry's highest honor. In 1995, Ed served as a delegate to the first White House Conference on Travel and Tourism. Lynn has been named to Working Woman magazine's top 500 list of female executives in the United States for the past five years, number 53 in 1998 and number 34 this year.

In their spare time, Ed and Lynn train and show their Arabian horses, play in travel industry and celebrity golf tournaments, and fawn over their two grandchildren, Michael and Shalyn.

Mr. Speaker, Ed and Lynn Hogan are loving people who are dedicated to their profession, their community, their family and each other. I know my colleagues will join Janice and me in congratulating them on a lifetime of success together in each of those areas as they celebrate their 50th wedding anniversary.

PERSECUTION OF CHRISTIANS IN INDIA CONTINUES

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. DOOLITTLE. Mr. Speaker, there has been a disturbing pattern of oppression of Christians and other religious minorities in India. This persecution of Christians in India continues. It has been going on steadily since Christmas 1998, with occasional flare-ups before that, as exemplified by one incident when the state police used unnecessary and overwhelming force to stop a Christian religious festival.

The animosity towards Christians and other religious minorities in India is well known. High-ranking officials of India's governing coalition have said openly that everyone who lives in India must either be Hindu or be subservient to Hinduism. They have called for nationalization of the Christian churches in India, severing them from the denominations to which they belong.

Since the current wave of violence exploded on Christmas 1998, more than two and a half years ago, Christian churches have been burned, and assaults have been carried out on priests and nuns.

Mr. Speaker, that is the state of religious freedom in India. The Indian government has much work in front of it. It is time for India to stop trampling the rights of minorities and begin protecting religious freedom, civil liberties, human rights, and the other important rights that are the mark of a true democratic state.

54TH ANNIVERSARY OF INDIA'S INDEPENDENCE DAY

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. PALLONE. Mr. Speaker, I rise tonight to join with the people of India and the Indian-American community to commemorate India's Independence Day. The 54th anniversary of India's Independence will actually occur on August 15th, while Congress is in recess, so I wanted to take this opportunity tonight, before we adjourn, to mark this important occasion before my colleagues in this House and the American people.

Last month, Americans celebrated the Fourth of July. For a billion people in India, one-sixth of the human race, the 15th of August holds the same significance. I am proud to extend my congratulations to the people of India, and to the sons and daughters of India who have come to the United States, enriching American society in so many ways.

On August 15, 1947, the people of India finally gained their independence from Britain, following a long and determined struggle that continues to inspire the world. In his stirring "midnight hour" speech, India's first Prime Minister, Jawaharlal Nehru, set the tone for the newly established Republic, a Republic devoted to the principles of democracy and secularism. In more than half a century since then, India has stuck to the path of free and fair elections, a multi-party political system and the orderly transfer of power from one government to its successor.

India continues to grapple with the challenges of delivering broad-based economic development to a large and growing population. India has sought to provide full rights and representation to its many ethnic, religious and linguistic communities. And India seeks to be a force for stability and cooperation in the strategically vital South Asia region. In all of these respects, India stands out as a model for other Asian nations, and developing countries everywhere, to follow.

Mr. Speaker, one of the most difficult situations for a democracy is their relationships with their neighbors, especially if they do not share the same democratic ideals. India has struggled to establish a peaceful cooperation with the nation of Pakistan. As you know, Pakistan has made a transition from the thin guise of democracy to an outright military state.

Despite this fact, India has made repeated efforts to establish peaceful and economically prosperous relations with Pakistan.

Evidence of this can be found in India's Prime Minister Atal Behari Vajpayee extending the hand of friendship to Pakistan President Musharraf. This is the latest act of good faith by India even though Pakistan has consistently reverted in their promises to uphold their end in recent years. In February of 1999 India and Pakistan signed the Lahore Declaration under which they pledged to establish a procedure for resolving their differences through bilateral negotiations. Pakistan subsequently betrayed this when their forces crossed the Line of Control in Kashmir, resulting in the loss of hundreds of lives and international condemnation. Pakistan also broke the latest cease-fire initiated by India, yet Vajpayee still decided to invite Musharraf to a summit this past month. While the summit collapsed, Vajpayee has vowed to continue dialogue to try to bring about peace with India's neighbor.

India is of utmost importance to the United States, not only because of our shared principles, but also because of India's strategic importance. They have showed the Western World time and time again that they serve as a vital stabilizing force in the South Asian region. India has committed itself both politically and economically with the United States. In March of 2000, our countries participated in the U.S.-India Summit in New Dehli, where a Vision Statement was crafted. This statement committed both countries to fight against terrorism, prevent the proliferation of nuclear weapons, expand trade, and a variety of other important issues. To this day, India continues to reduce barriers to trade, and bilateral trade has grown from less than $5 billion in 1993 to over $15 billion in 2000. India has not just passed the litmus test of foreign governments, but they have passed the much harder test of Western corporations that look for a profitable environment. There are hundreds of U.S. companies investing in India: AT&T, Citicorp, Morgan Stanley, Ford Motor Company, and IBM just to name a few.

Mr. Speaker, it is with great pleasure that I rise on behalf of the Indian-Americans in my district, and the 1.6 million all over this country to extend my congratulations to the largest democracy in the world. India has survived hostile neighbors, the transition from colonialism, recent earthquakes and droughts, and adaptation to the world economy, and with the continued support of the United States, will do so for many years to come.

HONOR OF THOMAS L. BERKLEY

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. LEE. Mr. Speaker, I rise today to honor Thomas L. Berkley for his contributions to the community and to the nation.

Mr. Berkley, who was born in Illinois in 1915, moved with his family to Southern California at the age of four. In 1936, he attended Fullerton Junior College, where he earned an Associate of Arts Degree. He went on to UCLA and completed his Bachelor of Science Degree in Business Administration and Finance, and then attended Hastings Law School in San Francisco where he received his Juris Doctor and became active in the NAACP. He was admitted to the California State Bar in 1943.

After finishing his academic career, Mr. Berkley proudly joined the United States Army and fought bravely in World War II, achieving the rank of Second Lieutenant.

At the end of the war, Mr. Berkley returned to Oakland in the Bay Area and became the head of one of the nation's largest integrated, bilingual law firms. He helped establish the careers of notable men such as Judges Clinton White and Allen Broussard, and former Mayors of Oakland, Elihu Harris and Lionel Wilson.

Mr. Berkley has not only been active in law, but also in business and in the media. He was the president of Berkley International Ltd, Berkley Technical Services and CEO of Berkley Financial Services. Mr. Berkley also was the publisher of the Alameda Publishing Corporation which publishes the Oakland, San Francisco and Richmond Post newspapers. in the public service arena, Tom Berkley served as a Member of the Oakland Unified School District School Board and an advisor to the Greater ACORN Community Improvement Association.

Mr. Berkley is a "Man for all Seasons". He is a visionary, a motivator, an educator, a mentor, and an entrepreneur. He has made a significant contribution in all of his many local, state, national, and international endeavors and has given his all for the betterment of our community and society.

As a friend and supporter, Tom Berkley has always been a trusted confidant, and I have benefitted from his wisdom, his encouragement, and his compassion.

I am honored to salute Tom Berkley, and I take great pride in celebrating with his family, friends and colleagues his distinguished life and accomplishments.

FEDERAL PROPERTY IN CAMBRIDGE, MASSACHUSETTS, TO ADDRESS OPEN SPACE AND AFFORDABLE HOUSING NEEDS

HON. MICHAEL E. CAPUANO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. CAPUANO. Mr. Speaker, I rise to inform the House of my intent to introduce legislation aimed at assisting a unique community development project in my district. Specifically, when the House convenes following the August recess, I plan to introduce the Kendall Square Project Redevelopment and Real Property Reconveyance Act of 2001.

This legislation is critical to the efforts of the Cambridge Redevelopment Authority to provide much needed open space and affordable housing to the residents of Cambridge, Massachusetts. The parcel of land that will be utilized for the project is currently federal property, owned by the U.S. Department of Transportation (DOT). Known as Parcel 1, the land is home to the John A. Volpe National Transportation Systems Center. The Center provides technical analysis, research and project management to DOT and other Federal agencies.

Recently, the General Services Administration has concluded that fifty-five percent of the federal land adjacent to the Volpe Center is not being utilized and another twenty-eight percent of the land is underutilized. The legislation which I will propose directs the DOT to reconvey any unused or underutilized Parcel 1 to the Cambridge Redevelopment Authority for the development of open space and affordable housing. The area proposed for reconveyance represents 5.8 acres of almost entirely vacant land. DOT will retain the remaining 8.5 acres of Parcel 1, which has been deemed to be enough land to allow for a continuance of current operations at the Volpe Center, as well as future expansion of its physical plant to accommodate future growth of the facility's operations.

Make no mistake about it Mr. Speaker, this project is a win/win proposition for all parties involved. The federal government reconveys unused and underutilized land, while maintaining the integrity of the Volpe Center and its operations. The Cambridge Redevelopment Authority and the residents of Cambridge, in turn, receive much-needed land to address the urgent need for open space and affordable housing. This bill will go a long way toward meeting this need and I look forward to having the House consider this legislation.

TRIBUTE TO ELEANORE DRUEHL NETTLE

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. ESHOO. Mr. Speaker, I rise today to pay tribute to a distinguished American, an extraordinary Californian, a beloved friend and an institution in San Mateo County—Eleanore Druehl Nettle, who passed away in June of this year.

Eleanore Nettle served for thirty-three years as a Trustee on the San Mateo County Community College Board, longer than any other trustee in the history of the District. During her tenure she attended almost 800 Board meetings and served as President of the Board nine times. She was the driving force in fostering the growth of the District from a single campus to three, and from 2,700 students to more than 30,000. Half-a-million students attended the college while she sat on the Board.

Eleanore Nettle gave generously of her time and talents to the League of Women Voters and the American Association of University Women. She was recognized throughout California as a leader in community college affairs and received many awards and honors, including the Trustee of the Year Award given by the California Community College Trustees Association. Eleanore was appointed by Governor Edmund G. "Pat" Brown as a community college representative to the Coordinating Council for Higher Education and re-appointed by Governor Reagan.

Eleanore was a graduate of the College of San Mateo and an active and faith-filled member of her church since 1950. She was the devoted wife of the late Lester Nettle and the proud mother of a daughter, twin sons and a granddaughter.

Mr. Speaker, I ask my colleagues to join me in paying tribute to a great and good woman, Eleanore Druehl Nettle and offer the condolences of the entire House of Representatives to her family. We are a better community, a better country and a better people because of her.

HONORING BONNIE HUDGEONS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. McINNIS. Mr. Speaker, I would like to pay tribute to Bonnie Hudgeons for setting an example and for providing hope to transplant patients.

In 1986, Bonnie, a longtime Lake City, Colorado resident, was given blood that was infected with Hepatitis C during her heart bypass surgery. Not until 1991, when she had an angioplasty surgery, did her doctors realize that she had the infection. In 1997, she was first considered for a liver transplant, but because the demand for liver transplants outweighs the supply, Bonnie was turned down. "They thought I was too far gone," she told Nicole Ashton of Silver World. She persisted by asking for a second opinion, and this time her name was added to the waiting list. Bonnie's health deteriorated from there. She fell into four of five comas, once for a period of five days and she was unable to care for herself even when she was conscious.

In March of 2000, after 14 months on the waiting list, Bonnie got the okay for a transplant. The surgery lasted for seven hours, and she had several complications afterward, including temporary kidney failure and memory problems. In spite of the difficulties with the surgery, Bonnie said, "I had faith, trusted in God, and made it through."

Bonnie emphasizes her gratitude for her donor. Through the hospital, she was able to get in touch with the donor's family, and they exchanged letters. Bonnie wrote, for instance, "I will forever marvel at the miraculous gift of life an organ donor gives." Bonnie eventually also met her donor's parents and sister. "We still email back and forth," she said. "I carry a picture of Chad in my billfold."

Mr. Speaker, Bonnie Hudgeons, who is sometimes called "the miracle girl," is a source of hope for anyone who faces difficult odds. I would like to pay tribute to her for sharing her story, and for being an inspiration both to those who need a transplant and for those who are contemplating becoming a donor.

HONORING STEVE RIPPY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. McINNIS. Mr. Speaker, I would like to thank Steve Rippy for helping to build a successful assessor's office in Garfield County, Colorado, and to wish him luck on his next endeavor as New Castle Town Administrator.

Steve served as Garfield County assessor for almost seven years, and his total time in the office amounts to twenty years. In addition, he served as New Castle Mayor for seven years and as Councilman for eight years. Steve was also a member of the Town Planning and Zoning Commission for fifteen years.

Steve reflected on his time as Garfield County assessor, telling Mike McKibbin of The Daily Sentinel, "I think I'm proudest of a well-organized and efficient office with appraisals of property." Steve's satisfaction is certainly well founded, as the "significant reduction in the number of appeals (of reappraisals)" during his time there reflects. Certainly related, too, are Steve's communication skills. "We're very willing to listen to people," he said.

In addition, Steve demonstrated his ability to overcome adversity. While the assessor's office employed sixteen people when Steve began working in 1981, they lost nearly one third of their workers when the oil shale bust forced the office to lose five employees. However, under Steve's direction, the assessor's office bounced back nicely. "Now we're almost back to where we were and I think we're able to handle so many more new subdivisions," he said.

Certainly, Mr. Speaker, Steve Rippy is an excellent community servant and a skilled leader. I would like to congratulate him for a job well done, and to wish him well on his new career.

PAYING TRIBUTE TO EARNEST "DOC" WALCHER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Earnest "Doc" Walcher of Gypsum, Colorado. After 25 years of retirement, Doc is now lending his hand to the town of Gypsum. He and town manager Jeff Shroll, it turns out, make a great team as well as good neighbors.

Doc Walcher was born in 1921 in Oklahoma, and he moved with his family to Gypsum during the Depression. He enlisted in the Army during World War II as an aircraft mechanic, serving at Guadalcanal and in the Philippines. After the war, he returned to Gypsum, where he has resided ever since.

Doc served the people of Colorado diligently before his retirement, working as head supervisor of the Colorado State Highway Department. He helped build and maintain Highway 24, Tennessee Pass, and Interstate 70 over Vail Pass before retiring in 1976.

Jeff Shroll, Gypsum's Town Manager, "noticed that Walcher, who lives directly across the street. . .had the most manicured and best-kept lawn in town." Jeff asked Doc if he might be interested in helping to keep up the lawns in Turgeonville, a property owned by Gypsum. Walcher eagerly accepted, and now that he is working again, he is "loving every minute of it," according to Julie Imada-Howard of the Vail Daily. The feeling seems mutual; Jeff says that it has been "great to work with" Doc.

Mr. Speaker, I would like to honor Doc Walcher for his continued service and willingness to help the community. He is truly an inspiration to us all.

HONORING DR. RICHARD HOFFMAN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to honor Dr. Richard Hoffman, Colorado's chief medical officer and state epidemiologist. Richard recently resigned from his position at the Colorado Department of Public Health and Environment, after serving as state epidemiologist since 1987, and as chief medical officer since 1998.

Richard has remained active, professional, and reliable throughout his time with the Colorado Department of Public Health and Environment. He has drafted laws, seen his writings published in over sixty peer-reviewed journals, written for ten non-peer-review or public health publications, written two book chapters and five published letters.

According to Dr. Sue Binder of the National Center for Injury Prevention and Control division of the United States Department of Health and Human Services, he also directed one of the division's most successful traumatic brain injury (TBI) surveillance projects. In addition, he helped to launch the Colorado follow-up registry. These efforts have "led to the first credible estimate of TBI-related disability and health services usage prevalence in the United States." The Colorado TBI registry, wrote Dr. Binder, "blazed the trail for our planned efforts to create spinal cord injury registries."

In addition, according to a draft of the Colorado Board of Health Resolution, Richard "epitomizes public health leadership and leaves an indelible legacy of accomplishments." The resolution says, also, "Dr. Hoffman's efforts have paved the way for significantly improving the health and welfare of our state's population." Jane Norton, the executive director of the Colorado Department of Public Health and Environment agrees; she wrote, "The bottom line is that his efforts have translated into making Colorado a healthier place to live and raise a family."

Mr. Speaker, Dr. Richard Hoffman's expertise, leadership, compassion, and hard work have improved the state of Colorado. I would like to thank him for his positive influence on Colorado's health care, and I wish him well on his future endeavors. His dedication is certainly deserving of this honor.

IN RECOGNITION OF THE RETIREMENT OF WALLY WALDROP

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BONIOR. Mr. Speaker, today I rise to honor a remarkable individual who performs a remarkable service, and has for more than 22 years. Just this past May, Capt. Milton R. Waldrop, better known as Capt. Wally Waldrop, retired from Lake Piloting.

Born in Texas, Capt. Waldrop joined the Navy in 1948, serving aboard the aircraft carrier USS *Tarawa*, which served as embassy protection during the Chinese Revolution in 1948, He left the service in 1952 and moved to the Great Lakes, where he began a career as a Great Lakes Mariner. After 19 years as a mariner, he became a Lake Pilot in 1979.

Now for those of you not familiar with Lake Piloting, it is a fascinating profession, Every cargo freighter that enters the Great Lakes, must, by law, be piloted by a licensed Great Lakes pilot. Even though these ships have their own very capable crews, they still have to have a Lake Pilot aboard during their voyage through our water system. Capt. Waldrop is not only one of these master pilots, he is the best of the best. One day he could be at the helm of a Greek vessel, the next day it's a Russian freighter.

Great Lakes shipping is critical to the regional economy and has an impact on world markets and economies. Without the services of Wally Waldrop, and others like him, safe and efficient commerce through the Great Lakes would not be possible. Please join me in saluting Capt. Wally Waldrop, a great pilot and a servant to the entire Great Lakes region.

H.R. 2273—THE NATIONAL BANK OFFSHORE ACTIVITIES ACT OF 2001

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. OWENS. Mr. Speaker, I requested of the author of H.R. 2273, the National Bank Offshore Activities Act of 2001, to permit me to lend my support for this legislation. Let me tell you why H.R. 2273 is so important.

As one member who is interested in relations between Asian nations and the United States, I would whole-heartedly endorse the purpose of H.R. 2273 in closing a major loophole in the United States' supervision of the national banks it charters.

My office has been in receipt of numerous press accounts about the treatment of a vitally important corporation in Thailand, Thailand Petrochemical Industries, Inc. (TPI); the second largest business in the country, by a "workout specialist" assigned to act as what we in the United States would call a "trustee in bankruptcy" This "workout specialist", Effective Planner, an agent of the accounting firm Ferrier Hodgsen, from Australia, has, with a Thai bankruptcy court approval, become the agent of the United States chartered banks to whom the debt is owed. What should concern us here in the United States is the activities of the Effective Planner. These questionable actions include the diminution of the value of the company (TPI), by the use of questionable accounting procedures and poor business practices, the expenditure of millions of dollars to a bodyguard company which is either not in existence or is not appropriately registered as a legitimate corporation, and the initiation and ultimate culmination of a "debt for equity swap" which was done in an offshore Caribbean Bank in the British Virgin Island. This "swap" has permitted the U.S. chartered banks to own approximately three-fourths of the entire TPI stock. The manager of Effective Planner and several of his associates were arrested in Thailand for violation of the labor laws of that country, and have reportedly even removed themselves to Singapore to manage this Thailand company.

It is the stated goal of our foreign policy to assist our allies and friends around the world during difficult times. The Asia Debt Crisis, like the Mexican Debt Crisis several years ago, has presented a number of nations with difficult choices. Thailand is no different. It is for this reason that our private sector financial institutions should not be permitted to work against the interests of our country with respect to our relations with other nations. Certainly, no bank in the United States could be placed in control of a trustee in bankruptcy with the trustee being left to their own devices in acquiring control of a U.S. business without at least some supervisory or consultative authority, such as the Office of the Comptroller of the Currency (OCC) or a court, being capable of reviewing their activities. If alleged criminal and actionable civil activities were reported, surely the OCC would at a bare minimum, conduct some oversight of such actions. It should be no different for U.S. chartered banks doing business in friendly foreign country.

Our principal banking regulator, the Office of the Comptroller of the Treasury (OCC), continues to believe that it has little or no power to act against U.S. chartered banks implicated in illegal activities abroad, even when such activities may involve crimes such as embezzlement, money laundering, and establishment of secret accounts in offshore tax havens. This position makes H.R. 2273 even more important.

In this global economy, banks chartered and regulated by our government must maintain the highest legal and ethical standards wherever they operate. Simply put, our vital system of banking regulation and our confidence in our financial system is compromised when a U.S. chartered bank or its agents are implicated in criminal activities anywhere in the world. In fact, allowing our banks to enjoy a double standard harms our good relations with our trading partners and allies everywhere in the world.

This major loophole in our banking regulation is dramatically evident in Thailand, a staunch ally of our country and victim of the recent Asian economic crisis. Thailand actually stands to lose its domestic ownership and control of a key public company to foreign interests, including a group of banks chartered by us, through the Office of the Comptroller of the Currency.

As I stand here today, ownership and control of Thai Petrochemical Industries, or TPI has been transferred to a group of U.S. chartered and foreign banks by an equivalent of a bankruptcy trustee hired, supervised and controlled by those same banks. That trustee, Effective Planner, a foreign company that purportedly specializes in bankruptcy reorganizations, stands accused by TPI's shareholders of embezzlement, money laundering, and other crimes. Incredibly, that same trustee, supported by those same banks, stands accused of sending payments from TPI's own bank account to two of its business associates who have been indicted, convicted, and imprisoned in Laos for embezzlement, destruction of records, and tax evasion.

Unfortunately, instead of stopping such practices and terminating their relationship with the accused trustee, U.S. banks chartered and foreign banks licensed by our government have allowed the trustee to use countless sums of TPI funds to mount a public relations effort to defame TPI's founder and former CEO, who built TPI into one of Thailand's largest employers. The family who built the company has mounted a lonely crusade to prevent the trustee from disassembling TPI and feeding it to the banks for which the trustee works. Clearly, if those banks had no concern about the legality and fairness of their activities, why would they want their stock owned through a secret, offshore trust account?

Mr. Speaker, the involved banks and their trustee may have an explanation for all these troubling facts. If they do, they should report to the OCC the activities of the trustee for whose actions they must account. That is precisely what H.R. 2273 would require. I would ask my colleagues to join me in seeking passage of the bill.

OPPOSING H.R. 7

HON. MAX SANDLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. SANDLIN. Mr. Speaker, I rise today to oppose H.R. 7 in its current form. Churches and charitable organizations have always played an important role in our society. They operate food banks, provide services for victims of domestic violence, operate after school programs, and provide counseling services. Many of these organizations currently use federal grants or other sources of federal funds to operate these programs.

Use of federal funds for these programs is allowed under current law. I believe faith based organizations should be able to work in partnership with the federal government to operate these programs as they currently do. Communities of faith in this country give of their time and money to help those who are less fortunate. We in the federal government can and should assist them in that mission when appropriate.

While the motivation behind H.R. 7 is honorable in theory, the bill unfortunately has serious flaws. This bill would make it possible for religious groups to use taxpayer money to discriminate, not just on the basis of a prospective employee's religion, but also on the basis of his or her failure to practice that group's religious doctrine. No one should be required to be of a particular faith in order to obtain a federally funded job.

Furthermore, the bill sets a dangerous precedent by allowing government agencies to convert funding for a program into vouchers to religious organizations. By providing such vouchers, the federal government would permit these organizations to use federal tax dollars for sectarian instruction, worship, and proselytization.

In this country, we have a long history of supporting separation of church and state. We have a diverse religious make-up—something we celebrate, We must protect that diversity. By allowing religious institutions to receive federal funds without complying with federal laws, we discourage diversity.

Mr. Speaker, a broad coalition of religious organizations, education organizations, and civil rights groups oppose H.R. 7 in its current form. These groups include the American Federation of Teachers, American Jewish Congress, the Baptist Joint Committee, the NAACP, the National Education Association, the PTA, the Leadership Conference on Civil Rights, the United Methodist Church, the Episcopal Church, the Presbyterian Church, the Religious Action Center for Reform Judaism, and the Union of American Hebrew Congregations. When this many religious organizations are opposed to the bill, maybe we should ask ourselves what is wrong with the bill.

H. RES. 193—CRIME PREVENTION AND NATIONAL NIGHT OUT RESOLUTION

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. STUPAK. Mr. Speaker, I have introduced this resolution along with Representatives Curt Weldon and Joe Hoeffel to emphasize the importance of crime prevention at the local level and to recognize the efforts of National Night Out. I am pleased to say that this resolution has bipartisan support, with 64 cosponsors. I would like to specifically thank the Chairman JIM SENSENBRENNER Ranking Member of the Judiciary Committee, the Chairman and Ranking Member of the Crime Subcommittee, and the leadership on both sides of the aisle for their help in bringing this measure to the floor.

Our resolution calls upon the President to focus on neighborhood crime prevention, community policing programs and reducing school crime and to issue a proclamation in support of National Night Out.

PERSONAL EXPLANATION

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. JACKSON-LEE of Texas. Mr. Speaker, on rollcall No. 308, I was unavoidably detained on official businesses. Had I been present, I would have voted "aye".

RECOGNITION OF THE RETIREMENT OF PATRICIA GIBBS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BONIOR. Mr. Speaker, today I rise to honor a remarkable woman, who has served remarkable organizations with outstanding professionalism and dedication. Patricia Gibbs is retiring from the position of Executive Director of Macomb County Community Services Agency which she has held for the last 13 years.

Ms. Gibbs began her career with Macomb County as the Quality Assurance Assistant for the Office of Substance Abuse. From there she rose to become one of the most influential health and human services individuals in Macomb County. It is easy to see how she has touched the lives of many of Macomb County's residents either directly or indirectly.

Ms. Gibbs was one of the original organizers of the Human Service Coordinating Body. The HSCB was put together to develop a more efficient county human services network. She has also chaired the Creating a Healthier Macomb Partnership Board, the first organization to bring hospitals, businesses, public and private agencies, and volunteers together to improve the health of county residents. Add to that her service on the Macomb Literacy Partners Board of Directors, her position as Chairperson of the Directors Council of the Michigan Community Action Agency Association, her contributions to the United Way Community Services Macomb Division Board of Directors and her memberships in the American Society of Public Administrators, the American Management Association, and the Michigan Literacy Association, and you could easily have the life's work of three or four people instead of just one. It is hard to believe that she has somehow found time to become a certified personal trainer and race walking instructor at Macomb Community College.

Please join me in recognizing Patricia Gibb's years of dedication to the health and well being of others. It takes a special person to pledge their life to the cause of making others healthier and stronger through counseling. While her expertise will be missed from 9 to 5 each day, thanks to her commitment to healthy living, we will still have the benefits of her wisdom for years to come.

JUDGE JAMES R. BROWNING COURTHOUSE

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. PELOSI. Mr. Speaker, in honor of Judge James R. Browning, formerly Chief Judge of the Ninth Circuit, I am pleased to introduce legislation to name the federal courthouse building at 7th and Mission Streets in San Francisco the "James R. Browning U.S. Court of Appeals Building."

Appointed to the Ninth Circuit by President John F. Kennedy in 1961, Judge Browning served for 40 years, including 12 years as chief judge. He assumed leadership in 1976 at a time when appeals courts faced a large backlog of cases. Under his leadership, the Ninth Circuit expanded in size, eliminated its backlog, and cut in half the time needed to decide appeals. Since 1961, he has participated in almost 1,000 published appellate decisions and authored many other unsigned per curiam opinions on behalf of the panel as a whole.

As the head of the largest circuit court in the country, Judge Browning acted as a tireless and effective advocate for maintaining the unity of the Ninth Circuit. An extraordinary administrator, he implemented numerous innovations that reshaped the structures and procedures of the circuit. Many of his ideas were subsequently adopted in other circuits. He also emphasized the importance of collegiality and civility among the judges and the Ninth Circuit bar. He was instrumental in establishing the Western Justice Center Foundation, a nonprofit organization dedicated to improving the legal system by encouraging collaborative work and research.

Judge Browning earned his law degree from the University of Montana Law School in 1941, joining the Antitrust Division of the Department of Justice upon graduation. A U.S. Army Infantry private, he served in Military Intelligence in the Pacific Theater for three years, attaining the rank of First Lieutenant and winning a Bronze Star. Subsequently, he served again in the Antitrust Division, then the Civil Division, becoming Executive Assistant to the U.S. Attorney General in 1952. From 1953 to 1958, he practiced law as a partner at Perlman, Lyons & Browning, leaving private practice again to become Clerk of the U.S. Supreme Court, prior to his appointment to the Ninth Circuit.

The Ninth Circuit includes all the federal courts in California, Oregon, Washington, Arizona, Montana, Idaho, Nevada, Alaska, Hawaii, Guam, and the Northern Mariana Islands. The courthouse at 7th and Mission was designed by James Knox Taylor, who also designed the U.S. Treasury Building in Washington, D.C., and built between 1897 and 1905.

It is my hope that in the near future, in addition to serving as a courthouse, this building can stand as a monument to the tremendous achievements of Judge James R. Browning.

INTRODUCING THE ACCESS TO STUDENT LOANS ACT

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. McKEON. Mr. Speaker, I rise today to introduce the Access to Students Loans Act.

This legislation permanently extends the McKeon-Kildee student loan fix.

The overall goal is to see that students are able to obtain student loans whether they attend Stanford or a career college in the inner city of Los Angeles. In order to achieve this goal, a stable and strong FFELP program is key to making sure these students are able to obtain loans each year without having to worry about whether one will be available.

During the 1998 Higher Education Act reauthorization, Representative DALE KILDEE and I Hammered out the current interest rate fix after numerous meetings and plenty of negotiations. The end result was the lowest interest rate for borrowers in the history of the program, with current rates in repayment at 5.99 percent.

These loans, however, are only as good as their availability. Banks won't make loans unless they are making a profit. Therefore only those students attending universities with low default rates will get served. Fixing this interest rate problem will be a direct benefit to those students who are usually underserved, and the most at risk of dropping out of college. This is why I want to see this problem fixed now.

Additionally, if we are able to solve this problem now we have a much better chance, with the necessary resources, to work on other challenges facing higher education in the 2003 reauthorization. Specifically, increasing funding for Pell grants and campus-based aid would be at the top of my priority list.

Included in the budget resolution under the leadership of Budget Committee Chairman JIM NUSSLE is a technical reserve fund specifically set up to make the current student loan interest rate formulas permanent. However, we must take action to make the fix permanent before the current budget resolution expires.

I hope my colleagues will support me in this endeavor and cosponsor this important legislation which will ensure access to loans for all of America's students.

CHIQUITA BRANDS INTERNATIONAL

HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Ms. WATERS. Mr. Speaker, Chiquita Brands International has played a historically controversial role in Latin America. Beginning from its inception as the United Fruit Company, Chiquita has assisted in the overthrow of democratically elected governments who refused to yield to its economic demands. Other allegations against the company include producing false documentation, intimidating potential competitors and bribing government officials in order to maintain its hold over Latin American banana production.

During the Clinton Administration, Chiquita also became embroiled in a well-publicized legal standoff with the European Union. The litigation resulted from the company's claim that the banana regime of the European Union, which attempted to protect small-scale producers in Africa and the Caribbean, would lead to business losses for Chiquita in the European banana market. In response to Chiquita's complaints, the White House challenged the European banana regime in the World Trade Organization (WTO).

Despite such strong-armed tactics, Chiquita has not been able to maintain market share nor profitability in the 1990s. Since Chiquita has never been a proponent of open competition and fair play at any time in its history, the company's claims that built-in competitive advantages for small producers hurt large producers seems especially dubious. Chiquita must begin to accept responsibility for its economic and strategic failings, rather than assigning blame to those who would assure a competitive market.

The attached article on Chiquita's irresponsible behavior was co-authored by Ernest Hartner and Randall Johnson, Research associates with the Washington-based Council on hemispheric Affairs (COHA), an organization that is committed to addressing issues associated with democracy and human rights throughout the Western Hemisphere. COHA's researchers have often spoken out about U.S. policies and practices toward Latin American countries. The article, which appeared in the June 18, 2001, edition of COHA's biweekly publication, The Washington Report on the Hemisphere, examines Chiquita's dubious history in Latin America.

I request unanimous consent to include this article in the CONGRESSIONAL RECORD.

CAPITOL WATCH: CHIQUITA BANANA'S HARD DAYS

The long battle between Chiquita Brands International and its many foes may be approaching an unanticipated ending. The company's recent financial restructuring indicates that a declaration of bankruptcy could occur in the near future. Chiquita has long attracted fiery criticism from human rights groups, labor unions and small-scale competitors over accusations of unethical and anti-competitive over accusations of unethical and anti-competitive business practices. Nevertheless, news of the company's financial difficulties came as a surprise to its detractors, who have often tended to see it more as a gun-toting mafia than a traditional corporation. Chiquita's possible demise should serve as a cautionary tale for companies seen as chronically operating outside the law, rather than acting as good corporate neighbors.

A SUSPECT HISTORY

Through its 120-year existence, Chiquita has been a leader in the world's banana industry. The company's long presence in Central and South America has emphasized political manipulation, dirty tricks and a history of labor exploitation. First created as the United Fruit Company in the 1880's, Chiquita historically has sought to take advantage of the systematic corruption and tainted operating conditions to be found, or to be created, in such countries as Costa Rica, Guatemala, Honduras and Colombia. While still known as United Fruit, Chiquita went so far as to arrange the overthrow of a democratically-elected government in Guatemala which has refused to yield to its self-serving economic demands. More recently, in the Otto Stalinski affair, Chiquita financed an alleged assassination attempt, produced false documents, and bought judges and hot-shot Washington lawyers in order to secure its dominance over the local banana industry. Preceding the 1990 Banana War, rival banana exporter, the Fyffes Group, alleged that Chiquita illegally undercut agreements that it had made with independent banana suppliers. Fyffes' Stalinski accused the company of filing a fraudulent warrant and corrupting local judges and other officials to carry out its will, resulting in the confiscation of his company's banana shipments. Chiquita claims that the warrant was filed only as a cautionary measure, in light of Fyffes' defaulting on mortgage payments owned to it. The warrant was later invalidated, but not before Fyffes had suffered serious financial losses. Beyond lost banana shipments, Stalinski also accuses Chiquita of financing an attempt to kidnap him, with the intent of doing bodily harm, using a false arrest warrant and paramilitary forces.

ROOTS OF FINANCIAL TROUBLES

Despite attempts to manipulate the global banana market in recent years, Chiquita has found it increasingly difficult to maintain market share and profitability in the late 1990's. While other banana producers such as Dole and Del Monte successfully adapted to changes in EU trade policy, Chiquita became embroiled in litigation and various schemes to buy influence in high places. On Chiquita's behalf, the White House Trade Office filed suit with the WTO against the EU's Lomé agreement, an accord developed to guarantee its former colonies preferential access to European markets and lucrative aid packages. The morning after the complaint was filed, Chiquita's CEO Carl Lindner expressed his thanks to the Clinton administration was a $500,000 donation to several Democratic state committees' coffers. This donation represents only one in an unprecedented series of gifts made to U.S. political candidates, without regard to party affiliation. In fiscal year 1994, perhaps in an effort to hedge his bets, Lindner was the second largest soft money contributor to political campaigns, with $525,000 given to Democrats and $430,000 given to Republicans.

Secretary of Commerce Mickey Kantor continued to defend Chiquita's interests before the WTO in the face of allegations that contributions made by Lindner had influenced his actions, and that Lindner had, in effect, purchased a foreign policy. Chiquita and U.S. officials worked actively to eliminate Lomé preferences, with the WTO ruling in Wasington's favor, but in the end succeeded only in securing a partial compromise. The quotes first introduced by Lomé gave way to a first-come-first-serve policy that was later replaced by a partial distribution of EU banana licenses. During this period, Chiquita experienced a severe financial crisis that has led to its impending financial restructuring.

Chiquita's economic difficulties date back to 1992, several years before the signing of the Lomé agreement. The eagerness of Chiquita's Lindner to assign responsibility for its losses to the EU quota system should come as no surprise, given his traditional reluctance to operate within the confines of a competitive market. Traditionally, Chiquita has ruthlessly sought 'sweet-heart' deals with host countries leaders, which allowed to it to gain domination of the local banana industry, ofter after arranging for the purchased cooperation of local officials.

'STRONG ARMED' BUSINESS TACTICS

Despite some questionable cost-cutting measures aimed at maximizing profit margins, such as the use of fertilizers profit margins, such as the use of fertilizers banned in the U.S., anti-union tactics and the alleged corruption of judges and government officials, Chiquita still has been unable to sustain the economic growth experienced in the 1980s. The record profits of that decade were exhausted through Chiquita's single-minded devotion to protecting its banana turf, excessive legal expenses, and a series of poor management decisions. Instead of diversifying its product line, as Dole did by expanding into such new product lines as freshcut flowers, Chiquita chose to increase its involvement in the European banana market by making a determined assault against the relatively minor concessions made to the English-speaking Carribbean islands. It spent millions of dollars on refrigerated ships and advertising campaigns which sought to strengthen its hold in Europe, but saw little returns as a result of few changes in banana importation policy. This resulted in the heavy debt burden that leads many to predict Chiquita's downfall.

Chiquita has never been a staunch proponent of open competition and fair play, as evidenced by the accusations of bribery, fraud and kidnapping. The company filed suit against the EU alleging the 'preferential' treatment of small-scale banana producers. Chiquita adamantly views the guarantees established by Lomé, as an attack on the WTO's free trade provisions. In an attempt to account for its financial decline, Chiquita has focused attention upon problems caused by Lomé, rather than accept responsibility for its failed economic strategy.

SUPPORT FOR HARBOR INVESTMENT PROGRAM ACT

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. BORSKI. Mr. Speaker, today I am introducing, along with Ms. Dunn and 24 Members of Congress, the "SHIP" Act, or Support for Harbor Investment Program Act, to repeal the harbor maintenance tax and provide an alternative source of funding to maintain our Nation's harbors and waterways.

I am fortunate to serve as a representative of a major East Coast port city, and I am well aware of the importance of continued reliable financing of our Nation's harbors and waterways. Every year, hundreds of billions of dollars of goods enter and are moved through this country by means of our water system offering a cost-effective and environmentally friendly alternative to other means of transportation.

As our economy increasingly moves toward globalization, we will face a corresponding need for safe, efficient, and modern port facilities and waterways to sustain such growth. Expanded use of larger shipping vessels and increased ship traffic at many of our Nation's ports will require a significant investment in increased channel depth and capacity.

The export provision of the Harbor Maintenance Tax (HMT), the system that currently provides financial resources for this maintenance, was deemed unconstitutional in a 1998 Supreme Court decision and the European Union has since challenged the import provision as an unfair trade practice and is considering bringing a complaint to the World Trade Organization regarding the tax.

This is why we are introducing the SHIP Act today—to provide an alternative funding source to maintain our Nation's harbors and waterways. This legislation repeals the HMT and restores the 200-year Federal obligation to adequately fund operation and maintenance of the Nation's harbors with funding from the general revenues of the Treasury.

It is only appropriate to fund the construction and maintenance of our Nation's harbors and waterways through the general revenues in light of the nationwide benefit that comes from a safe and efficient port system. To that same end, GAO reported that $22 billion in these general revenues are a direct result of our ports and navigation system. It is evident that we must return this responsibility back to the federal government.

The existing Harbor Maintenance Tax puts our maritime industry at a competitively disadvantage. The tax increases the price of goods sold in the U.S. and diverts cargo Canada, which does not have a similar tax. At a time we should be working to attract new commerce to our U.S. ports, and take advantage of our waterways to relieve congestion, we are hindering their ability to remain competitive, attract business and aid in relieving congestion. The time to repeal this unfair and detrimental tax is now!

Mr. Speaker, it is important to provide our ports with safe, efficient, and modern port facilities and waterways. We must work to return this responsibility to the federal government as it was for over 200 years. The SHIP Act collaborates the support of groups as diverse as the American Association of Port Authorities, the American Waterways Operators, the National Grain and Feed Association, and others.

I want to thank the bill's current cosponsors and supporters and urge all Member to support this important piece of legislation.

CURRENT CRISIS IN HOME HEALTH CARE SERVICES

HON. WILLIAM D. DELAHUNT

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mr. DELAHUNT. Mr. Speaker, I rise today to call to your attention an issue of great concern to me and the constituents throughout my southeastern Massachusetts congressional district—the current crisis in home health care services.

As you are well aware, in 1997 Congress approved the "Balanced Budget" Act (BBA). This legislation sought to slash Medicare benefits by $115 billion—the largest reduction in Medicare payment rates in the program's 35 year history.

I opposed this "reform" bill because I thought it recklessly threatened the quality and dependability of health care for Medicare recipients. Regrettably, it has fulfilled these fears—resulting in $240 billion of cuts, $124 billion more than originally intended.

The BBA has resulted in a 53% drop in federal reimbursements for home health services in Massachusetts—well over $350 million in lost Medicare revenue. 31 Massachusetts home care agencies have closed—and other on the South Shore and the Cape & Islands have limited services to homebound patients.

It is clear that the "unintended" consequences of BBA has had and continues to have a devastating impact on our health care system. And now Congress is backpedaling, trying to address the immediate consequences of the BBA, while searching for comprehensive approaches to the long-term solvency of the overall Medicare program.

In this light, I would like to share with my colleagues an editorial from the Cape Codder newspaper that followed a month-long series of articles outlining critical steps in addressing the challenges in home health care. And I hope this will serve as a useful source of guidance as we continue these deliberations.

[From the Cape Codder, July 6, 2001]

ASSURING HOME HEALTH CARE

For a month, Jennifer Brockway has been reporting on one of the more frightening prospects facing an increasingly older Cape Cod population: the specter of rising health needs and the drastic decrease in home health care aides.

This gap between supply and demand will threaten thousands of us who want to grow old in as independent a fashion as possible. We want to avoid hospitals, nursing homes and assisted living facilities. That's why so many retirees are moving here in the first place.

Those struggling to right a sinking ship offer a wide array of solutions. But, as Brockway reported, remedies will require action by both state and federal governments, as well as the health care industry itself.

Our month-long series identified the following steps as crucial:

The long-term community—home health care and nursing and rehabilitation homes—must form a united front.

Medicare and Medicaid reimbursement rates must be increased to reverse damage caused by the 1997 Balanced Budget Act and compensate for rising health care delivery costs.

Home health aides must be paid a wage allowing economic self-sufficiency. They currently earn about $10 an hour, $7 less than what's needed to afford a median-priced home on the Cape.

Family health insurance must be made affordable for all direct-care workers.

Training programs for direct-care workers must be increased and expanded to the home care industry.

An active recruitment program must be instituted to capture the high school students, immigrants, and older adults re-entering the workforce.

Opportunities for career advancement in direct care must be encouraged.

Home health agencies must allow greater involvement of home health aides in agency operations and patient care decisions. Aides should be made to feel like respected stakeholders through acknowledgment of their skills and contributions.

As with most complex issues, there is no magic bullet. Solutions require crossing many jurisdictional and geographic boundaries. It means forming unique alliances.

And unless other problems facing Cape Codders—inadequate housing, childcare and transportation—are addressed simultaneously, the current challenges facing home health care indeed will become a crisis.

IN HONOR OF 17 LEXINGTON AVENUE, THE SITE OF THE FIRST FREE INSTITUTION OF HIGHER EDUCATION

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

Mrs. MALONEY of New York. Mr. Speaker, I rise today to recognize 17 Lexington Avenue, the site of the Free Academy, the first free publicly funded institution of higher education in the United States. Baruch College now carries on the proud tradition of public education at this location.

The Free Academy was approved by New York's legislature in 1847. Townsend Harris, a strong advocate of publicly funded educational opportunities, advocated a school that would "Open the door to all—let the children of the rich and poor take their seats together and know no distinction save that of industry, good conduct and intellect."

The original building was designed by James Renwick, Jr. who went on to design St. Patrick's Cathedral. Gaslights, warm-air heating and drinking fountains made the building modern and luxurious, yet he managed to keep the final cost $2000 under budget. In January 1849, the Free Academy held its formal opening, admitting its first class of 149 students.

The exquisite building that originally housed the Free Academy became too small for the growing business campus. In 196, using the proceeds of a $1.5 million bond offering by the City, the college built a 16-story structure that housed a new library, science labs and accounting classrooms. Since its opening, 17 Lex has welcomed generations of talented students, students with limited means, but unlimited dreams. Scores of prominent and successful business leaders have been educated in the building, which came to represent the place where they began to achieve the American dream.

In 1866, the Free Academy became known as the College of the City of New York, popularly called CCNY or City College. When CCNY moved its campus uptown in 1909, 17 Lex continued to house the downtown business campus. CCNY grew into City University of New York, which today educates 200,000 students on more than 18 different campuses.

In 1919, CCNY's business campus became an independent entity known as the School of Business and Civic Administration, which changed its name in 1953 to the Bernard M. Baruch College of Business and Public Administration, in honor of the economist and financier, Class of 1889, who advised six U.S. Presidents from Wilson to Truman. By 1968, Baruch College emerged as a separate senior college in the CUNY system. Today, Baruch College enrolls over 15,000 students and enjoys a national reputation for excellence in business education and public administration.

Baruch College continues to open doors for young people from all types of backgrounds. U.S. News and World Report has called Baruch College the most diverse school in the United States.

17 Lex is about to undergo its third incarnation, thanks to a $200 million capital project approved by CUNY. The new building will, no doubt, continue the tradition of educational excellence available at this location for the past century-and-a-half.

Mr. Speaker, I salute the visionaries who believed that everyone should have an opportunity to have higher education and I ask my fellow Members of Congress to join me in celebrating a new beginning for 17 Lexington Avenue, the site of the first free public institution of higher education.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. BETTY McCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Ms. McCOLLUM. Mr. Chairman, today I will vote against the Boehlert-Markey amendment. I support increasing fuel efficiency standards for SUVs, light trucks and minivans as a way of improving our air quality and reducing our reliance on foreign oil. I also support using alternative fuels and much needed flexible fuel vehicles that can burn the home grown ethanol-based gasoline E85. This amendment asks me to make a false choice between higher fuel efficiency standards and an increasingly successful clean air program in the Twin Cities. It will stop the production of clean air vehicles at Ford Motor Company's St. Paul plant that use E85 fuel. This amendment could have done both—raise fuel efficiency standards and protect this clean air program. I will unfortunately oppose it today.

The St. Paul-Minneapolis metropolitan area has shown the nation that alternative fuels can help clean our environment and sustain our economy. E85, a fuel that is 85 percent ethanol and 15 percent gasoline, helps our cars and trucks burn cleaner, reducing air pollution while at the same time helping Minnesota's farmers and our rural economy.

The Twin Cities leads the nation in the number of gas stations that offer E85 with over 60 fueling stations throughout the metro area. It will not matter how many stations we have if we are not manufacturing the cars and trucks that use this innovative fuel.

And that is the problem I have with this amendment. Currently, our St. Paul Ford plant receives a credit for producing Flexible Fuel Vehicles that can use a combination of gasoline or another hybrid fuel like E85. Manufacturers like Ford use this credit as an incentive to produce these types of cars and trucks. The Boehlert-Markey amendment would shift the credit from the number of vehicles produced to the actual consumption of the alternative fuel, whether it's E85 or something else.

I agree with the amendment's authors about CAFE standards. However, it is equally important for us to provide incentives for people to consume home grown fuels. Because so little E85 and other alternative fuels like it are consumed nationwide, would we be reintroducing the age-old chicken and the egg conundrum? Do we need the cars to encourage the use of the fuel, or do we need the fuel before the cars? Would this be a disincentive to car and truck manufacturers to make automobiles that run on multiple fuels? Would we be providing a disincentive to car and truck manufacturers to make consumption of alternative fuels, and do not provide incentives for manufacturers to make these cars and trucks, we will be left without both.

What's more the Ford Motor Company plant in St. Paul has been a leader in manufacturing trucks that run on E85 and other innovative fuels. Ford, the Minnesota Corn Growers, American Lung Association of Minnesota, the U.S. Department of Energy, and Minnesota Department of Agriculture and others on the E85 Team have been instrumental in our area in promoting these clean-air vehicles and the alternative fuels that run them.

Mr. Chairman, this isn't an easy decision for me. We need to increase the fuel efficiency standards of all our cars and trucks and continue to work on improving our air quality. We put ourselves on the moon. Surely we can raise the efficiency of our automobiles. However, I know what the negative impact could be on the production of clean air vehicles and clean air in St. Paul. I unfortunately have to oppose this amendment today.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. MOORE. Mr. Chairman, we must reduce our nation's dependence on foreign oil. And while I believe our nation needs a comprehensive energy policy as a matter of national security, we also have an obligation to ensure that this need is met in a manner that does not jeopardize our financial security. This bill takes a balanced approach to meeting our nation's energy security needs. But, it fails to pay for any of these proposals which have a cost of $34 billion.

H.R. 4 contains numerous provisions that I have supported in the past and will continue to support in the future under fiscally responsible circumstances. In fact, H.R. 4 includes a provision based upon a bill that I introduced during both the 106th and 107th Congresses that would extend the section 29 tax credit for the production of unconventional fuels such as coalbed methane. My version of this legislation [H.R. 794] was modified slightly and included in the Ways and Means portion of H.R. 4. I have worked for months to ensure H.R. 794's inclusion in a comprehensive energy measure. And while I would like to be able to vote for this provision, I cannot in good conscience support final passage of a bill that includes $34 billion in tax expenditures that are not offset with comparable spending reductions. This is fiscally irresponsible. Such action threatens to spend money from both the Social Security and Medicare Trust funds on which the seniors in my district rely.

Further, as a member of the House Renewable Energy Caucus, I have supported measures to encourage and increase the use of renewable and alternative energy sources. This bill includes tax incentives for energy efficiency programs and renewable energy sources such as wind and solar production that I would like to vote for, and I would support if these incentives were paid for and handled in a fiscally responsible manner. As well, H.R. 4 contains tax incentives for domestic production from marginal wells that I have supported in the past and that would increase our national energy supply.

Last month I supported funding for the Low Income Home Energy Assistance Program [LIHEAP]. I would like to support the LIHEAP reauthorization included in H.R. 4. I made a promise to senior citizens and other people in my district that I would not spend Social Security and Medicare Trust funds. That's a promise I intend to keep.

Two months ago, we were hailing surpluses "as far as the eye can see." There was even concern that we not pay down our national debt too quickly. Today, we are watching these surpluses disappear before our very eyes.

Two days ago, the House passed an appropriations bill that spent $1.3 billion more than the budget resolution. I voted against the bill because in order to do this, we will have to borrow from other priority programs or from the Medicare and Social Security surplus funds.

If Congress adopts this new policy of borrow and spend it not only endangers the Medicare and Social Security surpluses, it places us back on the road to deficit spending. We must not travel down this road again.

It's time we made some tough choices. This Congress made a commitment to the American people that we would not vote to spend one single penny of the Medicare and Social Security Trust Funds. We must honor that commitment. Spending restraint, fiscal responsibility, and honoring our commitments do not come about by good intentions, but by resolute actions.

Today, I reluctantly vote against this energy package because it fails to provide any offsets to pay for its provisions. This is a particularly difficult vote for me because this bill contains a proposal I authored and many other good provisions.

In an effort to honor our commitments to ensure financial responsibility, I will adhere to the levels in the budget resolution enacted by a majority of this Congress. I will oppose any efforts that reduce revenues without offsets.

The expenditures contained in H.R. 4 are not accounted for in the budget resolution and, despite sound energy policy this bill promotes, it busts the budget and threatens the Social Security and Medicare Trust funds. I urge my colleagues to honor their commitment to preserve this country's fiscal integrity; I urge my colleagues to either find a way to pay for these tax cuts or to vote no on H.R. 4.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. KNOLLENBERG. Mr. Chairman, I rise to remind my colleagues of a critical provision of H.R. 4, the Securing America's Future Energy Act, which passed this House yesterday. The provision authorizes critical funds for our nation's nuclear engineering education programs, and is identical to a bill introduced by Congresswoman Judy Biggert.

For over 50 years, the United States has been the leader in nuclear science and engineering. However, the energy crisis in California has awakened our nation to energy supply constraints. Nuclear power accounts for 20% of our energy supply and is the key to solving our energy supply needs.

This bill authorizes $240 million over five years for university nuclear science and engineering programs at the Department of Energy.

The supply of bachelor degree nuclear scientists and engineers is at a 35 year low, and the number of universities offering nuclear engineering degrees is half of what it was 20 years ago.

Mr. Chairman, the provision we passed yesterday is a critical foundation for tomorrow's energy supply.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. EVA M. CLAYTON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mrs. CLAYTON. Mr. Chairman, H.R. 4, otherwise known as the Securing America's Future Energy (SAFE) bill, is anything but safe for rural America. This legislation, which was originally designed to encourage energy conservation, energy reliability and energy production, leaves rural America behind and in a cloud of dust. Proving once again that the majority is more intent upon rewarding campaign contributors than in addressing the needs of consumers in rural America.

This legislation, Mr. Chairman, while initially well-intentioned, does not take into account the unique differences that America's rural communities face in an ever-changing electricity environment. Much of rural America is served by not-for-profit rural electric cooperatives, cooperatives that are not in the business of making money, but serving their consumer-owners. These cooperatives do not seek out to price-gouge, but rather they seek to provide reliable and affordable electricity to their consumers in an efficient manner. The bill we are considering will allow investor-owned electric companies that are currently reaping record profits to receive $33 billion in tax breaks for huge companies to spend overseas!

Mr. Chairman, when this body considers industry-specific legislation, it should consider all the unique aspects of the particular industry. Indeed, sound public policy is advanced when the differences between the sectors are taken into account. One important area that this Congress must study more carefully are the differences between the needs of rural America and urban and suburban America. This legislation does not meet this test.

H.R. 4 prevents rural electric cooperatives from participating in the new competitive marketplace. For all our talk about a level-playing field and a competitive marketplace, we fail to foster such a thing by excluding rural electric cooperatives from the same benefits that we provide to investor-owned utilities. It is critical that we provide a level playing field for all sectors of the electric utility industry—municipals, investor owned, and cooperatives—when considering public policy.

Bypassing this legislation, we are in essence saying that one sector of the industry should be favored over another. We are also saying that the electric needs of rural America and American farmers are less important than our population centers. The SAFE bill provides investor-owned utilities with billions of dollars worth of capital gains relief that comes at the expense of higher electricity rates to consumers.

The Congress needs to reconsider this poor public policy legislation and come back after the August recess to address these inequities and finally consider legislation that is good for all of America, urban and rural.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. JIM NUSSLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. NUSSLE. Mr. Chairman, as the House considers H.R. 4, the Saving America's Future Energy Act, I rise to express my concern about an amendment offered by my colleagues from California to exempt their state from the oxygenate requirement of the Clean Air Act.

In 1990, Congress approved the Clean Air Act Amendments to require that gasoline sold in certain areas of the country, including California, contain at least 2 percent oxygen, "Reformulated Gasoline," which can be derived from adding an oxygenate to gasoline. The goal of the oxygenate requirement is to lower pollution in areas of the country that have the highest levels of air pollution.

There are two main substances that are used to meet the oxygenate requirement: Methyl Tertiary Butyl Ether (MTBE) and ethanol, a fuel derived from corn. Following the 1990 law, the Chicago and Milwaukee reformulated gasoline areas chose to use ethanol and, to my knowledge, have not reported any problems with groundwater contamination, but have reported significant improvements in their air quality. Meanwhile, many of the reformulated gasoline areas in California, the Northeast, and several other areas of the country, chose to use MTBE. These areas are now reporting that about 80 percent of their drinking water contains MTBE, which does not biodegrade and which the Environmental Protection Agency (EPA) has classified as a potential human carcinogen.

For the last few years, California and other parts of the country have sought to solve the problem of MTBE groundwater contamination by removing the oxygenate requirement altogether. In fact, the State of California has petitioned both the Clinton administration and the

Bush administration to grant a waiver to exempt the entire State from the oxygenate requirement. On June 12, the President opted to deny this request citing that the EPA has determined, time and again, that the addition of oxygen to gasoline improves air quality by improving fuel combustion and displacing more toxic gasoline components.

Mr. Chairman, I believe the only prudent way to address this problem correctly is to replace MTBE in the United States with ethanol. Indeed, the transition for ethanol to reach California drivers is expected to be neither long nor difficult. It is my understanding that California will need 600 million gallons of ethanol annually to replace MTBE. Ethanol producers currently have the capacity to supply 2 billion gallons per year. This year alone, ethanol producers have already begun the process of shipping 150 million gallons to the State, cost-effectively and with no transportation impediments. In fact, letters delivered to California on behalf of railroads, barge operators, ocean-going ships, and California gasoline terminals assure that ample shipping and storage capacity exists today to move ethanol from the Midwest to California markets.

I agree with my colleagues that MTBE is a danger to public health. That is why earlier this year I introduced legislation that protects the environment and public safety by totally and immediately banning the use of MTBE as a fuel additive across the United States. The Clean Air Act has done a good job in curbing dangerous emissions, and a key part of this success has been the oxygenate requirement. For the sake of keeping the air clean in California and across the United States, we cannot allow this requirement to be scaled back or waived. Therefore, I urge my colleagues to vote against the Cox amendment.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Ms. MILLENDER-MCDONALD. Mr. Chairman, I rise in opposition to H.R. 4, the Securing America's Future Energy Act of 2001. This bill grants expensive new subsidies to virtually every energy sector without offsets and does little to promote much cheaper energy efficiency and renewable energy technologies. This bill will cost $34 billion and because no offsets are provided it will threaten the Medicare and Social Security trust funds.

This bill does nothing to relieve the suffering of the citizens of California. California's crisis is a precursor of what is to come for the rest of America as we fail to produce an energy policy which is balanced. California consumers paid $7 billion for electricity in 1999. In 2000, that number went up to record highs and Californians paid $27 billion for electricity. It is expected that the number could go up to $70 billion in 2001. I am concerned that minority business owners in my district will suffer greatly due to the high costs of energy.

I am dismayed that this bill will do nothing to stop the outrageous price gouging by out-of-state energy producers to California consumers. In fact, the administration and my Republican colleagues are unwilling to carry out its obligation to ensure that energy prices are just and reasonable, claiming that uncontrolled market prices are needed in order to increase the energy supply. That's like saying that we must pay dairy farmers $300/gallon to produce milk.

This bill will not provide one more kilowatt to California this summer, prevent one less minute of blackouts, or keep one less dollar from being transferred from California into the hands of the energy producers.

I am concerned about the environmental ramifications of this energy bill. We must look into renewable energy programs, rather than reverse a decade old U.S. policy against reprocessing commercial nuclear fuel and allow for new drilling on public lands without royalty payments. This bill fails to guarantee a significant increase in clean, renewable energy or energy efficient products. For example, the bill fails to require significant improvement in the efficiency of air conditioners, and fails to address peak power demands of other major appliances.

Moreover, we must amend this bill because it would allow for drilling in the Arctic National Wildlife Refuge. Instead, we must utilize current American sources that are already open for drilling. After 6 years of energy inaction on behalf of the Republican Congress, this bill follows the same old path: cast blame, insist on extreme antienvironmental proposals, and declare themselves powerless in offering relief to Americans facing record-breaking energy price increases.

I believe in a balanced, comprehensive and cost-efficient energy program that meets America's energy needs through increased production and efficiency that puts the interests of consumers first and protects the environment. This omnibus energy package does little to address America's future energy needs and I want to urge my colleagues to vote no on H.R. 4.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. DONNA M. CHRISTENSEN

OF VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mrs. CHRISTENSEN. Mr. Chairman, I rise in opposition to the managers Amendment and H.R. 4 which does not really secure America's energy future at all. This bill is a bad bill, largely because it favors energy exploration and production at the expense of the environment and conservation. As we seek to secure our country's energy future as the title of this bill refers, we must take into account the social and environmental costs of energy development and also remember that negative impacts on the environment in one part of our world can also affect other, even far-off, parts of the world.

Instead of securing America's future, H.R. 4 threatens the future of Alaska's and one of this country's most pristine and beloved natural resources. It cuts back on clean air standards, and opens up more public lands to mining and drilling, while relieving the oil companies, which already have registered humungous profits, of their responsibility for paying the American people what they owe for the right to drill on our lands.

Mr. Chairman, on ANWR, what those who support drilling there do not say, is that 95% of the Alaskan wilderness is available for drilling. We must preserve this fragile and important small 5% in the Wildlife Refuge and use the rest to drill to increase our oil and natural gas supply, and still create the jobs our workers need.

Mr. Chairman, the Resources Committee, on which I serve as Ranking Member of the National Parks and Public Lands Subcommittee, reported an Energy bill, two weeks ago, which represented nothing more than a "grab bag of goodies" for the big oil companies and an unprecedented assault on our country's precious natural resources.

During consideration of the bill, I supported a substitute amendment offered by the Ranking Democrat, Mr. RAHALL that provided a far better solution to the concerns over energy production in our country. This amendment would have ensured that more domestic energy is introduced into the domestic market, would relieve transmission constraints for our western States, encouraged renewable energy on federal lands, assured fairness in oil royalties, and protect our environment and our nation's monuments and parks.

The Rahall substitute would have also provided for a significant number of new jobs by facilitating the construction of the Alaska Natural Gas Pipeline originally authorized in 1976. This provision would enhance the delivery of 35 trillion cubic feet of natural gas already discovered in existing development fields, and the Rahall substitute would require that a project labor agreement govern construction activities on the pipeline.

Sadly, Mr. Chairman, the Rules Committee prevented Mr. RAHALL and other Democrats from offering perfecting amendments, which means that much of what the Rahall substitute would have provided, will not be allowed today.

H.R. 4, does include one aspect of the Rahall substitute which would update a nearly twenty-year-old assessment of energy importation, consumption, and alternative indigenous sources that can be used by insular areas. A new part of this reassessment will be a recommendation and a plan to protect energy transmission and distribution lines from the effects of hurricanes and typhoons. The amendment also gives the Interior Secretary the authority to fund such recommendations.

We are all aware of the tragedy and destruction a hurricane or typhoon brings once it reaches land. The majority of Americans become aware of such a storm when it heads up the eastern seaboard or makes it way inland from the Gulf of Mexico. They are awesome and dangerous. And there is not much that can be done when it is headed your way. Those of us whose districts have been in the path of such storms can attest to the devastation.

The Virgin Islands are affected by the strongest of storms, like Georges and Hugo that eventually make their way to the U.S. mainland. But we are also all too frequently a target for lesser known hurricanes that never make it out of the Caribbean Basin but still manage to inflict just as much damage as those that reach Florida.

Some of the costliest destruction during these events in the Virgin Islands and the other offshore areas is to electrical infrastructure. Island-wide outages are common in the wake of a storm because our lines are not as hardened as they could be from a storm's strength. Ideally, in any location that experiences as much hurricane activity as my district, transmission lines should be buried underground. To have the majority of our electrical lines above ground poses a great threat to residents during storms and makes our system vulnerable and costly to repair.

While I appreciate the recognition of the vulnerability of the Insular Areas energy supply to natural disasters, in H.R. 4, I remain opposed to the bill as a whole because of its over-reliance on energy production at the expense of pristine areas of our environment, as well as large tax breaks it provides to energy companies who are enjoying record profits. I hope that we can provide this relief to my district and others through another legislative vehicle.

H.R. 4 also leaves rural America behind. I ask that the attached statement from the National Rural Electric Cooperatives Association be included in the RECORD.

Mr. Chairman, this is not the way to secure America's future, I urge my colleagues to oppose both this "figleaf" amendment and H.R. 4.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. STARK. Mr. Chairman, H.R. 4 does very little to help the average U.S. consumers who need to put fuel in their cars to get to work, or who need to cool their homes in the summertime. It does even less for the state of California that has been gouged by energy generators while the Federal Energy Regulatory Commission (FERC)—the federal body responsible for regulating the transmission and sale of wholesale electricity—has sat idle. The bill does however provide an enormous windfall for some of the planet's greatest polluters seeking to make even bigger profits at the expense of the U.S. taxpayer, and at the expense of a cleaner environment. This bill is too expensive, spending nearly $37 billion in new tax breaks without providing offsets, and it dips further into the Medicare and Social Security Trust Funds which Members of both sides of the aisle have agreed to protect.

The nuclear power industry alone will receive $2.7 billion in tax breaks and spending subsidies on what amounts to nothing more than pork barrel spending. $1.9 billion of this tax break, originally reserved for state-regulated utilities with nuclear assets, will now be conferred to unregulated private nuclear entities seeking to increase their profit margin.

Although the General Accounting Office (GAO) has reported waste and mismanagement of the $2.4 billion Clean Coal Technology Program (CCTP), this Congress wants to squander another $3.3 billion in tax benefits for a very similar program. Add this to the various research and development tax breaks in the bill and the coal industry will see a $6 billion Christmas gift in August.

The biggest beneficiaries of the energy bill are the oil and gas industries, which will receive $24 billion in tax breaks. The oil and gas industries are experiencing a period of tremendous profits. Instead of regulating these industries to ensure that they don't take advantage of flawed de-regulated electricity states such as California, we are giving them further tax breaks to increase profits without imposing any additional federal oversight. This bill rewards the Texas oil producers for gouging California's electricity consumers but does nothing to guarantee that the price gouging will cease.

This bill further rewards companies with a particularly egregious provision that allows royalty-free oil drilling on federal lands. Currently, oil companies pay royalty fees to the federal government on the oil derived from the Outer Continental Shelf (OCS). However, H.R. 4 will change that. The bill provides royalty relief to major oil and gas companies seeking new leases on the Outer Continental Shelf in the Gulf of Mexico. Under the royalty exemption, the Interior Secretary would be required to give as much as 52.5 million barrels of oil royalty-free, costing Americans at least $7.4 billion that the government would have received in those fees. Although proponents of this provision will tell you that it will encourage domestic oil exploration, there is no evidence that these companies would suspend drilling in the Gulf without such relief. This provision is nothing more than another handout to an industry that gets more than its fair share of tax relief.

Finally, this bill doesn't do nearly enough to protect our environment. We have an opportunity to slow domestic fuel consumption, increase conservation and improve our environment by increasing the corporate average fuel economy (CAFE) standards. The CAFE program dictates the average miles per gallon (mpg) that passenger cars and light-duty trucks sold in the United States must meet. Unfortunately, the "compromise" that was reached on the CAFE standards was nothing more than an insincere fig leaf.

The compromise calls for five billion gallons in gasoline savings over a six-year period. While this might sound like a genuine attempt to decrease fuel consumption, it translates to a mere six days worth of oil consumption for the U.S. To achieve that would require an increase in the fuel economy of cars and trucks of only about 1 mile per gallon—an increase that, considering how far fuel economy has fallen in recent years due to increased sales of SUVs and pickups, would improve efficiency only to the level we achieved in the early 1980's. The National Academy of Sciences just this week reported that fuel economy improvements could further reduce U.S. dependence on foreign oil. Our fuel economy standards should reflect a developed nation, leading in technological advances in the 21st century. But the meager CAFE increase proposed in H.R. 4 reflects a nation unwilling—not unable— to provide global leadership for fossil fuel conservation and a cleaner environment.

Regrettably, my colleagues did not seek a truly bipartisan energy bill that would encourage conservation and renewable energy generation; and contain manipulation of the energy spot market by the electricity generators. Instead, they chose to take a shortsighted approach to help some of their leading campaign contributors at the expense of our environment.

I urge my colleagues to protect the environment, and protect the Social Security and Medicare Trust Funds. Vote no on H.R. 4.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mrs. MINK of Hawaii. Mr. Chairman, H.R. 4, the so called SAFE Act, that opens the Coastal Plains of the Arctic National Wildlife Refuge (ANWR) to oil drilling, provides mandatory relief for offshore producers in the Gulf of Mexico, and provides tax breaks for oil and gas exploration. Simply put, H.R. 4 increases oil supply instead of researching and developing alternative, renewable energy sources and conservation. This bill includes tax credits and deductions of $33.5 billion over 10 years with no offsets. Passage of this bill will invade the Medicare surplus. We are on a dangerous path towards the deficit spending that we spent the last 8 years fighting to eliminate it.

ANWR is home to more than 200 species that use the coastal plains as a breeding and migratory habitat. U.S. geological reports are inconclusive as to how much oil will actually be available within the coastal plains, and even if drilling were to begin today, it will be more than a decade before useable oil will be produced. H.R. 4 does not address the fact that oil produced right now on Alaska's North Slope is currently being exported to Japan and Asia. If we are trying to increase supply, why not ban exports on all our oil currently produced in America?

H.R. 4 includes a provision to artificially enhance competitiveness of western federal coal to give lessees the ability to control market prices. Instead of requiring coal prospectors to "diligently develop" coal, H.R. 4 allows federal coal lessees to withhold production at any time without penalty. I wrote this provision that H.R. 4 is striking. Federal coal lessees already produce 33 percent of U.S. coal consumption, this "produce or withhold" option would allow them to drive out competition and spike prices. They could flood the market with coal when they wanted and eliminate their competition or they could withhold production in order to raise prices. This provision gives an unfair advantage to current federal coal lessees and is bad for consumers.

H.R. 4 provides an insufficient amount in grants to develop alternative fuels, including fuel cells, natural gas, hydrogen, propane and ethanol. Ethanol should be a cornerstone of America's energy future. It is a clean burning, renewable, biodegradable fuel that reduces harmful greenhouse gasses when added to gasoline as oxygenate. Ethanol is good for the environment and production is vitally important economic stimulus to our nation's farmers. Ethanol is also critical to American energy security, adding volume to a tight fuel supply and will reduce consumer cost.

There were 5 amendments offered on renewable fuels, but the Rules Committee made every single one of them out of order. This is not the way to help our farmers, our environment, and will not enhance our energy security.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Ms. MCCARTHY of Missouri. Mr. Chairman, I rise in opposition to H.R. 4, the Securing America's Future Energy (SAFE) Act of 2001. I regret having to take this position because I support the Energy and Commerce Committee provisions of this bill, which were crafted in a bipartisan manner under the leadership of Chairman TAUZIN and Ranking Member DINGELL, as well as the Energy and Air Quality Subcommittee Chairman BARTON and Ranking Member BOUCHER. Working together, the members of the committee created a balanced energy policy that recognizes the importance of conservation and efficiency as well as increased production from traditional sources of energy, while improving our nation's commitment to alternative and renewable energy resources. These efforts produced an excellent first step toward addressing critical national energy supply issues in an environmentally sensitive manner, improving efficiency so as to reduce waste, and ensuring our nation's energy security for future generations.

The product of our committee's bipartisan work was combined with the sections reported by other committees. Instead of having conservation and efficiency as its center, the legislation added millions of dollars of tax benefits for corporations involved with exploration and production and distribution of energy supplies with no guarantees that the savings will be passed on to the American consumer. Several provisions were added which threaten sensitive environmental areas such as the Arctic National Wildlife Refuge (ANWR) and allow the private sector to short circuit important environmental regulations. These provisions fundamentally alter the balance that was needed to increase energy supply and protect the environment.

The process by which the bill was pieced together for floor consideration was also seriously flawed. I worked with my colleagues in the Energy and Commerce Committee, on both sides of the aisle, to include important provisions that will improve the energy efficiency of the federal government through a streamlining of the Federal Energy Management Program (FEMP), saving taxpayers millions of dollars for years to come.

We created an innovative funding mechanism called the Federal Energy Bank to establish a fund that would help federal agencies invest in more efficient technologies and renewable resources, recouping the savings for reinvestment later on. We also included incentives for production from renewable energy facilities through revisions to the Renewable Energy Production Incentive (REPI).

When H.R. 4 was presented for floor consideration the Energy Bank provision, which was unanimously approved by committee, was missing, with no explanation of why other than that the Office of Management and Budget had concerns about the provision that had not been raised during the three previous versions of the legislation as it was developed in committee. After learning that those concerns could be addressed with minor revisions, I offered an amendment to clarify the language for the floor, but it was not made in order by the rule. As the details of the legislation came to light, it was determined that other important provisions contained in the Energy and Commerce Committee bill were removed without consultation with committee members. Mr. Speaker, legislation of this magnitude deserves complete and thorough review and the rush to get the measure to the floor should not supersede the good bipartisan work that was performed in committee and thwart the public policy gains that were made.

Increasing the fuel efficiency of passenger vehicles and light trucks holds the greatest potential to reduce consumption of fossil fuels and emissions of harmful global greenhouse gases, but the implications on the industry and jobs requires a delicate balance on how we best approach this problem. The Energy and Commerce Committee took a first step toward addressing improved fuel efficiency through the requirement that the National Highway Traffic Safety Administration (NHTSA) take steps to decrease petroleum fuel consumption of new vehicles manufactured between 2004 and 2010 by five billion gallons than otherwise would have occurred. Because the rulemaking process under existing law has been stalled for the past six years we have lost the opportunity to approach increasing fuel efficiency at a reasonable pace. We should continue to work to increase the fuel efficiency of all vehicles. The automakers have indicated repeatedly that they have the existing technology to increase the fuel economy of their products and plan to implement those improvements in the near future. Making these changes to improve automotive fuel efficiency and actually affecting the number of these vehicles sold is a different matter. Whether for safety, convenience or performance reasons, Americans' buying habits have trended strongly toward larger sport utility vehicles (SUVs) and light trucks. The public supports improved fuel economy, but balanced with the desire to have vehicles that meet their transportation needs.

The Energy and Commerce Committee provisions also call for a report that will examine alternatives to the current CAFÉ standard policy and requirements for each manufacturer to comply with these standards for vehicles it makes. The National Research Council report suggests alternative means by which we could achieve greater success at improving fuel efficiency such as a system of tradeable credits to augment the current CAFÉ requirement and eliminating the differentiation between foreign and domestic fleets. We should continue the effort to examine how best to accomplish this over the next several months and come back to this issue once we have learned more about the economic effects of the suggestions that have been included in the report. Mr. Speaker, we must follow through on our commitment to make the provisions of this bill the first step to increase the fuel efficiency of all vehicles, not the last.

When considered as a whole, H.R. 4, is an incomplete solution to our nation's energy needs which will harm the environment we are charged with protecting. I cannot support such an unbalanced and shortsighted energy strategy, and I urge my colleagues to oppose this bill.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. JAMES A. LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. LEACH. Mr. Chairman, I rise in strong opposition to the amendment.

There is a great deal at stake in this controversy.

First is the damage that will be done to the environment by air pollution if the most populous state in the union is given an exemption from the oxygenate requirement under the reformulated gasoline program.

Second is the setback which will be given to our efforts to become more energy self-sufficient if this waiver is granted.

Third is the blow such a waiver will deal to the Midwest economy.

Any rational national energy policy must include the development and usage of alternative sources of fuel—from wind to water, sun to corn and beans—need to be explored, cultivated and implemented more rigorously. This amendment would move our energy policy in precisely the opposite direction.

From a Midwest view ethanol production provides a much-needed boost for the rural Midwestern economy. The USDA has determined ethanol production adds 25 to 30 cents to the price of a bushel of corn, and, according to a Midwestern Governor's Conference report, adds $4.5 billion to farm revenue annually, creates 195,200 jobs, brings in $450 million in state tax revenues, improves our balance of trade by $2 billion, and saves the federal Treasury $3.6 billion annually.

Promoting the use of ethanol in reformulated gasoline makes good sense environmentally, geostrategically and economically.

Again, I urge a no vote on this amendment.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. DARLENE HOOLEY

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Ms. HOOLEY. Mr. Chairman, I have to admit I'm a little surprised the Administration has proposed an inadequate proposal to address our long-term energy needs. After all, both the President and Vice President have extensive experience in the energy sector. Quite frankly, I'd think they'd be a little more creative in their vision of America's future.

After all, a national energy policy is supposed to be predicated on the assumption that we need to increase supplies to mitigate demand. And to some degree, the Administration's plan is geared toward that end. However, given their experience in the energy sector, we ought to expect that.

But the cold hard fact is that the Administration sees drilling and mining as our only way to address our predicament. Personally, I disagree with the Vice President—conservation isn't a personal virtue. It's not only a proven method to increase energy supplies, but the costs to the taxpayer to fund research in this field is a drop in bucket compared to the huge taxpayer-funded subsidies this legislation bestows on traditional industries.

Unfortunately, instead of debating a reasonable and prudent legislation, we have forfeited that option. Instead of making tough choices, we have before us a bill that too heavily focuses on oil, coal, and nuclear energy. This Administration simply isn't worried about giving equal consideration to promoting and encouraging energy efficiency, renewable energy, and conservation.

That's unfortunate for a variety of reasons. Not only does it defy common sense, but it defies a Department of Energy report issued last November demonstrating increased efficiency and renewable energy can meet 60 percent of the nation's need for new electric power plants over the next 20 years. Yet the recommendations in the report are nowhere to be found in this legislation.

Moreover, this bill grants billions in new tax breaks for the oil and coal industries—all of this in the wake of record profits for industry and record-high energy bills for consumers. Why are we providing "royalty relief" to the oil industry when, as the Wall Street Journal recently reported, the industry currently has more money than it can manage to spend? Why do they need royalty relief when they are making billions of dollars in profits from oil that is pumped from public lands and are more financially stable than ever before?

Finally, in this bill is a provision that authorizes oil production in the Arctic National Wildlife Refuge (ANWR). According to proponents of this provision, we need to drill in ANWR as a solution to our energy crisis.

Unfortunately, facts are stubborn, and the truth is we could have done more to lower our dependence on foreign oil by passing the Boehlert/Markey amendment that would have increased fuel efficiency in SUV's than we could ever get from pumping every drop of oil from the coastal plain in ANWR. For a bill designed to reduce our reliance on foreign oil, it seems strange to me that the sponsors of this bill would object to raising gas mileage standards. Doing so is not only completely feasible, but once completely implemented this step would reduce our oil consumption by hundreds of millions of barrels a year. But the amendment failed and again we regress.

As such, I urge my colleagues to vote against this bill and let's work to create a comprehensive energy bill that is truly one for the 21st Century.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. J.C. WATTS, JR.

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill, (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. WATTS. Mr. Chairman, the House of Representatives today is considering a comprehensive energy strategy to provide clean, affordable and available energy to all Americans. The president has put forth a sound initiative to meet our energy needs after eight years of neglect by the previous Administration. The House today is considering a forward-looking plan that confronts the energy crunch head-on and offers real solutions to our energy shortage, volatile prices and our dependent on foreign oil.

The Securing America's Future Energy (SAFE) Act is a balanced approach of conservation and production. It is good for the economy, as it will create jobs. It's no wonder the AFL–CIO and Teamsters' unions have thrown their support to our ideas. They, like many working Americans, know the value and importance of domestic energy production.

The SAFE Act helps modernize our aging energy infrastructure. In California, which has faced some of the most severe energy shortages in the country this year, they went without a new power plant for nearly twenty years. Playing catch-up should not be considered an energy strategy. We need 38,000 miles of new natural gas pipelines to move enough fuel to supply our energy needs. The SAFE Act will look ahead to the future and plan for the energy needs of today and tomorrow.

We should not wait for another crisis to formulate an energy plan. The time is now to correct the mistakes of the past and lay down sensible groundwork for the future. Reliable, affordable and environmentally clean energy should be first and foremost on our agenda. I urge the House to pass the SAFE Act.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill, (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. KLECZKA. Mr. Chairman, only a few short months ago, the members of this House passed, one of the largest tax cuts in over a decade. Now here we are again, debating an energy bill that is as fiscally irresponsible. Just two days ago, the U.S. Treasury announced that it will be forced to borrow $51 billion to pay for the tax rebate checks, instead of paying down the debt as previously planned. The New York Times also cited the Bush Administration as saying that the surplus for this fiscal year could fall by $120 billion below the January estimate. No matter how we slice it, the fact remains that the U.S. Government simply doesn't have enough surplus funds to pay for the recently passed tax cut as well as the tax breaks contained in H.R. 4.

Furthermore, H.R. 4 does little to solve America's long-term energy challenges. Its primary focus is on developing non-renewable fuel sources, such as oil, natural gas, and coal, with a lesser emphasis on energy conservation and renewables. H.R. 4 gives over $33 billion to energy companies in the form of tax breaks, all at taxpayer expense. About two-thirds of this tax break goes to oil and gas companies whose profits are at all-time record highs and some of whom have so much surplus cash they haven't yet figured out how to spend it all.

From 1999 to 2000, profits for the five largest U.S. oil companies rose 146%, from $16 billion to $40 billion. Exxon-Mobil reported yearly profits of $17.7 billion. A July 30, 2001, Wall Street Journal article reported that, "Royal Dutch/Shell Oil said it was pumping out about $1.5 million in profit an hour and sitting on more than $11 billion in the bank." Even personal salaries for energy executives have skyrocketed. Yearly compensation for executives at the largest energy companies selling power to California rose an average of 253%, with one top executive collecting over $100 million alone. With unprecedented increases in oil company profits, the industry clearly does not need financial assistance from Uncle Sam.

Not only is H.R. 4 fiscally unsound, but its provisions allowing drilling in the Arctic National Wildlife Refuge (ANWR) reflect an utter disregard for the preservation of America's last remaining untouched wilderness. ANWR is a pristine region, teeming with a wide variety of plant and animal species. To believe that we could drill in ANWR without causing irreversible environmental damage is, at best, overly optimistic. As recently as last month, a corroded pipeline in an Alaskan oil field erupted, causing 420 gallons of crude oil to spill onto Alaskan tundra. This spill is but one of many that have occurred in the 95% of Alaska's North Slope that has already been opened to oil development.

According to the U.S. Geological Survey, ANWR contains about 3.2 to 5.2 billion barrels of economically recoverable crude oil. Since the U.S. consumes about 19 million barrels of oil daily, or almost 7 billion barrels of oil annually, even with drilling at top efficiency, the coastal plain would only supply about 2% of America's oil demand. Additionally, if the total amount of oil in this area could be extracted all at once and the ANWR oil was used as the primary oil supply for the U.S., it would only last about 6 to 8 months. Destroying our environmental treasures in search of a quick fix to our energy needs is not the right course of action.

During debate on this bill, we will also consider an amendment to increase fuel efficiency standards for light trucks and sport utility vehicles (SUVs). Currently, the minimum average mileage per gallon (mpg) standard is 20.7 mpg for the fleet of SUV's produced by an automaker in a given year. The amendment would increase this to 26 mpg by 2005 and then to 27.5 mpg by 2007. This standard has not been changed in five years, and it is time that we allow it to be increased. While the underlying bill would decrease gasoline use by 5 billion gallons between the year 2004 and 2010, this amendment would create a savings of 40 billion gallons of gasoline over that same period. The amendment would increase the minimum average fuel efficiency standard of all cars and light trucks by only 1.3 mpg over what the industry actually produced back in 1987.

Opponents of this proposal claim that raising these standards is not feasible and would result in a decrease in safety to SUV passengers. However, this is not the case. In fact, a competition recently sponsored by General Motors and the Department of Energy illustrates this point. Various engineering schools across the country competed to increase the fuel efficiency of one of the larger SUV'S, a Chevrolet Suburban. The winner, University of Wisconsin at Madison, increased the fuel efficiency of this vehicle to 28.05 mpg while maintaining the structural integrity and protections that vehicle affords.

In conclusion, passing H.R. 4 today would be highly imprudent. America's long-term energy needs would be better served with an energy policy that places greater emphasis on energy conservation and renewable fuel technologies.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. ROGER F. WICKER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. WICKER. Mr. Chairman, I rise in support of H.R. 4. The most important action the Federal Government can take to stabilize energy prices for the American consumer is to develop and implement a coordinated, long-range national energy policy. H.R. 4 is the result of the hard work of five congressional Committees, who have incorporated conservation, environmental regulations, alternative energy sources, tax relief, and increased production to produce a comprehensive national energy plan.

In the foreseeable future, domestic exploration, and production of oil and natural gas will have a critical impact on our country's economy, stability, and international relationships. During the last 30 years, we have watched OPEC coalesce, fractionalize, and coalesce again. I do not think we will ever have more than a superficial influence over many of the OPEC nations. Libya, Algeria, Iran, Nigeria, and Iraq are not what I would call our allies. Why then should we place such heavy reliance on them to meet our energy needs?

The answer for the United States to the supply manipulations by the OPEC cartel is sufficient access to the best oil and natural gas fields here at home. That's why I strongly support the lease sale of area 181, and other tracts in the eastern gulf, and why I believe now is the time to open up area 1002 in the Arctic Coastal Plain of Alaska. While we may never be completely self-reliant for oil supply, we can make a dramatic difference by developing the resources domestically in a reasonable and responsible fashion.

Though domestic production is an essential part of the national energy policy, H.R. 4 addresses other variables that are vital to the full implementation of a coherent national energy plan. While most experts acknowledge that natural gas represents an abundant energy resource for the future, we must ensure there will be sufficient transmission capacity for this uniquely North American product 10 years from now. The regulatory obstacles to operating pipelines—much less constructing new lines—are too numerous to count. H.R. 4 recognizes these obstacles and includes incentives for companies to construct new lines and add capacity that will increase the reliability of America's utility infrastructure.

H.R. 4 creates a favorable tax climate that encourages increased production while also providing tax incentives for individuals and businesses to increase their conservation efforts.

H.R. 4 is a well balanced piece of legislation that draws upon conservation efforts, increased domestic production, and tax incentives to develop the beginnings of a national energy policy that will help decrease our dependence on foreign energy sources and help stabilize energy prices for the American consumer.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. POMEROY. Mr. Chairman, I rise today to oppose H.R. 4, the SAFE Act, which taps the Social Security and Medicare trust funds in order to pay for new energy tax incentives.

Mr. Chairman, I support many of the provisions in the SAFE Act. I am encouraged by a number of initiatives that combine incentives for enhanced production along with sensible conservation measures. I particularly support the investments in clean coal technology and the tax credits for wind electricity production, as North Dakota has an enormous supply of lignite coal and the greatest potential for development of wind powered generation in the country. But I am not willing nor is it necessary to invest in energy at the expense of Social Security and Medicare.

I think it is inexcusable that the Rules Committee refused to allow consideration of an offset amendment to protect Medicare and Social Security. I cannot support legislation that does not contain "pay for" provisions when the result is a direct raid of the Social Security and Medicare trust funds. That is unacceptable and I see no other choice but to oppose this bill.

I am also extremely disappointed that this bill leaves out an important segment of energy suppliers—public power suppliers and rural electric cooperatives, which serve 25 percent of the nation's power consumers. It is only logical that by including the maximum number of market participants in generation of renewable and clean energy production, we best equip ourselves to meet these goals.

I strongly support meaningful energy legislation that will offer more options and better solutions for my constituents and for all Americans. But I will not rob Peter to pay Paul and I oppose this raid on Medicare and Social Security. I am voting against the SAFE Act and I encourage my colleagues to join me.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise to offer comments on H.R. 4, the Securing America's Future Energy Act of 2001. However, first I would like to thank House Science Committee Chairman BOEHLERT and Ranking Member HALL for their leadership in producing a bipartisan energy bill from the Committee.

The first hearing held by the Full Science Committee in the 107th Congress was on the issue of our nation's energy future. It was appropriate that the Committee review closely all portions of the Administration's energy plan in light of the heavy burden placed on the fiscal resources of the federal government because of the $1.2 Trillion tax cut.

We can all agree that the United States does need to develop a long-term national energy policy. Our nation's energy priorities should remain constant regardless of the changing dynamics of energy supply. However, there are many facets to our nation's energy needs.

This nation is comprised of producer states and consumer states who must work together in order to resolve future energy needs. The energy portfolio for our nation must include fossil fuels, renewables, and nuclear power.

The bill that is before us today is a compilation of several efforts on the part of four separate House Committees to craft a national energy plan. The Science Committee contributed to this effort through enhanced research and development in oil and gas exploration, support of renewable energy, and increased opportunities for new technology on conservation, and a strong support of the environment. Rather then this disregard of the environment, we should work together to protect our precious environment.

I strongly believe that the best approach to our nation's energy needs is one of bipartisan cooperation with a goal of ensuring long-term commitments to a national energy plan that reducing dependence on foreign sources of energy and enhances our Nation's productivity. For this reason, we must explore the potential that renewable energy technologies have to contribute to fulfilling an increasing part of the nation's energy demand and how that can occur, while increasing the economies, that can be reached through more efficient and environmentally sound extraction, transportation, and processing technologies.

I had an amendment that was incorporated into the final bill offered for inclusion into H.R. 4 that created a Secondary Electric Vehicle Battery Use Program in the Department of Energy. This new program is designed to demonstrate the use of batteries previously only used in transportation applications in secondary applications, including utility and commercial power storage and power quality. The program would also evaluate the performance of these batteries, including their longevity of useful service life and costs, as well as the required supporting infrastructure to support their widespread use.

I found that at the "end-of-useful-life" of a battery system that is used in an electric vehicle (EV), that battery system still retains 80 percent of its initial capacity. However, the battery system is no longer useful in the EV because it has lost power capabilities that are required to run the vehicle effectively. In many electric utility applications, only the capacity from a battery, not capability, is required. This situation presents an opportunity for furthering the use of electric vehicles while finding a secondary market for the batteries used for transportation purposes.

The high vehicle prices for the initial series of electric vehicles, along with a lack of consumer familiarity and limited driving range, have greatly restricted consumer acceptance and prevent successful market penetration. In turn, manufacturers refuse to produce greater numbers of EVs, having reached conclusions that the costs are too high and the market too limited. The cycle of high costs and limited sales is broken only if costs are reduced and/or volume is increased dramatically. While it is estimated that prices for batteries begin to fall when the volume reaches 10,000 packs per year, auto manufacturers believe that volume alone cannot address the prohibitive costs of advanced technology batteries necessary to create consumer demand for EVs because the materials needed for such batteries (e.g., nickel) are expensive. Currently, there are a total of approximately 4,000 EVs on U.S. roads.

To assure volume sales of EVs, a dramatic reduction in the cost of batteries is required. An innovative approach to addressing this issue may be to "extend" the life—or value—of the batteries beyond vehicular use. Once the batteries have been "used" in a vehicle, there is an opportunity to refurbish, then "re-use" the batteries in a stationary application. For example, electric utilities could "re-use" EV battery packs in peak shaving, transmission deferral, back-up power and transmission quality improvement applications. If successfully demonstrated for secondary, stationary-use applications, the effective price of battery systems are projected to make EVs more competitive.

I along with Members of the Congressional Black Caucus have serious concerns regarding the balance shown in the drafting of this legislation. We must be sure to ensure the interest of those who have the least in our society. For this reason, the CBC sponsored a number of amendments to H.R. 4.

Two of these amendments offered were to ensure the Low-Income Home Energy Assistance Program (LIHEAP) continues to provide help to those who are the most vulnerable in our society. The first amendment would make sure that all funds expended for LIHEAP in this bill will remain available until used. This amendment also adds report directives to a GAO report being requested to include an assessment of how a lack of energy conservation and efficiency education can impact on energy conservation of program beneficiaries. This amendment would also request that information on the conditions of structures that receive LIHEAP funds could impact energy efficiency.

The initial GAO report only requested information on how LIHEAP funds discourage energy conservation, and asks how direct payments not associated with energy needs may effect energy conservation.

The second LIHEAP amendment would allow program funds to be used to ensure the retrofitting of homes that receive federal assistance. This will address issues of structural problems that often exist in the homes of those who must sustain themselves on limited and often inadequate incomes. This amendment would allow homes in communities to retain their tax value, which would benefit the community as a whole. Often times homes are in need of roof repair in order to be able to place insulation.

Unfortunately, the Rules Committee only found the LIHEAP amendment that produces a GAO study in order for consideration by the full House today. I would like to stress that as we make our nation's energy future more secure, we must make sure that every American household is secure in the fact that they have access to affordable and reliable energy.

I believe that the effects of rising energy prices have had and will continue to have a chilling effect on our nation's economy. Everything we as consumers eat, touch or use in our day to day lives have energy costs added into the price we pay for the good or service. Today, our society is in the midst of major sociological and technical revolutions, which will forever change the way we live and work. We are transitioning from a predominantly industrial economy to an information-centered economy. While our society has an increasingly older and longer living population the world has become increasingly smaller, integrated and interdependent.

As with all change, current national and international transformations present both dangers and opportunities, which must be recognized and seized upon. Thus, the question arises, how do we manage these changes to protect the disadvantaged, disenfranchised and disavowed while improving their situation and destroying barriers to job creation, small business, and new markets?

One way to address this issue is to ensure that this nation becomes energy independent through the full utilization of energy sources within our nation's geographic influence.

Today there are more than 3,800 working offshore platforms in the Gulf of Mexico, which are subject to rigorous environmental standards. These platforms result in 55,000 jobs, with over 35,000 of them located offshore. The platforms working in federal waters also have an excellent environmental record. According to the United States Coast Guard, for the 1980–1999 period 7.4 billion barrels of oil was produced in federal offshore waters with less than 0.001 percent spilled. That is a 99.999 percent record for clean operations.

According to the Minerals Management Service about 100 times more oil seeps naturally from the seabed into U.S. marine waters than from offshore oil and gas activities.

The Nation's record for safe and clean offshore natural gas and oil operations is excellent. And to maintain and improve upon this excellent record, Minerals Management Service continually seeks operational improvements that will reduce the risks to offshore personnel and to the environment. The Office of Minerals Management constantly re-evaluates its procedures and regulations to stay abreast of technological advances that will ensure safe and clean operations, as well as to increase awareness of their importance.

It is reported that the amount of oil naturally released from cracks on the floor of the ocean have caused more oil to be in sea water than work done by oil rigs.

Most rigs under current Interior regulation must have an emergency shutdown process in the event of a major accident which immediately seals the pipeline. Other safety features include training requirements for personnel, design standards and redundant safety systems. Last year the Office of Minerals Management conducted 16,000 inspections of offshore rigs in federal waters.

In addition to these precautions each platform always has a team of safety and environmental specialists on board to monitor all drilling activity.

These oil and gas rigs have become artificial reefs for crustaceans, sea anomie, and small aquatic fish. These conditions have created habitat for larger fish, making rigs a favored location to fish by local people.

I will be offering an amendment later today with Congressman NICK LAMPSON to create a reporting process to access the operation of oil and gas wells off the coast of Texas and Louisiana.

We can all agree that the United States does need to develop a long-term national energy policy. Our nation's energy priorities should remain constant regardless of the changing dynamics of energy supply. For this reason, I hope that the process of completing work on the bill will allow for open debate and honest compromise.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill, (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. GEKAS. Mr. Chairman, I rise today to express my support for H.R. 4—The Securing America's Future Energy Act of 2001. This bill will at long last define our national energy policy so that the United States will have an ample, affordable and increasingly efficient energy supply for the future.

It is time that the American people declare independence from foreign sources of energy. We need to develop our own resources and our own technology so that the economy and security of the United States will not be adversely affected by decisions of foreign energy suppliers in the future.

Mr. Chairman, on March 20, 2000, in the 106th Congress, I introduced H.R. 4035, The National Resource Governance Act of 2000 (the NRG Bill). The goal of this bill was to establish a commission that would investigate U.S. dependence on foreign energy sources, evaluate proposals that would make the United States energy self-sufficient, explore alternative energy sources, investigate areas currently not being used for oil exploration and expand drilling in areas such as the Arctic National Wildlife Reserve and offshore. This commission would then submit its findings and recommendations to Congress and the President so that steps could be taken to design and implement a national energy policy.

I introduced the NRG Bill because I believed that our lack of a comprehensive national energy policy would lead to energy shortages and a continued dependence on OPEC. My concerns continued and on November 11, 2000 and again on October 4, 2000, I wrote then-Energy Secretary Bill Richardson to share with him some of my concerns and the concerns of my constituents. Mr. Speaker, I ask that the text of this letter be entered into the RECORD.

NOVEMBER 1, 2000.

Hon. BILL RICHARDSON,
Secretary of Energy,
Forrestal Building, Washington, DC.

DEAR MR. SECRETARY: On October 4th, I sent a letter to you asking for your response to reports run in The Wall Street Journal and other media suggesting that crude oil released by the Administration from the Strategic Petroleum Reserve (SPR) may in fact be diverted to Europe. Assuming that the SPR oil would not be diverted to Europe, I further asked that you reconcile the apparent disparities between the Administration's claim that tapping the SPR would forestall a winter home heating oil crises in the Northeast United States, and independent reports that the SPR oil would not even reach the intended markets until early next year.

I am extremely disappointed that you have not yet responded to these two basic, yet important questions. In my October 4th letter I asked that you provide me with "an immediate assessment" of the aforementioned media reports. I specifically requested that you provide me with a report "early next week" so that I might convey the information to my constituents who are preparing themselves for the onset of winter weather.

Since my last letter to you, officials from your Department have testified to Congress about the President's decision to tap the SPR. I understand that acting Assistant Secretary of Energy Robert S. Kripowicz acknowledged, in one of those hearings, that the release of 30 million barrels of crude oil from the SPR may yield only an additional 250,000 barrels of home-heating oil for the Northeast, including my state of Pennsylvania, which face possible fuel shortages this winter. If Mr. Kripowicz can provide answers to Congress regarding the Administration's recent actions, I fail to understand why an answer to my letter has not been forthcoming.

Mr. Secretary, Pennsylvanians are afraid that the United States has no energy policy. We wonder how long we will continue to be dependent on foreign sources of energy. Unfortunately, your failure to answer basic questions about your Department's actions only serves to confirm those fears. Please provide my office with a response to the questions raised in my letter of October 4th, by November 8th.

Very truly yours,

GEORGE W. GEKAS,
Member of Congress.

Mr. Chairman, my letters went unanswered as did the concerns of so many Americans worried about energy prices, supply, the environment and national security. Unfortunately, my concerns became a reality. This past winter we saw what the lack of a comprehensive national energy policy meant to the people of California as they experienced unannounced rolling blackouts. We also saw the implications of high gasoline and energy prices on our economy. H.R. 4 will define a national energy policy that will avert such situations in the future.

Today, I not only rise to support H.R. 4, the Securing America's Future Energy Act of 2001, but I rise to commend President Bush, Vice President Cheney and the rest of the members of the National Energy Policy Development Group for their leadership in proposing a much needed national energy policy. The development and implementation of this bold and innovative policy will certainly insure that the United States will be less dependent on foreign sources of energy, be more efficient and thus more environmentally sensitive, and will also provide every American with access to ample and affordable energy.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill, (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. FRELINGHUYSEN. Mr. Chairman, I rise today in support of H.R. 4, Securing America's Future Energy Act.

First, let me commend President Bush for his leadership and the committees in the House who have worked on this most important national priority.

Mr. Chairman, gas prices are down, and so far this summer in New Jersey, the lights have stayed on. But make no mistake about it, we have an energy crisis in America. Many families face energy bills two to three times higher than they were a year ago. Millions of Americans find themselves dealing with rolling blackouts. Employers are laying off workers to absorb the rising cost of energy. Even families vacationing across America this summer may have noticed a new "energy" surcharge tacked onto their motel bills.

Let's face it, we live and work in a nation that demands more energy than we can adequately supply. We are a nation that relies on fossil fuels, and whether we think that's good or bad, it's not going to change. Oil, gas and coal fuel our nation. In fact, 52% of our nation's electricity is generated in power plants that burn coal, 20% of our nation's electricity is nuclear powered, and 18% of America's lights are turned on thanks to natural gas.

We won't go from huge gas-guzzling SUV's to small, electric vehicles overnight. Nor will we unplug our computers and televisions, and run our homes and businesses on solar energy just because someone says that's a wise thing to do. It's just not realistic. What is realistic, however, is the fact that we can be smarter and more efficient about the way we produce and consume energy.

That's why I applaud President Bush for his leadership on the issue of energy. You and I may not agree with each and every proposal he has put forth, but one thing we can all agree on is the fact that we need a comprehensive strategy to ensure a steady supply of affordable energy for America's homes, businesses and industries.

President Bush has called for such an energy policy, one that is balanced, long term and provides answers that will ensure the United States has that safe, stable and reliable national energy supply we so desperately need.

Congress worked hard to shape the President's vision. It is important to keep in mind that this problem was created as a result of eight years of neglect and "knee-jerk" reactions to various energy crises "of the moment." Thus, since this crisis worsened over many years, there is no overnight solution to our nation's energy woes. Furthermore, once our strategic plan is implemented, it will require constant monitoring. We will need to update the plan as new technology is developed and alternative energy sources are found. But having a plan already in place will make it easier to make necessary adjustments in the way our nation produces and uses energy.

The President's plan has many components. Among the provisions Congress is addressing are funding increases for the Low Income Home Energy Assistance Program, setting stricter standards for energy use in Federal buildings, and offering tax credits for consumers, home and business owners that focus on energy conservation, reliability and production. A large part of the President's plan calls for funding increases to improve conservation efforts, reduce energy consumption and to encourage research and development of renewable energy, oil, gas, coal and nuclear energy. He also wants us to focus on the development of the most promising new sources of clean energy, including hydrogen, biomass, and alternative fueled vehicles. These are just a few examples of the many areas in energy science, conservation and public assistance we will be addressing over the coming months.

For my part, you should know that I serve on the Appropriations Subcommittee which oversees the budget for the Department of Energy. In that role, I have and will continue to support increased funding for research, development and greater consumer use of renewable energy. Over the last 7 years the Federal government has invested some $2.2 billion in renewable energy. I also remain a steadfast supporter of fusion energy research, much of which is conducted in New Jersey at Princeton University. Fusion energy has the potential to become an unlimited, safe, environmentally friendly, affordable energy source. I appreciate the budget support, some $240 million this year for continued research, from the President and Secretary of Energy, Spencer Abraham.

As a nation, we want the lights to come on whenever we flip the switch. We expect our computers to run and the air conditioning to work. Fortunately for New Jerseyans, unlike our fellow Americans in California, our power still flows—the lights come on, the computer runs and the air conditioning works. This is in large part due to the fact that most of New Jersey's electric power is generated by nuclear energy—75 percent of our electricity comes to us thanks to nuclear power. Nuclear energy has come a long way. It's proven to be safe, stable and reliable. But much of our nation does not have the benefit of such an abundant, reliable source of energy and that's exactly why we need a comprehensive national energy plan. As a nation, we cannot afford any more "California" crises.

The bottom line is America must be energy self-sufficient. Currently, our nation imports over 55% of the oil we consume from foreign oil cartels. This must change. When more than half of our energy needs comes from foreign sources, particularly OPEC, that alone is a security risk. We need more American oil, more American gas, and more use of American clean-coal technology, to name just a few. This is the only way to guarantee an uninterrupted supply of energy when we need it. But this drive to produce more energy domestically does not mean that energy development and environmental priorities cannot co-exist. They must. There must be a balance between energy development and the protection of our environment. For the record, when I say balance is needed, I mean drilling in the Alaskan National Wildlife Refuge, or off the coasts of New Jersey or Florida are not options.

Obviously energy has enormous implications for large and small businesses, homeowners, our economy, environment, and our national security. Under the President's leadership, I am confident that we will better manage America's energy problems. It won't be easy and there will be many disagreements. No one person, or no one political party, has all the answers. That's why the debate in Congress on America's energy plan for the 21st Century is so important. And, part of our obligation is to listen to our constituents and educate all Americans about the reality of our energy situation, and what it will actually take to improve it.

Mr. Chairman, the situation is not as 'cut and dry' as some people on both sides of the issue would like to make it. We cannot simply throw caution to the wind and build pipelines all over the place, and drill for oil or gas anywhere the oil companies want. Neither can we simply oppose an energy plan because we are pure environmentalists. The reality is we are a nation of homeowners, commuters and computer users—we consume energy in practically everything we do. That's why I am working to provide the necessary balance to our energy plan that will help us better manage our energy production and consumption. There's no way to escape it—we need a strategy on energy, and that's exactly what we are working on. At the same time, we can ill-afford to give up on our historic obligation to our children to protect our nation's air, water, wildlife and open spaces.

We can, and will, do both.

Again, Mr. Chairman, I support H.R. 4 and urge my colleagues to do the same.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Ms. LEE. Mr. Chairman, I rise in strong opposition to this bill. This bill does not enhance our security: it endangers it. It does not protect our environment: it threatens it.

Increasing global warming does not enhance our security. Increasing our reliance on nuclear power plants and creating more nuclear waste does not enhance our security. Making only token changes in fuel economy standards does not enhance our security.

This bill does not enhance our security. Instead it jeopardizes wilderness, ignores consumers, and rewards the fossil fuel industry at the public expense.

This bill subsidizes the oil industry and gives billions in tax breaks to oil producers in an age of record-breaking profits.

In contrast, it does nothing for California consumers and taxpayers who have paid billions in unjust and unjustified energy costs.

Instead of promoting cost-based rates and badly needed refunds, it increases tax breaks and handouts for the oil, coal, and nuclear industries.

When Minority Leader DICK GEPHARDT and other members of Congress came to my district of Oakland, California, they saw the faces of this crisis. They heard from small business owners who face potential bankruptcy. They heard from persons with disabilities for whom blackouts are nightmares and rising bills are an impossible expense. They heard from school administrators who have been forced to divert money from much needed textbooks, teacher salaries, and instructional supplies to paying energy costs. They heard from the people of California who have been paying the price in this crisis for the last year.

Electricity cannot be treated as any other commodity. We cannot force Americans to choose between paying their utility bills and their grocery bills. Between electricity and rent. Between power and prescriptions. Those choices are simply unacceptable.

Nor can we choose to destroy irreplaceable wilderness for short-term gain. There are simply places on earth that are too fragile, too vulnerable, and too special to drill for oil. The Arctic National Wildlife Refuge is one of those places.

I strongly oppose this bill and I urge you to protect America's wilderness and to protect America's consumers and vote against this bill.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. UNDERWOOD. Mr. Chairman, much like the Nation, the U.S. territories are headed down a dangerous path. Our energy demands are outpacing supply, resulting in blackouts, high fuel prices, and increasing dependence on foreign energy sources.

These problems will only grow worse as electricity consumption continues to grow. Although we are hard pressed to pass legislation to address these issues, we must be mindful of the impact unbalanced legislation will have on our economy and our overall quality of life. We must pass legislation that offers a balance environmentally, socially, economically, and cognizant of national security and energy objectives.

Developing a sound national energy policy presents a compelling challenge. It requires balancing policies to encourage energy conservation, efficiency, and supply. H.R. 4, the Securing America's Future Energy (SAFE) Act fails to create this balance.

H.R. 4 fails to include a provision to explore the possibility of Ocean Thermal Energy Conversion (OTEC) as a renewable energy source. It is our responsibility to explore every possible source of renewable energy available and OTEC is a viably option. OTEC can help meet future energy needs for the nation, and it may also be the most viable alternative for the U.S. insular areas.

Ocean Thermal Energy Conversion (OTEC) is an energy technology that converts solar radiation to electric power. OTEC systems use the ocean's natural thermal gradient—the fact that the ocean's layers of water have different temperatures—to drive a power producing cycle. As long as the temperatures between the warm surface and the cold deep water differs about 20 degrees Celsius, an OTEC system can produce a significant amount of power. The oceans are thus a vast renewable resource, with the potential to help produce billions of watts of power.

The economics of energy production today have delayed the financing of a permanent, continuously operating OTEC plant. However, OTEC is very promising as an alternative energy resource for tropical island communities that rely heavily on imported fuel.

OTEC plants in tropical island communities could provide islanders with much needed power, as well as desalinated water and a variety of mariculture products. Because most insular areas are dependent on the importation of foreign fuel supplies, there is a relatively high cost of diesel-generated electricity. OTEC can be a cost effective source for the pacific islands.

In addition to hydroelectricity, geothermal and the other renewable resources listed in H.R. 4, Ocean Thermal Energy Conversion (OTEC) must also be considered as a renewable energy source.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. CUNNINGHAM. Mr. Chairman, I rise today in support of the Securing America's Future Energy Act of 2001 (H.R. 4). H.R. 4 represents the first comprehensive national energy policy considered by this House in more than a decade. The President's energy policy will put in place a long-term plan that will provide power to America for generations to come.

In my district in California, my family and my constituents are suffering from the dramatic rise in electricity prices. Sadly, we have learned the consequences of not having a long-term plan to produce energy. The failure of the last decade by the Clinton administration, combined with the failure of the Davis administration in California to develop a reasonable long-term energy plan, created this disaster.

The failed policy they embraced is the policy of the radical environmentalists. These groups promote an energy plan based on fantasy. They oppose nuclear power, hydropower, oil, gas, coal, natural gas, and in some cases even wind power. They cling to the failed belief that we can magically make energy without action. There should be no question that this is a strategy of failure, of skyrocketing costs and blackouts.

I support solar power. I believe that solar power research can and will help us address our future energy needs. Nevertheless, commercial solar power is not available today.

I also believe that fusion power will help us meet our energy needs of the future. I am working closely with the gentlelady from California, Ms. LOFGREN, in pushing a fusion energy research bill, which the Science Committee included in H.R. 4, that will set us on the course to commercial development of fusion power. But fusion power is not available today.

I believe that conservation will help us solve our energy problems. Which is why I am the sponsor, with the gentleman from Massachusetts, Mr. MARKEY, of the Energy Efficient Buildings Incentives Act (H.R. 778). This commonsense bipartisan bill provides incentives for conservation and energy efficiency. I am proud that portions of my bill are included in H.R. 4. I am also proud that the President's plan promotes responsible conservation methods.

Yes, as we in California have learned, we must increase the supply of safe, reliable domestic energy while promoting a clean, safe and healthy environment. Our Nation's energy problems must be addressed by increasing supplies of traditional fossil fuels, developing alternative sources of energy, and improving conservation. It will not be easy and it will not be quick. However, we have the technology and the resources to meet our energy needs for decades, even centuries to come. At the same time, we can ensure a clean environment as a legacy for our children. The President's balanced, comprehensive national energy policy will strengthen our economy, lower consumer prices, create jobs and protect the environment. We should pass H.R. 4 today.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. PICKERING. Mr. Chairman, I am pleased that the House is considering H.R. 4 today. This legislation is the first step in the development of a comprehensive national energy strategy.

Included in H.R. 4 is an amendment I offered at the full committee markup to have the Department of Energy conduct a study and review of the Federal Energy Savings Performance Contract Program. This program is an existing and innovative program that provides Federal agencies the opportunity to fund the installation of necessary energy efficiency measures. As the single largest consumer of energy, our Federal government facilities offer a significant opportunity to help us meet one of our national energy goals—increased efficiency. Our experience has shown that many of these government facilities have aging and energy inefficient equipment that require modernization in order to allow them to operate at peak efficiency.

We have learned over the past 10 years in the implementation of this program, like so many other government programs, that "one size does not fit all." I believe that there are barriers and obstacles in current law and regulations, including some unnecessary red tape that prevents some Federal agencies from participating in the program. If flexibility is increased, this program could be used more effectively by Federal agencies. It is important that we take a look at the program, determine what barriers or obstacles exist, and implement appropriate changes. This provision provides for a 6-month review, report to Congress, and requires the Department to implement appropriate changes to increase program flexibility and effectiveness. As part of this report and review, it is our intention that the Department of Energy will consult with outside parties that have experience participating and working within the program as well as other Federal agencies.

I am hopeful that the end result of this effort will keep us on the road to increasing our nation's energy efficiency, and that the Federal government will indeed be a large contributor to this effort.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. WELLER. Mr. Chairman, I am in support of this important legislation. I want to thank Chairman THOMAS of the Ways and Means Committee, along with Chairman TAUZIN, Chairman HANSEN, and Chairman BOEHLERT for their efforts in getting this legislation to the floor today.

I would like to speak in support of two specific provision included in H.R. 4. I am pleased that this legislation includes the provisions of a bill I introduced on June 13, 2001, the Save America's Valuable Resources Act (H.R. 2147). These provisions create a $2,000 tax credit for individuals and businesses to encourage homeowners, builders and contractors to make energy efficiency improvements to homes.

In order to qualify for the credit, homes must be made 30% more energy efficient according to the International Energy Conservation Code, a private sector energy code used in the United States. Except for the first $1,000 in expenditures which are exempt from certification requirements, energy efficiency improvements must be certified by a utility company, a local building regulatory authority, a manufactured home production inspection primary inspection agency or other specified entity to ensure that real and significant efficiency improvements are made.

In 1998, homes accounted for nearly 20% of all of the energy consumed in the United States. Today, it costs the average American $1500 to heat and cool their homes every year, which amounts to a cost of $150 billion nationwide annually. By simply making changes in energy efficiency to their homes, consumers can save real money. Consumers can save 10% or more on energy bills by simply reducing the number of air leaks in their home. Double pane windows with low emissivity coating can reduce heating bills by 34% in cold climates like Chicago. If all households upgraded their insulation to meet the International Energy Conservation Code level, the nation would experience a permanent reduction of annual electric consumption totaling 7% of the total consumed.

I would also like to offer my support for the extension of the tax credit for wind energy. Currently, the wind energy tax credit expires on January 1, 2002, H.R. 4 extends the availability of this credit through January 1, 2007. I have been a long time supporter of the wind energy tax credit and other similar incentives to utilize new and efficient energy sources.

Mr. Chairman, thank you again for allowing me to offer my support for this important legislation. I encourage my colleagues to join me in support of this bill.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. ENGLISH. Mr. Chairman, we are in the midst of an energy crisis brought on by years of ignoring the potential problems. During the next 20 years, U.S. oil consumption will increase by 33 percent and the demand for electricity will rise by 45 percent.

At this rate, the demands for energy will far outweigh the supply if we do not enact a comprehensive energy plan. With that I urge my colleagues to support the Securing America's Future Energy Act which emphasizes conservation, infrastructure upgrades and further development of traditional fossil fuels.

I would like to take a moment and focus on some of the conservation aspects of H.R. 4. This bill provides a tax credit for residential solar energy use, which not only encourages the use of solar energy but it will reduce electric bills and the load on the electric grid. Through tax incentives, H.R. 4 also encourages the development and use of clean cars by increasing technology and reducing costs.

Studies indicate that 275,000 alternative fuel vehicles will be purchased because of this bill, reducing gasoline consumption and the effects of greenhouse gases. Conservation is also emphasized in H.R. 4 through tax credits for energy efficient appliances, homes and businesses.

Use of super energy efficient appliances in all households would save more than 200 trillion BTUs, which is equivalent to taking 2.3 million cars off the road. If all households upgraded their insulation, electric consumption would be reduced by 7 percent.

As you can see, this bill provides valuable tools to promote conservation among Americans. I realize, Mr. Chairman that conservation alone will not go far enough, but neither will drilling. In fact, 37.5 percent of this bill stresses conservation, while 23.8 percent focuses on production and 38.7 percent on reliability. That is why I urge my colleagues to support H.R. 4 because it is a well-balanced plan that provides for the future energy needs of America.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. SANDERS. Mr. Chairman, I rise in strong opposition to this bill. At a time when this country is wasting a huge amount of fuel and electricity, this bill provides $34 billion dollars in subsidies and tax breaks for the big oil, coal, gas and nuclear companies to drill for more oil and gas and to produce more and more energy. These companies are making record breaking profits by gouging consumers, destroying our environment and threatening our health. Can anyone tell me why we need to give more corporate welfare to Exxon-Mobil, the most profitable company in the history of the world with a net income of $17.7 billion, while providing little more than lip service to energy efficiency and renewable energy and absolutely no relief to middle income Americans struggling to pay their energy bills? Mr. Chairman, this is outrageous. We simply cannot drill our way out of this mess.

At a time when emissions from dirty coal-fired power plants produce acid rain and carbon dioxide that threatens our global climate and our health; at a time when scientists throughout the world believe that we have an enormous amount of work to do to combat the danger of global warming; at a time when wind energy is the world's fastest growing source of energy and when the price of solar energy has been coming down in recent years due to better technology, I find it outrageous that the best we can do is to study whether our country can get to 5 percent renewable in the next 15 years.

Mr. Chairman, we don't need a study on renewable energy, the studies have already been done. The technology is already there. What we need is a firm commitment. I tried to offer an amendment to require that 20 percent of our nation's electricity come from renewable sources of energy such as wind, solar, and biomass by 2020. Unfortunately, the Rule Committee denied the opportunity for debate on this amendment.

While renewable, non-polluting wind power has been the world's fastest growing energy source in recent years, wind energy contributes less than I percent of the national supply of electricity in the United States, and renewable energy only 1 percent. We can and must do better.

The growing dependency on imported oil is dangerous not only to our economy but also to our national security. We must attack this problem by increasing our use of renewable sources of energy such as wind, solar and biomass, but his bill does not get this done.

Mr. Chairman, the price gap between fossil fuels and renewable energy has narrowed. For example, the price of natural gas has more than doubled in the past year, while the cost of wind energy has dropped more than 80 percent in the past two decades.

Mr. Chairman, they are doing it in Denmark, they are doing it in Northern Germany, and they are doing it in Northern Spain. 13 percent of Danish electricity consumption is covered by wind right now. In Northern Germany and in Northern Spain the figure is 20 percent.

Danish companies have supplied more than half the wind turbines now in use worldwide, making it one of the country's largest exports and employing more than 12,000 people. Germany has 6,113 megawatts worth of wind turbine, which meets 2.5 percent of the country's total electricity demand. Spain, the fastest-growing market for the past 3 years, now has almost as much wind capacity as the entire U.S.

Right now we have the opportunity to set an energy course that saves money, restores our environmental health, and enhances both the competitiveness of our economy and our national security. There is no question that the U.S. has the technology and the resources to move us away from our reliance on fossil fuels and towards renewable, non-polluting sources of energy. Unfortunately, this bill does not get the job done. I urge my colleagues to defeat H.R. 4.

SENATE—*Tuesday, September 4, 2001*

The Senate met at 10 a.m. and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, You are the source of strength when we trust You, the source of courage when we ask for Your help, the source of hope when we wonder if we can make a difference, the source of peace in the stresses and strains of applying truth to the formation of public policy. Bless the Senators as they return from the August recess to a heavy and demanding fall schedule of the ongoing challenges and opportunities in this 107th Congress. Help them to reaffirm the basic absolutes of faithfulness and obedience to You: Remind them that they are here by Your permission; rekindle in them a holy passion for social righteousness; restore a profound patriotism for this Nation You have blessed so magnificently; and refract the eyes of their minds to see Your plan for America spelled out in the specifics of the legislation to be debated and decided in these next weeks.

We ask for Your encouraging presence and enabling power for TOM DASCHLE and TRENT LOTT, HARRY REID and DON NICKLES as they exemplify greatness in cooperative leadership of the Senate. All of us—Senators, officers, and the over 6,000 people who form the Senate family—humble ourselves to receive Your inspiration and dedicate our work to serve You as the only sovereign of this land.

We express our profound sympathy to the family of former House of Representatives Chaplain, James Ford. Comfort and bless them in this time of grief and loss. You are our only Lord and Saviour.

Amen.

PLEDGE OF ALLEGIANCE

The Honorable HARRY REID led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 4, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. REID thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. DURBIN). Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11 a.m. with Senators permitted to speak for up to 10 minutes. Under the previous order, the time until 10:30 a.m. shall be under the control of the Senator from Wyoming, Mr. THOMAS, or his designee.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDING OFFICER. The Senator from Nevada.

SCHEDULE

Mr. REID. Mr. President, today the Senate will be in a period of morning business until 11 a.m. as has been announced by the Chair. At 11 a.m. today, the Senate will begin consideration of S. 149, the Export Administration Act. There will be at least one rollcall vote today that will occur at 5 p.m.

ORDER FOR RECESS

I ask unanimous consent that the recess scheduled for 12:30 to 2:15 p.m. today be vitiated and the Senate recess tomorrow, Wednesday, September 15, from 12:30 to 2:15 p.m. for the weekly party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wyoming.

Mr. THOMAS. Mr. President, I request the opportunity to speak in morning business.

The PRESIDING OFFICER. The Senator is recognized.

THE SENATE AGENDA

Mr. THOMAS. Mr. President, all of us are pleased to be back, able to go on and finish the business we have yet to do. There is a lot of it, of course. I have read from time to time that we have been on vacation. I have to tell you, it is scarcely a vacation. All of us spend this time, as we should, traveling in our States and visiting with the people we represent. Frankly, it is a real pleasure and honor to travel about Wyoming this time of year. It is important that we reflect on what we have heard, some of the issues laid before us, some of the notions of the people at home. After all, it is our responsibility to be here to represent those people.

There are a number of things we all hear about and hear about repeatedly while we are in our States. One of them is the tax issue, the idea of tax reduction, and specifically the returns that have been made during this period of time. Many people have received their $600 or $300. I heard a great deal about that. I heard a great deal of praise and support for tax relief, having an opportunity to receive those dollars that were deemed to be surplus. They were not dollars that belonged to Washington; they were dollars that belonged to the taxpayers.

I heard that quite often. Frankly, I was very pleased to hear that and also to share the belief that the return of tax dollars certainly is appropriate in a time of a slowing-down economy.

We also hear a great deal about budgets. Most people do understand that, depending on your point of view about the size of government and the involvement of government, sticking to budgets is a very important issue. Of course, it is very significant now as we enter into this last month. We are supposed to pass all the appropriations bills and come up with next year's spending outline during these next several weeks. That is a relatively short time to do that.

The majority of people I spoke with said: You passed a budget; stay with the budget and a 4 percent increase, which is a reasonable increase; stay with it. Of course, that is not what we have done over the last number of years. I think that shows a good deal of knowledge about what is happening.

In Wyoming, where we are involved in the production of energy, whether it be gas or oil or coal, there is a great deal of interest in energy policy. That is something we have not had for a very long time. The President set one forth and, as a matter of fact, the House has passed an energy bill. We have not. It is one of the issues that ought to be a priority. The folks at home indicated to me it ought to be a priority.

When we first started talking about energy 6 or 8 months ago, California was undergoing an energy shortage. It certainly seemed that it was a crisis. Then we got over that a little bit; some of the gas prices began to go down some, although they are coming back up again now, but the problem still remains. We have not resolved the energy problem at all. I hope that will be a high priority for us during these closing weeks. Some of us had hoped it would have been a priority before now, but it has not been. Now I think it is clear it needs to be.

One of the other things I heard a great deal about, which I suppose is a little different in a State such as Wyoming where 50 percent of the State belongs to the Federal Government, is that this administration has indicated and is beginning to demonstrate that they are willing and anxious to have more local input into the decisions that affect public land and affect the people who live by and depend on public land. That is not saying it is going to protect the environment. It says that each area, each park, and each forest is unique, and to try to set nationwide standards from Washington, as has been done in the recent past, is not a workable situation. Our folks are very pleased about that.

Finally, I will take a moment to say, as someone who feels some responsibility, that I like the idea that we are paying down the debt. That is good.

We have a number of things to do. Certainly this whole business of appropriations needs to be done.

I have already mentioned energy.

I hope we are able to work some more on simplifying and making Medicare a little more workable and putting pharmaceuticals into it. We are working on that, of course, in the Finance Committee, and we will continue to do so. There are dollars in the budget to do those things.

Education: We need to complete our work on education, of course. Sometimes it seems the only solution to education is the dollars. Dollars are necessary, but dollars alone do not work. We need to have some accountability. We need to have some local control.

In any event, I think we have some real challenges before us and an opportunity to accomplish them. Frankly, I am a little discouraged about what I read and hear—that we are entering into a time when many people, particularly I think on the other side of the aisle, are more interested in developing issues for their upcoming campaigns than they are in solving the problems. I hope that is not the case. We are trying to, of course, work towards midterm, which becomes very political, a little more than a year from now. Politicking is fine, issues are fine, but when a political issue becomes more important than resolving the problem before us, I think that is a mistake. I think we are going to see some of that.

Certainly, there are different views about how we go forward. There is no question about that. Some in this body, of course, want more government. Some want more spending. Some are very sorry about tax relief because it may reduce the spending.

I have to tell you that I think we really ought to stay within the budget we passed, which is about a 4-percent increase. I hope we don't go back to last year's history and increase it by 14 or 15 percent. I think that is a mistake. Certainly, things are a little different now when we are faced with this slowing of the economy.

Speaking of the political issue, back in April, for example, there was a lot of talk about tax relief. There was a Democrat amendment to increase the amount of tax relief to $85 billion. It was defeated by 94 to 6. In July there was another Democrat amendment that would repeal the immediate tax rebate. It failed 91 to 3.

The idea that there is now an effort to move some responsibility to the White House for added tax reduction and so on is just not the case. It is just a political kind of issue. We hear all kinds of political views in the Senate, and various Senators on the other side of the aisle have said it should have been larger and kicked in sooner. Some are using radio programs to say to their constituents that this was a great thing to do. Indeed, it was.

We are going to have a lot of talk about the surplus, of course, and about the differences between OMB and the Congressional Budget Office. The fact is that both sets of figures show that this is the second largest surplus in history. It is. The new numbers, of course, really say that what is most important is that we do not have irresponsible spending. If we can follow the budget we passed and say that is what we want to do, then we will be in good shape.

The President's budget protects Social Security and Medicare. Besides, the surplus, frankly, has no impact on those trust funds. The President's priorities are to protect Social Security and Medicare. We are going to improve Medicare to help seniors. We are going to work on that.

We are paying down a good deal of publicly held debt. Sometimes we have to review what happens to a surplus. If we use it to pay down publicly held debt, then debts are created for the various programs under the trust funds. That is the way it works. It is the only place to put the money to have a return on the money that is there and meeting the needs that are set forth.

I hope we can hold the political rhetoric to a minimum and deal with the real issues and the fact that we have the second largest surplus in history. Besides, the budget surplus really has no impact on the trust funds. It has been that way over the years. We have to pay down a historic amount of publicly held debt and work to foster economic growth. That is one of the ways to do that.

I see my friend from Iowa is here.

I urge setting those issues before us and moving to resolve them in a fashion that is best for this country.

I yield the floor.

MEASURE PLACED ON THE CALENDAR—H.R. 4

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I understand there is a bill at the desk due for its second reading.

The PRESIDING OFFICER. The clerk will report.

The Legislative clerk read as follows:

A bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. REID. Mr. President, I ask unanimous consent that there be no further proceedings at this time on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be placed on the calendar.

The Senator from Iowa is recognized.

(The remarks of Mr. GRASSLEY pertaining to the introduction of S. 1397 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. How much time do we have remaining?

The PRESIDING OFFICER. Seven minutes twenty seconds.

ENERGY POLICY

Mr. THOMAS. Mr. President, I want to expand a little bit on the question of energy policy. As I mentioned before, there certainly have been some changes in the California situation. There have been some changes throughout the country in gas prices and other kinds of energy prices. They are not significant changes and, indeed, now we see them moving back again.

The point we do not want to overlook is that when we had what we called an energy crisis 6 or 8 months ago, we had a problem; and the problem basically, of course, was that demand was growing but supply was not. We had a problem in terms of the amount of refining capacity in this country. It had not grown for a very long time. The same was true with electric generation.

We overcame that problem largely, I suppose, because, among other things, winter was over and some of the refineries that had to make fuel oil for New England had changed their production.

But the fact is, the problem is still there. We do need an energy policy.

I urge that we do move forward. The President has put forth a policy—and much of it is incorporated in what has passed in the House—that I think makes a lot of sense. It includes conservation, having some opportunities for conservation in the usage of energy. There are many things we could do in that area. We can do it as individuals and we can do it as governments and still continue to be productive. Conservation should be part of our energy plan. There are many groups that believe conservation is very important.

One of the other areas of energy policy has to do with renewable energy. We have renewables that are growing. We have wind energy, hydroenergy, and other kinds of energy that I suppose have potential for the future. Outside of hydro, renewables now represent about 1 percent of our total energy usage, but, nevertheless, we ought to be doing something in that area. To do that, of course, we need research and research dollars.

Our committee has already dealt with research, but there needs to be a considerable amount of research in the whole area of conservation, of renewables, of how to have more efficient production with less impact on the environment. So that is a very real part of energy research.

Then, of course, the real key is production. We have allowed ourselves in the energy production field to become dependent on OPEC. Nearly 60 percent of our energy resources now come from overseas. When they change their views, or when things happen over in those countries, it impacts our economy and our society.

We need to have an opportunity to increase production and to do it with diversity so we can use various kinds of energy, which includes coal. Part of the research is to make coal even more clean in terms of the air. We need to have diversity in terms of using gas, coal, nuclear, oil, and renewables so we do not find ourselves becoming dependent on one source.

Unfortunately, the plans that were sort of underway for having additional generating plants almost all had to do with natural gas. Natural gas is a good source of energy, but our largest energy resource is coal. If we can continue to make coal even more clean, why, certainly that is a source of energy that ought to be used for generation.

Also, we have not built generation plants for a very long time. Part of the reason for that is because of the uncertainty of some reregulation and ideas that are out there. In the past, when utilities served a particular area, they produced and generated the electricity. That was a pretty simple arrangement. Now we find more people looking at generation as a marketable commodity. It does not have to be tied to any particular area. But what is the secret to making that work? More transportation. More transmission.

If you cannot move energy from the place it is developed and manufactured to where the markets are, of course, then that is part of the problem. The main source in the West for coal and gas has been the Mountain States area: Wyoming, Montana, Colorado, and New Mexico. But in order to get it to the market, you have to have transmission capacity, particularly if you have mine mouth which is very efficient. So these are issues that need to be dealt with in terms of an energy policy.

One of the issues in terms of transmission capacity is to have a nationwide grid so electric power can be moved across the country and can be moved into the RTOs, the regional transmission organizations, and become an efficient transmitter of energy. We can, in fact, do that.

I believe there needs to be an emphasis on this energy question between now and the time we adjourn so we can get into the field and begin to make some difference in terms of where our energy sources are coming from so we can continue to have reasonably priced energy in order to fuel an economy that we would like to have, which obviously is necessary in order to do that.

So I am hopeful that as we set our priorities for where we go we will include that in the very near future. We have talked about it a great deal. I think actually in a lot of ways there isn't a lot of controversy. There has been controversy, of course, in relation to having access to public lands and the idea of protecting the environment which has to go with energy development.

Some have used ANWR up in the north region as a poster child for not getting into public lands. The fact is, the House-passed provision is 2,000 acres out of 19 million that would be accessible for a footprint. So we are pretty close to some agreements on how we can set this country forward in terms of a source and an opportunity to have affordable energy.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I have another subject upon which I am going to speak. I do want to make a couple of comments on the statements made by my friend, the distinguished Senator from Wyoming.

This last couple weeks has been somewhat troublesome to me because we have all been spread around the country not able to respond to the President who, of course, has the ability to speak from any place in the world. What has concerned me a great deal is the President and his Director of Budget Mitch Daniels talking about this great surplus we have, the second largest surplus in the history of the country. They failed to mention the surplus is all Social Security surplus.

Of course, we have a surplus because Social Security is not something that is funded as we go along. We forward fund Social Security. We have huge amounts of money coming into the Social Security trust fund today that we are not paying out. That is the way it was planned in 1983 when there was a compromise reached by Tip O'Neill, Ronald Reagan, Claude Pepper, and a few others. So people, including the President of the United States, who talk about this huge surplus are not being fair to the American public.

We do not have a surplus. The surplus is a Social Security surplus. The economy is in a tremendous downturn. This country's tax revenues are significantly lower than they have been in a long time. We have had 8 years where we have brought down the debt.

In fact, the 1993 budget deficit reduction act, passed in the House without a single Republican vote, passed in the Senate without a single Republican vote—Vice President Gore had to break the tie—put this country on a road to economic stability. We have 300,000 fewer Federal jobs than we had in 1993. We have a surplus that we have never had before. And that is as a result of the efforts of President Clinton and his Democratic colleagues in the House and the Senate.

We have experienced inflation lower than it has been in some 40-odd years. We have done remarkably good things with the economy, created 24 million new jobs, in the 8 years it took us to do that. It has been 8 months that this administration has been in office, and they have taken this away from us, in effect. Social Security surplus moneys were once used to mask the Federal deficit. We stopped doing that. But now the second Bush Presidency is using Social Security surpluses to again mask this deficit.

I can't imagine how anyone can come on the floor and say with a straight face that we have the second largest surplus in the history of the country, unless they are candid and say that it is as a result of the Social Security surplus. That is what it is all about. I hope my friend from Illinois has an opportunity today; I know he has some things to say about this.

But let's also talk about energy policy. One of the biggest robberies in the history of this country took place in Congress the last week that the House was in session when they passed the energy bill. The reason I say it was a robbery is because people who voted for that bill thought that they had limited the drilling in ANWR to 2,000 acres. That is a big diversion from the truth.

The fact is, they now allow them to have 2,000 acres of oil derricks all over the Arctic national wilderness. That is what they would allow, 2,000 acres of equipment. This could cover 150,000, 200,000 acres of pristine wilderness.

There are some of us who believe so strongly about this drilling in the Arctic national wilderness that we will do just about anything to stop it from happening. We are not going to let them drill in the Arctic wilderness. We are not going to let them pull this phony situation where they say we are only going to drill on 2,000 acres when, in fact, the legislation states that they are going to allow oil equipment on 2,000 acres.

We don't have a surplus. We are not going to allow drilling in ANWR.

RED LIGHT CAMERAS

Mr. REID. Mr. President, when I first got out of law school, I had a part-time job. I was a city attorney for the city of Henderson. Henderson at the time was a suburb of Las Vegas and a relatively small community. Now, by Nevada standards, it is a large city, the second largest city in Nevada, approaching about 250,000 people.

When I was city attorney, one of the things I did was prosecute people convicted of misdemeanors, but one of the big jobs I had was prosecuting drunk drivers. Prosecuting drunk drivers was very difficult because a police officer would stop somebody and say: OK, put your finger to your nose, walk on the line—all these things they had people do who were suspected of drunk driving. They would come in and the person charged would say: I hadn't had anything to drink; I don't know why I was arrested. And the police officer would say: His eyes were bloodshot; I could smell liquor on his breath. It was a factual issue as to whether or not that person had been drinking.

After I was city attorney, along came some new procedures. You could breathe into a piece of equipment and it would determine how much alcohol was in your system or an even more sure-fire way was blood alcohol tests. That way the driver was protected. The driver was protected because the driver no longer had to depend on some police officer who may have been mad at him, may have had some personal grudge with him, may have not liked the kind of car he was driving or the color of his skin. Now this person driving could have a blood test administered and show that he was not drinking or they could breathe into a balloon and a breathometer would tell whether or not he had anything to drink—scientific advancements to protect not only the accused but also to protect the State.

When I decided to run for Congress at the beginning of the 1980s, one of the people who I recognized was doing some really good things for many years was a Congressman from New York by the name of James Scheuer. What had Congressman Scheuer done that attracted my attention? He gave speeches around the country and in Congress on the need for police officers to have more scientific equipment to keep up with the more scientific criminals. I thought this was intriguing. I thought it was true. Having been a prosecutor and having been a defense attorney, I recognized that was true.

I was able as a defense attorney to do a lot of things to really hinder the process. That was part of my job. And because we were more in tune with modern scientific things we could hold up warrants and all kinds of things. But we have gotten more modern. We have electronic warrants that are now available. We have video arraignments for people charged with crimes. We have SWAT teams, special weapons people who come in and in a special situation can really go into a building, which is safer for the people in the neighborhood. These people are experts at getting into buildings. They are experts at negotiating with people.

As I speak, there is a situation going on since the weekend. In Michigan, one person has been killed. There is another person negotiating in this compound. These are experts that are doing the negotiating. In effect, we have become more modern. We are doing a better job of law enforcement. We are doing a better job keeping up with the criminal element. That is why I want to bring to the Senate's attention the promise of something I think is in keeping with what I believe is the direction law enforcement should go. That is photo enforcement of traffic laws.

Each year there are about 2,000 deaths and probably about 250,000 injuries in crashes involving motorists who ignore red lights. More than half of these deaths are pedestrians or passengers in other vehicles who are hit by these people who run the red lights. Between 1992 and 1998, about 1.5 million people were injured in these accidents. It is easy for us to talk about injuries as compared to deaths; maybe they had a broken arm, maybe a whiplash. But lots of these people are confined to wheelchairs. Lots of these people are injured irreparably. They have been hurt so bad their life is never going to be the same, as a result of people trying to save the second or two running a red light.

We have all witnessed it. Probably, we have truthfully all run a red light or two. The signal changes to yellow and vehicles continue to pass through the intersection with little hesitation. The light turns red and one or two more cars blow past in a hurry, speeding through intersections until the last possible second. Unfortunately, experience has taught us that we can get away with it.

For example, there are about a thousand intersections with traffic signals in the greater Las Vegas area. Odds are very good that the police won't be watching when we drive through an intersection a little too late. Nevadans have paid a high price for this daredevil driving. Las Vegas ranks 12th in the Nation in deaths attributed to motorists running red lights.

I can't help but think that Las Vegas streets, as well as streets nationwide, would be a lot safer if there were consequences for running red lights. What if there were a traffic officer at every intersection, all 1,000 intersections where there are red lights in Las Vegas? Let's say there was a traffic officer, or at least that were a possibility. The District of Columbia found out that they can do that. In 1999—and I have spoken to the chief as late as this morning—the District began using cameras to catch motorists running red lights. Thirty other districts in the country have similar laws.

For those unfamiliar with photo enforcement, most use cameras after the light has turned red. A photo of the infraction or violation is taken and later mailed to the red light runner or the address that corresponds to the license plate.

With the stepped up enforcement, motorists in the District of Columbia running red lights may have saved a minute or two, but they have not been getting away with it. Since the District began using cameras, the number of motorists running red lights—I talked to the chief this morning—is down 57 percent from 1999, when they were installed. They don't have them at all intersections, but drivers think they might. So people running red lights has dropped almost 60 percent.

Think of the people who are not in wheelchairs. Think of the people who have not had to go to the hospital. Think of the lives saved as a result. In a report released in April of this year, the Insurance Institute for Highway Safety state that camera enforcement has changed drivers' behavior and may have prevented collisions and injury in car accidents. That is a no-brainer. The number of crashes at intersections with traffic signals has dropped. Front-end and side injury collisions, most commonly associated with red light running, fell as well.

Most surprising is that drivers' behavior changed throughout the city, and not just at intersections with cameras. Even though only 39 of the District of Columbia's signals were equipped with cameras—the red lights—traffic violations have dropped at all city intersections. Enforcement is changing the way the residents drive. They are better off for it. We all are.

Nationwide, there have been significantly fewer front-end and side collisions following the introduction of camera enforcement. Nine States have either granted use of cameras statewide or are allowing them. The data makes a compelling case for widespread cameras. Photo enforcement of traffic laws helps catch and identify lawbreakers and serves as a deterrent for reckless drivers.

The sad truth is that most drivers obey traffic laws not because they will prevent crashes or save lives—although that is what some say—but because they believe there is a real chance they might be caught and fined. That is why everybody slows down when a police car is nearby. When enforcement is present, accidents fall.

I am sorry to report that in its 1999 session the Nevada Legislature passed a bill banning the use of cameras to enforce traffic laws, citing concern over government intrusion.

On this date, I am writing a letter to the State of Nevada, along with the majority leader of the Senate, telling them to reconsider that. I hope they do. I think it is wrong. I think the legislators in Nevada and all around the country should take a second look at the promise this technology holds, if for no other reason than the powerless lobbying organization that believes strongly in this.

What is this lobbying organization that has very little power? It is called the American Trauma Society. I am sure the Presiding Officer has met with them. I have gone to their facilities and seen the people who have had these terrible head injuries. Most are traffic related; many are people having run red lights.

On this issue, the American Trauma Society, composed of emergency room personnel, would like to have fewer customers, and they point to studies that cameras reduce violations by 40 percent.

The American Civil Liberties Union, which opposes a lot of things, dropped its opposition to red light cameras because they recognize there is a limit even to what they can go to. They believe this is something that helps keep highways safe. With a million crashes at intersections each year, causing 250,000 injuries and 2,000 deaths the carnage is very bad.

Why do I raise this issue? Because changing driver behavior in a meaningful way will save lives. Studies show that more than 90 percent of Americans believe red light running is dangerous. The vast majority of citizens and law enforcement officials support the use of photo enforcement to stop red light running. Some may not agree. They say this is "big brother."

Going back to when I was city attorney, we needed modern law enforcement methods to keep up with criminals and also those accused. It doesn't matter whether it is cop or a camera; it is getting caught that counts. There are consequences for breaking traffic laws. Ensuring the safety and well-being of America's families and neighborhoods should be one of our top priorities. Photo enforcement supports this priority in a way that is constitutionally effective and proven free of bias.

I want those 30 jurisdictions, including the chief in the District of Columbia, to know I am going to do what I can to support his position and not go off on some side issue or side street issue saying this is "big brother" or that Orwellians are coming after us.

There is a lot of agreement in the country, not the least of which was a very fine editorial in the U.S. News and World Report of September 3 of this year written by Randall E. Stoss, "Choose Life Over Liberty." I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From U.S. News & World Report, Sept. 3, 2001]

CHOOSE LIFE OVER LIBERTY

RED-LIGHT CAMERAS IN DICK ARMEY'S SIGHTS

(By Randall E. Stross)

In police work, machines have increasingly supplanted the vagaries of human judgment, and I say, Amen! Beginning in the 1930s with the pioneering *Drunkometer*, followed by the Intoximeter, Alcometer, and the Breathalyzer, impartial mechanical devices have indirectly saved countless lives.

Today, another kind of gadget records objectively and averts future accidents: red-light cameras installed at intersections to automatically record and ticket violators. House Majority Leader Dick Armey is up in arms, however, assailing the camera as an "unthinking machine" that has usurped police officers in the performance of their "traditional duties."

When Armey says that the answer to red-light violations is "putting cops on the beat," is that meant in the truly traditional sense of walking the beat? Even if granted dispensation to use unthinking machines with wheels—automobiles—police officers giving physical chase to red-light-running drivers must run the light, too. With 1 million crashes at intersections each year, causing 250,000 injuries and 2,000 deaths, the carnage is bad enough now.

As a former professor of economics, Armey surely is capable of grasping the concept of productivity gains that follow automation. When he gravely intones that "police officers belong on the streets and in the community, not in remote control booths," he is demagoguing. The cameras are activated automatically by sensors embedded in the road, capturing in a single frame the car's license plate, presence in the intersection, and the color of the traffic light. The evidence is incontrovertible, wonderfully so if you'd like to see the incidence of death and mayhem decline, and maddeningly so if you believe that a traffic light's signal is best left to you alone to interpret.

Video on demand. The newest generation of "unthinking machines" that Armey detests are actually doing considerable thinking on their own. Digital video systems use software to tract the progress of approaching vehicles and predict whether the driver will stop for the red light. If it appears likely that the driver is going to motor through, the system will extend the red light shown to the cross traffic, removing the chance of a collision with a law-abiding driver about to set off in harm's way.

EDS, which markets the system as CrossingGuard—admittedly, not as catchy as Drunkometer—is considering offering police departments the ability to post video clips on the Web. The ticket that is mailed out would include a Web address and password; the recipient could have a look and judge the wisdom of contesting on epistemological grounds what can be seen plainly in beautiful, living color.

What if the culprit was a friend to whom you loaned the car? The systems can be set up to capture the faces of drivers as well as license plates; the degree of intrusion is determined by requirements of varying state laws. What makes the most sense is the approach taken by New York: "Owner liability" allows the state to treat red-light running like a parking citation, which makes registered owners responsible regardless of who actually drives. The American Civil Liberties Union dropped its opposition to the red-light cameras with the proviso that the cameras be trained only on the license plates.

Armey's opposition to the cameras places him somewhere off to the left of the ACLU. He is also taking on a small 2,700-member group that may not have a lot of political weight in Armey's Washington, but nevertheless carries a lot of credibility on this issue: the American Trauma Society, composed of emergency-room personnel. They would like to have fewer "customers," and point to studies that show cameras reduce violations by 40 percent.

The data collected by the cameras might be used for purposes other than tracking reckless drivers—"mission creep," in the ACLU's phrasing—and this is a legitimate concern. But a distinction is easily drawn: Using cameras activated only when a traffic law is broken—good; deploying police cameras in public spaces in order to scan in the faces of unsuspecting passersby—bad.

Armey would have us believe that the police departments that use red-light cameras are not interested in reducing accidents but in maximizing traffic-ticket revenue. His evidence, however, consists of nothing more than listing the number of tickets issued by various departments and the sums collected. New York City, for example, sent out 400,000 tickets to red-light runners last year, a truly astounding number. Contrarily, the same facts can be read as powerful evidence of the magnitude of the problem.

In Armey's home state, the legislature has twice rejected proposals to use red-light cameras statewide. But Garland, Texas, is about to go ahead with cameras anyhow. That the House majority leader, an outspoken opponent of government interventionism, is attempting to interfere in a local safety program strikes Garland's city's attorney as ironic.

Armey believes the so-called crisis is solved simply by lengthening yellow-light signals. His reasoning is more Orwellian than the cameras. War is peace, and now red is to be yellow.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

CONGRESS FACES CHALLENGING TIMES

Mr. DORGAN. Mr. President, the Congress will now reconvene following the August recess. We face some challenging and difficult times, especially dealing with fiscal policy.

I noted this weekend on some of the news shows that Bush administration spokesperson, Mitch Daniels, who heads the Office of Management and Budget, made the following observations about our fiscal situation. He said, "We have the second largest surplus in U.S. history. We are awash in cash." He used the term "awash in money." And then he seemed to say: Well, there is not a problem here because we have this very large surplus.

I think it is interesting to note that the economy in this country is weak. It has softened substantially. That which was expected to have been in surplus just months ago has now evaporated. The Office of Management and Budget and the Congressional Budget Office both acknowledge that the surplus is largely gone. When Mitch Daniels uses the term "surplus" and says we are "awash" in money and we have the second biggest surplus in history, what is he talking about? He is talking about the Social Security trust fund. He is doing it pretty much the same way that Charles Krauthammer, a columnist for the Washington Post, has done it. He wrote "no lock, no box," talking about a lockbox for Social Security trust funds. Robert Novak, a columnist for the Sun Times, wrote a column that says, "Don't believe the Dem scare tactics." In effect, Mr. Novak said all of this notion about a Social Security trust fund issue is bogus.

George Will weighed in with essentially the same message. What are they talking about? Mr. Novak says that Senator CONRAD, my colleague from North Dakota, and I are effectively deceiving people about this.

Let's look at this for a moment. Workers in this country, when they get their paycheck, discovers something is taken out of that, which is called Social Security taxes. They are told it is going to go into a trust fund. This money taken out for Social Security isn't taken out for the purpose of paying for the Defense Department, or paying for air traffic controllers, or paying for a farm program, or paying for food inspection; it is taken out of the paycheck and the worker is told this goes into a Social Security trust fund. The word "trust" is used in the trust fund because it is a trust fund in the classic sense. That trust fund invests its money in Government securities.

The trust fund exists; it is real. If Mr. Novak, for example, purchases a U.S. Government savings bond for his grandson next Christmas, I hope he will not tell his grandson what he is telling readers, that somehow the savings bond he purchased has no value, that there is nothing there and the security is meaningless. I hope he will not tell his grandson that. We ought not tell the American workers that, either.

When Mr. Mitch Daniels, the head of OMB, says we have the second largest surplus in history, what he is saying is, by the way, we have these surplus funds in the Social Security trust fund and we view them as surplus. The moderator on "Meet the Press" said, well, but these are trust funds, are they not? Are they not dedicated to Social Security? Mr. Daniels said, well, yes, but they are not really dedicated to Social Security.

Well, that is new. The message ought to be, keep your hands off these trust funds, to everybody: The administration, the Congress, keep your hands off these trust funds. They do not belong to you.

It is not the Government's money. It is money that came out of workers' paychecks to be put in a trust fund for their future. And we will need that when the baby boomers retire and put a maximum strain on the Social Security system. That is precisely why we are accruing surpluses at this point. It is not for the purpose of Mr. Daniels or others to say that we have this huge surplus of funds and look at the great shape we are in. If a business said, by the way, we made a huge profit last year but only if you consider the pension funds of our employees, people would say, are you crazy? You cannot consider pension funds as part of your profit, and yet that is exactly what some people are trying to tell us.

Will Rogers once said: When there is no place left to spit, you either have to swallow your tobacco juice or change with the times. Well, there is no place left, and we have to change.

Four months ago we were told there was going to be a surplus of $125 billion above the Social Security accounts. That is all gone. It has evaporated. It does not exist anymore. The question for the President and Congress, both Republicans and Democrats, is how do you reconcile all of these interests and needs with the current situation?

The President wants $18 billion additional spending for defense. The surplus that would be used to pay for that does not exist at this point. It seems to me the President is going to have to come to Congress, Mr. Daniels, Mr. Rumsfeld, and others, and say here is the plan by which we are going to pay for that. That plan ought not include using the Social Security trust fund.

I say to my conservative friends who write these columns that you do a real disservice, in my judgment, to the facts when you suggest that that which we take out of workers' paychecks to be put in a trust fund does not really exist in the trust fund. That is not true. The fact is, it forces national savings if we have a fiscal policy that recognizes these trust funds for the purpose they were collected in the first instance.

Now we have a lot of people who are poised to get their mitts into that trust fund and use it for other purposes. I hope the administration and the Congress will hold firm and say, keep your hands off those trust funds. They do not belong to the Government. They belong to the American people. They are the ones who paid those taxes, and they were the ones who were told it was going to be put in a trust fund. The word "trust" ought to mean something.

I will comment on another issue. This weekend I was enormously dismayed to see press reports in the New York Times and the Washington Post on the subject of national missile defense and the potential buildup of offensive nuclear weapons in China. The New York Times headline said: The U.S. will drop objections to China's missile buildup: strategy meant to ease Beijing's concern about plans for a weapons shield.

According to the reports, the U.S. will tell China that it will not object to a missile buildup by that country. It says, "The Bush administration seeking to overcome Chinese opposition to its missile defense program intends to tell leaders in Beijing it has no objections to the country's plans to build up its small fleet of nuclear missiles." It also says, "One senior official said that in the future the United States and China might also discuss resuming underground nuclear tests."

Let me ask a question: Does anyone think this will be a safer and more secure world if we say it does not matter whether China builds more offensive nuclear weapons? Does anyone believe it enhances world security and makes this a safer place in which to live if we give a green light to China and tell that country that it does not matter to us, you just go ahead and build up a huge nuclear arsenal? It defies all common sense. We ought to be the world leader in trying to convince countries not to build up their nuclear arsenals, to reduce rather than increase their nuclear arsenals. We ought to be the world's leader in saying not only stop nuclear testing, which we did a long while ago, but to have everyone, including this country, subscribe to the Comprehensive Nuclear Test-Ban Treaty.

Regrettably, this Senate turned down that treaty almost two years ago. However, this country still needs to be a leader to stop the spread of nuclear weapons. We need to be a leader in a way that helps persuade other countries not to build an offensive nuclear threat. Some people, including myself, think that is just daft for our country to say we would like to spend tens and tens of billions of dollars—some say the current proposal would be about $60 billion, other people say it would be well over $100 billion—to build a national missile defense system and in order to do so we will say to China, by the way, you go right ahead and build up your offensive nuclear capabilities.

What on Earth could we be thinking of? We need to push in the opposite direction. We need to say to China and Russia and others, which are part of the nuclear club in this world, that we want to build down, not up. We do not want to see an increase in offensive nuclear weapons.

This is exactly what many of us have feared, by the way. The discussion about abandoning the ABM Treaty, which has been the center pole of the tent for arms control and arms reductions, the abandonment of that which is being proposed by the White House and some of their friends in Congress, is a substantial retreat from this country's responsibility to be a leader in trying to stop and reduce the threat of nuclear war.

Is it really going to provide more security and more safety for this world if the administration says we do not care about an ABM Treaty, we will just abandon it and not care about the consequences. Or if the administration says we do not care if our building a national missile defense system of some type if it leads Russia to stop cutting its nuclear forces and if it leads China to have an offensive nuclear weapons buildup. Does it matter to us? It sure does.

Since the dismantlement of the Soviet Union well over a decade ago now, there have been really just two major nuclear superpowers. There were two nuclear superpowers involved in the cold war, us and the Soviets. Now we alone and the country of Russia have very substantial nuclear capability. It is estimated there are over 30,000 nuclear weapons in the arsenal of both countries, 30,000 nuclear weapons. We need to be reducing the threat of nuclear war. We need to be building down and reducing the stockpile of nuclear weapons. We ought not as a country be saying it does not matter much to us whether China builds up its offensive nuclear weapon capability. It sure ought to matter to us. It will be a significant part of our future if we allow that to happen.

I hope we can have an aggressive discussion on this subject in the coming month or so. This country ought to care very much about whether the country of China is going to increase and build up its offensive nuclear capability. This country ought to care a great deal about that, and this country's policy ought not be giving a green light to other countries to say we do not mind. We should not be saying: You let us build a national missile defense, and we will just say you go right ahead and increase your stockpile of nuclear weapons. That is a policy that will not create a safer world, in my judgment.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. REED). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nevada.

ORDER OF PROCEDURE

Mr. REED. Mr. President, I ask unanimous consent that the Senator from Illinois be recognized for up to 10 minutes as in morning business, and if the Republicans wish 10 minutes of morning business following, I have no objection to that.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois is recognized.

BUDGET SURPLUS

Mr. DURBIN. Mr. President, most of us are returning today for the first time since the August recess. It was a period of time when we had a chance to spend a little vacation time with our families, and I was happy to be part of that process and to be reunited with my extended family and have a great time. It was also a time to be back in our States to travel around, to listen and to hear what is on the minds of the people we represent, and for a few of us a chance to perhaps take a few days to go overseas and to be part of the global dialog which comes with this job as much as our dialog with the people we represent.

In these past 4 weeks, we have been busy and most of us have enjoyed it, but now we are back to work. We come back to work with additional information and more views on the issues that we are about to debate. What a difference a month has made. Many of us did not believe in this short period of time there could be such a turn of fortune as we have seen occur with the recent report on the status of surpluses in our Federal budget.

It was not that long ago we were deep in red ink in Washington with deficits in every direction. We saw ourselves building up a national debt to $5.7 trillion, a national mortgage which we still shoulder, a burden which we carry, and our children and grandchildren are likely to carry as well.

The good news, of course, starting in 1993 we began to turn the corner on that debt with an expanding positive economy, with the creation of jobs and new businesses, profits to build up retirement accounts. People were making more money and paying taxes, providing more revenue to the Government. We found ourselves in a surplus situation. We were exalting after so many years and years of deficits under President Reagan, President George Bush, and then for the first few years the Clinton administration. We finally came out of that dark veil and now we are in a position to enjoy the surplus.

The President who was elected last November, President George Bush, said the surpluses give an opportunity to enact a massive tax cut, one of the largest tax cuts in our history. Many members of his party, as well as a few on this side of the aisle, joined with the President to enact this tax cut, believing that the surpluses were virtually as far as the eye could see. Why not take this extra money in Washington and give it back to the people of the United States? The logic was simple. It seemed so clear.

Some Members believed that caution was the guide to which we should turn. Instead of spending a possible surplus, we should wait to see if the American economy would recover strongly, and how quickly, and whether it would generate a surplus, and before we committed the possible future surplus, we ought to take care, lest we find ourselves in a deficit situation.

We return in the first few days of September of the year 2001 to find President Bush's tax cut, in addition to the state of the American economy, has cost the projected surplus which the President said we would have. We find ourselves knocking on the door, without that surplus, going back into, if not a deficit, the situation where we have to go to trust funds in order to pay for the ordinary expenses of Government. Which trust funds? The largest—Medicare and Social Security. In a short period of time—just a few months—with this new President we have gone from the euphoria of surpluses to now worrying over whether or not we are going to endanger the Social Security trust fund. It tells you we have come very far very fast.

The tax rebates that many people have received in the last few weeks of $300 and $600 are welcome to many families who need to buy supplies for kids to go back to school this week, or clothing, or to pay off some of the debts they might have. It does not appear at this moment it will show any great impact on the economy. A general tax cut that helps lower and middle-income families is one I have supported. I believe, as many do, that we should be very careful in how much of this projected surplus we dedicate to that tax cut until we are certain we have it in hand.

During the campaign, President Bush and many Members of Congress said that when we reached the tough times in the future, one area would be sacred: We would not reach into the Social Security trust fund to fund the ordinary expenses of Government. President Bush, much like his father, who said, "Read my lips, no new taxes," pronounced during the course of his campaign that as President he would not raid the Social Security nor the Medicare trust fund. Now we find ourselves perilously close to that situation after just a few months into the new Presidency.

Many of the conservative Republican writers are saying: Why are you worried about a Social Security trust fund? It is not that important. I think we know better. Those who notice every time we receive a paycheck there is more and more money taken out for Social Security have asked some hard questions. What is this all about? It is to shore up a surplus in Social Security to protect the future, the need for Social Security benefits for baby boomers and others. If we reach into that Social Security trust fund to take that money out now, it could endanger the liquidity and solvency of Social Security in years to come. That is irresponsible. It is wrong. We shouldn't be in this predicament.

Many of the conservative writers who say not to worry about protecting the Social Security trust fund do not have much passion for Social Security anyway. These are people who have criticized it in years gone by as a big government scheme taking too much money, one that we ought to change so people could invest in the stock market without much concern about the impact on those who are relying on it. Some 40 million Americans rely on Social Security. It is a major source of income for many. We should not take it lightly.

We are faced with a predicament as we return: How will we meet the obligations of Government and the requirements for new spending and do it without raiding Social Security and the Medicare trust fund? The President has said through his spokesman, Mitch Daniels of the Office of Management and Budget, that we have the second largest surplus in the history of the United States. He said this publicly, and they have said it many times. It is part of the George W. Bush administration's "don't worry, be happy" refrain.

I think Americans ought to think twice. The second largest surplus in our history is the Social Security trust fund surplus. It is money dedicated to Social Security. It is not the general revenue of this country to be spent on everything that we might like. It should be protected. The Republicans come back and say: Wait a minute. In the deep dark days of the deficits, even Democratic Congresses spent the Social Security trust fund.

They are correct. And I can say we did some very desperate things in those years when we were seeing multibillion-dollar deficits, things we vowed we would never do again when we got into the era of the surplus. We came together on a bipartisan basis with over 400 votes in the House, a substantial majority in the Senate, and vowed we would never touch the Social Security trust fund once we had surpluses again.

Here we are, just a few months into the new administration, facing that kind of pressure. How do we take care of our national needs, whether it is the Department of Defense saying they need more modern weaponry to protect the United States or whether it is the needs of public education? The President said he would be an education President; he would find a bipartisan way to deal with it. And now we have a bill languishing in the conference committee because we have not come up with the funds to pay for education.

If you believe, as I do, that education is critical to the future of this country, we certainly should invest in it. But President Bush's decisions on tax cuts and other budget priorities have pushed us in a corner where precious few funds are available for the high priorities.

The same is true on prescription drugs under Medicare. Most promised we would work for a prescription drug benefit under Medicare—universal, voluntary—to help seniors pay for prescriptions, and now we find because of the Bush budget and the Bush tax cut that we have very few dollars available to even dedicate to a bipartisan national priority.

The same thing is true on energy policy. Just a few months ago, President Bush sent a message which said we ought to do something about our dependence on foreign energy sources, so let's invest more money in research to find alternative fuels, sustainable energy, ways to use coal in States such as Illinois in an environmentally responsible way. That takes money. We now turn to find that President Bush's budget and his tax policy have taken those funds off the table.

The same thing is true when it comes to the new farm bill. We hoped to have a new farm bill this fall. I hope we can. I have seen in Illinois and across my State what has happened to the farm economy over the last 4 or 5 years. If we are to have a new farm bill and dedicate resources to it, the obvious question is: Where will they come from?

When we look at the state of the economy in America today, people are rightfully concerned. The President went to speak to members of labor unions yesterday to tell them he felt their pain, their worry, and their anguish over the state of our economy. But what we need is real leadership from the President and from Congress on a bipartisan basis to come up with a roadmap and guidelines, so we can return to the era of economic growth and prosperity.

Over a period of 9 years, we saw a dramatic buildup in the American economy: Over 200 million new jobs, new businesses, more home ownership than any time in our history. Now, of course, we see this correction in our economy. We have lost a half-million jobs this year.

In closing, we have an opportunity in the weeks ahead to come together and concede the obvious. The Bush budget and the Bush tax policy were things that, frankly, should have been put off until we were certain of the surpluses we would have. Now we know those surpluses do not exist.

It is time for us to come together on a bipartisan basis to rewrite this budget to meet our Nation's priorities and protect the Social Security and Medicare trust funds.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SARBANES. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

EXPORT ADMINISTRATION ACT OF 2001

The PRESIDING OFFICER. Under the previous order, the Senate will now begin consideration of S. 149, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 149) to provide authority to control exports and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Export Administration Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—GENERAL AUTHORITY

Sec. 101. Commerce Control List.
Sec. 102. Delegation of authority.
Sec. 103. Public information; consultation requirements.
Sec. 104. Right of export.
Sec. 105. Export control advisory committees.
Sec. 106. President's Technology Export Council.
Sec. 107. Prohibition on charging fees.

TITLE II—NATIONAL SECURITY EXPORT CONTROLS

Subtitle A—Authority and Procedures

Sec. 201. Authority for national security export controls.
Sec. 202. National Security Control List.
Sec. 203. Country tiers.
Sec. 204. Incorporated parts and components.
Sec. 205. Petition process for modifying export status.

Subtitle B—Foreign Availability and Mass-Market Status

Sec. 211. Determination of foreign availability and mass-market status.
Sec. 212. Presidential set-aside of foreign availability status determination.
Sec. 213. Presidential set-aside of mass-market status determination.
Sec. 214. Office of Technology Evaluation.

TITLE III—FOREIGN POLICY EXPORT CONTROLS

Sec. 301. Authority for foreign policy export controls.
Sec. 302. Procedures for imposing controls.
Sec. 303. Criteria for foreign policy export controls.
Sec. 304. Presidential report before imposition of control.
Sec. 305. Imposition of controls.
Sec. 306. Deferral authority.
Sec. 307. Review, renewal, and termination.
Sec. 308. Termination of controls under this title.
Sec. 309. Compliance with international obligations.
Sec. 310. Designation of countries supporting international terrorism.
Sec. 311. Crime control instruments.

TITLE IV—PROCEDURES FOR EXPORT LICENSES AND INTERAGENCY DISPUTE RESOLUTION

Sec. 401. Export license procedures.
Sec. 402. Interagency dispute resolution process.

TITLE V—INTERNATIONAL ARRANGEMENTS; FOREIGN BOYCOTTS; SANCTIONS; AND ENFORCEMENT

Sec. 501. International arrangements.
Sec. 502. Foreign boycotts.
Sec. 503. Penalties.
Sec. 504. Missile proliferation control violations.
Sec. 505. Chemical and biological weapons proliferation sanctions.
Sec. 506. Enforcement.
Sec. 507. Administrative procedure.

TITLE VI—EXPORT CONTROL AUTHORITY AND REGULATIONS

Sec. 601. Export control authority and regulations.
Sec. 602. Confidentiality of information.

TITLE VII—MISCELLANEOUS PROVISIONS

Sec. 701. Annual report.
Sec. 702. Technical and conforming amendments.
Sec. 703. Savings provisions.

SEC. 2. DEFINITIONS.

In this Act:

(1) AFFILIATE.—The term "affiliate" includes both governmental entities and commercial entities that are controlled in fact by the government of a country.

(2) CONTROL OR CONTROLLED.—The terms "control" and "controlled" mean any requirement, condition, authorization, or prohibition on the export or reexport of an item.

(3) CONTROL LIST.—The term "Control List" means the Commerce Control List established under section 101.

(4) CONTROLLED COUNTRY.—The term "controlled country" means a country with respect to which exports are controlled under section 201 or 301.

(5) CONTROLLED ITEM.—The term "controlled item" means an item the export of which is controlled under this Act.

(6) COUNTRY.—The term "country" means a sovereign country or an autonomous customs territory.

(7) COUNTRY SUPPORTING INTERNATIONAL TERRORISM.—The term "country supporting international terrorism" means a country designated by the Secretary of State pursuant to section 310.

(8) DEPARTMENT.—The term "Department" means the Department of Commerce.

(9) EXPORT.—

(A) The term "export" means—

(i) an actual shipment, transfer, or transmission of an item out of the United States;

(ii) a transfer to any person of an item either within the United States or outside of the United States with the knowledge or intent that the item will be shipped, transferred, or transmitted to an unauthorized recipient outside the United States; or

(iii) a transfer of an item in the United States to an embassy or affiliate of a country, which shall be considered an export to that country.

(B) The term includes a reexport.

(10) FOREIGN AVAILABILITY STATUS.—The term "foreign availability status" means the status described in section 211(d)(1).

(11) FOREIGN PERSON.—The term "foreign person" means—

(A) an individual who is not—

(i) a United States citizen;

(ii) an alien lawfully admitted for permanent residence to the United States; or

(iii) a protected individual as defined in section 274B(a)(3) of the Immigration and Nationality Act. (8 U.S.C. 1324b(a)(3));

(B) any corporation, partnership, business association, society, trust, organization, or other nongovernmental entity created or organized under the laws of a foreign country or that has its principal place of business outside the United States; and

(C) any governmental entity of a foreign country.

(12) ITEM.—

(A) IN GENERAL.—The term "item" means any good, technology, or service.

(B) OTHER DEFINITIONS.—In this paragraph:

(i) GOOD.—The term "good" means any article, natural or manmade substance, material, supply or manufactured product, including inspection and test equipment, including source code, and excluding technical data.

(ii) TECHNOLOGY.—The term "technology" means specific information that is necessary for the development, production, or use of an item, and takes the form of technical data or technical assistance.

(iii) SERVICE.—The term "service" means any act of assistance, help or aid.

(13) MASS-MARKET STATUS.—The term "mass-market status" means the status described in section 211(d)(2).

(14) MULTILATERAL EXPORT CONTROL REGIME.—The term "multilateral export control regime" means an international agreement or arrangement among two or more countries, including the United States, a purpose of which is to coordinate national export control policies of its members regarding certain tems. The term includes regimes such as the Australia Group, the Wassenaar Arrangement, the Missile Technology Control Regime (MTCR), and the Nuclear Suppliers' Group Dual Use Arrangement.

(15) NATIONAL SECURITY CONTROL LIST.—The term "National Security Control List" means the list established under section 202(a).

(16) PERSON.—The term "person" includes—

(A) any individual, or partnership, corporation, business association, society, trust, organization, or any other group created or organized under the laws of a country; and

(B) any government, or any governmental entity, including any governmental entity operating as a business enterprise.

(17) REEXPORT.—The term "reexport" means the shipment, transfer, transshipment, or diversion of items from one foreign country to another.

(18) SECRETARY.—The term "Secretary" means the Secretary of Commerce.

(19) UNITED STATES.—The term "United States" means the States of the United States, the District of Columbia, and any commonwealth, territory, dependency, or possession of the United States, and includes the outer Continental Shelf, as defined in section 2(a) of the Outer Continental Shelf Lands Act (42 U.S.C. 1331(a)).

(20) UNITED STATES PERSON.—The term "United States person" means—

(A) any United States citizen, resident, or national (other than an individual resident outside the United States who is employed by a person other than a United States person);

(B) any domestic concern (including any permanent domestic establishment of any foreign concern); and

(C) any foreign subsidiary or affiliate (including any permanent foreign establishment) of any domestic concern which is controlled in fact by such domestic concern, as determined under regulations prescribed by the President.

TITLE I—GENERAL AUTHORITY

SEC. 101. COMMERCE CONTROL LIST.

(a) IN GENERAL.—Under such conditions as the Secretary may impose, consistent with the provisions of this Act, the Secretary—

(1) shall establish and maintain a Commerce Control List (in this Act referred to as the "Control List") consisting of items the export of which are subject to licensing or other authorization or requirement; and

(2) may require any type of license, or other authorization, including recordkeeping and reporting, appropriate to the effective and efficient implementation of this Act with respect to the export of an item on the Control List or otherwise subject to control under title II or III of this Act.

(b) TYPES OF LICENSE OR OTHER AUTHORIZATION.—The types of license or other authorization referred to in subsection (a)(2) include the following:

(1) SPECIFIC EXPORTS.—A license that authorizes a specific export.

(2) MULTIPLE EXPORTS.—A license that authorizes multiple exports in lieu of a license for each export.

(3) NOTIFICATION IN LIEU OF LICENSE.— A notification in lieu of a license that authorizes a specific export or multiple exports subject to the condition that the exporter file with the Department advance notification of the intent to export in accordance with regulations prescribed by the Secretary.

(4) LICENSE EXCEPTION.—Authority to export an item on the Control List without prior license or notification in lieu of a license.

(c) AFTER-MARKET SERVICE AND REPLACEMENT PARTS.—A license to export an item under this Act shall not be required for an exporter to provide after-market service or replacement parts in order to replace on a one-for-one basis parts that were in an item that was lawfully exported from the United States, unless—

(1) the Secretary determines that such license is required to export such parts; or

(2) the after-market service or replacement parts would materially enhance the capability of an item which was the basis for the item being controlled.

(d) INCIDENTAL TECHNOLOGY.—A license or other authorization to export an item under this Act includes authorization to export technology related to the item, if the level of the technology does not exceed the minimum necessary to install, repair, maintain, inspect, operate, or use the item.

(e) REGULATIONS.—The Secretary may prescribe such regulations as are necessary to carry out the provisions of this Act.

SEC. 102. DELEGATION OF AUTHORITY.

(a) IN GENERAL.—Except as provided in subsection (b) and subject to the provisions of this

Act, the President may delegate the power, authority, and discretion conferred upon the President by this Act to such departments, agencies, and officials of the Government as the President considers appropriate.

(b) EXCEPTIONS.—

(1) DELEGATION TO APPOINTEES CONFIRMED BY SENATE.—No authority delegated to the President under this Act may be delegated by the President to, or exercised by, any official of any department or agency the head of which is not appointed by the President, by and with the advice and consent of the Senate.

(2) OTHER LIMITATIONS.—The President may not delegate or transfer the President's power, authority, or discretion to overrule or modify any recommendation or decision made by the Secretary, the Secretary of Defense, or the Secretary of State under this Act.

SEC. 103. PUBLIC INFORMATION; CONSULTATION REQUIREMENTS.

(a) PUBLIC INFORMATION.—The Secretary shall keep the public fully informed of changes in export control policy and procedures instituted in conformity with this Act.

(b) CONSULTATION WITH PERSONS AFFECTED.—The Secretary shall consult regularly with representatives of a broad spectrum of enterprises, labor organizations, and citizens interested in or affected by export controls in order to obtain their views on United States export control policy and the foreign availability or mass-market status of controlled items.

SEC. 104. RIGHT OF EXPORT.

No license or other authorization to export may be required under this Act, or under regulations issued under this Act, except to carry out the provisions of this Act.

SEC. 105. EXPORT CONTROL ADVISORY COMMITTEES.

(a) APPOINTMENT.—Upon the Secretary's own initiative or upon the written request of representatives of a substantial segment of any industry which produces any items subject to export controls under this Act or being considered for such controls, the Secretary may appoint export control advisory committees with respect to any such items. Each such committee shall consist of representatives of United States industry and Government officials, including officials from the Departments of Commerce, Defense, and State, and other appropriate departments and agencies of the Government. The Secretary shall permit the widest possible participation by the business community on the export control advisory committees.

(b) FUNCTIONS.—

(1) IN GENERAL.—Export control advisory committees appointed under subsection (a) shall advise and assist the Secretary, and any other department, agency, or official of the Government carrying out functions under this Act, on actions (including all aspects of controls imposed or proposed) designed to carry out the provisions of this Act concerning the items with respect to which such export control advisory committees were appointed.

(2) OTHER CONSULTATIONS.—Nothing in paragraph (1) shall prevent the United States Government from consulting, at any time, with any person representing an industry or the general public, regardless of whether such person is a member of an export control advisory committee. Members of the public shall be given a reasonable opportunity, pursuant to regulations prescribed by the Secretary, to present information to such committees.

(c) REIMBURSEMENT OF EXPENSES.—Upon the request of any member of any export control advisory committee appointed under subsection (a), the Secretary may, if the Secretary determines it to be appropriate, reimburse such member for travel, subsistence, and other necessary expenses incurred by such member in connection with the duties of such member.

(d) CHAIRPERSON.—Each export control advisory committee appointed under subsection (a) shall elect a chairperson, and shall meet at least every 3 months at the call of the chairperson, unless the chairperson determines, in consultation with the other members of the committee, that such a meeting is not necessary to achieve the purposes of this section. Each such committee shall be terminated after a period of 2 years, unless extended by the Secretary for additional periods of 2 years each. The Secretary shall consult with each such committee on such termination or extension of that committee.

(e) ACCESS TO INFORMATION.—To facilitate the work of the export control advisory committees appointed under subsection (a), the Secretary, in conjunction with other departments and agencies participating in the administration of this Act, shall disclose to each such committee adequate information, consistent with national security and intelligence sources and methods, pertaining to the reasons for the export controls which are in effect or contemplated for the items or policies for which that committee furnishes advice. Information provided by the export control advisory committees shall not be subject to disclosure under section 552 of title 5, United States Code, and such information shall not be published or disclosed unless the Secretary determines that the withholding thereof is contrary to the national interest.

SEC. 106. PRESIDENT'S TECHNOLOGY EXPORT COUNCIL.

The President may establish a President's Technology Export Council to advise the President on the implementation, operation, and effectiveness of this Act.

SEC. 107. PROHIBITION ON CHARGING FEES.

No fee may be charged in connection with the submission or processing of an application for an export license under this Act.

TITLE II—NATIONAL SECURITY EXPORT CONTROLS

Subtitle A—Authority and Procedures

SEC. 201. AUTHORITY FOR NATIONAL SECURITY EXPORT CONTROLS.

(a) AUTHORITY.—

(1) IN GENERAL.—In order to carry out the purposes set forth in subsection (b), the President may, in accordance with the provisions of this Act, prohibit, curtail, or require a license, or other authorization for the export of any item subject to the jurisdiction of the United States or exported by any person subject to the jurisdiction of the United States. The President may also require recordkeeping and reporting with respect to the export of such item.

(2) EXERCISE OF AUTHORITY.—The authority contained in this subsection shall be exercised by the Secretary, in consultation with the Secretary of Defense, the intelligence agencies, and such other departments and agencies as the Secretary considers appropriate.

(b) PURPOSES.—The purposes of national security export controls are the following:

(1) To restrict the export of items that would contribute to the military potential of countries so as to prove detrimental to the national security of the United States, its allies or countries sharing common strategic objectives with the United States.

(2) To stem the proliferation of weapons of mass destruction, and the means to deliver them, and other significant military capabilities by—

(A) leading international efforts to control the proliferation of chemical and biological weapons, nuclear explosive devices, missile delivery systems, key-enabling technologies, and other significant military capabilities;

(B) controlling involvement of United States persons in, and contributions by United States persons to, foreign programs intended to develop weapons of mass destruction, missiles, and other significant military capabilities, and the means to design, test, develop, produce, stockpile, or use them; and

(C) implementing international treaties or other agreements or arrangements concerning controls on exports of designated items, reports on the production, processing, consumption, and exports and imports of such items, and compliance with verification programs.

(3) To deter acts of international terrorism.

(c) END USE AND END USER CONTROLS.—Notwithstanding any other provision of this title, controls may be imposed, based on the end use or end user, on the export of any item, that could contribute to the proliferation of weapons of mass destruction or the means to deliver them.

(d) ENHANCED CONTROLS.—

(1) IN GENERAL.—Notwithstanding any other provisions of this title, the President may determine that applying the provisions of section 204 or 211 with respect to an item on the National Security Control List would constitute a significant threat to the national security of the United States and that such item requires enhanced control. If the President determines that enhanced control should apply to such item, the item may be excluded from the provisions of section 204, section 211, or both, until such time as the President shall determine that such enhanced control should no longer apply to such item. The President may not delegate the authority provided for in this subsection.

(2) REPORT TO CONGRESS.—The President shall promptly report any determination described in paragraph (1), along with the specific reasons for the determination, to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives.

SEC. 202. NATIONAL SECURITY CONTROL LIST.

(a) ESTABLISHMENT OF LIST.—

(1) ESTABLISHMENT.—The Secretary shall establish and maintain a National Security Control List as part of the Control List.

(2) CONTENTS.—The National Security Control List shall be composed of a list of items the export of which is controlled for national security purposes under this title.

(3) IDENTIFICATION OF ITEMS FOR NATIONAL SECURITY CONTROL LIST.—The Secretary, with the concurrence of the Secretary of Defense and in consultation with the head of any other department or agency of the United States that the Secretary considers appropriate, shall identify the items to be included on the National Security Control List provided that the National Security Control List shall, on the date of enactment of this Act, include all of the items on the Commerce Control List controlled on the day before the date of enactment of this Act to protect the national security of the United States, to prevent the proliferation of weapons of mass destruction and the means to deliver them, and to deter acts of international terrorism. The Secretary shall review on a continuing basis and, with the concurrence of the Secretary of Defense and in consultation with the head of any other department or agency of the United States that the Secretary considers appropriate, adjust the National Security Control List to add items that require control under this section and to remove items that no longer warrant control under this section.

(b) RISK ASSESSMENT.—

(1) REQUIREMENT.—In establishing and maintaining the National Security Control List, the risk factors set forth in paragraph (2) shall be considered, weighing national security concerns and economic costs.

(2) RISK FACTORS.—The risk factors referred to in paragraph (1), with respect to each item, are as follows:

(A) The characteristics of the item.

(B) The threat, if any, to the United States or the national security interest of the United States from the misuse or diversion of such item.

(C) The effectiveness of controlling the item for national security purposes of the United States, taking into account mass-market status, foreign availability, and other relevant factors.

(D) The threat to the national security interests of the United States if the item is not controlled.

(E) Any other appropriate risk factors.

(c) Report on Control List.—Not later than 90 days after the date of enactment of this Act, the Secretary shall submit a report to Congress which lists all items on the Commerce Control List controlled on the day before the date of enactment of this Act to protect the national security of the United States, to prevent the proliferation of weapons of mass destruction and the means to deliver them, and to deter acts of international terrorism, not included on the National Security Control List pursuant to the provisions of this Act.

SEC. 203. COUNTRY TIERS.

(a) In General.—

(1) Establishment and Assignment.—In administering export controls for national security purposes under this title, the President shall, not later than 120 days after the date of enactment of this Act—

(A) establish and maintain a country tiering system in accordance with subsection (b); and

(B) based on the assessments required under subsection (c), assign each country to an appropriate tier for each item or group of items the export of which is controlled for national security purposes under this title.

(2) Consultation.—The establishment and assignment of country tiers under this section shall be made after consultation with the Secretary, the Secretary of Defense, the Secretary of State, the intelligence agencies, and such other departments and agencies as the President considers appropriate.

(3) Redetermination and Review of Assignments.—The President may redetermine the assignment of a country to a particular tier at any time and shall review and, as the President considers appropriate, reassign country tiers on an on-going basis. The Secretary shall provide notice of any such reassignment to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives.

(4) Effective Date of Tier Assignment.— An assignment of a country to a particular tier shall take effect on the date on which notice of the assignment is published in the Federal Register.

(b) Tiers.—

(1) In general.—The President shall establish a country tiering system consisting of not less than 3 tiers for purposes of this section.

(2) Range.—Countries that represent the lowest risk of diversion or misuse of an item on the National Security Control List shall be assigned to the lowest tier. Countries that represent the highest risk of diversion or misuse of an item on the National Security Control List shall be assigned to the highest tier.

(3) Other countries.—Countries that fall between the lowest and highest risk to the national security interest of the United States with respect to the risk of diversion or misuse of an item on the National Security Control List shall be assigned to a tier other than the lowest or highest tier, based on the assessments required under subsection (c).

(c) Assessments.—The President shall make an assessment of each country in assigning a country tier taking into consideration risk factors including the following:

(1) The present and potential relationship of the country with the United States.

(2) The present and potential relationship of the country with countries friendly to the United States and with countries hostile to the United States.

(3) The country's capabilities regarding chemical, biological, and nuclear weapons and the country's membership in, and level of compliance with, relevant multilateral export control regimes.

(4) The country's capabilities regarding missile systems and the country's membership in, and level of compliance with, relevant multilateral export control regimes.

(5) Whether the country, if a NATO or major non-NATO ally with whom the United States has entered into a free trade agreement as of January 1, 1986, controls exports in accordance with the criteria and standards of a multilateral export control regime as defined in section 2(14) pursuant to an international agreement to which the United States is a party.

(6) The country's other military capabilities and the potential threat posed by the country to the United States or its allies.

(7) The effectiveness of the country's export control system.

(8) The level of the country's cooperation with United States export control enforcement and other efforts.

(9) The risk of export diversion by the country to a higher tier country.

(10) The designation of the country as a country supporting international terrorism under section 310.

(d) Tier Application.—The country tiering system shall be used in the determination of license requirements pursuant to section 201(a)(1).

SEC. 204. INCORPORATED PARTS AND COMPONENTS.

(a) Export of Items Containing Controlled Parts and Components.—Controls may not be imposed under this title or any other provision of law on an item solely because the item contains parts or components subject to export controls under this title, if the parts or components—

(1) are essential to the functioning of the item,

(2) are customarily included in sales of the item in countries other than controlled countries, and

(3) comprise 25 percent or less of the total value of the item,

unless the item itself, if exported, would by virtue of the functional characteristics of the item as a whole make a significant contribution to the military or proliferation potential of a controlled country or end user which would prove detrimental to the national security of the United States, or unless failure to control the item would be contrary to the provisions of section 201(c), section 201(d), or section 309 of this Act.

(b) Reexports of Foreign-Made Items Incorporating United States Controlled Content.—

(1) In general.—No authority or permission may be required under this title to reexport to a country an item that is produced in a country other than the United States and incorporates parts or components that are subject to the jurisdiction of the United States, if the value of the controlled United States content of the item produced in such other country is 25 percent or less of the total value of the item; except that in the case of reexports of an item to a country designated as a country supporting international terrorism pursuant to section 310, controls may be maintained if the value of the controlled United States content is more than 10 percent of the total value of the item.

(2) Definition of controlled United States content.—For purposes of this paragraph, the term "controlled United States content" of an item means those parts or components that—

(A) are subject to the jurisdiction of the United States;

(B) are incorporated into the item; and

(C) would, at the time of the reexport, require a license under this title if exported from the United States to a country to which the item is to be reexported.

SEC. 205. PETITION PROCESS FOR MODIFYING EXPORT STATUS.

(a) Establishment.—The Secretary shall establish a process for interested persons to petition the Secretary to change the status of an item on the National Security Control List.

(b) Evaluations and Determinations.—Evaluations and determinations with respect to a petition filed pursuant to this section shall be made in accordance with section 202.

Subtitle B—Foreign Availability and Mass-Market Status

SEC. 211. DETERMINATION OF FOREIGN AVAILABILITY AND MASS-MARKET STATUS.

(a) In General.—The Secretary shall—

(1) on a continuing basis,

(2) upon a request from the Office of Technology Evaluation, or

(3) upon receipt of a petition filed by an interested party,

review and determine the foreign availability and the mass-market status of any item the export of which is controlled under this title.

(b) Petition and Consultation.—

(1) In general.—The Secretary shall establish a process for an interested party to petition the Secretary for a determination that an item has a foreign availability or mass-market status. In evaluating and making a determination with respect to a petition filed under this section, the Secretary shall consult with the Secretary of Defense, Secretary of State, and other appropriate Government agencies and with the Office of Technology Evaluation (established pursuant to section 214).

(2) Time for making determination.—The Secretary shall, within 6 months after receiving a petition described in subsection (a)(3), determine whether the item that is the subject of the petition has foreign availability or mass-market status and shall notify the petitioner of the determination.

(c) Result of Determination.—In any case in which the Secretary determines, in accordance with procedures and criteria which the Secretary shall by regulation establish, that an item described in subsection (a) has—

(1) a foreign availability status, or

(2) a mass-market status,

the Secretary shall notify the President (and other appropriate departments and agencies) and publish the notice of the determination in the Federal Register. The Secretary's determination shall become final 30 days after the date the notice is published, the item shall be removed from the National Security Control List, and a license or other authorization shall not be required under this title with respect to the item, unless the President makes a determination described in section 212 or 213, or takes action under section 309, with respect to the item in that 30-day period.

(d) Criteria for Determining Foreign Availability and Mass-Market Status.—

(1) Foreign availability status.—The Secretary shall determine that an item has foreign availability status under this subtitle, if the item (or a substantially identical or directly competitive item)—

(A) is available to controlled countries from sources outside the United States, including countries that participate with the United States in multilateral export controls;

(B) can be acquired at a price that is not excessive when compared to the price at which a controlled country could acquire such item from

sources within the United States in the absence of export controls; and

(C) is available in sufficient quantity so that the requirement of a license or other authorization with respect to the export of such item is or would be ineffective.

(2) MASS-MARKET STATUS.—

(A) IN GENERAL.—In determining whether an item has mass-market status under this subtitle, the Secretary shall consider the following criteria with respect to the item (or a substantially identical or directly competitive item):

(i) The production and availability for sale in a large volume to multiple potential purchasers.

(ii) The widespread distribution through normal commercial channels, such as retail stores, direct marketing catalogues, electronic commerce, and other channels.

(iii) The conduciveness to shipment and delivery by generally accepted commercial means of transport.

(iv) The use for the item's normal intended purpose without substantial and specialized service provided by the manufacturer, distributor, or other third party.

(B) DETERMINATION BY SECRETARY.—If the Secretary finds that the item (or a substantially identical or directly competitive item) meets the criteria set forth in subparagraph (A), the Secretary shall determine that the item has mass-market status.

(3) SPECIAL RULES.—For purposes of this subtitle—

(A) SUBSTANTIALLY IDENTICAL ITEM.—The determination of whether an item in relation to another item is a substantially identical item shall include a fair assessment of end-uses, the properties, nature, and quality of the item.

(B) DIRECTLY COMPETITIVE ITEM.—

(i) IN GENERAL.—The determination of whether an item in relation to another item is a directly competitive item shall include a fair assessment of whether the item, although not substantially identical in its intrinsic or inherent characteristics, is substantially equivalent for commercial purposes and may be adapted for substantially the same uses.

(ii) EXCEPTION.—An item is not directly competitive with a controlled item if the item is substantially inferior to the controlled item with respect to characteristics that resulted in the export of the item being controlled.

SEC. 212. PRESIDENTIAL SET-ASIDE OF FOREIGN AVAILABILITY STATUS DETERMINATION.

(a) CRITERIA FOR PRESIDENTIAL SET-ASIDE.—

(1) GENERAL CRITERIA.—

(A) IN GENERAL.—If the President determines that—

(i) decontrolling or failing to control an item constitutes a threat to the national security of the United States, and export controls on the item would advance the national security interests of the United States,

(ii) there is a high probability that the foreign availability of an item will be eliminated through international negotiations within a reasonable period of time taking into account the characteristics of the item, or

(iii) United States controls on the item have been imposed under section 309,

the President may set aside the Secretary's determination of foreign availability status with respect to the item.

(B) NONDELEGATION.—The President may not delegate the authority provided for in this paragraph.

(2) REPORT TO CONGRESS.—The President shall promptly—

(A) report any set-aside determination described in paragraph (1), along with the specific reasons for the determination, to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives; and

(B) publish the determination in the Federal Register.

(b) PRESIDENTIAL ACTION IN CASE OF SET-ASIDE.—

(1) IN GENERAL.—

(A) NEGOTIATIONS.—In any case in which export controls are maintained on an item because the President has made a determination under subsection (a), the President shall actively pursue negotiations with the governments of the appropriate foreign countries for the purpose of eliminating such availability.

(B) REPORT TO CONGRESS.—Not later than the date the President begins negotiations, the President shall notify in writing the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives that the President has begun such negotiations and why the President believes it is important to the national security that export controls on the item involved be maintained.

(2) PERIODIC REVIEW OF DETERMINATION.—The President shall review a determination described in subsection (a) at least every 6 months. Promptly after each review is completed, the Secretary shall submit to the committees of Congress referred to in paragraph (1)(B) a report on the results of the review, together with the status of international negotiations to eliminate the foreign availability of the item.

(3) EXPIRATION OF PRESIDENTIAL SET-ASIDE.—A determination by the President described in subsection (a)(1)(A) (i) or (ii) shall cease to apply with respect to an item on the earlier of—

(A) the date that is 6 months after the date on which the determination is made under subsection (a), if the President has not commenced international negotiations to eliminate the foreign availability of the item within that 6-month period;

(B) the date on which the negotiations described in paragraph (1) have terminated without achieving an agreement to eliminate foreign availability;

(C) the date on which the President determines that there is not a high probability of eliminating foreign availability of the item through negotiation; or

(D) the date that is 18 months after the date on which the determination described in subsection (a)(1)(A) (i) or (ii) is made if the President has been unable to achieve an agreement to eliminate foreign availability within that 18-month period.

(4) ACTION ON EXPIRATION OF PRESIDENTIAL SET-ASIDE.—Upon the expiration of a Presidential set-aside under paragraph (3) with respect to an item, the Secretary shall not require a license or other authorization to export the item.

SEC. 213. PRESIDENTIAL SET-ASIDE OF MASS-MARKET STATUS DETERMINATION.

(a) CRITERIA FOR PRESIDENTIAL SET-ASIDE.—

(1) GENERAL CRITERIA.—If the President determines that—

(A)(i) decontrolling or failing to control an item constitutes a serious threat to the national security of the United States, and

(ii) export controls on the item would advance the national security interests of the United States, or

(B) United States controls on the item have been imposed under section 309,

the President may set aside the Secretary's determination of mass-market status with respect to the item.

(2) NONDELEGATION.—The President may not delegate the authority provided for in this subsection.

(b) PRESIDENTIAL ACTION IN CASE OF SET-ASIDE.—

(1) IN GENERAL.—In any case in which export controls are maintained on an item because the President has made a determination under subsection (a), the President shall promptly report the determination, along with the specific reasons for the determination, to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives, and shall publish notice of the determination in the Federal Register not later than 30 days after the Secretary publishes notice of the Secretary's determination that an item has mass-market status.

(2) PERIODIC REVIEW OF DETERMINATION.—The President shall review a determination made under subsection (a) at least every 6 months. Promptly after each review is completed, the Secretary shall submit a report on the results of the review to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives.

SEC. 214. OFFICE OF TECHNOLOGY EVALUATION.

(a) IN GENERAL.—

(1) ESTABLISHMENT OF OFFICE.—The Secretary shall establish in the Department of Commerce an Office of Technology Evaluation (in this section referred to as the "Office"), which shall be under the direction of the Secretary. The Office shall be responsible for gathering, coordinating, and analyzing all the necessary information in order for the Secretary to make determinations of foreign availability and mass-market status under this Act.

(2) STAFF.—

(A) IN GENERAL.—The Secretary shall ensure that the Office include persons to carry out the responsibilities set forth in subsection (b) of this section that have training, expertise, and experience in—

(i) economic analysis;

(ii) the defense industrial base;

(iii) technological developments; and

(iv) national security and foreign policy export controls.

(B) DETAILEES.—In addition to employees of the Department of Commerce, the Secretary may accept on nonreimbursable detail to the Office, employees of the Departments of Defense, State, and Energy and other departments and agencies as appropriate.

(b) RESPONSIBILITIES.—The Office shall be responsible for—

(1) conducting foreign availability assessments to determine whether a controlled item is available to controlled countries and whether requiring a license, or denial of a license for the export of such item, is or would be ineffective;

(2) conducting mass-market assessments to determine whether a controlled item is available to controlled countries because of the mass-market status of the item;

(3) monitoring and evaluating worldwide technological developments in industry sectors critical to the national security interests of the United States to determine foreign availability and mass-market status of controlled items;

(4) monitoring and evaluating multilateral export control regimes and foreign government export control policies and practices that affect the national security interests of the United States;

(5) conducting assessments of United States industrial sectors critical to the United States defense industrial base and how the sectors are affected by technological developments, technology transfers, and foreign competition; and

(6) conducting assessments of the impact of United States export control policies on—

(A) United States industrial sectors critical to the national security interests of the United States; and

(B) the United States economy in general.

(c) REPORTS TO CONGRESS.—The Secretary shall make available to the Committee on International Relations of the House of Representatives and the Committee on Banking, Housing,

and Urban Affairs of the Senate as part of the Secretary's annual report required under section 701 information on the operations of the Office, and on improvements in the Government's ability to assess foreign availability and mass-market status, during the fiscal year preceding the report, including information on the training of personnel, and the use of Commercial Service Officers of the United States and Foreign Commercial Service to assist in making determinations. The information shall also include a description of determinations made under this Act during the preceding fiscal year that foreign availability or mass-market status did or did not exist (as the case may be), together with an explanation of the determinations.

(d) SHARING OF INFORMATION.—Each department or agency of the United States, including any intelligence agency, and all contractors with any such department or agency, shall, consistent with the need to protect intelligence sources and methods, furnish information to the Office concerning foreign availability and the mass-market status of items subject to export controls under this Act.

TITLE III—FOREIGN POLICY EXPORT CONTROLS

SEC. 301. AUTHORITY FOR FOREIGN POLICY EXPORT CONTROLS.

(a) AUTHORITY.—

(1) IN GENERAL.—In order to carry out the purposes set forth in subsection (b), the President may, in accordance with the provisions of this Act, prohibit, curtail, or require a license, other authorization, recordkeeping, or reporting for the export of any item subject to the jurisdiction of the United States or exported by any person subject to the jurisdiction of the United States.

(2) EXERCISE OF AUTHORITY.—The authority contained in this subsection shall be exercised by the Secretary, in consultation with the Secretary of State and such other departments and agencies as the Secretary considers appropriate.

(b) PURPOSES.—The purposes of foreign policy export controls are the following:

(1) To promote the foreign policy objectives of the United States, consistent with the purposes of this section and the provisions of this Act.

(2) To promote international peace, stability, and respect for fundamental human rights.

(3) To use export controls to deter and punish acts of international terrorism and to encourage other countries to take immediate steps to prevent the use of their territories or resources to aid, encourage, or give sanctuary to those persons involved in directing, supporting, or participating in acts of international terrorism.

(c) FOREIGN PRODUCTS.—No authority or permission may be required under this title to reexport to a country an item that is produced in a country other than the United States and incorporates parts or components that are subject to the jurisdiction of the United States, except that in the case of reexports of an item to a country designated as a country supporting international terrorism pursuant to section 310, controls may be maintained if the value of the controlled United States content is more than 10 percent of the value of the item.

(d) CONTRACT SANCTITY.—

(1) IN GENERAL.—The President may not prohibit the export of any item under this title if that item is to be exported—

(A) in performance of a binding contract, agreement, or other contractual commitment entered into before the date on which the President reports to Congress the President's intention to impose controls on that item under this title; or

(B) under a license or other authorization issued under this Act before the earlier of the date on which the control is initially imposed or the date on which the President reports to Congress the President's intention to impose controls under this title.

(2) EXCEPTION.—The prohibition contained in paragraph (1) shall not apply in any case in which the President determines and certifies to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives that—

(A) there is a serious threat to a foreign policy interest of the United States;

(B) the prohibition of exports under each binding contract, agreement, commitment, license, or authorization will be instrumental in remedying the situation posing the serious threat; and

(C) the export controls will be in effect only as long as the serious threat exists.

SEC. 302. PROCEDURES FOR IMPOSING CONTROLS.

(a) NOTICE.—

(1) INTENT TO IMPOSE FOREIGN POLICY EXPORT CONTROL.—Except as provided in section 306, not later than 45 days before imposing or implementing an export control under this title, the President shall publish in the Federal Register—

(A) a notice of intent to do so; and

(B) provide for a period of not less than 30 days for any interested person to submit comments on the export control proposed under this title.

(2) PURPOSES OF NOTICE.—The purposes of the notice are—

(A) to provide an opportunity for the formulation of an effective export control policy under this title that advances United States economic and foreign policy interests; and

(B) to provide an opportunity for negotiations to achieve the purposes set forth in section 301(b).

(b) NEGOTIATIONS.—During the 45-day period that begins on the date of notice described in subsection (a), the President may negotiate with the government of the foreign country against which the export control is proposed in order to resolve the reasons underlying the proposed export control.

(c) CONSULTATION.—

(1) REQUIREMENT.—The President shall consult with the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives regarding any export control proposed under this title and the efforts to achieve or increase multilateral cooperation on the issues or problems underlying the proposed export control.

(2) CLASSIFIED CONSULTATION.—The consultations described in paragraph (1) may be conducted on a classified basis if the Secretary considers it necessary.

SEC. 303. CRITERIA FOR FOREIGN POLICY EXPORT CONTROLS.

Each export control imposed by the President under this title shall—

(1) have clearly stated and specific United States foreign policy objectives;

(2) have objective standards for evaluating the success or failure of the export control;

(3) include an assessment by the President that—

(A) the export control is likely to achieve such objectives and the expected time for achieving the objectives; and

(B) the achievement of the objectives of the export control outweighs any potential costs of the export control to other United States economic, foreign policy, humanitarian, or national security interests;

(4) be targeted narrowly; and

(5) seek to minimize any adverse impact on the humanitarian activities of United States and foreign nongovernmental organizations in the country subject to the export control.

SEC. 304. PRESIDENTIAL REPORT BEFORE IMPOSITION OF CONTROL.

(a) REQUIREMENT.—Before imposing an export control under this title, the President shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives a report on the proposed export control. The report may be provided on a classified basis if the Secretary considers it necessary.

(b) CONTENT.—The report shall contain a description and assessment of each of the criteria described in section 303. In addition, the report shall contain a description and assessment of—

(1) any diplomatic and other steps that the United States has taken to accomplish the intended objective of the proposed export control;

(2) unilateral export controls imposed, and other measures taken, by other countries to achieve the intended objective of the proposed export control;

(3) the likelihood of multilateral adoption of comparable export controls;

(4) alternative measures to promote the same objectives and the likelihood of their potential success;

(5) any United States obligations under international trade agreements, treaties, or other international arrangements, with which the proposed export control may conflict;

(6) the likelihood that the proposed export control could lead to retaliation against United States interests;

(7) the likely economic impact of the proposed export control on the United States economy, United States international trade and investment, and United States agricultural interests, commercial interests, and employment; and

(8) a conclusion that the probable achievement of the objectives of the proposed export control outweighs any likely costs to United States economic, foreign policy, humanitarian, or national security interests, including any potential harm to the United States agricultural and business firms and to the international reputation of the United States as a reliable supplier of goods, services, or technology.

SEC. 305. IMPOSITION OF CONTROLS.

The President may impose an export control under this title after the submission of the report required under section 304 and publication in the Federal Register of a notice of the imposition of the export control .

SEC. 306. DEFERRAL AUTHORITY.

(a) AUTHORITY.—The President may defer compliance with any requirement contained in section 302(a), 304, or 305 in the case of a proposed export control if—

(1) the President determines that a deferral of compliance with the requirement is in the national interest of the United States; and

(2) the requirement is satisfied not later than 60 days after the date on which the export control is imposed under this title.

(b) TERMINATION OF CONTROL.—An export control with respect to which a deferral has been made under subsection (a) shall terminate 60 days after the date the export control is imposed unless all requirements have been satisfied before the expiration of the 60-day period.

SEC. 307. REVIEW, RENEWAL, AND TERMINATION.

(a) RENEWAL AND TERMINATION.—

(1) IN GENERAL.—Any export control imposed under this title shall terminate on March 31 of each renewal year unless the President renews the export control on or before such date. For purposes of this section, the term "renewal year" means 2003 and every 2 years thereafter.

(2) EXCEPTION.—This section shall not apply to an export control imposed under this title that—

(A) is required by law;

(B) is targeted against any country designated as a country supporting international terrorism pursuant to section 310; or

(C) has been in effect for less than 1 year as of February 1 of a renewal year.

(b) REVIEW.—

(1) IN GENERAL.—Not later than February 1 of each renewal year, the President shall review all export controls in effect under this title.

(2) CONSULTATION.—

(A) REQUIREMENT.—Before completing a review under paragraph (1), the President shall consult with the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representative regarding each export control that is being reviewed.

(B) CLASSIFIED CONSULTATION.—The consultations may be conducted on a classified basis if the Secretary considers it necessary.

(3) PUBLIC COMMENT.—In conducting the review of each export control under paragraph (1), the President shall provide a period of not less than 30 days for any interested person to submit comments on renewal of the export control. The President shall publish notice of the opportunity for public comment in the Federal Register not less than 45 days before the review is required to be completed.

(c) REPORT TO CONGRESS.—

(1) REQUIREMENT.—Before renewing an export control imposed under this title, the President shall submit to the committees of Congress referred to in subsection (b)(2)(A) a report on each export control that the President intends to renew.

(2) FORM AND CONTENT OF REPORT.—The report may be provided on a classified basis if the Secretary considers it necessary. Each report shall contain the following:

(A) A clearly stated explanation of the specific United States foreign policy objective that the existing export control was intended to achieve.

(B) An assessment of—

(i) the extent to which the existing export control achieved its objectives before renewal based on the objective criteria established for evaluating the export control; and

(ii) the reasons why the existing export control has failed to fully achieve its objectives and, if renewed, how the export control will achieve that objective before the next renewal year.

(C) An updated description and assessment of—

(i) each of the criteria described in section 303, and

(ii) each matter required to be reported under section 304(b) (1) through (8).

(3) RENEWAL OF EXPORT CONTROL.—The President may renew an export control under this title after submission of the report described in paragraph (2) and publication of notice of renewal in the Federal Register.

SEC. 308. TERMINATION OF CONTROLS UNDER THIS TITLE.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President—

(1) shall terminate any export control imposed under this title if the President determines that the control has substantially achieved the objective for which it was imposed; and

(2) may terminate at any time any export control imposed under this title that is not required by law.

(b) EXCEPTION.—Paragraphs (1) and (2) of subsection (a) do not apply to any export control imposed pursuant to section 310.

(c) EFFECTIVE DATE OF TERMINATION.—The termination of an export control pursuant to this section shall take effect on the date notice of the termination is published in the Federal Register.

SEC. 309. COMPLIANCE WITH INTERNATIONAL OBLIGATIONS.

Notwithstanding any other provision of this Act setting forth limitations on authority to control exports and except as provided in section 304, the President may impose controls on exports to a particular country or countries—

(1) of items listed on the control list of a multilateral export control regime, as defined in section 2(14); or

(2) in order to fulfill obligations or commitments of the United States under resolutions of the United Nations and under treaties, or other international agreements and arrangements, to which the United States is a party.

SEC. 310. DESIGNATION OF COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.

(a) LICENSE REQUIRED.—Notwithstanding any other provision of this Act setting forth limitations on the authority to control exports, a license shall be required for the export of any item to a country if the Secretary of State has determined that—

(1) the government of such country has repeatedly provided support for acts of international terrorism; and

(2) the export of the item could make a significant contribution to the military potential of such country, including its military logistics capability, or could enhance the ability of such country to support acts of international terrorism.

(b) NOTIFICATION.—The Secretary and the Secretary of State shall notify the Committee on International Relations of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate at least 30 days before issuing any license required by subsection (a).

(c) DETERMINATIONS REGARDING REPEATED SUPPORT.—Each determination of the Secretary of State under subsection (a)(1), including each determination in effect on the date of the enactment of the Antiterrorism and Arms Export Amendments Act of 1989, shall be published in the Federal Register.

(d) LIMITATIONS ON RESCINDING DETERMINATION.—A determination made by the Secretary of State under subsection (a)(1) may not be rescinded unless the President submits to the Speaker of the House of Representatives and the Chairman of the Committee on Banking, Housing, and Urban Affairs and the Chairman of the Committee on Foreign Relations of the Senate—

(1) before the proposed rescission would take effect, a report certifying that—

(A) there has been a fundamental change in the leadership and policies of the government of the country concerned;

(B) that government is not supporting acts of international terrorism; and

(C) that government has provided assurances that it will not support acts of international terrorism in the future; or

(2) at least 45 days before the proposed rescission would take effect, a report justifying the rescission and certifying that—

(A) the government concerned has not provided any support for international terrorism during the preceding 6-month period; and

(B) the government concerned has provided assurances that it will not support acts of international terrorism in the future.

(e) INFORMATION TO BE INCLUDED IN NOTIFICATION.—The Secretary and the Secretary of State shall include in the notification required by subsection (b)—

(1) a detailed description of the item to be offered, including a brief description of the capabilities of any item for which a license to export is sought;

(2) the reasons why the foreign country or international organization to which the export or transfer is proposed to be made needs the item which is the subject of such export or transfer and a description of the manner in which such country or organization intends to use the item;

(3) the reasons why the proposed export or transfer is in the national interest of the United States;

(4) an analysis of the impact of the proposed export or transfer on the military capabilities of the foreign country or international organization to which such export or transfer would be made;

(5) an analysis of the manner in which the proposed export would affect the relative military strengths of countries in the region to which the item which is the subject of such export would be delivered and whether other countries in the region have comparable kinds and amounts of the item; and

(6) an analysis of the impact of the proposed export or transfer on the United States relations with the countries in the region to which the item which is the subject of such export would be delivered.

SEC. 311. CRIME CONTROL INSTRUMENTS.

(a) IN GENERAL.—Crime control and detection instruments and equipment shall be approved for export by the Secretary only pursuant to an individual export license. Notwithstanding any other provision of this Act—

(1) any determination by the Secretary of what goods or technology shall be included on the list established pursuant to this subsection as a result of the export restrictions imposed by this section shall be made with the concurrence of the Secretary of State, and

(2) any determination by the Secretary to approve or deny an export license application to export crime control or detection instruments or equipment shall be made in concurrence with the recommendations of the Secretary of State submitted to the Secretary with respect to the application pursuant to section 401 of this Act, except that, if the Secretary does not agree with the Secretary of State with respect to any determination under paragraph (1) or (2), the matter shall be referred to the President for resolution.

(b) EXCEPTION.—The provisions of this section shall not apply with respect to exports to countries that are members of the North Atlantic Treaty Organization or to Japan, Australia, or New Zealand, or to such other countries as the President shall designate consistent with the purposes of this section and section 502B of the Foreign Assistance Act of 1961 (22 U.S.C. 2304).

TITLE IV—PROCEDURES FOR EXPORT LICENSES AND INTERAGENCY DISPUTE RESOLUTION

SEC. 401. EXPORT LICENSE PROCEDURES.

(a) RESPONSIBILITY OF THE SECRETARY.—

(1) IN GENERAL.—All applications for a license or other authorization to export a controlled item shall be filed in such manner and include such information as the Secretary may, by regulation, prescribe.

(2) PROCEDURES.—In guidance and regulations that implement this section, the Secretary shall describe the procedures required by this section, the responsibilities of the Secretary and of other departments and agencies in reviewing applications, the rights of the applicant, and other relevant matters affecting the review of license applications.

(3) CALCULATION OF PROCESSING TIMES.—In calculating the processing times set forth in this title, the Secretary shall use calendar days, except that if the final day for a required action falls on a weekend or holiday, that action shall be taken no later than the following business day.

(4) CRITERIA FOR EVALUATING APPLICATIONS.—In determining whether to grant an application to export a controlled item under this Act, the following criteria shall be considered:

(A) The characteristics of the controlled item.

(B) The threat to—

(i) the national security interests of the United States from items controlled under title II of this Act; or *(ii) the foreign policy of the United States from items controlled under title III of this Act.*

(C) The country tier designation of the country to which a controlled item is to be exported pursuant to section 203.

(D) The risk of export diversion or misuse by—

(i) the exporter;

(ii) the method of export;

(iii) the end-user;

(iv) the country where the end-user is located; and

(v) the end-use.

(E) Risk mitigating factors including, but not limited to—

(i) changing the characteristics of the controlled item;

(ii) after-market monitoring by the exporter; and

(iii) post-shipment verification.

(b) INITIAL SCREENING.—

(1) UPON RECEIPT OF APPLICATION.—Upon receipt of an export license application, the Secretary shall enter and maintain in the records of the Department information regarding the receipt and status of the application.

(2) INITIAL PROCEDURES.—

(A) IN GENERAL.—Not later than 9 days after receiving any license application, the Secretary shall—

(i) contact the applicant if the application is improperly completed or if additional information is required, and hold the application for a reasonable time while the applicant provides the necessary corrections or information, and such time shall not be included in calculating the time periods prescribed in this title;

(ii) refer the application, through the use of a common data base or other means, and all information submitted by the applicant, and all necessary recommendations and analyses by the Secretary to the Secretary of Defense, the Secretary of State, and the heads of and other departments and agencies the Secretary considers appropriate;

(iii) ensure that the classification stated on the application for the export items is correct; and

(iv) return the application if a license is not required.

(B) REFERRAL NOT REQUIRED.—In the event that the head of a department or agency determines that certain types of applications need not be referred to the department or agency, such department or agency head shall notify the Secretary of the specific types of such applications that the department or agency does not wish to review.

(3) WITHDRAWAL OF APPLICATION.—An applicant may, by written notice to the Secretary, withdraw an application at any time before final action.

(c) ACTION BY OTHER DEPARTMENTS AND AGENCIES.—

(1) REFERRAL TO OTHER AGENCIES.—The Secretary shall promptly refer a license application to the departments and agencies under subsection (b) to make recommendations and provide information to the Secretary.

(2) RESPONSIBILITY OF REFERRAL DEPARTMENTS AND AGENCIES.—The Secretary of Defense, the Secretary of State, and the heads of other reviewing departments and agencies shall take all necessary actions in a prompt and responsible manner on an application. Each department or agency reviewing an application under this section shall establish and maintain records properly identifying and monitoring the status of the matter referred to the department or agency.

(3) ADDITIONAL INFORMATION REQUESTS.—Each department or agency to which a license application is referred shall specify to the Secretary any information that is not in the application that would be required for the department or agency to make a determination with respect to the application, and the Secretary shall promptly request such information from the applicant. The time that may elapse between the date the information is requested by that department or agency and the date the information is received by that department or agency shall not be included in calculating the time periods prescribed in this title.

(4) TIME PERIOD FOR ACTION BY REFERRAL DEPARTMENTS AND AGENCIES.—Within 30 days after the Secretary refers an application under this section, each department or agency to which an application has been referred shall provide the Secretary with a recommendation either to approve the license or to deny the license. A recommendation that the Secretary deny a license shall include a statement of reasons for the recommendation that are consistent with the provisions of this title, and shall cite both the specific statutory and regulatory basis for the recommendation. A department or agency that fails to provide a recommendation in accordance with this paragraph within that 30-day period shall be deemed to have no objection to the decision of the Secretary on the application.

(d) ACTION BY THE SECRETARY.—Not later than 30 days after the date the application is referred, the Secretary shall—

(1) if there is agreement among the referral departments and agencies to issue or deny the license—

(A) issue the license and ensure all appropriate personnel in the Department (including the Office of Export Enforcement) are notified of all approved license applications; or

(B) notify the applicant of the intention to deny the license; or

(2) if there is no agreement among the referral departments and agencies, notify the applicant that the application is subject to the interagency dispute resolution process provided for in section 402.

(e) CONSEQUENCES OF APPLICATION DENIAL.—

(1) IN GENERAL.—If a determination is made to deny a license, the applicant shall be informed in writing, consistent with the protection of intelligence information sources and methods, by the Secretary of—

(A) the determination;

(B) the specific statutory and regulatory bases for the proposed denial;

(C) what, if any, modifications to, or restrictions on, the items for which the license was sought would allow such export to be compatible with export controls imposed under this Act, and which officer or employee of the Department would be in a position to discuss modifications or restrictions with the applicant and the specific statutory and regulatory bases for imposing such modifications or restrictions;

(D) to the extent consistent with the national security and foreign policy interests of the United States, the specific considerations that led to the determination to deny the application; and

(E) the availability of appeal procedures.

(2) PERIOD FOR APPLICANT TO RESPOND.—The applicant shall have 20 days from the date of the notice of intent to deny the application to respond in a manner that addresses and corrects the reasons for the denial. If the applicant does not adequately address or correct the reasons for denial or does not respond, the license shall be denied. If the applicant does address or correct the reasons for denial, the application shall be considered in a timely manner.

(f) APPEALS AND OTHER ACTIONS BY APPLICANT.—

(1) IN GENERAL.—The Secretary shall establish appropriate procedures for an applicant to appeal to the Secretary the denial of an application or other administrative action under this Act. In any case in which the Secretary proposes to reverse the decision with respect to the application, the appeal under this subsection shall be handled in accordance with the interagency dispute resolution process provided for in section 402(b)(3).

(2) ENFORCEMENT OF TIME LIMITS.—

(A) IN GENERAL.—In any case in which an action prescribed in this section is not taken on an application within the time period established by this section (except in the case of a time period extended under subsection (g) of which the applicant is notified), the applicant may file a petition with the Secretary requesting compliance with the requirements of this section. When such petition is filed, the Secretary shall take immediate steps to correct the situation giving rise to the petition and shall immediately notify the applicant of such steps.

(B) BRINGING COURT ACTION.—If, within 20 days after a petition is filed under subparagraph (A), the processing of the application has not been brought into conformity with the requirements of this section, or the processing of the application has been brought into conformity with such requirements but the Secretary has not so notified the applicant, the applicant may bring an action in an appropriate United States district court for an order requiring compliance with the time periods required by this section.

(g) EXCEPTIONS FROM REQUIRED TIME PERIODS.—The following actions related to processing an application shall not be included in calculating the time periods prescribed in this section:

(1) AGREEMENT OF THE APPLICANT.—Delays upon which the Secretary and the applicant mutually agree.

(2) PRELICENSE CHECKS.—A prelicense check (for a period not to exceed 60 days) that may be required to establish the identity and reliability of the recipient of items controlled under this Act, if—

(A) the need for the prelicense check is determined by the Secretary or by another department or agency in any case in which the request for the prelicense check is made by such department or agency;

(B) the request for the prelicense check is initiated by the Secretary within 5 days after the determination that the prelicense check is required; and

(C) the analysis of the result of the prelicense check is completed by the Secretary within 5 days.

(3) REQUESTS FOR GOVERNMENT-TO-GOVERNMENT ASSURANCES.—Any request by the Secretary or another department or agency for government-to-government assurances of suitable end-uses of items approved for export, when failure to obtain such assurances would result in rejection of the application, if—

(A) the request for such assurances is sent to the Secretary of State within 5 days after the determination that the assurances are required;

(B) the Secretary of State initiates the request of the relevant government within 10 days thereafter; and

(C) the license is issued within 5 days after the Secretary receives the requested assurances.

(4) EXCEPTION.—Whenever a prelicense check described in paragraph (2) or assurances described in paragraph (3) are not requested within the time periods set forth therein, then the time expended for such prelicense check or assurances shall be included in calculating the time periods established by this section.

(5) MULTILATERAL REVIEW.—Multilateral review of a license application to the extent that such multilateral review is required by a relevant multilateral regime.

(6) CONGRESSIONAL NOTIFICATION.—Such time as is required for mandatory congressional notifications under this Act.

(7) CONSULTATIONS.—Consultation with foreign governments, if such consultation is provided for by a relevant multilateral regime as a precondition for approving a license.

(h) CLASSIFICATION REQUESTS AND OTHER INQUIRIES.—

(1) CLASSIFICATION REQUESTS.—In any case in which the Secretary receives a written request asking for the proper classification of an item on the Control List or the applicability of licensing requirements under this title, the Secretary shall promptly notify the Secretary of Defense and the head of any department or agency the Secretary considers appropriate. The Secretary shall, within 14 days after receiving the request, inform the person making the request of the proper classification.

(2) OTHER INQUIRIES.—In any case in which the Secretary receives a written request for information under this Act, the Secretary shall, within 30 days after receiving the request, reply with that information to the person making the request.

SEC. 402. INTERAGENCY DISPUTE RESOLUTION PROCESS.

(a) IN GENERAL.—All license applications on which agreement cannot be reached shall be referred to the interagency dispute resolution process for decision.

(b) INTERAGENCY DISPUTE RESOLUTION PROCESS.—

(1) INITIAL RESOLUTION.—The Secretary shall establish, select the chairperson of, and determine procedures for an interagency committee to review initially all license applications described in subsection (a) with respect to which the Secretary and any of the referral departments and agencies are not in agreement. The chairperson shall consider the positions of all the referral departments and agencies (which shall be included in the minutes described in subsection (c)(2)) and make a decision on the license application, including appropriate revisions or conditions thereto.

(2) INTELLIGENCE COMMUNITY.—The analytic product of the intelligence community should be fully considered with respect to any proposed license under this title.

(3) FURTHER RESOLUTION.—The President shall establish additional levels for review or appeal of any matter that cannot be resolved pursuant to the process described in paragraph (1). Each such review shall—

(A) provide for decision-making based on the majority vote of the participating departments and agencies;

(B) provide that a department or agency that fails to take a timely position, citing the specific statutory and regulatory bases for a position, shall be deemed to have no objection to the pending decision;

(C) provide that any decision of an interagency committee established under paragraph (1) or interagency dispute resolution process established under this paragraph may be escalated to the next higher level of review at the request of an official appointed by the President, by and with the advice of the Senate, or an officer properly acting in such capacity, of a department or agency that participated in the interagency committee or dispute resolution process that made the decision; and

(D) ensure that matters are resolved or referred to the President not later than 90 days after the date the completed license application is referred by the Secretary.

(c) FINAL ACTION.—

(1) IN GENERAL.—Once a final decision is made under subsection (b), the Secretary shall promptly—

(A) issue the license and ensure that all appropriate personnel in the Department (including the Office of Export Enforcement) are notified of all approved license applications; or

(B) notify the applicant of the intention to deny the application.

(2) MINUTES.—The interagency committee and each level of the interagency dispute resolution process shall keep reasonably detailed minutes of all meetings. On each matter before the interagency committee or before any other level of the interagency dispute resolution process in which members disagree, each member shall clearly state the reasons for the member's position and the reasons shall be entered in the minutes.

TITLE V—INTERNATIONAL ARRANGEMENTS; FOREIGN BOYCOTTS; SANCTIONS; AND ENFORCEMENT

SEC. 501. INTERNATIONAL ARRANGEMENTS.

(a) MULTILATERAL EXPORT CONTROL REGIMES.—

(1) POLICY.—It is the policy of the United States to seek multilateral arrangements that support the national security objectives of the United States (as described in title II) and that establish fairer and more predictable competitive opportunities for United States exporters.

(2) PARTICIPATION IN EXISTING REGIMES.—Congress encourages the United States to continue its active participation in and to strengthen existing multilateral export control regimes.

(3) PARTICIPATION IN NEW REGIMES.—It is the policy of the United States to participate in additional multilateral export control regimes if such participation would serve the national security interests of the United States.

(b) ANNUAL REPORT ON MULTILATERAL EXPORT CONTROL REGIMES.—Not later than February 1 of each year, the President shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives a report evaluating the effectiveness of each multilateral export control regime, including an assessment of the steps undertaken pursuant to subsections (c) and (d). The report, or any part of this report, may be submitted in classified form to the extent the President considers necessary.

(c) STANDARDS FOR MULTILATERAL EXPORT CONTROL REGIMES.—The President shall take steps to establish the following features in any multilateral export control regime in which the United States is participating or may participate:

(1) FULL MEMBERSHIP.—All supplier countries are members of the regime, and the policies and activities of the members are consistent with the objectives and membership criteria of the multilateral export control regime.

(2) EFFECTIVE ENFORCEMENT AND COMPLIANCE.—The regime promotes enforcement and compliance with the regime's rules and guidelines.

(3) PUBLIC UNDERSTANDING.—The regime makes an effort to enhance public understanding of the purpose and procedures of the multilateral export control regime.

(4) EFFECTIVE IMPLEMENTATION PROCEDURES.—The multilateral export control regime has procedures for the uniform and consistent interpretation and implementation of its rules and guidelines.

(5) ENHANCED COOPERATION WITH REGIME NONMEMBERS.—There is agreement among the members of the multilateral export control regime to—

(A) cooperate with governments outside the regime to restrict the export of items controlled by such regime; and

(B) establish an ongoing mechanism in the regime to coordinate planning and implementation of export control measures related to such cooperation.

(6) PERIODIC HIGH-LEVEL MEETINGS.—There are regular periodic meetings of high-level representatives of the governments of members of the multilateral export control regime for the purpose of coordinating export control policies and issuing policy guidance to members of the regime.

(7) COMMON LIST OF CONTROLLED ITEMS.—There is agreement on a common list of items controlled by the multilateral export control regime.

(8) REGULAR UPDATES OF COMMON LIST.—There is a procedure for removing items from the list of controlled items when the control of such items no longer serves the objectives of the members of the multilateral export control regime.

(9) TREATMENT OF CERTAIN COUNTRIES.—There is agreement to prevent the export or diversion of the most sensitive items to countries whose activities are threatening to the national security of the United States or its allies.

(10) HARMONIZATION OF LICENSE APPROVAL PROCEDURES.—There is harmonization among the members of the regime of their national export license approval procedures, practices, and standards.

(11) UNDERCUTTING.—There is a limit with respect to when members of a multilateral export control regime—

(A) grant export licenses for any item that is substantially identical to or directly competitive with an item controlled pursuant to the regime, where the United States has denied an export license for such item, or

(B) approve exports to a particular end user to which the United States has denied export license for a similar item.

(d) STANDARDS FOR NATIONAL EXPORT CONTROL SYSTEMS.—The President shall take steps to attain the cooperation of members of each regime in implementing effective national export control systems containing the following features:

(1) EXPORT CONTROL LAW.—Enforcement authority, civil and criminal penalties, and statutes of limitations are sufficient to deter potential violations and punish violators under the member's export control law.

(2) LICENSE APPROVAL PROCESS.—The system for evaluating export license applications includes sufficient technical expertise to assess the licensing status of exports and ensure the reliability of end users.

(3) ENFORCEMENT.—The enforcement mechanism provides authority for trained enforcement officers to investigate and prevent illegal exports.

(4) DOCUMENTATION.—There is a system of export control documentation and verification with respect to controlled items.

(5) INFORMATION.—There are procedures for the coordination and exchange of information concerning licensing, end users, and enforcement with other members of the multilateral export control regime.

(6) RESOURCES.—The member has devoted adequate resources to administer effectively the authorities, systems, mechanisms, and procedures described in paragraphs (1) through (5).

(e) OBJECTIVES REGARDING MULTILATERAL EXPORT CONTROL REGIMES.—The President shall seek to achieve the following objectives with regard to multilateral export control regimes:

(1) STRENGTHEN EXISTING REGIMES.—Strengthen existing multilateral export control regimes—

(A) by creating a requirement to share information about export license applications among members before a member approves an export license; and

(B) harmonizing national export license approval procedures and practices, including the elimination of undercutting.

(2) REVIEW AND UPDATE.—Review and update multilateral regime export control lists with other members, taking into account—

(A) national security concerns;

(B) the controllability of items; and

(C) the costs and benefits of controls.

(3) ENCOURAGE COMPLIANCE BY NONMEMBERS.—Encourage nonmembers of the multilateral export control regime—

(A) to strengthen their national export control regimes and improve enforcement;

(B) to adhere to the appropriate multilateral export control regime; and

(C) not to undermine an existing multilateral export control regime by exporting controlled items in a manner inconsistent with the guidelines of the regime.

(f) TRANSPARENCY OF MULTILATERAL EXPORT CONTROL REGIMES.—

(1) PUBLICATION OF INFORMATION ON EACH EXISTING REGIME.—Not later than 120 days after the date of enactment of this Act, the Secretary shall, for each multilateral export control regime, to the extent that it is not inconsistent with the arrangements of that regime (in the judgment of the Secretary of State) or with the national interest, publish in the Federal Register and post on the Department of Commerce website the following information with respect to the regime:

(A) The purposes of the regime.

(B) The members of the regime.

(C) The export licensing policy of the regime.

(D) The items that are subject to export controls under the regime, together with all public notes, understandings, and other aspects of the agreement of the regime, and all changes thereto.

(E) Any countries, end uses, or end users that are subject to the export controls of the regime.

(F) Rules of interpretation.

(G) Major policy actions.

(H) The rules and procedures of the regime for establishing and modifying any matter described in subparagraphs (A) through (G) and for reviewing export license applications.

(2) NEW REGIMES.—Not later than 60 days after the United States joins or organizes a new multilateral export control regime, the Secretary shall, to the extent that it is not inconsistent with arrangements under the regime (in the judgment of the Secretary of State) or with the national interest, publish in the Federal Register and post on the Department of Commerce website the information described in subparagraphs (A) through (H) of paragraph (1) with respect to the regime.

(3) PUBLICATION OF CHANGES.—Not later than 60 days after a multilateral export control regime adopts any change in the information published under this subsection, the Secretary shall, to the extent not inconsistent with the arrangements under the regime or the national interest, publish such changes in the Federal Register and post such changes on the Department of Commerce website.

(g) SUPPORT OF OTHER COUNTRIES' EXPORT CONTROL SYSTEMS.—The Secretary is encouraged to continue to—

(1) participate in training of, and provide training to, officials of other countries on the principles and procedures for implementing effective export controls; and

(2) participate in any such training provided by other departments and agencies of the United States.

SEC. 502. FOREIGN BOYCOTTS.

(a) PURPOSES.—The purposes of this section are as follows:

(1) To counteract restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any United States person.

(2) To encourage and, in specified cases, require United States persons engaged in the export of items to refuse to take actions, including furnishing information or entering into or implementing agreements, which have the effect of furthering or supporting the restrictive trade practices or boycotts fostered or imposed by any foreign country against a country friendly to the United States or against any United States person.

(b) PROHIBITIONS AND EXCEPTIONS.—

(1) PROHIBITIONS.—In order to carry out the purposes set forth in subsection (a), the President shall issue regulations prohibiting any United States person, with respect to that person's activities in the interstate or foreign commerce of the United States, from taking or knowingly agreeing to take any of the following actions with intent to comply with, further, or support any boycott fostered or imposed by a foreign country against a country that is friendly to the United States and is not itself the object of any form of boycott pursuant to United States law or regulation:

(A) Refusing, or requiring any other person to refuse, to do business with or in the boycotted country, with any business concern organized under the laws of the boycotted country, with any national or resident of the boycotted country, or with any other person, pursuant to an agreement with, or requirement of, or a request from or on behalf of the boycotting country (subject to the condition that the intent required to be associated with such an act in order to constitute a violation of the prohibition is not indicated solely by the mere absence of a business relationship with or in the boycotted country, with any business concern organized under the laws of the boycotted country, with any national or resident of the boycotted country, or with any other person).

(B) Refusing, or requiring any other person to refuse, to employ or otherwise discriminate against any United States person on the basis of the race, religion, sex, or national origin of that person or of any owner, officer, director, or employee of such person.

(C) Furnishing information with respect to the race, religion, sex, or national origin of any United States person or of any owner, officer, director, or employee of such person.

(D) Furnishing information (other than furnishing normal business information in a commercial context, as defined by the Secretary) about whether any person has, has had, or proposes to have any business relationship (including a relationship by way of sale, purchase, legal or commercial representation, shipping or other transport, insurance, investment, or supply) with or in the boycotted country, with any business concern organized under the laws of the boycotted country, with any national or resident of the boycotted country, or with any other person that is known or believed to be restricted from having any business relationship with or in the boycotting country.

(E) Furnishing information about whether any person is a member of, has made a contribution to, or is otherwise associated with or involved in the activities of any charitable or fraternal organization which supports the boycotted country.

(F) Paying, honoring, confirming, or otherwise implementing a letter of credit which contains any condition or requirement the compliance with which is prohibited by regulations issued pursuant to this paragraph, and no United States person shall, as a result of the application of this paragraph, be obligated to pay or otherwise honor or implement such letter of credit.

(2) EXCEPTIONS.—Regulations issued pursuant to paragraph (1) shall provide exceptions for—

(A) compliance, or agreement to comply, with requirements—

(i) prohibiting the import of items from the boycotted country or items produced or provided, by any business concern organized under the laws of the boycotted country or by nationals or residents of the boycotted country; or

(ii) prohibiting the shipment of items to the boycotting country on a carrier of the boycotted country or by a route other than that prescribed by the boycotting country or the recipient of the shipment;

(B) compliance, or agreement to comply, with import and shipping document requirements with respect to the country of origin, the name of the carrier and route of shipment, the name of the supplier of the shipment, or the name of the provider of other services, except that, for purposes of applying any exception under this subparagraph, no information knowingly furnished or conveyed in response to such requirements may be stated in negative, blacklisting, or similar exclusionary terms, other than with respect to carriers or route of shipment as may be permitted by such regulations in order to comply with precautionary requirements protecting against war risks and confiscation;

(C) compliance, or agreement to comply, in the normal course of business with the unilateral and specific selection by a boycotting country, or a national or resident thereof, or carriers, insurers, suppliers of services to be performed within the boycotting country, or specific items which, in the normal course of business, are identifiable by source when imported into the boycotting country;

(D) compliance, or agreement to comply, with export requirements of the boycotting country relating to shipment or transshipment of exports to the boycotted country, to any business concern of or organized under the laws of the boycotted country, or to any national or resident of the boycotted country;

(E) compliance by an individual, or agreement by an individual to comply, with the immigration or passport requirements of any country with respect to such individual or any member of such individual's family or with requests for information regarding requirements of employment of such individual within the boycotting country; and

(F) compliance by a United States person resident in a foreign country, or agreement by such a person to comply, with the laws of the country with respect to the person's activities exclusively therein, and such regulations may contain exceptions for such resident complying with the laws or regulations of the foreign country governing imports into such country of trademarked, trade-named, or similarly specifically identifiable products, or components of products for such person's own use, including the performance of contractual services within that country.

(3) LIMITATION ON EXCEPTIONS.—Regulations issued pursuant to paragraphs (2)(C) and (2)(F) shall not provide exceptions from paragraphs (1)(B) and (1)(C).

(4) ANTITRUST AND CIVIL RIGHTS LAWS NOT AFFECTED.—Nothing in this subsection may be construed to supersede or limit the operation of the antitrust or civil rights laws of the United States.

(5) EVASION.—This section applies to any transaction or activity undertaken by or through a United States person or any other person with intent to evade the provisions of this section or the regulations issued pursuant to this subsection. The regulations issued pursuant to this section shall expressly provide that the exceptions set forth in paragraph (2) do not permit activities or agreements (expressed or implied by a course of conduct, including a pattern of responses) that are otherwise prohibited, pursuant to the intent of such exceptions.

(c) ADDITIONAL REGULATIONS AND REPORTS.—

(1) REGULATIONS.—In addition to the regulations issued pursuant to subsection (b), regulations issued pursuant to title III shall implement the purposes set forth in subsection (a).

(2) REPORTS BY UNITED STATES PERSONS.—The regulations shall require that any United States

person receiving a request to furnish information, enter into or implement an agreement, or take any other action referred to in subsection (a) shall report that request to the Secretary, together with any other information concerning the request that the Secretary determines appropriate. The person shall also submit to the Secretary a statement regarding whether the person intends to comply, and whether the person has complied, with the request. Any report filed pursuant to this paragraph shall be made available promptly for public inspection and copying, except that information regarding the quantity, description, and value of any item to which such report relates may be treated as confidential if the Secretary determines that disclosure of that information would place the United States person involved at a competitive disadvantage. The Secretary shall periodically transmit summaries of the information contained in the reports to the Secretary of State for such action as the Secretary of State, in consultation with the Secretary, considers appropriate to carry out the purposes set forth in subsection (a).

(d) PREEMPTION.—The provisions of this section and the regulations issued under this section shall preempt any law, rule, or regulation that—

(1) is a law, rule, or regulation of any of the several States or the District of Columbia, or any of the territories or possessions of the United States, or of any governmental subdivision thereof; and

(2) pertains to participation in, compliance with, implementation of, or the furnishing of information regarding restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries.

SEC. 503. PENALTIES.

(a) CRIMINAL PENALTIES.—

(1) VIOLATIONS BY AN INDIVIDUAL.—Any individual who willfully violates, conspires to violate, or attempts to violate any provision of this Act or any regulation, license, or order issued under this Act shall be fined up to 10 times the value of the exports involved or $1,000,000, whichever is greater, imprisoned for not more than 10 years, or both, for each violation.

(2) VIOLATIONS BY A PERSON OTHER THAN AN INDIVIDUAL.—Any person other than an individual who willfully violates, conspires to violate, or attempts to violate any provision of this Act or any regulation, license, or order issued under this Act shall be fined up to 10 times the value of the exports involved or $5,000,000, whichever is greater, for each violation.

(b) FORFEITURE OF PROPERTY INTEREST AND PROCEEDS.—

(1) FORFEITURE.—Any person who is convicted under paragraph (1) or (2) of subsection (a) shall, in addition to any other penalty, forfeit to the United States—

(A) any of that person's security or other interest in, claim against, or property or contractual rights of any kind in the tangible items that were the subject of the violation;

(B) any of that person's security or other interest in, claim against, or property or contractual rights of any kind in the tangible property that was used in the export or attempt to export that was the subject of the violation; and

(C) any of that person's property constituting, or derived from, any proceeds obtained directly or indirectly as a result of the violation.

(2) PROCEDURES.—The procedures in any forfeiture under this subsection, and the duties and authority of the courts of the United States and the Attorney General with respect to any forfeiture action under this subsection, or with respect to any property that may be subject to forfeiture under this subsection, shall be governed by the provisions of chapter 46 of title 18, United States Code (relating to criminal forfeiture), to the same extent as property subject to forfeiture under that chapter.

(c) CIVIL PENALTIES; ADMINISTRATIVE SANCTIONS.—

(1) CIVIL PENALTIES.—The Secretary may impose a civil penalty of up to $500,000 for each violation of a provision of this Act or any regulation, license, or order issued under this Act. A civil penalty under this paragraph may be in addition to, or in lieu of, any other liability or penalty which may be imposed for such a violation.

(2) DENIAL OF EXPORT PRIVILEGES.—The Secretary may deny the export privileges of any person, including the suspension or revocation of the authority of such person to export or receive United States-origin items subject to this Act, for a violation of a provision of this Act or any regulation, license, or order issued under this Act.

(3) EXCLUSION FROM PRACTICE.—The Secretary may exclude any person acting as an attorney, accountant, consultant, freight forwarder, or in any other representative capacity from participating before the Department with respect to a license application or any other matter under this Act.

(d) PAYMENT OF CIVIL PENALTIES.—

(1) PAYMENT AS CONDITION OF FURTHER EXPORT PRIVILEGES.—The payment of a civil penalty imposed under subsection (c) may be made a condition for the granting, restoration, or continuing validity of any export license, permission, or privilege granted or to be granted to the person upon whom such penalty is imposed. The period for which the payment of a penalty may be made such a condition may not exceed 1 year after the date on which the payment is due.

(2) DEFERRAL OR SUSPENSION.—

(A) IN GENERAL.—The payment of a civil penalty imposed under subsection (c) may be deferred or suspended in whole or in part for a period no longer than any probation period (which may exceed 1 year) that may be imposed upon the person on whom the penalty is imposed.

(B) NO BAR TO COLLECTION OF PENALTY.—A deferral or suspension under subparagraph (A) shall not operate as a bar to the collection of the penalty concerned in the event that the conditions of the suspension, deferral, or probation are not fulfilled.

(3) TREATMENT OF PAYMENTS.—Any amount paid in satisfaction of a civil penalty imposed under subsection (c) shall be covered into the Treasury as miscellaneous receipts.

(e) REFUNDS.—

(1) AUTHORITY.—

(A) IN GENERAL.—The Secretary may, in the Secretary's discretion, refund any civil penalty imposed under subsection (c) on the ground of a material error of fact or law in imposition of the penalty.

(B) LIMITATION.—A civil penalty may not be refunded under subparagraph (A) later than 2 years after payment of the penalty.

(2) PROHIBITION ON ACTIONS FOR REFUND.—Notwithstanding section 1346(a) of title 28, United States Code, no action for the refund of any civil penalty referred to in paragraph (1) may be maintained in any court.

(f) EFFECT OF OTHER CONVICTIONS.—

(1) DENIAL OF EXPORT PRIVILEGES.—Any person convicted of a violation of—

(A) a provision of this Act or the Export Administration Act of 1979,

(B) a provision of the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.),

(C) section 793, 794, or 798 of title 18, United States Code,

(D) section 4(b) of the Internal Security Act of 1950 (50 U.S.C. 783(b)),

(E) section 38 of the Arms Export Control Act (22 U.S.C. 2778),

(F) section 16 of the Trading with the Enemy Act (50 U.S.C. App. 16),

(G) any regulation, license, or order issued under any provision of law listed in subparagraph (A), (B), (C), (D), (E), or (F),

(H) section 371 or 1001 of title 18, United States Code, if in connection with the export of controlled items under this Act or any regulation, license, or order issued under the International Emergency Economic Powers Act, or the export of items controlled under the Arms Export Control Act,

(I) section 175 of title 18, United States Code,

(J) a provision of the Atomic Energy Act (42 U.S.C. 201 et seq.),

(K) section 831 of title 18, United States Code, or

(L) section 2332a of title 18, United States Code,

may, at the discretion of the Secretary, be denied export privileges under this Act for a period not to exceed 10 years from the date of the conviction. The Secretary may also revoke any export license under this Act in which such person had an interest at the time of the conviction.

(2) RELATED PERSONS.—The Secretary may exercise the authority under paragraph (1) with respect to any person related through affiliation, ownership, control, or position of responsibility to a person convicted of any violation of a law set forth in paragraph (1) upon a showing of such relationship with the convicted person. The Secretary shall make such showing only after providing notice and opportunity for a hearing.

(g) STATUTE OF LIMITATIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), a proceeding in which a civil penalty or other administrative sanction (other than a temporary denial order) is sought under subsection (c) may not be instituted more than 5 years after the later of the date of the alleged violation or the date of discovery of the alleged violation.

(2) EXCEPTION.—

(A) TOLLING.—In any case in which a criminal indictment alleging a violation under subsection (a) is returned within the time limits prescribed by law for the institution of such action, the limitation under paragraph (1) for bringing a proceeding to impose a civil penalty or other administrative sanction under this section shall, upon the return of the criminal indictment, be tolled against all persons named as a defendant.

(B) DURATION.—The tolling of the limitation with respect to a defendant under subparagraph (A) as a result of a criminal indictment shall continue for a period of 6 months from the date on which the conviction of the defendant becomes final, the indictment against the defendant is dismissed, or the criminal action has concluded.

(h) VIOLATIONS DEFINED BY REGULATION.—Nothing in this section shall limit the authority of the Secretary to define by regulation violations under this Act.

(i) CONSTRUCTION.—Nothing in subsection (c), (d), (e), (f), or (g) limits—

(1) the availability of other administrative or judicial remedies with respect to a violation of a provision of this Act, or any regulation, order, or license issued under this Act;

(2) the authority to compromise and settle administrative proceedings brought with respect to any such violation; or

(3) the authority to compromise, remit, or mitigate seizures and forfeitures pursuant to section 1(b) of title VI of the Act of June 15, 1917 (22 U.S.C. 401(b)).

SEC. 504. MISSILE PROLIFERATION CONTROL VIOLATIONS.

(a) VIOLATIONS BY UNITED STATES PERSONS.—

(1) SANCTIONS.—

(A) IN GENERAL.—If the President determines that a United States person knowingly—

(i) exports, transfers, or otherwise engages in the trade of any item on the MTCR Annex, in violation of the provisions of section 38 (22 U.S.C. 2778) or chapter 7 of the Arms Export Control Act, title II or III of this Act, or any regulations or orders issued under any such provisions,

(ii) conspires to or attempts to engage in such export, transfer, or trade, or

(iii) facilitates such export, transfer, or trade by any other person,

then the President shall impose the applicable sanctions described in subparagraph (B).

(B) SANCTIONS DESCRIBED.—The sanctions which apply to a United States person under subparagraph (A) are the following:

(i) If the item on the MTCR Annex involved in the export, transfer, or trade is missile equipment or technology within category II of the MTCR Annex, then the President shall deny to such United States person, for a period of 2 years, licenses for the transfer of missile equipment or technology controlled under this Act.

(ii) If the item on the MTCR Annex involved in the export, transfer, or trade is missile equipment or technology within category I of the MTCR Annex, then the President shall deny to such United States person, for a period of not less than 2 years, all licenses for items the export of which is controlled under this Act.

(2) DISCRETIONARY SANCTIONS.—In the case of any determination referred to in paragraph (1), the Secretary may pursue any other appropriate penalties under section 503.

(3) WAIVER.—The President may waive the imposition of sanctions under paragraph (1) on a person with respect to an item if the President certifies to Congress that—

(A) the item is essential to the national security of the United States; and

(B) such person is a sole source supplier of the item, the item is not available from any alternative reliable supplier, and the need for the item cannot be met in a timely manner by improved manufacturing processes or technological developments.

(b) TRANSFERS OF MISSILE EQUIPMENT OR TECHNOLOGY BY FOREIGN PERSONS.—

(1) SANCTIONS.—

(A) IN GENERAL.—Subject to paragraphs (3) through (7), if the President determines that a foreign person, after the date of enactment of this section, knowingly—

(i) exports, transfers, or otherwise engages in the trade of any MTCR equipment or technology that contributes to the design, development, or production of missiles in a country that is not an MTCR adherent and would be, if it were United States-origin equipment or technology, subject to the jurisdiction of the United States under this Act,

(ii) conspires to or attempts to engage in such export, transfer, or trade, or

(iii) facilitates such export, transfer, or trade by any other person,

or if the President has made a determination with respect to a foreign person under section 73(a) of the Arms Export Control Act, then the President shall impose on that foreign person the applicable sanctions under subparagraph (B).

(B) SANCTIONS DESCRIBED.—The sanctions which apply to a foreign person under subparagraph (A) are the following:

(i) If the item involved in the export, transfer, or trade is within category II of the MTCR Annex, then the President shall deny, for a period of 2 years, licenses for the transfer to such foreign person of missile equipment or technology the export of which is controlled under this Act.

(ii) If the item involved in the export, transfer, or trade is within category I of the MTCR Annex, then the President shall deny, for a period of not less than 2 years, licenses for the transfer to such foreign person of items the export of which is controlled under this Act.

(iii) If, in addition to actions taken under clauses (i) and (ii), the President determines that the export, transfer, or trade has substantially contributed to the design, development, or production of missiles in a country that is not an MTCR adherent, then the President shall prohibit, for a period of not less than 2 years, the importation into the United States of products produced by that foreign person.

(2) INAPPLICABILITY WITH RESPECT TO MTCR ADHERENTS.—Paragraph (1) does not apply with respect to—

(A) any export, transfer, or trading activity that is authorized by the laws of an MTCR adherent, if such authorization is not obtained by misrepresentation or fraud; or

(B) any export, transfer, or trade of an item to an end user in a country that is an MTCR adherent.

(3) EFFECT OF ENFORCEMENT ACTIONS BY MTCR ADHERENTS.—Sanctions set forth in paragraph (1) may not be imposed under this subsection on a person with respect to acts described in such paragraph or, if such sanctions are in effect against a person on account of such acts, such sanctions shall be terminated, if an MTCR adherent is taking judicial or other enforcement action against that person with respect to such acts, or that person has been found by the government of an MTCR adherent to be innocent of wrongdoing with respect to such acts.

(4) ADVISORY OPINIONS.—The Secretary, in consultation with the Secretary of State and the Secretary of Defense, may, upon the request of any person, issue an advisory opinion to that person as to whether a proposed activity by that person would subject that person to sanctions under this subsection. Any person who relies in good faith on such an advisory opinion which states that the proposed activity would not subject a person to such sanctions, and any person who thereafter engages in such activity, may not be made subject to such sanctions on account of such activity.

(5) WAIVER AND REPORT TO CONGRESS.—

(A) WAIVER.—In any case other than one in which an advisory opinion has been issued under paragraph (4) stating that a proposed activity would not subject a person to sanctions under this subsection, the President may waive the application of paragraph (1) to a foreign person if the President determines that such waiver is essential to the national security of the United States.

(B) REPORT TO CONGRESS.—In the event that the President decides to apply the waiver described in subparagraph (A), the President shall so notify Congress not less than 20 working days before issuing the waiver. Such notification shall include a report fully articulating the rationale and circumstances which led the President to apply the waiver.

(6) ADDITIONAL WAIVER.—The President may waive the imposition of sanctions under paragraph (1) on a person with respect to a product or service if the President certifies to the Congress that—

(A) the product or service is essential to the national security of the United States; and

(B) such person is a sole source supplier of the product or service, the product or service is not available from any alternative reliable supplier, and the need for the product or service cannot be met in a timely manner by improved manufacturing processes or technological developments.

(7) EXCEPTIONS.—The President shall not apply the sanction under this subsection prohibiting the importation of the products of a foreign person—

(A) in the case of procurement of defense articles or defense services—

(i) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy requirements essential to the national security of the United States;

(ii) if the President determines that the person to which the sanctions would be applied is a sole source supplier of the defense articles and services, that the defense articles or services are essential to the national security of the United States, and that alternative sources are not readily or reasonably available; or

(iii) if the President determines that such articles or services are essential to the national security of the United States under defense coproduction agreements or NATO Programs of Cooperation;

(B) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose the sanctions; or

(C) to—

(i) spare parts,

(ii) component parts, but not finished products, essential to United States products or production,

(iii) routine services and maintenance of products, to the extent that alternative sources are not readily or reasonably available, or

(iv) information and technology essential to United States products or production.

(c) DEFINITIONS.—In this section:

(1) MISSILE.—The term "missile" means a category I system as defined in the MTCR Annex, and any other unmanned delivery system of similar capability, as well as the specially designed production facilities for these systems.

(2) MISSILE TECHNOLOGY CONTROL REGIME; MTCR.—The term "Missile Technology Control Regime" or "MTCR" means the policy statement, between the United States, the United Kingdom, the Federal Republic of Germany, France, Italy, Canada, and Japan, announced on April 16, 1987, to restrict sensitive missile-relevant transfers based on the MTCR Annex, and any amendments thereto.

(3) MTCR ADHERENT.—The term "MTCR adherent" means a country that participates in the MTCR or that, pursuant to an international understanding to which the United States is a party, controls MTCR equipment or technology in accordance with the criteria and standards set forth in the MTCR.

(4) MTCR ANNEX.—The term "MTCR Annex" means the Guidelines and Equipment and Technology Annex of the MTCR, and any amendments thereto.

(5) MISSILE EQUIPMENT OR TECHNOLOGY; MTCR EQUIPMENT OR TECHNOLOGY.—The terms "missile equipment or technology" and "MTCR equipment or technology" mean those items listed in category I or category II of the MTCR Annex.

(6) FOREIGN PERSON.—The term "foreign person" means any person other than a United States person.

(7) PERSON.—

(A) IN GENERAL.—The term "person" means a natural person as well as a corporation, business association, partnership, society, trust, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise, and any successor of any such entity.

(B) IDENTIFICATION IN CERTAIN CASES.—In the case of countries where it may be impossible to identify a specific governmental entity referred to in subparagraph (A), the term "person" means—

(i) all activities of that government relating to the development or production of any missile equipment or technology; and

(ii) all activities of that government affecting the development or production of aircraft, electronics, and space systems or equipment.

(8) OTHERWISE ENGAGED IN THE TRADE OF.—The term "otherwise engaged in the trade of" means, with respect to a particular export or transfer, to be a freight forwarder or designated exporting agent, or a consignee or end user of the item to be exported or transferred.

SEC. 505. CHEMICAL AND BIOLOGICAL WEAPONS PROLIFERATION SANCTIONS.

(a) IMPOSITION OF SANCTIONS.—

(1) DETERMINATION BY THE PRESIDENT.—Except as provided in subsection (b)(2), the President shall impose both of the sanctions described in subsection (c) if the President determines that a foreign person, on or after the date of enactment of this section, has knowingly and materially contributed—

(A) through the export from the United States of any item that is subject to the jurisdiction of the United States under this Act, or

(B) through the export from any other country of any item that would be, if it were a United States item, subject to the jurisdiction of the United States under this Act,

to the efforts by any foreign country, project, or entity described in paragraph (2) to use, develop, produce, stockpile, or otherwise acquire chemical or biological weapons.

(2) COUNTRIES, PROJECTS, OR ENTITIES RECEIVING ASSISTANCE.—Paragraph (1) applies in the case of—

(A) any foreign country that the President determines has, at any time after the date of enactment of this Act—

(i) used chemical or biological weapons in violation of international law;

(ii) used lethal chemical or biological weapons against its own nationals; or

(iii) made substantial preparations to engage in the activities described in clause (i) or (ii);

(B) any foreign country whose government is determined for purposes of section 310 to be a government that has repeatedly provided support for acts of international terrorism; or

(C) any other foreign country, project, or entity designated by the President for purposes of this section.

(3) PERSONS AGAINST WHICH SANCTIONS ARE TO BE IMPOSED.—Sanctions shall be imposed pursuant to paragraph (1) on—

(A) the foreign person with respect to which the President makes the determination described in that paragraph;

(B) any successor entity to that foreign person;

(C) any foreign person that is a parent or subsidiary of that foreign person if that parent or subsidiary knowingly assisted in the activities which were the basis of that determination; and

(D) any foreign person that is an affiliate of that foreign person if that affiliate knowingly assisted in the activities which were the basis of that determination and if that affiliate is controlled in fact by that foreign person.

(b) CONSULTATIONS WITH AND ACTIONS BY FOREIGN GOVERNMENT OF JURISDICTION.—

(1) CONSULTATIONS.—If the President makes the determinations described in subsection (a)(1) with respect to a foreign person, Congress urges the President to initiate consultations immediately with the government with primary jurisdiction over that foreign person with respect to the imposition of sanctions pursuant to this section.

(2) ACTIONS BY GOVERNMENT OF JURISDICTION.—In order to pursue such consultations with that government, the President may delay imposition of sanctions pursuant to this section for a period of up to 90 days. Following the consultations, the President shall impose sanctions unless the President determines and certifies to Congress that government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in the activities described in subsection (a)(1). The President may delay imposition of sanctions for an additional period of up to 90 days if the President determines and certifies to Congress that government is in the process of taking the actions described in the preceding sentence.

(3) REPORT TO CONGRESS.—The President shall report to Congress, not later than 90 days after making a determination under subsection (a)(1), on the status of consultations with the appropriate government under this subsection, and the basis for any determination under paragraph (2) of this subsection that such government has taken specific corrective actions.

(c) SANCTIONS.—

(1) DESCRIPTION OF SANCTIONS.—The sanctions to be imposed pursuant to subsection (a)(1) are, except as provided in paragraph (2) of this subsection, the following:

(A) PROCUREMENT SANCTION.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from any person described in subsection (a)(3).

(B) IMPORT SANCTIONS.—The importation into the United States of products produced by any person described in subsection (a)(3) shall be prohibited.

(2) EXCEPTIONS.—The President shall not be required to apply or maintain sanctions under this section—

(A) in the case of procurement of defense articles or defense services—

(i) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

(ii) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

(iii) if the President determines that such articles or services are essential to the national security under defense coproduction agreements;

(B) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose sanctions;

(C) to—

(i) spare parts,

(ii) component parts, but not finished products, essential to United States products or production, or

(iii) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

(D) to information and technology essential to United States products or production; or

(E) to medical or other humanitarian items.

(d) TERMINATION OF SANCTIONS.—The sanctions imposed pursuant to this section shall apply for a period of at least 12 months following the imposition of sanctions and shall cease to apply thereafter only if the President determines and certifies to the Congress that reliable information indicates that the foreign person with respect to which the determination was made under subsection (a)(1) has ceased to aid or abet any foreign government, project, or entity in its efforts to acquire chemical or biological weapons capability as described in that subsection.

(e) WAIVER.—

(1) CRITERION FOR WAIVER.—The President may waive the application of any sanction imposed on any person pursuant to this section, after the end of the 12-month period beginning on the date on which that sanction was imposed on that person, if the President determines and certifies to Congress that such waiver is important to the national security interests of the United States.

(2) NOTIFICATION OF AND REPORT TO CONGRESS.—If the President decides to exercise the waiver authority provided in paragraph (1), the President shall so notify the Congress not less than 20 days before the waiver takes effect. Such notification shall include a report fully articulating the rationale and circumstances which led the President to exercise the waiver authority.

(f) DEFINITION OF FOREIGN PERSON.—For the purposes of this section, the term "foreign person" means—

(1) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

(2) a corporation, partnership, or other entity which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States.

SEC. 506. ENFORCEMENT.

(a) GENERAL AUTHORITY AND DESIGNATION.—

(1) POLICY GUIDANCE ON ENFORCEMENT.—The Secretary, in consultation with the Secretary of the Treasury and the heads of other departments and agencies that the Secretary considers appropriate, shall be responsible for providing policy guidance on the enforcement of this Act.

(2) GENERAL AUTHORITIES.—

(A) EXERCISE OF AUTHORITY.—To the extent necessary or appropriate to the enforcement of this Act, officers and employees of the Department designated by the Secretary, officers and employees of the United States Customs Service designated by the Commissioner of Customs, and officers and employees of any other department or agency designated by the head of a department or agency exercising functions under this Act, may exercise the enforcement authority under paragraph (3).

(B) CUSTOMS SERVICE.—In carrying out enforcement authority under paragraph (3), the Commissioner of Customs and employees of the United States Customs Service designated by the Commissioner may make investigations within or outside the United States and at ports of entry into or exit from the United States where officers of the United States Customs Service are authorized by law to carry out law enforcement responsibilities. Subject to paragraph (3), the United States Customs Service is authorized, in the enforcement of this Act, to search, detain (after search), and seize items at the ports of entry into or exit from the United States where officers of the United States Customs Service are authorized by law to conduct searches, detentions, and seizures, and at the places outside the United States where the United States Customs Service, pursuant to agreement or other arrangement with other countries, is authorized to perform enforcement activities.

(C) OTHER EMPLOYEES.—In carrying out enforcement authority under paragraph (3), the Secretary and officers and employees of the Department designated by the Secretary may make investigations within the United States, and may conduct, outside the United States, pre-license and post-shipment verifications of controlled items and investigations in the enforcement of section 502. The Secretary and officers and employees of the Department designated by the Secretary are authorized to search, detain (after search), and seize items at places within the United States other than ports referred to in subparagraph (B). The search, detention (after search), or seizure of items at the ports and places referred to in subparagraph (B) may be conducted by officers and employees of the Department only with the concurrence of the Commissioner of Customs or a person designated by the Commissioner.

(D) AGREEMENTS AND ARRANGEMENTS.—The Secretary and the Commissioner of Customs may enter into agreements and arrangements for the enforcement of this Act, including foreign investigations and information exchange.

(3) SPECIFIC AUTHORITIES.—

(A) ACTIONS BY ANY DESIGNATED PERSONNEL.—Any officer or employee designated under paragraph (2), in carrying out the enforcement authority under this Act, may do the following:

(i) Make investigations of, obtain information from, make inspection of any books, records, or reports (including any writings required to be kept by the Secretary), premises, or property of, and take the sworn testimony of, any person.

(ii) Administer oaths or affirmations, and by subpoena require any person to appear and testify or to appear and produce books, records, and other writings, or both. In the case of contumacy by, or refusal to obey a subpoena issued to, any such person, a district court of the United States, on request of the Attorney General and after notice to any such person and a hearing, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce books, records, and other writings, or both. Any failure to obey such order of the court may be punished by such court as a contempt thereof. The attendance of witnesses and the production of documents provided for in this clause may be required from any State, the District of Columbia, or in any territory of the United States at any designated place. Witnesses subpoenaed under this subsection shall be paid the same fees and mileage allowance as paid witnesses in the district courts of the United States.

(B) ACTIONS BY OFFICE OF EXPORT ENFORCEMENT AND CUSTOMS SERVICE PERSONNEL.—

(i) OFFICE OF EXPORT ENFORCEMENT AND CUSTOMS SERVICE PERSONNEL.—Any officer or employee of the Office of Export Enforcement of the Department of Commerce (in this Act referred to as "OEE") who is designated by the Secretary under paragraph (2), and any officer or employee of the United States Customs Service who is designated by the Commissioner of Customs under paragraph (2), may do the following in carrying out the enforcement authority under this Act:

(I) Execute any warrant or other process issued by a court or officer of competent jurisdiction with respect to the enforcement of this Act.

(II) Make arrests without warrant for any violation of this Act committed in his or her presence or view, or if the officer or employee has probable cause to believe that the person to be arrested has committed, is committing, or is about to commit such a violation.

(III) Carry firearms.

(ii) OEE PERSONNEL.—Any officer or employee of the OEE designated by the Secretary under paragraph (2) shall exercise the authority set forth in clause (i) pursuant to guidelines approved by the Attorney General.

(C) OTHER ACTIONS BY CUSTOMS SERVICE PERSONNEL.—Any officer or employee of the United States Customs Service designated by the Commissioner of Customs under paragraph (2) may do the following in carrying out the enforcement authority under this Act:

(i) Stop, search, and examine a vehicle, vessel, aircraft, or person on which or whom the officer or employee has reasonable cause to suspect there is any item that has been, is being, or is about to be exported from or transited through the United States in violation of this Act.

(ii) Detain and search any package or container in which the officer or employee has reasonable cause to suspect there is any item that has been, is being, or is about to be exported from or transited through the United States in violation of this Act.

(iii) Detain (after search) or seize any item, for purposes of securing for trial or forfeiture to the United States, on or about such vehicle, vessel, aircraft, or person or in such package or container, if the officer or employee has probable cause to believe the item has been, is being, or is about to be exported from or transited through the United States in violation of this Act.

(4) OTHER AUTHORITIES NOT AFFECTED.—The authorities conferred by this section are in addition to any authorities conferred under other laws.

(b) FORFEITURE.—

(1) IN GENERAL.—Any tangible items lawfully seized under subsection (a) by designated officers or employees shall be subject to forfeiture to the United States.

(2) APPLICABLE LAWS.—Those provisions of law relating to—

(A) the seizure, summary and judicial forfeiture, and condemnation of property for violations of the customs laws;

(B) the disposition of such property or the proceeds from the sale thereof;

(C) the remission or mitigation of such forfeitures; and

(D) the compromise of claims,

shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this subsection, insofar as applicable and not inconsistent with this Act.

(3) FORFEITURES UNDER CUSTOMS LAWS.—Duties that are imposed upon a customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws may be performed with respect to seizures and forfeitures of property under this subsection by the Secretary or any officer or employee of the Department that may be authorized or designated for that purpose by the Secretary (or by the Commissioner of Customs or any officer or employee of the United States Customs Service designated by the Commissioner), or, upon the request of the Secretary, by any other agency that has authority to manage and dispose of seized property.

(c) REFERRAL OF CASES.—All cases involving violations of this Act shall be referred to the Secretary for purposes of determining civil penalties and administrative sanctions under section 503 or to the Attorney General for criminal action in accordance with this Act or to both the Secretary and the Attorney General.

(d) UNDERCOVER INVESTIGATION OPERATIONS.—

(1) USE OF FUNDS.—With respect to any undercover investigative operation conducted by the OEE that is necessary for the detection and prosecution of violations of this Act—

(A) funds made available for export enforcement under this Act may be used to purchase property, buildings, and other facilities, and to lease equipment, conveyances, and space within the United States, without regard to sections 1341 and 3324 of title 31, United States Code, the third undesignated paragraph under the heading of "miscellaneous" of the Act of March 3, 1877, (40 U.S.C. 34), sections 3732(a) and 3741 of the Revised Statutes of the United States (41 U.S.C. 11(a) and 22), subsections (a) and (c) of section 304 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254 (a) and (c)), and section 305 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 255);

(B) funds made available for export enforcement under this Act may be used to establish or to acquire proprietary corporations or business entities as part of an undercover operation, and to operate such corporations or business entities on a commercial basis, without regard to sections 1341, 3324, and 9102 of title 31, United States Code;

(C) funds made available for export enforcement under this Act and the proceeds from undercover operations may be deposited in banks or other financial institutions without regard to the provisions of section 648 of title 18, United States Code, and section 3302 of title 31, United States Code; and

(D) the proceeds from undercover operations may be used to offset necessary and reasonable expenses incurred in such operations without regard to the provisions of section 3302 of title 31, United States Code,

if the Director of OEE (or an officer or employee designated by the Director) certifies, in writing, that the action authorized by subparagraph (A), (B), (C), or (D) for which the funds would be used is necessary for the conduct of the undercover operation.

(2) DISPOSITION OF BUSINESS ENTITIES.—If a corporation or business entity established or acquired as part of an undercover operation has a net value of more than $250,000 and is to be liquidated, sold, or otherwise disposed of, the Director of OEE shall report the circumstances to the Secretary and the Comptroller General of the United States as much in advance of such disposition as the Director of the OEE (or the Director's designee) determines is practicable. The proceeds of the liquidation, sale, or other disposition, after obligations incurred by the corporation or business enterprise are met, shall be deposited in the Treasury of the United States as miscellaneous receipts. Any property or equipment purchased pursuant to paragraph (1) may be retained for subsequent use in undercover operations under this section. When such property or equipment is no longer needed, it shall be considered surplus and disposed of as surplus government property.

(3) DEPOSIT OF PROCEEDS.—As soon as the proceeds from an OEE undercover investigative operation with respect to which an action is authorized and carried out under this subsection are no longer needed for the conduct of such operation, the proceeds or the balance of the proceeds remaining at the time shall be deposited into the Treasury of the United States as miscellaneous receipts.

(4) AUDIT AND REPORT.—

(A) AUDIT.—The Director of OEE shall conduct a detailed financial audit of each closed OEE undercover investigative operation and shall submit the results of the audit in writing to the Secretary. Not later than 180 days after an undercover operation is closed, the Secretary shall submit to Congress a report on the results of the audit.

(B) REPORT.—The Secretary shall submit annually to Congress a report, which may be included in the annual report under section 701, specifying the following information:

(i) The number of undercover investigative operations pending as of the end of the period for which such report is submitted.

(ii) The number of undercover investigative operations commenced in the 1-year period preceding the period for which such report is submitted.

(iii) The number of undercover investigative operations closed in the 1-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operation, the results obtained and any civil claims made with respect to the operation.

(5) DEFINITIONS.—For purposes of paragraph (4)—

(A) the term "closed", with respect to an undercover investigative operation, refers to the earliest point in time at which all criminal proceedings (other than appeals) pursuant to the investigative operation are concluded, or covert activities pursuant to such operation are concluded, whichever occurs later; and

(B) the terms "undercover investigative operation" and "undercover operation" mean any undercover investigative operation conducted by the OEE—

(i) in which the gross receipts (excluding interest earned) exceed $25,000, or expenditures (other than expenditures for salaries of employees) exceed $75,000, and

(ii) which is exempt from section 3302 or 9102 of title 31, United States Code, except that clauses (i) and (ii) shall not apply with respect to the report to Congress required by paragraph (4)(B).

(e) WIRETAPS.—

(1) AUTHORITY.—Interceptions of communications in accordance with section 2516 of title 18, United States Code, are authorized to further the enforcement of this Act.

(2) CONFORMING AMENDMENT.—Section 2516(1) of title 18, United States Code, is amended by adding at the end the following:

"(q)(i) any violation of, or conspiracy to violate, the Export Administration Act of 2001 or the Export Administration Act of 1979.".

(f) POST-SHIPMENT VERIFICATION.—The Secretary shall target post-shipment verifications to exports involving the greatest risk to national security.

(g) REFUSAL TO ALLOW POST-SHIPMENT VERIFICATION.—

(1) IN GENERAL.—If an end-user refuses to allow post-shipment verification of a controlled item, the Secretary shall deny a license for the export of any controlled item to such end-user until such post-shipment verification occurs.

(2) RELATED PERSONS.—The Secretary may exercise the authority under paragraph (1) with respect to any person related through affiliation, ownership, control, or position of responsibility, to any end-user refusing to allow post-shipment verification of a controlled item.

(3) REFUSAL BY COUNTRY.—If the country in which the end-user is located refuses to allow post-shipment verification of a controlled item, the Secretary may deny a license for the export of that item or any substantially identical or directly competitive item or class of items to all end-users in that country until such post-shipment verification is allowed.

(h) FREIGHT FORWARDERS BEST PRACTICES PROGRAM AUTHORIZATION.—There is authorized to be appropriated for the Department of Commerce $3,500,000 and such sums as may be necessary to hire 20 additional employees to assist United States freight forwarders and other interested parties in developing and implementing, on a voluntary basis, a "best practices" program to ensure that exports of controlled items are undertaken in compliance with this Act.

(i) END-USE VERIFICATION AUTHORIZATION.—

(1) IN GENERAL.—There is authorized to be appropriated for the Department of Commerce $4,500,000 and such sums as may be necessary to hire 10 additional overseas investigators to be posted in the People's Republic of China, the Russian Federation, the Hong Kong Special Administrative Region, the Republic of India, Singapore, Egypt, and Taiwan, or any other place the Secretary deems appropriate, for the purpose of verifying the end use of high-risk, dual-use technology.

(2) REPORT.—Not later than 2 years after the date of enactment of this Act and annually thereafter, the Department shall, in its annual report to Congress on export controls, include a report on the effectiveness of the end-use verification activities authorized under subsection (a). The report shall include the following information:

(A) The activities of the overseas investigators of the Department.

(B) The types of goods and technologies that were subject to end-use verification.

(C) The ability of the Department's investigators to detect the illegal transfer of high risk, dual-use goods and technologies.

(3) ENHANCEMENTS.—In addition to the authorization provided in paragraph (1), there is authorized to be appropriated for the Department of Commerce $5,000,000 to enhance its program for verifying the end use of items subject to controls under this Act.

(j) ENHANCED COOPERATION WITH UNITED STATES CUSTOMS SERVICE.—Consistent with the purposes of this Act, the Secretary is authorized to undertake, in cooperation with the United States Customs Service, such measures as may be necessary or required to enhance the ability of the United States to detect unlawful exports and to enforce violations of this Act.

(k) REFERENCE TO ENFORCEMENT.—For purposes of this section, a reference to the enforcement of this Act or to a violation of this Act includes a reference to the enforcement or a violation of any regulation, license, or order issued under this Act.

(l) AUTHORIZATION FOR EXPORT LICENSING AND ENFORCEMENT COMPUTER SYSTEM.—There is authorized to be appropriated for the Department $5,000,000 and such other sums as may be necessary for planning, design, and procurement of a computer system to replace the Department's primary export licensing and computer enforcement system.

(m) AUTHORIZATION FOR BUREAU OF EXPORT ADMINISTRATION.—The Secretary may authorize, without fiscal year limitation, the expenditure of funds transferred to, paid to, received by, or made available to the Bureau of Export Administration as a reimbursement in accordance with section 9703 of title 31, United States Code (as added by Public Law 102–393). The Secretary may also authorize, without fiscal year limitation, the expenditure of funds transferred to, paid to, received by, or made available to the Bureau of Export Administration as a reimbursement from the Department of Justice Assets Forfeiture Fund in accordance with section 524 of title 28, United States Code. Such funds shall be deposited in an account and shall remain available until expended.

(n) AMENDMENTS TO TITLE 31.—

(1) Section 9703(a) of title 31, United States Code (as added by Public Law 102–393) is amended by striking "or the United States Coast Guard" and inserting ", the United States Coast Guard, or the Bureau of Export Administration of the Department of Commerce".

(2) Section 9703(a)(2)(B)(i) of title 31, United States Code is amended (as added by Public Law 102–393)—

(A) by striking "or" at the end of subclause (I);

(B) by inserting "or" at the end of subclause (II); and

(C) by inserting at the end, the following new subclause:

"(III) a violation of the Export Administration Act of 1979, the Export Administration Act of 2001, or any regulation, license, or order issued under those Acts;".

(3) Section 9703(p)(1) of title 31, United States Code (as added by Public Law 102–393) is amended by adding at the end the following: "In addition, for purposes of this section, the Bureau of Export Administration of the Department of Commerce shall be considered to be a Department of the Treasury law enforcement organization.".

(o) AUTHORIZATION FOR LICENSE REVIEW OFFICERS.—

(1) IN GENERAL.—There is authorized to be appropriated to the Department of Commerce $2,000,000 to hire additional license review officers.

(2) TRAINING.—There is authorized to be appropriated to the Department of Commerce $2,000,000 to conduct professional training of license review officers, auditors, and investigators conducting post-shipment verification checks. These funds shall be used to—

(A) train and certify, through a formal program, new employees entering these positions for the first time; and

(B) the ongoing professional training of experienced employees on an as needed basis.

(p) AUTHORIZATION.—

(1) IN GENERAL.—There are authorized to be appropriated to the Department of Commerce to carry out the purposes of this Act—

(A) $72,000,000 for the fiscal year 2002, of which no less than $27,701,000 shall be used for compliance and enforcement activities;

(B) $73,000,000 for the fiscal year 2003, of which no less than $28,312,000 shall be used for compliance and enforcement activities;

(C) $74,000,000 for the fiscal year 2004, of which no less than $28,939,000 shall be used for compliance and enforcement activities;

(D) $76,000,000 for the fiscal year 2005, of which no less than $29,582,000 shall be used for compliance and enforcement activities; and

(E) such additional amounts, for each such fiscal year, as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs.

(2) LIMITATION.—The authority granted by this Act shall terminate on September 30, 2004, unless the President carries out the following duties:

(A) Provides to Congress a detailed report on—

(i) the implementation and operation of this Act; and

(ii) the operation of United States export controls in general.

(B)(i) Provides to Congress legislative reform proposals in connection with the report described in subparagraph (A); or

(ii) certifies to Congress that no legislative reforms are necessary in connection with such report.

SEC. 507. ADMINISTRATIVE PROCEDURE.

(a) EXEMPTIONS FROM ADMINISTRATIVE PROCEDURE.—Except as provided in this section, the functions exercised under this Act are excluded from the operation of sections 551, 553 through 559, and 701 through 706 of title 5, United States Code.

(b) PROCEDURES RELATING TO CIVIL PENALTIES AND SANCTIONS.—

(1) ADMINISTRATIVE PROCEDURES.—Any administrative sanction imposed under section 503 may be imposed only after notice and opportunity for an agency hearing on the record in accordance with sections 554 through 557 of title 5, United States Code. The imposition of any such administrative sanction shall be subject to judicial review in accordance with sections 701 through 706 of title 5, United States Code, except that the review shall be initiated in the United States Court of Appeals for the District of Columbia Circuit, which shall have jurisdiction of the review.

(2) AVAILABILITY OF CHARGING LETTER.—Any charging letter or other document initiating administrative proceedings for the imposition of sanctions for violations of the regulations issued under section 502 shall be made available for public inspection and copying.

(c) COLLECTION.—If any person fails to pay a civil penalty imposed under section 503, the Secretary may ask the Attorney General to commence a civil action in an appropriate district court of the United States to recover the amount imposed (plus interest at currently prevailing rates from the date of the final order). No such action may be commenced more than 5 years after the order imposing the civil penalty becomes final. In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.

(d) IMPOSITION OF TEMPORARY DENIAL ORDERS.—

(1) GROUNDS FOR IMPOSITION.—In any case in which there is reasonable cause to believe that a person is engaged in or is about to engage in

any act or practice which constitutes or would constitute a violation of this Act, or any regulation, order, or license issued under this Act, including any diversion of goods or technology from an authorized end use or end user, and in any case in which a criminal indictment has been returned against a person alleging a violation of this Act or any of the statutes listed in section 503, the Secretary may, without a hearing, issue an order temporarily denying that person's United States export privileges (hereafter in this subsection referred to as a "temporary denial order"). A temporary denial order shall be effective for such period (not in excess of 180 days) as the Secretary specifies in the order, but may be renewed by the Secretary, following notice and an opportunity for a hearing, for additional periods of not more than 180 days each.

(2) ADMINISTRATIVE APPEALS.—The person or persons subject to the issuance or renewal of a temporary denial order may appeal the issuance or renewal of the temporary denial order, supported by briefs and other material, to an administrative law judge who shall, within 15 working days after the appeal is filed, issue a decision affirming, modifying, or vacating the temporary denial order. The temporary denial order shall be affirmed if it is shown that—

(A) there is reasonable cause to believe that the person subject to the order is engaged in or is about to engage in any act or practice that constitutes or would constitute a violation of this Act, or any regulation, order, or license issued under this Act; or

(3) a criminal indictment has been returned against the person subject to the order alleging a violation of this Act or any of the statutes listed in section 503.

The decision of the administrative law judge shall be final unless, within 10 working days after the date of the administrative law judge's decision, an appeal is filed with the Secretary. On appeal, the Secretary shall either affirm, modify, reverse, or vacate the decision of the administrative law judge by written order within 10 working days after receiving the appeal. The written order of the Secretary shall be final and is not subject to judicial review, except as provided in paragraph (3). The materials submitted to the administrative law judge and the Secretary shall constitute the administrative record for purposes of review by the court.

(3) COURT APPEALS.—An order of the Secretary affirming, in whole or in part, the issuance or renewal of a temporary denial order may, within 15 days after the order is issued, be appealed by a person subject to the order to the United States Court of Appeals for the District of Columbia Circuit, which shall have jurisdiction of the appeal. The court may review only those issues necessary to determine whether the issuance of the temporary denial order was based on reasonable cause to believe that the person subject to the order was engaged in or was about to engage in any act or practice that constitutes or would constitute a violation of this title, or any regulation, order, or license issued under this Act, or whether a criminal indictment has been returned against the person subject to the order alleging a violation of this Act or of any of the statutes listed in section 503. The court shall vacate the Secretary's order if the court finds that the Secretary's order is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

(e) LIMITATIONS ON REVIEW OF CLASSIFIED INFORMATION.—Any classified information that is included in the administrative record that is subject to review pursuant to subsection (b)(1) or (d)(3) may be reviewed by the court only on an ex parte basis and in camera.

TITLE VI—EXPORT CONTROL AUTHORITY AND REGULATIONS

SEC. 601. EXPORT CONTROL AUTHORITY AND REGULATIONS.

(a) EXPORT CONTROL AUTHORITY.—

(1) IN GENERAL.—Unless otherwise reserved to the President or a department (other than the Department) or agency of the United States, all power, authority, and discretion conferred by this Act shall be exercised by the Secretary.

(2) DELEGATION OF FUNCTIONS OF THE SECRETARY.—The Secretary may delegate any function under this Act, unless otherwise provided, to the Under Secretary of Commerce for Export Administration or to any other officer of the Department.

(b) UNDER SECRETARY OF COMMERCE; ASSISTANT SECRETARIES.—

(1) UNDER SECRETARY OF COMMERCE.—There shall be within the Department an Under Secretary of Commerce for Export Administration (in this section referred to as the "Under Secretary") who shall be appointed by the President, by and with the advice and consent of the Senate. The Under Secretary shall carry out all functions of the Secretary under this Act and other provisions of law relating to national security, as the Secretary may delegate.

(2) ADDITIONAL ASSISTANT SECRETARIES.—In addition to the number of Assistant Secretaries otherwise authorized for the Department of Commerce, there shall be within the Department of Commerce the following Assistant Secretaries of Commerce:

(A) An Assistant Secretary for Export Administration who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall assist the Secretary and the Under Secretary in carrying out functions relating to export listing and licensing.

(B) An Assistant Secretary for Export Enforcement who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall assist the Secretary and the Under Secretary in carrying out functions relating to export enforcement.

(c) ISSUANCE OF REGULATIONS.—

(1) IN GENERAL.—The President and the Secretary may issue such regulations as are necessary to carry out this Act. Any such regulations the purpose of which is to carry out title II or title III may be issued only after the regulations are submitted for review to such departments or agencies as the President considers appropriate. The Secretary shall consult with the appropriate export control advisory committee appointed under section 105(a) in formulating regulations under this title. The second sentence of this subsection does not require the concurrence or approval of any official, department, or agency to which such regulations are submitted.

(2) AMENDMENTS TO REGULATIONS.—If the Secretary proposes to amend regulations issued under this Act, the Secretary shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives on the intent and rationale of such amendments. Such report shall evaluate the cost and burden to the United States exporters of the proposed amendments in relation to any enhancement of licensing objectives. The Secretary shall consult with the appropriate export control advisory committees appointed under section 105(a) in amending regulations issued under this Act.

SEC. 602. CONFIDENTIALITY OF INFORMATION.

(a) EXEMPTIONS FROM DISCLOSURE.—

(1) INFORMATION OBTAINED ON OR BEFORE JUNE 30, 1980.—Except as otherwise provided by the third sentence of section 502(c)(2) and by section 507(b)(2), information obtained under the Export Administration Act of 1979, or any predecessor statute, on or before June 30, 1980, which is deemed confidential, including Shipper's Export Declarations, or with respect to which a request for confidential treatment is made by the person furnishing such information, shall not be subject to disclosure under section 552 of title 5, United States Code, and such information shall not be published or disclosed, unless the Secretary determines that the withholding thereof is contrary to the national interest.

(2) INFORMATION OBTAINED AFTER JUNE 30, 1980.—Except as otherwise provided by the third sentence of section 502(c)(2) and by section 507(b)(2), information obtained under this Act, under the Export Administration Act of 1979 after June 30, 1980, or under the Export Administration regulations as maintained and amended under the authority of the International Emergency Economic Powers Act (50 U.S.C. 1706), may be withheld from disclosure only to the extent permitted by statute, except that information submitted, obtained, or considered in connection with an application for an export license or other export authorization (or recordkeeping or reporting requirement) under the Export Administration Act of 1979, under this Act, or under the Export Administration regulations as maintained and amended under the authority of the International Emergency Economic Powers Act (50 U.S.C. 1706), including—

(A) the export license or other export authorization itself,

(B) classification requests described in section 401(h),

(C) information or evidence obtained in the course of any investigation,

(D) information obtained or furnished under title V in connection with any international agreement, treaty, or other obligation, and

(E) information obtained in making the determinations set forth in section 211 of this Act,

and information obtained in any investigation of an alleged violation of section 502 of this Act except for information required to be disclosed by section 502(c)(2) or 507(b)(2) of this Act, shall be withheld from public disclosure and shall not be subject to disclosure under section 552 of title 5, United States Code, unless the release of such information is determined by the Secretary to be in the national interest.

(b) INFORMATION TO CONGRESS AND GAO.—

(1) IN GENERAL.—Nothing in this title shall be construed as authorizing the withholding of information from Congress or from the General Accounting Office.

(2) AVAILABILITY TO THE CONGRESS—

(A) IN GENERAL.—Any information obtained at any time under this title or under any predecessor Act regarding the control of exports, including any report or license application required under this title, shall be made available to any committee or subcommittee of Congress of appropriate jurisdiction upon the request of the chairman or ranking minority member of such committee or subcommittee.

(B) PROHIBITION ON FURTHER DISCLOSURE.—No committee, subcommittee, or Member of Congress shall disclose any information obtained under this Act or any predecessor Act regarding the control of exports which is submitted on a confidential basis to the Congress under subparagraph (A) unless the full committee to which the information is made available determines that the withholding of the information is contrary to the national interest.

(3) AVAILABILITY TO THE GAO.—

(A) IN GENERAL.—Notwithstanding subsection (a), information described in paragraph (2) shall, consistent with the protection of intelligence, counterintelligence, and law enforcement sources, methods, and activities, as determined by the agency that originally obtained the information, and consistent with the provisions of section 716 of title 31, United States

Code, be made available only by the agency, upon request, to the Comptroller General of the United States or to any officer or employee of the General Accounting Office authorized by the Comptroller General to have access to such information.

(B) PROHIBITION ON FURTHER DISCLOSURES.—No officer or employee of the General Accounting Office shall disclose, except to Congress in accordance with this paragraph, any such information which is submitted on a confidential basis and from which any individual can be identified.

(c) INFORMATION EXCHANGE.—Notwithstanding subsection (a), the Secretary and the Commissioner of Customs shall exchange licensing and enforcement information with each other as necessary to facilitate enforcement efforts and effective license decisions.

(d) PENALTIES FOR DISCLOSURE OF CONFIDENTIAL INFORMATION.—

(1) DISCLOSURE PROHIBITED.—No officer or employee of the United States, or any department or agency thereof, may publish, divulge, disclose, or make known in any manner or to any extent not authorized by law any information that—

(A) the officer or employee obtains in the course of his or her employment or official duties or by reason of any examination or investigation made by, or report or record made to or filed with, such department or agency, or officer or employee thereof; and

(B) is exempt from disclosure under this section.

(2) CRIMINAL PENALTIES.—Any such officer or employee who knowingly violates paragraph (1) shall be fined not more than $50,000, imprisoned not more than 1 year, or both, for each violation of paragraph (1). Any such officer or employee may also be removed from office or employment.

(3) CIVIL PENALTIES; ADMINISTRATIVE SANCTIONS.—The Secretary may impose a civil penalty of not more than $5,000 for each violation of paragraph (1). Any officer or employee who commits such violation may also be removed from office or employment for the violation of paragraph (1). Sections 503 (e), (g), (h), and (i) and 507 (a), (b), and (c) shall apply to violations described in this paragraph.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. ANNUAL REPORT.

(a) ANNUAL REPORT.—Not later than February 1 of each year, the Secretary shall submit to Congress a report on the administration of this Act during the fiscal year ending September 30 of the preceding calendar year. All Federal agencies shall cooperate fully with the Secretary in providing information for each such report.

(b) REPORT ELEMENTS.—Each such report shall include in detail—

(1) a description of the implementation of the export control policies established by this Act, including any delegations of authority by the President and any other changes in the exercise of delegated authority;

(2) a description of the changes to and the year-end status of country tiering and the Control List;

(3) a description of the petitions filed and the determinations made with respect to foreign availability and mass-market status, the set-asides of foreign availability and mass-market status determinations, and negotiations to eliminate foreign availability;

(4) a description of any enhanced control imposed on an item pursuant to section 201(d);

(5) a description of the regulations issued under this Act;

(6) a description of organizational and procedural changes undertaken in furtherance of this Act;

(7) a description of the enforcement activities, violations, and sanctions imposed under this Act;

(8) a statistical summary of all applications and notifications, including—

(A) the number of applications and notifications pending review at the beginning of the fiscal year;

(B) the number of notifications returned and subject to full license procedure;

(C) the number of notifications with no action required;

(D) the number of applications that were approved, denied, or withdrawn, and the number of applications where final action was taken; and

(E) the number of applications and notifications pending review at the end of the fiscal year;

(9) summary of export license data by export identification code and dollar value by country;

(10) an identification of processing time by—

(A) overall average, and

(B) top 25 export identification codes;

(11) an assessment of the effectiveness of multilateral regimes, and a description of negotiations regarding export controls;

(12) a description of the significant differences between the export control requirements of the United States and those of other multilateral control regime members, and the specific differences between United States requirements and those of other significant supplier countries;

(13) an assessment of the costs of export controls;

(14) a description of the progress made toward achieving the goals established for the Department dealing with export controls under the Government Performance Results Act; and

(15) any other reports required by this Act to be submitted to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives.

(c) FEDERAL REGISTER PUBLICATION REQUIREMENTS.—Whenever information under this Act is required to be published in the Federal Register, such information shall, in addition, be posted on the Department of Commerce or other appropriate government website.

SEC. 702. TECHNICAL AND CONFORMING AMENDMENTS.

(a) REPEAL.—The Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.) is repealed.

(b) ENERGY POLICY AND CONSERVATION ACT.—

(1) Section 103 of the Energy Policy and Conservation Act (42 U.S.C. 6212) is repealed.

(2) Section 251(d) of the Energy Policy and Conservation Act (42 U.S.C. 6271(d)) is repealed.

(c) ALASKA NATURAL GAS TRANSPORTATION ACT.—Section 12 of the Alaska Natural Gas Transportation Act of 1976 (15 U.S.C. 719j) is repealed.

(d) MINERAL LEASING ACT.—Section 28(u) of the Mineral Leasing Act (30 U.S.C. 185(u)) is repealed.

(e) EXPORTS OF ALASKAN NORTH SLOPE OIL.—Section 28(s) of the Mineral Leasing Act (30 U.S.C. 185(s)) is repealed.

(f) DISPOSITION OF CERTAIN NAVAL PETROLEUM RESERVE PRODUCTS.—Section 7430(e) of title 10, United States Code, is repealed.

(g) OUTER CONTINENTAL SHELF LANDS ACT.—Section 28 of the Outer Continental Shelf Lands Act (43 U.S.C. 1354) is repealed.

(h) ARMS EXPORT CONTROL ACT.—

(1) Section 38 of the Arms Export Control Act (22 U.S.C. 2778) is amended—

(A) in subsection (e)—

(i) in the first sentence, by striking "subsections (c)" and all that follows through "12 of such Act," and inserting "subsections (b), (c), (d) and (e) of section 503 of the Export Administration Act of 2001, by subsections (a) and (b) of section 506 of such Act, and by section 602 of such Act,"; and

(ii) in the third sentence, by striking "11(c) of the Export Administration Act of 1979" and inserting "503(c) of the Export Administration Act of 2001"; and

(B) in subsection (g)(1)(A)(ii), by inserting "or section 503 of the Export Administration Act of 2001" after "1979".

(2) Section 39A(c) of the Arms Export Control Act (22 U.S.C. 2779a(c)) is amended—

(A) by striking "subsections (c)," and all that follows through "12(a) of such Act" and inserting "subsections (c), (d), and (e) of section 503, section 507(c), and subsections (a) and (b) of section 506, of the Export Administration Act of 2001"; and

(B) by striking "11(c)" and inserting "503(c)".

(3) Section 40(k) of the Arms Export Control Act (22 U.S.C. 2780(k)) is amended—

(A) by striking "11(c), 11(e), 11(g), and 12(a) of the Export Administration Act of 1979" and inserting "503(b), 503(c), 503(e), 506(a), and 506(b) of the Export Administration Act of 2001"; and

(B) by striking "11(c)" and inserting "503(c)".

(i) OTHER PROVISIONS OF LAW.—

(1) Section 5(b)(4) of the Trading with the Enemy Act (50 U.S.C. App. 5(b)(4)) is amended by striking "section 5 of the Export Administration Act of 1979, or under section 6 of that Act to the extent that such controls promote the nonproliferation or antiterrorism policies of the United States" and inserting "titles II and III of the Export Administration Act of 2001".

(2) Section 502B(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(a)(2)) is amended in the second sentence—

(A) by striking "Export Administration Act of 1979" the first place it appears and inserting "Export Administration Act of 2001"; and

(B) by striking "Act of 1979)" and inserting "Act of 2001)".

(3) Section 140(a) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f(a)) is amended—

(A) in paragraph (1)(B), by inserting "or section 310 of the Export Administration Act of 2001" after "Act of 1979"; and

(B) in paragraph (2), by inserting "or 310 of the Export Administration Act of 2001" after "6(j) of the Export Administration Act of 1979".

(4) Section 40(e)(1) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2712(e)(1)) is amended by striking "section 6(j)(1) of the Export Administration Act of 1979" and inserting "section 310 of the Export Administration Act of 2001".

(5) Section 205(d)(4)(B) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 305(d)(4)(B)) is amended by striking "section 6(j) of the Export Administration Act of 1979" and inserting "section 310 of the Export Administration Act of 2001".

(6) Section 110 of the International Security and Development Cooperation Act of 1980 (22 U.S.C. 2778a) is amended by striking "Act of 1979" and inserting "Act of 2001".

(7) Section 203(b)(3) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)(3)) is amended by striking "section 5 of the Export Administration Act of 1979, or under section 6 of such Act to the extent that such controls promote the nonproliferation or antiterrorism policies of the United States" and inserting "the Export Administration Act of 2001".

(8) Section 1605(a)(7)(A) of title 28, United States Code, is amended by striking "section 6(j) of the Export Administration Act of 1979' (50 U.S.C. App. 2405(j))" and inserting "section 310 of the Export Administration Act of 2001".

(9) Section 2332d(a) of title 18, United States Code, is amended by striking "section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405)" and inserting "section 310 of the Export Administration Act of 2001".

(10) Section 620H(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2378(a)(1)) is amended by striking "section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j))" and inserting "section 310 of the Export Administration Act of 2001".

(11) Section 1621(a) of the International Financial Institutions Act (22 U.S.C. 262p–4q(a)) is amended by striking "section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j))" and inserting "section 310 of the Export Administration Act of 2001".

(12) Section 1956(c)(7)(D) of title 18, United States Code, is amended by striking "section 11 (relating to violations) of the Export Administration of 1979" and inserting "section 503 (relating to penalties) of the Export Administration Act of 2001".

(13) Subsection (f) of section 491 and section 499 of the Forest Resources Conservation and Shortage Relief Act of 1990 (16 U.S.C. 620c(f) and 620j) are repealed.

(14) Section 904(2)(B) of the Trade Sanctions Reform and Export Enhancement Act of 2000 is amended by striking "Export Administration Act of 1979" and inserting "Export Administration Act of 2001".

(15) Section 983(i)(2) of title 18, United States Code (as added by Public Law 106–185), is amended—

(A) by striking the "or" at the end of subparagraph (D);

(B) by striking the period at the end of subparagraph (E) and inserting "; or"; and

(C) by inserting the following new subparagraph:

"(F) the Export Administration Act of 2001.".

(j) CIVIL AIRCRAFT EQUIPMENT.—Notwithstanding any other provision of law, any product that—

(1) is standard equipment, certified by the Federal Aviation Administration, in civil aircraft, and

(2) is an integral part of such aircraft, shall be subject to export control only under this Act. Such product shall not be subject to controls under section 38(b)(2) of the Arms Export Control Act (22 U.S.C. 2778(b)).

(k) REPEAL OF CERTAIN EXPORT CONTROLS.—Subtitle B of title XII of division A of the National Defense Authorization Act for Fiscal Year 1998 (50 U.S.C. App. 2404 note) is repealed.

SEC. 703. SAVINGS PROVISIONS.

(a) IN GENERAL.—All delegations, rules, regulations, orders, determinations, licenses, or other forms of administrative action which have been made, issued, conducted, or allowed to become effective under—

(1) the Export Control Act of 1949, the Export Administration Act of 1969, the Export Administration Act of 1979, or the International Emergency Economic Powers Act when invoked to maintain and continue the Export Administration regulations, or

(2) those provisions of the Arms Export Control Act which are amended by section 702,

and are in effect on the date of enactment of this Act, shall continue in effect according to their terms until modified, superseded, set aside, or revoked under this Act or the Arms Export Control Act.

(b) ADMINISTRATIVE AND JUDICIAL PROCEEDINGS.—

(1) EXPORT ADMINISTRATION ACT.—This Act shall not affect any administrative or judicial proceedings commenced or any application for a license made, under the Export Administration Act of 1979 or pursuant to Executive Order 12924, which is pending at the time this Act takes effect. Any such proceedings, and any action on such application, shall continue under the Export Administration Act of 1979 as if that Act had not been repealed.

(2) OTHER PROVISIONS OF LAW.—This Act shall not affect any administrative or judicial proceeding commenced or any application for a license made, under those provisions of the Arms Export Control Act which are amended by section 702, if such proceeding or application is pending at the time this Act takes effect. Any such proceeding, and any action on such application, shall continue under those provisions as if those provisions had not been amended by section 702.

(c) TREATMENT OF CERTAIN DETERMINATIONS.—Any determination with respect to the government of a foreign country under section 6(j) of the Export Administration Act of 1979, or Executive Order 12924, that is in effect on the day before the date of enactment of this Act, shall, for purposes of this title or any other provision of law, be deemed to be made under section 310 of this Act until superseded by a determination under such section 310.

(d) LAWFUL INTELLIGENCE ACTIVITIES.—The prohibitions otherwise applicable under this Act do not apply with respect to any transaction subject to the reporting requirements of title V of the National Security Act of 1947. Notwithstanding any other provision of this Act, nothing shall affect the responsibilities and authorities of the Director of Central Intelligence under section 103 of the National Security Act of 1947.

(e) IMPLEMENTATION.—The Secretary shall make any revisions to the Export Administration regulations required by this Act no later than 180 days after the date of enactment of this Act.

Mr. SARBANES. Mr. President, I rise in very strong support of S. 149, the Export Administration Act of 2001.

Earlier this year, I was pleased to join with my colleagues, Senator ENZI, Senator JOHNSON, and Senator GRAMM, in introducing this legislation.

This legislation was reported out of the Senate Banking, Housing, and Urban Affairs Committee by a vote of 19–1. It was a bipartisan vote, obviously, of 19–1. The legislation has been very strongly endorsed by the administration. That was in early April of this year. The Export Administration Act provides for the President to control exports for reasons of national security and foreign policy.

Let me begin by saying I believe there is a very strong national interest in reauthorizing the Export Administration Act. I think that is a view held by a clear majority of the Congress.

It is important to understand a bit about the historical situation as we consider this legislation. Regrettably, the Export Administration Act has not been reauthorized since 1990, except for three temporary extensions in 1993, in 1994, and again last year. At the end of the last Congress, we passed a temporary extension of the Export Administration Act that expired on August 20 of this year, just a few weeks ago.

Prior to this most recent temporary extension and since the EAA expired on August 20, the authority of the President to impose export controls has been exercised pursuant to the International Economic Emergency Powers Act, the so-called IEEPA. This is generally how we have been functioning throughout this decade with respect to export controls.

I believe strongly that Congress should put in place a permanent statutory framework for the imposition of export controls. They should not be imposed pursuant to an emergency economic authority of the President. It can be done that way. It has been done that way. That is the currently existing situation. But I don't think that is the most desirable way to proceed. It doesn't give you the most substantial statutory framework, obviously. It doesn't introduce an element of stability and permanency into the arrangements. In fact, I believe strongly that this legislation provides greater protection for national security and foreign policy concerns than is provided under IEEPA or provided under the previous Export Administration Act.

Just one example: The penalties that can be imposed under IEEPA for violation of export controls are significantly less than the penalties that are provided for in the legislation that is before us. Let me repeat that.

Under the current arrangement in which the export control regime has been put in place by the President's invoking of his economic emergency powers, the penalties for violation are substantially less than the penalties which we provide in this legislation. This legislation is a carefully balanced effort to provide the President authority to control exports for reasons of national security and foreign policy while also responding to the need of U.S. exporters to compete in the global marketplace.

I point out that effective competition by U.S. exporters in the global marketplace, which will strengthen their economic position—that is, the economic position of U.S. exporters—and thereby strengthen the economic position of the United States in the global marketplace, also has important national security and foreign policy implications for the United States. In the end, our national security and foreign policy strength rests in part on our economic strength. I think we need to keep that in mind as we consider this legislation.

In preparation for acting on this legislation, the Banking Committee this year held two hearings with representatives of industry groups and former Defense Department officials.

I might note that the committee held extensive hearings in the prior Congress with respect to this issue. So there has been a continual period now, over a number of years, of very careful examination of export controls and how to address this matter. Extensive consultation took place with representatives of the new administration, including the Commerce Department, the Defense Department, the State Department, the intelligence agencies, and the National Security Council.

Prior to the markup of the legislation in the Banking Committee earlier this year, Dr. Rice, the Assistant to the

President for National Security Affairs, sent a letter to the committee dated March 21 of this year, which I quote:

> The Administration has carefully reviewed the current version of S. 149, the Export Administration Act of 2001, which provides authority for controlling exports of dual-use goods and technologies. As a result of its review, the Administration has proposed a number of changes to S. 149. The Secretary of State, Secretary of Defense, Secretary of Commerce, and I agree that these changes will strengthen the President's national security and foreign policy authorities to control dual-use exports in a balanced manner, which will permit U.S. companies to compete more effectively in the global market place. With these changes, S. 149 represents a positive step towards the reform of the U.S. export control system supported by the President. If the Committee incorporates these changes into S. 149, the Administration will support the bill.

Mr. President, a major effort was made to work through the list of proposals by the administration. That resulted in those proposals being incorporated into the bill during the Banking Committee's markup. As a consequence, in effect we met the standard that the administration set for us. They were incorporated in the markup.

The administration is supportive of this bill. It has expressed that support on more than one occasion. They have been in constant communication with us about this matter. We are obviously proceeding not only in accordance with our own judgment, but it also represents the judgment of the administration as well. In fact, in late March President Bush, in speaking to high-tech leaders in the White House, urged quick passage of the bill by the Senate. He reiterated that support in May in a speech he gave in Washington.

In April, the Office of Management and Budget submitted to the Congress a statement of administration policy on S. 149, which said in part:

> The Administration supports S. 149, as reported by the Senate Banking Committee. The bill provides authority for controlling exports of dual-use goods and technologies. The Administration believes that S. 149 would allow the United States to successfully meet its national security and foreign policy objectives without impairing the ability of U.S. companies to compete effectively in the global marketplace. As reported, S. 149 includes a number of changes that the administration sought to strengthen the President's national security and foreign policy authorities to control dual-use exports.

Let me underscore: changes they sought to strengthen the President's national security and foreign policy authorities to control dual-use exports.

> The Administration will continue to work with Congress to ensure that our national security needs are incorporated into a rational export control system.

Mr. President, I ask unanimous consent that the Statement of Administration Policy submitted by the Office of Management and Budget with respect to S. 149 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, April 26, 2001.

STATEMENT OF ADMINISTRATION POLICY

S. 149—EXPORT ADMINISTRATION ACT OF 2001

The Administration supports S. 149, as reported by the Senate Banking Committee. The bill provides authority for controlling exports of dual-use goods and technologies. The Administration believes that S. 149 would allow the United States to successfully meet its national security and foreign policy objectives without impairing the ability of U.S. companies to compete effectively in the global marketplace. As reported, S. 149 includes a number of changes that the Administration sought to strengthen the President's national security and foreign policy authorities to control duel-use exports. The Administration will continue to work with Congress to ensure that our national security needs are incorporated into a rational export control system.

Pay-As-You-Go Scoring

S. 149 would affect receipts and direct spending; therefore, it is subject to the pay-as-you-go (PAYGO) requirement of the Omnibus Budget Reconciliation Act (OBRA) of 1990. OMB's preliminary scoring estimates is that the PAYGO effect of this bill is minimal. Final scoring of this legislation may deviate from this estimate.

Mr. SARBANES. Mr. President, I commend Senator GRAMM, who was actually chairman of the committee at the time that we brought the legislation forward. And I commend Senator ENZI and Senator JOHNSON. Senator ENZI and Senator JOHNSON, respectively, were the chairman and ranking member of the Subcommittee on International Trade and Finance of the Banking Committee in the last Congress. They carried forward their strong interest in this legislation in this Congress and have played an instrumental role in helping to shape the legislation. I thank them for their very dedicated efforts, and the efforts of their staff which contributed so much to developing a bipartisan consensus on this legislation.

Also, I acknowledge the significant contributions made by Senator BAYH and by Senator HAGEL, who are the chairman and ranking member of the International Trade and Finance Subcommittee in this Congress, for their contributions in moving the legislation forward this year.

The legislation generally tracks the authorities provided the President under the Export Administration Act which expired in 1990. However, a significant effort was made, with the assistance of the legislative counsel's office, to provide these authorities in a more clear and straightforward manner. We believe this will make the statute both easier for the executive branch agencies to administer and for exporters to comply with.

The bill also makes a number of significant improvements to the EAA. I would like to mention a few. The legislation provides, for the first time, a statutory basis for the resolution of interagency disputes over export license applications. The intent is to provide an orderly process for the timely resolution of disputes while allowing all interested agencies a full opportunity to express their views. This was an issue of significant concern to the administration, to the national security community, and to industry. And I believe we have reached a reasonable resolution of this issue in the bill.

One of the things that industry was seeking was a process whereby they would get an ultimate decision. This bill sets out a process of interagency consultation that provides for moving it up to the next level, if there is not agreement, so that it keeps moving forth. In the end, it can reach the President for decision. But at least it works within a framework in which the industry knows that at the end they will get a decision; it will not simply disappear into the great void with no decision of any sort forthcoming.

We think this is a very reasonable way to structure the situation. I simply note that it is still reserved to the President, in the end, the ultimate authority to rule on the matter with respect to export controls.

As I mentioned earlier, the bill significantly increases both criminal and civil penalties for violations of the Export Administration Act, reflecting the seriousness of such violations.

The bill provides new authority to the President to determine that a good has mass market status in the United States. And because it has mass market status—in other words, there is a set of criteria, but essentially generally available in the marketplace—it should be controlled. But the President retains authority to set aside a mass market determination if he determines that it would constitute a serious threat to national security and that continued export controls would be likely to advance the national security interests of the United States.

We have tried to recognize changes that are taking place in the marketplace, to factor them into the thinking, but even so in the last analysis reserving to the President the authority to set aside a mass market determination. I think this is, again, another example of the concern of those of us who have helped to shape this legislation to make sure that we are able to protect national security and foreign policy interests. We are trying to, in effect, accommodate the market changes and the needs of our exporters in terms of participating effectively and competitively in the global marketplace but, at the same time, making sure the President retains the power and the authority that might be necessary, under certain circumstances, to protect our national security interests and our foreign policy interests.

At the urging of Senator ENZI, who has been a very thoughtful and dedicated exponent of this legislation—and in my perception has bent over backwards to try to accommodate concerns in shaping this legislation—the bill contains a provision that would require the President to establish a system of tiers to which countries would be assigned based on their perceived threat to U.S. national security. The legislation requires that there be at least three such tiers. The intent is to provide exporters a clear guide as to the licensing requirements of the export of a particular item to a particular country.

The bill would also require that any foreign company that declined a U.S. request for a postshipment verification of an export would be denied licenses for future exports. The President would have authority to deny licenses to affiliates of the company and to the country in which the company is located as well.

Overall, I believe this bill is a very balanced piece of work. As I mentioned at the outset, it commanded overwhelming bipartisan support in the committee. It has the strong support of the administration. It is my belief it will receive broad bipartisan support in the full Senate.

In criticizing this bill when it was brought up in this Chamber in April—it was up for 1 day; we had 1 day of debate on the legislation—some of my colleagues registered objections. They thought that the bill tipped the balance towards meeting commercial needs versus national security needs, that it placed an emphasis on export decontrol without an adequate assessment of the national security implications of that decontrol. Others said that the bill's restriction on Presidential authorities to regulate national security-related exports, the liberalization of exports of all goods, poses a problem and needs to be resolved. And we had other comments in that vein.

I want to take a moment to respond to these assertions because I respectfully disagree with them. First of all, it is very important to note that the alternative to reauthorizing the Export Administration Act is the International Emergency Economic Powers Act.

As we indicated earlier, that is really not a satisfactory framework under which to operate.

This was made clear in letters that Dr. Rice, Assistant to the President for National Security Affairs, sent to Senator GRAMM and myself on August 2. In the course of that letter she stated:

> I am pleased that the Senate plans to take up S. 149. Because the current Export Administration Act (EAA) will expire on August 20, 2001, the President is prepared to use the authorities provided to him under the International Emergency Economic Powers Act (IEEPA) to extend the existing dual-use export control programs. As you know, IEEPA authority has previously been used to administer our export control programs. Since a new EAA will provide us the strongest authority to administer dual-use export controls, particularly as related to enforcement, penalties for export control violations, and the protection of business proprietary information, we support swift enactment of S. 149.

Mr. President, I ask unanimous consent to print the full text of the letter in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, August 2, 2001.

Hon. PAUL SARBANES,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your efforts to advance the Senate's consideration of S. 149, the Export Administration Act of 2001. This bill has the Administration's strong support.

I am pleased that the Senate plans to take up S. 149 on September 4, 2001. Because the current Export Administration Act (EAA) will expire on August 20, 2001, the President is prepared to use the authorities provided to him under the International Emergency Economic Powers Act (IEEPA) to extend the existing dual-use export control program. As you know, IEEPA authority has previously been used to administer our export control programs. Since a new EAA will provide us the strongest authority to administer dual-use export controls, particularly as related to enforcement, penalties for export control violations, and the protection of business proprietary information, we support swift enactment of S. 149.

I look forward to continuing to work with you on these important national security issues.

Sincerely,

CONDOLEEZZA RICE,
Assistant to the President for National Security Affairs.

Mr. SARBANES. Aside from the issue that the Export Administration Act is better than IEEPA, which I think is clear, let me address the assertions that S. 149 would weaken the national security protections in the previous Export Administration Act.

I believe quite strongly that just the opposite is the case, as witnessed by the support the administration and the national security community have extended to this legislation. We have already talked about the increased civil and criminal penalties for violations of the EAA. The penalties are stronger in this legislation, not only with respect to the existing ones in IEEPA but also with respect to the penalties in the previously existing Export Administration Act.

Let me mention some other provisions that significantly expand the President's authority to impose export controls on dual-use goods and technology in regard to the EAA.

Section 201(c) of this legislation states:

> Notwithstanding any other provision of this title, controls may be imposed, based on the end use or end user, on the export of any item, that could contribute to the proliferation of weapons of mass destruction or the means to deliver them.

This authority did not exist in the EAA. It is the so-called enhanced proliferation control initiative which until now has been implemented through an executive order. This provision would give the President broad statutory authority to impose controls on any export that could contribute to proliferation or delivery of weapons of mass destruction, if there was a concern about the end use or the end user of the export.

Section 201(d) of this legislation, the so-called enhanced controls provision, provides:

> Notwithstanding any other provision of this title, the President may determine that applying the provisions of section 204 or 211 with respect to an item on the National Security Control List would constitute a significant threat to the national security of the United States and that such item requires enhanced control.

It goes on to say:

> If the President determines that enhanced control should apply to such item, the item may be excluded from the provisions of section 204, section 211, or both, until such time as the President shall determine that such enhanced control should no longer apply to such item.

Section 204 is a section on containing parts and components that says you can't put on controls if the parts and components are less than 25 percent of the total value of the export. But the President will be given the power, in effect, to ignore that restriction and impose the controls. Under the previous EAA, the President did not have the authority to set aside the parts and components or the foreign availability provisions, which is what 211 requires refers to. So this represents a very significant expansion of the President's export control authority.

We have had a lot of discussions about foreign availability, mass market provisions and the President's standards to set aside this authority. It should be clear that this broad setaside power, separate and apart from the powers the President has in the foreign availability and mass market provisions themselves, is a very important addition to Presidential authority and one that was important to the national security community.

Furthermore, the legislation provides that notwithstanding any other provisions of the act setting forth limitations on the authority to control exports, the President may impose controls listed on a control list of a multilateral export control regime.

This is a very broad authority for the President to set aside all the requirements of the EAA and impose controls on any export that is on a control list pursuant to an international agreement.

This is an important provision because export controls are most effective when they are implemented in concert with the controls of other supplier nations. One of the things we seek to do in this legislation is encourage the development of such multilateral export control regimes. Actually, the majority of items today subject to export controls in the U.S. are controlled by most of the other supplier nations through four multilateral export control regimes: the Waasenaar agreement, which relates to arms and dual-use items useful for conventional arms purposes; the nuclear suppliers group; the missile technology control regime; and the Australia group, which relates to items useful for chemical and biological weapons. These four regimes form the multilateral basis for export controls, and they are obviously an important element for effective nonproliferation.

One of our objectives here, of course, is to work closely with others in further developing multilateral cooperation and strengthening the contribution of these regimes to the nonproliferation objectives.

Let me point out, we are constantly encouraging other countries to put in place a thoroughly considered, rational export control regime. We go to other countries and say: We need you to put this in place. We want you to join the multilateral regimes, and we want you to establish your own bilateral control systems so we can get a handle on this problem worldwide. I am very supportive of those efforts.

What position does it put our interlocutors and our negotiators in when they go to these countries and then they say, "You don't seem to have established your own regimes"? What is the U.S. regime?

It is another argument for putting this legislation into place so that the U.S. has a fully developed, rational, comprehensive framework dealing with export controls, and then we, in a sense, try to pull other countries towards it or in that direction in order to enhance the multilateral controls that exist worldwide.

Now one other point I want to underscore is, of course, the regime is designed to prevent exporters from moving out, moving overseas, exports with dual-use technology. When we make the judgment and go through this process, it has a negative effect on our national security or foreign policy interests, and of course you are going to have people trying to get around this all the time—some few people.

We have enforcement provisions now that are much tougher. One of the things in this bill is a significant increase in the authorization levels for the Department of Commerce in a whole host of areas in order to try to tighten up the enforcement of this regime. In fact, we have a number of various provisions that are designed to strengthen our various export controls and to ensure that the resources the Department needs are available to it in order to carry out the provisions of the legislation.

Now most exporters want to comply with the regime. They are not out to try to send abroad technology that can be abused to the harm of American interests. A number of them invest significant amounts of money in trying to comply with the regime's reporting and recording requirements. So it is important to the export community to have a comprehensive, rational statutory framework. They know, then, what the rules of the game are. I think it encourages compliance; it draws, in a sense, on the business community to help implement this matter. So I think that also represents an important step.

Let me draw to a conclusion by once again saying this is a balanced effort to address a complex area of national security concerns that also impact U.S. trade interests. We received just this morning a letter sent to Senator DASCHLE, the majority leader of the Senate, signed by Secretary of State Powell, Secretary of Defense Rumsfeld, and Secretary of Commerce Evans. Mr. President, I think this letter is of sufficient import that I am going ask unanimous consent it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 4, 2001.

Hon. THOMAS A. DASCHLE,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR SENATOR DASCHLE: We would like to bring to your attention proposed legislation that will be before you shortly for consideration: S. 149, the Export Administration Act of 2001. This bill addresses the subject of export controls, which is very important to the President. He spoke definitively about reforming our export control policies and process during his campaign.

Earlier this year, our agencies conducted an intensive review of S. 149, as proposed by Senators Gramm, Enzi, Sarbanes, and Johnson. As a result of the review, we recommended that the Senate Banking Committee make a number of changes to the bill to strengthen the President's ability to control sensitive dual-use goods and technology. The Committee made the requested changes. Accordingly, we strongly support the bill passed by the Senate Banking Committee.

S. 149 is an important step in our efforts to improve the effectiveness and efficiency of our export control system. S. 149 will provide the President with the authority and flexibility he needs to administer a stronger, updated export control system. The Administration will continue to review our policies and procedures in this area and will consult with Congress as we identify any additional necessary changes.

President Bush strongly supports the bill as passed by the Senate Banking Committee and wants to move forward in this important area. We urge you to support S. 149 so that the President will be able to sign a new export control law soon.

Sincerely,

COLIN L. POWELL,
Secretary of State.
DONALD H. RUMSFELD,
Secretary of Defense.
DONALD L. EVANS,
Secretary of Commerce.

Mr. SARBANES. Mr. President, as we move forward in the debate, I presumably will have a chance to examine in greater detail the provisions of the legislation. I read through this legislation again over the weekend, from start to finish. I must say to you, on this issue I have always been sensitive to the national security and foreign policy arguments. In the past, in considering this legislation, I have never been one who sort of willy-nilly wanted to remove export controls. I think they have a very important role to play.

I think this legislation substantially strengthens the ability of the President and the administration to exercise export controls on behalf of national security and foreign policy interests. So I very much hope my colleagues will be supportive of this legislation as we move ahead.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, I rise in support of S. 149, the Export Administration Act of 2001. Consideration and passage of this bill are essential for the advancement of our national security, our foreign policy, and our economic interests.

I am very excited that today is here. This is the culmination of a lot of effort on the part of Senator JOHNSON, myself, Senator SARBANES, and Senator GRAMM. Almost 3 years ago now, Senator JOHNSON and I, as chairman and ranking member of the International Finance Trade Subcommittee of the Banking Committee, were given the task of looking at the Export Administration Act to see if it could be renewed. It had expired in 1994, and there was recognition that there was a huge gap in our national security. That was brought to light a lot, of course, by the Cox commission, which looked at some of the ways China was stealing secrets from the United States. A very extensive document during the original part of this process was a top secret document, and later a public version was put out; it brought a lot of attention to the issue. There had been 12 previous attempts to renew the Export Administration Act. They had failed. Only one version in the House had even gotten out of committee.

It is an interesting bill because here in the Senate there are 100 Senators who are concerned about national security. There are also 100 Senators who are concerned about the economic interests of the United States. When a bill is balanced, it will have more than 50 percent in favor, but we have found that the way these coalitions merge, there are more than a majority in opposition to everything that has happened. We faced the unique challenge of trying to do what the other 12 bills had not been able to do. To do that, Senator JOHNSON and I went through a process and saw exactly how the whole process worked. We visited each stage of the licensing process.

It occurs to me at this moment that there may be people who don't understand the licensing process. There is a lot of confusion among people about the different licensing processes because there isn't just one. We are only talking about the Export Administration Act.

The Export Administration Act is different from the Arms Export Control Act. It is different by way of what is controlled. The Arms Export Control Act, of course, handles defense articles and services. The Export Administration Act, on the other hand, handles dual-use products. That could be very confusing. Dual-use products are primarily not used for a military purpose but could have a military purpose. That is the main distinction between the Arms Export Control Act and the Export Administration Act.

The jurisdiction between these two acts is different because the State Department and the Defense Department, of course, have a much greater interest and need to control the defense articles and services. The Commerce Department has been given the jurisdiction over dual-use products provided they are involved with the Department of Defense, the Department of State, and the security agencies, all of which have some voice in the licensing process.

One of the big changes in this bill is the way that licensing process happens so that each of those agencies has a little greater role in being able to object to a license.

At any rate, the Republicans and the Democrats on the Banking Committee and on the subcommittee went through a bipartisan process and worked together to reach a point of balance with a majority of the security folks who are interested in the bill and a majority of the economic interest folks who are interested in the bill. And there is overlap. That is how it is possible to have a vast majority from both sides. I am pleased to have a bill before us today that, after a lot of changes, I think has reached that point.

I have to thank Senator SARBANES and Senator GRAMM for giving us the opportunity to pursue this. I know it is not the most exciting bill in the world. In fact, some people would say it is an accounting sort of thing, a boring sort of thing. But it is one of the most important bills that will pass. It is just very detailed. That makes it difficult to consider.

Over the last 3 years, a lot of people have looked at this, a lot of people have given suggestions and, in fact, the handful of people who have provided the most opposition have also provided the most change. We have put in 59 changes based on their suggestions for how we needed to increase national security. We have been working with everyone. We are still willing to work with everyone. Of course, the latest one we worked with is the President. The President suggested 16 changes that are also included in the bill.

At this point, we appear to have a balance that still has a vast working majority to pass the bill and I think a bill that will provide national security. Of course, the best evidence that it will provide national security is the President himself. The President has strongly urged the Senate to pass it quickly.

I have a chart of President Bush's support:

> In working with the Senate, we're working to tighten control of sensitive technology products with unique military applications, and to give our industry an equal chance in world markets. I believe we've got a good bill, and I urge the Senate to pass it quickly.

That was March 28. Later:

> During the campaign, I promised to lead an effort to reform our export control system, so that it safeguards genuine military technology while letting American companies sell items that are already widely available. I'm pleased to report the Senate Banking Committee passed a revised EAA, which my administration strongly supports. It's now time to pass it for the House, so I can sign it into law.

There have been numerous statements by the President. He has had an interest in this bill, clear back to when he was campaigning and this was part of his Web site. Since August 20, we have been operating under the International Economic Emergency Powers Act, IEEPA, that was referred to by the chairman of the committee, Senator SARBANES, due to the expiration of the EAA. It is one of those temporary extensions we passed.

Operating EAA under IEEPA is unacceptable. IEEPA applies minimal penalties to exporters of unlicensed technologies and puts confidential business records of the business community at risk of exposure. I want to mention some of the changes and the differences between penalties because that is a big security portion of this bill.

Under criminal penalties, for companies that willfully violate under IEEPA, there is a penalty of $50,000 per violation. Under the old EAA of 1979, which has been extended a few times, there is a $1 million penalty, considerably greater than the $50,000 penalty, or five times the value of the exports, whichever is greater.

Under the bill we are considering, instead of even the $1 million fine under EAA, it will be $5 million per violation or 10 times the value of the exports, whichever is greater.

Persons who willfully violated under the IEEPA would have gotten a $50,000 penalty or 10 years imprisonment or both. Under the EAA, they would get $250,000 or 10 years imprisonment or both. But under the bill we are considering at the present time, instead of the $250,000, it will be $1 million or 10 times the value of the exports, whichever is greater, or 10 years imprisonment, or both. We have considerably increased the penalties.

Under IEEPA, the penalties are almost the cost of doing business or perhaps less than that. Under the EAA, the amount of the violations has been bypassed by inflation, but that has been easily taken care of in this bill.

Under civil penalties, it is the same situation. Under IEEPA a civil penalty is $10,000, and under EAA a civil penalty is $100,000. Under this bill, a civil penalty will be $500,000.

The last major revision to the EAA came when the Soviet Union was still in existence and considered a threat to our national security. That revision of the EAA of 1979 occurred before the Berlin Wall came crumbling down and freedom was unleashed for the first time in almost a generation for millions of Europeans.

At that time, almost all of the new invention development was also Government funded. Today most of it is done by the private sector which is forging ahead without Government money involved. There is no need to postpone passage of this critical legislation any further.

The issues surrounding the reauthorization of the EAA have been studied and studied and restudied. The President, Secretary Rumsfeld, Secretary Powell, Secretary Evans, and National Security Adviser Condoleezza Rice have endorsed this bipartisan and responsible legislation.

Here is one of the messages from Condoleezza Rice, National Security Adviser:

> The Secretary of State, Secretary of Defense, Secretary of Commerce, and I agree that [S. 149 as reported] will strengthen the President's national security and foreign policy authorities to control dual-use exports in a balanced manner, which will permit U.S. companies to compete more effectively in the global marketplace. S. 149 represents a positive step towards the reform of the U.S. export control system supported by the President.

In listening to the arguments of the critics of this reasonable bill, there seems to be a misunderstanding about what the current law is. If a comparison of the 1979 EAA and S. 149 were made, one would find numerous similarities, as were pointed out by Senator SARBANES, chairman of the committee. In addition, one would find several new and more extensive national security control authorities included in S. 149 that allow the President to restrict the export of technologies critical to our national security.

Senator SARBANES has covered that in his remarks. Contrary to what the critics would have you believe, this bill is not a radical new approach to export controls or a radical departure from the current export control system. It updates and simplifies certain aspects of the act that are outdated or unnecessary but keeps the basic structure of the 1979 act.

There are reasons why this administration's national security experts are unified in their support of S. 149. It builds upon the framework of the current law, or the 1979 act, while modernizing, simplifying, and streamlining the act and export control processes, again involving all of the people who have been involved in it in the past in this administration and the previous administration to come up with a balanced proposal.

It requires a risk analysis of proposed exports and emphasizes transparency and accountability to both the Congress and the exporter. With transparency and accountability, we and the people trying to put products out will have a better opportunity to follow the process and stay within the law.

S. 149 embraces national security and foreign policy export controls even going well beyond the 1979 act in several respects. For example, the bill grants to the President special control authorities for cases involving national security and international terrorism, as well as international commitments made by the United States. Section 201(c) allows controls to be imposed based on end user and end use of an item if it would contribute to the proliferation of weapons of mass destruction. Section 201(d) adds enhanced controls which allow the President to impose controls on any item, including those items with incorporated parts for national security purposes.

These two national security protections are not in current law and could be used regardless of the foreign availability or mass market status of the item. In addition, the bill retains the Presidential set-aside authority in the case of foreign availability determination, section 212, as well as unlimited set-aside authority for mass market determination.

Those are two determinations. Foreign availability, of course, is if the same product of the same quality is available from other countries that can compete with our industry and do not have to follow our export laws, under some very careful criteria that has been outlined in the bill, then they have the right to export those properties. The President has the right to override it.

Mass market, of course, has already been explained as those items you can go to the store and buy at a relatively low price anywhere in the country, which makes any regulation over their export very difficult. A tourist coming to the country can go to the store, pick up the item, put it in their suitcase, and take it home. If it is that widely available, then it is very difficult to control.

The purpose of our bill, of course, is to build a higher fence around fewer items and really concentrate on those things that can be controlled and need to be controlled and put more effort and resources into it. The general authorities contained throughout the bill are entirely consistent with the current law. The bill requires concurrence with the Secretary of Defense for identifying which items are to be included on the control list for national security purposes.

There are three stages to this. There is a control list which gives people an idea of what kinds of items need to be licensed. There is a country tiering system. This is the one that evaluates countries in the world. No countries are named specifically, but the President, in cooperation with the experts that he has, would rank these people through three tiers from bad to good, with a whole bunch in the middle, which would all have different rights to access things on the control list based on their sensitivity. Then, of course, if it has to be licensed, it has to go through a licensing process.

So we are talking about concurrence of the Secretary of Defense for identifying items to be included on the control list for national security purposes, and this is consistent with current law.

The foreign policy export control authorities in title III are exercised by the Secretary of Commerce in consultation with the Secretary of State. This is also identical to current law. In addition, the authority for the issuance of regulations is the same as the EAA of 1979.

The Banking Committee determined that a flexible but transparent process was essential to keep the export control system from becoming obsolete the day after it becomes law. S. 149 allows flexibility for the administration in implementation of export controls because technology is changing at a phenomenal rate. Business models are very different from those employed a decade ago and, of course, globalization is breaking down some of the traditional barriers to trade and investment.

As a result, it is vital that Congress resist the temptation to lock into a statute policy toward a specific country or a specific item. Experience has shown that this is not an advisable course of action in most cases. Flexibility is needed in the light of rapid technological change. To illustrate this point, the Congress placed in fiscal year 1998 the National Defense Authorization Act provisions relating to high-performance computers. Concerns were genuine about the export of computers to potentially dangerous end users. However, to my knowledge, never before had the Congress locked into statute a specific parameter of control for an item.

In addition, the Congress initially required a 180-day waiting period before the President could change the MTOPS control threshold, the speed of the computers. As we all know, this was in the midst of some of the most rapid advancements in computing power constraining the administration's ability to keep pace with technological progressions.

In keeping with the need for flexibility, the Banking Committee adopted an amendment offered by Senator BENNETT that would repeal the MTOPS 180-day waiting period. This does not mean computers would not be controlled. Instead, it means the President may control computer exports in a way that is more effective, more updated.

S. 149 emphasizes the need for strengthened multilateral export control regimes. Multilateral controls are the most desirable because they are the most effective. This is where we get our allies and our friends, again any country that we can talk into it, to join us in the control effort. As Senator Sarbanes pointed out, we have been emphasizing to other countries they need to have a good export control act, a good export licensing process. We are the ones who are behind the curve on doing that.

The multilateral controls need to be more emphasized. We used to have a process, a regime, called COCOM, and it was a mandatory group of our allies that under agreement would eliminate exports on which they agreed across the board.

After the fall of the Berlin Wall, COCOM disappeared. We have a process called Wassenaar now, the Wassenaar Arrangement, which is more of a voluntary effort. Section 501 of this act urges the President to undertake efforts to strengthen or build upon multilateral export control regimes.

I had the distinct pleasure of serving as a cochair with Senator BINGAMAN and Congressman COX and Congressman BERMAN on the congressionally mandated Study Group on Enhancing Multilateral Export Controls for U.S. National Security. The study group, with the assistance of the Stimson Center, came to the conclusion that reform of the export control system is vital to U.S. national security objectives. Now we recommend that the U.S. should seek to improve the Wassenaar Arrangement with the long-term goal of merging existing multilateral regimes.

Additionally, the study group recommended that the U.S. should reform its export control laws to build confidence and support among allies and friends for improving multilateral export control regimes. The provisions in S. 149 are consistent with these recommendations and should help to guide the administration as it seeks to strengthen the multilateral efforts and arrangements so we do not unnecessarily punish U.S. firms with unilateral controls.

Finally, and importantly, the bill greatly enhances enforcement. It substantially increases criminal and civil penalties for violators, and I went through some of those differences between what happens with the Executive order we are under now and the previous EAA act of 1979 and the present one. It adds new resources for enforcement activities including an additional $4.5 million for end-use checks. It strengthens postshipment verifications, checking to see if the product actually went where the product was supposed to go.

By targeting resources to exports involving the greatest risk rather than focusing solely on computers—there are other things out there that need to be checked on—this puts more money into the checking and targets those things that create the greatest risk to the United States.

The Banking Committee took a tough stand on violators of postshipment verifications. We do not believe we should reward those entities that deny postshipment verifications. Therefore, the bill requires the Secretary to deny licenses to end users that do not allow postshipment verification for a controlled item. That is pretty well nailed down with the company involved, any subsidiaries of the company. I think it keeps them from getting around any provision of that. It strengthens postshipment verification, which is something that needed to be done.

In conclusion, I offer a couple of quotes from a general and a former National Security Adviser, Brent Scowcroft. On June 8, 2001, when the Center for Strategic and International Studies publicly released its report on computer exports and national security in the global era, General Scowcroft said that some seem chained to the same policies that are largely not useful, and that there is a natural bureaucratic tendency to cling to the current rules.

As we consider S. 149, I urge my colleagues to be mindful of General Scowcroft's comment and do the right thing and support passage of the Export Administration Act of 2001. Export control issues have been intensely reviewed and all the results of the studies come to the same conclusion. It is best for Congress to reauthorize the EAA now. The Senate should act now and pass this bill.

I express thanks to the chairman, Senator SARBANES, and Senator GRAMM, to my coworker on this, Senator JOHNSON, and the new chairman and ranking member of the Subcommittee on International Trade and Finance, Senators BAYH and HAGEL who have done a great job.

I would be remiss if I did not mention some of the staff people: Katherine McGuire; my legislative director, Amy Dunathan; the Banking Committee staff, Joel Oswald, who used to be on my staff. There was a 3-year time and there has been some transition. Paul Nash, Naomi Campbell, and Marty Gruenberg have done a tremendous job working around the clock in putting together this bill. They have been good at coordinating our efforts so we could get together with everybody.

As I mentioned, we are still willing to talk to anybody about any of the provisions but think that a bill has been put in place now that has some balance to it. Of course, 16 changes we made on behalf of the President incorporated a number of issues that some of the security chairmen had been concerned about. We think we have a bill that should and can be passed.

I yield the floor.

The PRESIDING OFFICER (Mr. CORZINE). The Senator from South Dakota.

Mr. JOHNSON. Mr. President, I rise today in support of S. 149, the Export Administration Act of 2001. It is difficult to overstate the urgency of reauthorizing EAA, which expired on August 20. We are now operating under the International Emergency Economic Powers Act, an improvised export control measure that has weak enforcement powers and that has been challenged in the courts. President Bush and his national security team have repeatedly urged Congress to pass S. 149, and I rise today to urge my colleagues to do just that.

S. 149 is both a national security and a trade bill. It is one of the best examples that I have seen of a law that accounts for the vast geopolitical and commercial changes of the past decade and at the same time provides flexibility for the continued changes we must expect over the coming decades.

The Export Administration Act has seen no major revisions since 1985. Since that time, the Soviet Union has collapsed, the cold war has ended and a new world order, including new threats, have emerged. At the time the political landscape has changed dramatically, so too has the commercial landscape. A global marketplace for goods, services and technology has developed, and once unimaginable technological advancements are now available on a widespread basis. The high tech sector is largely responsible for the remarkable change in our access to computers and the Internet, and we must take great care not to jeopardize that economic vitality.

I have spent the last few years working on EAA with my colleagues across the aisle. When we started this effort, Senator ENZI and I were, respectively, the ranking member and chairman of the International Trade and Finance Subcommittee of the Banking Committee. From the beginning, we have had the full support of Chairman SARBANES and Senator GRAMM, and I am hard pressed to recall a situation in my 15 years in Congress where a bipartisan team was completely cohesive. There is a reason why our team of unlikely bedfellows has held together so well, and the reason is that S. 149 is a very good bill.

I believe in this bill. I believe it will help our nation. It will strengthen our national security. It will create an environment that promotes further technological advancement and fosters economic vitality. And it provides a structure that can grow and change into the future.

S. 149 creates a new framework for export controls on dual-use items. By targeting enforcement efforts on problem areas, this more focused approach is just good, common sense. S. 149 will make exporting some items easier, and make exporting other items much more difficult. As Representative COX has stated, "We ought not to have export controls to pretend to make ourselves safe as a country. We ought to have export controls that work." At the same time, S. 149 will impose real costs and penalties on those who violate the law. Some violators will serve prison terms along with their hefty fines.

While no one has more respect than I do for the deliberative process that allows the Senate to create thoughtful and responsible laws, I am struck by the irony of today's debate. I understand that several of my distinguished colleagues will object to reauthorization of EAA on the grounds that S. 149 will somehow compromise our national security. They will urge us to delay passage of EAA in the interest of our national security. They will demand further study before we move forward with S. 149, which has nearly unanimous support of both industry and government, including the national security community. I look forward to hearing from those colleagues because I am having some difficulty understanding how delaying passage of EAA does anything but harm our nation and our national security. I must remind my colleagues that EAA has expired. We are operating under IEEPA and will continue to do so until we enact S. 149. This is the real national security threat.

The argument that S. 149 compromises our national security is, I believe, based on a false premise. That premise is that national security and a strong export economy are incompatible. In fact, our national security depends on a strong export economy and America's continued leadership in the high tech field. I agree with the way Senator GRAMM framed the question last year:

> Is our security tied to our being the leader in technology, or is it tied to our ability to hold onto the technology we have and not share it with anybody?

Clearly, our security is tied to being the leader in technology, and security experts confirm this point.

As Dr. Donald A. Hicks, former Under Secretary of Defense for Research & Engineering and chairman of the Defense Science Board Task Force on Globalization and Security testified before the Banking Committee on February 14, 2001:

> Today, the "U.S. defense industrial base" no longer exists in its Cold War form . . . DoD is relying increasingly on the U.S. commercial advanced technology sector to push the technological envelope and enable the Department to "run faster" than its competitors. DoD is not a large enough customer, however, to keep the U.S. high-tech sector vibrant. Exports are now the key to growth and good health. . . . If U.S. high-tech exports are restricted in any significant manner, it could well have a stifling effect on the U.S. military's rate of technological advancement.

Without a vibrant high technology sector, our national security will suffer. And without the ability to export dual-use items, the high tech sector will simply not be able to support our national security needs. We must not lose sight of this critical point.

This is not to say that we should never restrict exports of our goods, services and technologies. On the contrary. In fact, S. 149 is largely about establishing the most effective mechanism for restricting the export of dual-use items that pose a potential national security or foreign policy threat. Based on recommendations from national security experts, including the Cox Committee and the WMD Commission, S. 149 takes a risk-based approach to export control. This approach is sensible, and allows resources to be used where they are most effective.

More specifically, S. 149 targets export controls on those items and destinations that the U.S. determines to pose the greatest risk to national security and foreign policy, while removing ineffective controls that serve as unnecessary barriers to trade. This so-called "tiering" approach is an ingenious solution to the current situation. Today, 99.4 percent of all export applications are approved. This leads me to believe that the current system is not making effective use of our export control resources.

My colleagues on the Banking Committee determined that the U.S. export control regime should focus on controlling those items that pose the greatest risk to national security. A useful way of thinking about the right approach was voiced by Dr. Hicks before our committee. He said the U.S. "must put up higher walls around a much smaller group of capabilities and technologies."

We on the Banking Committee identified two categories of exports whose control does little to enhance our national security, and the control of which could in fact undermine our security interests by endangering America's technology leadership. We determined that it is best to heed the wise counsel of former Secretary of Defense and National Security Advisor Frank Carlucci that "we should do only that which has an effect, not that which simply makes us feel good. . . ."

Based on this principle, we concluded that there is little national security benefit derived from controlling U.S. items if substantially identical items can be acquired through another source or if such items are produced and available for sale in large volume to multiple purchasers. For these reasons, we created the so-called "foreign available" and "mass market" exceptions to export controls.

Specifically, the foreign available exception acknowledges that unilateral control on items that are readily available from foreign sources are ineffective, and in fact may be counterproductive. The Defense Science Board Task Force on Globalization and Security noted in its final report that:

> Shutting U.S. companies out of markets served instead by foreign firms could inhibit the competitiveness of the U.S. commercial advanced technology and defense sectors upon which U.S. economic security and military-technical advantage depend.

Stated another way, Mr. John Douglass, president of the Aerospace Industries Association, noted before our committee that such unilateral measures punish the exporter rather than the importer.

The "mass market" exception likewise acknowledges the futility of trying to control items that are virtually uncontrollable by the nature of their wide distribution channels, large volumes, and general purposes.

While S. 149 strives to be as targeted as possible, it also provides appropriate flexibility by recognizing that the President should have the ability to impose controls in certain critical circumstances, including cases involving national security, international obligations, and international terrorism. At the same time, the bill promotes accountability, discipline and transparency in the decision-making process through review and other procedures.

Some have criticized S. 149 for reducing the power of the President in a way that I believe is, frankly, misleading. In fact, S. 149 grants the President unprecedented authority to set aside foreign availability or mass market determinations. President Bush and his national security team themselves believe that S. 149 as reported gives the President full and sufficient authority to maintain controls when it is in America's national security or foreign policy interest.

One other aspect of the bill worthy of note involves how risk management techniques can be used to target our export control resources. First, the bill's system builds in controls for technological and political change by imposing a risk analysis requirement and continual review of controlled items. In addition, S. 149 establishes a country tiering system that assigns items and countries to tiers according to their potential threat to U.S. national security. This flexibility to classify risk by both destination and product will be highly effective in targeting our efforts. In addition, a new Office of Technical Evaluation would be established in the Department of Commerce to assess, evaluate and monitor technological and other developments. And finally, S. 149 places a great emphasis on post-shipment verification resources of exports posing the greatest risk to U.S. national security.

As a final matter, I would like to discuss the role of penalties in S. 149. Under the 1979 act, and especially under IEEPA, which we currently operate under, penalties are modest from any perspective. In fact, penalties are modest enough that businesses intent on violating our export laws simply factor the penalties in as a cost of doing business. That is how inadequate, how modest, how unsatifactory the current regime, both under the old 1949 act and under IEEPA are. A company that willfully violates export laws today is liable for a mere $50,000 per violation—chicken feed. Under S. 149, that company would pay a minimum penalty of $5 million per violation, and could owe significantly more. Individuals who willfully violate the law will owe a minimum penalty of $1 million and could serve up to a 10-year prison sentence. Civil penalties for any violation of export law rise from $10,000 per violation under IEEPA to $500,000 per violation under S. 149.

My distinguished colleagues, reauthorization of EAA is critical to our nation's interests.

We are now operating under a grossly inadequate emergency control system, IEEPA, and that situation will not change until we enact S. 149. Our situation is urgent. Under current law, exporters face anemic penalties for violations, and in fact the entire structure is vulnerable to court challenge. Until we pass EAA, we do indeed face a national security crisis.

In addition, we must not lose sight of the impact our export control system on dual-use items could have on our high tech sector. The American economy has achieved unprecedented growth largely as a result of high tech innovations. In addition to creating wealth for our citizens, new technologies have enhanced our national security by giving us a competitive edge in development of our own security systems. The bill beefore us does nothing to compromise our security. On the contrary, S. 149 takes a common sense approach to export controls that significantly enhances our national security and economic vitality.

S. 149 is bipartisan, and has the strong support of the administration, the national security community, and business organizations.

This morning, our chairman, Chairman SARBANES, submitted for the RECORD the most recent letter expressing support for the passage of this bill from President Bush, Secretary of Defense Rumsfeld, Secretary of State Powell, Secretary of Commerce Evans, and National Security Adviser Condoleezza Rice previously indicated her support for this bill—not the concept but this bill.

I thank many for the extraordinary effort they have given to the creation of this bipartisan legislation. This kind of legislation has the support of Republicans and Democrats. It passed the Senate Banking Committee on a vote of 19–1. It has the support of the administration as well as the Senate.

A lot of significant work ought to be credited to Marty Gruenberg of Senator SARBANES' staff; Amy Dunathan of Senator GRAMM's staff; Katherine McGuire of Senator ENZI's staff; Joel Oswald, Senator ENZI's former Banking Committee staff; Paul Nash, my former Banking Committee staffer; Naomi Campbell of my staff; and certainly Senator BAYH of Indiana and Senator HAGEL of Nebraska have made significant contributions as well to the furthering of this legislation.

This legislation has been reviewed by the Bush administration. They state in their letters there is intensive review of S. 149. They express their strong support. I express my strong support. It is my hope that this debate will proceed in an expedited fashion and that we will very quickly pass this legislation by the overwhelming bipartisan margin it deserves, and that it will go to the President who asked that it be presented to him for his signature.

I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. THOMPSON. Mr. President, I would like to address S. 149. I believe my colleagues who have spoken are correct in that they have substantial support for this legislation. I do not doubt they have a majority of the Democrats and a majority of the Republicans. I do not doubt they have the support of the administration. My understanding was that the President made a campaign statement or commitment with regard to this issue during the last campaign. President Clinton made the same commitment during his campaign for President.

The President had a group of high-tech executives to the White House, just as President Clinton did, to promote this sort of legislation. My colleagues are correct in that the President now supports essentially a continuation of the Clinton policy with regard to the liberalization or loosening of our export controls law. I disagreed with it when President Clinton was President. I disagree with it now.

While we need an Export Administration Act and while we need to take into consideration commercial circumstances and changes in the world, I think the balance between our national security interests and our commerce interests is not there.

This is not really a bill, as I think about it, that is supposed to balance as such. It is a bill that has very specific purposes. It is consistent with our export administration process that we have had for decades in this country. It is based on the notion that there are some items we need to try to keep out of the hands of some people for as long as we can. The most ardent proponents of liberalized trade restrictions, of course, would acknowledge that. We have the so-called rogue nations, and so forth, to which, we all acknowledge, we should not let any of this high-tech stuff get through. If we were really in a world where the technology genie were totally out of the bottle, I suppose we would not bother ever making the distinctions between really bad countries and pretty bad countries and friends because it would be out there for all to have. This is based on the proposition that is not the case, that there are some things controllable and that we should try to keep these things out of the hands of some entities and some countries for as long as we can.

When you look at the purpose of the act we are dealing with today, I think it correctly states that the purpose is about national security export controls, it is not about enhancing exports. In fact, you might say it is kind of anti-export. I think the norm is and should be that this country is for free trade. I certainly have tried to be one of the leaders in that area. I think the President ought to have trade promotion authority. I think we need to do more in that area. I think it is the basis for a large segment of our economic security and prosperity in this country.

We had a debate with regard to a section of NAFTA recently. I think most of us are very committed to the process. But the fact that we have an export administration process and an Export Administration Act acknowledges that, be that as it may, there are some things that bring in extremely serious national security considerations.

I refer to S. 149. It says the purposes of this act are to restrict the export of items that would contribute to the military potential of countries so as to prove detrimental to the national security of the United States. It further says the purpose is to stem the proliferation of weapons of mass destruction. It doesn't really talk about a balance of those grave and primary considerations that we all must acknowledge are, more than anything else, against some commercial considerations. Here we are talking about I think our total exports to these control countries, which are about 3 percent of our exports. So we are talking about a small fraction—3 percent of our exports as balanced against what I just described in the act.

I am not for some kind of equipoise, or some kind of a balance, when it comes to these things. We shouldn't control things that are uncontrollable. We shouldn't be foolish about it. But we ought to have a very careful process that is not weighted or prejudiced in any way by those whose interest it is to get things out the door, whose interest is to export, whose interest is to come to the White House and come to the Congress and lobby on behalf of more and more exports for economic reasons. You don't have the average man on the street with a lobbying team coming up here saying be very, very careful about how you liberalize our export control laws because we are concerned about what we read about what is going on in the world in terms of proliferation.

The world has changed a lot. We should look at these matters from time to time to see whether or not we are operating in the right century. We don't have the old Soviet Union anymore. We don't have the threat that posed. But in its place are several new threats which, in many cases, are more dangerous than the ones we had.

We know, for example, that with the development of technology, weapons of mass destruction can now kill many, many more people than they otherwise could. There are ways of delivering weapons of mass destruction that did not exist a short time ago to countries such as the United States.

We have biological weapons that stagger the imagination with the description of the devastation that just a small amount of it can wreak, again, accompanying that with the means to deliver them, the means that did not exist a short time ago. That is the other side of the technological coin, the technology that has helped us in so many ways and has made the world a better place. That is the other side of that coin. It is real.

Of course, the world has changed in another way. My colleagues are correct when they say that more of this technology is available around the world. In some cases, to some extent perhaps, there is nothing we can do about it. But in some cases, to some extent, there is something we can do about it. Therein lies what we are trying to deal with here with regard to our export administration policy; that is, being very careful in making sure, with regard to the things we can have some control over, even if it is just to slow down the bad actors that wish our country and our national security ill, that it is a good thing to do. If we are not willing and committed to doing that, regardless of what it does to trade in a certain segment of exports, then we should not have any export policy at all; we should not have any export restrictions at all. I do not think we are there. I do not think that anyone would advocate that.

But it concerns me to hear that my colleagues think by passing this bill we are in some way enhancing our security. We are not. You can make a case that it is out of balance the other way, that we are trying to control things that are uncontrollable, and it is hurting our exports to the extent we need a new balance. I disagree with that strongly, but you can make that case. But I do not think you can have your cake and eat it, too.

I do not think you can liberalize trade so people do not have to have licenses anymore for some of this dangerous stuff while at the same time claiming you are enhancing national security. It is just not the case. And it is not as if I have the answer as to where to draw the line. It is not as if my colleagues have the answer as to where to draw the line. Reasonable export controls that do not do any more harm than is necessary but protect us to the extent possible: It is very difficult to draw that line.

What is important is that we have a process because that line has to be drawn every day. There are thousands of applications—15,000 to 20,000 applications—for exports on an annual basis. We must have a very carefully thought-out process where responsible people, in all objectivity, with requisite expertise, have an opportunity to pass on these things and make those judgments. That is what this is all about: whether or not we are setting up the right responsible framework, not to be so irresponsible that we shut things down, but, on the other hand, that we recognize that the world is a much more dangerous place, that countries have the ability to harm us and harm our allies, which would directly involve us immediately, more so than ever before, and that we must do what is reasonably necessary to keep these things out of the hands—as the world's leading manufacturer in the creative genius behind most of the advanced technology that is going on in the world in so many areas now, that we have a stewardship, we have a responsibility to use that in a proper and correct way.

As I said, it may be difficult to draw that line, but we must have a procedure that errs, if it is to err, on the side of national security. Because even the bill, as drafted, points out that this is the purpose of the Export Administration Act. This is the fundamental purpose of an Export Administration Act.

So does this act take into consideration sufficiently the matters of national security? And does it take into consideration sufficiently the matters of commerce and exports?

If we are going to talk about balance, let's talk for a minute about the side where we have our concern, the things that we are trying to address. In many different ways this is just a part of an overall policy of recognizing we live in a more dangerous world. But while realizing that genie is out of the bottle, we are trying to—through our policies, through our diplomacy, and through our policies—mitigate somewhat the danger that we see.

As I have stated, because of the proliferation of weapons of mass destruction, the world is a more dangerous place in many respects than ever before. Numerous reports have confirmed that a ballistic missile strike on the United States is not a distant but an imminent threat.

The Rumsfeld report, published in July of 1998, concluded that emerging ballistic missile powers such as Iran and North Korea could strike the United States within 5 years of deciding to acquire missile capability.

Shortly after that, North Korea surprised our intelligence agencies by successfully launching a three-stage rocket over Japan, essentially confirming the Rumsfeld conclusions. Certainly they, along with Iraq, Syria, Libya, and others, can strike our allies and our troops stationed abroad today.

In September of 1999, the national intelligence estimate of the ballistic missile threat concluded that the United States would "most likely" face ICBM threats from Russia, China, North Korea, and possibly from Iran and Iraq over the next 15 years, and that North Korea could deliver a light payload sufficient for biological or chemical weapons to the United States right now. It has also said that some rogue states may have some ICBMs much sooner than previously thought, and those missiles would be more sophisticated and dangerous than previously estimated.

The classified briefings are even more disconcerting. Perhaps the most alarming report from these commissions and intelligence sources is that, despite the urgency of this problem, the United States' lax export controls are contributing to the proliferation of weapons of mass destruction by global bad actors—our own export policies. The Cox commission concluded that U.S. export control policies have facilitated, rather than impeded, China's ability to acquire military-useful technology. The Rumsfeld commission has said the U.S. export control policies make it a major, albeit unintentional, contributor to the proliferation of ballistic missiles and associated weapons of mass destruction.

There you have it. I do not know how it can be stated much plainer than that and with more authority than that; that we have a serious problem on our hands and that our own policies are contributing to that problem.

Nowhere is it more clear than in the case of China, which is really the country that stands to benefit from changes to our export control laws the most, and, ironically, is also the country of greatest proliferation concern.

China was described by the Rumsfeld commission as a significant proliferator of ballistic missiles, weapons of mass destruction, and enabling technologies. The PRC has sold missiles to Pakistan, missile parts to Libya, cruise missiles to Iran, and shared sensitive technologies with North Korea. All these actions have occurred despite the PRC's public assurances and commitments to several international proliferation regimes.

Within the last few days, this Government sanctioned a Chinese company again for transferring missile components to Pakistan. Even more disturbing is that many of the items that China is proliferating to rogue nations around the world may have been legally acquired from the United States. The Cox commission notes that China has deliberately taken advantage of our lax export enforcement policies to further its proliferation efforts.

China has illegally diverted or misused many sensitive dual-use technologies or items to further their military modernization. In January of 2000, the licensing threshold for high-performance computers was 2,000 MTOPS. In January of 2001, the licensing threshold was 75,000 MTOPS, a fortyfold increase in a 12-month period.

(Mr. NELSON of Nebraska assumed the chair.)

Mr. THOMPSON. As the Cox committee points out, no threat assessment was ever conducted. As we have seen the rapid decontrol of supercomputers in this country to countries such as China, under the notion that, well, MTOP is not a valid criteria anymore and they will get it from somebody else anyway, the defense authorization bill in 1998 required that if we are going to do this rapid decontrol of our computers, that we do a national security assessment as a part of that, because the real bottom line is, we don't know what the effects of this rapid decontrol are. We don't know what the significance to national security is.

We operated for a long time under the notion that it was very important—and the Cox committee will bear this out—to try to keep the supercomputers at a certain level out of the hands of Russia and China and countries such as that because they use them for nuclear simulation, their stockpile enhancement programs, things of that nature. We have totally changed our view about that based on no study, based on anecdotal comments by people who come and testify before these committees who have a direct or indirect interest in companies or represent companies that are interested in exporting in many cases—not all of them, but many—time after time. We have not really had any in-depth study or analysis by this Government as to what the effect of this substantial change in our policy is to our national security.

I am not saying I know the answer. I rest assured that no one else, even in this body, has the answer. It is extremely complex, but it is extremely important. I know of no other change of that importance in that short period of time that has undergone less assessment. That is one of the things we should address.

The PRC diverted and used these American supercomputers to improve their nuclear weapons. The Cox commission notes that in 1992, U.S. satellite manufacturers transferred missile design information to the PRC without obtaining the legally required license, and China used that information to improve the reliability of its rockets.

We are all familiar with the Hughes-Loral problem. I noticed the report in the Wall Street Journal the other day that Loral apparently is about to cut a deal with the State Department and Justice to pay a fine and still be allowed to go ahead and launch Chinese rockets in the future, going back to their business. I will be interested in comparing the amount of that civil fine with the profit they make over the subsequent launches that they have in their deals with the Chinese.

In 1993, China diverted six high-precision machine tools it obtained from McDonnell-Douglas and used them to manufacture military aircraft and cruise missile components. Just months ago we learned that Chinese technicians were installing fiber optic cable for Iraqi air defense in violation of U.N. sanctions. This fiber optic system is based on U.S. technology sold to China in the mid-1990s.

According to published reports, we have discovered twice that companies in China were assisting Saddam Hussein with regard to his antiaircraft capability, which is what this fiber optic cable is used for, in order to help him shoot down our aircraft in the no-fly zone. There have been over 300 incidents where Saddam's troops have shot at our aircraft over that no-fly zone. I hope and pray they never hit one. I hope and pray that if they do, we don't discover that the technology used to shoot that airplane down did not originally emanate from the United States of America. I would not want to be the one to try to tell the mother of that pilot who was shot down: Ma'am, we are sorry about your son, but they probably could have gotten this ability from someone else if we hadn't given it to them.

The Cox commission informs us that China pursues a deliberate policy of using commercial contacts to advance its efforts to obtain U.S. military technology. The commission states that China uses access to its markets to induce U.S. businesses to provide military-related technology and to lobby on behalf of liberalized export standards, a policy that has had significant success.

We see from the Rumsfeld report, the Deutch commission, the biennial CIA reports, the nature of this threat and the fact that it is based on technology, technology in some cases where we are certainly the leader. We know that a lot of this proliferation activity from these rogue nations, a lot of their assistance comes from China. We claim we need a missile defense system. I believe we do because of the threats these rogue nations present to us. They, in turn, are getting their capability in significant part from countries such as China and Russia. We simultaneously, with all of that liberalizing of our export laws, make it easier to sell high tech items and equipment to China and Russia. That does not make sense.

Where is the balance? What do we balance that threat against? What is the concern—that our export licensing procedure is too onerous? It is not like we are stopping these exports. As was said, 99 percent of them are approved. It is just the ones that are disapproved that are really important, important to our national security. It is not like we are trying to stop a great many exports because we are not. We are trying to have a procedure where we are more likely to not let something important slip through the cracks.

Let's be clear about how much business is at stake. The total value of goods subject to export controls in 1998 was approximately $20 billion, less than 3 percent of U.S. exports. The fact that an item is controlled does not mean that it can't be exported. It only means that it has to go through a review process. The overwhelming majority of them are approved.

But what this legislation does is take certain categories, incorporated parts, mass marketing, foreign availability, and says, with regard to those items, with regard to those matters, if someone within the bowels of the Department of Commerce essentially decides that they fit into these categories, you don't have to have a license at all. You don't have to go through that process. It decontrols those matters and takes them outside of the regulatory process altogether.

They say the President can stop it. We will talk about that in a minute.

First of all, let's understand what we are doing here. In the past there was no such animal as the one I just described. In the past, foreign availability was legitimate as a consideration, and it ought to be. When the licensers looked at the matter, if there was foreign availability, that was something they could take into consideration in issuing the license. Now it is taken out of their hands. If someone in commerce, their technical evaluation team, decides that there is foreign availability, it doesn't even come through the process anymore.

Mass marketing is a whole new concept. Mass marketing was not even used, that concept was not even used in prior administrations.

Now I am sad to say that the embedded component was, but it makes less sense of all. If an item is controlled and deemed to be significant from a potential national security purpose, under this bill if it constitutes 25 percent or less of the item that it is incorporated in, then it is decontrolled.

So if you have a controlled item and it is put into an item that is bigger and worth more, that is not controlled, that makes the item that is controlled decontrolled. Of course, all an importer has to do, in some cases, is to buy the larger item and take out the item that perhaps he wants, which is the embedded part.

If it is significant from a national security standpoint before it goes into the larger item, it is significant from a national security standpoint after it is put into it. What does money have to do with it? What is the fact that it is or is not 25 percent of the price of a larger item? Of what significance is that? Especially from a national security standpoint. That makes no sense whatsoever.

So when we talk about building higher walls around fewer things, point out the higher walls to me. When we talk about making it more difficult to export some things, making it easier for some and harder for others, somebody point out to me the things that this bill makes it more difficult to export.

This legislation provides broad and sometimes exclusive authority to the Secretary of Commerce on important procedural issues such as commodity classifications, license and dispute referrals, license exemptions, and development of export administration regulations.

I have a lot of faith in our new Secretary of Commerce. I think he is a fine man, excellent choice, and is doing a great job. But the fact remains that the mission of the Department of Commerce is to promote exports. We used to criticize Secretary Ron Brown for his export policies and getting items changed from one list to another to make it easier to export, and things of that nature. The Commerce Department simply doesn't have the personnel and expertise to protect national security. It should not have to. That is not their job. Somehow we have set it up this way.

We are letting the tail wag the dog. If national security concerns ought to be given adequate consideration in an export decision, the Departments of State and Defense must be given greater authority and a greater role in this process. This legislation doesn't do that. Really, to the contrary, it increases the authority of the Department of Commerce.

Let me go over a few things here, and keep in mind, first of all, the purposes of this bill, the stated purposes of this bill. I didn't hear it discussed much when we were talking about the details of it. I think it is probably the most important part:

> To restrict the export of items that would contribute to the military potential of countries so as to prove detrimental to the national security of the United States.

And also:

> To stem the proliferation of weapons of mass destruction. . . .

That is the stated purpose. Whose job is it to do that? Well, we are going to give it to the guy who is in charge of commercial activities.

Look at some of these areas. The Secretaries of Commerce and Defense must concur in order to add items to the control list. While this is an improvement over the previous draft of S. 149, which left sole discretion to the Department of Commerce, S. 149 still gives the Department of Commerce a veto over the Department of Defense if the Secretary of Defense believes an item should be controlled on the national security control list.

Secondly, on commodity classification, the Secretary of Commerce has sole discretion over classifying items when exporters make commodity classification requests. These classifications determine whether items will require license or not and are particularly critical for new technologies. Commerce must notify Defense, but it is not required to solicit any input.

What about the interagency dispute resolution process? Well, S. 149 gives the Secretary of Commerce sole authority to select a chairperson of, and determine procedures for, the interagency committee to review license applications. The chairperson considers the positions of all the reviewing agencies but then makes the final decision on the license application. The only role of the Department of Defense is to provide a position, and additional levels of review are resolved by a majority vote.

What about foreign availability and mass marketing? The Secretary of Commerce has sole authority to determine whether items are foreign available or mass marketed. He must consult with other agencies, including the Department of Defense. Since items determined to be foreign available and mass marketed are automatically removed from the national control list and decontrolled, this authority to Commerce essentially creates a loophole around the Department of Defense veto over removing items from the national security control list.

What about issuing regulations? The Department of Commerce and the President have the authority to issue regulations. These regulations must be submitted for review to any department or agency the President considers appropriate, but the legislation explicitly notes that the requirement to submit the regulations for review doesn't require the concurrence or approval of any reviewing department.

Finally, the catch-all provision in S. 149 provides that unless otherwise reserved to the President or department or agency in the United States, all power, authority, and discretion conferred by this act shall be exercised by the Secretary of Commerce.

Mr. President, that is substantial authority and control by the Office of the Secretary of Commerce. Regarding matters of national security, they should not have to bear that much responsibility. So now in the act here, we are not really building higher walls around anything. We are not trying to come up with a procedure to determine the national security implications of what we are about to do. We recognize that there is more dangerous technology out there than ever before, and we are providing it to people who are misusing it, but we want to continue to do that at a more efficient rate.

With regard to the increased penalties on exporters, I think by and large that is an improvement. But the act totally decontrols large segments of exports. So if you are decontrolled, how are you going to get in trouble? If I were an exporter, I would make that tradeoff, too. Give me a penalty on something that there is no way I could ever be accused of violating if it falls under one of these items that don't even require a license. How do you violate something like that? We are going to make a higher, more onerous penalty on you for violating this, but we are going to amend the law so it doesn't apply to you.

The Presidential override: It is true that there is a section here that, as the proponents indicate, really does override both the incorporated parts provision and the mass marketing and foreign availability provisions. In other words, the President can step in regardless of any of those provisions. To me, it is inconsistent with and renders a nullity many of the provisions in the foreign availability section, for example, because that section says the President must jump through all these hoops and go negotiate with all these countries and report back to Congress.

In other words, Mr. President, if you are going to step in on behalf of national security, we are going to make it awfully tough on you; you have to jump through all these hoops. They are saying: Enhanced control provisions, no, no; the President, if he wants to use this section, does not have to do all that; in other words, if there is a significant threat, not just a threat to national security but a significant threat to national security.

I am not sure how all that operates. I think it bears more studying. I think we are going to have to look at those sections together. If it does what is suggested, I still think we need to ask ourselves: Do we want to create whole new categories that are essentially determined by the Secretary of Commerce to decontrol and then say to our President: Catch me if you can?

If we have made a mistake out of these thousands of applications we get every year—another section says the President cannot delegate this authority, so let's make it as tough on him as we can; he does not have many other responsibilities; let's create these whole new avenues of decontrol and then say to the President: You have the authority if you can come up with something.

I do not know how much longer he is going to sit over there with a skeletal staff in some of these departments. Some people are estimating it will be 14 months before he gets his full team together, as far as his government is concerned.

Assuming the President does have the authority ultimately to step in, is that a wise idea? We are not just giving him new authority to step in with regard to an old situation. We are creating a whole new situation, a much more decontrolled situation, and giving him the invitation without delegating any authority. If he personally wants to step into one of these situations, he has the authority to do that. He did not need this authority before because we did not have a concept such as foreign availability except as something to be considered. We did not have a concept of decontrol based on foreign availability or mass marketing up until this bill.

Under those sections, if a company can persuade the Department of Commerce that it ought to be decontrolled, then it is decontrolled; there is no license requirement. We cannot even keep up with the number of computers we are sending to China or anywhere else. We do not even have a list to make some cumulative effect assessment if we wanted to.

The business community ought to have their say. I get the top rankings from the businesses and small businesses. I do pretty good by them. But I must say, when it comes to matters of export controls based on national security in a world where we are being threatened as we speak by weapons of mass destruction, it irritates me somewhat when I see in this export bill "the Secretary shall permit the widest possible participation by the business community on the export control advisory committees."

This bill allows the Secretary to appoint advisory committees to advise the Secretary on these matters—quite objectively, I am sure. It also says the Secretary has to disclose to them information consistent with national security and intelligence sources and methods pertaining to the reasons for the export controls which are in effect or contemplated.

If you want to impose any export controls for national security purposes, you have to go to these business entities and explain what you are doing and why you are doing it. Not only is that unnecessary, I am afraid it gives an indication or it belies the purposes of this act.

This bill is going to pass, and we all know that. The forces behind it are strong. When you have the administration and probably the majority of both parties supporting it, that is a pretty fair indicator. I understand that. But for some time now, starting back a couple of years ago, the chairman of the Intelligence Committee, the chairman of the Foreign Relations Committee, the chairman of the Armed Services Committee, the chairman of the Governmental Affairs Committee, and the chairman of the Commerce Committee, along with Senator KYL, who is an expert in these matters, have had grave concerns about the balance we are striking; that we are continuing a policy based upon the tremendous pressures that are being brought to bear and based on campaign commitments that were made. It is not in the best long-term interests of this Nation.

I do not think any of us can say for sure to what extent it is not or in what way our security might be harmed, but we are concerned that the process is not properly weighted. We are concerned that if we are going to err, we err on the part of national security; that when we are willing to engage in such debate to take on our European allies, to take on Russia and China all for the sake of a national missile defense system, based on the concept of tremendous threats this country faces—and I believe in the system—we must move forward on it because I believe in the threats, but we are refusing to acknowledge and recognize what is right before us and that we are helping to create the threat.

When we are exporting high-tech items to countries that have already shown that they will take them legally or illegally, that they will divert them for military purposes, that they will send them to rogue nations, and we come up with a concept to make it even easier because it takes 40 days to go through a licensing process—we do not want our companies to have to wait 40 days for people take an adequate look at this before they do that—I do not think we have our values in the right place; I do not think we are looking at what is right before us.

I am not suggesting we not reauthorize the Export Administration Act. I am not suggesting we build a wall around our technology. We know we cannot do that. But we must have a procedure that is not dominated by commercial interests, either outside Government or inside Government. And those in the Department of Commerce who are rightfully concerned about our commercial interests, that is their job. It cannot be dominated that way. We have to have a fair shot. All this is weighted too heavily on the side of people who have vested interests in foreign commercial relationships.

We have a $100 billion trade deficit with China today. I just got back from China with the distinguished chairman of the Banking Committee. The biggest meeting we had was with the American Chamber of Commerce in Shanghai. We have tremendous foreign investment over there. That is fine. That is well and good. But surely to goodness we are not going to let that cause us, when we are considering matters of this nature, to come down too heavily on making the process more efficient for exports of potentially sensitive materials.

Again, we are not even talking about stopping exports. What we are talking about is a procedure where, more likely than not, we can stop from making one substantial mistake. We should not back end load this process and put all that responsibility on the President, if he or his people are fortunate enough to catch something on which those who, with good intentions, just simply do not have the expertise to make a call:

That is what we are concerned about. So I hope in the rush to get this bill approved and passed, which will eventually happen, we will have an opportunity to get some fair considerations for some amendments. I would overhaul this whole bill if it were left up to me, but it is not, and I do not have the votes. I am not going to stand in the way any longer. We have held this up now for a couple of years, and we cannot do it any longer. The votes are too great, and I see that. We could not filibuster it successfully if we wanted.

Surely we can consider some amendments that just as an example might give a little bit more time to an agency to review a complicated export request based on the potential impact of the export on national security. An agency now only has 30 days. If they do not get back within 30 days, it is deemed to be approved. Thirty days is fine for most things, but they ought to be able to have 60 days, if they need it, for the complexity of the analysis or if the reviewing agency requires additional time based on the potential impact of export on national security, a bit of additional time under those circumstances.

I hope we consider an amendment requiring the Secretary of Commerce to refer commodity classification requests to the Secretary of Defense and the Secretary of State. The current draft of the bill requires the Secretary of Commerce to notify the Secretary of Defense of commodity classification requests, but there is no referral, and the Secretary of State is not even required to be notified.

That is a prudent addition, an improvement. We should have unanimous consent of all the reviewing agencies on a license application. The Cox committee recommended that. It can still be taken up and ultimately approved if need be, but if the Department of Defense, for example, objects and no one else does, or the CIA or whoever, should that not require their sign-off?

As to postshipment verification, S. 149 says the Secretary of Commerce may deny licenses to countries that deny postshipment verification, although it says the Secretary shall deny licenses to particular end users. I suggest we add to that language that the Secretary of Commerce shall deny licenses to countries. Why do we mandate denying a license to an end user that will not let you verify it but leave it discretionary with the Secretary of Commerce to deny to a country that will not let you verify, when in many, if not all, of these cases it is a country policy?

We have an agreement, for example, with the country of China. If we are being denied the right to go in and do our postshipment verification, it makes no sense to blame it on a company. It is the country that is denying us. So why should we make it mandatory on a company but discretionary with the country that is calling the shots?

As to foreign availability, the definition of "foreign availability" requires only that an item or substantially identical or directly competitive item be available to control countries from sources outside the United States in sufficient quantities at a price not reasonably excessive. This definition does not speak to relative quality. In other words, if it is out there, if other countries can supply it but if it is not the same quality as that of the United States, and it is potentially dangerous and it is something that can potentially be used for military purposes to a country of some concern, would we not want to take into consideration the fact we are liberalizing or loosening our standards because they have access to a similar item even though it is not of the same quality as our item? We ought to consider that carefully.

The deemed export issue, the definition of "exports" in S. 149 includes transfers of items out of the country or transfers of items within the country with the knowledge and intent that a person will take the item out of the country, but it does not cover any transfer of technology to a foreign national.

We have had a concept of deemed exports in this country for a long time, and that is if you give a foreign national the same kind of controlled information that is sent abroad, it ought to operate under the same rules if it is the same information because of the potentiality of it getting back, and we know that happens.

Under the current definition of the statute, the Secretary of Commerce has discretion over whether to control deemed exports. I do not think the Secretary of Commerce ought to have that discretion.

Now my concern here is that there has been pressure from the business community to eliminate the deemed export requirement altogether, and S. 149 includes language stating it is the committee's understanding that the administration will be reviewing the deemed export process with a view toward clarifying its application. I do not have any idea what that means. What I think it means is that we are going to work to get rid of this sucker, but we need a deemed export rule and we need it to be mandatory.

We had hearings and heard countless hours of testimony about what was happening in our National Laboratories when we were concerned about the information was getting out, and we saw the thousands of hours and thousands of people who were coming in from other countries who had access to information. Private industry was doing much better than the Government, but our own Government people were not submitting the necessary documentation for deemed exports to tell our people what information these folks had access to. It was common sense. We do not want to cut off foreign students. We do not want to cut off foreign experts, the technology; it benefits our own economy; we need that interplay. But it is common sense to protect yourself a little bit. We need to do that.

There are others we might consider, but those are some I hope within the next couple of days we have the opportunity to consider in some detail with an idea toward tightening it up some, and making it so when we leave this, having passed it, we have not unwittingly done something that made it more difficult in the operation of this process. It all sounds pristine when we describe it.

It goes here and here and here, and then someone has this right and the other fellow has the other right and these thousands of things that come rushing through, but in actual application it is not always quite that smooth. This bill, thank goodness, devotes some additional funding for this licensing process, which I think is a good thing. Let us make sure that in all of this we do what we can, at least around the edges, is the way I would look at it, to make sure we give enough time to properly consider these things, and we have them considered by the entities that ought to be looking at it and not being totally weighted or unduly weighted toward the commercial side.

So I look forward to the discussion. I congratulate my colleagues on their perseverance to get this bill this far. We have been arguing and discussing this bill for a long time. It is one of those cases where people have strong feelings on both sides and make valid points on both sides. Everyone is trying to strive for the right thing and the proper balance, and hopefully at the end of the day we will have something that will not produce grave concern among the American people.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I will take a few moments to make a brief response to my able colleague from Tennessee. I know the distinguished Senator from Wyoming also wants to speak.

Much of what was contained in my colleague's statement I agree with regarding concerns and how to address them. I think there are basic differences of perception of this bill and what it does. As I said at the outset, I am frank to say I think the bill provides greater protection for national security and foreign policy interests than either the previous Export Administration Act or the regime in place under IEEPA.

In my opening statement I didn't have the material at hand and I made reference to the significant improvement in the commitment of resources for enforcement which is extremely important in any regime. You can have a nice paper regime, and if you do not have the resources for enforcement it does not have any reality. I will go through those quickly.

Beginning on page 296, we have a number of provisions of additional resources for enforcement programs. I want those in the RECORD because I think they are important: $3.5 million additional authorization to the Department of Commerce to hire 20 additional employees to assist U.S. freight forwarders and other interested parties in developing and implementing on a voluntary basis, a "best practices" program to ensure that exports of controlled items are undertaken in compliance with this act.

We are trying to draw on the export community, in effect, to become an active partner in trying to maintain the controls and support the regime. The freight forwarders are an integral aspect of the export process. This provision would be very important.

We go on to $4.5 million to hire new investigators to be posted abroad in order to verify the end use of high-risk dual-use technology; $5 million for the end-use verification program. That is in addition to the authorization I was just talking about. The station oversees investigators. There is $5 million for upgrading the computer licensing and enforcement system within the Department of Commerce; $2 million for additional license review officers, and $2 million to train license review officers, auditors, and investigators. That is a total of $22 million in additional enforcement programs. It significantly boosts the budget by about 50 percent. We are talking about a 50-percent increase in the commitment of resources.

I listened carefully to my colleague. A fair amount of what the Senator discussed involved matters that are not affected in the export control regime. If a nation is transferring military technology, that is not part of the export regime which deals with dual-use technology. We confront that situation in some instances.

I was interested by the reference of the Senator to these various commissions. My colleague from Wyoming, in fact, was the cochair of one of those commissions investigating some of the problems. There were a number of references to the commission chaired by Rumsfeld in terms of our export program. I point out to my colleague we have a letter today from the same Rumsfeld, as far as I understand it, endorsing this legislation and urging Members to act on it. That is the very Rumsfeld, unless I am mistaken, being cited in terms of a particular point of view with respect to export controls.

One item the Senator mentioned as a possible amendment, the notion that there had to be a unanimous decision of the interagency group with respect to a license approval. What that means is the issue then would never get off of the first tier in terms of going up the appeals process because any one of the departments or agencies involved in the interagency review could, in effect, stop it at that level.

That is not the scheme of the legislation. The scheme of the legislation is that the matter can move forward as long as there is a majority decision, but the dissenting voice in the majority decision can take it to the next level for review so it can be moved up the line in terms of the officials examining this matter, and eventually, of course, can be taken right to the President for an ultimate decision that will resolve a dispute between one department and another with respect to the issuance of a license. If they all agree that the license should be issued, it will be issued; if they all agree it should not be issued, it will not be issued.

What do you do if they differ? If they differ and you require unanimity for issuing the license, in effect, it is blocked at that level. What this arrangement provides is that you can continue to move forward, but an appeal can be taken to the next level and to the level beyond that and eventually to the President for a determination. I think that is a much fairer process. It is a more open process. It is a more transparent process and that means that the exporters at least will get a decision and will not simply disappear into the great void where they are left without any decision.

Much of what has motivated the business community is the argument that "we need to know, we need a judgment." If we can't do the license, let us know we cannot do the license within a limited period of time and we will go on about our business in other ways. If we can do the license, let us know within a period so we are in the bidding or competitive process in terms of trying to land this contract.

I don't think we can go from the majority to unanimity because then we are right back where we were. One of the old problems we have confronted is an impediment and a burden on trade without making a contribution to national security that can't be achieved according to the procedures in this legislation. It is not as though we say if there is a majority decision at the lowest level, that decides the matter. That only begins the process and the department that has been outvoted can appeal the matter and take it up the line.

It seems to me that is a much more sensible way in which to proceed. I think one of the things this bill provides to industry, which I think they are reasonable in seeking, is a defined process within a limited time period that in the end gives them an answer, yes or no. But it gives them an answer.

That is an improvement over current arrangements where they may well be simply left in limbo. It is reasonable to expect the Government decisionmakers and the Government process to work in such a way that in the end they get a decision.

One of the premises on tightening up is that if you have foreign availability or mass market, that you are not contributing in any significant way to stemming the spread of technology by inhibiting it because it is available from other sources generally available. So it seems sensible to try to take those goods and services out of the surveillance as a starter. We do not do that anywhere near completely because in both instances we provide authorities whereby that can be suspended.

The reason we have the double Presidential authority—for example, on foreign availability—is the part in the foreign availability section is designed to get the executive to try to negotiate and arrive at a multilateral restraint. This technology is available, foreign available, so it can be acquired there—comparable technology. If that is so, we are saying to the President: You should try to see if you can negotiate an agreement. We have the three 6-month periods, the 18-month period, in which if he has not been successful in doing that, that authority, in effect, comes to an end. But we have the general catch-all authority which enables the President to, in effect, limit or control it or prohibit it on the basis of the general authority.

The mass marketing does not have that. He can keep rolling that over, if he chooses. But, in any event, he has this reserve power under the enhanced control that enables him to deal with parts and components. It enables him to deal with foreign availability. It enables him to deal with mass marketing in which, in effect, a very, very broad authority and power has been committed to the President. That is one of the reasons it seems to me clear that the administration and the various officials are supportive of this legislation.

We are trying to improve the process, provide some certainty in how it works, make sure the private sector gets answers, and at the same time reserve to the President the ultimate authority to make control decisions based on national security and foreign policy interests. So I think the basic scheme, the basic arrangement is one that, in fact, deals more adequately with national security and foreign policy interests than either the existing regime now under IEEPA or the previous Export Administration Act.

Mr. THOMPSON. Will the Senator yield?

Mr. SARBANES. Surely.

Mr. THOMPSON. I would appreciate a clarification on comparing the Presidential set-aside on foreign availability with the enhanced controls; the former section, section 212, and enhanced controls is under 201.

I will ask a question in a moment. I know the Senator knows that under 212, the Presidential set-aside, if he determines that failing to control an item would constitute a threat to the national security, the President can set aside the Secretary's determination of foreign availability. Then it requires the President to pursue negotiations, as the Senator has described. It requires the President to notify Congress that he has begun such negotiations. The President shall review a determination at least every 6 months and notify the committees. Then, 18 months after the date, the determination is made; if the President has been unable to achieve an agreement to eliminate foreign availability with these other countries he is negotiating with within the 18 months, then the set-aside is lifted. But when you come over here to enhanced controls, it seems to give the President broad authority to lift the application of provisions of, in this case, foreign availability.

I take it from what the Senator said a moment ago he thinks with enhanced controls the President would still be required to enter into the negotiations with foreign countries, for example. And, if so, which of these other provisions—the notifying Congress—presumably the cutoff would not apply, the 18-month cutoff.

I am a little curious, if the President has enhanced controls, you would think that would obviate all of these other reporting conditions and negotiation requirements and things of that nature because that 18-month requirement certainly would be obviated, and it would make the requirements under the set-aside unnecessary.

Will the Senator comment or give me his view on that? There is a lot of legislation here. I have referred to it once. We will have an opportunity to discuss it.

Mr. SARBANES. I understand exactly what the Senator is referring to. The Presidential set-aside of foreign availability status determination, which is section 212, is designed to encourage the President, in a foreign availability issue, to achieve, if possible, a multilateral agreement through international negotiations. And that is sort of spelled out in there as part of the purpose. You know, we emphasize negotiations, the reports to the Congress, the periodic review of determination, and the expiration of the set-aside at a certain period, although he can renew it for 6 months over three times, for an 18-month period.

Over and above that, the President is given an enhanced control authority in section 201(d). That is on page 183, section 201(d). Let me read that because I think it makes it clear that, without being bound up in the process of section 211:

> Notwithstanding any other provisions of this title, the President may determine that applying the provisions of section 204 or 211—

Section 204 is the parts and components section. "Incorporated Parts and Components," is section 204.

Section 211 is, of course, the "Foreign Availability and Mass-Market Status" section—

> the President may determine that applying the provisions of sections 204 or 211 with respect to an item on the National Security Control List would constitute a significant threat to the national security of the United States and that such item requires enhanced control. If the President determines that enhanced controls should apply to such item, the item may be excluded from the provisions of section 204, section 211, or both until such time as the President shall determine that such enhanced control should no longer apply to such item. The President may not delegate the authority provided for in this section.

That is a pretty far-reaching authority. We seek the President's determination on that. Then the only report is, the President shall promptly report any determination described in paragraph 1 along with specific reasons for the determination to the Banking Committee in the Senate and the International Relations Committee in the House.

Mr. THOMPSON. Will the Senator yield for a moment?

Mr. SARBANES. Sure.

Mr. THOMPSON. I just noticed when the Senator was reading under enhanced control that it refers to control 204, incorporated parts, 211, which has to do with the determination of foreign availability along with mass marketing. But it does not refer to 212. Enhanced control does not refer to 212; it refers to 211, which has to do with making the determination of foreign availability, but it does not refer to 212, which has to do with Presidential set-aside.

The first question would be, Do in fact the enhanced controls override 212?

Mr. SARBANES. Surely 212 defines how the President can carve out from 211 foreign availability, and 213 defines how the President can set aside mass market status determinations, both of which are in section 211. So 211 sets out these things, and then 212 and 213 provide the Presidential carve-out from the requirements of 211. This isn't relevant if the President invokes section 201(d) because 201(d) in effect negates section 211. So there is no reason to go to the carve-outs in 212 or 213. The President doesn't have to invoke 201(d). And he can do the carve-outs according to 212 and 213, depending on whether it is foreign availability or mass market.

Mr. THOMPSON. I see what the Senator is saying. If you are assuming that the determination made by the Secretary of foreign availability and the President's decision to set that aside were made simultaneously, I am wondering whether or not there could be a situation where that would not be the case, that a determination could be made of foreign availability by the Secretary. The President doesn't have anything to do with that. Then at a later date the President makes a determination that this is not working out very well and he wants to use his enhanced authority. But enhanced authority doesn't refer to 212, which gives him the right to set aside which foreign availability would subsume.

Mr. SARBANES. No. I don't want to bring in 201(d) under 212 or 213 because 201(d) is over and above 212 and 213. This is a tremendous authority to give to the President. It is over and above. If you subsumed them under, then you would be creating problems.

Mr. THOMPSON. That gets to my second point, if I may. I go back to my original question. If that is the case, then why is the section under 212—the set-aside that has to do with the President's actions in the case of set-aside, which has to do with pursuing negotiations with foreign governments, notifying Congress, periodic review, exploration of Presidential set-aside —if the President did in fact decide to use his enhanced control authority, why would any of that be applicable? Certainly the exploration of the Presidential set-aside would not be applicable. Or would it?

Mr. SARBANES. Why do you have it at all? It is a reasonable question. Here is the answer as I perceive it. You are trying to set up a framework and a regime in the way of proceeding. As a general proposition, for the sake of transparency, for rationality, for understanding in the export community what is being done, the sort of standard way of proceeding, so to speak, on both foreign availability and mass marketing would be to follow the procedures in 212 and 213 which have been worked out and are designed, as I said, certainly in the case of foreign availability, to accomplish the objective of trying to develop multilateral negotiations.

So this is the process you set out to be followed. Conceivably, that is the process which, generally speaking, the executive branch would pursue. But in a sense, in an abundance of caution, with respect to national security and foreign policy interests, we give the enhanced control power to the President contained in 201(d). There he doesn't have to go through these notices. He doesn't have to go through these procedures. He is not bound into a timeframe.

But you don't simply do that. If you just did that and nothing else, you would have, in a sense, sort of a process without any sort of standards or review.

We have a process of standards and review. But then we go on to say, as I said, with an abundance of caution, that in any event the President can exercise the 201(d) authority. That is essentially to take care of the argument—actually, I think the Senator used the phrase earlier in his statement about unintended consequences. This is really to foreclose any unintended consequences in sections 212 and 213 by giving the President this broad authority contained in 201(d) on enhanced controls.

Mr. THOMPSON. It seems to me what we are getting down to is that if a foreign availability determination has been made, the President has the discretion of operating under 211, going through the notice requirements, going through the consultation requirements, and going through the negotiation with foreign governments——

Mr. SARBANES. It is 212.

Mr. THOMPSON. Yes.

Mr. SARBANES. It is not 211?

Mr. THOMPSON. That is correct. But he may not proceed linearly. When a determination is made of foreign availability, if he at the outset wants to use his enhanced control authority under 201, he may do that. Then none of the provisions having to do with 212 would apply. Would that be correct?

Mr. SARBANES. Yes. The President could do that. Generally speaking, the President would use 212 and 213 in addressing foreign availability and mass marketing, because that is the process, as I spelled out, that has certain benefits that flow from its use. But he would not have to do that. He could invoke 201(d). That is why I said earlier in my opening statement that I thought this legislation gave very significant authorities to the President to make these judgments about national security and foreign policy interests, and it is one of the reasons that I think the administration, after very careful review of this legislation, is so supportive of it.

Mr. THOMPSON. I thank the Senator.

Mr. SARBANES. I yield the floor.

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from Wyoming.

Mr. ENZI. Madam President, I will make brief comments while my colleagues are preparing to speak.

I am pleased we have had the opening statements that we have had so far, and particularly I am pleased with this colloquy we have just had which shows that we have built some supreme authority into the Presidential position that gives the President the right to trump the other provisions that are in the bill but that still puts a process in place which we hope will be followed because foreign availability will definitely bite us if we do not work with other countries to control it.

Mr. SARBANES. Right.

Mr. ENZI. That is why we are concentrating on the multilateral control as opposed to the way we have been doing it which is the unilateral control. Unilateral control does not work. Every report shows that.

I also thank the Senator from Tennessee for his comments about the commission that was chaired by Mr. Rumsfeld and the expertise that he alluded to—and I would confirm—that Mr. Rumsfeld has on weapons of mass destruction. Of course, one of the reasons that I am very willing to point that out is to reemphasize the letter that we had printed in the RECORD this morning from the Secretary of State, Colin Powell, the Secretary of Defense, Donald Rumsfeld, and the Secretary of Commerce, Donald Evans, which is dated today, and was delivered to us, that shows the support of these three Secretaries for S. 149. It isn't a hedged support; it is a very specific support. We appreciate the expertise of Mr. Rumsfeld in the area of weapons of mass destruction and, while these are dual-use items, he gives the same level of credence to our bill as to his report.

Another fine line that needs to be pointed out is that in our bill one of the things we did not do was turn the process over to the bureaucrats. We turned the process over to the elected officials. We went to the power at the top. The reason we did that is because there is a tendency among bureaucrats to pigeonhole things, to avoid decisions; and if you build a process that allows them to avoid decisions, they will avoid decisions. That is why we put some of the time limits that are in here in here. But there is, at any step of the process, the capability of stopping the whole process. And that is also built in this bill.

Mr. THOMPSON. Would the Senator yield for a moment?

Mr. ENZI. Yes.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. I am supposed to be a witness in the Judiciary Committee. I wonder if I could be allowed to lay down an amendment before I leave the Chamber.

Mr. ENZI. I appreciate that. I was hoping we would get to amendments. I yield for that purpose.

AMENDMENT NO. 1481

Mr. THOMPSON. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

> The Senator from Tennessee [Mr. THOMPSON] proposes an amendment numbered 1481.

Mr. THOMPSON. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> (Purpose: To modify the exceptions for required time periods)
>
> On page 232, strike lines 16 through 18, and insert the following:
>
> (1) AGREEMENT OF THE APPLICANT; COMPLEXITY OF ANALYSIS; NATIONAL SECURITY IMPACT.—
>
> (A) AGREEMENT OF THE APPLICANT.—Delays upon which the Secretary and the applicant mutually agree.
>
> (B) COMPLEXITY OF ANALYSIS.—The reviewing department or agency requires more time due to the complexity of the analysis, if the additional time is not more than 60 days.
>
> (C) NATIONAL SECURITY IMPACT.—The reviewing department or agency requires additional time because of the potential impact on the national security of foreign policy interests of the United States, if the additional time is not more than 60 days.

Mr. THOMPSON. Madam President, the amendment I have offered makes a small but significant change in the license application review process.

This amendment allows executive branch agencies such as the Department of Defense or the Department of State that are reviewing licensing applications to have an extension of up to 60 days to review the license if the analysis involved in reviewing the license is complex or based on the potential impact of the export on the national security or foreign policy interests of the United States. This amendment should not be controversial. The amendment is simple and easy to understand and, in my view, it is very hard to oppose. For example, if the Department of Defense is reviewing a license application for sensitive dual-use technologies that are controlled under our export control process, it should be able to get additional time if the analysis is complex or if the export presents particularly sensitive national security concerns.

This change is small but very important. The House International Relations Committee accepted this amendment unanimously by voice vote in its recent markup of the Export Administration Act of 2001. And this amendment reflects a recommendation made by the Cox commission on U.S. National Security and Military/Commercial Concerns with the People's Republic of China. The Cox commission report concluded that U.S. export control policies and practices have "facilitated the PRC's efforts to obtain militarily useful technology." One of the issues the Cox commission discussed was the fact that in 1995, the U.S. reduced the time available for national security agencies to consider export licenses. The commission said that these new deadlines placed national security agencies under "significant time pressures." It concluded that the time allowed for consideration of licenses was "not always sufficient for the Department of Defense to determine whether a license should be granted, or if conditions should be imposed." The Cox commission recommends:

> With respect to those controlled technologies and items that are of greatest national security concern, current licensing procedures should be modified. . .to provide longer review periods when deemed necessary by any reviewing Executive department or agency on national security grounds.

The current version of the legislation contains strict time restrictions. Reviewing agencies, such as the Department of Defense, the Department of State, or the Department of Energy, have 30 calendar days to provide a recommendation to the Department of Commerce. If they do not provide a recommendation within 30 days, they are deemed not to have any objection. This means that if the Department of Defense, for example, has inadequate time to complete a complex review, the license application is automatically granted and sensitive dual-use technology is exported. Allowing additional time in particularly complex or sensitive cases would protect our national security at little cost to any economic interests.

Under the current draft of the legislation, the longest time an applicant could wait for an answer under the legislation is 129 days. The Secretary of Commerce has 9 days from receipt of the license application to refer it to the appropriate reviewing agencies. These agencies have 30 days to respond. If there is an interagency dispute regarding whether to grant the license, it is referred to the interagency dispute resolution process. The interagency process must resolve the issue or refer it to the President within 90 days after the license application is referred to the interagency process by the Secretary of Commerce. In fiscal year 1999, average processing time for all applications was 40 days. Applications that did not need to be referred to another agency, which comprised 14 percent of all applications, had an average processing time of 20 days, and applications that were referred to reviewing agencies had an average processing time of 43 days. This amendment would provide up to 60 additional days of review for export license applications that are complex or based on the potential impact on U.S. national security or foreign policy interests. While this could lengthen the process somewhat in the most sensitive cases, it would have little or no impact on the majority of export licenses.

Madam President, this change to the legislation is small, but significant. It is designed to address a national security issue identified by the Cox commission and it implements one of the Cox commission's recommendations. The House International Relations Committee accepted this amendment unanimously during its markup of the Export Administration Act. I hope that my colleagues will join me in supporting this important amendment.

I yield the floor.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. SARBANES. Will the Senator yield for just a moment?

Mr. HELMS. Yes, of course.

Mr. SARBANES. Madam President, we have an amendment pending. I would just hold it pending because I believe a number of Members wish to make opening statements on the legislation. I invite Members who have opening statements to come to the Chamber so we can get the opening statements done, and then presumably later in the afternoon we will revert back to the amendment.

Mr. THOMPSON. My understanding is that this will probably be the vote at 5 o'clock.

Mr. SARBANES. In between, I was hoping we would get the opening statements out of the way.

Mr. THOMPSON. Yes.

Mr. SARBANES. A number of Members have gotten in touch with us and have indicated they wish to do so. I just wanted to set out the procedure.

Mr. THOMPSON. I say to my colleague also that if, by chance, after reviewing this, we could come to an agreement on this amendment, I will tell the leadership that we would have another amendment which we could vote on by 5 o'clock. So we would still have a vote at 5 o'clock, as the leadership wishes.

Mr. SARBANES. Does the Senator from Tennessee have a total list of amendments he is thinking of offering so we can put these amendments in context? That helps to make a judgment as to whether we are simply unraveling carpet step by step or whether there is a finite picture we can look at to make some determination.

Mr. THOMPSON. If I may respond, the Senator has a floating list that I would be glad, when I get back, to sit down and go over with him. Frankly, I am evaluating several that I have prepared based on the debate and the remarks that are made. I would enjoy the opportunity to sit down and discuss with him and other Members some of the ones I probably will introduce in the next day or two.

Mr. SARBANES. I thank the Senator, and I thank the Senator from North Carolina for his usual courtesy in allowing us to have this exchange.

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. Madam President, I ask unanimous consent that at a time deemed to be appropriate by the managers of the bill I be recognized to be heard for 30 minutes on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from North Carolina is recognized for 30 minutes.

Mr. HELMS. Madam President, I ask unanimous consent that it be in order for me to deliver my remarks seated at my desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Madam President, I feel obliged to voice my strong opposition to S. 149, the pending Export Administration Act of 2001.

I do this because this bill does not protect the national security of the American people. It does not control the export of our most sensitive dual-use items. It does not promote U.S. foreign policy.

Instead, this is an indiscriminate trade promotion bill, and I am obliged to state that I am troubled by the fact that this bill, S. 149, was written in fact, by the business community to maximize future sales to Communist China, and to other such countries that represent the highest risk of technology diversion and proliferation.

Make no mistake about it, this legislation will enable dangerous regimes around the world to arm themselves through the use of the best dual-use technology America has to offer.

This bill's sponsors argue that because the cold war is over, the world is a much safer place and that we need to rid ourselves of outdated export controls that inhibit trade and harm the economy. These Pollyannas could not be more mistaken.

As the ranking Republican on the Foreign Relations Committee, I feel obliged to make clear that I hold a very different view. It is a view based on years of experience in foreign policy and national security matters, and sharpened by ongoing intelligence assessments. My view is shared by the other ranking members of the national security committees of the Senate; that is why we have joined together in opposing this legislation.

The fact is, despite the fall of the Soviet Union, the world is actually a far more complicated and dangerous place due to the proliferation of weapons of mass destruction and ballistic missiles. During the past 30 years alone, the number of countries pursuing nuclear weapons programs has doubled, the number of countries pursuing ballistic missile programs has tripled, and more than a dozen countries, including most state sponsors of terrorism, have offensive biological and chemical weapons programs.

Even worse, this activity is being fueled by Russia and Communist China, two members of the United Nations Security Council who are illicitly selling to rogue countries the dual-use technologies so critical to their weapons of mass destruction and missile programs.

For years, some other Senators and I have cautioned the Senate about these growing threats; we have argued forcefully for a national missile defense system to make the United States less vulnerable to blackmail or missile attack itself. But missile defense cannot alone keep us safe. What we desperately need, and don't have, is a comprehensive strategy that ranges from a credible strategic deterrent to rigorus export controls as our first line of defense.

At a time when the United States of America is becoming increasingly vulnerable to rogue states and others armed with WMD-tipped ballistic missiles, it makes absolutely no sense for the United States to liberalize its export controls over the technology and know-how so critical to these weapons programs. Moreover, doing so sends all of the wrong signals to our allies, and others, about our commitment to nonproliferation.

I have also tried as best I can to make clear my view about the need to deal firmly with Communist China, which is dramatically increasing its military spending and modernizing and expanding its nuclear forces. China's leaders talk openly about preparing for a future conflict with the United States. Meanwhile, Communist China is making every effort to acquire U.S. technology and know-how, through theft, circumvention of export laws, or legitimate commercial activity.

In the past year and a half alone, Communist China illegally used U.S. supercomputers to improve its nuclear weapons. And just a few months ago, we learned that Chinese technicians were installing fiber optic cable for Iraq's air defenses, a clear violation of U.N. sanctions. Worse yet, this assistance and technology—which was provided to Chinese companies by American business firms when the previous administration mistakenly decontrolled this equipment over—and I must emphasize "over"—the objections of the National Security Agency in 1994—has been of great help to Saddam Hussein in his quest to shoot down American pilots.

Seven months ago, a CIA report made clear that China continues "to take a very narrow interpretation of their non-proliferation commitments with the United States." Just recently, we learned that the Communist Chinese are continuing to ship missile parts and components to Pakistan despite Beijing's pledge in November 2000 to stop all such transfers and set up an export control system.

Consideration of this bill by the Senate sends all of the wrong signals, wrong messages, to China. It reminds Beijing that the United States is all too willing to place profit before principle.

Let me address some of the major elements of this legislation that have convinced me that its passage will seriously jeopardize the national security of the United States.

To begin, no one—and I repeat no one—has conducted a thorough national security risk assessment to determine the possible impact of this bill's sweeping changes on our national security. Rather, many have blindly accepted the anecdotes and assertions of industry as the basis for changes in the bill.

Second, this bill does not adequately cover "deemed exports," more commonly understood as the transfers of sensitive knowledge from one person to another within the United States. Under this bill, the information and know-how passed to visiting scientists and others does not appear to be illegal.

Third, this bill creates a new licensing exemption category called mass marketed items, which allows companies to produce their products off of the control lists, notwithstanding the sensitivity of the item. If an item is widely available in the United States, then the bill's authors argue that it shouldn't be controlled.

Fourth, when coupled with a new definition of foreign availability that further loosens controls, this bill has the potential to decontrol large numbers of items. For example, according to one outside expert, under S. 149, the high-precision electronic switches needed to detonate atomic bombs could be up for sale by claiming that they are needed as spare parts for medical equipment; this is what Iraq tried as recently as 1998.

Fifth, despite the fact that the purpose of the EAA is to safeguard our nation's security, the various advisory committees and consultative requirements placed on the administration in the bill do not require that national security or non-proliferation experts be included, while labor organizations and the business community are clearly mentioned.

Sixth, this legislation prohibits export controls on sensitive parts if they are incorporated into more expensive commercial items or if the controlled item in shipping overseas for final assembly. In other words, despite the national security importance of an item, whether or not it's controlled depends to some degree on its relative monetary value and where it is produced. So if a special airborne navigation or radar system requires a license when exported individually, a license would not be required if it were merely a part of an expensive aircraft.

And last, but certainly not least, S. 149 provides extraordinary authority to the Secretary of Commerce on important procedural issues such as commodity classifications, license referrals, dispute resolutions, and the development of export administration regulations. If national security concerns are to be given adequate consideration in export decisions, then the Departments of State and Defense must be given greater authority in the export licensing process. And if these two departments are found already to have sufficient authority under current practice, then why not codify it?

The bottom line is that there seem to be more loopholes and exemptions from export controls in this bill than there are export controls. Could it be that the drafters of this legislation assume that any effort to obtain a license will meet with failure, and that no effort should therefore be spared in ensuring that companies need not bother to ask for one.

I cannot understand why the bill goes to such great lengths to ensure that no exporter will ever be required to tell the U.S. government what he proposes to export, and to whom he intends to sell it. Just because an exporter is required to obtain a license for a sale does not mean that the sale is going to be denied. In fact, over 80 percent of all license applications are approved.

At the same time, the requirement for a license enables the United States Government to ensure that U.S. companies do not contribute, either intentionally or unintentionally, to the arming of potentially hostile regimes. Licenses also allow the government to track acquisition efforts by various countries and groups. Without the licensing of dual-use commodities, the U.S. will know less about the potential proliferation of dangerous technologies, will be less able to combat that proliferation, and will lose the ability to exhort other nations to take steps to strengthen their regimes.

Notwithstanding these facts, the bill's authors will argue that they have made considerable changes to the bill that address many of the concerns my colleagues and others have raised in the past. For example, the Banking Committee will argue that:

Penalties for violations of this Act have been raised in order to punish violators and deter others. While this is true, this bill also raises the evidentiary standard for illicit transfers. Moreover, raising penalties doesn't make much difference when fewer items are being controlled, or when enforcement procedures—such as the mandatory conduct of post-shipment verifications on high-performance computers—are stripped from the law.

An Executive order will be issued to cover deemed exports, give the Department of Defense more visibility and a larger role in the commodity classification process, and strengthen the voice and role of other agencies. However, to date, a draft of the Executive order has yet to be provided for review. But more importantly, given the significance of these matters, doesn't it make sense to make these changes part of the law?

It doesn't make sense to control mass marketed items that can be purchased at Radio Shack and carried out of the country. The problem with this argument is that if items were controlled, they wouldn't be available for purchase at Radio Shack. But beyond that, acquiring widely available items illegally denies end-users the parts, maintenance, and servicing agreements essential to their long-term operation.

Since most licenses are approved anyway, requiring a licensing only harms U.S. companies by slowing them down. The fact is, DoD and the intelligence community benefit greatly from the opportunity to look at and understand complex dual-use items before they are shipped abroad, and the licensing data provides an important audit trail that is useful for conducting cumulative effects analyses and other follow-ups.

This bill addresses all of the major findings and recommendations of the Cox commission report. Upon closer examination, many of the Cox commission's conclusions are not addressed, but are simply explained away. For example, the Cox commission recommended that the government conduct a comprehensive review of the national security implications of exporting high-performance computers to the PRC, yet S. 149 does away with that requirement. The Cox commission also recommended that current licensing procedures be modified to provide longer review periods when deemed necessary by any reviewing department or agency on national security grounds, and require a consensus by all reviewing departments and agencies for license approval. Unfortunately, S. 149 also fails to fully adopt these proposals as well.

The Wassenaar arrangement is a weak multilateral regime that fails to control many dual-use items to the advantage of our European partners. It is true that Wassenaar is an inadequate agreement, but it is also true that the U.S. government has contributed to its weakness by making changes to our export control laws that seemed to undercut our Wassenaar partners. But rather than pushing for greater decontrol, we should follow up on President Bush's statement that we need a stronger regime—closer to what we had under COCOM—to prevent the proliferation of sensitive dual-use items to rogue states. It is unfortunate that the United States is giving up its leadership role on this issue and walking away from years of progress in the export control and nonproliferation field.

Finally, some have argued that failure to pass S. 149 will result in economic harm to our country and the loss of thousands of U.S. jobs. These claims ignore the fact that, according to the Congressional Research Service, controlled exports represented less than 3 percent of total U.S. exports in 1998. And since over 80 percent of all licenses are approved, only a few billion dollars in sales were lost due to denied licenses—an extremely low percentage of the United States' $10 trillion GDP. These numbers also demonstrate that while exports are being controlled—and mainly to embargoed countries or those at high risk of diversion, such as China—American firms are not losing out to foreign competition.

Industry simply does not want the U.S. government reviewing the export of sensitive dual-use items, even if it is for national security purposes. If current licensing procedures are cumbersome for business, then the solution is to improve the efficiency and operations of the export process, not decontrol sensitive items simply to avoid the process altogether.

Despite all of these dubious arguments by the drafters and supporters of this flawed bill, the core problem with S. 149 is its fundamental refusal to recognize that sometimes the United States must go it alone to make a point. The structure of S. 149 fails to take into account the ability of the U.S. to lead other nations by demonstrating self-restraint and a commitment to principle. It restricts the U.S. ability to control exports unless other nations are already doing likewise, or can be guaranteed to do the same in the near term.

I do not believe in the contrived arguments of those who say if you can't beat them, join them. Industry reasons that if America cannot stop rogue states from acquiring weapons of mass destruction, then why should we be ceding market share to our competitors? They say that the United States cannot stop dictators or communist governments from denying their people certain basic rights and freedoms, so why not conduct business as usual with them?

Well, that is not the American way. Americans do not support profit at any price, especially if that price is our national security or our moral dignity. The American people will not support the prospect of fueling our economy by selling sensitive technologies to tyrants and potential adversaries. This is what we witnessed in the eight years of the Clinton-Gore administration, and it is time for this type of nonsense to stop.

We don't need another eight years of intelligence reports that are leaked to the press, outlining in great detail how the PRC is using American technology to improve its armed forces; how Russian and Communist Chinese entities are transferring American technology to rogue states around the world; how American security, interests and friends have been jeopardized; and how it is completely legal thanks to the Export Administration Act of 2001.

Rather, the Senate should follow the wisdom and courage of the House International Relations Committee. Under the fine leadership of Chairman HENRY HYDE and TOM LANTOS, the HIRC was able to pass, with overwhelming bipartisan support, numerous amendments—similar to the ones my colleagues and I will offer this week—that put national security back into this legislation.

While the United States does need a new Export Administration Act, the bill should protect our national security, not jeopardize it at the expense of marginal increases in trade. The bill should give every government department a role commensurate with its expertise and responsibilities. And the bill should send the right message to our allies, friends and adversaries, that United States takes non-proliferation issues seriously, and will continue to take the lead in the efforts. We need a new EAA but not this one.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. KYL. Madam President, I understand the Senator from Virginia wishes to speak. He will be ready in about 5 or 6 minutes. In the meantime, I thought I might respond, if it is in the schedule of the ranking member and chairman, to a point that was the subject of a colloquy with the Senator from Maryland and Senator THOMPSON. Is that all right?

Mr. SARBANES. Certainly.

Mr. KYL. I noted that one of the subjects of discussion in the colloquy between the Senator from Maryland and the Senator from Tennessee had to do with the President's authority under this legislation to waive certain provisions, important provisions, because they deal with a question of whether or not an item that is on the control list—so-called commerce control list—should be waived or whether there should be a waiver of either the embedded product rule or the foreign availability and mass market rule under sections 204 and 211 of the act.

The point was made by the Senator from Maryland that if there were a problem with one of the dual-use items on the list, the President had the authority to waive that. Therefore, those of us who have concerns about the legislation need not be concerned. The Senator from Wyoming made the further point that in this case we didn't want to turn this matter over to the bureaucrats so we gave the authority directly to the President.

I appreciate the sentiment behind those vows. There is a problem with them however. That is, the President, with all of his other responsibilities, can't possibly exercise this authority without the help of the so-called bureaucrats, without the help of a staff.

I have in my hand just a partial list of the commerce control list items. It specifically says at the top: This index is not an exhaustive list of the controlled items.

I haven't bothered to count these. There are hundreds and hundreds of items. I don't know how many pages. It is single spaced, and there must be 60 or 80 items per page and probably 20, 30, 40 pages of an awful lot of items that could be the subject of the export regulations that are the subject of this bill. It would be impossible for the President to be able to devote his attention to this list and intelligently deal with it. In fact, it would be bad public policy for us to require that the President be the only person permitted to exercise the authority. Yet that is exactly what this proposed legislation does.

A provision of the section being discussed that was not quoted occurs on page 184 of the printed version of S. 149. At the end of the section on enhanced controls, it reads as follows:

> The President may not delegate the authority provided for in this subsection.

Well, usually we provide that the President may delegate responsibility because, frankly, he has better things to do than be a staffer going through all of these items with the background to know whether or not some of them should be taken off the list or not. It is simply unrealistic to expect any President, despite a President's intelligence and willingness to get into the details, to be able to exercise that authority with the limitation here. That is the primary reason for our concern.

We appreciate the fact that the President has a waiver authority. But in most cases the President's waiver authority can be realistically administered and utilized. I think it is unrealistic to expect the President to be able to do that in this case.

One of the possible amendments, I advise the Senator from Maryland, I will present—if not I, another Member will—is an amendment to try to solve this particular problem and conform this provision of the bill more to the type of legislation that ordinarily accompanies a Presidential waiver authority. We think that would improve the administration of this act and make the waiver authority really meaningful. I advise the Senator of that point. I intend to make a statement that generally speaks to this issue of the Export Control Administration reauthorization.

I also want to speak specifically to the amendment offered by the Senator from Tennessee before we have a vote on that amendment. Given the fact that there are a couple of other Senators prepared to make remarks at this time, I am willing to stand back and let those Senators make those remarks and then I will come and make mine later.

If there is anything I have just said that is subject to correction, I would be happy to stand for any questioning with respect to my comments, but perhaps we will have an opportunity to debate that at the time I offer an amendment, unless there is a possibility we might work that out between the proponents and opponents of the legislation in the meantime.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Madam President, I say very briefly to my distinguished colleague from Arizona, this is quite a broad sweeping power we are providing to the executive branch. I think it is reasonable to expect the decision will be made by the President. That does not mean the President has to staff his own decision. It will obviously be staffed for him. But the determination to provide the enhanced controls ought to be a Presidential determination.

We do not expect that is going to be before him very often, but when that sort of issue arises, it seems to us it is reasonable that the President should make that judgment.

One of the difficulties we have been experiencing all along is the way the export control regime gets bound up down the line and the decisions never go to the top to be made in those instances in which there are differences of opinion. In most instances, you have unanimity below either for the license or against the license. That is over and done with. But in those instances in which that is not the case and the President is going to exercise his sweeping authority, we do not think it is unreasonable to expect a determination to be the President's.

I am very frank to say, I do not know to whom you would otherwise delegate it, since he represents the ultimate arbiter amongst the departments and agencies, and I do not see any way you can give that role to anybody else because anybody else would be out of one or another, presumably out of one or another of the departments or agencies. You are not, as it were, above it making this separate and independent determination which the President will make.

The other point I want to note is that the President and his team support this legislation, so they obviously do not see in it the kind of extended practical problems which the Senator has—

presumably they do not see that in the bill; otherwise, they not only would not have supported it, but they have been very strong in their support. It is fair to say that their support is anything but pro forma. It is very active and very vital, and they have gone over this legislation very carefully over an extended period of time and reached the judgment they are very much behind it. That is, of course, what they urged on the Senate, including, of course, the receipt this morning—I do not know if the Senator has yet had an opportunity to see it—a letter from Secretary Powell, Secretary Rumsfeld, and Secretary Evans in very strong support of the legislation.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Madam President, I say to the Senator from Maryland, yes, I have seen the letter. I agree with him the support is much more than pro forma; it is sincere and thought-out support. I do not know how many pages of this very complex legislation there are. There are numerous areas that represent room for improvement, and support for any legislation generally does not obviate the possibility of improvements and compromises.

I hope, as this debate goes forward, we might consider the possibility that in this particular area a mechanism be found to provide for a waiver that is more realistic in its ability to be practically used than to require the President, not delegated to anyone else, as being the only person who could grant such a waiver.

We will talk more about that later. The Senator from Virginia is here, and I do not want to impinge upon his time. Perhaps we can work that out. If we cannot, perhaps we will need to offer an amendment.

I thank the Senator.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ALLEN. Madam President, I am pleased to rise in support of S. 149, the Export Administration Act of 2001. Back on June 28, 2001, I joined my colleagues of the Republican Senate high-tech task force, Senators ALLARD, BENNETT, BROWNBACK, BURNS, GRASSLEY, HATCH, and HUTCHISON, in sending a letter to majority leader TOM DASCHLE urging him to bring S. 149 to the Senate floor as early as possible. I am grateful to the majority leader for heeding our request and permitting the Senate to consider this very important legislation.

I ask unanimous consent that the letter my colleagues and I sent to Senator DASCHLE be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HIGH TECH TASK FORCE, JUNE 28, 2001.

Hon. TOM DASCHLE,
Senate Majority Leader, The Capitol, Washington, DC.

DEAR MR. LEADER: As members of the Senate Republican High Tech Task Force, we write to ask you to schedule floor consideration of S. 149, the Export Administration Act of 2001 ("EAA"), as the next piece of business on the Senate floor following conclusion of the pending health care bill. Prompt consideration of this bipartisan bill would be a welcome sign of your willingness to pursue a bipartisan agenda.

As you know, Senators Gramm and Enzi have worked diligently to craft the broadly-supported pending EAA bill which was reported out of the Banking Committee by a 19–1 vote. The Bush Administration also deserves great credit for weighing in to support this critical piece of legislation. President Bush himself last month stated publicly that he hopes the Congress will send him the EAA bill for his signature.

The proposed EAA legislation represents a logical improvement over the outdated EAA Act passed in 1979 and the current patchwork of executive orders regulating export controls issued under the International Emergency Economic Powers Act. The bill dramatically enhances our national security needs by increasing penalties, focusing attention on truly sensitive items, and granting the President new authority in cases involving national security and terrorism. At the same time, the legislation will remove punitive regulatory controls on mass market and foreign availability technology products that have hindered the competitiveness of our technology industries. Study after study have concluded that the present system of export controls has the unenviable distinction of harming private enterprise without enhancing security.

At a time when our technology industries are seeing declining sales, it is imperative that the Congress remove unnecessary and ineffective barriers to exports that will keep technology jobs in this country.

The current extension of the 1979 EAA Act will expire on August 20, 2001. Given this bill's strong bipartisan support, we believe it could be quickly considered and passed by the full Senate, thereby minimizing the interruption of the Senate schedule for other business. Therefore, we look forward to your prompt scheduling of floor action on this important legislation.

Sincerely,

Sam Brownback, George Allen, Chuck Grassley, Kay Bailey Hutchison, Robert F. Bennett, Orrin Hatch, Conrad Burns, Wayne Allard.

Mr. ALLEN. Madam President, I congratulate Senator GRAMM, Senator ENZI, and Senator SARBANES who have worked diligently to craft this broadly supported measure. President Bush and his team also deserve a great deal of credit for weighing in, in support of this legislation.

This bill represents a logical improvement over the outdated Export Administration Act that was passed in 1979 and the current patchwork of Executive orders regulating export controls issued under the International Emergency Economic Powers Act. S. 149 dramatically enhances our national security needs by increasing penalties, by focusing attention on truly sensitive items, and granting the President new control authority in cases involving national security and terrorists.

At the same time, this legislation will remove unnecessarily burdensome punitive regulatory controls on mass market and readily available foreign technology products that have hindered the competitiveness of U.S. technology industries.

Many studies have concluded that the present system of export controls has the unenviable distinction of harming American private enterprise without enhancing our security. At a time when our technology industries are seeing declining sales—and, indeed, the technology sector of our economy is in a recession—it is imperative that the Congress remove unnecessary and ineffective barriers to exports and, by doing so, help keep technology jobs in our country.

Current U.S. policy on export controls is harming good paying jobs for Americans, and it is time that Congress acts to remedy this situation.

Existing export controls which aim to keep our computing power out of the hands of potential U.S. adversaries do not work given the technological and global realities of the 21st century. These policies must be reformed. One may ask why. There are five main reasons. No. 1, they are outdated; No. 2, they are ineffective; No. 3, they are unrealistic; No. 4, they are potentially dangerous; and No. 5, these current laws are bad economics.

Let me expand on that and actually cite some studies that point out the inefficiencies and ineffectiveness of these current laws.

They are outdated: The current policy was formulated during the cold war when we once had a very clear adversary, the U.S.S.R., and when computers were the size of a dorm room.

Today's international makeup is much more vague. Our potential adversaries or enemies are not as easily identified, and computers are now the size of a large remote control. There are some computers, such as Zybernaut's Mobile Assistant, which you can wear on your belt. They weigh a couple of pounds at most.

The export controls we have now are ineffective. Access to high-performance computing capability cannot be restricted. Almost anyone, whether they are in Vienna or Venezuela or Virginia, can download computing power off the Internet or link lower level computers together to perform certain calculations.

These current laws are unrealistic. The United States cannot attempt to control access to computer hardware or components when foreign competitors are producing the same types of technology as domestic firms.

In today's global economy, the United States no longer has a clear monopoly on technological innovation. These rules are potentially dangerous. By struggling to control access to computers and computer hardware that is readily available worldwide, we are diverting resources from policing the truly sensitive capabilities. All the while, our military is way behind the curve when it comes to taking advantage of the very technologies we are trying to restrict.

Finally, these current laws are just bad economics. As high-tech industry suffers a dramatic downshift, we are limiting their access to the fastest growing consumer markets in the world. In the new global economy, being first to market is a critical advantage. Currently our companies are not on a level playing field. This hurts their ability to make inroads into millions of potential new customers, not to mention reducing how much U.S. firms can spend on continued R&D, or research and development, to maintain our competitive and innovative leadership.

I say to my colleagues in the Senate, the time is right to modernize and reform export controls. Leading members of the Senate Banking Committee have worked closely to develop a thoughtful, reasonable approach to balancing U.S. national security and economic interests. There is broad bipartisan support for reform, including among the national security establishment.

President Bush and his national security advisers, including Secretary of State Colin Powell, and Condoleezza Rice, Commerce Secretary Don Evans, Defense Secretary Donald Rumsfeld, former President Clinton, four former Secretaries of Defense, the Pentagon, the Defense Science Board, and the General Accounting Office, Democrats and Republicans alike, have all drawn the same conclusions: The current system is broken.

For example, under the current law, the President is required to use an outmoded standard called MTOPS, millions of theoretical operations per second, to measure computer performance and set export control thresholds based on country tiers.

A recent report on "Computer Exports and National Security in the Global Era" issued by the Center for Strategic and International Studies reflects the widespread consensus amongst those in the U.S. defense and security communities that MTOPS-based computer hardware controls are "ineffective given the global diffusion of information technology and rapid increases in performance."

The report explains, for example, while various U.S. computer systems are currently subject to controls based on their MTOPS ratings, the equivalent computing power can be easily achieved by clustering several widely available low-level systems.

A recent report from the Department of Defense itself also concludes, "MTOPS has lost its effectiveness as a control measure due to rapid technology advances." The General Accounting Office's report to the Senate Armed Services Committee similarly concludes that the MTOPS standard is outdated and invalid and the current export control system for high-performance computers which focuses on controlling individual machines is ineffective because it cannot prevent countries of concern from linking or clustering many lower performance uncontrolled computers to collectively perform at higher levels than current export controls allow.

The Defense Science Board echoes this same analysis, warning that "clinging to a failing policy of export controls has undesirable consequences beyond self-delusion."

Finally, a multilateral export control study recently released by the security-minded Harry Stimson Center reflects the overall consensus view that:

> [T]he system of controlling the export of militarily sensitive goods is increasingly at odds with the world characterized by rapid technological innovation, the globalization of business and the internationalization of the industrial base, including that of defense companies. Although efforts have been made to adapt Cold War processes and regulations to changed circumstances, the current approach to controlling militarily relevant trade has failed to keep pace with changing international conditions and often falls short of adequately protecting U.S. national security interests.

In effect, the Center for Strategic and International Studies, the Department of Defense, the General Accounting Office, and the Defense Science Board all agree that while the most advanced stand-alone high-performance computers may be controllable, high-performance computing is not. Thus, by struggling to control the uncontrollable, the Federal Government is diverting our attention away from the export of truly sensitive technologies. By keeping ineffective export controls in place, the Federal Government is restricting U.S. industry's access to the fastest growing consumer markets around the world without achieving any significant national security advantage. In the process, the Federal Government is creating an unlevel playing field for U.S. companies and stifling future research and development efforts upon which U.S. technological and military supremacy demands and depends.

For the U.S. computer industry to maintain its preeminence in innovation and business, we must promote policies that encourage investment in R&D, not hinder it. S. 149 represents a solid stride toward an export control system that effectively balances our Nation's economic and national security interests.

As it relates to computer exports, this bill removes the MTOPS regulatory straitjacket and empowers the President, the Secretary of Commerce, and the Secretary of Defense to review the national security control lists and determine both what computers should be controlled and how they may be controlled. The bill does not alter the way in which computer exports are currently controlled under existing regulations. Rather, it simply gives the President, the Secretary of Commerce, and the Secretary of Defense the flexibility to reassess the effectiveness of these controls in the future, taking into account all relevant risk assessment factors, including the factors affecting an item's controllability, such as foreign availability and mass market status, as well as other relevant factors such as, in the case of computers, whether the capability or performance provided by the item can be effectively restricted.

Passage of S. 149 does not in any way equal decontrol of computer hardware sales. Many levels of restrictions will still exist to protect U.S. national security interests if the EAA becomes law, such as rogue country embargoes. Those rogue country embargoes will remain in place, and user restrictions will allow the Government to prevent specific sale of computer technology to certain organizations or individuals, and protections over highly specialized military hardware and software applications will still exist.

The success of export control efforts depends on vigorous enforcement of the law, with meaningful punishment of violators. For many potential violators, the monetary penalties associated with the current Export Administration Act pose no compelling deterrent. The Weapons of Mass Destruction Commission noted that under current law, "an export control violator could view the risk and burden of penalty for a violation as low enough to merely be a cost of doing business, to be balanced against the revenue received from an illegal transaction."

The Cox committee recommended that particular attention be given to reestablishing higher penalties for export control violations. Toward that end, S. 149 significantly enhances criminal and civil penalties for export control violations.

Section 503 of the bill imposes a criminal fine of up to 10 times the value of the exports or $1 million for each violation, whichever is greater, for willfully violating or willfully conspiring to violate the provisions of S. 149 or any regulation issued under it.

In addition, individuals may be imprisoned for a period of up to 10 years, and companies can be fined up to 10 times the value of the export, or $5 million, whichever is greater, for each violation.

Additionally, the Secretary of Commerce may impose on a violator, in addition to or in lieu of the criminal penalties, a maximum civil fine of $500,000 for each export control violation. This bill gives the Secretary of Commerce the discretion he or she needs to take into account the aggravating and mitigating factors that may be present in any given case.

Finally, the Government will be able to focus its resources on those critical technologies it must protect, rather than wasting time and money on the futile exercise of attempting to control access to commodity computing power and technology.

I say to Members of the Senate, Senators ENZI, GRAMM, and SARBANES have worked diligently in crafting an outstanding bill. The passage of S. 149 is important to the future of national security and economic interests of the people of the United States of America. I thank Members for their efforts and urge support of S. 149.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, I held in August, in Reno, NV, a high-tech townhall meeting. I have held a number in Nevada. Although we do not manufacture a lot of computers and computer equipment in Nevada, we have a high-tech industry. There is no issue more important to them than passing this legislation. If it is important to people in the high-tech industry in Nevada, it is also important in the high-tech industry around the country. I have had numerous calls over the last year and a half from companies around America indicating the importance of this legislation. It is high time we did something about this.

I applaud and commend Senators SARBANES and GRAMM, the chairman and ranking member of the committee of jurisdiction, for their advocacy for the last many months on this issue. Of course, members of the committee, Senators ENZI and JOHNSON, have worked extremely hard and have done exemplary work in helping move the legislation.

I strongly support passage of S. 149. This bill is a product of many years of hard work. A number of people have worked on this. I worked with my friend, Senator BENNETT of Utah, on the appropriations level making sure, especially last year, we had some legislation impacting on this. This bill represents a well-crafted, appropriate balance between a more modern, effective export control system and the U.S. national security interests.

I talked about this high-tech meeting held in Reno at the University of Nevada. It was a hearing to determine what is going on in Nevada and around the country with the high-tech industry. It is very clear at this time in the history of the United States there is hemorrhaging taking place. There are many examples. We have a high-tech company on the front page of the Reno paper today trying to maintain their listing with NASDAQ. One year ago their stock was about $35 a share; it is now at 40 cents a share. There are many other examples of this. This is a high-tech company mentioned on the front page of the Gazette Journal today. There are companies such as this all over America.

We as a country need to maintain our competitive edge. If this legislation does not pass, this equipment will be manufactured someplace else using non-Americans and it will be the same product. We need to do it here. That is what this is about. You can talk about what percentage moves through and how little it matters. It is something we need to do. Many business coalitions, including the Computer Systems Policy Project, the Business Roundtable, the American Electronics Association, the Electronics Industry Association, the Association of Manufacturing Technology, and the Computer Coalition of Responsible Exports are supportive of S. 149. Among the members are Apple, AT&T, Boeing, Compaq, Dell, Hewlett-Packard, IBM, Intel, SGI, Sun Microsystems, Unisys, and United Technology. These are extremely important businesses in America. They are important employers in America. They are important on a worldwide scene. That they are joining with us in maintaining how important it is to pass this legislation says a lot.

I throw a bouquet to the Bush administration for having three of their top Cabinet officers write a letter saying how important this legislation is. It is important. We heard from the Secretary of State, the Secretary of Defense, and the Secretary of Commerce indicating this legislation is critically important. This is bipartisan legislation.

Having worked this floor the past couple years or more, I have never seen a piece of legislation with so much support held up by so few people. Everybody wants this to pass. But in the Senate, it is difficult to get this to the point where it will pass. And it will pass. It will. It is hard to find someone who does not believe the current system of export controls in the United States is broken and needs to be fixed. We cannot continue with what we now have.

We have four former Secretaries of Defense who support this legislation. The Pentagon supports this legislation. The Defense Science Board and General Accounting Office, Democrats and Republicans alike, have drawn the same conclusion: Existing export controls aimed to keep computing power out of the hands of U.S. adversaries has not worked and must be reformed.

Why? No. 1, what we have is outdated. Everyone knows how rapidly the computer industry is changing. In the Clark County Courthouse in Las Vegas, NV, one floor was dedicated to taking care of the computer needs of Clark County. That same work can be done in a very small office now, not one whole floor. We had to have the temperature controlled to a certain degree; no longer is that necessary. In fact, I bet we can do on my laptop most everything that could be done on the vast floor 25 years ago.

This is important. The present law is outdated. The current policy was formulated during the cold war. The cold war is over, when we had one obvious adversary, when computers were the size of a dorm room, and some the size of dormitories. Today's international makeup is much more vague. Potential enemies are not as easily identified, and computers are now the size of a remote control for a television set.

Another reason we must change this law is the present law is ineffective. Access to high-performance computing capability cannot be restricted. Anyone, whether Indonesia or Indiana, can download computing power off the Internet or link lower level computers together to form certain calculations. You do not have to have a degree from Harvard in computer science to do that. High school kids can do it. Probably my grandchildren in the sixth grade can do a lot of this. Why does the law need to be changed?

The current law is unrealistic. The United States cannot attempt to control access to computer hardware components when foreign competitors are producing the same types of technology as domestic firms. In today's global economy, the United States no longer has a clear monopoly in technology innovations. We must change because the present law provides potential dangers. By struggling to control access to computers and computer hardware that is readily available worldwide, we revert resources from the true areas we need to police. All the while, our military is way behind the curve when it comes to taking advantage of the very technologies we are trying to restrict.

Finally, it is just bad economics to keep the present law in force. As the high-tech industry suffers a dramatic downshift, we are limiting their access to the fastest growing consumer markets in the world. In the new global economy, being first to market is a critical advantage. Currently our companies are not on a level playing field. The computer made in France can get there much quicker than a computer made in the United States. This hurts our companies' ability to make inroads with millions of potential new customers, not to mention how much U.S. firms can spend on continued R&D, research and development, to maintain our competitive and innovative leadership.

The current law requires the President to use an outmoded metric, MTOPS, which stands for millions of theoretical operations per second—MTOPS. The current law requires the President to use MTOPS to measure computer performance and set computer thresholds based on country tiers. What does this mean?

A recent report on "Computer Exports and National Security in the Global Era" issued by the Center for

Strategic and International Studies, CSIS, reflects the widespread consensus among those in the U.S. defense and security community that MTOPS-based computer hardware controls are "ineffective given the global diffusion of information technology and rapid increases in performance." The report continues and explains that while various U.S. computer systems are currently subject to controls based on their MTOPS rating, the equivalent computing power can be easily achieved by clustering several widely available low-level systems: Radio Shack.

The conclusion of the CSIS report could not be more clear. No. 1, MTOPS are a useless measure of performance; No. 2, MTOPS cannot currently measure performance of current microprocessors or sources of supercomputering like clustering; and third, this makes MTOPS-based hardware controls irrelevant. The best choice is to eliminate MTOPS.

This study is only the most recent of a host of export reports to identify the system governing computer exports is broken. A recent report from the Department of Defense concludes, for example, that:

> MTOPS has lost its effectiveness as a control measure . . . due to rapid technology advances.

On this point, the Department of Defense has emphasized that:

> Controls that are ineffective due to market and technology realities do not benefit national security. In fact, they can harm national security by giving a false sense of protection; by diverting people and other finite export controls resources from areas in which they can be effective; and by unnecessarily impeding the U.S. computer industry's ability to compete in global markets.

Those who oppose this legislation are living in a dream world, a world of more than two decades ago. In reality, there is every reason to pass this legislation. Four Secretaries of Defense, I repeat, current Cabinet officers, scientists all over the world—scientists in the United States—America's burgeoning high-tech industry, without question or qualification, support this legislation.

The General Accounting Office's report to the Senate Armed Services Committee similarly concluded, with the CSIS report, that the MTOPS standard is "outdated and invalid" and:

> The current export control system for high performance computers, which focuses on controlling individual machines, is ineffective because it cannot prevent countries of concern from linking or clustering many lower performance uncontrolled computers to collectively perform at a higher level than current export controls allow.

Finally, in this regard the Defense Science Board echoes this same analysis, warning that "clinging to a failing policy of export controls has undesirable consequences beyond self-delusion."

We could go on literally all afternoon, reading from reports and studies, scientific analysis that says the present system is worthless, it is broken; all it does is hurt our economy. It doesn't do anything to protect our security. In effect, the Department of Defense, the General Accounting Office, the Defense Science Board, the Center for Strategic International Studies, and a multitude of other entities and organizations all agree that while the most advanced stand-alone high-performance computers may be controllable, high-performance computing is not.

By struggling to control the uncontrollable, we are diverting our attention from the export of truly sensitive capabilities. By keeping ineffective export controls in place, we are unnecessarily restricting U.S. industry's access to consumer markets around the world. In the process, we create an unlevel playing field for U.S. companies and we stifle future R&D efforts on which U.S. technological and military supremacy depends.

What does this all mean? Should we throw away any attempt to control technology and "sell, sell, sell"? Of course not. We must develop a new, more effective system that better balances our economic priorities with national security interests. S.149 represents a critical step forward toward this very worthwhile goal. As it relates to computer exports, the bill removes the MTOPS straitjacket and empowers the President of the United States, his Secretary of Commerce, and his Secretary of Defense to review the National Security Control List and determine both what computers should be controlled and how they may be controlled.

This bill does not eliminate controls. It just sets up a modern standard of controlling what we are going to do with exporting computers. This bill does not—and I think we need to be very clear on this point—alter the way in which computer exports are currently controlled under existing regulations. Rather, it simply gives the President, the Secretary of Commerce, and the Secretary of Defense the flexibility to reassess the effectiveness of these controls in the future, taking into account all relevant risk assessment factors, including the factors affecting an item's controllability, such as foreign availability, mass market status, as well as other relevant factors such as, in the case of computers, whether the capability of performance provided by that item can be effectively restricted.

The chairman of the Banking Committee, Senator SARBANES, I think has done an excellent job explaining this today. We have a lot of very talented people in the Senate. But as far as your basic intelligence and someone who understands what goes on around here, there is no one I have more confidence in than the Senator from Maryland. He is a Rhodes scholar in more than name only. He is somebody who is truly very intelligent. And when he said today—I talked to him before he came to the floor, and then I heard him say it on on the floor—he read this bill from cover to cover, that says a lot. This is a heavy piece of legislation. This is a bill that would take a long afternoon of reading if it could be done. It is about 350 pages long. If you wanted to have somebody who knew the bill better than he—and I don't know who that would be—to give him a test on it, either essay or multiple choice, he would pass it with a great score.

He has certainly stated on several occasions today, this bill is going to improve the security of this country and allow our commercial interests to be more competitive. I think it is important we keep that in mind. Two considerations: Our security is going to be maintained, and we are going to be able to be commercially more effective than we have been. We are going to continue leading the world in selling these computers that our scientists have developed.

The bill we are considering takes all challenges into account and will allow, I repeat, the United States to move forward and formulate an export control policy that recognizes the technological, trade, and political realities of the 21st century. In so doing, this bill will effectively promote U.S. economic and national security interests, a goal we should all agree is important.

It is not as if computer companies will be able to sell willy-nilly to anyone who comes calling in search of, for example, a submarine detection system. This legislation applies several levels of restrictions to protect our national security interests, including, but not limited to, total embargoes on shipping products to rogue nations such as Iran and Iraq at the present time; end-user restrictions that identify specifically who in certain countries the United States can and cannot sell to; and, finally, controls over the most critical technologies, highly specialized, military-designed software and hardware applications.

That is pretty strong.

By focusing our resources in these areas, instead of wasting our time and money on trying to control commercial computing power, the government will be able to better keep the most critical applications out of the wrong hands.

I want to stress to my colleagues that the need for export control reform is widely supported.

To quote an esteemed member of our country's National Security community, former National Security Advisor Brent Scowcroft, "It's a whole new world. And I think it's past time we respond to that world. The genesis of invention and innovation used to be the military-industrial complex but the government doesn't control technology the way it used to."

The bill we are considering takes all of these challenges into account and will allow the United States to move forward and formulate an export control policy that recognizes the technological, trade and political realities of the 21st century.

I say again that the Department of Defense, the General Accounting Office, the Defense Science Board and the Center for Strategic and International Studies have all concluded that MTOPS is an "outdated and invalid" metric and that the current system is ineffective. Repeal of the National Defense Authorizing Act language would give the President the flexibility to develop a more modern and effective system.

This is a good bill for Nevada. It is a good bill for the country. It is a good bill for the world. I urge my colleagues to follow the lead of the managers of this bill, the Senator from Maryland and the Senator from Wyoming, and move forward. Defeat the amendments that will be offered by just a small number of Members. Defeat them overwhelmingly. This is important legislation. We need to send a message to the world that we mean business in maintaining our superiority in the production of computers.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I rise in opposition to the amendment to S. 149 proposed by the Senator from Tennessee. This amendment contains substantial changes that will not only upset the delicate balance of control between agencies established in S. 149, but it will create a burdensome licensing, classification and regulatory process and further fuel the turf battles between agencies.

This amendment would allow a reviewing agency to stop the clock during the licensing application process "due to the complexity of the analysis" or "because of the potential impact on the national security or foreign policy interests of the United States." Simply put, it would unnecessarily delay licensing decisions and, ultimately, reduce the competitiveness of U.S. exports.

This amendment is unneeded at best and harmful to national security and the economy at worst. The danger of this amendment lies in that it would enable a single agency to delay the approval of a license for up to 60 days due to the "complexity of the analysis." Used effectively as a delay tactic, a reviewing agency could bury an application in the "complex analysis required" bin and walk away for 2 months. The natural bureaucratic tendency to avoid risk would cause unprocessed license applications to languish for days weeks or even months without any action. This extended delay would not only greatly increase the overall processing time, but it could bring the entire process to a grinding halt and destroy an exporters ability to meet market demand quickly and efficiently. Furthermore, at this point, the exporter is in limbo, as she or he neither has the approval needed to move forward or the denial needed to make improvements.

One exception would allow for 60 days, but there are two exceptions in here. So it can be read that an agency would get 120 days by utilizing the two exceptions one right after the other.

Although proponents argue that this amendment would ensure ample time for the Department of Defense, the Department of State or other reviewing agencies to conduct their investigations, it is, in reality, a solution in search of a problem. Never has there been a case where the Departments of State and Defense have not had enough time to adequately review a license application. In fact, Fiscal Year 2000 data from the Department of Commerce indicates that the average time for the review of a license by the Department of Defense was only 13 days. The Department of Energy averaged 22 days, while the State Department averaged 9 days. All three agencies demonstrated that the 30 days currently permitted to review a license is more than adequate. Exporters lose their customers when faced with uncertainty about delivery times. This amendment could place all export licenses in virtual limbo for five months—surely enough time for competitors to easily step in and fill our exporters orders.

Moreover, any agency that might conceivably require more time to review an application is fully protected under S. 149. First, an agency may exercise any of the carefully thought-out exceptions listed in Section 401(g). For example, under Sec. 401(g)(1), the applicant might be willing to provide additional time in order to have a better chance at approval. Second, an agency is always free to return a recommendation of disapproval, thereby kicking the application into the interagency dispute resolution process. Third, once within the interagency process, an agency can escalate a decision to a higher level.

Second, the amendment undoes the discipline of the entire system. A key recommendation of the various commissions that have studied our export control system is to increase discipline in the export control system. Without strict deadlines, discipline disappears. And without discipline, the system is unworkable. An undisciplined system is the same as no system at all. The consequences for both our national security and economic interests would be severe.

It was mentioned in the arguments in favor that the Cox commission had taken a look at this and proponents argue that the longer review periods were provided for by the Cox commission.

The Banking Committee extensively reviewed the recommendations of the Cox committee, and indeed adopted virtually all of their dual-use-related suggestions. Recommendation 31 of the Cox committee did suggest longer review periods for national security purposes. However, the Cox committee made that recommendation only with regard to items that are of the greatest national security concern. For other items, the Cox committee strongly recommended streamlining the process and providing greater transparency, predictability, and certainty.

S. 149 does not classify items as of "greatest national security concern" or "lesser national security concern." Instead, it sets up a risk-based system that allows the administration to make such determinations within the bill's guidelines. Based on past experience and demonstrated agency data, both the administration and the bill sponsors believe that S. 149's system—by setting mandatory time periods with the existing "stop the clock" exceptions—is the most effective framework for operating export controls.

In conclusion, this amendment, although it is portrayed as simple and common-sense, undoes the key element of discipline of S. 149. It would result in a application system bogged down by bureaucracy and politics, a system in which delays are the rule rather than the exception. It is not simple or technical, but would undo the careful balance of the bill. I urge its rejection.

I thank the President. I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, I apologize to my colleagues for being late; I was busy on a matter important to my State. I wanted to come over today both to oppose the amendment that is before us and to speak on behalf of the bill itself. Let me do those in reverse order.

First of all, our colleagues can be proud of the fact that the bill before us today is truly bipartisan, and I want to congratulate Senator SARBANES for his leadership on this bill, both as chairman of the Banking Committee now and as ranking member when the bill was originally written. I also want to thank Senator JOHNSON and Senator ENZI for their leadership on this bill.

This bill tries to deal with an inherent conflict that we face as a nation. On the one hand, we want to be the greatest technological giant in the world. We want to dominate the world in producing everything that embodies new technology because the country that controls that technology ultimately dominates the world economically. It has the highest wages, and the brightest future. So, we have not only a goal but a passion to see that when new tools are produced, when new technology is implemented in the marketplace, that it is American technology, implemented by Americans.

We are the most technologically and scientifically friendly society in history, which is one of the reasons we are the greatest country in the history of the world. This bill is very much about that, but it is also about our other objective, which is to try to see, to the maximum extent we can, that new technology does not get into the hands of those who would use it to harm America or her interests and to engage in terrorist activities around the world. And that is the inherent conflict between these two goals.

What this bill is trying to do is to find a way to deal with this inherent conflict. I personally believe, after having now spent some 2½ years working on this bill, that we have come to a good solution. We have come as close as you can come to reconciling these differences. Let me try to explain how.

I know some of our colleagues are concerned that we have gone too far in trying to promote American sales of technologically advanced products. I believe, upon close scrutiny of this bill, objective observers will conclude that charge is not true. This bill tries to recognize something that we do not like to admit but that everybody has to admit is true: if a technology is generally available, if you can go to Radio Shack and buy something, if it is mass marketed all over the world—it may have defense implications; it may be something you would want to prevent a terrorist or terrorist state from getting—but if something is mass marketed, then would-be terrorists can go to Radio Shack and buy it. Would-be terrorist nations could get access to something that is mass marketed.

One of the great strengths of the bill is that we introduce a new concept into American law—the concept of mass marketing. What we say is, if a technology is available on a mass market basis, if you can buy it all over the world, it is too late to protect it. So we propose building a higher wall around a smaller number of items. That is the logic of this bill. It is a very simple logic.

The second component of the bill recognizes that it is very difficult to prove somebody knowingly sold or transferred technology that is protected. And since it is very difficult to prove that—very difficult to catch bad actors—we want the penalties to be extraordinarily stiff. Penalties in current law are so small as to be irrelevant to a modern corporate entity.

Our penalties, which can run into the tens and hundreds of millions of dollars, can, for repeat offenses and a pattern of behavior, result in imprisonment or life imprisonment or penalties that affect anybody's behavior.

So we build a higher wall around a smaller number of items. We recognize it is certainly true that you can go into any Radio Shack and buy a computer that is more powerful than the most powerful computer that existed in the world when I was a college professor.

I remember running multiple regressions which people now run on calculators. I had these punchcards that had all this data—more precious than life, almost. You would tote big boxes of these punchcards over to the computer center at 4:30 in the morning. They had an entire building that had an analog computer—an entire building. And it had so little storage capacity that my little multiple regression took the entire memory of the entire computer. And this whole building was devoted to running this computer. Now any college student taking college statistics can perform the same transaction on a modern calculator.

Obviously modern technology can be put to defense use. But the point is, if our purpose is just to feel good, then we could do a lot of different things. But in writing this bill, we want to have a meaningful impact in the law. So for technologies that are readily available, that can be purchased anywhere, we decided to take them off the list of restricted export items.

We have put together a system where the security agencies have the strongest voice they have ever had in the process. We have put together a procedure whereby an agency that has doubt can buck the decision up to a higher level, if they can get approval by a Senate-confirmed person in their department.

We make it easier to say no. We give the President an all-encompassing power: if the President of the United States, having reviewed all the data, concludes that the sale of an item represents a national security threat, no matter whether it is mass marketed or anything else, then the President can intervene and say no. Now, the President himself has to do it. This cannot be delegated to somebody else, removing the President's responsibility to answer whether it is wise or promotes the public interest. That is the basic structure of this bill.

This bill is strongly supported by the administration. It is supported by the Defense Department. It embodies the recommendations from the Cox Commission, whose key recommendation was that Congress quit trying to do things that only make it look as if it is concerned about national security, and instead focus on national security. We have done that.

Some of our colleagues have concerns. I am hopeful, perhaps as early as in the morning, that I will get a chance to sit down with them to see whether, even at this late date, we might work something out that could give them greater confidence in what we are doing. But regardless, we have a good bill. It is a bill the country needs, and it is important.

Let me add, my trusty staff has just passed me a note reminding me that we made no less than 59 changes in trying to deal with the concerns some of our colleagues raised in the last Congress. It is not as if the chairman of the Banking Committee, Senator SARBANES, and I have been deaf in terms of listening to their concerns. We have listened to them, and we have responded. We have made 59 changes in the bill and worked with the previous administration. And when the new administration came, we gave the bill to them, and they made suggested changes which we made. So, I think we have tried to work with everybody. But the point is, we are not through working. If we can improve the bill, we want to do it.

Let me address a central point, though. I think it is important that people understand the logic of the bill. I then want to talk very briefly about the Thompson amendment.

Ultimately, you have to ask yourself a question: Is America's security enhanced by our being the dominant economic power in the world that generates the great bulk of modern technology and that implements it first? Or could we promote our national security by freezing things as they are, by stopping the production and the export and the utilization of technology that might in the future have national security ramifications?

Some people still seem to have this vision of the Cold War—that Ivan is at the gate, that technology is coming out of defense research establishments and into the American private sector, and then into the world private sector, and it is then absorbed by would-be adversaries.

The plain truth is, that concept of the world is no longer valid. Most of the modern technology is coming from the private sector. In a sense, we are back to where we were in World War I, where one of the things we tried to do was take modern technology and implement it for military use. Then, as we developed what Eisenhower called the military industrial complex and redeveloped basically this university defense industry consortium, it was the engine for new technology.

But today technology comes from the private sector, from international companies. If we don't let them implement the technology and put it to work and produce products here, they will produce them elsewhere. The net result is that we will have less control than we do now.

Ultimately, the security of America is based on our ability to produce new technology, not on the technology that exists today. It is based on the technology we are going to generate in the future and that we are going to implement before anyone else. The only way we can keep that system intact is by allowing American industry to use modern technology.

AMENDMENT NO. 1481

Mr. GRAMM. The Thompson amendment on its face looks desirable. But in reality, it assaults a system that we have put into place that forces a decision. Let's say I am Texas Instruments, and I want to export a technology. I have to file an application. Now, if I can prove that the technology is mass marketed that it is readily available or if we find that the technology is going to be mass marketed in the future, then all of those factors can come into play in making the export decision. But if at any point in the process an official believes there is a national security concern, then all he has to do is say no.

The only thing that any one person on the whole panel representing all of these national security agencies—the Department of Defense, the Department of State, the Department of Commerce—has to do to stop the process is to utter the magic word "no." And when they say no, the process is stopped, and the decision can be appealed to the next highest level—ultimately, to the President himself. But there is no lack of ability to stop a sensitive product from being exported.

What I am concerned about—I have no question in my mind whatsoever of the good intent of this amendment—is that if we make it easy to not say "no" but just say "let's wait," if we make it easy for someone to avoid making a decision, no politician and nobody governed by politicians will ever make a hard decision as long as there is any viable alternative. That is a chiseled-in-stone law of public behavior. And if we make it possible for people to delay because it is complex or because they say it has the potential of having national security interest, then what is going to happen? The whole process is going to get tied up. This bill, which tries to achieve a delicate balance between jobs and security, will end up being destroyed.

I want my colleagues to know, in asking them to vote against this amendment, that any representative of any agency who is serving on the review panel has a right to stop the process by saying no. What they don't have the right to do is to say: Well, let's think about this for 6 months, or let's wait for a year while some foreign competitor is developing the same technology. They have to say yes or no, but they can say no.

Secondly, I remind my colleagues that in part in response to concerns that were raised by Senator THOMPSON and others, we put a Presidential waiver in the bill where the President. Even if the review process says yes, even if under the law the export is exempt from the review, if the President finds that the product poses a national security concern, then the President has the right to intervene.

Some people are going to say: Well, you made it so the President can't use it because how can the President do all these things? But we already know that the President doesn't do all these things. The practical implication of this waiver is that when a process is stopped that has otherwise been approved or that would otherwise be exempt, the decision is not going to be made by a deputy assistant secretary in the Commerce Department or an unknown person in the Defense Department. The person who will have to answer to the public for the decision is the President.

What does that do? It guarantees that the agency representatives are not going to make this decision to circumvent the process for a light or transient reason. But if the President believes, based on the best advice he is given, that the product should not be exported, then the decision is made and it is not exported.

I do believe we have put together a good system of checks and balances. The Thompson amendment makes it too easy to bail out of the system. An agency representative can always say no if he objects, but what he cannot do is cause delay after delay. That is what we are trying to deal with here, and I hope my colleagues will vote no on the Thompson amendment.

Let me repeat, since I see that our distinguished colleague has come to the Chamber, I am hopeful we can get together, perhaps in the morning, with those who still have concerns about the bill to see if there is anything we can do to deal with those concerns. I know some suggestion has been made that we might have a blue ribbon panel to evaluate the entire process. I haven't talked to Chairman SARBANES in any detail about that. But I think that is something we would be willing to look at as an addition to what we are doing.

What we want to do is pass a good bill that I believe America needs.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I take this opportunity while Senator GRAMM is still with us on the floor to depart from the debate on S. 149 for a moment and say a few words about my very able and distinguished colleague who announced earlier this afternoon that he will not be seeking re-election next year in 2002. I think that comes as a surprise to many of us. We heard the stories, but no one ever assumed they would amount to anything. All of a sudden, they have.

I just want to say a few words about our working relationship and also, of course, to wish Senator GRAMM the very best. I know that this decision was influenced by his desire, in a sense, to begin a new career and by some family considerations. Of course, I respect those. Obviously his presence here in the Senate—a very strong presence, I might observe—will be missed post-2002 or post-January 3, 2003.

Just as we are co-managing this reauthorization of the Export Administration Act today, I think we have accomplished a great deal working together in our respective roles on the Senate Banking, Housing, and Urban Affairs Committee.

Senator GRAMM was Chairman of the Committee from January 1999 to June 2001. I have to say that virtually every major piece of legislation that came out of our Committee came out either unanimously or very close to it with one exception. We had a big dust-up, as it were, over the financial services modernization bill, essentially over the CRA provisions.

We subsequently worked it out with the Administration and the bill finally passed on the Senate floor in November of 1999 by a vote of 90–8. In the end, we found our way through and reached an understanding and an accommodation.

I want to acknowledge Senator GRAMM for his leadership during his chairmanship on the following bills: the Competitive Market Supervision Act, the International Monetary Stability Act, the Manufactured Housing Improvement Act, and the Public Utility Holding Company Act. In the area of housing and urban affairs, we have passed into law elderly housing legislation; reforms to the rural housing program; and reforms to the Native American housing program. This year we passed Market-to-Market reform and reauthorization legislation through the Committee. The President also signed into law the Iran-Libya Sanctions Extension Act on August 3, 2001. I think the Committee has had a very good track record under his leadership in the last Congress and at the beginning of this Congress.

I also want to acknowledge that without Senator GRAMM's active leadership on the Export Administration Act, we actually would not be on the floor today. I also look forward to working closely with him on the reauthorization of the Export-Import Bank and the Defense Production Act.

I have to say we are going to miss Senator GRAMM. I think that is obvious. I want to say that despite what the press wanted to report about our working relationship, I think we have had a very positive and constructive relationship. It happens that we differ from time to time on an issue—but what is this place about if it doesn't allow room for those sorts of differences? Yet as I indicated, in virtually every instance we were able to accommodate those differences, work through them in a rational fashion, and reach good decisions on behalf of the public.

I know of the determination and commitment with which Senator GRAMM has represented the people of Texas as one of their two U.S. Senators in this body. I know of his own very strong commitment to a peaceful and prosperous America, and his keen interest in economic policy. We have had a lot of very good discussions in the Committee on that very subject. I didn't want the occasion of his announcement just a little earlier this afternoon to pass without taking the floor and making a few comments. I look forward to continuing to work very closely and cooperatively with Senator GRAMM over the balance of this year and all of next year. I hope we can continue to cooperate together and do good things for the country. I say this to my colleague with all respect and affection.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, let me first say that I appreciate Senator SARBANES' remarks. When your mama says something nice about you, people expect it. I do think Senator Sarbanes is correct, and I don't think I will do him any harm in Maryland by saying that he and I differ on a lot of subjects. In fact, it might well help him politically by saying that. But when we ended up running the Banking Committee—Senator Sarbanes as a Democrat and me as a Republican—everybody assumed that people who differed on as many issues as we differed on would never get anything done. I appreciate very much his kind comments, and I appreciate his pointing out the plain truth, which is that we have gotten a near record amount done. We have achieved that by recognizing that under our system you get things done by working with people instead of running over people. I have been chairman and Senator SARBANES has been chairman, and I assume he will be chairman for the remainder of my time, but you never know. Maybe Senator REID will have a change of heart and decide to come join us. Who knows?

In any case, I am very proud of our record, and I am very proud to have Senator SARBANES' friendship. Thank you.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, if I may take a minute, I have been fortunate in the last 3 years or so to spend most of my time here on the floor. Every time Senator GRAMM of Texas comes to the floor I always anticipate a good experience. I may not agree with what he is saying, but nobody is more in tune with the subject matter and more entertaining than Senator GRAMM.

I have not served on committees with Senator GRAMM. He served in the House, as I did, and we have served in the Senate together. We have never worked on committees together, as you do a lot of times, where you really get to know people. But I have gotten to know PHIL GRAMM by virtue of the fact that I have such great respect for what he says. I, like Senator SARBANES, don't agree all the time with what he says, but I have to tell you I have great appreciation for the way Senator GRAMM says it and the fact that he is a man of conviction. He talks about what he believes is the way it should be.

He is a person who got an education not in an easy fashion. Senator GRAMM may not want a lot of people to know, but I have heard him saying this, so I am not speaking out of school. He had some learning disabilities. Yet he turned out to be one of the finest scholars Texas had and one of the finest scholars the Senate has ever had. He is a Ph.D., a professor.

I am going to enjoy very much the next 18 months with Senator GRAMM, as I have the prior 19 years or so I have spent in Washington with him. But there will never be another PHIL GRAMM. He is one of a kind. He has really dedicated his life to public service, for which I have no doubt the State of Texas is a better place.

PHIL GRAMM is virtually unbeatable in Texas. It is bad news for the people of the State of Texas that he is leaving. The good news for us in Washington is that he is leaving and we are going to have an opportunity to take the Senate seat. We could never do that with Senator GRAMM here. We know it is an uphill battle he left there.

I wish words could connote the warm feeling that I have for PHIL GRAMM. I just think the world of him. I like him a lot. He is a fine person, and I hope his family is proud of him and also the people of Texas, as they should be.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. THOMPSON. Mr. President, I suppose I am going to have to say something nice about Senator GRAMM. In all honesty, I have a tremendous amount of admiration for Senator GRAMM, and it was with great sadness that I learned a short time ago he decided not to run again. Regardless of what anybody else does here, I think this institution needs a PHIL GRAMM. The institution is going to have to come up with another one now, it looks like. But the institution has been better for his having been here.

I know of no one who has more intellectual honesty and who is more fearless in the pursuit of the things in which he believes. More often than not, they are the things in which I believe. But that is almost beside the point. I want to express publicly to him my tremendous admiration for him and for the service he has rendered the State of Texas and our country.

I will yield to anyone else at any time who wants to speak to this subject. But if not, I will continue on with the business at hand. I believe Senator ENZI wants to speak.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, it is with a lot of regret and sadness that I learned of this decision this afternoon. I came to the Senate just 4½ years ago, which would be about the equivalent of the college degree.

During that time, I have gotten to study under PHIL GRAMM. There have been a lot of times that I really thought I ought to be paying him tuition. It has been a tremendous educational process. If we could just get him to be a little more outspoken.

I do recall he said when he retires he is going to retire to a town in the United States that does not have a single traffic light. I assume there are still some of those in Texas. If there are not, Wyoming would welcome the Senator with open arms. We would love to have him there and, of course, we are looking forward to the game against his alma mater, Texas A&M, the team the Senator follows day in and day out, and we are looking forward to a good contest.

I thank the Senator for all of the instruction that he has given, for the education he has provided for America. I have appreciated the stands he has taken and the ferocity with which he has taken them. Thanks again for the education.

Mr. GRAMM. Thank you, MIKE.

Mr. REID. Mr. President, I ask unanimous consent that the Senate vote in relation to the Thompson amendment No. 1481 at 5:15 p.m. today, with no second-degree amendments in order to the Thompson amendment; that prior to the vote there be 4 minutes for debate equally divided in the usual form, with no other intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMPSON. So we will vote at 5:15 on this amendment that we are discussing right now.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Mr. President, I will address the issue concerning the amendment I have submitted having to do with the amount of time agencies would have to consider a license application. This amendment provides additional exceptions from acquired time periods for processing license applications if the reviewing agency requires more time due to the complexity of the analysis or if the reviewing agency requires additional time based on the potential impact of the export on national security or foreign policy interests of the United States. It limits any additional time to not more than 60 days.

In other words, what this amendment does—first of all, as it is currently drafted, it gives an agency 30 days to look over this license application and to come to a decision as to whether or not it wants to go along with it or try to oppose it. If the agency is not heard from within 30 days, then it is deemed the agency waives its rights and the agency approves it.

What this amendment does is it takes a particular set of circumstances where there are national security implications; in other words, the Department of Defense takes a look at something and says: Perhaps this is a very complex application, and it very well may have national security implications. We simply cannot get this done in 30 days. We need additional time.

As to the Cox Commission, I hope my friends who are sponsoring this legislation will not choose the Cox Commission as authority when it chooses and ignore the Cox Commission when it makes recommendations that oppose it because the Cox Commission concluded in its determination that there were undue time pressures brought to bear on these agencies sometimes. We needed to get the merchandise out the door when these agencies were trying to make these national security determinations, so they came up with recommendations that are consistent with what we are talking about here.

The amendment was accepted unanimously by voice vote in the House International Relations Committee markup of the Export Administration Act. The Cox Commission recommended this: With respect to those controlled technologies and items that are of greatest national security concern, current licensing procedures should be modified to provide longer review periods when deemed necessary by the reviewing executive department or agency on national security grounds.

I have heard it said this is when there is great national security concern.

As I indicated, the Cox committee recommended additional time be given under appropriate circumstances, and these are appropriate circumstances. Opponents of this amendment say these are just circumstances where there is substantial national security concern.

I ask my colleagues, how do we know whether or not there is a substantial national security concern if the agencies that are determining that do not have sufficient time enough to investigate it? Are we going to decide if the Department of Defense believes it needs additional time and believes there may be national security concerns? Are we going to cut them off prematurely because they cannot make out a prima facie case at that point?

Should they not, as the agency dealing with this and having the expertise, be given, in a matter of national security—as we are trying to get the merchandise out the door, let us remember what we are talking about—national security. Do we not let the Department of Defense have a little additional time to make sure we are not sending something dangerous to somebody dangerous?

I do not fully appreciate the talk of the balance between jobs and security. We are not dealing with a jobs bill. We are dealing with a bill that is designed to protect national security. We are not balancing off how much money somebody could make. Three percent of our total exports are exports to these controlled companies, so we are talking about most all of them are approved. We are talking about a fraction of 3 percent.

They have a very effective lobby and they have been doing their job well, but let us not lose sight of the smallness of the exports we are talking about in terms of the total economic picture. Even if it were large, I would think the same way about it. If we want to talk about a balance or a tradeoff, are we not willing to trade off a fraction of 3 percent over against, say, the Department of Defense when it has a national security concern, having an additional 60 days to take a look at it? Are we that eager to get the merchandise out the door when we are being told on a regular basis these rogue nations are developing this additional technology; that they are developing weapons of mass destruction; that China and Russia are supplying them with technology that will assist them in their weapons of mass destruction; that China, which will greatly benefit from this bill, is taking our technology and using it for military purposes; when our commissions and agencies are telling us in their reports, whether it be Rumsfeld, Deutch, or our own intelligence agencies that report on a biannual basis, that these threats are growing and that they are using American technology; when we hear things like Saddam Hussein has been furnished by a Chinese company with technology that will assist him in his fiber optic cable network that will actually assist him in shooting down American airplanes—we have caught him twice at it now—and it is being supplied by a company that has a relationship with a company in the United States?

I hope if one of our boys gets shot down over there it is not determined it is with American technology. It is not farfetched. I am not claiming I can suggest anything that would forever prohibit that, but we can surely give the Department of Defense an extra 60 days if it believes it has a national security concern.

We have gotten past, I suppose, the debate on things such as foreign availability. We are going to have somebody down in the bowels of the Department of Commerce determine all that needs to be deregulated and it is out the door; anything they say is foreign available. Mass marketing: Somebody within the bowels of the Department of Commerce decides it is mass marketed so all of that goes out the door. Embeded components: If something is regulated and considered to be sensitive because it can be used potentially for military purposes, it is regulated, you have to have a license. But if somebody puts it in a bigger component, you do not have to have a license for it or the bigger component if the bigger component is worth more than 75 percent of the total value of what is being shipped. It makes no sense at all. It makes no national security sense. It might make economic sense for some folks. But all that is by the board. We passed that. We will do that and tell the President, catch him if you can, fixing it so the President can't delegate any of this. The President has to make the determination that he wants to come in with oversight action that will go against this entire regulatory process when we have thousands of these applications a year. We are not going to be able to do anything with that. The train left the station. I can count votes.

Apparently, we have decided in this Nation to turn a blind eye to the proliferation activities in this world, to the fact that we are now subject to being hit from some of the smaller rogue nations, countries that are starving their own people to death, putting their money into missile and nuclear capability, to now hit us, our allies, or our troops in the field, and we are opening the door wider to send stuff to countries that are supplying the rogue nations. We have apparently made that decision.

For goodness' sake, can't we give the Department of Defense a little more time when they are asking us to hold up a little bit and make sure we are not hurting our country? Do we have to draw the line at an additional 60 days for that kind of consideration? If we can't do this, we might as well fold up our tent and do anything that exporters want to do. I don't see why we ought to have an export process anymore. It clearly will not be designed to protect this country, which was its original design.

I hope history does not prove this is an even more unwise decision than I fear it might be. The cold war certainly is over, and it has left a country that is more vulnerable than ever to our own technology. Most of it we are not dealing with today. We are not dealing with nontechnology matters. We are dealing with limited items in a very narrow regulatory process. We approve 98 percent of them anyway, even in the regulatory process. The average time it takes is 40 days. We can't stop and take a deep breath long enough to make sure we are not hurting our country, when it takes 40 days on average to get this done? And the overwhelming majority are already approved.

We need to reauthorize the Export Administration Act. We need to tighten it up, instead of loosening it. But that will not happen. It will be loosened. I ask, can't we at least consider the agencies involved, as the Cox commission suggested?

It has been said if there is a national security concern, they can raise it later in the review process. If the Department of Defense has not had time to adequately investigate the matter, it is already in the interagency review process and they will not have the information on which to base an objection. Do we want to force the process along so fast we ensure the Department of Defense or the affected agency does not have sufficient time to make an objection, had they known the full extent of the nature of the export and perhaps the end user and how it would be used and the potential uses for it?

We may have to go down this road, but we don't have to get in the jetstream. We don't have to do it with blinders. I suggest this is a minimalist amendment that we would want to pass to benefit the process and to show the world we are not so intent on trade and money that we will not even take modest measures to make sure we are not making a mistake with regard to something important to our country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. While the parties have been speaking, and we have been in contact with the White House to see how difficult the time schedule in the S. 149 bill would be to meet, I have been told there is no problem meeting those time schedules, that the agencies can do that, the agencies have done that; that the records show they have been able to meet those time deadlines, and the administration is opposed to this amendment.

This amendment allows the reviewing agency to stop the clock during the licensing application process. One of our difficulties in arriving at a bill has been to eliminate turf battles. The agencies are working very cooperatively, but there is the potential of who will be in charge of what and how long the delay and who can cause them, which changes the balance between the agencies. This bill has that balance between agencies.

The agencies agree—and there will be a letter on everyone's desk—that they have the capability of operating 60 days under this bill. This bill does not just give 60 days. It could give 120 days the way it is written, which in addition to the 30 is 150 days for a process that has been workable in less than 30 days by each of the three main agencies that have been reviewing the bill.

Under this amendment, a single agency could further delay the approval of the license based on the complexity of analysis and then potentially use the other excuse to delay it another 60 days. The bill already provides for several different ways to stop the clock on any bill. The license applicant and the Secretary of Commerce mutually agree more time is necessary to process the application, or if more time is needed to verify and identify the reliability of an end user, or if additional time is necessary to secure government to government assurances regarding item end use, or if more time is required for multilateral review if applicable or if additional time is needed to allow for congressional notification, if that is required, if more time is necessary to permit consultation with foreign governments, then, of course, we have the essential provisions of the bill. First, an agency could exercise any of these thought-out exceptions that are very carefully defined in the bill. The two provisions in this amendment are not carefully defined. So they give a very broad, general, bureaucratic approach that allows people to pigeon hole a bill and walk away from it for at least 60 to 120 days. They could use the carefully thought-out defined provisions in section 401(g).

Second, any of the agencies are free to return a recommendation of disapproval. That kicks the application into the interagency dispute resolution process which would give additional time for the review.

Third, once within the interagency process, the agency can escalate a decision to the higher level.

In practicality, after you and I have watched the process, Mr. President, and seen how it works, it also works if the agency calls and says we can give you a disapproval right now unless you can provide additional time or information. That same process is an effective way of stopping the clock, provided the application doesn't have to go back to ground zero when it comes back in again. That is a mechanism that has been used.

This amendment unravels the discipline of the system that has been set out. With its capability of escalating clear up to the President, there is a recognition that this can take a lot more time. That is how the time element was addressed under the recommendations we had from the different commissions.

A key recommendation of the various commissions that study our export system is to increase the discipline in the export system. Without deadlines, discipline disappears. Without discipline, the system is unworkable. An undisciplined system is the same as no system at all. The consequences for both our national security and economic interests would be severe.

My colleague mentioned the Cox report. The Cox report was done before S. 149 was done, or even S. 1712 was done. We reviewed those recommendations. Recommendation No. 31 did suggest longer review periods for national security purposes. The Cox Commission made that recommendation only with items that are of the greatest national security concern. For other items, the Cox Commission strongly recommended streamlining the process and providing greater transparency, predictability, and certainty. We did that, plus building into the system this system of referrals, that easier process of resolving interagency disputes or interagency concerns, the ability to escalate in the process. So that got built into the system at the same time, which answers some of those concerns.

S. 149 does not classify items as being "of greatest national security concern" or "of lesser national security concern." It sets up a risk-based system that allows the administration to make such determinations within the bill's guidelines. Based on past experience and demonstrated agency data, both the administration and the bill's sponsors believe that S. 149's system, by setting mandatory time periods with the existing "stop the clock" exceptions, is the most effective framework for operating export controls. For that reason, the bill does not include that particular and specific aspect of the Cox Commission recommendation.

This amendment, although it is portrayed as simple and common sense, undoes the key element of the discipline in S. 149. It would result in an application system bogged down by bureaucracy and politics, a system in which delays are the rule rather than the exception. It is not a simple or technical change but would undo the careful balance of the bill.

I have mentioned what can be a tendency. What we tried to do with the bill was escalate the decisions up to the higher levels of government rather than have the decisions made at the bureaucratic level. We have tried to eliminate possibilities that, rather than make a decision, people would pigeonhole things. This is one of those opportunities to pigeonhole things for 60 to 120 days, with an undefined but good-sounding concern.

I do urge rejection of this amendment and ask colleagues on behalf of the administration to join me in that rejection.

Mr. REID. I suggest the absence of quorum.

The PRESIDING OFFICER (Mr. JOHNSON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. Mr. President, I had indicated earlier that I wanted to speak in favor of the Thompson amendment. I do that at this time.

It has been explained by the Senator from Tennessee. The point is, there are some matters that would be very complicated, very complex. Everyone acknowledges that. It may be that a 30-day time for review in that circumstance would be inadequate.

All this amendment does is to say that the department, in that case, could ask for an additional period of time, up to 60 days, to review and be able to make its recommendation for export license under the legislation.

This was the recommendation of the Cox committee report in 1999, when it indicated that the existing 30-day limit for departmental license review may be inadequate for complex requests that could have a lasting national security impact. And since the legislation before us allows only for extensions on a limited basis, and we think that it would be appropriate, for, for example, the Defense Department, should it deem it necessary to have a little more time, that that at least be written into the bill as a possibility. That is what Senator THOMPSON has sought to accomplish through his amendment. It seems to me to be eminently reasonable. Therefore, I urge my colleagues to support this very reasonable amendment.

The primary argument I have heard about it relates to a political matter; that is, that the White House supports the legislation. We have been advised that the White House supports the legislation without change. I want to comment on that a moment.

My friends on the Democratic side of the aisle, the Senator from Maryland, for example, in response to something I said earlier, wanted to be sure I was aware of the administration's support. Indeed, I was. I would like to make this offer to any of my Democratic colleagues. I will support this legislation based upon the fact that the administration supports it if my Democratic colleagues will commit to me today that they will do the same for legislation that the administration supports.

In other words, if I can get a letter from the Secretary of Defense or the Secretary of Commerce or the Secretary of State on a matter that will come before the Senate in the future, since they regard the administration so highly with respect to the EAA and suggest that is the reason why this legislation should be adopted without change, then it seems to me, unless they are picking and choosing which opinion of the administration they regard so highly, they should also regard highly other opinions of the administration and be equally willing to support those positions.

I am sure that as Senators we all like to pick and choose the things on which we agree or don't agree with any administration. I am a Republican. I happen to have a disagreement with the administration now and then—not very often; in fact, very seldom. On this matter I do have some disagreement.

I think it is not a sufficient argument in and of itself to say that because the administration supports something, therefore we should vote for it and then turn around on a subsequent matter which the administration strongly supports and vote against them. I suspect that my Democratic friends more often than not will find themselves in that position in the future.

Mr. SARBANES. Will the Senator yield?

Mr. KYL. I am delighted to yield to the Senator from Maryland.

Mr. SARBANES. Earlier in the day when I first spoke on this bill, I don't think the Senator was in the Chamber. I was very careful to make the point that I supported this bill on the basis of my own judgment about its contents. I then went on to add the point that the administration was supportive of this bill, and obviously one finds some comfort in that since much of what is in the bill involves the executive branch making it work. So particularly on a bill such as this, if they were against it, that would give one pause for thought.

I simply say to my colleague, it is a very interesting challenge he puts forward. Without anticipating that he would make such a challenge, I was very careful in my opening statement to make the point that my support for the bill was based on my own judgment about its provisions having worked through it very carefully. Over and above that judgment, I also, of course, alluded to the fact that the administration was very supportive of it.

Mr. KYL. Mr. President, I very much appreciate that comment from the Senator from Maryland because that is the basis on which we should approach this legislation—our own evaluation. I know that because of the Senator's work on this issue. Prior to the strong expressions from the administration, the Senator from Maryland was very supportive of the legislation. I know that he is very truthful in what he just said. I appreciate that. That is the position each of us should take with respect to legislation regardless of which administration is in power at the time and whether or not that administration supports the legislation.

My point is that it is not a sufficient argument that we should reject all the amendments because the administration supports the bill. We should debate each on the merits. And on the merits of this amendment, I see no real opposition. If because these matters of national security are so important to the United States and there is such a background of violations, particularly in this area of dual-use technology, of countries acquiring things and then selling them to somebody else or providing them in some other way to another country to proliferate weapons of mass destruction inimical to the interests of the United States, because we have such a history of that, so many examples of it, we should be bending over backward to ensure that we have proper control over the export of these dual-use technologies. And we should not simply be opening it up to essentially free license, and if an agency isn't able to complete its review within a 30-day period, the clock runs out and you are deemed to have supported the export of this particular item.

That is putting it exactly backward because matters of national security should be our highest test. The rule should be exactly the opposite. If you can't complete the review in 30 days, then you should get a little more time to complete the review, not to be told: Sorry, the clock ran out; if you could not get it done in 30 days, no matter how complicated, no matter how important the national security interest, the export is allowed.

That is the problem with taking an approach that if the administration supports the bill, it can't be changed in any respect.

There are some things about this bill that should be changed. Representatives of the administration have made it clear to the Senator from Tennessee and myself and others that they recognize there will have to be implementation of this legislation by executive order. Some of the concerns we have expressed, they assured us, would be dealt with in this executive order in some way or other. I have absolute confidence in the administration with respect to that. Obviously, they have not issued any executive order yet. It would be premature to do so.

But failing to understand what specific things might be addressed, we think it is important to try to fix those problems now, and one of the problems deals with this question of possibly needing a little more time. I just ask my colleague, what could be lost, what could be wrong with having a department—let's say the Department of Defense, if it says it needs more time—get a little more time? This is too serious to put an arbitrary 30-day clock on and say: Sorry, time is up, national security be damned; the 30 days ran out, and the export is allowed to go forward. This is the problem with this strict provision in the law with no ability to move out of it.

That is why the Thompson amendment makes sense. That is why I hope my colleagues support the Thompson amendment. It is specifically recommended by the Cox Commission report. I believe—and I ask my colleague from Tennessee if my recollection is correct—the House of Representatives has already incorporated this recommendation of the Cox committee report in its legislation. I am not certain. I ask the Senator from Tennessee for his understanding of that.

Mr. THOMPSON. Yes. The House committee reported this out with unanimous consent.

Mr. KYL. Mr. President, that includes the provision of the Senator's amendment in it; is that correct?

Mr. THOMPSON. I believe it is essentially the same.

Mr. KYL. Very similar thereto. There you have it. It seems to me we are already making changes to the legislation. We should not be so hidebound to every specific jot and tittle in a bill which is now 327 pages long, very complicated, that we can't make a few changes in this legislation.

I urge my colleagues to consider exactly what Senator THOMPSON is proposing. It is simple and straightforward. It seems to me that for us to just say, no, there is going to be no extra time, no matter how complex the issue or how strongly the Department of Defense may want it, they are not going to get any more time, is not wise public policymaking. I urge my colleagues to support the Thompson amendment.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. What was the unanimous consent with regard to the provision of time right before the vote?

The PRESIDING OFFICER. Four minutes evenly divided prior to the vote.

Mr. THOMPSON. All right. That was my understanding, 2 minutes per side.

The PRESIDING OFFICER. The Senator is correct.

The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I want to take advantage of these few minutes to address a couple of the points the Senator from Arizona raised.

First of all, in fiscal year 2000, the data indicates that the average time for the review of a license by the Department of Defense was 13 days. The Department of Energy averaged 22 days. The State Department averaged 9 days. The 30-day time period that is in the bill is identical to the current practice under the Executive order. The amendment would add an additional 60 days in each of two separate circumstances.

Of course, one of the things we were trying to do here was to set up a process whereby applicants could get a definitive decision within a defined timeframe. Now there are provisions in the bill to stop the running of a clock, a couple of which directly go to the end user issue which the Senator from Arizona raised, as requiring further time to ascertain the end user issue.

There are these exceptions that stop the clock, as it were, on the time period. That involves the identity and reliability of the end user in one instance and additional time to secure the government-to-government assurances regarding end item use. So the very concern that the Senator raised is actually addressed in the legislation in terms of stopping the clock and providing extra time.

I think it is important to underscore that one of the things we were trying to provide to the exporters, which we think is important, was that they could get an answer within a defined period of time. Often they are more concerned in some instances in getting an answer. They need to know, yes or no. They are often competing in an environment in which they have to find out whether they can move forward or not. A department having difficulty with the application can simply say: We think it should be denied. Of course, if they say that, you can then start the interagency appeal process working. But of course that extends over a sustained period of time.

So we think the framework that is in the legislation really adequately addresses these concerns. It does represent a balance, and, as I indicated earlier, we are giving quite extensive powers to the executive branch in here.

One of the things the business community was concerned to get was a framework with some discipline in it into which they could get an answer. If you are left hanging, you don't know what to do.

So given the provisions for stopping the clock that are in there, we think to add another 60 days on top of this period would extend the process to such an extent that the exporters really could not function in the real world.

Now if the time period was taking a lot longer to get agency response, we could be sensitive to that argument. But that is not the case. In any event, the very people who are concerned with making this work, upon whom the burden would fall, have indicated that they find the time periods that are in the bill quite acceptable and, in fact, are in opposition to the proposed amendment. They are the very ones who would have to make the process work. So I think that is also an important consideration to take into account.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. THOMPSON. Mr. President, this amendment does nothing to lessen the certainty for the exporters. Under the old law, it is 30 days the agencies have. Under the new law, it will be 30 days. The only difference is that in the case of potential national security, an agency would have additional time. The agency doesn't have to take that time. If the average time for these licenses, as the Senator described, was 13 days, it certainly doesn't sound like that bureaucratic mess we heard described earlier.

The PRESIDING OFFICER. I remind the Senator that we are now under controlled time.

Mr. THOMPSON. I will use my 2 minutes. It doesn't sound like that bureaucratic mess we had earlier. These 14-day cases are streamlined where there is no controversy. We are trying to deal with a situation where national security might be involved. You don't know whether or not you want to object, if you are an agency, until you get into it.

I have heard it referred to again that the agencies apparently do not want this, and it may be politically incorrect for me to say this, but it is quite obvious the administration has passed the word they want this bill passed without amendments, even to the point where they do not want agencies to be given the opportunity to ask for another 60 days, even in a matter of national security. I think that is extremely unfortunate.

It is surprising to me, but apparently that is the case. However, it does not make it right.

I ask my colleagues, in light of the proliferation concerns that this country has, in light of the developing technology, the fact that it is being proliferated around the world and posing a danger to us, that certainly in this export licensing process we can afford to give our agencies, such as the Department of Defense, a little additional time if they have a national security concern.

It is not going to put anybody out of business, and it is not going to hurt the overall export process. And what if it does if we are saving something from being exported that otherwise should not be? It is a very simple matter to dispose of, but it is a very important matter to get right.

I yield the floor.

Mr. GRAMM. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I have no question about the sincerity of Senator THOMPSON's amendment. He has worked with us on this bill, and against us to some extent. We have made 59 changes in the bill to accommodate Senator THOMPSON and people who share his concerns, but let me explain to my colleagues why this amendment is not good.

We have established a system that for the first time is giving the security agencies a voice in this process. We have changed the system so one member of the panel, from any one agency, can vote no, and the process at that point is denied and it has to be appealed to a higher level.

It is not like the old system, where the person from the Department of Defense could express concern but they could be overridden. Under the current system, you just have to have one person say no and the process either ends or it is bumped up to the next level.

Finally, we give the President a new national security power that says no matter what the circumstances are, no matter whether a product is mass marketed or not, no matter whether a terrorist group or a terrorist nation or a would-be adversary could get the product from any other source, if the President believes it threatens national security, it is stopped.

What this amendment would do would basically terminate the effectiveness to the system by saying that at any point anybody believes there is complexity in the analysis or there is a potential impact on national security or foreign policy interest, they could indefinitely delay. What we want is a decision. Remember, the reviewing officers can vote no, but we want them to vote yes or no. That is what the process is about.

I urge my colleagues to defeat this amendment.

I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. I announce that the Senator from Vermont (Mr. JEFFORDS), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mrs. MURRAY), and the Senator from New Jersey (Mr. TORRICELLI) are necessarily absent.

Mr. NICKLES. I announce that the Senator from Pennsylvania (Mr. SANTORUM), the Senator from New Hampshire (Mr. GREGG), and the Senator from Alaska (Mr. MURKOWSKI) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas, 74, nays 19, as follows:

[Rollcall Vote No. 274 Leg.]

YEAS—74

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feinstein
Fitzgerald
Graham
Gramm
Hagel
Harkin
Hatch
Hollings
Hutchison
Inouye
Johnson
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McConnell
Mikulski
Miller
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Sarbanes
Schumer
Smith (OR)
Stabenow
Stevens
Thomas
Wellstone
Wyden

NAYS—19

Cochran
DeWine
Feingold
Frist
Grassley
Helms
Hutchinson
Inhofe
Kyl
McCain
Sessions
Shelby
Smith (NH)
Snowe
Specter
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—7

Gregg
Jeffords
Kennedy
Murkowski
Murray
Santorum
Torricelli

The motion was agreed to.

Mr. SARBANES. Mr. President, I move to reconsider the vote.

Mr. ENZI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SARBANES. Mr. President, we are prepared to continue debate on this measure.

Mr. President, that is the last vote today. If there are Members who wish to speak on the bill—earlier I thought there were and I am now not certain—we would be prepared to stay on in order to get that done and thereby help to clear the deck so we can move ahead tomorrow with respect to other amendments and towards final passage of this legislation. I have no one at the moment indicating any desire to speak.

MORNING BUSINESS

Mr. SARBANES. Mr. President, I ask unanimous consent that the Senate go into a period of morning business with Senators allowed to speak therein for up to 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

SUPPORT FOR FULL FUNDING OF THE NATIONAL GUARD

Mr. GRASSLEY. Madam President, I rise to express my strong support for the National Guard's counterdrug mission. I am concerned that proposed Department of Defense, DoD, funding for the National Guard's FY-2002 Counterdrug Program, State Plans, is not sufficient to ensure the continuance of this valuable service to law enforcement and local communities, and request that the funding be increased $40.7 million, from the President's $154.3 million request, to a total of $195 million.

The National Guard's Adjutant Generals, from the various States, have indicated to the National Guard Bureau, that without a minimum of $195 million budgeted for this program, large personnel layoffs may occur. My staff has heard reports that one State may have to downsize by as much as one-third their personnel. Over ninety percent of the National Guard's counterdrug program costs are personnel-based, and as such, it is extremely sensitive to variations in funding, taking years to recover from any reduction in trained and experienced personnel. These reductions affect supported agencies, including the Customs Service, DEA, U.S. Border Patrol, FBI, HIDTAs, scores of State and local law enforcement agencies, and community based organizations.

I am also concerned about the apparent lack of emphasis, and even distancing of itself, by the Department of Defense, on the counterdrug mission, especially in a year of discussions of increased DoD funding for other military mission areas. I sense this repeatedly in insufficient funding for the National Guard and other critical counterdrug mission areas, and believe this would be a poor policy decision and a poor indication of the nation's priorities.

I urge my colleagues and the Department of Defense to give serious consideration to the National Guard program and its contribution to our national drug control strategy.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred January 28, 1998 in Webster, MA. A gay man was allegedly attacked by two men, one of whom he met through a gay chat room on the Internet. The men also used anti-gay epithets. William "Billy" Peters was arrested in the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

ADDITIONAL STATEMENTS

NAGORNO KARABAGH'S INDEPENDENCE DAY

• Mr. JOHNSON. Mr. President, I rise today to recognize September 2, 2001, as the 10th anniversary of Nagorno Karabagh's declaration of independence. Born from the disintegration of the Soviet Union in the late 1980s, the Republic of Nagorno Karabagh has faced incredible odds over the past decade in its struggle for self-determination, independence, peace, and stability.

Many Americans know very little about Nagorno Karabagh. However, the region is culturally rich and historically significant as a bridge between Eastern and Western societies. Armenians have been a distinct political entity in Artsakh—the traditional Armenian name for the Republic of Nagorno Karabagh—since the 2nd Century B.C. Christianity in the region grew and strengthened following the construction of the historic Monastery in Amaras in 330 A.D. Repeatedly destroyed by generations of invaders and rebuilt, the Monastery in Amaras currently stands as a symbol of faith and perseverance for Armenians.

The Soviet Union's oppression of independence in the region began in the 1920s as Nagorno Karabagh and its predominantly Armenian population were attached to Azerbaijan. Most recently, Armenians in Nagorno Karabagh struggled to fight the rise of Islamic fundamentalism in the Cancasus region.

Finally, on September 2, 1991, the Armenians of Nagorno Karabagh declared their independence and survived a three-year war with Azerbaijan to create legitimate government institutions. Residents of Nagorno Karabagh have participated in national elections for parliament and president since then.

Many challenges face the Republic of Nagorno Karabagh and Armenians in the region. I applaud efforts undertaken earlier this year to bring together Armenia and Azerbaijan in Key West, Florida, to discuss a peaceful end to the Nagorno Karabagh conflict. As Secretary of State Powell noted, "achieving a durable and mutually acceptable resolution to Armenia's conflict with Azerbaijan over Nagorno Karabagh is key to several US interests." In addition to helping to restore stability in the Caucasus region, a lasting peace agreement would allow Armenia to improve its relations with Turkey and focus much of its economic resources on internal development and social improvements.

As a member of the Senate Foreign Operations Appropriations Subcommittee, I will continue to work to secure funding to support a settlement of the Nagorno Karabagh conflict. These funds are critical to the peace process and to post-settlement reconstruction in Azerbaijan and Armenia as part of a coordinated international donor effort.

Again, I commend the Armenians of the Republic of Nagorno Karabagh for their courage and perseverance on this anniversary of their independence. I look forward to years of peace and economic vitality in the region.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

Under the authority of the order of the Senate of January 3, 2001, the Secretary of the Senate, on August 8, 2001, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills:

H.R. 93. An act to amend title 5, United States Code, to provide that the mandatory separation age for Federal firefighters be made the same as the age that applies with respect to Federal law enforcement officers.

H.R. 271. An act to direct the Secretary of the Interior to convey a former Bureau of Land Management administrative site to the city of Carson City, Nevada, for use as a senior center.

H.R. 364. An act to designate the facility of the United States Postal Service located at 5927 Southwest 70th Street in Miami, Florida, as the "Marjory Williams Scrivens Post Office."

H.R. 427. An act to provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, Oregon, and for other purposes.

H.R. 558. An act to designate the Federal building and United States courthouse located at 504 West Hamilton Street, in Allentown, Pennsylvania, as the "Edward N. Cahn Federal Building and United States Courthouse."

H.R. 821. An act to designate the facility of the United States Postal Service located at 1030 South Church Street in Asheboro, North Carolina, as the "W. Joe Trogdon Post Office Building."

H.R. 988, An act to designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall United States Courthouse."

H.R. 1183. An act to designate the facility of the United States Postal Service located at 113 South Main Street in Sylvania, Georgia, as the "G. Elliot Hagan Post Office Building."

H.R. 1753. An act to designate the facility of the United States Postal Service located at 419 Rutherford Avenue, N.E., in Roanoke, Virginia, as the "M. Caldwell Butler Post Office Building."

H.R. 2043. An act to designate the facility of the United States Postal Service located at 2719 South Webster Street in Kokomo, Indiana, as the "Elwood Haynes 'Bud' Hillis Post Office Building."

H.R. 2213. An act to respond to the continuing economic crisis adversely affecting American agricultural producers.

Under the authority of the order of the Senate of January 3, 2001, the enrolled bills were signed by the President pro tempore (Mr. BYRD) on August 8, 2001.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 4. An act to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3289. A communication from the Deputy Assistant Secretary, Office of Workforce Security, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Labor Certification Process for the Permanent Employment of Aliens in the United States; Refiling of Applications" (RIN1205–AB25) received on August 7, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–3290. A communication from the Under Secretary for Health, Department of Veterans Affairs, transmitting, a report relative to the impacts of recent and ongoing research; to the Committee on Veterans' Affairs.

EC–3291. A communication from the Director of the Administrative Office of the United States Courts, transmitting, pursuant to law, a report deciding habeas corpus death penalty petitions for the period beginning July 1, 2001 through June 30, 2001; to the Committee on the Judiciary.

EC–3292. A communication from the Acting Assistant Attorney General for Administration, Justice Management Division, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Nationwide Joint Automated Booking System" (DOJ–005) received on August 9, 2001; to the Committee on the Judiciary.

EC–3293. A communication from the Administrator of the General Service Administration, transmitting, pursuant to law, a report relative to the Federal Employees Clean Air Incentives Act for Fiscal Years 2000 and 2001; to the Committee on Governmental Affairs.

EC–3294. A communication from the Executive Director of the Committee for Purchase from People Who are Blind or Severely Disabled, transmitting, pursuant to law, the report of additions to the procurement list received on August 8, 2001; to the Committee on Governmental Affairs.

EC–3295. A communication from the Director of Employee Benefits, AgriBank, transmitting, pursuant to law, the annual report disclosing the financial condition of the Retirement Plan for the Employees of the Seventh Farm Credit District and the audited financial statements for Fiscal Year 2000; to the Committee on Governmental Affairs.

EC–3296. A communication from the Acting Assistant Secretary of Health Affairs, Department of Defense, transmitting, pursuant to law, a report relative to the Anti-Deficiency Act; to the Committee on Appropriations.

EC–3297. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Indiana Regulatory Program" (IN–151–FOR) received on August 10, 2001; to the Committee on Energy and Natural Resources.

EC-3298. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Arkansas Regulatory Program" (AR-038-FOR) received on August 10, 2001; to the Committee on Energy and Natural Resources.

EC-3299. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Pennsylvania Regulatory Program" (PA-133-FOR) received on August 10, 2001; to the Committee on Energy and Natural Resources.

EC-3300. A communication from the Group Vice President, Structured and Trade Finance, Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to a transaction involving U.S. exports to the Republic of Korea; to the Committee on Banking, Housing, and Urban Affairs.

EC-3301. A communication from the Chairman and President of the Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to a transaction involving U.S. exports to Mexico; to the Committee on Banking, Housing, and Urban Affairs.

EC-3302. A communication from the Director of the Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to a transaction involving U.S. exports to the Republic of Korea; to the Committee on Banking, Housing, and Urban Affairs.

EC-3303. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determinations" (Doc. No. FEMA-D-7511) received on August 7, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC-3304. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Final Flood Elevation Determinations" (66 FR 39112) received on August 7, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC-3305. A communication from the Acting Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the Annual Report of the Securities Investor Protection Corporation for Fiscal Year 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC-3306. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determinations" (66 FR 39108) received on August 7, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC-3307. A communication from the Assistant Secretary for Export Administration, Bureau of Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Revisions to the Export Administration Regulations; Country Group E:1; License Exception TMP" (RIN0694-AB76) received on August 10, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC-3308. A communication from the Special Assistant to the Federal Reserve Board, transmitting, pursuant to law, the report of a rule entitled "Regulation H—Membership of State Banking Institutions in the Federal Reserve System: Financial Subsidiaries" (Doc. No. R-1064) received on August 14, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC-3309. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Mesa Oil Inc. v. United States" received on August 2, 2001; to the Committee on Finance.

EC-3310. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Modification of Tax Shelter Rules II" (RIN1545-BA04) received on August 3, 2001; to the Committee on Finance.

EC-3311. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Modified Endowment Contract Correction Program Extension" (Rec. Proc. 2001-42) received on August 7, 2001; to the Committee on Finance.

EC-3312. A communication from the Chief of the Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Manufacture of Tobacco Products and Cigarette Paper and Tubes, Recodification of Regulations" (RIN1512-AC39) received on August 7, 2001; to the Committee on Finance.

EC-3313. A communication from the Chief of the Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Implementation of Public Law 105-34, Section 1417, Related to the Use of Additional Ameliorating Material in Certain Wines" (RIN1512-AB78) received on August 7, 2001; to the Committee on Finance.

EC-3314. A communication from the Chief of the Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Liquors and Articles From Puerto Rico and the Virgin Islands; Recodification of Regulations" (RIN1512-AC40) received on August 7, 2001; to the Committee on Finance.

EC-3315. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the Medicare Ambulance Service Demonstration; to the Committee on Finance.

EC-3316. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "July-September 2001 Bond Factor Amounts" (Rev. Rul. 2001-37) received on August 8, 2001; to the Committee on Finance.

EC-3317. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Bureau of Labor Statistics Price Indexes for Department Stores—June 2001" (Rev. Rul. 2001-41) received on August 8, 2001; to the Committee on Finance.

EC-3318. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Future of Employee Plans Determination Letter Program" (Ann. 2001-83) received on August 9, 2001; to the Committee on Finance.

EC-3319. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Deposits of Excise Taxes" (RIN1545-AX11) received on August 9, 2001; to the Committee on Finance.

EC-3320. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Weighted Average Interest Rate Update Notice" (Not. 2001-48) received on August 14, 2001; to the Committee on Finance.

EC-3321. A communication from the Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC-3322. A communication from the Acting Assistant Secretary of Health Affairs, Department of Defense, transmitting, pursuant to law, the Report on the Third Party Collections Program for Fiscal Year 2000; to the Committee on Armed Services.

EC-3323. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of the discontinuation of service in acting role for the position of Director of Operational Test and Evaluation, received on August 7, 2001; to the Committee on Armed Services.

EC-3324. A communication from the Assistant Director for Executive and Political Personnel, Department of the Air Force, transmitting, pursuant to law, the report of a nomination for the position of Assistant Secretary of Acquisition, received on August 7, 2001; to the Committee on Armed Services.

EC-3325. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of the discontinuation of service in acting role for the position of Director of Defense Research and Engineering, received on August 7, 2001; to the Committee on Armed Services.

EC-3326. A communication from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting, pursuant to law, the report of the discontinuation of service in acting role for the position of Assistant Secretary for International Security Affairs, received on August 7, 2001; to the Committee on Armed Services.

EC-3327. A communication from the Alternate Liaison Officer, Office of the Secretary, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Transactions Other Than Contracts, Grants, or Cooperative Agreements for Prototype Projects" (RIN0790-AG79) received on August 13, 2001; to the Committee on Armed Services.

EC-3328. A communication from the Alternate Liaison Officer, Office of the Secretary, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); TRICARE Prime Enrollment" (RIN0720-AA59) received on August 13, 2001; to the Committee on Armed Services.

EC-3329. A communication from the Alternate Liaison Officer, Office of the Secretary, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "TRICARE; Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Nonavailability Statement Requirement for Maternity Care" (RIN0720-AA55) received on August 13, 2001; to the Committee on Armed Services.

EC–3330. A communication from the Alternate Liaison Officer, Office of the Secretary, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Expansion of Dependent Eligibility for TRICARE Retiree Dental Program" (0720–AA54) received on August 13, 2001; to the Committee on Armed Services.

EC–3331. A communication from the Alternate Liaison Officer, Office of the Secretary, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Enhancement of Dental Benefits Under the TRICARE Retiree Dental Program" (RIN0720–AA61) received on August 13, 2001; to the Committee on Armed Services.

EC–3332. A communication from the Alternate Liaison Officer, Office of the Secretary, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Prosthetic Devices" (RIN0720–AA49) received on August 13, 2001; to the Committee on Armed Services.

EC–3333. A communication from the Alternate Liaison Officer, Office of the Secretary, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Compensation of Certain Former Operatives Incarcerated by the Democratic Republic of Vietnam" (RIN0790–AG67) received on August 13, 2001; to the Committee on Armed Services.

EC–3334. A communication from the Alternate Liaison Officer, Office of the Secretary, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "TRICARE; Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Bonus Payments in Medically Underserved Areas" (RIN0720–AA60) received on August 13, 2001; to the Committee on Armed Services.

EC–3335. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a certification of a proposed license for the export of major defense equipment sold under contract in the amount of $14,000,000 or more to Austria; to the Committee on Foreign Relations.

EC–3336. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to the United Kingdom and Saudi Arabia; to the Committee on Foreign Relations.

EC–3337. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to Belgium; to the Committee on Foreign Relations.

EC–3338. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to Italy; to the Committee on Foreign Relations.

EC–3339. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed Manufacturing License with Canada; to the Committee on Foreign Relations.

EC–3340. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to Canada; to the Committee on Foreign Relations.

EC–3341. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to Guiana; to the Committee on Foreign Relations.

EC–3342. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to Israel; to the Committee on Foreign Relations.

EC–3343. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed Manufacturing License with Japan; to the Committee on Foreign Relations.

EC–3344. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed Manufacturing License with the United Kingdom; to the Committee on Foreign Relations.

EC–3345. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to the Netherlands; to the Committee on Foreign Relations.

EC–3346. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed Manufacturing License with Japan; to the Committee on Foreign Relations.

EC–3347. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to Japan; to the Committee on Foreign Relations.

EC–3348. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to Italy; to the Committee on Foreign Relations.

EC–3349. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to Greece; to the Committee on Foreign Relations.

EC–3350. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to Kazakhstan; to the Committee on Foreign Relations.

EC–3351. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to Baikonur, Kazakhstan and Moscow, Russia; to the Committee on Foreign Relations.

EC–3352. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to Baikonur, Kazakhstan and Korou, French Guiana; to the Committee on Foreign Relations.

EC–3353. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the report of the intent to obligate funds for purposes of Nonproliferation and Disarmament Funds activities; to the Committee on Foreign Relations.

EC–3354. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of Foreign Military Financing with Egypt; to the Committee on Foreign Relations.

EC–3355. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements or international agreements, other than treaties; to the Committee on Foreign Relations.

EC–3356. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Veterinary Services User Fees; Fees for Permit Applications" (Doc. No. 99–060–2) received on August 7, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3357. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Asian Longhorned Beetle; Additions to Quarantined Areas" (Doc. No. 00–077–2) received on August 7, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3358. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Ethalfuralin; Pesticide Tolerances for Emergency Exemptions" (FRL6793–2) received on August 8, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3359. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Importation Prohibitions Because of Bovine

Spongiform Encephalopathy" (Doc. No. 00-121-1) received on August 10, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3360. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "2-Propenoic Acid, Polymer with 2-Propenamide, Sodium Salt; Tolerance Exemption" (FRL6794-7) received on August 14, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3361. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "2-Propenoic Acid, Sodium Salt, Polymer with 2-Propenamide; Tolerance Exemption" (FRL6794-8) received on August 14, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3362. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "B-D Glucuronidase from E.Coli and Genetic Material Necessary for its Production Plant Pesticide Inert Ingredient; Exemption from the Requirement of a Tolerance" (FRL6782-8) received on August 14, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3363. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Bifenazate; Pesticide Tolerances for Emergency Exemptions" (FRL6793-3) received on August 14, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3364. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revocation of Unlimited Tolerance Exemptions" (FRL6793-5) received on August 14, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3365. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Implementation Guidance for the Stage I Disinfectants/Disinfection By Product Rule"; to the Committee on Environment and Public Works.

EC-3366. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Implementation Guidanee for the Interim Enhanced Surface Water Treatment Rule"; to the Committee on Environment and Public Works.

EC-3367. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Lead Awareness (Educational) Outreach for Native American Tribes; Notice of Funds Availability"; to the Committee on Environment and Public Works.

EC-3368. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Baseline Assessment of Existing Exposure and Risks Exposure to Lead Poisoning of Native American Children; Notice of Availability"; to the Committee on Environment and Public Works.

EC-3369. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Solicitation of Applications for Lead Based Paint Program Grants; Notice of Availability"; to the Committee on Environment and Public Works.

EC-3370. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans: Montana" (FRL7026-3) received on August 8, 2001; to the Committee on Environment and Public Works.

EC-3371. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Final Authorization of State Hazardous Waste Management Program Revision" (FRL7029-1) received on August 8, 2001; to the Committee on Environment and Public Works.

EC-3372. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Hazardous Waste Management System; Identification and Listing of Hazardous Waste; Final Exclusion" (FRL7025-8) received on August 8, 2001; to the Committee on Environment and Public Works.

EC-3373. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "OMB Approvals Under the Paperwork Reduction Act; Technical Amendment" (FRL7028-2) received on August 8, 2001; to the Committee on Environment and Public Works.

EC-3374. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Partial Removal of Direct Final Rule Revising the Arizona State Implementation Plan, Maricopa County Environmental Service Department" (FRL7029-5) received on August 8, 2001; to the Committee on Environment and Public Works.

EC-3375. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revision to the California State Implementation Plan, Kern County Air Pollution Control District and Imperial County Air Pollution Control District" (FRL7022-5) received on August 8, 2001; to the Committee on Environment and Public Works.

EC-3376. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Notice of Availability: Final Guidance: Coordinating CSO Long-Term Planning with Water Quality Standards Reviews"; to the Committee on Environment and Public Works.

EC-3377. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, a report entitled "Guidance: Coordinating CSO Long-Term Planning with Water Quality Standards Reviews"; to the Committee on Environment and Public Works.

EC-3378. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Standards of Performance for Electric Utility Steam Generating Units for Which Construction is Commenced After September 18, 1978; and Standards of Performance for Industrial-Commercial-Institutional Steam Generating Units" (FRL7033-8) received on August 14, 2001; to the Committee on Environment and Public Works.

EC-3379. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Guidelines for Direct Implementation Tribal Cooperative Agreements (DITCAs) for Fiscal Year 2001" received on August 14, 2001; to the Committee on Environment and Public Works.

EC-3380. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of State Implementation Plans; Wisconsin" (FRL7029-3) received on August 14, 2001; to the Committee on Environment and Public Works.

EC-3381. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Bordelonville, LA)" (Doc. No. 01-68) received on August 7, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3382. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Alamo Community, New Mexico)" (Doc. No. 00-158) received on August 7, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3383. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Browning, Columbia Falls and Pablo, Montana)" (Doc. No. 99-14) received on August 7, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3384. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Burnet, Texas)" (Doc. No. 99-358) received on August 7, 2001 ; to the Committee on Commerce, Science, and Transportation.

EC-3385. A communication from the Senior Transportation Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Antidrug and Alcohol Misuse Prevention Programs for Personnel Engaged in Specified Aviation Activities" (RIN2120-AH15) received on August 7, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3386. A communication from the Acting Administrator and Deputy Under Secretary for Oceans and Atmosphere, Department of Commerce, transmitting, pursuant to law, the Annual Report of the Coastal Zone Management Fund for the National Oceanic and Atmospheric Administration for Fiscal Year 2000; to the Committee on Commerce, Science, and Transportation.

EC-3387. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries Off West Coast States and in the Western Pacific; Coastal Pelagic Species Fisheries; Annual Specifications; Pacific Mackerel Fishery" (RIN0648–AP01) received on August 7, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3388. A communication from the Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a rule entitled "Investigations of Suspected Forced or Indentured Child Labor" (48 CFR 1822) received on August 7, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3389. A communication from the Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a rule entitled "Property Reporting Requirements" (48 CFR Parts 1845 and 1852) received on August 7, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3390. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report relative to Grant-In-Aid for Fisheries Program Report for calendar year 1999; to the Committee on Commerce, Science, and Transportation.

EC–3391. A communication from the Acting Chairman of the National Transportation Safety Board, transmitting, pursuant to law, the Annual Reports for 1998 and 1999; to the Committee on Commerce, Science, and Transportation.

EC–3392. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Exclusive Economic Zone Off Alaska—Closes Shallow-Water Species Fishery Using Trawl Gear, Gulf of Alaska" received on August 13, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3393. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Closure of the Atlantic Deep-Sea Red Crab Fishery in the Exclusive Economic Zone" (RIN0648–AP10) received on August 13, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3394. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 767 Series Airplanes" ((RIN2120–AA64)(2001–0407)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3395. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 Series Airplanes" ((RIN2120–AA64)(2001–0406)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3396. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 727, 737, 757–200, 757–200CB and 757–300 Series Airplanes" ((RIN2120–AA64)(2001–0405)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3397. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A319, A320, and A321 Series Airplanes" ((RIN2120–AA64)(2001–0404)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3398. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Aerospatiale Model ATR 42–200, 300, 320, and 500 Series Airplanes and Model ATR72 Series Airplanes" ((RIN2120–AA64)(2001–0403)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3399. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Aerospatiale Model ATR 72–101, 201, 102, 202, 211, and 212 Series Airplanes" ((RIN2120–AA64)(2001–0386)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3400. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 767–200, 300 and 300F Series Airplanes" ((RIN2120–AA64)(2001–0412)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3401. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A319, A320, and A321 Series Airplanes" ((RIN2120–AA64)(2001–0411)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3402. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 Series Airplanes Powered by Pratt and Whitney JT9D–7 Series Engines" ((RIN2120–A64)(2001–0410)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3403. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Israel Aircraft Industries, Ltd., Model Astra SPX Series Airplanes, Request for Comments" ((RIN2120–AA64)(2001–0418)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3404. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A330–301, 321, 322, 341, and 342 Series Airplanes and Airbus Model A340 Series Airplanes, Request for Comments" ((RIN2120–AA64)(2001–0417)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3405. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A330 and A340 Series Airplanes" ((RIN2120–AA64)(2001–0416)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3406. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A300 B2, A300 B4, A310, A319, A320, A321, A330, and A340 Series Airplanes; and Model A300 B4–600, A300 B4–600R, and A300 F4–600R Series Airplanes" ((RIN2120–AA64)(2001–0414)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3407. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A300 B2, A300 B4, A300 B4-600, BR–600R, and F4–600 R; A310, A319, A320, A321, A330, and A340 Series Airplanes" ((RIN2120–AA64)(2001–0413)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3408. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Raytheon Model Hawker 800XP Series Airplanes and Model Hawker 800 Airplanes" ((RIN2120–AA64)(2001–0425)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3409. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: BAe Systems Limited Model Avro 146RJ Series Airplanes" ((RIN2120–AA64)(2001–0424)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3410. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: BAe Systems Limited Model BAe 146 and Model Avro 146 RJ Series Airplanes" ((RIN2120–AA64)(2001–0423)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3411. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model DHC 8 311 and 315 Series Airplanes" ((RIN2120–AA64)(2001–0422)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3412. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A330–301, 321, 322, 341, and 342 Series Airplanes; and Model A340 Series Airplanes" ((RIN2120–AA64)(2001–0421)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3413. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Fokker Model F27 Mark 050 Series Airplanes" ((RIN2120–AA64)(2001–0420)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3414. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 767-200, 300, 300F and 400ER Series Airplanes Equipped with GE Model CF6 80C2 Series Engines" ((RIN2120-AA64)(2001-0419)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3415. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: BAe Systems Limited Model Avro 146RJ Series Airplanes" ((RIN2120-AA64)(2001-0431)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3416. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747-100, 200B, 200F, 200C, 100B, 300, 100B, 100B SUD, 400, 400D, 400F and 747R Series Airplanes" ((RIN2120-AA64)(2001-0430)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3417. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Salmon, ID" ((RIN2120-AA66)(2001-0129)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3418. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Fokker Model F27 Mark 050 Series Airplanes Equipped with Pratt and Whitney Canada Model PW127B Engines" ((RIN2120-AA64)(2001-0429)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3419. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A300 B2 and B4; A310 and A300 B4-600R, and F4-600R Series Airplanes" ((RIN2120-AA64)(2001-0428)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3420. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives BAe Systems Limited Model BAe 146 and Avro 146RJ Series Airplanes" ((RIN2120-AA64)(2001-0427)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3421. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A319, A320, and A321 Series Airplanes" ((RIN2120-AA64)(2001-0426)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3422. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establish Class E Airspace; Kane, PA" ((RIN2120-AA66)(2001-0128)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3423. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establish Class E Airspace; Greensburg, PA" ((RIN2120-AA66)(2001-0127)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3424. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment of Class D and Class E2 and E4 Airspace; Gainesville, FL" ((RIN2120-AA66)(2001-0126)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3425. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment of Class D and Class E2 Airspace; Augusta, GA" ((RIN2120-AA66)(2001-0125)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3426. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace at Van Nuys Airport; Van Nuys, CA; direct final rule, request for comments" ((RIN2120-AA66)(2001-0124)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3427. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Clinton, AR; direct final rule; request for comments" ((RIN2120-AA66)(2001-0132)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3428. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (105); Amdt. No. 2059" ((RIN2120-AA65)(2001-0046)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3429. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (33); Amdt. No. 2060" ((RIN2120-AA65)(2001-0045)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3430. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "IFR Altitudes; Miscellaneous Amendments (37); Amdt. No. 430" ((RIN2120-AA63)(2001-0005)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3431. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (16); Amdt. No. 2064" ((RIN2120-AA65)(2001-0044)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3432. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Pratt and Whitney PW4000 Series Turbofan Engines; request for comments" ((RIN2120-AA64)(2001-0409)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3433. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A310 Series Airplanes" ((RIN2120-AA64)(2001-0408)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3434. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747-100, 200, 300, and 747SR Series Airplanes Powered by GE CF6-45/50 and Pratt and Whitney JT9D Series Engines" ((RIN2120-AA64)(2001-0377)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3435. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Empresa Brasileria de Aeronautica SA Model EMB 135 and 145 Series Airplanes" ((RIN2120-AA64)(2001-0376)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3436. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 9 81, 82, 83, and 87 Series Airplanes, and Model MD 88 Airplanes" ((RIN2120-AA64)(2001-0375)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3437. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Britax Sell Gmbh and Co. OHG Water Boilers, Coffee Makers, and Beverage Makers" ((RIN2120-A64)(2001-0374)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3438. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Class E Airspace; Jamestown, NY" ((RIN2120-AA66)(2001-0122)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC-3439. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Aerospatiale Model ATR 42-200, 300, 320 Series Airplanes" ((RIN2120-AA64)(2001-0385)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3440. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Learjet Model 55 Series Airplanes and Model 60 Airplanes" ((RIN2120–AA64)(2001–0380)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3441. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Dornier Model 328–300 Series Airplanes" ((RIN2120–AA64)(2001–0381)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3442. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: General Electric Company CF6–50 Turbofan Engines" ((RIN2120–AA64)(2001–0382)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3443. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 767–300 Series Airplanes" ((RIN2120–AA64)(2001–0379)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3444. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: The New Piper Aircraft Inc. Model PA 46 350P, and PA 46 500 TP Airplanes" ((RIN2120–AA64)(2001–0378)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3445. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 Series Airplanes Powered by Pratt and Whitney JT9D–3 and –7 Series Engines" ((RIN2120–AA64)(2001–0402)) received on August 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3446. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (31); Amdt. No. 2062" ((RIN2120–AA65)(2001–0043)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3447. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (64); Amdt. No. 2061" ((RIN2120–AA65)(2001–0042)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3448. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 10–10, 15, 30, and 40 Series Airplanes, and Model MD 19 10F and 30F Series Airplanes" ((RIN2120–AA64)(2001–0401)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3449. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Aerospatiale Model ATR42–200, 300, 350, and ATR72 Series Airplanes" ((RIN2120–AA64)(2001–0399)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3450. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747–100 and 200 Series Airplanes; Modified by Supplemental Type Certificate SA8622SW" ((RIN2120–AA64)(2001–0397)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3451. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 767–300 Series Airplanes; Modified by Supplemental Type Certificate ST0018SE" ((RIN2120–AA64)(2001–0396)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3452. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 9 32 Series Airplanes Modified Per Supplemental Type Certificate SA4371NM" ((RIN2120–AA64)(2001–0373)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3453. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Empresa Brasileira de Aeronautica SA Model EMB 135 and 145 Series Airplanes" ((RIN2120–AA64)(2001–0372)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3454. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Aerospatiale Model ATR 42–200, 300 and 500 Series Airplanes; and Model ATR72 Series Airplanes" ((RIN2120–AA64)(2001–0371)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3455. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Aerospatiale Model ATR42–200, 300, and 320 Series Airplanes" ((RIN2120–AA64)(2001–0370)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3456. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Dornier Model 328–100 Series Airplanes" ((RIN2120–AA64)(2001–0369)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3457. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Air Tractor Inc. AT 400, AT 500, and AT 800 Series Airplanes" ((RIN2120–AA64)(2001–0368)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3458. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 10–10, 15, 30, 30F, and 40 Series Airplanes; and Model MD 10 10F and MD 10 30F Series" ((RIN2120–AA64)(2001–0367)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3459. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Seneca Falls, NY; correction" ((RIN2120–AA66)(2001–0120)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3460. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Vernal, UT" ((RIN2120–AA66)(2001–0121)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3461. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Repair Stations; Final Rule with Request for Comments and Direct Final Rule with Request for Comments" (RIN2120–AC38) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3462. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 9 10 and 30 Series Airplanes" ((RIN2120–AA64)(2001–0395)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3463. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747–100 and 200 Series Airplanes" ((RIN2120–AA64)(2001–0390)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3464. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A330 Series Airplanes" ((RIN2120–AA64)(2001–0387)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3465. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model MD 90–30 Series Airplanes" ((RIN2120–AA64)(2001–0388)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3466. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: General Aviation Aircraft Equipped with Certain UPS Aviation Technologies, Inc., Model Apollo SL30 Very-High-Frequency Navigation/Communication Radios" ((RIN2120–AA64)(2001–0389)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3467. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Rockwell Collins, Inc. CTL–92 Transponder Control Panels" ((RIN2120–AA64)(2001–0391)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3468. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Turbomeca SA Artouste II and III Series Turboshaft Engines" ((RIN2120–AA64)(2001–0383)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3469. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Learjet Model 23, 24, 25, 28, 29, 31, 35, 36, and 55 Series Airplanes" ((RIN2120–AA64)(2001–0384)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3470. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Exemption of Public Vessels Equipped with Electronic Charting and Navigation Systems from Paper Chart Requirements" (RIN2115–AG03) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3471. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Salvage and Marine Firefighting Equipment; Vessel Response Plans for Oils" ((RIN2115–AF60)(2001–0001)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3472. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Newton Creek, Dutch Kills, English Kills and their tributaries, NY" ((RIN2115–AE47)(2001–0002)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3473. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Great Lakes Pilotage Rates" (RIN2115–AF91) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3474. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Chelsea River, MA" ((RIN2115–AE47)(2001–0051)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3475. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Lake Washington Ship Canal, Seattle, WA" ((RIN2115–SE47)(2001–0053)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3476. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Inner Harbor Navigation Canal, LA" ((RIN2115–AE47)(2001–0049)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3477. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: PGA Boulevard Bridge (ICW), West Palm Beach, FL" ((RIN2115–AE47)(2001–0050)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3478. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Donald Ross Road Bridge (ICW), West Palm Beach, FL" ((RIN2115–AE47)(2001–0054)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3479. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations: SLR; Patuxent River, Solomons, Maryland" ((RIN2115–AE46)(2001–0018)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3480. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations: Japanese Fisheries High School Training Vessel EHIME MARU Relocation and Crew Member Recovery, Pacific Ocean, South Shores of the island of Oahu, HI" ((RIN2115–AA97)(2001–0043)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3481. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Bay City Relay For Life Fireworks, Saginaw River, MI" ((RIN2115–AA97)(2001–0041)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3482. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Naval Force Protection, Bath Iron Works, Kennebeck River, Bath, Maine" ((RIN2115–AA97)(2001–0040)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3483. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Presque Isle Bay, Erie, Pennsylvania" ((RIN2115–AA97)(2001–0039)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3484. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Menominee Waterfront Festival 2001, Menominee, Michigan" ((RIN2115–AA97)(2001–0042)) received on September 4, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3485. A communication from the President of the United States (referred on September 4, 2001), transmitting, consistent with the War Powers Act, a report relative to East Timor; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES RECEIVED DURING RECESS

Under the authority of the order of the Senate of July 30, 2001, the following reports of committees were submitted on August 28, 2001:

By Mr. LEAHY, from the Special Committee on Aging:

Report to accompany S. 1099, a bill to increase the criminal penalties for assaulting or threatening Federal judges, their family members, and other public servants, and for other purposes. (Rept. No. 107–53).

By Mr. KERRY, from the Committee on Small Business and Entrepreneurship, without amendment:

S. 856: A bill to reauthorize the Small Business Technology Transfer Program, and for other purposes. (Rept. No. 107–54).

S. 1196: A bill to amend the Small Business Investment Act of 1958, and for other purposes. (Rept. No. 107–55).

By Mr. INOUYE, from the Committee on Indian Affairs, with amendments:

S. 87: A bill to amend the Native Hawaiian Health Care Improvement Act to revise and extend such Act. (Rept. No. 107–56).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DORGAN, from the Committee on Appropriations, without amendment:

S. 1398: An original bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes. (Rept. No. 107–57).

By Mr. LEAHY, from the Committee on Appropriations, with an amendment in the nature of a substitute:

H.R. 2506: A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes. (Rept. No. 107–58).

By Mr. BAUCUS, from the Committee on Finance, with an amendment in the nature of a substitute:

S. 643: A bill to implement the agreement establishing a United States-Jordan free trade area. (Rept. No. 107–59).

By Mr. BIDEN, from the Committee on Foreign Relations, without amendment:

S. 1401: An original bill to authorize appropriations for the Department of State and for United States international broadcasting activities for fiscal years 2002 and 2003, and for other purposes. (Rept. No. 107–60).

NOMINATIONS RETURNED

The following military nominations were returned to the President, pursuant to rule XXXI, paragraph 6 of the Standing Rules of the Senate on Friday, August 3, 2001:

The following named officers for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

Col. William P. Ard, 9315, to be Brigadier General.
Col. Rosanne Bailey, 5417, to be Brigadier General.
Col. Bradley S. Baker, 8811, to be Brigadier General.
Col. Mark G. Beesley, 0692, to be Brigadier General.
Col. Ted F. Bowlds, 8694, to be Brigadier General.
Col. John T. Brennan, 1908, to be Brigadier General.
Col. Roger W. Burg, 0024, to be Brigadier General.
Col. Patrick A. Burns, 9945, to be Brigadier General.
Col. Kurt A. Cichowski, 2191, to be Brigadier General.
Col. Maria I. Cribbs, 1906, to be Brigadier General.
Col. Andrew S. Dichter, 7838, to be Brigadier General.
Col. Jan D. Eakle, 6186, to be Brigadier General.
Col. David M. Edgington, 5942, to be Brigadier General.
Col. Silvanus T. Gilbert III, 9317, to be Brigadier General.
Col. Stephen M. Goldfein, 0317, to be Brigadier General.
Col. David S. Gray, 6354, to be Brigadier General.
Col. Wendell L. Griffin, 7494, to be Brigadier General.
Col. Ronald J. Haeckel, 5442, to be Brigadier General.
Col. Irving L. Halter Jr., 3411, to be Brigadier General.
Col. Richard S. Hassan, 8751, to be Brigadier General.
Col. William L. Holland, 4785, to be Brigadier General.
Col. Gilmary M. Hostage III, 6091, to be Brigadier General.
Col. James P. Hunt, 1379, to be Brigadier General.
Col. John C. Koziol, 4047, to be Brigadier General.
Col. David R. Lefforge, 3407, to be Brigadier General.
Col. William T. Lord, 1920, to be Brigadier General.
Col. Arthur B. Morrill III, 9005, to be Brigadier General.
Col. Larry D. New, 2557, to be Brigadier General.
Col. Leonard E. Patterson, 4994, to be Brigadier General.
Col. Michael F. Planert, 4078, to be Brigadier General.
Col. Jeffrey A. Remington, 2881, to be Brigadier General.
Col. Edward A. Rice Jr., 4597, to be Brigadier General.
Col. David J. Scott, 6307, to be Brigadier General.
Col. Winfield W. Scott III, 5508, to be Brigadier General.
Col. Mark D. Shackelford, 8403, to be Brigadier General.
Col. Glenn F. Spears, 2012, to be Brigadier General.
Col. David L. Stringer, 5498, to be Brigadier General.
Col. Henry L. Taylor, 3446, to be Brigadier General.
Col. Richard E. Webber, 3908, to be Brigadier General.
Col. Roy M. Worden, 4884, to be Brigadier General.
Col. Ronald D. Yaggi, 2965, to be Brigadier General.

The following named officer for appointment as Vice Chief of Staff, United States Air Force, and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., sections 601 and 8034:

Lt. Gen. Robert H. Foglesong, 8617, to be General.

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Gen. John W. Handy, 5379, to be General.

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Lt. Gen. Charles F. Wald, 1222, to be Lieutenant General.

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Maj. Gen. Teed M. Moseley, 1516, to be Lieutenant General.

The following named officers for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

Col. Byron S. Bagby, 3934, to be Brigadier General.
Col. Leo A. Brooks Jr., 5819, to be Brigadier General.
Col. Sean J. Byrne, 2057, to be Brigadier General.
Col. Charles A. Cartwright, 2898, to be Brigadier General.
Col. Philip D. Coker, 7623, to be Brigadier General.
Col. Thomas R. Csrnko, 1332, to be Brigadier General.
Col. Robert L. Davis, 2604, to be Brigadier General.
Col. John DeFreitas III, 7924, to be Brigadier General.
Col. Robert E. Durbin, 9354, to be Brigadier General.
Col. Gina S. Farrisee, 7084, to be Brigadier General.
Col. David A. Fastabend, 5081, to be Brigadier General.
Col. Richard P. Formica, 7015, to be Brigadier General.
Col. Kathleen M. Gainey, 4227, to be Brigadier General.
Col. Daniel A. Hahn, 0301, to be Brigadier General.
Col. Frank G. Helmick, 8189, to be Brigadier General.
Col. Rhett A. Hernandez, 7009, to be Brigadier General.
Col. Mark P. Hertling, 3917, to be Brigadier General.
Col. James T. Hirai, 5860, to be Brigadier General.
Col. Paul S. Izzo, 1942, to be Brigadier General.
Col. James L. Kennon, 4010, to be Brigadier General.
Col. Mark T. Kimmitt, 8655, to be Brigadier General.
Col. Robert P. Lennox, 8104, to be Brigadier General.
Col. Douglas E. Lute, 2691, to be Brigadier General.
Col. Timothy P. McHale, 0796, to be Brigadier General.
Col. Richard W. Mills, 9267, to be Brigadier General.
Col. Benjamin R. Mixon, 7168, to be Brigadier General.
Col. James R. Moran, 2618, to be Brigadier General.
Col. James R. Myles, 2299, to be Brigadier General.
Col. Larry C. Newman, 6949, to be Brigadier General.
Col. Carroll F. Pollett, 9096, to be Brigadier General.
Col. Robert J. Reese, 3946, to be Brigadier General.
Col. Stephen V. Reeves, 2272, to be Brigadier General.
Col. Richard J. Rowe Jr., 5346, to be Brigadier General.
Col. Kevin T. Ryan, 4755, to be Brigadier General.
Col. Edward J. Sinclair, 9044, to be Brigadier General.
Col. Eric F. Smith, 3800, to be Brigadier General.
Col. Abraham J. Turner, 5542, to be Brigadier General.
Col. Volney J. Warner, 3024, to be Brigadier General.
Col. John C. Woods, 4554, to be Brigadier General.
Col. Howard W. Yellen, 3205, to be Brigadier General.

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Lt. Gen. Larry R. Jordan, 0772, to be Lieutenant General.

The following named officers for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

Brig. Gen. Keith B. Alexander, 9763, to be Major General.
Brig. Gen. Eldon A. Bargewell, 6135, to be Major General.
Brig. Gen. David W. Barno, 9794, to be Major General.
Brig. Gen. John R. Batiste, 9665, to be Major General.
Brig. Gen. Peter W. Chiarelli, 6598, to be Major General.
Brig. Gen. Claude V. Christianson, 1982, to be Major General.
Brig. Gen. Robert T. Dail, 5056, to be Major General.
Brig. Gen. Paul D. Eaton, 1993, to be Major General.
Brig. Gen. Karl W. Eikenberry, 5197, to be Major General.

Brig. Gen. Robert H. Griffin, 5619, to be Major General.

Brig. Gen. John W. Holly, 6285, to be Major General.

Brig. Gen. David H. Huntoon, Jr., 1919, to be Major General.

Brig. Gen. James C. Hylton, 8014, to be Major General.

Brig. Gen. Gene M. LaCoste, 2941, to be Major General.

Brig. Gen. Dee A. McWilliams, 1427, to be Major General.

Brig. Gen. Raymond T. Odierno, 8425, to be Major General .

Brig. Gen. Virgil L. Packett II, 9367, to be Major General.

Brig. Gen. Joseph F. Peterson, 2747, to be Major General.

Brig. Gen. David H. Petraeus, 1960, to be Major General.

Brig. Gen. Marilyn A. Quagliotti, 8480, to be Major General.

Brig. Gen. Michael D. Rochelle, 4381, to be Major General.

Brig. Gen. Donald J. Ryder, 5451, to be Major General.

Brig. Gen. Henry W. Stratman, 1226, to be Major General.

Brig. Gen. Joe G. Taylor, Jr., 0884, to be Major General.

Brig. Gen. N. Ross Thompson III, 5240, to be Major General.

Brig. Gen. James D. Thurman, 8182, to be Major General.

Brig. Gen. Thomas R. Turner II, 7116, to be Major General.

Brig. Gen. John M. Urias, 6022, to be Major General.

Brig. Gen. Michael A. Vane, 9890, to be Major General.

Brig. Gen. William G. Webster, Jr., 9468, to be Major General.

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Maj. Gen. John M. Le Moyne, 7525, to be Lieutenant General.

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

Brig. Gen. Lester Martinez-Lopez, 1323, to be Major General.

The following named officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

Col. Dawn R. Horn, 3444, to be Brigadier General.

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Lt. Gen. Paul J. Kern, 5577, to be General.

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Lt. Gen. Kevin P. Byrnes, 7639, to be Lieutenant General.

The following named officers for appointment in the United States Coast Guard to the grade indicated under title 14, U.S.C., section 271:

Rear Adm. (lh) James C. Olson, 7892, to be Rear Admiral.

Rear Adm. (lh) James W. Underwood, 8189, to be Rear Admiral.

Rear Adm. (lh) Ralph D. Utley, 9691, to be Rear Admiral.

Rear Adm. (lh) Kenneth T. Venuto, 2213, to be Rear Admiral.

The following named officers for appointment in the United States Marine Corps to the grade indicated under title 10, U.S.C., section 624:

Brig. Gen. James F. Amos, 1550, to be Major General.

Brig. Gen. John G. Castellaw, 2524, to be Major General.

Brig. Gen. Timothy E. Donovan, 4843, to be Major General.

Brig. Gen. Robert M. Flanagan, 2865, to be Major General.

Brig. Gen. James N. Mattis, 7981, to be Major General.

Brig. Gen. Gordon C. Nash, 4684, to be Major General.

Brig. Gen. Robert M. Shea, 3652, to be Major General.

Brig. Gen. Frances C. Wilson, 7788, to be Major General.

The following named officer for appointment in the United States Marine Corps Reserve to the grade indicated under title 10, U.S.C., section 12203:

Brig. Gen. John W. Bergman, 6022, to be major general.

The following named officers for appointment in the United States Marine Corps to the grade indicated under title 10, U.S.C., section 624:

Col. Ronald S. Coleman, 3216, to be Brigadier General.

Col. James F. Flock, 6021, to be Brigadier General.

Col. Kenneth J. Glueck, Jr., 6343, to be Brigadier General.

Col. Dennis J. Hejlik, 3767, to be Brigadier General.

Col. Carl B. Jensen, 5079, to be Brigadier General.

Col. Robert B. Neller, 0298, to be Brigadier General.

Col. John M. Paxton, Jr., 0190, to be Brigadier General.

Col. Edward G. Usher III, 6626, to be Brigadier General.

The following named officers for appointment in the United States Marine Corps Reserve to the grade indicated under title 10, U.S.C., section 12203:

Col. Craig T. Boddington, 6953, to be Brigadier General.

Col. Scott Robertson, 2941, to be Brigadier General.

The following named officer for appointment in the United States Marine Corps Reserve to the grade indicated under title 10, U.S.C., section 12203:

Brig. Gen. John J. McCarthy Jr., 8507, to be Major General.

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

Capt. Robert D. Jenkins III, 2940, to be Rear Admiral (lower half).

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

Rear Adm. (lh) Rand H. Fisher, 2658, to be Rear Admiral.

Rear Adm. (lh) Charles H. Johnston Jr., 2065, to be Rear Admiral.

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

Rear Adm. (lh) DAVID ARCHITZEL, 0741, to be Rear Admiral.

Rear Adm. (lh) JOSE L. BETANCOURT, 0044, to be Rear Admiral.

Rear Adm. (lh) ANNETTE E. BROWN, 7474, to be Rear Admiral.

Rear Adm. (lh) JOSEPH D. BURNS, 3870, to be Rear Admiral.

Rear Adm. (lh) BRIAN M. CALHOUN, 7720, to be Rear Admiral.

Rear Adm. (lh) KEVIN J. COSGRIFF, 3968, to be Rear Admiral.

Rear Adm. (lh) LEWIS W. CRENSHAW JR., 4960, to be Rear Admiral.

Rear Adm. (lh) TERRANCE T. ETNYRE, 8044, to be Rear Admiral.

Rear Adm. (lh) MARK P. FITZGERALD, 2694, to be Rear Admiral.

Rear Adm. (lh) JONATHAN W. GREENERT, 8869, to be Rear Admiral.

Rear Adm. (lh) CURTIS A. KEMP, 5881, to be Rear Admiral.

Rear Adm. (lh) ANTHONY W. LENGERICH, 9020, to be Rear Admiral.

Rear Adm. (lh) WALTER B. MASSENBURG, 4394, to be Rear Admiral.

Rear Adm. (lh) JAMES K. MORAN, 5752, to be Rear Admiral.

Rear Adm. (lh) CHARLES L. MUNNS, 9043, to be Rear Admiral.

Rear Adm. (lh) RICHARD B. PORTERFIELD, 3989, to be Rear Admiral.

Rear Adm. (lh) JAMES A. ROBB, 4692, to be Rear Admiral.

Rear Adm. (lh) JOSEPH A. SESTAK JR., 0962, to be Rear Admiral.

Rear Adm. (lh) STEVEN J. TOMASZESKI, 3394, to be Rear Admiral.

Rear Adm. (lh) JOHN W. TOWNES III, 0177, to be Rear Admiral.

Rear Adm. (lh) CHRISTOPHER E. WEAVER, 5940, to be Rear Admiral.

Rear Adm. (lh) CHARLES B. YOUNG, 0248, to be Rear Admiral.

Rear Adm. (lh) THOMAS E. ZELIBOR, 6272, to be Rear Admiral.

The following named officer for appointment in the United States Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

Adm. James O. Ellis Jr., 4995, to be Admiral.

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

Capt. Richard K. Gallagher, 9308, to be Rear Admiral (Lower Half).

Capt. Thomas J. Kilcline Jr., 3174, to be Rear Admiral (Lower Half).

Robert A. Stenevik in the Air Force to be Colonel.

28 nominations in the Army received by the Senate beginning with Roger L Armstead and ending with Carl S Young, Jr.

4 nominations in the Army received by the Senate beginning with Donald W. Dawson, III and ending with Daniel F. Lee.

Curtis W. Marsh in the Marine Corps to be Colonel.

ADDITIONAL COSPONSORS

S. 29

At the request of Mr. BOND, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 29, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for 100 percent of the health insurance costs of self-employed individuals.

S. 88

At the request of Mr. ROCKEFELLER, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 88, a bill to amend the Internal Revenue Code of 1986 to provide an incentive to ensure that all Americans gain timely and equitable access to the Internet over current and future generations of broadband capability.

S. 135

At the request of Mrs. FEINSTEIN, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 135, a bill to amend title XVIII of the Social Security Act to improve payments for direct graduate medical education under the medicare program.

S. 145

At the request of Mr. THURMOND, the names of the Senator from New Jersey (Mr. TORRICELLI) and the Senator from Oklahoma (Mr. INHOFE) were added as cosponsors of S. 145, a bill to amend title 10, United States Code, to increase to parity with other surviving spouses the basic annuity that is provided under the uniformed services Survivor Benefit Plan for surviving spouses who are at least 62 years of age, and for other purposes.

S. 170

At the request of Mr. REID, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 177

At the request of Mr. AKAKA, the names of the Senator from Washington (Mrs. MURRAY) and the Senator from Montana (Mr. BURNS) were added as cosponsors of S. 177, a bill to amend the provisions of title 39, United States Code, relating to the manner in which pay policies and schedules and fringe benefit programs for postmasters are established.

S. 318

At the request of Mr. DASCHLE, the names of the Senator from North Dakota (Mr. DORGAN) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 318, a bill to prohibit discrimination on the basis of genetic information with respect to health insurance.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to strike the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 392

At the request of Mr. SARBANES, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 392, a bill to grant a Federal Charter to Korean War Veterans Association, Incorporated, and for other purposes.

S. 503

At the request of Mr. REID, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 503, a bill to amend the Safe Water Act to provide grants to small public drinking water system.

S. 543

At the request of Mr. WELLSTONE, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from California (Mrs. BOXER), and the Senator from South Dakota (Mr. DASCHLE) were added as cosponsors of S. 543, a bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits.

S. 587

At the request of Mr. CONRAD, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 587, a bill to amend the Public Health Service Act and title XVIII of the Social Security Act to sustain access to vital emergency medical services in rural areas.

S. 611

At the request of Ms. MIKULSKI, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 611, a bill to amend title II of the Social Security Act to provide that the reduction in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,200, adjusted for inflation.

S. 659

At the request of Mr. CRAPO, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 659, a bill to amend title XVIII of the Social Security Act to adjust the labor costs relating to items and services furnished in a geographically reclassified hospital for which reimbursement under the medicare program is provided on a prospective basis.

S. 690

At the request of Mr. WELLSTONE, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 690, a bill to amend title XVIII of the Social Security Act to expand and improve coverage of mental health services under the medicare program.

S. 829

At the request of Mr. BROWNBACK, the names of the Senator from Florida (Mr. NELSON) and the Senator from Oklahoma (Mr. INHOFE) were added as cosponsors of S. 829, a bill to establish the National Museum of African American History and Culture within the Smithsonian Institution.

S. 858

At the request of Mr. HUTCHINSON, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 858, a bill to amend title I of the Employee Retirement Income Security Act of 1974 to improve access and choice for entrepreneurs with small business with respect to medical care for their employees.

S. 866

At the request of Mr. REID, the names of the Senator from Washington (Ms. CANTWELL) and the Senator from Arizona (Mr. KYL) were added as cosponsors of S. 866, a bill to amend the Public Health Service Act to provide for a national media campaign to reduce and prevent underage drinking in the United States.

S. 990

At the request of Mr. SMITH of New Hampshire, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 990, a bill to amend the Pittman-Robertson Wildlife Restoration Act to improve the provisions relating to wildlife conservation and restoration programs, and for other purposes.

S. 999

At the request of Mr. BINGAMAN, the names of the Senator from Hawaii (Mr. INOUYE) and the Senator from Texas (Mrs. HUTCHISON) were added as cosponsors of S. 999, a bill to amend title 10, United States Code, to provide for a Korea Defense Service Medal to be issued to members of the Armed Forces who participated in operations in Korea after the end of the Korean War.

S. 1009

At the request of Mrs. HUTCHISON, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 1009, a bill to require the provision of information to parents and adults concerning bacterial meningitis and the availability of a vaccination with respect to such diseases.

S. 1027

At the request of Mr. SCHUMER, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 1027, a bill to expand the purposes of the program of block grants to States for temporary assistance for needy families to include poverty reduction, and to make grants available under the program for that purpose.

S. 1041

At the request of Mr. FEINGOLD, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 1041, a bill to establish a program for an information clearinghouse to increase public access to defibrillation in schools.

S. 1042

At the request of Mr. INOUYE, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 1042, a bill to amend title 38, United States Code, to improve benefits for Filipino veterans of World War II, and for other purposes.

S. 1066

At the request of Mr. HATCH, the names of the Senator from Hawaii (Mr. INOUYE) and the Senator from Maryland (Ms. MIKULSKI) were added as cosponsors of S. 1066, a bill to amend title XVIII of the Social Security Act to establish procedures for determining payment amounts for new clinical diagnostic laboratory tests for which payment is made under the medicare program.

S. 1125

At the request of Mr. MCCAIN, the names of the Senator from Washington (Mrs. MURRAY) and the Senator from Nevada (Mr. REID) were added as cosponsors of S. 1125, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1132

At the request of Mr. CRAPO, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 1132, a bill to amend the Federal Food, Drug, and Cosmetic Act relating to the distribution chain of prescription drugs.

S. 1140

At the request of Mr. HATCH, the names of the Senator from Delaware (Mr. BIDEN) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. 1140, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1163

At the request of Mr. CORZINE, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 1163, a bill to increase the mortgage loan limits under the National Housing Act for multifamily housing mortgage insurance.

S. 1169

At the request of Mr. FEINGOLD, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 1169, a bill to streamline the regulatory processes applicable to home health agencies under the medicare program under title XVIII of the Social Security Act and the medicaid program under title XIX of such Act, and for other purposes.

S. 1186

At the request of Mr. DOMENICI, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1186, a bill to provide a budgetary mechanism to ensure that funds will be available to satisfy the Federal Government's responsibilities with respect to negotiated settlements of disputes related to Indian water rights claims and Indian land claims.

S. 1206

At the request of Mr. VOINOVICH, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 1206, a bill to reauthorize the Appalachian Regional Development Act of 1965, and for other purposes.

S. 1226

At the request of Mr. SANTORUM, his name was added as a cosponsor of S. 1226, a bill to require the display of the POW/MIA flag at the World War II memorial, the Korean War Veterans Memorial, and the Vietnam Veterans Memorial.

S. 1232

At the request of Mr. MCCONNELL, the names of the Senator from Kentucky (Mr. BUNNING) and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 1232, a bill to provide for the effective punishment of online child molesters, and for other purposes.

S. 1256

At the request of Mrs. FEINSTEIN, the names of the Senator from North Dakota (Mr. DORGAN) and the Senator from Kentucky (Mr. MCCONNELL) were added as cosponsors of S. 1256, a bill to provide for the reauthorization of the breast cancer research special postage stamp, and for other purposes.

S. 1258

At the request of Mr. DORGAN, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from New York (Mrs. CLINTON) were added as cosponsors of S. 1258, a bill to improve academic and social outcomes for teenage youth.

S. 1278

At the request of Mrs. LINCOLN, the names of the Senator from Maine (Ms. COLLINS) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 1278, a bill to amend the Internal Revenue Code of 1986 to allow a United States independent film and television production wage credit.

S. 1284

At the request of Mr. KENNEDY, the name of the Senator from Missouri (Mrs. CARNAHAN) was added as a cosponsor of S. 1284, a bill to prohibit employment discrimination on the basis of sexual orientation.

S. 1311

At the request of Mr. LEAHY, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 1311, a bill to amend the Immigration and Nationality Act to reaffirm the United States historic commitment to protecting refugees who are fleeing persecution or torture.

S. RES. 121

At the request of Mr. KERRY, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S.Res. 121, a resolution expressing the sense of the Senate regarding the policy of the United States at the 53rd Annual Meeting of the International Whaling Commission.

S. RES. 139

At the request of Mr. GRASSLEY, the names of the Senator from Oklahoma (Mr. INHOFE) and the Senator from Kentucky (Mr. BUNNING) were added as cosponsors of S.Res. 139, a resolution designating September 24, 2001, as "Family Day—A Day to Eat Dinner with Your Children."

At the request of Mr. BIDEN, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from New York (Mrs. CLINTON), the Senator from Vermont (Mr. JEFFORDS), the Senator from Michigan (Mr. LEVIN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Florida (Mr. GRAHAM), and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. Res. 139, supra.

S. CON. RES. 44

At the request of Mr. FITZGERALD, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S.Con.Res. 44, a concurrent resolution expressing the sense of the Congress regarding National Pearl Harbor Remembrance Day.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. ENSIGN:

S. 1394. A bill to amend title XVIII of the Social Security Act to repeal the medicare outpatient rehabilitation therapy caps; to the Committee on Finance.

By Mr. ENSIGN:

S. 1395. A bill to amend title XVIII of the Social Security Act to make a technical correction in the definition of outpatient speech-language pathology services; to the Committee on Finance.

By Mr. CONRAD (for himself and Mr. HUTCHINSON):

S. 1396. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for the purchase of a principal residence by a first-time homebuyer; to the Committee on Finance.

By Mr. GRASSLEY (for himself and Mr. FEINGOLD):

S. 1397. A bill to ensure availability of the mail to transmit shipments of day-old poultry; to the Committee on Governmental Affairs.

By Mr. DORGAN:

S. 1398. An original bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mrs. FEINSTEIN (for herself, Mr. SHELBY, Mr. CORZINE, Mr. KYL, and Mr. GRASSLEY):

S. 1399. A bill to prevent identity theft, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KYL (for himself and Mr. BROWNBACK):

S. 1400. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to extend the deadline for aliens to present a border crossing card that contains a biometric identifier matching the appropriate biometric characteristic of the alien; to the Committee on the Judiciary.

By Mr. BIDEN:

S. 1401. An original bill to authorize appropriations for the Department of State and for United States international broadcasting activities for fiscal years 2002 and 2003, and for other purposes; from the Committee on Foreign Relations; placed on the calendar.

By Mr. KENNEDY:

S. 1402. A bill to amend title 10, United States Code, to fully integrate the beneficiaries of the Individual Case Management Program into the TRICARE program, to provide long-term health care benefits under the TRICARE program and otherwise to improve the benefits provided under the TRICARE program, and for other purposes; to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself and Mr. FEINGOLD):

S. 1397. A bill to ensure availability of the mail to transmit shipments of day-old poultry; to the Committee on Governmental Affairs.

Mr. GRASSLEY. Madam President, I rise today be introduce legislation that will ensure the continued availability of the U.S. mail for the shipment of day-old poultry * * * For decades, America's hatcheries and family farmers have relied on the United States Postal Service to safely and efficiently deliver live, day-old poultry. However, Northwest Airlines, the last contractor to provide the service to the Postal Service in the Midwest recently decided to discontinue the shipment of live poultry as of September 1.

the decision by the air carriers to stop working with the Postal Service has placed the economic vitality of many rural communities and the livelihoods of many of my constituents in serious jeopardy. In fact, hundreds of Iowans are employed in Iowa hatcheries which supply day-old birds to family farmers and hobbyists.

For example, the McMurray Hatchery in Webster City, IA, has shipped day-old chicks and other poultry to customers in all parts of the United States for over eighty years. The hatchery employs up to seventy people in sseason and is a major contributor to the region's economy. Ninety-five percent of the hatchery's orders are shipped through the mail, and carried by Northwest Airlines. Without the ability to deliver their product to their customers, however, the McMurray Hatchery would likely be put out of business.

In the community of Rudd, the Hoover Hatchery employs thirty people. The Welp Hatchery in Bancroft employs fifty people. For these small, rural communities, each with fewer than a thousand people, loss of these hatcheries would be devastating.

The legislation I introduce today would protect these hatcheries and the economies of Webster City, Rudd, Bancroft, and communities like them across the country. My legislation would authorize the U.S. Postal Service to require an air carrier to accept shipments of any day-old poultry and other live animals that are also allowed by the carriers's cargo service. In addition, my legislation would permit the Postal Service to assess a reasonable postage surcharge on shipments of live poultry to compensate carriers for any necessary additional expenses associated with the handling of live animals.

Most importantly, my legislation would ensure that the commitment of the United States Postal Service to deliver all of the mail, without discrimination, would not be broken. Therefore, I urge my Senate colleagues to support this legislation and to uphold our obligation to America's hatcheries and family farmers.

By Mrs. FEINSTEIN (for herself, Mr. SHELBY, Mr. CORZINE, Mr. KYL, and Mr. GRASSLEY):

S. 1399. A bill to prevent identity theft, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mrs. FEINSTEIN. Madam President, I rise to introduce the Identity Theft Prevention Act of 2001 along with Senator SHELBY, Senator CORZINE, Senator KYL, and Senator GRASSLEY.

The goal of this legislation is to require credit bureaus and banks to take precautions against identity theft and to assist identity theft victims in restoring their good name.

What is identity theft? Identity theft occurs when one person uses another person's Social Security number, birth date, driver's license number, or other identifying information to obtain credit cards, car loans, phone plans or other services in the victim's name. The criminal literally assumes the identity of the victim for illicit gain.

Identity theft is one of the fastest growing crimes in the new economy. The Federal Bureau of Investigation estimates 350,000 cases of identify theft occur annually.

If recent trends continue, reports of identity theft to the Federal Trade Commission will double between 2000 and 2001, to over 60,000 cases.

Fully 40 percent of all consumer fraud complaints received by the FTC in the first three months of 2001 involved identity theft.

Consider some of the following cases: my constituent, Kim Bradbury of Castro Valley, reported that an identity thief obtained a credit card in her name through the Internet in just 10 seconds. The false application only had her Social Security number and birth date correct.

A man's drivers license was stolen at a night club in Florida. The thief opened a checking account in the man's name at multiple banks and used the accounts to engage in financial fraud. The police, in pursuit of the identity thief, mistakenly arrested the victim five times for crimes committed by the identity thief. One of the arrests caused him to miss his honeymoon.

Three youths robbed a young woman on a San Francisco MUNI bus. The thieves stole her driver's license and Social Security card.

While the victim was traveling over the Christmas holiday, the thieves represented themselves as her and drained her bank accounts, and applied for cell phones and credit cards in her name.

This bill attempts to stem the tide of identity theft by requiring banks, credit bureaus, and other financial institutions to take some practical steps to protect sensitive personal information.

1. The Identity Theft Prevention Act of 2001 would require all new credit-card machines to truncate any credit card number printed on a customer receipt. Thus, when a store gives a customer a receipt from a credit card purchase, only the last five digits of the credit card number will show. This prevents identity thieves from stealing credit card numbers by retrieving discarded receipts. Existing machines would have to be reprogrammed to truncate credit card numbers on receipts by 2006. Given that most credit machines have a working life of approximately five years, this reprogramming requirement will put a minimal burden on businesses.

2. The bill requires a credit card company to notify consumers when an additional credit card is requested on an existing credit account within 30 days of an address change request.

3. The bill would require credit bureaus to alert credit issuers of discrepancies between the consumer's address in the bureau's records and the address in the consumer's application for credit. Thus, credit card issuers would be alerted to possible fraud.

4. This bill codifies the industry practice of placing fraud alerts on a consumer's credit file and gives the Federal Trade Commission the authority to impose fines against credit issuers that ignore the alert.

Too many credit card issuers are granting new cards without adequately verifying the identity of the applicant. Putting some teeth into fraud alerts will curb irresponsible granting of credit.

I also would have reintroduced a provision from the Identity Theft Prevention Act of 2000, requiring that the Federal Trade Commission, FTC, develop a Model Reporting Form for victims to send to creditors.

However, I am pleased to report that the FTC, encouraged by last year's identity theft bill, has drafted this model form.

The new form will be launched in the next several weeks, and will be accepted by the three major credit bureaus as well as several major financial institutions. It will reduce substantially the paperwork burden on identity theft victims who otherwise would have to file literally dozens of reports of fraud.

The simple, concrete proposals of this bill are are necessary because financial institutions are the stewards of personal financial data. They have unique access and control over the most sensitive personal information like one's bank account balance or one's credit card number. With this unique access comes a responsibility.

Some may question why Congress needs to impose tighter information practices on banks and credit bureaus to address the identify theft crisis. After all, it is true that banks are on the hook for any personal credit losses over $50 due to fraud.

Presumably, if banks were losing excessive amounts of money due to identity theft, they would tighten their information practices. However, the problems that face identity theft victims are independent of market forces.

So much of identify theft victims' suffering comes from sources other than credit card losses.

For example, victims often face extreme difficulties clearing their damaged credit, or even a criminal record, caused by the thief. The typical victim of identity theft spends over 175 hours over two years to clear his name.

This legislation has earned the widespread support from a number of consumer and victims groups including the Identity Theft Resources Center, the Privacy Rights Clearinghouse, Consumers Union, U.S. PIRG, and Consumer Federation of America.

The Identity Theft Prevention Act of 2001 requires financial institutions to take some simple precautions to prevent identity fraud and protect a person's good name.

Verifying a credit applicant's address, complying with "fraud alerts", notifying credit card holders of unusual requests for new cards, and truncating credit numbers on receipts are all measures that will it make harder for criminals to engage in identify fraud.

It is appropriate and necessary for financial institutions to take these steps. These companies have a responsibility to prevent fraudsters from using their services to harm the good name of other citizens. Morever, in this complex, information-driven society, consumers simply can't protect their good name on their own.

Mr. SHELBY. Madam President, I am pleased to join Senator FEINSTEIN in introducing the "Identity Theft Prevention Act of 2001."

Unfortunately, with the growth of electronic commerce, there has been a corresponding growth in the number of high tech crimes. In fact, identity theft is now the fastest growing crime in the United States. Over the last few years, identity thieves have stolen billions of dollars from hundreds of thousands of people.

The difficulties for victims of identity theft do not simply end after the crime that has been committed. It can take years and considerable effort for victims to clear their names, reestablish their credit histories and get themselves back on their feet. In some cases, the crime never ends: stolen personal information is used repeatedly by numerous thieves placing individuals in an endless cycle of victimization.

The "Identity Theft Prevention Act of 2001" is intended as a first step towards combating this devastating crime. The legislation requires new, common sense measures such as: notifying a credit card holder of a request for an additional card or request to change an address; requiring consumer approval prior to the issuance of credit; and truncation of credit card account numbers on print-out receipts. These provisions are intended to reduce the opportunities of thieves to obtain the consumer data they use to commit fraud in the first place.

Additionally, in an effort to ease the considerable burdens the crime places on its victims, the bill makes it easier for consumers to report fraud and for them to quickly restore their credit history after they have been targeted.

The seriousness of the of the crime of identity theft has already been well documented in economic terms: hundreds of thousands of people have lost billions of dollars. However, the crime causes additional losses that far exceed the economic ones. An identity theft victim can lose his or her hard-earned good name and reputation in a matter of seconds. I believe Senator FEINSTEIN's bill will help prevent such assaults and it will help those who are victimized restore their credit record and their reputation more quickly. I am pleased to be an original cosponsor of this bill.

By Mr. KENNEDY:

S. 1402. A bill to amend title 10, United States Code, to fully integrate the beneficiaries of the Individual Case Management Program into the TRICARE program, to provide long-term health care benefits under the TRICARE program and otherwise to improve the benefits provided under the TRICARE program, and for other purposes; to the Committee on Armed Services.

• Mr. KENNEDY. Madam President, today, I am introducing legislation to ensure that disabled family members of our active duty military have greater access to the health care they deserve.

Early last year, a young man in the United States Air Force drove over 12 hours with his wife and disabled 4 year old daughter to testify about how important it was to make Medicaid more accessible. Why? Because the military health care system does not provide for his daughter's needs, and Medicaid does. But, in order to continue her eligibility for Medicaid, this service member could not accept his promotion to the next rank.

No member of the Armed Forces, who risk their lives for our country should ever be put in a position of having to decide between health care for their disabled child and doing their job for our country. Nor should these families have to rely on Medicaid to find health care that works. This bill corrects the injustices these families have suffered. The TRICARE Modernization Act integrates services for disabled dependents into the basic military health benefit program, so that no medically necessary services can be denied. It allows disabled dependents to receive care that is necessary to maintain their functions and prevent further deterioration of their disability. It provides skilled nursing care as long as is necessary, and is coordinated with Medicare. And, it authorizes respite care, hearing aids, and other therapies to help a disabled person stay or become independent.

We know how far we have come in the ongoing battle over many decades to guarantee that disabled people have the independence they need to be participating members of their communities. Our military families with disabled dependents should not be denied that opportunity.

Enactment of this legislation is one of the most significant steps we can take in this Congress. It offers a new and better life to large numbers of military families. It gives servicemen and women, and their disabled family members, the health care they need. And, most important for active duty military members and their families, it ensures that disability need no longer end the American dream.•

AMENDMENTS SUBMITTED AND PROPOSED

SA 1481. Mr. THOMPSON proposed an amendment to the bill S. 149, to provide authority to control exports, and for other purposes..

SA 1482. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1483. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1484. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1485. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1486. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1487. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1488. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1489. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1490. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1491. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1492. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1493. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1494. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1495. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1496. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1497. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1498. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1499. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1500. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1501. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1502. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1503. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1504. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1505. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1506. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1507. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1508. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1509. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1510. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1511. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1512. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1513. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1514. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1515. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1516. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1517. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1518. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1519. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1520. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1521. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1522. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1523. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1524. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1525. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

SA 1526. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 1481. Mr. THOMPSON proposed an amendment to the bill S. 149, to provide authority to control exports, and for other purposes; as follows:

On page 232, strike lines 16 through 18, and insert the following:

(1) AGREEMENT OF THE APPLICANT; COMPLEXITY OF ANALYSIS; NATIONAL SECURITY IMPACT.—

(A) AGREEMENT OF THE APPLICANT.—Delays upon which the Secretary and the applicant mutually agree.

(B) COMPLEXITY OF ANALYSIS.—The reviewing department or agency requires more time due to the complexity of the analysis, if the additional time is not more than 60 days.

(C) NATIONAL SECURITY IMPACT.—The reviewing department or agency requires additional time because of the potential impact on the national security or foreign policy interests of the United States, if the additional time is not more than 60 days.

SA 1482. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, beginning with line 4, strike all through line 7, and insert the following:

(c) EFFECTIVE DATE OF TERMINATION.—The termination of an export control pursuant to this section shall take effect 30 days after the President has consulted with the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives on the foreign policy implications of such termination. Notice of the termination shall be published in the Federal Register.

SA 1483. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 210, beginning on line 13, strike all through line 20, and insert the following:

(1) CONSULTATION; REPORT.—The President shall consult with the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on International Relations of the House of Representatives, regarding any export control proposed under this tile. The Secretary of State shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives describing efforts to achieve or increase multilateral cooperation on the issues or problems underlying the proposed export control.

SA 1484. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 207, line 3, strike "in consultation with" and insert "with the concurrence of".

SA 1485. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 188, line 1, after the period insert the following: "The Secretary shall provide notice to Congress whenever the country tiers are reassigned.".

SA 1486. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 193, line 11, after "determine" insert ", with the concurrence of the Secretaries of State, Defense, and Energy,".

SA 1487. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, line 6, strike "on the date" and all that follows through "Register" on line 7, and insert the following: "30 days after the President has consulted with the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives on the foreign policy implications of such termination. Notice of the termination shall be published in the Federal Register.".

SA 1488. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table, as follows:

On page 188, line 3, after "Senate" insert ", the Committee on Foreign Relations of the Senate,".

SA 1489. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table, as follows:

On page 210, beginning on line 13, strike all through line 20, and insert the following:

(1) CONSULTATION; REPORT.—The President shall consult with the Committee on Foreign Relations and the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on International Relations of the House of Representatives, regarding any export control proposed under this title. The Secretary of State shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives describing efforts to achieve or increase multilateral cooperation on the issues or problems underlying the proposed export control.

SA 1490. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table, as follows:

On page 210, beginning on line 13, strike all through line 20, and insert the following:

(1) REQUIREMENT.—The President shall consult with the Committees on Foreign Relations Banking, Housing, and Urban Affairs of the Senate, and the Committee on International Relations of the House of Representatives regarding any export control proposed under this title. The Secretary of State shall report separately to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives on efforts to achieve or increase multilateral cooperation on the issues or problems underlying the proposed export control.

SA 1491. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 318, between lines 12 and 13, insert the following:

SEC. 702. CONGRESSIONAL NOTIFICATION.

(a) IN GENERAL.—The President shall promptly notify the appropriate committees of Congress whenever an actual or alleged violation of this Act has occurred that is likely to cause harm or damage to United States national security interests.

(b) EXCEPTION.—The requirement in subsection (a) shall not apply if the President determines that notification of the appropriate committees of Congress under such paragraph would jeopardize an ongoing criminal investigation. If the President makes such a determination, the President shall provide written notification of such determination to the Speaker of the House of Representatives, the majority leader of the Senate, the minority leader of the House of Representatives, and the minority leader of the Senate. The notification shall include a justification for the determination.

(c) IDENTIFICATION OF PERSONS SUBJECT TO INVESTIGATION.—The Secretary of Commerce and the Attorney General shall develop appropriate mechanisms to identify, for the purposes of processing export licenses, persons who are the subject of an investigation for a violation described in this subsection.

(d) PROTECTION OF CLASSIFIED AND OTHER SENSITIVE INFORMATION.—The appropriate committees of Congress shall ensure that appropriate procedures are in place to protect from unauthorized disclosure classified information, information relating to intelligence sources and methods, and sensitive law enforcement information that is furnished to those committees pursuant to this section.

(e) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to modify or supersede any other requirement to report information on intelligence activities to Congress, including the requirement under section 501 of the National Security Act of 1947 (50 U.S.C. 413).

(f) ROLE OF COMMITTEE ON FOREIGN RELATIONS.—Any requirement in title II, III, or V to consult with, brief, or report to the Committee on Banking, Housing, and Urban Affairs of the Senate shall also apply to the Committee on Foreign Relations of the Senate.

(g) DEFINITION.—In this section, the term "appropriate committees of Congress" means the following:

(1) The Committee on Armed Services, the Committee on Foreign Relations, the Committee on Governmental Affairs, the Committee on Banking, Housing, and Urban Affairs, and the Select Committee on Intelligence of the Senate.

(2) The Committee on Armed Services, the Committee on International Relations, and the Permanent Select Committee on Intelligence of the House of Representatives.

SA 1492. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 325, beginning with line 6, strike all through line 9, and insert the following:

(k) RELATIONSHIP TO THE AECA.—Nothing in this Act shall be construed to alter or affect—

(1) any provisions of the Arms Export Control Act; or

(2) any authority delegated by the President to the Secretary of State under the Arms Export Control Act.

SA 1493. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 183, beginning on page 10, strike all through line 14 and insert the following:

(c) END USE AND END USER CONTROLS.—Notwithstanding any other provision of this Act, controls may be imposed, based on the end use or end user, on the export of any item, that could contribute to the proliferation of weapons of mass destruction or the means to deliver them.

(d) PROCEDURE FOR END USE CONTROLS.—To facilitate the proper exercise of the authority described in subsection (c) and the ability of the Department of Commerce and other agencies to conduct cumulative effects analyses, the following procedures shall apply:

(1) PRIOR APPROVAL OF EXPORTS AND REEXPORTS.—

(A) IN GENERAL.—The President shall not permit any covered item to be exported or reexported to a covered country without a license, if the Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, or the Secretary of State objects in writing to the export or reexport of the covered item. Any person proposing to export or reexport such an item (including replacement parts for any such item) shall notify the Secretary of Commerce, who, within 24 hours after receiving the notification, shall transmit the notification to the Secretary of Defense, the Secretary of Energy, and the Secretary of State.

(B) TIME LIMIT.—If the Secretary of Defense, the Secretary of Energy, or the Secretary of State, objects to the export or reexport of a covered item, the Secretary shall file the objections in writing within 10 days after the notification is received under subparagraph (A). If such a written objection to the export or reexport of an item is filed, the item may be exported or reexported only pursuant to a license issued by the Secretary of Commerce under the Export Administration Regulations of the Department of Commerce, without regard to the licensing exceptions otherwise authorized under section 740.7 of title 15, Code of Federal Regulations, as in effect on June 10, 1997. If no objection is filed within the 10-day period, the export or reexport shall be allowed.

(2) EXCEPTION.—The notification requirements described in paragraph (1) shall not apply to a covered item, if—

(A) the Secretary of Commerce determines that the requirements should not apply and the Secretaries of State, Defense, Energy, and the Treasury, and the Director of Central Intelligence, concur; and

(B) the item has not been included on the Commerce Control List or the National Security Control List for at least 5 years.

(3) DEFINITIONS.—In this subsection:

(A) COVERED COUNTRY.—

(i) IN GENERAL.—The term "covered country" means any country explicitly identified by the Director of Central Intelligence as a recipient, source, or supplier of dual-use and other technology in the most recent report required under section 721 of the Intelligence Authorization Act for Fiscal Year 1997 (or any successor report on the acquisition by foreign countries of dual-use and other technology useful for the development or production of weapons of mass destruction). Any country that was identified in a report required under such section 721, but is not identified in subsequent reports, shall continue to be considered a covered country for purposes of this title until the country is not identified in the report for 5 consecutive years.

(ii) INITIAL COUNTRIES.—On the date of enactment of this Act, China, Russia, North Korea, Iran, Iraq, Syria, Sudan, Libya, India, Pakistan, and Egypt shall be considered covered countries for purposes of this title and shall continue to be considered covered countries pursuant to clause (i).

(B) COVERED ITEM.—The term "covered item" means any item that was removed from the Commerce Control List or the National Security Control List after January 1, 1992 (including computers with a composite theoretical performance level of more than 6,500 MTOPS), and any item listed on the Commerce Control List or the National Security Control List.

(4) REPORT.—Not later than February 1 of each year, the Director of Central Intelligence, with the assistance of the Secretaries of State, Defense, Energy, and Commerce, shall report to Congress on the cumulative effects and national security implications of exporting and reexporting covered items to covered countries.

SA 1494. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 209, beginning on line 1, strike all through line 9, and insert the following:

(A) there is a threat to a foreign policy interest of the United States; and

(B) the prohibition of exports under each binding contract, agreement, commitment, license, or authorization will be instrumental in remedying the situation posing the threat.

SA 1495. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table, as follows:

On page 176, beginning on line 7, strike all through line 11, and insert the following:

(1) The Secretary determines that such license is required to export such parts;

(2) The Secretary of State and the Secretary of Defense determine that such service or parts should be controlled for national security or foreign policy reasons under this Act; or

(3) the after-market service or replacement parts would materially enhance the capability of an item which was the basis for the item being controlled.

SA 1496. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control experts, and for other purposes; which was ordered to lie on the table; as follows:

On page 255, beginning with line 12, strike all through page 257, line 13, and insert the following:

(1) VIOLATIONS BY AN INDIVIDUAL.—Any individual who knowingly violates, conspires to violate, or attempts to violate any provision of this Act or any regulation, license, or order issued under this Act shall be fined up to 10 times the value of the exports involved or $1,000,000, whichever is greater, imprisoned for not more than 10 years, or both, for each violation.

(2) VIOLATIONS BY A PERSON OTHER THAN AN INDIVIDUAL.—Any person other than an individual who knowingly violates, conspires to violate, or attempts to violate any provision of this Act or any regulation, license, or order issued under this Act shall be fined up to 10 times the value of the exports involved or $10,000,000, whichever is greater, for each violation.

(b) FORFEITURE OF PROPERTY INTEREST AND PROCEEDS.—

(1) FORFEITURE.—Any person who is convicted under paragraph (1) or (2) of subsection (a) shall, in addition to any other penalty, forfeit to the United States—

(A) any of that person's security or other interest in, claim against, or property or contractual rights of any kind in the tangible items that were the subject of the violation;

(B) any of that person's security or other interest in, claim against, or property or contractual rights of any kind in the tangible property that was used in the export or attempt to export that was the subject of the violation; and

(C) any of that person's property constituting, or derived from, any proceeds obtained directly or indirectly as a result of the violation.

(2) PROCEDURES.—The procedures in any forfeiture under this subsection, and the duties and authority of the courts of the United States and the Attorney General with respect to any forfeiture action under this subsection, or with respect to any property that may be subject to forfeiture under this subsection, shall be governed by the provisions of chapter 46 of title 18, United States Code (relating to criminal forfeiture), to the same extent as property subject to forfeiture under that chapter.

(c) CIVIL PENALTIES; ADMINISTRATIVE SANCTIONS.—

(1) CIVIL PENALTIES.—The Secretary may impose a civil penalty of up to $1,000,000 for each violation of a provision of this Act or any regulation, license, or order issued under this Act. A civil penalty under this paragraph may be in addition to, or in lieu of, any other liability or penalty which may be imposed for such a violation.

SA 1497. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table, as follows:

On page 176, beginning on line 7, strike all through line 11, and insert the following:

(1) the Secretary determines that such license is required to export such parts;

(2) the Secretary of State and the Secretary of Defense determine that such service or parts should be controlled for national security or foreign policy reasons under this Act; or

(3) the after-market service or replacement parts would materially enhance the capability of an item which was the basis for the item being controlled.

SA 1498. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 222, after line 4, insert the following:

SEC. 311. DESIGNATION OF COUNTRIES IDENTIFIED AS KEY PROLIFERATOR STATES.

A license shall be required under this Act to export an item to any country that has been identified by the Director of Central Intelligence as a source or supplier of dual-use and other technologies in the most recent report required under section 721 of the Intelligence Authorization Act for Fiscal Year 1997 (or any successor report regarding the acquisition by foreign countries of dual-use and other technologies that can be used for the development or production of weapons of mass destruction).

SA 1499. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 177, line 22, strike all through page 178, line 21 and insert the following:

(b) CONSULTATION WITH PERSONS AFFECTED.—The Secretary shall consult regularly with representatives of a broad spectrum of enterprises, labor organizations, nonproliferation and national security experts, and citizens interested in or affected by export controls in order to obtain their views on United States export control policy and the foreign availability or mass-market status of controlled items.

SEC. 104. RIGHT OF EXPORT.

No license or other authorization to export may be required under this Act, or under regulations issued under this Act, except to carry out the provisions of this Act.

SEC. 105. EXPORT CONTROL ADVISORY COMMITTEES.

(a) APPOINTMENT.—Upon the Secretary's own initiative or upon the written request of representatives of a substantial segment of any industry which produces any items subject to export controls under this Act or being considered for such controls, the Secretary may appoint export control advisory committees with respect to any such items. Each such committee shall consist of representatives of United States industry and Government officials, including officials from the Departments of Commerce, Defense, and State, and other appropriate departments and agencies of the Government. The Secretary shall permit the widest possible participation by the business community and nonproliferation and national security experts on the export control advisory committees.

SA 1500. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 235, beginning on line 13, strike all through line 25, and insert the following:

(b) INTERAGENCY DISPUTE RESOLUTION PROCESS.—

(1) INITIAL RESOLUTION.—The duties described in this subsection shall rotate each year among the Secretaries of Defense, State, and Commerce. The appropriate Secretary shall establish, select the chairperson

of, and determine procedures for an interagency committee to review initially all license applications described in subsection (a) with respect to which the Department of Commerce and any of the referral departments and agencies are not in agreement. The chairperson shall consider the positions of all the referral departments and agencies (which shall be included in the minutes described in subsection (c)(2)) and make a decision on the license application, including appropriate revisions or conditions thereto.

SA 1501. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 200, line 9, strike all through page 201, line 13.

SA 1502. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 186, after line 25, insert the following:

(d) Removal From National Security Control List.—If the Secretary of Commerce, with the concurrence of the Secretaries of State and Defense and in consultation with the Secretary of Energy and the Director of Central Intelligence, determines an item no longer warrants export control, the item shall be removed from the National Security Control List.

(e) Comment and Review by Defense, State, and Energy.—The Secretaries of Defense, State, and Energy may review and identify, on a continuing basis, items which should be considered for the national Security Control List, and initiate action for the consideration of the items identified.

SA 1503. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 214, line 23, strike "2" and insert "4".

SA 1504. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 203, beginning with line 6, strike all through page 204, line 6, and insert the following:

(1) Establishment of office.—The Secretary of Defense shall establish in the Department of Defense an Office of Technology Evaluation (in this section referred to as the "Office"), which shall be under the direction of the Secretary. The Office shall be responsible for gathering, coordinating, and analyzing all the necessary information in order for the Secretary of Defense to make determinations of foreign availability and mass-market status under this Act.

(2) Staff.—

(A) In general.—The Secretary of Defense shall ensure that the Office include persons to carry out the responsibilities set forth in subsection (b) of this section that have training, expertise, and experience in—

(i) economic analysis;

(ii) the defense industrial base;

(iii) technological developments;

(iv) nonproliferation; and

(v) national security and foreign policy export controls.

(B) Detailees.—In addition to employees of the Department of Defense, the Secretary may accept on nonreimbursable detail to the Office, employees of the Department of Commerce, State, and Energy and other departments and agencies as appropriate.

SA 1505. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 298, line 15, after the period, insert the following: "The computer system shall be fully capable of completing, in a timely and comprehensive manner, a cumulative effects analysis of controlled items that are approved or not approved for export. The analysis shall include an examination of how such items could collectively enhance a country's military modernization or contribute to the proliferation of weapons of mass destruction, ballistic missiles, and advanced conventional weapons.".

SA 1506. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 312, beginning on line 9, strike all through page 313, line 3, and insert the following:

(2) Availability to congress—

(A) In general.—Any information obtained at any time under this title or under any predecessor Act regarding the control of exports, including any report or license application required under this title, shall be made available to any Member, committee, or subcommittee of Congress of appropriate jurisdiction upon the request of the chairman or ranking minority member of such committee or subcommittee.

(B) Prohibition on further disclosure.—No committee, subcommittee, or Member of Congress shall disclose any information obtained under this Act or any predecessor Act regarding the control of exports which is submitted on a confidential basis to Congress under subparagraph (A), unless

(i) the full committee to which the information is made available determines that the withholding of the information is contrary to the national interest; or

(ii) the information is disclosed—

(I) to a third party that is not in commercial competition with an entity identified in the information;

(II) for the purpose of conducting a national security analysis, risk assessment, or cumulative effects analysis of the items identified in the information; and

(III) a confidentiality agreement to protect all licensing information from release is entered into by the third party.

SA 1507. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 201, line 20, strike "constitutes a serious threat" and insert "could constitute a threat".

SA 1508. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 198, line 2, strike "constitutes" and insert "could constitute".

SA 1509. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 183, line 20, strike "would constitute a significant threat" and insert "could constitute a threat".

SA 1510. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 207, beginning with line 20, strike all through page 208, line 4.

SA 1511. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 219, lines 7 and 8, strike "significant".

SA 1512. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 190, between lines 14 and 15, insert the following:

(11) The extent to which a country, pursuant to its national legislation, controls exports consistent with the criteria and standards of relevant multilateral export control regimes.

SA 1513. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 198, beginning on line 1, strike all through line 14, and insert the following:

"(i) that the absence of export controls with respect to an item could prove detrimental to the national security of the United States or result in a failure by the United States to adhere to its obligations or commitments under an international agreement or arrangement; or

"(ii) United States controls on the item have been imposed under section 309,".

SA 1514. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 207, between lines 19 and 20, insert the following:

(4) To use export controls to deter and punish illicit acts of narcotic and psychotropic drug trafficking and production, and to encourage countries to take immediate steps to prevent the use of their country to aid, encourage, or give sanctuary to those persons involved in acts of illicit narcotic or psychotropic drug trafficking.

SA 1515. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 218, beginning on line 11, strike "and except as provided in section 304,".

SA 1516. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 324, beginning on line 21, strike all through page 325, line 5.

SA 1517. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 206, between lines 12 and 13, insert the following:

SEC. 215. WAIVER.

The President may waive any restriction imposed under this Act if the President certifies to Congress that it is in the national security interest of the United States to do so.

SA 1518. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 196, between lines 20 and 21, insert the following:

(3) HIGH PERFORMANCE COMPUTERS.—In any case in which a mass-market status or foreign availability status determination is made for a high-performance computer which otherwise would be subject to the provisions of section 1211 of the National Defense Authorization Act for Fiscal Year 1998, the Secretary's determination under this title shall become effective only upon compliance with the procedures set forth in section 1211(d) of the Act, as amended.

SA 1519. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 180, lines 11 through 13, strike "in conjunction with other departments and agencies participating in the administration of this Act" and insert "with the concurrence of the department or agency that originated the information".

SA 1520. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 318, line 2, strike "and" through "(15)" on line 3, and insert the following:

"(15) a national security analysis, risk assessment, and cumulative effects analyses of items being shipped to tier 3 and tier 4 countries, as well as all countries identified by the Director of Central Intelligence in the most recent report required under section 721 of the Intelligence Authorization Act for fiscal year 1997 (or any successor report) on the acquisition and supply by foreign countries of dual-use items and other technology useful for the development or production of weapons of mass destruction; and

"(16)".

SA 1521. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 180, after line 23, insert the following new subsection:

(f) CERTAIN APPOINTMENTS.—Any appointment made under subsection (a) to an export control advisory committee relating to an item that must be controlled pursuant to a United States obligation under an international agreement or arrangement shall be made only with the concurrence of the Secretary of State and the Secretary of Defense.

SA 1522. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 318, strike "and" on line 2 and all that follows through line 7, and insert the following:

(15) any other reports required by this Act to be submitted to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on International Relations of the House of Representatives; and

(16) upon request, all Department of Commerce information shall be provided to all participants in the interagency process.

SA 1523. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 206, after line 12, insert the following:

(e) MEMBERSHIP.—The Office shall be equally represented by employees of the Departments of State, Commerce, Defense, and Energy.

(f) DEPUTY ADMINISTRATORS.—The Deputy Administrator of the Office shall rotate on an annual basis between an employee of the Department of State and an employee of the Department of Defense.

SA 1524. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 189, line 19, strike all beginning with "if a NATO or" through "1986," on line 22.

SA 1525. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 186, strike lines 8 through 15, and insert the following:

(C) The controllability of the item and the effectiveness of controls for national security purposes of the United States.

(D) The threat to the national security interests of the United States if the item is not controlled.

(E) Any other appropriate risk factors.

SA 1526. Mr. HELMS submitted an amendment intended to be proposed by him to the bill S. 149, to provide authority to control exports, and for other purposes; which was ordered to lie on the table; as follows:

On page 235, line 4, strike: "(2) OTHER INQUIRIES.—" and insert:

"(2) IMPROPER CLASSIFICATIONS.—If the Secretary of Defense or the Secretary of State determines that the Secretary of Commerce has issued an improper classification, such a classification shall be deemed null and void and the Secretary of Commerce shall notify the exporter of this result.

"(3) OTHER INQUIRIES.—".

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ADMINISTRATIVE OVERSIGHT AND THE COURTS

Mr. SARBANES. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Administrative Oversight and the Courts be authorized to meet to conduct a hearing on Tuesday, September 4, 2001, at 2 p.m. in Dirksen 226.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. ENZI. Mr. President, I ask unanimous consent that Cara Calvert, a new legislative assistant on my staff, be given floor privileges during the remainder of this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

TITLE AMENDMENT TO S. 491

Mr. REID. Madam President, I ask unanimous consent that the title amendment, which is at the desk, to S. 491, as previously passed the Senate, be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER (Ms. STABENOW). Without objection, it is so ordered.

The amendment was agreed to, as follows: "A bill to authorize the Secretary of the Interior, pursuant to the provisions of the Reclamation Wastewater and Groundwater Study and Facilities Act to participate in the design, planning, and construction of the Denver Water Reuse project."

ORDERS FOR WEDNESDAY, SEPTEMBER 5, 2001

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10 a.m. tomorrow, Wednesday, September 5. I further ask unanimous consent that on Wednesday, immediately following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the Export Administration bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Madam President, tomorrow the Senate, as indicated, will convene at 10 in the morning. There will be no morning business. The Senate will recess tomorrow, on Wednesday, which is different than our usual Tuesday recesses, from 12:30 to 2:15 for our weekly party conferences.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. REID. Madam President, if there is no further business to come before the Senate, I ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:07 p.m., adjourned until Wednesday, September 5, 2001, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate September 4, 2001:

DEPARTMENT OF COMMERCE

PHILLIP BOND, OF VIRGINIA, TO BE UNDER SECRETARY OF COMMERCE FOR TECHNOLOGY, VICE CHERYL SHAVERS, RESIGNED.

DEPARTMENT OF THE INTERIOR

HAROLD CRAIG MANSON, OF CALIFORNIA, TO BE ASSISTANT SECRETARY FOR FISH AND WILDLIFE, VICE KENNETH LEE SMITH.

DEPARTMENT OF STATE

ROY L. AUSTIN, OF PENNSYLVANIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO TRINIDAD AND TOBAGO.

RAYMOND F. BURGHARDT, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE SOCIALIST REPUBLIC OF VIETNAM.

FRANKLIN PIERCE HUDDLE, JR., OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF TAJIKISTAN.

LAURA E. KENNEDY, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO TURKMENISTAN.

KEVIN JOSEPH MCGUIRE, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF NAMIBIA.

PAMELA HYDE SMITH, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MOLDOVA.

RONALD WEISER, OF MICHIGAN, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE SLOVAK REPUBLIC.

DEPARTMENT OF DEFENSE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 152:

To be general

GEN. RICHARD B. MYERS, 7092

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS THE VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 152:

To be general

GEN. PETER PACE

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. CHARLES F. WALD, 1222

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

IN THE ARMY

To be brigadier general

COL. ELDER GRANGER, 1583

COL. GEORGE W. WEIGHTMAN, 6988

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS THE ASSISTANT JUDGE ADVOCATE GENERAL, UNITED STATES ARMY AND FOR APPOINTMENT TO THE GRADE INDICATED UNDER TITLE 10, U.S.C. SECTION 3037:

To be major general

BRIG. GEN. MICHAEL J. MARCHAND, 8282

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS THE JUDGE ADVOCATE GENERAL, UNITED STATES ARMY AND FOR APPOINTMENT TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 3037:

To be major general

BRIG. GEN. THOMAS J. ROMIG, 9070

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 1211:

To be colonel

CHRISTOPHER P. AIKEN, 5561

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

RODNEY D. MCKITRICK II, 4849

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

RANDY J. SMEENK, 1204

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

DANIEL T. LESLIE, 1390
WILLIAM C. WILLING, 7997

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY, ARMY MEDICAL (MC) AND DENTAL CORPS (DE) UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant colonel

ANGELO RIDDICK, 2271

To be major

CLETUS A. ARCIERO, 7732 MC
THOMAS K. JOSEPH, 3426 MC
HEKYUNG L. JUNG, 0238 DE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN THE MEDICAL CORPS (MC) UNDER TITLE 10, U.S.C., SECTION 624:

To be major

JEFFREY S. CAIN, 6772 MC
RYUNG SUH, 1681 MC

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

RICHARD W. BRITTON, 7860

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

SAMUEL E. FERGUSON, 6563

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

RAYMOND E MOSES JR., 5786

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

JOHNNY R ADAMS, 0934
ELIZABETH M ADRIANO, 3798
RICKIE V ADSIDE, 9532
MARIA AGUSTIN, 0042
MOHAMMED S AHMED, 6318
HORACE D ALEXANDER, 2398
BELINA R ALFONSO, 1539
FELIX A ALFONSO, 1969
ADDIE ALKHAS, 4679
DENNIS P ALLEN, 4286
EVANGELINE F ALLEN, 8538
JANINE D ALLEN, 2083
RACHEL H ALLEN, 7947
TIMOTHY L ALLEN, 6995
ALEJANDRO ALVARADO, 3646
ERIC C AMESBURY, 5669
JOHN P ANCONA, 1302
MICHAEL R ANCONA, 5445
ROBIN L ANDERSEN, 3443
CHRIS A ANDERSON, 9854
CYNTHIA J ANDERSON, 6816
KEITH A APPLEGATE, 7110
LYNN K ARCARA, 5459
JUAN C ARGUELLO, 1644
PAUL B ARP, 0251
APOSTOLOS ARVANITIS, 1779
NORMOND AUZINS, 0217
ERIC J BACH, 2147
RODERICK A BACHO, 8641
CINDY M BAGGOTT, 7201
RONALD M V BAJET, 0961
ALBERT R BAKER, 9241
ANDREW B BAKER, 0852
DARRELL A BAKER, 4561
LEAF A BALLAST, 9527
LAWRENCE L BANGERT, 6308
CRAIG M BANULL, 7498
MOSTAFA G BARAKZOY, 1630
SEAN P BARBABELLA, 5814
PAUL M BARFKNECHT, 1806
ANTHONY A BARGER, 8346
JENNIFER A BARKER, 7716
ROBIN L BARNES, 5740
WILLIAM M BARRETT, 9100
GREGORY R BART, 1216
DONNA M BARTEE, 8050
KEVIN J BARTOE, 7724
LAURA A BARTON, 9365
RAYMOND R BATZ, 8938
JOHN D BAUER, 1005
WILLIE H BEALE, 8119
WILLIAM A BECKMAN, 5942
DANIEL J BELISLE, 4071
KEDRICK M BELLAMY, 0528
TIMOTHY L BENESH, 1214
JAMES P BENOIT, 9909
ANTONY BERCHMANZ, 7164
FREDERICK W BERG, 7295
JERRY L BERMAN, 3037
MICHAEL B BEZA, 1305
RICHARD L BIGGS, 4296
DERRICK M BILLINGS, 5888
LARRY D BLACK, 2346
CLIFFORD A BLUMENBERG, 7722
GREGOR S BO, 1601
MATTHEW E BOLAND, 3673
JENNIFER H BOLDUC, 9417
RICHARD A BONNETTE, 6281
GREGORY L BOOTH, 3241
CHARLES BOWERS, 2357
DORIS T BOWERS, 3222
DENNIS P BOYLE, 2356
CHAD BRADFORD, 9603
SUSANNE M BRADFORD, 6569
CHRISTOPHER J BRAINARD, 2399
FREDERICK R BRANDON, 8948

AMY H BRANSTETTER, 8353
KURT R BRATZLER, 1650
STEPHEN C BRAWLEY, 6580
SUZANNE M BREEN, 9064
DOUGLAS M BRIDGES, 7083
TRACY L BROMMEL, 7437
BRYAN M BROOKS, 8807
REBEKAH R BROOKS, 2535
JEFFREY C BROWN, 9720
NANETTE K BROWN, 5453
TRACY T BROWN, 8898
JOSEPH E BROWNING, 7666
ROBERT F BROWNING JR., 6213
JUANITO R BUCKLEY, 1541
JEFFREY S BUDGE, 9446
TERESA M BUECHE, 4715
RICHARD C BUELL, 5586
GERALD F BURCH, 9704
ERIC H BURKS, 1585
PATRICK A BURSON, 7438
RALPH E BUTLER, 2422
DAVID O BYNUM, 6674
RICARDO BYRDSONG, 3730
TODD W CAHOON, 9862
DAVID A CALDERWOOD, 3948
RWANDA D CAMPBELL, 0760
NEIL E CANBY, 6166
MICHAEL P CAPUANO, 3538
MICHAEL E CARDENAS, 7682
REBECCA S CARLIN, 9103
JOHN D CARLSON, 0981
ARNOLD K CAROTHERS, 8286
ROSEMARY G CARR, 5704
KATHERINE R CARSON, 6104
JAMES E CARSTEN, 8380
JEFFREY J CARTER, 0806
JACK L CARVER, 3732
ANN M CASE, 7800
JOE V CASEY JR., 4695
ROBIN L CASSIDY, 0980
LISA L CASTRO, 8750
STEVEN CASTRO, 8185
WILLIAM A CASTRUCCI, 6246
JAMES A CAVINESS, 9901
SUSAN D CHACON, 1048
NEWTON J CHALKER, 7473
CYNTHIA A CHARGOIS, 3926
MELANIE R CHELLMAN, 7433
JACKY P CHENG, 4106
WAI C CHEUNGOCARROLL, 2807
JOHN A CHILSON, 8986
REBECCA L CHRISTENSEN, 3790
CHRISTOPHER E CIEURZO, 7439
DUWAYNE F CLARK, 9910
JOHN H CLARK, 0340
MICHAEL B CLARK, 7809
ROBERT D CLERY, 4840
TONY S CLINTON, 6889
STEVEN T COBERY, 1879
CHARLES W COLBERT, 7165
MARCIA T COLEMAN, 7374
ROMEO L COLEMAN, 6511
DAVID C COLLINS, 9102
CHRISTINA J COLLURABURKE, 1763
MICHAEL A CONTI, 1105
TANI L COREY, 4982
MAX C CORMIER, 0754
MICHAEL A CORRIERE, 1510
CHRISTOPHER J CORVO, 7352
CHERYL J COSTA, 6858
TERRENCE W COSTELLO IV, 6484
JAMES N COULTER, 2486
RICHARD G COURTNEY, 9046
TERESA M COX, 9630
ANGELIQUE CRAIG, 4059
DONALD S CRAIN, 6418
WILLIAM E CRAMER, 0906
KARA L CRISMOND, 3002
ROBERT J CROW, 4789
CHRYSTEN E CUNNINGHAM, 0677
ESTHER M CUNNINGHAM, 4380
TODD A CURRAN, 3753
DAVID L CUTE, 3484
PHILLIP G CYR, 4637
MICHAEL S DANFORTH, 3333
CAROLE A DANIEL, 1989
STACIE R DANIELS, 4847
BARNES C DARDEN, 5856
ROBERT E DARE, 6884
JOHN C DAVID, 6970
ERIC J DAVIS, 0293
GARY R DAVIS, 2691
JEFFERY P DAVIS, 5995
KIMBERLY D DAVIS, 5961
THERESA B DAVIS, 5270
KEVIN J DEELEY, 7178
WALTER C DEGRANGE, 2531
GERARD DEGUZMAN, 0693
ROBERT K DEGUZMAN JR., 0800
KRISTA J DELLAPINA, 9118
RALPH C DELORIE, 1221
KENNETH T DESJARDINS, 3633
JANET L DEWEES, 2528
MATT M DIAZ, 8486
REBECCA C DICKINSON, 7290
GLENDON B DIEHL JR., 2844
TROY DINKEL, 3555
SCHULTZ A P DION, 6802
BRUNO DISCALA, 4801
DOROTHEA A DOBSON, 7428
HAYDEE B DOCASAR, 8850
JEFFREY J DOLVEN, 5555
KEVIN A DORRANCE, 5740
ROY A DRAKE, 8495
TIMOTHY P DUDLEY, 9262
NATHAN C DUFFY, 3202
DOUGLAS D DUNCAN, 6446
DAVID W DURKOVICH, 3566
TIMOTHY W DWYER, 6018
DAVID W EGGE, 8298
SEAN M EGGE, 8082
DUANE A EGGERT, 5731
KAREN L EGGLESTON, 5736
CHRISTOPHER G EIFERT, 2098
CHRISTINA E ELDREDGE, 4632
JOHN M ELLWOOD, 1891
JAMES A ELLZY, 7939
JOHN E ELSNER, 7333
LYNN EMERSON, 0369
GREGORY T ENGEL, 4686
ELIZABETH M ENGELMAN, 4441
LORRAINE A ENGLISH, 6497
CARMA J ERICKSON, 0826
STEVEN J ESCOBAR, 7504
STEVEN C ESHENAUR, 7359
ROBERT L EZELLE JR., 8672
DENNIS J FAIX, 0327
MICHAEL A FAVATA, 8380
CHERYL L FEARS, 3477
KENNETH FINLEY, 3423
MARK E FLEMING, 1203
DAVID A FLORIN, 5245
JOSEPH P FLOTT, 8069
DONALD J FONTENOT JR., 7037
TERESA J FOSTER, 6541
MIGUEL L FOUTS, 0833
MARK J FOWLER, 4060
EARL A FRANTZ, 2234
PAMELA A FREI, 2811
JOHN M FRYZLEWICZ, 9800
THOMAS S FULFORD, 0360
KELLY L GANN, 8768
JEANNETTE I GARCIA, 7035
PATRICIA A GARCIA, 9139
GLENN J GARGANO, 8610
TODD A GATHRIGHT, 0439
EDRION R GAWARAN, 1283
GEORGE E GENTCHOS, 5926
JAMES J GEORGE, 8350
KEITH S GIBEL, 8418
TODD S GIBSON, 0464
PRESTON L GILL, 7165
PAUL J GIRARD, 3560
ALLEN C M GLASER, 6921
ROBERT A GLASGOW IV, 4277
DENNIS E GLOVER, 0836
FERMIN S GODINEZ, 3878
BARRY L GOLDEN, 4395
BERNARDO GONZALEZ, 6530
JORGE GONZALEZ, 7180
CHARMAGNE GOODMAN, 3814
STACY L GOODWILL, 0453
MICHAEL W GORE, 6088
RUSSELL P GRAEF, 7580
LEEANN GRAHAM, 0776
MARIE E GREEN, 9444
CHARLES E GREENERT, 2300
MATTHEW E GRIMES, 8065
KEITH T GRIMM, 5387
HAROLD L GROFF, 9369
KATHLEEN M GRUDZIEN, 9782
CHRISTINE B GRUSCHKUS, 4560
RICHARD A GUERRA, 3992
SHAWNA J GUGEL, 6419
GEORGE M GUISE, 9810
AMBERLY M HALL, 2644
FRANCIS X HALL, 6191
TONYA A HALL, 2623
ALLEGRA T HALYARD, 9656
SHANNON K HAMILTON, 6919
SCOTT A HAMLIN, 2309
FRANKIE J HAND, 6778
BARBARA T HANNA, 2658
DAVID W HARDY, 1687
PAUL J HAREN III, 6282
ISTVAN HARGITAI, 8380
KENNETH HARGREAVES, 0522
JEFFREY J HARRISON, 7461
MARTIN B HARRISON, 8597
STEVEN M HARTLINE, 2264
ANDREW M HASCALL, 3184
TIMOTHY R HASTINGS, 2696
DOUGLAS HAWK, 1944
JUDITH L HAWKINS, 5882
ELIZABETH A HAYDON, 3311
GARY HAYMAN, 8209
JONATHAN B HAYNES, 8231
TERENCE A HEATH, 2655
NEAL A HEIMER, 0897
BRYAN E HELLER, 1302
JOHN A HELTON, 5948
DAVID A HEMPFLING, 9061
ALLISON A HENRY, 2517
GLEN A HENRY, 2884
DERRICK HERNANDEZ, 6936
MARK D HERNANDEZ, 2612
MARK S HERNANDEZ, 4288
MARK E HERRERA, 8109
THOMAS C HERZIG, 2273
PATRICIA A HETRICK, 1746
STEVEN E HICKS, 7715
DANIEL J HIGGINS, 3677
LESTER E HILBERT JR., 4257
MARICHAL L HILL, 6990
JULIE M HILLERY, 3698
STACY M HOCKETT, 6643
DAVID F HOEL, 2941
NANCY E HOLMES, 3867
REID D HOLTZCLAW, 9847
SUEZANE L HOLTZCLAW, 3467
MICHAEL H HOROWITZ, 4005
TINA G HORTH, 8625
DAVID K HOWELL, 8676
TIMOTHY E HUBER, 1104
SHARI D HULBERT, 2469
CHARLES R HULETT, 2824
MICHAEL R HULL JR., 9988
ANTHONY R HUNT, 4719
CHONG HUNTER, 6435
CHARLES E HURST, 3089
DAVID C HUTZEL, 4944
THOMAS M JACKS, 8874
DONALD A JACKSON, 5946
GRACE E JACKSON, 7782
HYUNG M JACKSON, 3948
KEVIN M JACKSON, 1478
MARY K JACKSON, 8909
STEPHEN B JACKSON, 7288
MARY E JACOBS, 3444
MARK A JANCZAKOWSKI, 9074
WILLIAM M JANKOWSKI, 1568
MATTHEW T JANZOW, 8345
BENJAMIN E JENKINS, 1618
TIMOTHY P JENNINGS, 4941
NISHITH K JOBANPUTRA, 6375
JOSEPH S JOHN JR., 4602
DENNIS W JOHNSON, 0815
HOLLY M JOHNSON, 3634
JEFFERY S JOHNSON, 9298
PAUL D JOHNSTONE, 5799
CHARLES L JONES, 6496
DARRYL L JONES, 1936
ELISABETH B JONES, 1531
LORENZO JONES, 6905
MICHAEL T JONES, 2962
TIMOTHY A JONES, 9117
JEFF B JORDEN, 0532
MARK E JOSEPHSON, 8539
CYNTHIA L JUDY, 9408
JEANA M KANNE, 4830
PAUL C KAPFER, 5900
LISA A KEEFE, 6809
JOHN J KEELING, 3452
STEVEN D KELLEY, 3812
MARY KELLY, 7930
DUANE M KEMP, 6489
JAY K KENNARD, 7393
SHARI D KENNEDY, 8470
JANETH F KIM, 4211
SHIRLEY H KING, 7434
ERIC N KINN, 0083
REBECCA A KISER, 2498
KARL A KISH, 8194
DENNIS M KLEIN, 1166
MARK F KLEIN, 2083
RUTH KLINE, 1973
PRESTON R KNIGHT, 9160
EILEEN M KNOBLE, 2190
HARRY S KO, 9266
PATRICIA A KO, 9434
SHAWN D KOSNIK, 6161
HEIDI S KRAFT, 7092
THOMAS D KRAMER, 9946
CONRAD F KRESS, 7399
PETER K KRIZ, 8484
DAVID C KRULAK, 4334
KENNETH R KUBOWICZ, 7015
JODI A KUHLMAN, 0296
LAURENCE J KUHN, 9369
FRANCIS S KURY, 1880
ELENA A KUTNEY, 5374
EMERY J KUTNEY JR., 8672
CAMILLE A LACROIX, 1486
JULIA K LACUNZA, 0410
CHRISTOPHER B LANDES, 5852
ROBERT C LANGAN, 7487
MICHAEL D LAPPI, 4688
WILLIAM S LARAGY, 1757
DAVID J LARAMIE, 0178
TATIANA M LAWERGARCIA, 5675
JAMES V LAWLER, 4330
JAMES K LE, 8232
KAREN P LEAHY, 8460
KENNETH LEAHY, 3947
KRISTI A LEE, 7866
MICHAEL S LELAND, 6305
WILLIAM T LENNARD, 1488
THOMAS F LEONARD, 2094
SUSAN LETTERLE, 1272
DENISE M LEVELING, 4272
DENNIS LEW, 0474
DAN C LEWIS, 0947
TIMOTHY C LIBERATORE, 4726
R A Z LIM, 8559
HENRY LIN, 9868
DAVID M LOCKNEY, 6745
PHILLIP S LODGE, 0176
BRIAN R LOMAX, 8047
JEAN L P LORD, 8713
EVA M LOSER, 4856
ALAN S LOVEJOY, 7076
GEORGINA LOYA, 6641
JAMES M LUCCI, 4984
ALLEN R LUMANOG, 7655
PETER M LUNDBLAD, 4502
JOHN A LYNOTT, 8755

DENNIS B MACDOUGALL, 7660
RONALD A MACK, 6047
ROBERTO Q MAGALLANO, 8126
BRIAN J MALLOY, 2166
HEINZ E MALON, 7768
SCOTT M MALONEY, 8316
BRIAN W MANDEVILLE, 3640
MORGAN S MANDEVILLE, 0785
CARL H MANEMEIT, 4353
GEORGE MANIS, 0831
KEVAN E MANN, 8991
GATHA L MANNS, 5894
SETH A MANTI, 5647
RAMON O MARIN, 7185
ROBIN A C MARSHALL, 3370
ANDREW S MARTIN, 6684
CAROLYN J MARTIN, 0300
JAMES L MARTIN, 7256
JOSEPH J MARTIN, 8253
DARRELL L MATHIS, 9488
THOMAS C MATT JR., 7734
KATHY L MATTHES, 2409
JAMES R MATTHEWS, 2043
MICHAEL R MAULE, 8605
CONRAD J MAYER, 3530
JAMES F MCALLISTER, 0539
RICHARD K MCCARTHY, 0162
RICHARD L MCCARTHY, 6393
MICHAEL L MCCLURE, 4417
PAUL S MCCOMB, 2687
THOMAS E MCCOY, 9951
MONIQUE L MCCRAY, 3900
ERIC J MCDONALD, 0388
KEITH E MCDONALD, 7719
PATRICK M MCELDREW, 8348
BRIAN E MCELYEA, 5921
EDWARD J MCFARLAND, 1268
JILL A MCFARLAND, 4549
MARGUERITE M MCGUIGAN, 4063
NICOLE K MCINTYRE, 7543
DANIEL E MCKAY, 7218
DAVID B MCMINDES, 1365
BRADFORD R MCQUILKIN, 9674
VALERIE H MEADE, 6808
JOSE L MEDINA, 4603
JON A MELLIS, 0106
BRENDAN T MELODY, 8884
JACQUELINE M MENZIES, 4934
THOMAS A MERCER, 7353
JANET E MERRIMAN, 5238
THOMAS J MEZZANOTTE, 3606
GERALD D MICK, 4274
BRUCE E MILCHUCK, 7049
BLAIR T MILES, 3332
EDWARD F MILES, 5062
WILLIAM T MILES, 9245
ERICA K MILLER, 0398
PATRICIA A MILLER, 4081
CATHLEEN S MILLS, 2182
REBECCA M MILTON, 9788
ANN K MINAMI, 0905
MICHAEL MONREAL, 6511
LEANDRO L MONTESINO, 8993
MARSHALL R MONTEVILLE, 9157
SHIRLEY O MOONE, 6265
JOHN E MOORE, 5380
RICHARD O MOORE, 9397
THOMAS W MOORE, 6191
MARK W MORGAN, 9224
GARY A MORRIS, 5963
MICHELLE D MORSE, 2415
JOEL S MORTON, 4440
STEVEN R MOSES, 9989
BETH A MOVINSKY, 1522
CHARLENE H MOWERY, 8924
THOMAS F MULLER, 6952
LEO J MURPHY, 5912
MORROW J MURPHY, 6062
SEAN J MURPHY, 7286
JOHN J MURRAY, 8168
WILLIAM T MURRAY, 5891
ELIZABETH A MUSSIN, 3969
RICHARD M NALWASKY, 0115
JEFFREY M NARWOLD, 2695
JEFFREY H NEAL, 1759
DORIS J NEDVED, 3715
MICHAEL S NELSON, 8200
RICHARD B NESBETT, 5102
FRANK E NEVAREZ, 2196
GEORGE NEWTON, 9476
HUY B NGUYEN, 3597
TUAN NGUYEN, 1991
MICHAEL L NICK, 4160
MATTHEW W NICOLA, 6758
KRISTINA M NIELSEN, 8741
TERRI T NIELSEN, 6366
JOHNNY M NILSEN, 7402
RAMONA L NIXON, 2700
JOHN D NOGAN, 8386
KEVIN P NORTON, 0860
TERRENCE J NORTON, 6801
JAMES P OBERMAN, 0945
MARGARET P OBERMAN, 7930
EDWARD B OBRIEN III, 0554
ROBERT T OBYRNE, 5210
CESAR A ODVINA, 1177
KARL E OETTL, 4075
BRIAN C OHAIR II, 3720
TIMOTHY W OHARA, 4240
SAMUEL T OLAIYA, 1295
PAMELA A OLOUGHLIN, 8183
DAVID C OLSEN, 6283
DAWN A ONEIL, 6150
KENNETH J ORTIZ, 3557
ERIC T ORY, 4102
ANDREW J OSORNO, 1381
TIMOTHY J OSWALD, 5811
MATTHEW N OTT III, 9673
WAYNE D OVERLY, 2880
CLYDE D OWEN, 3345
BYRON Y OWENS, 5199
ERIC OXENDINE, 7262
CECILIA C PAIRO, 1453
JOSEPH W PARRAN, 5777
WILLIAM R PATTON, 1070
JEFFREY M PAUL, 5914
BETHANY L PAYTONOBRIEN, 1833
FRANK P PEARSON, 0290
PAMELA PENTIN, 4354
ROSEMARY PERDUE, 5005
CHRISTIAN T PETERSEN, 9004
CRAIG O PETERSON, 8894
ERIC L PETERSON, 5448
TAMARA P PETRAC, 9158
TIMOTHY J PHILLIPS, 2319
RALPH H PICKARD, 3048
EMERICH D PIEDAD, 2424
FLETCHER N PIERCE, 0686
JACQUELINE L PIERRE, 3063
BOBBY R PITTS, 8180
NICOLE K POLINSKY, 6525
ROBERT D POLLEY JR., 6400
KATHLEEN M POLLOCK, 6071
BRIAN D POMIJE, 9961
STEPHEN J POPIELARZ, 8124
STEVEN J PORTER, 9494
ALAN L PORTIS, 7557
AARON D POTTER, 6475
ERIC G POTTERAT, 2416
BENNY A POWELL, 8916
CRAIG A POWELL, 4041
BRIAN F PRENDERGAST, 3776
MICHAEL C PREVOST, 8224
LIANA H PROFFER, 2537
GREGORY J PRUNIER, 0675
RONALD T PURCELL, 0833
JAMES D QUEENER, 9199
ANNA M RAFANAN, 5914
SHARON A RAGHUBAR, 3169
SCOTT A RAISON, 6885
DALE D RAMIREZ, 0424
LAWRENCE A RAMIREZ, 2837
KIMBERLY A RANSOM, 9364
JENNIFER A RANTON, 4313
JEFFERY T RATHBUN, 1016
MICHAEL V RAZZANO, 4758
ROBERT A REARICK, 6692
MICHAEL J RECKLING, 8538
CHARITA S REESE, 6372
STEVEN A REESE, 2349
BRYN J H REINA, 7566
STEVEN M RESWEBER, 5583
ALLISON F REYES, 9340
JANELLE A RHODERICK, 8043
GEORGE M RICE, 1605
MARTIN RIOS, 1628
KIMBERLY S ROBERTS, 8333
DAVID C ROBINSON, 8493
MEREDITH L ROBINSON, 1104
PATRICE D ROBINSON, 6220
JAIME E RODRIGUEZ, 5252
RICKY R RODRIGUEZ, 9102
NANETTE L ROLLENE, 2868
HERMAN S ROMERO, 1674
MICHAEL D ROSENTHAL, 5930
LAURA B ROSENTHALL, 3973
CHERYLYNN A ROSWELL, 5259
JOHN R ROTRUCK, 8764
JENNIFER S ROUS, 1752
ARTHUR T ROWE, 0934
LANA R ROWELL, 9958
MARK A ROYS, 7446
MATTHEW S RUDOLPH, 2804
MARK J RUNSTROM, 5058
CARL J RUOFF, 9317
MARVIN P RUSH, 1087
RANDALL H RUSSELL, 5976
JOHN M RYAN, 6628
SARAH D RYAN, 0058
THOMAS J RYDER, 0997
ELISSA B RYMAN, 1136
SARA L SALTZSTEIN, 9321
DENNIS G SAMPSON, 7251
MICHAEL G SAMPSON, 4920
PHILLIP M SANCHEZ, 5063
BRENT W SANDERLIN, 0031
MARY J SANDERS, 9130
RODNEY L SANDERS, 1017
SCOT T SANDERS, 4435
STEVEN S SANFORD, 1822
THOMAS N SANTA JR., 7084
NIEVA M SANTANA, 4851
PAUL P SAUCEDO III, 6375
KRIS J SAUER, 8649
MICHAEL R SAUM, 3532
ANGELA R SAUNDERS, 4930
ASSANATU A SAVAGE, 2615
GINA SAVINI, 9401
LEE A SAVIO, 8408
KIMBERLY SAWATSKY, 6565
PRISCILLA SCANLON, 8632
JOSEPH R SCHAAF, 2222
VINCENT P SCHIAVONE, 9636
ANDREW W SCHIEMEL, 2993
LEONARD C SCHILLING, 4016
KRISTINA A SCHLECHT, 8655
CLIFFORD D SCHMIDT, 3825
FREDRIK D SCHMITZ, 8515
TAMARA K SCHNURR, 2594
ANDREW J SCHULMAN, 9417
DALE L SEELEY, 0867
DAVID E SEMON, 3312
MICHAEL S SEXTON, 7147
DAVID B SHANHOLTZER, 8115
DAVID P SHAPIRO, 2405
STEPHEN J SHAW, 1452
SARAH A M SHEA, 2373
CLIFFORD R SHEARER, 8128
FRANK W SHEARIN III, 3608
STEVEN T SHEEDLO, 1078
BOBBY L SHELTON, 3004
DONALD W SHENENBERGER, 5824
MICHAEL L SHEPARD, 0394
LILLIAN M SHEPHERD, 9818
STUART H SHIPPEY III, 3194
JERRY J SHOEMAKER, 0155
DEVIN M SHOQUIST, 4652
BRIAN P SHORTAL, 7923
KEITH J SHULEY, 9495
GARFIELD M SICARD, 4078
CHRISTENSEN C SICAT, 7265
ANTHONY N SILVETTI, 1823
RITA G SIMMONS, 2362
ANABELA A SIMON, 5895
MICHAEL D SIMONS, 2020
CHARLES R SIMS, 0036
MICHAEL D SIMS, 2390
YVONNE J SINCLAIR, 8095
REBECCA C SINE, 4298
ROSEMARY S SKIDMORE, 2700
GLENN A SMITH, 0651
PATRICK N SMITH, 6591
PATRICK W SMITH, 1520
SCOTT T SMITH, 1090
STEVEN C SMITH, 6997
LINDA M SPANGLER, 1139
CRAIG R SPENCER, 1173
THOMAS W SPHEERIS, 9005
JANET W SPIRA, 0250
MARY M SPOLYAR, 3081
JOSEPH J SPOSATO, 2526
SCOTT M SPRATT, 8884
BRIAN J STAMM, 4372
ANTHONY D STARKS, 3643
JAMES D STAVRIDES, 6886
WALTER R STEELE, 4245
HEATHER L STEIN, 3211
ORVILLE J STEIN JR., 4423
TODD M STEIN, 5288
JAMES E STEPENOSKY, 0012
MARK W STEPHENS, 8863
MELISSA R STERNLICHT, 4575
WILLIAM B STEVENS, 5614
KEVIN S STEVENSON, 3338
MAJELLA D STEVENSON, 6105
THOMAS R STEWART, 8630
THEODORE J STJOHN, 2452
GAIL M STRONG, 7206
FRANK H STUBBS III, 8848
EDWARD J SULLIVAN, 0750
MARK D SULLIVAN, 2737
MICHAEL S SULLIVAN, 0802
PAUL S SULLIVAN, 5766
TOBY C SWAIN, 5646
MICHAEL SWANSON, 1409
KEVIN J SWEENEY, 6661
THOMAS A TAGHON, 4502
SALLY G TAMAYO, 6042
CAROLA A TANNA, 0137
MICHAEL T TEATES, 4408
RONALD E THACKER, 6045
KRISTOPHER THIBODEAU, 2299
GREGORY T THIER, 0068
DOUGLAS E THOMAS, 0317
KARIN E THOMAS, 0075
DANIEL A THOMPSON, 5750
JENNIFER A THOMPSON, 1523
TROY W THOMPSON, 3444
WANDA L THOMPSON, 2321
CARLA K THORSON, 0788
SHANE A THRAILKILL, 3775
THERESA L P THURLOW, 2141
KAREN J THURMAN, 1241
KAARE E TINGELSTAD, 5409
JEFFREY A TJADEN, 8589
TOBEY A TOLBERT, 7631
TWANDA TOLIVER, 3696
JEFFREY M TOMLIN, 1658
RICHARD W TOWNSEND, 7660
JAMES TRENTALANGE, 6754
GERALD W TRKULA, 3656
JOSE F TROCHE, 3208
GENE D TRUESDELL, 6501
JOANNE M TUIN, 7552
COURTNEY A TURNER, 0646
EMMA TURNER, 3583
DANIEL P TVEIT, 7745
ROBINETTE L TYLER, 5746
MELVIN H UNDERWOOD, 4545
JOHNNY D URBAN, 7567
ROGER E VANDERWERKEN, 0697
JOHN D VANGORP, 7984
JOHN F VANPATTEN, 4975
STEPHEN T VARGO, 7730
ESTELA I VELEZ, 1347
MICHAEL H VERDOLIN, 0162

ANTHONY J VIERA, 8336
MACHELLE A VIEUX, 4204
CHERRI L VILHAUER, 9936
SORAYA M C VILLACIS, 6175
LEE A VITATOE, 3238
MARGARET L VOLZ, 0716
THOMAS J WALCOTT, 6187
DAVID J WALKER, 4485
LEE M WALLENHORST, 2908
THOMAS C WALTER, 2148
JEFFREY A WALTERS, 0198
RUTH E WALTON, 4789
THOMAS A WALTZ JR., 5644
MARK D WEAVER, 9221
MARGARET A WEBB, 0774
AMY M WEISE, 7251
AARON D WERBEL, 3123
MARK W WERTZ, 1514
EILEEN B WERVE, 5788
JIMMY WEST, 2625
SHARON E WEST, 8285
ANN L WHITE, 1755
MARCIA M WHITE, 2223
EDWIN G WHITING, 3704
HARVEY B WILDS, 0734
KEITH A WILLIAMS, 1795
KELLY A WILLIAMS, 4368
LORENZO E WILLIAMS, 8891
MARION J WILLIAMS, 4705
ROBERT E WILLIAMS, 2040
RONALD K WILLIAMS JR., 7702
CALVIN J WILSON, 1332
RICARDO WILSON, 4246
JOHN H WINDOM, 7109
CHARLES D WITTA, 7312
ANTHONY B WOJCIK, 7260
TIMOTHY J WOLFKILL, 0616
GLEN WOOD, 1337
THERESA M WOOD, 0099
DENISE D WOODFIN, 1126
ROSHARD A WOOLFOLK, 1456
SEUNG C YANG, 9018
TODD E YANIK, 6236
JON YENARI, 8051
LAWRENCE J YENNI, 7500
FREDERICK E YEO, 0505
JOHN D YORK, 9018
TODD A YOUNG, 8139
JAMES M YUN, 9601
KIM T ZABLAN, 8587
MICHAEL J ZERBO, 2509
TIMOTHY J ZIOLKOWSKI, 4761

DEPARTMENT OF AGRICULTURE

MARK EDWARD REY, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY OF AGRICULTURE FOR NATURAL RESOURCES AND ENVIRONMENT, VICE JAMES R. LYONS.

THOMAS C. DORR, OF IOWA, TO BE UNDER SECRETARY OF AGRICULTURE FOR RURAL DEVELOPMENT, VICE JILL L. LONG, RESIGNED.

ELSA A. MURANO, OF TEXAS, TO BE UNDER SECRETARY OF AGRICULTURE FOR FOOD SAFETY, VICE CATHERINE E. WOTEKI, RESIGNED.

HILDA GAY LEGG, OF KENTUCKY, TO BE ADMINISTRATOR, RURAL UTILITIES SERVICE, DEPARTMENT OF AGRICULTURE, VICE CHRISTOPHER A. MCLEAN, RESIGNED.

THOMAS C. DORR, OF IOWA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION, VICE JILL L. LONG, RESIGNED.

MARK EDWARD REY, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMODITY CREDIT CORPORATION, VICE KARL N. STAUBER.

FARM CREDIT ADMINISTRATION

FRED L. DAILY, OF OHIO, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE FEDERAL AGRICULTURAL MORTGAGE CORPORATION, VICE GORDON CLYDE SOUTHERN.

GRACE TRUJILLO DANIEL, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE FEDERAL AGRICULTURAL MORTGAGE CORPORATION, VICE CLYDE ARLIE WHEELER, JR.

DEPARTMENT OF DEFENSE

MARVIN R. SAMBUR, OF INDIANA, TO BE AN ASSISTANT SECRETARY OF THE AIR FORCE, VICE LAWRENCE J. DELANEY.

MICHAEL PARKER, OF MISSISSIPPI, TO BE AN ASSISTANT SECRETARY OF THE ARMY, VICE JOSEPH W. WESTPHAL.

LINTON F. BROOKS, OF VIRGINIA, TO BE DEPUTY ADMINISTRATOR FOR DEFENSE NUCLEAR NONPROLIFERATION, NATIONAL NUCLEAR SECURITY ADMINISTRATION. (NEW POSITION)

JOSEPH E. SCHMITZ, OF MARYLAND, TO BE INSPECTOR GENERAL, DEPARTMENT OF DEFENSE, VICE ELEANOR HILL.

FEDERAL RESERVE SYSTEM

MARK W. OLSON, OF MINNESOTA, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR THE UNEXPIRED TERM OF FOURTEEN YEARS FROM FEBRUARY 1, 1996, VICE ALICE M. RIVLIN, RESIGNED.

EXPORT-IMPORT BANK OF THE UNITED STATES

EDUARDO AGUIRRE, JR., OF TEXAS, TO BE FIRST VICE PRESIDENT OF THE EXPORT-IMPORT BANK OF THE UNITED STATES FOR A TERM EXPIRING JANUARY 20, 2005, VICE JACKIE M. CLEGG, TERM EXPIRED.

FEDERAL RESERVE SYSTEM

SUSAN SCHMIDT BIES, OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM FOR A TERM OF FOURTEEN YEARS FROM FEBRUARY 1, 1998, VICE SUSAN MEREDITH PHILLIPS, RESIGNED.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

KENNETH M. DONOHUE, SR., OF VIRGINIA, TO BE INSPECTOR GENERAL, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, VICE SUSAN GAFFNEY, RESIGNED.

DEPARTMENT OF THE TREASURY

JAMES GILLERAN, OF CALIFORNIA, TO BE DIRECTOR OF THE OFFICE OF THRIFT SUPERVISION FOR THE REMAINDER OF THE TERM EXPIRING OCTOBER 23, 2002, VICE ELLEN SEIDMAN, RESIGNED.

DEPARTMENT OF TRANSPORTATION

KIRK VAN TINE, OF VIRGINIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF TRANSPORTATION, VICE NANCY E. MCFADDEN.

ELLEN G. ENGLEMAN, OF INDIANA, TO BE ADMINISTRATOR OF THE RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION, DEPARTMENT OF TRANSPORTATION, VICE KELLEY S. COYNER, RESIGNED.

JOSEPH M. CLAPP, OF NORTH CAROLINA, TO BE ADMINISTRATOR OF THE FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION. (NEW POSITION)

DEPARTMENT OF THE INTERIOR

JEFFREY D. JARRETT, OF PENNSYLVANIA, TO BE DIRECTOR OF THE OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT, VICE KATHLEEN M. KARPAN.

NATIONAL TRANSPORTATION SAFETY BOARD

MARION BLAKEY, OF MISSISSIPPI, TO BE CHAIRMAN OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR A TERM OF TWO YEARS, VICE JAMES E. HALL, TERM EXPIRED.

MARION BLAKEY, OF MISSISSIPPI, TO BE A MEMBER OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR A TERM EXPIRING DECEMBER 31, 2005, VICE JOHN ARTHUR HAMMERSCHMIDT, TERM EXPIRED.

DELTA REGIONAL AUTHORITY

P.H. JOHNSON, OF MISSISSIPPI, TO BE FEDERAL COCHAIRPERSON, DELTA REGIONAL AUTHORITY. (NEW POSITION)

ENVIRONMENTAL PROTECTION AGENCY

MARIANNE LAMONT HORINKO, OF VIRGINIA, TO BE ASSISTANT ADMINISTRATOR, OFFICE OF SOLID WASTE, ENVIRONMENTAL PROTECTION AGENCY, VICE TIMOTHY FIELDS, JR., RESIGNED.

DONALD R. SCHREGARDUS, OF OHIO, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE STEVEN ALAN HERMAN, RESIGNED.

DEPARTMENT OF TRANSPORTATION

MARY E. PETERS, OF ARIZONA, TO BE ADMINISTRATOR OF THE FEDERAL HIGHWAY ADMINISTRATION, VICE KENNETH R. WYKLE, RESIGNED.

MISSISSIPPI RIVER COMMISSION

BRIGADIER GENERAL EDWIN J. ARNOLD, JR., UNITED STATES ARMY, TO BE A MEMBER AND PRESIDENT OF THE MISSISSIPPI RIVER COMMISSION, UNDER THE PROVISIONS OF SECTION 2 OF AN ACT OF CONGRESS, APPROVED JUNE 1879 (21 STAT. 37) (33 USC 642).

BRIGADIER GENERAL CARL A. STROCK, UNITED STATES ARMY, TO BE A MEMBER OF THE MISSISSIPPI RIVER COMMISSION, UNDER THE PROVISIONS OF SECTION 2 OF AN ACT OF CONGRESS, APPROVED 28 JUNE 1879 (21 STAT. 37) (22 USC 642).

NUCLEAR REGULATORY COMMISSION

NILS J. DIAZ, OF FLORIDA, TO BE A MEMBER OF THE NUCLEAR REGULATORY COMMISSION FOR THE TERM OF FIVE YEARS EXPIRING JUNE 30, 2006. (REAPPOINTMENT)

DEPARTMENT OF THE TREASURY

B. JOHN WILLIAMS, JR., OF VIRGINIA, TO BE CHIEF COUNSEL FOR THE INTERNAL REVENUE SERVICE AND AN ASSISTANT GENERAL COUNSEL IN THE DEPARTMENT OF THE TREASURY, VICE STUART L. BROWN, RESIGNED.

ROBERT C. BONNER, OF CALIFORNIA, TO BE COMMISSIONER OF CUSTOMS, VICE RAYMOND W. KELLY, RESIGNED.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

JANET HALE, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES, VICE JOHN JOSEPH CALLAHAN, RESIGNED.

SOCIAL SECURITY ADMINISTRATION

JO ANNE BARNHART, OF DELAWARE, TO BE COMMISSIONER OF SOCIAL SECURITY FOR THE TERM EXPIRING JANUARY 19, 2007, VICE KENNETH S. APFEL, TERM EXPIRED.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

KENT R. HILL, OF MASSACHUSETTS, TO BE AN ASSISTANT ADMINISTRATOR OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT, VICE DONALD LEE PRESSLEY, RESIGNED.

DEPARTMENT OF STATE

PATRICIA DE STACY HARRISON, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF STATE (EDUCATIONAL AND CULTURAL AFFAIRS), VICE WILLIAM B. BADER.

CHARLOTTE L. BEERS, OF TEXAS, TO BE UNDER SECRETARY OF STATE FOR PUBLIC DIPLOMACY, VICE EVELYN SIMONOWITZ LIEBERMAN.

OTTO J. REICH, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF STATE (WESTERN HEMISPHERE AFFAIRS), VICE PETER F. ROMERO.

INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA

DENNIS L. SCHORNACK, OF MICHIGAN, TO BE COMMISSIONER ON THE PART OF THE UNITED STATES ON THE INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA, VICE THOMAS L. BALDINI.

DEPARTMENT OF STATE

JOHN F. TURNER, OF WYOMING, TO BE ASSISTANT SECRETARY OF STATE FOR OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS, VICE DAVID B. SANDALOW.

PATRICK FRANCIS KENNEDY, OF ILLINOIS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS FOR THE U.N. MANAGEMENT AND REFORM, WITH THE RANK OF AMBASSADOR, VICE DONALD STUART HAYS.

JOHN D. NEGROPONTE, OF THE DISTRICT OF COLUMBIA, TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS, WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY, AND THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA IN THE SECURITY COUNCIL OF THE UNITED NATIONS.

JOHN D. NEGROPONTE, OF THE DISTRICT OF COLUMBIA, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SESSIONS OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS DURING HIS TENURE OF SERVICE AS REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS.

MICHAEL E. MALINOWSKI, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF NEPAL.

HANS H. HERTELL, OF PUERTO RICO, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE DOMINICAN REPUBLIC.

JOSEPH M. DETHOMAS, OF PENNSYLVANIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ESTONIA.

JOHN J. DANILOVICH, OF CALIFORNIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF COSTA RICA.

BRIAN E. CARLSON, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF LATVIA.

J. RICHARD BLANKENSHIP, OF FLORIDA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE COMMONWEALTH OF THE BAHAMAS.

GEORGE L. ARGYROS, SR., OF CALIFORNIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SPAIN, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ANDORRA.

R. BARRIE WALKLEY, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUINEA.

MARCELLE M. WAHBA, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE UNITED ARAB EMIRATES.

MATTIE R. SHARPLESS, OF NORTH CAROLINA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE CENTRAL AFRICAN REPUBLIC.

ARLENE RENDER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF COTE D'LVOIRE.

JOHN N. PALMER, OF MISSISSIPPI, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PORTUGAL.

JOHN MALCOLM ORDWAY, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF

MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ARMENIA.

RONALD E. NEUMANN, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE STATE OF BAHRAIN.

BONNIE MCELVEEN-HUNTER, OF NORTH CAROLINA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF FINLAND.

JACKSON MCDONALD, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF THE GAMBIA.

SPECIAL PANEL ON APPEALS

JOHN L. HOWARD, OF ILLINOIS, TO BE CHAIRMAN OF THE SPECIAL PANEL ON APPEALS FOR A TERM OF SIX YEARS, VICE BARBARA JEAN MAHONE, TERM EXPIRED.

THE JUDICIARY

ODESSA F. VINCENT, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FIFTEEN YEARS, VICE EVELYN E. CRAWFORD QUEEN, TERM EXPIRING.

DEPARTMENT OF EDUCATION

BRIAN JONES, OF CALIFORNIA, TO BE GENERAL COUNSEL, DEPARTMENT OF EDUCATION, VICE JUDITH A. WINSTON, RESIGNED.

DEPARTMENT OF LABOR

EUGENE SCALIA, OF VIRGINIA, TO BE SOLICITOR FOR THE DEPARTMENT OF LABOR, VICE HENRY L. SOLANO, RESIGNED.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

JOAN E. OHL, OF WEST VIRGINIA, TO BE COMMISSIONER ON CHILDREN, YOUTH, AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, VICE PATRICIA T. MONTOYA, RESIGNED.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

LESLIE LENKOWSKY, OF INDIANA, TO BE CHIEF EXECUTIVE OFFICER OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE, VICE HARRIS WOFFORD, RESIGNED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

BRUCE COLE, OF INDIANA, TO BE CHAIRPERSON OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES FOR A TERM OF FOUR YEARS, VICE WILLIAM R. FERRIS, TERM EXPIRING.

DEPARTMENT OF LABOR

FREDERICO JUARBE, JR., OF VIRGINIA, TO BE ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT AND TRAINING, VICE ESPIRIDION A. BORREGO.

THE JUDICIARY

MICHAEL W. MCCONNELL, OF UTAH, TO BE UNITED STATES CIRCUIT JUDGE FOR THE TENTH CIRCUIT, VICE STEPHEN H. ANDERSON, RETIRED.

MICHAEL J. MELLOY, OF IOWA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE EIGHTH CIRCUIT, VICE GEORGE G. FAGG, RETIRED.

TERRENCE L. O'BRIAN, OF WYOMING, TO BE UNITED STATES CIRCUIT JUDGE FOR THE TENTH CIRCUIT, VICE WADE BRORBY, RETIRED.

PRISCILLA RICHMAN OWEN, OF TEXAS, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIFTH CIRCUIT, VICE WILLIAM L. GARWOOD, RETIRED.

BARRINGTON D. PARKER, JR., OF CONNECTICUT, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SECOND CIRCUIT, VICE RALPH K. WINTER, JR., RETIRED.

CHARLES W. PICKERING, SR., OF MISSISSIPPI, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIFTH CIRCUIT, VICE HENRY A. POLITZ, RETIRED.

SHARON PROST, OF THE DISTRICT OF COLUMBIA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FEDERAL CIRCUIT, VICE S. JAY PLAGER, RETIRED.

JOHN G. ROBERTS, JR., OF MARYLAND, TO BE UNITED STATES CIRCUIT JUDGE FOR THE DISTRICT OF COLUMBIA CIRCUIT, VICE JAMES L. BUCKLEY, RETIRED.

DENNIS W. SHEDD, OF SOUTH CAROLINA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FOURTH CIRCUIT, VICE CLYDE H. HAMILTON, RETIRED.

LAVENSKI R. SMITH, OF ARKANSAS, TO BE UNITED STATES CIRCUIT JUDGE FOR THE EIGHTH CIRCUIT, VICE RICHARD S. ARNOLD, RETIRED.

JEFFREY S. SUTTON, OF OHIO, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SIXTH CIRCUIT, VICE DAVID A. NELSON, RETIRED.

TIMOTHY M. TYMKOVICH, OF COLORADO, TO BE UNITED STATES CIRCUIT JUDGE FOR THE TENTH CIRCUIT, VICE JOHN C. PORFILIO, RETIRED.

TERRENCE W. BOYLE, OF NORTH CAROLINA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FOURTH CIRCUIT, VICE J. DICKSON PHILLIPS, JR., RETIRED.

EDITH BROWN CLEMENT, OF LOUISIANA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIFTH CIRCUIT, VICE JOHN M. DUHE, JR., RETIRED.

RICHARD R. CLIFTON, OF HAWAII, TO BE UNITED STATES CIRCUIT JUDGE FOR THE NINTH CIRCUIT, VICE CYNTHIA HOLCOMB HALL, RETIRED.

DEBORAH L. COOK, OF OHIO, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SIXTH CIRCUIT VICE ALAN E. NORRIS, RETIRED.

MIGUEL A. ESTRADA, OF VIRGINIA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE DISTRICT OF COLUMBIA CIRCUIT, VICE PATRICIA M. WALD, RETIRED.

HARRIS L. HARTZ, OF NEW MEXICO, TO BE UNITED STATES CIRCUIT JUDGE FOR THE TENTH CIRCUIT, VICE BOBBY RAY BALDOCK, RETIRED.

JEFFREY R. HOWARD, OF NEW HAMPSHIRE, TO BE UNITED STATES CIRCUIT JUDGE FOR THE FIRST CIRCUIT, VICE NORMAN H. STAHL, RETIRED.

CAROLYN B. KUHL, OF CALIFORNIA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE NINTH CIRCUIT, VICE JAMES R. BROWNING, RETIRED.

MICHAEL P. MILLS, OF MISSISSIPPI, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF MISSISSIPPI, VICE NEAL B. BIGGERS, RETIRED.

JAMES H. PAYNE, OF OKLAHOMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN, EASTERN AND WESTERN DISTRICTS OF OKLAHOMA, VICE BILLY MICHAEL BURRAGE, RESIGNED.

DANNY C. REEVES, OF KENTUCKY, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF KENTUCKY, VICE A NEW POSITION CREATED BY PUBLIC LAW 106–553, APPROVED DECEMBER 21, 2000.

REGGIE B. WALTON, OF THE DISTRICT OF COLUMBIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF COLUMBIA, VICE STANLEY SPORKIN, RETIRED.

TERRY L. WOOTEN, OF SOUTH CAROLINA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF SOUTH CAROLINA, VICE A NEW POSITION CREATED BY PUBLIC LAW 106–553, APPROVED DECEMBER 21, 2000.

M. CHRISTINA ARMIJO, OF NEW MEXICO, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEW MEXICO, VICE A NEW POSITION CREATED BY PUBLIC LAW 106–553, APPROVED DECEMBER 21, 2000.

JOHN D. BATES, OF MARYLAND, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF COLUMBIA, VICE STANLEY S. HARRIS, RETIRED.

KARON O. BOWDRE, OF ALABAMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ALABAMA, VICE SAM C. POINTER, JR., RETIRED.

DAVID L. BUNNING, OF KENTUCKY, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF KENTUCKY, VICE WILLIAM O. BERTELSMAN, RETIRED.

DEPARTMENT OF JUSTICE

TIMOTHY MARK BURGESS, OF ALASKA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF ALASKA FOR THE TERM OF FOUR YEARS, VICE ROBERT CHARLES BUNDY, RESIGNED.

THE JUDICIARY

KAREN K. CALDWELL, OF KENTUCKY, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF KENTUCKY, VICE HENRY R. WILHOIT, JR., RETIRED.

LAURIE SMITH CAMP, OF NEBRASKA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEBRASKA, VICE WILLIAM G. CAMBRIDGE, RETIRED.

PAUL G. CASSELL, OF UTAH, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF UTAH, VICE DAVID SAM, RETIRED.

CLAIRE V. EAGAN, OF OKLAHOMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OKLAHOMA, VICE THOMAS RUTHERFORD BRETT, RETIRED.

KURT D. ENGELHARDT, OF LOUISIANA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF LOUISIANA, VICE MOREY L. SEAR, RETIRED.

STEPHEN P. FRIOT, OF OKLAHOMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF OKLAHOMA, VICE WAYNE E. ALLEY, RETIRED.

CALLIE V. GRANADE, OF ALABAMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF ALABAMA, VICE ALEX T. HOWARD, JR., RETIRED.

JAMES E. GRITZNER, OF IOWA, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF IOWA, VICE CHARLES R. WOLLE, RETIRED.

JOE L. HEATON, OF OKLAHOMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF OKLAHOMA, VICE RALPH G. THOMPSON, RETIRED.

LARRY R. HICKS, OF NEVADA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEVADA, VICE JOHNNIE B. RAWLINSON, ELEVATED.

WILLIAM P. JOHNSON, OF NEW MEXICO, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEW MEXICO, VICE JOHN E. CONWAY, RETIRED.

MARY ELLEN COSTER WILLIAMS, OF MARYLAND, TO BE A JUDGE OF THE UNITED STATES COURT OF FEDERAL CLAIMS FOR A TERM OF FIFTEEN YEARS, VICE SARAH L. WILSON.

CHARLES F. LETTOW, OF VIRGINIA, TO BE A JUDGE OF THE UNITED STATES COURT OF FEDERAL CLAIMS FOR A TERM OF FIFTEEN YEARS, VICE JOHN PAUL WIESE, TERM EXPIRING.

MARIAN BLANK HORN, OF MARYLAND, TO BE A JUDGE OF THE UNITED STATES COURT OF FEDERAL CLAIMS FOR A TERM OF FIFTEEN YEARS. (REAPPOINTMENT)

LAWRENCE J. BLOCK, OF VIRGINIA, TO BE A JUDGE OF THE UNITED STATES COURT OF FEDERAL CLAIMS FOR A TERM OF FIFTEEN YEARS, VICE ERIC G. BRUGGINK, TERM EXPIRED.

DEPARTMENT OF JUSTICE

HARRY SANDLIN MATTICE, JR., OF TENNESSEE, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF TENNESSEE FOR THE TERM OF FOUR YEARS, VICE CARL KIMMEL KIRKPATRICK, RESIGNED.

ROBERT GARNER MCCAMPBELL, OF OKLAHOMA, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF OKLAHOMA FOR THE TERM OF FOUR YEARS, VICE DANIEL G. WEBBER, JR., RESIGNED.

PAUL J. MCNULTY, OF VIRGINIA, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF VIRGINIA FOR THE TERM OF FOUR YEARS, VICE HELEN FRANCES FAHEY, RESIGNED.

MATTHEW HANSEN MEAD, OF WYOMING, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF WYOMING FOR THE TERM OF FOUR YEARS, VICE DAVID D. FREUDENTHAL, RESIGNED.

PATRICK LEO MEEHAN, OF PENNSYLVANIA, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF PENNSYLVANIA FOR THE TERM OF FOUR YEARS, VICE MICHAEL RANKIN STILES, RESIGNED.

WILLIAM WALTER MERCER, OF MONTANA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF MONTANA FOR THE TERM OF FOUR YEARS, VICE SHERRY SCHEEL MATTEUCCI, RESIGNED.

MICHAEL W. MOSMAN, OF OREGON, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF OREGON FOR THE TERM OF FOUR YEARS, VICE KRISTINE OLSON ROGERS, RESIGNED.

THOMAS E. MOSS, OF IDAHO, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF IDAHO FOR THE TERM OF FOUR YEARS, VICE BETTY HANSEN RICHARDSON, RESIGNED.

STEPHEN BEVILLE PENCE, OF KENTUCKY, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF KENTUCKY FOR THE TERM OF FOUR YEARS, VICE STEVEN S. REED, RESIGNED.

THOMAS L. SANSONETTI, OF WYOMING, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE LOIS JANE SCHIFFER, RESIGNED.

MICHAEL J. SULLIVAN, OF MASSACHUSETTS, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF MASSACHUSETTS FOR THE TERM OF FOUR YEARS, VICE DONALD KENNETH STERN, RESIGNED.

JOHN W. SUTHERS, OF COLORADO, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF COLORADO FOR THE TERM OF FOUR YEARS, VICE THOMAS LEE STRICKLAND, RESIGNED.

J. STROM THURMOND, JR., OF SOUTH CAROLINA, TO BE THE UNITED STATES ATTORNEY FOR THE DISTRICT OF SOUTH CAROLINA FOR THE TERM OF FOUR YEARS, VICE J. RENE JOSEY, RESIGNED.

JOSEPH S. VAN BOKKELEN, OF INDIANA, TO BE UNITED STATES ATTORNEY FOR THE NORTHERN DISTRICT OF INDIANA FOR THE TERM OF FOUR YEARS, VICE JON ERNEST DEGUILIO, RESIGNED.

GREGORY F. VAN TATENHOVE, OF KENTUCKY, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF KENTUCKY FOR THE TERM OF FOUR YEARS, VICE JOSEPH LESLIE FAMULARO, RESIGNED.

ANNA MILLS S. WAGONER, OF NORTH CAROLINA, TO BE UNITED STATES ATTORNEY FOR THE MIDDLE DISTRICT OF NORTH CAROLINA FOR THE TERM OF FOUR YEARS, VICE WALTER CLINTON HOLTON, JR., RESIGNED.

SUSAN W. BROOKS, OF INDIANA, TO BE UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF INDIANA FOR THE TERM OF FOUR YEARS, VICE JUDITH ANN STEWART, RESIGNED.

JOHN L. BROWNLEE, OF VIRGINIA, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF VIRGINIA FOR THE TERM OF FOUR YEARS, VICE ROBERT P. CROUCH, JR., RESIGNED.

LEURA GARRETT CANARY, OF ALABAMA, TO BE UNITED STATES ATTORNEY FOR THE MIDDLE DISTRICT OF ALABAMA FOR THE TERM OF FOUR YEARS, VICE CHARLES REDDING PITT, RESIGNED.

PAUL K. CHARLTON, OF ARIZONA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF ARIZONA FOR THE TERM OF FOUR YEARS, VICE JOSE DE JESUS RIVERA, RESIGNED.

MARGARET M. CHIARA, OF MICHIGAN, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF MICHIGAN FOR THE TERM OF FOUR YEARS, VICE MICHAEL HAYES DETTMER, RESIGNED.

COLM F. CONNOLLY, OF DELAWARE, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF DELAWARE FOR THE TERM OF FOUR YEARS, VICE CARL SCHNEE, RESIGNED.

ROBERT J. CONRAD, JR., OF NORTH CAROLINA, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF NORTH CAROLINA FOR THE TERM OF FOUR YEARS, VICE MARK TIMOTHY CALLOWAY, RESIGNED.

THOMAS C. GEAN, OF ARKANSAS, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF ARKANSAS FOR THE TERM OF FOUR YEARS, VICE PAUL KINLOCH HOLMES, III, RESIGNED.

TODD PETERSON GRAVES, OF MISSOURI, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF MISSOURI FOR THE TERM OF FOUR YEARS, VICE STEPHEN LAWRENCE HILL, JR., RESIGNED.

JAMES MING GREENLEE, OF MISSISSIPPI, TO BE UNITED STATES ATTORNEY FOR THE NORTHERN DISTRICT OF MISSISSIPPI FOR THE TERM OF FOUR YEARS, VICE CALVIN D. BUCHANAN, RESIGNED.

RAYMOND W. GRUENDER, OF MISSOURI, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF MISSOURI FOR THE TERM OF FOUR YEARS, VICE AUDREY G. FLEISSIG, RESIGNED.

TERRELL LEE HARRIS, OF TENNESSEE, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF TENNESSEE FOR THE TERM OF FOUR YEARS, VICE VERONICA FREEMAN COLEMAN, RESIGNED.

MICHAEL G. HEAVICAN, OF NEBRASKA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF NEBRASKA FOR THE TERM OF FOUR YEARS, VICE THOMAS JUSTIN MONAGHAN, RESIGNED.

THOMAS B. HEFFELFINGER, OF MINNESOTA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF MINNESOTA FOR THE TERM OF FOUR YEARS, VICE BYRON TODD JONES, RESIGNED.

ROSCOE CONKLIN HOWARD, JR., OF THE DISTRICT OF COLUMBIA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF COLUMBIA FOR THE TERM OF FOUR YEARS, VICE WILMA A. LEWIS, RESIGNED.

DAVID CLAUDIO IGLESIAS, OF NEW MEXICO, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF NEW MEXICO FOR THE TERM OF FOUR YEARS, VICE NORMAN C. BAY.

CHARLES W. LARSON, SR., OF IOWA, TO BE UNITED STATES ATTORNEY FOR THE NORTHERN DISTRICT OF IOWA FOR THE TERM OF FOUR YEARS, VICE STEPHEN JOHN RAPP, RESIGNED.

DEBORAH J. DANIELS, OF INDIANA, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE LAURIE O. ROBINSON, RESIGNED.

JAY S. BYBEE, OF NEVADA, TO BE AN ASSISTANT ATTORNEY GENERAL, VICE RANDOLPH D. MOSS, RESIGNED.

RICHARD R. NEDELKOFF, OF TEXAS, TO BE DIRECTOR OF THE BUREAU OF JUSTICE ASSISTANCE, VICE NANCY E. GIST, RESIGNED.

EXECUTIVE OFFICE OF THE PRESIDENT

SCOTT M. BURNS, OF UTAH, TO BE DEPUTY DIRECTOR FOR STATE AND LOCAL AFFAIRS, OFFICE OF NATIONAL DRUG CONTROL POLICY. (NEW POSITION)

DEPARTMENT OF JUSTICE

JOHN W. GILLIS, OF CALIFORNIA, TO BE DIRECTOR OF THE OFFICE OF VICTIMS OF CRIME, VICE KATHRYN M. TURMAN, RESIGNED.

DEPARTMENT OF COMMERCE

JAMES EDWARD ROGAN, OF CALIFORNIA, TO BE UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE, VICE Q. TODD DICKINSON, RESIGNED.

DEPARTMENT OF JUDICIARY

SHAREE M. FREEMAN, OF VIRGINIA, TO BE DIRECTOR, COMMUNITY RELATIONS SERVICE, FOR A TERM OF FOUR YEARS, VICE ROSE OCHI, TERM EXPIRED.

EXECUTIVE OFFICE OF THE PRESIDENT

JOHN P. WALTERS, OF MICHIGAN, TO BE DIRECTOR OF NATIONAL DRUG CONTROL POLICY, VICE BARRY R MCCAFFREY, RESIGNED.

DEPARTMENT OF JUSTICE

MAURICIO J. TAMARGO, OF FLORIDA, TO BE CHAIRMAN OF THE FOREIGN CLAIMS SETTLEMENT COMMISSION OF THE UNITED STATES FOR A TERM EXPIRING SEPTEMBER 30, 2003, VICE JOHN R. LACEY.

J. ROBERT FLORES, OF VIRGINIA, TO BE ADMINISTRATOR OF THE OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION, VICE SHELDON C. BILCHIK.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY DENTAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be major

SHAOFAN K. XU 3338

SENATE—*Wednesday, September 5, 2001*

The Senate met at 10 a.m. and was called to order by the President pro tempore [Mr. BYRD].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Omnipotent God, all-powerful Lord, all authority comes from You. You raise up leaders and entrust them with spiritual, intellectual, and physical power. All You require is humility to acknowledge You as the source of all that they have, and they are accountable to You for how they have used Your entrusted power. You delight to bless those who delight in giving You the glory. Forgive us when we assume that power comes from titles and positions. Most of all, forgive our dependence on, and satisfaction with, our own limited human powers. You offer us supernatural power to think beyond our understanding and lead courageously beyond our abilities. May this be a day when we deliberately ask for Your power and live expectantly for Your divinely inspired strategies and solutions. When we give up the idea that we are the source of our power, You amaze us with what You are able to do through us. So free us from bartering power, struggling for power, and manipulating with power.

Spirit of the living God, anoint the men and women of this Senate with Your power so this Nation will know that it is being led by people who trust You, who share party power to accomplish Your plans, point away from themselves to You, and attempt great things for You because they have received great power from You. Amen.

PLEDGE OF ALLEGIANCE

The Honorable ROBERT C. BYRD led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, leadership time will be reserved.

EXPORT ADMINISTRATION ACT OF 2001

The PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 149, which the clerk will report.

The legislative clerk read as follows:

> A bill (S. 149) to provide authority to control exports, and for other purposes.

The PRESIDENT pro tempore. The Senator from Nevada is recognized.

Mr. REID. Mr. President, the Senate is going to be working today on the export administration bill. Senator DASCHLE called a joint leadership meeting today, and he and Senator LOTT, among others, indicated a real desire to move on to the many things we have to do in this month, especially appropriations bills.

Senator SARBANES is certainly one of the most skilled legislators, and I know he is doing everything in his power, as is Senator GRAMM, to move this export administration bill as quickly as possible. We had an overwhelming vote yesterday on an amendment. The opposition to moving this bill forward I think got 18 votes. From my personal perspective, that is a high water mark. I certainly hope the few Senators who oppose this legislation will recognize the need to move forward with the legislation not only for the Senate but, more importantly, for this country.

We have eight appropriations bills we need to complete by the end of the month. Using the numbers we have, we probably only have about 12 legislative days this month, with the Jewish holidays and the big conference being held late in the month that will take a day away from us. We just need to move expeditiously.

I repeat, I hope those people who oppose this legislation will recognize that we are going to pass this bill. It is just a question of when. Their holding this up isn't to the good of this country. I know that the people who oppose this legislation believe they are doing the right thing. I hope they will recognize that just a few Senators are opposing this bill. We need to move forward. We have a fiscal year that is coming to an end in just a few weeks. We have not completed a single conference on the five appropriations bills that have passed.

The leadership has committed 1 week to Defense authorization, which takes away more time from our appropriating process. Whether people like it or not, the 13 appropriations bills have to be passed or we are going to wind up with a big fat omnibus bill called a continuing resolution that doesn't help anybody, especially the country.

So I am confident there will be rollcall votes on amendments throughout the day. The Senate is going to recess from 12:30 to 2:15 for the weekly party conferences today. Again—and I think I speak for the joint leadership—we need to move past this bill and get on to the appropriations bills. On appropriations bills, we have to have a way of moving them more quickly. I think that is the belief the leadership has in trying to move to the Commerce-State-Justice bill just as quickly as possible.

The PRESIDENT pro tempore. The senior Senator from Maryland, Mr. SARBANES, is recognized.

Mr. SARBANES. Mr. President, I echo what my colleague, Senator REID, just had to say. We are back on the bill. We did a number of opening statements yesterday. I know there were a couple Members who indicated that they want to be able to just speak on the bill briefly. I invite them to come over. Anyone who has amendments, we are open to consider them. I hope we can possibly finish this bill today and thereby enable the Senate to move on to other business for the remainder of the week. I frankly say that ought to be our objective. Hopefully, we can reach it. I do know there is a state dinner this evening that may impact on the Senate's schedule.

Mr. REID. If the Senator will yield, all of us haven't been invited to the state dinner, so some of us can still work.

Mr. SARBANES. I implore my colleagues who are within earshot, if they wish to make a statement on this bill, to come to the floor and get that done this morning before we go to the two weekly conferences. I also hope that at some point shortly we could have an amendment laid down and proceed to move through the amendments.

I yield the floor.

The PRESIDENT pro tempore. The senior Senator from Tennessee, Mr. THOMPSON, is recognized.

Mr. THOMPSON. I thank the Chair.

Mr. President, I have listened to the distinguished majority whip this morning expressing concern that we move on with this bill. I think we can do that. We had a good discussion yesterday. We had a vote on one amendment that was a pretty definitive vote. We all get to the point where we can count votes around here, and we know which way the die is cast as far as this bill is concerned.

The administration supports this bill. Apparently, the administration is going to oppose any and all amendments. That is unfortunate. That is, frankly, shortsighted, but that is the way it is. I do not think we want to belabor the matter any more than necessary.

I must say, we have had some very good discussions this morning on both sides of export administration in this country. We are still talking, and we may be able to come together on some things that will help the bill and help some of us who have concerns about this bill. I know Senator KYL from Arizona is on his way to the Chamber and would like to make an opening statement, and then we will move on from there and see where we are.

Until Senator KYL gets here, I will reiterate some of the bases for our concern. We make no apologies for bringing these amendments up regardless of the fact we have an appropriations bill pending. As important as these appropriations bills are, the national security of this country is even more important. That is what we are dealing with here, the issue of national security. We all have the same thing as our ultimate goal for the protection of this country, but we have some quite distinct and different ideas about how to get there.

Export administration legislation in this country traditionally has been designed not to facilitate business but to help protect the national security interests of this country. If one looks at the purpose that is set out in this legislation, it does not say anything about expediting business.

No one wants to bog these exports down, but the fact of the matter is, they are not being bogged down. It was said yesterday for a broad category of items, the average processing time is 13 days, I believe—13 days. What it does set out and the purpose for this legislation, as similar legislation in the past has set out, is that we want to make sure we are not assisting the proliferation of weapons of mass destruction. We want to make sure that in our haste to do business—there is no greater freetrader in this body than I am—and to export that we do not make mistakes. That is what the export administration legislation is all about.

We are living in a different time than the last time we addressed this issue. We are living in a world where we do not have the old Soviet Union and the massive European assault that we all feared looming over our heads. But what we do have is many different threats, more insidious threats in many respects and more dangerous in many respects because those threats are in the hands of totally irresponsible individuals in other parts of the world.

We get these reports from Presidential commissions. We get these reports from our intelligence community warning us, time and time again, that it is growing, that it is based on technology, that the threats are great—nuclear, biological, chemical threats—and the ability to deliver those threats to our soil is growing year by year. Even a country such as North Korea, which is starving it's people to death, can pose a mortal threat to major American cities, having already launched a three-stage rocket over Japan just to demonstrate what they can do, while a million people are starving in North Korea.

That is the nature of the growing threat based on technology. Our intelligence agencies point out to us that a lot of this technology is derived from countries such as Russia and China, which our intelligence agencies still say are massive proliferators of weapons of mass destruction.

Here we are getting ready to pass legislation to make exports of dual-use items, which can possibly be used for military purposes, to countries such as Russia and China easier.

When Mr. COX and others on the commission tell us that the Chinese, for example, are diverting products imported for civilian reasons to military purposes, and they also tell us that part of the problem has been created by our own laxity in our export laws, I do not know how much more definitive the record needs to be for us to be concerned, when we sit down to write an export administration bill, that we not make any significant mistakes in the bill with regard to contributing to the growing threat to the national security of this country.

There are great commercial interests involved. There is substantial commercial interest. They are substantially involved in the political process, but in terms of the trade welfare to this country, they constitute about 3 percent of our total exports. The exports to these controlled countries constitute about 3 percent of our total exports; 90-some-odd percent of those export applications to those countries are approved, so we are talking about a small fraction of 3 percent of our exports that we are dealing with.

Some make it sound as if we are trying to shut down exports or we are trying to close the borders. We are not. It is important, and it is growing. The interest here is not what can happen today. The interest is the potential, and the potential is great, but therein lies the potential problem.

Even though the technological genie is somewhat out of the bottle, to be sure, but not totally out of the bottle or we still would not be trying to keep things out of the hands of Saddam Hussein, Iran, and North Korea, we implicitly acknowledge some control is doable. But let's just say for the sake of argument the genie is out of the bottle and eventually everybody is going to get everything.

Does it not benefit our country somewhat to say with regard to these most sensitive items we need to slow certain countries down while we are trying to come together on a consensus on things such as national missile defense? We are expending great political capital in this country and will be spending, I think, great monetary capital, as it were, on a missile defense system. I think that is an appropriate thing to do.

We are willing to go to our European friends, Russia, China, and have a debate here based upon this threat about which I am talking. Does it make sense when we are so concerned about this threat, and we do not have a missile defense system off the drawing board yet, for us to be hustling to make sure that potential adversaries a few years down the road are caught up to date, technologically, to be even with us or to improve themselves to a point where they can be competitive with us?

Does it make sense for us to be helter-skelter assisting as much as we can while we are in this stage over here and trying to defend ourselves against these same technological challenges? That is what this is all about.

We may have appropriations bills we want to get passed and we may say: We had a big vote yesterday and the die is cast; get away, son, you bother me.

It is not going to be quite that easy. This issue is not going to go away. I understand those of us who comprise the committees that have to do with intelligence and national defense matters form a distinct minority. When we first started debating this issue, I was chairman of the Governmental Affairs Committee that has jurisdiction over matters of proliferation, as well as other things.

The chairman of the Armed Services Committee, the chairman of the Intelligence Committee, and the chairman of the Foreign Relations Committee, all of us were as one in expressing the concerns I have laid out today. We still have those concerns, although we are ranking members now instead of chairmen of the various committees, but we also recognize we are in a distinct minority. We have been unsuccessful in persuading enough of our colleagues these concerns are so great we ought to at least have some amendments to address some of these concerns.

I am still hopeful. We have had some good discussions recently, as discussions tend to come about once we are considering an issue. With regard to things like a Presidential commission, for example, that is an idea that Senator SHELBY, who was chairman of the Intelligence Committee, now ranking member, has espoused for a long time and one that we have all supported at one time or another. The idea is we have a blue ribbon commission established. We know some of these commissions do a good job and some do not, but we had such a good experience with the Rumsfeld commission, a bipartisan commission made up of experts, some from a more liberal persuasion, some more conservative, but people of unimpeachable expertise who were appointed and took a look at the kinds of issues I have been talking about this morning, why can't we do something along those lines to answer some of these questions we have posed, such as what effect are our export policies having on national security?

As I talk about it, I am very well aware the distinguished senior Senator from West Virginia, who now presides, has been a leader on this very issue and he is responsible for a commission that is doing some good things in this same area but perhaps targeted a little bit more on answering some of these questions. The problem, as I see it, is not that I have the answers that we are definitely doing something that is going to be hurting national security or it is not that my colleagues on the other side of this issue have the answers that they are definitely sure we are not doing anything that is going to be harming national security. I am afraid the point is, we do not really know. We do not know the effect of what we are doing. We do not really know, now that we are about to pass this bill, what the effect of this bill is going to be or what it might look like a year from now.

As a part of the Defense appropriations bill in 1998, there was a provision which acknowledged, first of all, that there was a massive decontrolling of our supercomputers going on in the Clinton administration. They changed the MTOPS level rapidly so more and more supercomputers could be exported. There has been a growing concensus almost, I would say, among a lot of the people who follow these matters in the country that perhaps MTOPS is not the best way to decide what should be controlled in terms of these supercomputers. Maybe we need to look at something else. We did not really look at something else. We decontrolled, and now what we are doing in this legislation, in terms of MTOPS, is totally decontrolling and doing away with it. So it is an extension of the Clinton policy.

Also in that 1998 legislation, there is a provision that says, as we do that we must do a national security assessment of the effect of doing this. That was never done. It has never been done.

It is bad enough we are not following our own laws, but it is doubly bad we do not know the answer. So we are having some discussions now about can we not get together and come up with an independent assessment, over a period of time, as to what the effect of this might be?

Another issue we are discussing is the so-called deemed export rules. As I am sure the Presiding Officer knows, we have a system in this country that basically says if you export a certain item or information to another country, you need a license for certain kinds of things. Also, if you give that same information to a foreign student, a foreign national, who is over here working in, say, one of our laboratories, or one of our businesses, if you give him that same information, that is the equivalent, potentially, of exporting the matter. It is called a deemed export, and we need to look at that carefully also.

We had hearings in the Governmental Affairs Committee a year or so ago, and we found out that the law is being universally ignored by our laboratories. Private business is doing a much better job of complying with the deemed export rules and seeking licenses for these transfers of information than is the Government. Of course, they have a proprietary interest in doing so, but for whatever reason they are doing a much better job. Our laboratories have done a very poor job and now, of course, we know that valuable information has been taken, illegally and improperly, from our laboratories, which is the repository of some of the most sensitive information, if not the most sensitive information, our country possesses. We need to do something about that.

This bill does not address that. These are as much exports or potential exports as some of the goods flying to another country.

My understanding is the administration has expressed some concern that this is a complicated subject which they have not had an opportunity to address yet and would prefer to have the opportunity to address, and I understand that. A lot has been laid on their plate in a short period of time. We came to them with this whole export business, this whole overhaul issue, when they were still trying to get draperies in their office. Getting any modern President's team together now is a long, drawn out process. Some say it will be 12, 14, or 16 months before this administration gets its team together. We are laying this highly technical stuff on them at a time when many of the important departments do not have their team together. I prefer to put this off until later, until they have had the opportunity to get their team together, but they have seen fit to agree to have this go forward. It makes a certain amount of sense.

We do not want to discourage foreign students from coming to the United States. It is important for many different reasons. We do not want to close our borders. With as many problems as we have had with the People's Republic of China over the last few years, they have 54,000 students here now. We do not want to reverse that process. Many make valuable contributions to us and what we are doing. Many choose to stay here. However, in the process we have to learn to protect ourselves. Because we have peace and prosperity today does not mean we will have it forever.

I just finished reading a book called "While America Sleeps" in which the Kagans were drawing a parallel between the United States today and England after World War I. This book is based on Winston Churchill's "While England Slept." They talk about when a country wins a war or skirmish, the tendency is to allow your military to go down, to have a higher threshold for engagement elsewhere. You want a peace dividend. You want to come back home and enjoy the peace dividend and forget about the unpleasantness. By doing that, you encourage problems here, there, around the world. They are very small at first, and they grow into major problems that ultimately a democracy has to address. We do not want to do that. That is what we are trying to avoid.

These are a couple of areas on which I think we might still have come together, even at this date. I am hopeful of that. Again, I reiterate, this is not foolish business we are engaged in. These are not dilatory tactics. These are not things to get on with while we wait to get on with the more important business of spending money. It is not about money but about the national security of this country. I do not care if we have to have 95–5 votes on some of these issues. Time will tell the correctness of the various positions. Some Members believe it is very important to lay them on the table, require deliberate consideration, and see whether or not even at this stage of the game we cannot come together at least on some things that might make this a better bill and ensure the enhanced security of this country.

I yield the floor.

The PRESIDING OFFICER (Ms. CANTWELL). The Senator from Maryland.

Mr. SARBANES. Madam President, I am hopeful we can work out some of these matters which he discussed. I think the idea of a presidentially appointed independent advisory committee to review the matter and submit its findings to the Congress at an appropriate time is a good idea. It may well prove of significant benefit.

I repeat what I said yesterday. I think all 100 Members of the Senate are concerned that our national security is effectively protected. I hope what we went over yesterday, provisions of the bill and some of the authority given to the President, provided some reassurance in terms of ultimate authority to act on behalf of important national security and foreign policy interests. I hope in the course of the day we can work through some of these matters and perhaps move to a conclusion.

Again, I state my appreciation to the Senator for the questions he raised and focusing our attention on them. He has done that consistently as we have moved through the process. I know my very able colleague from Wyoming, Senator ENZI, has interacted throughout. What is before the Senate in this legislation has been shaped in part by questions and concerns the Senator has raised. It is not as though there has not been a response to some of the matters brought forward, and that is reflected already in the legislation before the Senate.

Mr. THOMPSON. If the Senator will yield, I certainly agree with that. I should not leave the impression that this has been a totally adversarial proceeding. We have had discussions, and this bill does incorporate some of the points we have discussed at prior times. I appreciate that.

Mr. SARBANES. I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. KYL. Madam President, this past weekend the Washington Post ran articles on a Bush administration decision to impose sanctions on a Chinese company that it found to be transferring sensitive missile technology to Pakistan in violation of last November's agreement to terminate such transfers. Two of my colleagues, the chairman of the House Intelligence Committee and the chairman of the Senate Intelligence Committee, and I just returned from a visit to Pakistan, and we expressed concerns about the proliferation of weapons of mass destruction technology in that area of the world. We are very aware of the situation which could easily evolve in that part of the world because of tensions between different countries that could inadvertently result in the use of nuclear weapons, something no one in the world wants to occur. Part of that is because of the willingness of countries such as China to transfer technology to countries that could use those weapons.

Sunday's Washington Post article to which I referred noted that the decision to impose sanctions on the Chinese Metallurgical Corporation came over the objections of Asia experts in our State Department who "had warned that this could further fray Sino-American relations."

Of course, anytime one enforces a provision which is designed to protect the U.S. national security on a corporation that is violating the terms of agreements or provisions which could prevent the transfer of this technology, it will upset someone. They have been caught cheating, and to the extent we are willing to enforce it, they are not going to like the result. However, that is what is at stake: Our willingness to enforce the regime which we have heretofore imposed that hopes to at least reduce the amount of transfer of technology to countries that would use that technology in an irresponsible fashion.

I ask unanimous consent to have printed in the RECORD the article "Chinese Arms Firm Faces U.S. Sanctions."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 1, 2001]

CHINESE ARMS FIRM FACES U.S. SANCTIONS

TECHNOLOGY ALLEGEDLY PASSED TO PAKISTAN

(By Alan Sipress)

The Bush administration will impose sanctions today on a major Chinese arms manufacturer because it transferred sensitive missile technology to Pakistan despite assurances by Beijing last year that it would refrain from these exports, according to the State Department.

A department official said yesterday the United States would place sanctions on the China Metallurgical Equipment Corp., A private company that administration officials say works closely with the Chinese government, and at the same time on the National Development Complex of Pakistan, which received the missile technology.

The decision to take these punitive measures comes a week after a U.S. delegation to Beijing headed by Deputy Assistant Secretary of State Vann Van Diepen failed to break a deadlock over U.S. demands that China halt the transfer of technology for missiles that can carry nuclear warheads. Last-ditch negotiations in recent days also proved unsuccessful, officials said.

The new American measures could further sour relations between the United States and China, which have begun to rebound after a tough spell in the opening months of the Bush administration. With President Bush scheduled to visit China late next month, the two countries have tried to move beyond their dispute this spring when a U.S. Navy surveillance plane and its crew were detained on Hainan Island after colliding with a Chinese jet.

Secretary of State Colin L. Powell raised American concerns about missile proliferation during a visit to Beijing in July and warned that the administration might impose sanctions unless China adhered to an agreement reached last November. Under that accord, the United States agreed to issue licenses for American companies to launch satellites on Chinese rockets.

Powell and his Chinese counterparts agreed during his trip to resume talks on weapons proliferation. The two sides had not discussed this matter since last November, when China agreed not to help other countries build missiles capable of delivering nuclear weapons. U.S. diplomats had filed formal protests with China alleging that it had violated the agreement numerous times by providing missiles or missile technology to Pakistan and other countries.

Both the Chinese and Pakistani officials have denied allegations of missile technology sales.

But a State Department official said yesterday that China's transfer of Category 2 technology had contributed to Pakistan's missile program, flouting the international guidelines established to govern the proliferation of missile parts and technology. Under the Missile Technology Control Regime, Category 1 refers to whole missiles while Category 2 includes constituent parts and technology.

As a result, the administration has also been considering whether to suspend the issuance of licenses for U.S. companies to place their satellites on Chinese rockets and make it illegal to transfer American technology to China's satellite industry. The Los Angeles Times reported in today's editions that the United States had decided to take these punitive actions.

These steps, which could set back China's efforts to develop its industry, may also prove painful for some American companies that have seen Chinese rockets as a relatively inexpensive way to place their satellites into orbit.

The Bush administration has said it is worried about recent reports that China was providing sensitive missile technology to Pakistan. Sen. Joseph R. Biden Jr. (D-Del.), Chairman of the Senate Foreign Relations Committee, pressed Beijing during a recent visit there to end these transfers and called for sanctions to be place on Chinese companies that are shown to be helping Pakistan's missile program.

U.S. officials have at the same time expressed concern about what they say are Pakistani attempts to develop a nuclear missile program. The United States imposed sanctions on Pakistan and India after both countries tested nuclear weapons in 1998. India and Pakistan have a long-standing border conflict over Kashmir and their development of nuclear weapons, security analysts say, has made South Asia potentially the most dangerous place in the world.

While Sino-American relations have been complex and often difficult for decades, the United States long has close relations with Pakistan, especially when it was a crucial Cold War ally. But those ties have grown estranged in recent years and not only because of Pakistan's nuclear program. U.S. officials have also expressed dissatisfaction with the 1999 military coup by Gen. Pervez Musharraf that ousted democratically elected Prime Minister Nawaz Sharif and with Pakistan's ties to the Taliban movement ruling much of Afghanistan.

Mr. KYL. This mentality that enforcing the law could further fray relations with countries such as China, for example, lies at the core of much of what we are debating with respect to the legislation before the Senate. It is the continued relevance of robust export controls on the one hand versus legislation that is explicitly designed to weaken those controls in order to enhance trade on the other.

While the case that the Washington Post article discussed involves Chinese technology transfers to Pakistan, these actions on the part of foreign countries with records of proliferating militarily sensitive technologies are central to the overall debate over U.S. controls on exports to countries that in turn transfer knowledge and hardware to third countries to which the United States would not currently export such items or knowhow. In other words, it is the transfer of this technology through a middleman, so to speak.

In addition to this most recent China-related proliferation development, the U.S. Customs Service last week arrested two United States-based Chinese nationals involved in smuggling, and smuggling extremely sensitive military encryption technology to China—another violation of the Arms Export Control Act.

While the encryption case does involve the Arms Export Control Act and not the export administration regulations which are the issue today, it does nevertheless significantly highlight the scale of the problem that confronts the United States in preventing certain countries from either legally or illegally obtaining militarily sensitive technologies that could most assuredly be used against the United States or our allies in a future conflict.

There exists a mistaken notion that the end of the cold war eliminated the national security justification for controlling exports in technologies with both civilian and military applications, but nothing could be further from the truth.

The President, in April, announced his decision to sell to Taiwan $4 billion worth of weaponry to better defend itself against the growing military threat from China. That threat, already considerable, involves primarily conventional arms, including the 300 missiles currently targeted against Taiwan, a number that is projected to grow in the future.

A decision to liberalize controls on dual-use technologies, every one of which by definition have military applications, while acknowledging, as we all do, the very real threat posed by China to Taiwan and to U.S. interests in the Far East, is therefore inconsistent with and clearly contrary to our national interest.

Make no mistake, much of this debate is about China. The so-called rogue nations are at issue here only to the degree that other nations such as China, and at times even the United States, end up selling military-sensitive items to those countries, either directly or, as I said before, through third parties. So this is just one example of the fact that the end of the cold war has not ended the necessity of keeping an eye on the kind of dual-use technologies sold abroad because in the end those technologies could be used against the United States or our allies.

Let me just give some examples of things that have happened with exports in the not too distant past that illustrate this point.

In July of 1998, IBM's east Europe/Asia subsidiary entered a guilty plea for the unlawful export of computers to Arzamas-16, a Russian nuclear weapons laboratory.

Silicon Graphics similarly illegally sold high-performance computers to Russia's Chelyabinsk-70 nuclear laboratory.

This past July a company in my home State, Arizona, settled charges that it had illegally exported diode lasers to Israel, 16 times between 1995 and 1997.

And, of course, there is the 1994 sale by McDonnell to China National Aero-Technology Import-Export Corporation of an entire warehouse full of machine tools for the production of modern military aircraft and missiles continues to represent not just a highly inappropriate export but the problem of diversion of exported dual-use technologies to the noncommercial side of the equation. Some of the machine tools in question were diverted to a factory that manufactures Silkworm missiles—the very missiles that now line Iran's coastal waters on the Persian Gulf.

These are just a few examples of what can happen.

When the post-World War II export control regime was established in 1949, there was an explicit recognition of the difficulties that would be faced in regulating militarily sensitive items that also had benign commercial applications and that should not necessarily be denied to all potential customers. It is a problem.

The principal country at issue then, of course, was the Soviet Union, with China a secondary concern. The success of United States unilateral, as well as COCOM multilateral export controls in keeping many vitally important dual-use technologies out of the hands of the Soviet Army was an important component in the national strategy that ultimately resulted in the Soviet Union's demise.

There is no denying the gravity of the problems we faced after the cold war when sensitive technologies exported by western countries to Iraq were suddenly threatening United States and allied troops in the Persian Gulf war. The lack of a more far-sighted export control policy—and I would be remiss were I to ignore the geopolitical context in which legal if questionable sales to Iraq occurred during the Iran-Iraq war—was instructive as to the nature of the problem we face today.

It must be assumed that nondemocratic regimes will exploit dual-use technologies for military purposes. So the end of the cold war has not reduced the need for us to continue to be concerned about the export of these dual-use items.

I would like to take a couple of minutes to review a classic case of dual-use technologies being permitted to be sold a nondemocratic regime known to be interested in developing weapons of mass destruction and the means to deliver them: the case of Gerald Bull's Supergun. The British author James Adams back in 1992 wrote about Iraq's covert efforts at acquiring the components with which Canadian ballistics expert Bull was to assemble a cannon capable of firing large nuclear payloads to Israel. We can discuss the military utility of that gun, had it not been destroyed during the Persian Gulf war, all we want. What we can't ignore is the manner in which it was being built. It is also indicative of the type of problem the Customs Service recently uncovered with regard to Chinese efforts at attaining United States military encryption technology. This Adams described in his book on the life of Gerald Bull:

> British intelligence knew that . . . the Iraqis had already established a vast international procurement effort . . . [I]n information was discovered in Europe that suggested two British companies, Walter Somers and Sheffield Forgemasters, were also implicated in the scheme [in addition to a Spanish company].
>
> At the beginning of April, a few weeks after Jerry Bull had been killed, SIS (British intelligence) was tipped off that a shipment of parts destined for the supergun was about to be sent to Iraq . . . On Tuesday, April 10, 1990, customs officers examined a number of crates stored in the warehouse on Quay Seven of Tees Dock . . . Eight wooden cylinders, each twenty-five feet long by three feet wide, were marked "Republic of Iraq, Ministry of Industry and Minerals, Petrochemical Project, Baghdad, Iraq." The crates were about to be loaded onto the *Gur Mariner*, a ten-thousand-ton Bermudian-registered cargo ship that was due to sail for the Iraqi port of Umm Qasr. The ship had been chartered by the Iraqi Maritime Organization.
>
> Inside each crate was a smoothbore barrel that had been carefully machined so that it fit perfectly into the next barrel, with the tube tapering toward one end.

Adams goes on to write:

> "We are considering the possibility that the gun was manufactured in Britain for the Iraqis," said a spokesman. "It is capable of firing a nuclear shell, or anything else you wanted to put on top of a one-meter shell, and could easily hit Iran or any other Middle East spot." [Note: The gun was, in fact, immobile and constructed against a mountain pointing directly at Israel]

To conclude the item from the book:

> After the raid on the company premises of Sheffield Forgemasters, customs officials raided another company, Walter Somers . . . the maker of high-technology heavy forgings. They also claimed they had been supplying forgings to an Iraqi petrochemical project. Both companies claimed that the forgings were steel pipes and had no military application . . . The company that had made the pipes, Sheffield Forgemasters, claimed not only that the pipes were for the oil industry but that the company had received permission to export them from the Department of Trade and Industry.

Finally, on this case, Adams notes that:

> In fairness the DTI (Department of Trade and Industry) was not familiar with the latest intelligence, and neither the intelligence community nor the MOD (Ministry of Defense) was made aware of the petrochemical contract. In addition, the DTI employs ninety-four staff members to vet seventy thousand export applications a year . . . It was precisely this kind of bureaucratic fumbling that had allowed Iraq to build up such an effective military machine in the face of international arms embargoes.

Forgive the digression onto an 11-year-old case, but it is highly relevant to our discussions on S. 149, the Gramm-Enzi export facilitation bill. S. 149 places inordinate control over dual-use exports in the hands of the Federal agency least capable of making informed decisions on the military applications of dual-use technologies and most interested in increasing U.S. exports, namely the Department of Commerce.

So the point of discussing the case is to illustrate that if you do not have the involvement of the intelligence community, which knows what is going on, or of the Department of Defense, that if you only have the Department of Commerce approving the export of these items, they are going to look at the face value of the application and assume it is for a benign commercial purpose. Without the knowledge of the intelligence community or the defense community, it will not necessarily know that in point of fact there is an ongoing specific effort to use that technology for very aggressive military purposes.

That is why you need an export regime which enables all of the communities of interest to be able to be a part of the decisionmaking process: To put the items on the list that need to be reviewed, to review the items that are subject to review, and to grant whatever licenses are appropriate to grant.

It is a big mistake to simply assume the department that is in charge of commerce is going to be able to make those decisions using all of the criteria that should inform the decision.

I go back, then, to this past weekend's stories on the sanctioning of the Chinese company for transferring missile technology to Pakistan, bringing this full circle. That simply illustrates the continued relevance of cases such as the one that I described in the story of Gerald Bull and the Iraqi supergun.

Take a look at the web site of the China Metallurgical Equipment Corporation (MECC), the company sanctioned. This was the subject of a Washington Post story. On the surface, this is a legitimate company with legitimate customers. As its web site states, ". . . the core enterprise of the China Metallurgical Equipment Group, MECC is involved in sectors of metallurgy, nonferrous metals, building materials, environmental protection and light industry." It does business around the world and considers itself a private enterprise.

While I support trade with China and certainly encourage privatization of its industries, we cannot let this hope that China will privatize industry and that we can expand trade with China get in the way of our national security interests. China Metallurgical may qualify as a private-sector company. It operates, however, under the thumb of an autocratic regime that is the single worst proliferator of technologies associated with nuclear weapons and ballistic and cruise missiles, and which as violated numerous agreements that ban such proliferation.

There should also be no mistaking the fact that we are not talking about technologies that anyone can purchase today at Radio Shack, which is something that sometimes you hear. We are talking about technologies with applications for the design and construction of weapons of mass destruction and their means of delivery. Cavalier assertions about the availability of these items in your neighborhood electronics store trivialize the gravity of this issue.

The case of the Iraqi supergun involved pipe sections forged with highly advanced machine tools for extreme precision. At the end of the day, though, they were still something as otherwise seemingly innocuous as pipe sections. If supporters of S. 149 have their way, the kinds of technologies that will be available for export will be far more threatening than the Iraqi supergun.

For example, the Commerce Control List, which is maintained by the Department of Commerce and which lists dual-use items for which a license may be needed, has 2,400 items on it. The military applications of most of them would, in the wrong hands, directly threaten the security of the United States.

For example, thiodiglycol, which admittedly now falls under the Chemical Weapons Convention and its production is being phased out, is nevertheless a dual-use item. An industrial solvent, 500 tons were sold by the Belgian company Phillips Petroleum to the Iraqi State Enterprise for Pesticide Production. In 1988, the United States company Alcolac International exported over 300 tons of it to Iraq. It is believed that these shipments were diverted for use in the manufacture of mustard gas.

Aluminum alloy, which has a number of legitimate commercial industrial applications, is also used in the manufacture of rocket casings. China developed a welded aluminum alloy for use in its Yu-3 torpedo.

Ceramic composite materials are used in commercial electronics, but are also used in the construction of ballistic missile reentry vehicle antenna windows.

Side-looking airborne radars are on the CCL, yet have a very obvious application for foreign military aircraft against which we may find ourselves fighting some day.

Something as simple as wind tunnels, used in measuring the aerodynamic performance of airframe designs, are routinely used in the design of military fighter jets and missiles.

The Wisconsin Project on Nuclear Arms Control has noted, with respect to arguments that we should "build higher walls around fewer goods," that "Saddam Hussein's scientists were masters at upgrading medium-tech items to 'chokepoint' level. The Iraqis imported equipment that was dual-use . . . The Iraqis bought dual-use isostatic presses to shape A-bomb parts, dual-use mass spectrometers to sample A-bomb fuel, and dual-use electron beam welders to increase the range of Scud missiles. One of those Scuds killed U.S. troops sleeping in Saudi Arabia." That was the largest loss of life in any single attack in the Persian Gulf war.

There are many more examples.

A United States company headquartered in Rockville, Maryland, American Type Culture Collection, was the most prominent of a long list of United States biological laboratories that exported pathogens to Iraq during the 1980s.

Biological pathogens represent the penultimate "dual-use" item. Even the Biological Weapons Convention permits the possession of otherwise banned pathogens for the purpose of developing vaccines.

We have just seen on the news this morning the breaking news about the work the United States is doing on certain strains of anthrax for purely defensive purposes because we understand those were developed for offensive purposes by countries. Without some kind of antidote to them, their use against other people would, of course, be devastating. That is why we need to develop the technology to find a defense against—a way of inoculating against—these particular pathogens.

But common sense should have indicated that the regime of Saddam Hussein would use the dozens of shipments he received from American commercial laboratories for the development of biological weapons, which is precisely what happened. Such biological agents as anthrax and botulinum toxin were sold to Iraq by American firms.

Gary Milhollin of the Wisconsin Project on Nuclear Arms Control has noted another example of this kind of dual-use proliferation to Iraq. It involved the component of what we refer to as the lithotriptor, which is a medical device that is used in destroying kidney stones by blasting high-energy beams. There are high-precision electronic switches which are part of the lithotriptor. These kinds of switches are also needed to detonate nuclear weapons. They would be decontrolled here because they are part of the lithotriptor, a medical device.

It is interesting also because of their foreign availability. You can buy them elsewhere, but they would be decontrolled in effect under this legislation. Iraq purchases these lithotriptors. The amount of lithotriptors they purchase is interesting.

Milhollin has also noted the suspicious nature of the Iraqi purchases of lithotriptors, state-of-the-art machines used in breaking up kidney stones. Iraq's purchases of the lithotriptors, and far more spare parts than should ever be required, is suspicious because these devises are also used as triggers for nuclear weapons and the number purchased is consistent with the number of assembled weapons—minus the requisite fissile material—Iraq is believed to have by former members of UNSCOM.

So the point is that we should be highly suspicious of the import of these dual-use technologies by Iraq when they appear to be directly related to Iraq's nuclear program. Yet under the legislation before us, this shipment would be liberalized, and there is virtually no way to stop that kind of export to Iraq.

Another case is glass and carbon fibers used in ballistic and cruise missile construction as well as the enrichment of uranium. This would be decontrolled because of their use in the manufacture of items such as skis, tennis rackets, boats, and golf clubs. These fibers would also fall under the mass market of foreign availability criteria of S. 149.

Maraging steel used in the manufacture of solid rocket motor cases, propellant tanks, and interstage for missiles, as well as the enrichment of uranium, would also be decontrolled because of their application in the commercial rocketry and their availability in other countries.

Another example listed is corrosion-resistant valves used in the enrichment of uranium for nuclear weapons, yet also used in commercial energy, paper, and cryogenic industries.

The list of deadly serious military applications for items this legislation would decontrol is long and sobering. I will later ask unanimous consent to put in the RECORD a list that further illustrates this point.

Let's focus on the case that has been discussed in the past about fiberoptic cables. All of us know about the situation in which the United States actually had to destroy Iraqi air defenses because of the development of these air defenses as a threat to the United States and British aircraft carrying out their mission in Iraq. The systems were being upgraded through the installation of fiberoptic cable provided and installed by the Chinese.

Fiberoptic cable is clearly a dual-use item, but it also clearly has significant strategic importance. And its export to China again would be permissible under S. 149.

Allow me to talk for just a moment about the cost of business of these export controls, because the argument is frequently used that the reason we have to do this is because there is such a drag on the United States economy from the existence of export controls today, and that is why we have to liberalize the export of these dual-use technologies. Many major corporations are lobbying hard for this legislation based on this argument.

While I support free trade and support these appropriations normally, I disagree with them on this description of the sense of urgency. The fact is that the effect is only negligible from the export controls because they represent such a minor part of our overall economy. According to the Department of Commerce figures, the total value of all the goods exported to the control destinations represents less than 3 percent of all U.S. exports. We would be talking here about a very small percentage—less than 3 percent—of all of our exports.

Of just over 1,200 applications filed with the Commerce Department in 1999, for example, for licenses to export control dual-use items to China, the total value of those applications of sales was less than $1.5 billion, which is obviously a minuscule number as a percentage of our gross domestic product.

In short, I don't think we should judge this legislation on the basis that the U.S. economy is going to suffer if we continue to maintain a sensible export control regime worthy of the values we represent and the interests we seek to defend. In fact, there is really a critical argument being made by some here.

On the one hand, they argue there is such a dramatic negative impact on the American economy that we have to loosen up these exports. On the other hand, they assure us nothing much is going to change, that the same kind of items that have been controlled in the past that we believe are necessary to control will continue to be controlled, so don't worry about national security implications. One of those two assertions cannot be true.

Now let me discuss for a moment why I think Senate bill S. 149 actually makes the problem worse. There is one advantage to the legislation: It increases some penalties for violation by U.S. companies. That is an important advantage, but it is about the only thing that is better than current law.

I have spent a long time discussing some of the complexity of dealing with dual-use technologies because it is a complex subject. But that fact should not require us to throw up our hands and say we give up; that because some of these things can be mass marketed in the United States and because they are available abroad, we have to throw our hands up in the air and forget controlling these items.

The question is whether the United States wants to be part of the proliferation of technologies that could come back to haunt us in the future simply because somebody else in the world might do the same.

Let me just illustrate the point. I say this with all due respect to the members of these committees. The issue of export controls falls under the jurisdiction of the Banking Committee. This creates a situation analogous to that at the executive branch level. The Department of Commerce, under the provisions of S. 149, would be given most of the influence in the definition of what is on the control list and the subsequent regulation and licensing of those items. That is essentially at the expense of the involvement of the Department of State and the Department of Defense, who heretofore have been much more directly involved in the decisions made with respect to the export of these items.

Remember the case I cited, on which I took some pains to get into detail, of the gun sold to Iraq that could deliver a nuclear weapon. The point was that the Commerce Department of Great Britain did not know what the intelligence community and the defense community knew about the potential use of the item that was being exported, which calls into question a regime which only involves the agency of our Government which is most interested in seeing that exports are increased.

So it should come as no surprise that the Banking Committee, which has this jurisdiction, has produced this bill which gives the Commerce Department most of the jurisdiction and gives, frankly, what I consider short shrift to the agencies of the Department of Defense, the State Department, and our intelligence agencies that should have more of a role to play.

The House version of this bill, on the other hand, interestingly, originates with the International Relations Committee and will next go before the Armed Services Committee, and it, of course, is much more heavily tilted toward the involvement of the State Department and the Defense Department, I would suggest, as a result.

So it seems to me we have to be a little more careful in the Senate to recognize that there are other committees, that there are other departments, and that we need to reconcile these differences between the House version and the Senate version of this legislation in the interest of national security.

Of course, it is true that the White House has endorsed S. 149. But I think it is also recognized that there is the potential for some improvements. They have indicated that in the administration of this legislation, with an Executive order that will implement it, some of the issues we have raised with them will be addressed. I very much appreciate their willingness to address these concerns.

I must say, I have the highest confidence in the current administration and in the officials who would have the obligation to administer this legislation. So hopefully there will be some improvements made at that time in the execution of the law.

It is also my hope—and I will echo what Senator THOMPSON said a moment ago—that before we conclude the discussion on this legislation, it will be possible for us to agree on at least some provisions that would improve the bill from our standpoint.

So I will be participating in those negotiations. I hope we can come to some conclusions on this matter. I will discuss a couple of the items I think we should address in just a moment. But to move forward with the description of the bill itself and why I think it is problematic, the primary concern is the fact that it will seriously weaken controls on literally thousands of items that have a dual-use capability—again, items that have some commercial application but also have some specific military capability.

For example, its provision establishing a National Security Control List would continue the unfortunate trend of marginalizing those agencies that are most responsible for national security—the Department of Defense, the Department of State, as well as the intelligence organizations that possess vital knowledge about the military significance of some of these items.

Specifically, the bill diminishes the role of the Department of Defense, the Department of Energy, the State Department, and the intelligence community in the license review process. Even the Clinton administration Executive order regulating dual-use exports in the absence of a permanent Export Administration Act authorized the Departments of Defense, State, and Energy to review any license application submitted to Commerce. But S. 149 would leave to the Secretary of Commerce the discretion to refer to the national security agencies those applications the Secretary of Commerce deems appropriate.

The bill would also repeal the requirement in the fiscal year 1998 National Defense Authorization Act that computers with certain capabilities be controlled. This is important because this represents the work of the Congress and the signature of the President on important legislation just 2 years ago, in response, primarily, to the breaking news of the technology transfers to countries such as China and the work that different groups did to evaluate the way that was happening, especially the work of the Cox committee which made, in addition, a variety of recommendations of how we could tighten up the process for exporting these kinds of items.

This National Defense Authorization Act had a very specific provision about the export of computers. But President Clinton, as he was leaving the White House, loosened significantly the export controls on high-performance computers significantly. Under President Clinton's guidelines, computers with a processing speed of fewer than 85,000 million theoretical operations per second—or MTOPS—no longer require a license for export to military organizations in so-called tier III countries, countries such as Russia, China, India, and Pakistan. By contrast, in 1997, computers with processing speeds above 2,000 MTOPS were barred from export for military end-users or users in tier III countries.

Now, to contrast: 85,000 MTOPS computers are extremely powerful. As a comparison, in 1997, some of the initial computers developed in the United States under our Stockpile Stewardship Program's Accelerated Strategic Computing Initiative, the so-called ASCI—and the specific project was called ASCI Red and ASCI Red/1024; very sophisticated computing programs—these programs had processing speeds of 46,000 and 76,000 MTOPS, respectively. These computers were used for 3D modeling and shock physics simulation for nuclear weapons applications; in other words, the best we had just 3 years ago, used in the most sophisticated analysis in which our country is involved right now, and these are computers with less capability than those that are now off the list for control with respect to export to countries such as China.

Under this bill, there are two major exemptions created that permit this to happen. One is the so-called foreign availability, and the other is the mass market status exception. Both of these would effectively prevent the Federal Government from regulating the export of many sensitive technologies that could be used to threaten U.S. security. Under these provisions, if a product is available from a foreign supplier or is widely available in the United States, it is very unlikely that the President could meet the standards in the bill necessary to maintain export controls on the item.

We all know trade is vital to the United States, but I hope that most of us would agree that national security concerns do trump trade if there is an irreconcilable conflict; at least it should. U.S. national security interests dictate that there are some goods which should not be sold in some markets. Again, I think all of us would agree to that proposition, hypothetically at least. The fact that some Western European firms, for example, helped Libya construct a chemical weapons production complex should not justify the involvement of United States companies in similar ventures. If we don't want that complex to be built, then the United States should not sanction the export of U.S. products which help to develop that chemical weapons production complex. Nations which threaten our security interests should not be armed by the United States. The fight against proliferation and rogue regimes must include some degree of self-discipline within our own borders.

The bill also weakens current export controls by making it very difficult to control the export of a sensitive item if it is incorporated or embedded into a larger product.

(Mr. CARPER assumed the chair.)

Mr. KYL. For example, the bill prohibits export controls on items that contain controlled components comprising less than 25 percent of the total value of an item and sets an extremely high standard for the President to meet in order to control such items. Nations such as Iran and Iraq spend millions of dollars to establish elaborate procurement companies with front companies and shadowy middlemen in order to obtain items that in some cases really only cost a few thousand dollars. These nations could easily take advantage of this by purchasing the larger items that contain the desired part.

There are a lot of examples of this, where you purchase the larger item, and all you want is the little piece embedded in it. That is what you need for your particular nuclear program or missile program. We all know that the particular item is highly sensitive, that it has military application. But in the bill, if it is only 25 percent of the total value of the overall item, then it goes, notwithstanding the fact that it can be easily taken apart, that the sensitive item can be pulled out and put onto a missile or a nuclear weapon or whatever the use of it might be. That doesn't make sense.

Finally, the current bill weakens current controls by treating export controls adopted for foreign policy reasons as a sanction. The bill's provisions in this area subject such export controls to a process that is intended to make it as difficult as possible for either the President or the Congress to impose or maintain sanctions. And it requires that all such export controls sunset every 2 years.

Let me describe a little bit further the problems with the foreign availability and market exemptions. As I said, the bill calls for the creation of an office at the Commerce Department charged with performing studies of whether products controlled for export by the Federal Government are available from foreign suppliers or are widely available in the United States. At least at first blush it would make some sense that if you can get this thing anywhere, then why should the United States punish its own people for exporting the item, but there is more here than meets the eye.

The President may only maintain export controls on an item if he certifies—and I am going through the bill—one, that the absence of an export control on the item would be detrimental to the United States national security and, two, there is a high probability that the foreign availability of an item will be eliminated through multilateral negotiations within a reasonable period of time. Furthermore, the President may only maintain controls on an item for 6 months at a time, up to a total of 18 months, if he has not reached some agreement with the foreign suppliers to limit availability of the item.

The President of the United States, the ultimate person in our country charged with our national security responsibility, is limited by this legislation to only provide three 6-month extensions of a limitation on the export of an item under this provision of the law. Otherwise, after that, it goes.

The bill has a provision that says the President has an opportunity to try to negotiate with the foreign supplier a limitation on the export of the item to a third country. Why would any country have any incentive to negotiate that when they know that after 18 months the lid is off? It seems to me that it is very important for us to try to change provisions such as this in the legislation to try to tighten up the situation in which there is a finding of foreign availability but there is an important reason for the United States to restrict the transfer of an American component.

One example of this has to do with comparable quality. There is nothing in the legislation as it is written right now that requires there be comparable quality between the products. You can easily have something called a computer that is available from two or three countries on the foreign market and a computer that is available in the United States. They may be roughly the same price and they may have roughly the same capacity, but that doesn't mean they are equal in quality in the least.

There are many qualitative factors that differentiate products. One reason why people want to buy American products is because of that built-in quality. Maybe the United States product is less prone to break down. Maybe it has better service contracts. Maybe it is more robust, it can stand more hustle and jostle.

The fact is, there are a lot of different reasons why two roughly comparable products may be of substantially different quality. When we go to the auto dealer to buy a car, some of the things we look at are: how will it stand up? What is its service record? How much do the repairs cost? All of these different things have to do with quality. Yet there is nothing in this legislation that permits anybody to look at the quality aspect. So a company in the United States says: Look, one of our foreign competitors is beating us out here; they are selling a product that is roughly comparable to ours in price and capability so lift the restriction on us. There is a matter of foreign availability involved.

Somebody in the United States needs to say: Yes, there is a matter of foreign availability. But the reason you are being undercut is because that is a product they can sell cheaper that countries will buy because it is of lesser quality, but the fact is, they would rather have your product because they know the quality is better.

We can deny them the quality of the United States product for their military use if we have serious export controls. If we have nothing but this test of foreign availability, then the sky is the limit.

The standards in the bill for maintaining controls on a product are also very difficult to reach. The President may only maintain export controls if "decontrolling or failing to control an item constitutes a serious threat to the national security of the United States, and export controls on the item would be likely to diminish the threat to, and advance the national security interests of the United States." There are a lot of items on the list. For the President to have to go through every one and try to justify meeting a standard such as that is unrealistic.

By incorporating into law the foreign availability and mass market criteria that ignore both our moral responsibilities and our vital if, for proprietary reasons, difficult to articulate technological advantages, this legislation would open the floodgates to an outpouring of highly sensitive goods. Foreign countries want American technology. The fact that they can purchase roughly comparable items elsewhere does not detract from the fact that we are the world leader in most key technologies and that the United States and its corporations should not be in the business of advancing the military capabilities of potential enemies of the United States.

This matter of foreign availability is going to be forever subject to interpretation. It is my view that the Department of Defense should have a lot more in the way of a seat at the table to influence this process.

The best example—at least one good example—of this situation is the export of high-performance computers. Our technology exceeds that of all foreign competitors. Yet our companies are asking for more liberal controls on this basis of foreign availability. As I said before, the Clinton administration, for all practical purposes, eliminated restrictions on the sale of these computers. But because of the 18-month limitation I cited before, the reality is there is almost no way to control, at least after 18 months, the export of these items. It is a very dangerous situation.

The Wisconsin Project on Nuclear Arms Control to which I referred before addressed this issue. Let me quote one paragraph:

> This [foreign availability] pushes export control down to the level of the worst abuser.

Let me restate that:

> This [foreign availability] pushes export control down to the level of the worst abuser. Germany sold Iraq more pieces of dangerous equipment before the Gulf War than all other countries combined. If American policy had been as lax as Germany's, Saddam's bomb program would have advanced much faster. And for exports to Iran, U.S. policy would now have to be relaxed because of sales by Germany, Japan and Switzerland. Moreover, U.S. officials acknowledge that estimates of foreign availability are too imprecise to dictate export policy.

That is from the Wisconsin Project on Nuclear Arms Control. They are interested in trying to limit the export of this kind of technology that would spread nuclear technology around the world, nuclear weapons technology. Their point is that the United States should not be dragged down to the least common denominator. Simply because a country in the world is willing to sell a rogue nation whatever it wants doesn't mean that the United States should permit that same kind of export.

More important is the fact that under this bill if Iraq or Iran or North Korea, for example, seek to sell China high-technology items that can be used in constructing weapons of mass destruction and their means of delivery, then U.S. companies would be similarly free to sell such items to China.

The bill does nothing to prevent such a situation from occurring. So here you have a case where it is not one of our allies such as Germany; it is North Korea, Iran, or Iraq. If they are willing to sell an item to a country such as China, the provisions will say the United States must be willing to do so, too. With Iraq and China's penchant for constructing these well-configured front operations to conceal their activities, it is not outside the realm of possibility that they could surreptitiously attain high-tech items to be "sold" to China. Indeed, countries such as Germany and France that have sold weapons of mass destruction capabilities to Libya and Iraq should not be setting the tone for U.S. export control policy either.

If China sells dual-use items to Pakistan, does that qualify as "foreign availability" under this bill? Yes, it does. Is that the test we want to apply here—if a country such as China sells a dual-use item to Pakistan, therefore it is available on the foreign market?

China's record as perhaps the worst proliferator in the world does not detract from its value as a market. It will receive dual-use technologies under the export regime established by this bill. The risk of those technologies ending up in countries such as Iraq should not be ignored.

The bill contains a provision, section 301, that would prohibit the President from placing controls on "the export from a foreign country (whether or not by a United States person) of any item produced or originating in a foreign country that contains parts or components produced or originating in the United States."

Section 301, which is the principal foreign policy control provision of the bill, places unreasonable standards for controlling the item of technology for foreign policy purposes. By statutorily requiring a finding that a "serious threat"—not just a "threat"—would be posed to U.S. interests by the export of the item in question, the bar has been raised very high indeed.

What to do, Mr. President? We are going to offer suggestions how to improve the bill. Some changes have been made based on suggestions we made, but there is far too much that has not been done in response to the concerns we have raised. By "we," I don't hesitate to note that we are talking about the chairmen, primarily, of the committees of jurisdiction with a concern of national security—chairman of the Armed Services Committee and Ranking Member WARNER, the ranking member of the Intelligence Committee, the ranking member of the Foreign Operations Committee, the ranking member of the Government Operations Committee, I chair a Subcommittee on Terrorism and am a member of the Intelligence Committee and Senator MCCAIN, the ranking member on the Commerce Committee. These are people who have expressed concerns about provisions of the bill, as I have today.

We have tried to get some changes made in the bill. We will continue to work with the sponsors of the bill and the administration to try to make some additional changes that are a little bit more in line with what we believe are true national security interests and closer to the version passed by the House of Representatives.

Eventually, there is going to have to be a compromise between the House and Senate. We have amendments we would like to offer. One I will describe briefly. I will offer it later on, unless we can work this out. There is a possibility that we can work it out. It has to do with the question of how you verify an agreement with another country to inspect after the transfer has been made, to make sure that the shipment has gone to the place they said it would go. Remember, we are talking about dual-use technologies. They say: We want to buy item X to use in our commercial sector. And you say: If you use it in the commercial sector, that is OK, but it is not OK to use in your defense establishment. They agree, so the item is shipped. Somebody needs to go check to make sure the use is indeed in the commercial sector, that they haven't surreptitiously sent it across the street to the defense plant to be used for illicit purposes.

Under regimes that exist with China today, there is very little postshipment verification permitted by China. If we are going to have a trusting set of export controls, as we have in this legislation, we need to have some way of enforcing the agreement these other countries make when a limitation is placed upon a license that it must be used for commercial, nondefense purposes.

The bill, right now, doesn't provide an enforcement mechanism with respect to these countries. It does with respect to companies but not countries. But in the case of China, for example, which has permitted less than one-fourth of the transfers with respect to satellites to have postshipment verification, notwithstanding its agreement in 1998 that it would do so, we need to have some kind of enforcement that, in fact, when we sell them something for commercial purposes, that is what it will be used for.

The only way to do that is to change a provision of the law which would enable us to go in and inspect—not have the Chinese do it for us, which is sometimes what they do today. They insist on doing their own inspection. We need to verify postshipment that the item went where it was supposed to go. If a country such as China does not permit that, or we find they have violated the terms of the agreement, then we have to have the ability to say no to future licenses.

Under the bill, the only thing you can say no to is that same kind of item. Clearly, the U.S. Government needs a broader authority. If the Chinese are cheating on satellites, for example, and then they want to buy nuclear components ostensibly for a powerplant, but we also know it has nuclear weapons capability, we want to have the ability to say no until they show us they are abiding by the agreement with respect to satellites; we are not going to export something that could be used militarily by their armed services for a nuclear program.

I have suggested language to the proponents, and I hope they will be receptive to a change that would give the U.S. the ability with respect to subsequent license decisions to say no if, in fact, the U.S. believes there is a lack of cooperation by this country.

There is so much detail one could get into here, and there are so many changes I think we should make. I hesitate to go further with the description. I have tried to generally describe some of the aspects we think are wrong. I think it is important for us to have the ability to offer some amendments, describe specifically the improvements we think should be made in the bill, and hopefully throughout the course of the proceedings we will be able to come to some agreement that will make the bill a little better so we can get on with the work of dealing with the House of Representatives so we can conclude work on this legislation.

I know it is important to the administration. I don't want to hold it up because of that. If the President says he wants to have a bill on this subject, that is good enough for me. I am willing to try to have that happen. We hope we can get work done on improving the bill in the next day or two. Assuming that we can, my guess is that consideration of the legislation will go more quickly.

I appreciate the indulgence of my colleagues. Later, I will discuss the specific amendments I think would be appropriate—not in detail, but by general subject matter—and that will enable us to decide how we can move forward on the legislation at this time.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, I thank the Senator from Arizona for his comments. I feel compelled to comment on a couple of the items he raised. There were several mentions of jurisdiction in there. I know there has been some jurisdictional friction during this entire time that we have worked on the bill over the last 3 years. I hope the Senators feel they have been included in discussions. We have lists of a lot of meetings in which we participated. We mentioned the 59 changes that have been made in the bill as a result of those meetings, probably the most significant of which is the enhanced powers. We mentioned foreign availability.

I have to tell you that the foreign availability in this bill was in the 1979 act, but it has gotten some attention because we put in mass market this time.

Because of comments raised by the Senator from Arizona and several of his colleagues, we have a provision in here that provides for some Presidential enhanced powers that trump all of that. We hope the President won't trump all of that. We hope the President will work to have some multilateral controls over these foreign availability items instead of just the unilateral system that we are working now. "Unilateral" means we are letting the rest of the world sell this stuff to anybody they want. "Multilateral" means we work together to make sure anybody who makes that item doesn't sell it to the bad guys.

We have to have the multilateral control. Unilateral doesn't work. Unless we put the foreign availability in there with a suggestion—and it becomes a suggestion because of the paragraph we put in at your suggestion with the Presidential enhanced powers—it is only a suggestion because the President can trump that, but hopefully he will work with these other countries and see, if a product that ought to be controlled is made in a foreign country, if we can get the foreign country to agree on who the bad guys are and agree they will not sell it to them.

I appreciate the Senator's suggestion on that. I think it is the most dramatic change that is in the entire bill.

On the jurisdictional question, the 1979 act was written by the Banking Committee. It was their jurisdiction back then. It has been advanced a number of times since then, each time by the Banking Committee.

Of course, everybody recognizes the world is considerably different now than it was in 1979. We do not have some of the same capability because COCOM, which was a multilateral agreement, no longer exists. It is now a voluntary agreement instead of an enforced agreement.

Throughout that whole uncertain time from 1979 until the Iron Curtain came down, the Banking Committee held the jurisdiction over export controls—not arms controls but export controls. Under the committee's oversight, the EAA and its predecessor, the Export Control Act, served as the key export control authority throughout the cold war and I think significantly contributed to its demise.

In fact, the Banking Committee has long had broad national security jurisdiction which has been rivaled by few other committees. Among the laws within its jurisdiction are the Trading with the Enemy Act, the International Emergency Economic Powers Act, the Defense Production Act, the Exon-Florio amendment, the Iran and Libya Sanctions Act, the Export Administration Act.

Rule XXV of the Standing Rules of the Senate makes clear that the Banking Committee has sole jurisdiction over dual-use export controls. Paragraph (d)(1) states explicitly that "all proposed legislation, messages, petitions, memorials, and other matters relating to" export controls shall be referred to the Banking Committee. Nowhere else in the rules is there any mention of export controls with regard to any other committee.

The Banking Committee's jurisdiction over export controls is fully authorized and appropriate. That is why we have been doing the work on this bill.

The act has expired a number of times. When it expires, the only action that can be taken is an Executive order by the President under the International Emergency Economic Powers Act. That just does not cut it, and I think everybody agrees that does not cut it. We need to do something a little more dramatic than that.

We can go back to that act of 1979, but pretty much everybody agrees that is inadequate at this point in time and that there should be some differences made. There have been a number of studies done on that—one of them was quoted yesterday—that Secretary Rumsfeld participated in before he became the Secretary.

Yesterday we presented a letter showing that Secretary Rumsfeld thinks this bill is an improved version of the 1979 act and will solve the problems about which we have been talking. There are things that need to be done in addition to this.

I do think continual review of our export policy is necessary. I appreciate the suggestion of the blue ribbon panel. It has some capability to take a look at this in the interim while we operate under this new act so we have something substantial in place that will protect us beyond an Executive order or even beyond the extension of the 1979 act. I will have additional comments later. I did want to clear up those things because we debated them a bit yesterday. There is some foreign availability, but we have a Presidential trump done at the Senator's suggestion and, again, a number of other changes.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Tennessee.

Mr. THOMPSON. Mr. President, I will take a couple of minutes, if I may, to make brief remarks in response to my friend's statements.

Foreign availability, one might say, was in the 1979 act, but foreign availability has been greatly expanded in this act. In the 1979 act, foreign availability was allowed to be considered as one of several factors in determining whether or not to issue a license. That is perfectly appropriate.

In the current legislation, foreign availability is set up as a total distinct category of items, whereby if there is foreign availability, it is totally decontrolled as determined by the Department of Commerce. That is a major difference.

Obviously, the proponents of this bill are going to prevail on the notion that this is a good idea, but let's not deceive ourselves into thinking we are just continuing on the 1979 policy. We are greatly expanding the 1979 policy on foreign availability.

Secondly, I had not mentioned anything on jurisdiction. Apparently my friend from Arizona did and Senator ENZI just did. There is no question that the Banking Committee has jurisdiction. Since the subject has been brought up, I find it somewhat odd that we as a body have decided to take legislation whose purpose is to restrict the export of items that would contribute to the military potential of countries so as to prove detrimental to the national security of the United States, and legislation designed to stem the proliferation of weapons of mass destruction and place that in the Banking Committee. We have done it. There is no question about it.

I find that kind of odd. The House did not do it. It is not in the Banking Committee on the House side, but it is in the Senate. I do not know whether anybody wants to take a look at that. They are welcome to, and it will be a fruitless exercise. But since the subject has been brought up, I find it somewhat odd that we would choose to take legislation designed to protect our country from proliferation of weapons of mass destruction and place that jurisdiction in the Banking Committee.

I yield the floor.

The PRESIDING OFFICER. Who seeks time? The Senator from Maryland.

Mr. SARBANES. Mr. President, I know the able Senator from Utah has been waiting to speak. If he will indulge me a couple minutes, I want to get something into the RECORD in light of the comments that were made by the Senator from Arizona.

One of the difficulties I am having, as I hear the critics of this bill outline their concerns, I frequently find myself sharing their concerns but then not understanding why they fail to perceive the bill addresses their concerns. In other words, we have tried to cover this matter.

The Senator from Arizona has spent a good deal of time talking about foreign availability but, in fact, the legislation specifically provides a whole procedure whereby the President can set aside a foreign availability status determination. That is in section 212. There is a detailed process by which he can set that aside.

Furthermore, and much more importantly in a sense, in response to some of the points that were raised, we give the President in section 201(d) enhanced control authority.

Let me read that authority:

> Notwithstanding any other provisions of this title, the President may determine that applying the provisions of section 204 or 211—

And 211 is the foreign availability mass marketing section—

> with respect to any item on the National Security Control List would constitute a significant threat to the national security of the United States and that such item requires enhanced control. If the President determines that enhanced control should apply to such item, the item may be excluded from the provisions of section 204, section 211, or both, until such time as the President shall determine that such enhanced control should no longer apply to such item.

No wonder the administration is supportive with that kind of blanket authority placed in the hands of the President. I wanted to underscore that.

The other point was raised about ascertaining end users.

On page 295 of the legislation, I am going to take a moment to read the provisions because the Secretary shall target postshipment verification to exports involving the greatest risk to national security. Refusal to allow postshipment verification, which the Senator from Arizona was just talking about, if an end user refuses to allow postshipment verification of a controlled item, the Secretary shall deny a license for the export of any controlled item to such end user until such postshipment verification occurs.

Let me state that section again. If an end user refuses to allow postshipment verification of a controlled item, the Secretary shall deny a license for the export of any controlled item to such end user until such postshipment verification occurs.

Furthermore, the point was raised, suppose the country refuses. Again, if the country in which the end user is located refuses to allow postshipment verification of a controlled item, the Secretary may deny a license for the export of that item or any substantially identical or directly competitive item or class of items to all end users in that country until such postshipment verification is allowed.

So the problem was raised, but in my view the bill clearly addresses the problem. Furthermore, the bill goes on to say on this specific issue—I could do a similar exercise with other points that were made or issues that were raised, but I am not going to take the time to do that, and the Senator from Utah is being very patient and generous in allowing me to proceed.

Let me just close with again discussing the end-use verification because we recognize it is an important challenge, and we need to deal with it. We are not contending it does not need to be addressed. We are simply asserting there are ways we have addressed it in the bill, and we think these ways of addressing it deal with the problem.

End-use verification authorization: There is authorized to be appropriated for the Department of Commerce $4.5 million and such sums as may be necessary to hire 10 additional overseas investigators to be posted in the People's Republic of China, the Russian Federation, the Hong Kong Special Administrative Region, the Republic of India, Singapore, Egypt, and Taiwan, or any other place the Secretary deems appropriate for the purpose of verifying the end use of high-risk, dual-use technology.

Then there is a provision for a report to the Congress from the Secretary on the effectiveness of the end-user verification activities.

There is a further provision, in addition to the authorization provided in paragraph 1—that is, the $4.5 million I just mentioned—there is authorized to be appropriated for the Department of Commerce $5 million to enhance this program for verifying the end use of items subject to controls under this act. So there is an additional $10 million we are putting into this specific purpose.

Mr. THOMPSON. Will the Senator yield for a question?

Mr. SARBANES. Yes.

Mr. THOMPSON. Will the Senator agree the issue is whether or not it is good policy to require the Secretary to cut off an end user, if postshipment verification is not allowed, but would give the Secretary discretion to cut off or not cut off a country that denies postshipment verification? It seems that is the issue.

The point my friend from Arizona was making was in some cases you have a country, such as China, where we have a situation with them where we request postshipment verifications for various sites, and they agree to a few and remain silent on the rest. They never say no; they just never say yes. This is a country decision.

Under the legislation, the Secretary does have the discretion, and I can see an argument for giving him discretion, but I can also see a very good argument, and more persuasive, that as it makes good policy sense to require the Secretary to cut off, as a matter of national policy, an end user if they behave in such a way, that the same logic would make it good policy to·cut off a country if they are, in fact, calling the shots, as is often the case.

Mr. SARBANES. There is some weight to the point the Senator is making, but it seems to me cutting off the country has a broad range of implications and consequences. Those have to be taken into consideration and, therefore, giving the Secretary a "may" authority rather than a "shall" requirement probably makes sense in that instance. The counterargument can obviously be made that then you may confront a situation in which, because of the host of considerations that are involved, you do not want to actually exercise the authority, but the statute would require you to do so.

The way it is worded, the authority is given, it is there to be exercised, but exercising is not compelled. We came down on that side of it. We are trying to give authority to the executive branch but give them a certain amount of flexibility to deal with the problem.

The Senator himself yesterday referred to the unintended consequences of consideration. As I commented yesterday, that was a very apt perception and, again, we are trying to deal potentially with what might be an unintended consequence.

Mr. President, the Senator from Utah has been extremely generous, and I yield the floor.

The PRESIDING OFFICER. The Senator from Maryland yields the floor. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, I thank the Chair and I thank my colleagues for an illuminating debate. With some trepidation, I am going to take a page out of the book of the senior Senator from West Virginia and talk about Roman history for a moment because I think it is appropriate in this circumstance.

The Roman Empire was the dominant military power for many centuries, and it was the dominant military power for two reasons: one was technology and the other was training.

In order to become a Roman legionnaire, I understand it took 14 years of training to learn the technology. Now, it may sound strange in today's world to call "technology" what the Romans used in their military, but the Romans carefully studied the art of war and came up with a technology that was new and unique in their time.

They had a large shield with which they could protect themselves against the initial blow of the enemy, and then they devised a short sword which could go around the shield and into the back of the soldier with whom they were involved in close combat. They found the short sword was technologically better than the long sword, and the combination of training with the shield and the short sword gave the Roman legions military dominance over all the world.

Why is that relevant? We are talking about technology. We are not talking about training. We are not talking about the ability of the American military and the American planners to use the available technology better than other people can use it. It is a point which must be made as we go through this debate because we are having the debate as if the technology by itself constitutes military superiority, as if a single export of a single item of technology to a country that wishes us ill would automatically and immediately change the military balance between us and that country. That simply is not true.

The American military is not at risk because of the potential export of computing power from American firms. The American military is as powerful as it is because of the combination of the technology that it employs plus the strategic expertise, the military doctrine and the training and implementing of that doctrine that goes on in the American military and that requires years to implement, just as it did back in the days of the Roman Empire and the training of a legionnaire.

The barbarians in Roman times could easily duplicate a short sword. That was technology that they could reproduce in their own foundries. They didn't quite know how to use it. They didn't know how to use it in conjunction with the shield. The possession of the physical attributes of the shield and the sword did not create a military that could attack and destroy the Roman legions.

The same is true of computer power today. The mere possession of computer power by a nation that wishes us ill does not automatically mean they have the power to take on the American military establishment and defeat it. The other factor here that is different from the Romans that we have to focus on has to do with the speed with which technology is changing. The Romans dominated the world for centuries with the shield and the short sword. But the Senator from Arizona has bemoaned the fact that computer power that would have been improper, indeed illegal, to export just 3 years ago, is today being exported all over the world. Three years constitutes two cycles in what is known as Moore's law. Computing power doubles every 18 months. That means that which was considered to be a supercomputer just 3 years ago has been replaced in the normal course of industrial technology by a computer that has doubled and then doubled again, four times as powerful, so that which is now being allowed to be exported without controls, which would have been controlled 3 years ago, is not only being exported, it is obsolete. Nobody wants it, except in a way I will describe in just a minute.

This is the rate of the marketplace in which we are living today. It is not slowing down. If anything, it is accelerating.

I quote from President Bush: The existing export controls forbid the sales abroad of computers with more than a certain amount of computing power. With computer power doubling every 18 months, these controls have the shelf life of sliced bread. They don't work.

It is interesting the most powerful computer available now in the standard marketplace—and even this statement is now obsolete; it was true maybe 6 or 9 months ago—the most powerful computer available to the general public came from Japan, not from America, and was available in a toy, PlayStation 2. The computing power of PlayStation 2 was sufficient to drive the entire missile control system of the Chinese military as it existed at the time of the Cox report.

Are we going to say we would prohibit American firms from exporting computers that have the same power as the toy PlayStation 2, in an effort to deny that ability to the Chinese, when they can walk into Toys R Us, anywhere in the world, and pick it up for a few hundred dollars.

That is what is happening in this world of technology. We turn our backs to that reality if we say somehow we must prevent the Americans from exporting this kind of thing even though the foreigners are producing it and selling it all over the world.

John Hamre, the Deputy Secretary of Defense, said to me in a conversation about this, toward the end of his term with the Department of Defense, and I am paraphrasing: My realization that we are on the wrong side of this issue came when it suddenly occurred to me that if we continue to prevent Americans from being in the world market, we are hastening the day when the American military will have to go to foreign suppliers for the latest technology because American suppliers have been damaged.

The Senator from Arizona said we must not arm our enemies or that our enemies should not be armed by the United States. I say we should not get ourselves into a position where the United States must go to foreign sources for the technology it needs to arm itself.

But if we say to American manufacturers, you cannot play in the world market except on a time-delayed basis, you cannot compete with companies in Germany, Britain, Japan, and, yes, China because there are computer manufacturers that are making machines with high levels of MTOPS in China trying to get into the international market—if we say to the Americans, you cannot compete in the international market with these foreign firms except with a delayed time fuse created by the government, we are saying, ultimately, that the leadership of technology will go from the United States overseas, and the American military will be faced with a very difficult situation, a very serious Hobson's choice. They will have to decide either we use American technology that is behind the curve because the American firms have been damaged by their inability to compete in the international marketplace and thereby to sell in a larger marketplace and thereby to cut their costs by virtue of increased sales or we have to go overseas to buy that technology.

That is not a choice I want the Secretary of Defense 5 or 10 years from now to have to make. I want the Secretary of Defense 5 to 10 years from now to be in the position he is now, to say the leading technology sources are American and that is where I will go to buy.

The days are over when American technology companies manufacture solely for the Defense Department. They manufacture for dual use everywhere. I remember a time when the telephone system in the Pentagon was completely secure because it was run entirely by the Defense Department. Those days are over. When the Secretary of Defense picks up the telephone now he is connected to Verizon. Why is that the case? Because Verizon has developed better technology using the marketplace of both the military and the private sector. It is more reliable than the old defense system was, and it is cheaper.

When the Defense Department goes out to buy computer chips, they don't buy them from a source solely dedicated to defense contracting. That was the norm in the 1950s and the 1960s. I remember giant corporations that produced nothing but defense technology. They did all of their research for the Defense Department. They had only one customer and that was the Defense Department and everything was focused there. It was also very expensive.

Now when they develop a new chip or a new technology they offer it to the Defense Department the same time they offer it in the civilian market. It is the profits they make in the civilian market that subsidize the work they do for the defense market, bringing costs down for everybody, and increasing the technical ability of the products they make.

If we say to them, artificially, you cannot sell these products anywhere but in the United States, even though your principle competitors in the borderless economies of the world are selling their products everywhere else, as well as in the United States, we are handicapping these American firms to a point that will ultimately become a national security issue for the United States, that will ultimately take us to the situation that Secretary Hamre was worried about where the Defense Department will have to choose between American manufacturers forced to be behind the curve internationally or foreign manufacturers located offshore.

We may not like this situation but that is where we are and we are not going to go back. The borderless economy is a reality of the future. It cannot be turned back. We have to accept this new reality and say the best national security step we can take is to keep American technology firms absolutely in the forefront, and the best way to keep them in the forefront is to give them the opportunity to compete in the largest possible market that they can.

That is why this bill is so important. That is why this bill has significant national security implications that cannot be ignored. But, once again, let us remember as we get concerned about the military applications of this technology in other countries, that the American military is as strong as it is not solely because of its technology but because of the entire structure of technology, strategy, and training that has been built around it.

There are others who recognize that everything is changing in the way that I have described. We have the letter from Secretary Powell, from Secretary Rumsfeld, as well as Secretary Evans, all three of them saying this is the new reality and endorsing the bill.

But let me describe how the new reality comes along to make these past controls obsolete. This information is available everywhere in the world. Once again, it is a borderless economy. We cannot keep it secret. This is published in Scientific American, an article of August of 2000. It is called "The Do-It-Yourself Supercomputer."

> Scientists have found a cheaper way to solve tremendously difficult computational problems: connect ordinary PCs so that they can work together.

It is a wonderful story. The authors of the article describe how they created what they called the stone soupercomputer, only they spelled it S-O-U-P-E-R, after the old fable about stone soup. We all remember hearing that as children: two fellows come to town and they are going to have a big bowl of soup, and they get a big caldron, put water in it and then put stones in it. The villagers gather around and ask: How are you going to get soup out of stones?

Oh, they say, this is wonderful. We will have the most wonderful soup in the world. Do you want to contribute something to it?

Someone says: Is it really going to be that good?

Oh, yes. We'll give you some of it.

So someone puts in a little carrot to see if that will help the stone soup. And someone says I have a little bit of beef that I can put in. And at the end you have the wonderful soup that, frankly, didn't cost the makers of the soup anything.

They talk about the stone soupercomputer because they were faced with a computing challenge that would require traditional supercomputers and they could not afford a supercomputer. So they thought, what if we took existing computers and linked them together, like the villagers bringing their various vegetables and linking them together? Could we create a supercomputer? If I can quote from the article:

> In 1996 two of us (Hargrove and Hoffman) encountered such a problem in our work at Oak Ridge National Laboratory in Tennessee. We were trying to draw a national map of ecoregions, which are defined by environmental conditions: All areas with the same climate, landforms and soil characteristics fall into the same ecoregion. To create a high resolution map of the continental United States, we divided the country into 7.8 million square cells, each with an area of 1 square kilometer. For each cell we had to consider as many as 25 variables, ranging from average monthly precipitation to the nitrogen content of the soil. A single PC or work station could not accomplish the task. We needed a parallel-processing supercomputer—and one that we could afford.

So there is the problem. It is the kind of daunting problem that we have learned to solve with computers. What did they do? Going back to the article:

> Our solution was to construct a computing cluster—

If I can interpolate, listen very carefully to what they used here, in view of the comments of the Senator from Arizona about the necessity of quality.

Back to the quote:

> . . . using obsolete PCs . . . that would otherwise be discarded. Dubbed the Stone SouperComputer because it was built essentially at no cost, our cluster of PCs was powerful enough to produce ecoregion region maps of unprecedented detail. Other research groups have devised even more capable clusters that rival the performance of the world's best supercomputers at a mere fraction of their cost.

So here is a situation where they not only used PCs rather than a supercomputer, they used PCs that were obsolete, that would otherwise have been discarded. But they were able to string them together in such a way as to duplicate the power of the supercomputer.

I ask unanimous consent the entire article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BENNETT. How would you feel if you were the manufacturer of a computer that could compete internationally with the best the Japanese, the Chinese, the Germans, the Dutch or the British could offer and you were told: No, you cannot export that until this long regime of analysis has gone on because it might be used to duplicate the outcome of a supercomputer, and you saw that people were using obsolete computers to produce the same result?

The reality is, we find ourselves in an age that, as recently as 5 years ago, and certainly as recently as 10 years ago, we could never have imagined.

This bill before us is an attempt to bring the law into some kind of congruity with reality and say we have to make the opportunity for American computer and high-tech firms to compete in the world marketplace and thereby prosper as friendly as possible.

We have a national security obligation to see to it that the American firms retain their lead, the lead that has been established at great expense and great effort by American research firms, by American universities, by the inventiveness of American entrepreneurs and American programmers. We must not deny them the opportunity to compete in the world market on the same basis as every other country's entrepreneurs can compete because, if we do, we run the risk of having them fall behind to the point that America will ultimately end up being as dependent on foreign technology as we are currently dependent on foreign oil.

That is not something we want to have happen. That is something that has been driving me, at least, in my analysis and sponsorship of this kind of effort.

I congratulate my friend from Wyoming, Senator ENZI, for the leadership he has taken in the Banking Committee to pull together the concepts that are involved in this into a piece of legislation that will do the job.

I have no doubt that we are going to have to visit this again, maybe within 3, 5, certainly 10 years. Because the technological landscape is going to change just as dramatically in the next 10 as it has in the last 10. But I listen to those who are opposed to this bill recite circumstances that are 3 years old, 5 years old, 8 years old. I do not challenge their motives, their patriotism, or their determination to do the right thing. They are as determined to do the right thing as I hope I am. But I do think that the world is changing so rapidly around us and this portion of the economy is changing so rapidly that we must recognize that and respond appropriately and accordingly.

Finally, in the report from the General Accounting Office that came in December of 2000, which was stimulated by the concerns of the Senator from Tennessee, with whom I worked to see that the GAO would give us this report, we read the following:

> The current system of controlling the export of individual machines is ineffective in limiting countries of concern from obtaining high performance computing capabilities for military applications. In addition, . . . using MTOPS to establish export control thresholds is outdated and no longer a valid means for controlling computing capabilities.

That summarizes my position.

We are ineffective with the controls that exist now in limiting rogue countries from getting the technologies they would need. Our security is dependent not on this ineffective kind of control; our security is dependent upon the overall expertise of the American military, which, as the Roman legions, is dependent on training and strategy every bit as much as the technology they have.

For that reason, I will support this bill as it stands and resist amendments to it. I appreciate the efforts on the part of the Senator from Wyoming and the Senator from Maryland as they work to see that this bill becomes law.

I yield the floor.

EXHIBIT 1

[From Scientific American, Aug. 2001]

THE DO-IT-YOURSELF SUPERCOMPUTER

SCIENTISTS HAVE FOUND A CHEAPER WAY TO SOLVE TREMENDOUSLY DIFFICULT COMPUTATIONAL PROBLEMS: CONNECT ORDINARY PCS SO THAT THEY CAN WORK TOGETHER

(By William W. Hargrove, Forrest M. Hoffman and Thomas Sterling)

In the well-known stone soup fable, a wandering soldier stops at a poor village and says he will make soup by boiling a cauldron of water containing only a shiny stone. The townspeople are skeptical at first but soon bring small offerings: a head of cabbage, a bunch of carrots, a bit of beef. In the end, the cauldron is filled with enough hearty soup to feed everyone. The moral: cooperation can produce significant achievements, even from meager, seemingly insignificant contributions.

Researchers are now using a similar cooperative strategy to build supercomputers, the powerful machines that can perform billions of calculations in a second. Most conventional supercomputers employ parallel processing: they contain arrays of ultrafast microprocessors that work in tandem to solve complex problems such as forecasting the weather or simulating a nuclear explosion. Made by IBM, Cray and other computer vendors, the machines typically cost tens of millions of dollars—far too much for a research team with a modest budget. So over the past few years, scientists at national laboratories and universities have learned how to construct their own supercomputers by linking inexpensive PCs and writing software that allows these ordinary computers to tackle extraordinary problems.

In 1996 two of us (Hargrove and Hoffman) encountered such a problem in our work at Oak Ridge National Laboratory (ORNL) in Tennessee. We were trying to draw a national map of ecoregions, which are defined by environmental conditions: all areas with the same climate, landforms and soil characteristics fall into the same ecoregion. To create a high-resolution map of the continental U.S., we divided the country into 7.8 million square cells, each with an area of one square kilometer. For each cell we had to consider as many as 25 variables, ranging from average monthly precipitation to the nitrogen content of the soil. A single PC or workstation could not accomplish the task. We needed a parallel-processing supercomputer—and one that we could afford!

Our solution was to construct a computing cluster using obsolete PCs that ORNL would have otherwise discarded. Dubbed the Stone SouperComputer because it was build essentially at no cost, our cluster of PCs was powerful enough to produce ecoregion maps of unprecedented detail. Other research groups have devised even more capable clusters that rival the performance of the world's best supercomputers at a mere fraction of their cost. This advantageous price-to-performance ratio has already attracted the attention of some corporations, which plan to use the clusters for such complex tasks as deciphering the human genome. In fact, the cluster concept promises to revolutionize the computing field by offering tremendous processing power to any research group, school or business that wants it.

BEOWULF AND GRENDEL

The notion of linking computers together is not new. In the 1950s and 1960s the U.S. Air Force established a network of vacuum-tube computers called SAGE to guard against a Soviet nuclear attack. In the mid-1980s Digital Equipment Corporation coined the term "cluster" when it integrated its mid-range VAX minicomputers into larger systems. Networks of workstations—generally less powerful than minicomputers but faster than PCs—soon became common at research institutions. By the early 1990s scientists began to consider building clusters of PCs, partly because their mass-produced microprocessors had become so inexpensive. What made the idea even more appealing was the falling cost of Ethernet, the dominant technology for connecting computers in local-area networks.

Advances in software also paved the way for PC clusters. In the 1980s Unix emerged as the dominant operating system for scientific and technical computing. Unfortunately, the operating systems for PCs lacked the power and flexibility of Unix. But in 1991 Finnish college student Linus Torvalds created Linux, a Unix-like operating system that ran on a PC. Torvalds made Linux available free of charge on the Internet, and soon hundreds of programmers began contributing improvements. Now wildly popular as an operating system for stand-alone computers, Linux is also ideal for clustered PCs.

The first PC cluster was born in 1994 at the NASA Goddard Space Flight Center. NASA had been searching for a cheaper way to solve the knotty computational problems typically encountered in earth and space science. The space agency needed a machine that could achieve one gigaflops—that is, perform a billion floating-point operations per second. (A floating-point operation is equivalent to a simple calculation such as addition or multiplication.) At the time, however, commercial supercomputers with that level of performance cost about $1 million, which was too expensive to be dedicated to a single group of researchers.

One of us (Sterling) decided to pursue the then radical concept of building a computing cluster from PCs. Sterling and his Goddard colleague Donald J. Becker connected 16 PCs, each containing an Intel 486 microprocessor, using Linux and a standard Ethernet network. For scientific applications, the PC cluster delivered sustained performance of 70 megaflops—that is, 70 million floating-point operations per second. Though modest by today's standards, this speed was not much lower than that of some smaller commercial supercomputers available at the time. And the cluster was built for only $40,000, or about one tenth the price of a comparable commercial machine in 1994.

NASA researchers named their cluster Beowulf, after the lean, mean hero of medieval legend who defeated the giant monster Grendel by ripping off one of the creature's arms. Since then, the name has been widely adopted to refer to any low-cost cluster constructed from commercially available PCs. In 1996 two successors to the original Beowulf cluster appeared: Hyglac (built by researchers at the California Institute of Technology and the Jet Propulsion Laboratory) and Loki (constructed at Los Alamos National Laboratory). Each cluster integrated 16 Intel Pentium Pro microprocessors and showed sustained performance of over one gigaflops at a cost of less than $50,000, thus satisfying NASA's original goal.

The Beowulf approach seemed to be the perfect computational solution to our problem of mapping the ecoregions of the U.S. A single workstation could handle the data for only a few states at most, and we couldn't assign different regions of the country to separate workstations—the environmental data for every section of the country had to be compared and processed simultaneously. In other words, we needed a parallel-processing system. So in 1996 we wrote a proposal to buy 64 new PCs containing Pentium II microprocessors and construct a Beowulf-class supercomputer. Alas, this idea sounded implausible to the reviewers at ORNL, who turned down our proposal.

Undeterred, we devised an alternative plan. We knew that obsolete PCs at the U.S. Department of Energy complex at Oak Ridge were frequently replaced with newer models. The old PCs were advertised on an internal Web site and auctioned off as surplus equipment. A quick check revealed hundreds of outdated computers waiting to be discarded this way. Perhaps we could build our Beowulf cluster from machines that we could collect and recycle free of charge. We commandeered a room at ORNL that had previously housed an ancient mainframe computer. Then we began collecting surplus PCs to create the Stone SouperComputer.

A DIGITAL CHOP SHOP

The strategy behind parallel computing is "divide and conquer." A parallel-processing system divides a complex problem into smaller component tasks. The tasks are then assigned to the system's nodes—for example, the PCs in a Beowulf cluster—which tackle the components simultaneously. The efficiency of parallel processing depends largely on the nature of the problem. An important consideration is how often the nodes must communicate to coordinate their work and to share intermediate results. Some problems must be divided into myraid minuscule tasks; because these fine-grained problems require frequent internode communication, they are not well suited for parallel processing. Coarse-grained problems, in contrast, can be divided into relatively large chunks. These problems do not require much communication among the nodes and therefore can be solved very quickly by parallel-processing systems.

Anyone building a Beowulf cluster must make several decisions in designing the system. To connect the PCs, researchers can use either standard Ethernet networks or faster, specialized networks, such as Myrinet. Our lack of a budget dictated that we use Ethernet, which is free. We chose one PC to be the front-end node of the cluster and installed two Ethernet cards into the machine. One card was for communicating with outside users, and the other was for talking with the rest of the nodes, which would be linked in their own private network. The PCs coordinate their tasks by sending messages to one another. The two most popular message-passing libraries are message-passing interface (MPI) and parallel virtual machine (PVM), which are both available at no cost on the Internet. We use both systems in the Stone SouperComputer.

Many Beowulf clusters are homogeneous, with all the PCs containing identical components and microprocessors. This uniformity simplifies the management and use of the cluster but is not an absolute requirement. Our Stone SouperComputer would have a mix of processor types and speeds because we intended to use whatever surplus equipment we could find. We began with PCs containing Intel 486 processors but later added only Pentium-based machines with at least 32 megabytes of hard-disk storage.

It was rare that machines met our minimum criteria on arrival; usually we had to combine the best components from several PCs. We set up the digital equivalent of an automobile thief's chop shop for converting surplus computers into nodes for our cluster. Whenever we opened a machine, we felt the same anticipation that a child feels when opening a birthday present: Would the computer have a big disk, lots of memory or (best of all) an upgraded motherboard donated to us by accident? Often all we found was a tired old veteran with a fan choked with dust.

Our room at Oak Ridge turned into a morgue filled with the picked-over carcasses of dead PCs. Once we opened a machine, we recorded its contents on a "toe tag" to facilitate the extraction of its parts later on. We developed favorite and least favorite brands, models and cases and became adept at thwarting passwords left by previous owners. On average, we had to collect and process about five PCs to make one good node.

As each new node joined the cluster, we loaded the Linux operating system onto the machine. We soon figured out how to eliminate the need to install a keyboard or monitor for each node. We created mobile "crash carts" that could be wheeled over and plugged into an ailing node to determine what was wrong with it. Eventually someone who wanted space in our room bought us shelves to consolidate our collection of hardware. The Stone SouperComputer ran its first code in early 1997, and by May 2001 it contained 133 nodes, including 75 PCs with Intel 486 microprocessors, 53 faster Pentium-based machines and five still faster Alpha workstations, made by Compaq.

Upgrades to the Stone SouperComputer are straightforward: we replace the slowest nodes first. Each node runs a simple speed test every hour as part of the cluster's routine housekeeping tasks. The ranking of the nodes by speed helps us to fine-tune our cluster. Unlike commercial machines, the performance of the stone SouperComputer continually improves, because we have an endless supply of free upgrades.

PARALLEL PROBLEM SOLVING

Parallel programming requires skill and creativity and may be more challenging than assembling the hardware of a Beowulf system. The most common model for programming Beowulf clusters is a master-slave arrangement. In this model, one node acts as the master, directing the computations performed by one or more tiers of slave nodes. We run the same software on all the machines in the Stone SouperComputer, with separate sections of code devoted to the master and slave nodes. Each microprocessor in the cluster executes only the appropriate section. Programming errors can have dramatic effects, resulting in a digital train wreck as the crash of one node derails the others. Sorting through the wreckage to find the error can be difficult.

Another challenge is balancing the processing workload among the cluster's PCs. Because the Stone SouperComputer contains a variety of microprocessors with very different speeds, we cannot divide the workload evenly among the nodes: if we did so, the faster machines would sit idle for long periods as they waited for the slower machines to finish processing. Instead we developed a programming algorithm that allows the master node to send more data to the faster slave nodes as they complete their tasks. In this load-balancing arrangement, the faster PCs do most of the work, but the slower machines still contribute to the system's performance.

Our first step in solving the ecoregion mapping problem was to organize the enormous amount of data—the 25 environmental characteristics of the 7.8 million cells of the continental U.S. We created a 25-dimensional data space in which each dimension represented one of the variables (average temperature, precipitiation, soil characteristics and so on). Then we identified each cell with the appropriate point in the data space. Two points close to each other in this data space have, by definition, similar characteristics and thus are classified in the same ecoregion. Geographic proximity is not a factor in this kind of classification; for example, if two mountaintops have very similar environments, their points in the data space are very close to each other, even if the mountaintops are actually thousands of miles apart.

Once we organized the data, we had to specify the number of ecoregions that would be shown on the national map. The cluster of PCs gives each ecoregion an initial "seed position" in the data space. For each of the 7.8 million data points, the system determines the closest seed position and assigns the point to the corresponding ecoregion. Then the cluster finds the centroid for each ecoregion—the average position of all the points assigned to the region. This centroid replaces the seed position as the defining point for the ecoregion. The cluster then repeats the procedure, reassigning the data points to ecoregions depending on their distances from the centroids. At the end of each iteration, new centroid positions are calculated for each ecoregion. The process continues until fewer than a specified number of data points change their ecoregion assignments. Then the classification is complete.

The mapping task is well suited for parallel processing because different nodes in the cluster can work independently on subsets of the 7.8 million data points. After each iteration the slave nodes send the results of their calculations to the master node, which averages the numbers from all the subsets to determine the new centroid positions for each ecoregion. The master node then sends this information back to the slave nodes for the next round of calculations. Parallel processing is also useful for selecting the best seed positions for the ecoregions at the very beginning of the procedure. We devised an algorithm that allows the nodes in the Stone SouperComputer to determine collectively the most widely dispersed data points, which are then chosen as the seed positions. If the cluster starts with well-dispersed seed positions, fewer iterations are needed to map the ecoregions.

The result of all our work was a series of maps of the continental U.S. showing each ecoregion in a different color. We produced maps showing the country divided into as few as four ecoregions and as many as 5,000. The maps with fewer ecoregions divided the country into recognizable zones—for example, the Rocky Mountain states and the desert Southwest. In contrast, the maps with thousands of ecoregions are far more complex than any previous classification of the country's environments. Because many plants and animals live in only one or two ecoregions, our maps may be useful to ecologists who study endangered species.

In our first maps the colors of the ecoregions were randomly assigned, but we later produced maps in which the colors of the ecoregions reflect the similarly of their respective environments. We statistically combined nine of the environmental variables into three composite characteristics, which we represented on the map with varying levels of red, green and blue. When the map is drawn this way, it shows graduations of color instead of sharp borders: the lush Southeast is mostly green, the cold Northeast is mainly blue, and the arid West is primarily red.

Moreover, the Stone SouperComputer was able to show how the ecoregions in the U.S. would shift if there were nationwide changes in environmental conditions as a result of global warming. Using two projected climate scenarios developed by other research groups, we compared the current ecoregion map with the maps predicted for the year 2099. According to these projections, by the end of this century the environment in Pittsburgh will be more like that of present-day Atlanta, and conditions in Minneapolis will resemble those in present-day St. Louis. [see Stone SouperComputer's Global Warming Forecast]

THE FUTURE OF CLUSTERS

The traditional measure of supercomputer performance is benchmark speed: how fast the system runs a standard program. As scientists, however, we prefer to focus on how well the system can handle practical applications. To evaluate the Stone SouperComputer, we fed the same ecoregion mapping problem to ORNL's Intel Paragon supercomputer shortly before it was retired. At one time, this machine was the laboratory's fastest, with a peak performance of 150 gigaflops. On a per-processor basis, the run time on the Paragon was essentially the same as that on the Stone Souper- Computer. We have never officially clocked our cluster (we are loath to steal computing cycles from real work), but the system has a theoretical peak performance of about 1.2 gigaflops. Ingenuity in parallel algorithm design is more important than raw speed or capacity: in this young science, David and Goliath (or Beowulf and Grendel!) still compete on a level playing field.

The Beowulf trend has accelerated since we built the Stone SouperComputer. New clusters with exotic names—Grendel, Naegling, Megalon, Brahma, Avalon, Medusa and the Hive, to mention just a few—have steadily raised the performance curve by delivering higher speeds at lower costs. As of last November, 28 clusters of PCs, workstations or servers were on the list of the world's 500 fastest computers. The LosLobos cluster at the University of New Mexico has 512 Intel Pentium III processors and is the 80th-fastest system in the world, with a performance of 237 gigaflops. The Cplant cluster at Sandia National Laboratories has 580 Compaq Alpha processors and is ranked 84th. The National Science Foundation and the U.S. Department of Energy are planning to build even more advanced clusters that could operate in the teraflops range (one trillion floating-point operations per second), rivaling the speed of the fastest supercomputers on the planet.

Beowulf systems are also muscling their way into the corporate world. Major computer vendors are now selling clusters to businesses with large computational needs. IBM, for instance, is building a cluster of 1,250 servers for NuTec Sciences, a biotechnology firm that plans to use the system to identify disease-causing genes. An equally important trend is the development of networks of PCs that contribute their processing power to a collective task. An example is SETI@home, a project launched by researchers at the University of California at Berkeley who are analyzing deep-space radio signals for signs of intelligent life. SETI@home sends chunks of data over the Internet to more than three million PCs, which process the radio-signal data in their idle time. Some experts in the computer industry predict that researchers will eventually be able to tap into a "computational grid" that will work like a power grid: users will be able to obtain processing power just as easily as they now get electricity.

Above all, the Beowulf concept is an empowering force. It wrests high-level computing away from the privileged few and makes low-cost parallel-processing systems available to those with modest resources. Research groups, high schools, colleges or small businesses can build or buy their own Beowulf clusters, realizing the promise of a supercomputer in every basement. Should you decide to join the parallel-processing proletariat, please contact us through our Web site *(http://extremelinux.esd.ornl.gov/)* and tell us about your Beowulf-building experiences. We have found the Stone Soup to be hearty indeed.

The PRESIDING OFFICER (Mrs. LINCOLN). The Senator from Tennessee.

Mr. THOMPSON. Madam President, let me make one thing clear. Those of us who are concerned about certain provisions of this legislation are not denying anyone the right to export. Those of us who have concerns about the direction in which we are going are not advocating that we in any way lessen the overall quantity of our exports in this country. The Senator from Utah very effectively constructed an elaborate straw man and has now beaten him to pieces.

We cannot take ourselves out of the world market. We cannot allow our exporters, the people who are producing high technology in this country, to be frozen out of the market and become insular. No one is advocating that. That is not the case now, and that would not be the case of every amendment we thought would be a good one and which passed.

The people who are advocating this legislation tell us—I am not sure these figures are precisely accurate—that something like 98 percent of all of these export applications are approved. It is not as if we are holding up anything, except in rare circumstances where there are national security considerations. The problem is not that our exporters are being frozen out of the market or that in some way they are victims of 19th century thinking; it is that they don't want to have to wait a few days to get a license.

We are not saying we need to shut down computer exports or even supercomputer exports. We are just saying that before they go out the door, somebody ought to take a look at it and make sure it is a good idea in terms of the nature of the equipment that is being sent, in terms of the end user, or in terms of the potential use of the entity to which it is being shipped.

This is not a matter of export versus nonexport or export opposition. As I say, the overwhelming number of applications have been approved, or will be approved, under any circumstance. The question is, Does the Department of Commerce predetermine broad categories of things that might prove to be dangerous without even going through a licensing process where somebody can take a look at it? That is what this is all about.

We heard yesterday in broad categories of items that I think the average time it took before the approval was made was 13 days. I have read otherwise where there are categories of items that required 40 days for the process to go through. I am sure the exporters would rather not wait 24 hours. But we are talking about matters of national security.

Why do we even have an export law? If in fact everything is out the door, the genie is totally out of the bottle, and we don't even need licenses for anything to anybody, why do we still restrict exports to Iraq? Why do we still restrict exports to Iran and Libya and North Korea? Wouldn't that be the logical conclusion of the position that everything is out there now and no one can restrict anything?

Our policy has been, and still is, and will be I think implicit based on the supposition and the assumption that in some ways, for some things, to some end users, we should and we must and we can exercise some degree of control. The question is, Where do you draw the line? You don't do it foolishly. You don't try to control things that are uncontrollable. You don't try to control things to your friends the way you would someone who is a potential enemy. But surely we are not saying that there is no degree of control, and no degree of supervision, where we ought to have somebody in our Government take a look at it for national security purposes. Otherwise, why have any restrictions to Saddam Hussein if he can go next door and get the same thing from somebody else? The answer is because we know that is not true. What this is all about is we have some exporters who are in business and who need to be in business. We are all for them. They don't want to have to go through a licensing process. That is what this is all about.

I think it is true that the key to our success in the future is not going to be totally reliant on some kind of export control. The more important part is going to be our ability, as they say in the business, to run faster. We must keep our technology at a level that outstrips all the rest. We should stay ahead. In order to do that, we need vibrant industries. I agree with all of that. But it doesn't totally answer the question. The rest of the question is whether or not we are doing what we need to do to help others run faster in significant ways.

Pick a country of concern—a country that is on the upswing economically, a country that is rapidly building up their military, a country that has already been known to use our technology for its military purposes. Is it wise policy to have no consideration for how rapidly they may be able to use our technology for their purposes? I am not saying that is an easy question. Do you slow them down by an hour or do you slow them down by a year?

Those are important answers that I don't have. It would depend on the circumstances that would hopefully be considered by our Government when a license is on the table and people are sitting around the table asking, Is this a good idea or not?

Under this bill, if they are foreign available as determined by a technician over in the Department of Commerce, or if they are mass-marketed under the same determination, you don't have to go through that process; I don't have to wait for 13 days, or the 40 days, or in some cases longer, I am sure, but an average of numbers that we have used here. That is the question.

It is true that nowadays you can cluster computers to boost the MTOPS power. I, for one, have changed my view somewhat about the efficacy of regulating, controlling computers based on MTOPS. The GAO report also said there are possible other ways of controlling computing power that might be questionable, that have never been explored, and that have never been tried. And goodness knows, there is no one outside of Government who has any motivation to explore or try those other methods.

They also demonstrated that while you can cluster computers to reach high MTOPS levels, those clustered computers cannot be used in the same way that another, shall we say, unclustered computer could be used with the same MTOPS level. If you want to use a clustered computer situation for research, or something like that, it is perfectly suitable. If you want to use it for military purposes, it is much more questionable.

So these are complex issues that have complex answers. And I don't think anybody has all the answers. But we do know that technology is expanding, it is more accessible. That is not the issue; everyone understands that. But I hope everything we are doing—and the purpose of this legislation; it is in the bill —is premised on the notion that we can, by legislation, do something to assist in curbing the proliferation of weapons of mass destruction. That is what this is all about. If we do not believe we can do that, if technology is such and the world has changed as such that we can have no control over anything at any time for any period of appreciable time, then we might as well do away with the legislation altogether.

Our legislation, our policy, is premised on the contrary. So it is not black and white. It is: Where is the balance? And who decides? That is the issue. Where is the balance between, we can't do anything, so let's eat, drink, and be happy, and make our money while we are arming our adversaries, or that we need to build a wall around the country and not give anything out? Where is the balance? And who decides?

Well, we have decided, so far, in this country that the people whose business it is to promote commerce essentially decide. In some ways, in some instances, they have to get the approval of or consult with others, but in many important respects we have decided—I think mistakenly in this legislation and as a matter of policy—that the Department of Commerce makes these important national security decisions.

Now we are going to be deciding, when we pass this bill, that the Department of Commerce will not even get to take a look at things that have been deemed to be mass marketed or foreign available. So be it. But let's not fool ourselves into thinking that this is an all-or-nothing situation or that someone is suggesting that we not export computers or that we isolate ourselves in that regard or that we blind ourselves to the technology revolution. That is not the case at all. We are just trying to reach some kind of a reasonable, measured way in which we can do what is doable.

My basic problem with all this is that we do not know to what extent we may be making a mistake. We do not know to what extent some of this is controllable, as the GAO has pointed out. The GAO listed in its report, I think, about a dozen potential ways supercomputers can be limited in ways that other people did not have them and also pointed out that they have not been tried, they have not been attempted.

Our law required, in the 1998 Defense authorization bill, that there be a national security assessment, as we were in the process of totally decontrolling computers. I would not cite the Clinton administration as having good policy in that regard, but I must confess, this administration is picking up where the Clinton administration left off in that respect. The law required that we have a national security assessment. It has never been done.

So I have one opinion and my colleagues—a clear majority of them—have another opinion about the effect of what we are doing with this legislation, but the fact of the matter is, nobody knows. And that concerns me. It concerns me greatly because it is going to be some time now before we know the effect of this. We should have been studying this issue. We should have had a blue ribbon commission. We should have had a group of objective people who are unaffiliated with people who are in the export business—which is hard to come by on this subject, by the way—to make an objective assessment.

I am hoping before this debate is over with we can, at least after the fact, move in that direction. I may be wrong about some of my concerns, but I can afford to be wrong. As to those who say there is no problem, we cannot afford for them to be wrong because that would mean matters of national security would be implicated.

So I am hopeful we will be able to move in that direction, the direction of really doing an objective assessment as to where this balance is and to who ought to be making the decisions.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Madam President, I thank my colleague from Tennessee for his concern and his consideration and, again, for all of the effort he has put into this bill. He has been responsible, along with several others, for a number of the changes that have been made in this bill.

But there are a couple of things I need to emphasize based on the comments he just made. One of them is in relation to the comment that there should have been somebody studying the issue. There have been people studying the issue. There have been a lot of people studying the issue, not to mention all of the Senate and House hearings that have been held, particularly since 1994.

When the Export Administration Act expired, we began a study. And one of the things this town is not short on is documentation. We document everything. That gives you a chance to go back and look at what everybody thought in the history of this country, but particularly on the history of this issue. It was an opportunity to go back and see what kinds of problems there were and what the pitfalls were that kept the reauthorization from happening again, what kept the updates from happening. We have been very close, throughout this whole process, of having it happen again.

We talked about balance. One of the balance things that happens in this bill is that the Department of Defense, the Department of State, and the intelligence community get a greater say through this bill than they had under the Export Act of 1979, that got reapproved through 1994. There is more balance in this bill if you want Defense, State, and intelligence to have more of a say. They have more say under this bill than they had before.

There is a continuation of a lot of the things they had before, but that is because they all agreed on them. But what we have is an endorsement from State and Defense on this particular bill saying this is a better situation than what we are operating under now. So we are trying to get that done.

In relation to the applications, actually, 99.4 percent of the applications get approved, only .6 percent get denied. So what does that tell you? A thing that it does not exactly say is that on the 99.4 percent that get approved, a lot of those have conditions. What this committee gets to do is put conditions on the application. But there is still a vast number that are readily approved.

Why are we making the licensing application folks take all of their time on items that will be approved that are routinely, regularly approved at the present time? Without this bill, we are forcing them to concentrate the bulk of their effort—probably about 90 percent of their time—on items that do not need to be considered, where all of these agencies say: This is an automatic for us, but there is no way for us to kick this automatic out of the process. We have to spend the bulk of our time working on things that are absolutely routine. Wouldn't it be nice if we could concentrate on the 10 percent of the things that really need some conditions, that really need some concentration, that perhaps need to be denied?

During this process, I had an enforcement officer on exports assigned to my office because I wanted a greater understanding of how the enforcement process worked. That includes the postshipment verifications. I have had people assigned to my office who worked with the applications, and we went to the different agencies to see how they participated, how they wanted to be able to participate, and whether their rights and abilities were being stomped on by the old process.

I think we have arrived at a bill that the agencies agree they have a say and that they can do a better job of enforcing those things that need to be enforced.

Senator KYL mentioned there were some arms control problems, probably a nuclear gun. That sounds like arms control which is not export control. Maybe somebody was trying to fudge it in there.

I have to mention that there is a very small provision in this bill—actually a big provision—where we provide additional resources to people doing the enforcement. One of the specific things we put in there is some training for freight forwarders. These are the people who look at those 30-foot long cylinders and say: What the heck is in here; could it be something damaging to the United States? That is going to be some enforcement that we haven't had before that will help solve the situation.

When we are talking about who ought to be looking at these things, we are assuming that we ought to be looking at them from the worst possible standpoint. That is probably true. So maybe what we ought to have is the IRS auditors checking the capability on all of these licenses.

The reason Commerce gets the main say in this situation is that we are talking about commerce. We are talking about the economy and what we export. The Department of Defense and the Department of State handle the arms export. That is the really dangerous stuff. There is some stuff that can be dangerous. There is always a secondary use for anything. You can pick up a brick and you can hit somebody over the head. That makes it a weapon. But it is primarily a brick.

The factory that designed that brick probably used a computer to design the factory, but that doesn't make them an arms designer. That makes them a computer designing brick factory.

One of the reasons that Commerce has the main control is that it is commerce, and it is kind of the old story: If all you have is a hammer, everything looks like a nail. If you give it to Defense, then it all looks like weapons. Commerce gets to have a say in this, but with this bill we give greater authority to Defense, State, and the intelligence community.

We are not just talking about computers in this legislation. We are talking about a lot of small companies in this country that could compete more effectively if they could get contracts more readily. During that process of getting the 99.4 percent licensure, people lose contracts or they are not asked to participate in a bigger contract at all. From Wyoming, I have some of those folks.

There is an outfit called Hi Q technology. They make tachometers. I love this little success story. This guy used to have the parts manufactured in Taiwan and the parts assembled in Taiwan. He said: Wait a minute. Wyoming has some great folks who could put these things together. I bet they could put them together more carefully, make a better machine that would have less errors than the Taiwanese. So he started to have the parts shipped back to the United States and made in Powell, WY. He now makes the best tachometers in the world and ships them around the world in competition with Taiwan.

Do you know what he is going to do next? He is going to start having the parts manufactured in Powell, WY, too, because he can do that better with American labor. He can compete on the world market.

Now he can't, if every tachometer has to go through this licensing process. You can buy tachometers all over the world. You can't buy as good a quality tachometer as he has, but you can buy them anywhere in the world. They would like to have his, and he would like to sell them. If this licensing process stops him, he can't do that.

We have a another fellow in Cody, WY, who invented a chest seal. If you get your chest punctured, if you get shot, fall on rebar or something like that, your lung will collapse unless somebody puts, in the old method, a credit card over it, which allows you, when you inhale, to inflate your lungs. Then they take it off when you exhale and it allows the blood and other stuff to come out. A Navy SEAL who now lives in Cody, WY, thought he could improve on that system.

He came up with a chest seal that is a Band-Aid about that big. You wipe off the chest and you apply the Band-Aid. The secret is right in the middle of it there is a thing that looks like the end of a balloon. When you breathe in, it pinches shut. When you breathe out, everything comes out. That is in military kits around the world now. It has saved a lot of lives on farms, ranches, and a lot of other places.

Sun screens and planes: There is a guy in Wyoming who figured out if these things work in cars, maybe they would work in planes. And he started putting them in planes, specialized for the windows and stuff. During Desert Storm, one of our big problems was a recognition that instruments in Saudi Arabia in the planes were being damaged by the intense heat. Somebody said: Wait a minute, I know this guy in Wyoming. He makes this simple stuff that goes inside planes and keeps all of the instruments from deteriorating. And it saves about $16,000 a year per airplane. It is used militarily, but it is not a military piece of equipment. It can be duplicated other places in the world. He kind of has the corner on the market, like Kleenex, because he thought of it and he does it better.

If he is prohibited from selling this, except to the military of the United States, he can't be in business or he would have to sell it for a lot more.

Another guy, in Sheridan, WY, a guy who has the Big Horn Valve Company, found a new way to do valves so that you don't have to have a T that will leak. It is always internal. The valve twists half a turn and shuts off. Any area in between gives some capability. How is it used? NASA uses part of this now. It is a disconnect on a missile. They can keep the fuel going into the missile the last possible moment. When that missile takes off, the valve separates and closes. Refineries use it because it doesn't leak like the old-fashioned valves.

Again, if he has to go through this licensing process, he can lose his international opportunity.

The times are changing, and I have to say, it is the young people who are changing it. Eight years ago my son was at South Dakota School of Mines. He played a little basketball there. And after the basketball game, I went back to his dorm to pick something up. By the time we had driven halfway across South Dakota to get back to his dorm, it was about 3 in the morning. We went into the dorm; the lights were on everywhere. There were kids, young engineers, taking computers apart. They were borrowing pieces of computers from each other, and they were making supercomputers. That was 8 years ago.

I have no idea what they are up to now, but I did read that these computers' best activity is math. The first thing they will do, because it is the best activity, is solve math problems. One of the new Internet problems this last week was people feeding math problems into the system and all of the computers concentrated on that. And the messages would not go through.

It is technology. We have to keep the technology going. I apologize for running over here in my excitement of being able to share a few Wyoming examples with everybody. I did that. I did want to emphasize why it is important that we streamline the licensing process, not to the point where it hurts our national security but where we can include some things that will enhance the national security by allowing some concentration.

I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will stand in recess until 2:15 p.m.

Thereupon, at 12:39 p.m., the Senate recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. REID).

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. I ask unanimous consent that I be allowed to proceed as in morning business for 6 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

NORTHERN IRELAND

Mr. LEAHY. Mr. President, I want to discuss the most recent situation in Northern Ireland. All too often, I usually speak on the floor of the Senate about this issue after a bombing or bloody conflict between Republicans and Unionists. This time, however, I wish to address a situation that really has the potential to scar Northern Ireland more than any single bullet.

We have seen in our own country schoolchildren returning to classes this week. In Northern Ireland, schoolchildren are returning also. But, unfortunately, the week has been horrific for students at the Holy Cross Girls Primary School in Belfast. The students and their parents have faced a gauntlet of protesters on their way to school, many of whom pelted the girls with stones and spit at them.

Earlier today, a bomb went off addressed toward the schoolchildren. When I turn on the television and see pictures of these little girls, 6 and 7, 8 years old, crying in terror, being shielded by their mothers—what is their crime and sin? They are going to school. If there is ever anything that can help that troubled part of the world, it would be to improve the education of the young people and then allow them to go on to get jobs.

According to the press reports, the girls who attend this Catholic school have walked peacefully to and from their classes through a predominantly Protestant neighborhood for 30 years. Tragically, these children have been targeted to escalate already high tensions between Unionists and Republicans.

After more than three decades of violence in Northern Ireland committed by parties on both sides of the issue—and both sides are certainly responsible for violence—we sometimes become a bit callous about events in this conflict. But this latest situation of targeting children is truly reprehensible because it threatens to scar these children permanently.

The tragic situation at Holy Cross School has the potential to undermine any peace agreement that may be reached in the future. Negotiations will continue this month on resuming the Northern Ireland assembly and further implementation of the Good Friday peace agreement. These efforts will be for naught if the children of Belfast, whether they are Catholic or Protestant, grow up in an environment where they think hatred and division are a way of life.

Let me take a moment to say, as I have in the past, that I have called upon Republicans and Unionists to abide by the Good Friday agreement. For those of us who have been involved in Northern Ireland over the years, we know that the hatred runs deep and the solutions are going to be complex. That is why I proudly support the U.S. commitment to the International Fund for Ireland. The Fund has promoted economic development in Northern Ireland across factional lines. I have supported it because the projects sponsored by IFI have been projects where Protestants and Catholics work side by side.

The situation at Holy Cross School is dangerous because it threatens to remove the most important characteristic that the Irish are blessed with, and that is hope.

I condemn efforts by people who are trying to take that hope away from these children and instill them with fear and hatred. That will simply perpetuate this conflict for years to come.

I recall going to Northern Ireland on President Clinton's last visit there. I had a police officer assigned to me in Belfast. He said to me: "Your President is a great man." I asked him why he said that. He said that before President Clinton came to Northern Ireland, the officer could not speak to somebody of the other faith. He told me which faith he belonged to but that is irrelevant since this was a statement that could have been made by either a Protestant or a Catholic.

He said: "Prior to that visit, I could not speak to someone of the other faith, but now I can work with them, I can be friends with them." He added: "The greatness of what your President has done and what the involvement of your country has been is that I no longer have to teach my children to hate."

Think of that. He was saying that prior to these efforts at a peace agreement, prior to the involvement of the United States and people such as Senator Mitchell and others, he felt that it was his duty to teach his children to hate. Unfortunately, this could have been heard on either side, but now he said he no longer had to do that.

I want to think that is the feeling of most people in Northern Ireland, Protestant or Catholic. But I despair when I see the pictures of these little children going to school. These girls are 6, 7, and 8 years old. Look at the terror in their faces. They are wondering what is going on.

Frankly, it brings back chilling memories of when I was in my teens and seeing the pictures in parts of our country where terrified African-American schoolchildren were being escorted to school by marshals. Here are Irish children being escorted to school by the security forces.

There will not be peace in Northern Ireland, there will not be a promise for Northern Ireland until this sort of thing stops.

I commend the authorities who are protecting these children and pursing the persons who threw the bomb. We can use law enforcement to stop the violence in the short term. In the long term people must look into their own souls and practice the religious principles that they espouse. They must practice these principles not only for themselves but for those who may not carry the same religion.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BAYH). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

MISSILE DEFENSE

Mr. INHOFE. Mr. President, as we are waiting for some things to happen right now, I am very distressed about some of the things we are hearing about a concerted effort to stop our missile defense language we have proposed for this year that the President has been very outspoken on, a recognition that we are in a very threatened position.

I think it is kind of a shock to many American people when they find out, and I say find out, not hear but find out, that we are in the most threatened position we have been in as a nation perhaps in the history of this country.

I can remember saying this back in 1995, and finally we had the Director of Central Intelligence about 2 years ago say that, in fact, we are in the most threatened position we have been in as a nation.

There is a current movie that people have gone to. I happened to see it on an airplane the other day. It is called "Thirteen Days." It is a story about the Cuban missile crisis of 1962, and some of us are old enough to remember the hysteria that hit the streets in the United States. People were going to the supermarkets and stocking up on things. They were digging storm shelters and telling their friends: Do not come to our house because we are digging a storm shelter. It was panic, and it was panic because they woke up one morning and found out there were Soviet missiles on the island of Cuba aimed at American cities, and that we had no defense against those incoming missiles.

Those were medium-range missiles that could have hit any American city in the continental America other than Seattle. So it is understandable people were panicked about it.

Yet if you saw this movie, one of the alternatives was to take 20 minutes and go down and wipe out the island of Cuba. That was one alternative, and that is why we say and I say that the threat facing America is greater today than it was then, because of those missiles that are currently targeting American cities. And this is not something that is up for debate, it is not something that anyone is going to challenge, because it was classified material until one of the newspapers was able to get some information here about 2 years ago, and, yes, at that time they said at least 18 American cities were targeted by missiles from China.

It goes without saying and everybody knows that virtually every country has weapons of mass destruction, either biological, chemical, or nuclear. The thing they do not have, at least up until recently, is a missile to deliver those weapons. Now it is a different story. We know for a fact that North Korea, Russia, and China have missiles that will reach the United States of America.

Let me be real specific. If the Chinese were to deploy a missile from somewhere around Beijing, it would take 35 minutes to get here, and during that 35 minutes we have absolutely nothing in our arsenal to knock down that missile, zero. We are naked. It is hard to explain the devastation that can take place by an incoming nuclear missile.

I come from the State of Oklahoma. In Oklahoma, we had the most devastating domestic terrorist attack in the history of this country. That was when the Murrah Federal Office Building explosion occurred. That was devastating, and 168 people lost their lives. I was there just a few minutes after it happened, and I can remember the parts of the bodies that were stuck to the walls of the building that was still smoking. It was still insecure when all of these firemen who had volunteered came all the way from as far away as Maryland to help to try to go in and secure the building, to try to find the bodies. Many bodies were never found.

That was a terrible explosion, and yet the smallest nuclear warhead known to man is 1,000 times that explosive power. So think about what that could do relative to the disaster that took place in Oklahoma a few years ago.

Now we are faced with this threat. I would like to think that is the only problem, but there are other problems. We are at one-half the force strength of 1991. How many people know that? Is that debatable? I am talking one-half Army divisions, one-half tactical air wings, one-half of the ships—down from 600 to 300 ships. It is usually reassuring to people, thinking that although we are at one-half strength, we have the best military personnel, we have the best of equipment, the most modern equipment. That is not true anymore.

We had a hearing the other day before all the Chiefs. There was a friend of mine in the audience named Charles Sublett, a hero in Vietnam, flying F–4s and F–100s while the Navy was flying A–6s and A–4s. I identified him as a hero. He stood up. I said: Let me ask you this question—and a lot of people differ as to the war in Vietnam; there is a difference of opinion Americans have—was it true every piece of equipment you had was better than that which any potential adversary had? He said: Absolutely.

Today that is not true. The best air-to-air missile we have is the F–14. It is not as good as the SU–27 now manufactured on the open market and bought by the Russians and Chinese, and the best we have for air-to-ground capability is the F–16 and still their SU–30 is better.

I asked the same question of the generals testifying. They said that is true in terms of the range and the maneuverability. Our pilots are better, but the equipment is not as good. The same is true with artillery capability. The Paladin is outgunned in terms of range and fire by almost everything our potential adversaries have. It is not just that we do not have a missile defense in this country when the threat is every bit as real as 1962 when everybody panicked. We have a real job in trying to do an adequate job defending this country with the defense authorization bill that will be forthcoming.

Tonight we have our first meeting. We had subcommittee meetings today, and tonight we have our first meeting. I hope this does not end up being a partisan bill. People recognize defending America has to be the No. 1 priority.

EXPORT ADMINISTRATION ACT OF 2001—Continued

Mr. INHOFE. Mr. President, on the bill before the Senate, it is my understanding some people are trying to work out an agreement, but I rise in opposition to the Export Administration Act. A lot of people state the purpose of this bill is to protect the national security. We are kidding ourselves. The real objective of those who wrote this bill and who actively support it is to promote trade and transfers of the very dual-use high technologies which, in the wrong hands, pose a serious threat to national security. Their emphasis is such liberalized trade will be good for the economy, but we have to ask: At what price?

This debate does not occur in a vacuum. We have the record of the last 8 years when we had an administration which deliberately ignored and undermined our Nation's cold war system of export controls designed to protect national security. Their attitude was that the cold war was over so there was no real threat out there. Why worry about technology transfers? Why worry about rogue state missile systems and weapons programs? This flies in the face of everything that is logical.

We have had very serious problems in hearing things taking place in China. During the elections in Taiwan when there was a notion we might go in there and try to intervene, they were trying to intimidate the elections by firing missiles in the Taiwan Straits. Later on the second highest ranking Chinese military officer said: We are not concerned about America coming to the aid of Taipei because they would rather defend Los Angeles.

Then we had the Defense Minister of China saying, war with America is inevitable, which he has repeated 3 times, once in the last 8 months. We have a serious problem out there and we have to recognize that.

My fear is a lot of this technology is going to go to countries such as China, and specifically China.

I will review the actions of the Clinton administration. The first thing they did in 1994, shortly after taking office, they ended COCOM, the Coordinating Committee on Multinational Export Controls. This was put together so we and our allies could all agree not to export high technology that could get in the hands of the wrong people. That system was set in place, and in 1994 the administration ended that.

The administration, shortly after that in 1996, took control of the authority on export licenses out of the hands of the State Department and put it in the Commerce Department. Later they recognized it was wrong, the public recognized it, and after the Cox report they moved it back to the State Department.

The granting of waivers for missile defense technologies—we all remember the significant problem we had when the administration signed a waiver to allow China to have the guidance technology produced by the Loral Corporation, owned by the Hughes Corporation, that allow the Chinese to have the guided-missile technology that gave them more control over where the missiles might go, even if one might be coming toward the United States. They allowed transfer of high-performance computers, which ended up helping improve Chinese military systems.

The theft of our nuclear secrets, at that time we had 16 nuclear compromises. Eight were before the last administration; eight were during the Clinton administration. We discovered that of the eight before the Clinton administration, one went back as far as the Carter administration, which was discovered by this country when a walk-in informant came to a CIA office with the documentation that China had that information from those other compromises from the previous administration. Yet it was covered up until the Cox report came out 4 years later and we realized China had virtually everything.

The main thing that concerns me is we have a threat out there today. We have been guilty of allowing our nuclear secrets to get into the hands of the wrong people. Until this is under control, I think it would be premature, in my opinion, to pass, to implement those changes recommended in the Export Administration Act under consideration today.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, we have been here now since 2:15. Senator LEAHY spoke in morning business about Northern Ireland, which was very lucid and understandable. I appreciate his remarks. We had the Senator from Oklahoma, Mr. INHOFE, talk for 5 minutes or so about this bill directly and indirectly. We have a few people who oppose this legislation, but they literally are holding up not only what is going on in the Senate but what we need to do for this country.

We have eight appropriations bills that need to be passed. We could be working on those. We have the education bill and some things we still need to finalize. We have conference reports. We have lots of things that need to be done. There is a hue and cry that we need to get to the Defense bill. We need to do Defense appropriations. We can't do that until we do the Defense authorization bill.

I hope everyone understands that one of the alternatives available on this bill and any other bill is we can move to third reading. We could do that right now. We, of course, will not do that. I will confer with Senator SARBANES. I hope Senator ENZI, who has been managing this bill for the last 2 days, will confer with the ranking member of the Banking Committee, Senator GRAMM, to see if we can get permission to do that. We really want to move forward on this.

I see the chairman of the committee here who has worked so diligently on this bill. I say to my friend from Maryland that we are getting requests now for morning business that are totally unrelated to this legislation. We have been here all this afternoon. We had some very good statements this morning on the bill. It is important that Members have an opportunity to speak on the bill. Here we are, doing nothing, with so many things left to do.

I say to my friend from Maryland who is so ably managing this bill that I think we should be arriving at a point soon, if Members aren't willing to come over and talk about what they want or are not willing to offer amendments, we move to third reading. Certainly there is nothing in the order that would prevent that. Senator DASCHLE said he would not move to cloture under the agreement with Senator THOMPSON, and he will stick to that. But that doesn't mean we do nothing all day Wednesday, Thursday, and Friday.

I know the Senator from Maryland is trying to work out a compromise. All I am saying is that I hope before we have an afternoon of morning business we decide whether or not we are going to be able to complete this legislation.

Mr. SARBANES. Mr. President, first of all, I don't think we should go to morning business. I think we should stay on the bill even if there is a period of time when we are in a quorum call.

Second, I say to my colleagues who are listening that if anyone has any statement they want to make, they had better get over and do it because we are working on an amendment which is sort of being cleared downtown. If we can get clearance on that and an accommodation, I hope we can then adopt that amendment, probably have some colloquy, do a managers' amendment, and go to the third reading of the bill and finish this bill. That would be our objective.

So if we start moving that way, and people who have not been around and have not been engaged in the process then want to make a statement, or maybe all of a sudden appear from somewhere and offer an amendment, we are going to say: Where have you been? We have been biding our time and waiting and wanting to move ahead, and so forth and so on, and you were not here.

But at the moment we need to get the clearance on this amendment we are working on. We think that is in the works. That is the best I can say to the majority whip on that score.

The PRESIDING OFFICER (Mr. CARPER). The Senator from Arizona.

Mr. KYL. Mr. President, I concur in the admonition of the chairman and the manager on the Republican side that Members who have something to say should come down and speak because as we speak there are some discussions going on about some possible amendments that would move us much closer toward a time when the bill could be completed. In fact, some of us are meeting at 3:30 to try to resolve some issues that are pending right now. So I join in the comment made that people who wish to speak to the bill should do so as soon as possible.

I will take this opportunity to highlight some of the issues, a couple of which might be the subject of a potential agreement that would be added to the bill and that might help to move it along to completion.

As I said in my other remarks, there are some concerns about the way current agreements have been enforced or have not been enforced with respect to dual-technology items that have been sent to these countries. There is a provision in the bill that enables the United States to come down hard on a company which receives an item that is supposed to be used for commercial purposes—for research or university purposes, something such as that—and then in turn transfers that item to some kind of defense program that is unauthorized in the license.

Just to use a purely hypothetical example, I said there might be some nuclear generation facility component which is sent to help build a nuclear generating plant, but the end user, instead of being that commercial reactor facility, sends it over to some defense plant, which then uses it in their nuclear program for weaponry. That would be a good example of an improper application of one of these dual-use items where the license had been granted for shipment for one purpose but it turns out to have been used for another.

We have a postshipment verification requirement ordinarily. That means we have somebody who goes over and makes sure the item was used in the way and in the place they said it was going to be used. The problem is, in the past we have found those postverification shipment procedures are not followed all the time. Indeed, a lot of the time they are not followed, and there is not much the United States can do about it.

I quoted the statistics earlier today—I am not sure I have them here—but the fact is, with respect to satellites, the United States has an agreement with China that was entered into in 1998 that provides some degree of postshipment verification that the satellite is being used where it is supposed to be used, and so on, but it turns out less than a fourth of the required verifications have been permitted. They have been delayed. There have been requests by the Chinese Government: Let us do the inspection rather than have you do it—this kind of thing.

Clearly, if we are going to have a liberalization of our export control policy, and we are going to be granting more licenses to permit the shipment of dual-technology items which could be put to military use, and we are willing to say, look, if you will put it to commercial use, OK, but we don't want you to put it to military use, and we want to have somebody check that after the fact to make sure that is correct, if we are going to do that procedure, we have to make sure it works, and there has to be some penalty for those who violate it.

The bill has a penalty if it is a company that violates the procedure, but there is no provision to deal with a country that violates it. So one of the proposals that is under active consideration right now as a possible amendment that could be agreed to would make a minor change, but it would have a major effect.

In reference to the subsection on page 296 of the bill, the first seven lines in this case would read: If the country in which the end-user is located refuses to allow post-shipment verification of a controlled item, the Secretary—meaning the Secretary of Commerce—may deny a license for the export of any other controlled item until such post-shipment verification is allowed.

It is very straightforward. It is not mandatory, so there is nothing that makes the Secretary of Commerce do this. But at least the Secretary would have an ability to say to a country, such as China, for example: Look, you have not allowed us to inspect the ultimate user of the last three items we sent you, so we are not going to approve any more licenses—at least of products A, B, and C—until you allow that. That might be one way to help get this provision of postshipment verification enforced.

So that is one of the ideas we have. As I say, it is one that is being discussed right now. It is one on which possibly there could be some agreement. We hope so. If so, I think that will advance the time that we can get the bill resolved.

Another question has to do with this matter of a product that is available in foreign markets. The concept of the proponents of the bill is if a product is available in a foreign market, then the cat is already out of the bag; we might as well let American companies compete for that business, too.

I raised a lot of questions this morning about how that really works. But leaving that aside, at least one very modest addition which certainly would help somewhat would be to ensure that not only are the items comparable in the sense that if you can buy this particular kind of computer in country A, then why restrict American companies from selling the same kind of computer?—that what we would want to do is ensure that we are talking about computers of comparable quality, not just that they are sold for roughly the same price, not just that they have roughly the same capacity, but that they are truly of the same quality.

The reason for that is most people would like to buy American products because of their quality. It is not enough to say you can buy a similar computer three other places in the world if you are not ready to establish that the computer you are talking about in those three other places is of comparable quality to the U.S. computer. It does not matter if it has the same capacity and if it costs roughly the same; if it is not as good, if it does not have the same quality, then it would not be a comparable item. We just want to make sure when we are talking about foreign availability we really mean the same basic kind of product is available in those foreign countries.

To give you an illustration, you can buy two different cars that go just as fast. One goes just as fast as the other one. One has just as much acceleration as the other one. The air-conditioner is just as good. And it costs about the same amount of money. But what you might find if you read Consumer Reports is the first car will last you about 20,000 miles and then it becomes a piece of junk, whereas the second car has much better quality. It has a 50,000-mile warranty. It has a great service record. The company will always take care of it if there is something wrong, and so on.

That is just a hypothetical example. But I think if we are going to say we are going to permit the export of items as long as they are available anywhere else in the world, even though they are products we would just as soon not fall into the hands of the wrong countries, if we are going to go that way, we have to make sure we are at least talking about goods that have comparable quality. I think the addition of some language in that regard would be very useful.

Another idea that has been discussed—and there are others who, frankly, would be better able to discuss this than I because it has been their idea—is to have some kind of commission, a blue ribbon commission that would evaluate the success of this new regime after it has been put into place.

Nobody knows for sure how this is going to work. I think almost everybody would concede we are in uncharted territory, that the stakes are enormous, and that what we do not want to do is find out 5 years down the road that something we put in place —locked into place in statutory form—is actually permitting the rogue countries of the world to acquire a lot of equipment or technology that we would rather not have fall into their hands simply because we were not careful enough in writing the legislation.

I don't think most of us are smart enough to predict that far in the future exactly how we want do all of this. The notion has been that it would be good to have in place some kind of a blue ribbon commission which could be appointed in the not-too-distant future to examine how this is working and to make recommendations to the President and to the Congress on how to make improvements in that. We can talk about the details of how the commission is appointed and when it reports and all those kinds of things. This kind of idea is a good idea, and it would be useful to have that incorporated into the legislation as well.

I believe there will be some kind of agreement on this. I think the parties are talking. Everybody recognizes the value, the utility of that.

A fourth area I will mention is that in the past the Department of Commerce has added items and subtracted items to the so-called controlled commodity list. It has done so under its own rules and regulations which could in fact and maybe does involve some consultation with other departments of government. It is a little unclear exactly how the process works. In the past, the Department of Commerce has been the department in charge. I believe the list is some 2,400 items controlled right now.

Part of the theory of the legislation is that some of those items would be taken off the controlled list so that a party wishing to export them would not have to come to the U.S. Government and obtain a license for the export of that item. That is probably appropriate with respect to many of these controlled items. Still we have to be careful that we are not taking items off the list which could in fact be used by a hostile country against the interests of the United States.

Given the fact that the Department of Commerce has as its mission trade promotion, it is not exactly evident that that department is in the best position to judge whether or not an item should stay on the list. Obviously, it at least ought to be talking to the intelligence community, the Defense Department, the State Department, the Department of Energy, and so on. We want to have at least some recognition of the fact that as this is going to be administered in the future, the Department of Commerce will, to an extent appropriate, call upon the advice and counsel of these other departments in seeking to make determinations with respect to what items are on that control list or not.

It may be that this is a matter the administration needs to think about and figure out how they want to handle. For my own part, I have, as I have said before, the utmost confidence in this administration and Secretary Don Evans and the other people who would be making the decisions. As a matter of fact, my only beef with Don Evans, the Secretary of Commerce, is that he hired away my chief of staff when he was confirmed. We have a great relationship. I have total confidence in him and in the people in his department. I believe they will, in fact, call upon the expertise of other people in government who may be in a better position to judge with respect to a particular item.

They will have a lot of cross pressures, too. They will have folks in industry pushing them to decontrol as much as possible because obviously it is more costly and more difficult to export an item if you have to go get a license for the export than if you don't have to worry about that.

Given these cross pressures, we would at least like to get some kind of commitment from the administration that it is going to look at this and try to find a way to ensure that the other departments of government are brought into the process as appropriate.

There may be some other things, as the administration has indicated to us, that should be the subject of a subsequent Executive order to implement the legislation. Obviously, we will be interested in working with the administration on what some of those items might be as well. Some of them might be able to correct some of the problems I identified this morning and that some others have as well. We will be expressing that to the administration again. I am sure they will respond with an appropriate response.

These are the kinds of items we are talking about now as possibly being resolved by some kind of amendment or series of amendments that could get us to a conclusion on this legislation. Since it is very evident from the standpoint of those of us who have concerns about it that in the end legislation is going to pass and we have no desire to delay or to stall it, we are not going to win very many amendments that we propose. Notwithstanding the fact we are very serious and concerned about it, there is no point in us taking up the Senate's time or persisting in a matter on which we are not likely to succeed, especially if, as has been conveyed to us, a few changes might be possible to be agreed to here fairly quickly, and then we could move on with the conclusion of the legislation.

That is why I add my comments to those of the Senator from Maryland and suggest that if there are those who would like to come here to make an opening statement about the legislation or to express concerns or support for it or any particular amendment, this would be a good time to do so. I am hopeful that within the next several minutes we will be able to meet and we will be able to confer about some of the things I have talked about and perhaps come to some conclusion. I am sure it is the position of the managers that they would like to move fairly quickly after that, if we are able to do that. Therefore, it would be appropriate to discuss at this time any concerns or other items with respect to this bill people would like to take up.

I had indicated this morning that I would just quickly detail sort of a list of potential amendments in case anybody is interested. These were proposals that were prepared before the legislation was taken up. I don't know how many people are still planning on offering any of these amendments. My own view is that if we are able to achieve consensus on the items I mentioned a moment ago, it will probably be doubtful that these amendments will be adopted. Therefore, people might want to consider dealing with the subjects in some other way. I will just run through them quickly.

One of the problems has to do with deemed exports. Deemed exports are basically transfer of technology, of knowledge, rather than a particular product, but that can, of course, be just as important to a rogue nation in putting together some kind of weapons program or missile program as the export of a particular item. Some of us believe we should deal a little bit more specifically with the matter of deemed exports. Again, that matter might be at least handled for the time being through some communication with the administration, assurance that it intends to deal with the subject in some way.

I talked about the matter of the controlled list and how other departments probably need to have a little more involvement in that than the legislation itself provides. The legislation itself provides no assurance that any other departments will be involved in the listing of items on the controlled list. We think it would be a good idea if there were some assurance that they would be included in the process.

I mentioned the standard of finding for foreign availability. There are quite a few different ideas about how that might be strengthened. I mentioned the one about comparable quality. I hope we can do something on that.

There is a question that we are not going to pursue here—at least I will not pursue—but it could be the subject of an amendment. It is important. I wish we could do something about it. It had to do with taking a little bit of extra time to deal with matters that are particularly complex. The Thompson amendment failed yesterday. There are other ideas about how to deal with that so that the Departments of Defense, State, and Energy, and any other agencies that are involved in a particular license would have enough time to review the license application beyond the limit of 30 days, which is currently provided for.

The Thompson amendment provided an additional potentially 60 days. There are some other potential compromises that could be offered there. I doubt, since the Thompson amendment was defeated, that an amendment on this subject will be offered again.

There is a question about the interagency dispute resolution process, and there have been some proposed changes that could come up as an amendment with respect thereto. This process requires any dispute over a license, application, or a commodity classification to be resolved by the various departments that should be involved and then to forward any disagreement up the chain of command. This is a recommendation of the Cox commission and frankly would strengthen the hand of individual departments in this interagency review process. I am not certain, but I believe the House bill addressed this in some fashion, and it may be that if the House holds to its position and we pass the bill before us today, that issue is going to have to be further visited. At least from my perspective, it would be a wise thing to do.

There is another potential amendment relating to standardization of determination requirements. This is something others have brought up. This is not something that I would bring up. It has to do with the standard for waiving the foreign availability or mass market determinations. I did allude to this in my opening statement—the different standards of serious, significant, or merely a national threat. It may be wise to try to standardize those. Somebody else might bring that up.

There could also be an amendment relating to a reporting requirement for key proliferators, requiring a report on certain items transferred to certain key proliferator countries. This is something that I think would be useful to the Congress as we continue to review how the act is working and, frankly, useful to a blue ribbon commission as well. It is not in the bill at this point. Somebody else may pursue that. Likewise, a license for key proliferators requiring that a license for certain items transferred to certain key proliferators be actually established in the legislation, rather than leaving it up to a question of what is on the control list.

There is also a proposed amendment relating to congressional notification when changes are made in either the particular countries involved or the tiers—as you know, we have tier I, tier II, and tier III countries—or when violations of the Export Administration Act occur. I think, frankly, this would be a useful report, especially if we have a blue ribbon commission. They are going to want to collect this data anyway.

Congress should be aware of the data. It is especially going to be important for countries that may continue to violate the postshipment verification procedures. I think it would be useful to have a congressional notification process. It is not in the bill now. I have not proposed that this be part of a managers' amendment. I wonder if people will consider that. Somebody may want to offer that amendment.

There is also a different version of the blue ribbon commission which I understand might be proposed, and there may be other amendments.

I think that is a list of at least several of the amendments that were being drafted for presentation a little later. Again, many might be obviated by the discussion I had before.

There are a couple of other items that have to do with specific provisions of the bill, such as the 18-month limitation on the Presidential authority to grant a waiver from the foreign availability. That is too restrictive. I would eliminate that.

There is another possibility in that same section for another change. This has to do with the fact that the President can't delegate his authority. You want the President making the ultimate determinations, but you want him making big determinations, not little ones. There are a lot of things in this bill that have to do with particular items that should not go up to the President. He could delegate that easily to one of his secretaries. I don't believe that will be a proposed amendment.

I want to explain to my colleagues that notwithstanding the fact that an item or a concern may not be proposed here in the form of an amendment, that doesn't mean there are not additional concerns we have with the legislation that I hope eventually, between the House and Senate, will be addressed. Much of that was discussed in my opening comments.

That is the list. I hope in the next few minutes we can try to resolve these remaining issues so we can move forward.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. CANTWELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. CANTWELL. Mr. President, I rise today in support of Senate bill S. 149, the Export Administration Act of 2001. I am very proud to be an original cosponsor of this bill. I thank the Senator from Wyoming for his tireless efforts in crafting legislation that I believe will move us forward in this area. I am thankful for the leadership of the distinguished chair and the ranking member of the Banking Committee, the Senator from Maryland, and the Senator from Texas, and others who have worked hard to successfully address the issue of export controls in a changing economy.

U.S. competitiveness in the global economy will depend heavily on our ability to foster continued innovation in our technology sector and help domestic companies gain markets overseas.

Mr. President, in my State, technology-based industries are the bulwark of the Washington State economy. They now account for the largest share of employment, business activity, and labor income of any sector in the State's economic base. Roughly 38 percent of all Washington State jobs are tied to the tech sector, and the State's 286,000 tech workers earn wages that are 81 percent above the State average.

This sector is gearing up to be a crucial engine for the future of the U.S. economy, and for Washington State in particular. However, to guide the continued development of this sector, we need to ensure the success of U.S. companies and their exports in the international marketplace. This legilsation streamlines the process by which companies gain approval to export their products to foreign markets. This is important because it is increasingly importer that in today's economy, a company that cannot compete globally will not succeed.

Although the United States currently leads the world in technology, we are not the only technology suppliers and this lead is not guaranteed to last. We sacrifice our position as a global technology and economic leader when we limit U.S. companies' ability to sell their products abroad through a burdensome, unreasonable, and flawed export control system.

Under the current system, companies lose out in the short term through restrictions on direct sales but also in the long term through loss of market share.

The existing process for U.S. companies to acquire export licenses involves a complex application procedure and a Byzantine system of bureaucratic authority spread over four Federal agencies. Getting the license can take a very long time, which compromises the reliability of U.S. suppliers and makes it hard for manufacturers and customers to plan ahead.

Mr. President, S. 149 will go a long way in streamlining the export control process and utlimately strengthening U.S. economic competitiveness by making three major changes:

First, this bill provides a commonsense approach to the reality of the global economy by recognizing that if a certain technology is available on the mass market or made available for sale to multiple buyers, it simply does not make sense to restrict U.S. companies from these commercial opportunities.

Second, this bill streamlines export control licensing by centralizing authority under one agency and streamlining the process. Let me be clear. It does not do anything to reduce the depth of the review process, nor compromise its effectiveness; it simply provides accountability and structure to ensure that decisions are made in a more timely efficient and transparent manner.

Third, this bill removes the antiquated MTOPS standard for categorizing high-speed computers, and allows the President and his security team to develop a control system that is flexible and specifically tailored to keep pace with advances in technological capability.

United States companies operate in a fiercely competitive environment, and we cannot afford to have outdated regulations make that competition even more difficult—especially if these regulations do not effectively meet their objectives.

This is the fundamental flaw of the current control system. Although restrictions disadvantage American companies globally in the name of national security, in practice, they do not effectively enhance our security interests.

I refer to the December GAO report which states:

> The current system of controlling the export of individual machines is ineffective in limiting countries of concern from obtaining high performance computing capabilities for military applications.

This is a crucial point. Especially as we have heard many of our distinguished colleagues in this Chamber characterize this bill as putting business or economic interests over national security interests.

With all due respect to the opponents of this bill, this perceived conflict of economic versus security interests is fundamentally misguided. In fact, this bill helps support our economic interests while enhancing the President's ability to ensure our national security.

And you need not take my word for it. I am joined by leaders of the intelligence community, the Secretary of State, the Secretary of Defense, the National Security Advisor, and President Bush who all agree that these changes will actually strengthen the President's national security authority. Instead of his having to rely on an antiquated system to control security the President will be granted direct authority to intervene in matters where he determines national security is at stake.

This bill helps us focus on those export technologies that constitute true national security threats. And, make no mistake, this bill is not soft on those who break the law. For those firms and individuals who violate the established control laws, this bill authorizes substantially higher criminal and civil penalties that those included in the current system.

We need to establish an export control regime that facilitates our Nation's status as a global economic and technology leader and provides a control system that allows the administration to focus on those exports that do constitute a specific security threat. We must come to realize that these are not competing goals but constitute intertwined objectives. This bill helps to achieve both, and I urge my colleagues to join me in supporting it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CORZINE). Without objection, it is so ordered.

Mr. KYL. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a document entitled "Talking Points on High Performance Computers," which describes some of the difficulties we have encountered in the transfer of high-technology computers to other countries, and which basically says we should be more careful about liberalizing export controls on these items.

There being on objection, the material was ordered to be printed in the RECORD, as follows:

TALKING POINTS ON HIGH PERFORMANCE COMPUTERS

INTRODUCTION

In 1997, in response to growing concerns that foreign entities had illegally acquired U.S.-made high performance computers for military purposes, Congress inserted language into the FY 1998 Defense Authorization Act that was designed to strengthen export controls on such computers.

S. 149 would repeal the sections of that Act requiring prior notification for exports of HPCs above the MTOP threshold to Tier 3 countries (including China), post-shipment verifications for these HPCs, and Congressional notification of an adjustment in MTOP threshold levels. It also contains a provision to repeal the sections that established MTOPS performance levels above which no computers could be sold to certain countries without a license.

CURRENT EXPORT CONTROLS ON HPCS

In January 2001, President Clinton loosened export controls on high performance computers for the sixth time. Under the latest guidelines, computers with a processing speed of less than 85,000 million theoretical operations per seconds (MTOPS) no longer require a license for export to military organizations in Tier 3 countries like China.

The bar requiring firms to notify the Commerce Department of an export was also raised to 85,000 MTOPS—establishing, for the first time, licensing and advanced notification thresholds at the same level. Consequently, the new rules effectively eliminate routine prior U.S. government review of any computer exports below the licensing threshold to Tier 3 countries.

By contrast, in January 2000, computers with processing speeds above 2,000 MTOPS required a license for export to Tier 3 countries—over a 40-fold increase in a 1-year period.

85,000 MTOPS computers are very powerful. As a comparison, in 1997 some of the initial computers developed in the U.S. under the Stockpile Stewardship Program's Accelerated Strategic Computing Initiative (ASCI), called ASCI Red and ASCI Red/1024, had processing speeds of 46,000 and 76,000 MTOPS respectively. These computers were used for 3D modeling and shock physics simulation for nuclear weapons applications.

In March 2001, the General Accounting Office concluded that President Clinton failed to adequately analyze "military significant uses for computers at the new thresholds and assess the national security impact of such uses."

For example, in testimony to the Senate Governmental Affairs Committee in March 2001, Susan Westin, Managing Director of the International Affairs and Trade Division at GAO, stated, "The report does not note that applications for 3-dimensional modeling of armor and anti-armor and 3-dimensional modeling of submarines can be run on computers at about 70,000 MTOPS.

Furthermore, Ms. Westin noted that "The President's report does not state that computers rated up to 85,000 MTOPS could operate all but four of the 194 militarily significant applications identified in the 1998 Defense- and Commerce-sponsored study." (The study to which she referred was one of two studies upon which the report's section on the computer uses of military significance was largely based.)

CONTROLLABILITY OF HIGH PERFORMANCE COMPUTERS

Some cite computer "clustering" as making computer controls ineffective. This involves linking several processors together to create a parallel processing system with greater capabilities than the individual processors.

According to Susan Westin's testimony to the Senate Governmental Affairs Committee in March, President Clinton set the licensing control threshold of 85,000 MTOPS based on the availability of clustering technologies projected to be available by the end of 2001.

However, as Ms. Westin noted in her testimony, "DOD officials, when asked, could not provide evidence to support their conclusions that there is necessary technical expertise in tier three countries [like China] to cluster to *any* performance level." (Emphasis in original.)

Additionally, as Andrew Grover, CEO of Intel, concluded during his remarks to the Forum for Technology and Innovation in March 1999, "The physical technology, the hardware technology implicit in building these large parallel machines, is not the same as the physical technology used in building commodity machines."

The report produced in 1999 by a 9-member bipartisan commission chaired by Congressman Chris Cox in the House of Representatives (the Cox Report) also addressed this issue with regard to China's computing abilities, stating that "while the PRC might attempt to perform some HPC functions by other means, these computer work-arounds remain difficult and imperfect."

WHY DO HPC'S NEED TO BE CONTROLLED?

As stated by Gary Milhollin, Executive Director of the Wisconsin project on Nuclear Arms Control, in an op-ed in the Washington Post in March 2000,

"The truth is, high-performance computers aren't like most other exports—they're more like weapons. They are essential to develop the software and hardware that make things like advanced military radar work. And one of the driving forces behind the development of 'supercomputers' has always been the desire to design better nuclear weapons and the missiles that deliver them . . . *It is easier, safer, and more economical to stop dangerous exports than to defend against the weapons they produce.*" (Emphasis added.)

The Cox report discussed in detail China's potential use of high-performance computers for the design and testing of ballistic missiles and advanced conventional weapons, the design and manufacturing of chemical and biological weapons, nuclear weapons development, warfare applications such as computer network attack, intelligence collection and analysis, and military command and control.

The Cox Committee concluded that China is "attempting to achieve parity with U.S. systems and capabilities in its military modernization efforts." As illustrated by Beijing's recent military exercises, its rapid efforts to modernize its military, and its continuing buildup of short-range missiles aimed at Taiwan, China poses a real and growing threat to U.S. national security.

The United States should not ease restrictions on the export of high performance computers that China can use to further its weapons development programs. Unfortunately, this is precisely what S. 149 would accomplish.

NOTIFICATION PROCESS

The 1998 Defense Authorization Act requires exporters to submit for review any proposed Tier 3 sale above the MTOPS threshold. This review is conducted by the Secretaries Commerce, Defense, State, and Energy, and the Director of the Arms Control and Disarmament Agency.

This requirement would be repealed by S. 149.

In his testimony to the House Armed Services Committee in October 1999, Gary Milhollin discussed the importance of the notification process set forth in the 1998 Defense Authorization Act, stating that it "has worked brilliantly." Furthermore, he concluded, "It has stopped a number of dangerous exports without imposing any significant burden on American industry."

In his testimony, Mr. Milhollin sited a number of instances where the process has been successful.

For example, Digital Equipment Corporation (Now Compaq) applied for permission to sell a supercomputer to the Harbin Institute of Technology in China. According to Mr. Milhollin's testimony, this institute "is overseen by the China Aerospace Corporation, China's principal missile and rocket manufacturer," and it "makes rocket castings and other components for long-range missiles."

The application was denied as a result of objections from the Arms Control and Disarmament Agency and the State Department. Mr. Milhollin further notes that the sale would have been worth only $348,000, in comparison to Compaq's annual revenue of approximately $31 billion.

Without the notification process, Digital would most likely have indirectly aided China in its effort to make more long-range ballistic missiles. Do we want to risk such an outcome in the future?

POST-SHIPMENT VERIFICATION

S. 149 would also repeal the section in the 1998 Defense Authorization Act that requires post-shipment verifications for high performance computers exported to Tier 3 countries, like China.

In June 1998, China agreed to allow post-shipment verifications for all exports, including high-performance computers. For the following reasons, the Cox Committee found the terms of the agreement "wholly inadequate":

1. China considers U.S. Commerce Department requests to verify the end-use of a U.S. high performance computer to be non-binding.
2. China insists that one of its own ministries conduct an end-use verification, if it agrees to one at all.
3. China argues that U.S. Embassy and Consulate commercial service personnel may not attend an end-use verification unless invited by China.
4. China argues that it is at China's discretion whether or not to conduct any end-use verification.
5. China will not permit an end-use verification at any time after the first six months of the computer's arrival.

According to the Bureau of Export Administration, out of 857 high-performance computers shipped to China, only 132 post-shipment verifications have been performed.

According to the Cox Report,

"The illegal diversion of HPCs for the benefit of the PRC military is facilitated by the lack of effective post-sale verifications of the locations and purposes for which the computers are being used. HPC diversion for PRC military use is also facilitated by the steady relaxation of U.S. export controls over sales of HPCs."

The Cox Report also states,

". . . the United States has no effective way to verify that high-performance computer purchases reportedly made for commercial purposes are not diverted to military uses. The Select Committee judges that the PRC has in fact used high-performance computers to perform nuclear weapon applications."

More recently, during a July 2001 hearing of the House International Relations Committee, David Tarbell, Deputy Undersecretary of Defense for Technology Security Policy, stated, ". . . *the Chinese government has been unwilling to establish a verification regime and an end use monitoring regime that would get all of the security interests that we're interested in to ensure that items that are shipped are not diverted.*" (Emphasis added.)

When pressed further by Chairman Hyde about whether the post-shipment verification regime is a failure, Secretary Tarbell replied, "*I'm not sure I would characterize it as a complete failure, but it is close to . . . It is not something I have a great deal of confidence in.*" (Emphasis added.)

The lack of an effective post-shipment verification regime for dual-use exports eliminates any benefit to U.S. national security of a licensing process. This bill would allow the Commerce Department to grant licenses to countries that refuse to allow post-shipment verification.

CHINA'S USE OF U.S. HPC'S FOR MILITARY PURPOSES

The Cox report discussed China's use of high performance computers for military applications, stating.

". . . open source reporting and stated PRC military modernization goals tend to support the belief that the PRC could be using HPCs in the design, development, and operation of missiles, anti-armor weapons, chemical and biological weapons, and information warfare technologies."

Furthermore, specifically with regard to nuclear weapons development and testing, the Cox report states, "The Select Committee judges that the PRC is almost certain to use U.S. HPCs to perform nuclear weapons applications. Moreover the PRC continues to seek HPCs and the related computer programs for these applications."

According to an article in the Washington Times in June 2000, "U.S. high-performance computers are being used at the Chinese Academy of Engineering Physics, the main nuclear weapons facility in Beijing." The Times reported that this was the third time the Chinese government has been detected diverting U.S.-origin computers to defense facilities.

CONCLUSION

S. 149 significantly weakens controls on the export of high performance computers. The bill reverses the efforts of Congress in 1997 to strengthen such controls.

The foreign availability of high performance computers is controllable. Computer "clustering" will not necessarily provide China, or another country, with the capability that would be achieved with a commodity machine purchased from the United States.

The notification process established in the 1998 Defense Authorization Act has been effective in preventing some sales of high performance computers that would most likely have been diverted to military uses.

A mandatory post-shipment verification regime is necessary to ensure that U.S. high performance computers are being used for commercial, not military, purposes.

Mr. KYL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SARBANES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SARBANES. Mr. President, I want to report to our colleagues where I think we are. We had been hopeful that we would have agreement on a few amendments that had been discussed at some length—largely with Senator KYL and Senator THOMPSON—and that those amendments could be agreed to and the managers' amendment would be agreed to, and then we would have been able to go on to final passage of the legislation this evening. I know a number of our colleagues are going to the White House for the state dinner with the President of the Republic of Mexico.

Regrettably, there has been a hang-up, I guess I will describe it as, at this point with respect to this blue ribbon commission amendment that we had discussed. An effort is still underway to try to work that out. We did reach agreement on two other amendments that I think are of some consequence, for which both Senator KYL and Senator THOMPSON earlier in the debate sort of laid out a rationale. Senator ENZI and I joined together in trying to accommodate that concern.

Apparently, it is believed that if we go overnight, that will provide some opportunity to work out the one remaining item.

If Members choose an amendment on that, we will have to deal with the amendment on its terms in one way or another or Members may choose at that point not to offer the amendment. But that would be the situation we would find ourselves in, and then we would move to final passage.

As best we can ascertain, there are not other amendments, and I certainly hope that is the case. That is the premise on which we are now proceeding. In light of that, I expect what we would do shortly is go over until the morning, and if the blue ribbon commission amendment has been worked out, that will be included in what would be passed. If not, we would pass the other two amendments that have been addressed and worked out, pass the managers' amendment, and go to third reading and final passage of the legislation.

This is what we have been trying to work towards all day long, and I think we came close but not quite there. So that is the situation. I want to report that to all of my colleagues. I know a lot of time has been spent in a sense waiting while discussions were going on, but that is not new for this body. We actually had hopes we would be able to get the bill done today. I very much regret that is not the case.

I discussed it with my colleagues on the other side. I do not think there are other amendments hanging out there, but if there are, we certainly want to be enlightened as to them. I am certainly not inviting them. We need to complete this legislation now.

It is clear what the will of this body is with respect to this legislation, and I hope Members would get a chance to exercise that will and then we will be able to get on with the other extended agenda which confronts the Senate now as we move into the fall period.

Mr. REID. Will the Senator yield for the purpose of asking a question?

Mr. SARBANES. Certainly.

Mr. REID. First of all, it is my understanding the Senator from Maryland and Senator ENZI, who both have managed this bill so well, are going to work with Senator THOMPSON and others, hopefully in the morning when we come in at 10:30, to have some kind of unanimous consent agreement at that time that would give us a final order to dispose of this bill. Is that true?

Mr. SARBANES. We very much hope to achieve that. And if we could do that, I also hope it would not take a great deal of time to implement or carry out a unanimous consent agreement, then not only get the agreement but move from the agreement to where we do the final passage. Then this legislation is completed and the floor is clear for other matters which I know the leadership is anxious to consider.

Mr. REID. I say to my friend before the Senator from Tennessee speaks, we are going to come in at 10:30 tomorrow and then the President of Mexico, as the Senator indicated, will be here in the morning. We will have a short time in the morning. I hope early in the morning the staffs could work with the principals to try to come up with a UC that we can propound before we listen to the President of Mexico. That would really work well.

It is my understanding the Senator from Maryland, the Senator from Wyoming, and the Senator from Tennessee are going to work toward that end so we can move to the Commerce-State-Justice bill, which Senators LOTT and DASCHLE are very anxious we finish this week.

Mr. SARBANES. I yield to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Mr. President, the scenario that has been outlined is a probability. That is something for which we can strive. We have accomplished some things in this down time we have had today. We are talking about a couple of amendments, and we are talking about a couple of letters, all of which will need to be finally agreed upon among the parties. I do not think that would be any problem. I do not anticipate other amendments at this time, but I say to my colleagues who might be listening, if anyone has any amendments, they should come forth immediately and announce them. Otherwise, I would anticipate tomorrow morning we would know where we stand with regard to the blue ribbon commission issue and would tomorrow morning be able to enter into some sort of unanimous consent agreement.

There being no further amendments other than our agreeing to the language of the letters and to the other amendments, we will be able to proceed on to final passage.

Mr. REID. Will the Senator yield for a question?

Mr. THOMPSON. I will be happy to.

Mr. REID. I always feel a sense of almost guilt when the Chamber is empty all day long and there are not people offering amendments and discussing the legislation, but it is important to note to all of the Senators within the sound of my voice and anyone else who is watching, today has been a very productive day. There has been tremendous work done by numerous Senators—Senator ENZI, Senator SARBANES, Senator GRAMM, Senator THOMPSON, and Senator KYL. We could go through the whole list of Senators who have been heavily involved in working on this bill today behind the scenes. There has been a lot of work.

The fact that we have not been in the Chamber should not diminish the fact there has been a lot of progress on this legislation.

Will the Senator from Tennessee agree with that statement?

Mr. THOMPSON. I certainly will, and I express appreciation to the leadership for allowing us to do this unfettered and unhassled because I know the Senator wants to finish and move on to other things. We have accomplished a couple of different things in the first day. We have had an opportunity to say our piece on our side to express our concern with some of the provisions. We have also had an opportunity to have a vote. It does not take a genius to count that vote.

After the vote occurred, the proponents of this legislation, in a very reasonable fashion, suggested we get together and see if some of the concerns we expressed could not be addressed. That is what good debate and good interchange is all about: actually listening to each other and learning something from each other and trying to see whether or not we could address some issues.

Those thoughts have been expressed in a way that had not been heard before. All of this happened, and that is a good thing. We are going to wind up with a better product than we otherwise would have. So, yes, I concur with the Senator. It is time to do what we can do and then move on.

I add we still need to be diligent and make sure we agree on the language, as we have orally, and hopefully wrap this thing up tomorrow.

Mr. SARBANES. Mr. President, we are going to strive very hard to get this unanimous consent agreement before we go to the joint meeting of the Congress, and then I hope we can come back and in fairly short order execute the unanimous consent request and move to final passage of this legislation by midday tomorrow, and then clear the Chamber for the leadership to take up other matters which I know are pressing on their agenda.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. I ask unanimous consent there now be a period of morning business with Senators allowed to speak for a period not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

CELEBRATING AUSTRALIAN-AMERICAN FRIENDSHIP

Mr. LOTT. Mr. President, next week the Senate will be honored with a visit from the Right Honorable John Howard, Prime Minister of Australia. Prime Minister Howard comes to the United States to celebrate the 50th Anniversary of the signing ANZUS Treaty, the document that has formally tied our strategic destinies together for the good of the entire Asian Pacific Rim.

Our relationship with Australia did not begin with the ratification of one treaty. American and Australian soldiers have fought together on every battlefield of the world from the Meuse Argonne in 1918 to the Mekong Delta and Desert Storm. We share a common historic and cultural heritage. We are immigrant peoples forged from the British Empire. We conquered our continents and became a beacon of hope for people struggling to be free.

For over 100 years, the United States and Australia have been the foundation for stability in the South Pacific. Today, we are on the precipice of a new day in this vital region. The potential for economic growth there is staggering. Where our two countries provided the military basis for peace in that hemisphere, we now can set the stage for a new free market order that will open the frontiers of freedom for countless millions.

On September 5th, I sent a letter to President Bush asking that he accelerate the schedule for creating a free trade agreement with Australia. We are Australia's largest source of foreign investment and second largest trading partner with a two way trade totaling over $19 billion. Even though Australia has a relatively small population, they are the 15th largest market for American exports.

An American Australia Free Trade Agreement will be a capstone event on a century of friendship and mutual sacrifice. It has the potential for setting a new standard for all of the Pacific to follow. So we welcome Prime Minister Howard to the United States and look forward to another century of prosperity and peace.

I ask unanimous consent that a copy of my letter to President Bush dated September 5, 2001 be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE REPUBLICAN LEADER,
Washington, DC, September 5, 2001.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: In recognition of the upcoming visit of Prime Minister John Howard, to celebrate the 50th anniversary of our alliance with Australia, I believe that it is a wonderful opportunity to strengthen the historic ties between our countries by launching the United States-Australia Free Trade Agreement.

In addition to a military alliance that has borne fruit on battlefields from the Meuse Argonne to Vietnam, we share a common cultural and economic bond. The United States-Australia strategic partnership is the foundation for stability in the South Pacific. We are Australia's largest source of foreign investment and second largest trading partner and they are one of the top markets for American exports.

The United States-Australia Free Trade Agreement would be the first in a series of formal regimes designed to bring the fruits of the free market to the entire Asian Pacific rim. There is no better place to expand the new economic frontier than with our friends and allies in Australia.

Sincerely,

TRENT LOTT,
Republican Leader.

STEM CELL RESEARCH

Mr. WARNER. Mr. President, I rise today to discuss embryonic stem cell research, having just participated in a hearing on stem cell research before the Senate's Health, Education, Labor, and Pensions Committee.

The future of stem cells in the United States, indeed the world, poses one of the greatest challenges to our Government since the foundation of our Republic over 200 years ago.

Enormous pressures will be placed upon our Presidents. President Bush, at the threshold of this debate on new developments in medical research, has taken an important step forward. I commend the President for supporting some degree of Federal funding for embryonic stem cell research. I also particularly commend the President for his efforts to ban human cloning.

Likewise, Congress must write laws striking a balance. On the one hand, ethical, moral, and religious standards give our Nation its strong foundation and must be considered.

On the other hand, we must allow science to go forward, within reasonable bounds, to assess the ability of the new frontier of embryonic stem cell research to alleviate the human suffering being experienced by millions.

Like our executive and legislative branches of Government, our judiciary will also be faced with challenges. The judiciary must interpret, not re-write, the law of the land, as a flood of cases will come before the courts.

If the three branches of our Government fail, in the judgment of Americans, to discharge their respective responsibilities in a fair, objective way, there will be many adverse impacts upon the American people.

For example, this science will simply leave the U.S. laboratories and move off shore. The United States will no longer be a Nation that imports and keeps our best researchers; rather, we will become a Nation that exports our brain power in crucial fields. Americans seeking medical treatment will likewise go abroad.

Consequently, our Government is faced with challenges. But, to the extent we allow embryonic stem cell research at home, within a fair and balanced framework of regulations, we can better control the important ethical, moral and religious standards vital to our culture here in the United States.

America has accepted the awesome responsibility of being the only world superpower in areas of security, the preservation of freedom, and the fostering of the principles of democracy and human rights throughout the world. Are we as a Nation going to be a superpower in medical science, advocating ethical standards for others beyond our shores; or are we, as a Nation, going to retreat behind unrealistic, unenforceable barricades, and leave advancement in the science of this emerging field to the rest of the world?

The facts are that an overwhelming amount of evidence exists that indicates that stem cell research holds enormous potential for treatment, and ultimately cures, for many diseases such as Parkinson's disease, cancer, ALS, Alzheimer's, heart disease, spinal chord injuries, muscular dystrophy, multiple sclerosis, arthritis, and diabetes.

Constantly, my Senate staff and I meet and hear from many Virginians who suffer from these and other diseases. And, many of these same individuals succumb to their disease, as no cure has yet been found for their illness. Embryonic stem cell research offers a real opportunity to help save lives in the future.

After thoughtful consideration, I came to the conclusion that the Federal Government, subject to restrictions, should fund embryonic stem cell research so that we remain a superpower in medical science. I joined with several of my colleagues in the Senate in writing to President Bush expressing my support for Federal funding of embryonic stem cell research prior to the President's August 9th announcement. I ask unanimous consent that the letter to President Bush be printed in RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC.

The President,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We strongly urge you to continue the last Administration's policy of using Federal funds for research on human stem cells after these cells have been derived from embryos. In addition, we strongly urge you to support legislation which would remove the existing ban on the use of Federal funds to derive stem cells from embryos.

On the issue of stem cell research, we think our colleague, Senator Gordon Smith, went to the heart of the matter when he pointed out the difference between an embryo in a petri dish, which would not produce human life, as opposed to an embryo in the womb of a woman where further development would produce life.

The essential consideration is that there are many excess embryos created for the purpose of in vitro fertilization. The only issue is whether these embryo will be discarded or used for stem cell research to save lives. Stem cell research has demonstrated a remarkable capacity of these cells to transform into any type of cell in the human body. Stem cells could be transplanted to any part of the body to replace tissue that has been damaged by disease, injury or aging. If scientists are correct, stem cells could be used to treat and cure a multitude of maladies such as Parkinson's, Alzhemier's, diabetes, ALS, heart disease, spinal cord injury, all types of cancers, burns, stroke, macular degeneration, multiple sclerosis, muscular dystrophy, autoimmune diseases, hepatitis and arthritis.

Current law prohibits Federal funding to create human embryos for research purposes through cloning, or through any other means. We do not object to these important prohibitions. However, creating embryos for research purposes is entirely different from using spare embryos left-over from infertility treatments. These spare embryos are now destined to be thrown away. Rather than discarding them, we support using these embryos in medical research to treat and cure disease.

Sincerely,

Arleen Specter, Strom Thurmond, Lincoln D. Chafee, Olympia J. Snowe, Ben Nighthorse Campbell, Gordon Smith, Susan Collins, Ted Stevens, Kay Bailey Hutchison, Orrin Hatch, and Dick Lugar.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred July 14, 1991 in Eugene, OR. Police arrested Pamela Joanne Richardson, 28, and Michael James Hughes, 21, for allegedly attacking a gay man outside a bar while using offensive language about his sexual orientation.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, September 4, 2001, the Federal debt stood at $5,761,532,655,812.62, five trillion, seven hundred sixty-one billion, five hundred thirty-two million, six hundred fifty-five thousand, eight hundred twelve dollars and sixty-two cents.

Five years ago, September 4, 1996, the Federal debt stood at $5,228,998,407,724.89, five trillion, two hundred twenty-eight billion, nine hundred ninety-eight million, four hundred seven thousand, seven hundred twenty-four dollars and eighty-nine cents.

Ten years ago, September 4, 1991, the Federal debt stood at $3,617,415,000,000, three trillion, six hundred seventeen billion, four hundred fifteen million.

Fifteen years ago, September 4, 1986, the Federal debt stood at $2,113,006,000,000, two trillion, one hundred thirteen billion, six million, which reflects a debt increase of more than $5 trillion, $3,648,526,655,812.62, three trillion, six hundred forty-eight billion, five hundred twenty-six million, six hundred fifty-five thousand, eight hundred twelve dollars and sixty-two cents during the past 15 years.

ADDITIONAL STATEMENTS

NATIONAL KIDS VOTING WEEK

• Mr. MCCAIN. Mr. President, I would like to recognize Kids Voting USA and its efforts to educate our children about civic democracy and the importance of being an informed voter.

The program began in 1988 with three Arizona businessmen on a fishing trip to Costa Rica. They learned that voter turnout in that country was routinely about 80 percent. This high turnout was attributed to a tradition of children accompanying their parents to the polls. The men observed first-hand the success Costa Rica had achieved by instilling in children at an early age the importance of active participation and voting.

The three Arizona businessmen took this idea back to the United States and founded Kids Voting USA. Today, this nonprofit, nonpartisan organization reaches 5 million students in 39 States, and includes 200,000 teachers, and 20,000 voter precincts.

With voter turnout declining each year, Kids Voting USA recognizes the need to educate our youth and instill in them the responsibility to be active, informed citizens and voters. By teaching the skills for democratic living year-round, students receive a civics education and participate in local and national elections in communities across the country. Kids Voting USA enables students to visit official polls on election day, accompanied by a parent or guardian, to cast a ballot that replicates the official ballot. Although not a part of the official results, the students' votes are registered at schools and by the media.

This year, National Kids Voting Week is September 24–28. It is a week when Kids Voting communities across the country celebrate this vibrant and important program. I would like to recognize Kids Voting USA and all its has done to promote the future of democracy by engaging young people, schools and communities in the election process.•

SAS INSTITUTE INC. CELEBRATES 25TH ANNIVERSARY

• Mr. EDWARDS. Mr. President, I am proud to honor SAS Institute Inc. as it celebrates 25 years as a leading technology company. SAS is the world's largest privately held software company. The roots of SAS' software stem from a United States Department of Agriculture grant to a group of universities in need of a way to analyze their vast amounts of agriculture data. The group developed the "Statistical Analysis System", giving SAS both its name and its corporate beginnings.

Headquartered in Cary, NC, SAS has made significant contributions to communities throughout North Carolina. Fortunately, as it has grown over the last 25 years, SAS has extended its community involvement to include areas around the United States and the world. The company and its founders believe very strongly that education and technology are vitally important for our local communities, state, and country.

SAS' customer list have grown significantly over the past 25 years. SAS customers now include 98 of the "Fortune 100" companies. In addition, all fourteen major Federal Government departments currently use SAS software. SAS customers continually praise its software, as demonstrated by a 98-percent annual renewal rate.

For the past quarter century, SAS has annually reinvested at least 30 percent of its income into Research & Development, far exceeding the industry average. As a result of its commitment to R&D, SAS is positioned to continue to develop important solutions for its customers.

SAS co-owners and co-founders, Dr. James H. Goodnight and John P. Sall, have a built a company that is committed to providing not only valuable software solutions for its customers, but also providing a worker friendly environment for their employees. SAS' treatment of its employees is a model for other companies around the world to follow. For example, SAS was a corporate pioneer by providing on-site daycare for its employees' children as early as 1981. In 1986, SAS began offering onsite healthcare for its employees. Last year, the company's Health Care Center had more than 33,000 patient visits. SAS also provides onsite employee cafeterias, an employee fitness center, massage therapy and hair care services. SAS has created a family atmosphere that inspires employee loyalty and bottom line success.

As a result of the many employee benefits and the positive employee-friendly atmosphere created by its co-founders, SAS' employee turnover rate is just 5 percent as compared with a 20-percent industry average. Based on its workplace environment, SAS has received corporate leadership awards from numerous publications, including Working Mother, Fortune, and Business Week magazines.

Based on its past performance, I have no doubt that SAS will continue to provide an exciting work environment for its employees and remain committed to supporting community causes. SAS and its employees most certainly must be excited about the next 25 years, and as a U.S. Senator from North Carolina, I am proud that SAS was born in my State.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 11:40 am, a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2563. An act to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 2563. An act to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3486. A communication from the General Counsel of the Office of Management and Budget, transmitting, pursuant to law, the report of a nomination confirmed for the position of Administrator of the Office of Information and Regulatory Affairs, received on August 13, 2001; to the Committee on Governmental Affairs.

EC-3487. A communication from the Director of Regulations Policy and Management, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medical Devices; Exemption From Premarket Notification Requirements; Class I Devices; Technical Amendment" (Doc. No. 01N-0073) received on August 15, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC-3488. A communication from the Director of Regulations Policy and Management, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Revision to the Requirements Applicable to Blood, Blood Components, and Source Plasma" (Doc. No. 98N-0673) received on August 15, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC-3489. A communication from the Acting Assistant General Counsel for Regulations, Office of Postsecondary Education, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Federal Perkins Loan Program, Federal Family Education Loan Program, and William D. Ford Federal Direct Loan Program" received on August 16, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC-3490. A communication from the Acting Chief Executive Officer of the Corporation for National and Community Service, transmitting, pursuant to law, the report of a nomination for the position of Chief Executive Officer, received on August 16, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC-3491. A communication from the Executive Secretary and Chief of Staff of the U.S. Agency for International Development, transmitting, pursuant to law, the report of the discontinuation of service in acting role for the position of Assistant Administrator of the Bureau for Asia and the Near East, received on August 15, 2001; to the Committee on Foreign Relations.

EC-3492. A communication from the Executive Secretary and Chief of Staff of the U.S. Agency for International Development, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Administrator of the Bureau for Policy and Program Coordination, received on August 15, 2001; to the Committee on Foreign Relations.

EC-3493. A communication from the Adviser of the Bureau of Educational and Cultural Affairs, Office of Exchange Coordination and Designation, Department of State, transmitting, pursuant to law, the report of a rule entitled "Exchange Visitor Program Educare" received on August 15, 2001; to the Committee on Foreign Relations.

EC-3494. A communication from the Acting Assistant Attorney General for Administration, Justice Management Division, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Exemption of Department of Justice Systems: Correspondence Management Systems for the Department of Justice (DOJ-003); Freedom of Information Act, Privacy Act and Mandatory Declassification Review Requests and Administrative Appeals for the Department of Justice (DOJ-004)" received on August 9, 2001; to the Committee on the Judiciary.

EC-3495. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Classification of Certain Pension Employee Benefit Trusts, and Other Trusts" (RIN1545-AY09) received on August 9, 2001; to the Committee on Finance.

EC-3496. A communication from the Program Manager of the Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Identification Markings Placed on Firearms" (RIN1512-AB84) received on August 9, 2001; to the Committee on Finance.

EC-3497. A communication from the Director of the Policy Directives and Instructions Branch, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "K nonimmigrant classification for spouses of U.S. citizens and their children under the legal immigration family equity act of 2000" (RIN1115-AG12) received on August 15, 2001; to the Committee on Finance.

EC-3498. A communication from the Director of Headquarters and Executive Personnel Services, Department of Energy, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary for Policy and International Affairs, received on August 13, 2001; to the Committee on Energy and Natural Resources.

EC-3499. A communication from the Director of Headquarters and Executive Personnel Services, Department of Energy, transmitting, pursuant to law, the report of the designation of acting officer in the position of Administrator of the Energy Information Administration, received on August 13, 2001; to the Committee on Energy and Natural Resources.

EC-3500. A communication from the Director of Headquarters and Executive Personnel Service, Department of Energy, transmitting, pursuant to law, the report of a nomination confirmed for the position of Director of the Office of Minority Economic Impact, received on August 13, 2001; to the Committee on Energy and Natural Resources.

EC-3501. A communication from the Director of Headquarters and Executive Personnel

Services, Department of Energy, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary for Congressional and Intergovernmental Affairs, received on August 13, 2001; to the Committee on Energy and Natural Resources.

EC–3502. A communication from the General Counsel of the Federal Energy Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Order Adopting Minor Revisions to OASIS Standards and Communication Protocols Document, Version 1.4" (Doc. No. RM95–9–014) received on August 15, 2001; to the Committee on Energy and Natural Resources.

EC–3503. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Virginia Regulatory Program" (Doc. No. VA–119–FOR) received on August 16, 2001; to the Committee on Energy and Natural Resources.

EC–3504. A communication from the Deputy Secretary, Division of Market Regulation, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Registration of National Securities Exchanges Pursuant to Section 6(g) of the Securities Exchange Act of 1934 and Proposed Rule Changes of Certain National Securities Exchanges and Limited Purpose National Securities Associations" (RIN3235–AI20) received on August 15, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3505. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Suspension of Community Eligibility" (Doc. No. FEMA–7765) received on August 15, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3506. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "National Flood Insurance Program; Assistance to Private Sector Property Insurers" (RIN3067–AD23) received on August 15, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3507. A communication from the Chairman and President of the Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to a transaction involving U.S. exports to Mexico; to the Committee on Banking, Housing, and Urban Affairs.

EC–3508. A communication from the Chairman and President of the Export-Import Bank of the United States, transmitting, pursuant to law, the report of a transaction involving U.S. exports to Mexico; to the Committee on Banking, Housing, and Urban Affairs.

EC–3509. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determinations" (Doc. No. FEMA–P–7604) received on August 21, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3510. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled "Changes in Flood Elevation Determinations" received on August 21, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–3511. A communication from the Attorney/Advisor of the Department of Transportation, transmitting, pursuant to law, the report of a nomination for the position of Administrator of the Federal Highway Administration, received on August 9, 2001; to the Committee on Environment and Public Works.

EC–3512. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Maryland; Administrative Revisions of General Provisions Related to Definitions of Terms and Ambient Air Quality Standards" (FRL7021–3) received on August 15, 2001; to the Committee on Environment and Public Works.

EC–3513. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans Commonwealth of Kentucky; Approval or Revisions to the 1-Hour Ozone Maintenance State Implementation Plan for Marshall and a Portion of Livingston Counties" (FRL7036–8) received on August 15, 2001; to the Committee on Environment and Public Works.

EC–3514. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revision to the California State Implementation Plan, South Coast Air Quality Management District" (FRL7026–5) received on August 15, 2001; to the Committee on Environment and Public Works.

EC–3515. A communication from the Deputy Administrator of the General Service Administration, transmitting, pursuant to law, a report relative to the Building Project Survey for Ft. Pierce, FL, Jackson, MS, and Austin, TX; to the Committee on Environment and Public Works.

EC–3516. A communication from the Attorney/Advisor of the Department of Transportation, transmitting, pursuant to law, the report of a nomination withdrawn for the position of Administrator of the Federal Highway Administration, received on August 15, 2001; to the Committee on Environment and Public Works.

EC–3517. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; State of Missouri, Correction" (FRL7041–8) received on August 17, 2001; to the Committee on Environment and Public Works.

EC–3518. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Finding of Attainment for Carbon Monoxide (CO); Spokane CO Nonattainment Area, Washington" (FRL7041–9) received on August 17, 2001; to the Committee on Environment and Public Works.

EC–3519. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Florida: Final Authorization of State Hazardous Waste Management Program Revision" (FRL7040–5) received on August 17, 2001; to the Committee on Environment and Public Works.

EC–3520. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans for Designated Facilities and Pollutants; Pennsylvania; Conversion of the Conditional Approval of the Pennsylvania Large Municipal Waste Combustor (MWC) Plan to Full Approval" (FRL7038–6) received on August 17, 2001; to the Committee on Environment and Public Works.

EC–3521. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania VOC and NOx RACT Determinations for Eight Individual Sources in the Pittsburgh-Beaver Valley Area; Corrections" (FRL7040–1) received on August 17, 2001; to the Committee on Environment and Public Works.

EC–3522. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Nitrogen Oxides Budget Trading Program" (FRL7038–3) received on August 17, 2001; to the Committee on Environment and Public Works.

EC–3523. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; VOC and NOx RACT Determinations for Four Individual Sources in the Pittsburgh-Beaver Valley Areas; Corrections" (FRL7039–9) received on August 17, 2001; to the Committee on Environment and Public Works.

EC–3524. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Final Authorization of State Hazardous Waste Management Program Revision" (FRL7036–9) received on August 17, 2001; to the Committee on Environment and Public Works.

EC–3525. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Emission Standards for Hazardous Air Pollutants for Boat Manufacturing" (FRL7039–4) received on August 17, 2001; to the Committee on Environment and Public Works.

EC–3526. A communication from the Acting Assistant Administrator of the National Ocean Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Federal Register Notice FY02 National Estuarine Research Reserve Graduate Research Fellowship" (RIN0648–ZA89) received on August 13, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3527. A communication from the Associate Administrator for Aerospace Technology, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a rule entitled "Inventions and Contributions" (RIN2700–AC47) received on August 15, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3528. A communication from the Associate Administrator for Aerospace Technology, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a rule entitled "Patents and

Other Intellectual Property Rights" (RIN2700–AC48) received on August 15, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3529. A communication from the Associate Administrator for Aerospace Technology, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a rule entitled "Boards and Committees" (RIN2700–AC46) received on August 15, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3530. A communication from the Attorney/Advisor of the Department of Transportation, transmitting, pursuant to law, the report of a nomination withdrawn for the position of General Counsel, Office of the Secretary, received on August 15, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3531. A communication from the Attorney/Advisor of the Department of Transportation, transmitting, pursuant to law, the report of a nomination withdrawn for the position of Administrator or Research and Special Programs Administration, received on August 15, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3532. A communication from the Attorney/Advisor of the Department of Transportation, transmitting, pursuant to law, the report of a nomination for the position of Administrator of the Federal Motor Carrier Safety Administration, received on August 15, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3533. A communication from the Attorney/Advisor of the Department of Transportation, transmitting, pursuant to law, the report of a nomination withdrawn for the position of Administrator of the Federal Motor Carrier Safety Administration, received on August 15 , 2001; to the Committee on Commerce, Science, and Transportation.

EC–3534. A communication from the Senior Counsel of the Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Deployment of Wireline Services Offering Advanced Telecommunications Capability" (Doc. No. 98–147) received on August 16, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3535. A communication from the Assistant Chief Counsel for Hazardous Materials Safety, Research and Special Programs Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Hazardous Materials: Exceptions from Labeling and Placarding Materials Poisonous by Inhalation (PIH)" (RIN2137–AD37) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3536. A communication from the Attorney of the Research and Special Programs Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Hazardous Materials Regulations: Editorial Corrections and Clarifications" ((RIN2137–AD60)(2001–0001)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3537. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Fokker Model F 28 Mark 1000, 2000, 3000, and 4000 Series Airplanes" ((RIN2120–AA64)(2001–0435)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3538. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Gulfstream Model G–V Series Airplanes" ((RIN2120–AA64)(2001–0434)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3539. A communication from the Program Analyst of the Federal Aviation Administration; Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model CL 600 2B16 Series Airplanes" ((RIN2120–AA64)(2001–0433)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3540. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Chillicothe, MO" ((RIN2120–AA66)(2001–0130)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3541. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model CL 600 2B16 Series Airplanes" ((RIN2120–AA64)(2001–0437)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3542. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Rolls Royce plc. RB211 Trent Turbofan Engines" ((RIN2120–AA64)(2001–0436)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3543. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establish Class E Airspace; Pelham Lake, VA" ((RIN2120–AA66)(2001–0134)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3544. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Olathe, KS" ((RIN2120–AA66)(2001–0131)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3545. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Cabool, MO" ((RIN2120–AA66)(2001–0132)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3546. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Rome, NY" ((RIN2120–AA66)(2001–0133)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3547. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (46); Amdt. No. 2063" ((RIN2120–AA65)(2001–0047)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3548. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E2 Airspace; Greenwood, MS" ((RIN2120–AA66)(2001–0135)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3549. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Fees for Air Traffic Services for Certain Flights" ((RIN2120–AG17)(2001–0001)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3550. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Harlem River, NY" ((RIN2115–AE47)(2001–0061)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3551. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Cleveland Harbor, Cleveland, OH" ((RIN2115–AA97)(2001–0053)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3552. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Wings Over Lake Air Show, Michigan City, IN" ((RIN2115–AA97)(2001–0054)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3553. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations; SLR; San Juan Harbor, Puerto Rico" ((RIN2115–AE46)(2001–0023)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3554. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Hackensack River, NJ" ((RIN2115–AE47)(2001–0062)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3555. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regulated Navigation Areas; Huntington Cleveland Harborfest; Regulated Navigation Area and Moving Safety Zones, Cuyahoga River and Cleveland Harbor, Cleveland, OH" ((RIN2115–AE84)(2001–0001)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3556. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Lake Erie, Port Clinton, OH" ((RIN2115–AA97)(2001–0051)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3557. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations; SLR; Inner Harbor, Patapsco River, Baltimore, Maryland" ((RIN2115–AE46)(2001–0020)) received on August 17 , 2001; to the Committee on Commerce, Science, and Transportation.

EC–3558. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations; SLR; Sturgeon Bay Canal, Sturgeon Bay, Wisconsin" ((RIN2115–AE46)(2001–0019)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3559. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; State Road 84 Bridge, South Fork of the New River, Mile 4.4, Fort Lauderdale, Broward County, Florida" ((RIN2115–AE47)(2001–0055)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3560. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Captain of the Port Detroit Zone" ((RIN2115–AA97)(2001–0052)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3561. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations; SLR; Propect Bay, Kent Island Narrows, Maryland" ((RIN2115–AE46)(2001–0022)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3562. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Lake Ponchartrain, LA" ((RIN2115–AE47)(2001–0060)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3563. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Ouachita River, Louisiana" ((RIN2115–AE47)(2001–0059)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3564. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Mississippi River, Iowa and Illinois" ((RIN2115–AE47)(2001–0058)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3565. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Florida East Coast Railroad Bridge, St. Johns River, Jacksonville, FL" ((RIN2115–AE47)(2001–0056)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3566. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations; SLR; Patuxent River, Solomons, Maryland" ((RIN2115–AE46)(2001–0021)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3567. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Green River, Spottsville, Kentucky" ((RIN2115–AE47)(2001–0057)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3568. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Raising the Threshold of Property Damage for Reports of Accidents Involving Recreational Vessels" ((RIN2115–AF87)(2001–0002)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3569. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Lake Erie, Cleveland Harbor, Cleveland, OH" ((RIN2115–AA97)(2001–0045)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3570. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations: Irish Festival 2001, Milwaukee Harbor, Wisconsin" ((RIN2115–AA97)(2001–0044)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3571. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Fireworks Display, Columbia River, Asoria, Oregon" ((RIN2115–AA97)(2001–0046)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3572. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Lake Michigan, Pentwater, MI" ((RIN2115–AA97)(2001–0048)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3573. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Blue Water Offshore Classic, St. Clair River, MI" ((RIN2115–AA97)(2001–0050)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3574. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Seafair Blue Angels Performance, Lake Washington, WA" ((RIN2115–AA97)(2001–0049)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3575. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Rochester Harborfest Fireworks Display, Genesee River, Rochester, NY" ((RIN2115–AA97)(2001–0047)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3576. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Licensing and Manning for Officers of Towing Vessels" ((RIN2115–AF23)(2001–0001)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3577. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Vessel Identification System (USCG 1999–6420)" ((RIN2115–AD35)(2001–0002)) received on August 17, 2001; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Ms. CANTWELL:

S. 1403. A bill to amend the Federal Power Act to promote energy independence and diversity by providing for the use of net metering by certain small electric energy generation systems, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BREAUX:

S. 1404. A bill to amend the Internal Revenue Code of 1986 to modify the small refiner exception to the oil depletion deduction; to the Committee on Finance.

By Mr. BREAUX:

S. 1405. A bill to amend the Internal Revenue Code of 1986 to allow certain coins to be acquired by individual retirement accounts and other individually directed pension plan accounts; to the Committee on Finance.

By Mr. DURBIN:

S. 1406. A bill for the relief of Tanian Unzueta; to the Committee on the Judiciary.

By Mr. DOMENICI:

S. 1407. A bill to establish a national competence for critical infrastructure protection, and for other purposes; to the Committee on Armed Services.

ADDITIONAL COSPONSORS

S. 104

At the request of Ms. SNOWE, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 104, a bill to require equitable coverage of prescription contraceptive drugs and devices, and contraceptive services under health plans.

S. 121

At the request of Mrs. FEINSTEIN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 121, a bill to establish an Office of Children's Services within the Department of Justice to coordinate and implement Government actions involving unaccompanied alien children, and for other purposes.

S. 131

At the request of Mr. JOHNSON, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 131, a bill to amend title 38, United States Code, to modify the annual determination of the rate of the basic benefit of active duty educational assistance under the Montgomery GI Bill, and for other purposes.

S. 256

At the request of Ms. SNOWE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 256, a bill to amend the Civil Rights Act of 1964 to protect breastfeeding by new mothers.

S. 258

At the request of Ms. SNOWE, the names of the Senator from Texas (Mrs. HUTCHISON) and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. 258, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of annual screening pap smear and screening pelvic exams.

S. 312

At the request of Mr. GRASSLEY, the names of the Senator from Georgia (Mr. MILLER) and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 312, a bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers and fishermen, and for other purposes.

S. 351

At the request of Ms. COLLINS, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 351, a bill to amend the Solid Waste Disposal Act to reduce the quantity of mercury in the environment by limiting use of mercury fever thermometers and improving collection, recycling, and disposal of mercury, and for other purposes.

S. 452

At the request of Mr. MURKOWSKI, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. 452, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians, providers of services, and ambulance providers that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 459

At the request of Mr. BUNNING, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 459, a bill to amend the Internal Revenue Code of 1986 to reduce the tax on vaccines to 25 cents per dose.

S. 530

At the request of Mr. GRASSLEY, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 530, a bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for producing electricity from wind.

S. 570

At the request of Mr. BIDEN, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 570, a bill to establish a permanent Violence Against Women Office at the Department of Justice.

S. 603

At the request of Mr. LIEBERMAN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 603, a bill to provide for full voting representation in the Congress for the citizens of the District of Columbia to amend the Internal Revenue Code of 1986 to provide that individuals who are residents of the District of Columbia shall be exempt from Federal income taxation until such full voting representation takes effect , and for other purposes.

S. 627

At the request of Mr. GRASSLEY, the names of the Senator from Nevada (Mr. REID), the Senator from Virginia (Mr. ALLEN), the Senator from Arkansas (Mr. HUTCHINSON) and the Senator from Texas (Mrs. HUTCHISON), were added as cosponsors of S. 627, a bill to amend the Internal Revenue Code of 1986 to allow individuals a deduction for qualified long-term care insurance premiums, use of such insurance under cafeteria plans and flexible spending arrangements, and a credit for individuals with long-term care needs.

S. 666

At the request of Ms. SNOWE, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 666, a bill to amend the Internal Revenue Code of 1986 to allow the use of completed contract method of accounting in the case of certain long-term naval vessel construction contracts.

S. 694

At the request of Mr. LEAHY, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 694, a bill to amend the Internal Revenue Code of 1986 to provide that a deduction equal to fair market value shall be allowed for charitable contributions of literary, musical, artistic, or scholarly compositions created by the donor.

S. 805

At the request of Mr. WELLSTONE, the names of the Senator from Missouri (Mrs. CARNAHAN) and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. 805, a bill to amend the Public Health Service Act to provide for research with respect to various forms of muscular dystrophy, including Duchenne, Becker, limb girdle, congenital, facioscapulohumeral, myotonic, oculopharyngeal, distal, and emery-dreifuss muscular dystrophies.

S. 829

At the request of Mr. BROWNBACK, the names of the Senator from Nebraska (Mr. NELSON) and the Senator from Illinois (Mr. FITZGERALD) were added as cosponsors of S. 829, a bill to establish the National Museum of African American History and Culture within the Smithsonian Institution.

S. 839

At the request of Mrs. HUTCHISON, the names of the Senator from Oklahoma (Mr. INHOFE), the Senator from New Mexico (Mr. BINGAMAN), and the Senator from California (Mrs. BOXER) were added as cosponsors of S. 839, a bill to amend title XVIII of the Social Security Act to increase the amount of payment for inpatient hospital services under the medicare program and to freeze the reduction in payments to hospitals for indirect costs of medical education.

S. 885

At the request of Mr. HUTCHINSON, the names of the Senator from Washington (Ms. CANTWELL) and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of S. 885, a bill to amend title XVIII of the Social Security Act to provide for national standardized payment amounts for inpatient hospital services furnished under the medicare program.

S. 899

At the request of Mr. BIDEN, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 899, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to increase the amount paid to families of public safety officers killed in the line of duty.

S. 913

At the request of Ms. SNOWE, the names of the Senator from North Dakota (Mr. DORGAN) and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of S. 913, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of all oral anticancer drugs.

S. 972

At the request of Mr. MURKOWSKI, the name of the Senator from Nebraska

(Mr. HAGEL) was added as a cosponsor of S. 972, a bill to amend the Internal Revenue Code of 1986 to improve electric reliability, enhance transmission infrastructure, and to facilitate access to the electric transmission grid.

S. 980

At the request of Mr. FITZGERALD, the names of the Senator from Texas (Mrs. HUTCHISON), the Senator from Maine (Ms. SNOWE), and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 980, a bill to provide for the improvement of the safety of child restraints in passenger motor vehicles, and for other purposes.

S. 990

At the request of Mr. SMITH of New Hampshire, the names of the Senator from Ohio (Mr. VOINOVICH) and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 990, a bill to amend the Pittman-Robertson Wildlife Restoration Act to improve the provisions relating to wildlife conservation and restoration programs, and for other purposes.

S. 1007

At the request of Mr. REID, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 1007, a bill to amend the Internal Revenue Code of 1986 to treat gold, silver, and platinum, in either coin or bar form, in the same manner as stocks and bonds for purposes of the maximum capital gains rate for individuals.

S. 1022

At the request of Mr. WARNER, the names of the Senator from Kansas (Mr. ROBERTS) and the Senator from Maryland (Ms. MIKULSKI) were added as cosponsors of S. 1022, a bill to amend the Internal Revenue Code of 1986 to allow Federal civilian and military retirees to pay health insurance premiums on a pretax basis and to allow a deduction for TRICARE supplemental premiums.

S. 1042

At the request of Mr. INOUYE, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 1042, a bill to amend title 38, United States Code, to improve benefits for Filipino veterans of World War II, and for other purposes.

S. 1107

At the request of Mr. HARKIN, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 1107, a bill to amend the National Labor relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes.

S. 1140

At the request of Mr. HATCH, the names of the Senator from North Carolina (Mr. EDWARDS) and the Senator from South Dakota (Mr. DASCHLE) were added as cosponsors of S. 1140, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1169

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 1169, a bill to streamline the regulatory processes applicable to home health agencies under the medicare program under title XVIII of the Social Security Act and the medicaid program under title XIX of such Act, and for other purposes.

S. 1209

At the request of Mr. BINGAMAN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1211

At the request of Ms. CANTWELL, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 1211, a bill to reauthorize and revise the Renewable Energy Production Incentive program, and for other purposes.

S. 1225

At the request of Mr. ALLEN, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1225, a bill to require the Secretary of the Treasury to redesign the $1 bill so as to incorporate the preamble to the Constitution of the United States, the Bill of Rights, and a list of the Articles of the Constitution on the reverse side of such currency.

S. 1226

At the request of Mr. CAMPBELL, the names of the Senator from Ohio (Mr. DEWINE) and the Senator from New Hampshire (Mr. GREGG) were added as cosponsors of S. 1226, a bill to require the display of the POW/MIA flag at the World War II Memorial, the Korean War Veterans Memorial, and the Vietnam Veterans Memorial.

S. 1249

At the request of Mr. WELLSTONE, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 1249, a bill to promote the economic security and safety of victims of domestic and sexual violence, and for other purposes.

S. 1253

At the request of Mr. SCHUMER, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 1253, a bill to protect ability of law enforcement to effectively investigate and prosecute illegal gun sales and protect the privacy of the American people.

S. 1274

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 1274, a bill to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke.

S. 1275

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 1275, a bill to amend the Public Health Service Act to provide grants for public access defibrillation programs and public access defibrillation demonstration projects, and for other purposes.

S. 1365

At the request of Mr. JEFFORDS, the names of the Senator from Minnesota (Mr. WELLSTONE) and the Senator from Louisiana (Mr. BREAUX) were added as cosponsors of S. 1365, a bill to authorize the Secretary of the Department of Housing and Urban Development to make grants to States for affordable housing for low-income persons, and for other purposes.

S. CON. RES. 64

At the request of Mrs. CLINTON, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. Con. Res. 64, a concurrent resolution directing the Architect of the Capitol to enter into a contract for the design and construction of a monument to commemorate the contributions of minority women to women's suffrage and to the participation of minority women in public life, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BREAUX:

S. 1405. A bill to amend the Internal Revenue Code of 1986 to allow certain coins to be acquired by individual retirement accounts and other individually directed pension plan accounts; to the Committee on Finance.

Mr. BREAUX. Mr. President, I rise today to introduce legislation allowing certain U.S. legal tender coins to be qualified investments for an individual retirement account (IRA).

Congress excluded "collectibles," such as antiques, gold and silver bullion, and legal tender coinage, as appropriate for contribution to IRAs in 1981. The primary reason was the concern that individuals would get a tax break when they bought collectibles for their personal use. For example, a taxpayer might deduct the purchase of an antique rug for his/her living room as an IRA investment. Congress was also concerned about how the many different types of collectibles are valued.

Over the years, however, certain coins and precious metals have been excluded from the definition of a collectible because they are independently valued investments that offer investors portfolio diversity and liquidity. For example, Congress excluded gold and silver U.S. American Eagles from the definition of collectibles in 1986, and the Taxpayer Relief Act of 1997 took the further step of excluding certain precious metals bullion.

My legislation would exclude from the definition of collectibles only those U.S. legal tender coins which meet the following three standards: certification by a nationally recognized grading service, traded on a nationally-recognized network and held by a qualified trustee as described in the Internal Revenue Code. In other words, only investment quality coins that are independently valued and not held for personal use may be included in IRAs.

There are several nationally-recognized, independent certification or grading services. Full-time professional graders (numismatists) examine each coin for authenticity and grade them according to established standards. Upon certification, the coin is sonically-sealed (preserved) to ensure that if remains in the same condition as when it was graded.

Legal tender coins are then traded via two independent electronic networks—the Certified Coin Exchange and Certified CoinNet. These networks are independent of each other and have no financial interest in the legal tender coinage and precious metals markets. The networks function in precisely the same manner as the NASDAQ with a series of published "bid" and "ask" prices and last trades. The buys and sells are enforceable prices that must be honored as posted until updated.

Mr. President, the liquidity provided through a bona fide national trading network, combined with published prices, make legal tender coinage a practical investment that offers investors diversification and liquidity. Investment in these tangible assets has become a safe and prudent course of action for both the small and large investor and should be given the same treatment under the law as other financial investments. I urge the Senate to enact this important legislation as soon as possible.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1405

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN COINS NOT TREATED AS COLLECTIBLES.

(a) IN GENERAL.—Section 408(m)(3) of the Internal Revenue Code of 1986 (relating to exception for certain coins and bullion) is amended—

(1) by inserting after clause (iv) in subparagraph (A) the following new clause:

"(v) any coin certified by a recognized grading service and either traded on a nationally recognized electronic network or listed by a recognized wholesale reporting service, and which is or was at any time legal tender in the United States, or", and

(2) by striking "such bullion" in the matter following subparagraph (B) and inserting "such coin or bullion (in either coin or bar form)".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

By Mr. DOMENICI:

S. 1407. A bill to establish a national competence for critical infrastructure protection, and for other purposes; to the Committee on Armed Services.

Mr. DOMENICI. Mr. President, I rise today to introduce the Critical Infrastructures Protection Act of 2001. This bill represents an important first step towards greatly increasing our understanding of our nation's infrastructures and the interdependencies among those infrastructures that underpin our daily lives.

I would ask my colleagues to think about the scare surrounding the year 2000 potential computer glitch, the so-called Y2K problem. We invested billions of dollars to ensure that the transition to that date did not cause a cataclysmic failure in our weapons systems, medical devices, energy sources, financial systems and many other areas. But, the cyber component of our potential vulnerability did not disappear on January 2, 2000.

The physical infrastructures that support our daily lives are vulnerable as well. The increasing complexity of transportation and energy infrastructures make them extremely vital to our economy and exceedingly vulnerable to minor disturbances or perturbations, intentional or not. In many instances, a cyber infrastructure underlies the normal, efficient functioning of the physical infrastructures.

The smooth functioning of the Federal Government, whether it's a Defense Department mission or the handling of veteran's medical claims, relies heavily on cyber infrastructures. Further, many critical infrastructures are supported or owned by private sector entities. The task of adequate protection and mitigation risk must be a cooperative effort between Federal, State and local governments and private sector actors.

Beyond having insufficient understanding of the complex systems and their interdependencies, we also have no means to pinpoint what vulnerabilities we face or create policies to address vulnerabilities or ensure stability. Technology has outpaced our understanding of the potential inherent weaknesses or ensuing vulnerabilities. We currently cannot assess either the problems or possible solutions.

The administration is fully aware of this problem. We confront a fundamental national security concern, and we currently lack sufficient government coordination and scientific understanding to adequately address it.

The President will sign an Executive order in the coming weeks to address the coordination needs of the federal agencies responsible for critical infrastructures. This Executive order establishes the President's Critical Infrastructure Protection and Continuity Board to address our federal government's policies, procedures and capacity to achieve specific policy objectives. This Board will require scientific modeling and simulation capacity to inform policy making and implementation of a framework to ensure adequate protection.

The National Infrastructure Simulation and Analysis Center (NISAC) offers precisely that scientific capability. For almost a decade two of the Department of Energy National Laboratories, Los Alamos and Sandia National Labs, have been working to model our nations energy and transportation infrastructures. They have also modeled epidemics, simulated anthrax attacks and assisted private sector companies better understand the infrastructure necessarily for the next generation of cell phones.

The computing capacity and expertise applied to modeling and simulating the physics of a nuclear explosion can be readily leveraged to address the design and protection of our nation's cyber and physical infrastructures.

This bill is designed to support the President's forthcoming executive order by reiterating our key national policy objectives, including: that the physical or virtual disruption of any of these critical infrastructures should be rare, brief, limited geographically, manageable, and minimally detrimental to the economy, essential human and government services, and national security; a public-private partnership, involving corporation and non-governmental organizations, is necessary to facilitate adequate protection; the need for a comprehensive and effective program to ensure continuity of essential Federal functions under all circumstances.

The bill also establishes NISAC as a core research and analytical tool to support the President's Critical Infrastructure Protection and Continuity Board, especially, but not limited to, the Infrastructure Interdependencies Committee established in the Executive order.

Further, the bill authorizes $8 million for the first year in order to expedite the process of creating a structure for data acquisition, model development and enhanced understanding or our nation's infrastructures and their interdependencies.

Our Nation cannot be secure without sufficient understanding of the infrastructures that undergrid our economy and facilitate modern life. The unintentional or overt disruption of any one of these infrastructures could have a cascading effect on other areas. In a worst case scenario, such mass disruption could have a severe economic or national security impact.

I ask my colleagues for their support in ensuring we immediately apply the best available means to addressing these threats. NISAC can offer the appropriate analytical tools to support the President's Critical Infrastructure Board. This bill will position and fund NISAC in the forthcoming year to fulfill this mission.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1407

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Critical Infrastructures Protection Act of 2001".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The Information revolution has transformed the conduct of business and the operations of government as well as the infrastructure relied upon for the defense and national security of the United States.

(2) Private business, government, and the national security apparatus increasingly depend on an interdependent network of critical physical and information infrastructures, including telecommunications, energy, financial services, water, and transportation sectors.

(3) A continuous national effort is required to ensure the reliable provision of cyber and physical infrastructure services critical to maintaining the national defense, continuity of government, economic prosperity, and quality of life in the United States.

(4) This national effort requires extensive modeling and analytic capabilities for purposes of evaluating appropriate mechanisms to ensure the stability of these complex and interdependent systems, and to underpin policy recommendations, so as to achieve the continuous viability and adequate protection of the critical infrastructure of the nation.

SEC. 3. POLICY OF THE UNITED STATES.

It is the policy of the United States—

(1) that any physical or virtual disruption of the operation of the critical infrastructures of the United States be rare, brief, geographically limited in effect, manageable, and minimally detrimental to the economy, essential human and government services, and national security of the United States;

(2) that actions necessary to achieve the policy stated in paragraph (1) be carried out in a public-private partnership involving corporate and non-governmental organizations; and

(3) to have in place a comprehensive and effective program to ensure the continuity of essential Federal Government functions under all circumstances.

SEC. 4. ESTABLISHMENT OF NATIONAL COMPETENCE FOR CRITICAL INFRASTRUCTURE PROTECTION.

(a) SUPPORT OF CRITICAL INFRASTRUCTURE PROTECTION AND CONTINUITY BY NATIONAL INFRASTRUCTURE SIMULATION AND ANALYSIS CENTER.—

(1) IN GENERAL.—The National Infrastructure Simulation and Analysis Center (NISAC) shall provide support for the activities of the President's Critical Infrastructure Protection and Continuity Board under Executive Order .

(2) PARTICULAR SUPPORT.—The support provided for the Board under paragraph (1) shall include the following:

(A) Modeling, simulation, and analysis of the systems comprising critical infrastructures, including cyber infrastructure, telecommunications infrastructure, and physical infrastructure, in order to enhance understanding of the large-scale complexity of such systems and to facilitate modification of such systems to mitigate the threats to such systems and to critical infrastructures generally.

(B) Acquisition from State and local governments and the private sector of data necessary to create and maintain models of such systems and of critical infrastructures generally.

(C) Utilization of modeling, simulation, and analysis under subparagraph (A) to provide education and training to members of the Board, and other policymakers, on matters relating to—

(i) the analysis conducted under that subparagraph;

(ii) the implications of unintended or unintentional disturbances to critical infrastructures; and

(iii) responses to incidents or crises involving critical infrastructures, including the continuity of government and private sector activities through and after such incidents or crises.

(D) Utilization of modeling, simulation, and analysis under subparagraph (A) to provide recommendations to members of the Board and other policymakers, and to departments and agencies of the Federal Government and private sector persons and entities upon request, regarding means of enhancing the stability of, and preserving, critical infrastructures.

(3) RECIPIENT OF CERTAIN SUPPORT.—Modeling, simulation, and analysis provided under this subsection to the Board shall be provided, in particular, to the Infrastructure Interdependencies committee of the Board under section 9(c)(8) of the Executive Order referred to in paragraph (1).

(b) ACTIVITIES OF PRESIDENT'S CRITICAL INFRASTRUCTURE PROTECTION AND CONTINUITY BOARD.—The Board shall provide to the Center appropriate information on the critical infrastructure requirements of each Federal agency for purposes of facilitating the provision of support by the Center for the Board under subsection (a).

SEC. 5. CRITICAL INFRASTRUCTURE DEFINED.

In this Act, the term "critical infrastructure" means systems and assets, whether physical or virtual, so vital to the United States that the incapacity or destruction of such systems and assets would have a debilitating impact on national security, national economic security, national public health or safety, or any combination of those matters.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized for the Department of Defense for fiscal year 2002, $8,000,000 for the Defense Threat Reduction Agency for activities of the National Infrastructure Simulation and Analysis Center under section 4 in that fiscal year.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

COMMITTEE ON INDIAN AFFAIRS

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that the Committee on Energy and Natural Resources and the Committee on Indian Affairs have scheduled a joint hearing to receive testimony on legislative proposals relating to the development of energy resources on Indian and Alaska Native lands, including the generation and transmission of electricity.

The hearing will take place on September 12 at 2:30 p.m., in room 366 of the Dirksen Senate Office Building.

Those wishing to submit written statements should address them to the Committee on Energy and Natural Resources, Attn. Patty Beneke, United States Senate, Washington, D.C. 20510.

For further information, please call Patty Beneke of the Committee on Energy and Natural Resources (202/224-5451) or Karen Atkinson of the Committee on Indian Affairs (202/224-2251).

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. SARBANES. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate Wednesday, September 5 at 7 p.m., in closed session to mark up the Department of Defense Authorization Act for fiscal year 2002.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. SARBANES Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, September 5, 2001 at 10 a.m., to hold a hearing titled, "The Threat of Bioterrorism and the Spread of Infectious Diseases".

WITNESSES

Panel 1: The U.S. Response to an Act of Bioterrorism:

The Honorable Sam Nunn, Co-Chair and Chief Executive Officer, Nuclear Threat Initiative, Washington, DC; The Honorable James R. Woolsey, Former Director of Central Intelligence, and Partner, Shea & Gardner, Washington, DC.

Panel 2: Strengthening the Domestic and International Capability To Prevent and Defend Against Intentional and Natural Disease Outbreaks:

Dr. D.A. Henderson, MD, MPH, Director, Center for Civilian Biodefense Studies, Johns Hopkins University, Baltimore, MD; Dr. David L. Heymann, MD, Executive Director, Communicable Diseases, World Health Organization, Geneva, Switzerland, Dr. Fred C. Iklé, Distinguished Scholar, Center for Strategic and International Studies, Washington, DC; Mr. Frank J. Cilluffo, Senior Policy Analyst, Center for Strategic and International Studies, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSION

Mr. SARBANES. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on Stem Cell Research during the session of the Senate on Wednesday, September 5, 2001, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. SARBANES. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Wednesday, September 5, 2001 at 2:30 p.m., in Dirksen room 226.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

Mr. SARBANES. Mr. President, I ask unanimous consent that the Committee on Small Business and Entrepreneurship be authorized to meet during the session of the Senate for a roundtable entitled "The 7(a) Program: A Look at SBA's Flagship Program's Fees and Subsidy Rate" on Wednesday, September 5, 2001, beginning at 9;:45 a.m., in room 428 A of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AIRLAND

Mr. SARBANES. Mr. President, I ask unanimous consent that the Subcommittee on Airland of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, September 5, 2001 at 9 a.m., in closed session to mark up the Airland programs and provisions contained in the Department of Defense Authorization Act for fiscal year 2002.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMER AFFAIRS, FOREIGN COMMERCE AND TOURISM

Mr. SARBANES. Mr. President, I ask unanimous consent that the Subcommittee on Consumer Affairs, Foreign Commerce and Tourism of the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, September 5, at 9 a.m., on prescription drug pricing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EMERGING THREATS AND CAPABILITIES

Mr. SARBANES. Mr. President, I ask unanimous consent that the Subcommittee on Emerging Threats and Capabilities of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, September 5, 2001, at 4:30 p.m., in closed session to mark up the Emerging Threats and Capabilities programs and provisions contained in the Department of Defense Authorization Act for fiscal year 2002.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PERSONNEL

Mr. SARBANES. Mr. President, I ask unanimous consent that the Subcommittee on Personnel of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, September, 5, 2001, at 11 a.m., in closed session to mark up the Personnel programs and provisions contained in the Department of Defense Authorization Act for fiscal year 2002.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

Mr. SARBANES. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management Support of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, September, 5, 2001, at 10 a.m., in closed session to mark up the Readiness and Management programs and provisions contained in the Department of Defense Authorization Act for fiscal year 2002.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SEAPOWER

Mr. SARBANES. Mr. President, I ask unanimous consent that the Subcommittee on Seapower of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, September, 5, 2001, at 3 p.m., in closed session to mark up the Seapower programs and provisions contained in the Department of Defense Authorization Act for fiscal year 2002.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE READ THE FIRST TIME—H.R. 2563

Mr. REID. Mr. President, it is my understanding H.R. 2563, just received from the House, is at the desk. I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> A bill (H.R. 2563) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage.

Mr. REID. Mr. President, I ask now for the second reading of the bill, and I object to my own request.

The PRESIDING OFFICER. The objection is heard.

The bill will be read the second time on the next legislative day.

UNANIMOUS CONSENT AGREEMENT—NOMINATIONS

Mr. REID. Mr. President, I ask unanimous consent that in any instance where unanimous consent was previously granted in the 107th Congress for the referral of a nomination to more than one committee, such unanimous consent agreement apply to a second nomination of that individual if a previous nomination was returned to the President under the provisions of rule XXXI, paragraph 6.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF THE UNITED MEXICAN STATES

Mr. REID. Mr. President, I ask unanimous consent that the President of the Senate be authorized to appoint a committee on the part of the Senate to join with a like committee on the part of the House of Representatives to escort the President of the United Mexican States into the House Chamber for the joint meeting on Thursday, September 6, 2001.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR THURSDAY, SEPTEMBER 6, 2001

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10:30 a.m., Thursday, September 6. I further ask consent that on Thursday, immediately following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate be in a period for morning business with Senators permitted to speak for up to 5 minutes each; further, that the Senate recess from 10:40 a.m. until 12 noon for the joint meeting with President Fox, and that when the Senate reconvenes at 12 noon, the Senate resume consideration of the Export Administration Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Mr. President, we will convene at 10:30 a.m., as indicated earlier by Senator SARBANES. I hope to have a unanimous consent agreement for the purpose of disposing of S. 149. Senators should be in the Chamber by 10:40 to proceed to the House Chamber for a joint meeting with President Fox of Mexico. The Senate will recess from 10:40 until 12 noon for that joint meeting.

At 12 noon we will begin reconsideration of the Export Administration Act. There could be rollcall votes throughout the day. Hopefully, we will complete action on the export administration bill and move on to the Commerce-State-Justice bill.

ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:05 p.m., adjourned until Thursday, September 6, 2001, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate September 5, 2001:

INTER-AMERICAN DEVELOPMENT BANK

JORGE L. ARRIZURIETA, OF FLORIDA, TO BE UNITED STATES ALTERNATE EXECUTIVE DIRECTOR OF THE INTER-AMERICAN DEVELOPMENT BANK, VICE LAWRENCE HARRINGTON.

DEPARTMENT OF JUSTICE

DANIEL G. BOGDEN, OF NEVADA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF NEVADA FOR THE TERM OF FOUR YEARS, VICE KATHRYN E. LANDRETH, RESIGNED.

MARY BETH BUCHANAN, OF PENNSYLVANIA, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF PENNSYLVANIA FOR THE TERM OF FOUR YEARS, VICE HARRY LITMAN, RESIGNED.

JEFFREY GILBERT COLLINS, OF MICHIGAN, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF MICHIGAN FOR THE TERM OF FOUR YEARS, VICE SAUL A. GREEN, RESIGNED.

STEVEN M. COLLOTON, OF IOWA, TO BE UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF IOWA FOR THE TERM OF FOUR YEARS, VICE DON CARLOS NICKERSON, RESIGNED.

THOMAS M. DIBIAGIO, OF MARYLAND, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF MARYLAND FOR THE TERM OF FOUR YEARS, VICE LYNNE ANN BATTAGLIA, RESIGNED.

WILLIAM S. DUFFEY, JR., OF GEORGIA, TO BE UNITED STATES ATTORNEY FOR THE NORTHERN DISTRICT OF GEORGIA FOR THE TERM OF FOUR YEARS, VICE RICHARD H. DEANE, JR.

PETER W. HALL, OF VERMONT, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF VERMONT FOR THE TERM OF FOUR YEARS, VICE CHARLES ROBERT TETZLAFF, RESIGNED.

THOMAS E. JOHNSTON, OF WEST VIRGINIA, TO BE UNITED STATES ATTORNEY FOR THE NORTHERN DISTRICT OF WEST VIRGINIA FOR THE TERM OF FOUR YEARS, VICE MELVIN W. KAHLE, RESIGNED.

EDWARD HACHIRO KUBO, JR., OF HAWAII, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF HAWAII FOR THE TERM OF FOUR YEARS, VICE STEVEN SCOTT ALM, RESIGNED.

GREGORY GORDON LOCKHART, OF OHIO, TO BE UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF OHIO FOR THE TERM OF FOUR YEARS, VICE SHARON J. ZEALEY, RESIGNED.

SHELDON J. SPERLING, OF OKLAHOMA, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF OKLAHOMA FOR THE TERM OF FOUR YEARS, VICE ROBERT BRUCE GREEN, RESIGNED.

DONALD W. WASHINGTON, OF LOUISIANA, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF LOUISIANA FOR THE TERM OF FOUR YEARS, VICE MICHAEL DAVID SKINNER, RESIGNED.

MAXWELL WOOD, OF GEORGIA, TO BE UNITED STATES ATTORNEY FOR THE MIDDLE DISTRICT OF GEORGIA FOR THE TERM OF FOUR YEARS, VICE BEVERLY BALDWIN, MARTIN, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COLONEL WILLIAM P. ARD, 9315
COLONEL ROSANNE BAILEY, 5417
COLONEL BRADLEY S. BAKER, 8811
COLONEL MARK G. BEESLEY, 0692
COLONEL TED F. BOWLDS, 8694
COLONEL JOHN T. BRENNAN, 1908
COLONEL ROGER W. BURG, 0024
COLONEL PATRICK A. BURNS, 9945
COLONEL KURT A. CICHOWSKI, 2191
COLONEL MARIA I. CRIBBS, 1906
COLONEL ANDREW S. DICHTER, 7838
COLONEL JAN D. EAKLE, 6186
COLONEL DAVID M. EDGINGTON, 5942
COLONEL SILVANUS T. GILBERT III, 9317
COLONEL STEPHEN M. GOLDFEIN, 0317
COLONEL DAVID S. GRAY, 6354
COLONEL WENDELL L. GRIFFIN, 7494
COLONEL RONALD J. HAECKEL, 5442
COLONEL IRVING L. HALTER JR., 3411
COLONEL RICHARD S. HASSAN, 8751
COLONEL WILLIAM L. HOLLAND, 4785
COLONEL GILMARY M. HOSTAGE III, 6091
COLONEL JAMES P. HUNT, 1379
COLONEL JOHN C. KOZIOL, 4047
COLONEL DAVID R. LEFFORGE, 3407
COLONEL WILLIAM T. LORD, 1920
COLONEL ARTHUR B. MORRILL III, 9005
COLONEL LARRY D. NEW, 2557
COLONEL LEONARD E. PATTERSON, 4994
COLONEL MICHAEL F. PLANERT, 4078
COLONEL JEFFREY A. REMINGTON, 2881
COLONEL EDWARD A. RICE JR., 4597
COLONEL DAVID J. SCOTT, 6307
COLONEL WINFIELD W. SCOTT III, 5508
COLONEL MARK D. SHACKELFORD, 8403
COLONEL GLENN F. SPEARS, 2012
COLONEL DAVID L. STRINGER, 5498
COLONEL HENRY L. TAYLOR, 3446
COLONEL RICHARD E. WEBBER, 3908
COLONEL ROY M. WORDEN, 4884
COLONEL RONALD D. YAGGI, 2965

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COLONEL BYRON S. BAGBY, 3934
COLONEL LEO A. BROOKS JR., 5819
COLONEL SEAN J. BYRNE, 2057
COLONEL CHARLES A. CARTWRIGHT, 2898
COLONEL PHILIP D. COKER, 7623
COLONEL THOMAS R. CSRNKO, 1332
COLONEL ROBERT L. DAVIS, 2604
COLONEL JOHN DEFREITAS III, 7924
COLONEL ROBERT E. DURBIN, 9354
COLONEL GINA S. FARRISEE, 7084
COLONEL DAVID A. FASTABEND, 5081
COLONEL RICHARD P. FORMICA, 7015
COLONEL KATHLEEN M. GAINEY, 4227
COLONEL DANIEL A. HAHN, 0301
COLONEL FRANK G. HELMICK, 8189
COLONEL RHETT A. HERNANDEZ, 7009
COLONEL MARK P. HERTLING, 3917
COLONEL JAMES T. HIRAI, 5860
COLONEL PAUL S. IZZO, 1942
COLONEL JAMES L. KENNON, 4010
COLONEL MARK T. KIMMITT, 8655
COLONEL ROBERT P. LENNOX, 8104
COLONEL DOUGLAS E. LUTE, 2691
COLONEL TIMOTHY P. MCHALE, 0796
COLONEL RICHARD W. MILLS, 9267
COLONEL BENJAMIN R. MIXON, 7168
COLONEL JAMES R. MORAN, 2618
COLONEL JAMES R. MYLES, 2299
COLONEL LARRY C. NEWMAN, 6949
COLONEL CARROLL F. POLLETT, 9096
COLONEL ROBERT J. REESE, 3946
COLONEL STEPHEN V. REEVES, 2272
COLONEL RICHARD J. ROWE JR., 5346
COLONEL KEVIN T. RYAN, 4755
COLONEL EDWARD J. SINCLAIR, 9044
COLONEL ERIC F. SMITH, 3800
COLONEL ABRAHAM J. TURNER, 5542
COLONEL VOLNEY J. WARNER, 3024
COLONEL JOHN C. WOODS, 4554
COLONEL HOWARD W. YELLEN, 3205

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. DAWN R. HORN, 3444

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. LESTER MARTINEZ-LOPEZ, 1323

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. JAMES F. AMOS, 1550
BRIG. GEN. JOHN G. CASTELLAW, 2524
BRIG. GEN. TIMOTHY E. DONOVAN, 4843
BRIG. GEN. ROBERT M. FLANAGAN, 2865
BRIG. GEN. JAMES N. MATTIS, 7981
BRIG. GEN. GORDON C. NASH, 4684
BRIG. GEN. ROBERT M. SHEA, 3652
BRIG. GEN. FRANCES C. WILSON, 7788

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. CRAIG T. BODDINGTON, 6953

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. RONALD S. COLEMAN, 3216
COL. JAMES F. FLOCK, 6021
COL. KENNETH J. GLUECK JR., 6343
COL. DENNIS J. HEJLIK, 3767
COL. CARL B. JENSEN, 5079
COL. ROBERT B. NELLER, 0298
COL. JOHN M. PAXTON JR., 0190
COL. EDWARD G. USHER III, 6626

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) ANTHONY W. LENGERICH, 9020

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) JOSEPH D. BURNS, 3870

THE FOLLOWING NAMED OFFICER FOR ORIGINAL REGULAR APPOINTMENT AS A PERMANENT LIMITED DUTY OFFICER TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTIONS 531 AND 5589:

To be lieutenant

SANDRA P. MORIGUCHI, 1084

HOUSE OF REPRESENTATIVES—*Wednesday, September 5, 2001*

The House met at 2 p.m.

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

God of our forebears in faith, and ever-present Lord of life,

Be with us as we begin this fall session of the 107th Congress.

Bless the families of all of the Members of the House of Representatives.

Bless also the workers in district offices and all the people met during summer recess.

Now, help all Members to focus their attention on the priorities set before them by the deepest desires of the American people and the honest dialogue of colleagues in this House.

Encourage them in sincere debate until the best ideas surface.

Guide them to sound resolution on complex issues so that Your Holy Will will be accomplished in our time and bright hope be instilled in Your people.

Grant eternal peace to former Member, The Honorable FLOYD DAVIDSON SPENCE, and former Chaplain, Dr. James David Ford, who died since our last gathering. May their families and friends be surrounded with the consolation and peace which You alone can offer.

May all Americans catch a glimpse of Your glory that they may risk everything to bring about Your Kingdom of truth, justice and love now and forever.

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Maryland (Mr. CUMMINGS) come forward and lead the House in the Pledge of Allegiance.

Mr. CUMMINGS led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monohan, one of its clerks, announced that the Senate has passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 2133. An act to establish a commission for the purpose of encouraging and providing for the commemoration of the 50th anniversary of the Supreme Court decision in Brown v. Board of Education.

H.R. 2620. An act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2620) "An Act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon; and appoints Ms. MIKULSKI, Mr. LEAHY, Mr. HARKIN, Mr. BYRD, Mr. KOHL, Mr. JOHNSON, Mr. HOLLINGS, Mr. INOUYE, Mr. BOND, Mr. BURNS, Mr. SHELBY, Mr. CRAIG, Mr. DOMENICI, Mr. DEWINE, and Mr. STEVENS, to be the conferees on the part of the Senate.

The message also announced that the Senate has passed bills and concurrent resolutions of the following titles in which the concurrence of the House is requested:

S. 238. An act to authorize the Secretary of the Interior to conduct feasibility studies on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River basin, Oregon.

S. 329. An act to require the Secretary of the Interior to conduct a theme study on the peopling of America, and for other purposes.

S. 356. An act to establish a National Commission on the Bicentennial of the Louisiana Purchase.

S. 491. An act to authorize the Secretary of the Interior, pursuant to the provisions of the Reclamation Wastewater and Groundwater Study and Facilities Act to participate in the design, planning, and construction of the Denver Water Reuse project.

S. 498. An act to amend the National Trails System Act to include national discovery trails, and to designate the American Discovery Trail, and for other purposes.

S. 506. An act to amend the Alaska Native Claims Settlement Act, to provide for a land exchange between the Secretary of Agriculture and the Huna Totem Corporation, and for other purposes.

S. 509. An act to establish the Kenai Mountains-Turnagain Arm National Heritage Corridor in the State of Alaska, and for other purposes.

S. 584. An act to designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall United States Courthouse".

S. 737. An act to designate the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the "Joseph E. Dini, Jr. Post Office".

S. 970. An act to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the "Horatio King Post Office Building".

S. 1026. An act to designate the United States Post Office located at 60 Third Avenue in Long Branch, New Jersey, as the "Pat King Post Office Building".

S. 1046. An act to establish a commission for the purpose of encouraging and providing for the commemoration of the 50th anniversary of the Supreme Court decision in Brown v. Board of Education.

S. 1144. An act to amend title III of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11331 et seq.) to reauthorize the Federal Emergency Management Food and Shelter Program, and for other purposes.

S. 1198. An act to reauthorize Franchise Fund Pilot Programs.

S. Con. Res. 59. Concurrent resolution expressing the sense of Congress that there should be established a National Community Health Center Week to raise awareness of health services provided by community, migrant, public housing, and homeless health centers.

S. Con. Res. 62. Concurrent resolution congratulating Ukraine on the 10th anniversary of the restoration on its independence and supporting its full integration into the Euro-Atlantic community of democracies.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, August 3, 2001.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on August 3, 2001 at 3:40 p.m.

That the Senate passed without amendment H.R. 2213.

That the Senate passed without amendment H. Con. Res. 208.

With best wishes, I am
Sincerely,
DANIEL STRODEL
(For Jeff Trandahl, Clerk of the House).

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES
Washington, DC, August 6, 2001.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on August 6, 2001 at 3:50 p.m.

That the Senate passed without amendment H.R. 93.

That the Senate passed without amendment H.R. 271.

That the Senate passed without amendment H.R. 364.

That the Senate passed without amendment H.R. 427.

That the Senate passed without amendment H.R. 558.

That the Senate passed without amendment H.R. 821.

That the Senate passed without amendment H.R. 988.

That the Senate passed without amendment H.R. 1183.

That the Senate passed without amendment H.R. 1753.

That the Senate passed without amendment H.R. 2043.

With best wishes, I am

Sincerely,

MARTHA C. MORRISON
(For Jeff Trandahl, Clerk of the House).

RESIGNATION FROM THE HOUSE OF REPRESENTATIVES

The SPEAKER laid before the House the following resignation from the House of Representatives:

HOUSE OF REPRESENTATIVES,
Washington, DC, August 3, 2001.

Speaker J. DENNIS HASTERT,
The U.S. House of Representatives,
The Capitol, Washington, DC.

DEAR MR. SPEAKER: As a result of my nomination by President George W. Bush and my subsequent confirmation by the U.S. Senate to serve as Administrator of the Drug Enforcement Administration, I hereby resign from the U.S. House of Representatives. This resignation is to be effective at 2400 hours on Monday, August 6, 2001.

Enclosed you will find a copy of my letter to Governor Mike Huckabee of Arkansas stating the same.

Sincerely,

ASA HUTCHINSON.

HOUSE OF REPRESENTATIVES,
Washington, DC, August 3, 2001.

Governor MIKE HUCKABEE,
State Capitol Building,
Little Rock, AR.

DEAR GOVERNOR HUCKABEE: Please accept this letter as notice that my resignation from the U.S. House of Representatives shall be effective at the 2400 hours on Monday, August 6, 2001.

Sincerely,

ASA HUTCHINSON.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to clause 4 of rule I, Speaker Pro Tempore WOLF signed the following enrolled bills on Tuesday, August 7, 2001:

H.R. 93, Federal Firefighters Retirement Age Fairness Act;

H.R. 271, to direct the Secretary of the Interior to convey a former Bureau of Land Management administrative site to the city of Carson City, Nevada, for use as a senior center;

H.R. 364, to designate the facility of the United States Postal Service located at 5927 Southwest 70th Street in Miami, Florida, as the "Marjory Williams Scrivens Post Office;"

H.R. 427, to provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, Oregon, and for other purposes;

H.R. 558, to designate the Federal Building and United States Courthouse located at 504 West Hamilton Street in Allentown, Pennsylvania, as the "Edward N. Cahn Federal Building and United States Courthouse;"

H.R. 821, to designate the facility of the United States Postal Service located at 1030 South Church Street in Asheboro, North Carolina, as the "W. Joe Trogdon Post Office Building;"

H.R. 988, to designate the United States Courthouse located at 40 Centre Street in New York, as the "Thurgood Marshall United States Courthouse;"

H.R. 1183, to designate the facility of the United States Postal Service located at 113 South Main Street in Sylvania, Georgia, as the "G. Elliot Hagan Post Office Building;"

H.R. 1753, to designate the facility of the United States Postal Service located at 419 Rutherford Avenue, N.E., in Roanoke, Virginia, as the "M. Caldwell Butler Office Building;"

H.R. 2043, to designate the facility of the United States Postal Service located at 2719 South Webster Street in Kokomo, Indiana, as the "Elwood Haynes 'Bud' Hillis Post Office Building;"

H.R. 2213, to respond to the continuing economic crisis adversely affecting American Agricultural Producers.

IN HONOR OF OUR GREAT COLLEAGUES

(Mr. HASTERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTERT. Madam Speaker, it is my sad duty to announce to the House of Representatives the death of the late Honorable FLOYD SPENCE of South Carolina on August 16, 2001. His funeral was held in Columbia, South Carolina, on August 21, 2001.

Later, today, the gentleman from South Carolina (Mr. SPRATT), the dean of the South Carolina delegation, will offer a resolution in memory of our beloved colleague. Members are invited to contact the gentleman from South Carolina (Mr. SPRATT) or the gentleman from South Carolina (Mr. GRAHAM) if they wish to participate in this tribute. Members will be advised of plans for a subsequent Special Order in memory of FLOYD SPENCE. I think we will all remember FLOYD SPENCE for his love of this Nation, his love of this House, and his strong and spirited defense always for the armed services members of this country.

It is also my very sad duty to announce to the House the death of our Chaplain Emeritus, James David Ford on August 27, 2001. Jim Ford had been the beloved Chaplain of the House for 21 years, from 1979 until his retirement in the year 2000. A memorial ceremony honoring Chaplain Ford's life and his service to this House will be held on Tuesday, September 11, at 1 p.m. in the Cannon Caucus Room. I extend my personal condolences to Chaplain Ford's family and his many friends during this time of bereavement.

HEARTFELT CONDOLENCES TO THE RILEY FAMILY

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Madam Speaker, those of us who are privileged to work in this wonderful institution and get to know one another and our families, we should take the time every now and then to reflect on what a great privilege we have to know one another.

Two or three years ago I made a trip to Alabama for BOB RILEY. Lord have mercy, Madam Speaker, I ended up at the wrong airport late, frustrated, tired, and disconcerted. All of a sudden, there appeared right there in the lobby of that airport two beautiful ladies: BOB's wonderful wife, Patsy, and his beautiful daughter, Jenice. They resolved that they would get me to my appointed round on time, and I have kidded with the two ladies for years afterwards about how it was such a pleasure to see so much of Alabama, but I had not known it was a blur, as Jenice drove that car.

Jenice, a beautiful child, and clearly the apple of her daddy's eye, was at that time and since having a very private battle with cancer. Most of us did not know that because she was so cheerful. This child would lift my spirits on the occasions that I saw her. She was always upbeat, always happy, always optimistic, always enthusiastic, always full of praise for her Lord.

Madam Speaker, she was taken from us during this recess period to heaven. I know it hurts BOB and Patsy and all of us that had the privilege of knowing this wonderful young lady.

Madam Speaker, I rise at this moment to say, for what little comfort I can offer BOB and Patsy, no eye has ever seen, no mind can know the glory and the beauty of Jenice today. As our Lord and Savior told us, if it were not true, I would have told you. Your loss is felt and shared by all of us.

KEEPING OUR PROMISE TO THE COAST GUARD

(Mr. ISRAEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ISRAEL. Madam Speaker, as a new Member of this body, let me extend my condolences to the majority leader on the loss that he has suffered.

Madam Speaker, during the August recess, I joined the United States Coast Guard Fire Island Station for a tour of erosion areas on the south shore of my district. As we returned to the station, the Coast Guard received a report of a swimmer in distress. Coast Guard personnel risked their lives that day, despite turbulent waters and an incoming storm to save another life.

Imagine my surprise, Madam Speaker, to learn that many of those same courageous men and women are forced to take part-time jobs because their rate of pay is too low and the cost of housing and health care on Long Island is too high. Some of those people go from saving lives and property during the day to serving pizza and waiting on tables at night.

☐ 1415

Madam Speaker, it is not sufficient merely to pay tribute to the men and women of the Coast Guard. We have to pay them living wages for protecting our shores and saving our lives.

As a new Member of the House Coast Guard Caucus, I am honored to join my colleagues in our efforts to keep our promises to those who protect our lives and our shores with fair pay, decent housing, and affordable health care.

CONDOLENCES TO THE FAMILY OF THE REVEREND JIM FORD

(Mr. LaHood asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LaHOOD. Madam Speaker, I rise today to offer my condolences to the family of Reverend Jim Ford. Jim was a very, very good personal friend of mine and many of us in this House. He served the House for over 20 years with great distinction; and in serving the people that work in this House, including the Members and the staff, he served his country very well.

He was a very proud man. He cared very much about the House of Representatives, the Members who are sent here. His service to this House and to his country will long be remembered because it was a service of distinction and integrity, and really trying to help Members and families get through troubled times, but also bringing people together through the marriages that he performed for a number of Members.

So we will long remember our friend, Jim Ford, and our condolences go out to his family for the loss that they have incurred. We wish Godspeed to Reverend Ford. He will long be remembered in the halls of the House of Representatives.

CONDOLENCES TO FAMILY OF THE REVEREND JIM FORD

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Madam Speaker, I, too, want to join my friend, the gentleman from Illinois (Mr. LaHood) in remembering Jim Ford.

Tom Bliley, a recently retired Member from Virginia, and I and other Members would play tennis frequently with Chaplain Ford. I really came to know him, Madam Speaker, on the tennis court rather than within these halls.

He used to have a shot: He would put an obvious spin on the ball. When the ball would strike the surface of the court, it would be virtually impossible to gauge in what direction it would go. Jim Ford called that his squirrel shot, and Bliley and I used to refer to that as Chaplain Ford's patented squirrel shot.

Madam Speaker, we have an outstanding Chaplain in Father Dan. We had an outstanding Chaplain in Jim Ford. We want to remember Mrs. Ford and the children in this hour of grief.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. Biggert). Pursuant to clause 8 of rule XX, the Chair announces that she will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 6 of rule XX.

Any record vote on postponed questions will be taken after debate has concluded on all motions to suspend the rules, but not before 6 p.m. today.

DRUG-FREE COMMUNITIES SUPPORT PROGRAM REAUTHORIZATION ACT

Mr. SOUDER. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2291) to extend the authorization of the Drug-Free Communities Support Program for an additional 5 years, to authorize a National Community Antidrug Coalition Institute, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2291

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FIVE-YEAR EXTENSION OF DRUG-FREE COMMUNITIES SUPPORT PROGRAM.

(a) FINDINGS.—Congress makes the following findings:

(1) In the next 15 years, the youth population in the United States will grow by 21 percent, adding 6,500,000 youth to the population of the United States. Even if drug use rates remain constant, there will be a huge surge in drug-related problems, such as academic failure, drug-related violence, and HIV incidence, simply due to this population increase.

(2) According to the 1994–1996 National Household Survey, 60 percent of students age 12 to 17 who frequently cut classes and who reported delinquent behavior in the past 6 months used marijuana 52 days or more in the previous year.

(3) The 2000 Washington Kids Count survey conducted by the University of Washington reported that students whose peers have little or no involvement with drinking and drugs have higher math and reading scores than students whose peers had low level drinking or drug use.

(4) Substance abuse prevention works. In 1999, only 10 percent of teens saw marijuana users as popular, compared to 17 percent in 1998 and 19 percent in 1997. The rate of past-month use of any drug among 12- to 17-year-olds declined 26 percent between 1997 and 1999. Marijuana use for sixth through eighth graders is at the lowest point in 5 years, as is use of cocaine, inhalants, and hallucinogens.

(5) Community Anti-Drug Coalitions throughout the United States are successfully developing and implementing comprehensive, long-term strategies to reduce substance abuse among youth on a sustained basis. For example:

(A) The Boston Coalition brought college and university presidents together to create the Cooperative Agreement on Underage Drinking. This agreement represents the first coordinated effort of Boston's many institutions of higher education to address issues such as binge drinking, underage drinking, and changing the norms surrounding alcohol abuse that exist on college and university campuses.

(B) In 2000, the Coalition for a Drug-Free Greater Cincinnati surveyed more than 47,000 local students in grades 7 through 12. The results provided evidence that the Coalition's initiatives are working. For the first time in a decade, teen drug use in Greater Cincinnati appears to be leveling off. The data collected from the survey has served as a tool to strengthen relationships between schools and communities, as well as facilitate the growth of anti-drug coalitions in communities where such coalitions had not existed.

(C) The Miami Coalition used a three-part strategy to decrease the percentage of high school seniors who reported using marijuana at least once during the most recent 30-day period. The development of a media strategy, the creation of a network of prevention agencies, and discussions with high school students about the dangers of marijuana all contributed to a decrease in the percentage of seniors who reported using marijuana from over 22 percent in 1995 to 9 percent in 1997. The Miami Coalition was able to achieve these results while national rates of marijuana use were increasing.

(D) The Nashville Prevention Partnership worked with elementary and middle school children in an attempt to influence them toward positive life goals and discourage them from using substances. The Partnership targeted an area in East Nashville and created after school programs, mentoring opportunities, attendance initiatives, and safe passages to and from school. Attendance and test scores increased as a result of the program.

(E) At a youth-led town meeting sponsored by the Bering Strait Community Partnership in Nome, Alaska, youth identified a need for a safe, substance-free space. With help from a variety of community partners, the Partnership staff and youth members created the Java Hut, a substance-free coffeehouse designed for youth.

The Java Hut is helping to change norms in the community by providing a fun, youth-friendly atmosphere and activities that are not centered around alcohol or marijuana.

(F) Portland's Regional Drug Initiative (RDI) has promoted the establishment of drug-free workplaces among the city's large and small employers. Over 3,000 employers have attended an RDI training session, and of those, 92 percent have instituted drug-free workplace policies. As a result, there has been a 5.5 percent decrease in positive workplace drug tests.

(G) San Antonio Fighting Back worked to increase the age at which youth first used illegal substances. Research suggests that the later the age of first use, the lower the risk that a young person will become a regular substance abuser. As a result, the age of first illegal drug use increased from 9.4 years in 1992 to 13.5 years in 1997.

(H) In 1990, multiple data sources confirmed a trend of increased alcohol use by teenagers in the Troy community. Using its "multiple strategies over multiple sectors" approach, the Troy Coalition worked with parents, physicians, students, coaches, and others to address this problem from several angles. As a result, the rate of twelfth grade students who had consumed alcohol in the past month decreased from 62.1 percent to 53.3 percent between 1991 and 1998, and the rate of eighth grade students decreased from 26.3 percent to 17.4 percent. The Troy Coalition believes that this decline represents not only a change in behavior on the part of students, but also a change in the norms of the community.

(6) Despite these successes, drug use continues to be a serious problem facing communities across the United States. For example:

(A) According to the Pulse Check: Trends in Drug Abuse Mid-Year 2000 report—

(i) crack and powder cocaine remains the most serious drug problem;

(ii) marijuana remains the most widely available illicit drug, and its potency is on the rise;

(iii) treatment sources report an increase in admissions with marijuana as the primary drug of abuse—and adolescents outnumber other age groups entering treatment for marijuana;

(iv) 80 percent of Pulse Check sources reported increased availability of club drugs, with ecstasy (MDMA) and ketamine the most widely cited club drugs and seven sources reporting that powder cocaine is being used as a club drug by young adults;

(v) ecstasy abuse and trafficking is expanding, no longer confined to the "rave" scene;

(vi) the sale and use of club drugs has grown from nightclubs and raves to high schools, the streets, neighborhoods, open venues, and younger ages;

(vii) ecstasy users often are unknowingly purchasing adulterated tablets or some other substance sold as MDMA; and

(viii) along with reports of increased heroin snorting as a route of administration for initiates, there is also an increase in injecting initiates and the negative health consequences associated with injection (for example, increases in HIV/AIDS and Hepatitis C) suggesting that there is a generational forgetting of the dangers of injection of the drug.

(B) The 2000 Parent's Resource Institute for Drug Education study reported that 23.6 percent of children in the sixth through twelfth grades used illicit drugs in the past year. The same study found that monthly usage among this group was 15.3 percent.

(C) According to the 2000 Monitoring the Future study, the use of ecstasy among eighth graders increased from 1.7 percent in 1999 to 3.1 percent in 2000, among tenth graders from 4.4 percent to 5.4 percent, and from 5.6 percent to 8.2 percent among twelfth graders.

(D) A 1999 Mellman Group study found that—

(i) 56 percent of the population in the United States believed that drug use was increasing in 1999;

(ii) 92 percent of the population viewed illegal drug use as a serious problem in the United States; and

(iii) 73 percent of the population viewed illegal drug use as a serious problem in their communities.

(7) According to the 2001 report of the National Center on Addiction and Substance Abuse at Columbia University entitled "Shoveling Up: The Impact of Substance Abuse on State Budgets", using the most conservative assumption, in 1998 States spent $77,900,000,000 to shovel up the wreckage of substance abuse, only $3,000,000,000 to prevent and treat the problem and $433,000,000 for alcohol and tobacco regulation and compliance. This $77,900,000,000 burden was distributed as follows:

(A) $30,700,000,000 in the justice system (77 percent of justice spending).

(B) $16,500,000,000 in education costs (10 percent of education spending).

(C) $15,200,000,000 in health costs (25 percent of health spending).

(D) $7,700,000,000 in child and family assistance (32 percent of child and family assistance spending).

(E) $5,900,000,000 in mental health and developmental disabilities (31 percent of mental health spending).

(F) $1,500,000,000 in public safety (26 percent of public safety spending) and $400,000,000 for the state workforce.

(8) Intergovernmental cooperation and coordination through national, State, and local or tribal leadership and partnerships are critical to facilitate the reduction of substance abuse among youth in communities across the United States.

(9) Substance abuse is perceived as a much greater problem nationally than at the community level. According to a 2001 study sponsored by The Pew Charitable Trusts, between 1994 and 2000—

(A) there was a 43 percent increase in the percentage of Americans who felt progress was being made in the war on drugs at the community level;

(B) only 9 percent of Americans say drug abuse is a "crisis" in their neighborhood, compared to 27 percent who say this about the nation; and

(C) the percentage of those who felt we lost ground in the war on drugs on a community level fell by more than a quarter, from 51 percent in 1994 to 37 percent in 2000.

(b) EXTENSION AND INCREASE OF PROGRAM.—Section 1024(a) of the National Narcotics Leadership Act of 1988 (21 U.S.C. 1524(a)) is amended—

(1) by striking "and" at the end of paragraph (4); and

(2) by striking paragraph (5) and inserting the following new paragraphs:

"(5) $50,600,000 for fiscal year 2002;

"(6) $60,000,000 for fiscal year 2003;

"(7) $70,000,000 for fiscal year 2004;

"(8) $80,000,000 for fiscal year 2005;

"(9) $90,000,000 for fiscal year 2006; and

"(10) $99,000,000 for fiscal year 2007.".

(c) EXTENSION OF LIMITATION ON ADMINISTRATIVE COSTS.—Section 1024(b) of that Act (21 U.S.C. 1524(b)) is amended by striking paragraph (5) and inserting the following new paragraph (5):

"(5) 6 percent for each of fiscal years 2002 through 2007.".

(d) ADDITIONAL GRANTS.—Section 1032(b) of that Act (21 U.S.C. 1533(b)) is amended by adding at the end the following new paragraph (3):

"(3) ADDITIONAL GRANTS.—

"(A) IN GENERAL.—Subject to subparagraph (F), the Administrator may award an additional grant under this paragraph to an eligible coalition awarded a grant under paragraph (1) or (2) for any first fiscal year after the end of the 4-year period following the period of the initial grant under paragraph (1) or (2), as the case may be.

"(B) SCOPE OF GRANTS.—A coalition awarded a grant under paragraph (1) or (2), including a renewal grant under such paragraph, may not be awarded another grant under such paragraph, and is eligible for an additional grant under this section only under this paragraph.

"(C) NO PRIORITY FOR APPLICATIONS.—The Administrator may not afford a higher priority in the award of an additional grant under this paragraph than the Administrator would afford the applicant for the grant if the applicant were submitting an application for an initial grant under paragraph (1) or (2) rather than an application for a grant under this paragraph.

"(D) RENEWAL GRANTS.—Subject to subparagraph (F), the Administrator may award a renewal grant to a grant recipient under this paragraph for each of the fiscal years of the 4-fiscal-year period following the fiscal year for which the initial additional grant under subparagraph (A) is awarded in an amount not to exceed amounts as follows:

"(i) For the first and second fiscal years of that 4-fiscal-year period, the amount equal to 80 percent of the non-Federal funds, including in-kind contributions, raised by the coalition for the applicable fiscal year.

"(ii) For the third and fourth fiscal years of that 4-fiscal-year period, the amount equal to 67 percent of the non-Federal funds, including in-kind contributions, raised by the coalition for the applicable fiscal year.

"(E) SUSPENSION.—If a grant recipient under this paragraph fails to continue to meet the criteria specified in subsection (a), the Administrator may suspend the grant, after providing written notice to the grant recipient and an opportunity to appeal.

"(F) LIMITATION.—The amount of a grant award under this paragraph may not exceed $100,000 for a fiscal year.".

(e) DATA COLLECTION AND DISSEMINATION.—Section 1033(b) of that Act (21 U.S.C. 1533(b)) is amended by adding at the end the following new paragraph:

"(3) CONSULTATION.—The Administrator shall carry out activities under this subsection in consultation with the Advisory Commission and the National Community Antidrug Coalition Institute.".

(f) LIMITATION ON USE OF CERTAIN FUNDS FOR EVALUATION OF PROGRAM.—Section 1033(b) of that Act, as amended by subsection (e) of this section, is further amended by adding at the end the following new paragraph:

"(4) LIMITATION ON USE OF CERTAIN FUNDS FOR EVALUATION OF PROGRAM.—Amounts for activities under paragraph (2)(B) may not be derived from amounts under section 1024(a) except for amounts that are available under section 1024(b) for administrative costs.".

(g) TREATMENT OF FUNDS FOR COALITIONS REPRESENTING CERTAIN ORGANIZATIONS.—Section 1032 of that Act (21 U.S.C. 1532) is further amended by adding at the end the following new subsection:

"(c) TREATMENT OF FUNDS FOR COALITIONS REPRESENTING CERTAIN ORGANIZATIONS.—Funds appropriated for the substance abuse activities of a coalition that includes a representative of the Bureau of Indian Affairs, the Indian Health Service, or a tribal government agency with expertise in the field of substance abuse may be counted as non-Federal funds raised by the coalition for purposes of this section.".

(h) PRIORITY IN AWARDING GRANTS.—Section 1032 of that Act (21 U.S.C. 1532) is further amended by adding at the end the following new subsection:

"(d) PRIORITY IN AWARDING GRANTS.—In awarding grants under subsection (b)(1)(A)(i), priority shall be given to a coalition serving economically disadvantaged areas.".

SEC. 2. SUPPLEMENTAL GRANTS FOR COALITION MENTORING ACTIVITIES UNDER DRUG-FREE COMMUNITIES SUPPORT PROGRAM.

Subchapter I of chapter 2 of the National Narcotics Leadership Act of 1988 (21 U.S.C. 1531 et seq.) is amended by adding at the end the following new section:

"SEC. 1035. SUPPLEMENTAL GRANTS FOR COALITION MENTORING ACTIVITIES.

"(a) AUTHORITY TO MAKE GRANTS.—As part of the program established under section 1031, the Director may award an initial grant under this subsection, and renewal grants under subsection (f), to any coalition awarded a grant under section 1032 that meets the criteria specified in subsection (d) in order to fund coalition mentoring activities by such coalition in support of the program.

"(b) TREATMENT WITH OTHER GRANTS.—

"(1) SUPPLEMENT.—A grant awarded to a coalition under this section is in addition to any grant awarded to the coalition under section 1032.

"(2) REQUIREMENT FOR BASIC GRANT.—A coalition may not be awarded a grant under this section for a fiscal year unless the coalition was awarded a grant or renewal grant under section 1032(b) for that fiscal year.

"(c) APPLICATION.—A coalition seeking a grant under this section shall submit to the Administrator an application for the grant in such form and manner as the Administrator may require.

"(d) CRITERIA.—A coalition meets the criteria specified in this subsection if the coalition—

"(1) has been in existence for at least 5 years;

"(2) has achieved, by or through its own efforts, measurable results in the prevention and treatment of substance abuse among youth;

"(3) has staff or members willing to serve as mentors for persons seeking to start or expand the activities of other coalitions in the prevention and treatment of substance abuse;

"(4) has demonstrable support from some members of the community in which the coalition mentoring activities to be supported by the grant under this section are to be carried out; and

"(5) submits to the Administrator a detailed plan for the coalition mentoring activities to be supported by the grant under this section.

"(e) USE OF GRANT FUNDS.—A coalition awarded a grant under this section shall use the grant amount for mentoring activities to support and encourage the development of new, self-supporting community coalitions that are focused on the prevention and treatment of substance abuse in such new coalitions' communities. The mentoring coalition shall encourage such development in accordance with the plan submitted by the mentoring coalition under subsection (d)(5).

"(f) RENEWAL GRANTS.—The Administrator may make a renewal grant to any coalition awarded a grant under subsection (a), or a previous renewal grant under this subsection, if the coalition, at the time of application for such renewal grant—

"(1) continues to meet the criteria specified in subsection (d); and

"(2) has made demonstrable progress in the development of one or more new, self-supporting community coalitions that are focused on the prevention and treatment of substance abuse.

"(g) GRANT AMOUNTS.—

"(1) IN GENERAL.—Subject to paragraphs (2) and (3), the total amount of grants awarded to a coalition under this section for a fiscal year may not exceed the amount of non-Federal funds raised by the coalition, including in-kind contributions, for that fiscal year. Funds appropriated for the substance abuse activities of a coalition that includes a representative of the Bureau of Indian Affairs, the Indian Health Service, or a tribal government agency with expertise in the field of substance abuse may be counted as non-Federal funds raised by the coalition.

"(2) INITIAL GRANTS.—The amount of the initial grant awarded to a coalition under subsection (a) may not exceed $75,000.

"(3) RENEWAL GRANTS.—The total amount of renewal grants awarded to a coalition under subsection (f) for any fiscal year may not exceed $75,000.

"(h) FISCAL YEAR LIMITATION ON AMOUNT AVAILABLE FOR GRANTS.—The total amount available for grants under this section, including renewal grants under subsection (f), in any fiscal year may not exceed the amount equal to five percent of the amount authorized to be appropriated by section 1024(a) for that fiscal year.

"(i) PRIORITY IN AWARDING INITIAL GRANTS.—In awarding initial grants under this section, priority shall be given to a coalition that expressly proposes to provide mentorship to a coalition or aspiring coalition serving economically disadvantaged areas.".

SEC. 3. FIVE-YEAR EXTENSION OF ADVISORY COMMISSION ON DRUG-FREE COMMUNITIES.

Section 1048 of the National Narcotics Leadership Act of 1988 (21 U.S.C. 1548) is amended by striking "2002" and inserting "2007".

SEC. 4. AUTHORIZATION FOR NATIONAL COMMUNITY ANTIDRUG COALITION INSTITUTE.

(a) IN GENERAL.—The Director of the Office of National Drug Control Policy may, using amounts authorized to be appropriated by subsection (d), make a grant to an eligible organization to provide for the establishment of a National Community Antidrug Coalition Institute.

(b) ELIGIBLE ORGANIZATIONS.—An organization eligible for the grant under subsection (a) is any national nonprofit organization that represents, provides technical assistance and training to, and has special expertise and broad, national-level experience in community antidrug coalitions under section 1032 of the National Narcotics Leadership Act of 1988 (21 U.S.C. 1532).

(c) USE OF GRANT AMOUNT.—The organization receiving the grant under subsection (a) shall establish a National Community Antidrug Coalition Institute to—

(1) provide education, training, and technical assistance for coalition leaders and community teams, with emphasis on the development of coalitions serving economically disadvantaged areas;

(2) develop and disseminate evaluation tools, mechanisms, and measures to better assess and document coalition performance measures and outcomes; and

(3) bridge the gap between research and practice by translating knowledge from research into practical information.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for purposes of activities under this section, including the grant under subsection (a), amounts as follows:

(1) For each of fiscal years 2002 and 2003, $2,000,000.

(2) For each of fiscal years 2004 and 2005, $1,000,000.

(3) For each of fiscal years 2006 and 2007, $750,000.

SEC. 5. PROHIBITION AGAINST DUPLICATION OF EFFORT.

The Director of the Office of National Drug Control Policy shall ensure that the same or similar activities are not carried out, through the use of funds for administrative costs provided under subchapter II of the National Narcotics Leadership Act of 1988 (21 U.S.C. 1521 et seq.) or funds provided under section 4 of this Act, by more than one recipient of such funds.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Indiana (Mr. SOUDER) and the gentleman from Maryland (Mr. CUMMINGS) each will control 20 minutes.

The Chair recognizes the gentleman from Indiana (Mr. SOUDER).

GENERAL LEAVE

Mr. SOUDER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2291.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SOUDER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, it is appropriate and an honor that the first legislation we are to address upon our return is to fund community-based drug prevention programs. Nothing is tearing at the social fabric of our Nation like the abuse of illegal narcotics and alcohol.

Madam Speaker, the Drug-Free Communities Support Program Reauthorization Act is one of the cornerstones of our national strategy to reduce the demand for illegal drugs; and its reauthorization has strong bipartisan support, not only here in the House, but also in communities across the Nation.

The bill is also a priority for the Bush administration. The Drug-Free Communities Support Program, administered by the Office of National Drug Control Policy, works to prevent drug use among youth at the community level by providing Federal financial incentives for coalitions to join together at the local level to keep their children from using drugs.

This legislation will reauthorize the program for 5 years through fiscal year 2007 and improve the services provided to grantees in several important ways.

I would like to thank the primary House sponsors of this bill, the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Michigan (Mr. LEVIN), as well as the primary Senate sponsors, Senator GRASSLEY and Senator BIDEN, for their bipartisan and bicameral leadership on this bill.

I would also like to thank the ranking member of the Subcommittee on Criminal Justice, Drug Policy and Human Resources, the gentleman from Maryland (Mr. CUMMINGS), for his work on the bill, and particularly for his efforts to ensure that drug-free communities' assistance reaches economically disadvantaged areas.

Madam Speaker, prevention and treatment is probably the most challenging area of our Nation's narcotic strategy, largely because it remains so difficult to determine with certainty which strategies and programs work and which do not.

The Drug-Free Communities Support Program, however, is one of the few programs which have clearly had a meaningful impact on reducing drug abuse by our youth, and it deserves not only our strong support but also the significant increases in authorized funding which are provided in the bill.

The program today assists 307 communities in 49 States, from Ketchikan, Alaska to Kauai, Hawaii; from Old Town, Maine to Fort Lauderdale, Florida, and to San Juan, Puerto Rico, all of which raise the majority of their funds from the private sector rather than from government grants.

I would like to highlight two coalitions from my district with which I am very familiar: Drug-Free Noble County and the United Way of Allen County, both in northeast Indiana.

In Fort Wayne, multiple groups, including faith-based organizations, have joined together to help prevent usage of illegal narcotics. Drug-Free Noble County, under the commendable leadership of Judge Michael Kramer and Barry Humble, won national recognition for the excellence of his PRIDE program, which was supported by Drug-Free Communities Support funds.

Rural communities often do not have the resources to adequately address drug prevention issues, and the success of the Drug-Free Noble County program demonstrates how this program helps build meaningful partnerships between local grass roots coalitions and the Federal government in such rural and small town areas.

We also know that the Drug-Free Communities Support Program can make a meaningful difference from the results obtained by other coalitions nationwide. In Miami, the percentage of seniors who reported using marijuana dropped from over 22 percent in 1995 to 9 percent in 1997.

In San Antonio, the average age of first illegal drug use among teens increased from 9.4 years in 1992 to 13.5 years in 1997. In Nashville, school attendance and test scores rose measurably as a result of the efforts of the Nashville Prevention Partnership.

All of these successes support not only the reauthorization of the program, but also increased funding. This bill supports President Bush's request to increase the authorization from $43.5 million to $50.6 million in fiscal year 2002, accompanied by steady increases each year through fiscal year 2007.

This program has had steadily increasing interest from communities across the Nation looking for assistance with community anti-drug efforts. Our purpose in increasing the authorized funding in this bill was to ensure that adequate funds would be available for grants to deserving communities.

We have also encouraged ONDCP, as well as our oversight committee, to conduct careful evaluation and oversight to ensure that the increased funding does not dilute the recognized quality of drug-free communities support programs or coalitions.

The bill also provides for several improvements to the Drug-Free Communities Support Program over the next 5 years, each of which is aimed at improving the quality of services to be offered to grantees and local coalitions.

First, we have provided for additional grants to be made available to successful coalitions for the purpose of mentoring prospective new coalitions. The program was always intended as one which would foster grass roots anti-drug activity and interaction, and I believe that this new provision will work to achieve that goal.

Also, experience has shown that successful coalitions have already been enlisted to help others in neighboring areas build their own program. It is not fair to ask the taxpayers of those areas to bear the cost for others. I believe that Federal assistance is appropriate.

Second, the bill provides for the creation and modest funding to initially support a new Community Antidrug Coalitions Institute to act as a national clearinghouse for technical assistance and training to be provided to local coalitions.

Just as with the grants to the coalitions themselves, the institute is eventually intended to be financed entirely by the private sector. Given the significant increase in the prospective number of coalitions, the committee believed that the creation of the institute was a good and prudent step to ensure the continued quality and effectiveness of the work of the drug-free communities participants.

I would finally like to highlight a couple of additional issues which were addressed in the subcommittee and full committee and are reflected in the reported bill which is the committee amendment under consideration this afternoon.

First, although each of the new entities we are creating to assist grantees is needed and appropriate, it is important to ensure that there is no duplication of effort among the several entities that will now be providing assistance, and the committee amendment directs ONDCP to take steps to prevent such duplication.

Second, the subcommittee has reduced the proposed increase in the current 3 percent statuary cap for administrative expenses from 8 percent down to 6 percent. An analysis of this issue is available in the committee's report. We wanted to ensure, however, that the maximum possible amount of funding in fact is to go to community coalitions.

I very much appreciate the willingness of the bill's sponsors to work with us on this issue.

Third, the committee bill includes an amendment offered by the gentleman from Maryland (Mr. CUMMINGS), which I supported, to ensure that drug-free communities assistance is targeted to economically disadvantaged areas.

Finally, I would like to thank the gentleman from Indiana (Mr. BURTON), the chairman, and the gentleman from Louisiana (Chairman TAUZIN), of the Committee on Energy and Commerce, for working with us to move this bill quickly to the floor.

Madam Speaker, I include for the RECORD an exchange of correspondence regarding the jurisdiction of the Committee on Energy and Commerce.

The material referred to is as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, July 30, 2001.

Hon. DAN BURTON,
Chairman, Committee on Government Reform,
Rayburn House Office Building,
Washington, DC.

DEAR CHAIRMAN BURTON: I am writing with regard to H.R. 2291, which the Committee on Government Reform ordered reported on July 25, 2001. The Committee on Energy and Commerce was named as an additional Committee of jurisdiction upon the bill's introduction.

I recognize your desire to bring this bill before the House in an expeditious manner. Accordingly, I will not exercise the Committee's right to exercise its referral. By agreeing to waive its consideration of the bill, however, the Energy and Commerce Committee does not waive its jurisdiction over H.R. 2291. In addition, the Energy and Commerce Committee reserves its authority to seek conferees on any provisions of the bill that are within its jurisdiction during any House-Senate conference that may be convened on this or similar legislation. I ask for your commitment to support any request by the Energy and Commerce Committee for conferees on H.R. 2291 or similar legislation.

I request that you include this letter as a part of the Committee's report on H.R. 2291 and in the Congressional Record during debate on its provisions. Thank you for your attention to these matters.

Sincerely,

W.J. "BILLY" TAUZIN,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, July 30, 2001.

Hon. W.J. "BILLY" TAUZIN,
Chairman, Committee on Energy and Commerce,
Rayburn House Office Building,
Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of July 30, 2001, regarding H.R. 2291, a bill to extend the authorization of the Drug-Free Communities Support Program.

I agree that the Committee on Energy and Commerce has valid jurisdictional claims to certain provisions of this legislation, and I appreciate your decision not to exercise your referral in the interest of expediting consideration of the bill. I agree that by foregoing your right to consider this legislation, the Committee on Energy and Commerce is not waiving its jurisdiction. I will also support your Committee's request to seek conferees on provisions of the bill that fall within your jurisdiction, should the bill go to a House-Senate conference. Further, as you requested, this exchange of letters will be included in the Committee report on the bill and in the Congressional Record as part of the floor debate.

Thank you for your cooperation in this matter.

Sincerely,

DAN BURTON,
Chairman.

Madam Speaker, the Drug-Free Communities Act is one of the most successful demand reduction programs and has had a meaningful impact on local communities across the country. I strongly support its reauthorization and urge my colleagues to support the bill.

Madam Speaker, I reserve the balance of my time.

Mr. CUMMINGS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, as the ranking minority member of the Subcommittee on Criminal Justice, Drug Policy, and Human Resources, it gives me great pleasure to express my wholehearted support of H.R. 2291, which authorizes the highly successful and highly popular Drug-Free Communities Support Program for an additional 5 years.

From its original enactment in 1997, the Drug-Free Communities Act has enjoyed remarkable bipartisan support in Congress. The concept of providing direct matching grants and technical assistance to community-based coalitions with a demonstrated will and capacity to combat substance abuse has broad appeal to Members on both sides of the aisle.

Communities across the country have rallied to the challenge by making a long-term commitment to fighting substance abuse through broad-based community anti-drug coalitions. The Drug-Free Communities Support Program is unique and important because it recognizes that substance abuse does not just affect individual users and their loved ones. Substance abuse has a cumulative impact on communities in every aspect of community life.

No one has a better reason or incentive to fight the spread of substance abuse than the people who live, work, and serve in those communities.

The Drug-Free Communities Support Program reinforces this inherent incentive, encouraging all sectors of a community to coalesce at the grass roots level around the objective of substance abuse prevention and anti-drug education. The bill before us both renews and amplifies our commitment to this approach.

H.R. 2291 reflects a great deal of time and effort put forth by the bill's authors, the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Michigan (Mr. LEVIN), and Senators GRASSLEY and BIDEN, who have worked hand-in-hand with the Office of National Drug Control Policy, the Office of Juvenile Justice and Delinquency Prevention, and the Community Anti-drug Coalitions of America to produce a bill that, like the original Drug-Free Communities Act, deserves the support of all Members in this body.

Their collective efforts have given us a bill that not only provides for a 5-year extension of the existing Drug-Free Communities-based Grant Program, but also significantly increases the funding levels for the program in fiscal year 2002 and in each of the outyears.

The gentleman from Indiana (Mr. SOUDER) must be congratulated for his efforts in making this a priority of our subcommittee; and I do appreciate, and I know our entire committee and this Congress appreciates, the bipartisan spirit in which he led us through the process of bringing this bill.

□ 1430

As we put it out of committee, moreover, the bill incorporates an amendment by the gentleman from Illinois (Mr. DAVIS), a fellow member of the Subcommittee on Criminal Justice, that further augments the authorization levels for fiscal years 2005, 2006, and 2007.

Increasing the authorization levels will afford us the flexibility to allow the program to expand, to meet greater-than-expected demands should that circumstance arise. Apart from providing for additional grant money, H.R. 2291 also augments the existing grant program in three very important ways. First, it authorizes coalitions that have completed the 5-year funding cycle to apply immediately for renewal grants subject to an increased match requirement. Second, it creates a new supplemental mentoring program to enable mature coalitions to mentor young and emerging ones. Third, it provides an additional $2 million to establish a national community anti-drug coalition institute for the purpose of stimulating new coalition activity and disseminating state-of-the-art research and technical assistance to coalitions nationally.

In my view, Madam Speaker, the goals of providing mentoring support to emerging coalitions and stimulating new coalition activity are especially important because, in spite of the program's success to date, not all communities affected by the problems of substance abuse have been able to participate in a drug-free community support program. Indeed, even while the increased funding levels in H.R. 2291 will enable more eligible coalitions to participate, more money alone will not undo the hard truth described in the timeless song, "God Bless the Child." "Them that's got shall have. Them that's not shall lose."

Sadly, Madam Speaker, that poignant lyric aptly describes the tragic plight of many economically disadvantaged communities that are in the most desperate need of assistance in their fight against the dreadful menace of substance abuse.

A case in point is my own district in Baltimore City. Few, if any, areas in the Nation have been as severely affected by the scourge of drugs as some of the neighborhoods that I represent in Baltimore. Yet despite serious efforts to establish and maintain a community anti-drug coalition capable of qualifying for a drug-free communities matching grant, no funding has yet been awarded to a coalition in the Baltimore area.

At the same time, Madam Speaker, it is plainly ironic and clearly problematic from a public policy standpoint that the very devastation caused by substance abuse also places communities like Baltimore City at serious disadvantage when it comes to qualifying for matching grants. I tell my colleagues firsthand that the lack of drug-free communities coalition in Baltimore City is by no meanings a function of insufficient will. Fundamentally, it is a question of resources.

We must find a way to enable disadvantaged communities to exercise their will to make their neighborhoods and keep their young children drug-free. An amendment that I authored during the mark up of H.R. 2291 in the Subcommittee on Criminal Justice, Drug Policy and Human Resources seeks to address this problem. Quite simply, its provisions amend the original bill to target base grants, supplemental mentoring grants, and institute support to coalitions that seek to serve economically disadvantaged areas.

By giving priorities to such coalitions, economically depressed areas such as my own district in Baltimore City can begin to reap the benefits that the drug-free community support program is providing already to hundreds of communities across this great Nation.

In closing, Madam Speaker, I wanted to congratulate the bill's authors for their hard work. I also thank the Chairman of the Subcommittee on Criminal Justice, Drug Police and Human Resources, the gentleman from Indiana (Mr. SOUDER), for his support of H.R. 2291 and for assisting with my amendment.

I look forward to our moving H.R. 2291 a step closer to enactment today. I urge all of my colleagues to vote in favor of this very, very important and effective legislation.

Madam Speaker, I reserve the balance of my time.

Mr. SOUDER. Madam Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. PORTMAN) whose efforts in Cincinnati were an early model for this and who, without his persistence at a time when Congress was not adapting too many new programs, managed to move this bill through and is really the father of this legislation.

Mr. PORTMAN. Madam Speaker, I thank the gentleman for yielding me time and for his strong support of this program.

I rise in strong support of H.R. 2291, legislation introduced with the gentleman from Michigan (Mr. LEVIN) to reauthorize the Drug-free Communities Act. This legislation is both bipartisan and bicameral. We have worked very closely with Senator GRASSLEY and Senator BIDEN to draft this reauthorization. I would like to thank and credit all of them for their efforts in bringing this consensus bill to the floor today.

Madam Speaker, I would like to commend the gentleman from Indiana (Mr. SOUDER) and the gentleman from Maryland (Mr. CUMMINGS) of the Subcommittee on Criminal Justice, Drug Policy and Human Resources for their strong personal commitment to reducing substance abuse in their communities and around this country. They bring a lot of knowledge and passion to this issue, also for their good work to improve this legislation as it worked through the process. I would like to thank the gentleman from Indiana (Mr. BURTON) and the gentleman from California (Mr. WAXMAN) to not just improve the legislation, but to move it expeditiously through the subcommittee and through the committee and also to achieve a waiver from another important committee of this Congress to get this to the floor today.

Madam Speaker, almost every American family has felt the pain of substance abuse. We are here to talk about a very positive, proactive approach to lessening that pain. The Drug-free Communities Act is an innovative program first established in 1997. It establishes a matching grant program to support and encourage local communities that have shown that they have a comprehensive, long-term commitment to reducing substance abuse among young people. The grants which have to be matched dollar for dollar with non-Federal resources, have now been awarded directly to 307 of these community coalitions in 49 States, the District of Columbia, Puerto Rico and the Virgin Islands.

The drug-fee communities act takes a very different approach than this Congress has taken in the past on the so-called war on drugs. Instead of trading new Federal bureaucracies, instead of looking for solutions outside of our borders, this legislation and program deals directly with local coalitions working to reduce the demand for drugs in communities through effective education and prevention. And it is working.

Coalitions are successful because they devise prevention strategies and methods specific to the communities and because they are inclusive, involving all of those who influence a young person's decisions.

In his Rose Garden speech announcing the new nominee for ONDCP director, the President made the point well that the most effective way to reduce the supply of drugs to America is to dry up the demand. He specifically mentioned the Drug-free Communities Act as an effective tool to achieve demand reduction.

I am pleased to say that these community-based coalitions around the country are making real progress. In my own community in Cincinnati, the coalition for drug-free Greater Cincinnati has now trained over 6,000 parents in how to talk to their children about drugs and have launched a new program to reach even more parents. We have partnered with local TV, radio and print media to implement one of the most aggressive anti-drug media campaigns in the country. Last year alone, over $1 million of free public-service time was donated to our effort.

We also fielded the most comprehensive drug use survey ever done in our area to make sure our efforts are truly targeted. Our own survey shows there is a very strong correlation between the number of ads our teens see, these public-service ads, and their choice to remain substance free. We have also spearheaded the faith community initiative which has trained over 100 local congregations to implement substance abuse prevention programs in their churches, mosques and synagogues.

Our student Congress now involves young people from over 25 junior and senior high schools. They are ambassadors who go back to their schools and promote Teen Institute and other good programs in the schools at the peer level. Our drug-free work-place task force has led to over 100 new certified drug-free work places in our area alone.

These are the types of efforts, Madam Speaker, this legislation can help spread throughout our Nation.

H.R. 2291 continues funding for the Drug-Free Communities Act through fiscal year 2007. It also authorizes a new national anti-drug coalition institute which provides needed education, training and technical assistance to coalitions. The institute will be vital, I believe, in developing and disseminating evaluation and testing mechanisms to assist coalitions in the very important and sometimes overlooked area of measuring and assessing our performance in the area of prevention.

The ultimate goal of the Drug-free Communities Act is to get as much bang for the buck as possible and to send dollars and assistance directly into community efforts with a minimal amount being spent on administrative expenses. I am thus pleased that the bill continues to cap administrative costs at a modest level, although some adjustments were made that I think were probably necessary.

It is important to keep in mind that the Drug-free Communities Act was intended to be a catalyst for communities and not a steady stream of funding to cover coalition operating expenses. Therefore, coalitions must start over and reapply for drug-free community grants after an initial 5-year period and must match 125 percent of any new grants, not just 100 percent. Thereafter, it goes up to a 150 percent march. This in effect will encourage coalitions to grow their programs and become less reliant on Federal dollars.

Madam Speaker, some of our larger, more successful coalitions spend a lot of time sharing information and practices with smaller, sometimes-struggling coalitions. That, and trying to get off the ground by these smaller coalitions, is a real struggle.

I am pleased this bill acknowledges this and builds on it. H.R. 2291 includes an optional $75,000 supplemental to the drug-free communities grant application that would foster mentoring among these coalitions. These grants are meant to supercede the basic drug-free communities grant program, and only those meeting very strict criteria will be eligible to be mentors. By the way, this is capped at 5 percent of the total funding.

The bill also includes language suggested by the gentleman from Maryland (Mr. CUMMINGS) that will ensure that economically depressed areas will continue to be served by the drug-free communities program. We talked about that a moment ago. Specifically, that will be helpful when it comes to mentoring. I applaud the gentleman for his efforts in this area.

In conclusion, Madam Speaker, I want to thank once again the gentleman from Indiana (Mr. BURTON), the gentleman from Indiana (Mr. SOUDER), the gentleman from California (Mr. WAXMAN), the gentleman from Maryland (Mr. CUMMINGS), Senator GRASSLEY and Senator BIDEN, and of course my partner in this, the gentleman from Michigan (Mr. LEVIN), for crafting a bill that will continue to redo the demand for drugs in America through what we know works. I urge my colleagues to join us in supporting the continuation of this effective approach to substance abuse.

Mr. CUMMINGS. Madam Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Madam Speaker, I begin by thanking the sponsors of this legislation, the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Michigan (Mr. LEVIN), for their leadership on this very critical issue.

I am very pleased today to rise in support of this legislation because it truly has bipartisan support.

H.R. 2291, the Drug-free Communities Support Program Reauthorization Act, address one of the most serious problems we have in America today, the scourge of drug use and drug abuse. Unfortunately, many of our efforts in the war against drugs have been very disappointing. Fortunately, however, this program is a notable expect. It focus on two very important elements: first, it focuses on children, early intervention to prevent young people from getting involved in drugs, prevent young people from developing the drug habit. Second and critically and we have heard talk about this today, it focuses on local communities. Not all the knowledge resides here in Washington. And it is very important that we allow local communities, coalitions to come together to provide solutions that make sense in their neighborhoods.

At the heart of this program are grants to broad-based local coalition groups composed of representatives of children, parents, businesses, the media, law enforcement, religious and other civic groups, health care professionals and others all working together to combat drug abuse in their communities.

In my own district, an organization called the Community Services Coalition receives Federal funds which they match to serve these useful purposes. According to the project director, the program has identified some of the risk factors that lead to drug abuse and drug use. It has been a benefit not just to the individuals who are affected but also to their families and to the larger community. The grant helps identify successful programs and also helps identify gaps in services because sometimes our intentions do not meet our efforts. We also need to identify areas which require further monitoring.

Madam Speaker, I think this program is an excellent program. I am very pleased to support it on a bipartisan basis.

Mr. SOUDER. Madam Speaker, I reserve the balance of my time.

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Mr. CUMMINGS. Madam Speaker, I yield 4 minutes to the gentleman from Michigan (Mr. LEVIN), a cosponsor of this legislation.

Mr. LEVIN. Madam Speaker, this program is rooted in real local experience. About 5 years ago the gentleman from Ohio (Mr. PORTMAN) and I were preparing notes. We told each other how successful our efforts were in our local communities. In.

My case, one community in particular, where there had been a coalition which had brought together a very diverse group of people from law enforcement, from schools, elected officials, from the religious community, businessmen, parents and students, we asked ourselves in this battle against substance abuse if these were examples of success in Cincinnati and in my case in Troy, Michigan, how could we spread this success throughout the country. So it was the local experience that was the germination of this idea and which led with the help of so many others to the 1997 law.

Madam Speaker, I would like to thank the gentleman from Maryland (Mr. CUMMINGS) and the gentleman from Indiana (Mr. SOUDER) for working with us in taking this program farther down the road because now, instead of a few coalitions, there are over 300, well over 300, which have been supported with seed money, as the gentleman from Ohio (Mr. PORTMAN) indicated.

This is not an effort to give people or coalitions or groups money and then they use that money; they have to use their own resources, their own talents, their own imagination. This is seed money.

So now, while 10 years ago there was one coalition in the district I represent, now there are seven, plus two umbrella organizations. We have learned from this experience, and the gentleman from Indiana and the gentleman from Maryland and the gentleman from Ohio have enumerated that.

We have expanded the authorization levels and we have encouraged self-sufficiency by making sure if there is a further grant, there is additional match. We have also made sure that there is a mentoring program here so that successful entities can parent those that are in their infancy.

Madam Speaker, as mentioned, we have added a new idea, a training and technical assistance institute. I also want to congratulate the gentleman from Maryland (Mr. CUMMINGS) or say a word about that because it is so important that this effort spread in those communities, often so much in need where there is not perhaps the immediate access to resources, receive the support that is necessary. So the amendment of the gentleman from Maryland (Mr. CUMMINGS) is an important amendment.

Let me just close by saying, we all know there is no magic wand to this effort against drug abuse. We all know there is no single answer. We all know that we have to strive to find the answers. We owe it to our children, to our grandchildren, to our friends, to people of all ages at all places, in all circumstances. This is an effort to say to the country, this Congress is serious.

We extend a hand. We extend some resources. Ultimately the job is up to the community. So far so good; and we hope with the help of this program there will be more good efforts in this country to tackle this continuing serious problem, drug abuse.

Mr. CUMMINGS. Madam Speaker, I yield 2 minutes to the gentlewoman from the District of Columbia (Ms. NORTON), who has been at the forefront of this fight.

Ms. NORTON. Madam Speaker, I thank the gentleman for yielding me this time, and I thank the gentleman for his excellent bipartisan work with the gentleman from Indiana (Mr. SOUDER) on this important bill which sailed through the Committee on Government Reform, on its merits, for good reason.

Madam Speaker, I am indebted to the gentleman from Michigan (Mr. LEVIN) and the gentleman from Ohio (Mr. PORTMAN) for taking a good idea and nationalizing it. This bill deals with alcohol abuse, drug abuse, tobacco abuse, and researchers know, perhaps it is in the biology of young people, to get a person hooked, get them hooked when they are young. So it is impossible to overemphasize the importance of reaching people early.

This is an extraordinary bill for the way it leverages almost nothing. It essentially goes into communities and says, here is a little bit of money, let the community do it. What we are doing here with these grants is to say that communities can do far more cheaply and devotedly what it takes a lot more professionals to do if we do not get in there early.

I want to mention a grant that we have in the District of Columbia. We have only one; it is a $100,000 grant. The grants are very competitive. The grant in the District of Columbia is an example of what the faith-based community can do. We have an enormously controversial faith-based bill here, full of constitutional traps, discriminatory patterns.

But look at what the D.C. Community Prevention Partnership is doing with none of that controversy. It increases awareness of faith-based institutions and effective prevention principles.

So take the churches and the faith-based organizations and teach them about the principles, and the churches will do the rest. It also links community-based youth-serving organizations with neighborhood faith-based institutions. Again, none of the controversy, but leveraging faith-based institutions.

Madam Speaker, I congratulate Members on their authorship of this bill.

Mr. CUMMINGS. Madam Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. DAVIS), who sits on the Subcommittee on Criminal Justice, Drug Policy and Human Resources, and was very instrumental in making sure that this legislation was appropriately amended.

Mr. DAVIS of Illinois. Madam Speaker, I rise today in support of H.R. 2291, the Drug-Free Communities Support Program reauthorization. I also commend the sponsors, the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Michigan (Mr. LEVIN). I also commend the gentleman from Indiana (Mr. SOUDER) and the gentleman from Maryland (Mr. CUMMINGS) for their cooperation in moving this legislation to the floor.

Madam Speaker, I also acknowledge and thank the recently appointed drug czar, former Representative Hutchinson, for visiting with me to discuss these issues back at home in Illinois.

I am pleased to support the reauthorization of this vital program because it goes a long way towards reducing drug use in our communities.

All of us are aware of the tremendous drug use problems. We are aware of the fact that even young people today are beginning to use habit-forming drugs at an early age. When we talk about getting a bang for the buck or getting the most for the dollars that we spend, what we are really doing is taking a little bit of money, no more than $100,000, but we are empowering large numbers of people to become engaged, to become involved, to interact with each other, to discuss issues, to find ways to combat a problem.

Madam Speaker, I suggest this is one of the most effective utilizations of small amounts of money that we could ever have. I thank the Committee on Government Reform for accepting my amendment. I thank the chairman and ranking member for their tremendous leadership in moving this legislation.

Mr. CUMMINGS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, in closing, not long after we held a hearing on this legislation, Judge Michael Kramer of Noble County, Indiana, sent me a note. He testified at our hearing. He talked about how he had to step out of the role as a judge and do things in the community, to do some prevention-type things because he had seen so much pain come before him. One of the things that he said in his note was he said, we have been doing a pretty good job, and he happens to be from the district of the gentleman from Indiana (Mr. SOUDER), and we want to share what we are doing with people in Baltimore and other areas.

Going back to what the gentleman from Illinois (Mr. DAVIS) talked about, the whole idea of people working together to address this problem, here was a wonderful judge in, I am sure, a rural area of our country extending his hand to help us out in the City of Baltimore. The fact is that this is what this is all about: trying to give people an opportunity to affect their lives, to be empowered in their own community and take control of situations.

Madam Speaker, as I listened to the many witnesses that came before us, it was clear that there are so many people that want to do something, and they have two problems: One, they need a limited amount of resources; two, a lot of times they need somebody to help them, to show them how to do what they have to do. This legislation addresses both of those issues very effectively.

As I said in the Committee on Government Reform, and I will say it no matter where I go, out of the many things that I have been a part of in this Congress, this is one of the most important things. One of the things that this legislation does, Madam Speaker, is clearly it saves a lot of lives and it saves a lot of pain. So I am very, very pleased to urge this House to support this legislation unanimously.

Madam Speaker, I thank the gentleman from Michigan (Mr. LEVIN) and the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Indiana (Mr. SOUDER) and the ranking member for all of their support for getting this legislation to the floor. I urge that we adopt this legislation.

Madam Speaker, I yield back the balance of my time.

Mr. SOUDER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this is a worldwide battle. It is not a battle just in the United States. Yesterday five Colombian national police were painfully gassed in police headquarters in large part because of a war caused in Colombia because of American drug consumption.

Last week some Members were in Venezuela at the Andean parliament session to discuss antinarcotics efforts in the Andean nations where most of our cocaine and heroin comes from. As they look at creative ways to reduce the amount of poppy and coca that is grown, as they look for ways to reduce the consumption in their area, what we do in America has a direct impact on South America and Central America.

Madam Speaker, we went up to Pucalpa and we saw in the Amazonian jungle fires coming up throughout this national park as peasants stripped the woods along the Amazon basin in order to plant more coca for American consumption.

While Plan Colombia is important and the Andean Initiative is important, and law enforcement efforts are important and interdiction efforts are important, the fact is, unless we concentrate more aggressively on prevention and treatment in America where the demand begins, we cannot make any other program work. The demand is beginning here, and this bill is the anchor of our Federal prevention efforts in America. This is a desperate battle we cannot afford to lose.

Mr. GILMAN. Madam Speaker, I rise today in strong support of H.R. 2291, the Reauthorization of the Drug Free Communities Act (DFCA). I want to commend my colleague, Representative PORTMAN, for introducing this important legislation.

This program is a major component of our national demand reduction strategy. Over the last five years, through its program of distributing grants to community organizations, the DFCA has demonstrated itself to be a resounding success.

This success is due in part to the nature of the grant recipients, various anti-drug coalitions. These coalitions are community groups containing representatives of youth, parents, private industry, media and press, law enforcement, health care professionals and religious and civic leaders' working together to provide a cohesive, effective anti-drug message and strategy.

H.R. 2219 reauthorizes the (DFCA) for an additional five years, and increases its overall funding levels by $10 million each year. Prior awardees would be able to apply for new grants, in addition to being eligible for "mentoring grants" in order to assist new coalitions with their initial start-up efforts.

Madam Speaker, the threat posed by illegal drugs is one of the largest national security threats facing our nation.

In addition to costs associated with supply and demand reduction, drug use costs our nation billions each year in health care expenses and lost productivity. Moreover, it also has intangible costs in terms of broken families and destroyed lives.

Our children are on the front lines as victims of the drug war. They are the primary target of both the drug producers and the sellers. The (DFCA) has a proven track record of success in reducing demand for drugs among our younger population. Given that today's adolescents are potentially the addicts of tomorrow, I wholeheartedly support extending and expanding a Federal program that has demonstrated past success in our war on drugs.

Accordingly, I urge my colleagues to give this bipartisan bill their wholehearted support.

Mr. HOLT. Madam Speaker, substance abuse is one of our Nation's most pervasive problems. It is a disease that does not discriminate on the basis of age, gender, socioeconomic status, race or creed. And while we tend to stereotype drug abuse as an urban problem, the steadily growing number of heroin and methamphetamine addicts in rural villages and suburban towns shows that is simply not the case.

We have nearly 15 million drug users in this country, 4 million of whom are hard-core addicts. We all know someone—a family member, neighbor, colleague or friend—who has become addicted to drugs or alcohol although we may be unaware. And we are all affected by the undeniable correlation between substance abuse and crime—an overwhelming 80 percent of the 2 million men and women behind bars today have a history of drug and alcohol abuse or addiction or were arrested for a drug-related crime.

All of this comes at a hefty price. Drug abuse and addiction cost this Nation $110 billion in law enforcement and other criminal justice expenses, medical bills, lost earnings and other costs each year. Illegal drugs are responsible for thousands of deaths each year and for the spread of a number of communicable diseases, including AIDS and Hepatitis C. And a study by the National Center on Addiction and Substance Abuse at Columbia University (CASA) shows that 7 out of 10 cases of child abuse and neglect are caused or exacerbated by substance abuse and addiction.

Another CASA study recently revealed that for each dollar that States spend on substance-abuse related programs, 96 cents goes to dealing with the consequences of substance abuse and only 4 cents to preventing and treating it. Investing more in prevention and treatment is cost-effective because it will decrease much of the street crime, child abuse, domestic violence, and other social ills that can result from substance abuse.

If we can get kids through age 21 without smoking, abusing alcohol, or using drugs, they are unlikely to have a substance abuse problem in the future. But there are still those who shrug their shoulders and say "kids are kids—they are going to experiment." Others find the thought of keeping kids drug-free too daunting a task, and they give up too soon.

But the truth is that we are learning more and more about drug prevention as researchers isolate the so-called "risk" and "protective" factors for drug use. In other words, we now know that if a child has low self-esteem or emotional problems; has a substance abuser for a parent; is a victim of child abuse; or is exposed to pro-drug media messages, that child is at a higher risk of smoking, drinking and using illegal drugs. But the good news is that we are also learning what decreases a child's risk of substance abuse.

The Drug Free Communities program allows coalitions to put prevention research into action in cities and towns nationwide by funding initiatives tailored to a community's individual needs. It currently funds more than 300 community coalitions across the country that work to reduce drug, alcohol, and tobacco use.

And they are making a difference, which is just one of the reasons that I am proud to support this important bill reauthorizing the program.

Drug abuse plagues the entire community. We all feel the consequences—crime, homelessness, domestic violence, child abuse, despair—and we all need to do something about it. Prevention messages must come from all sectors of the community, from a number of different voices. Coalitions bring those groups together, give them information they need, help develop programs that work, and nurture them to success.

I believe that the Drug Free Communities program is a powerful prevention initiative and I urge my colleagues to support its reauthorization.

Mr. SOUDER. Madam Speaker, I yield back the balance of my time.

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The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Indiana (Mr. SOUDER) that the House suspend the rules and pass the bill, H.R. 2291, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SOUDER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SENSE OF HOUSE REGARDING ESTABLISHMENT OF SUMMER EMERGENCY BLOOD DONOR MONTH

Mr. SOUDER. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res 202) expressing the sense of the House of Representatives regarding the establishment of a Summer Emergency Blood Donor Month to encourage eligible donors in the United States to donate blood, as amended.

The Clerk read as follows:

H. RES. 202

Whereas every 3 seconds someone in the United States needs a blood transfusion;

Whereas approximately 32,000 pints of blood are used each day in the United States;

Whereas donated blood is used for transfusions of platelets, red blood cells, and plasma;

Whereas between 5 and 8 pints of red blood cells and approximately 5 pints of platelets are needed for the average open-heart surgery;

Whereas people who have been in car accidents and suffered massive blood loss may require transfusions of 50 pints or more of red blood cells;

Whereas blood centers are often in short supply of type O and type B blood;

Whereas shortages of type O and type B blood are most acute during the summer and during traditional vacation periods during the winter;

Whereas blood shortages can result in canceled surgeries, emergency room closures, and even death;

Whereas the Southeastern United States was in short supply of blood for transfusions before being hit by tropical storm Allison and is now experiencing a blood shortage crisis;

Whereas other States are donating blood from their own fragile blood supplies to the States that were hit hardest by tropical storm Allison;

Whereas the State of New York is experiencing a blood shortage crisis;

Whereas eligible donors in the State of New York are less than half as likely as other eligible donors in the United States to donate blood;

Whereas due to higher rates of cancer and other factors, the demand for blood in New York is higher than in other States;

Whereas the State of New York and the entire United States would benefit from increased blood donation;

Whereas the establishment of a Summer Emergency Blood Donor Season would encourage eligible donors in the United States to donate blood; and

Whereas the summer of 2001 would be an appropriate season to establish as Summer Emergency Blood Donor Season: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) a Summer Emergency Blood Donor Season should be established to encourage eligible donors in the United States to donate blood; and

(2) the President should issue a proclamation calling on the people of the United States to observe the summer of 2001 with appropriate programs and activities, including, in the case of eligible donors, the donation of blood.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Indiana (Mr. SOUDER) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Indiana (Mr. SOUDER).

Mr. SOUDER. Madam Speaker, I yield myself such time as I may consume.

Mr. SOUDER. Madam Speaker, House Resolution 202 expresses the sense of Congress that the President should establish a Summer Emergency Blood Donor Month to encourage eligible donors in the United States to donate blood. Although we just celebrated Labor Day, which is the traditional end of summer, the health care system continues to experience a shortage of blood donors. This resolution expresses the support of Congress to encourage blood donors to help their families and neighbors in times of need and will hopefully serve to increase public awareness of this issue.

I thank the principal sponsors of this resolution, the gentlewoman from New York (Mrs. MCCARTHY) and the gentleman from New York (Mr. KING), for their work on this resolution, which I support.

Madam Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Madam Speaker, I yield myself such time as I may consume.

Since 1970, the President of the United States has proclaimed January as National Volunteer Blood Donor Month, highlighting the importance of giving the gift of life through the donation of blood. House Resolution 202 will continue to help raise the public's awareness about blood donation by establishing a Summer Emergency Blood Donor Month.

Every 3 seconds, someone needs blood. Each day, patients across the country receive approximately 32,000 units of this vital resource. This year alone, as many as 4 million patients will require blood transfusions, as accident victims, people undergoing surgery and patients receiving treatment for leukemia, cancer and other diseases. By donating blood just once, each of us can save up to three lives. Too many Americans wait until they need blood before they truly realize the importance of volunteer blood donation. Sixty percent of the U.S. population is eligible to donate blood, but only 5 percent do so. While women and minority groups are volunteering to donate blood in increasing numbers, the 5 percent who donate blood are generally college-educated white males between the ages of 30 and 50 who are married and have an above-average income.

The gentlewoman from New York (Mrs MCCARTHY) should be commended for raising all Americans' awareness about the importance of donating blood and giving the gift of life. Blood donations are most needed during holidays and in the summer. It is during the holidays and summer that the number of donations decline while the demand continues or even increases. This resolution will go a long way in addressing the Nation's need for blood during this critical period.

I have always been told, Madam Speaker, that you cannot lead where you do not go and you cannot teach what you do not know. So I am pleased to note that each year at some point in time I find some way to go to a blood donor organization, get on the couch, get on the table, have my blood pressure taken and give blood, even if I have got some reservation or hesitation.

Again I want to commend the gentlewoman from New York (Mrs. McCARTHY) and the gentleman from New York (Mr. KING) and urge all Members of this body to enthusiastically support this resolution.

Madam Speaker, I reserve the balance of my time.

Mr. SOUDER. Madam Speaker, I yield 1 minute to the gentleman from New York (Mr. KING), the principal cosponsor.

Mr. KING. Madam Speaker, I thank the gentleman from Indiana for yielding time. I rise in strong support of House Resolution 202.

At the outset, let me thank the gentleman from Indiana for bringing this bill to the floor and moving it along. I also want to pay a special debt of thanks to the gentlewoman from New York (Mrs. McCARTHY) for the effort and the leadership she has shown in this issue as she has on so many other health-related issues.

Madam Speaker, the gentleman from Illinois really laid out the case. The reality is that every 3 seconds somebody needs a transfusion. Thirty-two thousand pints of blood are needed every day. Yet as the demand goes up, the supply is going down. It is essential that the Federal Government play a leadership role. One way to do that, one very noted way of doing that is to set aside a month during the summer season, to set aside the summer season as the time when donation will be urged, encouraged. This is the time when the demand is at its greatest.

That is why I am again proud to stand in support of House Resolution 202. It deserves the unanimous support of this body. I thank the gentleman from Indiana, as I said. I thank the gentlewoman from Long Island, New York (Mrs. McCARTHY) for the leadership she has shown on this issue.

Mr. DAVIS of Illinois. Madam Speaker, I yield such time as she may consume to the gentlewoman from New York (Mrs. McCARTHY), the author of this legislation and one of the more sensitive Members of this body in relationship to human needs.

Mrs. McCARTHY of New York. Madam Speaker, I want to thank the gentleman from Indiana (Mr. BURTON) and the gentleman from California (Mr. WAXMAN) of the Committee on Government Reform for allowing this resolution to come to the floor so rapidly. I want to certainly thank my good friend from Long Island, New York (Mr. KING) for helping me on this issue. I want to associate myself with the kind words that the gentleman from Illinois (Mr. DAVIS) mentioned.

We talk about giving blood. I know as a nurse over so many years, people are afraid to give blood. There is nothing to be afraid of. If you do not like needles, just turn your eye. You can give it in 15 minutes. But taking that 15 minutes out of your life has an opportunity to save so many lives. We always think about giving blood in times of our community when there are accidents or a tragedy happens and people do go to the hospitals to give blood. This is happening every single day. No one talks about the children across this Nation that have leukemia and they have to have transfusions. No one talks about how much blood is needed for our patients that have hemophilic blood problems. No one talks about cancer, how it affects women and how they need their transfusion so they can go through their chemotherapy.

I am hoping that by us being here on the floor and talking about it, those in the Nation who are watching this will say to themselves, "You know, I can make a difference." I think that is what we are trying to ask. This resolution certainly is for the summer but it is blood every single day that we need throughout the year.

The other thing that unfortunately is happening, we see especially in New York that only 2 percent of the people of New York give blood. This is happening across our larger cities. We do not talk about those in the minority communities that come down with sickle-cell anemia and how they need blood transfusions. We have to start educating people more and more on why they should give blood. You can give blood almost every 53 days. It is certainly a habit that I am into.

I want to remind all my colleagues that the end of this month we will be having another blood drive here in the Capitol. I am hoping that all my colleagues will donate this time so we can set an example certainly for all of our constituents back home. Also I would like to see all our colleagues go home and do a blood drive. One of our jobs is to teach our constituents on what we do. So I think it is extremely important.

Unfortunately, one of the other problems that we are seeing is because we are seeing less and less blood coming over from Europe, people do not realize how much blood we count on, especially in our major cities for the transfusions that we get from overseas. That is going to be cut off at the end of this month and unless we can certainly sustain that, our cities are going to be in more of a crisis than ever before.

So I certainly urge all of my colleagues to support this resolution but more than support it, do something about it. The easiest thing that we can do for the American people is to give blood. I happen to think that people in this country are tremendous during emergencies. Well, we are in an emergency. A pint of blood can save three lives or even more. I urge that this resolution be passed. I thank again the gentleman from New York (Mr. KING). I thank the committee for passing this so fast.

Mr. SOUDER. Madam Speaker, I yield myself such time as I may consume.

I would like to again thank the gentleman from Indiana (Mr. BURTON) and the gentleman from California (Mr. WAXMAN) for bringing this to the floor in an expeditious way and also the gentlewoman from New York (Mrs. McCARTHY) and the gentleman from New York (Mr. KING) for their leadership and the gentleman from Illinois (Mr. DAVIS) for his statement. It reminds us again and we are going officially on record that we need to think beyond ourselves and think of others and pay tribute to the millions of Americans who already donate blood and encourage that at this time of need.

Madam Speaker, I yield back the balance of my time.

Mr. DAVIS of Illinois. Madam Speaker, I yield myself such time as I may consume.

I want to thank the gentleman from Indiana. It is always a pleasure to work with him and to interact with him. I will close by simply stating that when we give blood, we give the gift of life. I want to thank the gentlewoman from New York (Mrs. McCARTHY) for stimulating me and for challenging all of us. I am going to take up her challenge and I am going to go back to my district and organize a blood donor drive before the end of this year.

Mr. TOWNS. Madam Speaker, I am very pleased to be able to join my colleagues in supporting H. Res. 202, a resolution expressing the sense of the House regarding the establishment of a Summer Emergency Blood Donor Season to encourage eligible donors in the United States to donate blood.

Currently, our blood supply sometimes struggles to meet the demand for blood, which is increasing due to an aging population, increase in cancer diagnoses and new medical and surgical advancements. The recent decision by the Food and Drug Administration to eliminate donations from Europe will exacerbate this situation in New York City. Our teaching hospitals offer the finest surgical care in the world but these procedures often require substantial amounts of blood to stabilize a patient. That is why I am co-hosting a blood drive with, the Brooklyn/Staten Island Blood Services, the newest operating region of the

New York Blood Center this coming Saturday at the East New York Diagnostic and Treatment Center.

This drive is specifically designed to encourage minority participation in the City's blood drive. Less than 8% of the Blood Center's volunteer blood donors are African-American. This population represents only 7% of the community's blood supply. Yet, African-Americans make up nearly 30% of New York City's population. Blood is particularly needed from minorities because minority patients sometimes have rare and unique markers, known as antigens, in their blood inherited from their race and ethnicity and may require a life-saving transfusion from someone of the same background. This Saturday's event at the East NY Diagnostic and Treatment Center will help boost the already significant collection progress in Brooklyn where the donor base has been increased by one-third in the past year.

Having participated in Government Reform oversight hearings on the nation's blood supply, I understand first-hand how critical it is to encourage Americans to continually replenish the nation's blood centers with blood donations. I want to commend the authors of this legislation and the House leadership for scheduling this resolution at such a critical time. Hopefully, it will greatly increase the public's education and awareness about the need for blood donations. I urge my colleagues to support H. Res. 202.

Mr. HOLT. Madam Speaker, as Americans, one of the many things that we can be thankful for is the high quality of medical care. American technology, physicians, and pharmaceutical companies are often leaders in the development of new and improved healthcare equipment and techniques. But even the most cutting-edge technologies, the best doctors and nurses, and the finest facilities cannot save the life of a person in need of a blood transfusion. A child with cancer, a mother who was in a car accident, or a grandfather who needs an emergency operation—any of these individuals could be saved by a simple gift of blood. Without this vital gift, which I must add is in great demand, many of our patients would not survive.

Yet consider the following: Only five percent of people who are able to donate blood do so on a regular basis. And, although donated blood can be stored for up to six weeks, it usually is used within ten days because the demand is so great.

Every one of us knows someone—a family member, a friend, a loved one—who has needed, and received a blood transfusion at some point. But there are so many more who are in danger of not receiving the help they need.

This is why it is so vital that we make people aware of the importance of donating blood. I take this responsibility very seriously and give blood on a regular basis. Yet, I am only one person. We need to find ways to encourage more. Today, we can pass a resolution, which expresses the sense of the House that we establish a summer emergency blood donor season to encourage eligible donors.

I strongly support this resolution. We must ensure that everyone who is able to give blood does so. It is perhaps the most important gift we can give.

Mr. DAVIS of Illinois. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. SOUDER) that the House suspend the rules and agree to the resolution, H. Res. 202, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

The title of the resolution was amended so as to read: "Resolution expressing the sense of the House of Representatives regarding the establishment of a Summer Emergency Blood Donor Season to encourage eligible donors in the United States to donate blood.".

A motion to reconsider was laid on the table.

DEFENSE PRODUCTION ACT AMENDMENTS OF 2001

Mr. OXLEY. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2510) to extend the expiration date of the Defense Production Act of 1950, and for other purposes.

The Clerk read as follows:

H.R. 2510

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Defense Production Act Amendments of 2001".

SEC. 2. EXTENSION OF THE DEFENSE PRODUCTION ACT OF 1950.

Section 717(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166(a)) is amended by striking "September 30, 2001" and inserting "September 30, 2004".

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Section 711(b) of the Defense Production Act of 1950 (50 U.S.C. App. 2161(b)) is amended by striking "1996 through 2001" and inserting "2002 through 2004".

SEC. 4. TECHNICAL CORRECTIONS.

The Defense Production Act of 1950 is amended as follows:

(1) In section 301(a)(1) (50 U.S.C. App. 2091(a)(1)), by striking "714(a)(1) of this Act" and inserting "702(16)".

(2) In subparagraphs (A), (B), and (C) of section 301(e)(1) (50 U.S.C. App. 2091(e)(1)), by striking "industrial resource shortfall" each place such term appears and inserting "industrial resource or critical technology item shortfall".

(3) In sections 301(e)(1)(D)(ii) and 303(a)(7)(B) (50 U.S.C. App. 2091(e)(1)(D)(ii), 2093(a)(7)(B)), by inserting "item" after "critical technology".

(4) In section 304(b)(1), (50 U.S.C. App. 2094(b)(1)), by striking "711(c)" and inserting "711(b)".

(5) In sections 301(e)(2)(B) and 309(a)(1), (50 U.S.C. App. 2091(e)(2)(B), 2099(a)(1)), by striking "Committee on Banking, Finance and Urban Affairs of the House of Representatives" and inserting "Committee on Financial Services of the House of Representatives".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. OXLEY) and the gentlewoman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. OXLEY).

GENERAL LEAVE

Mr. OXLEY. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OXLEY. Madam Speaker, I yield myself 5 minutes.

Madam Speaker, I rise today in support of H.R. 2510, the Defense Production Act Amendments of 2001. As I am sure my colleagues know, the DPA is an essential element of our national security package. The DPA uses economic tools to provide uninterrupted supplies of industrial resources in times of both military crisis and civil emergency.

We are here today because the President's authority under the DPA expires at the end of the fiscal year. This bill introduced by the gentleman from New York (Mr. KING) who chairs the Subcommittee on Domestic Monetary Policy and his ranking member, the gentlewoman from New York (Mrs. MALONEY), is a straightforward, 3-year reauthorization with a handful of purely technical amendments.

Those amendments amount to little more than housekeeping. For example, one of those changes updates the statute to reflect the creation of the Committee on Financial Services at the beginning of this Congress. Others fix errors in section numbering or harmonize language within the statute.

Madam Speaker, I have with me the administration's statement in support of this bill along with a letter from Defense Principal Deputy Undersecretary Michael W. Wynne endorsing this legislation.

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Madam Speaker, I will include these for the RECORD at this point.

PRINCIPAL DEPUTY
UNDER SECRETARY OF DEFENSE,
Washington, DC, September 4, 2001.

Hon. MICHAEL OXLEY,
Chairman, House Financial Services Committee, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This letter is to express my strong supporter of the enactment of H.R. 2510, 107th Congress, an Act to extend and reauthorize the Defense Production Act of 1950. The legislation gives the Department the ability to use the authorities of the Act for items and industrial resources that are essential for national security needs. The District Production Act authorities remain important elements in our national defense program.

H.R. 2510 extends and reauthorizes the Defense Production Act by three years from September 30, 2001 to September 30, 2004.

This legislation provides a number of critical authorities needed to ensure a strong industrial base capable of meeting national defense requirements in peacetime as well as in times of national emergency. Title I of the DPA provides for priority performance on contracts and orders to meet approved national defense and emergency preparedness program requirements. Title I is indispensable in expediting production to meet the critical needs of US forces engaged in military operations. Title I authorities were used to ensure priority production and shipment of numerous items urgently needed by the coalition forces during Desert Shield/Storm and more recently Bosnia and Kosovo.

The Title III authorities enable us to establish assured and affordable production capacity for items essential for national defense. Title III is an extremely valuable tool that enables the Department to field technologically superior systems, upgrade the capabilities of older systems, and reduce operations and sustainment costs. A recent Title III project for Discontinuous Reinforced Aluminum (DRA) resulted in the insertion of components made of DRA in the F-16 fighter that are dramatically reducing life-cycle costs and improved flight safety.

This legislation does not call for additional spending by the Government or Department of Defense. A similar letter has been sent to the Ranking Member, Congressman John LaFalce.

Sincerely,

MICHAEL W. WYNNE.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, September 5, 2001.

STATEMENT OF ADMINISTRATION POLICY

(This statement has been coordinated by OMB with the concerned agencies.)

H.R. 2510—DEFENSE PRODUCTION ACT AMENDMENTS OF 2001 (REP. KING (R) NEW YORK AND REP. MALONEY (D) NEW YORK)

The Administration supports H.R. 2510, which would extend the expiration date and authorization of appropriations for the Defense Production Act through FY 2004.

The expiration of the Defense Production Act could have a severe impact on the Nation's ability to respond to national security threats, both at home and abroad. Thus, passage of H.R. 2510 would ensure the President's continued ability to provide for the Nation's security by providing authority to: (1) establish, expand, or maintain essential domestic industrial capacity; (2) direct priority performance of contracts and orders to meet approved national security requirements; and (3) suspend or prohibit a foreign acquisition of a U.S. firm when that acquisition would present a threat to the Nation's security.

Madam Speaker, over the past 3 years, the DPA has been reauthorized on a year-to-year basis due to accidents in the legislative calendar. This authority is far too important to allow uncertainty over the future of the DPA to continue. We do not want to repeat the mistakes of 1990, when the DPA expired in the middle of the buildup of Operation Desert Storm.

While the DPA may need to be tweaked in the future, we should ensure that those important authorities continue uninterrupted and use the next 3 years to carefully examine proposed improvements to the act.

The gentleman from New York (Mr. KING) and the gentlewoman from New York (Mrs. MALONEY) deserve great credit for their bipartisan work on this bill. I urge all Members to join me in supporting this legislation.

Mrs. MALONEY of New York. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of the 3-year reauthorization of the Defense Production Act of 1950. This is bipartisan legislation that was reported by the Committee on Financial Services by voice vote.

First enacted during the Korean War, the DPA has proven a useful tool in ensuring the delivery of goods and services needed for the defense of the Nation during times of war and peace. The act was used in Operation Desert Storm to assist in the massive deployment of forces to the Gulf.

Most recently it was used by the Clinton and Bush administrations to maintain the supply of natural gas to California. Without this action, the administration contended that defense installations in northern and central California could have faced interrupted natural gas service.

The DPA has played an important role in dealing with recent natural disasters. Should the country face a major domestic terrorist attack, the DPA could be valuable in ensuring that emergency supplies are delivered to those who need them and in a timely manner.

As the representative of a city that has been the target of terrorist attacks and many terrorist threats, I can attest that, unfortunately, such a potential use of the DPA is not a mere theoretical possibility.

Given the DPA's relevance to natural disasters, the Federal Emergency Management Administration, FEMA, has taken the lead in reviewing the act and requesting its reauthorization, which is set to expire October 12 of this year.

The Subcommittee on Domestic Monetary Policy, Technology and Economic Growth held a hearing on June 13 of this year, a meeting at which Members were able to raise concerns and have them answered by FEMA and other agencies. It is after careful review of the act and following this hearing that I chose to cosponsor the reauthorization.

Finally, I thank the gentleman from Ohio (Chairman OXLEY), the gentleman from New York (Chairman KING), and the ranking member, the gentleman from New York (Mr. LAFALCE), for moving quickly on this legislation. In the past, Congress has often rushed to renew the DPA under the gun of its pending expiration. I appreciate the fact that we have followed committee process, culminating with today's vote.

Madam Speaker, I reserve the balance of my time.

Mr. OXLEY. Madam Speaker, I am pleased to yield such time as he may consume to the gentleman from New York (Mr. KING), the coauthor of this legislation.

Mr. KING. Madam Speaker, I thank the gentleman for yielding me time.

Madam Speaker, I rise today to speak in support of H.R. 2510 and to associate myself with the remarks of the full committee chairman, the gentleman from Ohio (Chairman OXLEY). I also want to thank the chairman for allowing this important reauthorization bill to move quickly through the committee as we push up against its expiration date. I also want to thank my subcommittee ranking member, the gentlewoman from New York (Mrs. MALONEY), for her bipartisan cosponsorship of this bill. Madam Speaker, this bill has enjoyed broad support, allowing us to proceed in a genuinely bipartisan manner.

The gentlewoman from New York (Mrs. MALONEY) and I introduced this DPA reauthorization bill after receiving testimony on June 13 of this year from the Departments of Defense, Commerce, Energy and FEMA, the agency responsible for the act's coordinating efforts. By request of the administration, the gentlewoman from New York (Mrs. MALONEY) and I have worked together to put forth a clean 3-year reauthorization bill, recognizing the importance that this act holds for the ability of any administration to address defense and civil preparedness issues. As reflected in the committee testimony and debate, a multiyear extension makes the most sense.

As the chairman stated, and I want to emphasize this, the changes that are contemplated in DPA are extremely technical in nature. Also, in closing, let me say that I realize that if used inappropriately, DPA has the potential to adversely affect our domestic marketplace. Fortunately, throughout the almost 50 years that it has been in existence, there has been no such adverse impact.

Madam Speaker, I want to thank the chairman and the ranking members, the gentlewoman from New York (Mrs. MALONEY) and the gentleman from New York (Mr. LAFALCE); and I look forward to the swift non-controversial adoption of this measure.

Mr. KUCINICH. Madam Speaker, although our effort in the House of Representatives today to extend the Defense Production Act is commendable, the House has missed a prime opportunity to make this Act more effective in ensuring our national security and helping American workers.

The Defense Production Act, first enacted in 1950, ensures that products, materials, and services essential to our national security are available to defense related agencies at all times—but especially in times of conflict. One material that is especially critical to our defense needs is steel. Our armed forces would not be able to respond to a national emergency without an adequate supply of domestically produced steel.

But at this very moment, the American steel industry is in dire straits. In recent months a number of steel companies have been driven into bankruptcy, and others are on the brink. Thousands of jobs are at risk, as another wave of low-cost steel imports has battered the domestic industry. In my home district, LTV Steel, which employs thousands of Cleveland residents, is undergoing bankruptcy proceedings and has had to idle one of its plants.

A bill I introduced, the Steel and National Security Act, would have amended the Defense Production Act to enable the President to step in and aid critical defense industries such as steel. In its findings, the Steel and National Security Act identifies domestic steel capacity as an essential part of what a key executive order has called the "foundation for national defense preparedness": our domestic industrial and technological base.

To revive and secure the health of the American steel industry and thereby ensure adequate domestic capacity, the Steel and National Security Act would reauthorize the Defense Production Act's Title III, with a specific allocation of $1 billion in each of the fiscal years 2002, 2003, and 2004 for Department of Defense loans, grants and purchase commitments. Fifty percent of each year's allocated funds would be reserved for purchase commitments, to ensure that ailing industries are given a sharp boost.

The bill would also establish a National Defense Preparedness Domestic Industrial Base Board. The Board would be responsible, through one time en masse purchases and other means, for ensuring uninterrupted availability of defense-related materials. Together, these provisions would ensure enough demand so that domestic industries critical to our national security—like steel—can survive tough times.

But that is not all my bill would accomplish. The Steel and National Security Act would also reauthorize Defense Production Act's Title VII, with a specific directive ordering the Department of Defense to request a 45-day period of further investigation for all mergers, acquisitions, and takeovers involving a foreign steel company. This would ensure that domestic capacity to produce materials and goods essential to our national security always exists.

Madam Speaker, though the House has acted correctly in extending the Defense Production Act to 2004, it has not acted decisively to aid those industries most vital to our national security.

Mrs. MALONEY of New York. Madam Speaker, I have no further speakers, and I yield back the balance of my time.

Mr. OXLEY. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Ohio (Mr. OXLEY) that the House suspend the rules and pass the bill, H.R. 2510.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PROVIDING WORK AUTHORIZATION FOR NONIMMIGRANT SPOUSES OF TREATY TRADERS AND TREATY INVESTORS

Mr. SENSENBRENNER. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2277) to provide for work authorization for nonimmigrant spouses of treaty traders and treaty investors.

The Clerk read as follows:

H.R. 2277

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. WORK AUTHORIZATION FOR SPOUSES OF TREATY TRADERS AND TREATY INVESTORS.

Section 214(e) of the Immigration and Nationality Act (8 U.S.C. 1184(e)) is amended by adding at the end the following:

"(6) In the case of an alien spouse admitted under section 101(a)(15)(E), who is accompanying or following to join a principal alien admitted under such section, the Attorney General shall authorize the alien spouse to engage in employment in the United States and provide the spouse with an 'employment authorized' endorsement or other appropriate work permit.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Florida (Mr. WEXLER) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2277.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, today the House is likely to approve, for the fourth and fifth time this year, pro-family, pro-immigrant legislation that we have crafted in the Committee on the Judiciary. This body can be proud of the work it has done upholding the Nation's tradition of welcoming immigrants to our shores in a responsible manner.

This particular bill, H.R. 2277, would allow spouses of E visa recipients to work in the United States while accompanying the primary visa recipients.

E visas are available for treaty traders and investors. A visa is available to an alien who "is entitled to enter the United States under and in pursuance of the provisions of a treaty of commerce and navigation between the United States and the foreign state of which he is a national . . . solely to carry on substantial trade, including trade in services or trade in technology, principally between the United States and the foreign state of which he is a national, or . . . solely to develop and direct the operations of an enterprise in which he has invested . . . a substantial amount of capital."

Alien employees of a treaty trader or treaty investor may receive E visas if they are coming to the U.S. to engage in duties of an executive or supervisory character, or, if employed in the lesser capacity, if they have special qualifications that make the services to be rendered essential to the efficient operation of the enterprise. The alien employee would need to be of the same nationality as the treaty trader or investor.

For fiscal year 1998, 9,457 aliens, including dependents, were granted E visas as treaty traders; and 20,775 aliens, including dependents, were granted E vision as treaty investors.

While current law allows spouses and minor children to come to the U.S. with the E visa recipients, spouses are not allowed to work in the United States. Since working spouses are now becoming the rule rather than the exception in our society and in many foreign countries, multinational corporations are finding it increasingly difficult to persuade their employees abroad to relocate to the United States.

Spouses, often wives, hesitate to forego their own career ambitions or a second income to accommodate an overseas assignment. This factor places an impediment in the way of the use by employees from treaty countries of the E visa program and their contributing to trade with and invest in the United States.

There is no good reason why we should put an impediment in the way of the business's effort to attract talented people. There is no good reason why husbands and wives should have to ask their spouses to forego employment as a condition of joining them in America.

Thus H.R. 2277 would simply allow the spouses of E visa recipients to work in the United States while accompanying the primary visa recipient. Families will no longer have to chose between the advancement of either spouse's career in order to grasp an opportunity to come to America.

Madam Speaker, I urge my colleagues to support this bill.

Madam Speaker, I reserve the balance of my time.

Mr. WEXLER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 2277. While current law allows spouses to come to the United States with E visa holders, spouses are not allowed to work in the United States. H.R. 2277 would allow these spouses work authorization in the United States while accompanying the E visa holder.

It does not make any sense whatsoever to allow spouses to accompany their partners to the United States and then deny them the opportunity to be employed. Furthermore, this bill makes the time these families live in the United States financially easier since it allows for a second income.

Madam Speaker, I hope that this bill is the beginning of an understanding that we should allow spouses in other nonimmigrant classifications who accompany their husband or wife to the United States to be able to obtain work authorization.

Madam Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 2277.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PROVIDING FOR WORK AUTHORIZATION FOR NONIMMIGRANT SPOUSES OF INTRACOMPANY TRANSFEREES

Mr. SENSENBRENNER. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2278) to provide work authorization for nonimmigrant spouses of intracompany transferees, and to reduce the period of time during which certain intracompany transferees have to be continuously employed before applying for admission to the United States.

The Clerk read as follows:

H.R. 2278

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. WORK AUTHORIZATION FOR SPOUSES OF INTRACOMPANY TRANSFEREES.

Section 214(c)(2) of the Immigration and Nationality Act (8 U.S.C. 1184(c)(2)) is amended by adding at the end the following:

"(E) In the case of an alien spouse admitted under section 101(a)(15)(L), who is accompanying or following to join a principal alien admitted under such section, the Attorney General shall authorize the alien spouse to engage in employment in the United States and provide the spouse with an 'employment authorized' endorsement or other appropriate work permit.".

SEC. 2. REDUCTION OF REQUIRED PERIOD OF PRIOR CONTINUOUS EMPLOYMENT FOR CERTAIN INTRACOMPANY TRANSFEREES.

(a) IN GENERAL.—Section 214(c)(2)(A) of the Immigration and Nationality Act (8 U.S.C. 1184(c)(2)(A)) is amended by adding at the end the following:

"In the case of an alien seeking admission under section 101(a)(15)(L), the one-year period of continuous employment required under such section is deemed to be reduced to a 6-month period if the importing employer has filed a blanket petition under this subparagraph and met the requirements for expedited processing of aliens covered under such petition.".

(b) CONFORMING AMENDMENT.—Section 101(a)(15)(L) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(L)) is amended by striking "an alien who," and inserting "subject to section 214(c)(2), an alien who,".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Florida (Mr. WEXLER) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2278.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this bill is a companion bill to H.R. 2277, just passed. Just as H.R. 2277 provides employment authorization to spouses of E visa recipients, this bill provides employment authorization to spouses of L visa recipients.

L visas are available for intracompany transferees. They allow employees working at a company's overseas branch to be shifted to the company's work site in the United States.

An L visa is available to an alien who "within 3 years preceding the time of his application for admission into the United States has been employed continuously for one year by a firm or an affiliate or subsidiary and who seeks to enter the United States temporarily in order to continue to render his services to the same employer in a capacity that is managerial, executive or involves specialized knowledge."

To make the L visa program more convenient for established and frequent users of the program, blanket L visas are available. If an employer meets certain qualifications, such as having received approval for at least 10 L visa professionals during the past year or having U.S. subsidiaries or affiliates with an annual combined sales of at least $25 million or having a workforce of at least 1,000 employees, the employer can receive preapproval for an unlimited number of L visas from the Immigration Service.

□ 1530

Individual aliens seeking visas to work for the companies simply have to show that the job they will be employed in qualifies for the L visa program and that they are qualified to do the job.

In fiscal year 1998, 38,307 aliens, along with 44,176 dependents, were granted L visas.

While the current law allows spouses and minor children to come to the U.S. with the L visa recipients, spouses are not allowed to work in this country. As I stated in regard to H.R. 2277, working spouses are now becoming the rule rather than the exception in the U.S. and in many foreign countries, and multinational companies are finding it increasingly difficult to persuade their employees abroad to relocate to the United States if it means their spouses will have to forgo employment. This factor places an impediment in the way of these employers' use of the L visa program and their competitiveness in the international economy.

There is no good reason why we should put an impediment in the way of business and academia's efforts to attract talented people. There is also no good reason why husbands and wives should have to ask their spouses to forgo employment as a condition of joining them in America. Thus, H.R. 2278 would allow the spouses of L visa recipients to work in the United States while accompanying the primary visa recipients.

Additionally, the current law requires that the beneficiary of an L visa have been employed for at least 1 year overseas by the petitioning employer. In many situations, this is an overly restrictive requirement. For example, consulting agencies often recruit and hire individuals overseas with specialized skills to meet the needs of particular clients. The 1-year-prior-employment requirement can result in long delays before they can bring such employees into the United States on an L visa. A shorter prior employment period would allow companies to more expeditiously meet the needs of their clients.

Madam Speaker, H.R. 2278 would allow aliens to qualify for L visas after having worked for 6 months overseas for employers if the employers have filed blanket L petitions and have met the blanket petition's requirements. There is a high level of fraud in the L visa program, especially involving "front companies" set up purely to procure visas; and lowering the across-the-board qualifications for the L visas might encourage more fraudulent petitions. With a company that has been prescreened and approved for the "blanket" L visa status, the risk of fraud is much lower.

Thus, I urge my colleagues to support this bill.

Madam Speaker, I reserve the balance of my time.

Mr. WEXLER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 2278. This is a positive bill because it allows work authorization for nonimmigrant spouses of intracompany transferees.

Not only will spouses be able to accompany their husband or wife who is in the United States in a nonimmigrant capacity, but these spouses will now be afforded the opportunity to be employed. It makes no sense to allow spouses to accompany their loved ones to the United States and then deny them the opportunity to be employed.

Global companies are finding it increasingly difficult to relocate foreign nationals to the United States. This bill makes relocation easier since spouses will not have to forgo their career, ambitions or a second income, which is increasingly necessary.

This bill is also positive since it contains a 6-month reduction in the period of time during which certain intracompany transferees have to be continuously employed before applying for admission to the United States. Without this bill, companies who recruit and hire individuals overseas with specialized skills to meet the needs of their clients will be able to bring these employees more expeditiously.

Madam Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 2278.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

DETERMINATION OF SUBSTANTIAL NEW QUESTIONS OF PATENTABILITY IN REEXAMINATION PROCEEDINGS

Mr. SENSENBRENNER. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 1866) to amend title 35, United States Code, to clarify the basis for granting requests for reexamination of patents, as amended.

The Clerk read as follows:

H.R. 1866

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DETERMINATION OF SUBSTANTIAL NEW QUESTION OF PATENTABILITY IN REEXAMINATION PROCEEDINGS.

Sections 303(a) and 312(a) of title 35, United States Code, are each amended by adding at the end the following: "The existence of a substantial new question of patentability is not precluded by the fact that a patent or printed publication was previously cited by or to the Office or considered by the Office.".

SEC. 2. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to any determination of the Director of the United States Patent and Trademark Office that is made under section 303(a) or 312(a) of title 35, United States Code, on or after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from California (Mr. BERMAN) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 1866, as amended, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, Congress established the patent reexamination system in 1980. The 1980 reexamination statute was enacted with the intent reexamination of patents by the Patent and Trademark Office would achieve three principal benefits, first, to settle validity disputes more quickly and less expensively than litigation; second, to allow courts to refer patent validity questions to an agency with expertise in both the patent law and technology; and third, to reinforce investor confidence in the certainty of patent rights by affording an opportunity to review patents of doubtful validity.

More than 20 years after the original enactment of the reexamination statute, the Committee on the Judiciary still endorses these goals and encourages third parties to pursue reexamination as an efficient way of settling patent disputes.

Reexamination worked well until recently when it was severely limited by a Federal Court of Appeals decision. H.R. 1866 is intended to overturn the 1997 In re Portola Packaging case by the United States Court of Appeals for the Federal circuit. That decision severely impairs the patent reexamination process. Reexamination was intended to be an important quality check on defective patents. Unfortunately, this decision severely limits its use.

The Portola case is criticized for establishing an illogical and overly strict bar concerning the scope of reexamination requests. The bill permits a broader range of cases to be the subject of a request, as was the case for the first 16 years since the law was enacted. The bill that we consider today preserves the "substantial new question standard" that is an important safeguard to protect all inventors against frivolous action and against harassment, while allowing the process to continue as originally intended. It also preserves the discretion of the Patent and Trademark Office in evaluating these cases.

The bill has been amended since its introduction by the full committee. I wish to take a moment to explain this to my colleagues.

Since its introduction, we heard from the public members of the bar and critics of the Portola decision who have recommended that we make an additional change to ensure the result that we seek. The text is clarified to permit the use of relevant evidence that was "considered" by the PTO, but not necessarily "cited." Some would say this is redundant, but I prefer to clarify precisely when reexamination is an available procedure. This will ensure that the system is flexible and efficient. While many believe the base text is satisfactory to meet that goal, I hope that the amendment removes any doubt.

I believe that adding this one sentence to the Patent Act will help prevent the misuse of defective patents in all fields, especially those concerning business methods. An efficient patent system is important for inventors, investors and consumers. I urge Members to support H.R. 1866.

Madam Speaker, I reserve the balance of my time.

Mr. BERMAN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 1866, and I urge my colleagues to vote for it.

The Committee on the Judiciary favorably reported this legislation by voice vote on June 20. Prior to that, the Subcommittee on Courts, the Internet and Intellectual Property passed the bill by a voice vote on May 22. It is a good step forward on the road of making reexamination a more attractive and effective option for challenging a patent's validity.

The bill overturns, as the gentleman from Wisconsin mentioned, the 1997 Federal circuit decision In Re Portola Packaging. In that case, the Federal circuit narrowly construed the term "substantial new question of patentability" to mean prior art that was not before the examiner during an earlier examination. Because the PTO director can only order a reexamination if a "substantial new question of patentability" exists, the Federal court's decision in Portola effectively bars the PTO from conducting a reexamination based on prior art that was cited in the patent application.

The Portola decision is troublesome because it prevents reexaminations from correcting mistakes made by examiners. Ideally, a reexamination could be requested based on prior art cited by an applicant that the examiner failed to adequately consider. However, after Portola, such prior art could not be the basis of the reexamination.

By overturning the Portola decision, H.R. 1866 will allow reexamination to correct some examiner errors. Thus, this bill will accomplish an important, if narrow, objective.

Madam Speaker, as far as I know, H.R. 1866 has not engendered any controversy, and I urge my colleagues to support it.

Madam Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Madam Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. COBLE), the chairman of the Subcommittee on Courts, the Internet and Intellectual Property.

Mr. COBLE. Madam Speaker, I thank the gentleman for yielding me this time. I will be very brief, because the gentleman from Wisconsin has thoroughly stated the matter, as has the gentleman from California.

As the gentleman from Wisconsin has indicated, H.R. 1866, Madam Speaker, consists of adding a single sentence to the law in order to improve the patent reexamination system. It is based upon testimony that was offered before our subcommittee earlier this year. With this single sentence, we stab at the heart of defective business method and other inappropriately issued patents. At the same time, we protect small businesses and small inventors from harassing conduct in these proceedings.

I want to thank the distinguished gentleman from California (Mr. BERMAN), my friend and the ranking member of the subcommittee, for his work, as well, on this bill, and for that matter, all of the members of the subcommittee.

In closing, I want to thank the distinguished gentleman from Wisconsin (Mr. SENSENBRENNER), the chairman of the full committee, for having expeditiously moved this legislation along, because it is important legislation. I urge my colleagues to support H.R. 1866.

Mr. SENSENBRENNER. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 1866, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PROVIDING FOR APPEALS BY THIRD PARTIES IN CERTAIN PATENT REEXAMINATION PROCEEDINGS

Mr. SENSENBRENNER. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 1886) to amend title 35, United States Code, to provide for appeals by third parties in certain patent reexamination proceedings.

The Clerk read as follows:

H.R. 1886

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. APPEALS IN INTER PARTES REEXAMINATION PROCEEDINGS.

(a) APPEALS BY THIRD-PARTY REQUESTER IN PROCEEDINGS.—Section 315(b) of title 35, United States Code, is amended to read as follows:

"(b) THIRD-PARTY REQUESTER.—A third-party requester—

"(1) may appeal under the provisions of section 134, and may appeal under the provisions of sections 141 through 144, with respect to any final decision favorable to the patentability of any original or proposed amended or new claim of the patent; and

"(2) may, subject to subsection (c), be a party to any appeal taken by the patent owner under the provisions of section 134 or sections 141 through 144.".

(b) APPEAL TO BOARD OF PATENT APPEALS AND INTERFERENCES.—Section 134(c) of title 35, United States Code, is amended by striking the last sentence.

(c) APPEAL TO COURT OF APPEALS FOR THE FEDERAL CIRCUIT.—Section 141 of title 35, United States Code, is amended in the third sentence by inserting ", or a third-party requester in an inter partes reexamination proceeding, who is" after "patent owner".

SEC. 2. EFFECTIVE DATE.

The amendments made by this Act apply with respect to any reexamination proceeding commenced on or after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from California (Mr. BERMAN) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1886, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this bill also attempts to improve the patent reexamination system. It aims at closing an unfortunate administrative loophole and bridging a legal gap in the working of our patent system. The reform also comes out of two hearings that the Subcommittee on Courts, the Internet and Intellectual Property held earlier this year.

While I strongly endorse the professionalism of the Patent and Trademark Office, I believe it is necessary to place a check on the PTO's actions by affording all participants judicial review before a Federal appeals court.

□ 1545

This check by a higher independent authority is an important safeguard and adds transparency to the process. Rest assured this appellate review will not impose additional burdens on patent-holders arising from Federal trials.

This is an important and necessary amendment that is an overdue change to our intellectual property laws. I urge Members to support H.R. 1886.

Madam Speaker, I reserve the balance of my time.

Mr. BERMAN. Madam Speaker, I yield myself such time as I may consume.

Mr. BERMAN. Madam Speaker, I rise in support of H.R. 1886 and urge my colleagues to vote for it. It is largely noncontroversial. The Committee on the Judiciary's Subcommittee on Courts, the Internet, and Intellectual Property passed it by a voice vote on May 22, and the full committee reported it favorably by voice vote on June 20.

The bill represents a good, if small, step in improving the usefulness of the inter partes reexamination procedure for patents. Currently, the inter partes reexamination procedure places so many constraints on third-party requesters of such reexamination that, as some patent attorneys have stated, "It would be legal malpractice to recommend a client initiate an inter partes reexamination."

Among those constraints is the prohibition against a third party appealing an adverse reexamination decision to Federal court or participating in an appeal brought by the patentee.

H.R. 1886 would allow an authority requester to appeal a reexamination decision to Federal court and to participate in an appeal by an applicant. By doing so, H.R. 1886 may make inter partes reexamination a somewhat more attractive option for challenging a patent. A third party will, at the least, now feel comfortable that the courts can be accessed to rectify a mistaken reexamination decision.

While H.R. 1886 may not cure all the defects of inter partes reexamination, I believe it is a good start, and I urge my colleagues to vote for it.

Madam Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Madam Speaker, I yield 3 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Madam Speaker, I rise with a strong sense of concern, if not opposition, to what is being proposed here today.

Two years ago, there was a compromise that was made on this very important matter. I, in fact, supported legislation with this wording in it; but only because it was part of a compromise that I felt was necessary to get the rest of the bill through. I thought the bill that we had come up with, and the gentleman from North Carolina (Mr. COBLE) and I and Jim and others had worked so long and hard for, that it was worthy of that compromise.

However, this piece of legislation undoes a compromise that was made with the gentleman from Illinois (Mr. MANZULLO) to take this very language out of that bill, so we are, in effect, going back on a compromise made with the gentleman from Illinois (Mr. MANZULLO).

I might add that I was willing to support the legislation with this concept in it, even though I had reservations about it, if it was part of a bigger bill that was, I thought, a good bill that we had come up with.

But now that we are bringing it up standing alone as part of an effort to basically go back on the compromise of the gentleman from Illinois (Mr. MANZULLO), which he insisted on for his support of the legislation, I do not think that it stands alone and can stand on its own.

We passed a sensible reform law 2 years ago, as I say, the American Inventors Protection Act of 1999. It has provided some very solid reform, which included, again, language that was inconsistent with what they are trying to accomplish here today.

Many Members, including the gentleman from Illinois (Mr. MANZULLO) and myself, have been very concerned about the ability of corporations and of foreign nationals to use the legal process to drag small entrepreneurs and inventors into very costly legal battles.

What we are talking about today is, instead of letting the patent office make the decision, and we have granted judicial authority to patent examiners; that is why they have a very special place in this system, so we expect them to act responsibly.

But what we are doing here is permitting a third party, we are expanding the ability of third parties to use the court system as a way to interfere with rights that have been granted to inventors by patent examiners.

We want the patent system to work, and we want these patent examiners, who have proven themselves to be people of responsibility, that is why we give them this responsibility, to be honorable people and people of great talent, and we hope they will be paid more money in the future, in fact. But then to suggest that, after the Patent Office has made its decision with these experts in technology, that we are going to permit a third party to come in and use the court system to negate that, I think that is a reason we have to think about this.

I would suggest that we hold off on this amendment and give the Congress a little chance to figure out what the effect of this will actually be on inventions in America.

Mr. SENSENBRENNER. Madam Speaker, I yield 4 minutes to the gentleman from North Carolina (Mr. COBLE), the distinguished subcommittee chairman.

Mr. COBLE. Madam Speaker, I thank the chairman for yielding time to me.

Madam Speaker, I say to my good friend, the gentleman from California (Mr. ROHRABACHER), with whom I have had disagreements and agreements, the gentleman says that this undoes what was previously agreed to. I think that is clearly subject to interpretation. We are going to have to disagree agreeably on that, and we can do that at another time.

I say, Madam Speaker, that, and pardon my incorrect grammar, but I am a pretty easy dog to hunt with. I am surprised that no one has come forward prior to today. We had a hearing April 4, the second hearing on May 10, a subcommittee markup on May 22, a full committee markup on June 20, a report filed on June 28. Now, one would think if concerns were being felt or if anxiety was the order of the day, that someone would have rattled my door. No knock.

The gentleman from Wisconsin has already indicated this, and I will be brief. But as he said, H.R. 1886 consists of noncontroversial, in my opinion noncontroversial, amendments to the patent reexamination system. It is not a new idea, but one whose time has finally come. Fairness demands that inventors deserve their day in court should a controversy arise, but we should spare them the expense and the burdens of Federal litigation when we can. This bill achieves that important and equitable balance.

Again, I want to thank the gentleman from California (Mr. BERMAN); and I want to thank my chairman, the gentleman from Wisconsin (Mr. SENSENBRENNER), and all members of the subcommittee who worked very arduously in addressing this matter.

Finally, and I say to my friend, the gentleman from California (Mr. ROHRABACHER), and to my friend, the gentleman from Illinois (Mr. MANZULLO), I have had several small independent inventors come to me thanking me for the work that the subcommittee has done. These small, independent inventors say, "Now some folks claim they are on Capitol Hill representing the small inventors. We do not need anybody representing us. We are happy with what is being done at the subcommittee and full committee level."

So, Madam Speaker, I believe that the concerns that have been expressed thus far, I say to my friend from Wisconsin (Mr. SENSENBRENNER), I believe they can be assuaged and resolved.

Mr. BERMAN. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I would like to take a moment to try and address the arguments made by my friend, the gentleman from California (Mr. ROHRABACHER), because I think that the thrust of his argument is actually served and met by our bill, not opposed.

He is concerned, legitimately, about the likelihood that poorly financed independent inventors will have their patents challenged in expensive re-examinations requested by big corporations with deep pockets. The problem is, the way the law is now, those corporations do not go to reexamination. They ignore reexamination, because if they go to reexamination, their ability then to challenge in court on the issues they brought up in reexamination is eliminated.

So they, instead of challenging the small, independent inventor in a relatively cheap, relatively quick, somewhat informal or more informal reexamination process, that is ignored and, instead, they wait until the patent is granted. Then they go into Federal court on lengthy, incredibly expensive litigation which can take years and years at enormous expense, which these corporations can afford if it is justified in the context of their own business plans, and grind that patent holder down in court.

What we are trying to do, and it is really a small change, is to take away the roadblock that causes people who want to challenge the validity of a patent to ignore the reexamination procedure and go to court instead. That is to say that if they win in reexamination and the patent holder appeals to court to reestablish the validity of the patent and to throw out the reexamination decision to reverse the granting of the patent, that the person who filed for a reexamination or the third party who brought the reexamination request can participate in that appeal. If they cannot, they are not going to go to reexamination, they are just going to challenge the patent in court.

H.R. 1886 in no way affects or enhances a challenger's ability to initiate a reexamination. It does not broaden the basis for doing this. The gentleman from Virginia (Mr. BOUCHER) and I have some legislation that would do that and provide actually a more fulsome kind of a hearing. But we have not been able to persuade a majority of the subcommittee at this point that that is a good idea.

All this bill does is leave the substantive law exactly the same, and maintain the requirement that the PTO director still find that a substantial new question of patentability has been raised before ordering a reexamination. It in no way lowers the barrier for requesting an inter partes reexamination; it just makes it a marginally more attractive option because they are no longer prejudiced from raising an issue in court, and are perhaps persuaded by the reexamination decision.

Everyone in the patent world recognizes that a patent which has survived reexamination is a much stronger patent, much more likely to be upheld in court. I would contend that the small, independent inventor has an interest in a vital reexamination process, not one that just exists on the books and is never utilized because the person who wants to challenge that patent is afraid they are going to be estopped from ever going to court; if they lose or if they win, that they will not be able to participate in an appeal of the decision, of the PTO Office.

So I understand where the gentleman is coming from, but I think if we look through this bill, it is really very, very modest. This was not at the heart of the negotiation that enabled the original patent reform bill to go through several years ago, and I think it is a bill worthy of support.

Madam Speaker, I reserve the balance of my time.

Mr. SENSENBRENNER. Madam Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. MANZULLO), the chairman of the Committee on Small Business.

Mr. MANZULLO. Madam Speaker, I rise to address my concerns with this bill, H.R. 1886, which would alter the current process for third parties in a patent reexamination request.

As the chairman of the Committee on Small Business, I have concerns that small inventors may be hurt under the proposed process allowed under this bill.

I am grateful to the gentleman from Wisconsin (Mr. SENSENBRENNER) of the Committee on the Judiciary and to the gentleman from North Carolina (Mr. COBLE). The gentleman from Wisconsin met with me today, albeit at the 11th hour, to discuss my concerns. He very graciously agreed to hold a hearing this year on how the bill may affect the interests of the small inventor.

The chairman and the chairman of the subcommittee are extremely fair people. They are very reasonable. They are the first ones that want to make sure that this bill would do no harm to the small inventor. I appreciate their concern on it.

But I would like to put into the RECORD as I see it how the small inventor may be hurt. Patents are intellectual property rights. Patents allow inventors to keep others from using for monetary gain inventions they have created.

The reexamination process brings a patent back through the process, essentially opening up the procedures that bring about a patent.

Third-party reexamination allows any party, an individual, a company, or even a foreign Nation, the ability to officially request a reexam of a patent in the U.S. Patent and Trademark Office. If a third party requester does not succeed in convincing the experts of the PTO, they do not have the right to go into the Court of Appeals. That is important for the small inventor.

I am of the opinion that this bill may open a whole host of problems, particularly for the small inventor. Let me explain. Under current law, a patent can be challenged as to its validity in a Federal district court only upon a party being charged with infringement or being sued for infringement by a patent owner.

In the first case, the alleged infringer may file a declaratory judgment action to settle a dispute, thereby allowing them to go to court. In the latter case, the sued party, the alleged infringer, can challenge patent validity in an affirmative defense claim before the Federal appeals court.

H.R. 1886 would allow any third party to question the validity of a patent without first being charged for infringement. This is critical because a bad actor, again, anyone from an individual company, corporation, or foreign Nation, could essentially bottle up a truly valid patent with frivolous claims, hurting the true inventor's ability to develop his ideas.

There are concerns that this bill could cause a domino effect in the marketplace for these small inventors seeking financing to get a finished product, idea, concept, to the market. A legitimate inventor of a significant concept would be dramatically hindered from seeking venture capital for something that is tied up in the courts by a third party reexamination, as is allowed and envisioned under H.R. 1886.

□ 1600

It enables a third-party requester to challenge as many patents in the courts as it deems necessary at a much-reduced cost to them so as to gain or maintain a stronghold in any particular industry. Therefore, I am heartened that the chairman of the Committee on the Judiciary through his graciousness saw me today, expressed a willingness to work with the small inventor to make sure that the small inventor was protected and the fact that he is open to holding a hearing on this issue.

Mr. SENSENBRENNER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I want to thank the gentleman from Illinois (Mr. MANZULLO), the chairman of the Committee on Small Business. I want him to know how much I appreciate knowing of his concerns regarding the important role of our country's patent system, and I am prepared to work with him on this subject. In fact, I share his appreciation of the entrepreneurial spirit of America, whereby inventors apply their creativity and ingenuity to technology every day in this country.

I want to reassure the gentleman from Illinois (Mr. MANZULLO) that since this issue is squarely in the jurisdiction of the Committee on the Judiciary, it will fully get the proper attention it deserves.

The bill we consider today, H.R. 1886, will not prejudice inventors, small businesses or anyone else connected with inventive activity. In fact, it will help level the playing field in this area regarding the patent code procedures. This will help us achieve our goals beyond patent reexamination, which include giving investors confidence in a patented invention so that doubts can be cast aside and that capital may be raised to help in the financing of entrepreneurial concern.

Second, this bill does not create new tools for litigation to harass or abuse inventors. In the past I have opposed such legislation and will continue to do so in the future.

Finally, I appreciate the concerns that the gentleman has raised. The Subcommittee on Courts, the Internet and Intellectual Property held two hearings on this subject earlier this year. In an effort to continue exploring this vital subject, I am directing my staff to schedule a third hearing on this subject and other issues of importance to inventors.

I thank the gentleman and look forward to working with him on his issue.

Mr. BERMAN. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SENSENBRENNER. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 1886.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

REQUIRING A REPORT ON THE OPERATIONS OF THE STATE JUSTICE INSTITUTE

Mr. SENSENBRENNER. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2048) to require a report on the operations of the State Justice Institute.

The Clerk read as follows:

H.R. 2048

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPORT BY ATTORNEY GENERAL ON STATE JUSTICE INSTITUTE.

Section 213 of the State Justice Institute Act of 1984 (42 U.S.C. 10712) is amended by striking "On October 1, 1987" and inserting "Not later than October 1, 2002".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from California (Mr. BERMAN) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 2048, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Madam Speaker, I yield myself such time as I may consume.

H.R. 2408 will require the Attorney General to submit a report to the House and Senate Committees on the Judiciary regarding the effectiveness of the State Justice Institute. This report would be due by October 1, 2002.

Congress established SJI as a private, nonprofit corporation in 1984. Its stated purpose is to further the development and adoption of improved judicial administration in State courts. SJI is to accomplish this goal by providing funds to State courts and other national organizations or nonprofit organizations which support the State courts. SJI also fosters coordination and cooperation with the Federal judiciary in areas of mutual concern.

Since becoming operational in 1987, the institute has awarded more than $125 million in grants to support over 1,000 projects; another $40 million in matching requirements has been generated from other public and private funding sources. As noted, H.R. 2048 would require the Attorney General to study the operations of the institute and release a report on its effectiveness. After 14 years and $165 million in grants, it is now more appropriate to take a closer look at the efficiency and effectiveness of this institute and the project it supports.

Madam Speaker, this concludes my description of the bill.

Madam Speaker, I reserve the balance of my time

Mr. BERMAN. Madam Speaker, I yield myself such time I may consume.

Mr. BERMAN. Madam Speaker, I rise in support of H.R. 2048. This bill was marked up and favorably reported by voice vote by the Committee on the Judiciary on July 24. It is wholly noncontroversial.

It requires the Attorney General in consultation with the State Justice Institute to submit a report to the House and Senate Committees on the Judiciary regarding the effectiveness of the institute. The report will be due no later than October 1, 2002.

The SJI is a useful project. Congress created it in 1984 to provide funds to improve the quality of justice in State courts. Congress also directed the SJI to facilitate enhanced coordination between State and Federal courts and develop solutions to common problems faced by all courts. It was last reauthorized in 1992. That expired in fiscal year 1996.

While the Committee on Appropriations has continued to appropriate approximately $7 million annually for the State Justice Institute, it has not been formally reauthorized since 1996 by the authorizing committee of the Committee on the Judiciary.

The ultimate purpose of the SJI report mandated by this legislation is to aid Congress in reauthorizing the SJI. With the information from this report, Congress can ensure that SJI reauthorization is accomplished with all due diligence.

The Attorney General did issue a study of its effectiveness in 1987, but this report provides little information, as the SJI did not become operational until 1987. So we need a new report to help inform future legislation to reauthorize it.

H.R. 2048 is a good bill, and I ask my colleagues to support it.

Madam Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Madam Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. COBLE).

Mr. COBLE. Madam Speaker, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from California (Mr. BERMAN) pretty well laid this out.

I would just indicate that by noting that the 1984 legislation which created the institute required the Attorney General to submit a report governing the effectiveness of the State Justice Institute's operations by October 1, 1987, to the House and Senate Committees on the Judiciary. Since SJI did not become operational until fiscal year 1987, the report submitted by former Attorney General Meese is of limited value in assessing the operations of the institute.

H.R. 2048 simply changes the due date for a report that will be identical in scope to the 1987 study. Unlike the previous effort, however, the study that will emanate from H.R. 2048 will be based on at least 14 years' worth of operations at the institute. As a result, Congress should have the first real comprehensive evaluation of the effectiveness of SJI by October 1, 2002.

Madam Speaker, this is a noncontroversial bill, as has been indicated. It promotes good government. While I am impressed with SJI operations to date, all Federal entities should be accountable to the taxpayers. I therefore urge my colleagues to support this legislation.

I thank the gentleman for yielding me time.

Mr. SENSENBRENNER. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 2048.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

RECOGNIZING THE IMPORTANT RELATIONSHIP BETWEEN THE UNITED STATES AND MEXICO

Mr. HYDE. Madam Speaker, I move to suspend the rules and agree to the resolution (H. Res. 233) recognizing the important relationship between the United States and Mexico.

The Clerk read as follows:

H. RES. 233

Whereas the United States and Mexico share a special bilateral friendship which is matched by few other countries in the world;

Whereas the United States and Mexico are partners joined by geography as well as by a multitude of government-to-government and private relationships which are of critical importance to both countries;

Whereas the United States and Mexico share concerns on a wide range of issues, including trade, immigration, the environment, economic development, and regional security and stability;

Whereas Vicente Fox Quesada of the Alliance for Change (consisting of the National Action Party and the Mexican Green Party) was sworn in as President of the United Mexican States on December 1, 2000, the first opposition candidate to be elected president in Mexico in seven decades;

Whereas the United States, as Mexico's neighbor, ally, and partner in the hemisphere, has a strong interest in President Fox's success in promoting prosperity and democracy in his country and the region during his term of office; and

Whereas President Vicente Fox is making a state visit to Washington, D.C. on September 5–7, 2001: Now, therefore, be it

Resolved, That the House of Representatives—

(1) welcomes the state visit by the President of the United Mexican States, Vicente Fox Quesada; and

(2) declares that, in keeping with the just interests of the United States, the special nature of the relationship between the United States and Mexico should be further cultivated to the mutual benefit of both countries.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. HYDE) and the gentleman from American Samoa (Mr. FALEOMAVAEGA) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

GENERAL LEAVE

Mr. HYDE. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HYDE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, just over 1 year ago, on July 2, 2000, an extraordinary event took place. In a single day the people of Mexico peacefully ended 7 decades of one-party rule with their votes. Tomorrow, the man they elected as their president, Vicente Fox, will address a joint meeting of Congress as part of the first State visit hosted by George W. Bush.

The inauguration of Vicente Fox as Mexico's president has ushered in a new chapter in our Nation's relationship with our neighbor to the south. President Bush and President Fox have seized the opportunity to forge a new partnership. Both leaders have acted to leave the past and build a road to the future based on real shared interests.

The cornerstone of our relationship with Mexico is the North America Free Trade Agreement, initiated under the President's father's administration.

Commerce between the United States and Mexico increased from $83 billion in 1994 to nearly $200 billion in 1999. Total trade among the three NAFTA members, including Canada, reached $557 billion in 1999. Mexico has surpassed Japan as the United States's second largest trading partner. Even so, there is a belief abroad in our land that NAFTA is the culprit for the present economic downturn. This is simply not true.

The implementation of NAFTA, in fact, coincided with the longest peacetime economic expansion in the history of our Nation.

The trafficking of elicit narcotics through Mexico has left a swath of corruption and misery in its path. Securing Mexico's full cooperation in addressing the drug threat has long bedeviled our relations. President Fox has, however, demonstrated great courage in facing this violent and corrosive threat to the security of both of our nations. Under his leadership, Mexico has finally begun to extradite Mexican drug kingpins to face justice in the United States for their crimes.

Under President Fox's leadership, real law enforcement cooperation has begun at the working level where it counts, policeman to policeman.

Migration is at the top of our bilateral agenda with Mexico. The U.S. Census of 2000 revealed that almost 12 percent of the U.S. population is of Hispanic origin. Mexicans and Mexican-Americans constitute about 65 percent of that total. President Bush believes it is very important that America be a Nation that welcomes immigrants. He recognizes the huge contributions to our economy that immigrant workers, including Mexicans, have made and the vital role America has in welcoming people who will fulfill that role in our economy.

□ 1615

Accordingly, President Bush and President Fox have been working to establish a series of principles regarding migration issues that will be announced during President Fox's state visit.

Madam Speaker, the resolution before the House today recognizes the extraordinarily important bilateral relationship between the United States and Mexico, and welcomes the state visit by Mexico's democratically elected leader, President Vicente Fox.

Madam Speaker, the gentleman from Texas (Mr. PAUL), introduced a similar resolution earlier this year, and I am pleased he is among the Members from both parties, including the ranking member of our Committee on International Relations, the gentleman from California (Mr. LANTOS), who have cosponsored this resolution.

Madam Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Madam Speaker, I yield myself such time as I may consume.

Mr. FALEOMAVAEGA. Madam Speaker, I certainly commend the gentleman from Illinois (Mr. HYDE), the chairman of the Committee on International Relations, for his leadership and for his sponsorship of this resolution, House Resolution 233, and I endorse the resolution, and also recognize the support of the gentleman from California (Mr. LANTOS), the ranking Democratic member of the Committee on International Relations.

I also acknowledge the support of the chairman of the Subcommittee on the Western Hemisphere, the gentleman from North Carolina (Mr. BALLENGER), and the gentleman from New Jersey (Mr. MENENDEZ), the ranking member of our Subcommittee on the Western Hemisphere.

Madam Speaker, the resolution celebrates the unique bilateral relationship that the United States shares with its other neighbor, Mexico. It also acknowledges the pivotal role that Mexico plays in addressing issues that are of concern to both the United States and Mexico. And finally, the resolution welcomes President Fox to the United States.

Since assuming office in December of last year, President Fox has done much to build a new Mexico, a Mexico which tolerates diverse political views, which is accountable to its citizenry; and it is certainly a remarkable effort on the part of his leadership, and the fact that after 70 years, for the first time, a new political leader has come before the voters of Mexico and been elected, someone other than the party that has been presiding over Mexico's politics for the last 70 years.

Largely as a result of the efforts of President Fox's administration, Mexico's government now embraces divergent viewpoints, its press corps has become increasingly vigilant and vocal, and Mexican political society has become more vibrant and quite robust.

Oftentimes in collaboration with the United States Government, President Fox's administration has also recorded unprecedented victories in the fight against drug cartels and smugglers of illegal immigrants from other countries.

President Fox's administration continues to face significant challenges, including tensions in Chiapas, a softening economy, and entrenched corruption in some segments of the government, and accounting for Mexico's past human rights violations.

Madam Speaker, I commend President Fox for his outstanding leadership and real sense of commitment to address the social and economic problems currently confronting some 29 million indigenous Indians now living in Mexico. The indigenous Indians of Mexico have suffered tremendous hardships economically and socially, mainly due to negligence and indifference by previous administrations. President Fox is the first among Mexico's top leaders to seriously address the needs of indigenous Indians, especially the crisis that occurred in Chiapas in the Yucatan Peninsula whereby the needs of indigenous Indians of that region of Mexico have not been properly addressed by Mexican authorities.

How ironic that during the 1860s when Mexico fought a revolution against French rule, the gentleman who led the revolution against French rule and who later became Mexico's first president after the revolution was an indigenous Indian by the name of Benito Juarez. Over 100 years later, the issues affecting the lives of the indigenous Indians of Mexico have finally been brought to the attention of President Fox. I sincerely commend President Fox for his sensitivity and true sense of compassion in establishing national policy that will allow indigenous Indians to seek opportunities not only for higher education, but better health and better living conditions.

Madam Speaker, although these challenges are daunting, I firmly believe President Fox and his administration have the determination, the skill and the knowledge to address these issues successfully. I urge my colleagues to join me in pledging their support to President Fox, his administration, and Mexico's national parliament in their continuing efforts to address these and other issues of mutual concern.

Madam Speaker, as indicated earlier by the gentleman from Illinois (Mr. HYDE), President Fox will address a joint session of Congress tomorrow. To President Fox and his delegation I say, "Bienvenidos a los Estados Unidos," welcome to the United States. I strongly urge my colleagues to support this measure.

Madam Speaker, I yield back the balance of my time.

Mr. GILMAN. Madam Speaker, I am pleased to rise in support of H. Con. Res. 233, which recognizes the important relationship between the U.S. and Mexico.

Madam Speaker, like many Americans, I have been impressed by Mexico President Fox's policies on a wide range of fronts. We congratulate him, and the Mexican people, on their commitment to democracy, which has been demonstrated in the revolutionary changes undertaken in the run-up to the most recent election, in the conduct of that election, and in its aftermath.

President Fox has broken new ground regarding counter-narcotics cooperation, economic reform, the fight against corruption and illegal immigration into Mexico en route to the United States. It is in the American national interest that he succeeds in all these fields.

For Mexico's economic reforms to take root, however, it must end its long-standing prohibition against foreign investment in its energy sector. The current prohibition has proved to be an enormous impediment to progress in Mexico. Currently, Mexico produces 3.8 million barrels of oil a day, the fifth-largest producer in the world. But, if it developed all the oil resources that it has, it could produce 6 million barrels a day, the second largest producer, according to the well-known firm, Cambridge Energy Research Associates.

The growth potential for its gas sector is even more dramatic. Mexico is currently producing 4.5 billion cubic feet per day. But according to Cambridge Energy Associates, Mexico could more than double this to 10 billion cubic feet per day. Canada, in fact, produces four times as much gas as Mexico even though both countries have the same amount of gas reserves. Currently Mexico actually imports natural gas from the United States, when the situation if anything, should be the reverse.

Yet, opening up the Mexican energy sector to foreign investment is just the first step towards the economic take-off that both Mexico and the United States seek. Once they increase their energy capacity, Mexico should resist the temptation to play politics with the Organization of Petroleum Exporters. Mexico, it should be recalled, and before President Fox took power, was a key player in pushing oil prices up from $10 a barrel in 1999 to today's $25 a barrel, when it colluded with Venezuela and Saudi Arabia to limit production. Its Minister has publicly boasted of this effort.

The oil price rise that they helped to engineer staggered our US economy. Richard Berner, chief economist at Morgan Stanley Dean Whitter, estimates that every $5 increase in the price of a barrel of oil knocks 0.3 percentage points off of our GDP. The price rise since 1999 represents one full percentage of our GDP, or hundreds of thousands of jobs. And the irony of course, is that the energy price rise that Mexico helped to create ended up hurting its own economy because of the repercussions it had on the United States economy.

What does all this mean for the United States and for Mexico? Clearly, the US welcomes our new relationship with Mexico. But if we are going to take this relationship up the next level-including improved treatment for the millions of Mexicos who are in this country illegally—we must have a new deal regarding Mexican energy production. Foreign investment and an end to Mexican cooperation with OPEC will serve the interests of both of our countries by opening the flood-gates of Mexican energy production and undermining the OPEC cartel. Cheaper energy will benefit the entire world economy—not least of all the United States and President Fox of Mexico.

Mr. HYDE. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Illinois (Mr. HYDE) that the House suspend the rules and agree to the resolution, H. Res. 233.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. HYDE. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 6 p.m. today.

Accordingly (at 4 o'clock and 22 minutes p.m.), the House stood in recess until approximately 6 p.m.

□ 1801

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. WALDEN of Oregon) at 6 o'clock and 1 minute p.m.

COMMUNICATION FROM STAFF MEMBER OF THE HONORABLE CHRIS CANNON, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Jeff Hartley, Director of Communications for the Honorable CHRIS CANNON, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, August 2, 2001.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a deposition subpoena issued by the Third District Court, Salt Lake Department, State of Utah, in a civil case pending there.

After consultation with the Office of General Counsel, I have determined that it is consistent with the precedents and privileges of the House to comply with the subpoena.

Sincerely,

JEFF HARTLEY,
Director of Communications.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON GOVERNMENT REFORM

The SPEAKER pro tempore laid before the House the following communication from the Chairman of the Committee on Government Reform:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, August 30, 2001.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER. This is to formally notify you pursuant to Rule VIII of the Rules of the House that the Custodian of Records, Committee on Government Reform has received a subpoena for documents issued by the United States District Court for the District of Columbia.

After consultation with the Office of General Counsel, I will make the determinations required by Rule VIII.

Sincerely,

DAN BURTON,
Chairman.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will now put the question on motions to suspend the rules on which further proceedings were postponed earlier today.

Votes will be taken in the following order:

H.R. 2291, by the yeas and nays;

House Resolution 233, by the yeas and nays.

The Chair will reduce to 5 minutes the time for the second vote in this series.

DRUG-FREE COMMUNITIES SUPPORT PROGRAM REAUTHORIZATION ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2291, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. SOUDER) that the House suspend the rules and pass the bill, H.R. 2291, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 402, nays 1, not voting 28, as follows:

[Roll No. 333]

YEAS—402

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
Delahunt
DeLauro
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fletcher
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (FL)

NAYS—1

Flake

NOT VOTING—28

Barton
Carson (IN)
Crane
DeFazio
DeGette
DeLay
Etheridge
Foley
Frank
Green (TX)
Hastings (FL)
Hayes
Hinchey
Horn
Jackson-Lee (TX)
Lampson
Lipinski
McNulty
Mica
Mollohan
Nadler
Pascrell
Paul
Rangel
Reyes
Sherman
Traficant
Young (AK)

☐ 1825

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. MICA. Mr. Speaker, on rollcall No. 333, H.R. 2291 I was unavoidably detained due to a delayed air flight. Had I been present, I would have voted "yea."

Ms. JACKSON-LEE of Texas. Mr. Speaker, on rollcall No. 333, regarding H.R. 2291 I was unavoidably delayed because of delays in my airplane travel from Houston due to rain storm delays. Had I been present, I would have voted "yea."

Mr. GREEN of Texas. Mr. Speaker, this afternoon, I was unavoidably detained and missed rollcall vote No. 333. Had I been present, I would have voted "yea."

RECOGNIZING THE IMPORTANT RELATIONSHIP BETWEEN THE UNITED STATES AND MEXICO

The SPEAKER pro tempore (Mr. WALDEN of Oregon). The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 233.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. HYDE) that the House suspend the rules and agree to the resolution, H. Res. 233, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 407, nays 0, not voting 24, as follows:

[Roll No. 334]

YEAS—407

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeGette
Delahunt
DeLauro
DeMint
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Diaz-Balart
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Dingell
Doggett
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Doolittle
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Gibbons
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Gonzalez
Goode
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Gordon
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Green (TX)
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Hoyer
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Inslee
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Israel
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Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
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Kennedy (MN)
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Lewis (KY)
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LoBiondo
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Lucas (KY)
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Maloney (CT)
Maloney (NY)
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McCarthy (MO)
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McCrery
McDermott
McGovern
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McInnis
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Napolitano
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Ney
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Pallone
Pastor
Paul
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Peterson (MN)
Peterson (PA)
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Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
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Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
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Ryan (WI)
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Sabo
Sanchez
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Saxton
Scarborough
Schaffer
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Schiff
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Skeen
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Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
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Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
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Udall (NM)
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Velázquez
Visclosky
Vitter
Walden
Walsh
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Waters
Watkins (OK)
Watson (CA)
Watt (NC)
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Weiner
Weldon (FL)
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Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOT VOTING—24

Barton
Carson (IN)
Crane
DeFazio
DeLay
Etheridge
Foley
Frank
Hastings (FL)
Hayes
Horn
Lampson
Lipinski
McNulty
Mollohan
Murtha
Nadler
Pascrell
Rangel
Reyes
Riley
Sherman
Traficant
Young (AK)

□ 1842

Ms. HOOLEY of Oregon changed her vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2107

Mr. KUCINICH. Mr. Speaker, I ask unanimous consent to remove my name from H.R. 2107.

The SPEAKER pro tempore (Mr. WALDEN of Oregon). Is there objection to the request of the gentleman from Ohio?

There was no objection.

ANNOUNCEMENT REGARDING AMENDMENT PROCESS FOR H.R. 2586, NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 2002

(Mrs. MYRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MYRICK. Mr. Speaker, this morning a Dear Colleague letter was sent to all Members informing them that the Committee on Rules is planning to meet early in the week of September 10 to grant a rule which may limit the amendment process on H.R. 2586, the National Defense Authorization Act for fiscal year 2002.

The bill was ordered reported by the Committee on Armed Services on August 1 and the committee report was filed yesterday. Any Member wishing to offer an amendment should submit 55 copies of the amendment and one copy of a brief explanation of the amendment to the Committee on Rules in room H 312 in the Capitol no later than 2 p.m. on Friday, September 7.

Amendments should be drafted to the text of H.R. 2586, as ordered reported by the Committee on Armed Services. That text is available at the Committee on Armed Services or on its Web site. Members should use the Office of Legislative Counsel to ensure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain that their amendments comply with the rules of the House.

MAKING IN ORDER ON THURSDAY, SEPTEMBER 5, 2001, OR ANY DAY THEREAFTER CONSIDERATION OF H.J. RES. 51, APPROVING EXTENSION OF NONDISCRIMINATORY TREATMENT WITH RESPECT TO PRODUCTS OF THE SOCIALIST REPUBLIC OF VIETNAM

Mrs. MYRICK. Mr. Speaker, I ask unanimous consent that it be in order at any time on September 5, 2001, or any day thereafter, to consider in the House the joint resolution (House Joint Resolution 51) approving the extension of nondiscriminatory treatment with respect to the products of the Socialist Republic of Vietnam; that the joint resolution be considered as read for amendment; that all points of order against the joint resolution and against its consideration be waived; that the joint resolution be debatable for 2 hours equally divided and controlled by the chairman of the Committee on Ways and Means and a Member opposed to the joint resolution; and that consistent with section 151 of the Trade Act of 1974 the previous question be considered as ordered on the joint resolution to final passage without intervening motion.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

MAKING IN ORDER ON THURSDAY, SEPTEMBER 6, 2001 CONSIDERATION OF H.R. 2833, VIETNAM HUMAN RIGHTS ACT

Mrs. MYRICK. Mr. Speaker, I ask unanimous consent that it be in order at any time on the legislative day of Thursday, September 6, 2001, without intervention of any point of order, to consider in the House H.R. 2833, the Vietnam Human Rights Act; that the bill be considered as read for amendment; that the bill be debatable for 1 hour, equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations; and that the previous question be considered as ordered on the bill to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

EXPRESSING SORROW OF THE HOUSE REGARDING DEATH OF THE HONORABLE FLOYD SPENCE FROM THE STATE OF SOUTH CAROLINA

Mr. SPRATT. Mr. Speaker, I offer a privileged resolution (H. Res. 234) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 234

Resolved, That the House has heard with profound sorrow of the death of the Honorable FLOYD SPENCE, a Representative from the State of South Carolina.

Resolved, That the Clerk communicate these solutions to the Senate and transmit a copy thereof to the family of the deceases.

Resolved, That when the House adjourns today, it adjourn as a further mark of respect to the memory of the deceased.

The SPEAKER pro tempore. The Chair recognizes the gentleman from

South Carolina (Mr. SPRATT) for 1 hour.

Mr. SPRATT. Mr. Speaker, I ask unanimous consent to yield 30 minutes to my colleague, the gentleman from South Carolina (Mr. GRAHAM).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. SPRATT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, while we were on recess, FLOYD SPENCE, a native South Carolinian, a friend of us all, and a Member of excellent standing passed away.

FLOYD was a star athlete, a student leader, a naval officer in Korea, a State legislator, and a pioneer Republican in a State that, at the time, was thoroughly Democratic.

For 30 long, dedicated years he served here proudly, with total loyalty to this grand old institution of the Republic and to the Armed Forces of the United States, whom he effectively represented on the Committee on Armed Services for all of that time, 6 of them as a very able chairman of the committee.

Many Members overcome obstructions or hurdles or suffer hardships to serve here. Few of us endure what FLOYD SPENCE endured, a double lung transplant. At the time, he was one of the few in America ever to survive such a procedure. I can recall his recounting how after the operation every movement of his body was excruciatingly painful. Yet, even though he had reason, I never heard him complain. I never heard him express anxiety about his condition. I never heard him boast.

I often heard him stand before groups, particularly from South Carolina, and tell them, "I am glad to be here." He would pause a minute and say, "Heck, I am glad to be anywhere." It was that kind of understated humor, that kind of affability, that kind of civility, that made him the gentleman from South Carolina on this floor, in the committee, not just in name but in the truest sense of the word. He left us all a worthy example to emulate, personally and professionally.

To his family, to his four proud sons, to Debbie, his wife, we extend our heartfelt sorrow. We will miss FLOYD too, but rest assured, we will always, always, remember him, and never forget his courage, his spirit, and the sterling example he left us of what it means to serve in this great institution.

Mr. Speaker, I yield 30 seconds to the gentleman from Texas (Mr. ORTIZ).

Mr. ORTIZ. Mr. Speaker, I had the privilege of knowing FLOYD SPENCE for about 20 years. He was my good friend.

Just like my good friend, the gentleman from South Carolina (Mr. SPRATT), says, he had a great sense of humor. I can remember when one day he said, You know, I have more spare parts than a used car dealer.

He was a great gentleman. I loved him. My family loved him, and Debbie, who nourished him when he had the double lung transplant. When we would see FLOYD, as the gentleman said, we would ask, "You have a new suit?" And he would say, "No, it is secondhand used." This was the kind of guy he was. We loved him.

To Debbie and his sons: We are going to miss this great American.

Mr. Speaker, like my colleagues, I rise with a heavy heart today as we pay tribute to a friend, a colleague, and a stalwart for our nation's armed services and the country. FLOYD SPENCE and I were friends for as long as I have been in Congress.

In addition to his zeal and dedication on behalf of his constituents in his beloved South Carolina, I admired his outlook on life.

FLOYD was determined to squeeze every drop of life he could from his time on this earth—and he succeeded.

From the double lung transplant to the kidney transplant, FLOYD said he had more spare parts than a used car dealer. What was amazing was that he survived all this for so long. He had an amazing ability to recover from deadly afflictions.

He was supremely dedicated to his duty to South Carolina, to our armed services, and to the United States of America. I know this because I traveled with FLOYD to places on every part of this planet to inspect our military bases. Wherever we went, he insisted we talk to enlisted men, not just the generals.

Our nation has lost a great hero. I have lost my friend, mi amigo.

I offer Debbie and his children—David, Zack, Benjamin and Caldwell—my deepest condolences for their loss.

FLOYD loved his family so very much. It was Debbie, when FLOYD had the double lung transplant and was at his lowest, who gave him the support and encouragement he needed, and nursed him back to health.

FLOYD had a stubborn resolution to live, to enjoy life. He knew his time was one day at a time—he told me that each day was extra icing on the cake of his life. The antirejection medicine he took greatly diminished his ability to ward off simple infections.

I will miss that giant of a man with a laugh he was quick to share. The camaraderie often noted as now missing in the House of Representatives had led our critics, and ourselves, leads people to say that we lack either bi-partisanship or simple human trust.

But because of my friendships with so many of my Republican colleagues, most notably my friend FLOYD SPENCE, I know the trust we engender here is real and it works on behalf of the American people.

We may disagree on the issues of the day, but we are united in our belief that close bipartisan relationships serve all of us and the American people we represent.

I will miss you, FLOYD. I thank the gentleman from South Carolina for speeding our consideration of this resolution today.

Mr. SPRATT. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. STUMP), chairman of the Committee on Armed Services.

Mr. STUMP. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of this resolution recognizing the tragic and untimely death of our friend, colleague, and former chairman of the Committee on Armed Services, FLOYD SPENCE. He was a patriot, most of all a gentleman, and one of Congress' most ardent supporters and tireless advocates for our Nation's military.

During his long and distinguished career in the military and then public service, FLOYD devoted his life to the belief that there are certain principles worth defending: freedom, democracy, and the promise of global stability achieved through a policy of peace through strength.

As chairman of the Committee on Armed Services, FLOYD led our committee and this country through many tough times. It was largely due to his efforts that we were able to reverse the trend of the decline in spending for our military.

FLOYD leaves behind a proud legacy of accomplishment and service to our Nation and to the Armed Forces to which every public servant should aspire. It was a privilege to serve with him. I will miss him as a leader, a colleague, and most of all, a friend.

It is only fitting that we send FLOYD off with a traditional Navy farewell wish: fair winds and following seas.

Mr. GRAHAM. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. SKELTON), a ranking member of the Committee on Armed Services.

Mr. SKELTON. Mr. Speaker, I thank the gentleman from South Carolina for yielding time to me.

Mr. Speaker, FLOYD SPENCE was a true southern gentleman, a good friend, a dedicated Congressman, and a champion of a strong national defense. I had the privilege and pleasure of serving with him on the Committee on Armed Services during his chairmanship, and I found that he always worked for the betterment of our men and women in uniform and for our national security. I will miss him. I will miss him very much.

Almost a year ago, an overflow crowd gathered in the Committee on Armed Services hearing room for the unveiling of FLOYD's portrait as chairman of the committee. Often we do not have the chance to let friends know how we feel about them before they are gone, so I am very grateful that we had that evening together to enjoy FLOYD's company, and to let him know personally how much he meant to us.

FLOYD SPENCE began serving this country as an active duty member of the United States Navy Reserve during the Korean conflict. That service continued until the end of his life.

Our former chairman understood that our Nation needs a strong national defense, and he worked tirelessly with Members on both sides of the aisle to strengthen our Armed Forces and to take care of the men and women in uniform and their families. No one spoke out more forcefully on the need to maintain readiness.

On rare occasions we disagreed, but never disagreeably. Our relationship was one of mutual respect based upon values which we both learned in small towns named Lexington, one in South Carolina and one in Missouri.

During the years FLOYD SPENCE served on the Committee on Armed Services, he blessed us with his leadership, honored us with his friendship, and inspired us with his courage. FLOYD SPENCE was courteous, he was thoughtful, he was respectful of others. It was a pleasure for me to serve in Congress with this decent, fair, and honorable man. We are all the richer for his years of dedicated service to the Committee on Armed Services, the Congress of the United States, the people of South Carolina, and our Nation.

I extend my deepest sympathy to his wife, Debbie, to his four sons, and to his entire family.

Mr. GRAHAM. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. SAM JOHNSON), a true American hero and a former POW.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I thank the gentleman for yielding time to me.

Tonight I rise to pay tribute to a great American. Everybody has said it, he was, and he was also a true patriot, my friend, FLOYD SPENCE.

FLOYD and I first became friends when I came to the Congress in 1991. As a career Air Force fighter pilot for 29 years, I felt inclined to keep abreast of issues of importance to our national security and Armed Forces. Knowing my passion for the military, FLOYD went out of his way to update me early and often, even though I had not served on his committee.

In fact, because I was a POW in Vietnam and also a veteran of the Korean War, FLOYD turned to me in confidence regarding issues before his committees, the Committee on Veterans Affairs and the Committee on Armed Services, and he found it important to hear an outside perspective.

He was a true conservative. He did support our American military and our American way of life in all that he did. FLOYD was a true friend and a faithful leader for our men and women in the Armed Forces, and he always put our services' interest first and foremost.

Mr. Speaker, just this year FLOYD traveled with us to the Paris air show, where he looked there at foreign airplanes and ours in demonstration, and how proud he was of our own Armed Forces when they were out there performing before the world. It was a reflection that just made me admire him all the more.

□ 1900

In reflection, I am sad that I can no longer turn to my friend FLOYD on the floor. His family and friends are in my thoughts and prayers. I know he is in a better place. FLOYD SPENCE was and is a great American.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, I thank the ranking member of the Committee on the Budget and the gentleman from South Carolina (Mr. SPRATT) for yielding me time as we join tonight in true bipartisan fashion to remember and pay tribute to our great and good friend, FLOYD SPENCE.

The gentleman from South Carolina (Mr. SPRATT) outlined the resume of accomplishments of our friend FLOYD, the fact that he was a star athlete at the University of South Carolina. Now that football season has started, I think of his beloved Gamecocks that have had great success last year and promise in this season. He was captain of the track team, one who served this country with distinction as an officer in the Navy. The gentleman from South Carolina is right: he set the pace for a Republican birth really in the 20th century in South Carolina in 1962.

He came to this institution 3 decades ago. Mr. Speaker, I think of the lives he has touched, the difference he made for this Nation, not with grand and glorious orations, but with simple acts of kindness and repeated instances of a healthy dose of common sense.

He understood that our Constitution clearly calls for this Nation and this Government to provide for the common defense. He made no bones about his feelings and his priority for national security. And through it all in his days here he showed us the gift of being able to disagree without being disagreeable. Mr. Speaker, no Member of this House is as beloved as our friend FLOYD.

We thank him for his service. We thank his family and the State of South Carolina for giving us in this House a remarkable public servant.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from Utah (Mr. HANSEN).

Mr. HANSEN. Mr. Speaker, I walked in this place in 1980, and I was asked to sit on the Committee on Ethics. Nobody wants to serve on the Committee on Ethics, but the ranking member of the Committee on Ethics happened to be FLOYD SPENCE. FLOYD served there for years and years and years.

We had a horrible case right off the bat. It was called the sex scandal with pages made up by CBS and one of their reporters. FLOYD handled that with more dignity than I have ever seen anyone handle anything. He was the ranking member, and he served longer on that committee than anybody in this House.

I hate to admit it, but I matched it at 14 years when I was on the Committee on Ethics. He did that with great distinction. I remember when we used to watch FLOYD come across in a wheelchair with his girl Carolyn pulling him across there with the oxygen. He heard of a doctor down in Mississippi who could do a double lung transplant, a doctor from India. He did this with a young boy who was killed on a motorcycle. He became very close to the family. He called the mother Mom. She used to come up here. They were very close. That is what we would expected from a man like FLOYD SPENCE, a man who was a Navy captain himself, who had more compassion for people than most I have ever seen in my life. I stand amazed at the compassion he had and point out what a gentleman he was. It is too bad there are not more southern gentleman left in America today, a person who always opened the door for somebody, a person who took somebody for what they were and not what they could give them. This is the kind of person that FLOYD SPENCE was.

I have to say that the people who wear the uniform today, if you are watching this today and you are a private or a general, you owe an awful lot to FLOYD SPENCE. I do not know a man among this bunch of 435 of us who looked out more for the military. He used to say, I make no bones about it. I will take care of our military boys, our enlisted kids, our officers; and we will have the best we can.

He left a legacy for all of us. I appreciate FLOYD SPENCE. To his wife, Debbie, and his family, we wish them the very best.

Mr. GRAHAM. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska (Mr. BEREUTER).

Mr. BEREUTER. Mr. Speaker, FLOYD SPENCE was a good, a valued, and valuable Member of this House. He will be missed greatly. I want his family to know and all of his friends and constituents what a tremendous contribution he has made to the country. The gentleman from Utah (Mr. HANSEN) just outlined in brief form the contributions he made to our armed services.

FLOYD SPENCE was a living, breathing, walking miracle and he knew it. It affected his life, and it affected all of us who knew FLOYD.

I had a friendship with him my entire 23 years here. He began service earlier than that. We shared a passion for planting trees on our respective acreage in South Carolina and Nebraska. We are members of the same religious denomination. We talked about religion and its importance to us many times. Mostly, I knew FLOYD SPENCE because of his involvement with the NATO Parliamentary Assembly, formerly known as the North Atlantic Assembly. I chair that delegation and have since 1995. FLOYD, much senior to me, was a very valuable member of that delegation. All of us on that delegation, Republicans, Democrats and our spouses and staff, miss the tremendous contributions that he has made. We miss them already.

He was a member of the Defense and Security Committee of the NATO Parliamentary Assembly and, of course, as a chairman and then former chairman of our House Committee on Armed Services, his word was greatly respected and sought after in that assembly. FLOYD did not speak often; but when he did, people listened. At our last meeting he was an important contributor on a discussion about national missile defense. Regardless of how one feels about that subject, he made us proud that he was a Member of the House of Representatives.

So to Debbie and their four sons, whom he talked about all the time, and their families, we offer our most sincere condolences. FLOYD made a major contribution to this country. We thank him, we thank you, his family, for sharing his talent and his courageous character with this House.

Mr. GRAHAM. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. HUNTER), one of FLOYD's closest friends.

Mr. HUNTER. Mr. Speaker, I recall when a number of us went down a few days ago to the memorial service in South Carolina, I thought one of the great parts of the eulogy when FLOYD's doctor who did the double lung transplant read the nurses' notes that were transcribed the day that FLOYD got married, shortly after the operation. He read the nurses' notes saying, "It appears now people are filing into the hospital room for a marriage." She seemed to be somewhat surprised by that, and later on it said in fact the marriage ceremony had taken place; and she concluded, "The patient has tolerated the marriage well so far."

I thought that was a great remark and reflection on FLOYD SPENCE's life because FLOYD SPENCE tolerated a lot of things well. He tolerated discord and disharmony and tough times and times when it seemed like all of political opinion was going against you very well. But he was a man of steel. It has been mentioned he was a man of great civility. He also had literally an absolute iron backbone. I can remember watching FLOYD SPENCE tell a Speaker of the House in no uncertain terms no, something that is pretty difficult to do.

I recall his days talking to STROM THURMOND back in the early 1960s, and he said, I think I am going to change parties and become a Republican. STROM THURMOND said, I do not think the district is ready for that. The district was not ready for it. I think he lost his first election but later on was sent to a seat in the House of Representatives. He talked about that day, and whether you are a Democrat or a Republican you have to admire the absolute iron will of this guy who walked down the streets of his hometown having changed parties in a State that still remembered the War between the States, and where lots of folks had lots of ancestors who lost parts of their bodies in the Civil War and lost lots of other things and was still a place where there was feelings about that war and about Mr. Lincoln's armies.

FLOYD SPENCE walked down the streets of his hometown and had people, friends and neighbors, who had known him for years turn their backs on him. I recall he said he walked into the post office and an old friend who had been with him for years walked up to him, turned his back up to him deliberately and said, I used to have a great friend but now he is dead, and walked away.

I thought, what a remarkable resolution and resolve and strength this guy had to have to do that at a time when it was very, very difficult politically. Yet, with this great strength and determination and resolve that resided in FLOYD SPENCE's heart, we never heard him brag. The only people he talked about, if he was talking about his family, were his grandkids and his kids and all of his wonderful daughters-in-law.

FLOYD SPENCE left us with a legacy of civility. If we follow that legacy of civility, along with the resolve to follow our principles as strongly as he did, we will continue to be a great Nation.

Mr. SPRATT. Mr. Speaker, I yield myself 30 seconds to add to what the gentleman just told. The best part of the doctor's story was he said he was beeped. He thought surely something happened to FLOYD. He was well away from the hospital so he rushed to the telephone. He called the number. They put FLOYD on the phone; and he said to the surgeon, Doctor, I am getting married. He said, Fine. That is wonderful. When? FLOYD said, Right now.

Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina (Mr. BROWN).

Mr. BROWN of South Carolina. Mr. Speaker, we honor a great American and a great South Carolinian who will be sorely missed not only here in the halls of Congress but in the entire Nation.

His leadership in the area of national security is without equal. FLOYD SPENCE had been hailed by Democrats and Republicans for devotion to God and country. He spent his career fighting for our men and women in uniform. He was a strong advocate of improving the life of military personnel including pay raises and better living conditions. He understood that a well-trained and equipped military is the first priority by the Federal Government and the best way to preserve the peace.

FLOYD leaves behind a legacy of accomplishment that includes service in the United States Navy, 6 years in the South Carolina House, 4 years in the Senate and 3 decades in the United States House of Representatives.

In 1971 he was the first House Member to sponsor a constitutional amendment calling for a balanced budget.

He served for 13 years as the ranking Republican on the Committee on Ethics, and he also chaired with distinction the House Committee on Armed Services from 1995 to 2000.

FLOYD SPENCE was one of our most distinguished patriotic public servants as well as a southern gentleman in the best of the tradition. He was a great colleague and a wonderful friend. His guidance, optimism, statesmanship, and strong leadership will be missed by all that knew him. He was a mentor to me and a great friend. God bless FLOYD SPENCE and his family.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, I am pleased to rise on this occasion to join our colleagues in paying tribute to our good friend FLOYD SPENCE, to the people of South Carolina, of expressing our heartfelt condolences to the family of our distinguished friend FLOYD.

FLOYD was a true southern gentleman, a good friend to many of us, a committed husband and father, and a dedicated public servant to the men and women of our armed forces and to the people of South Carolina and to his beloved Nation.

I have had the pleasure and honor of serving in the Congress with FLOYD for more than 3 decades.

□ 1915

As a Navy veteran, he was a staunch, unwavering advocate for our men and women in uniform. As chairman of the Committee on Armed Services, he fought tirelessly to improve the quality of life for our military personnel.

FLOYD was a man of great perseverance. From his early football injury through his more recent lung transplant, FLOYD continued to give all he had to others, and he committed his life to fully serving his people in South Carolina.

FLOYD SPENCE was elected to serve the Second District of South Carolina in the House of Representatives in 1970 and served some 15 terms. In 1971, he was the first House Member to sponsor a constitutional amendment calling for a balanced budget. He served for 13 years as the ranking Republican on the Committee on Ethical Conduct, and in 1995 was named chairman of the Committee on Armed Services where he served with distinction, always keeping in mind the national security of our great Nation.

Georgia and I join the many friends and Members of this body in sending our prayers and condolences to his wife, Deborah, his four sons, David, Zack, Benjamin and Caldwell, and to all of the members of the Spence family. FLOYD's public service was a testimony to his life, a model for all of us.

He will be sorely missed, not only by his colleagues, but by the entire Nation.

Mr. GRAHAM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, being from South Carolina and in politics, having people around for awhile is not an unusual circumstance. Senator THURMOND, most people recognize his name, was elected in 1954; I was born in 1955. We tend to keep people around.

Mr. Speaker, the gentleman from South Carolina (Mr. SPRATT) led this debate, and I know that the family is very appreciative of all of the kind words. In South Carolina we pride ourselves on being a delegation that comes together for the good of the State, and remembers our upbringing pretty well. Every now and then we fuss and fight, but I doubt if my colleagues will find any Democrat or Republican in this body that ever had a disagreement with FLOYD, that they walked away from that disagreement believing anything less of the man. That is something we are losing in the country.

I have been in politics since 1994. It has been a contentious time, but we have done a lot. In a delegation this small, Members get to know each other pretty well, and FLOYD SPENCE was the nicest person I have ever met in political life. That is saying a lot coming from my State, because most of us try to be nice to each other. And the fact that so many Members came to speak of his kindness and his commitment to the men and women in the military proves that Members can be quiet and make loud statements.

FLOYD will not be known by the volume that he carried, but by what was in his heart. FLOYD did change parties. At the time that was tough, but I do not know of any Democrats back home that thought that FLOYD SPENCE was anything other than a gentleman. Any disagreements with FLOYD were political, never personal.

He had a devoted wife, Debbie, and many Members know about that situation. The marriage that the gentleman from South Carolina (Mr. SPRATT) was referring to was to his second wife, Debbie Spence, who was a devoted wife and friend to FLOYD, and they were married in the hospital right after his historic double-lung transplant. I have never met anyone more devoted to their spouse than Debbie. FLOYD often said he was blessed to have two special women in his life. FLOYD was also very proud of his four sons. He said he had four boys that all married female women. To know FLOYD, that made sense. He was very proud of his family and his grandchildren.

In the 10 years-plus after he received a double-lung transplant and eventually a kidney transplant, he said, this is my second life.

Mr. Speaker, FLOYD appreciated every day the good Lord gave him. He has a group of grandchildren, varied ages, some of them very, very young. They have something exciting to behold in their life. They will not be able to know their grandfather like we knew him. They will hear about him through family and friends. They will hear about FLOYD through a thousand different ways.

They will hear about their grandfather from statements in the post office, "Was your grandfather FLOYD SPENCE?" And they will say, "Yes." People will say, "Let me tell a story, how he helped me."

I do not think there is any better legacy than what FLOYD left behind: kindness to everybody, a smile on his face. This body has lost a real gentleman and a true friend to the men and women who serve in the military.

Mr. Speaker, if we could all be more like FLOYD SPENCE, we would be a better Nation.

Mr. Speaker, I yield 4 minutes to the gentleman from Florida (Mr. STEARNS).

Mr. STEARNS. Mr. Speaker, I was with FLOYD on his last trip. We flew into Paris to go to the Lafayette Escadrille Memorial, a memorial to recognize 60 Americans in World War I who fought with the French against the Germans. These 60 individuals were killed in France, and they were memorialized at the Lafayette Escadrille, a large memorial. Congressman SPENCE led the delegation, and I gave a speech on their behalf, and he was a strong participant.

I will cherish that trip because that was the last time I spent any time with FLOYD. I think, as pointed out by other speakers, he was a gentleman in the real sense of the word, but he also had a spirit, a spirit of survival, a spiritual makeup that one felt he was in tune with the Lord, and that he continually reminded all of us to appreciate each and every day.

I will miss him when he used to come up on the House floor and say hello. He would always have that kind of expression, and when asked how he was doing, he would respond, I am here and I am very thankful.

When we talk about a person's life, if Members can talk about him with a certain sense of joy, I think that is a positive thing, and I think we are here tonight to say in many ways he brought joy to our lives with his spirit. I am speaking tonight about his accomplishments, but also about his spirit.

Mr. Speaker, I served 10 years on the Committee on Veterans Affairs with him, and in addition to the active military personnel, he was very interested in the retired military, particularly veterans. He was very religious in his attending of subcommittee assignments. I was impressed that he, as chairman of the Committee on Armed Services, would still have time to come to our Committee on Veterans Affairs, and his participation was very active and commendable considering how much he had on his plate.

Mr. Speaker, I think it should be pointed out that many of us did not see him in his prime athletic years when he was a great athlete. We saw him here with the various replacements he had with his lungs, his kidney, but we did not have the opportunity to see him when he was a strong athlete. He was a leader, a naval officer, and when Members look at the spectrum of his career, it was magnificent and impressive; and when one tops that with his love for the country, it was a perfect package, and I close on that note.

Mr. SPRATT. Mr. Speaker, I yield 2 minutes to the gentleman from Guam (Mr. UNDERWOOD).

Mr. UNDERWOOD. Mr. Speaker, FLOYD SPENCE was a remarkable individual. He was remarkable for his accomplishments: The fact that he was a steady voice for the national security of this country; the fact that he led the Committee on Armed Services with such great distinction. He was a statesman in the truest sense of the word.

In a way it is not so much all of the things that he did, but his demeanor, the way that he carried himself throughout his efforts that really I think inspires many Members to come to the floor this evening to make commentary on FLOYD.

He came to the chairmanship of the Committee on Armed Services at a time when the majority took over the House, and in a way, the majority was very fortunate to have a leader like him because he was steadfast in his principles, yet he was not personally very polarizing; and as a consequence, he was able to sustain his positions very well and successfully.

Frequently we hear the phrase, kind of a trite phrase, "Courtesy is contagious," but with regard to FLOYD SPENCE, it really was. He was a very kind man. In my personal interactions with him, he always found the time to talk and ask me about how the military was doing in Guam, and what he could do to help us. In that sense, courtesy was contagious. He was the quintessential Southern gentleman. There are still many examples of that around, and we are happy to see that, and I hope it continues to infect the rest of us here who are not from the South.

Mr. Speaker, I pay tribute to FLOYD who was my chairman for 6 years. He was a joy to work with, and certainly an inspirational figure in his own way, and it demonstrates that in politics it is not the power of words, but the power of spirit that carries the day. He provided ample evidence of that in his own work.

Mr. GRAHAM. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas (Mr. RYUN).

Mr. RYUN of Kansas. Mr. Speaker, I have very fond memories of FLOYD

SPENCE. As a freshman on the Committee on Armed Services looking for direction, he was always there as a friend, and he was willing to give counsel.

I particularly remember when I asked him to come to Fort Riley in my district to visit the soldiers and see the installation and meet the people. As I visit with people back in the district, they still remember him as being very warm, very committed, very sincere, and a great leader.

Mr. Speaker, most people have a birthday every year in their life just to celebrate life, but the one thing that always interested me with Mr. SPENCE was, the Committee on Armed Services had a birthday to celebrate his lungs because he had been given a special gift as a result of complications he had in his life.

My family and I loved him very much. He was always very kind to them. He was willing to give time whenever he could provide it. He was a man who had knew he had been given a great gift from God. He fought for what was right for this country, even if it meant going against Members of his own party because he had that kind of commitment. Debbie was a great contribution to his life.

Mr. Speaker, I want to finish by saying, Mr. SPENCE, will be missed, and we thank him very much for his great contributions to this great Nation.

Mr. GRAHAM. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina (Mr. DEMINT).

Mr. DEMINT. Mr. Speaker, I rise today to honor a true champion of freedom from the great State of South Carolina, Congressman FLOYD SPENCE. It was an honor and a personal privilege to serve with FLOYD in Congress. He served his district, his State and his country by fighting for the values that we all cherish. He was a true patriot and a remarkable man.

Congressman SPENCE was recognized around the world as an authority on defense issues. Vice President DICK CHENEY recently said Mr. SPENCE was one of the watchmen over America's security. He had a deep respect for the military, and that respect was returned. He was a patriot who served his country well. FLOYD was chairman emeritus of the Committee on Armed Services, and a senior member of the Committee on Veterans Affairs. He was the only Member of Congress to have served as chairman of the Committee on National Security.

A decorated veteran himself, he received many military honors. Most recently, Congressman SPENCE received the 2001 Distinguished Service Award from the Military Order of the World Wars.

FLOYD became a personal friend of mine, and I remember so many occasions on the back of this floor just talking with him. It was his encouragement and sense of humor that gave me a good perspective of our work here: to keep the focus on our country and security and what is best for those who live here. He was an inspiration to me, and I want to honor him tonight.

Mr. Speaker, I rise today to honor a champion of freedom from the great state of South Carolina, Congressman FLOYD SPENCE. It was an honor and a personal pleasure to serve with FLOYD in Congress and get to know him over the past few years. He served his district and his country fighting for the values we cherish. He was a true patriot, a remarkable man.

As you know, FLOYD was a walking medical miracle. In 1988, at age 60, he underwent a then rare double-lung transplant. In 1990 when asked to reflect about this operation, FLOYD said "I thank my maker for allowing me to have a second life." This past year he also had a kidney transplant. His doctor characterized FLOYD as a man of extraordinary courage who respected and embraced life. He often said that he was "grateful for any additional day God granted him." Through those experiences, FLOYD continued to serve and became an active supporter of organ donor awareness programs.

Congressman SPENCE was recognized around the world as an authority on defense issues. Vice President DICK CHENEY recently said SPENCE was one of the "watchmen over America's security." He had a "deep respect for the military, and that respect was returned. He was a patriot who served his country well." FLOYD was the Chairman Emeritus of the Committee on Armed Services and a senior member of the Committee on Veterans' Affairs. He is the only member of Congress to have served as the chairman of the Committee on National Security. A decorated veteran himself, he received many military honors. Most recently, Congressman SPENCE received the 2001 Distinguished Service Award from the Military Order of the World Wars.

Before coming to Congress in 1970, Congressman SPENCE was a member of the South Carolina House of Representatives from 1956–1962 and the South Carolina Senate from 1966–1970. He was a man of faith, a solid conservative, a wise mentor and a shining example of service to myself and the rest of the delegation.

My heart goes out to his wife Debbie and the entire Spence family. Our prayers are with you as you grieve—thank you for sharing such a man of integrity with us.

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Mr. GRAHAM. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. BUYER).

Mr. BUYER. Mr. Speaker, I wanted to come to the floor tonight and also join in the eulogy of a friend of the House and a friend of the country. FLOYD SPENCE, I think, was an individual whom many of us here in this body could call a friend, because FLOYD in his aw-shucks kind of Southern gentleman demeanor would come up and ask you how is your health, how are you doing, how is your family, and he always put the needs of others ahead of himself. Even though FLOYD may have been failing in his health, he always wanted to know how you were doing and how you were feeling. That was a lot about who FLOYD was and the impact he had on a lot of us and the impact he left upon a country, because he dedicated his life to public service.

It was truly honorable in the manner in which he conducted not only his everyday life but also his profession. He had so many positive attributes that he could not help but have an impact upon each of us and a nation. I think as an individual that dedicated his efforts to national security and making sure that the men and women who wear the uniform, when they take that uniform off, in his dedicated service to the Committee on Veterans' Affairs, he made sure that that solemn oath that that veteran took, that the government in fact fulfilled their commitments to the veterans of this Nation. He taught each of us every day that freedom is not free and that we must be vigilant as a Nation, leaning forward so that we could respond.

FLOYD may not be with us in body but the lives of whom FLOYD SPENCE touched will be forever with us in spirit. There is a song and the lyrics of that song may have been heard but not listened to by many and it is that life is about more than who we are, it is about what we do with the span of time in which we have. FLOYD embodied that. He made sure that the imprint that he left upon each of us and the Nation was one that was very positive.

FLOYD, to your family, you spoke often of your sons and of your grandchildren, we wish you and your family well. One day we will join you, my friend.

Mr. SPRATT. Mr. Speaker, I yield back the balance of my time.

Mr. WATTS of Oklahoma. Mr. Speaker, it is with a heavy heart that I join my colleagues in bidding a fond farewell to our colleague and "My Chairman," FLOYD SPENCE, who died last month. Our condolences to his wife Deborah and his four children. FLOYD SPENCE was a hero, a patriot, a family man, a man of God, and, above all, a gentleman. In his more than 30 years in this body, he demonstrated civility, respect and kindness toward his colleagues. He was in the finest tradition of Southern gentlemen.

Mr. Speaker, FLOYD SPENCE served his country honorably in the U.S. Navy, on active duty in the Korean War era, and then as a Reservist, even while a Member of Congress for decades thereafter. His commitment to our troops in uniform was unsurpassed and obvious to those of us who served with him.

In his role as Chairman of the House Armed Services Committee for the six years ending in January, FLOYD really came into his own, in highlighting the deteriorating conditioning of our armed forces and strengthening congressional resolve to address this issue.

I was honored to be in attendance at his funeral, along with Vice President CHENEY, Secretary Rumsfeld and so many others. His voice will be missed in this body, but never forgotten.

Mr. EVERETT. Mr. Speaker, It is with a heavy hear that I stand here today to honor the memory of a dear friend and respected colleague, FLOYD SPENCE. FLOYD was a patriot and a statesman who devoted his 30 years in Congress to securing America's defense and supporting our nation's veterans. As such, he was a well-know voice of experience and leadership on both the House Armed Services and Veterans' Affairs Committees, on which he proudly served for much of his career.

FLOYD assumed the powerful chairmanship of the Armed Services Committee when Republicans gained control of the Congress in 1995. He quickly proved himself a skilled chairman, pushing for and securing billions more in desperately needed defense funding when the Clinton Administration was seeking to gut the military to pay for the massive growth of government social programs. FLOYD helped to save and protect our national defense and laid the groundwork for the current drive to rebuild and redefine our defense capability to better respond to the challenges of the new century battlefield.

Winning tough battles was not uncommon for FLOYD. During his tenure, the gentleman from South Carolina was successful in instituting instrumental legislative initiatives while gaining the admiration and friendship of members from both sides of the aisle.

His quiet strength also got him through some very rough health challenges. Despite these problems, I never heard FLOYD complain. In fact, I can't recall him ever walking into a room without a smile and kind word.

FLOYD was a great American and a personal friend. I greatly value my days serving with him, especially on the Armed Services and VA Committees. He was a source of wisdom and counsel on difficult issues, and his presence in these hallowed halls will be sorely missed.

Mr. GRAHAM. Mr. Speaker, also on the note earlier echoed by the gentleman from Indiana, Mr. BUYER, we will Miss FLOYD but he has made us all richer.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF MEMBERS TO ATTEND FUNERAL OF THE LATE HONORABLE FLOYD SPENCE

The SPEAKER pro tempore (Mr. KIRK). Pursuant to the order of the House of Thursday, August 2, 2001, the Speaker on Tuesday, August 21, 2001, appointed the following Members to attend the funeral of the late Honorable FLOYD SPENCE:

Mr. SPRATT of South Carolina;
Mr. HASTERT of Illinois;
Mr. WATTS of Oklahoma;
Mr. CLYBURN of South Carolina;
Mr. GRAHAM of South Carolina;
Mr. DEMINT of South Carolina;
Mr. BROWN of South Carolina;
Mr. YOUNG of Florida;
Mr. HUNTER of California;
Mr. SAXTON of New Jersey;
Mr. HEFLEY of Colorado;
Mr. MCNULTY of New York;
Mr. BARTLETT of Maryland;
Mr. MCHUGH of New York;
Mr. CHAMBLISS of Georgia.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

CURRENT IMMIGRATION ISSUES

The SPEAKER pro tempore (Mr. KIRK). Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, first let me offer my deep appreciation and sympathy, appreciation for FLOYD SPENCE's life and sympathy to his family.

Mr. Speaker, there is no question that we have been expecting new immigration agreements to be announced when the Mexican President, Vicente Fox, visits Washington this week. Instead, we have the White House issuing a statement that they expect a comprehensive U.S.-Mexico immigration reform package in the next 4 to 6 years.

Since their elections last year, both President Fox and President Bush have pressed immigration to the top of their agendas. President Bush has stated that he is willing to embrace a more inclusive vision of America, one that would welcome the talents and contributions of immigrant communities all over this Nation, hardworking, tax-paying immigrants coming from places as far away as Poland, England, Brazil, Guatemala, Singapore and other places that people would be interested in coming to the United States.

It is disappointing that both Presidents believe that reform will take so long to broker. Immigration is extremely complex; however, we cannot delay dealing with the issues involved. The time has come to bring these people out of the shadows and allow them to bask in the sunlight of mainstream American life. The time has come to educate the American people, to make them stakeholders in improving the lives of all Americans and those who access the American dream. Given the momentum the two Presidents have generated up until now and given the expectations, if they do not take advantage at this moment, they will have missed an historic opportunity.

By pushing back a reform in immigration policy, President Bush is losing sight of the millions of hardworking, tax-paying immigrants who have lived in this country for a number of years and have contributed to the economic prosperity of our Nation. What the White House is doing with our immigrant community is nothing more than gesturing, lip service designed to attract badly needed Hispanic support to the Republican fold. We cannot wait 4 to 6 years for real immigration reform. The time has come for a change in U.S. immigration policy.

The Democratic Principles on Immigration provides this necessary immigration reform by rectifying current problems in immigration policy. The principles of the statement are family reunification, earned access to legalization, border safety and protection, enhanced temporary worker program, and ending unfair discrimination against legal immigrants.

A policy based on these five principles will bring stability to the lives of millions of people. In addition to strengthening the national economy, such a policy would honor family values, reward hard work, provide worker protections and enhance civil rights. It would also benefit people who have come to the United States from every corner of the globe. Any new program to expand the number of guest workers in the U.S. should be considered only after hardworking, tax-paying immigrants already in this country are legalized and it must provide guest workers with full labor and civil rights and a clear path to legalization.

Furthermore, the Statement of Immigration Principles reflects the Democratic Caucus philosophy and core values of family reunification, bringing mothers and fathers together, families with children, fundamental fairness and economic opportunity. Furthermore, the immigration principles stand by the people who fuel the economic engine that drives the American economy and the people who play a vital role in our communities and culture. America's immigrants need redemption for what our Nation's policies have forced them to go through and Americans who are already here need to be recognized that they too need job training and enhanced economic opportunity. We do not separate the immigrant community from our hardworking Americans as well.

We need to empower our immigrant communities so that they can earn a living wage that will help provide for their families. By doing so, we are giving hardworking immigrants the chance to become permanent members of our society rather than continuing to treat them like second-class citizens. If President Bush is serious about immigration policy, I wish to join him as the ranking member on the immigration committee. He needs to remember that immigrants helped build this Nation and that they too are a part of our Nation's prosperity. We must stop the antiimmigration forces in the Republican Party and elsewhere and begin to work together and build America together. Four to six years is absolutely too long.

And if we are to improve our immigration policy, we must restructure the INS, an agency with conflicting priorities and mission overload. Thousands of individuals can attest to the unclear lines of accountability and poor intra-agency communication and coordination and the enormous backlogs. Talk to any Member of Congress and find out how many years and hours and days that they wait in order to access immigration services for their constituents, people who actually want to access legalization and do the right thing. Customers are frustrated. There is no doubt that the INS needs to be restructured because it lacks good customer service.

I have introduced the Immigration Restructuring and Accountability Act of 2001, H.R. 1562, which includes the objectives of improving accountability and performance. It creates a proper balance between enforcement and services. To achieve the goal of restructuring and reorganizing the immigration function fairly, effectively and efficiently, H.R. 1562 replaces the current INS with two new and clear subordinate entities, one for immigration services and one for law enforcement, within one agency. H.R. 1562 separates the enforcement and service functions of the INS into the Bureau of Immigration Services and the Bureau of Immigration Enforcement. Services and enforcement would have separate and clear lines of authority at all levels, from field to headquarters, so current INS regional and district offices would be eliminated and replaced with separate networks of immigration services and enforcement area local offices.

Finally, Mr. Speaker, as I close, let me simply say, we have got to address this question head-on, help our hardworking immigrants, and restructure the INS. That is a real policy. I ask for President Fox and President Bush to ensure that we work together.

There is no question that we have been expecting new immigration agreements to be announced when the Mexican President, Vicente Fox, visits Washington this week. Instead, we have the White House issuing a statement that they expect a comprehensive U.S.-Mexico immigration reform package in the next four to six years.

Since their elections last year, Fox and Bush have pressed immigration to the top of their agendas. President Bush has stated that he is willing to embrace a more inclusive vision of America, one that would welcome the talents and contributions of immigrant communities.

It is disappointing that both Presidents believe that reform will take so long to broker. Immigration is extremely complex; however we cannot delay dealing with the issues involved. The time has come to bring these people out of the shadows and allow them to bask in the sunlight of mainstream American life. Given the momentum the two presidents have generated up until now, and given the expectations, if they don't take advantage at this moment, they will have missed an historic opportunity.

By pushing back a reform in immigration policy, President Bush is losing sight of the millions of hardworking, tax paying immigrants who have lived in this country for a number of years and have contributed to the economic prosperity of our nation.

What the White House is doing with our immigrant community is nothing more than gesturing—lip service designed to attract badly-needed Hispanic support to the Republican fold.

We cannot wait four to six years for real immigration reform. The time has come for a change in U.S. immigration policy.

The Democratic Principles on Immigration provides this necessary immigration reform by rectifying current problems in immigration policy. The main principles of the Statement are family reunification, earned access to legalization, border safety and protection, enhanced temporary worker program, and ending unfair discrimination against legal immigrants.

A policy based on these five principles would bring stability to the lives of millions of people. In addition to strengthening the national economy, such a policy would honor family values; reward hard work; provide worker protections; and enhance civil rights. It would also benefit people who have come to the U.S. from every corner of the globe.

Any new program to expand the number of guest workers in the U.S. should be considered only after hard working, tax-paying immigrants already in this country are legalized—and it must provide guest workers with full labor and civil rights and a clear path to legalization.

Furthermore, the Statement of Immigration Principles reflects the Democratic Caucus philosophy and core values of family reunification, fundamental fairness and economic opportunity. Furthermore, the immigration principles stand by the people who fuel the economic engine that drives the American economy and the people that play a vital role in our communities and culture. America's immigrants need redemption for what our nation's policies has forced them to go through.

We need to empower our immigrant communities so they can earn a living wage that will help provide for their families. By doing so, we are giving hard-working immigrants the chance to become permanent members of our society rather than continuing to treat them like second class citizens.

If President Bush is serious about immigration policy, he needs to remember that immigrants helped build this nation and that they too are a part of our nation's prosperity. The anti-immigration forces in the Republican Party should not dictate the future of millions of hard-working men and women seeking better opportunities.

We cannot wait four to six years to lead to a positive, fair and meaningful difference in the lives of these millions of hard-working families is too long. Current immigration policies must be recrafted as soon as possible to reflect our core values of family unity, fundamental fairness, and economic opportunity. Consequently, the Democrats will fortunate the Statement of Immigration Principles into legislation.

In addition to reforming our immigration policy, Congress must address the much needed restructuring of the Immigration and Naturalization Service. Despite the fact that INS has experienced a significant expansion in its budget and staff, the Agency continues to be the most mismanaged agency in the US government.

INS is an agency with conflicting priorities and mission overload. Thousands of individuals can attest to the exacerbation of unclear lines of accountability and poor intra-agency communications and coordination. One result has been for the Agency to allow lengthy backlogs to develop for processing matters such as citizenship applications, visas, and a host of other immigration benefits.

There are accounts of delayed cases that cause two and three fingerprint clearances, lost files, mistaken information on the computer that causes INS to believe that a person is naturalized when they are not. Others account extreme delays in inputting fingerprint clearances in the computer so that applicants can be interviewed and delays in Service Centers sending files to District Offices. Unbelievable to many is the fact that INS sends receipts to inform applicants of the time frame which their application should be adjudicated; however, these time frames are frequently, if not almost always, wrong.

Furthermore, the Agency lacks good customer service. Many INS offices around the country are understaffed and the staff is inefficient and mismanaged. In addition, there is an obvious lack of training that most employees receive.

There is no end to the frustration felt by customers.

There is no doubt that INS needs to be restructured. The INS must dedicate itself to changing the manner in which it addresses the needs of people who require, deserve and pay for—in the form of fees and taxes—the services that it is charged with fulfilling.

What remains in question is when will we restructure INS and how will we restructure the agency? The first question has a simple response. Restructuring is long overdue. We need to commence restructuring immediately.

As ranking member of the Subcommittee on Immigration and Claims, I have introduced legislation of how INS should be restructured. This legislation, the Immigration Restructuring and Accountability Act of 2001 (H.R. 1562), includes the objectives of improving accountability and performance. Furthermore, it creates a proper balance between enforcement and services. It also provides an effective way to direct, coordinate, and integrate enforcement and service functions.

To achieve the goal of restructuring and reorganizing the immigration function fairly, effectively, and efficiently, H.R. 1562 replaces the current INS with two new and clear subordinate entities—one for immigration services and one for law enforcement—within one agency. H.R. 1562 separates the enforcement and service functions of INS into the Bureau of Immigration Services and the Bureau of Immigration Enforcement. Services and enforcement would have separate and clear lines of authority at all levels, from the field to headquarters. So current INS regional and district offices would be eliminated and replaced with separate networks of immigration services and enforcement area local offices. Not only will restructuring in this manner enhance enforcement of the Nation's immigration laws and improve the delivery of services, but it will greatly improve the ability of the INS to perform its duties effectively and efficiently and will increase accountability.

In addition, a strong, centralized leadership for immigration policy-making and implementation would be created. This position would be within the Department of Justice and called the Associate Attorney General for Immigration Affairs. This single voice is needed at the top to coordinate policy matters and interpret complex laws in both enforcement and adjudications, so as to ensure accountability and effective implementation.

The single executive would report to the Attorney General and be responsible for (1) integrating immigration policy and management operations within the Department of Justice, (including coordinating policy-making and planning between offices so as to ensure efficiencies and effectiveness that result from shared infrastructure and unified implementation of the law); (2) maintaining the crucial balance between enforcement and services; and (3) ensuring a coherent national immigration policy. It is crucial that a single, high-level Department official speak for the Executive branch on matters involving immigration policy and that this official have the authority to direct and manage our immigration system to ensure that immigration policy and management is fully integrated and coordinated.

H.R. 1562 also mandates that immigration enforcement and services functions must be supported by a set of shared services, including records, technology, training, and other management functions.

Finally, it is important that the service/adjudication as well as the enforcement function is fully funded. All offices need to have stable and predictable sources of funding. Appropriated funds must supplement user fees so as to improve customer service, offset the costs of those adjudications for which no fees are charged, and fund all costs not directly related to the adjudication of fee based applications.

I urge my United States House of Representative colleagues adopt this legislation. The INS desperately needs restructuring. We must continue to fight to solicit not only promises of better services from the INS, but actual, better service. We must compel the agency to redouble its efforts to assist immigrants rather than simply increase the fees that it imposes on its customers.

NATIONAL DEFENSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HUNTER) is recognized for 5 minutes.

Mr. HUNTER. Mr. Speaker, I wanted to talk for just a couple of minutes following the eulogy and the little memorial discussion that we had with respect to our old friend FLOYD SPENCE who really represented the idea that you needed to have a strong national defense to maintain all of our other freedoms and who dedicated his career as a member of the Committee on Armed Services and ultimately the chairman of the committee to national defense.

I thought that the best service we could render to FLOYD right now would be to remind our colleagues that we still have a lot of work to do with respect to national defense. We are still short on ammunition, measurably short. We are $3 billion short in terms of the Army's requirements and several hundred million dollars short with respect to the Marine Corps. We are still vastly short on ammunition. Spare parts, we have now cannibalization taking place across the array of front line aircraft, the front line fighter. I am talking about F–15s, F–15Es and F–16s. Their mission-capable rates are dropping off the cliff, meaning that they now are not as ready as they used to be to be able to go out and do their mission and come back.

We still have personnel problems. We are still some 800-plus pilots short in the United States Air Force and across the services. We have lots of personnel shortages.

□ 1945

So we have a need, Mr. Speaker, to spend about an additional $50 billion per year on top of what we are spending right now. I would remind my colleagues we are spending roughly $125 billion a year less than the Reagan administration did in the mid-1980s in real dollars.

So I think that the best service we can do to FLOYD's memory is to carry the flag that he carried, which is to remind our colleagues that we need to preserve a strong national defense.

I would yield to the gentleman from Indiana (Mr. BUYER), a good friend, a former member of the Committee on Armed Services, a veteran, and a veteran of the Gulf War, and a person who believes in defense.

Mr. BUYER. Mr. Speaker, I thank the gentleman for yielding.

When the gentleman comes up with his $50 billion number, what he did not mention, and I ask him to elaborate a little built, is on the question of deferred maintenance. When one looks at this past decade of the 1990s, in the post-Reagan buildup, we began to use a lot of the equipment, use those maintenance facilities, and now the bill is coming due, is it not?

Mr. HUNTER. That is absolutely right. I think the gentleman from Pennsylvania (Mr. WELDON) is going to speak later on on this trip that he took across the bases in this country and reviewing all of the deferred maintenance, the potholes on the runways, the repair on aircraft, but also the infrastructure maintenance, just keeping our buildings in good shape, keeping military housing in good shape.

When we would have to go to a mission, let us say to a Bosnia or another place, another operations area, instead of the administration, then the Clinton administration, asking for more money from Congress, they would simply reach into the cash register and take out money that was going to be used for maintenance.

So having used that money and not replaced it, when the services looked for money to be able to repair their old buildings, repair their runways, furnish spare parts, it was not there.

Mr. BUYER. When I look back now at the 1990s, I say as Congress sought to react to some of the personnel problems, we repealed the reduction, we reformed the retirement system, we made reforms in the pay tables, we increased military pay, we addressed the health care, we addressed the food stamp issue, so we focused a lot on personnel and people.

Now we need to focus on all that deferred maintenance that is going to come crashing down upon us. And shame on us if we do not focus on it, because the gentleman is absolutely right, it is the water lines, it is the pipes, it is the roofs, it is the equipment, it is the automobiles, and the list goes on and on. I am most hopeful that it is something that the administration will be leaning forward on.

Mr. HUNTER. I hope the administration works with the gentleman from New Jersey (Mr. SAXTON), who is chairman of the Subcommittee on Military Construction in the Committee on Armed Services to come up with some new ways to buy military housing for military families, because, as the gentleman knows, a lot of that housing is 20, 30, 40, 50 years old; and in a lot of places around the country our young families do not have housing available on the bases. There is not housing. They have to go out on the economy, and in places like San Diego you are looking at $1,000, $1,200 a month for the smallest amounts. So we have some major problems to fix, and that means money.

Mr. BUYER. The gentleman is bringing a defense bill to the floor next week. What are the major themes of that defense bill?

Mr. HUNTER. We are going to try to do a lot of things with what we have, with the $18 billion in extra spending that we anticipate this year above and beyond what we call the "Clinton baseline." But that $18 billion, once again, does not come close to solving the equipment problem, which is about a $30-billion-per-year problem, solving the ammunition problems, the people problems, the other problems we have across the board. We are going to do as much as we can.

CRITICAL ISSUES AFFECTING WOMEN

The SPEAKER pro tempore (Mr. KIRK). Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

Ms. MILLENDER-McDONALD. Mr. Speaker, I have come tonight to reflect upon some of the issues that I was confronted with over this August recess with many women whom I spoke with, and they simply wanted to know what we were doing in this House and this administration in trying to address some of the critical issues that are affecting women today. As we know, the women of today and tomorrow will be the majority of the workforce and thereby need to have the necessary tools with which they can provide for their families and themselves.

As I talked with these women, they were really concerned about reproductive rights. They want to make sure that this House does not whittle away the rights that they should have to look into whether they will provide for their children, whether they will have the right to their own lives, to their own bodies; and they simply want to make sure that this House does not do anything that would be destructive to the rights of women in terms of their reproductive rights.

Domestic violence is another one that they have talked with me about, because they simply look at the number of women and children who are now on the streets, the streets across this Nation, the most powerful Nation on Earth, not giving the women, again, tools to provide for their families and themselves, giving them the job training that they need so that they can sustain themselves and their families, giving their children the type of education that is needed to provide them the type of future that is required for the workforce.

Mr. Speaker, we must simply look at the agenda that this Congress is bringing forth for women and their families, as well as this administration. We can really leave no family behind, as we talk about leaving no child behind.

So as I come tonight, I just want the American people to know that I will be here every week now trying to synthesize and look through the myriad of issues that we have here on this floor, to see whether or not we really are serious about leaving no child behind and ensuring that the women of today will be sufficiently prepared for the workforce tomorrow and for today.

So beginning this month-long effort, we want to look at the wellness of women and their families. We want to look into the public policy to find out whether or not this administration is serious about leaving no child behind. As we look at that, we simply look at the education proposal that has been put forth.

We do not have the money to talk about the class sizes that the urban areas and the rural areas look at in terms of their children's quality of health and quality of education. This budget does not speak to reducing class sizes. It does not speak to qualified teachers that will be teachers who are making the salary conducive to teaching our children. It does not speak to the construction of schools that will provide the proper type of environment for our children.

This education proposal that the President has put through will leave children behind if he does not put the type of financial support behind these words and this slogan. It will be an empty slogan if the money does not follow the message.

So if we are talking about leaving no child behind, especially in my district of Watts and Compton and Wilmington, where you have the most impoverished kids, you have to make sure title I has the type of funding that is necessary to bring these children forward, the type of classrooms that will teach them high technology, the type of qualified teachers that will be there to teach them and to have a type of constructive engagement that will help them through their period of schooling. Healthy Start and Head Start need to have financial support.

I will be looking very carefully at this education proposal, looking at the President when he speaks about leaving no child behind, to make sure that we have sufficient funding for math and science for girls, because as I have gone around this Nation over this last month, I have found that there is a considerably decreasing number of girls in math and science classes. We are not encouraging our girls to go into math and science, and yet these are the future engineers and scientists who will be speaking to and doing research on the quality of life for families. So that is one element that we need to look at. The other thing is that of health.

Mr. Speaker, I will simply say, I will be here every week to speak on health, education and the quality of life for women and their families.

FOREIGN POLICY AND OUR NATIONAL SECURITY OBJECTIVES

The SPEAKER pro tempore (Mr. CANTOR). Under a previous order of the House, the gentleman from Indiana (Mr. BUYER) is recognized for 5 minutes.

Mr. BUYER. Mr. Speaker, earlier the gentleman from California (Mr. HUNTER) and I spoke on the issues of national security. I want to touch on an issue we do not really talk about much on the House floor, and it is the issue of foreign policy and how it relates to our national security objectives, i.e., our military strategy to fight and win our Nation's wars, as the gentleman from California (Mr. HUNTER) likes to refer to, with overwhelming force.

We went through the 8 years of the Clinton administration and we had a foreign policy of engagement. The President has the responsibility of outlining what are the vital interests of a Nation. Then he turns to the Pentagon and says what is your military strategy now to protect the interests of a Nation that I have outlined?

President Clinton, what he had done in his foreign policy of engagement, took 275,000 of America's finest and spread them over 135 nations all around the world. What that did was create an expectancy by our allies and our friends that the United States will always be there. So when you looked at Germany, or the United Kingdom, other allies began to decrease their defense budgets relative to their GNP.

Time out. You are going the wrong way. So now we have had a change in administrations and a change in direction, so I give some counsel now unto the administration: when the United States has provided for the peace and the stability of two major regions of the world, the Pacific Rim and Europe, I believe the United States as a superpower, we can act. Whether it is unilaterally or in concert with another nation, if there is instability upon a region of the world, then we can act.

Take, for example, the continent of Europe. If there is an intercontinental conflict that poses no threat to destabilize the region, then our allies need to step up to the plate. We can provide assistance through our architecture of intelligence or through our airlift and our sealift, but we need to ask of our allies that they begin to accept greater burdens of peace and responsibility.

Now to the issue of our military force structure and how that relates to that foreign policy. There is a debate in the town about do we move away from the military strategy of being able to fight and win two nearly simultaneous major regional conflicts. I have never endorsed that two-major-regional-conflict scenario, but I think what is important and what I have heard the gentleman from California (Mr. HUNTER) say is it is in our interests, this Nation of ours, to not only protect our interests and that of our allies; when they need our assistance, we need to be highly mobile and volatile. I mean, it has to be lethal. It has to be a force that can respond rapidly.

So we can have debates, and the gentleman from California (Mr. HUNTER), I want to yield to him, to speak about the discussions he is presently having on the Committee on Armed Services about what should be the proper force structure as we move to the 21st century.

Mr. HUNTER. I am glad the gentleman is speaking today, because he is one of our Desert Storm veterans and was over in the Gulf and watched what then was an overwhelming use of force against Saddam Hussein. I believe you have to be prepared. I think "be prepared" is the key position that the U.S. should take, because if you look at the forces that we used against Saddam Hussein, many of those forces came out of Europe.

Those were forces that were lined up initially in Germany and other parts of Europe to offset what we thought then would be a conflict perhaps with the Warsaw Pact, that is, with Russians and Russian allies, the Soviet Union.

But that did not happen. In the end, we moved those forces into that theater in the Middle East, and we used them with devastating effect against Saddam Hussein's own military, which was much touted as the fourth largest army in the world.

So I think the lesson there is that unusual things happen. If we had gone back over the last century and the 619,000 Americans who died in the 20th century in conflicts, most of those conflicts arose in ways that we in no way anticipated, whether it was December 7, 1941, or this last event with Saddam Hussein invading Kuwait.

The gentleman and I sat there on the Committee on Armed Services and asked our intelligence people, Which of you anticipated this invasion of Kuwait? One of the gentleman actually said, Before or after the armor started moving? We said, No, before. And none of them had anticipated it.

So the key here is to be prepared. If you have force, you can move it, just as we did the forces out of Europe. If you have the air power, you can move it around the world. That is what that gentleman illustrated when he fought in Desert Storm.

□ 2000

THE EFFECTS OF HEART DISEASE AND CANCER ON AMERICAN WOMEN

The SPEAKER pro tempore (Mr. CANTOR). Under a previous order of the House, the gentlewoman from California (Mrs. CAPPS) is recognized for 5 minutes.

Mrs. CAPPS. Mr. Speaker, I rise this evening to bring attention to the threat that heart disease and cancer pose to the health of American women. I want to thank the gentlewoman from California (Ms. MILLENDER-MCDONALD) for organizing the Special Orders on women's health issues this evening and all during this month. As a nurse, I have made access to quality health care one of my highest priorities in Congress. I am particularly interested in making sure that there is equity in the access to health care between men and women.

Certain diseases and conditions are more prevalent in women than in men, and certain diseases and conditions affect women differently. Often health care professionals and women themselves do not give these conditions and diseases the attention they need. Heart disease and stroke are perfect examples of this fact. Over half of all deaths from heart disease and stroke occur in women. That is over half.

More women die from heart disease each year than from breast, ovarian and uterine cancer combined, making heart disease the number one cause of mortality in women. But heart disease is usually believed to predominantly affect men.

As cochair of the Congressional Heart and Stroke Coalition, I have worked closely with the American Heart Association and the American Red Cross to raise awareness about cardiovascular disease and stroke. While women and minorities bear a major portion of the cardiovascular disease burden, they are often unaware of its life-threatening symptoms and are diagnosed at later stages of the disease, and they may not receive appropriate medical care or follow-up services. Addressing risk factors such as elevated cholesterol, high blood pressure, obesity, physical inactivity and smoking will greatly reduce women's risk of disability and death from cardiovascular disease.

Congress needs to do its part to make sure that doctors, patients and all Americans are educated about the symptoms and dangers that women face and all Americans face from heart disease and stroke. Very soon, I will introduce the Stroke Treatment and Ongoing Prevention Act, or STOP Stroke Act, in the House, so that we can raise public awareness of the disease and its symptoms.

Mr. Speaker, I also want to highlight now a few of the initiatives that address cancer treatment and research. Along with heart disease and stroke, cancer is a serious threat to women's health. As a member of the House Cancer Caucus, I joined with 44 of my colleagues to write to HHS Secretary Tommy Thompson to express our support for expanded Medicare coverage of positron emission topography, or PET scan, for women's health. PET is a powerful clinical tool that can assist health care providers in making lifesaving diagnoses and determining the most effective treatment for women with breast, ovarian, uterine and cervical cancers. I am hopeful that Secretary Thompson will support this effort.

In addition, I am a proud cosponsor of the bill authored by the gentlewoman from Connecticut (Ms. DELAURO), which would require minimum hospital stays for women after mastectomies. In addition, I cosponsored two other initiatives this year relating to breast cancer funding and research.

The Breast Cancer Research Stamp Act extends the Breast Cancer Research semipostal stamp through the year 2008, and the Breast Cancer and Environmental Research Act studies the links between environmental factors and breast cancer. It is so important to keep in mind that increased research on these and other women's health concerns can and surely will improve the quality and length of our lives. For all of these reasons, we must continue to work together in a bipartisan fashion to ensure that women's health remains a high priority on the congressional agenda.

Mr. Speaker, I look forward to hearing from my colleagues in the Women's Caucus as the days go by on these and other issues that pertain to women's health.

HIV/AIDS IN AMERICAN WOMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, I too come to the floor this evening to discuss a serious women's issue at a time when the women in the House are focused, as we approach the end of the session, on health issues. I want to remind the House that it is time to get serious about HIV and AIDS in women in the United States.

I have come to the floor with shocking statistics about AIDS worldwide where 50 percent of those with AIDS are women and, in Africa and Asia, whole continents are being engulfed with the disease. But we have not done our work here, and so with this emphasis this evening on health, I want to focus on preventing a preventable disease in women. What began as a so-called homosexual disease, we have quickly found out was a universal disease. But we have not targeted information and education about AIDS in women as a women's disease, and that is what this is.

There are two groups of women we need to focus on especially, very young women and women of color, because that is where the epidemic is. Among very young women between 13 and 24, half of the reported cases are women, 49 percent. And women of color, black and Hispanic women, are only a quarter of the population, but they are three-quarters of the AIDS cases. This is a wake-up call, I say to my colleagues.

What to do? First, we have not reached many women once. We have had better luck reaching men, because we have targeted them. After we reach them once, we had better reach them every 3 or 4 years, because as a whole new group of young women and young men, they never got reached in the first place, because they were too young. That is the way this sexually transmitted disease works. If they only knew. It is what they do not know that will hurt them.

Forty percent of women are infected through a partner. They do not know that what the partner does with bring home the disease. Twenty-seven percent are infected through needles. If they only knew. If they only knew that if they press their communities to have programs that are explicit about this disease in shelters for runaways, in youth detention centers, in schools, we could begin to reach girls. This is where the young women are. This is where the women of color are.

What can we do in this House? Let us hasten the science on the female condom. It is time women took control of preventing this disease, and the female condom, with NIH working much more aggressively on it, would be one way. Microbicides that a woman can use quickly to destroy the virus before it takes hold, and combination antiretroviral therapies that can reduce the risk to newborns. Only 5 percent of newborns get the disease by transmission from the mother if women have access to these therapies.

Mr. Speaker, it costs $10,000 to $12,000 a year to take those pills after one gets the disease. We are talking about a disease that women do not have to get in the first place. We have not targeted them. First, we targeted homosexuals. That was wrong. We should have targeted the whole population, but we had some success targeting homosexuals, although that group is beginning to get the disease again.

Then we targeted men generally. We have targeted people of color without being very specific about who they are.

The fact is that nobody has targeted women of color, nobody is targeting very young women where the disease is spreading like wildfire and where the very young are quickly becoming half, half of all of those with the AIDS/HIV virus.

We come to the floor talking about diseases that we want more science about. We want more science about this. But most of the diseases we talk about, we cannot prevent. What makes this so heartbreaking is that we can prevent it. What makes it especially heartbreaking as to women is that they pass the disease on to their children.

We have not begun to work to prevent AIDS in women as we have in men. We have not begun to tell them the whole story. We who talk about sex all the time do not talk about the kind of sex that can kill people. It is time that we took a hold of this disease, as we can, especially as it now begins to spread and become a disease among the young where half of those getting it are women.

TRIBUTE TO SANDI HANSEN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Oregon (Ms. HOOLEY) is recognized for 5 minutes.

Ms. HOOLEY of Oregon. Mr. Speaker, I rise today to pay tribute to the life of Sandi Hansen who passed away on Sunday, August 26 at the age of 26. Sandi Hansen was a dear friend of Oregon who contributed passion and energy to the livability of the greater Portland metropolitan region. Throughout her career, Sandi kept her eye toward the future and worked to make our collective community one to be treasured by generations to come.

Sandi spent much of her career teaching school at Humboldt Grade School and Ockley Green Middle School in North Portland. She was active in the Overlook Neighborhood Association and a strong supporter of the Peninsula Trail, a key component of the citywide network of biking and hiking trails.

From 1990 to 1994, Sandi served as a Metro counselor at a time when Metro developed a 50-year growth guideline for the 24 cities and portions of three counties encompassed by the urban growth boundary. After the council approved the guidelines in December 1994, she said, "It is a little bit like looking back on Rome." Those guidelines now serve to shape the growth of our communities for the next 45 years in a responsible and reflective manner and have been lauded nationwide.

Sandi Hansen, a true community leader, made a difference for all of us. Sandi Hansen: friend, teacher, mother, and wife. Because of her commitment to our community and our State, we are all better off because of her. My condolences go to her family. Sandi Hansen will be sorely missed by all that knew her.

HONORING THE MEMORY OF F. DANIEL MOLONEY, SR., A GREAT PUBLIC HERO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. GRUCCI) is recognized for 5 minutes.

Mr. GRUCCI. Mr. Speaker, I rise with a heavy heart to honor the memory of a great public hero and a great public official, private businessman and community leader, and a dear friend from my hometown of Brookhaven, Long Island. F. Daniel Moloney passed away Sunday, August 26, 2001, at the age of 63 after a long battle with cancer.

Dan Moloney was known for his dedication and service to the community where he served with dignity and integrity as the Town of Brookhaven's receiver of taxes for the past 22 years, as a commissioner for 20 years of the Ronkonkoma Fire Department, and as the founder of Moloney Funeral Homes, the largest independent funeral homes on Long Island.

Francis Daniel Moloney was born in Bay Shore on December 22, 1937, to James J. Moloney of Limerick, Ireland, and Mary Lowe Moloney of Central Islip. After graduating from Villanova University, he did graduate work at C.W. Post College and attended the American Academy-McAllister Institute. He earned his nursing home administrator's license and was a New York State licensed funeral director.

With only $24 in the bank and working as a substitute teacher in the Brentwood and Centereach school districts and a midnight shift at the Central Islip state hospital in order to support his family, in 1962, Dan Moloney founded the Moloney Funeral Homes in Lake Ronkonkoma. That business grew into the largest independent funeral home on Long Island with five different branches across the island.

Through all of his business growth and successful battles in fighting off larger corporations that bought out so many local funeral homes, Dan was always proud that he remained a small family business. Today, the fourth generation of his family continues to work in the business he founded.

Dan always had the passion to serve his community. In addition to volunteering for his local fire department, Dan was a member of the Knights of Columbus, the Loyal Order of the Moose, the Smithtown Elks, the Ronkonkoma Chamber of Commerce, the Ronkonkoma Historical Society, and the Order of Sons of Italy Guy Lombardo Lodge.

□ 2015

He also served on the Board of Directors of the St. Charles Hospital in Port Jefferson, and was a past President of the National Association of Approved Morticians.

Dan's activism and commitment to his community led him into public service. He was elected as the receiver of taxes for the town of Brookhaven in 1979, where he provided strong leadership in local government for 22 years.

Dan Moloney also had a love for adventure and the great outdoors. In addition to being an avid skier, boater, and golfer, he was proud that at the age of 50 he rode a bicycle the 480 miles from San Francisco to Los Angeles. Dan also hiked the 14,000-foot mountain ranges of Colorado, including Pike's Peak and Mount Quandry. He also loved participating in cattle drives.

Dan Moloney was one of those rare individuals that took seriously his role as a member of the community, instead of viewing himself as an individual. He took pleasure and pride in helping and serving others, and he enjoyed life to the fullest. Not just the citizens and taxpayers of the town of Brookhaven, but all of us who call Long Island our home, will sorely miss F. Daniel Moloney.

Mr. Speaker, I offer my condolences and that of the First Congressional District to his mother, Mary; long-time companion and friend, Cheryl Tully; his children: F. Daniel, Junior; Virginia Wagenknecht, Michael S., Kathleen Anderson, Peter G., Thomas E., Christine Lentz, and Melissa Moloney; his brothers, Jack and the late James; his daughters-in-law: Denice, Jacqueline, Abbie, and Christine; his sons-in-law: James Lentz and John Anderson; and his 17 grandchildren.

Goodnight, my friend. Sleep well. The world will be a sore place without you.

REGARDING VISIT OF PRESIDENT BUSH AND PRESIDENT OF MEXICO VICENTE FOX TO TOLEDO, OHIO

The SPEAKER pro tempore (Mr. CANTOR). Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, I rise this evening to include for the RECORD a letter that was sent today by myself to both President Bush and President Fox of Mexico.

Tomorrow will be an historic day here in this Chamber as we welcome the President of Mexico, Vicente Fox, to hear his remarks as the new President of Mexico. Following that address, both Presidents will then travel to our home district, the Ninth District of Ohio, the greater Toledo area.

With respect to their visit, we certainly want to extend an official welcome to both Presidents on their historic journey, and we look forward to their visit and to their remarks.

We also hope that both Presidents will listen and learn as our citizenry attempts to draw them into a dialogue about the conditions of workers and education in our region, and other concerns on the minds of our citizens.

We hope that, building on this trip, more important than any single day would be a request that we are sending to both Presidents to establish a working relationship between their administrations in the form of an intercontinental organization on working life and cooperation in the Americas, to actually set up a means by which we could deal with some of the unintended economic and social consequences of NAFTA in both nations.

The serious dislocation of millions of industrial and agricultural workers, as well as small- and medium-sized firms, demands serious and compassionate action by those sworn to serve their fellow citizens.

In our own region of Ohio, Michigan, Indiana, since NAFTA well over 115,000 more good-paying jobs have been lost to the maquiladora zone, where workers in that region toil for hunger wages and have no job security.

Ohio is among the top five States losing jobs to NAFTA, and nationally, since NAFTA, over 776,000 middle-class jobs have been relocated to the maquiladora zone.

Most recently, Phillips Electronics in Ottawa, Ohio, where we hope both Presidents will ultimately visit, is the latest plant that has announced its shutdown of large portions of production, terminating hundreds and hundreds of middle-class workers, those jobs going to Mexico.

Spangler's Candy in Bryan, Ohio, announced it will shift its candy cane line production to Mexico.

Last week in Chicago, Brach's Candy, employing 1,500 people, with a major segment of Latino-American workers, announced it is shutting down its centuries-old factory there and moving production south to Mexico, or possibly Argentina.

The displacement of high-paying middle-class manufacturing jobs across our country is fueled by NAFTA, and will only worsen if the proposed Free Trade Agreement of the Americas ignores the plight of workers. This is why we are pleading with both Presidents to set up a formal mechanism that intercontinentally deals with these serious distortions in our labor markets.

There are 3,200 firms in the maquilladora zone, and most of those employ largely women workers, have no freely-lected labor representation, no job security, and people work in high-productivity poverty.

The U.S.-Mexico border, meanwhile, is plagued more and more by alarming rates of tuberculosis on both sides, sewage effluent flowing into drinking water, moot environmental laws, and crumbling infrastructure that cannot bear the load being placed on it.

The root causes of the illegal immigration crisis in our country lie in deep and continuing disparity between the compensation and living standards of workers on either side of the border. Our continent needs a common minimum wage and common labor standards and common environmental laws that are enforced.

The chart that I have here this evening gives some sense of what has happened to the United States since NAFTA's passage. Prior to NAFTA's passage, we had a favorable trade balance with Mexico, which means that we were exporting more there than importing.

Since that time, what has happened is we have been racking up historic deficits with Mexico, and in fact, Mexico has become the export platform that we predicted. What the trade deficit translates into are thousands and thousands of lost jobs from our country, and the exports that go down there actually U-turn. They come back to us in the form of finished goods.

But the wages of the people in Mexico have actually gone down since NAFTA, and our wages have been stuck in this country for well over a decade.

In the countryside in Mexico, over 30 million farm families have been removed from their land simply because the trade agreement provides no soft landing for people who have eked out a living on their small ajita lands.

These people are moving across our continent. Hundreds and hundreds are literally dying, some at our border, some inside our country. We simply must have a task force on this international, intercontinental organization that I am proposing to deal with this agricultural issue.

Mr. Speaker, we will invite both Presidents to travel with us to the sites that I am talking about in both the United States and Mexico.

I include for the RECORD the formal letter we have sent to both of them, along with an article from today's Los Angeles Times entitled "Toledo's Plea to Presidents Bush and Fox: Don't let trade cost jobs."

The material referred to is as follows:

TOLEDO'S PLEA TO BUSH, FOX: DON'T LET TRADE COST JOBS

(By Megan Garvey)

TOLEDO, OHIO.—Even as President Bush and Mexican President Vicente Fox prepare to visit this industrial city known for strong unions, ethnic neighborhoods and fierce opposition to free trade, unemployment checks will be going out to workers laid off at the Jeep plant.

Bush plans to come here Thursday to tout his commitment to helping Mexican immigrants pursue the American dream and, the White House says, "again commemorate the very important role that Mexicans and Hispanic Americans play in our American culture.

With a Mexican American community that dates to the 1930s, not many in Toledo have a problem with that.

They just think that it's beside the point.

The point—what concerns Toledo's white majority, its sizable Mexican American population and even many of the undocumented workers who harvest northwestern Ohio's tomato and cucumber crops each year—is not immigration or culture.

It's jobs.

To many in this gritty Great Lakes port on the southwest tip of Lake Erie, free trade means the flight of jobs to low-wage places like Mexico. And although the U.S. industrial heartland has prospered in the years since the U.S.-Mexico border was opened through the North American Free Trade Agreement in 1994, Bush and Fox have chosen a dicey time to come to Toledo: The manufacturing recession that began about a year ago is taking its toll here.

And Ohio is losing jobs as companies move to Mexico for its cheap, nonunion labor—from a Mr. Coffee plant that lost about 320 jobs, to Amana's kitchen range plant where almost 645 more positions disappeared. Then there is DaimlerChrysler's Jeep plant, where union workers who thought they had guaranteed jobs are being laid off, even as the company spends $300 million to expand its Toluca, Mexico, plant to meet demand for the popular PT Cruiser.

"It's not about race or ethnicity," said Toledo native Marcy Kaptur, a Democrat who has represented the area in Congress for more than two decades. "We're beyond all that. It's about economics."

Toledo officials, who bill their town as "A Renaissance City," have fought hard to keep jobs, cutting deals to entice new auto industry investment and pushing for a riverfront development zone, which is up for a vote.

Still, economic projections for the state and region show job growth mainly in low-paying service industry jobs. Manufacturing employment, long Toledo's backbone, has declined. And like other Rust Belt cities, the decline in high-paying manufacturing jobs translates into declining population: The city of Toledo has lost more than 20,000 residents since 1990, according to the most recent census figures.

While many here blame NAFTA, free-trade proponents point to figures that show Ohio's exports to Mexico have risen from $709 million annually to nearly $2 billion in the years since the pact was concluded.

EVEN MIGRANTS ARE LOSING WORK TO MEXICO

At Tony Packo's Cafe, a Hungarian place on Toledo's east side that makes it own hot dogs, the regulars say much the same thing.

"There is no doubt in anyone's mind here that free trade has cost good jobs. No doubt," says Ken Oehlers, 59, a retired teacher who grew up in the Old North End.

More surprising, perhaps, is that some of the migrant Mexican farm workers who gather tomatoes in the wide, flat field south of town for Heinz tomato paste, or cucumbers for the Vlasic pickle plant, echo that view.

Wages are so low south of the border, pickers say, that tomato-growing operations long based in the United States are shifting to Mexico. So migrant workers who come to the U.S. are losing out to Mexican workers back home.

In Toledo, local pride is important. Tony Packo's hot dogs, a visitor quickly learns, were the favorites of the cross-dressing Cpl. Klinger of "MASH" fame.

There is similar pride in the city's historical role in building cars—pride now mingled with a sense of betrayal. Workers think the new economy has not played fair with them, that it has not abided by its own rules.

DiamlerChrysler's decision to eliminate 1,500 jobs when it stopped manufacturing the Jeep Cherokee caught many local politicians and United Auto Workers leaders by surprise.

A few years before, the city went to great expense to persuade the auto maker to build a plant here to make the Cherokee's replacement, the Jeep Liberty. The deal came with massive tax breaks and other inducements, and, the people of Toledo believed, the promise to keep 5,000 union jobs in town.

But shortly after the Liberty plant opened, the Cherokee workers were laid off, rather than moved to other lines or given their own line converted for another vehicle.

What particularly galls locals is the fact that those jobs were cut even as the company has had trouble keeping up with demand for its retro-style PT Cruiser. The Cruiser's transmissions are made in Toledo, but the car is assembled in Mexico.

"We had a line shut down here that put more than 1,000 people out of work," said Larry Jamra, 58, a business owner who counts himself as one of the relatively few Toledo voters who supported the Republican ticket in the last presidential election. "But that's NAFTA—it put every business in a position of knowing they could do things for half the price in Mexico, and that's just good business."

Jamra grew up with Oehlers, the retired teacher, who says most people in Toledo aren't mad at Mexicans about what's happened. They're furious with the corporations.

"We don't see the standard of living being raised in Mexico," Oehlers said, "And wasn't that part of the point of free trade?"

Juan Perez Quiroz, a 48-year-old Mexican working on Toledo's rural outskirts, reflects what Oehlers and others see as the problem: Wages remain so low in Mexico, despite free trade, that coming north still pays, even for a low-wage field hand.

What's worse, even itinerant farm workers like Quiroz apparently are being undercut by desperate workers back home.

Midday in the August heat, Quiroz stands idle in a tomato packing shed.

When the pickers reported for duty at first light, the current crop was judged too small, and most were sent back to the camps for a forced day off; no pay.

Quiroz shrugs it off, having learned in the five years he has been making the trip north from his home in Mexico that this sometimes happens. College-educated, a retired agricultural engineer with a modest government pension, Quiroz still makes more in 12 to 16 grueling hours of packing fresh tomatoes than he could back home.

A QUESTION OF "DISBALANCE"

In Mexico his children are professionals: a lawyer, a soccer player, a college professor and a plant manager.

Still, when he considered his own economic future, Quiroz and his wife elected to make their way to U.S. farm fields where he can get $10,000 for eight months' work, more than three times what he could earn in the local tortilla factory in Mexico—the best job he could find there.

Quiroz, who plans to go with other migrant workers to see Fox and Bush speak, said he would tell his president that he can't live a good life in Mexico for the wages he can get.

"The main problem in Mexico is the disbalance," Quiroz said. "The price of products is more than the wages paid."

UAW local President Bruce Baumhower says he is up against that too. "Every one of the companies we've gone in to bargain with said, 'We could move down there and make it [their product] for nothing.'" Stories like his distress Rep. Kaptur, whose constituents still recall the time she took President Clinton to task for his position on trade, embarrassing him onstage in 1996 as he stumped for president in her hometown.

Kaptur—who has yet to hear from the White House about the trip to her district—won't get an opportunity to speak her mind when Bush and Fox visit a community center that serves a largely Latino clientele, and then the University of Toledo, where the presidents plan to speak about education.

Her feelings haven't changed, though.

"America's biggest internal conflict was the Civil War, which was fought over the expansion of the slave system into the West. All we've done with the trade issue is move the border," she said.

Many of her concerns are shared by Mexican American leader Baldemar Velásquez, whose Farm Labor Organizing Committee represents about 7,000 migrant workers. Velásquez said his members also believe the post-NAFTA economy has meant fewer decent-paying jobs.

"People try to paint those who are anti-NAFTA as anti-Mexican, and it's the exact opposite," Velásquez said. "A lot of these people can't see the forest through the trees. Without organized labor you lose that necessary tension between people driven to accumulate wealth and the workers who help them do that.

"In Mexico there is no tension—and if we allow that to become the standard then we are just going back in history."

Many credit Velásquez's presence with keeping Toledo's unions focused on economic disparities, not racial differences. Toledo, in fact, has been used as a model for other Midwestern cities grappling with rapidly expanding Latino populations.

Out in one of the cucumber fields, where the late-harvest cucumbers have grown too large to be considered premium—meaning small enough to be pickled whole—Velásquez talked about economic realities.

Under a hard-fought bargaining agreement won by his organization, workers get $28 per 100 pounds of premium cucumbers picked, plus $6.20 an hour minimum wage. In Mexico, the same yield would earn slightly more than $1 per day.

Velásquez agreed to participate in the presidential visit despite having turned down invitations to the Clinton White House out of fear, in his words, of being a prop, a "wooden Indian."

His reason: the chance to talk about general amnesty for undocumented immigrants.

"They can't come to town without hearing it from labor," he said.

"And I don't think they can talk about education without talking about amnesty and workers' rights. When parents don't have jobs or are underpaid or are hiding from immigration, those are all fundamental issues when you are talking about educating a child."

HOUSE OF REPRESENTATIVES,
Washington, DC, September 5, 2001.

President GEORGE W. BUSH,
The White House,
Washington, DC.
President VICENTE FOX,
Embassy of Mexico,
Washington, DC.

DEAR PRESIDENT BUSH AND PRESIDENT FOX: During this Labor Day week, and on behalf of our entire community, I extend an official welcome to you both on your historic journey here among us. We look forward to your visit and to your remarks. We also hope you will listen and learn as our citizenry "speak truth to power." Building on this trip, we look forward to establishing a working relationship with your respective Administrations to address continental issues of mutual concern. Please let me propose the establishment of an "Intercontinental Organization on Working Life and Cooperation in the Americas."

First and foremost, we seek your leadership and engagement on the economic and social consequences of NAFTA in both nations. The serious dislocation of millions of industrial and agricultural workers, as well as small and medium sized firms, demands serious and compassionate action by those sworn to serve their fellow citizens. In our region (Ohio, Michigan and Indiana) post-NAFTA, over 115,621 good paying jobs have been lost to the maquiladora zone, where workers toil for hunger wages and have no job security. Ohio is among the top five states in our union losing jobs due to NAFTA (37,694). Nationally, since NAFTA, over 776,030 middle class jobs have been relocated to the maquila zone. Philips Electronics in Ottawa, Ohio, the latest plant to announce a shut down in production, will terminate hundreds of middle class workers. Spangler's Candy, in Bryan, Ohio, has announced it will shift some of its candy cane production to Mexico. Last week in Chicago, Brach's Candy, employing 1,500 with a major segment of Latino-American workers, announced it is shutting down its century old factory there, and moving production either to Mexico or Argentina. The displacement of high paying, middle class manufacturing jobs across the U.S. is fueled by NAFTA, and will only worsen if the proposed Free Trade Area of the Americas agreement ignores the plight of workers. With NAFTA and FTAA, only investment is given free rein in our hemisphere. Our goal is "Fair Trade, Free People."

Meanwhile, 3,200 multinational firms located in the maquiladora zone have shaped the modern scourge of the dreaded sweatshop. Nearly one million Mexicans, largely women, work in high productivity poverty, with no freely elected labor representation, no job security. The U.S.-Mexico border is plagued by alarming rates of tuberculosis, sewage effluent flowing into drinking water, moot environmental laws, and crumbling infrastructure that cannot bear the load being placed on it. Grinding poverty drives the immigration that is a primary subject of your visit.

The root causes of the immigration crisis lie in the deep and continuing disparity between compensation and living standards of workers on either side of our border. Our continent needs a common minimum wage and common labor standards. Trade agreements MUST recognize and include labor rights in the central bodies of their accords. No nation of conscience should ignore the plight of the dispossessed, the worker without representation, the small holders and campeisinos and indigenous people who have no voice. As the powerful force of capital moves across borders so must labor have equal status in any economic accord. Further, NAFTA remains seriously deficient in providing structural adjustment assistance to cushion intercontinental economic integration.

Trade relationships should yield mutually beneficial economic and social benefits, not a legacy of growing political instability. Our U.S. trade relationship with Mexico is becoming increasingly distorted. Before NAFTA, the U.S. held a $3 billion surplus with Mexico. Post NAFTA, the U.S. surplus has turned into a growing cumulative deficit of over $140 billion, with last year's record high of $30 billion. In Mexico, we have witnessed the devaluation of the peso, wage cutbacks, and now job terminations in the maquias due to a U.S. economic slowdown. Indeed, northern Mexico has become the low wage export platform to the U.S. that opponents of NAFTA predicted. Nearly 90% of maquila production is exported back to the U.S. (and nearly the same from our Canadian counterparts) as Mexico becomes a vast importer of goods from Asia. Long term, this is an economic relationship that is damaging to our continent. The current economic arrangement means the workers of Mexico cannot afford to buy what they make, and their U.S. counterparts lose their living wage jobs as the downward pressure on remaining jobs continues unabated. High productivity poverty with hunger wages in Mexico and displaced U.S. workers do not good neighbors make. As the slogan reads, justice must come to the maquiladoras.

In the countryside, the story is even worse. Over 30 million Mexican farmers are being cruelly uprooted from their historic lands. This is a continental sacrilege of enormous proportions. Some, understandably, escape across our border. Some die in the Arizona desert. Others seek shelter in Mexico City's sprawling metropolis as overextended local services strain under the crush of rapid population growth. Last year, over 360 Mexicans seeking refuge or work died at our border. What kind of cruel economic system is it that tramples on their humanity and pits then against farmers and workers in our countryside who have labored for a century to gain sustenance and a decent way of life, collective bargaining rights, and dignity in the work place? An Intercontinental Agricultural Working Committee must be included as a key component of the Intercontinental Organization I propose.

President Bush, I understand that during your visit to our community you seek to discuss "common problems on our border, problems with drug interdiction, problems with environmental issues, problems with water and immigration." I can assure you that every single one of these problems arises from a flawed NAFTA agreement that leaves working people and the social compact out of the investment equation. It took our nation nearly a century, and a Civil War, to reject a form of indentured servitude in which workers were chattel. Our society still bears the scars of that war. In Mexico, I have witnessed the fear of workers bound to an economic system in which they hold no independent voice, where independent collective bargaining for the value of their work is impossible, and where their hard work and high productivity yield only more poverty. Here at home, I have witnessed our middle class workers who have struggled to build a way of life have the rug pulled out from under them by forces beyond their control. This surely cannot be your blueprint for our continent in this new millennium.

Something is seriously wrong when workers do not earn enough to buy what they make. It troubles me greatly that in Toluca, Mexico workers who assemble the popular PT Cruisers for DaimlerChrysler do not earn a living wage; every single one of the cars they build are shipped to the U.S. Reciprocally, it bothers me greatly that Toledo's DaimlerChrysler workers who attempted to bid on some portion of backlogged PT Cruiser production were summarily turned down. Since all the production from the Toluca plant is sent through the backdoor into the U.S., why shouldn't the workers in both plants be covered by the same collective bargaining agreement, along with their supplier firms? Otherwise, all that production yields from a continental standpoint is a race to the bottom for the workers.

Equally, in the countryside, it troubles me that northwest Ohio's fresh tomato and pickle businesses are increasingly threatened by Sinaloa plants and packing sheds. Yet field workers in both nations have no hope of a better life as their production is pitted against one another and they compete for survival wage jobs. Again, our continent needs an open forum in which to address and grapple with these serious questions.

Finally, I extend to you both an invitation to travel with bipartisan delegations from both countries. Let us tour U.S. and Mexican production sites, industrial and agricultural. Let us freely hear from the workers. Let us for the sake of the common good explore openly the dimensions of NAFTA that must be repaired. Let us do what is just. We should strive for an intercontinental accord that elevates our people, not exploits them, that uses the power of economic development and the marketplace to spur the necessary social and physical infrastructure to build great nations and treat our people with respect.

Pope John Paul II captured the essence of the challenge before us when he wrote:

"The market imposes its way of thinking and acting and stamps its scale of values upon behavior."

"What is happening is that changes in technology and work relationships are moving too quickly for cultures to respond. Social, legal and cultural safeguards are vital."

"Globalization often risks destroying these carefully built up structures, by exacting the adoption of new styles of working, living and organizing communities."

"Globalization must not be a new version of colonization."

The Pope stressed that on its course towards globalization, humanity cannot do without an ethical code which must be "wholly independent from financial, ideological or political partisan views. . . . Humanity can no longer do without a common code of ethics."

To this end, I would dedicate my full energies, as would the people of our community.

Most sincerely,

MARCY KAPTUR,
Member of Congress.

THE STATE OF AMERICA'S BUDGET, THE FATE OF THE BUDGET SURPLUS, AND DILEMMAS TO COME

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Maine (Mr. ALLEN) is recognized for 60 minutes as the designee of the minority leader.

Mr. ALLEN. Mr. Speaker, I rise tonight to discuss the topic that is foremost on the minds of many Americans, which is the state of our budget, the question of what happened to the surplus that existed in this country in the Federal budget only a few short months ago, and the consequences of the change and the dilemmas that we face over the next few years.

What has happened recently, of course, by now is well known. Both the Office of Management and Budget and the Congressional Budget Office have come up with revised projections of the surplus for this year and for the next 10 years. Those surplus projections are, of course, dramatically different from what the President was saying and what my friends on the Republican side of the aisle were saying just a few short months ago.

As an example of the kind of statement that the President was making when he was traveling across the country pitching his tax cut, I thought I would give this example of what he said in Portland, Maine, in my district on March 23 of this year.

This was his basic argument. He said, "Now I know these numbers sound like a lot, but this is reality I'm talking about. We have increased discretionary spending by 4 percent, we pay down $2 trillion worth of debt, we set aside $1 trillion in the budget over a 10-year period for contingencies, and guess what, there's still money left over, and that's the debate. The fundamental question is, what to do with it."

Today we know there is no money left over. Apart from some small surplus over the next 5 or 6 years in the

Medicare and Social Security accounts, a very small surplus, there is no surplus over the next 5 years. In fact, almost all of what remains of the surplus is in fact a Social Security surplus that is primarily in the second 5 years of the next decade and not in the next 5 years.

What I want to do tonight is to begin by focusing on some of these statements. The first one worth calling attention to is the statement of the President that "We have increased discretionary spending by 4 percent."

Let us look at the reality. At the time, March 23, when he made this statement, the President had not submitted a budget for defense. As we all know now, he asked for a major increase in defense spending, over $30 billion.

Let us take a look for a moment at a chart which shows or which compares this Administration's budget request to the last year of the Clinton administration's budget request. The Clinton administration asked for $38 billion in fiscal year 2001, the year in which we are in, above budget outlays in fiscal year 2000; $38 billion more last year. Of course, our current President has roundly criticized President Clinton and the previous administration for being big spenders, for spending out of control.

Members will note that that budget request is about a 6.7 percent increase in budget authority over the previous year. That is what President Clinton was asking for in his last year. Who is the big spender here? President Bush's request is $44 billion, $6 billion more than President Clinton requested in his last year in office.

This $44 billion represents the extent to which that is the increase in budget outlays requested by this administration for fiscal year 2002 above the fiscal 2001 budget: a $44 billion increase. That works out to almost around a 7.2 percent increase in budget authority.

When he was back in Portland in May, and in fact in speeches all around the country, the President said over and over again, "We are only asking for a 4 percent increase in discretionary spending, only 4 percent, and that is a reasonable. That is far less than the Clinton administration was asking."

But when the defense request rolls in and is considered, the President, this President, is actually asking for a bigger increase in spending than the previous administration did in its last year in office. That is part, but only part, of the problem.

Let us go back to another part of the statement that President Bush made in Portland, Maine, on March 23. He said, "We set aside $1 trillion in the budget over a 10-year period for contingencies, and guess what? There is money left over."

I have been reading the newspapers, as any other American in the last month and a half, and I have not heard one word, not one word, either in the press or from this administration, about the $1 trillion in contingencies. Whatever happened to the $1 trillion contingency fund? Surely a slight decline in economic productivity, a decline in economic growth in this year, which should have been able to be handled by $1 trillion in contingencies.

□ 2030

Well, as the ad says, not exactly. There was not exactly a $1 trillion fund for contingencies; and in fact, it was not there at all. Those contingencies were, in fact, obligations, and not all of them that we will have to meet in this Congress and with the administration over the next 10 years. There was no trillion dollar fund, a true contingency fund. It did not exist in March, and it clearly does not exist today.

Let us talk about what the situation is today. The truth is that this year, the fiscal year that ends on September 30, is very different from what it was projected earlier in this year. This year, the Government will tap $29 billion from Medicare surplus taxes and $9 billion from Social Security revenues simply to fund government operations for fiscal year 2002, for the coming fiscal year.

Over the next 5 years the President's tax cut and the decline in economic growth together will force a $30 billion diversion from the Social Security Trust Fund and a $170 billion diversion from the Medicare Trust Fund. These are uses of Medicare revenues and of Social Security revenues that virtually every Member of this House pledged not to do. Virtually every Member of this House stood up and said we are going to protect Social Security revenues, excess revenues, Social Security surplus, and we are going to protect the Medicare surplus; but today, it is very different.

These are, of course, CBO projections, the recent CBO projections; and, in fact, they are too conservative themselves to actually be realistic. Why? Because the way CBO does its projections, it assumes that there will be no change in existing law, and we know there will be changes in existing law.

Let me give a few examples. These baseline estimates do not assume any of the additional spending included either in the budget that President Bush has presented or the congressional budget resolution for defense, for education, or for a prescription drug benefit under Medicare. Those increases are simply not included in the CBO projections.

In fact, some of that funding will occur; and so the problem we have is one that was created by the fact that, as many of us said back in March and April, the President's tax cut was too big to be responsible budgeting. We also argued it was too weighted to the wealthiest Americans, which it was and which it is.

Fundamentally, we argued at the time, we said over and over again, this will use up all of the available on-budget, non-Social Security, non-Medicare surplus; and as we said repeatedly, we have agreed not to use surplus funds for Medicare and Social Security.

Today, we know that the President's tax cut has threatened that possibility. I am not talking about the $300 or the $600 tax rebates that about 60 percent of American taxpayers have received or will receive. That is a relatively small factor in the problem that we face.

What I am talking about is what happens over the next few years. Over the next few years, compared to the last eight, during the greatest period of economic expansion in our Nation's history, what is happening over the next few years is we will divert billions and billions and billions of dollars to people in this country, the wealthiest 1 percent who earn over $300,000 every single year.

Though we have enormous problems in this country, problems with finding qualified teachers to teach our young people, problems with ensuring that people who graduate from high school and want to go to college can actually get there and get the education they need to be productive citizens in this world, problems with those seniors in my district and all around the country who look at people who are employed who have health care, who get prescription drug coverage through their health care plan, they say to me, why do we not have prescription drug coverage through our health care plan, which is Medicare.

Those people need some help. They deserve some help. It is outrageous that the wealthiest country in the world at the time, until just recently, of its greatest prosperity, cannot somehow find the resources to provide our seniors with a prescription drug benefit that is comparable to the benefit that those Americans who are employed, who are working, have for a prescription drug benefit through their own insurance.

What is fair for our working people ought to be fair for our seniors. But back for a moment to the CBO projections.

As I said, the CBO estimates do not assume any additional spending included in the Bush budget or the congressional budget resolution for defense, for education or for Medicare prescription drugs. The figures also omit the cost of extending expiring tax credits, funding anticipated emergencies for natural disasters, or paying for the $73.5 billion farm reauthorization bill for which the budget resolution provided.

Let us look at what this means over the next few years. The President's budget alone plus his tax policies and spending requests invades the Social Security surplus for the next 6 years for a total of $128 billion. It invades the Medicare surplus for the next 8 years for a total of $304 billion. This year, fiscal year 2001 ending on September 30, the Government must tap $29 billion from Medicare and $9 billion from Social Security to fund routine government operations.

Now, one of the reasons that that is true in fiscal year 2001 is this administration, knowing that it faced a shortfall in next year, fiscal year 2002, they delayed the date on which certain corporate income taxes would have to be paid from September 30 to October 15. That is a gimmick. We can only do this once. The effect of that was to move $33 billion in current revenues to the next fiscal year in revenues. When we move that $33 billion, we are very close to creating the deficit that we have created in the current fiscal year. That kind of gimmick which now it appears this administration has adopted in a number of areas is irresponsible budgeting.

Let us go for a moment to a different chart. Let us go to a chart which talks about the impact of the surplus over the next several years. As this chart shows, the Bush budget wipes out the surplus. There is going to be a lot of debate in these Chambers about what happened to the surplus, not just what happened to that supposed $1 trillion contingency fund, but what happened to the surplus.

It was not so long ago that people were saying we can see surpluses as far as the eye can see. Now they are gone. They are all gone. Here is basically what happened: the CBO in May 2001 baseline showed a surplus of $2.745 trillion. Now, what has happened to that? Well, $1.66 trillion of that is the total cost of the Bush tax cut. Then we have had an economic slowdown. That is also a factor. The economic slowdown and certain technical factors have caused us to lose another $639 billion or .639 trillion dollars.

Now you have additional funding requests from the President of .767 trillion or $767 billion, and it is the combination of these three factors that drive us into deficit over a 10-year period. Let me say a little bit about that surplus. This deficit and the surpluses are not distributed evenly over the next 10 years. In fact, if you look at a chart that shows year by year what happens to the surplus, in fact, there is either a deficit or a minuscule surplus for the next 5 years, and then you have a projected surplus over the second 5 years of the decade with the largest surplus of all, over $200 billion in the final year.

Well, why is the largest piece of surplus the tenth year out? Well, another gimmick because basically what happened when the tax cut was passed, the House passed a $1.6 trillion tax cut. The other body passed a $1.35 trillion tax cut, both of them calculated over 10 years. But when the conferees got together, they liked tax cuts so much, not just the $300 and $600 rebate this year, but tax cuts for the wealthy extending out over the 10-year period that really drained enormous amounts of revenue from the Federal budget, making it extraordinarily difficult to meet the educational, the health care, the environmental, and the job-training needs of our population.

When you look at that last year, you will find that the tax cut sunsets on December 31, 2010. So that the last year of this coming decade is one where the estate tax is back just as it is today, where the tax rates are back just as they are today. All of the tax code changes that are passed in the President's tax cut bill are eliminated and the tax code reverts to what it is today.

Why was that done? Well, it was done to keep all the tax breaks and yet to stay within a $1.35 trillion number. That gimmick makes all of these budget numbers look actually better than they are in the real world.

In the real world this country faces some enormous challenges. This is going to be a difficult fall. I think Members on both sides of the aisle agree because we have gone from surpluses from the non-Social Security, non-Medicare accounts to deficits; and we have done it within just a few months of this administration's election to office. We have done it primarily, not exclusively, but primarily because the size of the Bush tax cut was so large as to be completely irresponsible.

That is why back in March, back in April, back in May so many of us on the Democratic side of the aisle were saying we ought to have a tax cut, we ought to have a large tax cut. It ought to be about $800 billion. If we had set aside a tax cut, if we had done a tax cut of $800 billion, we would not be running into deficit projections now. We, in fact, would have those funds to make sure that Social Security and Medicare would be shored up over the next few years and not at the risk of being weakened simply because of our irresponsible budgeting. We would be looking at fully funding special education.

I do not know anyone, Republican or Democrat, who is not hearing from people in his district about the need to live up to our commitment to fully fund special education at the 40 percent that, frankly, was the goal when the special education IDEA Act was enacted in 1974. But if the money is not there, if the surplus is gone, it will not happen. That is what we were saying.

We were saying that you cannot project over 10 years with any degree of confidence. Boy, were we right about that one. We did not have to wait 2 years or 4 years or 5 years or 8 years to test the accuracy of these projections. In just 3 months, in just 3 months the numbers change dramatically. As you can see right here, minus $639 billion dollars over 10 years, a change in the projection in just 3 months. But it is that kind of change that many of us were saying, you cannot predict the future with any degree of confidence; and, therefore, what we need to do is to be cautious, not have a tax cut so large that it eats up all of the budget surplus and causes us to dipping into revenues from Social Security and Medicare. We argued then it was irresponsible, and it is more clear than ever today that that course of action was, in fact, irresponsible.

I see that I am joined by a couple of my colleagues here tonight, and I want to recognize them in a few moments. I think I would like to close these brief remarks by saying this.

□ 2045

When Members look at what is happening with the tax cut, so large that it is jeopardizing our fiscal health, so large that it is making Alan Greenspan's actions at the Fed not as effective as they might be because people understand if we are moving straight to deficit as projections of surplus, long-term interest rates are going to stay up; and for businesses, for homeowners, for all of those people who borrow over some extended period of time, if long-term interest rates are going to stay up, we are not going to do as well. The Federal Government is going to be paying higher interest. The businesses will be paying higher long-term interest rates. Homeowners will be paying higher long-term interest rates.

Remember, this economy took off in 1993. This Congress and the administration said, we are going to cut spending and make sure that the very wealthiest Americans pay their fair share of taxes. What happened? Interest rates went down and the deficits turned into surpluses, and the economy took off. It is the reversal of those fundamental policies which is jeopardizing the economic health of this country which is so serious.

We are going to be debating in the— next last few weeks and perhaps months about the budget. It is really fundamentally a debate about the future. Fundamentally it is a debate about whether we are going to reduce the amount that we spend together on those things that we can only do together.

What am I talking about is, Abraham Lincoln said in 1854, the role of governments is to do those things that a community of individuals cannot do or cannot do so well alone. We cannot create a public education system one by one, and yet every business in this country depends on having a well-educated, well-trained work force.

We cannot take care of our seniors one by one, individually. That is why Medicare and Social Security were created.

We cannot do an interstate highway system, we cannot provide for the common defense, we cannot lift up this country so that individuals in this country can reach their full potentials unless we use our government, as well as other voluntary associations, to do things together that we cannot do as individuals.

The fundamental theory underlying the President's tax cut was that we take every dollar out of Washington, and that is good. Even if that dollar would educate a kid who cannot get Head Start now because there is not enough money to serve every kid who qualifies for Head Start, even if that dollar would help seniors pay for prescription drugs when they are not taking their medicine now because they have to buy food instead, even if that dollar represents a loan to someone who could then go on and get the college education that they feel they need. That is what this country ultimately is all about. We are here somehow to help each other lift each other up, to hang together on things that are of fundamental public importance.

But this tax cut was about me and not about we. The health of this country depends on getting back and moving from me to we, from doing well, investing in ourselves, investing in this country, making sure that the people of this country have a fighting chance to get ahead. They cannot do that. They will not do that. They have no chance to do that. If the Federal Government slides back into deficits, if we cannot fund education, if we cannot fund health care and shore up the infrastructure of this country and provide opportunity for all of the people who live here and to our children.

The last thing we wanted to do was to shift expenses, shift costs from this generation to our children, but the President's tax cut was so large that is exactly what it is doing. Unless we make changes and unless we figure out how to get out of this problem, we are right back in deficits and we are jeopardizing the future of this country.

Mr. Speaker, I yield to the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Mr. Speaker, first of all, I congratulate my colleague for bringing to the Nation this Special Order with regard to the budget and the dilemma that we find ourselves in this evening.

The gentleman from Maine (Mr. ALLEN) has been in the forefront of working on these issues and making the public aware, and I am happy to join him.

Mr. Speaker, our Nation is facing a serious shortfall in the budget. This is because the Congress and the President have chosen short-term reward over the long-term benefit of paying down the debt and protecting Social Security and Medicare. There are colleagues of mine in the Congress who have not joined in this and have fought against the tax cut and against the proposed budget. But the majority of Congress unfortunately went along with the President on that tax cut, and we are all paying for that today.

Since February 7, 2001, I have been on record stressing the importance of protecting retirement security and enacting a prescription drug benefit. I want all Americans to see every penny they earn working for them.

Social Security is our system to protect retirement benefits for older people. Medicare provides seniors with health benefits. What could be a better use of our surplus than long-term security? If Americans could be guaranteed to pay $300 or even $600 and not have to worry about their retirement savings or health benefits from now to one's last years, Americans would do it. Many poorer Americans are told they need that $300 check, but that money is nothing if Members think about the benefits that could be accrued if we collectively joined our money into a pool that would, in fact, fund a prescription drug benefit for seniors.

Thanks to the administration, we are all getting our refund checks now, and maybe some of us are able to put more money to our credit card debt, buy a little something for our homes or a luxury like a new pair of shoes. Then what? Can Americans take a prescription out of a bag of shoes? Can Americans take a prescription out of a luxury car? I think not.

Thanks to the President's refund and the state of our economy, the government is facing financial shortfalls. Instead of operating in a surplus and each party claiming credit, we are blaming one another for a deficit. The other party's leaders choose to ignore the advice of economists forecasting a shrinking surplus, and all indications are that the economy has begun to slow.

The surplus was once expected to be about $125 billion. The Congressional Budget Office is estimating the present surplus is nearly zero. Things have changed over the last 3 months. The White House is spinning blame to the Congress, but it is unwilling to accept the fact that the President's tax cut has eaten up the surplus. Just like an 800-pound gorilla would go at a banana, it is all gone.

I join the gentleman from Missouri (Mr. GEPHARDT) and Senate Democrats in urging the President to resubmit a budget. America needs a budget reflecting the current downturn in the economy and the lack of a surplus.

Yesterday I held a prescription drug forum in my district with my colleague, the gentleman from Ohio (Mr. BROWN) who serves on the Committee on Energy and Commerce. Together we discussed the issues of prescription drugs from their availability to the over-prescribing by many physicians and ways to make them more affordable, as well as potential legislation to correct the problem of exorbitantly high drug prices.

The event was highly informative, and I encourage my colleagues throughout the country to hold a similar event. I had more than 250 seniors gathered at the Jewish Community Center to talk about the issue of prescription drugs. I will continue to hold events to allow seniors in my district to air their grievances and help formulate answers on this issue.

The money that the President's tax cut will take out of the budget surplus affects these seniors. They are seeking a prescription drug benefit, seeking help to make ends meet and still be able to afford their medication. The Bush budget not only does not allot money for Social Security, but takes their Social Security and Medicare money away. They do not need $300 to spend. This will not buy more than one prescription in many instances, because drugs for senior citizens are very expensive, and they are not able to afford them once they are placed on that prescription.

The tax cut is like a classic Trojan horse. The President is trying to convince us that he has delivered a lovely gift to the American people. But once inside the gate, this gift will prove to merely camouflage far more sinister designs: windfalls for the wealthy and a return to the bad days of deficits and inadequate funding.

How many employers of a business would award job bonuses to employees for the next 10 years in a row in advance, based on projected business income? We all know that is not good business sense. We tried this before, this whole thing about trickle-down economics. Remember the promise: If we give money back, the money will trickle-down to the most in need. Remember what happened: We found out that the poor got poorer and the rich got richer.

I just say to the American public that are listening this evening, we are pushing this President to reconsider the budget which has been submitted. The people who are most in need of help from a governmental budget are our seniors who have paid their taxes, who have worked very long and are being forced to spend their personal dollars down to nothing in order to get a governmental benefit.

I call upon my colleagues and the rest of this Congress and the Senate to do what is best and what is important, and I call upon this President who kept talking about throughout his campaign that he was going to help those most in need, to do what is right, resubmit this budget, put in a prescription drug benefit and make our seniors know that we love them, want to support them and encourage them.

Mr. Speaker, I thank my colleague, the gentleman from Maine (Mr. ALLEN) for the opportunity to be heard.

Mr. ALLEN. Mr. Speaker, I appreciate the gentlewoman's comments. They help shed light on what the gentlewoman's constituents and many others are facing.

Mr. Speaker, the President's tax cut is the primary reason for the elimination of the surplus within just a few months of his administration. Now that we are in this predicament, it is up to him to come forward and say, how do we deal with this.

During the campaign, the President said I will not touch $1 of the Social Security revenue. A few weeks ago, on August 24, 2001, he conceded that he might have to invade the Social Security surplus in time of war or recession. We are certainly not in a recession now.

Yesterday he said that he would not do anything that would invade the Social Security surpluses, but the Congressional Budget Office numbers say we are and we are doing it now. We are doing it this year, and there needs to be some leadership from the White House to explain how we possibly get out of this predicament.

The gentleman from Wisconsin (Mr. KIND) is here today, and I yield to the gentleman.

Mr. KIND. Mr. Speaker, I thank the gentleman from Maine (Mr. ALLEN) for organizing this Special Order and commend the gentlewoman from Ohio (Mrs. JONES) for the leadership that she has shown on important issues affecting Americans across the country, the Social Security and Medicare programs which are vitally important, the passion that she has for instituting a real prescription drug plan, which was on everyone's agenda in last year's campaign.

Vice President Gore, virtually every Member of Congress, when we were running for Congress last year, were talking about the need to deal with the rising cost of prescription drugs, but no one has highlighted this issue more than the gentleman from Maine (Mr. ALLEN), who organized this Special Order.

He saw this problem quite awhile ago, and saw the impact that this was having on seniors on fixed incomes. He has been providing leadership in this Congress in trying to institute a bipartisan prescription drug plan, as well as talking about the importance of maintaining the solvency of Social Security and Medicare. That is really what this discussion is about tonight. That is why I commend the gentleman from Maine for talking about it.

Mr. Speaker, it is all about how do we, given the current situation, the economic slowdown and the budget numbers that we are facing, maintain fiscal discipline in this Congress so we can maintain the solvency and protect the sanctity of the Social Security and Medicare programs.

□ 2100

The way I see it, the greatest fiscal challenge our country is facing today is the fact that we have an aging population, a population that is getting older, and a baby boom generation who will all start to retire at basically the same time, 2015, 2020, thereabouts, and they will all be bigger, these programs, Social Security and Medicare, at about the same time. So what can we do today in order to deal with that advent we know is going to come and is going to hit our country but especially affect our children and our grandchildren that is going to make sense?

One of the areas is maintaining fiscal discipline. That is why it took so long in order to turn the corner and be able to start walling off both the Social Security and Medicare trust funds. It is a pledge that virtually every Member on this floor has made over the last few years. It is a pledge that the current administration and the President in the White House now made in last year's campaign, and it is a pledge that is in serious jeopardy today in light of the new Congressional Budget Office numbers. These numbers are important, because the issue is one that is very simple, and that is being able to protect these trust funds and keep its dedicated purpose for reducing the publicly held national debt.

Why is this so important? The question before us is will it be easier for us to deal with the advent of the baby boom generation going into retirement if we also have to deal simultaneously with paying off all the Federal IOUs that are in our Federal debt today? I submit that that is an impossible proposition to meet, dealing with the aging population, with the huge inflow of the population in Social Security and Medicare, paying off those IOUs that are currently in the trust fund while at the same time we are being asked to pay off the Federal debt and the publicly held Federal debt.

That is why it makes such good sense, fiscal sense, to take this opportunity now of preserving this trust fund money, reducing the national debt, so we are on much sounder fiscal footing to deal with the aging population. That is really what this debate is about.

Yes, the President is correct in saying that dipping into the trust fund today is not going to affect the current payments going out to current recipients. That is true. Because IOUs are still going to be added to those trust fund accounts. But if the money behind the IOUs is meaningless and spent for other purposes, then why do we not just reduce FICA taxes today, still continue to throw the paper IOUs in these trust funds and deal with it when they come due which is what I am hearing the current administration basically proposing.

Mitch Daniels, the Director of the Office of Management and Budget in the administration, is basically saying that there is nothing inherently wrong with using the trust fund for a plus-up in defense spending, for instance, because the country is still going to meet those IOUs that are added to the trust fund.

But if we are not taking this opportunity to reduce the national debt today, it is going to make it very difficult to meet those obligations in the future. I think that is such a fundamental point in this entire debate. The difference in these numbers must be important whether we are looking at Congressional Budget Office numbers or Office of Management and Budget, the administration's budget numbers, because, correct me if I am wrong and maybe the gentleman from Maine has a better memory than this, but back in 1995 when the Republican leadership in Congress decided to take on the Clinton budget numbers, it was over the stated purpose that the Clinton administration was relying on their own OMB numbers to justify their budget calculations rather than relying on the Congressional Budget Office numbers.

Now we have the same situation today, where many of us are crying foul because of the bookkeeping and the gimmicks that are being played with OMB numbers, I mean some bookkeeping changes that have not been made in the last 35 years in order to pretend as if we are not dipping into these trust funds. I think there is some political rhetoric being used here in what numbers we are using, but the fundamental point is that I am hoping that this Congress and the administration working with us will be able to find a bipartisan solution to continue using the trust fund money to reduce our national debt so we are going to be in the fiscal position to deal with the aging population and the baby boomers when it comes time for them to retire and start entering these very important programs.

Mr. ALLEN. I had a couple of thoughts that were triggered by the gentleman's comments. First of all, the gentleman from Wisconsin is correct. It was the Republicans insisting on using CBO numbers and not OMB numbers because they said then the CBO numbers were more accurate than the OMB numbers. The same holds true today.

Mr. KIND. As the gentleman recalls, the ultimate outcome of that insistence back in 1995 led to the shutdown of the Federal Government. Because the leadership in Congress was insistent that the administration use CBO numbers rather than OMB numbers and it led to the shutdown of the government which as we later found out was not exactly popular with the vast majority of Americans throughout the country.

Mr. ALLEN. And not something we want to go through again. But there is a further point in that connection. I had another chart but I do not have it here today which shows that during the first Bush administration, the economic projections from OMB as to the health of the economy were always significantly above, about .8, .7 percent above the consensus private forecasts. That is about what the first year of this administration's projections of economic growth are above the private forecasts. So now under both the first Bush administration and now the second Bush administration, we see that OMB is more optimistic about the economy than the private forecasts.

You have to say to yourself, what is going on here? They are trying to make the numbers look good so the budgets look good so they can get through an immediate funding crisis. If you look at the Clinton administration, in the 8 years of the Clinton administration, only in 2 years were the OMB projections above the consensus private forecasts. In 2 of those years, they were exactly the same. In the other 4 years, they were actually lower. They were more conservative than the consensus private forecasts. One of the disturbing aspects of this administration in its first few months is that it looks and feels as if the Office of Management and Budget has become an arm of the spin machine, that numbers are being manipulated, not just numbers related to projections of future economic growth but numbers that make the accounting change in Social Security that the gentleman was referring to, the gimmick I mentioned earlier about moving $33 billion in corporate tax revenues from 2001 to 2002, all of these gimmicks, all of this manipulation is really a way to kind of make the numbers come out right.

But that is not the way we ought to be doing our budgeting. It is not conservative. It is not fiscally responsible. We ought to be getting the best numbers we can and then be arguing policy. But we should not have to be doing what we have wound up doing the first few months of this administration which is arguing about the accuracy of the numbers. That did not happen to anything like this extent before. It really is important that OMB get back on track with CBO and stop manipulating numbers because we have got a real problem.

Mr. KIND. These are not insignificant differences, a percentage point here, a percentage point there on projected economic growth. When you project it out over 4, 5, 10 years, these numbers explode on you. And so it is important that we deal with an accurate projection and description of what the economy is doing and forecasting. When you see the OMB starting to manipulate these numbers, have these gimmicks within the bookkeeping system that have never been tried before in the last 40 years, it undermines the confidence that many of us have in the numbers that the administration is using in order to justify their budget requests. And it makes it a much more difficult proposition then to work in a bipartisan fashion to reach agreement on these important issues. That is why many of us earlier in the year when we were discussing the merits of a tax cut of this size were using more conservative numbers. Many of us supported an alternative tax proposal, one that was based on more conservative economic figures because we felt it was prudent and made fiscal sense to hedge our bets a little bit because as quickly as the surplus can appear, many of us knew it could disappear.

Given the incredible size of our Nation's economy, a slight change in growth one way or the other was going to have a huge impact on budgetary decisions before this Congress. So many of us supported an alternative tax relief plan that would provide meaningful tax relief to working families, dealt with the marriage penalty, dealt with estate tax relief or family-owned businesses and family farms but within a more fiscally responsible framework, not of the magnitude of the tax cut that was ultimately passed and which is now having the most important impact on dipping into the Social Security trust fund again.

The reason why many of us felt it was important to be somewhat conservative was because of the obligations our Nation faced, of Social Security, Medicare, trying to come up with a bipartisan prescription drug plan that was going to provide meaningful relief to our seniors who are suffering under this burden of escalating drug prices that they need to have, our obligations to a strong national defense, just quality of life with our military personnel.

This was not going to come cheap. In fact, the President is still calling for a 9 percent increase in defense spending, roughly $20 billion that does not exist right now. It puts a lot of us in a tough position that supported many of these policy proposals but because of the slowdown because of the magnitude of the tax cut, it is going to make it very difficult for us to meet these obligations for our Nation.

Mr. ALLEN. Again, I think what we are trying to say is that if any of us have a child 5 or 10 years away from going to college and we know we are going to be paying for that out of our own pockets, the prudent thing to do is start setting aside some money to pay for the college expenses. If we are the owners of a business and we can see that we have reached the capacity of growth within our existing buildings and we are either going to grow and do a major expansion or we are going to be at a competitive disadvantage and we have to do that in 3 or 4 or 5 years, we would start to figure out how to set aside funds to be able to do that when the time comes.

We are, as a country, in the same spot with respect to Social Security and Medicare. We know that the leading edge of the baby boom generation within 9 or 10 years is going to start to qualify for those two programs. So as many of us have argued over and over and over again, even though we have lost the point on the debate in the tax cut, we have said what is prudent to do is to use the Social Security and Medicare surpluses to pay down the national debt, to reduce the amount we pay in interest costs on the national debt, to be ready to wade in and support those two programs when the baby boom generation starts to move into them. That would be prudent fiscal planning. It is not prudent to go out and take a big vacation right now and spend all of the surplus over the next 5 or 6 years based on projections that we knew even a few months ago were inherently unreliable.

I want to come back to the way I began, the statement that the President made in Portland, Maine on March 23. He said, "We've increased discretionary spending by 4 percent." Not exactly. Right now, now that the defense budget is in, that 4 percent number is 7.2. It should read, "We've increased discretionary spending by 7.2 percent," 7.2 percent more than the Clinton administration did in the last year of that administration.

He also said, "We set aside $1 trillion in the budget over a 10-year period for contingencies." Well, not exactly. It was not true then. It is not true now. If it were true then, if there were truly a contingency fund, we would not be in the dilemma that we are in today because we have not had a loss of $1 trillion just from economic or technical factors, although it is $639 billion. This tax cut was rushed through. It was too big to be responsible, it was too weighted to the wealthiest Americans, and it was rushed through without considering either how the economic numbers, how the projections would work out over time and without even the President's own request for defense which has turned out to be by far the biggest increase, not education as he was saying in March, the biggest increase in his proposal.

If we are going to get back on track, we have to be honest about the numbers and honest about the claims and look at this problem we have with our budget, look at exactly what caused it, largely the tax cut, also the economic slowdown, also some additional requests for spending by the administration and also some other numbers that we have to deal with. But let us look at the numbers honestly and let us try to figure out how to work our way through this to get the best result for the American people.

Mr. KIND. I do not want to speak on behalf of my friend from Maine, but for me really the crux of the issue is what decisions can we make in this body that will set up our younger generation, the next generation, for success later on in life, so that they can meet the obligations that they are going to face when the reins of leadership turn over to them. I fear that if we make it impossible by not reducing national debt, by not shoring up the Social Security and Medicare trust funds, it is going to be impossible for that next generation to meet those obligations and we will see a fiscal crisis never before witnessed in this Nation.

It is almost deja vu all over again as far as economic policy. We have seen this. It is really the repeat of Reaganomics back in the early 1980s where they ushered through this huge tax cut but also simultaneously tried paying for a huge increase in defense spending which led to year after year, a whole decade's worth of deficit financing which left us in a position of dealing with a $5.7 trillion national debt.

□ 2115

The difference between that then and what we are facing today is back then the country could afford to make that mistake, because we had time to recover.

We do not have that luxury anymore. We have this aging population staring us in the face. They are going to start retiring in the next decade. We do not have the luxury of being able to deal with a fiscal mistake that was made and trying to dig ourselves out of that hole in time to prepare for this aging population.

That is really the big difference between the economic policies of the early eighties and the same type of economic policy being pursued today. We do not have that margin of error in order to correct the mistakes, to dig ourselves out of debt, as we were starting to succeed in doing throughout the decades of the 1990s. Instead, we apparently have now reversed track and have jeopardized the good work being done just a few short years ago.

Mr. ALLEN. What is so startling is all this has happened in just a few months, so those of us who were saying this is a reckless approach, this an irresponsible approach back in March and April, now find ourselves saying, you know, we told you this was a possible outcome. We told you that the policy was irresponsible. Now, Mr. President, how do we dig ourselves out of that?

I think that the point the gentleman was making about Social Security and Medicare, it is very true. But it is also true when I travel around my State of Maine and talk to business owners, for example, they say to me, apart from health care, which seems to be their number one problem, the high cost of health care, they talk about the qualifications of the workforce. They realize that they are only going to succeed if they have well-trained, well-educated, well-qualified workers for the jobs which they need.

It gets harder and harder. If too many kids do not get Head Start, if you do not have enough spending on title I funds for kids from disadvantaged areas, if you are not fully funding special education in accordance with the promises made by this Congress in the past, if young people in this country do not have the funds to go on and get the college or technical college education they need, we are not going to be as strong a country, as competitive; and our businesses will not do as well. Those are simple facts.

Yet the examples I have given are examples of public investments. They cannot be made by our businesses. They cannot be made by individual families, many of whom are struggling and do not have the funds for private school or private college. They are only the kinds of investments that we can make together. We cannot make those investments together if all the money has gone in a tax cut that is too large to be responsible, where most of the money, or at least half of the money, is going to people in this country who make over $300,000 a year.

We have to look again at this tax cut. We have to figure out how we can make sure that our overall budgeting over the next few years is reasonable, responsible, disciplined and conservative, not irresponsible and reckless, I guess I would say.

Mr. KIND. If the gentleman will yield further, with the drastic change in the budget numbers, and there is no sign of immediate economic recovery on the horizon, I think the responsible thing to do, one that really requires real leadership right now and a gut check, is for the administration to submit a new budget proposal, in light of the fact that their own numbers, a 7 percent increase in discretionary spending, is just not affordable right now within the context of the overall budget, unless, again, they are willing to dip into the Social Security and Medicare Trust Funds, which I do not think there is a lot of bipartisan support to do.

I think just about everyone in this Chamber now is on record supporting the lockbox proposal, walling off those trust funds, the surpluses being run in those programs for debt reduction; and that is why we are hoping that the administration, the President, will take a look at this and realize that things have changed.

That is okay. Mistakes are made from time to time. But we are still in a position of being able to recover. We are not down this road that far yet. These numbers have just come out. We have not passed the next fiscal year's budget, so there is still time to recover.

It is going to require, I think, a whole lot of cooperation across the aisle and shared responsibility across the aisle to make this add up, to maintain some fiscal discipline, but also meet our obligations that exist.

We have an Elementary and Secondary Education Act we are trying to reauthorize that is going to require resources, bipartisan thinking, in order to solve that dilemma. We have the next farm bill reauthorization to come to the floor here shortly. Lord knows our family farmers are struggling to survive. You talk about a national security issue, food security ranks right up there at the top as well. We have that obligation to meet.

We also need to be thinking long term and maintaining the solvency again of these important programs, like Social Security, Medicare, so we are not just punting on this issue, which would be the easiest thing for us to do today. I think that is one of the reasons why the President appointed his Social Security commission, because he realizes we need to take a hard honest look at this and start finding some bipartisan solutions to the challenges we face.

We still have time to recover. I guess that is one hopeful note in tonight's discussion. Hopefully, we are going to get enough consensus and enough bipartisan work here in the coming weeks before the ultimate budget is passed to recover from the new economic realities and do the right thing for our kids.

I have got two little boys myself. I am a little concerned about the fiscal obligations they are going to be facing. The numbers are not working in their favor right now. With the generational trends with the aging population, more and more will be asked of the next generation to deal with these challenges. We can help by starting today in dealing with accurate economic numbers and making some probably pretty difficult choices in the weeks ahead.

I thank the gentleman again for organizing this Special Order and highlighting in such a coherent fashion the dilemma we are in and the challenges we face.

Mr. ALLEN. Mr. Speaker, I thank the gentleman for being part of this debate. I know we can do better, and we will do our best to do better.

CHALLENGES FACING AMERICA: THE BUDGET AND IMMIGRATION REFORM

The SPEAKER pro tempore (Mr. Grucci). Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. TANCREDO) is recognized for 60 minutes as the designee of the majority leader.

Mr. TANCREDO. Mr. Speaker, I appreciate the opportunity to address the House tonight and to bring to the attention of this body and to the Nation an issue of, I think, extreme importance to us. My original intent was to speak on the issue of immigration, immigration reform, in light of the visit of President Vicente Fox. I intend to do so. I will certainly do so for the majority of my remarks.

But as I sat here in the House waiting for my opportunity to present my observations, I was, of course, listening to the discussion that preceded me with regard to the fiscal dilemma in which the United States finds itself at the present time; and my colleagues on the other side of the House, the Democrats, have concluded that the problem is that we are not taxing Americans enough. They have suggested, for over 1 hour what we have heard, is that we have an enormous task ahead of us because revenue projections are lower than had been anticipated as a result of a turn down in the economy and that, therefore, this Congress is faced with a major dilemma: How do we deal with the fact that we do not have enough money coming into this body?

It is their plan, when they ask the question, how did this problem come about, the answer they provide is that we gave Americans tax breaks. We allowed Americans to keep more of their money. As a result of that, the Democrats say, we are now in this fiscal bind. We now find ourselves in a situation where we may "dip into the Social Security Trust Fund," a trust fund, may I remind you, Mr. Speaker, that was raided, not just partially, but totally, 100 percent, every single year that the Democrats had control of the Congress of the United States. Every single year.

All of a sudden, this new-found concern about the Social Security Trust Fund is, I must admit, greatly appreciated. I am so happy to hear that my friends on the other side of the aisle are worried about this fund, which they successfully raided every single year for 40 years, took every single penny out of it and spent it in the general fund. Now they are worried about getting into that particular fund.

Well, I am glad. This is a major shift in thinking in this body. I hope and I pray that it lasts for a long time. I hope and I pray that every Member of this body will in fact adhere to the pledge to not spend any money out of the Social Security or Medicare Trust Fund in the general fund.

I am one of the 150 Members who have signed a letter to the President of the United States telling him that if he vetoes any appropriations bill that forces us to dip into that trust fund, we will support his veto. By the way, I did not see a single name of a Member of the other side on that letter, not one.

I was intrigued by the fact that in all this discussion, the 1 hour that has preceded me here about the horrible state of our economy and the horrible state of our budget, not once did I hear, Mr. Speaker, even though there was constant reference to the fact that we may have in fact given too much back to the people in terms of tax breaks, gone way too far, that was said over and over again, way too far in giving back the people of the United States their hard-earned money, giving back, as if it was ours to begin with.

Of course, the appropriate way to phrase it is we allowed them to keep more of their money. But to my friends on the other side of the aisle, any money that we allow an American taxpayer to keep is money we are giving back to them; money that first belongs here in the Congress of the United States, first belongs to be spent by this body, and, if we deign, we will allow Americans to keep part of their tax dollars. But not once, Mr. Speaker, not once in that 1-hour presentation that preceded me, did you hear any one of the various Members on the other side who addressed this issue say the words "let's repeal the tax cut."

You see, Mr. Speaker, every one of us has a wonderful opportunity, being a Member of the Congress of the United States, an incredible, enormous opportunity, and that is to introduce legislation that we believe to be important, that we believe to be helpful to this country. Every one of us here, that is something that we can do. Every one of the Members who spoke here tonight, Mr. Speaker, every one of them, could introduce a bill tomorrow to repeal the tax cut.

We have only sent out half of the checks so far. They could introduce a bill to say stop where you are; we desperately need the money. They could introduce a bill saying for all of the other tax cuts we have passed, for the elimination of the marriage penalty tax, for the elimination of the death tax, for the reduction in the tax rates, we will not reduce them. We will eliminate them. We will get rid of them, because we believe we are in desperate financial straits; and those straits can be addressed, they can be changed, they can be dealt with successfully by taxing Americans more.

You did not hear that, did you, Mr. Speaker, because they did not say it, because they, of course, know that it is politically very unpopular to tell people that we cannot live within our budget in this body; because, my friends, the problem here in Washington is not a lack of revenue from you, from the taxpayers of the United States of America. That is not the problem. Mr. Speaker, the problem is the fact that we in this body collectively spend too much and have spent too much.

One of the other speakers referenced Reaganomics. I am glad he did, because it is, in a way, Reaganomics all over again. But let us look at what Reaganomics really means and what it really was.

□ 2130

It was a time in the Nation's history when we reduced tax rates, not taxes, but tax rates, and we reduced them significantly.

What happened, Mr. Speaker? Was there a dramatic decline in revenues to this government as a result of that reduction that caused deficit spending that we, of course, had? We definitely had deficit spending during the 1980s. Was it because the Reagan tax cuts produced fewer dollars coming into the coffers of the government? No, of course not. It is simply because we spent all of the money.

Not only did it not reduce the revenue coming into the government, it dramatically increased the revenue. Revenues tripled, quadrupled because, of course, we stimulated the economy, more people were employed, so more people were, therefore, paying taxes. That is the effect of Reaganomics. It increased revenues to the Federal Government.

We definitely had deficit spending, absolutely true. Why?

Mr. Speaker, the reason is because this body, this body spent the money. Not only did it spend all of the revenues that came in, which were significantly more than had been experienced in the past, but it went on and spent beyond that. It did, in fact, deficit spend. So it was not Reaganomics, Mr. Speaker, it was this body. It was the Congress of the United States in profligate spending that caused the deficits of the 1980s, and it may very well be this body which causes that problem again. It may very well be, because no one can accuse us of being very judicious in the way we approach budgets.

In the last several years, because of the past President's urging and the fact that this Congress could not say no very often in terms of spending, we outdid ourselves. We increased budgets dramatically. And now, of course, we may have to look at reducing expenditures.

That was something that was never mentioned in the 1-hour as we listened to the other side talk about our problem. Never once did they say, we need to reduce expenditures. Every single time they talked about the problem we face, they said it was because we gave people a tax break. Now, is that not intriguing, and does that not simply tell us something about the nature of this body?

Today, Mr. Speaker, a newspaper which comes out every day here in the Congress, it is called The Hill. For most people, they may not have heard of this, because it is really just a newspaper circulated in the Capitol and around the Capitol, and it is certainly not a paper that I would call, or I think anyone would call partisan in favor of Republicans. It is a very liberal-leaning newspaper; most of its reports have that sort of slant to it.

But today a very interesting headline in The Hill newspaper, especially in light of the discussion we just heard about the problem we are having with the deficit, with the budget, and about why we may actually be sort of dipping into the Social Security Trust Fund, remember, a fund that the other side spent 100 percent of every single year in the general fund. But now they have great concerns about it. Again, I am happy to hear that, I am very happy to hear that we have had sort of an epiphany for the people on the other side here.

But here is The Hill newspaper and here is the headline: "Senate Dems Wield Power, Feast on Pork." The whole article is about the degree to which the Senate Democrats, the Democrats now having taken control of the Senate, have gone bananas essentially in a spending frenzy.

Senate legislation would give the Corps of Engineers $500 million more than the President requested in his budget, which sought to reduce superfluous spending by that agency. The Corps currently has a $40 billion backlog, and there is no greater pork barrel project in this Congress than the Corps of Engineers.

It is everybody's engineering firm around here. Believe me, I know. I have tried to reduce the funding, and whenever we do, we run into a buzz saw around this place, because many, many, many Members see the Corps of Engineers as their personal construction company. It is not just unique to the Democrats, I should say, but in this case: "Senate Dems Wield Power, Feast on Pork."

We should take that into consideration, I say to my colleagues, when we think about the degree to which the words of our Members on the other side hold any water whatsoever when they discuss the issue of budgets and tax reductions and the reasons for coming up to a budget crisis.

So anyway, as I say, Mr. Speaker, these were not the original remarks I intended to give, but I simply could not sit here and listen to the other side discuss this issue without trying to at least shed a little light on the reality of the situation.

The real reason, of course, that I took to the floor this evening is to discuss the issue of immigration into the United States, massive, uncontrolled, illegal and legal immigration into the United States. I take this opportunity to address this issue, of course, because of the visit today and tomorrow of President Vicente Fox of Mexico.

I was privileged to be able to be on the south lawn of the White House this morning when President Bush greeted Mr. Fox, President Fox, and it was truly a very exhilarating experience. It is always exciting to be able to go to the White House, to be able to participate in an event of that nature, a lot of pomp and circumstance and 21-gun salutes and all of the rest of it. It was very, very interesting, very enjoyable.

As I stood there with the crowd watching, I listened to both the remarks of the President of the United States and the remarks of Mr. Fox. To a large extent, those remarks centered on the issue of immigration.

Now, when I say "immigration," I think most people understand the meaning of the word "immigration," immigration meaning people coming from one country into another. In this case, more specifically, people coming from Mexico into the United States. "Immigration," that word was never once spoken by either the President of the United States or President Fox, interestingly, although a great deal of the time and a great many of their remarks dealt specifically with immigration.

Mr. Speaker, let me tell my colleagues how they addressed it. Let me tell my colleagues the word they used. Throughout this whole speech, there were several times, from both the President of the United States and President Fox of Mexico, I thought, gosh, that is a different sort of phrase, that is a different way of addressing that particular issue; I never heard it like that before, they have changed.

In this debate about immigration, we have found that there have been many, many times actually that the words have been changed. For instance, we started talking about a month ago, I guess, and we used a word to describe a process called amnesty, the word "amnesty." The word has a definition; one can look it up in the dictionary. We all pretty much understand what it means. It means, if you have done something wrong, we are going to forgive you for it. That is amnesty. If you have broken the law, we are going to say, that is okay, no problem. Everybody go back to square one and start over again. That is amnesty.

Well, because the word "amnesty" has a relatively bad connotation, and let me tell my colleagues how bad it is, by the way. There were recently several polls done, the most recent is the Zogby poll on amnesty for illegal immigrants, but by the way, everything I am going to say in this poll is substantiated by other polls, by the Gallup Poll, USA Today; all of them say the same thing.

Consistent with other polls, Zogby finds that the majority of Americans, 55 percent, think that amnesty is a bad or a very bad idea, compared to 34 percent, who think it is a good or very good idea. The strongest opposition to amnesty can be found among conservatives with 60 percent thinking it is bad, and most troubling for those who are supporting this idea is that 32 percent of the conservatives said they would be less likely to vote for anybody who supported amnesty.

Among Democrats, 55 said they thought amnesty is a bad idea, 55 percent of the Democrats; 36 thought it was a good idea. Some of the strongest opposition was found among voters in union households, a key Democrat constituency. Sixty percent of the voters in union households said it was a bad idea, compared to 32 percent who said it was good. And amnesty splits the party's liberal base right down the middle with 46 percent of the liberals thinking it was good idea and 45 percent of the liberals, people identifying themselves as liberal Democrats, saying it was a bad idea, 45 percent.

By the way, amnesty does not even appear to be winning Hispanic votes. Fifty-one percent of the respondents identifying themselves as Hispanic said it was a bad idea; 51 percent of Hispanic Americans said that amnesty is a bad idea. This according again to the Zogby poll, but believe me, every single poll that has been taken says the same thing.

So, all of a sudden, as a result, Mr. Speaker, as a result of this kind of information, these kinds of facts being brought to the forefront, all of a sudden, the word "amnesty" disappeared. We will not hear anyone who favors this concept use the word.

We have now changed "amnesty" into "regularization." Yes, that is right, "regularization." Or, another one I have heard is "earned legalization." These are the euphemisms that have been constructed to describe the fact of amnesty, but nobody wants to use the word because of the polling data that tells them, everybody is against it.

Do we know why they are against it, Mr. Speaker? They are against it because they are, in fact, logical, common-sense people, common-sense Americans. When we say to Americans, do you think it is okay for people to come into this country illegally, take jobs, many of them, of course, hard-working, nobody is suggesting that that is not the case, but do you think that that is okay? Do you think that we should reward that behavior with amnesty? Do you think it is all right that there are literally hundreds of millions of people around the world who would give their eye teeth to come to the United States, and who go through a process every year signing up, going through the application process, which is laborious, and hoping and praying that their number will come up and that the quota that they are in will not be filled until they get in.

And those people who do the right thing and come to the United States expect, of course, that they are coming to a country which is governed by the rule of law and not by the rule of man. That is the basic underpinning of the American republic, the rule of law.

So we ask Americans, do you think it is okay that those people who choose to ignore that particular avenue, albeit for probably very, very good reasons, probably because they are in economic deprivation in the country of their birth. They are seeking to get into the United States for advancement. Again, I do not blame them for trying. But do you think that we should reward them for doing that? Is that a good idea, America? Do you think that will help us deal with our illegal immigration problem?

And America says, golly, I do not think so, to the tune of some 65 to 67 percent in the CNN poll, Gallup-CNN poll, 66 or 67 percent saying, no, I do not think that is a good idea.

So, therefore, in the speeches today, from both President Bush and of President Fox, we never heard the word "amnesty." Never. And we will not hear it emanating out of the administration or any of the people in this body who support immigration. What we will hear are these other things, these other euphemisms: "regularization" and "earned legalization" and all that stuff.

□ 2145

But I ask my friends when they hear that word to remember that it means one thing, amnesty, which means rewarding people for breaking the law. That is it, pure and simple.

They went on; both Presidents today went on in their remarks. I mentioned earlier that although a lot of the discussion revolved around the whole concept of administration, I never once heard the word "immigration" ever spoken. Never once did either one of the two gentlemen speaking today use the word "immigration."

What they used instead, and this is President Bush speaking, "We understand our two nations must work together in the spirit of respect and common purposes to seize opportunities and tackle challenges on issues that affect the lives of our citizens, including migration," migration; "the environment, drugs, crime, corruption, and education."

President Fox went on in his remarks: "Likewise, we want to continue making progress towards the establishment of an agreement on migration which will be of mutual benefit to us, and will recognize above all the value of migrants. The time has come to give migrants and their communities their proper place in the history of our bilateral relations. Both our countries owe them a great deal."

Well, that is an issue we will explore a little bit more here as time goes on.

Mr. Fox goes on: "For this reason we must and we can reach an agreement on migration before the end of the year which will allow us before the end of our respective terms to make sure that there are no Mexicans who have not entered this country legally, and those who have come to this country do so with proper documents." Once again, two or three times, migration.

Mr. Speaker, there is a difference between a migrant and an immigrant. A migrant moves from place to place. An immigrant moves from country to country. This is an important distinction which is attempting to be blurred by these kinds of statements.

I know these are small things. People would say, it is just a word. It is just a word. But these are important, very important. Do Members think it is odd at all, even intriguing, put it both ways, that both gentlemen in their discussions never use the word "immigration," but also use the word "migrant" or "migration"?

It is important. There is a distinction here between those two words. The attempt is to make us feel as though there is essentially no border; that the movement of people back and forth between what we now call Mexico, or by the way, which has actually had a name change in the recent past. Today when I got the invitation to go to this particular event over at the White House, I was intrigued because it said, "Please come here. President Vicente Fox, President of the United States of Mexico." That was on my invitation.

That was interesting. I did not know Mexico had changed its name from the Republic of Mexico to the United States of Mexico. There were all kinds of interesting really semantic things in terms of discussing this issue which I think are intriguing, to say the least: the United States of Mexico.

But the whole purpose of the discussion today was to make us simply think about the idea of illegal immigration as being nonexistent. And when Mr. Fox suggests that "there will be no Mexicans who have not entered this country legally," what he is saying, of course, is there is only one way in which that particular phenomenon could occur, one way. That is to essentially remove the border, eliminate the border in a de facto way and even a de jure way. That is the only way we would eliminate illegal immigration is by everyone coming here as legal.

There are people here in this body, there are people certainly throughout the country, who believe that that is exactly what we should do; that we should in fact eliminate the border, not just the border between the United States and Mexico but all borders, because, of course, nowadays the free flow of capital and people should not be impeded, and, what the heck, it is all one big world, anyway.

The European Common Market has formed itself into the European Union, they have established a single currency, and they are now establishing a single government in the European Congress. So that should be sort of the model for the rest of the world: that we should simply eliminate borders and let nature take its course.

If that is the case, Mr. Speaker, then I think that that is a debatable point. I hope and I pray that this body will debate that point, because that is the end result of our whole debate on immigration.

We have sort of talked around the edges of it: How many people, what should we call them, how long should they be here, how should we deal with the millions who have come to the United States illegally.

What really and truly people are saying, people who are pushing the pro-immigration side, and I am saying "immigration," mind you, not "migration." Migration is what happens if I move to Kansas. It is not what happens if I move to Mexico or Canada or Guatemala. That is immigration.

But when we talk about immigration in this body, and in this context, in the context of the discussions, the speeches given today by President Fox and by President Bush, I am concerned that what we really are beginning to discuss is the elimination of the borders.

In the June 22 Time Magazine, they had a very, very interesting series of articles. In fact, the front page, and I wish I had it with me tonight, I forgot to bring it, but the cover of Time Magazine June 21 says, "Mex-America," and the real gist of the story was that we have in fact, in a way, completely eliminated the border between the United States and Mexico, and that the Mexican culture, not just culture but many other aspects of life, has changed in the South, southwest parts of the United States because of massive immigration, both legal and illegal. There are, in fact, people who believe that we should do that.

Well, then let us get to that point, Mr. Speaker. Let us really and truly simply get to the basic debate point here in the issue of immigration; that is, should we have a border, or should we not?

Mr. Speaker, here is what we have to decide as a nation. If we want a border, if a border is meaningful, if it has any reason to be, if there is a reason to draw a line around this place we call the United States, then it is the responsibility of this Congress, uniquely of this Congress, by the way, and this administration, to defend it, to give it integrity.

What that means is to make sure that only the people who are allowed to come in by law are able to come in, and if that means defending that border with one's armed forces, that is what it means.

That is what we have to do if we want a border. We establish an immigration policy. Every Nation does. It says, here is how many people we will allow in this year; and by the way, not just how many people, but here is how many people with what we need in this country. We need doctors or lawyers although I must admit I do not know why we need any more of the latter. But we need people with various skills, various attributes to come into the United States, or any country. That is not just us, that is what most countries do. They say, here is who we need, here are the kinds of skills we need, and we will establish that as our immigration policy. We will defend our borders to make sure nothing else occurs.

The United States essentially has surrendered that degree of sovereignty by saying, hey, listen, we will wink at all the millions, and I mean millions, of people coming across our borders illegally every year; we will wink at the employers who employ them illegally, and we will do so because it provides profits for many employers, and in a way it provides future voters for various political parties. Let us face it, there is a very political issue here.

So we do not care about the fact that this Nation's population grows approximately 60,000 per week. That is the net gain over deaths and over emigration, people leaving the country, 60,0000 a week. And we ignore the fact that approximately 70 percent of that amount is a result of immigration.

All of the issues with which we deal day in and day out in terms of the enormous strain on our infrastructure, the increase in demands, in the State of California, by the way, 95 percent of that State's increase in population over the last year, 95 percent is the result of immigration, legal and illegal. And because of that, Mr. Speaker, the State of California has to build a school a day to keep up with the demand. And, of course, there are highways, hospitals, and social services.

It has been estimated that the cost of adding every new person to any community is about $15,200 a year, and that is the initial cost. It is not the costs we incur every year from that point on. There is no way that people coming into the United States today with very few skills or none at all, taking the lowest-paid jobs available, will ever pay back that cost. So all the talk about immigration being important for the United States, important economically, is hokum.

If we were to really be concerned about what was good for America, we would say that we will take in about 300,000 a year, and here is who we need, people with certain skills, high-level skills, primarily, who will come into the United States, become very highly successful in terms of whatever trade they are involved with, and become net taxpayers, not tax users. That is the present state of affairs, that by far, by far the people coming into the United States today are net tax drains on the United States over even in the short run and over the long run.

We tend to ignore this for a lot of other reasons, a lot of political reasons. I have developed a list of questions that I would like to be able to pose to President Fox while he is here. I have a feeling they will never be asked, but this is my only opportunity to present them.

I am the chairman of what we call the Immigration Reform Caucus in this House. I have many times attempted to contact the administration, the White House, and talk to them about this issue. We have been unsuccessful in arranging for a meeting to this point in time. Therefore, I have only this way of bringing these issues to the attention of my colleagues, to the administration, and to the people of the United States.

Recognizing full well that it is extremely important for Mexico to reconstruct itself economically in order to provide a standard of living for its own people that will keep them in Mexico, will allow them to live in their homeland, will allow them to prosper, achieve a better life for themselves. Recognizing a significant change has to occur in Mexico, I would ask President Fox, in order to achieve that degree of change, I would ask him: Number one, Mr. President, exactly how do you plan to reduce the massive and pervasive corruption which, in your country, unfortunately is endemic? For everyone from the cop on the beat to the highest levels of government, we know, everyone knows, the world knows the level of corruption.

I had a gentleman in my office 2 days ago, in my Denver office, my Littleton office. He wanted to open up a business in Mexico. It is sort of a unique enterprise. He was not sure exactly who he needed to talk to in order to get permission from the Mexican government to import certain, in this case, tires to be recycled. And if he opened a plant in Mexico, he thought, how can I get permission from the Mexican government?

He was going around and beating around the bush. Finally he said, look, what I am trying to say is, can you find out for me, Congressman TANCREDO, who I have to pay off in Mexico to get the permits? Because he had done business in Mexico before, and anybody who has done business in Mexico and in fact in many third-world countries recognizes that that is the cost of business. That is the cost of doing business.

□ 2200

If you have been stopped in Mexico for a traffic ticket, I mean, I could go on and on and on. We know that the best way to handle it is to hand the policeman your driver's license and a $20 bill, probably now more like a $50 bill. It does not matter. The corruption goes from that level up to the top.

I assure the Speaker that until we begin to address this particular problem in Mexico we will never have a viable economy. NAFTA has got nothing to do with it.

We could have completely 100 percent free trade between these two countries. We would lose many, many jobs in the United States, but it would not improve the economy of Mexico because the economy in Mexico is stuck in two ways.

It is stuck in a socialistic enterprise. It still has not been able to get itself out of the old government control, government ownership. The government owns the oil industry. The most significant industry in Mexico is owned by the government. This is not a good idea.

If I had the opportunity, I would ask Mr. Fox, What are you going to do about that? Are you going to divest yourself of the oil industry because, of course, you will never prosper as a nation under these conditions?

What are you going to do, President Fox, about corruption? Tell me specifically how you are going to handle it.

President Fox demanded of the United States not too long ago, attacking our current immigration policies, and this was in Milwaukee on July 17, an integrated Mexican-U.S. labor market. An integrated Mexican-U.S. labor market.

Again, I would ask Mr. Fox, What do you mean by that? That is an interesting statement. An integrated labor market. I would like to know specifically how you define that.

He demanded that U.S. laws be rewritten to bring about open borders between the United States and Mexico and that we give illegal aliens in the United States driver's licenses, even though, of course, they cannot read the road signs and do not have insurance; and that we give Mexican illegals a university education and other taxpayer benefits.

Mr. Speaker, we do now presently provide K–12 education to all illegal immigrants' children in the United States. He wants us to go farther. He asked us to, in fact, provide university education to illegal immigrants from Mexico.

So I would ask President Fox, Will your government, the Government of Mexico, provide a free education, K–12 and post-secondary, to any foreign national in Mexico as he has requested of the United States? Is he willing to do the same thing?

I would ask President Fox, Since you own the oil company, President Fox, will you agree to sell the United States oil at below OPEC prices when that cartel punishes the United States by reducing its production? Because at a certain point, about $27, they go, oh, it is too low. OPEC says we have got to decrease production in order to increase prices.

So, President Fox, you said that you wanted to be a friend to the United

States. We have to build a relationship on trust.

Okay, I would say. Mr. Fox, let us start here. I want you to agree to sell us oil at below OPEC prices every time they try to blackmail us. What do you think the answer would be? I wonder.

I would ask him again, President Fox, What specific step is your government willing to take in the direction of increased privatization of the Mexican industry, Mexican economy. Are you willing to give up the oil company? Are you willing to privatize in order to spur economic growth?

If not, do not look to the United States to be your safety valve, to take all of your unemployed, all of your poverty. Because I assure you, Mr. Speaker, as long as we continue to do that there will never be any pressure on Mexico to reform itself, as long as we are there acting as that safety valve.

I will ask him, Mr. Fox, Will you stop the practice of handing out survival kits to those people about ready to come into the United States illegally? An agency of the government hands out a paper bag, 200,000 at last count, to people coming across the border into the United States illegally, paper bags filled with maps, little how-to-survive in the desert, condoms. Go ask them what is the purpose. But, anyway, that is what they give them, some water.

Will you stop that, Mr. Fox? Because you say you want to stop illegal immigration in the United States, why are you promoting it by handing them out "survival kits"? Will you stop that as a friendly nation?

Will you publicly condemn those members of the Mexican Government who have called for the recolonialization of the southwestern United States by Mexican nationals? They have done so. Bizarre as that sounds, they have done so.

I guess also, Mr. Fox, I would have to ask you, Why are you encouraging your people to take dual citizenships in the United States? In 1998, Mexico passed a law allowing for dual citizenships of their people. Since then somewhere close to 6 million Mexican-Americans, or I should not say Mexican-Americans because there are probably others involved, but so far 6 million people have accepted that particular identification as a dual citizen. Why are you doing that, Mr. Fox? I ask our own government, Why do we allow that?

When a person becomes a citizen of this country, they are supposed to raise their hand and swear that they give up allegiance to any foreign power or potentate, I think is the word that they use. How is it that you can have a dual citizenship and call yourself an American? How can that happen, Mr. Fox? President Bush, I would ask you the same question.

So those are some of the questions that I would pose to the President of Mexico, the Republic of Mexico or the United States of Mexico, whatever it calls itself now. Those are the questions I would pose. I hope that someone will ask them. I doubt if they will.

I will tell you that those are the questions I want answers to before I would move one step forward in the area of immigration, liberalization. In fact, Mr. Speaker, I have introduced a bill to reduce legal immigration in the United States from the present 1 million a year to about 300,000 a year.

I would, of course, take any action I could to stop illegal immigration. I would fine those employers who continue to use this form of illegal employment. I would put troops on the border. I would do what is necessary to protect our border; or I would say let us dissolve it. But let us have the debate here. It is one or the other. Either you have a border or you do not. Either it is meaningful or it is not. But before we go 20 years down the road and we look back and say, gee, how did it happen, that it sort of just evaporated, it is just gone, how did that occur, I would just as soon have us in this body debate that topic, have a vote up or down. Shall we eliminate the borders or not? If we decide not to, then we have to decide to enforce them.

MILITARY STRATEGY

The SPEAKER pro tempore (Mr. JOHNSON of Illinois). Under the Speaker's announced policy of January 3, 2001, the Chair would recognize the gentleman from Missouri (Mr. SKELTON) for half the time remaining before midnight, or approximately 56 minutes.

Mr. SKELTON. Mr. Speaker, I rise this evening to address a crucial issue for the future of our Nation, the military strategy that will govern our armed services.

In 1923, then-Major George C. Marshall was asked to give a speech on national defense. He briefly recounted the history of the Army's end-strengths since the Revolutionary War and noted a consistent pattern. After every conflict the United States immediately and significantly decreased the size of the Army, only to have to increase it dramatically the next time a conflict broke out.

U.S. leaders continued to act as if the absence of an immediate threat justified a dramatic decrease in the size of U.S. forces and the defense budget. The astonishing fact, Marshall said, is that we continue to follow a regular cycle in the doing and undoing of measures for national defense.

Nearly 80 years later in the aftermath of the Cold War, we find ourselves caught in the same pattern. Our active duty military has shrunk from 2.1 million people in fiscal year 1989 to 1.4 million for the coming fiscal year, a decline of 34 percent.

Some in the administration may argue that this decline is reasonable and that further forced cuts are justified because we do not face a global peer competitor, but neither did the United States in 1923. Yet less than 20 years later it found itself at the center of a massive global conflict.

Mr. Speaker, this pattern must stop. Why must we as Members of Congress think about questions of national strategy? My first answer goes back to that 1923 Marshall speech that Congress and the administration must bring stability to the size of our force and the resources that support it, both in the current budget and in the outyears. Stability ensures the United States can counter any threat to its interest, can fulfill its responsibility as the world's lone superpower, and can live up to the trust all those who serve in the military should have in their government.

Second, the Constitution charges the Congress to raise and support armies, to provide and maintain a Navy, and to make rules for the Government and regulation of the land and naval forces. This is a sacred duty that transcends merely authorizing and appropriating annual funds for defense department and military services.

Remember, it was Congress that crafted the Goldwater-Nichols legislation that strengthened the chain of command to U.S. benefit in conflicts like the Gulf War, and Congress had upgraded professional military education. We must now give thoughtful consideration to where our Nation is heading and what the proper role and size of our military is in this current world.

Third, I have had the great fortune of serving on the Committee on Armed Services for over 2 decades. In that time I have participated in scores and scores of briefings and hearings and have conferred widely with active duty and retired military officers, defense experts, military historians and, most importantly, our troops. Through their wisdom and generosity, I have learned quite a bit; and I have come to some opinions about what our military should be doing for our country.

It is an old speech-writing ploy to say that the United States stands at a unique moment in history, but in this case it happens to be true. There is no single overwhelming threat to the United States and its interests. There is no political-economic ideology to rival our democracy in capitalism, the United States the world's leading military and economic power. It has brought not only economic progress, but democracy and stability to many parts of the world.

On balance, the United States has provided great benefits to the world through its leadership. We should feel a great sense of accomplishment at that. But this elevated position creates responsibilities. The United States must continue to lead; we must consciously fan the fire of our leadership to serve as a beacon for those friends and allies who would follow us. We must work with them as partners without arrogance, recognizing that together we can make the world a better and safer place.

Leading in the 21st century means leading globally. The Asia-Pacific region is increasingly critical to our future security because of its population, growing economic strength, advancing military capabilities, and potential for conflict. Yet our leadership cannot focus on this region at the expense of others where U.S. interests remain strong, particularly Europe and the Persian Gulf.

In addition to requiring global leadership, our world position makes us a tempting target for those who would attack us. We may face direct challenges, attacks on our homeland, our citizens and soldiers overseas and our military and commercial information systems. We may face indirect challenges as well as those who resent our leadership seek to increase the cost of our global position and seek to block access to the ports and battlefields of the future.

We may face challenges to our allies and friends in conventional and unconventional forms that affect our own national interest. We may continue to face challenges associated with being a global leader as others ask us to contribute troops to keep the peace and stem violence.

Given the breadth of these challenges, our national military strategy continues to matter, and the size and strength of our military matter as well. A good force structure with the wrong strategy is useless; so is a good strategy with the wrong forces.

Getting the strategy right requires asking what the military must be able to do. In basic terms, we ask the military to prevent attacks on U.S. interests and to respond if prevention fails.

□ 2215

Mr. Speaker, let us look at each in turn. I use prevention to mean two broad categories of activities that together protect U.S. interests, maintain U.S. world leadership, and minimize the likelihood that the military will have to fight.

The first preventive element of our military strategy is the protection of the U.S. homeland as it is our most fundamental national interest. We know of a number of states and nonstate actors that may seek to counter U.S. conventional strength through attacks that may involve weapons of mass destruction.

To counter these threats, the United States needs a comprehensive homeland security strategy, and I have called for this in legislation. To be sure, a limited missile defense system is part of such an effort, but the obsession of national missile defense by some as a "Maginot line in the sky" has become theological. Secretary Rumsfeld rightly points out that we cannot predict all of the threats that we will face, just as no one predicted Pearl Harbor or Iraq's invasion of Kuwait. But yet his strategy lacks the flexibility to deal with a range of threats when it puts such significant emphasis and resources on a single threat to be countered with missile defense. Missile defense systems should be treated as a weapons system like any other, and it should be only one part of the U.S. approach to protecting its citizens.

Homeland security must include continued support for nonproliferation programs, including cooperative threat reduction programs with states of the former Soviet Union. It must include great resources for intelligence and coordinated response mechanisms among a range of government agencies. Comprehensive homeland security, not merely the one element represented by missile defense, should be the focus of our efforts.

Beyond physical attacks, the United States is now vulnerable to increasingly sophisticated information warfare capabilities targeted at our military communications or at critical domestic infrastructure. The diffusion of technology allows many states and nonstate actors to target the United States directly through cyberspace at a fraction of the cost of confronting us with conventional forces.

Our own information operations war games, like 1997's Eligible Receiver, showed that even a small group of attackers could break into the power grids of major American cities and disrupt military command and control systems. In such a scenario, our very technological superiority becomes a weakness with potentially devastating consequences for both infrastructure and the lives of our citizens and troops.

In considering how to deal with information warfare, the United States must build robust offensive and defensive capabilities and ensure that the information and communications that enable combat operations is secure. To do this, the Department of Defense should focus on integrating information operations into broader operational planning and on updating information operations doctrine.

The second preventive element of our strategy is shaping the global environment through active U.S. military engagement. The absence of this requirement in current administration rhetoric deeply troubles me. To speak of the importance of engagement is not simply a liberal effort to make the world a better place, it is one of the best means of maintaining alliance relationships, deterring adversaries, encouraging civilian control of military in foreign countries, and gathering vital intelligence throughout the world.

If we want to reduce the number of contingencies to which the United States is asked to send troops, we must pursue engagement as a means of preventing such conflicts before they happen. This vital engagement function takes two forms.

First, it requires presence, both through permanent basing and temporary deployments and ports of call. The changing global landscape may require basing in new locations. We should consider the use of an Indonesian island, greater presence in Guam, smaller deployments throughout Southeast Asia, and the shifting of more European forces to the southeast of that continent.

We must also be creative in how we use bases, adopting more of a lily-pad approach to basing that will allow us to use forces without overly stressing local communities. Frogs do not live on lily pads, but they use them when needing to get where they want to go.

Beyond presence, engagement must involve continued military-to-military exchanges and international military education. This is our best means of affecting the senior leaders' leadership of other countries and of building expertise in their cultures and doctrines. These relationships should be the last thing we cut in times when we are trying to send a political message. Cutting contacts discourages the positive changes we are seeking to effect in many countries.

In the end, our ability to shape the global environment to the benefit of our national security depends on a multifaceted approach, the linchpin of which is continued engagement and collaboration with other countries.

If our strategy takes these preventive actions for the homeland and through global presence, it must then focus on required military capabilities if prevention fails. Without a credible, overwhelming warfighting capability, the United States cannot deter would-be aggressors and cannot maintain global leadership.

There is no simple, elegant proposition for the warfighting element of the strategy to replace the two-major-theater-war construct, but let me offer a notional "1–2–3" approach.

One, we must be able to fight and win decisively at low risk a major regional conflict. Two, we must be able to conduct serious military actions in at least two other regions simultaneously to deter those who would take advantage of our distraction in a major conflict.

Three, at the same time, we must be able to undertake at least three small-scale contingencies throughout the world. Our recent history has shown that this level of demand is simply a reality. Therefore, we should plan for it and accept it as the price of global leadership.

I have agonized, Mr. Speaker, over the risk of abandoning our two-major-theater-war force-sizing approach. While I know we do not currently have the troops to support it, I still believe we must determine our strategy first and only then determine the size of our force.

Our vital interests are spread throughout Europe, the Persian Gulf and East Asia, and therefore we must maintain the ability to undertake significant military action in any combination of these three regions. Many States continue to plow resources into conventional and particularly antiaccess capabilities. While it is true that Iraq's capabilities have been eroded by sanctions and North Korea's by economic stagnation, both countries maintain significant conventional strength. The Taiwan Straits remain a potential flashpoint.

The U.S. military has not given sufficient consideration to how the United States might have to respond if a large-scale conflict broke out between nuclear-capable India and Pakistan. These are the presently foreseeable regions in which a major regional conflict seems most likely to occur.

Now, I agree with Secretary Rumsfeld that the likelihood of any two of these happening at any given moment is remote. Yet the United States must continue to have a multitheater capability. We must have enough forces to deter an attack of opportunity if we are engaged in a major theater war. For these reasons, I believe any move to a one-MTW capability must be accompanied by the ability to undertake significant military actions in two other places as well. These would not be "holding" actions, but a credible capability to deter adventurism and to protect crucial interests in those regions.

The third element of the "1–2–3" approach to countering conventional threats to U.S. national interests is, the United States will continue to take part in small-scale contingencies in areas of lesser concern. At any given moment, there may be more or less than three such contingencies. The evidence of the last 10 years shows such a tempo is likely, particularly if you consider the continued deployments to keep peace in the Balkans and to maintain the no-fly zones in Iraq. Military planning should be able to contend with at least that number.

Many voices have called for scaling our commitments back and limiting the duration of U.S. involvement. We in Congress will continue to ask tough questions about how we get involved and how to complete the mission, but being involved is the price of global leadership. We must acknowledge this fact and plan our forces accordingly.

Finally, getting the strategy right means communicating that strategy effectively throughout the military services. Doing so means incorporating national strategic thinking into the outstanding professional military education system which already exists. Those in our intermediate and senior war colleges must understand how the tactics, operational art, and battlefield strategy they study fit within the broader national military strategy their civilian leaders devise.

We have the world's best military education system; an effective military strategy must ensure that excellence continues. As William Francis Butler so aptly said, any nation that separates its fighting men from its scholars will have its fighting done by fools and its thinking done by cowards.

When taken together, Mr. Speaker, these strategic elements are similar to those put forward by Secretary Rumsfeld. With the most notable exception of his downplaying of engagement activities, I believe he has gotten much of the strategy right.

He has also rightly put attention on the need to transform a percentage of our forces and to invest in certain critical capabilities. The United States must be able to protect space-based communications and other systems. It must search for increasingly effective intelligence capabilities. It must procure sophisticated stand-off capabilities to ensure that we can deliver firepower when confronted with antiaccess strategy.

Finally, the Department must further joint warfighting through approaches like standing joint task forces. The Secretary has already articulated these requirements effectively.

What he gets wrong is his approach to the troops. Technology is critical, but in many cases it cannot substitute for boots on the ground. Cutting forces directly would be dead wrong. The alternative approach of forcing each of the services to make their own cuts is even worse. This approach would force each service to make cuts in a vacuum, and would abrogate America's responsibility to match force structure to the strategy it prescribes.

The stability then-Major George C. Marshall spoke of requires force structure consistency within an acceptable range for the health of our armed services. These services are only as good and effective as those they can entice to serve. Recruitment and retention efforts are damaged when end-strength numbers vary widely. Why should a young person commit to serving if he or she knows they may lose their jobs when the government next cuts the size of the military? Keeping faith with those who serve means maintaining a stable military base.

In addition, Mr. Speaker, the strategy I have articulated here requires significant forces, in some cases more than we have today. The United States requires an Army, an Army of forces to fight a major theater war, to deter a second such conflict, to undertake peacekeeping operations, and to take part in engagement operations. If you consider that we used the equivalent of some 10 ground force divisions in the Gulf War, it is hard to see how we could fight one major conventional war while taking on any other missions with our current force. This and the reality of high current OPTEMPO rates argue for additional forces.

At a minimum, we should secure an increase in the size of the active duty Army by 20,000 soldiers to an end strength of 500,000, while maintaining 10 active duty divisions. Just last month, Secretary White and General Shinseki testified before our committee that the Army could use 520,000 to meet the requirements of today's missions; 500,000 is the minimum force size needed to implement this strategy.

In addition, we should support Army transformation efforts. The Army has given careful thought as to how it must face future challenges; these efforts deserve administration and congressional support.

Our strategy will continue to put great demands on the Navy for presence, ensuring access to conflict areas, and to providing firepower to those fighting on the ground. In this service, a greater number of ships, along with a modest increase in end strength, is desperately needed.

□ 2230

The Navy currently has approximately 315 ships. Over time, given our current replacement shipbuilding rate, that figure would drop to 230. Such a decline is appalling for a global naval power with global requirements. The scope of our commitments argues for a 400-ship Navy. This should be our goal. At a minimum, however, we should build toward the Navy's articulated requirement of 360 ships. We must also devote resources to developing innovative ships capable of operating in the littoral—such as a Cebrowski-class of "streetfighters"—as a complement to our fleet of capital ships. Such new platforms may well have great warfighting value, provide presence on the cheap, and serve as a counterforce to others' anti-access capabilities.

The Air Force is currently well-sized for the present strategy and will continue to play a vital role across the spectrum of conflict. The Aerospace Expeditionary Force concept is essential for allowing the Air Force to deal effectively with the tempo of current operations.

While the Air Force does not require greater force structure, it will need additional capabilities. The Air Force will need to recapitalize its aging fleet. In addition, the distances involved in a strategy more oriented toward Asia must involve greater airlift and more long-range capabilities, like the B–2.

Finally, the Marine Corps is well suited to both contingency operations and major theater war in the 21st century. In addition, they are developing urban warfare capabilities highly relevant to future conflicts. While Marine force structure is appropriate to their missions, they require a modest increase in end-strength to allow fuller manning of existing units and a relief to some OPTEMPO and PERSTEMPO demands. We must ensure that the Marine Corps continues to be able to provide the swift, forward action required by future challenges.

Taken together, these changes result in a larger force. The administration is right to say that we currently have a mismatch between strategy and force structure, but the answer is not to explain away the requirements of our global role. The answer is to size a force appropriate to the roles we must play.

Some might argue that we can accomplish these missions with fewer forces if we accept larger risks. This is a fool's economy. We must give the services the tools they need to fight and win decisively within low to moderate levels of risk. We must also lower risks to readiness by ensuring adequate forces for rotations. Mitigating these risks by modestly increasing the size of the force is the best way to provide the stability in U.S. forces that then-Major George C. Marshall sought in 1923. Only then will we be prepared to meet any challenge that will confront us.

Budgetary concerns alone should not determine our national military strategy. However, we must acknowledge the difficulty of both modernizing our forces and ensuring they have the capabilities needed to fight on any 21st century battlefield, without cutting force structure. Alleviating these pressures will require effort on both sides. We in Congress must keep national strategy in mind when allocating defense resources. President Bush recently expressed his hope that "Congress' priority is a strong national defense." I can tell you that for many of us, Democrat and Republican, this is the case.

But for its part, the administration must make the priority of national defense as or more important than a tax cut. The military truly requires and deserves a greater budgetary top-line and a larger percentage of discretionary spending. The Department must follow through on the management reforms that Secretary Rumsfeld and the service secretaries have rightly highlighted to achieve cost savings.

At the end of the day, my approach is nothing more than Harry Truman common sense. Implementing effective strategy requires inspired leadership by the President and Secretary of Defense. I say again, inspired leadership. I hope the current administration will provide it. Conversations about strategy tend to stay within policy elites. But at its most fundamental level, the impact of this strategy we make is felt by every member of the service. They must have confidence that their leaders will consistently fund defense at levels that allow them to do their jobs proudly and effectively. If we fail to do that, we undermine not only our strategy but all those Americans we should inspire to serve.

NATIONAL DEFENSE

The SPEAKER pro tempore (Mr. JOHNSON of Illinois). Under the Speaker's announced policy of January 3, 2001, the gentleman from Pennsylvania (Mr. WELDON) is recognized for 60 minutes.

Mr. WELDON of Pennsylvania. Mr. Speaker, I want to start off by commending the gentleman from Missouri (Mr. SKELTON) for his very appropriate and very logical comments which I will follow up on in a few moments.

Before doing so, however, Mr. Speaker, I would like to pay my personal tribute to one of our colleagues who passed away over the break, the Honorable FLOYD SPENCE. I had known FLOYD SPENCE as many of our colleagues did in a very personal way over the past 15 years that I have served in the Congress. He was a leader on national security issues when I came to the Congress. He was one of those individuals that I looked up to for guidance and for early orientation to fully understand the role of the Congress in making sure that our military was being properly supported.

Congressman SPENCE, Chairman SPENCE, was one of those very unique individuals who had severe health problems, in fact had a major double lung transplant, and had gone through turmoil in his life from the health standpoint. I can remember the days when they wheeled him to the floor of the House in a wheelchair with a ventilator, yet he came back and rose to become the full chairman of the House Armed Services Committee and for 6 years he led this body in issues affecting our national security.

He was a quiet man, a gentleman, someone that never had a cross word for anyone, even those he disagreed with and was someone who would be a role model for someone aspiring to become a Member of this body. He had a profound influence. During a time of difficulty in the 1990s when defense budgets were not what they should have been, it was Chairman FLOYD SPENCE who rose above the political fray and led this Congress in a very bipartisan way to increase defense spending by approximately $43 billion over President Clinton's request for defense over a 6-year time period. If it had not been for Chairman SPENCE fighting tirelessly for our military, for the quality of life for our troops, if it had not been for Chairman SPENCE fighting for modernization and fighting for the basic dignity of our military, I do not know where we would be today, Mr. Speaker, because the summary I am going to give following this tribute to Chairman SPENCE will outline some very severe problems in our military.

Thank goodness Chairman SPENCE was here. Thank goodness he was fighting the battle. Thank goodness he was building bipartisan coalitions on behalf of the sons and daughters of America serving in uniform. He did a fantastic job in this body. He was someone who had many friends on both sides of the aisle and someone who will be terribly missed. I could not attend the funeral of Chairman SPENCE because I was in Huntsville, Alabama, giving a major speech to 800 people on missile defense.

It was only because of Chairman SPENCE's leadership that we have moved missile defense along as far as it has gone. As a tribute to him on that opening day of the conference, the entire group joined in a prayer together, a prayer of sympathy for the family of FLOYD, for his wife and his sons, and to let all of America know that FLOYD SPENCE has been a true champion, one of our real patriots.

It was just last April, Mr. Speaker, where I had the pleasure of recognizing Chairman FLOYD SPENCE at our annual national fire and emergency services dinner. We have two types of defenders that we support in America: Our international defenders, our military, and FLOYD SPENCE was definitely their champion. That night as we have for the past 14 years, we honored our domestic defenders.

Our domestic defenders are the men and women who serve in the 32,000 organized fire and EMS departments all across the country. We honored FLOYD SPENCE that night because 6 months prior, in last year's defense authorization bill, it was FLOYD SPENCE as chairman working with the gentleman from Missouri (Mr. SKELTON), who just left this Chamber, who allowed me to move forward legislation that created a grant program to provide matching funds for local fire and EMS departments so that they can better equip themselves to be America's domestic defenders. On that night, 2,000 leaders of the fire and emergency services from all over America gave FLOYD SPENCE a standing ovation for the work that he had done on behalf of our domestic defenders.

So FLOYD SPENCE's legacy is a legacy that all of us could look up to and hope to achieve, one of supporting those people who wear the uniform, the uniform to protect America overseas, and the uniform to protect America at home. To FLOYD's family, his wife, his sons, we say thank you for giving us a tireless public servant whose legacy will live on forever, who did so much in such a short period of time and who will be so sorely missed in this body and in the minds and hearts of military leaders across this country and around the world where our troops are stationed. FLOYD SPENCE was a true American hero.

Mr. Speaker, it is appropriate that following this brief tribute to FLOYD SPENCE, that I highlight a trip that took place the last week of August by myself and several of our colleagues. We are going to go into more detail next week in a 2-hour special order where I will be joined by my ranking Democrat colleague the gentleman from Texas (Mr. ORTIZ), a good friend of mine, as he and I along with the other Members of our delegation go through in very great detail the findings of our trip around the country, a trip that I think was a first of its kind in the history of Congress, a trip that was designed to assess the status of our military's problems.

Mr. Speaker, most of the times when we in Congress take trips to military bases, they roll out the red carpet. They invite us to lunch with the base commander or the admiral. They sit us down and give us nice slide presentations, feed us well, give us a windshield tour of the facility and tell us how well everything is going. Those kinds of trips usually last an hour to an hour and a half. We wear suits and ties and the military personnel are all in their best garb and we see the best but we do not see the worst.

That is not what this trip was about, Mr. Speaker. As the chairman of the Readiness Committee, the committee that oversees the readiness of our troops, approximately one-third of our defense budget, my challenge to our staff and to the services over 5 weeks ago was to put together a trip that would for the first time allow our colleagues in Congress to see the real story of the status of our military.

I called the service reps in; and in my office 5 weeks ago, I outlined my vision for this trip. I said it was going to be a whirlwind trip that would go basically around the clock, have us engage directly with the troops, not pre-positioned people that would know we were coming with prestaged answers but, rather, a very candid and openhanded method of assessing the real problems that our military is encountering today.

We challenged each of the services to come up with bases that we could visit that would give us a real glimpse into problems that we know are there, problems of declining readiness, problems of the lack of ammunition, problems of the lack of ability of spare parts to keep our planes in the air, problems of infrastructure, airfields that were not being maintained, buildings, housing, both barracks and multifamily units, problems with child care and schools and health care, so we would come back and be able to give to our colleagues in this body a full, detailed, accurate assessment as to whether or not we are living up to the requirement that is given to us as our first priority in the Constitution.

Mr. Speaker, as I was sitting in my office, I heard some of my colleagues talk for an hour about the President's tax cuts and how they are going to wreak havoc in America. I heard them talk about the need for more money for education, more money for a prescription drug program, more money for domestic spending, more money for foreign aid, but I did not hear much debate about the need for more funding for our military.

I pulled out my copy of the Constitution, and the Declaration of Independence which is the governing authority for our power in this country, and I looked up article 1, section 8, which defines the role and powers of the Congress. Mr. Speaker, as I assess article 1, section 8 and I see the powers of the Congress, I do not see anything there talking about raising the money to fund education in America, even though I am a teacher by profession and support the role of helping improve our quality of education. But it is not in the Constitution.

□ 2245

I do not see any mention in article I, section 8, of the Constitution establishing a program of prescription drugs for our seniors, although I support the effort to provide prescription drug coverage for those seniors who cannot afford it. I do not see any provision in article I, section 8, covering many of the programs that we fund in this institution. But, Mr. Speaker, I do see six separate parts of article I, section 8, that deal with our national security. This is not something that we have interpreted in the Constitution. These provisions are in the Constitution.

Mr. Speaker, under our Federal system, under our Constitution, one of the mandates, the primary mandates of this body, is to provide for our national defense, to raise an army, to raise a navy, to provide for the operation of our military. It is right there in the Constitution. Most every other thing that we do now is not in the Constitution by definition. In this case, our responsibility to our military is defined by the founders of our country in very clear terms. So with all the other rhetoric about all the other programs we want to fund, what bothers me is we are not hearing Members of Congress talk about our support for the military.

Now, in my own estimation, Federal funding for national security has gone down dramatically as a percentage of total Federal revenues taken in. In fact, when I give speeches around my district and around the country, when I compare today's budget to the budget of a previous administration, and I usually pick John Kennedy, because it was a similar period of time of relative peace. It was after Korea, but before Vietnam, when John Kennedy was the President. We were spending 52 cents of every Federal tax dollar on the military. We were spending 9 percent of our Nation's gross national product on defense.

In this year's budget, Mr. Speaker, we are spending approximately 15 cents of the Federal tax dollar on the military, about 2.5 percent of our GNP on defense. I would agree that after the cold war ended there was a need for us to make some cutbacks. In fact, I supported many of those cutbacks. But, Mr. Speaker, many of us feel that we have gone too far.

Many of us feel that over the past 10 years two major problems have occurred simultaneously. I say 10 years, because this did not start with a Democrat administration and having me come up and just rail against a Democrat President.

This first problem actually started with the end of a Republican administration, 10 years ago, because that is when the cuts in defense spending started to occur dramatically. That is when we began those cuts that brought us down to a 15 cents on the dollar expenditure for national security, 2.5 percent of our GNP. Many would argue it is the largest continual decrease in defense spending in the history of America.

Now, granted, the dollar amounts that we are spending today are more than they were 10 and 20 years ago, but the actual percentage of available dollars and the percentage of our gross national product has decreased dramatically.

But at the same time that defense spending was going down, something else occurred, and that was the commanders-in-chief of our country, the Presidents, as allowed under our Constitution, decided in their wisdom they would deploy our troops.

If you take the period of time from the end of World War II until 1991 and look at all of the administrations during that period, from Democrat Harry Truman to Republican George Bush, Sr., they could have deployed our troops any time they wanted. They deployed our troops a total of 10 times in major deployments over a 40-year time period. In the previous 10 years, starting in 1991 up until 2001, we have had no less than 37 major deployments, a massive increase in the use of our troops.

Mr. Speaker, none of those deployments, except for Desert Storm in 1991, was paid for. In each case when our troops were inserted into harm's way by the President, we in the Congress were left to try to find a way to pay for the cost of those deployments.

Bosnia, we were told, would end 5 years ago when President Clinton promised the troops would be home by Christmas. We are still in Bosnia today; and we have spent approximately $18 billion of our DOD budget, unfunded, taking it out of other programs, to pay for the Bosnian operation.

Add in Haiti, Somalia, East Timor, Macedonia, Colombia, and every other one of those 37 deployments, and you see that while our defense budget was going down and deployments were going up, as our troops were deployed, the Congress had to find a way to pay the bill.

What the Congress did over the past 10 years, Democrats and Republicans together, was to take money out of that already-decreasing defense budget. That meant that we did not make the repairs on our military bases. That meant that we cut back on reordering spare parts. That meant that we did not build new base housing, that we did not modernize our barracks, that we did not build new child care centers. That meant that we did not build new schools.

Today, Mr. Speaker, we are in the midst of a train wreck. We do not have enough dollars to pay for the cost of our military's operations. We are overcommitted overseas. So this trip was to give us a chance to see what problems have been created at our bases here in the continental United States because of a lack of appropriate funding for infrastructure and for what we call readiness.

Mr. Speaker, what we found on our trip was outrageous and was immoral. We have an all-volunteer force today, risking their lives, giving their entire lives up to guaranteeing our freedom and security, which is the basis of our Constitution and our free democracy.

We saw living conditions worse than public housing in our inner-cities. We saw raw sewage leaking out of barracks, with a stench so bad you could not stay in the building, where the military had to completely excavate under the building because a pipe had been leaking for years raw sewage.

We saw showers on the first floor of barracks where our voluntarily enlisted military personnel had to take their showers with 3 to 4 inches of sewage water around their feet coming from the upper floors of that barracks because of improper drainage.

We saw drinking water taken out of taps that was so dirty and cloudy you would not give it to an animal, let alone a human being or a member of our military.

Mr. Speaker, I have been in Congress for 15 years. The gentleman from Texas (Mr. ORTIZ), who was my cochair of this trip, has been in Congress longer than I. We were joined by the gentleman from Texas (Mr. REYES), a newer Member, and a brand new freshman Member, the gentleman from Virginia (Mr. SCHROCK). We were also joined by four leaders of the Pentagon, representatives of the Secretary of Defense and Secretaries of the services. All of us were appalled. All of us were shocked. None of us believed that things were as bad as they are.

Now, on this trip, Mr. Speaker, it was unique, because we traveled over 8,000 miles in military aircraft, a plane that took off from Andrews Air Force Base. As we traveled around the country, because our crew could not continue to fly around the clock as we wanted, we transferred off to helicopters. We transferred off to P–3s. We kept moving from 7 in the morning until midnight each night, and we interacted with the troops on a continual basis.

When we arrived at a base, they knew we were coming; and they knew we were not going to be dressed in suits and we were not looking for fancy meals. We had told our base commanders that we wanted to see the worst conditions that existed on that base and we wanted to see when we arrived examples of what was happening, because of the lack of support by the Congress and the White House to deal with the ongoing maintenance of our facilities. That is what they showed us.

Each trip to each base lasted for approximately 1½ to 2 hours, and was filled with very real and visual examples that we documented and of which photographs will be presented to Members of this Congress in a written report, hopefully next week.

Throughout the entire trip, we took the media with us. Every step of the way, nothing was off base, no conversation was off limits. We had the media traveling with us to document what we saw. The Army Times, Navy Times, Air Force Times, and Marine Times next week will come out with a massive report on what we found, for starters.

Mr. Speaker, the way that you maintain a building or a property is to invest a certain percentage of the value of that property in maintenance each year. That maintenance prevents that building from deteriorating and from collapsing before its scheduled lifetime. The industry standard for maintaining what is called real maintenance is approximately 4 to 6 percent of the value of the replacement cost of that building, that structure or that complex.

In the military, we could never achieve a 4 to 6 percent rate, so our standard is 1.75 percent. The standard for the Defense Department is that we put 1.75 percent of the replacement cost value of our military bases in a budget each year, which is used to repair broken pipes, fix bad electrical outlets, take care of problems with housing and maintaining roadways and bridges and runways.

In our travels across America in 15 states, in 4 days, at 24 installations, no base that we went to in any of the services came within one-half of that 1.75 percent figure. The highest amount was 0.8 percent. Most bases were funding their real property maintenance at between 0.1 and 0.4 percent of the replacement cost value.

Now, what does that mean? That means that to pay for all those deployments that we got ourselves involved in in the nineties, we took money away from keeping the quality of life for our troops healthy, and we used that money to pay those unpaid bills.

It was great while it lasted. The last administration was able to use money for the other purposes. Members of Congress were able to claim that we were balancing the budget. All during that time period less and less money was spent on maintaining our infrastructure.

We saw the results. Let me go through the results briefly. Later this week and next week in a 2-hour Special Order we will detail with a bipartisan task force in very great detail what we found at our military bases.

We started out at the Westover Air Reserve Base in Massachusetts; and there we found out, among other things, that we cannibalize one C–5A aircraft for every launch we make. What does cannibalize mean? That means because we have not bought enough spare parts, we have to take apart other planes and take parts off of them to keep a certain few planes flying in the air. Cannibalization of our military aircraft and equipment is now the standard. So to keep our military operational, we have maintenance people all across America at every base taking apart perfectly good aircraft to use those parts to keep other aircraft operational.

At McGuire Air Force Base in New Jersey we learned that one half of the entire fleet of vehicles, 1,000 vehicles, need immediate replacement. What does that mean? That means that we do not have the vehicles to perform emergency services, that we do not have vehicles to maintain the integrity of the boundary lines of the base, because we have not replaced those vehicles, maintained them, changed the oil, because the money to do that went to pay for these deployments overseas out of a rapidly decreasing defense budget. The airfield lighting system was inadequate. The underground heating and air conditioning infrastructure was breaking down and had severe problems because of a lack of maintenance.

At the Naval Air Station in Oceana where we visited in Virginia, we saw encroachment, where local towns were being built right up to the boundary line of the facility, causing us problems in allowing our troops to train, with people that knew there was a base there buying houses and developers building complexes, and then the people who moved next to the base say we do not want the noise; we do not want the planes flying over. So the military has to curtail the flights, the pads and the abilities of our troops to prepare.

We had a fighter wing command at Oceana in temporary buildings that you would not house your worst enemy in.

At Norfolk, we had a pier recently collapse. The entire pier just collapsed, where we station our supreme naval vehicles. In fact, the majority of our piers at Norfolk were built prior to World War II or during World War II. They cannot handle our new aircraft carriers. They cannot handle our larger ships. They are not equipped. They do not have the electrical outlets, they do not have the supplies to maintain the water and power needed to take care of America's fleet, even though it is much smaller in the 21st century. We are working on those piers, but the work is not going fast enough.

□ 2300

In our air station in Norfolk, we saw nine World War II hangars that are still being used, but they all have serious deficiencies. The naval air station in Newark does not meet our antiterrorism guidelines, nor our force protection standards, and most of the barracks at the naval air station do not meet our criteria to have a one-plus-one standard of two soldiers with one bathroom in one living unit.

At Fort Riley, our next stop in Kansas, we saw old, inadequate motor pools. We saw military personnel being asked to change engines out in the driving heat, the drenching rain, and the freezing cold, because we have not put the money on the table to build new motor pools, because they are not sexy like an aircraft carrier or a B–1 or a B–2 bomber. I mean, who can crow about having built a motor pool?

So the people we are asking to maintain our fleet and our tanks and our artillery are having to work under impossible conditions, outside, 24 hours a day, 365 days a year, because we have not given them the facilities with which to repair this equipment that we spend tons of money on.

Then, at Fort Riley, we have a provision that makes no sense at all. We allow the State governments to tell our military what buildings they can or cannot repair. If a building is old on a military base, instead of the base commander deciding where to spend the money, the State historic commission comes in and says, oh, no, you are not going to tear that building down; you are not going to leave that building unattended; you are going to repair that building.

Mr. Speaker, that is ridiculous that we have a State historic commission determining for our base commanders what buildings can or cannot be fixed up. If a State historic commission wants to repair an old building, let them use State money, but they should not have the power to take money away from the vital improvements needed for our troops to be put into historic preservation.

We traveled to Fort Lewis. At Fort Lewis we saw that 60 percent of our barracks are nowhere near standard. We have a major spare parts problem for every piece of equipment, urban encroachment issues and major problems with Army Reserve spare parts for helicopters.

At Whidbey Island out in Washington State, there is earthquake damage to a flight simulator building that occurred months ago that is still not repaired because we have no money, no money for upgrading and improving these earthquake problems. Now, we can spend billions of dollars to reimburse local towns for earthquakes, but we did not spend the money for the military to fix the earthquake damage that they had from earthquakes and wildland fires and other natural disasters that have hit their facilities.

We have no wash rack for the P–3 aircraft. It all must be done outside in the freezing cold weather. A 50-year-old control tower does not even have a view of the entire runway. In fact, we heard about a child care facility on Whidbey Island where there has been a recurring problem of mold, where there is a lack of fire protection systems that would otherwise close that complex down if it was not on the military base; and at one point in time, they had the child care center closed down for a 30-day time period.

Mr. Speaker, these are people that volunteer their lives to serve our country. These are people who did nothing wrong. These are people who are working for our government who are providing a number one service required by our Constitution to provide for our national security, and we have let them down. Democrats and Republicans, White House and Congress, we have let them down.

We traveled along to Mountain Home Air Force Base in Idaho, the home of our B–1s, and as we arrived there and we were in the hangar looking at a B–1B bomber that had just been fixed, the commanding officer introduced us to a young mechanic. We were told that mechanic had just worked 6 straight days, 12 hours a day. Now, in the military you do not get overtime. We basically own you when you are in the military. This young mechanic left his family, including leaving and ignoring personal commitments he had with his kids, to work 6 straight days, 12 hours a day, to take parts off another B–1 to put this B–1 back in the air. Of the six planes in the B–1 squadron at Mountain Home Air Force Base, three are operational. The others are either inoperable or have been cannibalized, because the backlog for some spare parts for the B–1 is over 360 days.

Mr. Speaker, that B–1 mechanic did not join the military voluntarily to work 12 hours a day, 6 days a week because we did not supply enough spare parts.

We have one F–15, one of our top tactical fighters in our fleet, on the ground for 43 straight days being used to cannibalize it to keep other planes in the air.

Mr. Speaker, this is not the story at Mountain Home alone. I am giving highlights of each base. These problems are occurring at every military base we visited.

We went on to Edwards Air Force Base in California. There we have lost some frequency spectrum so they cannot conduct their normal routines where our high-tech work is being done all the time. The training and testing of our newest equipment is done at Edwards, yet we cannot do it because we have lost frequency spectrum.

We have the oldest fleet of aircraft at the most state-of-the-art test facility in our national inventory at Edwards. The oldest fleet of aircraft for test purposes at a facility that gives us the most cutting-edge testing capability that our military owns.

We have a major problem at Edwards in keeping engineers. They no longer want to stay and work for the government. Even though our military has to maintain its cutting-edge leadership, they are leaving. We cannot get new engineers to come in.

We have crumbling runways and water problems in the housing area. In fact, Mr. Speaker, we brought back a jar of water that looks like it was colored with a kind of water coloring one uses to dye one's Easter eggs at Easter time. We took it right out of the tap and it was brown, because our water system does not have the proper treatment capabilities to drive out the solids and the heavy minerals that are located in the facilities at Edwards.

We went down to Miramar, the headquarters of our Navy and Marine Corps cutting-edge flight operations for the West Coast, and there we have a severe shortage of housing. Our young Marines cannot find a place to stay because housing in southern California is out of sight and there is not enough housing on the bases. We had parts shortages for our C–8–46s. We cannot keep our basic helicopters in the air because we cannot get spare parts to repair them.

In fact, we visited North Island in Coronado while we were there, and there we saw our major runway. This runway handles 300,000 takeoffs and landings a year, 300,000. The runway is in such bad shape that when they drove us out, we saw potholes in the runway. We saw pieces of macadam and concrete, they call it FOD in the military, that could fly up and if it got in an engine would destroy an engine, a million-dollar engine, destroy it, or could cause a plane to crash. Yet this is our premier facility for naval and Marine Corps aviation on the West Coast.

In fact, it was at the same site that we were looking at a terrible problem of a shortage of adequate facilities to house spare parts, inventory and equipment. They took us by a bunch of temporary buildings, buildings that no one would work in in this country if you were in the private sector because OSHA would shut you down, yet all of our military personnel were working in these buildings. And we stopped at this one complex which was basically a steel cargo facility that would normally be used to transfer port cargo on a vessel at sea, on a cargo ship. And there inside of this steel-enclosed cargo container was a Navy sailor who had been working in this facility for a year and a half. No electricity, no lights, no water, no ventilation, 24 hours a day, 7 days a week, young sailors finding spare parts with flashlights in what is basically a metal storage container to be used on cargo ships.

□ 2310

Mr. Speaker, that is not the world-class military that America is supposed to have. Imagine the morale of somebody who goes to work every day in a metal building with no light, having to use a flashlight to look for expensive spare parts.

Camp Pendleton, our showcase facility for the Marine Corps. We have allowed the environmental radicals in California to basically take over Camp Pendleton, a monstrous base on the coast of Southern California. As we flew the helicopter up and down the coast, we saw city after city along the California coastline built up to such an extent that one could not see open land.

Therefore, the wildlife and the endangered species have no place to go, not because of anything our military did, but because the city leaders and the planners and the State of California ignored the planning process and allowed families and buildings to be built side by side all along the coastline.

The only open area on the coast of Southern California is Camp Pendleton. The military then becomes the haven for endangered species. So what does the Fish and Wildlife Service say? You at Camp Pendleton cannot do any training if it infringes on endangered species.

What about the rest of the coast of California that caused the endangered species to have to go to Camp Pendleton, the only open area on the coast of Southern California? But no, what we are going to do instead of penalizing the towns is we are going to tell the Marines, "You cannot train here." So Marines, when they do amphibious assault training off the coast, believe it or not, Mr. Speaker, they have to put them on buses and take them under highways to get to the other side of the training area.

Our most widely used and best beach for amphibious training is called Red Beach. I am going to provide an overlay for every Member of Congress. Almost 80 percent of Red Beach, the number one spot for Marine amphibious training, cannot be used because of endangered species. And heaven forbid that a Marine come close to an endangered species, which California ignored while they massively built up their coastline.

That is the way we treat our Marines, those men and women that we send in first to secure the front line capabilities that our military has to have?

Forty percent of the buildings at Camp Pendleton were built during the 1940s and 1950s. The utility system is grossly outdated and marginally capable. They are making some progress, but again, brown water comes out of our taps because of a lack of improvement to our water systems.

We went on to Fort Bliss, where the barracks are below standard. Advanced training facilities are rated as unacceptable. Two new water towers are needed. They are so old they are ready to collapse. They have low water pressure. Hospital and medical facilities are rated as unacceptable.

So here we have young people going into the service being told if they serve their country, we will give them and their family health care, we will give the family child care. We worry about child care for those people in public housing, but we do not hear Members get on the floor and talk about decent child care, decent health care for the men and women who serve in uniform.

We went on to Fort Sill, where our motor pools were too small to handle the modern equipment we are giving them. We had a roof collapse in a major storage facility where the entire truss beam fell in. The entire beam, this monstrous beam, just collapsed. They cannot use the whole building now. It is condemned until we get the money, who knows when that will come, to replace that truss.

There are 15-year-old barracks falling apart, with leaking roofs, leaking walls. There we saw something that is just unbelievable. We saw three-story dormitories or what we call barracks where the sewage system is so inadequate that when soldiers on the second and third floor take their showers, the water backs up in the first floor showers, so the soldiers taking their showers on the first floor are standing in ankle deep water that has just come off the soldiers that have showered on the second and third floors.

Mr. Speaker, if this occurred in any building anyplace in America, we would raise Cain. If this happened in a public housing unit, we would have Members screaming on the floor. These are the men and women who serve our country. Where is the outrage? Where is the demanding to hold accountable the fact that we have not provided the decent funding to repair these facilities?

We went down to Kelly Air Force Base, where that base has just been privatized and the other half has been transferred over to Lackland. There we saw F-16 aircraft at best 71 percent mission capable. That means 29 percent of the time they cannot fly the F-16. We saw part shortages for the C-5 and the F-60, not enough spare parts to keep the planes in the air.

At Lackland we saw an unbelievable situation. A sewage line under a barrack leaked. Because there was no maintenance money to repair it, the leak got worse and worse, so they had to go under the building and excavate it to find the leak. We went under the building.

The smell of raw sewage was so bad one would never want one's worst enemy to be stationed there, let alone living there. If American parents knew that their sons and daughters would be put into barracks where raw sewage would be leaking underneath those barracks, they would demand our heads. That is what is happening at Lackland.

We had one technical training dorm that was so bad the entire dorm was evacuated and could not be used anymore. Heating, ventilation, and air conditioning systems were so old they were breaking. They had to move a fleet of portable chillers from one building to another so the soldiers and sailors and Air Corpsmen could continue their work, continue to eat in the heat, because the chillers had broken down because they had not been maintained and repaired.

We went on to Fort Hood. In Fort Hood, we saw something unusual, a couple of things unusual. We had a young female, and we happened to visit her dorm because as we went around the bases and they took us to housing, we would stop the bus and get out and go talk to ordinary people. We talked to some wives that were standing out in front of their moldy family housing at one site. We talked to recruits. We talked to young servicepeople. Whoever we saw, we went over and grabbed them to get some anecdotal feedback.

In this case, we went to a dorm or a barracks and a young woman was there. She let us see her room. This young woman went out with her own money that she makes, whatever that meager amount of money is, and bought a caulking gun, caulk, and tile because the holes and the cracks in her room were so bad that she decided that rather than wait for months and months and never get it fixed, she would take it upon herself to spend her own money, seal up the cracks, put new tiles in the bathroom, and try to make her living unit more comfortable.

Mr. Speaker, that is not what we asked of these young people when they volunteered to serve our country.

Then, Mr. Speaker, at Fort Hood, as we interviewed some more individuals, we met a young colonel who had just gotten back from Bosnia. He gave me a statement that I think should make this entire body, the White House, and the other body, feel a sense of shame upon all of us.

He said, "Congressman, I just returned from 9 months in Bosnia. I am a career military person, and I joined voluntarily to serve my country. But let me tell you, Congressman, we had better facilities in Bosnia than here in the U.S. That is why our morale is a 5 on a scale of 1 to 10, because of work conditions and housing conditions."

That was a young colonel, and I have his name, just returning from Bosnia, who tells a group of Members of Congress that he had it better in Bosnia, with our tax dollars, by the way, than he does at his own base here in America at Hunter Army Airfield in Georgia.

We also met someone else at Hunter Army Airfield in Georgia. We were in a building where they maintain our fleet of helicopters. Hunter is important because that is our primary staging area for the Army of the future to move out quickly to respond to any situation worldwide. They have to be ready to go in 22 hours. That is their mandate, so they are our cutting edge.

In the facility where this equipment is maintained, there was no air conditioning.

□ 2320

Yet down in Hunter Army Air Station where this place is, it gets very hot in the summer. So a young private first class, new to the military, realizing the working conditions were intolerable, went out with his own money and bought an air conditioner so that everyone in his unit could have a cooler working environment while they did the job of preparing and maintaining the cutting-edge force for America's first-response worldwide.

We saw inadequate sewage treatment. We saw all housing facilities at Hunter declared unacceptable.

Our final stop was Fort Bragg, limited training ranges, only 60 percent of what is needed; 600,000 square feet of storage vehicle maintenance facilities not available to maintain this cutting-edge complex. Our supply and storage buildings are World War II. The largest barracks deficiency in the Army is at Fort Bragg.

We went into one barracks at the end of the night. It was about eleven o'clock on our last night before we came home. In this one barracks it was like a scene from a World War II movie. I thought we had gotten rid of these years ago. An actual barracks, not for new recruits, but for people being trained at Fort Bragg, open with about 24 beds and little individual storage lockers. No privacy, everybody out in the open in one common living area.

Mr. Speaker, there is something wrong here. There is something wrong when the men and women who wear the uniform to serve the country have it worse than some of the people in public housing in our cities. We have to bear the responsibility, Democrats and Republicans, White House and the Congress. We have failed our military miserably.

In my eulogy to FLOYD SPENCE, I credit him with leading the Congress with bipartisan votes to plus-up $43 billion over Clinton's request, our defense budgets over 6 years. I do not know where we would be if we had not done that.

Mr. Speaker, we have got problems. To fix up every backlog of repair and maintenance today, the estimates by the Pentagon are $150 billion. We could never meet that need. In a report that was mandated by last year's defense bill, the Pentagon said that we need $4.9 billion just to catch up on basic maintenance and repair. So, Mr. Speaker, as a final response to our trip we are going to recommend that this body take action.

This is a disaster as bad as any flood. It is a disaster as bad as any hurricane. It is a disaster as bad as any wildlands fire. It is a disaster as bad as any building collapse. These are the young men and women in uniform who volunteer to do the one thing that our Constitution mandates, and that is provide for our national security; and they are doing it in substandard facilities. They are doing it without spare parts. They are doing it without adequate training. They are doing it where they risk their lives, not from their duty but in training and living. That is unacceptable. I challenge this body and the other body and the White House to come together in an emergency situation because that is what this is, and pass a special one-shot funding package that I am preparing right now, separate from our defense request by the President, to take care of these immediate needs. If we have to declare it off budget, so be it.

If there are others in this body that say, wait a minute, you will take this from some other source, so be it. This is an emergency. These troops deserve better.

Mr. Speaker, let me say to our men and women in uniform what I said to them in each of our stops, our 24 stops around the country. By the way, many of our colleagues joined with us. We had about 20 Members of Congress from both parties come out and meet us as we stopped at each site. This is what I told our military personnel: you have got to stop being taken for granted.

It is amazing, Mr. Speaker, I asked some of our troops at the bases, How many of you are registered to vote? In some cases less than half of them raised their hands. We in Congress have taken aggressive steps to have Motor Voter, where we register people when they go to get their car license renewed. We have taken steps to have people register to vote at welfare offices. Yet we do not do anything to encourage our military personnel to register at military bases.

I am challenging our military leaders to have a massive voter registration drive so that when a young recruit comes to a base, he or she is automatically registered to vote, I do not care what party they are, so they can start to have an influence on how we spend their money, so they are no longer disenfranchised, so they have a right to vote.

I also encourage this body to pass a waiver so they can choose to register at their place of residence or military base, whatever is most convenient for them. So they can vote as college students do, where they work. College students can register at the college campus where they go to school. Why should not military personnel be able to register at the base where they are stationed and still keep the benefits that would accrue from living back in their original home while they are serving their country?

If we empower the military, if the military speaks out, then our colleagues in this body will stop taking them for granted.

Mr. Speaker, some will say that yes, you are right. We should spend some money; and, therefore, we should take it from the President's request for missile defense. No. It does not work that way, Mr. Speaker.

The President has made the case based on threat assessments, that we have a new threat we have to deal with and that requires a significant new amount of dollars. To blame this shortfall on the President's tax cut or the President's request for missile defense is looking at and denying the fact that for 10 years we have not given the military the money they need. We allowed the previous two administrations to cut defense spending too low and not provide the support for real property maintenance and upgrades in spare parts and housing to support the quality of life for our troops.

We need missile defense as much as we need to support our troops, and the tax cut just occurred this year. It did not cause the shortfalls that should have been corrected over the past 10 years that my colleagues on the other side will now try to blame on President Bush. That does not work, Mr. Speaker.

It is time for us to come together as we did on this trip, Democrats and Republicans, House Members and Senators along with the President and demand that we deal with this emergency.

In dealing with this emergency, it is going to cost us money. We have to replace the dollars that were taken away from maintaining the quality of life that our troops deserve, the spare parts that our military equipment needs, the improvements to runways and housing and hospitals and child care to keep our military's morale up. If we do not do that, then we will have failed our military personnel, and we will have failed the Constitution of the United States.

Mr. Speaker, next week we will do an in-depth bipartisan summary of the trip. Our colleagues will join us, hopefully, the 20 or so that were a part of this whirlwind trip; and together we will move forward to pass a supplemental piece of legislation dealing with the emergency needs that we have now evidenced in a firsthand way that our military has across the country, across all services.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HASTINGS of Florida (at the request of Mr. GEPHARDT) for today on account of personal reasons.

Mr. MCNULTY (at the request of Mr. GEPHARDT) for today on account of personal reasons.

Mr. HAYES (at the request of Mr. ARMEY) for today and the balance of the week on account of recovering from hip surgery.

Mr. CRANE (at the request of Mr. ARMEY) for today and the balance of the week on account of illness in the family.

Mr. HORN (at the request of Mr. ARMEY) for today and the balance of the week on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. MILLENDER-MCDONALD) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Mrs. CAPPS, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. HOOLEY of Oregon, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

(The following Members (at the request of Mr. GRAHAM) to revise and extend their remarks and include extraneous material:)

Mr. GRUCCI, for 5 minutes, today.

Mr. HUNTER, for 5 minutes, today.

Mr. BUYER, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Ms. KAPTUR, for 5 minutes, today.

SENATE BILLS AND A CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 238. An act to authorize the Secretary of the Interior to conduct feasibility studies on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River basin, Oregon; to the Committee on Resources.

S. 329. An act to require the Secretary of the Interior to conduct a theme study on the peopling of America, and for other purposes; to the Committee on Resources.

S. 356. An act to establish a National Commission on the Bicentennial of the Louisiana Purchase; to the Committee on Resources.

S. 491. An act to authorize the Secretary of the Interior, pursuant to the provisions of the Reclamation Wastewater and Groundwater Study and Facilities Act to participate in the design, planning, and construction of the Denver Water Reuse project; to the Committee on Resources.

S. 498. An act to amend the National Trails System Act to include national discovery trails, and to designate the American Discovery Trail, and for other purposes; to the Committee on Resources.

S. 506. An act to amend the Alaska Native Claims Settlement Act, to provide for a land exchange between the Secretary of Agriculture and the Huna Totem Corporation, and for other purposes; to the Committee on Resources.

S. 509. An act to establish the Kenai Mountains-Turnagain Arm National Heritage Corridor in the State of Alaska, and for other purposes; to the Committee on Resources.

S. 737. An act to designate the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the "Joseph E. Dini, Jr. Post Office"; to the Committee on Government Reform.

S. 970. An act to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the "Horatio King Post Office Building"; to the Committee on Government Reform.

S. 1026. An act to designate the United States Post Office located at 60 Third Avenue in Long Branch, New Jersey, as the "Pat King Post Office Building"; to the Committee on Government Reform.

S. 1144. An act to amend title III of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11331 et seq.) to reauthorize the Federal Emergency Management Food and Shelter Program, and for other purposes; to the Committee on Financial Services.

S. 1198. An act to reauthorize Franchise Fund Pilot Programs; to the Committee on Government Reform.

S. Con. Res. 62. Concurrent resolution congratulating Ukraine on the 10th anniversary of the restoration of its independence and supporting its full integration into the Euro-Atlantic community of democracies; to the Committee on International Relations.

ENROLLED BILLS SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 93. Federal Firefighters Retirement Age Fairness Act.

H.R. 271. An act to direct the Secretary of the Interior to convey a former Bureau of Land Management administrative site to the city of Carson City, Nevada, for use as a senior center.

H.R. 364. An act to designate the facility of the United States Postal Service located at 5927 Southwest 70th Street in Miami, Florida, as the "Majory Williams Scrivens Post Office".

H.R. 427. An act to provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, Oregon, and for other purposes.

H.R. 558. An act to designate the Federal building and United States courthouse located at 504 West Hamilton Street in Allentown, Pennsylvania, as the "Edward N. Cahn Federal Building and United States Courthouse".

H.R. 821. An act to designate the facility of the United States Postal Service located at 1030 South Church Street in Asheboro, North Carolina, as the "W. Joe Trogdon Post Office Building".

H.R. 988. An act to designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall United States Courthouse".

H.R. 1183. An act to designate the facility of the United States Postal Service located at 113 South Main Street in Sylvania, Georgia, as the "G, Elliot Hagan Post Office Building".

H.R. 1753. An act to designate the facility of the United States Postal Service located at 419 Rutherford Avenue, N.E., in Roanoke, Virginia, as the "M. Caldwell Butler Post Office Building".

H.R. 2043. An act to designate the facility of the United States Postal Service located at 2719 South Webster Street in Kokomo, Indiana, as the "Elwood Haynes 'Bud' Hillis Post Office Building".

H.R. 2213. An act to respond to the continuing economic crisis adversely affecting American agricultural producers.

BILLS PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on August 8, 2001, he presented to the President of the United States, for his approval, the following bills.

H.R. 2131. To reauthorize the Tropical Forest Conservation Act of 1998 through fiscal year 2004, and for other purposes.

H.R. 2213. To respond to the continuing economic crisis adversely affecting American agricultural producers.

Jeff Trandahl, Clerk of the House reports that on August 10, 2001, he presented to the President of the United States, for his approval, the following bills.

H.R. 1183. To designate the facility of the United States Postal Service located at 113 South Main Street in Sylvania, Georgia, as the "G. Elliot Hagan Post Office Building".

H.R. 1753. To designate the facility of the United States Postal Service located at 419 Rutherford Avenue, N.E., in Roanoke, Virginia, as the "M. Caldwell Butler Post Office Building".

H.R. 2043. To designate the facility of the United States Postal Service located at 2719 South Webster Street in Kokomo, Indiana, as the "Elwood Hayes 'Bud' Hillis Post Office Building".

H.R. 271. To direct the Secretary of the Interior to convey a former Bureau of Land

Management administrative site to the city of Carson City, Nevada, for use as a senior center.

H.R. 364. To designate the facility of the United States Postal Service located at 5927 Southwest 70th Street in Miami, Florida, as the "Marjory Williams Scrivens Post Office".

H.R. 427. To provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, Oregon, and for other purposes.

H.R. 558. To designate the Federal building and United States courthouse located at 504 West Hamilton Street in Allentown, Pennsylvania, as the "Edward N. Cahn Federal Building and United States Courthouse".

H.R. 821. To designate the facility of the United States Postal Service located at 1030 South Church Street in Asheboro, North Carolina, as the "W. Joe Trogdon Post Office Building".

H.R. 93. To amend title 5, United States Code, to provide that the mandatory separation age for Federal firefighters be made the same as the age that applies with respect to Federal law enforcement officers.

H.R. 988. To designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall United States Courthouse".

ADJOURNMENT

Mr. WELDON of Pennsylvania. Mr. Speaker, pursuant to House Resolution 234, I move the House do now adjourn in memory of the late Honorable FLOYD SPENCE.

The motion was agreed to; accordingly (at 11 o'clock and 29 minutes p.m.) pursuant to House Resolution 234, the House adjourned until tomorrow, Thursday, September 6, 2001, at 10 a.m. in memory of the late Honorable FLOYD SPENCE.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

3333. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Asian Longhorned Beetle; Addition to Quarantined Areas [Docket No. 00-077-2] received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3334. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Veterinary Services User Fees; Fees for Permit Applications [Docket No. 99-060-2] received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3335. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Ethalfluralin; Pesticide Tolerances for Emergency Exemptions [OPP-301155; FRL-6793-2] (RIN: 2070-AB78) received August 8, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3336. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—2-Propenoic Acid, Polymer with 2-Propenamide, Sodium Salt; Tolerance Exemption [OPP-301157; FRL-6794-7] (RIN: 2070-AB78) received August 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3337. A letter from the Director, Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of August 1, 2001, pursuant to 2 U.S.C. 685(e); (H. Doc. No. 107-113); to the Committee on Appropriations and ordered to be printed.

3338. A communication from the President of the United States, transmitting requests for Fiscal Year 2002 budget amendments for the Department of the Interior and the District of Columbia; (H. Doc. No. 107-116); to the Committee on Appropriations and ordered to be printed.

3339. A communication from the President of the United States, transmitting requests to make available previously appropriated contingent emergency funds for the Departments of Agriculture and the Interior; (H. Doc. No. 107-117); to the Committee on Appropriations and ordered to be printed.

3340. A letter from the Secretary, Department of Defense, transmitting a letter on the approved retirement of General Michael E. Ryan, United States Air Force, and his advancement to the grade of general on the retired list; to the Committee on Armed Services.

3341. A letter from the Acting Assistant Secretary, Department of Defense, transmitting an Annual Report on Fiscal Year 2000 Third Party Collections; to the Committee on Armed Services.

3342. A letter from the Deputy Secretary, Department of Defense, transmitting a Report on Fiscal Year 2001 Funds Obligated in Support of the Procurement of a Vaccine for the Biological Agent Anthrax; to the Committee on Armed Services.

3343. A letter from the Comptroller of the Currency, Administrator of National Banks, transmitting the four issues of the Quarterly Journal that comprise the 2000 annual report to Congress of the Office of the Comptroller of the Currency; to the Committee on Financial Services.

3344. A letter from the Group Vice President, Structured and Trade Finance, Export-Import Bank of the United States, transmitting a report involving U.S. exports to the Republic of Korea, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

3345. A letter from the Director, Export-Import Bank of the United States, transmitting a report involving U.S. exports to the Republic of Korea, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

3346. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Mexico, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

3347. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Malaysia, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

3348. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Austria, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

3349. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Mexico, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

3350. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Mexico, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

3351. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to the People's Republic of China, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

3352. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Brazil, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

3353. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to the Democratic and Popular Republic of Algeria, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

3354. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Final Flood Elevation Determinations—received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

3355. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Changes in Flood Elevation Determinations [Docket No. FEMA-D-7511] received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

3356. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Changes in Flood Elevation Determinations—received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

3357. A letter from the Attorney, NHTSA, Department of Transportation, transmitting the Department's final rule—Federal Motor Vehicle Theft Prevention Standard; Final Listing of Model Year 2002 High-Theft Vehicle Lines [Docket No. NHTSA-2001-9831] (RIN: 2127-AI08) received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3358. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—OMB Approvals Under the Paperwork Reduction Act; Technical Amendment [FRL-7028-2] received August 8, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3359. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the California State Implementation Plan, Kern County Air Pollution Control District and Imperial County Air Pollution Control District [CA179-0243a; FRL-7022-5] received August 8, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3360. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Final Authorization of State Hazardous Waste Management Program Revision [FRL-7029-1] received August 8, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3361. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Hazardous Waste Management System; Identification and Listing of Hazardous Waste; Final Exclusion [SW-FRL–7025–8] received August 8, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3362. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Partial Removal of Direct Final Rule Revising the Arizona State Implementation Plan, Maricopa County Environmental Services Department [AZ 086–0043; FRL–7029–5] received August 8, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3363. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Montana [MT–001–0018a, MT–001–0019a, MT–001–0020a, MT–001–0022a, MT–001–0023a; MT–001–0031a; FRL–7026–3] received August 8, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3364. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule-Clean Air Act Full Approval of Operating Permits Program in Washington [FRL–7031–6] received August 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3365. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; State of Missouri [MO 118–1118a; FRL–7032–2] received August 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3366. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Hazardous Waste Management System; Identification and Listing of Hazardous Waste; Final Exclusion [SW-FRL–7025–3] received August 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3367. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Idaho: Final Authorization of State Hazardous Waste Management Program Revision [FRL–7031–5] received August 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3368. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Alamo Community, New Mexico) [MM Docket No. 00–158; RM–9921] received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3369. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), FM Table Allotments, FM Broadcast Stations (Bordelonville, Louisiana) [MM Docket No. 01–68; RM–10087] received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3370. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Browning, Columbia Falls, and Pablo, Montana) [MM Docket No. 99–14; RM–9442; RM–9647] received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3371. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Burnet, Texas) [MM Docket No. 99–358; RM–9783; RM–9838] received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

3372. A communication from the President of the United States, transmitting notification that he has exercised the authority granted to him to continue the system of controls contained in 15 C.F.R. Parts 730–774 and issued an Executive Order to continue export control regulations, pursuant to 50 U.S.C. 1703(b); (H. Doc. No. 107–114); to the Committee on International Relations and ordered to be printed.

3373. A letter from the Director, International Cooperation, Department of Defense, Acquisition, Technology, and Logistics, transmitting certification of a project for the Standoff Sensors For Nonacoustic ISR and ASW Project Agreement between the United States and the United Kingdom, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

3374. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Italy [Transmittal No. DTC 019–01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3375. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Japan [Transmittal No. DTC 100–01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3376. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Canada [Transmittal No. DTC 089–01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3377. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with the United Kingdom [Transmittal No. DTC 78–01], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

3378. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with France [Transmittal No. DTC 077–01], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

3379. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Japan [Transmittal No. DTC 094–01], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

3380. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Germany [Transmittal No. DTC 081–01], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

3381. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Singapore [Transmittal No. DTC 097–01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3382. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Baikonur, Kazakhstan and Korou, French Guiana [Transmittal No. DTC 090–01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3383. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Baikonur, Kazakhstan and Moscow, Russia [Transmittal No. DTC 098–01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3384. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Baikonur, Kazakhstan [Transmittal No. DTC 087–01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3385. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to French Guiana [Transmittal No. DTC 091–01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3386. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Canada [Transmittal No. DTC 080–01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3387. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Brazil [Transmittal No. DTC 079–01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3388. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan [Transmittal No. DTC 095–01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3389. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to New Zealand [Transmittal No. DTC 068–01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3390. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan [Transmittal No. DTC 096-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3391. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to the United Kingdom and Saudi Arabia [Transmittal No. DTC 101-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3392. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Korea [Transmittal No. DTC 067-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3393. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Israel [Transmittal No. DTC 093-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3394. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to the Arab Republic of Egypt [Transmittal No. DTC 064-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3395. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Belgium [Transmittal No. DTC 082-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3396. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to South Korea [Transmittal No. DTC 076-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3397. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Italy [Transmittal No. DTC 070-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3398. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to the Netherlands [Transmittal No. DTC 084-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3399. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Greece [Transmittal No. DTC 086-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3400. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Austria [Transmittal No. DTC 069-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3401. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Taiwan [Transmittal No. DTC 088-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3402. A communication from the President of the United States, transmitting a supplemental report consistent with the War Powers Resolution, regarding U.S. Armed Forces in East Timor; (H. Doc. No. 107-115); to the Committee on International Relations and ordered to be printed.

3403. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Israel [Transmittal No. DTC 092-01], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3404. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-107, "Technical Amendments Act of 2001" received September 5, 2001, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

3405. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-120, "Ed Murphy Way, N.W., Act of 2001" received Septemeber 5, 2001, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

3406. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-121, "Closing and Dedication of Streets and Alleys in Squares 5920 and 5928, S.E., S.O. 00-86, Act of 2001" received September 5, 2001, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

3407. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-118, "Special Signs Temporary Amendment Act of 2001" received September 5, 2001, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

3408. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-122, "Closing of a Public Alley in Square 529, S.O. 01-1183, Act of 2001" received September 5, 2001, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

3409. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-127, "Approval of the Extension of the Term of the Franchise of Comcast Cablevision Act of 2001" received September 5, 2001, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

3410. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-129, "American Sign Language Recognition Act of 2001" received September 5, 2001, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

3411. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-117, "New York Avenue Metro Special Assessment Authorization Act of 2001" received September 5, 2001, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

3412. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-109, "Nominating Petitions Signature Amendment Act of 2001" received September 5, 2001, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

3413. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-119, "Mental Health Service Delivery Reform Act of 2001" received September 5, 2001, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

3414. A letter from the Executive Secretary and Chief of Staff, Agency for International Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3415. A letter from the Director, Employee Benefits/Payroll/HRIS, AgriBank, transmitting the annual report disclosing the financial condition of the Retirement Plan for the Employees of the Seventh Farm Credit District as required by Public Law 95-595, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Reform.

3416. A letter from the Executive Director, Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting the Committee's final rule—Additions to the Procurement List—received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

3417. A letter from the Acting Chief Executive Officer, Corporation for National and Community Service, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3418. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3419. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3420. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3421. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

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3430. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3431. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3432. A letter from the Director, Office of Headquarters and Executive Personnel Services, Department of Energy, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3433. A letter from the White House Liaison, Department of Justice, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3434. A letter from the Attorney/Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3435. A letter from the Attorney/Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3436. A letter from the Attorney/Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3437. A letter from the Attorney/Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3438. A letter from the Attorney/Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3439. A letter from the Attorney/Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3440. A letter from the Attorney/Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3441. A letter from the General Counsel, Executive Office of the President, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3442. A letter from the Chairman, Federal Trade Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 2000, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

3443. A letter from the Administrator, General Services Administration, transmitting a report on agency programs undertaken in support of the Federal Employees Clean Air Incentives Act; to the Committee on Government Reform.

3444. A letter from the Counsel to the Inspector General, General Services Administration, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3445. A letter from the Administrative Officer, Institute of Museum and Library Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3446. A letter from the President and Chief Executive Officer, Overseas Private Investment Corporation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3447. A letter from the Executive Secretary and Chief of Staff, U.S. Agency for International Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

3448. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Arkansas Regulatory Program [SPATS No. AR–038–FOR] received August 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3449. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Indiana Regulatory Program [SPATS No. IN–151–FOR] received August 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3450. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Pennsylvania Regulatory Program [SPATS No. PA–133–FOR] received August 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3451. A letter from the Acting Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's "Major" final rule—Migratory Bird Hunting; Early Seasons and Bag and Possession Limits for Certain Migratory Game Birds in the Contiguous United States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands (RIN: 1018–AH79) received August 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3452. A letter from the Acting Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's "Major" final rule—Migratory Bird Hunting; Final Frameworks for Early-Season Migratory Bird Hunting Regulations (RIN: 1018–AH79) received August 16, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3453. A letter from the U.S. Fish and Wildlife Service, Department of the Interior, transmitting the Department's "Major" final rule- Migratory Bird Hunting; Migratory Bird Hunting Regulations on Certain Federal Indian Reservations and Ceded Lands for the 2001–02 Early Season (RIN: 1018–AH79) received August 30, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3454. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries off West Coast States and in the Western Pacific; Coastal Pelagic Species Fisheries; Annual Specifications [Docket No. 010718180–1180–01; 062901A] (RIN: 0648–AP01) received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3455. A letter from the Acting Assistant Administrator for Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Steller Sea Lion Protection Measures and 2001 Harvest Specifications and Associated Management Measures for the Groundfish Fisheries off Alaska [Docket No. 010112013–1168–06; I.D. 011101B] (RIN: 0648–AO82) received July 26, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3456. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Closure of the Commercial Fishery from U.S.—Canada Border to Leadbetter Pt., WA [Docket No. 010502110–1110–01; I.D. 071601E] received August 3, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3457. A letter from the Director, Administrative Office of the United States Courts, transmitting a report on compliance within the time limitations established for deciding habeas corpus death penalty petitions under Title I of the Antiterrorism and Effective Death Penalty Act of 1996; to the Committee on the Judiciary.

3458. A letter from the Deputy Assistant Secretary, Employment and Training Administration, Department of Labor, transmitting the Department's final rule—Labor Certification Process for the Permanent Employment of Aliens in the United States; Refiling of Applications (RIN: 1205–AB25) received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3459. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Secretary of State's findings pursuant to Section 219 of the Immigration and Nationality Act, as added by the Antiterrorism and Effective Death Penalty Act of 1996, and amended by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996; to the Committee on the Judiciary.

3460. A letter from the Senior Attorney, National Highway Trafic Safety Administration, Department of Transportation, transmitting the Department's final rule—Civil Penalties [Docket No. NHTSA 2001–9404; Notice 2] (RIN: 2127–AI42) received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3461. A letter from the Program Analyst, FAA, Department of Defense, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A310, and Model A300 B4–600, A300 B4–600R, and A300 F4–600R (Collectively Called A300–600) Series Airplanes [Docket No. 2000–NM–160–AD; Amendment 39–12302; AD 2001–13–20] (RIN: 2120–

AA64) received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3462. A letter from the Principal Deputy Assistant Secretary of the Army (Civil Works), Department of Defense, transmitting a report on the deep-draft navigation project for Savannah Harbor, Georgia; to the Committee on Transportation and Infrastructure.

3463. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment and Revision of Restricted Areas, ID [Airspace Docket No. 99–ANM–15] (RIN: 2120–AA66) received August 14, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3464. A letter from the Paralegal Specialist, Federal Transit Administration, Department of Transportation, transmitting the Department's final rule—Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations [Docket No. FTA–2000–8513] (RIN: 2132–AA71) received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3465. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace, Malta, MT [Airspace Docket No. 01–ANM–03] received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3466. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establish Class E Airspace: Hagerstown, MD [Airspace Docket No. 01–AEA–01FR] (RIN: 2120–AA66 (2001–0116)) received August 14, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3467. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737–100 and -200 Series Airplanes [Docket No. 2000–NM–327–AD; Amendment 39–12331; AD 2001–14–20] (RIN: 2120–AA64) received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3468. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737–300 Series Airplanes Modified by Supplemental Type Cerificate ST00171SE [Docket No. 2000–NM–237–AD; Amendment 39–12321; AD 2001–14–10] (RIN: 2120–AA64) received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3469. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas DC–9–51 and DC–9–83 Series Airplanes Modified by Supplemental Type Cerificate SA8026NM [Docket No. 2000–NM–229–AD; Amendment 39–12312; AD 2001–14–02] (RIN: 2120–AA64) received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3470. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model DHC–8–102, –103, –106, –201, –202, –301, –311, –314, and –315 Series Airplanes [Docket No. 2000–NM–45–AD; Amendment 39–12301; AD 2001–13–19] (RIN: 2120–AA64) received August 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3471. A letter from the Chief, Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting the Department's final rule—Implementation of Public Law 105–34, Section 1417, Related to the Use of Additional Ameliorating Material in Certain Wines (98R–89P) [T.D. ATF–458] (RIN: 1512–AB78) received August 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3472. A letter from the Chief, Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting the Department's final rule—Liquors and Articles From Puerto Rico and the Virgin Islands; Recodification of Regulations (2001R–56P) [T.D. ATF–459] (RIN: 1512–AC40) received August 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3473. A letter from the Chief, Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting the Department's final rule—Manufacture of Tobacco Products and Cigarette Papers and Tubes, Recodification of Regulations (2001R–57P) [T.D. ATF–460] (RIN: 1512–AC39) received August 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3474. A letter from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting the Department's final rule—Medicare Program; Payments for New Medical Services and New Technologies under the Acute Care Hospital Inpatient Prospective Payment System [CMS 1176–F] (RIN: 0938–AL09) received September 5, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3475. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Deposits of Excise Taxes [TD 8963] (RIN: 1545–AX11) received August 8, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3476. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Classification of Certain Pension and Employee Benefit Trusts, and Other Trusts [TD 8962] (RIN: 1545–AY09) received August 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3477. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Low-Income Housing Credit—received August 7, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3478. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Last-in, first-out inventories [Rev. Rul. 2001–41] received August 7, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3479. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Modification of Tax Shelter Rules II [TD 8961] (RIN: 1545–BA04) received August 3, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3480. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Action On Decision: Mesa Oil, Inc. v. United States—received August 3, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3481. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—The Future of the Employee Plans Determination Letter Program [Announcement 2001–83] received August 8, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3482. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Administrative, Procedural, and Miscellaneous [Rev. Proc. 2001–42] received August 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3483. A letter from the Secretary, Department of Defense, transmitting a report on Anti-Deficienct Act Review of the Defense Health Program; jointly to the Committees on Armed Services and Appropriations.

3484. A letter from the Chief Cousel, Foreign Claims Settlement Commission of the United States, Department of Justice, transmitting the Commission's 2000 Annual Report on operations under the War Claims Act of 1948, as amended, pursuant to 50 U.S.C. app. 2008 and 22 U.S.C. 1622a; jointly to the Committees on International Relations and the Judiciary.

3485. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a Memorandum of Justification for Nonproliferation and Disarmament Fund (First Submission for FY 2001); jointly to the Committees on International Relations and Appropriations.

3486. A letter from the Secretary, Department of Veterans' Affairs, transmitting a draft of proposed legislation entitled, "Veterans' Benefits Act of 2001"; jointly to the Committees on Veterans' Affairs and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Omitted from the Record of August 2, 2001]

Mr. SENSENBRENNER: Committee on the Judiciary. H.R. 1007. A bill to limit access to body armor by violent felons and to facilitate the donation of Federal surplus body armor to State and local law enforcement agencies; with an amendment (Rept. 107–193 Pt. 1). Ordered to be printed.

[Submitted August 31, 2001]

Mr. COMBEST: Committee on Agriculture. Supplemental report on H.R. 2646. A bill to provide for the continuation of agricultural programs through fiscal year 2011 (Rept 107–191, Pt. 2).

[Pursuant to the order of the House on August 2, 2001 the following report was filed on September 4, 2001]

Mr. STUMP: Committee on Armed Services. H.R. 2586. A bill to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2002, and for other purposes; with amendments (Rept. 107–194). Referred to the Committee of the Whole House on the State of the Union.

[Filed on September 5, 2001]

Mr. TAUZIN: Committee on Energy and Commerce. H.R. 717. A bill to amend the Public Health Service Act to provide for research and services with respect to Duchenne muscular dystrophy; with amendments (Rept. 107–195). Referred to the Committee of the Whole House on the State of the Union.

Mr. OXLEY: Committee on Financial Services. H.R. 2589. A bill to amend the Multifamily Assisted Housing Reform and Affordability Act of 1997 to reauthorize the Office of Multifamily Housing Assistance Restructuring, and for other purposes (Rept. 107–196). Referred to the Committee of the Whole House on the State of the Union.

Mr. TAUZIN: Committee on Energy and Commerce. House Concurrent Resolution 84. Resolution supporting the goals of Red Ribbon Week in promoting drug-free communities (Rept. 107–197). Referred to the House Calender.

Mr. THOMAS: Committee on Ways and Means. House Joint Resolution 51. Resolution approving the extension of nondiscriminatory treatment with respect to the products of the Socialist Republic of Vietnam (Rept. 107–198). Referred to the Committee of the Whole House on the State of the Union.

Mr. HYDE: Committee on International Relations. H.R. 2368. A bill to promote freedom and democracy in Viet Nam; with an amendment (Rept. 107–199 Pt. 1).

Mr. NUSSLE: Committee on the Budget. H.R. 981. A bill to provide a biennial budget for the United States Government; with amendments (Rept. 107–200 Pt. 1).

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XII: The Committees on Financial Services and Rules discharged from further consideration. H.R. 2368 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

H.R. 981. Referral to the Committees on Rules and Government Reform extended for a period ending not later than November 2, 2001.

H.R. 2368. Referral to the Committees on Financial Services and Rules extended for a period ending not later than September 5, 2001.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. SMITH of New Jersey:

H.R. 2832. A bill to promote freedom and democracy in Viet Nam; to the Committee on International Relations, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of New Jersey:

H.R. 2833. A bill to promote freedom and democracy in Viet Nam; to the Committee on International Relations, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ANDREWS:

H.R. 2834. A bill to amend section 526 of the National Housing Act to provide that any certification of a property for meeting energy efficiency requirements for mortgage insurance under such Act shall be conducted by an individual certified by an accredited home energy rating system provider; to the Committee on Financial Services.

By Mr. COX (for himself, Mr. Lantos, and Mr. Rohrabacher):

H.R. 2835. A bill to authorize the payment of compensation to members of the Armed Forces and civilian employees of the United States who performed slave labor for Japan during World War II, or the surviving spouses of such members, and for other purposes; to the Committee on Veterans' Affairs, and in addition to the Committees on Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ISRAEL (for himself and Mr. Grucci):

H.R. 2836. A bill to amend title XVIII of the Social Security Act to provide for equitable reimbursement rates under the Medicare Program to Medicare+Choice organizations; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. McDERMOTT:

H.R. 2837. A bill to amend the Internal Revenue Code of 1986 to extend the exclusion from an employee's gross income for employer-provided health coverage of the employee's spouse to coverage provided to the employee's domestic partner; to the Committee on Ways and Means.

By Ms. MILLENDER-McDONALD:

H.R. 2838. A bill to require the Director of the National Institutes of Health to conduct or support research using certain human pluripotent stem cells, and for other purposes; to the Committee on Energy and Commerce.

By Ms. MILLENDER-McDONALD (for herself, Mr. Houghton, Mr. Leach, Mrs. Morella, Mr. Rangel, Mr. McDermott, Ms. Lofgren, Mr. Jefferson, Mr. Ackerman, Mr. Hall of Ohio, and Ms. McCollum):

H.R. 2839. A bill to provide additional appropriations for the fiscal year 2002 for the Peace Corps; to the Committee on International Relations.

By Mr. PORTMAN:

H.R. 2840. A bill to suspend temporarily the duty on Dichlorobenzidine Dihydrochloride; to the Committee on Ways and Means.

By Mr. RANGEL:

H.R. 2841. A bill to designate the building located at 1 Federal Plaza in New York, New York, as the "James L. Watson United States Court of International Trade Building"; to the Committee on Transportation and Infrastructure.

By Mr. SCARBOROUGH:

H.R. 2842. A bill to provide that Federal civilian retirees shall not be allowed to receive veterans' disability compensation while receiving retirement benefits, except to the extent that retired members of the Armed forces are allowed to receive such compensation while receiving military retirement pay; to the Committee on Government Reform.

By Mr. SCARBOROUGH:

H.R. 2843. A bill to amend the Federal Rules of Criminal Procedure to allow motions for a new trial at any time where the error alleged is a violation of constitutional rights; to the Committee on the Judiciary.

By Mr. CASTLE:

H. Con. Res. 216. Concurrent resolution expressing the sense of the Congress that a commemorative stamp should be issued honoring Felix Octavius Carr Darley; to the Committee on Government Reform.

By Mr. HYDE (for himself, Mr. Lantos, Mr. Paul, Mr. Ballenger, Mr. Menendez, and Mr. Delahunt):

H. Res. 233. A resolution recognizing the important relationship between the United States and Mexico; to the Committee on International Relations. considered and agreed to.

By Mr. SPRATT:

H. Res. 234. A resolution expressing the condolences of the House of Representatives on the death of the Honorable Floyd Spence, a Representative from South Carolina; considered and agreed to.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

185. The SPEAKER presented a memorial of the General Assembly of the State of Tennessee, relative to Senate Joint Resolution No. 239 memorializing the United States Congress and the President of the United States to fully fund the federal commitment to the Individual with Disabilities Education Act; to the Committee on Education and the Workforce.

186. Also, a memorial of the General Assembly of the State of Rhode Island, relative to House Resolution 2001–H 6557 memorializing the President and Congress not to allow drilling in Georges Bank; to the Committee on Resources.

187. Also,a memorial of the Legislature of the State of Alaska, relative to Legislative Resolve No. 19 memorializing the United States Congress to fully fund the United States Coast Guard's supplemental budget for its operational readiness and recapitalization requirements to ensure that this humanitarian arm of the nation's national security system remains "semper paratus" throughout the Twenty-First Century; to the Committee on Transportation and Infrastructure.

188. Also,a memorial of the General Assembly of the State of Rhode Island, relative to Joint Resolution 01–S 0944 memorializing the President and Congress to impose a moratorium on major airline industry mergers in order to fully and carefully consider all consequences; jointly to the Committees on Transportation and Infrastructure and the Judiciary.

189. Also,a memorial of the General Assembly of the State of Rhode Island, relative to Joint Resolution 2001–H 6446 memorializing the President and Congress to impose a moratorium on major airline industry mergers in order to fully and carefully consider all consequences; jointly to the Committees on Transportation and Infrastructure and the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 15: Mr. Armey.

H.R. 17: Mrs. Davis of California, Mr. Delahunt, and Ms. Pelosi.

H.R. 25: Mr. McDermott.

H.R. 31: Mr. EVERETT.

H.R. 36: Mr. MOLLOHAN.

H.R. 61: Mr. PASCRELL.

H.R. 91: Mr. GEORGE MILLER of California, Mr. LaTOURETTE, and Mr. OWENS.

H.R. 134: Ms. BROWN of Florida.

H.R. 159: Mr. KERNS.

H.R. 163: Mrs. ROUKEMA.

H.R. 179: Mr. KERNS.

H.R. 184: Mr. WAXMAN.

H.R. 218: Mr. REYNOLDS, Mr. KERNS, and Mr. CRANE.

H.R. 250: Mr. SHUSTER, Ms. HART, Mr. HILL, Mr. NUSSLE, Mr. WAMP, and Mr. CARSON of Oklahoma.

H.R. 267: Mr. SANDLIN.

H.R. 278: Ms. CARSON of Indiana.

H.R. 281: Mr. DAVIS of Illinois, Mr. BISHOP, Ms. PELOSI, and Mr. SHOWS.

H.R. 292: Mr. CAPUANO, Mr. TIERNEY, and Mr. DOYLE.

H.R. 294: Mr. GORDON.

H.R. 303: Ms. WATSON, Mr. SHUSTER, Ms. RIVERS, Mr. BERMAN, Ms. McCARTHY of Missouri, and Mr. McINNIS.

H.R. 336: Ms. McCOLLUM.

H.R. 420: Mr. GOODLATTE.

H.R. 425: Mr. KILDEE and Mr. PETERSON of Minnesota.

H.R. 448: Mr. WATT of North Carolina, Mr. McDERMOTT, and Mr. RAMSTAD.

H.R. 458: Mr. TERRY, Mr. COX, Mr. BURTON of Indiana, Mr. KERNS, and Mr. WALSH.

H.R. 500: Mr. MORAN of Virginia.

H.R. 510: Mr. SKEEN, Mr. JOHN, Mr. FORBES, and Mr. SWEENEY.

H.R. 525: Mr. LaTOURETTE.

H.R. 534: Mr. BENTSEN, Mr. NORWOOD, Mr. FORBES, Mr. BOUCHER, Mr. HORN, Mr. BAKER, and Mr. REHBERG.

H.R. 595: Mr. CUNNINGHAM.

H.R. 639: Mr. GUTIERREZ, Mr. NADLER, Mr. DeFAZIO, and Mr. GORDON.

H.R. 649: Mr. DeMINT.

H.R. 663: Mr. MEEKS of New York.

H.R. 664: Mr. ROGERS of Kentucky and Mrs. CAPITO.

H.R. 677: Mr. MATHESON and Mr. DOYLE.

H.R. 684: Mr. RUSH.

H.R. 699: Mr. CUNNINGHAM.

H.R. 713: Mr. DELAHUNT.

H.R. 746: Mr. REHBERG.

H.R. 751: Mr. OWENS.

H.R. 852: Mr. PORTMAN and Mrs. JONES of Ohio.

H.R. 854: Mr. COSTELLO, Mr. HOBSON, Mr. GEORGE MILLER of California, Mr. WELDON of Florida, Mr. BECERRA, and Mr. PORTMAN.

H.R. 868: Mr. GRAVES, Mr. REYES, and Mr. HINCHEY.

H.R. 869: Mr. MATHESON and Mr. GUTIERREZ.

H.R. 912: Mr. SIMMONS, Ms. WATSON, and Mr. INSLEE.

H.R. 950: Mr. NETHERCUTT, Mr. BISHOP, and Mr. KERNS.

H.R. 951: Mr. LUCAS of Oklahoma, Mr. KELLER, Mr. WATKINS, Mr. LEVIN, Mr. BOEHLERT, Mr. SIMMONS, Mrs. CHRISTENSEN, Ms. NORTON, Ms. DeLAURO, Mr. LARSEN of Washington, Mr. KNOLLENBERG, and Mr. EVERETT.

H.R. 964: Mr. DELAHUNT and Mr. WEINER.

H.R. 969: Mr. HALL of Texas.

H.R. 1008: Mr. REYNOLDS.

H.R. 1033: Ms. SOLIS, Ms. McKINNEY, and Mr. UNDERWOOD.

H.R. 1110: Mr. UDALL of Colorado.

H.R. 1170: Mr. BOUCHER, Mr. SANDLIN, Mr. KENNEDY of Rhode Island, Ms. DeGETTE, Mr. SHERMAN, Ms. KAPTUR, Mr. ROTHMAN, and Mr. MARKEY.

H.R. 1178: Mr. OWENS.

H.R. 1192: Mr. LAMPSON.

H.R. 1198: Ms. PELOSI, Mr. ROSS, Mr. FARR of California, Mr. JOHNSON of Illinois, Mr. FORBES, Mrs. NORTHRUP, Ms. DeLAURO, Mr. CRAMER, Mr. THOMPSON of California, Mr. MASCARA, Mr. BLUMENAUER, Mr. HOLT, Mr. McINTYRE, and Mr. BALDACCI.

H.R. 1238: Mr. HOBSON.

H.R. 1252: Ms. SCHAKOWSKY.

H.R. 1254: Mr. BARCIA, Mr. MASCARA, Mr. FILNER, Mr. SHAYS, Mr. REYNOLDS, Mr. BERMAN, and Mr. Ferguson.

H.R. 1269: Mr. WATT of North Carolina and Ms. McCOLLUM.

H.R. 1273: Mr. KERNS.

H.R. 1280: Ms. McCOLLUM.

H.R. 1287: Mr. MOORE.

H.R. 1295: Mr. OWENS, Mr. PASCRELL, and Mr. LANTOS.

H.R. 1296: Mr. BAKER, Mr. KINGSTON, Mr. WOLF, Mr. FERGUSON, Mr. LARSON of Connecticut, Mr. GUTKNECHT, and Mr. CANTOR.

H.R. 1304: Mr. REYNOLDS, Mr. WALSH, and Mr. CRAMER.

H.R. 1305: Mrs. JOHNSON of Connecticut, Mr. GRAVES, Mr. NORWOOD, and Mr. GRUCCI.

H.R. 1319: Mr. OWENS.

H.R. 1322: Ms. DeLAURO.

H.R. 1330: Mr. BRYANT.

H.R. 1341: Mr. OTTER and Mr. McCRERY.

H.R. 1344: Ms. SCHAKOWSKY, Mr. HINCHEY, and Mr. WAXMAN.

H.R. 1353: Mr. SOUDER, Mr. OSBORNE, Mr. KELLER, Mr. PENCE, Mr. SIMMONS, and Mr. SESSIONS.

H.R. 1354: Mr. OLVER, Mr. THOMPSON of California, Mr. McINTYRE, Mr. BISHOP, and Mr. OWENS.

H.R. 1358: Mr. BISHOP.

H.R. 1368: Mr. EHLERS.

H.R. 1382: Mr. WAXMAN.

H.R. 1405: Mr. HINCHEY.

H.R. 1425: Ms. PELOSI and Mr. DOYLE.

H.R. 1429: Mr. FATTAH.

H.R. 1436: Mr. FERGUSON, Mr. COSTELLO, Mr. GALLEGLY, Mr. BENTSEN, Mr. McINTYRE, Mr. ISAKSON, Mr. DAVIS of Florida, Mr. PETERSON of Minnesota, and Mr. SMITH of New Jersey.

H.R. 1438: Mr. ISAKSON.

H.R. 1451: Mr. McINTYRE.

H.R. 1452: Mr. OWENS.

H.R. 1487: Mr. HUNTER, Mr. SMITH of Washington, Mr. GREENWOOD, and Mr. OSE.

H.R. 1509: Mr. COSTELLO, Mr. STENHOLM, and Mr. POMEROY.

H.R. 1512: Mr. KILDEE.

H.R. 1541: Mr. McINTYRE.

H.R. 1556: Mr. BECERRA, Mr. BRYANT, Mr. ROGERS of Michigan, Mr. PICKERING, Mr. VISCLOSKY, Mr. GRAVES, Mr. FRELINGHUYSEN, Mr. HINOJOSA, Mr. McINTYRE, Mr. MATSUI, Mr. JONES of North Carolina, Mr. DAVIS of Florida, Mr. TIERNEY, Mr. SESSIONS, Mr. ABERCROMBIE, and Mrs. JO ANN DAVIS of Virginia.

H.R. 1564: Ms. CARSON of Indiana.

H.R. 1582: Mr. HINCHEY and Mrs. MORELLA.

H.R. 1591: Mr. FILNER and Mr. GEORGE MILLER of California.

H.R. 1596: Mr. ABERCROMBIE.

H.R. 1600: Mr. DOOLITTLE.

H.R. 1601: Mr. BRYANT, Mr. WHITFIELD, Mr. PETERSON of Pennsylvania, and Mr. LEACH.

H.R. 1609: Mr. SHUSTER, Mr. MORAN of Kansas, Mr. STUMP, Mr. FILNER, Mr. PLATTS, Mrs. CAPITO, Mr. McINTYRE, Mr. HASTINGS of Washington, Mr. DOYLE, Mr. DUNCAN, and Mr. ABERCROMBIE.

H.R. 1640: Mr. REYNOLDS.

H.R. 1645: Mr. MOORE, Ms. PRYCE of Ohio, Mr. DIAZ-BALART, Mr. McINTYRE Mr. LUCAS of Kentucky, Mrs. CLAYTON, Mr. GORDON, Mr. SMITH of New Jersey, Mr. BOUCHER, and Mr. SHIMKUS:

H.R. 1739: Mr. BONIOR.

H.R. 1744: Mr. FILNER, Ms. McKINNEY, Mr. OWENS, and Ms. JACKSON-LEE of Texas.

H.R. 1754: Mr. JONES of North Carolina, Mr. REYNOLDS, Mr. STUMP, Mr. FILNER, and Ms. McKINNEY.

H.R. 1773: Mr. MASCARA, Mr. SHUSTER, Mr. McHUGH, and Mr. OWENS.

H.R. 1815: Mr. DELAHUNT and Ms. McCOLLUM.

H.R. 1822: Mr. POMEROY, Mrs. DAVIS of California, Mrs. CLAYTON, Mr. WATKINS, and Mr. GREENWOOD.

H.R. 1828: Mr. DOOLEY of California.

H.R. 1861: Mrs. CHRISTENSEN, Mr. PETERSON of Minnesota, Mr. FARR of California, and Mr. HOLT.

H.R. 1873: Mr. STUPAK.

H.R. 1896: Mrs. TAUSCHER.

H.R. 1904: Mr. DOOLEY of California, Mr. FRANK, Mr. FILNER, Ms. SANCHEZ, Ms. CARSON of Indiana, Mrs. THURMAN, Ms. McKINNEY, Mr. BONIOR, Mr. FARR of California, Mr. OWENS, Mr. BERMAN, Mr. KUCINICH, Mr. EVANS, Ms. LEE, Mr. HASTINGS of Washington, Ms. ESHOO, and Ms. JACKSON-LEE of Texas.

H.R. 1911: Mr. BROWN of South Carolina and Mr. OSBORNE.

H.R. 1919: Mr. ROGERS of Kentucky, Mr. WHITFIELD, Mr. CARSON of Oklahoma, Mr. PICKERING, Mr. McINNIS, Mr. WOLF, and Mr. BEREUTER.

H.R. 1948: Mr. COSTELLO, Mr. DOYLE, and Mr. BALDACCI.

H.R. 1967: Mr. LANTOS, Ms. SOLIS, and Mr. DeFAZIO.

H.R. 1969: Mr. BONIOR.

H.R. 1975: Mr. EHLERS, Mr. BLAGOJEVICH, Mr. JOHNSON of Illinois, Mr. DICKS, Mr. LUCAS of Oklahoma, and Mr. McINTYRE.

H.R. 1987: Mr. SHUSTER, Mr. RADANOVICH, Mr. OTTER, Mr. BRYANT, Mr. OXLEY, and Mr. CLAY.

H.R. 1990: Mr. SERRANO and Mr. WAXMAN.

H.R. 1997: Mr. OWENS.

H.R. 2035: Mr. BACA, Ms. PELOSI, Mr. INSLEE, and Mr. BARCIA.

H.R. 2037: Mr. TOM DAVIS of Virginia and Mr. OSBORNE.

H.R. 2058: Mr. RUSH and Mr. OWENS.

H.R. 2059: Mr. BARRETT.

H.R. 2070: Mrs. TAUSCHER.

H.R. 2073: Mrs. CAPITO, Mr. DeFAZIO, Mr. SCHROCK, Ms. PRYCE of Ohio, and Mr. STUPAK.

H.R. 2074: Mr. FALEOMAVAEGA, Mr. BISHOP, Ms. RIVERS, Mr. ENGEL, Mr. OLVER, Mr. PRICE of North Carolina, Mr. HOEFFEL, and Mr. DELAHUNT.

H.R. 2117: Mr. CLEMENT, Mr. LUCAS of Kentucky, Mr. COOKSEY, Mr. FILNER, Mr. BORSKI, Mr. SMITH of New Jersey, Mr. BACA, Mr. McINTYRE, Mr. SHAW, and Mr. COYNE.

H.R. 2123: Mr. GREEN of Texas, Mrs. BIGGERT, Mr. FALEOMAVAEGA, Mr. McINTYRE, and Mr. CANNON.

H.R. 2157: Mrs. MINK of Hawaii, Mr. KILDEE, and Mr. EDWARDS.

H.R. 2185: Mr. DOYLE.

H.R. 2219: Mrs. JONES of Ohio, Mrs. CHRISTENSEN, Mr. CLEMENT, Mr. MICA, Mr. OWENS, and Mr. PASCRELL.

H.R. 2220: Mr. ISSA and Mr. HILLIARD.

H.R. 2235: Mr. GOODLATTE, Mr. WHITFIELD, Mr. DEAL of Georgia, Mr. GOODE, Mr. MILLER of Florida, and Mr. GREEN of Wisconsin.

H.R. 2244: Mr. KELLER.

H.R. 2258: Mr. GREEN of Texas, Mr. MORAN of Virginia, Ms. ROYBAL-ALLARD, Mr. WAXMAN, Mrs. MINK of Hawaii, Mr. STARK, Ms. ESHOO, Mr. DELAHUNT, Ms. WOOLSEY, Mr. OWENS, Mr. TIERNEY, and Mr. ROTHMAN.

H.R. 2282: Ms. ESHOO, Mr. MEEKS of New York, Mr. COYNE, and Mr. BARRETT.

H.R. 2319: Ms. PELOSI.

H.R. 2329: Mr. OLVER, Ms. PRYCE of Ohio, Mr. LANGEVIN, Mr. TRAFICANT, Mr. PICKERING, Mr. TOM DAVIS of Virignia, Mrs. CAPITO, and Mr. LEACH.

H.R. 2333: Mr. Isakson, Mr. Filner, and Mr. Upton.

H.R. 2337: Mr. Otter.

H.R. 2339: Mr. Weldon of Florida, Mr. Upton, Mr. Clement, Mr. Fletcher, Mr. Hoeffel, and Mrs. Morella.

H.R. 2340: Mr. Carson of Oklahoma.

H.R. 2341: Mr. Cooksey, Mr. Deal of Georgia, Mr. Shays, Mr. Simmons, and Mr. Smith of Texas.

H.R. 2349: Mr. Pallone, Mr. Serrano, Mr. Meeks of New York, Mr. Waxman, Mr. Pascrell, Mr. Hinchey, Mrs. Morella, Mr. Maloney of Connecticut, and Mr. Weiner.

H.R. 2364: Ms. Eshoo and Mr. Weldon of Pennsylvania.

H.R. 2368: Mr. Markey, Ms. Ros-Lehtinen, and Ms. McCollum.

H.R. 2377: Ms. Roybal-Allard, Ms. Brown of Florida, Mr. Udall of Colorado, Mr. Kennedy of Rhode Island, Mr. Matsui, and Ms. Pelosi.

H.R. 2380: Mr. Olver and Mr. Owens.

H.R. 2391: Mr. Kerns.

H.R. 2405: Mr. Hinchey and Mr. Hoeffel.

H.R. 2413: Mr. Owens.

H.R. 2417: Mr. Osborne, Mr. Bass, Mr. Costello, Mr. Owens, and Mr. Walsh.

H.R. 2438: Mr. Frelinghuysen, Mr. Ehlers, Ms. Slaughter, Mr. Greenwood, and Mr. Stark.

H.R. 2439: Mrs. Emerson, Mr. Hastings of Florida, Ms. Kaptur, Ms. McKinney, Ms. Rivers, Mrs. Thurman, and Mr. Watkins.

H.R. 2459: Mrs. Mink of Hawaii and Mr. Abercrombie.

H.R. 2476: Mr. Engel.

H.R. 2485: Mr. Goode, Mr. Barcia, Mr. LaTourette, Mr. Coble, and Mr. Manzullo.

H.R. 2515: Ms. Baldwin.

H.R. 2517: Mr. Baca.

H.R. 2573: Mr. Olver, Mr. Frank, Mr. Kleczka, Mr. Barrett, and Mr. Rothman.

H.R. 2592: Mr. Hinchey and Mr. Waxman.

H.R. 2594: Mr. Ross.

H.R. 2622: Mr. Shays and Mr. Horn.

H.R. 2623: Mr. Underwood, Mrs. Mink of Hawaii, Ms. McKinney, Mr. Towns, Mr. Doyle, and Mr. King.

H.R. 2667: Mr. Ortiz and Mrs. Meek of Florida.

H.R. 2669: Mr. Faleomavaega.

H.R. 2675: Mr. Faleomavaega, Ms. McKinney, and Mr. Owens.

H.R. 2677: Ms. Roybal-Allard, Mr. Kucinich, Mr. Berman, Mr. Brady of Pennsylvania, Mr. Borski, Ms. Eshoo, and Mr. Towns.

H.R. 2690: Mr. Kind, Mr. Isakson, Mr. Rohrabacher, Mr. Oberstar, Ms. Lofgren, Mr. Holden, Mr. Weiner, Mr. Ramstad, Mr. Kildee, Mr. McGovern, and Mr. Condit.

H.R. 2695: Mr. Knollenberg and Mr. Quinn.

H.R. 2701: Mr. Deutsch, Mr. Filner, Mr. Schiff, Mr. Thompson of California, Mr. Tierney, Mr. Brady of Pennsylvania, Mr. McHugh, and Mr. Berman.

H.R. 2711: Mr. Meeks of New York and Mrs. Thurman.

H.R. 2718: Mr. Frank and Mr. Coyne.

H.R. 2725: Mr. Hefley, Mr. Etheridge, Mr. Moran of Virginia, Mr. Gordon, Mr. Bentsen, Ms. Roybal-Allard, Mr. Traficant, Ms. Hooley of Oregon, Mr. Simmons, Mr. Pence, Mr. Ross, Mr. Boucher, and Mr. Schrock.

H.R. 2755: Mr. Brown of Ohio, Mr. Hilliard, Mr. LaFalce, Mr. Meeks of New York, Ms. Waters, Ms. Watson, Ms. Schakowsky, and Mr. Bonior.

H.R. 2778: Mr. Meeks of New York, Mr. Engel, and Ms. Pelosi.

H.R. 2779: Mr. Leach, Ms. McKinney, Ms. Schakowsky, Mr. Doyle, and Mr. Peterson of Minnesota.

H.R. 2787: Mr. Owens and Mr. Rangel.

H.R. 2794: Mr. Greenwood and Mr. Riley.

H.R. 2806: Mr. McDermott.

H.R. 2812: Mr. Hilliard, Mr. Meeks of New York, and Mr. Conyers.

H.R. 2813: Ms. McKinney.

H.R. 2816: Mr. McDermott.

H.R. 2817: Mr. Greenwood, Mr. Hunter, Ms. McKinney, Mr. Gilman, Mr. Shows, Mr. Rogers of Michigan, and Mr. Owens.

H.J. Res. 6: Mr. Walsh.

H.J. Res. 40: Mr. Leach.

H. Con. Res. 26: Ms. DeLauro.

H. Con. Res. 60: Mr. Filner, Mr. Hall of Ohio, Mr. Owens, and Mr. English.

H. Con. Res. 102: Mr. Sawyer, Mr. Carson of Oklahoma, and Mr. Kind.

H. Con. Res. 104: Mr. Goode and Mr. Holt.

H. Con. Res. 116: Mr. Kildee and Mr. Andrews.

H. Con. Res. 118: Ms. Sanchez and Mr. Bonior.

H. Con. Res. 164: Mr. Rothman, Mr. Castle, Mr. Boyd, and Mr. Chabot.

H. Con. Res. 181: Mr. Schiff, Mr. Clay, and Mr. Goode.

H. Con. Res. 191: Mrs. Jones of Ohio, Mr. English, and Mr. Owens.

H. Con. Res. 194: Mr. Rohrabacher, Mr. Gutknecht, Mr. Green of Wisconsin, Mr. Toomey, Mr. Cantor, Mr. Sam Johnson of Texas, Mr. Sununu, Mr. Shadegg, Mr. Cunningham, Mr. Ney, Mr. Vitter, Mr. Jones of North Carolina, Mr. Ryan of Wisconsin, Mr. Terry, Mr. Sessions, Mr. Aderholt, Mr. DeMint, Mr. Smith of New Jersey, Mr. Flake, Mr. Fossella, Mr. Sherman, Mr. Lantos, Mr. Payne, Mr. Hoeffel, Mr. Brown of Ohio, Mr. Burton of Indiana, Ms. Carson of Indiana, Mr. Underwood, AND MR. Faleomavaega.

H. Con. Res. 195: Ms. Watson and Mr. Crowley.

H. Con. Res. 211: Mr. Delahunt, Mrs. Morella, Mrs. Tauscher, Mr. Frank, and Mr. Hinchey.

H. Res. 144: Mr. Traficant.

H. Res. 197: Mr. Kerns.

H. Res. 224: Mr. Pascrell, Mr. Smith of New Jersey, and Mr. Rothman.

H. Res. 226: Mr. Tiberi, Ms. Brown of Florida, Mr. Rangel, Mr. Waxman, Mr. Stark, Ms. Eshoo, Mr. Boyd, and Mr. Borski.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2107: Mr. Kucinich.

EXTENSIONS OF REMARKS

RECOGNIZING THE CITY AND PEOPLE OF PORTAGE, WISCONSIN

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Ms. BALDWIN. Mr. Speaker, I rise today in recognition of the City and people of Portage, Wisconsin, and their annual celebration of the life and work of Zona Gale (1874–1938), a leader of the women's suffrage movement, civil and minority rights advocate, poet, journalist, Pultizer Prize winning playwright, novelist, University of Wisconsin Regent, and community leader.

As a leading suffragette, Zona Gale, who was born on August 26, 1874 in Portage, took an active role in the creation of the Wisconsin Equal Rights Law, which prohibits discrimination against women. While the original intent of the law was to implement the federal suffrage amendment in Wisconsin, in fact, the law went well beyond women's suffrage as it stated, "Women shall have the same rights and privileges under the law as men in the exercise of suffrage, freedom of contract, choice of residence for voting purposes, jury service, holding office, holding and conveying property, care and custody of children, and in all other respects." The law was upheld in Wisconsin's courts, and Wisconsin women were among the first in the nation to gain fully equal legal standing with men.

As a writer, Zona Gale achieved early prominence as a novelist, later winning the Pultizer Prize for drama in 1921 at her career's zenith with "Miss Lulu Bett" (1920), a village comedy depicting a single woman's attempts at self-assertion in a small town—a loosely fictionalized Portage.

Portage hosts its annual celebration each August remembering Zona Gale and her remarkable contributions. Of special note in Portage's work to remember Zona Gale is Blanche Murtagh, Project Director for Friendship Village Celebrates Zona Gale, who continues to lead these recognition efforts. Among the many who also continue to continue to this important effort are Edward Rebholz, President of the Portage Historical Society; Hans Jensen, Director of the Portage Public Library; Nan Rebholz, President of the Women's Civic League; Sandra Gunderson, President of the Zona Gale Center of the Arts; Irene Ludlum, President of the Portage Area Community Theater; and Ken Jahn, Director of the Portage Area Chamber of Commerce. These community leaders, and the citizens of Portage—Friendship Village as Zona Gale called it—are to be commended for their work in ensuring that the pioneering Zona Gale continues to be remembered for her greatness in American history.

CELEBRATING THE 30TH ANNIVERSARY OF EL PROYECTO DEL BARRIO

HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Ms. SOLIS. Mr. Speaker, I rise to recognize and congratulate a very special non-profit organization—El Proyecto del Barrio—on its 30th anniversary.

Founded in 1971, El Proyecto del Barrio has become the San Fernando Valley's leading agency for providing comprehensive community health and human services to Latinos and other economically disadvantaged populations. El Proyecto has demonstrated excellence in delivering primary healthcare services, substance abuse treatment, youth services and employment and training services to the community. El Proyecto's work in caring for the "whole person" has been honored regionally and nationally.

El Proyecto's capability to implement programs has been demonstrated during its 30-year history of developing and implementing culturally appropriate programs designed to serve the target population. This is evident by El Proyecto's most recent accomplishments. Since 1998, El Proyecto has constructed and opened the Mark Taper Center for a Healthy Community, located in Winnetka, CA. The Center houses the El Proyecto primary health care clinic, which provides 36,000 medical visits per year. The Center also houses the El Proyecto Youth Opportunities program, the Perinatal Service Center and the Family Development Network. Also, El Proyecto has developed and opened two new facilities—the Sun Valley One-stop Center in 1999 and the Youth Opportunity Program in 2000.

Once again, I congratulate and commend the staff and supporters of El Proyecto del Barrio for their commitment to providing comprehensive community health services and for serving the Latino and other economically disadvantaged youth and adults of the San Fernando Valley.

HONORING HELEN SHORROCK

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mrs. CAPPS. Mr. Speaker, I rise today to commend the life of a former constituent, Helen Shorrock, who passed from this life August 3, 2001 in Claremount, California. Helen led an exemplary life and died surrounded by her loving family.

Mrs. Shorrock will long be remembered for many reasons. She was an early student of theology and was ordained in an era when few women entered Christian ministry. She and her husband raised a remarkable family. And, having spent many years in Japan, she and her husband developed strong ties to the culture and built many bridges of understanding, especially in the area of higher education.

But I rise to honor the legacy of Helen Shorrock as an exemplary teacher and educator in the public schools of my Congressional District, in Santa Barbara, California. In particular she will be remembered for establishing a School-Age Parenting and Infant Development program at Santa Barbara High School. This program is called the PACE Center (Parent and Child Enrichment Program) and it has significantly impacted the lives of hundreds of teenagers and their children in our community.

Mr. Speaker, in the years proceeding my becoming a Member of Congress, I succeeded Helen Shorrock as Director of the PACE Center. I know very well the quality of the program she developed and know first-hand the lives that were forever changed in such a positive direction. With loving skill she established the highest level of prenatal care, educational goals and a child development center of exceptional quality.

As a result, healthy babies were born, parenting skills were taught, and teen parents not only stayed in school but graduated and, in record numbers, went on to college and careers. What Helen Shorrock began continues to be a model program. Her memory will long be honored by the productive lives of generations of students to come.

140TH ANNIVERSARY OF THE FARMERS & MERCHANTS UNION BANK IN COLUMBUS, WISCONSIN

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Ms. BALDWIN. Mr. Speaker, I rise today in recognition of the 140th Anniversary of the Farmers & Merchants Union Bank in Columbus, Wisconsin. The bank began business 140 years ago, and became nationally recognized when it moved into its new, current home in 1919. With its famous structure designed by the great American architect from the Midwest, Louis Sullivan, the bank is a cornerstone of the city of Columbus.

It is remarkable that this small bank has been able to retain its independence through the tumultuous 19th and 20th centuries to the modern era of megalithic corporate banking, the New Economy, and the information age. In 1861, when the bank first began, the United States was a very different place from now. Abraham Lincoln was President, and the Civil War between the states was in its infancy.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Wisconsin had been a state for only 13 years, but already had its sixth governor, Alexander William Randall. Columbus had not yet incorporated as a city—that was not to come for another 13 years, in 1874.

Though all these years, the Farmers & Merchants Union Bank has remained a truly local, independent, community bank and continues today to serve the people of Columbus and the surrounding areas.

It is a profound achievement for any business to remain in operation for 140 years, and I am proud to recognize this bank and the city and people of Columbus, Wisconsin.

RECOGNIZING THE CONTRIBUTIONS OF KIP LIPPER

HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Ms. SOLIS. Mr. Speaker, I rise today to recognize a friend of both myself and the environment—Kip Lipper.

Kip has worked for the California legislature for 23 years, and I worked closely with him when I was an Assembly member. He is currently the chief of staff for California State Senator Byron Sher and the staff director to the California Senate's Committee on Environmental Quality.

Kip has assisted Senator Sher, one of the state's leading environmental legislators, in drafting and enacting into law legislation on a variety of subjects including the California Clean Air Act, the California Safe Drinking Water Act, the California Beverage Container Recycling Act and the Integrated Waste Management Act. As a consultant to the Senate Environmental Quality Committee and Assembly Natural Resources Committee, Kip wrote and analyzed legislation affecting air quality, energy conservation and development, recycling, solid waste management, waste-to-energy project development and the California Environmental Quality Act.

On behalf of my constituents and the environmental community of California, I want to pay tribute to Kip and thank him for his outstanding work on behalf of the environment.

HONORING AVIS GOODWIN

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mrs. CAPPS. Mr. Speaker, I rise today to pay tribute to a constituent, Ms. Avis S. Goodwin. As Ms. Goodwin celebrates her 95th birthday, it is a good opportunity to recognize all the significant contributions she has made throughout her life.

While some individuals may choose to retire at the age of 65, the word "retirement" isn't in Ms. Goodwin's vocabulary. She continues to be as active today as she was 30 years ago, much to the benefit of several environmental causes. Ms. Goodwin moved to California from Maine as a teenager, and has spent the remainder of her life in the Golden State. Armed with degrees in history and education at U.C. Berkley, and a master's degree in educational psychology, Ms. Goodwin moved to the Central Coast and worked in Santa Barbara and San Luis Obispo Counties after World War II. After a long career in San Luis Obispo as a child psychologist with the juvenile court and the country superintendent of schools, Ms. Goodwin retired to Goleta, and began concentrating on her environmental pursuits.

Ms. Goodin's is very actively involved in several organizations, including the Sierra Club, the Habitat for Humanity, the Yellowstone Reintroduction Program and the San Luis Obispo Mozart Festival. In addition, she is actively involved in preserving the Carrizo Plain Natural Area, and annually donates to 80 charitable organizations. Needless to say, Avis Goodwin has touched the lives of countless people in her pursuit of donating to her three most cherished causes, music, animals, and the environment.

I feel honored to represent a citizen of this caliber who has consistently, throughout her 95 years, dedicated herself to bettering society. Avis Goodwin is an extraordinary woman who sets as a very high example for us all, and I would like may colleagues to join me in wishing her a very happy birthday.

30TH ANNIVERSARY OF COMMUNITY SHARES OF WISCONSIN

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Ms. BALDWIN. Mr. Speaker, I rise today in recognition of the 30th anniversary of Community Shares of Wisconsin, an extraordinary social action fund in Madison, WI. Founded in 1971 to fund grassroots organizations and projects working for social change, Community Shares was the first social action fund in the country.

Community Shares of Wisconsin is committed to working together with its donors and member agencies to address social, economic and environmental problems through advocacy, research and public education. Through cooperative fundraising, sharing resources and coordinating activities, Community Shares of Wisconsin supports and promotes innovative programs for Wisconsin citizens. Community Shares of Wisconsin member agencies work to help restore Wisconsin's prairie, protect and enhance its land and waters, build sustainable communities, provide for the needs of children and families and promote a fair, humanitarian society.

In 1971, Community Shares of Wisconsin, known then as the Madison Sustaining Fund and Community CHIP, supported 14 groups. After 30 years of hard work, Community Shares of Wisconsin now helps support 44 groups around the State.

I wholeheartedly congratulate Community Shares of Wisconsin for the 30 years of success as a social action fund. I am proud to recognize this organization and the city and people of Madison, WI.

PERSONAL EXPLANATION

HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Ms. SOLIS. Mr. Speaker, during rollcall vote No. 332 on H.R. 2563, I was unavoidably detained. Had I been present, I would have voted "nay."

PAYING TRIBUTE TO THE MEMBERS OF C COMPANY, 1ST BATTALION, 5TH REGIMENT, 1ST MARINE DIVISION

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. ROGERS of Michigan. Mr. Speaker, I rise today to pay tribute to the brave men of the C Company, 1st Battalion, 5th Regiment, 1st Marine Division for their courageous actions in April of 1947.

World War II left many problems unresolved in China, and although some have forgotten, the United States sent Marines into China after World War II to disarm Japanese soldiers, protect them from revenge and relieve them from their bases.

During the early morning hours of April 5, 1947, the C Company was attacked at Hsin Ho by the fighters of Chairman Mao Tse-tung. After the Japanese ripped out the plumbing and sabotaged the heating and water supplies, the communists attacked the outpost with a force of over 300 men. Although under heavy fire, the Marines fought off the communists through the night, pursuing them for eight miles.

When the sun rose that morning, five Americans were dead and eighteen wounded. Mr. Speaker, the United States will forever be indebted to the Marines who fought valiantly through the night of April 5, 1947. For nine years the C Company has attempted to gain official unit recognition for their bravery 54 years ago. I strongly believe it is the obligation of the United States to recognize these men who risked their lives in the pursuit of freedom.

Therefore Mr. Speaker, I respectfully ask my colleagues to join with me today in paying tribute to the brave men of C Company, 1st Battalion, 5th Regiment, 1st Marine Division. Their service has long passed but must never be forgotten.

"REMEMBERING DARLEY, ILLUSTRATION PIONEER, ACT OF 2001"

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. CASTLE. Mr. Speaker, I rise today to introduce the "Remembering Darley, Illustration Pioneer, Act of 2001." This legislation expresses the sense of Congress that a commemorative stamp should be issued to honor the great American illustrator Felix Octavius Carr (F.O.C.) Darley and that the Citizens' Stamp Advisory committee should recommend to the Postmaster General that such a stamp be issued.

The United States was less than fifty years old at the time of F.O.C. Darley's birth in 1821, and contemporary writers often lamented the new nation's lack of myths, legends, and historical associations. However, in collaboration with the writers whose works he illustrated, Darley helped to popularize such icons of national identity as the Pilgrim, the Pioneer, the Minutemen, and the Yankee Peddler. In so doing, he helped define the ways in which American readers imagined much of their own past.

Self-taught, Felix Octavius Carr Darley created an immense volume of work over a long career Beginning as a staff artist with a Philadelphia publisher and then moving to Delaware in 1859, he illustrated on a wide variety of subjects. While in Delaware, Darley illustrated such famous literary works as Charles Dickens' "A Tale of Two Cities;" Nathaniel Hawthorne's "The Scarlet Letter;" Clement Clark Moore's a "A Visit From Saint Nicholas;" Washington Irving's "The Legend of Sleepy Hallow," "Rip Van Winkle," and the five-volume "Life of George Washington;" and Henry Wadsworth Longfellow's "Evangeline." Later, in New York, his work was reproduced by numerous book publishers, Harpers Weekly, and other magazines.

So great was Darley's fame during his lifetime that many books were advertised as "Illustrated by Darley," as was the case with Clement Clark Moore's "A Visit From Saint Nicholas." Moore's name did not actually appear on the original cover, only Felix Octavius Carr Darley.

Darley was elected a member of the Academy of Design in 1852. Later he became a member of the Artist's fund Society; and, most recently Darley was inducted into the Society of Illustrators Hall of Fame in 2001. Presently, the Delaware home of Felix Ocatvius Carr Darley is listed on the National Historic Register and is maintained by members of the Darley Society.

It is for these reasons that we should take the steps necessary to honor the very first in a long line of great American illustrators, Felix Ocatvius Carr Darley by enacting legislation that will require the Postmaster General to issue a stamp commemorating his great achievements. There is no easier way to show our support for the arts, and for those persons, such as F.O.C. Darley, that have dedicated their lives to brushing just a bit of color into the imaginations of countless Americans. I urge my colleagues to cosponsor this legislation and recognize Darley's fine work and contributions to our American heritage.

PERSONAL EXPLANATION

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. THOMPSON of California. Mr. Speaker, on August 2, 2001, I missed three votes on HR 2563 due to a family obligation. If I were available, I would have voted "nay" on rollcall vote 330, "aye" on rollcall vote 311, and "nay" on rollcall vote 332.

IN RECOGNITION OF THE SISTER CITY PROJECT BETWEEN BLUE ASH, OHIO and ILMENAU, GERMANY

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. PORTMAN. Mr. Speaker, I rise today to recognize the outstanding Sister City relationship between the City of Blue Ash, Ohio and Ilmenau, Germany.

The first Sister Cities began in 1956 at the behest of former President Eisenhower as a way to strengthen our nation's relations with the international community. The Sister Cities initiative proved to be a great success, and, to this day, it continues to be a success. Presently, more than 2,500 U.S. cities have forged Sister City relationships in over 130 foreign countries.

Blue Ash's relationship with Ilmenau, Germany began last year under Mayor Jim Sumner's direction. Mayor Sumner began this exchange with three primary goals in mind: fostering economic development; nurturing exchange programs between the University of Cincinnati's Raymond Walters College and the Technical University of Ilmenau, and between Sycamore Community Schools and their counterparts in Ilmenau; and to forge other significant social and cultural exchanges that will come from the emerging relationship.

A delegation from Blue Ash first visited Ilmenau in February 2000. In February 2001, at the request of Ilmenau officials, a small delegation of Blue Ash's public safety officials traveled there to share ideas and methods related to police and fire department issues and training. Another delegation of Sycamore High School students also enjoyed their first visit to Ilmenau this year. Recently, in August, a delegation of police and fire officials from Ilmenau visited Blue Ash. And, next month, from October 1 to October 7, Mayor Sumner will lead another delegation to Ilmenau to participate in the Oktoberfest celebration, among other activities.

Mr. Speaker, the Blue Ash-Ilmenau Sister City project has been a great economic, cultural and educational success. All of us in the Cincinnati area wish Mayor Sumner and his delegation the very best on their upcoming visit, and we hope that the relationship between Blue Ash and Ilmenau will continue to prosper.

PAYING TRIBUTE TO JAMES BERNARD HERALD

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. ROGERS of Michigan. Mr. Speaker, I rise today to congratulate James Bernard Herald as he celebrates his 90th birthday later this month. James Bernard Herald began his military career in January, 1941 at Fort Custer in Battle Creek, Michigan where he underwent basic training. Following training, Herald's unit went on to become a part of the Army's 5th Division, serving under the command of the then Brigadier General Omar Bradley. Herald was discharged from the Army in August, 1941 as a result of the "under 28 years old" law being put into effect. However, this spell away from the Army was only to be for a short time as, following events in Pearl Harbor, he was recalled on December 10, 1941 to his old outfit. In March, 1942 he was shipped as part of the 5th division to Iceland in order to maintain the operation of supplying allies with goods and equipment. 1943 was spent by Herald and the 5th Division traveling to England and, when English soil became too crowded with troops and tanks, moving onto a base near Belfast, Northern Ireland in September, 1943.

By D-Day, 1944 James B. Herald was a Sergeant and Section Chief of a 155 millimeter Howitzer Cannon and a contingent of 14 men, which landed on Omaha Beach. Sergeant Herald and his men pushed forward to Metz, a fortress city in northeast France where his courage helped him to endure the violent combat, and shrapnel wounds both to the head and the hip. Once Herald had been treated for his wounds he was cited with the "Purple Heart" and sent straight back into action. He went on to be awarded with a "Bronze Star", the medal awarded for "bravery beyond the call of duty" for his heroic actions in Czechoslovakia in May, 1945.

Throughout his career in the Army, Herald was referred to as an exceptional "American Soldier". He marched through Germany, Austria, Italy, France and Belgium, and saw London, Paris, the Rhine, Brenner Pass and the Alps at their worst. He as demobilized in Indian Town Gap, Pennsylvania in August 1945, the year and month that saw the Japanese surrender. Following his demobilization he has continued to contribute greatly to society. He became the Commander of the Walter T. Roach American Legion Post in Hubbardston, which he and Elmer Cunningham kept going out of their own generosity and hard work. Herald held this post over thirty years ago and no one has since forgotten, and he now holds the distinction of oldest past commander. Further distinctions also include Herald's role as an Intelligence Agent in Europe (#1001), a member of the Knights of Columbus for fifty years, a member of the Moose for thirty years and best of all, a member of the Heralds for almost seventy years.

Mr. Speaker, I ask my colleagues to join with me in congratulating James Bernard Herald as he celebrates his 90th birthday later this year. It is most appropriate at this time that his lifetime achievements and service to his country and community should be recognized and honored.

IN HONOR OF THE DEDICATED FIRE PERSONNEL OF DELAWARE

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. CASTLE. Mr. Speaker, I rise today to pay tribute to twenty Delaware firefighters who bravely and unselfishly traveled to the State of Washington state to help combat the Wenatchee National Forest wildfires. The group was comprised of seven firefighters from the Delaware Department of Agriculture Forest Service and thirteen from various fire companies in Delaware.

Firefighters provide one of the most valuable services imaginable to this country and its people—that of saving lives and safeguarding our precious lands. With integrity, firefighters preserve the safety in the communities they serve. These brave men and women have demonstrated their community is not limited to the State of Delaware, but their commitment extends to the nation as a whole. Every year, firefighters are injured, and even die, in the service of their esteemed duty. Firefighting is one of the hardest jobs imaginable, and it is frequently rewarded only by the satisfaction that they have made their communities safer.

Mr. Speaker, allow me to recognize here these men and women individually for their service and valor. The firefighters are Teri Guy of Camden; Todd Gsell of Chestertown, Maryland; Kevin Hauer and Mike Valenti of Dover; Kevin and Todd Schaffer of Downington, Pennsylvania; Mike Brown of Hartley; Andrew Mathe of Hockessin; Erich Burkentine of Lewes; Sam Sloan of Millsboro; Guy Cooper of Millville; Matt Dotterer of Milton; Glenn Gladders, Chris Gorzynski, Mike Puglisi and Steve Reeves of Newark; Josh McGrath and Mike Sethman of Smyrna, Franny Cole of Townsend and Nikki Waller of Wilmington.

It is often said that nothing is bigger than the heart of a volunteer. I think that is especially true for these dedicated men and women of Delaware who serve not only our state, but protect the nation as whole. For all their courage, their strength, their selflessness, and their dedication, I salute each and every one of them.

HUMAN CLONING PROHIBITION ACT OF 2001

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 31, 2001

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition to H.R. 2505, The Human Cloning Prohibition Act of 2001. I am absolutely opposed to any cloning that results in the creation of a human life and/or a pregnancy. That is why I support the Greenwood-Deutsch-Schiff-DeGette Amendment, legislation that prohibits such cloning but allows the opportunity for medical research.

As I have already stated, I believe that the science of cloning deserves serious consideration. As has been evidenced by the prior hearings and debate on this issue, the knowledge of the scientific community in this field is still in its infancy, particularly in the field of stem cell research. It is crucial that Congress carefully consider all options regarding this issue before it proceeds, particularly before we undertake to criminalize aspects of this practice. We must carefully balance society's need for lifesaving scientific research against the numerous moral, ethical, social and scientific issues that this issue raises. Yet what we face here today is legislation that threatens to stop this valuable research, in the face of evidence that we should permit this research to continue.

Those of us who believe in the Greenwood-Deutsch-Schiff-DeGette substitute are not proposing and are not proponents of human cloning. What we are proponents of is the Bush Administration's NIH report June 2001 entitled "Stem Cells: Scientific Progress and Future Research Directions." This report, as I will discuss further, acknowledges the importance of therapeutic cloning.

None of us want to ensure that human beings come out of the laboratory. In fact, I am very delighted to note that language in the legislation that I am supporting, the Greenwood-Deutsch-Schiff-DeGette legislation, specifically says that it is unlawful to use or attempt to use human somatic cell nuclear transfer technology or the product of such technology to initiate a pregnancy to create a human being. But what we can do is save lives.

For the many people come into my office who are suffering from Parkinson's disease, Alzheimer's, neurological paralysis, diabetes, stroke, Lou Gehrig's disease, and cancer, or infertility the Weldon bill questions whether that science can continue. I believe it is important to support the substitute, and I would ask my colleagues to do so.

What we can and must accept as a useful and necessary practice is the use of the cloning technique to conduct embryonic stem cell research. This work shows promise in the effort to treat and even cure many devastating diseases and injuries, such as sickle cell anemia, spinal cord damage and Parkinson's disease through valuable stem cell research. This research also brings great hope to those who now languish for years or die waiting for a donor organ or tissue. Yet just as we are seeing the value of such research, H.R. 2505 would seek not only to stop this research, but also to criminalize it. We must pause for a moment to consider what conduct should be criminalized.

Those who support the Human Cloning Prohibition Act contend that it will have no negative Impact on the field of stem cell research. However, the findings of the report that the National Institutes of Health released in June 2001 are to the contrary. This report states that only clonally derived embryonic stem cells truly hold the promise of generating replacement cells and tissues to treat and cure many devastating diseases. It is ironic at the same time that while the Weldon bill has been making its way through the House, the Administration's NIH is declaring that that the very research that the bill seeks to prohibit is of significant value to all of us.

An embryonic stem cell is derived from a group of cells called the inner cell mass, which is part of the early embryo called the blastocyst. Once removed from the blastocyst, the cells of the inner cell mass can be cultured into embryonic stem cells; this is known as somatic cell nuclear transfer. It is important to note that these cells are not themselves embryos. Evidence indicates that these cells do not behave in the laboratory as they would in the developing embryo.

The understanding of how pluripotent stem cells work has advanced dramatically just since 1998, when a scientist at the University of Wisconsin isolated stem cells from human embryos. Although some progress has been made in adult stem cell research, at this point there is no isolated population of adult stem cells that is capable of forming all the kinds of cells of the body. Adult stem cells are rare, difficult to identify, isolate and purify and do not replicate indefinitely in culture.

Conversely, pluripotent stem cells have the ability to develop into all the cells of the body. The only known sources of human pluripotent stem cells are those isolated and cultured from early human embryos and from certain fetal tissue. There is no evidence that adult stem cells are pluripotent.

Further, human pluripotent stem cells from embryos are by their nature clonally derived—that is, generated by the division of a single cell and genetically identical to that cell. Clonality is important for researchers for several reasons. To fully understand and harness the ability of stem cells to generate replacement cells and tissues, the each identity of those cells' genetic capabilities and functional qualities must be known. Very few studies show that adult stem cells have these properties. Hence, now that we are on the cusp of even greater discoveries, we should not take an action that will cut off these valuable scientific developments that are giving new hope to millions of Americans. For example, it may be possible to treat many diseases, such as diabetes and Parkinson's, by transplanting human embryonic cells. To avoid immunological rejection of these cells "it has been suggested that . . . [a successful transplant] could be accomplished by using somatic cell nuclear transfer technology (so called therapeutic cloning), . . ." according to the NIH.

Hence, although I applaud the intent of H.R. 2505, I have serious concerns about it. H.R. 2505 would impose criminal penalties not only on those who attempt to clone for reproductive purposes, but also on those who engage in research cloning, such as stem cell and infertility research, to expand the boundaries of useful scientific knowledge. These penalties would extend to those who ship or receive product of human cloning. And these penalties are severe—imprisonment of up to ten years and a civil penalty of up to one million dollars, not to exceed more than two times the gross pecuniary gain of the violator. Many questions remain unanswered about stem cell research, and we must permit the inquiry to continue so that these answers can be found. In addition to research into treatments and cures for life threatening diseases, I am also particularly concerned about the possible effect on the treatment and prevention of infertility and research into new contraceptive technologies. We must not criminalize these inquiries.

H.R. 2505 would make permanent the moratorium on human cloning that the National Bioethics Advisory Commission recommended to President Clinton in 1997 in order to allow for more time to study the issue. Those who support the bill state that we must do so because we do not fully understand the ramifications of cloning and that allowing even cloning for embryonic stem cell research creates a slippery slope into reproductive cloning. I maintain that we must study what we do not know, not prohibit it. The very fact that there was disagreement among the witnesses who spoke before us in Judiciary Committee indicates that there is substantial need for further inquiry. We would not know progress if we were to criminalize every step that yielded some possible negative results along with the positive.

There are many legal uncertainties inherent in prohibiting cloning. First, we face the argument that reproductive cloning may be constitutionally protected by the right to privacy. We must also carefully consider whether we take a large step towards overturning Roe v. Wade when we legislatively protect embryos. We do not recognize embryos as full-fledged human beings with separate legal rights, and we should not seek to do so.

Instead, I again urge my colleagues to support the Greenwood-Deutsch-Schiff-DeGette substitute, a reasonable alternative to H.R. 2505. This legislation includes a ten year moratorium on cloning intended to create a human life, instead of permanently banning it. As I previously noted, it specifically prohibits human cloning or its products for the purposes of initiating or intending to initiate a pregnancy. It imposes the same penalties on this human cloning as does H.R. 2505. Thus, it addresses the concern of some that permitting scientific/research cloning would lead to permitting the creation of cloned humans.

More importantly, the Greenwood-Deutsch-Schiff-DeGette substitute will still permit valuable scientific research to continue, including embryonic stem cell research, which I have already discussed. This substitute would explicitly permit life giving fertility treatments to continue. As I have stated, for the millions of Americans struggling with infertility, protection of access to fertility treatments is crucial. Infertility is a crucial area of medicine in which we are developing cutting edge techniques that help those who cannot conceive on their own. It would be irresponsible to cut short these procedures by legislation that mistakenly treats them as the equivalent of reproductive cloning. For example, there is a fertility technique known as ooplasmic transfer that could be considered to be illegal cloning under HR 2505's broad definition of "human cloning." This technique involves the transfer of material that may contain mitochondrial DNA from a donor egg to another fertilized egg. This technique has successfully helped more than thirty infertile couples conceive healthy children. It may also come as no surprise that in vitro fertilization research has been a leading field for other valuable stem cell research.

The Centers for Disease Control and Prevention advise that ten percent of couples in this country, or 6.1 million couples, experience infertility at any given time. It affects men and women with almost equal frequency. In 1998, the last year for which data is available, there were 80,000 recorded in vitro fertilization attempts, out of which 28,500 babies were born. This technique is a method by which a man's sperm and the woman's egg are combined in a laboratory dish, where fertilization occurs. The resulting embryo is then transferred to the uterus to develop naturally. Thousands of other children were conceived and born as a result of what are now considered lower technology procedures, such as intrauterine insemination. Recent improvements in scientific advancement make pregnancy possible in more than half of the couples pursuing treatments.

The language in my amendment made it explicitly clear that embryonic stem cell research and medical treatments will not be banned or restricted, even if both human and research cloning are. The organizations that respectively represent the infertile and their doctors, the American Infertility Association and the American Society for Reproductive Medicine, support this amendment. For the millions of Americans struggling with infertility, this provision is very important. Infertility is a crucial area of medicine in which we are developing cutting edge techniques that help those who cannot conceive on their own. It is would be irresponsible to cut short these procedures by legislation that mistakenly addresses these treatments as the equivalent of reproductive cloning.

The proponents of H.R. 2505 argue that their bill will not prohibit these procedures. However, access to infertility treatments is so critical and fundamental to millions that we should make sure that it is explicitly protected here. We must not stifle the research and treatment by placing doctors and scientists in fear that they will violate criminal law. To do so would deny infertile couples access to these important treatments.

Whatever action we take, we must be careful that out of fear of remote consequences we do not chill valuable scientific research, such as that for the treatment and prevention of infertility or research into new contraceptive technologies. The essential advances we have made in this century and prior ones have been based on the principles of inquiry and experiment. We must tread lightly lest we risk trampling this spirit. Consider the example of Galileo, who was exiled for advocating the theory that the Earth rotated around the Sun. It is not an easy balance to simultaneously promote careful scientific advancement while also protecting ourselves from what is dangerous, but we must strive to do so. Lives depend on it.

Mr. Speaker, we must think carefully before we vote on this legislation, which will have far reaching implications on scientific and medical advancement and set the tone for congressional oversight of the scientific community.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes:

Mr. TAUZIN. Mr. Chairman, I continue to be concerned about the energy situation in the Pacific Northwest. Earlier this year, language was offered in House Energy and Water Appropriations bill to increase the borrowing authority at the Bonneville Power Administration by $2 billion for transmission upgrading. I understand the language has been put into the Energy and Water bill on the Senate side.

Part of the transmission problem in the Northwest has been created by the temporary closure of aluminum facilities, especially those in Western Montana and Eastern Washington.

I am concerned about Bonneville's actions to reduce and possibly eliminate future electricity sales to the aluminum smelters in the Northwest, which collectively make up about 40% of total U.S. primary aluminum production. These actions will not only have significant and adverse impacts on the transmission system in the Northwest, but will also create economic dislocations in the communities in which these facilities have operated. This is not just a Northwest issue, however, since it could adversely affect the global supply and demand for aluminum.

I have raised these issues with the Department of Energy and will continue to work on them as a priority. As the Committee continues to deal with energy legislation, we may hold hearings on this subject and may consider legislative remedies to the situation in the Northwest. I intend to preserve and exercise the Energy and Commerce Committee's jurisdiction over BPA's transmission and power sales issues.

NATIONAL CENTER FOR SUPERCOMPUTING APPLICATIONS

HON. TIMOTHY V. JOHNSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. JOHNSON of Illinois. Mr. Speaker, I rise today in recognition of the National Center for Supercomputing Applications at the University of Illinois at Urbana-Champaign, and its new role in building the largest, most comprehensive computational infrastructure ever deployed for open scientific research. The Distributed Terascale Facility, or DTF, will provide the computing power that will enable the scientific discoveries of the 21st century, including computers capable of processing trillions of calculations per second and hundreds of terabytes of data storage capacity. The DTF computing systems will begin operation in 2002 and the network connecting these computational and data resources will be 16 times faster than today's fastest high speed research network.

On Wednesday, September 5, in my State of Illinois, a new facility is being dedicated, which will house the main computing engines of the DTF. The state-of-the-art facility will be connected to resources and research centers across the country through an ultra-highspeed network.

There is no question that scientific research is crucial to our nation's future success. Scientific discoveries and technological innovations not only drive our economy, but they provide a better quality of life for our citizens. In the recent past, we have seen phenomenal scientific advances that promise to help us understand the workings of the brain, discover new drugs to fight cancer, accurately predict severe storms, and build safer, more durable airplanes, buildings and bridges. The high-performance computers and resources connected by an ultrafast network to form the DTA "teragrid" will enable the discoveries of the next century. Using the teragrid, scientists and researchers across the continent will be able to share resources, call upon remote databases, develop new applications and visualize the results of complex computer simulations.

I applaud all those involved in this partnership to make the DTF a reality: the National science Foundation for providing $53 million for the project; Qwest Communications, IBM, and Intel, for their technological contributions; and the research centers that will build and deploy the DTF-The National Center for Supercomputing Applications at the University of Illinois at Urbana-Champaign; the San Diego Supercomputing Center at the University of California, San Diego; Argonne National Laboratory in Argonne, Illinois, and the California Institute of Technology in Pasadena.

In closing, I extend my best wishes and congratulations to the dedicated people in these organizations who are clearly committed to employing cutting-edge technologies to build the 21st century's computing and information infrastructure. This infrastructure will help keep our businesses competitive, assist the best scientists and researchers across our nation in advancing the frontiers of discovery, and allow us to solve the most pressing problems of our time.

CONGRATULATING THE ROCHESTER HOST LIONS CLUB ON ITS 80TH ANNIVERSARY, AUGUST 30, 2001

HON. LOUISE McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Ms. SLAUGHTER. Mr. Speaker, recognizing that the Rochester Host Lions Club is part of the Lions Club International, which was founded in Chicago, Illinois in 1917; and acknowledging the Rochester Host Lions Club, chartered on September 2, 1921, is the oldest Lions Club in New York State;

Recognizing that the Rochester Host Lions Club's dedication to serving those in need has made a measurable impact on the community, by contributing to the betterment of the City of Rochester, its surrounding areas, and New York State;

Recognizing the Rochester Host Lions Club's significant efforts in serving persons who are visually, hearing, and handicapped impaired, including SightFirst, the world's largest blindness prevention program; and acknowledging the Lions' efforts to establish the first eye bank in the United States;

Recognizing the Rochester Host Lions Club's many other community service efforts, including purchasing glasses for the needy, volunteering for the Salvation Army Christmas collection, hosting fundraising events for various community service organizations, and contributing funding to shelters, youth centers, community groups, and substance abuse treatment centers;

Urging the Rochester Host Lions Club to continue its exemplary public service to the community, as evidenced by its current fundraising work to expand its school-based health clinic program to include a dental and eye care facility;

Recognizing that members and friends of the Rochester Host Lions Club have come together this evening, August 30, 2001, to commemorate this important day in the Lions Club's history, its 80th Anniversary;

Resolved that I, Rep. Louise M. Slaughter, congratulate the Rochester Host Lions Club on its 80th Anniversary; and resolved that this proclamation will be submitted into the CONGRESSIONAL RECORD.

SECURING AMERICA'S FUTURE ENERGY ACT OF 2001

SPEECH OF

HON. JAMES R. LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 1, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4) to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people, and for other purposes.

Mr. LANGEVIN. Mr. Chairman, I rise today in opposition to H.R. 4, the Securing America's Future Energy (SAFE) Act, and urge my colleagues to vote against this legislation.

The growth of the U.S. economy over the last decade has significantly increased our nation's need for energy. Maintaining a reliable and affordable supply of power is essential to American businesses and consumers, and we must take precautions to ensure that our economy is not stalled due to blackouts or prohibitively high energy costs. Our nation's energy policy should guarantee access to affordable power, encourage conservation efforts, and pursue increased use of environmentally responsible and renewable sources of energy. While I applaud the House's effort to address our nation's energy needs, I am greatly troubled by some of the provisions of the SAFE Act.

H.R. 4 permits energy exploration in the Arctic National Wildlife Refuge (ANWR), which I strongly oppose, as drilling in this environmentally fragile area would have a harmful impact on its diverse array of animal and bird species. I am greatly disappointed by this destructive provision, and believe we must protect Alaskan wilderness by continuing the current moratorium on drilling in ANWR.

The SAFE Act also misses a prime opportunity to decrease oil consumption by increasing corporate average fuel economy (CAFE) standards for our nation's vehicles. I support the amendment offered by the gentleman from New York (Mr. BOEHLERT) to require sport utility vehicles (SUV's) to meet the fuel efficiency requirements of passenger vehicles, rather than adhere to the current light trucks standard. Closing this "SUV loophole" could reduce U.S. daily oil consumption by 1 million barrels—the approximate daily estimated oil yield from the Arctic National Wildlife Refuge.

I am also disturbed that the bill provides such extensive tax breaks to the oil and gas industry. Though the energy sector is reporting record profits, H.R. 4 offers billions of dollars in tax deductions for oil and gas activities. This provision is particularly egregious in light of the recently passed $1.35 trillion tax cut that now endangers our federal surplus. Additionally, the bill further threatens our dwindling surplus by repealing existing fuel taxes for railroad and inland waterway transportation.

Again, I appreciate the efforts of many of my colleagues to address our nation's energy needs, but I have significant reservations with some of the priorities of H.R. 4, and hope that we will be able to address some of these concerns in the near future.

PERSONAL EXPLANATION

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Ms. CARSON. Mr. Speaker, due to a field hearing of the Subcommittee on Oversight and Investigations of the Committee on Veterans Affairs being held in my district, I shall be unavoidably absent for today.

HONORING THE CAREER OF DR. ROBERT BYERS, M.D.

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. BENTSEN. Mr. Speaker, I rise today to recognize the long and decorated career of Dr. Robert Maxwell Byers. The oldest son of Dr. John Maxwell Byers and Charlotte Winchester Byers, Robert has spent more than 30 years at the M.D. Anderson Cancer Center, in Houston, Texas.

Dr. Byers grew up in the small town of Elkton, Maryland. An athletic teen who excelled in baseball, basketball, and track, Robert continued his athletic participation at Duke University, where he studied pre-Med. In 1959, he entered the University of Maryland Medical School in Baltimore where he excelled in his academic studies and received membership to the AOA and the Rush Honor Medical Society. In 1961, he married his high school sweetheart, Marcia Davis.

During his third year of Medical School, Robert was commissioned an Ensign in the United States Naval Reserve, and later rose to the rank of Captain in 1986. In 1963, Dr. Byers began his general surgical residency at the University Hospital in Baltimore, Maryland. Five years later, he left for the Republic of Vietnam, as a fully trained general surgeon, with the 1st Marine Division. He received a unit commendation medal and combat action ribbon for his service in Vietnam. In 1969, he was certified by the American Board of Surgery. The following year, after his discharge from the Navy, he moved his family to Houston, Texas.

In Houston, Dr. Byers began a fellowship in Surgical Oncology at the University of Texas M.D. Anderson Cancer Center. This was the decision that molded his career in Head and Neck Surgical Oncology. Over the past thirty years at the M.D. Anderson Cancer Center, Dr. Byers climbed the ranks to Professor and Surgeon. His career has been decorated with many awards and honors. He was honored with the distinguished Alano J. Ballantyne, Chair of Head and Neck Surgery in 1998, and was selected to give the Hayes Martin Memorial Lecture at the 5th International Conference on Head and Neck Cancer. Dr. Byers has authored or co-authored more than 200 works, including published papers, book chapters, and monographs. Throughout his time at M.D. Anderson he has contributed to the education of more than 300 residents, who are now becoming the future leaders of this field of health care.

In addition to his professional work, Dr. Byers has played an active role in the Houston community. With four sons, MacGregor, Robby, Matthew, and John, he was actively involved in coaching Little League and basketball. All of us in the greater Houston area have benefited from Dr. Byers' dedication and commitment to the medical field and his family.

Mr. Speaker, Dr. Robert Maxwell Byers is a Veteran, a doctor, a father, a community activist, and a man whose commitment to the public good sets a model for future generations to follow. I applaud the long and accomplished career of Dr. Robert Maxwell Byers and wish him continued success in future endeavors.

GROUND ZERO

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Ms. NORTON. Mr. Speaker, I commend to the attention of members an article from Washingtonian Magazine, December 2001, entitled "Ground Zero." Harry Jaffe deserves credit for his early focus on the burial of munitions and toxic chemicals in the District of Columbia's Spring Valley community and on the government's non-disclosure of information to the D.C. government and its residents.

As a result of Mr. Jaffe's work, other media reports and our own investigation, the D.C. Subcomittee held hearings on July 27, and asked the General Accounting Office to conduct a full-scale investigation of the Spring Valley site as well as others in the city, where munitions or chemicals might have been discarded.

[From the Washingtonian Magazine, Dec. 2001]

GROUND ZERO

(By Harry Jaffe)

Rick Feeney was cutting the grass one day in 1992 when he heard his black retriever, Kerry, yelping and whining in the construction site next to his home on Glenbrook Road in DC's Spring Valley. He looked over to see the dog in the freshly dug earth, shaking her head, liquid coming from her eyes and mouth. When Feeney went to help, his own eyes started to water, the skin on his arms started to sting, and a bitter taste filled his mouth.

"Feels a lot like I've been gassed," Feeney thought, recalling his training in the Navy, when he had walked through clouds of tear gas. He went home and hosed off himself and his dog. But every time he mowed his lawn, his eyes watered and his nose ran. Finally the hole was covered over and the house completed—now the home of American University president Benjamin Ladner.

A few months later, on January 5, 1993, construction workers digging trenches for new houses in Spring Valley a half mile northwest of Feeney's home unearthed what looked like rusted bombs. In a matter of hours, Army bomb-removal units arrived by helicopter from Aberdeen Proving Ground in Maryland. With gas masks on their hips, they determined that the canisters were World War I-era chemical mortar rounds and 75-millimeter shells. Some were live and might contain mustard gas, a lethal chemical that caused blindness, skin blisters, and internal and external bleeding in 400,000 World War I soldiers.

Nan Whalen, who lives near the trench, was at home when an acquaintance phoned. "My God, Nan, what's going on in your neighborhood?" asked the caller from her car. She had been invited to a dinner party at Vice President Dan Quayle's home on the Naval Observatory grounds and had just heard that it might be canceled. The Army was worried that a live shell might detonate and send a gas cloud drifting over the vice president's house..

The first night the Army held a meeting for the community at a church on Westmoreland Circle. Officers told worried residents that the bombs had been left by soldiers who had used the area to produce and test chemical weapons in 1918. They assured residents that everything would be taken care of.

Rick Feeney stopped an Army officer on the way out and told him about his reaction to the fumes from the property on Glenbrook Road.

'I assumed it was tear gas," he told the officer, "or something that made you feel that you had been gassed." The officer turned to an aide. "Make sure we take a look at this."

Through the rest of 1993 and into 1994, the Army recovered 141 munitions, including 42 poison-gas shells. In stages, officials evacuated 72 homes in the zone around the bomb pit while soldiers searched for buried munitions; in 1994, 130 families were asked to move out, mostly during weekdays, while bomb specialists searched for more ordnance.

In 1995 the Army Corps of Engineers issued a report describing its explorations and excavations. In sum, it said it had completed its work; Spring Valley was safe. The situation there required "no further action."

Five years later, that seems far from true. Scientist and engineers have determined that the Army missed a number of pits containing buried munitions and toxic chemicals. The search for bomb pits and contaminated soil and water is under way once again. Prodded by DC environmental scientists, the Army Corps of Engineers launched a fresh operation to find and remove hazardous materials from the area. So far it has unearthed twice as many munitions as were found in 1993. Evidence of more toxic chemicals is mounting.

Documents reviewed under the freedom of Information Act and interviews with investigators and scientists reveal that:

—The Army plans to evacuate two buildings at American University and five houses early next year while it excavates what is believed to be a disposal site for laboratories that produced lethal munitions.

—The Army has found high levels of arsenic in a part of Spring Valley once called "Arsenic Valley" because of its proximity to a lab that used arsenic in making chemical munitions. Rick Feeney's home lies in its center. Within its borders are a childcare center on AU campus and multimillion-dollar mansions on Indian Lane. The federal government lists arsenic, a poisonous heavy metal, as the most hazardous on its toxic-substance list. Health officials have warned people in Spring Valley against eating food grown in their gardens.

—Theodore J. Gordon, chief operating officer for DC's Department of Health, has asked the Corps to ensure that the groundwater in Spring Valley is clear of toxic chemicals, especially arsenic. Some of Spring Valley's groundwater drains towards Dalecarlia Reservoir, which supplies water to DC. Is there arsenic on the bottom of the reservoir? "That's a possibility", Gordon says.

—Two people who lived in houses built over a 1918 training trench used to test chemical weapons contracted aplastic anemia, a blood disorder that occurs when the bone marrow stops making enough healthy blood cells. The cause of the disease is unknown, but environmental toxins are suspected.

—According to internal documents and interviews with investigators, five federal agencies, led by the EPA and including the FBI, are investigating whether "criminal false statements" contributed to the Corps' determination in 1995 that "no further action" was necessary.

While Spring Valley residents learned in 1993 that their neighborhood was built on top of a chemical-weapons proving ground, documents show that American University and the Army knew at least in 1986 that there were "possible burial sites," according to documents filed in lawsuits and reports obtained through FOIA. American University knew as early as 1921, when a campus publication referred to buried weapons on campus.

Lawsuits have been filed in the case. Former district judge Stanley Sporkin ruled in 1997 that the Army had a "duty to warn" people about the buried bombs: "The Army in this case created the hazard and literally 'coverd it up,'" Sporkin wrote in ruling on a lawsuit filed against the Army by a developer in 1996. The Spring Valley investigation is more than a story about buried munitions; it's also about buried intentions and hidden agendas. At critical junctures a community's health and welfare appear to have been sacrificed for bureaucratic infighting and concerns about public image. And the people of

Spring Valley have been in conflict over whether to protect their property values or to actively investigate potential risks. There is now no hard evidence of cancer clusters in Spring Valley, but there's's no question that the health risks deserved scientific scrutiny years ago. Says Kenneth Schuster, a US Environmental Protection Agency scientist investigating Spring Valley: There is an indication of high incidence of cancer and rare blood diseases. Are they related to the buried munitions? We don't know, but I'm pushing for an epidemiological study.

"There a lot of unfinished business in Spring Valley."

TRIBUTE TO JUDGE AVIVA K. BOBB

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. BRAD SHERMAN

OF CALIFORNIA

HON. HENRY A. WAXMAN

CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. BERMAN. Mr. Speaker, we rise today to pay tribute to an exceptional individual and good friend, Judge Aviva K. Bobb, Supervising Judge of the Family Law Department of the Los Angeles County Superior Court. Judge Bobb will be honored on September 29, 2001 with the Levitt & Quinn Family Law Center Award for Outstanding Community Service.

Judge Bobb has served in the Los Angeles Superior Court since 1994. She previously served for 14 years in the Los Angeles Municipal Court where she was the presiding, assistant presiding, and supervising judge. Before appointment to the bench, she served as the Executive Director of the San Fernando Valley Neighborhood Association and as the Executive Director of the Legal Aid Foundation of Los Angeles. She is a graduate of Boalt Hall School of Law.

In 2000, she was named to her current post as Supervising Judge of the Family Law Department, where she has established a national reputation as an outstanding expert in how to address problems resulting from divorce and child custody questions.

In addition to her distinguished career on the bench, Judge Bobb is a member of the Judicial Council of California, where she served on the Court Technology Advisory Committee and the Task Force on Trial Court Employees. Judge Bobb has also generously given her time, energy and resources to numerous committees of the Los Angeles County Bar Association, and presently is a member of the Family Law Section Executive Committee. She has been the chair of the California Judges Association Court Administration Committee and vice chairperson of the Judicial Council's Presiding Judges Advisory Committee. Her many contributions to our community include service on the Board of Directors of Bet Tzedek Legal Services, Public Counsel, the Western Center on Law and Poverty, and as a trustee of the Women Lawyers Association of Los Angeles.

Judge Bobb has been the recipient of the Boalt Hall Alumni Association Distinguished Service Award in 1994 and the Judicial Excellence Award of the National Council on Alcoholism of the San Fernando Valley in 1989. The Levitt & Quinn Family Law Center Award is a very special award because it is given only to those who have dedicated themselves to alleviating social problems within the community at the city, county or state level.

It is our distinct pleasure to ask our colleagues to join with us in saluting Judge Bobb for her outstanding achievements, and to congratulate her on receiving this prestigious award.

TRIBUTE TO JEAN RUNYON

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. MATSUI. Mr. Speaker, I rise in tribute to Jean Runyon, the founder of Runyon Saltzman and Einhorn, Inc., one of the region's largest full-service advertising, public relations, public affairs and social marketing firms. Jean is the recipient of The Salvation Army's "Partners In Community Service" Award. As her friends and family gather to celebrate Jean's wonderful achievement, I ask all of my colleagues to join me in saluting one of Sacramento's most talented citizen leaders.

Jean first arrived in Sacramento in 1955 from her hometown of Berkeley, California where she enjoyed a hobby career as a stage actress. She devoted her time and energy to the Music Circus, planning theater parties. During her first year as the group's public relations chief, Jean helped Music Circus realize its first annual profit. As news spread of her outstanding talent for publicizing events, business owners approached her for advice on their own public relations projects.

In 1956, she founded Runyon and Associates. Focusing on a variety of advertising and public relations campaigns. Jean quickly and rightfully earned a reputation for delivering results. Within a few years, Jean became the first woman to be named "PR Man of the Year" by the Sacramento Public Relations Roundtable.

Today, Runyon Saltzman & Einhorn is one of Sacramento's top advertising agencies and is widely recognized for its creative work. In the early 90s, the agency branched into social marketing campaigns having put their efforts to work on behalf of a variety of environmental and public health issues. These campaigns communicated the importance of preserving clean air, avoiding tobacco, preventing teen pregnancy, stopping elder abuse and obtaining health insurance for children. The investment in this field paid off with proven results, as evidenced by national, regional and local industry recognition.

A number of nonprofit and community organizations have continued to recognize Jean for her tireless support and humanitarianism over the years. She has served on almost every major board in Sacramento, in addition to being the first female member of the Sutter Hospital Board of Trustees and the prestigious Downtown Rotary. Recently, she was honored with the naming of the Jean Runyon Little Theatre, celebrating that love for the performing arts, which later launched her career as a Sacramento public relations executive.

She has never forgotten the importance of donating time to her community. She has worked with dozens of charities and community nonprofit organizations, from such cultural institutions as the Crocker Art Museum, to groups like Make-A-Wish Foundation that help children, to organizations like The Salvation Army that help everyone. Jean's commitment to serving her community is truly an inspiration and example to her fellow citizens.

Mr. Speaker, as Ms. Jean Runyon's friends and family gather for the award ceremony, I am honored to pay tribute to one of Sacramento's most honorable citizens. Her successes are unparalleled, and it is a great honor for me to have the opportunity to pay tribute to her contributions. I ask all my colleagues to join with me in wishing my dear, dear friend Jean continued success in all her future endeavors.

CONGRATULATIONS TO MARY LAW ON HER RETIREMENT

HON. JOHN A. BOEHNER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. BOEHNER. Mr. Speaker, I rise today to express my gratitude to Mary C. Law, a great friend of mine who is retiring in a few weeks after serving my home county for two decades.

Mary began her career as Butler County Treasurer in September of 1981. Her twenty years of service to myself and my neighbors have been marked by too many accomplishments to name here. However, one of her most significant achievements while in office was to provide working mothers in her office with flex time and job-sharing to work around their children and children's schedules.

Aside from her great work as Treasurer, Mary has been an active supporter of many charitable organizations in the city of Hamilton and throughout all of Butler County. She is truly a great leader, both in office and throughout our community.

Mary always has been a great friend to me. She always has been willing to help me when I have needed it. I wish her a healthy and joyful retirement. Her services will be deeply missed, and she will be remembered as a dedicated and respected community leader.

BIPARTISAN PATIENT PROTECTION ACT

SPEECH OF

HON. JOSEPH CROWLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2563) to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage:

Mr. CROWLEY. Mr. Chairman, I rise today to express my sadness over the bill before us today. Let me begin by saying that I am a cosponsor—once proud—of H.R. 2563, the Ganske-Dingell-Norwood Patient's Bill of Rights. When I signed onto this bill, this was a truly Bipartisan Patient Protection Act.

But there have been some changes. And the kicker? The kicker is that I, a cosponsor of this bill, was not told what those changes were. None of us were, not until the eleventh hour. I do know that this bill has been gutted. What I know, is that there have been back room deals and secret negotiations. As a result, what was once a good bill is now one I am extremely disappointed with. The process by which new provisions have been developed has been a deceptive one. We started with a very bipartisan process to develop workable language, but unfortunately, that process was hijacked. Instead, deals were made behind closed doors. Even when improvements were suggested that would improve the language, they were ignored. This process was a disgrace to the House and the American people, who would benefit far more from a bipartisan and open process.

The Patient's Bill of Rights I put my name on, is now the Providers Bill of Rights. The patient's Bill of Rights that we had yesterday would have ensured that patients come first—not HMO profits or health plan bureaucrats. The Providers Bill of Rights we have before us today, fought for by the other party, strips these provisions and makes sure a calculator, not caring physicians and concerned families retain control over medical decisions.

Our bill allowed doctors to make the decisions about what is medically necessary and not an HMO bean counter. It gave patients access to information about all available treatments and not just the cheapest. Can someone from the other side please explain why that's so bad? Will they please come to my district and explain it to the working families in my hometown why this is not a good idea? And while you're at it, could you explain it to me too? Because I don't understand. I don't understand why requiring HMOs to provide access to emergency care or specialists, or direct access for women to an OB-GYN, or giving a patient a chance to try an innovative new treatment that could save their life—I don't understand why these are not rights that the other side of the aisle thinks all Americans in all health plans should have. I don't understand why Republicans in this House are opposed to putting health decisions back in human hands where they belong.

Perhaps the most frustrating part of this debate has been the horrible and unconscionable scare tactics. Not a day has gone by in the past two weeks, that I have turned on my television and not seen a commercial from the health insurance companies arguing that the Ganske-Dingell bill will increase the number of uninsured. The fact remains, that the Congressional Budget Office has reported that the patient protections in this bill will only increase premiums by 4 percent over 5 years. This translates into only $1.19 per month for the average employee. But they don't tell you that. CBO also found that the provision to hold health plans accountable—the provision the other side of the aisle opposes the most and claims would cause health care costs to skyrocket—would only account for 40 cents of that amount. But they won't tell you that either. They also won't tell you that an independent study by the consulting firm Coopers and Lybrand indicates that the cost of the liability provisions is potentially less than that, estimating that premiums would increase between three and 13 cents a month per enrollee, or 0.03 percent.

This is a small price to pay to make sure that health plans cover the health care services we all deserve.

Mr. Chairman, this bill is a sham, these amendments, poison pills. I urge my colleagues to stand with me and pass a true Patient's Bill of Rights that provides real protections for all the 170 million Americans enrolled in a health insurance plan.

HONORING RICHARD "DICK" MOSS

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to Richard "Dick" Moss for his contributions to the agricultural water needs of California's Central Valley. After many years of dedicated service, Mr. Moss is retiring as General Manager of the Friant Water Users Authority (FWUA).

Moss graduated from California State Polytechnic University, San Luis Obispo, in agricultural engineering. He is a registered civil engineer in California and a graduate of the California Agricultural Leadership Program. His career began with the USDA Soil Conservation Service. Moss served three years as a Lower Tule River Irrigation District staff engineer and later as the manager of the Orange Cove Irrigation District.

Formed on October 1, 1985, the FWUA has been managed by Dick from its inception. A joint powers agency, the FWUA has 25 member districts in portions of five San Joaquin Valley counties, all of which contract for water delivered through the Central Valley Project's Friant-Kern and Madera canals. Friant districts serve one million irrigated acres and 15,000 mostly small family farmers along the southern San Joaquin Valley's East Side.

Moss has long been active in water organizations and water issues in California and the West. He has guided the FWUA in search of solutions to major water questions, including the ongoing concensus-based cooperative effort with environmental organizations on San Joaquin River restoration possibilities. Earlier this year, the FWUA aided most Friant agencies in gaining enactment of 25-year water service renewal contracts with the Bureau of Reclamation. Even though he is leaving the FWUA, Moss will still work diligently on various water issues in the Central Valley.

Moss will be leaving the FWUA to establish his own engineering consulting firm. Moss, his wife Charlene and their three children live near Ivanhoe in Tulare County.

Mr. Speaker, I invite my colleagues to join me in paying tribute to Richard "Dick" Moss for his years of service to the Friant Water Users Authority. I wish Mr. Moss continued success in the years to come.

HONORING LUIS RAUL CERNA-BACA

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. GILMAN. Mr. Speaker, today, I rise to honor the life and charitable spirit of my good friend, a loyal patriot, Luis Raul Cerna-Baca.

Born to an army colonel and a housewife in Camoapa, Nicaragua, Luis did not receive a formal education. However, his incredible thirst for knowledge, solid work ethic, and commitment to his family and fellow man, laid the foundation for a life of success, dedication, and charity, which serves as an example to us all of the determination of the human spirit.

At an early age, Luis sought ingenious ways to make a living and to reading whatever books he was able to locate. Through hard work and personal sacrifice, Luis Raul Cerna-Baca rose to become a leading businessman and a member of the Nicaraguan Congress. His character, intellect, and dedicated spirit was respected by his colleagues, who sought his counsel and advice in the many matters facing his nation.

A man of vision, Luis began to invest in the real estate, agriculture, mining industries, in which he found personal financial success. However, he never forgot how hard he had worked to succeed, those who had helped him, and those who had been left behind. A true humanitarian, his charitable spirit overtook him and he set out to help those in need throughout his country in any and every way possible. He donated scholarships, built housing and roads, and donated lands and funds to establish the "Eliseo Picado Institute," In Matagalpa, Nicaragua, where more than five thousand students receive housing and education.

In recognition of his humanitarian assistance, Mr. Cerna, now a U.S. citizen, has been honored with numerous awards and by leaders and dignitaries from throughout Nicaragua and the United States. In Miami, he was recognized for his assistance to immigrants from Nicaragua and around the world. In January of 2000, he was selected as one of the "Personalities of the 20th Century in Nicaragua," and was named benefactor of Matagalpa, Nicaragua. This October, Mr. Cerna will be awarded a Doctorate from the University of Nicaragua.

In the years that I have worked with Luis Cerna, following the Sandanista revolution, to bring justice to the people of Nicaragua, I have had the pleasure of building a lasting friendship with him, his wife, and his family. The strength of his character, the commitment of his spirit, the kindness of his heart, and the hope that he holds for the people of Nicaragua, our nation, and our world, serves as a guiding light and a role model for his family, his community, and our nation.

STATE LEGISLATURES ENDORSE "OPERATION RESPECT"

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. GEORGE MILLER of California. Mr. Speaker, I want to call attention to the recent vote of the National Conference of State Legislatures (NCSL) in support of Operation Respect, which works with school administrators, teachers, legislators and others to promote character education and social-emotional learning in our nation's schools. The resolution was unanimously endorsed by the NCSL convention in August and marks a strong commitment on the part of lawmakers throughout this country to ending taunting, bullying and violence in our schools.

This is an enormously important initiative. Our nation has been naturally shocked each time a brutal act of violence has occurred at a school and we are all committed to eliminating such dangerous behavior. We also have to be better attuned to the acts of taunting, violence and bullying that precede many such acts, and that are, unfortunately, far more common on campuses daily.

A Little Hoover Commission report in California earlier this year found that "alienated and disaffected young people are escaping the attention of families, friends and teachers until they explode into violence." A recent survey of more than 2,000 students in grades 8–11 nationwide found that 80 percent said that they had experienced physical or verbal sexual harassment at school.

Parents and teachers cannot allow this situation to continue and neither can legislators. Sound program models like "Don't Laugh At Me," developed by Operation Respect, are being utilized in many classrooms throughout the nation, and we need to give strong federal support for their expansion and integration into the school curricula as local educators see fit.

Earlier this year, Peter Yarrow came to both the Democratic Caucus and the Republican Conference of the House of Representatives to explain the urgent need for programs like "Don't Laugh at Me," and he received a vigorous, bipartisan response. Now is the time for us to follow up on the strong feelings and pledges of support Mr. Yarrow generated by casting our votes in favor of adequate funding for character education and social-emotional learning programs and teacher training both in upcoming appropriations legislation and in the pending education bill.

In the meantime, I want to share with my colleagues in the House the text of the resolution just adopted by the National Conference of State Legislatures in support of this important initiative.

National Conference of State Legislatures Resolution in Support of the Efforts of Operation Respect Inc

Whereas, NCSL joins the National Association of Secondary School Principals, American Association of School Administrators, Council of Great City Colleges of Education, National Education Association, Council of the Great City Schools, American School Counselors Association, National School Boards Association, National Middle School Association, and American Federation of Teachers in Supporting efforts to "Meet the crisis of violence head-on, while simultaneously addressing the academic needs of students, giving them the tools to become whole, productive human beings; responsible, humane, ethical, participating members of our democracy and our society;" and

Whereas, NCSL applauds the goals of Operation Respect and its efforts to work with state legislatures to ensure the health and well-being of the next generation of children: Therefore, be it

Resolved, That, NCSL forwards Operation Respect's proposals for state legislative action for review and consideration where appropriate by the 50 state legislatures, territories and commonwealths of the United States.

HONORING GARO MARDIROSSIAN

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. RADANOVICH. Mr. Speaker, I rise today to honor Garo Mardirossian for being selected as Los Angeles' Trial Lawyer of the Year 2000. Mardirossian was selected for the honor by the board of governors of the Consumer Attorneys Association of Los Angeles.

Mardirossian is originally from Allepo, Syria. Due to that government's intolerance of Christian-Armenians, his family moved to Lebanon and lived in Beirut for two years. At the age of eleven, Garo and his family decided to relocate to Cleveland, Ohio. From Cleveland they moved to La Mirada and finally settled in Los Angeles, California.

Mardirossian earned his Bachelor's degree in Economics from UCLA and earned his law degree from Whittier Law School in 1981. Later that same year, he founded the Law Offices of Garo Mardirossian. His firm started out by handling small personal injury and auto injury cases. Garo has established himself and his firm as defenders of the U.S. Constitution. He often speaks at attorney association's conventions, bar association meetings, and at law schools.

Garo's trial achievements include:

Palmer v. Schindler Elevator Company—in which Garo won a $5.75 million verdict for his client who suffered post-concussion syndrome and a broken arm and leg when a belt in an elevator disintegrated.

Saakyan v. Modern Auto—an eight year case of defective tires where the jury returned a verdict of $21 million.

Hakiman v. Gabbai—in which a jury returned a verdict of $6.65 million for a man badly burned due to an apartment complex full of malfunctioning stoves.

Since 1986, Garo has been married to his wife Kathy, who is also a lawyer in his firm. They have three children: Ani, Nora & Kevin.

Mr. Speaker, I want to honor Garo Mardirossian for being selected as Los Angeles' Trial Lawyer of the Year 2000. I urge my colleagues to join me in wishing Mr. Mardirossian and his family many more years of continued success.

THE 10TH ANNIVERSARY OF AN INDEPENDENT UKRAINE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. GILMAN. Mr. Speaker, I want to bring to the attention of my colleagues to the Flag Raising celebration of the 10th Anniversary of Independent Ukraine, that was held at 12:30 p.m. in Rockland County, New York, on August 26, 2001, at the County Offices Complex, in New City.

This event was sponsored by the Ukrainian Community of Rockland, under the leadership of Ukrainian American Veterans of Rockland, with their former National Commander, Dr. Vasyl Luchkiw, serving as the Event Chairman. I commend the Rockland County Executive, the Honorable Scott Vanderhoef, the Chairman of the County Legislature, the Honorable Ilan Schoenberger, and our County Legislators for providing a place to hold the celebrations. I also would like to extend a special thanks to the Honorable Theodore Dusanenko for his help throughout the years, and a heartfelt thanks to all of the participants for making this celebration possible.

I join the members of the Ukrainian Community in celebrating this significant anniversary. It is a miracle that, without bloodshed, the Soviet Empire, which held the Ukraine in its thrall, has melted away.

The anniversary program included thoughtful remarks by Commander Luchkiw, which I ask to be printed at this point in the RECORD for the information of my colleagues:

ON THE TENTH ANNIVERSARY . . .

(By Dr. Vasyl Luchkiw)

UKRAINE MADE IT!!! Ukrainian people made it! Contrary to all predictions and against all adds, Ukraine not only survived the past ten years, but actually made significant progress on its way to become a western democratic state. Even economy has been edging upward and there is hope for Ukrainian people who have suffered politically, economically, culturally and even spiritually for so many years. But there remains a lot to be done and Ukraine probably will not be able to do it alone. It needs help. It needs help in the broadest meaning of the word. Yes, it even needs help with fighting corruption. The 75 years of corrupt Soviet government and society left its indelible mark on Ukraine and it does not know how to get rid of it.

Western world must remember, that Ukraine greeted restoration of its independence with empty hands and empty coffers. Since that fateful day in August 1991, Ukraine had to improvise every step of the way. Its people had to suffer the brunt of economic shortfalls. The struggle is not over yet and west better not wait too long with its help.

There has been talk about a type of "Marshal Plan" for Ukraine. Whatever it is, it better come soon. Procrastination with help for Ukraine may turn into disaster for western Europe, if not the entire democratic world. Ukraine's neighbor to the north is waiting "ready and willing." It is aching for a chance to "show" people of Ukraine that it is he that truly cares about Ukraine and that is he to whom Ukraine should turn for support and guidance. Need we say more?

This 10th anniversary is an appropriate time for the Western world, and particularly for the United States, through its congress and administration, to demonstrate strong support for Ukraine and its people (despite legitimate concerns on such as freedom of the press, rule of law, piracy and copyright, continuation of political and economic reforms, etc.), particularly now that Ukraine appears to be drawn more and more toward Russia.

The 10th anniversary is not the time to turn Ukraine and its people away from the West. Rather, this is time for the United States to do as is suggested in the House Resolution 222: "continue to assist in building a truly independent Ukraine through encouraging and supporting democratic and market-economy transformation in Ukraine, keeping the doors of Europe and trans-Atlantic institution open to this nation."

SPEECH BY PROF. BASILLIO CATANIA

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. ENGEL. Mr. Speaker, recently, I took to the floor to tell our colleagues about Antonio Meucci, who is one of history's forgotten inventors. I would like to take this opportunity now to insert into the CONGRESSIONAL RECORD excerpts of a lecture of Prof. Basillio Catania that he gave in October 2000 at New York University. I believe you will find it very informative and illuminating. I commend it to all our colleagues.

ANTONIO MEUCCI, INVENTOR OF THE TELEPHONE: UNEARTHING THE LEGAL AND SCIENTIFIC PROOFS

For 12 years I have researched the life and inventions of Antonio Meucci. My research was largely based on original documents, found in archives located in Italy, Cuba and the United States. Here I will briefly touch on topics connected with Meucci's priority in the invention of the telephone, namely, the Bell v. Globe trial, the United States v. Bell trial, and the scientific proofs of Meucci's priority.

Regarding the Bell v. Globe trial, it is known that Judge Wallace's decision, issued in New York on 19 July 1887, ruled in favor of the Bell Company against the Globe Telephone Company and Meucci. The report of this trial is at 31 F. 729 (Cir. Ct., S.D.N.Y., 1887). In particular, the Deposition of Antonio Meucci is also available in many public libraries, such as the New York Public Library and the Library of Congress.

However, it must be remarked that, while the Bell Company had sued the Globe Company and Meucci for patent infringement, it is largely unknown that the U.S. Government sued the Bell Company and Graham Bell for fraud, collusion and deception in obtaining the telephone patent(s). See 32 F. 591 (Cir. Ct., D. Mass., 1887). The U.S. Government set out to prove that Meucci—not Bell—had discovered the electromagnetic telephone and that the German Philipp Reiss had discovered the variable resistance transmitter, later called the "microphone." In other words, whereas in New York the Bell Company claimed that Bell, not Meucci, was the inventor of the telephone, in Washington the Government claimed the opposite. Here is a brief chronology of what had happened in Washington, before the commencement of the Bell action against Meucci.

As early as 31 August 1885, the U.S. Solicitor General consented to petitions from several parties and authorized the U.S. Attorney for Western Tennessee to institute a suit in the name of the Government to annul the Bell patents.

On 9 September, a bill of complaint against the Bell Company and Graham Bell was filed.

On 29 September, the Globe Company filed a petition with the Department of Justice, supporting the action of the Government and upholding Meucci's priority.

On 9 October, the U.S. Solicitor General suspended the proceedings, in order to allow the Secretary of the Interior, Lucius Lamar, who had jurisdiction over the Patent Office, to launch an investigation of its activity in this connection and report recommendations to the Department of Justice.

On 9 November, the Secretary commenced public hearings, with the aim of determining if there was ground for further proceedings against Bell and the Bell Company.

In January, 1886, the Interior Secretary recommended the institution of a suit against Graham Bell and the Bell Company, in the name and on behalf of the Government of the United States. He accompanied his letter with all reports, arguments and exhibits put ahead at the hearings.

Now, while the Secretary was holding said hearings, the Bell Company filed a bill of complaint against the Globe Company and Meucci in the Circuit Court for the Southern District of New York. Judge Wallace, who had already ruled four times in favor of Bell for patent infringement in other cases, presided over this court. It was, therefore, evident that the Bell move was more a maneuver to counteract the attack of the Government, than to sue the Globe Company for an (otherwise non-existent) infringement. The Bell Company was confident to win quickly in New York, also to create a situation of res adjudicata in an eventual trial with the Government and to hamper the action in favor of Meucci in Washington. The Secretary of the

The trial in New York against Globe and Meucci went on swiftly, as expected by the Bell Company, and it came to a decision in about one and a half years. On the contrary, the action of the Government, hampered by the obstructionism of the Bell lawyers, dragged for twelve years, up to the end of 1897, when it was discontinued after the patent(s) had expired—without settling the underlying issue of who had priority to invention of the telephone. Moreover, the record of this trial was never printed and is now only available, with some difficulty, from the National Archives, mostly in typescript or manuscript, being spread among different groups and cities.

We must point out that, in the Bell v. Globe trial, the counsel for Globe and Meucci, David Humphreys, filed only nine out of the about fifty affidavits in favor of Meucci that were formerly exhibited and elucidated in Washington before the Interior Secretary. Counsel's main concern was to prove that Globe did not infringe the Bell patents, not having sold nor operated any telephones.

Notwithstanding, Judge Wallace could not ignore the many witnesses that had testified to have successfully spoken through various Meucci's telephones. But he disposed of all such witnesses by ruling that the spoken words that they had heard were from a string telephone, not an electric telephone. As known, the "string telephone" is a toy used by children to talk with the aid of two cans and a rope or wire pulled stout between the cans. By ruling that way, Judge Wallace discredited Meucci, as having fooled himself, adding insult to injury.

The thesis of Meucci's telephone being a string telephone was advanced in affidavit sworn by one Prof. Charles R. Cross from MIT—incidentally, a good friend of Bell. Prof. Cross stated that he had carefully studied Meucci's deposition, in order to faithfully reproduce Meucci's telephone layouts in his Physics Laboratory. However, Prof. Cross had omitted to mention in his affidavit a reel of wire that Meucci always inserted in circuit to simulate a long distance. There are three drawings and five different answers in Meucci's deposition where this reel of wire is clearly shown or quoted. Prof. Cross may have purposely omitted it. If he had inserted a reel of wire in his test, the sound could by no means mechanically traverse distance and reach the receiver. It could only be electrically transmitted. If any expert had raised that objection, Prof. Cross and Judge Wallace's thesis of the string telephone could not but fail.

Another obstacle to be surmounted by the Bell lawyers—and next by Judge Wallace—was Meucci's caveat "sound Telegraph." This caveat was filed in the Patent Office on 28 December 1871, many years before the first Bell patent. Though having expired on December 1874, Meucci not being able any more to pay the $10 annual fee, yet it was a proof of Meucci's priority of invention. Prof. Cross testified that the caveat "plainly and well describes what is known as a lover's telegraph or string telephone." The Globe Company called as their rebuttal witness Thomas Stetson, the patent lawyer who had prepared Meucci's caveat. Surprisingly, Mr. Stetson's testimony was largely in line with Prof. Cross's, poles apart from an affidavit, five years before, which is nothing less than a paean for Meucci as the true inventor of the telephone.

I took the trouble of comparing Mr. Stetson's affidavit of July 1880 with his trial testimony; the latter was in sharp contrast with his affidavit. Thus, Mr. Stetson's volte-face turned out to be a hard blow on Meucci's defense.

Mr. Stetson's false statements could easily have been disproved by the written description that Meucci had provided him in order to prepare the caveat. But Mr. Stetson testified that he had lost it, together with some important letters on the same subject that Meucci had written. He also testified that he did not remember an important drawing, illustrating Meucci's telephone system, drafted for him in 1858 by a painter, Nestore Corradi, and accompanying Meucci's description. Conversely, he exhibited a mysterious letter—that he said he had dictated but not sent to the Globe Company—containing his (quite recent) detraction of Meucci's caveat. He thus enabled Judge Wallace to rule that Meucci's pretensions "are overthrown by his own description of the invention at a time when he deemed it in a condition to patent, and by the evidence of Mr. Stetson."

Among others, the Bell Company called as their witness two Italians, Frederico Garlanda and John Citarotto, who testified that they owned a quite complete collection of L'Eco d'Italia (an Italian newspaper of New York), running from 1857 down to 1881. They stated, however, that their collection lacked just the issues from 1 December 1860 to the whole year 1863. We must recall that Meucci's invention was testified as having been published in L'Eco d'Italia between the end of 1860 and the beginning of 1861. If retrieved, it would have rendered null the Bell patents. Those precious issues of L'Eco d'Italia that lacked from said collection now lack from all main libraries in the United States.

Judge Wallace added some negative statements of his own against Meucci. In fact, he stated in the closing paragraph of his decision that "his [Meucci's] speaking telegraph would never have been offered to the public as an invention if he had not been led by his necessities to trade on the credulity of his friends; that he intended to induce the three persons of small means and little business experience, who became his associates under the agreement of December 12, 1871, to invest in an invention which he would not offer to [knowledgeable]; men [. . .]; and that this was done in the hope of obtaining such loans and assistance from them as he would temporarily require." Evidently, Judge Wallace chose to neglect the following trial evidence:

First, Meucci's invention was offered, in 1861, to the Telegraphs of Naples, who refused

Second, Meucci offered his invention in 1872 to the American District Telegraph Company.

Third, the partners of the agreement signed on December 12, 1871, shortly before the filing of Meucci's caveat, were: S. Breguglia, lessee of the Cigar Stand of the Hoffman Cafe in Wall Street, A.Z. Grandi, Secretary of the Italian Consulate in New York and A.A. Tremeschin, a contractor for civil constructions. This would appear much like agreement that Graham Bell stipulated on February 27, 1875, with T. Sanders, a leather merchant, and G.G. Hubbard, an ex patent lawyer and ex railway businessman. In addition, we must remark that Meucci's agreement, instituting the Telettrofono Company, was an event of great historical importance. It recited that the company aimed "to secure patent for [Meucci's invention] in any State of Europe, or other part of the world, to form copartnerships, to raise companies, to sell or assign, in part, the rights of such invention." It proved that Meucci's invention, unlike Bell's, was ripe to the point that, in 1871, he had envisaged a worldwide development of the telephone.

Fourth, no proof whatsoever is found in the record about Meucci having traded on the credulity of his friends.

From all of the above, we can conclude the analysis of the Bell vs. Globe trial by recalling historiographer Giovanni Schiavo's definition of the decision as "unquestionably one of the most glaring miscarriages in the annals of American justice."

In fact, a few weeks after the New York trial was begun, the Interior Secretary was writing to the Solicitor General, recommending the institution of a suit against Graham Bell and the Bell Company. He attached to his letter three reports on the hearings, drafted by his two Assistant Secretaries and the Commissioner of Patents, as well as all arguments and exhibits presented during the hearings. All three reports recommended the institution of a suit against the Bell Company and Graham Bell, charging fraud and misrepresentation. The Interior Secretary stigmatized in his letter the inadequacy of patent infringement suits instituted by the Bell Company: "In none of these cases has there been or can there be, as I think, such thorough investigation and full adjudication as to the alleged frauds or mistakes occurring in the Patent Office in the issuance of the patent, as could be had in a proceeding instituted and carried on by the Government itself."

Assistant Secretary George A. Jenks stated in his report:

"[. . .] There is also evidence that as early as 1849, Antonio Meucci began experiments with electricity, with reference to the invention of a speaking telephone [. . .]. Up to 1871, [. . .] although much of the time very poor, he constructed several different instruments with which in his own house, he conversed with his wife, and others [. . .]. His testimony is corroborated by his wife, and by affidavits of a very large number of witnesses. He claims that in 1872, he went to Mr. Grant, Vice President of the New York District Telegraph Company, explained his invention, and tried repeatedly to have it tried on the wires of the Company. This, it is claimed, was used by the telegraph company, and was the basis of the contract between the Western Union Telegraph Company and the Bell Telephone Company, dated November 10, 1879. [. . .]"

Assistant Secretary Henry Muldrow remarked, in his report, that "so many witnesses having sworn that the inventions of Meucci, Reis, and others antedated those of Bell in the speaking telephone," he recommended "the institution of a suit to cancel the [Bell's] patent of March 7, 1876." It must be pointed out that Mr. Muldrow explicitly quoted Meucci and Reis, out of the scores of inventors that had claimed to precede Bell.

In addition, the Chief Examiner of the Patient Office, Mr. Zenas Wilber, in his affidavit of 10 October 1885, stated "had Mr. Meucci's caveat been renewed in 1875, no patent could have been issued to Bell." In his other affidavit of 7 November 1885, he stated that Philipp Reis and Antonio Meucci were the originators of "the prototypes of all speaking telephones." If we take into account that the Reis transmitter was difficult to operate, as it was originally conceived as a make-and-break device, we may gather from what precedes that the point of force of the Government's action was the invention of Antonio Meucci. Obviously, all of these proofs were available, but regrettably not presented at the Bell v. Globe trial.

As already pointed out, the U.S. vs. Bell trial dragged for twelve years, after which it was discontinued by consent, in 1897, after the death of Meucci and expiration of Bell's patent(s). Here is a brief summary.

On March 23, 1886, following the Secretary of the Interior's recommendations, the Government refiled its bill of complaint against Bell and the Bell Company in the District Court of South Ohio. On December 7, 1886, the case in Ohio was closed on jurisdictional grounds. On January 13, 1887, the Government filed a new bill of complaint in Boston, Massachusetts, where the Bell Company had its headquarters. On November 26, 1887, the court sustained a demurrer by the Bell lawyers; the Government immediately appealed to the Supreme Court of the United States. On November 12, 1888, the Supreme Court reversed the dismissal, finding a meritorious claim and viable issue, rejecting the Bell Company's objections to the fraud and misrepresentation charges, and remanded the case for trial. See 128 U.S. 315 (1888). On December 6, 1889, the depositions began. Meucci, however, was deceased on 18 October of the same year. When Bell's second patent expired, on January 30, 1893, the Government at first refused to close the

It must be stressed that, as the case was not decided,, the Bell Company could not claim, from the outcome of that trial, that Antonio Meucci was not the inventor of the telephone, or that it was Bell. It could only exult by the astuteness of its lawyers, who were able to defer so long the decision of the case, until the question of the patent(s) became moot when they expired.

We come now to the scientific proofs regarding Meucci's priority in the invention of the telephone. Among the exhibits at the hearings before the Secretary of the Interior, is an affidavit, sworn on 28 September 1885 by Michael Lemmi, a friend and lawyer of Meucci. It is an accurate translation into English of Meucci's laboratory notebook, known as Meucci's Memorandum Book, concerning his telephonic experiments, including all of Meucci's original drawings. From an accurate examination of this affidavit, as well as of Meucci's aforesaid caveat "Sound Telegraph," and two drawings accompanying the caveat—the remaining original drawings were omitted by Meucci's patent lawyer, nor were they presented at the first trial—it can be demonstrated beyond any doubt that Meucci antedated Bell and/or the Bell Company in many fundamental telephone techniques, including, inductive loading, wire structure, anti-side tone circuit, call signaling, quietness of surrounding environment.

Meucci's priority in the said techniques range anywhere from six to forty-two years before Bell company development. My paper "Four Firsts in Telephony," published by the European Transactions on Telecommunications (Nov.—Dec. 1999) is more expansive on these techniques.

From this we can gather that when, in 1871, had founded the Telettrofono Company and was awarded his caveat, he had already invented everything that was needed to start a high-quality public service. This is why, in 1872, he asked the American District Telegraph Company—which later "misplaced" all his models and notes—to test his system on their lines; this is why he renewed his caveat up to December 1874; this is why, after Bell obtained his first patent because Meucci's caveat had expired for inability to pay the $10 fee, Meucci repeatedly claimed that the telephone was his invention, not Bell's.

The recognition of Antonio Meucci's merits in the invention of the telephone and basic telephone techniques is attainable today, thanks to sound proofs, largely of the U.S. Government and embedded in the proceedings of the United States V. Bell trial. This recognition is mandatory, not only for the honor of the United States, of which Meucci was a worthy member of its society, but also for the worldwide scientific community, regarding a person who has so greatly fostered the communication among peoples, yet unjustly remains buried in the pages of American history.

COMMENDING NOTRE DAME HIGH SCHOOL ON 50 YEARS OF EXCELLENCE

HON. THOMAS M. REYNOLDS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. REYNOLDS. Mr. Speaker, I rise today to honor the Golden Anniversary of Notre Dame High School in Batavia, New York.

For 50 years, the teachers and faculty of Notre Dame have been faithful to their mission of instilling "in young men and women faith, knowledge and confidence preparing to serve in an ever-changing world." Indeed, drawing students from six neighboring counties, Notre

Dame High School has, for a half century, provided students not only a challenging academic environment, but important interpersonal development, stressing self-discipline and personal responsibility that result in greater achievement.

From a low-enrollment of 90 students less than a decade ago, to a near-capacity enrollment of 275 today, Notre Dame High School received the Middle States accreditation and is pursuing membership in the National Association of Independent Schools. Notre Dame High School is committed to excellence, both for their students and their institution.

Mr. Speaker, I ask that this Congress join me in saluting the teachers, faculty, parents and students of Notre Dame High school on their 50th Anniversary, and to wish them continued success as they begin their second 50 years of education and service to the community.

A PROCLAMATION RECOGNIZING THE 50TH ANNIVERSARY OF FRANCIS AND ELLAMARY KANE

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. CAMP. Mr. Speaker, I commend the following article to my colleagues:

Whereas, Francis and Ellamary Kane were united in marriage on September 1, 1951 and will be celebrating their 50th year as man and wife;

Whereas, Francis and Ellamary declared their love before God, family and friends;

Whereas, Francis and Ellamary have had 50 years of sharing, loving and working together;

Whereas, Francis and Ellamary may be blessed with all the happiness and love that two can share and may their love grow with each passing year;

Whereas, Mr. Speaker, I am pleased to congratulate Francis and Ellamary on their 50th anniversary. I ask that my colleagues join me in wishing Francis and Ellamary Kane many more years of happiness together.

HONORING DR. ED SOBEY

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. RADANOVICH. Mr. Speaker, I rise today to honor Dr. Ed Sobey for his innovative work in the field of education. He has been active in various areas of education, including teaching, museum directing, program founding, and has traveled on many expeditions for academic study.

Dr. Sobey received his Bachelor's degree in Physics and Mathematics form the University of Richmond. He went on to obtain his Master's degree and doctorate in Oceanography, both from Oregon State University. Dr. Sobey is currently an instructor at the University of Washington and California State University, Fresno.

Dr. Sobey has served as Executive Director of museums at the Museum of Science and History, South Florida Science Museum, and the Fresno Metropolitan Museum. He is also President of the Ohio Museums Association. In addition, Dr. Sobey has gone on whale recording expeditions by kayak, Antarctic winter oceanography expeditions, and has done exhibit research in countries including China, Kenya, and Egypt.

Dr. Sobey is the founder of the National Toy Hall of Fame and the Kids Invent Toys program. Kids Invent Toys is a one-week summer camp for elementary and middle school children that stimulates creative thinking, inventing, and entrepreneurial enterprise. Dr. Sobey has also written more than ten books on science and inventions.

Mr. Speaker, I want to honor Dr. Ed Sobey for his dedication to education and invention. I urge my colleagues to join me in wishing Dr. Sobey many more years of continued success.

2001 EASTSIDE YOUTH WALL OF FAME

HON. JAY INSLEE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. INSLEE. Mr. Speaker, as Members of Congress, we must do more to foster and promote programs that encourage and honor our nation's exceptional young adults. On June 9, I had the privilege to participate in a ceremony on the grounds of the Kirkland Youth Center, in Kirkland, Washington, commending the 2001 Eastside Youth Wall of Fame honorees.

Each year, the Greater Eastside Hall of Fame, a chapter of the International Youth Hall of Fame, recognizes "everyday heroes" from the cities of Kirkland, Bellevue, Redmond and Issaquah, Washington. Community members anonymously nominate youth in the areas of service, courage, creativity, and social enterprise. These activities range from volunteering at local hospitals or community service groups, organizing recycling programs at their schools, assisting children with physical and mental impairments, working to curtail drug use at their schools, excelling creatively in arts and crafts, or serving as leaders and positive role models for their peers.

Once selected, the Eastside Youth Wall of Fame honorees have the opportunity to design a ceramic tile, with a personal quote and a picture, which becomes part of a permanent Wall of Fame. I would like to share with my colleagues some of the quotes included on this year's Wall of Fame. One young lady emphasized, "Give a little more each day than you think you possibly can." Another individual decorated her part of the wall with, "The future belongs to those who believe in the beauty of their dreams." Equally inspiring was an honoree's drawing of a diverse group of people, with the quote, "Everyone should be loved." I commend these teens for their perceptive knowledge and selfless actions. Their courage and dedication can be found both in the wall that honors them and in their daily deeds.

I ask my colleagues to join me in thanking these outstanding "everyday heroes" for their civic pride and unselfish commitment to their community. Their contribution to America makes our country a place where these young adults and others like them can continue to realize their dreams. Those individuals are:

City of Bellevue: Kirsten Bennett, Erin Ferguson, Rashawnda Fitch, Jasmine Jarvis, Alex Johnson, Michael Lackey, Jennifer Maurer, Kyle Okubo, Brandon Romero, Ilana Rosenberg, Robert Sardy, Kyle Sigirst, Elizabeth Taylor, Sarah Warren.

City of Issaquah: Jessica Balkman, Tracie Barrick, Alex Estey, Jacob Grahn, Chris Kenyon, Andrew Koleada, John Lesh, Justin Levitt, Jennifer Littlefield, Nicholas Ravagni, Amanda Shockley, Sara Shreve, Michael Zacharias.

City of Kirkland: Stacey Field, Chad Freeman, Katie Gibelyou, Nicole Glasgow, Emily Haines, Charles Harlan, Jamie Hoffstetter, Christina Hunt, Ressia Levin, Cindy Luo, Sonia Luthra, Daniel Miller, Candace Newsome, Arash Nima, Lizzy Pachaud, Jessie Parker, Rachel Rivera-Coe, Taylor Scott, Caitlin Shields, Elliott Smith, Taylor Stafford, Leah Stettler, Maria Stewart, Lauren Wadlington, Reed Walton, Lily Waluconis, Amy Watanabe, Garin Wedeking.

City of Redmond: Abhi Banerjee, Nick Benavides, Amber Betterley, Lauren Chambers, Heather Cope, Justin Fleming, Hunter Hargraves, Ashley Howard, Alexander Jackson, Melissa Jensen, Will Nelson, Priti Patil, Payvand Seyedali, David Wolbrecht.

Assisteens: Kevin Adams, Danny Beard, Joanna Beard, Katie Bell, Brooks Brown, Margaret Bruya, Adam Clarke, Heather Fallon, Andrea Fay, Lisa Marie Gallinger, Gretchen Gibson, Jillian Gibson, Jake Goss, Ryan Griffin, Michelle Hannah, Erin Hatheway, Libbie Hayward, Laurie Hughes, Kim Koczarski, Katie Kramer, Ruth Lee, Nathan Luce, Mallory Nelson, Molly Nelson, Will Nelson, David Orbits, Katie Riese, Adrianne Serroels, Cory Scheef, Lindsey Sorensen, Rachel Sternoff, Amanda Trau, Lauren Underhill, Chris Van Arnam, Jamie Weaver, Kiersten Williams, Lindsay Winner, Katrina Winsnes, Samantha York.

IN MEMORY OF JUDGE JAMES LOPEZ WATSON

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. RANGEL. Mr. Speaker, I rise in praise of the late Judge James "Skiz" Watson, the nation's most senior African American federal judge, serving on the United States Court of International Trade, a lifetime appointment by former President Lyndon Johnson in 1966. A former New York State Senator, Civil Court Judge, and decorated veteran of World War II, Judge Watson passed away at his home in Harlem on September 1, 2001.

In memory of this distinguished jurist, I introduced legislation today designating the building located at 1 Federal Plaza in New York, New York, as the "James L. Watson Court of International Trade Building." Attaching his name to the courthouse where he served for 36 years is a fitting tribute. Judge Watson was my friend and constituent for many years; he was the judge for whom I clerked after completing law school; and the man who contributed with all of his heart to his family, his community and our nation.

TRIBUTE TO RODNEY J. MEDEIROS, MICHAEL E. WIELICZKO AND KEVIN E. GOODE

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. ENGLISH. Mr. Speaker, we all have heroes in our lives. Whether it's a figure from history such as Winston Churchill or a sports star such as Michael Jordan, as a society we admire these people for their accomplishments. But in our own communities, there also are heroes, whose efforts should not go unnoticed.

Corry Patrolman Rodney J. Medeiros, Corporal Michael E. Wieliczko and Patrolman Kevin E. Goode are indeed heroes. In this Erie County hamlet and beyond, they are the people who risk their safety to ensure ours.

Responding to what was suspected to be a hostile situation, the three men, who have more than 29 years of service between them, arrived to find an apartment building engulfed in flames. Hearing the desperate cries of frightened children trapped inside, they kicked in a door to help two teen-agers.

Learning that two more children—just 1 and 3 years old—remained trapped inside, they again re-entered the flames and smoke to locate and rescue the toddlers. Fearing that more people may be trapped inside the blaze, the men entered the building for a third time until the intensity of the fire forced them out, just as the stairwell was about to collapse, which would've trapped our heroes.

These men acted out of not only instinct but out of compassion for others. Webster's Dictionary defines a hero as "one that shows great courage or an object of extreme admiration and devotion; an idol." It also says they are "legendary figures endowed with a great ability and strength." Gentlemen, you are legends.

Mr. Speaker, our community recognizes their courage and the sacrifices these men were willing to make in protecting the lives of others. I was honored to attend a ceremony where Mr. Medeiros was presented with the Medal of Honor while Mr. Wieliczko and Mr. Goode were presented with Medals of Valor.

These men care enough about their community to dedicate their lives to helping others. I applaud their heroism and dedication. And I join the City of Corry in saying thank you.

IN HONOR OF EVELYN M. MOORE

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. PAYNE. Mr. Speaker, I rise today to pay tribute to a New Jersey Public Servant, Evelyn M. Moore, who is retiring after almost two decades of service at the University of Medicine and Dentistry of New Jersey, one of the Nation's premier health sciences universities.

Ms. Moore began her service to UMDNJ in the field of government and public affairs in 1983. During the course of her 18-year tenure, she has been continually promoted, in recognition of her outstanding service and performance, ultimately achieving the title of Manager of Federal Government Relations in December of 1998.

Evelyn M. Moore will officially retire from the University of Medicine and Dentistry of New Jersey on September 28, 2001. It is with mixed emotions that the University community will celebrate Evelyn's retirement.

Her years of diligent service as the foundation of UMDNJ's Department of Government and Public Affairs, have been invaluable to both the University and to Members of the New Jersey Congressional Delegation.

Her ability to communicate the University's agenda and issues, through her remarkable writing ability, translating complex issues to accessible language for internal and external audience, helped advance many projects and initiatives.

Her advocacy of the University has resulted in great gain for UMDNJ, the state of New Jersey, and the health and welfare of our citizenry. She has played instrumental roles in the creation of the Child Health Institute of New Jersey, the Cancer Institute of New Jersey, and in working with us here in Washington to secure critical funding for AIDS/HIV, minority health education, environmental health sciences, infectious disease and tuberculosis research, and to advance the protection of New Jersey from bioterrorism. These are but a few of projects on which I am proud to say I have worked with her and the University. I know that many Members of the New Jersey Delegation have also benefited from and appreciated her assistance.

We join with Evelyn's friends and colleagues at the University in the administration, faculty, and staff who will miss her and wish her the best and happiest years in her retirement.

HONORING THE 65TH ANNIVERSARY OF THE GEORGE KHOURY ASSOCIATION OF BASEBALL LEAGUES

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. COSTELLO. Mr. Speaker, I rise today to ask my colleagues to join me in recognizing the 65th Anniversary of the George Khoury Association of Baseball Leagues.

The Khoury Leagues have been working since the summer of 1936, when the late George Khoury and his wife Dorothy, organized and sponsored two leagues of youngsters in their neighborhood. The original group consisted of eight teams that played their games on a lot in south St. Louis, Missouri.

What started as a just a neighborhood league, has since grown into a national network of thousands of Khoury League teams extending into many states and several countries. Now in its sixth decade, the Khoury Association is a non-profit, non-denominational organization of affiliated circuits or leagues.

The national office, based in St. Louis, Missouri, provides supplies and materials needed to coordinate and organize local leagues. However, each community that participates elects its own officers and runs their own operations.

There is no financial profit in the Khoury Association, only the profit of clean fun and the character building recreation received by the children who participate. The Khoury League Association was the first to offer an organized program for children five to seven years of age in four age groups. They pioneered the use of baseball diamonds reduced in size for each age group. They also were the first to have post season playoffs for all teams with others of equal standings in their respective leagues. They are older than Little League baseball, the Babe Ruth League, and other organizations which have used the Khoury Association as a model.

Mr. Speaker, I ask my colleagues to join me in honoring the 65th Anniversary of the George Khoury Association of Baseball Leagues and to honor the many past, present, and future participants in their programs.

IN MEMORY OF CAWOOD LEDFORD OF HARLAN, KENTUCKY (1926–2001)

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. ROGERS of Kentucky. Mr. Speaker, the people of Kentucky tonight join me in paying our respects to the memory of a truly great American. Cawood Ledford died early this morning in his hometown of Harlan, Kentucky, at the age of 75, after fighting a courageous battle against cancer for several months.

Cawood Ledford was a distinguished veteran, educator, and radio broadcaster who was the voice of the University of Kentucky Wildcats for nearly four decades. His peers and his fans alike recognized his outstanding talent and amazing dedication.

He was born on April 24, 1926, the son of a Harlan coal miner. During World War II he served with the United States Marines and then earned a degree from Centre College in Danville. He returned home to be an English teacher at his alma mater, Hall High School and in 1951 was announcing high school basketball and football games for radio station WHLN in Harlan. Two years later, he joined Lexington radio station WLEX and began calling games for the University of Kentucky. After moving to Louisville in 1956, he continued his affiliation with UK athletics and remained behind the microphone until his retirement following the 1991–92 basketball season.

One hallmark of the broadcasting career of Cawood Ledford was his independence. He never pulled his punches or candy-coated the radio play-by-plan. If the Wildcats weren't playing up to expectations, the radio audience would be the first to know.

In an interview with the Associated Press in June of 1991, Cawood Ledford explained that he was always single-minded about his listeners: "I've always felt that in broadcasting your total allegiance is to the person twisting the dial and giving you the courtesy of listening to you. Sports are the greatest drama in the world because no one knows what's going to happen. And it's your job to paint a word picture for the thousands who would love to be there but can't."

Cawood Ledford's broadcasting track followed the amazing arc of the University of Kentucky Wildcats. He was the radio voice for 17 NCAA Final Fours, including UK's 1958 and 1978 national championship seasons. In 1987, he was inducted into the Kentucky Athletic Hall of Fame. UK fans can look to the rafters of Rupp Arena in Lexington and see Cawood Ledford's name on a team jersey. He's one of the few non-players to be recognized in this way.

In addition to his passion for the University of Kentucky, Cawood Ledford is also part of the history of one of Kentucky's greatest sporting events—the Kentucky Derby. He called the Derby more than 15 times for the CBS Radio Network. His call of the 1964 Kentucky Derby, won in the stretch by Northern Dancer, is still described as one of the great radio broadcasts in the history of American horse racing.

Those broadcasters who were able to understand and tap into the power of the human imagination are now considered the titans of radio's "Golden Age". With the careful turn of a phrase or the emphasis of a single word, their listeners were as instantly transported to another time or another place. Cawood Ledford, who was picked by his peers numerous times as one of the finest sports announcers in the nation, was blessed with the special gift.

Those of us who vividly remember his work will have one special memory. For those brief moments in time when Cawood was on the air, he transported each of us from the mountains and the hollers, the hills and the valleys of Kentucky and put us in the best seat in the house. In our imagination, we would see the plays unfold, feel the drama of the competition and share in the exhilaration of victory or the crushing letdown that accompanied our occasional defeats.

A private service will be held in Harlan on Sunday, and a possible public service is also being planned. True to his enduring commitment, Cawood's family has asked that instead of flowers, contributions be sent to the Cawood Ledford Scholarship Fund at the University of Kentucky.

On behalf of all Kentuckians the world over, Mr. Speaker, please join me tonight in honoring the memory of this truly distinguished American.

SAINT MARY, HELP OF CHRISTIANS CHURCH CELEBRATES 150TH ANNIVERSARY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. KANJORSKI. Mr. Speaker, I rise today to call the attention of the House of Representatives to the 150th anniversary of the founding of St. Mary, Help of Christians Church in Pittston, Pennsylvania.

To mark this milestone, Bishop James C. Timlin will serve as principal celebrant of a Jubilee Mass of Thanksgiving on Sept. 9, which will be followed by an anniversary banquet and program with the theme "Remembering . . . Rejoicing . . . Renewing." The parish will continue its celebration by participating in a "RENEW 2000 & Beyond" mission on Sept. 12.

The first Catholic church established in Pittston, St. Mary's dates its origins back to a small frame chapel built in 1851 on what was known as Church Hill in Upper Pittston, or the so-called Junction section. The chapel was quite modest. It had no pews, although some families brought movable benches for their own convenience. The street is now appropriately named Chapel Street, with the parish cemetery located near the site.

St. Mary's has been an integral part of the community since its founding. In 1896, the church served as a pillar of strength and a source of comfort during a prominent tragedy. Many of its members lost loved ones when the Susquehanna River bed gave way and rushed into a mine tunnel in what became known as the Twin Shaft Disaster. Thirty-two of the 58 workmen who were killed were members of St. Mary's, and they left behind their wives and 72 children.

In 1992, following a Mass that was held at St. Mary's in memory of the Twin Shaft victims, the congregation walked to the intersection of Main and Union streets for the unveiling of a historical market near the site of the disaster.

The present church was built and dedicated in 1905. Among the many improvements and generous donations made over the years are the stained glass windows above the front doors, dedicated in memory of President John F. Kennedy, and the new organ purchased and installed in 1997, which was donated in memory of Helen Caslin Gill. The rectory contains a stained glass window donated by Mary T. Gallagher and installed in 1996 to mark the 10-year anniversary of the merger of the parish with St. Mary's Assumption Church.

The parish even has a home on the Internet to reach out across the World Wide Web, located at http://www.stmarys-pittston.org. This is one of many accomplishments and improvements made under the leadership of the current pastor, Rev. Richard J. Jalmounter, M.S., who was appointed in 1990. He has revitalized the Altar and Rosary Society, the Vacation Bible School, and the annual St. Jude Novena begun under Father Andrew P. Maloney, who served as parish administrator from 1956 to 1963 and pastor from 1963 to 1967. In 1995, Father Polmounter and Sister Anne Therese Peach founded St. Mary's Early Childhood Learning Center, which is located at the rectory in Upper Pittston.

Mr. Speaker, I am pleased to call to the attention of the House of Representatives the 150 years of dedication and devotion of the pastors and people of St. Mary, Help of Christians Church, and I wish them all the best.

HONORING JOSE LEON GUERRERO RIOS

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. UNDERWOOD. Mr. Speaker, on September 6, 2001, a statue will be unveiled in honor of a great pioneer in the development of Guam's educational system. The statue in honor of Jose Leon Guerrero Rios is to become a permanent fixture at the middle school in Piti also named after him.

The Honorable Jose L.G. Rios, was born in the city of Hagåtña on August 14, 1898. He was the son of Brigido Ayubon Rios and Josefa Garrido De Leon Guerrero. He was married to Antonia Duenas Leon Guerrero and they had eight children—Elizabeth Irene, Albert James, Joseph, Helen, Virginia, Eduardo, Teresita, and Ricardo. A career educator, Mr. Rios had the opportunity to mold students who would later become island leaders. Through his career as a classroom teacher, notable figures in Guam's history such as Richard Taitano, Lagrimas Untalan, Ben Reyes, and Edward Calvo were among the ranks of his students.

Mr. Rios first received recognition from monthly articles he wrote in 1915 and 1916 about various schools on Guam at the time. These articles, along with articles he wrote about Chamorro folklore, contributed toward his selection in 1918 to be among four individuals picked by the Naval Government to receive higher education training at the Oklahoma A&M College in Stillwater, OK.

Upon his return to Guam, Mr. Rios gained prominence for his work toward the benefit of the island's educational system. The grade level structure in the island's elementary and junior high schools was established through his efforts. As president of the Guam Teacher's Association in1 924, he received great recognition for this accomplishment. In 1940, by virtue of an appointment by Governor Henry P. Price, Mr. Rios served as an Associate Justice in the Guam Court of Appeals—a position he held until the Japanese occupation in 1941. By 1944, he had served as principal for all of the island's elementary schools and, after the Japanese occupation, he served as principal of George Washington Junior High School. When the school was later designated as a Senior High School, Mr. Rios served as its Vice-Principal.

His contributions were greatly recognized and appreciated. The Government of Guam awarded him a "Gold Service Medal" upon his retirement in 1966 for having been of service for 51 years. Widely known as "Mr. Education," the College of Guam conferred to him an honorary "Bachelor in Community Service" degree in 1968 for his work toward the advancement of education in the community.

This great man passed away on July 24, 1983, leaving behind a distinguished legacy. As a former educator, I fully appreciate the value of Mr. Rios' endeavors and contributions. With the unveiling of the statue in Mr. Rios' honor, I am hopeful that it will become a reminder of the man's accomplishments and serve as an inspiration, most especially to the students of the school bearing his name, to strive toward the same remarkable ideals he had advocated during his lifetime. Si Yu'os Ma'ase' Tun Jose put todu i setbisiu-mu para i tano'-ta.

BIPARTISAN PATIENT PROTECTION ACT

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 2, 2001

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2563) to amend the Public Health Service Act, the Employee Retirement Income Act of 1974, and the Internal Revenue Code of 1986 to protect consumers in managed care plans and other health coverage:

Ms. JACKSON-LEE of Texas. Mr. Chairman, we were given an opportunity today to come to this House Floor and enact a bipartisan, widely supported version of the Patients' Bill of Rights. I urge all members to support this fine bill and oppose the industry backed Norwood Amendment, which will only eviscerate the patient protection America needs. H.R. 2563, in its original form, will provide the health care reform the Nation needs by:

1. Giving every American the right to choose his/her own doctor.
2. Covering all Americans with employer based health insurance.
3. Ensuring that independent physicians conduct all external reviews of medical decisions.
4. Holding HMOs accountable when they make faulty decisions.

H.R. 2563 requires health plans to establish both internal and external appeals processes for decisions that affect health care benefits. The process requires that all internal reviews be exhausted in a timely manner before an independent medical expert would be allowed to review the decisions made by the health plan.

Under H.R. 2563, patients will be permitted to protect their rights by allowing a cause of action in state court for medical decisions, and in federal court for administrative decisions that prevent patients from receiving care. H.R. 2563 respects federalism by allowing state law to control when suits are brought in state court. The legislation punishes bad faith on the part of providers, also, by allowing for non-economic damages of up to $5 million as a civil monetary penalty.

H.R. 2563 represents the concerns of both patient and providers by providing a comprehensive and balanced system that provides fair access to health care and fair resolution of disputes. It does this by protecting employers from excessive liability. H.R. 2563 protects small businesses and others who delegate their healthcare decisions to experts. Employers are protected from legal liability unless they participate in a decision on a claim that results in harm to the patient.

Mr. Chairman, the benefit to patients this legislation will bring is important. This bill restores the patient's confidence in healthcare by guaranteeing emergency room coverage and ensuring timely access to healthcare. Also, Mr. Chairman, this legislation will protect the rights of women and children to access the specialized care they need. The bill provides direct access to OB/GYN care, as well as allowing parents to chose a pediatrician as their child's primary care provider.

I strongly urge all members to resist the Norwood amendment and any other attempt to alter what is already a compromise bill. The Norwood amendment would tilt the playing field in favor of institutional decision-makers. The proposed $1.5 million cap on non economic and punitive damages does not accurately reflect the devastating impact of medical decisions that result in lifelong injuries. By requiring federal rules to apply in both state and federal court cases, the amendment also trounces the ideals of federalism.

This, however, is made almost irrelevant by the worst aspect of the Norwood amendment. If passed, this amendment would create a rebuttable presumption in favor of the decision of the independent reviewer, while at the same time giving the decision maker authority over who will do the independent review. Then the patient must produce clear and convincing evidence to overcome that presumption, a standard of proof just below that required for a criminal conviction. Thus, the standard required to review decisions actually limits the rights citizens would have in court. Also, the reviewer has no real incentive to be independent at all. This is not reform.

Mr. Chairman, the American people look to us to follow their wishes and enact real reform that puts the health of patients first. In order to do this, we must pass H.R. 2563. If we choose to follow the path the leadership desires by passing these misguided amendments, only special interests will be satisfied.

CELEBRATING THE 40TH ANNIVERSARY OF THE CITY OF BRISBANE, CALIFORNIA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. LANTOS. Mr. Speaker, I invite my colleagues to join me in celebrating the 40th anniversary of the incorporation of the City of Brisbane, California. This picturesque city, located just south of the City of San Francisco, boasts wonderful views of the San Francisco Bay. It may have been incorporated for only 40 years, but its storied and diverse history goes back centuries.

The story of Brisbane begins with the Tribes of North Americans known collectively as the Ohlone, who inhabited the Bay Area and the slopes of San Bruno Mountain. These tribes lived off the land, which provided an abundance of rabbit and deer, and the Bay provided shellfish.

By 1776, Spanish settlers had arrived, and Franciscan Missionaries followed soon after. The mountains were used for grazing sheep and cattle of the Mission Dolores de San Francisco de Assisi. When the Mission period of California's history came to an end, these same lands were secularized and dispersed as part of the Mexican land grants of the 1830's and 1840's.

Mr. Speaker, the first land grant for the area that would later become Brisbane, was made to Jacob Leese in 1837. Mr. Leese named his new territory, "Rancho Canada de Gaudalupe la Visitacion y Rodeo Viejo," but he then lost most of his land to settle a gambling debt. Charles Crocker purchased over 3,000 acres of the grant from Mr. Leese in 1884 for a small payment. Crocker was more successful in managing his land than Mr. Leese, and the properties eventually passed to the Crocker Land Company, which generated profits from the land through ranching and quarrying.

For the next quarter of a century, few people lived on the land that was to become the Brisbane. It was not until the early 19th century that attention was focused on the Peninsula as a location for residential development. Following the great San Francisco earthquake of 1906, people began looking toward the Peninsula as a refuge for earthquake victims. In 1908, the first subdivision map in the Brisbane area was recorded, establishing saleable lots, in what was then called "The City of Visitacion," which is now the location of downtown Brisbane. There was little development, however, until the 1920's and 30's when the area began to flourish and took on the name "Brisbane."

Mr. Speaker, those who came to Brisbane during the Great Depression and World War were filled with the American spirit, and they came to make a better life for themselves and their families. In Brisbane, land was cheap and people were able to put up a basic shelter until they could afford better housing. The community helped by assisting men with the building and women with the meals, and numerous volunteer and civic organizations assisted people in times of need. A community in every sense of the word, the residents of Brisbane shared the good times with their neighbors and banded together to get through the difficult periods. By the late 1930's the town had a post office, a library, public schools, a hotel, several small markets, a volunteer fire department and a weekly newspaper.

By the 1950's, Brisbane was well on its way to becoming a modern town. A lack of local capital, inadequate civic services, and the concern that powerful neighboring communities might dictate Brisbane's future led some citizens to consider incorporation. Others, however, were fearful that becoming a city would result in the loss of the small town character everyone valued. When the County of San Mateo began to discuss bulldozing Brisbane through an urban renewal program, matters came to a head and an election was held on the issue of incorporation. On September 12, 1961, voters overwhelmingly voted for incorporation.

The newly incorporated City included a mere 2.5 square miles. It was clear that additional land would be necessary to increase the city's tax base and to protect Brisbane from inappropriate and environmentally damaging development. The City solved these problems by annexing 700 acres of land which housed Southern Pacific and PG&E properties in 1962.

Despite incorporation and the ensuing expansion, Brisbane faced numerous developmental concerns. The Crocker Land Company still owned essentially all of unincorporated San Bruno Mountain as well as the Crocker Industrial Park in the Guadalupe valley directly to the north of the city limits. With San Francisco to the north and the cities of the Peninsula to the south, the area in and around Brisbane was ripe for development, and the community felt the pressure.

Over the next thirty years, the small but feisty City of Brisbane has led the fight to preserve both San Bruno Mountain, and the unique character of the Brisbane community. Citizens fought a plan to cut off the top of San Bruno Mountain and dump it in the Bay. Later, the city was able to prevent massive development of San Bruno Mountain with a projected population of over 60,000 people. The city was also able to defeat another proposal to build high-density housing in the area. Brisbane citizens led the battle to preserve San Bruno Mountain as a state and county park and worked to protect rare and endangered species on the mountain.

In 1983, the Northeast Ridge of San Bruno Mountain and Crocker Industrial Park were annexed to Brisbane as a package, with the Industrial Park providing revenues necessary to service any development on the Northeast Ridge. In 1989, the City approved a development plan for the Ridge, thereby completing Brisbane's expansion.

Mr. Speaker, in its brief history since incorporation, the City of Brisbane and its citizens have worked to balance expansion with protection of the natural beauty of the surrounding area. Brisbane's residents possess an independent spirit which has fueled this balanced expansion since the beginning of the 20th century. I am delighted and honored to represent the Brisbane and its extraordinary people in Congress, and I urge my colleagues to join me in congratulating the City of Brisbane on the 40th Anniversary of its incorporation.

UKRAINIAN INDEPENDENCE COMMEMORATION DAY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. KUCINICH. Mr. Speaker, I rise today to honor and celebrate the tenth anniversary of the Proclamation of Independence of Ukraine.

Ukraine has a long and very turbulent history. For almost three centuries, 1709–1917, Central Ukraine was under the Tsarist domination, followed by Soviet Russian rule from 1921–1991. On August 24, 1991, the Parliament of Ukraine, under the leadership of Leonid Kravchuk, declared Independence of Ukraine, and banned the Communist Party.

The Proclamation of Independence was soon ratified by over 90 percent of the voters in December 1991. The Constitution of Ukraine now guarantees all citizens equal protection under the law regardless of race, creed, religion, or national origin.

Ukraine is now recognized by over 150 nations, has signed numerous treaties of friendship, voluntarily gave up all nuclear weapons by signing the Nuclear Non-Proliferation Treaty, and is a strong strategic partner of the United States in NATO's "Partnership for Peace." Ukraine has made great strides in equality and peace and has even remained free from armed conflicts on its territory throughout its ten years of independence.

Mr. Speaker, please join me in honoring the tenth anniversary of the Proclamation of Independence of Ukraine. Ukrainians are working hard to establish a better life for themselves and their country, and have made remarkable strides in democracy.

HONORING THE 104TH BIRTHDAY OF CLARA FERGUSON

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. McINNIS. Mr. Speaker, it is a rare opportunity that I have the chance to pay tribute to such a special occasion. It is at this time that I would like to honor Clara Ferguson who was born on August 12, 1897, has lived through three centuries. Clara has spent her entire life in Colorado and it is my pleasure to wish her a happy 104th birthday, which she celebrated last month.

Clara Ferguson has served our nation throughout her life both as a nurse and a teacher. Clara is a role model for others who have dedicated their life to public service. She has aided many who have been ill, even to the point of rolling bandages for American soldiers involved in World War I. Clara also spent the majority of her career working as a teacher at numerous schools across Colorado.

Although Clara was widowed quite sometime ago, she has taken on a motherly role in the lives of many of Colorado's youth both as a caregiver and as a teacher offering guidance to her students. Clara is a proud aunt who has a number of nephews and nieces that look up to her for guidance and advice.

Mr. Speaker, it is my honor to pay tribute to Clara for her many contributions to the State of Colorado and it is with great pleasure that I offer her my warmest regard and wish her a happy 104th.

HONORING DUTCH NEWMAN

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Ms. McCARTHY of Missouri. Mr. Speaker, I rise to pay tribute to my friend, Hila "Dutch" Newman. In Missouri, Democrats from every region and every level of government seek her counsel, value her judgment, and understand that her word is her bond. Over the years her leadership, civic pride, integrity and commitment to our community have fostered a deep respect by all who know her. Dutch has a gift of uniting people in common cause. She personifies how one person can make a significant difference in the lives of others.

On September 6, 2001 friends of Dutch Newman will gather to pay special tribute to her. A foundation in her honor will be initiated with an objective to provide innovative voter education and registration opportunities, as well as scholarship funding for our youth. The Dutch Newman Voter Education and Scholarship Foundation will become another facet of her legacy, and have a lasting impact on our community. The mission of the foundation is derived from her own, providing today's youth with unique voter education and registration opportunities and scholarships so they will be better able to participate in our democracy. Dutch epitomizes the citizen that President Kennedy sought when in his Inaugural Address he said, "And so, my fellow Americans: ask not what your country can do for you; ask what you can do for your country."

Dutch Newman has served in every facet of Democratic politics and always brings sound judgment, insight and perspective to her work. She presently holds the following offices: President of the Westport Landing Democratic Club; President of the State of Missouri Federation of Women's Democratic Clubs; and Vice Chairwoman for the Jackson County Democratic Committee. She serves as a member of: the Democratic State Committee and their Executive Board; Committeewoman for the 5th Ward in Jackson County; Chairperson of State House District 38; and Secretary for the 5th Congressional District. Dutch was the first woman to be appointed by a Governor to sit on the committee for the Senatorial Redistricting of the State of Missouri. She was also the Kansas City Coordinator for Senator Hubert Humphrey's presidential campaign in 1968, and Missouri Coordinator for the National Campaign Conference for Democratic Women in Washington, D.C. She has been a Missouri Delegate at the National Democratic Convention for six presidential elections. Her work has not gone unnoticed, especially her grassroots organizing, as she has been recognized by the Jackson County Democratic Party with the Harry S. Truman Award, as well as Woman of the Year Award presented by the Women's Fifth District Democratic Club, now entitled the "Dutch" Newman Woman of the Year Award.

An article in today's edition of "The Kansas City Star" details many of the other aspects of Dutch's life, including her devotion to her children and grandchildren, and her service to our community outside politics, and I ask that it be made a part of today's RECORD following my statement. Dutch was one of the original founders of the Volker Neighborhood Homes Association, and is a member of: the Daughters of Westport, the Westport Historical Society, Neighborhood Crime Prevention; and the Guardian Angel Altar society. In recognition of her dedication and commitment to the quality of life in Kansas City, Mayor Wheeler presented her with a certificate of appreciation and proclaimed October 5, 1974 as "Dutch" Newman Day in Kansas City, Missouri. Her work with people with HIV and AIDS was recognized by a certificate of Appreciation from the National Association of People with Aids.

The Dutch Newman Voter Education and Scholarship Foundation will be a constant reminder of the ideals she represents. Through this foundation young people will gain an appreciation for our country's government and become active citizens in the electoral process. Dutch Newman has accepted the challenges of life, conquered adversity, sacrificed for her family, and become a role model for our citizens, inspiring future generations to take an active role in their community. Thank you, Dutch for all you do and for your valued friendship. Mr. Speaker, please join me in honoring a Missouri treasure, Hila "Dutch" Newman.

[From the Kansas City Star, Sept. 5, 2001]

IN KANSAS CITY POLITICS, IT HELPS TO KNOW DUTCH

(By Kevin Hoffmann)

If you're a Democrat in Kansas City and want to run for a political office, then you better go Dutch.

Going Dutch has little to do with money. It has everything to do with grass-roots politics and the woman who epitomizes it, Hila "Dutch" Newman.

Newman, a force behind Democrat—and a few Republican—candidates since the 1940s, will be honored at a special tribute Thursday night at the Kansas City Marriott Downtown. More than 500 people are expected to attend.

The event's list of honorary hosts is a virtual who's who of past and present politicians.

And whether they were seeking office in Kansas City, Jefferson City or Washington, Newman helped elect them all.

"Her reputation was that of a very effective worker who could deliver the vote for the Democratic party in the precincts she served," said Former Kansas City Mayor Charles Wheeler.

Those precincts include the Country Club Plaza, Westport and Volker neighborhoods. Newman has a direct method of finding the candidates she trusts, then working earnestly knocking on doors, making phone calls and printing thousands of sample ballots to pass out to voters.

Besides the tribute to Newman, a voter education scholarship foundation has been established in her honor. The foundation will provide voter education programs for youth and eventually will offer scholarships for students studying politics.

"I can't recall another event like this," said political and communication consultant Mary O'Halloran, an organizer of Thursday's event. "Not a tribute to a political and community activist who has never served as an officeholder.

"The phrase I've been hearing over and over is that she's a legend in her own time," she said. "They don't know of anybody else who has had the passion for succeeding and winning and at the same time have compassion for people."

Former Kansas City Mayor Richard L. Berkley, a Republican, holds Newman in high regard.

"She's so active and involved," Berkley said, "She's willing to work hard for those she wants elected to public office."

U.S. Sen Jean Carnahan of Missouri said: "Dutch proves one person can make a difference."

Newman's roots are simple.

She learned the gift of getting along with people and developed her sharp intuition while pouring beer at the Westport tavern owned by her father, Harry Bucher.

While tending bar during World War II, Newman volunteered for the Civil Defense Program and was charged with planning a blackout test for Westport.

Her first door-to-door effort was successful except for one glitch.

As she drove around a darkened Westport with a Civil Defense Program official, Newman noticed a lone light coming from her third-floor apartment. She cringed.

"He said, 'Dutch, isn't that your apartment building?'" Newman returned home and errantly turned on the light.

"I could have killed him," she said. "My apartment was the only one with a light on."

George Aylward, who ran the influential Kansas City political club Democracy Inc., was impressed by Newman's ability to organize. He asked for her help with a candidate for Jackson County-assessor in the 1944 election.

Newman campaigned through the local neighborhoods and picked up quite a few votes at her father's tavern. Aylward's candidate won big. Just like that, her career in politics took off.

She worked for the club for several years with Aylward as her mentor. Eventually, she formed her own group, the Westport Landing Democratic Club.

"I really had a great instinct for whether or not they were in it for the people or for themselves," she said of her ability to back successful candidates.

She also had a City Hall post: supervisor of the Commercial Recreation Department which oversaw things such as liquor licenses and massage parlors. In 1965, then-Gov. Warren Hearnes appointed Newman a fee agent in the Raytown license bureau, a post she had for nearly a decade. After that, she worked as Jackson County's supervisor of liquor control.

In the 1960s and 1970s, women were scarce in back room political circles.

But at a 2 a.m. strategy session at a club called the Green Duck, there was Newman alongside Bruce Watkins, Leon Jordan and Alex Presta.

Newman is more than a fountain of good advice for politicians. She's also full of good stories.

Like the time she was passing out campaign literature and a man answered the door naked.

"I said, 'Here, read this and get inside before you freeze your rear off,'" she recalled with a laugh.

Or the time Newman and her sister, Sue Lawson, were in line at the 1976 Democratic convention in New York.

As Secret Service agents checked the entering delegates ahead of them, Lawson nudged Newman.

"She whispers to me that she has a gun in her purse," Newman said, adding that her sister worked for the prosecutor's office. "It was legal (for her) to carry them, but why she had one, I don't know."

Newman decided they should inform the agents.

"I guess I should have phrased it better because in seconds there were 10 men surrounding us," she said. "They literally picked us up by the shoulders and dragged us out of there."

At the police station, Newman attempted to reach someone from Clarence Kelley, a former Kansas City police chief, then head of the FBI.

Soon after, the women—minus

Then there was the time she was in the hospital during the Gerald Ford-Jimmy Carter presidential race.

"The nurse comes in and says, 'Mrs. Newman, I think this is a prank, but there's a guy on the phone who says he is Jimmy Carter,'" Newman recalled.

Indeed it was Carter, wanting to make sure Newman was OK.

"I was in the hospital another time and (George) McGovern called me," Newman remembered with a sheepish grin. She whispered, "I really didn't like him that much."

On a visit to Kansas City in his run for the White House, Vice President Al Gore stopped his motorcade when he saw Newman standing on the lawn of Penn Valley Community College. He got out of the limousine and ran over to give her a hug.

Newman hasn't won all her battles. She backed Joseph P. Teasdale when he lost his second bid at governor to Kit Bond. Carter lost to Ronald Reagan. She couldn't prevent the closing of her neighborhood school at the Guardian Angels Church.

But even in defeat, she set herself apart by staying loyal, several politicians said.

"Even if their ship was sinking," Newman said, "I stayed with them."

Newman once filed for a seat in the Missouri legislation but later withdrew. Once, she was approached to run for lieutenant governor.

Among the reasons she declined was her family.

"I was sitting at home eating dinner with the family and I remember thinking, 'I can't leave this for four or five days a week,'" she said.

Daughter Michele Newman said Newman always managed to be the consummate mother, even while staying busy in politics.

"My sisters and I always felt blessed to have such an incredible mom," she said. "We were reflecting and it's amazing that first and foremost was us three girls and our father. We were always No. 1."

"She was the coach for our girls volleyball team at Guardian Angels ... she was always the room mother at school," Michele Newman said. "It's been incredible having her as a mother."

The human side of Newman is what neighbors notice most.

Tim Mulvany remembered his real estate agent telling him about Newman when he moved to her block in 1979.

"A week went by and there she was at the door," he said. "She immediately included us in everything."

Mulvany discovered Newman's political savvy in the first Kansas City election in which he voted. He noticed that Newman backed everybody he was voting for. He printed up a special campaign sign for the next election. It read: "Whoever Dutch votes for."

Neighbor Joe McKenna said Newman is the first to help with any neighborhood problem.

"If you need anything it seems like you always end up calling Dutch," he said. "There's a lot of people who don't even know she's helped them."

McKenna said Newman is always quick to help a neighbor whether it is providing a ride to the doctor's office or help with a utility bill.

"One time a little boy on the street got his bike stolen," McKenna said. "By noon, there was a brand new bike on that boy's porch."

McKenna smiled. "That's Dutch."

TRIBUTE TO MARISSA WHITLEY

HON. ROY BLUNT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. BLUNT. Mr. Speaker, I rise to give tribute to Marissa Whitley, who for the last year has been Miss Missouri Teen USA. On the night of August 22nd, this wonderful young lady was crowned Miss Teen USA 2001. For Marissa, who lives in my district, this coronation serves as a fitting accomplishment in a journey full of dedication and sacrifice.

"She's always been a leader since she was young" according to Marissa's aunt, Karen McHaney. Mrs. McHaney should know as well as anyone. McHaney took three-year-old Marissa in after Marissa's mother passed away due to a cerebral hemorrhage. Marissa and her family met the challenges of her loss. She has worked hard to achieve her new title of Miss Teen USA. Marissa volunteered at the Ronald McDonald House and a local Boys and Girls Club while competing in and winning four pageant events. In addition to maintaining her rigorous schedule as Miss Missouri Teen USA, she was still prepared for college and scheduled to begin classes at St. Louis University this fall until this most recent "detour." Her perseverance and vision to seek out and fulfill her dreams make Marissa an excellent role model not only for the young people of Missouri, but for youth across our country.

Marissa's home town is Springfield, Missouri. She has been featured in local media stories as she worked to represent young American women. Marissa's hard work and dedication are worth recognition and I'm confident she will continue to use her position of leadership to set a positive example to young people. I know my colleagues in the United States Congress wish her well as she begins this part of her life's journey.

HONORING MR. FELIX SPARKS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Retired Brigadier General Felix Sparks, who proudly served our nation by leading a Colorado National Guard contingent into the European theater during World War II.

General Felix Sparks has seen and experienced the horrifying aspects of war that most of us cannot even imagine. Mr. Sparks has lost close friends in battle and although surrounded by death, his heroism shone throughout his service. Mr. Sparks was a member of the team of American soldiers who landed at Anzio and later he joined in liberating the Dachau concentration camp in 1945.

After serving his nation, Mr. Sparks moved to Colorado and attended law school at the University of Colorado. After his education, Felix served as a District Attorney for a seven-county judicial district in Colorado's Western Slope and also served as a Colorado Supreme Court Justice. Mr. Sparks is a first-class citizen who dedicated himself towards bettering Colorado both as a justice of the peace and as a commander of the Colorado National Guard.

Mr. Speaker, it is my pleasure to pay tribute to a distinguished Colorado citizen-soldier, Retired Brigadier General Sparks. On behalf of our nation and the great state of Colorado, I offer Mr. Sparks my warmest regard and debts of gratitude.

IN HONOR OF MR. TONY VENTO

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. KUCINICH. Mr. Speaker, I rise today to honor a truly wonderful humanitarian, Mr. Tony Vento, on his retirement from the InterReligious Task Force on Central America.

Mr. Tony Vento, Coordinator of the InterReligious Task Force on Central America, was born and raised in Ft. Lauderdale but soon left for Philadelphia to study Urban Studies with a focus in Community Development Planning and Architectural History. After his undergraduate work, Mr. Vento decided to accept a position as campus minister of the University of Pennsylvania and centered his work on peace, justice, and community service.

Mr. Vento's theological career led him down many winding paths, including trips to Italy, Peru, and the University of Toronto's St. Michael's College. His dedication to the furthering of democracy eventually brought him to the InterReligious Task Force on Central America, where he was hired as the Director in the fall of 1992. The task force uses education human rights work, and advocacy of peaceful policies to build bridges of hope and solidarity with the most consistently martyred region in our hemisphere.

Mr. Vento has been a true jewel for the InterReligious Task Force on Central America, and he will be greatly missed. His dedication and love for the people of Central America is extremely evident in the fine work he does. He will be soon joining Pax Christi USA to be their National Program Director.

Mr. Speaker, please join me in humbled recognition and celebration of Mr. Tony Vento. He has, and will continue to, inspire many not only in his local community, but across the globe.

50TH ANNIVERSARY OF AL-ANON

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. RAMSTAD. Mr. Speaker, shortly before the August District Work Period, this body passed H. Con. Res. 190, a resolution I offered commemorating September as National Alcohol and Drug Addiction Recovery Month. The theme of Recovery Month this year is "We Recover Together: Family, Friends and Community."

Nothing epitomizes this theme better than the work of Al-Anon, which serves the family and friends of alcoholics.

Tomorrow in the Russell Senate Caucus Room, Al-Anon will sponsor a "Families in Recovery" luncheon celebrating Recovery Month. I urge my colleagues to attend this important event.

This is also the occasion of Al-Anon's 50th Anniversary. Congress should acknowledge the many contributions of Al-Anon Family Groups to recovery in our nation.

Al-Anon Family Groups has been a source of help and hope for families and friends of alcoholics for 50 years in communities throughout the United States and worldwide.

Alateen is a part of Al-Anon for the younger family members. Both Al-Anon and Alateen freely cooperate with professional and government organizations in addressing family recovery. These are over 26,000 Al-Anon and Alateen groups around the world in 115 countries, and literature translated into 30 languages.

America owes a debt of gratitude to Al-Anon and Alateen.

Mr. Speaker, Congress should salute the Al-Anon Family Groups for its continued service to the family and friends of alcoholics in our nation. As a grateful recovering alcoholic of twenty years, I urge my colleagues to take this opportunity to affirm the remarkable efforts to the Al-Anon Family Groups.

HONORING DONAVAN CULLINGS UPON HIS RETIREMENT

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Donavan Cullings for his many years of honorable service to the people of Creede, Colorado. Donavan has made the decision to retire from his position as a municipal judge and will be remembered for his years of dedication and time on the bench.

Mr. Cullings grew up in Los Angeles, California until he was inducted into military service immediately following high school. During World War II, he was involved in activities in the South Pacific for three years, diligently serving his country. After returning home, Donavan married his high school sweetheart, Jan Elton, and later joined the Los Angeles Police Department. He dedicated 26 years of his life to law enforcement and then moved to Creede where he bought the Creede Drug Store.

The town of Creede eventually had a vacant Marshal position, and Donavan decided to fill that role for eight years willingly. He also served as the County Coroner for 15 years. Another calling attracted Donavan and he answered it by accepting the job of Town Magistrate for Creede, where he honorably served as a municipal judge for 15 years.

Mr. Speaker, Donavan Cullings has led a life to strengthen the fabric of the American character whether it be in troubled waters abroad or at home. His vigorous efforts deserve the praise and admiration of us all. As part of his retirement, Donavan will volunteer two days a week at Creede Museum and educate others about Creede's long-standing history. I would like to extend my warmest regards to Donavan upon his retirement and wish him and his family the best in many years to come.

HONORING THE ASPEN SKIING COMPANY FOR ENVIRONMENTAL ACHIEVEMENT

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. UDALL of Colorado. Mr. Speaker, I rise today to acknowledge the important environmental achievements of the Aspen Skiing Company.

As most people know, Aspen is one of the nation's premier ski resorts. It is nestled at the head of the Roaring Fork Valley in Colorado, and is surrounded by dramatic, rugged peaks which draw people from around the world to ski its slopes. The officials and employees of the Aspen Skiing Company know first-hand the value of the environment to their operations. If they do not preserve the beauty that surrounds this resort, then they know that they will lose skiers and ultimately profits. They know that a healthy, quality environment equals a healthy, profitable ski operation.

As a result, the company has taken a number of steps and adopted a number of practices that, in the long run, will help preserve the environmental quality of the valley. Their environmental and energy efficiency initiatives have won them many awards over the years. But as a recognition of their belief that environmental actions are not just transient and short-term policies, the company was awarded the Golden Eagle Award for Overall Ski Area Operation at the National Ski Area Association's annual convention. This award, established in 1993 by Mountain Sports Media, recognizes the positive environmental efforts of ski areas across the county. A panel of judges evaluates ski areas for their environmental efforts and grants these awards to deserving areas that employ environmental practices at their areas.

Aspen Skiing Company received this special award for its long-term environmental excellence and in setting high standards for other resorts to follow. It was also recognized for the fact that its environmental stewardship is evident in every facet of its operation—its purchasing of wind power, recycling demolished building material, water saving, energy efficient lighting, environmental scholarship program and its design of ski runs to reduce erosion and limit tree cutting. It also has established partnerships with the Environmental Protection Agency and the state of Colorado on pollution prevention practices.

All of these actions and more demonstrate that Aspen Skiing Company takes its environmental obligations seriously. Skiing is by its very nature an environmental sport. Skiers are exposed to the elements and the majesty of the mountainous environment. That experience is diminished when the resorts do not respect the landscape and take steps to preserve the very asset that draws people to the sport in the first place.

I congratulate Aspen Skiing Company for its great work and the model it is providing to resorts across the country. As the following story indicates, other ski areas, such as Vail, are also incorporating environmental values and practices at their operations. Let's hope that Aspen's example can be replicated at all resorts in Colorado and throughout the nation.

[From the Vail Daily]

ECO-CHALLENGERS: RESORT COMPANIES GO GREEN

(By Maia Chavez)

Has the time, come for ski resorts to flex some real muscle in the eco-arena? Resort company decision-makers are betting a portion of their revenue that it has, and while that portion may still be little more than a token, the very existence of increasing structured environmental programs within resort companies is telling.

"I've seen a few significant industry trends since I've had an environmental position at the resort," said John Gitchell, environmental manager for Vail Resorts. "One major trend that has impacted us is the investigation of impact at ski resorts. When I started my job that trend was just beginning. But the impact of ski resorts is highly visible, and sooner or later, it was going to attract attention."

Gitchell also cited increasing strictness by regulators, scrutinization of both of development and resort operations, and ecoterrorism as having given a boost to the development of environmental programs within resort companies.

Recent episodes of eco-terrorism directed at ski resorts might be a harsh—and extreme—indicator, but as a cultural barometer they have served to force the issue onto the media's consciousness. Once in the spotlight, resort companies feel the pressure to take action, and to make their presence known as activists for the cause of environmentalism.

As part of the Partnership for Environmental Education Programs speaker series, Gitchell recently shared the podium with Aspen Skiing Company director of environmental affairs Auden Schendler for a presentation on the "greening the resort culture." As spearheads for environmental programs at their respective resort companies, Gitchell and Schendler represented an interesting counterpoint as they outlined recent developments at each resort.

BIG MAC WORLD

In a humorous attempt to highlight the problem with a ski company trying to represent itself as an environmental activist, Schendler compared Aspen Skiing Company to the MacDonalds franchise.

"We're an investing company, too," he said. "We're trying to make money. The one difference from our perspective is that Aspen is privately owned. We're not beholden to shareholders. We can't actually be sued if we don't make enough money, though our owners don't like it much."

As a private company, Aspen has, in the past three years, developed one of the most extensive and award-winning environmental programs in the ski industry. According to Colorado Ski Country USA, Aspen is recognized as one of the country's most environmentally responsible ski areas, striving to "redefine corporate environmentalism."

TAKING A STAND

Aspen Skiing Company was the first in the industry to create an Environmental Affairs Department, and to make it an integral part of their senior management.

What does that mean in practical-speak?

"We have a set of guiding principles, and the main principle is that we provide the opportunity for 'the renewal of the human spirit'," explained Schendler. "That may sound cheesy, but the truth is that, as director of environmental affairs it allows me to do whatever I think best in order to uphold that principle. For instance, if I want to sell consulting services and help other ski areas become more environmentally responsible, I'm still conforming to our 'guiding principles'."

This year, the company produced its first published "sustainability report", a detailed catalog of the company's environmental programs and policies, statistics on its natural resource consumption and pollution, resource efficiency, hazardous waste management and compliance, community and environmental education programs, habitat, wildlife and open space protection.

SUSTAINABLE SLOPES?

"Ski companies don't have to be rape-and-pillage organizations," said Schendler. "We don't have to clearcut slopes. We can have a more harmonious relationship with the community and the environment."

To that end, Aspen has implemented such initiatives as s-curved, bio-diverse and unbulldozed slopes to minimize erosion and protect wildlife, wind-powered ski lifts, employee and community initiatives and a pollution prevention partnership with the EPA and the Colorado Department of Public Health and Environment.

Recent developments in Aspen Skiing Company's program have included the deconstruction of the mountain's popular Sundeck Restaurant and the Snowmass Lodge and Club, two buildings which were scheduled to be razed and rebuilt. Materials from both structures were harvested and recycled, with unsalvageable materials composted. According to Schendler, 94 percent of the structures were diverted from the Pitkin County landfill. That comes to 8,000 cubic yards of space, or an addition of three months to the projected life of the landfill.

The Sundeck Restaurant was rebuilt to conform with guidelines established by the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) program. LEED is the nation's first national certification process for environmentally friendly building. The 3,700-square-foot deck was built from recycled materials, ozone-depleting CFCs in refrigeration systems, insulation and carpet pads were eliminated, landscaping was designed with native vegetation to reduce water use, low toxicity paints glues and sealants were used, and the list goes on.

A DROP IN THE BUCKET

As Schendler pointed out, however, many of these adjustments are a mere drop in the bucket when factored into total resort operations.

"Thirty percent of the Sundeck Restaurant is wind-powered," he said. "But you have to ask, what percentage of our total energy purchase does that represent? The answer is half of one percent, Barely anything."

Does it have a major influence on pollution? Not really, said Schendler, who calculated the total impact as the equivalent of not driving your car for 97,000 miles, or planting 40 acres of trees. So, is this an example of "greenwashing"—a mere pretence on the part of a resort company?

"We couldn't power the whole operation with wind," explained Schendler, "It's too expensive. We'd go bankrupt. But what we can do is buy some wind power, make that statement, popularize it among our employees and guests, and encourage other ski areas to follow suit."

VAIL DEVELOPS ITS POLICIES

Vail Resorts' environmental program began to take shape in 1998, although

Gitchell stressed that the arduous process of adopting a company policy is very much still in the formative stages.

Last season, Vail Resorts developed a computer-generated assessment tool allowing the four resorts to measure their environmental practices against an outline of preset standards. The tool was subsequently adopted by the National Ski Areas association who, after some modification, passed it on to resorts throughout the country.

The Skiing Company awarded Vail with the Silver Eagle award for environmental achievement in "visual impacts" for the Blue Sky Basin project, touted by Colorado Ski Country USA as the most environmentally sensitive ski area expansion undertaken in North America.

Among recent environmental initiatives are the prototype composting operation introduced last season at the Game Creek Club on mountain restaurant, third-party audits by an environmental consulting firm (initiated this summer), the replacement of 25 fleet vehicles with "townie" bicycles, and the purchase of 475 blocks of clean, wind-generated electricity per month.

"To emphasize Mr. Schendler's point, our wind energy purchases also come out to less than one percent of our total energy purchase," said Gitchell. "But the stage has to be set for continuing policies."

Gitchell said that Vail Resorts' goals for the coming year are to improve education and communication, improve regulatory systems, reduce green house gas emissions, and implement a sustainable building program. He said that likes the idea of Aspen Skiing Company's community environmental advisory committee, which integrates local environmental activists into the resort's management process.

"The bottom line is that we don't know for sure that we can achieve sustainability in this world," said Schendler. "By doing what we are doing, we are making the assumption that we can. And it's a vital leap of faith."

IN HONOR OF SENATOR JOHN AND MRS. ANNIE GLENN

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. KUCINICH. Mr. Speaker, I rise today to celebrate and recognize the Honorable Senator John Glenn and his wife Mrs. Annie Glenn, on their achievement of the Greater Communicator Award.

Senator and Mrs. Glenn have an incredibly dedicated history of public service, and have remained committed to serving their community for years. Mrs. Annie Glenn has suffered and overcome a severe stuttering problem, and after completing an intensive therapy program she now speaks confidently and has given countless speeches.

Senator Glenn was the first American to orbit the earth in 1962 and returned to space in 1998. He was elected to the U.S. Senate in 1974 and retired in 1998. His distinguished career as a public servant earned him the respect and admiration of his colleagues and constituents alike.

Senator and Mrs. Glenn have dedicated their entire lives to the betterment of their local and international community. This Great Communicator Award is being presented to Senator John and Annie Glenn in recognition of their tireless efforts in public service and a lifetime of service. The Cleveland Hearing and Speech Center is presenting this prestigious award during their 80th anniversary celebration.

Mr. Speaker, please join me in recognition for two outstanding individuals, Senator John Glenn and his wife Annie, for their lifetime of outstanding achievement. Their love, dedication, and commitment to bettering their community has touched thousands of Americans.

HONORING DOCTOR WILLIAM GEORGE SHANKS UPON HIS RETIREMENT

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to a man who has dedicated himself to the care and well being of others. Dr. William Shanks has not only sought to improve the lives of others through the practice of medicine, but he has also been actively involved in various political and community-based organizations throughout his career. Upon his retirement, I would like to recognize the difference that Dr. Shanks has made in so many lives.

Born in Scotland in 1943, William came to the United States with his family and eventually took up residence in Philadelphia. This is where William studied from his early years through his medical schooling at Temple University. William's time was occupied not only with his studies, but also as a member of the local Teamster's Union. Following his medical education, his profession provided the opportunity to work at the Presbyterian Medical Center in Denver, Colorado. Dr. Shanks always harbored a sincere desire to serve his country and after his internship was completed in Colorado, he joined the United States Navy and was a diving and medical officer on a submarine. After serving his country, William returned for four more years at St. Joseph Hospital in Denver to complete his medical residency.

In 1976, Dr. Shanks relocated to Grand Junction, Colorado to the benefit of the community of Grand Junction. Dr. Shanks joined the staffs of St. Mary's Hospital and Medical Center and the Grand Junction VA Medical Center. Beyond the scope of his medical responsibilities locally as the Chief of Surgery and the Chief of Staff, Dr. Shanks chose to further serve his community by sitting on the board of St. Mary's Hospital, Colorado Trauma Institute, Colorado Medical Society Foundation and the Mesa County Independent Physicians' Association. Furthermore, William has had the distinct honor of serving as president of the Mesa County Medical Society, Denver Academy of Surgery and other organizations. At the intersection of medicine and politics, Dr. Shanks has recently been appointed to the Governor's Trauma Council.

Equally important, William and his wife Stella have raised four children—Maggie Anne, Bradley, Fiona and Lorna. While maintaining a busy schedule providing care to his patients and the State of Colorado, Dr. Shanks always found solace in the great outdoors, woodworking and fishing. Mr. Speaker, William's retirement marks the beginning of his opportunity to spend more time with his family and hobbies. His contributions will never be forgotten, as his actions will forever touch the hearts and bodies of his patients. I would like to thank Dr. Shanks for his tireless efforts on behalf of the people of his county, the State of Colorado and the citizens of the United States. At this momentous time in his life, I extend my warm regards to Dr. Shanks and his family and wish them all of the best in the years to come.

HONORING CAPT NORMAND V. LUSSIER

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. GARY G. MILLER of California. Mr. Speaker, I rise today to commend the numerous achievements and substantial contribution to our country of United States Naval Reserve Captain Normand V. Lussier, and to wish him well upon his retirement in March 2002. He will have served this country for over forty years.

Captain Lussier graduated from Oroville High School in 1962 and joined the Navy as a Seaman Recruit. After completing boot camp and Storekeeper "A" school at the Naval Training Center San Diego, he was assigned to the submarine tender USS *Nereus*. In September 1964, he volunteered for Vietnam and spent the next eighteen months unloading freighters and supervising a local national work crew in the Port of Saigon. Upon release from active duty in March 1966, he affiliated with the Naval Reserve and was promoted to Storekeeper Second Class. He continued to drill while attending college and law school.

In 1969, he graduated from San Diego State College with a Bachelor of Arts degree with distinction in History. In 1972, he received his Juris Doctor degree from the University of California Hastings College of the Law where he served on the Hastings Law Review.

While a Storekeeper First Class in 1971, he received a direct commission as an Ensign (Intelligence). Captain Lussier has since served in a variety of Naval Reserve Intelligence Program assignments. Since October 1999, Captain Lussier has served as Reserve Intelligence Area Commander (RIAC) Area Nineteen with overall responsibility for 13 reserve units and approximately 750 reservists. Prior to his current tour as RIAC, he was the Commanding Officer of ONI 0166. From 1994 to 1997, he was on the national staff of the Commander, Naval Reserve Intelligence Command as the Deputy Senior Inspector. Other tours include service as the DRIAC for Training for the IVTU; as the XO of DIS HQ 0166 and NICSEC 0166, and as the Administration Officer for NICTSKGRPMGT and NIC 0266. He has had two NRCIS tours.

Captain Lussier's entire civilian career as an attorney has been in support of the Department of Defense (DoD). After admission to the California Bar in 1972, he joined the Navy's Office of General Counsel (OGC) as a civilian attorney in the Naval Supply Systems Command. He completed major field assignments as Counsel, Naval Regional Procurement Office in Naples, Italy and Counsel, Naval Regional Contracting Center in the Washington Navy Yard. In 1985, he was appointed General Counsel, American Forces Information Service. IN 1992, he joined the Defense Logistics Agency's Office of General Counsel as an Associate General Counsel.

Captain Lussier's 40-year career of service to the United States stands apart for its caliber of dedication and care. Doing his job has never been enough for Captain Lussier; he has always wanted to do more, and then done it. Helping others along the way is another of his trademarks. Through patient nurturing, training, trust, and teaching, Captain Lussier has steadfastly enabled others who, in turn, help enrich the U.S. Naval Reserve, the U.S. Navy, and the DoD, thereby ensuring its continued performance in the proud tradition of excellence.

Captain Lussier's distinguished career has been celebrated with numerous awards, including the Meritorious Service Medal (two times), Navy Commendation Medal, Good Conduct Award, Joint Meritorious Unit Award, Navy Meritorious Unit Award, National Defense Service Medal, Republic of Vietnam Campaign Medal with Device, Vietnam Service Medal with three stars, and the Armed Forces Reserve Medal.

Mr. Speaker, I ask that the 107th Congress join Captain Lussier's wife Peggy, and his two sons, Damon and Aaron, in honoring Normand V. Lussier as he turns over command of RIA-19 and soon retires from the United States Naval Reserve.

HONORING ETHYL KELHAM

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to honor Ethyl Kelham on being an outstanding teacher. Ethyl has been an inspiration to many and has helped many children throughout the various stages of their academic careers. At the age of 74, Ethyl has decided to retire and we wish her the best of luck.

Ethyl worked in public school system for 25 years and helped support Pueblo Headstart during her time there., When she left the School District, she joined the Montessori Network and opened her own school about 15 years ago. The Pueblo Montessori School began at the Unitarian Fellowship where Byron Kelham, Ethyl's husband, was the minister. Ethyl's school then moved into a rented space and two years ago entered a new building.

Some funding problems hindered the further development of the school and have since caused it to close. However, Ethyl will continue teaching since she will home school her two grandchildren. Touching people's hearts and minds compelled Ethyl to continue teaching and sparked the light of learning in many students. She has watched many children flourish intellectually and follow their dreams. Ethyl Kelham is retiring to spend more time with her family—time well deserved.

Mr. Speaker, I honor Ethyl for her hard work and dedication to the teaching profession. Her formidable efforts deserve the praise and admiration of us all. I would like to thank her for her many years of service and congratulate her on her retirement.

FAREWELL

HON. JOE SCARBOROUGH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. SCARBOROUGH. Mr. Speaker, some come to Washington with optimism, hope, and great expectations. Some of these same people leave Congress with pessimism, dismay, and a weaker spirit.

I am not such a person.

Tomorrow, I will be leaving public service after seven years in the United States Congress to return to my home in Northwest Florida.

In the coming months and years, I will certainly miss the rewards of working beside ordinary Americans called to serve in this House during extraordinary times. But as I leave, I believe like Ronald Reagan, that "America's greatest days lie ahead. And I see great days ahead for men and women of will and vision."

And let me tell you why I leave Congress full of hope for our great country and its people. During the last 7 years, the Congress has eliminated the budget deficit, it has reformed the Great Society Programs of the 1960's, including, of course, our nation's outdated welfare system, and, most importantly, it has restored the faith of people in their government.

The Conservative revolution of 1994, the government shutdown, the budget battles with President Clinton, the military excursions into the Balkans, the Impeachment proceedings, and the turbulent election challenge of 2000 have all weighed heavily upon our Republic. But while any one of these political events could have been the cause for political bloodshed in distant capitals, in America, each challenge was faced by Congress and the public with understanding and maturity.

That is not to say that each crisis did not cause emotions to spill onto this floor. But at the end of each political chapter, Americans absorbed the trying events and moved forward.

Despite the self-interested cries from special interest groups and leaders of both parties, a Republican Congress worked with a Democratic President to balance the budget, to reform welfare, to stop the raiding of America's social security trust fund and to pass a military health care bill that goes a long way toward keeping the promise made to America's servicemen and their families. And while I was disappointed by President Clinton's attempts to derail most of the legislation we ultimately passed, I recognize that the American people elected him to the presidency to be more than a rubber stamp for a Republican Congress.

I am proudest of my band of brothers and sisters who were elected together in 1994, fought the president in 1995 and 1996, and then faced down our own party leaders who sought a speedy retreat from the core principles that brought us to the majority in 1994.

Together we stood shoulder to shoulder, faced down powerful forces, and made a difference in Congress.

More importantly than balancing the budget, reforming welfare or changing the culture of Congress, the class of 1994 changed the debate in Washington over our budget priorities. No longer do presidents project deficits as far as the eye can see. No longer do Senators and Congressmen spend billions first and ask questions later. No longer do politicians stuffed with trillions of dollars in tax revenue make the claim that another tax increase is needed to bring balance to the budget process.

Today, the values espoused by both parties center around fewer taxes, responsible spending, and a greater reliance on local authority.

Perhaps too few in Congress really believe Jefferson's statement that the government that governs least, governs best. But today, more than anytime in seventy-five years, politicians' fear of political retribution at the voting booth prevents them from casting America forth into a sea of red ink.

That simple political fact at the beginning of a new American century will be our lasting legacy.

My family, my friends, and my dedicated staff are owed my deepest gratitude on this night, as are the people of Florida's First Congressional District. They had the faith to send an untested 31-year old novice to Washington to represent their interests and views in Congress.

When I won my first campaign, I did so with the simple pledge that I would speak my mind, vote my conscience, and stand up and shout "no" when everyone was mindlessly saying "yes."

I kept my word, fought the good fight, and worked hard for the cause of less government and greater individual liberty.

Two hundred and twenty-five years later, that remains the legacy of Thomas Jefferson, James Madison and our other founding fathers. And tonight, on the occasion of my retirement from this great institution, it is my hope that if anyone cares to remember my work here in the future as a footnote to some greater story, perhaps my legacy will be that I contributed in some small way to the elevation of the individual over the power of the state.

I may be leaving Congress, but I won't be silent. I will continue to fight for common sense values that all Americans understand. I feel passionate about many issues and I will continue to speak out and be heard.

I pray tonight that the Lord that George Washington prayed to during the Revolutionary War, and the God that Abraham Lincoln turned to during America's darkest hours, will continue to bless this great city on a hill that still shines brightly for all the world to see.

May God bless America!

HONORING JAKE KRAUS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. McINNIS. Mr. Speaker, it is with great honor I would like to recognize Jake Kraus for his heroic efforts during World War II. His courage led to the liberation of thousands of half-starved American prisoners from the inhumane living conditions that they had been forced to endure.

Jake Kraus grew up on a farm in Pea Green, Colorado. Mr. Kraus was drafted into the war and served as a tank driver under the command of General Eisenhower. The capture of the Ludendorf Bridge was due in part to Mr. Kraus and his Tank Destroyer Group, which in turn, opened the first permanent gateway to Berlin. This marked the defeat of Hitler's dream and the beginning of the long-awaited liberation of the American Prisoners Of War.

Mr. Speaker, the service that Mr. Kraus gave our country will always be remembered by the soldiers whose lives he saved and by their families for the years to come. Even after putting his life on the line, Kraus insists that he did nothing heroic. But such a humble and brave individual deserves many accolades for his service to our country. It is with great admiration that I thank and congratulate Mr. Kraus for a job well done.

ON THE CELEBRATION OF JAMES N. GOLDSMITH'S SELECTION TO HEAD VETERANS OF FOREIGN WARS OF AMERICA

HON. BART STUPAK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. STUPAK. Mr. Speaker, I rise today to call attention to an important milestone in the history of our nation's oldest veterans organization.

On Aug. 24, the Veterans of Foreign Wars of the United States installed James N. Goldsmith of Lapeer, Michigan, as Commander-in-Chief. Even as I speak, veterans from around the state and across the nation are assembling in Harbor Springs, a beautiful community in my congressional district, to welcome Jim home and congratulate him on his great honor. He is the first National Commander elected from Michigan since 1943.

Jim has been active since 1967 as a member of the VFW. He served as All State Post Commander in 1974, and in 1977 he earned recognition as an All State and All American District Commander. In 1978 he was selected as Michigan's "Young Veteran of the Year," and in 1980 he became the first Vietnam veteran to be elected Department Junior Vice Commander. He earned All American status as a Department Commander, 1982–83.

He served in Vietnam as an engineer from April 1966 to August 1967. In his acceptance speech as National Commander-in-Chief, Jim made the fight against diabetes one of the key elements of his tenure, demonstrating that he will clearly articulate the concerns of Vietnam veterans. I trust that all our House colleagues are aware that diabetes is linked to Agent Orange, and that combat forces who were "in country" during the Vietnam War and now have diabetes may be eligible for monthly disability compensation benefits and VA health care.

Jim has also been back to Vietnam. While serving as Senior Vice Commander-in-Chief, he was selected to travel there as part of a presidential fact-finding committee. On an earlier trip to Vietnam and Laos as VFW Junior Vice Commander-in-Chief, he participated in field efforts to recover the remains of missing U.S. service personnel.

The effort to account for missing combat individuals from past wars will remain one of the highest priorities of the VFW under Jim Goldsmith. He has already announced a new VFW initiative called the "The VFW Reach Out for DNA Initiative" to help contact eligible donors of blood DNA.

The goal is to collect blood samples of all material relatives of World War II, the Korean War, Cold War, and Vietnam War casualties whose remains have not been recovered or identified. These samples will be sent to the Central Identification Laboratory in Hawaii to aid in such identification.

Mr. Speaker, I know that Jim Goldsmith will be a powerful spokesman for 1.9 million members of the VFW, for all our nation's veterans, for active-duty personnel and for their families. I know we will see Jim Goldsmith on Capitol Hill, speaking out in support of bills like H.R. 303, a bill that brings fairness and just compensation to military retirees who have a service-connected disability.

This weekend, as Michigan celebrates the selection of James Goldsmith to head the VFW, I ask you and our House colleagues to keep him in our thoughts and prayers, as he undertakes his vital task on behalf of all who served this nation so well.

HONORING CELIA DUNHAM ON BEING NAMED COLORADO TEACHER OF THE YEAR 2001

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. McINNIS. Mr. Speaker, I would like to congratulate Celia Dunham on being named Colorado Teacher of the Year 2001 by Wal-Mart, Sam's Club, and the Miss America Organization.

Celia Dunham, of Steamboat Springs, Colorado, teaches first grade at Strawberry Park Elementary. For her accomplishment, she will be presented $2,500 in the name of Strawberry Park, and she will be considered for the national award.

Celia has taught full-time in the Steamboat School District since 1978. She is the first to explain that she has benefited from her kids by teaching them. She told Avi Salzman of The Steamboat Pilot that "their energy goes into me," and that, "It's what keeps me young." As any good teacher acknowledges, she also realizes that "she has learned an incredible amount from her kids."

Before entering consideration for the state competition, Celia first won the local competition, which was chosen from nominees entered by local Wal-Mart customers. For that honor, she received $500 to use in her classroom. She was then entered into the statewide competition with 52 other candidates, where a panel of educational experts selected her as the winner. The contestants were chosen for their "rapport with students, student performance and teaching standards," said Wal-Mart Spokesman Rob Phillips.

Mr. Speaker, teachers provide a service vital to our Nation's youth. Celia has provided an excellent example for other teachers to follow. I would like to thank her for her dedication, and to congratulate her on being Colorado's Teacher of the Year.

HONORING CARA FISHER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 05, 2001

Mr. McINNIS. Mr. Speaker, I would like to extend my congratulations to Cara Fisher, the Director of the Cañon City Public Library History Center, for receiving the 2001 Colorado State Honor Award. Through her diligent efforts of preservation in Cañon City, Cara has contributed volumes to our historical knowledge as well as revitalizing significant portions of the city.

Cara is one of thirteen children who grew up in a large house with important historical ties. At one point, an individual threatened to tear the house down. However, the family sought to obtain a purchaser and was successful in preserving the house. Stemming from this experience, Cara gained an appreciation for preserving historical buildings and this has served as her guiding light for 17 years in Cañon City. Her particular focus is on preparing grants for substantial projects, and she has been an integral person in numerous efforts for the city.

The Colorado State Honor Award acknowledges her persistence and dedication to her passion. Cara Fisher has dedicated much of her time to ensure that our past is preserved and not compromised.

Mr. Speaker, as we progress into the future, I would like to thank Cara for all of her work and congratulate her for being honored with the 2001 Colorado State Honor Award.

HONORING WILLIAM RAIMER FOR HIS MILITARY SERVICE

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 05, 2001

Mr. McINNIS. Mr. Speaker, following the bombing of Pearl Harbor, many of our citizens dedicated their efforts to the success of our military forces. William Horace Raimer is the embodiment of service, success, and sacrifice and clearly deserves recognition from this body.

Bill Raimer was stationed on the USS Flying Fish—an SS–229 Gato Class submarine that was 311 feet long and carried a crew of 67 men led by nine officers—as a radioman. On the morning of May 29, 1945, the USS Flying Fish submerged and left Guam to an undisclosed location that was later revealed to be the Sea of Japan. The Flying Fish was traveling in a wolf pack called Hydeman's Hellcats, which were three groups of three submarines. The crew was charged with the duty, under the orders of Commander Robert D. Risser, of spending two weeks in the Sea destroying the remains of the Japanese fleet and any supply ships heading for Japan. Their path was laced with mines at various depths and different locations. As the submarine floated by mines, crewmembers could hear the anchor cables of the mines brush against the outside walls. Under attack by depth charges, the USS Flying Fish felt the shakes from the explosions, but was not destroyed. However, a companion ship—the USS Bonefish—was not so lucky and 85 men were lost at sea.

The USS Flying Fish was an integral part of the efforts to ensure the Japanese fleet did not succeed in World War II. Out of the nearly 300 submarines in that area at the time, 52 were sunk—a statistic that Bill Raimer remembers all too well. After the war, he moved to Montrose, Colorado with his brother 56 years ago. Although he was awarded numerous ribbons and medals, he is most proud of his Submariners Medal that was presented to him by Admiral Chester W. Nimitz.

Mr. Speaker, it gives me great pleasure to commend William Raimer on his service to this great Nation. His spirit of patriotism added to the success of the Allied Forces and ensured their victory in the Pacific Ocean. While 3,308 submariners never returned home from the war, William Raimer was a survivor and is able to share his story with others. I thank Bill for his dedication and extend my best wishes to him and his family in the time to come.

HONORING HOWARD AND MARY LOUISE SHAW

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 2001

Mr. McINNIS. Mr. Speaker, I would like to pay tribute to Howard and Mary Louise Shaw for their generous gift which will help to prolong and improve the lives of countless cancer patients on the Western Slope. Howard Shaw, who recently passed away, did not let the opportunity slip by to set in motion the foundations for the Shaw Cancer Center. I would like to honor this great man and also to thank and recognize his wife, Mary Louise, who continues to watch the project progress.

For years, cancer patients on the Western slope have been underserved; patients in six counties have had no option but to drive across the Continental Divide to Denver in order to receive cancer treatments. As a result, patients were left stranded from their family and friends at a time when a strong support system is most important.

Mary Louise and Howard understood this need, and they decided to do something about it. They "jump-started the project" by providing over 2/3 of the estimated cost for the 60,000 square-foot, $19 million Shaw Cancer Center, located in Vail Valley. Not only will patients be able to receive treatment closer to home, but they will have access to state-of-the art treatment. Reporter Kathy Heicher quotes Dr. Rifkin, the Director of Medical Oncology Services for the Shaw Cancer Center, as saying, "The treatment patients can get at the Shaw Cancer Center is as good as anywhere in the region. This is the opportunity of a lifetime for the patients and the people that will work there."

Mr. Speaker, thanks to Howard and Mary Louise Shaw, cancer patients in the Western Slope can receive top-notch care without sacrificing the support of friends and family. Howard's legacy has already taken hold, and his generosity will relieve many of the added burdens associated with not having local care. I would like to pay tribute to him and to Mary Louise on behalf of Congress for this invaluable gift.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, September 6, 2001 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 7

9:30 a.m.
Armed Services
Closed business meeting to continue markup on proposed legislation authorizing appropriations for fiscal year 2002 for military activities of the Department of Defense.
SR–222

Health, Education, Labor, and Pensions
Children and Families Subcommittee
To hold hearings to examine the national health crisis regarding teen and young adult suicide issues.
SD–430

Joint Economic Committee
To hold hearings to examine the employment-unemployment situation for August.
1334, Longworth Building

10 a.m.
Judiciary
To hold hearings to examine the historical opportunity for U.S.-Mexico migration discussions.
SD–106

10:30 a.m.
Commission on Security and Cooperation in Europe
To hold a joint briefing to examine research data on domestic violence and the extent to which governments, particularly law enforcement authorities, have fulfilled their responsibilities to protect individuals from such abuse, focusing on U.S. models for providing services to victims of domestic violence, including the response of faith-based communities.
2200 Rayburn Building

SEPTEMBER 10

3 p.m.
Health, Education, Labor, and Pensions
To hold hearings to examine contraceptive insurance coverage issues.
SD–430

3:30 p.m.
Environment and Public Works
Transportation, Infrastructure, and Nuclear Safety Subcommittee
To hold oversight hearings to examine the implementation of the Intelligent Transportation Systems program.
SD–406

SEPTEMBER 11

10 a.m.
Health, Education, Labor, and Pensions
To hold hearings to examine early learning as an investment for children and the future.
SR–325

Banking, Housing, and Urban Affairs
To hold hearings to examine issues relating to the failure of Superior Bank, FSB, Hinsdale, Illinois.
SD–538

10:30 a.m.
Judiciary
To hold hearings on the nomination of John P. Walters, of Michigan, to be Director of National Drug Control Policy.
SD–226

2 p.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings to examine E–911 issues.
SR–253

SEPTEMBER 12

9 a.m.
Judiciary
Immigration Subcommittee
To hold hearings to examine S. 1265, to amend the Immigration and Nationality Act to require the Attorney General to cancel the removal and adjust the status of certain aliens who were brought to the United States as children.
SD–226

9:30 a.m.
Governmental Affairs
To hold hearings to examine the security of critical governmental infrastructure.
SD–342

Banking, Housing, and Urban Affairs
To hold oversight hearings to examine the Administration's national money laundering strategy for 2001.
SD–538

Health, Education, Labor, and Pensions

Business meeting to consider S. 952, to provide collective bargaining rights for public safety officers employed by States or their political subdivisions; S. 928, to amend the Age Discrimination in Employment Act of 1967 to require, as a condition of receipt or use of Federal financial assistance, that States waive immunity to suit for certain violations of that Act, and to affirm the availability of certain suits for injunctive relief to ensure compliance with that Act; and the nomination of Brian Jones, of California, to be General Counsel, Department of Education.

SD-430

2 p.m.

Judiciary

Technology, Terrorism, and Government Information Subcommittee

To hold hearings to examine the Privacy Act of 2001, focusing on the preservation of privacy for social security numbers, health information, and commerical actions in the 21st century.

SD-226

Commission on Security and Cooperation in Europe

To hold hearings to examine U.S. policy toward the Organization for Security and Cooperation in Europe and review the implementation of OSCE human rights commitments.

SR-485

2:30 p.m.

Indian Affairs

Energy and Natural Resources

To hold joint hearings to examine legislative proposals relating to the development of energy resources on Indian and Alaska Native lands, including the generation and transmission of electricity.

SD-366

SEPTEMBER 13

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings to examine Corporate Average Fuel Economy (CAFE) Standards.

SR-253

10 a.m.

Health, Education, Labor, and Pensions

To hold hearings to examine issues concerning genetics.

SD-430

2 p.m.

Health, Education, Labor, and Pensions

Public Health Subcommittee

To hold hearings to examine human protection issues.

SD-430

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings to examine digital divide issues.

SR-253

SEPTEMBER 19

2 p.m.

Judiciary

To hold hearings on S. 702, for the relief of Gao Zhan.

SD-226

SEPTEMBER 20

10 a.m.

Health, Education, Labor, and Pensions

To hold hearings on the nomination of Eugene Scalia, of Virginia, to be Solicitor for the Department of Labor.

SD-430

2 p.m.

Health, Education, Labor, and Pensions

To hold hearings to examine the effects of the drug OxyContin.

SD-430

SEPTEMBER 25

10 a.m.

Health, Education, Labor, and Pensions

Public Health Subcommittee

To hold hearings to examine environmental health issues.

SD-430

2 p.m.

Health, Education, Labor, and Pensions

Employment, Safety and Training Subcommittee

To hold hearings to examine workplace safety for immigrant workers.

SD-430

SEPTEMBER 26

10 a.m.

Health, Education, Labor, and Pensions

Business meeting to consider pending calendar business.

SD-430

CANCELLATIONS

SEPTEMBER 19

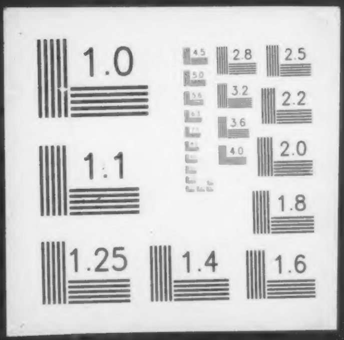
10 a.m.

Health, Education, Labor, and Pensions

Children and Families Subcommittee

To hold hearings to examine early childhood issues.

SD-430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